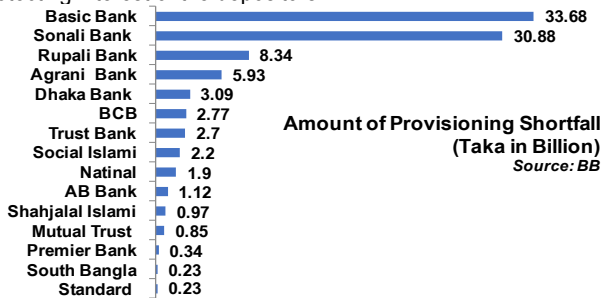


**BSEC bars MF sponsorship by provident funds**

The Bangladesh Securities and Exchange Commission (BSEC) has disqualified provident funds of private companies from becoming sponsor of any Mutual Fund (MF) from now on as per a press release of the BSEC. At its last meeting, the Commission also cancelled the approval of Capitec Popular Life PF Unit Fund, an Open-end MF, with initial size of Tk100m where Popular Life Insurance Employees Provident Fund (PF) invested Tk10m as a sponsor of the Fund. Earlier, the BSEC approved the unit fund on condition of submitting approval from the beneficiaries of the provident fund as investment in stock market is related to market risk. But the fund manager (CAPITEC Fund Management Limited) commenced subscription of the Fund without following the condition. Currently, there are three MFs sponsored by provident funds- Capitec Padma PF Shariah Unit Fund, HFAML-ACME Employees Unit Fund and ICB Employees Provident Mutual Fund: Scheme-1.

**15 banks report provisioning shortfall**

A total of fifteen banks, a record number in the history of the sector, have encountered provisioning shortfall in 2018 revealing the fragile financial health of the lenders. As a consequence of the towering Non-Performing Loans (NPLs), the banks have failed to maintain required provisioning against their disbursed loans. According to the statistics disclosed by Bangladesh Bank (BB), the banks faced provisioning shortfall of Tk95.23b in total as on December 31, 2018 compared to Tk93.75b by nine banks in the corresponding period of 2017. Among the fifteen banks, including eleven Private Commercial Banks (PCBs), some have been facing provisioning shortfall for quite long. Banking sector experts have opined that the lenders that failed to maintain the regulatory requirement, have gradually become risky for the depositors. They have urged the central bank to take prompt initiatives to restore discipline in the sector with a view to protecting interest of the depositors.



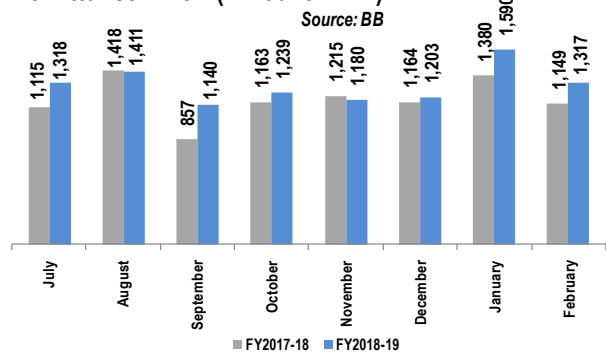
**Private sector credit remained stagnant in January**

Disbursement of credits to the private sector maintained a sluggish trend in January even after the parliamentary polls held in the previous month without much violence as banks were in tight corner to lend due to continued liquidity crunch. As per the latest figures disclosed by Bangladesh Bank (BB), the private sector credit growth slipped to 13.20% in January of 2019 from 13.33% in December last year. The achieved credit growth in January is far below compared to the target of 16.5% set for the second half (January-June) of the FY2018-19 in the Monetary Policy Statement (MPS). Moreover, banks are also under pressure to adjust the new Advance Deposit Ratio (ADR) of 83.5% within March of 2019 from the earlier ratio of 85%. Bankers have opined that high government borrowing is another reason responsible for the slow credit growth in the private sector as the public sector credit growth jumped to 23.73% in January from 14.70% in December.

**Inward remittance post 9.94% growth in eight months**

The figure of inward remittance amounted US\$10.40b registering 9.94% (Y-o-Y) growth in the first eight months (July-February) of FY2018-19 compared to US\$9.46b in the same period of FY2017-18, in the backdrop of the continuous depreciation of the Bangladeshi Taka against the US Dollar. According to the statistics of Bangladesh Bank (BB), remittance inflow registered a healthy growth of 14.68% in February rising to US\$1.32b from US\$1.15b in February a year ago. Bankers have attributed that the reducing exchange rate gap between the illegal channel or *hundi* and the legal channel has encouraged the expatriate Bangladeshis to repatriate through legal channels. According to BB, the interbank exchange rate of one US Dollar increased to Tk84.15 on March 03 from Tk83.95 at the beginning of February.

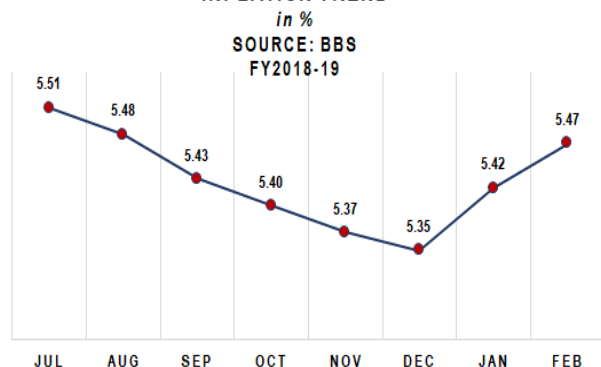
**Remittance Inflow (Amount in Mn)**



**Inflation trends up in 2019**

The Inflation rate from the beginning of 2019 started to change its descending course, which earlier has been sustained for twelve months in a row last year. The point-to-point inflation inched up to 5.42% and 5.47% in January and February of 2019 respectively after hitting the yearly lowest rate of 5.35% in December 2018. Analyzing the figures provided by Bangladesh Bureau of Statistics (BBS), the increase in inflation was driven by the hike in food prices. The food inflation, which was at 5.28% in December 2018, increased to 5.33% and 5.44% in January and February this year respectively. The non-food inflation, however, slightly decreased to 5.51% in February last from 5.57% of the previous month of 2019. The Non-food inflation was at 5.47% in December last year. Experts fear that inflation might continue to rise in the coming days due to the continuous devaluation of Taka against the US Dollar. The overall inflation, however, was within the range of 5.3%-5.6% which was the projection of Bangladesh Bank in Monetary Policy Statement for the second half of FY2018-19.

**INFLATION TREND**



## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	2,743.07	2,803.69	-2.16
FTSE 100	7,104.31	7,106.73	-0.03
Nikkei 225	21,025.56	21,602.69	-2.67
SENSEX	36,671.43	36,063.81	1.68
KSE 100	38,950.23	39,539.01	-1.49

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	5,686.38	5,711.83	-0.45
Total Turnover, Tk	29,799,266,200.00	26,676,535,707.00	11.71
Market Capital, Tk	3,542,221,742,326	3,562,963,733,397	-0.58
No of Issue Gain	93	82	
No of Issue Loss	230	242	
No of Unchanged Issues	26	24	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
Safko Spinnings Mills	20.30	24.10	18.72	176,523,000
Rupali Bank Ltd.	39.20	43.90	11.99	205,660,000
Dutch-Bangla Bank	179.20	199.60	11.38	634,782,000
Singer Bangladesh	240.00	264.50	10.21	1,047,541,000
VFS Thread Dyeing	55.50	59.90	7.93	184,304,000
BDCOM Online Ltd.	31.80	34.20	7.55	259,748,000
Kattali Textile Limited	22.70	24.40	7.49	204,121,000
Genex Infosys	42.70	45.70	7.03	213,955,000
Phoenix Fin 1 <sup>st</sup> MF	5.80	6.20	6.90	3,332,000
SK Trims	51.70	55.20	6.77	359,911,000

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
Paramount Insurance	21.10	17.10	-18.96	42,419,000
Savar Refractories	94.10	79.80	-15.20	2,098,000
Meghna Condensed	18.40	15.80	-14.13	2,002,000
Meghna Pet Industries	12.70	11.10	-12.60	1,704,000
RAK Ceramics (BD)	41.70	36.60	-12.23	22,100,000
Sonali Aansh Industries	616.10	547.60	-11.12	58,753,000
BD Autocars Ltd.	253.40	225.50	-11.01	71,174,000
Legacy Footwear Ltd.	180.70	161.90	-10.40	378,410,000
Janata Insurance	18.10	16.30	-9.94	22,102,000
Central Insurance	24.20	21.80	-9.92	4,973,000

### Sectoral Index & Turnover

#### Sectoral Index

#### Turnover (Tk.M)

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	460.28	448.70	2.58	3,806.51	2,252.39	69.00
Cement	309.90	306.59	1.08	248.49	215.62	15.25
Ceramic	836.48	873.81	-4.27	2,457.25	1,283.43	91.46
Engineering	2,640.07	2,651.25	-0.42	4,580.21	2,966.77	54.38
Food & Al.	4,277.34	4,240.92	0.86	626.82	458.06	36.84
Fuel & Pow.	4,540.98	4,651.93	-2.39	3,121.89	3,796.03	-17.76
Insurance	1,614.35	1,649.21	-2.11	2,302.25	3,221.30	-28.53
IT	367.89	363.89	1.10	771.29	481.86	60.06
Jute	2,290.65	2,461.92	-6.96	77.54	78.43	-1.14
Misc.	1,466.27	1,456.21	0.69	979.41	623.89	56.98
Mutual Fund	445.58	442.77	0.63	89.83	79.86	12.48
NBFI	1,239.94	1,239.82	0.01	863.17	656.05	31.57
Paper	10,982.15	11,022.44	-0.37	82.58	85.00	-2.85
Pharma	1,202.55	1,223.24	-1.69	2,185.20	2,525.36	-13.47
Service	1,198.05	1,225.51	-2.24	175.90	175.57	0.19
Tannery	922.57	935.32	-1.36	1,243.14	1,782.18	-30.25
Telecom	3,609.09	3,689.64	-2.18	1,456.75	1,936.69	-24.78
Textile	1,584.01	1,603.57	-1.22	3,493.52	2,240.70	55.91
Travel & Leis	501.33	502.84	-0.30	236.52	260.39	-9.17

## Technical Talk

Dhaka stocks experienced another bearish week ended on Thursday extending the losing streak for the sixth straight week as nervy investors were in selling spree on sector-wise shares. The shaky investors sold their holdings mostly from power, telecom, pharmaceuticals and engineering sectors stocks. Among the major losers, Fuel & Power decreased by 2.39% over the week followed by Telecom 2.18%, Insurance 2.11%, Pharma 1.69% and Textile 1.22%. However, Banks increased by 2.58% followed by Cement 1.08% and NBFI 0.01%.

DSE Broad Index (DSEX) reached 5,686.38 points decreased by 25.45 points or 0.45% from the previous week. Total turnover reached at Tk29799.27m which was 11.71% higher than the previous week as the previous week had four sessions. Market capitalization inched down marginally by 0.58% and stood at Tk3542.22b (\$42.07b) at the weekend against Tk3562.96b. DSE 30 has decreased by 5.52 points or 0.28% and closed at 1,993.13 points against 1,998.65 points. Last week's weighted average Market PE was 16.07 which was 16.19 previous week.

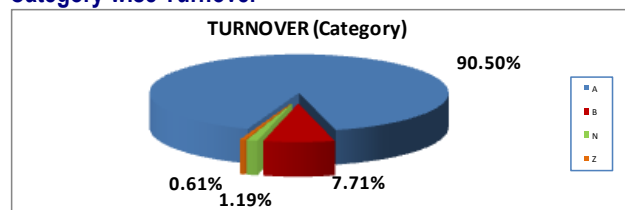
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Monno Ceramic	5,723,333	2,397,594,000	-5.99
United Power Generation	3,619,320	1,426,317,000	-4.78
Premier Bank Ltd.	74,459,426	1,200,127,000	4.64
Bangladesh Submarine	6,834,941	1,165,874,000	-6.37
Singer Bangladesh Ltd.	4,144,898	1,047,541,000	10.21
Alif Industries Limited	9,942,608	848,030,000	1.35

### Top 10 Market Capital

Company	Market Capital (In million)
GP	88,374
BATBC	86,472
Square Pharma	82,605
United Power	49,591
RENATA	46,966

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,297.20	1,312.80	-1.19
Silver (USD/t oz.)	15.27	15.16	0.73
Brent Crude Oil (USD/bbl.)	66.30	66.31	-0.02

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.20	84.25	84.15	84.20	0.06	0.06
EUR	95.16	95.22	96.23	96.29	-1.11	-1.11
GBP	109.90	109.97	111.46	111.52	-1.39	-1.39
AUD	59.72	59.75	59.92	59.95	-0.34	-0.34
JPY	0.77	0.77	0.76	0.76	0.74	0.74
CAD	63.12	63.16	63.67	63.71	-0.87	-0.87
SAR	22.57	22.58	22.55	22.56	0.07	0.07

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)
Runner Automobiles	Jan 31 - Feb 10, 2019	67	1,000
Esquire Knit Composite	Jan 06 - Jan 20, 2019	40	1,500
New Line Clothings	Feb 18 - Feb 28, 2019	10	300
Silco Pharmaceuticals	Mar 07 - Mar 19, 2019	10	300