

UPDATE ON Dhaka Stock Market

The Journal is running a series of updates on Dhaka Stock Market. In this issue of THE COST & MANAGEMENT, **A.K. M. Shahidul Kirmany** FCMA, CMA (CIMA, UK) has given a reflection of relevant changes and updates on the Dhaka Stock Market. The analysis of the Dhaka Stock Market has been done considering the period from March 1, 2017 to June 30, 2017. Mr. Kirmany is presently working with the VIPB Asset Management Company Limited as Chief Operating Officer.



Macro-economy Update

- The Finance Minister proposed FY18 budget with an amount of BDT 4.0tn on June 1, 2017. The GDP growth target for FY18 has been set at 7.40%. According to provisional data, GDP growth rate for FY17 reached 7.24% which is higher than the initial target of 7.2%.
- Exports growth is projected to be 11.0% YoY, 4.0 percentage points higher than that in FY17. Imports growth is projected to rise to 12.0% YoY in FY18.
- Private sector credit growth increased 15 bps MoM to 16.2% in April, 2017. BDT has depreciated 2.8% against USD in last 8 months.
- During 10MFY17, government repaid BDT 164bn to the banking system.
- Despite negative growth in public sector credit, excess liquidity in the banking system is on a declining trend.
- Interest rates maintained the declining trend during April, 2017. The weighted average interest rate on lending declined 8 bps to 9.62% while the weighted average interest rate on deposits declined 4 bps to 4.97%. As a result, interest rate spread narrowed down to 4.65%, the lowest in last four months.
- In May, 2017, export earnings grew 10.6% MoM to USD 3.1bn. The main export item, readymade garments logged 2.2% YoY growth during 11MFY17.
- Total remittance inflow in FY17 slumped 14.5% YoY to USD 12.8bn, the lowest in 5 years. The remittance inflow has maintained a declining trend since January, 2016.

Stock Market Updates

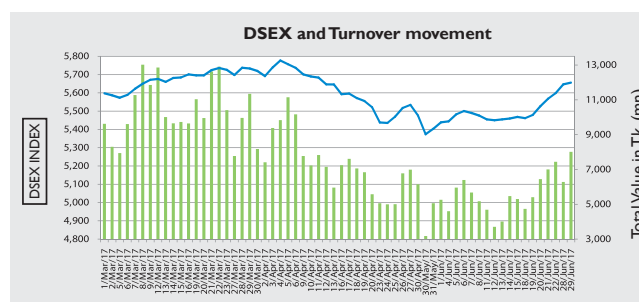
March 1, 2017 to June 30, 2017

- The benchmark index of Dhaka Stock Exchange (DSEX) was up by 1.05% during the period. The daily turnover was highest on March 8, 2017.

Changes in Indices (from March 1, 2017 to June 30, 2017)

Index	Open	Close	Point Change	% Change
DSEX	5,597.22	5,656.05	58.83	1.05%
DSES	1,305.79	1,296.74	(9.05)	-0.69%
DS30	2,021.26	2,083.80	62.55	3.09%

DSE Performance (from March 1, 2017 to June 30, 2017)

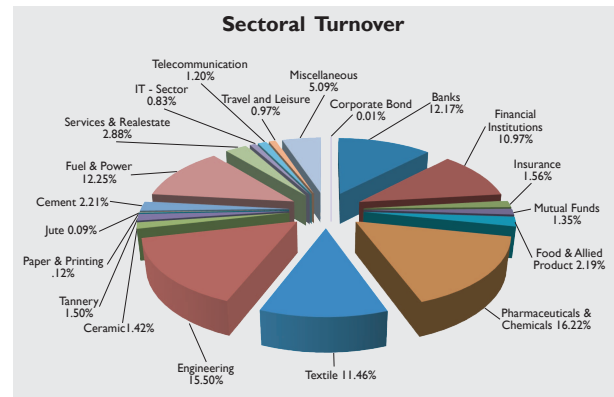


- Total market capitalization of DSE increase by 11.47% to Tk. 3,183.17 billion as on December 29, 2016 from Tk. 2,855.50 billion on December 29, 2016. Banks, Pharmaceuticals & Chemicals, Telecommunication, Fuel & Power holds 17.68%, 14.97%, 13.75%, 12.66% of the market capitalization respectively.

Sectoral Market Capitalization and turnover (February 28, 2017)

Sector	Market Cap Tk in mn	% of total Market Cap	Turnover Tk in mn	% of total turnover
Banks	532,160.28	16.91%	28,472.10	18.59%
Financial Institutions	241,708.52	7.68%	21,779.33	14.22%
Insurance	86,847.77	2.76%	1,525.36	1.00%
Mutual Funds	41,003.19	1.30%	3,569.17	2.33%
Food & Allied	228,821.34	7.27%	3,549.91	2.32%
Pharma & Chemicals	489,261.81	15.55%	18,964.37	12.38%
Textile	118,569.64	3.77%	20,405.39	13.32%
Engineering	183,927.05	5.85%	17,790.15	11.61%
Ceramic	25,378.29	0.81%	605.93	0.40%
Tannery	27,143.61	0.86%	701.09	0.46%
Paper & Printing	1,558.01	0.05%	355.88	0.23%
Jute	1,351.08	0.04%	220.65	0.14%
Cement	137,109.29	4.36%	3,603.19	2.35%
Fuel & Power	384,622.96	12.23%	13,462.25	8.79%
Services & Real estate	24,956.30	0.79%	3,529.51	2.30%
IT - Sector	12,687.45	0.40%	3,739.09	2.44%
Telecommunication	475,732.40	15.12%	1,837.09	1.20%
Travel and Leisure	23,902.51	0.76%	871.39	0.57%
Miscellaneous	103,752.00	3.30%	8,168.52	5.33%
Corporate Bond	5,683.65	0.18%	27.43	0.02%
Grand Total	3,146,177.15	100.00%	153,177.80	100.00%

Sectoral Turnover (February, 2017)

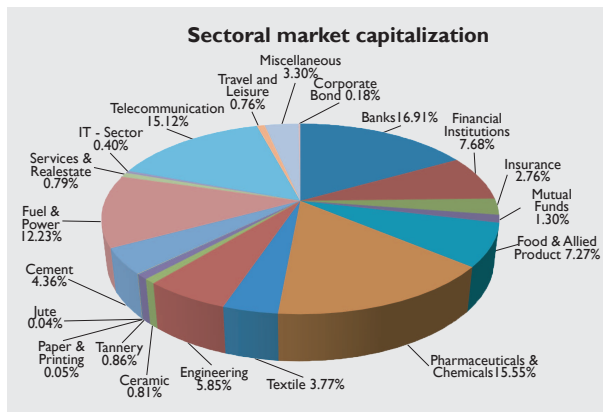


- Among the companies traded in DSE, BEACHHATCH (102.78%), BDWELDING (89.60%) were the top gainer during the period February 28, 2017 to June 29, 2017. On the other hand the major loser companies during the period were BSC (-91.32%), IFIC (-28.51%).

Top ten gainers and losers in terms of market price (from February 28, 2017 to June 29, 2017)

Top ten gainer		Top ten loser	
TICKER	GAIN (%)	TICKER	LOSS (%)
BEACHHATCH	102.78%	BSC	-91.32%
BDWELDING	89.60%	IFIC	-28.51%
NORTHERN	78.92%	ISLAMIBANK	-27.15%
BDCOM	75.00%	FAREASTFIN	-25.90%
KAY&QUE	71.28%	AGRANINS	-25.78%
SPCERAMIC	54.63%	PHENIXINS	-25.66%
ZEALBANGLA	53.31%	PHOENIXFIN	-24.79%
KPPL	52.44%	LAFSURCEML	-23.29%
REGENTTEX	49.76%	RNSPIN	-22.90%
PTL	49.00%	REPUBLIC	-21.61%

- AB Bank 1st Mutual Fund had the lowest Price/NAV ratio (54.82%) whereas Prime Finance First Mutual Fund was traded at highest Price/NAV ratio (95.47%). Price of ICB AMCL Sonali Bank Limited 1st Mutual Fund increased by 25.93% during the period.



Top 10 Companies by Market Cap - April 30, 2017

No.	Name	Mkt. Cap. Tk. Mn	% of total Mkt. Cap.
1	Grameenphone Ltd.	455,861.29	14.49%
2	Square Pharmaceuticals Ltd.	194,602.65	6.19%
3	British American Tobacco Bangladesh	152,874.00	4.86%
4	Investment Corporation Of Bangladesh	121,500.00	3.86%
5	Lafarge Surma Cement	75,837.69	2.41%
6	Renata Ltd.	67,260.23	2.14%
7	BRAC Bank Ltd.	62,259.27	1.98%
8	United Power Generation	57,272.67	1.82%
9	Olympic Industries Limited	55,423.06	1.76%
10	Islami Bank Bd Ltd	51,841.70	1.65%

- In April, 2017 the total turnover in the public market of DSE was down by 21.06% to Tk. 153.18 billion from Tk. 194.04 billion in February, 2016.

Performance of Mutual Funds

Name of the Fund	NAV		Closing Price		% change in NAV	% change in price	Closing price /NAV
	29-Dec 2016	28-Feb 17	29-Dec 2016	28-Feb 17			
ABBISTMF□	12.41□	12.77□	6.90□	7.00□	2.90%□	1.45%□	54.82%
FBFIF□	11.96□	12.15□	6.30□	6.80□	1.59%□	7.94%□	55.97%
IFICISTMF□	11.92□	12.08□	6.80□	7.00□	1.34%□	2.94%□	57.95%
POPULARIMF□	11.92□	12.15□	6.50□	7.10□	1.93%□	9.23%□	58.44%
TRUSTBIMF□	12.18□	12.35□	6.80□	7.30□	1.40%□	7.35%□	59.11%
EBLNRBMF□	11.62□	11.86□	6.70□	7.10□	2.07%□	5.97%□	59.87%
IJANATAMF□	11.94□	12.06□	6.90□	7.30□	1.01%□	5.80%□	60.53%
EBLISTMF□	11.68□	11.89□	7.00□	7.50□	1.80%□	7.14%□	63.08%
PHPMFI□	11.66□	11.86□	6.50□	7.90□	1.72%□	21.54%□	66.61%
EXIMISTMF□	12.10□	12.38□	7.80□	8.30□	2.31%□	6.41%□	67.04%
LRGLOBMFI□	10.76□	11.22□	7.40□	7.80□	4.28%□	5.41%□	69.52%
AIBLISTMF□	11.28□	10.72□	8.30□	7.80□	-4.96%□	-6.02%□	72.76%
NCCBLMFI□	11.20□	11.18□	8.10□	8.30□	-0.18%□	2.47%□	74.24%
VAMLBDMFI□	11.42□	11.88□	8.80□	8.90□	4.03%□	1.14%□	74.92%
VAMLRBBF□	11.64□	12.13□	8.70□	9.10□	4.21%□	4.60%□	75.02%
MBLISTMF□	11.37□	11.01□	8.30□	8.40□	-3.17%□	1.20%□	76.29%
GRAMEENS2□	18.64□	19.72□	13.80□	15.20□	5.79%□	10.14%□	77.08%
GREENDELMF□	11.06□	11.54□	8.50□	9.00□	4.34%□	5.88%□	77.99%
RELIANCEI□	13.66□	14.07□	10.10□	11.00□	3.00%□	8.91%□	78.18%
DBHISTMF□	11.04□	11.50□	8.40□	9.00□	4.17%□	7.14%□	78.26%
ATCSLGF□	13.13□	13.99□	10.10□	11.10□	6.55%□	9.90%□	79.34%
PRIMEIICBA□	9.64□	9.62□	7.00□	8.30□	-0.21%□	18.57%□	86.28%
IFILISLMFI□	10.40□	10.19□	8.20□	8.80□	-2.02%□	7.32%□	86.36%
SEMLIBLSF□	10.23□	10.34□	10.10□	9.10□	1.08%□	-9.90%□	88.01%
ICB3RDNRB□	9.23□	9.00□	6.70□	8.00□	-2.49%□	19.40%□	88.89%
ICBEPMFISI□	9.72□	9.33□	7.00□	8.30□	-4.01%□	18.57%□	88.96%
CAPMBDBLMF□	10.11□	10.20□	9.60□	9.20□	0.89%□	-4.17%□	90.20%
SEBLISTMF□	14.03□	15.16□	12.90□	13.70□	8.05%□	6.20%□	90.37%
SEMILLECMF□	10.73□	11.02□	8.70□	10.00□	2.70%□	14.94%□	90.74%
NLIISTMF□	15.00□	16.24□	13.70□	14.80□	8.27%□	8.03%□	91.13%
ICBAMCL2ND□	10.68□	10.50□	9.10□	9.60□	-1.69%□	5.49%□	91.43%
ICB2NDNRB□	12.66□	12.54□	10.10□	11.50□	-0.95%□	13.86%□	91.71%
PFISTMF□	9.56□	9.35□	7.00□	8.70□	-2.20%□	24.29%□	93.05%
ICBSONALII□	10.48□	10.27□	7.60□	9.70□	-2.00%□	27.63%□	94.45%
ISTPRIMFMF□	13.08□	12.36□	11.60□	11.80□	-5.50%□	1.72%□	95.47%

- Nurani Dyeing & Sweater Limited was listed on June 1, 2017 and Shepherd Industries Limited was listed on March 08, 2017.
- The subscription period for BBS Cables Limited was from May 23, 2017 to June 4, 2017 for Credence first Growth Fund was from April 16, 2017 to May 30, 2017.
- The Bangladesh Securities and Exchange Commission has extended time for the Dhaka Stock Exchange by another six months to find strategic investor as the bourse's latest attempt to pick such investor failed.
- Bangladesh Securities and Exchange Commission (BSEC) has given consent for City Bank's issuance of non-convertible subordinated bond of Tk 5.0 billion. The bank will issue the bond for raising fund to meet capital requirement under Basel III and to strengthen the regulatory capital base of the bank.
- BSEC is likely to request the finance ministry to extend by another year the 20-per cent quota facility the small-scale investors affected by 2010 market crash have been enjoying in the initial public offering subscription. As per an earlier guideline


approved by finance ministry, the timeframe of the 20-per cent quota facility for the affected small investors will expire on June 30 this year.

- BSEC approved Oimex Electrode Limited's proposal to raise Tk 15 crore from the capital market through initial public offering. Oimex Electrode will float 1.50 crore shares at an issue price of Tk 10 each.

Disclaimer:

Investing involves risk. The value of an investment and the income from it will fluctuate and investors may not get back the principal invested.

Past performance is not indicative of future performance. It is for informational purposes only. This document does not constitute investment advice or a recommendation to buy, sell or hold any security and shall not be deemed an offer to sell or a solicitation of an offer to buy any security.

Certain data used are derived from various sources believed to be reliable, but the accuracy or completeness of the data is not guaranteed and no liability is assumed for any direct or consequential losses arising from their use. This material has not been reviewed by any regulatory authorities. 

"Everyday is a bank account, and time is our currency. No one is rich, no one is poor, we've got 24 hours each."

-Christopher Rice