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## Stock Market & Company

### [Dhaka stocks gain ground](#)

The New Age, March 05, 2023

- DSEX, the key index of the Dhaka Stock Exchange, gained 36.45 points, or 0.58 per cent, and settled at 6,250.20 points after losing 3.2 points in the previous two trading sessions.
- Bangladesh General Insurance, Eastern Housing, Bashundhara Paper, Legacy Footwear, JMI Hospital Requisite Manufacturing, Samata Leather, Navana Pharma, National Feed, Yeakin Polymer and City General Insurance were the top 10 gainers considering their closing prices on the day.
- Union Capital, ICB AMCL Third NRB Mutual Fund, AIBL 1st Islamic Mutual Fund, Monno Agro and General Machinery, FAS Finance and Investment, NCCBL Mutual Fund-1, Bata Shoe, Islami Bank, Berger Paints and Progressive Life Insurance were the top 10 losers considering their closing prices on the day.
- The DS30 index also increased by 9.55 points to finish at 2,225.84 points and the DSE Shariah index rose by 5.63 points to close at 1,362.92 points on the day.
- Bangladesh Shipping Corporation topped the turnover chart with its shares worth Tk 48.12 crore changing hands.
- Genex Infosys, ADN Telecom, Sea Pearl Beach Resort and Spa, Eastern Housing, Olympic Industries, LafargeHolcim, Bashundhara Paper, Orion Pharma and Shinepukur Ceramics were the other turnover leaders on the day.

<https://www.newagebd.net/article/196037/dhaka-stocks-gain-ground>

## Z category stocks ride high, raising analysts' eyebrows

The Financial Express, March 06, 2023

- More than 15 of the 24 Z category companies rose abnormally on the Dhaka Stock Exchange (DSE) in the year through March 4 without any reason for investors to be inclined to bet on the stocks. Such non-performing stocks jumped as high as 140 per cent in the year.
- Why did the prices surge? The irony is that the Z category stocks performed better on the DSE when the benchmark index of the bourses remains bearish.
- Market analysts suspect that manipulation is the reason behind the "abnormal price" surges.
- The regulator does not take any action at the early stage of an unusual rally. On several occasions, inquiry committees were formed but their reports never came to light.
- General investors keep chasing stocks as they fly on the bourses to make capital gains overnight, a tendency that manipulators cash in on by selling off overvalued stocks to general investors. The Bangladesh Securities and Exchange Commission (BSEC) imposed fines on many wrongdoers. The penalties were not enough to prevent repetition of such events.



<https://thefinancialexpress.com.bd/stock/bangladesh/z-category-stocks-ride-high-raising-analysts-eyebrows>

## Dhaka Stock Exchange gets new chairman

The Financial Express, March 05, 2023

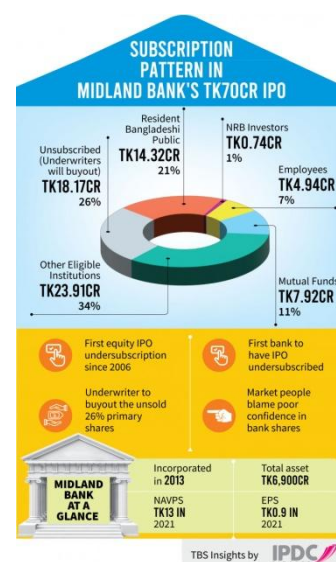
- Dr Hafiz Muhammad Hasan Babu was elected the new chairman of the Board of Directors of Dhaka Stock Exchange (DSE). He was elected chairman in the 1054th board meeting of DSE on Sunday, reports BSS citing a press release.
- Hafiz Muhammad Hasan Babu is the current dean of Engineering and Technology Faculty and a professor of Computer Science and Engineering Department of Dhaka University.
- He is also serving as an elected Senate member of Dhaka University and a part-time member of the Bangladesh Accreditation Council appointed by the President. Dr Hafiz is also the president of Bangladesh Chapter of International Internet Society. He was an honorary member of the ICT Task Force of the prime minister.

<https://thefinancialexpress.com.bd/stock/bangladesh/dhaka-stock-exchange-gets-new-chairman>

## Bank IPOs unsold for the first time as investors not confident

The Business Standard, March 06, 2023

- Some 26% of the primary shares of Midland Bank have remained unsold despite the good financial performance of the new-generation lender, reflecting a depletion in investor confidence in bank shares that were the most lucrative stocks a decade ago.
- This is the first time in the stock market history that the IPO (Initial Public Offering) of a bank company remained unsubscribed amid a series of loan scams, rising default loans, and weak share performance in the stock market. Also, it is the first time since 2006 that any IPO has remained undersubscribed.
- The entire banking sector's weak performance eroded investors' confidence, affecting the IPO of Midland Bank, which had a low default loan rate of 2.79% as of December last year when the industry average default rate was 8.16%, according to the central bank data.



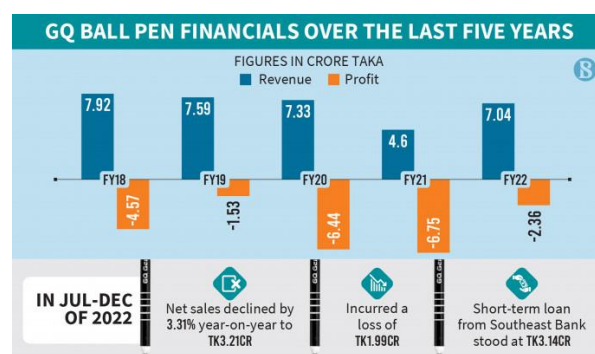
- Bank shares are no more risk-free stocks to investors even at face value. According to the IPO subscription of Midland Bank that ended this 28 February, primary shares worth more than Tk18 crore of the bank remained unsold, while its IPO size was Tk70 crore – Tk5 crore to its own employees, Tk16.25 crore to the eligible institutional investors, and Tk48.75 crore to the general public.

<https://www.tbsnews.net/economy/stocks/bank-ipos-unsold-first-time-investors-not-confident-595002>

## GQ Ball Pen to sell land to repay partial Southeast Bank loan

The Business Standard, March 05, 2023

- GQ Ball Pen Industries – a loss-making manufacturer of pens that was once well-known for its 'Econo' brand – is going to sell its unused land in Chattogram to repay a portion of its loan taken from Southeast Bank. According to a Dhaka Stock Exchange (DSE) disclosure on Sunday, the company will sell its 7.67 katha land that is lying idle at Tk3.45 crore.
- The company's total short-term loan from Southeast Bank stood at Tk3.14 crore, as per its annual report for the fiscal 2021-22.
- GQ Ball Pen said in the disclosure that it will use the proceeds from the sale of its land to pay off Tk1.16 crore out of the total loan from Southeast Bank.
- And, the rest of the sale proceeds will be used on a priority basis. On Sunday, the company's share price rose by 4.85% to Tk82.1, compared to the previous trading session.
- GQ Ball Pen has been incurring losses since the 2017-18 fiscal year. But despite the losses, the company has been paying cash dividends from its retained earnings to the general shareholders.



<https://www.tbsnews.net/economy/stocks/gq-ball-pen-sell-land-repay-partial-southeast-bank-loan-594974>

## Linde to declare dividend on 12 March

The Business Standard, March 05, 2023

- Linde Bangladesh Ltd has fixed 12 March for the company's next board meeting to publish the audited financial report for 2022 and declare dividends. Earlier, it had paid a 550% cash dividend to its shareholders for 2021.
- In the first nine months of 2022, its profit has dropped by 17.88% compared to the corresponding period of the previous year, the company said in a stock exchange disclosure.
- Due to forex market volatility, diesel price hikes, and power disruptions, the company saw a 9.48% increase in its production cost. As a result, the profit dropped to Tk74.23 crore in the January to September period, from Tk90.41 crore a year ago. The earnings per share (EPS) declined to Tk48.78, from Tk59.41 in the January-September period of 2021.
- Md Anisuzzaman, chief financial officer (CFO) of Linde Bangladesh, earlier told The Business Standard that the company's growth is good even during the economic slowdown. "Due to volatility in the foreign exchange market, the company's profit has decreased. The dollar rate has exceeded Tk100 from Tk84 in the import of raw materials. As a result, the profit margin has decreased because of an increase in the costs," he added.

<https://www.tbsnews.net/economy/stocks/linde-declare-dividend-12-march-594686>

## Bank Asia to sell its shares in ERA-Infotech at 25 times profit

The Business Standard, March 05, 2023

- Bank Asia Limited has decided to sell its partial stake in ERA-Infotech Limited at 25 times profit. According to the bank's statement filed on the Dhaka Stock Exchange (DSE), Bank Asia holds a 20% stake in the IT company; it decided to bring down its stake in the company by 50%, said a circular by the Bangladesh Bank.
- As per the bank's decision, it going to sell 97,844 shares of the IT company at Tk48.92 lakh, where the bank's cost price was Tk1.91 lakh.
- ERA-InfoTech Ltd -a joint venture IT company formed by Bank Asia, Ranks ITT Ltd of Bangladesh and Sash Tech SG Pte. Ltd of Singapore. ERA commenced its journey on 11 November, 2002. Currently, Bank Asia shares are being traded at the floor price of Tk20. 20 each at the DSE.

<https://www.tbsnews.net/economy/stocks/bank-asia-sell-its-shares-era-infotech-25-times-profit-594582>

## Bank Asia, Khulna University sign MoU to boost agri sector

The Daily Star, March 06, 2023

- Bank Asia Limited yesterday signed a memorandum of understanding (MoU) with Khulna University to improve productivity in Bangladesh's agricultural sector.
- Tahmidur Rashid, senior executive vice-president of Bank Asia, and Prof Amit Roy Chowdhury, treasurer of Khulna University, signed the MoU at the latter's office in Khulna, said a press release.
- Under this MoU, Bank Asia will extend cooperation as a part of its corporate social responsibility activities to Khulna University for a research project on "introducing novel crop residue management approach for improving soil structure and crop productivity in the coastal saline soils of Bangladesh", undertaken by the department of soil, water and environment discipline of the university.
- Adil Chowdhury, president and managing director of Bank Asia, and Prof Mahmood Hossain, vice-chancellor of the university, along with other senior officials from both organisations were present.

<https://www.thedailystar.net/business/economy/news/bank-asia-khulna-university-sign-mou-boost-agri-sector-3264056>

## Economy & Industry

### Deposits in banks keep falling

The New Age, March 05, 2023

- Deposits in the country's commercial banks dropped further in January due to various factors, including high inflation, economic crisis, low interest rates and loan irregularities. According to Bangladesh Bank data, bank deposits in the country declined to Tk 14,88,447 crore in January 2023 from Tk 14,89,169 crore in December 2022.
- Term deposits were Tk 13.08 lakh crore and demand deposits were Tk 1.80 lakh crore in January. The volume of deposits in banks declined to Tk 14.86 lakh crore in November from Tk 14.90 lakh crore in October 2022.
- In December 2021, deposits in banks were Tk 14.09 lakh crore. The growth in deposits in 2022 was much lower than in recent years, with growth rates of 5.66 per cent in December 2022, 9.19 per cent in December 2021, 13.48 per cent in December 2020, and 12.58 per cent in December 2019.
- Of the total deposits at the end of December, the amount of time (term) deposits was Tk 13.08 lakh crore and that of demand deposits was Tk 1.80 lakh crore. In August 2022, the overall inflation rate hit a decade-high of 9.52 per cent, which decreased to 8.71 per cent in December.

<https://www.newagebd.net/article/196046/deposits-in-banks-keep-falling>

## Firms optimistic about overall prospect but fret over rising cost

The Daily Star, March 06, 2023

- Firms in Bangladesh are optimistic about their overall business prospect but they also worry that their cost of production will increase in the coming months which may hinder their growth, according to the Business Confidence Index (BCI) unveiled yesterday.
- Firms in Bangladesh are optimistic about their overall business prospect but they also worry that their cost of production will increase in the coming months which may hinder their growth, according to the Business Confidence Index (BCI) unveiled yesterday.
- This highlighted the need for immediate action to address the cost burden emanating from a spike in the prices of electricity, water, gas, and raw materials, according to the survey.
- Measured on a scale of 0 to 100, the overall index stands at 74.4, indicating a positive outlook for business conditions over the next six months.
- On the scale, 50 is the midpoint while less than 50 reflects contraction or less optimism and more than 50 points to expansion or optimism.



<https://www.thedailystar.net/business/economy/news/firms-optimistic-about-overall-prospect-fret-over-rising-cost-3264166>

## International

### UN dev chief sounds alarm over debt distress

The New Age, March 05, 2023

- A top UN official has warned that 'urgent' measures are needed to help 52 countries facing debt repayment problems that put some at risk of default. Achim Steiner, head of the United Nations Development Programme, told AFP that 25 of the 52 were spending more than a fifth of government revenues servicing external debt.
- 'The situation right now for developing countries when it comes to national debt is indeed very, very serious,' Steiner said in an interview on the sidelines of the Least Developed Countries (LDCs) summit in Doha on Saturday. The UN agency estimates that '52 countries are either in debt distress or one step away from debt distress and potential default,' he said.
- Steiner did not name the countries involved but the UNDP last week released a report which called for a 30 per cent write-off of external debt for 52 countries at 2021 values. The 52 included Argentina, Lebanon and Ukraine alongside 23 countries from sub-Saharan Africa, 10 from Latin America and the Caribbean, and eight from East Asia and the Pacific.
- Steiner said, 'The financial markets are not paying enough attention' as the 52 account for only three per cent of global external debt, but one sixth of the world's population. Twenty-five countries spending one fifth of government revenues on debt servicing is 'not sustainable', he added.
- 'Therefore, we have called very clearly for urgent ways to inject liquidity while also restructuring and rescheduling debts, because otherwise we may see country after country falling into that territory of debt distress.' On Saturday, UN secretary general Antonio Guterres slammed the world's rich countries and energy giants for burdening LDCs with 'predatory' interest rates.

<https://www.newagebd.net/article/196052/un-dev-chief-sounds-alarm-over-debt-distress>



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## About Bank Asia Securities Ltd

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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