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## Stock Market & Company

### Stocks bounce back

The Daily Star, September 28, 2021

- Although the stock market bounced back yesterday after taking a tumble the day before, turnover fell as a result of how investors are behaving, according to analysts.
- The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), edged up 14 points, or 0.20 per cent, to 7,251 yesterday while it had dropped 13 points a day earlier.
- Turnover at the Dhaka bourse fell 12 per cent to Tk 1,980 crore while it was Tk 2,257 crore the day before.
- Eastern Insurance topped the gainers' list, rising 9.98 per cent, followed by Fu-Wang Ceramic Industries, Khulna Power, Central Pharmaceuticals, and Matin Spinning mills.
- Dosh Garments shed the most, falling 7.81 per cent, followed by Meghna Condensed Milk, Jute Spinners, Evince Textiles, and Libra Infusions.
- At the DSE, 141 stocks rose, 202 declined and 33 remained unchanged. Stocks of LafargeHolcim Bangladesh traded the most, worth Tk 139 crore, followed by Orion Pharmaceuticals, GPH Ispat, Beximco Limited, and SAIF Powertec.
- The Chattogram Stock Exchange (CSE) rose yesterday, while the CASPI, the general index of the port city bourse, shot up by 21 points, or 0.10 per cent, to 21,148. Among 321 traded stocks, 131 advanced, 165 fell and 25 remained unchanged.



<https://www.thedailystar.net/business/economy/stock/news/stocks-bounce-back-2185661>

### Banks now free to invest in Green Sukuk bond

The Financial Express, September 28, 2021

- The central bank has allowed all scheduled banks to invest in a private Green Sukuk bond from their special funds meant for investment in the capital market. Officials say allowing bank investment in the newly devised financial tool aims at facilitating the use of renewable energy in the country.

- Under the new provisions, the banks are now eligible to invest money from their special funds in 100-per cent asset-backed listed or supposed-to-be-listed-within-a-year tools from the subscription-closing data Green Sukuk, issued by a private entrepreneur, to run the project with a minimum 70-per cent renewable energy, according to a notification, issued by the Bangladesh Bank (BB) on Monday.
- The central bank has set some conditions on the use of Sukuk funds. As part of the conditions, the letter of credit (LC) will be opened by paying 100-percent margin.
- Besides, a bank account named Special Purpose Vehicle (SPV) will be maintained for Sukuk Fund. That should not be allowed to invest or spend excepting specific expenditures from the bank account.
- The SPV will have to pay back the money to the investor bankers within a week in case of cancellation of issuing Sukuk or incomplete subscription under private placement within the deadline, set by the BSEC in any cases.

The Sukuks include Istisna, Salam, Ijarah and Hybrid

They will be formed with more than one Sukuk

They will be treated as investable Sukuk securities

Banks have been asked not to invest more than 10pc of total amount



<https://thefinancialexpress.com.bd/stock/banks-now-free-to-invest-in-green-sukuk-bond-1632795878>

## Sonali Life asked to explain dividend decision

Newage, September 27, 2021

- The Bangladesh Securities and Exchange Commission on Monday sought explanation from Sonali Life Insurance Company for the company's decision to disburse dividend to the shareholders entitled as of December 31, 2020 instead of all shareholders entitled on the record date on August 4. The BSEC issued a letter to the company, seeking explanation.
- Sonali Life at a board meeting on July 10 declared 10 per cent cash dividend for the year ended on December 31, 2020 and 2 per cent interim cash dividend on the basis of three months' financial statements for the period ended on March 31, 2021, according to a Dhaka Stock Exchange's web site post.
- However, the company in its price sensitive information published on newspapers said that the company recommended the cash dividend of 10 per cent for shareholders as of December 31, 2020, which is contradictory to securities rules. The DSE did not publish the news properly on its web site that caused investors' suffering, BSEC sources said.
- As the company decided not to disburse dividends to all shareholders, a number of investors raised question about the corporate declaration by the company, they said.

<https://www.newagebd.net/article/150320/sonali-life-asked-to-explain-dividend-decision>

## IPO subscription of two firms to begin next month

The Financial Express, September 28, 2021

- The initial public offering (IPO) subscription of two companies ---Sena Kalyan Insurance and ACME Pesticides-- will commence from October 3 and October 12 respectively, officials said.
- Sena Kalyan Insurance: The IPO subscription of Sena Kalyan Insurance Company (SKICL) is set to begin on October 3 aiming to raise Tk 160 million under the fixed-price method. The IPO subscription of the general insurer, a concern of Sena Kalyan Sangstha (SKS) of Bangladesh Armed Forces, will continue until October 7.
- The stock market regulator --- Bangladesh Securities and Exchange Commission-- (BSEC) approved the company's IPO proposal on August 11 to raise the said amount under the fixed price method to strengthen its business.
- Minimum required investment for general public will be Tk 20,000 (twenty thousand only) as on September 23 in matured listed securities at market price. Minimum and maximum amount allowed for subscription for general public would be Tk 10,000 only.
- ACME Pesticides: The IPO subscription of ACME Pesticides will begin on October 12 and continue till October 18.

<https://thefinancialexpress.com.bd/stock/ipo-subscription-of-two-firms-to-begin-next-month-1632803045>

## 11 brokerage firms in CSE hold single-digit BO accounts

The Business Standard, September 27, 2021

- Some 11 brokerage firms of the Chattogram Stock Exchange (CSE) hold only single-digit beneficiary owners (BO) accounts as 52 brokerage houses hold below 1,000 BO accounts till 20 September this year. Besides, there are six brokerage houses in the port city bourse who do not have any investment in the capital market.
- The Bangladesh Securities and Exchange Commission (BSEC) officials said the stock market regulator has already asked the firms through the CSE to be back in business immediately.
- The six houses who do not have any investment in the dealer accounts are – Oasis Turner, AM Securities and Financial Services, AK Khan Securities, 3A & Company, Popular Life Securities and Firstlead Securities Ltd, according to the officials who preferred not to be named.
- The list of single-digit BO account holders includes Nurjahan Securities, Norban Securities, NC Securities, Unity Shares Trade, TSI Securities, MKM Securities, National Securities & Consultants, and Southern Capital Ltd, added the sources. NC Securities Limited has only three BO accounts that are active for transactions. The brokerage firm is now not in operation.

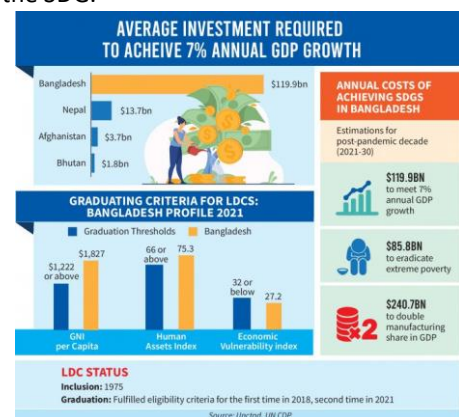
<https://www.tbsnews.net/economy/stocks/11-brokerage-firms-cse-hold-single-digit-bo-accounts-308299>

## Economy & Industry

### Bangladesh needs \$120bn annual investment to sustain 7% GDP growth

The Business Standard, September 28, 2021

- Bangladesh will have to invest \$119.9 billion annually during the post-pandemic decade from 2021 to 2030 to meet the Sustainable Development Goal (SDG) target of achieving 7% annual GDP growth. The revelation was made by the UNCTAD's Least Developed Countries Report 2021 released on Monday.
- Bangladesh's average investment requirement is the highest among all 46 least developed countries (LDCs), which will in total need to invest \$462 billion annually to achieve 7% GDP growth, target 8.1 of the SDG.
- According to the Bangladesh Bureau of Statistics (BBS), Bangladesh's total investment at the current market price stood at \$106.24 billion in the last fiscal year 2020-21, of which private investment accounted for \$75.45 billion and public investment \$30.79 billion.
- The UNCTAD report also estimated that the average annual investment requirements to end extreme poverty in Bangladesh was \$85.8 billion.
- Additionally, it said the country would need to invest \$240.7 billion annually to double the share of manufacturing in GDP, which is also the highest among the 46 LDCs.
- According to the report, investment needs to reach key priorities to achieve the SDGs in 2021-2030, including eradicating extreme poverty (Target 1.1) and doubling the share of manufacturing in GDP (Target 9.2).
- Among the South Asian LDCs, Bhutan's annual investment requirement is the lowest with \$1.8 billion, followed by Afghanistan and Nepal with \$3.7 billion and \$13.7 billion respectively.



<https://www.tbsnews.net/economy/bangladesh-needs-120bn-annual-investment-sustain-7-gdp-growth-308323>

### Beef up efforts for trade benefits: experts

The Daily Star, September 28, 2021

- Bangladesh will have to double its manufacturing capacity and seek new international support measures (ISMs) to ensure the steady growth of the economy after graduating from the grouping of the least-developed countries in 2026, according to a noted economist.
- "The 100 economic zones could be a game-changer for attracting foreign direct investment after graduation," Mustafizur Rahman, a distinguished fellow of the Centre for Policy Dialogue, said yesterday.

- On December 16 last year, a group of LDCs led by Chad demanded the extension of the tariff benefits offered by the World Trade Organisation (WTO) considering the severe economic fallouts of Covid-19. To secure the EU's GSP+ facility after graduation, Bangladesh will have to comply with 32 international conventions, which include protecting the environment, improving human and labour rights, and ensuring good governance.
- The Generalised Scheme of Preferences Plus (GSP+) facility provides developing countries with a special incentive to pursue sustainable development and good governance. The EU cuts its import duties to zero on more than two-thirds of the tariff lines of the exports from the developing nations.
- The country should also prepare for the expiry of the TRIPS waiver for the pharmaceuticals industry after 2026, Rahman said. The benefit under the Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPS) has been granted to LDCs up till December 31, 2032.

<https://www.thedailystar.net/business/economy/news/beef-efforts-trade-benefits-experts-2185671>

## International

### Europe's IPO market roars back to life

The Daily Star, September 28, 2021

- European stock market listings have come back with a bang after the summer lull but blank cheque firms are nowhere to be seen. So far this quarter, 42 initial public offerings (IPOs) in Europe have raised \$8.5 billion, the highest amount for a decade, but there hasn't been special purpose acquisition company (SPAC) deal since July, according to Refinitiv data.
- The SPAC frenzy in the United States during 2020 and the first half of 2021 was widely tipped to spill over to Europe but despite a flurry of activity before the holiday season, the market appears to have fizzled out.
- "The SPAC IPO market is almost dead," said German entrepreneur Christoph Gerlinger, who considered setting up a SPAC but has shelved those plans to focus on his job as a private equity manager investing in technology firms.
- A SPAC is a blank cheque firm that raises funds in an IPO with the aim of merging with a private company. Once that happens, the target becomes a listed stock, sidestepping the traditional IPO route which is heavily regulated. SPACs became one of Wall Street's hottest investment trends last year as many retail investors stuck at home during Covid-19 lockdowns placed speculative bets on them.
- In Europe so far this year, SPAC issuance peaked in the second quarter with 15 deals raising \$3.7 billion, followed by seven more in July worth \$1.4 billion, but there have not been any since, the Refinitiv data showed. Overall, 26 SPACs have listed in Europe this year, raising \$6.6 billion. Over the same period in the United States, 433 new SPACs have raised \$118 billion.
- SPACs offer companies such as technology firms with high growth potential but little near-term visibility on revenue and profit an avenue to raise funds in a less onerous way than a full-blown IPO. They also offer profit opportunities for SPAC sponsors - usually well-known entrepreneurs - as well as investors, who get the chance to buy into private companies via the stock market rather than less liquid venture capital funds.

<https://www.thedailystar.net/business/global-economy/news/europes-ipo-market-roars-back-life-2185591>

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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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