

*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.*

### **Scope of cash incentive for remittance widened**

- The Bangladesh Bank on Thursday issued a circular on the day said that the five types of earnings of the overseas employees channelled through legal means would be considered eligible to receive cash incentive at the applicable rate. The five earning sources are retirement benefits such as pension funds, provident fund, leave salary, bonus and other gratuities paid by employer and retirement benefits. At present, the wage earnings remitters were receiving cash incentive at the rate of 2.5 per cent against channelling of their earnings through legal ways to the country.

<https://www.newagebd.net/article/160516/scope-of-cash-incentive-for-remittance-widened>

### **Govt plans to borrow USD313m from forex reserves**

- The government plans to use the country's foreign currency reserves to implement a USD370.96 million power transmission project, ignoring warning from the International Monetary Fund (IMF). State-run Agrani Bank has sent a proposal of North-West Power Generation Company Ltd (NWPGL), a government-owned entity, to the Bangladesh Bank. Under the proposal, the power company is seeking USD 313 million for the second transmission line project from Payra. The financing will be arranged by Agrani Bank.
- The government is looking to turn Payra a major power generation hub, however, the electricity produced can't be supplied to other parts of the country on the basis of the existing transmission lines, said a Power Division official. But the plan to use the foreign currency reserves comes amid warning from the IMF against using it for such projects.

<https://www.thedailystar.net/business/economy/news/govt-plans-borrow-313m-forex-reserves-2943921>

### **BB cancels further restructuring of large loans**

- The board of the Bangladesh Bank on Thursday turned down a proposal for further restructuring of large loans, closing the door to such a facility for borrowers having loans over BDT 500 crore. In 2015, the central bank offered the restructuring opportunity to big borrowers, especially those in trouble, with a condition that if they fail to pay two instalments in a row, they will be marked as defaulters and will be sued. Borrowers, who maintained regular payments complying with all terms and conditions of the special large loan restructuring policy, enjoyed a one-time rescheduling benefit for term loans and working capital.

<https://www.tbsnews.net/economy/banking/bb-cancels-further-restructuring-large-loans-360193>

### **Peoples Bank fails to win BB nod**

- The proposed Peoples Bank's three-year efforts to roll out banking operations went in vain as it has failed to meet requirements needed to secure the final approval from the Bangladesh Bank. The central bank declined to give the approval to the lender to start its operation
- The proposed bank submitted a shareholders' list consisting 23 persons, but it was not enough to manage the approval. The central bank had earlier extended the deadline three times for Peoples Bank to complete procedures. In its probe earlier, the BB found inconsistency in the sources of capital provided by the shareholders of Peoples Bank. So, the BB had stalled the process to provide the licence.

<https://www.thedailystar.net/business/economy/banks/news/peoples-bank-fails-win-bb-nod-2943906>

### **Walton profits slide despite higher sales**

- Walton Hi-tech Industries saw its profits drop 31 % year-on-year despite reporting higher sales in the first half of fiscal

2021-22 due to higher raw material prices in the international market and transport costs.

- The local electronics giant logged profits of BDT 446 crore in the last six months (July 21 to December 21) while it was BDT 646 crore in the same period the year before. During this period, Walton missed out on one of its biggest sales seasons as the government had imposed measures to contain the spread of Covid-19 ahead of Eid-ul-Adha, when the company usually logs a significant portion of its annual sales. Moreover, Walton was forced to shut down its business operations, including sales and distribution, during the strict nationwide lockdown enforced between July 23 and August 5 last year, according to the company's financial report.

<https://www.thedailystar.net/business/organisation-news/news/walton-profits-slide-despite-higher-sales-2943891>

### **UCB gets nod for shariah-based mutual fund**

- The Bangladesh Securities and Exchange Commission (BSEC) has approved a shariah-based open-ended mutual fund for UCB Asset Management. The mutual fund's target is BDT 35 crore while around BDT 5 crore is being provided by UCB Asset Management. The rest of the fund can be raised from general investors. With a face value of BDT 10, the fund's trustee and custodian are Sandhani Life Insurance and Brac Bank respectively

<https://www.thedailystar.net/business/organisation-news/news/ucb-gets-nod-shariah-based-mutual-fund-2943821>

### **Japan-based Minori allowed to take over Fu-Wang Foods**

- The Bangladesh Securities and Exchange Commission on Thursday decided to allow Minori Bangladesh Limited, an arm of Japanese farming group Minori Co Limited, to take control of Fu-Wang Foods Limited. The BSEC made the decision at a commission meeting on Thursday.
- To acquire the company, Minori must provide BDT 10 crore as initial investment to the company, and the amount would be deposited in a separate bank account, he said. The current sponsor-directors will have to pay dues of BDT 6.5 crore to the company account, he said.

<https://www.newagebd.net/article/160540/japan-based-minori-allowed-to-take-over-fu-wang-foods>

### **Envoy Textiles to issue preference shares**

- Envoy Textiles has been given go-ahead by the Bangladesh Securities and Exchange Commission (BSEC) to issue fully redeemable non-convertible cumulative preference shares. Through issuing the share, the textile maker would raise a fund of BDT 87 crore for five-year tenure. It would be issued through private placement whose face value is BDT 10 and coupon rate is 7 to 7.5 %.
- Most preference shares have a fixed dividend, while common stocks generally do not. Preferred stock shareholders also typically do not hold any voting rights, but common shareholders usually do. With the funds, Envoy Textiles would implement the balanced yarn project and repay bank loans.

<https://www.thedailystar.net/business/organisation-news/news/envoy-textiles-issue-preference-shares-2943816>

**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 86.90	USD 11.69	15.54%
Crude Oil (Brent)*	USD 85.96	USD 8.18	10.52%
Gold Spot*	USD 1,837.80	USD 8.60	0.47%
DSEX	7,105.69	349.03	5.17%
S&P 500	4,482.73	-283.45	-5.95%
FTSE 100	7,585.01	200.47	2.71%
BSE SENSEX	69,464.62	11,210.80	19.24%
KSE-100	44,825.97	229.90	0.52%
CSEALL	13,361.17	1,135.16	9.28%

**Exchange Rates****1 US Dollar = 85.54 BDT****1 GBP = 116.29 BDT****1 Euro = 97.06 BDT****1 INR = 1.15 BDT**

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### 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
Nazmus Saadat, CFA	Research Analyst	<a href="mailto:nazmus.saadat@bracepl.com">nazmus.saadat@bracepl.com</a>	01708 805 229
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
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
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### 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)