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Stock Market & Company

Dhaka stocks drop for 4th day

The Newage, July 17, 2022

- Dhaka stocks dropped for the fourth day on Sunday as investors remained cautious amid a prolonged bearish trend on the market amid macroeconomic worries. DSEX, the key index of the Dhaka Stock Exchange, shed 0.31 per cent, or 20.21 points, to close at 6,304.28 points on Sunday.
- Among the large capitalised companies, share prices of BEXIMCO, Beacon Pharmaceuticals, Robi and Titas Gas dropped the most on the day. Average share prices of general insurance, miscellaneous, non-bank financial institution and bank sectors declined by 1 per cent, 0.8 per cent, 0.7 per cent and 0.3 per cent respectively.
- The turnover on the DSE inched up to Tk 593.5 crore on Sunday compared with that of Tk 580.63 crore in the previous session. Among the large capitalised companies, share prices of Power Grid, Titas Gas, BRAC Bank, Bangladesh Submarine Cable Company, and Grameenphone advanced the most on the day.
- Average share prices of general insurance, miscellaneous, textile and telecommunication sectors dropped by 0.8 per cent, 0.7 per cent, 0.6 per cent and 0.3 per cent respectively. The DS30 index declined by 6.28 points to finish at 2,267.56 points and the DSE Shariah index shed 1.11 points to close at 1,376.24 points.
- BEXIMCO topped the turnover chart with its shares worth Tk 39.68 crore changing hands. Intraco Refueling Station, Titas Gas, Delta Life Insurance, Fu-Wang Food, Shinepukur Ceramics, ACI Formulations, Kattali Textiles, Padma Life Insurance and Golden Son were the other turnover leaders.

<https://www.newagebd.net/article/176054/dhaka-stocks-drop-for-4th-day>

Subscription of 'Sandhani AML SLIC Fixed Income Fund' begins today

The Financial Express, July 17, 2022

- Subscription of 'Sandhani AML SLIC Fixed Income Fund' --- an open-end mutual fund --- will commence today (Sunday). The initial size of the fund is Tk 500 million. Of them, the sponsor of the fund --- Sandhani Life Insurance will provide Tk 100 million and the remaining Tk 400 million will be collected through sales of units of the fund.
- The offer price of the units of the Sandhani AML SLIC Fixed Income Fund is Tk 10 each. The Bangladesh Securities and Exchange Commission (BSEC) approved the draft prospectus of Sandhani AML SLIC Fixed Income Fund on June 1 of this year.
- Sandhani Asset Management Ltd, the asset manager of the fund, is going to arrange inaugural of Sandhani Asset Management Ltd and launching of 'Sandhani AML SLIC Fixed Income Fund', today (Sunday) at the auditorium of Capital Market Journalists' Forum (CMJF) in the capital, officials said. Bangladesh General Insurance Company Ltd is working as trustee while Brac Bank Ltd is the custodian of the mutual fund.

<https://thefinancialexpress.com.bd/stock/subscription-of-sandhani-aml-slic-fixed-income-fund-begins-today-1658041805>

Standard Ceramic to borrow Tk15cr for working capital

The Business Standard, July 17, 2022

- Publicly listed ceramic tableware manufacturer - Standard Ceramic Industries Ltd - is going to take a bank loan of Tk15 crore to solve its working capital crisis. And, the announcement suddenly increased the demand for the struggling company's shares on the Dhaka Stock Exchange (DSE) on Sunday.
- Following the early hour jump, the stock barely had sellers at the top circuit breaker of Tk160.4 over the session and it closed at the same, which was 9.9% higher than its previous session's closing price.
- Analysts were surprised to see the market response to the company's decision of solving the ongoing working capital crisis through increased loan burdens.
- The company mentioned in its disclosure that it had to partially lay off its factory for three months because of rebuilding its Glost Kiln. Then, the industry was closed for around three months due to the Covid-19 pandemic.



<https://www.tbsnews.net/economy/stocks/standard-ceramic-borrow-tk15cr-working-capital-460066>

Grameenphone posts profit growth in April-June

The Business Standard, July 17, 2022

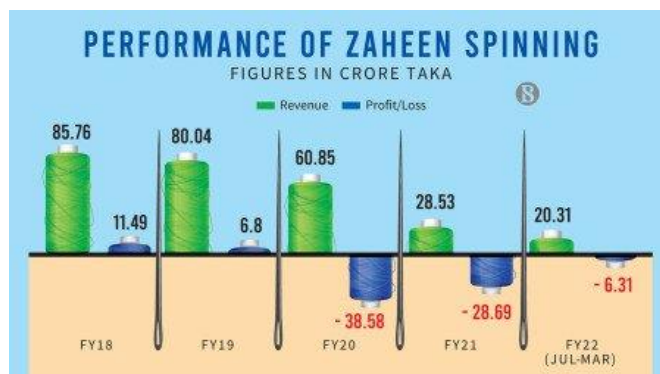
- Grameenphone Ltd, the leading telecom operator in the country, has posted year-on-year growth in profit after taxes for the April-June quarter. Its earnings per share (EPS) for the three months stood at Tk6.82 which was Tk6.3 in the same quarter last year.
- However, the profit growth for the second quarter was not enough to offset the decline in the first (January-March) quarter to Tk6 from Tk6.6 a year ago. Its EPS stood at Tk12.82 for the January-June period this year, which was Tk12.89 a year ago. However, the board of directors decided to pay 97.5% of the half-yearly profits as interim cash dividends to the shareholders.
- Against each share having a face value of Tk10, Grameenphone shareholders would get Tk12.5 interim cash dividends.

<https://www.tbsnews.net/economy/stocks/grameenphone-posts-profit-growth-april-june-459986>

Zaheen Spinning resumes production by repairing fire damages

The Business Standard, July 17, 2022

- Zaheen Spinning Limited has resumed production in full swing after repairing damages caused by two massive fires at its factory in Narayanganj, on the outskirts of the capital. In stock exchange filings, the company announced that it started the factory at full capacity on 16 July.
- Earlier, in December 2019, a devastating fire at Zaheen's factory dealt a heavy blow to the company. Later in January 2021, the factory caught fire again.
- The massive fire damaged the factory's blow room, carding, drawing, simplex, auto cone, generator, AC plant, steel building, shed, and warehouses. That is why the company was forced to shut down its factory in Narayanganj.
- In July 2021, it repaired the damages, and returned to partial operation. But failure to settle insurance claims with Crystal Insurance caused a fund shortage and that delayed the renovation work of the damaged factory.
- Since 23 June, its share price jumped 29% on the Dhaka Stock Exchange on a rumour about its resuming production. Its shares closed at Tk13.20 each on Sunday.



<https://www.tbsnews.net/economy/stocks/zaheen-spinning-resumes-production-repairing-fire-damages-459994>

Economy & Industry

BB moves to ease volatility in forex market

The Daily Star, July 18, 2022

- Bangladesh Bank yesterday withdrew the interest rate ceiling on non-resident foreign currency deposits in order to increase supply of the US dollar and arrest the ongoing volatility in the foreign exchange market. The move followed a series of measures taken by the central bank to halt the weakening of the Bangladeshi taka against the US dollar which crossed Tk 100 mark for importers last week.
- Yesterday, the forex market was stable as pressure from import payments was low for it being a weekly holiday in major global markets. Bangladesh Bank earlier had asked banks to set the interest rate in line with the euro currency deposit rates followed by the lenders in the eurozone.
- Local banks offered interest rates ranging from 0.25 per cent to 0.80 per cent to depositor as per the BB instruction. From now on, banks are allowed to avoid such ceilings to mobilise deposits from non-resident Bangladeshis and individuals of Bangladeshi origin, including those having dual nationality, according to a BB notice.
- The withdrawal of the interest rate ceiling will also be applicable for foreign companies, firms registered or incorporated abroad, and banks and other financial institutions including institutional investors. In addition, banks can also manage foreign currency funds from industrial units which are fully owned by foreign nationals and entities in the export processing zones and economic zones.

<https://www.thedailystar.net/business/economy/news/bb-moves-ease-volatility-forex-market-3072876>

Country's first IPP's floating power plant departs for Albania

The Business Standard, July 17, 2022

- The 110 MW barge-mounted power plant of Khulna Power Company Ltd (KPCL), the first Independent Power Producer (IPP) in Bangladesh, has departed for Albania. After serving and generating electricity most reliably for more than 20 years, the floating plant [known as Tiger-I and Tiger-III] left Khulna recently to serve the power-hungry country in southeastern Europe.

- The plant, jointly owned by two major groups – Summit and United, was sold to Albania and exported from Khulna. KPCL still owns and operates two other power plants, namely the KPCL-115 MW power plant in Khulna, a 40 MW power plant in Noapara, and a 35% stake in a 150 MW power plant of United Payra Power Ltd in Patuakhali.
- In a statement, the Summit Group said KPCL became the forebearer of the rise of Bangladesh's power sector and private sector power generation. Summit Group and its power units, including KPCL, have attained many international awards and accolades for their operations and execution excellence.

<https://www.tbsnews.net/economy/industry/countrys-first-ipps-floating-power-plant-departs-albania-460026>

International

What's next for euro after slump against dollar?

The Daily Star, July 18, 2022

- The euro's plunge against the dollar, triggered by the Ukraine war and mounting risks to the EU economy, has driven the two currencies to parity for the first time in two decades. The European single currency sank to \$0.9952 on Thursday -- a level not seen since the end of 2002, the year it was officially introduced.
- But traders believe the euro could recover, provided it clears several hurdles in the coming months. The first to get over is to avoid the risk of a halt in Russian gas supplies to Europe, which would cause electricity prices to soar and force eurozone countries to limit some industrial activity.
- "If gas flows from Russia normalise, or at least stop falling, following the end of the Nord Stream 1 maintenance shut-down next week, this should somewhat decrease market fears of an imminent gas crisis in Europe," Esther Reichelt, an analyst at Commerzbank, told AFP.
- With Russian gas giant Gazprom having warned it cannot guarantee that the pipeline will function properly, European countries fear that Moscow will use a technical reason to permanently halt deliveries and put pressure on them.

<https://www.thedailystar.net/business/global-economy/news/whats-next-euro-after-slump-against-dollar-3072806>

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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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