

Stock Market & Company

BSEC sets price-fall circuit breaker for 66 cos at 2pc

Newage, April 10, 2021

- The Bangladesh Securities and Exchange Commission on Saturday set the downward price change circuit breaker at 2 per cent for 66 companies after the withdrawal of floor prices of shares of the companies resulted in a plunge in share prices of most the companies.
- On April 7, the commission withdrew the floor prices of shares of the 66 companies. Out of the 66 companies, share prices of 61 companies declined while 40 of them hit the circuit breaker in terms of price fall on April 8. The core index of Dhaka Stock Exchange, DSEX, lost 82 points on April 8 due mainly to the floor price withdrawal.
- Before Saturday's decision, the circuit breaker for the companies was around 10 per cent in both the downward and upward price changes.
- According to the order, the commission directs the Dhaka and Chittagong stock exchanges to impose standard downward price change limit (circuit breaker) of 2 per cent based on reference price or previous day's trading price to the list of 66 companies.
- However, the upward price change circuit breaker for the companies will remain unchanged at 10 per cent, the order said. So, share prices of the companies could increase by maximum 10 per cent but could fall by 2 per cent on each trading day.

<https://www.newagebd.net/article/135011/bsec-sets-price-fall-circuit-breaker-for-66-cos-at-2pc>

Stocks drop for fourth week

Newage, April 10, 2021

- Dhaka stocks dipped in the past week, stretching the losing streak to the fourth week as investors continued selling shares amid an alarming deterioration in the COVID-19 outbreak situation in the country. The withdrawal of floor prices of 66 companies also contributed to the market fall in the week, market operators said.
- DSEX, the key index of the Dhaka Stock Exchange, lost 0.3 per cent, or 15.76 points, over the past week to close at 5,254.78 points on April 8, the last trading session of the week. The DSEX lost 313.76 points in the last four weeks.
- Average share prices of textile, engineering, energy and bank sectors dropped by 5.8 per cent, 2 per cent, 1.1 per cent and 0.2 per cent respectively.
- DSE's blue-chip index DS30, however, increased by 0.36 per cent, or 7.09 points, to finish at 1,990.39 points.
- BEXIMCO led the turnover chart in the past week with its shares worth Tk 236.66 crore changing hands.
- Robi Axiata, Asia Pacific Insurance Company, Beximco Pharmaceuticals, Provati Insurance Company, LankaBangla Finance, LafargeHolcim Bangladesh, Summit Power, British American Tobacco Bangladesh, Desh General Insurance Company were the other turnover leaders.

<https://www.newagebd.net/article/135012/stocks-drop-for-fourth-week>

Capital market to follow banking sector's 'lead' during lockdown, BSEC says

The Financial Express, April 10, 2021

- The capital market will continue its operation in the interest of investors in any situation during the Covid-19 pandemic if the banking activities continue.
- The Bangladesh Securities and Exchange Commission (BSEC) said this against the backdrop of the government's preparation for imposing full lockdown from April 14 next, reports UNB.

- A notice posted on the official website of the BSEC said, "[The] capital market will continue operation at [in] the interest of investors in any situation during the pandemic of Covid-19 if the banking activities continue."
- According to sources at the BSEC, if the banks remain open during the lockdown, the capital market will also remain open. This instruction has been given to two stock exchanges -- Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).
- They said the commission has instructed the DSE to keep the capital market open if banks are open. The capital market will operate utilising smaller shifts and work-from-home facilities.

<https://thefinancialexpress.com.bd/stock/capital-market-to-follow-banking-sectors-lead-during-lockdown-bsec-says>

Robi declares 3.0 per cent interim cash dividend

The Financial Express, April 10, 2021

- Robi Axiata, the country's second largest telecom operator, has declared 3.0 per cent interim cash dividend for the year 2021. The company declared the interim cash dividend out of the retained earnings in the audited financial statements for the year ended on December 31, 2020, according to a price sensitive information posted on its website.
- The record date for entitlement of interim cash dividend is set on May 2, 2021. The board of directors of the company also adopted first quarter (Q1) un-audited consolidated financial statements that ended on March 31, 2021, at a meeting held on Thursday.
- The company has reported earnings per share (EPS) of Tk 0.07 in three months for January-March, 2021. Its EPS was Tk 0.33 for the year ended on December 31, 2020.
- Robi's net asset value (NAV) per share stood at Tk 12.66 for the first quarter ended on March 31, 2021. Its NAV per share was Tk 13.90 for the year ended on December 31, 2020.
- The company's net operating cash flow per share (NOCFPS) was Tk 1.68 for the first quarter ended on March 31, 2021 while it was Tk 5.36 for the year ended on December 31, 2020.
- Robi joined the stock market with the largest-ever initial public offering (IPO) in Bangladesh's capital market history on December 24, 2020.

<https://thefinancialexpress.com.bd/stock/robi-declares-30-per-cent-interim-cash-dividend-1618032097>

Tax receipts from DSE jump 113pc in nine months

The Financial Express, April 09, 2021

- The government's revenue earnings from the prime bourse marked a whopping 113 per cent rise in the first nine months of the current fiscal year (FY) compared to the same period of the previous fiscal.
- The government bagged revenue worth Tk 2,274 million in nine months for July-March period of FY 2020-21 which was Tk 1,067 million in the same period of the previous FY, climbing by 113 per cent, according to statistics from the DSE.
- The government earned the amount on TREC (trading right entitlement certificate) holders' commission and share sales by sponsor-directors and placement holders.
- The DSE, on behalf of the government, collects tax as TREC holders' commission and share sales by sponsor-directors and placement holders at the rate of 0.05 per cent and 5.0 per cent respectively and deposits the amount to the government exchequer.
- The government earnings from the DSE also soared 76 per cent month-on-month in March this year to Tk 276 million which was Tk 157 million a month earlier, the DSE statistics showed.

<https://thefinancialexpress.com.bd/stock/tax-receipts-from-dse-jump-113pc-in-nine-months-1617967151>

Eastland Insurance declares 10% dividend

The Business Standard, April 10, 2021

- Eastland Insurance Company Ltd, a first-generation general insurance company, has recommended a 10% dividend (7% cash and 3% stock) to its shareholders for the year ended 31 December, 2020. The dividend was declared at the company's board meeting held on Thursday evening.
- To secure approval of the declared dividend, an audited report, and other matters, the company will hold an annual general meeting (AGM) on 10 June, 2021. The record date for the AGM will be 28 April.
- At the end of last year, Eastland posted earnings per share of Tk1.12, which was 19% lower than in the previous year.
- During this period, the net profit of the company was Tk9.16 crore, which was Tk11.25 crore for the same period in the previous year.
- Its net asset value per share stood at Tk21.32. The last trading price of the company's shares was Tk29.60 per share at the DSE on Thursday.

<https://www.tbsnews.net/companies/eastland-insurance-declares-10-dividend-229834>

Economy & Industry

Government's bank borrowings during July-March period drop

The Financial Express, April 10, 2021

- The government's borrowing from the country's banking system dropped significantly in the first nine months of this fiscal year (FY), 2020-21, with an increasing reliance on the National Savings Department (NSD) instruments that intensifies interest risks.
- The government's borrowing from the banking system dropped by nearly Tk 67 billion in the July-March period of FY 21.
- During the same period in FY 20, the government borrowed Tk 509.44 billion (net) from the banking system to meet its budget requirement, according to the Bangladesh Bank (BB).
- Besides, the central bank recently suspended a few auctions involving Tk 121 billion, scheduled to be held with the primary dealer banks, due to poor appetite from the government side. On the other hand, the government borrowed Tk 276 billion in addition to its original auction amount during the same period of last FY.
- The amount is Tk 196 billion or more than 200 per cent higher than the amount of the same period a year earlier. Besides, it is 46 per cent higher than the budgetary target of Tk 200 billion (annual).

<https://thefinancialexpress.com.bd/economy/governments-bank-borrowings-during-july-march-period-drop>

Stakeholders for economic recovery guideline in budget for FY22

The Financial Express, April 10, 2021

- Stakeholders and experts at a pre-budget discussion on Saturday called for a specific guideline in the next budget for economic recovery as the second wave is going on and it may have a huge implication on it.
- Terming revenue collection and achieving the target as inevitable for a budget, they added at the same time the government must consider incentives for the pandemic-hit businesses especially the local cottage, micro, small and medium enterprises (CMSMEs).
- Dhaka Chamber of Commerce & Industry (DCCI) in association with Samakal and Channel 24 organised the pre-budget discussion of FY22 virtually to outline the needs in the key macroeconomic avenues and roadmap of trade, industrial, investment recovery as well as turnaround of the private sector from pandemic adversities.

- DCCI President Rizwan Rahman in his welcome address said that the government will surely consider a business-friendly, revenue friendly and industry-friendly budget this year. Terming that the budget will have a clear indication for the economic recovery amid the pandemic, he also hoped that the next budget will have special attention to taxation and VAT policy, infrastructure, industry and trade as well as the financial sector.
- If the government with the help of the vibrant private sector work hand in hand Bangladesh will be able to recover its economic momentum despite the pandemic, the DCCI President said.
- The country should focus on increased revenue collection for development as well as needs to facilitate and incentivise businesses.

<https://thefinancialexpress.com.bd/economy/stakeholders-for-economic-recovery-guideline-in-budget-for-fy22>

International

USAID to launch \$17m project in Bangladesh to promote growth through energy

The Business Standard, April 10, 2021

- This multi-year initiative will work to expand Bangladeshis' access to affordable clean energy, support clean energy entrepreneurship, foster transparent and efficient energy markets, and advance innovation
- USAID will soon launch a multi-year project of up to \$17 million in Bangladesh, called "Bangladesh Advancing Development and Growth through Energy" (BADGE), subject to the availability of funds.
- During his April 5-9 visit to India and Bangladesh, US Special Presidential Envoy for Climate John Kerry highlighted several new initiatives from the US Agency for International Development (USAID) in India and Bangladesh that will help combat climate change by expanding access to clean energy, strengthening climate-resilient infrastructure, and promoting clean energy entrepreneurship.
- USAID and the DFC are partnering with U.S.-based Encourage Capital and two Indian non-banking financial companies, cKers Finance and women-owned Electronica Finance Limited, on this important initiative.
- Special Presidential Envoy Kerry also highlighted that USAID will award up to \$9.2 million to support the Coalition for Disaster Resilient Infrastructure (CDRI), hosted by the Government of India.
- USAID will support the CDRI to develop and share innovations, policy recommendations, and best practices in developing disaster and climate resilient infrastructure worldwide in order to help countries incorporate best practices into their infrastructure planning and foster partnerships between governments and the private sector to expand disaster and climate resilient infrastructure.

<https://www.tbsnews.net/bangladesh/energy/usaaid-launch-17-million-project-bangladesh-promote-growth-through-energy>

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