

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Bourses to remain closed next week

- The office of the Bangladesh Securities and Exchange Commission (BSEC) will remain closed over the next week, so will the bourses. The government declared on Monday that the entire upcoming week will be public holidays to curb the spread of novel coronavirus. The Dhaka Stock Exchange is planning to hold a meeting of its board of directors on Tuesday to decide and declare the emergency public holiday.
- After the weekly holidays of April 3 and 4, markets will open on April 5. Prior to the public holidays, markets will remain open for two days -- March 24 and 25.

<https://tbsnews.net/economy/stock/bourses-remain-closed-next-week-60079>

Bangladesh Bank cuts policy rates to inject more cash into market

- The central bank yesterday made funds cheaper for banks by reducing the policy or repurchase agreement rate (Repo) by 25% basis points to 5.75% in order to help banks tackle the impending financial recession stemming from the coronavirus pandemic. Besides, the regulator of the banking sector also cut banks' cash reserve ratio (CRR) by 50 basis points to 5%, a move that would inject about BDT 65 billion into the economy, said a central bank official, who has a direct link with the matter. The new CRR would take effect from April 1, while the lower repo rate would be effective from today.
- The measures are rather inadequate given the enormity of the destruction that novel, pneumonia-like virus is leaving in its wake, said an executive director of the Policy Research Institute. The BB should have cut the policy rate by at least 200 basis points and brought down the Statutory Liquidity Ratio (SLR) too, he said. Although the central bank said it would purchase T-bills and bonds to inject liquid fund into the market, many lenders will not do so as they are enjoying a good interest rate from the securities ranging from 7.10-9.10%. Had the central bank cut the SLR rate, banks would have been forced to sell their securities, which could have helped the private sector. The central bank should have also reduced the reference rate, which is used to provide fund from the refinance schemes of the central bank. The reference rate should have been slashed by at least 250 basis points. At present, it is 5%.

<https://www.thedailystar.net/business/news/bb-doing-its-part-it-enough-1885027>
<https://www.newagebd.net/article/103041/bangladesh-bank-cuts-policy-rates-to-inject-more-cash-into-market>
<https://www.dhakatribune.com/business/banks/2020/03/24/bb-slashes-repo-crr-rates-to-stimulate-economy>

Bangladesh Bank takes more steps

- Bangladesh Bank yesterday issued four notices centering the ongoing global pandemic, including one instructing banks to accept advance payments of up to USD 500,000 from businesses seeking to import COVID-19-related lifesaving drugs and essential medical items, including kits and equipment. Global drug companies are now refusing to export such items if the payments are not made in advance, said a central bank official. That is why the central bank eased the rules, which will be applicable until September 30 this year. Importers are usually allowed to make advanced payments of a maximum of USD 10,000 for the import of general items, including raw materials meant for industrial purposes and consumer goods.
- In the second notice, the central bank increased from six months to one year the timeframe within which businesses are to make import payments. This instruction will also be applicable until September 30.
- In the third notice, the central bank instructed banks to organize meetings of their respective board of directors through video conference with a view to tackling the community transmission of coronavirus. Every director who attends board meetings through video conference will get their required honorarium.
- In the last notice, the central banks asked banks to suspend any training programmes in which the number of participating officials is more than 10.

<https://www.thedailystar.net/business/news/bb-takes-more-steps-1885018>

Government declares 10-day holiday from Mar 26

- To prevent the spread of COVID-19, the government announced on Monday a 10-point instruction, including general holiday for both public and private offices from March 26 to April 04. However, the holidays will not be applicable for the government offices which deal with emergency services like fire-fighting, healthcare and law enforcement.

- Considering the needs of the people, banking services have also been limited and the banking regulator--Bangladesh Bank--will give necessary directives in this regard. The armed forces will be deployed in all districts to assist the civil administration from March 24 (today) until further instruction. District magistrate will place their requisition to the nearby posted army commander. The government imposed a ban on all kinds of social, religious and political gatherings to curb the spread of COVID-19 that has already claimed three lives here.

<https://today.thefinancialexpress.com.bd/first-page/govt-declares-10-day-holiday-from-mar-26-1584984335>
<https://www.thedailystar.net/frontpage/news/fighting-coronavirus-govt-shuts-down-offices-10-days-1884928>

Walton to receive premium worth BDT 973.12 million

- Walton Hi-Tech Industries will receive an aggregate amount of premium worth BDT 973.12 million from eligible and general investors offloading above 2.75 million shares of ten taka each. The company is going to receive such amount of premium offering only 0.91% shares as eligible investors (EIs) quoted prices up to BDT 765 per share.
- Under the book building method, the stock exchanges have already conducted price bidding required to allot 50% shares to the EIs before floating IPO. After the bidding, the cut-off price has been fixed at BDT 315 each and the value of the shares allotted to EIs stood at above BDT 609.65 million, of which premium worth BDT above 595.86 million will come from over 1.37 million shares. Under the book building method, another 50% shares will also be issued to general investors including the non-resident Bangladeshis (NRBs) through IPO at 10% discount on the cut-off price. So, above 1.37 million shares will be issued through IPO at a price of BDT 283.50 each. In that case, the allotted value of the shares to be issued to general investors and NRBs will stand at above BDT 391.05 million, of which above BDT 377.25 million will be the premium. As a result, the amount of total premium that will be received by Walton Hi-Tech Industries will stand at BDT 973.12 million for above 2.75 million shares of BDT 10 each.
- The company will raise a capital worth BDT 1.0 billion using the book building method to expand business and repay bank loans. According to the financial statement for the year ended on June 30, 2019, the company's weighted average earnings per share were BDT 28.42 and net asset value per share was BDT 243.16 after revaluation. The net asset value per share was BDT 138.53 before revaluation.

<https://today.thefinancialexpress.com.bd/stock-corporate/walton-to-receive-premium-worth-BDT-97312-million-1584979370>

Unilever to buy 82% stake of GlaxoSmithKline BD

- Unilever Overseas Holdings B.V (Unilever) will buy 9,875,144 shares or 82% stakes in GlaxoSmithKline's health food and drinks business in Bangladesh for BDT 16.4 billion. General and institutional investors own the rest 18% shares in the GSK Bangladesh, a listed company, according to a disclosure posted yesterday on the Dhaka Stock Exchange (DSE) website. Each share of the GSK Bangladesh, which was listed on the DSE in 1976, closed at BDT 2046.30 each on Monday.

<https://www.dhakatribune.com/business/2020/03/23/unilever-to-buy-82-stake-of-glaxosmithkline-bd>

Visa cardholders can now load up bKash wallets

- Customers of mobile financial service provider bKash will be able to load their wallets by way of their Visa debit or credit cards, in a development that will give further momentum to propagating cashless transactions in Bangladesh. The service comes in the thick of the coronavirus outbreak. The central bank also asked banks to accelerate online services so that customers need not visit branches in person to carry out banking.
- Customers can pay for a wide range of service through bKash: mobile recharge, money transfer, payment at point-of-sales terminal, pay utility bills, buy tickets, pay insurance, and so on. With the large number of Visa and bKash users, this service will make digital payments simple and seamless for people across the country, the group country manager of Visa for India and South Asia said. Eastern Bank is providing technological support for this integration between Visa and bKash.

<https://www.thedailystar.net/business/news/visa-cardholders-can-now-load-bkash-wallets-1885009>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$24.13	+0.77	+3.30%
Crude Oil (Brent)*	\$27.65	+0.62	+2.29%
Gold Spot*	\$1,572.66	+19.43	+1.25%
DSEX	3,984.75	+24.58	+0.62%
Dow Jones Industrial Average	18,591.93	-582.05	-3.04%
FTSE 100	4,993.89	-196.89	-3.79%
Nikkei 225	17,913.08	+1,025.30	+6.07%
BSE SENSEX	27,055.99	+1,074.75	+4.14%

Exchange Rates**USD 1 = BDT 84.78*****GBP 1 = BDT 98.56*****EUR 1 = BDT 91.59*****INR 1 = BDT 1.11***

**Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*

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