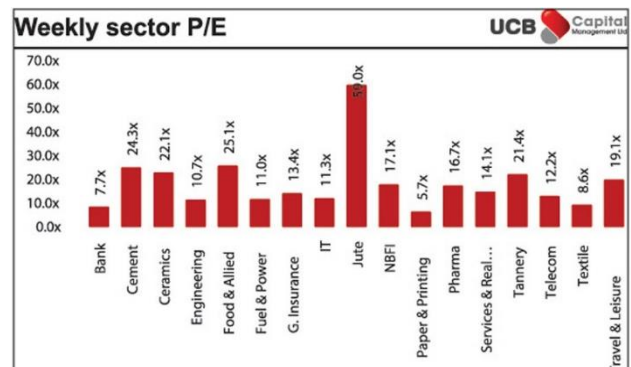


Stock Market

Weekly review: Stocks continue to bleed

The Financial Express, October 19, 2019

- Stocks extended the losing streak for the third straight week that ended on Thursday as worried investors continued their selling binge on large-cap shares. Week on week, DSEX, the prime index of the Dhaka Stock Exchange (DSE), went down by 39.22 points or 0.82 % to close at 4,771.
- The outgoing week saw five trading days as usual. Of them, a single positive session with 110 points increase amidst four negative sessions which ultimately weighted more as DSEX lost 39 points. Two other indices also ended lower. The DS30 index, comprising blue chips, fell 25.52 points to finish at 1,679 and the DSE Shariah Index lost 17.33 points to close at BDT 1,094.
- The weekly total turnover on the prime bourse stood at BDT 15.63 bn, up from BDT 12.76 bn in the week before, as last week saw five trading days instead of previous week's four. The daily turnover averaged out at BDT 3.12 bn, down 2.02 % from the previous week's average of BDT 3.19 bn.
- The stockbroker noted that the investors were also getting worried about the telecom regulator moves to appoint administrators to GP over unpaid dues.
- The port city's bourse, Chittagong Stock Exchange (CSE), also ended lower, with its CSE All Share Price Index - CASPI - losing 148 points to settle at 14,507 and the Selective Categories Index - CSCX - shedding 84 points to finish the week at 8,816.



<http://thefinancialexpress.com.bd/stock/weekly-review-stocks-continue-to-bleed-1571460662>

BSEC panel to have names of both audit firms, auditors

The Financial Express, October 18, 2019

- The securities regulator on Thursday decided to include the names of the auditors along with their firms in its auditors' panel to ensure more accountability of the firms that check financial reports of the listed companies.
- The Bangladesh Securities and Exchange Commission (BSEC) took the decision at a meeting held at the BSEC office. As per existing system, only the audit firms which are enlisted in the auditors' panel of the BSEC can audit financial statements of the listed companies and the non-listed ones which submitted IPO proposals.
- Presently, the panel has only a list of the audit firms without the names of auditors conducting the auditing function. As per Thursday's decision, no practising chartered accountant will be eligible for auditing job unless their names are included in the BSEC's auditors' panel.

- The securities regulator reviews this panel from time to time. Presently, there are 39 audit firms listed in the panel of the securities regulator. The BSEC will revise the panel soon to include the names of the auditors.

<http://thefinancialexpress.com.bd/stock/bsec-panel-to-have-names-of-both-audit-firms-auditors-1571373282>

National Tubes tops turnover chart

Ten cos account for 26pc transactions on DSE

The Financial Express, October 18, 2019

- Ten most traded companies accounted for more than 26 % of transactions on the prime bourse on Thursday, with the National Tubes generating the highest turnover. According to the Dhaka Stock Exchange (DSE) data, some 989,991 shares of National Tubes were traded, generating a turnover of nearly 181 mn, which was 5.78 % of the day's total turnover of BDT 3.13 mn.
- The company's share closed at BDT 187.10 each on Thursday, advancing 2.41 % over the previous day. Its share traded between BDT 98.30 and BDT 205.90 in the last one year. The National Tubes, listed on the DSE in 1989, disbursed 10 % stock dividend in 2018.
- Monno Jute Stafflers came second on the turnover chart, with shares worth BDT 105 mn changing hands. The company's share price fell 6.11 % to close at BDT 1,394.60. Square Pharma clinched the third spot, with shares worth BDT 102 mn changing hands. Its share closed at BDT 238.20 each, shedding 0.13 % over the previous day.
- Sonar Bangla Insurance emerged as the fourth, with shares worth BDT 83 mn changing hands. The company's share price advanced 2.27 % to close at BDT 36 each. Bangladesh Shipping Corporation notched the fifth spot, with shares worth BDT 70 mn changing hands. The state-run company's share closed at BDT 51.80 each, losing 0.38 %.
- The turnover of Grameenphone was BDT 59 mn. The lone listed telecom operator's share closed at BDT 317.80, losing 3.14 %. Beacon Pharmaceuticals featured a turnover of BDT 58 mn. The company's share closed at BDT 29.20, advancing 1.39 %.

<http://thefinancialexpress.com.bd/stock/national-tubes-tops-turnover-chart-1571373217>

BSEC to list auditors' names

The Daily Star, October 20, 2019

- The stock market regulator has decided to include the names of partners of audit firms in its auditors' panel to ensure more accountability while verifying financial reports of listed companies. As per existing system, the stock market regulator sets a panel list of firms that can audit listed companies' financial reports and the non-listed ones that submitted IPO proposals.
- There are 39 audit firms and the regulator reviews the panel from time to time. But in some cases, partners of the audit firms leave and the regulator is not informed of the change, said a top official of the Bangladesh Securities and Exchange Commission. "The departure could impact the quality of audit

<https://www.thedailystar.net/business/news/bsec-list-auditors-names-1816207>

Economy

Bangladesh Bank resumes dollar sale to banks

\$40m sold so far in Oct to buoy taka

The Financial Express, October 19, 2019

- The central bank has restarted providing foreign exchange (forex) support to banks through selling the US dollars to them in October after one month's interval to keep the market stable, officials said. As part of the move, the Bangladesh Bank (BB) has sold US\$40 mn to different commercial banks so far this month to meet the growing demand for the greenback in the forex market.
- Of the amount, \$10 mn was sold on last Wednesday and Thursday (October 16 and 17), and the remaining \$30 mn was sold on October 07, according to the latest official figures. The US dollar was quoted at BDT 84.70 each on Thursday in the inter-bank forex market, unchanged from the previous level, according to the market operators.
- A total of \$99 mn has been sold to the commercial banks so far in the current fiscal year (FY), 2019-20, as part of the central bank's ongoing support initiative. In FY 19, the BB sold \$2.34 bn to the banks on the same ground, according to official data.
- Meanwhile, the local currency depreciated by 80 poisha against the greenback in the inter-bank forex market from January 02 to October 07 of this calendar year. The greenback was quoted at BDT 84.70 each in the inter-bank market on October 07 against BDT 83.90 on January 02. On October 03, the local currency lost its value by 15 poisha against the US currency.

<http://thefinancialexpress.com.bd/economy/bangladesh-bank-resumes-dollar-sale-to-banks-1571459975>

Sour loans unleash banking crisis

Speakers suggest forming financial sector restructuring authority

The Financial Express, October 20, 2019

- Banks and financial institutions are facing a major crisis, triggered by rising troubled loans, high concentration on large borrowers and the lack of due diligence in credit disbursement, speakers have said.
- The warning came at a seminar on "Restructuring and liquidation of financial institutions and impact on stakeholders" in the city on Thursday last. The DCCI chief said that slow loan recovery is a serious concern in the financial sector.
- He was also critical of the high deposit rates, arguing that this pushed up the lending rate. High deposit interest rate in turn increases the lending rates, impacts the private sector credit flow--from smaller firms to large businesses, the chamber leader said. In his speech, Dr. Rahman stressed keeping confidence in the financial institutions.



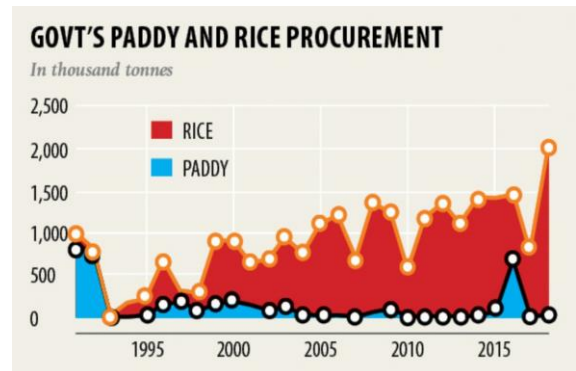
- For this reason, the investors have to rely on poor quantity of shares to trade. He urged large companies to float shares in the stock market and invest more in the manufacturing sector.

<http://thefinancialexpress.com.bd/economy/sour-loans-unleash-banking-crisis-1571546071>

Govt to build 200 paddy silos to ensure fair prices

The Daily Star, October 20, 2019

- The food ministry plans to set up 200 paddy silos for about BDT 6,000 crore in order to buy increased amounts of grains from growers with a view to protecting them from losses in case of good harvest, said a top official. The initiative comes after rising calls from various sections, including farmers, activists groups and analysts, to ensure fair prices for producers.
- Even though the government officially aims to give incentive prices to farmers, it has focused less on paddy purchases directly from producers for nearly three decades, according to food procurement data. Since 1991, the food office has bought 15 % of its total annual purchase of the staple crop as paddy from growers, and the rest 85 % of the total annual purchase from rice from millers, food ministry data showed.
- This year, demands to buy paddy in higher volumes got louder in the face of freefall of the prices of the staple because of the good yields in recent seasons. Low prices still persist with harvesting of the second biggest crop aman beginning next month.
- The government does not buy paddy if the moisture content is more than 14 % as per its current procurement practices. At present, the DG Food has 21 lakh tonnes capacity but it can actually store 19.60 lakh tonnes of grain. It is constructing silos and godowns to increase the storage capacity to 27 lakh tonnes.



<https://www.thedailystar.net/business/global-business/news/govt-build-200-paddy-silos-ensure-fair-prices-1815385>

International

EU, China, others team up to coordinate 'green' investment financing

The Daily Star, October 20, 2019

- The European Union, China, India and several other countries teamed up on Friday to coordinate rules and standards for trillions of dollars of private and public "green" investment needed over decades to prevent irreversible climate change.
- The initiative, called the International Platform on Sustainable Finance (IPSF), also involves Argentina, Chile, Canada, Kenya and Morocco - a group responsible for 44 % of the world's GDP and the same amount of carbon dioxide emissions.

- Its aim is not to raise money, but to harmonize rules on what is sustainable, or “green” investment, across the world so that private capital can flow into it more freely.
- The European Union’s executive arm, the European Commission, in June sought to boost the flow of private money to tackle climate change by publishing guidelines on what qualifies as environmentally friendly investment.
- The European Union has agreed to substantial reductions of carbon emissions by 2030 and the Commission wants the bloc to reduce them to zero by 2050 to help stop global warming, the rise of average worldwide temperatures.
- To cut emissions by 2030, many sectors of the economy, such as manufacturing, agriculture and energy, require an extra annual investment of between 180 and 290 bn euros and even more is needed to achieve zero emissions by 2050.

<https://www.thedailystar.net/business/global-business/news/eu-china-others-team-coordinate-green-investment-financing-1816150>

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. Shariful Alam Chowdhury
Head of Research & Investments

tushar@basl-bd.com, tusharbd@bloomberg.net

Mr. Shohidul Islam
Research Analyst

shohidul@basl-bd.com, shohidulbd@bloomberg.net

Tanzin Naher
Research Associate

tanzin@basl-bd.com

BASL Networks

Head Office

Hadi Mansion (2nd 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 call at +8801993111666, +880 02 9515826, Ext: 101 at Business hour. For further query, write to us at research@basl-bd.com.