

Key News

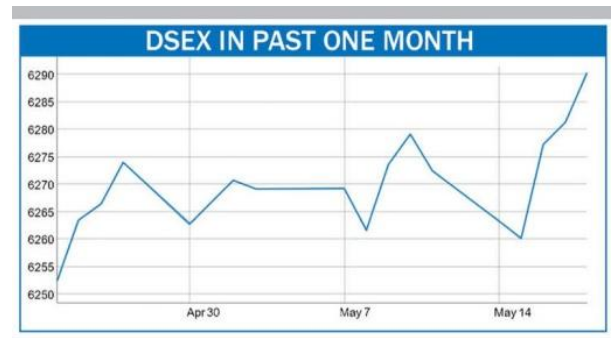
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Stock Market & Company

Stocks rise for 2nd week

The New Age, May 20, 2023

- The main index of the Dhaka Stock Exchange, DSEX, added 0.28 per cent, or 17.77 points, over the week to close at 6,290.2 points on May 18 after gaining 3.27 points in the previous week.
- The weekly average turnover declined to Tk 735.93 crore in the past week from that of Tk 791.47 crore in the previous week. Out of 388 companies traded, share prices of 74 declined, 109 advanced and 205 remained unchanged.
- The DS30, comprised of 30 large capitalised companies, also increased by 0.93 points to finish at 2,195.29 points, but the DSE Shariah index, DSES, shed 3.75 points to close at 1,368.25 points.
- Bangladesh Shipping Corporation topped the weekly turnover chart with a value of Tk 178.6 crore.
- Gemini Sea Food, Intraco Refueling Station, Sea Pearl Beach Resort, Rupali Life Insurance Company, Eastern Housing, Paper Processing and Packaging, Agni Systems, Aamra Networks and Unique Hotel & Resorts were the other turnover leaders.



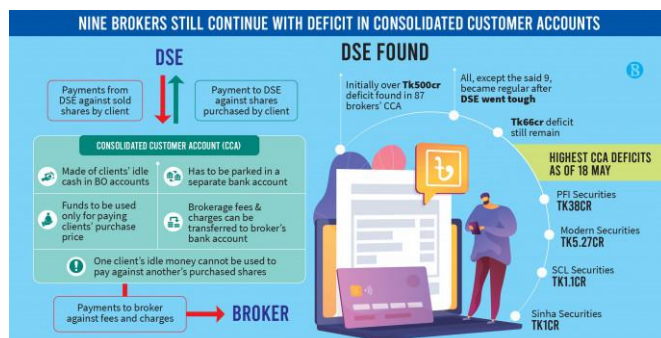
<https://www.newagebd.net/article/202167/stocks-rise-for-2nd-week>

Brokerage customer account deficit dwindles to Tk48cr, from over Tk500cr

The Business Standard, May 18, 2023

- Regulators' zero tolerance against stockbrokers' diversion or misuse of clients' idle cash helped reduce the deficit in the brokerage industry's consolidated customer accounts (CCA) to below Tk48 crore from over Tk500 crore found later last year.
- According to the regulatory report, only nine of the Dhaka Stock Exchange (DSE) brokers had deficits in their CCAs, down from 87 nearly nine months ago. Thanks to the strict supervision by the premier bourse after several brokerage firms' client money embezzlement cases unfolded over the recent years.

- DSE Acting Managing Director M Shaifur Rahman Mazumdar told TBS "Having faced few fraudulent cases by some brokers, the DSE strengthened its monitoring and supervision and that paid off."
- The DSE team was closely working with the remaining brokers to reduce their deficits to zero, he added.
- If any sum from the CCA is used in anything other than the payments against the price of the actual investors' bought securities, or as their fees and charges, it would create a deficit in the CCA, said Mazumdar.
- According to the latest regulatory report seen by TBS, PFI Securities had the highest Tk38 crore deficits in the CCA, followed by Modern Securities showing a deficit of over Tk5 crore, SCL Securities running with Tk1.1 crore.



<https://www.tbsnews.net/economy/stocks/brokerage-customer-account-deficit-dwindles-tk48cr-over-tk500cr-635258>

BBS Cables secures Tk51.76cr supply order from Rural Electrification Board

The Business Standard, May 18, 2023

- BBS Cables Ltd has secured an order from the Bangladesh Rural Electrification Board (BREB) to supply conductors, bare wire and bare conductors worth Tk51.76 crore, according to a regulatory disclosure by the company through the Dhaka Stock Exchange (DSE) on Thursday.
- The company also informed that on 17 May, it received the notification of award from the electrification board and it would be effective upon signing the contract within 28 days. BBS Cables, which had been rising in the business of bulk supply of locally self-manufactured electrification cables, was suffering business decline since the pandemic, and its profits were in a downtrend.
- Since the Ukraine war, the soaring dollar added to the company's misery by raising the costs of raw materials it had to import. The announcement of new orders failed to pull its share price up from the floor price of Tk49.9 in the DSE.
- Having listed with both the bourses of Dhaka and Chattogram in 2017, BBS Cables' annual net profit increased to over Tk145 crore in the 2018-19 fiscal year, from Tk111 crore in the 2017-18. It came down to less than Tk81 crore in the 2021-22 fiscal year. In the first nine months of the current fiscal year, the company's earnings per share dropped to Tk0.34, from Tk3.01 over the same period last year.

<https://www.tbsnews.net/economy/stocks/bbs-cables-secures-tk5176cr-supply-order-rural-electrification-board-634230>

Director buys over 32 lakh First Security Islami Bank shares

The Business Standard, May 18, 2023

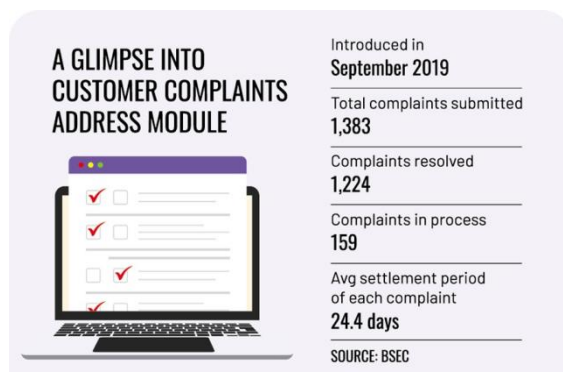
- Director Farzana Parveen has bought over 32 lakh 16 thousand shares of First Security Islami Bank in the block market of the Chittagong Stock Exchange (CSE).
- Earlier, on 9 May, Abu Hena Mostafa Kamal, a sponsor of the bank, announced that he will sell his entire holding of over 24 lakh shares of the bank.
- First Security Islami Bank shares having a face value of Tk10 apiece were stuck at the floor price of Tk9.8. The bank, facing year-on-year earnings decline both for the year 2022 and the first quarter of 2023 has secured regulatory approval to issue 10% stock dividends for 2022.

<https://www.tbsnews.net/economy/stocks/director-buys-over-32-lakh-first-security-islami-bank-shares-634006>

Investors happy with remedies given through digital tool to file complaints

The Financial Express, May 14, 2023

- Mozammel Haque, a client of Crest Securities, did not name any nominee of his 23,000 shares of Islami Bank Bangladesh before his death last year. His successors contacted the depository authority for getting their father's holdings transferred proportionately into their BO (beneficiary owner's) accounts.
- The authority advised Mohammad Fokhrul Ahsan, a son of late Mozammel, to file an online application. He did so after receiving a succession certificate from the court in favour of the claim.
- It took around seven months for all of the heirs of Mr Haque to receive the shares in their own accounts. Throughout the process, they were updated through the Customer Complaints Address Module (CCAM) on the progress made in resolving the matter.
- The Bangladesh Securities and Exchange Commission (BSEC) introduced the CCAM in September 2019 to save time and cost that the manual complaint filing system involved. According to the BSEC, investors filed 1,383 complaints through the CCAM since its inception. Of the complaints, 88.7 per cent or 1,224 have already been resolved while the settlement of the remaining 159 is underway.



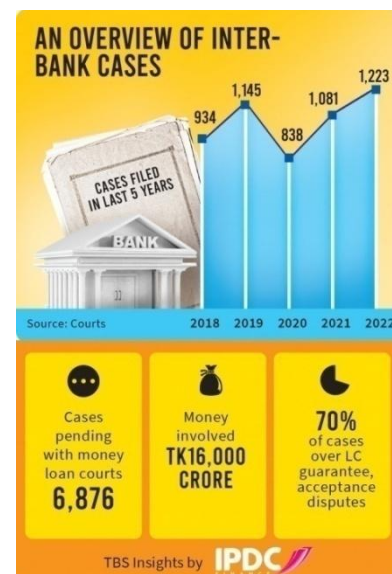
<https://thefinancialexpress.com.bd/stock/investors-happy-with-remedies-given-through-digital-tool-to-file-complaints>

Economy & Industry

Banks vs banks: Suits rising, Tk16,000cr involved

The Business Standard, May 20, 2023

- The number of cases filed by banks against other banks over the recovery of loans and other forms of outstanding payments continues to surge and experts say this trend hurts customer confidence and the stability of the financial system.
- According to court sources, the number of bank-vs-bank cases pending with money loan courts across the country stood at 6,876 as of March this year, involving a staggering Tk16,000 crore.
- Currently, 3,634 cases filed by banks against other banks are under trial in the four money loan courts in Dhaka alone. These cases involve approximately Tk7,500 crore.
- Besides, about 980 appeals against decrees or judgements of trial courts are awaiting disposal, and about 116 appeals are pending with the Appellate Division.
- Data provided by Supreme Court sources depict a steady rise in the number of cases filed by banks against banks over the last several years, with 1,223 cases filed in 2022, 1,081 in 2021, and 838 in 2020.
- About 11,000 cases are pending with the Dhaka Money Loan Court-3, of which 896 have been filed by banks against other banks. A source within the court told The Business Standard that about 70% of the bank-vs-bank cases are related to disputes regarding LC guarantee or acceptance for local and international trade.

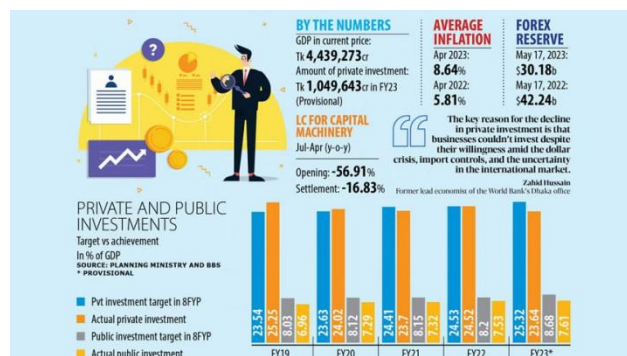


<https://www.tbsnews.net/economy/banking/banks-vs-banks-suits-rising-tk16000cr-involved-635262>

Private investment falls for second time in 3 years

The Daily Star, May 21, 2023

- The private investment-to-GDP ratio in Bangladesh declined in the current fiscal year owing to a lower confidence among investors amid the persisting dollar crisis and global uncertainty, higher inflation and a fall in demand for goods in international markets.
- The private investment-to-gross domestic product (GDP) ratio declined by 0.88 percentage points to 23.64 per cent in 2022-23, provisional data from the Bangladesh Bureau of Statistics showed.
- This is the second fall in the ratio in three years. Usually, private investment either remains unchanged or slightly increases in a fiscal year compared to the preceding year. However, it witnessed a slight decline in 2020-21 owing to the impacts of Covid-19.
- In keeping with the recovery of the economy from the health crisis, the ratio rebounded strongly in 2021-22, rising 0.82 percentage points to 24.52 per cent.



<https://www.thedailystar.net/business/economy/news/private-investment-falls-second-time-3-years-3325256>

International

Global stocks mostly rally on US debt deal hope

The New Age, May 19, 2023

- Global equities mainly rallied Friday as traders grew increasingly hopeful that US lawmakers will hammer out a deal to lift the debt ceiling and avert a confidence-shattering default. Frankfurt, London and Paris pushed higher around the half-way stage and after a largely buoyant Asian session, although Hong Kong and Shanghai slid on Chinese economic worries. The dollar declined and oil prices advanced.
- After weeks of lumbering talks on Capitol Hill, congressional leaders appeared ready to put a proposal to lawmakers before the government runs out of cash, said to be around June 1.
- In his most upbeat remarks yet on the high-stakes standoff, Republican House Speaker Kevin McCarthy said: 'We're not there — we haven't agreed to anything yet — but I see the path (where) we could come to an agreement.'
- McCarthy secured the Speaker's gavel in January by pledging to his party's ultra-conservative Freedom Caucus that any raise in the borrowing limit would only come with an evisceration of the federal budget.
- He and Democratic senate leader Chuck Schumer were planning to call for a vote in the coming days, and on Friday, a White House official said 'steady progress' was being made. The optimism was shared by other lawmakers, with Texas Republican Kay Granger saying a deal was 'close'. And Democrat Steny Hoyer said: 'I think we are going to get a deal'.

<https://www.newagebd.net/article/202087/global-stocks-mostly-rally-on-us-debt-deal-hope>

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About Bank Asia Securities Ltd

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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