

Stock Market

Stocks fall for 3rd day on poor earnings disclosures

New Age, April 24, 2018

- Dhaka stocks on Tuesday dropped for the third session amid declarations of poor earnings by a number of large capitalised companies.
- The key index of Dhaka Stock Exchange, DSEX, dropped 0.49 per cent, or 28.77 points, to close at 5,777.35 points on the day.
- The core index lost 66 points in three trading sessions.
- Share prices of ICB slumped by 3.22 per cent on Tuesday, extending the losses for second day, as the company announced a 53-per cent profit fall for January-March quarter (third quarter for the company).
- The share prices of GP fell by 1.78 per cent on Tuesday, extending its loss for third day as the company earlier declared a 2.46-per cent profit fall for January-March quarter.
- The GP and ICB's profit fall and subsequent hammering of share prices also weighed on other large capitalised scrips.
- Of the 335 companies and mutual funds traded on the day, 209 declined, 85 advanced, and 45 remained unchanged.
- DS30, the blue-chip index of the DSE, also declined 0.69 per cent, or 15.14 points, to finish at 2,164.70 points.

<http://www.newagebd.net/article/39781/stocks-fall-for-3rd-day-on-poor-earnings-disclosures>

Brac Bank featured at Sohn Investment Conference

Dhaka Tribune, April 24, 2018

- Brac is "the best way to play the Bangladesh growth story," said a noted American hedge fund manager Monday.
- Rashmi Kwatra, founder of Sixteenth Street Capital, has picked Bangladesh's Brac Bank during a session titled "Next Wave Sohn" at the Sohn Investment Conference on Monday in New York.
- According to Investopedia, the Sohn Investment Conference, now in its 23rd year, is arguably the most respected and influential hedge fund gathering in the world.
- The conference kicked off Monday with hedge fund managers' picks moving markets.
- Sohn is the most widely anticipated hedge fund event of the year, where managers volunteer their time and best investment ideas to raise money in the fight against childhood cancer, writes CNBC.
- In an interview on CNBC, Rashmi Kwatra said: "Bangladesh's economy has grown 6% annually over the last 10 years with 73% of its 163 million population under age 40."
- She also said only 31% of the country has a bank account, "providing a big penetration growth opportunity for Brac Bank."
- Rashmi Kwatra was recently named one of 50 leading women in hedge funds globally by the Hedge Fund Journal.

<https://www.dhakatribune.com/business/banks/2018/04/24/brac-bank-featured-sohn-investment-conference/>

Economy

Beximco Pharma begins exporting third product to the US market

Dhaka Tribune 24, 2018

- Beximco Pharma has began the export of their third product Methocarbamol (500mg and 700mg) to the US market on Tuesday.
- The first consignment was delivered on April 21, 2018 and this is the third product from Beximco Pharma in the world's largest pharma market after the successful launch of Carvedilol and Sotalol in August 2016 and November 2017, respectively.
- Methocarbamol is generic equivalent to muscle relaxant drug Robaxin from Auxilium Pharmaceuticals. According to IQVIA market data, the US market for Methocarbamol is currently valued at USD 23.37 million.
- Beximco Pharma Managing Director Nazmul Hassan MP spoke on the occasion.
- Beximco Pharma remains the only Bangladeshi pharmaceutical company to export medicine to the US market following its manufacturing site approval by the US Food and Drug Administration in June 2015.

<https://www.dhakatribune.com/business/2018/04/24/beximco-pharma-begins-exporting-third-product-us-market/>

Import rises 12pc in March on food grains, machinery

The Financial Express, April 24, 2018

- The country's overall import grew by more than 12 % or US\$ 453.97 Mn in March, mainly due to higher import of food grains and capital machinery, officials said.
- The settlement of letters of credit (LCs), generally known as actual import, in terms of value, rose to \$4.20 Bn in March 2018, from \$3.74 Bn in the same period of the previous calendar year.
- The actual import was \$4.02 Bn in February 2018, according to the central bank's statistics.
- The overall import increased significantly in this March mainly due to higher import of food grains, particularly rice and wheat, as well as capital machinery to meet the growing demand for the essentials in the local market.
- The upward trend in import might continue in the coming months also ahead of the holy Ramadan.
- Rice import rose to \$136.12 Mn in March 2018 from only \$9.0 Mn a year before, while wheat import stood at \$101.88 Mn from \$98.97 Mn, the BB data showed.

<https://thefinancialexpress.com.bd/trade/import-rises-12pc-in-march-on-food-grains-machinery-1524541212>

Revenue shortfall forces govt to wind down budget

The Financial Express, April 25, 2018

- The government has wound down this fiscal year's budget by 7.25 per cent to Tk 3.71 trillion after a large shortfall in internal revenue collection and lower execution of development work.
- Finance Minister AMA Muhith placed a Tk 4.002-trillion budget for fiscal year 2017-18, which he himself termed 'ambitious'.
- "The government wants to keep the budget deficit within 5.0 per cent of Gross Domestic Product (GDP).
- The implementation of ADP was 45 per cent until March of the fiscal 18.
- Depressing was tax collection that it faced a Tk 230 billion shortfall against the target of July-March period.
- The government had cut ADP size to Tk 1.48 trillion for this financial year.
- In the revised budget, the target for the National Board of Revenue (NBR) has been reduced to Tk 2.25 trillion from the original target of Tk 2.48 trillion, finance officials said.
- The revised target for the total revenue collection, including NBR, non-NBR and non-tax, has been set at Tk 2.59 trillion from its original Tk 2.87 trillion.
- The target for non-NBR revenue collection has been cut to Tk 75 billion from Tk 86.21 billion.
- The government's non-tax revenue target was also reduced to Tk 269 billion from Tk 311 billion.
- The target for income tax has been cut to Tk 787 billion, customs duty Tk 283 billion, VAT and supplementary duty Tk 1.14 trillion and other NBR-taxes to Tk 29 billion.

<https://thefinancialexpress.com.bd/economy/bangladesh/revenue-shortfall-forces-govt-to-wind-down-budget-1524628794>

BDT demand in money market dips

The Financial Express, April 25, 2018

- The demand for Bangladesh Taka (BDT) in the money market fell drastically mainly due to the recent slash of the cash reserve requirement (CRR) by 1.0 percentage by the central bank.
- Both the weighted average inter-bank call money rate and weighted average yield on Bangladesh Bank (BB) Bills dropped significantly in the recent days in lockstep with the revised CRR, according to market operators.
- The weighted average inter-bank call money rate came down to 3.76 per cent on Monday from 4.53 per cent as on April 12 while volume of transaction also fell to Tk 46.66 billion from Tk 78.36 billion, according to the central bank's statistics.
- The weighted average yield (WAY) on 07-Day BB Bills fell to 1.32 per cent on Tuesday from 2.98 per cent as on April 12 while the WAY on 14-Day BB Bills dropped to 1.28 per cent from 2.98 per cent.
- On Tuesday, 12 bids amounting total of Tk 36.55 billion were offered for 07-Day BB bill auction.

<https://thefinancialexpress.com.bd/economy/bdt-demand-in-money-market-dips-1524630702>

International

Asian shares spooked by rising U.S. yields, cost worries

Reuters, April 25, 2018

- Asian shares fell on Wednesday as a rise in U.S. bond yields to 3 percent and warnings from bellwether U.S. companies of higher costs drove fears that corporate earnings growth may peak soon.
- MSCI's broadest index of Asia-Pacific shares outside Japan .
- MIAPJ0000PUS dropped 0.7 percent to its lowest in almost three weeks, with tech-heavy Taiwan shares .TWII hitting two-month lows on worries about slowing semi-conductor demand.
- Japan's Nikkei .N225 also dropped 0.7 percent.
- S&P E-mini futures ESc1 slipped 0.2 percent. Wall Street shares skidded overnight, with the S&P 500 .SPX falling 1.34 percent, the most in two-and-a-half weeks.

<https://www.reuters.com/article/us-global-markets/asian-shares-spooked-by-rising-u-s-yields-cost-worries-idUSKBN1HW02F>

Credit Suisse analyst explains why she likes the Saudi stock market

CNBC, April 25, 2018

- Saudi Arabian markets look set to get a boost from their inclusion in the FTSE Russell's emerging markets index in March 2019, according to Krithika Subramanian, a research analyst at Credit Suisse Private Banking.
- MSCI is also likely to include Saudi Arabia in its emerging markets benchmark, she said.
- Those two developments would bring almost \$15 billion of money into the country, said Subramanian.

<https://www.cnn.com/2018/04/25/investing-credit-suisse-likes-saudi-banking-petrochem-stocks.html>

iPhone Maker Misses Out While Apple Investors Make 950% Return

Reuters, April 23, 2018

- It's been one of the greatest money generating consumer products of all time.
- Taiwan's Hon Hai Precision Industry Co. has fallen 13 percent since the first iPhone was released in June 2007.
- Even when factoring in dividends, the total return since then amounts to 11 percent, compared with about 950 percent for Apple Inc.
- Hon Hai shares have plunged 34 percent since last June's high amid concern that demand for the iPhone X is slowing at a time when Chinese competitors such as Huawei and Xiaomi are rolling out more premium phones.
- Hon Hai gets about half its revenue from Apple, which is down 10 percent from its March peak.

<https://www.bloomberg.com/news/articles/2018-04-25/iphone-maker-misses-out-while-apple-investors-make-950-return>

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