

Key News

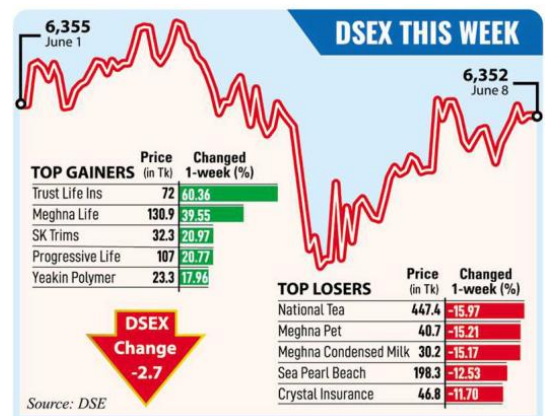
- ✓ [Stocks lose steam as budget brings no cheer](#)
- ✓ [BRAC Bank to issue subordinated bonds of Tk 7b](#)
- ✓ [Emerald Oil to give 5pc cash dividend on extension of profit regime](#)
- ✓ [ADN Telecom to acquire 10% stake of Shohoj Ltd at Tk12cr](#)
- ✓ [No more tax waiver on dividend income](#)
- ✓ [US investment in Bangladesh stock market drops by 34pc](#)

Stock Market & Company

Stocks lose steam as budget brings no cheer

The Financial Express, June 10, 2023

- Stocks remained almost flat in the outgoing week after a four-week rally, as the national budget for fiscal year 2023-24 brought no cheer to investors.
- DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), finally went down by 2.72 points to settle the week at 6,352.84, after gaining 93 points in the past four weeks.
- The DS30 Index, which consists of blue-chip companies, also dropped 8.44 points to 2,193. The DSES index, which represents Shariah-based companies, shed 1.14 points to 1,378.
- The total turnover stood at Tk 54.45 billion, down from 55.22 billion in the week before.
- The average daily turnover dropped 1.40 per cent to Tk 10.89 billion, compared to the previous week's daily average of Tk 11.04 billion. This week, sellers dominated the DSE trading floor, as out of 391 issues traded, 114 closed lower and 69 higher while 208 issues remained unchanged.
- The Chittagong Stock Exchange (CSE), however, edged up with its All Share Price Index (CASPI) rising 7 points to settle at 18,762 and the Selective Categories Index (CSCX) gaining 2 points to close at 11,221.



<https://thefinancialexpress.com.bd/stock/bangladesh/stocks-lose-steam-as-budget-brings-no-cheer>

BRAC Bank to issue subordinated bonds of Tk 7b

The Financial Express, June 09, 2023

- BRAC Bank seeks to raise Tk 7 billion by issuing non-convertible subordinated bonds to strengthen its supplementary capital. The decision was taken at a meeting of the board of directors on Wednesday, according to a disclosure posted on the Dhaka Stock Exchange. The bonds' tenure will be seven years.

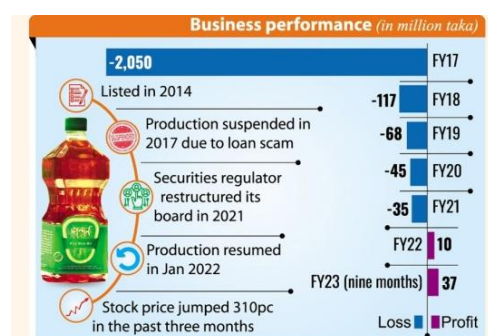
- Fully redeemable, coupon bearing, and floating rate subordinated bonds will be issued upon approval of the regulatory authorities, including the Bangladesh Bank and the Bangladesh Securities and Exchange Commission. The proceeds will be treated as capital as it will help the bank expand investment and loan portfolio.
- BRAC Bank's consolidated earnings per share jumped 25 per cent year-on-year to Tk 0.96 in January-March this year. Its annual profit also rose 10 per cent to Tk 6 billion in the year ended December 2022, compared to 2021. The bank declared 15 per cent dividend (7.5 per cent cash and 7.5 per cent stock) for 2022.

<https://thefinancialexpress.com.bd/stock/bangladesh/brac-bank-to-issue-subordinated-bonds-of-tk-7b>

Emerald Oil to give 5pc cash dividend on extension of profit regime

The Financial Express, June 09, 2023

- Emerald Oil Industries has declared a 5 per cent interim cash dividend for the nine months through March this year as it succeeded in securing profit for the second year.
- Previous sponsor-directors, who still hold 30.45 per cent shares, will not be entitled to get the dividend, as decided by the new board. The shares are mortgaged to banks.
- The record date for the interim cash dividend is June 26, according to a regulatory filing. The rice-bran oil producer has reported a profit of Tk 37.03 million for the nine months to March, in contrast to a loss of Tk 24.41 million in the same period of the previous year.
- An official of the company, requesting not to be named, said Emerald Oil returned to profit because of the resumption of its commercial operation in January last year. "The company resumed production, thanks to fresh investment, hard work of the new board, and support from the stock market regulator."

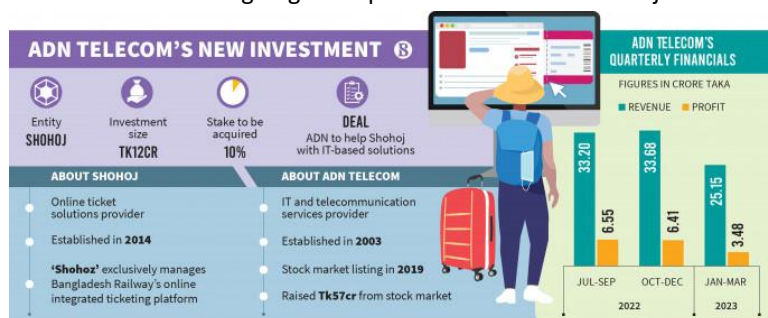


<https://thefinancialexpress.com.bd/stock/bangladesh/emerald-oil-to-give-5pc-cash-dividend-on-extension-of-profit-regime>

ADN Telecom to acquire 10% stake of Shohoj Ltd at Tk12cr

The Business Standard, June 09, 2023

- Publicly listed IT and telecommunication services provider ADN Telecom is going to acquire a 10% stake at Shohoj Limited — the pioneer of Bangladesh's largest online ticketing platform "Shohoz" — at a cost of Tk12 crore.
- This is the first local investment in Shohoj Limited, and the company will use the fund to expand its business.
- ADN Telecom's Managing Director Henry Hilton told The Business Standard, "This investment was planned seeing good business potential from the share acquisition. Not only will it help Shohoj expand its business, but also help us expand ours."



<https://www.tbsnews.net/economy/stocks/adn-telecom-acquire-10-stake-shohoj-ltd-tk12cr-645778>

Economy & Industry

No more tax waiver on dividend income

The Business Standard, June 11, 2023

- The proposed Income Tax Act 2023 left no room for tax exemption on small investors' annual dividend income from stocks and mutual funds, and market experts believe it would add to the country's left-behind capital market's struggle to attract savers.
- Companies and mutual funds deduct 10% to 20% taxes, depending on the type and size of the investors, at source before the disbursement of their cash dividends, while the highest-slab taxpayers' have to pay up to 25% tax on their income including dividends.
- However, individual investors, during their tax return submission, had been allowed to claim an adjustment of the already deducted tax at source on their annual dividend income up to Tk50,000 from stocks and up to Tk25,000 from mutual funds.
- The Income Tax Bill 2023, placed in parliament last week, left no provision for the dividend tax exemption regardless of how small the amount is.
- If the bill is passed, an individual investor will end up paying Tk5,000 tax on Tk50,000 in annual dividend income from stocks, which is exempted till now.

<https://www.tbsnews.net/nbr/no-more-tax-waiver-dividend-income-647522>

International

US investment in Bangladesh stock market drops by 34pc

The New Age, June 10, 2023

- Investors from the United States of America have decreased investment in Bangladesh stock market by 33.7 per cent in 2022 compared with that in the previous year, according to Bangladesh Bank data.
- The data showed that investment by US citizens in the country's capital market plunged to \$697.67 million at the end of 2022, which was \$1,052.97 million in 2021. The overall balance of foreign investments in the country's capital market plunged to \$1,263 million in 2022 from \$1,925 million in 2021.
- Among the foreign investors, US-based investors accounted for 55.2 per cent of the total volume of foreign investment in the capital market. The United States and other countries raising their policy rates several times have made it more appealing for the foreign investors to invest in those countries, market experts said.
- Luxembourg and the UK had \$289.15 million and \$205.92 million worth of investments respectively in the country's capital market in 2021. Singapore-based investors invested \$103.48 million in 2022, which was slightly lower than that of \$141.59 million in 2021.
- Other countries had \$64.89 million in investments in the country's stock market in FY22. Investments from Mauritius and Cayman Islands plummeted to \$9.65 million and \$10.76 million respectively in 2022 compared with that of \$48.57 million and \$17.24 million respectively in the previous year.
- Investments from Canada, Pakistan and the UAE also dropped to \$43.04 million, \$12.6 million and \$10.12 million respectively in 2022, down from \$43.49 million, \$17 million and \$12.13 million respectively in 2021.
- However, investments from British Virgin Islands soared to \$30.30 million in 2022 from \$14.07 million in 2021. Foreign currency balance in non-resident investor's taka accounts (NITA) was \$63.32 million in 2022, which was \$26.37 million in FY21.

<https://www.newagebd.net/article/203872/us-investment-in-bangladesh-stock-market-drops-by-34pc>

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