Daily Capital Market Synopsis

Sunday, July 31, 2022

Chart: DSE Broad Index, Source: DSE Website

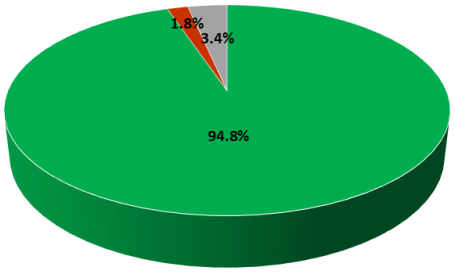
Index Update

Symbol	Today	Point Change	% Change
DSEX	6133.96	153.45	2.6%
DSES	1339.48	31.28	2.4%
DS30	2193.58	48.32	2.3%

Market Performance

Particulars	Today	Prev. Day	% Change
Turnover (BDT mn)	5679.59	4417.78	28.6%
Trade Volume	144941097	100084806	44.8%
Total No. of Trade	126820	80052	58.4%

Source: NRBCBSL Research & DSE Website



Source: NRBCBSL Research

Market surged high amid imposing of price floor

DSEX flew up 153.44 points and closed at 6133.96 points. Market started a sharp run from early in today's session. Market participation improved from yesterday's level which is a positive indication. All the sectors were positive. Market responded positively to our regulators' decision of imposing price floor on all the shares again as last time market was eventually benefitted from this policy. Though this decision is like a leash for the free market and not at all desired in the natural market ecosystem, investors in our market severely lacks confidence on the market and feel safe with such regulations. Moreover, most of the shares' last day's closing price was lower than the given floor price and so today's index hike does not reflect the true incitement among the investors caused by this decision. Market may remain positive tomorrow as well. Textile and insurance sectors may perform well. On the Macro news front, The gas crisis is seriously affecting the country's industries, including the export-oriented apparel and textile sectors, already struggling to cope with power cuts for a more than a week, besides the suspension of fertilizer production at two state-owned factories.

Market activity increased today than the previous day generating a trade volume of 144941097 from a total trade of 126820, raising BDT 5679.59mn turnover which is around 28.6% higher than the last day.

BATBC, SQURPHARMA, BEXIMCO, OLYMPIC, GP mainly moved the index positively. On the other hand, CITYBANK, FORTUNE, UNITEDINS, ACI, GP were the negative forces today.

UNIONINS, REPUBLIC, CRYSTALINS, SONARGAON, ORIONINFU were among the top gainers and UNITEDINS, VAMLRBBF, DULAMIACOT, PF1STMF, HRTEX were among the top companies to lose price today.

Quazi Naureen Ahmed

Market Value

Particulars	Today	Prev. Day	Change
M. Cap	5007340.74	4993465.18	0.3%
Mkt P/E	14.63	14.60	0.2%
Market Cap. To GDP	16.6%	16.6%	0.3%

Source: NRBCBSL Research & DSE Website

Top 10 Gainers

Code	LTP	YCP	Change	Volume
UNIONINS	36.10	32.30	11.8%	904770
REPUBLIC	40.00	35.80	11.7%	59593
CRYSTALINS	38.60	34.70	11.2%	193950
SONARGAON	53.60	48.20	11.2%	948344
ORIONINFU	116.30	104.70	11.1%	1615491
EASTERNINS	56.50	50.90	11.0%	358908
RELIANCINS	60.80	54.80	10.9%	35691
TAKAFULINS	51.70	46.60	10.9%	93262
AGRANINS	42.20	38.10	10.8%	128246
SKICL	50.70	45.80	10.7%	396726

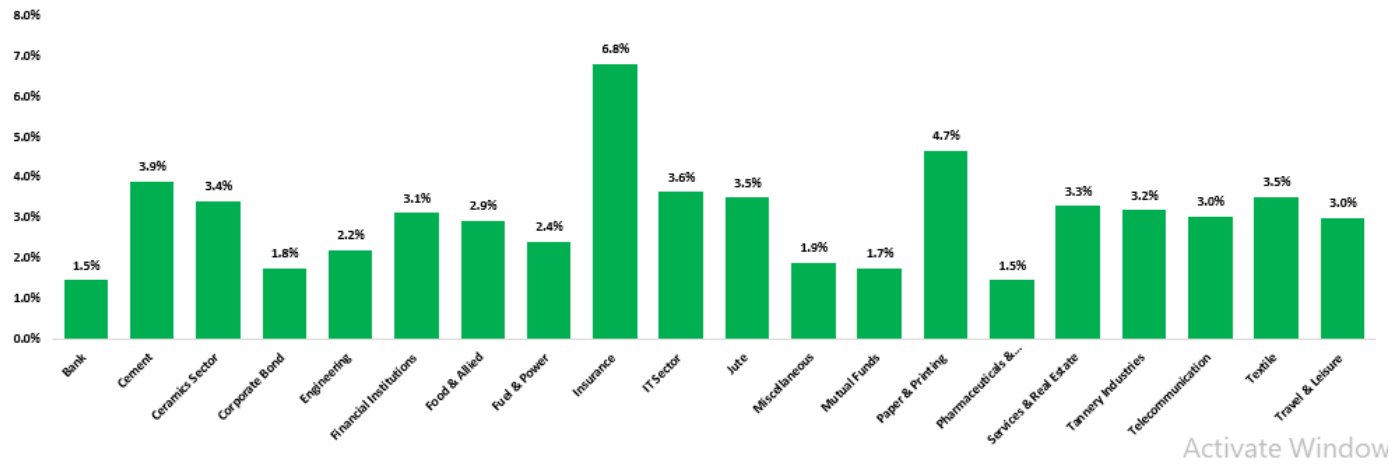
Source: NRBCBSL Research & DSE Website

Top 10 Losers

Code	LTP	YCP	Change	Volume
UNITEDINS	49.80	51.30	-2.9%	60608
VAMLRBBF	7.40	7.60	-2.6%	15201
DULAMIACOT	71.40	72.70	-1.8%	18178
PF1STMF	11.10	11.30	-1.8%	1162843
HRTEX	128.40	129.70	-1.0%	295748
FORTUNE	79.50	80.10	-0.7%	1789578
CITYBANK	21.80	21.90	-0.5%	559648
AIBLPBOND	4918.00	4918.00	0.0%	3
APSCLBOND	5500.00	5500.00	0.0%	0
BDSERVICE	5.20	5.20	0.0%	0

Source: NRBCBSL Research & DSE Website

Sectoral Gain



Source: NRBCBSL Research

Companies with Highest & Lowest P/E

Highest

Company	P/E
LEGACYFOOT	745.0
BANGAS	640.0
AMBEEPHA	504.2
EASTRNLUB	502.3
ARGONDENIM	348.8
APEXTANRY	344.7
AL-HAJTEX	341.0
BEACHHATCH	314.3
EMERALDOIL	305.8
KAY&QUE	267.4

Source: NRBCBSL Research

Lowest

Company	P/E
SOUTHEASTB	2.6
MERCANBANK	3.1
JAMUNABANK	3.2
EBLNRBMF	3.7
SHAHJABANK	4.0
BANKASIA	4.8
TRUSTB1MF	4.8
PREMIERBAN	5.0
NRBCBANK	5.0
DHAKABANK	5.1

Source: NRBCBSL Research

Top 10 Blue Chip Companies

Company	LTP	YCP	Change%	Value (BDT mn)
OLYMPIC	120.30	110.50	8.9	31.30
GPHISPAT	49.00	46.00	6.5	33.19
DELTALIFE	144.40	135.90	6.3	130.17
BBSCABLES	53.20	51.20	3.9	4.65
LHBL	65.90	63.50	3.8	77.67
POWERGRID	53.00	51.10	3.7	13.78
TITASGAS	41.00	39.60	3.5	53.38
ROBI	30.00	29.00	3.5	23.15
BSRMLTD	91.70	88.70	3.4	3.14
SINGERBD	154.70	149.80	3.3	1.12

Source: NRBCBSL Research

Top 10 Turnover Leaders

Company	LTP	YCP	Change%	Value (BDT mn)
BEXIMCO	116.80	114.20	2.3	297.73
KDSALTD	80.60	77.10	4.5	207.61
MATINSPINN	83.90	78.70	6.6	194.21
ORIONINFU	116.30	104.70	11.1	179.94
INTRACO	31.70	29.30	8.2	156.01
FORTUNE	79.50	80.10	-0.7	142.31
SQUARETEXT	71.70	69.20	3.6	138.54
DELTALIFE	144.40	135.90	6.3	130.17
SONALIPAPR	630.60	598.70	5.3	109.64
SPCERAMICS	43.30	41.90	3.3	86.76

Source: NRBCBSL Research

Block Trades

Instrument	Max Price	Min Price	Trade	Trades Quantity	Value (BDT mn)
AL-HAJTEX	138.00	132.20	3.00	67500.00	9.13
AMANFEED	35.50	35.50	1.00	56100.00	1.99
BANKASIA	20.20	20.20	1.00	1000000.00	20.20
BDTHAI	17.90	17.90	1.00	30000.00	0.54
BEXIMCO	127.10	127.10	1.00	4300.00	0.55
BNICL	59.00	59.00	1.00	50000.00	2.95
CVOPRL	163.80	163.80	1.00	4800.00	0.79
DELTALIFE	138.00	137.00	4.00	46800.00	6.42
DSHGARME	165.40	165.40	1.00	3023.00	0.50
ECABLES	182.00	182.00	1.00	22000.00	4.00
FAREASTLIF	82.50	82.50	1.00	27648.00	2.28
FIRSTFIN	5.80	5.80	1.00	100000.00	0.58
FORTUNE	85.40	85.40	2.00	100400.00	8.57
GENEXIL	74.60	74.60	1.00	11000.00	0.82
GOLDENSON	19.70	19.70	1.00	470000.00	9.26
GSPFINANCE	32.60	32.60	4.00	300000.00	9.78
HRTEX	128.20	128.20	1.00	8100.00	1.04
ICBAGRANI1	10.10	10.10	1.00	49505.00	0.50
INTECH	32.60	32.60	1.00	17999.00	0.59
INTRACO	30.50	29.20	7.00	213853.00	6.31
IPDC	58.00	58.00	2.00	20000.00	1.16
MATINSPINN	84.10	80.00	2.00	62000.00	5.09
MONNOFABR	25.00	25.00	1.00	20000.00	0.50
NBL	8.30	8.30	1.00	2440000.00	20.25
ORIONINFU	107.40	107.40	1.00	30000.00	3.22
PRIMEINSUR	82.80	82.80	2.00	500000.00	41.40
RANFOUNDRY	163.50	163.50	1.00	23500.00	3.84
RDFOOD	36.20	36.20	1.00	36000.00	1.30
ROBI	30.10	30.10	1.00	20000.00	0.60
SAFKOSPINN	28.20	28.20	1.00	27000.00	0.76
SEAPEARL	44.50	44.50	1.00	100000.00	4.45
SONALILIFE	58.80	58.80	1.00	10000.00	0.59
SONALIPAPR	640.00	640.00	2.00	30850.00	19.74
SQURPHARMA	219.00	219.00	1.00	10000.00	2.19
STANDARINS	50.50	50.50	1.00	51000.00	2.58
UNIONINS	36.10	36.10	2.00	223000.00	8.05
ZAHEENSPIN	13.40	13.40	1.00	120000.00	1.61
Total=37			57	6306378	204.130

Source: NRBCBSL Research

Major News

National Economy

Private credit growth hits 4-year high

Private sector credit growth in Bangladesh accelerated to a four-year high of 13.66 per cent last fiscal year from what was in the preceding year. The propellants were the need to finance rising imports and demand for SME and retail loans as the economy regained its pace in growth from the pandemic's fallout. The data comes at a time when Bangladesh Bank is aiming to reduce credit to private business.

News link: https://www.thedailystar.net/business/economy/news/private-credit-growth-hits-4-year-high-3082401

Gas crisis hits industries

The gas crisis is seriously affecting the country's industries, including the export-oriented apparel and textile sectors, already struggling to cope with power cuts for a more than a week, besides the suspension of fertiliser production at two state-owned factories. Leaders of the Bangladesh Knitwear Manufacturers and Exporters Association, the Bangladesh Textile Mills Association and apparel factories said that their productions dropped by 40–50 per cent due to the fall in gas supply.

News link: https://www.newagebd.net/article/177209/gas-crisis-hits-industries

Banks

Call money rate continues to rise amid liquidity pressure

The inter-bank call money rate has been surging continuously amid liquidity shortage in the financial system. The weighted average rate on call money rose to 5.54 per cent on July 28 from 4.42 per cent in June. The rate was 2.23 per cent in June, 2021, according to the data of the Bangladesh Bank. The call money rate is the interest rate on a short-term or overnight loan from one bank to another to meet urgency. Banks usually choose the emergency loans to fill the asset liability mismatch, comply with the statutory CRR and SLR requirements and to meet the sudden demand of funds. Ahsan H Mansur, executive director of Policy Research Institute of Bangladesh, told New Age that the inter-bank call money rate might rise further due to the current liquidity pressure in the financial market.

News link: https://www.newagebd.net/article/177188/call-money-rate-continues-to-rise-amid-liquidity-pressure

RMG & Textile

Apparel exports see nearly 14% growth in July

Bangladesh's apparel exports have raked in around $2.78 billion with nearly 14% year-on-year growth in the first 27 days of July, while the sector is bracing for around 30% shortage of work orders in the coming months. The sector enjoyed a whopping 1,128% growth year-on-year in a single day during the period, but the shipment also witnessed zero export on 10 July, said sources at the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

News link: https://www.tbsnews.net/economy/apparel-exports-see-nearly-14-growth-july-468230

Import of apparel raw materials surges

The import of basic raw materials used to produce garment items in Bangladesh surged in the first six months of 2022 on the back of a rise in demand in the export markets, even contributing to the dollar crisis in the country. The imports of yarn, cotton, knitted and woven fabrics rocketed in such a way that their combined value in the January-June period this year almost equaled that of the entire 2021.

News link: https://www.thedailystar.net/business/economy/news/import-apparel-raw-materials-surges-3083766

Food & Allied

Wheat price falling as India lifts embargo

The price of wheat has gone down by Tk 4 to 5 per kilogram as supply issues eased on the back of India resuming exports through the Hili Land Port in Dinajpur. The traders said that they bought wheat at Tk 36 to 37 per kg on Saturday, which was Tk 40 to 41 per kg last week. Mustafijur Rahman, general secretary of the Hili Land Port Export-Import Group, said that the price of wheat has decreased due to increased supply recently. India imposed an embargo on wheat exports to maintain the supply of food grains in its domestic market on May 13.

News link: https://www.newagebd.net/article/177225/wheat-price-falling-as-india-lifts-embargo

Rice production to decline: USDA forecasts on Bangladesh

Bangladesh may bag lower rice output this season, which begins with Boro paddy in winter, as heavy rainfall and flash

floods in June have damaged the Aush crops to be harvested next month, according to a recent forecast by the US Department of Agriculture (USDA). The agency raised its estimate regarding the Boro rice harvested in the April-May period to 1.97 crore tones, up 2 per cent from the previous harvest.
News link: https://www.thedailystar.net/business/economy/news/rice-production-decline-3082381

Capital Market

Ten companies account for 24pc of weekly turnover on DSE

The ten most-traded companies accounted for 24 per cent of transactions on the Dhaka Stock Exchange (DSE) in the outgoing week, with Beximco leading the turnover chart for a third straight week. Market insiders said Beximco -- the flagship company of Beximco Group -- led the turnover chart again as investors were active in both buying and selling the company's shares. According to the DSE data, some 16.71 million Beximco shares were traded during the week, generating a turnover of Tk 1.94 billion, which was 6.12 per cent of the week's total turnover.
News link: https://thefinancialexpress.com.bd/stock/ten-companies-account-for-24pc-of-weekly-turnover-on-dse-1659154370

Disclaimer

This document is published by NRBC Bank Securities Ltd. (NRBCBSL) for information only for its employees and clients. All information and analysis in this Report have been compiled from and analyzed on the basis of NRBCBSL's own research of publicly available documentation and information. NRBCBSL does not represent, warrant, or guarantee that the Report is accurate. NRBCBSL disclaims liability for any direct, indirect, punitive, special, consequential, or incidental damages due to this report or the use of this report. The information and analysis provided in the Report may be impacted by market data outages or errors, both internal and external, and affected by frequent movement of market and events. NRBCBSL, its analysts, and officers confirm that they have not received and will not receive any direct or indirect compensation in exchange for expressing any specific recommendation, opinion, or views in its Report. The information and data provided herein is the exclusive property of NRBCBSL and cannot be redistributed or reused in any form or manner without the prior written consent of NRBCBSL.

Prepared by

NRBC Bank Securities Ltd. Research

Quazi Naureen Ahmed,
Analyst, NRBC Bank Securities Ltd.
naureen@narbcbanksecurities.com

Contact Us

Head Office
Hadi Mansion (7th Floor),
2, Dilkusha C/A,
Dhaka-1000
Tel: +880257165253-54

Gulshan Branch Office
Silver Tower (4th Floor, South Side),
52, Gulshan Avenue, Gulshan 1 (Circle),
Dhaka-1212
Tel: +88028834969

Modhumita Extension Office
Modhumita Building (Ground Floor),
158-160, Motijheel C/A,
Dhaka-1000
Tel: 880257160701

Monir Tower Extension Office
Monir Tower (6th Floor)
167/1 DIT Extension Road
Dhaka-1000