

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-2.09%) lost -142.92 points and closed the week at 6,696.52 points. The blue-chip index DS30 (-2.07%) lost -52.04 points and stood at 2,462.94 points. The Shariah-based index DSES (-2.29%) lost -33.73 points and stood at 1,441.99 points. The large cap index CDSET (-1.96%) lost -26.77 points and closed at 1,337.99 points. DSEX, DS30, DSES and CDSET showed YTD returns of -0.89%, -2.75%, +0.76%, -1.56%, respectively.

Total Turnover During the Week (DSE): BDT 37.5 billion (USD 436 million)

Average Daily Turnover Value (ADTV): BDT 7.5 billion ($\Delta\%$ Week: -24.9%)

Market P/E: 16.3x

Daily Index Movement during the Week

Market performed five sessions during this week. Market started on a negative note (-2.39%) on Sunday but the market was positive (+0.95%) on Monday and it also remained positive (+0.21%) on Tuesday but again became negative (-0.80%) on Wednesday. In the end, Market ended negatively (-0.05%) on Thursday.

Sectoral Performance

• All the financial sectors registered negative performance this week. NBF1 experienced the highest loss of -4.52% followed by Mutual Fund (-2.48%), General Insurance (-2.43%), Bank (-1.91%), and Life Insurance (-0.84%).

• All the non-financial sectors registered negative performance this week. Telecommunication experienced the highest loss of 3.42% followed by Engineering (-3.13%), Fuel & Power (-2.12%), Food & Allied (-1.85%), and Pharmaceutical (-1.66%).

Macroeconomic arena

• Exports rise by 30.46% in July-Feb. UAE finds Bangladesh food processing industry promising for investment. Revenue collection grows 16% on import surge. Rational tariffs, ensuring quality products, better dealmaking must. Bangladesh keen to import 1 million metric tonnes more LNG from Qatar. Local textile sales double in five years. Pvt credits grow as trade demand rises. Remittance drops 12% in February. Cabinet okays draft of 'Export Policy 2021-2024'. Over USD 600m garment exports to Russia at risk. Bangladesh to have a new avenue for importing electricity from Nepal. Jan imports near USD 6.5b.

• Default loans increase by BDT 145.4 Bn in 2021. Auditors detect major anomalies. Interest spread reduced in Jan. BB working on alternatives to SWIFT. Bida proposes reforms in 24 sectors. Banks to require separate wing to manage business. BTTC suggests 10% cash incentive.

• ADB to provide USD 297m in loans. Zero physical progress in 117 projects: IMED. Fund crunch might hit Rooppur NPP. Cargo vehicle terminal construction begins at Benapole port. Foreign aid release, commitment surge in July-Jan of FY22. Inflation in Bangladesh expected to exceed 6.0% by June. Fuel supply still steady, but subsidy, price may rise. VAT-GDP gap: BDT 1.5 trillion remains out of grasp. Bangladesh starts counting fuel import cost amid Russia-Ukraine war.

Stock Market arena

• Investors cautiously optimistic about 2022 market: LankaBangla Survey. Renata to purchase land for factory expansion. GP first to introduce eSIM. BSEC approves BDT 160 Mn IPO of Meghna Insurance. No fresh directive on mandatory settlement of negative equities. Horlicks bounces back in 2021, Unilever Consumer's profit flat. Bank Asia allowed issuing BDT 5.0 Bn perpetual bond. BSEC approves draft prospectus of Mercantile Bank Unit Fund. National Polymer to issue BDT 3.0 Bn zero coupon bond.

• Banglalink's profit drops 22.97% despite revenue growth. BSEC plans to allow share selling the day after purchase. IPDC continues to thrive even amid challenging times. Nebras Power makes first phase payment to Unique Hotel for power plant acquisition. BSEC orders flurry of actions on back-office software use. Renata to take over two subsidiaries. Nurani Dyeing entrepreneurs flee with entire IPO fund. Listed firms take too long to upload financials.

*: Ticker of MICEMENT has changed to "CROWNCEMNT" from today

** Following the approval of stock dividend by the regulator, new record dates have been declared. As a result, we have undertaken necessary adjustments to keep our reporting in line with DSE

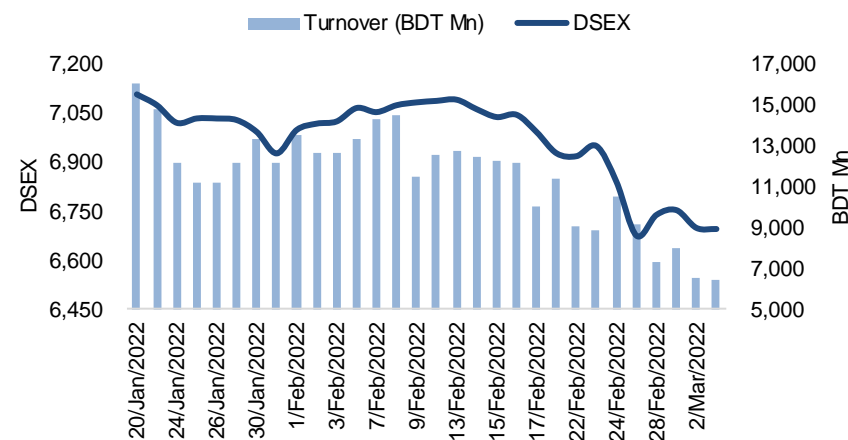
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	30-Dec-2020	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	6,696.52	6,839.44	-142.92	6,756.66	-2.09%	-0.89%
DS30	2,462.94	2,514.98	-52.04	2,532.58	-2.07%	-2.75%
DSES	1,441.99	1,475.72	-33.73	1,431.12	-2.29%	+0.76%
CDSET	1,337.99	1,364.76	-26.77	1,359.13	-1.96%	-1.56%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	5,384,274	5,503,560	-2.2%
	M n USD	62,608	63,995	
Turnover	M n BDT	37,458	39,879	-6.1%
	M n USD	436	464	
Average Daily Turnover	M n BDT	7,492	9,970	-24.9%
	M n USD	87	116	
Volume	M n Shares	959	864	+110%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
MEGHNA PET	27.4	21.0	+30.5%	329	24.3	NM	NM
MEGCON MILK	19.9	16.5	+20.6%	318	16.6	NM	NM
SAVAREFR	206.2	179.0	+15.2%	287	8.2	NM	502.9x
SUNLIFEINS	40.9	35.6	+14.9%	1,463	80.4	NM	NM
ZEALBANGLA	157.8	138.2	+14.2%	947	35.5	NM	NM
IMAMBUTTON	34.2	30.1	+13.6%	263	20.4	NM	7.1x
JUTESPINN	132.2	118.5	+11.6%	225	2.9	NM	NM
SHURWID	21.1	19.0	+11.1%	1,210	133.3	9.6x	1.6x
TAKAFULINS	75.9	68.9	+10.2%	3,232	123.3	33.9x	4.0x
USMANIAGL	64.2	59.4	+8.1%	1,118	9.7	NM	0.8x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
NCCBLMF1	7.4	8.9	-16.9%	803	20.7	NM	0.8x
CROWNCEMNT	64.2	74.6	-13.9%	9,534	23.3	14.2x	1.2x
RAK CERAMIC	45.6	51.2	-10.9%	19,515	253.4	21.5x	2.6x
AMANFEED	45.7	51.3	-10.9%	5,985	134.0	16.9x	1.4x
HFL	20.3	22.7	-10.6%	1,848	75.7	NM	0.5x
INTRACO	19.5	21.6	-9.7%	1,774	32.8	18.8x	1.5x
UNILEVERCL	2,875.9	3,168.3	-9.2%	34,644	49.7	65.7x	23.4x
SBACBANK	13.2	14.4	-8.3%	10,772	46.5	11.6x	0.9x
AOL	40.2	43.7	-8.0%	4,125	23.4	18.4x	2.0x
SAIHAMTEX	20.9	22.7	-7.9%	1,893	40.8	14.0x	0.5x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BEXIMCO	152.4	149.9	+1.7%	133,551	3,774.1	10.7x	1.8x
BSC	118.2	120.1	-1.6%	18,030	1,812.1	10.4x	1.7x
SONALIPAPR	756.8	718.5	+5.3%	16,622	1,123.6	67.0x	3.1x
FORTUNE	123.3	125.6	-1.8%	20,041	999.1	42.2x	8.1x
ORIONPHARM	100.6	104.5	-3.7%	23,540	916.8	25.1x	1.2x
BATBC	612.3	616.8	-0.7%	330,642	692.3	22.1x	9.0x
SAIFPOWER	39.7	41.6	+1.2%	15,060	554.1	19.4x	2.3x
ANWARGALV	379.4	407.4	-6.9%	5,784	546.7	37.3x	16.5x
UNIONBANK	12.1	12.7	-4.7%	11,942	545.9	11.4x	0.8x
DSSL	18.9	19.9	-5.0%	3,794	542.7	15.0x	1.0x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD Δ%	Mcap**	PE	PB
SQUARETEXT	62.8	+20.3%	12,387	8.6x	1.5x
ADNTEL	58.8	+12.2%	3,802	22.6x	2.2x
UNIQUEHRL	56.2	+12.0%	16,545	NM	0.6x
TITASGAS	39.7	+9.4%	39,272	11.5x	0.6x
KPCL	32.3	+8.0%	12,836	NM	1.5x
LINDEBD	1,679.2	+6.3%	25,555	20.4x	4.5x
GHAIL	17.4	+5.5%	3,756	NM	1.2x
IBNSINA	285.6	+5.3%	8,923	15.9x	3.8x
DOREENPWR	7.11	+4.9%	11,498	8.3x	1.5x
HEIDELCEM	283.1	+3.9%	15,996	27.7x	3.7x

*BDT
**BDT Mn

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,550.4	1,580.7	1,589.69	-19.1%	-2.47%
NBFI	2,104.8	2,204.4	2,327.63	-4.52%	-9.57%
Mutual Fund	856.6	878.4	882.99	-2.48%	-2.99%
General Insurance	4,099.9	4,201.8	4,698.62	-2.43%	-12.74%
Life Insurance	2,649.3	2,671.9	2,687.55	-0.84%	-1.42%
Telecommunication	5,613.8	5,812.6	5,800.37	-3.42%	-3.22%
Pharmaceutical	3,893.6	3,959.2	3,866.63	-1.66%	+0.70%
Fuel & Power	1,826.7	1,866.4	1,792.97	-2.12%	+1.88%
Cement	2,486.9	2,638.6	2,534.76	-5.75%	-1.89%
Services & Real Estate	1,436.3	1,469.6	1,309.43	-2.27%	+9.69%
Engineering	4,685.5	4,836.8	4,727.46	-3.13%	-0.89%
Food & Allied	24,623.5	25,087.8	25,222.81	-1.85%	-2.38%
IT	3,072.6	3,142.5	3,274.61	-2.23%	-6.17%
Textile	1,604.0	1,645.6	1,470.60	-2.53%	+9.07%
Paper & Printing	9,036.3	9,051.4	9,680.03	-0.17%	-6.65%
Tannery	3,740.1	3,802.2	3,236.76	-1.63%	+15.55%
Jute	8,553.4	8,578.0	8,747.84	-0.29%	-2.22%
Ceramics	689.9	752.3	675.88	-8.29%	+2.08%
Miscellaneous	4,655.8	4,657.3	4,625.39	-0.03%	+0.66%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	639.5	536.5	+19.21%	+8.87%	7.8x	0.8x
NBFI	235.2	345.5	-31.92%	+3.26%	NM	3.7x
Mutual Fund	49.4	47.3	+4.45%	+0.68%	NM	0.8x
General Insurance	328.9	380.1	-13.47%	+4.56%	19.2x	2.0x
Life Insurance	277.7	364.7	-23.84%	+3.85%	NM	NM
Telecommunication	82.9	88.5	-6.42%	+1.15%	17.1x	5.2x
Pharmaceutical	780.0	1,118.4	-30.25%	+10.81%	18.1x	2.7x
Fuel & Power	305.2	419.6	-27.27%	+4.23%	11.7x	1.2x
Cement	129.1	162.0	-20.29%	+1.79%	18.2x	2.5x
Services & Real Estate	199.4	268.3	-25.69%	+2.76%	NM	1.1x
Engineering	686.8	1,073.6	-36.03%	+9.52%	18.5x	2.0x
Food & Allied	454.1	688.3	-34.02%	+6.29%	27.1x	9.3x
IT	173.3	349.5	-50.40%	+2.40%	30.0x	2.6x
Textile	995.5	1,324.1	-24.82%	+13.80%	29.5x	1.1x
Paper & Printing	340.5	319.5	+6.55%	+4.72%	NM	2.2x
Tannery	248.1	763.6	-67.52%	+3.44%	NM	3.9x
Jute	7.5	23.9	-68.62%	+0.10%	NM	24.2x
Ceramics	83.6	134.6	-37.92%	+1.16%	30.2x	1.9x
Miscellaneous	1,197.4	1,142.7	+4.79%	+16.60%	14.3x	2.3x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD Δ%	Mcap**	PE	PB
ENVOYTEX	42.3	-13.5%	7,095	26.9x	1.1x
ACTIVEFINE	22.9	-10.5%	5,495	NM	1.0x
PIONEERINS	105.0	-10.2%	8,083	13.7x	2.1x
LANKABAFIN	33.8	-9.4%	18,213	13.0x	1.8x
OLYMPIC	146.7	-8.7%	29,331	17.4x	3.3x
IDLC	55.1	-8.6%	21,814	10.3x	1.3x
SINGERBD	156.2	-8.1%	15,574	30.0x	4.6x
BRACBANK	51.4	-7.1%	71,558	12.5x	1.5x
BATASHOE	900.9	-6.8%	12,324	NM	3.5x
CONFIDCEM	113.9	-6.6%	8,911	8.1x	1.5x

Important News: Business & Economy

Exports rise by 30.46% in July-Feb

- Bangladesh's export earnings in the July-February period of the current financial year 2021-22 increased by 30.46 % to USD33.84 billion from USD25.86 billion in the same period of the previous fiscal year due to an outstanding performance by readymade garment products. Export earnings in February 2022 grew by 34.54 % year-on-year to USD4.29 billion from USD3.19 billion in the same month of 2021, according to the Export Promotion Bureau data released on Wednesday.
- The EPB data showed that export earnings from RMG in the eight months of FY22 fetched USD 27.49 billion, which is 30.73 % higher than the earnings of USD21.03 billion in FY21. 'Export earnings growth is very positive, and we have taken some initiatives to maintain the trend,' Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, told New Age.

<https://www.newagebd.net/article/164250/exports-rise-by-3046pc-in-july-feb>

Revenue collection grows 16% on import surge

- The National Board of Revenue (NBR) posted 16.09% year-on-year growth in revenue collection which amounted to BDT 1.5 trillion in 7MFY22, thanks to a surge in imports with pandemic easing slowly. Of the three types of revenues, the growth in customs was the highest 22.45% during the period, while VAT saw a 12.68% and income tax 14.20% increase year-on-year. NBR officials said a rapid surge in imports keeping pace with sharply growing local demand amid the easing of the Covid-19 situation played a crucial role in generating higher customs revenue, as well as the overall revenue.

<https://www.tbsnews.net/nbr/revenue-collection-grows-16-import-surge-379051>

UAE finds Bangladesh food processing industry promising for investment

- UAE Ambassador in Bangladesh Abdulla Ali Al-Hmoudi on Wednesday said the food processing industry in Bangladesh looks promising for possible investment by his country's businesspeople. The envoy said that different countries showcase their goods at the pavilions in the Global Village of Dubai. The ambassador urged Bangladesh to take advantage of this. Bangladesh Pavilion in the Global Village would make it easier for tourists from different countries, including Dubai, to get information about Bangladeshi products.

<https://thefinancialexpress.com.bd/economy/uae-finds-bangladesh-food-processing-industry-promising-for-investment-1646220889>

Global commodity price hikes may jeopardize inflation target: BB

- Bangladesh's economy has experienced a strong rebound from the pandemic-induced downturn, but the recent spikes in global commodity prices – aided by unfolding geopolitical conflicts – may create price pressure for the country, causing the government to miss its inflation target, observes the Bangladesh Bank.
- The central bank also addressed a number of risks, including negative pressure on the balance of payment amid high imports and the severity of the ongoing pandemic, which may cast a cloud over the growth prospects.
- The Bangladesh Bank, however, hinted at continuing with the current expansionary and accommodative monetary stance when other global central banks are opting for squeezing money supply to curb inflation.

<https://www.tbsnews.net/economy/global-commodity-price-hikes-may-jeopardise-inflation-target-bb-378988>

Inflation in Bangladesh expected to exceed 6.0% by June

- The annual average rate of inflation is likely to cross 6.0 % level by the end of the current fiscal year (FY22), according to the central bank's inflation expectation survey. Around 77 % of the respondents, surveyed to gauge the inflation expectation in near future, expect one-year-ahead average inflation to be above 6.0 %.
- Annual Monetary Policy Review, released Tuesday evening, mentioned the result of the inflation expectation survey without any elaboration, adding Bangladesh Bank's staff projections on inflation for the remaining period of 2022 are also consistent with the inflation expectation survey results.

<https://thefinancialexpress.com.bd/economy/inflation-in-bangladesh-expected-to-exceed-60pc-by-june-1646229677>

Gap between lending, deposit rates reduced in January

- Interest spread narrowed down in January as banks raised deposit rates while lending rates dropped slightly, bankers have said. The weighted average spread between lending and deposit rates, offered by scheduled banks, fell to 3.12 % from 3.19 % in December, revealed the central bank's latest statistics.

- The weighted average interest rate on lending fell to 7.13 % in January 2022 from 7.18 % in the previous month while such rate on deposits rose to 4.01 % from 3.99 % earlier. Lower yield on advances along with an uptrend in interest rates on deposit pushed down the spread in January than in December, senior bankers explained.

<https://thefinancialexpress.com.bd/economy/gap-between-lending-deposit-rates-reduced-in-january-1646189490>

Default loans increase by BDT 145.4 Bn in 2021

- Defaulted loans have started to rise from the pandemic lows as banks began ending moratorium packages by classifying loans amid normalization of the financial condition of borrowers. Default loans in the banking sector increased by BDT 145.4 Bn in the past year after loan moratoriums were partially lifted. Although resumption of business activities increased money flow last year, many borrowers were yet to meet payments, forcing banks to classify a number of loans causing a rise in defaults, industry insiders said.
- The banking sector experienced a 16.38% growth in default loans after many banks did not extend the moratorium facility in 2021. The payment deferral that the central bank offered for January to December in 2020 helped banks reduce default loans amounting to BDT 56.0 Bn throughout the year.
- On the other hand, interest rates on lending may rise slightly in near future following a rebounding demand for credit, particularly from the private sector, in recent months, according to the private banker. Meanwhile, average spread with state-owned commercial banks was 2.35% in January, 3.19% with private commercial banks, 5.25% with foreign commercial banks and 1.82 % with specialized banks.

<https://www.tbsnews.net/economy/banking/default-loans-increase-tk14539-crore-2021-378835>

Bangladesh feels the heat of Ukraine invasion

- The far-reaching implications of an ongoing rally in oil prices amid Russia's invasion of Ukraine have already descended on Bangladesh as the state-owned Bangladesh Petroleum Corporation (BPC) is losing BDT 190 million per day. Before the war in Europe even began, oil prices were already lodged in an upward trend as demand for the fuel outpaced production after global economies started to rebound from the Covid-19 pandemic.
- But with Russia, one of the largest oil suppliers in the world, now engaged in battle with Ukraine, the threat of supply disruptions has only made things worse. With oil topping USD 110 a barrel, economists said the subsequent impact on Bangladesh's economy can be seen in rising import payments, fall in export receipts, pressure on the exchange rate, rising commodity prices and soaring inflation.

<https://www.thedailystar.net/business/economy/news/bangladesh-feels-the-heat-ukraine-invasion-2974521>

Fuel supply still steady, but subsidy, price may rise

- The Ukraine war, which has already caused energy prices to shoot up and started a new supply crunch, might not affect Bangladesh fuel imports in the short term owing to several timely government initiatives; but a prolonged war poses a major financial and supply threat. The heat of the war is still lukewarm for Bangladesh as the country is sourcing its petroleum and Liquefied Natural Gas (LNG) from the Middle East and other Asian countries. But the war has already hiked energy prices to a new record worldwide. This is set to mount huge pressure on the government in the coming months. If the war prolongs, the supply risk and cost burden on Bangladesh might become unbearable.

<https://www.tbsnews.net/bangladesh/energy/fuel-supply-still-steady-subsidy-price-may-rise-379057>

ADB to provide USD 297m in loans

- The Asian Development Bank (ADB) will provide USD 297 million worth of loans to mitigate climate change impacts and facilitate water supply in Dhaka city. The Manila-based lender would provide USD 135 million in loans for access to quality water supply services and promote environmentally sustainable surface water supply in Dhaka.
- It will also provide USD 157 million worth of assistance for flood and river erosion protection in the Padma and Jamuna basin. Besides, the ADB confirmed another USD 5.0 million grant for supporting the water supply project for robust gender empowerment by improving women's access to basic infrastructure and social services including in the low-income communities.

- ADB had made the USD 135 million additional loan confirmation for the Dhaka WASA. The program aims to protect 15,400 hectares of land from inundation and 0.5 million people from inundation damages and recover 8,000 hectares of char land from the river for development.

<https://today.thefinancialexpress.com.bd/metro-news/adb-to-provide-297m-in-loans-1646156108>

BD to enjoy DFQF in Australian mkt in post-LDC period

- Australia officially assured continuation of duty-and-quota-free treatment to Bangladesh's exports even after graduation from LDC in 2026, said the Bangladesh High Commission in Canberra on Tuesday, reports UNB. Australia agreed to initiate a study on prospects of greater trade and investment flow for adding dynamism in economic ties.
- The joint working group agreed to involve relevant private sectors and encouraged institutional linkages between Apex trade bodies of the two countries to further strengthen bilateral trade. The two countries agreed to enhance industry connections between Australian exporters of raw materials like cotton, wool, hides and importers and manufacturers in Bangladesh.

<https://today.thefinancialexpress.com.bd/last-page/bd-to-enjoy-dfqf-in-australian-mkt-in-post-ldc-period-1646155517>

Remittance drops 12% in February

- Bangladesh saw remittance inflow drop nearly 12 % in February mainly as working days of the expatriates in different countries squeezed, officials say. Bangladeshi nationals working abroad sent nearly USD 1.50 billion in February. The amount was USD 208.44 million lower than the remittance earning—a main source of the country's foreign-exchange reserves—in the previous month. In January 2022, the inflow of remittance was USD 1.70 billion.
- However, the inward flow of remittance dropped by nearly 16% year on year, as expatriates sent USD 1.78 billion in the same period of 2021. The official figures also show that the inward flow of remittance dropped more than 19% to USD13.44 billion during the July-February period of the current fiscal year (FY), 2021-22, from USD 16.69 billion in the same period of the previous fiscal.

<https://today.thefinancialexpress.com.bd/first-page/remittance-drops-12pc-in-february-1646154546>

Zero physical progress in 117 projects: IMED

- There are 117 projects with zero physical progress in FY21 – some of the development schemes just spent for staff salary and office expenditures, with the implementation heading nowhere, according to a report of the Implementation Monitoring and Evaluation Division (IMED). The number of projects with less than 25% of physical progress is 108. Some 131 projects report 28%-50% in terms of physical progress.
- Not a single penny was spent in 90 projects against an allocation of BDT 17.89 billion, while 122 others could spend below 25% of the allocation of BDT 97.94 billion in the revised ADP. The IMED report says out of the total 1954 projects, spending on 130 projects hovers around 26%-50%. Some 320 projects log 51%-75% spending, while 302 works clocked an "appreciable" 100% spending.

<https://www.tbsnews.net/economy/zero-physical-progress-117-projects-imed-378490>

Auditors detect major anomalies

- The government has incurred a financial loss of BDT 2.755 billion for financing flaws in 19 projects under the equity and entrepreneurship fund (EEF) between fiscal years 2009-10 and 2014-15, a special audit finds. Officials say the comptroller and auditor-general office found the loss having been caused through approval of loans without "due diligence" and absence of proper monitoring.
- The special audit found that the EEF fund incurred a loss of BDT 917 million as an entrepreneur did not withdraw rest of the loan amount two years after the disbursement of first instalment. Also, the fund officials disbursed money to a project bypassing the decision of the technical advisory committee and later the project could not go for commercial operation, causing a loss of BDT 21.624 million.

<https://today.thefinancialexpress.com.bd/first-page/auditors-detect-major-anomalies-1646154140>

Rational tariffs, ensuring quality products, better dealmaking must

- Tariff-modernization process will not only give enough impetus to the country's export performances in a sustainable manner but also encourage overseas companies to come in the economy that already shows its strength in this pandemic time. Naming some key trade blocs like BIMSTEC, BRI, ASEAN, RCEP, President of Dhaka Chamber of Commerce and Industry (DCCI) Rizwan Rahman said, the government needs to give top priority to these grouping because a significant volume of the country's export concentrates on these regions. Talking about trade agreements, Mr. Rahman traces a lack of negotiation skills and says the policymakers should be backed by economists, think-tanks, research analysts, academics and even mathematicians in terms of tariff liberalization and trade agreements.

<https://today.thefinancialexpress.com.bd/first-page/rational-tariffs-ensuring-quality-products-better-dealmaking-must-1646154510>

BTTC suggests 10% cash incentive

- A government body has suggested providing 10 % cash incentive facility on export of ferro alloy chemicals conditionally - to boost export volume and increase competitiveness in the global market, sources said. The state agency, Bangladesh Trade and Tariff Commission (BTTC), has recently submitted a report, recommending the cash incentive for ferro alloy chemicals (ferro manganese, ferro silicon, and silicon manganese) at the same rate like chlorine, hydrochloric acid, caustic soda, and hydrogen per-oxide, they added. Currently, the government provides 10 % cash incentive against export of chlorine, hydrochloric acid, caustic soda, and hydrogen per-oxide.

<https://today.thefinancialexpress.com.bd/trade-market/bttc-suggests-10pc-cash-incentive-1646150387>

Interest spread reduced in Jan

- The weighted average spread between lending and deposit rates, offered by scheduled banks, fell to 3.12 % from 3.19 % in December. The weighted average interest rate on lending fell to 7.13 % in January 2022 from 7.18 % in the previous month while such rate on deposits rose to 4.01 % from 3.99 % earlier.
- On the other hand, interest rates on lending may rise slightly in near future following a rebounding demand for credit, particularly from the private sector, in recent months, according to the private banker. Meanwhile, average spread with state-owned commercial banks was 2.35 % in January, 3.19 % with private commercial banks, 5.25 % with foreign commercial banks and 1.82 % with specialized banks.

<https://today.thefinancialexpress.com.bd/last-page/interest-spread-reduced-in-jan-1646155548>

BB working on alternatives to SWIFT

- Dhaka's trade with Moscow may face some hiccups if Russian banks are kicked out of the SWIFT system, reports UNB. Finance ministry is considering approving a proposal of the Bangladesh Bank (BB) using the 'currency swap' system with Russia to avert losses. Ministry officials say trade will be affected in the short run and if the war situation lingers, Bangladesh will have to face its impact in the long run.
- Experts and ministry officials say Bangladesh will not be affected widely as export trade with Russia is not so big and several alternative systems are being used in different countries. However, as an alternative to SWIFT, there is a proposal to settle transactions between the two in a 'currency swap' system, says a senior official.

<https://today.thefinancialexpress.com.bd/first-page/bb-working-on-alternatives-to-swift-1646154195>

Bangladesh keen to import 1 million metric tonnes more LNG from Qatar

- Bangladesh wants to import an additional 1 million metric tonnes per annum (MTPA) liquefied natural gas from Qatar. The state minister made the proposal after the plan to import low-priced LNG from the spot market failed. He also proposed a side letter agreement along with the existing long term agreement.
- Petrobangla has purchased 8.424 million metric tons of LNG through 137 cargoes till January 2022. Qatar's Minister of State for Energy Saad Sherida Al Kabir cordially accepted Bangladesh's offer and directed Qatar Gas and Qatar Energy to sit with Petrobangla to discuss the proposed issues.

<https://www.tbsnews.net/economy/bangladesh-keen-import-1-million-metric-tonnes-more-lng-qatar-378493>

Local textile sales double in five years

- The textile market in Bangladesh is growing at a faster clip as annual sales have nearly doubled to USD9 billion in a span of five years riding on the production of diversified fabrics and the growing consumption of middle-income people. Now, local producers make the fabrics for shirts, trousers and other expensive items as the demand for quality items has gone up a lot in recent years for the rise in income.

- More than USD 2 billion worth of textile and fabrics are alone sold during Eid-ul-Fitr, the main sales season for local businessmen and traders. In the days leading to Pahela Baishakh, textile and fabric sales fetch more than USD1 billion, as people wear locally made clothing items to celebrate the Bengali New Year. The acute power outage faced by Chinese factories has also helped grow Bangladesh's local fabrics market, as many importers are not buying the item from the country now.

<https://www.thedailystar.net/business/economy/news/local-textile-sales-double-five-years-2973746>

Pvt credits grow as trade demand rises

- Credit flow into Bangladesh's private sector increases further as demand for loans, particularly for trade financing, grows for settling import payments. The credit flow rose to 11.07% in Jan'22 on a year-on-year basis, from 10.68 % a month before. It was 3.73-percentage points lower than the Bangladesh Bank (BB) target of 14.80% for 2HFY22. Outstanding loans with the private sector rose to BDT 12.7 trillion in Jan'22 from BDT 12.6 trillion in the previous month.
- The credit growth increased during the period under review mainly due to higher trade financing for settling import-payment obligations. Besides, higher prices of essential commodities, including petroleum products, on the global market also pushed up the country's import payments during the period under review.

<https://today.thefinancialexpress.com.bd/first-page/pvt-credits-grow-as-trade-demand-rises-1646071849>

Bangladesh's energy sector ripe for EU investments: Ambassador Whitley

- European investments in Bangladesh are set to get a boost in the coming years, specifically focused on renewable energies. EU signed a big loan of EUR 250 million during Covid for the health sector. EU plans on a grant package of half a billion euros on renewable energy.

<https://www.tbsnews.net/bangladesh/energy/bangladeshs-energy-sector-ripe-eu-investments-ambassador-whitley-377938>

Concessionary duty remains until May

- The National Board of Revenue (NBR) is likely to extend the concessionary import-duty facility for raw sugar until May 30, 2022. The facility was scheduled to expire Monday (February 28, 2022). The customs wing reduced RD to 20 % from 30 % on import of raw sugar, beet sugar, and cane sugar of specified categories.

- Sources said the NBR would issue a Statutory Regulatory Order (SRO) extending the concessionary taxes within this week. NBR sources said they had no intention yet to reduce duty taxes of other essential commodities as most of them were already tax exempted or enjoying concessionary duties.

<https://today.thefinancialexpress.com.bd/first-page/concessionary-duty-remains-until-may-1646071901>

Cabinet okays draft of 'Export Policy 2021-2024'

- The Cabinet today approved the draft of "Export Policy 2021-2024" with a target of USD 80 billion export for FY2024. The export receipts surpassed the USD 3.91 billion target set for the month, registering more than 48% year-on-year growth. The export target for the fiscal year 2021 was USD60 billion.

<https://www.tbsnews.net/economy/cabinet-okays-draft-export-policy-2021-2024-377650>

Waive tax at source

- Bangladesh Local Carton Manufacturers Association (BLCMA) urged the government on Monday to waive tax at source from carton manufacturers and to rein in growing prices of paper in order to help the industry flourish. The association leaders also called upon paper mills owners to reduce the prices of paper, thereby helping save the packaging industry from incurring financial losses.
- Association President MA Bashar Patwary said they could not sustain in the competitive market because the tax deducted at source ranges between 2.0%-5.0 % while their annual net profit is not more than 4.0-5.0 %. He urged the government to craft a policy to rein in price hike of paper. He also urged the government to provide policy and other supports for the packaging industry in the next national budget.

<https://today.thefinancialexpress.com.bd/trade-market/waive-tax-at-source-1646070135>

VAT-GDP gap: BDT 1.5 trillion remains out of grasp

- More than BDT 1.50 trillion from VAT-able goods and services annually remains unrealized because of weaknesses in VAT collection measures. Various initiatives taken by the government to increase revenue are also apparently proving futile.
- Around BDT 2.5 trillion was supposed to be mobilized at 15% on VAT-able transactions of BDT 16.6 trillion in 11 sectors based on their contribution to GDP in FY21. But the actual VAT collection amounted to only a little over BDT 970.0 billion – only about 40% of the projected amount. In FY21, 15 sectors contributed nearly BDT 30 trillion to GDP.

<https://www.tbsnews.net/economy/vat-gdp-gap-tk15-lakh-crore-remains-out-grasp-377956>

Bida proposes reforms in 24 sectors

- Bangladesh Investment Development Authority (Bida) has proposed reforms in 24 sectors, including allowing private investment in the power transmission sector and foreign investment in the transport sector. Bida will send the proposals, based on the recommendations from investors at the International Investment Summit 2021 held last November, to the Prime Minister's Office.

<https://www.tbsnews.net/economy/bida-proposes-reforms-24-sectors-377950>

Over USD 600m garment exports to Russia at risk

- Bangladesh will lose one of the most promising apparel export destinations if various Russian lenders are excluded from the SWIFT messaging system in response to the country's invasion of Ukraine, entrepreneurs warned. Bangladesh shipped apparel items worth USD 593.66 million to Russia in the last fiscal year, comprising USD 373.25 million worth of knitwear items and USD 220.41 million worth of woven items.
- But the entrepreneur plans not to ship any goods to Russia until and unless the uncertainty over the SWIFT is resolved as they may face difficulties in getting export proceeds. More than USD 22 billion worth of garment items is shipped from Bangladesh to European countries, representing 64% of the annual apparel export.

<https://www.thedailystar.net/business/global-economy/news/over-600m-garment-exports-russia-risk-2972931>

Fund crunch might hit Rooppur NPP

- Implementation of the USD 13.48 billion Rooppur Nuclear Power Plant (RNPP) project might face wrath of the Western sanctions against Russia over the Ukraine war, as most of the funding of this mega project is being sourced by Russia. The 24,000-megawatt (MW) RNPP is already facing delay due to sluggish progress in installing river-crossing electricity transmission lines from the plant to evacuate its generated electricity, said sources.
- The western nations' decision to impose a harsh set of sanctions to punish Russia, including blocking some banks from the SWIFT international payments system as well as restrictions on the Russian central bank's international reserves, might slow down necessary money transactions for the project, they feared. The Russian Bank for Development and Foreign Economic Affairs and Bangladesh's state-owned Sonali Bank Ltd are the authorized banks for the state loan.

<https://today.thefinancialexpress.com.bd/first-page/fund-crunch-might-hit-rooppur-npp-1646071947>

Bangladesh to have a new avenue for importing electricity from Nepal

- Bangladesh is likely to have a new avenue for importing electricity from Nepal as the latter has agreed to install a cross-border electricity transmission line with West Bengal, India. The installation of the line is also expected to facilitate the proposed electricity trade between Nepal and Bangladesh via the Indian territory Bangladesh is about to finalize a power purchase agreement with Nepal to import 500MW electricity from its proposed 900 MW run-of-the-river hydroelectric power plant. According to the ministry, it would take four to five years to start the import from this plant.

<https://www.tbsnews.net/bangladesh/energy/bangladesh-have-new-avenue-importing-electricity-nepal-377941>

Jan imports near USD 6.5b

- The country's single-month import payments reached nearly USD 6.50 billion in January 2022, following higher purchase of textile items from the global market to supply buyers' orders properly. The settlement of letters of credit (LCs) rose by nearly 7.0 % to USD 6.41 billion in January - from nearly USD 6.0 billion in the previous month. It was USD 5.54 billion in November 2021.
- On the other hand, opening of LCs increased by 11.18 % to USD6.86 billion in January - from USD 6.17 billion a month before. Imports of textile products under back-to-back LC settlement increased nearly 8.0% to USD818.42 million in January from USD758.33 million a month before.
- Actual imports of fuel-oils dropped by 39.63% to USD 215.67 million in January from USD 357.27 million in the previous month. However, imports of capital machinery or industrial equipment used for production dropped by over 40 % to USD 361.59 million in January against USD 606.21 million a month before.

<https://today.thefinancialexpress.com.bd/first-page/jan-imports-near-65b-1645986792>

Megaprojects want big cuts in ADP allocations

- The project implementation agencies have failed to make progress commensurate with the deadlines and surrendered their outlay in the current ADP, Planning Commission (PC) officials said. The PC has slashed the BDT 2.25 trillion ADP outlay by 8.0% to BDT 2.07 trillion for the current FY amid lower project execution rate in the first half (H1).
- The much-awaited Padma Bridge construction project has proposed to surrender BDT 10 billion in the upcoming RADP from its current BDT 35 billion ADP outlay. After the revised allocation for FY 2021-22, BDT 42.41 billion of the total BDT 301.93 billion project cost will remain unspent in the terminal fiscal year (FY2023), the deadline for completing the projects.
- Another dream project - the MRT line-6 -also sought BDT 40.82 billion funds in the upcoming RADP from its current allocations of BDT 48 billion. The Karnaphuli tunnel construction project sought to cut allocation by BDT 5.12 billion to BDT 11.37 billion in the RADP.

<https://today.thefinancialexpress.com.bd/last-page/megaprojects-want-big-cuts-in-adp-allocations-1645986935>

NBR goes all-out to boost tax revenue for better economic growth

- NBR has recently witnessed a 9.51% growth in individual income tax return submission. The revenue target for the NBR for FY22 has been fixed at 10.7%, higher than the revised target of FY21. The revenue collection was set at BDT 3.3 trillion during FY22. The tax to GDP ratio in the current fiscal has been estimated at 10.7%.
- The target for Income Tax and Tax on Profit has been set BDT 1.05 trillion where it was BDT 1.04 trillion in the last fiscal. The revenue collection from import duty will be BDT 379.07 billion, BDT 544.65 billion from Supplementary Duty, BDT 560 million from export duty, BDT 38.25 billion from Excise Duty while BDT 10.50 billion from other taxes and duties.

<https://today.thefinancialexpress.com.bd/trade-market/nbr-goes-all-out-to-boost-tax-revenue-for-better-economic-growth-1645985329>

Cargo vehicle terminal construction begins at Benapole port

- The construction of the cargo vehicles terminal at the Benapole Port has begun as the government looks to improve the capacity of the largest land port in South Asia. The terminal will allow the port to handle an increasing flow of goods of international trade, particularly between Bangladesh and India. The port accounts for 90% of the total trades that take place through land ports.

- The handling of export and import cargoes at the port grew 74% to 3.1 million tonnes in 2020-21, compared to 1.76 million tonnes in FY16. Imports accounted for 90 per cent of the total goods. The port now handles nearly 700 trucks carrying inbound and outbound goods and can accommodate about 1,100 trucks in three of its terminals. After the construction of the new cargo terminal, the combined capacity of the port will be 2,500 trucks.

<https://www.thedailystar.net/business/economy/industries/ports-and-shipping/news/cargo-vehicle-terminal-construction-begins-benapole-port-2972101>

SWIFT expulsion to disrupt payments for time being

- Bangladesh is executing its trade-related and other transactions with Russia through SWIFT. The country's trade-related transactions with Russia were USD 1.18 billion in the fiscal year 2018-2019 and the amount was USD 1.12 billion in FY18. Russia is implementing two major projects — Rooppur Nuclear Power Plant at the cost of USD 12.65 billion and the second satellite at the cost of BDT 37.1 billion in Bangladesh.
- Apart from using the alternative payment channel, the government is in the process of introducing a currency swap between Bangladesh and Russia to ease trade and business. The BB has already sent the proposal to the foreign ministry for the next measures but is yet to be materialized.

<https://www.newagebd.net/article/163932/swift-expulsion-to-disrupt-payments-for-time-being>

Standard 4G internet speed still elusive

- Mobile users in Bangladesh are suffering from slower data speed despite the launch of 4G technology four years ago, as operators have failed to ensure the minimum internet speed set by the regulator. During the drive-tests last year, the Bangladesh Telecommunication Regulatory Commission (BTRC) found that the mobile operators could not maintain the minimum speed of 7 Mbps as standard for 4G.
- Chief corporate and regulatory officer of Robi Axiata said due to a lack of affordable spectrum and unreliable and poor quality of optical fibre network, the mobile network operators did not agree to any minimum speed limit proposed by our regulator.
- Head of corporate communications and sustainability of Banglalink said that the operator deployed the new 9.4 MHz spectrum purchased last year. As a result, they have been able to provide better and considerably improved services for their customers.

- He also said that high spectrum prices, higher tax rates, and lower 4G handset penetration are the major barriers facing the industry today. The lack of a level playing field in the market is another concern, he added. Moreover, regulatory support for achieving efficiency through sharing of facilities and services such as tower/in-building solutions, radio access network, and spectrum is also necessary, he said.

<https://www.thedailystar.net/business/telecom/news/standard-4g-internet-speed-still-elusive-2972221>

Foreign aid release, commitment surge in July-Jan of FY22

- Bangladesh witnessed jumps in both foreign aid disbursement and commitments for new loans and grants in the first seven months of the current 2021-22 fiscal year, mainly riding on Covid-related budget assistance and loans for purchasing vaccines.
- The country received more than 90% higher aid commitments year-on-year in the July-January period of FY22, while the amount of assistance released by the development partners in the period was more than 39% higher year-on-year. Development partners pledged USD 4.69 billion in grants and loans in 7MFY22, which was USD 2.46 billion in 7MFY21. During this period, they released USD 4.69 billion worth of assistance, higher than USD 3.35 billion in the corresponding period last year.

<https://www.tbsnews.net/economy/foreign-aid-release-commitment-surge-july-jan-fy22-376816>

Bangladesh eyes huge Saudi investments

- Bangladesh expects huge investments from oil-rich Saudi Arabia, with Riyadh deciding to send a 29-member delegation to Dhaka soon for exploring opportunities in public-private partnership (PPP) projects. Saudi Arabia finds Bangladesh as a top priority country and is interested in a long-term strategic plan where they will contribute to the economic growth of the country, the Public-Private Partnership Authority (PPPA) of Bangladesh said in a press release. Officials of the Saudi Ministry of Investment will come to Dhaka with 29 investors soon and explore investment opportunities in PPP projects.

<https://www.tbsnews.net/economy/bangladesh-eyes-huge-saudi-investments-376513>

Annual development programme execution far below pre-pandemic level

- Project-implementation rate this fiscal looks a bit better than the covid-ridden last financial years but the public agencies lag far behind the pre-pandemic marks. Health ministry in implementing the development projects pulled down the average performance rates of all the ministries and agencies during 7MFY22. Government ministries and agencies altogether executed 30.21% of the Annual Development Programme (ADP) during 7MFY22.

<https://thefinancialexpress.com.bd/economy/annual-development-programme-execution-far-below-pre-pandemic-level-1645843078>

Bangladesh starts counting fuel import cost amid Russia-Ukraine war

- Bangladesh begins counting the cost in higher import bills as oil and gas prices on the international market soars in a fallout from the raging war between Russia and Ukraine. Bangladesh Petroleum Corporation (BPC) is now counting loss worth around BDT 150 million per day, in terms of ruling market rate of Brent crude. Petrobangla is also counting extra money for purchasing liquefied natural gas (LNG) from the international market as its buying price is linked with the Brent-crude price, say the sources.

<https://thefinancialexpress.com.bd/trade/bangladesh-starts-counting-fuel-import-cost-amid-russia-ukraine-war-1645929191>

Banks to require separate wing to manage business

- The commercial banks that are willing to start bancassurance business with the insurance firms would have to establish a separate wing for dealing with the clients. A draft guideline, prepared by Bangladesh Bank, would require the wing to have some manpower specialized in the insurance industry.
- The wing, however, would not be able to force any customer to take the insurance policy. It can offer the insurance products to the retail customers and SME clients, but not to corporate customers. The officers cannot provide any misleading information to the bank clients to sell the products and will disclose that the bank will not take any risk-related liabilities.

<https://thefinancialexpress.com.bd/trade/banks-to-require-separate-wing-to-manage-business-1645929506>

Important News: Capital Market

Investors cautiously optimistic about 2022 market: LankaBangla Survey

- Investors are found to be cautious about many economic and market factors in 2022, but their optimism did not let off, revealed the Bangladesh Capital Market Sentiment Survey 2022 by LankaBangla Securities, the top brokerage firm in the country. The majority of respondents anticipate the Dhaka Stock Exchange's broad-based benchmark DSEX will close above the 7,000 mark at the end of this year.
- They came up with the anticipation despite their perception of increased risks of less money flow on the country's bourses, further policy interventions by different regulators, weakened investor confidence, the weak regulatory framework, and risk of poor corporate earnings growth. Only a minority of 10.3% of respondents are bearish about the stock market.

<https://www.tbsnews.net/economy/stocks/investors-cautiously-optimistic-about-2022-market-lankabangla-survey-379003>

Renata to purchase land for factory expansion

- Renata Limited – a manufacturer of pharmaceuticals and animal health products – will acquire 560 decimals of land at Rajendrapur in Gazipur for factory expansion. According to a disclosure by the company on the Dhaka Stock Exchange (DSE) website on Wednesday, the land will cost BDT 510 million excluding registration and incidental costs. Besides, as per an order of the High Court, the company decided to hold an extraordinary general meeting (EGM) on 16 April to approve the merger of its two subsidiaries – Renata Agro Industries and Purnava Ltd.

<https://www.tbsnews.net/economy/stocks/renata-purchase-land-factory-expansion-379015>

GP first to introduce eSIM

- Grameenphone has launched eSIMs for the first time in Bangladesh and the new product will be available from March 7. Multiple networks and numbers can be stored on a single eSIM depending on the handset, ensuring seamless global connectivity. Customers can access more than one phone number, making it easier and more convenient for travelers, a statement from GP has said.

<https://www.thedailystar.net/business/organisation-news/news/gp-first-introduce-esim-2973721>

BSEC approves BDT 160 Mn IPO of Meghna Insurance

- The Bangladesh Securities and Exchange Commission (BSEC) recently allowed Meghna Insurance Company Ltd to raise BDT 160.0 million from the stock market through an initial public offering (IPO). The company will issue 16 million ordinary shares at a face value of BDT 10 each.
- It will invest BDT 24.0 million in government treasury bonds, BDT 32 million in listed securities, and BDT 9.52 million in fixed deposit receipts (FDRs). Asian Tiger Capital Partners Investments, Prime Bank Investment, and UCB Investment are the issue managers for the company's IPO. The company will not be able to declare, approve, or disburse dividends before its stock market listing.

<https://www.tbsnews.net/economy/stocks/bsec-approves-tk16cr-ipo-meghna-insurance-378406>

No fresh directive on mandatory settlement of negative equities

- The securities regulator has not yet issued any fresh directive regarding mandatory settlement of negative equities of the capital market within December 31, 2022. Bangladesh Securities and Exchange Commission (BSEC) on Monday said this in a clarification amid an ongoing discussion regarding mandatory settlement of negative equities by the market operators. It said the previous directive regarding optional scope of provisioning against unrealized losses will remain effective till December 31, 2022.

<https://thefinancialexpress.com.bd/stock/bangladesh/no-fresh-directive-on-mandatory-settlement-of-negative-equities-1646113887>

Horlicks bounces back in 2021, Unilever Consumer's profit flat

- Horlicks, the most popular health food drink (HFD) brand in the region, recovered its Bangladesh sales in 2021 thanks to the restoration of the supply chains and an increase in the number of new consumers mostly for its small packs. In 2021, sales rebounded to around BDT 4.1 billion, even without the revenues from Sensodyne toothpaste and digestive over the counter product Eno.
- The 19% surge in revenue helped the company register a 32.5% annual growth in operational profit in 2021 as operational costs did not grow at the same pace. Unilever Consumer Care's net profit after tax in 2021 was BDT 527 million, which was BDT 530 million in 2020.

<https://www.tbsnews.net/economy/horlicks-bounces-back-2021-unilever-consumers-profit-flat-378454>

Bank Asia allowed issuing BDT 5.0 Bn perpetual bond

- Bank Asia Ltd has received approval from the securities regulator to issue perpetual bonds worth BDT 5.0 billion in a bid to strengthen the additional Tier-1 capital base of the third-generation private sector lender. BDT 4.5 billion will be issued through the private placement and the remaining BDT 500 million through a public offering.
- The unit face value will be BDT 5,000. The coupon rate will be 6%-10% and the minimum subscription amount of the bond will be BDT 10.0 million in private placement while it stands at BDT 5,000 for the public offer.

<https://www.tbsnews.net/economy/stocks/bank-asia-allowed-issuing-tk500cr-perpetual-bond-378412>

BSEC approves draft prospectus of Mercantile Bank Unit Fund

- The Bangladesh Securities and Exchange Commission (BSEC) recently approved the draft prospectus of Mercantile Bank Unit Fund - an open-ended mutual fund. According to BSEC, the fund's primary target size is BDT 500.0 million. Of the amount, the sponsor will provide BDT 50.0 million, and the remaining BDT 450.0 million will be collected by selling the mutual fund's units to investors at a face value of BDT 10 each.

<https://www.tbsnews.net/economy/stocks/bsec-approves-draft-prospectus-mercantile-bank-unit-fund-378391>

National Polymer to issue BDT 3.0 Bn zero coupon bond

- The Bangladesh Securities and Exchange Commission (BSEC) allowed National Polymer Industries to issue a zero-coupon bond worth BDT 3.0 billion. This would be a transferable, redeemable, non-convertible, and unsecured bond, with a tenure of five years. The bond will be listed in the alternative trading board (ATB) of the stock exchanges.
- The company will spend this fund on refinancing and purchasing machinery, infrastructure, and construction. The issue price will be BDT 1,000 per unit and yield to maturity will be 8% of the bond. It will be paid BDT 4.1 billion at maturity. The minimum subscription amount of the bond will be BDT 3,000 in the private placement.

<https://www.tbsnews.net/economy/stocks/national-polymer-issue-tk300cr-zero-coupon-bond-378388>

Banglalink's profit drops 22.97% despite revenue growth

- Despite significant revenue growth, the operating profit of Banglalink, dropped by 22.97% to BDT 488.66crore in 2021. The reason for the profit slump, however, could not be known.
- The operator showed encouraging signs of progress in revenue as it registered 5.1% growth in the past year. Erik said that the demand for data services remained robust in the 4th quarter, with data volumes rising 71.5% year-on-year, contributing to a 23.8% increase in mobile data revenue. At the end of 2021, the operator's total consumer base stood at 3.51crore up from 3.32crore in 2020.

<https://www.tbsnews.net/economy/stocks/banglalinks-profit-drops-2297-despite-revenue-growth-377875>

Telcos' data carry-forward launch deferred by 15 days

- Bangladesh Telecommunication Regulatory Commission on Monday deferred by 15 days the implementation of a scope for mobile phone subscribers to carry forward unused data of any package at the expiry of validity. The BTRC is still working on approving all the packages as many of the renewal applications are submitted at the last moment, a BTRC official said. The additional 15-day time would allow the mobile phone operators to prepare their system for the purpose, the official said.

<https://www.newagebd.net/article/164029/telcos-data-carry-forward-launch-deferred-by-15-days>

No fresh directive from BSEC

- The securities regulator has not yet issued any fresh directive regarding mandatory settlement of negative equities of the capital market within December 31, 2022. It said the previous directive regarding optional scope of provisioning against unrealized losses will remain effective till December 31, 2022.
- Most of the market operators have already come out of the woods of negative equities availing capital supports from parent companies or selling the shares of portfolios having negative equities, said the securities regulator.

<https://today.thefinancialexpress.com.bd/stock-corporate/no-fresh-directive-from-bsec-1646070577>

BSEC plans to allow share selling the day after purchase

- The Bangladesh Securities and Exchange Commission (BSEC) has taken an initiative to reduce the trade settlement cycles on bourses by a day. Once implemented, investors can sell a share on the very next trading session after their purchase (T+1), while currently, they have to wait at least one day in the middle of the buying and selling days.

- After the change, the settlement will have to be done at the end of the very trading session and there are some practical challenges that include payment processing through the banking channel on the same day, especially as it will take place after 3pm. In case of any default by the relevant brokers either to pay the price or give the share on the next day, the stock exchange does it and clears the settlement.

<https://www.tbsnews.net/economy/stocks/bsec-plans-allow-share-selling-day-after-purchase-377914>

IPDC continues to thrive even amid challenging times

- IPDC Finance Ltd passed another prosperous year in 2021 when its business environment remained challenging and many of its competitors, including the industry leader IDLC Finance, suffered drops in income and profits. The transformed non-bank financial institution (NBF) posted record deposits, loans, income, and profits for the seventh consecutive year.
- IPDC continued its increasing focus on micro, small and medium enterprises (MSMEs) and retail clients during the pandemic as it found them to be good borrowers and best in terms of utilizing the loans. Its supply chain financing grew by 50% to help its market share in the lending industry to be at 54%.
- Around 10,000 small borrowers have increased IPDC's SME loan portfolio to 27% of the total loan book of BDT 65.3 billion. Customer deposits with IPDC grew year-on-year by 20% to around BDT 50.0 billion in 2021, while its bank borrowing grew by 5% to BDT 100.0 billion. As revenue grew by 21% and operating cost grew by 7.9%. Its classified loan ratio stood at 3.15% at the end of last December, which was 1.38% a year ago.

<https://www.tbsnews.net/economy/stocks/ipdc-continues-thrive-even-amid-challenging-times-377899>

Nebras Power makes first phase payment to Unique Hotel for power plant acquisition

- Nebras Power Investment Management BV, a Qatar based investment company, has paid BDT 820 million to Unique Hotel and Resorts Ltd as the first phase payment for acquiring Unique Meghnaghat Power Ltd - a power plant of Unique Hotel.
- In April last year, Nebras Power signed an agreement with Unique Hotel and Strategic Finance & Investments Ltd to buy a 24% stake in Unique Meghnaghat Power at a total cost of BDT4,500 million. As per the agreement, Unique Hotel will sell 11.76% of its holding at a value of BDT 2,050 million, and Strategic Finance will sell 12.24% of its holding at a value of BDT 2,450 million. Nebras will pay off the total amount in four phases.

<https://www.tbsnews.net/economy/stocks/nebras-power-makes-first-phase-payment-unique-hotel-power-plant-acquisition-377890>

BSEC orders flurry of actions on back-office software use

- The Bangladesh Securities and Exchange Commission (BSEC) on Sunday directed the bourses to take an array of actions on the use of back-office software by brokerage firms. The move comes in the wake of the revelation of a defrauding scheme using multiple back-office software by brokerage firm Tamha Securities.
- Sources said 19 firms supplied back-office software among the member firms of the stock exchanges. The DSE and CSE have also been instructed to frame policies for hardware and software installation, security and network installation for the brokerage firms. The stock exchanges must inform the commission after permitting a vendor.

<https://www.tbsnews.net/economy/stocks/bsec-orders-flurry-actions-back-office-software-use-377362>

Renata to take over two subsidiaries

- Renata, a listed company, will take over two subsidiary companies with their all assets and liabilities, said a disclosure. The company's board of directors has taken the decision and approved draft scheme of amalgamation unanimously. The subsidiary companies which will be taken over by Renata are Renata Agro Industries and Purnava.

<https://today.thefinancialexpress.com.bd/stock-corporate/renata-to-take-over-two-subsidiaries-1645978925>

Nurani Dyeing entrepreneurs flee with entire IPO fund

- The BDT 430 million initial public offering (IPO) in 2017 by Nurani Dyeing and Sweater Ltd – a Feni-based sweater exporter – has been proved to be a fraudulent scheme. It was filing fake turnover and fake fund utilization reports, until the DSE inspection in the mid-2020 found the factory permanently closed.
- BDT 293.4 million of the IPO fund was taken away through cash withdrawal or bank transfers to different related parties' accounts. Nurani Dyeing also concealed its liability to AB Bank by over BDT 1,100 million and its financial disclosures regarding interest expenses were all false.

<https://www.tbsnews.net/economy/stocks/nurani-dyeing-entrepreneurs-flee-entire-ipo-fund-377368>

DSE asked to train brokerage officials on investors' money protection

- The Bangladesh Securities and Exchange Commission has asked the Dhaka Stock Exchange to arrange training and awareness programmed for senior officials of all brokerage houses to avoid unscrupulous incidents, including investors' fund embezzlement occurred in recent times. The commission took the initiative as a number of brokerage firm allegedly defrauded investors a huge amount of money through data engineering. The DSE has been asked to arrange awareness programmed for chairpersons, managing directors and directors of all TREC holder companies on topic titled 'Strengthening the security of fund and securities of investors.

<https://www.newagebd.net/article/163808/dse-asked-to-train-brokerage-officials-on-investors-money-protection>

Listed firms take too long to upload financials

- Most listed companies in Bangladesh do not post their quarterly financial reports within 48 hours of securing approval from their boards as they take advantage of the lack of specific regulations in this regard, according to experts. Some listed companies even take weeks to publish their annual financial statements. As a result, general investors are deprived of key financial data that allows them to analyses the health of issuers.

<https://www.thedailystar.net/business/economy/industries/investments/news/listed-firms-take-too-long-upload-financials-2971401>

JMI Hospital IPO subscription opens tomorrow

- The initial public offering (IPO) subscription of JMI Hospital Requisite Manufacturing Ltd will begin tomorrow (Sunday) and continue till 3 March. Earlier, institutional investors fixed the cut-off price of the company's shares at BDT 25 each through electronic bidding. Qualified and institutional investors, including mutual funds, will buy 25% of the company's shares at the cut-off price. Individual investors will be able to purchase the remaining shares at BDT 20 per share, i.e., at a 20% discount on the cut-off price.

<https://www.tbsnews.net/economy/stocks/jmi-hospital-requisite-manufacturing-ipo-applications-start-27-feb-376609>

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