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 বিশেষ সঞ্চয় কিম
 প্রাক্কলিত মুনাফা:
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 ইসলামী শরীআহ'র এর মুরাব্বা নীতির ভিত্তিতে পরিচালিত।
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Star BUSINESS

DHAKA TUESDAY SEPTEMBER 3, 2019, BHADRA 19, 1426 BS ● starbusiness@thedailystar.net

Stocks continue to bleed

STAR BUSINESS REPORT

The stock market continues to bleed due to tensions between the regulator and the Dhaka Stock Exchange, claims of unpaid dues of heavyweight Grameenphone, the looming deadline to bring down banks' loan-deposit ratio and the ongoing liquidity crunch.

The Bangladesh Securities and Exchange Commission (BSEC), however, said they can only provide policy support but cannot force people or institutions to invest in stocks.

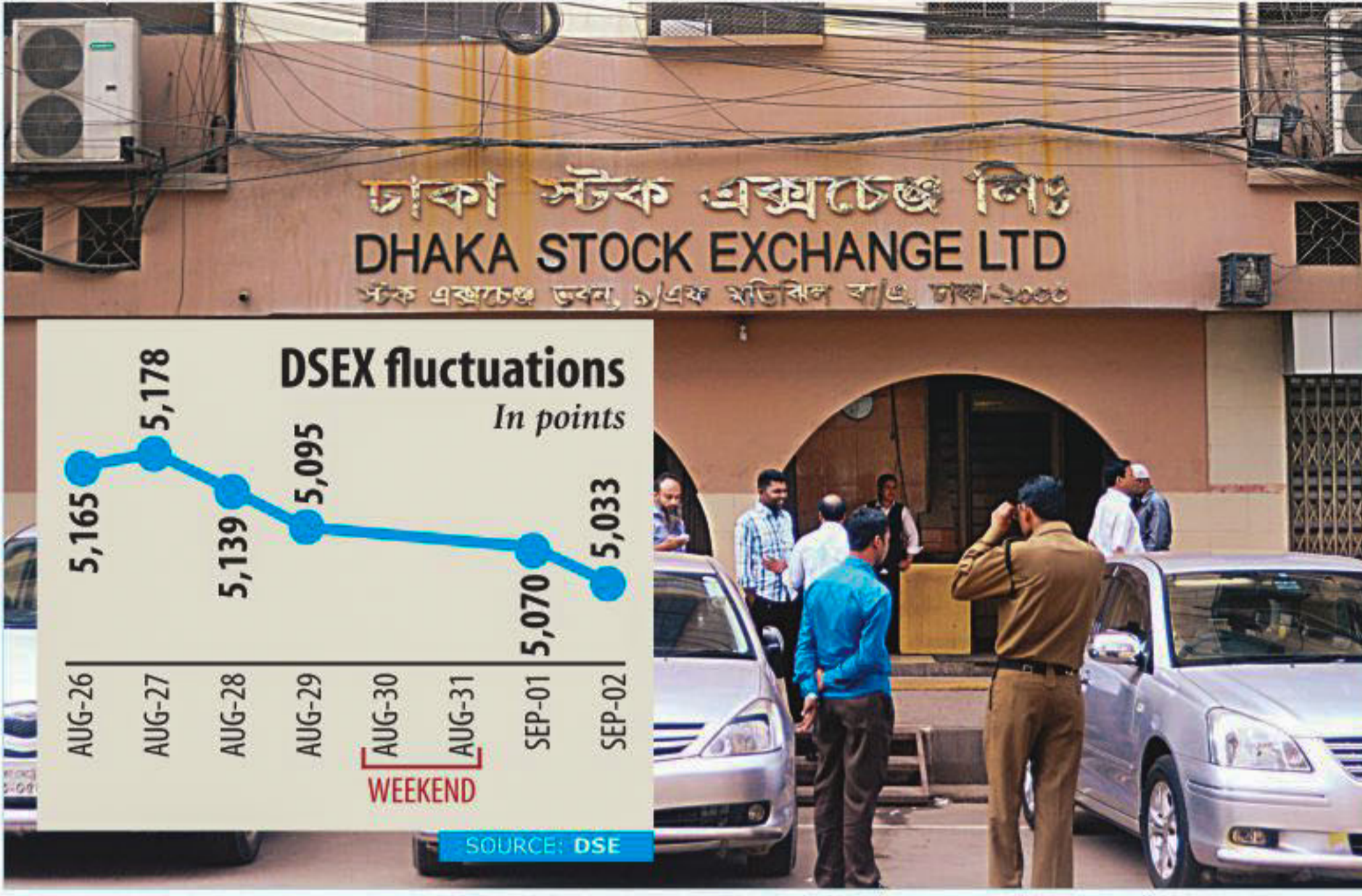
DSEX, the benchmark index of the Dhaka Stock Exchange, suffered losses for a fourth straight session yesterday and investors are shaken to see the lukewarm response of the regulator and DSE to deal with the plunging stock prices.

The index lost 37.14 points to close at 5,033.53 yesterday. In the last four trading sessions it gave up a total of 145.17 points.

In the last two weeks, the DSE lost nearly Tk 8,080 crore in market capitalisation.

Market analysts said the index is coming down to the 5,000-mark, which is not a good sign because if it slips below the mark it may have a psychological impact on the investors' mind and they might panic sell.

Default loans of the banking sector are rising and banks are suffering from a liquidity pressure,



said Mohammed Rahmat Pasha, managing director of UCB Capital Management.

So, investors are reluctant to put in money in banking stocks, he said, adding that the recent gas price hike will increase the cost of the manufacturing sector and thus shrink their earnings. On this ground, investors are less interested in the manufacturing sector too.

The initial public offering of Ring Shine Textile is also creating sell pressure from institutional investors, he added.

The textile company got the go-ahead to raise Tk 150 crore from

stock investors by offloading 15 crore shares. Institutional investors are snapping up most of the stocks being offered.

Market insiders said many other factors have dented investor confidence in the last few months, so the market has been plunging.

The difference between the Bangladesh Securities and Exchange Commission and the DSE over a recent IPO has been affecting the overall market, said a senior merchant banker requesting not to be named.

The hard decisions of the telecom regulator on Grameenphone, the largest listed company on the DSE, hurt investor confidence too.

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GP-regulator tussle spooks foreign investors in DSE

AHSAN HABIB

Foreign funds in the Dhaka bourse has been declining for the last six months amid a confidence crisis among the investors stemming from a tussle between Grameenphone and the telecom regulator over an audit claim.

Net foreign investment plunged to Tk 102.53 crore in negative in August, when foreign investors purchased shares worth Tk 279.31 crore, according to data of the Dhaka Stock Exchange.

The net foreign investment was Tk 164.67 crore in the negative in July.

Market insiders say the number of the trading days was lower last month because of the Eid vacation, resulting in lower turnover. But, the foreign investors were in a selling mood.

A merchant banker said foreign investors were hurt by GP's recent fall after the Bangladesh Telecommunication Regulatory Commission (BTRC) declared the company a significant market power in February.

The foreign investors' sell-off started in March and accelerated further last month when the BTRC decided to issue show-cause notices to GP and Robi, asking why their licences would not be cancelled for not clearing audit claims involving Tk 13,447 crore.

A stock broker said a large stake in GP belongs to foreign and institutional investors, so the government move has dented investors' confidence, even though

the company's earnings rose in the first half of 2019.

GP's earnings per share rose 10.49 percent year-on-year to Tk 13.37 from January to June, DSE data showed.

The tougher move against GP has impacted the foreign investment because

NET FOREIGN INVESTMENT IN DSE

In crore taka

Month	Investment (Cr. Taka)
AUGUST	-102.53
JULY	-164.67
JUNE	-10.52
MAY	-65.16
APRIL	-154
MARCH	-123
FEBRUARY	323.18
JANUARY	175.29

SOURCE: DSE

it may reduce the earnings growth of the largest listed company, said Mohammed Rahmat Pasha, managing director of UCB Capital Management.

Another broker said coordination among all the regulators should be ensured for the sake of the stock market. Otherwise, any decision of this kind may affect the whole market.

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Strike halts container movement at Ctg port

STAFF CORRESPONDENT, Ctg

Container movement at the Chattogram port remained suspended for nine hours yesterday as workers associated with articulated lorries went on strike demanding the arrest of a fellow's killer.

The strike was withdrawn at 2:00pm by the Chattogram Prime Mover-Trailer Sramik Union after police and district administration informed them that the accused had been arrested upon surrendering at a court.

Though no container travelled between the port and the 19 private inland container depots and loading and unloading from ships had been disrupted, there was movement of goods sans containers through trucks and covered vans.

Md Shahjahan Saju, 48, a driver of Tahsin Enterprise, was allegedly shot dead by a foreman, Md Masum, inside a motor garage at the Kalu Shah shrine area in Sitakunda on August 28.

A case was filed with Sitakunda Police Station by the victim's wife Shahida Akhter accusing Masum. Md Ruhul Amin Sikder, secretary

of the Bangladesh Inland Container Depots Association, said no export container missed shipment for being delivered to the port ahead of the strike.

The strike might create a congestion of containers inside the port yards.

At least 900 TEUs (twenty-foot equivalent units) of import-laden containers are transported from the

port to the ICDs daily and there were around 5,000 TEUs of such containers there till yesterday morning.

Sikder said with four vessels scheduled to sail out today, they were focused on reaching around 6,000 TEUs of export-laden containers, for which they might hold back for some time on taking out import-laden containers.



Articulated lorries stay put in Saltgola area of Chattogram yesterday during a nine-hour strike.

DWAIPAYAN BARUA

GDP growth tops 26 countries

STAR BUSINESS REPORT

Bangladesh recorded the highest economic growth among a list of 26 countries in the last 10 years, according to The Spectator Index.

Since 2009, the country's gross domestic product (GDP) expanded 188 percent at the current prices.

In the past decade, China's economy grew 177 percent, India 117 percent, Indonesia 90 percent, Malaysia 78 percent, Australia 41 percent and Brazil 17 percent, according to a chart posted on The Spectator Index's Twitter and

THE SPECTATOR INDEX
Total GDP growth in ten years In %

COUNTRIES	GDP GROWTH
Bangladesh	188
Ethiopia	180
China	177
India	117
Indonesia	90
Malaysia	78

Instagram accounts. The index provides succinct comparative study on matters pertaining to politics, economics, history, military affairs, sports, science and technology.

Finance Minister AHM Mustafa Kamal also shared The Spectator Index's finding at the weekly cabinet meeting held at the secretariat yesterday.

Bangladesh will set an example in the world if the present trend of the GDP growth continues under the leadership of the prime minister, Kamal said.

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Remittance climbs on cash incentive

STAR BUSINESS REPORT

Remittance increased about 5 percent year-on-year to \$1.48 billion in August due to a recent government move to extend incentives to expatriates for sending money home through the legal channel.

Last month's inflows though are 6.92 percent lower than July's receipts, according to data from Bangladesh Bank.

The country celebrated Eid-ul-Azha, one of the largest religious festivals in the Muslim-majority nation, on August 12, so July's receipts were higher, said a BB official. "Remittance inflows dropping in the following days after Eid is a regular phenomenon," he added.

In the current budget, the government introduced a 2 percent cash subsidy for remitters to encourage them to send money home through the legal channel.

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RMG FACTORY INSPECTION New platform launches today

STAR BUSINESS REPORT

The launching of a top body for supervising safety and compliance in the garment sector, in continuation of the post-Rana Plaza collapse remediation process, might be announced today.

Representatives of different bodies have been holding meetings over the last two days to form RMG Sustainability Council (RSC). They are scheduled to announce the terms, conditions and operational modalities at a press briefing following a meeting.

The platform would be run with representation from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), Bangladesh Knitwear Manufacturers and Exporters Association, Department of Inspection for Factories and Establishments (Dife), Accord, union leaders and government high-ups.

"It will be operational after the steering committee and us agree on our drafts on the composition of the RSC," said one representative who attended the meetings, asking not to be named.

"So far we have had prescriptions and suggestions from Accord. Now we have an opportunity to take part and steer a conversation with reason, national context and be aligned in a collaborative spirit," added the official.

"It will be an all-inclusive platform. No buyer or stakeholder wants to subject factories to multiple audits and duplicate practices. Therefore it will be set up with outstanding protocols that not only satisfy all brands but also the manufacturers," said the representative.

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NRB Bank
 Not Just Another Bank

Congratulations
Seamark (BD) Ltd. has recently achieved the Prestigious Award National Export Trophy (Gold Category) for the year 2016-17 in recognition of extra ordinary performance in the Country's export earnings. **Mr. Kamal Ahmed**, Deputy Managing Director of Seamark (BD) Ltd. and **Vice Chairman** of NRB Bank Limited received the National Export Trophy from **Sheikh Hasina**, Honourable Prime Minister, People's Republic of Bangladesh.

The Board of Directors and Management of the Bank Congratulated Seamark (BD) Ltd. on the auspicious occasion of this prestigious achievement.

এজেন্ট নিয়োগ
 এমটিবি এজেন্ট ব্যাংকিং সেন্টার স্থাপনের মাধ্যমে ব্যাংকিং সেবা প্রদান করার লক্ষ্যে সারা বাংলাদেশে যোগ্যতা সাপেক্ষে এজেন্ট নিয়োগ করা হচ্ছে।
 বিস্তারিত জানতে ০১৬১৯২১৬২১৯, ০১৭৬৫০২৪৮৯৫
Mutual Trust Bank Ltd.
 agentbanking@mutualtrustbank.com