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Stock Market & Company

Stocks bounce back strongly after two-day slump

The Financial Express, October 26, 2021

- Stocks rebounded strongly Tuesday, snapping the two days' big fall, as institutional investors came up with buying lucrative shares. Following the previous day's steep fall, the Dhaka Stock Exchange opened on an optimistic note and ended sharply higher despite some volatility in the early trading.
- At the end of the session, DSEX, the benchmark index of the DSE, recovered from the previous day's big losses as the index soared 120.48 points or 1.75 per cent to settle at 7,005. Earlier in the first two days of the week, DSEX eroded more than 191 points.
- The two other indices also ended higher. The DS30 index, comprising blue chips, rose 17.10 points to finish at 2,661 and the DSES (Shariah) index advanced 16.86 points to close at 1,482. Turnover, another important indicator of the market, however, dropped to Tk 13.86 billion on the prime bourse, which was 5.71 per cent lower than the previous day's tally of Tk 14.70 billion.
- The prices of more than 90 per cent traded issues closed higher, as out of 376 issues traded, 340 closed higher, 22 ended lower and 14 issues remained unchanged on the DSE trading floor. A total number of 195,064 trades were executed in the day's trading session with a trading volume of 314.45 million securities.
- The market-cap of DSE also increased to Tk 5,639 billion which was Tk 5,572 billion in the previous day. Beximco returned to the day's top turnover list with shares worth Tk 867 million changing hands, closely followed by Delta Life Insurance (Tk 784 million), NRB Commercial Bank (Tk 757 million), Orion Pharma (Tk 705 million) and Fortune Shoes (Tk 561 million).
- The port city bourse CSE also rebounded strongly with the CSE All Share Price Index – CASPI – soaring 308 points to settle at 20,477 points and Selective Categories Index – CSCX – advancing 179 points to finish at 12,303 points.

<https://thefinancialexpress.com.bd/stock/stocks-bounce-back-strongly-after-two-day-slump-1635240343>

Investors' money yet to be paid

Newage, October 26, 2021

- The Dhaka Stock Exchange has failed to recover funds allegedly embezzled by owners of Banco Securities Limited and Crest Securities Limited. Owners of Banco Securities and Crest Securities allegedly embezzled investors' money worth Tk 66.59 crore and Tk 48 crore respectively between June 2020 and June 2021.
- On June 14, the DSE suspended the operations of Banco Securities, a brokerage house of the DSE, for alleged embezzlement of Tk 66 crore from consolidated customers' accounts. The DSE immediately froze all the BO accounts of the investors.
- ACC deputy assistant director Nur Alam Siddique on June 29 filed the case with its integrated district office, Dhaka-1 against Muhith and five others on charge of embezzling clients' money worth about Tk 66.59 crore.
- The BSEC also froze the bank accounts of 10 companies which had common directorship with Banco Securities. But no money has been recovered in the last five months. In June 2020, owners of Crest Securities Limited, a brokerage house of the DSE, went into hiding after allegedly embezzling the clients' money.
- Crest Securities managing director Md Shahid Ullah and his wife Nipa Sultana embezzled Tk 48 crore from several thousands of clients and then shut down their brokerage house before going into hiding, Dhaka Metropolitan Police detectives said in July 2020.

<https://www.newagebd.net/article/152845/investors-money-yet-to-be-paid>

Unilever Consumer Care's profit rises in Q3

The Daily Star, October 27, 2021

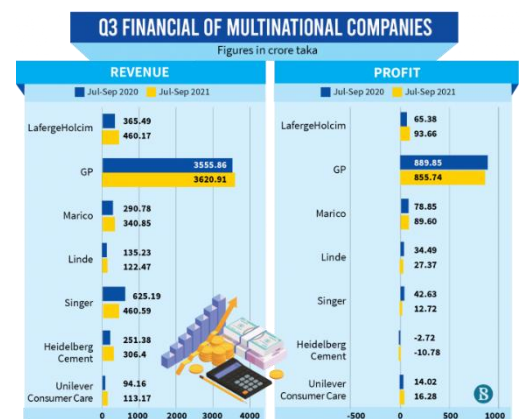
- Unilever Consumer Care, formerly known as GlaxoSmithKline, logged higher profits in the July-September period of the current financial year, in contrast to the January-September period when its profits dropped. The listed multinational company's third quarterly profits rose around 16 per cent to Tk 16.28 crore, up from Tk 14.05 crore in the same period the previous year.
- However, its profits in the nine-month period fell 15 per cent year-on-year to Tk 38.66 crore, down from Tk 45.83 crore. In the same period, the company's earnings per share dropped to Tk 32.10 whereas previously it was Tk 38.05.
- "Drop in EPS mainly resulted from significant reduction in finance income by Tk 11.33 crore in 2021 compared to that of 2020 due to reduction in interest rate on FDR," the company said in its explanation of the financial reports. The company was listed with Dhaka Stock Exchange in 1976 and has disbursed 440 per cent cash dividend for last year.

<https://www.thedailystar.net/business/organisation-news/news/unilever-consumer-cares-profit-rises-q3-2207356>

Most MNCs post higher revenue in Jul-Sep

The Business Standard, October 26, 2021

- Most of the listed multinational companies are seeing significant growth in revenue after reopening of economy with the fading of pandemic this year.
- Seven multinational firms have published their financials for the July-September quarter of this year. Five of them witnessed growth in revenue while two others reported lower revenue compared to the same period of the previous year.
- Of the seven companies, three saw an increase in their profits, and three witnessed drops in their profits compared to the previous year while one continued incurring losses.
- HeidelbergCement Bangladesh – a multinational cement maker in the country – has posted 21.88% revenue growth in the July-September quarter but it incurred losses due to an increase in raw material prices and intense competition in the cement industry.



- In this quarter, the consumer electronics and home appliances maker Singer Bangladesh and an industrial and medical gas producer Linde Bangladesh saw a drop in both revenue and profit.
- LafargeHolcim Bangladesh, Marico Bangladesh, and Unilever Consumer Care have posted growth in revenue and profit in the three months to September compared to the previous year. LafargeHolcim's profit rose 43% to Tk93.66 crore and sales 26% to Tk460.17 crore riding on its strengthening digital initiatives and optimising costs.
- Marico Bangladesh – an India-based multinational company – has posted a 17% increase to Tk340.85 crore in revenue and 13% to Tk89.60 crore in profit. Grameenphone – a leading telecommunications service provider in the country – registered 1.8% year-on-year revenue growth but its profit fell 3.83% in the three months to September this year.

<https://www.tbsnews.net/economy/most-mnocs-post-higher-revenue-jul-sep-321370>

City Bank records Tk2.97 earnings per share for Jan-Sep period

The Business Standard, October 26, 2021

- The City Bank Limited on Tuesday announced that the bank's consolidated Earnings Per Share (EPS) was Tk2.97 for the January to September 2021 period. The bank made the announcement at its Earnings Disclosure event, which was held over digital platform, and announced the bank's Q3 financial results, said a press release.
- Existing and potential investors from across the globe, researchers, analysts and other individuals involved in capital market joined the event. City Bank's consolidated Earnings Per Share (EPS) was recorded at Tk2.97 for the period from January to September 2021 against that of Tk2.89 during the same period last year.
- The bank also reported Tk316.5 crore Consolidated Profit After Tax (PAT) during the period January to September 2021, which was Tk308.6 crore during the same period of last year, the press release added.

<https://www.tbsnews.net/economy/banking/city-bank-records-tk297-earnings-share-jan-sep-period-321256>

6 companies declare dividends for 2021

The Business Standard, October 26, 2021

- Six listed companies – National Tea Company Limited, Acme Laboratories Ltd, ADN Telecom Limited, The Peninsula Chittagong Limited, KDS Accessories, Unique Hotel and Resorts Ltd – have declared dividends for their shareholders for the year ended on 30 June 2021.
- National Tea Company has recommended a 10% cash dividend for its shareholders for 2021. During the period, the net loss of the company was Tk20.91 crore, which was Tk36.77 crore in the previous year.
- Acme Laboratories has recommended a 25% cash dividend for its shareholders for 2021. During the period, the net profit of the company was Tk156.92 crore, which was Tk145.05 crore in the previous year.
- ADN Telecom has recommended a 10% cash dividend for its shareholders for 2021 when its net profit was Tk16.62 crore, which was Tk16.16 crore in the previous year. Its earnings per share were Tk2.57 and net asset value was Tk25.97. The Peninsula Chittagong Limited has recommended a 10% cash dividend for its shareholders for 2021. During the period, the net profit of the company increased to Tk4.87 crore from Tk0.59 crore in the previous year.
- KDS Accessories has suggested a 15% cash dividend for its shareholders for 2021. During the period, the net profit of the company went up to Tk15.69 crore from Tk14.47 crore in the previous year. Its earnings per share were Tk2.20 and net asset value was Tk24.75. Unique Hotel & Resorts has recommended a 10% cash dividend for its shareholders for 2021.

<https://www.tbsnews.net/economy/stocks/6-companies-declare-dividends-2021-321337>

Islam Oxygen to raise Tk93cr for a new industrial gas plant

The Business Standard, October 26, 2021

- Islam Oxygen Limited, a local producer of medical, industrial and laboratory gas, has announced its plan to collect Tk93 crore through initial public offering (IPO) to nearly double its capacity through setting up a new plant.
- Islam Oxygen began its commercial operations in its Rupgonj, Narayanganj plant in 2013. It began as a venture of three brothers who were in need of industrial oxygen for their steel mill. Gradually, the company extended their production to a wide range of industrial and medical gas.

- The company has disclosed its financial details and projected revenue and profits before the investors. Its annual revenue grew to Tk145 crore in the 2020-21 fiscal year, from Tk73 crore in the 2016-17 fiscal year. Over the period its net profit after tax grew to over Tk41 crore from Tk14.5 crore.
- Its current paid-up capital is Tk95 crore, and earnings per share for the 2020-21 fiscal year was Tk4.37. Net asset value per share (NAVPS) including asset revaluation surplus stood at Tk38.37 at the end of last June, while without the asset revaluation surplus added the NAV per share is Tk25.09.

<https://www.tbsnews.net/economy/stocks/islam-oxygen-raise-tk93cr-new-industrial-gas-plant-321331>

Economy & Industry

Asia's most compelling growth story is right here in Bangladesh

The Daily Star, October 27, 2021

- 2021 is a very special year for Bangladesh. This year we celebrate 50 years of our achievements as a nation, built on our innate strength and resilience. The country has achieved sustained progress, culminating in stellar growth in the last 12 years and nearly quadrupling of the GDP during the period.
- The continued development across primary, secondary, and tertiary sectors has set a model of growth that has defied the odds, and the world has begun to take notice.
- Within this period, the economy has transformed from reliance on readymade garment to exemplary progress in multiple export sectors and increased attractiveness as a destination for both foreign direct investment and foreign portfolio investment.
- Whilst all these attributes have helped build a collective platform for growth, there is no doubt that Covid-19 has challenged us. But more importantly, perhaps, Covid-19 once again showed the true mettle of the character of Bangladeshi people, businesses, and the economy.
- The government's timely and judicious efforts combined with the hard work of the people and the bravery of the front-liners have all crafted the trajectory forging one of the highest economic growth rates in the world in 2020, an enviable achievement in the most challenging of years.

<https://www.thedailystar.net/business/economy/opinion/news/asias-most-compelling-growth-story-right-here-bangladesh>

FDI drops \$56m in first half of 2021

The Business Standard, October 26, 2021

- According to the Bangladesh Bank's monthly economic trends, the net inflow of FDI stood at US\$1,131 million in the January-June period of the current year, which was \$1,187 million in the same period in 2020. The net inflow of foreign direct investment (FDI) in Bangladesh dropped by \$56 million in the first half of the current calendar year.
- According to the Bangladesh Bank's monthly economic trends, the net inflow of FDI stood at \$1,131 million in the January-June period of the current year, which was \$1,187 million in the same period in 2020. This around 4.74% decline goes against the global trend of rising FDI during the period.
- According to UNCTAD's Investment Trends Monitor published on 19 October, Global FDI flows in the first half of 2021 reached an estimated \$852 billion, showing stronger than expected rebound momentum. The global inflow of FDI came down to \$957 billion last year, a decline of 35% from the annual inflow of \$1,481 billion in 2019.
- The FDI in the Least Developed Countries (LDCs), including Bangladesh, declined by 9% in the first half of the year against a 30% jump in middle-income economies and a 117% increase in high-income economies. Developed economies saw the biggest rise, with FDI reaching an estimated \$424 billion in the first half (H1) of 2021, more than three times that of the exceptionally low level in 2020.

<https://www.tbsnews.net/economy/fdi-drops-56m-first-half-2021-321346>

International

'Facebook Papers' hit as platform reports billions in profit'

The Daily Star, October 27, 2021

- Facebook announced over US\$9 billion in quarterly profits on Monday, hours after a US news collective published a deluge of withering reports arguing the company prioritises its growth over people's safety.
- The social media giant has been battling a fresh crisis since former employee Frances Haugen leaked reams of internal studies showing executives knew of their sites' potential for harm, prompting a renewed US push for regulation.
- Facebook released results showing its profit in the recently-ended quarter grew to US\$9.2 billion – a 17 percent increase – and its ranks of users increased to 2.91 billion. Facebook executives said on an earnings call that the tech titan would have brought in even more money if not for Apple updating its iPhone operating system to thwart advertisers tracking app users for ad targeting without permission.
- "Overall, if it wasn't for Apple's iOS 14 changes, we would have seen positive quarter over quarter revenue growth," Facebook chief operating officer Sheryl Sandberg said of the iPhone software tweak made in the name of protecting privacy.
- Hours earlier, new reports blamed CEO Mark Zuckerberg for his platform bending to state censors in Vietnam, noted Facebook allowed hate speech to flourish internationally due to linguistic shortcomings and said it knew its algorithm fuelled toxic polarisation online.
- News organizations like The New York Times, The Washington Post and Wired were among those that have now received access to the set of internal Facebook documents that Haugen originally leaked to US authorities and which were the basis of a damning Wall Street Journal series. Facebook has assailed the reporting as an effort to cast the social network used by billions of people in an inaccurate light.

<https://www.thedailystar.net/business/global-economy/america/news/facebook-papers-hit-platform-reports-billions-profit>

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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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