

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Rush for family savings tools

- The downing of bank deposit rates is pushing savers towards national savings certificates as they seek higher returns after incomes were wiped out by the coronavirus pandemic. And on the frontline are families with investable funds. Sales of family savings instruments grew nearly threefold year-on-year to BDT 201.49 billion in the July-December period of fiscal 2020-21 from BDT 75.81 billion. Many of the investors bought such certificates in the names of their spouses and children. Overall sales of savings certificates soared 60% year-on-year to BDT 549.76 billion in the first half of the fiscal year.
- The driving factor was the more than 11% interest offered by the government on various savings certificates, including that for families. The interest rate of family saving certificates is the highest, at 11.52%. One can buy BDT 4.5 million-worth of the instrument using a single account. The sale of the certificates through joint accounts is not allowed. The sale of savings certificates for a three-month term also increased because of a higher ceiling for quantities bought and an opportunity to purchase it for the underaged.
- The instrument's sales soared 151% year-on-year to BDT 150.59 billion from July to December. The interest rate for the certificates is 11.04%. One can buy BDT 3.0 million-worth of the certificates and double that using joint accounts. The sale of savings certificates had increased even during the Covid-19 pandemic, which wiped out the incomes of many families. Analysts attribute the spiral to an opportunity to whiten black money on payment of a 10% tax on the declared amount and the increased inflow of remittance from the Bangladeshi expatriates.

<https://www.thedailystar.net/business/news/rush-family-savings-tools-2049053>

Mobile operators demand a spectrum cap in upcoming auction

- With the Bangladesh Telecommunication Regulatory Commission (BTRC) gearing up to hold its spectrum auction on March 8, the mobile operators are fretting that one of them might cannibalise the spectrum available. The total demand for spectrum allocation among the country's top three mobile operators is 11.4 MHz, but the BTRC is set to auction off only 7.4 MHz. If an operator takes the lion's share of spectrum, the lack of any spectrum allocation cap, which was present in the last auction in 2018, may jeopardise the notion of a level-playing field in the sector.
- The country's leading network operator Grameenphone currently has 19.6 MHz of spectrum in the 1,800 MHz band, which is the highest among the operators. However, they have applied for more than 4.8 MHz spectrum, which may upset the remaining operators, given the BTRC's dwindling spectrum scarcity. Robi, Banglalink and state-run Teletalk have already sent a letter to the telecom regulator requesting a cap during spectrum auction so that no operator was deprived of getting the necessary spectrum.
- Considering the limited spectrum availability in the 1,800 MHz band to be assigned amongst the interested mobile network operators, we request the commission to consider a capping of maximum 2X20 Mhz spectrum so that each mobile operator gets equal spectrum to ensure a level playing field, the letter read. They also requested direct spectrum allocation to the operators in the 1,800 MHz band instead of distributing through an auction.

<https://www.dhakatribune.com/business/2021/02/22/mobile-operators-demand-a-spectrum-cap-in-upcoming-auction>

Index Agro's IPO subscription begins Monday

- Subscription of the initial public offering (IPO) of poultry and fish feed manufacturer - Index Agro Industries Limited - will begin on 22 February (Monday). General investors can apply to buy the company's primary shares until 28 February. They will get a 20% discount on the cut-off price of the shares. Eligible institutional investors through bidding set the cut-off price of the primary shares at BDT 62 each. On 23 December last year, the company received the nod from the Bangladesh Securities and Exchange Commission (BSEC) to issue shares at BDT 50 each through an IPO. It will raise BDT 500 million from the capital market to expand its business.
- The fund will be used to construct buildings, execute other civil work, acquire new machinery and equipment, and meet the expenditures of the IPO process. According to the audited financial statement as of 30 June 2019, the company's consolidated earnings per share (EPS) was BDT 7.07 and weighted average EPS was BDT 5.60.

<https://tbsnews.net/economy/stock/index-agros-ipo-subscription-begins-monday-205249>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$59.62	\$11.10	22.88%
Crude Oil (Brent)*	\$63.50	\$11.70	22.59%
Gold Spot*	\$1,784.77	(\$110.33)	-5.82%
DSEX	5,475.99	73.92	1.37%
S&P 500	3,906.71	150.64	4.01%
FTSE 100	6,624.02	163.50	2.53%
BSE SENSEX	50,889.76	3,138.43	6.57%
KSE-100	46,227.65	2,472.27	5.65%
CSEALL	7,797.94	1,023.72	15.11%

Exchange Rates

USD 1 = BDT 84.75*

GBP 1 = BDT 118.84*

EUR 1 = BDT 102.71*

INR 1 = BDT 1.17*

**Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*

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