

Stock Market & Company

Index Agro makes debut trading Wednesday

The Financial Express, April 06, 2021

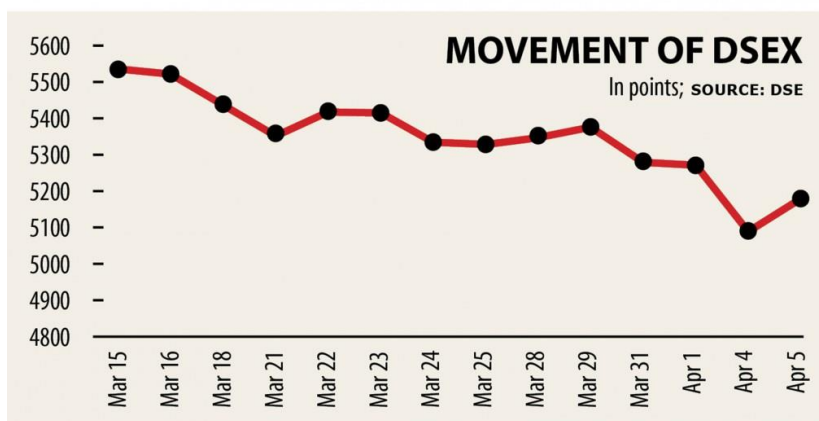
- Index Agro Industries will make its debut trading tomorrow (Wednesday) on completion of listing process, the officials said.
- The officials of Dhaka Stock Exchange (DSE) have confirmed the date of the company's debut trading.
- Meanwhile, the company held its IPO (initial public offering) lottery draw on March 22 to allocate IPO shares.
- The Bangladesh Securities and Exchange Commission (BSEC) approved the IPO proposal of Index Agro Industries on December 23, 2020. As per the BSEC approval, the company raised Tk 500 million under the book-building method to expand its business.
- The IPO subscription of the company was held between February 22 and February 28, 2021. The cut-off price of the shares of Index Agro Industries was fixed at Tk 62 each through electronic bidding by eligible investors.
- According to the audited financial statement as of June 30, 2019, the company's weighted average earnings per share (EPS) for the past five years was Tk 7.07.
- The company's net asset value (NAV) per share was Tk 45.03 with revaluation and Tk 44.06 without revaluation.

<https://thefinancialexpress.com.bd/stock/index-agro-makes-debut-trading-wednesday-1617679136>

Stocks bounce back on buying spree

The Daily Star, April 05, 2021

- Stocks bounced back yesterday as investors went on a buying spree to take advantage of the low prices of many securities and higher loan margin for share purchases. DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 88 points, or 1.78 per cent, to 5,177.
- At present, brokers and merchant bankers are allowed to lend Tk 80 against an investment of Tk 100. Earlier, the limit was Tk 50.
- Yesterday, Bangladesh National Insurance Company topped the gainers' list, rising 9.96 per cent, followed by Emerald Oil, Appollo Ispat, Jute Spinners, and Keya Cosmetics, DSE data shows.
- Among them, Emerald Oil and Appollo Ispat have been in the low-performing Z category for many years. Keya Cosmetics was also in the same category just a few months back.
- Beximco Limited topped the turnover list with shares worth Tk 32 crore changing hands followed by Robi Axiata, Beximco Pharmaceuticals, Lafarge Holcim Bangladesh and Asia Pacific Insurance. Shahjalal Islami Bank shed the most, dropping 10 per cent, followed by Reliance Insurance, Envoy Textile, United Insurance and ICB Third NRB Mutual Fund.
- CASPI, the general index of the Chittagong Stock Exchange, rose 250 points or 1.7 per cent to close at 14,964. Among 185 traded stocks, 122 rose, 27 fell and 36 remained unchanged, CSE data shows.



<https://www.thedailystar.net/business/news/stocks-bounce-back-buying-sprees-2072861>

The mortgage dilemma of banks

The Business Standard, April 06, 2021

- Usually, big loan defaulters are influential and they try to influence the loan approval in their favour, but there are allegations that some people in the banks concerned are also involved in the process, he pointed out, explaining why banks in most cases fail to recover their loan and interest amounts in full from the auction of mortgaged property
- But for banks, it turns out to be a burden when they try to monetise land mortgaged against loans. Even after getting court orders following prolonged legal procedures, they fail to sell the land and properties in auctions for the desired price.
- The asking price – which is the total of the principal amount of unpaid loans and accrued interests – is often much higher than the market price of the property, and the auction often gets no response.
- In 1991, the company borrowed Tk27 crore from the Motijheel Commercial Branch of Uttara Bank. As the loan was not repaid, the loan amount (the principal and interest) stood at Tk41 crore in 2000.
- In 2000, Uttara Bank declared Polymer Packaging a loan defaulter and filed a case with the Artha Rin Adalat (money loan court) in Dhaka. Two years later, the court ruled in favour of the bank and ordered the auction of the mortgaged property.

<https://www.tbsnews.net/economy/banking/mortgage-dilemma-banks-227356>

BSEC plans to allow large firms on small cap board

The Business Standard, April 05, 2021

- With a view to making the small cap board active, the commission now wants to enlist some companies in the board within this financial year. The Bangladesh Securities and Exchange Commission (BSEC) plans on relaxing rules on qualified investors offer (QIO) to enlist firms with more than Tk30-crore paid-up capital on the small capital board of the bourses.
- The securities regulator made this decision considering that the small capital platform was formed in 2019 to attract businesses with a small capital base to the stock market. This objective has virtually failed and become invalid, as no company has yet got approval to be listed with the board on either the Dhaka Stock Exchange or the Chittagong Stock Exchange.
- If companies whose paid-up capital is above Tk30 crore but are not able to go for an IPO to be listed with the small cap board for the QIO, they can get a waiver of rules, says the commission. This would make it easy for such companies to comply with the rules when they go for an IPO. As per existing rules, companies with paid-up capital of Tk30 crore or less.

<https://www.tbsnews.net/economy/stock/bsec-plans-allow-large-firms-small-cap-board-227278>

IPDC Finance declares 12% cash dividend

The Business Standard, April 05, 2021

- IPDC Finance Ltd has declared a 12% cash dividend for the year 2020 in its 39th annual general meeting (AGM) held on Sunday. The meeting took place virtually at 9.30 am on the day, reads a press release.
- Md Abdul Karim, chairman of IPDC Finance, presided over the meeting, it added. Apart from the shareholders, other attendees of the meeting included directors nominated by Brac, Ayesha Abed Foundation, RSA Capital Limited, Bluechip Securities Limited and Government of the Peoples' Republic of Bangladesh.
- Mominul Islam, managing director and CEO, Samiul Hashim, company secretary, Fahmida Khan, chief financial officer, and other senior officials of the management committee of IPDC Finance also attended the meeting.
- The chairman concluded the meeting with a vote of thanks to all the attendees.

<https://www.tbsnews.net/economy/stock/ipdc-finance-declares-12-cash-dividend-226924>

Economy & Industry

Small businesses left alone amid pandemic

The Daily Star, April 06, 2021

- Small businesses, which are considered the lifeline of the economy, had hoped that the government would take care of them to help them stay afloat when it announced a countrywide lockdown and a gigantic stimulus package to protect the economy and the people from the coronavirus disease in March last year.
- The pause in economic activity that lasted for two months to May brought a bitter experience for the micro and small businesses as most of them hardly managed any financial support from the stimulus funds as their capital depleted.
- They breathed a sigh of relief after the partial withdrawal of the restriction in June. Small entrepreneurs and businesses resumed operations by borrowing from their relatives, and other sources, as bankers were reluctant to extend the loans.
- But the dreams of the small businesses to make a turnaround on their own faded away after the second wave hit the country, compelling the government to bring back strict restrictions on movement for a week from yesterday to keep the deadly flu at bay.
- The decision prompted hundreds of small traders in Dhaka, Chattogram and Rajshahi to take to the streets as they think that the move would repeat the consequences they had faced a year ago.

<https://www.thedailystar.net/business/news/small-businesses-left-alone-amid-pandemic-2072869>

NBR gets Tk 47,563cr less than target

Newage, April 05, 2021

- Revenue collection by the National Board of Revenue fell Tk 47,563 crore short of the target set for the July-February period of the current fiscal year 2020-2021, according to NBR data.
- Tax officials managed to collect Tk 1,53,104 crore against the revised collection target of Tk 2,00,667 crore set for the eight months of the fiscal, it showed. The initial collection target was Tk 1,96,147 crore for the July-February period.
- Earlier, the government downsized the overall collection target to Tk 3.01 lakh crore from the original target of Tk 3.30 lakh crore for the fiscal year. According to the NBR data, revenue collection grew by 5.17 per cent in the first eight months of the fiscal year.
- Customs duty, income tax and value-added tax collection grew by 7.86 per cent, 5.05 per cent and 3.27 per cent respectively in the period, showed the data released on Monday.
- VAT collection was the highest, Tk 59,987 crore, in the period followed by income tax collection Tk 46,880 crore and customs duty Tk 46,238 crore.
- Tax collection grew by 10.18 per cent in February in FY21 compared with that in the same month of FY20.

<https://www.newagebd.net/article/134557/nbr-gets-tk-47563cr-less-than-target>

International

Singapore blogger crowdfunds \$1,00,000 to pay PM defamation damages

Newage, April 05, 2021

- A Singaporean blogger said he had crowdfunded almost \$1,00,000 that he was ordered to pay as damages for defaming the prime minister by sharing an article on Facebook.
- Leong Sze Hian was sued by Singapore's prime minister Lee Hsien Loong after sharing the piece, which linked Lee to the money-laundering scandal at state fund 1MDB in Malaysia.
- A court last month found in Lee's favour and ordered the blogger to pay the prime minister Sg\$133,000 (US\$99,000) plus costs, which are yet to be determined.
- Leong launched an online fundraising drive and said late Sunday more than 2,000 people had contributed the full amount after 11 days.
- The article that Leong shared, originally published on a Malaysian news portal, alleged that Lee was the target of an investigation in neighbouring Malaysia over the 1MDB state fund.
- Billions of dollars were looted from the investment vehicle in a scandal that involved Malaysia's former leader Najib Razak and his inner circle.
- Lee took the stand at the start of the trial in October and accused Leong of making 'malicious and baseless' allegations that had undermined the government's 'integrity and honesty'.
- Singapore's leaders have frequently turned to the courts to take on critics, ranging from political opponents to foreign media outlets, and insist such action is necessary to protect their reputations.

<https://www.newagebd.net/article/134547/singapore-blogger-crowdfunds-100000-to-pay-pm-defamation-damages>

Disclaimer

This document has been prepared by Bank Asia Securities Ltd (BASL) based on publicly available data for information purpose only and does not solicit any action based on the material contained herein and should not be construed as an offer or solicitation to buy or sell or subscribe to any security. Neither BASL nor any of its directors, shareholders, member of the management or employee represents or warrants expressly or impliedly that the information or data of the sources used in the documents are genuine, accurate, complete, authentic and correct. However, all reasonable care has been taken to ensure the accuracy of the contents of this document. BASL or Research & Development Department will not take any responsibility for any decisions made based on the information herein. As this document has been made for the Traders of BASL and strongly prohibited for circulation to any clients, investors or any other persons from outside of BASL.

About Bank Asia Securities Ltd

Bank Asia Securities Limited (BASL) is one of the leading full-service brokerage companies in Bangladesh. The company was formed in 2009 and running its operation as a majority owned subsidiary of Bank Asia Limited. BASL offers full-fledged standard brokerage services for retail, institutional and foreign clients with a dedicated team of skilled professionals. The company is currently providing the brokerage services under the membership of Dhaka Stock Exchange Limited (DSE).

BASL Research Team

Mr. Shariful Alam Chowdhury
Head of Research & Investments

tushar@basl-bd.com, tusharbd@bloomberg.net

Mr. Shohidul Islam
Research Analyst

shohidul@basl-bd.com, shohidulbd@bloomberg.net

BASL Networks

Head Office

Hadi Mansion (2nd Floor)
2, Dilkusha Commercial Area
Dhaka-1000, Bangladesh
Phone: +88-02-9515826-28
Fax: +88-02-9567884

Dhanmondi Branch

Meher Plaza (1st Floor),
House # 13/A, Road # 05
Dhanmondi, Dhaka - 1207
Phone: +8802-8624874-5

Mirpur Branch

Nishi Plaza, plot # 01,
Avenue-04, Section-06, Block-C
Mirpur, Dhaka - 1216
Phone: +88-02-9013841

Uttara Branch

House # 79/A, (4th Floor),
Road # 07, Sector # 04
Uttara Model Town, Dhaka-1230
Phone: +88-02-8958371

Banani Branch

Nur Empori, Plot # 77 (1st Floor),
Road No # 11, Banani,
Dhaka-1213
Phone: +8801716180767

Bijoyagar Extension

Prime Tower (3rd Floor), 180-
181
Dhaka-1213
Phone: +8801811408385

Khulna Branch

28, Sir Iqbal Road (1st Floor)
Khulna
Phone: +88-041-731208-9

For International Trade & Sales, please call at +8801993111666, +880 02 9515826, Ext: 101 at Business hour. [For further query, write to us at research@basl-bd.com.](mailto:research@basl-bd.com)