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## Stock Market & Company

### Stocks drop for 2nd day

The New Age, May 14, 2023

- DSEX, the key index of the Dhaka Stock Exchange, lost 9.02 points, or 0.14 per cent, and settled at 6,263.40 points on Sunday.
- The market lost a total of 15.69 points in the past two trading sessions after gaining 17.47 points in two trading sessions. The turnover on the bourse decreased to Tk 636.49 crore on Sunday compared with that of Tk 798.56 crore on May 11.
- Out of the 343 issues traded, 54 advanced, 103 declined and 186 remained unchanged on the day. On the sectoral front, food issues exerted the highest turnover, followed by IT and textile stocks.
- The DS30 index decreased by 4.10 points to finish at 2,190.24 points and the DSE Shariah index declined by 3.06 points to close at 1,368.93 points on the day. Bangladesh Shipping Corporation topped the turnover chart with its shares worth Tk 36.97 crore changing hands.
- Sea Pearl Beach Resort, Rupali Life Insurance, Paper Processing, Sunlife Insurance, Agni Systems, CVO Petrochemical, Intraco Refueling Station, Simtex Industries and Gemini Sea Food were the other turnover leaders on the day.

<https://www.newagebd.net/article/201665/stocks-drop-for-2nd-day>

## Some companies deceive their investors: BSEC Chairman

The Business Standard, May 14, 2023

- Some companies tend to deceive their investors, Bangladesh Securities and Exchange Commission (BSEC) Chairman Professor Shibli Rubayat Ul Islam has claimed.
- "There are some listed companies that paid up to a capital of Tk800 crore but made profit of only Tk20 crore. So, how come they show 10% dividend to their investors? Well, they are actually deceiving their investors," he said while speaking as chief guest at a Dhaka Club seminar titled Organisational Sustainability: Role of Chartered/Companies Secretary organised by Institute of Chartered Secretaries of Bangladesh (ICSB).
- While speaking as guest, Bangladesh Association of Publicly Listed Companies (BAPLC) President and Chairman of ACL Limited Anis Ud Dowla said, "Regulators will not take any legislative measures which may create pressure in the capital market."
- He also said, regulators often direct to change boards of companies without giving a chance to defend the existing members. It demotivates entrepreneurs from making investments.
- Professor Shibli said, "We are also concerned about it. But some entrepreneurs come here with bad intention. They embezzle public money and flee the country. In such cases, what can we do? "If we file a case, it takes a lot of time to process. By then they flee. And if we try to protect the company, then investors and workers are also protected," he added.

<https://www.tbsnews.net/economy/stocks/some-companies-deceive-their-investors-bsec-chairman-631862>

## Stabilisation Fund to inject fresh Tk250cr in stocks thru intermediaries

The Business Standard, May 14, 2023

- The Capital Market Stabilisation Fund (CMSF) is going to lend around Tk250 crore in fresh funds to stock market intermediaries for them to invest in the stock market.
- At present, the CMSF has over Tk250 crore in cash available, which has been kept in a special notice deposit account at the Community Bank Bangladesh Limited. According to officials, the CMSF will seek loan applications from the interested market intermediaries, and it will take no longer than 21 working days to disburse or reject the loan for each firm after receiving the application. The loan is likely to be disbursed by next month.
- After the securities regulator's directives, the CMSF has finalised a borrowing guideline, and here are the dos and don'ts for the intermediaries interested in availing the loan.
- Borrowing guidelines: At a time, a stock market intermediary can avail of not less than Tk5 crore or not more than Tk20 crore. So, the CMSF seems able to provide loans to at least 50 intermediaries, which will enhance capacity to invest fresh funds in the market.
- The borrower firm must ensure a deposit of the amount equivalent to the loan in its dealer account or own portfolio for investing in the stock market. The interest rate of the loan will be the higher value of the six-month average of the fixed deposit receipt (FDR) rate in the banking industry.

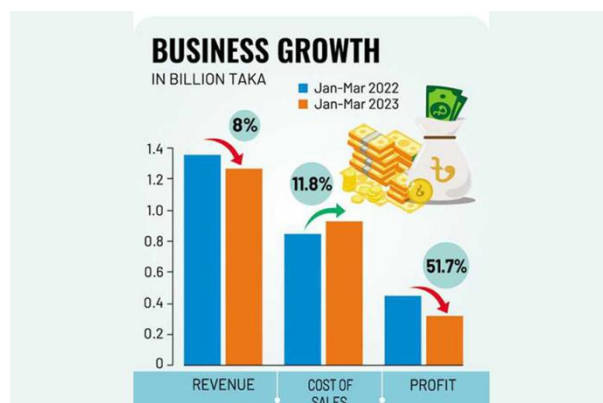
<https://www.tbsnews.net/economy/stocks/stabilisation-fund-inject-fresh-tk250cr-stocks-thru-intermediaries-631854>

## Linde reports lowest profit in 10 quarters for Jan-Mar

The Financial Express, May 14, 2023

- Linde Bangladesh has reported the lowest profit in 10 quarters for January-March this year, mainly due to costlier raw materials.
- Business has been tougher also because of the stronger dollar and a sharp decline in revenue from the healthcare segment. Linde has reported Tk 140 million in profit in the quarter this year, the lowest since April-June 2020 when its business was hampered by the country-wide lockdown aimed at curbing the spread of Covid.

- The leading medical and industrial gas producer's profit nosedived more than 51 per cent year-on-year in the first quarter of this year.
- Linde in a disclosure said profit had gone down mainly for lower sales and higher prices of raw materials in the global market, coupled with a sharp devaluation of the local currency against the US dollar.
- The company's sales revenue dropped more than 8 per cent year-on-year to Tk 1.25 billion in the first three months this year as the demand for medical oxygen, its main product, kept falling.



<https://thefinancialexpress.com.bd/stock/bangladesh/linde-reports-lowest-profit-in-10-quarters-for-jan-mar-1>

## Dhaka Bank makes Tk 59cr profit in Q1

The Daily Star, May 15, 2023

- Dhaka Bank Ltd's profit fell 13.70 per cent year-on-year to Tk 59.83 crore in the first quarter of 2023, owing to a drop in operating profit. The profit stood at Tk 69.32 crore in the same three-month period of 2022.
- Earnings per share were Tk 0.63 in January-March this year against Tk 0.73 in the first quarter of 2022, the unaudited financial statements showed. The net operating cash flow per share (NOCFPS) sprinted to the positive territory at Tk 8.21 in the quarter from a negative Tk 4.36 in January-March last year.
- The net asset value per share rose to Tk 23.29 on March 31 this year from Tk 22.81 last year because of the increase in surplus in the profit and loss account.

<https://www.thedailystar.net/business/economy/news/dhaka-bank-makes-tk-59cr-profit-q1-3320261>

## Reliance Insurance's profit up over 24% in Q1

The Daily Star, May 15, 2023

- Reliance Insurance Ltd registered a 24.2 per cent year-on-year rise in profit to Tk 16.72 crore in the first quarter of the current financial year. The profit stood at Tk 13.46 crore in the same period of 2022, according to a post on the Dhaka Stock Exchange.
- The insurer, thus, reported consolidated earnings per share of Tk 1.59 for January-March of 2023, which was Tk 1.28 in the first quarter of 2022. The consolidated net operating cash flow per share jumped to Tk 4.23 from Tk 1.28.
- The earnings per share and the net operating cash flow per share rose due to an increase in premium income, said the post. The consolidated net asset value per share slipped to Tk 63.24 on March 31 this year from Tk 64.15 on December 31 last year. Shares of Reliance Insurance rose 2.71 per cent Tk 56.90 on the DSE yesterday.

<https://www.thedailystar.net/business/economy/news/reliance-insurances-profit-over-24-q1-3320246>

## Grameen Bank to invest Tk 200cr in stock market

The Daily Star, May 15, 2023

- Grameen Bank is going to invest Tk 200 crore in the stock market by forming a mutual fund named Capitec Grameen Bank Growth Fund. Yesterday, the fund's sponsor Grameen Bank, trustee Investment Corporation of Bangladesh (ICB) and fund manager Capitec Asset Management Company signed two separate agreements in this regard at Grameen Bank's head office in the capital.

- Mutual funds pool money from investors to channel it into securities such as stocks, bonds and other assets. Investors are then paid their share as dividends depending on the profits earned.
- This is going to be the fourth mutual fund managed by Capitec Asset Management. The objective of the fund is to provide lucrative dividend to its shareholders by making money by getting capital gain and cash dividend from listed companies. It would invest in several securities of the capital market and money market.

<https://www.thedailystar.net/business/economy/news/grameen-bank-invest-tk-200cr-stock-market-3320171>

## IDLC Finance's profits slump 29% in Q1

The Daily Star, May 15, 2023

- IDLC Finance Limited yesterday reported securing a profit of Tk 13.9 crore in the first quarter of 2023. This is however 29 per cent less than what the non-bank financial institution made in the same period of the previous year.
- The company logged a consolidated profit after tax of Tk 34.4 crore in the January-March quarter of the current year. It was Tk 48.3 crore in the same period last year.
- The details of the first quarter's financials were declared at a board meeting. The rate cap imposed by the central bank resulted in lower interest income and higher payments on deposits while capital market income has decreased, the two major reasons for the fall in profit, the company said in a press release.

<https://www.thedailystar.net/business/economy/news/idlc-finance-profits-slump-29-q1-3320156>

## Robi Axiata makes Tk 42 crore profit in Jan-Mar

The Daily Star, May 15, 2023

- Telecom operator Robi's profit rises 5.45 per cent year-on-year Tk 42 crore in the January-March quarter of 2023. At the same time, the company's revenue grew over 16.25 per cent to Tk 2,347.74 crore on the back of strong sales of data, Robi Axiata said in a statement.
- "With a strong performance in Q1'23, we feel Robi is well poised for the remaining part of the year," Robi CEO Rajeev Sethi said in the statement. "Unfortunately, due to factors beyond our control, our profit after tax continued to struggle to fully reflect our robust performance. Due to 2 per cent minimum tax, our profit after tax more than halved in Q1'23; which meant, instead of being Tk 89.2 crore, our profit after tax was Tk 42 crore."
- In the January-March quarter, Robi's voice revenue increased by 14.5 per cent year-on-year while data revenue grew by 17.5 per cent. Having added 12 lakh subscribers in the three-month quarter, Robi's subscriber base reached 5.56 crore now, representing 30.2 per cent of the subscriber market share at the end of first quarter.

<https://www.thedailystar.net/business/economy/industries/ict/news/robi-axiata-makes-tk-42-crore-profit-jan-mar-3319891>

## Bata Shoe profit doubles in Jan-Mar

The Business Standard, May 14, 2023

- The net profit of Bata Shoe Company (Bangladesh) Ltd has almost doubled for the January-March quarter compared to the same period last year.
- According to its financial statement published on Sunday, the multinational footwear company's net profit after taxes jumped to Tk13.62 crore for the first quarter of the year, up from Tk6.85 crore for the same period in 2022. Earnings per share (EPS) increased to Tk9.91, from Tk5.01.

- The 14% year-on-year growth in quarterly revenue reached Tk245 crore, while the cost of goods sold increased by almost 5% and operating expenses increased by 16%. "EPS increased significantly compared to last year, driven by revenue growth, especially due to school and winter seasonal businesses and other promotional activities," the company said in its statement.
- The revenue growth, on the other hand, was a result of the normalization of the economic condition, Bata Shoe Bangladesh said, as it had hard times during the pandemic when lockdowns and school closures drastically dragged down its business to losses.
- At the end of March, the company's net asset value per share stood at Tk262.12. Bata Shoe shares, having a face value of Tk10 apiece, closed 1.7% lower at Tk1,007.7 on the Dhaka Stock Exchange on Sunday.

<https://www.tbsnews.net/economy/stocks/bata-shoe-profit-doubles-jan-mar-631802>

## Economy & Industry

### NBR could face revenue shortfall of Tk 21,400cr in FY23: PRI

The Daily Star, May 14, 2023

- The National Board of Revenue could face a revenue shortfall of Tk 21,400 crore to meet the International Monetary Fund target of Tk 3.37 lakh crore for the current financial year 2022-2023 amid economic woes in the country, according to the Policy Research Institute.
- To meet the IMF's target, the NBR will need to mobilise Tk 1.11 lakh crore in the final quarter of this financial year, said the PRI Study Centre on Domestic Resource Mobilisation at a pre-budget discussion at its office in the capital Dhaka on Sunday.
- To address the possible shortfall, the PRI-CDRM suggested a number of reforms, including expanding the tax net with increased compliance of personal and corporate income taxes, implementing the 2012 VAT law, reforming the short-term VAT policies, reducing the tax exemptions considering the economic growth and restructuring the state-owned enterprises to improve their financial performance.
- As per the IMF requirement to boost the revenue mobilisation to Tk 3.37 lakh crore in FY23, the NBR would require collecting monthly Tk 37,100 crore on average in the fourth quarter of FY23, it said.
- As per the IMF requirements, the NBR has to bolster revenue mobilisation by an additional 0.5 per cent of gross domestic product annually in FY24 and FY25, followed by a further 0.7 per cent increase in FY26.

<https://www.newagebd.net/article/201684/nbr-could-face-revenue-shortfall-of-tk-21400cr-in-fy23-pri>

### Bangladesh receives \$774M in remittance in first 12 days of May

The Business Standard, May 14, 2023

- Expatriates have sent \$774 million to the country through the banking channel in the first 12 days of May. Majority of the earnings came through the country's 43 private banks, amounting to \$622 million.
- The state-owned banks brought in \$148 million followed by around \$3 million through foreign banks. Earlier, within the first 14 days of April, the country received \$959 million in remittance and \$1.68 billion over the entire month. The earnings were comparatively low given the celebration of Eid-ul-Fitr in April.
- Bank insiders blamed the low exchange rate of the dollar for the poor remittance. The country received over \$2 billion the month prior.
- Banks now offer Tk108 per dollar as per the latest decision of the Association of Bankers Bangladesh (ABB) and the Bangladesh Foreign Exchange Dealers' Association (BAFEDA).

<https://www.tbsnews.net/economy/bangladesh-receives-774m-remittance-may-631750>

## International

### [Binance pulls out of Canada amid new crypto regulations](#)

The Daily Star, May 15, 2023

- Binance said on Friday it was withdrawing from Canada, weeks after the country issued a series of new guidelines for cryptocurrency exchanges including investor limits and mandatory registrations.
- Canada has tightened regulations for crypto asset trading platforms in recent months, with the introduction of a pre-registration process. The companies that do not adhere to the rules will face potential enforcement action, according to the website of the Ontario Securities Commission.
- "Unfortunately, (the) new guidance related to stablecoins and investor limits provided to crypto exchanges makes the Canada market no longer tenable for Binance at this time," crypto exchange Binance said in a tweet.
- Binance said it does not agree with the latest guidance and hopes to engage with the Canadian regulators to create a comprehensive framework for crypto operations in the country.
- "We are confident that we will someday return to the market when Canadian users once again have the freedom to access a broader suite of digital assets," said the crypto exchange, founded by Canadian national Changpeng Zhao.
- The digital assets industry has been in the crosshairs of regulators around the world, especially since the collapse of Binance-rival FTX in November, which triggered a market rout in the prices of the biggest digital coins.
- Following the onset of the crypto winter of 2022, which wiped out more than a trillion dollars from the industry's market value, lawmakers and securities regulators demanded tighter guidelines for disclosures on how the crypto companies operate and hold customer funds.

<https://www.thedailystar.net/business/global-economy/news/binance-pulls-out-canada-amid-new-crypto-regulations-3320181>

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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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