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Stock Market & Company

Stocks fall for third day as profit booking continues

The Daily Star, October 14, 2021

- The domestic stock market dropped for a third consecutive day as shaky investors continued to book profits following a recent upsurge in share values, according to market analysts. After facing corrections in the two preceding trading sessions, the market started slow yesterday with investors selling off their stakes in major sectors, International Leasing Securities said in its daily review.
- The investors were in a selling mood as the International Monetary Fund (IMF) recently cut its economic growth forecast for Bangladesh to 6.5 per cent for the current fiscal year. The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), fell by 65 points, or 0.89 per cent, to 7,248 yesterday. Similarly, the blue-chip index, DS-30, fell 32 points, or 1.17 per cent, to 2,717.
- Eastern Insurance topped the gainers list, rising 9.98 per cent, followed by NRB Commercial Bank, Janata Insurance, Reliance Insurance, and Global Insurance.
- Among major sectors, general insurance, life insurance, and the food and allied products sectors experienced price appreciation while the cement and non-bank financial institution sectors faced correction, according to UCB Stock Brokerage.
- Turnover of the Dhaka bourse advanced 4 per cent to Tk 1,952 crore, up from Tk 1,863 crore a day earlier. Stocks of Fortune Shoes traded the most, worth Tk 182 crore, followed by LafargeHolcim Bangladesh, IFIC Bank, Orion Pharmaceuticals, and Beximco Limited. Far East Knitting shed the most, falling 7.39 per cent, followed by Tung Hai Knitting, Indo-Bangla Pharmaceuticals, LafargeHolcim Bangladesh, and Desh Garments.
- The Chattogram Stock Exchange also fell yesterday as the CASPI, the general index of the port city bourse, dropped 176 points, or 0.82 per cent, to 21,183.

SECTORAL RETURN OF DSE	
Company	Rise/fall (in %)
General Insurance	3.42
Life Insurance	1.60
Bank	0.01
Pharma	-1.40
Fuel and power	-1.60
Engineering	-1.61
Textile	-2.06
NBFI	-2.19

SOURCE: UCB STOCK BROKERAGE



<https://www.thedailystar.net/business/economy/stock/news/stocks-fall-third-day-profit-booking-continues-2197961>

Paramount Textile rises 'abnormally'

The Financial Express, October 13, 2021

- Share price of Paramount Textile rose 'abnormally' though there was no undisclosed price sensitive information (PSI) behind the price hike. The company's share price rose 42 per cent or Tk 27 to close at Tk 91.20 on Monday from the price observed on September 20 last.
- In response to a DSE query dated October 12, 2021, the company has informed that there is no undisclosed PSI for the recent unusual price hike and increase in the volume of shares. The company's share price, however, saw price correction in the last two sessions and closed at Tk 88.20 each on Wednesday.

<https://thefinancialexpress.com.bd/stock/paramount-textile-rises-abnormally-1634184382>

Bank Asia awards DPO Entrepreneurs

The Business Standard, October 13, 2021

- Bank Asia recently conferred 10 Digital Post Office (DPO) entrepreneurs with Banking Trainer Award. Directorate of Post Director General Md Siraz Uddin was the chief guest of the handover ceremony held at Dak Bhaban, Agargaon, said a press release.
- Bank Asia Managing Director and President Md Afran Ali chaired the programme where Head of Post Office Banking Quazi Mortuza Ali, along with other high officials from Bank Asia and Directorate of Post were present.

<https://www.tbsnews.net/economy/banking/bank-asia-awards-dpo-entrepreneurs-315478>

Tanners turn around on global price hikes

The Business Standard, October 14, 2021

- The tannery industry in Bangladesh has overcome a pandemic-induced slowdown riding on price hike of leather and leather goods in the international market. The industry insiders said most leather and leather goods exporting countries had to raise the prices of their products due to an increase in the costs of raw material and shipping.
- But Bangladeshi exporters enjoyed a cost advantage because they had a big stock of raw materials and offered a competitive price to foreign brands.
- In fiscal 2020-2021, the country's leather and leather goods exports rose 19% to \$569.88 million; of which, leather export increased 21%, leather products 14%, and leather footwear 19%.
- The positive trend of export still keeps going in the current fiscal year. In the July-September quarter, the total export by the tannery industry rose 21% to \$271.34 million and it reached the pre-pandemic level.
- The country's footwear export leader Apex Footwear Limited reported slight growth in revenue to Tk1,187 crore in the last fiscal year. Its net profit grew 67% to Tk10.53 crore.
- According to the Dhaka Stock Exchange (DSE), six companies are listed from the tannery sector. On the recovering hope, Fortune Shoes' share price jumped 500%, Samata Leather 76%, Bata 67%, Legacy Footwear 49%, Apex Footwear 45%, and Apex Tannery 37% in the last six months.



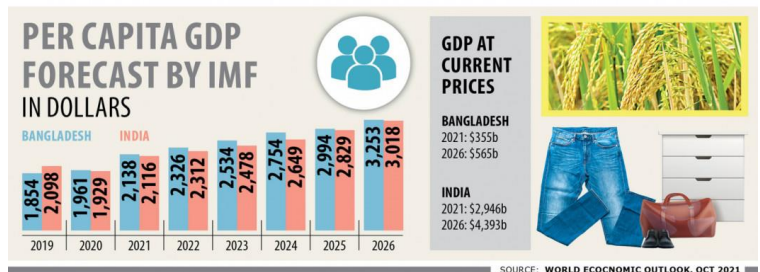
<https://www.tbsnews.net/dropped/industry/tanners-turn-around-global-price-hikes-315637>

Economy & Industry

Bangladesh keeps outrunning India in per capita GDP race

The Daily Star, October 14, 2021

- Bangladesh is forecast to remain ahead of India in terms of per capita gross domestic product (GDP) in the next five years to 2026 powered by buoyancy in remittance, exports and agricultural activities.
- With \$355 billion, Bangladesh, the second-biggest economy in South Asia, first overtook India in 2020 in terms of per capita GDP, a measure of the economic prosperity of a nation, thanks to its more than 6 per cent annual economic expansion for the last 15 years.
- India, one of the main economic powerhouses in Asia, saw its economic output decline to \$2,660 billion in 2020 as it suffered a severe setback from the crisis. As such, its per capita GDP declined to \$1,929 from \$2,098 in 2019, according to the World Economic Outlook database of the International Monetary Fund (IMF).
- Last year, the IMF projected that per capita GDP for India was likely to grow to \$2,030 in 2021, and Bangladesh's per capita GDP would grow by 5.4 per cent to \$1,990. This meant that the country's achievement would be short-lived.
- But on Tuesday, the lender forecast that Bangladesh's per capita GDP would accelerate to \$2,138 this year, and India's to \$2,116. And Bangladesh will continue outrunning India for the next five years as well.
- The IMF said India's economy rebounded by 9 per cent in 2021. Yet, the growth is not going to enable India to surpass its close neighbour in terms of per capita economic output.

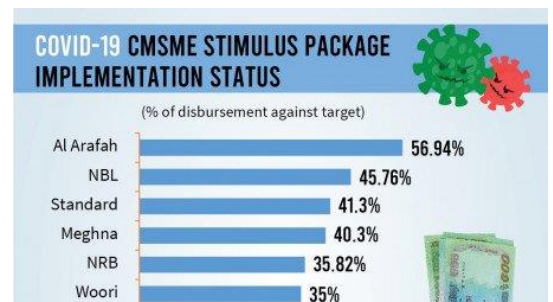


<https://www.thedailystar.net/business/economy/industries/news/bangladesh-keeps-outrunning-india-capita-gdp-race-2197991>

BB to recognise 17 banks, NBFIs for meeting CMSME loan disbursement targets

The Business Standard, October 13, 2021

- Bangladesh Bank (BB) has decided to recognise 17 banks and non-bank financial institutions (NBFIs) that have met their Covid-19 stimulus loan disbursement targets in the cottage, micro, small, and medium enterprise (CMSME) sector.
- The central bank authorities will hand over honorary certificates to the managing directors of these banks in recognition of their efforts. The function will be held on 20 October at Bangladesh Bank premises. Among the awardees, there are 13 banks and four financial institutions.
- Agrani Bank, Bangladesh Krishi Bank (BKB), Rajshahi Krishi Unnayan Bank (RAKUB), United Commercial Bank Limited (UCBL), Premier Bank, Uttara Bank, Prime Bank, Mutual Trust Bank, Madhumati Bank, Bank Asia, Commercial Bank of Ceylon, Eastern Bank and BRAC Bank are among the banks to be certified.
- The non-bank financial institutions (NBFI) to be certified by Bangladesh Bank are IPDC, IDLC, Lankabangla and United Finance. According to central bank officials, the banks and financial institutions whose loan disbursement targets were more than Tk10 crore were selected for the awards.
- The central bank stated that these recognitions are being given to encourage other banks and financial institutions to lend to small borrowers.



<https://www.tbsnews.net/economy/bb-recognise-17-banks-nbfis-meeting-cmsme-loan-disbursement-targets-315445>

International

Asian traders move cautiously

The Daily Star, October 14, 2021

- Asian markets were mixed Wednesday as investors awaited key US inflation data that could play a major role in the Federal Reserve's plans to tighten monetary policy, while concerns over a global energy crunch also jangled nerves.
- With the world's top economy well on the recovery track, the US central bank has already signalled it will begin to wind back the massive financial support put in place at the start of the pandemic. But supply chain bottlenecks, surging demand fuelled by reopenings and spiking fuel costs have sent inflation soaring in recent months, putting pressure on bank chiefs to act to prevent prices from running out of control.
- An extended period of higher-than-targeted inflation is ramping up expectations that the Fed will have to lift interest rates after it has finished tapering its massive bond-buying programme.
- And some analysts are now suggesting the first hike could come as soon as mid-2022, well before the early 2023 originally predicted. The prospect of higher borrowing costs has put the brakes on a rally across global markets that has run for about a year and a half.
- The upcoming earnings season is also being nervously watched for an idea about the impact on company profits from trade bottlenecks and rising inflation, with forecasts for the fourth quarter of particular interest. Tokyo, Sydney, Manila and Taipei edged down, though there were gains in Seoul, Singapore, Mumbai, Jakarta and Wellington. Hong Kong was closed because of a typhoon in the city.
- Shanghai rose after better-than-forecast export data and ahead of Thursday's release of China's inflation readings, with prices in the world's number two economy also sharply higher.

<https://www.thedailystar.net/business/global-economy/news/asian-traders-move-cautiously-2197921>

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