

Daily Market Update

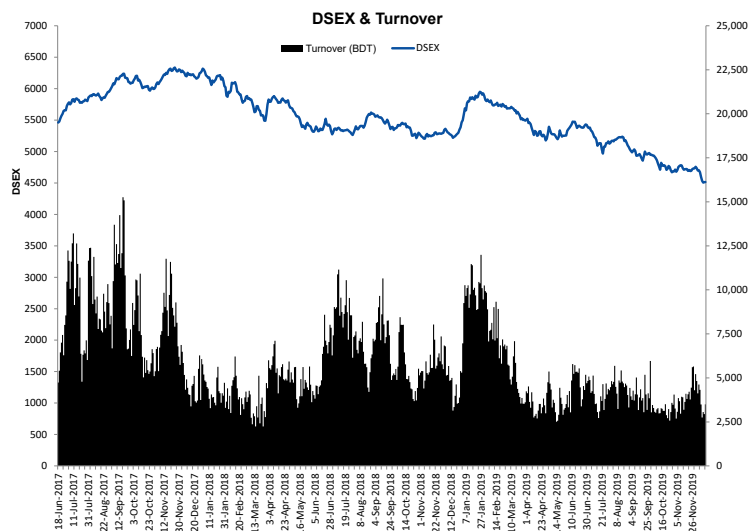
Market closed flat in green today. The benchmark index DSEX (+0.05%) gained 2.05 points and closed at 4,514.45 points. However, both the blue chip index DS30 (-0.26%) and the Shariah-based index DSES (-0.09%) closed in red. The large cap sectors showed mixed performance today. Engineering booked the highest gain of 0.88% followed by NBFIs (+0.51%) and Food & Allied (+0.18%). Telecommunication experienced the highest loss of 0.71% followed by Power (-0.59%), Banks (-0.40%), and Pharmaceuticals (-0.20%). Turnover stood at BDT 3.5 billion (USD 42.1 million). Ring Shine Textiles Limited (+50.0%) was the most traded share with a turnover of BDT 180.3 million.

Sector Index	Closing	Opening	Δ(Pts)	Δ%	No. of Cos	Sectoral Mcap	% of Total Mcap	Sectoral Turnover	% of Total Turnover
Banks	1,324.09	1,329.36	-5.27	-0.40%	30	540,433.8	18.83%	208.6	6.36%
NBFIs	1,604.10	1,596.01	8.09	0.51%	23	148,297.4	5.17%	94.1	2.87%
Mutual Funds	596.72	601.83	-5.11	-0.85%	37	31,010.1	1.08%	94.4	2.88%
General Insurance	1,958.89	1,924.76	34.13	1.77%	35	53,060.9	1.85%	657.1	20.03%
Life Insurance	2,149.50	2,062.83	86.67	4.20%	12	59,931.1	2.09%	85.3	2.60%
Telecommunication	4,140.75	4,170.44	-29.69	-0.71%	2	416,174.3	14.50%	58.3	1.78%
Pharmaceuticals	2,531.67	2,536.76	-5.09	-0.20%	32	477,483.0	16.63%	289.9	8.83%
Fuel & Power	1,537.56	1,546.75	-9.19	-0.59%	20	381,160.1	13.28%	274.9	8.38%
Cement	1,192.13	1,162.02	30.11	2.59%	7	72,499.8	2.53%	87.3	2.66%
Services & Real Estate	917.09	917.11	-0.02	0.00%	8	35,932.8	1.25%	25.6	0.78%
Engineering	2,293.47	2,273.56	19.90	0.88%	39	148,832.4	5.18%	335.2	10.22%
Food & Allied	12,450.39	12,427.73	22.66	0.18%	17	229,951.7	8.01%	101.5	3.09%
IT	1,723.01	1,730.26	-7.26	-0.42%	9	19,050.0	0.66%	92.7	2.82%
Textiles	1,066.09	1,057.58	8.51	0.80%	55	102,000.7	3.55%	579.3	17.66%
Paper & Printing	5,502.60	5,601.91	-99.31	-1.77%	3	10,520.5	0.37%	24.6	0.75%
Tannery	1,822.30	1,792.56	29.74	1.66%	6	19,623.1	0.68%	65.6	2.00%
Jute	12,581.15	12,557.99	23.16	0.18%	3	2,780.5	0.10%	6.5	0.20%
Ceramics	470.91	475.12	-4.21	-0.89%	5	22,744.7	0.79%	65.3	1.99%
Miscellaneous	1,788.22	1,770.99	17.23	0.97%	13	99,222.5	3.46%	134.8	4.11%

Top Ten Gainers	Close	Δ%	Turnover (mn BDT)
Ring Shine Textiles Limited*	15.00	50.0%	180.3
Khulna Power Company Limited	43.00	10.0%	170.9
Progressive Life Ins	102.90	9.9%	36.0
Information Services Network Ltd.	44.40	9.9%	8.1
Golden Harvest Agro Industries Ltd.	19.30	9.7%	14.8
Kay and Que	224.70	8.6%	64.1
Mercantile Insurance	38.30	7.9%	82.5
IFAD Autos Limited	43.20	7.5%	46.1
Dhaka Insurance Limited	36.20	6.8%	19.9
Bangladesh National Insurance Company Limited	24.80	6.4%	67.9

Top Ten Losers	Close	Δ%	Turnover (mn BDT)
SEML FBLSL Growth Fund	12.40	-6.8%	25.1
C & A Textiles Limited	1.90	-5.0%	.6
Delta Spinnings Ltd.	4.10	-4.7%	.8
SEML Lecture Equity Management Fund	6.30	-4.5%	3.4
Prime Finance First MF	16.90	-4.5%	19.6
Saiham Textile	32.70	-4.4%	1.3
Tung Hai Knitting & Dyeing Limited	2.20	-4.3%	.0
Maksons Spinning Mills Limited	4.50	-4.3%	5.0
Emerald Oil Industries Ltd.	12.00	-4.0%	.2
DESCO	38.90	-4.0%	7.9

Most Traded Share	Close	Δ%	Turnover (mn BDT)
Ring Shine Textiles Limited*	15.00	50.0%	180.3
Khulna Power Company Limited	43.00	10.0%	170.9
Northern Insurance	27.20	3.0%	110.9
Square Pharmaceuticals	190.00	-0.1%	93.3
Mercantile Insurance	38.30	7.9%	82.5
LafargeHolcim Bangladesh Limited	36.70	4.0%	82.3
Paramount Insurance	40.60	5.2%	68.6
Bangladesh National Insurance Company Limited	24.80	6.4%	67.9
Kay and Que	224.70	8.6%	64.1
Paramount Textile Limited	57.30	4.4%	61.5



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Index	Closing	Opening	Δ(Pts)	Δ%	%ΔYTD
DSEX	4,514.45	4,512.39	2.06	0.05%	-16.18%
DS30	1,548.12	1,552.15	-4.03	-0.26%	-17.69%
DSES	1,016.60	1,017.46	-0.87	-0.09%	-17.54%

	Advanced	Declined	Unchanged	Total
All Category	169	126	58	353
A Category (Equity)	124	99	37	260
B Category (Equity)	19	9	5	33
N Category (Equity)	5	5	0	10
Z Category (Equity)	21	13	16	50
Mutual Funds	6	17	13	36
Corporate Bonds	0	1	0	1

Market Stat	Today	Last Day	% Change	
Mcap	Mn BDT	3,436,975.8	3,430,657.8	0.2%
	Mn USD	41,344.6	41,268.6	
Turnover	Mn BDT	3,495.9	2,942.1	18.8%
	Mn USD	42.1	35.4	
Volume	Mn Shares	131.8	109.5	20.4%
Trade		115,159	98,505	16.9%

Top Ten Market Cap	Mcap (mn BDT)	% of Total Mcap	Turnover (mn BDT)	PE	PB
Grameenphone Ltd.	400.9	14.0%	31.57	11.5x	9.5x
British American Tobacco Bangladesh Company Limited	182.2	6.3%	34.26	21.2x	7.5x
Square Pharmaceuticals	160.4	5.6%	93.33	12.5x	2.4x
United Power Generation & Distribution Company Ltd	126.0	4.4%	25.20	14.9x	8.6x
Renata Ltd.	101.6	3.5%	6.69	25.8x	5.6x
BRAC Bank	70.2	2.4%	19.22	13.7x	1.9x
Berger Paints	65.4	2.3%	2.76	28.2x	9.8x
Investment Corporation of Bangladesh	60.9	2.1%	.49	NM	2.1x
Marico Bangladesh Limited	53.2	1.9%	.57	21.2x	36.1x
LafargeHolcim Bangladesh Limited	42.6	1.5%	82.26	23.7x	2.8x

Top Ten Free Float Mcap	Free Float Mcap (mn BDT)	% of Total Free Float	Turnover (mn BDT)	PE	PB
Square Pharmaceuticals	105.2	9.1%	93.33	12.5x	2.4x
Renata Ltd.	49.6	4.3%	6.69	25.8x	5.6x
British American Tobacco Bangladesh Company Limited	48.2	4.2%	34.26	21.2x	7.5x
Grameenphone Ltd.	40.1	3.5%	31.57	11.5x	9.5x
BRAC Bank	39.1	3.4%	19.22	13.7x	1.9x
Beximco Pharmaceuticals	26.4	2.3%	3.50	9.7x	1.1x
Olympic Industries	22.5	1.9%	9.07	16.0x	4.9x
Eastern Bank	18.8	1.6%	.48	8.4x	1.2x
Pubali Bank	17.8	1.5%	2.17	6.8x	0.9x
National Bank	16.1	1.4%	10.47	7.0x	0.5x

Block Trade	Maximum Price	Minimum Price	Turnover (mn BDT)	Quantity	Trade
Beacon Pharmaceuticals Limited	35.90	35.90	89.75	2,500,000	1
City General Insurance	23.00	23.00	1.15	50,000	1
M.L. Dyeing Limited	31.30	31.30	3.91	125,000	2
Provati Insurance	30.40	30.40	0.52	17,000	1
Reckitt Benckiser	3,207.00	3,207.00	0.53	165	1
Ring Shine Textiles Limited	15.00	14.50	3.22	218,000	4
Shurwid Industries Limited	29.50	28.50	8.65	300,000	4
Sinobangla Industries	81.00	81.00	0.50	6,200	1
SK Trims & Industries Limited	49.70	48.50	40.86	833,000	9
Square Pharmaceuticals	189.00	188.90	41.57	220,000	2
Standard Ceramic	590.00	590.00	17.59	29,806	18
Uttara Bank	27.20	27.20	6.80	250,000	7

Important DSE News

RINGSHINE

(Q1 Financials): As per un-audited first quarter (Q1) financial statements, profit after tax was Tk. 199.84 million and basic EPS Tk. 0.70 for the 3 (three) months period ended on 30 September 2019 (July-September 2019) as against profit after tax of Tk. 142.12 million and basic EPS of Tk. 0.50 for the same period of the previous year. However, Pre-IPO Net Asset Value per Share (NAV) was Tk. 25.53 (Considering Pre-IPO paid-up number of shares) as on 30 September 2019. It is to be noted that basic EPS has been calculated based on weighted average Pre-IPO paid-up number of shares i.e. 285,054,820 shares for both the periods. Moreover, Company's post-IPO basic EPS for the 3 (three) months period ended on 30 September 2019 would be Tk. 0.46 and NAV per share would be Tk. 20.17 (Considering Post-IPO 435,054,820 number of shares).

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BEACHHATCH

(Q1 Un-audited): EPS was Tk. (0.08) for July-September 2019 as against Tk. (0.09) for July-September 2018; NOCFPS was Tk. 0.0001 for July-September 2018 as against Tk. (0.0001) for July-September 2018. NAV per share was Tk. 10.06 as on September 30, 2019 and Tk. 10.14 as on June 30, 2019.

KPCL

The Company has informed that the Board of Directors has taken decision to acquire 35% ordinary shares of United Payra Power Plant Ltd. subject to obtaining regulatory approvals of relevant authorities. United Payra Power Plant Ltd. has executed a Power Purchase Agreement dated 21.08.2019 with Bangladesh Power Development Board and (cont.) (Continuation news of KPCL): Implementation Agreement with the Government of the People's Republic of Bangladesh dated 21.08.2019 (together "the Project Agreements") to develop a 150 MW HFO Power Plant at Patuakhali, Bangladesh on Build Own Operate (BOO) basis for 15 years from the date of commercial operations. The required commercial operation date (RCOD) of the power plant is November 21, 2020 in accordance with the terms of the Project Agreements. (end)

SQURPHARMA

Emphasis of Matter: We draw attention to Note 1.28 of the separate financial statements which describe the amalgamation of the fully owned subsidiary the Square Formulations Ltd. and the Square Herbal and Nutraceuticals Ltd. with the Company. The Board of Directors of the Company in its meeting held on 16th October 2017 approved the amalgamation of the Company with the Subsidiaries whereby the Subsidiaries will merge with the Company, and the Company shall be the surviving entity. Our opinion is not modified in respect of this matter. The financial statements reflects financial result of the amalgamated entity. Note 1.28 Merger with Square Formulations Ltd. and Square Herbal and Nutraceuticals Ltd.: As the project of Square Formulations Ltd. (SFRL) is located within the premises of Square Pharmaceuticals Ltd. (SPL) at Kaliakoir, the separated operations of various aspects of SFRL is a complex one. Since SPL holds 99.50% of the Paid up Capital of SFRL with only 0.50% being held by the minority shareholders, Board of Directors have recommended for amalgamation under provision of section 228 and 229 of the Companies Act 1994. Reason of merger between Square Herbal and Nutraceuticals Ltd. and Square Pharmaceuticals Ltd. is to reform Square Pharmaceuticals Ltd; into a diversified high performance and value added company, Board of Directors considered a proposal for amalgamation of Square Herbal and Nutraceuticals Ltd. with Square Pharmaceuticals Ltd. under provision of section 228 and 229 of the Companies Act 1994. The Process of Merger: After approval of Board of Directors and consent of minority shareholders, the Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned the scheme of amalgamation of Square Formulations Ltd. with Square Pharmaceuticals Ltd. on 29th October, 2018. After approval of Board of Directors and consent of shareholders, the Hon'ble High Court Division of the Supreme Court of Bangladesh has sanctioned the scheme of amalgamation of Square Herbal & Nutraceuticals with Square Pharmaceuticals Ltd. on 29th October, 2018. The merger has been executed with effect from January 01, 2019. Purchase Consideration: Square Pharmaceuticals Ltd. holds 99.50% of the Paid-up Capital of Square Formulations Ltd. with only 0.50% being held by the minority shareholders. Compensation of the minority shareholders is based on cash at a book value shares as on 30 June, 2017 subject to approval by the Court of Jurisdiction, Hon'ble High Court Division of the Supreme Court of Bangladesh. Compensation of shareholders of Square Herbal & Nutraceuticals Ltd. is based on cash at a book value shares as on 30 June, 2017 subject to approval by the Court of Jurisdiction, Hon'ble High Court Division of the Supreme Court of Bangladesh. IFRS Followed for the Business Combination: The Company accounts for business combi-

nations using the acquisition method when control is transferred to the Company. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. As the consideration transferred in the acquisition date is equal to net assets acquired at acquisition date, there is no goodwill or gain on bargain purchase arises as per para-9 of IFRS 3.

VAMLBDMF1

Emphasis of Matter: (a) 3,200,000 ordinary shares in AFC Health Ltd., representing 2.21% of total shareholding of AFC Health Ltd. at a cost of Taka 40,000,000. Valuation of this Pre - IPO investment in AFC Health Ltd. has been verified by us by reference to the un audited financial statement for the period ended 31 March, 2019 and as such, the valuation of the securities has been calculated at cost of Taka 12.50 per share of Taka 10 each as against NAV of Taka 12.73 as per un audited financial statement for the period ended March 31, 2019. As per fund accounting policy, such investment is recognized lower of cost and NAV. However, NAV may differ from market value. (b) 320,000 ordinary share in eGeneration Limited, representing 0.53% of total shareholding of eGeneration Limited at a cost of Taka 8,000,000. Valuation of this Pre - IPO investment in eGeneration Limited has been verified by us by reference to the financial statement and auditors' report issued by Shiraz Khan Basak & Co. for the year ended 30 June 2019 and as such, the valuation of the securities has been calculated at NAV of Taka 16.51 (intangible assets were not considered) as per audited financial statement for the year ended June 30, 2019. As per fund accounting policy, such investment is recognized lower of cost and NAV. However, NAV may differ from market value.

AGNISYSL

The Company has been placed in 'B' category from existing 'A' category with effect from December 15, 2019 as the Company has approved 7% cash dividend for the year ended on June 30, 2019.