

Stock Market

Stocks inch up ahead of Mustafa's meeting with stakeholders

New Age, September 16, 2019

- Dhaka stocks on Sunday inched up for the second session amid cautious trading ahead of finance minister AHM Mustafa Kamal's meeting with the capital market stakeholders today. DSEX, the prime index of the Dhaka Stock Exchange, advance by 0.16 %, or 8.33 points, to close at 4,942.23 points on Sunday, after gaining 0.71 points in the previous session.
- Although the DSEX ended in positive zone, the overall market scenario continued to be gloomy amid concern over the liquidity crisis in the financial market due to the government's move to divert funds from state-owned enterprises to national exchequer.
- Besides, some institutional investors remained cautious following Bangladesh Securities and Exchange Commission's decision taken on Thursday to punish at least 10 investors for manipulating share prices of 12 companies. As a result, turnover on the bourse dropped to BDT 317.08 crore on Sunday from BDT 405.1 crore in the previous session.
- Out of the 12 companies, share prices of 10 companies dropped on the day with Monno Ceramics and Monno Stafflers hitting the lowest level for the day. Average share prices of food, textile and pharmaceuticals dropped by 1.59 %, 0.84 % and 0.42 % respectively.
- DS30, the blue-chip index of the DSE, shed 0.21 %, or 2.54 points, to close at 1,738.93 points. DSE Shariah index DSES gained 0.10 %, or 1.86 points, to close at 1,154.24 points. Global Insurance gained the most on the day with a 10-% increase in its share prices Al-Haj Textile Mills was the worst loser, shedding 9.99 %.

<http://www.newagebd.net/article/84668/stocks-inch-up-ahead-of-mustafas-meeting-with-stakeholders>

Ring Shine Textiles to hold IPO lottery draw October 1

The textile company to allocate 150m ordinary shares

The Financial Express, September 16, 2019

- Ring Shine Textiles is set to hold initial public offering (IPO) lottery draw on October 01 to allocate 150 million ordinary shares among the successful applicants, officials said. The lottery draw of the textile company will be held at 10:00am at the Institute of Engineers, Bangladesh (IEB) in Dhaka.
- After the lottery draw, IPO result will be published on the websites of Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and the company. The Ring Shine Textiles raised a fund worth BDT 1.50 billion from the capital market by floating 150 million ordinary shares at a face value of BDT 10 each using the fixed price method.

<http://thefinancialexpress.com.bd/stock/ring-shine-textiles-to-hold-ipo-lottery-draw-october-1-1568526892>

Non-listed insurance companies must enter capital market by December'

The Financial Express, September 16, 2019

- The minister came up with the statement on Sunday while talking to the reporters after attending a meeting on the country's insurance sector at the NEC Conference Room in the city's Sher-e-Bangla Nagar.
- Insurance Development Regulatory Authority (IDRA) Chairman Md Shafiqur Rahman Patwari, Financial Institution Division Senior Secretary Md Ashadul Islam, Bangladesh Insurance Association (BIA) President Sheikh Kabir Hossain and managing directors and CEOs of the insurance companies attended the meeting.
- The finance minister said the BIA has demanded of the government to keep every building and flat under the coverage of insurance side by side introducing accident insurance.
- According to the IDRA, there are some 78 insurance companies in the country including 32 life insurance companies and 46 non-life insurance companies. The country's insurance sector witnessed an overall investment of Taka 369.35 billion in 2018 with a 3.20 % growth.

<http://thefinancialexpress.com.bd/stock/non-listed-insurance-companies-must-enter-capital-market-by-december-1568561546>

Economy

Banks asked to update sacked officials' info in Bangladesh Bank database regularly

New Age, September 16, 2019

- Bangladesh Bank on Sunday asked banks to update regularly with the BB's database the information of the bank officials who had been sacked for their involvement in corruption, irregularity and immorality.
- BB, in a circular issued on the day, said that information about punishment of bank officials were stored in the database — Corporate Memory Management System that was launched in 2015 with a view to implement the prime minister's instructions on National Integrity Strategy.
- The banks were instructed to update the CMMS database of central bank within three days of dismissal of any of their officials with proof of punishment.
- In case of relaxation or waiver from the punishment by any court or any competent authority, the banks were also instructed to inform the central bank for the removal of the individual's information from CMMS database.

<http://www.newagebd.net/article/84666/banks-asked-to-update-sacked-officials-info-in-bangladesh-bank-database-regularly>

Unfair competition makes goods 70pc costlier: analysts

The Daily Star, September 15, 2019

- People in Bangladesh spend 70 % more than the actual price of the basic commodities because of the absence of a fair competition in the market, an economist said yesterday.

- According to the economist, competition boosts overall growth in the long run, benefiting the lower income households further. In Bangladesh it is possible to boost the economic growth by at least 2 % every year if the competition policy is applied properly and the social benefits for the marginalised groups are increased.

<https://www.thedailystar.net/business/news/unfair-competition-makes-goods-70pc-costlier-analysts-1800583>

International

Global spare oil capacity in US hands after Saudi outage

New Age, September 16, 2019

- An attack on Saudi oil facilities on Saturday is believed to have disrupted half the country's production capacity, making the United States the only real holder of the global supply cushion via its ability to raise own output or to soften sanctions against other major oil producers.
- Saudi Arabia has yet to comment on the extent of damage on its oil production but industry sources have said some 5-6 million barrels per day (bpd) or 5-6 % of global supply have been affected. Saudi Arabia, the Organisation of the Petroleum Exporting Countries' de-facto leader and largest producer, has been long seen as the custodian of the world's spare oil capacity.
- Spare capacity is the extra oil a producing country can bring onstream and sustain at short notice, providing global markets with a cushion in the event of natural disaster, conflict or any other cause of an unplanned supply outage.
- The United States has briefly overtaken Saudi Arabia as the world largest crude exporter this year, only a few years after removing a ban on oil exports because of large needs at home as the world's largest oil consumer.
- Analysts have repeatedly underestimated US output growth gains with the country now producing around 15 % of global supply. Besides the United States, the only countries which have significant spare capacity are Iran and Venezuela.
- Both are subject to US sanctions and have seen their exports reduced to a trickle over the past year as US President Donald Trump has tightened sanctions. Iran has seen its exports falling by over 2 million bpd since the sanctions have been imposed and Venezuela have seen its exports plummeting too.

<http://www.newagebd.net/article/84672/global-spare-oil-capacity-in-us-hands-after-saudi-outage>

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