

Stock Market

Stocks end flat as investors assess govt benefits to banks

New Age, April 05, 2018

- The key index of Dhaka Stock Exchange, DSEX, added 0.04 %, or 2.76 points, to close at 5,793.05 points on Wednesday after losing 37.23 points on Tuesday.
- The key index gained 339 points in the three trading sessions after a prolonged bear run.
- The Bangladesh Bank on Tuesday cut cash reserve ratio of banks' by 1 % point to 5.5 % and repo rate by 0.75 % point to 6 % while the government allowed the state-owned agencies to deposit up to 50 % of their fund with the private banks from earlier 25 %.
- The average share prices of cement, bank and non-bank financial institution sectors declined by 1.2 %, 0.4 % and 0.1 % respectively.
- Share prices of food, telecommunication and pharmaceuticals sectors, however, increased by 0.3 %, 0.12 % and 0.1 % respectively that kept the market afloat on the day.
- The turnover at the bourse declined to BDT 546.68 crore on Thursday compared with that of BDT 555.22 crore in the previous session.
- Of the 337 companies and mutual funds traded on Wednesday, 152 declined, 147 declined and 37 remained unchanged.
- DS30, the blue-chip index of the DSE, also added 0.05 %, or 1.25 points, to finish at 2,167.23 points.

<http://www.newagebd.net/article/38321/stocks-end-flat-as-investors-assess-govt-benefits-to-banks>

Foreign funds soar in Dhaka stock

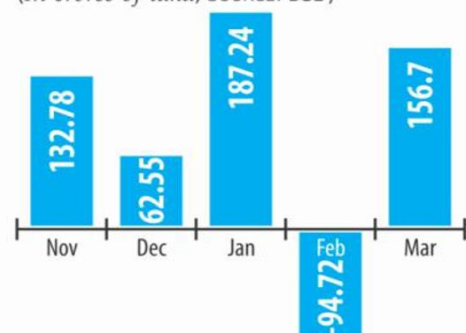
The Daily Star, April 05, 2018

- Net foreign investment in the premier bourse more than trebled in March as overseas investors were tempted by the slump in the stock market.
- Last month, foreign investors purchased shares worth BDT 455.96 crore and sold off shares worth BDT 299.26 crore, according to data from the Dhaka Stock Exchange.
- The net foreign investment in March then came to BDT 156.70 crore, in contrast to BDT 94 crore in the negative the previous month.

<http://www.thedailystar.net/business/foreign-funds-soar-dhaka-stocks-1558369>

Net Foreign Investment in DSE

(In crores of taka; SOURCE: DSE)



Intraco Refuelling to hold IPO lottery Apr 17

The Financial Express, April 05, 2018

- The initial public offering (IPO) lottery of Intraco Refuelling Station will be held on April 17 to allocate 30 million ordinary shares among the successful applicants.
- Intraco Refuelling Station, which received regulatory approval from the securities regulator on January 16, raised BDT 300 million from the public issuing by 30 million ordinary shares at an issue price of BDT 10 each.
- IPO subscription of the company was open to resident and non-resident Bangladeshis during the period of March 18 to March 27.
- The company will utilise the IPO fund for LPG bottling and setting up distribution plant along with bearing the IPO expenses.
- As per the entity's consolidated financial statement (including its five subsidiary companies) for the year ended on June 30, 2017, earnings per share and net asset value per share were BDT 1.43 and BDT 13.87 respectively.
- The company has 95 % shareholding in five subsidiaries.
- AFC Capital Limited and Asian Tiger Capital Partners Investment are working as the issue managers of the company's IPO.
- The principal service of the company is selling gas through CNG re-fuelling stations. IRSL is selling Compressed Natural Gas (CNG) from its CNG re-fuelling stations.

<https://thefinancialexpress.com.bd/stock/bangladesh/intraco-refuelling-to-hold-ipo-lottery-apr-17-1522733266>

DSE backs corporate tax cut demand

The Financial Express, April 04, 2018

- The government is willing to reduce the corporate tax rates in line with the proposals coming from various quarters.
- The NBR chief made the remarks at a pre-budget meeting with the representatives of both the country's bourses, leasing and finance companies and insurers on Tuesday.
- The bourses placed a set of budgetary proposals, including full income tax waiver for another FY, to enhance their capacity in the post-demutualisation regime.
- Both the stock exchanges were offered full income tax waiver for two fiscals -- 2016-17 and 2017-18.
- Besides, DSE and CSE proposed reduction of tax at-source to 0.015 % from the existing 0.05 % on commission, realised by the stock brokers against transaction of shares, debentures, mutual funds, or securities.

<https://thefinancialexpress.com.bd/stock/dse-backs-corporate-tax-cut-demand-1522822215>

Economy

BD to get 85.11m euro from IDB for rural, peri-urban housing

The Daily Star, April 04, 2018

- The Bangladesh economy is charging towards record growth figure for the second consecutive year, driven by double-digit growth in manufacturing and construction sectors.
- GDP growth in fiscal 2017-18 is likely to be 7.65 %, up from 7.28 % a year earlier, as per the estimate of the Bangladesh Bureau of Statistics.
- This is the third consecutive year that the economic growth was above 7 % after years of languishing in the neighbourhood of 6 %.
- The provisional estimates show that the manufacturing sector grew 13.18 % this fiscal year and the construction sector 10.11 %.
- IDB will lend the money to Bangladesh House Building Finance Corporation (HBFC) through the Finance Ministry.
- The main objectives of the project are to ensure access of the Rural and peri-urban people in Housing Finance and to save the agriculture lands from being eroded for housing purposes.

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-to-get-8511m-euro-from-idb-for-rural-peri-urban-housing-1522848720>

Banking sector growth likely to decline in FY '18

The Financial Express, April 05, 2018

- A number of scams along with troubles of varying nature have hit the growth of the country's banking sector, as its expansion rate is likely to drop by 1.32 % points in the current fiscal year (FY), according to official data.
- The provisional data of the Bangladesh Bureau of Statistics (BBS) showed that the growth rate of the country's financial intermediation is set to drop to 7.90 % in FY 2017-18 from that of 9.12 % in last fiscal.
- Economists said the recent banking sector scams and several setbacks have severely affected the growth of the country's financial sector, a key auxiliary to investment and employment as well as to gross domestic product (GDP) growth.
- The growth rate of 'monetary intermediation (banks)' sub-sector has dropped the highest of 1.44 % points to 8.51 % in the current FY from that of 9.95 % in FY 17.
- The growth rate of the 'insurance' sub-sector has also dropped 0.42 % points to 1.63 % in the FY under review, and 0.01 % points to 9.05 % in 'other financial auxiliaries' sub-sector compared to the previous FY.
- In FY 18, the growth of financial intermediation has dropped further to 7.90 %.

<https://thefinancialexpress.com.bd/economy/bangladesh/banking-sector-growth-likely-to-decline-in-fy-18-1522899075>

SME advisory centres will be set up in districts, upazilas: PM

The Daily Star, April 04, 2018

- The government will set up SME advisory centres at district and upazila levels which will provide small and medium entrepreneurs with one-stop services, Prime Minister Sheikh Hasina said yesterday.
- The prime minister read out the comments while inaugurating the sixth National SME Fair at Bangabandhu International Conference Centre in Dhaka.
- At the ceremony, five entrepreneurs received the National SME Entrepreneur Awards 2018 from the premier for their outstanding contributions to the SME sector in 2017.

<http://www.thedailystar.net/business/sme-advisory-centres-will-be-set-districts-upazilas-pm-1558372>

Millers to cut MS rod price by only BDT 1,000 a tonne

The Daily Star, April 05, 2018

- Steel and re-rolling industries' owners on Wednesday announced that they would cut by BDT 1,000 the existing price of a tonne of MS rod.
- The construction industry leaders, however, in a meeting with commerce minister Tofail Ahmed last week demanded a cut in MS Rod price by BDT 10,000 a tonne.
- In September last year the price of MS rod was BDT 55,000 a tonne and the price rose to BDT 70,000 in March this year.
- The government is providing all sorts of efforts to the industries aiming to keep the prices of MS rod, MS angle and cement at affordable level to customers as these products are the main construction materials, he said.

<http://www.newagebd.net/article/38320/millers-to-cut-ms-rod-price-by-only-BDT-1000-a-tonne>

Shipbuilders get 3yrs moratorium facility for outstanding loans

New Age, April 05, 2018

- The government has decided to place a three-year moratorium on shipbuilders' outstanding working capital loans to curb liquidity crisis of the entities.
- The Bangladesh Bank on Wednesday asked all the banks to give the facility to shipbuilders as they had recently appealed to the government for such a facility claiming poor business and liquidity shortage.
- One Circular was issued for managing directors and chief executives of all the scheduled banks also asked them to reduce interest rate over the total outstanding loans that the shipbuilders were provided as working capital loans.
- The export-oriented shipbuilders will also get the scope to repay the outstanding loans in 10 years after the moratorium period.

<http://www.newagebd.net/article/38317/shipbuilders-get-3yrs-moratorium-facility-for-outstanding-loans>

International

Asia shares bounce from two-month lows as U.S.-China trade war fears ease

Reuters, April 05, 2018

- Asian shares bounced from two-month lows on Thursday as world equities recovered from a selloff triggered by escalating Sino-U.S. trade tensions, with investors hoping a full-blown trade war between the world's two biggest economies can be averted.
- Sentiment was lifted as the United States expressed willingness to negotiate a resolution to the trade fight after the proposed U.S. tariffs on \$50 billion in Chinese goods prompted a quick response from Beijing that it would retaliate by targeting key American imports.
- MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.2 %, a day after it hit its lowest level in almost two month. Japan's Nikkei gained 1.2 %.
- On Wall Street on Wednesday, the S&P 500 gained 1.16 % and the Nasdaq Composite added 1.45 %, clawing back heavy losses of more than 1.5 % right from earlier in the U.S. session.

<https://www.reuters.com/article/us-global-markets/asia-shares-bounce-from-two-month-lows-as-u-s-china-trade-war-fears-ease-idUSKCN1HC02L>

US escalates China trade showdown with tariffs on \$50 billion in imports

New Age, April 04, 2018

- The Trump administration on Tuesday raised the stakes in a growing trade showdown with China, targeting 25 % tariffs on some 1,300 industrial technology, transport and medical products to try to force changes in Beijing's intellectual property practices.
- The US tariff unveiling, representing about \$50 billion of estimated 2018 imports and aimed at dealing a setback to China's efforts to upgrade its manufacturing base, drew an immediate condemnation from Beijing, along with a threat of retaliatory action.
- The tariff list from the US trade representative's office followed China's imposition of tariffs on \$3 billion worth of US fruits, nuts, pork and wine to protest new US steel and aluminum tariffs imposed last month by US president Donald Trump.
- The standoff between the world's two largest economies has sparked market fears that they could spiral into a trade war that could crush global growth.
- Asian share markets were mixed amid trade tension concerns, with Japan's Nikkei 225 off 0.1 % but Shanghai's main index poised to open 0.3 % higher.

<http://www.newagebd.net/article/38285/us-escalates-china-trade-showdown-with-tariffs-on-50-billion-in-imports>

U.S. Tariff List Aims at Technology; China Vows It Will Respond

Bloomberg, April 04, 2018

- The U.S. proposed imposing 25 % tariffs on about \$50 billion worth of Chinese-made products, focusing on high-tech items from semiconductors to lithium batteries. China condemned the move and said it will respond on an equal scale against U.S. products.
- The U.S. is targeting the 1,300 product lines to try to force China to change its intellectual property practices, the office said.
- In addition to advanced technologies such as communication satellites, the list includes products ranging from various types of steel to television components, medical devices, dishwashers, snow blowers and flame throwers. The proposed tariffs cover a number of sectors, from health care to aviation and auto parts.

<https://www.bloomberg.com/news/articles/2018-04-02/rattled-bulls-cling-to-predicted-earnings-surge-to-save-stocks>

Facebook Says Data on Most of Its 2 Billion Users Vulnerable

Bloomberg, April 05, 2018

- Facebook Inc. said data on most of its 2 billion users could have been accessed improperly, giving fresh evidence of the ways the social-media giant failed to protect people's privacy while generating billions of dollars in revenue from the information.
- Facebook also said data on as many as 87 million people, most of them in the U.S., may have been improperly shared with research firm Cambridge Analytica.
- About 270,000 people downloaded a personality quiz app and shared information about themselves and their friends with a researcher, who then passed along the information to Cambridge Analytica, in a move that Facebook says was against its rules.
- Facebook reached the 87 million figure by adding up all the unique people that those 270,000 users were friends with at the time they gave the app permission. Facebook made the new disclosure in an online posting Wednesday.

<https://www.bloomberg.com/news/articles/2018-04-04/facebook-says-data-on-87-million-people-may-have-been-shared>

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