

Bangladesh market snapshot

| | Last closing |
|--------------------------------|--------------|
| DSEX Index | 3,960.17 |
| % change | -0.37% |
| DS30 Index | 1,321.60 |
| % change | -0.32% |
| DSES Index | 916.67 |
| % change | -0.30% |
| Turnover (BDT mn) | 1,458.33 |
| Turnover (USD mn) | 17.36 |
| % change | 196.88% |
| Market Capitalization (BDT bn) | 3,102 |
| Market Capitalization (USD bn) | 36.93 |
| % change | -0.16% |

Source: Dhaka Stock Exchange

International market snapshot

| | Last closing |
|------------------------------|--------------|
| Dow Jones Industrial Average | 19,898.92 |
| % change | -6.30% |
| Nikkei 225 | 16,552.83 |
| % change | -1.04% |
| FTSE 100 | 5,104.74 |
| % change | 0.48% |

Source: Bloomberg

Exchange rate

| Currency | BDT |
|----------|-------|
| USD | 84.95 |
| EUR | 90.86 |
| GBP | 98.92 |
| INR | 1.13 |

Source: Bangladesh Bank

Money market

| Date | Call Money Rate Range (%) | Weighted Average (%) |
|-------------|---------------------------|----------------------|
| 19-Mar-2020 | 4.25-5.50 | 5.15 |
| 18-Mar-2020 | 4.80-5.50 | 5.21 |

Source: Bangladesh Bank

Commodities

| | Price | % Change |
|----------------------------|----------|----------|
| Brent Crude (Oil), USD/bbl | 26.17 | -3.00% |
| Gold Spot, USD/t oz | 1,495.42 | -0.22% |
| Cotton, USD/lb | 51.51 | -4.04% |

Source: Bloomberg

Economy

Economy braces for soft landing: BB

The disruption in global supply chain caused by the pandemic will dampen the country's economic growth prospect by the end of this fiscal year, predicts the central bank. But slowing global economic growth, Covid-19-induced disruption in the global supply chain, is likely to dampen the growth prospect during fiscal year 2019-20, it said. Supply chain management is the management of the flow of goods and services and includes all of the process that transforms raw materials into finished products.

<https://today.thefinancialexpress.com.bd/first-page/economy-braces-for-soft-landing-bb-1584895967>

ADB keen to write a cheque of \$500m

The Asian Development Bank may provide \$500 million to Bangladesh initially as budget support in order to help the country improve its health system and assist the vulnerable groups as coronavirus is fast transmitting across the country. The amount may go up, said a number of finance ministry officials yesterday.

<https://www.thedailystar.net/business/news/adb-keen-write-cheque-500m-1884025>

Border trade at Hili, Benapole ports suspended

Border trade through the Hili and Benapole land ports remained at a standstill yesterday following the declaration of a nationwide curfew in India and lockdown of Balurghat, a city in the Indian state of West Bengal, on Saturday. The suspension of trade operations, which was taken to avoid the spread of coronavirus, will continue for the foreseeable future, according to local traders.

<https://www.thedailystar.net/business/news/border-trade-hili-benapole-ports-suspended-1884532>

Textile

Primark, other buyers cancel \$1.5bn apparel orders

The coronavirus pandemic is dealing a heavy blow to the country's top export-earning sector – the readymade garment (RMG) industry. Global buyers have thus far cancelled or suspended orders of readymade garment products worth \$1.5 billion from Bangladesh amid the coronavirus outbreak. Bangladeshi exporters said the value of cancellation or orders held up would go up further as they are getting notices to cancel orders or delay shipments every hour.

<https://tbsnews.net/coronavirus-chronicle/1089-garment-factories-face-15bn-order-cancellation-withdrawal-59737>

<https://www.newagebd.net/article/102970/rmq-export-order-cancellation-suspension-race-near-to-15b>

Bank and NBFIs

Central bank to buy T-bills, bonds from banks

The central bank will inject fresh fund through purchasing government securities directly from the banks to avert any unwanted liquidity saturation stemming from the coronavirus pandemic. As per the latest decision of the Bangladesh Bank (BB), interested commercial banks as well as non-banking financial institutions (NBFIs) may sell their excess securities after complying with the statutory liquidity ratio (SLR), officials said. The central bank issued a circular in this connection on Sunday and asked the managing directors (MDs) and chief executive officers (CEOs) to communicate with its department concerned, if necessary.

<https://today.thefinancialexpress.com.bd/first-page/central-bank-to-buy-t-bills-bonds-from-banks-1584896348>

Bank branches must be kept fully functional

Branches of all scheduled banks must be kept fully functional to facilitate uninterrupted financial transactions during the outbreak of coronavirus, said Bangladesh Bank officials. On Sunday, the central bank issued a circular to the banks, asking them to ensure adequate cash supply in their branches even in the areas where a lockdown was announced or would be declared. In such cases, the banks have been instructed to take assistances of the local administration and law enforcing agencies if locked down is announced.

<https://www.newagebd.net/article/102971/bank-branches-must-be-kept-fully-functional>

Capital Market

Delta Hospital's share bidding begins

Electronic bidding process to determine the cut-off price of Delta Hospital Limited shares began on Sunday. The bidding began at 5pm under the book building method of initial public offering (IPO) will continue for the next 72 hours. Eligible investors intending to participate in the bidding must meet a minimum investment criterion of the regulator. The Bangladesh Securities and Exchange Commission (BSEC) last month allowed the company to explore its cut-off price.

<https://www.dhakatribune.com/business/stock/2020/03/22/delta-hospital-s-share-bidding-begins>

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Expected absolute returns are calculated as the percentage of difference between our target price and latest close price. Stock recommendations are based on absolute upside (downside) and have a 12-month horizon. Please note that future price fluctuations could lead to a temporary mismatch between upside/downside for a stock and our recommendation.

| Recommendation Type | Holding period (if not otherwise mentioned) | Absolute Return Potential |
|---------------------|---|---------------------------|
| Buy | 12 Months | More than +15% |
| Neutral/ Hold | 12 Months | Between +15 % and -5 % |
| Underweight | 12 Months | Less than -5 % |

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