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## Stock Market & Company

### Investors lose Tk 10,261cr at DSE over last week

Newage, October 23, 2021

- Investors have lost their capital amounting to Tk 10,261 crore in the Dhaka Stock Exchange over the last week with the share prices witnessing a downtrend. According to a market review, the main index of the Dhaka Stock Exchange Index, the country's main bourse, shed 167.4 points to 7,076 points during the October 17-21 period.
- Among the other two DSE indexes, the DSES (Shariah Index) index shed 49 points to 1,518 points and the DS-30 (blue chip index) index lost 19 points to 2,699 points. The prices of 31 shares, out of those of 382 companies, marked a rise in the DSE during the one-week period. Besides, the share prices of 338 companies declined and the share prices of nine companies remained unchanged. Of the 362 companies traded during the last week, the prices of 124 companies marked a rise.
- The market capitalisation of DSE has come down from Tk 10,261.56 crore to Tk 5,69,851.24 crore last week due to the fall in the prices of the shares of most of the companies. The total transaction volume of the market was Tk 5,80,112.81 crore in the second week of October.
- During the period, a total of Tk 6,043.03 crore was traded in the DSE against Tk 962.11 crore during the previous week. The transaction has declined by Tk3019.08 crore or 33.32 per cent as compared to the previous week.

- In the Chittagong Stock Exchange, a total of Tk228.98 crore was transacted during the period while it saw a transaction of Tk 324.99 crore during the previous week, showing a fall by Tk 96 crore in a week.
- The CSEX main index lost 423 points to 20,693 points from the previous week. Of the companies traded during the period, the prices of the shares of 41 companies have risen while that of 28 companies declined and that of 286 companies remained unchanged.

<https://www.newagebd.net/article/152532/investors-lose-tk-10261cr-at-dse-over-last-week>

## Multinational companies shed up to 11pc on DSE

The Financial Express, October 24, 2021

- Shares in most listed multinational companies (MNCs) slumped in the last week -- up to 11 per cent -- amid continuous price correction witnessed by Dhaka Stock Exchange (DSE). Of the companies, Heidelberg Cement Bangladesh witnessed the highest price correction of 11 per cent. Its share price closed at Tk 319.60 each on Thursday, the last day of the week.
- LafargeHolcim Bangladesh shed 8.03 per cent to close at Tk 88.20 each on Thursday. The share price of Singer Bangladesh fell 7.2 per cent to finish at Tk 174.10 each on Thursday. RAK Ceramics (Bangladesh) saw a loss of 6.6 per cent as it closed at Tk 45.20 each on Thursday. Linde Bangladesh declined 4.4 per cent to settle at Tk 1528.40 each on Thursday.
- The share price of Bata Shoe Company (Bangladesh) closed at Tk 881 each on Thursday, shedding 2.2 per cent. Berger Paints Bangladesh declined 0.9 per cent, Grameenphone 0.4 per cent, Reckitt Benckiser (Bd.) 0.4 per cent and British American Tobacco Bangladesh Company 0.3 per cent during the week. However, the share prices of Unilever Consumer care and Marico Bangladesh gained 2.4 per cent and 0.3 per cent respectively.

<https://thefinancialexpress.com.bd/stock/multinational-companies-shed-up-to-11pc-on-dse-1635046409>

## Beximco Pharma posts 47pc growth, Square 14pc in net profit

The Financial Express, October 24, 2021

- Two leading drug makers saw their growth up to 47 per cent in net profit for the year ended on June 30, 2021, compared to the same period of the previous year. Beximco Pharmaceuticals has registered a 47 per cent growth in net profit while Square Pharmaceuticals posted a 14 per cent growth.
- For fiscal year (FY) 2020-21, Beximco Pharmaceuticals reported a net profit of over Tk 4.94 billion, up from Tk 3.36 billion in the previous FY. The company's EPS (earnings per share) stood at Tk 11.08 for FY 2020-21 as against Tk 7.54 in FY 2019-20.
- The net asset value of Beximco Pharmaceuticals stood at Tk 82.28 for the year ended on June 30, 2021, as against Tk 79.78 for the same period of the previous year. The company's board of directors has recommended a 35 per cent cash dividend for the year ended on June 30, 2021.
- On the other hand, the net profit of Square Pharmaceuticals stood at above Tk 14.74 billion for the year ended on June 30, 2021, registering a 14 per cent rise from the previous fiscal year's net profit of over Tk 12.96 billion.

<https://thefinancialexpress.com.bd/stock/beximco-pharma-posts-47pc-growth-square-14pc-in-net-profit-1635046169>

## GP posts 1.8pc growth in Q3 revenue

The Financial Express, October 22, 2021

- Grameenphone Ltd reported total revenues of Tk 36.21 billion (3,621 crore) for the third quarter of 2021, registering a 1.8 per cent growth from the same period last year. Having acquired 1.6 million (16 lakh) new subscribers, the operator ended the period with 83.6 million (8.36 crore) subscribers, a 7.7 per cent growth year on year, said a press release.
- Of them, 46.1 million (4.61 crore) subscribers, or 55.1 per cent of total subscribers, are using internet services. During the third quarter of 2021, Grameenphone invested Tk 1.92 billion (192 crore) for network coverage.
- Grameenphone's total number of sites stands at 18,023. The company has paid Tk 79.2 billion (7,920 crore) equaling 74.2 per cent of its total revenues, to the national exchequer in the form of taxes, VAT, duties, fees, 4G license and spectrum assignment in the first nine months of 2021.

<https://thefinancialexpress.com.bd/stock/gp-posts-18pc-growth-in-q3-revenue-1634885510>

## Cos' dev-related PSI facing DSE scrutiny

Newage, October 23, 2021

- The Dhaka Stock Exchange has strengthened its monitoring of companies' price sensitive information related to business expansion and development to check share price manipulation by any company in the process.
- The DSE would examine whether any company made the investment or ran the project successfully as per the PSI it disclosed as such information usually causes a hike in share prices of the company.
- DSE chief operating officer Saifur Rahman Majumder told New Age that the bourse had started monitoring companies' business expansion-related PSI. 'Companies disclose information about investment and project that impact significantly their share prices,' he said. The DSE is checking whether the companies made the investments properly as per PSI or not, he said.
- Any information and decision that the issuers of securities are obliged to disclose according to the Bangladesh Securities and Exchange Commission Rules 1995 and have potentiality to have impacts on share prices is called price sensitive information. If the bourse detects any suspicious matter, it would seek explanation from the company concerned and also inform the securities regulator the matter.

<https://www.newagebd.net/article/152538/cos-dev-related-psi-facing-dse-scrutiny>

## Renata's profits rise 22pc

The Daily Star, October 24, 2021

- Profits of Renata Ltd, a listed drug maker, soared over 22 per cent year-on-year to Tk 506 crore in 2020-21 amid the ongoing Covid-19 pandemic. On the basis of its profit, the pharmaceutical company's board of directors recommended 145 per cent cash and 10 per cent stock dividends for shareholders
- The company's earnings per share stood at Tk 51.94 in the recently concluded financial year while it was Tk 46.62 the year before. Renata got listed with the Dhaka Stock Exchange (DSE) in 1979 and now has a paid-up capital of Tk 97.4 crore, according to DSE data. Sponsors and directors collectively hold a 51.18 per cent stake in the company.

<https://www.thedailystar.net/business/organisation-news/news/renatas-profits-rise-22pc-2204766>

## Islami Bank profit goes up on high capital market return

The Business Standard, October 23, 2021

- The year-on-year consolidated profit of the Islami Bank Bangladesh Limited has spiralled by 65.49% in the third quarter this year thanks to higher capital market returns. In Q3, Islami Bank posted its consolidated profit of Tk94.96 crore, which was Tk57.38 crore in the same period of 2020.
- During the July to September period, the bank raked in Tk102.94 crore, which is around 265% higher than the corresponding period of the previous year, in return from the investment in shares and securities.
- Islami Bank Bangladesh Limited is a joint venture public limited company engaged in a commercial banking business based on Islamic Shari'ah. It has a total 375 branches, 196 sub-branches, and 2,306 agent outlets in Bangladesh. It was established in 1983 as the first Islamic bank in South East Asia. In the July to September quarter, its consolidated earnings per share was Tk0.59, which was Tk0.36 in the same period of the previous year.
- During the period, the bank's core business income reduced by 10% to Tk567 crore. In the first nine months (January to September) of the current year, the consolidated net profit was Tk429.61 crore, which was Tk369.73 crore in the same period of the previous year.

<https://www.tbsnews.net/economy/banking/islami-bank-profit-goes-high-capital-market-return-319873>

## Paramount Textile to invest Tk35cr for capacity expansion

The Business Standard, October 23, 2021

- Paramount Textile has announced an investment of around Tk35 crore to increase its weaving capacity along with other auxiliary capacities. The company will import some capital machinery for the planned expansion and the fund will be arranged through foreign loans, Paramount said in a disclosure after the board meeting on Thursday.
- Founded in 2006, Paramount Textile is now a leading manufacturer of woven yarns and it won national export trophies twice. After its stock market listing in 2013, the company has diversified its business to power generation and later also opted for the river dredging business.
- After posting Tk4.46 in earnings per share (EPS) for the 2019-20 fiscal year, it posted Tk3.4 in EPS for the first nine months of the 2020-21 fiscal year. At the end of June 2020, its audited net asset value per share was Tk24.26.
- Over the first nine months of the last fiscal year, the company's total revenue was over Tk375 crore, including that of its subsidiary companies. Paramount Textile shares closed 1.56% higher to Tk84.6 at the Dhaka Stock Exchange on Thursday.

<https://www.tbsnews.net/economy/stocks/paramount-textile-invest-tk35cr-capacity-expansion-319879>

## Pandemic deals blow to WATA Chemicals' sales

The Business Standard, October 21, 2021

- WATA Chemicals Limited – a producer and seller of a variety of acids – witnessed a big fall in revenue in the July-March period of last fiscal year on the back of a decline in sales of its three major products amid the pandemic. In the first nine months of the 2020-21 fiscal year, the company's revenue fell 32.78% year-on-year to reach Tk46.03 crore, while its net profit dropped by 44.53% to Tk7.10 crore.
- In the third quarter – from January to March – of FY21, WATA Chemical's revenue and net profit fell by 30% and 66.88% to reach Tk13.54 crore and Tk1 crore, respectively, when compared to the corresponding period of the previous year. WATA Chemicals produces alum and zinc sulphate, magnesium sulphate, sulphuric acid, basic chrome powder, and linear alkyl benzene sulphonic acid.
- Ali Ahsan, chief financial officer (CFO) of the company, told The Business Standard, "Due to the Covid-19 disaster, the company was unable to continue consistency in the sales and production processes." "The demand for our three main products has declined because of the pandemic. As a result, revenue and profit fell. As the pandemic gets normal, we hope to rebound from the pandemic shock."

<https://www.tbsnews.net/economy/stocks/pandemic-deals-blow-wata-chemicals-sales-319156>

## DSE adds two new companies to core index

The Financial Express, October 22, 2021

- Dhaka Stock Exchange (DSE) has added two newly listed companies to its Broad Index (DSEX) as they met all the criteria of interim quarterly IPO addition. The companies are Baraka Patenga Power Ltd and South Bangla Agriculture & Commerce Bank Ltd.
- The indices committee of DSE selected the companies after reviewing the performance of the firms for July-September, 2021 quarter in line with the index methodology designed by S&P Dow Jones Indices. The revised list will be effective from October 24 (Sunday), according to a press release issued on Thursday.
- Of the two companies, Baraka Patenga Power, which raised Tk 2.25 billion through IPO under the book-building method, made debut trading on the bourses on July 15 this year. The power generation company's share price closed at Tk 45.40 each on Thursday gaining 1.79 per cent over the previous day.

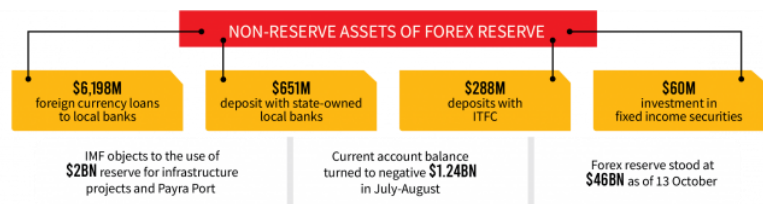
<https://thefinancialexpress.com.bd/stock/dse-adds-two-new-companies-to-core-index-1634878103>

## Economy & Industry

### Forex reserves overstated by \$7.2bn: IMF

The Business Standard, October 23, 2021

- The Bangladesh Bank has overstated its foreign exchange reserves by \$7.2 billion through inclusion of non-reserve assets underestimating related risks, the International Monetary Fund says. In a draft report on safeguards assessment of the Bangladesh Bank for 2021, the IMF has identified the misclassification of foreign assets leading to an inflated foreign reserve held by the central bank.
- The foreign exchange reserve of \$46 billion as reported at the end of June this year was overstated by 15%. Originally, the forex reserve would be \$39 billion, according to IMF calculation.
- Explaining this finding, the global lender has said a portion of the reserve has been used to finance, deposit with resident banks, invest in non-investment grade bonds and lend to Sri Lanka following the decisions of the central bank board and its investment committee.
- Yet the central bank continues to include these non-reserve assets in the performance and risk analysis for foreign reserves
- The IMF recommended that the Bangladesh Bank should manage foreign reserves separately from non-reserve assets to avoid overstatement of foreign currency liquidity and underestimation of related risks, and report transparently.
- Referring to the Bangladesh Bank's disbursement of \$250 million to the central bank of Sri Lanka as foreign currency support, the IMF report said the short-term financing was guaranteed by a deposit in Sri Lanka rupees of equivalent amount at the Bangladesh Bank. The lending in foreign currency should be ideally collateralised in the same currency of the loan, the report pointed out.



<https://www.tbsnews.net/economy/forex-reserves-overstated-72bn-imf-319909>

### Govt drafts guidelines on investing abroad

The Daily Star, October 24, 2021

- The government has framed draft rules to allow local firms to set up subsidiaries or buy shares in companies in other countries with a view to facilitating investment abroad. As per the draft, exporters will be able to invest as much as 20 per cent of their five-year average annual export receipts as equity to establish subsidiaries on foreign soil.
- In order to qualify, exporters will need to have an adequate balance in their Export Retention Quota (ERQ) accounts, where entrepreneurs keep a portion of their export proceeds in foreign currency.
- Alternatively, an exporting firm can invest 25 per cent of its net asset based on its most recent financial statement, according to the draft rules on equity investment abroad framed by the Financial Institutions Division of the finance ministry.
- The Bangladesh Bank has far allowed 15 firms to set up subsidiaries or open offices in other countries. Of them, the central bank gave the go-ahead to five firms to invest in countries such as India, Ireland, the US, Singapore, and Saudi Arabia to do business in food processing, pharmaceuticals, and dates.
- Central bankers say they framed the new rules in order to have a framework at hand so that local investors get a clear guideline on the issue. The rules will be finalised upon approval from the government.
- As per the draft rules, exporters with an adequate balance in their ERQs can apply to make an investment in other countries. The applicant should be financially solvent or viable in the previous five years. In addition, interested firms must submit certificates of export proceeds realisation and import bill settlement.

<https://www.thedailystar.net/business/economy/news/govt-drafts-guidelines-investing-abroad-2204776>

## International

### Eurozone growth slows as prices jump: survey

The Daily Star, October 24, 2021

- The recovery of the eurozone economy is losing steam, a closely watched survey said on Friday, with big supply chain problems at factories causing price hikes not seen in twenty years. "The ongoing pandemic means supply chain delays remain a major concern," warned Chris Williamson, Chief Business Economist at IHS Markit.
- This was "constraining production and driving prices ever higher both in the manufacturing and in the services sector," he said. The purchasing managers' index (PMI), which measures corporate confidence, demonstrated the slowdown clearly.
- IHS Markit said it slipped to 54.3 in October, after posting 56.2 points in September and a high 59 points in August. A figure above 50 indicates growth. IHS Markit said supply problems were especially felt in Germany, the EU's export powerhouse that depends on the global economy to churn out high-value goods, such as cars and machinery.
- While the rate of growth was still there, IHS Markit said that the eurozone could falter in the near-term "as the pandemic continues to disrupt economies and push prices higher". A new spike in Covid-19 cases in the autumn and winter could again disrupt the economy and cause problems for the customer-facing service sectors as well, it warned.
- One bright spot was hiring, which reached the record levels seen in July. Companies are beefing up staff to try to meet the backlog in orders, IHS Markit said.

<https://www.thedailystar.net/business/global-economy/europe/news/eurozone-growth-slows-prices-jump-survey-2204726>



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