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Stock Market & Company

Stocks edge higher after bumpy ride

The Financial Express, June 28, 2022

- Stocks edged higher for the third straight session on Wednesday, after high volatility, as many investors remained cautious amid the confidence crisis. DSEX, the key index of the Dhaka Stock Exchange (DSE), went up by 7.87 points or 0.12 per cent to settle at 6,350. DSEX added 49 points in the past three days.
- The DS30 Index, comprising blue chips, also saw a fractional gain of 0.59 point to finish at 2,295. However, the DSE Shariah Index (DSES) dropped 0.24 points to close at 1,385.
- Turnover, the crucial indicator of the market, stood at Tk 8.05 billion, which was 1.60 per cent lower than the previous day's tally of Tk 8.18 billion.
- Anwar Galvanizing was the most-traded stock with shares worth Tk 343 million changing hands, closely followed by Shinepukur Ceramics (Tk 274 million), Beximco (Tk 232 million), BD Finance (Tk 219 million) and Fu-Wang Food (Tk 217 million).
- Newly listed Meghna Insurance was the top gainer, posting a 9.78 per cent gain while Progressive Life Insurance was the day's worst loser, losing 1.99 per cent.
- The Chittagong Stock Exchange (CSE) also posted a modest rise with the CSE All Share Price Index – CASPI –gaining nearly 27 points to settle at 18,690 and the Selective Categories Index – CSCX –rising nearly 16 points to close at 11,203.



<https://thefinancialexpress.com.bd/stock/stocks-edge-higher-after-bumpy-ride-1656497527>

BSEC okays Tk 1.0b CMSF Golden Jubilee Mutual Fund

The Financial Express, June 29, 2022

- The securities regulator has approved the prospectus of a new closed-end mutual fund named --- 'ICB AMCL CMSF Golden Jubilee Mutual Fund' worth Tk 1.0 billion. The approval came on Tuesday at a meeting held at the office of Bangladesh Securities and Exchange Commission (BSEC) presided over by its Chairman Prof. Shibli Rubayat Ul Islam.
- The total size of the ICB AMCL CMSF Golden Jubilee Fund is Tk 1.0 billion and face value per unit is Tk 10, according to a BSEC statement. Capital Market Stabilisation Fund (CMSF), the sponsor of the closed-end fund, has provided Tk 500 million or 50 per cent of the fund size.
- ICB Asset Management Company, the fund manager, has contributed Tk 200 million while Investment Corporation of Bangladesh (ICB) has provided Tk 50 million as pre-IPO placement. The remaining Tk 250 million will be collected through initial public offering (IPO) from the investors. Bangladesh General Insurance Company (BGIC) is working as the trustee and BRAC Bank is acting as the custodian of the fund.

<https://thefinancialexpress.com.bd/stock/bsec-okays-tk-10b-cmsf-golden-jubilee-mutual-fund-1656476518>

ACNABIN examining compliance issues at DSE

The Newage, June 29, 2022

- The Dhaka Stock Exchange has appointed chartered accountant ACNABIN to conduct compliance audit to examine the bourse's business activities and compliance with rules and regulations. The auditor began its job on June 15.
- DSE chief operating officer Shaifur Rahman Mazumder told New Age that the bourse appointed ACNABIN as compliance auditor. The auditor is conducting audit as per an instruction given by the Bangladesh Securities and Exchange Commission, he said.
- On January 2, the commission asked the DSE to conduct compliance audit to examine whether the bourse was running its activities as per rules and regulations.
- The compliance auditor will assess whether the ongoing functions of DSE are in compliance with the code of conduct, code of ethics and other issues as per the provision of the DSE Board and Administration Regulations, 2013 and the Exchange Demutualisation Act, 2013.
- The auditor will also examine the accomplishment of demutualisation objectives as per the DSE Demutualisation Scheme, 2013 and initiatives taken by DSE to achieve the same as well as the initiatives to be taken to accomplish the said objectives.

<https://www.newagebd.net/article/174669/acnabin-examining-compliance-issues-at-dse>

Rice bran oil Spondon back after five years

The Business Standard, June 29, 2022

- After a five-year hiatus, Emerald Oil Industries' rice bran oil Spondon has returned to the country's market. Emerald Oil, which is listed on the capital market, was shut down in 2017 due to loan defaults by its founders.
- The packaging of Spondon – the almost forgotten rice-bran and "heart-friendly" cooking oil – was unveiled afresh at a function held at a city hotel on Tuesday evening. Minori Bangladesh – a subsidiary of Japanese farming company Minori Co Limited – has extended its hand to revive Emerald Oil by taking over its sponsor-directors shares.
- Emerald Oil's full-fledged production started in January this year, with fresh investment from Minori Bangladesh. However, due to a lack of uninterrupted gas connection, Spondon oil could not be produced. Oil production was restarted by connecting liquefied petroleum gas (LPG) along with natural gas.
- It started its journey in 2011, to produce hygienic, nutritious, and quality refined rice bran edible oil branded as Spondon. The company got listed on the stock exchanges in 2014 by raising funds from the stock market for business expansion.

<https://www.tbsnews.net/economy/stocks/rice-bran-oil-spondon-back-after-five-years-449822>

Robi searching for CEO 10 months after the last one resigned

The Business Standard, June 29, 2022

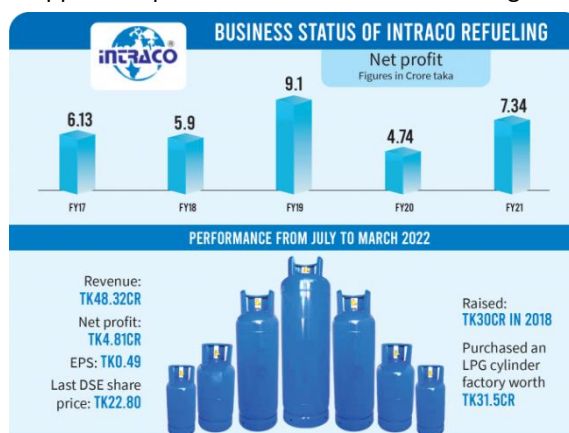
- Robi Axiata Limited, the country's second-largest mobile network operator, published a recruitment advertisement for a chief executive officer (CEO) yesterday – ten months after its last CEO resigned. Generally, multinational or large companies do not look for CEOs through advertisements as they appoint officials at this post from their existing management or through negotiations with potential candidates.
- When contacted, Robi officials refused to comment in this regard. Currently, Robi's Chief Financial Officer (CFO) M Riyaz Rasheed is working as the acting CEO of the company. According to sources at Robi, after Mahtab Uddin Ahmed resigned from the post of CEO ten months ago, the authorities held discussions with several people, but could not finalise anyone for the position.
- The following year, Robi paid a 5% cash dividend to the shareholders. The company's shares are being traded in the "B Category" as it paid less than a 10% dividend.

<https://www.tbsnews.net/economy/stocks/robi-searching-ceo-10-months-after-last-one-resigned-449814>

BSEC to appoint a special auditor to review IPO fund usage of Intraco Refueling

The Business Standard, June 29, 2022

- The Bangladesh Securities and Exchange Commission (BSEC) is going to appoint a special auditor at Intraco Refueling Station Limited to review the utilisation status of its initial public offering (IPO) proceeds. The commission issued quotation letters to its panel auditors this week.
- The auditor will also review the financial statements of the company for the last two years.
- According to sources, the BSEC suspects anomalies in the company's IPO proceeds utilisation project. In 2018, Intraco raised Tk30 crore through IPO and was supposed to use the fund to establish a bottling plant at Chattogram's Patenga.
- But later, it purchased a newly-built liquefied petroleum gas (LPG) cylinder manufacturing factory located at Sadar Dokkhin in Cumilla instead.
- Intraco recommended 2% cash and 8% stock dividends for its shareholders in the 2020-21 fiscal year. From July to March 2022, its revenue was Tk48.32 crore, which was Tk39.08 crore in the same period of the previous year.



<https://www.tbsnews.net/economy/stocks/bsec-appoint-special-auditor-review-ipo-fund-usage-intraco-refueling-449810>

Economy & Industry

New monetary policy with higher policy rate comes Thursday

The Business Standard, June 29, 2022

- The central bank is going to announce today a new monetary policy for FY23 with an increased policy rate aimed at controlling inflation. The new monetary policy will also include appropriate steps to keep the foreign exchange rate normal, said sources at the Bangladesh Bank.
- The central bank will reduce the policy rate to control inflation in the country, which will reduce the liquidity flow and credit flow in the banks. This will also reduce the volatile inflation in the market and might increase the interest rate on bank loans, said central bank sources.
- The central bank will increase the policy rate or repo rate – the rate at which the central bank will lend money to commercial banks – to 5.25%. The interest rate for money kept at the central bank by the commercial banks (reverse repo rate) will remain 4%.

- Earlier, on 29 May this year, the central bank increased the repo rate from 4.75% to 5 points after almost two years. In July 2020, the central bank reduced the policy rate by 50 basis points from 5.25% to 4.75%.

<https://www.tbsnews.net/economy/new-monetary-policy-higher-policy-rate-comes-thursday-449886>

Bangladesh gets \$753m for trade, connectivity

The Daily Star, June 30, 2022

- The World Bank yesterday approved a \$1.03 billion financing to help improve regional trade in Bangladesh and Nepal by reducing trade and transport costs and transit time along the regional corridors. The Accelerating Transport and Trade Connectivity in Eastern South Asia (ACCESS) Programme Phase-1 will help the governments address the key barriers to regional trade -- manual and paper-based trade processes, inadequate transport and trade infrastructure, and restrictive trade and transport regulations and processes.
- The Phase-1 will help replace lengthy manual and paper-based trade processes with digitalised automated solutions in Bangladesh and Nepal, said the WB in a press release. The automation will enable faster border crossing times and install electronic tracking of truck entry and exit, electronic queuing, and smart parking.
- Regional trade offers enormous untapped potential for the countries of South Asia. But regional trade accounts for only 5 per cent of South Asia's total trade, while in East Asia, it accounts for 50 per cent.

<https://www.thedailystar.net/business/economy/news/bangladesh-gets-753m-trade-connectivity-3060036>

International

Sri Lanka economy shrinks 1.6pc in Q1

The Daily Star, June 30, 2022

- Sri Lanka's economy shrank 1.6 per cent in the first quarter of this year as an unprecedented financial crisis began to impact commercial activity, according to official data. The island nation's painful downturn has seen months of lengthy blackouts, runaway inflation and severe shortages of vital consumer goods.
- A shortage of foreign currency needed for the import of fuel, fertiliser and other essentials had a devastating effect on the economy just as the coronavirus pandemic was receding.
- The January-March contraction was worsened by the "adverse effects" of inflation and Sri Lanka's crashing currency, the statistics department said.

<https://www.thedailystar.net/business/global-economy/news/sri-lanka-economy-shrinks-16pc-q1-3060021>

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