

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.

China eyes Mongla seaport operations management

- China is actively considering Bangladesh's request for funding modernisation of the Mongla Seaport but wants operations management of the port having potential to become an international shipping hub. Bangladesh sent a proposal to China in April 2019 through a preliminary loan application for funding the project titled 'Expansion and modernisation of Mongla Port facilities'. The estimated cost of the project is USD 350 Mn.

<https://today.thefinancialexpress.com.bd/first-page/china-eyes-mongla-seaport-operations-management-1655316223>

Indonesia shares JV investment proposals of USD 1.3 Bn in Bangladesh's energy sector

- Indonesia has shared some new proposals of large joint-venture investment, approximately to the tune of USD1.3 Bn, in the energy sector of Bangladesh. If materialised, this would add significant economic substance to the bilateral relations with Bangladesh and help strengthen it further. They attribute the surge to the VAT hike in the manufacturing stage in the proposed budget for FY23 and a USD crunch in the local market.

<https://www.tbsnews.net/bangladesh/energy/indonesia-shares-jv-investment-proposals-13b-bangladeshs-energy-sector-440322>

Rod prices may spiral again

- Rod demand has plummeted by around 50% thanks to the volatile market. Prices of rod are likely to surge again after a brief decline for the past two and a half months, according to manufacturers.

<https://www.tbsnews.net/economy/rod-prices-may-spiral-again-440086>

Experts for institutionalising Insuretech to help insurance sector grow

- Insuretech must be institutionalised for the sake of bringing about a much-needed tech-driven shift in the country's insurance sector and thus helping the industry grow to its potential by easing all kinds of service delivery, experts said at a discussion yesterday. The insurance sector's contribution to Bangladesh's GDP is only 0.4%, which is 4.2% in neighbouring India, 1.2% in Sri Lanka.

<https://www.tbsnews.net/economy/experts-institutionalising-insuretech-help-insurance-sector-grow-440358>

Boosted by Eid, April saw the highest ever MFS transactions

- MFS saw the highest ever transactions in April thanks to an expansion of new mobile banking services and sending extra money by customers to their relatives for shopping on the occasion of Eid-ul-Fitr. The Bangladesh Bank's updated statistics show that customers transacted BDT 930.32 Bn through mobile banking in April this year. This is an increase of BDT 157.3 Bn compared to March. More than 370 Mn transactions took place in April. In that month, BDT 277.4 Bn was deposited in mobile banking accounts while BDT 256.73 Bn was withdrawn.

<https://www.tbsnews.net/economy/boosted-eid-april-saw-highest-ever-mfs-transactions-4405143>

Some banks charge over BDT 93 per USD for LCs, flouting central bank's verbal instruction

- A number of commercial banks on Wednesday showed on paper that they were settling import LCs at BDT 93.0 per USD as per the central bank's verbal instruction, but in reality, they were charging more than the specified amount. The price of the USD reached BDT 92.80 yesterday. On Tuesday, the USD price reached BDT92.80 from BDT92.50 on Monday. As the forex reserve in the country has been declining, the USD reserve in the country stood at USD 41.44 Bn on Tuesday, which was USD 48.06 Bn in August.

<https://www.tbsnews.net/economy/banking/some-banks-charge-over-tk93-dollar-lcs-flouting-central-banks-verbal-instruction>

Jute millers seek cut in advance source tax

- The country's private jute millers sought reduction of advance source tax on export earnings in the proposed budget. Currently, exporters pay 0.5 % advance source tax on their export earnings. However, the government has proposed for 1% advance source tax in FY23 budget. The BJMA requested for reduction of the tax from 1.0% to 0.25 %.

<https://today.thefinancialexpress.com.bd/stock-corporate/jute-millers-seek-cut-in-advance-source-tax-1655314317>

Delay in sweetening MPSC holds back seismic survey

- A Norwegian-US joint venture, TGS-Schlumberger, is waiting for a fresh model production-sharing contract (MPSC) before initiating its seismic shoots in the Bay of Bengal, said sources. They said a lucrative MPSC would attract international oil companies (IOCs) to carry out hydrocarbon exploration in the Bay of Bengal while the IOCs would be interested in purchasing the survey data from the JV firm.

<https://today.thefinancialexpress.com.bd/first-page/delay-in-sweetening-mpsc-holds-back-seismic-survey-1655316298>

BSEC allows Global Islami Bank to raise BDT 4.25 Bn through IPO

- The stock market regulator has allowed Global Islami Bank to raise BDT 4.25 Bn from the capital market, which will be the second largest initial public offering (IPO) in the banking sector. As per the regulatory approval, the fourth-generation private commercial bank will issue BDT 425 Mn ordinary shares at a face value of BDT 10 each under the fixed price method.
- According to the financial statement until September 30, 2021, the bank's net asset value (NAV) per share (without revaluation) was BDT 14.42 and earnings per share (EPS) of 1.91 while the weighted average EPS for the last five years stood at BDT 1.08.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-allows-global-islami-bank-to-raise-tk-425b-through-ipo-1655314189>

GDCL signs issue management deal with Thai Foils & Polymer

- The Green Delta Capital Limited (GDCL) has recently signed an issue management agreement with Thai Foils & Polymer Industries Limited, a concern of Al-Mostafa Group. Under this agreement, Green Delta Capital Limited has become the mandated Issue Manager for the upcoming Initial Public Offering (IPO) of Thai Foils & Polymer Industries Limited under Book Building Method, which will be listed on Dhaka Stock Exchange and Chittagong Stock Exchange, said a statement.

<https://today.thefinancialexpress.com.bd/stock-corporate/gdcl-signs-issue-management-deal-with-thai-foils-polymer-1655314285>

BSEC concerned about Zaheen Spinning's business capabilities

- The Bangladesh Securities and Exchange Commission (BSEC) has expressed concerns about the functioning of Zaheen Spinning Ltd as two fire incidents have thrown its business into uncertainty. In a letter, the regulator has recently asked the 100% cotton yarn manufacturer of different counts to submit documents on its operational status and business strategy. The company extended its losses in FY21, while most of the spinning mills enjoyed improved profitability in their business due to an increase in yarn prices.

<https://www.tbsnews.net/economy/stocks/bsec-concerned-about-zaheen-spinnings-business-capabilities-440422>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 116.14	USD 40.93	54.42%
Crude Oil (Brent)*	USD 119.16	USD 41.38	53.20%
Gold Spot*	USD 1,831.96	USD 2.76	0.15%
DSEX	6,374.51	-382.14	-5.66%
S&P 500	3,789.99	-976.19	-20.48%
FTSE 100	7,273.41	-111.13	-1.50%
BSE SENSEX	52,541.39	-5,712.43	-9.81%
KSE-100	41,438.79	-3,157.28	-7.08%
CSEALL	7,772.08	-4,453.93	-36.43%

Exchange Rates**1 US Dollar = 93.08 BDT****1 GBP = 113.27 BDT****1 Euro = 97.29 BDT****1 INR = 1.19 BDT**

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

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
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
----------------------	-----	--	---------------

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