

Key News

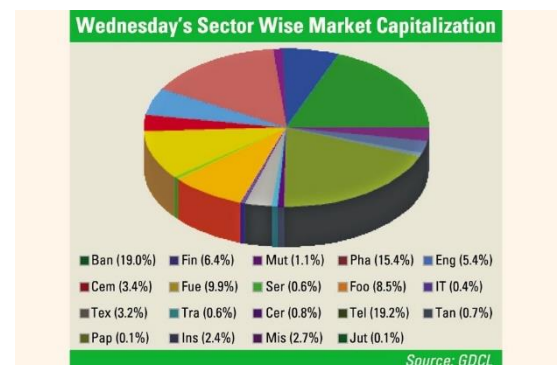
- ✓ [Power, pharma issues steer stocks](#)
- ✓ [Star Adhesives to be listed on SME platform](#)
- ✓ [Asiatic Laboratories to go public for business expansion](#)
- ✓ [Nialco Alloys to set up new plants](#)
- ✓ [Mika Securities signs deal with technological partners](#)
- ✓ [Inward remittance flow to return to normal in 3 months: Finance minister](#)
- ✓ [Rise in non-farm income cuts domestic migration](#)
- ✓ [IMF trims 2021 GDP forecast](#)

Stock Market & Company

Power, pharma issues steer stocks

The Financial Express, October 07, 2021

- Stocks ended marginally higher on Wednesday, after choppy trading, as investors showed buying interest on power and pharma issues ahead of corporate declarations.
- At the end of the session, DSEX, the prime index of the Dhaka Stock Exchange (DSE), went up 19.66 points or 0.26 per cent to settle at 7,351 points after adding 3.85 points in the previous day.
- The two other indices also edged higher to set at new highs. The DS30 index, comprising blue chips advanced 9.69 points to finish at 2,787 and the DSE Shariah Index (DSES) rose 5.82 points or to close at 1,600.
- Turnover, another important indicator of the market, rose to Tk 26.81 billion on the prime bourse, which was 14 per cent higher than the previous day's tally of Tk 23.52 billion.
- Among the major sectors, power posted the highest gain of 2.80 per cent, followed by pharma with 1.10 per cent and textile 0.40 per cent.
- On the other hand, financial institutions saw the biggest hit, losing 3.20 per cent, followed by general insurance 2.50 per cent, cement 1.80 per cent, telecom 1.0 per cent and banking 0.80 per cent. A total number of 334,220 trades were executed in the day's trading session with a trading volume of 545.93 million shares and mutual fund units.
- LafargeHolcim Bangladesh, which saw 2.18 per cent correction after recent rally, topped the day's turnover chart with shares worth Tk 1.74 billion changing hands, closely followed by Orion Pharma (Tk 1.52 billion), Beximco (Tk 1.30 billion), Power Grid Company (Tk 916 million) and Paramount Textile (564 million). The state-run Power Grid Company was the day's best performer, posting a gain of 9.95 per cent while Aman Feed was the day's worst loser, plunging by 8.95 per cent.
- The Chittagong Stock Exchange (CSE) also ended marginally higher with the CSE All Share Price Index - CASPI -gaining 81 points to settle at 21,514 and the Selective Categories Index - CSCX - rising 49 points to close at 12,922.



<https://thefinancialexpress.com.bd/stock/power-pharma-issues-steer-stocks-1633576509>

Star Adhesives to be listed on SME platform

Newage, October 06, 2021

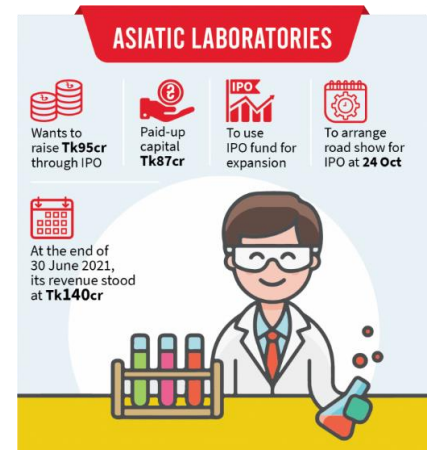
- Star Adhesives Limited, a concern of Partex Group, has decided to raise Tk 5 crore through a qualified investor offer under the small medium enterprise platform. The company has filed documents with the Bangladesh Securities and Exchange Commission and the Dhaka Stock Exchange regarding the issue.
- The company will issue 50 lakh shares at Tk 10 each. The net proceeds from the QIO will be used for factory renovation and meet up working capital requirement and loan payment, according to the documents. AAA Finance & Investment Limited is the issue manager of the QIO.
- The net profit of the company was Tk 2.6 crore in 2021 against Tk 88.21 lakh in the previous year. Earnings per share shot up to Tk 6.05 in 2021 compared with that of Tk 2.76 in the previous year.

<https://www.newagebd.net/article/151105/star-adhesives-to-be-listed-on-sme-platform>

Asiatic Laboratories to go public for business expansion

The Business Standard, October 06, 2021

- Asiatic Laboratories Limited, a medium-sized pharmaceuticals company, wants to raise Tk95 crore with an initial public offering (IPO) under the book building method. The drugmaker will spend the IPO proceeds on implementing new projects at its existing factory premises in Gazipur.
- The business entity, which has established its brand in Bangladesh over the last 50 years, wants a premium on the face value of Tk10 of its primary shares.
- In Bangladesh, when a company wants a premium, institutional investors set a reference price of the shares through bidding and general investors will be able to purchase the primary shares at a 10% discount. As per the book building criteria, Asiatic Laboratories will arrange a roadshow on 24 October, where it will introduce itself to investors.
- At the end of 30 June 2021, its revenue stood at Tk140 crore. The paid-up capital of the company is Tk87 crore. Shahjalal Equity Management Limited has already signed an agreement with the drugmaker to provide issue management services, where BMSL Investment Limited will act as registrar to the issue.
- According to IQVIA, an American multinational company serving the pharma industry, the country's pharmaceutical market has surpassed Tk27,000 crore in 2020 with an annual growth of more than 10%.
- Bangladeshi companies also export medicines worth around Tk1500 crore per year. However, the top 10 companies in the country sell about 71% of the country's total medicines.

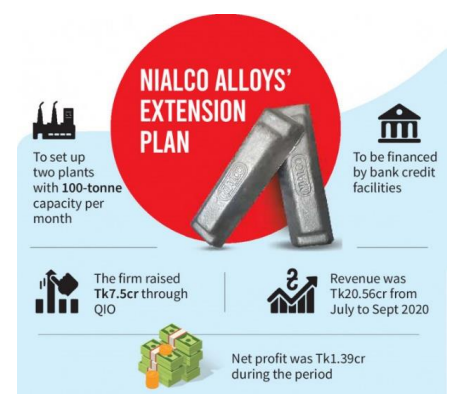


<https://www.tbsnews.net/economy/stocks/asiatic-laboratories-go-public-business-expansion-312460>

Nialco Alloys to set up new plants

The Business Standard, October 06, 2021

- Nialco Alloys Limited will set up two new plants to manufacture finished products to expand its business. It is the only company to be listed on the SME platform of the Chattogram Stock Exchange.
- The export-oriented company mainly manufactures high-grade bronze and brass ingots. The production capacity of the new plants will be 100 tonnes per month.
- According to data available with the CSE, the company will open an L/C with Mutual Trust Bank Limited. The company is expected to complete setting up the plants in seven to nine months.
- On 15 April this year, the Bangladesh Securities and Exchange Commission approved the company to raise Tk7.5 crore through the SME platform. MTB Capital, a sister concern of Mutual Trust Bank Ltd, was the issue manager of the company.



- According to a financial report, in the July-September quarter of 2020, the company revenue was Tk20.56 crore, and net profit was Tk1.39 crore. During this period, the earnings per share were Tk0.91 and net asset value per share stood at Tk12.43 without revaluation reserve.

<https://www.tbsnews.net/dropped/industry/nialco-alloys-set-new-plants-312430>

Mika Securities signs deal with technological partners

The Business Standard, October 06,2021

- Mika Securities Ltd, a brokerage firm of Dhaka Stock Exchange, has partnered with DirectFN and Magnus Corporation for better brokerage management. To this end, a tri-party agreement has been signed among Mika Securities Ltd, Magnus Corporation Ltd and DirectFN.
- AA Moniruzzaman, managing director of Mika Securities Ltd said, "This initiative is a part of our digital transformation technique and we always try to offer the best technology suited for our market environment."
- DirectFN, a wholly owned subsidiary of National Technology Group (NTG) - one of the largest ICT companies in the Middle East, specialises in providing solutions ranging from Desktop Information Workstations, Transaction Systems and Order Management Systems through to total end to end solutions. DirectFN products are deployed in some of the largest financial institutions across the Middle East and South Asia.
- In addition to the Brokerage Management Solution (BMS), the Next Generation Trading Platform (NTP) along with a whole suite of innovative features for a superior customer experience will be launched for clients of Mika Securities Ltd.

<https://www.tbsnews.net/economy/stocks/mika-securities-signs-deal-technological-partners-312406>

Economy & Industry

Inward remittance flow to return to normal in 3 months: Finance minister

The Business Standard, October 06,2021

- Amid falling remittance earnings in recent months, Finance Minister AHM Mustafa Kamal Wednesday said that inward remittance flow should increase gradually and earnings could return to normal in three months.
- "It's true that inward remittance flow during the July-September period was less compared to the same period of last year. But we hope that it will return to normal gradually and increase further," he said.
- Citing a reason for fall in remittance flow, Kamal said that not all the expatriate Bangladeshis who returned home during the pandemic could go abroad, but they are doing so now.
- The finance minister made the comments Wednesday while replying to a question after chairing two separate meetings on the Cabinet Committee on Economic Affairs and the Cabinet Committee on Government Purchase. After the fall in remittance earnings, many analysts apprehend that if the downward trend continues, the country's foreign exchange reserve may witness a decline.
- Bangladeshi expatriates sent home \$1.73 billion in September this year compared to \$2.15 billion in September 2020. The amount remitted in September this year was also 4.63% lower than the August earnings.

<https://www.tbsnews.net/economy/remittance-inflow-become-normal-2-3-months-finance-minister-312292>

Rise in non-farm income cuts domestic migration

The Daily Star, October 07, 2021

- A one per cent increase in non-farm income reduces domestic migration to other districts by 4 to 7 per cent in rural areas and municipalities, a new study found. The impact is stronger for the households in the municipalities where the likelihood of migration goes down by 6-10 per cent, said the study, "Local Nonfarm Opportunities and Migration Decisions: Evidence from Bangladesh."
- The Bangladesh Institute of Development Studies (BIDS) conducted the study. The findings were disclosed at a programme at the auditorium of the think-tank in Dhaka yesterday. There are some indications that higher non-farm income encourages migration in rural areas.

- "The impact is more pronounced for the income rich, land poor and educated households," said Kazi Iqbal, a senior research fellow of the BIDS who led the study, while making a presentation. In order to check the robustness of the results, the researchers used the location of the SME clusters and found that the likelihood of migration was lower from the union with SME cluster.
- Non-farm activities in developing countries have a strong impact on rural employment opportunities and poverty reduction. It is also argued that local non-farm opportunities slow down rural-urban migration. The understanding of the relationship is pivotal for rural development strategies, sustainable urban development and policies influencing domestic migrations, according to the study.

<https://www.thedailystar.net/business/economy/news/rise-non-farm-income-cuts-domestic-migration-2192541>

International

IMF trims 2021 GDP forecast

The Daily Star, October 07, 2021

- The International Monetary Fund expects global economic growth in 2021 to fall slightly below its July forecast of 6 per cent, IMF chief Kristalina Georgieva said on Tuesday, citing risks associated with debt, inflation and divergent economic trends in the wake of the Covid-19 pandemic.
- Georgieva said the global economy was bouncing back but the pandemic continued to limit the recovery, with the main obstacle posed by the "Great Vaccination Divide" that has left too many countries with too little access to Covid-19 vaccines.
- In a virtual speech at Bocconi University in Italy, Georgieva said next week's updated World Economic Outlook would forecast that advanced economies will return to pre-pandemic levels of economic output by 2022 but most emerging and developing countries will need "many more years" to recover.
- The United States and China remained vital engines of growth, and Italy and Europe were showing increased momentum, but growth was worsening elsewhere, Georgieva said.
- Inflation pressures, a key risk factor, were expected to subside in most countries in 2022 but would continue to affect some emerging and developing economies, she said, warning that a sustained increase in inflation expectations could cause a rapid rise in interest rates and tighter financial conditions.
- "High debts, soaring food prices and lack of vaccines are the greatest threats facing developing countries," said Eric LeCompte, executive director of the religious development group Jubilee USA Network.

<https://www.thedailystar.net/business/global-economy/news/imf-trims-2021-gdp-forecast-2192506>

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

Mr. Shohidul Islam
Research Analyst shohidul@basl-bd.com

BASL Networks

Head Office

Hadi Mansion (2nd Floor)
2, Dilkusha Commercial Area
Dhaka-1000, Bangladesh
Phone: +88-02-9515826-28
E-mail: info@basl-bd.com

Dhanmondi Branch

Meher Plaza (1st Floor),
House # 13/A, Road # 05
Dhanmondi, Dhaka - 1207
Phone: +8802-44611923-24

Mirpur Branch

Nishi Plaza, plot # 01,
Avenue-04, Section-06, Block-C
Mirpur, Dhaka - 1216
Phone: +8802-58055449,
48032449

Uttara Branch

House # 79/A, (4th Floor),
Road # 07, Sector # 04
Uttara Model Town, Dhaka-1230
Phone: +88-02-48958389,48958371

Banani Branch

Nur Empori, Plot # 77 (1st Floor),
Road No # 11, Banani,
Dhaka-1213
Phone: +88028836155, 8836849

Bijoynagar Extension

Prime Tower (3rd Floor), 180-
181
Dhaka-1213
Phone: +880248318685

Nikunja Branch

DSE Tower, Level 10, Room#
200, Nikunja, Dhaka-1229
Phone: +8809666702070

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.