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## Stock Market & Company

### Stocks bounce back after single-day break

The Financial Express, November 15, 2021

- Stocks bounced back in the gaining streak on Monday, after a single-day break, thanks to the increased participation of investors. Finally, DSEX, the prime index of the Dhaka Stock Exchange (DSE), went up by 11.29 points or 0.16 per cent to settle at 6,941, after losing over 65 points in the previous day.
- Two other indices also edged higher with the DSE 30 Index, comprising blue chips, gaining 3.55 points to finish at 2,659 and the DSE Shariah Index (DSES) advancing 0.07 point to close at 1,465. Turnover, a crucial indicator of the market, also rose to Tk 14.21, which was 27 per cent higher than the previous day's tally of Tk 11.11 billion.
- Top positive index contributors were BRAC Bank, British American Tobacco, Square Pharma, ICB, and Dutch-Bangla Bank, jointly contributing 30 points rise of DSEX, according to amarstock.com.
- Losers, however, took a strong lead over the gainers, as out of 373 issues traded, 227 declined, 115 advanced and 31 remained unchanged on the DSE trading floor.

Total Trade	Total Volume	Total Value in Taka (mn)
188434	337216026	14213.482
Issues Advanced	Issues declined	Issues Unchanged
115	227	31



- Beximco, which lost 1.83 per cent, was the most traded stock with shares worth Tk 1.94 billion changing hands, followed by BRAC Bank (Tk 871 million), IFIC Bank (Tk 824 million), Orion Pharma (Tk 529 million) and Genex Infosys (460 million). The newly listed Acme Pesticides, which made its shares trading debut on Sunday, was the day's top gainer, rising 10 per cent while National Feed Mills was the worst lower, losing 9.91 per cent.
- The Chittagong Stock Exchange (CSE) also edged higher with the CSE All Share Price Index – CASPI – rising 29 points to settle at 20,323 and the Selective Categories Index – CSCX, gaining 19 points to close at 12,215.

<https://thefinancialexpress.com.bd/stock/stocks-bounce-back-after-single-day-break-1636970772>

## BSEC scraps margin loan facilities based on index

Newage, November 15, 2021

- The Bangladesh Securities and Exchange Commission on Monday scrapped index-based margin loan facilities and allowed stockbrokers and merchant banks to provide maximum 80 per cent of investors' deposits as margin loans.
- The BSEC on the day issued a directive in this regard to set margin loan ratio at 1:0.8 for shares of a company having price earnings ratio below 40. It means that investors will get maximum Tk 80 as margin loans against their Tk 100 deposits for any marginable company.
- The directive repealed the previous directive in which it had said that clients would get the maximum 80 per cent of their deposits as margin loans if the DSEX index remained below 8,000 points and 50 per cent of their deposits as margin loans if the index crossed 8,000 points.
- Earlier on September 30, 2020, the BSEC introduced the index-based margin loan facilities to reduce risk of new investors from overvaluation of stocks on the market as borrowers' risks increased with a surge in the index.

<https://www.newagebd.net/article/154769/bsec-scraps-margin-loan-facilities-based-on-index>

## Closure of 2 power plants hits Orion Pharma's profits in Q1

Newage, November 15, 2021

- Orion Pharma Limited witnessed a sharp fall in profit in July to September period due to the closure of its two power plants- Orion Power Meghnaghat Limited and Dutch Bangla Power & Associates Limited. The Board of directors of Orion Pharma Limited approved its first-quarter financial statement on Sunday.
- The company in a disclosure to Dhaka Stock Exchange said that profits of Orion Pharma declined in July to September period compared with that in the same period in the previous year due to no revenue generation from the two of their subsidiary companies – Orion Power Meghnaghat Limited and Dutch Bangla Power & Associates Ltd as their contract period had expired.
- However, the contract renewal with BPDB of the two subsidiaries is under process. Earnings per share of Orion Pharma dropped by 63.41 per cent to Tk 0.3 in July to September this year compared with that of Tk 0.82 each in the same period in the previous year.

<https://www.newagebd.net/article/154734/closure-of-2-power-plants-hits-orion-pharmas-profits-in-q1>

## BSEC to extend time-frame for offloading more shares by Berger, ICB, Walton Hi-Tech

The Financial Express, November 16, 2021

- Three large-cap companies including Berger Paints Bangladesh are set to be offered with time extension to offload more shares in a bid to avert negative impact on market prices. The Bangladesh Securities and Exchange Commission (BSEC) has decided to consider a time extension after bilateral discussions recently held with the companies.
- Apart from the Berger, Investment Corporation of Bangladesh (ICB) and Walton Hi-tech Industries are required to offload more shares. Asked, the BSEC chairman Prof. Shibli Rubayat Ul Islam said the companies' share prices will decline leaving a negative impact on the market if more shares are offloaded at a large scale.
- "The companies sat with us and we have asked them to offload shares slowly. The companies will be offered with an extended time-frame to offload more shares," Mr Islam said. The BSEC chairman, however, said the timeframe which will be extended is yet to be defined.

- Presently, ICB has 3.19 per cent free float shares, Berger 5.0 per cent and Walton 0.97 per cent in the market. As per the BSEC order, the ICB is required to offload at least 6.81 per cent, Berger 5.0 per cent and Walton 9.03 per cent more shares.
- On September 13, 2021, the securities regulator asked the companies to offload more shares as a new provision of offloading at least 10 per cent shares was included in the public issue rules. The commission asked the companies to offload maximum 1.0 per cent of the required amount of shares per month and complete the job of share offloading within one year.

<https://thefinancialexpress.com.bd/stock/bsec-to-extend-time-frame-for-offloading-more-shares-by-berger-icb-walton-hi-tech>

## Most listed power generation companies see EPS growth

The Financial Express, November 16, 2021

- Most listed power generation companies in the private sector posted moderate earnings growth in July-September 2021, thanks to higher income from subsidiaries and reduced corporate tax rate.
- Eight companies declared their un-audited financial statements as of Monday. Of them, six booked modest profit growth, one dropped slightly while one incurred losses in July-September, 2021 compared to the same period a year earlier, according to statistics from the DSE.
- The earnings per share (EPS) of Shahjibazar Power Company, Doreen Power Generations & Systems, GBB Power, Energypac Power Generations, Baraka Patenga Power and Baraka Power increased during the period under review.
- The consolidated EPS of United Power Generations & Distributions Company dropped slightly while Khulna Power Company incurred losses. Of the companies, consolidated EPS of Shahjibazar Power rose by 46.89 per cent to Tk 2.13 for July-September 2021, from Tk 1.45 for the same period a year earlier.
- Doreen Power's consolidated EPS also rose to Tk 2.83 for July-September 2021 as against Tk 2.01 for the same period a year ago. Baraka Pategna Power's consolidated EPS rose by 5.60 per cent to Tk 1.13 in July-September 2021, due to higher-income of its own business and its subsidiaries during the period.
- Another power company of the Baraka Group, Baraka Power's consolidated EPS stood at Tk 0.84, an increase of 2.43 per cent, from Tk 0.82 in the same quarter last year. Khulna Power incurred a loss of Tk 0.10 per share in July-September 2021.

### EPS of eight pvt power generation companies

Companies	EPS in Jul-Sept, 2021	EPS in Jul-Sept, 2020	Change in %
Shahjibazar Power	Tk 2.13	Tk 1.45	46.89
Doreen Power	Tk 2.83	Tk 2.01	40.79
GBB Power	Tk 0.35	Tk 0.31	12.90
Energypac Power	Tk 0.49	Tk 0.44	11.36
Baraka Patenga	Tk 1.13	Tk 1.07	5.60
Baraka Power	Tk 0.84	Tk 0.82	2.44
United Power	Tk 5.0	Tk 5.05	-1.0
Khulna Power	Tk (0.10)	Tk 0.91	-----

Source: DSE

<https://thefinancialexpress.com.bd/stock/most-listed-power-generation-companies-see-eps-growth-163703>

## Square Textiles quarterly profits grow 945% as sales, margin jump

The Business Standard, November 15, 2021

- Square Textiles Ltd registered a staggering 945% growth in profit for the first three months of the current fiscal year, thanks to an increase in sales and profit margin. The profit in the July-September period of this year alone was equal to two-thirds of what the listed textile company earned over the entire 2020-21 fiscal year.
- The company's earnings per share (EPS) shot up to Tk2.30 in the quarter, which was only Tk0.22 in the same quarter of 2020 and Tk3.41 over the 2020-21 fiscal year. The profit jump was caused by increased production and price of the yarn it produces, the company said in its disclosure.
- Three weeks ago, while disclosing its annual financial results, the company said due to increased price of raw materials, their cost increased and due to a high local and international demand, price of yarn outgrew the costs. That helped to improve the company's profit margin while it also produced more as the modernisation efforts increased the efficiency of its mill.

<https://www.tbsnews.net/economy/stocks/square-textiles-quarterly-profits-grow-945-sales-margin-jump-330181>

## Bashundhara Paper rebounds following school reopening

The Business Standard, November 15, 2021

- Bashundhara Paper Mills (BPML) – a concern of Bashundhara Group – has bounced back by beating the pandemic shocks in the wake of the reopening of educational institutions across the country. In the first quarter of the current fiscal year, the company registered a 31% growth in profit riding on increased paper sales.
- Besides, sales of its tissues and hygienic products in the local market as well as exports rose significantly during the period. "After the reopening of educational institutions, sales and businesses grew significantly. At the same time, exports also rose," said M Mazedul Islam, company secretary of Bashundhara Paper.
- After an 8% jump in revenue in the 2020-21 fiscal year, Bashundhara Paper Mills posted a 1% growth in revenue year-on-year in the July-September period of this fiscal year. During the first quarter of this fiscal, its revenue stood at Tk199.69 crore, up from Tk198.07 crore in the same period a year ago.
- According to the company's financial statements, its other income rose by 81% to Tk3.94 crore in the first three months of this fiscal year. In FY21, the company registered Tk928 crore in annual revenue, an 8% growth from the previous year's Tk854 crore.

<https://www.tbsnews.net/economy/stocks/bashundhara-paper-rebounds-following-school-reopening-330175>

## Olympic posts 28% decline in quarterly profit

The Business Standard, November 15, 2021

- Olympic Industries Ltd posted a 28% profit drop in the July-September (first) quarter of this fiscal year. The company's earnings per share (EPS) dropped to Tk2.06 in the period, from Tk2.85 in the same quarter of the previous fiscal year.
- The champion in the biscuit market of the country did manage to grow its quarterly sales to over Tk496 crore from less than Tk466 crore in the corresponding quarter of 2020. But a rise in costs of goods sold, understandably due to the commodity price hike, shrank its gross profits to below Tk130 crore, which was more than Tk136 crore a year ago.
- Its operating expenses that include administrative and selling expenses slightly disproportionately increased to over Tk78 crore from Tk66 crore. It had a moderate drop in finance costs and tax expenses in other income and in the fair value of its investment in stocks.
- Finally, its quarterly net profits dropped to Tk41.27 crore from Tk57 crore in the same period a year ago. Earlier, Olympic recommended 54% cash dividends for the 2020-21 fiscal that ended in June. Its annual EPS slightly grew to Tk10.19 from Tk10.13.

<https://www.tbsnews.net/economy/stocks/olympic-posts-28-decline-quarterly-profit-330145>

## Summit shuts 13.5 MW power plant in Chandina

Newage, November 15, 2021

- Summit Power Limited has shut down its Summit Chandina Power Plant Unit -2 from Sunday as its Power Purchase Agreement with the government has expired. The company disclosed the information in Dhaka Stock Exchange website as price sensitive information on Monday.
- 'The Company has also informed that the Power Purchase Agreement of Summit Chandina Power Plant Unit 2 (13.5 MW Gas Fired), one of the power plants of Summit Power Limited, has expired on November 14, 2021,' it said. As the PPA term is over, the plant is in shut-down condition from mid-night of November 14, 2021 until further instruction from Bangladesh Rural Electrification Board or ministry for operation of the Power Plant, it said.

<https://www.newagebd.net/article/154727/summit-shuts-135-mw-power-plant-in-chandina>

## Economy & Industry

### Raise limit for loans from export development fund: BTMA

The Daily Star, November 15, 2021

- Bangladesh Textile Mills Association has requested the Bangladesh Bank to increase their ceiling of loans from the Export Development Fund (EDF) given the price hike of raw materials in the global market. The association sent a letter to the central bank on November 14 requesting it to allow every mill of BTMA to take out loans worth \$40 million from the EDF.
- The banking regulator earlier widened the ceiling to \$30 million in contrast to the previous limit of \$25 million for per mill after the coronavirus hit the country last year. The facility will end December this year.
- Against the backdrop, BTMA requested the central bank to increase the ceiling and continue it until December 2022. The association also demanded to lower the interest rate to 1.75 per cent from that of the existing 2 per cent.
- In October 2020, the central bank lowered the interest rate to 1.75 per cent considering the business slowdown derived from the pandemic, Khokon said. But, it later increased the rate to 2 per cent.

<https://www.thedailystar.net/business/news/raise-limit-loans-export-development-fund-btma-2230616>

### Central bank ends subsidy in fragrant rice export

The Business Standard, November 15, 2021

- The central bank has directed banks to end a 15% cash incentive to fragrant rice exporters. Subsidies for other rice exporters, however, will be continued, the Bangladesh Bank said in a circular issued on Monday.
- The bank did not state any reason for the decision in the circular. The government introduced a 15% cash subsidy last year to rice exporters for the first time in the country's history with the view to encouraging shipment of the surplus grain.
- According to a central bank directive in this regard, in an earlier directive issued on 30 January 2020, the central bank introduced the financial aid offers to rice exporters. Millers, who process rice from locally grown paddy, will be eligible for the cash subsidy on their earnings from export, according to a central bank directive issued at the time.

<https://www.tbsnews.net/economy/central-bank-ends-subsidy-fragrant-rice-export-330127>

## International

### Asian markets rise

The Daily Star, November 16, 2021

- Asian equity markets mostly rose Monday to build on a recent run-up following another healthy showing on Wall Street, though inflation concerns continue to dampen the mood. While optimism about the global economic recovery remains intact, the rise in prices at rates not seen for decades has traders increasingly worried that central banks will have to tighten monetary policy quicker and more sharply than previously thought.
- And data out of the United States last week showing consumer sentiment at a 10-year low indicated that the issue is being felt more in people's pockets, putting pressure on the Federal Reserve to step in.
- However, for now officials are sticking to their view that the inflation spike will be temporary and peter out as supply chain problems are resolved. National Australia Bank's Ray Attrill warned US President Joe Biden -- who is seeing his popularity take a hit because of the issue -- could suffer.
- Still, Wall Street's three main indexes ended last week on a strong note, paring steep losses suffered on Tuesday and Wednesday in reaction to forecast-beating US inflation. Tokyo enjoyed a strong showing after data showing the economy contracted more than forecast in the third quarter raised hopes the government will unveil a huge stimulus programme to stoke a recovery.
- Hong Kong, Sydney, Seoul, Wellington, Singapore, Mumbai, Bangkok and Taipei were also higher but Shanghai, Manila and Jakarta edged down. London opened slightly lower, Paris was flat and Frankfurt rose.

<https://www.thedailystar.net/business/global-economy/news/asian-markets-rise-2230976>

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Bank Asia Securities Limited (BASL) is one of the leading full-service brokerage companies in Bangladesh. The company was formed in 2009 and running its operation as a majority owned subsidiary of Bank Asia Limited. BASL offers full-fledged standard brokerage services for retail, institutional and foreign clients with a dedicated team of skilled professionals. The company is currently providing the brokerage services under the membership of Dhaka Stock Exchange Limited (DSE).

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