

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.

1% rise in female employment could add USD 11.3 billion in GDP: Sanem

- Simply a 1% increase in female employment would help the economy grow 0.31% further, revealed a study by the South Asian Network on Economic Modeling (Sanem). The potential of adding USD 11.3 billion to the GDP remained untapped as the female participation rate in the labour market is stagnant for the last decade due to the burden of 81.4% of the unpaid domestic work.
- In a webinar titled "Integration of Care Economy in Policy Formulation" organised jointly by Sanem and Manusher Jonno Foundation to unveil the study on Saturday, experts and economists called for finding a way to evaluate the value of unpaid domestic work. "Women who do not participate in the formal labour market spend 6.38 hours on average, in household activities whereas women in the formal labour market are spending an average of 3 hours daily," she further said. She said employed males are spending only 1.28 hours for family work while the male not in the labour market is spending 1.68 hours of the day on average for family work.

<https://www.tbsnews.net/bangladesh/1-increase-female-employment-could-add-113-billion-economy-sanem-332170>

FBCCI to work with British-Bangladesh chamber to widen export market

- The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) will work with the British-Bangladesh Chamber of Commerce and Industry (BBCCI) to expand the south Asian country's export market in the UK. FBCCI President Md Jashim Uddin said this when BBCCI President Bashir Ahmed made a courtesy call on Jashim Uddin at his Dhaka office today. Apart from readymade garments, no other Bangladeshi product is exported to Britain on a large scale and the main buyers of the products are mainly Bangladeshi expatriates, Jashim Uddin said.
- So, the FBCCI, in an attempt to change this situation, wants to jointly work with the BBCCI, he added. To this end, the FBCCI will soon hold a meeting with the visiting BBCCI delegation in Dhaka with traders of agricultural and processed food products, leather goods and footwear and handicrafts of Bangladesh, he said. The BBCCI president said Bangladeshi exporters are lagging behind in marketing strategy in Britain.

<https://www.thedailystar.net/business/export/news/fbcci-work-british-bangladesh-chamber-widen-export-market-2234566>

Govt aims for major reforms to boost tax receipts

- The government plans to merge development and revenue budgets, amend income tax laws and establish a procurement authority in the next three years as part of a set of reforms aimed at boosting revenue collection and ensuring transparency in expenditure. The reform initiatives are in keeping with the conditions set by the global development partners before they had provided budgetary support to the government to help the country recover from shocks triggered by the coronavirus pandemic.
- By July 1 next year, the National Board of the Revenue will implement online payment for income tax exceeding BDT 2.0 million and roll out a piloting of online return filing for the taxpayers with incomes exceeding BDT 7.0 million. The government would make the return submission mandatory for any individual who has spent more than BDT 400,000 for travels abroad in the previous income year.
- Other steps include online payment of VAT amount surpassing BDT 10.0 million with effect from January 1 next year, introducing an electronic contract management system of e-GP (electronic government procurement), and initiating and scaling up citizen monitoring of contract implementation by June 30, 2022. And by December 31 next year, it will integrate e-GP with iBAS++, an integrated budget management system.

<https://www.thedailystar.net/business/economy/news/govt-aims-major-reforms-boost-tax-receipts-2234931>

New drivers of economy

- Tjough Bangladesh has been moving ahead and the country's economy has also been registering a persistent level of growth, the question that still arises is how sustainable the growth is. There is no doubt that the economy will continue to grow defying all odds, as reflected by the pandemic-time trend. Even so, the pace or rate of growth may have to face seasonal or occasional fluctuations in the near future as happened in the past. There may be unseen and unpredictable external and internal shocks. To absorb the shocks, the economy needs some strong instruments and policy adjustments. These will largely depend on identifying and promoting new drivers of the economy in the gradually changing world where traditional and protected drivers are unlikely to run the wheels of economy.
- The drivers of an economy may be divided into two categories, though this type of classification is not universal. One is broader components and policies of the economy, while the other includes real sectors and sub-sectors. In Bangladesh, private investment and trade policy are two core drivers of economic growth for the last three decades in terms of the first category. Agriculture output, ready-made garments and workers' remittance are the main drivers in terms of real sectors.

<https://today.thefinancialexpress.com.bd/editorial/new-drivers-of-economy-1637410115>

RMG production cost up 5% on diesel price hike

- The latest diesel-price hike would raise the readymade garment items' production cost by 5.0%, thereby posing a headwind against the turnaround Bangladesh's main export industry is making with western markets rebounding. Bangladesh Garment Manufacturers and Exporters Association (BGMEA) made the observations Saturday and urged the government to reconsider the raise in the fuel price that casts multiple impacts on the industry and transportation.
- "Recently, the price of diesel has been enhanced by 23%. In line with that transportation and cost of electricity production through generator will also go up while related raw materials and other services' cost have increased. All these factors will push up our production cost by 4.0 to 5.0%," BGMEA president Faruque Hassan said. During the last two years, due to the Covid-19 pandemic, fresh employment has hardly been created in the industry, he said, adding that ease of doing business and stable policy are needed to generate employment and attract investment.

<https://today.thefinancialexpress.com.bd/first-page/rmg-production-cost-up-5pc-on-diesel-price-hike-1637427139>

Rising raw material costs throw spanner on feed industry's recovery

- The skyrocketing freight cost comes on top of imported raw materials that continue to be very expensive. Rising raw material prices have now put a spoke in the wheel of the feed industry that had been running on a recovery track with the reboot of economic activities after the pandemic had eased off. Industry insiders say they are now going through a time worse than Covid-19, with raw material prices both at domestic and global markets shooting up to 40% on average.
- Khondaker Monsur Hossain, managing director of Aleya Feeds Ltd that produces poultry and fish feed, told The Business Standard, "We are still going through a bad patch only because of rising raw material prices even though economic activities have reopened." They could only hike feed prices by 10%. So, many small mills had to shut down for failing to bear rising costs, leading to a 20%-25% drop in production, feed producers say.

<https://www.tbsnews.net/economy/industry/rising-raw-material-costs-throw-spanner-feed-industrys-recovery-332104>

Don't accept work orders below production cost: BGMEA

- The leaders of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) today urged the apparel

makers not to take work order of any item below their production cost. "Please do not negotiate the prices of apparel items below the production cost anymore as we are receiving adequate number of work orders but there is a fear of the return of a crisis in the supply chain," said Faruque Hassan, president of BGMEA. The local garment makers have been receiving higher prices and work orders with the gradual reopening of the advanced economies, he said at a press conference at Amari Hotel in Dhaka.

- But they are struggling to make any profit because of the rising cost of production, he said. At the same time, the apparel manufacturers have been fearing the return of a crisis situation in the global apparel supply chain as the rate of Covid-19 infections has started spiking in different countries in the Europe, Hassan said. The international retailers and brands have been paying higher prices because of a hike in raw material prices and freight charges, he said.

<https://www.thedailystar.net/business/news/stop-accepting-work-orders-below-production-cost-bgmea-2234516>

RSRM incurs BDT 38cr loss in FY21

- Ratanpur Steel Re-rolling Mills (RSRM) Limited has incurred a loss of BDT 38 crore for the year that ended on 30 June 2021. The company's revenue also decreased by 55% to BDT 145 crore in FY21, compared to the previous year. As per the company's financial statements, the main reason behind the loss was the decrease in RSRM's production and sales because the company's procurement of raw materials was severely hampered due to Covid-19. Also, it purchased raw materials from local suppliers at a high cost.
- The annual general meeting (AGM) of RSRM will be held on 30 December 2021. The record date for the AGM will be 8 December. The loss per share of the company stood at BDT 3.75 at the end of FY21. Founded in 1984, the Chattogram-based Ratanpur Group has established itself as one of the leading steel companies. The industrial group has an annual turnover of around BDT 700 crore.

<https://www.tbsnews.net/economy/stocks/rsrm-incurs-tk38cr-loss-fy21-332359>

Prime Bank subscribes BDT 2.0b in preference shares of UMPL

- Prime Bank subscribed BDT 2.0 billion in the preference shares issued by United Mymensingh Power Limited (UMPL), one of the concerns of United Group. As part of the group's initiative to explore alternative instruments to support its financing requirement, Prime Bank arranged and subscribed the preference shares. Moinuddin Hasan Rashid, Managing Director, and Hasan Mahmood Raja, Chief Advisor of UMPL, along with Hassan O. Rashid, Managing Director & CEO, and Shams A. Muhaimin, Deputy Managing Director of Prime Bank, were present with other senior officials from both the organisations.

<https://today.thefinancialexpress.com.bd/stock-corporate/prime-bank-subscribes-tk-20b-in-preference-shares-of-umpl-1637419206>

Most listed MNCs see moderate growth in EPS

- Most of the listed multinational companies (MNCs) have registered moderate growth in EPS (earnings per share) for July-September (Q3), 2021 compared to same period of previous year riding on increased turnover. Some of those companies said management skill and reduction in costs have also facilitated the growth of their EPS. Of the MNCs, the EPS of Marico Bangladesh increased 13.66% to close at BDT 28.45 for July-September, 2021 from same period of the previous year.
- The company's EPS also rose to BDT 62.73 for April-September, 2021 from BDT 56.67 reported for the same period of the previous year. The EPS of Reckitt Benckiser rose 27.23% to BDT 43.17 for July-September, 2021 from BDT 33.93 reported for the same period of the previous year. For July-September, 2021 Unilever Consumer reported its EPS of BDT 13.52 which was 18.93% higher than that of the same quarter of previous year. The company's EPS, however, declined to BDT 32.10 for January-September, 2021 from BDT 38.05 reported for same period of previous year.

<https://today.thefinancialexpress.com.bd/stock-corporate/most-listed-mncs-see-moderate-growth-in-eps-1637419120>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 75.94	USD 27.42	56.51%
Crude Oil (Brent)*	USD 78.89	USD 27.09	52.30%
Gold Spot*	USD 1,845.73	(USD 49.37)	-2.61%
DSEX	7,091.82	1,689.75	31.28%
S&P 500	4,697.96	941.89	25.08%
FTSE 100	7,223.57	763.05	11.81%
BSE SENSEX	59,636.01	11,884.68	24.89%
KSE-100	46,489.41	2,734.03	6.25%
CSEALL	10,658.72	3,884.50	57.34%

Exchange Rates**1 US Dollar = 85.78 BDT****1 GBP = 115.32 BDT****1 Euro = 96.77 BDT****1 INR = 1.16 BDT**

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