

Securities and Exchange Commission



Securities and Exchange Commission, Bangladesh

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SECURITIES AND EXCHANGE COMMISSION
Quarterly Review
April – June 2011

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The Commission:

Professor Dr. M. Khairul Hossain, Chairman

Professor Md. Helal Uddin Nizami, Member

Mr. Md. Amzad Hossain, Member

Mr. Md. Arif Khan, Member

Officers of the Commission:

1. Mr. Abdul Hannan Zoarder ED (Presently under lien for 2 years)
2. Mr. Anwarul Kabir Bhuiyan ED
3. Mr. Farhad Ahmed ED (AdminFinance/Enf.)
4. Mrs. Ruksana Chowdhury ED (CMRRC/Law)
5. Mr. A.T.M. Tariquzzaman ED (CFD/R&D)
6. Mr. Anowarul Islam ED (SRMIC, CDS)
7. Mr. Saifur Rahman ED (SRI)
8. Mr. Ashraful Islam ED (Surveillance/MIS)
9. Mr. M. Hasan Mahmud ED (CI, MF & SPV)
10. Mr. Mahbubul Alam Director (Reg.)

ABOUT SEC

The Securities and Exchange Commission (SEC) was established on 8th June, 1993 under the Securities and Exchange Commission Act, 1993. The Chairman and Members of the Commission are appointed by the government and have overall responsibility to administer securities legislation. The Commission is a statutory body and attached to the Ministry of Finance.

Mission of the SEC is to:

- Protect the interests of securities investors.
- Develop and maintain fair, transparent and efficient securities markets.
- Ensure proper issuance of securities and compliance with securities laws.

The Commission's main functions are:

- Regulating the business of the Stock Exchanges or any other securities market.
- Registering and regulating the business of stock-brokers, sub-brokers, share transfer agents, merchant bankers and managers of issues, trustee of trust deeds, registrar of an issue, underwriters, portfolio managers, investment advisers and other intermediaries in the securities market
- Registering, monitoring and regulating of collective investment scheme including all forms of mutual funds.
- Monitoring and regulating all authorized self regulatory organizations in the securities market.
- Prohibiting fraudulent and unfair trade practices relating to securities trading in any securities market.
- Promoting investors' education and providing training for intermediaries of the securities market.
- Prohibiting insider trading in securities.
- Regulating the substantial acquisition of shares and take-over of companies.

- Undertaking investigation and inspection, inquiries and audit of any issuer or dealer of securities, the Stock Exchanges and intermediaries and any self regulatory organization in the securities market.
- Conducting research and publishing information.

Chairman Profile



Professor Dr. M Khairul Hossain has joined Securities and Exchange Commission as Chairman on 15 May, 2011. He is a professor in the Department of Finance, University of Dhaka. Prior to joining SEC, Dr. M Khairul Hossain was performing as the Chairman of the Board of Directors in the Investment Corporation of Bangladesh(ICB) (15 September 2009 to 14 May 2011). He obtained his PhD from Moscow Institute of National Economy (MINE) in the year 1983 in Statistics. Earlier he completed his Masters in Economics from the same institute. His post-doctoral research work at Prairie View A&M University, Texas, USA entitled "Regulatory Framework of Bangladesh Stock Markets: Lessons from U.S. Experiences" has been highly valued at home and abroad. His strong academic credential as well as relevant practical experience gives him the required background to make positive contribution to the assigned field. He has extensive experience while working in various administrative capacities of Public Universities and Financial Institutions, such as Chairman, Department of Finance and Banking, University of Dhaka, Provost of Haji M Muhsin Hall, Pro-Vice Chancellor of National University and Councilor of the Board of Directors of Dhaka Stock Exchange (DSE). His theoretical contributions to stock market as well as his exposure to practical experience gave him unique position to look into the issues in the real perspective. Dr. Hossain has more than 60 research publications and studies to his credit. Besides teaching in the University of Dhaka, he was involved in several macroeconomic research studies and also served as consultant to various government, non-government and international agencies inclusive of the World Bank, ADB, CIDA, SIDA, NORAD, UNICEF, ESCAP, WFP, ILO and SEDF.

Members Profile:

Professor Md. Helal Uddin Nizami



Professor Md. Helal Uddin Nizami joined in the Securities and Exchange Commission as a Member on May 4, 2011. He was a Professor in the Department of Accounting and Information Systems, University of Chittagong. In personal life, he is married and father to one daughter. His wife Lutfun Nahar Begum is an Associate Professor in the Department of Sociology, University of Chittagong. Professor Helal obtained his B.Com (Hon's) degree in "Accounting"-with 1st class 7th position in 1987 and M.Com. in "Finance"-with 1st class 1st position from the same university in 1990. In 1995 he completed M. Phil. degree in "Banking". His area of study was "Productivity of Nationalized Commercial Banks in Bangladesh". Subsequently, Mr. Nizami obtained MBA from Asian Institute of Technology (AIT), Thailand in "International Business" in the year 2000. An extensive research carried out by Prof. Nizami for partial fulfillment of the requirements for the degree of the same in the filed of "Impact of Financial Sector Reforms in Bangladesh under Structural Adjustment Program: An Evaluation"-under the guidance of Professor Dr. J.C. Tang. He awarded AIT Alumni Research Grants to carry out this research. In 2008, Professor Helal received higher training on "International Financial Reporting Standards" (IFRS) from ICAEW, UK.

Prior to joining SEC he was engaged in Ph.D research under the supervision of Professor Dr. Monjur Morshed Mahmud on "Impact of Management Styles on the Organizational Effectiveness of the Corporate Sector in Bangladesh"-in the Department of Accounting & Information Systems, University of Chittagong, Bangladesh. It is note worthy to mention that Professor Mahmud was also the supervisor of Mr. Nizam's M.Phil studies.

Before joining in Chittagong University, he began his career as a Faculty Member of Bangladesh Institute of Bank Management (BIBM) in 1991. Afterwards, he joined as lecturer in the Department of Accounting, University of Chittagong in 1992. Professor Nizami served as an Adjunct Faculty at the School of Business, Independent University of Bangladesh (IUB-Chittagong Campus) and Guest Faculty for the Institute of Cost and Management Accountants of Bangladesh (ICMAB), Chittagong Branch in different time.

Professor Helal has wide training exposure at home and abroad including BPATC, Dhaka and ICAEW, UK. He actively participated and presented paper in many International Seminar and Workshop-out of which European Network of Bangladesh Studies (ENBS), Centre for Development Studies (CDS), University of Bath, UK; University of Western Sydney, Australia;and

National Cheng Kung University, Taiwan, China are worth mentionable. Professor Helal Nizami took lots of interest in various research work. A good number of research articles published in the leading national and international refereed journals/publications-including TATA McGraw-Hill (New Delhi, India); IIIS (USA); IEEE (USA); Euro Asian Management (JEAM-AIT, Bangkok & France); ENBS (UK). In addition to that, several articles published as conference & seminar proceedings in the reputed international conference & seminars viz., ICOQM (Australia & Taiwan), ICMIT (Singapore).

Professor Nizami visited India, Thailand, Hong Kong, Macao, Taiwan, Emirates, Australia and United Kingdom for participating academic programs; research, training, workshop and seminars purposes. Professor Helal Nizami involved in many social and policy level activity. He leded the social organization and community in various form. He served as a General Secretary of the Chittagong University Teachers' Association (CUTA). He was Member of Senate and Member Syndicate of the University of Chittagong. Professor Helal acted as a "Coordinator" of the Progressive Teachers' Forum- of Chittagong University. He also served as a General Secretary of the Peshajibi Samonnoy Parishad Chittagong and President of the Forum for Secular Bangladesh, Chittagong District since a long time. At present he is acting as UGC (University Grants Commission) nominated Member Syndicate at the East Delta University, Chittagong and council member (Councilor) of the Institute of Chartered Secretaries of Bangladesh (ICSB).

Mr. Md. Amzad Hossain



Mr. Md. Amzad Hossain joined Securities and Exchange Commission (SEC) as a member on May 30, 2011. He retired as an Executive Director of Bangladesh Bank. Md. Amzad Hossain was

born in a renowned Muslim family of Kushtia district on May 1, 1953. He had completed his graduation with honors and post graduation in management from Rajshahi University and obtained first class second.

Mr. Amzad had started his career in the Janata Bank as a Probationary Officer in 1979. Thereafter, he had joined in the Bangladesh Bank as an officer Class-I in 1981. Three decades of service, Mr. Hossain had served different departments like Bangladesh Bank Training Academy, Forex Reserve and Treasure Management Department and Accounts and Budgeting Department etc. Also he had headed Bangladesh Bank's Barisal and Sylhet offices. Before retiring from the central bank this year, he had served the central bank's Inspection Department, Anti Money Laundering Department and Vigilance Department. He had also served as observer on behalf of the Bangladesh bank in the Board of Directors of AIOArafa Islami Bank Ltd. and First Security Islami Bank Ltd. He had visited India, Sri Lanka, Myanmar, Iran, Singapore, Switzerland, Norway and England to join various international seminars and conferences. His contribution in the bank is praise worthy.

Mr. Arif Khan



Mr. Arif Khan, FCMA has been working in the banking and financial services sector for the last twenty one years. Recently he has joined Securities & Exchange Commission (SEC) as Member. He is a fellow of the Institute of Cost & Management Accountants of Bangladesh (ICMAB), and currently serving its council as an elected council member. Before starting his professional career he obtained his Masters Degree in Finance and Banking from the Finance Department of University of Dhaka.

His professional life started with joining AB Bank Limited as a probationary officer in 1991. During twenty one years of professional life, he worked fifteen years in IDLC Finance Limited, a

renowned non-bank financial institution of the country. He led the Personal Investment Division, SME Division and Merchant Banking Division of IDLC. He was also Chief Financial Officer (CFO)

of IDLC Finance Limited. Before leaving IDLC he was Deputy Managing Director of IDLC. He had significant role in setting up IDLC Securities Limited (IDLCSL) and under his leadership IDLCSL became one of the top five security brokerage house of the country.

He has also done his Masters in Business Administration (MBA) from the Institute of Business Administration (IBA), an apex body for business education in Bangladesh, in 1995. Besides, he is a Charter holder from CFA institute of USA.

He was a member of the "Core Committee" of Bangladesh Bank (Central Bank) for developing Guidelines for "Domestic Factoring Operation in Bangladesh" and "Asset Liability Management of NBFIs".

Besides, he was part-time teacher in the Finance Department, Institute of Business Administration (IOBA) of University of Dhaka and also in ICMAB.

CORPORATE FINANCE (CF):

CFD's activities for the quarter: April-June, 2011

Sl. No.	Particulars	Action taken	No. of Company
01.	Qualified audit report and/or CFD's observation on the audited financial statements.	Explanation sought from the companies	11
		Referred to Enforcement Department for necessary action against the companies as their clarification regarding auditors' qualified report and/or Commission's observations were not satisfactory.	04
		Companies referred to SRMIC Department for appropriate action since there was significant doubt about their ability to continue as going concern.	04
		Explanations received from the companies. The matters have been put-up and subsequently disposed off.	11
02.	Time extension for submission of audited financial statements for the year ended on December 31, 2010.	Time extended.	15
		Time not extended.	04
03.	Non-submission of audited financial statements for the year ended on December 31, 2010.	Referred to Enforcement Department for appropriate action for non-submission of audited financial statements for the year ended on December 31, 2010.	01
04.	Non-submission of half-yearly financial statements for the period ended on March 31, 2011.	Referred to Enforcement Department for appropriate action for non-submission of half-yearly financial statements for the period ended on March 31, 2011.	02
05.	Non-submission of 3 rd quarterly financial statements for the period ended on March 31, 2011.	Referred to Enforcement Department for appropriate action for non-submission of 3 rd quarterly financial statements for the period ended on March 31, 2011.	09
06.	Clearance for re-appointment of existing auditors for the consecutive period exceeding three years.	Clearance accorded.	11
		Clearance not accorded.	12
07.	Reports on utilization of IPO/Right Issue/Convertible preference shares.	Reports on utilization of fund raised through issuance of IPO/Right Issue/Convertible preference shares have been examined and put-up for information of the Commission.	05

Capital Issue Department

Consent for Raising of Capital above Tk. 10 crore for Private Limited Companies						
Status Report April - June 2011						
SI No.	File No.	Name of the Company	Date of Application	Applied for	Status	Actions Taken
1		Envoy Garments Limited	08.11.2010	Ordinary Shares of Tk. 35,30,00,000.00	Consent letter issued on 27.04.2011	
2	286	Shahriyar Fabric Industries Ltd.	22.11.2010	Ordinary Shares of Tk. 29,99,99,900.00	Consent letter issued on 17.04.2011	
3	127	Everest Power Generation Co. Ltd.	12.01.2011	Ordinary Shares of Tk. 20,00,00,000.00	Consent letter issued on 12.04.2011	
4	242	IIDFC Capital Ltd.	27.12.2010	Ordinary Shares of Tk. 20,00,00,000.00	Consent letter issued on 20.04.2011	

Public Limited Company:

Consent for Raising of Capital above Tk. 1.00 crore for Public Limited Companies						
Quarterly Report April- June 2011						
SI No.	File No.	Name of the Company	Date of Application	Applied for	Status	Actions Taken
1	251	Hamid Fabrics Limited	23.12.2010	Right Shares of Tk. 8,60,00,000	Consent letter issued on 06.04.2011	
2	271	BLI Capital Limited	13.03.2011	Ordinary Shares of Tk. 20,00,00,000.00	Consent letter issued on 10.04.2011	

3	288	Sea Tex Limited	14.11.2010	Ordinary Shares of Tk. 45,00,00,000.00	Consent letter issued on 16.03.2011	
4	282	Aman Spinning Mills Ltd.	28.12.2010	Ordinary shares of Tk. 20,00,00,000.00	Consent letter issued on 28.2.2011	
5	285	BDBL Securities Ltd.	02.01.2011	Ordinary Shares of Tk. 10,00,00,000.00	Consent letter issued on 06.04.2011	
6	270	STS Education Group Limited	07.03.2011	Ordinary Shares of Tk. 16,57,27,000.00	Consent letter issued on 26.04.2011	
7	217	Sonali Investment Limited	28.03.2011	Ordinary Shares of Tk. 100,00,00,000.00	Consent letter issued on 26.04.2011	
8	242	Building Technology & Ideas Limited	13.04.2011	Bonus Shares of Tk. 30,50,00,000.00	Consent letter issued on 05.05.2011	
9	249	Janata Capital and Investment Limited	15.03.2011	Ordinary Shares of Tk. 190,00,00,000.00	Consent letter issued on 29.05.2011	
10	267	Paramount Textile Limited	11.04.2011	Bonus Shares of Tk. 10,12,50,000	Consent letter issued on 15.06.2011	

11	67	Keya Cosmetics Limited	15.05.2011	Ordinary Shares of Tk. 32,74,49,660.00	Consent letter issued on 22.06.2011
12	267	Paramount Textile Limited	11.04.2011	Bonus Shares of Tk. 10,12,50,000	Consent letter issued on 15.06.2011
13	67	Keya Cosmetics Limited	15.05.2011	Ordinary Shares of Tk. 32,74,49,660.00	Consent letter issued on 22.06.2011
14	277	Aamra Technologies Limited	10.05.2011	Bonus Shares of Tk. 1,85,22,280.00	Consent letter issued on 28.06.2011

Status Report of Rights Issue for April - June, 2011

SI No.	Name of the Company	Date of Approval	Number of shares	Amount
1	Janata Insurance Co. Ltd.	18.04.2011	Approval of rights issue of 16,26,240 ordinary shares of Tk.100/- each at an issue price of Tk. 200/- each (including premium of Tk. 100/- each) totaling Tk. 32,52,48,000/- at a ratio of 2R:1	BDT 325,248,000.00

2	Pioneer Insurance Company Limited	18.04.2011	Approval of rights issue of 3,75,000 ordinary shares of Tk.100/- each at an issue price of Tk. 400/- each (including premium of Tk. 300/- each) totaling Tk. 15,00,00,000/- at a ratio of 1R:5	BDT 150,000,000.00
3	Sinobangla Industries Limited	18.04.2011	Approval of rights issue of 99,98,300 ordinary shares of Tk.10 each at an issue price of Tk. 20 each (including premium of Tk. 10 each) totaling Tk. 19,99,66,000.00 at a ratio of 1R:1	BDT 199,966,000.00

Surveillance Department:

Daily Market Surveillance: As part of daily market surveillance, the surveillance officials watch and analyze the trading activities in both the stock exchanges through non trading on-line surveillance system in order to find out irregularities, suspicious trading and market misconducts, if any. At the end of trading, a daily trade report, at the end of week, weekly trade report & monthly trade report is prepared by pointing out market conditions and submitted to the Chairman, the Members and the EDs of the Commission.

Investigation and Enquiry: In connection to fair-trading and confidence of investors in the securities market it is necessary to ensure proper compliance of securities related laws, rules and regulations through inspection & investigation in suspicious and manipulative cases. In this regard, the following stock-brokers/stock-dealers activities have been investigated by SEC, Dhaka Stock Exchange and Chittagong Stock Exchange during the referred period:

Nature of Enquiry & Investigation	Investigation & Enquiry Against	Inspection & Enquiry Conducted By
To enquire into certain unusual trading in shares of Chittagong Vegetable Oil Industries Limited in the stock exchanges and some other incidental matters thereto.	_____	Securities and Exchange Commission (SEC)

To enquire into certain unusual declaration to buy shares of National Tea Company Limited by two sister concerns of a sponsor/director of the said listed company in the stock exchanges.	_____	Securities and Exchange Commission (SEC)
To enquire into certain aggressive selling in different listed securities by Al-Arafah Islami Bank Limited (DSE Member # 234, CSE Member # 139) on January 20, 2011 in the stock exchanges.	Al-Arafah Islami Bank Ltd. (DSE Member # 234, CSE Member # 139)	Securities and Exchange Commission (SEC)
To enquire into certain aggressive selling in different listed securities by Alliance Securities & Management Limited (DSE Member # 137) on January 20, 2011 in Dhaka Stock Exchange Limited.	Alliance Securities & Management Ltd. (DSE Member # 137)	Securities and Exchange Commission (SEC)
To enquire into certain aggressive selling in different listed securities by Dhaka Bank Limited (DSE Member # 193, CSE Member # 081) on January 20, 2011 in the stock exchanges.	Dhaka Bank Limited (DSE Member # 193, CSE Member # 081)	Securities and Exchange Commission (SEC).
To enquire into certain aggressive selling in different listed securities by PFI Securities Limited (DSE Member # 79, CSE Member # 095) on January 20, 2011 in the stock exchanges.	PFI Securities Limited (DSE Member # 79, CSE Member # 095)	Securities and Exchange Commission (SEC)
To enquire into certain aggressive selling in different listed securities by NCC Bank Limited (DSE Member # 61, CSE Member # 132) on January 20, 2011 in the stock exchanges.	NCC Bank Limited (DSE Member # 61, CSE Member # 132)	Securities and Exchange Commission (SEC)
To enquire into certain aggressive selling in different listed securities by IIDFC Securities Limited (DSE Member # 238) on January 20, 2011 in Dhaka Stock Exchange Limited.	IIDFC Securities Limited (DSE Member # 238)	Securities and Exchange Commission (SEC)
To investigate into aggressive selling of listed securities on January 20, 2011.	_____	Dhaka Stock Exchange Ltd.

		Chittagong Stock Exchange Ltd.
To investigate into aggressive selling of listed securities by International Leasing Securities Limited on February 01, 2011 in Dhaka Stock Exchange Limited.	International Leasing Securities Limited (DSE Member # 09)	Dhaka Stock Exchange Ltd.
To enquiry into certain aggressive selling in different listed securities by Fareast Stocks & Bonds Limited (DSE Member # 266) on February 07, 2011 in Dhaka Stock Exchange Limited.	Fareast Stocks & Bonds Ltd. (DSE Member # 266)	Securities and Exchange Commission (SEC)
To enquiry into certain aggressive selling in different listed securities by HAC Securities Limited (DSE Member # 074) on February 07, 2011 in Dhaka Stock Exchange Limited.	HAC Securities Limited (DSE Member # 074)	Securities and Exchange Commission (SEC)
To investigate into aggressive selling of shares of National Bank Limited on February 08, 2011.	_____	Dhaka Stock Exchange Ltd.

REGISTRATION:

Issuance and Renewal of Stock Dealer /Stock Broker Registration Certificate:

During April – June 2011, the Commission issued 5 (Five) Stock broker/Stock dealer registration certificates in favor of different members of Dhaka Stock Exchange Ltd. and 4 (Four) Stock broker and 3 (Three) Stock dealer registration certificates in favor of different members of Chittagong Stock Exchange Ltd. under সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (স্টক ডিলার, স্টক ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, 2000. These are as under;

Dhaka Stock Exchange Limited:

Sl. No.	Name & Address of the Stock dealer/ Stock broker	Category	Membershi p No.	Registration Certificate No. & Issue Date
•	Premier Bank Securities Ltd. Iqbal Centre (2 nd Floor) 42 Kamal Ataturk Avenue, Banani Dhaka-1213	Stock broker & Stock Dealer	• DSE-236	• Reg-3.1/DSE-236/2011/467 • Date: 20.04.2011 • & • Reg-3.1/DSE-236/2011/468 • Date: 20.04.2011 •
•	Commerce Bank Securities & Investment Ltd. Taranga Complex 19, Rajuk Avenue Motijheel, Dhaka-1000	Stock broker & Stock Dealer	• DSE-180	• Reg-3.1/DSE-180/2011/469 • Date: 21.04.2011 • & • Reg-3.1/DSE-236/2011/470 • Date: 21.04.2011 •
•	AIBL Capital Market Services Ltd. 36 Dilkusha C/A (6-9 floor) Dhaka-1000	Stock broker & Stock Dealer	• DSE-234	• Reg-3.1/DSE-234/2011/471 • Date: 28.04.2011 • & • Reg-3.1/DSE-234/2011/472 • Date: 28.04.2011 •
•	Shahjalal Islami Bank Securities Ltd. Head Office, Jiban Bima Bhaban (4 th floor) 10 Dilkusha C/A, Dhaka	Stock broker & Stock Dealer	• DSE-233	• Reg-3.1/DSE-233/2011/473 • Date: 04.05.2011 • & • Reg-3.1/DSE-233/2011/474 • Date: 04.05.2011 •
•	Delta Capital Ltd. Zareen Mansion (3 rd Floor), 55 Motijheel C/A	Stock broker & Stock	• DSE-185	• Reg-3.1/DSE-185/2011/475 • Date: 08.05.2011 • &

	Dhaka-1000	Dealer		<ul style="list-style-type: none"> • Reg-3.1/DSE-185/2011/476 • Date: 08.05.2011 •
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Chittagong Stock Exchange Limited:

• S. No.	Name & Address of the Stock dealer/ Stock broker	Category	Membershi p No.	Registration Certificate No. & Issue Date
•	AIBL Capital Services Ltd. 36 Dilkusha C/A Dhaka-1000	Stock Broker & Stock Dealer	• CSE -139	<ul style="list-style-type: none"> • Reg-3.2/CSE-139/2011/220 • Date: 05.05.2011 • & • Reg-3.2/CSE-139/2011/221 • Date: 05.05.2011
•	Shahjalal Islami Bank Securities Ltd. Head Office, Jiban Bima Bhaban (4 th floor) 10 Dilkusha C/A, Dhaka	Stock Broker & Stock Dealer	• CSE -134	<ul style="list-style-type: none"> • Reg-3.2/CSE-134/2011/267 • Date: 08.05.2011 • & • Reg-3.2/CSE-134/2011/268 • Date: 08.05.2011
•	A. K. Khan Securities Ltd. As-Salam Tower (2 nd Floor), 57 Agrabad C/A Chittagong	Stock Broker	• CSE -007	<ul style="list-style-type: none"> • Reg-3.2/CSE-007/2011/269 • Date: 08.05.2011
•	Premier Bank Securities Ltd. Iqbal Centre 42 Kamal Ataturk Avenue, Banani, Dhaka	Stock Broker & Stock Dealer	• CSE -143	<ul style="list-style-type: none"> • Reg-3.2/CSE-143/2011/270 • Date: 16.05.2011 • & • Reg-3.2/CSE-143/2011/271 • Date: 16.05.2011

Moreover, the Commission renewed 65 (Sixty five) stock broker/stock dealer registration certificates of Dhaka Stock Exchange Ltd. and 54 (Fifty four) Stock broker/Stock dealer registration certificates of Chittagong Stock Exchange Ltd. respectively during April - June 2011.

Sl No	Name, Address & Contacts of the DP	Membershi p No.	Category	Certificate No. & Issue Date
6.	Islami Bank Securities Ltd. Yusuf Chamber (5 th floor) 20 Dilkusha C/A Dhaka-1000	DSE-107	Full Service	SEC/Reg./CDBL-DP-225 Date: 25.04.2011
7.	Apex Investment Ltd. 6 Gulshan Avenue (3 rd Floor), Dhaka-1212	DSE-07	Full Service	SEC/Reg./CDBL-DP-68 Date: 25.04.2011
8.	NBL Securities Ltd. Head Office (4 th floor) 18 Dilkusha C/A Dhaka-1000	DSE-203	Full Service	SEC/Reg./CDBL-DP-52 Date: 25.04.2011
9.	Trustee Securities Ltd. Room # 527-528, DSE Annex Building 9/E Motijheel C/A Dhaka-1000	DSE-162	Full Service	SEC/Reg./CDBL-DP-96 Date: 04.05.2011
10.	IFIC Securities Ltd. BDBL Bhaban (10 th Floor) 8 Rajuk Avenue, Motijheel C/A, Dhaka-1000	DSE-192	Full Service	SEC/Reg./CDBL-DP-47 Date: 04.05.2011
11.	Royal Green Capital Market Ltd. Shah Ali Tower 33 Kawran Bazar, Dhaka	MB	Custody DP	SEC/Reg./CDBL-DP-351 Date: 05.05.2011
12.	Agrani Equity & Investment Ltd. 9/D Dilkusha C/A Dhaka-1000	MB	Custody DP	SEC/Reg./CDBL-DP-352 Date: 10.05.2011
13.	SBC Securities & Investment Ltd. 33 Dilkusha C/A (3 rd floor), Dhaka-1000	DSE-71	Full Service DP	SEC/Reg./CDBL-DP-134 Date: 09.06.2011
14.	Commercial Bank of Ceylon PLC Hadi Mansion 2 Dilkusha C/A, Dhaka	MB	Custody DP	SEC/Reg./CDBL-DP-222 Date: 12.06.2011
15.	First Security Islami Capital & Investment Ltd.	MB	Custody DP	SEC/Reg./CDBL-DP-353 Date: 13.06.2011

Sl No	Name, Address & Contacts of the DP	Membershi p No.	Category	Certificate No. & Issue Date
	Al-Amin Center (12 th floor), 25/A, Dilkusha C/A, Dhaka-1000			
16.	Delta Capital Limited Zareen Mansion (3 rd floor), 55 Motijheel C/A Dhaka-1000	DSE-185	Full Service DP	SEC/Reg./CDBL-DP-114 Date: 14.06.2011
17.	Shahjalal Islami Bank Securities Ltd. Jiban Bima Tower (4 th floor), 10 Dilkusha C/A Dhaka-1000	DSE-233	Full Service DP	SEC/Reg./CDBL-DP-260 Date: 14.06.2011
18.	Jamuna Bank Capital Management Ltd. Hadi Mansion (3 rd floor) 2 Dilkusha C/A, Dhaka	MB	Custody DP	SEC/Reg./CDBL-DP-354 Date: 14.06.2011

Issuance of Registration Certificate for Merchant Banking Operation and approval of opening new branch office of Merchant Bank:

During the quarter, the Commission accorded approval to open 1 (one) new branch office of Sonali Investment Limited and issued 1 (one) Registration Certificate in favor of NBL Capital and Equity Management Limited for merchant banking operation under *ৱম্বকDwi ৱJR I G· †PÄ Kwgkb (gv†Pঔ e'isKvi I †cvU†dwi I g'v†bRvi) ৱewagj v, 1996.*

Issuance of Trustee Registration Certificate:

During the quarter, the Commission has approved issued of 1 (one) Trustee Registration Certificate in favor of ICB Capital Management Limited on 24.04.2011 under the *ৱম্বকDwi ৱJR I G· †PÄ Kwgkb (wgDPz'qvj dvÛ), ৱewagjv, 2001.*

Issuance of Custodian Registration Certificate:

During the quarter, the Commission has approved issued of 1 (one) Custodian Registration Certificate in favor of ICB Capital Management Limited on 24.04.2011 under the *ৱম্বকDwi ৱJR I G· †PÄ Kwgkb (wgDPz'qvj dvÛ), ৱewagj v, 2001.*

MUTUAL FUND & SPECIAL PURPOSE VEHICLE (MF & SPV)

During April-June, 2011, Mutual Fund and SPV Department has performed the following activities:

Completed the process for approval of Trust Deed and Investment Management Agreement of VIPB NRB Growth Fund (Closed-end), Uttara Finance First Mutual Fund (Closed-end), First Bangladesh Fixed Income Fund Mutual Fund (Closed-end), Continental Insurance First Mutual Fund, AB Bank First Mutual Fund, Fareast Islami Life Insurance First Mutual Fund (Closed-end) and BGIC Mutual Fund (Closed-end).

- Completed the process relating to registration of First Bangladesh Fixed Income Fund (Closed-end).
- Completed the process relating to approval of prospectus and abridged version of prospectus of EBL NRB Mutual Fund and Southeast Bank First Mutual Fund .
- Completed the process for approval of lottery of MBL First Mutual Fund (Closed-end)
- Completed the process of approval for deployment of fund of MBL First Mutual Fund (Closed-end), AIBL First Islamic Mutual Fund-One (Closed-end)
- During this period in the context of current capital market situation completed the process relating to permission of the Commission to invest the Sponsor's Contribution of the Funds namely 'Reliance One' the First Scheme of Reliance Insurance Mutual Fund, NLI First Mutual Fund-One (Closed-end), Southeast Bank First Mutual Fund, Sonali Bank First Mutual Fund(Closed-end), First Agrani Bank Mutual Fund(Closed-end), Rupali Life Insurance First Mutual Fund (Closed-end), NCCBL Mutual Fund-One (Closed-end), Prime Finance Second Mutual Fund (Closed-end), First Bangladesh Fixed Income Fund (Closed-end), Exim Bank First Mutual Fund (Closed-end), EBL NRB Mutual Fund and LR Global Bangladesh Mutual Fund-One.

SUPERVISION AND REGULATION OF MARKETS AND ISSUER COMPANIES (SRMIC)

During April-June 2011, the following companies held AGM. Information on AGM and dividend is shown in the following table:

Bank Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	The Premier Bank Ltd.	201012	06/04/2011	-	31%B
2	Pubali Bank	201012	24/04/2011	5.00	35%B
3	NCC Bank Ltd.	201012	28/04/2011	-	32%B
4	Social Islami Bank Ltd.	201012	28/04/2011	-	14%B
5	Shahjalal Islami Bank Ltd.	201012	09/05/2011	-	30%B
6	Uttara Bank Ltd.	201012	15/05/2011	20.00	20%B
7	Standard Bank Ltd	201012	16/05/2011	-	28%B
8	Islami Bank Ltd.	201012	18/05/2011	-	35%B
9	Jamuna Bank Ltd.	201012	19/05/2011	-	22%B
10	Rupali Bank Ltd.	201012	19/05/2011	-	10%B
11	UCBL	201012	30/05/2011	-	25%B
12	Al-Arafah Islami Bank	201012	06/06/2011	-	26%B
13	Trust Bank Ltd.	201012	07/06/2011	-	20%B
14	Exim Bank Ltd.	201012	09/06/2011	-	35%B
15	ICB Islamic Bank Ltd.	201012	21/06/2011	Nil	-
Insurance Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
1	Prime Insurance	201012	18/04/2011	-	30%B
2	Eastland Insurance	201012	28/04/2011	-	37%B
3	Reliance Insurance	201012	30/04/2011	-	35%B
4	Asia Insurance	201012	05/05/2011	25.00	25%B
5	Pioneer Insurance	201012	30/05/2011	-	25%B
6	Peoples Insurance	201012	01/06/2011	5.00	5%B
7	United Insurance	201012	02/06/2011	10.00	10%B
8	Green Delta Insurance	201012	15/06/2011	40.00	-
9	Phoenix Insurance	201012	15/06/2011	-	25%B
10	Northern Gen. Insurance	201012	20/06/2011	-	12%B
11	Central Insurance	201012	20/06/2011	-	15%B
12	Pragati Insurance	201012	20/06/2011	15.00	5%B
13	Standard Insurance	201012	21/06/2011	-	10%B
14	Republic Insurance	201012	21/06/2011	-	10%B
15	City Gen. Insurance	201012	23/06/2011	-	12%B
16	Nitol Insurance	201012	23/06/2011	-	12.50%B
17	Agrani Insurance	201012	26/06/2011	-	10%B

18	Mercantile Insurance	201012	27/06/2011	-	12%B
19	Dhaka Insurance	201012	27/06/2011	-	100%B
20	BGIC	201012	28/06/2011	-	12%B
21	Provati Insurance	201012	28/06/2011	-	12%B
22	Karnaphuli Insurance	201012	29/06/2011	-	20%B
Financial Institution Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	1st Lease International	201012	21/04/2011	-	25%B
2	Union Capital	201012	25/04/2011	-	75%B
3	Peoples Leasing	201012	02/05/2011	-	75%B
4	BIFC	201012	12/05/2011	-	25%B
5	Islamic Finance	201012	19/05/2011	-	16%B
6	Premier Leasing	201012	26/05/2011	-	20%B
7	Uttara Finance	201012	30/05/2011	-	40%B
8	United Leasing	201012	09/06/2011	7.50	75%B
9	IPDC	201012	14/06/2011	-	10%B
10	Fidelity Assets	201012	16/06/2011	-	15%B
11	Phoenix Finance	201012	16/06/2011	-	35%B
12	Bangladesh Finance	201012	21/06/2011	-	22%B
13	National Housing Finance & Investment Ltd.	201012	22/06/2011	10.00	10%B
14	Bay Leasing	201012	22/06/2011	10.00	55%B
Engineering Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Singer Bangladesh	201012	27/04/2011	600 (final)	75%B
2	Bangladesh Lamps	201012	11/05/2011	35.00	-
3	BSRM Steel Mill	201012	31/05/2011	-	20%B
4	Bangladesh Thai	201012	04/06/2011	-	25%B
5	Golden Son Ltd.	201012	18/06/2011	5.00	10%B
6	Kay & Que	201012	23/06/2011	-	5%B
7	Rangpur Foundry	201012	23/06/2011	21.00	-
8	Monno Jute Stafflers	201012	27/06/2011	15.00	-
9	Eastern Cables	201006	28/06/2011	10.00	-
10	Aziz Pipes	201012	29/06/2011	-	Nil
Pharmaceuticals and Chemicals Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.
1	Glaxo Smithkline	201012	28/04/2011	200.00	-
2	Active Fine Chemicals Ltd.	201012	09/06/2011	-	15%B
3	Recket Benckiser (Bd) Ltd.	201012	15/06/2011	50.00 (final)	-
4	ACI Formulations Ltd.	201012	15/06/2011	30.00	-
5	ACI Limited	201012	15/06/2011	120.00	-
6	Renata Ltd.	201012	18/06/2011	60.00	25%B
7	The IBN Sina	201012	23/06/2011	10.00	20%B
8	Marico Bangladesh	201103	28/06/2011	20.00 (final)	-
9	Ambee Pharma	201012	30/06/2011	30.00	-
10	Beximco Synthetics	201012	30/06/2011	-	15%B
11	Petro Synthetic Products Ltd.	201012	16/06/2011	120.00	-
12	Therapeutics (Bangladesh) Ltd.	201012	23/06/2011	60.00	25%B
13	Rahman Chemicals Ltd.	201012	28/06/2011	10.00	20%B
14	Wata Chemicals Ltd.	201103	30/06/2011	10%C	-

Fuel and Power Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	Meghna Petroleum	201006	07/05/2011	45.00	5%B
2	BOC Bangladesh	201012	12/05/2011	100 (final)	-
3	Jamuna Oil	201006	14/05/2011	30.00	20%B
4	Bangladesh Welding	201012	16/05/2011	5.00	10%B
5	Summit Power Ltd.	201012	26/05/2011	-	30%B
6	Khulna Power Company Ltd.	201012	12/06/2011	-	20%B
Food and Allied Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
1	Mercantile Bank Ltd.	201012	11/04/2011	-	22%B
2	BATBC	201012	10/04/2011	430.00	-
3	Beach Hatchery Ltd.	201012	31/05/2011	-	15%B
4	Modern Industries (Bangladesh) Ltd.	201012	02/06/2011	-	-
5	Bengal Biscuits Ltd.	201006	30/06/2011	-	-
Telecommunication Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.
1	Grameenphone Ltd.	201012	19/04/2011	120.00	-
Textile Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
				cash	stock
1	RN Spinning	201012	21/04/2011	-	30%B
2	Sonargaon Textile	201012	14/05/2011	-	10%B
3	SAFKOSPINN	201012	26/05/2011	-	16%B
4	Square Textile	201012	16/06/2011	16.00	20%B
5	Bextex Ltd.	201012	30/06/2011	-	15%B
6	Arbee Textiles Ltd.	201012	25/04/2011	-	-
7	Quasem Textile Mills Ltd.	200309-201009	30/04/2011	-	-
8	Quasem Silk Mills Ltd.	200309-201009	30/04/2011	-	-
9	Monno Fabrics Ltd.	201012	29/06/2011	-	-
Tannery Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	
1	Apex Adelchi Footwear Ltd.	201012	03/05/2011	40.00	-
2	Bata Shoe	201012	23/06/2011	105.00 (final)	-
Miscellaneous Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.
1	Berger Paints	201012	09/05/2011	180.00	-
2	Aramit Ltd.	201012	25/06/2011	40.00	-
3	GQ Ballpen	201012	28/06/2011	-	20%B
4	Beximco Ltd.	201012	30/06/2011	-	50%B
Corporate Bond Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.
1	IBBLPBOND	201012	18/05/2011	12.35	-
Services and Real Estate Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.
1	Summit Alliance Port Ltd.	201012	25/05/2011	20.00	25%B
2	Ocean Containers Ltd.	201012	25/05/2011	-	25%B
Cement Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.

1	Heidelberge Cement	201012	13/06/2011	43.00	-
2	Confidence Cement	201012	20/06/2011	25.00	15%B
3	Meghna Cement	201012	22/06/2011	25.00	-
4	Aramit Cement	201012	25/06/2011	-	10%B
5	Lafarge Surma Cement Ltd.	201012	29/06/2011	Nil	-
6	Padma Cement Ltd.	201009	02/04/2011	-	-
IT Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.
1	Information Services Network	201012	28/06/2011	-	10%B
2	Intech Online	201012	30/06/2011	-	10%B
Paper and Printing Sector					
Sl.No.	Name	Year End	Date of AGM	% of Dividend	Sl.No.
1	Paper Processing & Packaging Ltd.	201012	28/06/2011	-	-

COMPLAINT AGAINST LISTED COMPANIES:

Nature of Complaint	No. of Companies	Under Process	Referred for Enforcement Action	Resolved
Non payment or delay in payment of dividend	8	1		7
Non payment of debenture installment	1	1		
Regarding transfer of shares	5	1		4
Non receipt of letter of rights share offering	53	4		49
Non receipt of annual report				
Refund warrant	5			5
Non demat of shares	1			1
Miscellaneous	15	3		12
Total	88	10		78

LAW

Total 366 cases filed by or against SEC are pending in different courts. Name of the courts are given below along with number of pending cases with each:

Sl. No.	Name of the Court	Number of Cases
01.	Supreme Court of Bangladesh	Appellate Division High Court Division
		06 134
02.	District Judge Court, Dhaka.	01
03.	Special Judge Court and Paribesh Appeal	01

	Adalat	
04.	Metropolitan Sessions Judge Court, Dhaka.	06
05.	1 st Asst. Metropolitan Session Judge Court, Dhaka	01
06.	4 th Joint District judge Court, Dhaka	01
07.	5 th Joint Dist. Judge Court, Dhaka.	09
08.	4 th Asst. Judge Court, Dhaka.	01
09.	9 th Assistant Judge (Savar) court, Dhaka	01
10.	Chief Metropolitan Magistrate Court, Dhaka.	09
11.	General Certificate Court, Dhaka.	196
Total Cases :		366

1. Out of total 15 share scam cases of 1996, 1 case is now pending before the Appellate Division, 10 cases before the High Court Division of Bangladesh Supreme Court and rest 4 cases are pending before the Metropolitan Session Judge Court, Dhaka.
2. 04 (four) certificate cases were filed against the directors of 04 companies in order to recover the penalty imposed by the Commission for violation of securities laws during the period April- June, 2011 under Public Demands Recovery Act, 1913.

Management Information System (MIS)

MIS Department is responsible to assist different departments of SEC through development of automation in their activities, development of capital market monitoring system based on computerized data analysis, and informing all about securities laws and other related matters through website.

At present all officers of SEC use computers in their daily activities. All computers are connected through local area network (LAN). Different modules of integrated Securities and Exchange Commission Automated System (SECAS) have been developed at SEC for use of its different departments. Officers of SEC can use broadband internet connection from their workstation through connected LAN. SEC's website (www.secbd.org) is enriched with various information like securities laws, IPO prospectus, eligible securities, depository participants, enforcement actions, reports etc, which are updated regularly and many users visit the website. MIS department works on development, modification and maintenance of the mentioned systems.

During April – June 2011, Important Web Uploads and Website Visits:

Works	Number
IPO Prospectus/ Right offer document Upload	2 Prospectus/1Right Offer
Enforcement Actions Upload	43
Other Order/Notification/Directive etc Upload	2
Quarterly Report Upload	-

Annual Report Upload	1
Proposed Draft Rule Upload for Comments	4
No. of Website Visitors(As Per Web Counter)	34000 (approx)

]Supervision and Regulation of Intermediaries (SRI)

The functions of SRI Department are supervising and regulating the activities of stock-dealers/stock brokers, depository participants, security custodian banks, merchant bankers, security lenders and borrowers and other market intermediaries. This department conducts the regular inspection of stock brokers/dealers, DP's and Merchant Banks on monthly basis and also conducts special inspection as and when required. The SRI department also deals with the complaints lodged by the general investors and other stakeholders. During, April-June 2011, the following activities were performed by this department.

Complaints against Stock Broker/Stock Dealer/Depository participant:

Nature of Complaints	No. of Complaints Received	Under Process	Referred to Enforcement Dept. for Action	Referred to DSE/CSE for Negotiation	Resolved
Lost of shares	1			1	
Unauthorized debit of share	6			4	2
Non-transfer of share	1			1	
Non-payment of sales proceeds	1			1	
Financial loss due to Unauthor-ized debit of share					
Financial loss due to non-transfer of share					
Delay in settlement					
Non-receipt of share					
Corruptions of Broker/Dealer					
Others	4			3	1
Total	13			10	3

Regular Inspection of Stock Broker/Stock Dealer/Depository Participants:

Sl. No.	Nature of Inspection	Broker/Dealer/DP under Inspection	Inspection conducted by	Date of commencement	Comments/ Status
1.	Monthly regular Inspection for the Month of April, 2011	Inter Continental Securities Ltd. (CSE Member No. 94)	1. Mr. Md. Monsur Rahman, Deputy Director 2. Mr. Md. Ohidul Islam, Assistant Director	April 27 & 28, 2011	Matter has been disposed off.
2.	Monthly regular Inspection for the Month of April, 2011	Aloco Securities Ltd. (DSE Member No. 139)	1. Mr. Mohammad Rakibur Rahman, Assistant Director 2. Mr. Md. Yusuf Bhuiyan, Assistant Director	April 17 to 18, 2011	Matter referred to Enforcement Department for necessary action.
3.	Monthly regular Inspection for the Month of April, 2011	Imtiyaz Husain Securities Ltd. (DSE Member No. 50)	1. Mr. Abu Rayhan Mohammad Mutasim Billah, Deputy Director 2. Mr. Syed Golam Mowla, Assistant Director	April 10 to 11, 2011	Matter referred to Enforcement Department for necessary action.
4.	Monthly regular Inspection for the Month of April, 2011	Island Securities Ltd. (CSE Member No. 5)	1. Mr. Mohammad Jahangir Alam, Deputy Director 2. Mr. Prodip Kumar Basak, Deputy Director	April 17 to 21, 2011	Matter referred to Enforcement Department for necessary action.
5.	Monthly regular Inspection for the Month of May, 2011	Far East Shares & Securities Ltd. (CSE Member No. 123)	1. Mr. Md. Ohidul Islam, Assistant Director	May 18 & 19, 2011	Matter has been disposed off.

			2. Mr. Syed Golam Mowla, Assistant Director		
6.	Monthly regular Inspection for the Month of May, 2011	Century Securities Ltd. (CSE Member No. 79)	1. Mr. Abu Rayhan Mohammad Mutasim Billah, Deputy Director 2. Mr. Yusuf Bhuiyan, Assistant Director	May 15 & 16, 2011	Matter has been disposed off.
7.	Monthly regular Inspection for the Month of May, 2011	Shah Mohammad Sagir & Co. Ltd. (DSE Member No. 171)	1. Mr. Md. Fakhrul Islam Mazumder, Deputy Director 2. Mr. A.S.M. Mahmudul Hasan, Deputy Director	May 22 to 25, 2011	Matter has been disposed off.

Sl. No.	Nature of Inspection	Broker/Dealer/DP under Inspection	Inspection conducted by	Date of commencement	Comments/ Status
8.	Monthly regular Inspection for the Month of May, 2011	Nur-E-Alam Siddique & Company Ltd. (DSE Member No. 182)	1. Mr. Md. Iqbal Hossain, Assistant Director 2. Mr. Md. Saiful Islam, Assistant Director	May 15 & 16, 2011	Matter referred to Enforcement Department for necessary action.
9.	Monthly regular Inspection for the Month of June, 2011	Tamha Securities Limited (DSE Member No. 81)	1. Mr. Muhammad Ziaur Rahman, Deputy Director 2. Mr. Syed Golam Mowla, Assistant Director	June 12 & 13, 2011	Under Process.
10.	Monthly regular Inspection for the Month	Dhanmondi Securities Ltd. (DSE	1. Mr. Md. Abul Kalam, Director	June 14 to 16, 2011	Under Process.

	of June, 2011	Member No. 98)	2. Mrs. Anu Dey, Assistant Director		
11.	Monthly regular Inspection for the Month of June, 2011	PHP Stocks & Securities Ltd. (CSE Member No. 31)	1. Mr. Mohammad Jahangir Alam, Director 2. Mr. Md. Iqbal Hossain, Assistant Director	June 15 & 16, 2011	Under Process.
12.	Monthly regular Inspection for the Month of June, 2011	IDLC Securities Ltd. (CSE Member No. 119)	1. Md. Md. Ohidul Islam, Assistant Director 2. Mr. Md. Yusuf Bhuiyan, Assistant Director	June 26 to 30, 2011	Under Process.

Special Inspection of Stock Broker/Stock Dealer/Depository Participants:

Sl. No.	Nature of Inspection	Exchange/Broker /Dealer /DP under Inspection	Inspection conducted by	Date of commencement	Comments/ Status
1.	Monthly regular Inspection for the Month of May, 2011	Surma Securities Holding Co. Ltd. (DSE Member No. 111)	1. Mr. Kamrul Anam Khan, Director 2. Mr. Md. Abul Kalam, Director	Start from May 10, 2011	Under Process.

Merchant Bank inspections:

Sl. No.	Nature of Inspection	Merchant Bank	Inspection conducted by	Date of commencement	Comments/ Status
1.	Monthly regular Inspection for the Month of April, 2011	Prime Finance Capital Management Ltd.	1. Mr. Mohammed Shafiu Azam, Director 2. Mr. Md. Abul Kalam, Deputy Director	April 24 to 27, 2011	Matter referred to Enforcement Department for necessary action.

2.	Monthly regular Inspection for the Month of May, 2011	Trust Bank Investment Ltd.	1. Mr. Mohammad Jahangir Alam, Director 2. Mr. Mohammad Rakibur Rahman, Assistant Director	May 22 to 26, 2011	Matter referred to Enforcement Department for necessary action.
3.	Monthly regular Inspection for the Month of June, 2011	LankaBangla Investment Ltd.	1. Mr. Md. Fakhrul Islam Mazumder, Deputy Director 2. Mr. Md. Ohidul Islam, Assistant Director	June 15 & 16, 2011	Under Process.

RESEARCH AND DEVELOPMENT (R&D)

Research and Development Department of the Commission conducts investors' education program for the general investors, impart capital market related seminar for various government and non-government organizations, prepares and publishes Commission's various publications regularly, furnishes various reports and information to the government and other institutions including Ministry of Finance and different regulatory authorities, and makes paper clipping from most of the daily newspapers (20 dailies) and circulate it to the Commission and executives. The department also deals the training program of the authorized representatives jointly with the stock exchanges.

During April - June 2011 Research and Development Department has carried out regular activities as mentioned in the table below:

S/N	Name of Work	Quantity
1	<ul style="list-style-type: none"> • Training Program for General Investors • (Two-days program) 	<ul style="list-style-type: none"> • 6(six) programs • 260 participants
2	<ul style="list-style-type: none"> • Training for Authorized Representatives • (Two-days program) 	<ul style="list-style-type: none"> • DSE- 10 programs • 600 participants • CSE- 4 programs • 240 participants • Total-16 programs • Total- 840 participants

• 4	• Quarterly Report	• 1
• 5	• Parikrama	• 1
• 6	• Monthly Work Plan to MOF	• 3
• 7	• Monthly Progress Report to MOF	• 3
• 8	• Quarterly Manpower Report to MOF	• 1 Quarterly

Capital Market Regulatory Reforms and Compliance (CMRRC):

During April-June, 2011 the following directives/amenmends/order/notifications related to capital market have been issued:

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1	Repeal of the Directive No. SEC/CMRRCD/2009-193/100 dated February 10, 2011	Directive	SEC/CMRRCD/2009-193/102 dated April 10, 2011
2	Conditions for unlisted security under section 2CC of the Securities and Exchange Ordinance, 1969	Notification	SEC/CMRRCD/2009-193/103/Admin/03-52 Dated: May 08, 2011

CAPITAL MARKET NEWS

Securities and Exchange Commission (SEC)

Securities and Exchange Commission, the capital market regulator, was established in June 1993 through enactment of the Securities and Exchange Commission Act, 1993. The missions of the Commission are:

- Protecting the interest of investors in securities;
- Developing the capital and securities markets; and
- Framing of securities rules concerning above.

Major Events & Developments

During January- March, 2011 major activities of the Securities and Exchange Commission (SEC) are furnished below:

Directive on disclosing the quarterly financial statements in the web site:

On March 10, 2011 the Commission issued a directive to the Chittagong Stock Exchange Ltd and the listed companies, the following, namely; the stock exchanges should monitor and ensure the posting of the said detailed quarterly financial statements in the website of the respective listed companies in compliance with the Directive No. SEC/CMRRCD/2009-193/09/Admin/21 dated January 17, 2010. It's also mentioned that both the stock exchanges should simultaneously post the aforesaid detailed quarterly

Financial statements in their respective website through installation of web link and both the stock exchanges should submit the compliance report to the Commission on quarterly basis about publication of the above. It's also directed that the issuer companies should cooperate with the stock exchanges in that regard.

Imposing restriction on Merchant bankers regarding margin loan facilities:

The Commission issued a directive on November 21, 2010 imposing restriction that the Merchant bankers should not provide margin loan facilities to their individual clients during the first 15 fifteen trading days of opening the clients' account and depositing clients' own fund into such account for trading purpose until further order.

Issuing directive on providing credit facilities by the bourses:

On December 19, 2010 the Commission issued directive to the bourses that the members of the stock exchanges might extend credit facilities to their approved clients up to 2 two times of clients margin/clients deposit i.e. credit facilities should be on 1:2 basis under the Margin Rules, 1999 until further order.

Investors' Education Program:

SEC conducts investors' education program twice a month throughout the year at SEC premise to create awareness among the general investors about capital market. During January-March, 2011 six Invertors' awareness programs were organized by SEC, where a total of 260 investors participated in the said programs. Senior SEC officials made presentations on different topics related to capital market in the programs and responded to the queries of the participants. In order to enhance the participation of women investors in capital market, SEC has introduced separate investors' education program for women only.

Training program for Authorized Representatives:

In order to educate and train market participants, the Commission, in association with Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd., arranged training for authorized representatives of the members of Dhaka Stock Exchange Ltd on 10-11,12-13,17-18 January, 2011, 13-14, 20-21, February, 01-02 March, 2011, 6-7,16-17, 20-21,27-28 March, 2011 at DSE and for authorized representatives of the members of Chittagong Stock Exchange Ltd on 7-8, 24-25 January, 11-12, March, 13-14 March, 2011 at CSE Dhaka Office where a total of 900 authorized representatives attended. Senior officials of SEC, DSE and CSE conducted aforesaid programs highlighting securities laws, particularly issuance, trading and settlement of securities transaction, securities analysis and portfolio management etc.

Market Presentation - I

April 2011

Name of Indicators	Dhaka Stock Exchange			Chittagong Stock Exchange		
	28-Apr	Month High	Month Low	28-Apr	Month High	Month Low
General Index	6,050.8457	6,556.5198	5,806.3084	10,913.9139	11,804.2397	10,499.4082
Selective Index	3,826.2159	4,071.9384	3,710.5611	14,352.3294	15,409.0308	13,761.3195
All Share Price Index	5,032.9515	5,438.8371	4,830.4183	16,941.1535	18,271.3723	14,240.0533
Turnover (Tk)	6,664,588,198	12,898,012,958	4,466,593,764	730,506,636	1,238,226,692	629,050,344
Volume (No of Share)	63,298,957	107,620,231	47,286,991	9,577,073	18,859,017	7,860,329
Market Cap Tk. (Bill)	2,772.19	2,920.34	2,653.83	2,194.48	2,359.73	2,112.84
No of Trade	151,627	238,268	109,547	25,488	38,770	22,654

Monthly Performance - May 2011

Name of Indicators	Dhaka Stock Exchange			Chittagong Stock Exchange		
	31-May	Month High	Month Low	31-May	Month High	Month Low
General Index	5,758.2643	5,991.3809	5,292.5368	10,311.3715	10,759.7620	9,517.0206
Selective Index	3,795.8623	3,849.4685	3,525.9752	13,913.0911	14,358.9336	12,804.2477
All Share Price Index	4,798.3676	4,983.4836	4,409.5707	16,028.1582	16,713.2050	14,794.3543
Turnover (Tk)	7,307,508,168	7,307,508,168	2,964,873,321	1,062,036,062	1,062,036,062	405,993,959
Volume (No of Share)	86,258,559	86,258,559	35,149,492	17,922,131	17,922,131	6,616,196
Market Cap Tk. (Bill)	2,688.10	2,748.25	2,513.35	2,100.50	2,164.95	1,939.08
No of Trade	188,576	188,576	88,217	38,406	38,406	18,078

Monthly Performance - June 2011

Name of Indicators	Dhaka Stock Exchange			Chittagong Stock Exchange		
	30-Jun	Month High	Month Low	31-May	Month High	Month Low
General Index	6,117.2340	6,117.2340	5,668.6849	10,974.1177	10,974.1177	10,155.9865
Selective Index	4,069.1046	4,069.1046	3,715.1021	15,360.8233	15,360.8233	13,784.5559

All Share Price Index	5,093.1887	5,093.1887	4,720.2830	17,059.5302	17,059.5302	15,789.2339
Turnover (Tk)	9,548,435,162	9,548,435,162	3,419,856,099	1,131,743,365	1,238,699,295	555,442,799
Volume (No of Share)	95,849,733	103,583,583	42,196,527	12,898,049	19,258,633	8,471,423
Market Cap Tk. (Bill)	2,853.89	2,853.89	2,643.26	2,259.78	2,259.78	2,068.91
No of Trade	207,052	216,352	95,253	35,327	44,065	22,163

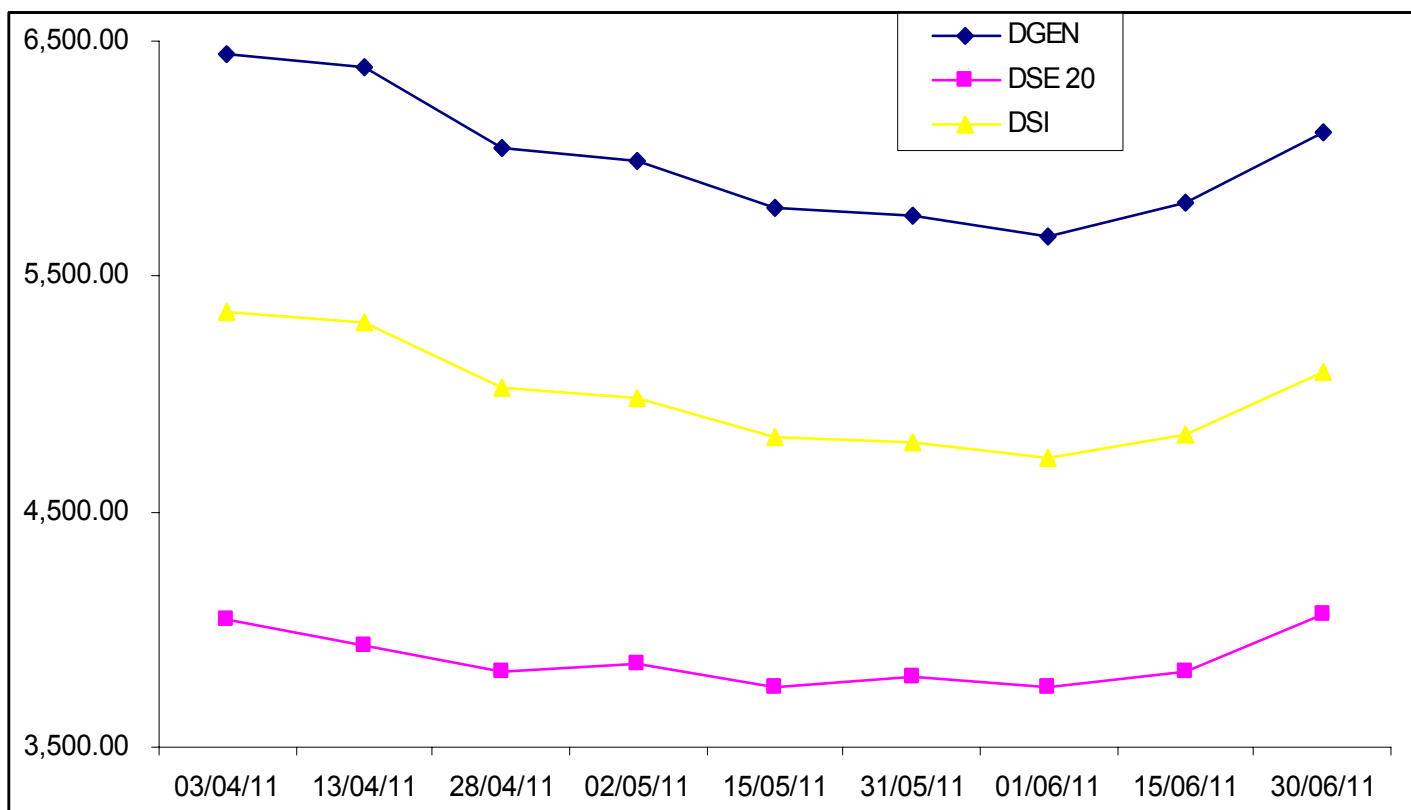
Market *Presentation* - II

Particulars	Dhaka Stock Exchange		
	April' 11	May' 11	June' 11
Average General Index	6,272.8032	5,644.1644	5,845.0865
Average Selective Index	3,909.5392	3,698.6656	3,846.4697
Average All Share Price Index	5,210.4660	4,698.3142	4,862.8292
Average Value (Tk)	8,223,915,133	4,407,916,603	6,120,476,395
Average Volume (No of Share)	72,416,180	49,560,203	69,105,923
Average Market Cap Tk. (Bill)	2,825.70	2,631.31	2,714.96
Average No. of Trades	166,768	118,043	154,705
Total Trading Day	19	21	22

Particulars	Chittagong Stock Exchange		
	April' 11	May' 11	June' 11
Average General Index	11,315.9565	10,144.9782	10,458.3103
Average Selective Index	14,717.7734	13,611.9982	14,567.1080
Average All Share Price Index	17,387.8118	15,758.3776	16,242.7150
Average Value (Tk)	889,819,891	622,140,951	835,758,931
Average Volume (No of Share)	11,416,071	9,156,684	12,248,711
Average Market Cap Tk. (Bill)	2,269.57	2,056.55	2,133.22
Average No. of Trades	28,556	24,520	31,194
Total Trading Day	19	21	22

Index Movement

Date	DGEN	DSE 20	DSI
03/04/11	6,447.01	4,047.31	5,348.58
13/04/11	6,386.36	3,931.05	5,303.13
28/04/11	6,050.85	3,826.22	5,032.95
02/05/11	5,991.38	3,849.47	4,983.48
15/05/11	5,788.15	3,756.68	4,812.38
31/05/11	5,758.26	3,795.86	4,798.37
01/06/11	5,668.68	3,753.01	4,723.67
15/06/11	5,812.82	3,818.48	4,832.59
30/06/11	6,117.23	4,069.10	5,093.19



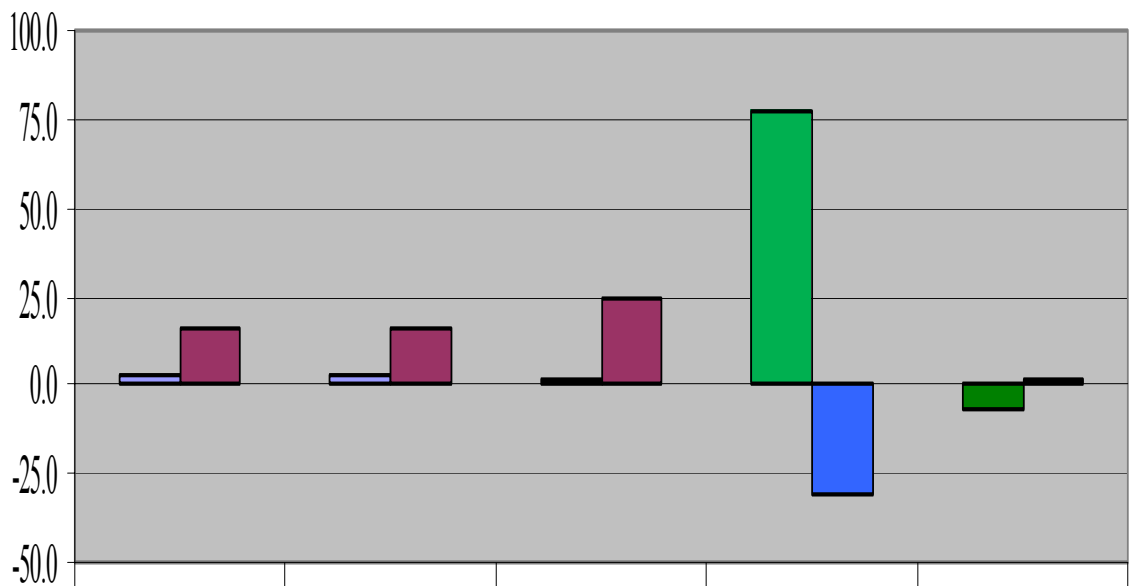
Sectoral Price Earnings Ratio

Sector	Jun-11	May-11	Apr-11	Dec-10	Dec-09	Dec-08	Dec-07	Dec-06	Dec-05
Bank	11.22	10.27	10.75	25.24	16.46	16.33	25.99	16.24	18.24
Financial Institutions	21.21	21.14	24.47	47.27	32.45	25.26	15.13	7.88	33.83
Mutual Funds	10.59	10.32	10.91	17.53	29.06	20.37	20.29	6.13	6.55
Engineering	34.19	34.75	40.93	50.10	36.50	30.24	28.57	17.34	14.14
Food & Allied	16.55	16.54	16.69	27.30	17.29	16.93	23.28	18.69	9.13
Fuel & Power	19.25	17.09	17.96	21.57	17.71	15.83	35.95	18.87	22.32
Jute	37.93	41.03	47.45	55.66	27.23	12.15	7.98	6.74	12.55
Textile	18.70	26.92	32.31	52.44	32.93	13.85	12.14	12.01	10.08
Pharmaceuticals	30.18	27.97	30.30	34.12	27.64	30.96	21.05	11.76	10.84
Paper & Printing	91.18	96.15	108.19	126.93	27.59	9.36	6.23	6.62	4.69
Service & Real estate	35.10	34.99	26.13	43.93	45.65	22.66	8.82	12.62	8.16
Cement	28.59	27.19	24.93	33.44	56.90	10.26	12.61	18.53	16.13
IT	47.45	51.24	54.94	64.91	60.71	46.52	15.25	11.12	10.46
Tannery	15.75	17.38	17.76	20.66	15.39	16.43	15.38	8.00	10.28
Ceramic	43.87	44.17	51.76	106.86	39.97	47.80	29.85	14.88	17.06
Insurance	26.53	33.32	42.11	64.64	31.39	21.81	15.59	10.24	20.87
Telecommunication	20.67	18.73	19.83	20.35	84.85				
Travel and Leisure	55.21	53.50	55.66	65.45					
Miscellaneous	8.50	12.46	18.07	19.54	28.85	34.43	14.43	11.05	7.83
Market P/E	16.55	16.30	19.34	29.16	25.65	18.42	23.58	14.51	13.85

Market indicator during – June 2011

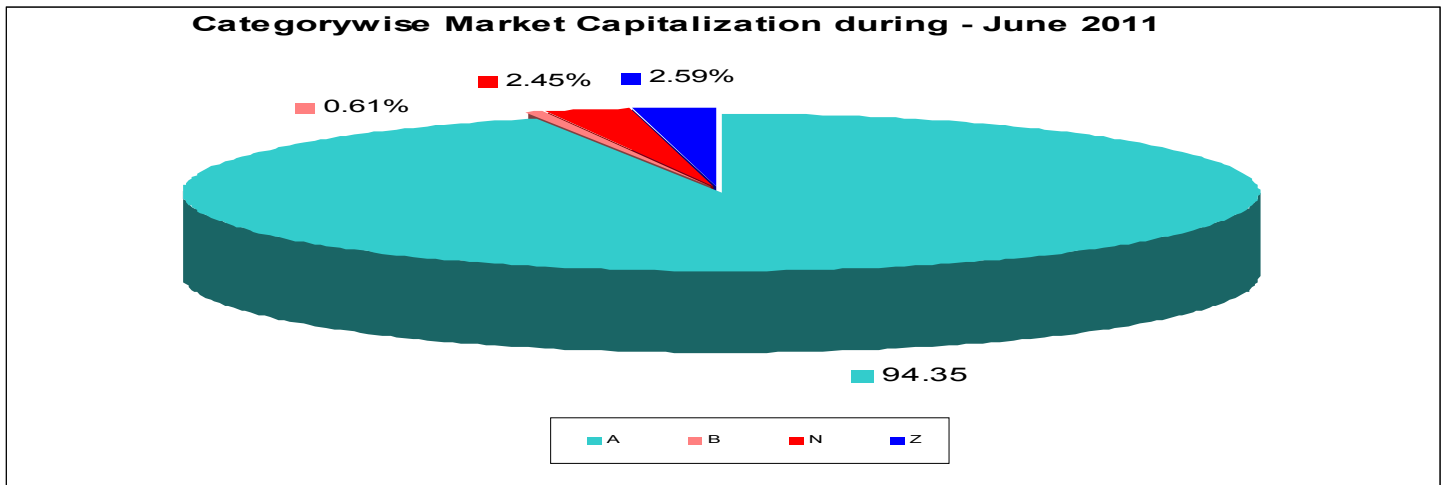
Particulars	Jun-11	May-11	Jun-10	Deviation (June 11 & 10)	Deviation (June & May 11)
Yield	3.02	3.24	1.70	77.42	(6.92)
Market P/E	16.55	16.30	24.08	(31.28)	1.52

Market Indicator and Deviation of mkt. P/E & Yield between Corresponding Month & Year



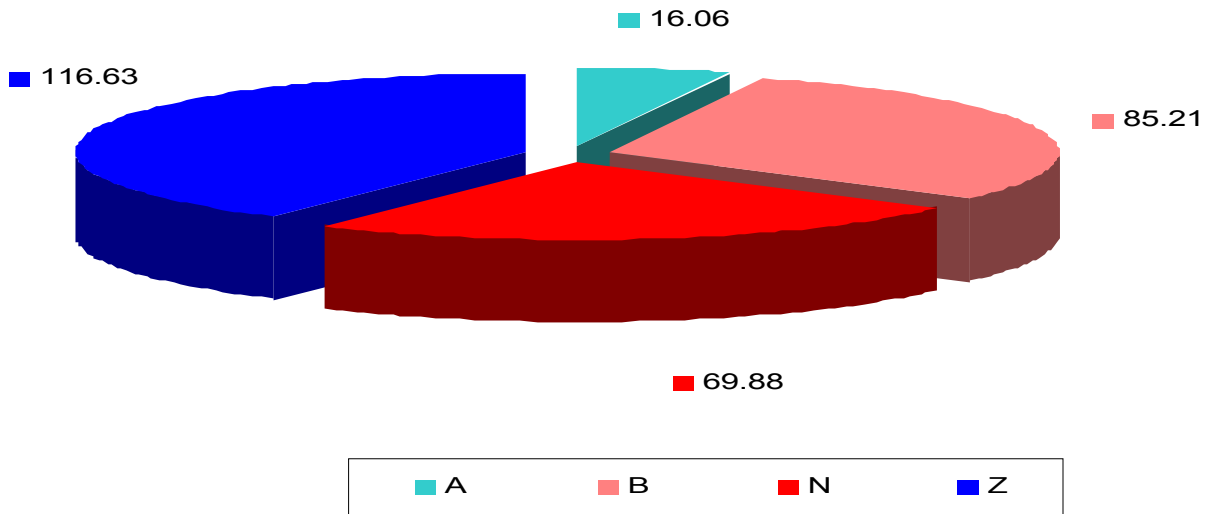
	2011 June	2011 May	2010 June	(%) Deviation (June 11 & 10)	(%) Deviation (June & May 11)
Yield	3.016066838	3.24018496	1.7	77.41569634	-6.916831126
Market P/E	16.54661005	16.29844354	24.08	-31.28484201	1.522639272

Category wise Market capitalization during - June 2011		
Category	%	Tk in Mn
A	94.35	2,195,474.30
B	0.61	14,262.10
N	2.45	57,068.46
Z	2.59	60,210.55



Category wise P/E during - June 2011	
Category	P/E
A	16.06
B	85.21
N	69.88
Z	116.63

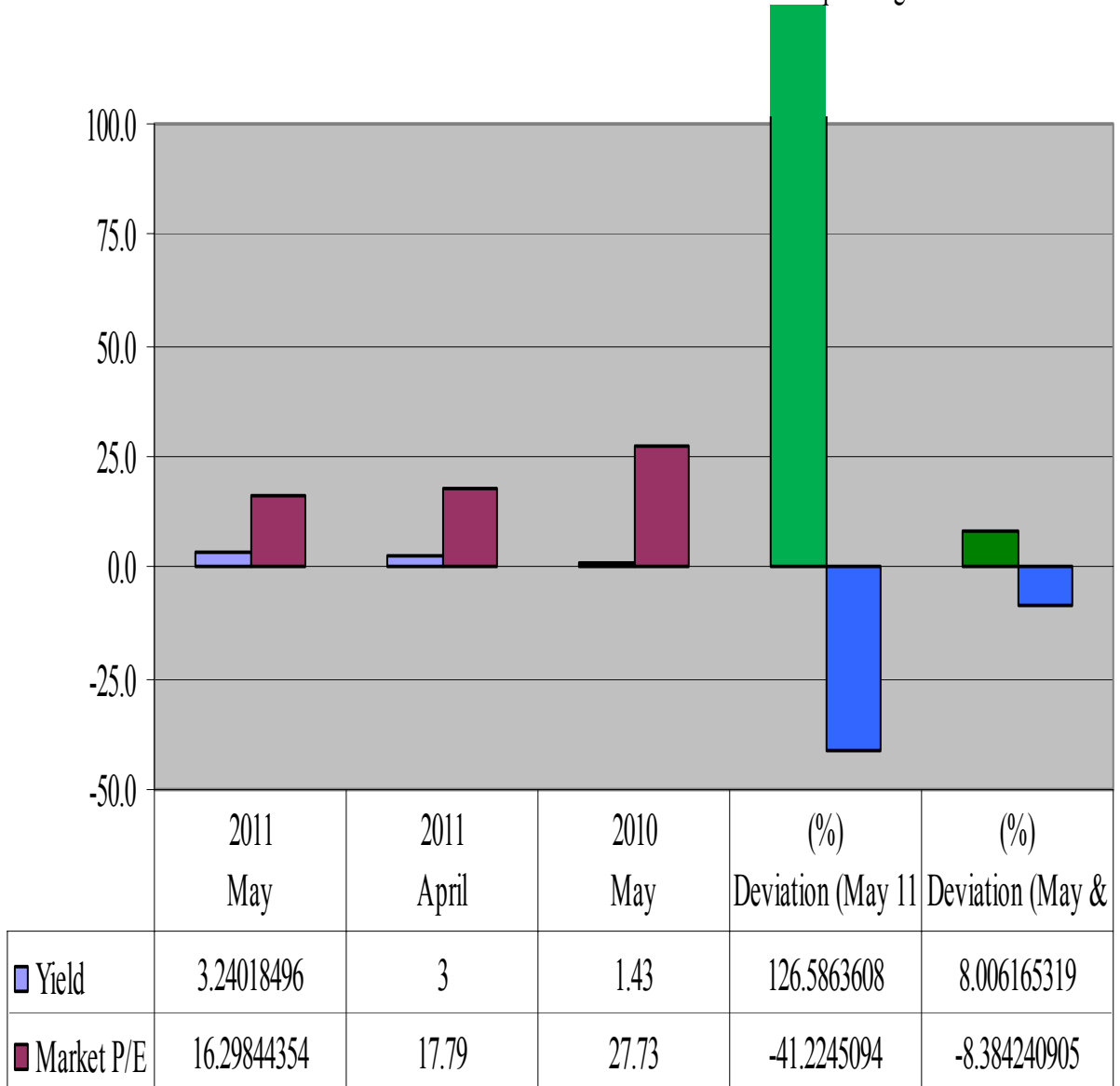
Categorywise P/E during - June 2011



Market indicator during - May 2011

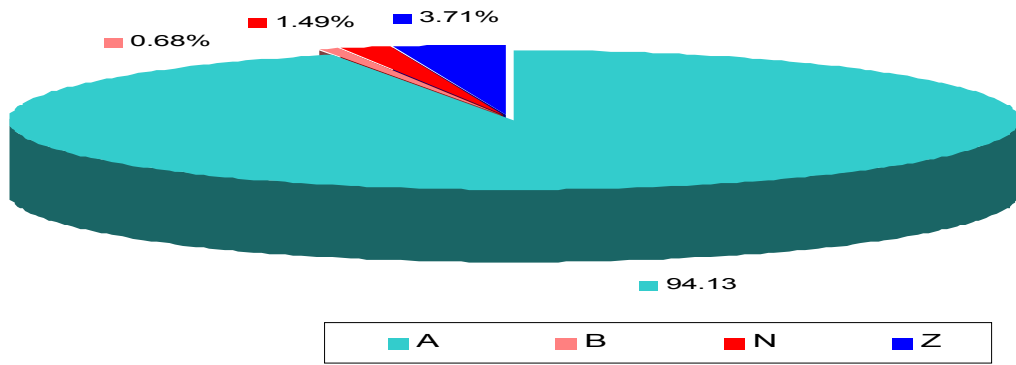
Particulars	May-11	Apr-11	May-10	Deviation (May 11 & 10)	Deviation (May & April 11)
				(%)	(%)
Yield	3.24	3.00	1.43	126.59	8.01
Market P/E	16.30	17.79	27.73	(41.22)	(8.38)

Market Indicator and Deviation of mkt. P/E & Yield between Corresponding Month & Year



Category wise Market capitalization during - May 2011		
Category	%	Tk in Mn
A	94.13	1,983,250.98
B	0.68	14,246.02
N	1.49	31,293.15
Z	3.71	78,233.29

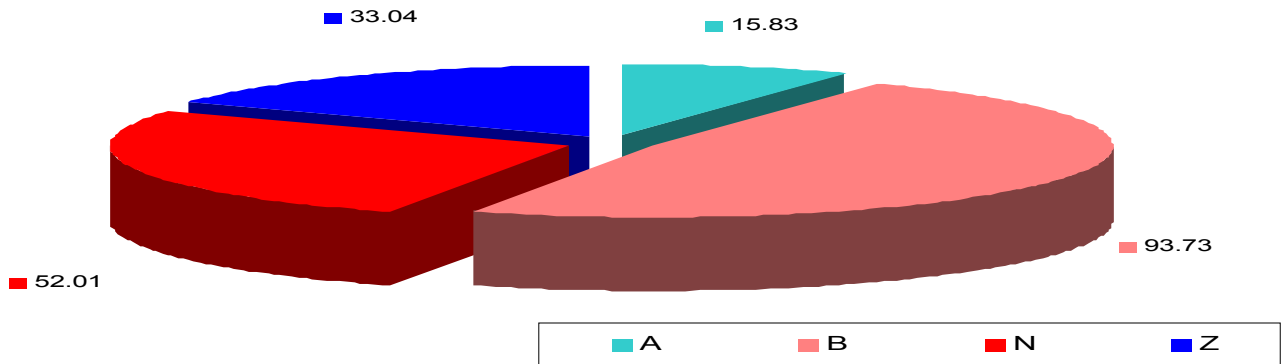
Categorywise Market Capitalization during - May 2011



Category wise P/E during - May 2011

Category	P/E
A	15.83
B	93.73
N	52.01
Z	33.04

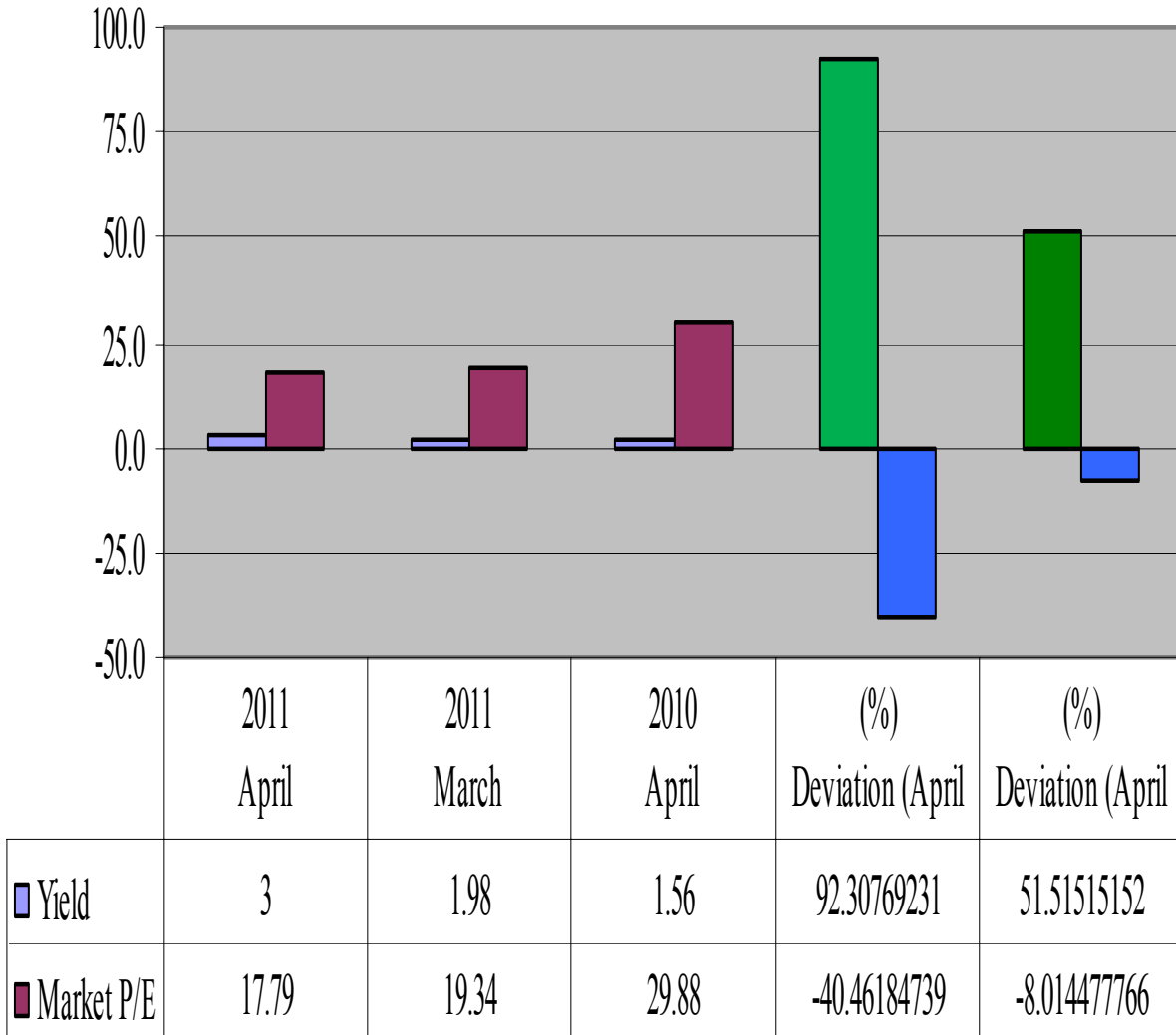
Categorywise P/E during - May 2011



Market indicator during - April 2011

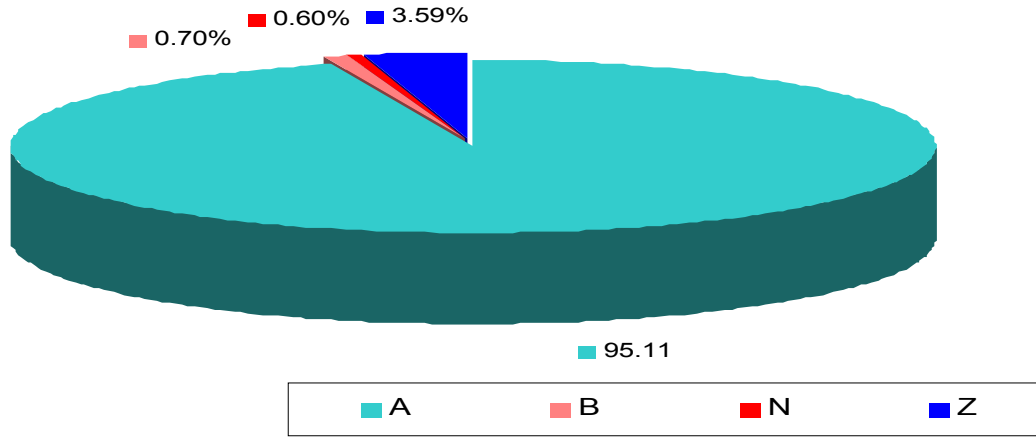
Particulars	Apr-11	Mar-11	Apr-10	Deviation (April 11 & 10) %	Deviation (April & Mar 11) %
Yield	3.00	1.98	1.56	92.31	51.52
Market P/E	17.79	19.34	29.88	(40.46)	(8.01)

Market Indicator and Deviation of mkt. P/E & Yield between Corresponding Month & Year



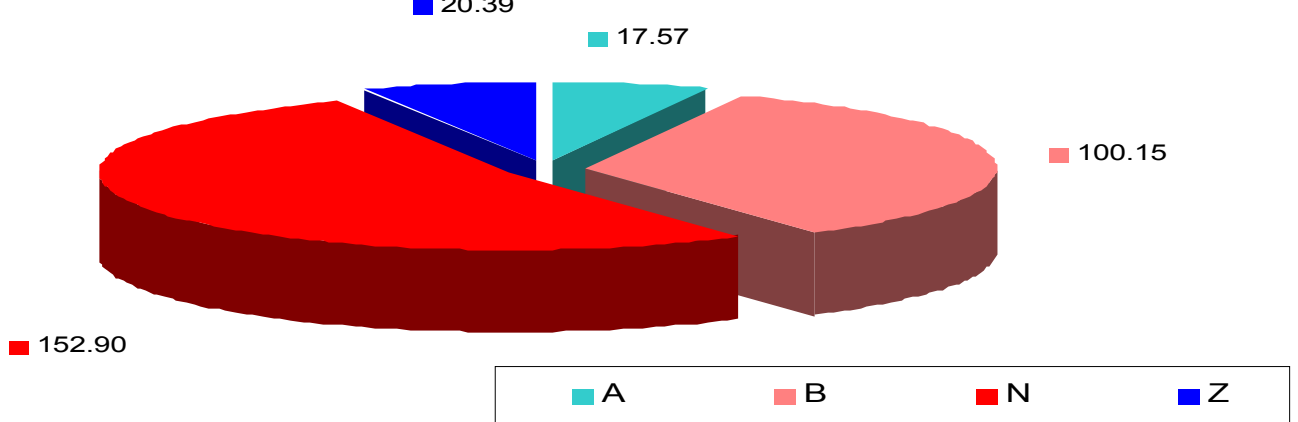
Category wise Market capitalization during - April 2011		
Category	%	Tk in Mn
A	95.11	2,070,425.82
B	0.70	15,221.77
N	0.60	13,066.51
Z	3.59	78,213.36

Categorywise Market Capitalization during - April 2011



Category wise P/E during - April 2011	
Category	P/E
A	17.57
B	100.15
N	152.90
Z	20.39

Categorywise P/E during - April 2011



Regional Markets - June 2011

Country	Index	PE	Yield
Bangladesh**	DSE - 20 Index	13.67	3.60
	DSE General Index	16.48	3.04
	All Share Price Index	16.55	3.02
India*			

BSE 30

		19.59	1.14
	BSE 100	19.88	0.97
Pakistan	Karachi 100	8.00	
Sri Lanka	CSE All Share Index	22.86	1.44
Thailand	SET	14.00	2.90
Malaysia	KLSE Composite	17.00	2.70
Taiwan	Taiwan Weighted	15.00	3.10
Japan*	Nikkei 225	25.00	
Hong Kong	Hang Seng	18.00	2.60
China	Composite	13.00	2.30
Singapore	Straits Times	14.00	2.90

Source: The Wall Street Journal (June 27, 2011)

Trading Economics(Global Economics Research)

***As on May 2011.**

**** Weighted Average Interest Rate As of March, 2011**

Regional Markets - May 2011

Country	Index	PE	Yield
Bangladesh**	DSE - 20 Index	12.66	3.81
	DSE General Index	16.07	3.27
	All Share Price Index	16.30	3.24
India*	BSE 30	21.05	1.07
	BSE 100	20.93	0.95
Pakistan	Karachi 100	8.00	
Sri Lanka	CSE All Share Index	26.46	1.27
Thailand	SET	14.00	2.80
Malaysia	KLSE Composite	17.00	2.70
Taiwan	Taiwan Weighted	14.00	3.10
Japan*	Nikkei 225	25.00	
Hong Kong	Hang Seng	18.00	2.60
China	Composite	13.00	2.20

Singapore	Straits Times	14.00	2.90
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Source: The Wall Street Journal (May 27-29, 2011)

Trading Economics(Global Economics Research)

***As on April 2011.**

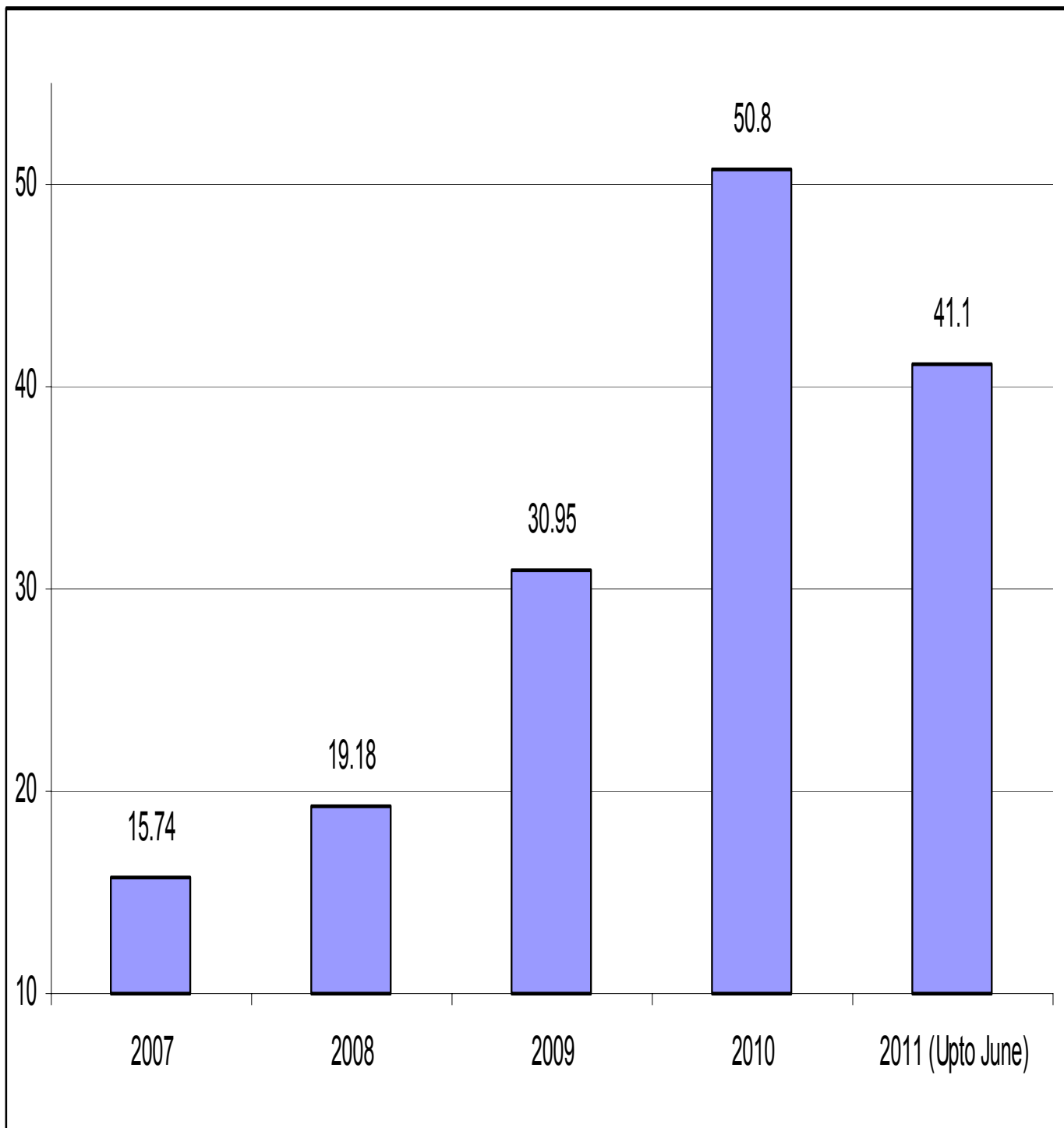
**** Weighted Average Interest Rate As on February, 2011**

Regional Markets - April 2011

Country	Index	PE	Yield
Bangladesh**	DSE - 20 Index	13.23	3.46
	DSE General Index	17.73	3.03
	All Share Price Index	17.79	3.00
India*	BSE 30	20.04	1.13
	BSE 100	19.74	1.02
Pakistan	Karachi 100	8.00	
Sri Lanka	CSE All Share Index	26.23	1.28
Thailand	SET	14.00	2.80
Malaysia	KLSE Composite	18.00	2.60
Taiwan	Taiwan Weighted	15.00	3.20
Japan*	Nikkei 225	25.00	
Hong Kong	Hang Seng	20.00	2.60
China	Composite	14.00	2.20
Singapore	Straits Times	14.00	2.90

% Of Market Cap. To GDP

Year	2007	2008	2009	2010	2011 (Up to June)
Market Cap. To GDP	15.74	19.18	30.95	50.8	41.1



MARKET PERFORMANCE

Dhaka Stock Exchange:

At the end of April - June, 2011 period, total issued capital of all listed securities including Treasury bond with the Dhaka Stock Exchange Ltd was Tk. 806,839.05 million, compared to Tk. 216, 487.00 million as on 31st December 2010 registering an increase of 73.16%. The market

capitalization of all listed securities of Dhaka Stock Exchange Ltd stood at Tk. 2,818,501.45 million on 30 June 2011 which was Tk. 3,472,502.00 million on 31st December 2010. The total turnover in Dhaka Stock Exchange was 3931 million securities amounting to Tk. 383,501.10 million during April - June, 2011.

Chittagong Stock Exchange:

At the end of April - June, 2011 period, total issued capital of all listed securities with the Chittagong Stock Exchange Ltd was Tk. 302,917.35 million, compared to Tk. 210,391.84 million as on 31st December 2010 registering an increase of 14.74 %. The market capitalization of all listed securities of Chittagong Stock Exchange Ltd stood at Tk. 2,237,585.03 million during the quarter ended on 30 June 2011, which was Tk. 2,983,934.47 million during the quarter ended on 31st December 2010. The total turnover in Chittagong Stock Exchange was 678.60 million securities amounting to Tk. 48,358.23 million during April - June, 2011

Dhaka Stock Exchange Ltd (DSE)

Training Programme on Internal Audit, Risk Management and Control held by the DSE:

DSE Training Academy organized a two day long training program on Internal Audit, Risk Management and Control on 06 and 13 February, 2011. The DSE also conducted a 3 day long Training Program on Merger and Acquisition at its Premises where DSE director Ahmed Iqbal Hasan had presented Certificate among the participants.

Chittagong Stock Exchange Ltd (CSE)

CSE organized Comprehensive Training Program on Stock Market:

The Chittagong Stock Exchange Limited conducted a month long Comprehensive Training Session related to Stock Market on February 07, 2011 at its Conference Hall, Chittagong while CSE Vice President Mr. Tareq kamal inaugurated the program. Mr. Tareq kamal urged that the investors should be more caution in investing Stocks. He also added that we should focus on long term investment in Capital Market rather than expecting short term profit from investment. Prof. Dr. M. A.Mamun, the CEO of the bourse, spoke in his speech that we had shortage of skilled human resources in Capital Market but the size of Capital Market was expanding rapidly. Mr. Mamun further said that the CSE was working with its utmost effort to provide talented and resourceful personnel in Capital Market so that the gap could be minimized. Senior Officials of the Stock Exchange Ltd also attended the Program.

BICM and CSE jointly conducted Training Session :

On February 13, 2011 Bangladesh Institute of Capital Market BICM in association with CSE, had organized Training Program for the compliance officers of CSE at CSE Conference Hall, Chittagong. About 45 participants from different Member's organizations attended the program.

Mr. Abdul Hannan Zoarder, Executive President of BICM was present in the programe. Mr. Abdul Hannan Zoarder added that BICM was established to provide training to develop human resources for the Capital Market. He also added that there was shortage of skilled personnel in the capital market and BICM would offer short term as well as long term training for the interested people working in the Capital Market. Mr. Nasir Uddin Ahmed, former President of CSE, was present as the Chief guest and handed over certificates among the participants in concluding session of the training programe on February 24, 2011. Prof Dr. Mohammad Abdullah Mamun, the CEO of the bourse, also delivered speech in the programe. A number of Prominent speakers namely , Mr. Mohammad Abdul hannan Zoarder, Executive President of BICM, Mr. ATM Tariquzzaman, Executive Director, SEC ; Mr. Farhad Ahmed , Executive Director, SEC and Senior Officials of the CSE also attended in the program.

Others:

ISC team made a courtesy call with the CSE:

On March 24, 2011 a team from the International Securities Consultancy ISC led by its team leader Ms. Estella Tang, Skills Development and Training Consultant of ISC called on Prof. Dr. Muhammad Abdullh Mamun, CEO of the bourse. Mr. Walliu I Maroof Matin former CEO of the CSE and senior officials of the CSE and ISC were also present in the program.

DSE & CSE SCENERIO:

Capital Market:

As of 30th June, 2011 the total issued capital of all listed securities including treasury bonds of Dhaka Stock Exchange was Tk. 806,839.05 million (US\$ 10,911.88 million) which was Tk. 216,487.00 million (US\$ 3,065.00 million) on 31st December, 2010. In Chittagong Stock Exchange the total issued capital on 30th June, 2011 was Tk 302,917.35 million (US\$ 4,327.39 million) which was Tk. 664,360.00 million (US\$ 9,406.20 million) on 31st December, 2010.

Stock Market Operation:

During April - June, 2011 the total turnover in Dhaka Stock Exchange was 3931 million securities while the total amount traded on Dhaka Stock Exchange during the same period was Tk. 383,501.10 million

In the same period, the total turnover in Chittagong Stock Exchange was 678.60 million securities while the total amount traded on Chittagong Stock Exchange during the same period was Tk. 48,358.23 million.

Market Capitalization:

Total market capitalization of all securities including treasury bonds listed on the Dhaka Stock Exchange was Tk. 2,818,501,45 million (US\$ 38,118.06 million) as on 30 June, 2011 compared to Tk. 3,472,502.00 million (US\$ 49,165.00 million) as on 31st December, 2010.

In the Chittagong Stock Exchange, total market capitalization of all listed securities was Tk. 2,237,585.03 million (US\$ 31,965.50 million) as on 30 June, 2011 compared to Tk. 2,983,934.47 million (US\$ 42,627.64 million) as on 31st December, 2010

Share Price Index:

DSE all share price index stood at 5,093.19 on 30 June, 2011 compared to 6877.66 on 31st December, 2010. The CSE all share price index stood at 17,059.5302 on 30 June, 2011 while it was 23,448.9884 on 31st December, 2010. The index bases are 100 and 1000 for DSE and CSE respectively.

(1 US\$ =Tk.73.94; For April - June, 2011 quarter).

Bangladesh Capital Market Summary As on 30 June, 2011

Indicators	Dhaka Stock Exchange	Chittagong Stock Exchange
No. of companies	232	200
No. of mutual funds	35	35
No. of debentures	8	3
No. of treasury bonds	212	-
No. of corporate bonds	3	-
<i>Total No. of Listed Securities</i>	490	238

Figures

in million

No. of shares of all listed companies	17,321	16,684.54
No. of certificates of all listed mutual funds	2,762	2,762.49
No. of debentures of all listed debentures	0.41	7.06
No. of all listed govt. T-bonds	5.00	-
No. of all listed corporate bonds	7.07	-
<i>Total No. of Tradable Securities</i>	20,096	19,454.09

Figures

in million

Issued capital of all companies	272,797.98	270,129.54
TK.	3,689.38	3,858.99
US\$		

Issued capital of all mutual funds TK.	25,719.13 347.83	25,719.13 367.42
US\$		
Issued debentures TK.	140.00 2.00	7,068.68 100.98
US\$		
Total issued capital TK.	806,839.05 10,911.88	302,917.35 4,327.39
US\$		

Figures in million

Total Market Capitalization TK.	2,818,501.45 38,118.06	2,237,585.03
US\$		31.965.50

All Share Price Index	5,093.19	17,059.53
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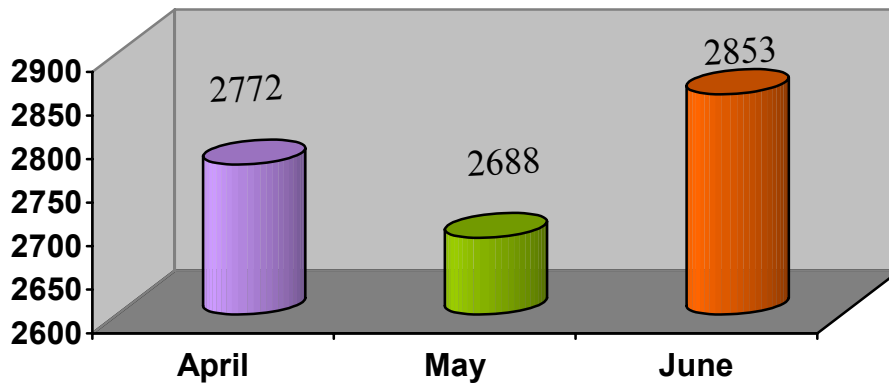
DSE OPERATIONAL STATISTICS

April - June, 2011

Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
April	5,032.95	2,772,190	19	1,376	72	156,284.38	8,225.49
May	4,798.37	2,688,099	21	1,035	49	92,566.24	4,407.92
June	5,093.19	2,853,892	22	1,519	69	134,650.48	6,120.48
Total			62	3,931	63	518,981.50	6,185.50

**Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.*

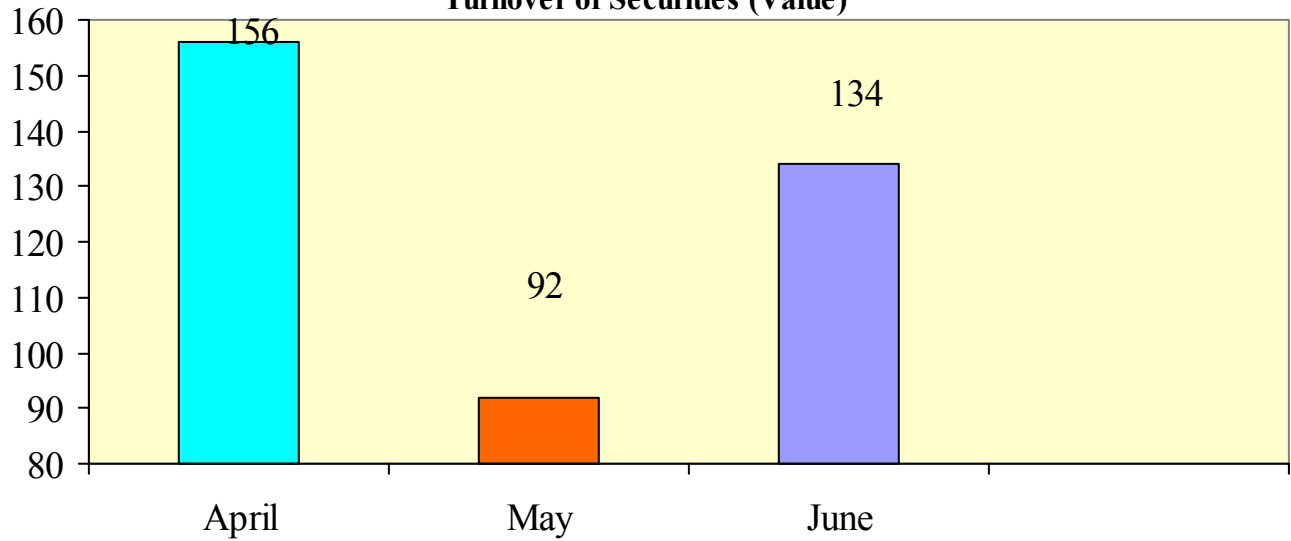
Market Capitalization of DSE



Taka in

Billion

Turnover of Securities (Value)



Taka

in Billion

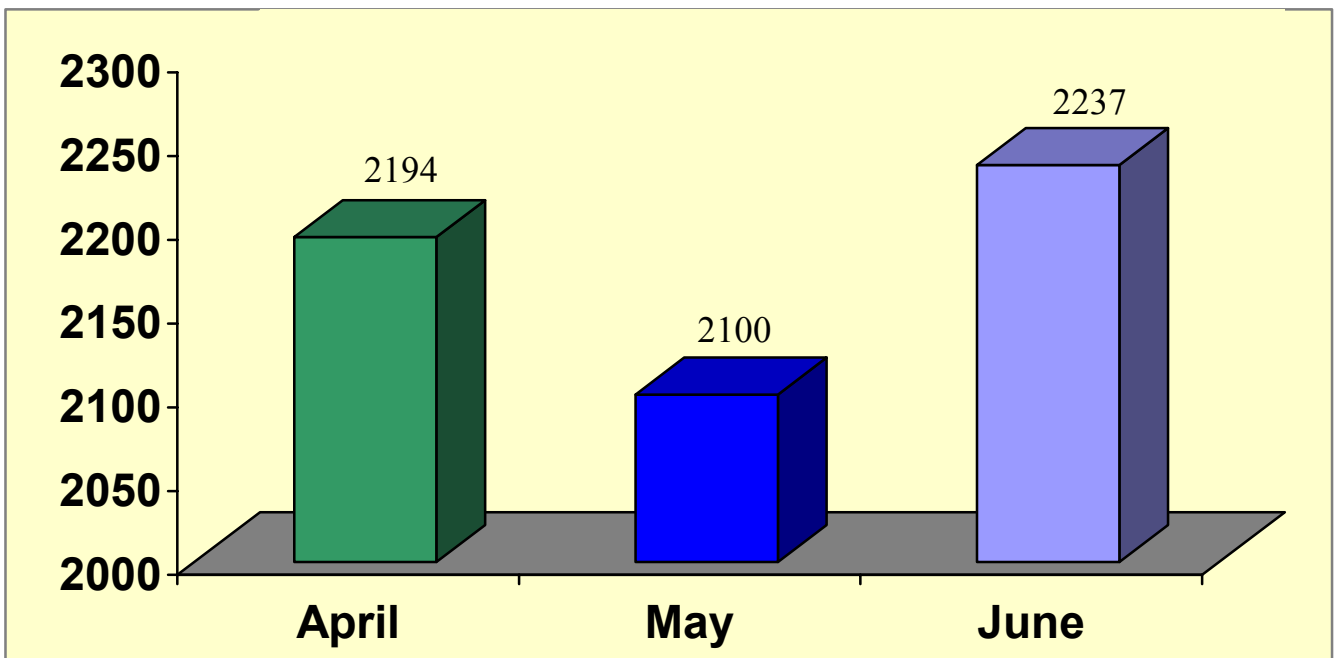
CSE OPERATIONAL STATISTICS

April - June, 2011

Trading Month	All Share Price Index	Market Capitalization in Million	No. of Trading Days	Turnover of Securities in Million (No.)		Traded Amount in Million	
				Monthly	Daily Average	Monthly	Daily Average
April	16,941.15	2,194,480.80	19	216.90	11.42	16,906.57	889.82
May	16,028.16	2,100,503.39	21	192.23	9.15	13,064.96	622.14
June	17,059.53	2,237,585.03	22	269.47	12.25	18,386.70	835.76
Total			62	678.60	10.95	48,358.23	779.97

**Index and Market Capitalization of the last trading day of the months have been considered as relevant figures of respective months.*

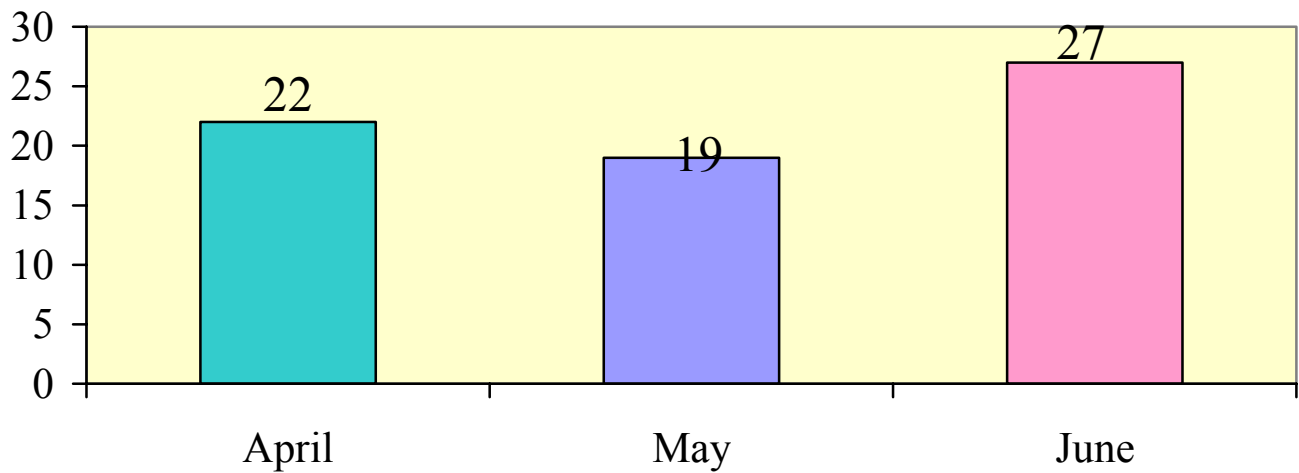
Market Capitalization of CSE



in Billion

Taka

Turnover of Securities (value)



Billion

Taka in

Budget 2011-2012 Highlights related to the Capital Market

The Hon'ble Finance Minister in his speech discussed on the capital marker in details. His speech covered the following aspects related to the capital market as highlighted below:

- 1) During this period, Bangladesh earned credit ratings BB- and Ba3 from internationally reputed agencies namely, Standard and Poor's (S&P) and Moody's respectively. According to these ratings, in terms of capacity to service debts, Bangladesh performed at par with Philippines, Indonesia and Vietnam. We were able to retain the same ratings this year and have performed better than Vietnam in terms of economic stability.
- 2) The Government has taken various steps to implement the recommendations made recently:
 - a. A Training institute on Capital Market named Bangladesh Institute of Capital Market (BICM) has been established to promote good governance among the investors, intermediaries and companies.

- b. In order to separate the ownership, management and trading of stock-exchange and to contain manipulation in the capital market, the process of demutualization in Dhaka and Chittagong Stock Exchanges has begun.
 - c. To regain investors' confidence in the capital market, contain continuous price fall, maintain stability and bring about strategic development, a Tk 5000 crore open-end mutual fund known as Bangladesh Fund has been established. The Govt. will remain vigilant about the utilization of the fund and future negative impact on fiscal sector.
- 3) In order to contain irregularities in the capital market the following steps have been taken **which are highly appreciable**:
- i. to develop surveillance software in the Securities and Exchange Commission (SEC).
 - ii. an initiative has taken to frame Financial Reporting Act to maintain stability in the capital market.
 - iii. the Government is considering a plan to establish a Financial Reporting Council to oversee the audit and accounting standards and their transparency.
 - iv. Other than this they have taken up the task of amending the SEC Act, different rules and Companies Act.
 - v. SEC also took initiative to amend Security and Exchange Commission (Public Issue) Rules, 2006 to avoid the misuse of book building method in the capital market.
 - vi. the Govt. has also taken steps to establish a separate Clearing and Settlement Company to settle stock exchange transactions within the shortest possible time.
 - vii. within the next financial year, the Govt. shall establish an oversight mechanism to see whether the conditions like margin lending and collateral requirement are met.
 - viii. the Govt. shall make the regulatory structure of share market transparent according to international system.

4) The government is determined to ensure growth and stability of capital market. For this reason the Finance Minister has proposed **which are also highly appreciable**:

- a. to continue the existing tax exemption benefits on capital gain to investors even if their income is above the threshold limit.
- b. that investors will not be required to produce TIN.
- c. that to make the government bond market popular, investment in **Bangladesh Infrastructure Finance Fund Limited (BIFFL)** or Treasury Bond be accepted without any question subject to payment of tax at the rate of 10 percent. **DSE strongly proposes to extend these facilities for the listed securities with the Exchange.**

5) On the issue of personal and corporate tax one of the key principles of direct tax is to bring equity. People having more income are capable of paying more taxes. On the other hand, tax liability of the lower income people should be lesser. Considering this, he proposes to increase threshold of income for individual taxpayers from Tk.1,65,000/- to Tk. 1,80,000/- . He also proposes to increase threshold for individuals above 65 years and women from Tk. 1,80,000/- to Tk. 2,00,000/- and that of retarded people from Tk. 2,00,000/- to Tk. 2,50,000/-. Following the proposed system, people having annual income up to Tk. 12 lakh will get enough rebates. Moreover, he is proposing to impose 10 per cent surcharge on the tax payable based on the shown net wealth above taka 2 crore. However, no major change has been proposed for company tax rates. **Such incremental tax free income limit will increase the purchasing power of the individual resulting in upgrading the standard of living. And hence DSE also highly appreciate such proposals in the national budget.**

6) It is extremely important to develop the country's infrastructure sector for achieving targeted economic growth. After assumption of office, the Govt. has been successfully implementing different initiatives to increase investments in major infrastructure sectors like power, energy, roads and railways. Alongside the Government investment, they took initiatives to attract private investment in infrastructure development through the process of Public-Private Partnership (PPP). To make this initiative successful, they have already issued

new policy and strategy and a set of guidelines for project scrutiny and approval procedures in August 2010 and also have taken some projects within the purview of these guidelines.

Capital Market is to be considered as channel for such investment while ensuring the projects taken under PPP may be considered for mandatory green field listing. And also to launch the much awaited PPP initiatives with full pace instead of waiting for a uniform PPP guideline.

7) The projects which will be taken under Roads and Bridges namely Road Fund, Elevated Express Way, Mass Rapid Transit-MRT (flyover), and Upgrading Dhaka-Chittagong Highway into 4 lanes, Circular Road, Rail and Waterways Surrounding Dhaka are very pragmatic steps. **Mandatory corporatization of such projects and subsequent listing should be considered as alternative source of funding.**

8) The projects under Railways namely Modernization and Expansion of Railways, International and Regional Rail Connectivity may be financed from the Capital Market.

9) The projects under Water transportation like Enhancing Waterways Navigability, Capacity Enhancement of Chittagong Port, Modernisation of Mongla Port, Inland Port and Deep Sea-port may raise fund from the capital market.

- **It was appreciated such proposals as improvements of such communication infrastructure can only fuel the growth of the nations economy that shall in time be reflected through the barometer of the economy – the capital market.**

10) In the previous budget speech, the government mentioned about the expansion and modernisation of Hazrat Shahjalal International Airport. They expect to complete this modernisation work by FY2012-13. They are continuing their efforts to upgrade this airport to category-1 through mechanical, infrastructural and system improvement. In order to boost up tourism sector, they have taken initiatives to make Cox's Bazar Airport suitable for landing of spacious aircrafts by expanding its runways. In order to ensure quick communication between the southern and the other parts of the country and to facilitate the task of disaster management, the Govt. is going to develop both Barisal and Bagerhat Khan Jahan Ali airport. **All these airports should be corporatized and Capital market can become a vital**

source of fund either in the mode of equity or debt for such project implementation.

11) The establishment of the ICT Incubator is underway. Steps have been taken for establishing technology parks in divisional cities including Dhaka. Besides, the Hi-Tech Park Authority has started functioning. Steps have been taken to employ a developer for the Kaliakoir Hi-Tech Park. Special incentive packages for the potential investors for this Park have already been announced. Work is in progress for having access to the South Asia Sub-regional Economic Cooperation (SASEC) Information Highway. **Initiative to outsource these project already under active consideration of the government and these private bodies shall be mandated to raise capital from the capital market.**

New Inclusions in the proposed budget

1. Collection of tax from Member of Stock Exchanges: Increases from 0.05% to 0.1% - Section 53BBB
2. Special Tax treatment in respect of investment in the purchase of Bangladesh Government Treasury Bond at 10% without any questions being asked regarding source of fund - Section 19D

In conclusion the Dhaka Stock Exchange thanks the government for giving a Capital Market friendly Budget. We expect that the government will rethink on the following aspects before finalizing the budget:

1. To consider not to increase rate of collection of tax from Member of Stock Exchanges. Ultimately the tax burden will fall on the small investors. The net result will be reduction in average trade per day and ultimately reducing Tax Revenue for the Government. So making a double hike will not necessarily result in higher tax revenue. Under this circumstance the DSE strongly proposes to the government to retain the previous position of 0.05%.

2. Reconsider the rate of existing tax (@ 3%) imposed on premium over face value as this is a part of capital of a company and is not revenue and hence not ordinarily taxable.

3. The deficit in the proposed budget may be reduced just by off-loading shares of state owned enterprises from only the already listed ones. The fund raised from off-loading of shares in 2008 alone was more than Tk. 2,000 crore. There are 26 state owned enterprises from which the government can offload shares. The government may possibly reduce the deficit to 3% by adopting such initiative. This will not only reduce the deficit but also increase the supply tremendously – stabilizing the growing capital market.