

*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.*

### **ADB forecasts 6.9pc GDP growth for FY 2021-22**

- Bangladesh's GDP is expected to grow 6.9% in FY22 according to the Asian Development Bank (ADB). The growth forecast reflects a rebound in external trade and recovery in domestic economic activities fueled by the implementation of stimulus packages and increased remittance.
- Inflation is expected to increase to 6.0% in FY2022 from 5.6% in FY21 as price pressures are increasing from global food and fuel prices along with the implementation of stimulus measures. The current account deficit is also likely to widen from 0.9% of the GDP in FY21 to 2.7% in FY22 on the back of an increase in imports and a decline in remittance growth.
- The main risk to this growth projection is higher prices for oil and imports, and the loss of export sales beyond those built in the present forecasts, mainly due to the Russian invasion of Ukraine, the ADB said. ADB also said that private investment will get stronger, reflecting solid growth in private sector credit and imports of industrial raw materials and capital goods. With large available funding, public investment will increase to support the implementation of priority large infrastructure projects. Growth in private consumption, however, may be affected by a decline in remittances.

<https://thefinancialexpress.com.bd/economy/bangladesh/adb-forecasts-69pc-gdp-growth-for-fy-2021-22-1649223653>

### **Borrowing money to get easier**

- A borrower will no longer need to depend on immovable properties to get a bank loan, with the government moving to ease the lending system by allowing moveable properties - such as savings certificates, fixed deposits, copyrights or even agricultural production -- to be used as collateral under the Secured Transaction (Moveable Property) Act, 2022.
- Prof Md Main Uddin, chair of the banking and insurance department at Dhaka University, told that the act will increase credit flow in the market and reduce conflict between borrowers and lenders regarding collateral. However, banks need to increase their inspection to prevent loan forgery and defaults, he added. Executive Director of Policy Research Institute Ahsan H Mansur said that it will turn out to be a good move if insurance is added to mitigate risks.

<https://www.thedailystar.net/news/bangladesh/news/borrowing-money-get-easier-2999861>

### **Walton expands global footprint**

- Walton Hi-Tech Industries PLC has won the bid to acquire three European brands and the trademark and branding rights in 57 countries. With this, the local electronics giant will become the first Bangladeshi company to buy any European brand. The three brands are ACC, Zanussi Elettromeccanica (ZEM) and Verdichter (VOE). Walton will use ACC and two other brands from next week to market ACs, freezers, washing machines and other appliances in all 57 countries.
- Walton will also get research and development as well as intellectual property rights for winning the contract from Italia Wanbao-ACC of Italy. It will buy a fully automated inverter and non-inverter compatible compressor line with a capacity of 3.2 Mn units per year, taking its manufacturing capacity to 4.8 Mn units.
- Currently, exports account for nearly 20 per cent of the total turnover of Walton. The local home appliance giant currently exports products such as televisions, freezers, air conditioners, compressors and compressor parts to 45

countries in Asia, Europe, the Middle East, Africa, and America.

<https://www.thedailystar.net/business/organisation-news/news/walton-expands-global-footprint-2999901>

### **NBR's revenue from DSE rises by 9pc in March**

- The government's revenue earnings from the Dhaka Stock Exchange increased by 9 per cent in March compared with that in Feb'22. In Mar'22, the National Board of Revenue received BDT 245.1 Mn in tax against BDT 224.8 Mn in Feb'22 from the bourse. In March, the amount of tax receipts from the trading right entitlement certificate holders' commission fell by 15.92% to BDT 185.7 Mn against BDT 220.8 Mn in the previous month.
- Of the total revenue earnings in 9MFY22, BDT 2.74 Bn came from the tax on brokerage commission, while BDT 542.7 Mn came from the tax on share sales by sponsor-directors and placement holders. In the same period of FY21, BDT 1.66 Bn came from the tax on brokerage commission and BDT 615.9 Mn from the tax on share sales by sponsor-directors and placement holders.

<https://www.newagebd.net/article/167420/nbrs-revenue-from-dse-rises-by-9pc-in-march>

### **Meghna Insurance subscription opens on 11 May**

- The subscription of the initial public offering (IPO) of Meghna Insurance Company Ltd will open on 11 May and continue till 18 May. It will invest BDT 24.0 Mn in government treasury bonds, BDT 32.0 Mn in listed securities, and BDT 95.2 Mn in fixed deposit receipts (FDRs). Asian Tiger Capital Partners Investments, Prime Bank Investment, and UCB Investment are the issue managers for the IPO.

<https://www.tbsnews.net/economy/stocks/meghna-insurance-subscription-opens-11-may-398554>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 97.69	USD 22.48	29.89%
Crude Oil (Brent)*	USD 102.70	USD 24.92	32.04%
Gold Spot*	USD 1,921.40	USD 92.20	5.04%
DSEX	6,662.48	-94.17	-1.39%
S&P 500	4,481.15	-285.03	-5.98%
FTSE 100	7,587.70	203.16	2.75%
BSE SENSEX	59,610.41	1,356.59	2.33%
KSE-100	44,111.10	-484.97	-1.09%
CSEALL	8,580.93	-3,645.08	-29.81%

**Exchange Rates****1 US Dollar = 86.23 BDT****1 GBP = 112.75 BDT****1 Euro = 94.04 BDT****1 INR = 1.13 BDT**

## IMPORTANT DISCLOSURES

**Analyst Certification:** Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

**Disclaimer:** Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

**Compensation of Analysts:** The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

**General Risk Factors:** BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

### BRAC EPL Stock Brokerage Limited

#### Research

Salim Afzal Shawon, CFA	Head of Research	<a href="mailto:salim@bracepl.com">salim@bracepl.com</a>	01708 805 221
Anika Mafiz	Research Analyst	<a href="mailto:anika.mafiz@bracepl.com">anika.mafiz@bracepl.com</a>	01708 805 206
Fahim Hassan	Research Associate	<a href="mailto:fahim.hassan@bracepl.com">fahim.hassan@bracepl.com</a>	01709 636 546
Billal Hossain	Research Associate	<a href="mailto:billal.hossain@bracepl.com">billal.hossain@bracepl.com</a>	01708 805 229
Md. Mahmudul Hasan	Junior Research Associate	<a href="mailto:mmahmudul.hasan@bracepl.com">mmahmudul.hasan@bracepl.com</a>	01708 805 201

#### International Trade and Sales

Ahsanur Rahman Bappi	CEO	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
----------------------	-----	--	---------------

### BRAC EPL Stock Brokerage Limited

[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)