

Stocks drop amid technical glitch

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Stocks in Bangladesh dropped yesterday while the trading time was cut short by around two hours due to a technical glitch.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), dropped 36 points, or 0.57 per cent, to close at 6,307 points.

Turnover at the DSE fell 57 per cent to Tk 334 crore while it was Tk 788 crore on the previous trading day.

Trading at the DSE was halted at 10:58am due to the technical glitch and it resumed at 2:10pm before closing at 2:30pm.

Stocks listed with the Dhaka bourse extended their losing streak to a second session consecutively amid a confidence crisis, International Leasing Securities said in its daily market review.

Shaky investors continued their selling binge in major sectors yesterday, when the market started with a downbeat movement that continued till the closure.

Trading hours were reduced to 1 hour and 45 minutes as the DSE was halted due to a technical glitch. This caused the turnover to hit its lowest point in the year.

All the sectors witnessed price correction except travel, which rose 0.3 per cent. Meanwhile, jute dropped 5.1 per cent, paper fell 2.7 per cent and pharmaceuticals dropped 1.1 per cent.

Turnover at the DSE fell 57 per cent to Tk 334 crore while it was Tk 788 crore on the previous trading day

The investors focus was mainly on the pharmaceutical (24.4 per cent), miscellaneous (20.3 per cent) and engineering (12.7 per cent) sectors.

The DS30, the index that consists of blue-chip companies, edged down 0.74 per cent to 2,245 points while the DSES, the shariah-complaint index, dropped 1.02 per cent to 1,384 points.

At the DSE, 18 securities advanced, 82 declined, and 215 remained same.

Navana Pharmaceuticals topped the gainers' list by advancing 10 per cent. Bangladesh Building Systems, ADN Telecom, Orion Infusion, and Indo-Bangla Pharmaceuticals were also in the top gainers' list.

JMI Syringes suffered the highest correction, sliding almost 8 per cent. Tamijuddin Textile Mills, Aramit Ltd, Sunlife Insurance and JMI Hospital dropped more than 7 per cent each.

The CASPI, the all-share price index of the Chattogram Stock Exchange, decreased 86 points, or 0.45 per cent, to end at 18,633.

Of the issues traded at the port city bourse, 31 advanced, 58 declined, and 113 did not show any price movement.

Panel to probe DSE trading halt for tech glitch

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The stock market regulator has formed an investigation committee to find the reasons behind the technical glitch that kept trading at the Dhaka Stock Exchange (DSE) halted for around three hours yesterday.

The trading hour was cut by around three hours due to the technical problem so a five-member committee was formed, which will be led by Mohammad Abul Hasan, a director of the Bangladesh Securities and Exchange Commission.

The committee will complete the enquiry and submit a report to the commission within 30 working days of issuance of the order, the BSEC said in its order.

The halt of trading due to technical jolt is unexpected for the securities market, the BSEC said.

So, it is necessary to conduct an enquiry about the overall trading activities, system and performance of the DSE, it added.



AT A GLANCE

- Started journey on Oct 25, 1999
- Turned into an Islamic bank in 2009
- Started agent banking in 2016
- Has 200 branches, 152 sub-branches, 84 agent banking outlets, over 210 ATMs
- Deposits stood at Tk 48,081cr as of Sep 2022



ACHIEVEMENTS

Achieved ISO certification for ICT development

Stood first in three consecutive years for Dhaka Wasa Bill Collection

Won Bangladesh Excellence Award-2022 in Shariah-Compliant Modern Bank of the Year category

FSIBL to bring cutting-edge tech for customers

MD says in interview with The Daily Star

KHONDOKER MD SHOYEB

First Security Islami Bank Ltd will ensure cutting-edge technology in cloud-based banking to extend better and safer customer services along with going the extra mile for wider financial inclusion on the occasion of its 25th anniversary in 2024.

Syed Waseque Md Ali, managing director of FSIBL, made the comment in a recent interview with The Daily Star.

The technological development the FSIBL has achieved so far has paid off for the bank during the Covid-19 pandemic period also, he said.

"To ensure health and financial safety, we took several initiatives during the Covid time and we promoted our FSIBL Cloud Apps so that our customers can do their banking activities from home effectively."

To offer Islami Shariah-based banking services, First Security is being operated with 200 full branches, 152 sub-branches, 84 agent banking outlets and over 210 own automated teller machines across the country, he said.

"We have also achieved the ISO certification for ICT development, stood first in three consecutive years for Dhaka WASA Bill Collection and were awarded with the Bangladesh Excellence Award-2022 in 'Shariah-Compliant Modern Bank of the Year' category."

In 2022, FSIBL introduced some mentionable deposit and investment products for its customers across the country.

For example, the bank brought 'Sanchaye Shukh' to safeguard the retirement period of the service-holders and introduced 'Merchant' as the saving scheme for corporate institutions.

A short-term scheme was also launched with attractive profit rate called 'Utshob', which has gained

huge positive response from the people across the country.

In the same year, the bank came up with four new and innovative investment products for different professionals and all income groups.

"We have also introduced Shabolombi for women entrepreneurs, Prochesta for young entrepreneurs, Shonali Swapno for village agricultural people and Uddyami for small and cottage industry."

These new four products are helping their respective category people in expanding their businesses, said the managing director.

First Security Islami Bank started its journey on October 25 in 1999 under the name of 'First Security Bank Ltd', which was later transformed into a full-fledged Islamic bank on January 1 in 2009.

"We all know that one of the fundamental pillars of a country's economy is banking sector and FSIBL, being one of the Islami shariah-based banks, is also playing a significant role in Bangladesh's economic progress."

The bank has been successful in continuously progressing in 2022 as well, he said.

At present, the bank's deposit schemes include Al Wadiyah current account, Mudaraba savings account, Ankur and Alo for school going students, Projonmo and Uddipon for college and university students, Mehonoti for working people, Shwdesh for expatriates, Mahiyasi for women, Grihini for housewives, Deposit scheme Murobbi and Probin for senior citizens.

At the end of 2021, total deposits at the bank stood at Tk 46,903 crore, which fell a bit short of the target because of the economic fallouts of the second wave of the coronavirus pandemic in the country and the world as well.

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Non-banks urge BB to relax rules of interest rate cap

AKM ZAMIR UDDIN

Non bank financial institutions have requested the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) to convince Bangladesh Bank for relaxing some rules related to interest rate cap and loan repayment given their weak financial health.

The Bangladesh Leasing and Finance Companies Association (BLFCA), a platform of managing directors of non-banks in Bangladesh, wrote a letter to the FBCCI, the apex trade body of the country, on September 29 requesting it to raise the issues to Bangladesh Bank.

NBFIs are now struggling to manage deposits from both individuals and depositors because of an interest rate cap of 7 per cent set by the central bank, according to the letter.

"Currently, most of the banks are offering interest on deposits at 7 per cent or more, which has made deposit mobilisation by NBFIs almost impossible," it said.

On top of that, the central bank also extended the relaxation of loan payment for bank borrowers affected by the coronavirus pandemic and flood. However, such a facility has not offered for the NBFIs' borrowers.

The BLFCA says the central bank should form a special refinance scheme of Tk 10,000 crore for weak NBFIs.

A wide range of scams have occurred at a number of NBFIs in recent years, creating a difficult situation for them to repay depositors.

Besides, the central bank should form a committee with representation from the central

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Shyampur Sugar posts Tk 26.52cr loss in 2021-22

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Shyampur Sugar Mills Ltd reported a loss of Tk 26.52 crore in the last financial year.

The loss was, however, down from Tk 62.57 crore the state-run sugar manufacturer made in the previous financial year.

Thus, the company posted negative earnings per share of Tk 53.03, which was a negative Tk 125.14 in 2020-21.

The EPS decreased in the last financial year as sales were lower compared to the previous year, according to a filing on the Dhaka Stock Exchange (DSE) yesterday.

Shyampur Sugar's net asset value (NAV) per share stood at Tk 1,167 in negative against Tk 1,114 in negative in 2020-21, while the net operating cash flow per share (NOCFPS) was Tk 49.91 in negative versus Tk 86.06 in negative in 2020-21.

The board of directors recommended no dividend for 2021-22.

The company also suffered a loss of Tk 9.65 crore in the first quarter of 2022-23. It was Tk 10.81 crore during the same quarter in 2021-22.

The EPS was a negative Tk 19.30 in July-September of 2022, against a negative Tk 21.62 a year earlier.

The NOCFPS was Tk 0.00 for July-September versus Tk 0.12 in 2021, while NAV per share was Tk 1,186 negative on September 30 and a negative of Tk 1,167.57 on June 30.

The EPS, the NOCFPS and the NAV were also negative as the government has shut Shyampur Sugar due to recurring losses, high production costs, and the net capital deficiency of the operational activity, said the filing.

The production at Shyampur Sugar Mills, along with five other state-owned sugar mills, has been on halt since December 2020 amid mounting losses.

Harvest Aman early DAE advises farmers for fear of damage by cyclone Sitrang

STAR BUSINESS REPORT

The Department of Agricultural Extension (DAE) has advised farmers to harvest Aman paddy instantly if the maturity of the grain is 80 per cent in order to avoid damage by cyclone Sitrang.

"Otherwise, there might be severe damage to the crop," said the agency in its special agro-meteorology advisory.

The cyclone is advancing towards the coast at a speed of 15 kilometres per hour. It is likely to intensify further and move in a north-easterly direction and cross the Barishal-Chattogram coast near Khepupara by early morning tomorrow, said Bangladesh Meteorological Department (BMD).

The DAE suggested farmers in the south, southwest, and southeast districts in the Barishal, Khulna

and Chattogram divisions, central districts in the Dhaka division and some districts in the northeast harvest transplanted Aman crops that have got 80 per cent maturity.

The DAE said there is a chance of moderate to heavy rainfall apart from high wind at a few places in the coastal districts.

This may have an impact on standing crops as well as cultivation, it added.

Farmers have transplanted Aman on more than 57 lakh hectares out of a total of 59 lakh hectares this year, according to the DAE.

Aman is the second-largest rice crop, accounting for 39 per cent of the total annual rice production.

In order to reduce the negative impact of the cyclone, the DAE also suggested farmers immediately harvest matured vegetables and fruit crops.



Aman, the second-largest rice crop accounting for 39 per cent of the total annual rice production, has been transplanted on more than 57 lakh hectares in Bangladesh this season.

PHOTO: MOSTAFA SHABUI