

*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.*

### **Bourses attract a paltry amount of black money**

- Belying the policymakers expectations, only a meagre amount of 'undisclosed' funds, legalised under a controversial tax exemption facility, flowed into the country's bourses until May 25 of the current fiscal year (FY). An amount of BDT 2.82 billion, which is only 1.9% of the total BDT 144.59 billion worth of undisclosed income declared by 10,404 people during the period under the government's blanket opportunity, was invested in stocks, according to the latest figures. The National Board of Revenue (NBR) data showed that BDT 24.13 billion was invested in the real estate sector and BDT 116.63 billion in some other sectors.

- The NBR received BDT 14.45 billion in taxes on the money disclosed. The opportunity to declare undisclosed income paying tax at a flat rate of 10% is unlikely be extended beyond June 30 this year, officials said. Over a period from FY2005-06 to FY2019-20, some BDT 145.95 billion undisclosed income was declared in the income tax returns. Managing director (in charge) of Dhaka Stock Exchange (DSE) said that the condition imposed against declaring the undisclosed income for investment in capital market might have driven away many investors.

<https://today.thefinancialexpress.com.bd/first-page/bourses-attract-a-paltry-amount-of-black-money-1622396477>  
[https://www.thedailystar.net/business/economy/news/BDT\\_-282cr-whitened-through-stocks-2102021](https://www.thedailystar.net/business/economy/news/BDT_-282cr-whitened-through-stocks-2102021)

### **BDT 100 billion in budget to pay interest subsidy**

- The government will set aside some BDT 100 billion in the budget for next fiscal year (FY), 2021-22, to provide subsidy against interest of the 23 Covid-linked incentive packages, officials said. Such a huge allocation for one specific segment may shot up the total subsidy allocation in the upcoming budget, they also said. The government declared 23 incentive packages, involving BDT 1.24 trillion, last year to help the pandemic-hit sectors as well as people to come out from the shock and make recovery. The tenure of disbursing loans from these stimulus packages will end on June 30, but still a significant portion of funds remains undistributed.

- According to the Ministry of Finance officials, the government is planning to enhance the tenure of the stimulus packages by two to three more years. A senior official said that most of the stimulus packages would be implemented through the banks and financial institutions. The government will provide half of the total interest of the stimulus loan packages to the implementing banks and financial institutions as subsidy, while the borrowers will pay the rest. This subsidy will involve a large amount of money. So, the new budget will keep an allocation of BDT 100 billion in this regard, he added.

[https://today.thefinancialexpress.com.bd/last-page/BDT\\_-100b-in-budget-to-pay-interest-subsidy-1622397213](https://today.thefinancialexpress.com.bd/last-page/BDT_-100b-in-budget-to-pay-interest-subsidy-1622397213)

### **First factory opens next month**

- Bangladesh's largest industrial enclave, the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Mirsarai, Chattogram, is scheduled to witness the inauguration of its very first factory on June 10, 2021. Another five or six units will be inaugurated by December this year, including that of Asian Paints and SQ Electric. No development work was postponed for the pandemic and now it is just a matter of time for different investors to open their factories, the executive chairman of the Bangladesh Economic Zones Authority (Beza) said. According to Beza, the BSMSN drew investment proposals amounting to USD 20.8 billion till date -- USD 20 billion from locals and USD 823 million from foreigners.

<https://www.thedailystar.net/business/news/first-factory-opens-next-month-2102025>

### **Bourses extend trading time by 30 minutes**

- The schedule for share trading hours at the country's both two bourses— Dhaka Stock Exchange and Chittagong Stock Exchange is set to rise by 30 minutes to 2:30pm from tomorrow. The new schedule will remain in force till 6 June next. Bangladesh Securities and Exchange Commission (BSEC), the stock market regulator, took this decision as transaction hours at banks have been raised by half an hour. The regular trading hours of the bourses were from 10am to 2:30pm before the pandemic. The new schedule of banks will also start from tomorrow where they will operate transactions from 10am to 3pm.

<https://www.tbsnews.net/economy/stocks/bourses-extend-trading-time-30-minutes-253258>

### **PRAN Agro issues BDT 2.1 billion international bond**

- PRAN Agro Limited (PAL), one of the country's leading agro processors, has issued a non-convertible international

bond worth BDT 2.1 billion which is first of its kind in Bangladesh. The company has successfully achieved financial close of a landmark BDT 2.1 billion (USD25 million) non-convertible and redeemable bond, with 100% on-demand credit guarantee from GuarantCo and fully subscribed by MetLife Bangladesh as of May 19, 2021, said a press release. The 7-year fixed coupon bond is the first-ever instrument of its kind in Bangladesh and is expected to play a transformational role in supporting alternate source of infrastructure financing in Bangladesh, it added.

- PAL, a member of PRAN-RFL Group, is one of the largest food processors with 0.1 million registered contract farmers and 0.11 million employees. The bond proceeds will be used to develop critical infrastructure in the agricultural supply chain and support PAL's expansion plans in the local and export markets. The bond is backed by an on-demand guarantee by GuarantCo, part of the Private Infrastructure Development Group (PIDG), and funded by the governments of the United Kingdom, Switzerland, Australia and Sweden, through the PIDG Trust, the Netherlands, through FMO and the PIDG Trust, France through a stand-by facility and Global Affairs Canada through a repayable facility. GuarantCo is rated AA- by Fitch and A1 by Moody's.

<https://today.thefinancialexpress.com.bd/last-page/pran-agro-issues-BDT-21b-intl-bond-1622397085>

<https://www.thedailystar.net/business/economy/news/pran-agro-issues-internationally-guaranteed-BDT-210cr-bond-2102009>

<https://www.tbsnews.net/economy/stocks/pran-agro-issues-BDT-210cr-corporate-bond-253309>

### **BSEC approves BDT 5.0 billion mudaraba bond by EXIM Bank**

- The securities regulator has approved the proposal of issuing mudaraba subordinated bond worth BDT 5.0 billion by the EXIM Bank. The other characteristics of the bond are non-convertible, unsecured, and floating rate. The bank will utilise the fund to strengthen its Tier-II capital base. The offer price of the bond is BDT 10 million per unit. The units of the bond will be distributed among financial institutions, mutual funds, insurers, listed banks, among others, through private placement. Sena Kalyan Insurance Company and Standard Chartered Bank are working as trustee and arranger of the bond respectively.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-approves-BDT-50b-mudaraba-bond-by-exim-bank-1622391264>

<https://www.tbsnews.net/economy/stocks/bsec-approves-BDT-500-crore-bond-exim-bank-253192>

<https://www.dhakatribune.com/business/stock/2021/05/30/exim-bank-s-BDT-500c-bond-gets-bsec-nod>

### **BSEC to appoint special auditor at Prime Islami Life Insurance**

- Bangladesh Securities and Exchange Commission (BSEC) offered quotations to auditors in this regard last week. The auditor will review the balance sheets, including assets, liabilities, equity, earnings, and operating cash flows of the company during the said period with true and fair values. It will also identify sponsors, promoters, and shareholder directors to make full disclosure of transactions between Prime Islami Life Insurance and the related parties for the last 10 years. The auditor will especially identify loans, advances, and investments to any related party, either an individual or a controlling shareholder of the entities, and the current condition of those loans and advances.

- According to the January-September 2020 report of the company, its consolidated life revenue accounts decreased by BDT 853.0 million. During this period, its consolidated total life revenue account stood at BDT 7.96 billion. In July-September 2020, its consolidated life revenue account decreased by BDT 244.7 billion. Prime Islami Life Insurance is a third-generation Islamic insurance company that was established in July 2000. It has been engaged in the Islamic life insurance business since 22 April, 2002.

<https://www.tbsnews.net/economy/stocks/bsec-appoint-special-auditor-prime-islami-life-insurance-253321>

### **BSEC to appoint special auditor for Fareast Finance**

- To protect investors' interest, the Bangladesh Securities and Exchange Commission (BSEC) has decided to appoint a special auditor to review the financial statements of the ill-performing non-bank financial institution - Fareast Finance and Investment - for four years until 31 December 2020. The stock market regulator offered quotations to the auditor in this regard last week. Earlier, the commission restructured the board of directors of the company in a move to bring the company back to a sound business footing.

- The auditor will review the balance sheets including assets, liabilities, equity, earnings, and operating cash flows of the company during the period with true and fair values. The auditor will review the role of Khan Wahab Shafique Rahman & Co and Ahmed Zaker & Co Chartered Accountants – statutory external auditors of the financial statements of the company – over the last four years. In 2013, Fareast Finance and Investment raised BDT 450 billion from the capital market through an initial public offering.

<https://www.tbsnews.net/economy/stocks/bsec-appoint-special-auditor-fareast-finance-252790>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$66.65	\$18.13	37.37%
Crude Oil (Brent)*	\$68.97	\$17.17	33.15%
Gold Spot*	\$1,907.48	\$12.38	0.65%
DSEX	6,008.69	606.62	11.23%
S&P 500	4,204.11	448.04	11.93%
FTSE 100	7,022.61	562.09	8.70%
BSE SENSEX	51,422.88	3,671.55	7.69%
KSE-100	47,126.29	3,370.91	7.70%
CSEALL	7,333.42	559.20	8.25%

**Exchange Rates**

**USD 1 = BDT 84.78\***

**GBP 1 = BDT 120.36\***

**EUR 1 = BDT 103.42\***

**INR 1 = BDT 1.17\***

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

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### BRAC EPL Stock Brokerage Limited

#### Research

Anika Mafiz	Research Analyst	<a href="mailto:anika.mafiz@bracepl.com">anika.mafiz@bracepl.com</a>	01708 805 206
Sadman Sakib	Research Analyst	<a href="mailto:sadman.sakib@bracepl.com">sadman.sakib@bracepl.com</a>	01730 727 939
Md. Rafiqul Islam	Research Associate	<a href="mailto:mrafiqulislam@bracepl.com">mrafiqulislam@bracepl.com</a>	01708 805 229
Md Mahirul Quddus	Research Associate	<a href="mailto:mmahirul.quddus@bracepl.com">mmahirul.quddus@bracepl.com</a>	01709 636 546

#### International Trade and Sales

Ahsanur Rahman Bappi	CEO	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
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#### BRAC EPL Research [www.bracepl.com](http://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](mailto:research@bracepl.com)