

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 overtaking India in per capita GDP: Worth savouring, not a fluke

- Bangladesh surpassing India in per capita GDP in 2020 as forecast by the International Monetary Fund is not a fluke and is rather a reflection of the country's steady economic growth and a solid foundation, said economists yesterday. According to the IMF's latest World Economic Outlook report, Bangladesh's per capita growth of gross domestic product (GDP) would rise to USD 1,887.97 in dollar terms and at current prices at the end of this year, while India's per capita GDP would fall to USD 1,877.

- The progress is an achievement thanks to Bangladesh's steadily growing economy, said a distinguished fellow of the Centre for Policy Dialogue. Bangladesh's economic foothold is not a fluke. We also beat India in many social sectors a long ago, said the research director of the Bangladesh Institute of Development Studies. India's GDP per capita growth has been consistently slowing since 2016 and is likely to have slipped below Bangladesh this year due to a 10.3% contraction in the size of the economy. Bangladesh has maintained steady growth, as officially reported, and is estimated to have a 3.8% growth in the last fiscal year, a former lead economist of the World Bank's Dhaka office said. India has taken a more severe hit due to the Covid-19 and is also expected to take longer to recover from the pandemic. Both countries are projected to remain remarkably close, however.

- Bangladesh has to boost revenue collection and raise investment to GDP ratio to sustain the growth, said an economist. The research director of the Bangladesh Institute of Development Studies said Bangladesh's long-term investment in the social sectors such as health and education has created a sound base for economic growth. Going forward, the sectors, including the cottage, micro, small and medium enterprises that have been hard-hit by the pandemic should be given stimulus support so that they can get back on their feet again, he said. According to him, implementation of the mega projects has to be accelerated. Export sectors have to be made more vibrant and competitive and diversified.

<https://www.thedailystar.net/business/news/worth-savouring-not-fluke-1978933>

ACME launches Zolpidem tablet in US market

- The ACME Laboratories, the country's oldest pharmaceutical company, has launched Zolpidem tablet in the US market through contract manufacturing, according to an official disclosure published on Thursday. Exploring the US market has been one of the ACME's most ambitious and dream projects, which will generate annual earnings of USD50,000 approximately, the company noted. The ACME also entered the UK and other European markets last year after receiving certificate of GMP compliance from UK MHRA (Medicines and Healthcare Products Regulatory Agency of UK).

<https://today.thefinancialexpress.com.bd/stock-corporate/acme-launches-zolpidem-tablet-in-us-market-1602777429>
<https://www.thedailystar.net/business/news/acme-set-enter-us-market-1978921>

Robi reaches 50 million subscriber base

- The country's second-largest telecom and digital service provider Robi has reached a milestone of 50-million subscriber base. Robi's subscriber base swelled up quickly as the corona situation has eased out in recent times proving the customers' overwhelming preference for the company's dual brands-Robi and Airtel. Robi is behind market leader Grameenphone, which had 76 million active subscribers as of July, data from the Bangladesh Telecommunication Regulatory Commission (BTRC) showed.

- The development coincided with Robi Axiata's initial public offering move to raise BDT 5.24 billion from the stock market in the country's biggest IPO, overtaking Grameenphone's flotation of BDT 4.86 billion in 2009.

- Robi started its journey in 1997 under the brand name of Aktel. In 2009, the company's name was changed to Axiata (Bangladesh) and in 2010, the company assumed its present name, Robi Axiata. It merged with Airtel Bangladesh in 2016 to become the country's second-largest telecom operator. Axiata holds a 68.69% stake in the company and Delhi-based Bharti Airtel owns the remaining 31.31% share.

<https://www.thedailystar.net/business/news/robi-hits-5cr-subscriber-milestone-1978937>
<https://today.thefinancialexpress.com.bd/trade-market/robi-reaches-50m-subscriber-base-1602775265>
<https://www.dhakatribune.com/business/2020/10/15/robi-reaches-5c-subscriber-base-milestone>

Lovello gets BSEC nod to raise BDT 300 million through IPO

- The securities regulator has approved the Initial Public Offering (IPO) proposal of Lovello Ice Cream, an ice cream

brand of Taufika Foods and Agro Industries Ltd (TFAIL), to raise BDT 300 million by issuing 30 million shares in the capital market. Out of the IPO fund, Lovello will invest BDT 90.4 million for acquiring a plant and machineries, BDT 57.8 million for freezers, and BDT 20.6 million for vehicle purchase. Also, the company will invest BDT 13.2 million for capacity expansion of its depot and BDT 90 million to repay bank loans. The remaining BDT 28 million will be used to meet IPO costs.

- The company secretary of TFAIL said that the demand for Lovello products is increasing every day because of its quality. The market share of the company is approximately 15% in the ice cream industry. Of its total sales, Dhaka division accounts for 50%. Taufika Foods and Agro Industries kicked-off its commercial operations on 2 January 2016. Its paid-up capital is BDT 550 million. The company's Lovello brand was launched on 14 February 2016.

- The ice cream market in Bangladesh is valued at BDT 12 billion. Igloo and Polar are two established names in the industry, holding 66% market share. Currently, Igloo, the market leader, holds 38% share.

<https://tbsnews.net/economy/stock/lovello-gets-bsec-nod-raise-BDT30cr-through-ipo-145600>
<https://www.dhakatribune.com/business/stock/2020/10/15/bsec-okays-lovello-ice-cream-ipo>

Mercantile Bank to issue Tk 7.0 billion Perpetual Bond

- The board of directors of Mercantile Bank Limited (MBL) has decided to issue Perpetual Bond up to Tk 7.0 billion, said an official disclosure on Thursday. The bank will issue the bond for raising funds as part of the additional Tier-I (AT-1) capital to support Bank's Basel III compliance in line with Bangladesh Bank guidelines on risk based capital adequacy dated December 2014, according to the disclosure. The bond issue, however, subject to approval from concerned regulatory authorities – Bangladesh Bank and Bangladesh Securities and Exchange Commission and complying with regular requirements, said the disclosure.

<https://thefinancialexpress.com.bd/home/mercantile-bank-to-issue-tk-70b-perpetual-bond-1602742401?amp=true>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$40.69	(\$20.94)	-33.98%
Crude Oil (Brent)*	\$42.82	(\$25.62)	-37.43%
Gold Spot*	\$1,906.98	\$385.51	25.34%
DSEX	4,872.30	419.37	9.42%
S&P 500	3,483.34	252.56	7.82%
FTSE 100	5,832.52	(1,754.53)	-23.13%
BSE SENSEX	39,728.41	(1,913.73)	-4.60%
KSE-100	40,068.49	(666.59)	-1.64%
CSEALL	5,920.00	(209.21)	-3.41%

Exchange Rates

USD 1 = BDT 84.80*
 GBP 1 = BDT 109.32*
 EUR 1 = BDT 99.26*
 INR 1 = BDT 1.16*

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

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