

Daily Market Update

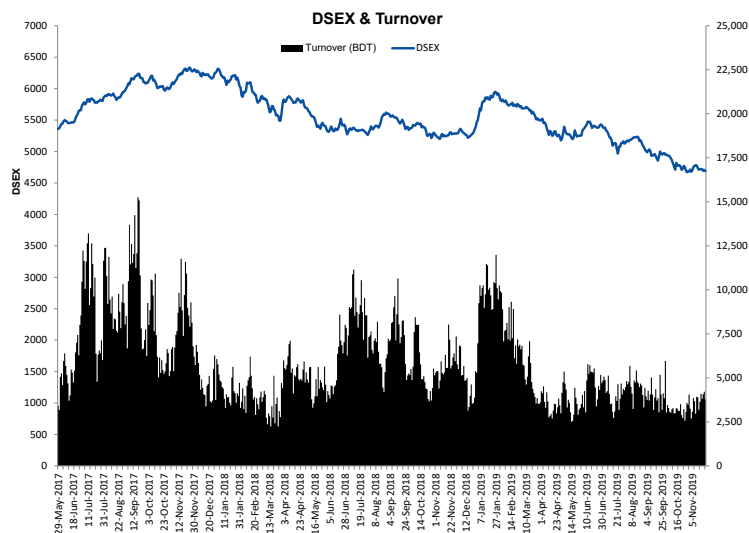
Market closed in red today. The benchmark index DSEX (-0.39%) lost 18.24 points and closed at 4,688.43 points. Both the blue chip index DS30 (-0.76%) and the Shariah-based index DSES (-0.55%) closed in red. The large cap sectors showed negative performance today except Engineering (+1.04%) and Food & Allied (+1.03%). Telecommunication experienced the highest loss of 5.03% followed by Banks (-0.75%), NBFIs (-0.52%), Pharmaceuticals (-0.45%), and Power (-0.35%). Turnover stood at BDT 3.8 billion (USD 45.4 million). Beacon Pharmaceuticals Limited (+8.5%) was the most traded share with a turnover of BDT 111.7 million.

Sector Index	Closing	Opening	Δ(Pts)	Δ%	No. of Cos	Sectoral Mcap	% of Total Mcap	Sectoral Turnover	% of Total Turnover
Banks	1,329.28	1,339.35	-10.07	-0.75%	30	542,554.0	18.18%	257.0	6.84%
NBFIs	1,597.34	1,605.62	-8.29	-0.52%	23	147,671.4	4.95%	83.6	2.22%
Mutual Funds	600.93	604.49	-3.55	-0.59%	37	31,229.0	1.05%	71.1	1.89%
General Insurance	1,992.85	2,023.66	-30.80	-1.52%	35	53,980.8	1.81%	608.5	16.19%
Life Insurance	2,086.00	2,106.77	-20.77	-0.99%	12	58,160.7	1.95%	66.9	1.78%
Telecommunication	4,369.54	4,601.04	-231.50	-5.03%	2	439,169.4	14.71%	162.8	4.33%
Pharmaceuticals	2,703.52	2,715.74	-12.22	-0.45%	32	509,895.9	17.08%	591.2	15.73%
Fuel & Power	1,654.00	1,659.78	-5.78	-0.35%	20	410,023.6	13.74%	165.6	4.41%
Cement	1,120.46	1,127.37	-6.90	-0.61%	7	68,140.4	2.28%	33.8	0.90%
Services & Real Estate	925.72	918.22	7.51	0.82%	8	36,271.1	1.22%	36.6	0.97%
Engineering	2,446.88	2,421.63	25.25	1.04%	39	158,788.2	5.32%	597.5	15.90%
Food & Allied	13,592.70	13,454.11	138.59	1.03%	17	251,049.4	8.41%	136.7	3.64%
IT	1,686.21	1,663.42	22.79	1.37%	9	18,643.1	0.62%	68.4	1.82%
Textiles	1,046.12	1,030.07	16.05	1.56%	55	101,455.8	3.40%	504.9	13.44%
Paper & Printing	5,210.45	4,960.28	250.17	5.04%	3	9,961.9	0.33%	23.1	0.61%
Tannery	1,849.81	1,845.43	4.37	0.24%	6	19,919.3	0.67%	64.0	1.70%
Jute	12,741.43	12,663.06	78.37	0.62%	3	2,815.9	0.09%	22.0	0.59%
Ceramics	483.80	491.49	-7.69	-1.57%	5	23,367.3	0.78%	62.1	1.65%
Miscellaneous	1,827.65	1,814.85	12.79	0.70%	13	101,410.2	3.40%	201.6	5.36%

Top Ten Gainers	Close	Δ%	Turnover (mn BDT)
National Feed Mill Limited	9.90	10.0%	19.3
Apex Tannery Limited	115.60	10.0%	12.3
Coppertech Industries Limited	26.90	9.9%	64.6
Saiham Textile	31.10	9.9%	1.0
Queen South Textiles Mills Limited	30.20	9.8%	31.7
Al-Haj Textile Mills Limited	40.80	9.7%	23.2
Silva Pharmaceuticals Limited	18.30	9.6%	76.9
Yeakin Polymer Limited	9.20	9.5%	7.7
New Line Clothings Limited	14.20	9.3%	13.8
Tosrifa Industries Limited	10.60	9.3%	5.4

Top Ten Losers	Close	Δ%	Turnover (mn BDT)
Safko Spinnings	9.00	-23.1%	7.5
Meghna Condensed Milk	10.00	-8.3%	.7
Zeal Bangla Sugar Mills	32.90	-7.6%	.1
CAPM BDBL Mutual Fund 01	8.60	-6.5%	1.4
Shaympur Sugar	21.40	-6.1%	.0
ICB Islamic Bank	3.20	-5.9%	.6
Premier Cement Mills Limited	47.20	-5.8%	.4
Grameenphone Ltd.	312.00	-5.3%	91.4
Delta Spinnings Ltd.	3.70	-5.1%	.4
Vanguard AML BD Finance Mutual Fund One	6.00	-4.8%	1.8

Most Traded Share	Close	Δ%	Turnover (mn BDT)
Beacon Pharmaceuticals Limited	37.00	8.5%	111.7
National Tubes	161.40	1.4%	104.8
Sonar Bangla Ins	49.90	-1.0%	103.4
Grameenphone Ltd.	312.00	-5.3%	91.4
VFS Thread Dyeing Limited	25.00	5.9%	90.1
BBS Cables Limited	67.40	5.6%	78.1
Asia Insurance Limited	28.90	-2.0%	77.1
Silva Pharmaceuticals Limited	18.30	9.6%	76.9
Bangladesh Submarine Cable Company Limited	108.40	2.1%	71.4
Kattali Textile Limited	12.30	3.4%	69.3



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Index	Closing	Opening	Δ(Pts)	Δ%	%ΔYTD
DSEX	4,688.43	4,706.67	-18.24	-0.39%	-12.95%
DS30	1,638.16	1,650.63	-12.47	-0.76%	-12.90%
DSES	1,075.83	1,081.77	-5.94	-0.55%	-12.73%

	Advanced	Declined	Unchanged	Total
All Category	138	167	33	338
A Category (Equity)	98	134	22	254
B Category (Equity)	13	16	4	33
N Category (Equity)	8	0	0	8
Z Category (Equity)	19	17	7	43
Mutual Funds	5	19	13	37
Corporate Bonds	0	1	0	1

Market Stat		Today	Last Day	% Change
Mcap	Mn BDT	3,544,046.5	3,570,813.0	
	Mn USD	42,632.6	42,954.6	-0.7%
Turnover	Mn BDT	3,772.0	4,210.2	
	Mn USD	45.4	50.6	-10.4%
Volume	Mn Shares	134.4	146.0	-8.0%
Trade		124,443	121,262	2.6%

Top Ten Market Cap	Mcap (mn BDT)	% of Total Mcap	Turnover (mn BDT)	PE	PB
Grameenphone Ltd.	421.3	14.1%	91.39	12.1x	9.9x
British American Tobacco Bangladesh Company Limited	196.9	6.6%	18.05	22.9x	8.1x
Square Pharmaceuticals	181.4	6.1%	49.42	14.1x	2.8x
United Power Generation & Distribution Company Ltd	138.7	4.6%	9.07	16.4x	9.4x
Renata Ltd.	104.2	3.5%	19.57	26.4x	5.7x
BRAC Bank	74.1	2.5%	12.21	14.4x	2.0x
Berger Paints	66.7	2.2%	1.98	28.8x	9.9x
Investment Corporation of Bangladesh	60.0	2.0%	2.20	NM	2.1x
Marico Bangladesh Limited	54.3	1.8%	.36	21.7x	36.9x
Summit Power	39.8	1.3%	7.38	7.7x	1.5x

Top Ten Free Float Mcap	Free Float Mcap (mn BDT)	% of Total Free Float	Turnover (mn BDT)	PE	PB
Square Pharmaceuticals	119.0	9.9%	49.42	14.1x	2.8x
British American Tobacco Bangladesh Company Limited	52.1	4.3%	18.05	22.9x	8.1x
Renata Ltd.	50.9	4.2%	19.57	26.4x	5.7x
Grameenphone Ltd.	42.1	3.5%	91.39	12.1x	9.9x
BRAC Bank	41.3	3.4%	12.21	14.4x	2.0x
Beximco Pharmaceuticals	28.2	2.3%	14.35	10.3x	1.2x
Olympic Industries	26.0	2.2%	5.87	18.5x	5.7x
Eastern Bank	19.1	1.6%	3.07	8.5x	1.2x
Pubali Bank	17.8	1.5%	1.71	6.8x	0.9x
National Bank	16.3	1.4%	7.51	7.0x	0.5x

Block Trade	Maximum Price	Minimum Price	Turnover (mn BDT)	Quantity	Trade
Al-Haj Textile Mills Limited	33.70	33.70	1.18	35,000	2
Malek Spinning Mills Ltd.	13.40	13.40	1.54	115,000	1
Silco Pharmaceuticals Limited	33.00	33.00	3.30	100,000	1
SK Trims & Industries Limited	47.50	47.50	4.75	100,000	1
Sonar Bangla Ins	50.20	50.20	2.51	50,000	1
Sonargaon Textiles	30.70	30.70	0.61	20,000	1
S. S. Steel Limited	30.00	30.00	0.51	17,000	1

Corporate Actions: Upcoming Record Dates

DSE Ticker	Company Name	Rights	Stock	Cash	Year End	Record Date
BDTHAI	Bd.Thai Aluminium	0.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
SONARGAON	Sonargaon Textile Ltd.	0.0%	0.0%	3.0%	30-Jun-2019	25-Nov-2019
USMANIAGL	Usmania Glass Sheet Factory Limited	0.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
BXPHARMA	Beximco Pharmaceuticals Limited	0.0%	0.0%	15.0%	30-Jun-2019	25-Nov-2019
BEXIMCO	Bangladesh Export Import Co. Ltd.	0.0%	0.0%	5.0%	30-Jun-2019	25-Nov-2019
BXSYNTH	Beximco Synthetics Ltd.	0.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
SPCERAMICS	Shinepukur Ceramics Ltd.	0.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
ARAMITCEM	Aramit Cement Limited	0.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
AFTABAUTO	Aftab Automobiles Ltd.	0.0%	0.0%	10.0%	30-Jun-2019	25-Nov-2019
NAVANACNG	Navana CNG Ltd.	0.0%	0.0%	10.0%	30-Jun-2019	25-Nov-2019
SAMATALETH	Samata Leather Complex Ltd.	2.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
SHEPHERD	Shepherd Industries Limited	10.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
GOLDENSON	Golden Son Limited	0.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019
IMAMBUTTON	Imam Button Industries Ltd.	0.0%	0.0%	0.0%	30-Jun-2019	25-Nov-2019

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DSE Ticker	Company Name	Rights	Stock	Cash	Year End	Record Date
PRIMETEX	Prime Textile Spinning Mills Limited		0.0%	5.0%	30-Jun-2019	25-Nov-2019
SKTRIMS	SK Trims & Industries Limited		10.0%	10.0%	30-Jun-2019	25-Nov-2019
CENTRALPHL	Central Pharmaceuticals Limited		0.0%	1.0%	30-Jun-2019	25-Nov-2019
KPPL	Khulna Printing & Packaging Limited		0.0%	1.0%	30-Jun-2019	25-Nov-2019

Important DSE News
SAFKOSPINN

The Board of Directors has recommended No dividend for the year ended on June 30, 2019. Date of AGM: 26.12.2019, Time: 11:30 AM, Venue: Conference Hall of Safko Spinning Mills Ltd. Noyapara, Saihannagar, Madhabpur, Habiganj. Record Date: 11.12.2019. The Company has also reported EPS of Tk. (0.49), NAV per share of Tk. 17.23 and NOCFPS of Tk. 2.29 for the year ended on June 30, 2019 as against Tk. 0.41 (restated), Tk. 17.67 (restated) and Tk. 3.30 (restated) respectively for the same period of the previous year.

The Company will be placed in 'Z' category from existing 'B' category with effect from November 25, 2019 as the Company has recommended No dividend for the year ended on June 30, 2019.

DSHGARME

The company has informed that the Board of Directors has approved Tk. 10.50 million for import of automatic new sewing machines to increase another lines in existing production floor. Projected investment of Tk. 10.50 million is to be funded by loan from Jamuna Bank Limited.

IFADAUTOS

The company has informed that the Board of Directors has decided to raise up to Tk. 300,00,00,000.00 only in the form of coupon bearing non-convertible fully redeemable bonds (with a tenor of 5 years), hereinafter called the "Ifad Autos Coupon Bearing Bond" to a group of investors subject to the final approval of the Bangladesh Securities and Exchange Commission (BSEC).

MIRACLEIND

Qualified Opinion: The evidence with respect to inventory having a carrying amount of Taka 60,280,900 was limited, as we could not observe the physical inventory count as of June 30, 2019. As a result, we could not confirm the quantity of inventories and value thereof and confirm whether any adjustment was necessary which might have material effect on the Financial statements. Deferred tax has not been calculated in accordance with IAS 12 Income Taxes and adequate disclosure has not been made both for current tax and deferred tax in accordance with the said standards. The reason for significant changes in net profit to sale has not been disclosed. Disclosures made in the financial statements were not satisfactory as the company did not completely fulfill the disclosure requirements of international Accounting Standards, International Financial Reporting Standards (IASs and IFRSs) and Schedule XI of the Companies Act, 1994.

AIL

Emphasis of Matter: Without modifying our opinion we draw attention to the matter, disclosure is not adequate for Provision for current Tax in accordance with IAS 12 "Income Taxes". Another matter is that provision for WPPF has not been kept for the year.

SSSTEEL

Qualified Opinion: 1) In Note-18, "Provision for Workers Profit Participation Fund (WPPF) and welfare fund" no payment have been made out of WPPF to the beneficiaries during the year, a non-compliance of section 242 of the Bangladesh Labor Act as per which, two-thirds of the total amount deposited in the participation fund in every year shall be distributed in equal proportion to all (beneficiaries) in cash, moreover interest is given on loan taken from WPPF and Welfare fund at 8.5% which is much lower than the required rate of 2.5% above the bank rate or 75% of the rate at which dividend is declared on its ordinary shares, which is higher as per section 240(3) of the Bangladesh Labor Act, a non-compliance of the aforementioned action of the concerned Act. Note: 18.00: Provision for WPPF and welfare fund as on 30-June-2019 was Tk.70,606,076 and as on 30-June-2018 was Tk.39,522,240. Interest has been charged at 2.5% higher than the bank rate for utilizing the balance of Fund by the company as per section 240 of The Labour Act, 2006 as amended in 2013.

GBBPOWER

Going Concern: We draw attention to page no. 10 note "B" to the financial statements describe the events or matters that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in respect of this event or matter. Page no. 10 note B: The company implemented the Joint Venture Agreement executed between GBB Limited and Caladonian Power Limited and has done all that was necessary as per notification of award of "Supply Installation and Putting in Commercial Operation of 20MW +/- 10% Trailer/ Skid Mounted Power Plant at Bogra on rental basis for a tenure of 15 year Project which will be ended in 17 June 2023" issued by Bangladesh Power Development Board vide Memo No. 108-BPDB (CS.)/(Contract)/Bogra Rental/06 dated 03.08.2006 and 15.08.2006 respectively.

NTC

Qualified Opinion: 1. We refer to Note 6, Property, Plant & Equipment which include "Bearer Plants" put under "Land & Plantation" that has a finite life and must be depreciated under IAS 16. The company did not charge any depreciation for the Bearer plants which is a noncompliance with IAS 16. Note: 6.00- Property, Plant and Equipments: Land & Plantation Balance as on June 30 2018 was Tk.1,615,684,102 and balance as on June 30 2019 was Tk.1,761,310,907.

ZAHINTEX

Matter of Emphasis: We have drawn attention to i) Note 8.01 Advance against goods & supply TK 72,387,615 to the financial statement is comparatively high regarding last year. Note 8.01 Advance against goods supply: Balance of Advance against goods supply was Taka 72,387,615 as on 30.06.2019 and Taka 28,807,963 as on 30.06.2018. ii) Note 4:00 Property Plant & Equipment addition BDT 188,745,775 though there is fall of production and export. Note 4.00 Property, plant and equipment: Written Down Value of Property, plant and equipment was Taka 1,583,628,189 as on 30.06.2019 and Taka 1,508,851,153 as on 30.06.2018.

ISNLTD

Matter of Emphasis: Without modifying our opinion we draw attention to the following matter: Deferred tax has not been calculated and disclosed in accordance with IAS 12 "Income Taxes".

NAHEEACP

Emphasis of Matter: a) We draw attention to note 2.08(d) to the financial statements regarding the depreciation charging rate of factory building and from our point of view it looks that the rate is relatively high. Note 2.08 (d) The depreciation rate of Factory Buildings is 15%. b) We draw attention to note 22 "Administrative Expenses" of the notes to the financial statements Which describes the rea-

sons of decrease in administrative expenses for the year ended 30th June, 2019. Note 22.00 Administrative Expenses was Taka 16,629,996 as on 2018-2019 & Taka 26,779,742 as on 2017-2018. Administrative expenses for the year has been reduced significantly due to IPO expenses as per note no. 22.01 (which was an unusual event for the company) incurred in previous financial year. As there was available profit management of the company decided to charge the full amount in Profit or Loss and Other Comprehensive Income for the year ended 30 June, 2018.

PDL

Matter of Emphasis: Without modifying our opinion we draw attention to the matter that full revalued amount has been consider in calculating deferred tax on revaluation instead of considering the revaluation surplus amount only.

HFL

Emphasis of Matter: We draw attention to Provision for current Tax (Tk. 32,504,583) for the year ended 30 June, 2018. The figure includes Tk.1,011,337 which was claimed by Income Tax Authority as additional tax to be paid for the assessment year 2018-2019. The company is appealing against the verdict of the taxes Appellate Tribunal. We draw attention to note no. 35 with regards rental agreement of Tk.1,200,000 (monthly) was paid to Mr. Abdullah Al-Zahir who is the brother of Managing Director of Hamid Fabrics Ltd. During our audit work we could not find any rental agreement in connection with this transaction. Note 35: Rent of Tk.14,400,000 (yearly) was paid to Mr. Abdullah Al-Zahir who is the brother of Managing Director of Hamid Fabrics Limited.

HAKKANIPUL

Matter of Emphasis: An amount of loss of Tk. 19,558,746 had been incurred in Tissue Unit and Tk. 1,496,132 in Paper Unit. Total loss of Tk. 21,054,878 and the percentage of loss comparing with last year increased by 16% due to new Tissue Unit has been gone into commercial production from January 2019. The reason for decrease in EPS from (0.96) in the previous year to this year (1.11) is mainly due to increase in operating losses. Our opinion is not modified in respect of this matters.

SALAMCRST

Other Matter: Without qualifying our opinion we would like to draw attention to the fact disclosed in note 5.01 to the Financial Statements. Note 05.01 S. Alam Power Generation Ltd. started commercial operation of 17MW captive power plant in the month of August 2016. But immediately after the commencement of commercial operation, fuel price has been increased by the authority. As a result, electricity that would have been produced by use of high cost fuel will not be feasible. Under such a situation, the management decided not to produce power at such a high cost and exerted efforts for getting permission to get gas line installation to the project for production of electricity. So, the machineries require further development for consumption of cheap fuel like gas. As development is required, borrowing cost of these machineries has capitalized considering the para 20 to 23 of IAS 23 Borrowing cost. Hence interest on loan has been capitalized and added to the machineries.

KAY&QUE

Emphasis of Matter: The Company has recognized Deferred Tax Income/Expense in a lump sum basis in the financial statements which is a non-compliance with the paragraph 15 & 24 of IAS - 12 'Income Taxes'. Proper calculation was not made as per IAS. As a result, investors are not informed about the actual position and performance of the company. Our opinion is not modified in respect of this matter.

NAVANACNG

Matter of Emphasis: The company has not been applied IFRS 9 "Financial Instrument" though this IFRS is applicable for the company.

STYLECRAFT

Emphasis of Matter: We draw attention to Note 2.26 of the financial statements, which describes that section 234 is not applicable for the company. Our opinion is not modified in respect of this matter. Note 2.26 Contribution to workers Profit Participation/welfare Fund: The Legislation puts in place provisions including a central fund to improve living standards of workers, a requirement for @ 0.03% of annual total export value to be deposited in employee welfare fund and section 234 of the Bangladesh Labor Act 2006 is not applicable for Stylecraft Ltd. as a 100% export oriented garments manufacturing company.

MLDYEING

Emphasis of Matter: We draw attention to Note 5.00 of the financial statements, which describes the effect on investment in associate company. Due to fire destruction that occurred on 8th April 2019 in R. N. Spinning Mills Ltd. (associate company). The company has to bear loss to the extent of its investment. The proportion of fire loss has been adjusted with the investment and cumulative profit from the associate company. Due to the loss adjustment the amount of investment in associate company has become nil However, the company still holds 8.81% of total ordinary shares or 34,589,966 ordinary shares of R.N. Spinning Mills Ltd (associate company) whose market value as on 30th June 2019 is Tk. 224,834,779. Our decision is not modified in respect of this matter. Note 5.00 Balance of Investment in Associate Company was Taka 0.00 (Nil) as on 30-06-2019 & Taka 376,041,792 as on 30-06-2018.

KBPPWBIL

Emphasis of Matters: Without qualifying our opinion, we draw attention in the Note # 8.00 to the financial statements, the company disclosed under Cash and Cash Equivalents an FDR amounting to Taka 98,000,000 with one of Non-Banking Financial Institutions (NBFI) namely Peoples Leasing and Financial Services Limited. Currently the NBFI's ability is in doubt to continue as a going concern. Note 8.00 Cash and Cash Equivalents: Balance of Cash and Cash Equivalents was Tk. 134,070,652 as on 30 June 2019 & Tk. 129,321,929 as on 30 June 2018 Going Concern: We draw attention to note # 2.05 to the financial statements describes the events or matters that may cast significant doubt on the Company's ability to continue as going concern. Our opinion is not modified in respect of this event or matter. Note 2.05 Going Concern: The company has adequate resources to continue in operation for the foreseeable future. The current credit facilities and resources of the company provides sufficient fund to meet the present requirements of its existing business. For this reasons the directors continue to adopt going concern basis in preparing the financial statements.

FUWANGCER

Qualified Opinion: Deferred Tax liability amounting Tk. 83,591,202 has not been calculated and detail disclosure has not given as per IAS 12.