

*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.*

### **BDT 6 trillion budget for FY'22 on the anvil**

- The government allocation for public expenditure on goods and services will witness a significant rise in the coming years after a slight dip in the last couple of years, reports UNB. The government has estimated to spend BDT 401.3 billion, which is 6.6% of the budget, for public expenditure in the coming 2021-22 fiscal. The country is likely to get BDT 5.93 trillion budget for 2021-22 fiscal, BDT 253.14 billion higher than the running one, aiming to face the COVID-19 pandemic challenge for recovering the economy, according to a government document.

<https://today.thefinancialexpress.com.bd/trade-market/BDT-6tn-budget-for-fy-22-on-the-anvil-1618764465>  
<https://www.tbsnews.net/economy/BDT6-trillion-budget-works-2021-22-govt-eyes-increased-outlay-capital-expenditure-233311>

### **Annual Development Programme (ADP) spending slows in Jul-Mar**

- The first nine months of the current fiscal year of 2020-21 saw slow implementation of the Annual Development Programme (ADP) with only 41.92% of the total outlay spent till March while development spending declined 3.27% year-on-year. But surprisingly, some ministries and divisions have made much progress in implementing their development programmes, in some cases much higher than the overall level of 41.92%. However, the implementation rates of sectors mainly related to fighting the pandemic are very low.
- The latest data from the Implementation Monitoring and Evaluation Department (IMED) shows that BDT 877.35 billion was spent from July to March against the total yearly ADP allocation of BDT 2.09 trillion. The expenditure in these nine months declined 3.27% year-on-year from BDT 907.04 billion spent in the same period last fiscal year.
- A former lead economist of World Bank's Dhaka office said it was easy to blame the pandemic for everything that has gone awry with ADP implementation this year. There certainly is truth in it, but it cannot be the whole truth, he said. He said this was evident from a comparison of ministries whose implementation rates were higher than the overall 41.9% rate during the nine months till March and the ones whose implementation rates were lower.

<https://www.thedailystar.net/business/economy/news/adp-spending-slows-jul-mar-2079857>

### **Sun rising for Bangladesh Automotive Industry**

- In less than a decade, the two-wheeler market in Bangladesh grew more than three times. During this period the source of supply shifted from the imports to the local manufacturing which accounts for more than 90% of the units sold here annually. Following the Motorcycle Industry Development Policy 2018, the government now is working to finalise the Automobile Industry Development Policy 2020.
- The deputy managing director of Ifad group said that prior to Covid-19, Bangladesh automobile market had been growing at an annual average of 15-20% rate while the auto parts market was growing at 12%. Both the growth rates are way above the respective global averages. With the noticeable national infrastructure investments for roads and highways, bridges and tunnels, and regional connectivity initiatives Bangladesh is likely to see a high demand for automobiles, like two-wheelers, passenger cars, light and heavy commercial vehicles or three-wheelers, in coming days too, he said.
- According to the Bangladesh Road Transport Authority (BRTA) there are more than 4.6 million registered motorised vehicles in Bangladesh, while a large number such vehicles, especially two and three-wheelers, are running without registration. Of the total registered vehicles, nearly 80% are two-wheelers, 5% are passenger cars, while buses and trucks together, pickups, auto rickshaws, vans, minibuses made the remainder of the pie.

<https://www.tbsnews.net/economy/industry/sun-rising-bangladesh-automotive-industry-233557>

### **World Bank fund of USD 7.5 million for PPE producers**

- A USD 7.5 million fund monetised by the World Bank has been launched to help Bangladeshi companies producing medical and personal protective equipment (MPPE) to combat the Covid-19 pandemic. This Covid-19 Enterprise Response Fund (CERF) will provide loans ranging from USD 50,000 to USD 500,000 as part of the Export Competitiveness for Jobs (EC4J) Project. The term of the fund is from April this year to December 2022. Companies that manufacture Personal Protective Equipment (PPE), diagnostic equipment and clinical equipment for export and for local markets can avail loans from this fund. The companies must have three years of experience in the production of such products and have to maintain environmental protection rules.

<https://www.tbsnews.net/economy/world-bank-fund-75-million-ppe-producers-233407>

<https://www.newagebd.net/article/135737/govt-launches-75m-matching-grant-for-producing-mppe>

### **10,051 more accounts with BDT 10 million in 2020**

- The number of bank accounts with over BDT 10 million in deposits has continued to grow even during the Covid outbreak, with banks adding 10,051 such accounts in 2020. Deposits in such accounts rose by BDT 277.01 billion to BDT 5.95 trillion in 2020 from BDT 5.68 trillion in 2019. The rapid surge in wealth accumulation by a small segment of people happened at a time when a large portion of the country's people was struggling hard for survival and many of them entered into poverty afresh during the Covid-hit 2020.

- The deposits in the accounts which are generally opened with BDT 10 as deposits to receive the government's assistance dropped by 80.82% to BDT 2.02 billion at the end of December 2020 from BDT 3.66 billion a year ago. It is not a good sign but it is a global phenomenon where income inequality is rising and we are observing the same situation in Bangladesh as well, Policy Research Institute executive director said.

<https://www.newagebd.net/article/135752/10051-more-accounts-with-BDT-1cr-in-2020>

### **Hundreds of factories out of operation**

- Many small and medium scale manufacturing units, located in major industrial belts, that had faced closure during the first wave of Covid-19 are yet to resume operations, according to sources. Most of these units used to do subcontracting jobs. They could not resume operations for non-availability of work orders, they added. A total of 630 factories in Dhaka, Gazipur, Chattogram, Narayanganj and Khulna, remained closed since the beginning of the coronavirus outbreak in the country in March last year, according to Industrial Police data. Some 16 factories are located in different export processing zones under the Bangladesh Export Processing Zones Authority (BEZA), it showed. The rest 389 are non-RMG factories, data showed.

- When asked, first vice president of BGMEA said that the overall situation is not good. A sizeable number of factories, especially the small and medium-sized ones, have gone out of the business mainly because of the pandemic. Though the big ones are somehow surviving, it has become very difficult for the SMEs to run business in a situation when the buyers were placing less work orders and, asking for discounts and deferred payments.

<https://today.thefinancialexpress.com.bd/first-page/hundreds-of-factories-out-of-operation-1618770046>

### **Unique Power selling stakes to Qatari company**

- Unique Meghnaghat Power is going to sell an 11.76% stake to Doha-based power development and investment company Nebras Power Investment Management BV worth USD 24.06 million or BDT 2.06 billion. Parent company the Unique Hotel and Resorts made the disclosure through the Dhaka Stock Exchange website yesterday. It said to have already signed a memorandum of understanding with Nebras. A total of 14,641 shares would be sold having a face value of BDT 10, informed the company.

- Nebras develops and manages portfolios of strategic investment in the power sector globally. Its total asset was 7.2 billion Qatari riyals in 2019, according to the company's website.

- In 2019, Unique signed a deal with the Bangladesh Power Development Board (BPDB), Power Grid Company of Bangladesh, and Titas Gas Transmission and Distribution Company to set up the power plant. It has a 22-year power purchase agreement with the BPDB. The company has also informed of developing a 584 MW gas/liquefied natural gas-based power plant with Strategic Finance and GE Capital Global Energy Investments BV. The Meghnaghat plant is under construction on 18.75 acres of land at an estimated cost of USD 520 million. It is expected to start operations by July 2022, generating electricity that could power 700,000 homes.

<https://www.thedailystar.net/business/economy/news/unique-power-selling-stakes-qatari-company-2079889>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$62.78	\$14.26	29.39%
Crude Oil (Brent)*	\$66.34	\$14.54	28.07%
Gold Spot*	\$1,776.33	(\$118.77)	-6.27%
DSEX	5,331.43	(70.64)	-1.31%
S&P 500	4,185.47	429.40	11.43%
FTSE 100	7,019.53	559.01	8.65%
BSE SENSEX	48,832.03	1,080.70	2.26%
KSE-100	45,305.63	1,550.25	3.54%
CSEALL	7,600.57	826.35	12.20%

**Exchange Rates**

**USD 1 = BDT 84.87\***  
**GBP 1 = BDT 117.28\***  
**EUR 1 = BDT 101.48\***  
**INR 1 = BDT 1.14\***

*\*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*

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### BRAC EPL Stock Brokerage Limited

#### Research

Ayaz Mahmud, CFA	Head of Research	<a href="mailto:ayaz.mahmud@bracepl.com">ayaz.mahmud@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
Sadman Sakib	Research Associate	<a href="mailto:sadman.sakib@bracepl.com">sadman.sakib@bracepl.com</a>	01730 727 939
Md. Rafiqul Islam	Research Associate	<a href="mailto:mrafiqulislam@bracepl.com">mrafiqulislam@bracepl.com</a>	01708 805 229
Md Mahirul Quddus	Research Associate	<a href="mailto:mmahirul.quddus@bracepl.com">mmahirul.quddus@bracepl.com</a>	01709 636 546

#### International Trade and Sales

Ahsanur Rahman Bappi	Chief Executive Officer	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
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#### BRAC EPL Research [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)