

Stock Market

Stocks crash-land, DSEX hits 30-month low as panic spreads

- Dhaka stocks crash-landed on Monday with key index hitting a 30-month low as panic-stricken investors continued selling shares over People's Leasing and Financial Services (PLFS) liquidation move and Grameenphone's financial declaration.
- DSEX, the key index of Dhaka Stock Exchange, plunged by 1.69 %, or 88.01 points, to close at 5,091.48 points on Monday. The index on the day hit its lowest in two and a half years since January 1, 2017 when the DSEX was at 5,083.89 points.
- The DSEX shed 330 points in last 12 sessions and investors lost around BDT 21,000 crore. The average share prices of all the sectors lost on Monday. The share prices of telecommunication, NBFI, textile and bank slumped by 5.85 %, 2.99 %, 2.40 % and 0.69 % respectively.
- Out of the 353 scrips traded on the day, 303 declined, just 37 increased and 12 remained unchanged. Turnover on the bourse dropped to BDT 306.06 crore on Monday from BDT 354.04 crore in the previous session as investors preferred to be on the sidelines to observe the situation.
- DS30, the blue-chip index of DSE, shed 1.87 %, or 34.75 points, to close at 1,818.52 points. DSE's Shariah index DSES decreased by 2.04 %, or 24.38 points, to close at 1,166.36 points. Grameenphone led the turnover chart with its shares worth BDT 12.32 crore changing hands.
- Monno Ceramic Industries, Fortune Shoes, Square Pharmaceuticals, JMI Syringe, United Power Generation Company, Federal Insurance Company, National Life Insurance, Runner Automobiles and Singer Bangladesh were the other turnover leaders.
- SEML FBLSL Growth Fund gained the most on the day with a 9.32-% increase in its share while Bangladesh Industrial Finance was the worst loser, shedding 10 %.

<http://www.newagebd.net/article/78598/stocks-crash-land-dsex-hits-30-month-low-as-panic-spreads>

Sea Pearl Beach makes trading debut today

The Financial Express, July 16, 2019

- Sea Pearl Beach Resort & Spa Ltd. makes its share trading debut under 'N' category on both the bourses today (Tuesday), officials said. The Sea Pearl Beach, the owner of "Royal Tulip Sea Pearl Beach Resort & Spa in Cox's Bazar", is a luxury hotel in Bangladesh, which started commercial operation on September 17, 2015.
- The Sea Pearl Beach Resort raised a fund worth BDT 150 mn from the capital market by floating 15 mn ordinary shares at a face value of BDT 10 each using the fixed-price method. The subscription for shares of the company by the eligible investors through electronic subscription system was held between April 23 and May 06.
- As per un-audited financial reports, the company's profit after tax was BDT 61.06 mn and basic EPS of BDT 0.61 for the nine months (July 2018- March 2019) against profit after tax of BDT 39.65 mn and basic EPS of BDT 0.67 for the same period of the previous year.

- Pre-IPO net asset value (NAV) per share (considering Pre-IPO paid-up shares) would be BDT 11.09 as on 31 March 2019 and the same would be BDT 10.95 (considering Post-IPO paid-up shares). Banco Finance and Investment Ltd and Prime Bank Investment Ltd are jointly working as the issue manager for the IPO process.

<http://thefinancialexpress.com.bd/stock/sea-pearl-beach-makes-trading-debut-today-1563251946>

Baraka Shikalbaha Power starts commercial operation

The Financial Express, July 16, 2019

- The Baraka Shikalbaha Power Limited (BSPL) started commercial operation of its 105 mw HFO-fired IPP power plant situated at Shikalbaha in Chattogram.
- BSPL is a 51 % subsidiary of Baraka Patenga Power Limited, where Baraka Power Limited has directly invested in 20 % equity and through cross holding aggregately holds 46.01 % ownership, said an official disclosure on Sunday.
- The company informed that Bangladesh Power Development Board (BPDB) has declared dated July 11, 2019 on the commercial operation date (COD) of the plant with dependable capacity of 105 MW with effect from May 24, 2019.
- BSPL signed a power purchase agreement with the state-owned Bangladesh Power Development Board (BPDB) on August 19, 2018, said the disclosure. As per the agreement, the IPP plant implemented on a Build, Own, Operate (BOO) basis and the term is 15 years from the Commercial Operation Date (COD).
- Baraka Power Limited, an 'A' category company, was listed on the local stock exchanges in 2011. The power sector company's consolidated earnings per share (EPS) stood at BDT 1.27 for July 2018-March 2019 as against BDT 1.37 for July 2017-March 2018.
- The consolidated net operating cash flow per share (NOCFPS) was BDT 0.88 for July 2018-March 2019 as against BDT 3.78 for July 2017-March 2018. The consolidated net asset value (NAV) per share was BDT 17.73 as on March 31, 2019 and BDT. 18.80 as on June 30, 2018.

<http://thefinancialexpress.com.bd/stock/baraka-shikalbaha-power-starts-commercial-operation-1563164948>

GP's profit falls despite record revenue

The Daily Star, July 15, 2019

- Grameenphone raked in BDT 3,603.82 crore in revenue in the April-June period this year, the highest in a single quarter, driven by growth in voice and data usage due to improved network. The receipts in the second quarter of the year were up 10.63 % year-on-year.
- However, the mobile phone operator's profit declined 8.12 % to BDT 955.28 crore in the quarter, according to its financial statement published yesterday. Earnings per share stood at BDT 7.07. A board meeting of the operator on Sunday decided to declare 90 % interim cash dividend.
- Data revenue grew more than 18 % to BDT 720 crore. Each internet user now uses 1.5 GB data on an average every month, up from 986MB a year ago. At the end of June, 52.8 % of its total subscribers were using internet services. The market leader has 84 lakh active 4G users.

- In the last three months, GP invested BDT 380 crore for network coverage and installed 1,560 new 4G sites. On Dhaka Stock Exchange yesterday, the share of GP, the lone listed mobile phone operator in the market, traded between BDT 241 and BDT 253.4, before closing at BDT 252.2.

<https://www.thedailystar.net/business/telecom/news/gps-profit-falls-despite-record-revenue-1772089>

Paramount Textile to buy brand new machinery

The Financial Express, July 16, 2019

- The board of directors of Paramount Textile has decided to purchase some brand new capital machinery from abroad worth nearly BDT 117 mn, said an official disclosure on Sunday. The textile company will purchase the machinery due to enhancement and replacement of machinery of the company for increasing existing production capacity under the credit facilities of Pubali Bank, said the disclosure.
- The specifications of the machinery are --- Stenter Frame Range (China) and Sanforizing Machine (Italy). Total price of the machinery is US\$ 1,000,000 and euro 340,000 respectively which is equivalent nearly BDT 117 mn.
- Paramount Textile's shares on Sunday traded between BDT 59.80 and BDT 62.20 each on the DSE, before closing at BDT 61.10, gaining 0.49 % over the previous session. In the last one year, its share traded between BDT 52.10 and BDT 75 each. The company disbursed 7.0 % cash and 5.0 % stock dividend for the year ended on June 30, 2018.
- The company has reported earnings per share (EPS) in nine months for July 2018-March 2019 of BDT 2.12 as against BDT 1.20 for July 2017-March 2018. The net operating cash flow per share (NOCFPS) was BDT 3.43 for July 2018-March 2019 as against BDT 1.64 for July 2017-March, 2018.
- The net asset value (NAV) per share was BDT 21.23 as on March 31, 2019 and BDT 19.79 as on June 30, 2018. The company made a substantial growth in revenue. EPS, NAV per share and NOCFPS due to BMRE expansion and capacity enhancement made earlier in the company, company officials said.

<http://thefinancialexpress.com.bd/stock/paramount-textile-to-buy-brand-new-machinery-1563164750>

Economy

BPC moves closer to securing \$1.2b costlier ITFC loan

The Financial Express, July 16, 2019

- The state-run oil marketing arm BPC is set to receive a costlier loan of US\$ 1.20 bn from the International Islamic Trade Finance Corporation (ITFC) to import petroleum products in the calendar year 2020. Officials said the Bangladesh Petroleum Corporation (BPC) negotiated the loan at an interest rate of 4.50 %, which the ITFC calls a mark-up rate.
- The rate is higher by 0.70 % from the mark-up rate of 3.80 % of the calendar year 2017. The ITFC is an autonomous entity within the Islamic Development Bank Group created with the purpose of advancing trade to improve the economic condition and livelihood of people across the Islamic world.

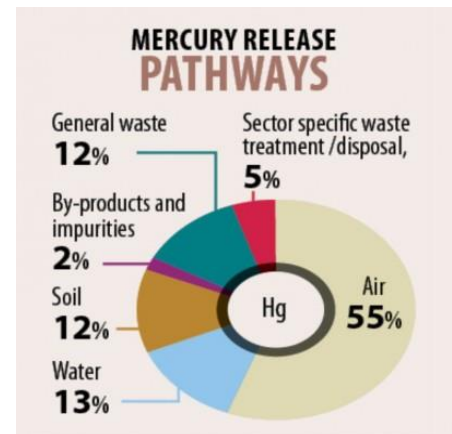
- A high-powered delegation of the state-run agency BPC met in a meeting with the ITFC on June 24-25 last at Jeddah in the Kingdom of Saudi Arabia (KSA). In the meeting they agreed to receive the loan to the tune of US\$ 1.2 bn (1200 mn) from the ITFC.
- The amount of loan and the rate of interest were fixed in the meeting. The tenure of the loan is six months from the date of the corresponding disbursement and the rate of interest is 4.50 %, including administrative fee annually.

<http://thefinancialexpress.com.bd/trade/bpc-moves-closer-to-securing-12b-costlier-itfc-loan-1563249400>

Mercury pollution poses big threat

No guidelines yet for safe management, disposal of mercury in various products despite environmental, health concerns
The Daily Star, July 15, 2019

- Over the years, Bangladeshi stomachs have got accustomed to so many different polluting agents like fertiliser, melamine, formalin and carbide. And the list goes on and on. The most recent addition to this is heavy metals and a member of this family is mercury.
- An environment department study says mercury, found in thermometers, makeup items such as mascara and skin whitening creams, and used as a regular dental amalgam, has made it to our food. Already, it has a worrisome presence in the air we breathe.
- Yet Bangladesh has no specific guidelines regarding the management of mercury in products, or how to safely manage the use of products and equipment that have mercury.



<https://www.thedailystar.net/frontpage/news/mercury-pollution-poses-big-threat-1772053>

Retaining EU GSP: BD moves to comply with REX certification system

The Financial Express, July 16, 2019

- Bangladesh has initiated a move to comply with the European Union's (EU) Registered Exporter (REX) certification system of origin of goods to retain the GSP (generalised system of preference) facility there, officials said.
- The REX system is based on principle of self-certification by exporters, who will issue statements on origin to themselves, according to the EU official website.
- The global transition period from the current system of origin certification to the REX system started in 1st January 2017, and will last until 30th June 2020, according to the EU.
- Once included in the database, an economic operator will become a 'registered exporter'. The REX system will eventually fully replace the current system, based on certificates of origin - issued by the governmental authorities, and on invoice declarations made out by economic operators.

- Currently, Bangladesh enjoys duty-free facility in exporting goods to the EU under its EBA (everything but arms) scheme. More than 60 % of Bangladeshi goods are exported to the EU. The country fetched US\$ 40.53 bn from exporting goods in the just concluded fiscal year, 2018-19, according to official data.

<http://thefinancialexpress.com.bd/trade/retaining-eu-gsp-bd-moves-to-comply-with-rex-certification-system-1563255442>

International

Sri Lanka's tourism firms struggle after attacks

New Age, July 14, 2019

- Pearl Divers, a diving school on one of Sri Lanka's most popular southern beaches, shut shop for two months after suicide bombers attacked churches and hotels on the island on Easter Sunday, killing about 250 people. It had no customers as tourists cancelled holidays, and its manager Nuwan Harshana says he took two months leave and a pay cut.
- Last week, he dusted off the diving equipment and boats, used to carry scuba enthusiasts off the shore of Unawatuna beach, in the hope that foreigners will start to trickle into the country again and the shop can slowly build back to the \$800 a day in revenue it made before the attacks.
- The economy of Sri Lanka, a sun-drenched island in the Indian Ocean, depends heavily on the \$4.4 bn tourism industry. Small businesses like Pearl Divers have been on the rise since the nation's civil war ended in 2009 and tourists poured in.
- But after the bombings in April, tourist arrivals slumped 70 % in May and 57 % in June from a year earlier. Many small businesses, that employ thousands, are now either forced to lay off staff or have them work for minimal pay.
- This is already having a domino effect on the economy, further hitting consumer demand. The government has introduced a series of measures to boost tourism, including lowering airport charges, cutting taxes on jet fuel and pushing hotels to offer discounts. It is planning to relax visa rules for residents of a number of countries.

<http://www.newagebd.net/article/78615/sri-lankas-tourism-firms-struggle-after-attacks>

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