

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.

Macro:**BB to return to biannual monetary policy**

- The central bank is set to return to its semiannual monetary policy stance after three years as per a suggestion of the International Monetary Fund (IMF), but local economists say the move would not bring about any change amid the lending rate cap and multiple exchange rates.
- In the fiscal year of 2019-2020, the central bank moved away from a twice-a-year policy statement to an annual statement that was practised for the previous two decades. Thus, it began coming up with the policy in July alone.

<https://www.thedailystar.net/business/economy/news/bb-return-biannual-monetary-policy-3193741>

Banks asked to relax LC margin rate for Ramadan items

- The Bangladesh Bank (BB) has directed all commercial banks to relax the cash margin rate against the opening of import letters of credit (LC) for eight food items at the minimum level to keep their prices at a tolerable level and supply adequate during the forthcoming Ramadan.
- The food items are edible oil, sugar, chickpeas, pulses, beans, onions, dates and spices. The central bank fixed the opening margin rate for LC settlement at 75% to 100% in a bid to limit imports to save the depleting foreign currency reserves in the country.

<https://www.tbsnews.net/economy/banking/bb-directs-banks-relax-lc-margin-rate-ramadan-items-549542>

ERD, FAO sign 4 technical assistance project agreements

- Economic Relations Division (ERD) and the United Nations Food and Agriculture Organization (FAO) has signed four technical assistance project agreements Sunday (11 December).
- The projects are Support to establish crop-based nutrition smart village and promotion of nutrition information campaign; Support to the development of Jackfruit value chain through post-harvest loss reduction and promotion of value-added products; Piloting Light Detection and Ranging technology (LiDAR) for fast-tracking agricultural transformation and sustainable development; and (iv) Green Cities Initiatives (GCI): Building Back Better for Climate and Resilient Sustainable Transitions (Global Project).

<https://www.tbsnews.net/economy/erd-fao-sign-4-technical-assistance-project-agreements-549634>

Deadline extended for rice purchase agreements

- The food ministry has extended the deadline to sign contract with rice millers regarding the purchase of the grain by a week to December 15 this year, said a notification. The announcement comes as the responses from millers to supply the cereal to the state warehouses are low because of high prices in the local market.
- The food directorate targets to buy 500,000 tonnes of rice from the ongoing harvest of Aman crops from millers at BDT 42 per kilogramme. As of yesterday, it has signed the contract for the supply of around 267,000 tonnes with millers, said Md Raihanul Kabir, director of procurement at the Directorate General of Food.

<https://www.thedailystar.net/business/economy/news/deadline-extended-rice-purchase-agreements-3193721>

Non-leather footwear exports can reach USD 1 Bn by 2025

- Exports and domestic sales of Bangladesh's synthetic and athletic footwear sector have been witnessing some of the highest growths among those of other sectors, according to a market assessment of Bangladesh Investment Development Authority (Bida).
- Exports have been increasing at an average annual rate of about 20% over the last six years thanks to increased demand from global brands, said insiders of the industry and Export Promotion Bureau.

<https://www.thedailystar.net/business/economy/news/non-leather-footwear-exports-can-reach-1b-2025-3192876>

'Hydrogen-based power generation to help reduce carbon emission'

- Bangladesh has started hydrogen-based power generation, which will play an important role in reducing carbon emissions, Bangladesh Power Development Board Chairman Mahbubur Rahman said today. He spoke at a two-day event at InterContinental Dhaka that was organised by Mitsubishi Power to discuss the latest solutions and services in the power generation industry.

<https://www.thedailystar.net/business/news/hydrogen-based-power-generation-help-reduce-carbon-emission-3193536>

PM seeks robust Japanese investment in Bangladesh

- Prime Minister Sheikh Hasina today urged the Japanese businessmen to make larger investment in Bangladesh. "Bangladesh is a lucrative place for investment. Japanese private companies can invest in Bangladesh on larger scale," she said.
- The prime minister said this while outgoing Ambassador of Japan to Bangladesh ITO Naoki paid a courtesy call on her at Gono Bhaban in Dhaka. The Japanese envoy highly appreciated the socio-economic advancement of Bangladesh under the dynamic and visionary leadership of Sheikh Hasina, hoping that the development would be continued in the days ahead.

<https://www.thedailystar.net/business/economy/industries/investments/news/pm-seeks-robust-japanese-investment-bangladesh-foreign-direct-investment-fdi-3193271>

Subsidy pressure triples to BDT 1,600 Bn as imports remain costly

- Fuel, fertiliser, and food subsidies are set to jump to a whopping BDT 1,613.70 Bn this fiscal year – almost three times as high as this year's subsidy allocation for these sectors – because of higher international prices, according to finance ministry estimates based on demands from the ministries and divisions concerned. The original subsidy allocation for the year was over BDT 560 Bn.
- The projected amount of subsidies is about 24% of the national budget for the current fiscal 2022-23. If the BDT 250 Bn allocated in the budget for export incentives and cash loans is added to the subsidies, the total requirement for the "subsidies, incentives, and cash loans" sector reaches BDT 1,865.95 Bn or about 29% of the total budget.

<https://www.tbsnews.net/economy/subsidy-pressure-triples-BDT16-lakh-crore-imports-remain-costly-549838>

Falling exports hit jute growers

- Jute prices in Bangladesh are currently lower than what they were at the same time last year due to declining exports of twine and yarn made from the natural fibre, according to growers and traders. Prices of raw jute have fallen by roughly 26% year-on-year to as low as BDT 2,000 to BDT 2,600 per maund (37 kilogrammes) in Faridpur, one of the country's main growing districts, compared to BDT 2,600 to BDT 3,200 for the same quantity in December last year.

<https://www.thedailystar.net/business/economy/news/falling-exports-hit-jute-growers-3192926>

Stocks:

ENVOYTEX | Envoy Textiles, ADB ink EUR 10.8 Mn deal to install green factory

- Envoy Textiles Limited entered into an EUR 10.8 Mn (USD 11.2 Mn) loan facility agreement with the Asian Development Bank (ADB) to support and finance the purchase and installation of energy-efficient spinning machinery and other equipment to expand sustainable textile production and create local jobs.

<https://www.tbsnews.net/economy/stocks/envoy-textiles-adb-ink-eu108m-deal-install-green-factory-549742>

RUPALIBANK | Credit rating with govt support in view hides Rupali Bank's failings

- Despite capital and provision shortfalls, state-owned Rupali Bank's credit rating with the government's backing into consideration paints a rosy picture. Emerging Credit Rating Limited gave the lender the highest "AAA" rating, keeping in view the government's support, according to a filing on the Dhaka Stock Exchange (DSE) on Sunday.

<https://www.tbsnews.net/economy/stocks/credit-rating-govt-support-view-hides-rupali-banks-failings-549750>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 71.64	(USD 3.57)	-4.75%
Crude Oil (Brent)*	USD 76.57	(USD 1.21)	-1.56%
Gold Spot*	USD 1,792.16	(USD 37.04)	-2.02%
DSEX	6,239.55	-517.10	-7.65%
S&P 500	3,934.38	-831.80	-17.45%
FTSE 100	7,476.63	92.09	1.25%
BSE SENSEX	62,181.67	3,927.85	6.74%
KSE-100	41,698.28	-2,897.79	-6.50%
CSEALL	8,851.12	-3,374.89	-27.60%

Exchange Rates**1 US Dollar = 103.26 BDT****1 GBP = 126.19 BDT****1 Euro = 108.54 BDT****1 INR = 1.25 BDT**

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Hossain Zaman Towhidi Khan	Senior Research Associate	hztowhidi.khan@bracepl.com	01708 805 224
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229
Md. Tanvir Ahmed	Research Associate	mtanvir.ahmed@bracepl.com	01708 805 201

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
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BRAC EPL Stock Brokerage Limited

www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com