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## Stock Market & Company

### Dhaka stocks rise as insurance companies shine

The New Age, October 02, 2023

- Dhaka stocks gained on Monday amid volatility as investors went for buying small-cap insurance companies' share after a sharp fall in the previous session, market operators said. DSEX, the key index of the Dhaka Stock Exchange, advanced by 8.03 points, or 0.12 per cent, and settled at 6,272.93 points on Monday after losing 19.73 points on Sunday.
- The turnover on the DSE decreased to Tk 465.93 crore on Monday compared with that of Tk 531.93 crore in the previous trading session. Out of the 282 issues traded on Monday, 87 advanced, 58 declined and 137 remained unchanged.
- On the sectoral front, general insurance issues exerted the highest turnover, followed by food and allied and bank stocks. The DSE Shariah index gained 0.23 points, or 0.01 per cent, to close at 1,357.60 points on Monday.
- The DS30 index decreased by 1.06 points, or 0.04 per cent, to finish at 2,134.62 points on the day. Republic Insurance Company Limited topped the turnover chart on the day with its shares worth Tk 21.83 crore changing hands

<https://www.newagebd.net/article/213874/dhaka-stocks-rise-as-insurance-companies-shine>

### Foreign investment key to Bangladesh's development: BSEC chairman

The Business Standard, October 02, 2023

- It is not possible for Bangladesh to become a developed nation by 2041 without foreign investments, Professor Shibli Rubayat Ul Islam, the chairman of the Bangladesh Securities and Exchange Commission (BSEC), has stated.
- "Therefore, inflow of foreign investment is now the most crucial factor for the development of Bangladesh," he said. The BSEC chief made the observation while presiding over the inaugural function of the seventh annual World Investor Week at its headquarters in Dhaka on Monday. The programme will continue till 12 October. The International Organization of Securities Commissions launched the programme.

- Foreign investment is, he said, now very crucial for Bangladesh. "There are many areas in our country where investment opportunities exist. Through investment, we can further accelerate development in all sectors including agriculture, healthcare and technology. For this, our country needs branding, which we are currently working with."
- Highlighting the importance of branding Prof Shibli said, "How will foreign investors come? They think we are poor, foolish, hit by cyclones, and barbaric. So why would foreigners invest in this country? It is to dispel this misconception that we have engaged in country branding."

<https://www.tbsnews.net/economy/stocks/foreign-investment-key-bangladeshs-development-bsec-chairman-711014>

## Regulator to take action if brokers do not use tamper-proof software

The Financial Express, October 03, 2023

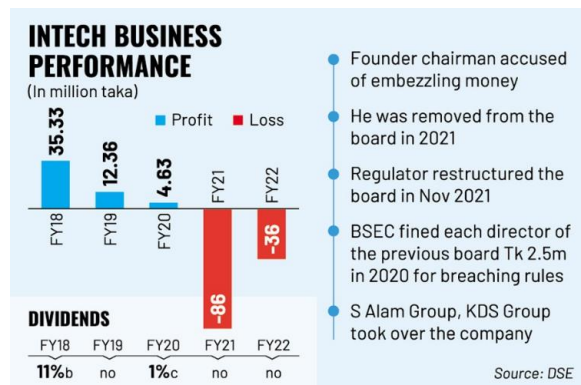
- The exchanges must ensure by March 2024 that brokers deploy back-office software that cannot be tampered with, said the securities regulator.
- If TREC (trading right entitlement certificate) holders of the bourses do not do so within the given time, they will not have entitlement to IPO (initial public offering) quota and other facilities, according to a directive issued on Monday.
- Apart from preparing transactions ledger, TREC holders use back-office software to preserve data of trading, clearing and settlement. The latest regulatory move came as many brokers had edited data in the software to provide misinformation to investors in attempts to divert funds from the consolidated customers' accounts.
- "Such activities not only blemish investors' faith but also lead to a lack of discipline in the capital market," reads the directive.

<https://thefinancialexpress.com.bd/stock/bangladesh/regulator-to-take-action-if-brokers-do-not-use-tamper-proof-software>

## Intech crushed under a pile of losses for 'fictitious assets' shown by former board

The Financial Express, October 03, 2023

- Nearly two years after the new management took over Intech, it made earnings disclosure for FY22 to the despair of shareholders.
- The IT firm said it made a loss of Tk 36 million in the year for having to comply with provisioning requirement against assets, which had been shown in the financial statements prepared by the previous management but were found non-existent by the new board.
- The "fictitious assets" were adjusted with retained earnings, according to a stock exchange filing on Monday.
- FY21 had also been a year of bleeding for the business entity, taking the cumulative loss for the two consecutive years to Tk 122 million.
- The board decided not to pay any dividend for FY22. In the disclosure, the company said the auditor deployed by the securities regulator in January last year could not trace some of the assets.
- The Bangladesh Securities and Exchange Commission (BSEC) asked G Kibria & Company, an accounting firm, to conduct a special audit after the new board had raised issues of irregularities and discrepancies tied to assets and financial transactions.



<https://thefinancialexpress.com.bd/stock/intech-crushed-under-a-pile-of-losses-for-fictitious-assets-shown-by-former-board>

## BSEC greenlights Intraco's Tk50 crore bond

The Business Standard, October 02, 2023

- The stock market regulator has given consent to Intraco Refueling's proposal to raise Tk50 crore through the issuance of a seven-year coupon-bearing bond.
- In an official consent letter, the Bangladesh Securities and Exchange Commission (BSEC) specified that the bond's coupon rate is fixed at 7%, ensuring semiannual payouts to investors.
- Additionally, the bond carries the option for full conversion into the ordinary shares of the company at the discretion of the investor. Breaking down the allocation, BSEC earmarked Tk35 crore for private placement, with an additional Tk15 crore under public offering.
- This financial initiative is strategically aimed at bolstering Intraco Refueling's capacity in setting up Compressed Natural Gas (CNG) and Liquefied Petroleum Gas (LPG) stations. In the early session on Monday, the company's share price saw a notable uptick of 0.56%, reaching Tk36 each at the Dhaka bourse.

<https://www.tbsnews.net/economy/stocks/bsec-greenlights-intracos-tk50-crore-bond-710486>

## Economy & Industry

### 8 banks' provision shortfall over Tk 26,000cr

The Daily Star, October 03, 2023

- Eight banks, including five private commercial ones, had faced a provision shortfall of Tk 26,134.75 crore in total at the end of June this year, an indication of their fragile financial health.
- The eight are Agrani Bank, BASIC Bank, Rupali Bank, National Bank, Dhaka Bank, Bangladesh Commerce Bank, Standard Bank and NCC Bank, according to Bangladesh Bank.
- National Bank, a private commercial lender, faced the highest shortfall, Tk 11,682.52 crore. Banks have to keep 0.5 to 5 per cent of their operating profit in provisioning against general category loans, 20 per cent against classified loans of substandard category, and 50 per cent against classified loans of doubtful category.
- The lenders also have to set aside 100 per cent provisioning against classified loans of bad or loss category, as per the central bank rules.

<https://www.thedailystar.net/business/economy/news/8-banks-provision-shortfall-over-tk-26000cr-3433376>

### Hopes for \$30b reserve by June amid concerns to meet IMF threshold

The Business Standard, October 01, 2023

- With an IMF review mission already in Dhaka amid finance officials' concerns about complying with the net reserves threshold to get the lender's second instalment of loans, the government is projecting a \$30 billion foreign reserve buildup by June next year.
- The projection will be made at the World Bank-IMF annual meeting in Morocco's Marrakech later this month, where official delegates will portray a stable macroeconomic state of the country, official documents seen by The Business Standard reveal.
- One of the key conditions agreed to implement before the second instalment of IMF's \$4.7 billion budget support package due in December is to hold at least \$25.32 billion in net international reserves on 30 September. But the amount was \$21.15 b as of 27 September, according to the Bangladesh Bank.

- As the threshold of tax revenue also remains unmet, finance bureaucrats are trying to explain the ground reality for the failures and convince the visiting review mission so that the second tranche of IMF loan is disbursed as per the schedule.

<https://www.tbsnews.net/economy/banking/hopes-30b-reserve-june-amid-concerns-meet-imf-threshold-711034>

## International

### Global stocks retreat with US rate worries back in focus

The New Age, October 02, 2023

- Stocks fell in the US and Europe on Monday, with relief that a government shutdown was avoided in Washington proving short-lived as investors focused again on the risks from high interest rates. Hopes that central bankers would start rolling back months of rate hikes have faded in recent weeks, on worries that inflation pressures will persist in coming months, not least due to soaring oil prices.
- All eyes are on a key speech by Federal Reserve chief Jerome Powell later Monday, ahead of the central bank's next policy meeting at the end of October — but already US Treasury yields were again rising as bond markets softened. 'The Fed and ECB are practically done with hikes. Rather it's all about the risk that rates don't get cut — by enough, or in a timely fashion,' analysts at ING said in a research note.
- Early gains seen in Europe on news of the US government funding deal were reversed after futures trading indicated opening losses on Wall Street, where analysts noted that the latest debt agreement is only a temporary fix for a few weeks.
- In Asia, Tokyo closed slightly lower, giving up early gains spurred by a positive Bank of Japan business confidence survey as sentiment reverted to risk-avoidance. The Tankan survey showed increasing optimism among Japan's largest manufacturers for a second-straight quarter.

<https://www.newagebd.net/article/213871/global-stocks-retreat-with-us-rate-worries-back-in-focus>

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Bank Asia Securities Limited (BASL) is one of the leading full-service brokerage companies in Bangladesh. The company was formed in 2009 and running its operation as a majority owned subsidiary of Bank Asia Limited. BASL offers full-fledged standard brokerage services for retail, institutional and foreign clients with a dedicated team of skilled professionals. The company is currently providing the brokerage services under the membership of Dhaka Stock Exchange Limited (DSE).

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