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Stock Market & Company

DSE turnover dips below Tk 7.0b mark

The Financial Express, April 05, 2022

- Stocks plunged on Monday, snapping a two-day gaining streak due to profit booking sell-offs. DSEX, the prime index of Dhaka Stock Exchange, slid 53 points or 0.78 per cent to settle at 6,718, after gaining over 18 points in the past two consecutive sessions.
- Two other indices also ended lower. The DSE 30 Index, comprising blue chips, fell 19.25 points to finish at 2,468 and the DSE Shariah Index (DSES) lost 8.88 points to close at 1,462.
- Turnover, the crucial indicator of the market, fell below Tk 7.0 billion-mark after 10 sessions and amounted to Tk 6.20 billion, which was 26 per cent lower than the previous day's tally of Tk 8.36 billion.
- All major sectors faced corrections with cement witnessing the highest loss of 1.30 per cent, followed by telecom with 1.20 per cent, banking 0.80 per cent, financial institutions 0.70 per cent, food 0.70 per cent, power 0.50 per cent, engineering 0.40 per cent and pharma 0.20 per cent.
- IPDC Finance topped the turnover list for the second straight session with shares worth nearly Tk 509 million changing hands, followed by VFS Thread Dyeing (Tk 301 million), Beximco (Tk 296 million), LafargeHolcim (Tk 176 million) and Nahee Aluminum (Tk 169 million).

Top Ten Gainers				
Company	Close Price (BDT)	Δ%	Turnover (BDT Mn)	PE
JHRML	26.6	+9.9%	0.0	55.4x
RANFOUNDRY	209.5	+5.4%	44.9	56.6x
GEMINISEA	538.9	+4.7%	79.1	42.2x
APEXTANRY	142.3	+3.6%	27.9	77.6x
VFSTD	26.0	+3.6%	301.4	17.0x
PRIMEFIN	13.7	+3.0%	15.4	34.2x
ENVOYTEX	43.4	+2.4%	5.0	27.6x
AMCL(PRAN)	338.9	+2.3%	12.4	60.4x
GQBALLPEN	115.6	+1.9%	5.9	NM
BEACONPHAR	262.3	+1.9%	44.3	51.7x

Source: BRAC EPL

- The newly listed JMI Hospital Requisite Manufacturing was the top gainer, posting a 9.91 per cent gain, while Fortune Shoes was the day's worst loser, losing 2.0 per cent. The Chittagong Stock Exchange (CSE) also ended lower with the CSE All Share Price Index - CASPI -losing 124 points to settle at 19,700 and the Selective Categories Index - CSCX -shedding 75 points to close at 11,818.

<https://thefinancialexpress.com.bd/stock/dse-turnover-dips-below-tk-70b-mark-1649127362>

Listed NBFIs, insurers asked to submit data monthly

The Newage, April 04, 2022

- The Bangladesh Securities and Exchange Commission has asked all listed non-bank financial institutions and insurance companies to provide information about their stock market investments on a monthly basis. The commission issued a letter in this regard on March 29.
- The Dhaka Stock Exchange and the Chittagong Stock Exchange have been asked to collect the data from the companies. The bourses have been instructed to submit a report to the commission within seven days of every month upon receipts the same from the listed companies.
- BSEC officials said that the regulator wanted to know the stock market investment status of the NBFIs and insurance companies regularly. They said that the regulator would encourage the NBFIs and insurance companies with less investment in the stock market to inject more funds into the market.
- Earlier in March, the BSEC asked all scheduled banks to submit to it data on their investment exposure to the stock market. As the market has been struggling in recent days, the commission is trying to increase fund flow on the capital market through various means to check volatility on the market.

<https://www.newagebd.net/article/167250/listed-nbfis-insurers-asked-to-submit-data-monthly>

HC cancels bail, bans Banco Securities' chair from travelling abroad

The Newage, April 04, 2022

- The High Court on Monday ordered Abdul Muhith, chairman of Banco Securities, to surrender his passport and banned him from travelling abroad without a court order. A High Court division bench comprising Justice Md Nazrul Islam Talukder and Justice Kazi Mohammad Izarul Haque Akand passed the order on Monday.
- The court also issued a rule asking why his bail would not be cancelled. As the Anti-Corruption Commission appealed for ban on Abdul Muhith's travel abroad and cancellation of his bail, the court passed the order after the hearing.
- Advocate Khurshid Alam Khan appeared for the ACC in the court. Deputy Attorney General AKM Amin Uddin Manik represented the state. Authorities of Bangladesh Securities and Exchange Commission, regulator of the capital market, scrutinize the integrated customer account information in Banco Securities as part of regular monitoring.
- At that time, the monitoring department of the stock exchange, as their integrated customer, initially saw a deficit of Taka 66 crore.

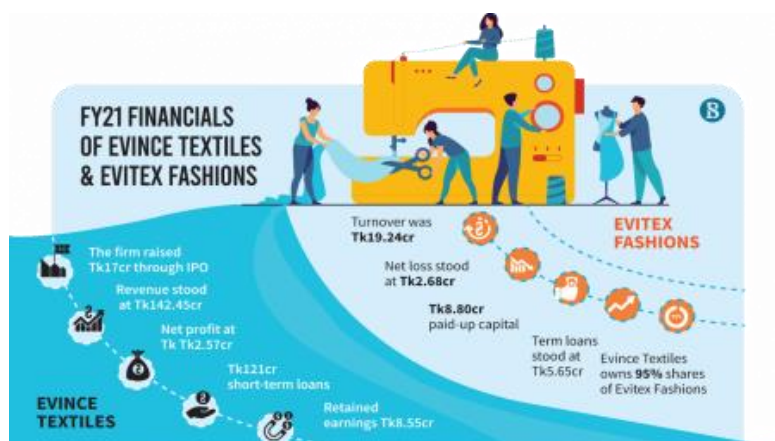
<https://www.newagebd.net/article/167221/hc-cancels-bail-bans-banco-securities-chair-from-travelling-abroad>

Evitex Fashions' assets in review for merger

The Business Standard, April 04, 2022

- Rahman Rahman Huq, an audit firm, will reevaluate Evitex Fashions, a subsidiary company of publicly listed Evince Textiles Limited, in line with a court order – for the merger of the two companies. The High Court has recently ordered the firm to carry out the audit within the next 30 days after the stock market regulator opposed the amalgamation saying the company had overstated its assets and overpriced the value of the shares.
- Evince Textiles, which got listed on the capital market in 2016, had earlier decided to merge with Evitex Fashions to curb operating costs. After the merger news, the share price of the company rose by 5.13% to Tk8.10 each.
- The Bangladesh Securities Exchange and Commission (BSEC) has also alleged that the proposed amalgamation was for illegal gains over the general shareholders of the listed company.

- The court has selected Rahman Rahman Huq for finding out the actual value of the assets and properties of Evitex Fashions Ltd.
- According to the order, the audit firm will carry out an audit of the company as per the laws, norms, and practices of Bangladesh as well as in compliance with the international accounting standard.
- As Evitex Fashions does not have a market price, the auditor will conduct a special audit of the company from the date of its incorporation to find out the standing of cash, stocks, properties, and assets of the company.
- For a fair valuation of Evitex Fashions' shares, the audit firm will scrutinise all documents.



<https://www.tbsnews.net/economy/stocks/evitex-fashions-assets-review-merger-397250>

Capital market investors oppose Far Chemical, SF Textile merger

The Business Standard, April 04, 2022

- Bangladesh Capital Market Investors Association has called on the Bangladesh Securities and Exchange Commission (BSEC) to stop the merger between Far Chemical and SF Textile. The association's General Secretary Kazi Abdur Razzak made the call in a letter to the BSEC chairman, saying that Far Chemical is struggling financially.
- "In 2014, when the company was listed on the capital market it showed its earnings per share at Tk5.01. However, at the end of 2021, its loss per share was Tk0.16. From 2014 to 2017, the company manipulated the share price by showing a higher profit. During this period, the directors of the company sold their shares and took away Tk81 crore," read the letter.
- The investors association thinks that through the merger with SF Textiles, Far Chemical will increase the number of shares and, by showing fake earnings per share, it will increase the share price and loot money from the capital market through manipulation. As a result, investors will suffer once again.
- Other than the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE), the investors' body also informed the Prime Minister's Office, the Financial Institutions Division of the Ministry of Finance, the Anti-Corruption Commission (ACC), the Directorate General of Forces Intelligence and the National Security Intelligence (NSI) about the status of Far Chemical.

<https://www.tbsnews.net/economy/stocks/capital-market-investors-oppose-far-chemical-sf-textile-merger-397254>

Tax receipts jump 43pc in nine months

The Financial Express, April 05, 2022

- The government revenue earnings from Dhaka Stock Exchange (DSE) jumped 43 per cent in nine months of the current fiscal year compared to the same period last fiscal, powered by rising trading volume. The government bagged revenue worth Tk 3,256 million in nine months for July-March of the current fiscal year, as against Tk 2,274 million in the same period of the previous fiscal, showing a 43 per cent growth, the DSE statistics shows.
- Of the total earnings in July-March for the current fiscal, Tk 2,741 million came from the TREC holders' commission, popularly known as brokerage commission, while Tk 515 million came from the share sales by sponsor-directors and placement holders, the DSE data shows.
- In FY 2020-21 for July-March, Tk 1,658 million came from the TREC holders' commission while Tk 616 million came from the share sales by sponsor-directors and placement holders.

Revenue earnings trend from DSE

Fiscal Year (FY) 2021-22		Fiscal Year (FY) 2020-21	
July	Tk 289 million	July	Tk 188 million
August	Tk 502 million	August	Tk 246 million
September	Tk 520 million	September	Tk 275 million
October	Tk 407 million	October	Tk 216 million
November	Tk 342 million	November	Tk 183 million
December	Tk 329 million	December	Tk 343 million
January	Tk 397 million	January	Tk 391 million
February	Tk 225 million	February	Tk 156 million
March	Tk 245 million	March	Tk 276 million
Total	Tk 3256 million	Total	Tk 2274 million

Source: DSE

- The month-on-month earnings from the DSE also increased by 9.0 per cent to Tk 245 million in March, compared to Tk 225 million in February. The daily turnover, the important gauge, stood at about Tk 14 billion on an average in nine months for July-March in the current fiscal year which was Tk 12 billion in the same period of the previous year, according to the DSE data.

<https://thefinancialexpress.com.bd/stock/tax-receipts-jump-43pc-in-nine-months-1649127599>

Bank Asia organises "Risk Conference 2022"

The Business Standard, April 04, 2022

- Bank Asia has organised a day-long "Risk Conference 2022" through digital platform on Saturday (2 April). MA Baqui Khalily, chairman of Risk Management committee of the board was present at the conference as the chief guest, reads a press release. President & Managing Director of Bank Asia Ltd Md Arfan Ali presided over the programme held at Bank Asia Tower in the capital.
- Md Aminur Rahman Chowdhury, DGM, Risk Management Unit, DOS, Bangladesh Bank; Md Lutful Haider Pasha, joint director, Risk Management Unit, DOS, Bangladesh Bank; Dr Arindam Bandyopadhyay, associate professor and dean (Education), National Institute of Bank Management, India and Md Nehal Ahmed, Professor, BIBM, delivered their valuable speech on different issues of risk management of banks.

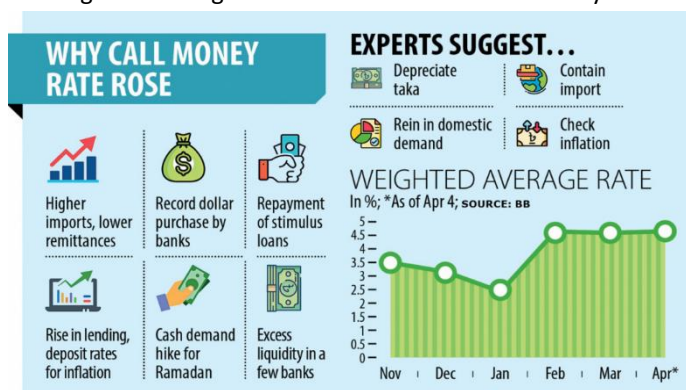
<https://www.tbsnews.net/economy/corporates/bank-asia-organises-risk-conference-2022-397214>

Economy & Industry

Forex crisis spills over into call money market

The Daily Star, April 05, 2022

- The ongoing strain on Bangladesh's foreign exchange regime has created cash shortages in the banking sector, sending the interbank call money rate to a 19-month high yesterday. The weighted average rate in the interbank call money market, where banks borrow from each other on an overnight basis, stood at 4.65 per cent yesterday in contrast to 3.52 per cent a month ago and 1.89 per cent a year prior, data from the central bank showed.
- The previous peak was recorded in August 2020 when the rate stood at 4.7 per cent.
- The current forex crisis confronting the financial sector are mainly responsible for squeezing the supply of cash in the banking sector. The cash shortage may exacerbate further this month amid growing consumption in Ramadan and the upcoming spending spree centring Eid-ul-Fitr.
- In addition, credit demand is on the rise as the economy has been firing on all cylinders, helped by a sharp fall in coronavirus caseloads. Banks are purchasing American greenbacks heavily from the central bank to settle their letters of credit (LCs) amid lower-than-expected remittances and exports than escalating import payments.
- This forced the Bangladesh Bank to inject a record \$3.78 billion between July 1 and March 23 to keep the exchange rate of the taka against the dollar stable. This means banks have to spend more than Tk 32,500 crore to buy the dollars. One USD yields Tk 86.20 as per the current interbank rate.



<https://www.thedailystar.net/business/economy/news/forex-crisis-spills-over-call-money-market-2998226>

Export income crosses target with big RMG push

The Business Standard, April 05, 2022

- Bangladesh's export earnings remained on a growth trajectory and registered a nearly 55% year-on-year jump this March amid the ongoing Russia-Ukraine war, riding mainly on increased apparel shipments to the European Union countries and the United States.
- Data released by the Export Promotion Bureau (EPB) on Monday show the country's export earnings amounted to \$4.76 billion last month, exceeding the \$3.54 billion target set for the month. The country's export receipts were \$3.07 billion in March last year.
- As per the EPB data, apparel exports grew by 60.15% to \$3.9 billion year-on-year this March. Of the receipts, over \$2.05 billion came from knitwear shipments, while woven items fetched around \$1.88 billion.
- The US market still represents excellent potential for Bangladesh's exports, pointed out business leaders, adding the government may focus on the US market to cash in on the existing opportunities to replace China and Vietnam.
- Meanwhile, the country's export earnings surged 33.4% year-on-year to \$38.6 billion in the July-March period of the current fiscal 2021-22, while the receipts were \$28.93 billion during the same period a year ago, according to the EPB.



<https://www.tbsnews.net/economy/export-income-crosses-target-big-rmg-push-397334>

International

Turkish inflation hits fresh record at 61.1pc

The Daily Star, April 05, 2022

- Turkey's inflation hit a new record in March, official data showed Monday, driven up by the fallout from Russia's invasion of Ukraine and soaring energy prices. Consumer prices accelerated to 61.14 per cent at an annual rate, up from 54.4 per cent in February, according to the statistics agency.
- The weakening lira and the rising cost of living has become a major source of public discontent in Turkey as President Recep Tayyip Erdogan faces an election next year. The currency was stable following the latest inflation data, trading at 14.7 lira against the dollar and 16.2 lira against euro.
- The war in its Black Sea neighbourhood has had a major impact on Turkey as Russia is a key supplier of energy while Ukraine ships wheat. Turkish tourism industry also mainly relies on Russian tourists. While countries around the world are facing rising inflation, Turkey's problems have also been affected by Erdogan's unorthodox economic approach.

<https://www.thedailystar.net/business/global-economy/news/turkish-inflation-hits-fresh-record-611pc-2998196>

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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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