

Asian shares rise

AFP, Hong Kong

Asian markets rose Friday after Europe reached a deal to avoid a Greek debt default, but oil plays fell after the International Energy Agency released millions of barrels of crude reserves.

Greece, the EU and the IMF agreed early Friday on the final details of a 28 billion euros (\$40 billion) savings plan that Athens needs to implement over the next five years in order to obtain cash to pay off its immediate debts.

Tokyo rose 0.85 percent, or 81.87 points, to 9,678.71, Sydney edged up 0.17 percent, or 7.6 points, to 4,508.1 and Seoul climbed 1.70 percent, or 34.95 points, to 2,090.81.

Hong Kong jumped 1.90 percent, or 412.81 points, to 22,171.95 and Shanghai surged 2.16 percent, or 57.96 points, to 2,746.21.

But energy firms were weighed after the IEA said it would release 60 million barrels of crude from its member countries' strategic reserves over the next month, which caused a sharp drop in oil prices.

Immediately after the decision New York's main contract, West Texas Intermediate (WTI) for August delivery plummeted \$4.39 to close at \$91.02 a barrel, a drop of 4.6 percent. Brent North Sea crude for August tumbled \$6.95, or 6.0 percent, to \$107.26.

In Asian trade the contracts rose, with WTI up \$1.13 to \$92.15 and Brent \$1.28 up at \$108.54.

In Tokyo Inpex gained 1.92 percent despite the fall in oil prices, while in Seoul SK Innovation slumped 4.36 percent and Woodside Petroleum dropped 0.5 percent in Sydney.

Regional airlines were boosted by the lower oil prices. In Hong Kong Cathay Pacific rose 5.2 percent and Air China added 7.8 percent while Qantas advanced 1.9 percent in Sydney.

Worries about the global economy were stoked after the US Labor Department reported an unexpected increase in initial jobless claims, by 9,000 to 429,000 in the week to June 18, while the Commerce Department said new-home sales fell 2.1 percent in May.

In Asia, the preliminary HSBC China Manufacturing Purchasing Managers Index hit an 11-month low, reflecting Beijing's efforts to cool the Chinese economy.

And a key indicator of manufacturing in the eurozone plummeted to a 20-month low in June.

Tokyo stayed in positive territory thanks to optimism over the corporate outlook as the recovery from the March 11 quake and tsunami looks to be kicking in.

In Hong Kong luxury goods maker Prada ended just 0.25 percent higher on its Hong Kong trading debut as turbulent global markets have sapped sentiment for new offerings.

The European single currency softened to \$1.4228 in Tokyo morning trade from \$1.4257 in New York late Thursday. It was down to 114.58 yen from 114.72 yen.

The dollar was rangebound at 80.51 yen against 80.52 yen.

Gold closed in Hong Kong at \$1,518.50-\$1,519.50 an ounce, well down from Thursday's close of \$1,544.00-\$1,545.00.

In other markets:

Singapore closed up 22.13 points, or 0.73 percent, to 3,066.85. Bangkok rose 0.87 percent, or 8.81 points, to 1,022.94.

Mumbai jumped 2.89 percent, or 513.19 points, to 18,240.68. India's largest commercial bank State Bank of India rose 6.04 percent or 130.45 rupees to 2,290 while the world's seventh largest steel maker Tata Steel rose 3.9 percent or 21.7 rupees to 578.5.

India's largest software outsourcer TCS closed up 3.88 percent or 42.5 rupees to 1,137.



MERCANTILE BANK
Md Abdul Jalil MP, chairman of Mercantile Bank, attends the launch of "eZRemit" service, online money transfer service of Asia Pacific Foreign Exchange Ltd, Canada, at Sheraton Toronto Hotel recently. The two organisations have recently signed a deal under which Bangladeshi migrants in Canada will be able to send their money using eZRemit through the bank.



STANDARD INSURANCE
HTM Quader Newaz, chairman of Standard Insurance Ltd, presides over the insurer's 11th annual general meeting in Dhaka on Tuesday. The company approved 10 percent stock dividends for 2010. Md Abul Hashem Sarker, managing director, was also present.



bd finance
Anwar Hossain, chairman of Bangladesh Finance and Investment Company Ltd, and GM Salehuddin Ahmed, managing director, attend the company's 12th annual general meeting at Institute of Diploma Engineers in Dhaka on Tuesday. The company approved 22 percent stock dividends for 2010.



FSIBL
Azam Khan, head of marketing and development of First Security Islami Bank Ltd, exchanges documents of a deal with Mohammad Tarek, senior executive vice president of Prime Islami Life Insurance Ltd, in Dhaka on Wednesday. The bank's clients will receive life insurance coverage of Tk 1 lakh under the deal.

STOCK

Weekly News from Trade Servers

New Listing: As per decision of the Board of Directors of DSE, trading of the shares of MJL Bangladesh Ltd. will start at DSE on 26.06.11 under 'N' category. DSE Trading Code for MJL Bangladesh Ltd. is "MJLBD" and DSE Company Code # 15314.

DELTA LIFE: Trading of shares of Delta Life Insurance Company Ltd. has been suspended by DSE Management for irregular acts of the Company in connection with revoking the previously fixed record date and the date of AGM for the year 2004.

CITYBANK: The Bank has informed that due to the unruly behavior and vandalism created by some unidentified miscreants, the 28th AGM of the Bank scheduled to be held 22.06.11 at 12:00 noon could not be held as the situation went beyond control despite the support from law enforcing agencies. The Board in an emergency meeting has decided to postpone the scheduled AGM of the Bank. The Board also deeply regretted the inconvenience this postponement has caused to all concerned. The new date, time and venue of the 28th AGM of the Bank will be notified to all concerned in due course.

UTTARAFIN, ACTIVEFINE, SAFKOSPINN, IPDC, PIONEERINS, SQUARETEXT: The Company has informed that it has credited the Bonus shares for the year 2010 to the respective shareholders' BO Accounts.

CMCKAMAL: The Company has informed that it has credited the Rights shares to the respective shareholders' BO Accounts.

CTGVEG, LAFSURCEML, PLEASEINT, NHFIL, GEMINISEA: In response to a DSE query, the Company has informed that there is no undisclosed price sensitive information of the Company for recent unusual price hike.

SAFKOSPINN: The company will be placed in "A" category from existing "Z" category with effect from 22.06.2011 as the company reported disbursement of stock dividend @ 16% for the year ended on December 31, 2010. The Stock Brokers and Merchant Bankers are requested not to provide loan facilities to purchase securities of Safko Spinning Mills Ltd. between 1st to 30th trading day after change of categorization of the said securities i.e. starting from 22.06.2011 as per SEC.

CMCKAMAL: The company has further informed that due to unavoidable circumstances the 16th AGM of the company will now be held on 10.07.11 at 11:30 AM at Bashundhara Convention Centre, Bashundhara R/A, Baridhara, Dhaka-1229 instead of 28.06.11 at 11:00 AM.

IFIC: The Credit Rating Agency of Bangladesh Limited (CRAB) has announced the surveillance rating of IFIC Bank Ltd. as AA3 in the long term and ST-2 in the short term based on audited financial statements of the Bank up to 31st December 2010 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

BRACSBOND: The Credit Rating Agency of Bangladesh Limited (CRAB) has announced the surveillance rating of Subordinated 25% Convertible Bond of BRAC Bank Ltd. as A1 in the long term based on relevant quantitative as well as qualitative information up to the date of rating declaration.

NITOLINS: The Rating Committee of CRISL has announced the CPA Rating (Surveillance) of the Company as "A" in consideration of financials of the Company up to December, 2010 and other relevant quantitative as well as qualitative information up to date of rating declaration.

APEXTANRY: The Credit Rating Information and Services Limited (CRISL) has rated the Company as "AA-" in the long term and "ST-2" in the short term in consideration of financials of the Company up to June, 2010 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

ISLAMIBANK: The Credit Rating Information and Services Limited (CRISL) has rated the Bank as "AA+" in the long term and "ST-1" in the short term in consideration of financials of the Bank up to December, 2010 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

PRIMETEX: The National Credit Ratings Limited (NCR) has rated the Company as "A" in the long term and "ST-2" in the short term based on financials of the Company up to June 30, 2010.

EBL: The Bank has informed that the Board of Directors of the Bank has decided to purchase a commercial floor space of 6,981 sqft. (approx.) at 104, Kakrail Road, Ramma, Dhaka at the total cost of Tk. 17,58,70,618.00 only including registration costs and other incidental expenses (approx.) for the use of the Bank subject to prior approval of Bangladesh Bank.

MIRACLEIND: The Company has informed the management of the company has decided to shift the corporate office including its share department to new office premises at Plot No. 113/B (3rd floor), Tejgaon Industrial Area, Dhaka-1208 with effect from 07th July 2011.

NBL: The Bank has informed that it has purchased a floor space measuring 6,601 sqft. at 1st floor including 1 Car parking space with existing furniture & fixture and 0.677 katha undivided/undemarcated proportionate land at Plot No. 103, Sector No. 7, Uttara C/A, Dhaka-1230 @ Tk. 15,00,000 per sqft.

DELTA LIFE: Trading of shares of Delta Life Insurance Company Ltd. has been suspended by DSE Management for irregular acts of the Company in connection with revoking the previously fixed record date and the date of AGM for the year 2004.

DELTA LIFE: The Company has further informed that following the receipt of Lawyer's Certificate on the judgement pronounced on May 26, 2011 by the Hon'ble High Court Division of the Supreme Court condoning the delay in holding the Company's AGMs due for the years 2004-2009, the Board of Directors of the Company in an Emergency meeting held on May 29, 2011 fixed the record date and date of AGM for the year 2004 being June 20, 2011 and August 11, 2011 respectively. Thereafter some questions were raised by different quarters including Dhaka and Chittagong Stock Exchanges in this matter. The same was brought to the notice of Company's Legal Advisors who expressed opinion that the AGM due for the year 2004 should be held after receipt of the Certified Copy of the judgement of the Hon'ble High Court Division. The Board of Directors in its Emergency meeting held on 19.06.11 has considered the legal opinion as above and unanimously took a resolution revoking the Record date and the date of AGM for the year 2004 previously fixed and that the Company would fix Record date and the date of AGM for the year 2004 afresh after obtaining the Certified copy of the judgement and order of the Hon'ble High Court Division.

DELTA SPINN: The Company has further informed that an EGM will be held on 26.07.11 at 11:30 AM at Factory premises at Kaltapara, Gouripur, Mymensingh to transact and decide upon and approve the following resolutions taken by the Board of Directors for partial modification of the resolutions adopted by the general shareholders in the EGM held on 17.06.10 for the greater interest of the Company: (1) Resolved that an amount of Tk. 11,70,80,000.00 out of the proceeds of the Right Issue of Tk. 15,28,76,000.00, as utilized for partial equity financing to set-up the ceramic products manufacturing industry by the subsidiary organization of the Company, namely, Delta Ceramics Ltd. is hereby approved, (2) Resolved that the Company, subject to approval of SEC, will issue 30,00,000 ordinary shares of Tk. 100.00 each by Repeat Public Offering (RPO) at a price of Tk. 300.00 per share including a premium of Tk. 200.00 per share, thereby raise a total fund of Tk. 90.00 crore and (3) Resolved that the fund so raised through RPO will be utilized for the following purposes: (a) Partial investment in the equity of the subsidiary organization of the Company, namely, Delta Ceramics Ltd., for setting-up a ceramic products manufacturing industry: Tk. 54.30 crore, (b) BMRE of the existing textile spinning industry of the Co.: Tk. 17.20 crore and (c) Meet up RPO expenses and partial repayment of high interest bearing Lease Loan fund obtained by the Co. from Premier Leasing & Finance Ltd.: Tk. 18.50 crore. Record date for EGM: 04.07.11.

KEYACOSMET: SEC has given consent for raising the paid-up capital of Keya Cosmetics Limited by Tk. 32,74,49,660.00 only through issuance of 3,27,44,966 ordinary shares of Tk. 10.00 each in course of amalgamation of the company with Keya Detergent Limited and Keya Soap Chemicals Limited. The consent has been accorded subject to the condition that the company shall comply with the relevant laws and regulatory requirements of Bangladesh and other concerned jurisdictions and with the order of the High Court Division of the Honorable Supreme Court of Bangladesh approving the abovementioned amalgamation scheme. The Company shall also adhere to the conditions imposed by SEC under Section-2CC of the Securities and Exchange Ordinance, 1969. The Company has informed that the following resolutions were duly passed unanimously by the Board of Directors of the Company: (a) The Board of Directors be and hereby accepted the SEC consent letter dated 22.06.11 on the issue of raising of paid-up capital for Amalgamation purpose from Tk. 288,00,000.00 to Tk. 615,449,660.00 by allotting 32,744,966 ordinary shares of Tk. 10.00 each to the shareholders of Keya Detergent Limited as per record date and existing shareholders of Keya Soap Chemicals Limited, (b) The Board of Directors decided that the Final Effective Date for effectiveness of the Transferor Companies for those of the Transferee Company in pursuant to Clause 18 of the approved Amalgamation of Scheme which shall be on 30.06.11, (c) The Board of Directors decided that the Authorized Share Capital of the Company shall be Tk. 200.00 crore only divided into 200,00,000 Ordinary Shares of Tk. 10.00 each instead of the existing authorized share capital Tk. 70.00 crore only divided into 70,00,000 Ordinary Shares of Tk. 10.00 each and to be replaced by said amount in the respective clause in the Memorandum & Articles of Association of the Company subject to approval by shareholders in the ensuing 15th AGM of the Company and (d) The Board of Directors decided that the market lot of shares of the Company shall be 100 shares from the existing 500 shares be and hereby approved subject to approval by shareholders in the ensuing 15th AGM of the Company.

Sponsor's Buy/Sell: MERCANBANK Mr. Subroto Narayan Roy has intention to sell 73,897 shares. ONEBANKLTD Ms. Manzia Jamil has intention to sell 60,000 shares. PEOPLESINS Mr. S.M. Nurul Islam has intention to sell 10,000 shares. PIONEERINS Mr. Md. Nasirullah has intention to sell 3,000 shares.

ISLAMIBANK Bangladesh Islamic Centre has intention to sell 2,440 shares. MAKSONSPIN Al-Haj Abdul Ali and Mrs. Polly Yasmin have intention to sell 2,75,000 and 1,80,000 shares respectively. SHAHJABAN Mrs. Nasima Akter has intention to sell 2,00,000 shares. EXIMBICO Mr. Salman F. Rahman has intention to sell 10,000 shares. PHOENIXFIN Dr. Ali Afzal Khan has intention to sell 1,00,000 shares. NCCBANK Mr. Aslam-ul-Karim has intention to sell 60,000 shares. PEOPLESINS Mr. Md. Abul Bashar intention to sell 1,00,000 shares. RELIANCEINS R. R. Cold Storage Limited has intention to sell 5,000 shares. LANKABAFIN Sampath Bank PLC has intention to sell 5,00,000 shares. UNIONCAP Enrlico Limited has intention to sell 50,000 shares.

Weekly Currency Roundup

June 19-23, 2011

International Markets

Towards the end of this week, the USD strengthened against a basket of currencies. The dollar climbed on Thursday and looked poised to rise further as investors unwound bullish bets in higher-yielding currencies after the U.S. Federal Reserve downgraded economic growth forecasts. The Fed cut its GDP growth forecasts lower and upwardly revised inflation expectations, while holding off from signalling a third round of quantitative easing, saying the U.S. recovery should gradually pick up heading into 2012. The lower growth forecast prompted investors to cut back on risky assets, benefiting the dollar. The dollar index which tracks the greenback against six major currencies was up 0.7 percent at 75.332 with near term resistance at its 100-day moving average at 75.630. Market players said they were eyeing the June 16 high of 76.020, with many suggesting a breakthrough that level would lead to further gains in coming months. A recent run of weak US economic data had led to some concerns the Fed may consider more economic stimulus, as it did in August 2010. At the time, weak U.S. data and the threat of deflation prompted Fed Chairman Ben Bernanke to flag a second round of monetary stimulus, dubbed QE2, sending the dollar lower and riskier assets soaring.

Local Money Market

Call money rates remained steady this week and mostly traded around 12 percent.

Local Market FX

USD/BT rates remained steady this week.

— Standard Chartered Bank