

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.

OPEC Fund to provide budgetary support loan of USD 75m

- A budgetary support loan agreement for financing the 'Sustainable Economic Recovery Programme (SERP)' was signed Monday between the government and the OPEC Fund for International Development (OFID). Under the agreement, OPEC Fund would provide a loan of USD 75 million as budgetary support. The interest rate of the loan is 1.35% per annum with a commitment fee of 0.25% per annum, front-end fee 0.25% and a maturity of 20 years including a grace period of five years.
- The OFID is one of the largest development partners of Bangladesh. It has been providing economic assistance to Bangladesh for the development programme/project, particularly in the area of road transport and power sector since the financial year of 1974-75. So far, OFID has provided development assistance of USD 552.61 million to Bangladesh in 30 development projects.

<https://www.tbsnews.net/economy/opec-fund-provide-budgetary-support-loan-75m-370768>

Fertiliser subsidy to cost BDT 28,000cr this year, four times more than last year: Minister

- The country would need BDT 28,000 crore for fertiliser subsidy, which is almost four times more than last year, said Agriculture Minister Dr Mohammad Abdur Razzaque. He told that due to the coronavirus, the price of fertilisers worldwide has increased dramatically, which is almost three times compared to last year. Moreover, due to the increase in the price of fuel, the ship fares has more than doubled, he added. The government has already subsidised BDT 19,000 crore for fertiliser, the minister added.

<https://www.tbsnews.net/economy/govt-facing-difficulty-giving-subsidies-fertilisers-minister-370492>

Now comes Istisna Sukuk for dev financing

- The central bank plans on launching Istisna Sukuk to raise BDT 50 billion for financing a rural infrastructure-development project, officials say. A member of the issuance committee told the FE that instead of Ijarah, the Istisna Sukuk would bring diversification in the market, and is also suitable for construction and manufacturing sectors.
- Istisna' contract is a long-term contract whereby a party undertakes to manufacture, build or construct assets is that it can provide flexibility to the customer, where payments can be made in installments linked to project completion, at delivery or after project completion. In case of Ijarah Sukuk, the certificate of ownership is issued based on an existing property or asset.

<https://today.thefinancialexpress.com.bd/first-page/now-comes-istisna-sukuk-for-dev-financing-1644861984>

Bancassurance to be introduced in Bangladesh soon

- Banking and insurance regulators are framing two sets of guidelines on introducing an alternative selling strategy for insurance products through banking institutions with sights set on revenue boost for both. Insurance companies are expected to get more clients for their products with wider penetration, leading to rise in their revenues and that of the banks.
- IDRA's opinions, sent to the FID, say such alternative channels have conformity with the country's Insurance Act and Bank Company Act. The IDRA thinks bancassurance would help raise insurance-penetration rate in the country, which is now less than 1.0 % of the gross domestic product (GDP). The country now has 78 life and non-life insurance firms. According to Swiss Re, Bangladesh's insurance penetration was 0.57% in 2018, the lowest in the emerging

Asian countries.

<https://thefinancialexpress.com.bd/economy/bancassurance-to-be-introduced-in-bangladesh-soon-1644808645>

Mobile payments at shops surge

- Purchases through mobile financial services (MFS) increased significantly in Dec'21 as people are getting more prone to using digital means for availing necessities. Merchant payments shot up 62% year-on-year in Dec'21 to BDT 3,462 crore. The number of transactions was 1.26 crore for merchant payments in Dec'21, up from 1.18 crore a month earlier and 1.04 crore in Dec'20.
- Card-based e-commerce transactions also increased 38% year-on-year in Dec'21 to BDT 825 crore.

<https://www.thedailystar.net/business/economy/e-commerce/news/mobile-payments-shops-surge-2962286>

Cash outside banks remain high

- The amount of cash outside the country's banks remains high as people are keeping additional cash in their hands amid the Covid outbreak despite the reopening of business activities. It was also observed that the amount of cash outside banks or cash in hands was the highest when the country was under strict restrictions on public movement and business activities to contain the pandemic.
- Bangladesh Bank data showed that the amount of cash outside the banking system stood at BDT 208,296.4 crore in November 2021. The amount was BDT 158,917.6 crore in January 2020, two months before the beginning of the pandemic. The amount, however, had gradually increased to BDT 210,983.8 crore following the imposition of strict restrictions to contain the spread of coronavirus. Afterwards, the amount dropped to BDT 185,741.9 crore in January 2021. The amount jumped again to BDT 227,042.9 crore in July 2021 when the country was under strict restrictions.

<https://www.newagebd.net/article/162760/cash-outside-banks-remain-high>

Runner Automobiles to make Bajaj three-wheelers

- Runner Automobiles is to begin manufacturing Bajaj three-wheelers at its new BDT 300 crore plant this year. The Covid-19 pandemic disrupted the progress in machinery installation, forcing the company to defer the deadline by 10 months. A top executive at the company, seeking anonymity, told The Business Standard that they were heading for trial runs by July and a few months later, commercial production will begin at the new plant.
- Local manufacturing would also help the company reduce unit prices from the current level of BDT 4.35 lakh for LPG-run Bajaj three-wheelers being assembled by Runner. Bajaj dominates 90% of the country's fossil fuel-run three-wheeler market, mostly being sold by Uttara Motors, the importer and distributor of Bajaj's CNG-run three-wheelers.
- The completely built units of imported three-wheelers were subject to near 100% taxes and duties right now, and Runners manufacturing plant would bring it down to 53%, said the Runner official requesting anonymity.
- The three-wheeler market has huge potential if the government can bring discipline to the segment in terms of registration and route permits for authorised vehicles, and prevent unauthorised battery-run three-wheelers. Currently, 60% of gas-run three wheelers remain unregistered due to the excessively rigid registration stance of the government.

<https://www.tbsnews.net/economy/stocks/runner-automobiles-make-bajaj-three-wheelers-370756>

Doreen Power estimates BDT 1,100cr yearly revenue from subsidiary

- Listed independent power company Doreen Power Generations and Systems Limited will earn approximately BDT

1,102 crore in yearly revenue from its subsidiary company - Chandpur Power Generation Limited - which started commercial operations from 11 February for the next 15 years. Chandpur Power is a 115 MW heavy fuel oil (HFO) based power plant at Chandpur.

<https://www.tbsnews.net/economy/stocks/doreen-power-estimates-tk1100cr-yearly-revenue-subsiary-370723>

Mamun Agro to debut in share market Tuesday

- Mamun Agro Products – a small-cap company in the country's agriculture sector – is all set to make its debut on the SME platform of the Dhaka Stock Exchange on Tuesday. The company – engaged in agricultural products, fresh fruits and vegetables, agricultural supplies and seeds in Bangladesh – credited its primary shares to investors' beneficiary owners (BO) account on 13 February. The Dhaka-based company completed its subscription during 23-27 January.

<https://www.tbsnews.net/economy/stocks/mamun-agro-debut-share-market-tuesday-370690>

InterContinental's debts to Agrani Bank climb to BDT 909 crore

- The amount of debts of the Hotel InterContinental Dhaka to Agrani Bank Limited has ballooned to BDT 909 crore as the company failed to pay any instalment in the last seven years until September 2021, which has become a heavy drag on the company's profit-making ability. Earlier on May 10, 2015, state-run Agrani Bank provided BDT 561.4 crore to finance construction and renovation work of the Hotel InterContinental Dhaka which is under the ownership of Bangladesh Service Limited.

<https://www.newagebd.net/article/162763/intercontinentals-debts-to-agrani-bank-climb-to-tk-909-crore>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 93.88	USD 18.67	24.82%
Crude Oil (Brent)*	USD 95.02	USD 17.24	22.17%
Gold Spot*	USD 1,867.47	USD 38.27	2.09%
DSEX	7,060.74	304.08	4.50%
S&P 500	4,405.70	-360.48	-7.56%
FTSE 100	7,531.59	147.05	1.99%
BSE SENSEX	56,405.84	-1,847.98	-3.17%
KSE-100	45,644.09	1,048.02	2.35%
CSEALL	12,470.81	244.80	2.00%

Exchange Rates**1 US Dollar = 85.72 BDT****1 GBP = 116.04 BDT****1 Euro = 97.16 BDT****1 INR = 1.14 BDT**

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