

Frequent travelers on check by NBR

National Board of Revenue (NBR) now includes some affluent businesspersons, who have traveled abroad frequently, on its list of suspected tax dodgers. As they go abroad repeatedly in a month and spend large amounts of money there that do not match their declared annual earnings, NBR will scrutinize the cases. Of late its newly established Central Intelligence Cell (CIC) has launched the drive and identified 20 such people, who made frequent trips to foreign countries. These people have reportedly traveled abroad more than 5 times a month. CIC will examine the bank accounts, credit card transactions, and dollar endorsements on the passports of these suspected persons to determine their actual earnings. CIC will include names of 100 more businesspersons on the list within a couple of months based on frequencies of their trips abroad in a month. NBR is taking help from immigration department in collecting information about the said suspects. However, the search is being conducted on a random basis and majority of the suspects may not be found guilty of tax dodging as well. A section of unscrupulous businesspersons have long been allegedly involved with money laundering through credit cards and dollar endorsement on their passports. NBR has launched a vigorous intelligence drive against tax dodging that includes bringing professionals into the tax net, and taking measures to increase self-assessed income tax submissions to enhance revenue generation.

Government in dilemma over Tata proposal

The government is set to accept some of the thorny conditions tabled by Indian giant Tata for its \$2.5b investment proposal, though some of these will not be favorable for the country. Bangladesh will give Tata a sovereign guarantee of 20 years of gas supply even if that demands import of gas when the country runs out of it. A financial analysis of Tata's proposal has been almost completed by a consultant appointed by the government and Asian Development Bank (ADB). ADB has advised to take decision on the Tata proposal very carefully as this will have a long term impact on the country and its people. The government has no study of its own. Petrobangla is not in favor of a sovereign guarantee of gas supply, while National Board of Revenue (NBR) is also unwilling to give a 10-year tax holiday as the existing policy does not allow more than 6 years of such tax benefit. Tata wants the gas reserve data on daily or regular basis from the time it starts project implementation. It also wants the government to stop new gas connection, in case the gas reserve-production ratio exceeds a certain limit. If necessary, other consumers may be rationed, or be closed. On gas price, Tata is looking for \$1.2 per thousand cubic feet (mcf), matching the highly subsidized tariff offered to Kafco. Tata however hinted that it might settle for gas tariff offered to local industrial units, around \$2.35. Petrobangla insists that gas price for Tata be made on the basis of economics, i.e. at \$4 per unit. Tata's gas demand is also very high, 200mmcf. Gas import from Myanmar might require a price tag of at least \$5 per unit, experts pointed out. The government's draft gas systems master plan forecasts a severe gas crisis from 2011 or 2015, depending on the consumption rate unless new gas fields are discovered and start supply.

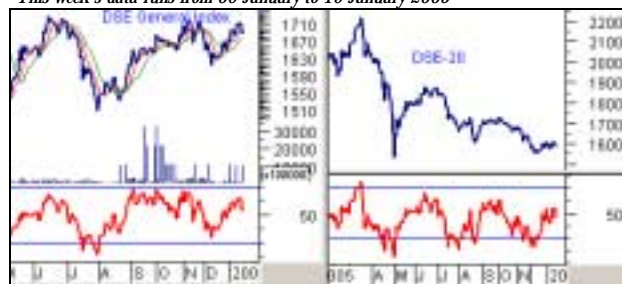
DSE in rift with CSE on delisting Eagle Box

Securities & Exchange Commission (SEC) fined the Managing Director and the Company Secretary of Meghna Shrimp Ltd, Tk0.1m each for nonpayment of the declared dividend within the stipulated time. After receiving complaint from a shareholder of the company SEC probed into the matter and found the company guilty. Meghna Shrimp declared the dividend a year ago but did not pay any. SEC also issued a show cause-cum-hearing notice on the Managing Director and Company Secretary and other directors of Meghna Condensed Milk Ltd in connection with noncompliance with the provisions of the securities laws. Meanwhile, SEC sought explanation from the Dhaka Stock Exchange (DSE) for its action on the regulators' directive to delist Eagle Box & Carton Manufacturing Co. Ltd. Earlier on January 3, SEC directed DSE to delist the company companies from the bourse within 2 months, but DSE in its Board meeting on January 8 decided to ask the company to send reports to DSE and SEC about the status of buying back all of its shares within 6 weeks. DSE also asked it to deposit balance funds with SEC for buying the outstanding shares back. SEC in 2 separate letters to the President and Chief Executive Officer of DSE asked to submit written explanations within 7 days as to how DSE Board adopted such resolution without any lawful authority and violating the SEC directive. SEC also issued another letter to the CEO of DSE requesting him to send the list of directors, who attended the January 8 Board meeting, to the commission, and asked for an exact copy of the resolution adopted on Eagle Box & Carton and the note of dissent (if any) given by any director in the meeting to the commission. SEC earlier asked the company to disregard the DSE directive on the status of buy back. SEC directive to the DSE on delisting of Eagle Box and Carton was made upon application by the Chairman of the company on the grounds of closure of commercial operation of the issue since October 2003. SEC directed it to ensure immediate payment of money to the public and institutional shareholders willing to sell their shares to them at Tk25.90 per share. However, trading of the Eagle Box shares remains suspended for a long period.

Change in SEC laws raises hackles

Privatization Commission (PC) at a meeting with World Bank (WB) and International Monetary Fund (IMF) set August 31 deadline to privatize state-run Rupali Bank. The bank will be handed over to buyers by this deadline, which has revived the bank's privatization process that was earlier stalled due to the legal complications. Earlier it was decided to sell 67% shares of the bank. Although WB and IMF insisted that the Bank be privatized by June 2006, PC will not be able to complete the numerous steps in the privatization process by that time due to various reasons. The PC will showcase the Bank's assets in 5 lucrative locations worldwide, preferably at Mumbai, Karachi, Kuala Lumpur, London and Dubai, to woo potential buyers, will then select the eventual buyer(s) based on some internationally recognized criteria. Tenders must be submitted by June 21, 2006. PC will finalize the financial and technical evaluation by July 24, and if approval by the government, names of buyers will be announced on August 31. Buyers from India, Malaysia, Pakistan, UAE, Saudi Arabia and UK already showed interest.

This week's data runs from 09 January to 19 January 2005



Stock Market Movement

	This Week	Last Week	+/- %
DSE General Index	1690.49	1708.02	-1.03
Total Turnover, Tk	795,243,488.55	313,120,546.50	153.97
Market Capital, Tk	218,791,328,406	220,226,365,139	-0.65
Market PEX	14.12	14.20	-0.56
Market EPS, Tk per Tk 100	31.89	31.97	-0.25

* PE is based on latest reported data of listed companies, which registered positive earning, PBR is based on latest reported book values, and companies with negative book value have been excluded. The companies earmarked as 'B' and 'Z' category by SEC have also been excluded from calculation. **1 year holding Period Yield

Top Gainers

Company	Weighted avg. Closing Price (Tk)		Change %	Turnover ('00 0) Tk.
	This Week	Last Week		
Chic Tex Ltd.	2.34	1.70	37.65	1,067.27
Rasmit Inc (bd) Ltd.	0.90	0.70	28.57	167.85
Eagle Star Textile Ltd.	5.59	4.53	23.40	621.05
Meghna Pet	1.62	1.32	22.73	151.47
Mita Textiles Ltd.	33.00	27.00	22.22	35.64
Ashraf Textile Ltd.	5.06	4.20	20.48	149.28
Shampur Sugar Mills	3.78	3.25	16.31	200.72
Perfume Chemical	20.75	18.00	15.28	15.56
Gulf Foods Ltd.	13.50	11.75	14.89	83.03
BD. Monospool	28.67	25.00	14.68	27.24

Top Losers

Company	Weighted avg. Closing Price (Tk)		Change %	Turnover ('00 0) Tk. T
	This Week	Last Week		
Jute Spinners Ltd.	352.11	399.80	-11.99	33.45
Federal Insurance	90.00	100.00	-10.00	6.57
BEMCO Ltd.	39.00	43.00	-9.30	3.90
BD. Thai Aluminium	75.00	81.92	-8.45	19.58
Petro Synthetic Ltd.	3.80	4.14	-8.21	0.76
The Oriental Bank	935.00	1000.00	-6.50	38.34
IFIL	274.94	291.99	-5.84	10,104.05
Berger Paints	155.82	164.41	-5.22	17,662.20
Miracle Industries	17.19	18.10	-5.03	962.64
Premier Leasing	269.10	282.86	-4.86	6,162.39

Top 20 Market Capital

			In million
Lafarge Surma Cement	24,100	Dhaka Bank Ltd.	5,535
Islami Bank BD Ltd.	12,556	City Bank Ltd.	5,322
Square Pharma	11,813	Southeast Bank Ltd	5,020
Eastern Bank	9,480	Bank Asia Ltd.	4,429
Prime Bank	9,346	National Bank Ltd	4,405
Pubali Bank	8,816	Export Import Bank	4,370
Rupali Bank	7,142	Dutch Bangla Ltd.	4,346
UCBL	6,511	Mercantile Bank Ltd	3,819
Beximco Pharma	5,727	Berger Paints	3,613
BATBCL	5,579	Mutual Trust Bank Ltd.	3,600

Technical Talk

Index slides down at end of week

In the first week after the Eid-ul Adha, indices in both the bourses marked conformed to the similar trend it showed before, as it went up at the start of the week and went down at the end. There was no major trend setting transaction or price changes.

DSE General Index put off 18.47 (-1.03%) points. On the other hand, market capital went down by 0.65% and stood at Tk.218.79b at the weekend.

In the prevailing week DSE-20 moved downward by 10.08 points (-0.63%), and closed at 1592.30 points (base 1000 on 01 Jan 2000) against 1602.38 points last week.

Based on the daily charts of the DSE movement, which has been used to track short-term trends, the technical readings are as under:

Moving Average

During the week, the DSE General Price Index moved between the 9-day and the 18-day moving average line.

Relative Strength Index (RSI)

Currently RSI is 53.54 point, which is in between 30-70 strength levels indicating a buy signal following the similar signal as per prior periods.



Top Turnover Companies

Company	Volume	Value(000)Tk.	% of total
Summit Power Ltd	156,150	67,691	8.59
Pubali Bank Ltd	23,085	50,877	6.45
Progressive Life Insurance	119,250	44,714	5.67
Bangladesh Online Ltd.	647,825	38,377	4.87
Square Textile	424,594	37,496	4.76
Beximco Pharma	549,609	32,817	4.16
Southeast Bank Ltd	56,079	31,977	4.06
City Bank Ltd.	33,832	25,008	3.17
Prime Bank Ltd.	35,494	23,695	3.01
Daffodil Computers Ltd.	1,057,500	22,007	2.79
Export Import Bank	43,494	21,628	2.74
AB Bank	51,164	20,288	2.57
Padma Textile Mills Ltd.	846,430	19,028	2.41
Berger Paints	113,350	17,662	2.24
Lafarge Surma Cement	42,300	17,555	2.23
Mutual Trust Bank	35,748	14,896	1.89
Islami Bank BD Ltd.	2,906	13,197	1.67
UCBL	8,170	12,164	1.54
Square Pharma	4,675	11,116	1.41
National Bank Ltd.	14,839	10,551	1.34

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Exchange Rate

	This Week		Last Week		Change %	
	T.T/O.D	BC	T.T/O.D	BC	T.T/O.D	BC
USD	68.5700	68.6000	68.3200	68.3500	0.37	0.37
EUR	83.8337	83.8704	84.5118	84.5490	-0.80	-0.80
GBP	121.4580	121.5112	122.0947	122.1483	-0.52	-0.52
AUD	52.2023	52.2252	52.6816	52.7047	-0.91	-0.91
JPY	0.6025	0.6028	0.6041	0.6044	-0.26	-0.26
CHF	54.1072	54.1308	54.2222	54.2460	-0.21	-0.21
CAD	59.2295	59.2554	59.1157	59.1416	0.19	0.19
HKD	8.8620	8.8659	8.8232	8.8271	0.44	0.44
SGD	42.9475	42.9663	42.1338	42.1523	1.93	1.93
AED	18.8208	18.8291	18.7522	18.7605	0.37	0.37
SAR	18.4303	18.4384	18.3626	18.3707	0.37	0.37

Based on Standard Chartered selling rates to public in Taka.

Notes: USD-US dollar, GBP-Great Britain Pound, AUD-Australian Dollar, JPY- Japanese Yen, CHF-Swiss Franc, CAD-Canadian Dollar, HKD-Hong Kong Dollar, SGD-Singapore Dollar, AED-UAE Dirham, SAR-Saudi Riyal

Book Closure

Name of the Company	Share transfer & Book closure		Year end	AGM Date	Dividend Pro. %
	From	To			
Aftab Auto	Record Date	30-11-05	06-05	21-12-05	20
Fahad Industries	05-12-05	22-12-05	06-05	22-12-05	5
Altex Industries	23-11-05	22-12-05	06-05	22-12-05	7.5
Imam Buton	27-11-05	22-12-05	06-05	22-12-05	5
Sajib Knitwear	08-12-05	22-12-05	06-05	22-12-05	2.5
National Tubes	Record Date	22-12-05	06-05	22-12-05	40, 1B:3
Fu-Wang Foods	01-02-05	22-12-05	06-05	22-12-05	15%S
Dhaka Fisheries	04-12-05	22-12-05	06-05	22-12-05	-
Quasem Drycells	Record Date	30-11-05	06-05	24-12-05	10
Prime Textile Mills	27-11-05	24-12-05	06-05	24-12-05	5
Usmania Glass	18-12-05	24-12-05	06-05	24-12-05	70, 30S
Fine Foods	11-12-05	26-12-05	12-03	26-12-05	-
Fine Foods	11-12-05	26-12-05	12-04	26-12-05	-
Fine Foods	11-12-05	26-12-05	12-05	26-12-05	5
Fu-Wang ceramic	01-12-05	26-12-05	-	26-12-05	6
Sonali Ansh	12-12-05	26-12-05	-	26-12-05	-
Yousuf Flour Mills	11-12-05	26-12-05	06-05	26-12-05	4S
Anlima Yarn	28-11-05	27-12-05	-	27-12-05	5
BD Auto Cars	03-12-05	27-12-05	12-05	27-12-05	3
Atlas Bangladesh	05-12-05	27-12-05	06-05	27-12-05	100, 1B:2
Al-Amin Chemical	20-12-05	27-12-05	06-05	27-12-05	-
Al-Haj Textile	22-12-05	27-12-05	06-05	28-12-05	20B
Standard Ceramics	15-12-05	28-12-05	06-05	28-12-05	7.5
Saiham Textile	05-12-05	29-12-05	06-05	29-12-05	7
Jute Spinners Ltd.	11-12-05	29-12-05	06-05	29-12-05	17.5
Delta Spinners	15-12-05	29-12-05	06-05	29-12-05	12
Mono Spool Paper	14-12-05	29-12-05	06-05	29-12-05	-
Keya Cosmetics	09-12-05	29-12-05	06-05	29-12-05	1B:2
Keya Detergent	09-12-05	29-12-05	06-05	29-12-05	1B:5
Pharma Aids	20-12-05	29-12-05	06-05	29-12-05	20
Uttara Finance	-	-	-	29-12-05	1:1R, Premium Tk. 200
Metro Spinning	10-12-05	31-12-05	06-05	31-12-05	12
Rahim Textile	26-12-05	12-01-06	06-05	12-01-06	5
Padma Oil Co	Record Date	05-01-06	06-05	04-02-06	50
Samorita Hospital	02-03-06	16-03-06	06-05	16-03-06	5
IFIC	-	-	-	-	10B
Savar Refractories	15-12-05	29-12-05	06-05	29-12-05	5
BOC Bangladesh	-	-	09-05	31-01-06	50
Asraf Textile	01-01-06	17-01-06	EGM	17-01-06	-
Bangladesh Shipping	21-12-05	27-12-05	06-05	27-12-05	10
Phoenix Leather	16-12-05	29-12-05	-	29-12-05	-
Kohinoor Chemical	10-12-05	31-12-05	06-05	31-12-05	18
Orion Infusion	18-12-05	31-12-05	06-05	31-12-05	10
Zeal Bangla Sugar	15-12-05	31-12-05	06-05	31-12-05	-
InTech Online	Record Date	05-01-06	EGM	02-02-06	50
Bata Shoe Company	Record Date	04-01-06	-	-	100
Eastern Lubricant	17-02-06	25-02-06	-	25-02-06	15

Last Initial Public Offering

Company	Subscription Period	IPO (M.Tk)	Private Placement (M.Tk.)	Purpose of the issue
Pragati Life Insurance Ltd	November 20-24, 2005	45.00	-	Business Expansion
Jamuna Bank Limited	February 05-09, 2006	514.8	-	Strengthen the capital base of the business and expansion

Recently Listed

Company	Subscription Period	IPO (M.Tk)	Private Placement (M.Tk)	Trading started on DSE on
Summit Power Limited	August 27-31, 2005	280.00	-	Nov 15, 2005
Premier Leasing International	August 14 - 18, 2005	100.50	-	October 20, 2005
Prime Finance & Investment	July 30 - 03 Aug, 2005	50.00	-	October 06, 2005
Grameen Mutual Fund One	July 11 - 16, 2005	50.00	103.50	September 04, 2005
Meghna Life Insurance	July 03 - 07, 2005	45.00	-	September 04, 2005
Fareast Islami Life Insurance	May 07 - 11, 2005	45.00	-	July 20, 2005
People's Leasing & Financial Services	May 14 - 18, 2005	63.60	42.40	July 20, 2005
Popular Life Insurance	April 24 - 28, 2005	45.00	-	July 12, 2005
Global Insurance	Jan 29 - Feb 09, 2005	90.00	-	April 16, 2005
Agrani Insurance	January 09 - 13, 2005	90.00	-	March 05, 2005
Nitol Insurance	July 24 - 28, 2005	90.00	-	November 29, 2005
Asia Pacific General Insurance	August 21-25, 2005	105.00	-	December 04, 2005
Islamic Finance & Investment	September 25-29, 2005	100.00	-	December 11, 2005
Berger Paints Bangladesh Ltd.	November 08-14, 2005	139.14	-	December 28, 2005
Progressive Life Insurance	October 08-12, 2005	45.00	-	January 02, 2006

Corporate Announcements

- Eastern Lubricant Limited: earned a net profit of Tk.1.56m in the year ended on June 30, 2005 and the EPS of the company stood at Tk.1.57.
- BOC Bangladesh Limited: earned a net profit of Tk.155.99m in the year ended on September 30, 2005 and the EPS of the company stood at Tk.10.25.
- Eagle Star Textile Mills Ltd.: incurred a net loss of Tk.19.54m in the year ended on June 30, 2005 and the EPS of the company stood at Tk.3.70.
- Aims First Guaranteed M F: The Net Asset Value (NAV) of the fund stood at Tk1.11 per share at the close of business operations on December 31, 2005 against the face value of Tk1.00 per unit.
- Grameen Mutual Fund One: The Net Asset Value (NAV) of the fund stood at Tk10.70 per share at the close of business operations on December 31, 2005 against the face value of Tk10.00 per unit.

Yawer Sayeed, Managing Director & CEO
Wasiq al Azad, Head of Operations
Laila Mahmuda Shilpi, Manager
Sukumar D'Costa, Manager-Accounts
Arpita Ali, Executive -Research
Subrata Bhakta, Executive -Fund Management
Nasima Sultana, Executive- Customer Support

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