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Stock Market & Company

Dhaka stocks slump

Newage, October 24, 2021

- Dhaka stocks slumped on Sunday after a gain in the previous session as shaky investors continued selling shares amid volatility on the market. DSEX, the key index of the Dhaka Stock Exchange, lost 0.99 per cent, or 70.52 points, to close at 7,005.7 points on Sunday after gaining 55.61 points in the previous session.
- The DSEX lost 362 points in the last nine sessions with just one positive session. Of the 374 scrips traded on the DSE on Sunday, 292 declined, 57 advanced and 26 remained unchanged. Turnover on the DSE inched up to Tk 1,471.04 crore on Sunday from Tk 1,310.97 crore in the previous session.
- DS30, a composition of 30 large capitalised companies, declined by 0.03 per cent, or 1.02 points, to close at 2,698.31 points on Sunday. Shariah index DSES shed 2 per cent, or 30.37 points, to settle at 1,487.78 points. DSMEX Index, an index of the SME platform, however, increased by 2.52 per cent, or 15.78 points, to close at 641.11 points on Sunday.
- BEXIMCO led the turnover chart with its shares worth Tk 342.19 crore changing hands on the day. Orion Pharma, Delta Life Insurance, NRB Commercial Bank, Genex Infosys, Square Pharmaceuticals, IFIC Bank, Beximco Pharmaceuticals, LafargeHolcim Bangladesh and British American Tobacco were the other turnover leaders on the day.

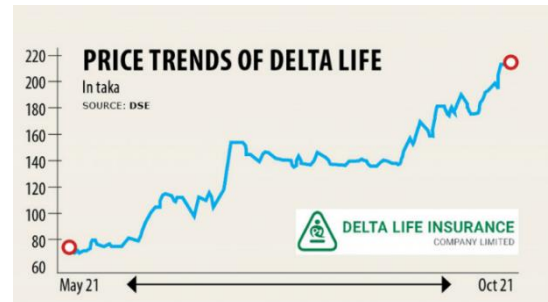
<https://www.newagebd.net/article/152617/dhaka-stocks-slump>

Delta Life stock price trebles in six months

The Daily Star, October 25, 2021

- Stocks of Delta Life Insurance Company Limited have tripled in value over the past six months even though the company reported lower revenue in its recent financial disclosure, raising concerns among analysts that manipulation might be taking place behind the scenes. The insurer had thrice announced that there is no undisclosed price sensitive information that could have led to the abnormal rise in stock prices.

- Still, its share value increased by 204 per cent to Tk 215, according to data from the Dhaka Stock Exchange (DSE). As a result of its meteoric rise, the Delta is now the stock with the highest value among all 53 listed insurance companies.
- The Delta's consolidated revenue from July to September in 2019 stood at Tk 29 crore while it was Tk 35 crore during the corresponding period the previous year, showed the DSE data.
- The IDRA had appointed Sultan-ul-abedin Mollah as an administrator in the company last February on grounds of protecting policyholders' interests. The logic behind appointing an administrator was to unearth any breaches in regulations, which eventually came to light through special and investigative audits.
- The Bangladesh Securities and Exchange Commission (BSEC) has greatly developed its monitoring systems and so, it is possible to find out who is buying what from whom and why.



<https://www.thedailystar.net/business/organisation-news/news/delta-life-stock-price-trebles-six-months-2205581>

Two Square entities to go for Tk 646cr expansion

The Daily Star, October 25, 2021

- Square Pharmaceuticals and Square Textiles, two major concerns of Square Group, have decided to invest Tk 646 crore to expand business. The two made the disclosure in separate postings on the Dhaka Stock Exchange (DSE) website yesterday, a day after the board meeting.
- Square Textiles said it aims to increase yarn production capacity of its factory by 11,565 tonnes per annum. Estimated project cost for the expansion is Tk 346 crore. The company expected the expansion would be complete in April 2023. Square Textiles expects that the investment will generate Tk 371 crore in annual turnover.
- Square Textiles, which logged higher earnings per share to Tk 3.41 in the financial year 2020-21, expects to make a profit by around 5-7 per cent from the turnover. The textile maker's shares rose 4 per cent to Tk 51 yesterday from that on the previous day of trade. Meanwhile Square Pharmaceuticals said its board approved Tk 300 crore for BMRE, capital machineries and land.

<https://www.thedailystar.net/business/organisation-news/news/two-square-entities-go-tk-646cr-expansion-2205556>

FSIBL sets lofty goals banking on digital tech

The Financial Express, October 25, 2021

- First Security Islami Bank Limited (FSIBL) is shifting its focus to small businesses and small deposits through introducing new and innovative products and services using digital technologies, the bank's top executive said.
- The Shariah-based Islamic bank has also put emphasis on bringing the unbanked people into the banking network in line with the ongoing financial inclusion campaigns of the government.
- "The FSIBL has been continuously upgrading its products and services considering the growing demand of our clients and the economy by using modern and digital technologies," Syed Waseque Md Ali, managing director and chief executive officer (CEO) of the bank, told The Financial Express (FE) in an exclusive interview recently ahead of the bank's 22nd anniversary today (Monday).
- Among different products and services, 'FSIBL Murubbi' is for elderly citizens, 'FSIBL Mohioshi' is for women, and 'Sanchay Prakaipa' is a replication of Sanchaypatra (Savings certificate), said the banker, adding that FSIBL had introduced a number of other products and services catering to the needs of specific groups.

<https://thefinancialexpress.com.bd/stock/fsibl-sets-lofty-goals-banking-on-digital-tech-1635131623>

Dutch-Bangla Bank's third-quarter profit jumps 31%

The Business Standard, October 24, 2021

- Dutch-Bangla Bank Limited has recorded a 31% jump in its third quarter —July to September— profits. The private sector lender also registered a 14% growth in profits in the first nine months of this year. The company disclosed the figures as price-sensitive information (PSI) after its board of directors meeting on Sunday.
- According to its latest figures, Dutch-Bangla recorded a net profit of Tk169.44 crore in the July-September quarter, while its earnings per share (EPS) stood at Tk2.68. The bank recorded a Tk129.37 crore net profit and Tk2.08 EPS last year over the same period.
- In the first nine months of this year, its profit stood at Tk395.37 crore and EPS at Tk6.25, which was Tk345.77 crore and Tk5.47 respectively over the same period in the previous year.

<https://www.tbsnews.net/economy/stocks/dutch-bangla-banks-third-quarter-profit-jumps-31-320296>

Premier Bank profit grows 28% on investment income

The Business Standard, October 24, 2021

- Premier Bank Limited's net profit has increased by 27.70% to Tk67.48 crore in the third quarter (June-September) of 2021 due to an increase in its investment income. During the period, the bank's investment income increased by 31.26% to Tk154.10 crore, which was Tk117.40 crore in the same period of 2020.
- In this quarter, the company posted a consolidated net interest income of Tk107.83 crore, which was Tk43.99 crore in the same period of 2020. In the June-September quarter, its consolidated earnings per share were Tk0.65, which was Tk0.51 in the same period of the previous year.
- During the first nine months (from January to September) in 2021, the company's consolidated net profit was Tk232.39 crore, which was Tk146.24 crore in the same period the previous year. During the period, its consolidated earnings per share were Tk2.23, which was 1.40 in the same period of the previous year.

<https://www.tbsnews.net/economy/banking/premier-bank-profit-grows-28-investment-income-320332>

Economy & Industry

FDI inflow rises marginally

The Daily Star, October 25, 2021

- Foreign direct investment to Bangladesh rose 6 per cent year-on-year to \$2.51 billion in the last fiscal year, continuing the recent trends whereas peer countries secured a higher level of investment from external investors. The FDI flow has been far lower than expected because of strict regulations and bureaucratic complexities, according to analysts.
- Fresh investment, or equity capital, did not arrive as expected in 2020-21. Foreign companies operating in Bangladesh largely reinvested their earnings in the year, helping the country keep its FDI trend stable.
- FDI in the field of equity capital rose 12.08 per cent to \$816 million, disappointing analysts as it remains less than \$1 billion.
- Reinvestment of earnings stood at \$1.58 billion, up 4.63 per cent year-on-year, data from the Bangladesh Bank showed. Intra-company loans dipped to \$105 million in contrast to \$1.32 billion in FY20.
- The government had targeted to attract \$32 billion in FDI during the seventh five-year plan period stretching from FY16 to FY20. But, the country had managed to receive less than \$10 billion. In a positive development, the government has reduced the lock-in period for foreign investment to one year from three years.



TOP 5 SECTORS ATTRACTING FDI IN FY21

Power \$457m	Textile and wearing \$377m
Food \$307m	Telecom \$243m
Banking \$241m	

FDI FROM TOP 5 COUNTRIES IN FY21

Netherlands \$358m	UK \$344m	USA \$240m
Singapore \$240m	Norway \$187m	

- It means investors, who hold 10 per cent shares in a company or directorship, are not allowed to sell the stake within the stipulated period. Per capita income in Bangladesh is on the rise, but it has not been reflected in the FDI trend.

<https://www.thedailystar.net/business/economy/news/fdi-inflow-rises-marginally-2205596>

BSRM ups investment by 164% to meet growing demand

The Business Standard, October 25, 2021

- The steel market leader, BSRM Steels Ltd, has revised up its investment plan for capacity expansion amid a boost in demand for its products. A year ago, the listed company had announced a Tk700 crore investment plan to increase its annual production capacity of construction rod and some other products by five lakh tonnes, taking the total capacity to over 21 lakh tonnes per year.
- But amid soaring demand, it has now planned to increase rod re-rolling capacity by six lakh tonnes, for which it will also increase its billet making capacity by 2.5 lakh tonnes. This will make the company self-reliant for the semi-finished raw material, said company officials.
- For the revised melting and re-rolling capacity of 22 lakh tonnes each per year, the total investment needed has been revised up to 2.64 times to Tk1,850 crore and the project is set to be completed by the end of 2023, instead of the previous plan to begin production by mid-2023. The expansion project would be financed using BSRM's own money and some borrowed funds, the company disclosed.
- Two BSRM companies listed in the local bourses announced record sales, profits and dividends for the 2020-21 fiscal year amid reduced marketing, finance and tax expenses.

<https://www.tbsnews.net/economy/bsrm-ups-investment-264-meet-growing-demand-320359>

International

Evergrande resumes work on over 10 property projects

The Daily Star, October 25, 2021

- China Evergrande Group said on Sunday it had resumed work on more than 10 projects in six cities including Shenzhen - a statement that comes after it appeared to avert default with a last-minute bond coupon payment last week. Evergrande, deep in crisis with more than \$300 billion in liabilities, has not disclosed how many of its 1,300 real estate projects across China it has had to halt work on.
- The company said on August 31 that some projects were suspended because of delays in payment to suppliers and contractors and it was negotiating to resume building. On Sunday, it said in a post on its Wechat account that some of the projects it had resumed work on had entered the interior decoration stage while other buildings had recently finished construction.
- Evergrande added that its efforts to guarantee construction would shore up market confidence and included several photos of construction workers on different projects, stamped with the time and date.
- China's second-largest property developer last month also promised potential buyers it will complete building of their homes and said that work on one of the world's biggest soccer stadiums in the southern city of Guangzhou was proceeding as planned.
- Last week's move to pay \$83.5 million in interest on a US dollar bond has bought Evergrande another week to wrestle with a debt crisis looming over the world's second-biggest economy.

<https://www.thedailystar.net/news/asia/china/news/evergrande-resumes-work-over-10-property-projects-2205516>

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BASL Research Team

Mr. Shariful Alam Chowdhury
Head of Research & Investments

tushar@basl-bd.com

Mr. Shohidul Islam
Research Analyst

shohidul@basl-bd.com

BASL Networks

Head Office

Hadi Mansion (2nd Floor)
2, Dilkusha Commercial Area
Dhaka-1000, Bangladesh
Phone: +88-02-9515826-28
E-mail: info@basl-bd.com

Dhanmondi Branch

Meher Plaza (1st Floor),
House # 13/A, Road # 05
Dhanmondi, Dhaka - 1207
Phone: +8802-44611923-24

Mirpur Branch

Nishi Plaza, plot # 01,
Avenue-04, Section-06, Block-C
Mirpur, Dhaka - 1216
Phone: +8802-58055449,
48032449

Uttara Branch

House # 79/A, (4th Floor),
Road # 07, Sector # 04
Uttara Model Town, Dhaka-1230
Phone: +88-02-48958389,48958371

Banani Branch

Nur Empori, Plot # 77 (1st Floor),
Road No # 11, Banani,
Dhaka-1213
Phone: +88028836155, 8836849

Bijoynagar Extension

Prime Tower (3rd Floor), 180-
181
Dhaka-1213
Phone: +880248318685

Nikunja Branch

DSE Tower, Level 10, Room#
200, Nikunja, Dhaka-1229
Phone: +8809666702070

Khulna Branch

28, Sir Iqbal Road (1st Floor)
Khulna
Phone: +88-041-731208-9

For International Trade & Sales, please call at +8801993111666, +880 02 9515826, Ext: 101 at Business hour. For further query, write to us at research@basl-bd.com.