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MONTHLY BUSINESS REVIEW

July 2010

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Industry and Equity Analysis Team

**Credit Risk Management
IDLC Finance Limited**

committed to you

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ECONOMY AND BUSINESS

Bangladesh one of the most convenient FDI destinations: WB

The FDI friendly index in the WB's latest report titled 'Investing Across Borders 2010' surveyed opportunities in 87 countries to boost global investment competitiveness. The report rated Bangladesh in the top of the list of countries which provide the strongest land or property lease rights to the foreign investors. Canada, Singapore, Costa Rica, Spain, UK, USA and France deliver such full-fledged facility. The report added that starting a foreign business in Bangladesh requires 55 days on an average, completing 9 procedures, in India 46 days with 16 procedures and in China 99 days with 18 procedures.

Bangladesh ranks fourth in global apparel export

Bangladesh secured the fourth position in the global apparel exports in terms of value followed by China, EU-27 countries and Turkey, according to a recent World Trade Organisation (WTO) report. China exported apparel items worth USD 115 bn, EU-27 countries USD 103.40 bn, Turkey USD 14 bn and Bangladesh more than USD 10 bn based on the export data of 2007. Bangladesh was the largest exporter of cotton T-shirts and was second largest exporter of cotton pullover and jeans to European countries in 2009. In terms of volume, the country was the second largest exporter of cotton trousers to the US last year. The latest data from Export Promotion Bureau (EPB) said Bangladesh fetched USD 12.59 bn from garment exports last fiscal year, and contributed around 80% to national exports.

BB announces first half yearly monetary policy for FY11

Bangladesh Bank (BB) on July 19, 2010 announced the first half-yearly monetary policy for current fiscal 2010-11 (FY11). Monetary policies in FY11 will maintain a growth supportive stance to help promote faster inclusive economic growth, with due vigil against inflationary pressures. BB's financial inclusion initiatives will continue strong support for adequate lending for agriculture, SMEs, renewable energy and other productive sectors; while discouraging expansion in lending for wasteful consumption and unproductive speculative investments.

MONETARY AGGREGATES(Y-o-Y GROWTH IN %)

	June 2010 (Estimated)	June 2011 (Prog.)
1. Net Foreign assets	34.6	4.2
2. Net Domestic Assets	15.8	17.6
Domestic Credit	18.4	17.9
Credit to Public Sector	9.4	25.3
Credit to Private Sector	21.1	16.0
3. Broad Money	18.8	15.2
4. Reserve Money	17.1	13.0

New farm credit policy targets BDT 126.174 bn disbursement

Bangladesh Bank (BB) on July 21, 2010 announced its Agricultural/Rural Credit Policy and Programme for the FY 2010-2011 with a target to disburse BDT 126.174 bn to the agriculture sector in the current financial year. Of the amount, state-owned specialized banks will disburse BDT 56.40 bn, public commercial banks BDT 25.75 bn, private banks BDT 30.49 bn, foreign banks in Bangladesh BDT 5.83 bn and Bangladesh Rural Development Board (BRDB) and Bangladesh Samabaya Bank Limited (BSBL) BDT 7.71 bn. Current agriculture loan target is approximately 9.6% higher than previous fiscal (2009-10), as per the circular.

Investments in EPZs

- Ishwardi EPZ is expected to get USD 7.33 mn investment by Q-Point Apparels Limited, a Garments Manufacturing

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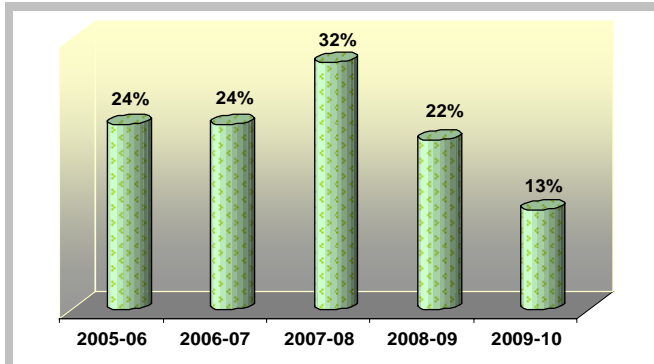
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Industry. The 100% local company will invest in setting up their unit and will produce garments items which will also create employment opportunity for 2,252 persons including seven foreign nationals.

Remittance growth slows

Inward remittance growth in the outgoing fiscal year was the lowest in the last five years mainly due to a drastic fall in the migrant outflow. In fiscal 2009-10, the remittance growth was only 13%, which was 4% lower than the government target. The growth was 22% in FY2008-09. Despite this declining growth, remittances sent by Bangladeshis working abroad reached USD 10.97 bn, a record in the country's history, in 2009-10.

REMITTANCE GROWTH



Overseas jobs grow at slowest pace in 4 yrs

Overseas employment in the first six months of the current year grew at its slowest pace in four years and the sector sees no sign of market restoration in its traditional job destinations. Bureau of Manpower and Employment Training (BMET) attributed the slide to massive fall in recruitment by the Persian Gulf countries, notably Saudi Arabia, and South-east Asia, the two major job markets for our desperate jobseekers.

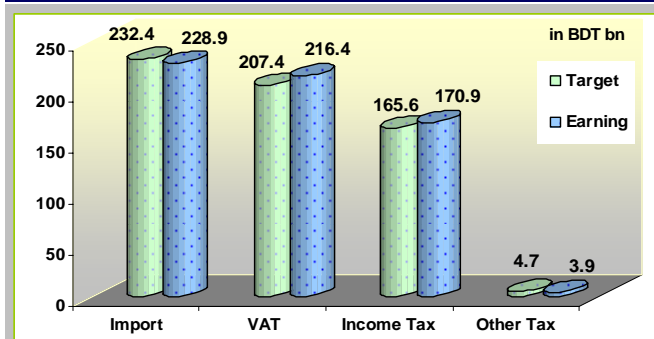
MANPOWER EXPORT

Year (Jan to Jun)	Total Employment
2007	335,403
2008	475,896
2009	250,900
2010	201,824

VAT, income tax collection overshoots targets: NBR

The National Board of Revenue (NBR) collected highest amount of revenue BDT 620.07 bn in the recently concluded FY 2009-10, exceeding its target by BDT 17 bn and showing a growth rate of 18.05%. VAT at local stage has achieved highest growth 24.51% over the previous fiscal (2008-09) followed by income tax 23.30% and import duty 9.68%.

AMOUNT OF COLLECTION BY NBR AGAINST ITS TARGET



BDT 11.73 bn undisclosed money whitened in 2009-10

An amount of around BDT 11.73 bn in undisclosed money was legalised in the just concluded fiscal under the government's offer for investment in four major sectors- share market, new industries, real estate, and BMRE (balancing, modernisation, rehabilitation and expansion). According to provisional data by National Board of Revenue (NBR), a total of 1,923 people availed of the opportunity in 2009-2010 declaring BDT 11.73 bn investment with 10% tax in these selected sectors. The NBR has collected tax worth BDT 1.23 bn from the disclosed amount. The highest amount, BDT 4.27 bn, was invested in share market while the highest number of people, around 1,320 persons, invested in apartments/flats.

UNDISCLOSED MONEY & TAX COLLECTION BY NBR

Area	Number of People	Amount Invested (BDT bn)	Tax Revenue (BDT bn)
Share Market	296	4.27	0.43
BMRE	145	2.57	0.26
Real estate	1,320	2.50	0.29
New Industry	162	2.39	0.25
Total	1,923	11.73	1.23

D-8 launches trade deal

A group of eight Muslim majority developing states D-8 (Developing-Eight) has launched a preferential trade agreement (PTA) to facilitate investment and economic cooperation among the members. The D-8 Business Forum in the Nigerian capital of Abuja on July 5, 2010 established the PTA to promote free trade among the member states. The agreement is also aimed at eliminating non-tariff barriers (NTBs) such as quotas, border charges, and fees and taxes on transactions. The D-8 comprises Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey, with a total population of 930 mn. It was set up in 1997 to promote economic cooperation and solidarity among the eight Muslim states.

Mobile subscribers reached nearly 60 mn

The number of mobile users in the country reached nearly 60 mn as of June 30, 2010 after the six operators added 13.29 mn subscribers in FY 2009-10. The Bangladesh Telecommunication Regulatory Commission's data, released on July 21, 2010, showed that the number of active users of mobile phones rose to 59.98 mn on June 30, 2010 from 46.69 mn on June 30, 2009. The operators added 1.52 mn new subscribers in June this year.

Service Provider	Total Subscribers	Total Subscribers
	June 30, 2010 [In Million]	June 30, 2009 [In Million]
GrameenPhone	26.46	21.16
Banglalink	16.10	11.04
Axiata (Bangladesh) Ltd [Robi]	11.10	8.85
Warid Telecom	3.17	2.58
PBTL (CityCell)	1.99	1.16
Teletalk	1.16	1.10
Total	59.98	46.69

Dhaka stocks see 100% growth in a year

Dhaka stocks on June 30, 2010 finished a buoyant financial year with the DSE general index grew by over 100% in 2009-10 fiscal. The general index of Dhaka Stock Exchange advanced by 3,143.41 points or 104.42% in last one year from 3,010.26 points on June 30, 2009. The benchmark index reached its all-time high of 6,332.68 on June 13, 2010. The major contributor to the surge in the index was Grameenphone, which added over 700 points to the market benchmark index. Banks, power and energy and non-banking financial institutions were the driving force of the market when investors bagged most of their gains from these sectors.

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SELECTED ECONOMIC INDICATORS

Item	Period/As of	Value/bn	Period/As of	Value/bn	+/(-)%
Broad Money (M2)	May'10	3,522	May'09	2,865	22.93%
Bank deposits	Apr'10	3,007	Apr'09	2,470	21.75%
Bank credit	Apr'10	2,653	Apr'09	2,206	20.25%
Total Domestic Credit	May'10	3,283	May'09	2,829	16.03%
Revenue Collection	Jun'10	93.51	Jun'09	78.21	27.09%
Export	Jul-May' 2009-10	14.491	Jul-May' 2008-09	14.140	2.48%
Opening of LC	Jul-Jun' 2009-10	28.657	Jul-Jun' 2008-09	21.803	31.44%
Foreign Exchange Reserve	Jun'10	10.749	Jun'09	7.470	43.90%
Workers' Remittances	Jun'10	0.878	Jun'09	0.919	-4.48%
Annual rate of Inflation	Apr'10	6.51%	Apr'09	7.49%	

Source: Selected Indicators: Weekly Update: July 29, 2010; Bangladesh Bank.

IMPORT LC STATISTICS

Figures in USD mn

Items	July-May 2009-10			July-May 2008-09		
	FLCO	SOLC	OSTLC	FLCO	SOLC	OSTLC
Capital Machinery	1,703	1,332	1,165	1,123	1,290	879
Textile Fabrics (B/B & Others)	3,115	2,580	1,874	2,787	2,813	1,383
Rice and Wheat	1,056	803	307	793	861	146
Chemicals & Chem. Products	1,886	1,662	-132	2,090	2,145	563
Petroleum & Petro Products	2,164	2,019	957	1,761	1,921	885
Edible Oil & Oil Seeds	956	968	286	850	841	278
Raw Cotton	1,666	1,220	843	1,140	1,131	430
Scrap Vessels	714	712	11	761	779	10
Pulses	411	298	165	236	190	107
Cotton Yarn	576	397	443	434	466	279
Paper and Paper Board	284	272	99	294	275	90
Synthetic Fibre & Yarn	361	227	182	268	273	135
Sugar and Salt	728	597	209	283	317	132
Others	10,107	7,714	6,011	7,120	6,609	3,160
Total	25,726	20,801	12,420	19,939	19,913	8,477

FLCO = Fresh LC Opening, SOLC = Settlement of LC, OSTLC=Outstanding LC
Source: Major Economic Indicators: Monthly Update; July 2010; Bangladesh Bank.

EXPORT STATISTICS

Figures in USD mn

Item	Jul-May 2009-10	Jul-May 2008-09	Change +/-
Knitwear	5,755.36	5,809.60	-0.93%
Woven RMG	5,391.00	5,395.89	-0.09%
Frozen Food	381.18	421.70	-9.61%
Home Textile	263.38	290.36	-9.29%
Leather	200.56	163.51	22.66%
Chemical Products	176.47	257.46	-31.46%
Foot Wear	180.83	169.77	6.51%
Engineering Products	243.16	170.23	42.84%
Agricultural Products	114.75	109.92	4.39%
Raw Jute	182.43	133.73	36.42%
Others	1,602.02	1,218.13	31.51%
Total	14,491.14	14,140.30	2.48%

Source: Export performance for the month of July-May 2009-2010; Export Promotion Bureau, Bangladesh

REGULATORY NEWS

Uniform Accounting Procedure for REPO Transactions

Considering the inherent risk involved in repo operation and its implications in the financial statements, Bangladesh Bank (BB) has decided to introduce a uniform accounting procedure for repo operation as a prudential measure aimed at better risk management. From now on, banks are advised to comply with the guidelines relating to repo operation in government securities, according to BB circular on July 15, 2010.

Restriction on multiple directorships in banks, financial institutions & insurance companies proposed

The Finance Minister placed two bills to amend Bank Company Act, 1991 and Financial Institution Act, 1993 with the objective of reducing 'related party transaction' and 'conflict of interests'. The Bank Company (Amendment) Bill 2010 debars a director of a bank company from becoming a director of another bank or any other financial institution or an insurance company. The Financial Institution (Amendment) Bill 2010, similarly, makes a director of a financial institution ineligible to become a director of any other financial institution or a bank or an insurance company. Amendments into the acts would cause wealth not to be concentrated in the hand of a few and it would help bring dynamism in the economy.

BB asks banks to submit half-yearly statements on CSR

Bangladesh Bank (BB) has asked the commercial banks to submit statements on Corporate Social Responsibility (CSR) on half-yearly basis with mentioning the initiatives of institutionalising corporate governance. The statement should reach BB within 30 days of each half-year end. The first statement as of June 30, 2010 for example, must be submitted by July 31, 2010, BB said in a circular. The banks will provide a short description of the initiatives of institutionalising corporate governance framework for the purpose of safeguarding the interests of stakeholders. The banks will also provide a brief description of the actions taken to reduce its adverse impact on environment as a result of its operation and business activity, according to the circular.

SEC squeezes share loans

From July 11, 2010 merchant banks and brokers are allowed to lend at 1:1 ratio to investors, meaning a client will get BDT 1 against his holding worth BDT 1. The earlier ratio of margin loan - a credit provided by merchant banks and brokers against securities held by investors - had been 1:1.5. On June 16, 2010 single-day turnover hit a new high of BDT 24.86 bn signalling liquidity glut in to the stock market. This excess liquidity possesses risk of loss especially for the new entrants, therefore SEC shrank margin loan limit to stabilize the market.

SEC puts cap on single-borrower exposure

Securities and Exchange Commission (SEC) issued a new directive on July 25, 2010 under which both merchant banks and brokerage houses are allowed to lend up to BDT 100 mn in margin loans to individual investors to recompense the slide in the indices. Single-borrower exposure has to be brought down in line with the latest directive by August 31, 2010. Earlier on July 21, 2010, SEC set a ceiling on the lending capacity of merchant banks and brokerage houses and limited it to BDT 100 mn and BDT 50 mn as margin loans to their clients. The decision impinged on the daily turnover, with the DSE General Index (DGEN) plunging by 204.75 points --- its highest single-day drop since November 06, 1996, when the index had lost 233 points --- to close at 6200, which is 3.19% down from the previous day.

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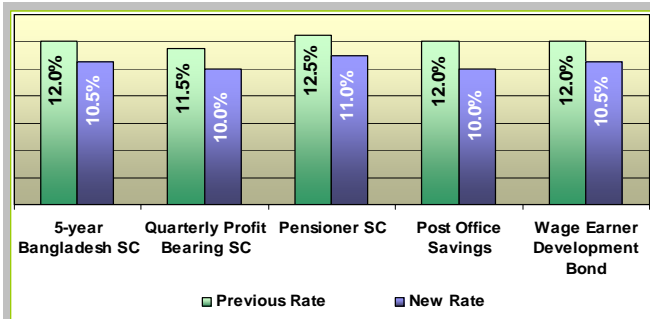
Deadline widens till September for stock market subsidiary

Securities and Exchange Commission (SEC) has extended the deadline to September 2010 for formation of subsidiary companies by financial institutions dealing with stocks. In December 2009, SEC ordered the banks, financial institutions (non-bank) and insurance companies, which are registered as stock brokers and stock dealers, to form separate subsidiary company by March to operate their stock brokerage and stock dealer activities. Later, it extended the deadline up to June.

Government slashes profit rates of savings instruments

The government has cut profit rates of savings instruments by maximum 2% and downsized investment ceiling with effect from July 01, 2010 according to a circular issued by the Internal Resources Division. Provision of automatic re-investment, in case of failure to encash, of the profit of savings tools has also been withdrawn from the current fiscal.

CHANGE OF INTEREST RATE ON SAVINGS CERTIFICATE (SC)



Government lifts ban on lube oil raw materials import

The government has amended the import policy to allow local private lube blending plants to import raw materials for lubricant oil, which had been barred since April this year. In an order on July 05, 2010 the Ministry of Commerce withdrew the Import Policy Order 2009-2012 ban on import of lube base oil. The government allowed raw materials import to encourage the locally based lubricant plants to supply their finished products at lower prices than those of imported ones.

INTERNATIONAL

IMF raises global growth forecast despite financial shocks

The International Monetary Fund (IMF) on July 8, 2010 raised its global growth forecast for this year despite renewed financial turbulence stemming from a European debt crisis that has sharply raised potential risks. The fund projected the world will grow by 4.6%, up from its 4.2% forecast in April, reflecting 'stronger activity' during the first half of 2010 and expectations of fiscal action, especially in Europe. The higher forecast was due to 'expectations of a modest but steady recovery in most advanced economies and strong growth in many emerging and developing economies,' the Washington-based IMF said. The fund however warned that 'downside risks have risen sharply amid renewed financial turbulence' sparked by a severe Greek budget crisis that threatened to spread across the eurozone.

Europe relieved by Stress Tests

The European banking system faced a moment of truth on July 23, 2010 when regulators reveal whether it is strong enough to cope with any fresh crisis or needs another huge injection of cash to keep it afloat. 7 of the 91 European banks that underwent stress tests have failed the health-checks, the Committee of European Banking Supervisors (CEBS) said. They include five

Spanish banks - Diada, Espiga, Banca Civica, Unnim and Cajasur. The other two were Germany's Hypo Real Estate and Greece's ATEbank. These seven banks would need a total of 3.5 bn euros of new capital to meet the standards required. The failed banks will have to agree with their respective supervisors a plan over a given time period which will explain how this weakness will be resolved. The stress tests were conducted on a bank-by-bank basis, in a move designed to reassure investors over the health of Europe's financial sectors, although many questioned the validity and austerity of the test.

MARKET ROUNDUP

WEEKLY CURRENCY ROUNDUP (25-29 July, 2010)

Global Markets, Standard Chartered Bank

Money Market

Call Money rate mostly traded at around 2.5%.

Foreign Exchange Market

Local: USD/BDT was stable on July 29, 2010 and the dollar demand was steady.

International: The euro hit an 11-week high against a broadly weak dollar on July 29, 2010 as month-end demand for the single currency helped push it beyond a key barrier. Market participants said some Asian central banks were buying the euro, helping to push the dollar to a three-month low versus a currency basket.

EXCHANGE AND FORWARD RATES: (As on July 29, 2010)

Major Currency Exchange Rates			Exchange Rate of Some Currencies		
Currency	BC Sell BDT	TT Buy BDT	Currency	Currency Per USD	BDT per Currency
USD	69.75	68.75	INR	46.71	1.48
EUR	92.50	88.05	PKR	85.65	0.81
GBP	110.32	105.97	LKR	112.60	0.62
AUD	63.91	60.21	THB	32.27	2.15
JPY	0.83	0.77	MYR	3.20	21.66
CHF	67.30	64.26	USD forward rate against BDT		
SEK	9.82	9.18			
CAD	68.63	65.63			
HKD	9.00	8.83			
SGD	52.39	50.18		Buy	Sell
AED	19.09	18.62	1 Month	68.80	69.91
SAR	18.70	18.24	2 Months	68.85	70.46
DKK	12.50	11.65	3 Months	68.93	70.77
KWD	239.01	235.22	6 Months	69.29	71.82

Source: Standard Chartered Bank

TREASURY BILL/BOND AUCTION INFORMATION

Auction Date	Tenure & Name of the Securities	Sale Value (in BDT mn)	Weighted Average Yield (%)
19-July-2010	91 days T. Bill	860.774	2.44
26-July-2010	182 days T. Bill	1,754.924	3.55
26-July-2010	364 days T. Bill	767.358	4.26
21-July-2010	5 years T. Bond	280.000	7.88
07-July-2010	10 years T. Bond	900.000	8.79
14-July-2010	15 years T. Bond	627.009	8.85
29-July-2010	20 years T. Bond	112.500	9.20

Source: Bangladesh Bank Website

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INTERNATIONAL COMMODITY PRICES

Commodity	Unit	Price on July 25, 2010 (USD/unit)	Price on June 25, 2010 (USD/unit)	Change +/-
Platinum	Ounce	1,555	1,725	-9.86%
Gold	Ounce	1,211	1,140	6.27%
Palladium	Ounce	471	555	-15.14%
Silver	Ounce	18.36	17.89	2.63%
Nickel	Tonne	21,050	27,000	-22.04%
Tin	Tonne	17,800	18,910	-5.87%
Lead	Tonne	1,825	2,305	-20.82%
Aluminium	Tonne	2,025	2,340	-13.46%
Zinc	Tonne	1,925	2,415	-20.29%
Copper	Tonne	6,860	7,765	-11.65%
Crude Oil	Barrel	73.97	83.96	-11.90%
Sugar	Pound	0.1830	0.1625	12.62%
Maize	Bushel	3.90	3.64	7.14%
Coffee	Tonne	1,724	1,667	3.42%
Cocoa	Tonne	2,967	3,119	-4.87%
Wheat	Bushel	6.01	4.73	27.06%

Source: The Financial Express

IDLC NEWS

IDLC Finance celebrates “Silver Jubilee” of its operations

IDLC Finance Limited recently celebrated the silver jubilee of its operations in Bangladesh with a corporate night at Radisson Water Garden Hotel Dhaka. Dr. Atiur Rahman, Governor of Bangladesh Bank attended the function as chief guest. Numerous other dignitaries, diplomats, senior officials from the financial sector and corporate houses also attended. Chairman of IDLC Anwarul Huq and CEO & Managing Director Selim R.F. Hussain both thanked key stakeholders and valued customers for their continuous support and patronage.



IDLC began operations in 1985 as Bangladesh's first ever leasing company. Over the years the company has evolved as an innovative financial solutions provider and role model for all competitors. Currently IDLC is operating through 18 branches in four cities, employs 560+ staff and has diversified into the Corporate, SME, Retail, and Capital Market segments.

Inauguration of IDLC Merchant Banking office

IDLC Finance Limited has recently relocated the corporate office of merchant banking division from Peoples Insurance Bhaban to Eunoos Trade Centre, level 21, 52-53 Dilkusha Commercial Area, Dhaka. Chairman Anwarul Huq, CEO & Managing Director Selim R.F. Hussain and other senior officials of IDLC Finance Limited inaugurated the new Merchant Banking office at Eunoos Trade Centre in Dilkusha on July 08, 2010.



IDLC Finance Limited got Merchant Banking license from SEC in 1998. Since then the company ranks amongst the top merchant bankers and portfolio managers in the country. Currently the merchant banking services are being offered from five distribution centres, i.e., Gulshan, DOHS, Sylhet, and Chittagong besides their main distribution hub in Eunoos Trade Centre, Dilkusha.

IDLC has published un-audited half-yearly report for 2009

IDLC Finance Limited has published its un-audited financial statements for the half year ended on June 30, 2010. According to the un-audited half yearly accounts as on June 30, 2010, the performance highlights (consolidated) are as follows:

Particulars	2010 (Jan – Jun)	2009 (Jan – Jun)	% Increase
	Consolidated	Consolidated	
Net Profit (BDT mn)	735.97	304.43	141.75%
Earnings per share (BDT)	122.66	50.74	142.00%
Execution of lease & term loans (BDT mn)	2,087.00	1,620.97	28.75%
Net Operating cash Flow per share (BDT)	188.66	57.63	227.36%

As per un-audited half yearly accounts as on June 30, 2010, IDLC Finance Ltd has also reported net profit after tax of BDT 491.75 mn with EPS of BDT 81.96. During the first half of 2010, IDLC opened branches at Savar and Narayanganj and recruited 82 new staffs.

IDLCSL Uttara branch goes into operation through soft opening

Operation of Uttara branch of IDLC Securities Limited (IDLCSL) has started from July 20, 2010. In this connection the branch organized a soft opening on July 20, 2010.



Arif Khan, Deputy Managing Director of IDLC & Director of IDLCSL; Md. Saifuddin, Managing Director of IDLCSL; and Md. Masud Sajjad, Manager & IDLC Uttara Branch In-Charge; other senior officials of IDLC & IDLCSL and some prospective clients participated in the opening ceremony.

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Extension of SME Division at Dilkusha Branch

IDLC Finance Limited has extended its SME division on 13th floor of Eunoos Trade Centre, 52- 53 Dilkusha Commercial Area.



IDLC CEO & Managing Director Selim R.F. Hussain inaugurated the extended SME division on July 05, 2010. Deputy Managing Director Arif Khan, General Manager and Chief Financial Officer HM Ziaul Hoque Khan, Head of SME Zahid Ibne Hai and other senior officials were present at the event.

Personal Finance Division of IDLC organizes an “Annual Get Together” programme

Personal Finance Division (PFD) of IDLC Finance Ltd. organized an annual get together at Nabab Nawab Ali Senate Bhaban Auditorium, University of Dhaka on July 24, 2010. The program started with an opening speech of DGM & Head of PFD Shaikh Kamruzzaman. IDLC CEO & Managing Director Selim R.F. Hussain, Deputy Managing Director Arif Khan and all members of Management Committee were also present as invited guests.



All the employees of PFD including the sales team were present in the program. This was a day long program consisting of speeches from honourable guests, different team building games, award distribution and raffle draw. Best performers from different departments of PFD were also recognized in this program.

IDLC Finance launches a campaign called “Score n Win”

SME division of IDLC Finance Limited has launched a sales campaign- “Score n Win” to motivate its force to achieve their business targets. Those who will qualify the benchmark will be awarded with holiday package in Nepal. All the Customer Relationship Executives (CRE) and Sales Team Leaders, Sales Team Manager and SME booth & branch managers will win the prize if they achieve the pre-specified targets within the next three months (July’10 to September’10). One person from Credit Risk Management (CRM) of Small Business Finance (SBF) will accompany the campaign winners.

NEWS IN BRIEF

ECONOMY

- **Asian Development Bank (ADB)** extended financial assistance to Bangladesh to grow high-value crops including vegetables, spices and fruits that will boost income for the poor farmers and support the nation's food security. A loan of USD 40 mn was sanctioned to support the development of high-value crops in 27 districts in the southwest and northwest of the country.
- **Foreign Direct Investment (FDI) in Bangladesh** has declined by 36% and stood at USD 700 mn last year compared to 20.11% decline in other South Asian countries and 14% in the least developed nations, according to the World Investment Report (WIR), 2010. The sector-wise FDI inflow fell in telecoms, power, gas and petroleum by 60% and 49% respectively. However, textiles and wearing, banking, and food products attracted more FDI.

BUSINESS-GENERAL

- **Private Commercial Banks' half-yearly operating profit records robust growth.** Operating profit shot up by around BDT 20.79 bn in the first six months of the current calendar year, recording a 64% growth over that of the same period last year. A total of 27 PCBs earned BDT 53.29 bn as operating profit during the January-June period of 2010 as against BDT 32.50 bn of the corresponding period of the previous year. The country's economic situation is being accelerated as the SME sector is booming everyday. The rate of default loan of the commercial banks showed declining trends ultimately resulting in increase of the six month's operating profits of the commercial bank.

BUSINESS - FIRM SPECIFIC

- **EXIM Bank has completed Core Banking System (CBS),** a comprehensive IT-based programme to spur the business growth of the bank. "In a period of only one year we have completed implementation of T24, a Swiss-based IT solution in all the 55 branches of the bank," Kazi Masihur Rahman, managing director & CEO of EXIM Bank told the FE in an interview.
- **AB Bank unveils index fund.** An index fund is a collective investment scheme (usually a mutual fund or exchange-traded fund) that aims to replicate the movements of an index of a specific financial market, or a set of rules of ownership that are held constant, regardless of market conditions. The fund with a portfolio of BDT 200 bn will be invested on top 100 securities of the stock market. The bank will select top 100 securities of the market based on fundamentals and will make changes from time to time.
- **United Airways,** the first aviation company listed with the bourses, begins trading of its shares on the Dhaka and Chittagong stock exchanges on July 12, 2010. United Airways offered 10 mn shares with face value of BDT 100 each to raise BDT 1 bn through an IPO.

TRAINING / SEMINARS / WORKSHOPS

- **AB Bank** organized a day-long training programme for women entrepreneurs on Entrepreneurship Development for Women Entrepreneurs at ABBL Training Academy in Dhaka. The

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training programme was arranged for SME customers with a focus to increase awareness regarding proper banking activities while applying for SME loans, it is a step forwards involving the vast number of women population in the economic activities of the country.

programme will offer 120 vulnerable women - selected from shelters run by the government and NGOs - a month training in knitwear manufacturing and subsequent job placement at a BKMEA-member knitwear factory.

REWARDS AND RECOGNITIONS

- **Citi wins 13 Euromoney Awards.** Citi has received 13 major product and regional awards in the annual Euromoney Awards for Excellence including Banker of the Year honors for Vikram Pandit, Chief Executive Officer of Citigroup. Citi was also awarded Best Global Transaction Banking House for its Global Transaction Services business, which offers integrated treasury and trade solutions along with securities and fund services to multinational corporations, financial institutions and public sector clients in over 100 countries around the world.
- **Janata Bank wins NY magazine award.** Global Finance, a New York-based magazine has announced the award among the best banks of 123 countries in the world. Depending on 11 important indices based on achieved growth and abstract amelioration, the jury board of 'Global Finance' has awarded this prize.
- **World acclaim for Dhaka Chamber of Commerce and Industry (DCCI).** DCCI has won the fourth Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) Award in big chamber category. The evaluation committee assessed the performance of the participating chambers on outstanding services to the member-bodies regarding policy advocacy efforts, training programs, outstanding services to community and country, employment-generation activities and participation in CACCI activities and projects. After assessing performance, the juries awarded DCCI with certificate of finalist, award crest and USD 2,000 as the best local chamber.
- **Concord Engineers and Construction Limited won the International Quality BID Award** at the 24th International Quality Summit in New York recently. The International Quality Summit is part of the annual programme of Business Initiative Directions Awards (BID) that is designed to recognize outstanding companies, organizations and businessmen. BID, a private organization that presents a quality award, is headquartered in Madrid, Spain.

CSR ACTIVITIES IN THE MONTH

- **AB Bank Limited** as part of its corporate social responsibility initiatives continued to assist Bangladesh Organization for Disabled Advancement, an NGO in its project of 'Mainstreaming of Persons with Disabilities through Applied ICT Training'. Under Phase III, a fully accessible website will be developed by the NGO to ensure visually impaired students to have full access to contemporary information of the world.
- **Premier Bank Limited** has donated BDT 0.1 mn for Dhaka University Senate assembly as a part of the bank's Corporate Social Responsibility (CSR). The Senior Executive Vice President and Head of Corporate Marketing Division Dewan Anwarul Latif handed over a cheque for the amount of money to Treasurer of Dhaka University Prof Mizanur Rahman at a function on the DU campus recently.
- **International Organization for Migration (IOM) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA)** has launched a pioneering public-private partnership and CSR venture initiative to re-train women trafficking survivors for the job market. The 1 year pilot

INTERNATIONAL

- **American consumer spending decreased by 0.5% in June 2010** when compared with the consumer expenditure a month earlier. Despite this reduction in consumer spending retail sales continued to grow at 4.8% in the year to the end of June.
- **The British economy expanded by 1.1% during the three months to the end of June**, after growing by a sluggish 0.3% in the previous quarter.
- **China economy grows by 9.1% in 2009** in an upward revision that narrows the gap even further with the world's number two economy Japan. The country's nominal GDP hit 34.0507 TN yuan in 2009, which based on the central bank's average yuan-dollar exchange rate for the year, equals USD 4.98 TN.

UPCOMING EVENTS

Event	Period	Location
Asian International Trade Exhibition & Conexpo- 2010	02-08 Aug 2010	Dhaka, Bangladesh
Food Expo	12-16 Aug 2010	Hong Kong
Bangladesh International Travel and Tourism Fair, EBL BTTF 2010	30 Sep- 02 Oct 2010	Dhaka, Bangladesh
Thailand International Logistics Fair 2010	07-11 Oct 2010	Bangkok
Eco Expo Asia	03-06 Nov 2010	Hong Kong
BANGLA PLAST 2011	20-23 Apr 2011	Dhaka, Bangladesh

MANAGEMENT CHANGE - BANKS & FIS

Organization	Position	Name
One Bank Limited	Chairman (Re-elected)	Zahur Ullah
Pubali Bank Securities Limited	Chairman	Moniruddin Ahmed
IFIC Bank	Chairman	Salman F Rahman
Rajshahi Krishi Unnayan Bank	Chairman	M Shah Nawaz Ali
One Bank Limited	MD (Re-appointed)	Farman R Chowdhury
Rajshahi Krishi Unnayan Bank	MD	Pradip Kumar Dutta
Investment Corporation of Bangladesh (ICB)	MD	Md. Fayekuzzaman
Sadharan Bima Corporation	MD	Md. Rezaul Karim
Agrani Bank Limited	MD	Syed Abdul Hamid
Premier Leasing and Finance Limited	MD	SM Shamsul Alam

Note: The information in this and the preceding pages has been compiled from press reports and miscellaneous publicly available sources unless otherwise specified. The authenticity and correctness of the information has not been verified.

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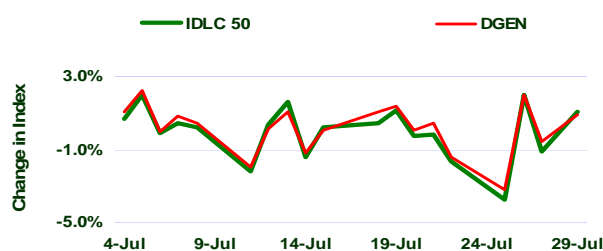
CAPITAL MARKET REVIEW

PERFORMANCE OF IDLC 50 IN JULY 2010

Inst Code	Sector	Market Cap (BDT mn)	Turnover (BDT mn)	Monthly Av. P/E	Last Trading Day Price	Weekly Return (%)				Monthly Return (%)	Cash Dividend (BDT)	Stock Dividend (%)
						29-Jul-10	29-Jul-10	1-29 Jul'10	4-8 Jul'10			
ABBANK	Bank	31,444.15	403.19	10.16	1,226.25	3.19%	-3.62%	-6.06%	-5.82%	-12.00%	20.00	25.00%
CITYBANK	Bank	19,963.17	85.59	52.43	1,016.50	7.97%	-2.30%	-8.50%	2.42%	-1.14%	-	25.00%
IFIC	Bank	18,184.11	51.93	27.33	1,042.75	-4.37%	0.62%	-0.47%	3.40%	-0.97%	-	25.00%
ISLAMIBANK	Bank	41,420.81	65.17	21.57	558.75	-3.41%	-1.99%	-8.20%	0.81%	-12.39%	10.00	20.00%
NBL	Bank	34,028.56	153.08	23.67	771.25	10.51%	-0.45%	-10.54%	2.97%	1.35%	-	55.00%
PUBALIBANK	Bank	35,413.70	132.78	26.37	712.75	8.97%	-3.66%	-12.68%	-1.42%	-9.64%	5.00	30.00%
UTTARABANK	Bank	25,421.32	42.44	23.84	1,061.00	-2.01%	1.19%	-6.00%	0.35%	-6.46%	-	50.00%
EBL	Bank	19,299.26	29.43	24.34	660.75	2.23%	-3.21%	-0.19%	1.07%	-0.19%	20.00	17.00%
ALARABANK	Bank	22,965.44	162.34	33.80	98.20	1.60%	2.41%	-3.59%	4.36%	4.69%	-	30.00%
PRIMEBANK	Bank	32,203.25	23.97	27.82	557.50	4.16%	-3.48%	-8.72%	0.04%	-8.19%	10.00	30.00%
SOUTHEASTB	Bank	26,319.87	38.45	31.43	379.75	2.08%	-3.41%	-8.00%	2.36%	-7.15%	-	35.00%
DHAKABANK	Bank	13,304.64	27.45	16.56	500.25	1.28%	-2.15%	-5.92%	1.63%	-5.26%	-	25.00%
NCCBANK	Bank	19,422.91	69.03	22.92	431.50	-3.97%	0.06%	-6.84%	2.19%	-8.53%	-	47.00%
MTBL	Bank	9,347.36	19.13	11.73	441.00	-3.09%	-1.89%	-4.90%	2.08%	-7.69%	-	20.00%
BANKASIA	Bank	18,339.22	24.73	28.45	610.75	0.49%	-0.97%	-9.09%	1.37%	-8.30%	-	40.00%
MERCANBANK	Bank	15,606.73	55.08	20.68	383.25	2.77%	-3.69%	-8.03%	1.46%	-7.65%	-	22.00%
BRACBANK	Bank	19,548.50	120.83	15.06	730.25	10.63%	1.98%	-9.52%	-0.58%	1.49%	-	30.00%
SHAHJABANK	Bank	15,567.17	119.99	20.96	454.50	-0.86%	-3.27%	-8.21%	-1.41%	-13.22%	-	25.00%
HEIDELCEM	Cement	19,882.20	81.58	23.42	3,518.75	12.76%	-0.01%	-1.88%	1.51%	12.29%	38.00	-
CONFIDCEM	Cement	4,918.19	271.47	(166.22)	1,961.00	9.39%	0.08%	7.11%	0.32%	17.64%	10.00	20.00%
ATLASBANG	Engineering	6,842.67	69.67	27.85	513.20	-0.41%	0.14%	18.85%	-1.69%	16.53%	7.50	33.33%
BSRMSTEEL	Engineering	34,829.91	204.51	(19.41)	2,088.75	9.71%	-7.03%	-1.54%	-1.21%	-0.77%	-	15.00%
IDLC	Financial Institutions	22,482.00	102.32	27.70	3,747.00	5.69%	-2.41%	-1.66%	2.31%	3.77%	10.00	100.00%
UTTARAFIN	Financial Institutions	12,867.03	102.29	25.82	3,249.25	10.60%	-4.95%	-5.05%	7.59%	7.40%	-	25.00%
PRIMEFIN	Financial Institutions	3,225.54	337.02	36.09	357.40	4.66%	-4.04%	-90.02%	7.91%	-89.18%	10.00	40.00%
LANKABAFIN	Financial Institutions	24,599.19	398.86	32.95	463.00	-1.83%	1.73%	-1.46%	2.23%	0.61%	1.50	20.00%
ILFSL	Financial Institutions	9,171.29	46.42	46.15	1,801.25	9.83%	-2.91%	-4.82%	0.85%	2.36%	-	75.00%
DBH	Financial Institutions	10,060.98	34.87	42.48	2,492.50	5.78%	3.97%	-8.69%	6.70%	7.16%	17.00	15.00%
BATBC	Food & Allied	40,044.00	165.39	18.17	667.40	17.91%	-0.84%	5.30%	3.06%	26.88%	30.00	-
BOC	Fuel & Power	11,926.57	150.05	31.02	783.70	10.17%	2.29%	3.50%	3.86%	21.13%	17.70	-
DESCO	Fuel & Power	39,550.09	218.39	24.08	2,469.25	4.11%	2.28%	-2.87%	4.10%	7.67%	25.00	20.00%
POWERGRID	Fuel & Power	38,066.31	74.47	23.01	1,044.75	6.44%	-2.61%	-1.76%	0.10%	1.93%	27.00	-
TITASGAS	Fuel & Power	90,336.08	396.32	22.04	1,054.75	7.70%	-3.32%	-1.96%	0.38%	2.48%	27.00	-
BGIC	Insurance	2,510.71	23.37	55.85	546.50	1.04%	-2.42%	-1.70%	2.10%	-1.04%	-	10.00%
GREENDELT	Insurance	7,339.13	14.53	29.36	1,797.75	4.08%	5.67%	-8.14%	6.39%	7.49%	25.00	-
NATLIFEINS	Insurance	9,224.99	6.51	na	6,602.25	34.33%	-28.54%	-11.34%	-2.52%	-17.04%	-	55.00%
RELIANCINS	Insurance	3,870.18	4.72	31.65	1,272.25	3.79%	-2.90%	-0.97%	3.84%	3.62%	-	30.00%
FAREASTLIF	Insurance	5,277.89	34.70	na	2,720.00	17.32%	-34.31%	-1.10%	1.08%	-22.96%	-	45.00%
GQBALLPEN	Miscellaneous	1,203.62	39.82	359.74	267.90	7.64%	-3.84%	4.51%	2.29%	10.66%	3.50	-
BEXIMCO	Miscellaneous	48,709.98	726.63	52.59	304.50	-0.54%	-1.21%	0.10%	3.61%	1.91%	-	60.00%
BXPHARMA	Pharm. & Chem.	28,958.65	173.22	52.48	150.50	-1.37%	1.73%	2.11%	0.40%	2.87%	-	15.00%
ACI	Pharm. & Chem.	8,033.26	18.70	13.41	414.00	2.15%	-1.33%	3.81%	-0.07%	4.55%	10.50	-
SQURPHARMA	Pharm. & Chem.	57,199.78	81.63	30.59	3,790.50	-1.29%	-3.48%	0.53%	0.74%	-3.51%	35.00	30.00%
ACIFORMULA	Pharm. & Chem.	5,289.00	116.52	38.74	176.30	7.64%	-2.80%	2.44%	-14.46%	-8.32%	2.50	-
MARICO	Pharm. & Chem.	18,881.10	184.85	57.86	599.40	4.03%	15.77%	9.23%	10.57%	45.45%	2.50	-
APEXTANRY	Tannery	2,678.05	66.44	16.91	1,757.25	10.00%	-2.01%	6.71%	3.05%	18.53%	21.00	-
BATASHOE	Tannery	8,956.30	39.64	19.52	654.70	7.97%	-0.22%	-0.88%	3.49%	10.52%	10.50	-
GP	Telecommunication	348,917.53	134.86	110.40	258.40	1.65%	0.79%	1.57%	5.34%	9.63%	6.00	-
BEXTEX	Textile	33,397.64	537.28	(50.01)	71.60	2.58%	-1.73%	4.64%	9.48%	15.48%	-	15.00%
SQUARETEXT	Textile	10,912.40	215.78	41.98	132.80	5.83%	5.25%	0.65%	7.88%	20.95%	1.60	15.00%
NBL	Bank	31,444.15	403.19	10.16	1,226.25	3.19%	-3.62%	-6.06%	-5.82%	-12.00%	20.00	25.00%

* Earnings and dividend figures are the latest as available (audited) from DSE archives in the period of the review. "-" indicates "not available" or "zero".

MOVEMENT OF IDLC 50 AND DGEN



IDLC 50 & DGEN HIGHLIGHTS- JUL 2010

	IDLC 50	DGEN
Index Value - July 29, 2010	6,515.14	6,342.76
Index Value - June 30, 2010	6,570.89	6,153.68
Monthly Return (%)	-0.85%	3.07%
Highest Index Value	6,792.00	6,495.20
Lowest Index Value	6,397.90	6,200.22
Standard Deviation of the Index	± 118.95	± 79.49
Total Turnover - July 29, 2010 (BDT mn)	6,697.42	13,593.52

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DSE* TOP 15 APPRECIATING ISSUES IN THE MONTH

DSE CODE	SECTOR	MONTHLY APPRECIATION	MONTHLY Av. P/E RATIO	LAST TRADING DAY P/E RATIO	LAST TRADING DAY PRICE	STD. DEV. OF PRICES/ Av. PRICE	Av. MARKET CAPITALIZATION BDT mn	CASH DIV. IN BDT	STOCK DIV.
UNITEDAIR	TRAVEL & LEISURE	190.4%	na	na	367.0	11.1%	6,623.08	-	-
MARICO	PHARM. & CHEM.	38.5%	57.9	70.6	599.4	12.7%	15,464.84	2.5	-
DAFODILCOM	IT-SECTOR	36.6%	84.1	99.0	61.6	8.7%	1,195.60	-	12.00%
SINGERBD	ENGINEERING	29.6%	77.3	93.7	6,392.8	7.4%	11,827.40	30.0	-
DACCADYE	TEXTILE	29.0%	59.9	68.9	43.5	9.2%	1,701.95	-	-
APEXWEAV	TEXTILE	28.9%	(2.4)	(2.8)	142.0	11.6%	472.44	-	-
RAK CERAMIC	CERAMIC	27.2%	na	na	220.0	13.0%	44,889.76	-	-
LAFSURCEML	CEMENT	27.2%	47.7	52.7	576.0	7.5%	30,330.19	-	-
BATBC	FOOD & ALLIED	24.5%	18.2	19.4	667.4	6.3%	37,588.11	30.0	-
KEYADETERG	PHARM. & CHEM.	24.0%	23.0	25.4	79.5	6.1%	1,284.29	1.0	-
OLYMPIC	ENGINEERING	23.5%	36.7	41.2	2,285.0	7.1%	4,730.12	10.0	20.00%
BDFINANCE	FINANCIAL INSTITUTIONS	22.1%	62.4	66.1	1,208.5	6.0%	5,019.99	-	20.00%
AFTABAUTO	ENGINEERING	20.2%	231.9	253.4	331.9	5.6%	13,318.01	10.0	40.00%
OCL	SERVICES & REAL ESTATE	20.2%	2.8	3.2	175.0	7.8%	4,088.21	1.0	10.00%
BERGERPBL	MISCELLANEOUS	20.2%	37.0	39.2	979.6	5.7%	21,445.13	15.0	-

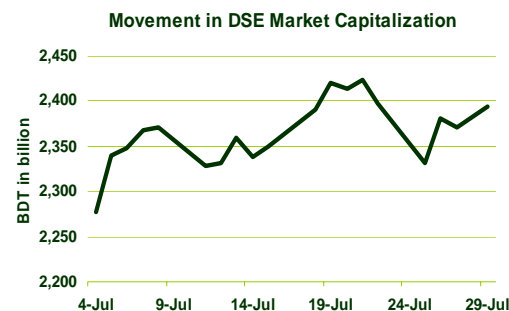
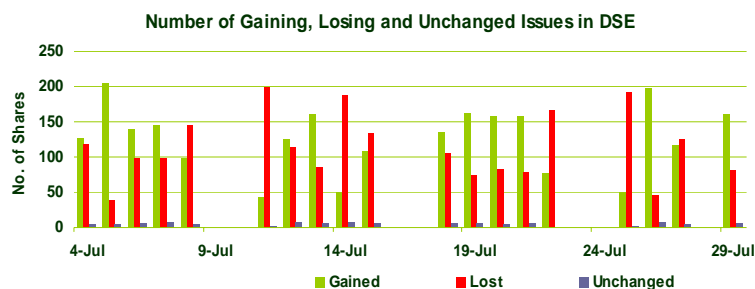
*The above is based on all DSE A, N-Category Stocks and selected B & Z category stocks. Earnings and dividend figures are the latest as available (audited) from DSE archives in the period of the review. "-" indicates "not available" or "zero". For further information, please write to creditriskmgt@idlc.com

DSE* TOP 15 DECLINING ISSUES IN THE MONTH

DSE CODE	SECTOR	MONTHLY DECLINE	MONTHLY Av. P/E RATIO	LAST TRADING DAY P/E RATIO	LAST TRADING DAY PRICE	STD. DEV. OF PRICES/CAPITALIZATION Av. PRICE	Av. MARKET CAPITALIZATION BDT mn	CASH DIV. IN BDT	STOCK DIV.
MAKSONSPIN	TEXTILE	-31.2%	54.8	45.4	64.8	27.2%	4,096.73	-	20.00%
SANDHANINS	INSURANCE	-25.4%	na	na	2,956.8	11.9%	3,096.60	-	45.00%
MEGHNALIFE	INSURANCE	-19.7%	na	na	2,507.3	14.1%	3,427.50	-	-
FAREASTLIF	INSURANCE	-19.3%	na	na	2,720.0	19.1%	6,328.26	-	45.00%
AIMS1STMF	MUTUAL FUNDS	-17.8%	37.0	38.3	12.6	6.2%	2,048.54	-	-
PRIMELIFE	INSURANCE	-16.3%	na	na	2,486.0	16.3%	3,511.66	-	-
SHAHJABANK	BANK	-13.8%	21.0	19.0	454.5	4.4%	17,138.44	-	25.00%
ISLAMIBANK	BANK	-12.7%	21.6	20.2	558.8	3.8%	44,191.95	10.0	20.00%
ABBANK	BANK	-12.1%	10.2	9.2	1,226.3	6.1%	34,723.70	20.0	25.00%
STYLECRAFT	TEXTILE	-12.0%	29.0	28.1	3,000.0	4.6%	170.50	30.0	-
STANDBANKL	BANK	-11.3%	17.4	16.5	398.5	4.6%	13,297.82	-	20.00%
NATLIFEINS	INSURANCE	-11.1%	na	na	6,602.3	17.9%	11,419.74	-	55.00%
PREMIERBAN	BANK	-10.8%	24.4	23.2	51.7	4.1%	15,900.40	-	30.00%
BIFC	FINANCIAL INSTITUTIONS	-9.9%	79.3	73.5	789.0	5.1%	3,767.21	10.0	22.50%
SIBL	BANK	-9.4%	76.5	72.3	36.3	4.2%	11,473.21	-	11.00%

*The above is based on all DSE A, N-Category Stocks and selected B & Z category stocks. Earnings and dividend figures are the latest as available (audited) from DSE archives in the period of the review. "-" indicates "not available" or "zero". For further information, please write to creditriskmgt@idlc.com

DSE CAPITALIZATION AND GAINING, LOSING & UNCHANGED ISSUES



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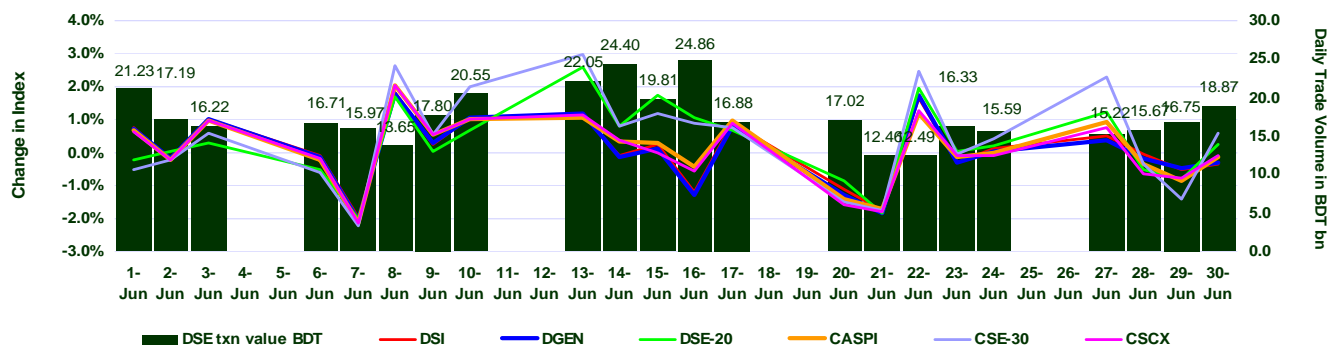
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DSE* INDUSTRY-WISE STATISTICS

Sector/Industry	Capitalization BDT mn (Avg.)	% Sector Caps	Number	Simple Av. Price Change in Period	Simple Av. P/E Ratio	Weighted Av. P/E Ratio
Bank	640,214	28.09%	30	-4.82%	27.31	38.48
Cement	60,032	2.63%	4	15.95%	30.77	50.96
Ceramic	52,090	2.29%	4	12.04%	150.29	(121.33)
Corporate Bond	3,793	0.17%	2	-0.63%	-	-
Engineering	98,226	4.31%	16	11.14%	53.24	61.40
Financial Institutions	289,831	12.72%	21	7.07%	58.08	46.02
Food & Allied	45,217	1.98%	10	6.48%	51.04	25.13
Fuel & Power	286,005	12.55%	10	5.67%	51.54	30.35
Insurance	102,272	4.49%	40	1.40%	39.29	131.34
IT-Sector	3,964	0.17%	5	14.95%	70.36	62.87
Jute	269	0.01%	2	2.03%	17.32	57.18
Miscellaneous	76,073	3.34%	9	3.82%	53.25	26.64
Mutual Funds	27,457	1.20%	26	6.03%	23.14	41.63
Paper & Printing	4	0.00%	1	0.00%	-	-
Pharm. & Chem.	166,354	7.30%	18	6.44%	48.10	30.70
Services & Real Estate	21,617	0.95%	5	10.62%	34.16	26.37
Tannery	14,517	0.64%	3	10.70%	17.79	17.21
Telecommunication	329,431	14.46%	1	9.83%	110.40	110.40
Textile	54,902	2.41%	15	9.95%	29.73	44.98
Travel & Leisure	6,623	0.29%	2	95.18%	-	113.05
TOTAL	2,278,888	100.00%	224	5.76%		

*The above includes all DSE A, G, N-Category Stocks and selected B & Z category stocks. Earnings and dividend figures are the latest as available (audited) from DSE archives in the period of the review. For further information, please write to creditriskmgt@idlc.com

MOVEMENT OF DSE AND CSE INDICES



FORTHCOMING IPO APPROVED BY SEC

Name of the issue	Sponsors' Equity and Pre-IPO paid up capital (BDT mn)	IPO Amount (BDT mn)	Public Offer (in unit)	Date for subscription
First Janata Bank Mutual Fund	1,000.00	1,000.00	100,000,000	01-05 Aug 2010
Green Delta Mutual Fund	750.00	750.00	75,000,000	10-17 Aug 2010
Popular Life First Mutual Fund	1,000.00	1,000.00	100,000,000	22-26 Aug 2010
Active Fine Chemicals Limited	240.00	160.00	16,000,000	14-20 Sep 2010

Source: DSE Website

INTERNATIONAL MARKET MOVEMENTS

Markets	Index July 28 th	One Week	% Change on	
			Dec 31 st 2009 In local currency	In USD
United States (DJIA)	10,497.9	+3.7	+0.7	+0.7
United States (S&P 500)	1,106.1	+3.4	-0.8	-0.8
United States (NASComp)	2,264.6	+3.5	-0.2	-0.2
Japan (Nikkei 225)	9,753.3	+5.1	-7.5	-1.7
China (SSEA)	2,760.4	+3.9	-19.7	-19.1
Britain (FTSE 100)	5,319.7	+2.0	-1.7	-4.9
Canada (S&P TSX)	11,696.6	+1.6	-0.4	+0.7
Germany (DAX)	6,178.9	+3.1	+3.7	-5.9
Hong Kong (Hang Seng)	21,091.2	+2.9	-3.6	-3.7
India (BSE)	17,957.4	-0.1	+2.8	+2.3
Pakistan (KSE)	10,436.3	+2.0	+11.2	+9.5
Singapore (STI)	2,985.4	+2.0	+3.0	+5.9

Source: The Economist

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DIVIDEND DECLARATIONS IN JULY

DSE Code	Dividend Declaration			DSE Code	Dividend Declaration			DSE Code	Dividend Declaration		
	Cash	Stock	Right		Cash	Stock	Right		Cash	Stock	Right
APEXSPINN	15.00%	-	-	EBL1STMF	20.00%	-	-	SQURPHARMA	35.00%	30.00%	-
BDWELDING	-	-	2 : 1	RUPALILIFE	-	10.00%	-				

UN-AUDITED HALF YEARLY RESULTS DECLARED IN JULY

DSE Code	Profit (BDT mn)	EPS (BDT)	DSE Code	Profit (BDT mn)	EPS (BDT)	DSE Code	Profit (BDT mn)	EPS (BDT)
ABBANK	2,256.20	70.39	EXIMBANK	834.54	2.47	PARAMOUNT	9.11	6.07
ACI	284.42	14.66	FEDERALINS	8.76	7.81	PHOENIXFIN	108.14	24.74
ACIFORMULA	46.49	1.55	FIDELASSET	57.84	12.87	PRAGATIINS	71.10	16.67
ALARABANK	794.69	3.40	FIRSTSBANK	247.05	10.74	PREMIERBAN	474.41	1.63
ARAMIT	46.62	7.77	GLAXOSMITH	311.78	25.88	PRIMEFIN	1,013.10	11.23
ARAMITCEM	35.18	25.13	GOLDENSON	97.11	2.18	PRIMEINSUR	36.43	17.70
ASIAINS	28.09	17.02	GP	4,832.95	3.58	PUBALIBANK	1,707.50	34.37
ASIAPACINS	31.43	14.84	HEIDELBCEM	601.21	106.40	RAKCERAMIC	351.52	1.53
AZIZPIPES	2.52	5.20	IBNSINA	20.72	23.02	RECKITBEN	82.04	17.36
BANKASIA	1,046.33	34.85	ICBIBANK	(752.05)	(113.14)	RNSPIN	204.89	19.14
BATASHOE	195.24	14.27	IDLC	735.96	122.66	RUPALIBANK	810.50	64.84
BATBC	1,542.78	25.71	IFIC	573.82	32.91	SHAHJABANK	894.21	26.11
BDLAMPS	23.15	32.12	IPDC	19.62	2.28	SIBL	156.53	0.52
BDSERVICE	112.41	3.02	ISLAMIBANK	2,708.33	36.53	SINGERBD	203.82	90.83
BDWELDING	10.62	1.02	ISLAMICFIN	51.08	12.82	SONARGAON	9.78	8.96
BERGERPBL	412.17	17.77	ISNLTD	4.04	0.45	SOUTHEASTB	697.22	15.09
BOC	331.67	21.79	JAMUNABANK	403.65	18.10	STANDBANKL	688.80	21.71
BRACBANK	839.33	30.82	KPCL	313.54	1.31	SUMITPOWER	556.96	2.00
BSRMSTEEL	549.90	32.98	LAFSURCEML	235.68	4.06	TRUSTBANK	657.93	35.60
CITYBANK	730.79	37.21	MTBL	474.40	22.38	ULC	251.81	47.69
CONFIDCEM	128.54	51.25	NBL	2,156.35	48.87	UNIONCAP	169.61	3.12
DHAKABANK	801.60	30.14	NCCBANK	1,065.97	24.29	UNITEDAIR	17.78	5.09
DHAKAINS	21.56	14.38	NHFIL	80.00	15.39	UNITEDINS	101.00	33.67
DUTCHBANGL	1,070.05	53.50	ONEBANKLTD	1,040.93	66.79	UTTARAFIN	372.58	94.09

UN-AUDITED QUARTERLY RESULTS DECLARED IN JULY

DSE Code	Profit (BDT mn)	EPS (BDT)	DSE Code	Profit (BDT mn)	EPS (BDT)	DSE Code	Profit (BDT mn)	EPS (BDT)
ACI	143.64	7.40	FIRSTSBANK	158.44	6.89	ONEBANKLTD	695.97	44.66
AFTABAUTO	63.20	1.94	GEMINISEA	1.09	9.88	PRAGATIINS	33.82	7.93
ASIAPACINS	16.94	8.00	GOLDENSON	47.46	1.06	PRIMEFIN	648.29	7.18
BANKASIA	387.55	12.91	GP	1,675.78	1.24	PUBALIBANK	1,030.51	20.74
BATASHOE	91.64	6.70	HEIDELBCEM	271.03	47.97	RAKCERAMIC	238.97	1.04
BATBC	918.87	15.31	ICBIBANK	(350.98)	(52.80)	RECKITBEN	41.48	8.78
BDSERVICE	36.24	0.97	IDLC	354.36	59.06	SALAMCRST	30.37	3.70
BDWELDING	6.15	0.59	IFIC	378.19	21.69	SHAHJABANK	547.94	16.00
BERGERPBL	208.59	9.00	ISLAMIBANK	1,390.11	18.75	SINGERBD	152.36	67.90
BRACBANK	512.89	18.62	ISNLTD	1.91	0.21	SOUTHEASTB	518.42	11.22
BSRMSTEEL	63.44	3.80	JAMUNABANK	261.34	11.72	SUMITPOWER	295.51	1.06
CONFIDCEM	75.11	29.95	KPCL	168.02	0.70	TRUSTBANK	370.81	20.07
DHAKAINS	11.16	7.44	MAKSONSPIN	120.95	2.31	ULC	214.09	40.55
DUTCHBANGL	644.93	32.25	MARICO	146.37	4.65	UNIONCAP	114.44	2.10
EXIMBANK	792.30	2.35	MTBL	273.37	12.90	UNITEDAIR	10.37	1.04
FEDERALINS	4.37	3.89	NBL	1,559.61	35.35	UNITEDINS	91.41	30.47
FIDELASSET	35.92	8.00	NCCBANK	769.07	17.52			

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MUTUAL FUNDS VALUE DECLARED IN JULY

DSE Code	NAV (BDT/Unit)	Face Value (BDT/Unit)	DSE Code	NAV (BDT/Unit)	Face Value (BDT/Unit)	DSE Code	NAV (BDT/Unit)	Face Value (BDT/Unit)
1STBSRS	1,751.93	100	ICB3RDNRB	11.19	10	First ICB	10,651.04	100
1STPRIMFMF	21.45	10	ICBAMCL1ST	678.89	100	Second ICB	3,418.33	100
AIMS1STMF	6.11	1	ICBAMCL2ND	146.47	100	Third ICB	2,568.75	100
DBH1STMF	12.52	10	ICBEPMF1S1	12.76	10	Fourth ICB	2,892.23	100
EBL1STMF	15.41	10	ICBISLAMIC	355.41	100	Fifth ICB	2,395.00	100
GRAMEEN1	57.19	10	IFIC1STMF	12.42	10	Sixth ICB	869.28	100
GRAMEENS2	19.95	10	PF1STMF	11.22	10	Seventh ICB	1,430.39	100
ICB1STNRB	480.58	100	PRIME1ICBA	12.39	10	Eighth ICB	1,024.06	100
ICB2NDNRB	225.79	100	TRUSTB1MF	13.05	10			

SELECTED DSE NEWS OF THE MONTH

DSE CODE	NEWS
ASIAPACINS	SEC has approved the Rights offer of Asia Pacific General Insurance Co. Ltd. for 21,17,500 Ordinary Shares of BDT 100 each at an issue price of BDT 150 per share (including a premium of BDT 50 each) totalling BDT 317.625 mn only at a ratio of 1R: 1, i.e., one rights share for one existing share.
BDCOM	SEC has given consent to the company, under the provisions of the SEC (Issue of Capital) Rules, 2001, for raising of capital through issuance of 246.4 mn Fully Convertible, 12% Dividend p.a. Preference Shares of BDT 10 each totalling BDT 246.4 mn only through existing ordinary shareholders and private placement.
DSE NEWS	As per decision of the Board of Directors of DSE, a new sector namely "Travel and Leisure" has been created. Companies like Airlines, Transportation companies, Hotels etc. shall be listed under the same. As such, United Airways (BD) Ltd. shall be listed under "Travel and Leisure" sector. Besides, Bangladesh Hotels Ltd. and Bangladesh Services Ltd. shall be incorporated under "Travel and Leisure" sector from their existing "Services and Real Estate" sector
PHOENIXFIN	The Board of Directors of the company has decided that the proposed Phoenix Finance 2nd Mutual Fund shall be renamed as PHOENIX FINANCE INDEX FUND subject to the approval of the concerned authorities. Other terms and conditions will remain unchanged.
PRIMELIFE	The Board of Directors has decided to purchase of 3,75,00,000 ordinary shares of BDT 10 each being 50% of paid up capital of Prime Islami Securities Limited, a Public Limited Company incorporated and Registered with Joint Stock Companies and Firms, Dhaka, Bangladesh to carry on Stock Brokerage functions, Fund management and other related business.
RECKITTBN	The Board of Directors of the company has recommended interim cash dividend @ 150% (BDT 15 per share of BDT 10 each) for the year ended December 31, 2010. Record date for entitlement of interim dividend: August 18, 2010.
SEC NEWS	SEC has fixed the maximum limit for credit facility provided by the merchant bankers (portfolio managers) to their individual clients in the following manner: (1) Merchant bankers (portfolio managers) can provide credit facilities up to BDT 100 mn to each of their approved individual clients or their spouse or any of their dependent persons in single or joint name thereof collectively; and (2) Merchant bankers (portfolio managers) shall not provide credit facilities to any of its directors or their spouse or any other person dependent upon them The Merchant bankers (portfolio managers) who have provided credit facilities exceeding the aforesaid limit in favour of the persons mentioned in serial No. (1) or provided credit facilities to the persons mentioned in serial No. (2) shall be adjusted by August 31, 2010, latest, to implement this directive. This directive shall have effect from July 25, 2010. (Ref.: SEC Order No. SEC/CMRRC/2001-43/52 dated July 22, 2010).
SUMITPOWER	SEC has given consent to the company, under the provisions of the SEC (Issue of Capital) Rules, 2001, for raising of capital through issuance of 3,00,00,000 Fully Convertible, 2.5% Dividend Preference Shares of BDT 100 each at par totalling BDT 3 bn only through existing ordinary shareholders and private placement.

FINANCIAL GLOSSARY

Margin	This allows investors to buy securities by borrowing money from a broker. The margin is the difference between the market value of a stock and the loan a broker makes.
Margin call	A demand for additional funds because of adverse price movement.

Source: Forbes.com

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IDLC Securities Limited, a fully owned subsidiary of IDLC, offers full-fledged international standard brokerage service for retail and institutional clients. It has seats on both the Dhaka and Chittagong Stock Exchanges. It is also a Depository Participant (DP) of Central Depository Bangladesh Limited (CDBL).

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