

Stock Market

Dhaka stocks slip for 2nd day as students' protests continue

New Age, August 07, 2018

- Dhaka stocks slipped for the second day on Monday as investors were cautious on the trading floor as students' protests for road safety that began on July 29 escalated in last couple of days amid attacks on the protesting students by ruling party activists. On Monday the police and activists of the ruling party locked in clashes with students of some private universities including East West University and North South University.
- DSEX, the key index of Dhaka Stock Exchange, shed 0.06%, or 3.61 points, to close at 5,353 points on Monday after losing 42.76 points in the previous trading session. In line with the previous session, the market began to fall from the very beginning of the day but gained slightly soon after as traffic movement situation in Dhaka improved slightly, market operators said.
- But the gain was short-lived as investors went for panic selling after they received the news that the police and activists of the ruling party locked in clashes with students of some private universities including East West University and North South University, they said. Besides, investors turned their focus to Aman Cotton Fibrous Limited that made its debut on the bourse on Monday. The share prices of the company soared by 89% on the day and it topped the day's turnover chart.
- Turnover on the DSE also dropped further to BDT 639.31 crore on Monday compared with that of BDT 659.22 crore in the previous trading session. Of the 337 companies and mutual funds traded, 187 declined, 108 advanced and 40 remained unchanged.

<http://www.newagebd.net/article/47801/dhaka-stocks-slip-for-2nd-day-as-students-protests-continue>

Three more mutual funds declare dividend

New Age, August 07, 2018

- The Trustee Committees of three more mutual funds have declared dividend for the year ended on June 30, 2018, according to separate official disclosures on Monday. Asian Tiger Sandhani Life: The Trustee Committee of Asian Tiger Sandhani Life Growth Fund has declared 12% cash dividend for the year ended on June 30, 2018. The record date is on September 03, 2018. The fund has also reported earnings per unit (EPU) of BDT 1.27, net asset value (NAV) per unit at market price of BDT 13.47, NAV per unit at cost of BDT 12.68 and net operating cash flow per unit (NOCFPU) of BDT 1.26 for the year ended on June 30, 2018 as against BDT 1.58, BDT 14.02, BDT 12.96 and BDT 1.63 respectively for the same period of the previous year.
- Green Delta Mutual Fund: The Trustee Committee of Green Delta Mutual Fund has declared 9.0% cash dividend for the year ended on June 30, 2018. The record date is on September 03. The Fund has reported EPU of BDT. 0.95, NAV per unit at market price of BDT. 12.00, NAV per unit at cost of BDT. 11.01 and NOCFPU of BDT. 1.7836 for the year ended on June 30, 2018 as against BDT. 0.43, BDT. 11.54, BDT. 10.55 and minus BDT0.002 respectively for the same period of the previous year.
- DBH First Mutual Fund: The Trustee Committee of DBH First Mutual Fund has declared 9.0% cash dividend for the year ended on June 30, 2018. Record date is on September 03. The Fund has reported EPU of BDT. 0.97, NAV per unit at market price of BDT. 11.96, NAV per unit at cost of BDT. 11.00 and NOCFPU of BDT. 2.50 for the year ended on June 30, 2018 as against BDT. 0.43, BDT. 11.50, BDT. 10.53 and BDT. 0.25 respectively for the same period of the previous year.

<https://thefinancialexpress.com.bd/stock/bangladesh/three-more-mutual-funds-declare-dividend-1533562157>

Aman Cotton Fibrous makes flying debut

The Financial Express, August 07, 2018

- Aman Cotton Fibrous Ltd made a flying trading debut on stock exchanges today (Monday) under "N" category, officials said. Its share price trading between BDT 60 and BDT 81 during the first 40 minutes of trading and reach at BDT 74.90 at 11:00am.
- It is also the most traded stock till then with 4.96 mn shares worth BDT 358 mn changing hands within first 40 minutes of trading. Aman Cotton floated a total of 20.83 mn ordinary shares and raised a fund worth BDT 800 mn from the capital market under the book-building method.
- Of the total 20.83 mn shares, 12.50 mn were issued to the eligible investors at the cut-off price of BDT 40 each, which was set by the eligible investors through electronic bidding in November last year. Remaining 8.33 mn shares were issued to the general public, including affected small investors and non-resident Bangladeshis, at 10% discount on the cut-off price, meaning they received each share at BDT 36.
- ICB Capital Management is the issue manager of the IPO. Aman Cotton Fibrous, a unit of Aman Group, produces carded cotton yarn, combed cotton yarn, and sells the products to export-oriented textile mills and readymade garment factories.

<https://thefinancialexpress.com.bd/stock/bangladesh/aman-cotton-fibrous-makes-flying-debut-1533534301>

Economy

RESERVE HEIST: BB to file lawsuit in NY court by January

The Daily Star, August 07, 2018

- The central bank is going to file a damage claim with a New York court by January next year to recover its reserve money stolen through one of the biggest cyber crimes in the world in February 2016. Officials of the finance ministry and the Bangladesh Bank said they will decide against whom the damage claim would be filed after consulting with a New York-based law firm.
- Unidentified hackers took away \$81 mn from the central bank's account with the Federal Reserve Bank of New York using fake orders on the SWIFT payments system. Later, the money was sent to accounts at the Manila-based Rizal Commercial Banking Corp (RCBC), from where it disappeared into the casino industry in the Philippines. So far, Bangladesh was able to retrieve \$15 mn from the Philippines.
- A finance ministry official said Bangladesh has prepared a roadmap for steps that will be taken before making the claim. The government will seek proposals from four New York-based law firms next week and will select one firm from them, said Rahman. Based on the firm's recommendations, Bangladesh will complete preparations for filing the damage claim by November.
- Earlier, a high level meeting decided that a case will be filed in a third country if the money cannot be recovered. In that case, the lawsuit will be lodged with a New York court, he said. As per US law, a lawsuit related to damage claim has to be filed within three years from the occurrence of an incident, the official said. So, the damage claim must be filed by February.

<https://www.thedailystar.net/news/business/banking/bb-file-lawsuit-ny-court-january-1617016>

Japan Tobacco to buy Akij tobacco in Bangladesh for \$1.48b

The Daily Star, August 07, 2018

- Japan Tobacco International on Monday signed an agreement with Bangladesh's Akij Group to acquire the tobacco business of Akij with a cost of \$1.476 bn (BDT 12,430 crore). JT International and Akij Group signed the deal at Akij House in Dhaka. The deal is one of the biggest cross-border merger and acquisition transactions involving a Bangladeshi company. The transaction is expected to be completed in the third quarter of the fiscal year 2018 following regulatory clearance, JTI said in a press release issued from both Tokyo and Dhaka.
- Of the transaction amount, \$1.09 bn or BDT 9,180 crore is for the outstanding shares and the remaining \$386 mn or BDT 3,250 crore is for trademarks and design rights. In addition to the amount, there are transaction costs such as stamp duties worth \$28 mn or BDT 240 crore payable to Bangladesh tax authorities, it said.
- United Dhaka Tobacco Co, a subsidiary of Akij Group, holds about 20% share of the cigarette market in Bangladesh, the eighth largest cigarette market in the world, with volumes exceeding 86 bn units and growing by about 2% year-on-year.
- The deal will add about 17 bn units to the Japanese company's sales volume, JTI said. Akij currently occupies the 2nd position in both the value and base segments with brands such as Navy and Sheikh.
- JTI is a leading international tobacco company with operations in more than 130 countries. It manufactures and sells brands Winston, Camel, MEVIUS and LD. JTI has been acquiring businesses in emerging markets where smoking is more prevalent following tighter smoking regulations in most areas around the world and declining demand in Japan.

<http://www.newagebd.net/article/47798/japan-tobacco-to-buy-akij-tobacco-in-bangladesh-for-148b>

International

China's July exports to maintain solid growth

The Daily Star, August 07, 2018

- China's exports are expected to have maintained solid growth in July despite new tariffs on billions of dollars of shipments to the United States, though the outlook has darkened as both sides raised the stakes in a trade conflict that has rattled financial markets.
- China proposed retaliatory tariffs on \$60 bn worth of US goods ranging from liquefied natural gas (LNG) to some aircraft on Friday, following a proposal by the administration of US President Donald Trump for a higher 25% tariff on \$200 bn worth of Chinese imports.
- The increasingly heated rhetoric between Beijing and Washington has rattled global markets worried about the impact on world trade and growth, with few signs either side is willing to make significant concessions. Economists say that tariffs on \$34 bn of China's exports to the United States, which went into effect on July 6, so far are not having a significant impact on overall Chinese exports.
- July exports are predicted to have risen 10% year-on-year, according to median estimates from 37 economists, compared to 11.2% growth in June. While July's forecast does not point to any sharp slowdown, economists do see headwinds mounting for China's massive export sector.
- ANZ forecasts China's exports rose 6.4% in July. Markets will be closely watching the data on two-way trade between the world's two biggest economies, as well as China's trade surplus with the United States, a sore point in the trade relationship.

<https://www.thedailystar.net/news/business/global-business/chinas-july-exports-maintain-solid-growth-1616995>

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