

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.

IMF enhances growth projection for Bangladesh for FY'22

- The International Monetary Fund (IMF) has enhanced the economic growth projection for Bangladesh to 6.6 per cent for the current fiscal year (FY) from its October projection of 6.5 per cent. The projection is lower than the government's target of GDP (gross domestic product) growth 7.2 per cent for FY'22.
- Earlier on October 12 this year, Washington-based global monetary watchdog cut the economic growth forecast for Bangladesh to 6.5 per cent for the current fiscal year from its April projection of 7.5 per cent mainly due to the worsening coronavirus pandemic dynamics.

<https://thefinancialexpress.com.bd/economy/bangladesh/imf-enhances-growth-projection-for-bangladesh-for-fy22-1639899379>

Repayment policy for NBFIs eases

- Under the latest relaxations, the borrowers will get a fresh chance to remain unclassified if they repay minimum 25% instead of 50% earlier of the total outstanding amounts of loans or lease for the months of January to December of 2021, even if the payment is made on the last working day of the calendar year, according to a notification issued by the Bangladesh Bank (BB) on Sunday.
- However, the remaining 75% of the outstanding loans or leases from January 2021 to December 2021 will be payable within one year from the date of expiry of the loans or leases. Besides, all the NBFIs have been asked to keep additional 2.0% special general provisioning against loans.

<https://today.thefinancialexpress.com.bd/first-page/repayment-policy-for-nbfis-eases-1639937656>

Phase out interest caps

- The International Monetary Fund (IMF) advised the government not to extend general forbearance to banks and corporations. IMF also called for phasing out the interest rate caps on lending and deposits.
- The IMF also suggested the government widen its tax to GDP ratio, ensure exchange rate flexibility and strengthen the business-friendly environment to attract foreign direct investment (FDI).

<https://www.thedailystar.net/business/economy/news/phase-out-interest-caps-2921506>

Govt decides 30% maximum RMG wastage ceiling

- The commerce ministry has increased the maximum wastage rate in producing apparel items from raw materials to 30%. As per the latest decision by the commerce ministry, maximum wastage rates will be 27% for basic items, 30% for specialised items and 4% for sweaters and socks, according to a circular issued by the ministry on Sunday.

<https://www.tbsnews.net/economy/rmg/govt-decides-30-maximum-rmg-wastage-ceiling-346069>

Capital market key to bridge infrastructure financing gap: DCCI president

- Current trend indicates that Bangladesh will be able to meet USD 417 billion investment in the infrastructure sector, leaving the financing gap of USD 192 billion from 2016-2040. The capital market can play a pivotal role to reduce the investment gap in Bangladesh, said Rizwan Rahman, president of Dhaka Chamber of Commerce & Industry (DCCI).
- The capital market has a huge potential to address the CMSME financing gap as well as encourage businesses to source long-term capital reducing dependence on banks and NBFIs.

<https://www.tbsnews.net/economy/capital-market-key-bridge-infrastructure-financing-gap-dcci-president-345973>

Stocks nosedive on BB-BSEC tension

- "Investors are suffering from a confidence crisis due to the deteriorating situation between two regulators regarding some issues," said a top official of a merchant bank preferring anonymity.
- A few weeks back, the BSEC ordered all listed companies, including banks and non-bank financial institutions (NBFIs), to deposit their undistributed dividends to the stock market stabilisation fund. It also allowed banks and NBFIs to declare dividends from the current year's profits despite having cumulative losses. However, the central bank ordered them to disregard BSEC's orders.
- The dispute arose when, after a meeting with Bangladesh Bank, the BSEC said the central bank would change its bank exposure policy by allowing cost-based exposure instead of market value. However, the central bank refuted this, saying no such decision was not taken at the meeting.

<https://www.thedailystar.net/business/economy/stock/news/stocks-nosedive-bb-bsec-tension-2921476>

Walton launches e-commerce platform Walcart

- Aiming to bring a positive change in Bangladesh's e-commerce sector, country's leading electronics and technology products manufacturer Walton has launched its e-commerce platform Walcart Limited.
- Walcart.com is a B2B and B2C e-commerce platform on which products and services in over 30 categories, including Walton products can be purchased. Walcart aims to become the top e-commerce platform by providing the best customer service. The platform is expected to contribute to national economic growth.

<https://thefinancialexpress.com.bd/trade/walton-launches-e-commerce-platform-walcart-1639922274>

Malek Spinning to shut textile unit of its subsidiary

- Malek Spinning Mills, a listed company, has decided to close down the textile unit of its subsidiary- Salek Textile- due to accumulated losses. The board of directors has approved the closure of the textile unit with effect from December 31, 2021 due to accumulated losses and expiry of lease agreement of the factory building and premises, the company said in a filing with the Dhaka Stock Exchange on Sunday.
- Malek Spinning Mills holds 97.92% shares in Salek Textile. The parent company, Malek Spinning Mills, will not be required to provide any funds for closing-down of the RMG unit of Salek Textile. The liabilities of the Unit shall be settled by selling off assets of the unit (Factory plant and machinery and others) and borrowing from Salek Textile.

<https://today.thefinancialexpress.com.bd/stock-corporate/malek-spinning-to-shut-textile-unit-of-its-subsidiary-1639931256>

Summit closes Madhabdi plant as power deal with BPDB expires

- Summit Power Limited has shut down its Madhabdi Power Plant Unit-2 because of the expiry of the plant's power purchase agreement (PPA) with the Bangladesh Power Development Board (BPDB).
- According to the disclosure by the company on the website of the Dhaka Stock Exchange on Sunday, the PPA of the 24.3 MW gas-fired power plant expired on 15 December. The tenure of the agreement was 15 years.

<https://www.tbsnews.net/economy/stocks/summit-closes-madhabdi-plant-power-deal-bpdb-expires-346042>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 69.29	USD 20.77	42.81%
Crude Oil (Brent)*	USD 72.08	USD 20.28	39.15%
Gold Spot*	USD 1,801.67	(USD 93.43)	-4.93%
DSEX	6,783.19	1,381.12	25.57%
S&P 500	4,620.64	864.57	23.02%
FTSE 100	7,269.92	809.40	12.53%
BSE SENSEX	57,011.74	9,260.41	19.39%
KSE-100	43,900.68	145.30	0.33%
CSEALL	11,753.44	4,979.22	73.50%

Exchange Rates**1 US Dollar = 86.29 BDT****1 GBP = 114.21 BDT****1 Euro = 97.06 BDT****1 INR = 1.14 BDT**

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Nazmus Saadat, CFA	Research Analyst	nazmus.saadat@bracepl.com	01708 805 229
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
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BRAC EPL Stock Brokerage Limited

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