

Key News

- ✓ [Stocks fall as proposed budget disappoints investors](#)
- ✓ [City Bank holds 39th AGM virtually; approves 12.50pc cash, 12.50pc stock dividend](#)
- ✓ [CDBL credits primary shares of BD Paints to investors' accounts](#)
- ✓ [Dragon Sweater to merge with 'sick' company](#)
- ✓ [Government securities can be traded through BO accounts](#)
- ✓ [5 bodies tie up to facilitate trading on bourses](#)
- ✓ [Khairul Bashar Abu Taher joins Dhaka bourse as CRO](#)
- ✓ [Forex reserve still in standard level: BB governor](#)
- ✓ [Bankers call for increasing dollar supply](#)
- ✓ [US, EU divided over LDC trade benefit extension](#)

Stock Market & Company

Stocks fall as proposed budget disappoints investors

The Newage, June 12, 2022

- Dhaka stocks dropped for the second trading session on Sunday as the proposed national budget disappointed capital market investors, market operators said. DSEX, the key index of the Dhaka Stock Exchange, dropped by 0.75 per cent, or 48.84 points, to close at 6,431.46 points on Sunday after losing 3.94 points in the previous session.
- Meghna Insurance Company Limited, which made its debut on June 8, soared by the maximum limit on the day to close at Tk 13.3 a share. Out of the 376 issues traded on Sunday, 306 declined, 53 advanced and 19 remained unchanged on the DSE.
- The turnover on the DSE dropped to Tk 636.4 crore on Sunday compared with that of Tk 758.26 crore in the previous session. The DS30 index also dropped by 17.73 points to finish at 2,334.64 points and the DSE Shariah index declined by 10.66 points to close at 1,403.07 points.
- Shinepukur Ceramics topped the turnover chart with its shares worth Tk 44.61 crore changing hands. BEXIMCO, BDCOM Online, IPDC Finance, Bangladesh Shipping Corporation, Fortune Shoes, BD Finance, Fu-Wang Foods, Salvo Chemicals and National Bank were the other turnover leaders.
- Meghna Insurance Company Limited was the day's best performer, posting a gain of 9.9 per cent, while Summit Alliance Port Limited was the worst loser, shedding 2 per cent.

<https://www.newagebd.net/article/173071/stocks-fall-as-proposed-budget-disappoints-investors>

City Bank holds 39th AGM virtually; approves 12.50pc cash, 12.50pc stock dividend

The Financial Express, June 12, 2022

- The 39th Annual General Meeting (AGM) of City Bank was held on Sunday on a virtual platform. The Audited Financial Statements for the Bank for the year ended December 31, 2021, were placed before the AGM and some shareholders discussed the performance of the Bank.
- The shareholders made various observations and suggestions on the performance of the bank for the year 2021, according to a press release. Following the Board of Directors' recommendation, 12.50 per cent cash and 12.50 per cent stock dividend were been declared. Those were approved by the shareholders.
- In his welcome speech, Chairman Aziz Al Kaiser mentioned the bank's strategy, as manifested in the several transformation initiatives of the year 2021. This strategy is built on the pillars of financial inclusion and digital innovation. He informed, "Profit after tax of the bank in 2021 increased by Tk 730 million or 18.2 per cent and stood at Tk 4.74 billion.

<https://thefinancialexpress.com.bd/stock/city-bank-holds-39th-agm-virtually-approves-1250pc-cash-1250pc-stock-dividend>

CDBL credits primary shares of BD Paints to investors' accounts

The Business Standard, June 12, 2022

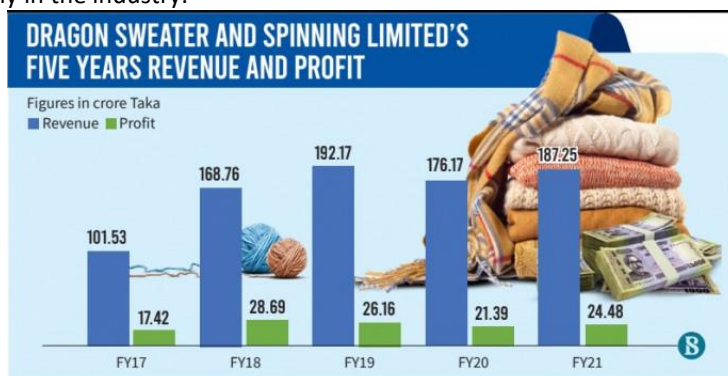
- The Central Depository Bangladesh Limited (CDBL) has credited the primary shares of BD Paints Limited to the beneficiary owners (BO) accounts of its investors. The company has completed its qualified investor offer (QIO) subscription from 22 May to 26 May 2022.
- On 12 April this year, the Bangladesh Securities and Exchange Commission (BSEC) allowed the company to raise Tk12 crore through a QIO from the SME board of the stock exchanges. Of the amount, BD Paints will spend Tk1.7 crore on building construction, Tk5.5 crore on machinery installation, and Tk4.54 crore on working capital.
- According to the company's audited financial statements as of 30 June 2021, its net profit stood at Tk4.83 crore, which was Tk3.13 crore in the previous year. The paint manufacturer also saw an increase in revenue to Tk29.38 crore in the fiscal, from Tk23.36 crore a year earlier.
- Its earnings per share stood at Tk0.97 and net asset value per share at Tk15.94 at the end of the fiscal. CAPM Advisory Limited and Prime Bank Investment Limited are the issue managers for the company.

<https://www.tbsnews.net/economy/stocks/cdbl-credits-primary-shares-bd-paints-investors-accounts-438534>

Dragon Sweater to merge with 'sick' company

The Business Standard, June 12, 2022

- Stock exchange-listed Dragon Sweater and Spinning Limited has decided to amalgamate with its associate company Dragon Sweater BD Limited which is considered a "sick" company in the industry.
- For shareholders' approval before placing the application to the High Court, the company has issued a notice regarding holding an Extra-Ordinary General Meeting (EGM), as per the requirement of the company law.
- The EGM is scheduled to be held on 26 July and the record date is June 30. Shareholders whose names appear in the company register on the record date will be entitled to attend the EGM.
- Both companies are concerns of Dragon Group whose chairman was Mostafa Golam Quddus, former president of the Bangladesh Garments Manufacturers and Exporters Association (BGMEA). Currently, his son Mostafa Quamrus Sobhan runs the business of the group.



<https://www.tbsnews.net/economy/stocks/dragon-sweater-merge-sick-company-438562>

Government securities can be traded through BO accounts

The Business Standard, June 12, 2022

- From now onwards, ordinary investors will be able to transact government securities (treasury bills, treasury bonds, etc) through BO accounts, and the face value of the traded securities will be Tk100 and the market lot will be Tk1000. A Memorandum of Understanding (MoU) was signed in this regard between the Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange PLC and Central Depository Bangladesh Limited on Sunday.
- Investors will be able to include risk-free securities in their portfolios, such as government securities. As a result, portfolio risk for investors will be reduced. The development work of the government will increase the opportunity to raise money from the internal sector, which will reduce the dependence on banks or financial institutions. This will create a vibrant bond market in the capital market and increase the market capital to a large extent.
- The yield curve of different term bonds will be available due to trading on the government securities stock exchange trading platform. This yield curve will make it easier to determine interest rates or dividends on other bonds. As a result, future interest rates or dividends on various term bonds can be estimated on this basis.

<https://www.tbsnews.net/economy/stocks/government-securities-can-be-traded-through-bo-accounts-438558>

5 bodies tie up to facilitate trading on bourses

The Newage, June 12, 2022

- Five bodies, including the Bangladesh Bank and the Bangladesh Securities and Exchange Commission, on Sunday signed a memorandum of understanding to facilitate the trading of government treasury bonds on the country's stock exchanges.
- BB director Khondoker Siddikur Rahman, BSEC director Abul Kalam, Dhaka Stock Exchange managing director Tarique Amin Bhuiyan, Chittagong Stock Exchange managing director (acting) Golam Faruque and Central Depository of Bangladesh managing director Shuvra Kanti Choudhury signed the deal on behalf of their respective organisations.
- The face value of the government securities will be Tk 100 and market lot would be 1,000, meaning that minimum Tk 1 lakh worth securities can be traded on the stock exchanges. Investors can trade GS with mentioning yield or price. The seller would get accrued interest along with selling price while buyer will get coupon money through the BEFTN system.
- Investors can see yield curve of different bonds of different tenure which will help them to make investment decision. Currently, an investor has to open a business partner identification number (BP ID) through any bank in the country and the bank opens a BP ID for the investor through the BB in MI Module.
- Investors then will select suitable bonds and request his/her bank to buy the available one following depositing fund to his/her bank account. After that, the bank buys bonds on behalf of its client from the secondary market and the bank collects coupon periodically or matured amount and deposits it to the client's account.

<https://www.newagebd.net/article/173098/5-bodies-tie-up-to-facilitate-trading-on-bourses>

Khairul Bashar Abu Taher joins Dhaka bourse as CRO

The Business Standard, June 12, 2022

- Investment banker Khairul Bashar Abu Taher Mohammad joined the Dhaka Stock Exchange (DSE) as the new Chief Regulatory Officer (CRO) on Sunday. On 23 March this year, the Bangladesh Securities and Exchange Commission (BSEC) approved the bourse's decision to appoint him as the new CRO.
- CRO leads the regulatory affairs division of the bourses. Surveillance, monitoring and compliance, investigation and enforcement, listing affairs, investor complaints arbitration and litigation, corporate governance, and financial reporting compliance departments are under the regulatory affairs division of the DSE.

<https://www.tbsnews.net/economy/stocks/khairul-bashar-abu-taher-joins-dhaka-bourse-cro-438542>

Economy & Industry

Forex reserve still in standard level: BB governor

The Newage, June 12, 2022

- Bangladesh Bank governor Fazle Kabir Sunday said that the country's foreign exchange reserves were still in a standard level. 'The reserves stood at US\$ 41.7 billion, which is good enough to settle import bills for more than five and a half months. Import payments of the country stood at on average 7.5 billion in the last 10-11 months. It is the standard level for any country to keep reserves to settle import bills for at least three months. So, we are still in a comfort zone,' he said.
- The central bank governor said this while speaking at a cyber security summit organised by the Association of Bankers, Bangladesh (ABB) at a hotel in the city. Fazle Kabir said that the country had been facing foreign exchange pressure in the last couple of months due to the soaring import payments stemmed from the global supply chain disruption.

<https://www.newagebd.net/article/173095/forex-reserve-still-in-standard-level-bb-governor>

Bankers call for increasing dollar supply

The Business Standard, June 13, 2022

- The Association of Bankers, Bangladesh (ABB) and the Bangladesh Foreign Exchange Dealers Association (BAFEDA) have urged Bangladesh Bank Governor Fazle Kabir to increase dollar supply to ease the existing foreign currency crisis caused by soaring trade deficit and declining inflow of remittance.
- "In the meeting, the dollar supply situation and several other issues were discussed. The bankers requested us to increase dollar supply and we also talked about how we can receive due payments from foreign entities fast," Sirajul Islam, executive director and spokesperson of the central bank, told The Business Standard.
- There was no discussion on dollar rates, he added. Talking to TBS, several participants said reducing the demand for the dollar is not possible in the current situation.
- On Sunday, the interbank dollar exchange rate was at Tk92; the rate was Tk91.95 last Monday. The foreign exchange reserves stood at \$41.7 billion last week. It was \$48 billion in August last year. The central bank has so far sold about \$7 billion worth dollars to banks in the ongoing fiscal year.

<https://www.tbsnews.net/economy/bankers-meet-bb-governor-call-increasing-dollar-supply-438634>

International

US, EU divided over LDC trade benefit extension

The Daily Star, June 13, 2022

- Two major economic powers of the world, the US and the European Union, are divided on continuation of trade facilities meant for the least-developed countries (LDCs) once they make the United Nations status graduation to become developing countries.
- The matter surfaced at the ongoing 12th Ministerial Conference (MC12) of the World Trade Organisation (WTO) in Geneva of Switzerland. Bangladesh, along with other LDCs, is negotiating with the WTO and developed and developing countries for the extension, initially seeking 12 years and later either nine or six years.
- The LDCs headed by the Central African country Chad submitted a petition to the WTO in October 2020 demanding the extension. But owing to the US opposition, it will be difficult to reach a positive conclusion, said the negotiators.
- However, all the LDCs in their forum meeting demanded the extension by at least six to nine years, reasoning difficulties faced for the pandemic and the subsequent Russia-Ukraine war.

<https://www.thedailystar.net/business/global-economy/news/us-eu-divided-over-ldc-trade-benefit-extension-3045956>

Disclaimer

This document has been prepared by Bank Asia Securities Ltd (BASL) based on publicly available data for information purpose only and does not solicit any action based on the material contained herein and should not be construed as an offer or solicitation to buy or sell or subscribe to any security. Neither BASL nor any of its directors, shareholders, member of the management or employee represents or warrants expressly or impliedly that the information or data of the sources used in the documents are genuine, accurate, complete, authentic and correct. However, all reasonable care has been taken to ensure the accuracy of the contents of this document. BASL or Research & Development Department will not take any responsibility for any decisions made based on the information herein. As this document has been made for the Traders of BASL and strongly prohibited for circulation to any clients, investors or any other persons from outside of BASL.

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.