

**BSEC revises lock-in provision**

The Bangladesh Securities and Exchange Commission (BSEC) has issued a fresh directive revising the lock-in provision that will be effective from May 09, 2019. Under the new directive, the lock-in period applicable to sponsors and placement holders will be counted from the debut day of listing instead of the date of issuing IPO prospectus as of now. It will be applicable for new companies and the older companies, whose lock-in period has not expired yet. The capital market regulator has also formed two committees to implement the decisions taken by the Commission to overhaul the ailing market. Last month, the BSEC took the decision to review the Public Issue Rules-2015 with a view to restoring confidence of the general investors. Additionally, the Commission also decided to amend the existing rules on private placement, bonus shares and minimum shareholding by sponsor-directors of listed companies.

**Most banks recommend lower dividends**

Most of the banks listed with the Dhaka Stock Exchange (DSE) announced lower dividends for the year 2018 compared to the previous year as hefty amount of provisioning against the classified loans hit the profit margin of those banks hard. Among the 30 listed banks, 18 recommended lower dividend for 2018 while 5 banks declared similar dividend as was declared in the previous year and only 5 banks declared higher dividend for the year, according to the DSE. However, 2 banks, namely AB Bank and ICB Islamic Bank declared no dividend for the shareholders. Dutch-Bangla Bank recommended the highest dividend of 150% stock dividend for its shareholders as against 30% cash dividend in 2017 followed by Eastern Bank 30% dividend (20% cash and 10% stock) for the year whereas the bank recommended 20% cash in the previous year.

Bank Dividends				
	2018	2017	2018	2017
Dutch Bangla Bank	150%B	30%	NCC Bank	5%, 5%B 13%
Eastern Bank	20%, 10%B	20%	Bank Asia	5%, 5%B 12.5%B
Uttara Bank	20%, 2%B	20%	Mercantile Bank	15%B 17%, 5%B
Premier Bank	15.50%B	15%B	Jamuna Bank	20%
Pubali Bank	10%, 3%B	10%B	MTB	11%B 12.5%B
UCB	10%B	10%	Dhaka Bank	5%, 5%B 12.5%B
Standard Bank	10%B	10%B	Al Arafah Bank	15%, 2%B 15%, 5%B
BRAC Bank	15%B	15%B	National Bank	10%B 12%B
Shajalal Islamic Bank	10%B	10%B	Exim Bank	10%
Trust Bank	10%B	20%	City Bank	6%, 5%B 19%, 5%B
Southeast Bank	10%B	15%B	Rupali Bank	10%B 24%B
Prime Bank	13%	7%, 10%B	IFIC Bank	10%B 12%B
Islami Bank	10%	10%	One Bank	10%B 15%, 5%B
First Security Bank	10%B	10%B	AB Bank	0%
Social Islami Bank	10%B	10%B	ICB Islami Bank	0%

\* B denotes Stock Dividend Source: DSE

**Cash crunch puts pressure on interest rate**

The money market has been enduring acute liquidity crisis as banks cannot but buy hefty amount of greenback from the central bank to honor import bills. The dearth of liquidity in the market has propelled the money market participating institutions to hike interest rates. Currently, many banks are collecting deposits at more than 9% while disbursing loans at the rate of 15%-18% though private bankers promised earlier to truncate the interest rate to single digit and in exchange the bankers bagged some generous incentives from the government. According to the statistics of Bangladesh Bank, the amount of excess liquidity in the banking system stood at Tk639b in February of 2019, below the Tk700b-mark in the last five years.

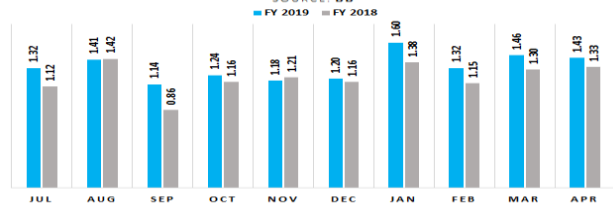
**Private credit decelerates further in March**

The downtrend in the private sector credit growth extended further at the end of March this year as the ongoing liquidity crisis and the pressure of Advance-Deposit Ratio (ADR) adjustment made banks reluctant to disburse fresh loans. The growth came down to 12.42% (Y-o-Y) in March 2019 from 12.54% (Y-o-Y) in February last, according to Bangladesh Bank (BB) statistics. Private sector credit stood at Tk9.79-trillion in March 2019, BB reports. The central bank attributed the restrained lending by banks to the dearth of funds to extend loans with, shortage of greenbacks to meet import payments and disbursement of large amounts of loans for the mega infrastructure projects. On the other hand, the higher returns from the government saving tools have been pulling depositors away from the banks, aggravating the cash crunch further. To tackle the liquidity crisis, banks borrowed Tk134.75b from the central bank through Repurchase Agreement (REPO) in the period between July, 2018 and March 5, 2019 while they borrowed Tk5.72b in the entire FY2017-18. Economists expressed concern about the sluggish private sector situation which might impact the economic growth negatively.

**Remittance soars 10% in Jul-Apr of FY19**

Inward remittance accrued further at the end of April 2019 on the back of depreciating mode of Taka against the US Dollar. The expatriates working abroad remitted US\$13.03b in total during July-April period of FY2018-19, registering a growth of 10.01% (Y-o-Y). Remittance inflow in April last, however, decreased marginally to US\$1.43b compared to US\$1.46b in the previous month, as per Bangladesh Bank (BB) report. Nevertheless, the central bank anticipates that the remittance inflow might touch and cross US\$1.5b by the end of May 2019 centering the upcoming *Eid-ul-Fitr* festival. BB projected remittance growth at around 11% for FY2018-19 in its Monetary Policy Statement for January-June period of the fiscal year.

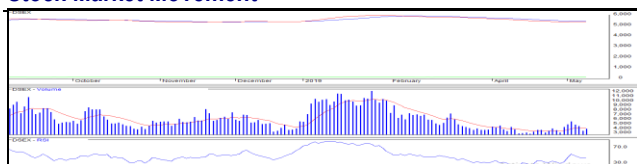
REMITTANCE INFLOW  
figures in billion US\$  
SOURCE: BB



**Import rose 7.32% in Jul-Mar of FY19**

Import payments grew by 7.32% to US\$41.22b in the first nine months of FY2018-19, compared to the payment of US\$38.41b in previous fiscal year, as per the latest central bank report. Although, imports have been on the rise during the period under review, the import of capital machinery which is the driving force for the industrial sector fell significantly. Capital machinery import declined by 9.45% to US\$3.61b during the period of the current fiscal year from US\$3.99b in the same period of last FY2017-18. However, import of industrial raw materials grew by 9.74% to US\$14.73b in July-March period of FY2018-19 against that of US\$13.43b in the same period of the previous fiscal year. Moreover, the growth in petroleum product imports contributed to the rise in overall import. According to Bangladesh Bank (BB), the payment for petroleum product import grew by 25.43% (Y-o-Y) during the period. Although the import of food grains declined during the nine months period, it might increase in the coming months due to the tropical cyclone which hit Bangladesh recently and the holy month of Ramadan.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	2,881.40	2,945.64	-2.18
FTSE 100	7,203.29	7,380.64	-2.40
Nikkei 225	21,344.92	22,258.73	-4.11
SENSEX	37,462.99	38,963.26	-3.85
KSE 100	34,716.53	36,122.95	-3.89

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	5,275.83	5,286.75	-0.21
Total Turnover, Tk	21,448,169,880.00	15,333,429,215.00	39.88
Market Capital, Tk	3,299,301,234,661	3,301,777,825,510	-0.08
No of Issue Gain	152	214	
No of Issue Loss	179	110	
No of Unchanged Issues	20	26	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
National Feed Mill	9.70	12.40	27.84	95,431,000
S. S. Steel Limited	26.50	33.40	26.04	305,334,000
Olympic Accessories	10.10	11.30	11.88	49,227,000
Provati Insurance	26.70	29.80	11.61	84,445,000
Esquire Knit	45.80	51.10	11.57	668,827,000
FAS Finance	8.20	9.10	10.98	93,741,000
Intraco Refueling	22.40	24.80	10.71	174,805,000
Paramount Ins	14.30	15.80	10.49	35,214,000
Kattali Textile Limited	19.60	21.60	10.20	291,676,000
Fu-Wang Ceramic	11.90	13.00	9.24	54,124,000

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
Eastern Bank Ltd.	41.00	35.40	-13.66	67,392,000
LRGLOBMF1	7.00	6.20	-11.43	442,000
Central Pharma	14.60	13.20	-9.59	92,735,000
Beach Hatchery Ltd.	21.70	19.80	-8.76	7,332,000
Bangladesh Finance	14.40	13.20	-8.33	37,801,000
Saiham Cotton Mills	26.40	24.20	-8.33	54,760,000
Sonargaon Textiles Ltd.	37.90	35.00	-7.65	10,842,000
Peoples Insurance	18.60	17.20	-7.53	2,581,000
Rupali Life Insurance	89.00	82.70	-7.08	20,299,000
GQ Ball Pen Industries	86.50	80.60	-6.82	25,479,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	407.86	406.52	0.33	1,983.60	1,467.22	35.19
Cement	283.27	281.53	0.62	317.74	188.65	68.43
Ceramic	683.82	684.56	-0.11	874.82	673.89	29.82
Engineering	2,442.96	2,427.10	0.65	3,131.70	2,486.09	25.97
Food & Al.	4,573.35	4,564.11	0.20	863.56	729.07	18.45
Fuel & Pow.	4,020.72	4,008.98	0.29	1,982.94	1,442.76	37.44
Insurance	1,421.02	1,418.00	0.21	952.03	725.67	31.19
IT	351.32	355.68	-1.22	829.30	663.72	24.95
Jute	2,075.38	2,133.89	-2.74	35.66	31.31	13.92
Misc.	1,329.06	1,291.91	2.88	1,382.15	738.91	87.05
Mutual Fund	428.03	432.66	-1.07	135.59	52.50	158.27
NBFI	1,118.19	1,118.80	-0.05	539.75	292.60	84.47
Paper	9,583.39	9,110.10	5.20	152.18	93.40	62.94
Pharma	1,161.93	1,172.64	-0.91	2,331.17	1,721.12	35.45
Service	1,111.71	1,109.47	0.20	104.63	113.77	-8.03
Tannery	833.50	829.19	0.52	1,790.98	836.41	114.13
Telecom	3,306.57	3,353.90	-1.41	549.99	573.24	-4.05
Textile	1,492.45	1,496.96	-0.30	2,741.60	1,579.32	73.59
Travel & Leis	477.66	473.34	0.91	108.13	58.65	84.37

## Technical Talk

Dhaka bourse slipped to red trajectory in the last week ended on Thursday after a one-week break despite the initiatives to boost the confidence of general investors. The nervous investors were worried about the ongoing gloomy market, liquidity shortage in the financial sector and rising deposit interest rate in the banking sector. Among the major losers, Telecom sector decreased by 1.41% over the week followed by Pharma 0.91%, Textile 0.30% and NBFIs 0.05%.

DSE Broad Index (DSEX) reached 5,275.83 points decreased by 10.92 points or 0.21% from the previous week. Total turnover reached at Tk21448.17m which was 39.88% higher than the previous week. Market capitalization decreased by 0.08% and stood at Tk3299.30b (\$39.07b) at the weekend against Tk3301.78b. DSE 30 decreased by 19.23 points or 1.03% and closed at 1,851.35 points against 1,870.58 points. Last week's weighted average Market PE was 14.18 which was 14.18 previous week.

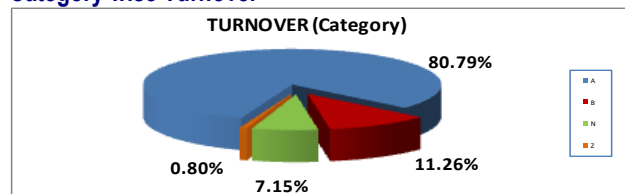
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Fortune Shoes Limited	34,691,240	1,329,885,000	6.20
Monno Ceramic	2,807,684	682,846,000	3.18
Esquire Knit Composite	13,827,484	668,827,000	3.12
Bangladesh Shipping	12,197,006	617,928,000	2.88
Power Grid Company	8,107,620	513,254,000	2.39
Indo-Bangla Pharma	17,624,675	477,830,000	2.23

### Top 10 Market Capital

Company	Volume	Value (Tk)	% of total
GP	478,141	ICB	76,884
BATBC	248,994	BRAC Bank	75,113
Square Pharma	203,249	Berger Paint	74,928
United Power	149,044	LafargeHolcim	48,081
RENATA	94,186	Marico BD.	44,113

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz.)	1,283.50	1,269.70	1.09
Silver (USD/t.oz.)	14.71	14.54	1.15
Brent Crude Oil (USD/bbl.)	70.39	70.75	-0.51

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.45	84.50	84.43	84.48	0.02	0.02
EUR	95.37	95.43	95.09	95.14	0.30	0.30
GBP	110.04	110.11	111.57	111.64	-1.37	-1.37
AUD	59.43	59.46	59.62	59.65	-0.32	-0.32
JPY	0.78	0.78	0.77	0.77	1.07	1.07
CAD	63.23	63.32	63.23	63.27	0.00	0.08
SAR	22.63	22.65	22.63	22.64	0.03	0.03

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	1000
New Line Clothings	Feb 18 - Feb 28, 2019	10	300
Silco Pharmaceuticals	Mar 07 - Mar 19, 2019	10	300
Coppertech Industries	Mar 31 - Apr 09, 2019	10	200
Sea Pearl Beach Resort	Apr 23 - May 06, 2019	10	150