

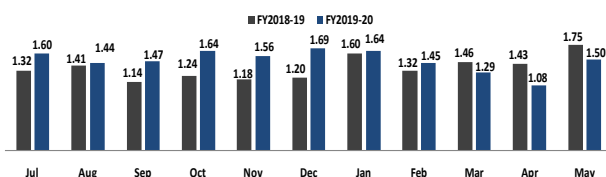
**Bourses resume trading after marathon shutdown**

After a 66-day long shutdown since March 25, 2020, the twin bourses restarted market operations on May 31 with safety measures in the midst of the deadly Coronavirus pandemic. Earlier, the capital market regulator suspended the trading and settlement activities of the bourses in line with the government decision. However, trading hours is reduced to three hours instead of regular four hours. Investors showed enthusiasm in the opening session of the bourses though the momentum did not continue in the rest of the sessions of the first week. In the week, DSEX of the Dhaka bourse closed at 3,953.39 points, down by 54.90 points or 1.37% from the previous trading week closed on March 25. Average turnover stood at Tk1.38b on the premier bourse as participation of investors was not up to the mark. Moreover, fixed floor price prevented many investors from selling shares. Earlier, the Bangladesh Securities and Exchange Commission (BSEC) set the floor price on May 19 for all stocks on the basis of average price of last five days to stop the freefall of the market amid the escalating uncertainty. However, the appointment of new bosses at the BSEC relieved the general investors a bit. Experts opined that the floor price indeed reduced the liquidity of the market but at the same time it gave some psychological relief for investors especially who bought shares on margin as a majority of the listed scrips might suffer a panic sale. Moreover, the expected earnings and dividend declarations of listed companies might dishearten the investors as those have not been able to do business in the last two and a half months. On the other hand, BB limited the dividend declaration of banks to maximum 30% (15% cash and 15% stocks) where all the scheduled banks will not be allowed to disburse any cash dividend before September 30, 2020. Experts added that the floor price should be withdrawn gradually.

**May inward remittance drops by 14.04% (Y-o-Y)**

Inward remittance slipped by 14.04% (Y-o-Y) in May 2020 as Coronavirus pandemic in most parts of the world engulfed the global economy. According to the latest statistics of Bangladesh Bank (BB), Bangladeshi expatriates remitted US\$1.50b in May, lower by US\$245m from the same month a year ago. However, inward remittance increased by 37.61% in May from US\$1.09b in the previous month (April) as expatriates remitted money ahead of Eid-ul-Fitr despite intense financial hardship reeling from the pandemic. In the first eleven months (July-May) of FY2019-20, remittance inflow stood at US\$16.36b, registering a growth of 8.70% (Y-o-Y). To boost the remittance, BB relaxed the conditions for incentives on remittance. Now expatriates can avail a 2% incentive without showing any paper for up Tk0.5m as against the previous ceiling of Tk0.15m. Earlier, the government announced a scheme for the remitters in the National Budget for FY2019-20 with an allocation of Tk30.6b to encourage remittance through legal channels. Economists cautioned that the remittance inflows might go down in the coming months as a consequence of the Covid-19. Moreover, fall in oil prices might aggravate the situation as eight countries in the Middle East started the process of deporting illegal expatriate Bangladeshis.

Remittance (Figures in USD Bn)



**RMG exports plummets by 62.28% in May 2020**

Export receipts from the Readymade Garments (RMG) sector plunged by 62.28% (Y-o-Y) to US\$1.06b in May 2020 from US\$2.81b in May 2019 as the global demand for apparels hit hard by the ongoing Coronavirus pandemic. As per the disclosures of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), RMG export earnings drastically fell by 85.25% (Y-o-Y) to US\$0.37b in April because of the suspension of production as a result of the shutdown. In March, apparel exports slipped by 21.05% (Y-o-Y) to US\$2.25b mainly for the cancellation of orders by the international buyers. The BGMEA president revealed that Bangladesh faced 2% fall in export to the US market while Vietnam, the most competitive country of Bangladesh, exported more up to 7% in the pandemic. Moreover, the unit price of apparels fell by 0.90% in the US market and 1.87% in the EU market. According to the BGEMA, buyers from the US and the EU cancelled or held up their orders of US\$499m and US\$1.55b respectively due to the Covid-19 pandemic. Consequently, the RMG sector appears to be facing a massive shortfall in meeting its target of exporting US\$38.2b of apparel products in the FY2019-20.

**Current account deficit squeezes by 37.13% in July-March**

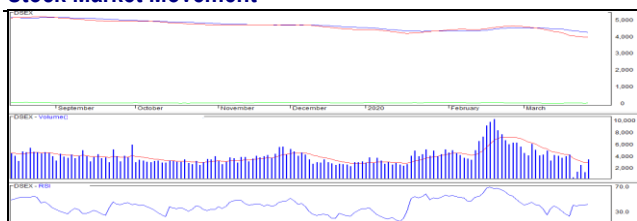
Current account deficit under the Balance of Payments (BoP) account shrank by 37.13% (Y-o-Y) to US\$2.64b in the July-March period of FY2019-20 on the back of economic downturn reeling from the deadly Covid-19. According to the statistics of Bangladesh Bank (BB), trade deficit narrowed by 1% (Y-o-Y) to US\$12.07b at the end of the period owing to the contraction of both exports and imports. During the period, export receipts fell by 6.34% (Y-o-Y) to US\$28.25b and import bills squeezed by 4.81% (Y-o-Y) to US\$40.33b. However, inward remittance rose by 16.15% (Y-o-Y) to US\$13.78b in the period and contributed to narrow the current account deficit. At the end of the period, the overall balance of BoP registered a surplus of US\$345m as against a deficit of US\$326m in the same period of last fiscal year. Economists have cautioned that the current account deficit might increase alarmingly in last quarter as the inflows from export and remittance are most likely to bear the brunt of global financial meltdown. The experts have urged the central bank and the government to tackle the situation with utmost care as there is no ray of hope until the global economy bounces back.

**Revenue shortfall mounts to Tk620b in July-April**

Revenue collections by the National Board of Revenue (NBR) fell short of the revised target by Tk620b or 26.29% in July-April period of the FY2019-20 as a consequence of the economic slowdown. In April, the NBR faced a Tk87.89b shortfall against its revised target. As per the provisional figures, the NBR collected Tk1,737.97b in the period as against the revised target of Tk2,357.96b. The statistics showed that revenue earnings registered only 0.64% (Y-o-Y) growth during the first ten months of the fiscal year. In the period, income tax wing lagged behind by 30.25% as against the revised target while the rest two wings-Customs and Value-added Tax (VAT) also fell short of target by 28.58% and 20.76% respectively. As per the projections of the NBR, tax collection might register negative growth in the ongoing fiscal as against the previous one for the first time after independence. As per the NBR, the volume of shortfall would cross Tk800b-mark by the end of FY2019-20 as it would be next to impossible for the taxmen to collect the highly ambitious target in the remaining two months in continuation of the pandemic.

The week's data runs 25 March 2020 to 04 June 2020

## Stock Market Movement



### Global Markets

		This Week	Last Week	+/- %
S&P 500	↑	3,193.93	2,541.47	25.67
FTSE 100	↑	6,484.30	5,510.33	17.68
Nikkei 225	↑	22,863.73	19,389.43	17.92
SENSEX	↑	34,287.24	29,815.59	15.00
KSE 100	↑	34,326.95	28,109.57	22.12

### DSE Indicators

		This Week	Last Week	+/- %
DSE Broad Index		3,961.51	4,008.29	-1.17
Total Turnover, Tk	↓	6,919,099,087.10	8,878,152,000.00	-22.07
Market Capital, Tk	↓	3,099,663,684,499	3,122,353,710,000	-0.73
No of Issue Gain		26	140	
No of Issue Loss		100	196	
No of Unchanged Issues		232	22	

### Top Gainers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Beximco Synthetics	3.20	4.90	53.13	6,443,000
Phoenix Fin 1st MF	7.00	7.90	12.86	28,344,000
Phoenix Finance	22.90	25.00	9.17	106,000
Paramount Ins.	36.30	39.00	7.44	27,395,000
Indo-Bangla Pharma	19.20	20.30	5.73	163,539,000
Shinepukur Cer.	8.00	8.40	5.00	3,599,000
Dacca Dyeing	3.10	3.20	3.23	740,000
Meghna Cement	72.70	74.90	3.03	5,000
BEXIMCO	13.00	13.30	2.31	209,693,000
ACI Formulation	108.90	111.10	2.02	39,007,000

### Top Losers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Mercantile Bank	12.70	10.60	-16.54	31,781,000
AB Bank	8.00	6.70	-16.25	2,201,000
Bangladesh Welding	16.70	14.20	-14.97	1,574,000
Central Pharma	14.10	12.10	-14.18	138,751,000
Alltex Industries	7.80	6.90	-11.54	477,000
Standard Bank	8.80	7.90	-10.23	6,053,000
Uttara Bank	26.20	23.70	-9.54	33,848,000
Exim Bank	9.60	8.80	-8.33	81,024,000
Premier Bank	10.70	9.90	-7.48	30,727,000
One Bank Ltd.	9.40	8.70	-7.45	7,063,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	308.60	316.21	-2.41	466.38	980.26	-52.42
Cement	218.80	223.81	-2.24	10.79	164.76	-93.45
Ceramic	499.24	505.27	-1.19	122.89	432.81	-71.61
Engineering	1,675.16	1,678.66	-0.21	62.66	511.25	-87.74
Food & Al.	3,013.60	3,014.02	-0.01	57.17	153.82	-62.84
Fuel & Pow.	3,190.90	3,200.66	-0.30	350.88	513.35	-31.65
Insurance	1,299.20	1,315.80	-1.26	84.97	150.32	-43.48
IT	303.96	304.41	-0.15	9.27	93.55	-90.10
Jute	952.20	951.64	0.06	1.04	16.07	-93.52
Misc.	1,019.31	1,016.95	0.23	238.09	155.39	53.22
Mutual Fund	365.33	365.26	0.02	78.59	80.68	-2.59
NBFI	788.52	788.91	-0.05	25.46	116.68	-78.18
Paper	6,412.29	6,412.29	0.00	13.69	12.15	12.62
Pharma	1,011.21	1,013.39	-0.22	2,349.10	1,373.61	71.02
Service	819.64	820.35	-0.09	4.99	16.94	-70.55
Tannery	588.39	588.86	-0.08	4.60	175.38	-97.38
Telecom	2,211.21	2,210.73	0.02	477.25	152.13	213.70
Textile	1,018.65	1,021.44	-0.27	60.05	138.28	-56.57
Travel & Leis	570.71	574.09	-0.59	0.61	8.59	-92.90

## Technical Talk

Dhaka stocks observed a lifeless week, the first week after two months break, ending negative on Thursday last with 22.07% drop in total turnover. Investors remained on the sidelines leading the market to witness 13-year lowest turnover. Among the major sectors, Engineering decreased by 2.20% over the week followed by Fuel & Power 1.24%, Insurance 0.75% and Textile 0.25%.

DSE Broad Index (DSEX) reached 3,961.51 points decreased by 46.77 points or 1.17% from the previous week. Total turnover reached at Tk6,919.01m which was 22.07% lower than the previous week. Market capitalization decreased by 0.73% and stood at Tk3,099.66b (\$36.51b) at the weekend against Tk3,122.35b. DSE 30 decreased by 9.34 points or 0.70% and closed at 1,321.49 points against 1,330.83 points. Last week's weighted average Market PE was 10.50 which was 10.58 previous week.

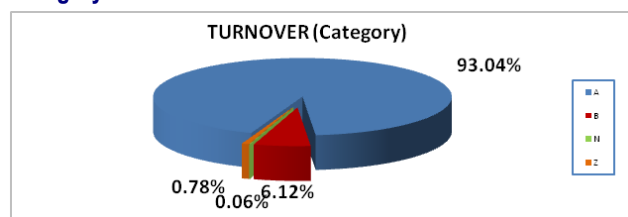
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
BEXIMCO	14,898,352	209,693,000	3.03
BD. Submarine Cable	1,246,915	98,884,000	1.43
Beximco Pharma	6,248,352	423,922,000	6.13
Central Pharma	9,851,937	138,751,000	2.01
GP	1,552,473	378,367,000	5.47
Indo-Bangla Pharma	7,743,881	163,539,000	2.36

### Top 10 Market Capital

Company	Volume	Value (Tk)	% of total
GP	322,722	Berger Paint	60,690
BATBC	163,368	ICB	52,493
Square Pharma	155,825	Marico	49,219
United Power	116,044	LafargeHolcim	41,693
RENATA	82,839	Brac Bank	42,296

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,679.50	1,630.60	3.00
Silver (USD/t oz.)	17.47	14.49	20.57
Brent Crude Oil (USD/bbl.)	42.00	24.95	68.34

### 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	97.75	97.81	92.30	92.36	5.90	5.90
GBP	109.70	109.77	100.59	100.64	9.06	9.06
AUD	59.47	59.51	51.03	51.06	16.54	16.54
JPY	0.78	0.78	0.77	0.77	1.27	1.27
CAD	63.56	63.60	59.31	59.35	7.16	7.16
SAR	22.74	22.75	22.72	22.74	0.05	0.05

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			