

## Key News

- ✓ [Weekly market review: Stocks tumble as investors sit on the sidelines](#)
- ✓ [18 cos await BSEC nod to issue bonds worth Tk 8,500cr](#)
- ✓ [Ifad Autos factory gets new automated production lines](#)
- ✓ [Meghna Condensed Milk's liabilities exceed assets](#)
- ✓ [Deshbandhu invests Tk 800cr to expand in export markets](#)
- ✓ [BD Thai profit surpasses the pre-pandemic level](#)
- ✓ [Phoenix Finance auctions Appollo Ispat's Gazipur assets](#)
- ✓ [HeidelbergCement merges assets acquired from Aditya Birla](#)
- ✓ [Banks post higher profits in Jan-Sep](#)
- ✓ [US Democrats pass \\$1t infrastructure bill](#)

## Stock Market & Company

### Weekly market review: Stocks tumble as investors sit on the sidelines

The Financial Express, November 06, 2021

- Stocks plummeted for the fourth straight week that ended on Thursday as cautious investors continued to sell off shares in major sectors in the absence of market triggers. Of the five trading days during the week, the first four sessions saw a sharp fall while the last one ended slightly higher.
- Week on week, the benchmark DSEX index of the Dhaka Stock Exchange (DSE) dropped 155.64 points or 2.20 per cent to settle the week at 6,906. In the past four consecutive weeks, DSEX shed more than 384 points.
- Two other indices also ended lower. The DS30 index, comprising blue chips, fell 37.63 points to finish at 2,601 and the DSE Shariah Index (DSES) lost 17.21 points to close at 1,462. The market capitalisation of the DSE also shed Tk 119 billion or 2.12 per cent during the week and stood at Tk 5,515 billion on Thursday.
- The week's total turnover stood at Tk 64.30 billion on the prime bourse against Tk 75.50 billion in the week before. The daily turnover averaged out at Tk 12.86 billion on the country's premier bourse, which was 15 per cent lower than the previous week's average of Tk 15.10 billion.
- Among the major sectors, non-bank financial institutions saw the highest loss of 4.20 per cent, followed by cement (4.10 per cent), food (3.90 per cent), engineering (3.30 per cent), banking (3.20 per cent), telecom (1.10 per cent) and pharma (0.40 per cent).



- Beximco -- the flagship company of Beximco Group -- topped the turnover chart with shares worth Tk 6.22 billion changing hands, followed by IFIC Bank (Tk 3.15 billion), Orion Pharma (Tk 2.33 billion), BATBC (Tk 2.03 billion) and Saif Powertec (Tk 1.93 billion).
- The Chittagong Stock Exchange (CSE) also nosedived, with the CSE All Share Price Index (CASPI) slumping 431 points to settle at 20,197 and the Selective Categories Index (CSCX), losing 260 points to close at 12,132.

<https://thefinancialexpress.com.bd/stock/weekly-market-review-stocks-tumble-as-investors-sit-on-the-sidelines-1636170596>

## 18 cos await BSEC nod to issue bonds worth Tk 8,500cr

Newage, November 06, 2021

- Eighteen companies, including banks and non-bank financial institutions, have filed applications with the Bangladesh Securities and Exchange Commission for raising a total of Tk 8,500 crore through issuing bonds. The commission is assessing the applications submitted by the companies, BSEC officials said.
- As per the filings, Standard Bank will issue perpetual bonds worth Tk 500 crore, Dhaka Bank Tk 400 crore, Bank Asia Tk 500 crore, Pubali Bank Tk 500 crore, Mercantile Bank Tk 700 crore, The Premier Bank Tk 400 crore and AB Bank Tk 600 crore.
- NCC Bank will issue non-convertible subordinated bond worth Tk 700 crore, NRB Commercial Bank will issue contingent convertible subordinated bond worth Tk 500 crore, Dutch-Bangla Bank will issue redeemable non-convertible subordinated bond worth Tk 500 crore and IFIC Bank will issue non-convertible coupon bearing subordinated bond worth Tk 500 crore. Besides, City Bank has applied to issue subordinated bond worth Tk 700 crore and Southeast Bank will issue perpetual bond amounting to Tk 700 crore.

<https://www.newagebd.net/article/153876/18-cos-await-bsec-nod-to-issue-bonds-worth-tk-8500cr>

## Ifad Autos factory gets new automated production lines

The Financial Express, November 06, 2021

- Ifad Autos Limited, a local commercial vehicle assembler, has recently installed automated production lines in its plant to scale up output and strengthen quality control further. The company has been assembling buses, trucks and pick-ups of Ashok Leyland, an Indian commercial vehicle brand, since 2017 - in its factory at Dhamrai, some 42 kilometres from the capital.
- The company has also been the sole distributor of Ashok Leyland since 1994. "With the new automated assembling machines - mostly imported from Germany and USA - the factory can now produce commercial vehicles of improved quality," Ifad Group Chairman Iftekhar Ahmed Tipu told a group of reporters on the factory premises recently.
- Referring to a declining trend in demand for commercial vehicles in the country in the last fiscal year due to the pandemic, he said: "We have a capacity to assemble 10,000 units of vehicles per year. But the pandemic forced us to reduce the production to 6,000 units."
- The company's paid-up capital is Tk 2.52 billion and authorised capital is Tk 3.0 billion, while the total number of securities is 252.95 million, according to the DSE website.

<https://thefinancialexpress.com.bd/stock/ifad-autos-factory-gets-new-automated-production-lines-1636169611>

## Meghna Condensed Milk's liabilities exceed assets

The Financial Express, November 05, 2021

- Meghna Condensed Milk Industries incurred a net loss of Tk 132.17 million for the year ended on June 30, 2021 while the company's current liabilities exceeded its total assets by Tk 442.14 million. "We drew attention to the statement of profit or loss and other comprehensive income which indicates that the company incurred a net loss of Tk 132.17 million during the year ended June 30, 2021," according to the auditor's report posted on Dhaka Stock Exchange (DSE) website on Thursday.

- "Meghna Condensed Milk for several months is recurring net loss and also showed negative shareholder's equity, negative retained earnings, negative net asset value per share, negative net profit," opined the auditor's report. The report gave an opinion that these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.
- Referring to the financial statements, bank loan shows Tk 642.77 million, the report said, "We did not find an updated bank statement to confirm the amounts as those loan accounts were classified. And also, the management did not present the current portion of the long term loan".
- The company management did not present any disclosures on reconciliation of the statement of cash flows. The company has not recognised deferred tax expense/income in the statement of profit or loss and other comprehensive income.

<https://thefinancialexpress.com.bd/stock/meghna-condensed-milks-liabilities-exceed-assets-1636094930>

## Deshbandhu invests Tk 800cr to expand in export markets

The Daily Star, November 07, 2021

- Deshbandhu Group invested around Tk 800 crore in the last one year despite the business uncertainty caused by the coronavirus pandemic as it looks to expand its footprint in the overseas markets. At a time when many companies put a halt to their investment plans, Deshbandhu continued to invest in its food, beverage, packaging, garment, and other entities.
- Of the Tk 800 crore, around Tk 200 crore was invested in its food and beverage concern. Export-oriented Deshbandhu Packaging received an investment of Tk 230 crore, the sweaters and apparel concerns Tk 250 crore, and other concerns around Tk 120 crore.
- Deshbandhu is one of the largest conglomerates in Bangladesh. It is engaged in the manufacturing and marketing of sugar, food, beverage and cement, and also has business concerns in the textile, real estate, shipping, hospitality, media, and healthcare sectors. The annual turnover was Tk 2,400 crore in the last financial year.
- The new equipment will double the production capacity of Deshbandhu Food and Beverage, which can produce 24,000 bottles of beverage per hour now, Hossain added. At present, the company exports beverage items to several countries, including India, Thailand, Malaysia, and the United Arab Emirates.
- In October, Deshbandhu Polymer, a listed concern of the group, decided to raise Tk 500 crore through the issuance of a sukuk in Bangladesh.

<https://www.thedailystar.net/business/economy/industries/investments/news/deshbandhu-invests-expand-export-markets>

## BD Thai profit surpasses the pre-pandemic level

The Business Standard, November 06, 2021

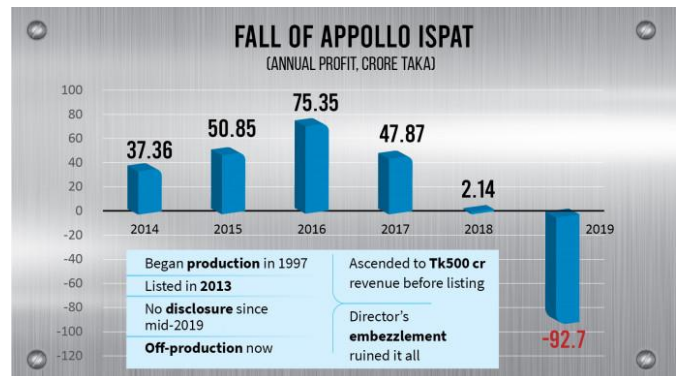
- Bangladesh Thai Aluminium Limited, which took a blow last year, has surpassed the pre-pandemic level in terms of profit. In fiscal 2020-21, the pioneer in the aluminium industry posted a 512% growth in profit to Tk16.03 crore compared to the previous fiscal year.
- According to its financials, the revenue reached the pre-pandemic level in FY21 to Tk120.36 crore – a 58% jump from the previous year. In fiscal 2018-2019, the revenue stood at Tk121.22 crore and profit at Tk6.97 crore.
- Due to the pandemic, the revenue decreased to Tk76.24 crore and profit to Tk2.62 crore in FY20. Despite an amazing growth amid the pandemic, the manufacturer of aluminium products will pay less dividend, compared to the previous year, to its shareholders for spending retained earnings on development work.
- BD Thai has recommended just a 2% cash dividend for its general shareholders, while its sponsors and promoters will forgo their dividends in the greater interest of the company, it said. But in FY20, when the company logged a much lesser profit, it had paid 3% cash and 3% stock dividend.
- The company said in its disclosure, an annual general meeting (AGM) will be held on 27 December through a digital platform. To identify the shareholders for dividend, the record date has been fixed on 28 November.

<https://www.tbsnews.net/economy/stocks/bd-thai-profit-surpasses-pre-pandemic-level-326179>

## Phoenix Finance auctions Appollo Ispat's Gazipur assets

The Business Standard, November 04, 2021

- Phoenix Finance and Investments Ltd, a lender to the failing producer of once popular corrugated steel "Rani Marka Dheutin", has initiated its move to auction the company's mortgaged assets in Gazipur to recover default loans.
- The non-bank financial institution in its newspaper advertisement, dated 3 November, for the auction said the listed steelmaker owes nearly Tk71.5 crore to them in forms of principal and interests accrued. The mortgaged assets include 228 decimal land in Bhurulia, Gazipur Sadar, along with buildings and all installations there.
- Md Rafique, managing director of Appollo Ispat Complex, claimed that he was unaware of the notice. "There had been some problems with the non-bank financial institution regarding unpaid loans," he said.
- Phoenix Finance Managing Director SM Intekhab Alam did not respond to the repeated phone calls and SMS for a comment.
- However, the asset in Gazipur that came under auction schedule, is not Appollo Ispat's key facility as its factory complex is at Shimrail in Siddhirganj, Narayanganj.
- Appollo Ispat Complex began commercial production of corrugated steel in 1997 and its "Rani Marka" ascended to a top position in the local market.
- The company went public in 2013 to raise Tk220 crore from investors, mainly to repay bank loans with Tk150 crore and the remaining amount was invested for capacity expansion.
- It was generating nearly Tk500 crore in annual revenue before going public. But due to a high debt burden, some capital market investors opposed its listing and even the then Finance Minister wrote to The Bangladesh Securities and Exchange Commission (BSEC) not to approve Appollo Ispat Complex's initial public offer.



<https://www.tbsnews.net/economy/stocks/phoenix-finance-auctions-appollo-ispats-gazipur-assets-325522>

## Economy & Industry

### HeidelbergCement merges assets acquired from Aditya Birla

The Business Standard, November 06, 2021

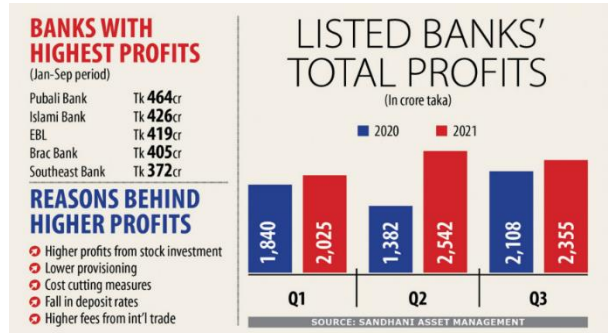
- HeidelbergCement Bangladesh has completed the merger of all assets of the two entities it acquired from UltraTech Cement Middle East Investment Limited, a concern of Indian conglomerate Aditya Birla, for Tk183 crore last year. Of the two companies, Emirates Cement Bangladesh Limited was engaged in cement production at its factory on 16-17 acres of land in Munshiganj, while Emirates Power owns and runs a 10MW power plant in the same area.
- Since HeidelbergCement had bought 100% shares of the two entities, the merger process did not need any share exchange. The two entities are abolished and their assets, liabilities, and people now belong to the listed company.
- With the merger, Heidelberg created synergies in a wide range of factors, according to the company's last directors' report. The merged facility with 6.6 lakh tonnes of annual capacity increased Heidelberg Cement's total annual cement production capacity to 35 lakh tonnes.
- German construction material giant HeidelbergCement Group entered Bangladesh in the late 1990s by setting up a floating terminal with onboard packing facilities at the Chattogram port. Its then Bangladesh concern ScanCement International Limited built a greenfield plant in Kanchpur near Dhaka.
- The listed company also fully acquired Meghna Energy Ltd last year which has a 9.99MW power plant in Narayanganj.
- Besides, for a stronger and greener internal power ecosystem, the company announced an investment in a 152KW solar plant which would see capacity extension up to 500KW in two years.

<https://www.tbsnews.net/economy/corporates/heidelbergcement-merges-assets-acquired-aditya-birla-326191>

## Banks post higher profits in Jan-Sep

The Daily Star, November 05, 2021

- Listed banks in Bangladesh posted higher profit in the January to September period on the back of higher income from their investment in the stock market, a pick-up in credit demand and lower expenses. The lenders made a combined profit of Tk 6,923 crore during the nine-month period, up 29.88 per cent from Tk 5,330 crore a year ago.
- Of the 32 listed banks, 26 clocked higher profits, five made lower profits, and one incurred losses. Among the banks, Pubali Bank made the highest profit of Tk 464 crore. ICB Islamic Bank incurred loss of Tk 31 crore.
- "Listed banks logged higher profits in the current year on the back of their investment in the stock market," said Ali Reza Iftekhar, chairman of the zAssociation of Bankers, Bangladesh, a forum of the chief executives of lenders. As the key index of the stock market surged, banks did not have to set aside any provision, which had a positive impact on the overall profits.
- The DSEX, the benchmark index of the Dhaka Stock Exchange, advanced 1,711 points, or 30 per cent, to 7,329 during the nine-month period. It had risen 510 points, or 11 per cent, in the same period in 2020, DSE data showed.
- The private sector credit growth was higher this year. As the disbursement of loans has revived thanks to the economic recovery, the earnings of banks also went up, said Iftekhar.
- The credit flow to the private sector nosedived in 2020 after the pandemic put business activities on halt. It plummeted to a historic low of 7.55 per cent in the early months of 2021 due to the pandemic-led uncertainties.
- The credit growth made a comeback in the subsequent months. It registered an 8.77 per cent growth in September, mainly because of the growing demand for working capital.



<https://www.thedailystar.net/business/economy/banks/news/banks-post-higher-profits-jan-sep-2222541>

## International

### US Democrats pass \$1t infrastructure bill

The Daily Star, November 07, 2021

- After a daylong standoff, Democrats set aside divisions between progressives and centrists to pass a \$1 trillion package of highway, broadband and other infrastructure improvement, sending it on to President Joe Biden to sign into law. The 228-to-206 vote late on Friday is a substantial triumph for Biden's Democrats, who have bickered for months over the ambitious spending bills that make up the bulk of his domestic agenda.
- Biden's administration will now oversee the biggest upgrade of America's roads, railways and other transportation infrastructure in a generation, which he has promised will create jobs and boost US competitiveness. Democrats still have much work to do on the second pillar of Biden's domestic program: a sweeping expansion of the social safety net and programs to fight climate change. At a price tag of \$1.75 trillion, that package would be the biggest expansion of the US safety net since the 1960s, but the party has struggled to unite behind it.
- Democratic leaders had hoped to pass both bills out of the House on Friday, but postponed action after centrists demanded a nonpartisan accounting of its costs - a process that could take weeks. After hours of closed-door meetings, a group of centrists promised to vote for the bill by November 20 - as long as the nonpartisan Congressional Budget Office found that its costs lined up with White House estimates.
- The \$1.75 trillion bill cleared a procedural hurdle by a vote of 221 to 213 early on Saturday, which will enable Democratic leaders to quickly schedule a final vote when the time comes. The standoff came just days after Democrats suffered losses in closely watched state elections, raising concerns that they may lose control of Congress next year.

<https://www.thedailystar.net/news/world/usa/news/us-democrats-pass-1t-infrastructure-bill-2223866>



## 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](mailto:research@basl-bd.com).