

# Asian shares mixed after week of selling

AFP, Hong Kong

Asian markets were mixed on Friday as dealers bought back cheap stocks after a week of heavy selling, although trading remained cautious amid fears of a debt default by the United States.

The dollar was pressured after another agency warned of a downgrade for Washington's credit rating, although it was supported by comments from the Fed chief that the bank was not ready for a new round of monetary easing.

Tokyo gained 0.39 percent, or 38.35 points, to 9,974.47 and Seoul added 0.71 percent, or 15.13 points, to 2,145.20 while Shanghai rose 0.35 percent, or 9.73 points, to 2,820.17.

Sydney closed 0.38 percent, or 17.2 points, lower at 4,473.5 and Hong Kong gave up 0.30 percent, or 64.82 points, to 21,875.38.

Global markets slumped this week as fears of a default in European economies were compounded by growing concern that politicians in Washington are unable to hammer out a budget that will allow a rise in the debt ceiling.

Economists and finance and business leaders have warned that failure to raise the ceiling above the current \$14.3 trillion would send shockwaves through the world economy as it struggles out from the financial crisis.

On Wednesday, he had indicated that further easing was possible if economic weakness persisted, fuelling a stock market rally as investors hoped for a new round of stimulus from the Fed.

The dollar was trading at 79.22 yen in Europe, up slightly from 79.13 yen late Thursday in New York. However, it is up from the high-78 range in Asia earlier Thursday.

The euro eased to \$1.4135 from \$1.4141. The European single currency inched up to 112.02 yen from 111.87 yen.

In Sydney mining giant BHP Billiton fell 1.63 percent after it announced it was buying US firm Petrohawk Energy in a deal with a total value of \$15.1 billion.

And Rupert Murdoch's News Corp fell 2.83 percent after the FBI began a probe over potential phone hacking in the United States following a scandal in Britain that saw the closure of Sunday tabloid the News of the World.

Oil was mixed. New York's main contract, West Texas Intermediate light sweet crude for delivery in August, gained 19 cents to \$95.88 per barrel in the afternoon.

Brent North Sea crude for September shed 40 cents to \$115.86 on its first trading day.

Gold closed at \$1,578.00-\$1,579.00 in Hong Kong, up from Thursday's close of \$1,582.50-\$1,583.50. It opened at \$1,585.00-\$1,586.00.

The precious metal, a safe-haven in times of economic uncertainty, surged to a record \$1,594.45 per ounce in New York Thursday.

**In other markets:**

Singapore closed down 0.14 percent, or 4.46 points, at 3,084.24.

Indian shares fell 0.30 percent in rangebound trade as investors unwound positions ahead of the week-end. Trading sentiment remained lacklustre after Wednesday's deadly blasts which rocked the financial centre, killing at least 17 people. The benchmark 30-share Sensex index ended down 56.28 points to 18,561.92, snapping two straight days of gains.

Bangkok was closed for a public holiday.



**Khondker Fazle Rashid, managing director of Dhaka Bank, attends the certificate giving ceremony of a training course for the bank's management trainee officers at its training institute in Dhaka recently.**



**AKM Zabeed, chief operating officer of Sinha Ltd, inaugurates the office of Club Travels, a concern of Sinha Ltd, at Gulshan in Dhaka recently.**

## SE Asia more wary of QE3 than US debt default

REUTERS, Manila

The prospect of a US ratings downgrade due to a debt default could see extra funds flow to Southeast Asia for a short time, but the bigger risk is that a new round of quantitative easing would trigger sizeable inflows that unsettle economies.

Central bank officials in the Philippines, Indonesia and Thailand said on Thursday inflows could pick-up due to the US economic problems. Non-expressed concerns about the risk of the US actually defaulting on its debt obligations around the world.

The broad expectation is US politicians will reach a deal to increase the country's debt ceiling by the Aug. 2 deadline rather than face a default, which could roil financial markets around the world.

"With the ample liquidity in the global system and Europe facing its own problems, we can probably expect any adverse movement to be short-lived," Philippine central bank governor Amando Tetangco said.

"That said, markets will be carefully watching how US lawmakers would handle this warning from Moody's."

Moody's Investors Service said the stand-off put Washington's top-notch ratings at risk, and said it wanted to see a credible agreement with long-term measures to cut the deficit.

In the event of a US default and downgrade, analysts said the problem for Asia could be a withdrawal of funds as investors cut exposure to risky assets, rather than an influx.

"First of all, I don't think it will get to that stage and second, if it does it will be a risk-off scenario -- and money in a risk-off scenario does not go to emerging markets," said Tim Condon, head of Asia research at ING in Singapore.



**RA Howlader, chairman of Global Insurance Ltd, presides over the insurer's 11th annual general meeting in Dhaka recently. The company approved 10 percent stock dividends for 2010. Fariduddin Khan Siddiqui, managing director, was also present.**



**Md Nurun Newaz Salim, chairman of NCC Bank, inaugurates an ATM booth of the bank at Nasirabad in Chittagong recently. Mohammed Nurul Amin, managing director, was also present.**

## STOCK

### Weekly News from Trade Servers

**BATBC:** As per un-audited half yearly accounts as on 30.06.11 (Jan' 11 to June' 11), the company has reported profit after tax of Tk. 745.55 million with EPS of Tk. 12.43.

**UNITEDAIR:** As per regulation 30 of DSE Listing Regulations, the Company has informed that a meeting of Board of Directors of the Company will be held on July 16, 2011 at 11:00 a.m. to consider, among others, audited financial statements of the Company for the year ended on June 30, 2011.

**NORTHRNINS:** The Credit Rating Agency of Bangladesh Limited (CRAB) has announced the surveillance rating of the Company as BBB1 in the long term and ST-3 in the short term based on audited financial statements of the Company up to 31st December 2010 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

**DHAKAINS:** The Credit Rating Agency of Bangladesh Limited (CRAB) has rated the Company as A3 in the long term and ST-3 in the short term based on audited financial statements of the Company up to 31st December, 2010 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

**ISNLTD:** The Credit Rating Information and Services Limited (CRISL) has rated the Company as "A-" in the long term and "ST-3" in the short term in consideration of financials of the Company up to March, 2011 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

**BAYLEASING:** The Company has informed that it has credited the Bonus Shares to the respective shareholders' BO Accounts on 10.07.11. The Company has also requested the concerned shareholders to collect their cash dividend for the year 2010 from the Company's head Office at Printers Building (7th Floor), 5 Rajuk Avenue, Motijheel C/A, Dhaka-1000 during the office hours from 17.07.11 to 20.07.11.

**NHFIL:** The Company has requested the concerned shareholders to collect their cash dividend for the year 2010 from the Company's head Office at National Plaza (7th & 8th Floor), 109, Bir Uttam C.R. Datta Road, Dhaka-1205 during the office hours from 10.07.11 to 21.07.11.

**FASFIN, PHENIXINS, BGIC:** The Company has informed that it has credited the Bonus shares to the respective shareholders' BO Accounts.

**MERCINS:** The Company has informed that it has credited the Bonus shares for the year 2010 to the respective shareholders' BO Accounts on 13.07.11.

**CITYGENINS:** The Company has informed that it has credited the Rights shares to the respective shareholders' BO Accounts on 12.07.11.

**MTBL, NHFIL, KOHINOOR, SAMORITA, ARAMITCEM, ULC, ISLAMICFIN, SAHAMTEX, GREENDELT, ALLTEX, BEXTEX, SINGERBD, RAHIMAFOD, BEACONPHAR, RNSPIN, DSHGARME, CMCKAMAL, ARAMIT, TITASTAS, GRAMEENI, GRAMEENS2, PURABIGEN, JANATAINS, GP, IDCL, PRIMETEX, BDWELDING, RAHIMTEXT, PIONEERINS, DHAKAINS, ISLAMINS, SONALIANSH, GQBALLPEN, BXSYNTH, BANGAS, BXPHERMA, RUPALIINS, OCL, BDLAMPS, GLAXOSMITH, DESHBANDHU, ICBIBANK:** In response to a C/DSE query dated 11.07.11, the Company has informed that there is no undisclosed price sensitive information of the Company for recent unusual price hike.

**EBL:** The Bank has informed that the Board of Directors of the Bank has decided to purchase a Membership of Chittagong Stock Exchange Limited subject to approval of respective Regulatory Authorities.

**DACCADYE:** SEC has regretted its inability to accord consent for the Rights Issue of The Dacca Dyeing & Manufacturing Co. Ltd. due to noncompliance of rule 3(g), 4(2) and 8(w) of the Securities and Exchange Commission (Rights Issue) Rules, 2006.

**PROGRESLIF:** The Company has informed that the Board of Directors of the company has decided to purchase land measuring 20.62 katha of Eastern Housing Ltd. in the name of Progressive Life Insurance Company Ltd. at sector-03 under Aftab Nagar Land Project (Banarsree New Town) at a cost of Tk. 25,62,90,000.00. In addition, Tk.18,42,900.00 will be incurred as cost of utility charges etc. and excluding the cost of Stamp, Registration Fees and other related expenses.

**DELTASPIN:** The Company has informed that the Head Office of the company has been shifted to 254-B, Khilgaon Chowdhury Pura, Dhaka-1219.

**BEXTEX:** The Company has further informed that the Hon'ble High Court Division of the Supreme Court of Bangladesh has passed an order on 12.07.11 in the Company Matter No. 118 of 2011, approving- (1) draft Scheme of Amalgamation of Bextex Ltd. (Transferor

Company) with Bangladesh Export Import Company Ltd. (BEXIMCO Ltd.) (Transferee Company) for the purpose of section 228 read with section 229 of the Companies Act, 1994 at an exchange ratio of 5 shares of Bextex Ltd. (Transferor Company) for 1 share of BEXIMCO Ltd. (Transferee Company); and (2) thereby, the Amalgamation of Bextex Ltd. (Transferor Company) with BEXIMCO Ltd. (Transferee Company) for the purpose of section 228 read with section 229 of the Companies Act, 1994; and (3) also, 1 January 2011 as the Appointed Date, in terms of Clause 2(b) of the aforesaid Scheme of Amalgamation, with effect from which date the Undertaking, assets, liabilities, licenses, rights and benefits of Bextex Ltd. (Transferor Company) are and be deemed to have been transferred to and vested in BEXIMCO Ltd. (Transferee Company) for accounting purpose. Consequential to that, the Board of Directors of Bextex Ltd. (Transferor Company) and BEXIMCO Ltd. (Transferee Company) in their separate meetings have decided that the Record Date for exchange of shares of the Transferor Company for those of the Transferee Company, pursuant to Clause 11 of the aforesaid Scheme of Amalgamation, shall be 31 July 2011 and the Effective Date on which the aforesaid Scheme of Amalgamation shall come into effect, in terms of Clause 2(d) of the aforesaid Scheme of Amalgamation, shall be 1 August 2011.

**BEXIMCO:** The Company has further informed that the Hon'ble High Court Division of the Supreme Court of Bangladesh has passed an order on 12.07.11 in the Company Matter No. 118 of 2011, approving- (1) draft Scheme of Amalgamation of Bextex Ltd. (Transferor Company) with Bangladesh Export Import Company Ltd. (BEXIMCO Ltd.) (Transferee Company) for the purpose of section 228 read with section 229 of the Companies Act, 1994 at an exchange ratio of 5 shares of Bextex Ltd. (Transferor Company) for 1 share of BEXIMCO Ltd. (Transferee Company); and (2) thereby, the Amalgamation of Bextex Ltd. (Transferor Company) with BEXIMCO Ltd. (Transferee Company) for the purpose of section 228 read with section 229 of the Companies Act, 1994; and (3) also, 1 January 2011 as the Appointed Date, in terms of Clause 2(b) of the aforesaid Scheme of Amalgamation, with effect from which date the Undertaking, assets, liabilities, licenses, rights and benefits of Bextex Ltd. (Transferor Company) are and be deemed to have been transferred to and vested in BEXIMCO Ltd. (Transferee Company) for accounting purpose. Consequential to that, the Board of Directors of Bextex Ltd. (Transferor Company) and BEXIMCO Ltd. (Transferee Company) in their separate meetings have decided that the Record Date for exchange of shares of the Transferor Company for those of the Transferee Company, pursuant to Clause 11 of the aforesaid Scheme of Amalgamation, shall be 31 July 2011 and the Effective Date on which the aforesaid Scheme of Amalgamation shall come into effect, in terms of Clause 2(d) of the aforesaid Scheme of Amalgamation, shall be 1 August 2011.

**RUPALIBANK:** As reported by the Issue Manager of the Bank, total 1,34,930 shares has been sold out of 30,68,750 shares up to 12.07.2011.

**Sponsor's Buy/ Sell:** ONEBANKLTD Ms. Manzia Jamil has intention to sell 1,00,000 shares. CONTININS M/s Khansons Group Ltd. has intention to buy 1,146 shares. MAKSONSPIN Mr. Mohd. Amzad Ali and Ms. Khadiza Akhter Shilpi have intention to sell 2,10,000 and 1,20,000 shares respectively. CONTININS Mr. Mohd. Jahangir Hussain has intention to sell total 9,170 (8,571+599) shares. PRO-GRESLIF Mr. Gulam Mostofa Ahmed has intention to sell 2,500 shares. NCCBANK Mr. Mohammad Ali has intention to sell 3,00,000 shares. ONEBANKLTD Mr. Hefazatur Rahman has intention to sell 2,42,007 shares. MERCINS Hazi Abdur Rahman has intention to sell 60,000 shares. NCCBANK Mr. Aslam-ul-Karim has intention to sell 1,00,000 shares. MERCANBANK Mrs. Bilkis Begum has intention to sell 10,000 shares. PIONEERINS Mr. Md. Nasir Ullah has intention to sell 1,000 shares. PROVATIINS Al-Haj Mohammad Ali, Mr. Md. Shahadat Hossain Ali, Mr. Shakawat Hossain Mamun, Mr. Salauddin Shohag, Mr. Safayet Hossain Masum and Al-Haj Mojir Ahmed have intention to sell 2,400 shares, 1,440 shares, 2,640 shares, 1,440 shares, 1,440 shares and 8,040 shares respectively. BDFINANCE Ms. Jesmin Ahmed has intention to sell 7,000 shares. ONEBANKLTD Mr. Hefazatur Rahman has intention to sell 3,06,000 shares. MERCANBANK Mr. A.S.M. Feroz Alam has intention to sell 7,000 shares. PLFSL Mr. A.K.M. Shahidul Islam has intention to sell 2,50,000 shares. PROVATIINS Mr. Md. Mohshin Kawser, Mr. Md. Saiduzzaman, Mr. Mohammed Mortoza Ali and Mr. Md. Ekram Hossain have intention to sell 4,320 shares, 1,200 shares, 1,200 shares and 1,200 shares respectively. MERCANBANK Mr. Tahrin Aman and Mr. Tahsin Aman have intention to transfer 1,23,840 shares each to their Mother Mrs. Tazneen Aman, another Sponsor of the Bank, by way of gift outside the trading system of the Exchange and Mr. A.K.M. Shaheed Reza has intention to sell 5,000 shares. CONTININS Mr. Mohammed Iqbal has intention to sell 10,000 shares while Mrs. Hasina Iqbal has intention to buy 1,145 shares. NBL Mr. Habibullah has intention to sell 1,00,000 shares. SHAHJABANK Mrs. Nasima Akter has intention to sell 1,00,000 shares. SIBL Mr. Mohammad Azam has intention to sell 5,00,000 shares.