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Stock Market & Company

DSE sees gain in indices, turnover

New Age, February 27, 2024

- Dhaka stocks finished in the green territory after a fall on Sunday, as investors sought opportunity in undervalued stocks and started investing despite volatility on the market, market operators said.
- DSEX, the key index of the Dhaka Stock Exchange, gained 13.09 points, or 0.20 per cent, and settled at 6,272.72 points on the day after 14.32 points in the previous trading session.
- Market operators said that the DSEX started the session with a big jump, but saw a sharp fall in the middle of the session.
- On the sectoral front, pharmaceutical issues exerted the highest turnover on Tuesday, followed by textile and engineering stocks. Best Holdings Limited topped the turnover chart on the day with its shares worth Tk 50.20 crore changing hands.

<https://www.newagebd.net/article/226490/dse-sees-gain-in-indices-turnover>

Ring Shine's ownership transfer fails

The Financial Express, February 27, 2024



- The troubled Ring Shine Textiles has finally scrapped the share purchase agreement (SPA) with Wise Star Textile Mills and five other Singapore-based firms, citing their failure to fulfill the terms of conditions.
- It recently sent a letter, notifying the managing director of Wise Star Textile Mills of the termination of the deal. Wise Star Textile had been leading the five other companies in the deal making. The Financial Express has seen a copy of the letter.
- In October last year, the Bangladesh Securities and Exchange Commission (BSEC) allowed the six organisations to take over the struggling Ring Shine, subject to eight conditions. Ring Shine Textiles raised Tk 1.50 billion using the fixed price method in 2019 for acquisition of machinery & equipment and loan repayment.
- However, 11 sponsor-directors and 33 external shareholders did not make any payment against the shares that they received. Soon after the listing, the Covid-19 broke out and the company fell into a crisis due to a lack of demand for its products from foreign buyers.

<https://thefinancialexpress.com.bd/stock/ring-shines-ownership-transfer-fails>

Regulator asks 26 firms to comply with 30% shareholding rule

The Business Standard, February 27, 2024

- The Bangladesh Securities and Exchange Commission (BSEC) has once again directed listed companies to comply with a minimum 30% shareholding of paid-up capital by sponsors and directors.
- The securities regulator sought explanations from the managing directors of seven listed firms regarding their non-compliance over the matter. These are Active Fine Chemicals, Appollo Ispat, Central Pharmaceuticals, Familytex (BD), Mithun Knitting, Northern Jute, and Shurwid Industries.
- As per the securities regulator's directive, sponsors, promoters, and directors must jointly hold a minimum of 30% of the paid-up capital of a company at all times.
- The sponsors and directors of the companies in question are holding their positions in violation of a 2011 directive issued by the BSEC.
- The regulator came up with the order in the aftermath of the stock market crash in 2010. The move was aimed at making the directors responsible and loyal to small investors, as it was seen that many directors had sold off their shares right before the debacle.

<https://www.tbsnews.net/economy/stocks/regulator-asks-26-firms-comply-30-shareholding-rule>

Standard Ceramic extends losses by 146% in Jul-Sep

The Business Standard, February 27, 2024

- Standard Ceramic Industries has recorded an extension of its losses by 146% year-on-year to Tk4.74 crore in the first quarter of the current fiscal year.
- The ceramic tableware manufacturer published its quarterly financial statement today, revealing a loss per share of Tk7.34, compared to Tk3 during the corresponding period a year ago.
- Its net asset value per share stood at Tk22.16 negative at the end of September last year. On Tuesday, its shares closed 0.47% higher at Tk106 on the Dhaka Stock Exchange.
- The company previously announced the temporary shutdown of its factory since 26 January due to a shortage of raw materials and a lack of gas and electricity supply.

<https://www.tbsnews.net/economy/stocks/standard-ceramic-extends-losses-146-jul-sep>

NRB Bank makes market debut on a high note

The Business Standard, February 27, 2024

- NRB Bank commenced its capital market trading on a high note, with its shares soaring by 10% - the highest limit of a single day - on the first day at the country's premier bourse.
- The fourth-generation private sector lender, with the majority of its shares owned by non-resident Bangladeshis, has entered the stock market by raising Tk100 crore, with each share having a face value of Tk10.
- According to the Dhaka Stock Exchange (DSE), the newly listed stock opened trading at Tk11 per share on Tuesday but remained almost without sellers throughout the session.
- Prior to its debut, NRB Bank officials signed a contract with both the DSE and the Chittagong Stock Exchange (CSE) for listing.
- According to a press release issued by CSE, NRB Bank commenced trading at the port city bourse today. To mark this occasion, the stock exchange organised an inaugural function at its Dhaka office.

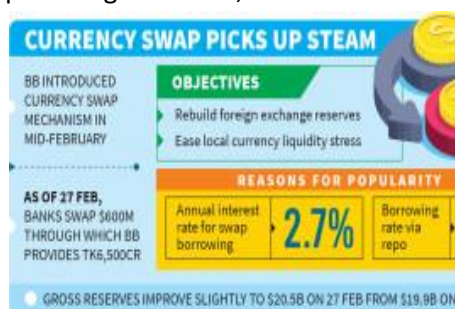
<https://www.tbsnews.net/economy/stocks/nrb-bank-makes-market-debut-high-note>

Economy & Industry

Currency swap: BB supplies over Tk6,500cr to banks in just 3 days

The Business Standard, February 27, 2024

- The newly introduced currency swap mechanism is gaining traction, as evidenced by the Bangladesh Bank providing over Tk6,500 crore to banks within a mere three-day period, in exchange for nearly \$600 million.



- Banks swiftly turned to the central bank to access funds at a favourable 2.7% interest rate, significantly lower than the 8% borrowing rate through a repurchase agreement, also known as repo.
- Currency swap enabled the Bangladesh Bank to shore up its gross reserves as banks have been exchanging dollars from their nostro accounts (accounts held by domestic banks in foreign countries).
- With the newly supplied low-cost fund of Tk6,500 crore, the money market is anticipated to be impacted by over Tk33,000 crore, taking into account the money multiplier effect.
- The money multiplier stood at 5.13 at the end of December 2023, which means every Tk1 of the central bank's money can generate around Tk5.13 worth of money supply in the economy.

<https://www.tbsnews.net/economy/currency-swap-bb-supplies-over-tk6500cr-banks-just-3-days>

Record low 27% ADP implementation in Jul-Jan

The Business Standard, February 27, 2024

- The Annual Development Programme (ADP) registered a record low 27.11% implementation in the first seven months of the current fiscal year, owing to economic slowdown and the national election held during the period.
- The implementing agencies managed to spend Tk74,464 crore during the July-January period of FY24 against the Tk2.75 lakh crore ADP allocation, according to the latest report from the Implementation Monitoring and Evaluation Department (IMED), released yesterday.
- Even in the previous fiscal year, characterised by government austerity measures and project freezes, the implementation rate during July-January was marginally higher at 28.16%.
- The IMED secretary said the speed of money disbursement and implementation rate will increase during the rest of the year.

<https://www.tbsnews.net/economy/record-low-27-adp-implementation-jul-jan>

International

US businesses urged to invest more in Bangladesh

The Daily Star, February 27, 2024

- The US businesses should invest in Bangladesh as the south Asian country has made significant progress in infrastructure, technology and established 100 special economic zones, said Ahmad Kaykaus, alternate executive director of the World Bank.
- The government is adopting fresh policies and strategies to bolster commerce and investment, he said. As a consequence of these endeavours, substantial investments will pour into Bangladesh from various global quarters in the forthcoming years, said Kaykaus, who is also a former chief secretary to the prime minister.
- So, I encourage American businessmen to explore investment opportunities in Bangladesh, he added.
- The event was jointly organised by the Bangladesh Consulate Los Angeles Commercial Wing, Bangladesh-America Society Greater Houston and Bangladesh-American Business Association.

<https://www.thedailystar.net/business/news/us-businesses-urged-invest-more-bangladesh>

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