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Stock Market & Company

[Stocks extend gains, trading resumes after Eid holidays](#)

The New Age, April 24, 2023

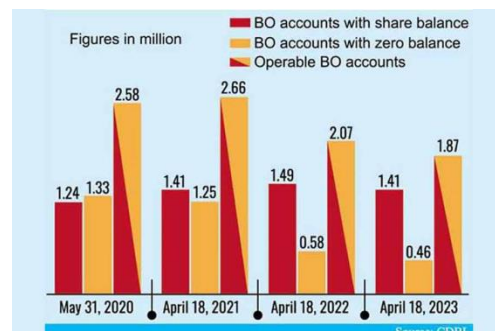
- DSEX, the key index of the Dhaka Stock Exchange, increased by 0.37 per cent, or 23.50 points, to close at 6,252.16 points on Monday. The DSEX gained 55.65 points in the past six trading sessions.
- On April 18, the BSEC relaxed margin loan rules for large capitalised and good performing companies. The commission asked the country's stock exchanges to consider companies which have remained under the 'A' category for three consecutive years, having paid-up capital of more than Tk 50 crore with price earnings ratio of more than 50 as marginable securities.
- The DS30 index increased by 10.19 points to finish at 2,213.04 points and the DSE Shariah index advanced by 5.59 points to close at 1,354.99 points on the day.
- Unique Hotel topped the turnover chart with its shares worth Tk 56.35 crore changing hands. Sea Pearl Beach Resort, Apex Footwear, Aamra Networks, Olympic Industries, Genex Infosys, Eastern Housing, Aamra Tech, Gemini Sea Food, and Navana Pharma were the other turnover leaders on the day.

<https://www.newagebd.net/article/200058/stocks-extend-gains-trading-resumes-after-eid-holidays>

Policy changes shoo away IPO hunters since 2020

The Financial Express, April 25, 2023

- More than half of operable BO (beneficiary owner's) accounts had zero share balance and had been used for no share transaction in the secondary market until May 2020.
- The figure has dwindled gradually over the last three years, thanks to the policy change that discouraged opportunists from maintaining BO accounts only to apply for IPO (initial public offering) shares.
- The number of operable accounts was 2.58 million until the end of May 2020. About 51.55 per cent of the accounts had remained unused by the account holders in transactions in the secondary market.
- The remaining 48 per cent or 1.24 million accounts had shares that could be traded, according to the Central Depository Bangladesh Limited (CDBL).
- Data as of April 18, 2023 reveals that the number of unused BO accounts dropped to 0.46 million from 1.33 million in a span of three years.

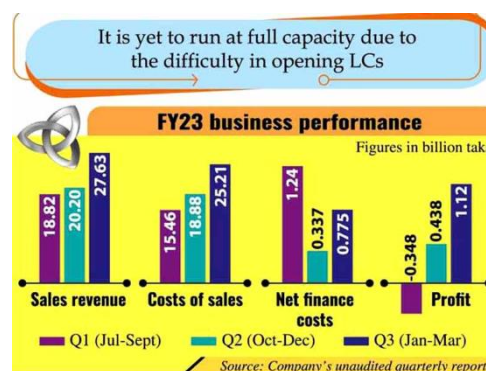


<https://thefinancialexpress.com.bd/stock/bangladesh/policy-changes-shoo-away-ipo-hunters-since-2020>

BSRM comes out of red in Jan-Mar, riding on high demand, increased product prices

The Financial Express, April 25, 2023

- Bangladesh Steel Re-Rolling Mills has crept out of losses in the nine months through March 2023, thanks to higher sales revenue and increased rod prices.
- The Chattogram-based steel maker did better in the latest quarter through March. Its consolidated net profit went up to Tk 1.59 billion in the latest quarter, which helped the company to overcome its loss in the previous six months, according to the un-audited financial statements.
- The company's consolidated net profit stood at Tk 495 million in the nine months of FY23. It incurred losses amounting to Tk 1.10 billion in the first six months through December 2022 despite profit in the second quarter.
- The steel maker's sales revenue jumped 42 per cent year-on-year to Tk 82.91 billion in the nine months of FY23 while the production costs went up 44 per cent to Tk 76.75 billion.



<https://thefinancialexpress.com.bd/stock/bsrm-comes-out-of-red-in-jan-mar-riding-on-high-demand-increased-product-prices>

Dutch-Bangla Bank makes Tk 566 crore profit in 2022

The Daily Star, April 24, 2023

- The Dutch-Bangla Bank Ltd made a Tk 566.34 crore profit in the year that ended on December 31, up 1.85 per cent year-on-year. The private commercial bank posted a profit of Tk 555.90 crore in 2021. Thus, the company reported earnings per share of Tk 8.14 for 2022 compared to Tk 7.99 in 2021.
- The net asset value per share rose to Tk 59.85 in the last financial year from Tk 53.13 in 2021 and the net operating cash flow per share jumped to Tk 30.50 from Tk 19.66 during the period.
- The board of directors has recommended a 17.50 per cent cash and a 7.50 per cent stock dividend for 2022. Shares of Dutch-Bangla Bank closed unchanged at Tk 62.60 on the Dhaka Stock Exchange today.

<https://www.thedailystar.net/business/news/dutch-bangla-bank-makes-tk-566-crore-profit-2022-3303516>

Trust Bank clocks Tk 291 crore profit in 2022

The Daily Star, April 24, 2023

- Trust Bank Limited's profit rose 6.5 per cent year-on-year to Tk 291.89 crore in 2022. The profit stood at Tk 273.99 crore in 2021. Thus, the private commercial bank reported consolidated earnings per share of Tk 3.75 for 2022 compared to Tk 3.52 in the previous financial year.
- Its consolidated net asset value per share improved to Tk 25.97 in 2022 from Tk 24.10 in 2021 while the consolidated net operating cash flow per share returned to a positive territory at Tk 5.69 from Tk 55.60 negative a year ago.
- Trust Bank's board of directors recommended a 10 per cent cash and a 10 per cent stock dividend for the year that ended on December 31. Its shares were unchanged at Tk 34.90 on the Dhaka Stock Exchange today.

<https://www.thedailystar.net/business/news/trust-bank-clocks-tk-291-crore-profit-2022-3303491>

Runner Automobiles incurs losses again

The Daily Star, April 24, 2023

- Runner Automobiles continued incurring losses, as the company posted a loss of Tk 16 crore in the January to March period of 2022-23 fiscal year. The bike maker said its losses were Tk 8.93 crore during the July to September quarter of the 2022-23 financial year.
- However, the local automobile maker logged a profit of Tk 8.85 crore in the same period of the previous year. Its earnings per share (EPS) stood at Tk 4.31 in the negative in the first nine months of the financial year while it was Tk 2.27 in the same period of the previous year.
- The company said its EPS decreased because of the degrowth of revenue, an increase in raw materials price and the finance cost.

<https://www.thedailystar.net/business/news/runner-automobiles-incurs-losses-again-3303471>

Exim Bank's profit surges 72% in 2022

The Daily Star, April 24, 2023

- Export Import (Exim) Bank of Bangladesh Limited's profit soared more than 72 per cent to Tk 372.02 crore in 2022. The profit stood at Tk 215.69 crore in 2021.
- The bank reported consolidated earnings per share of Tk 2.57 for the last financial year compared to Tk 1.49 in 2021. "The EPS increased mainly due to a decrease in provision for investments," said the bank in a filing on the Dhaka Stock Exchange today.
- Its consolidated net asset value per share improved to Tk 22.02 in 2022 from Tk 21.72 in 2021. The consolidated net operating cash flow per share (NOCFPS) slipped to the negative territory at Tk 13.20 from a positive Tk 9.37 during the period.
- The NOCFPS decreased mainly due to a fall in trading liabilities (borrowings) and a reduction in deposits compared to the previous period, said the filing. The board of directors has recommended a 10 per cent cash dividend for the year that ended on December 31.

<https://www.thedailystar.net/business/news/exim-banks-profit-surges-72-2022-3303461>

Walton's profit falls 36% in Q3

The Daily Star, April 24, 2023

- Walton Hi-tech Industries logged a fall in profits in the January to March period of 2022-23 financial year due to higher costs of raw materials. The profits of the local electric and electronic product maker plunged 36 per cent year-on-year to Tk 235 crore in the third quarter.
- Its earnings per share (EPS) fell to Tk 7.78 in the three months period while it was Tk 12.34 in the same period of the previous year. The EPS stood at Tk 8.25 in the first nine months of the financial year, down from Tk 27.07 in the same period previous year.
- "EPS has been decreased due to price hike of raw materials and freight costs which lead to decline in overall profitability," the company said in its financial reports.

<https://www.thedailystar.net/business/news/waltons-profit-falls-36-q3-3303431>

BSEC rejects Agrani Insurance's right share offer

The Business Standard, April 24, 2023

- The securities regulator has not approved Agrani Insurance Company Ltd's right share offer due to failure to submit a Credit Information Bureau (CIB) report.
- The Bangladesh Securities and Exchange Commission (BSEC) said in the report filed at the stock exchanges that the general insurer did not submit a clear CIB report of its directors, which was a violation of securities rules.
- Earlier, Agrani Insurance had decided to increase its capital by issuing one right share against three existing shares. It also got shareholders' approval at the extraordinary general meeting for issuing the right shares.

<https://www.tbsnews.net/economy/stocks/bsec-rejects-agrani-insurances-right-share-offer-621130>

Why listed firms' IPO projects suffered setbacks

The Business Standard, April 24, 2023

- Companies that got listed on the bourses in the last five to six years, are facing massive slowdown in implementing their initial public offering (IPO) projects, thanks to a number of hindrances that had been showing up one after another starting with the Covid-19 pandemic.
- When the firms were just starting to recover from the pandemic shock, the Russia-Ukraine thing happened and then the dollar got very pricey.
- A mix-and-match of these factors led to the slowdown of opening letters of credit (LCs) for the firms to import machinery, which was a major part of their IPO project. Investors are also being deprived of their expected returns from investing in these firms.
- The firms claim that the Bangladesh Bank has been approving the opening of LCs for essential products, but not for capital machinery.
- From July 2022 to February 2023, total LC opening decreased by 23.45% to \$45.51 billion, from \$59.45 billion in the same period a year ago, according to data from the Bangladesh Bank.



<https://www.tbsnews.net/economy/stocks/why-listed-firms-ipo-projects-suffered-setbacks-621402>

It will be tough to lose money in many undervalued stocks: Former DSE director

The Business Standard, April 24, 2023

- Defying the challenges brought by the pandemic, war and macroeconomic issues, 40-50% listed firms are performing well. Many of them are paying lucrative dividends and still their stocks are trading lower than the logical levels, observes Minhaz Mannan Emon, managing director of brokerage firm BLI Securities.
- "It will be tough to lose money in such stocks if someone buys them now and holds onto over the next two-three years," said Emon, also a former director of the Dhaka Stock Exchange (DSE).
- "We, who have already invested, are in pain due to the bearish market condition and the floor prices," he said in a recent interview with TBS.
- However, those who want to pour fresh money, have significant potential to make money from the good stocks as long as they don't chase rumors and action of market manipulators for quick gains, said the man who started his stock investment just after his 12th grade, some 26 years ago.

<https://www.tbsnews.net/economy/stocks/it-will-be-tough-lose-money-many-undervalued-stocks-former-dse-director-621406>

Economy & Industry

Bangladesh on track for meeting all IMF terms but reserve threshold: Officials

The Business Standard, April 24, 2023

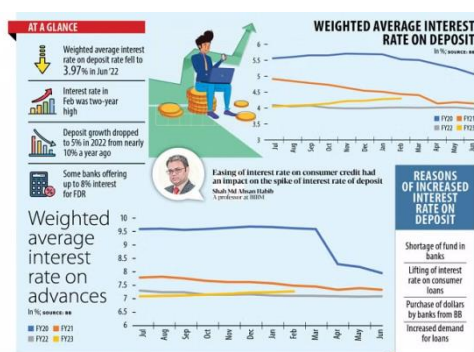
- Although Bangladesh is right on track on meeting almost all of the pledges made for the IMF loan package, reaching the net reserve threshold requirement of \$24.46 billion by June remains the only concern for finance ministry officials as the global lender begins its first review on Tuesday.
- According to the Bangladesh Bank data, Bangladesh's gross foreign exchange reserves on 17 April was \$31.18 billion. The central bank does not disclose the net reserve amount.
- However, \$500 million will be available from the World Bank by June. Besides, the government has asked the Asian Infrastructure Investment Bank for \$400 million, \$320 million from JICA and \$100 million from Korea, which the Economic Relations Division (ERD) is trying to get by next June. These loans will add an additional \$1.32 billion to reserves by June.
- The floor of the net reserve for March was set at \$22.947 billion, which Bangladesh could not meet. The lender set the floor at \$24.462 billion dollars by next June, \$25.316 billion by September and \$26.411 billion by December.
- The IMF's \$4.7 billion loan comes with some 38 conditions and the lender's staff consultation team, visiting Dhaka on Tuesday, will review the progress of the conditions' implementation.

<https://www.tbsnews.net/economy/bangladesh-track-meeting-all-imf-terms-reserve-threshold-officials-621414>

Good news for savers as banks hike deposit rate

The Daily Star, April 17, 2023

- Banks in Bangladesh are raising the interest rate on deposits to pull funds with a view to tackling the liquidity shortage and meeting a higher demand for loans.
- It comes as good news for savers, who saw the real return on their deposits turn negative as the interest rate continues to remain below the inflation rate.
- Data from the Bangladesh Bank showed that banks in February offered as high as 8 per cent for fixed deposits to attract savers, particularly from public institutions.



- The weighted average interest rate on deposits stood at 4.31 per cent in February, the highest in nearly two years. In January, it was 4.29 per cent.
- It fell to 3.97 per cent in June last year from a peak of 5.71 per cent recorded in November 2019. Banks attracted 5 per cent higher deposits at Tk 15,88,010 crore in 2022. It was Tk 15,12,472 crore a year ago. In 2021, the overall deposit growth was nearly 10 per cent, according to central bank data.
- Amid the slowing deposit growth and the fund shortage, a number of banks were compelled to become aggressive and they have been offering a higher rate on deposits over the last several months, said bankers.
- The easing of an interest rate cap on consumer loans by the BB gave leeway to banks to raise the deposit rate. In January, the central bank relaxed the lending rate cap for consumer loans, allowing banks to charge up to 12 per cent in interest rates on such credit products from 9 per cent, a rate that was maintained since April 2020.

<https://www.thedailystar.net/business/economy/banks/news/good-news-savers-banks-hike-deposit-rate-3302251>

International

European shares fall ahead of busy earnings week

The Business Standard, April 24, 2023

- European shares fell on Monday (24 April), tracking losses in Asian markets as investors awaited more economic data this week and earnings from some of the highest-valued US companies, along with major European banks and consumer companies.
- The pan-European STOXX 600 index .STOXX slid 0.2% by 0710 GMT, with oil and gas shares .SXEP falling the most by 1.1%, as oil prices fell more than 1% on Monday on concerns about rising interest rates.
- Healthcare shares .SXXP rose 0.4%, led by Philips NV PHG.AS, which jumped 10.8% after the Dutch health technology group posted better-than-expected first-quarter results.
- Investors will closely monitor results from some of the highest-valued US companies including Microsoft Corp MSFT.O, Google parent Alphabet Inc GOOGL.O and Amazon.com Inc AMZN.O this week.
- Back home, big banks Barclays Plc BARC.L, Santander SAN.MC, Deutsche Bank AG DBKGn.DE, UBS Group AG UBSG.S, and consumer companies like Nestle SA NESN.S, Reckitt RKT.L and Unilever Plc ULVR.L report results this week.
- Commentary from European Central Bank policymakers Fabio Panetta and Francois Villeroy de Galhau will be tracked closely for more clues on the ECB's monetary tightening path, while also Euro zone's flash estimates for GDP growth in April
- Shares of Software AG SOWGn.DE skyrocketed 50.0% in early trade after private equity firm Silver Lake offered to buy the German software developer.

<https://www.tbsnews.net/economy/stocks/european-shares-fall-ahead-busy-earnings-week-621178>

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