

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.

NBR collection target may remain unchanged

- The government may keep its tax collection target unchanged for the National Board of Revenue in the next fiscal year because of the devastating effect of the coronavirus pandemic on the economy. This will be a significant shift for the government, which has set sky-high revenue generation goal for tax officials in recent years. Initially, the government had targeted to generate BDT 3.3 trillion through the NBR in the current fiscal year of 2020-21, which was 51% higher than the actual receipts of BDT 2.18 trillion from the previous year. In the face of a devastating coronavirus pandemic, which put a brake on economic activities at the height of the crisis last year, the government was forced to revise down the collection goal to BDT 3.01 trillion. The revised goal is likely to remain unachieved this year as well.
- The NBR's target for the next fiscal starting from July 1 may be set at BDT 3.3 trillion, which is up 10% from the revised target. A former lead economist at the World Bank's Dhaka office, termed the BDT 3.3 trillion NBR revenue target as closer to reality.

<https://www.thedailystar.net/business/economy/news/nbr-collection-target-may-remain-unchanged-2090673>

Energypac opens BDT 3.80 billion industrial park

- Energypac Power Generation yesterday inaugurated an industrial park in a bid to export locally manufactured generators, enhance its current manufacturing capacity and assemble eco-friendly electric commercial vehicles. The country's leading power engineering company invested BDT 3.80 billion in the park, creating employment for 550 people. Located at Sreepur in Gazipur on 52 bighas of land, the industrial park will also boost the pre-engineering steel building sector.

<https://www.thedailystar.net/business/economy/news/energypac-opens-BDT-380cr-industrial-park-2090665>
<https://www.tbsnews.net/economy/industry/energypac-expands-vehicle-generator-steel-units-243547>

Regular circuit breaker imposed on newly listed companies from 1st day

- The Bangladesh Securities and Exchange Commission has imposed the regular circuit breaker on any newly listed company from the first trading day, replacing the maximum 50% price movement in the first two trading sessions. Earlier on November 14, 2019, the BSEC issued an order setting the standard upward and downward price change limits where it said that the circuit breaker must be imposed on any newly listed security from the first trading day.
- For the first trading day, the circuit breaker had been set at 50% on the issue price and for the second day, at 50% on the first trading day's closing price. The regular circuit breaker had been imposed from the third day. However, the commission has now scrapped the 50% price change limit and imposed the regular circuit breaker.
- A BSEC commissioner said that the commission made the decision as it observed that share prices of newly listed companies rose 'peculiarly' in the first few sessions. He said that the surge created discrimination on the market as the prices of other companies rose at a maximum of 10%.

<https://www.newagebd.net/article/137506/regular-circuit-breaker-imposed-on-newly-listed-cos-from-1st-day>

BSEC asks Meghna Condensed Milk to explain continuous loss

- The stock market regulator has asked Meghna Condensed Milk Industries Ltd to explain the reasons for its continuous loss in the last five years and the auditor's opinions in its financial statements for the year ended on 30 June, 2020. The commission has also asked about their current plan in the capital market to ensure the general investors' rights. Meghna Condensed Milk Industries owns and operates an industrial plant for producing sweetened and non-sweetened condensed milk.

<https://www.tbsnews.net/economy/stock/bsec-asks-meghna-condensed-milk-explain-continuous-loss-243532>

Dry food export grows over six times

- Bangladesh's export basket is getting a big boost as the shipment of dry food items has made a massive headway with six-and-a-half time jump in a decade. Local dry food producers had made a shipment of USD243.47 million worth of goods during July-April period of the current fiscal year (FY) 2020-21, posting a 49% growth compared to the same period last fiscal, government data showed.

- Manufacturers and analysts said the impact of the Covid-19 across the world could be one of reasons for the rise in

exports of the Bangladeshi products. During the pandemic, the food importing countries' dependency on dry food and other related stuff has increased, they said. Besides, the government policy support, including cash incentives from 2010, has facilitated the export of the Bangladeshi agro-processing food, they noted.

<https://today.thefinancialexpress.com.bd/last-page/dry-food-export-grows-over-six-times-1620406960>

Virus hurts RMG export to US

- Bangladesh's apparel exports to the US sustained a negative growth of over 8.0% during the first quarter of 2021 year-on-year, showing a much slower recovery compared to China and Vietnam. US apparel imports from China and Vietnam during the January-March period in 2021 witnessed a positive growth by 12.69% and 1.40% respectively, according to data of the Office of Textiles and Apparel (OTEXA), affiliated with the US Department of Commerce. Bangladesh fetched USD 1.53 billion in the Jan-March period of 2021 through apparel exports, down from USD 1.67 billion during the same period of 2020. Readymade garment exporters, however, linked the sluggish demand in the US followed by the higher Covid-19 infection rates and the change in sales pattern, to the poor performance of apparel shipments to its largest destination.

<https://today.thefinancialexpress.com.bd/public/first-page/virus-hurts-rmq-export-to-us-1620324034>

Bangladesh Bank issues guideline on use of public fund kept with MFS

- The unused funds of clients which are deposited at MFS providers' accounts are collectively large. Such accounts are considered as trust cum and settlement accounts (TCSAs). The TCSAs would act as custody accounts where the legal tender (currency in the form of printed note) is stored against the issuance of e-money by the MFS and e-money service providers. The MFS and e-money service providers have to open the accounts with banks in Bangladesh.
- The central bank has imposed a set of restrictions on the use of these public funds deposited at the TCSAs. The MFS providers, PSPs and other entities authorised to hold the TCSAs will not be allowed to take any loan against the public funds. Banks cannot issue any deposit certificate and guarantee to the MFS providers and PSPs, which would have then facilitated them in taking loans or using the fund as collateral. Funds deposited at the TCBAAs cannot be used for day-to-day company operations.
- However, a certain portion of the public funds of the TCSAs can be invested in approved government securities, fixed deposit receipt (FDR) or any other approved instruments with prior approval from the BB. The instruments should be marked informing that those have been issued against the TCSAs. In the event of such investment, the principal amount of the investment will always be credited back to the TCSAs upon maturity or sale. Investment in the FDRs will have to take place in the same bank where the TCSAs are opened. The MFS providers and PSPs will have to maintain separate operational account linked to the TCSAs for receiving interest.

<https://www.thedailystar.net/business/news/bb-issues-guideline-use-public-fund-kept-mfs-2089661>

<https://www.tbsnews.net/economy/banking/bank-balance-equal-e-money-required-financial-service-providers-242626>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$64.90	\$16.38	33.76%
Crude Oil (Brent)*	\$68.28	\$16.48	31.81%
Gold Spot*	\$1,831.24	(\$63.86)	-3.37%
DSEX	5,606.02	203.95	3.78%
S&P 500	4,232.60	476.53	12.69%
FTSE 100	7,129.71	669.19	10.36%
BSE SENSEX	49,206.47	1,455.14	3.05%
KSE-100	45,174.67	1,419.29	3.24%
CSEALL	7,242.00	467.78	6.91%

Exchange Rates

USD 1 = BDT 84.83*

GBP 1 = BDT 118.68*

EUR 1 = BDT 103.19*

INR 1 = BDT 1.16*

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

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