

Asian shares mixed

AFP, Hong Kong

Asian stocks were mixed Friday as traders followed a Wall Street surge but trade was weighed by data showing growth in manufacturing activity almost stalled in China last month.

Sentiment was given support by Greek lawmakers' agreement to the implementation of austerity measures aimed at avoiding bankruptcy.

Tokyo gained 0.53 percent, or 51.98 points, to 9,868.07 and Seoul closed 1.19 percent, or 25.05 points, higher at 2,125.74.

Shanghai fell 0.10 percent, or 2.71 points, to 2,759.36 and Sydney ended 0.36 percent, or 16.8 points, lower at 4,591.2.

Hong Kong and Bangkok were closed for public holidays.

Regional markets have posted strong gains for most of the week, with Athens' approval of deep cuts and privatisation on Wednesday providing support as it was seen as likely to help avoid a devastating sovereign default.

Many had feared a default by Greece could spark another global financial crisis.

Greek MPs on Thursday passed legislation putting into place the 28.4-billion-euro (\$40 billion) austerity package, despite fierce clashes in Athens.

Asian investors were given a strong cue after a rally on Wall Street, where the Dow jumped 1.25 percent, its fourth straight gain, the broader S&P 500 rose 1.01 percent and the tech-heavy Nasdaq climbed 1.21 percent.

US markets were boosted by figures showing economic activity in the Chicago region had jumped from the month before, surprising analysts.

Tokyo took in its stride the Bank of Japan's quarterly Tankan survey, which

showed business confidence among major manufacturers in June dropped to "minus nine" from "six" in March, the first negative reading in five quarters.

However, the result was no major surprise in the wake of the devastating impact of the March 11 earthquake and tsunami on the country's economy.

Shanghai pared earlier gains to end 0.10 percent, or 2.71 points, down at 2,759.36 after data showed growth in manufacturing activity virtually stopped in June, as the government clamps down on bank lending in a bid to tame inflation.

The official purchasing managers index (PMI) fell for the third straight month to a 28-month-low 50.9 in June from 52.0 in May, the China Federation of Logistics and Purchasing said in a statement.

Separately, the HSBC China Manufacturing PMI fell to an 11-month low of 50.1 in June from 51.6 in May.

A reading above 50 indicates the sector is expanding while a reading below 50 indicates contraction. Despite the poor figures traders were not spooked.

On currency markets the euro rose to \$1.4528 in early European trade from \$1.4499 in New York late Thursday, while edging up to 117.21 yen from 116.85 yen.

The dollar changed hands at 80.66 yen, compared with 80.55 yen in New York.

In other markets: Singapore closed up 0.60 percent, or 18.57 points, at 3,139.01. SingTel rose 0.63 percent to Sg\$3.18 and Oversea-Chinese Banking Corp gained 1.07 percent to Sg\$9.46.

Mumbai fell 0.44 percent, or 83.07 points, to 18,762.8. Oil explorer Oil and Natural Gas Corp closed up 0.86 percent to 276.3 rupees while Cairn India Corp gained 1.07 percent to Sg\$9.46.

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INTECH
Ashiqur Rahman, chairman of InTech Online Ltd, presides over the company's 11th annual general meeting at Trust Milonayatan in Dhaka on Thursday. The company approved 10 percent stock dividends for 2010. Mosleh Uddin Ahmed, chief executive officer (acting), was also present.



MAREKKO BANGLADESH
Vijay Subramaniam, chief executive officer of Marico International Business Group, presides over the 11th annual general meeting of Marico Bangladesh, at Army Golf Club in Dhaka on Tuesday. The company approved 20 percent cash dividends for 2010.

Russia comes up with biggest bank bailout

AFP, Moscow

The bank founded by Moscow's deposed city chief received the largest bailout package in Russia's history on Friday following its takeover by the state-controlled lender VTB.

The 395-billion-ruble (\$14.2-billion) cash injection for the Bank of Moscow followed a review of its books by its new owners and a decision by the government to keep the country's fifth-largest banking group afloat.

Analysts said the size of the package was much larger than expected and a sign of the state's desire to help VTB -- Russia's second-largest financial institution -- in taking over a weakened company.

The Bank of Moscow became the heart of a vast city property empire that unravelled shortly after mayor Yury Luzhkov's abrupt removal by the Kremlin last year.

VTB bought a 46.48 percent stake in the bank in a hostile takeover that was

criticised by some analysts at the time for its haste and lack of due diligence, reflecting the political backdrop to the deal.

The head of one of the state agencies involved in the rescue package revealed on Friday that about two-thirds of the Moscow bank's loans were either unsecured or issued to offshore organisations.

The Central Bank said 295 billion rubles in taxpayer money will be issued directly by the Deposit Insurance Agency at just 0.51 percent -- well below the rate of inflation.

The remaining money will be put up by VTB investors. The Central Bank said the cash infusion would help "remove conditions causing insecurity in the Bank of Moscow's financial position."

The Bank of Moscow was initially hit by political scandal when its former head Alexei Borodin was accused by prosecutors of approving a \$435 million loan backed by city money for a real estate company run by the mayor's wife.

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In a statement, Ricoh said the acquisition was partly driven by its belief that "the borderline between office and home will fade and this will be reflected in a major change in products and services."

Ricoh to buy Pentax digital camera brand

AFP, Tokyo

Japanese office equipment and camera maker Ricoh on Friday said it would buy Hoya Corporation's Pentax digital camera business as it looks to expand its consumer products business.

In a statement, the companies said Ricoh would use the Pentax brand name for its digital camera products, while Hoya would continue to use the Pentax brand for products such as endoscopes. They did not provide a value for the deal.

The Nikkei business daily reported that the deal was worth an estimated 10 billion yen (\$124 million).

The acquisition, which is effective from October, is part of Ricoh's efforts to grow beyond office products such as printers, photocopiers and fax machines.

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Lehman Brothers hails new deal with creditors

AFP, New York

Lehman Brothers, the investment bank whose collapse triggered the global financial crisis, said on Friday it had reached a deal with creditors vying for \$65 billion of the failed bank's assets.

The agreement has the support of 30 institutions and their affiliates who hold claims totalling more than \$100 billion, Lehman Brothers Holdings Inc., the bank's parent company, said in a statement.

The plan commands broader support from creditors than two previous versions and marks a significant step forward to resolving the largest bankruptcy case in history, the company said.

Creditors have demanded a total of \$325 billion from Lehman Brothers, which collapsed on September 15, 2008, after its risky bets on the US housing market turned bad, sending shockwaves through the world banking system.

"This amended plan is based on intensive discussions, analysis and input from

Weekly Currency Roundup

June 26-30, 2011

International Markets:

The major movement was this week was seen in the streaking rise of the euro. Expectations during the week over the Greek austerity plan came true on Thursday when the plan five-year was accepted in the parliament. The yen remained steady versus the dollar this week. The euro has been suffering for the past two weeks now due to the Greek crisis but investors can expect a strong euro. The dollar slipped out this week compared to the yen. On Thursday the euro rallied to a three week high against the dollar, swept higher by demand from a semi-official European name and a wave of stop loss buying and extending a rally after Greece moved a step closer to securing international aid. The dollar fell versus the currency basket as risk taking was buoyed by the news from Greece. The AUD and NZD both posted gains versus the US dollar.

Local Money Market:

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

Local Market FX:

USD/BDT rates fluctuated slightly this week.

-- Standard Chartered Bank

Brazil's real hits 9-year high against dollar

APP, Washington

Brazil's real hit its highest level against the dollar since 2002 on Friday, after a weeklong surge that paralleled the dollar's drop against the euro.

Despite government efforts to stem the Brazilian currency's rise on the back of a surging economy, the real hit 1.55 per dollar on the Sao Paulo exchange, a level last seen nine years ago and up from nearly 1.60 reals per dollar a week ago.

The currency is up 8.1 percent since the beginning of the year and 27 percent since two years ago.

STOCK

Weekly News from Trade Servers

ACTIVEFINE: The company will be placed in "A" category from existing "N" category with effect from 28.06.2011 as the company reported disbursement of stock dividend @ 15% 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 Active Fine Chemicals Ltd. between 1st to 30th trading day after change of categorization of the said securities i.e. starting from 28.06.2011 as per SEC Directive No. SEC/CMRRCD/2001-43/169 dated October 01, 2009 and SEC Order No. SEC/CMRRCD/2001-50/167 dated October 01, 2009.

MJLBD: The Stock Brokers and Merchant Bankers are requested not to provide loan facilities to purchase securities of MJL Bangladesh Ltd., in between 1st to 30th trading day after listing of the said securities i.e. starting from 26.06.2011 as per SEC Directive No. SEC/CMRRCD/2001-43/169 dated October 01, 2009. All the Hon'ble members are requested to trade (in case of general client's sale for MJL Bangladesh Ltd.) only one market lot for each client's account. Any sale above one market lot may invoke penalty.

APEXFOODS, AMCL(PRAN), KARNAPHULI, LEGACYFOOT, MERCANBANK, STANDBANKL, NATLIFEINS, BGIC, PEOPLESINS, SQUARE-TEXT, FEDERALINS, MCEMENT: In response to a C/DSE query dated 23.06.11, the Company has informed that there is no undisclosed price sensitive information of the Company for recent unusual price hike.

LAFSURCEML: Trading of shares of Lafarge Surma Cement Ltd. has been suspended by DSE Management for unusual price hike of shares pending investigation.

ULC, CONTININS, EXIMBANK, CENTRALINS, GOLDENSON: The Company has informed that it has credited the Bonus shares to the respective shareholders' BO Accounts on 23.06.11.

KEYACOSMET: The Company has informed that it has credited the amalgamated shares to the respective shareholders' BO Accounts on 26.06.11.

RENATA: The Company has informed that it has credited the Bonus Shares for the year 2010 to the respective shareholders' BO Accounts on 28.06.11. The Company has also requested the concerned shareholders to collect their cash dividend warrants for the year 2010 from the Share Department at the Company's Corporate Headquarter at Plot No. 1, Milk Vita Road, Section-7, Mirpur, Dhaka-1216 during office hours from July 03 to 07, 2011.

SAPORTL: The Company has informed that it has dispatched the entire final cash dividend warrant 2010 (20%) through courier service on 19.06.11.

PROGRESLIF: The Board of Directors has recommended stock dividend @ 12% for the year ended on December 31, 2010. Date of AGM: 21.09.2011, Time: 11:00 AM, Venue: Dhaka Ladies Club, 36 Eskaton Garden Road, Dhaka-1000. Record Date: 13.07.2011. The Company has also reported EPS of Tk. 19.58, NAV per share of Tk. 291.79 and NOCFFPS of Tk. 604.23 for the year ended on December 31, 2010.

PRAGATILIF: The Board of Directors has recommended stock dividend @ 12% for the year ended on December 31, 2010. Date of AGM: 15.09.2011, Time: 12:00 noon, Venue: Junuma Resort Ltd., Bhupur, Tangail. Record Date: 25.08.2011.

RUPALILIFE: The Board of Directors has recommended stock dividend @ 14% for the year ended on December 31, 2010. Date of AGM: 18.08.2011, Time: 10:30 AM, Venue: Institute of Diploma Engineers, Bangladesh, Muktiuddah Smriti Milanayatan, 160/A Kakrai, Dhaka-1000. Record Date: 11.07.2011.

MEGHNALIFE: The Board of Directors has recommended stock dividend @ 40% for the year ended on December 31, 2010. The Board has also decided to increase the Authorized Capital of the company from Tk. 30.00 crore to Tk. 60.00 crore. Date of EGM and AGM: 10:30 AM and 11:00 AM respectively, Venue: Institute of Diploma Engineers, Bangladesh, 160/A, Kakrai VIP Road, Dhaka. Record Date for EGM and AGM: 12.07.2011.

SANDHANINS: The Board of Directors has recommended stock dividend @ 48% for the year ended on December 31, 2010. Date of AGM: 27.07.2011, Time: 11:00 AM, Venue: LGED Auditorium, Level-2, LGED Bhaban, Sher-e-Banglanagar, Agargaon, Dhaka-1207. Record Date: 11.07.2011. The Company has also proposed EPS of Tk. 70.33, NAV per share of Tk. 70.33 and NOCFFPS of Tk. 67.69 for the year ended on December 31, 2010.

As per un-audited quarterly accounts for the 1st quarter ended on 31st March 2011: EASTERNINS NPAT = Tk. 12.78 million, EPS = Tk. 308.32 million, EPS = Tk. 6.85, considering an increase in life revenue account of Tk. 710.75 million with total life insurance fund of Tk. 13,345.39 million. PROGRESLIF has reported an increase in life revenue account of Tk. 254.89 million, total life insurance fund of Tk. 13,622.44 million.

KARNAPHULI: The Rating Committee of CRISL has announced the CPA Rating 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.

DUTCHBANGL: The Credit Rating Agency of Bangladesh Limited (CRAB) has announced the surveillance rating of the Bank as AA2 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.

NCCBANK: The Credit Rating Agency of Bangladesh Limited (CRAB) has announced the surveillance rating of the Bank as A1 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.

UTTARABANK: The Credit Rating Agency of Bangladesh Limited (CRAB) has announced the surveillance rating of the Bank as A1 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.

NCCBANK: The Credit Rating Agency of Bangladesh Limited (CRAB) has announced the surveillance rating of the Bank as A1 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.

RELIANCINS: The Rating Committee of CRISL has announced the CPA Rating of the Company as "AA" 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.

SHAHJABAN: The Rating Committee of CRISL has announced the CPA Rating of the Company as "AA2" 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.

AL-HAJTEX: The Company has informed that the Registered Office of the company has been shifted to "Chand Mansion", 66, Dilkusha C/A, 4th floor, Dhaka-1000, 3rd floor, Dhaka-10