

Daily Market Update

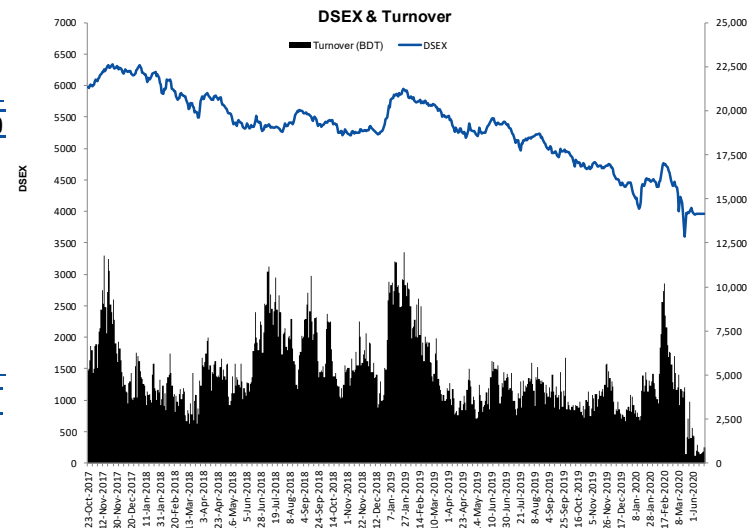
The market closed flat in green today. The benchmark index DSEX (+0.03%) gained 1.25 points and closed at 3,961.90 points. The blue chip index DS30 (+0.01%), the Shariah-based index DSES (+0.05%), and the large cap index CDSET (+0.01%) all closed flat in green. The large cap sectors showed mixed performance today. Pharmaceuticals showed the highest gain of 0.19% followed by Power (+0.17%). Banks experienced the highest loss of 0.03% followed by Food & Allied (-0.03%) and Telecommunication (-0.041). The other large cap sectors — NBFIs and Engineering were flat. Turnover stood at BDT 888.6 million (USD 10.5 million). Block Trade accounted for 63% of total turnover of the market today. Linde Bangladesh Limited (+1.7%) was the most traded share with a turnover of BDT 43.1 million.

Sector Index	Closing	Opening	Δ(Pts)	Δ%	No. of Cos	Sectoral Mcap	% of Total Mcap	Sectoral Turnover	% of Total Turnover
Banks	1,092.28	1,092.62	-0.34	-0.03%	30	445,214.8	17.51%	69.8	21.44%
NBFIs	1,360.50	1,360.50	0.00	0.00%	23	125,777.9	4.95%	3.2	0.98%
Mutual Funds	569.48	569.59	-0.12	-0.02%	37	29,594.8	1.16%	17.8	5.48%
General Insurance	1,536.09	1,537.01	-0.92	-0.06%	35	41,502.3	1.63%	5.3	1.63%
Life Insurance	1,745.99	1,737.43	8.56	0.49%	12	48,680.8	1.91%	.2	0.07%
Telecommunication	3,336.39	3,336.72	-0.33	-0.01%	2	335,330.8	13.19%	16.4	5.03%
Pharmaceuticals	2,428.84	2,424.25	4.59	0.19%	32	457,837.3	18.00%	119.5	36.74%
Fuel & Power	1,425.97	1,423.60	2.37	0.17%	19	353,497.1	13.90%	63.1	19.39%
Cement	1,182.07	1,182.07	0.00	0.00%	7	71,888.0	2.83%	.0	0.01%
Services & Real Estate	949.76	949.76	0.00	0.00%	8	37,919.1	1.49%	.6	0.18%
Engineering	2,021.04	2,021.04	0.00	0.00%	39	131,142.4	5.16%	1.4	0.44%
Food & Allied	11,280.98	11,284.56	-3.58	-0.03%	17	208,321.6	8.19%	3.8	1.16%
IT	1,766.27	1,766.27	0.00	0.00%	9	19,528.3	0.77%	2.0	0.60%
Textiles	947.21	948.38	-1.17	-0.12%	56	95,604.5	3.76%	5.0	1.54%
Paper & Printing	5,034.65	5,034.65	0.00	0.00%	3	9,625.8	0.38%	.0	0.01%
Tannery	1,667.26	1,667.26	0.00	0.00%	6	17,849.2	0.70%	.1	0.03%
Jute	7,919.94	7,919.94	0.00	0.00%	3	1,750.3	0.07%	.1	0.03%
Ceramics	389.73	389.73	0.00	0.00%	5	19,760.8	0.78%	.2	0.06%
Miscellaneous	1,663.15	1,663.06	0.10	0.01%	13	92,283.1	3.63%	16.7	5.14%

Top Ten Gainers	Close	Δ%	Turnover (mn BDT)
Beximco Synthetics	5.50	10.0%	1.0
Eastern Lubricants	854.60	6.3%	8.5
Savar Refractories	102.00	4.0%	.0
Reckitt Benckiser	3,684.20	3.9%	13.2
Central Pharmaceuticals Limited	13.00	2.4%	11.4
BD Welding	14.60	2.1%	.3
Linde Bangladesh Limited	1,308.50	1.7%	43.1
ICB AMCL First Agrani Bank Mutual Fund	6.30	1.6%	.4
ICB Employees Provident MF 1 Scheme 1	6.50	1.6%	.2
Indo-Bangla Pharmaceuticals Limited	20.00	1.5%	15.7

Top Ten Losers	Close	Δ%	Turnover (mn BDT)
Zeal Bangla Sugar Mills	31.70	-3.9%	.0
Matin Spinning Mills Ltd.	32.80	-3.0%	.0
Dacca Dyeing	3.50	-2.8%	.1
Desh Garments	105.80	-2.2%	.1
Vanguard AML BD Finance Mutual Fund One	5.00	-2.0%	.0
SEML IBBL Shariah Fund	6.10	-1.6%	.4
Republic Insurance	19.00	-1.6%	.8
National Tea	483.70	-1.2%	.8
Phoenix Finance 1st Mutual Fund	8.20	-1.2%	6.2
Emerald Oil Industries Ltd.	9.50	-1.0%	.2

Most Traded Share	Close	Δ%	Turnover (mn BDT)
Linde Bangladesh Limited	1,308.50	1.7%	43.1
Beximco Pharmaceuticals	63.50	0.0%	42.0
Indo-Bangla Pharmaceuticals Limited	20.00	1.5%	15.7
Beximco Limited	13.00	0.0%	15.1
National Bank	6.80	0.0%	13.3
Reckitt Benckiser	3,684.20	3.9%	13.2
NCC Bank	11.70	0.0%	11.5
Central Pharmaceuticals Limited	13.00	2.4%	11.4
Bangladesh Submarine Cable Company Limited	78.10	-0.3%	10.9
Jamuna Bank	16.00	0.0%	10.8



Associate:
Md. Rafiqul Islam
 (880)1708805229
 mrafiqulislam@bracepl.com

Associate:
Md. Mahirul Quddus
 (880)1709636546
 mmahirul.quddus@bracepl.com

Index	Closing	Opening	Δ(Pts)	Δ%	%ΔYTD
DSEX	3,961.90	3,960.66	1.25	0.03%	-11.03%
DS30	1,325.71	1,325.63	0.08	0.01%	-12.40%
DSES	918.72	918.29	0.43	0.05%	-8.11%
CDSET	785.24	785.17	0.07	0.01%	-12.73%

	Advanced	Declined	Unchanged	Total
All Category	19	20	232	271
A Category (Equity)	13	15	179	207
B Category (Equity)	3	2	27	32
N Category (Equity)	0	0	1	1
Z Category (Equity)	3	3	25	31
Mutual Funds	3	4	25	32
Corporate Bonds	0	0	2	2

Market Stat	Today	Last Day	% Change	
Mcap	Mn BDT	3,105,290.0	3,103,866.1	0.0%
	Mn USD	36,550.0	36,533.3	
Turnover	Mn BDT	888.6	653.1	36.1%
	Mn USD	10.5	7.7	
Volume	Mn Shares	27.9	24.6	13.5%
Trade		9,964	10,527	-5.3%

Top Ten Market Cap	Mcap (mn BDT)	% of Total Mcap	Turnover (mn BDT)	PE	PB
Grameenphone Ltd.	322.5	12.7%	13.76	9.3x	7.6x
British American Tobacco Bangladesh Company Limited	163.4	6.4%	.18	19.0x	6.7x
Square Pharmaceuticals	145.6	5.7%	8.04	11.0x	2.2x
United Power Generation & Distribution Company Ltd	116.0	4.6%	.00	14.3x	7.9x
Renata Ltd.	90.9	3.6%	5.55	22.5x	5.0x
Berger Paints	60.7	2.4%	1.35	24.9x	9.1x
Investment Corporation of Bangladesh	52.5	2.1%	.00	NM	2.5x
Marico Bangladesh Limited	49.2	1.9%	.61	18.9x	33.4x
BRAC Bank	42.3	1.7%	.16	8.2x	1.0x
LafargeHolcim Bangladesh Limited	41.7	1.6%	.12	23.2x	2.7x

Top Ten Free Float Mcap	Free Float Mcap (mn BDT)	% of Total Free Float	Turnover (mn BDT)	PE	PB
Square Pharmaceuticals	95.5	9.3%	8.04	11.0x	2.2x
Renata Ltd.	44.4	4.3%	5.55	22.5x	5.0x
British American Tobacco Bangladesh Company Limited	43.2	4.2%	.18	19.0x	6.7x
Grameenphone Ltd.	32.2	3.1%	13.76	9.3x	7.6x
BRAC Bank	23.6	2.3%	.16	8.2x	1.0x
Beximco Pharmaceuticals	22.0	2.1%	82.05	7.8x	0.9x
Olympic Industries	21.7	2.1%	.02	15.0x	4.8x
Eastern Bank	17.2	1.7%	.03	7.6x	1.0x
Pubali Bank	14.8	1.4%	.58	5.7x	0.7x
LafargeHolcim Bangladesh Limited	14.7	1.4%	.12	23.2x	2.7x

Block Trade	Maximum Price	Minimum Price	Turnover (mn BDT)	Quantity	Trade
AB Bank Limited	6.70	6.70	49.58	7,400,000	1
Bank Asia Ltd.	16.20	16.20	29.89	1,845,000	1
Baraka Power Limited	18.00	18.00	1.08	60,000	2
BRAC Bank	28.80	28.80	0.72	25,000	1
EXIM Bank	9.00	9.00	0.90	100,000	1
Kay and Que	219.00	219.00	10.13	46,235	1
Kohinoor Chemicals	472.00	472.00	1.56	3,300	1
Legacy Footwear	66.00	60.00	7.50	114,476	2
Marico Bangladesh Limited	1,562.50	1,562.50	0.53	340	1
M.L. Dyeing Limited	50.00	50.00	5.00	99,999	2
Padma Oil Co.	151.20	151.20	24.55	162,378	2
Paramount Textile Limited	48.90	48.90	3.28	66,996	3
Reckitt Benckiser	3,650.00	3,650.00	34.99	9,587	35
Renata Ltd.	1,026.10	1,026.10	52.84	51,500	53
Sea Pearl Beach Resort & Spa Limited	79.70	79.10	19.52	245,841	20
Shurwid Industries Limited	21.30	21.30	6.71	315,000	7
Singer Bangladesh	132.30	132.30	1.00	7,560	1
Shahjibazar Power Co. Ltd	65.00	65.00	0.52	8,000	1
Square Pharmaceuticals	171.00	155.30	312.79	2,013,309	313
Total			563.10		447

Corporate Actions: Upcoming Record Dates

DSE Ticker	Company Name	Rights	Stock	Cash	Year End	Record Date
MARICO	Marico Bangladesh Limited		0.0%	200.0%	31-Dec-19	18-Jun-20
PRIMEBANK	Prime Bank Ltd.		0.0%	13.5%	31-Dec-19	21-Jun-20

Important DSE News
JAMUNABANK

(Q1 Un-audited): Consolidated EPS was Tk. 1.42 for January-March 2020 as against Tk. 0.70 for January-March 2019. Consolidated NOCFPS was Tk. 10.76 for January-March 2020 as against Tk. (6.83) for January-March 2019. Consolidated NAV per share was Tk. 24.50 as on March 31, 2020 and Tk. 24.54 as on March 31, 2019.

The Board of Directors has recommended 15% cash dividend for the year ended on December 31, 2019. Date of AGM: 27.08.2020, Time: 11:00 AM, Venue: to be notified later on. Record date: 20.07.2020. The Company has also reported Consolidated EPS of Tk. 3.38, Consolidated NAV per share of Tk. 22.77 and Consolidated NOCFPS of Tk. 7.93 for the year ended on December 31, 2019 as against Tk. 3.07, Tk. 24.09 and Tk. (0.02) respectively for the same period of the previous year.

RENWICKJA

(Q3 Un-audited): EPS was Tk. 0.88 for January-March 2020 as against Tk. 0.49 for January-March 2019; EPS was Tk. 2.59 for July 2019-March 2020 as against Tk. 3.52 for July 2018-March 2019. NOCFPS was Tk. (1.64) for July 2019-March 2020 as against Tk. (2.26) for July 2018-March 2019. NAV per share was Tk. 33.25 as on March 31, 2020 and Tk. 30.66 as on June 30, 2019.

ZAHINTEX

(Q3 Un-audited): EPS was Tk. (1.33) for January-March 2020 as against Tk. (0.86) for January-March 2019; EPS was Tk. (2.22) for July 2019-March 2020 as against Tk. (1.37) for July 2018-March 2019. NOCFPS was Tk. (1.29) for July 2019-March 2020 as against Tk. 0.41 for July 2018-March 2019. NAV per share was Tk. 20.26 as on March 31, 2020 and Tk. 22.49 as on June 30, 2019.

LEGACYFOOT

(Q3 Un-audited): EPS was Tk. (0.22) for January-March 2020 as against Tk. 1.60 for January-March 2019; EPS was Tk. 0.21 for July 2019-March 2020 as against Tk. 4.95 for July 2018-March 2019. NOCFPS was Tk. 1.78 for July 2019-March 2020 as against Tk. (2.35) for July 2018-March 2019. NAV per share was Tk. 18.01 as on March 31, 2020 and Tk. 17.80 as on June 30, 2019.

LANKABAFIN

Emphasis of Matter: We draw attention to Notes 2.45 and 42(e) in the financial statements, which deals with subsequent events and specifically the possible effects of the future implications of COVID-19 on LankaBangla Finance Limiteds future prospects, performance and cash flows. Management have also described how they plan to deal with these events and circumstances. Our opinion is not modified in respect of this matter. Note-2.45 Events after the Reporting Period:

Where necessary, all the material events after the reporting year have been considered and appropriate adjustments / disclosures have been made in the financial statements. Implications of COVID-19 on business and Response to address the COVID-19 effects is shown in Note- 42(e). Dividend payable to the Company's shareholders is recognized as a liability and deducted from the shareholders' equity in the year in which the shareholders' right to receive payment is established. Note-42 (e) Event after the Reporting Period: i) Implications of COVID-19 on business We know that COVID-19 is turning the world upside-down and the current business environments is being severely disrupted. As the result of lockdowns everywhere, closed borders are disrupting business locally and internationally, we have found that global economic cooperation is easily disrupted by the closed factories in affected regions. Due to a severe lack of business transactions, a cash shortage and a dramatic decrease in profits awaits almost every business. These companies, especially small- and medium-sized entities (SMEs), do not have enough cash to endure the several months during which sales will be significantly impacted. These types of clients businesses will soon face extreme liquidity problems with the distinct possibility of them becoming bankrupt. Moreover, Bangladesh Bank circulated some new policy, as guided by the Government of Bangladesh, that will also impact the business of Banking and Non-Banking Financial Institutions. Till to the date of authorized for issue of the Financial Statements of LBFL, we observed the following known events which might have impact on revenue, profitability and cash flow: Limiting the company's operation since March 26, 2020 to May 30, 2020 as per Government directions. Hence, the Company's incremental business has been affected. Loan/lease/advance classifications holiday/moratorium until 30 June 2020 proclaimed by Bangladesh Bank through DFIM circular no. 01, dated 24 March 2020 has affected favorably on the LBFLs earnings as there is no need to keep additional provision for any defaulted loans until June 30, 2020. However, this has significant adverse impact on cash flow as most of the clients have chosen to avail this opportunity (no change of classification status till June 30, 2020 regardless of installment payments); Credit card fees, charges and accrued interest waiver from March 2020 to May 2020 declared through BRPD Circular Letter No-20 adversely affected LBFLs earnings and cash flow from credit card; However, the effect of this is still unclear as Bangladesh Bank has not yet spelled out the treatments of blocked interest income from credit card. Adverse impacts on future cash flows resulting from lower sale/demand of products or services of many of our clients businesses are quite obvious. Therefore, timely recovery of a number of loans might be at risk. As a result, non-earning assets (SMA and NPL) may rise at the end of 2020 (if the existing waiver of classification is not further extended) resulting significant provision and interest suspense. Response to address the COVID-19 Effects: However, the COVID-19 virus can evolve in various directions. If society, and as a consequence business, is exposed to COVID-19 for a longer period of time, this may result in prolonged negative results and pressure on our liquidity and profitability. However, LBFL has taken various measures to keep the Company's going concern status. Also, management assessment on current loan portfolio depicts that 10% of the borrowers are in low risk, 63% borrowers in moderate risk and only 27% borrowers are in high risk, that means majority of the borrowers are in moderate state and are not prone to higher risks. The management has already taken and will take a number of measures to monitor and prevent the further effects of the COVID-19. i) This includes safety and health measures for the employees like social distancing and working from home; ii) The business model will be changed from traditional model to digitally Enabled Business model whereby most of the activities from business acquiring to customer service will be done by digitally; iii) Prudent balance sheet and cash management to ensure enough liquidity to manage all obligations; iv) Implementing liquidity contingency plan and monitoring it on regular basis to avoid any liquidity mismatch; v) Restructuring and relocating of office spaces to reduce both size of office space and per square feet rent. This initiative will save a significant amount after implementation; vi) Effective cost control measures are already in place to combat the unprecedented situation. vii) Reduce certain expenses

es which is required in normal business scenario but not 100% applicable during overall slow-down of macroeconomic and industry specific environment; viii) Strong recovery, monitoring and collections efforts. Furthermore, the management is continuously monitoring LBFLs capital adequacy ratio, buffer liquidity reserve, line of defenses against any liquidity shock, NPL to total loan ratio and is confident enough to undertake all crisis management and business continuity measures. COVID-19 has also been addressed under the area of principal risk and uncertainties at entity level and reported in the Directors report. The Management has analyzed the possible impact and also taken reasonably adequate mitigating measures in response. Upon a rigorous review and an assessment of the levels of facilities expected to be available to the company, the management strongly believes that the LBFL has adequate resources for a period of at least 12 months from the date (08 June 2020) of authorized for issue of the financial statements. So, based on the facts and circumstances known at this moment, the management believes there is no material uncertainty that may cast any doubt upon the LankaBangla Finance Limited's ability to continue as a going concern and hence, whilst uncertain, we do not believe that the impact of the COVID-19 virus would have a material adverse effect on our financial condition or liquidity. ii) Dividend Information The Board of Director in its 121st Meeting held on 08 June 2020 has recommended to the shareholders @ 7% of Cash Dividend and @ 5% of Stock Dividend for the year ended 31 December 2019. This will be considered for approval of shareholders at 23rd Annual General Meeting (AGM) of the Company scheduled to be held on 07 September 2020.