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Stock Market & Company

[Dhaka stocks keep gaining, turnover hits nearly 7-monh high](#)

The New Age, May 27, 2023

- The turnover on the bourse increased to Tk 1,174.58 crore on Sunday compared with that of Tk 1,036.56 crore on May 25. Sunday's turnover was the highest since November 8, 2022 when the turnover was Tk 1,494.54 crore.
- DSEX, the key index of the Dhaka Stock Exchange, gained 14.15 points, or 0.22 per cent, and settled at 6,339.88 points on Sunday against 6,325.73 points on May 25. The DS30 index increased by 1.19 points to finish at 2,199.69 points and the DSE Shariah index also rose by 0.28 points to close at 1,371.06 points on the day.
- Out of the 361 issues traded, 102 advanced, 77 declined and 182 remained unchanged on Sunday. On the sectoral front, general insurance issues exerted the highest turnover, followed by life insurance and engineering stocks.
- Paramount Insurance, Trust Islami Life Insurance, Legacy Footwear, Green Delta Insurance, Dhaka Insurance, Union Capital, Federal Insurance, Meghna Insurance, Sandhani Life Insurance and Ratanpur Steel Re-Rolling were the top 10 gainers considering their closing prices on the day.
- Shurwid Industries, Jute Spinners, Yeakin Polymer, Monospool Paper, Tamijuddin Textile, Apex Foods, NRB Commercial Bank, Simtex Industries, Metro Spinning and Paper Processing were the top 10 losers considering their closing prices on the day. Anwar Galvanizing topped the turnover chart with its shares worth Tk 72.32 crore changing hands. Navana Pharma, Intraco Refueling Station, LafargeHolcim, Sea Pearl Beach Resort, Bangladesh Shipping Corporation, Provati Insurance, JMI Hospital, Rupali Life Insurance and Meghna Life Insurance were the other turnover leaders on the day.

<https://www.newagebd.net/article/202786/dhaka-stocks-keep-gaining-turnover-hits-nearly-7-monh-high>

Al-Madina Pharma makes debut on SME Platform Monday

The Financial Express, May 28, 2023

- Al-Madina Pharmaceuticals will begin share trading on the SME Platform of the Dhaka Stock Exchange and Chittagong Stock Exchange on Monday. The veterinary drug manufacturer raised Tk 50 million through qualified investors offer (QIO) early this month to expand business and repay bank loans.
- Earlier on February 1, the Bangladesh Securities and Exchange Commission allowed it to raise the said amount through issuing 5 million ordinary shares at a face value of Tk 10 each. The drug maker's profit after tax, however, dropped 6 per cent to Tk 17.39 million in July-December 2022 compared to Tk 18.48 million in the same period a year before.
- Its basic earnings per share (EPS) stood at Tk 1.13 for the six months through December 2022 as against basic EPS of Tk 1.24 for the same period of the previous year.

<https://thefinancialexpress.com.bd/stock/bangladesh/stocks-stay-afloat-turnover-nears-tk-12b>

AFC Agro Biotech's profit plunges 80%

The Daily Star, May 29, 2023

- AFC Agro Biotech Ltd posted an 80 per cent year-on-year decrease in profit to Tk 11.52 lakh in the third quarter of the ongoing financial year. The company, which is engaged in the manufacturing of agro-based pharmaceutical fermentation products, clocked a profit of Tk 57.61 lakh in the same quarter of 2021-22.
- So, the earnings per share fell to Tk 0.01 in January-March of 2022-23 against Tk 0.05 in the same quarter of the previous financial year, according to the un-audited financial statements. "The EPS decreased due to a fall in profit," said the company in a filing on the Dhaka Stock Exchange today.
- AFC Agro Biotech's profit fell to Tk 1.96 crore in July-March of FY23, down more than 56 per cent year-on-year from Tk 4.49 crore in the same period in FY22. As a result, the EPS declined to Tk 0.17 from Tk 0.39. Shares of the company traded at Tk 23.50 on the DSE yesterday, unchanged from a session earlier.

<https://www.thedailystar.net/business/economy/news/afc-agro-biotechs-profit-plunges-80-3332056>

Indo-Bangla Pharma suffers 91.65% drop in profit

The Daily Star, May 29, 2023

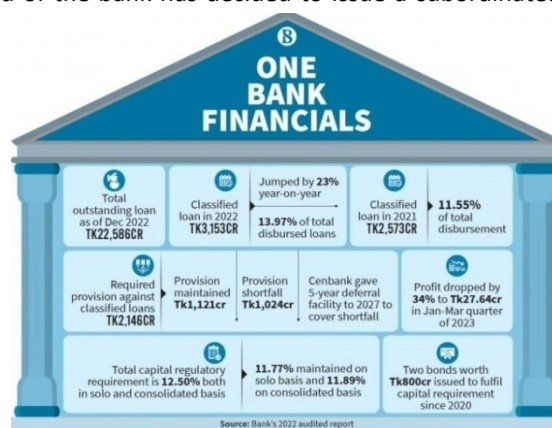
- Indo-Bangla Pharmaceuticals Limited suffered a 91.65 per cent dip in profit to Tk 11.62 lakh in the third quarter of the current financial year. It made a profit of Tk 1.39 crore in the same quarter of 2021-22.
- The EPS was Tk 0.01 in January-March of 2022-23 against Tk 0.12 in the same quarter of 2021-22, according to the unaudited financial statements.
- The company made a profit of Tk 1.16 crore in July-March of FY23, down more than 83 per cent from the Tk 7.20 crore reported in the same period of FY22. As a result, the EPS plummeted to Tk 0.10 from Tk 0.62.
- Indo-Bangla Pharmaceuticals' shares traded at Tk 17 on the Dhaka Stock Exchange yesterday, unchanged from a session earlier.

<https://www.thedailystar.net/business/economy/news/indo-bangla-pharma-suffers-9165-drop-profit-3332046>

Crisis pushes One Bank to raise capital thru bond

The Business Standard, May 28, 2023

- One Bank has decided to issue a Tk500-crore bond for a tenure of seven years to cope with the ongoing depression of the bank caused by a drop in profit and a rise in classified loans. The board of the bank has decided to issue a subordinated bond to fulfil the Tier-II capital requirement, according to the Dhaka Stock Exchange (DSE).
- Market insiders said subordinated bonds, mostly issued by banks, dominate the local bond market, which helps lenders construct their mandatory Tier-II capital base through bond proceeds within a specific tenure.
- Banks issue subordinated debt for various reasons, including soaring up capital, funding investments, acquisitions or other opportunities, and replacing higher-cost capital, according to an analyst at a brokerage firm.
- In the event of a debtor's bankruptcy, a subordinated bond is paid after the payment of other higher priority bonds, the so-called senior unsecured bonds. Subordinated bonds are unsecured and therefore riskier than older ones.
- Since 2020, One Bank has raised Tk800 crore by issuing two bonds in the capital market, which were used to fulfil the capital requirements. Currently, the bank is facing several crises caused by increasing non-performing loans, where the classified loan crosses double-digit percentage points of its total disbursed loans.



<https://www.tbsnews.net/economy/stocks/crisis-pushes-one-bank-raise-capital-thru-bond-639734>

Wise Star Textile goes ahead with Ring Shine takeover

The Business Standard, May 28, 2023

- Wise Star Textile Mills Ltd – a private firm run by listed Queen South Textile's managing director, will proceed with the takeover of the struggling Ring Shine Textiles after the approval of its general investors.
- The board of directors has decided to hold an extraordinary general meeting (EGM) to consider the proposed takeover of sponsor directors' shares of the company by Wise Star Textile Mills Ltd and its nominees.
- The EGM will be held on 20 June this year virtually, said the company in the disclosure through the stock exchanges.
- Ring Shine Textiles was the first big manufacturing company that raised Tk150 crore in fixed price method in 2019 when Professor M Khairul Hossain was the chairman of the BSEC. But after approval, the company could not do business properly due to numerous issues.
- A senior official of the company, seeking anonymity, said the company will have to take a no objection certificate (NOC) from banks and related authorities to be taken over. The company has already received no objection certificates (NOCs) from three banks out of five involved in its financial activities. The rest of the NOCs will be received in a short time, he expected.



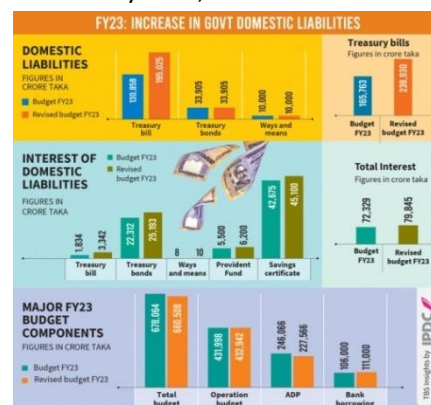
<https://www.tbsnews.net/economy/stocks/wise-star-textile-goes-ahead-ring-shine-takeover-639674>

Economy & Industry

Govt's borrowing from treasury bills up by Tk65,000cr in FY23

The Business Standard, May 29, 2023

- The government's internal debt burden, as indicated by the revised budget, will increase by Tk65,000 crore in the current fiscal year. The finance ministry had initially aimed to keep the internal debt at Tk1.66 lakh crore in the main budget, but it has now been revised to Tk2.39 lakh crore mainly due to reduced revenue, decreased currency value, and increased expenses, including interest payments.
- According to finance ministry officials, the revised budget for the fiscal 2022-23 indicates a 49% increase in the government's estimated borrowing from treasury bills compared to the original target in the budget.
- Initially, the government planned to borrow Tk1.31 lakh crore through treasury bills in the outgoing fiscal year, but the revised budget has raised this figure to Tk1.95 lakh crore.
- Additionally, the government has heightened borrowing from banks by revising the target to Tk1.11 lakh crore from Tk1.06 lakh crore in the original budget. The higher borrowing has also increased the government's expenditure on interest by Tk7,516 crore.

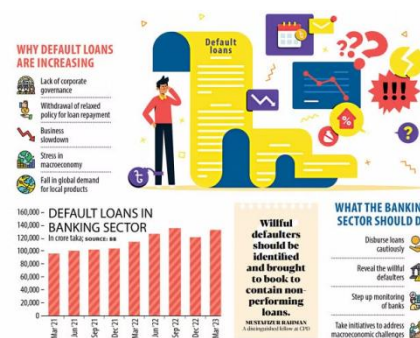


<https://www.tbsnews.net/economy/govts-borrowing-treasury-bills-tk73167cr-fy23-639738>

Tk 10,964cr loans turn sour in 3 months

The Daily Star, May 29, 2023

- Banks in Bangladesh witnessed an accumulation of default loans by Tk 10,964 crore in the first three months of 2023, highlighting the worsening financial health of the banking sector, official figures showed.
- Non-performing loans stood at Tk 131,621 crore as of March 31, up 9 per cent from three months ago and 16 per cent from a year earlier, data from the Bangladesh Bank showed.
- The latest NPL figure is the second-highest in the banking sector's history and was just behind the Tk 134,396 crore reported in the July-September quarter of 2022.
- A persisting lack of corporate governance, the withdrawal of the relaxed loan repayment policy, the current business slowdown, and the fall in global demand for Bangladeshi goods are among the major factors that drove up the NPLs.
- In March, the NPL ratio accounted for 8.8 per cent of the outstanding loans of Tk 14,96,346 crore in the banking system. It was 8.16 per cent in December and 8.53 per cent in March last year.



<https://www.thedailystar.net/business/economy/news/tk-10964cr-loans-turn-sour-3-months-3332101>

International

[Lira hits record low](#)

The Daily Star, May 29, 2023

- The Turkish lira hit a record low beyond 20 against the dollar on Friday, ahead of this weekend's presidential election runoff that will decide whether President Tayyip Erdogan extends his rule into a third decade.
- The lira touched 20.06 against the greenback at 1246 GMT before firming slightly. It ended the session at 19.978, a record closing low, and has weakened 6.3 per cent so far this year.
- Turkish assets have been under pressure since the first round of the presidential election on May 14, which showed Erdogan was poised to win in Sunday's runoff.
- The country's sovereign dollar bonds and equities have plunged, while the cost of insuring exposure to Turkish debt has spiked on expectations that Erdogan will forge on with his unorthodox economic policies, which analysts say have brought Turkey to the brink of an economic crash.

<https://www.thedailystar.net/business/global-economy/news/lira-hits-record-low-3332026>

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