

Key News

- ✓ [Stocks edge lower after a bumpy ride](#)
- ✓ [BMBA proposes Tk10,000cr fund for strengthening capital market](#)
- ✓ [LafargeHolcim approves 25% cash dividend](#)
- ✓ [Banglalink intends to float IPO](#)
- ✓ [Inflation climbs to 16-month high](#)
- ✓ [Banks' offshore units to need specific codes](#)
- ✓ [Asian, European stocks mixed as traders track Ukraine war](#)

Stock Market & Company

Stocks edge lower after a bumpy ride

The Financial Express, March 21, 2022

- Stocks ended marginally lower on Monday, after the previous day's sharp fall, as the investors remained cautious amid the ongoing Russia-Ukraine conflict. DSEX, the core index of the Dhaka Stock Exchange, went down by 6.26 points or 0.09 per cent to settle at 6,691, after losing over 67 points in the previous day.
- Two other indices, however, edged higher with the DSE 30 Index, comprising blue chips, gaining 1.30 points to finish at 2,436 and the DSE Shariah Index (DSES) saw a fractional loss of 0.21 points to close at 1,441.
- Turnover, the crucial indicator of the market, stood at Tk 6.34 billion, which was 2.92 per cent higher than the previous day's 11-month lowest turnover of Tk 6.16 billion.
- Losers took a strong lead over the gainers as out of 380 issues traded, 242 declined, 100 advanced and 38 remained unchanged on the DSE trading floor.
- Beximco topped the turnover list with shares worth Tk 456 million changing hands, followed by Dragon Sweater (Tk 266 million), BDCOM Online (Tk 232), Bangladesh Shipping Corporation (Tk 221 million) Silco Pharma (Tk 161 million).
- The Chittagong Stock Exchange (CSE) closed lower with the CSE All Share Price Index – CASPI –losing 39 points to settle at 19,616 and the Selective Categories Index – CSCX – shedding 23 points to close at 11,767.



<https://thefinancialexpress.com.bd/stock/stocks-edge-lower-after-a-bumpy-ride-1647857756>

BMBA proposes Tk10,000cr fund for strengthening capital market

The Business Standard, March 21, 2022

- The Bangladesh Merchant Bankers Association (BMBA) has sent a proposal to the Bangladesh Securities and Exchange Commission (BSEC) for setting up a special fund of Tk10,000 crore for intermediaries of the stock market.
- According to the proposal, the merchants' body can raise funds in the name of the Capital Market Stabilisation Fund (CMSF) through the issuance of bonds. The proposal, signed by BMBA President Sayadur Rahman and Secretary Riyad Matin, was sent to the BSEC chairman on Monday.
- According to BMBA leaders, the funds, raised through bonds issued in the name of CMSF, could provide long-term loans to market intermediaries at low-interest rates. Special credit facilities will increase the capacity of the intermediaries. So that they can deal with the pressure of panic selloffs by ordinary investors.
- The proposed letter said that despite many initiatives taken by the BSEC, the market has been volatile recently which increased the pressure on investors. Adequate cash assistance is needed to restore normalcy in the market in this situation.
- However, the predominance of small investors in the stock market is a big concern. In addition, the participation of foreign investors is low and the investment of institutional investors including dealers is also very fragile. Because the market intermediaries have limited means of raising money, the letter said.

<https://www.tbsnews.net/economy/stocks/bmba-proposes-tk10000cr-fund-strengthening-capital-market-388762>

LafargeHolcim approves 25% cash dividend

The Business Standard, March 21, 2022

- LafargeHolcim Bangladesh Limited (LHBL) approved a 25% cash dividend for the year that ended on 31 December 2021. The dividend was proposed by the company's board on 31 January and is its highest dividend payout since its inception in Bangladesh.
- In 2021, the cement maker's sales increased by 27% year-on-year to Tk2,053 crore thanks to its aggregates business. However, currently, its aggregate production is suspended as per an order from the High Court. Its profit jumped 64% to Tk388 crore.
- Rajesh K Surana said in the press release that 2021 had been an unprecedented year for everyone with so many external challenges.

<https://www.tbsnews.net/economy/stocks/lafargeholcim-approves-25-cash-dividend-388754>

Banglalink intends to float IPO

The Newage, March 21, 2022

- Banglalink Digital Communications Ltd, the third-largest mobile phone operator in Bangladesh, has expressed its intention to raise funds from the country's capital market by offloading 10 per cent of its paid-up capital. A number of senior officials of Banglalink on Monday held a meeting with the Bangladesh Securities and Exchange Commission chairman Shibli Rubayat-Ul-Islam to discuss the listing procedures and benefits.
- Banglalink is fully owned by Telecom Ventures Ltd (previously Orascom Telecom Ventures Ltd) of Malta, which is a 100-per cent owned subsidiary of Global Telecom Holding, which is, in turn, a subsidiary of the Dutch holding company VEON.
- BSEC executive director Rezaul Karim told New Age that the officials met with the BSEC chairman to discuss the listing on the country's capital market. The meeting was fruitful and the commission assured the officials of all possible supports in making the Banglalink listing on the market, he said.
- BSEC officials said that the Banglalink officials discussed the process and benefits of listing on the market and expressed their interest in listing on the stock market in Bangladesh. Banglalink posted the highest revenue growth in six years in 2021.
- The revenue of the third-largest mobile phone operator in Bangladesh rose by 5.1 per cent year-on-year to Tk 4,794 crore in 2021. Banglalink's earnings before interest, taxes, depreciation and amortisation was Tk 2,000 crore in 2021 against Tk 1,900 crore in the previous year.

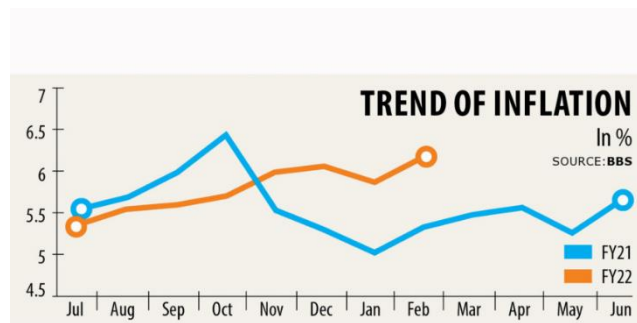
<https://www.newagebd.net/article/166008/banglalink-intends-to-float-ipo>

Economy & Industry

Inflation climbs to 16-month high

The Daily Star, March 22, 2022

- Inflation in Bangladesh jumped to 6.17 per cent in February, the highest in 16 months, driven by soaring costs of foods, further eroding the purchasing capacity of consumers. The higher prices are particularly painful for the low-income groups, many of whom are already being seen queuing for hours to get subsidised foods from the government's open market sales operations.
- In February this year, consumers had to spend 6.22 per cent more than a year ago to buy foods, data from the Bangladesh Bureau of Statistics (BBS) showed yesterday.
- Non-food inflation, which includes clothing, footwear, fuel, lighting, transport and healthcare, declined 16 basis points to 6.10 per cent in February from the prior month.
- The previous high of inflation was reported in October 2020 when it stood at 6.44 per cent.
- Based on the price levels of the fiscal year of 2005-06, the BBS computes the Consumer Price Index (CPI) and inflation for rural areas by taking into account the prices of 318 items and for urban inflation, it considers 422 commodities and services.



<https://www.thedailystar.net/business/economy/news/inflation-climbs-16-month-high-2987886>

Banks' offshore units to need specific codes

The Business Standard, March 21, 2022

- With rising operations of offshore banking units (OBU), the Bangladesh Bank has asked banks concerned to register new units with a specific code, in order to collect and preserve information. A central bank circular in this regard issued on Monday said that a bank has to apply to the central bank for a code, attaching required documents, within seven days of launching a new OBU.
- Similarly, when discontinuing an OBU, the bank has to inform the central bank within seven days. However, codes previously issued by the Foreign Exchange Policy Department of the central bank will remain active.
- According to the world's leading financial website Investopedia, offshore banking units refer to bank branches located outside the home country, handling transactions made in foreign currency known generically as "Eurocurrency".
- OBU covers providing loans to foreign companies as well as collecting deposits from sources abroad. Lower borrowing interest rates have made OBUs popular and the loans they provide have been increasing.

<https://www.tbsnews.net/economy/banking/banks-offshore-units-come-under-specific-codes-388774>

International

Asian, European stocks mixed as traders track Ukraine war

The Newage, March 21, 2022

- Asian and European markets were mixed Monday after last week's rally, while oil prices extended gains, with investors keeping tabs on the war in Ukraine as Turkey said Kyiv and Moscow were edging towards a ceasefire agreement. Confidence remains at a premium owing to the crisis in eastern Europe — which threatens to deal a hefty blow to the global economy — as well as central bank monetary tightening measures.
- Traders struggled to maintain the buying enthusiasm seen last week that was fuelled by bargain-buying and China's pledge to support beaten-down markets and indication that a crackdown on the tech sector was nearing an end.
- Hong Kong fell for a second day following the massive gains enjoyed on Wednesday and Thursday after Chinese authorities announced they would provide support to markets battered by recent volatility. But the lack of specifics as of Monday weighed on sentiment.
- There was little major reaction after Hong Kong leader Carrie Lam unveiled plans to ease containment measures and lift a ban on flights from several countries including Britain and the United States. Sydney, Seoul, Mumbai, Manila, Jakarta and Bangkok also slipped, but Shanghai, Singapore, Taipei and Wellington edged up. Tokyo was closed for a holiday. London opened flat, while Paris and Frankfurt edged down. US futures were lower.

<https://www.newagebd.net/article/166025/asian-european-stocks-mixed-as-traders-track-ukraine-war>

Disclaimer

This document has been prepared by Bank Asia Securities Ltd (BASL) based on publicly available data for information purpose only and does not solicit any action based on the material contained herein and should not be construed as an offer or solicitation to buy or sell or subscribe to any security. Neither BASL nor any of its directors, shareholders, member of the management or employee represents or warrants expressly or impliedly that the information or data of the sources used in the documents are genuine, accurate, complete, authentic and correct. However, all reasonable care has been taken to ensure the accuracy of the contents of this document. BASL or Research & Development Department will not take any responsibility for any decisions made based on the information herein. As this document has been made for the Traders of BASL and strongly prohibited for circulation to any clients, investors or any other persons from outside of BASL.

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).

BASL Research Team

Mr. Shariful Alam Chowdhury
Head of Research & Investments

tushar@basl-bd.com

Mr. Shohidul Islam
Research Analyst

shohidul@basl-bd.com

BASL Networks

Head Office

Hadi Mansion (2nd Floor)
2, Dilkusha Commercial Area
Dhaka-1000, Bangladesh
Phone: +88-02-9515826-28
E-mail: info@basl-bd.com

Dhanmondi Branch

Meher Plaza (1st Floor),
House # 13/A, Road # 05
Dhanmondi, Dhaka - 1207
Phone: +8802-44611923-24

Mirpur Branch

Nishi Plaza, plot # 01,
Avenue-04, Section-06, Block-C
Mirpur, Dhaka - 1216
Phone: +8802-58055449,
48032449

Uttara Branch

House # 79/A, (4th Floor),
Road # 07, Sector # 04
Uttara Model Town, Dhaka-1230
Phone: +88-02-48958389, 48958371

Banani Branch

Nur Empori, Plot # 77 (1st Floor),
Road No # 11, Banani,
Dhaka-1213
Phone: +88028836155, 8836849

Bijoy Nagar Extension

Prime Tower (3rd Floor), 180-
181
Dhaka-1213
Phone: +880248318685

Nikunja Branch

DSE Tower, Level 10, Room#
200, Nikunja, Dhaka-1229
Phone: +8809666702070

Khulna Branch

28, Sir Iqbal Road (1st Floor)
Khulna
Phone: +88-041-731208-9

For International Trade & Sales, please call at +8801993111666, +880 02 9515826, Ext: 101 at Business hour. For further query, write to us at research@basl-bd.com.