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Stock Market & Company

Stocks fall for third day

The New Age, April 11, 2023

- DSEX, the key index of the Dhaka Stock Exchange, lost 5.06 points, or 0.08 per cent, to close at 6,196.48 points against 6,201.55 points in the previous trading session.
- The turnover on the bourse decreased to Tk 442.53 crore on Tuesday against that of Tk 469.49 crore on Monday. Among the sectors, food and allied issues exerted the highest turnover, followed by IT and life insurance stocks.
- Most of the sectors displayed dismal returns, out of which jute, IT and travel exerted the most correction on the day. Life insurance and service sectors exhibited the marginal returns on the bourse on the day.
- Out of the 295 issues traded, 34 advanced, 78 declined and 183 remained unchanged on the day. The DS30 index increased by 1.58 points to finish at 2,198.65 points and the DSE Shariah index decreased by 1.99 points to close at 1,342.54 points on the day.
- Aamra Networks topped the turnover chart with its shares worth Tk 29.84 crore changing hands. Olympic Industries, Apex Footwear, Eastern Housing, Gemini Sea Food, Genex Infosys, Sea Pearl Beach Resort, ADN Telecom, Beach Hatchery, and Bangladesh Shipping Corporation were the other turnover leaders on the day.

<https://www.newagebd.net/article/199191/stocks-fall-for-third-day>

Envoy Textiles gears up for AGM as conflict among sponsors is over

The Business Standard, April 11, 2023

- Envoy Textiles Limited is now gearing up to hold its pending annual general meeting (AGM), as the conflict between its two major owners, Kutubuddin Ahmed and Abdus Salam Murshedy, has finally come to an end.
- In its verdict, the High Court on 10 April reconstituted the board of the company and asked it to hold the AGM within the next 90 days, Envoy Textiles said in a Dhaka Stock Exchange (DSE) filing.
- As per the High Court order, Kutubuddin Ahmed will be on the board as its chairman, Independent Director Kazi Anowarul Hoque will be its vice chairman, and Shafiqur Rahman will be an independent director. Tanvir Ahmed will serve as its managing director, and Shehrin Salam Oishee will be the deputy managing director.
- Other board members include independent directors Fakhrudin Ahmed and Syed Shahed Reza, shareholder directors Abdus Salam Murshedy, Rashida Ahmed, Sharmin Salam, Sumayyah Ahmed, and Ishmam Salam.
- In June last year, Salam Murshedy filed the case challenging some amendments in the company's articles of association, the appointment of three additional board members, an independent director and a meeting notice.

<https://www.tbsnews.net/economy/stocks/envoy-textiles-gears-agm-conflict-among-sponsors-over-615038>

Emerald Oil secures BSEC nod to issue 3.15cr fresh shares

The Business Standard, April 11, 2023

- Emerald Oil Industries, an almost forgotten rice-bran oil producer, has secured the approval of the Bangladesh Securities and Exchange Commission (BSEC) to issue 3.15 crore fresh shares against an investment by its new owner as a share money deposit.
- In its recent meeting, the BSEC approved the issuance of new shares at Tk10 each – a price much lower than the shares' last trading price of Tk34.7.
- The new shares will be issued in favour of Minori Bangladesh, a subsidiary of Japanese farming company Minori Co Limited, which took over the company in 2021 and has resumed production since January 2022. The shares will be locked-in as per rules.
- BSEC spokesperson Md Rezaul Karim told The Business Standard, "The commission has allowed the company to issue new shares on some conditions. A letter of intent has already been given to the company."
- In a letter, the BSEC said the company has applied to issue ordinary shares against its investment of Tk31.55 crore as share money deposit to raise its paid-up capital from Tk59.71 crore to Tk91.27 crore.
- The commission has directed Emerald Oil to conduct all pending AGMs with due permission as per the company act and to submit all pending audited financial statements up to June 2022. Also, the BSEC directed the company to submit the particulars of its directors and its pending litigation status with supporting documents within 45 days.

<https://www.tbsnews.net/economy/stocks/emerald-oil-secures-bsec-nod-issue-315cr-fresh-shares-615014>

City Bank profits drop by 13% in 2022

The Business Standard, April 11, 2023

- The City Bank has posted 13.1% lower profits for 2022 compared to the previous year. Its consolidated earnings per share (EPS) stood at Tk3.98, down from Tk4.58 in the previous year, according to a price sensitive information disclosure.
- The net asset value per share increased to Tk28.21 at the end of last December. 5.96% The consolidated figures include that of subsidiary companies.

- The top tier private sector bank's board of directors recommended 10% cash and 2% stock dividends for 2022, down from 12.5% cash and 12.5% stock in the previous year. The bank also will increase its authorized capital to Tk2,000 crore from Tk1,500 crore to create headroom for its higher paid up capital in coming years.
- Also, the company name of The City Bank Limited will become City Bank PLC as all the listed companies are set to adopt the suffix PLC as said in the amended Companies Act. The City Bank shares with a face value of Tk10, closed at the floor price of Tk21.8 in the Dhaka Stock Exchange on Tuesday.

<https://www.tbsnews.net/economy/stocks/city-bank-profits-drop-13-2022-614938>

Al-Madina Pharma QIO subscription begins May 07

The Financial Express, April 11, 2023

- The subscription for shares of Al-Madina Pharmaceuticals by the qualified investors offer (QIO) will open May 7, aiming to raise Tk 50 million under the fixed price method.
- The drug maker's share subscription through the electronic subscription system of the exchanges will continue until 4:30pm on May 11, according to a disclosure posted on the Dhaka Stock Exchange (DSE) website on Tuesday.
- Only the qualified investors are allowed to submit applications for the company's shares through the electronic subscription system. Individual investors shall also submit applications who will maintain a minimum investment of Tk 2.0 million in the secondary market at a closing price in matured listed securities as on April 25.
- The Bangladesh Securities and Exchange Commission (BSEC) allowed Al-Madina Pharmaceuticals to raise Tk 50 million from the SME platform of the stock market through a qualified investor offer on February 1.

<https://thefinancialexpress.com.bd/stock/bangladesh/al-madina-pharma-qio-subscription-begins-may-07>

Kay & Que posts 76% decline in Q3 profit

The Daily Star, April 12, 2023

- Kay & Que (Bangladesh) Limited's profit fell more than 76 per cent year-on-year to Tk 5.66 lakh in the third quarter of the current financial year.
- The profit stood at Tk 23.68 lakh in the same period a year earlier. Thus, the earnings per share slipped to Tk 0.11 for January-March of 2022-2023 against Tk 0.46 in the same quarter of 2021-22, according to the unaudited financial statements.
- Due to the absence of stone sales and the decrease of CNG sales, the overall profitability and the EPS declined in the quarter compared to the same period a year earlier, said Kay & Que in a filing on the Dhaka Stock Exchange (DSE). It generated a profit of Tk 18.53 lakh in the July-March period, down more than 47 per cent from the Tk 35.52 lakh it made in the identical nine-month period of FY22.
- Shares of the company were down 0.04 per cent to Tk 223.40 on the DSE yesterday. In a separate filing, Kay & Que said its board has decided to increase the paid-up capital from Tk 5.15 crore to Tk 6.86 crore.

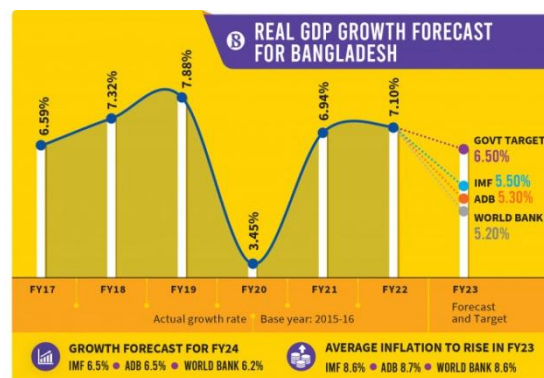
<https://www.thedailystar.net/business/economy/news/kay-que-posts-76-decline-q3-profit-3294776>

Economy & Industry

Bangladesh's GDP to grow at 5.5% this year, 6.5% next year: IMF

The Business Standard, April 12, 2023

- The International Monetary Fund has kept Bangladesh's gross domestic product growth forecast for the current fiscal year (FY23) unchanged at 5.5%, lower than the government's target of 6.5%.
- Yet, Bangladesh is expected to remain one of the fastest-growing economies globally, with only seven countries projected to grow at a higher rate, the global lender says in its latest outlook.
- Earlier in January this year, the IMF set Bangladesh's growth forecast at 5.5%.
- The IMF's projection is slightly higher than that of the World Bank and the Asian Development Bank, which predicted 5.2% and 5.3% growth respectively for Bangladesh in the current fiscal.
- In the latest version of its World Economic Outlook released on Tuesday, the IMF said Bangladesh's GDP will grow at 6.5% in the next fiscal (FY24).
- The Washington-based lending agency forecasts inflation may stand at 8.6% for the current fiscal year, down from its January projection at 8.9%. It expects Bangladesh's inflation to cool down to 6.5% next fiscal year.



<https://www.tbsnews.net/economy/imf-keeps-bangladeshs-gdp-growth-forecast-unchanged-55-fy23-614918>

Cash recovery from defaulters to give impetus for banks

The New Age, April 11, 2023

- The recovery of a sheer bulk of default loans – currently overwhelming the banking sector – will spur economic growth, according to AB Bank president and managing director Tarique Afzal.
- The move, on one hand, will help banks focus on improving credit which is critical for ramping up investments, and on the other hand, it will unlock trapped capital in inefficient firms. The seasoned banker said this in an exclusive interview with New Age recently.
- Tarique Afzal says that a speedy disposal of default loan cases in Artha Rin Adalat (Money Loan Court) would see a 40 per cent drop in such loans that currently stand at more than Tk 1 lakh crore. 'A 40 per cent decrease is a big one, and the banks could easily distribute new loans with the recovered money,' he pointed out.
- 'This will work as a stimulus to the country's economy,' according to Tarique who has been steering the country's first private bank since 2019. He, however, gave vent to his frustration over the current status of Artha Rin Adalat where some 21,000 default loan cases are under trial despite settlement of about 12,000 cases.
- Describing his own experience in recovering AB Bank default loans through Artha Rin Adalat, he said that there were bottlenecks in settling such cases in absence of dedicated courts.
- The country's first private bank – AB Bank – was struggling with some 33 per cent default loans in 2019 when Tarique Afzal assumed the top post of the bank. The amount had been reduced to 13 per cent by 2022.

<https://www.newagebd.net/article/199214/cash-recovery-from-defaulters-to-give-impetus-for-banks>

International

Bitcoin pushes past \$30,000

The Daily Star, April 12, 2023

- Major cryptocurrency bitcoin breached the key \$30,000 level for the first time in 10 months on Tuesday, adding to its steady gains as investors raised bets that the US Federal Reserve will soon end its aggressive monetary tightening campaign.
- Bitcoin peaked at \$30,438 in Asian trade and was last 2 per cent higher at \$30,262. It has gained about 6 per cent since the start of the month, after rising 23 per cent in March. The token's surge follows Friday's closely-watched US nonfarm payrolls report that showed employers maintained a strong pace of hiring in March, pointing to a still-resilient economy.
- However, banking sector turmoil sparked by last month's collapse of Silicon Valley Bank has raised market expectations that the Fed is unlikely to lift interest rates much higher for longer as it looks to ease stress on the sector.
- "The reason behind the broad-based rally in crypto is traders' optimism toward central banks' monetary policy," said Tina Teng, markets analyst at CMC Markets.
- Ether, the second largest cryptocurrency, stood near last week's roughly eight-month peak of \$1,942.50. It was last 0.75 per cent higher at \$1,925.80. Crypto investors are eagerly anticipating a major revamp to the Ethereum blockchain this week that is set to allow them to gain access to more than \$33 billion of ether currency.

<https://www.thedailystar.net/business/global-economy/news/bitcoin-pushes-past-30000-3294741>

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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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