

**LR Global files writ to remain in business**

LR Global Bangladesh, an Asset Management Company (AMC), filed a writ petition with the High Court (HC) alleging failure of the capital market regulator to take action against the purported manipulations on four closed-end Mutual Funds (MFs) under the management of LR Global. The AMC also sought status quo from the bench for continuing appointment as AMC of DBH 1st Mutual fund and Green Delta Mutual Fund. In the petition, the Bangladesh Securities and Exchange Commission (BSEC), BSEC Executive Director (Surveillance), BSEC Executive Director (Mutual Fund) and BGIC, the trustee of the funds, were made respondents. The AMC claimed that the manipulators conspired to dismiss LR as AMC from the two MFs as LR placed complaints to the regulator against their misdeeds. Earlier, a group of unit holders comprising 78.42% of the total fund of DBH 1st MF requested the trustee to convene a meeting to convert the MF into an open- end scheme. Later, around 72.50% unit holders of DBH 1st MF and 70.12% unit holders of Green Delta MF requested BGIC at the end of October to change the AMC of the funds on the ground that the AMC might invest the funds in risky securities. Earlier in August 2019, LR Global extended the tenure of all the closed-end MFs under its management by additional 10 years, under a BSEC order of October 02, 2018.

**RMG export slows down to US market**

Ready-made Garments (RMG) exporters fetched US\$4.56b from the USA in the first nine months of 2019, registering a rather narrow growth of 9.96% (Y-o-Y) since global demand of RMG products faltered in hangover of uncertainties in world economy. Also some of the competing countries outperformed Bangladesh in getting more orders shifting from China, amid the ongoing US-China trade war. According to the latest statistics from the Office of Textiles & Apparel (OTEXA), US Department of Commerce, Bangladesh registered 14.49% (Y-o-Y) export growth to the market in the first half (January-June) and 16.12% (Y-o-Y) in the first quarter (January-March). Among the major competitors of Bangladesh, export growth of Vietnam to the US market in the first nine months of 2019 remained steady while Cambodia and Turkey witnessed a sharp rise. As per the OTEXA, RMG export of Vietnam in the same period grew by 12.70% to US\$10.35b, the highest growth in apparel export to the US market, from US\$9.19b in the same period of 2018. In the meantime, Bangladesh Garment Manufacturers and Exporters' Association (BGMEA) sought a stimulus package from Bangladesh Bank, including loan rescheduling facility and compensation against the value of dollar on retained value in order to enhance competitiveness in the fiercely competitive market.

**Ten banks fail to maintain minimum CRAR**

Ten scheduled banks failed to maintain minimum Capital to Risk-Weighted Assets Ratio (CRAR) for the April-June period of 2019, according to the Financial Stability Assessment Report of Bangladesh Bank (BB). Out of 59 scheduled banks, the central bank evaluated 57 banks and found 47 of those kept minimum 10% or above CRAR in line with Pillar 1 of the Basel III capital framework. According to the report, total CRAR of the banking sector slightly increased to 11.7% at the end of June 2019, up by 80 basis points from last year. The assessment also revealed the asset size of the banking sector recorded a considerable growth to Tk15.47-trillion in June this year from Tk14.00-trillion of 2018 supported by a rise in deposit growth. Among 47 banks, 30 banks contributed almost 59.4% of the total asset of the banking sector keeping CRAR between the ranges of 10%-15% during the period.

**London bourse embraces Taka-linked "Bangla Bond"**

The International Finance Corporation (IFC), an affiliate of the World Bank, launched the first ever Taka-denominated bond on the London Stock Exchange as an initiative to raise funds for the private sector development in Bangladesh. At the initial stage IFC, the guarantor, is to raise Tk800m or US\$9.5m through the bond having a three-year maturity, which will be extended to the PRAN Group for expanding operations and distribution. On getting acceptance, IFC may scale up the limit to US\$1b to strengthen the capital markets and increase foreign investments in the country. The bond is redeemable at 6.3% annually; however, the borrower is reportedly required to pay off the debt at 9.3%. IFC placed the bond with asset managers dedicated to emerging markets and the deal was arranged by Standard Chartered Bank and Bank of America Merrill Lynch. Moody's Investors Service and Standard & Poor gave the Bangla bond AAA credit rating. It is a landmark moment for the country as the fund will be used for fueling domestic growth and at the same time internationalizing the currency.

**Government borrowing from banks swells to Tk335.86b**

Government bank borrowing surged significantly during the first four months of FY2019-20 due to slowdown in sales of National Saving Certificates (NSCs) and in revenue collection. The net bank borrowing stood at Tk335.86b during the period, swelling substantially compared to Tk5.35b in the same period of the previous fiscal year. Economists assume that the government borrowing from banking sector is likely to reach Tk1-trillion at the end of this FY2019-20 as the government is struggling to meet the budget deficit. Net sales of NSCs dropped by 59.59% (Y-o-Y) in the July-August period while revenue collection grew marginally by 2.6% (Y-o-Y) in the July-September period of the ongoing fiscal year. On top of that, the expenditure pressure from mega projects and salary payment rose significantly during the period under review. As per figure of the Bangladesh Bank (BB), outstanding government borrowing from the banking sector increased to Tk1.41-trillion on October 30, 2019 from Tk1.08-trillion on June 30, 2019. The net bank borrowing was Tk198b in the entire FY2018-19.

**EPS of NBFIs tumble in Jan-Sept**

Non-Bank Financial Institutions (NBFIs) recorded a drastic fall in Earning Per Share (EPS) during the first nine months of 2019 because of huge provisioning against default loans and losses from capital market operations. Among 22 NBFIs, total 13 of them experienced significant decline in their EPS between January and September in 2019, as per their un-audited financial statements. The EPS of state-run Investment Corporation of Bangladesh (ICB) plunged by 85% (Y-o-Y) to Tk0.86 for the year ending on June 30, 2019 and subsequently, the NBFIs posted negative EPS of Tk1.93 for July-September period of 2019. On the flip side, Premier Leasing and LankaBangla Finance witnessed the highest EPS rise of 125% (Y-o-Y) to Tk0.09 and 100% (Y-o-Y) to Tk0.52 respectively in Jan-Sept period of 2019.

TOP FIVE NBFIs WITH LOWEST EARNINGS IN 2019		
Company	Jan-Sept	
	2019	2018
Fareast Finance	(6.08)	(1.30)
BIFC	(4.79)	(5.53)
First Finance	(3.29)	(3.16)
Midas Finance	(1.14)	0.24
Union Capital	(1.31)	0.10

SOURCE: DSE

## Stock Market Movement



### Global Markets

		This Week	Last Week	+/- %
S&P 500	↑	3,120.46	3,093.08	0.89
FTSE 100	↓	7,302.94	7,359.38	-0.77
Nikkei 225	↓	23,303.32	23,325.99	-0.10
SENSEX	↑	40,356.69	40,261.72	0.24
KSE 100	↑	37,583.89	36,390.20	3.28

### DSE Indicators

		This Week	Last Week	+/- %
DSE Broad Index	↓	4,710.37	4,771.92	-1.29
Total Turnover, Tk	↓	13,981,895,018.00	16,738,807,681.00	-16.47
Market Capital, Tk	↓	2,966,137,492,096	3,008,134,290,623	-1.40
No of Issue Gain		106	221	
No of Issue Loss		222	112	
No of Unchanged Issues		27	22	

### Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Sonar Bangla Ins	42.30	49.60	17.26	399,099,000
Sea Pearl	22.20	25.50	14.86	91,670,000
SEML FBLSL GF	11.60	13.30	14.66	102,883,000
Agrani Insurance Co	28.70	32.60	13.59	171,668,000
National Feed Mill	7.90	8.90	12.66	50,496,000
Rupali Life Insurance	45.60	51.20	12.28	200,013,000
Global Insurance	22.00	24.40	10.91	187,918,000
Central Insurance	23.40	25.90	10.68	63,596,000
Paramount Textile	53.40	58.90	10.30	119,565,000
VAMLBDMF1	6.00	6.60	10.00	5,687,000

### Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Ratanpur Steel	30.50	26.00	-14.75	25,259,000
Bashundhara Paper	53.00	45.90	-13.40	36,989,000
Miracle Industries	19.00	16.50	-13.16	24,918,000
Regent Textile Mills	11.40	9.90	-13.16	31,760,000
Shyampur Sugar Mills	23.70	20.60	-13.08	51,000
Prime Textile Spinning	22.40	19.50	-12.95	16,815,000
Bangladesh Welding	17.50	15.30	-12.57	1,813,000
Shinepukur Ceramics	10.60	9.30	-12.26	7,318,000
Maksons Spinning Mills	4.90	4.30	-12.24	8,309,000
Gemini Sea Food Ltd.	222.90	196.70	-11.75	15,020,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	382.46	386.31	-1.00	1,275.87	1,839.52	-30.64
Cement	212.00	213.91	-0.90	115.37	149.91	-23.04
Ceramic	600.32	612.14	-1.93	320.86	447.67	-28.33
Engineering	2,023.47	2,096.51	-3.48	1,952.58	2,727.66	-28.42
Food & Al.	3,657.61	3,749.57	-2.45	559.00	605.27	-7.64
Fuel & Pow.	3,801.80	3,798.16	0.10	858.12	1,190.80	-27.94
Insurance	1,577.08	1,559.37	1.14	2,453.69	1,489.76	64.70
IT	319.17	335.95	-4.99	350.80	266.44	31.66
Jute	1,430.22	1,513.65	-5.51	38.21	308.48	-87.61
Misc.	1,108.89	1,129.66	-1.84	478.64	671.29	-28.70
Mutual Fund	388.43	383.56	1.27	394.29	418.67	-5.82
NBFI	915.22	948.74	-3.53	446.73	562.94	-20.64
Paper	6,530.54	7,479.93	-12.69	87.13	91.83	-5.12
Pharma	1,161.95	1,167.12	-0.44	1,901.32	2,178.47	-12.72
Service	910.04	937.32	-2.91	66.79	106.47	-37.27
Tannery	663.24	688.88	-3.72	492.45	595.29	-17.28
Telecom	2,842.01	2,906.37	-2.21	359.32	350.89	2.40
Textile	1,104.44	1,139.75	-3.10	1,160.64	2,003.66	-42.07
Travel & Leis	484.72	474.94	2.06	203.85	152.18	33.96

## Technical Talk

Dhaka bourse closed in red trajectory in the last week ended on Thursday as cautious investors sold off their holdings amid poor earning disclosures. Most of the investors were suffering from acute deficiency of confidence as the market remained volatile over the last ten months. Among the major losers, NBFI sector decreased by 3.53% over the week followed by Engineering 3.48%, Textile 3.10% and Telecom 2.21%.

DSE Broad Index (DSEX) reached 4,710.37 points decreased by 61.55 points or 1.29% from the previous week. Total turnover reached at Tk13,981.90m which was 16.47% lower than the previous week. Market capitalization decreased by 1.40% and stood at Tk2,966.14b (\$34.98b) at the weekend against Tk3,008.13b. DSE 30 decreased by 19.67 points or 1.19% and closed at 1,638.25 points against 1,657.92 points. Last week's weighted average Market PE was 12.45 which was 12.73 previous week.

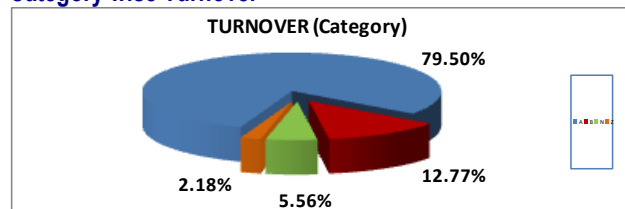
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
National tubes Ltd.	3,205,421	491,286,000	3.51
Sonar Bangla Insurance	8,593,115	399,099,000	2.85
Renata Ltd.	239,079	315,792,000	2.26
Wata Chemicals Limited	501,146	308,636,000	2.21
Fortune Shoes Limited	9,508,255	294,375,000	2.11
Square Pharmaceuticals	1,151,839	275,719,000	1.97

### Top 10 Market Capital

	In million		% of total
GP	413,462	BRACBANK	71,906
BATBC	197,892	BERGERPBL	67,016
Square Pharma	187,232	ICB	58,884
United Power	140,392	MARICO	54,252
RENATA	105,228	Summit Power	39,939

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/ton)	1,471.80	1,461.30	0.72
Silver (USD/ton)	17.01	16.78	1.37
Brent Crude Oil (USD/bbl)	62.28	62.51	-0.37

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.80	84.85	84.80	84.85	0.00	0.00
EUR	94.21	94.26	93.96	94.01	0.26	0.26
GBP	109.70	109.76	108.76	108.82	0.87	0.87
AUD	58.13	58.17	58.44	58.47	-0.52	-0.53
JPY	0.79	0.79	0.79	0.79	0.31	0.31
CAD	64.48	64.51	64.44	64.47	0.06	0.06
SAR	22.73	22.74	22.73	22.74	0.00	0.00

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)
Ring Shine Textile	Aug 25 - Sep 09, 2019	10	1500
ADN Telecom Limited	Nov 04 - Nov 11, 2019	27	570