

## Stock Market

### Stocks gain for 2nd day on bank shares' rally

New Age, August 09, 2018

- Dhaka stocks increased for the second day on Wednesday as investors kept purchasing shares mostly bank scrips after their worries over the student protests for safe roads waned. DSEX, the key index of the Dhaka Stock Exchange, increased by 0.44%, or 24.06 points, to close at 5,405.95 points on Wednesday after gaining 28.47 points in the previous trading session.
- A section of investors turned their focus to large-capitalised companies after the DSE moved to crack down on 15 junk companies that have not been providing dividends for more than five years and the companies have become unqualified to remain listed at the bourse as per its listing regulations.
- However, the share prices of some of these companies including Meghna Pet Industries, Dulamia Cotton and Beximco Synthesis soared on Wednesday amid rumours that the companies would provide dividends this year.
- The bank sector led the rally for another session with a gain in the share prices by 2.2% on Wednesday. Out of the 30 traded bank scrips, 28 advanced and just two declined on Wednesday. Besides the bank sector, the share prices of food and engineering advanced by 1.5% and 0.3% respectively.
- Turnover on the DSE also increased to BDT 724.44 crore on Wednesday compared with that of BDT 710.52 crore in the previous trading session.

<http://www.newagebd.net/article/47960/stocks-gain-for-2nd-day-on-bank-shares-rally>

### Two more cos added to DSE review list

New Age, August 09, 2018

- The Dhaka Stock Exchange has decided to review the performance of two more companies — Sonargaon Textiles and Information Services Network. With the two, the number of 'Z' category companies to be reviewed by the bourse stands at 15.
- The DSE on Wednesday disseminated on its web site the news that the performance of the two companies would also be reviewed since the issuers have failed to declare dividends for a period of five years from the date of declaration of last dividend or the date of listing with the exchange.
- The DSE sent letters to the companies asking them to inform the bourse about their current business position and whether they have any business plan to revive their companies. The companies will have to reply to the bourse's letters immediately.
- Earlier on Monday, the DSE board decided to review the performance of 13 dud companies that included Meghna Pet Industries, ICB Islamic Bank, Dulamia Cotton Spinning Mills, Samata Leather Complex, Shyampur Sugar Mills, Zeal Bangla Sugar Mills, Imam Button Industries, Meghna Condensed Milk Industries, Kay & Que (Bangladesh), Savar Refractories, Beximco Synthetics, Jute Spinners and Shinepukur Ceramics after detecting abnormal hike in their share prices.
- DSE officials said that there were 15 more companies under the DSE scanner, which were not complying with the listing and securities laws for years. The bourse has initiated the move to increase accountability and transparency of listed companies, and recoup the investors' confidence in the country's capital market.

<http://www.newagebd.net/article/47961/two-more-cos-added-to-dse-review-list>

## Economy

### Imports hit all-time high

The Daily Star, August 09, 2018

- For the first time in Bangladesh's 47-year history, imports crossed the \$50 bn mark in a single fiscal year, fuelling fears of inflation and further depreciation of the local currency against the dollar. In fiscal 2017-18, letters of credit settlement stood at \$51.53 bn, up 16.40% year-on-year, on the back of rising demand for food grains and petroleum products.
- Rice imports ballooned more than 23 times to \$1.71 bn thanks to abnormal flooding last year that destroyed crops. Import of petroleum products stood at \$3.34 bn last fiscal year, up 32.70% year-on-year, according to data from the Bangladesh Bank.
- The requirement for petroleum products has increased significantly in recent times as a number of fuel-based power plants are being set up to meet the growing demand for electricity, said Syed Mahbubur Rahman, managing director of Dhaka Bank. The recent price surge in global oil market also played a role in increasing the payment for the item last fiscal year.
- The bulky import bill caused a large trade gap and current account deficit last fiscal year, and in the process, depreciation of the exchange rate against the dollar, said Rahman, also the chairman of the Association of Bankers, Bangladesh, a platform of the chief executives of private banks.
- On June 30, the inter-bank exchange rate stood at BDT 83.75 per dollar, up from BDT 80.60, according to data from the BB.

<https://www.thedailystar.net/news/business/imports-hit-all-time-high-1617994>

### Export target: \$39b

The Daily Star, August 09, 2018

- The government yesterday set \$39 bn as the merchandise export target for the current fiscal year, which is 6.36% higher than the immediate past fiscal year's achievement of \$36.66 bn. The export target in the garment sector has been fixed at \$32.68 bn, up 6.78% from last fiscal year's achievement of \$30.61 bn.
- Of the amount, \$16.15 bn has been targeted to be gained from knitwear export, up 6.33% from that last year, and \$16.53 bn from woven items, 7.21% higher from that last year.
- The export target will be boosted mainly for two reasons -- fiscal stimulus for the new markets and higher cash incentive benefits and market diversification, he said. In the current year, the government hiked the cash incentive for garment exporters in the new markets from 3 to 4%. Bangladesh considers the United States, the European Union and Canada as traditional markets while all the rest as new.
- Until last fiscal year, the government gave cash incentive on exports in 27 sectors, but the areas of stimulus package on export have been expanded to 36 this year for diversifying both markets and products.
- Among the new nine sectors which have been included for cash incentives are pharmaceuticals (10%), leather goods (15%), jute and jute goods (7% and 12%), ceramics (10%), caps (10%), razors (10%), frozen crab (10%), CI sheet (10%), battery (10%), motorcycle (10%), caustic soda (10%) and IT (10%).

<https://www.thedailystar.net/news/business/export/export-target-39b-1617958>

## International

### US finalises next China tariff list targeting \$16 bn in imports

The Financial Express, August 08, 2018

- The United States will begin collecting 25% tariffs on another \$16 bn in Chinese goods on Aug. 23, the US Trade Representative's office said on Tuesday as it published a final tariff list targeting 279 imported product lines.
- The action is the latest by US President Donald Trump to put pressure on China to negotiate trade concessions after imposing tariffs on \$34 bn in goods last month. China has vowed to retaliate to an equal degree, according to a Reuters report Wednesday.
- The latest \$16 bn list will hit semiconductors from China, even though many of the basic chips in these products originate from the United States, Taiwan, or South Korea. The 25% tariffs also will apply to a broad range of Chinese electronics, plastics, chemicals, and railway equipment that the Office of the US Trade Representative (USTR) has said benefit from the "Made in China 2025" industrial plan, aimed at making China competitive in high-technology industries.

<https://thefinancialexpress.com.bd/economy/global/us-finalises-next-china-tariff-list-targeting-16-bn-in-imports-1533710654>

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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

Mr. Monir Hossain  
Research Associate

monir@basl-bd.com

### 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

## BASL Branches

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