Daily Market Commentary

Thursday, April 29, 2021

Chart: DSE Broad Index, Source: DSE Website

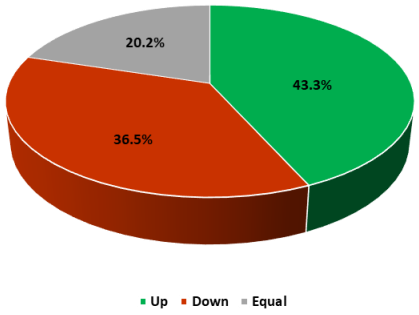
Index Update

Symbol	Today	Point Change	% Change
DSEX	5479.62	18.27	0.3%
DSES	1249.82	0.78	0.1%
DS30	2110.91	-1.45	-0.1%

Market Performance

Particulars	Today	Prev. Day	% Change
Turnover (BDT mn)	11714.31	9403.25	24.6%
Trade Volume	286593984	229515081	24.9%
Total No. of Trade	174079	147860	17.7%

Source: NRBCBSL Research & DSE Website



Source: NRBCBSL Research & Stock Bangladesh Website

Market resumed its positive trajectory with high volume

DSEX ended positive with a hike of 18.27 points to reach up to 5479.31 points. Today's session started in the green zone and continued the positivity with a little volatility through out the session. Market activity is also on the rise reflecting growing investors' involvement and confidence in the market. On the macro economic front, ADB forecasted a rapid economic recovery for Bangladesh than World Bank and IMF. It also said GDP growth will depend majorly on stimulus.

Market had a significant spike in the level of participation today generating a trade volume of 286593984 from a total trade of 174079, generating BDT 11714.31mn turnover today which is around 25% more than yesterday.

BEXIMCO, BXPHARMA, NFML, REPUBLIC, ROBI mainly moved the market positively. On the other hand, BATBC, LHBL, LANKABAFIN, , NATLIFEINS were the negative forces today.

PROVATIINS, PARAMOUNT, CITYGENINS, SONARBAINS, DHAKAINS were among the top gainers and FAREASTFIN, JMISMDL, BIFC, FUWANGCER, NATLIFEINS were among the top companies to lose price today.

-Quazi Naureen Ahmed

Market Value

Particulars	Today	Prev. Day	% Change
Market Cap. (BDT mn)	4707127.90	4700199.70	0.1%
Market P/E	13.98	13.86	0.9%
Market Cap. To GDP	13.5%	13.5%	0.1%

Source: NRBCBSL Research & DSE Website

Top 10 Gainers

Code	LTP	YCP	Change	Volume
PROVATIINS	163.2	148.4	10.0%	413296
PARAMOUNT	102.6	93.3	10.0%	2031710
CITYGENINS	36.5	33.2	9.9%	4529600
SONARBAINS	68.7	62.5	9.9%	2519640
DHAKAINS	78.7	71.6	9.9%	1377850
EASTERNINS	126.9	115.6	9.8%	837773
VFSTDL	18	16.4	9.8%	2553520
KPCL	35	31.9	9.7%	3914280
HRTEX	37.4	34.1	9.7%	892211
NFML	26.1	23.8	9.7%	14323600

Source: NRBCBSL Research & DSE Website

Top 10 Losers

Code	LTP	YCP	Change	Volume
FAREASTFIN	3.2	3.4	-5.9%	434891
JMISMDL	339.1	359.2	-5.6%	104668
BIFC	3.9	4.1	-4.9%	37501
FUWANGCER	10.4	10.9	-4.6%	897359
NATLIFEINS	233.5	244.3	-4.4%	3670
SPCERAMICS	26.8	27.8	-3.6%	3412550
ENVOYTEX	21.6	22.4	-3.6%	65421
BDTHAI	22.7	23.5	-3.4%	1456060
ANWARGALV	118.2	122.2	-3.3%	224295
GENNEXT	3	3.1	-3.2%	442031

Source: NRBCBSL Research & DSE Website

Major News

National Economy

ADB cuts growth projection for second wave

The Asian Development Bank (ADB) has downsized its projection about the Bangladesh's GDP growth in the current fiscal year of 2020-21, considering the second wave of Covid pandemic and fresh lockdown that restricted economic activities.

News link: https://www.thedailystar.net/business/news/adb-cuts-growth-projection-second-wave-2085613

ADB sees slow yet faster recovery than what WB, IMF project

The World Bank expects Bangladesh's GDP growth to pick up by 3.6% this fiscal year, while IMF projected 5% growth. The development agency lowered its growth projection to the range of 5.5-6% from its earlier forecast of 6.8%. The latest forecast of the ADB is still more optimistic in contrast with two other global lenders – the World Bank and the International Monetary Fund.

News link: https://www.tbsnews.net/economy/adb-more-optimistic-world-bank-imf-regarding-bangladeshs-economic-growth-238489

Bank & NBFI

Banks asked to operate on limited scale till May 5

Bangladesh Bank yesterday ordered banks to run operations on a limited scale until the ongoing restrictions on movement end on May 5. Clients will be allowed to secure banking services from 10:00 am to 1:00 pm during the period. However, branches will remain open until 2:30 pm to complete their regular procedures, according to a central bank notice yesterday.

News link: https://www.thedailystar.net/business/news/banks-asked-operate-limited-scale-till-may-5-2085589

BB forms panel to probe IT debacle

The central bank yesterday formed a committee to examine its latest ICT infrastructure's debacle that had halted the inter-bank cheque transactions and electronic fund transfers (EFT) more than for a week. The committee named "ICT Infrastructure Management Team" will have to submit a report to the central bank higher-up by May 15, explaining the actual reasons behind the debacle, according to a central bank document.

News link: https://www.thedailystar.net/business/news/bb-forms-panel-probe-it-debacle-2085601

Banks get two more months for submission

The Bangladesh Bank has extended the deadline for submission of audited financial statements by two more months till June 30, 2021 for the banks whose accounting year ended in December 2020. To extend the audited financial statement submission deadline, the central bank amended the Bank Company Act, 1991.

News link: https://www.newagebd.net/article/136632/banks-get-two-more-months-for-submission

Banks in overvalued mortgage trap

About 70% of the nearly 1,000 loan defaulters in 2019 and 2020 who were on the CIB's list overvalued the mortgage. The plan is as simple as it is devious. Mortgage a piece of property overvalued manyfold and take out hundreds of crores of Takas from Banks and financial institutions as loans against that inflated value. The errant companies have 'helpful' financial institution officials on their sides who would approve such inflated value and even lobby for the loans.

News link: https://www.tbsnews.net/economy/banking/banks-overvalued-mortgage-trap-238795

Bangladesh Bank removes Shaheed from Mercantile Bank directorship, bans for 2yrs

The Bangladesh Bank has cancelled the directorship of AKM Shaheed Reza in Mercantile Bank and barred Shaheed from holding any post in management of any bank or non-bank financial institution for two years. Shaheed was also a former chairman of Mercantile Bank.

News link: https://www.newagebd.net/article/136630/bangladesh-bank-removes-shaheed-from-mercantile-bank-directorship-bans-for-2yrs

Jute

Govt floats tender to lease out 25 jute mills

The government has floated an international tender to lease out 25 state-run jute mills for a period of five to 20 years even though industrialists seem uninterested on the short-term deals. The tender, issued by Bangladesh Jute Mills Corporation (BJMC) on April 27, aims to encourage both domestic and foreign entrepreneurs to join the jute industry through an open bidding system.

News link: https://www.thedailystar.net/business/news/govt-floats-tender-lease-out-25-jute-mills-2085609

Engineering

Plastic pipe industry growing fast

The domestic plastic pipe industry is growing at around 20 per cent a year thanks to its rising demand in the ongoing government development projects and modern water supply, sewerage and irrigation systems. Around Tk 6,000 crore worth of plastic pipes were sold in 2020 and 80 per cent of the demand was met by the major local manufacturers, including RFL Plastics, National Polymer, Lira, Gazi, Anwar Polymer Industries Ltd and Bengal Plastic.

News link: https://www.thedailystar.net/business/news/plastic-pipe-industry-growing-fast-2085605

Cement

HeidelbergCement nets 9 times higher profit

The German-based multinational company has declared a 20% cash dividend for its shareholders. HeidelbergCement Bangladesh Limited has witnessed nine times higher year-on-year growth in net profit to Tk46.51 crore in the first quarter of this year. The German-based multinational company, which incurred a loss of Tk8.08 crore last year, has declared a 20% cash dividend for its shareholders after a year gap.

News link: https://www.tbsnews.net/economy/stock/heidelbergcement-nets-9-times-higher-profit-238723

Fuel & Power

Govt to set up 15MW plant in Hatia

The government will set up a 15 megawatt heavy fuel oil-based power plant in Noakhali's Hatia upazila. The project of Bangladesh Power Development Board--to be set up by Desh Power Ltd--will cost Tk 1,396.65 crore and run for a period of 15 years.

News link: https://www.thedailystar.net/business/news/govt-set-15mw-plant-hatia-2085593

Capital Market

Sonali Life's IPO subscription opens May 30

The IPO subscription of Sonali Life Insurance Company will open from May 30, aiming to raise Tk 190 million under the fixed price method. The life insurer's initial public offering (IPO) subscription will be continued until June 3, according to the abridged prospectus of the company published on Tuesday.

News link: https://thefinancialexpress.com.bd/stock/sonali-lifes-ipo-subscription-opens-may-30-1619584241

AB Bank to issue rights share to strengthen equity capital

The board of directors of AB Bank has recommended for issuance of rights share for strengthening the equity capital base of the Bank at a sustainable level. Rights shares are issued to the company's existing shareholders that entitled them to buy additional shares directly from the company in proportion to their existing holdings within a fixed time period.

News link: https://thefinancialexpress.com.bd/stock/ab-bank-to-issue-rights-share-to-strengthen-equity-capital-1619587391

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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