

Daily Market Update

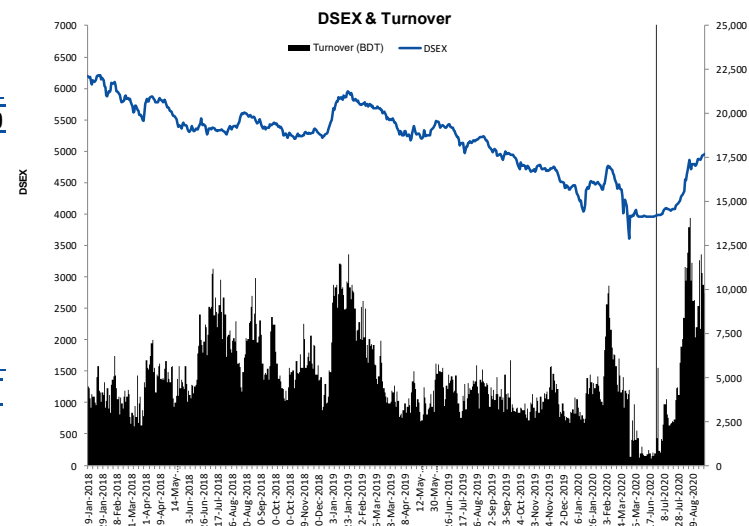
The market closed in green today. The benchmark index DSEX (+0.21%) gained 10.62 points and closed at 4,959.18 points. The blue-chip index DS30 (+0.41%), the Shariah-based index DSES (+0.14%), and the large-cap index CDSET (+0.41%) all closed at green. The large-cap sectors posted mixed performance today. Telecommunication booked the highest gain of 1.02% followed by NBFIs (+0.85%), Engineering (+0.48%) and Food & Allied (+0.44%). Power experienced the highest loss of 0.43% followed by Banks (-0.07%) and Pharmaceuticals (+0.0%). Total turnover stood at BDT 9.8 billion (USD 114.9 million). Block trades contributed 4.0% of the overall market turnover. Beximco Pharmaceuticals (+3.0%) was the most traded share with a turnover of BDT 603.9 million.

Sector Index	Closing	Opening	Δ(Pts)	Δ%	No. of Cos	Sectoral Mcap	% of Total Mcap	Sectoral Turnover (mn BDT)	% of Total Turnover
Banks	1,348.57	1,349.52	-0.94	-0.07%	30	549,701.2	17.24%	953.0	10.17%
NBFIs	1,873.98	1,858.22	15.76	0.85%	23	173,251.1	5.43%	958.7	10.24%
Mutual Funds	651.92	654.55	-2.62	-0.40%	37	33,879.8	1.06%	210.0	2.24%
General Insurance	2,355.82	2,357.89	-2.07	-0.09%	36	63,650.4	2.00%	455.9	4.87%
Life Insurance	1,952.85	1,944.69	8.16	0.42%	12	54,448.4	1.71%	41.8	0.45%
Telecommunication	4,588.09	4,541.82	46.26	1.02%	2	461,134.6	14.46%	192.1	2.05%
Pharmaceuticals	3,040.62	3,040.70	-0.08	0.00%	32	573,161.0	17.98%	1,704.5	18.20%
Fuel & Power	1,728.87	1,736.35	-7.47	-0.43%	19	428,586.1	13.44%	433.7	4.63%
Cement	1,396.36	1,384.69	11.68	0.84%	7	84,920.7	2.66%	260.4	2.78%
Services & Real Estate	1,055.17	1,047.68	7.49	0.72%	8	42,127.7	1.32%	138.6	1.48%
Engineering	2,474.85	2,462.94	11.91	0.48%	39	160,589.9	5.04%	1,189.8	12.70%
Food & Allied	13,482.63	13,423.75	58.88	0.44%	17	248,980.0	7.81%	371.6	3.97%
IT	2,225.73	2,191.38	34.34	1.57%	9	24,608.1	0.77%	316.0	3.37%
Textiles	1,126.19	1,130.98	-4.79	-0.42%	56	113,669.6	3.57%	789.5	8.43%
Paper & Printing	6,362.84	6,346.00	16.84	0.27%	4	15,894.2	0.50%	189.0	2.02%
Tannery	1,796.38	1,791.25	5.13	0.29%	6	19,231.5	0.60%	108.6	1.16%
Jute	10,298.01	10,086.50	211.50	2.10%	3	2,275.9	0.07%	47.1	0.50%
Ceramics	442.44	446.16	-3.73	-0.84%	5	22,433.1	0.70%	120.8	1.29%
Miscellaneous	2,083.34	2,084.78	-1.44	-0.07%	13	115,598.1	3.63%	885.7	9.46%

Top Ten Gainers	Close	Δ%	Turnover (mn BDT)
GPH Ispat Limited	29.70	10.0%	71.0
BD Welding	25.50	9.9%	11.9
Miracle Ind.	31.30	9.8%	66.5
In Tech Online Ltd.	28.00	9.8%	25.4
Anwar Galvanizing Ltd.	132.10	9.7%	104.6
Appollo Ispat Complex Limited	8.00	9.6%	97.0
Legacy Footwear	83.00	9.5%	48.9
BD Finance	17.40	9.4%	162.7
BIFC	4.80	9.1%	.8
Prime Finance	9.60	9.1%	13.2

Top Ten Losers	Close	Δ%	Turnover (mn BDT)
Meghna Pet Industries	14.70	-9.8%	2.0
Imam Button	30.30	-6.2%	3.2
Aramit Cement Limited	18.30	-5.7%	.6
GQ Ball Pen	222.10	-5.6%	51.4
Beximco Syntehtics	8.40	-5.6%	18.0
Shinepukur Ceramics	14.20	-5.3%	4.7
Savar Refractories	285.30	-4.8%	2.3
CAPM IBBL Islamic Mutual Fund	10.10	-4.7%	19.1
Grameen One Scheme Two	13.10	-4.4%	36.9
Khan Brothers PP Woven Bag Industries Limited	9.20	-4.2%	9.8

Most Traded Share	Close	Δ%	Turnover (mn BDT)
Beximco Pharmaceuticals	123.80	3.0%	603.9
Beximco Limited	28.10	2.9%	584.1
BRAC Bank	43.30	1.6%	454.0
Orion Pharma Ltd.	62.10	-2.4%	322.2
Delta Brac Housing	95.40	2.9%	240.2
LafargeHolcim Bangladesh Limited	44.10	1.8%	198.0
Lankabangla Finance	21.60	2.4%	166.7
BD Finance	17.40	9.4%	162.7
Ring Shine Textiles Limited	8.40	5.0%	150.8
Square Pharmaceuticals	212.90	-0.1%	123.3



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	4,959.18	4,948.57	10.62	0.21%	11.37%
DS30	1,723.91	1,716.84	7.08	0.41%	13.91%
DSES	1,142.68	1,141.04	1.64	0.14%	14.29%
CDSET	1,006.97	1,002.87	4.10	0.41%	11.92%

	Advanced	Declined	Unchanged	Total
All Category	130	182	45	357
A Category (Equity)	91	140	30	261
B Category (Equity)	20	28	6	54
N Category (Equity)	2	0	0	2
Z Category (Equity)	17	14	9	40
Mutual Funds	8	19	10	37
Corporate Bonds	1	1	0	2

Market Stat		Today	Last Day	% Change
Mcap	Mn BDT	3,736,913.9	3,730,268.7	
	Mn USD	43,984.4	43,906.2	0.2%
Turnover	Mn BDT	9,761.3	10,259.9	-4.9%
	Mn USD	114.9	120.8	
Volume	Mn Shares	367.7	354.6	3.7%
Trade		193,970	209,065	-7.2%

Top Twenty Market Cap	Mcap (Bn BDT)	% of Total Mcap	Turnover (mn BDT)	PE	PB
Grameenphone Ltd.	439.9	13.8%	113.28	12.9x	10.4x
British American Tobacco Bangladesh Company Limited	193.6	6.1%	64.14	22.3x	8.0x
Square Pharmaceuticals	179.7	5.6%	123.26	13.1x	2.7x
United Power Generation & Distribution Company Ltd	146.5	4.6%	98.52	20.4x	10.0x
Renata Ltd.	103.5	3.2%	18.53	24.2x	5.7x
Investment Corporation of Bangladesh	76.7	2.4%	13.09	NM	3.7x
Berger Paints	65.6	2.1%	10.12	27.1x	9.8x
Marico Bangladesh Limited	62.6	2.0%	1.75	22.4x	42.5x
BRAC Bank	57.4	1.8%	453.99	12.7x	1.3x
LafargeHolcim Bangladesh Limited	51.2	1.6%	197.95	28.5x	3.4x
Beximco Pharmaceuticals	50.2	1.6%	603.92	14.7x	1.8x
Summit Power	44.3	1.4%	35.44	7.8x	1.7x
Islami Bank	40.2	1.3%	22.59	7.3x	0.7x
Olympic Industries	36.0	1.1%	11.95	17.8x	5.7x
Dutch-Bangla Bank	35.9	1.1%	17.26	7.8x	1.2x
Titas Gas	35.0	1.1%	10.78	9.0x	0.5x
Eastern Bank	29.8	0.9%	9.38	7.5x	1.1x
Glaxo Smithkline	27.4	0.9%	2.30	48.1x	21.8x
MJL Bangladesh Limited	27.0	0.8%	3.41	14.6x	4.3x
National Life Insurance Company Ltd.	25.6	0.8%	.22	NM	23.6x

Top Twenty Free Float Mcap	Free Float Mcap (Bn BDT)	% of Total Free Float	Turnover (mn BDT)	PE	PB
Square Pharmaceuticals	117.6	9.1%	123.26	13.1x	2.7x
British American Tobacco Bangladesh Company Limited	51.2	4.0%	64.14	22.3x	8.0x
Renata Ltd.	50.6	3.9%	18.53	24.2x	5.7x
Grameenphone Ltd.	44.0	3.4%	113.28	12.9x	10.4x
Beximco Pharmaceuticals	43.6	3.4%	603.92	14.7x	1.8x
BRAC Bank	32.0	2.5%	453.99	12.7x	1.3x
Olympic Industries	26.0	2.0%	11.95	17.8x	5.7x
Islami Bank	20.6	1.6%	22.59	7.3x	0.7x
Eastern Bank	20.4	1.6%	9.38	7.5x	1.1x
Beximco Limited	19.7	1.5%	584.07	26.0x	0.4x
LafargeHolcim Bangladesh Limited	18.1	1.4%	197.95	28.5x	3.4x
Pubali Bank	16.9	1.3%	3.57	11.2x	0.8x
Summit Power	16.3	1.3%	35.44	7.8x	1.7x
National Bank	16.0	1.2%	25.08	5.1x	0.4x
City Bank	16.0	1.2%	53.01	8.4x	0.9x
United Power Generation & Distribution Company Ltd	14.7	1.1%	98.52	20.4x	10.0x
Beacon Pharmaceuticals Limited	12.0	0.9%	32.68	149.6x	5.8x
Southeast Bank	11.8	0.9%	14.64	5.0x	0.5x
Prime Bank	11.8	0.9%	15.21	11.2x	0.7x
The ACME Laboratories Limited	11.7	0.9%	78.89	12.1x	1.0x

Block Trade	Maximum Price	Minimum Price	Turnover (mn BDT)	Quantity	Trade
AB Bank Limited	11.90	11.90	49.40	4,151,000	1
Alif Manufacturing Company Ltd.	8.30	8.30	0.98	118,000	1
Anwar Galvanizing Ltd.	119.10	112.10	1.16	10,000	2
Beximco Limited	28.00	28.00	14.00	500,000	1
BRAC Bank	43.40	43.00	72.15	1,670,000	11
Daffodil Computers Ltd.	71.00	68.00	19.67	281,000	6
Delta Brac Housing	93.80	93.80	1.88	20,000	1
Eastern Insurance	100.90	100.90	0.50	5,000	1

Block Trade	Maximum Price	Minimum Price	Turnover (mn BDT)	Quantity	Trade
Fine Foods Ltd	89.90	89.90	0.67	7,500	1
GQ Ball Pen	230.00	230.00	2.76	12,000	2
Mercantile Insurance	24.50	24.50	9.92	404,773	1
M.L. Dyeing Limited	49.90	46.80	6.03	127,024	11
National Housing Fin. and Inv. Ltd.	32.50	32.50	0.52	16,000	1
Oimex Electrode Limited	27.20	27.20	1.36	50,000	1
Orion Pharma Ltd.	63.60	62.10	104.39	1,656,066	3
Pioneer Insurance	60.00	60.00	12.00	200,000	2
Paramount Textile Limited	57.00	57.00	5.70	100,000	1
Sea Pearl Beach Resort & Spa Limited	79.10	71.20	2.81	36,308	3
SK Trims & Industries Limited	66.90	57.00	35.96	604,302	37
Sonar Bangla Ins	45.80	44.20	4.33	96,900	3
Southeast Bank	13.50	13.50	47.25	3,500,000	1
Standard Insurance	36.00	36.00	0.78	21,600	1
Total			394.21		92

Corporate Actions: Upcoming Record Dates

DSE Ticker	Company Name	Rights	Stock	Cash	Year End	Record Date
SEBL1STMF	Southeast Bank 1st Mutual Fund	-	0.0%	3.0%	30-Jun-20	09-Sep-20
NLI1STMF	NLI First Mutual Fund	-	0.0%	5.0%	30-Jun-20	09-Sep-20
IFIC	IFIC Bank Ltd.	1R:5	0.0%	0.0%	31-Dec-19	10-Sep-20

Important DSE News

PADMAOIL

The Company has informed that for the expansion of business, the Company has signed an agreement with Beximco LPG Unit-1 Limited, Dhaka to sale LPG by establishing LPG (Autogas) Refueling Station parallel to the sale of Petroleum Oil through company's registered Filling Stations. As per the agreement, the Company will receive royalty of Tk. 0.50 against per Liter sale of LPG.

NBL

Mr. Mahbubur Rahman, one of the Sponsors of the Company, has expressed his intention to transfer 70,00,000 shares out of his total holding of 1,45,87,205 shares to his wife Mrs. Hameeda Rahman, by way of gift outside the trading system of the Exchange within 30 working days from the date of issuance of approval letter by DSE.

PEOPLESINS

The Company has informed that Al-Haj Md. Rahimuddin Bharosha, one of the Directors of the Company passed away on 11.03.2020. His present holding is 10,63,799 shares. These shares will be transmitted in the account of his son namely Mr. Md. Azizul Haque by way of nomination.

RUPALILIFE

Mr. Abdullah Jamil Matin, one of the Sponsor Directors of the Company will receive 76,926 shares of the Company from his deceased mother Mrs. Parvez Akhter Khanam, general share-

Disclaimer: This report has been prepared by BRAC EPL Stock Brokerage Ltd and is provided for information purposes. It is not, under any circumstances, to be used or considered as an offer to sell, or a solicitation of any offer to buy. Reasonable care has been taken to ensure that the information is not untrue and misleading. BRAC EPL Stock Brokerage Ltd makes no representation or warranty as to the accuracy or completeness of such information. All opinions and estimates included in this report constitute our judgment as of this date and are subject to change without notice.

holder of the company, by way of nomination.

BDFINANCE

The Company has informed that Mr. Md. Kyser Hamid has been appointed as Managing Director & CEO of the Company with effect from September 02, 2020.

AGRANINS

The auditor of Agrani Insurance Co. Ltd has given the following "Qualified Opinion & Emphasis of Matter" in the audit report of the Company prepared for the year ended on December 31, 2019. Qualified Opinion: The Company has recorded a deposit to VAT authority worth BDT 4,10,00,000 under Sundry Debtors on the Statement of Financial Position. This balance represents VAT expenses related to and paid in prior financial years. However, these balances have not been expensed but rather recognized as an Asset on the statement of financial position which is a departure from IFRS. The Company has however noted that this asset will be amortized over the next three (3) years. Emphasis of Matter: We draw attention to Note 1.04 and Annexure-A2 to the Financial Statements which explains that certain comparative information as at 31 December 2018 and 01 January 2018 and for the year ended December 31, 2018. have been restated. Our audit opinion is not qualified in regards to this matter. Note 1.04 - Retrospective restatement of prior-year financial statements: During the preparation of and audit of December 31, 2019 financial statements, various errors were discovered affecting certain balances in the Company's accounts for the years ended December 31, 2018 and December 31, 2017. In line with IAS 8 Paragraph 42, each error has been corrected in these financial statements by restating each of the financial statement line items for the prior years. Details for each change is provided in Annexure A2. Annexure A4 also includes changes made for presentation purposes so that prior year statements are in line with current year presentation. Annexure-A2 - Details of Retrospective Error Correction and Prior Year Financial Statement restatement: Statement of Financial Position as at 31-Dec-18 as reported balance was Tk. 806,134,581.00 & restated balance was Tk. 791,722,859.00. Statement of Financial Position as at 01-Jan-18 as reported balance was Tk. 725,885,038.00 & restated balance was Tk. 721,351,298.00. P/L Statement for the year ended 31-Dec-18 as reported figure was Tk. 82,857,005.00 & restated figure was Tk. 82,857,005.00. P/L Appropriation for the year ended 31-Dec-18 as reported figure was Tk. 92,526,644.00 & restated figure was Tk. 88,256,481.00. 1. Presentation change of PPE: PPE in prior years was presented as two (2) separate line items: Building property and other fixed assets. These two line items have been combined and presented as one line to match current year's presentation. 2. BGTB Statutory Deposit: The Company's investment in Government Treasury Bonds of BDT 25,000,000 has been separated from Investment in Shares and presented as a separate line item to match current year's presentation. 3. Investment in Shares: During the financial statement preparation and audit, it was noted that investment in shares that are quoted in a public market are recognized on the statement of financial position at cost. This is non-compliance of IFRS 9 which states that such shares should be presented at fair value and any changes in the fair value should be recognized through profit/loss statement. This non-compliance of IFRS has been corrected. Due to this error correction, the opening value of the investment and opening retained earnings as at January 01, 2018 was increased by BDT 3,760,097. The same error correction was done for December 31, 2018. As part of the error correction, an unrealized loss of BDT 9,877,982 was recognized in the P/L Statement. Details of the calculation are provided in Note 18 to the financial statements. In addition, since the shares are presented at FV, the share fluctuation reserve of BDT 21,000,000 was deemed inappropriate and therefore was reversed as at December 31, 2018. 4. Deferred Tax Liabilities: During the financial statement preparation and audit, it was noted that in prior years, the Company did not record appropriate deferred tax calculations which resulted in an understatement of deferred tax liabilities. For the current year, the Company reversed deferred tax expenses charged in prior years

and performed a detailed calculation of temporary taxable differences between the tax and accounting base of assets/liabilities and calculated the deferred tax liabilities as at January 01, 2018. Due to this error correction, the deferred tax liabilities as at January 01, 2018 increased by BDT 21,941,742 and retained earnings decreased by the same amount. The same error correction was done as at December 31, 2018 and the appropriate deferred tax liability was calculated and details of this calculation are provided in Note 14 to the financial statements. 5.VAT Arrears: The Company noted that VAT arrear payments of BDT 8,293,837 made in the calendar year 2018 was erroneously recognized as Sundry Debtors rather than being expensed. As a result, this balance was written off by reducing Sundry Debtors as at January 01, 2018. Correspondingly, Retained Earnings as at January 01, 2018 was reduced by BDT 2,793,837 and General Reserve was reduced by BDT 5,500,000 as at the same date. 6.General Reserve: As mentioned in (5), General Reserve as at January 01, 2018 was adjusted by BDT 5,500,000 as part of an error correction for VAT Arrears payments. In addition, due to all the error corrections described in (3 to 5), transfer of BDT 4,500,000 from Retained Earnings to General Reserve for the 2017 Calendar year was reversed as at January 01, 2018. In addition, transfer of BDT 15,000,000 as at December 31, 2018 from Retained Earnings to General reserve was also reversed.7. Retained Earnings as at January 01, 2018: This represents the impact of all adjustments discussed in (3,4,5 and 6). Balance of total adjustment to Retained earnings as at January 01, 2018 was Tk. (16,475,482).8. Retained earnings as at December 31, 2018: The details of the adjustment to retained earnings as at December 31, 2018 is already included in the table above. This figure represents the net impact of the adjustments discussed in (3,4,5 and 6).

BDWELDING

The auditor of Bangladesh Welding Electrodes Ltd. has given the following "Qualified Opinion & Emphasis of Matter" in the audit report of the Company prepared for the year ended on June 30, 2018. Qualified Opinion: a) The evidence with respect to inventory having a carrying amount of Tk. 15,50,30,865 was limited because we could not observe the counting of physical inventory as of 30 June, 2018 as well as no proper inventory record was provided to us during audit. As a result, physical existence of inventory and value thereof could not be verified. b) We could not verify the addition to the fixed assets amount as the proper detail vouchers have not been provided except the value of the land. c) We could not verify the pending legal matters as the information was not provided to us and opinion from the legal adviser were also not available. d) Deferred tax has been calculated only on revaluation surplus and accounted for in the financial statements without taking into consideration the temporary difference amount. e) We could not verify the challan for payment of VAT amounting to Tk. 40,551. f) Unclaimed dividend as per financial statements is Tk. 32,68,007 but no fund exists as such in the financial statements to meet this liability. We could not verify the detailed as the list for this item were not provided. g) We could not verify the item of prior year adjustment. Emphasis of Matter: Without qualifying our opinion, we draw attention to a) Note # 2.04 to the financial statements in which the management of the company explained its position as to why the financial statements have been prepared on going concern basis. b) Note # 22.04, 22.05 & 22.06 to the financial statements in which the management of the company explained the reasons as to why provisions have been made for inventories, receivable and registration & mutation purpose. c) Notes # 6.00 to the financial statements, which describe that due to limited operation for applicable year the wastage of raw materials has caused significant deterioration in the company's financial performance during the year as evidenced by the increase in its net loss from Tk. 83,860,131 to Tk. (1,54,16,735) as compared with the last year. In addition, operating cash flows were also deteriorated in line with the increase in net loss as occurred during the year. d) The production facilities of the company is not operative. Note 2.04- Going Concern: During the year the company through an agreement of sale and pow-

er of attorney dated 13 June 2017 sold land 2.49 Acre and RCC structure of factory building at Tk. 398,465,000. The company received Tk. 321,139,000 against agreed value. Out of the fund, the company paid the bank loan in full and a part of other liabilities. The balance amount of Tk. 77,326,000 remained outstanding with the buyer of the land. This amount has been earmarked for utilizing for shifting and erecting the factory shed. The management of the company estimates that the resource available adequate to meet its fund requirement in the foreseeable period. Thus the management deemed it appropriate to prepare the financial statements on going concern basis.

Note 22.04- Provision for Obsolete Inventories: Balance of Provision for Obsolete Inventories was Tk. 0 & 50,807,392 as at 30.06.2018 and as at 30.06.2017 respectively. The Company had to maintain the stock of flood damaged goods in the absence of getting insurance claim and not being able to adjust the liability of the bank against goods under LTR/pledge. Since the factory shifting continuing, retaining of the damaged goods and carrying the same to the new-factory becoming meaningless. The liability of the bank against damaged goods has been adjusted, hence this provision was made.

Note 22.05- Provision for Bad and Doubtful Debts: Balance of Provision for Bad and Doubtful Debts was Tk. 0 & 94,806,662 as at 30.06.2018 and as at 30.06.2017 respectively.

Note 22.06- Provision for registration, mutation and cost: Balance of Provision for registration, mutation and cost was Tk. 26,106,500 & 26,106,500 as at 30.06.2018 and as at 30.06.2017 respectively. Above amount represents CDA Permission fee and other expenses related to non Muted land .26 Decemial with CDA.

Note 6.00 - Inventories: Balance of Inventories was Tk. 155,030,865 & 205,838,257 as at 30.06.2018 and as at 30.06.2017 respectively.

Note 6.01 - Raw Materials: Balance of Raw Materials was Tk. 144,867,549 & 175,540,744 as at 30.06.2018 and as at 30.06.2017 respectively.

Note 6.02 - Packing Materials: Balance of Packing Materials was Tk. 0 & 1,845,210 as at 30.06.2018 and as at 30.06.2017 respectively.

Note 6.03- Work-in-process: Balance of Work-in-process was Tk. 0 & 2,844,780 as at 30.06.2018 and as at 30.06.2017 respectively.

Note 6.04- Finished Goods: Balance of Finished Goods was Tk. 10,163,316 & 17,962,612 as at 30.06.2018 and as at 30.06.2017 respectively.

Note 6.05 - Stores & Spares: Balance of Stores & Spares was Tk. 0 & 7,644,911 as at 30.06.2018 and as at 30.06.2017 respectively. Provision has been made on damaged work in process and finished goods received at the early stage of takeover of the Industry from Govt. of Bangladesh. These products have no sale value as these were produced using wrong materials. Company had to pay compensation to some users whose ship got cracked using the welding rod supplied by the previous management.