

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.

Central bank likely to consider term loan moratorium extension proposal

- The central bank will look into the bank owners' proposal seeking a three-year extension of paying term loan installments, says the association of banks. After a meeting with Governor of the Bangladesh Bank Bangladesh Association of Banks Chairman said the governor, the deputy governor, and other high officials of the central bank had looked into the proposal. The bank association sought the extension in a letter to the governor of the central bank on 4 February. He also said they had demanded that instalment payments be relaxed further so that the move would not hurt banks and clients would not face any pressure either.

<https://tbsnews.net/economy/banking/central-bank-likely-consider-term-loan-moratorium-extension-proposal-198733>

Global oil market recovery hints hike in domestic import cost

- The rebound of global oil prices to pre-pandemic levels is likely to hit Bangladesh with a hike in its import costs. The black gold on Monday climbed back to USD 60 a barrel having risen more than 50% in the last few months, global media reported. The Bangladesh government will see a pressure if oil prices keep on rising in the global market. The increasing crude oil prices can also interrupt the supply during this irrigation period. Officials at the Bangladesh Petroleum Corporation (BPC), the state-run lone fuel oil importer, also expressed their concern over an oil price hike in the global market.
- Reuters reported that Saudi Arabia's pledge of extra supply cuts in February and March on the back of reductions by other members of the Organisation of the Petroleum Exporting Countries (OPEC) and its allies, including Russia, is helping to balance global markets and support prices.

<https://tbsnews.net/economy/global-oil-market-recovery-hints-hike-domestic-import-cost-198760>

Bangladesh Bank's dollar purchase slows in Jan as imports picking up

- Bangladesh Bank's dollar purchasing spree slowed in January as demand for the greenbacks from businesses rose in the month amid a gradual increase in imports. The latest BB data showed that the central bank purchased USD 388 million in January against its monthly average purchase of USD 916 million in the July-December period of the fiscal year of 2020-2021. At the end of January of FY21, the BB's purchase of the currency reached USD 5.878 billion from USD 5.49 billion in the July-December period of FY21, the data showed. As an import dependent country, demand for the dollar on the local market is a major indicator of Bangladesh's business sentiment.
- The central bank that usually injects US dollars into the market to fulfil the market demand and to keep the exchange rate stable resumed purchasing dollars from the local market in March, 2020 after being on the selling spree for more than three years since January 4, 2017. Since March 2020, the central bank has been purchasing dollars as banks are rushing to the BB to get rid of excess dollars in their hands. The COVID-19 outbreak that began in the country on March 8, 2020 was the major reason for the drastic decline in imports by the country's businesses.

- Policy Research Institute executive director said that a decline in the BB's USD purchasing from the country's local market and the improvement in import payments suggest that the country's economy is slowly picking up pace. It's a positive sign but the recovery cannot be mentioned as a significant one. He also said that the country's reserve build-up would slow in the coming days with the gradual increase in import payments and the lower purchasing of dollars by the BB.

<https://www.newagebd.net/article/129640/bangladesh-banks-dollar-purchase-slows-in-jan-as-imports-picking-up>

Whirlpool Corp, Transcom Group form manufacturing joint venture

- Whirlpool Corporation, world's leading kitchen and laundry appliance company, and Transcom Group, one of the renowned business houses in Bangladesh, yesterday announced an agreement to set up a manufacturing plant in joint venture to make refrigerators in the country, said a press statement yesterday. People's growing income and quest for convenience are fueling demand for kitchen appliance and encouraging global companies such as Whirlpool to set up facilities here.

<https://www.thedailystar.net/business/news/whirlpool-corp-transcom-group-form-manufacturing-joint-venture-2041633>

BSEC to make KYC policy mandatory in brokerage firms

- The Bangladesh Securities and Exchange Commission (BSEC) has decided to make the maintenance of a KYC

(know your clients) policy mandatory for brokerage firms in the stock market, said sources. Every year, the brokerage firms will input updated information of the beneficiary owner's (BO) accounts of the investors, as a result of which the number of unclaimed securities and traceless BO accounts will be reduced. A discipline will come in the brokerage firms regarding the maintenance of BO accounts. Besides, the number of BO accounts that were opened providing fake information and fake NIDs will be closed. The securities regulator will circulate a directive in this regard very soon.

<https://tbsnews.net/economy/stock/bsec-make-kyc-policy-mandatory-brokerage-firms-198685>

Padma Oil signs business deal with two more LPG companies

- The state-run listed company Padma Oil Company has signed agreements with two more LPG companies - Bashundhara LP Gas and Petromax LPG-- as part of its business expansion. Under the agreement, the company will sell LPG (liquefied petroleum gas) by establishing LPG (Autogas) refueling station parallel to the sale of petroleum oil through company's registered filling stations across the country. The Padma Oil Company will receive royalty of BDT 0.50 against per liter sale of LPG, according to a disclosure posted on the Dhaka Stock Exchange (DSE) website on Monday.
- In September 2020, Padma Oil also signed an agreement with three LPG companies -- Energypac Power Generation, Beximco LPG Unit-1 and Omera to sell LPG by establishing LPG (Auto gas) refueling station parallel to the sale of petroleum oil through the company's registered filling stations as part of its business expansion. The Padma Oil, a statutory organisation under the power, energy and mineral resources ministry, has stepped forward to make LPG more available as a primary fuel source for vehicles in Bangladesh. The move comes as part of the government's ongoing efforts to increase LPG consumption in the country, where reserves of natural gas are depleting rapidly.

<https://today.thefinancialexpress.com.bd/stock-corporate/padma-oil-signs-business-deal-with-two-more-lpg-com-1612801262>

<https://www.dhakatribune.com/business/2021/02/09/padma-oil-teams-up-with-bashundhara-and-petromax-to-sell-autogas>

World Stock and Commodities*

| Index Name | Close Value | Value Change YTD | % Change YTD |
|--------------------|-------------|------------------|--------------|
| Crude Oil (WTI)* | \$58.36 | \$9.84 | 20.28% |
| Crude Oil (Brent)* | \$61.02 | \$9.22 | 17.80% |
| Gold Spot* | \$1,838.59 | (\$56.51) | -2.98% |
| DSEX | 5,376.46 | (25.61) | -0.47% |
| S&P 500 | 3,915.59 | 159.52 | 4.25% |
| FTSE 100 | 6,523.53 | 63.01 | 0.98% |
| BSE SENSEX | 51,348.77 | 3,597.44 | 7.53% |
| KSE-100 | 46,721.87 | 2,966.49 | 6.78% |
| CSEALL | 8,113.26 | 1,339.04 | 19.77% |

Exchange Rates

USD 1 = BDT 84.30*

GBP 1 = BDT 116.07*

EUR 1 = BDT 101.78*

INR 1 = BDT 1.16*

*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 |
| Anika Mafiz | Research Analyst | anika.mafiz@bracepl.com | 01708 805 206 |
| 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 | bappi@bracepl.com | 01730 357 991 |
|----------------------|-----|--|---------------|

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