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## Stock Market & Company

### Stocks extend losing streak amid confidence crisis

The Financial Express, May 25, 2022

- Stocks extended losing streak for the second straight day on Wednesday, despite the regulatory efforts to revamp the ailing market, amid a confidence crisis among investors. Following the previous day's losing streak, the market opened lower and moved positive and negative several times before ending marginally lower.
- DSEX, the key index of Dhaka Stock Exchange, went down by 23.81 points or 0.38 per cent to settle at 6,187. DSEX lost 74 points in the past two straight sessions. Two other indices also ended lower. The DS30 index, comprising blue chips, fell 7.06 points to finish at 2,287 and the DSE Shariah Index (DSES) shed 3.82 points to close at 1,363.
- Turnover, a crucial indicator of the market, also came down below Tk 6.0 billion mark again and amounted to Tk 5.13 billion, which was 22 per cent lower than the previous day's tally of Tk 6.60 billion.
- The market ended lower in the last 10 trading days out of 11. The index gained 118 points on Monday and before that the stock index lost 556 points in eight consecutive days which prompted the government to intervene in the market to bring back investors' confidence in the market.
- Beximco continued to dominate the turnover chart with shares worth Tk 464 million changing hands, followed by IPDC Finance, Shinepukur Ceramics, JMI Hospital Requisite Manufacturing and Fortune Shoes.
- The Chittagong Stock Exchange (CSE) also ended lower with the CSE All Share Price Index (CASPI) shedding 120 points to settle at 18,162 and its Selective Categories Index (CSCX) losing 72 to close at 10,896.

<https://thefinancialexpress.com.bd/stock/stocks-extend-losing-streak-amid-confidence-crisis-1653470442>

## **BSEC again puts 2pc cap on share price fall**

The Newage, May 25, 2022

- The Bangladesh Securities and Exchange Commission on Wednesday again reduced the limit on share price fall to 2 per cent from 5 per cent for all listed companies to arrest free fall on the market. The BSEC issued a directive in this regard on the day, taking effect from today.
- Share prices of no company will be allowed to fall below 2 per cent of the closing price of the previous session, but the prices can rise by the maximum 10 per cent set through the previously issued order, according to the directive.
- Market experts said that keeping the upper limit open at 10 per cent while restricting the bottom limit at 2 per cent went against the principle of free and fair market. Earlier on March 8, the BSEC had imposed 2 per cent circuit breaker after the market had faced the steepest fall over the Russia-Ukraine war.

<https://www.newagebd.net/article/171509/bsec-again-puts-2pc-cap-on-share-price-fall>

## **CAL Bangladesh aims to provide research-based investment services**

The Financial Express, May 25, 2022

- CAL Bangladesh, a newly established and first joint-venture foreign brokerage firm in Bangladesh, has announced its plan of providing research-based investment services to investors and stock market. The company's top officials unveiled their business plan at a press briefing held at the auditorium of Capital Market Journalists' Forum (CMJF) in the capital Dhaka on Wednesday.
- "CAL Bangladesh wants to go beyond the traditional brokerage business and add a new dimension to the stock market services," said Ajith Fernando, CEO of the CAL Group. Apart from providing brokerage services, the company aims to provide the services of merchant banking and preparations are going, he said.
- CAL Bangladesh is a concern of CAL group. CAL is a leading Frontier Markets Investment Bank incorporated in the UAE with its roots in Sri Lanka. CAL Bangladesh earlier received trading rights entitlement certificate (TREC) from Dhaka Stock Exchange (DSE) to conduct stock market operations in line with the regulatory approval.
- The company's director Raihan Shamsi said their company has 22 years of experience in the global frontier market and wants to make a new contribution to the capital market of Bangladesh.

<https://thefinancialexpress.com.bd/stock/cal-bangladesh-aims-to-provide-research-based-investment-services-1653486347>

## **Capital market revised refinancing scheme: Tk 2.05b sought from Bangladesh Bank**

The Financial Express, May 25, 2022

- The capital market refinancing scheme supervision committee has sought Tk 2.05 billion from the central bank for disbursement among market operators under the revised scheme. The committee has sent a letter to the Bangladesh Bank (BB) after holding a meeting on Tuesday, sources said.
- "We have requested the central bank to disburse Tk 2.05 billion, and the BB hopes that the fund will be released within a couple of days," said a BB official - who attended the meeting. In the meeting, the refinancing scheme supervision committee also approved the market operators' applications, submitted for receiving Tk 220 million from the scheme.
- The committee held its first meeting after a couple of days after the government extended tenure of the revised refinancing scheme until December 2027 to help revitalise the capital market. The representatives of the central bank, the Bangladesh Securities and Exchange Commission (BSEC), and the Investment Corporation of Bangladesh (ICB) attended the meeting, among others.
- As per the government's decision, the size of the fund, to be disbursed under the revised scheme, will be Tk 10.09 billion. Following the announcement of disbursing fund under the scheme, the broad index of the Dhaka bourse jumped over 118 points on Monday. The index, however, failed to sustain and lost 50 points on Tuesday.

<https://thefinancialexpress.com.bd/stock/capital-market-revised-refinancing-scheme-tk-205b-sought-from-bangladesh-bank>

## Square Pharma projects lower revenue and profit due to a fire incident

The Business Standard, May 25, 2022

- Square Pharmaceuticals is anticipating declines in its yearly revenue and profits because of a fire that recently broke out in its Large Volume Parenteral (LVP) plant situated in Kaliakoir, Gazipur. In Wednesday's disclosure about the fire incident on the Dhaka Stock Exchange (DSE) website, the company said its annual revenue will reduce by Tk50 crore and net profit by Tk8 crore.
- The production of 50 of its products will be hampered and the production resumption, after restoring the damaged premises, might take two to three years, according to the disclosure. The company said that the assessment of the damage is under active scrutiny by the tripartite team that is composed of company experts, firefighting units, and surveyors of insurance companies.
- Also, its LVP plant is fully insured under the coverage of the Industrial All Risk Insurance Policy. The fire broke out in the plant, where mainly saline products were being produced, on 23 May. After 11 hours, it was brought under control by the hard work of 14 firefighting units.

<https://www.tbsnews.net/economy/stocks/square-pharma-projects-lower-revenue-and-profit-due-fire-incident-426954>

## Shakib's gold trading firms' explanation satisfies BSEC

The Business Standard, May 25, 2022

- The Bangladesh Securities and Exchange Commission (BSEC) is satisfied with the clarifications and explanations from Reliable Commodities Exchange Company and Buraq Commodities Exchange Company owned by cricketer Shakib Al Hasan. The securities regulator on 16 May asked the two firms to explain their positions regarding the confusion that emerged due to the name and nature of their business.
- A basket of commodities, if traded in a fashion of futures contracts, must be done through licenced commodities brokers under the umbrella of a licenced commodities exchange and according to law, BSEC is the authority to issue the licences, while it is yet to provide any in the country.
- The firms of Shakib explained their position to the BSEC and the regulator is satisfied that they are not engaged in any futures contract. The commission in its letter to the companies on Wednesday said the firms must seek its approval before launching any commodity futures contract and that must be done through an approved commodities exchange.

<https://www.tbsnews.net/economy/stocks/shakibs-gold-trading-firms-explanation-satisfies-bsec-426926>

## NRBC Bank to issue Tk500cr subordinated bond

The Business Standard, May 25, 2022

- The NRB Commercial (NRBC) Bank Limited will issue a subordinated bond worth Tk500 crore to meet its Tier-2 capital base. The coupon-bearing bond will be unsecured, and non-convertible, according to the Dhaka Stock Exchange (DSE).
- The bank will follow the regulatory requirement regarding issuing bonds and will take approval from the Bangladesh Securities and Exchange Commission, and the Bangladesh Bank. Currently, subordinated bonds that are mostly issued by banks dominate the local bond market. These help lenders construct their mandatory Tier-2 capital base through the bond proceeds within a specific tenure.
- In the January to March quarter of 2022, the bank's consolidated net profit stood at Tk65.96 crore while its net interest income stood at Tk107.96 crore. During the period, its consolidated earnings per share stood at Tk0.89 and net asset value per share at Tk17.14. As of 30 April 2022, the sponsors and directors jointly held 73.32% shares, institutions 3.50%, and the general public held 23.18% shares in the bank.

<https://www.tbsnews.net/economy/stocks/nrbc-bank-issue-tk500cr-subordinated-bond-426862>

## BB, Bank Asia sign deal on refinance facility

The Daily Star, May 26, 2022

- Bank Asia signed a participation agreement with Bangladesh Bank for refinance facility under the Supporting Post Covid-19 Small Scale Employment Creation Project (SPCSSECP). Nurun Nahar, executive director of Bangladesh Bank, and Md Arfan Ali, president and managing director of Bank Asia Ltd, signed the agreement on the central bank premises in Dhaka on May 24, a press release said.
- Under the agreement, Bank Asia will have the participation to finance the targeted vulnerable groups such as returning migrant workers, unemployment/underemployed youths and rural entrepreneurs with a special focus on women entrepreneurs at minimum interest under the SPCSSECP refinance fund of \$150.00 million by Asian Development Bank (ADB).

<https://www.thedailystar.net/business/economy/banks/news/bb-bank-asia-sign-deal-refinance-facility-3031981>

## Economy & Industry

### BB sits with bankers today to talk forex volatility

The Daily Star, May 26, 2022

- Bangladesh Bank will sit with the Association of Bankers, Bangladesh (ABB) today to discuss the ongoing foreign exchange volatility in the country's banking sector.
- A Bangladesh Bank official said they would ask the ABB, a platform of managing directors of banks, to set exchange rates to purchase and sell dollars to exporters, importers and remitters based on the central bank's inter-bank exchange rate.
- The country's foreign exchange market has been facing an acute dollar shortage in the last couple of weeks due to soaring import payments. Against this backdrop, the central bank has depreciated the exchange rate of the taka against the US dollar six times this year.
- The exchange rate of the taka stood at Tk 87.90 per dollar yesterday, down 3.65 per cent year-on-year. The majority of banks are now selling the American greenback at about Tk 95-97 per dollar to importers by ignoring the bills for collection selling rate, the rate at which importers purchase USD from lenders set by Bangladesh Bank. Similarly, banks now also purchase USD at Tk 95-96 per dollar from exporters. This has left the foreign exchange market in a haphazard situation.

<https://www.thedailystar.net/business/economy/banks/news/bb-sits-bankers-today-talk-forex-volatility-3032096>

### Parliament gets Tk341 crore for FY22-23

The Business Standard, May 25, 2022

- The Parliament Secretariat Commission on Wednesday approved a Tk341.89 crore budget for the parliament to spend on its development and non-development activities for FY2022-23. The approval was given at the 33rd meeting of the commission held at the Jatiya Sangsad Bhaban with Speaker Shirin Sharmin Chaudhury in the chair.
- The budget for the next fiscal is 1.72% higher than the main budget of the current financial year, which was Tk336.14 crore. The commission in its meeting also revised the budget for the outgoing fiscal to Tk316.01 crore.
- Commission Members Prime Minister and Leader of the House Sheikh Hasina, Finance Minister AHM Mustafa Kamal, Law, Justice, Parliamentary Affairs Minister Anisul Huq and Barrister Anisul Islam Mahmud were present in the House. Chief Whip Noor-e-Alam Chowdhury attended the meeting on special invitation. Speaker Shirin Sharmin later told reporters that the parliament spent less than the allocation for the current FY21-22.

<https://www.tbsnews.net/economy/parliament-gets-tk341-crore-fy22-23-426678>

## International

### US to end Russia debt payment exemption

The Daily Star, May 26, 2022

- The United States will end an exemption allowing Moscow to pay foreign debt held by American investors with funds held in Russia, the US Treasury said Tuesday, a move that could push Vladimir Putin's country closer to default.
- The escape clause to the drastic financial sanctions imposed on Moscow after it invaded Ukraine in late February, which allowed US banks to receive and process the payments to creditors, ends as of 0401 GMT Wednesday, two days before Russia's next debt service payment is due.
- US Treasury Secretary Janet Yellen last week hinted at the move announced Tuesday, saying the exemption was put in place to allow financial institutions to adjust but that it was "time-limited." Punishing Western sanctions on Russia have largely severed the country from the international financial system, including blocking Moscow's ability to access funds held in US banks to pay its foreign creditors. The latest move scraps the final outlet, which was forcing Putin's government to drain its war chest of reserves to make payments.
- Yellen had signaled the default was the goal, part of President Joe Biden's efforts to intensify the pressure on Putin as the war rages on. The Russian government has attempted to pay in domestic currency, but many of the bonds do not allow repayment in roubles. The government still faces a dozen debt service deadlines this year.

<https://www.thedailystar.net/business/global-economy/america/news/us-end-russia-debt-payment-exemption-3032076>

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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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