

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.

E-commerce sees hefty growth amid pandemic

- The country's e-commerce sector has witnessed an eventful year with some policy reforms and a robust growth with substantial number of new customers amid the Covid-19 pandemic, insiders have said. They also said the year can be considered a turning point for the sector, as a number of consumers got accustomed to using the digital commerce platforms, and many new entrepreneurs entered the business. When everything was closed, delivery of various products by online shopping companies kept the country's business activities going. As a result, we have witnessed manifold revenue growth this year, said he founder president of e-Commerce Association of Bangladesh (e-CAB).
- Actually most of the businesses remained suspended during the hard lockdown period, when people used the digital commerce platforms for buying their essentials, said the Chief Executive Officer (CEO) of popular e-commerce operator AjkerDeal.com. He opined that the 'new normal' situation taught many people to use internet-enabled services. It can help the local e-commerce sector, which is still city-centric, grow in coming years. The e-commerce sector is expected to grow further in 2021 following rise in number of internet users.

<https://today.thefinancialexpress.com.bd/last-page/e-commerce-sees-hefty-growth-amid-pandemic-1609003406>

Pandemic lifts demand for soap, detergent

- The pandemic has brought many changes in people's habits and practices, one of these being an increase in hygiene consciousness, which is why they use more soaps and detergents to keep the highly contagious coronavirus at bay. This increased consciousness has given a boost to demand for soap and detergent. As a result, production of soaps and detergents increased this year. Soap and detergent making grew 12% year-on-year to 134,411 tonnes in the January-August period of 2020 from 120,211 tonnes in the same period a year ago.
- Unilever Bangladesh, the largest manufacturer of soap, said hygiene consciousness went up dramatically with the Covid-19 crisis becoming apparent from third week of March in the country. The BBS data showed that soap and detergent manufacturing rose in the March-April period and it picked up in June-July period of 2020. The highest production was recorded in July when major industries produced 25,185 tonnes of soap and detergent, 54% higher year-on-year from 16,400 tonnes in the same month a year ago. Executive director of ACI Logistics, which operates the biggest supermarket chain Shwapno, said sales of home cleaning and hygiene items rose since March.

<https://www.thedailystar.net/business/news/pandemic-lifts-demand-soap-detergent-2017953>

Consumers again open purse as confidence returns

- After a long covid-hibernation in the pandemic, consumers indulge in a spending spree to make up for the long period of abstinence contributing to this significant increase in sales. The managing director of Snowtex said that sales of winter garments increased more than what they had anticipated for this season. Sales of other clothing, such as women's outfits, denim shirts, and pants have also come back to what it was in normal times from August when Eid-ul-Adha was celebrated, he added.
- The consumers' moving away from the Covid-induced behaviour – only spending on the very necessary – has also been reflected in bank financing as well, with consumer loans having grown by 12% year-on-year in the July-September quarter. The loan growth was negative 3% in the preceding quarter. Industry insiders said people have now come back to regular spending with economic activities gaining traction after the pandemic-driven slowdown resulting in a dramatic increase in consumer finance. Banks with high excess liquidity are now offering consumer loans at the lowest rate in recent years.
- Sales of high-end products have recovered 80% of normal times while it is not more than 60% when it comes to general commodities. But demand has been on the rise after the shutdown was lifted. Singer Bangladesh's head of marketing communication said that people are buying products to make life easier at home. Washing machines, microwave and electric ovens, refrigerators, and computers – all see a steady rise in demand since the shutdown was lifted, he informed.

<https://tbsnews.net/economy/consumers-again-open-purse-confidence-returns-176812>

The year that IPOs were back in vogue

- While the country's private investment is going through a stagnant situation, the stock market regulator has given the nod to 19 companies this year for raising BDT 15.80 billion by offloading shares to the public for business expansion. The amount approved through the initial public offerings (IPO) and rights shares issues more than doubled from last year. As many as 17 companies got the approval from the securities regulator to raise BDT 15.02 billion through IPOs

and two listed firms got the nod to boost their capital base by issuing right shares amounting to BDT 778 million. Most of the approvals came at a time when the economy was reeling from the fallout of the global coronavirus pandemic, suggesting the companies are not engulfed in doom and gloom.

<https://www.dhakatribune.com/business/stock/2020/12/27/the-year-that-ipos-were-back-in-vogue>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$48.23	(\$13.40)	-21.74%
Crude Oil (Brent)*	\$51.29	(\$17.15)	-25.06%
Gold Spot*	\$1,883.46	\$361.99	23.79%
DSEX	5,218.37	765.44	17.19%
S&P 500	3,703.06	472.28	14.62%
FTSE 100	6,502.11	(1,084.94)	-14.30%
BSE SENSEX	46,973.54	5,331.40	12.80%
KSE-100	43,416.77	2,681.69	6.58%
CSEALL	6,685.64	556.43	9.08%

Exchange Rates

USD 1 = BDT 84.84*

GBP 1 = BDT 114.71*

EUR 1 = BDT 103.49*

INR 1 = BDT 1.15*

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

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BRAC EPL Stock Brokerage Limited

Research

Ayaz Mahmud, CFA	Head of Research	ayaz.mahmud@bracepl.com	01708 805 221
Sadman Sakib	Research Associate	sadman.sakib@bracepl.com	01730 727 939
Md. Rafiqul Islam	Research Associate	mrafiqulislam@bracepl.com	01708 805 229
Md Mahirul Quddus	Research Associate	mmahirul.quddus@bracepl.com	01709 636 546

International Trade and Sales

Ahsanur Rahman Bappi	CEO (Acting)	bappi@bracepl.com	01730 357 991
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BRAC EPL Research 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