

## Stock Market

### Dhaka stocks fall again amid lackluster trading

New Age, March 21, 2019

- Dhaka stocks returned to the negative zone on Wednesday amid lackluster trading as investors went for selling shares in the bearish market amid worries over the financial sector. DSEX, the key index of Dhaka Stock Exchange, declined by 0.54 %, or 30.73 points, to close at 5,600.55 points on Wednesday after gaining 26.39 points in the previous session.
- The average share prices of non-bank financial institution, bank, textile and energy sectors dropped by 1.41 %, 1.4 %, 1.0 % and 0.2 % respectively. The turnover on the bourse plunged to BDT 414.69 crore from BDT 437.80 crore in the previous trading session.
- Wednesday's turnover was the lowest after December 26 last year when it was BDT 388.24 crore. The average share prices of telecommunication, pharmaceutical and cement sectors advanced on the day. Out of the 345 issues traded on the day, 193 declined, 101 advanced and 51 remained unchanged.
- DSE blue-chip index DS30 dropped by 0.45 %, or 9.10 points, to close at 2,005.58 points. Shariah index DSES shed 0.24 %, or 3.21 points, to finish at 1,289.71 points. BATBC led the turnover leaders with its shares worth BDT 19.93 crore changing hands on the day. BRAC Bank, Grameenphone, United Power Generation Company, Square Pharmaceuticals, Dutch-Bangla Bank, Marico Bangladesh, Singer Bangladesh, Monno Ceramics, and Reckitt Benckiser were the other turnover leaders.
- Premier Cement Mills gained the most on the day with a 7.37-% increase in its share prices while Sonar Bangla Insurance was the worst loser, shedding 9.60 %.

<http://www.newagebd.net/article/67946/dhaka-stocks-fall-again-amid-lacklustre-trading>

### BSEC to amend private placement, book building method guidelines

Dhaka Tribune, March 20, 2019

- The Bangladesh Securities and Exchange Commission (BSEC) on Tuesday formed two separate committees to amend the private placement (pre-IPO placement) regulation and the book-building method
- In the past few days, private placements at the stock market have been an important topic of discussion among stakeholders as shares are being traded through extensive irregularities through the process.
- The commission made the move after repeated reports from the media that almost every company issues huge placement shares within three years of applying for public offering to dump the shares on the general public. Placement shareholders were found selling their shares at the stock market after the existing one year lock-in period, pushing down the company's share prices at the market—leaving general shareholders to bear the brunt of the price fall.
- DSE raised their voice against the random placement shares' issuance just before their listing with the stock exchanges, and proposed placement shares to be kept under the lock-in period for three years instead of the existing one year. The bourse also urged not to approve allotment of placement shares at least three years before listing with the exchanges.

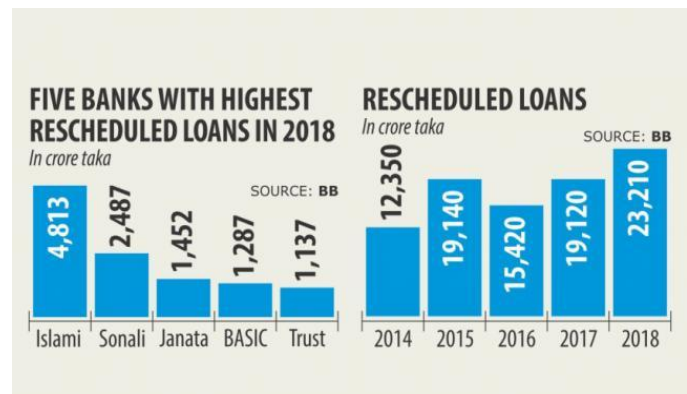
<https://www.dhakatribune.com/business/2019/03/20/bsec-to-amend-private-placement-book-building-method-guidelines>

## Economy

### Loan rescheduling hits peak

The Daily Star, March 21, 2019

- Banks have rescheduled a record amount of default loans last year, fuelling further fears of the sector's health. In 2018 non-performing loans amounting to BDT 23,210 crore were rescheduled, up 22 % from a year earlier, according to data from the central bank.
- At the end of September 2018, banks' NPL grazed BDT 1 lakh crore -- it stood at BDT 99,370 crore -- the largest yet in Bangladesh's history. It came down to BDT 93,911 crore towards the end of the year. A major portion of the loans was rescheduled by taking special approval from the central bank on a case-to-case basis, meaning the applications would not have held water were they put through the standards for the Bangladesh Bank's rescheduling policy.
- And the motive for such wheeling and dealing was to avoid keeping provisioning against the toxic loans and show hefty net profits. The real problem is that both the central bank and the government are yet to address the problem head-on; they are showing a nonchalant attitude towards it.
- Of the banks, Islami Bank Bangladesh rescheduled the highest amount of default loans: BDT 4,814 crore, which is 21 % of the total rescheduled loans in 2018.
- The central bank gave about 200 special approvals -- bypassing its own policy -- to Islami Bank's loan rescheduling applications, said a BB official requesting anonymity due to the confidential nature of the matter. Default loans at the bank, which is the largest in Bangladesh in terms of deposits, also increased 31 % year-on-year to BDT 3,317 crore last year.



<https://www.thedailystar.net/business/banking/news/loan-rescheduling-hits-peak-1718197>

### ADB, PRAN sign \$14.2m loan deal

New Age, March 21, 2019

- The Asian Development Bank (ADB) yesterday signed a \$14.2 mn loan agreement to support the expansion plans of Sylvan Agriculture Limited (SAL), a sister concern of PRAN-RFL Group (PRAN) company, to enhance inclusive agribusiness by lifting incomes and skills of farmers particularly women in Bangladesh.
- The project is expected to increase contract farmers' income by at least 50 % as they introduce new potato varieties, expand the area they cultivate, and benefit from the assurance that their production will be bought by SAL.
- The project is ADB's first repeat assistance to a private sector borrower in agribusiness. In 2012, ADB approved a \$25.1 mn loan to SAL for the construction of processing facilities, including for liquid glucose and starch made from cassava sourced from contract farmers.

<http://www.newagebd.net/article/67967/adb-pran-sign-142m-loan-deal>

## Organic push earns global praise

*Bangladesh sees fastest growth in internationally recognised organic textile factories*

The Daily Star, March 21, 2019

- Bangladesh is fast forging its way to be a hub of organic textile manufacturing amid a rise in demand from international apparel retailers. In the country, the number of globally recognised textile factories, which use organic raw materials, rose 29 % last year, with the growth rate being highest globally.
- Globally, the number of facilities certified by the GOTS rose 14.6 % to 5,760 in the year. GOTS certification covers the processing of certified organic fibres along the entire supply chain from field to finished product. Certified factories are located in 64 countries.
- In terms of total numbers, the highest increase is reported from India, which added more than 315 factories, followed by Bangladesh at 155 and Europe 98. Bangladesh has the second most GOTS-certified factories worldwide with 689 facilities, just behind India with 1973 factories.
- The other top countries in terms of total number of certified units are: Turkey (519), Germany (500), Italy (340), China (301), Pakistan (238), Portugal (215), the US (127), and South Korea (85). Organic products account for 5 to 7 % of the shipment of almost all the big and compliant garment companies in Bangladesh, said Siddiqur Rahman, president of the Bangladesh Garment Manufacturers and Exporters Association.

<https://www.thedailystar.net/business/news/organic-push-earns-global-praise-1718191>

## International

### France reduces 2019 growth target due to "Yellow Vest" protests

The Financial Express, March 21, 2019

- France has reduced its economic growth target for this year to 1.4 % from 1.7 % after the "Yellow Vest" protest movement severely impacted the country's economy.
- The French minister warned that the street protests against high living costs, which sometimes turned violent, would have "a long-term and indirect impact on France's attractiveness." The "Yellow Vest", named after the high-visibility vests all motorists in France wear in their cars, started their protests on Nov. 17, 2018 as a grassroots social media-based citizens' movement.
- However, over the past weeks the movement has evolved into a wider social rebellion, with protestors urging Macron to step down and calling for a "citizens' initiative referendum" to allow the public to have a stronger say in defining the economic and social roadmap for the eurozone's second largest member.
- During the latest demonstration, 1,500 far-left militants wreaked havoc on Champs Elysees avenue in Paris, where they clashed with police, set cars and buildings on fire, looted shops and smashed shopwindows. Police said the protests left 60 individuals, including 17 police officers, wounded.

<http://thefinancialexpress.com.bd/economy/global/france-reduces-2019-growth-target-due-to-yellow-vest-protests-1553058185>

## BASL News



**The 8th Annual General Meeting (AGM)** of Bank Asia Securities Limited was held on March 20, 2019 at Bank Asia Tower Branch (Karwan Bazar), Dhaka with the presence of A Rouf Chowdhury, chairman of the Bank Asia and the Board of Directors of the Bank Asia Securities. The Chairman welcomed the honorable Shareholders' present in the AGM.

Among others, Directors of the Board including Ms. Romana Rouf Chowdhury (Director, Executive Committee of the Board of Directors), Md. Arfan Ali (President and Managing Director of Bank Asia Limited), Mr. Sumon Das (CEO, Bank Asia Securities Limited), Mr. Kamrul Hasan (DCEO, Bank Asia Securities Limited), Mr. Anisul Alam Sarkar (COO & Company Secretary) Alam also attended the meeting.

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## 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).

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