

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.

Government drafts guidelines on investing abroad

- The government has framed draft rules to allow local firms to set up subsidiaries or buy shares in companies in other countries with a view to facilitating investment abroad. As per the draft, exporters will be able to invest as much as 20% of their five-year average annual export receipts as equity to establish subsidiaries on foreign soil.
- In order to qualify, exporters will need to have an adequate balance in their Export Retention Quota (ERQ) accounts, where entrepreneurs keep a portion of their export proceeds in foreign currency. Alternatively, an exporting firm can invest 25% of its net asset based on its most recent financial statement, according to the draft rules on equity investment abroad framed by the Financial Institutions Division of the finance ministry.

<https://www.thedailystar.net/business/economy/news/govt-drafts-guidelines-investing-abroad-2204776>

NBR sees 16.72% growth in Q1 '22

- The collection of tax revenue registered a 16.72% growth in the first quarter (Q1) of the current fiscal year (FY) as compared to the same period last FY. Increased prices of imported commodities, particularly fuel oil and food items, in the global market have helped enhance the collection of duties and taxes by the customs wing.
- In the July-September quarter, the NBR collected BDT 583.51 billion in tax revenue against its target of BDT 646.95 billion. Of the total Q1 collections, customs revenue posted 21% growth, highest among the other wings, due to increase in global commodity prices. Import of revenue-generating products including higher prices of fuel oil and food contributed to the higher customs revenue growth in the first three months of the current FY.

<https://today.thefinancialexpress.com.bd/first-page/nbr-sees-1672pc-growth-in-q1-22-1635008878>

Forex reserves overstated by USD 7.2bn: IMF

- According to the International Monetary Fund (IMF), Bangladesh Bank has overstated its foreign exchange reserves by USD 7.2 billion through inclusion of non-reserve assets underestimating related risks. The foreign exchange reserve of USD 46 billion as reported at the end of June this year was overstated by 15%.
- In a draft report on safeguards assessment of the Bangladesh Bank for 2021, the IMF has identified the misclassification of foreign assets leading to an inflated foreign reserve held by the central bank. Originally, the forex reserve would be USD 39 billion, according to IMF calculation. Explaining this finding, the global lender has said a portion of the reserve has been used to finance, deposit with resident banks, invest in non-investment grade bonds and lend to Sri Lanka following the decisions of the central bank board and its investment committee.

<https://www.tbsnews.net/economy/forex-reserves-overstated-72bn-imf-319909>

Small businesses struggle to repay stimulus loans

- Lenders are failing to implement the second phase of the stimulus package for the CMSME sector as clients struggle to repay the loans secured under the first round. The majority of clients in the cottage, micro, small and medium

enterprises (CMSME) sector have recently asked lenders to renew loans as their businesses are still struggling to recover and return to pre-pandemic levels

- As per rules, the funds, which are given in the form of working capital, have to be paid back within a year from the disbursement date. The tenure of the first round of the stimulus loans expired in June. The Bangladesh Bank has allocated another BDT 20,000 crore for the current fiscal year as the economy is yet to return to normalcy from the slowdown. The stimulus programme will continue for three years.

<https://www.thedailystar.net/business/economy/banks/news/small-businesses-struggle-repay-stimulus-loans-2204806>

Bangladesh switches fast to digital financial transactions

- Bangladesh is switching over fast to digital financial transactions from conventional banking system. The transactions processed through Bangladesh Bank's large-value payments segment, known as Real Time Gross Settlement (RTGS), recorded a growth of 85% by the number of transaction in August over the same period a year before.
- Mobile Financial Service or MFS all transactions by volume also swelled over 50% to BDT 622.3 billion in August. Bankers say this growth was achieved on the back of coronavirus pandemic that forced the clients to stay home, and prompted quick digitization of economic activities, notably supply chains and financial devices as well medical services.

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-switches-fast-to-digital-financial-transactions-1635008641>

'Electronics will overtake RMG sector'

- Private Industry and Investment Advisor to Prime Minister Salman Fazlur Rahman said that the government has created suitable atmosphere for private industry sector and Walton has fully utilised those opportunities. He made the remarks just after visiting Walton factory at Chandra in Gazipur on Saturday.
- He stated that the company has product diversity and they are manufacturing various products including all kinds of spare parts. He also further mentioned that the way Walton is marching forward, export earning electronics sector will overtake readymade garment sector.

<https://thefinancialexpress.com.bd/trade/electronics-will-overtake-rmg-sector-1635005357>

Government moves to devise strategy for RMG

- The government has taken an initiative to devise strategies for the country's apparel sector so that it could face competition and expand its market in the post-LDC graduation era according to officials. They said the Export Promotion Bureau (EPB) of Bangladesh would soon launch a study to assess the needs of the sector and provide support accordingly.
- Alongside policies and incentives, the study would also aim to retain the duty-free market access and other trade facilities even after the country's graduation to developing country status according to EPB Vice Chairman and CEO A. H. M. Ahsan.

<https://today.thefinancialexpress.com.bd/last-page/govt-moves-to-devise-strategy-for-rmg-1635009080>

Sugar to cost BDT 10 more following edible oil

- To keep up with price hikes in the global market, local sugar refiners have proposed raising the price of the commodity by BDT 10 per kg, imposing a maximum retail price (MRP) of BDT 85 per kg. Although the Commerce Ministry has yet to approve the price hike, sugar is already being sold at BDT 85 per kg in the market.
- Mustafizur Rahman, distinguished fellow at the Centre for Policy Dialogue (CPD), said the price hike of commodities in the international market will naturally impact the local price, but the government has to keep tabs on the global market and identify periodical hikes and prepare in advance to counter such hikes.

<https://www.dhakatribune.com/business/2021/10/23/sugar-to-cost-tk10-more-following-edible-oil>

Online tax return application 'digiTax' launched

- DigiTax, an online tax return preparation platform for taxpayers, was formally launched on Saturday through which the taxpayers can now fill up income tax returns as well as assess their assets online through automated method. Through using this, the taxpayers can submit their returns and thus pay taxes while staying at home alongside taking income tax-related various services.
- Desh Universal came up with this new web application called digiTax to simplify further the submission of income tax returns. Highlighting the main features of digiTax, its team member Syeda Nusrat Haider said that their system includes an automated calculating system as per the law through which they would be able to prepare their income tax returns. Besides, the users will be able to use this software also in Bangla.

<https://thefinancialexpress.com.bd/economy/online-tax-return-application-digitax-launched-1634996067>

Bangladeshi IoT company secures USD 1 million investment

- Bondstein, a Bangladeshi IoT solution provider, has raised USD 1 million in investment to enhance innovation in IoT solutions and expand IoT manufacturing in Bangladesh. Runner Trading Limited, a subsidiary of Runner Group, has led the investment with the participation of other investors. This investment will boost Bondstein's aim to become a regional powerhouse of IoT solutions within the next 10 years.
- One of the core products of Bondstein is Vehicle Tracking System which includes services like remotely monitoring vehicles, shutting down engines remotely, vehicle location and engine analytics dashboard, etc. Bondstein is now targeting to focus more on R&D for new IoT solutions to enhance their technology. They are enhancing road safety measures as well by state of art driving behaviour monitoring features.

<https://thefinancialexpress.com.bd/trade/bangladeshi-iot-company-secures-usd-1-million-investment-1635009768>

BRAC EPL to use OMS platform

- A tri-party agreement involving BRAC EPL Stock Brokerage Ltd, Magnus Corporation Ltd and DirectFN has been signed for the order management system (OMS) recently. The 'Order Management System (OMS) Platform' will provide investors a robust and modern trading platform and enable them to executive trades more efficiently.

<https://today.thefinancialexpress.com.bd/stock-corporate/brac-epl-to-use-oms-platform-1635004852>

BSCCL to take submarine cable systems and services license

- Bangladesh Submarine Cable Company Limited (BSCCL), a core submarine cable internet bandwidth provider in the country, has got approval from its board of directors to apply for a submarine cable systems and services license. To obtain the license, the BSCCL needs to deposit BDT 11.50 crore in license acquisition fee to the Bangladesh Telecommunication Regulatory Commission (BTRC). The company also needs to pay BDT 3 crore in advance as annual license fee. After getting the license, the BSCCL will have to pay 3% of its total gross revenue to the BTRC.
- The BSCCL operates two submarine cable landing stations with the capacity of 1,900 gigabits per second. The company is set to build the third submarine cable at a cost of BDT 692 crore. The completion of the project is expected to increase bandwidth by an additional six terabits per second, increasing the scope for earning foreign currency. The project is scheduled to be completed by 2025.

<https://www.tbsnews.net/economy/bsccl-take-submarine-cable-systems-and-services-licence-319900>

Paramount Textile to invest BDT 35cr for capacity expansion

- Paramount Textile has announced an investment of around BDT 35 crore to increase its weaving capacity along with other auxiliary capacities. The company will import some capital machinery for the planned expansion and the fund will be arranged through foreign loans.

<https://www.tbsnews.net/economy/stocks/paramount-textile-invest-tk35cr-capacity-expansion-319879>

8 companies declare dividends for 2021

- Eight listed companies have declared dividends for their shareholders for the year ended on 30 June 2021. The companies are Beximco Pharmaceuticals, Beximco limited, Square Pharmaceuticals, Squire Textile, National Polymer, Shinepukur Ceramics Ltd, Bangladesh Building Systems, and BBS Cables Ltd.
- Beximco Pharmaceuticals and Beximco Limited both have recommended a 35% cash dividend. Shinepukur Ceramics has recommended a 2.5% cash dividend. Square Pharmaceuticals and Square Textiles recommended a 60% and 20% cash dividend respectively. National Polymer suggested 10% cash dividend. BBS Cables Ltd has affirmed a 10% cash and a 5% stock dividend for its shareholders. Lastly, Bangladesh Building Systems Ltd has recommended a 2% cash dividend.

<https://www.tbsnews.net/economy/stocks/8-companies-declare-dividends-2021-319171>

Beximco Pharma posts 47% growth, Square 14% in net profit

- Beximco Pharmaceuticals has registered a 47% growth in net profit while Square Pharmaceuticals posted a 14% growth. For fiscal year (FY) 2020-21, Beximco Pharmaceuticals reported a net profit of over BDT 4.94 billion, up from BDT 3.36 billion in the previous FY. The company's EPS (earnings per share) stood at BDT 11.08 for FY 2020-21 as against BDT 7.54 in FY 2019-20. On the other hand, the net profit of Square Pharmaceuticals stood at above BDT 14.74 billion for the year ended on June 30, 2021, registering a from the previous fiscal year's net profit of over BDT 12.96 billion. The company reported its EPS of BDT 16.63 for the year ended on June 30, 2021 as against BDT 14.62 for the same period of the previous fiscal year.

- Beximco Pharmaceuticals' board of directors has recommended a 35% cash dividend for the year ended while Square Pharmaceuticals' board of directors recommended a 60% cash dividend. The board of directors of Square Pharmaceuticals has also approved BDT 3.0 billion for BMRE, capital machinery and land for future expansion.

<https://today.thefinancialexpress.com.bd/stock-corporate/beximco-pharma-posts-47pc-growth-square-14pc-in-net-profit-1635004667>

Renata profit touches BDT 500cr-mark

- In FY21, Renata Limited's profit touched the BDT 500 crore mark for the first time since its inception. In this fiscal year, its consolidated net profit reached BDT 506.2 crore, a 26% increase compared to the previous year, and its earnings per share (EPS) stood at BDT 51.67. The company has recommended 145% cash and 10% stock dividend for its shareholders.
- The company said it will hold its annual general meeting through a digital platform on 18 December. The record date of the company has been fixed for 15 November 2021. Renata has stated that bonus shares have been recommended to utilise the retained amount as capital for expanding its manufacturing facility.

<https://www.tbsnews.net/bangladesh/renata-profit-touches-tk500cr-mark-319891>

Islami Bank profit goes up on high capital market return

- The year-on-year consolidated profit of the Islami Bank Bangladesh Limited has spiralled by 65.49% in the third quarter this year thanks to higher capital market returns. In Q3, Islami Bank posted its consolidated profit of BDT 94.96 crore, which was BDT 57.38 crore in the same period of 2020.
- During the July to September period, the bank raked in BDT 102.94 crore, which is around 265% higher than the corresponding period of the previous year, in return from the investment in shares and securities. During the period, the bank's core business income reduced by 10% to BDT 567 crore.

<https://www.tbsnews.net/economy/banking/islami-bank-profit-goes-high-capital-market-return-319873>

NAV of CAPM BDBL MF 01

- The total NAV of CAPM BDBL Mutual Fund 01 stood at BDT 546,573,328.99 on the basis of cost price and BDT 619,277,323.41 on the basis of market price at the close of the operations on October 21. The NAV per unit at cost price and market price of the fund are BDT 10.90 and BDT 12.35 respectively against the face value BDT 10 per unit.

<https://today.thefinancialexpress.com.bd/stock-corporate/nav-of-capm-bdbl-mf-01-1635004775>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 83.76	USD 35.24	72.63%
Crude Oil (Brent)*	USD 85.53	USD 33.73	65.12%
Gold Spot*	USD 1,792.65	(USD 102.45)	-5.41%
DSEX	7,076.23	1,674.16	30.99%
S&P 500	4,544.90	788.83	21.00%
FTSE 100	7,204.55	744.03	11.52%
BSE SENSEX	60,821.62	13,070.29	27.37%
KSE-100	46,578.36	2,822.98	6.45%
CSEALL	9,915.22	3,141.00	46.37%

Exchange Rates**1 US Dollar = 84.87 BDT****1 GBP = 116.71 BDT****1 Euro = 98.81 BDT****1 INR = 1.13 BDT**

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