

Stock Market

BDT 3,528cr wiped off DSE in a week

The Daily Star, October 18, 2018

- Dhaka Stock Exchange lost BDT 3,528.19 crore, or 0.90%, from its market capitalisation in the last seven working days as institutional investors preferred small-cap and junk stocks over the good ones. The DSEX, the benchmark index of the premier bourse, declined 19.09 points, or 0.35%, finishing the day at 5,380.78. In the last seven trading sessions, it lost 75.03 points.
- Only the Investment Corporation of Bangladesh (ICB), a state-owned investment agency, is continuing to support the market, preventing the key index from falling hugely. The ICB officials said they do not have enough capacity to provide support, so it is going to issue a bond worth BDT 2,000 crore to strengthen its capacity to give the market a leg up.
- The managing director said though the turnover was not bad in the market, most of the money was going to junk stocks or speculative securities. But this investment is not reflected in the key index, he added. Junk stocks topped the list of the highest gainers yesterday as usual. Kay & Que, one of the junk stocks, soared 9.98%, the most gain by any issue on the day, the DSE data showed.
- Other junk stocks such as Dulamia Cotton rose 9.60%, Northern Jute 8.73%, Jute Spinners 7.49% and Meghna Milk 7.10%. Turnover was up 3.8% to BDT 511.44 crore. Some 13.07 crore shares and mutual fund units changed hands. Of the traded issues, 96 advanced, 183 declined and 57 closed unchanged on the premier bourse.
- United Power Generation dominated the turnover chart with 12.19 lakh shares worth BDT 42.89 crore changing hands, followed by Khulna Power Generation, Dragon Sweater and Summit Power Generation. Kay & Que was the day's best performer while Fine Foods was the worst loser, shedding 9.79%

<https://www.thedailystar.net/business/news/BDT-3528cr-wiped-dse-week-1648546>

BSEC lifts trading suspension on Monno Jute Stafflers

New Age, October 18, 2018

- Bangladesh Securities and Exchange Commission on Wednesday lifted suspension on trading of Monno Jute Stafflers' shares sending the company to the spot market.
- BSEC issued an order in this regard on the day. The trading of shares of Monno Jute Stafflers will commence on the spot markets of the Dhaka and Chittagong bourses. Investors will have to buy the company's shares with cash and will not get any financial adjustment facility in transaction of the shares.
- Earlier on August 16, the commission suspended share trading of Monno Jute Stafflers along with two other companies, BD Autocars and Legacy Footwear, 30 days following unusual and astronomical hike in the prices of their shares.
- On October 2, BSEC withdrew suspension on BD Autocars and Legacy Footwear and sent them to the sport market, but the commission extended trading ban on Monno Stafflers by 15 more days which ended on Tuesday. The commission had made the decision of suspension following spat of criticism over lack of its action in reigning in the unusual price hike of the companies.

<http://www.newagebd.net/article/53478/bsec-lifts-trading-suspension-on-monno-jute-stafflers>

BSEC approves MF prospectus

The Financial Express, October 17, 2018

- The securities regulator has approved the draft prospectus of Shanta Amanah Shariah Fund, an open-end mutual fund (MF). The approval came at a meeting at the office of the Bangladesh Securities and Exchange Commission (BSEC) on Tuesday.
- The initial size of the fund will be BDT 300mn. The sponsor will contribute BDT 30mn and the remaining BDT 270mn will be collected through selling the MF units. The offer price of the units of Shanta Amanah Shariah Fund will be BDT 10 each. Shanta Asset Management Limited is the sponsor and fund manager of the Shanta Amanah Shariah Fund. Investment Corporation of Bangladesh (ICB) is working as the trustee and custodian of the fund.

<http://thefinancialexpress.com.bd/stock/bsec-approves-mf-prospectus-1539751093>

City Bank gets new chairman, vice chairman

The Daily Star, October 18, 2018

- City Bank recently saw the election of a new chairman and vice chairman. Both Chairman Aziz Al Kaiser and Vice Chairman Hossain Khaled are sponsor directors of the bank. Kaiser was the bank's vice chairman for five years and in 2007 elected chairman, a post he served till 2011, the bank said in a statement yesterday.
- He is a director of Partex Star Group and chairman and managing director of several Partex Star Group subsidiaries. He is also the chairman of City Bank's subsidiary in Malaysia - CBL Money Transfer Sdn Bhd. Khaled is an executive committee member of the bank's board and convener of its risk management committee. He is the managing director of Anwar Group. Khaled was a former president of the Dhaka Chamber of Commerce & Industry and former president of Entrepreneurs' Organization Bangladesh.

<https://www.thedailystar.net/business/news/city-bank-gets-new-chairman-vice-chairman-1648531>

Board meetings of 24 cos this month to declare div

The Financial Express, October 18, 2018

- At least 24 listed companies are scheduled to hold their board meetings this month to consider, among others, audited financial statements for the year ended on June 30, 2018. The meetings will be held as per the regulation 19 (1) of the Dhaka Stock Exchange (Listing) Regulations, 2015.
- The companies are likely to recommend dividends for the year along with approving their respective audited financial statements. According to DSE information, Investment Corporation of Bangladesh (ICB), Unique Hotel & Resorts and BBS Cables will hold their board meetings on October 23.
- Miracle Industries, Shahjibazar Power Company, Bangladesh Building Systems, Gemini Sea Food and aamra technologies will hold their board meetings on October 24. Titas Gas Transmission & Distribution Company, Hamid Fabrics, RN Spinning, Nurani Dyeing & Sweater, Bd. Thai Aluminium, Metro Spinning, Maksons Spinning Mills and Anlimayarn Dyeing will hold board meetings on October 25.
- Renata, National Polymer Industries, Golden Harvest Agro Industries and Daffodil Computers will hold the board meetings on October 27. Among others, Khan Brothers PP Woven Bag Industries, Khulna Printing & Packaging, Hwa Well Textiles (BD), Global Heavy Chemicals and Anwar Galvanizing will hold the board meetings on October 28.

<http://thefinancialexpress.com.bd/stock/board-meetings-of-24-cos-this-month-to-declare-div-1539835237>

Economy

Bangladesh ranks poorly in global competitiveness index of WEF

New Age, October 18, 2018

- Bangladesh ranks poorly in Global Competitiveness Index of World Economic Forum in 2018 mainly due to inadequate progress in most of its indicators. According to the Global Competitiveness Report-2018 prepared by the WEF, Bangladesh slipped one notch down to 103th position from that of 102th in 2017 among 140 countries.
- Geneva-based WEF on Wednesday globally released the report. Bangladesh's score profile indicates that the country lags behind failing to achieve adequate scores in most of the 12 indicators or pillars of competitiveness.
- Of the 12 indicators Bangladesh fared poorly in nine of them, ranking beyond 100 in each, the report said. They are— institutions, infrastructure, macroeconomic stability, ICT adaption, skills, health, labour market, market size and innovation capacity. The situation improved a little in three areas such as product market, financial system and business dynamism. In these three pillars, Bangladesh managed to remain within 100 in ranking.
- Of these three pillars, market size is ranked at 36th place followed by macroeconomic stability at 88th and health at 96th position. Bangladesh's poorest ranks are in product market development (123th) and business dynamism (120th). Centre for Policy Dialogue, a local partner of WEF for carrying Bangladesh part of the report, released the report at a press conference held at CIRDAP auditorium in Dhaka.
- WEF this year prepared the 2018 edition of the GCI using a new methodology for the measurement of national competitiveness—defined as the set of institutions, policies and factors that determine the level of productivity. The new method has focused more on factors like ICT, innovation, human capital, agility and resilience since the importance of the factors will grow in the fourth industrial revolution era.

<http://www.newagebd.net/article/53475/bangladesh-ranks-poorly-in-global-competitiveness-index-of-wef>

Micro-merchants transact \$18b a year: study

The Daily Star, October 18, 2018

- About 20 lakh people are involved in micro-merchant retail trade in Bangladesh, transacting more than \$18.42 bn a year, according to a United Nations study. The United Nations Capital Development Fund (UNCDF), the UN's capital investment agency for the world's 48 least developed countries, and Dnet, a social enterprise based in Dhaka, published the study report at a programme at the Westin Dhaka hotel yesterday.
- They also launched a web portal, www.microentrepreneursasia.com, where anyone can find data about the country's micro-entrepreneurs who conduct most of their business activities in the form of low-value transactions.
- The UN body undertook the first-ever comprehensive study on retail micro-merchants landscape of Bangladesh this year. It found the retail micro-merchant sector offers great opportunities for innovation such as introduction of digital payments to retail micro-merchants and digitalization of whole supply chains. Md Ashadul Islam, secretary of the financial institutions division under the finance ministry, inaugurated the web portal. He said the portal would act as an enabler of rural development through micro-entrepreneurs.
- The secretary also said the government is prioritizing the inclusion of micro-merchants and other micro, small and medium enterprises in the formal sector to accelerate sustainable and inclusive economic growth. Manfred Fernholz, first secretary of the European Union delegation to Bangladesh, said the country has successfully improved its socio-economic status emerging as a middle-income country.

<https://www.thedailystar.net/business/news/micro-merchants-transact-18b-year-study-1648552>

Bangladesh to push for connectivity, trade deals with Russia

The Financial Express, October 18, 2018

- Bangladesh will press for establishing direct connectivity and trade arrangements with Russia at an upcoming bilateral meeting in Moscow next week, officials said on Wednesday. Both the countries are likely to sign minutes in the first session of Russia-Bangladesh Inter-Governmental Commission on Trade, Economic, Scientific and Technical Cooperation meeting.
- A Bangladesh delegation, headed by Economic Relations Division (ERD) Senior Secretary Kazi Shofiquel Azam, will take part in the session, scheduled to be held on October 22-24. Representatives from commerce, ICT, and science and technology ministries, ERD and Bangladesh Bank will be in the delegation.
- Currently, Bangladesh does not have direct trade arrangement and connectivity with Russia, which affects bilateral trade, business and investment between the countries.
- An ERD official and a member of the Bangladesh delegation told the FE that since Bangladesh has plan to set up 100 special economic zones (SEZs) across the country, the government will request Russia to channelize investment her.
- A senior official said despite having immense potentials market access of Bangladeshi goods in East European states is still very limited. Bangladeshi goods have immense potentials in Russian market. Export of Bangladeshi products to Russia has increased remarkably to US\$ 485.22mn in fiscal year 2017-18 against the country's import of \$ 628.62mn from there. Bangladesh mainly exports apparel items, jute, frozen foods, tea, leather, home textiles and ceramic products to Russia. The country's imports from Russia include cereals, minerals, chemical products, plastic products, metal, machinery and mechanical equipments.

<http://thefinancialexpress.com.bd/economy/bangladesh-to-push-for-connectivity-trade-deals-with-russia-1539834053>

International

Don't mention the oil price: US legal threat prompts change at OPEC

New Age, October 18, 2018

- OPEC has urged its members not to mention oil prices when discussing policy in a break from the past, as the oil producing group seeks to avoid the risk of US legal action for manipulating the market, sources close to OPEC said.
- Proposed US legislation known as 'NOPEC', which could open the group up to anti-trust lawsuits, has long lain dormant, with previous American presidents signalling that they would veto any move to make it law.
- That has made OPEC and its unofficial leader, Saudi Arabia, nervous about what it might mean for NOPEC, or No Oil Producing and Exporting Cartels Act. The decision to refrain from discussing a preferred oil price level — one way the group can guide market expectations — underlines how Trump's aggressive stance on the oil market is unsettling OPEC and testing ties between allies Riyadh and Washington.
- In July, senior OPEC officials attended a workshop in Vienna with international law firm White & Case to discuss the NOPEC bill, and the lawyers advised avoiding public discussion of oil prices and rather talk about the stability of the oil market, two sources familiar with the matter said.
- While chances of the law passing this year appear slim, concerns among OPEC members and other oil producers are growing that it may ultimately get the support of Trump, given his open criticism of OPEC and high oil prices. The OPEC letter came two months before US-Saudi relations were further strained when a Saudi journalist disappeared during a visit to the kingdom's consulate in Istanbul.

<http://www.newagebd.net/article/53470/dont-mention-the-oil-price-us-legal-threat-prompts-change-at-opec>

Disclaimer

This document has been prepared by Bank Asia Securities Ltd (BASL) based on publicly available data for information purpose only and does not solicit any action based on the material contained herein and should not be construed as an offer or solicitation to buy or sell or subscribe to any security. Neither BASL nor any of its directors, shareholders, member of the management or employee represents or warrants expressly or impliedly that the information or data of the sources used in the documents are genuine, accurate, complete, authentic and correct. However, all reasonable care has been taken to ensure the accuracy of the contents of this document. BASL or Research & Development Department will not take any responsibility for any decisions made based on the information herein. As this document has been made for the Traders of BASL and strongly prohibited for circulation to any clients, investors or any other persons from outside of BASL.

About Bank Asia Securities Ltd

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).

BASL Research Team

Mr. SharifulAlam Chowdhury Head of Research & Investments	tushar@basl-bd.com, tusharbd@bloomberg.net
Mr. Shohidul Islam Research Analyst	shohidul@basl-bd.com, shohidulbd@bloomberg.net
TanzinNaher Research Associate	tanzin@basl-bd.com
Mr. Monir Hossain Research Associate	monir@basl-bd.com

BASL Networks

Head Office Hadi Mansion (7th Floor) 2, Dilkusha Commercial Area Dhaka-1000, Bangladesh Phone: +88-02-9515826-28 Fax: +88-02-9567884	Modhumita Extension Office 158-160 Modhumita Building (5th Floor) Motijheel C/A, Dhaka-1000 Phone: +88-01819118893	Dhanmondi Branch Meher Plaza (1st Floor), House # 13/A, Road # 05 Dhanmondi, Dhaka - 1207 Phone: +8802-8624874-5	Mirpur Branch Nishi Plaza, plot # 01, Avenue-04, Section-06, Block-C Mirpur, Dhaka - 1216 Phone: +88-02-9013841
Uttara Branch House # 79/A, (4th Floor), Road # 07, Sector # 04 Uttara Model Town, Dhaka- 1230 Phone: +88-02-8958371	Banani Branch Nur Empori, Plot # 77 (1st Floor), Road No # 11, Banani, Dhaka-1213 Phone: +8801716180767	Khulna Branch 28, Sir Iqbal Road (1st Floor) Khulna Phone: +88-041-731208-9	

For International Trade & Sales, please contact **Mr. Sumon Das, Chief Executive Officer**. Please call at +8801993111666, +880 02 9515826, Ext:101 at Business hour.

For further query, write to us at research@basl-bd.com.