

Stocks in the red

STAR BUSINESS REPORT

Dhaka stocks fell for a second week on suspension of some top merchant banks' margin loan against Beximco Group companies' shares and confusion over the direct listing of two private sector companies.

On the week-on-week basis, the benchmark index of the Dhaka Stock Exchange, DSE General Index, shed 50.44 points, or 1.73 percent, to 2,868.11 points. The DSE All Share Price Index dropped 41.02 points, or 1.7 percent, to 2,376.67 points.

Market insiders said some top merchant banks including Prime Bank and Lanka Bangla stopped lending to their clients against Beximco Group companies' shares saying that prices of these shares went up to a risky level.

Such suspension lessened other investors' interests in the rush for Beximco Group shares, which showed a continuous bullish trend on the group's another entity's direct listing on the two bourses.

Recently, Shinepukur Ceramics, a Beximco Group company, and AICI

Formulations have submitted documents to the DSE for direct listing.

But, the insiders said, confusions gripped investors after the DSE asked the two companies for filing their documents.

However both the AICI and Shinepukur complied with the DSE directive.

The market however witnessed a sharp rise on Thursday, the last trading day of the week, on a rumour that the merchant banks are going to increase margin loan ratio.

When contacted, some top merchant bankers ruled out any such rumour saying that the loans would be disbursed as usual.

The total turnover on the DSE also declined 30 percent to Tk 1,908.47 crore last week from Tk 2,725.06 crore the previous week.

The daily average turnover also registered 29.97 percent drop to Tk 381.69 crore against the previous week's Tk 545.01 crore.

Most securities traded down throughout the week. Of the traded issues, 94 advanced, 156 declined, six remained unchanged.

Total market capitalisation slightly declined to Tk 1,00,812.90 crore from Tk 1,01,626.68 crore the previous week.

Beximco Pharma continued to top the turnover leaders with Tk 72,850 traded shares worth Tk 150.31 crore, which accounted for 7.88 percent of the week's total market turnover on the prime bourse.

The CSE Selective Categories Index fell 0.91 percent to 5739.35 points, while the CSE All Share Price Index dropped 0.82 points to 8775.07 points.

A total of 3,12,31,560 shares worth Tk 282.81 crore changed hands on the Chittagong Stock Exchange.

Of the traded issues on the port city bourse, 71 advanced, 96 declined and 15 remained unchanged.

Beximco Pharma topped the turnover leaders on the CSE with 21,74,373 traded shares worth Tk 34.75 crore. The other turnover leaders were Beximco, Titas Gas, AIMS First Mutual Fund, Grameen Mutual Fund One; Scheme Two, Summit Alliance Port, Summit Power, Square Pharma and AB Bank.

Dollar, yen bounce higher on global recession jitters

AFP, New York

The dollar and the yen bounced higher Friday in a flight to safety, lifted by mounting fears of a global recession that has pushed the Japanese currency to fresh highs.

The euro plunged to 1.2623 dollars around 2100 GMT from 1.2926 dollars late Thursday in New York.

The single European currency plummeted against the yen, to 118.98 yen from 125.73 yen.

The dollar also slid against the Japanese currency, to 94.24 yen from 97.27 yen.

News of a record low in eurozone business activity and Britain on the brink of recession sent shockwaves through markets, sending investors fleeing for the shelter of the dollar and yen.

The yen often rises at times of financial turmoil as dealers unwind risky bets funded with cheap Japanese credit.

"The best word to describe what's going on right now is panic," said Credit Suisse strategist Satoru Ogawara. "When you don't know what will come next, you tend to flee to the safest place."

The dollar on Friday hit a 13-year low against the yen, while the Japanese currency has appreciated about 25 percent against the euro in the past two months.

But the US currency continued to gain ground against the other major currencies, with traders expecting European economies to be sorely tested by the financial crisis.

The euro touched another new low against the dollar since October 2006, at 1.2497 dollars around 0930 GMT. On Wednesday the euro had fallen below 1.30 dollars for the first time since February 2007.

The single European currency has lost more than 20 percent of its value against the dollar since striking a record high 1.6038 dollars in mid-July.



Syeda Madiha Murshed, deputy managing director of Ascent Group, the owning company of Etcetera Bangladesh (Pvt) Ltd, inaugurates Pizza Corner and Coffee World outlets at Dhanmondi in Dhaka recently.



Nessar Maksud Khan (R-2), director of Dhaka Chamber of Commerce and Industry (DCCI), sits with participants in the certificate giving ceremony of a five-and-a-half-day training course on "Marketing is Everything" organised by DCCI Business Institute in Dhaka recently.



Commerce and Education Adviser Hossain Zillur Rahman inaugurates the 25th branch of Social Investment Bank Ltd recently in Banani, Dhaka. Chairman Abdul Awal Patwary, Managing Director KM Ashaduzzaman and Vice Chairman Saidur Rahman were also present.

Wall Street sees rocky road

AFP, New York

Bruised and battered Wall Street faces another test in the coming week with more data to highlight dire economic conditions and a Federal Reserve meeting expected to offer a fresh rate cut.

A major question for investors is whether the horrific market action of recent weeks reflects worries of tougher economic conditions ahead or is the result of hedge funds and portfolio managers pulling

out cash at any cost to meet redemptions. In the week to Friday, the Dow Jones Industrial Average slid 5.35 percent to 8,378.95 and is now off a whopping 37 percent so far for 2008.

The broad-market Standard & Poor's 500 index retreated 6.78 percent to 876.77 and the technology-heavy Nasdaq composite plunged 9.3 percent on the week to 1,552.03.

In the coming week, the market will see a grim

reminder of the economic woes with the first estimate of US gross domestic product for the third quarter and reports on durable goods orders and consumer confidence.

The Federal Reserve is widely expected to cut key interest rates further at its upcoming two-day meeting, hoping to offer a psychological boost to panic-stricken markets.

Joseph LaVorgna, economist at Deutsche Bank, said

he expected a half-point cut that "should embolden some investors to take risk" that would help ailing markets.

"Hopefully, the combination of excess liquidity and government guarantees will encourage investors to extend further out on the money market curve," he said.

Some analysts argue that the stock market is being punished by portfolio managers forced to sell to pay clients pulling out their cash.

STOCK

TRADED ISSUES OF THE WEEK October 19 - 23, 2008

Company	FV/M/L (Tk/No)	Price			Turnover	Last	EPS	CDPS	Other Info
		Closing	Chg (%)	Pre-Wk					
BANK									
AB Bank*-A	100.5	858.25	-1.70	873.75	251979	855.75	-1.95	870.75	91420
City Bank*-A	100.5	490.75	-1.70	499.25	23036	490.75	-1.95	505.25	5720
IHC Bank*-A	100.5	1112.00	-0.27	1115.00	252033	1108.75	-0.14	1110.25	8825
Islami Bank BD*-A	1000.1	369.50	-5.03	376.50	35821	376.50	-4.86	370.50	3376
National Bank*-A	100.5	1463.50	-2.95	1508.00	17979	1463.50	-3.00	1511.75	14437
Pubali Bank*-A	100.5	513.25	-5.74	544.50	59346	513.25	-5.00	550.50	12006
Rupali Bank*-Z	100.10	76.25	-0.78	76.25	10500	74.00	-3.18	77.50	2290
Uttara Bank*-A	100.5	2779.50	-3.1	2770.50	88946	2780.75	-0.66	2762.50	5455
ICB Islamic Bank*-Z	100.5	1463.50	-2.95	1508.00	17979	1463.50	-3.00	1511.75	14437
DLCL Finance*-A	100.20	2436.75	-1.63	2477.25	38765	2436.75	-0.46	2450.50	1837
Eastern Bank*-A	100.20	804.25	-2.66	826.25	27461	800.00	-2.44	820.00	909
United Leasing*-A	100.20	804.25	-2.66	826.25	27461	800.00	-2.44	820.00	909
Uttara Finance*-A	100.5	768.75	-4.23	778.75	24594	760.50	-1.23	770.00	300
Prime Bank Ltd*-A	100.5	423.00	-0.23	427.00	73383	420.00	-2.15	422.25	9240
AI Arazi Islami Bank*-A	100.5	423.00	-0.23	427.00	73383	420.00	-2.15	422.25	9240
Southeast Bank*-A	100.5	319.50	-1.70	321.50	185498	324.25	-4.34	340.00	11721
South Bank*-A	100.5	229.25	-0.66	232.50	28130	229.25	-0.66	232.50	4287
NCC Bank*-A	100.5	365.00	-0.62	367.25	113073	362.50	-0.34	363.75	15721
Social Invest. Bank*-A	100.5	320.25	-2.29	327.75	90921	316.75	-1.17	322.25	6614
Dutch Bangla Bank*-A	100.5	3326.75	-0.50	3325.00	7535	3326.75	-0.36	3305.00	500
Midan Finance*-A	100.5	447.00	-15.34	528.00	60958	445.00	-4.74	542.25	18656
Mutual Trust Bank*-A	100.5	301.00	-0.23	302.50	24709	301.00	-0.91	303.75	4967
First Lease*-A	100.5	359.50	-3.43	372.25	58129	348.25	-1.68	351.00	173
Standard Bank*-A	100.5	215.50	-2.51	219.00	96901	216.25	-0.80	218.00	18803
People's Leasing*-A	100.5	362.25	-4.23	379.00	60558	365.50	-5.06	378.50	500
Bank Asia*-A	100.5	361.50	-1.57	367.25	21333	365.00	-3.77	381.75	874
Mercantile Bank*-A	100.5	286.50	-1.29	290.25	24376	284.00	-2.26	288.00	1112
Export Import Bank*-A	100.5	320.25	-1.39	324.75	11937	320.00	-0.54	321.75	16237
People's Finance*-A	100.5	229.25	-0.66	232.50	28130	229.25	-0.66	232.50	4287
Prime Finance*-A	100.5	1362.00	-1.11	1377.25	151281	1358.25	-1.39	1383.00	22651
First Lease*-A	100.5	261.00	-3.15	269.50	64960	260.00	-3.33	269.00	6801
Islamic Finance*-A	100.5	329.50	-2.97	340.50	244318	326.00	-0.60	326.25	16729
People's Finance*-A	100.5	274.75	-6.52	294.00	28500	276.25	-5.31	291.75	10700
Lanka Bangla Finance*-A	100.5	339.50	-4.77	351.00	61210	340.00	-4.27	350.00	19500
BIF Co*-A	100.5	361.25	-4.61	386.00	103815	359.00	-6.63	384.25	1350
I P Co*-A	100.5	450.00	-7.69	487.50	125538	441.25	-8.50	482.25	23875
People's Finance*-A	100.5	362.25	-4.23	379.00	60558	365.50	-5.06	378.50	500
Prime Finance*-A	100.5	1362.00	-1.11	1377.25	151281	1358.25	-1.39	1383.00	22651
Shahjalal Islami Bank*-A	100.5	293.00	-0.26	292.25	18376	291.25	-0.00	291.25	36410
Shahjalal Islami Bank*-A	100.5	293.00	-0.26	292.25	18376	291.25	-0.00	291.25	36410
Union Capital Ltd*-A	100.5	127.75	-0.46	133.00	309600	127.50	-4.14	133.00	436200
BD Finance*-A	100.5	425.00	-1.04	427.75	118875	423.75	-0.57	425.25	8210
Lat Leasing*-A	100.5	823.75	-2.82	846.50	32820	800.00	-1.11	830.00	900
Phoem Finance*-A	100.5	499.00	-3.53	517.25	65000	490.00	-2.10	500.50	4580
Trust Bank*-A	100.5	444.25	-0.95	445.50	113916	443.25	-1.35	444.25	27810
Fidelity Assurance*-A	100.5	1439.75	-3.82	1509.25	11100	1425.75	-2.70	1543.00	2300
First Security Bank*-A	100.5	173.50	-3.34	179.50	515850	173.50	-2.39	177.00	146000
INVESTMENT									
ICB F M*-A	100.5	3426.00	-1.14	3455.00	2400	3550.00	Not Traded		301007
2nd ICB M F*-A	100.5	1897.00	-2.22	1940.00	120	2000.00	Not Traded		1508
3rd ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
4th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
5th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
6th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
7th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
8th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
9th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
10th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
11th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
12th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
13th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
14th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
15th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
16th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
17th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
18th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
19th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
20th ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
21st ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
22nd ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
23rd ICB M F*-A	100.5	1183.00	-0.22	1192.50	540	1200.00	Not Traded		1508
24th ICB M F*-A	100.5								