

## Stock Market & Company

### Stocks inch up for 2nd day on recovery hope

New Age, November 19, 2019

- Dhaka stocks gained slightly for the second day on Monday as a section of investors continued with bargain hunting in anticipation of a quick market recovery while many others remained cautious. DSEX, the key index of Dhaka Stock Exchange, inched up by 0.09 per cent, or 4.62 points, to close at 4,722.01 points on Monday after gaining 7.08 points in the previous session.
- The market was choppy throughout the session on Monday and finished the day with a slight gain as investors were active on both sides of the trading fence, market operators said. They said that a section of investors, especially the institutional ones, came forward to invest in undervalued stocks.
- Due to prolonged downward trend, the share prices of most of the companies reached bottom and investors are expecting that share prices of the companies would rebound soon, they said. Many investors, however, remained cautious on the trading floor and hesitated to invest in the ailing market, they said.
- The country's capital market remained bearish in last 10 months that made investors concerned about its immediate recovery.
- Turnover on the bourse increased to BDT 409.61 crore on Monday from BDT 363.68 crore in the previous day. Out of the 350 scrips traded on the day, 135 declined, 156 advanced and 50 remained unchanged.
- National Tubes led the turnover chart with its shares worth BDT 17.43 crore changing hands on the day. Wata Chemical, Asia Insurance, Sonar Bangla Insurance, Dutch-Bangla Bank, Stylecraft, National Polymer, Fortune Shoes, Monno Ceramics and Square Pharmaceuticals were the other turnover leaders.
- BD Autocars gained the most on the day with a 9.94-per cent increase in its share prices while Kohinoor Chemicals Company performed the worst, losing 15.45 per cent.

<http://www.newagebd.net/article/91018/stocks-inch-up-for-2nd-day-on-recovery-hope>

### DSE board okays Ring Shine listing

New Age, November 19, 2019

- The board of directors of Dhaka Stock Exchange on Monday approved listing of Ring Shine Textiles on the bourse. The DSE at a board meeting on Monday made the decision and the management of the bourse will set the debut date for trading of the shares of Ring Shine Textiles.
- Earlier, the DSE urged market regulator Bangladesh Securities and Exchange Commission to thoroughly investigate affairs of Ring Shine Textiles or allowed the bourse to do so.
- The bourse found that Sung Wey Min, managing director of Ring Shine Textiles, is the chairman of Universe Knitting while around two crore placement shares of Ring Shine were issued to Universe Knitting, but the shares were placed under one-year lock-in period.
- The premier bourse wanted to investigate whether there was any existence of Universe Knitting at all. The BSEC did not pay heed to the DSE appeal and imposed a three-year lock-in on those shares held by Sung

Wey. The BSEC also said that Sung Wey did not violate securities rules as the company sent documents related to Universe Knitting and the matter was settled on disclosure basis.

- A section of investors under the banner of Bangladesh Capital Market Investors Association in a letter to authorities on Sunday demanded halting the listing of Ring Shine Textiles and investigating various irregularities of the company.
- The investors said that the company had raised huge amount of capital through placement share issuance, and now it raised another BDT 150 crore that would adversely impact the market. They said the company mentioned in its IPO prospectus that it had paid BDT 9.92 crore as tax but the National Board of Revenue said the company paid only BDT 4.8 crore in tax.

<http://www.newagebd.net/article/91019/dse-board-okays-ring-shine-listing>

## *BTRC-GP AUDIT DISPUTE*

### **No arbitration by ICSID during pendency of hearing: AD**

New Age, November 19, 2019

- The Appellate Division on Monday barred from initiating any process of arbitration by the ICSID over the dispute involving audit claim of BDT 12,579.95 crore by the Bangladesh Telecommunication Regulatory Commission against Grameenphone.
- A four-judge bench chaired by chief justice Syed Mahmud Hossain issued the directive after the BTRC informed the court at a hearing that Telenor Asia sent a notice to the Attorney General of Bangladesh on October 30 for initiating arbitration by the International Centre for Settlement of Investment Disputes over the dispute.
- The ICSID, an international arbitration institution, is part of World Bank Group. The apex court would also give its decision on whether or not it would vacate the High Court's two-month stay on realisation of the dues by the BTRC.
- Grameenphone at a hearing in the Appellate Division on November 14 offered payment of BDT 200 crore out of BDT 12,579.95 crore dues to the BTRC while the commission demanded payment of fifty per cent of the dues.

<http://www.newagebd.net/article/91012/no-arbitration-by-icsid-during-pendency-of-hearing-ad>

## **Regulator blocks Bangladesh Autocars' dividend**

The Daily Star, November 19, 2019

- The BSEC has decided to prevent Bangladesh Autocars from giving a 15 percent stock dividend that the company announced for its shareholders last month. The regulator will now apprise the Central Depository Bangladesh Ltd of its decision.
- The company had announced the dividend based on its EPS being BDT 1.53 last fiscal year, but according to securities directive, a company cannot offer dividend if it has cumulative losses. Bangladesh Autocars had a cumulative loss of BDT 2.66 crore.

<https://www.thedailystar.net/business/news/regulator-blocks-bangladesh-autocars-dividend-1829086>

## Bashundhara Paper Mills' earnings fall

- Bashundhara Paper Mills' earnings per share (EPS) fell to BDT 0.68 in the first quarter of the current fiscal year whereas it was BDT 1.06 in the same period last fiscal year.
- The company said the EPS decline was driven by low sales, increase in utility and other overhead costs, a rise in bank interest rate and depreciation of machinery.

<https://www.thedailystar.net/business/news/bashundhara-paper-mills-earnings-fall-1829083>

## Economy and Industry

### Gen insurers must invest 7.5pc of assets in govt securities

New Age, November 19, 2019

- Non-life or general insurance companies must invest 7.5 per cent of their assets in government securities, according to new regulations of the Bangladesh Insurance Development and Regulatory Authority.
- The IDRA on November 14 issued the regulations titled Insurance (Non-Life Insurers Asset Investment and Preservation) Regulations-2019 to strengthen the security of insurers' investment and protect the interest of policyholders.
- General insurance companies will also mandatorily have to invest 10 per cent of their premium income or the sum equivalent to their liabilities plus BDT 1 crore, whichever is higher, in Bangladesh, the regulations said.
- Net premium income and liabilities of an insurer will be considered as its asset. Outstanding instalment, furniture, equipment, stationary, abandoned goods and intangible assets will not be included in the definition of asset for the purpose.
- According to the regulations, after making 7.5 per cent investment in the government securities, the insurers will be able to invest the remaining assets in some specified sectors, including keeping deposits with 'A' rated scheduled banks, in bonds issued for infrastructure development, debentures and securities issued by city corporations, debentures, mutual funds and unit funds approved by Bangladesh Securities and Exchange Commission, shares listed on stock exchanges, immovable asset located in city corporations and municipalities and in subsidiary companies.
- The government securities include short-term and long-term securities such as treasury bills and treasury bonds. The companies will be able to keep deposits up to 80 per cent of their assets with scheduled banks. The amount of deposits with a particular scheduled bank should not exceed 15 per cent of a company's assets.
- The amount of investment in bonds issued for development of physical infrastructure having government guarantee should remain within 15 per cent of the assets of an insurer. A company will be able to invest 20 per cent of its assets in undisputed immovable assets located in the areas of city corporations and municipalities.

<http://www.newagebd.net/article/91011/gen-insurers-must-invest-75pc-of-assets-in-govt-securities>

## International

### WTO could be next casualty of Trump's tariff war

New Age, November 19, 2019

- US president Donald Trump has upended the global trade order with a slew of tariffs on economic rivals: now, Washington has redoubled its efforts to paralyse the very body designed to settle such disputes.
- The World Trade Organisation's (WTO) appellate body may not make headlines like the US-China tariff war, but trade experts say its likely demise next month is a further move away from multilateral rules designed to promote global free trade and towards a 'law of the jungle' where might is right.
- For two years, the Trump administration has been blocking appointments to the top body that rules on trade disputes, which means it will soon have too few members to function at all.
- Washington has now increased pressure, questioning the WTO budget. Trade officials told Reuters this raised a risk that the Geneva-based body's biggest paymaster would block its funding, accelerating the end of its ability to resolve disputes.
- The US Trade Representative's office did not respond to questions about the budget.
- Washington argues that the appellate body had flouted clear rules and morphed into something else while other WTO members had just stood by.

<http://www.newagebd.net/article/91020/wto-could-be-next-casualty-of-trumps-tariff-war>

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