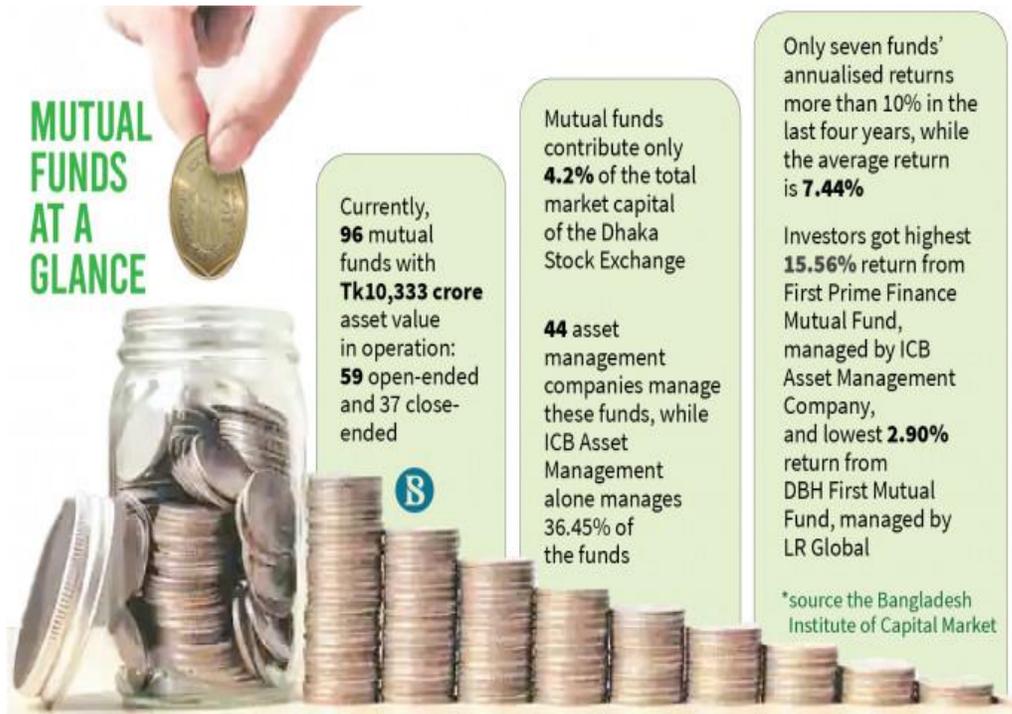




UTTARA FINANCE
CAPITAL MANAGEMENT LIMITED



BUSINESS NEWS ANALYSIS REPORT

Capital Market News

Stocks fall on profit booking

The stock market fell yesterday as investors booked profits following the rise in the prices aided by the steady run of the key index. The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), fell 19 points, or 0.32 per cent, to close the day at 6,105. The investors are cashing profits to benefit from the higher position of the index, said a stockbroker. On Monday, the index rose to a three-and-a-half-year high of 6,125, according to DSE data.

There were no sellers for some stocks almost throughout the day, as their demand was high, although they had informed the DSE that there was no undisclosed information. For instance, there

were no sellers of Bangladesh Monospool Paper Manufacturing, Tamijuddin Textile, Malek Spinning, Dragon Sweater, and Maksons Spinning. There was no fundamental reason for the abnormal price hike of the stocks. Even many good stocks are trading at a lower level, said a merchant banker.

Such price surge is creating risks for the stock investors who have invested in these companies, he added. Turnover, an important indicator of the market, decreased 1.27 per cent to Tk 2,043 crore. On the DSE, 134 stocks rose, 204 declined, and 31 remained unchanged.

Bangladesh Monospool Paper Manufacturing topped the gainers' list that rose 10 per cent, followed by Tamijuddin Textile, Malek

Daily Business News

June 23, 2021

Spinning, Square Textile, and Prime Textile.

Pioneer Insurance was the most traded stock with shares worth Tk 147 crore changing hands, followed by Beximco Ltd, Maksons Spinning, National Feed Mills, and Orion Pharmaceuticals. Prime Islami Life Insurance shed the most, declining 17.1 per cent. Sea Pearl Beach Resort & Spa, Reliance Insurance, Green Delta Insurance, and Fareast Life Insurance also witnessed major losses.

<https://www.thedailystar.net/business/news/stocks-fall-profit-booking-2116321>

Tk 5.7 crore forfeited from 25,389 applications for rules breach

The Bangladesh Securities and Exchange Commission has declared forfeited Tk 5.7 crore in investments by general investors for dropping more than two applications using the same bank account for initial public offering shares of Sonali Life Insurance Company Limited.

A total of 25,389 applications worth Tk 37.94 crore became invalid for dropping more than two applications using the same account. Fifteen per cent of the

total subscription amount was forfeited for the securities rules violation.

<https://www.newagebd.net/article/141600/tk-57-crore-forfeited-from-25389-applications-for-rules-breach>

Lack of expertise holds back investment in mutual funds

Bangladesh Institute of Capital Market (BICM) in a recent study has found 11 barriers – including a lack of expertise and insufficient tax benefit – to investment in mutual funds. Due to the problems, it said, mutual funds could not attract investors and failed to contribute properly to the capital market.

The barriers include an extension of tenure for close-end mutual funds, lower demand, investment in non-approved securities, the presence of more asset managers, a lack of awareness among investors and a lower financial literacy rate.

Absence of the ranking of asset managers, frequent changes of regulator's position, high fees

charged by asset managers, and the unusual tax burden on unitholders at liquidation are the other problems mentioned in the study released on Tuesday.

<https://www.tbsnews.net/economy/lack-expertise-barrier-investment-mutual-funds-264814>

Industry News

Micro lenders down and out

While big micro creditors have somehow managed to absorb the pandemic shock with their financial strength for the time being, small institutions have found themselves at risk of closure - some have already wound down their activities.

Almost all microcredit lenders are now going through a lean patch – be it small or big. Small lenders are seeing a cash crunch; most of their borrowers are not repaying installments and yet they have to continue to pay back the loans they took from their lenders. On the other hand, many big microcredit lenders have their money lying idle because of lax demand as the rural economy is yet to get back its pre-Covid momentum.

While big micro creditors have somehow managed to absorb the pandemic shock with their financial strength for the time being, small institutions have found themselves at risk of closure - some have already wound down their activities.

<https://www.tbsnews.net/economy/micro-lenders-down-and-out-264850>

Economy News

ADB approves \$940m loan for vaccine purchase

The Asian Development Bank yesterday approved a loan package of \$940 million for Bangladesh to help the country buy Covid-19 vaccines. The package comprises a regular loan and a concessional loan of \$470 million each, the Manila-based lender said in a press release.

This is part of the bank's \$9 billion Asia Pacific Vaccine Access Facility launched in December 2020 to offer rapid and equitable vaccine-related support to the ADB's developing member countries.

The project will fund the purchase of an estimated 44.7 million doses of vaccines to be administered to more than 20 million Bangladeshis by 2024, the press release said. The vaccines will be secured through the Covid-19 Vaccines Global Access (COVAX) programme, the United Nations Children's Fund, or bilateral arrangements with vaccine manufacturers or distributors.

After around two months, the administration of the first dose of Covid-19 vaccines resumed in Bangladesh on June 19 on a limited scale with around 11 lakh Chinese Sinopharm jabs in hand. The government had suspended the

countrywide administration of the first dose on April 26 due to a shortage of the AstraZeneca vaccine doses from the Serum Institute of India.

The ADB supported Bangladesh's Covid-19 response through a \$250 million loan in June 2021 to strengthen social protection and resilience programmes and a \$500 million loan in May 2020 for expanding social safety nets for vulnerable groups and supporting critical labour-intensive industries and small and medium enterprises to preserve jobs.

<https://www.thedailystar.net/busines/news/adb-approves-940m-loan-vaccine-purchase-2116353>

Company News

Q1 deposits in Islamic banks up by Tk 30,870cr

The market share of Shariah-based banks in the total deposits in the country's banking sector increased to 27.54 per cent in the January-March quarter of the year 2021 as two more conventional banks have started Islamic banking since January 2021. The number of full-fledged Islamic bank increased to 10 in January 2021 after Global Islami Bank Limited and Standard Bank Limited began Shariah-based banking operations.

The share of Islamic banks in the total deposits in the country's banking sector increased to Tk 3,57,792 crore at the end of March 2021 from Tk 3,26,922 crore three months ago. Before the addition of

Tk 30,870 crore in January-March 2021, the market share of the Islamic banks was 25.33 per cent of the total Tk 12,90,472 crore in deposits in the country's banking sector, showed a Bangladesh Bank quarterly report on Islamic banking released on Tuesday.

The outstanding lending, known as investments in Shariah-based banks, from Islamic banks grew by Tk 3,22,398 crore at the March-end quarter of 2021 from Tk 2,94,094 crore a year ago. The share in lending of the banks increased to 27.72 per cent at the March-end quarter of 2021 from 25.69 per cent at the December-end quarter of 2020. Outstanding overall loans from the banking sector increased to Tk 11,63,026 crore at the March-end quarter of 2021.

<https://www.newagebd.net/article/141605/q1-deposits-in-islamic-banks-up-by-tk-30870cr>

IPDC to issue Tk150cr bond to strengthen capital base

IPDC Finance – one of the leading non-bank financial institutions in the country – wants to issue a Tk 150 crore subordinate bond to meet its ongoing financial and capital adequacy requirements. It will be a non-convertible, unsecured, floating rate, coupon-bearing subordinated bond and the proceeds will be regarded as Tier 2 capital of the issuer.

The lender will issue the bond on a private placement subject to the regulatory and shareholders' approval. The company has not yet fixed the date for an extraordinary general meeting (EGM) and the

record date for shareholders' approval. The company recommended a 12% cash dividend for its shareholders for the year that ended on 31 December 2020. According to the company's first quarter financial statements, its net profit stood at Tk20.49 crore, which was Tk15 crore for the same period of the previous year. The paid-up capital of the company, which got listed on the Dhaka Stock Exchange (DSE) in 2006, is Tk371.09 crore.

<https://www.tbsnews.net/economy/ipdc-issue-tk150cr-bond-strengthen-capital-base-264790>

Sinobangla to invest Tk16.81cr in machinery, warehouse

Sinobangla Industries, a manufacturer of plastic packaging products, will install new machinery and build a raw material warehouse with an investment of Tk16.81 crore to expand its production capacity. According to the company's disclosure published on the Dhaka Stock Exchange (DSE) on Tuesday, after the implementation of the investment decision, its production capacity will increase by 150 tonnes per month. Sinobangla Industries, which was founded in 1996 as a China-Bangladesh joint venture, produces and exports a complete range of polypropylene woven sacks and value-added flexible intermediate bulk containers (FIBCs).

According to the disclosure, to achieve the additional production target, the company will procure a tape extrusion line loom machine, needle looms, filler cord, and water

chiller machine and build a raw material warehouse. The investment will come from internal cash and bank loans.

According to its financial statements, in the last nine months of the current fiscal year, its earnings per share (EPS) rose 7% compared to the same period of the previous year. Also, its EPS

increased 14% in the January-March quarter. In the July-March period, its EPS stood at Tk1.21, which was Tk1.13 in the same period of the previous fiscal year and in the January-March quarter, the EPS stood at Tk0.48, up from Tk0.42. Sinobangla Industries, which got listed on local stock

exchanges in 1999, is now placed in the A category.

<https://www.tbsnews.net/economy/corporates/sinobangla-invest-tk1681cr-machinery-warehouse-264799>

Price Sensitive News

Trading Code: BANKASIA

News Title: BANKASIA: Dividend Disbursement

News: The Company has informed that it has disbursed the cash dividend for the year ended on December 31, 2020 to the respective shareholders.

Post Date: 2021-06-23

Trading Code: DSSL

News Title: DSSL: Query Response

News: In response to a DSE query dated June 22, 2021, the Company has informed that there is no undisclosed price sensitive information of the Company for recent unusual price hike and increase in volume of shares.

Post Date: 2021-06-23

Trading Code: PURABIGEN

News Title: PURABIGEN: Board Meeting schedule under LR 16(1)

News: As per Regulation 16(1) of the Dhaka Stock Exchange (Listing) Regulations, 2015, the Company has informed that a meeting of the Board of Directors will be held on June 30, 2021 at 3:00 PM to consider, among others, un-audited financial statements of the Company for the First Quarter (Q1) period ended on March 31, 2021.

Post Date: 2021-06-23

Trading Code: PURABIGEN

News Title: PURABIGEN: Board Meeting schedule under LR 19(1)

News: As per Regulation 19(1) of the Dhaka Stock Exchange (Listing) Regulations, 2015, the Company has informed that a meeting of the Board of Directors will be held on June 30, 2021 at 3:00 PM to consider, among others, audited financial statements of the Company for the year ended on December 31, 2020.

Post Date: 2021-06-23

Trading Code: SAMATALETH

News Title: SAMATALETH: Q2 Financials

News: (Q2 Un-audited): EPS was Tk. 0.02 for October-December 2020 as against Tk. 0.05 for October-December 2019; EPS was Tk. (0.01) for July-December 2020 as against Tk. (0.04) for July-December 2019. NOCFPS was Tk. 0.25 for July-December 2020 as against Tk. 0.28 for July-December 2019. NAV per share was Tk. 14.32 as on December 31, 2020 and Tk. 14.39 as on June 30, 2020.

Post Date: 2021-06-23

Trading Code: BRACBANK

News Title: BRACBANK: Buy Confirmation of a Nominated Director

News: Mr. Asif Saleh, one of the Nominated Directors of BRAC Bank Ltd., has further reported that he has completed his buying of 31000 shares of the Company at prevailing market price through Stock Exchange (DSE) as per declaration disseminated on 20.06.2021.

Post Date: 2021-06-23

Trading Code: IPDC

News Title: IPDC: Issuance of Non-Convertible unsecured coupon bearing Subordinated Bond

News: The Company has informed that the Board of Directors has decided to issue Non-Convertible unsecured coupon bearing Subordinated Bond as Tier II Capital amounting to BDT 1,500.00 million, with 6 years tenure through private placement to meet its ongoing financing requirements and future capital adequacy requirement subject to the approval of Bangladesh Bank, BSEC and other relevant regulatory authorities.

Post Date: 2021-06-23

Trading Code: BATASHOE

News Title: BATASHOE: Update of Information

News: (Continuation news of BATASHOE): The Company has also requested to all mutual fund holders to provide supporting documents from the proper regulators. The Company would not accept any information by courier after July 19, 2021. (end)

Post Date: 2021-06-23

Trading Code: BATASHOE

News Title: BATASHOE: Update of Information

News: The Company has requested the concerned merchant banks, DP & Stock brokerage houses to provide their margin clients list with name, shareholdings, e-TIN as on the record date. The Company has further requested them to provide the beneficiary name (DP), bank name, bank account number and routing number and allowed withholding tax rate by July 19, 2021 positively by email at share@batabd.com and phone: 9810514 and 01711407674. (cont.)

Post Date: 2021-06-23

Trading Code: MALEKSPIN

News Title: MALEKSPIN: Proposal for BMRE of the existing project and installing a new plant

News: (Cont. news of MALEKSPIN): After BMRE, it is expected that Spindles will be 79,464 and 2,000 Rotor Open end and production and sales revenue will increase by 60% & profitability will also increase substantially. This BMRE will create value addition due to improvement of product quality which will enable the company to sell its products at higher prices and retain better margin. The proposed BMRE may be implemented by funds from internal generations as well as taking loan from Banks & other sources. (end)

Post Date: 2021-06-23

Trading Code: MALEKSPIN

News Title: MALEKSPIN: Proposal for BMRE of the existing project and installing a new plant

News: The Company has informed that the Board of Directors has approved the proposal for BMRE of the existing project and installing a new plant at Bhaluka, Mymensingh of the company along with land & factory building, civil constructions & others, Machinery and Equipments at an estimated total investment of Tk. 213.19 crores. The existing production capacity of the company is 35,000 Kgs. yarn per day i.e. 12,600,000 Kgs. yarn per annum with 63,624 Spindles. (cont.)

Post Date: 2021-06-23

Trading Code: MALEKSPIN

News Title: MALEKSPIN: Query Response

News: In response to DSE Query dated June 22, 2021 regarding undisclosed PSI, if any, for recent unusual price and volume hike, the company has informed that a Board Meeting of the Company was held on June 22, 2021 and the Board has approved a proposal of BMRE of the existing project of the Company. They also informed that before holding the Board Meeting dated 22-06-2021, they did not have any material information for disclosure to the shareholders and regulatory agencies.

Post Date: 2021-06-23

Daily Business News

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