

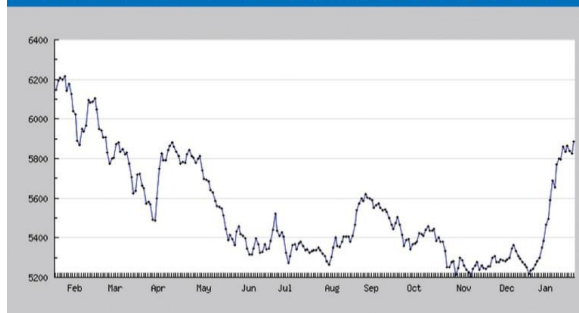
Stock Market

Dhaka stocks hit 11-month high

New Age, January 21, 2019

- Dhaka stocks surged to a 11-month high on Sunday as investors went for buying shares especially Grameenphone and financial stocks amid expectations of better year-end financial results from the scrips. DSEX, the key index of Dhaka Stock Exchange, advanced by 1.05 %, or 61.70 points, to close at 5,887.27 points on Sunday after losing 37.7 points in the previous two sessions.
- Sunday's index was the highest after February 22, 2018 when the index was at 5,906.98 points. Share prices of Grameenphone soared by 2.64 % as the company has arranged a board meeting to be held on January 27, 2019 to consider audited financial statements of the company for the year ended on December 31, 2018.
- Average share prices of bank and non-bank financial institution advanced by 2.9 % and 1.7 % respectively. Out of the traded 30 bank scrips, all of them except one advanced while out of the 23 NBFIs, 13 advanced, five declined and five remained unchanged.
- The bank sector led the turnover chart with 18.1 % of the day's total turnover. Share prices of textile, cement and energy sectors also advanced on the day. The turnover on the bourse declined to BDT 968.91 crore on Sunday compared with that of BDT 1,011.56 crore in the previous trading session.
- The insurance sector witnessed corrections on Sunday with average share prices of general insurance and life insurance declined by 3.2 % and 1.5 % respectively after their recent gains. Of the 336 companies and mutual funds traded on Sunday, 133 declined, 193 advanced and 20 remained unchanged. DSE blue-chip index DS30 gained 1.01 %, or 20.41 points, to close at 2,029.89 points.
- Shariah index DSES added 0.69 %, or 9.06 points, to finish at 1,318.86 points. Bangladesh Export Import Company led the turnover leaders with its shares worth BDT 22.26 crore changing hands on the day. Premier Bank, JMI Syringe, United Finance, LankaBangla Finance, United Power Generation Company, Dutch-Bangla Bank, Dhaka Bank, BBS Cables and Dragon Sweater were the other turnover leaders.

MOVEMENT OF DSEX IN LAST 1 YEAR



<http://www.newagebd.net/article/62429/dhaka-stocks-hit-11-month-high>

AMCL (Pran) sees steady growth

The Financial Express, January 20, 2019

- Agricultural Marketing Company Ltd. (Pran) posted a steady growth in revenue earnings in last five fiscal years (FYs). To keep the revenue growth stable, the company always laid importance on a 'strong' distribution network and 'effective' marketing promotions.
- The company's revenue was above BDT 1.72 bn for the FY 2013-14. Later, the revenue gradually rose. The revenue was above BDT 1.88 bn in 2014-15, above BDT 2.09 bn in 2015-16, above BDT 2.38 bn in 2016-17 and above BDT 2.53 bn in 2017-18.
- AMCL (Pran) produces consumable products using agro-commodity and various beverages. The company's products include different types and brands of juice and drinks, mineral water, soft drinks, ice pop and mango bars. According

to directors' report, the company ensured optimisation of equipment usage to maximise actual production to keep consumers' faith 'intact'.

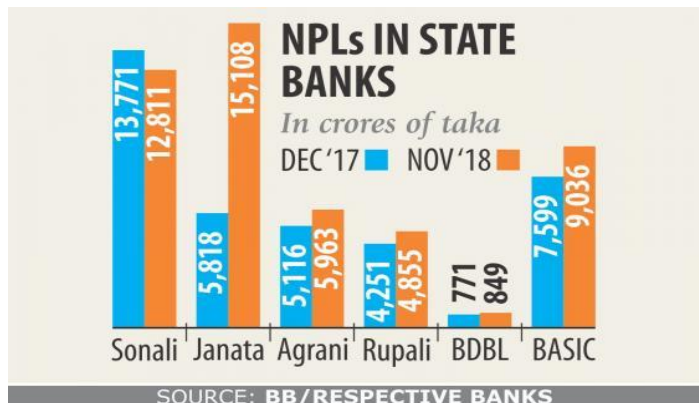
- The company's revenue rose 6.65 % in 2017-18 compared to previous FY amid increased costs for administration, marketing and distribution. The company's export revenue was above BDT 235.32 mn in 2013-14, above BDT 348.29 mn in 2014-15, above BDT 824.98 mn in 2015-16, above BDT 1.22 bn in 2016-17 and above BDT 1.27 bn in 2016-17.
- The company's net profit stood at above BDT 55.54 mn for the year ended on June 30, 2018. The net profit was above BDT 54.93 mn for the year ended on June 30, 2017. As a result, the net profit rose 1.11 % in 2017-18 compared to 2016-17. The company's shareholders' equity gradually rose during 2013-14 to 2017-18.
- The shareholders' equity was above BDT 487.06 mn in 2013-14, above BDT 517.05 mn in 2014-15, above BDT 544.44 mn in 2015-16, above BDT 573.78 mn in 2016-17 and above BDT 603.10 mn 2017-18. The shareholders' equity, the most common financial metrics used to assess the financial health of a company, is equal to a firm's total assets minus its total liabilities.
- The company reported EPS of BDT. 6.94, NAV per share of BDT. 75.39 and NOCFPS of BDT. 27.86 for the year ended on June 30, 2018 as against BDT. 6.87, BDT. 71.72 and BDT. 28.25 respectively for the same period of the previous year.

<http://thefinancialexpress.com.bd/stock/amcl-pran-sees-steady-growth-1547960299>

Banks blame influential quarter for rising bad loans

The Daily Star, January 21, 2019

- Habitual and influential defaulters are the main barriers to bringing down delinquent loans in the state-owned commercial banks, according to the assessment of the lenders. The banks placed separate reports to the finance ministry last month articulating the major reasons behind their rising defaults loans and ways to bring them down.
- On December 26 last year, the reports were discussed in presence of Banking Division Secretary Asadul Islam at a meeting held at the finance ministry. Managing directors of the six banks were also present there. In the first 11 months of 2018, classified loans in the six state-run banks -- Sonali, Janata, Agrani, Rupali, Bangladesh Development and BASIC -- escalated by BDT 11,297 crore to BDT 48,623 crore.
- In its report, Sonali Bank said that 52.33 % of its outstanding default loans of BDT 12,811 crore were stuck with the top 100 defaulters. The long drawn-out process for resolving the court cases with the Artha Rin Adalat (money loan court) has also created an impediment to cutting down its default loans.
- Sonali has already started a special drive for loan recovery, said its Managing Director Md Obayed Ullah Al Masud recently. Only the branch managers were earlier assigned to recover default or overdue loans. Janata Bank has frequently failed to realise instalments of restructured and rescheduled loans from defaulters. In many cases, despite offering interest rate waiver, the bank failed to recover the sums.
- Some borrowers did not invest the loan amount in the sector mentioned in their credit proposal. In its report, Janata said that the amount of down payment set by the central bank for rescheduling non-performing loans (NPLs) should be relaxed. Influential borrowers are one of the core problems behind the rising default loans in Agrani.



- Rupali Bank said the habitual defaulters should be sent to jail. The lender has also suggested introducing strict regulations for defaulters. The rescheduled loans of BASIC Bank frequently get defaulted as majority of the defaulters did not have strong business position to pay installments. Some defaulters fled the country, forcing the lender to face difficulties in recovering classified loans, according to its report. Bangladesh Development Bank is on the same boat as the other five when it comes to tackling NPLs.

<https://www.thedailystar.net/business/banking/news/banks-blame-influential-quarter-rising-bad-loans-1690438>

Economy

Coal import from India comes to a sudden halt

The Daily Star, January 21, 2019

- Coal import from India's Meghalaya state to Bangladesh has stopped following an order of the Supreme Court in the neighbouring country. The coal import was supposed to continue till January 31 but came to a halt suddenly on January 15, according to Paritosh Ghosh, assistant director for traffic at Tamabil land port.
- The SC of India on Tuesday banned the transportation of coal in the state until the next hearing on February 19. Bangladesh imports coal from India through Barchhara, Charagaon and Bagli border check posts in Sunamganj and Tamabil land port in Sylhet.
- Following a case filed by the Indian National Green Tribunal stating that the coal mines in Meghalaya are not maintaining rules, the SC, in 2014, ordered to stop mining in the state. Since then, coal import from Meghalaya has become irregular.
- After various periods of closure and open, the SC cleared the way for coal exports from December 22 last year to January 31, leading coal importers in Bangladesh to open letters of credit (LCs) to import 1 lakh tonnes. Falah Uddin Ali Ahmed, a former president of the Sylhet Coal Importers Group, said the order halted imports of 50,000 tonnes of coal against which LCs were opened.
- In the past, Bangladesh used to import 26 lakh to 27 lakh tonnes of coal annually from India, but it came down to 4-5 lakh tonnes recently as India allowed coal exports for a definite time slot, according to Ahmed.

<https://www.thedailystar.net/business/news/coal-import-india-comes-sudden-halt-1690396>

Biman achieves 5 stars in safety rating: official

New Age, January 20, 2019

- Biman Bangladesh Airlines has entered into safe airlines pool after achieving five stars by an international aviation safety rating. According to an Australian-based company called airlinesrating.com, Biman achieved five stars out of seven in terms of air safety as it has able to meet most of the major parameters regarding safety concern.
- The national flag carrier got three stars for achieving International Operational Safety Audit (IOSA), one star for not enlisted in the aviation blacklist of European Union and another star for not having any fatality record in last 10 years.
- 'These achievements are the result of the Bangladesh government's efforts in ensuring air safety of Biman Bangladesh airlines especially introducing flight SMS service and flight data monitoring,' Biman's Manager (PR) Shakil Meraj told BSS on Sunday.

<http://www.newagebd.net/article/62416/biman-achieves-5-stars-in-safety-rating-official>

China to provide \$72.5m grant for welfare projects

The Daily Star, January 21, 2019

- China will provide a grant of RMB 500 mn or approximately \$72.57 mn to Bangladesh under an agreement on economic and technical cooperation. Monowar Ahmed, secretary to Economic Relations Division (ERD), and Chinese Ambassador to Bangladesh Zhang Zuo signed the agreement at Central Procurement Technical Unit yesterday.
- The grant shall be utilised for welfare projects such as disaster management and bridge construction, according to an ERD statement. Detailed matters would later be stipulated in separate agreements, it said. Ahmed said economic relations between Bangladesh and China were gaining greater significance. He urged the Chinese ambassador to take initiatives to quickly implement commitments in the pipeline for Bangladesh's development.
- Zuo said the friendship between the two countries was a long lasting one and China always gave great importance to development assistance for Bangladesh. Other important projects or purchases completed with Chinese grant include an international standard conference centre, agricultural equipment, cooperation on hybrid rice technology, medical equipment, dredger and scanner for customs, said the statement.
- Ongoing ones include construction of China-Bangladesh Friendship Exhibition Center at Purbachal, a burn unit at Chattogram Medical College, rescue equipment for fire service and flood management planning.

<https://www.thedailystar.net/business/news/china-provide-725m-grant-welfare-projects-1690402>

BSC to add 26 more vessels to its fleet

New Age, January 21, 2019

- Bangladesh Shipping Corporation (BSC) is going to add 26 more vessels to its fleet, of which six will be collected soon as the government has given the necessary approval to this end.
- BSC's ship acquisition plan includes acquirement of a number of vessels of different types and sizes in addition to the replacement of the existing vessels of its fleet with a view to increase carrying capacity of export- import of the country in government sector following the 7th Five-year plan, Vision-2021 and 2041.
- BSC officials at its 300th meeting of the board of directors held at the auditorium of the Ministry of Shipping told the agency has acquired six vessels recently from China, of which three bulk carrier have already joined their duty, while the remaining three, which are oil tankers, will come next month.
- Presided over by state minister for Shipping and BSC chairman Khalid Mahmud Chowdhury, the meeting was attended, among others, by additional secretary Sanjay Kumar Banik, BSC managing director commodore Yahya Syed, financial adviser of the Ministry of the Finance Md Saiful Alam Hamidi, BSC executive director (finance) Md Habibur Rahman and BSC executive director (technology) Mohammad Eusuf.

<http://www.newagebd.net/article/62419/bsc-to-add-26-more-vessels-to-its-fleet>

International

China set to post slowest growth in 28yrs in 2018, more stimulus seen

New Age, January 21, 2019

- China is expected to report on Monday that economic growth cooled to its slowest in 28 years in 2018 amid weakening domestic demand and bruising US tariffs, adding pressure on Beijing to roll out more support measures to avert a sharper slowdown.

- Growing signs of weakness in China — which has generated nearly a third of global growth in the past decade — are stoking worries about risks to the world economy and are weighing on profits for firms ranging from Apple to big carmakers.
- Chinese policymakers have pledged more support for the economy this year to reduce the risk of massive job losses, but they have ruled out a ‘flood’ of stimulus like that which Beijing has unleashed in the past, which quickly juiced growth rates but left a mountain of debt.
- Analysts polled by Reuters expect the world’s second-largest economy to have grown 6.4 % in the October-December quarter from a year earlier, slowing from the previous quarter’s 6.5 % pace and matching levels last seen in early 2009 during the global financial crisis.
- That could pull 2018 gross domestic product (GDP) growth to 6.6 %, the lowest since 1990 and down from a revised 6.8 % in 2017. With stimulus measures expected to take some time to kick in, most analysts believe conditions in China are likely to get worse before they get better, and see a further slowdown to 6.3 % this year. Some analysts believe real growth levels are already much weaker than official data suggest.
- Even if China and the United States agree on a trade deal in current talks, which is a tall order, analysts said it would be no panacea for the sputtering Chinese economy unless Beijing can galvanise weak investment and consumer demand.

<http://www.newagebd.net/article/62404/china-set-to-post-slowest-growth-in-28yrs-in-2018-more-stimulus-seen>

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