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## Stock Market & Company

### Dhaka Stocks gain for 2nd day

Newage, September 21, 2021

- Dhaka stocks advanced for the second day on Tuesday as a section of investors increased share buying. DSEX, the key index of the Dhaka Stock Exchange, added 0.19 per cent, or 52.74 points, to close at 7,258.57 points on Tuesday after gaining 14.01 points in the previous session.
- Turnover on the DSE increased to Tk 1,910.03 crore on Tuesday from Tk 1,762.56 crore in the previous session. Of the 374 scrips traded on the DSE on Tuesday, 117 declined, 224 advanced and 35 remained unchanged.
- Among the prominent companies, share prices of Beximco Pharmaceuticals, Bangladesh Submarine Cables Company, Grameenphone, Square Pharmaceuticals and LafargeHolcim Bangladesh advanced on the day.
- DS30, a composition of 30 large capitalised companies, also increased by 0.92 per cent, or 24.46 points, to close at 2,685.98 points on Tuesday. Shariah index DSES added 1.07 per cent, or 16.88 points, to settle at 1,586.96 points.
- BEXIMCO led the turnover chart with its shares worth Tk 144.63 crore changing hands on the day. Beximco Pharmaceuticals, Alif Manufacturing Company, LafargeHolcim Bangladesh, SAIF Powertec, Maksons Spinning Mills, LankaBangla Finance, Khulna Power Company, Pacific Denims and Rupali Insurance were the other turnover leaders on the day.

<https://www.newagebd.net/article/149731/dhaka-stocks-gain-for-2nd-day>

## Price index crossing 7,000 mark not risky yet: BSEC chairman

The Business Standard, September 21, 2021

- The stock market's current price index that crossed 7,000 points is not risky, rather there is more room for it to go up, given the price-to-earnings ratio, said Professor Shibli Rubayat-Ul-Islam, chairman of the Bangladesh Securities and Exchange Commission (BSEC).
- The commission is not concerned about the bank's overexposure to stocks as the market is not now driven by the banking sector, the BSEC chairman said, referring to the central bank's recent move on overplay of banks into stocks.
- In an interview with The Business Standard on the sidelines of the roadshow in Zurich, Switzerland on 20 September, Prof Shibli Rubayat-Ul-Islam, said, "The size of the market is now Tk5.77 lakh crore, while investments made by the banking sector account for 7%-8%. So, there will be no effect on the market whatever happens in the banking sector."
- The BSEC chairman said bank investment in the stock market widened in 2010, which met with a market fall. He also said the broad index was at 6,000-7,000-mark in 2008-09, while the size of the economy was too small. "But the situation prevails no longer as the size of the economy has burgeoned. The size of the market has expanded too. So, now there is no concern over potential risks," he noted.

<https://www.tbsnews.net/economy/stocks/price-index-crossing-7000-mark-not-risky-yet-bsec-chairman-305770>

## Brummer & Partners to sell 24.93pc shares in Runner Auto

Newage, September 21, 2021

- Brummer & Partners (Bangladesh) Limited, a concern of Sweden's largest hedge fund manager Brummer & Partners, has decided to sell off its entire shares of 24.93 per cent in Runner Automobiles Limited gradually. The foreign strategic partner of Runner Automobiles has recently applied to the Bangladesh Securities and Exchange Commission seeking permission to sell off the shares.
- Brummer & Partners (Bangladesh) Limited has run a fund called Brummer Frontier PE II (Mauritius) to provide long term growth equity capital to companies in Bangladesh.
- Earlier on September 28 in 2013, Brummer Frontier made an equity investment of Tk 105 crore through buying 13,478,261 shares at an issue price of Tk 77.91 each. The number of shares now stands at 28,304,347 after the company declared bonus for shareholders. Sponsor-directors hold 50 per cent shares of Runner where Brummer holds 24.93 per cent or 28,304,347 shares, according to the latest annual financial report of Runner.
- Runner's paid-up capital is worth Tk 113.5 crore and has 11.35 crore in outstanding shares. The board of Runner now comprises of ten members, including two directors nominated by Brummer Frontier PE.

<https://www.newagebd.net/article/149760/brummer-partners-to-sell-2493pc-shares-in-runner-auto>

## Active beneficiary owners' accounts decrease 33.51pc

The Financial Express, September 22, 2021

- Number of active BO (beneficiary owner's) accounts declined 33.51 per cent in nearly last four months mainly because of reduced scope of applying for IPO (initial public offering) shares, insiders said. The number of active BO accounts was 2.66 million on May 31 last and the figure declined to 1.99 million on Tuesday. As a result, investors' BO accounts dropped 33.51 per cent or 0.67 million since May 31 last.
- Of total BO accounts found active on Tuesday, residents maintain above 1.8 million accounts while the remaining 90,358 accounts are maintained by non-residents. In accordance with gender-wise calculation, males own above 1.47 million accounts while females maintain above 0.49 million accounts.
- In its latest amendment brought to public issue rules, the securities regulator has revised the IPO quota. In the revised rules, the BSEC has included an optional scope of issuing 15 per cent of the IPO shares under private offer.
- Excluding the portion of the private offer, the general public including NRBs and eligible investors (EIs) including mutual funds (MFs) would avail 75 per cent and 25 per cent IPO quota respectively under the fixed price method.

<https://thefinancialexpress.com.bd/stock/active-beneficiary-owners-accounts-decrease-3351pc-1632278857>

## SBAC Bank chair steps down

The Daily Star, September 22, 2021

- SM Amjad Hossain, chairman of South Bangla Agriculture and Commerce Bank, has expressed his intention to resign, citing illness. On September 7, he wrote to the board of the private commercial lender expressing the intention to step down.
- He also requested the board to begin the process of selecting a new chairman by October. "If the process is completed before the month, I'm ready to resign earlier," Hossain said in the letter.
- The board will discuss the issue in a meeting on September 26, said a top official of the bank, preferring anonymity. Hossain has been serving the board as its chief since the inception of the bank in 2013.
- Hossain holds a 3.21 per cent share in the bank. Shares of SBAC Bank, which went public in August, closed 2.38 per cent higher at Tk 21.50 on the Dhaka Stock Exchange yesterday.

<https://www.thedailystar.net/business/economy/banks/news/sbac-bank-chair-steps-down-2181336>

## Inoperative brokerage firms come under pressure

The Business Standard, September 21, 2021

- Bangladesh Securities and Exchange Commission (BSEC) has directed local stock exchanges to make their member brokerage firms that are inoperative to be functional in the capital market. The regulator came up with the verbal direction in separate meetings with Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).
- The commission will issue a formal order in this regard very soon. The commission further directed brokerage firms, especially the members of CSE, to increase their investment in the capital market as some of them have a very nominal investment, added officials.
- BSEC has found some brokerage firms of Chittagong Stock Exchange with a few BO accounts only. The regulator directed the brokerage firms to increase their business volume and the number of customers.
- Officials said DSE has 250 brokerage firms and 14 of them are inoperative while CSE has 148 firms and seven are inoperative. The regulator has recently issued 52 brokerage licences for DSE and 23 for CSE.

<https://www.tbsnews.net/economy/stocks/inoperative-brokerage-firms-come-under-pressure-305740>

## RSRM set to resume production this month

The Business Standard, September 21, 2021

- Ratanpur Steel Re-Rolling Mills (RSRM) Limited is going to resume its steel production within this month, according to company sources.
- RSRM Director Marzanur Rahman declined to comment on the production resumption date, but did confirm that their plants in Chattogram have got the "electricity connection restored," as the company regularised its Tk40 crore arrear bills paying Tk10 crore and the rest to be paid in instalments.
- Bangladesh Power Development Board (BPDB) had cut RSRM's electricity connection nine months ago due to its failure to pay the instalments of arrear bills.
- RSRM Group's excessive bank liability totalling around Tk2,200 crore under its four companies and tassel with lenders regarding paying instalments were the main reason behind the company's sorry state. TBS earlier in April this year found and reported that the RSRM Group plants were shuttered and its employees remained unpaid.
- RSRM Limited, however, did not announce the factory closure over the last nine months as it was price-sensitive information. However, in the financial statement for January 2021-March 2021, it posted zero revenue.
- Against its July 2020-December 2020 revenue of Tk120 crore, the listed company had incurred Tk21.7 crore in losses which amounted to Tk29.25 crore in the first nine months of the 2020-21 fiscal year as fixed costs still continued despite no revenue.

<https://www.tbsnews.net/economy/stocks/rsrm-set-resume-production-month-305713>

## BD Finance Capital to manage First Security Islami Bank's right issue

The Business Standard, September 21, 2021

- BD Finance Capital Holdings, a subsidiary of Bangladesh Finance, will manage the issue of right shares of First Security Islami Bank Limited. On 20 September, the companies signed a memorandum of understanding at the head office of the Shariah-based private sector lender in the capital, read a press statement.
- First Securities Islami Bank has said its board of directors recommended raising the paid-up capital of the company through the issuance of rights shares at a ratio of one right share against two existing shares at a rate of Tk10 each against the face value of the same. The issuance is subject to regulatory approval.
- First Security Islami Bank's Managing Director (MD) Syed Waseque Md Ali, Additional Managing Director Md Mustafa Khair, Deputy Managing Director Md Zahurul Haque, Company Secretary Oli Kamal, FCS were among the bank's representatives present at the signing ceremony.

<https://www.tbsnews.net/economy/stocks/bd-finance-capital-manage-first-security-islami-banks-right-issue-305710>

## Economy & Industry

### Govt cuts interest rates of savings tools

The Daily Star, September 22, 2021

- The government has cut the interest rate on savings certificates and wage-earner bonds by 1 to 3 percentage points – a move that may help the authorities save but hurt the middle-income group dependent on the returns to make a living.
- The new rates will not affect the present investment and will only be applicable for fresh investments.
- According to the new rules, which came into effect yesterday, the higher the investment amount, the lower the returns will be. If the investment amount is higher than Tk 15 lakh, investors will get a lower interest rate, according to a circular of the Internal Resources Division (IRD) of the finance ministry. The decision will hurt middle-income savers like Rezaul Islam.
- The private job-holder had planned to keep all of his retirement benefits in savings certificate as private-sector employees in Bangladesh don't get any pension benefit.

NEW INTEREST RATES OF SAVINGS TOOLS					
5-YEAR BANGLADESH SAVINGS CERTIFICATE			3-MONTH PROFIT BEARING SAVINGS CERTIFICATE		
	Previous	New		Previous	New
Up to Tk 15 lakh		11.28	Up to Tk 15 lakh	11.04	11.04
Tk 15 lakh plus to Tk 30 lakh	11.28	10.3	Tk 15 lakh plus to Tk 30 lakh	11.04	10
Tk 30 lakh plus		9.3	Tk 30 lakh plus		9
PENSIONERS' SAVINGS CERTIFICATE			FAMILY SAVINGS CERTIFICATE		
	Previous	New		Previous	New
Up to Tk 15 lakh		11.76	Up to Tk 15 lakh	11.52	11.52
Tk 15 lakh plus to Tk 30 lakh	11.76	10.75	Tk 15 lakh plus to Tk 30 lakh	11.52	10.5
Tk 30 lakh plus		9.75	Tk 30 lakh plus		9.5
TERM DEPOSIT AT POST OFFICE SAVINGS BANK			WAGE EARNERS' BOND		
	Previous	New		Previous	New
Up to Tk 15 lakh		11.28	Up to Tk 15 lakh		12

<https://www.thedailystar.net/business/economy/news/govt-cuts-interest-rates-savings-tools-2181346>

### Capital market to emerge as main source of long-term financing, says land minister

The Financial Express, September 21, 2021

- Land Minister Saifuzzaman Chowdhury said the capital market would surely emerge as the main source of long-term financing very soon in Bangladesh.
- Urging the foreign investors and businessmen to invest in Bangladesh, the minister said, "Bangladesh has been a politically stable country for a decade where investors can rely on as its economy is doing great during this time."
- The minister made the remarks while addressing the first investment summit on 'Bangladesh Capital Markets' of a roadshow with the theme "The Rise of Bengal Tiger: Potentials of Trade and Investment in Bangladesh" at a hotel in Zurich, Switzerland on Monday.
- BSEC has organised this series of roadshows to demonstrate Bangladesh capital markets, trade and investment opportunities globally and attract global investors including the NRBs. After the successful completion in Dubai and four major cities in the USA earlier this year, BSEC is conducting shows at Zurich and Geneva in Switzerland now.
- The summit was attended by investors and business leaders of both non-resident Bangladeshis and foreign institutional and individual investors.

<https://thefinancialexpress.com.bd/stock/capital-market-to-emerge-as-main-source-of-long-term-financing-says-land-minister>

## International

### Global stocks sink on Evergrande contagion fears

The Daily Star, September 22, 2021

- World stocks sank Monday as trading floors were gripped by contagion fears from the expected collapse of debt-plagued Chinese property giant Evergrande, with investors also on red alert over spiking wholesale gas costs.
- Sentiment is being dented by strong inflation, the Federal Reserve's plans to taper monetary policy, surging infections with the Delta variant of coronavirus, and signs of weakness in the global recovery. European markets mostly closed lower, with London losing 0.9 per cent and Paris 1.7 per cent.
- In Germany, the first day of the DAX blue-chip index's expansion to 40 firms from its previous 30 was marred by the Evergrande woes, shedding 2.3 per cent. On Wall Street the Dow Jones Industrial Average fell 2.0 percent and the tech-heavy Nasdaq 2.5 per cent in morning trading.
- Hong Kong earlier dived 3.3 per cent, spearheading Asian losses, with Evergrande widely expected to default on upcoming interest payments this week.
- Evergrande, one of China's biggest developers, is on the brink of collapse as it wallows in debts of more than \$300 billion. Mining shares were hard hit because of the potential economic impact on China, which has a voracious appetite for raw materials.
- Anxiety is also running high over spiking wholesale gas costs, fuelling global inflationary pressures and sparking concern from the world's biggest central banks. Against this backdrop, the Federal Reserve's monetary policy meeting this week will be particularly important, according to Markets.com analyst Neil Wilson.

<https://www.thedailystar.net/business/global-economy/news/global-stocks-sink-evergrande-contagion-fears-2181286>

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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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