

*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.*

### **Promote job-centric economic growth**

- Experts at a workshop have underscored the need for promoting job-centric economic growth to overcome the challenges of the Fourth Industrial Revolution (4IR), reports BSS. They made the observation while speaking at the workshop on 'Needs to be done to meet the challenges of 4IR' at the conference room of the Press Information Department (PID) in the capital on Monday. PID organised the workshop to give a clear concept about the challenges of the 4IR to its officials.
- Information Secretary Md Mokbul Hossain attended the workshop as the chief guest while Principal Information Officer Md Shahinor Miah moderated it. Senior Assistant Secretary of the Industries Ministry Md Solimullah and Online In-charge of the Financial Express Khawaza Main Uddin delivered keynote speeches. Additional Principal Information Officer (Protocol and Monitoring) Faizul Haque also spoke on the occasion. Mokbul Hossain said although late, Bangladesh has already adopted different initiatives to face the challenges of the 4IR.
- "New generation of the country will have to prepare themselves to lead the 4IR era. For that, they have to have in-depth knowledge in ICT. The people of our country are not less in terms of merit," he added. Laying emphasis on promoting job-centric economic growth, Md Solimullah said despite increasing the GDP (gross domestic product) contribution of the manufacturing sector from 27.38 % in 2010-11 to 34.99 % in 2020-21, employment in the manufacturing sector fell almost one million which is a clear evidence of automation.

<https://today.thefinancialexpress.com.bd/trade-market/promote-job-centric-economic-growth-1636999806>

### **Dhaka, Colombo look to quick conclusion of PTA**

- Bangladesh and Sri Lanka on Monday emphasised the importance of expeditious conclusion of the Preferential Trade Agreement (PTA) and enhancement of trade and commerce between the two countries, reports UNB. The two countries also underscored the need for further strengthening air and maritime connectivity for the greater benefits of the two nations. The issues were discussed when Sri Lankan Foreign Minister Prof Gamini Lakshman Peiris met his Bangladesh counterpart Dr AK Abdul Momen at State Guest House Padma.
- The two sides stressed further cooperation in the sectors like trade and commerce, investment, tourism, connectivity, agriculture, fisheries, education, and people-to-people contact. Dr Momen congratulated the newly appointed Foreign Minister of Sri Lanka and thanked him for attending the 21st meeting of the IORA Council of Ministers' (COM) physically despite the global Covid-19 related health concerns. He also stated that Bangladesh attaches high importance to its relations with Sri Lanka which, he termed excellent, based on the historical linkages, friendship, and commonalities of views and shared vision of prosperity.

<https://today.thefinancialexpress.com.bd/trade-market/dhaka-colombo-look-to-quick-conclusion-of-pta-1636999701>

### **Govt sets profit margins for agricultural products**

- The government has introduced the Agricultural Marketing Rules, 2021, setting the maximum profit margins for the agricultural products at production, wholesale and retail stages. According to the rules, the agricultural products would be traded at prices determined by the Department of Agricultural Marketing considering the set profit margins..
- The rules stipulate that the maximum reasonable profits for cereals, including paddy, rice, wheat and potato, would be 30 per cent at the production level, 15 per cent at the wholesale level and 25 per cent at the retail level. The rules have set the same profit margins for cash crops, including jute, tea, tobacco and cotton, for pulses with husk and

without husk and for fresh, dried, salted and frozen fish. The rules have also set the profit margins for processed agricultural products and dairy products at the rate of 30 per cent at the production level, 15 per cent at the wholesale level and 25 per cent at the retail level.

- The profit margins for all kinds of fresh and dried fruits have been set at the rate of 30 per cent, 20 per cent and 30 per cent at production, wholesale and retail levels respectively. The maximum profit margins for all kinds of vegetables and flowers would be 40 per cent at the production level, 25 per cent at the wholesale level and 30 per cent at the retail level. Profit margins for spices, including onion, garlic, ginger, turmeric and green chilli, would be 40 per cent, 20 per cent and 30 per cent at production, wholesale and retail levels respectively, the rules said.

<https://www.newagebd.net/article/154772/govt-sets-profit-margins-for-agricultural-products>

### **Income tax receipts Tk 2,175cr short of target in July-Oct**

- Income tax collection by the National Board of Revenue rose 7.9% YoY to BDT 23,750 crore during 4MFY22, however fell short of BDT 2,175 crore from the target. According to the data, income tax earnings in October stood at BDT 5,750 crore against the monthly target of BDT 6,000 crore. The NBR plans to collect BDT 128,873 crore from VAT, BDT 105,475 crore from income tax and travel tax and BDT 95,652 crore from import duty.
- According to the data, 25.50 lakh of the total 65 lakh TIN holders submitted their returns in the past fiscal year. According to the statistics, a total of 1.59 lakh taxpayers have already submitted their returns in the current fiscal year.

<https://www.newagebd.net/article/154771/income-tax-receipts-tk-2175cr-short-of-target-in-july-oct>

### **Raise limit for loans from export development fund: BTMA**

- Bangladesh Textile Mills Association has requested the Bangladesh Bank to increase their ceiling of loans from the Export Development Fund (EDF) given the price hike of raw materials in the global market. The banking regulator earlier widened the ceiling to USD 30 million in contrast to the previous limit of USD 25 million for per mill after the coronavirus hit the country last year. The facility will end December this year.
- The association sent a letter to the central bank on November 14 requesting it to allow every mill of BTMA to take out loans worth USD 40 million from the EDF. The association also demanded to lower the interest rate to 1.75 per cent from that of the existing 2 per cent. In October 2020, the central bank lowered the interest rate to 1.75 per cent considering the business slowdown derived from the pandemic. But, it later increased the rate to 2 per cent.

<https://www.thedailystar.net/business/news/raise-limit-loans-export-development-fund-btma-2230616>

### **Tech upgradation crucial for RMG industry: BGMEA**

- Technology upgradation in the apparel industry is crucial to remain competitive in the global market, said the apex trade body of Bangladesh's garments manufacturers, reports UNB. "Use of modern technologies, tools and software are predominant when it comes to enhancing productivity and quality," Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Faruque Hassan said while speaking at the webinar 'AI and Robotics: Global Implication of Artificial Intelligence' on Sunday.
- The webinar was organised as part of the World Congress on Information Technology (WCIT) held during November 11-14 in Dhaka with the participation of experts from more than 75 countries. Faruque said technological innovations are imperative not only to enhance competitiveness but also to make a business sustainable. "There is no alternative to technologies to ensure sustainable use of water, energy and other resources. Sustainability and digitalisation are interlinked and greatly complement each other." Automation and technology upgradation will not impact employment adversely because all the processes required to make a garment cannot be replaced by machines, the BGMEA chief

said.

<https://today.thefinancialexpress.com.bd/trade-market/tech-upgradation-crucial-for-rmg-industry-bgmea-1636999713>

### **Lower NPLs, ramp up stimulus delivery**

- Government's finance authority asks the state-owned banks (SoBs) and financial institutions (FIs) to expedite implementation of stimulus packages by ramping up fund disbursement and recovery, and lowering the loads of non-performing loans (NPLs).
- The prod comes from the Financial Institutions Division (FID) of the Ministry of Finance in meetings with the top brass of SoBs and FIs that discussed the modalities of enhancing their lending operations in order to give a much-needed shot in the arm of the economy now on a turnaround from pandemic shocks.

<https://today.thefinancialexpress.com.bd/first-page/lower-npls-ramp-up-stimulus-delivery-1637002092>

### **With reliance on fossil fuel, how Dhaka can cut CO2 by 22%**

- More than 55% of Bangladesh's emission comes from burning energy in the power sector, transport, industry, commercial enterprises, agriculture, brick kilns etc. At the just concluded COP26, conference of parties as it is rarely referred to, Bangladesh joined hands with 99 other countries in cutting carbon emissions and thereby saving the planet from heating up 1.5 degrees over the pre-industrial age temperature.
- It pledged to cut carbon emissions by almost 90 million tonnes or 22% of carbon dioxide by 2030. But this ambition is pitted against the fact that Bangladesh has targeted 41,000 megawatts (MW) of electricity production from the present 24,000MW by that same time period. And most of it would come by burning fossil fuels – coal, natural gas, Liquefied Natural Gas (LNG) and oil; only a part of it will come from the emission-free nuclear sources and regional power imports.

<https://www.tbsnews.net/bangladesh/environment/climate-change/reliance-fossil-fuel-how-dhaka-can-cut-co2-22-330193>

### **Rice price remains high despite huge imports, stocks**

- Rice price in Bangladesh has remained at an elevated level despite higher imports in recent months on the back of lower customs duty and reduced price in the international market as well as a record stock in government warehouses. The retail price of coarse rice, consumed by a majority of the population, rose to BDT 44 to BDT 48 per kg on November 11, up from BDT 42.63 in May, according to the Department of Agricultural Marketing. The higher price of the staple food came at a time when the harvesting of Aman, the second-largest paddy crop in the country, is underway.
- Between July and November 10 in the current fiscal year, 7.73 lakh tonnes of rice were imported, compared to zero imports in the same period last fiscal year, according to data from the food ministry. Of the quantity, 4.94 lakh tonnes were brought in by the government and 2.79 lakh tonnes by the private sector to meet the growing demand.

<https://www.thedailystar.net/business/economy/news/rice-price-remains-high-despite-huge-imports-stocks-2231036>

### **BSEC scraps index-based credit facilities**

- The securities regulator has further revised the ratio of credit facilities, scrapping the existing index-based credit ratio. In this regard, the Bangladesh Securities and Exchange Commission (BSEC) on Monday evening issued a directive with immediate effect. As per the directive, TREC (Trading Right Entitlement Certificate) may extend credit facilities at 1:0.8 to their approved clients for any individual stock having price earnings (P/E) ratio up to 40. As per the existing provision, stockbrokers are allowed to disburse margin loans at a ratio of 1:0.8 until the DSEX, broad index of Dhaka Stock Exchange (DSE), exists below 8,000 points.

- Talking to the FE, the BSEC officials said they had scrapped the index-based credit ratio as there was no justified reason behind such a provision introduced previously. "Index-based credit ratio gives wrong signal to investors as they opt to offload shares amid an apprehension of market correction at the last range of index," said Dr Shaikh Shamsuddin Ahmed, a BSEC commissioner. He said the commission had revised the credit ratio scrapping the range of index as lenders and borrowers face difficulties to keep pace with this ratio. Asked whether the credit ratio is extended, the BSEC commissioner said someone could say that the credit ratio was extended for purchasing securities having good fundamentals.

<https://today.thefinancialexpress.com.bd/last-page/bsec-scraps-index-based-credit-facilities-1637002541>

### **BSEC to extend time-frame**

- Three large cap companies including Berger Paints Bangladesh are set to be offered with time extension to offload more shares in a bid to avert negative impact on market prices. The Bangladesh Securities and Exchange Commission (BSEC) has decided to consider a time extension after bilateral discussions recently held with the companies. Apart from the Berger, Investment Corporation of Bangladesh (ICB) and Walton Hi-tech Industries are required to offload more shares. Asked, the BSEC chairman Prof. Shibli Rubayat UI Islam said the companies' share prices will decline leaving negative impact on the market if more shares are offloaded at a large scale.
- "The companies sat with us and we have asked them to offload shares slowly. The companies will be offered with an extended time-frame to offload more shares," Mr. Islam said. The BSEC chairman, however, said the timeframe which will be extended is yet to be defined. Presently, ICB has 3.19 % free float shares, Berger 5.0 % and Walton 0.97 % in the market. As per the BSEC order, the ICB is required to offload at least 6.81 %, Berger 5.0 % and Walton 9.03 % more shares. On September 13, 2021 the securities regulator asked the companies to offload more shares as a new provision of offloading at least 10 % shares was included in the public issue rules. The commission asked the companies to offload maximum 1.0 % of the required amount of shares per month and complete the job of share offloading within one year. The share price of Walton closed at BDT 1160.30, ICB 123.50 and Berger BDT 1739 each on Monday.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-to-extend-time-frame-1636991020>

### **Foreign investors pull \$407.91m out of stock market in FY21**

- Foreign investors pulled USD 407.91 million of their investments out of the country's stock market in FY21. The Bangladesh Bank data released on Monday showed that the foreigners purchased equity shares worth USD 347.4 million against their sales of equity shares worth USD 755.31 million in FY21. Divestment of portfolio investments in FY21 was three times or USD 275.9 million, higher than the divestment of USD 132.01 million in FY20 and USD 6.40 million in FY19.
- Md Moniruzzaman, managing director of IDLC Investments Limited, told New Age on Monday that the foreigners have been on the selling mood for the last three years. He said that the performance of the overall market was a determining factor for the fund managers in taking investments decisions. Moniruzzaman also said that the overseas investors also dislike any interruption to the free flow of market. Regulatory interventions like the imposition of floor prices on stocks, though that was rectified later, and the lending rate ceiling imposed on banks were among the disliking factors of the foreign investors, he said.
- BB data showed that the portfolio investments from the United States in the country's stock market constituted the largest share with value of investments reaching USD 1.07 billion, followed by the United Kingdom's USD 741.38 million, Luxembourg's USD 328.89 million, the Netherlands' USD 259.25 million and Saudi Arabia's USD 194.67 million. Of the total portfolio investments in Bangladesh, pharmaceuticals and chemicals sectors attracted the highest

USD 1.08 billion investments, followed by USD 874.56 million investments in bank, financial institution and insurance scrips.

<https://www.newagebd.net/article/154768/foreign-investors-pull-40791m-out-of-stock-market-in-fy21>

### **Most listed power generation companies see EPS growth**

- Most listed power generation companies in the private sector posted moderate earnings growth in July-September 2021, thanks to higher income from subsidiaries and reduced corporate tax rate. Out of the 23 companies listed in the 'fuel & power' sector on the Dhaka Stock Exchange (DSE), nine are engaged in power generation owned by private sector people. Eight companies declared their un-audited financial statements as of Monday. Of them, six booked modest profit growth, one dropped slightly while one incurred losses in July-September, 2021 compared to the same period a year earlier, according to statistics from the DSE.
- Market insiders said the government's incentive packages, corporate tax rate cut and increased revenue earnings from their subsidiaries, continued to help private power generation companies to make good profits. Fuel & power is the most lucrative sector in the stock market as the companies in the sector are performing better and the government is relying more on private sector companies for power generation, according to a merchant banker. The earnings per share (EPS) of Shahjibazar Power Company, Doreen Power Generations & Systems, GBB Power, Energypac Power Generations, Baraka Patenga Power and Baraka Power increased during the period under review.
- The consolidated EPS of United Power Generations & Distributions Company dropped slightly while Khulna Power Company incurred losses. EPS is the portion of a company's profit allocated to each outstanding share of common stock. In short, it serves as an indicator of a company's profitability. Of the companies, consolidated EPS of Shahjibazar Power rose by 46.89 % to BDT 2.13 for July-September 2021, from BDT 1.45 for the same period a year earlier.

<https://today.thefinancialexpress.com.bd/stock-corporate/most-listed-power-generation-companies-see-eps-growth-1636990965>

### **Closure of 2 power plants hits Orion Pharma's profits in Q1**

- Orion Pharma Limited witnessed a sharp fall in profit in July to September period due to the closure of its two power plants- Orion Power Meghnaghat Limited and Dutch Bangla Power & Associates Limited. However, the contract renewal with BPDB of the two subsidiaries is under process. Orion Power Meghnaghat Limited's power purchase contract expired in May this year and Dutch Bangla Power & Associates Limited's agreement expired in July 2021.
- Earnings per share of Orion Pharma dropped by 63.41 per cent to BDT 0.3 in July to September this year compared with that of BDT 0.82 each in the same period in the previous year.

<https://www.newagebd.net/article/154734/closure-of-2-power-plants-hits-orion-pharmas-profits-in-q1>

### **Summit shuts 13.5 MW power plant in Chandina**

- Summit Power Limited has shut down its Summit Chandina Power Plant Unit -2 (Gas Fired) from Sunday as its Power Purchase Agreement with the government has expired.
- As the PPA term is over, the plant is in shut-down condition from mid-night of November 14, 2021 until further instruction from Bangladesh Rural Electrification Board or ministry for operation of the Power Plant, it said in a DSE disclosure. The company had applied for extension on February 18, 2021, which is under active consideration, the company said.

<https://www.newagebd.net/article/154727/summit-shuts-135-mw-power-plant-in-chandina>

### **Square Textiles quarterly profits grow 945% as sales, margin jump**

- Square Textiles Ltd registered a staggering 945% growth in profit for the first three months of the current fiscal year, thanks to an increase in sales and profit margin. The profit in the July-September period of this year alone was equal to two-thirds of what the listed textile company earned over the entire 2020-21 fiscal year. The company's EPS shot up to BDT 2.30 in the quarter, which was only BDT 0.22 in the same quarter of 2020 and BDT 3.41 over the 2020-21 fiscal year. The profit jump was caused by increased production and price of the yarn it produces, the company said in its disclosure.
- Three weeks ago, while disclosing its annual financial results, the company said due to increased price of raw materials, their cost increased and due to a high local and international demand, price of yarn outgrew the costs. That helped to improve the company's profit margin while it also produced more as the modernisation efforts increased the efficiency of its mill. On the other hand, the textile mills that are enjoying the high demand for their products due to abundant apparel export orders are not bothering too much about the yarn price.

<https://www.tbsnews.net/economy/stocks/square-textiles-quarterly-profits-grow-945-sales-margin-jump-330181>

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change YTD</b>	<b>% Change YTD</b>
Crude Oil (WTI)*	USD 80.80	USD 32.28	66.53%
Crude Oil (Brent)*	USD 82.05	USD 30.25	58.40%
Gold Spot*	USD 1,864.22	(USD 30.88)	-1.63%
DSEX	6,941.37	1,539.30	28.49%
S&P 500	4,682.81	926.74	24.67%
FTSE 100	7,351.86	891.34	13.80%
BSE SENSEX	60,718.71	12,967.38	27.16%
KSE-100	45,736.26	1,980.88	4.53%
CSEALL	10,752.82	3,978.60	58.73%

**Exchange Rates****1 US Dollar = 85.74 BDT****1 GBP = 115.01 BDT****1 Euro = 97.55 BDT****1 INR = 1.15 BDT**

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