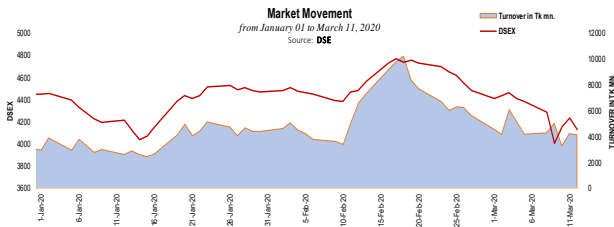


DSEX record highest single day fall last week

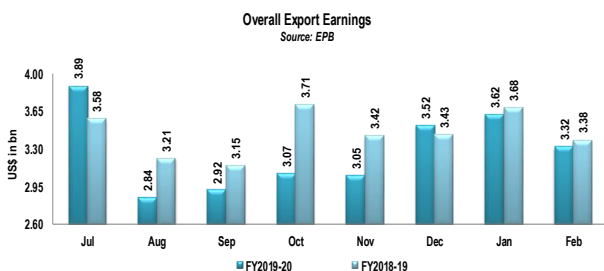
DSEX, the key index of Dhaka Stock Exchange (DSE), observed the largest single-day fall last week since its introduction on 27 January, 2013. The index plummeted by 279.32 points or 6.51% on March 9, 2020 breaking the previous record fall of 207.29 points on March 3, 2013. The concern over the global pandemic Coronavirus sprouted further last week, leading to the panic among investors not only in Bangladesh but worldwide. Bangladesh stock market lost 350.27 points or 7.82% in broad index and Tk216.21b in market capitalization within just ten sessions so far during this month.



The overall macro-economic outlook has been bleak due to the ailing condition in financial sector, the negative growth in export and sluggish investment activity, as indicated by shrinking private sector credit growth. On top of that, the outbreak of the epidemic globally stirred added-pessimism in the economy, denting public confidence further. Analysis by different international research bodies found that the supply chain of Bangladesh is significantly susceptible to the pandemic.

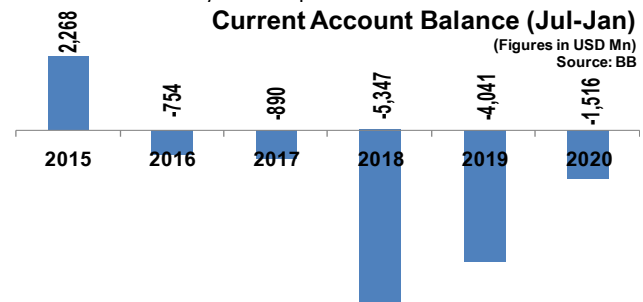
Export pass through a rough patch

Export receipts registered 4.85% (Y-o-Y) negative growth to US\$26.23b in the first eight months (Jul-Feb) of FY2019-20 on the backdrop of sluggish apparel sector performance, according to the statistics of Export Promotion Bureau (EPB). The overall performance fell 12.72% short of the US\$30.06b target set for the period. Exporters fetched only US\$3.32b in February last, down by 1.87% (Y-o-Y) from US\$3.38b in the same month of the previous fiscal year, as revealed by statistics. Ready-Made Garment (RMG) shipment edged down by 5.53% (Y-o-Y) to US\$21.84b during the period; of which knitwear and woven garment exporters bagged US\$10.89b and US\$10.94b respectively, according to EPB. Export earnings from leather & leather goods and frozen & live fish also dropped by 9.04% and 4.39% to US\$631.89m and US\$376.73m respectively in the eight months. Meanwhile, export earnings from jute and jute goods grew by 24.45% to US\$697.63m, EPB reported. The exporters attributed the lackluster export performance in apparel sector to the increasing production cost against the dwindling selling price in the international market and the reduction of orders from large buyers due to global economic slowdown.



Current account deficit falls by 62.38% in Jul-Jan

Current account deficit under the Balance of Payments (BoP) account squeezed to US\$1.52b in the Jul-Jan period of FY2019-20 from US\$4.04b in the same period of the last fiscal year mainly for sluggish imports and robust inward remittance. According to the release of Bangladesh Bank (BB), trade deficit narrowed by 2.33% (Y-o-Y) or US\$230m to US\$9.64b at the end of the period. During this time, export receipts fell by 5.31% (Y-o-Y) to US\$22.36b and import bills squeezed by 4.43% (Y-o-Y) to US\$32b. However, inward remittance soared by 21.48% (Y-o-Y) to US\$11.05b in the period and contributed to narrow the current account deficit. The statistics also showed that financial account registered a modest surplus of US\$2.15b in the period as against a surplus of US\$3.67b in the same period of the last fiscal year. At the end of the period, the overall balance of BoP registered a surplus of US\$132m as against a deficit of US\$975m in the same period of last year. Economists opined that trade deficit might shrink further in the upcoming months as the coronavirus outbreak has already taken a pandemic form.



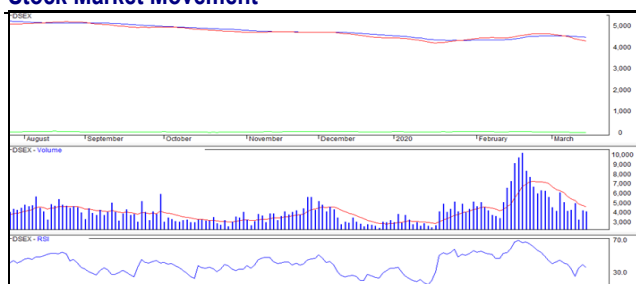
Loan write-offs decline to a five-year low

Volume of written-off loans in the banking sector dropped by 19.03% (Y-o-Y) in 2019 as banks extended relaxed rescheduling facility to dress-up their financial positions. As per figures of the Bangladesh Bank (BB), a total of Tk25.97b in toxic loans was written-off in 2019. In the last year, the banks regularized defaulted loans of Tk501.86b, the highest for a single year, while Tk185.84b was regularized under the latest relaxed policy of BB. Under the generous policy, BB allowed defaulters to reschedule classified loans by making a down payment of only 2% of their outstanding amount instead of the previous 10%-50%. So far, the banks wrote-off default loans of Tk560.16b since the writing-off facility was introduced in January 2003 whereas 79% of the total written-off loans still remain outstanding. Economists have opined that bankers have avoided loan write-off with the aid of loans rescheduling facility as the banks have to maintain 100% provisioning against the written-off loans that ultimately squeeze the profitability of the banks.

Government bank borrowing continues to rise

Government borrowing from the local banking system reached Tk521.37b in the first eight months of FY2019-20, up by 10.08% from the entire fiscal year target of Tk473.64b. According to the latest statistics of Bangladesh Bank (BB), government borrowed a fresh amount of Tk21.54b in February 2020 while government net borrowing from the banking sector stood at over Tk1.60 trillion at the end of February. A massive revenue shortfall of Tk374.97b in the first seven months of the fiscal year left the government in a tight situation. Moreover, net sales of National Savings Certificates (NSCs) stood at Tk76.73b in the July-Jan period, only 28.42% of the fiscal target. Bankers opined that banks preferred to invest in Treasury bills as interest rate on this instrument went up to 9% due to the borrowing pressure.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	2,711.02	2,972.37	-8.79
FTSE 100	5,366.11	6,462.55	-16.97
Nikkei 225	17,431.05	20,749.75	-15.99
SENSEX	34,103.48	37,576.62	-9.24
KSE 100	36,060.88	38,219.67	-5.65

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	4,129.96	4,384.48	-5.81
Total Turnover, Tk	20,885,475,958.00	24,107,875,833.00	-13.37
Market Capital, Tk	2,629,814,509,140	2,781,740,762,844	-5.46
No of Issue Gain	25	97	
No of Issue Loss	326	237	
No of Unchanged Issues	7	24	

Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Kohinoor Chemicals	421.40	517.40	22.78	222,124,000
International Leasing	3.40	4.00	17.65	69,588,000
Apex Spinning	115.90	134.80	16.31	111,277,000
Sea Pearl	71.60	80.20	12.01	286,517,000
Monno Ceramic	114.30	122.50	7.17	389,355,000
Orion Pharma Ltd.	42.40	44.90	5.90	464,045,000
Apex Foods Limited	125.40	131.40	4.78	75,716,000
ACI Limited.	181.90	189.90	4.40	30,356,000
IBBL M P Bond	934.50	970.00	3.80	1,239,000
Beacon Pharma	63.20	65.10	3.01	420,833,000

Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Central Pharma	16.70	13.10	-21.56	195,769,000
Saiham Textile Mills	32.50	26.30	-19.08	82,411,000
Progressive Life Ins	140.60	114.00	-18.92	107,300,000
Standard Ceramic	412.60	337.00	-18.32	111,412,000
Mithun Knitting	8.50	7.00	-17.65	1,508,000
GBB Power Limited	16.00	13.20	-17.50	62,376,000
VFS Thread Dyeing	29.30	24.20	-17.41	386,141,000
Delta Spinners Ltd.	4.60	3.80	-17.39	7,318,000
Intraco Refueling	16.50	13.80	-16.36	99,397,000
Delta Brac Housing	114.70	96.00	-16.30	31,479,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	314.45	333.93	-5.83	1,363.30	1,134.00	20.22
Cement	231.68	252.61	-8.29	655.11	808.86	-19.01
Ceramic	521.92	537.92	-2.97	531.06	321.25	65.31
Engineering	1,774.46	1,951.57	-9.08	2,840.28	3,262.71	-12.95
Food & Al.	3,205.23	3,298.08	-2.82	840.66	1,008.59	-16.65
Fuel & Pow.	3,320.19	3,505.04	-5.27	1,621.18	1,803.74	-10.12
Insurance	1,369.44	1,501.43	-8.79	840.25	1,009.97	-16.80
IT	318.51	348.25	-8.54	512.71	872.35	-41.23
Jute	1,041.87	1,156.43	-9.91	180.09	220.23	-18.23
Misc.	1,058.82	1,123.68	-5.77	967.33	1,223.83	-20.96
Mutual Fund	380.22	405.30	-6.19	353.03	475.71	-25.79
NBFI	836.14	884.90	-5.51	494.19	558.11	-11.45
Paper	6,900.58	7,599.26	-9.19	552.75	471.49	17.23
Pharma	1,049.52	1,075.32	-2.40	4,411.55	4,913.02	-10.21
Service	873.91	951.47	-8.15	101.52	134.26	-24.39
Tannery	616.89	661.56	-6.75	399.63	374.43	6.73
Telecom	2,296.48	2,447.89	-6.19	555.25	475.80	16.70
Textile	1,092.46	1,210.40	-9.74	2,382.89	4,061.01	-41.32
Travel & Leis	583.65	591.75	-1.37	384.70	371.54	3.54

Technical Talk

Dhaka stocks hobbled for third straight week ended on Thursday amid growing tension over the impacts of coronavirus pandemic. Panicked investors lost confidence in the market whereas the global stock markets also bore the brunt. Moreover, the global macroeconomic slowdown due to supply chain disruption caused heavy damage in our domestic trade activities, fueling panic-driven selloffs throughout the week. All sectors in DSE posted decline at the end of week. Among the major sectors, Textile decreased by 9.74% over the week followed by Engineering 9.08%, Insurance 8.79%, Cement 8.29%, Telecom 6.19%, Bank 5.83%, NBFI 5.51% and Fuel & Power 5.27%.

DSE Broad Index (DSEX) reached 4,129.96 points decreased by 254.52 points or 5.81% from the previous week. Total turnover reached at Tk20,885.48m which was 13.37% lower than the previous week. Market capitalization decreased by 5.46% and stood at Tk2,629.81b (\$30.98b) at the weekend against Tk2,781.74b. DSE 30 decreased by 80.66 points or 5.52% and closed at 1,381.59 points against 1,462.25 points. Last week's weighted average Market PE was 10.96 which was 11.60 previous week.

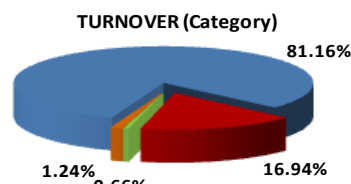
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Square Pharma	3,519,463	632,923,000	3.03
Orion Pharma Ltd.	11,590,506	464,045,000	2.22
Orion Infusion Ltd.	5,778,263	436,148,000	2.09
LafargeHolcim	11,294,406	435,150,000	2.08
Grameenphone Ltd.	1,712,610	434,763,000	2.08
Beacon Pharma	6,630,970	420,833,000	2.01

Top 10 Market Capital

	In million		
GP	334,874	Berger Paint	62,360
BATBC	173,196	ICB	56,100
Square Pharma	162,420	Marico	51,052
United Power	122,421	LafargeHolcim	43,668
RENATA	84,764	Brac Bank	42,181

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,589.30	1,673.50	-5.03
Silver (USD/t oz.)	15.96	17.29	-7.66
Brent Crude Oil (USD/bbl.)	33.22	45.53	-27.04

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.90	84.95	84.90	84.95	0.00	0.00
EUR	94.78	94.83	96.31	96.36	-1.59	-1.59
GBP	104.46	104.52	111.09	111.15	-5.97	-5.97
AUD	52.78	52.81	56.73	56.77	-6.96	-6.96
JPY	0.79	0.80	0.81	0.81	-2.42	-2.42
CAD	61.83	61.87	63.57	63.60	-2.72	-2.72
SAR	22.73	22.75	22.74	22.75	-0.03	-0.03

Based on Standard Chartered selling rates to public in Taka. Notes: USD-US Dollar, GBP-Great Britain Pound, AUD-Australian Dollar, JPY- Japanese Yen, CAD-Canadian Dollar, SAR-Saudi Riyal.

Last Public Offerings

Company	Subscription Period	Offer Price	IPO (M.Tk)
N/A			