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Stock Market & Company

[Stocks drop slightly after 2-day gain](#)

The New Age, May 27, 2023

- Dhaka stocks dropped on Monday after gaining in the previous two trading sessions, but the turnover remained above Tk 1,000 crore, market operators said. The turnover on the bourse slightly decreased to Tk 1,174.56 crore on Monday compared with that of Tk 1,174.58 crore on Sunday.
- Shares worth Tk 259.79 crore were traded through block transactions on Monday. 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, lost 7.14 points, or 0.11 per cent, and settled at 6,332.74 points on Monday against 6,339.88 points on Sunday. The DS30 index also decreased by 1.08 points to finish at 2,198.60 points and the DSE Shariah index also lost 1.34 points to close at 1,369.71 points on the day.
- Out of the 380 issues traded, 72 advanced, 111 declined and 197 remained unchanged on Monday. Intraco Refueling Station topped the turnover chart with its shares worth Tk 36 crore changing hands.
- Bashundhara Paper, LafargeHolcim, Sea Pearl Beach Resort, Unique Hotel, Meghna Life Insurance, Rupali Life Insurance, Navana Pharma, Aamra Networks and Sonali Life Insurance were the other turnover leaders on the day.

<https://www.newagebd.net/article/202863/stocks-drop-slightly-after-2-day-gain>

Emerald Oil looks to hold pending meeting as it keeps rising on DSE

The Financial Express, May 30, 2023

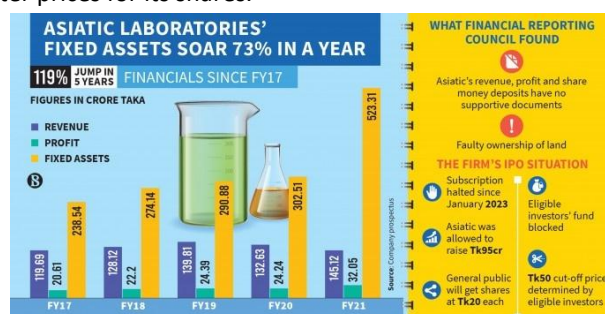
- Emerald Oil Industries on Monday declared that it will hold a board meeting on June 1 after it remaining pending for three years to discuss audited financial statements of 2020, 2021 and 2022. The stock rose 3.29 per cent to Tk 119.1 that day on the Dhaka Stock Exchange despite the fact that the company has seen losses piling up for years.
- Even before the announcement of the meeting schedule, the stock escalated almost 300 per cent in just three months. Emerald Oil has failed to hold annual general meetings (AGM) too since 2017.
- It said on Monday that it had obtained permission of the High Court to hold pending AGMs for the period of 2017-2022.

<https://thefinancialexpress.com.bd/stock/bangladesh/emerald-oil-looks-to-hold-pending-meeting-as-it-keeps-rising-on-dse>

FRC finds Asiatic Laboratories overstated asset value

The Business Standard, May 29, 2023

- The Financial Reporting Council (FRC) has found that Asiatic Laboratories overstated the value of its properties, a move that market insiders say the drugmaker made in an attempt to obtain better prices for its shares.
- Officials at the council said it has recently submitted its findings to the Bangladesh Securities and Exchange Commission (BSEC) on the prospectus and audited financial statements of the pharmaceuticals company.
- The FRC carried out the review after the market regulator halted the public subscription for its initial public offering (IPO) in January this year, following complaints the commission had received from anonymous sources.
- According to the company's prospectus, its asset value jumped over 119% in five fiscal years between 2016-17 and 2020-21, but the asset value soared more than 73% year-on-year in FY21. Shafiq Basak & Co Chartered Accountant and Ashraf Uddin & Co Chartered Accountant scrutinised the valuation of the assets and financial statements.



<https://www.tbsnews.net/economy/stocks/frc-finds-asiatic-laboratories-overstated-asset-value-640370>

BSEC rejects HR Textile's right shares issuance

The Business Standard, May 29, 2023

- The Bangladesh Securities and Exchange Commission (BSEC) has rejected the right shares issuance of HR Textile Limited because the company failed to submit the required documents within the stipulated time.
- The commission has issued letters to the related parties in this regard. BSEC Executive Director Mohammad Rezaul Karim said the commission sent HR Textile a deficiency letter regarding some non-compliances of the company. But it failed to submit the answers within the deadline.
- According to sources, the company wanted to issue the right shares for raising its paid-up capital in order to comply with the regulatory requirement of minimum Tk30 crore paid-up capital. "But now that the company has got a loan, it does not seem interested in issuing right shares anymore. Therefore, it did not submit the documents within the deadline," they further said.
- In 2022, the company decided to increase its paid-up capital by issuing right shares at a 1:1 ratio for the expansion of production facilities and repayment of high-priced loans from banks and financial institutions. It wanted to issue the right shares at Tk20 each including a Tk10 premium on the face value.

<https://www.tbsnews.net/economy/stocks/bsec-rejects-hr-textiles-right-shares-issuance-640058>

Beximco Sukuk calls trustee meeting to fix half-yearly payment

The Business Standard, May 29, 2023

- Beximco Green Sukuk Al Istisna'a called a trustee meeting on 1 June to fix the payment for the first half of this year. The Investment Corporation of Bangladesh (ICB) is the trustee of the Sukuk.
- It paid a 5.80% profit against the face value of Tk100 each in the second half of 2022 (July-December). In the first half of 2022, it paid the same profit to the unit holders. As a result, the Sukuk unitholders received a profit of 11.6% in the last year.
- Investors have converted Beximco Green Sukuk worth around Tk170 crore – against an option of around Tk600 crore – into common shares of the company in the first year.
- In a public disclosure on the Dhaka and Chattogram bourses, Beximco Limited said that it has credited over 1.96 crore new shares to the beneficiary accounts of 325 Sukuk investors who applied for the conversion.

<https://www.tbsnews.net/economy/stocks/beximco-sukuk-calls-trustee-meeting-fix-half-yearly-payment-639958>

Prime Bank shareholders approve 17.5% cash dividend

The Business Standard, May 29, 2023

- Prime Bank Limited has announced a 17.5% cash dividend for the year 2022. The announcement was made during the 28th Annual General Meeting (AGM) of Prime Bank Limited which was held virtually on Sunday (28 May), reads a press release.
- Board of directors, independent directors, auditors, observers, and high officials of the bank were present during the AGM. The AGM was chaired by Tanjil Chowdhury, chairman of the board of directors.

<https://www.tbsnews.net/economy/corporates/prime-bank-shareholders-approve-1750-cash-dividend-640282>

Economy & Industry

Pre-audit made mandatory for Tk1cr or above loans from NBFIs

The Business Standard, May 29, 2023

- Pre-audit has been made mandatory for Tk1 crore or above loans from non-bank financial institutions (NBFIs) in a bid to curb irregularities and increase compliance in the ailing sector.
- The Department of Financial Institutions and Markets of the central bank on Monday issued a circular to this end, which also asked the institutions to launch their internal dashboards – digital management information system – to report and monitor loan sanctioning.
- The NBFIs have been directed to inform the central bank immediately if any irregularity is found. "While looking into reasons behind the abnormal increase in default loans and the shortage in liquidity, NBFIs have been found uncompliant with rules and guidelines. Disbursing of loans without or enough collateral, exceeding limits in lending individual customers, lack of proper documentation, and failure to ensure proper utilisation of loan money are causing a crisis in the sector," the circular reads. Lack of management of the internal control and compliance units at NBFIs is blamed for these happenings.

<https://www.tbsnews.net/economy/banking/pre-audit-made-mandatory-tk1cr-or-above-loans-nbfis-640330>

Credit growth slips to 14-month low

The Daily Star, May 29, 2023

- Private sector credit growth in Bangladesh dropped to a 14-month low of 11.23 per cent in April owing to weak credit demand amid the current business slowdown, official figures showed.
- This was the fifth consecutive monthly decline as businesses continue their "wait and see" approach because of the persisting uncertainty at home and abroad.
- Banks' finance to the private sector stood at Tk 14,57,400 crore in April, data from the Bangladesh Bank showed.
- Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, warns that the private sector credit growth may decline further in the days to come as the deposit growth is on the decline.
- The deposit growth slowed in the third and fourth quarters of 2022 compared to the second quarter. Overall, the growth of deposits slowed to 5 per cent at the end of 2022, way lower than the 9.6 per cent recorded a year ago, BB data showed.



<https://www.thedailystar.net/business/economy/news/credit-growth-slips-14-month-low-3333031>

International

Record-bound Indian stocks reclaim spot in world's top 5 markets

The Business Standard, May 29, 2023

- India reclaimed its spot as the world's fifth largest stock market after losing that status to France in January, aided by a revival in Adani Group stocks.
- The market capitalisation of India stood at \$3.3 trillion as of Friday, as Adani shares rebounded from a rout and foreign funds accelerated purchases. France lost more than \$100 billion in market value last week as luxury goods makers such as LVMH Moët Hennessy Louis Vuitton SE and Vivendi SE saw a sell-off on fears of a slowdown in China and the US.
- India is benefitting from a stuttering economic recovery in China that has seen overseas funds rotate money out of Asia's largest economy to Indian stocks. Foreign investors have added \$5.7 billion worth of Indian stocks since the start of April, chasing stable earnings growth and aided by one of the highest GDP growth rates among large economies in the world.
- Jefferies Financial Group Inc strategist Christopher Wood last week raised his weight of Indian stocks in his Asia Pacific ex-Japan model portfolio to reflect the disappointments in the Chinese stock market after a strong rally earlier this year.
- The S&P BSE Sensex Index has bounced back more than 9% after briefly entering correction territory in mid-March, closing in on record high levels. A rebound in Adani Group's fortunes further boosted momentum after a court-appointed panel said it found no conclusive evidence of stock price manipulation as alleged by US short-seller Hindenburg Research.



<https://www.tbsnews.net/economy/stocks/record-bound-indian-stocks-reclaim-spot-worlds-top-5-markets-640010>

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