STOCKS	Week-on-week
DSEX ▲ 0.95% 6,150.48	CSCX ▲ 0.68% 10,695.22

COMMODITIES	As of Friday
Gold ▲ $1,786.79 (per ounce)	Oil ▲ $76.17 (per barrel)

ASIAN MARKETS			Friday Closings
MUMBAI	TOKYO	SINGAPORE	SHANGHAI
▲ 0.32%	▲ 0.27%	▲ 0.15%	▼ 1.95%
52,484.67	28,783.28	3,128.95	3,518.76

CURRENCIES — As on Wednesday, STANDARD CHARTERED BANK

	$USD	€EUR	£GBP	¥CNY
BUY TK	83.95	98.84	115.38	12.76
SELL TK	84.95	102.64	119.18	13.41

Star BUSINESS

DHAKA MONDAY JULY 5, 2021, *ASHAR 21, 1428 BS* ● starbusiness@thedailystar.net

A new way of manipulating stocks

Vested group places heavy buy orders to entice unsuspecting investors, and sells shares once they are in

AHSAN HABIB

On June 23, buy orders were placed in the early hours of the trading day at the Dhaka Stock Exchange (DSE) to purchase around seven crore shares of Malek Spinning. The targeted scrips accounted for about 80 per cent of the total tradable securities of the company.

Seeing such a high demand for the share, general investors were reluctant to sell because any sensible person would take that as a signal that the price is going to go up.

So, as expected, they held the shares and tried to buy more, sending the stock higher.

On the day, buyers were ready to offer a 10 per cent higher price at Tk 31.6 compared to the previous day's last trading price. Ten per cent is the maximum limit a stock is allowed to go either up or down in a single day at the premier bourse.

Malek Spinning's stocks started sliding just after two days and declined to Tk 29 on June 29. Although the price fell, no heavy buy order was placed again, surprisingly.

Actually, this was the latest ploy of the manipulators to draw unsuspecting investors into the game.

As a part of the strategy, a vested group quotes to purchase a large volume of shares. When general investors see the elevated demand, they begin to buy even at higher prices.

And the group, who bought shares earlier at lower prices, swings into action and starts dumping their holdings. Soon, the investors who have bought the shares at higher prices witness their funds get stuck as prices decline. Malek Spinning was not the lone target of the vested group.

On May 23, buy orders for one crore shares of NRB Commercial Bank were placed. The buyers wanted to purchase them at Tk 28.4 against the previous day's closing price of Tk 25.9.

On the day, the total sale order was only for 18,600 shares, and the highest expected price was Tk 28.2. A day earlier, orders were placed to buy 64.45 lakh shares.

The same happened to the stocks of Delta Life Insurance, Beach Hatchery, Fortune Shoes, and Genex Infosys at the DSE in recent days.

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STOCK PRICES OF FIRMS THAT GOT ABNORMAL BUYING ORDERS

In the last two months

- Malek Spinning: 157% ↑
- NRBC Bank: 235% ↑
- Fortune Shoes: 152% ↑
- Delta Life Insurance: 99% ↑

SOURCE: DSE

Do away with unnecessary regulations

Mannan urges Bida

STAR BUSINESS REPORT

Planning Minister MA Mannan has urged the Bangladesh Investment Development Authority (Bida) and all other concerned government bodies to do away with unnecessary rules that are not investment-friendly.

The minister was speaking as chief guest at a webinar on "Attracting Foreign Investment in Bangladesh and Branding Bangladesh", jointly organised by Bida and the Better Bangladesh Foundation (BBF) on Saturday. There are currently various rules in place that could discourage investment.

"You (Bida) know about the unnecessary rules and so do I, and since we both know, let's push it out, clean it. Let's keep fewer rules so that business can be done faster," Mannan said.

He also urged the authorities concerned to make a level playing field for everyone to do business.

"The ease of doing business is a subject in which we are not scoring very high. So, we have to work on that," he added.

The Federation of Bangladesh Chambers of Commerce & Industries (FBCCI), Bangladesh Garment Manufacturers and Exporters Association (BGMEA), and BBF could work together to stand between the government and investors.

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RAJIB RAIHAN

Prime movers form a queue outside an inland container depot in Chattogram, awaiting the scope to unload goods meant for export on vessels in the neighbouring port. An acute shortage of containers globally and delays in getting space in vessels over the past couple of weeks have led to unprecedented hold-ups for Bangladesh's exports. The photo was taken outside the depot of Esack Brothers Industries yesterday.

Tk 68cr project to amp up agarwood exports

SUKANTA HALDER *and* MD ABU TALHA SARKER

The government has undertaken a project of about Tk 68 crore to increase the production of high quality agarwood and generate more revenue through its export.

The Ministry of Environment, Forest and Climate Change initiated the project titled "Innovation of Agar Resin Collection Technology at High Quality in Whole Trees", recognising agarwood and its essential oil as being some of the most expensive raw materials in the world.

The Executive Committee of the National Economic Council (Ecnec) on June 22 this year approved the project, which would be implemented by the Bangladesh Forest Research Institute (BFRI).

According to the BFRI, the international market for agarwood is currently worth about $12 billion. Only 35 per cent of the demand can be met. And the bulk of it comes from natural forests.

Bangladesh exported some Tk 275 crore-worth of agarwood in fiscal 2018-19 and of Tk 169 crore the following year.

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Oil, lentil, sugar on OMS from today

STAR BUSINESS REPORT

Soybean oil, lentils and sugar will be made available from today at Open Market Sale trucks of the Trading Corporation of Bangladesh (TCB) to aid low-income people during the lockdown and ahead of Eid-ul-Azha.

The state-owned TCB in a notification yesterday said soybean oil would cost Tk 100 per litre, lentils Tk 55 per kilogramme (kg) and sugar Tk 55 per kg.

Each customer will be allowed to buy 2 to 4 kg of sugar, 2 kg of lentils and 2 to 5 litres of soybean oil at a time.

The sale would be run in every divisional city, district and upazila through its 450 trucks.

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