

## Stock Market

### Banks keep Dhaka stocks afloat

New Age, September 30, 2019

- Dhaka stocks gained marginally for the second day on Sunday as a section of investors went for bargain hunting targeting bank scrips after the recent fall in the banks' share prices. DSEX, the prime index of Dhaka Stock Exchange, gained 0.14 %, or 7.26 points, to close at 4,975.73 points on Sunday after gaining 16.73 points in the previous session.
- Turnover on the bourse plunged to BDT 384.12 crore on Sunday from BDT 411.73 crore in the previous session. Share prices of the bank sector advanced by 1.1 % on the day. Out of the 352 scrips traded on the day, 192 declined, 125 advanced and 36 remained unchanged.
- Average share prices of textile declined by 1.2 %, energy 0.7 %, telecommunication 0.5 % and non-bank financial institution 0.2 %. Blue-chip index DS30 decreased by 0.05 %, or 0.96 points, to close at 1,767.98 points. DSE Shariah index DSES gained 0.08 %, or 1.01 points, to close at 1,149.54 points.
- Bangladesh Submarine Cable Company led the turnover chart with its shares worth BDT 13.75 crore changing hands on the day. Monno Jute Staffler, Monno Ceramic Industries, National Tubes, Sonar Bangla Insurance, Premier Bank, Stylecraft, Fortune Shoes, Legacy Footwear and National Polymer were the other turnover leaders. Golden Harvest Agro Industries gained the most on the day with a 9.92-% increase in its share prices while ICB AMCL Second Mutual Fund was the worst loser, shedding 6.02 %.

<http://www.newagebd.net/article/86121/banks-keep-dhaka-stocks-afloat>

### Ring Shine to hold IPO lottery Tuesday

*The textile company to allocate 150m shares*

The Financial Express, September 30, 2019

- The Initial Public Offering (IPO) lottery of Ring Shine Textiles will be held tomorrow (Tuesday) to allocate 150 mn ordinary shares among the successful applicants, officials said.
- The lottery draw of the textile company will be held at 10:30am at the Auditorium of Institution of Engineers (IEB) in Dhaka. After the lottery draw, the result will be published on the websites of Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE) and the company.
- The Ring Shine Textiles raised a fund worth BDT 1.50 bn from the capital market by floating 150 mn ordinary shares at a face value of BDT 10 each using the fixed price method. The subscription for shares of the company by the eligible investors through electronic subscription system was held between August 25 and September 09.
- The company's IPO oversubscribed by 6.74 times as the company received total BDT 10.11 bn against IPO offer of BDT 1.50 bn, according to the CSE. The stock market regulator -- Bangladesh Securities and Exchange Commission (BSEC) approved the company's IPO proposal on March 12 to raise the said amount through IPO.

- The company will utilise the IPO proceeds for purchasing and installation of machinery for the existing factory unit (64.27 %), repayment of bank loans (33.33 %) and to meet the IPO expenses (2.40 %), within 18 months of receiving the IPO funds.

<http://thefinancialexpress.com.bd/stock/ring-shine-to-hold-ipo-lottery-tuesday-1569821629>

## Submarine Cable generates highest turnover on DSE

*Ten cos account for one-fourth turnover*

The Financial Express, September 30, 2019

- Ten most traded companies snared one-fourth transactions on the Dhaka Stock Exchange (DSE) on Sunday, with the Bangladesh Submarine Cable Company making it to the top of the turnover list.
- According to data available with the DSE, about 1.10 mn shares of BSCCL were traded on Sunday, generating a turnover of BDT 138 mn, making up 3.59 % of the DSE's total turnover of BDT 3.84 bn. The state-run company's share closed at BDT 125, gaining 3.31 % over the previous day.
- The company's share was traded between BDT 71.50 and BDT 180 in the last one year. The company's nine months earnings per share (EPS) was BDT 2.47 for July 2018-March 2019 as against BDT 0.14 for July 2017-March 2018.
- Monno Jute Stafflers came second on the turnover chart, with shares worth BDT 130 mn changing hands. The company's share closed at BDT 1,584.10 each, soaring 6.24 %. The Monno Ceramic clinched the third spot, with shares worth BDT 117 mn changing hands. The company's share price advanced 6.84 % to close at BDT 193.80 each.
- National Tubes emerged fourth with shares worth BDT 112 mn changing hands. The company's share closed at BDT 156.80 each, losing 4.33 %. Sonar Bangla Insurance notched the fifth spot, with shares worth BDT 85 mn changing hands. The insurer's share price rose 1.94 % to close at BDT 36.70 each.

<http://thefinancialexpress.com.bd/stock/submarine-cable-generates-highest-turnover-on-dse-1569818441>

## Yarn consumption doubles in six years

The Daily Star, September 30, 2019

- Yarn consumption doubled over the last six years because of high demand from domestic garment manufacturers and high volume of garment export, according to industry insiders.
- In fiscal 2012-13, local knitters and weavers consumed 10 lakh to 11 lakh tonnes of yarn. Last year, the amount stood at 22 lakh tonnes, said Monsoor Ahmed, secretary to the Bangladesh Textile Mills Association (BTMA), the platform for the primary textile sector.
- Between fiscal 2012-13 and 2018-19, Bangladesh's garment export increased nearly 10 %. Last fiscal year, apparel shipment from Bangladesh was \$34.13 bn, which was \$21.51 bn in fiscal 2012-13, according to data from the Export Promotion Bureau.
- Internal shocks include the two deadliest industrial accidents including Tazreen Fashions fire in November 2012 and Rana Plaza building collapse in April 2013. The sector also witnessed a setback in shipment because

of elections in some major markets, financial crisis in some economies and Brexit. However, the sector could bounce back.

- On the other hand, there were some sunny sides for the local garment exporters like new export destinations such as Japan, India and China, where Bangladesh's garment export has been growing at a faster rate in comparison to traditional markets like the EU, the US and Canada.

<https://www.thedailystar.net/business/news/yarn-consumption-doubles-six-years-1807231>

## **GSK stock falls following Ranitidine ban**

Dhaka Tribune, September 30, 2019

- Stock price in GlaxoSmithKline (GSK) Bangladesh Ltd declined by BDT18.2, or 1.06% at Dhaka Stock Exchange (DSE) after the Drug Administration banned Ranitidine tablets, a heartburn drug the raw materials of which are imported from India.
- On Sunday, Directorate General of Drug Administration temporarily banned marketing and sales of Ranitidine tablet imported from two Indian pharmaceuticals — Saraca Laboratories Ltd and Dr Reddy's Laboratories.
- Soon after the banning news hit a number of online news outlets, share prices of GSK started falling. On Sunday, share price of GSK fell from BDT1711.7 to BDT1670.8 at the DSE. The stock fell by 1.06% or BDT18.2. GSK is a UK-based pharmaceutical giant.
- As many as 1,882 shares in GSK were traded at the DSE. The market value of the traded shares was BDT31 lakh. According to the DSE data, sponsor-directors hold 81.98% of GSK's share, institutions 15.85%, foreign investors 0.36% and general investors hold 1.81%.

<https://www.dhakatribune.com/business/stock/2019/09/29/gsk-stock-falls-following-ranitidine-ban>

## **Jamuna Bank, One Bank to issue bonds**

The Daily Star, September 30, 2019

- One and Jamuna banks are going to issue non-convertible perpetual bonds worth BDT 400 crore each subject to approval from the regulatory authorities concerned. The boards of the banks took the decisions recently.
- The proceeds of the bonds would be treated as capital and will help the banks raise investment and loan portfolio. One's bond would be issued at a floating rate while Jamuna's bond is coupon-bearing.

<https://www.thedailystar.net/business/news/jamuna-bank-one-bank-issue-bonds-1807216>

## Economy

### Bangladesh shortlists 17 companies for spot LNG

The Financial Express, September 30, 2019

- Bangladesh has shortlisted 17 international companies for its spot tender process as it plans to buy around 1 mn tonnes of liquefied natural gas (LNG) next year to capitalise on lower prices for the super-chilled fuel, two company officials said.
- Petrobangla, in charge of LNG imports into the South Asian country, plans to sign sales and purchase agreements with the shortlisted companies after it receives cabinet approval, the officials with direct knowledge of the matter said.
- Asian spot LNG prices LNG-AS are currently at their lowest in years due to new supply entering the market from the United States, and as demand growth slows in major economies.
- Traders who sign the sales and purchase agreements will then be able to participate in spot tenders Petrobangla will issue when cargoes are needed, said the officials, who declined to be identified because they are not authorised to talk to the media.
- The nation of 160 mn people is expected to become a major LNG importer in Asia, alongside Pakistan and India, as domestic gas supplies fall. The country currently has two floating storage and regasification units (FSRUs) with a total regasification capacity of 1 bn cubic feet per day - equal to about 7.5 mn tonnes a year.

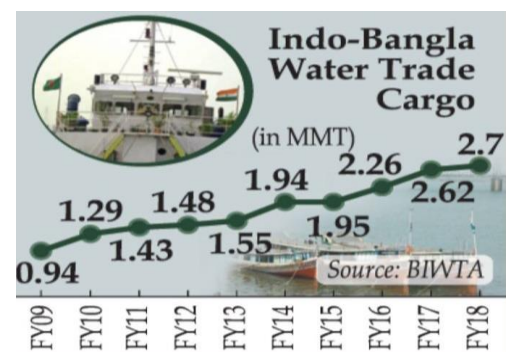
<http://thefinancialexpress.com.bd/trade/bangladesh-shortlists-17-companies-for-spot-lng-1569817038>

### Indo-Bangla water transit protocol

*PMO for inclusion of more ports of call*

The Financial Express, September 30, 2019

- The Prime Minister's Office (PMO) has suggested addition of more ports of call in the Indo-Bangla water transit protocol with a view to offering alternatives to users, officials said. The suggestion came while reviewing the issue relating to notifying more ports of call for transshipment of goods in India and Bangladesh to facilitate 'third country' export-import (EXIM) trade.
- India suggested modifying 'Protocol on Inland Water Transit and Trade (PIWTT)' and 'Coastal Shipping Agreement' under which Indo-Bangla bilateral trade mainly takes place. It wants to include V. O. Chidambaram Port and Kamarajar Port in the list of the ports of call in the PIWTT and coastal shipping deal.
- Shipping secretary Abdus Samad told the meeting that work is well under way to include those in the list of ports of call to further easing of the bilateral trade. Since 2018, Dhaka-based shippers have been seeking to use Kolkata and Haldia ports to carry out third-country export-import by avoiding 'chronic jam' on Dhaka-Chittagong highway and congestion at Chittagong port.



- At the Indo-Bangla shipping secretary-level meeting in New Delhi last October, Dhaka pledged to examine the pros and cons before responding to New Delhi's offer. Later, the government engaged the Bangladesh Institute of Development Studies and the Bangladesh Foreign Trade Institute to conduct a study on Bangladesh's potential benefit for using the two Indian ports.

<http://thefinancialexpress.com.bd/trade/pmo-for-inclusion-of-more-ports-of-call-1569816409>

## International

### Japan hikes consumption tax, despite recession fears

The Daily Star, September 30, 2019

- From October 1, Japan finally implements a much-delayed consumption tax hike, raising the rate from eight % to 10 %, despite fears the move could cause a recession.
- The worries have receded somewhat in recent months, and the government insists the increase is necessary to fund key policy priorities.
- Here are some questions and answers on key aspects of the move: - What does the hike cover? - The increase covers almost all purchases, from electronics and alcohol to books and cars. The government has however made a few exceptions. Magazines and newspapers that publish more than twice a week will stay at eight %, along with food items purchased for consumption off-site.
- That means groceries will stay at the old rate, along with food purchased for takeout. But it puts some food retailers, including bakeries and the country's ubiquitous convenience stores in a bind because customers can choose to eat their purchases in store or outside, requiring two different rates.
- Growth in the second quarter was a revised 0.3 %, compared to the previous quarter's 0.5 %, with exports hit by the global economic slowdown. And historically tax hikes have hit Japan's economy hard. Both of the most recent increases -- from three % to five % in 1997 and then to eight % in 2014 -- have been followed by recessions.

<https://www.thedailystar.net/business/news/japan-hikes-consumption-tax-despite-recession-fears-1807195>

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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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