

Daily Market Update

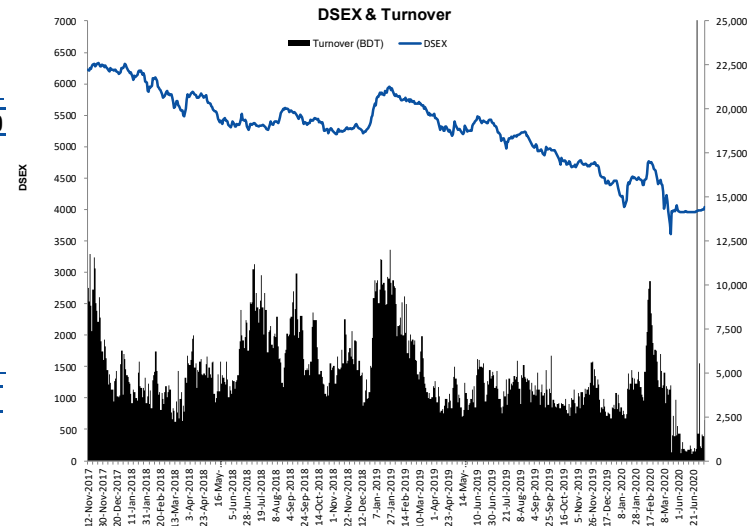
The market closed in green today. The benchmark index DSEX (+0.82%) gained 32.84 points and closed at 4,034.65 points. The blue chip index DS30 (+0.82%), the Shariah-based index DSES (+0.52%), and the large cap index CDSET (+0.65%) all closed in green. All the large cap sectors showed positive performance today. Banks showed the highest gain of 1.31% followed by Power (+0.51%), Pharmaceuticals (+0.29%), NBFIs (+0.14%), Engineering (+0.03%), Telecommunication (+0.03%), and Food & Allied (+0.01%). Turnover stood at BDT 2.3 billion (USD 27.2 million). Block trade contributed 12.4% of total turnover. Beximco Pharmaceuticals (+1.9%) was the most traded share with a turnover of BDT 171.0 million.

Sector Index	Closing	Opening	Δ(Pts)	Δ%	No. of Cos	Sectoral Mcap (mn BDT)	% of Total Mcap	Sectoral Turnover (mn BDT)	% of Total Turnover
Banks	1,124.72	1,110.19	14.53	1.31%	30	458,436.9	17.81%	335.4	16.58%
NBFIs	1,362.44	1,360.50	1.94	0.14%	23	125,956.9	4.89%	48.6	2.40%
Mutual Funds	571.09	568.63	2.45	0.43%	37	29,678.5	1.15%	67.8	3.35%
General Insurance	1,650.00	1,605.00	45.01	2.80%	35	44,580.1	1.73%	246.8	12.20%
Life Insurance	1,816.38	1,778.50	37.88	2.13%	12	50,643.3	1.97%	86.4	4.27%
Telecommunication	3,346.73	3,345.58	1.15	0.03%	2	336,369.7	13.07%	52.8	2.61%
Pharmaceuticals	2,473.64	2,466.55	7.08	0.29%	32	466,281.4	18.12%	754.6	37.30%
Fuel & Power	1,432.41	1,425.12	7.29	0.51%	19	355,092.4	13.80%	141.6	7.00%
Cement	1,182.29	1,182.07	0.22	0.02%	7	71,901.5	2.79%	.4	0.02%
Services & Real Estate	949.76	949.76	0.00	0.00%	8	37,919.1	1.47%	2.0	0.10%
Engineering	2,024.48	2,023.92	0.56	0.03%	39	131,366.3	5.10%	44.5	2.20%
Food & Allied	11,280.92	11,279.24	1.68	0.01%	17	208,320.5	8.09%	31.5	1.56%
IT	1,770.74	1,766.27	4.47	0.25%	9	19,577.7	0.76%	21.7	1.07%
Textiles	950.07	950.21	-0.13	-0.01%	56	95,893.4	3.73%	52.4	2.59%
Paper & Printing	5,034.65	5,034.65	0.00	0.00%	3	9,625.8	0.37%	1.1	0.06%
Tannery	1,667.26	1,667.26	0.00	0.00%	6	17,849.2	0.69%	.2	0.01%
Jute	8,050.02	8,054.93	-4.91	-0.06%	3	1,779.1	0.07%	5.5	0.27%
Ceramics	389.73	389.73	0.00	0.00%	5	19,760.8	0.77%	2.4	0.12%
Miscellaneous	1,668.36	1,662.89	5.48	0.33%	13	92,572.1	3.60%	127.0	6.28%

Top Ten Gainers	Close	Δ%	Turnover (mn BDT)
Janata Insurance	16.50	10.0%	2.5
Paramount Insurance	63.00	9.9%	12.4
Beacon Pharmaceuticals Limited	67.50	9.9%	91.2
Global Insurance Ltd.	16.30	9.4%	9.2
Federal Insurance	11.50	8.5%	8.7
Dhaka Insurance Limited	26.20	7.4%	6.9
United Commercial Bank Limited	12.50	6.8%	5.2
Dhaka Bank	11.20	6.7%	19.1
Purabi Gen. Insurance Company Ltd.	14.60	6.6%	16.5
GQ Ball Pen	70.20	6.2%	3.5

Top Ten Losers	Close	Δ%	Turnover (mn BDT)
Dacca Dyeing	4.60	-8.0%	.3
Meghna Pet Industries	8.80	-4.3%	.1
Generation Next Fashions Limited	2.30	-4.2%	.7
Glaxo Smithkline	2,221.50	-4.1%	21.5
Appollo Ispat Complex Limited	3.20	-3.0%	.4
Tallu Spinning	3.20	-3.0%	.2
Peoples Insurance	16.10	-3.0%	10.9
Mithun Knitting	6.70	-2.9%	.1
Zahintex Industries Ltd	3.60	-2.7%	.2
Pubali Bank	23.00	-2.5%	1.3

Most Traded Share	Close	Δ%	Turnover (mn BDT)
Beximco Pharmaceuticals	69.30	1.9%	171.0
Beximco Limited	13.30	2.3%	118.9
Beacon Pharmaceuticals Limited	67.50	9.9%	91.2
The Premier Bank	9.90	0.0%	69.1
Orion Pharma Ltd.	43.30	3.1%	68.9
Orion Infusion	73.20	1.5%	66.1
Indo-Bangla Pharmaceuticals Limited	20.80	2.0%	63.5
Bangladesh Submarine Cable Company Limited	84.40	0.8%	46.2
EXIM Bank	9.00	4.7%	44.9
Wata Chemicals Limited	324.90	0.1%	42.0



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Index	Closing	Opening	Δ(Pts)	Δ%	%ΔYTD
DSEX	4,034.65	4,001.81	32.84	0.82%	-9.39%
DS30	1,357.51	1,346.48	11.03	0.82%	-10.30%
DSES	928.64	923.85	4.79	0.52%	-7.12%
CDSET	800.32	795.12	5.20	0.65%	-11.05%

	Advanced	Declined	Unchanged	Total
All Category	101	23	218	342
A Category (Equity)	78	13	161	252
B Category (Equity)	13	2	28	43
N Category (Equity)	0	0	1	1
Z Category (Equity)	10	8	28	46
Mutual Funds	12	0	25	37
Corporate Bonds	1	1	0	2

Market Stat	Today	Last Day	% Change	
Mcap	Mn BDT	3,135,176.3	3,122,943.0	0.4%
	Mn USD	36,901.8	36,757.8	
Turnover	Mn BDT	2,310.6	1,385.7	66.8%
	Mn USD	27.2	16.3	
Volume	Mn Shares	98.0	50.2	95.3%
Trade		49,994	29,069	72.0%

Top Ten Market Cap	Mcap (bn BDT)	% of Total Mcap	Turnover (mn BDT)	PE	PB
Grameenphone Ltd.	322.5	12.5%	6.61	9.3x	7.6x
British American Tobacco Bangladesh Company Limited	163.4	6.4%	3.57	19.0x	6.7x
Square Pharmaceuticals	145.6	5.7%	29.09	11.0x	2.2x
United Power Generation & Distribution Company Ltd	116.0	4.5%	.69	14.3x	7.9x
Renata Ltd.	90.9	3.5%	2.45	22.5x	5.0x
Berger Paints	60.7	2.4%	2.22	24.9x	9.1x
Investment Corporation of Bangladesh	52.5	2.0%	.35	NM	2.5x
Marico Bangladesh Limited	49.2	1.9%	.10	18.9x	33.4x
BRAC Bank	42.3	1.6%	.49	8.6x	0.9x
LafargeHolcim Bangladesh Limited	41.7	1.6%	.12	23.9x	2.7x

Top Ten Free Float Mcap	Free Float Mcap (bn BDT)	% of Total Free Float	Turnover (mn BDT)	PE	PB
Square Pharmaceuticals	95.3	9.1%	29.09	11.0x	2.2x
Renata Ltd.	44.4	4.2%	2.45	22.5x	5.0x
British American Tobacco Bangladesh Company Limited	43.2	4.1%	3.57	19.0x	6.7x
Grameenphone Ltd.	32.2	3.1%	6.61	9.3x	7.6x
Beximco Pharmaceuticals	24.4	2.3%	170.99	8.6x	1.0x
BRAC Bank	23.6	2.3%	.49	8.6x	0.9x
Olympic Industries	21.7	2.1%	.27	15.0x	4.8x
Eastern Bank	17.2	1.6%	.00	6.3x	0.9x
Pubali Bank	16.6	1.6%	1.27	11.0x	0.8x
National Bank	15.3	1.5%	16.00	5.4x	0.4x

Block Trade	Maximum Price	Minimum Price	Turnover (mn BDT)	Quantity	Trade
ACI Formulations Limited	108.80	108.80	4.74	43,547	1
Aman Feed Limited	28.80	28.80	2.53	87,756	2
Bangas Ltd.	116.90	116.90	0.50	4,280	1
Baraka Power Limited	19.80	19.80	8.26	417,393	2
Bata Shoe	693.20	693.20	3.47	5,000	1
British American Tobacco Bangladesh Company Limited	870.00	870.00	0.70	800	1
BBS Cables Limited	54.30	54.30	0.54	10,000	1
Bashundhara Paper Mills Limited	40.00	40.00	3.00	75,000	2
City Bank	16.70	16.70	5.01	300,000	1
Dragon Sweater & Spinning Ltd.	8.60	8.60	1.46	170,000	2
Dutch-Bangla Bank	56.90	56.90	1.54	27,000	1
Fine Foods Ltd	46.40	46.40	4.64	100,000	1
Fortune Shoes Limited	15.90	15.40	3.88	245,000	3
Genex Infosys Limited	49.30	49.30	1.50	30,500	3
Golden Harvest Agro Industries Ltd.	15.10	15.10	0.50	33,200	1
Grameenphone Ltd.	231.20	230.00	25.94	112,700	19
IFIC Bank	8.60	8.60	1.97	229,000	2
Jamuna Bank	16.70	16.70	1.67	100,000	1
Jamuna Oil	125.70	125.70	12.57	100,000	1
Kohinoor Chemicals	472.00	431.50	1.04	2,315	2
Khulna Power Company Limited	43.40	41.00	4.89	113,300	2
Kattali Textile Limited	8.40	8.40	1.24	147,000	2
LafargeHolcim Bangladesh Limited	32.50	32.40	4.59	141,500	7
Marico Bangladesh Limited	1,562.50	1,562.50	9.26	5,924	1
M.I. Cement Factory Limited	43.80	43.80	34.16	780,000	1
M.L. Dyeing Limited	45.00	45.00	18.55	412,300	7
Monno Ceramic	123.50	123.50	1.00	8,100	2
NLI First Mutual Fund	9.60	9.60	2.59	270,000	1

Block Trade	Maximum Price	Minimum Price	Turnover (mn BDT)	Quantity	Trade
National Polymer	57.20	55.00	15.34	270,819	3
Oimex Electrode Limited	24.30	24.30	8.66	356,200	3
Orion Infusion	70.50	70.50	0.50	7,100	1
Paramount Insurance	60.20	58.00	7.53	127,206	6
Power Grid Co. of Bangladesh Ltd.	41.90	41.90	16.01	382,107	1
The Premier Bank	9.10	9.00	1.09	120,600	2
Rangpur Dairy & Food Products	11.00	11.00	1.10	100,000	1
Renata Ltd.	1,010.00	1,010.00	0.56	550	1
Runner Automobiles Limited	42.00	42.00	1.10	26,250	1
Shasha Denim Limited	21.60	21.60	3.22	149,000	1
Silco Pharmaceuticals Limited	22.40	22.40	2.24	100,000	1
Singer Bangladesh	135.00	132.30	6.02	45,360	11
SK Trims & Industries Limited	56.00	56.00	8.27	147,595	11
Southeast Bank	11.00	10.50	2.26	210,500	3
Shahjibazar Power Co. Ltd	72.00	72.00	1.62	22,500	1
Square Pharmaceuticals	171.10	170.00	25.02	147,000	21
Standard Ceramic	303.10	299.00	2.83	9,400	4
VFS Thread Dyeing Limited	22.50	22.50	22.28	990,000	5
Total			287.36		148

Corporate Actions: Upcoming Record Dates

DSE Ticker	Company Name	Rights	Stock	Cash	Year End	Record Date
PUBALIBANK	Pubali Bank Ltd.		0.0%	10.0%	31-Dec-19	09-Jul-20
BERGERPBL	Berger Paints Bangladesh Ltd.		0.0%	295.0%	31-Dec-19	12-Jul-20
FIRSTBANK	First Security Islami Bank Limited		10.0%	0.0%	31-Dec-19	12-Jul-20
CITYBANK	The City Bank Ltd.		0.0%	15.0%	31-Dec-19	13-Jul-20
DHAKABANK	Dhaka Bank Limited		5.0%	5.0%	31-Dec-19	14-Jul-20
LANKABAFIN	LankaBangla Finance		5.0%	7.0%	31-Dec-19	16-Jul-20
ONEBANKLTD	One Bank		5.0%	5.0%	31-Dec-19	16-Jul-20

Important DSE News

PRIMELIFE

The Company has informed that the Board of Directors weren't approved the Financial Statements for the year ended on December 31, 2019. The Financial Statements were handover to the Auditor for review and it will be approved the next board meeting that will be notified later.

DHAKABANK

Mrs. Rakhi Das Gupta, one of the Sponsors of the Company, has expressed her intention to buy 11,00,000 shares of the Company at prevailing market price (In the Public Market) through Stock Exchange (DSE) within next 30 working days.

GP

The Company has informed that they will organize a conference on its 2nd quarter 2020 Financial results on July 15, 2020 at 10:00 AM via live webcast facility with the web link of https://bit.ly/GP_Q2_2020. Research analysts or financial reporters can participate in the event by visiting the above link. To participate in question & answer session prior registration is required by filling up the contact form in https://www.grameenphone.com/contact-us?form_type=2940 with participant details.

JAMUNABANK

Emphasis of Matter: We draw attention to Note 2.01.1 (xviii) of the financial statements where the management has described the possible effects of IFRS 16 "Leases". Our report is not qualified in this regard. Note 2.01.1 (xviii) Implication of IFRS 16 Leases: The Bank currently has lease agreements at 138 (one hundred thirty-eight) of its branch offices and incurred Tk.47.61 crore as expenses on the lease payments. The leases are short term leases with different tenure and cancellable contract. As such, the leases are not treated as Right of Use Assets (ROU). However, the effect of IFRS 16 is very immaterial compared to the volume of whole financial statements. Our all contracts are cancellable contract and the effect of lease is not material.

SIBL

Emphasis of Matter: We draw attention to note 2.8.1 of the financial statements, which describes matters related to implementation of 'IFRS 16 Leases' including preliminary assessment of its impact as assessed by management. Our opinion is not modified in respect of this matter. Note 2.8.1. IFRS 16: Leases: IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. While implementing IFRS 16, the Bank observed that IFRS 16 is expected to have impact on various regulatory capital and liquidity ratios as well as other statutory requirements issued by various regulators. In addition, there are no direction from National Board of Revenue (NBR) regarding treatment of lease rent, depreciation on ROU assets and interest on lease liability for income tax purposes and applicability of VAT on such items. Finally, paragraph 5 of IFRS 16 provide the recognition exemptions to short-term leases and leases for which the underlying asset is of low value. Although, paragraphs B3 to B8 of the Application Guidance (Appendix B) of IFRS 16 provide some qualitative guidance on low value asset, but these guidance is focused towards moveable asset. Immovable asset like rental of premises (i.e. real estate) is not covered on those guidance, nor any benchmark on quantification guidance on low value items have been agreed locally in Bangladesh. However, the Bank would continue to liaison with regulators and related stakeholders and observe the market practice for uniformity and comparability, and take necessary actions in line with regulatory guidelines and market practice.

ALARABANK

Emphasis of Matter: We draw attention to note 2.8.4 of the financial statements, which describes matters related to implementation of 'FRS 16 Leases' including preliminary assessment of its impact as assessed by management. Our opinion is not modified in respect of this matter. Note 2.8.4 IFRS 16: Leases: IFRS 16 Leases is effective for the annual reporting periods beginning on or after 1 January 2019. IFRS 16 defines that a contract is (or contains) a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16 significantly changes how a lessee accounts for operating leases. Under previous IAS 17, an entity would rent an office building or a branch premises for several years with such a rental agreement being classified as operating lease would have been considered as an off-balance sheet item. How-

ever, IFRS 16 does not require a lease classification test and hence all leases shall be accounted for as on balance sheet item (except some limited exception i.e. short-term lease, leases for low value items). Under IFRS 16, an entity shall be recognizing a right-of-use (ROU) asset (i.e. the right to use the office building, branches, service center, call center, warehouse, etc.) and a corresponding lease liability. The asset and the liability are initially measured at the present value of unavoidable lease payments. The depreciation of the lease asset (ROU) and the interest on the lease liability is recognized in the profit or loss account over the lease term replacing the previous heading 'lease rent expenses. While implementing IFRS 16, the Bank observed that IFRS 16 is expected to have impact on various regulatory capital and liquidity ratios as well as other statutory requirements issued by various regulators. In addition, there are no direction from National Board of Revenue (NBR) regarding treatment of lease rent, depreciation on ROU assets and interest on lease liability for income tax purposes and applicability of VAT on such items. Finally, paragraph 5 of IFRS 16 provide the recognition exemptions to short-term leases and leases for which the underlying asset is of low value. Although, paragraphs B3 to B8 of the Application Guidance (Appendix B) of IFRS 16 provide some qualitative guidance on low value asset, but these guidance is focused towards moveable asset. Immovable asset like rental of premises (i.e. real estate) is not covered on those guidance, nor any benchmark on quantification guidance on low value items have been agreed locally in Bangladesh. Nevertheless, as a first step the Bank has defined 'low value asset' which are to be excluded from IFRS 16 requirement and considered lease of 'ATM Booths and other installations' as low value asset. Thereafter, the Bank has reviewed lease arrangements for 'office premises' for consideration under IFRS 16. As per the preliminary assessment of leases for 'office premises', the Bank has concluded that the potential impact of these lease items in the Balance Sheet and Profit and Loss Account of the Bank for the year 2019 is not considered to be material. Therefore, considering the above implementation issues the Bank has not taken IFRS 16 adjustments on the basis of overall materiality as specified in the materiality guidance in the 'Conceptual Framework for Financial Reporting' and in 'International Accounting Standard 1 Presentation of Financial Statements'. However, the Bank would continue to liaison with regulators and related stakeholders and observe the market practice for uniformity and comparability, and take necessary actions in line with regulatory guidelines and market practice.