

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.

Bangladesh offers huge investment opportunities to Saudi companies

- Bangladesh and Saudi Arabia are set to sign a memorandum of understanding (MoU) that will open up a lot of investment opportunities for both countries. The MoU seeks to attract Saudi companies who wish to invest in Bangladesh's large infrastructure projects, said Salman F. Rahman, private industry and investment adviser to the prime minister.
- Last year, a Saudi delegation visited Dhaka to take part in a two-day Joint Economic Council meeting during which some of the Kingdom's top companies expressed interest in investing around USD 30 billion in different economic sectors of Bangladesh. Red Sea Gateway Terminal (RSGT), a leading port developer of the Kingdom, expressed interest in developing Bangladesh's main Chattogram port which deals with more than 80 per cent of the country's trade.
- Salman F Rahman stated that as soon as the Saudi government will sign the PPP agreement with Bangladesh, the government will move forward with RSGT's investment proposals.

<https://thefinancialexpress.com.bd/trade/bangladesh-offers-huge-investment-opportunities-to-saudi-companies-1635676602>

Alternative sources of infrastructure funding in focus

- At a webinar on 'Bridging the infrastructure gap through credit solutions in Bangladesh' - jointly organised by the Ministry of Commerce and the Dhaka Chamber of Commerce and Industry (DCCI) under the Bangladesh Trade and Investment Summit 2021, speakers stressed the need for a long term, vibrant, innovative and structured infrastructure finance for the private sector investment. They suggested creating alternative sources of financing other than banks for infrastructure development.
- A developed and mature bond market can be a sustainable solution for the private sector finance, they observed, adding that Bangladeshi bonds should be raised on the international market.

<https://today.thefinancialexpress.com.bd/first-page/alternative-sources-of-infrastructure-funding-in-focus-1635705681>

Liquidity crunch looms as imports, credit demand on the rise

- Banks will come under a liquidity crunch within three to six months due to an escalation of import financing and a rising demand for loans from businesses as the economy returns to normalcy, warned several top executives.
- The excess liquidity had stayed at historically high levels as of June because of the economic slowdown caused by the coronavirus pandemic, but the trend has already begun reversing.
- Five managing directors of banks have said that both import financing and private sector credit growth would rise exponentially in the months ahead, which will subsequently create a liquidity crunch.

<https://www.thedailystar.net/business/economy/news/liquidity-crunch-looms-imports-credit-demand-the-rise-2210886>

Law on the anvil to refund excess tax

- Individual taxpayers will get refund of their money paid in excess of their due tax directly into their bank accounts under a new income-tax law in the making to replace outmoded ones. Chairman of the National Board of Revenue Abu Hena Md. Rahmatul Muneem disclosed the fiscal measure on Sunday, saying that the draft Income Tax Law 2022 will be placed before the cabinet by December next.
- Domestic transfer pricing, amortisation of pre-commencement expenditures of a business, Earning Stripping Rules (ESR) provision with de-minimis threshold are new provisions of the law, meant for enhancing tax potential.

<https://today.thefinancialexpress.com.bd/first-page/law-on-the-anvil-to-refund-excess-tax-1635705778>

NBR waives tax to expedite execution

- The National Board of Revenue (NBR) has offered a tax exemption for the Dhaka Elevated Expressway, Public Private Partnership (PPP) project, to facilitate expediting its construction work. The First Dhaka Elevated Expressway (FDDE) Company Limited will not have to pay tax on the interest amount of foreign loans taken from the Export-Import Bank of China and Industrial and Commerce Bank of China (ICBC).

<https://today.thefinancialexpress.com.bd/first-page/nbr-waives-tax-to-expedite-execution-1635705859>

Bangladesh Bank bills worth BDT 58,132cr sold in 3 months

- The Bangladesh Bank sold Bangladesh Bank bills worth BDT 58,132 crore to the scheduled banks in August, September and October to contain the excess liquidity in the country's banking channel. BB sold bills worth BDT 19,262 crore in October after collecting BDT 19,224 crore in September and BDT 19,645.5 crore in August.
- BB has adopted the strategy of squeezing money supply after the announcement of its monetary policy for the fiscal year 2021-2022 as it found diversion of money to the non-productive sectors by banks amid a huge surplus in liquidity.

<https://www.newagebd.net/article/153314/bangladesh-bank-bills-worth-tk-58132cr-sold-in-3-months>

Dearth of plastic raw materials impacts industries, dev work

- Price spike of plastic raw materials throughout global supply chains on which local corporate businesses depend may contribute to non-food inflationary pressure on Bangladesh's economy. Apart from pipes fittings, two other building materials -- rod and cement -- also see price surges. As such, huge public-works projects are also apprehended to take a knock through deceleration of execution.
- Anwar Group of Industries is one of the corporations feeling left in the lurch amid price spiral of the ingredients of pipes, fittings and so that are used in an array of industries and businesses. The group blamed abnormal price rises of some key raw materials, including resins, which pressed it to go for raising prices of uPVC pipes and fittings on the local market.

<https://today.thefinancialexpress.com.bd/last-page/dearth-of-plastic-raw-materials-impacts-industries-dev-work-1635704996>

VAT detectives realise BDT 3.48cr evaded VAT from Incontrade

- The VAT Audit, Intelligence and Investigation Directorate on Sunday recovered BDT 3.48 crore in evaded VAT from Incontrade Ltd, an inland container depot (ICD) based in Chattogram. A team, led by Tanvir Ahmed, deputy director of VAT intelligence directorate, conducted an investigation into its activities between July 2014 and June 2017.
- During the investigation, the company's payable VAT deduction at source amounted to BDT 38.76 lakh during July 2014-June 2017, but it dodged the amount. The company was charged BDT 21.80 lakh in interest at a monthly 2% rate as a penalty for VAT evasion.
- The company also showed sales lower than the actual amount in its annual audit report and thus evaded over BDT 1.61 crore. Under the VAT law, around BDT 1.26 crore in interest on the evaded amount is applicable at 2% monthly rate. All together the company had to pay around BDT 3.48 crore.

<https://www.tbsnews.net/economy/vat-detectives-realise-tk348cr-evavded-vat-incontrade-323482>

Ifad Motors to manufacture 500cc bikes

- Bangladesh was missing out on a lot of foreign investment due to the CC limitations that were set in the early 2000s. This resulted in only a handful of motorcycles with upgraded displacement being introduced, and the community was not satisfied. Recently, the government permitted Ifad Motors to manufacture bikes with engine displacements of 350cc and higher – up to 500cc. The company is setting up a factory in Chittagong to manufacture the iconic Royal Enfield bikes.
- The Industries Ministry has asked the Commerce Ministry to amend the draft Import Policy Order 2021-24, where local manufacturers can now set up factories and import raw materials to manufacture motorcycles with up to 500cc displacement.

<https://www.dhakatribune.com/business/2021/10/31/ifad-motors-to-manufacture-500cc-bikes>

MTB now focusing on fin-tech collaboration

- Mutual Trust Bank Limited (MTB) is now focusing on financial technology collaboration with other stakeholders, said its Managing Director & CEO Syed Mahbubur Rahman. His remarks came during a press meet, marking the bank's 22nd founding anniversary.
- Syed Mahbubur Rahman also stated that apart from providing large scale banking facilities, the bank is now going to focus on small customers, who usually seek funds around BDT 50 thousand.

<https://www.tbsnews.net/economy/banking/mtb-now-focusing-fin-tech-collaboration-managing-director-323470>

GPH Ispat rakes in record profit since listing

- Leading steel manufacturer GPH Ispat registered a record 454% profit last year since its share market listing in 2012, thanks to a combination of introducing new products, capacity expansion and ramping up export to China even amid the pandemic rampage.

- The steel-maker logged BDT 166.08 crore profit in the 2020-21 fiscal year as its earnings per share (EPS) stood at BDT 4.18. As the company witnessed the record profit jump, it has recommended a 30% (20% cash and 10% stock) dividend for its shareholders – which is 20% higher than the previous 2019-20 fiscal year.

<https://www.tbsnews.net/economy/stocks/gph-ispate-rakes-record-profit-listing-323524>

DBH profit grows 49% in 3 quarters

- Delta Brac Housing Finance Corporation (DBH) has posted a 49% growth in net profit in the January-September period this year riding on gains from capital market investments and a significant decline in cost of funds.
- The company's profit rose to BDT 81.12 crore, from BDT 54.57 crore in the same period the previous year. In the first nine months, the earnings per share (EPS) stood at BDT 4.58, which was BDT 3.08 last year.

<https://www.tbsnews.net/economy/stocks/dbh-profit-grows-49-3-quarters-323485>

Leading NBFIs log higher EPS in January-September

- The country's leading listed non-banking financial institutions (NBFIs) have reported higher profit in the nine months for January-September 2021 compared to the same period of last year. According to market insiders, earnings per share (EPS) of most of the NBFIs increased thanks to lower cost of funds, relaxed loan classification and capital gains through investment in stock market.
- The companies whose EPS increased are Prime Finance & Investment, Bay Leasing & Investment, Bangladesh Finance, LankaBangla Finance, Delta Brac Housing Finance Corporation, United Finance, IPDC Finance and GSP Finance. Islamic Finance, IDLC Finance and National Housing Finance saw their EPS fall marginally while Union Capital remained in losses during the period under review.

<https://today.thefinancialexpress.com.bd/stock-corporate/leading-nbfis-log-higher-eps-in-january-september-1635702961>

BSEC rejects AB Bank's right share move

- The Bangladesh Securities and Exchange Commission (BSEC) has rejected an application by AB Bank seeking the regulator's approval to issue the right shares. In a disclosure on Sunday, AB Bank said the BSEC expressed inability to approve the right issue after considering the bank's dividend payment history, and present financial position published on local stock exchanges.
- Earlier in April this year, the bank decided to issue right shares in a ratio of 1R:6 at BDT 10 each after stock dividends for 2020 went into effect. In its annual general meeting held on 10 June this year, bank shareholders approved the proposal. This year, the bank logged a profit of BDT 39.40 crore and earnings per share (EPS) stood at BDT 0.50.

<https://www.tbsnews.net/economy/stocks/bsec-rejects-ab-banks-right-share-move-323488>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 83.05	USD 34.53	71.17%
Crude Oil (Brent)*	USD 83.36	USD 31.56	60.93%
Gold Spot*	USD 1,781.78	(USD 113.32)	-5.98%
DSEX	7,000.94	1,598.87	29.60%
S&P 500	4,605.38	849.31	22.61%
FTSE 100	7,237.57	777.05	12.03%
BSE SENSEX	59,306.93	11,555.60	24.20%
KSE-100	46,218.93	2,463.55	5.63%
CSEALL	10,162.93	3,388.71	50.02%

Exchange Rates**1 US Dollar = 85.60 BDT****1 GBP = 117.08 BDT****1 Euro = 98.94 BDT****1 INR = 1.14 BDT**

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BRAC EPL Stock Brokerage Limited**Research**

Salim Afzal Shaown, 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 Limitedwww.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