

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.

Business leaders demand extension of loan moratorium until June

- Business leaders have urged the government to extend the moratorium facility on loan instalments at least until June this year. They said the trade and commerce have yet to come back to normal due to the coronavirus pandemic and detection of its new variant.
- FBCCI president said that at least 50 per cent of the borrowers would become defaulters without extension of the loan classification facility. He added that Bangladesh Bank's policy support is now needed even more overcome the pandemic recession.

<https://thefinancialexpress.com.bd/trade/business-leaders-demand-extension-of-loan-moratorium-until-june-1642865704>

ADP implementation yet in the slow lane

- From delay in land acquisition to inadequate feasibility studies to improper public purchase plans, all have got in the way of the annual development programme's (ADP) implementation that registered only a 24% progress in the first six months of the current fiscal year. All ministries and divisions of the government were able to spend only one-fourth of their respective ADP allocations, reveals the latest progress report prepared by the Implementation Monitoring and Evaluation Division (IMED) of the Planning Ministry. In July-December of FY21 when the pandemic was at its peak, the ADP implementation rate was 23.89%, while the rate was 27% on average in the first six months of the pre-pandemic fiscal years.
- The shipping ministry, one of the highest recipients of allocation, spent only 11%, while the Bridges Division, which is implementing megaprojects such as the Padma Bridge and the Karnaphuli tunnel, could use up 17.68% from the allocation as of December. The implementation rate of the industries ministry was more than 50% – the highest among the top recipients. Ministries and divisions that spent less than 10% from their respective allocations include the Financial Institutions Division, the commerce ministry, the Security Service Division, the Statistics and Informatics Division, and the foreign affairs ministry.

<https://www.tbsnews.net/economy/adp-implementation-yet-slow-lane-360544>

Nagad 'add money' now includes Dhaka Bank

- Nagad has partnered with Dhaka Bank to enable the mobile financial service's users to add money from their bank account round the clock through internet banking without incurring any fees. A minimum of BDT 50 to a maximum of BDT 30,000 can be added to any Nagad wallet five times a day to up to BDT 200,000 and 25 transactions per month.
- Nagad also has similar collaborations with Midland, Exim, NRBC, National, Mutual Trust, First Security Islami, Community, Shahjalal Islami, NRB, Social Islami, Premier, IFIC, Union, City, Padma and Prime banks.

<https://www.thedailystar.net/business/economy/banks/news/nagad-add-money-now-includes-dhaka-bank-2943981>

Bangladesh apparel less competitive than Vietnam's

- Vietnam's fashion industry on the ten leading indices logs at least one score ahead of Bangladesh, while the gaps are 1.5 and 2 respectively on sustainability and political stability. In terms of product quality, lead time, and sustainability, Bangladesh's clothing sector is not as good as its neck and neck market peer Vietnam, according to a recent World Trade Organisation (WTO) competitiveness report, as Dhaka scores remarkably low than Hanoi on ten indices out of a total of twelve.

- In contrast, Bangladesh takes 48 hours to one month to release raw material imports for the apparel industry, said local garment factory owners. They said Vietnamese workers are 10%-15% more efficient in manufacturing, while the country can deliver the final product to European buyers 10-15 days earlier than Bangladesh. Vietnam's fashion industry on the ten leading indices logs at least one score ahead of Bangladesh, while the gaps are 1.5 and 2 respectively on sustainability and political stability, shows the report.

<https://www.tbsnews.net/economy/rmg/bangladesh-apparel-less-competitive-vietnams-360952>

Gas price hike should be gradual

- The government should move gradually and reconsider energy companies' recent proposal to raise gas prices as any sharp hike will increase overall cost of production of industries, said Abul Kasem Khan, chairperson of Business Initiative Leading Development (BUILD). "If gas prices are hiked at a steep rate, it will not be possible for the overall industry to absorb it," he said in a phone interview with The Daily Star.
- Several gas distribution companies had recently proposed that Bangladesh Energy Regulatory Commission increase prices by as much as 117 % following a government directive to reduce dependence on subsidies. The economy has entered into a recovery phase and any price increase will affect its revival, said Khan, a former president of the Dhaka Chamber of Commerce & Industry, adding that a price hike was not a long-term solution.

<https://www.thedailystar.net/business/economy/news/gas-price-hike-should-be-gradual-2945076>

Incepta gets go-ahead to produce Covid drug Molnupiravir

- Incepta Pharmaceuticals Ltd has announced the receipt of a sublicense from the Medicine Patent Pool (MPP), on behalf of originator company Merk & Co., Inc. to produce Covid-19 oral drug "molnupiravir". The sublicensee Incepta Pharmaceuticals Ltd has Stringent Regulatory Authority (SRA) approved or World Health Organisation pre-qualified manufacturing facilities and experience as a major supplier to global and key low and middle-income procurers.

<https://www.thedailystar.net/business/news/incepta-gets-go-ahead-produce-covid-drug-molnupiravir-2944741>

Symphony becomes 2nd 'Made in Bangladesh' smartphone exporter

- Symphony has become the second local brand to export "Made in Bangladesh" smartphones by sending its smartphones to Apex Group of Nepal. The parent company Edison Group plan plans to grab handset markets of five more countries including Vietnam, Sri Lanka, Oman and Nigeria by 2022. At present, the brand has a demand of 7.2 million devices that include smartphones and feature phones. Earlier, local tech conglomerate Walton started exporting its smartphones as the first local company to the USA on 1 March 2020 from its Gazipur plant.

<https://www.tbsnews.net/tech/smartphones/symphony-export-made-bangladesh-smartphones-nepal-360760>

BSEC wants valuation report on strategic partner from DSE

- The stock market regulator has asked the Dhaka Stock Exchange to submit a technical and financial evaluation report on a foreign strategic partner's agreement. Bangladesh Securities and Exchange Commission (BSEC) has issued a letter to the premier bourse in this regard last week. Earlier in May 2018, a Chinese consortium of Shenzhen Stock Exchange and Shanghai Stock Exchange bought a 25% stake of DSE as the strategic partner required by the demutualisation scheme. The consortium bought 45 crore shares from the DSE at BDT22 each, for which the DSE members got around BDT947 crore in total.
- The consortium offered to establish an electronic platform for listed firms, analytics tools, and an online complaint portal. Besides, they also offered to provide a trade-matching engine and surveillance software to the bourse after the existing agreement expires. In early January this year, the BSEC instructed the stock exchanges to submit reports

on their achievements of demutualisation objectives and initiatives. The stock exchanges were also directed to appoint auditors to conduct a special audit within the next 30 working days.

<https://www.tbsnews.net/economy/stocks/bsec-wants-valuation-report-strategic-partner-dse-360895>

BSEC seeks clarifications on Golden Son's revenue

- The Bangladesh Securities and Exchange Commission (BSEC) has sought an explanation from Golden Son Limited about its sales revenue and term loans for the last three years. The stock market regulator issued a letter in this regard last week. Golden Son Ltd, which produces garment accessories, household items, screws, electric fans, and plastic toys for the local market, has been listed on the Dhaka Stock Exchange (DSE) since 2007. The paid-up capital of the company is BDT171.73 crores. The company has shown that its net sales revenue was BDT60.23 crores in 2019, BDT62.84 crores in 2020, and BDT87.62 crores in 2021.
- The company may face difficulties due to unfavourable movements in the interest rate and monetary policy that may result in short-term crunch and cash flow crises. The commission is highly doubtful and concerned about the ongoing status of the company. On 30 June 2021, the receivables of the company stood at 256.07 crores, which was BDT178.96 crores as of 30 June 2020. The commission sought details along with the names of 20 customers. Besides, the commission observed that its turnover, gross profit and net profit have increased significantly.

<https://www.tbsnews.net/economy/stocks/bsec-seeks-clarifications-golden-sons-revenue-360871>

Heavy fuel oil import duty pushes up Doreen Power's business costs

- Import duty on heavy fuel oil has pushed up the business cost of Doreen Power Generations and Systems by 51% in the first half of fiscal 2021-2022 from a year earlier. In the July-December period, its profit grew by 26%, which is way below compared to the consolidated revenue growth of 42%. In fiscal 2020-21, the government imposed a 15% duty on the import of heavy fuel oil used for power generation.
- At the end of the first half of FY22, Doreen Power's consolidated revenue stood at BDT463.59 crore, net profit BDT79 crore, and earnings per share (EPS) BDT4.86. Doreen Power operates three power plants with a 22-megawatt capacity each in Tangail, Feni, and Narsingdi. The plants will expire in 2023. It also has two subsidiaries – Dhaka Southern Power Generation and Dhaka Northern Power Generation – with 55-megawatt capacity each. The subsidiaries have been in commercial operation since 2016. Doreen has also received approval from the Bangladesh Power Development Board in 2019 to set up a power plant with a capacity of 115 megawatt for 15 years. It is constructing the plant under its subsidiary named Chandpur Power Generation Ltd.

<https://www.tbsnews.net/economy/stocks/heavy-fuel-oil-import-duty-pushes-doreen-powers-business-costs-360877>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 85.14	USD 9.93	13.20%
Crude Oil (Brent)*	USD 87.89	USD 10.11	13.00%
Gold Spot*	USD 1,835.38	USD 6.18	0.34%
DSEX	7,105.69	349.03	5.17%
S&P 500	4,397.93	-368.25	-7.73%
FTSE 100	7,494.13	109.59	1.48%
BSE SENSEX	59,037.18	783.36	1.34%
KSE-100	45,018.28	422.21	0.95%
CSEALL	13,371.61	1,145.60	9.37%

Exchange Rates**1 US Dollar = 85.94 BDT****1 GBP = 116.48 BDT****1 Euro = 97.49 BDT****1 INR = 1.16 BDT**

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