



**UTTARA FINANCE**  
CAPITAL MANAGEMENT LIMITED



BUSINESS NEWS ANALYSIS REPORT

## Capital Market News

### Stocks return to black after profit taking

Stocks rose yesterday as investors began the new year by betting the economy could overcome the latest surge in coronavirus cases. The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), climbed 61 points, or 0.88 per cent, to 6,994. With that, the market index returned to a rising trend just after a single profit booking session. In the previous six days, the benchmark index rose 256 points.

Investors hope the market will not be too affected by the pandemic as the omicron variant of Covid-19 has not turned as deadly as expected, according to a

stockbroker. At the DSE, 178 stocks advanced, 158 declined, and 41 remained the same. Turnover at the DSE grew 1 per cent to Tk 1,487 crore.

Popular Life Insurance topped the gainers list, soaring 10 per cent, followed by Fareast Islami Life Insurance, Rangpur Foundry, Bangladesh Shipping Corporation, and Information Services Network. Dacca Dyeing shed the most, losing 6 per cent followed by Aftab Automobiles, Taufika Foods and Lovello Ice-cream, KDS Accessories and Sonali Paper. Power Grid topped the turnover list with trade worth Tk 101 crore followed by Beximco Ltd, Bangladesh Shipping Corporation, Bangladesh Submarine Cable Company, and Fortune Shoes.

<https://www.thedailystar.net/business/economy/stock/news/stocks->

# Daily Business News

January 11,  
2022

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## Industry News

### BB delineates CSR fund use

Bangladesh Bank yesterday issued guidelines on how banks and non-bank financial institutions should use corporate social responsibility (CSR) funds, with focus on education, health and climate issues. In addition, the regulations gave priority to disaster management, building sustainable infrastructures in remote areas, sport and culture, and women empowerment.

As per the guideline, lenders have to spend at least 30 per cent of their annual CSR funds in the

educational sector. The central bank specified some segments of the education sector, including scholarships or stipends for children from low-income families and the physically challenged to prevent students from dropping out.

The BB also instructed lenders to spend a minimum 30 per cent of their CSR funds for the health sector, asking them to extend assistance to the underprivileged population. Lenders have to give emphasis on catering funds for financially insolvent individuals having to bear expensive treatments for cancer, kidney, liver and heart diseases and so on.

The BB also instructed lenders to spend the fund to combat pandemics and epidemics like Covid-19, SARS, AIDS, dengue, malaria and other illnesses causing fatalities. On top of that, at least 20 per cent of the fund will have to be used to mitigate the crisis stemming from the ongoing climate change.

The BB barred lenders to disburse the fund in some specific sectors, such as those which recruit children as workers. Sponsorship in sports and cultural activities at the international level, branding business developments of a company and financing militancy and terrorism should not be considered for CSR funds from banks.

<https://www.thedailystar.net/business/economy/banks/news/bb-delineates-csr-fund-use-2936676>

## Economy News

### Taka hits 86 against dollar for first time

Bangladesh Bank yesterday devalued the taka against the US dollar to a large extent in order to tackle pressure stemming from an increase in import payments and give encouragement to remitters. The interbank exchange rate hit Tk 86 per dollar yesterday for the first time, up from \$85.80 on Thursday, showed data from the central bank. This has been a major depreciation of the local currency in recent years, said a Bangladesh Bank official.

The central bank usually depreciates the local currency between Tk 0.05 and Tk 0.10 per dollar for a particular working day. The inter-bank exchange rate stood at Tk 84.80 on January 10 last year. The local currency is trading at more than Tk 90 per USD in the kerb market.

A central bank official said the exchange rate was supposed to be determined by the market. But the BB intervenes in the foreign exchange market from time to time in the interest of the economy. The local currency has been facing pressure in recent months in the wake of escalating imports and falling remittance inflow. Against the backdrop, the central bank injected dollars into the market on a regular basis in order to contain the depreciation of the taka. For instance, banks have so far purchased around \$2.50 billion from the central bank this fiscal year to settle their import bills. As a result, foreign exchange reserves are declining.

Import payments stood at \$31.16 billion between July and November, up 54 per cent year-on-year. Remittances narrowed 21 per

cent year-on-year to \$10.23 billion in the first six months of the fiscal year. The BB official said the depreciation of the local currency would discourage businesses from importing luxurious items while encouraging expatriate Bangladeshis to send their hard-earned money through the formal sector. In addition, this will also give a boost to exporters, he said. The foreign exchange reserves stood at \$44.36 billion on January 6 in contrast to \$46.4 billion on June 30 last year. It hit a record \$48 billion in August.

<https://www.thedailystar.net/business/economy/news/taka-hits-86-against-dollar-first-time-2936036>

### Forex reserve dips by \$3.73b in 4 months

The country's foreign exchange reserve has decreased by \$3.73 billion in the last four months after reaching a record high of \$48 billion due to the recent surge in import payments and a sharp decline in remittance earnings. The latest Bangladesh Bank data showed that the country's foreign exchange reserve dropped to \$44.36 billion on January 6, 2022, down \$3.73 billion from \$48.09 billion on September 1, 2021. Before the decline in the last four months, the country's reserve had increased by \$16 billion since the Covid outbreak hit the country in March 2020. The reserve stood at \$31.99 billion in March 2020 and increased to \$48 billion in a span of 17 months. The government issued a \$200-million loan to Sri Lanka as part of a currency swap agreement with the country which is struggling hard to manage its import payments even after imposition of sanctions on imports.

<https://www.newagebd.net/article/159633/forex-reserve-dips-by-373b-in-4-months-dollar-appreciates-more>

## Company News

### Fareast Life's stocks keep rising sans PSI

The scam-hit Fareast Islami Life Insurance Company is witnessing an unprecedented price hike and increase in volume of shares despite no undisclosed price sensitive information (PSI). Within a week, the life insurer's share price rose more than 65 per cent or Tk 32.5 each to close at Tk 82.60 on Monday. It was also more than two years' highest closing price on the Dhaka Stock Exchange.

The company's share price was Tk 50.10 a week earlier on December 29, 2021. Its shares traded between Tk 36.10 and Tk 82.60 in the last one year, according to data from the DSE. Following the 'abnormal' price hike, the DSE served show-cause notice on the company on Sunday.

The company, however in a knee-jerk response, informed the DSE on Monday that there is no undisclosed price sensitive information for recent unusual price hike and increase in volume of shares. Even after being served show-cause notice, the company's share price has not stopped rising and soared about 10 per cent further on Monday, becoming the day's second top gainer.

According to media reports published recently, the Fareast Islami Life Insurance allowed its former chairman and directors to

commit serial financial crimes and siphon off policy holders' funds worth more than Tk 21 billion between 2010 and 2020, found a special audit recently.

The audit was commissioned by the Bangladesh Securities and Exchange Commission (BSEC) after receiving allegations that the life insurer has failed to meet customers' claims and matured policyholders' payments.

The BSEC in September last restructured the Fareast Life board by appointing 10 independent directors, after receiving a primary audit report from A Wahab & Co. Chartered Accountants. The commission also directed the Central Depository Bangladesh Ltd (CDBL) to freeze all shareholdings into Fareast Insurance and other listed companies by specific individuals, their families or entities under the control of the individuals.

The directors embezzled the funds by showing manipulated prices while buying land, investing in their own companies and providing advances to fraudulent cooperatives, the special audit found.

Analysts are saying the company's share price is rising fast despite the scam news and the regulator should investigate whether there are any wrongdoings from manipulators.

Even the life insurer failed to declare dividend for the year ended on December 31, 2020. And its sponsor-directors failed to hold mandatory 30 per cent shareholding in the company. Listed in 2005, Fareast Islami Life Insurance disbursed 10 per cent cash dividend in 2019 and provided

a 20 per cent cash dividend in 2018.

The company's paid-up capital is Tk 747.43 million and authorised capital is Tk 1.0 billion, while the total number of securities is 74.74 million. The sponsor-directors own 24.50 per cent stake in the company, while the institutional investors own 44.10 per cent, foreign investors 0.37 per cent and the general public 31.03 per cent as on November 30, 2021, the DSE data showed.

<https://thefinancialexpress.com.bd/stock/fareast-lifes-stocks-keep-rising-sans-psi-1641873237>

### Union Insurance makes debut on stock market Sunday

Union Insurance will make its shares trading debut on Dhaka Stock Exchange and Chittagong Stock Exchange on Sunday (January 16) under the settlement category "N". The general insurer makes its trading debut as 53th listed insurer on the Dhaka bourse. DSE trading code for Union Insurance Company is "UNIONINS" and DSE company code is 25753, according to a statement.

The IPO subscription of Union Insurance took place between December 15 and December 22, 2021, which raised a fund worth Tk 193.60 million from the capital market under the fixed price method. The securities regulator -- Bangladesh Securities and Exchange Commission (BSEC) approved the general insurer's IPO proposal on June 23, 2021 to raise Tk 193.60 million by issuing over 19.36 million ordinary shares at an offer price of Tk 10 per share.

The IPO proceeds will be invested in fixed deposit receipts (FDR),

stock market investment, purchase of a floor space and IPO related expenses. According to the financial statements till December 31, 2020, the company's net asset value (NAV) per share stood at Tk 17.39 while the basic earnings per share (EPS) stood at Tk 2.14. Sonar

Bangla Capital Management Ltd is acting as the issue manager for the company's IPO process.

<https://thefinancialexpress.com.bd/stock/union-insurance-makes-debut-on-stock-market-sunday-1641895759>

## Price Sensitive News

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Mamun Agro Products Limited

News: (Continuation of DSENEWS): Participating QIs will be required to pay full subscription amount (100%) through banking channel in between 10:00 a.m. of January 23, 2022 to 2:00 p.m. of January 27, 2022 (during banking hour). Information regarding bank will be informed later. Please visit the following website for subscription related updates: <https://www.essbangladesh.com>. (end)

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Mamun Agro Products Limited

News: (Continuation of DSENEWS): as per condition no. 13 of the BSEC consent letter to Mamun Agro Products Limited Ref: BSEC/CI/QIO/SC-11/2021/661 dated January 4, 2022. The Central Depository Bangladesh Limited (CDBL) shall send a report to the exchange regarding the holding of QIs in the listed securities and the exchange shall ensure the compliance in this regard. (cont. 3)

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Mamun Agro Products Limited

News: (Continuation of DSENEWS): Individual investors shall also be considered as Qualified Investor (QI) who allows to submit application through the Electronic Subscription System (ESS) of the exchange(s) shall maintain a minimum investment of BDT 10,000,000.00 (One Crore only) at market price (the close price of both exchanges, whichever is higher) in matured listed securities as on January 13, 2022 (day-end) (cont. 2)

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Mamun Agro Products Limited

News: Commencement of electronic subscription of Mamun Agro Products Limited through electronic subscription system under Qualified Investor Offer (QIO): The subscription for shares of Mamun Agro Products Limited by the qualified investors through electronic subscription system under the fixed price method of the stock exchanges through Qualified Investor Offer (QIO) will be started from 10:00 a.m. of January 23, 2022 and continued till 5:30 p.m. of January 27, 2022 (round the clock). (cont. 1)

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Daily Turnover

News: Today's (11.01.2022) Total Trades: 290,694; Volume: 432,828,856 and Turnover: Tk. 19,768.853 million.

Post Date: 2022-01-11

Trading Code: CNW

News Title: CNW: Trading of New Security (Revised News)

News: (Revised News): Trading of the shares of Union Insurance Company Limited will commence at DSE from January 16, 2022 under 'N' category. DSE Trading Code for Union Insurance Company Limited is "UNIONINS" and DSE Company Code is 25753.

Post Date: 2022-01-11

Trading Code: KOHINOOR

News Title: KOHINOOR: Credit Rating Result

News: Credit Rating Information and Services Limited (CRISL) has rated the Company as "AA" in the long term and "ST-2" in the short term along with a stable outlook based on audited financial statements of the Company up to June 30, 2021, un-audited financials up to September 30, 2021 and other relevant quantitative as well as qualitative information up to the date of rating declaration.

Post Date: 2022-01-11

Trading Code: BSC

News Title: BSC: Spot News

News: Trading of the shares of the Company will be allowed only in the Spot Market and Block transactions will also be settled as per Spot settlement cycle with cum benefit from 12.01.2022 to 13.01.2022. Trading of the shares of the Company will remain suspended on record date i.e., 16.01.2022.

Post Date: 2022-01-11

Trading Code: CVOPRL

News Title: CVOPRL: Dividend Disbursement

News: The Company has informed that it has credited the Bonus shares for the year ended on June 30, 2021 to the respective shareholders' BO Accounts.

Post Date: 2022-01-11

Trading Code: TALLUSPIN

News Title: TALLUSPIN: Permission to hold AGMs

News: The Company has informed that they received an order (Company Matter No. 200 of 2021) from the honorable High Court division of Supreme Court of Bangladesh to call, conduct and hold the Annual General Meetings of the Company for the calendar year 2019 and subsequent AGMs.

Post Date: 2022-01-11

Trading Code: FAREASTLIF

News Title: FAREASTLIF: Query Response (Repeat)

News: (Repeat): In response to a DSE query dated January 09, 2022, 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: 2022-01-11

Trading Code: DSHGARME

News Title: DSHGARME: Sale Confirmation of a Director

News: Miss Vidiya Amrit Khan, one of the Directors of the company, has further reported that she has completed her sale of 1,66,505 shares of the Company at prevailing market price through Dhaka Stock Exchange as per declaration disseminated on 14.12.2021.

Post Date: 2022-01-11

Trading Code: CNW

News Title: CNW: Trading of New Security

News: Trading of the shares of Union Insurance Company Limited will commence at DSE from January 13, 2022 under 'N' category. DSE Trading Code for Union Insurance Company Limited is "UNIONINS" and DSE Company Code is 25753.

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Pubali Bank Perpetual Bond by GP

News: (Continuation of DSENEWS): from 10:00 AM of January 31, 2022 to 5:00 PM of February 02, 2022 and make the full payment to DSE through The City Bank Limited (A/C Name: Dhaka Stock Exchange Limited, A/C No.: 1121063938001) from January 31, 2022 to February 02, 2022 (during banking hour) from their consolidated customers' Account based on total submitted application. Please visit the following website for subscription related updates: <https://www.essbangladesh.com>. (end)

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Pubali Bank Perpetual Bond by GP

News: Commencement of electronic subscription of Pubali Bank Perpetual Bond by General Public: The subscription of Pubali Bank Perpetual Bond for General Public will be started from January 10, 2022 and continued till January 30, 2022. Minimum subscription amount is BDT 5,000 (or its multiples) and there is no maximum bar. The registered TREC Holders/merchant bankers have to upload the IPO file of General Public in the Electronic Subscription System (ESS) (cont.)

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Pubali Bank Perpetual Bond for EIs

News: (Continuation of DSENEWS): Participating EIs will be required to pay full subscription amount (100%) and subscription fee of Tk. 3,000.00 (three thousand only) through The City Bank Limited (A/C Name: Dhaka Stock Exchange Limited, A/C No.: 1121063938001) in between 10:00 a.m. of January 10, 2022 to 2:00 p.m. of January 30, 2022 (during banking hour). Please visit the following website for subscription related updates: <https://www.essbangladesh.com>. (end)

Post Date: 2022-01-11

Trading Code: EXCH

News Title: DSENEWS: Commencement of ES of Pubali Bank Perpetual Bond for EIs

News: Commencement of electronic subscription of Pubali Bank Perpetual Bond for EIs through electronic subscription system: The subscription of Pubali Bank Perpetual Bond by the eligible investors (EIs) through electronic subscription system of the stock exchanges will start from 10:00 a.m. of January 10, 2022 and will be continued till 5.00 p.m. of January 30, 2022. Minimum subscription amount is BDT 5,000 (or its multiples) and there is no maximum bar. (cont.)

Post Date: 2022-01-11

# Daily Business News

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