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## Stock Market & Company

### Stocks extend losses, turnover dips

The Newage, February 22, 2022

- Dhaka stocks dropped for the third session on Tuesday, with the turnover falling below Tk 1,000 crore after one and a half months as investors remained cautious amid a bearish trend on the market. DSEX, the key index of the Dhaka Stock Exchange, lost 0.12 per cent, or 8.71 points, to close at 6,917.9 points on Tuesday.
- The DSEX lost 125.77 points in the last three sessions. The daily average turnover at the DSE plunged to Tk 908.82 crore on Tuesday compared with that of Tk 1,140.93 crore in the previous session.
- Tuesday's turnover was the lowest after January 2 when it was at Tk 894.17 crore. The DS30 index comprising of 30 large capitalised companies dropped by 9.24 points to finish at 2,536.36 points and the DSE Shariah index shed 3.54 points to close at 1,495.22 points.
- Out of the 380 issues traded, 173 declined, 154 advanced and 49 remained unchanged on the DSE. BEXIMCO topped the turnover chart with its shares worth Tk 64.9 crore changing hands.
- Orion Pharma, Fortune Shoes, Bangladesh Shipping Corporation, British American Tobacco Company, Aamra Networks, Saif Powertec, Kattali Textiles, Bangladesh Building Systems and Monno Ceramics were the other turnover leaders.
- ADN Telecom Limited was the day's best performer, posting a gain of 10 per cent, while Aramit Cement Limited was the worst loser, shedding 6.34 per cent.

<https://www.newagebd.net/article/163406/stocks-extend-losses-turnover-dips>

### Firms asked to bring Tk 8,674cr negative equity to zero by Dec

The Newage, February 22, 2022

- The Bangladesh Securities and Exchange Commission has asked 87 brokerage houses and 29 merchant banks to bring their Tk 8,674 crore negative equity to zero by December 30.
- The BSEC said that only a few number of market intermediaries held a major portion of the negative equity and they were not taking any step for addressing the problem in a decade for their own interest.

- According to BSEC data, out of the total 460 brokerage houses and merchant banks, there is negative equity worth Tk 8,674 crore with just 116 firms as of September 30, 2021. Only 27 firms, 15 brokerage houses and 12 merchant banks, hold Tk 7,500 crore or 86 per cent of the total negative equity in the market.
- Of the 116 firms, 29 merchant banks are holding Tk 3,645 crore negative equity, 75 Dhaka Stock Exchange stockbrokers Tk 4,930 crore and 12 Chittagong Stock Exchange stockbrokers Tk 98 crore negative equity.
- BSEC commissioner Abdul Halim told New Age that the commission was working to wipe out the negative equity from the stock market. The regulator has sought strategies and plans from the firms to recover the negative equity by December 30 this year, he said.

<https://www.newagebd.net/article/163404/firms-asked-to-bring-tk-8674cr-negative-equity-to-zero-by-dec>

## UCB to form subsidiary in Singapore

The Daily Star, February 23, 2022

- United Commercial Bank (UCB) has decided to form a subsidiary in Singapore to acquire a remittance business. Its paid-up capital would be \$900,000, said the listed lender in a filing on Dhaka Stock Exchange (DSE) yesterday.
- The company would be formed once regulators give the approval, it added. The bank has also decided to issue UCB 2nd Perpetual Bond, an unsecured, contingent-convertible and non-cumulative bond, amounting to Tk 500 crore. This will be included in the additional Tier-I capital subject to the approval of regulators.

<https://www.thedailystar.net/business/economy/banks/news/ucb-form-subsiary-singapore-2968406>

## MI Cement Factory Ltd changes its name to Crown Cement PLC

The Business Standard, February 22, 2022

- The Dhaka Stock Exchange (DSE) has approved the change of name of MI Cement Factory Limited to Crown Cement PLC. Much before the official move to change the company's name, MI Cement was popularly known as Crown Cement because of its popular cement brand 'Crown'.
- Crown Cement is also exported to the North-East Indian market. In line with the new name, the DSE has also changed the trading code or ticker name of the company to 'CROWNCEMNT' from 'MICEMENT'.
- The changes will be effective from Wednesday, 23 February. The company was listed with the capital market in 2011 and has been paying 10%-20% cash dividends in each of the last seven years.
- Bangladeshi listed companies are changing the suffix of their names from Limited to PLC as required by the amended Companies Act. MI Cement shares closed 1.1% higher at Tk61.8 each on Tuesday at the DSE, compared to the previous trading session.

<https://www.tbsnews.net/economy/stocks/mi-cement-factory-ltd-changes-its-name-crown-cement-plc-374431>

## Three firms get BSEC nod for issuing bonus shares

The Business Standard, February 22, 2022

- The Bangladesh Securities and Exchange Commission (BSEC) has approved the issuance of bonus shares by Saif Powertec, Advent Pharma, and Quasem Industries for 2020-21 fiscal. But it has rejected Dominage Steel Building Systems' proposal for issuing bonus shares.
- On Tuesday, the four companies published the information on the websites of both stock exchanges. According to the disclosures, the three listed firms have recommended and approved bonus shares as stock dividends for FY21 for utilising their retained earnings as capital for business expansion.
- Saif Powertec: The power & material handling solutions provider has got the approval for issuing a 6% stock dividend for FY21. Quasem Industries: The country's largest dry cell battery manufacturer got the BSEC consent to issue a 10% stock dividend.
- Advent Pharma: The company got approval for issuing a 2% stock dividend, and the record date has been fixed for 27 February. Dominage Steel Building Systems : The BSEC has rejected a 5% bonus share proposal of the pre-engineered steel buildings maker - Dominage Steel Building Systems.

<https://www.tbsnews.net/economy/stocks/three-firms-get-bsec-nod-issuing-bonus-shares-374503>

## Economy & Industry

### PM for finding ways to phase out subsidies

The Daily Star, February 23, 2022

- Prime Minister Sheikh Hasina yesterday strictly directed the ministries to find ways to gradually get rid of the huge amount of subsidies that have to be spent for various sectors. The premier came up with the directives while speaking about the subsidies on gas and electricity at a meeting of the Executive Committee of the National Economic Council (Ecneec), said Planning Minister MA Mannan.
- Usually, the government shells out subsidies amounting to Tk 50,000 to Tk 60,000 crore annually for different sectors. However, the government will have to spend about Tk 70,000 crore in subsidies in the current fiscal year in the gas, fertiliser and electricity sectors alone if prices are not adjusted in line with the global prices.
- "The subsidy we give is not fair. Some people are getting this subsidy while others are giving it. This is a serious matter. We must get rid of the system," said Mannan, while briefing the media after the meeting. Yesterday, the Ecneec approved 10 projects, including two revised ones. The overall estimated cost of the projects will be Tk 8,804.10 crore.

<https://www.thedailystar.net/business/economy/news/pm-finding-ways-phase-out-subsidies-2968481>

### Exporters fear a war over Ukraine to cause huge loss of trade

The Business Standard, February 22, 2022

- Bangladesh-based exporters are concerned over the ongoing Ukraine unrest as they believe Bangladesh might be a sufferer if the conflict turns into a war. They said the feared war could take a toll on the country's export since Ukraine's neighbouring European countries were its crucial export destinations. Besides, it could lose trade worth millions of dollars with Russia.
- Talking to The Business Standard, Bangladesh Garment Manufacturers and Exporters Association Vice-President Shahidullah Azim said, "If the war begins, we will suffer in many ways."
- According to the Export Promotion Bureau (EPB), Bangladesh exported worth \$17.46 billion to the European Union in fiscal year 2020-2021, while apparel shipments were worth \$16 billion. Besides, it exported \$665.32 million in the fiscal to Russia.
- Meanwhile, another business leader, seeking anonymity, told TBS that the feared Ukraine war might also hamper Russia-supported ongoing development projects in Bangladesh. Currently, Russia is constructing Bangladesh's first nuclear power plant – Rooppur Nuclear Power Plant – and is involved in several other mega projects.

<https://www.tbsnews.net/economy/exporters-fear-war-over-ukraine-cause-huge-loss-trade-374554>

## International

### Escalating Russia-Ukraine crisis ripples through markets

The Daily Star, February 23, 2022

- Stock markets tumbled on Tuesday while bonds and commodities rallied after Russian President Vladimir Putin ordered troops into the breakaway regions of eastern Ukraine.
- Below is reaction from analysts and asset managers to the latest events: "The short-term market reaction will depend on the extent of sanctions imposed by the West. Western leaders have two options a 'modest' approach, trying to signal de-escalation (what markets 'want' to see) or a firmer approach, recognising that allowing Putin to dismantle Ukraine piece by piece will still achieve his end goal, over a longer timeframe.
- "EU ambassadors are meeting today to discuss their plan for sanctions...The US response is probably more important. This boils down to whether this is termed 'an invasion' or not. Blinken is still scheduled to meet Lavrov in Geneva on Thursday."
- "While we believe it is too early to make a final assessment on what Monday's events may mean for the course of events, we remain of the view that the severe risk case we described earlier -- including fighting and a prolonged interruption of Russian energy exports -- still represents a tail risk at this stage.

<https://www.thedailystar.net/business/global-economy/europe/news/escalating-russia-ukraine-crisis-ripples-through-markets>

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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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