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Stock Market & Company

Stocks fall after two-day rise

The Financial Express, May 10, 2022

- Stocks ended lower on Tuesday, snapping a two-day gain, as the risk-averse investors opted for booking profit on quick-gaining issues in the final hour. Following the previous two days' gain, the market opened higher and the key index rose about 29 points within 30 minutes of trading. But late hour's sale pressure wiped out the early gains, eventually ending over 32 points lower.
- DSEX, the key index of the Dhaka Stock Exchange, went down by 32.46 points or 0.48 per cent to settle at 6,665, after gaining 55 points in the past two straight sessions. Two other indices also ended in the red. The DSE 30 Index, comprising blue chips, fell 13.62 points to finish at 2,435 and the DSE Shariah Index (DSES) lost 5.24 points to close at 1,448.
- Turnover, a crucial indicator of the market, however, remained high and the total turnover rose to three months high at Tk 12.58 billion on DSE, in a further buck by 4.14 per cent over the previous day's tally of Tk 12.08 billion.
- Beximco was the most-traded stock with shares worth nearly Tk 370 million changing hands, followed by JMI Hospital Requisite Manufacturing (Tk 368 million), Shinepukur Ceramics (Tk 365 million), Eastern Housing (Tk 345 million), and Unique Hotel & Resorts (Tk 337 million). ACI Formulations was the top gainer, posting a 10 per cent gain while Imam Button was the worst loser, losing 5.0 per cent.
- The Chittagong Stock Exchange (CSE) also ended lower with the CSE All Share Price Index – CASPI –losing 107 points to settle at 19,532 and the Selective Categories Index – CSCX – shedding 65 points to close at 11,718.

<https://thefinancialexpress.com.bd/stock/stocks-fall-after-two-day-rise-1652178295>

Monospool, Paper Processing allowed to offload 9pc more shares each

The Newage, May 09, 2022

- The Bangladesh Securities and Exchange Commission has allowed Paper Processing and Packaging Limited and Bangladesh Monospool Paper Manufacturing Company Limited to offload around 9 per cent more shares each on the market. The two listed paper companies are concerns of Magura Group and the companies returned to the main board of the stock exchanges on June 13, 2021 from the over-the-counter market.
- On April 28, the BSEC issued separate letters to the companies in this regard. The commission made the decision as per proposals made by the companies on March 8.
- As per the approval, Paper Processing and Packaging will offload 8.97 per cent shares, or 11.64 lakh shares, out of 43.97 per cent shares held by its sponsor-directors and Bangladesh Monospool will sell off 8.82 per cent shares, 10.64 lakh shares, out of 53.82 per cent held by its sponsor-directors.
- The companies were exempted from complying with the SEC (Prohibition of Insider Trading) Rules, 1995 until the completion of the transaction, the letter said. The sponsor-directors will provide the whole amounts of the sale proceeds to their respective companies as interest-free loans as per the companies' proposals, it said.

<https://www.newagebd.net/article/170066/monospool-paper-processing-allowed-to-offload-9pc-more-shares>

Mohd Safwan Choudhury re-elected Bank Asia vice-chairman

The Daily Star, May 11, 2022

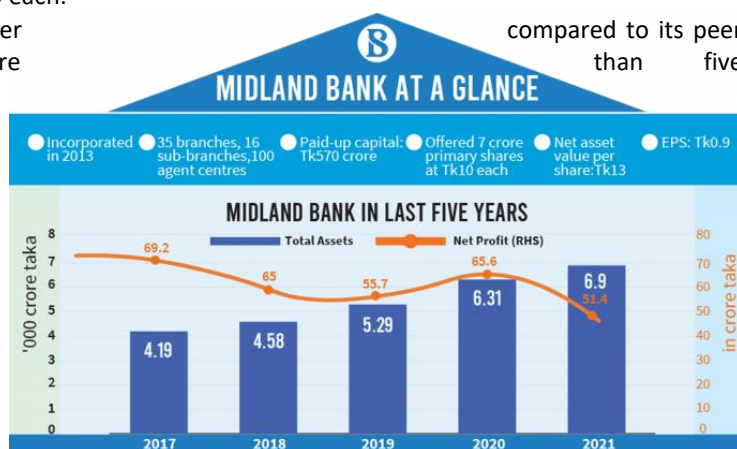
- Mohd Safwan Choudhury has been re-elected vice-chairman of Bank Asia at the 473rd meeting of the board of directors of the bank recently. Choudhury is an eminent industrialist of the country. He is the managing director of M. Ahmed Tea & Lands Company, Phulbari Tea Estates, M. Ahmed Cold Storage, Premier Dyeing & Calendaring and M. Ahmed Food & Spices, says a press release.
- He is also a former president of the Sylhet Chamber of Commerce & Industry and served as the chairman of Bangladesh Tea Association. Chowdhury is the president of the Friends In Village Development Bangladesh (FIVDB), a non-government organisation (NGO) providing primary education to underprivileged children.

<https://www.thedailystar.net/business/organisation-news/news/mohd-safwan-choudhury-re-elected-bank-asia-vice-chairman>

Midland Bank files for Tk70 crore IPO

The Business Standard, May 10, 2022

- Midland Bank Ltd, a new generation private sector commercial bank, recently applied to the Bangladesh Securities and Exchange Commission for raising Tk70 crore from the stock market through an initial public offering (IPO). The bank will offer seven crore ordinary shares at a face value of Tk10 each.
- The size of the planned IPO is significantly smaller new generation banks which are collecting up to more times money from the capital market.
- Of the Tk70 crore IPO proceeds, the bank will invest over Tk61 crore in Treasury bonds and bills, Tk5 crore in the listed 'A' category securities, and the remaining Tk3.89 crore to meet the IPO expenses.
- Midland Bank's paid-up capital is nearly Tk570 crore, which is set to elevate to nearly Tk640 crore after the IPO.
- LankaBangla Investments is the issue manager of Midland Bank IPO, while other merchant banks - ICB Capital Management, Sonali Investment, Rupali Investment, and Prime Bank Investment - joined as the underwriters to the IPO.



<https://www.tbsnews.net/economy/stocks/midland-bank-files-tk70-crore-ipo-417126>

BSEC okays Investasia Growth Fund draft prospectus

The Business Standard, May 10, 2022

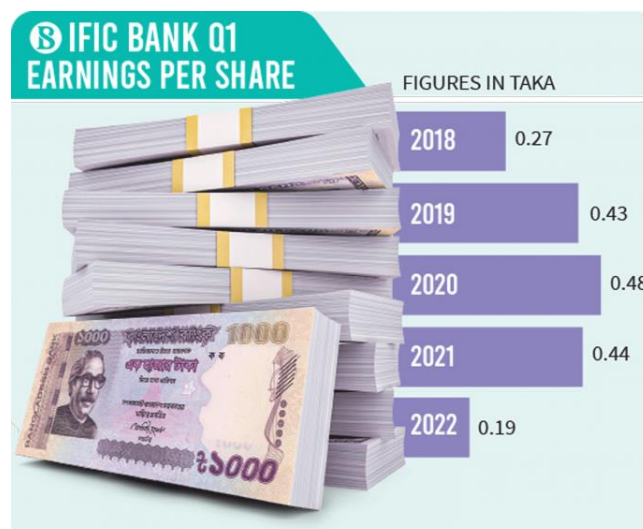
- The Bangladesh Securities and Exchange Commission (BSEC) approved the draft prospectus of Investasia Growth Fund, an open-ended mutual fund. The commission approved the prospectus at its 823rd meeting on Tuesday, stating a press release.
- According to BSEC, the primary target size of the fund is Tk25 crore. Of this, the sponsor will provide Tk2.5 crore and the remaining Tk22.5 crore will be collected by selling the mutual fund units to investors at a face value of Tk10 each.
- Sentinel Trustee and Custodial Services Ltd is the trustee and custodian of the fund while Invest Asia Capital Asset Management Ltd is the asset manager who will focus on mid-and large-cap stocks, while capital protection will get high priority.

<https://www.tbsnews.net/economy/stocks/bsec-okays-investasia-growth-fund-draft-prospectus-417070>

IFIC Bank reports 57% profit drop in the March quarter

The Business Standard, May 10, 2022

- The International Finance Investment and Commerce (IFIC) Bank, reported a 57% decline in its consolidated net profit in the first quarter of 2022. During the January-March quarter, its consolidated earnings per share (EPS) declined to Tk0.19, which was Tk0.44 at the same time in 2021.
- According to the bank's disclosure on the Dhaka Stock Exchange (DSE) website on Tuesday, its profit declined because of a decrease in operating profit, an increase in provisioning charge, and non-recognition of share of profit from selling the shares of Nepal Bangladesh Bank Limited - an associate of IFIC Bank.
- IFIC Bank recently sold its entire promoter shares of the Nepal Bangladesh Bank at 618.7 crore Nepalese Rupee.
- Nepal Bangladesh Bank is a joint venture commercial bank between Bangladeshi IFIC Bank and Nepalese NB Group, where the IFIC Bank holds 40.91% shares.
- The IFIC Bank has three subsidiaries and three joint ventures. It got listed on the DSE in 1986.



<https://www.tbsnews.net/economy/banking/ific-bank-reports-57-profit-drop-march-quarter-417102>

Tax receipts from DSE jump 41pc in 10 months

The Financial Express, May 11, 2022

- The government revenue earnings from Dhaka Stock Exchange (DSE) jumped 41 per cent in 10 months of the current fiscal year compared to the same period last fiscal backed by rising trading volume.
- The government bagged revenue worth Tk 3,474 million in 10 months for July-April of the Fiscal Year (FY) 2021-22, as against Tk 2,468 million in the same period of the previous fiscal, the DSE statistics shows.
- Of the total earnings in July-April for the current fiscal, Tk 2,865 million came from the TREC holders' commission, popularly known as brokerage commission, while Tk 609 million came from the share sales by sponsor-directors and placement holders, the DSE data shows.

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
April	Tk 218 million	April	Tk 194 million
Total	Tk 3474 million	Total	Tk 2468 million

Source: DSE

- In FY 2020-21 for July-April, Tk 1,801 million came from the TREC holders' commission while Tk 667 million came from the share sales by sponsor-directors and placement holders.
- The government earned the amount on TREC (trading right entitlement certificate) holders' commission and share sales by sponsor-directors and placement holders. The DSE, on behalf of the government, collects tax as TREC holders' commission and share sales by sponsor-directors and placement holders at the rate of 0.05 per cent and 5.0 per cent respectively.

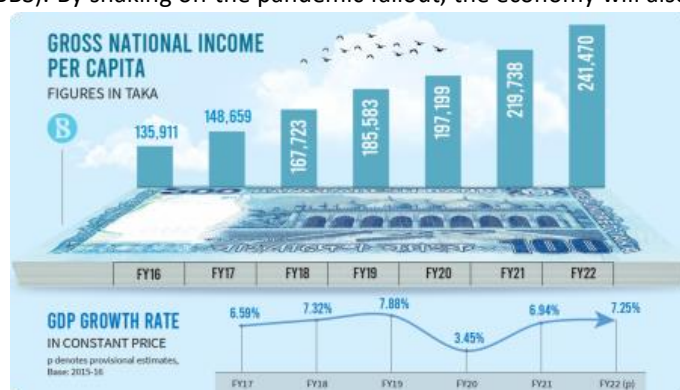
<https://thefinancialexpress.com.bd/stock/tax-receipts-from-dse-jump-41pc-in-10-months-1652241549>

Economy & Industry

Per capita income to jump \$233 as FY22 to see 7.25% growth: BBS

The Business Standard, May 11, 2022

- The per capita income of Bangladesh is going to increase by \$233 to \$2,824 this fiscal year, according to the latest provisional estimate of the Bangladesh Bureau of Statistics (BBS). By shaking off the pandemic fallout, the economy will also grow 7.25% in FY22, according to the estimation revealed by Planning Minister MA Mannan on Tuesday.
- The minister said the growth projection of the gross domestic production (GDP) is based on the provisional estimation by the BBS in the first nine months of the fiscal 2021-22 until March.
- The government interprets the growth estimation and surge in per capita income as a strong economic rebound from Covid shock, while economists raised questions about the credibility of the data. They are also critical of decline in poverty due to rising per capita income.
- According to public data, GDP growth was 6.94% in the fiscal 2020-21. The growth rate plummeted to only 3.45% in 2019-20 due to Covid shock.



<https://www.tbsnews.net/economy/bbs-projects-75-gdp-growth-fy21-22-capita-income-hit-2824-416766>

Banks' excess liquidity drops below Tk 2 lakh crore

The Newage, May 10, 2022

- Excess liquidity in the country's banking sector dropped below Tk 2 lakh crore after a year amid a poor deposit growth against a gradual increase in credit demand. The latest Bangladesh Bank data showed that the amount of excess liquidity in the country's banking sector decreased to Tk 1,98,115.64 crore at the end of March 2022.
- The amount of excess liquidity in the country's banking sector reached a record high of Tk 2,31,463 crore in June 2021 from Tk 1,03,358.12 crore in January 2020. The supply of excess liquidity had remained above Tk 2 lakh crore since April 2021.
- The excess money in the banking sector reached Tk 2,01,677.9 crore in April 2021 due to an injection of a huge amount of liquidity by the central bank for speedy revival of the Covid-hampered economy.
- Year-on-year deposit growth rate in the banking system was more than 12 per cent in January 2020 and the rate was around 14 per cent in the first half of 2021. The growth rate, however, dropped to 9.05 per cent in March when the growth rate of credit to the private sector reached 11.29 per cent after being on the declining trend since the outbreak of coronavirus to plunge to 7.55 per cent in May 2021.
- The supply of over \$4 billion by the central bank throughout the current fiscal year also squeezed supply of the local currency taka from the market, resulting in an excess liquidity fall on the market. The weighted average interest rate on the call money market hovered at 4.75 per cent for more than a month.

<https://www.newagebd.net/article/170174/banks-excess-liquidity-drops-below-tk-2-lakh-crore>

International

Bitcoin drops below \$30,000, lowest since July 2021

The Daily Star, May 11, 2022

- Bitcoin slumped below \$30,000 for the first time since July 2021 on Tuesday as cryptocurrencies track sinking markets with investors spooked by aggressive US monetary tightening and surging inflation. The world's largest cryptocurrency by market value fell as low as \$29,764 in Tuesday trade, before recovering above \$30,000, extending a recent collapse in price as investors desert assets viewed as risky.
- Bitcoin's value has more than halved since a November surge that saw the token hit a record of nearly \$69,000. While crypto enthusiasts view bitcoin as a hedge against inflation, an influx of more traditional investors tend to view it as a riskier asset.
- They have been offloading bitcoin and other digital tokens along with other volatile assets like tech stocks as the US Federal Reserve moves to hike interest rates to tackle decades-high inflation. While the token's "long-term fundamentals have not changed in months", concerns about growth and a possible recession are creating "a very difficult environment for cryptos", Moya said.
- "No one is looking to buy the crypto dip just yet and that leaves bitcoin vulnerable here." The slump in crypto follows dives on US equities and other markets, with the tech-rich Nasdaq closing down 4.3 per cent on Monday, the S&P 500 declining 3.2 per cent and the Dow ending off 2.0 per cent.

<https://www.thedailystar.net/business/global-economy/news/bitcoin-drops-below-30000-lowest-july-2021-3020941>

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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).

BASL Research Team

Mr. Shariful Alam Chowdhury
Head of Research & Investments

tushar@basl-bd.com

Mr. Shohidul Islam
Research Analyst

shohidul@basl-bd.com

BASL Networks

Head Office

Hadi Mansion (2nd Floor)
2, Dilkusha Commercial Area
Dhaka-1000, Bangladesh
Phone: +88-02-9515826-28
E-mail: info@basl-bd.com

Dhanmondi Branch

Meher Plaza (1st Floor),
House # 13/A, Road # 05
Dhanmondi, Dhaka - 1207
Phone: +8802-44611923-24

Mirpur Branch

Nishi Plaza, plot # 01,
Avenue-04, Section-06,
Block-C
Mirpur, Dhaka - 1216
Phone: +8802-58055449,
48032449

Uttara Branch

House # 79/A, (4th Floor),
Road # 07, Sector # 04
Uttara Model Town, Dhaka-1230
Phone: +88-02-
48958389,48958371

Banani Branch

Nur Empori, Plot # 77 (1st
Floor), Road No # 11,
Banani,
Dhaka-1213
Phone: +88028836155,
8836849

Bijoynagar Extension

Prime Tower (3rd Floor),
180-181
Dhaka-1213
Phone: +880248318685

Nikunja Branch

DSE Tower, Level 10,
Room# 200, Nikunja,
Dhaka-1229
Phone: +8809666702070

Khulna Branch

28, Sir Iqbal Road (1st Floor)
Khulna
Phone: +88-041-731208-9

Chattogram Branch

Bank Asia Bhaban (3rd Floor)
39, Agrabad Commercial
Area
Chattogram-4001
Tel : +8801730338091

For International Trade & Sales, please call at +8801993111666, +880 02 9515826, Ext: 101 at Business hour. For further query, write to us at research@basl-bd.com.