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Stock Market & Company

Dhaka stocks drop, turnover hits one-month low

The New Age, February 19, 2023

- Dhaka stocks dropped on Sunday after a slight gain in the previous session with the turnover hitting more than a one-month low amid economic woes in the country, market operators said. DSEX, the key index of the Dhaka Stock Exchange, lost 18.27 points, or 0.29 per cent, and settled at 6,227.93 points on Sunday after gaining 1.18 points in the previous trading session.
- The turnover decreased to Tk 285.15 crore on Sunday from that of Tk 340.33 crore in the previous trading session. On the day, only 10 companies accounted for 39 per cent of the total turnover. Sunday's turnover was the lowest since January 8 when it was Tk 284 crore.
- Most of the sectors displayed positive returns, out of which IT, pharmaceutical, miscellaneous, food and allied, ceramics exhibited the most positive returns on the bourse on the day. Out of the 298 issues traded, 18 advanced, 148 declined, and 132 remained unchanged on Sunday.
- The DS30 index also decreased by 2.68 points to finish at 2,221.51 points and the DSE Shariah index lost 4.42 points to close at 1,362.19 points on the day. Bangladesh Shipping Corporation topped the turnover chart with its shares worth Tk 26.95 crore changing hands.
- Shinepukur Ceramics, Genex Infosys, Olympic Industries, Apex Footwear, Gemini Sea Food, Sea Pearl Beach Resort and Spa, Orion Pharma, Beacon Pharma and Monno Agro & General Machinery were the other turnover leaders on the day.

<https://www.newagebd.net/article/194864/dhaka-stocks-drop-turnover-hits-one-month-low>

Fu-Wang Ceramic posts lower profit in Oct-Dec

The Daily Star, February 17, 2023

- Fu-Wang Ceramic Industries Ltd's profit fell about 22 per cent to Tk 95.38 lakh in the second quarter of the current financial year. The cement manufacturer made a profit of Tk 1.23 crore in the October-December quarter of the previous financial year of 2021-22.

- Thus, Fu-Wang Ceramic reported earnings per share of Tk 0.07 for October-December of 2022-23 compared to Tk 0.09 in the identical quarter a year earlier, according to the un-audited financial statements. Its profit fell to Tk 1.64 crore in the first half of FY23 from Tk 2.32 crore in the same period of FY22, a year-on-year decrease of 29.41 per cent.
- So, its EPS was Tk 0.12 in July-December in the ongoing financial year against Tk 0.17 in the July-December of FY22. The net operating cash flow per share of the company improved to Tk 0.29 in the first half of FY23 from Tk 0.20 in FY22. The net asset value per share rose to Tk 12.35 on December 31 from Tk 11.78 on June 30.

<https://www.thedailystar.net/business/organisation-news/news/fu-wang-ceramic-posts-lower-profit-oct-dec-3250096>

Asia-Pacific capital market regulators' representatives to join Dhaka meeting

The Business Standard, February 19, 2023

- For the first time, representatives of the capital market regulatory bodies of different countries will gather in Bangladesh as a two-day meeting of the International Organization of Securities Commissions (IOSCO) Asia Pacific region kicks off in Dhaka on Wednesday.
- The IOSCO is a leading international policy forum and a global standard-setter for securities regulators. The organisation's membership regulates more than 95% of the world's securities markets in some 130 jurisdictions, and it continues to expand.
- The supervisory directors' meeting will start at 9:30am on Wednesday and end at 12noon at the Sheraton Hotel in the capital, Mohammad Rezaul Karim, spokesperson for the Bangladesh Securities and Exchange Commission (BSEC), said in a press release issued on Sunday.
- The enforcement director meeting will start at 1:30pm on the same day and continue till 4pm. Both meetings will be presided over by Professor Shibli Rubayat-ul-Islam, chairman of the BSEC and vice chair of the IOSCO-APRC (Asia Pacific Regional Committee).

<https://www.tbsnews.net/economy/stocks/asia-pacific-capital-market-regulators-representatives-join-dhaka-meeting-587610>

Monno Agro stock price hits a 52-week high

The Business Standard, February 19, 2023

- The share price of Monno Agro and General Machinery jumped by 139% in 52 weeks to reach Tk1,063 on Sunday at the Dhaka Stock Exchange (DSE). Although the market has been sluggish for the past one year and transactions decreased drastically due to lack of investments, Monno Agro posted such a hike in its share price. And this is why market participants suspect that the company's share price is being manipulated.
- In December 2022, the DSE asked Monno Agro to explain its unusual hike in share price, to which the company replied that there is no undisclosed price sensitive information that would explain the increase.
- Back in fiscal 2018-19, Monno Agro's shares were raised from Tk380 to Tk5,800 based on rumours that the company issued right shares and declared a stock dividend. The company then paid a 350% stock dividend for fiscal 2017-18. In the fiscal 2021-22, Monno Agro made a profit of Tk43 lakh, and paid a 15% cash dividend to the shareholders.

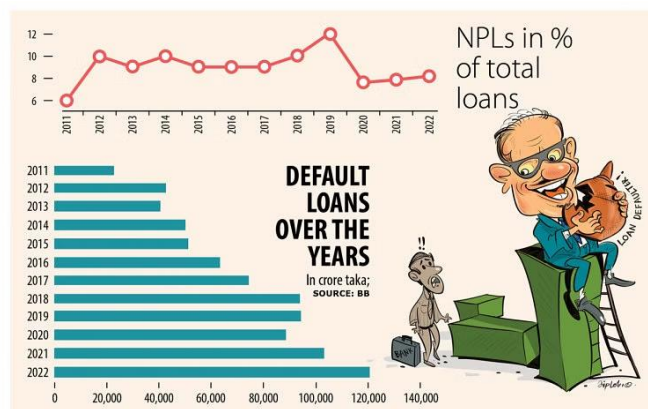
<https://www.tbsnews.net/economy/stocks/monno-agro-stock-price-hits-52-week-high-587622>

Economy & Industry

Relaxed rules can't tame default loans

The Daily Star, February 20, 2023

- Default loans in Bangladesh's banking sector jumped 17 per cent year-on-year to Tk 120,656 crore last year owing to a lack of corporate governance and the ongoing business slowdown.
- As a result, the ratio of bad loans rose to 8.16 per cent of the outstanding loans in December compared to 7.93 per cent in the same month in 2021, data from the Bangladesh Bank showed.
- Analysts say that the forbearance for loan repayments and the relaxed loan rescheduling policy offered by the central bank have failed to rein in the upward trend of non-performing loans (NPLs).
- NPLs, however, decreased 10.2 per cent in the final quarter of 2022 from Tk 134,396 crore reported in the July-September period. Window dressing refers to the manipulation of accounts so as to present financial statements in a way that portrays a better position than the actual scenario.
- The central bank has recently relaxed the rules on rescheduling to bring down the rate of default loans. In July, the BB allowed defaulters to reschedule term loans, whose repayment tenure is more than a year, by giving only 2.5-6.5 per cent down payment of their total NPLs instead of the previous 10-30 per cent.



<https://www.thedailystar.net/business/economy/news/relaxed-rules-cant-tame-default-loans-3252481>

Why is Bangladesh facing a dollar crisis while others are not?

The Business Standard, February 19, 2023

- "Please give us dollars. We cannot open Letters of Credit to import raw materials." The statement was made by a top businessman who is involved in diversified sectors - from steel to cement, textile, financial institution and others.
- The situation looks bleak when we see drug makers facing the same crisis and saying they won't be able to produce drugs if the situation doesn't improve soon. Consumer products giants, who are the most sought-after clients by banks in normal times, are struggling to import essential commodities.
- Even importers of some crucial medical products such as blood bags are not getting dollars to open LCs. Why? It doesn't require tens of millions of dollars to import those. Bangladesh needs only nine lakh bags per year, with each bag costing less than TK100, for a total of less than TK10 crore, or approximately \$1 million. But banks are unable to provide this paltry sum.
- Hundred percent import-oriented businesses are in desperation as they are not receiving any dollars, making it difficult for them to survive. Apart from a few exporters who have enough dollars to meet their own needs, businesses have been suffering from the lack of greenbacks for the last six months.



<https://www.tbsnews.net/economy/why-bangladesh-facing-dollar-crisis-while-others-are-not-587650>

International

[How sanctions complicated day-to-day banking for Russians](#)

The Daily Star, February 18, 2023

- Financial sanctions against Russia have strangled its banks' profits and wrecked many lenders' international operations, but one year after Moscow sent its troops into Ukraine how much do they matter for average Russians? For the majority, who bank in roubles with huge retail lenders, such as Sberbank, the answer is: not much.
- Russia's monetary authorities managed to stave off a full-scale run on its banks with capital controls, and the rouble supply has remained plentiful with long lines at ATMs during an early spring dash for cash now a thing of the past.
- However, for those who travel abroad, want to move money there or hold foreign currencies or securities, life has become more complicated after Russia's major banks got effectively booted from the SWIFT global payments network.
- Those with foreign currency accounts were allowed to withdraw just \$10,000 if the money arrived in their account before the curbs were imposed on March 9. Those who deposited hard currencies after the cut-off can only withdraw roubles.
- It is anyone's guess how much hard currency got stuck outside of the banking system as some rushed to dump roubles and took out their hard currency deposits, fearing looming curbs would cut them off altogether. A retail worker, who asked not to be identified, said the memory of the mad scramble for cash made her to this day make sure she had ample cash handy.

<https://www.thedailystar.net/business/news/how-sanctions-complicated-day-day-banking-russians-3251301>

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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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