

# Rules framed for non-residents to invest in DSE

By Moazzem Hossain

Non-residents interested to invest in shares or securities enlisted with Bangladesh Stock Exchange will be required to open a Non-Resident Investors' Taka Account with any authorised dealer or financial institution with freely convertible foreign currency remitted from abroad through normal banking channel, Bangladesh Bank said in its recent circular to all authorised dealers in foreign exchange.

The circular provides the

specific instructions to all concerned banks, authorised foreign exchange dealers and Dhaka Stock Exchange about the modus operandi for investment participation in the country's securities or stock markets by the non-resident persons or institutions.

The government announced its decision in early June 91, opening up the stock exchange to non-residents for investments. Bangladesh Bank took more than three months time to finalise the specific instructions, paving the ground for investments by the non-residents or foreigners in securities or secondary exchange markets.

Meanwhile, non-resident persons or institutions interested to invest in shares or securities, enlisted with Bangladesh Stock Exchange, will need to operate through a member of registered broker of stock exchange in Bangladesh, according to the circular of Bangladesh Bank.

The foreign exchange remitted by them through the normal banking channel will be allowed to be converted into Taka at the official rate of exchange for deposit with Non-Resident Investors' Account. A non-resident investor, having a foreign currency account with any bank in Bangladesh, can also open such a Non-Resident Investors' Taka Account by transferring foreign exchange from that account. The foreign exchange so transferred will be deposited in the Non-Resident Investors' Taka Account after conversion to Taka at the official rate of exchange.

The circular said, balance of such accounts can be utilised for purchase of Bangladesh shares or securities through members or registered brokers of stock exchange in Bangladesh. A certificate to the effect that the purchase has been made at the market price prevailing on the date of purchase has to be obtained by the account holders or their nominees from the stock exchange member or registered broker through whom the shares or securities have been purchased. The certificate must be submitted to the authorised dealer maintaining Non-Resident Investors' Taka Account.

The Non-Resident Investors' Taka Accounts can be operated by the account holders themselves or their nominees said the circular. Purchase and sale of shares or securities will be made only through a stock exchange member or registered broker and only the shares or securities of companies enlisted with the stock exchange can be purchased from the proceeds of such account.

Dividend earnings on shares or securities credited to the Non-Resident Investors' Taka Accounts will be allowed to be

remitted abroad in foreign exchange at the official rate of exchange as per request of the account holders or their nominees.

The portion of the funds remitted from abroad or transferred from foreign currency account and credited to the Non-Resident Investors' Taka Accounts but not utilised for purchase of shares or securities will be allowed to be remitted abroad at the request of the account holders or their nominees in foreign exchange at official rate of exchange.

No loan facilities will be allowed for such accounts. The incidental expenses for purchase of shares or securities such as fees, commission, brokerage, etc payable to the Bangladesh taka from the accounts. The sale proceeds of the shares or securities purchased from the balance of Non-Resident Investors' Taka Accounts may also be credited to accounts of the shareholder.

In case of such sales, a certificate to the effect that the sale has been made at the

market price prevailing on the date of sale has to be obtained from the stock exchange member or registered broker through whom the sale has been concluded.

The circular also states that, after the shares or securities have been purchased by the non-resident investors, the related certificates or scrips can be deposited or kept with any person or organisation nominated by the account holders. The investors can as well take them (certificates or scrips) outside the country, if he so desires.

Procedural instructions for remittance of capital gains arising out of sales of shares or securities purchased from the balance of Non-Resident Investors' Taka accounts will be issued later by the central bank, the circular said. Such capital gains, net of applicable taxes, held in such an account and the dividend on shares or securities, held in such accounts, can however be freely utilised for purchase of other listed shares or securities through the stock exchange, it added.

## Moderate fall in share trading

Star Economic Report

Trading at Dhaka Stock Exchange (DSE) witnessed a moderate fall on Wednesday.

In all 3,257 shares and debentures changed hands compared with Tuesday's 4,334. Traded issues valued Taka 1,78,913.00 against the previous day's Taka 2,18,555.00.

Decliners were more in number, but advances involved more transactions in value terms. As a result DSE All Share Price Index, which is the broad indicator of price movements of all the listed stocks, moved up to 293.4747 points from Tuesday's 293.1141.

Transactions involved twenty-two stocks. Of them six gained, fourteen lost and nine remained unchanged at their previous quoted prices.

AB Bank and the debenture of Apex Tannery moved up Taka 5.00 and Taka 2.75 to Taka 180.00 and Taka 1055.00.

Zeal Bangla Sugar, Pharmaco, Eagle Box and Apex Tannery advanced within the range between Taka 0.05 and Taka 1.00.

Apex Food and Aziz Pipes declined Taka 10.00 and Taka 6.00 to Taka 330.00 and Taka 290.00.

Savar Refractories and the debenture of Beximco Pharma lost Taka 5.00 and Taka 3.00 to Taka 15.00 and Taka 1630.00.

Dulamia Cotton declined Taka 2.00 to Taka 83.00.

Green Delta Insurance, United Insurance, Eastern Cables, Quasem Drycells, Bengal Food, Sonali Aansh, Kohinor Chemical, Petro Synthetic and Quasem Silk lost within the range between Taka 0.10 and Taka 1.00.

Knowledgeable sources however stated that the finalisation of specific guidelines for participation by the non-resident in the stock exchange would not still set the stage ready for actual investments. Specific amendments to Capital Issuance Continuance Act of 1947 would be needed to withdraw the legal restrictions on such participation by the non-residents.

The circular said, balance of such accounts can be utilised for purchase of Bangladesh shares or securities through



Khondokar Ruhul Qaddus, Managing Director, Bangladesh Krishi Bank (BKB) addressing the milad mahfil, arranged by the bank, recently at its head office in observance of the Holy Eid-E-Miladun-Nabi.

## Dhaka Stock Exchange Market Profile

October-9

135 Listed Stocks

6 Gains 14 losers 115 Unchanged

115 Unchanged stocks include nine traded on the day at its previous quoted prices.

DSE All Share Price Index = 293.4747  
Issued Capital=Taka 5,439,680,590  
Market Capitalisation = 8,386,116,372  
Turnover = Taka 1,78,913.00 (Value) 3,257 (Volume).

## Market Prices of Listed Shares and Debentures with Dhaka Stock Exchange

At the close of trading on October 9, 1991.

Company	EV/MLC	Closing Rate	Company	EV/MLC	Closing Rate
<b>BANKS (Ten)</b>			<b>Gawisa Jute</b>	10/50	NT
AL Baraka Bank	1000/1	765.00	Islam Jute	100/5	70.00
AB Bank	100/5	180.00	Jute Spinner	100/5	100.00
City Bank	100/5	280.00	Mutual Jute	100/5	100.00
LFC	100/5	175.00	Northern Jute	10/50	NT
Islami Bank	1000/1	1190.00	Shamser Jute	100/5	100.00
National Bank	100/5	108.00	Specialised Jute	10/50	NT
Pubali Bank	100/5	87.00	Shine Pukur Jute	100/5	100.00
Rupali Bank	100/10	70.00	Sonali Aansh	100/5	95.00
U.C.B.L.	100/5	119.00	<b>PHARMACEUTICALS &amp; CHEMICALS (Fifteen)</b>		
Utara Bank	100/5	190.00	Amber Pharma	10/50	14.10
<b>INVESTMENT (Eight)</b>			Bangla Process	100/5	62.00
ICB	100/5	92.00	Beximco Pharma	100/5	174.00
1st ICB M.Fund	100/5	345.00	Glaxo	10/50	125.00
2nd ICB Fund	100/5	154.00	ICI	10/50	10.00
3rd ICB M. Fund	100/5	134.00	Kohinor Chemical	100/5	80.00
4th ICB M. Fund	100/10	130.00	Petro Synthetic	10/50	12.00
5th ICB M. Fund	100/10	100.00	Pfizer	100/5	110.00
6th ICB M. Fund	100/10	66.00	Pharma Aids	100/5	170.00
ICB Unit Cert.			Pharmaco	100/5	53.00
Sales Price	115.00		Progressive Plastic	110/5	46.00
Re-purchase	110.00		Reckitt & Colman	10/50	240.00
<b>INSURANCE (Four)</b>			Rahman Chemicals	100/10	48.00AL
BOC	100/10	106.00	Therapeutics	100/5	40.00
Green Delta	100/10	115.00	The Ibsatna	100/10	90.00
Peoples	100/10	32.87	<b>PAPER &amp; PRINTING (Six)</b>		
United	100/10	123.87	Eagle Box	10/50	18.00
<b>ENGINEERING (Nineteen)</b>			Monoopool	100/5	105.00
Afah Automobiles	100/5	200.00	Paper Converting	100/5	113.00
Atlas Bangladesh	10/50	39.00	Paper Processing	100/10	108.00
Aziz Pipes	100/5	290.00	Padma Printers	10/50	50.00
Bangladesh Autocars	100/5	89.00	Sonali Paper	10/50	54.00
Bangladesh Lamp	10/5	265.50	<b>SERVICE (Two)</b>		
B.Thal Alumiratum	100/10	89.63	Bangladesh Hotel	10/50	12.00
Bengal Carbide	100/5	250.00	Bd. Service	10/50	NT
Bengal Steel	10/50	18.00	<b>TEXTILE (Eighteen)</b>		
Eastern Cables	100/5	78.50	Alhaj Textile	10/50	NT
Howlader PVC	100/10	98.00	Arbee Textile	100/10	NT
Karim Pipe	100/5	138.00	Ashraf Textile	10/50	28.93
Metalex Corp.	100/5	116.89	Chand Textile	10/50	NT
Mono Staffers	10/5	200.00	Chand Spinning	10/50	NT
Mono Jutez	100/5	200.00	Deah Garments	100/10	65.00
National Tubes	100/10	107.00	Dulamia Cotton	100/10	83.00
Parather Steel	10/50	6.00	Eagle Star	10/50	34.50
Quasem Drycells	10/50	7.80	G.M.G. Ind. Corp.	10/50	13.00
Rennick Juteowner	100/5	71.00	Modirn Dying	100/5	40.10
Singer Bangladesh	100/5	990.00	Quasem Silk	10/50	5.85
<b>FOOD &amp; ALLIED (Twenty one)</b>			Quasem Textile	100/5	8.00
AB Biscuit	100/5	180.00	Rahim Textile	100/5	55.00
Alpha Tobacco	10/50	48.00	Satham Textile	100/10	78.00
Aman Sea Food	100/5	36.00	S.T.M. (IHD)	100/5	50.00
Apex Food	100/5	330.00	Stylecraft	100/5	100.00
Aroma Tea	100/5	80.00	Swan Textile	100/5	60.00
Bargos	100/5	305.00	Tallu Spinning	100/10	117.00
Bengal Food	100/5	115.80	<b>MISCELLANEOUS (Fourteen)</b>		
B.L.T.C.	100/5	600.00	Apex Tannery	100/5	162.00
B.T.C.	10/50	42.00	Aramit	10/50	NT
Cig. Vegetable	100/10	99.00	Bata Shoe	10/100	36.52
Dhaka Vegetable	100/5	133.00	Beximco	10/100	9.75
E.L. Camella	100/5	700.00	B.S.C.	100/5	45.00
Frogging Export	10/50	4.50	Chittagong Cement	100/5	174.00
Gemini Sea Food	100/15	100.00	G. Q. Ball Pen	10/50	50.50
Modern Industries	100/5	100.00	Himadri Ltd.	10/100	NT
N.T.C.	100/5	280.00	Milton Tannery	100/5	33.00
Rabeya Flour	100/100	NT	Mono Ceramic	100/5	150.50
Rupan Oil	100/10	6.00	Phonix Leather	100/5	90.00
Tulip Dairy	100/10	94.00	Savar Refractories	100/5	115.00
Yousuf Flour	10/50	NT	The Engineers	100/5	100.00
Zeal Bangla Sugar	10/50	8.15	Lumina Glass	100/5	145.50
<b>FUEL &amp; POWER (Three)</b>			<b>DEBENTURES (Four)</b>		
Padma Oil Co.	10/50	40.00	Apex Tannery	1000/1	1055.00
Eastern Lubricant	10/50	14.00	Bengal Food	900/1	935.00
Oxygen	10/50	50.00	(18.5% 1992)		
<b>JUTE (Twelve)</b>			Beximco	2500/1	2630.00
Ahad Jute	100/10	NT	Beximco Pharma	1571/1	1630.00
Anowara Jute	10/50	NT	(17% 1997)		
Delta Jute	10/50	8.50	Quasem Silk	2000/1	1780.00
			(17% 1994)		

★ ★ FV = Face Value MLC = Market Lot NT= Not Traded, AL=Allotment Letter

## IDB proposes ICB's privatisation

Asian Development Bank has recommended immediate privatisation of the Investment Corporation of Bangladesh to break the state-owned financial institution's monopoly on investment banking in the country, reports UNB.

The government should hasten either to eliminate or reduce its ownership in ICB to a minority position for making the investment banking activity competitive and activate country's depressed capital market, ADB pleaded in a study on Bangladesh capital market.

ICB should be turned into a joint venture with a reputed stock brokerage house to make it more responsive to the investment banking requirements of the private sector, it suggested.

At present, the government owns 81 per cent of the Investment Corporation, floated in 1976.

The ADB study, submitted to the government early this month, viewed that because of easy access to concessional government funds and an exclusive right to establish mutual funds and unit trusts, ICB had established monopoly over investment banking.

As a result, according to the study, the growth of three private investment companies — IPDC, NCL and BCI — and the capital market in general have been stifled.

The access to various concessional funds has enabled ICB to provide generous — margin loans to clients for the purchase of shares and engage itself in loan syndication, make equity investment and provide long-term loans.

ADB recommended that the

government, including Bangladesh Bank, should immediately stop concessional financing of ICB, and the institution should mobilise its resources direct from the market at market rates.

The Asian Bank also asked for withdrawal of the mandatory provision for allocation of 20 per cent of every public issue of share to ICB.

Instead, the study suggested, the corporation be asked to buy shares for its mutual fund and unit trust operations direct from the stock exchange.

The ADB capital market experts observed despite enjoying continued benefits and concessions, ICB's operational and financial performance had not been successful in its "mandated role of contributing to the development of the capital market."

Despite getting resources at concessional rates, the report said, ICB is going through serious financial difficulty.

A disinvested ICB, viewed the ADB report, would better and efficiently respond to the requirements of the private sector and contribute effectively to the development of the capital market.

## Sterling likely to fall against Yen

TOKYO, Oct 9 Sterling is poised to slip against the Yen due to bullishness about the Japanese currency ahead of the Group of Seven (G-7) meeting at the weekend, dealers said today, reports Reuter.

The Yen has recently benefited from market speculation that the G-7 may push for a stronger Yen to help shrink Japan's huge trade surplus upon monetary officials from the world's major industrialised nations meet in Bangkok October 11-2.

## Ctg tea market falls

Star Economic Report

Most prices eased as buyers held the lower limits resulting in some withdrawals at the weekly tea auction sale held in Chittagong on Tuesday last.

According to a Unity Brokers tea market report, market trend took a downturn and most tea prices were lower by Taka 0.50 with major buyers holding the lower limits in the absence of much competition. There were some withdrawals where sellers were unwilling to meet the market and also in the plainer categories.

Major buyers were Iran and Pakistan with Egypt picking up a small quantity to fulfill its quota against the last letter of Credit (LC). Smaller Brokers were generally withdrawn as demand for these were negligible.

About 26,223 packages of leaf tea came under the hammer at the weekly auction sale (No. 23) on Tuesday. In the leaf category export buyers accounted for 43 per cent of the sale. Internal buyers bought 14 per cent while the remaining 43 per cent were left unsold.

In the dust tea category, internal buyers accounted for 56 per cent of the sale, export buyers 9 per cent while 35 per cent remained unsold.

The next weekly auction sale (No. 24) is scheduled to be held on October 15 and will comprise of about 25,500

packages of leaf and about 3,500 packages of dust tea.

The following is the category-wise report of Unity Brokers of the performance of various tea-leaf products in last Tuesday's auction sale:

CTC: most good and medium Brokers eased by a Taka and occasionally little more. The plainer types declined further with a large quantity remaining unsold. Bolder Brokers were however steady. Selective best lines sold between Taka 50 and Taka 52. Good and medium Fannings were generally absorbed at about a Taka lower than the last levels. Plainer and poorer types shed between Taka 2 and Taka 3, few popular lines sold between Taka 52 and Taka 53.80.

Orthodox: the entire quantity on offer were all withdrawn without registering any bids at the sale.

Green tea: 542 packages were offered. Withdrawals were high and prices ranged between Taka 81.50 and Taka 70.

## Gold & Silver

	(Taka for 11.66 grams)
Gold	6,200.00
Tejaba	6,100.00
Gubaba	6,100.00
Silver	200.00

Source: Department of Agricultural Marketing



Sridam Chandra Das of Housekeeping, the best employee for the month of September 1991, seen with Andrew J. McBurnie, General Manager of Sonargaon Hotel.

## Sales-Purchase-Tender & Employment News

### Wanted

- A Secondary School of International Standard wants "Teacher" to teach Computing studies, Economics, Mathematics, English, Chemistry, History, Geography and Biology from class VI to 'A' level. Applicants must have fluency in English and first class degree in their subject. Please apply with CV and photographs to GPO Box No 2016, Dhaka latest by 20.10.91.
- A Large Group of Industries in Dhaka requires "Lady Receptionist" for its Head Office. Applicants must be HSC pass with 3 yrs experience in similar position and capable to handle PABX Board and fluent in spoken English. Please apply with CV, photograph, certificates and testimonials to PO Box-7068, Dilkusha C/A, Dhaka-1000 by 15.10.91.
- An International Organization invites applications for the post of an "Office Secretary", must have Bachelor Degree with training in Secretarial Science from a recognized Commercial Institution and experience in an International organization as an Office Secretary. Please contact Telephone: 814811 Sunday through Thursday between 9.00 a.m. and 4.00 p.m.
- Well established Pharmaceutical Company wants the following (1) Manager, Finance, (2) Sales Manager (3) Factory Manager and Accounts Officer. Candidates must have sufficient experience in their respective fields. Company, also wants few Sales "Promotion Officers" /Medical Representatives, must be BSc/B Pharm/Medical Graduates. Please apply with hand written CV and 2 copies of recent photographs to PO Box No 2030, Dhaka, Bangladesh by 20.10.91.

### Tender

- Executive Engineer, RHD, Road Division, Gopalganj invites sealed tenders from 'A' to 'C' class under general category of RHD, 'D' Class under general category of Bansal Road Circle and 'E' Class under general category of Gopalganj Rd Division for all groups for earth work in widening of road embankment with carried earth at 1st km of Gopalganj-Takerhat Road and 1st (P), 2nd (P), 3rd (P), 4th (P) of Gopalganj-Tungipara Link to Mollahat under Gopalganj Road Division during 1991-92. Tender documents available from Executive Engineer RHD, Road Division, Gopalganj/Faridpur/Madaripur /Bansal/Patua-khali/Bhola/Sub-Division Engineer RHD, Road Sub-Division-II, Gopalganj/Asst Engineer RHD, 1st line workshop Sub-Division, Gopalganj. Tenders will be received by the office of Superintending Engineer, RHD, Road Circle, Bansal, Executive Engineer, RHD, Road Division, Gopalganj up to 12.30 pm of 15.10.91.
- Meghna Petroleum Limited, 58, Agrabad C/A, Chittagong invites sealed tender from bonafide and reputable Water Transport owner/carriers for carriage of Lube Drums/Carbons, Bitumen Drums etc through Barge/Coasters from Chittagong to various up country depots. Tender schedule available from Purchase/Cash Section at 59, Agrabad C/A, Chittagong within 15 hrs on all working days. Tenders must be dropped in the tender box kept at above office by 1415 hrs of 20.10.91.
- Project Director, Rural Development Project-13, 5/8, Laimata, Block B, Dhaka-1207 invites sealed tenders from manufacturers /Suppliers for supply of Road Rollers and Vibratory Road Rollers under international Shopping. Tender documents available from the office of Project Director, Rural Development Project-13, Infrastructure, Old Dhanajpur and Jamalpur District, 5/8 Laimata, Block B, Dhaka-1207 and from the office of Executive Engineer, LGE, 56/57, Johnson Road, Dhaka during office hrs. Tenders will be received by the above office and Executive Engineer, LGE, 56/57, Johnson Road, Dhaka up to 12.00 Noon of 10.11.91.

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