

Stock Market

Stocks dip after slight gain

New Age, July 18, 2018

- Dhaka stocks dipped on Tuesday after a slight gain in the previous session amid a decreased turnover due to investors' cautious approach on the trading floor.
- DSEX, the key index of Dhaka Stock Exchange, shed 0.27 %, or 14.43 points, to close at 5,325.48 points after gaining 3.16 points in the previous trading session.
- Despite positive momentum during most of the session, the market ended in the negative territory as investors went for profit-booking share sales in late trading, market operators said.
- They said investors were taking position in sector-specific scrips ahead of their quarterly and year-end disclosures.
- Investors were cautious on the trading floor as the media reported on Tuesday some irregularities at the Bangladesh Bank's vault, they said.
- Turnover on the bourse dropped to BDT 786.05 crore on Tuesday compared with that of BDT 873.68 crore in the previous trading session.
- The market had gained momentum when the bank owners agreed to bring down interest rate to single digit from July 1. But only a few banks have so far implemented the decision.

<http://www.newagebd.net/article/46270/stocks-dip-after-slight-gain>

BSEC okays BDT 25cr IPO of SS Steel

New Age, July 18, 2018

- The Bangladesh Securities and Exchange Commission on Tuesday approved SS Steel Limited's proposal to raise BDT 25 crore from the capital market through initial public offering.
- The company will float 2.5 crore shares at an issue price of BDT 10 each.
- SS Steel will use the IPO proceed to purchase machinery, construct building and meet IPO expenses.
- As per the entity's audited financial statement for the year ended on June 30, 2017, SS Steel's net asset value per share and weighted average earnings per share were BDT 15.35 and BDT 0.82 respectively.
- Citizen Securities and Investment Limited is the issue manager of the company's IPO.

<http://www.newagebd.net/article/46271/bsec-okays-BDT-25cr-ipo-of-ss-steel>

BSEC allows ICB, AIBL to raise BDT 2,500cr floating bonds

New Age, July 18, 2018

- The Bangladesh Securities and Exchange Commission on Tuesday allowed two companies — Investment Corporation of Bangladesh and Al-Arafah Islami Bank Limited — to float subordinated bonds worth BDT 2,500 crore in total.
- The capital market regulator gave the approval in a commission meeting presided over by its chairman M Khairul Hossain.
- As per the BSEC approval, ICB will float non-convertible fixed rate subordinate bond worth BDT 2,000 crore and Al-Arafah Islami Bank will issue non-convertible floating rate subordinated bond worth BDT 500 crore.

- The face value of each unit of Al-Arafah Islami Bank's bonds will be BDT 5 lakh, while the face value of ICB's bonds will be BDT 1 crore each.
- Both of the bonds will be fully redeemable in seven years.
- Only corporate bodies, financial institutions, eligible investors and funds will be allowed to subscribe the bonds through private placement.
- Al-Arafah Islami Bank will fulfil the requirement for Tier II capital base by raising capital through the bond issue while ICB will use the fund in primary and secondary market as a market maker, to invest in trust sector of the government and PPP projects.
- Green Delta Insurance is the trustee and Prime Bank Investment Limited is the mandated lead arranger of the Al-Arafah Bank's bond while ICB capital management Limited is the trustee and Alfa Capital Management and Roots Investment is the mandated lead arranger of the ICB's bond.
- The BSEC at the meeting also approved prospectus of an open-ended mutual fund — EDGE Bangladesh Mutual Fund — with an initial target size of BDT 10 crore.

<http://www.newagebd.net/article/46267/bsec-allows-icb-aibl-to-raise-BDT-2500cr-floating-bonds>

Indo-Bangla Pharmaceuticals

IPO subscription begins July 22 as HC rescinds stay order

The Financial Express, July 18, 2018

- The IPO subscription of Indo-Bangla Pharmaceuticals Limited will start on July 22 and end on July 26 as a stay order in this regard has been rescinded.
- There is no bar to conduct the IPO (initial public offering) subscription as the High Court (HC) has withdrawn its stay order, the issue manager said.
- Earlier, the HC issued the stay order on the company's IPO subscription following a writ petition filed by National Bank Limited (NBL).
- The writ petition was filed as four directors of Indo-Bangla Pharmaceuticals were 'loan defaulters' as guarantors of loans disbursed by the NBL.
- Before the writ petition, the bank had also filed a case with Barishal Artha Rin Adalat against Indo-Bangla Pharmaceuticals Works, previous name of Indo-Bangla Pharmaceuticals, over the non-payment of a loan worth more than BDT 141.50 mn.
- "The HC has withdrawn its stay order as the Indo-Bangla Pharmaceuticals and NBL have reached a consensus about the financial matter," said Mahbub H Mazumdar, managing director of AFC Capital, the issue manager of the IPO.
- The BSEC approved the company's IPO proposal on October 3, 2017 to raise a fund worth BDT 200 mn by issuing 20 mn ordinary shares at an offer price BDT 10 each under the fixed price method.

<https://thefinancialexpress.com.bd/stock/bangladesh/ipo-subscription-begins-july-22-as-hc-rescinds-stay-order-1531888756>

Economy

Nepal seeks lift of Bangladesh's ban on yarn import thru Banglabandha

New Age, July 18, 2018

- Nepal has sought withdrawal of Bangladesh's restriction on yarn import through the Banglabandha land port in Bangladesh saying that the ban was causing financial losses to the Nepalese manufacturers of the product.
- Bangladesh commerce ministry has also requested the National Board of Revenue to consider Nepal's proposal to allow yarn export by the landlocked Himalayan nation through the port in Tetulia of Panchagarh.
- Commerce ministry officials said Nepal had repeatedly been seeking permission for export of yarn, particularly acrylic yarn, to Bangladesh.
- The issue was also discussed at the secretary-level talks between the two countries, they said.
- Commerce secretary Shubhashish Bose sent a semi-official letter to the NBR in this connection, they added.
- On various occasions, Reliance Spinning Mills Ltd, a Nepalese yarn manufacturer, requested Bangladesh foreign minister and Bangladesh ambassador to Nepal for taking necessary steps to relieve the restriction for them.

<http://www.newagebd.net/article/46268/nepal-seeks-lift-of-bangladeshs-ban-on-yarn-import-thru-banglabandha>

International

China confident of hitting 2018 growth target

The Daily Star, July 18, 2018

- China is still confident of hitting its economic growth target of around 6.5 % this year despite views that it faces a bumpy second half as a trade row with the United States intensifies, the state planning agency said on Tuesday.
- The remarks came a day after China reported slightly slower growth for the second quarter and the weakest expansion in factory activity in June in two years, suggesting a further softening in business conditions in coming months as trade pressures build.
- Even after Monday's weaker data and the latest US tariffs, most economists predict Beijing is still likely to come in around its official GDP growth target this year, though some China watchers believe activity levels are already much weaker than official data suggest.
- Yan Pengcheng, spokesman for the National Development and Reform Commission (NDRC), told a news conference that China has ample policy room to deal with any shocks.
- China's economy has already felt the pinch from a multi-year crackdown on riskier lending that has driven up corporate borrowing costs. Policymakers have started to step up support for the economy and may be softening their campaign to reduce a rapid build-up in debt.

<https://www.thedailystar.net/business/china-confident-hitting-2018-growth-target-1606948>

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