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## Stock Market & Company

### Dhaka stocks fall amid economic worries

The Newage, June 26, 2022

- Dhaka stocks declined on Sunday after a marginal gain in the previous two trading sessions as investors resumed share sales amid concerns over the country's economy. DSEX, the key index of the Dhaka Stock Exchange, dropped by 0.41 per cent, or 26.56 points, to close at 6,301.08 points on Sunday after gaining 16 points in the previous two sessions.
- Out of the 382 issues traded on Sunday, 230 declined, 94 advanced and 57 remained unchanged on the DSE. The turnover on the DSE dropped to Tk 594.37 crore on Sunday compared with that of Tk 683.74 crore in the previous session.
- The DS30 index dropped by 11.99 points to finish at 2,286.6 points and the DSE Shariah index shed 4.06 points to close at 1,378.86 points. Fu-Wang Food topped the turnover chart with its shares worth Tk 34.23 crore changing hands.
- Anwar Galvanizing, Shinepukur Ceramics, BEXIMCO, Salvo Chemical, JMI Hospital Requisite Manufacturing, IPDC Finance, Monno Fabrics, Metro Spinning and Prime Textile Spinning Mills were the other turnover leaders. Global Heavy Chemicals Limited was the day's best performer, posting a gain of 9.9 per cent, while FAS Finance Limited was the worst loser, shedding 2 per cent.

<https://www.newagebd.net/article/174361/dhaka-stocks-fall-amid-economic-worries>

### Malek Spinning to issue Tk 2.90b zero-coupon bond

The Financial Express, June 24, 2022

- Malek Spinning Mills, a listed company, has planned to raise Tk 2.90 billion through a zero-coupon bond to finance its business expansion and reduce existing debts. The bond issue is subject to approval of the Bangladesh Securities & Exchange Commission, the company said in a filing with the Dhaka Stock Exchange (DSE) on Thursday.
- The board of directors of the company has also decided to purchase 55 Bigha (1,815 decimal) land worth approximately Tk 550 million for a new plant at Bhaluka in Mymensingh.

- The company will purchase the land from its directors/related parties on a fair market price basis, which may exceed 1.0 per cent or above of the total tangible assets shown in the statement of financial position as of the end of the immediate preceding financial year, according to the disclosure.
- The board has also approved proposal of J.M. Fabrics, a subsidiary of Malek Spinning, to purchase land measuring 954.94 decimals situated at Gazipur at a total price of approximately Tk 477 million including registration cost for the future expansion of the business of J.M. Fabrics.
- Besides, the board has approved the decision of Salek Textile, a subsidiary of Malek Spinning for recovery of insurance claim over Tk 211.28 million as final settlement against the claim was Tk 304.79 million for losses by fire at Fabric Unit.

<https://thefinancialexpress.com.bd/stock/malek-spinning-to-issue-tk-290b-zero-coupon-bond-1656044453>

## Dawn Global Management keen on helping Bangladesh to launch ETF

The Business Standard, June 26, 2022

- Dawn Global Management Limited, an England-based investment manager, has expressed its interest in helping Bangladesh with capital and technical assistance in launching the country's first exchange traded fund (ETF) in the stock market. Maurits Pot, founder and chief executive officer of Dawn Global Management, expressed this interest at a meeting with the Bangladesh Securities and Exchange Commission (BSEC) on Sunday.
- However, market makers will be needed to launch ETFs. Three institutions have shown interest in this. They will be allowed soon, the BSEC said. And Dawn Global has expressed interest in giving these companies the training they need to be market makers.
- During this time, the commission emphasised keeping the operating expenses of ETFs at a minimum level by international standards. The BSEC hopes that investors will get maximum profit from ETFs.

<https://www.tbsnews.net/economy/stocks/dawn-global-management-keen-helping-bangladesh-launch-etf-447766>

## BSEC to probe business status of two OTC firms

The Business Standard, June 26, 2022

- The Bangladesh Securities and Exchange Commission (BSEC) formed an inquiry committee on Sunday to analyse the current business situation of two over-the-counter (OTC) companies - MAQ Paper Industries Limited and Mark Bangladesh Shilpa & Engineering Limited. The committee will submit its findings to the BSEC within 15 working days.
- Both the firms were sent to the OTC market because of their non-compliance. According to BSEC officials, the companies did not disclose their financial statements for more than a decade and shareholders are in the dark about the firms' operational status.
- Hence, the commission has taken this initiative to protect the interest of investors. In September last year, the BSEC dismissed the OTC market and transferred all the OTC companies, including MAQ Paper Industries Limited and Mark Bangladesh Shilpa & Engineering Limited, to the SME platform of the stock exchanges.

<https://www.tbsnews.net/economy/stocks/bsec-probe-business-status-two-otc-firms-447762>

## Pearl Paper to sell another one lakh shares of Monospool Paper

The Business Standard, June 26, 2022

- Pearl Paper and Board Mills, a corporate sponsor of the Monospool Paper Manufacturing Company, has announced it will sell one lakh Monospool shares from its holdings. According to the disclosure of Monospool Paper on the Dhaka Stock Exchange (DSE) website on Sunday, the shares will be sold at the prevailing market price on the DSE within the next 30 working days.
- According to Monospool Paper's FY21 annual report, Pearl Paper held 218,526 shares, which is 2.33% of all Monospool shares. Earlier, Pearl Paper first sold off 55,000 shares of Monospool from its holdings. After the second sale, it will have only 63,526 of the company shares.

- After 12 years, in June last year, Monospool Paper returned to the main board from over-the-counter (OTC) of the stock exchanges. When the company got re-listed on the main board, its share price was Tk17.1 which then increased several times.
- In February this year, its share price abnormally rose to more than Tk300 each and then came down to Tk200. Due to the pandemic, the company had faced a blow as sales declined significantly. Now, after gaining regulatory approval, the company's corporate sponsors are selling off shares for repayment of its soon to be classified loans.

<https://www.tbsnews.net/economy/stocks/pearl-paper-sell-another-one-lakh-shares-monospool-paper-447718>

## Placement shareholders at risk as Beka Garments faces auction

The Business Standard, June 25, 2022

- Individuals and entities, including Uttara Finance and Investments Limited, who bought placement shares of Beka Garments and Textiles, which is facing an auction for its business failure, are at risk. In 2018, Uttara Finance bought a 9.41% stake in the garments company through placement after it had promised to get listed on the capital market by 2021.
- The non-bank financial institution hoped to make a good profit by selling the shares of the garments manufacturer after its stock market listing. Another 99 individuals and entities, like Uttara Finance, bought placement shares in Beka Garments. The company raised Tk60 crore by selling six crore shares.
- But the export-oriented company could not enter the stock market. It is even no longer in production. The Adamjee Export Processing Zone Authority of Narayanganj has cancelled its 30-year lease agreement with the company and confiscated its assets due to non-compliance with rules and regulations and non-payment of rent.

<https://www.tbsnews.net/economy/stocks/placement-shareholders-risk-beka-garments-faces-auction-447206>

## Economy & Industry

### 'Bangladesh Bank should go for flexible rates for exchange, interest'

The Daily Star, June 27, 2022

- Former Bangladesh Bank Governor Atiur Rahman today recommended the central bank make both exchange rate and interest rate flexible. He came up with the remark while delivering speech at the "First MAM Kazemi Memorial Lecture on Monetary Policy" held in Bangladesh Institute of Bank Management.
- "As we navigate the ongoing global environment, we must remember that guidance from MAM Kazemi to increase foreign exchange flexibility to address the balance of payments pressure," he said.
- For modern monetary policy for a country like Bangladesh that is undergoing rapid structural changes, both foreign exchange and interest rate flexibility are necessary ingredients for all market development, Rahman said. Muhammad Allah Malik Kazemi who served the central bank as deputy governor played a pivotal role in making the exchange rate flexible in Bangladesh.

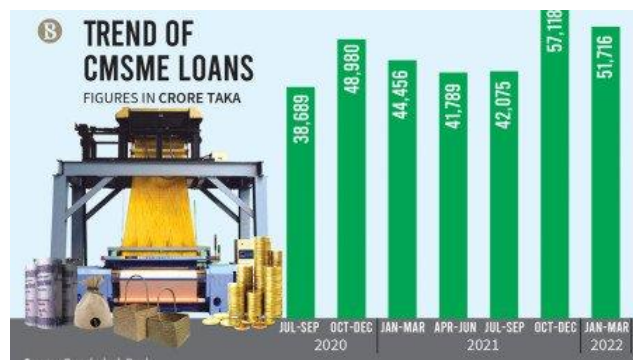
<https://www.thedailystar.net/business/news/bangladesh-bank-should-go-flexible-rates-exchange-interest-3057471>

### CMSME loan disbursement drops 10% in March quarter

The Business Standard, June 26, 2022

- Loan disbursements to the cottage, micro, small, and medium enterprises (CMSMEs) have declined by Tk5,401 crore or 9.45% in the January-March quarter although the country's banking sector registered an increase in their lending volumes.
- In three months through March this year, banks and financial institutions disbursed loans amounting to Tk51,716.89 crore among more than 289,000 entrepreneurs. In the previous quarter, the banking sector distributed Tk57,118 crore among more than 295,000 entrepreneurs.

- Meanwhile, the Bangladesh Bank data says that in the March quarter of 2021, loans worth Tk44,445 crore were distributed among 228,327 entrepreneurs. In other words, the loan disbursement has increased by Tk7,271 crore compared to the January-March quarter last year.
- In the second phase of the current financial year, the stimulus loan target for CMSME industries has been set at Tk20,000 crore. Banks have disbursed Tk9,120 crore or 45.71% of the loans during the July-March period.
- In addition, the authorities launched a Tk2,000 crore credit guarantee scheme for entrepreneurs in the cottage, micro, and small (CMS) sector under the CMSME package. However, a guarantee facility of Tk89.27 crore has been disbursed in about ten months under this scheme.



<https://www.tbsnews.net/economy/cmsme-loan-disbursement-drops-10-march-quarter-447806>

## International

### China sets up yuan liquidity arrangement

The Daily Star, June 27, 2022

- China's central bank said on Saturday it had signed an agreement with the Bank for International Settlements to establish a Renminbi Liquidity Arrangement (RMBLA) that will provide support to participating central banks in times of market fluctuations.
- The People's Bank of China (PBOC) said the arrangement's first participants, in addition to the PBOC, would include Bank Indonesia, the Central Bank of Malaysia, the Hong Kong Monetary Authority, the Monetary Authority of Singapore and the Central Bank of Chile.
- Each participant will contribute a minimum of 15 billion yuan (\$2.2 billion) or the US dollar equivalent, it said. The BIS said in a separate statement that the funds could be contributed either in yuan or US dollars, and that they would be placed with the BIS, creating a reserve pool.

<https://www.thedailystar.net/business/global-economy/news/china-sets-yuan-liquidity-arrangement>

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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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