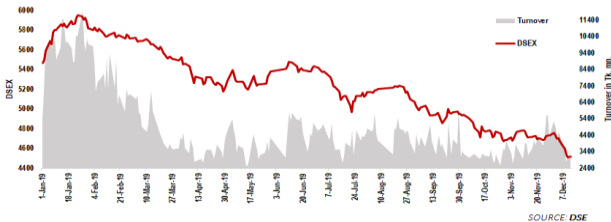


Stocks bleed in bleak economic outlook

The stock market is enduring another phase of panic sales by investors throughout 2019 as the mounting economic concerns aggravated persistent crisis of confidence. Market insiders also attributed the current negative-run to continuous sale of shares by foreign investors, inactive stance of institutional investors and the reported forced-sales by some merchant banks. During the last seven sessions, the key index of Dhaka Stock Exchange (DSE), DSEX lost 188.53 points and the blue-chip index of DSE, DS30 shed 69.51 points. The premiere bourse lost Tk100.21b in market capitalization during these seven sessions. DSEX came down to the 41-month lowest level during the week by closing at 4,514.45 points. DSEX hit its lowest on Tuesday last by closing at 4,506.94 points after July 11, 2016 when the index stood at 4,505.17 points. Meanwhile, recent key economic indicators reflect distress signs resulting to panic. The negative growth in export-import, decreasing private sector credit growth, revenue shortfall, excessive bank borrowing by government, soaring prices of essential food items – all these indicators stirred paramount concern over the economic outlook.



AMC license aplenty void positive effect

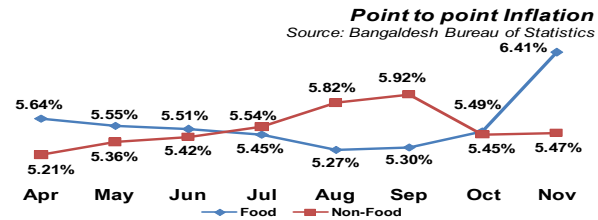
The Bangladesh Securities and Exchange Commission (BSEC) approved license to fourteen Asset Management Companies (AMCs) in the last two years with seven each in 2019 and 2018. However, the AMCs apparently failed to discharge their due and expected roles in the ongoing bear-run of the stock market. The capital market regulator so far gave license to forty-four AMCs where thirty got license during the incumbency of the current Commission. Among the nineteen AMCs that got licenses in the last three years, very few AMCs could run their business properly and the others choked in the recent market condition. Veteran capital market experts opined that the number of AMCs is excessive in terms of the current market stature. Moreover, investors are not happy with the performance of the Mutual Funds (MFs) as most of the MFs failed to give returns up to the expectations of investors. Currently, there are thirty-seven close-end MFs listed with stock exchanges where unit price of thirty-three of them are below their face value.

Budget deficit surges in Q1

Government budget deficit surged by 183% (Y-o-Y) in the first quarter of the FY2019-20 as the government expenditures for development and debt servicing soared while revenue collection registered only marginal growth during the period. As per the official statistics, the deficit amount stood at Tk321.44b at the end of the period after deducting the government expenditure of Tk876b from Tk554.6b in revenue earnings. The development financing and the interest payments amounted to Tk134.6b and Tk121.7b respectively during the period. Tax receipts rose by 2.62% (Y-o-Y) to Tk473.88b in the quarter. On the other side, government borrowing from the banking system skyrocketed to Tk393.31b in the quarter, which was 83% of the target set for the entire fiscal year. In the period, no grant was disbursed while funds from the external sources stood at Tk6.37b, which was lower than the target.

Inflation soared to 6.05% in November

Point-to-point inflation rose by 0.58 basis points to 6.05% in November, hitting twenty-five months high, amid the recent hike in the price of onions and other commodities, as per Bangladesh Bureau of Statistics (BBS). The rate was 5.47% in the previous month. Point-to-point inflation rate for food items hiked to 6.41% in November from 5.49% in October. On the flip side, the non-food inflation rate rose slightly to 5.47% in November in comparison with 5.45% in October. Experts opined that the surge in onion price was not the only reason for the recent hike of inflation. Moreover, structural weakness, cartel in the market and lack of governance contributed to such a hike.

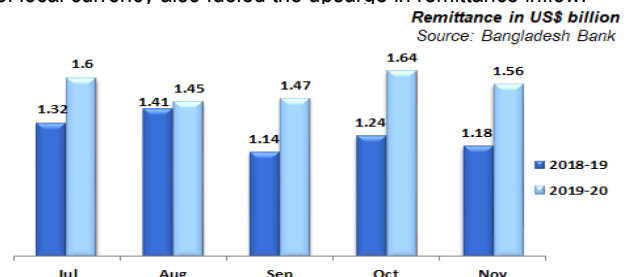


Exports continue downtrend in Jul-Nov '19

Export receipts stood at US\$15.78b during July-November of FY2019-20, which is 7.59% lower compared to US\$17.07b in the same period of previous fiscal year, due mainly to lower shipment of apparel items. According to the figures from Export Promotion Bureau (EPB), exporters fetched US\$3.05b in November, down by 10.70%, which was US\$3.42b in the previous corresponding period. The downtrend in global prices and consumption of Ready-Made Garments (RMG) due to global economic concerns, combined with the waning business competitiveness in the sector pushed the earnings to fall short of the target of US\$18.05b during the five months. EPB statistics revealed that RMG exporters logged US\$13.09b worth of earnings during the period, down by 7.74% from US\$14.18b in the same period. Among all merchandise export items, only jute items registered growth of 15.16% to US\$404.79m for the period. Following the dismal state in the apparel industry, insiders urged the government to provide more incentives and to reduce the complexities in cash incentives.

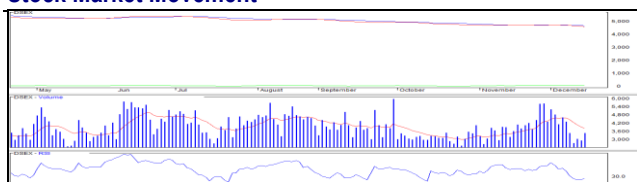
Remittance sees 22.54% (Y-o-Y) surge in 5 months

Remittance receipts recorded a sharp 22.54% (Y-o-Y) growth to US\$7.71b in July-November compared to US\$6.29b in the same period of last fiscal year, mainly after disbursement of incentive to the remitters and devaluation of taka against the dollar. As per recent statistics, in November US\$1.56b was received, which is 32% more than US\$1.18b in the previous corresponding period. In September and October, remittance inflow also grew by 28.85% and 32.32% respectively. Expatriates remitted their money through banking channels to avail the incentives offered by the government. Other than the incentive factor, devaluation of local currency also fueled the upsurge in remittance inflow.



The week's data runs 05 December 2019 to 12 December 2019

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	3,168.80	3,145.91	0.73
FTSE 100	7,353.44	7,239.66	1.57
Nikkei 225	24,023.10	23,354.40	2.86
SENSEX	41,009.71	40,445.15	1.40
KSE 100	40,916.59	40,732.25	0.45

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	4,514.45	4,671.34	-3.36
Total Turnover, Tk	15,739,879,704.00	23,109,871,625.00	-31.89
Market Capital, Tk	2,853,970,264,527	2,940,354,612,980	-2.94
No of Issue Gain	64	140	
No of Issue Loss	277	194	
No of Unchanged Issues	15	21	

Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Anlima Yarn Dyeing	29.00	32.70	12.76	78,239,000
Kay & Que Ltd.	199.40	224.70	12.69	106,239,000
Paramount Ins	36.40	40.60	11.54	289,204,000
Mercantile Ins	34.50	38.30	11.01	120,600,000
Standard Ceramic	543.20	601.30	10.70	172,563,000
IFAD Autos Limited	39.20	43.20	10.20	81,120,000
Khulna Power	39.20	43.00	9.69	366,397,000
Reckitt Benckiser	2879.70	3141.10	9.08	171,175,000
National Life	247.50	269.10	8.73	62,794,000
Paramount Textile	53.00	57.30	8.11	172,515,000

Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Maksons Spinning Mills	5.50	4.50	-18.18	24,534,000
Regent Textile Mills	11.70	9.70	-17.09	28,383,000
Saiham Textile Mills	38.50	32.70	-15.06	6,523,000
Al-Haj Textile Mills	41.60	35.70	-14.18	22,085,000
Sonar Bangla Insurance	45.70	39.40	-13.79	354,540,000
Stylecraft Limited	312.60	270.90	-13.34	86,496,000
ACI Limited.	218.70	190.80	-12.76	25,430,000
Mozaffar Hossain Spin	10.80	9.50	-12.04	11,736,000
Tung Hai Knitting and	2.50	2.20	-12.00	241,000
S. S. Steel Limited	27.90	24.70	-11.47	48,557,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
	Bank	375.03	387.16	-3.13	1,356.16	3,519.59
Cement	220.44	222.49	-0.92	305.45	798.10	-61.73
Ceramic	603.11	604.29	-0.20	316.52	243.98	29.73
Engineering	1,910.15	1,972.73	-3.17	1,398.54	1,872.41	-25.31
Food & Al.	3,327.96	3,515.44	-5.33	573.31	565.44	1.39
Fuel & Pow.	3,454.42	3,590.10	-3.78	933.84	1,054.96	-11.48
Insurance	1,629.62	1,605.81	1.48	2,537.59	3,970.05	-36.08
IT	330.14	345.78	-4.52	577.17	638.32	-9.58
Jute	1,511.72	1,574.83	-4.01	84.26	93.92	-10.29
Misc.	1,092.91	1,113.48	-1.85	965.39	1,445.18	-33.20
Mutual Fund	383.65	388.38	-1.22	508.86	524.65	-3.01
NBFI	929.41	961.61	-3.35	547.95	1,768.63	-69.02
Paper	7,008.29	6,912.82	1.38	233.74	92.30	153.25
Pharma	1,063.83	1,098.44	-3.15	1,655.24	2,062.39	-19.74
Service	884.47	911.13	-2.93	47.22	113.76	-58.49
Tannery	645.43	646.16	-0.11	376.76	629.21	-40.12
Telecom	2,741.68	2,841.71	-3.52	245.33	361.79	-32.19
Textile	1,182.32	1,146.46	3.13	2,139.59	2,803.27	-23.68
Travel & Leis	516.44	528.63	-2.31	86.73	201.98	-57.06

Technical Talk

Dhaka stocks plunged in the last week due to dearth of confidence among investors amid liquidity crunch. The last week saw five trading sessions whereas of them first three sessions saw sharp fall while last two inched higher. Among the major sectors, Fuel & Power sector decreased by 3.78% over the week followed by Telecom 3.52%, NBFI 3.35%, Engineering 3.17%, Pharma 3.15% and Bank 3.13%.

DSE Broad Index (DSEX) reached 4,514.45 points decreased by 156.89 points or 3.36% from the previous week. Total turnover reached at Tk15,739.88m which was 31.89% lower than the previous week. Market capitalization decreased by 2.94% and stood at Tk2,853.97b (\$33.62b) at the weekend against Tk2,940.35b. DSE 30 decreased by 57.70 points or 3.59% and closed at 1,548.12 points against 1,605.82 points. Last week's weighted average Market PE was 11.69 which was 12.06 previous week.

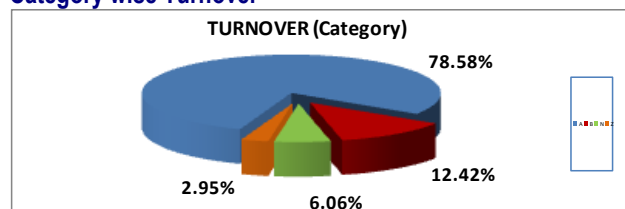
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Square Pharmaceuticals	2,174,581	415,773,000	2.64
Sinobangla Industries	4,735,014	385,238,000	2.45
Khulna Power Company	9,273,747	366,397,000	2.33
Sonar Bangla Insurance	8,625,919	354,540,000	2.25
Paramount Insurance	7,711,910	289,204,000	1.84
LafargeHolcim	7,726,699	274,348,000	1.74

Top 10 Market Capital

Company	Market Capital (In million)
GP	400,904
BATBC	182,232
Square Pharma	160,405
United Power	126,005
RENATA	92,326
BRACBANK	70,179
BERGERPBL	65,425
ICB	60,935
MARICO	53,213
Lafarge Holcim	42,622

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,466.70	1,476.90	-0.69
Silver (USD/toz.)	16.85	16.94	-0.57
Brent Crude Oil (USD/bbl.)	64.20	63.39	1.28

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	94.91	94.96	94.38	94.43	0.56	0.56
GBP	113.45	113.51	111.84	111.90	1.44	1.44
AUD	58.68	58.71	58.36	58.40	0.54	0.54
JPY	0.78	0.78	0.79	0.79	-0.71	-0.70
CAD	64.81	64.85	64.37	64.41	0.68	0.68
SAR	22.75	22.77	22.75	22.77	-0.01	-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)
ADN Telecom Limited	Nov 04 - Nov 11, 2019	27	570

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