



AFC Capital Ltd.

A Merchant Bank

Weekly Market Report

Week 14 of 2022

(Apr 03 to Apr 07, 2022)

Report Contents

- | | |
|---------------------------------------|----------------|
| <i>1. Market Commentary</i> | <i>Page 1</i> |
| <i>2. Market Events</i> | <i>Page 2</i> |
| <i>3. Secondary Market Highlights</i> | <i>Page 4</i> |
| <i>4. Primary Market Highlights</i> | <i>Page 8</i> |
| <i>5. World Stock Markets</i> | <i>Page 10</i> |





“Market experienced the top 3 lowest turnovers of the year in the week.”

Market Commentary of the week

1. DSEX ended in red for the week decreasing by **116.61 points (1.73%)** compared to the previous week. It stands at 6641.23 points, the 5th lowest DSEX value for the year.
2. The market moved downwards in the week as investors were cautiously trading in the market and taking profits in their holdings. This may also be due to the rise of prices of daily necessities in Ramadan and the clear lack of direction of the market.
3. Investor participation in this week was very low as the average daily turnover fell by 35.10% in the week. The turnover for the first trading day was BDT 837 Crore. The following 4 trading days saw a continuous decline of turnover. The turnovers of April 06, April 07, April 05 and April 04 were the 1st, 2nd, 3rd and 5th lowest turnover values respectively of the year.
4. Important Market Metrics:
 - a. Market Return this year (from Dec 30, 2021) is -1.71%
 - b. Market Capitalization as of today is BDT 532,540 Crore or USD 61,780 Million.
 - c. Average Daily Market Turnover this week is BDT 608 Crore or USD 71 Million.
 - d. Average Market Volatility this week is 0.30%, up by about 51.60% from the previous week.
 - e. Weighted Average Market P/E as of today is 15.39
 - f. Market Cap. to GDP as of today is 15.09%
5. Primary Market Updates:
 - a. Star Adhesives Ltd. has been oversubscribed by 22.61 times.
 - b. Meghna Insurance Co. Ltd. IPO subscription to start from May 11.
 - c. Achia Sea Foods Ltd. has availed approval to raise BDT 15 Crore via. QIO (Fixed Price Method).
6. Sectoral Updates:
 - a. The Engineering sector saw the largest increase growth in market cap of 3.22% while Paper and Printing sector saw the largest decrease in growth in market cap of 6.87%.
 - b. Sectoral Returns for this year (from Dec 30, 2021) are highest for Tannery Sector (17.48%) while lowest is for Insurance sector (-14.34%).



Market Events

Capital Market

1. BSEC has extended the deadline of submission of unclaimed dividend to CMSF for the third time. The new deadline is May 31, 2022. The regulator sounded that tougher action will be taken against the failed listed companies including financial penalty.
2. BSEC has asked the stock exchanges and securities settlement entities to go tough on the DPs who have failed to pay the due account maintenance fees. It has been found by the regulators that some DPs are deliberately delaying payment of fees for a long time. Currently around 50 brokerage firms have outstanding dues of around BDT 10 Crore.
3. BSEC has formed a committee to inquire into the financial performance of Meghna Pet Industries and Meghna Condensed Milk Industries Ltd. The two companies held AGMs regularly but did not notify the investors regarding the closure of their factories.
4. BSEC, on its 819th commission meeting, approved the QIO of Achia Sea Foods Ltd. of BDT 15 Crore in fixed price method.
5. BSEC eased investment rules in the SME board. The regulator has decreased the minimum investment limit to BDT 20 Lakh from BDT 50 Lakh. BSEC also cancelled the existent registration system and from now on CDBL will quarterly give an update of the list of eligible investors upon meeting the BDT 20 Lakh investment rule. This has spurred great investment activity in the SME market and the DSMEX rose by about 150% from March 5 to April 5 of 2022.
6. BCMIA has called on BSEC to stop the merger of Far Chemical and SF Textile. The body reported in the letter that Far Chemical manipulated its earnings and therefore its share price rose irrationally. The directors sold off the shares and made a whopping BDT 81 Crore. The association also informed DSE, CSE, the Prime Minister's Office, FID of the Ministry of Finance, ACC, DGFI and NSI about the status of Far Chemical.



7. BSEC will appoint a special auditor to look over the financials of Khulna Printing and Packaging Ltd. for the fiscal year of 2020-21, as the regulator found the statements suspicious.

Money Market

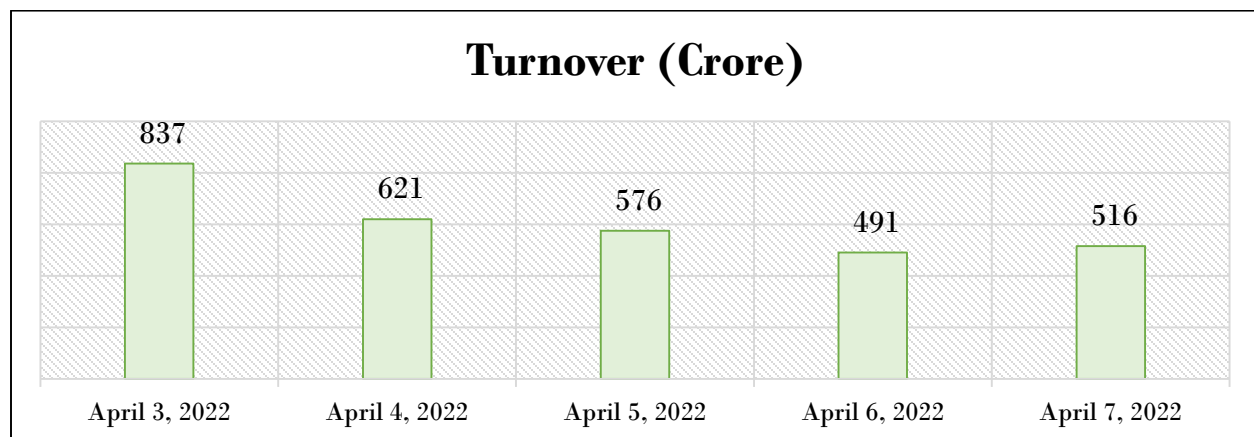
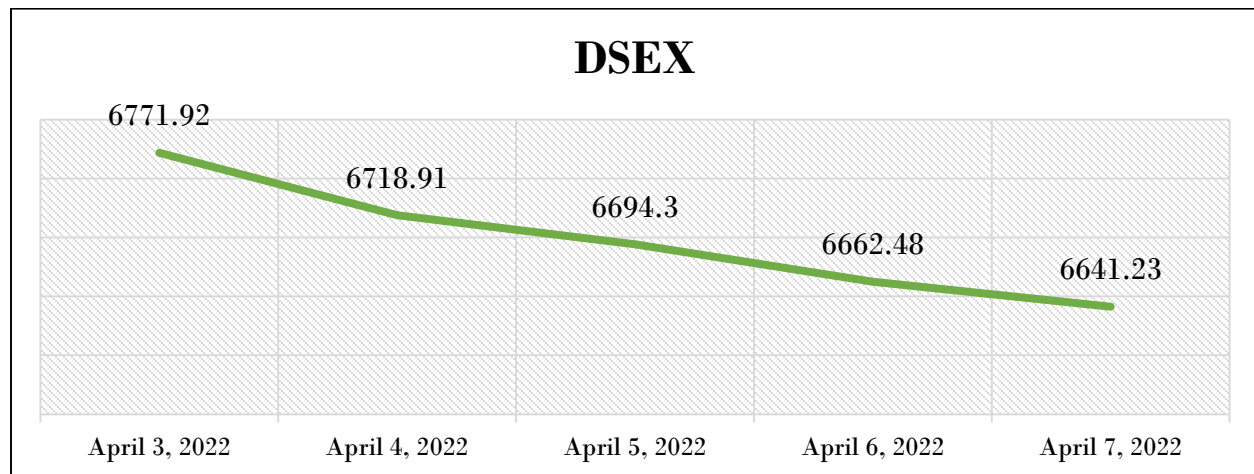
1. FID of the Ministry of Finance presented the Secured Transaction (Moveable Property) Act, 2022 at a cabinet meeting held at the Sangsad Bhaban yesterday. The act includes the provision that a borrower now can produce moveable products as collateral to secure a loan. The bank will provide loans after examining the value and other relevant particulars of the goods and give loan accordingly. The moveable properties can include physical assets like private cars, intellectual assets like copyrights, agricultural goods and financial assets like savings certificate, fixed deposits etc. The Prime Minister has approved the act in principle.



Secondary Market Highlights

Index Scenario

Indices	Current Week Apr 07 2022	Previous Week Mar 31 2022	Change	% Change	Return from Dec 30 2021	Return from Dec 27 2018
DSEX	6641.23	6757.84	-116.61	-1.73%	-1.71%	23.31%
DS30	2451.59	2474.01	-22.42	-0.91%	-3.20%	30.35%
DSES	1453.60	1468.11	-14.51	-0.99%	1.57%	17.91%





Market Statistics

Particulars	Current Week (Apr 03 - Apr 07 2022)	Previous Week (Mar 27 - Mar 31 2022)	Change	% Change
Average Daily Turnover (Crore)	608	937	-329	-35.10%
Average Daily Turnover Velocity	0.11%	0.17%	-0.060%	-34.41%
Average Market Volatility	0.30%	0.20%	0.10%	51.60%
Market P/E (Weighted Average)	15.39	15.63	-0.24	-1.54%
Market Cap. to GDP	15.09%	15.25%	-0.16%	-1.06%

N.B.

Average Daily Turnover Velocity is an indicator of the breadth and liquidity of the stock market, the higher the value, the higher the liquidity of the market. It is calculated as Average Daily Turnover div. by Market Capitalization.

Average Market Volatility is measured by averaging the Coefficient of Variation of DSEX (High, Close and Low Values) over the trading days.

Market Valuation

Particulars	Value				% Share in Value			
	Current Week Apr 07 2022	Previous Week Mar 31 2022	Change	% Change	Current Week Apr 07 2022	Previous Week Mar 31 2022	Change	% Change
Market Capitalization (Crore)	532,540	538,263	-5,724	-1.06%	-	-	-	-
Equity Market Capitalization (Crore)	465,461	471,129	-5,668	-1.20%	87.40%	87.53%	-0.1236%	-0.14%
Mutual Fund Market Capitalization (Crore)	3,955	4,003	-47	-1.18%	0.74%	0.74%	-0.0009%	-0.12%
Debt Market Capitalization (Crore)	63,123	63,132	-8	-0.013%	11.85%	11.73%	0.1245%	1.06%



Sector Valuation

Sector	Current Week Market Cap. (Crore) Apr 07 2022	Previous Week Market Cap. (Crore) Mar 31 2022	Change	% Change	Return from Dec 30 2021	Return from Dec 27 2018
Bank	68,805	71,127	-2,321	-3.26%	-6.89%	-12.75%
Cement	13,518	13,097	421	3.22%	6.47%	29.07%
Ceramics Sector	2,964	3,076	-112	-3.62%	-3.24%	-3.62%
Engineering	55,863	55,386	477	0.86%	-1.22%	-1.32%
Financial Institutions	19,890	19,983	-93	-0.47%	-12.90%	-10.88%
Food & Allied	41,344	41,983	-639	-1.52%	-7.46%	-79.42%
Fuel & Power	47,906	48,824	-918	-1.88%	0.77%	-5.54%
Insurance	18,432	19,414	-982	-5.06%	-14.34%	50.27%
IT Sector	3,913	4,114	-201	-4.88%	-2.77%	-3.71%
Jute	201	210	-10	-4.54%	-2.32%	-57.63%
Miscellaneous	25,314	25,707	-393	-1.53%	2.29%	121.76%
Mutual Funds	4,828	4,870	-42	-0.86%	0.92%	16.59%
Paper & Printing	3,369	3,618	-248	-6.87%	-2.00%	-10.72%
Pharmaceuticals & Chemicals	72,834	73,001	-166	-0.23%	1.70%	26.92%
Services & Real Estate	2,696	2,789	-93	-3.34%	5.25%	40.52%
Tannery Industries	4,025	4,274	-249	-5.83%	17.48%	40.42%
Telecommunication	64,337	65,508	-1,171	-1.79%	-8.89%	-9.51%
Textile	17,239	17,645	-407	-2.30%	7.30%	-4.69%
Travel & Leisure	2,923	2,945	-21	-0.73%	10.43%	6.91%



Top 5 of The Week

Gainers		Losers		Turnover Leaders	
<i>Security</i>	<i>% Change</i>	<i>Security</i>	<i>% Change</i>	<i>Security</i>	<i>% Share</i>
JMI Hospital Requisite Manufacturing Ltd.	60.45%	Uttara Bank Ltd.	-13.24%	Bangladesh Export Import Company Ltd.	6.50%
CAPM BDBL Mutual Fund 01	9.90%	Fortune Shoes Limited	-9.45%	IPDC Finance Limited	5.15%
Mozaffar Hossain Spinning Mills Ltd.	7.78%	Bangladesh National Insurance Company Limited	-9.41%	LafargeHolcim Bangladesh Limited	4.52%
Beacon Pharmaceuticals Ltd.	7.28%	Provati Insurance Company Ltd.	-9.34%	VFS Thread Dyeing Limited	2.56%
Rangpur Foundry Ltd.	5.80%	Genex Infosys Limited	-9.27%	GSP Finance Company (Bangladesh) Ltd.	2.53%

*Primary Market Highlights*Capital Raising in Progress (Equity)

Company	Amount to be Raised (Crore)	Method of Raising	EI/QI Amount (Crore)	GP Amount (Crore)	Face Value	Cut-off Price	Offer Price	Status
Star Adhesives Ltd.	5.00	QIO (Fixed Price)	5.00	N/A	10.00	N/A	10.00	Oversubscribed by 22.61 times
Meghna Insurance Co. Ltd.	16.00	IPO (Fixed Price)	4.00	12.00	10.00	N/A	10.00	Subscription from May 11 to May 18
Achia Sea Foods Ltd.	15.00	QIO (Fixed Price)	15.00	N/A	10.00	N/A	10.00	Approved in 819th Commission Meeting



Capital Raising in Progress (Debt)

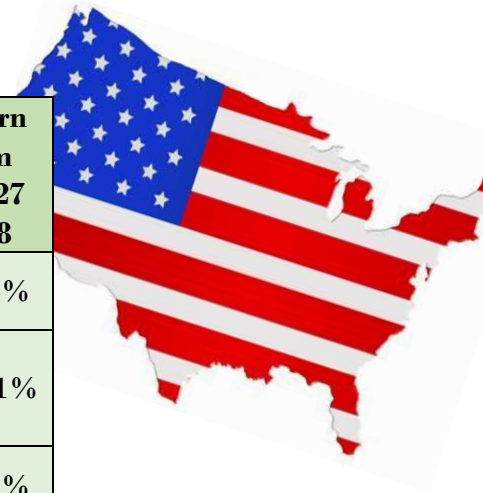
Company	Amount to be raised (Crore)	Method of Raising	Private Placement Amount (Crore)	EI and GP Amount (Crore)	Face Value	Coupon Rate	Status
AB Bank Perpetual Bond	600.00	Private Placement (90%) Public Issue (10%)	540.00	60.00	1,000.00	N/A	Subscription in progress (Jan 30 to May 22, 2022)
Mercantile Bank Perpetual Bond	500.00	Private Placement (90%) Public Issue (10%)	450.00	50.00	5,000.00	6% to 10%	Approved in the 815th Commission meeting
Bank Asia Perpetual Bond	500.00	Private Placement (90%) Public Issue (10%)	450.00	50.00	5,000.00	6% to 10%	Approved in the 813th Commission meeting



World Stock Markets

America

Indices	Current Week Apr 07 2022	Previous Week Mar 31 2022	Change	% Change	Return from Dec 30 2021	Return from Dec 27 2018
DJIA (USA)	34491	34799	-308	-0.89%	-5.24%	49.06%
NASDAQ Composite (USA)	14570	14851	-281	-1.89%	-11.32%	131.71%
S&P 500 (USA)	4489	4545	-56	-1.24%	-6.06%	80.37%



Europe

Indices	Current Week Apr 07 2022	Previous Week Mar 31 2022	Change	% Change	Return from Dec 30 2021	Return from Dec 27 2018
FTSE 100 (UK)	7576	7564	12	0.16%	2.34%	15.05%
EURO STOXX 50 (Eurozone)	3849	3923	-74	-1.89%	-10.61%	31.05%
DAX (Germany)	14224	14461	-237	-1.64%	-10.46%	37.01%
CAC 40 (France)	6539	6697	-158	-2.36%	-8.84%	42.18%
IBEX 35 (Spain)	8591	8485	106	1.25%	-1.41%	2.71%



N.B. All market data are up to 03:30pm, every Thursday of the week.



Asia

Indices	Current Week Apr 07 2022	Previous Week Mar 31 2022	Change	% Change	Return from Dec 30 2021	Return from Dec 27 2018
SSE (China)	3237	3283	-46	-1.40%	-10.56%	30.37%
FTSE Straits Times (Singapore)	3408	3419	-11	-0.32%	8.99%	11.92%
FTSE Bursa Malaysia (Malaysia)	1601	1602	-1	-0.06%	3.69%	-5.32%
Hang Seng Index (Hong Kong)	21809	22040	-231	-1.05%	-5.64%	-14.40%
Nikkei 225 (Japan)	26889	27666	-777	-2.81%	-6.61%	33.92%
JSX Composite (Indonesia)	7127	7079	48	0.68%	8.30%	15.12%
S&P BSE SENSEX (India)	59074	59277	-203	-0.34%	2.21%	64.98%
KSE 100 (Pakistan)	43903	45152	-1249	-2.77%	-1.15%	15.98%
Vietnam Ho Chi Minh (Vietnam)	1502	1516	-14	-0.92%	1.08%	66.70%
CSE All Share (Sri Lanka)	8554	8471	83	0.98%	-28.84%	42.14%

N.B. All market data are up to 03:30pm, every Thursday of the week.



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