

## Key News

- ✓ [Stocks drop post-Eid first session](#)
- ✓ [BD Paints keeps rising since debut](#)
- ✓ [Quasem Textile, Shreepur Textile asked to explain business inaction](#)
- ✓ [Desh General Insurance posts 7% profit growth in April-June](#)
- ✓ [Libra Infusions disclosing pending financial results](#)
- ✓ [SS Steel EGM for investment in Al-Falah Steel](#)
- ✓ [Containing inflation top priority: new BB governor](#)
- ✓ [Reserves fall below \\$40b, first time in 2 years](#)
- ✓ [German investor morale slumps as gas crisis looms](#)

## Stock Market & Company

### Stocks drop post-Eid first session

The Financial Express, July 12, 2022

- Stocks fell marginally on Tuesday, the first day after Eid holidays, as investors were mostly cautious amid growing macroeconomic worries. The market opened on a positive note and the key index rose about 19 points within the first 10 minutes. But, the rest of the session went down steadily, ultimately ending over 11 points lower.
- DSEX, the key index of the Dhaka Stock Exchange (DSE), went down by 11.47 points to settle at 6,355, after closing almost flat in the last session before Eid holidays. Turnover, the crucial indicator of the market, stood at Tk 6.79 billion, which was 14 per cent lower than the previous day's tally of Tk 7.88 billion.
- Two other indices dropped. The DS30 Index, which consists of the blue-chip companies, fell 9.62 points to close at 2,284 and the DSES Index, which represents Shariah-based companies, shed 2.26 points to finish at 1,385. IPDC Finance was the most-traded stock with shares worth Tk 631 million changing hands, followed by Beximco (Tk 513 million), Fortune Shoes (Tk 355 million), Intraco Refueling Station (Tk 191 million) and Titas Gas (Tk 131 million).
- Golden Son was the top gainer, posting a 9.77 per cent gain while Janata Insurance was the day's worst loser, losing 6.59 per cent following its price adjustment after the record date.
- The Chittagong Stock Exchange (CSE) also closed lower with the CSE All Share Price Index – CASPI –losing 64 points to settle at 18,687 and the Selective Categories Index – CSCX –shedding 40 points to close at 11,198.

<https://thefinancialexpress.com.bd/stock/stocks-drop-post-eid-first-session-1657622380>

## BD Paints keeps rising since debut

The Financial Express, July 13, 2022

- The stock price of newly-listed Bangladesh Paints is rising 'abnormally' since debut a month earlier as it created an 'irrational hype' among investors. Within a month since its debut, the SME company's share price jumped 460 per cent or Tk 46 each from its issue price of Tk 10 riding on short-term speculation.
- The paint manufacturer's share price closed at Tk 56 on Tuesday on the Dhaka Stock Exchange (DSE). Its shares traded between Tk 10 and Tk 56.40 since debut on June 14. The recent price surge prompted the prime bourse to serve a show-cause notice on the company to know whether there was any price sensitive information for recent unusual price hike.
- The company, however, in a response said that there is no undisclosed price sensitive information of the recent unusual price hike and increase in volume of shares. Even after being served show-cause notice, the company's share price has not stopped rising and jumped 9.16 per cent further on Tuesday.

<https://thefinancialexpress.com.bd/stock/bd-paints-keeps-rising-since-debut-1657682607>

## Quasem Textile, Shreepur Textile asked to explain business inaction

The Newage, July 12, 2022

- The Bangladesh Securities and Exchange Commission has sought explanation from non-performing Shreepur Textile Mills Limited and Quasem Textile Mills Limited about taking no initiative by them for the resumption of production activities. The BSEC has recently sent separate letters to the companies in this regard.
- Shreepur Textile raised paid-up capital of Tk 5.2 crore through an initial public offering. The current paid up capital of the textile company is Tk 14 crore. Lenders sold all mortgage and hypothecate assets of Shreepur Textile based on a court verdict.
- There are no assets in the name of Shreepur Textile except motor vehicle. Shreepur Textile is an associate concern of ERBA Ltd. Since its annual general meeting held on December 30, 2013, the company has no records for any regulatory submissions.
- Quasem Textile raised paid up capital of Tk 69 lakh through an IPO. The current paid up capital is Tk 1.38 crore. According to a DSE inspection report, the company held its last AGM in 2012. The inspection team found that a business group was running its operation on the factory premises of Quasem Textile Mills as Quasem Textile sold their entire factory premises to the group.

<https://www.newagebd.net/article/175627/quasem-textile-shreepur-textile-asked-to-explain-business-inaction>

## Desh General Insurance posts 7% profit growth in April-June

The Business Standard, July 12, 2022

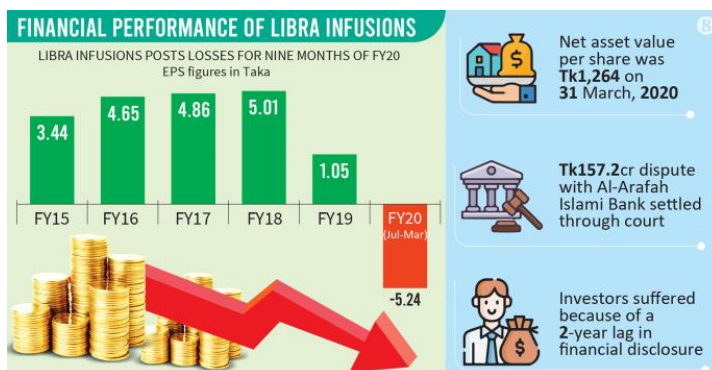
- Desh General Insurance Company posted a 7% profit growth in the April-June quarter of this year compared to the same period of last year. In the second quarter, the company's net profit stood at Tk1.24 crore, which was Tk1.16 crore in the corresponding period of 2021.
- Its earnings per share (EPS) stood at Tk0.31 in April-June, which was 7% higher than the previous year. The net asset value of the company was Tk12.15 as of 30 June, 2022. From the January to June period, its net profit stood at Tk3.32 crore and EPS at Tk0.83.
- According to the company's IPO prospectus, it borrowed Tk8.44 crore from different banks and three companies of Bengal Group for claim settlement till 31 December 2019. Until that period, it had Tk22 crore in FDRs.
- The prospectus said the National Board of Revenue (NBR) claimed Tk6 crore in taxes from the company for the fiscal year 2005-2006 to 2015-2016, while the claim settlement remains pending with the tax appellate tribunal.

<https://www.tbsnews.net/economy/stocks/desh-general-insurance-posts-7-profit-growth-april-june-457222>

## Libra Infusions disclosing pending financial results

The Business Standard, July 12, 2022

- Libra Infusions Ltd has finally begun to disclose its financial results that have been pending since mid-2019. Predictably, it has had losses for the first nine months of fiscal year 2019-20.
- With a mixture of small profits in the first three months and much bigger losses in the next six months, the intravenous fluids producer posted Tk5.24 in losses per share (negative earnings per share or negative EPS) for the July 2019 to March 2020 period.
- The unaudited losses appeared to have been much smaller than the negative EPS of Tk18.07 for the same nine months of the previous 2018-19 fiscal year, when an extraordinary fourth quarter helped the firm save its annual bottom line, posting Tk1.05 in annual EPS.
- However, since the decline in earnings, the company stopped disclosing financials though it continued operating. In 2018, its business declined owing to disputes with its financier Al-Arafah Islami Bank Ltd, said Libra Infusions Company Secretary Md Shafiqul Islam Bhuyan.



<https://www.tbsnews.net/economy/stocks/libra-infusions-disclosing-pending-financial-results-457214>

## SS Steel EGM for investment in Al-Falah Steel

The Business Standard, July 12, 2022

- SS Steel Limited is going to hold an extraordinary general meeting (EGM) on 3 September on a digital platform to secure shareholder approval for its equity investment in Al-Falah Steel and Re-rolling Mills Limited. The record date for the EGM has been set on 4 August.
- In April this year, the company decided to buy 99% shares of Al-Falah Steel for Tk87.46 crore. Al-Falah Steel will now issue new shares to SS Steel for this investment. SS Steel expects this investment will add about a Tk450 crore turnover to Al-Falah Steel annually, and substantially increase the company's profitability.
- SS Steel will finance the investment with retained earnings and bank loans. Earlier, the company decided on investing Tk96.68 crore in Al-Falah Steel as a share money deposit for the acquisition of 99% shares of Al-Falah Steel.
- From July to December 2021, SS Steel's revenue increased 11% to Tk319 crore compared to the same period the year before. During the period, its net profit stood at Tk44.94 crore, and earnings per share at Tk1.37.

<https://www.tbsnews.net/economy/stocks/ss-steel-egm-investment-al-falah-steel-45719>

## Economy & Industry

### Containing inflation top priority: new BB governor

The Daily Star, July 12, 2022

- Abdur Rouf Talukder, new governor of Bangladesh Bank, today said containing inflation would be his top priority. Talukder, who joined the central bank as its 12th governor today morning, also stressed the need for bringing back stability in the foreign exchange market by stabilising the exchange rate between the taka and the US dollar.
- He made the comments while delivering speech at a press conference at the BB headquarters in the capital. The new governor said he will go the extra miles to ensure credit flow to the private sector and generate new jobs.
- He also said the banking watchdog would work hard to help the government achieve the desired growth in gross domestic product.

<https://www.thedailystar.net/business/news/containing-inflation-top-priority-new-bb-governor-3068686>

## Reserves fall below \$40b, first time in 2 years

The Business Standard, July 12, 2022

- For the first time in two years, Bangladesh's foreign exchange reserves dropped below \$40 billion on Tuesday, reaching \$39.77 billion, after the central bank cleared \$1.99 billion as import payments to the Asian Clearing Union (ACU) last week, Bangladesh Bank data shows.
- The central banks of ACU member countries – Bangladesh, Bhutan, India, Iran, the Maldives, Myanmar, Nepal, Pakistan and Sri Lanka – have to make the payments every two months. The reserves have been under stress for the past couple of months due to a surge in the import bills and a drop in inward remittance.
- The central bank has been selling dollars from the reserves almost every day to control the ongoing situation. It is also providing this support in LC settlements mainly for food products, fuel and government procurement. In FY22, the central bank sold \$7.62 billion from the reserve.
- Bangladesh's foreign exchange reserves soared to a record amount of \$46.15 billion in December last year and witnessed a fall as import volume in the fiscal year 2021-22 increased to about \$78 billion, while foreign exchange gained from remittance and export stood at \$73 billion.

<https://www.tbsnews.net/economy/banking/forex-reserves-slip-below-40b-after-2-years-457182>

## International

### German investor morale slumps as gas crisis looms

The Newage, July 12, 2022

- German investor confidence dropped in July, a closely watched survey showed on Tuesday, as industry fretted over the potential impact of a halt in Russian gas supplies on Europe's largest economy. The ZEW institute's economic expectations index fell 25.8 points to minus 53.8 points, its lowest level since 2011.
- For its survey, ZEW quizzes experts about the current economic situation and the outlook for the coming six months. A negative reading means that most experts are pessimistic. The July reading was 'slightly lower' than the level seen in March 2020 at the start of the coronavirus pandemic, when shutdowns effectively halted large parts of the economy, ZEW said in a statement.
- Concerns surrounding Germany's energy supply, an imminent rise in European Central Bank interest rates and continuing coronavirus-related restrictions in key market China contributed to a 'significant worsening of the economic outlook', ZEW president Achim Wambach said.
- Morale among export-oriented and energy-intensive industries fell 'particularly sharply', Wambach said. On Monday, Russian energy giant Gazprom halted supplies to Germany via the Nord Stream 1 pipeline as it began maintenance work on the link.

<https://www.newagebd.net/article/175633/german-investor-morale-slumps-as-gas-crisis-looms>

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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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