

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.

Forex reserve crosses USD 44 billion

- Bangladesh's foreign exchange reserve surpassed USD 44- billion mark for the first time in its history, the central bank figures revealed Wednesday. Increased remittance inflows and lower import payments helped the country's foreign exchange reserve reach such a new high (nearly USD 44.03). The foreign currency reserve was recorded at USD 43 billion at the end of December 30 last year, according to the central bank data. The country's inward remittance reached USD 14.9 billion during the July-January period of this fiscal year, reflecting a nearly 35-per cent rise over the corresponding period of last fiscal.
- However, in the first 23 days of February, remittance totalled at USD 1.49 billion compared to USD 1.24 billion in the same period last year. On the other hand, import payments declined by nearly 7.0% year on year to USD 25.22 billion during the July-January period of fiscal year 2020-2021, available figures suggested.

<https://today.thefinancialexpress.com.bd/last-page/forex-reserve-crosses-44b-1614189596>
<https://tbsnews.net/economy/forex-reserve-crosses-44-billion-first-time-206971>
<https://www.thedailystar.net/business/news/forex-reserve-hits-record-4402b-2050769>
<https://www.dhakatribune.com/bangladesh/2021/02/24/forex-reserve-hits-record-high-over-44b>

Bangladesh Bank limits NBFIs' dividends

- For better liquidity to offset the economic impacts of Covid-19, the Bangladesh Bank has decided to put an upper limit on dividends declared by non-bank financial institutions (NBFIs). In a circular on Wednesday, the central bank said no NBFIs can disburse more than a 15% cash dividend. According to the circular, NBFIs with a below 10% capital adequacy ratio and an above 10% non-performing loans (NPL) ratio cannot announce a dividend. Any NBFIs with an above 10% NPL ratio will need the central bank's permission to disburse dividends.
- Meanwhile, NBFIs which availed the facility of provisioning deferral from the Bangladesh Bank can announce at best 5% stock dividend with prior approval from the bank. The circular will remain upheld until further notice. The Bangladesh Bank restricted dividends by commercial banks in 2020 and in 2021 the restriction is announced to remain there until further notice. Now, the restriction on NBFIs will force IDLC Finance Ltd to revise its dividend for 2020. The board of directors of listed NBFIs recently recommended 35% cash dividends out of their record profit for 2020.

<https://tbsnews.net/economy/stock/bangladesh-bank-limits-nbfis-dividends-206878>
<https://www.thedailystar.net/business/news/weak-nbfis-barred-paying-dividend-2050773>
<https://www.newagebd.net/article/131049/weak-nbfis-barred-from-dividend-issuance>
<https://www.dhakatribune.com/business/banks/2021/02/25/bb-restricts-nbfis-cash-dividend-to-15>

BSEC to scrap IPO quota facility of three merchant banks

- The securities regulator has decided to scrap the IPO (initial public offering) quota facility of three merchant banks for shortage of paid-up capital required to conduct operations as portfolio manager. Their licenses will also be cancelled if they fail to fulfill the shortage of capital by June 30, 2021. The merchant banks which came under the regulatory actions are Bengal Investments, CAPM Advisory and PLFS Investments. An official of the securities regulator said a merchant bank needs a minimum paid-up capital worth BDT 250 million to avert investment risks.
- Primarily, the BSEC has scrapped their IPO quota facility availed as eligible investors. The process of canceling their licenses will be started if they fail to fulfill the shortage of paid-up capital set for merchant banks, the BSEC official said. The securities regulator has also decided to fix the IPO subscription period for Sonali Life Insurance in May, 2021 instead of March.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-to-scrap-ipo-quota-facility-of-three-merchant-banks-1614187334>
<https://tbsnews.net/economy/stock/ipo-quota-stopped-3-merchant-banks-206926>
<https://tbsnews.net/economy/stock/sonali-life-ipo-subscription-deferred-206884>
<https://www.newagebd.net/article/131054/bsec-suspends-ipo-quota-for-3-merchant-banks>
<https://www.dhakatribune.com/business/stock/2021/02/25/ipo-quota-of-3-merchant-banks-scrapped>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$63.41	\$14.89	30.69%
Crude Oil (Brent)*	\$67.29	\$15.49	29.90%
Gold Spot*	\$1,798.90	(\$96.20)	-5.08%
DSEX	5,385.65	(16.42)	-0.30%
S&P 500	3,925.43	169.36	4.51%
FTSE 100	6,658.97	198.45	3.07%
BSE SENSEX	50,781.69	3,030.36	6.35%
KSE-100	45,362.58	1,607.20	3.67%
CSEALL	7,371.86	597.64	8.82%

Exchange Rates

USD 1 = BDT 84.73*

GBP 1 = BDT 119.75*

EUR 1 = BDT 103.02*

INR 1 = BDT 1.17*

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

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