

## Daily Market Update

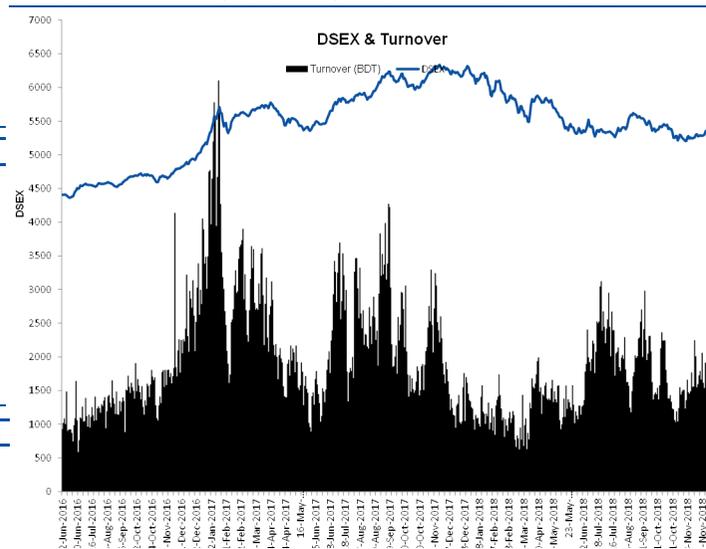
Market closed in red today. The benchmark index DSEX (-0.38%) lost 19.94 points and closed at 5,275.76 points today. The blue-chip index DS30 (-0.05%) and the shariah based index DSES (-0.54%) both closed in red. All the large cap sectors showed negative performance today except Food & Allied (+3.26%). Telecommunication experienced the highest loss of 1.07% followed Pharmaceuticals (-0.81%), Engineering (-0.32%), NBFIs (-0.20%), Banks (-0.18%) and Power (-0.02%). Total turnover stood at BDT 4.8 billion (USD 58.2 million). VFS Thread Dyeing Limited (+8.9%) was the most traded share with a turnover of BDT 234.1 million.

Sector Index	Closing	Opening	Δ(Pts)	Δ%	No. of Cos	Sectoral Mcap	% of Total Mcap	Sectoral Turnover	% of Total Turnover
Banks	1,385.64	1,388.10	-2.46	-0.18%	30	565,557.3	17.37%	333.3	7.01%
NBFIs	2,034.79	2,038.96	-4.17	-0.20%	23	186,716.5	5.73%	128.1	2.70%
Mutual Funds	627.00	629.12	-2.13	-0.34%	37	33,623.0	1.03%	21.8	0.46%
General Insurance	1,388.99	1,395.98	-6.99	-0.50%	35	37,622.7	1.16%	74.1	1.56%
Life Insurance	2,010.56	2,041.58	-31.02	-1.52%	12	56,057.4	1.72%	251.8	5.30%
Telecommunication	4,919.83	4,972.81	-52.98	-1.07%	2	494,477.4	15.19%	84.0	1.77%
Pharmaceuticals	2,699.73	2,721.72	-21.99	-0.81%	30	509,646.1	15.65%	940.8	19.80%
Fuel & Power	1,723.18	1,723.54	-0.36	-0.02%	19	426,347.3	13.09%	344.8	7.26%
Cement	1,662.85	1,655.39	7.46	0.45%	7	100,915.0	3.10%	39.0	0.82%
Services & Real Estate	1,007.33	1,006.68	0.65	0.06%	8	39,467.5	1.21%	49.4	1.04%
Engineering	2,908.30	2,917.55	-9.24	-0.32%	36	186,211.4	5.72%	506.0	10.65%
Food & Allied	14,889.99	14,419.66	470.33	3.26%	17	274,138.5	8.42%	293.1	6.17%
IT	1,453.16	1,478.93	-25.77	-1.74%	8	16,066.5	0.49%	100.4	2.11%
Textiles	1,491.46	1,494.73	-3.27	-0.22%	53	144,100.1	4.43%	955.2	20.10%
Paper & Printing	9,543.09	9,704.07	-160.98	-1.66%	2	18,245.5	0.56%	24.8	0.52%
Tannery	2,591.16	2,612.58	-21.42	-0.82%	6	27,060.8	0.83%	40.9	0.86%
Jute	22,108.22	23,441.96	-1,333.74	-5.69%	3	4,886.0	0.15%	130.1	2.74%
Ceramics	592.03	596.52	-4.49	-0.75%	5	28,431.0	0.87%	32.6	0.69%
Miscellaneous	1,929.76	1,941.76	-12.00	-0.62%	12	106,745.8	3.28%	401.2	8.44%

Top Ten Gainers	Close	Δ%	Turnover (mn BDT)
Anlima Yarn	36.80	9.9%	46.1
Paramount Insurance	15.80	9.7%	24.7
Alltex Ind. Ltd.	14.70	9.7%	3.4
VFS Thread Dyeing Limited	63.50	8.9%	234.1
Beximco Synthetics	7.00	7.7%	1.3
Sinobangla Industries	53.10	7.3%	39.4
Jute Spinners	151.20	6.9%	8.2
Savar Refractories	110.20	6.3%	.7
Aramit Cement	19.30	6.0%	.5
SK Trims & Industries Limited	49.30	6.0%	187.0

Top Ten Losers	Close	Δ%	Turnover (mn BDT)
Information Services Network Ltd.	34.90	-9.8%	.1
Desh Garments	224.10	-7.6%	28.5
Sonali Aansh	729.20	-7.2%	114.4
Aziz Pipes	170.10	-6.8%	19.1
Ambee Pharma	799.50	-6.7%	29.8
Fareast Finance & Investment Limited	4.90	-5.8%	.4
Meghna Pet Industries	14.80	-5.7%	.2
Global Heavy Chemicals Limited	39.70	-5.7%	2.6
Northern Jute	1,237.80	-5.6%	7.5
Libra Infusions Limited	1,103.90	-5.6%	39.1

Most Traded Share	Close	Δ%	Turnover (mn BDT)
VFS Thread Dyeing Limited	63.50	8.9%	234.1
SK Trims & Industries Limited	49.30	6.0%	187.0
JMI Syringes & Medical Devices Ltd	249.20	5.2%	134.5
Khulna Power Company Limited	54.60	-5.4%	133.3
Rupali Life Insurance Co. Ltd.	83.90	4.2%	118.2
Sonali Aansh	729.20	-7.2%	114.4
Wata Chemicals Limited	489.80	-1.8%	101.1
National Tea	908.40	-3.9%	89.0
National Tubes	110.20	2.0%	87.3
The Ibn Sina	262.90	3.7%	86.8



Index	Closing	Opening	Δ(Pts)	Δ%	%ΔYTD
DSEX	5,275.76	5,295.70	-19.94	-0.38%	-15.51%
DS30	1,848.72	1,849.70	-0.98	-0.05%	-19.03%
DSES	1,213.19	1,219.78	-6.59	-0.54%	-12.76%

	Advanced	Declined	Unchanged	Total
All Category	100	202	39	341
A Category (Equity)	75	157	31	263
B Category (Equity)	10	11	2	23
N Category (Equity)	3	8	0	11
Z Category (Equity)	12	26	6	44
Mutual Funds	7	15	11	33
Corporate Bonds	1	0	0	1

Market Stat	Today	Last Day	% Change	
Mcap	Mn BDT	3,815,027.1	3,820,905.7	-0.2%
	Mn USD	45,892.3	45,963.0	
Turnover	Mn BDT	4,834.6	5,676.8	-14.8%
	Mn USD	58.2	68.3	
Volume	Mn Shares	112.9	126.8	-10.9%
Trade		131,375	155,100	-15.3%

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**Corporate Actions: Upcoming Record Dates**

DSE Ticker	Company Name	Rights	Stock	Cash	Year End	Record Date
KEYACOSMET	Keya Cosmetics Ltd.		10.0%	0.0%	Jun-2018	12-Dec-2018
BDSERVICE	Bangladesh Services Ltd.		0.0%	0.0%	Jun-2018	13-Dec-2018
AMCL(PRAN)	Agricultural Marketing Company Ltd. (Pran)		0.0%	32.0%	Jun-2018	13-Dec-2018
MITHUNKNIT	Mithun Knitting and Dyeing Ltd.		0.0%	0.0%	Jun-2018	13-Dec-2018

**Important DSE News**
**RAKCERAMIC**

The Company has informed that due to the maintenance work of the machineries of tiles production plant, # 1 tiles plant out of 4 tiles plant of RAK Ceramics (Bangladesh) Limited will be stopped for 46 days approximately from December 11, 2018 to January 25, 2019. All other plants of tiles and sanitary ware of the company will continue as usual.

**GBBPOWER**

Alpha Credit Rating Limited (AlphaRating) has rated the Company as "AA" in the long term and "ST-1" in the short term along with a stable outlook based on audited financial statements of the Company up to June 30, 2018 and relevant qualitative information up to December 09, 2018.

**SONALIANSH**

(Adverse Opinion): The auditor of the company has given the following Adverse Audit Opinion in the audit report of the company for the year ended on 30 June 2018. Basis for Adverse Opinion: 1. The Company has not been charging depreciation on the additional value resulting from revaluation of fixed assets (Note: 13) as required by IAS 16: Property, Plant & Equipment since financial year 2006-2007. In consequence the net assets value of the Company remained overstated to the extent of chargeable depreciation. The net profit after tax and earnings per share are also being shown overstated to that extent. 2. The Company has not done any impairment review on the revalued fixed assets (Note: 13) as required by IAS 36: Impairment of Assets. In consequence the net assets value of the Company remained overstated to the extent of chargeable impairment, if any. 3. Deferred tax liabilities have not been shown in the financial statements on the revaluation surplus of property, plant & equipment from the year 2006-07 as prescribed by Para 20 of IAS 12: Income Taxes (Note-15). 4. Intangible addition of Taka 55,975,624 in the account (Note: 05) deviates the principle of accounting practice and have resulted in journal entries for invisible assets and corresponding unearned income, which has inflated the accumulated profit. 5. Included in the trade receivables (local) (Note: 8.2) an amount of Taka 7,575,115 receivable from Saiful Enterprise since 2016 is being doubtful of recovery but no provision has been made in the financial statements. 6. WPP & Welfare fund of Taka 5,214,827 (Note: 22.3) from the financial year 2005-2006 to 2016-2017 has not been distributed by the Company as per Sections 234(1) and 242(1) of the Labour Act 2006 (as amended in 2013). Furthermore, the above fund is being utilised by the Company but no interest has been credited to the fund at applicable rate as per Section 242(1) of the said Act. 7. The assessments of financial year 1995-96 was finalized (Note: 36) but no accounting treatment has been given in the books of account for creation of additional tax provision of Taka 866,750 and adjustment of advance taxes thereof. 8. As per the accounting policy adopted by the Company, revenue is recognized when deliveries are made and risk of ownership has been transferred to the customer. But while making the actual transactions, the Company has recognized sales revenue (Note: 24) at the time of realization of receivables from the respective customers which is inconsistent with the policy adopted by the Company and also inconsistent with the IFRS 15 "Revenue from Contracts with Customers". 9. Sales quantity reconciliation (Note: 24.2) included process loss of 229.47 metric ton. This process loss comes to 4.52% of the production during the year, although there was no

process loss in the previous years. We could not obtain any satisfactory explanation and appropriate audit evidences in this respect. 10. Provision for salary & wages (Note: 21) included debit balance of Taka 9,077,512 against provision for salary. No satisfactory explanation for such debit balance could be obtained from the management. Further, the offsetting of this debit balance against credit balance of provision for wages and other items is not permitted by Para 32 of IAS 1 "Presentation of Financial Statements". 11. The effects of foreign exchange transactions (gain/loss) have not been shown in respect of sales (foreign) and trade receivables (foreign) as at 30 June 2018 in the financial statements as per IAS 21 "The Effects of Changes in Foreign Exchange Rates". 12. The Company has issued a corporate guarantee as per decision of the Board of Directors held on 08 June 2017 to Brac Bank Limited against the loan facility of Taka 250,000,000 only, allowed to Veloxo Trading Limited (Note-41) without any power given by the Memorandum and Articles of Association of the Company.