

**Closed-End 29 funds yet to see profit**

Despite revival of the local stock market in recent times after a prolonged bear-run, with the reconstitution of the Bangladesh Securities and Exchange Commission (BSEC), only eight listed closed-end mutual funds could remain or return to profit while the rest twenty-nine still struggle in the red, based on their Net Asset Value (NAV) as on 12 November 2020 last. Analyzing weekly NAV per unit of 37 closed-end funds till last week, the net asset value of eight funds at market price surpassed the value at cost price, depicting profit while the other 29 funds could not recover the cost value of their net assets. Although based on market value of NAV, only 8 funds posted gain, total 31 funds reported profit in the last quarter ending on 30 September 2020.

AMC	Funds	NAV at Market	NAV at Cost	Gain
AIMS	GRAMEENS2	18.00	10.89	7.11
	RELIANCE1	12.49	11.26	1.23
LR	AIBL1STMF	10.72	10.17	0.55
	LRGLOBMF1	10.74	9.88	0.86
	MBL1STMF	10.70	9.52	1.18
VIPB	NCCBLMF1	11.22	9.74	1.48
	NLI1STMF	12.91	12.56	0.35
	SEBL1STMF	12.27	11.94	0.33

As of 12 November 2020

Source: DSE

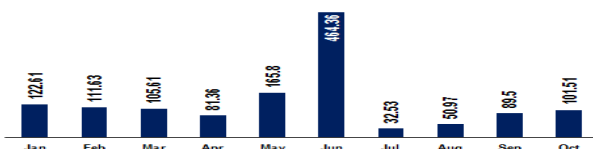
**Listed NBFIs post higher profit in Jul-Sept**

Most of the listed Non-Bank Financial Institutions (NBFIs) registered growth in profit during the July-September quarter of 2020 on the back of waiver from loan provisioning rule due to the ongoing global pandemic. Of the twenty-two listed NBFIs, excluding Peoples Leasing and Financial Services, ten reported increase in earnings alongside four that returned to profits from loss while one stayed same but the rest seven of them experienced fall in net income during the period compared to that in the same period of the previous year. In the wake of the pandemic, Bangladesh Bank (BB) directed both banks and non-banks to keep loan classification unchanged till December – which, in turn, fueled the recent rise in profits by the NBFIs. However, the question regarding the sustainability of the profits remains as the amount of default loans might rise from next year following the expiry of the exemption period from classifying loans. Non-performing loans in thirty-three NBFIs including the non-listed ones, stood at Tk89.05b as on June 30, 2020 which was 13.29% of the total loans outstanding, according to BB statistics.

**Development spending picks up in October**

The government accelerated development expenditures in last October as the spending rose to four-month high of Tk101.51b to fuel economic recovery from the impact of COVID-19 pandemic. However, the execution rate during the month posted a negative growth of 23.72% (Y-o-Y) against Tk133.08b in the same month of 2019, as per figures from Implementation Monitoring and Evaluation Division (IMED) under the Planning Ministry. During July-October period of 2020, the Annual Development Program (ADP) spending dropped by 10.43% (Y-o-Y) to Tk274.53b. The rate of utilization against total outlay of Tk2.14 trillion for FY2020-21 stood at 12.79% during the first four months of the fiscal year – the lowest implementation rate since the same period of FY2015-16.

**ADP Spending in 2020**  
 Figures in billion Tk  
 Source: IMED



**BSEC seeks rationale behind token dividends**

The Bangladesh Securities and Exchange Commission (BSEC) sought explanation from at least twenty listed companies that declared minimal cash dividend in the financial year ending on June 30, 2020, despite having the capacity to pay at higher rates. Among the companies, two declared stock dividend for the period while the rest paid cash or a mix of cash and stocks. The capital market regulator moved to take stern actions against the companies that deliberately declare minimal dividend after an association of capital market investors complained to the BSEC against eight listed companies that allegedly made anomalies in dividend distribution harming interest of the general investors. In the meanwhile, the BSEC asked the directors of Express Insurance to appear before it to explain the reason for declaring no dividend for the financial year ending on December 31, 2019 and against the backdrop the insurer declaring interim dividend based on nine months un-audited financial statements for the period ending on September 30, 2020 last.

**Fitch retains stable outlook for Bangladesh**

Fitch Ratings affirmed BB- for Bangladesh with stable outlook for the long term with a warning on sustainability of the rising remittances and uncertainty over exports. In the rating report of 2020, the agency addressed numerous economic challenges arising out of the Covid-19 pandemic including higher degree of uncertainty in achieving expected GDP growth, a rise in budget deficit with poor revenue collection and a further rise in default loans. However, the agency observed that foreign exchange reserves, which crossed US\$40b, helped Bangladesh retain its stable outlook. The rating agency recognized the robust inflow of inward remittance as temporary since expatriate workers were repatriating their savings before returning home permanently. However, the 2% incentive of Bangladesh Bank also contributed to shift remittance to the formal channels. Inward remittance grew by nearly 17% (Y-o-Y) during the January-October period of 2020. Fitch also stated that the outlook for exports would remain uncertain due partly to the pandemic though Bangladesh might be benefitted significantly from trade diversion owing to the US-China trade disputes. The agency expected GDP growth of 5.6% in FY2020-21 and 7% in FY2021-22. Fitch also projected the budget deficit to remain at 7.8% of GDP in FY2020-21, higher than the official projection of 6% due to continued government spending to stimulate economy while revenue performance would not likely to be supportive. As per the report, Bangladesh would continue to run modest current account deficits from 2021, riding on import of capital goods associated with large infrastructure projects and external financing requirements in the near-term would be manageable.

**Net government bank borrowing decline in Jul-Oct**

Net borrowing of the government from the banking system plunged by 97.37% (Y-o-Y) or Tk350.13b to Tk9.45b in the July-October period of FY2020-21. As per reports from Bangladesh Bank (BB), government borrowing from the central bank dropped to Tk200.47b at the end of October from Tk443.53b four months back, but borrowing from the scheduled banks increased to Tk1.59 trillion from Tk1.33 trillion mainly as a result of increase in the sales of National Savings Certificates (NSCs). In July-September of FY2020-21, net sales of NSCs increased by 148% to Tk116.62b from Tk46.98b in the same period of the previous fiscal year. Economists opined that payment to the BB by the government was beneficial as it reduced the volume of high-powered money from the market as the circulation of high-powered money would have an impact on inflation.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	3,557.54	3,585.15	-0.77
FTSE 100	6,351.45	6,316.39	0.56
Nikkei 225	25,527.37	25,385.87	0.56
SENSEX	43,882.25	43,637.98	0.56
KSE 100	40,187.18	40,569.35	-0.94

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	4,879.96	4,905.04	-0.51
Total Turnover, Tk	39,091,038,906.00	45,564,419,447.00	-14.21
Market Capital, Tk	3,337,092,481,453	3,384,719,321,820	-1.41
No of Issue Gain	99	103	
No of Issue Loss	199	188	
No of Unchanged Issues	63	70	

### Top Gainers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Bangladesh Lamps	138.00	191.30	38.62	247,149,000
Aramit Limited	224.50	264.10	17.64	22,857,000
Bangas Ltd.	116.90	134.00	14.63	55,407,000
Apex Foods Limited	120.30	137.70	14.46	84,208,000
ICB AMCL 2ND MF	8.40	9.50	13.10	217,157,000
ACI Formulations	108.00	120.60	11.67	13,091,000
Pharma Aids Ltd.	402.30	439.10	9.15	73,022,000
Salvo Chemical	12.80	13.90	8.59	27,300,000
ADN Telecom	46.00	49.60	7.83	348,196,000
Safko Spinnings Mills	11.80	12.70	7.63	19,614,000

### Top Losers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
CAPM BDBL MF1	12.80	9.90	-22.66	158,770,000
SEML FBLSL GF	12.80	10.10	-21.09	138,243,000
SEML Lec. Equity MF	12.20	9.70	-20.49	291,883,000
Asian Tiger SLGF	11.90	9.90	-16.81	260,339,000
SEML IBBL SF	13.40	11.10	-17.16	271,479,000
Prime Finance First MF	24.30	20.40	-16.05	261,332,000
S. S. Steel Limited	15.80	13.30	-15.82	363,568,000
Vanguard AML BDF MF	10.10	8.50	-15.84	123,547,000
Express Insurance	33.50	28.30	-15.52	153,343,000
Hamid Fabrics Limited	20.80	17.60	-15.38	21,972,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	384.92	382.63	0.60	3,093.59	2,824.51	9.53
Cement	224.27	227.09	-1.24	194.70	220.28	-11.61
Ceramic	574.19	574.98	-0.14	429.77	668.69	-35.73
Engineering	4,817.48	5,108.23	-5.69	2,685.34	3,731.67	-28.04
Food & Al.	3,496.73	3,524.53	-0.79	620.38	624.53	-0.66
Fuel & Pow.	3,772.31	3,888.51	-2.99	1,075.78	1,462.43	-26.44
Insurance	2,019.75	2,121.67	-4.80	5,938.83	10,272.47	-42.19
IT	364.02	365.16	-0.31	837.06	1,603.48	-47.80
Jute	1,048.37	1,036.66	1.13	61.17	54.21	12.84
Misc.	1,161.90	1,169.10	-0.62	1,404.40	2,775.70	-49.40
Mutual Fund	530.57	579.43	-8.43	9,300.34	7,990.35	16.39
NBFI	1,034.31	1,056.98	-2.14	824.81	1,686.96	-51.11
Paper	6,479.37	6,423.87	0.86	213.11	71.21	199.29
Pharma	1,259.86	1,242.62	1.39	5,128.06	6,099.08	-15.92
Service	1,027.27	1,045.11	-1.71	344.65	596.64	-42.23
Tannery	587.55	590.91	-0.57	155.10	407.86	-61.97
Telecom	3,052.64	3,088.86	-1.17	555.79	544.33	2.10
Textile	1,136.43	1,141.08	-0.41	1,144.24	1,537.09	-25.56
Travel & Leis	581.05	587.04	-1.02	146.77	248.94	-41.04

## Technical Talk

Dhaka stocks closed in red for the second straight week ended on Thursday as shaky investors booked profit on sector-wise issues. Moreover, ongoing IPO of Robi made many investors focus on primary market. Among the major sectors, Mutual Fund decreased by 8.43% over the week followed by Engineering 5.69%, Insurance 4.80%, Fuel & Power 2.99%, NBFI 2.14% and Telecom 1.17%.

DSE Broad Index (DSEX) stood at 4,879.96 points decreased by 25.07 points or 0.51% from the previous week. Total turnover reached at Tk39091.04m which was 14.21% lower than the previous week. Market capitalization decreased by 1.41% and stood at Tk3337.09b (\$39.31b) at the weekend against Tk3384.72b. DSE 30 decreased by 10.26 points or 0.60% and closed at 1,701.34 points against 1,711.60 points. Last week's weighted average Market PE was 13.23 which was 13.50 previous week.

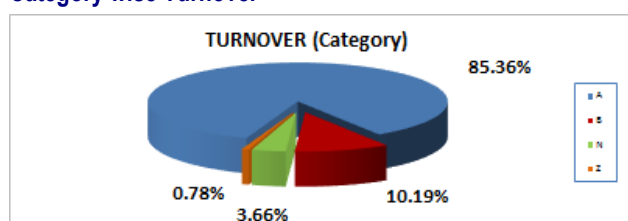
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Beximco Pharma	32,199,942	4,394,261,000	9.64
Square Pharma	77,690,650	1,895,216,000	4.16
Beximco	9,762,228	1,013,226,000	2.22
Grameen 1:Scheme 2	22,091,074	977,967,000	2.15
BRAC Bank Ltd.	14,645,634	839,306,000	1.84
EXIM Bank 1st MF	982,638	784,719,000	1.72

### Top 10 Market Capital

			In million
GP	441,278	RENATA	103,763
Walton Hi-Tech	230,771	ICB	70,451
BATBC	189,018	Marico	65,904
Square Pharma	187,894	Berger Paint	61,720
United Power	161,682	Brac Bank	60,460

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz)	1,861.10	1,872.60	-0.61
Silver (USD/t oz)	24.03	24.29	-1.06
Brent Crude Oil (USD/bbl.)	44.20	43.53	1.54

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.90	84.95	84.90	84.95	0.00	0.00
EUR	102.68	102.74	102.50	102.56	0.18	0.18
GBP	115.62	115.69	114.79	114.86	0.72	0.72
AUD	62.34	62.37	62.04	62.08	0.48	0.48
JPY	0.83	0.83	0.82	0.82	0.72	0.72
CAD	65.15	65.19	64.98	64.02	0.27	1.83
SAR	22.79	22.77	22.75	22.77	0.15	0.01

Based on Standard Chartered selling rates to public in Taka. Notes: USD-US Dollar, GBP-Great Britain Pound, AUD-Australian Dollar, JPY- Japanese Yen, CAD-Canadian Dollar, SAR-Saudi Riyal.

### Last Public Offerings

Company	Subscription Period	Offer Price	IPO (M.Tk)
Dominance Steel	Oct 19-25, 2020	10	300
Crystal Insurance	Nov 10-16, 2020	10	160
Robi Axiata Limited	Nov 17-23, 2020	10	5,237