MONTHLY NEWSLETTER | MARCH' 2019

Business | Economy | Capital Market

GREEN DELTA CAPITAL

PRODUCTS & SERVICES

Since inception, Green Delta Capital Limited has slowly emerged as one of the front line investment banks in the country. GDCL started with the idea to support the economy with the necessary financial products and service that would help the business community to achieve their desired state. At GDCL the aim is to connect the local business hub with the global financial network that would enable the entrepreneurs to extract necessary assistance from the influx of global financial service available.

With this view, Green Delta Capital Limited has developed its network of global association with some of the leading global investment banks to service the local business house with the global facilities. Our tailor made solution gives our client the right kind of platform which they require for their business. Be it raising fund from the capital market, through private equity or any other form, GDCL has the right kind of tailor made solution for all types of investments with it diversified product portfolio.

- ⇒ **Structured Finance and Corporate Investment Banking**
- ⇒ **Corporate Advisory**
- ⇒ **Portfolio Management**
- ⇒ **Wealth Management**
- ⇒ **Public Private Partnership (PPP) Financing**
- ⇒ **Equity Origination**
- ⇒ **Merger & Acquisition (M&A)**
- ⇒ **Private Equity**

Achievement & Portfolio till December, 2018

Raised through Structured Finance Deal

USD 746+ M

Total Capital Raised Through Equity Origination

USD 83+ M

Total Corporate Advisory

USD 829+ M

GREEN DELTA CAPITAL

This report provides information based on the data collected and analyzed by the GDCL Research Team. DATA collected from all available sources i.e. Bangladesh Bank, Dhaka Stock Exchange, Export Promotion Bureau and Bangladesh Bureau of Statistics.

This report pays particular attention to the movements that took place in the economy and capital market. In addition, it highlights the key indicators briefly for the convenience of the readers while offering the data tables in the later part of the report. Moreover, this report also tries to give a performance review of the mutual funds at the end of it.

March, 2019

Monthly Newsletter

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Mutual Fund

NEWS HIGHLIGHTS — March,2019

14 banks see unusual rise in default loans

Default loans in 14 banks surged abnormally in 2018 -- in a development that will weaken the country's banking sector further. Experts and bankers attributed the sector's declining health to the poor lending practices and politically-influenced loans, calling on the government and the central bank to address the issue immediately. The 14 banks are Janata, AB, Islami Bank Bangladesh, Modhumoti, National, NRB, NRB Global, Shahjalal Islami, Social Islami, South Bangla Agriculture and Commerce, Farmers (now Padma), Trust, Union, and Meghna. Last year, 2018 Janata Bank accumulated the highest volume of default loans amounting to Tk 11,406 crore, taking the total to Tk 17,225 crore, according to data from the central bank. The non-performing loans (NPLs) in the banking sector went up by a hefty 26.38 percent, or Tk 19,608 crore, last year and Janata Bank was solely responsible for 58 percent of the increase.

400KV power transmission line project gets ECNEC nod

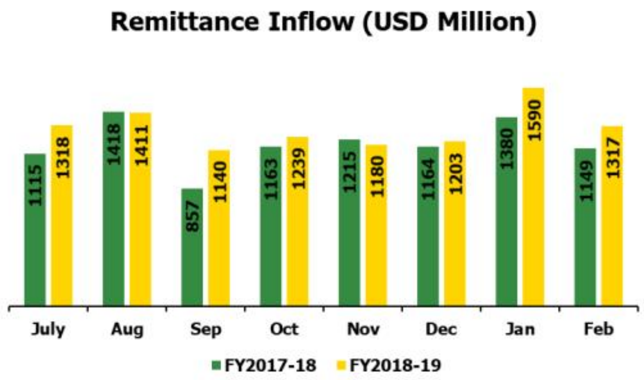
The Executive Committee of the National Economic Council (ECNEC) on February 27, 2019 approved a big project to set up double-circuit 400KV transmission lines to extend the high voltage power transmission infrastructures in the northern part of the country at a cost of Tk 33.2234 billion (Tk 3,322.34 crore) to import power from India, Bhutan and Nepal in future. Briefing the reporters after the meeting, Planning Minister said that a total of 13 projects were approved involving an overall estimated cost of Tk 124.5979 billion (Tk 12,459.79 crore). "Of the total project cost, Tk 94.8177 billion (Tk 9,481.77 crore) will come from the GoB portion, Tk 1.5445 billion (Tk 154.45 crore) will come from the organisation's own fund while the rest Tk 28.2358 billion (Tk 2,823.58 crore) from project assistance," he added.

Govt taking Tk 2,582cr project for Japanese economic zone

The government is going to take up a Tk 2,582 crore project to set up an economic zone at Araihazar in Narayanganj for Japanese investors. Of the cost, 82 percent will come from Japan International Cooperation Agency (Jica) and the rest from Bangladesh. The project will be placed at the meeting of the Executive Committee of the National Economic Council. The decision to set up a special economic zone for Japanese investors was taken during the visits of the prime ministers of both Bangladesh and Japan to each other's country in 2014. A mission of the Jica committed Tk 2,127 crore during its visit to Bangladesh in December last year. The loan agreement may be signed in June. Bangladesh Economic Zones Authority (Beza), the implementing agency, will develop land, construct access roads and set up a power plant, transmission lines and gas pipelines under the project.

Remittances rise by 10pc in 8 months on strong dollar

Inflow of remittances rose by 9.94 per cent in July-February in the current fiscal year (FY2019) compared with that of the same period of last year (FY2018) amid depreciation of the taka against the dollar, prompting expatriate Bangladeshis to send money home. Bangladesh Bank data released on March 03, 2019 showed remittance inflow rose to $10.40 billion in the first eight months of the fiscal year 2018-2019 against $9.46 billion in July-February of FY18. Monthly remittance inflow posted a healthy growth of 14.68 per cent in February rising to $1.32 billion from $1.15 billion in February a year ago as the taka lost more grounds against the dollar in the month.



24pc of total bank investments come from Islamic banks

Around 24 per cent of the total investments of the country's banking sector come from the Islamic banks, according to the latest statistics of the central bank. It showed that total Investments, loans in conventional sense, in Islamic banking sector stood at Tk 2.31 trillion at the end of December 2018 while total loans of the banking sector stood at Tk 9.60 trillion. Central bank statistics also showed that investment by the Islamic banking sector increased around 5.0 per cent by the end of last quarter of the past year over the previous quarter-end. It also added that Islamic banks' investment jumped by 14.82 per cent over the last quarter of 2017.

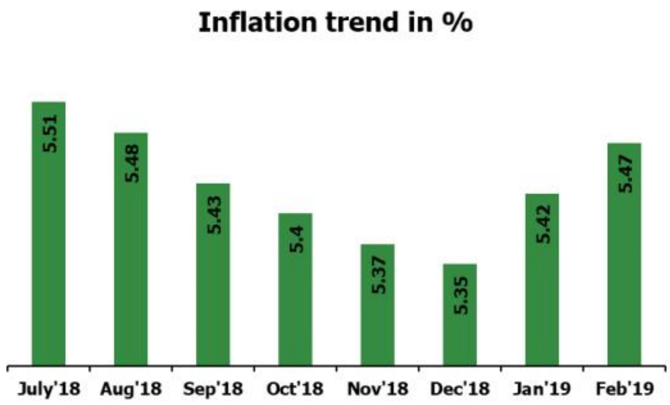
ADB lowers growth forecast to 7.5pc

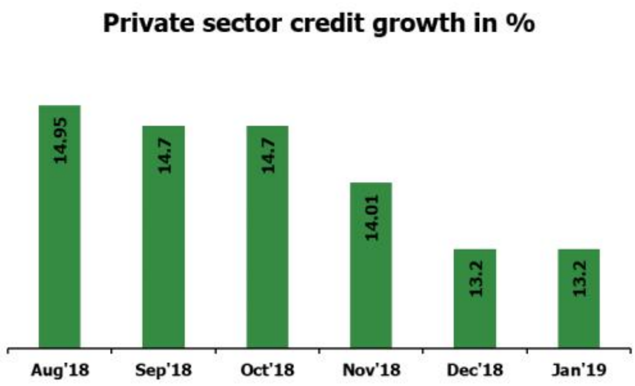
Bangladesh economy is likely to grow at a rate of 7.5 per cent in the ongoing fiscal year (FY), 2018-19, the Asian Development Bank (ADB) has projected afresh. The newly forecasted gross domestic product (GDP) growth rate is much lower than the 7.9 per cent growth, which ADB forecasted for Bangladesh in the previous FY, 2017-18. The country achieved a 7.86 per cent growth in the last fiscal (FY2018). The ongoing US-China trade war will be the main reason behind this slower growth, officials of the multilateral development financier said, while revealing its Regional Economic Outlook during a seminar in the capital on March 04, 2019. On the other hand, domestic demand will be the main driver of this forecasted growth, ADB analysis said.

NEWS HIGHLIGHTS — March,2019

Inflation rises slightly in Feb

Inflation rose slightly for the second consecutive month in February, 2019 due to an increase in food prices in rural areas. In February, inflation stood at 5.47 percent, five basis points higher from 5.42 percent in January, according to the Bangladesh Bureau of Statistics. Planning Minister released the data on March 5, 2019. Inflation rose in January,2019 for the first time in the last 16 months, due to a hike in food and non-food prices. Inflation had been declining gradually since September 2017 when it stood at 6.12 percent. In February, food inflation went slightly up to 5.44 percent from 5.33 percent a month ago in January 2019.





Credit growth stalls in Jan

The private sector credit growth did not rise as expected in January 2019 even after the largely peaceful general elections as banks were reluctant to lend amid a liquidity crunch. Banks were also under exposure to adjust to a new advance deposit ratio (ADR), squeezing their lending capability further. As a result, the credit growth remained unchanged at 13.20 percent in January from the previous month December 2018, according to Bangladesh Bank data. The growth rate is far below compared to the central bank's target of 16.5 percent set for the January-June period. Credit to the private sector totalled Tk 963,807 crore at the end of January 2019.

ECNEC approves Tk 2,582cr project to set up Japanese Economic Zone

The executive committee of the National Economic Council (ECNEC) on March 05. 2019 approved a project for setting up Economic Zone dedicated for Japanese investors to be set up at Araihazar in Narayanganj with Tk 2,582.18 crore. With ECNEC chairperson and prime minister in the chair, the approval came from the ECNEC meeting held at the NEC Conference Room in the city's Sher-e-Bangla Nagar area. Briefing the reporters after the meeting, planning minister said that a total of eight projects were approved on Tuesday involving an overall estimated cost of Tk 6,276.24 crore. 'Of the total project cost, Tk 3,313.92 crore will come from the state exchequer while the rest of Tk 2,962.32 crore from project assistance,' he said. All the approved eight projects are fresh projects.

Trade war a boon for Bangladesh: ADB

Bangladesh's gross domestic product (GDP) will grow 0.19 percent more within the next one or two years if the US-China trade war escalates further, the Asian Development Bank's (ADB) chief economist said on March 04, 2019. Moreover, the country will be able to make exports of an additional $400 million. Bangladesh will receive a lot of work orders, mainly shifted from China—the largest apparel supplier worldwide—because of the tariff war, he said. Four countries will mainly benefit from the shifting of work orders and foreign direct investment due to the trade war -- Vietnam, Cambodia, Thailand and Bangladesh, said Sawada. He was presenting a keynote at a seminar on "Impact of emerging international trade relations on Bangladesh" at the Radisson hotel in Dhaka.

Banks' liquidity shortage intensifying again

Liquidity shortage in banks has intensified ahead of adjustment of their advance deposit ratio with the Bangladesh Bank-set rate amid a slow growth in deposits coupled with high volume of defaulted loans. Banks in recent times have increased borrowing money from the central bank to cope with the shortage while inter-bank loan transactions have also rose, said Bangladesh Bank officials. Riding on higher demand for liquidity, call money rate increased to 4.29 per cent on February 26 this year. The rate of call money was 2.77 per cent in June last year. Banks borrowed Tk 13,475.8 crore from the central bank through repurchase agreement (REPO) in the period between July, 2018 and till March 5, 2019 while the entities borrowed Tk 572.86 crore in the entire 2017-2018 fiscal year.

NEWS HIGHLIGHTS — March,2019

Non-profits' part in economy growing

The contribution of non-profit organisations to the national economy has been substantial in recent years as the sub-sector is growing rapidly. Such non-profits tend to provide services rather than produce goods and they still consume goods and services just as a private company does. It usually happens when an economy booms. Non-profits like religious bodies, political parties, non-governmental organisations and clubs now contribute nearly 1.0 per cent of the $274-billion economy, showed the Bangladesh Bureau of Statistics (BBS). The BBS has been including the sub-sector as 'Non-Profit Institutions Serving Households (NPISHs)' of the service sector since fiscal year 1998. This was done as per the international accounting norms on how to measure gross domestic product (GDP).

Japanese power firm to expand in Bangladesh

Japan's Mitsubishi Hitachi Power Systems (MHPS) plans to expand its footprint in Bangladesh in a bid to grab more market shares. As part of the move, the thermal power generation company, which has operations in America, Europe and Asia, has opened its full-fledged office in Dhaka. Ken Kawai, chief of the Asia-Pacific region of the MHPS, said the company has already set up five mega gas turbine plants in Bangladesh, with a total power generation capacity of 2,000 megawatts. "We have planned to expand our operation rapidly to meet Bangladesh's appetite for energy," he said during an interview with The Daily Star at the Pan Pacific Sonargaon hotel in Dhaka. Presently, Bangladesh's power generation capacity stands at around 20,000MW and the government has set a target to increase it to 24,000MW by 2021 and to 40,000MW by 2030.

Banks to provide 20pc of total loans to SMEs: Governor

Bangladesh Bank Governor has said all banks have been instructed to provide at least 20 per cent of their total loans to small and medium-sized enterprises (SMEs). The BB governor also said the central bank is ensuring all policy supports for SME entrepreneurs as there is a good future for them. Governor came up with the statement while speaking at an inauguration ceremony of SME Diploma Programme at Spectra Convention Centre in the capital on March 09,2019. The programme was launched with the support of EU-funded PRISM Project-Technical Assistance to BSCIC Component, in collaboration with Bangladesh Small and Cottage Industries Corporation, Daffodil International University, and Bangladesh Bank Training Academy.

BD 39th among 50 economies in EM Logistics Index

A weak regulatory framework and poor corruption prevention measures are undermining Bangladesh's potential as a big logistics market, says a new global report. At the same time, factors such as political uncertainty, long-standing risks of natural disasters and a struggling domestic banking system are casting a shadow over the long-term growth prospects of the country. Such cautionary observations have been made in the latest round of 'Agility Emerging Markets Logistics Index' that got out last week. Leading global logistics giant Agility has been conducting this survey since 2009. Bangladesh has been ranked the 39th among 50 emerging economies (EMs), which were part of this logistics index this year. Only two other Asian nations including Cambodia and Myanmar have been placed behind Bangladesh in the ranking topped by India and China.

Exports to US soar by 18pc in July-Feb on US-China trade war

The country's export earnings from the United States in the July-February period of the current financial year (2018-2019) increased by 17.78 per cent to $4.59 billion from $3.90 billion in the same period of FY 2017-18 as buyers shifted orders for readymade garment products from China to Bangladesh due to the ongoing US-China trade war. According to the Export Promotion Bureau data, among the traditional market (European Union, the US and Canada), Bangladesh's export continued to achieve highest growth in the US in the current fiscal. Export earnings from the US, the largest export destination for Bangladesh, in July-November of FY19 grew to $2.83 billion from $2.33 billion in the same period of FY18, according to the EPB data. Export of RMG products to the US in July-February of FY19 grew by 17.69 per cent to $4.09 billion from $3.48 billion in the same period of FY18.

Macroeconomic indicators satisfactory in Q1

The country's macro-economic indicators; including export earning, remittance and foreign exchange reserve; were satisfactory in the first quarter (July-September) of the current fiscal (2018-19). Finance Minister made the statement on March 10, 2019 in the parliament while placing the report on budget implementation progress of the first quarter (Q1), the trend of income and expenditure, and macroeconomic analysis, reports BSS. Highlighting some key macroeconomic indicators during the first quarter of the current fiscal, the Finance Minister said the revenue collection under the National Board Revenue (NBR) rose by 12.9 per cent, while the overall public expenditure increased by 10.38 per cent, the ADP implementation rate was 7.88 per cent during first quarter of current fiscal which was 10.2 per cent in the last fiscal 2017-2018.

NEWS HIGHLIGHTS — March, 2019

BOP posts $975m deficit in seven months

The country's overall balance of payments (BOP) registered a $975-million deficit during the July-January period of fiscal year (FY) 2018-19. The amount is $59 million less than the $1,034-million deficit in the July-January period of FY 2017-18, according to the central bank data. The rise in the country's secondary income and a decline in the volume of trade deficit helped keep the country's overall deficit in the balance of payments at a lower level during the period. The country's trade deficit fell to $9,684 million during the first seven months of FY '19, compared to $10,077 million in the same period of the last fiscal. Higher growth in the merchandise exports than that of imports helped narrow down the country's overall trade deficit during the July-January period of FY '19. The country's aggregate exports grew by 12.81 per cent to $23.80 billion during the July-January period of FY '19, compared to nearly $21.10 billion in the corresponding period of last fiscal.

ADP spending stands at 39pc in 8 months

The progress in implementation of annual development programme still has remained slow though the implementation rate slightly increased in July-February of the current fiscal year (2018-2019) compared with that in the same period of last fiscal year (2017-2018). According to the data of Implementation Monitoring and Evaluation Division of the planning ministry, 57 ministries and divisions responsible for ADP implementation spent only 39.13 per cent or Tk 70,772 crore in the eight months of this fiscal year, up 1.12 percentage points or Tk 8,400 crore on that of the same period of last fiscal year. The government has adopted an ADP worth Tk 1,80,869 crore for FY19. In July-February of FY18, the agencies implemented 38.01 per cent or Tk 62,372 crore of ADP worth Tk 1,64,085 crore. The government will have to spend Tk 1,10,097 crore or 60.87 per cent in the remaining four months of this fiscal year (FY2018-19) to achieve a full implementation.

China may invest $50b in 15yrs

Commerce Minister said China is expected to invest more than $50 billion in the next 10 to 15 years in Bangladesh. The investment will come in Bangladesh's thrust sectors, such as energy and power, transport and communications, he said. His remark came at an event on growing Bangladesh-China business ties organised by the HSBC in Dhaka. Businesses and institutions of Bangladesh and China and economic, government, industry and financial services experts shared insights about the business potential between the two countries, the bank said in a statement on March 13, 2019. "China has been a trusted partner of Bangladesh for a long time. Under the leadership of the honorable prime minister, Bangladesh has now boarded into the highway of development and China has been a key partner in this journey," he added.

BD poised to emerge as 30th largest economy: MIGA VP

Bangladesh is poised to emerge as the world's 30th largest economy over the next few years with a trillion-dollar GDP, a top official of Multilateral Investment Guarantee Agency (MIGA) said on March 13, 2019. "In order to ensure sustained economic development, it is essential that the country is seen as a safe harbour for foreign investment, particularly in sectors that are critical towards this growth: energy, infrastructure, manufacturing and agriculture," said the vice-president and chief operating officer of MIGA, in a statement. MIGA, the political risk insurance arm of the World Bank Group, was created in 1988 to promote foreign direct investment in emerging economies. MIGA's comparative value add rests in its ability to attract and secure foreign investment while at the same time ensuring that these investments serve a catalytic purpose which contribute towards the overall development of the country, he said.

Ten banks face Tk 26,678cr capital shortfall

Capital shortfall in 10 banks has increased by 37.1 per cent or Tk 7,221 crore at the end of December last year (2018) amid a series of irregularities in the country's banking sector. According to the latest Bangladesh Bank data, capital shortfall in the banks increased to Tk 26,687 crore at the end of December 31, 2018 from Tk 19,466 crore in nine banks a year ago in 2017. Agrani Bank, AB Bank and National Bank of Pakistan were included in the list of banks which faced capital shortfall while Rupali Bank and Padma Bank (formerly Farmers Bank) managed to come out from capital deficit situation. Of the 10 banks, capital shortfall in scam-hit Janata Bank increased the most, Tk 5,694 crore, in last yearin 2018. The figure increased to Tk 5,855 crore in December last year from Tk 161 crore in December, 2017 as the defaulted loans in Janata Bank amounted to Tk 17,304 crore as of December 2018, a threefold increase from Tk 5,818 crore as of December 2017 due to its clients' failure in repaying loans.

NEWS HIGHLIGHTS — March,2019

Importers get Tk 1.48 lakh cr in duty waiver in 55 months

The government offered exemption worth Tk 44,117 crore in customs duty and other taxes related to import in the last fiscal year 2017-2018. The aggregated amount of tax exemption given at import stage to traders and other commercial and non-commercial individuals and organisations stood at Tk 1.48 lakh crore in the last 55 months (around four and half years), according to finance ministry data. Officials said that National Board of Revenue prepared the data at the instruction of finance minister. He sought the data to get an idea of overall duty exemption situation before the preparation of the national budget for the upcoming FY 2019-2020 and to see whether there was any exemption given unnecessarily, they said. NBR offered the exemption to various sectors including businesses, investors, defence sector, diplomatic missions and members of parliament. According to NBR data, the sectors availed duty benefits worth Tk 27,108 crore in the first seven months (July-January) of the current FY 2018-2019.

BD-China trade to hit $18b mark in two years

Bilateral trade between Bangladesh and China, which accounted to $12.40 billion in 2017-18, is expected to hit $18 billion mark by 2021, according to economists. President of Dhaka Chamber of Commerce & Industry (DCCI) disclosed it on March 16,2019 when Ambassador of China to Bangladesh paid a visit at DCCI auditorium in the capital. Urging Chinese FDI in "RMG product diversification" and allied transfer of technology, he said Bangladesh's 'Look East' Policy is essentially designed to open up new avenues of cooperation with China and the ASEAN region. He also urged the world's second largest economy for quick implementation of duty free, quota free market access to Bangladesh.

Overall debt to shoot up to Tk 8.8 lakh cr in new budget

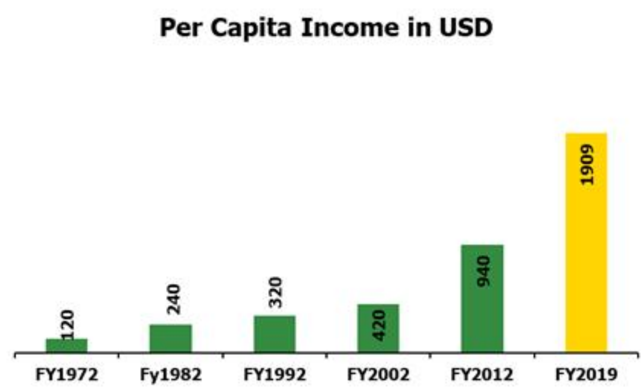
The amount of overall outstanding debt is likely to jump to Tk 8,80,690 crore in the budget for the upcoming fiscal year (2019-20) from Tk 7,40,470 crore in the current fiscal year due to a high growth in domestic loans. Finance Division officials said the overall outstanding debts had increased by Tk 50,000 crore on average since FY 2015-16, but the increase almost doubled in the current fiscal and would nearly treble in the upcoming fiscal. The officials and experts attributed the sharp rise in the overall debt to high domestic borrowing against paltry growth in loans from foreign sources. According to officials, the government relies on borrowings from local and foreign sources to make up the budget deficit that grew largely because of revenue shortfall, a usual phenomenon for the last one decade.

6FYP misses export, import targets

Bangladesh needs to boost its allocation in education and health sector, otherwise the country may face disparity in these areas in the near future, experts warned at a meeting on March 18, 2019. At the same time, there should be greater coordination between the finance and planning ministries on how budget is allocated, they said. The views came at a meeting organised by the Planning Commission to share the final evaluation of the sixth five year plan in Dhaka. "One of the main reasons why Bangladesh has been so successful in the social parameters is that most of the social solutions have been brought to the rural poor at a very low cost," said an economist at the meeting. As a result, "The poor section of the society has made greater strides in the social parameters like health and education than the rich segment," he added.

Per capita income hits $1,909

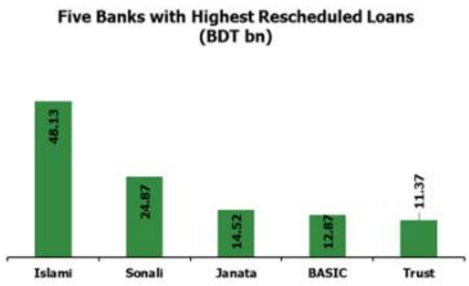
Bangladesh's per capita gross national income (GNI) jumped more than 9 percent to $1,909 last fiscal year 20107-18 from $1,751 a year ago, showed provisional official figures. The GNI means all income of a country's residents and businesses including residents abroad while gross domestic product (GDP) takes into account domestic production only. Provisional data showed that the per capita GDP also rose at the same pace to $1,827 in 2018-19 from $1,675 the previous year. The per capita GNI was $120 in 1972 and it took a decade to double to $240 in 1982. It added only $80 to $320 in the next decade till 1992.

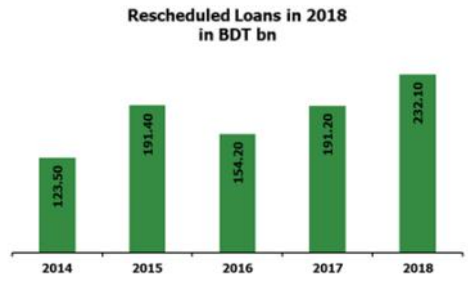


NEWS HIGHLIGHTS — March, 2019

Loan rescheduling hits peak

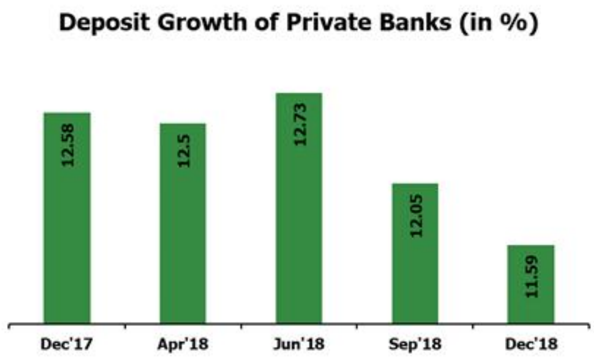
Banks have rescheduled a record amount of default loans last year, fuelling further fears of the sector's health. In 2018 non-performing loans amounting to Tk 23,210 crore were rescheduled, up 22 percent from a year earlier, according to data from the central bank. Curiously, last year 2018 saw both the default and rescheduled loans hit their peaks. At the end of September 2018, banks' NPL grazed Tk 1 lakh crore -- it stood at Tk 99,370 crore -- the largest yet in Bangladesh's history. It came down to Tk 93,911 crore towards the end of the year.





Private banks sweating out over deposits funds

Private banks saw a decline in deposit growth in December, 2018 despite offering higher interest rates, highlighting the ongoing liquidity crisis in the banking system. In December, the average deposit growth of private banks stood at 11.59 percent, in contrast to 12.58 percent in December 2017 and 12.73 percent in June last year, according to data from Bangladesh Bank.



Apparel exporters to get up to 12pc cash incentives

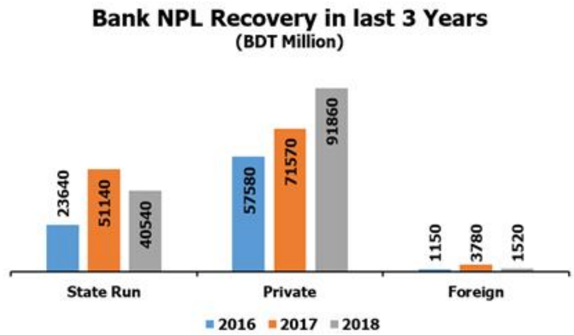
Clients to settle transactions using e-wallet apps Bangladesh Bank on March 21, 2019 said that the cumulative cash incentives, up to 12 per cent, against apparel exports would not be reduced in this fiscal year. An exporter gets up to three types of cash incentives, out of four, against apparel exports, but as per an earlier directive, they got maximum 10 per cent in cumulative cash incentives. BB in a circular issued on Thursday clarified that the provision of capping the cumulative cash incentives at 10 per cent in an earlier directive issued in 2016 had been scrapped. Apparel exporters get 4 per cent cash incentive as an alternative to duty bonds and duty drawbacks, 4 per cent for apparel products export for the small and medium industries, 4 per cent for export of new textile and garment products and expanding export of textile items to new markets, markets other than the United States, Canada and the European Union, and 2-per cent cash incentive for exports of apparel products to EU market in addition to 4 per cent cash incentive.

Recovery fails to keep pace with default loan spike

The pace of recovery of banks' nonperforming loans (NPL) was much lower than the rate at which their NPL increased last year 2018 -- an ominous development for the sector. In 2018, banks recovered Tk 13,392 crore of NPLs, up 5.86 percent from a year earlier, while delinquent loans in the sector soared 26.38 percent to Tk 93,911 crore, according to data from the sector.

'BD to become poverty-free country by 2030'

Bangladesh will become a 100 per cent poverty and hunger-free country by 2030 as various poverty alleviation programmes are being implemented across the country. Finance Minister made the expectation on Monday at a discussion on at the Bangladesh Bank (BB) headquarters in the city, reports BSS. Bangabandhu Parishad of the Bangladesh Bank unit organised the discussion marking the Independence and National Day-2019. BB Governor attended the meet as special guest, while BB deputy governors also took part in the discussion. Paying rich tributes to Father of the Nation, the finance minister said Bangladesh has achieved remarkable development and progress for attaining economic emancipation as the country has already been acclaimed as a role model across the world.



AIIB lends $120m for Ctg power system upgrade

The Asian Infrastructure Investment Bank (AIIB) has approved a loan of $120 million for a project that will upgrade and expand the power transmission system in Chittagong. The Bangladesh Power System Upgrade and Expansion Project marks the first AIIB financing approved under the bank's Accountability Framework.

BUSINESS & ECONOMY

MACRO HIGHLIGHTS

USD Bn	
Export	3.38
Import	6.12

February'19

INFLATION

General	5.55
Food	5.72
Non Food	5.29

March'19

Reserve

$ 31.78 Billion

March,19

WA Interest Rates

Deposit	5.34
Advances	9.49
Spread	4.15

February,19

Exchange Rate

USD/BDT = 84.30

March'19

Remittances

$1458.68 Million

March'19

FDI

USD Million

FDI Inflows	849.62
Equity Capital	267.47

July-September (2018-19)

BOP

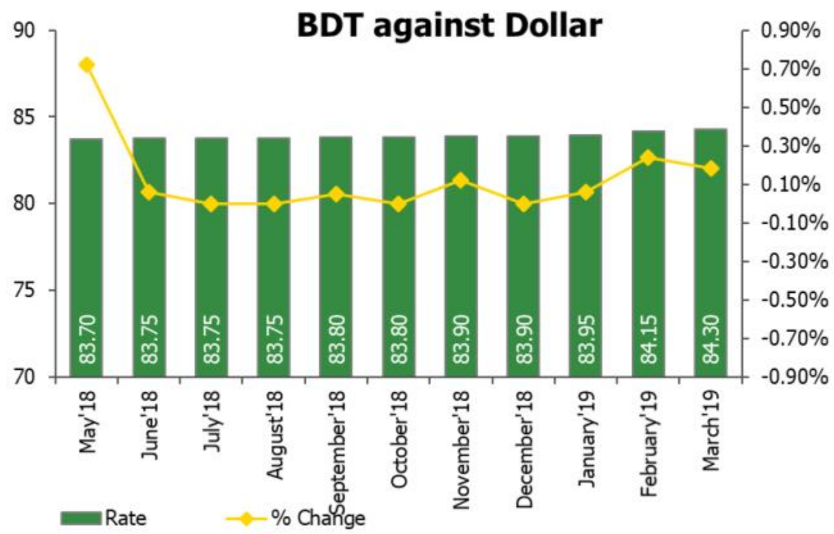
USD Million

Current A/C	-3082
Capital A/C	134

July-Dec (FY 18-19)

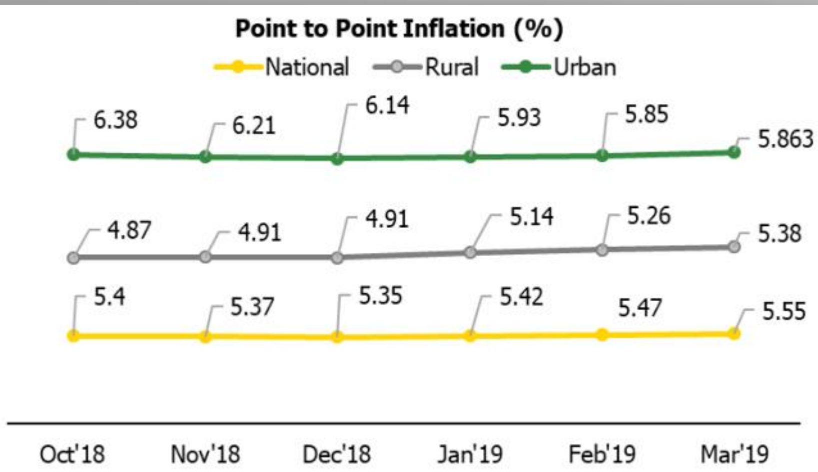
MACRO STATISTICS

BDT MOVEMENTS AGAINST DOLLAR

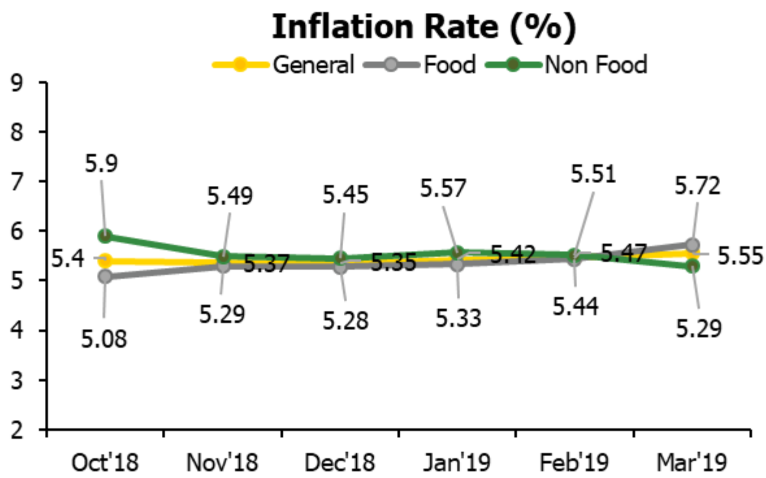


Source: Bangladesh Bank

MONTHLY INFLATION RATE



Source: Bangladesh Bureau of Statistics



Source: Bangladesh Bureau of Statistics

GREEN DELTA CAPITAL

MONTHLY INFLATION RATE

	Twelve Month Avg. Basis						Point to Point Basis					
	General		Food		Non Food		General		Food		Non Food	
2018-19												
August	247.41	5.74	269.24	6.95	219.41	3.90	253.07	5.48	275.09	5.97	224.84	4.73
August	247.41	5.74	269.24	6.95	219.41	3.90	253.07	5.48	275.09	5.97	224.84	4.73
September	248.51	5.68	270.45	6.74	220.39	4.07	257.62	5.43	281.86	5.42	226.54	5.45
October	249.62	5.63	271.59	6.52	221.45	4.26	259.13	5.4	283.44	5.08	227.96	5.9
November	250.71	5.58	271.94	6.04	222.44	4.38	258	5.37	281.24	5.29	228.21	5.49
December	251.81	5.54	273.94	6.21	223.42	4.51	258.13	5.35	281.17	5.28	228.60	5.45
January	252.93	5.51	—	—	—	—	261.58	5.42	285.50	5.33	230.91	5.57
February	254.06	5.49	—	—	—	—	261.36	5.47	284.96	5.44	231.10	5.51
March	255.21	5.48	—	—	—	—	262.45	5.55	286.78	5.72	231.25	5.29

*Source: BB

T-Bills Rate

	Treasury Bills			BGTB					BB BILL	Repo	R. Repo
	91 Days	182 Days	364 Days	2 -Year	5-Year	10-Year	15-Year	20-Year	30-Day	1-3 Day	1-3 Day
2018-2019											
August	0.92	—	—	3.37	4	—	—	—	—	6	4.75
September	2.23	3.41	3.54	4.07	5.34	6.95	7.09	7.94	—	6	4.75
October	1.13	—	2.78	—	—	—	—	—	—	6	4.75
November	0.69	1.29	2.46	3.5	4.33	6.94	7.42	8.13	—	6	4.75
December	2.18	2.96	3.4	4.33	5.35	7.53	7.69	8.42	—	6	4.75
January	2.88	3.17	4.3	4.81	5.79	7.59	7.67	8.43	—	6	4.75
February	2.84	3.23	3.78	4.73	5.9	-	-	-	—	6	4.75
March	3.37	3.67	4.06	5.27	6.35	7.54	-	-	—	6	4.75

Call Money Rate

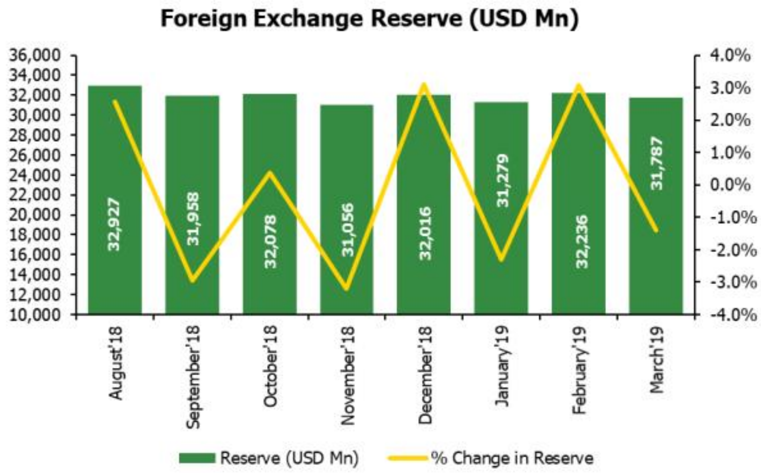
End of period	Bank rate	Call money market's weighted average interest rates on		Schedule banks' weighted average interest rates on		
		Borrowing	Lending	Deposits	Advances	Spread
2018						
June	5	3.41	3.41	5.50	9.95	4.45
July	5	2.17	2.17	5.40	9.71	4.31
August	5	3.31	3.31	5.36	9.63	4.27
September	5	4.22	4.22	5.27	9.54	4.27
October	5	3.65	3.65	5.25	9.47	4.22
November	5	3.50	3.50	5.30	9.50	4.20
December	5	4.09	4.09	5.26	9.49	4.23
2019						
January	5	4.12	4.12	5.34	9.49	4.15
February	5	4.36	4.36	5.34	9.49	4.15
March	5	4.54	4.52	—	—	—

Including all Government Banks *Source: Bangladesh Bank

Foreign Exchange Reserve

	Month	FY 18– 19	% Change
Outstanding Stock at the end of the month	August	32,926	2.6%
	September	31,958	-2.9%
	October'18	32,078	0.4%
	November'18	31,056	-3.2%
	December'18	32,016	3.1%
	January'19	31,279	-2.3%
	February'19	32,235	3.06%
	March,19	31,787	-1.4%

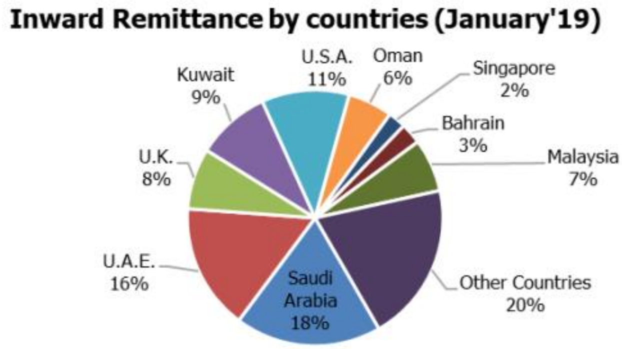
*Source: Bangladesh Bank

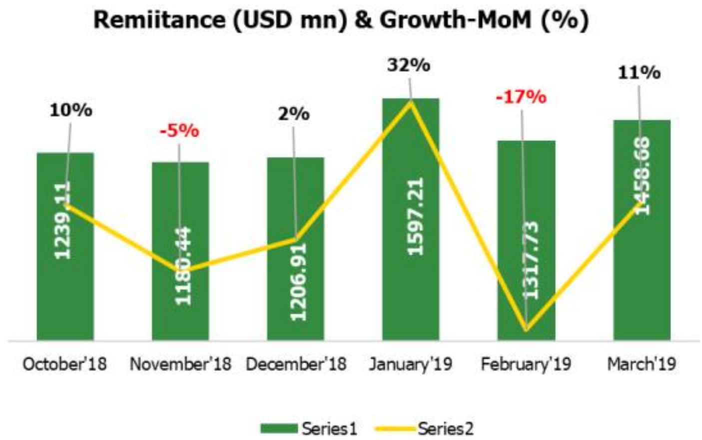


Remittance

Month	2018-19 (USD mn)	% Change
November'18	1180.44	-5%
December'18	1206.91	2%
January'19	1597.21	32%
February'19	1317.73	-17%
March'19	1458.68	11%

*Source: Bangladesh Bank





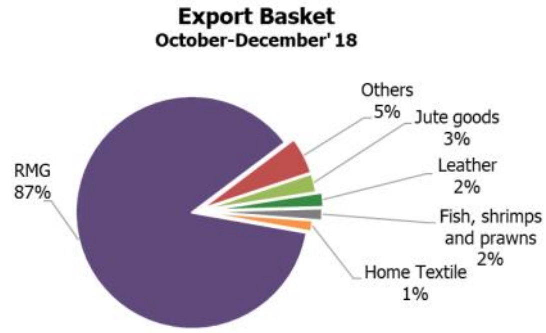
GREEN DELTA CAPITAL

Foreign Direct Investment

Period	FY-16-17 (USD mn)			FY-17-18 (USD mn)			FY-18-19 (USD mn)	
	Jul-Dec	Jan-Jun	Total	Jul-Dec	Jan -Jun	Total	Jul-Sep	Total
FDI inflows	1467.72	987.09	**2454.81**	1164.47	1415.97	**2580.44**	849.62	**849.62**
Equity Capital	744.7	262.04	**1006.74**	276.86	337.9	**614.76**	267.47	**267.47**
Reinvested earnings	610.03	642.97	**1253**	636.45	616.99	**1253.44**	311.28	**311.28**
Intra-company Loans	112.99	82.08	**195.07**	251.16	461.08	**712.24**	270.87	**270.87**

*Source: Bangladesh Bank

Export



Import

	Import payments (c&f)			Import Lcs settlement			Import Lcs Opened		
Month	**2017-18P**	**2016-17**	**% Change**	**2017-18P**	**2016-17**	**% Change**	**2017-18P**	**2016-17**	**% Change**
June	4257.20	3499.10	21%	3744.41	3274.28	14%	4016.51	4007.21	0.23%
Month	**2018-19P**	**2017-18**	**% Change**	**2018-19P**	**2017-18**	**% Change**	**2018-19P**	**2017-18**	**% Change**
July	5079.10	4325.60	17%	4686.46	4046.06	16%	5065.09	4709.68	8%
August	4458.90	4701.20	-5%	3837.80	3994.93	-4%	4952.94	5422.31	-9%
September	5160.20	4157.70	24%	4307.33	3785.62	14%	4736.59	4571.17	4%
October	5546.70	5342.10	4%	4811.93	4368.49	10%	4755.92	4681.94	2%
November	5081.60	5222.2	-3%	4902.14	4397.00	11%	5170.86	16365.97	-68%
December	4744.20	4692.10	1%	4773.53	4068.44	17%	4639.52	4483.35	3%
January	6120.80	5255.00	16%	4810.99	4986.34	-4%	6116.16	5432.58	13%

*Source: Bangladesh Bank

Balance of Payment

Particulars	2018-19P July-Jan	2018-19P July-Jan	% changes over last period
Trade balance	-9684	-11679	
Exports f.o.b(including EPZ)	23802	24141	1.42%
Imports f.o.b(including EPZ)	33486	35820	6.97%

GREEN DELTA CAPITAL

PRODUCTION OF MAJOR INDUSTRIAL COMMODITIES

Period	Cotton Yarn '000' Bales	Cotton Cloth '000' Metres	Paper Metric Tons	Ciga-rettes Lac Sticks	Oil Products Metric Tons	Food Prod-ucts Metric Tons	Sugar Metric Tons	Fertilizers Metric Tons	Glass Sheets 000' sq. Metres	Matches '000' Gross Box
2017-18										
July	66	3393	458	10340	75622	34819	0	90861	56	2018
August	69	3408	528	11430	76230	35752	0	114660	34	2047
Septem-ber	79	3210	448	12410	74594	39204	0	99485	38	2035
October	80	3507	340	14200	86510	42605	—	95216	163	2062
Novem-ber	80	3526	467	12290	93426	39808	2859	115970	178	2092
December	81	3681	—	11860	84730	33130	18602	113315	178	2122
January	82	3577	93	15720	83102	41948	29783	99236	178	2160
February	78	4059	21	11240	79675	35614	15576	47825	161	2112
March	80	3601	333	15210	82576	30679	1783	76839	170	2416
April	81	3693	323	14200	82780	31659	—	46141	172	2480
May	78	3128	31	14500	112134	22716	—	9282	169	2461
June	78	3664	140	13200	69979	20582	—	5135	132	1119
2018-19										
July	78	3459	352	10350	72947	24031	—	27395	115	2653
August	78	3531	530	11440	74491	25880	—	28643	129	2682
Septem-ber	82	3416	262	11870	91826	25530	—	82036	117	2644
October	84	3163	420	11730	81850	25120	—	136444	122	2673

World Economic Outlook

	Averages					Projections Averages		
	1996 -2003	2004 - 11	2012	2013	2014	2015	2012 - 15	2016 - 19
Annual Percent Change(Δ%)								
World Real GDP	3.5	4	3.2	3	3.6	3.9	3.4	3.9
Advanced Economies	2.8	1.6	1.4	1.3	2.2	2.3	1.8	2.3
Emerging Market and Developing Economies	4.6	6.8	5	4.7	4.9	5.3	5	5.4
World Trade, Volume	6.1	5.6	2.8	3	4.3	5.3	3.9	5.7
Imports								
Advanced Economies	6.1	4	1.1	1.4	3.5	4.5	2.6	5.3
Emerging Market and Developing Economies	6.5	9.6	5.8	5.6	5.2	6.3	5.7	6.3
Exports								
Advanced Economies	5.5	4.8	2.1	2.3	4.2	4.8	3.4	5.3
Emerging Market and Developing Economies	7.8	7.6	4.2	4.4	5	6.2	4.9	6.2
Terms of Trade								
Advanced Economies	0.1	–0.6	–0.7	0.7	0	–0.2	–0.1	0
Emerging Market and Developing Economies	0.5	2.1	0.6	–0.3	–0.2	–0.7	–0.1	–0.4
Consumer Prices								
Advanced Economies	1.9	2.1	2	1.4	1.5	1.6	1.6	1.9
Emerging Market and Developing Economies	11.1	6.5	6	5.8	5.5	5.2	5.6	4.9
Percent(%)								
Interest Rates								
Real Six-Month LIBOR2	2.7	0.5	–1.1	–1.1	–1.1	–1.0	–1.1	1.3
World Real Long-Term Interest Rate3	3	1.5	0.1	0.8	1	1.5	0.9	2.3
Percentage(%) of GDP								
Balances on Current Account								
Advanced Economies	–0.4	–0.6	–0.1	0.4	0.5	0.4	0.3	0.4
Emerging Market and Developing Economies	0.2	2.8	1.4	0.7	0.8	0.6	0.9	0.3
Total External Debt								
Emerging Market and Developing Economies	36.5	26.9	24.1	24.4	24.4	24.3	24.3	23.7
Debt Service								
Emerging Market and Developing Economies	9.5	8.9	8.3	8.6	8.5	8.5	8.5	8.5

*Source: IMF

CAPITAL MARKET HIGHLIGHTS

CAPITAL MARKET HIGHLIGHTS

	Index			MCAP		VAL
	DSEX	DSE30	DSES	(BDT-bn)	(USD-bn)	(USD-mn)
March'31	**5491.91**	**1967.21**	**1275.45**	**4119.65**	**48.84**	**42.86**
% Δ	**-3.85%**	**-1.57%**	**-3.0%**	**-0.7%**		**-47.5%**
February'27	**5711.83**	**1998.65**	**1314.64**	**4150.74**	**49.30**	**81.86**

Dhaka Stock Exchange witnessed upward trend throughout the month and the prime index DSEX, finished the last day of the month with 219.92 points lower at 5491.91 than the last day of previous month. Similarly, DSES, the index for Shariah-based companies and DS30 also followed the trend with 39.19 points low at 1275.45 and 31.44 points high at 1967.21 respectively than the last day of previous month.

The MCAP of DSEX in January decreased by 0.7% compare to the previous month. However, almost all the sectors showed downward trend during March.

March 2019	
Months High-Index	**5723.1**
Months Low-Index	**5512.1**
High Date	**3-Mar-19**
Low Date	**24-Mar-19**

February 2019	
Months High-Index	**5828.1**
Months Low-Index	**5711.8**
High Date	**4-Feb-19**
Low Date	**27-Feb-19**

NEWS HIGHLIGHTS — March,2019

Insurance sector marks strong return on DSE

The insurance sector again dominated the top 10 gainers' chart of the Dhaka Stock Exchange (DSE) in the last week. Of the top 10 gainers, seven are insurance companies, which saw their share prices jump up to 20.92 per cent in the four sessions of the week. Generally, there are five trading days in a week, but there were no trading activities on Thursday as the day was a general holiday because of elections to the Dhaka city corporations. Takaful Islami Insurance emerged as the best performer, making its way to the top of the weekly gainers' chart of the premier bourse. The top gainers include Provati Insurance Company, Sonar Bangla Insurance, United Insurance Company, City General Insurance Company, Purabi General Insurance Company and Karnaphuli Insurance Company.

Wata Chemicals opens new plant

Wata Chemicals, a listed company opened its second sulfuric acid plant built at an investment of nearly Tk 30 crore. Sulfuric acid is mostly used in production of fertiliser, in refining water and petroleum and in manufacturing other chemicals such as hydrochloric acid, nitric acid, sulfate salts, synthetic detergents, and dyes and pigments. "Almost all the industries need sulfuric acid, so they will benefit from the new plant," said textiles and jute minister, while inaugurating the plant in Narayanganj. The plant has created some jobs and will reduce import of the chemical as well, he said, adding that Bangladesh needs more industrial units to become a developed country.

Provident fund of private firms can't sponsor mutual funds

Private firms cannot be a sponsor of any mutual fund with the investments of their provident funds, according to a decision of the Bangladesh Securities and Exchange Commission (BSEC) taken on March 04, 2019. On this ground, the stock market regulator refused giving go-ahead to CAPITEC Popular Life PF Unit Fund. Mutual funds are investment funds that gather a fixed amount of money from a number of investors, including sponsors, and reinvest those into stocks, bonds and other assets. The BSEC said it has recently approved the unit fund, the sponsor of which, Popular Life Insurance Employees Provident Fund, invested Tk 1 crore. "As stock market investment is risky so the commission asked the fund manager (CAPITEC Fund Management Ltd) to get approval from the beneficiary of the provident fund about the investment. "But, the fund manager submitted approval of the trustee board instead of the members of the provident fund, the commission said.

JMI investing Tk 620cr to build LPG plant

JMI Group, a manufacturer of medical devices, is set to invest Tk 620 crore to build an LPG (liquefied petroleum gas) plant at Sitakunda in Chattogram to supply the energy to households. "We will import and distribute LPG through cylinders and bottles manufactured by us," said, managing director of the group. The commercial operation of the plant will begin in May, 2019. Of the project cost, Tk 380 crore has already been raised through a syndicated financing by four banks and two non-bank financial institutions, according to the project proposal. Mutual Trust Bank (MTB) was the lead arranger of the loan and Agrani Bank the co-arranger. The LPG project consists of four plants, including LPG bottling, LPG cylinder, auto tank, and valve and bung. Auto tank is the LPG cylinder for vehicles whereas valve and bung is the kit used for cylinder.

Marico Bangladesh to invest Tk 294m in capacity expansion

The board of directors of Marico Bangladesh Limited has decided to invest Tk 294 million from the available funds of the company with an aim to increase the capacity at its factory locations at Mouchak and Shirirchala, said an official disclosure on March 03, 2019. Marico Bangladesh, which was listed on the Dhaka Stock Exchange (DSE) in 2009, disbursed 250 per cent interim cash dividend for the year ending on March 31, 2019 based on six months of financials ended on September 30, 2018. In 2018, the company also disbursed 600 per cent cash dividend. Each share of the company closed at Tk 1310.10 each on February 27, 2019. The company's earnings per share (EPS) stood at Tk 16.47 for the October-December period of 2018 as against Tk 11.18 for October-December 2017.

Square Textiles posts 27pc revenue growth

Square Textiles has posted a 27 per cent growth in revenue year-on-year in 2017-18 due to increase of production capacity. At standalone level, the company's revenue stood at Tk 6,367.12 million in the fiscal year 2017-18 compared with Tk 5,020.43 million in the previous fiscal 2017-18. The company installed 4,500 tonnes per year production capacity yarns machinery and commenced its commercial production from July 2018, according to its latest annual report. The annual report noted that this will generate additional turnover around Tk 1.0 billion for the current financial reports of 2018-19 with additional profit, said the company. The company's operating profit stood at Tk 444.19 million in the FY 2017-18 as against Tk 344.37 million in the previous fiscal, an increase by 28.99 per cent. The net profit increased by 15.22 per cent to Tk 290.91 million in the FY 2017-18 which was Tk 252.49 million in the previous fiscal 2017-18.

NEWS HIGHLIGHTS — March,2019

NCC Bank to issue Tk 7.0b subordinated bonds

The board of directors of NCC Bank Limited has decided, in principle, to issue non-convertible subordinated bonds worth Tk 7.0 billion, said an official disclosure on March 05, 2019. The bank will issue the bonds for raising fund to have regulatory capital support of the company under Tier 2 category of BASEL III, according to the disclosure. The issuing of bonds is subject to the approval of the regulatory authorities — Bangladesh Bank (BB) and Bangladesh Securities and Exchange Commission (BSEC), the disclosure added further.

BSEC okays AB Bank's Tk 500cr subordinate bond

Bangladesh Securities and Exchange Commission on March 05, 2019 allowed AB Bank Limited to float non-convertible subordinated bond worth Tk 500 crore. The capital market regulator gave the approval at a commission meeting presided over by its chairman. As per the BSEC approval, the bank will float unsecured non-convertible floating rate subordinated bond worth Tk 500 crore. The face value of each unit of the bond will be Tk 1 crore and the bond will be fully redeemable in seven years. Only corporate bodies, financial institutions, corporate institutions and other eligible investors will be allowed to subscribe the bonds through private placement. The purpose of the issue is to strengthen the bank's capital base and meet its capital requirement under Tier-II. MTB Capital Limted acts as the trustee for the bond while RSA Capital Limited is the mandated lead arranger for the bond.

Mahin Group to build Tk 400cr spinning mill

Mahin Group, a trouser and woven fabrics manufacturer, is going to invest Tk 400 crore this year to set up a spinning mill to produce 30 tonnes of yarn a day. "We will go into production in August next year," said managing director of the group. Of the investment, 70 percent will come from banks and the remaining 30 percent from the company's coffer. A significant amount of the investment will come from foreign sources, he said without elaborating. Mahin Group has bought 26 bighas of land at Charsindhur in Narsingdi to set up the mill, which will have the capacity for 55,000 spindles. It will start the construction of the pre-fabricated factory building in May this year and will begin the installation of machinery in March next year

Tiger Steel making plant at Tk 200cr

Tiger Steel Bangladesh plans to open a new prefabricated steel manufacturing plant in April. The company has already spent Tk 20 crore on the factory being built on a 5.5-bigha land at Bhaluka in Mymensingh, said a top official of the company. Another Tk 180 crore will be invested in the next two years, said, managing director of the company. "We have already imported necessary equipment and capital machinery from Korea and China and now the installation work is going on," he said. A prefabricated building consists of factory-made components or steel that are transported and assembled on-site to form the complete structure. According to Sharma, Southeast Bank is providing 30 percent of the cost to set up the new unit, which will produce 100 tonnes of prefabricated steel sections every day and the amount will increase gradually.

IFAD Salt to sell entire stakes in IFAD Autos

IFAD Salt and Chemical Ltd, the placement shareholder of IFAD Autos, has expressed the intention to sell its entire holdings of 2,476,437 shares of the company at prevailing market price (in the public market).

BB asks BSEC to ban BIFC share transfer by Mannan

Bangladesh Bank has requested Bangladesh Securities and Exchange Commission to impose a ban on Bangladesh Industrial Finance Company founding chairman Major (retd) Abdul Mannan and people connected with him from transferring shares of the company. The BB move came following an Anti-Corruption Commission advice asking the central bank to impose the ban until Mannan pays Tk 397.78 crore in outstanding loans (excluding interest) to BIFC, a company listed with Dhaka Stock Exchange. Mannan, a member of parliament. Officials of BB and BSEC said that the central bank on February 26 sent a letter to the stock market regulator in this regard. A BB official said that ACC on February 10 sent a letter to the central bank advising it to ban BIFC share transactions by Mannan and people connected with him as Mannan was dillydallying in paying Tk 397.78 crore in outstanding loans to BIFC.

Govt mulls $2b power bonds

The government plans to raise $2 billion through issuing bonds to bankroll investment in the power and energy sector, Nasrul Hamid, state minister for power, energy and mineral resources. "I am trying to float an energy power bond at least for $2 billion," he said at a dislogue at the Khazana Gardenia Grand Hall in the capital's Gulshan. "Two things we will get from there: finance and branding Bangladesh as an investment destination. If I become successful in raising $2 billion, albeit a small amount given what we need in the power and energy sector, the whole world will be eager to invest in the country." Earlier on February 27, 2019 power and energy adviser to the prime minister, had said the government is going to issue bonds amounting to $1 billion soon to raise funds for the power and energy sector.

GREEN DELTA CAPITAL

NEWS HIGHLIGHTS — March,2019

Pubali Bank to issue Tk 7.50 billion subordinated bond

The board of directors of Pubali Bank Limited has decided to issue 7 years subordinated bond-II for Tk 7.50 billion, said an official disclosure on March 18, 2019. The Board of Directors has decided to issue 7 Years Subordinated Bond-II for Tk 7.50 billion (Tk 750.00 crore). The bank will issue the bonds for raising fund to have regulatory capital support of the company under BASEL-III framework to raise the Tier-2 capital of the bank, according to the disclosure. The issuing of bonds is subject to the approval of Bangladesh Bank (BB), Bangladesh Securities and Exchange Commission (BSEC) and other regulatory authorities, the disclosure added further. Each share of the bank, which was listed on the Dhaka Stock Exchange (DSE) in 1984, closed at Tk 28 on Monday. Its share traded between Tk 20.10 and Tk 29.10 in the last one year. The bank's consolidated earnings per share (EPS) stood at Tk 0.52 for July-September 2018 as against Tk 0.40 for July-September 2017.

GSP Finance to issue Tk 2.0b bond

The board of directors of GSP Finance Company (Bangladesh) Limited has decided to issue coupon bearing bond worth Tk 2.0 billion, said an official disclosure on March 23, 2019. The company will issue the bond for seven years tenure in the name and style "GSP Non-Convertible Fully Redeemable Coupon Bearing Bond of Tk 2.0 billion" through private placement. The issuance of bond is subject to approval from the regulatory authorities - Bangladesh Bank (BB) and Bangladesh Securities and Exchange Commission (BSEC), the disclosure added. The board of directors of the company has also recommended 18 per cent cash dividend for the year ended on December 31, 2018. The final approval of dividend will come during the annual general meeting (AGM) scheduled to be held on May 05 at 11:30am in Dhaka.

Ten cos account for 40pc transactions on DSE

The ten most traded companies accounted for more than 40 per cent of transactions on the Dhaka Stock Exchange (DSE) on March 28, 2019, with the United Power Generation & Distribution Company making its way to the top of the chart. Market insiders said investors showed their appetite for United Power's shares throughout the day ahead of the end of the January-March quarter. The United Power posted a modest earnings growth in the period of July-December 2018. Its earnings per share (EPS) (separate) rose 15.18 per cent to Tk 5.31 for July-December 2018. The EPS (separate) was Tk 4.61 for the same period in 2017. According to statistics from the DSE, about 932,566 shares of United Power were traded, generating a turnover of Tk 374 million or 10.60 per cent of the DSE's total turnover.

BSEC to bring changes to book-building rules

The securities regulator has decided to bring some changes to book-building method to make it more transparent and ensure 'fair' price of IPO (initial public offering) shares. The Bangladesh Securities and Exchange Commission (BSEC) took the decision at a commission meeting held on Tuesday presided over by its Chairman. At the meeting, the securities regulator also decided to form a five member committee headed by BSEC executive director. The committee will review the 'Book Building Method' of Bangladesh Securities and Exchange Commission (Public Issue) Rules, 2015. The committee will recommend necessary changes after reviewing the book-building method, according to the statement.

DSE top brokers for cancellation of initial public offering quota

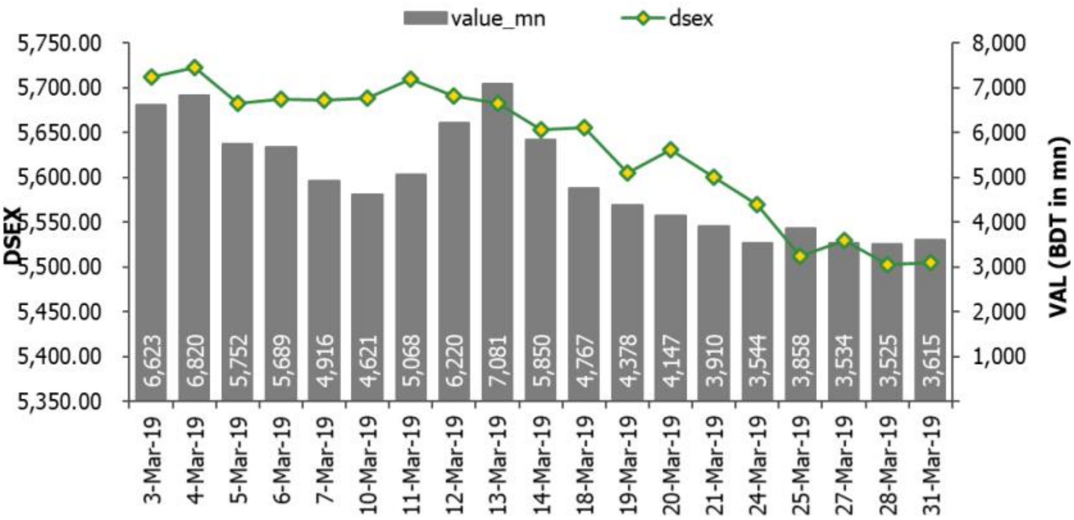
The top brokers of DSE and merchant bankers have demanded of the regulator to introduce T+0 share trading cycle settlement aiming to bring dynamism in trading activities that currently remained dull. They also urged the Bangladesh Securities and Exchange Commission (BSEC) to formulate a guideline regarding much-talked about the 'placement shares'. They demanded cancellation of existing initial public offering (IPO) quota. Share trading settlement period is T+0 means buyers make payment and sellers have to transfer ownership of stocks in the same day. Currently, share trading settlement period is two days (T+2), meaning, buyers make payment and sellers have to transfer ownership of stocks within two days after the trade taking place.

Wata Chemicals to enhance production capacity

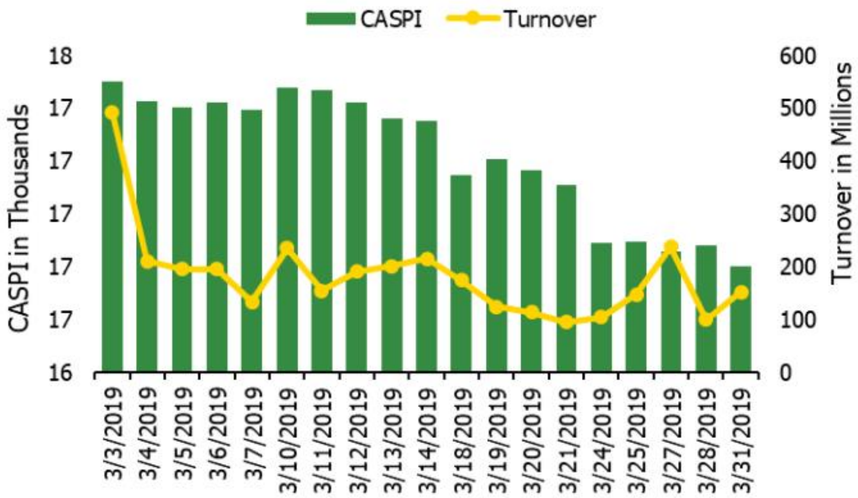
The board of directors of Wata Chemicals Limited has approved BMRE by setting up of units and plants at the factory to enhance production capacity. The company said through a disclosure on Wednesday that the board has taken decisions for BMRE (Balancing, Modernization, Rehabilitation and Expansion) of 18,000 MT per annum capacity of Sulphuric Acid Plant Unit -1. The board has also decided to set-up of new aluminium sulphate (ALUM) Plant Unit-2 for 12,000 MT per annum. The board has also decided to set-up Linear Alkail Benzene Sulphonic Acid/Sodium Lauryl Ether Sulphate (SLES) plant for 7,200 MT per annum at its factory in Narayangonj. Approval has been given for obtaining necessary finance of Tk 509.10 million from Agrani Bank, Principal Branch, Dhaka, said the disclosure

Capital Market Review

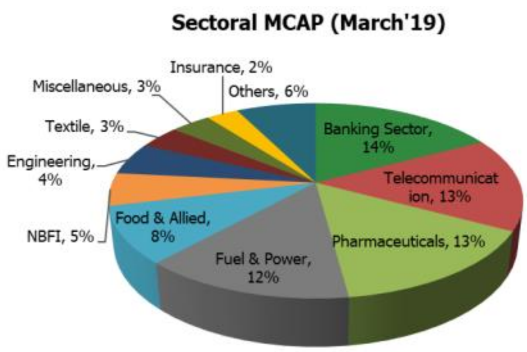
DSEX THROUGHOUT THE MONTH

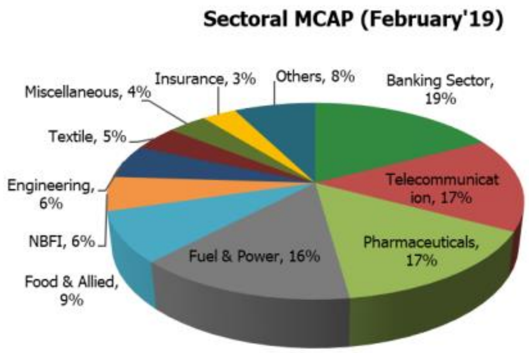


CASPI THROUGHOUT THE MONTH

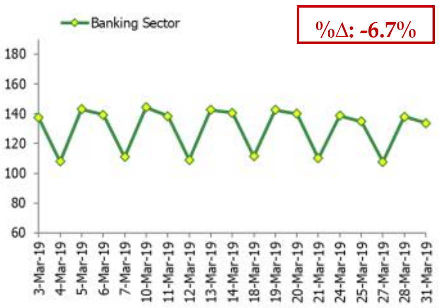


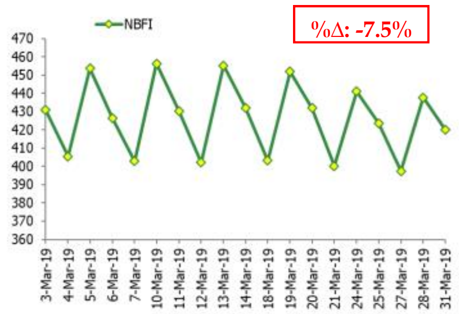
MONTHLY SECTOR-WISE MCAP

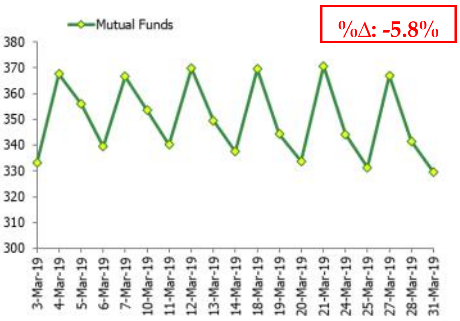


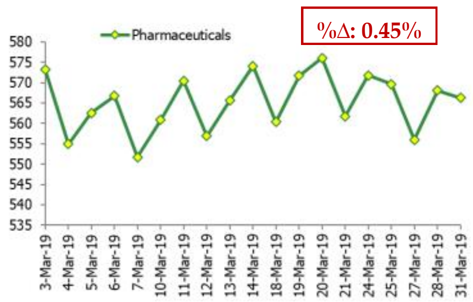


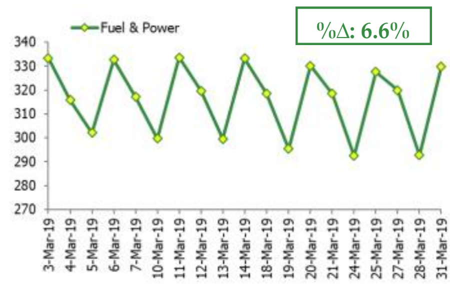
MONTHLY MAJOR SECTORAL MOVEMENT

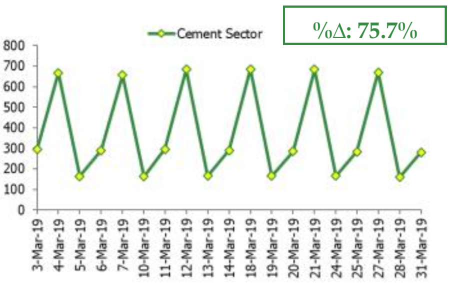


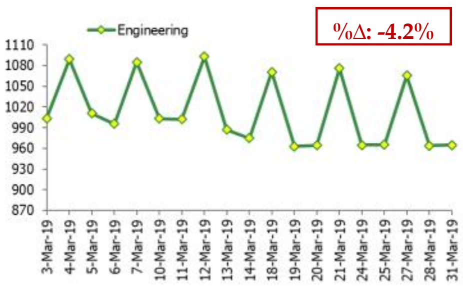


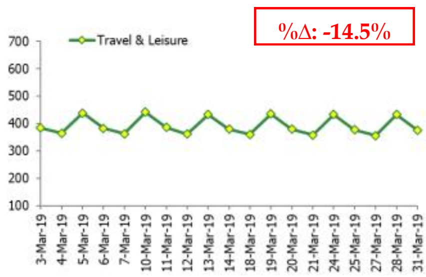


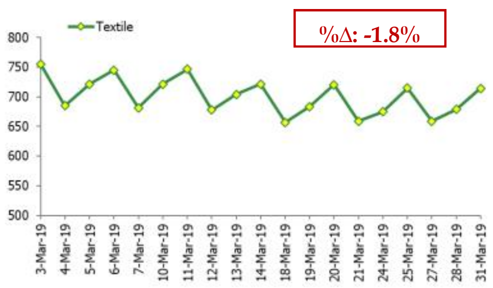


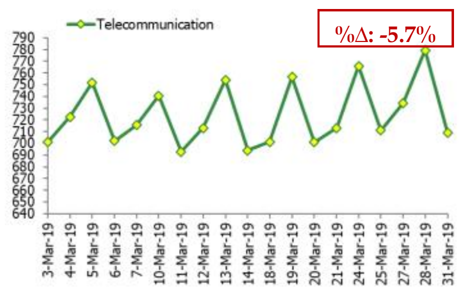


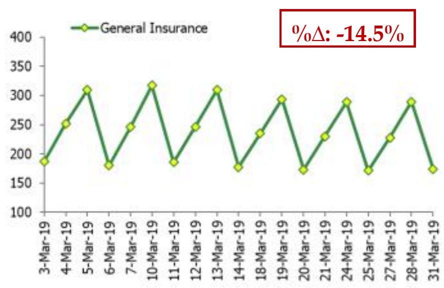












DSE SECTOR-WISE STATISTICS

Sector/Industry	Average MCAP (BDT million)	MCAP %	Listed Issues	MCAP Δ (m/m)	PE	Div. Yield (%)
Bank	622,689.39	17.14%	30.00	-1.49%	10.11	6.37
NBFI	198,782.05	5.47%	23.00	-0.53%	22.84	3.56
Mutual Funds	39,988.33	1.10%	37.00	0.07%	--	7.76
Pharmaceuticals	536,190.75	14.76%	31.00	0.94%	18.76	1.72
Engineering	206,285.91	5.68%	37.00	-0.16%	17.06	1.80
Cement	102,867.69	2.83%	7.00	-1.44%	34.02	2.49
Fuel & Power	514,262.98	14.16%	19.00	0.86%	13.17	3.91
Services & Real Estat	20,408.20	0.56%	4.00	-0.28%	16.50	3.85
Food & Allied	321,197.23	8.84%	17.00	-0.15%	27.39	1.23
IT	20,694.93	0.57%	9.00	-0.08%	17.72	2.43
Textile	145,079.74	3.99%	54.00	-0.47%	16.32	3.13
Travel & Leisure	21,297.90	0.59%	4.00	-0.58%	23.25	3.87
Ceramic	32,299.37	0.89%	5.00	-1.84%	19.64	2.68
Telecommunication	558,395.19	15.37%	2.00	-0.60%	16.23	6.55
Tannery	28,409.98	0.78%	6.00	0.22%	16.64	2.04
Paper & Printing	16,240.93	0.45%	3.00	-1.49%	31.70	2.66
Insurance	110,363.43	3.04%	47.00	0.67%	29.72	2.79
Miscellaneous	132,105.91	3.64%	13.00	0.83%	30.24	1.46
Jute	4,345.68	0.12%	3.00	-4.28%	88.88	0.19
Total	3,631,905.61		351.00		16.16	

DSE TOP APPRECIATING ISSUES DURING THE MONTH

DSE Code	Sector	Monthly Apprecia-	Closing	PE	Avg. Turnover	Dividend	Last Dividend (%)
RECKITTBEN	Pharmaceuticals & Chemicals	28.21%	3205.3	57.4	43.81	2.46	79.00C
SAMATALETH	Tannery	26.45%	65.5	3379.8	1.93	--	n/a
EASTRNLUB	Fuel & Power	26.06%	1597.3	267.29	16.99	0.63	10.00C
DULAMIACOT	Textile	25.89%	49.6	--	2.15	--	n/a
KAY&QUE	Engineering	23.81%	239.7	399.71	15.32	0.21	0.50C
PROGRESLIF	Insurance	23.61%	91.1	--	1.42	--	18.00%B
BATBC	Food & Allied	22.32%	4547.1	27.25	207.84	1.1	200.00%B, 50.00C
DUTCHBANGL	Bank	18.86%	213	10.14	158.19	--	150.00%B
BEACHHATCH	Food & Allied	13.87%	19.7	--	7.61	--	n/a
IMAMBUTTON	Pharmaceuticals & Chemicals	11.67%	20.1	--	0.27	--	n/a
RUPALIBANK	Bank	11.48%	43.7	65.55	27.47	--	24.00%B
PRIMEFIN	Financial Institutions	9.89%	10	45.46	0.86	--	n/a
MARICO	Pharmaceuticals & Chemicals	9.67%	1436.8	21.82	40.75	2.78	40.00C
BDWELDING	Fuel & Power	7.95%	19	--	1.11	--	n/a
MEGCONMILK	Food & Allied	7.61%	19.8	--	0.36	--	n/a

DSE TOP 15 DECLINING ISSUES DURING THE MONTH

DSE Code	Sector	Monthly Apprecia-tion [Price]	Closing Price	PE	Avg. Turnover (mn)	Divi-dend Yield	Last Divi-dend
UNITEDINS	Insurance	-36.16%	53.5	24.54	4.09	1.31	5.95%B, 0.70C
PARAMOUNT	Insurance	-28.91%	15	28.64	4.54	--	5.00%B
FEDERALINS	Insurance	-23.70%	10.3	18.84	4.90	--	5.00%B
ASIAINS	Insurance	-23.34%	26.6	15.59	13.52	3.76	1.00C
SIMTEX	Textile	-23.30%	26	12.62	23.58	1.92	15.00%B, 0.50C
JANATAINS	Insurance	-22.65%	14	15	3.34	--	5.00%B
BNICL	Insurance	-22.40%	19.4	8.77	10.79	5.15	1.00C
LEGACYFOOT	Tannery	-22.08%	140.8	18.28	64.20	0.71	15.00%B, 1.00C
GLOBALINS	Insurance	-21.18%	16	26.67	6.46	--	5.00%B
POPULARLIF	Insurance	-20.84%	86.6	--	2.21	4.62	4.00C
KARNAPHULI	Insurance	-20.56%	17	15.36	3.40	3.53	5.00%B, 0.60C
CITYGENINS	Insurance	-20.41%	15.6	15.19	6.34	--	10.00%B
CONTININS	Insurance	-20.00%	20	8.43	4.46	2.5	5.00%B, 0.50C
SINGERBD	Engineering	-19.25%	193.8	21.07	184.96	--	30.00%B
FASFIN	Financial Institutions	-18.97%	9.4	19.05	12.48	--	10.00%B

DSE TOP 15 TRADED ISSUES DURING THE MONTH

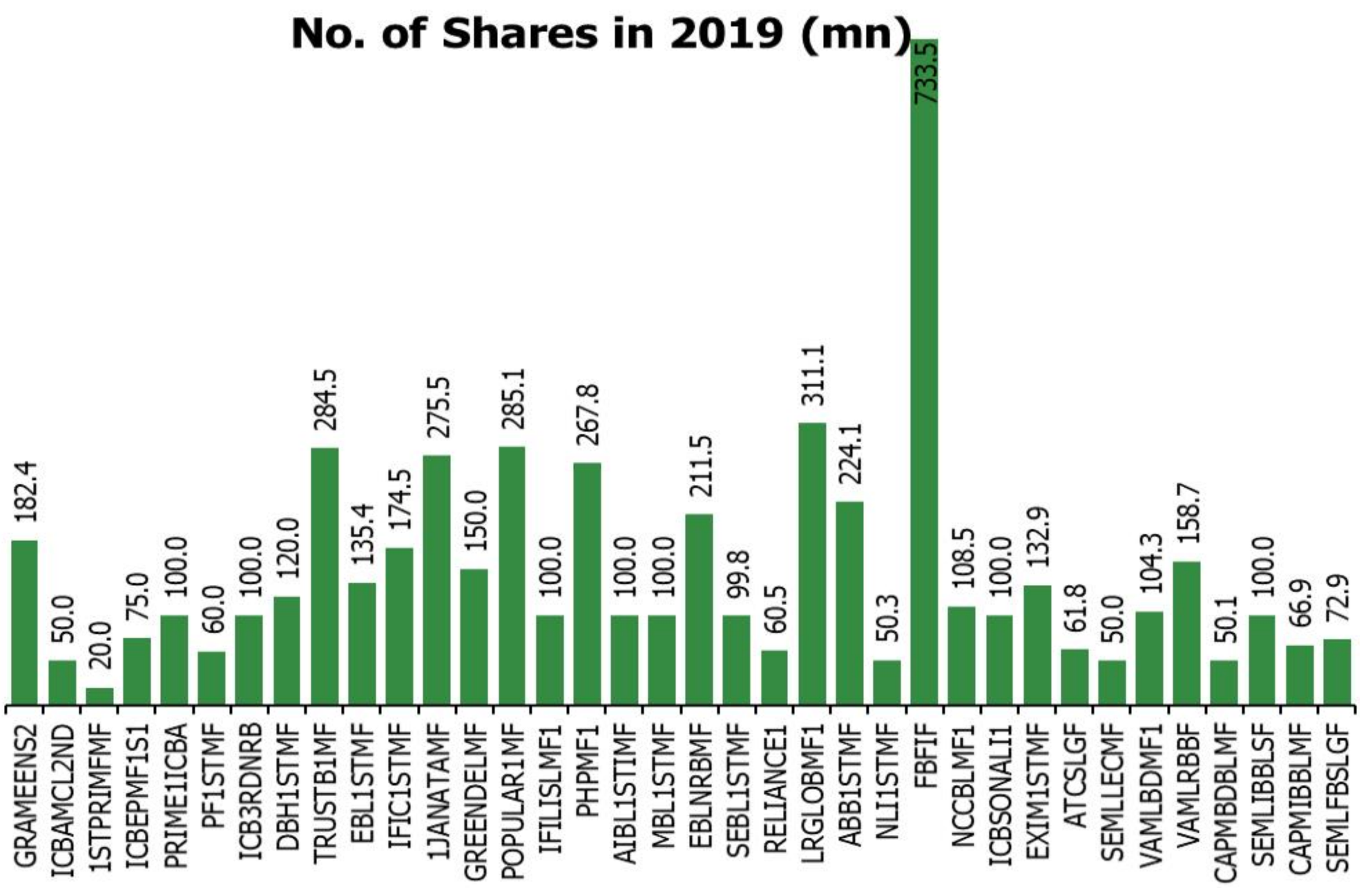
DSE Code	Sector	Monthly Apprecia-tion [Price]	Closing Price	PE	Avg. MCAP	Dividend Yield	Last Divi-dend
UPGDCL	Fuel & Power	0.59%	410.1	26.66	260.16	2.19	20.00%B, 9.00C
MONNOCERA	Ceramic	-15.74%	348.6	21.44	258.44	--	30.00%B
BATBC	Food & Allied	22.32%	4547.1	27.25	207.84	1.1	200.00%B, 50.00C
SINGERBD	Engineering	-19.25%	193.8	21.07	184.96	--	30.00%B
DUTCHBANGL	Bank	18.86%	213	10.14	158.19	--	150.00%B
BRACBANK	Bank	-4.19%	77.8	15.05	149.11	--	15.00%B
BSCCL	Telecommunication	-9.93%	156.9	54.86	125.31	0.32	0.50C
SQURPHARMA	Pharmaceuticals & Chemicals	-2.52%	266.9	16.72	114.74	1.35	7.00%B, 3.60C
PREMIERBAN	Bank	-9.27%	13.7	7.34	113.88	--	15.00%B
AIL	Textile	-17.87%	67.1	17.66	95.31	3.73	10.00%B, 2.50C
FORTUNE	Tannery	-14.06%	33	14.6	92.69	--	15.00%B
GP	Telecommunication	3.99%	409.2	15.71	85.88	6.84	28.00C
NPOLYMAR	Engineering	0.11%	89.3	23.01	75.75	--	22.00%B
LEGACYFOOT	Tannery	-22.08%	140.8	18.28	64.20	0.71	15.00%B, 1.00C
MONNOSTAF	Engineering	-14.66%	1707.8	47.26	52.35	--	350.00%B

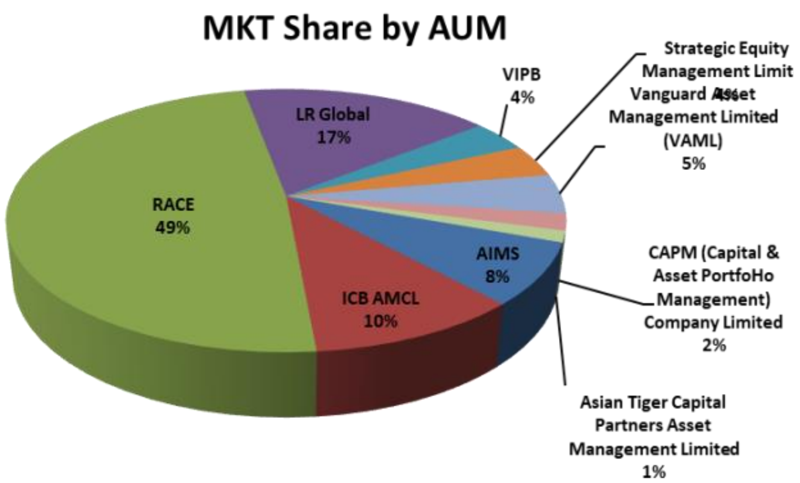
MUTUAL FUND

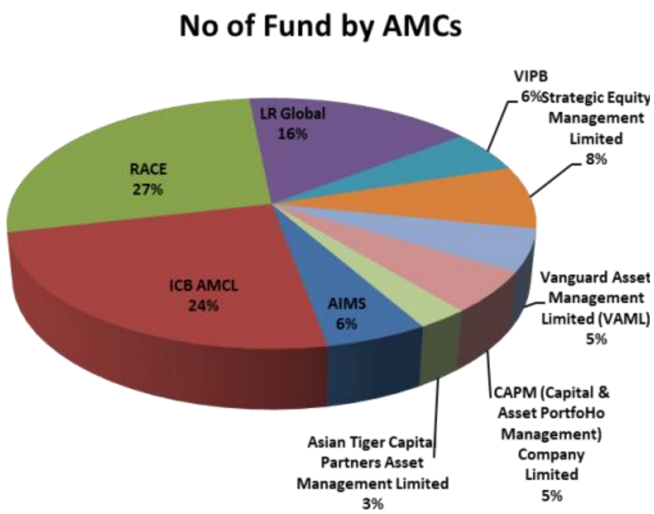
During last 40 years, the popularity of mutual fund has grown dramatically all over the world. As a result, currently in Bangladesh, there are 37 mutual funds in the industry. And, the industry is having shares more than 5 billion in numbers while the MCAP is over BDT 39 Billion.

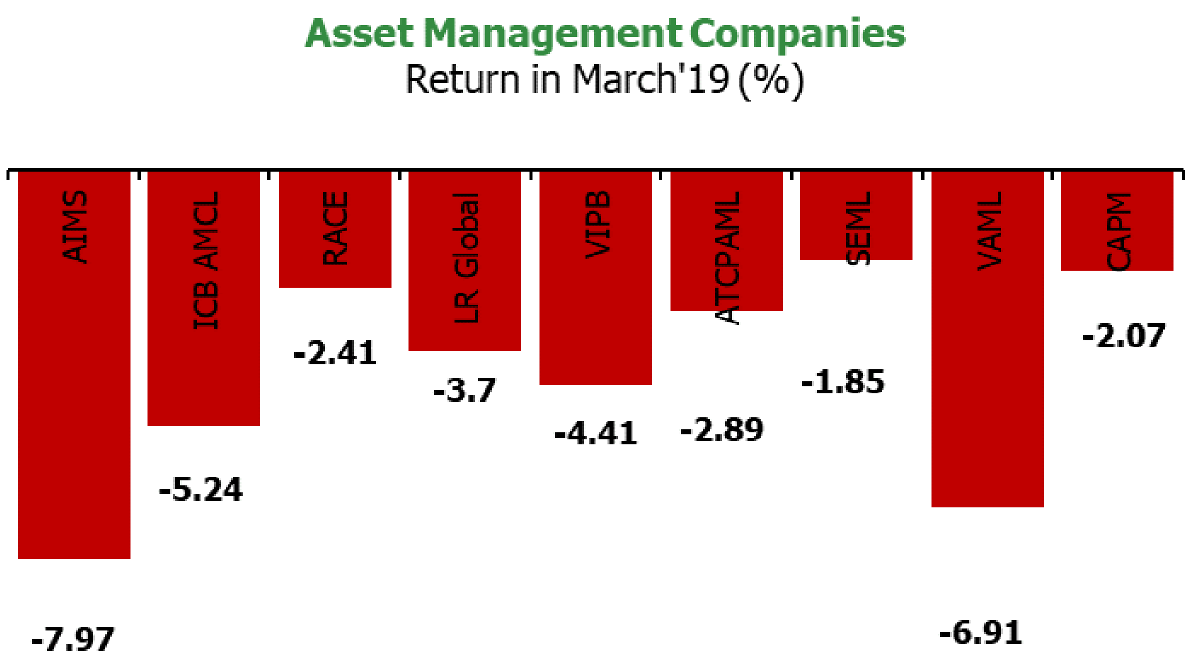
The abovementioned 37 funds are managed by eight Asset Management Companies (AMCs). The eight AMCs are —AIMS, ICB AMCL, RACE, LR Global, VIBP, Asian Tiger Capital Partners Asset Management Limited, Vanguard Asset Management Limited (VAML) & Strategic Equity Management Limited. Other 1 fund is managed by ICB. Here are some graphical presentation of ranking of the AMCs based on market share and number of managed funds.

Name	No of Funds	Issue Size (mn)
AIMS	2	2,231
ICB AMCL	9	7,032
RACE	10	25,277
LR Global	6	8,896
VIPB	2	1,501
Strategic Equity Management Limited	3	2,229
Vanguard Asset Management Limited	2	2,631
CAPM	2	1,170
Asian Tiger Capital Partners Asset Management Limited	1	618
Total	**37**	**51585**




MKT Share by AUM
RACE 49%
LR Global 17%
VIPB 4%
Strategic Equity Management Limit 4%
Vanguard Asset Management Limited (VAML) 5%
AIMS 8%
ICB AMCL 10%
CAPM (Capital & Asset Portfolio Management) Company Limited 2%
Asian Tiger Capital Partners Asset Management Limited 1%


No of Fund by AMCs
RACE 27%
LR Global 16%
VIPB 6%
Strategic Equity Management Limited 8%
Vanguard Asset Management Limited (VAML) 5%
ICB AMCL 24%
AIMS 6%
CAPM (Capital & Asset Portfolio Management) Company Limited 5%
Asian Tiger Capita Partners Asset Management Limited 3%


Asset Management Companies
Return in March'19 (%)
AIMS -7.97
ICB AMCL -5.24
RACE -2.41
LR Global -3.7
VIPB -4.41
ATCPAML -2.89
SEML -1.85
VAML -6.91
CAPM -2.07

MUTUAL FUNDS' PERFORMANCE

No.	DSE Code	Fund Manager	Market Cap (BDT Mn)	Market Share	Latest NAV/ unit	Price/NAV
1	GRAMEENS2	AIMS	2,343.6	7.4%	20.41	0.64x
2	ICBAMCL2ND	ICB AMCL	405.0	1.3%	9.12	0.89x
3	1STPRIMFMF	ICB AMCL	174.0	0.5%	11.53	0.75x
4	ICBEPMF1S1	ICB AMCL	435.0	1.4%	7.88	0.74x
5	PRIME1ICBA	ICB AMCL	580.0	1.8%	8.57	0.68x
6	PF1STMF	ICB AMCL	348.0	1.1%	8.27	0.70x
7	ICB3RDNRB	ICB AMCL	540.0	1.7%	7.77	0.69x
8	DBH1STMF	LR Global	996.0	3.1%	11.65	0.71x
9	TRUSTB1MF	RACE	1,216.2	3.8%	11.65	0.39x
10	EBL1STMF	RACE	739.6	2.3%	11.42	0.52x
11	IFIC1STMF	RACE	695.1	2.2%	11.16	0.39x
12	1JANATAMF	RACE	1,123.9	3.5%	11.21	0.39x
13	GREENDELMF	LR Global	1,095.0	3.4%	11.65	0.63x
14	POPULAR1MF	RACE	1,111.3	3.5%	11.23	0.37x
15	IFILISLMF1	ICB AMCL	680.0	2.1%	8.84	0.77x
16	PHPMF1	RACE	1,091.7	3.4%	11.05	0.40x
17	AIBL1STIMF	LR Global	780.0	2.4%	11.46	0.68x
18	MBL1STMF	LR Global	730.0	2.3%	11.94	0.61x
19	EBLNRBMF	RACE	841.7	2.6%	11.11	0.39x
20	SEBL1STMF	VIPB	1,137.5	3.6%	14.81	0.77x
21	RELIANCE1	AIMS	562.7	1.8%	13.96	0.67x
22	LRGLOBMF1	LR Global	2,177.6	6.8%	11.38	0.62x
23	ABB1STMF	RACE	938.6	2.9%	11.89	0.38x
24	NLI1STMF	VIPB	644.3	2.0%	15.90	0.81x
25	FBFIF	RACE	2,857.7	9.0%	11.45	0.37x
26	NCCBLMF1	LR Global	748.7	2.3%	11.23	0.61x
27	ICBSONALI1	ICB AMCL	690.0	2.2%	9.33	0.74x
28	EXIM1STMF	RACE	617.4	1.9%	11.82	0.42x
29	ATCSLGF	Asian Tiger Capital Partners Asset Management Limited	593.1	1.9%	13.24	0.73x
30	SEMLLECMF	Strategic Equity Management Limited	335.0	1.1%	10.93	0.61x
31	VAMLBDMF1	Vanguard Asset Management Limited (VAML)	709.4	2.2%	10.80	0.63x
32	VAMLRBBF	Vanguard Asset Management Limited (VAML)	1,095.3	3.4%	11.01	0.63x
33	CAPMBDBLMF	CAPM (Capital & Asset Portfolio Management) Company Limited	335.9	1.0%	10.38	0.65x
34	SEMLIBBLSF	Strategic Equity Management Limited	660.0	2.1%	10.76	0.61x
35	ICBAGRANI1	ICB AMCL	647.8	2.0%	9.73	0.68x
36	CAPMIBBLMF	CAPM (Capital & Asset Portfolio Management) Company Limited	474.7	1.5%	10.72	0.66x
37	SEMLFBSLGF	Strategic Equity Management Limited	729.4	2.3%	10.58	0.95x
	Total		**31,881.0**	**100%**	**—**	**0.54x**

GREEN DELTA CAPITAL

MUTUAL FUNDS' DIVIDEND Declaration

No	Name	Cash Dividend	Stock Dividend
1	GRAMEENS2	1.2	-
2	ICBAMCL2ND	0.6	-
3	ICB2NDNRB	1.2	-
4	1STPRIMFMF	0.85	-
5	ICBEPMF1S1	0.55	-
6	PRIME1ICBA	0.7	-
7	PF1STMF	0.5	-
8	ICB3RDNRB	0.5	-
9	DBH1STMF	0.9	-
10	TRUSTB1MF	0.2	10% (RIU)
11	EBL1STMF	0.2	10% (RIU)
12	IFIC1STMF	0.2	10% (RIU)
13	1JANATAMF	0.2	10% (RIU)
14	GREENDELMF	0.5	-
15	POPULAR1MF	0.35	10% (RIU)
16	IFILISLMF1	0.9	-
17	PHPMF1	0.25	10% (RIU)
18	AIBL1STIMF	0.7	-
19	MBL1STMF	0.8	-
20	EBLNRBMF	0.2	10% (RIU)
21	SEBL1STMF	1.35	-
22	RELIANCE1	1	-
23	LRGLOBMF1	-	-
24	ABB1STMF	0.3	10% (RIU)
25	NLI1STMF	1.5	-
26	FBFIF	0.2	10% (RIU)
27	NCCBLMF1	0.45	-
28	ICBSONALI1	0.75	-
29	EXIM1STMF	0.2	10% (RIU)
30	ATCSLGF	1.55	-
31	SEMLLECMF	1	-
32	VAMLBDMF1	0.75	-
33	VAMLRBBF	-	-
34	CAPMBDBLMF	0.2	-
35	SEMLIBBLSF	0.25	-
36	ICBAGRANI1	-	-
37	CAPMIBBLMF	-	-

FORTHCOMING IPO

GREEN DELTA CAPITAL

Forthcoming IPOs

Sea Pearl Beach Resort & Spa Limited

Nature of Buisness	Sea Pearl Beach Resort & Spa Limited (the owner of "Royal Tulip Sea Pearl Beach Resort & Spa Cox's Bazar") a Five Star Resort & hotel in Bangladesh, started its commercial operation from 17 September 2015. The principal activities of the Company throughout the period were carrying out Resort & Hotel business. Franchisor are knowledgeable and experienced in managing and promoting five star hotels and resorts and has (and/or its Affiliates have) performed such services throughout the world.	
Major Products	The principal services of Sea Pearl Beach Resort and Spa Limited are: ☐ Rooms and Suites ☐ Food & Beverage	
Trading Code	SEAPEARL	
BSEC's Consent for IPO	March 25, 2019	
Issue Date of Prospectus	March 28, 2019	
Subscription Open	April 23, 2019	
Subscription Close (Cut-off Date)	May 06, 2019	
Authorized Capital	Tk. 2,000,000,000	
Pre-IPO paid-up Capital	Tk. 1,000,000,000	
IPO size in shares	15,000,000	
IPO size in Tk. at face value	Tk. 150,000,000	
IPO size in Tk. at offer price	Tk. 150,000,000	
Post IPO Paid-up Capital	Tk. 1,150,000,000	
Face Value per share	Tk. 10.00	
Offer Price per share	Tk. 10.00	
Market Lot (Shares)	500	
Foreign Currency required for NRB and Foreign Applicants (per lot)	USD 59.85 or GBP 45.50 or EUR 53.45	
Use of IPO Proceeds	Interior, finishing, furniture & fixture (157 rooms)	106,827,300 (71.22%)
	Acquisition of land	26,660,000 (17.77%)
	IPO expenses	16,512,700 (11.01%)
	Total	150,000,000 (100.00%)
NAV per share	Tk. 10.48 as on June 30, 2018	
Earnings per Share (Basic)	Tk. 0.67 for the period ended on June 30, 2018	
Issue Manager	Banco Finance and Investment Limited, Prime Bank Investment Ltd.	
Auditor	Mahfel Huq & Co	
Website	www.seapearlbd.com	

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