

Stock Market

Stocks dip in 15 out of 16 trading days

New Age, May 22, 2018

- Dhaka stocks dipped on Wednesday, the 15th out of last 16 trading sessions, amid a fall in share prices of two-thirds of scrips as investors feared that the market would remain subdued for a couple of months more due mainly to the upcoming national budget, Ramadan and anxieties about the country's financial sectors.
- DSEX, the key index of the Dhaka Stock Exchange, lost 0.57 %, or 30.70 points, to close at 5,361.09 points on Wednesday after losing 21.39 points in the previous session.
- The DSEX lost 452 points in the last 16 trading sessions that included just a positive day with 22.58-points gain on Monday. The index is set to make record of the highest number of negative days in a month.
- On Wednesday, the market started on a positive note but the vibe lasted for few minutes and began to fall swiftly as investors continued to sell shares sensing further decline, market operators said.
- Of the 335 companies and mutual funds traded on the day, 230 declined, 60 advanced, and 39 remained unchanged.

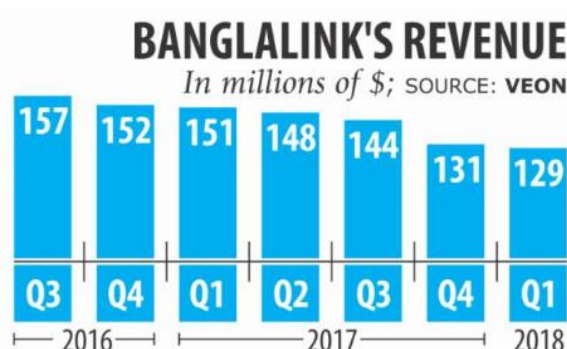
<http://www.newagebd.net/article/41941/stocks-dip-in-15-out-of-16-trading-days>

Economy

Banglalink's revenue falls for 7th quarter

The Daily Star, May 24, 2018

- Once a spirited mobile operator, Banglalink is progressively becoming a bit-part player, with its revenues declining for the seventh consecutive quarter now.
- At the end of March, Banglalink's revenue stood at \$129 Mn, in contrast to \$157 Mn at the end of September 2016, according to Veon, the operator's parent company.
- Its average revenue per customer a month now stands at BDT 109, down from BDT 133 in the third quarter of 2016.
- At present, the operator's market share is about 22.17 %, which was 24.75 % at the end of the third quarter of 2016.
- Banglalink entered the market in 2005 as the fourth player and within a few years' time jumped to the second riding on its aggressive marketing.



<https://www.thedailystar.net/business/banglalinks-revenue-falls-7th-quarter-1580833>

Remittance using mobile financial services rises in March

Dhaka Tribune, May 23, 2018

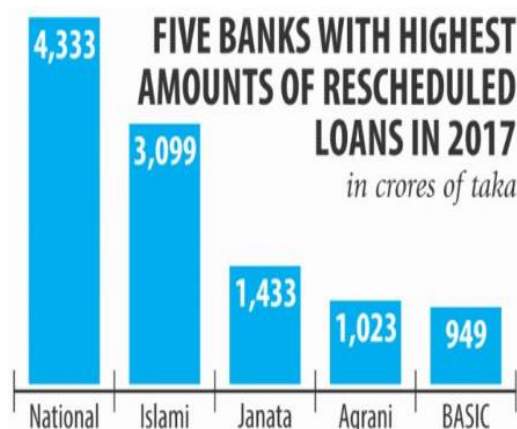
- Inward remittance using mobile financial services (MFS) has increased by 20.8% to BDT6.62 crore in March, compared to February's BDT5.48 crore, according to the latest Bangladesh Bank data.
- The central bank revealed the data on Wednesday that shows a total transaction through MFS also rose by 10.2% to BDT 31339.03 crore in March, from BDT28455.33 crore in February.
- MFS enables consumers to obtain financial account information and conduct transactions with their financial institution using mobile banking services, and to make payments, transfer money, or pay for goods and services through mobile payments.
- The banking method has been growing in popularity in Bangladesh.
- At present, 17 of the 19 banks granted permission to run MFS are providing services and of these, Brac Bank's bKash, and Dutch Bangla Bank's Rocket, topped the list in service providing.

<https://www.dhakatribune.com/business/2018/05/23/remittance-using-mobile-financial-services-rises-in-march>

National, Islami in desperate bid

Dhaka Tribune, May 22, 2018

- National Bank and Islami Bank Bangladesh went on a loan rescheduling spree in 2017, in what can be viewed as a stunning example of financial engineering to cover up their ailing financial health.
- Of the BDT 19,120 crore rescheduled by the 57 banks in 2017, the two first-generation banks accounted for 39%. National Bank rescheduled BDT 4,333 crore and Islami Bank BDT 3,099 crore.
- In a brazen move, National rescheduled BDT 4,011 crore in the final quarter of 2017 without following Bangladesh Bank instructions properly.
- As per BB rules, to reschedule a loan a bank must take 5 to 15 % as down payment for the outstanding loans.
- The down payment requirement will increase to 50 % if the defaulted loan is rescheduled for the second or third time.
- In case of a waiver from down payment or relaxing the repayment period, a bank must take prior approval from the BB for rescheduling the loan.
- National had taken the BB's permission to reschedule a maximum of BDT 500 crore, meaning it rescheduled an additional BDT 3,511 crore in the final quarter of last year, according to BB officials.



<https://www.thedailystar.net/business/national-islami-desperate-bid-1580845>

Gas supply from imported LNG in Bangladesh delayed

Dhaka Tribune, May 23, 2018

- Beginning of gas supply from imported liquefied natural gas has been delayed further as the US operator, Excelerate Energy, of the LNG re-gasification vessel anchored near Moheshkhali Island in Cox's Bazar is yet to fix a connection of a subsea pipeline properly to the main pipeline.
- The government is now expecting to begin gas supplies from June 5 as Excelerate has assured of fixing the problem by then, an Energy Division official told New Age on Wednesday on anonymity.
- Officials of Petrobangla refused to comment on the matter.
- It requires a seven-kilometre long with 24-inch diameter pipeline connected properly to the 91-km pipeline before beginning of gas supplies from the re-gasification vessel, the Energy Division official said.
- Government-favoured Excelerate has so far rescheduled commissioning of its floating storage and re-gasification unit, which is actually a vessel, from February to April, then to May and now to June this year, said officials concerned.
- On April 24, the Excelerate's vessel anchored near the Moheshkhali Island.

<https://www.reuters.com/article/us-global-markets/asian-shares-tentative-as-trump-tempers-sino-u-s-trade-optimism-idUSKCN1IO03E>

Asia markets lower on renewed U.S.-China trade concerns

Reuter, May 24, 2018

- Asian shares moved lower on Thursday as investors fretted about new setbacks in U.S.-China trade talks, but negative sentiment was tempered by U.S. Federal Reserve meeting minutes suggesting it would not raise the tempo at which it increases interest rates.
- MSCI's broadest index of Asia-Pacific shares outside Japan was flat, while Japan's Nikkei stock index was 0.6 % lower.
- A day after U.S. President Donald Trump said he was not pleased with trade talks between the United States and China, he called for "a different structure" in any trade deal. The move added to uncertainty over the negotiations and prompted a fall in stock markets.
- However, the release of minutes from the Federal Reserve's May 1-2 meeting eased market concerns that it would raise interest rates more quickly than expected. The minutes, which were seen as dovish, helped to push U.S. stocks into positive territory on Wednesday.
- "(The) minutes read largely in line with latest Fed speak. Consensus finds no major signs of accelerating inflation; wage improvements aren't broad; drivers of the (workforce) participation rate are still a mystery and the flatter yield curve isn't flashing red yet," Citi analysts said in a note.

<https://www.reuters.com/article/us-global-markets/asia-markets-lower-on-renewed-u-s-china-trade-concerns-idUSKCN1IP02O>

Alibaba's Tiny Loss-Making Unit Suddenly Soars 70%

Bloomberg, May 24, 2018

- A stock that until last week wasn't covered by a single analyst has rallied 70 % since May 16 for no apparent reason, at one point generating more turnover than some of Hong Kong's biggest companies.
- The sudden gains have made Alibaba Health Information Technology Ltd. -- a subsidiary of Chinese megacap Alibaba Group Holding Ltd. -- easily the best performing stock on the MSCI Asia Pacific Index this month.
- Some \$135 Mn worth of shares exchanged hands on May 17, making it the fifth-most traded stock in Hong Kong and surpassing giants including HSBC Holdings Plc, PetroChina Co. and Bank of China Ltd., which are more than 20 times as valuable.

<https://www.bloomberg.com/news/articles/2018-05-24/alibaba-s-tiny-loss-making-unit-suddenly-trades-more-than-hsbc>

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 (BASL)

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
Mr. Md. Monirul Islam Research Associate	abir@basl-bd.com
Mr. Monir Hossain Research Associate	monir@basl-bd.com

BASL Branches

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.