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Stock Market & Company

DSEX drops below 6600-mark amid panic sale

The Financial Express, May 11, 2022

- Stocks fell sharply on Wednesday, extending the losing streak for the two consecutive sessions, as investors went for a panic-driven sell-off amid concerns over the country's macroeconomic situation. The market opened lower and the downturn continued until the end of the session amid modest volatility, eventually ending over 73 points lower.
- DSEX, the key index of the Dhaka Stock Exchange, slid 73.62 points or 1.10 per cent to settle at 6,592.
- Two other indices also ended lower. The DSE 30 Index, comprising blue chips, fell 15.13 points to finish at 2,420 and the DSE Shariah Index (DSES) lost 15.47 points to close at 1,433.
- Turnover, a crucial indicator of the market, also dropped and amounted to Tk 11.35 billion on DSE, which was 9.78 per cent lower than the previous day's three months highest turnover of Tk 12.58 billion.
- Rangpur Dairy & Food Products was the most-traded stock with shares worth Tk 985 million changing hands, followed by ACI Formulations (Tk 770 million), Beximco (Tk 471 million), JMI Hospital Requisite Manufacturing (Tk 464 million) and Shinepukur Ceramics (Tk 290 million).
- BD Finance was the top gainer, posting a 6.96 per cent gain while Asia Insurance was the worst loser, losing 6.37 per cent following its corporate declaration.
- The Chittagong Stock Exchange (CSE) also ended sharply lower with the CSE All Share Price Index – CASPI –losing 202 points to settle at 19,329 and the Selective Categories Index – CSCX – shedding 119 points to close at 11,598.



<https://thefinancialexpress.com.bd/stock/dsex-drops-below-6600-mark-amid-panic-sale-1652265012>

BSEC roadshow opens in Qatar on May 18 to attract FDI

The Newage, May 11, 2022

- The Bangladesh Securities and Exchange Commission and the Bangladesh Investment Development Authority are going to organise a roadshow in Qatar from May 18 to May 19 to attract more foreign direct investments. The roadshow titled 'The Rise of Bengal Tiger: Potentials of Trade and Investment in Bangladesh' will be held at Marsa Malaz Kempinski, The Pearl - Doha.
- The roadshow will be organised in partnership with the Ministry of Foreign Affairs and in association with Bangladesh Forum Qatar (BFQ). Prime minister's private sector industry and investment adviser Salman F Rahman, foreign minister AK Abdul Momen, planning minister MA Mannan, commerce minister Tipu Munshi, BIDA executive chairman Md Sirazul Islam, BSEC chairman Shibli Rubayat-UI-Islam and some other government and non-government high-ups are expected to join the event.
- Talking to the BSS, Shibli said that the BSEC had already organised several roadshows in the UK, the USA and Switzerland to attract foreign investment in the capital market as well as to brand Bangladesh. 'Now, we are arranging the roadshow in Qatar to get more investments. We want to focus on foreign direct investment and the capital market,' he added.

<https://www.newagebd.net/article/170248/bsec-roadshow-opens-in-qatar-on-may-18-to-attract-fdi>

BSEC initiates actions against illegal tipsters

The Business Standard, May 11, 2022

- The Bangladesh Securities and Exchange Commission (BSEC) initiated actions against illegal tipsters in the local stock market who sell unauthorised advice to unsophisticated retail investors. The BSEC surveillance officials have identified a number of such activities online and have initiated further investigation.
- On Wednesday, the BSEC wrote to bKash, the largest mobile financial service (MFS) provider, requesting details of one of its customers who has been using the MFS account to illegally collect monthly subscriptions and other fees from the mass people for membership in a telegram group that claims to ensure profits through its stocks' trading instructions.
- The regulator also sought the MFS account's January-April transaction details for investigation. BSEC Executive Director and Spokesperson Rezaul Karim told The Business Standard that it is illegal to sell securities buy-sell advice without a regulatory licence and in the market, there are a number of people and groups who do it, while most are fraudulent.
- The BSEC is getting the details of such wrongdoers to punish them. It seems the regulator is going to begin a new wave of crackdown against tipsters with the use of the cell phone number 01811762369.

<https://www.tbsnews.net/economy/stocks/bsec-initiates-actions-against-illegal-tipsters-417982>

Runner Auto sued for Tk15.59cr VAT evading

The Business Standard, May 11, 2022

- The VAT Audit, Intelligence & Investigation Directorate has filed a case against Runner Automobiles Ltd for allegedly evading more than Tk15 crore in VAT by concealing product sales information.
- Runner Auto, the two-wheeler pioneer of the country, will now have to pay Tk20.85 crore to the government. Runner Auto officials have declined the allegation, saying the company has been compliant with all relevant rules and laws.
- The case was filed following a raid by the VAT intelligence directorate into Runner Auto's head office last March in response to a complaint from a buyer who wished to remain anonymous, officials said.
- In a statement, the VAT intelligence directorate said Runner Auto has evaded Tk15.59 crore in VAT by hiding sales of Tk70.47 crore from July 2016 to June 2021. According to the VAT Act, the company now has to pay the evaded amount along with a monthly interest of 2%.



- The company has two options now – paying the claimed amount as a total of unpaid VAT, and the accrued interest on the figure, or going for an appeal. Shanat opined that his firm will take the appeal route.

<https://www.tbsnews.net/bangladesh/corruption/runner-auto-sued-tk1559cr-vat-evading-417958>

'Vanguard AML Growth Fund' declares 15% cash dividend

The Business Standard, May 11, 2022

- 'Vanguard AML Growth Fund' has declared 15% (i.e. Tk. 1.50 per unit) cash dividend for the year that ended on 31 March, 2022. The Trustee Committee of 'Vanguard AML Growth Fund' has approved the Audited Financial Statements, reads a press release.
- The fund is managed by 'Vanguard Asset Management Ltd.'. The Unit holders, whose names appeared in the registers of the Vanguard AML Growth Fund on March 31, 2022; will be entitled to receive the proclaimed dividend.
- As of 31 March, 2022; fund has generated Earning per Unit (EPU) Tk. 2.69 and the Net Asset Value (NAV) at market price for Tk. 14.10 per unit and at cost price for Tk. 13.83 per unit.

<https://www.tbsnews.net/economy/corporates/vanguard-aml-growth-fund-declares-15-cash-dividend-417898>

Star Feed to become contract manufacturer for Aman Feed

The Business Standard, May 11, 2022

- Private feed producer Star Feed Mills Ltd is set to become the contract manufacturer for Aman Feed Ltd. The board of directors of Aman Feed has decided to enter into an agreement with Star Feed to this end, said stock exchange sources. The agreement will come into effect from today (Thursday).
- Under the agreement, Aman Feed, a listed company, will supply raw materials to Star Feed for feed production. Sources said Star Feed Mills will produce a maximum of 6000 tonnes of finished broiler and layer feed per month, which Aman Feed will sell through its existing distribution network all over the country.
- From January to March quarter of 2022, the company's revenue was Tk251.89 crore, which was Tk181.31 crore in the same period of the previous year. During the period, its net profit came down 64.35% and stood at Tk2.05 crore, which was Tk5.75 crore.
- As of 31 March 2022, sponsors and directors jointly held 63.26%, institutions 10.28%, foreign investors 0.05%, and the general public held 26.41% shares in the company.

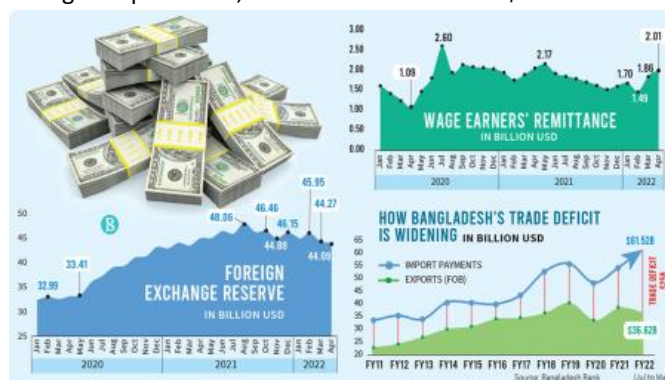
<https://www.tbsnews.net/economy/corporates/star-feed-become-contract-manufacturer-aman-feed-417946>

Economy & Industry

Forex reserve falls to \$41b-mark with higher imports, lower remittance inflow

The Business Standard, May 11, 2022

- Bangladesh's forex reserve, which witnessed a rapid surge during the pandemic, has now fallen to the \$41 billion-mark thanks to higher imports and lower remittance inflow. This has caused concerns for the country in the matter of spending foreign currencies.
- After paying the Asian Clearing Union \$2.24 billion on Tuesday, the reserve stood at \$41.95 billion which central bank officials believe will meet the liabilities of imports for the next six months.
- In such a situation, the central bank on Wednesday took several strict steps to keep holding the foreign currency reserve by reducing spending on development projects. It decided to delay payments for at least six months for the projects that have no urgency right now.



- Earlier on Tuesday, the central bank instructed the scheduled banks to keep the minimum 50% margin against letters of credit (LC), which is double the previous margin set only a month ago.
- With the rapid higher remittance inflow during the pandemic, the reserve hit an all-time high of \$48.06 billion in August 2021. However, the reserve has been on the decline since then, due mainly to increased imports amid the ease of the pandemic.

<https://www.tbsnews.net/economy/forex-reserve-falls-41b-mark-higher-imports-lower-remittance-inflow-417998>

Directors not allowed to be same bank's employee: BB

The Newage, May 11, 2022

- The Bangladesh Bank on Wednesday barred any bank director having at least one year or above of directorship from becoming its contractual or regular employee. If any director of any bank was appointed as its contractual or regular employee, the individual will have to vacate his or her position by July 31, 2022.
- It has been a common phenomenon in the banks as many individuals were working in different banks as contractual and regular employees after being in the respective bank's board, bankers said. A BB circular issued in this regard on the day said that the central bank issued the circular to ensure better governance and discipline in the bank company management.
- The board of directors and management have due role in ensuring effective operations of banks, it said, adding that avoiding any sort of obstacle in management and operations of banks is a must on the same ground.
- Besides, the central bank also barred any member of any bank's executive committee, audit committee and risk management committee, comprising of its chairman or members of board or directors, from working as chairman or director or members of the bank's any other subsidiary company or any company or foundation-formed and operated with its finance.

<https://www.newagebd.net/article/170251/directors-not-allowed-to-be-same-banks-employee-bb>

International

China's consumer inflation picks up

The Daily Star, May 12, 2022

- China's consumer inflation rose at its quickest pace in nearly half a year, official data showed Wednesday, reflecting the growing costs of the country's zero-Covid curbs and high commodity prices. The damage from Beijing's strict zero-Covid strategy has been increasingly reflected in economic data, as lockdowns in key cities such as Shanghai snarled supply chains and pushed up transportation prices.
- April's consumer price index (CPI), a key gauge of retail inflation, rose more than expected at 2.1 per cent on-year, picking up from levels seen the month before, said the National Bureau of Statistics (NBS). This was due to "factors like the domestic epidemic and continued rise in international commodity prices," the bureau's senior statistician Dong Lijuan said in a statement.
- Since April, China's biggest city Shanghai had been almost entirely sealed off. Most of its 25 million residents have been confined to their homes, while goods piled up at its port as authorities rush to stamp out the worst Covid resurgence since the early days of the pandemic.

<https://www.thedailystar.net/news/asia/china/news/chinas-consumer-inflation-picks-3021871>

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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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