

## Key News

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## Stock Market & Company

### [Dhaka stocks gain for 2nd day](#)

The New Age, May 17, 2023

- The turnover on the bourse decreased to Tk 711.98 crore on Wednesday compared with that of Tk 744.29 crore on Tuesday. DSEX, the key index of the Dhaka Stock Exchange, gained 4.04 points, or 0.06 per cent, and settled at 6,281.24 points on Wednesday after gaining 17.10 points on Tuesday.
- However, the DS30 index decreased by 0.04 points to finish at 2,193.32 points and the DSE Shariah index also dropped by 0.50 points to close at 1,368.01 points on the day.
- Out of the 360 issues traded, 105 advanced, 66 declined and 189 remained unchanged on Wednesday. Bangladesh Shipping Corporation topped the turnover chart with its shares worth Tk 36.68 crore changing hands.
- Intraco Refueling Station, Sea Pearl Beach Resort, Rupali Life Insurance, Agni Systems, Paramount Textile, Unique Hotel, Gemini Sea Food, Eastern Housing and Chartered Life Insurance were the other turnover leaders on the day.

<https://www.newagebd.net/article/201922/dhaka-stocks-gain-for-2nd-day>

### [Why did National Tea's share price plunge by 60%?](#)

The Daily Star, May 17, 2023

- The National Tea Company came as a surprise to many stock traders today when they found that the company's share price plunged by a massive 59.89 per cent.
- The stock price of the state-run listed company dropped to Tk 251 today, which was traded at Tk 626 on May 14. The company will issue 2.34 crore ordinary shares of Tk 10 each at an issue price of Tk 119.53 each, including a premium of Tk 109.53, for which it received regulatory approval in April this year.
- The adjustment was needed as the company was issuing ordinary shares to its existing 66 lakh shareholders to raise a paid-up capital of Tk 279.7 crore. However, National Tea's trading remained halted on May 16 also as the price adjustment was not complete. Finally, the share price dropped after the completion of the price adjustment.

<https://www.thedailystar.net/business/news/why-did-national-teas-share-price-plunge-60-3322551>

## Eastern Bank posts higher Q1 profit despite rising costs

The Business Standard, May 17, 2023

- Despite struggling with higher foreign currency borrowing cost and expensive deposits, Eastern Bank Limited, posted a nearly 4% year-on-year growth in net profit on a solo basis in the first quarter of 2023.
- The bank's March quarter profit was mainly driven by a significant growth in investment income and release of provision against its unrealised losses in listed securities, the bank said in a statement.
- Eastern Bank's Managing Director and Chief Executive Officer Ali Reza Iftekhar said, "Despite rising inflation, dollar crisis, and market volatility, the bank saw higher profits thanks to our prudent banking and responsible lending." The banking sector has faced a decrease in net interest income, fees and commission earnings including foreign exchange gain during the first quarter of 2023.
- This was mainly because of the ongoing economic crisis due to scarcity of the US dollar. As a result, foreign currency borrowing cost, particularly for offshore banking operations, increased.

<https://www.tbsnews.net/economy/stocks/eastern-bank-posts-higher-q1-profit-despite-rising-costs-633654>

## Sponsor to transfer 15.2 lakh Mutual Trust Bank shares

The Business Standard, May 17, 2023

- Associated Builders Corporation Limited — a sponsor of the Mutual Trust Bank Limited — has declared to sell 13.8% or 15.2 lakh of its total 1.1 crore shares at the bank. On the other hand, Rashed Ahmed Chowdhury, a director at Associated Builders Corporation as well as at the bank, is going to buy the same shares at the prevailing market price.
- According to the bank's disclosure on the Dhaka Stock Exchange (DSE) website on Wednesday, the transaction will take place in the block market within the next 30 working days.
- Associated Builders Corporation designs and constructs industrial projects, bridges, jetties, harbour, roads, and buildings. In September last year, the corporation sold 53.17 lakh and before that, it had sold 24.37 lakh Mutual Trust Bank shares to Rashed Ahmed Chowdhury in the block market through DSE.

<https://www.tbsnews.net/economy/stocks/sponsor-transfer-152-lakh-mutual-trust-bank-shares-633634>

## Economy & Industry

### Govt keeps borrowing big amounts from BB

The Daily Star, May 18, 2023

- The government has kept borrowing a hefty amount of funds from the Bangladesh Bank as commercial banks are unable to meet the financing requirement of the state because of the liquidity crunch.
- Between July 1 and May 10 this fiscal year, the government borrowed Tk 67,906 crore from the central bank, BB data showed. It borrowed Tk 31,403 crore from the BB in the entire previous fiscal year. Owing to the fund injection, the volume of notes and coins in circulation is increasing. In Bangladesh, this money can multiply by as much as five times, according to a number of central bankers.
- "So, the Tk 67,906 crore borrowed by the government may end up being Tk 339,530 crore. The extra money in the hands of people will create additional demand for goods, which, will in turn drive up prices," Mansur said.
- Inflation fell slightly to 9.24 per cent in April after the Consumer Price Index jumped to a seven-month high of 9.33 per cent in March. It was 6.17 per cent in February last year.

<https://www.thedailystar.net/business/economy/news/govt-keeps-borrowing-big-amounts-bb-3323031>

## International

### Dollar jumps, global stocks advance

The New Age, May 17, 2023

- Most stock markets and the dollar rose on Wednesday as investors track talks aimed at breaking an impasse over raising the US debt ceiling. All eyes remain on Washington, where lawmakers remain deadlocked in negotiations to lift the country's borrowing limit to pay its debts and avert a market-rattling default.
- The euro slid to \$1.0814, the lowest level since early April, in a broad dollar rally as the greenback benefitted from its status as a safe bet in times of economic turmoil.
- 'The greenback is finding support as lawmakers in Washington seem unable to reach an agreement over the lifting of the debt ceiling,' said ActivTrades analyst Ricardo Evangelista.
- 'The standoff between Democrats and Republicans is likely to continue and, if unresolved, could have serious consequences for the US and global economy.'
- US president Joe Biden met Republican house speaker Kevin McCarthy and other congressional leaders at the White House on Tuesday after saying staff-level talks had produced no shift.
- McCarthy told reporters there was still 'a lot of work to do' before the country runs out of cash, which the Treasury has warned will happen around June 1. There was a sliver of light, as he said he ultimately expected a deal.
- And the White House said Biden was 'optimistic that there is a path to a responsible, bipartisan budget agreement if both sides negotiate in good faith'.
- In a bid to get an agreement over the line, the president — who flies to Japan on Wednesday for a G7 summit — scrapped subsequent stops in Papua New Guinea and Australia, instead planning to return to Washington on Sunday.
- Despite the lack of concrete progress in the talks, equity investors seemed mollified by the statements and Wall Street's main stock indices rose at the open.

<https://www.newagebd.net/article/201920/dollar-jumps-global-stocks-advance>

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