

Key News

- ✓ [Stocks gain slightly amid low turnover](#)
- ✓ [Good products needed on market, says DSE chair](#)
- ✓ [Banglalink nearing stock market listing](#)
- ✓ [Central Insurance's profit declines 15.75% in 2022](#)
- ✓ [Phoenix Insurance profit drops, 15% cash dividend recommended](#)
- ✓ [Poor integrity, regulatory issues hurt stock investors most: Survey](#)
- ✓ [BB lets banks defy global financial reporting standards: FRC](#)
- ✓ [57 MNCs apply this year for permission to invest Tk15,000cr](#)
- ✓ [This banking crisis won't wreck the economy](#)

Stock Market & Company

Stocks gain slightly amid low turnover

The New Age, March 21, 2023

- Dhaka stocks advanced on Tuesday after a two-day fall, but the turnover was below Tk 350 crore as most of the investors remained on the sideline amid economic worries in the country, market operators said.
- DSEX, the key index of the Dhaka Stock Exchange, gained 18.72 points, or 0.30 per cent, and settled at 6,222.90 points after losing 16.06 points in the previous two trading sessions.
- The turnover on the bourse increased to Tk 349.61 crore on Tuesday as against Tk 344.66 crore on Monday. Food and allied, IT, travel, life insurance, ceramics, miscellaneous and pharmaceuticals issues exerted the highest turnover on Tuesday.
- Out of the 325 issues traded, 87 advanced, 14 declined and 224 remained unchanged on the day. Legacy Footwear, Orion Infusion, Hakkani Pulp, Metro Spinning, Union Capital, Pragati Life Insurance, Intraco Refueling Station, Shinepukur Ceramics, Eastern Housing, and Prime Life Insurance were the top 10 gainers considering their closing prices on the day.
- The DS30 index also increased by 4.80 points to finish at 2,220.61 points and the DSE Shariah index advanced by 5.90 points to close at 1,355.84 points on the day.
- Bangladesh Shipping Corporation, Shinepukur Ceramics, Olympic Industries, Rupali Life Insurance, Eastern Housing, Genex Infosys, ADN Telecom, Sonali Pharma, and Rangpur Dairy were the other turnover leaders on the day.

<https://www.newagebd.net/article/197419/stocks-gain-slightly-amid-low-turnover>

Good products needed on market, says DSE chair

The New Age, March 21, 2023

- The stock market needs good instruments for bringing large investment, said new chairman of Dhaka Stock Exchange Hafiz Muhammad Hasan Babu on Tuesday. He made the comment at a meeting between DSE board of directors and representatives of the DSE Brokers' Association led by its president Richard D' Rozario.
- ICT of DSE must be modernised, which can be made possible with support of all stakeholders of the capital market, Hafiz said. He said that brokers needed to play the key role in stabilising the market and the DSE board will extend all kinds of support in achieving the goal.
- He also said that the capital market of the country needed branding and people's negative perception about the market must be changed. Hafiz said, 'We must take the stock market forward for sake of the country's development.'
- Rozario hoped that the capital market would be dynamic under the leadership of the new board of DSE. He said that turnover in the market remained poor and some steps should be taken for raising turnover volume.

<https://www.newagebd.net/article/197423/good-products-needed-on-market-says-dse-chair>

Banglalink nearing stock market listing

The Daily Star, March 22, 2023

- Banglalink Digital Communications Limited, the third-largest mobile phone operator in Bangladesh, plans to go public, a massive development for a stock market where investors have strong appetite for sound companies.
- Once the listing completes, the multinational telecommunication company would be the third mobile phone carrier in Bangladesh to go public after Grameenphone and Robi Axiata. Banglalink may raise more than Tk 800 crore through an initial public offering under the fixed-price method by offloading shares equivalent to 10 per cent of its paid-up capital.
- Bangladesh Securities and Exchange Commission (BSEC) Spokesperson Mohammad Rezaul Karim confirmed the development, saying the telecom operator has disclosed its plan to get listed in the stock market.
- Yesterday, a number of senior officials of Banglalink met with BSEC Chairman Shibli Rubayat-UI-Islam and discussed the listing issue. Kaan Terzioğlu, chairman of Banglalink, and group chief executive officer of VEON, the parent company of the operator, led the delegation.
- The operator's annual service revenue grew 12.3 per cent last year while data revenue surged 26.6 per cent. The company's paid-up capital is about Tk 8,400 crore, so it would raise over Tk 800 crore from the market, according to Karim.

<https://www.thedailystar.net/business/economy/news/banglalink-nearing-stock-market-listing-3277426>

Central Insurance's profit declines 15.75% in 2022

The Daily Star, March 22, 2023

- Central Insurance Company Ltd posted a 15.75 per cent year-on-year decrease in profit to Tk 10.79 crore in 2022. The profit stood at Tk 12.81 crore in 2021.
- Thus, the insurer reported earnings per share of Tk 2.03 for the financial year of 2022 compared to Tk 2.41 a year ago, according to a disclosure on the Dhaka Stock Exchange.
- The net asset value per share of Central Insurance rose slightly to Tk 49.48 last year from Tk 49.35 in 2021 while the net operating cash flow per share slipped to Tk 2.51 from Tk 2.77 during the period. The board of directors of the company has recommended a 15 per cent cash dividend for the year that ended on December 31.

<https://www.thedailystar.net/business/economy/news/central-insurances-profit-declines-1575-2022-3277341>

Phoenix Insurance profit drops, 15% cash dividend recommended

The Business Standard, March 21, 2023

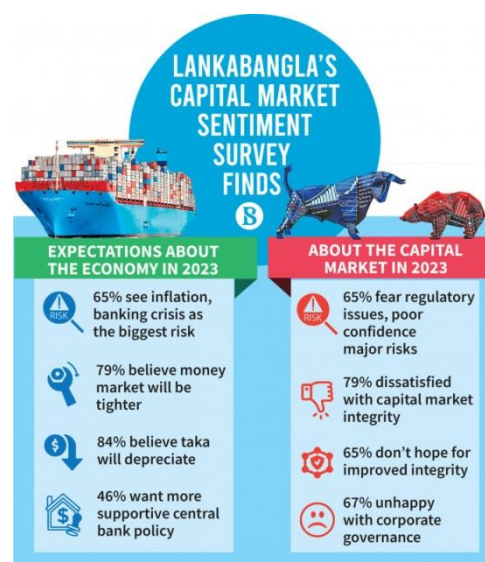
- Phoenix Insurance Company Ltd posted an almost double-digit drop in its 2022 profit as dividend income and other income declined in the tough year for businesses and investors, according to a disclosure published through the Dhaka Stock Exchange (DSE).
- The non-life insurer reported earnings per share of Tk2.02 for 2022, which was Tk2.20 a year ago. However, the company's board of directors recommended 15% dividend for 2022 which means Tk1.5 in cash dividends against each share having a face value of Tk10.
- At the end of December, the company's net asset value per share stood at Tk37.1, which declined from Tk39.9 a year ago and the company blamed the reduction in share prices. Also, net operating cash flow was lower as premium deposits and other income dropped.

<https://www.tbsnews.net/economy/stocks/phoenix-insurance-profit-drops-15-cash-dividend-recommended-603070>

Poor integrity, regulatory issues hurt stock investors most: Survey

The Business Standard, March 22, 2023

- It was not macroeconomic issues or corporate earnings that dragged the stock market down in 2022. Instead, investors kept negatively responding to the poor integrity of the capital market, regulatory issues, and declining investor confidence, reveals a recent sentiment survey.
- The Bangladesh Capital Market Sentiment Survey 2023 by the top-tier brokerage firm LankaBangla Securities also found that nearly two-thirds of the respondents expect no improvement in the level of integrity in the capital market.
- Of the respondents, 79% believe the level of integrity in the country's capital market is either poor or below average, while 67% say they fear fraud and manipulation in the market.
- In 2022, the capital market performed badly, according to half of the respondents, while 31% said it was moderate. And the floor price, declining investor confidence, and fear of manipulation were the prominent factors behind it, said the majority. Some blamed the lack of regulatory reforms, the taka's depreciation and the liquidity crisis for the situation.
- The Bangladesh Securities and Exchange Commission (BSEC) has some capacity constraints, agree 54% of respondents. Questions regarding how much of the existing capacity the regulator is using in the interest of a higher integrity market were not a part of the survey.



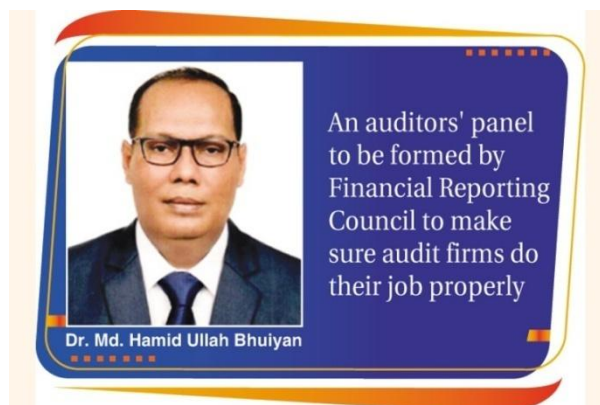
<https://www.tbsnews.net/economy/stocks/poor-integrity-regulatory-issues-hurt-stock-investors-most-survey-603442>

Economy & Industry

BB lets banks defy global financial reporting standards: FRC

The Financial Express, March 21, 2023

- Banks are not following the International Financial Reporting Standards (IFRS) while making their financial statements, said Md Hamid Ullah Bhuiyan, chairman of the Financial Reporting Council (FRC).
- If they did, the value of their assets would be eroded by 40 per cent, he said, insisting that the real financial health of the banks is not reflected in their financial statements.
- Speaking as chief guest at the 'CMJF Talk' organised by Capital Market Journalists Forum (CMJF) on Monday, Mr Bhuiyan said the council had made attempts to implement the international reporting standards several times but the Bangladesh Bank had come in the way.
- Mr Bhuiyan said private companies get loans easily from banks while too many regulations and documentation discourage well-performing private companies from coming to the stock market.

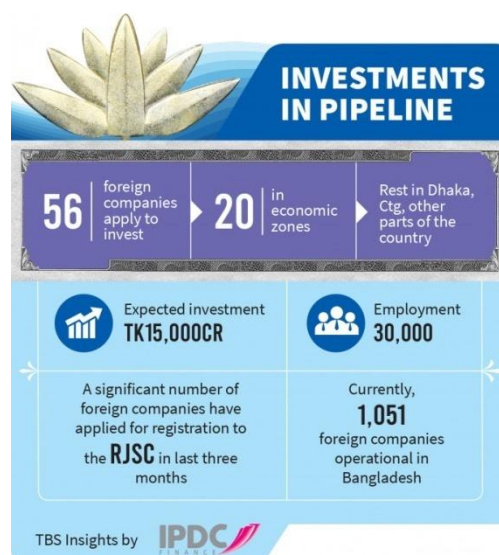


<https://thefinancialexpress.com.bd/stock/bangladesh/bb-lets-banks-defy-global-financial-reporting-standards-frc>

57 MNCs apply this year for permission to invest Tk15,000cr

The Business Standard, March 21, 2023

- One of the top Indian chemical companies Indokem is gearing up to invest some Tk1,500 crore in Bangladesh. The company has already received investment approval from the Bangladesh Investment Development Authority (Bida) and set up a camp office in Dhaka.
- Indokem has now applied to the Registrar of Joint Stock Companies and Firms (RJSC), seeking permission to open a branch in Bangladesh. They have also sought allocation of land in a private economic zone to set up factories.
- Aside from Indokem, 56 other big and small multinational companies (MNCs) have applied to the RJSC this year, seeking permission to open their branches to import, produce and export various products and to market locally.
- According to a source in RJSC, these applications are under process. These companies will invest more than Tk15,000 crore and once they start operation, 30,000 new jobs will be created, RJSC and Bida sources say.
- If necessary approvals of these companies are completed this year, they will be able to conduct business and production by next year, Bida officials say.



<https://www.tbsnews.net/economy/57-mncs-apply-year-permission-invest-tk15000cr-603454>

International

[This banking crisis won't wreck the economy](#)

The Daily Star, March 22, 2023

- With the regulatory resolution of Silicon Valley Bank, the forced sale of Credit Suisse Group AG and reports of other troubles at regional US banks, the question arises whether America or perhaps the broader world will go through another major financial crisis and "Great Recession." Fortunately, the answer so far appears to be no.
- One reason for (relative) optimism is simply that the world, and policymakers, have been preparing for this scenario for some time. Not only do memories of 2008-2009 remain fresh, but we are coming out of a pandemic that in macroeconomic terms induced unprecedented policy reactions in most countries. Before 2008, in contrast, macroeconomic peace had reigned and there was common talk of "the great moderation," meaning that the business cycle might be a thing of the past. We now know that view is absurdly wrong.
- The kinds of bank financial problems we are facing also lend themselves to relatively direct solutions. Higher interest rates do mean that the bonds and other assets that many banks hold have lower values, which in turn could imply liquidity and solvency problems. But those underlying financial assets usually are set to pay off their nominal values as expected, as with the government securities held by Silicon Valley Bank. That makes it easier for the Federal Reserve or government to arrange purchases of a failed institution, or to offer discount window borrowing. The losses are relatively transparent and easy to manage, at least compared to 2008-2009, and in most cases repayment is assured, even if those cash flows have lower expected values today, due to higher discount rates.

<https://www.tbsnews.net/world/banking-crisis-wont-wreck-economy-603518>

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