

ICB announces NAV ... at last

Investment Corporation of Bangladesh (ICB), the state-owned asset management company for the first time in its history has announced the net asset value (NAV) of its 8 closed-ended listed mutual funds. However, the NAVs date back to July 31, 2002. The privately managed mutual funds are required to publish NAVs every month, which are not mandatory for ICB, creating an uneven playing field.

Funds	Year of issue	Face value	NAV
First ICB MF	April 1980	100.00	1,662.32
Second ICB MF	June 1984	100.00	324.81
Third ICB MF	May 1985	100.00	302.16
Fourth ICB MF	June 1986	100.00	318.00
Fifth ICB MF	June 1987	100.00	138.73
Sixth ICB MF	June 1988	100.00	113.94
Seventh ICB MF	July 1995	100.00	75.65
Eighth ICB MF	August 1996	100.00	95.86

The NAV of the lone private mutual fund AIMS First Guaranteed stood at Tk 1.02 against face value of Tk 1.00 as at October 31, 2002.

SEC decision made redundant

A recent SEC decision to impose penalty on Orion Infusion Ltd directors for defaulting in holding AGM will not be effective as the company had already declared date of the same two days before the decision of the regulatory body was taken. The listed company will hold its AGMs for the years ended on June 2001 and 2002 on 5th November. The company officials frowned at the sanity of the SEC that imposed penalty two days after the AGM notice was published in newspapers. The SEC decided to fine four directors including the MD with Tk1.8m for failing to hold AGM for two consecutive years.

EPB restructuring in the offing

Export Promotion Bureau (EPB) of the government is to undergo restructuring. Since the organization has failed to bolster export of local products and improve its slow pace, it is necessary that it needs a thorough restructure. The Commerce Minister observed that out of 275 EPB staffs 125 are clerical who allegedly slow down the pace of activities. In the restructuring it is proposed that at least 25% of the total staff will be recruited from the private sector, to bring in dynamism and efficiency. In another development, earlier the Ministry decided to wind-up the Trading Corporation of Bangladesh (TCB), the state-owned importing outfit.

Revenue outpaces target

Revenue collection has surpassed the target by Tk1.06b during the first 4 months of the current fiscal. For the period, revenue collection was Tk67.724b against a target of Tk66.66b, marking a surplus of 1.6% over the target and growth around 25% over that of the corresponding period in the last fiscal. Import duties collected is for Tk36.658b against target of Tk36.044b. While taxes on local goods were at Tk20.467b against the target of Tk18.76b. However, collection of income taxes was rather frustrating, only Tk9.84b against a target of Tk18.92b. The ministry is now contemplating withdrawal of self-assessment in personal income tax for professionals like doctors, engineers, architects and businessmen to augment collection.

Forwards halted and bonds rolled

The central bank has directed the foreign exchange dealers not to strike any forward sale deal without hedging through forward buying amid a frantic spree spurred by recent stronger showing of the Dollar, though this might make the importers vulnerable to currency rate fluctuations. It has also directed all banks to send daily foreign exchange transactions statement instead of a monthly basis following the renewed pressure on the reserve. The reserve is falling again after a respite and early in the week it was \$1.78b, which will go down to \$1.58b after making payments to the Asian Clearing Union next week. Meanwhile, the government launched two dollar denominated bonds, US\$ Premium Bond and US\$ Investment Bond, to improve the reserve situation. The bonds, in 500, 1,000, 5,000, 10,000 and 50,000 dollar denominations, will be sold only to non-resident Bangladeshis (NRBs) from next month. The Premium Bond could be purchased both through cash dollar or by the nominee of NRB from remittance proceeds, in Taka, but in both cases interest (ranging from 6.5 to 7.5%) will be paid in local currency. But the Investment Bond must be purchased through US dollar only and interests (ranging from 5.5 to 6.5%) will be paid in Dollars. Interests can be withdrawn every three months for both bonds.

Invigorating capital market : PM's intervention sought

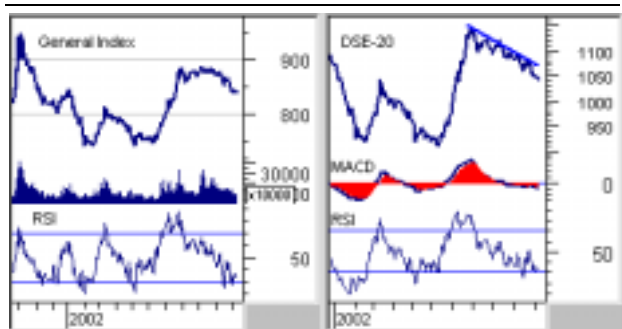
Investors in listed company stocks have sought the Prime Minister's intervention to stop persistent irregularities, forgeries and manipulation in the capital market. In a memorandum sent to the PM they identified 7 major reasons for the continuous bearish mood. Among those the most flagrant are irregularities in accounts and reporting, willful disclosures, and rampant corruption by the sponsors of the listed companies who raise public subscriptions by inflating asset values while issuing IPOs, and then recover the investments by deceiving the investors in the secondary market. Some of them criminally window-dress the accounts to show loss despite having huge profits just to avoid paying dividends to the ordinary shareholders, while some others try to wriggle out with a poor dividend. Sometimes they engineer the stock price to fall and buy back shares through third parties, and sell it the next year after raising the price through declaring lucrative dividend. The investors also informed that the existing indices of the stock exchanges are misleading and do not offer any perceivable meaning. Citing few specific irregularities by some well-known companies they demanded that the PM strike a longer wand on the capital market affairs to reign in these irregularities that rob billions from the small investors.

ADB chief in Bangladesh

The Asian Development Bank (ADB) chief Tadao Chino paid a 5-day official visit to reaffirm its pledge to cooperate Bangladesh in its development pace. The bank may lend about \$1.0b in a short period. The Bank has already approved a \$72m loan for the \$113m Dhaka Clean Fuel Project (DCFP), and \$200m for road communication infrastructure development. The ADB is ready to assist a gas pipeline project in the western region provided the proposed pipeline would carry gas for India as well. In gas sector alone ADB has so far provided \$4,243.6m as lending and technical assistance since 1975, while in education sector it has provided \$218.2m since 1984.

This week's data runs from 31 October 2002 to 07 November 2002

Stock Market Movement



	This Week	Last Week	+/- %
DSE General Index	839.86	842.36	-0.30
Average Daily Turnover, Tk	100,146,467	133,807,680	-24.81
Market Capital, Tk	67,434,557,440	67,635,376,128	-0.30
Market PEx*	7.00		
Market PBRx*	1.11		
Market EPS, Tk per Tk100*	33.67		
Market Dividend Yield,%*	6.63		
1 Year Cap. Appreciation, %	-15.98		

* PE is based on latest reported data of listed companies which registered positive earning, PBR is based on latest reported book values, companies with negative book value have been excluded. The companies earmarked as 'B' and 'Z' category by SEC have also been excluded from calculation. **1 year Holding Period Yield

Top Gainers

Company	Closing Price(Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Gachihata Aqua	53.25	40.00	33.13	3,152,528
Maq Paper	51.75	42.75	21.05	362,507
J H Chemicals	39.25	33.00	18.94	270,935
Wonderland Toys	73.50	62.00	18.55	1,064,633
Excelsior Shoes	23.25	19.75	17.72	539,080
Paragon Leather	23.50	20.25	16.05	400,220
Meghna Vegetable	36.25	31.25	16.00	94,013
Mark Bangladesh	22.25	19.50	14.10	1,113,323
Karim Pipe	43.75	39.25	11.46	875
Tallu Spinning	111.75	100.50	11.19	85,967

Top Losers

Company	Closing Price(Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Pubali Bank	264.25	309.75	-14.69	51,423
Monno Ceramic	288.75	327.00	-11.70	240,338
Quasem Drycell	16.00	17.80	-10.11	1,797,430
Petro Synthetics	5.00	5.40	-7.41	1,000
Satndard Ceramic	103.75	111.50	-6.95	12,753
Dandy Dyeing	92.25	98.00	-5.87	27,045
Gulf Foods	62.00	65.75	-5.70	991,693
Rupali Bank	101.00	106.75	-5.39	30,819
Orion Infusions	48.50	51.25	-5.37	458,290
Confidence Cement	255.00	268.25	-4.94	2,597,407

Top Turnover Companies

Company	Closing Price(Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
ISN Ltd.	21.40	21.50	0.47	15,274,680
Bangladesh Online	34.30	35.00	2.04	9,895,350
Maq Enterprise	35.25	39.00	10.64	5,984,728
Raspit Data	16.70	15.90	-4.79	5,223,230
Fine Foods Limited	14.80	16.20	9.46	4,107,420
Beximco Pharma	45.00	44.10	-2.00	3,552,486
Gachihata Aqua	40.00	53.25	33.13	3,152,528
GB JV Food	7.70	7.90	2.60	2,852,870
Midas Financing Ltd.	153.00	164.25	7.35	2,634,560
Keya Cosmetics	16.50	16.40	-0.61	2,607,810

Technical Talk

Market with blue chips plunged further

DSE General Index is falling gradually. Blue chips DSE-20 is has also continued fall. Average turnover has remained at a stable Tk 100.14 million. Ceramics dropped by 6%.

During the week, the blue chip DSE-20 declined 9.31 points (0.88 %) to close at 1043.16 (base being 1000), and the DSE General Index (A & B Category) fell 2.50 points (0.30%) closing at 839.85.

Based on the daily charts of DSE movement, which has been used to track short-term trends, the technical readings are as under:

Moving Average

The general index remain below both the 9-day and 18-day moving average line. Trends of the Moving A remained downward. Buy signal would occur if the Index crosses above the 9-day moving average line.

Relative Strength Index (RSI)

The RSI indicator again reached the oversold zone. Currently RSI is 33.39

Price Movement of AIMS First Guaranteed Mutual Fund



Technical Notes:

Support/Resistance Lines: Support/Resistance Lines are horizontal lines drawn on chart and are used to identify market retracement and price breakouts. These are indicators of psychological price levels.

Moving Average: Buy signal occurs when (1) price line goes above the moving average, (2) short term moving average crosses above the long term moving average. Opposite is true for sell signal.

Overbought: Description of a security or a market that has recently experienced an unexpectedly sharp price rise and is therefore vulnerable to a price drop. When a stock has been overbought, there is fewer buyers' left to drive the price up further.

Oversold: Description of a stock or market that has experienced an unexpectedly sharp price decline and is therefore due for an imminent price rise. When a stock has been oversold, there are fewer sellers left to drive the price down further.

RSI (Relative Strength Index): This indicator issues buy signal when the RSI line dips below the bottom line into the oversold zone; a sell signal is generated when the RSI rises above the top line into the overbought zone.

Stochastic-Slow: Sell signal happens when the SlowK (Solid line) goes below the SlowD (dotted line) and vice versa. This indicator is good for picking sells.

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Recently Listed

Company	Subscription Period	IPO (M.Tk)	Private Placement (M.Tk)	Trading started on DSE on
Square Textile Ltd.	Direct listing	251.90m		January 24, 2002
Al-Amin Chemical Ind.	October 15-16, 2001	10	10	January 28, 2002
Metro Spinning Mills Ltd.	November 11-12, 2001	15	15	March 14, 2002
Modern Cement Ltd.	January 19 - 20, 2002	40	60	March 14, 2002
Fine Foods Ltd.	January 07 - 08, 2002	15	17	April 24, 2002
Information Services Network Ltd.	February 17 - 18, 2002	10	25.59	May 19, 2002
Padma Cement Limited	April 08 - 09, 2002	38	100	June 26, 2002
Midas Financing Limited	July 14 - 15, 2002	15	29.60	October 26, 2002

Initial Public Offering

Company	Subscription Period	IPO (M.Tk)	Private Placement (M.Tk)	Purpose of the issue
Bdcom Online Limited	October 6-7, 2002	30	20	To expand existing business lines of software development and ISP
InTech Online Limited	October 12-13, 2002	25	-	To expand dial-up & cable modem system and to repay bridge finance
Fahad Industries Limited	November 9-10, 2002	25	-	To expand the product lines into salt and detergent

Sector Indicators

Sectors	PE	PBR	EPS	DY %	Sector Index	
					This Week	Last Week
Agro Processing	11.23	2.23	22.66	11.18	85.65	84.59
Cement	3.93	1.58	74.17	6.46	50.81	51.46
Ceramics	12.87	0.9	11.13	10.87	56.68	60.36
Commercial Banking	5.34	1.1	37.15	7.76	165.14	167.43
Engineering	12.66	2.07	21.23	5.1	108.55	109.54
Fishery	9.12	0.7	2.08	4.2	79.45	77.06
Food Processing	14.43	0.68	2.11	4.24	66.32	65.54
Fuel and Power	8.97	1.56	98.52	3.1	105.79	102.82
General Insurance	10.34	1.16	24.45	7.18	110.06	110.59
Information and Comm.	20.57	2.29	10.78	2.77	144.1	142.74
Jute	11.65	0.35	-24.07	2.75	108.83	112.51
Leasing	10.19	2.08	45.34	4.69	140.67	137.5
Leather	9.33	0.54	9.85	7.07	95.38	93.49
Life Insurance		4.96	0	6.02	158.19	154.04
Miscellaneous	7.33	1.07	10.68	5.15	95.65	96.06
Mutual Funds	8.07	0.89	18.72	6.77	104.83	111.41
Paper and Printing	15.74	0.46	-13.87	6.86	85.43	78.71
Pharma and Chemical	6.77	1.4	55.31	4.8	84.17	84.09
Services and Real Estate	14.64	0.5	4.1	3.33	67.89	68.4
Textile	4.98	0.6	13.68	6.84	43.96	44.16

Based on latest reported year of listed companies. Companies, which did not hold AGM for last two years, and new companies yet to report audited accounts have not been included in the calculation of the indicators. Companies that registered negative earnings have been excluded from PE calculation and those that have a negative book value have been excluded from calculation of PBR. Base period Index is 100 as on 01/01/2001.

Exchange Rate

	This Week		Last Week		Change %	
	T.T/O.D	BC	T.T/O.D	BC	T.T/O.D	BC
USD	61.2500	61.3300	58.8000	58.8500	4.17	4.21
EUR	61.9360	61.9866	58.7824	58.8323	5.36	5.36
GBP	96.3279	96.4065	92.4454	92.5240	4.20	4.20
AUD	34.9738	35.0023	33.1338	33.1620	5.55	5.55
JPY	0.5074	0.5078	0.4826	0.4831	5.14	5.11
CHF	42.1136	42.1480	39.9484	39.9823	5.42	5.42
CAD	39.5097	39	37.6923	37.7244	4.82	3.38
HKD	7.8611	7.8675	7.5464	7.5528	4.17	4.17
SGD	34.9541	34.9826	33.3958	33.4242	4.67	4.66
AED	16.8121	16.8259	16.1405	16.1543	4.16	4.16
SAR	16.4624	16.4758	15.8043	15.8173	4.16	4.16

Based on Standard Chartered selling rates to public in Taka.

Notes: USD-US dollar, GBP-Great Britain Pound, AUD-Australian Dollar, JPY- Japanese Yen, CHF-Swiss Franc, CAD-Canadian Dollar, HKD-Hong Kong Dollar, SGD-Singapore Dollar, AED-UAE Dirham, SAR-Saudi Riyal

Top 20 Beta

Midas Financing Limited	3.72
Maq Enterprise	2.77
Beximco Ltd	2.19
Legacy Footwear	2.14
Shinepukur Holdings	2.03
Beximco Pharma	2.00
Niloy Cement	1.90
Shyampur Sugar	1.88
GB JV Food	1.85
Padma Textile	1.84
Bangladesh Online	1.78
Tripti Industries	1.74
Aramit Cement	1.74
Confidence Cement	1.63
Zeal Bangla Sugar	1.58
Gachihata Aqua	1.58
Meghna Cement	1.57
Apex Foods	1.56
Square Textile	1.56
Rupali Bank	1.56

Beta indicates volatility of the stock's daily return relative to the market since last 365 days

Least 20 Beta

Metalex Corporation	-0.68
Dynamic Textile	-0.61
BEMCO	-0.46
Bangla Process	-0.46
Bangladesh Plantation	-0.30
Karim Pipe	-0.27
Libra Infusions	-0.27
Fine Foods Limited	-0.21
Social Investment Bank	-0.19
Hill Plantation	-0.18
Savar Refractories	-0.07
Pragati Insurance	-0.07
Sandhani Life Insurance	-0.05
7th ICB MF	-0.03
National Life Insurance	-0.03
Al Baraka Bank	0.01
Gemini Seafood	0.01
Respit Inc	0.02
Desh Garments	0.02
Pharma Aids	0.03

Top 20 Dividend Yield, %

Maq Enterprise	25.64	National Bank	13.53
Fu-Wang Ceramic	22.16	Rahim Textile	13.11
Meghna Shrimp	19.05	BATBC	12.99
NCC Bank	17.62	IFIC Bank	11.88
Gulf Foods	16.13	Rahima Foods	11.76
Sajib Knitwear	14.71	Confidence Cement	11.76
Niloy Cement	14.38	Beximco Fisheries	11.56
Southeast Bank	14.12	Anlima Yarn	11.48
M Hossain Garments	14.08	Eastern Housing	11.43
Prime Textile	13.70	Purabi General	11.43

Top 20 Market Capital

	Tk million
BATBC	5,544
Square Pharma	2,996
Singer Bangladesh	2,715
Eastern Bank	2,448
Islami Bank	2,188
Beximco Pharma	1,951
BOC	1,735
Chittagong Cement	1,707
Prime Bank	1,658
Bata Shoe	1,621
Glaxo Wellcome	1,423
Rupali Bank	1,263
Shinepukur Holdings	1,166
Padma Oil	1,066
AB Bank	1,046
IDLC	991
National Bank	954
Dhaka Bank	917
ACI	891
Monno Fabrics	886

Least 20 Market Capital

	Tk million
The Engineers	2.02
Petro Synthetics	2.10
Texpick Industries	3.93
Azadi Printers	4.06
Bd. Plantation	4.60
Beximco Flour	4.86
Himadri	4.95
National Oxygen	5.32
Pharma Aids	5.36
Bangladesh Hotels	5.40
Metalex Corporation	5.53
Eagle Box & Carton	5.80
Quasem Textile	6.07
Modern Industries	6.11
Therapeutics	7.69
Bangla Process	8.24
Rahima Foods	8.50
Modern Dyeing	9.03
AB Biscuit	9.18
Padma Printers	9.28

Yawer Sayeed, Managing Director & CEO
Mahmudul Bari, Head of Operations
Wasiq al Azad, Head of Research & Corporate Finance
Laila Mahmuda Shilpi, Assistant Manager, Research

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