

Stock Market

Stocks drop on liquidity shortage, GP plunge

New Age, April 08, 2019

- DSEX, the key index of Dhaka Stock Exchange, lost 0.47 %, or 26.02 points, to close at 5,433.89 points on Sunday after gaining 7.71 points in the previous session.
- DSEX on Sunday hit its lowest after December 27 when it was at 5,385.64 points. GP fell by 10 % in last four sessions as Bangladesh Telecommunication Regulatory Commission sent a demand letter to GP on April 2 for payment of a total of BDT 12,579.95 crore in 10 working days.
- The share prices of the company plummeted by 3.2 % on Sunday. The turnover on the bourse decreased further to BDT 330.54 crore on Sunday from that of BDT 363.26 crore in the previous trading session as most of the investors preferred to be on the sidelines.
- Sunday's turnover was the lowest after December 17 last year when it was BDT 314.56 crore. The average share prices of telecommunication, non-bank financial institution, textile, energy and bank dropped by 3.0 %, 1.7 %, 1.3 % and 0.2 % respectively.
- A rise in the share prices of British American Tobacco by the maximum ceiling (6.2 %) saved the index from a plunge. Out of the 345 issues traded on the day, 236 declined, 73 advanced and 35 remained unchanged.
- DSE blue-chip index DS30 also decreased by 0.29 %, or 5.70 points, to close at 1,942.76 points. Shariah index DSES shed 0.83 %, or 10.65 points, to finish at 1,258.76 points. United Power Generation Company led the chart of turnover leaders with its shares worth BDT 33.76 crore changing hands.
- Eastern Cables gained the most on the day with an 8.74-% increase in its share prices while United Insurance was the worst loser, shedding 9.45 %.

<http://www.newagebd.net/article/69426/stocks-drop-on-liquidity-shortage-gp-plunge>

DSE sets up online complaint cell

The Daily Star, April 08, 2019

- The Dhaka Stock Exchange (DSE) has set up an online complaint cell to allow investors to file complaints with ease and get result. Now stock investors can complain against stock brokers and listed companies through the cell along with the manual system.
- KAM Majedur Rahman, managing director of the bourse, says the initiative is part of the DSE's efforts to mitigate the troubles faced by investors.

<https://www.thedailystar.net/business/news/dse-sets-online-complaint-cell-1726471>

Economy

Export earnings near \$31b in 9 months

New Age, April 08, 2019

- Country's export earnings in the first nine months of the current fiscal year (2018-19) stood at nearly \$31 bn due to an impressive performance of the readymade garment sector. The earnings from exports in March saw a 9.35 % increase, reaching \$3.34 bn from \$3.05 bn in the same month of the last year.

- Both experts and exporters termed the ongoing export earning growth satisfactory, saying that the double-digit earnings growth totally depended on the readymade garment products. Against such singular dependence of the export earning growth on the apparel sector, they emphasised measures to address the challenge of increasing export of non-RMG products.
- Country's export earnings from the RMG industry in the three quarters of FY19 were \$ 25.95 bn, an increase of 13.65 % from \$22.83 bn in the corresponding period of FY18. The nine-month export earnings were 7.40 % higher than the target of \$24.16 bn set by the government for the period.
- On the other hand, the knitwear export revenue in the period went up by 13.07 % to \$12.80 bn compared to the same period of FY18. The home textile sub-sector experienced a negative growth in export earnings in the period, falling by 3.36 % to \$647.34 mn from \$669.87 mn in the same period of the previous fiscal year.
- On the contrary, the export earnings from leather and leather goods went down by 9.08 % to \$771.69 mn in July-March of FY19 from \$848.79 mn in the same period of FY18. However, the export revenue from leather-footwear increased by 7.86 % to \$458.76 mn while other leather products fetched \$178.17 mn with a 37.37-% negative growth in the period.
- Once the biggest export earner of the country, jute and jute goods sector continued to perform poorly, the income from which in the July-March period of FY19 fell sharply, by 23.23 %, to \$628.08 mn from \$818.09 mn in the same period of FY18.

<http://www.newagebd.net/article/69421/export-earnings-near-31b-in-9-months>

Govt urges China to fast-track loan deals

The Daily Star, April 08, 2019

- Dhaka has called upon Beijing to speed up the process to sign loan agreements of China-funded projects undertaken following the signing of a memorandum of understanding in October 2016. Deals involving only five out of 27 projects have been inked since the two countries signed the framework agreement during Chinese President Xi Jinping's visit to Dhaka.
- The five projects involved financing of \$4.5 bn against a total of \$22.5 bn for the 27 projects. The slow pace in the signing of loan agreements has led Dhaka to remind Beijing about the conditions of the framework. According to the letter, the remaining 22 projects have been in different stages of planning, preparation, negotiation and approval.
- The letter called for expediting the processing of loan agreements for eight projects involving \$5.2 bn, including converting the Akhaura-Sylhet rail track from metre to dual gauge (\$1,272.93m) and construction of a Joydevpur-Ishwardi double-line rail track (\$1,045.59m).
- Four involve construction of a Dhaka-Ashulia elevated expressway (\$1,155.18 mn), a Chinese economic and industrial zone (\$221.18m), six full-fledged Bangladesh Television stations (\$125.12m) and a Rajshahi Wasa surface water treatment plant (\$350m).
- The remaining two are on balancing modernisation, rehabilitation and expansion of public sector jute mills of Bangladesh Jute Mills Corporation (\$238m) and establishing digital connectivity (\$837m).

<https://www.thedailystar.net/business/news/govt-urges-china-fast-track-loan-deals-1726468>

Several banks discontinue export bill discounting

New Age, April 08, 2019

- A number of banks have stopped purchasing export bills through their offshore banking units, depriving a section of exporters from export bill discounting facility and thus disrupting export financing. Export bill discounting facility

allows exporters to get fund before the encashment of export proceeds in foreign currency from their foreign counterpart.

- According to the central bank data, exporters received export bill discounting facility worth \$500 mn in March, 2018 and \$491.5 mn in April, 2018.
- Officials of banks said that non-issuance of the export bill discounting facility by several banks had been disrupting export financing as a section of the exporters were waiting for the encashment of their export bills to prepare themselves for next consignment.

<http://www.newagebd.net/article/69425/several-banks-discontinue-export-bill-discounting>

International

Stake sale in Jet Air may get delayed

New Age, April 06, 2019

- Lenders to India's troubled Jet Airways Ltd may have to wait a little longer to sell a stake in the carrier, as they need more clarity from the Reserve Bank of India (RBI), the Business Standard newspaper reported on Sunday. Jet, India's oldest private carrier, is saddled with more than \$1 bn in debt, compounding its financial woes and forcing it to ground most of its fleet.
- After Jet failed to convince potential investors, including its largest shareholder Etihad Airways, to bail it out, Indian banks decided to take a majority stake in the carrier. Last month, Jet's lenders, led by State Bank of India agreed to bailout the airline in a complex deal that involved the banks taking a majority stake, while seeking out an investor to help revive the company's fortunes.
- Jet's lenders on Thursday said they plan to seek expressions of interest in the airline from potential investors from April 6 and that all submissions from interested parties are expected to be completed by April 9. But this process may be delayed as RBI is yet to examine the issue of debt to equity conversion, the paper said, citing a source.

<http://www.newagebd.net/article/69432/stake-sale-in-jet-air-may-get-delayed>

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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

Tanzin Naher
Research Associate

tanzin@basl-bd.com

BASL Networks

Head Office

Hadi Mansion (7th Floor)
2, Dilkusha Commercial Area
Dhaka-1000, Bangladesh
Phone: +88-02-9515826-28
Fax: +88-02-9567884

Modhumita Extension Office

158-160 Modhumita Building
(5th Floor)
Motijheel C/A, Dhaka-1000
Phone: +88-01819118893

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

Khulna Branch

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

For International Trade & Sales, please contact **Mr. Sumon Das, Chief Executive Officer**. Please call at +8801993111666, +880 02 9515826, Ext: 101 at Business hour.

For further query, write to us at research@basl-bd.com.