

**BSEC sets boards restructure guidelines**

The Bangladesh Securities and Exchange Commission (BSEC) finalized an action plan to restructure the boards of the companies that failed to comply with the minimum 30% combined shareholding by directors, through issuing a directive on December 10, 2020. The non-compliant companies will have two independent directors appointed by the stock market regulator. As per the directive, a committee will be formed comprising independent directors to oversee the progress of the compliance of 30% shareholding requirement. The appointed independent directors will have to submit quarterly report to the Commission within 10 days of quarter end. The non-compliant companies will have to conduct Annual General Meeting (AGM) or Extraordinary General Meeting (EGM) using hybrid system i.e. a combination of physical presence and digital platform within 45 working days from the issuance of the Directive or any other instruction issued by the Commission, whichever is applicable. The Board of Central Depository Bangladesh Limited (CDBL) will form a 3-member Election Commission (EC) to conduct election for the position of director(s) of the non-compliant company. EC will set election schedule for conducting election in the general meeting of the shareholders. The CDBL will provide a list of eligible candidates who hold at least 2% shares of the paid-up capital of the company as per record date of relevant meetings for the election. Additionally, an online/e-voting platform/system will be introduced by CDBL, for all the shareholders holding shares in either paper or dematerialized form, according to the BSEC instruction.

**COMPANIES WHOSE BOARDS ARE LIKELY TO BE RECAST**

Active Fine	12.60%	Fu-Wang Foods	5.80%
Agni Systems	9.40%	Generation Next	13.80%
Alhaj Textile	12.80%	Imam Button	29.20%
Apex Footwear	26%	Intech	4%
Apollo Ispat	20.20%	Information Services	21.60%
C & A Textile	22.20%	Mithun Knitting	17.20%
Central Pharma	25.90%	Northern Jute	15.10%
Delta Spinners	18.10%	Olympic Accessories	25.80%
FamilyTex	4.00%	Pharam Aid	24.20%
Fas Finance	13.20%	Peoples Leasing	23.20%
Fine Foods	5%	Shurwid Industries	12%
Fu-Wang Ceramic	7.30%	United Airways	2.50%

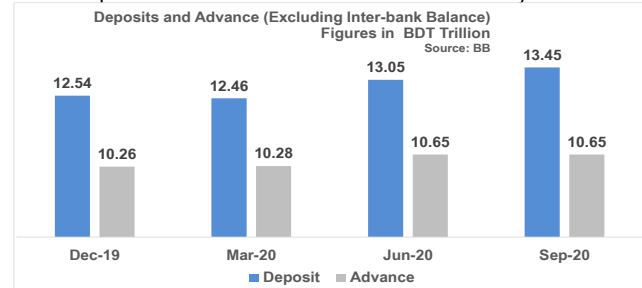
SOURCE: BSEC

**BB asks banks to keep extra provision**

Bangladesh Bank (BB) instructed all scheduled banks to keep an additional 1% provision against unclassified loans while preparing financial statements for the year 2020. Banks will have to keep the provision amount under the head of "Special General Provision COVID-19". As per BB circular, banks would not be allowed to transfer the Special General Provision COVID-19 headed fund to any other segment. BB also tightened the rules for transferring unrealized interest income to the income account. Banks were asked to follow a number of instructions in booking unrealized interest or income imposed against the loans that had been irregular in 2020. For transferring unrealized interest generated against the loans amounting over Tk100m or above to the income account, approval from the board based on audit committee recommendation has been made mandatory. On the other hand, approval from Managing Director made mandatory for booking interest generated against loans ranging between Tk50m-100m to the income account.

**ADR in banks drops to 74% in September**

The Advance-Deposit Ratio (ADR) in the banking sector slipped in September due to increased inflow of deposits and sluggish credit growth. On September 24, 2020, the ADR in the banking sector decreased to 74.0% from 76.22% as on June 30 this year. The ratio was 77.34% on December 31, 2019 last. As per Bangladesh Bank (BB), the conventional banks are now allowed to keep ADR at 87% and Shariah-based banks at 92% after the upward adjustment of ADR limit by 2% to help the banks implement the stimulus package. According to the statistics of BB, average ADR of private banks stood at 80.48% in September from 83.29% three months back while the ratio of six State-owned Commercial Banks (SoCBs) stood at 59.11% as against 60.08% three months earlier. As per BB, deposits in the banking sector rose by 12.39% to Tk13,454.36b (excluding inter-bank balance) in September due to the implementation of stimulus package along with robust inward remittance. On the other hand, the credit growth to the private sector stood at 9.56% as on September 24 from 8.95% as on June 30 this year.



**Revenue Shortfall widens to Tk275.56b in Jul-Nov period**

Tax receipts by the government registered a marginal growth of 1.18% (Y-o-Y) in the July-November period of FY2020-21 against the backdrop of sluggish economic activities mainly for Covid-19 pandemic. However, revenue mobilization dropped by 7.10% (Y-o-Y) to Tk172.75b in November from Tk185.96b a year earlier. According to the provisional statistics of the National Revenue Board (NBR), taxmen managed to collect Tk854.03b during the period against Tk844.04b in the same period of last fiscal year. The total revenue figure fell short of the ambitious target set for the period by 24.39% or Tk275.56b. Collection from customs duty grew by 6.48% (Y-o-Y) to Tk277.77b and from income tax rose by 4.22% (Y-o-Y) to Tk259.30b in the period. On the flip side, collection from Value-Added Tax (VAT) fell by 5.21% (Y-o-Y) to Tk316.90b in the period as per NBR records.

**Tax from DSE drops by 15.28% in November**

Government revenue from the Dhaka Stock Exchange (DSE) slipped by 15.28% in November 2020 as against the previous month since share sales by sponsor-directors and placement holders fell drastically. However, revenue from the DSE soared by 74.21% to Tk1,108m in July-November period of FY2020-21 compared to the previous fiscal year. According to the statistics of the bourse, revenue worth Tk183m was collected in November against Tk216m in the previous month. Of the total tax revenue, the bourse collected Tk174m by way of brokerage commission and Tk9m from sale of shares by the sponsor-directors of listed companies and placement holders. In October, shares sale by sponsor-directors and placement holders was Tk46m. The daily average turnover in November came down to Tk7.90b, which was Tk8.50b in the previous month. The broad index (DSEX) of DSE also slipped by 20.74 points or 0.43% to 4,866.84 points as on November 30, 2020.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	3,709.41	3,663.46	1.25
FTSE 100	6,529.18	6,546.75	-0.27
Nikkei 225	26,763.39	26,652.52	0.42
SENSEX	46,960.69	46,099.01	1.87
KSE 100	43,740.55	42,470.39	2.99

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	5,108.04	5,094.66	0.26
Total Turnover, Tk	36,598,292,414.00	41,734,123,833.00	-12.31
Market Capital, Tk	3,573,894,617,430	3,510,925,502,170	1.79
No of Issue Gain	115	195	
No of Issue Loss	182	107	
No of Unchanged Issues	65	60	

### Top Gainers

Company	Last Week	This Week	Change %	Turnover (Tk)
JMI Syringes	282.00	346.90	23.01	334,811,000
Sonali Aansh Ind.	399.10	486.60	21.92	99,062,000
Dominance Steel	35.90	42.60	18.66	728,568,000
S. S. Steel	14.30	16.70	16.78	795,422,000
Walton Hi-Tech Ind.	884.50	1026.70	16.08	740,577,000
CAPM IBBL Is. MF	20.50	23.50	14.63	118,836,000
Miracle Industries	30.40	34.20	12.50	217,875,000
MHSML	12.80	14.30	11.72	77,910,000
Eastern Lubricants	1024.60	1132.90	10.57	37,542,000
M.I. Cement Factory	43.80	48.40	10.50	13,343,000

### Top Losers

Company	Last Week	This Week	Change %	Turnover (Tk)
Aman Feed Limited	33.00	27.10	-17.88	176,233,000
Esquire Knit Composite	30.40	26.20	-13.82	66,312,000
Keya Cosmetics Ltd.	6.80	6.00	-11.76	147,868,000
First Finance Limited	7.50	6.70	-10.67	640,000
Republic Insurance	61.30	56.10	-8.48	509,364,000
Active Fine Chemicals	16.80	15.40	-8.33	155,906,000
Golden Son Limited	11.40	10.50	-7.89	29,080,000
Salvo Chemical Ind.	15.70	14.50	-7.64	29,907,000
Daffodil Computers Ltd.	74.90	69.30	-7.48	36,241,000
Aftab Automobiles Ltd.	27.80	25.80	-7.19	28,192,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	392.63	397.21	-1.15	3,852.55	3,794.51	1.53
Cement	249.75	242.67	2.92	812.30	624.81	30.01
Ceramic	583.12	596.72	-2.28	392.25	575.93	-31.89
Engineering	5,960.78	5,411.80	10.14	4,181.22	3,790.44	10.31
Food & Al.	3,692.54	3,549.15	4.04	1,058.92	922.11	14.84
Fuel & Pow.	3,710.71	3,716.48	-0.16	1,398.33	1,787.80	-21.78
Insurance	2,253.24	2,276.37	-1.02	6,798.81	9,247.29	-26.48
IT	382.31	396.80	-3.65	723.82	1,437.17	-49.64
Jute	1,223.64	1,100.75	11.16	138.69	82.09	68.96
Misc.	1,310.71	1,285.64	1.95	3,186.12	4,030.44	-20.95
Mutual Fund	523.83	519.60	0.81	1,635.70	2,064.49	-20.77
NBFI	1,053.64	1,060.66	-0.66	1,106.01	1,779.29	-37.84
Paper	6,553.34	6,630.96	-1.17	121.73	202.41	-39.86
Pharma	1,356.52	1,330.70	1.94	6,199.46	5,042.97	22.93
Service	1,047.02	1,086.82	-3.66	280.23	507.47	-44.78
Tannery	616.33	620.82	-0.72	807.16	1,002.07	-19.45
Telecom	3,230.49	3,184.70	1.44	1,071.86	743.66	44.13
Textile	1,185.28	1,203.08	-1.48	2,064.29	2,436.11	-15.26
Travel & Leis	584.32	588.40	-0.69	68.98	186.76	-63.06

## Technical Talk

Dhaka stocks continued the winning streak with marginal gain in the last week thanks to regulatory moves and improvement of economic activities. The bargain hunters showed their buying appetite on large-cap companies amid positive expectation. Among the major sectors, Engineering increased by 10.14% over the week followed by Pharma 1.94%, Telecom 1.44% and Mutual Fund 0.81% while Textile, Bank and Insurance decreased by 1.48%, 1.15% and 1.02% respectively.

DSE Broad Index (DSEX) stood at 5,108.04 points increased by 13.37 points or 0.26% from the previous week. Total turnover reached at Tk36,598.29m which was 12.31% lower than the previous week. Market capitalization increased by 1.79% and stood at Tk3,573.89b (\$42.10b) at the weekend against Tk3,510.93b. DSE 30 increased by 23.46 points or 1.32% and closed at 1,798.62 points against 1,775.16 points. Last week's weighted average Market PE was 14.04 which was 13.73 previous week.

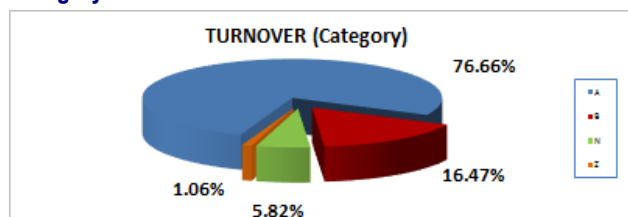
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Beximco Pharma	14,863,371	2,310,762,000	6.31
Beximco	70,124,057	2,263,396,000	6.18
IFIC Bank Ltd.	129,724,241	1,626,418,000	4.44
Rupali Insurance	20,647,417	921,088,000	2.52
S.S. Steel Limited	51,901,057	795,422,000	2.17
Fortune Shoes Limited	34,100,957	742,252,000	2.03

### Top 10 Market Capital

Company	Volume	Value (Tk)	% of total
GP	467,204	RENATA	105,848
Walton Hi-Tech	311,017	ICB	70,348
BATBC	199,656	Marico	69,502
Square Pharma	177,733	Beximco Pharma	69,058
United Power	150,141	Berger Paint	66,339

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz)	1,886.80	1,833.60	2.90
Silver (USD/t.oz)	26.00	24.03	8.19
Brent Crude Oil (USD/bbl.)	52.31	50.25	4.10

### 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	105.76	105.82	104.91	104.98	0.81	0.80
GBP	117.12	117.79	115.10	115.17	1.75	2.27
AUD	64.77	64.81	64.29	64.33	0.74	0.75
JPY	0.83	0.83	0.82	0.82	0.68	0.62
CAD	67.04	67.09	66.84	66.88	0.30	0.32
SAR	22.75	22.76	22.75	22.76	0.01	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)
Robi Axiata Limited	Nov 17-23, 2020	10	5,237
Mir Akhter	Dec 24-30, 2020	54	560.83
Energypac Power	Dec 07-13, 2020	31	1,500
Taufika Foods and Agro I	Jan 03-07, 2021	10	300