

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.

BB eases loan repayment for CMSMEs

- The central bank has relaxed further the loan repayment policy for the cottage, micro, small and medium enterprises (CMSMEs) to help them expedite their recovery effort from the fallouts of Covid-19 pandemic.
- The borrowers under the stimulus package will now have to repay only 15% of their outstanding loans by December 31, 2021 to remain unclassified. Earlier, this ceiling was 25%. The remaining 85% of the outstanding loans during the period from January to December 31 this year will be payable within one year from the date of expiry of the loan tenure, according to officials.

<https://today.thefinancialexpress.com.bd/first-page/bb-eases-loan-repayment-for-cmsmes-1640711504>

Private sector credit growth returns to pre-pandemic level after two years

- The banking sector saw 10.11% growth in private sector credit, highest in the last two years, according to recent data of the Bangladesh Bank. However, the growth is still far below the monetary target of 14.8% set for the current fiscal year.
- In the latest quarterly report for July-September period, the Bangladesh Bank expected to continue the expansionary and accommodative monetary policy in coordination with the government's expansionary fiscal policy for FY22 because the economic recovery from the slowdown is a key priority.

<https://www.tbsnews.net/economy/banking/private-sector-credit-growth-returns-pre-pandemic-level-after-two-years-350179>

Central bank not to extend loan moratorium facility beyond December 31

- Bangladesh Bank (BB) has decided not to extend the loan moratorium facility beyond December 31. BB Governor Fazle Kabir announced the decision at a meeting with bankers at the central bank on Tuesday.
- Under the moratorium, bank clients would not be recorded as defaulters even if they failed to pay any instalments in 2020. In 2021, borrowers to remain out of default needed to pay just 25% of their scheduled instalments. The facility was first introduced in mid-2020 amid the Covid-19 pandemic and extended several times to allow people falling into hard times to cope.

<https://thefinancialexpress.com.bd/trade/central-bank-not-to-extend-loan-moratorium-facility-beyond-december-31-1640713088>

Bank accounts to be inoperable after 6 months of inactivity

- From now, bank accounts with six months of inactivity, will become inoperable, according to a central bank circular issued on Tuesday to the managing directors of all scheduled banks in the country.
- After the six-months of inactivity, current and short notice deposit bank accounts will become inoperable, according to the Bangladesh bank circular. For the savings account, it will take time at least 18 months to be considered a dormant account. However, government bank accounts for minor and court-related accounts will not be considered as dormant accounts beyond the period specified, according to the Bangladesh Bank guideline.

<https://www.tbsnews.net/economy/banking/bank-accounts-be-inoperable-after-6-months-inactivity-350137>

BD Venture, E-Desh ink deal

- BD Venture Limited, country's first venture capital firm, has recently invested in E-Desh Limited, an e-commerce logistics company. Both companies have signed an agreement where Mr. Shafique-ul-Azam, Managing Director of BD Venture Limited, and Mr. Zain Mohammad Yaseen, Managing Director of E-Desh Limited, were present at the agreement-signing ceremony. Maslin Capital Limited, Asian Capital Venture Limited along with some individual foreign investors also participated in this round.

<https://today.thefinancialexpress.com.bd/stock-corporate/bd-venture-e-desh-ink-deal-1640702966>

Proposal of 25% electricity generation from renewables by 2030 on cards

- Although the country's target to generate 10% of electricity from clean and renewable sources by 2020 was not achieved, a fresh target for 25% renewable energy is going to be proposed for 2030. According to official sources, the Sustainable and Renewable Energy Development Authority (SREDA) will propose the new target, to be incorporated in the proposed Integrated Energy and Power Master Plan (IEPMP).
- Ministry of Power, Energy and Mineral Resources (MPEMR) recently started a process to formulate the IEPMP with the technical and financial support of the Japan International Cooperation Agency (JICA). Tokyo-based Institute of Energy Economics, Japan (IEEJ), has been assigned to adopt the plan for both power and energy sectors.

<https://thefinancialexpress.com.bd/national/proposal-of-25pc-electricity-generation-from-renewables-by-2030-on-cards-1640693784>

Unrest in CI sheet market, prices rise 40% in 3 months

- Prices of corrugated iron (CI) sheets, widely known as tin sheets, rose more than 40% in the country's market in just three months with the beginning of the peak season for house and other establishment constructions. The price increase has occurred particularly in rural areas, amid the reopening of the economy after Covid-induced fallouts.
- Manufacturers have blamed the "volatile global market" of the raw materials and increased freight charges for the unusual price hike of the essential construction item. However, it is noteworthy that raw material prices in the international market went down recently, but manufacturers are yet to bring down prices.

<https://www.tbsnews.net/economy/bazaar/unrest-ci-sheet-market-prices-rise-40-3-months-350176>

Asian Frontier Capital stands firm on Bangladesh equities

- The frontier investment firm has also named Bangladesh as one of its top country pick. Asian Frontier Capital (AFC), the investment management company behind AFC Asia Frontier Fund, expressed a bullish outlook on the Bangladesh economy and the country's blue-chip stocks the firm prefers to invest in.
- The frontier investment firm has also named Bangladesh as one of its top country picks. "Our top country picks with a 3-5 year view are Bangladesh, Kazakhstan, Uzbekistan, and Vietnam, as they all have a combination of a strong macro-economic platform, structural reforms, attractive demographics, and a growing manufacturing sector," AFC Frontier Fund said in its 25 December report to clients.

<https://www.tbsnews.net/economy/stocks/asian-frontier-capital-stands-firm-bangladesh-equities-350116>

Perpetual bond complications likely to end soon for banks

- The central bank will recommend withdrawing BSEC's condition of mandatory interest payments against some bank perpetual bonds, say bank executives. Bank executives are expecting an end to the complications that have been created recently regarding mandatory interest payments against their issued perpetual bonds.

- Earlier this month, senior BSEC officials expressed their readiness to amend the bond approval letters by withdrawing the condition of mandatory interest payments, if recommended by the central bank. Previously, BSEC in its approval letters to seven banks regarding perpetual bonds said the issuing bank would not enjoy any discretion in interest payments to investors.

<https://www.tbsnews.net/economy/stocks/perpetual-bond-complications-likely-end-soon-banks-350104>

BSCCL to issue BDT1.48cr share to govt against deposit

- The Bangladesh Submarine Cable Company Ltd (BSCCL) has decided to issue shares worth BDT1.48 crore against BDT166 cr share money deposit to the government following the Financial Reporting Council's direction. The board of directors of BSCCL has approved the plan at a meeting that held Tuesday (28 December). The share issue plan will be implemented after approval from the shareholders and securities regulator.

<https://www.tbsnews.net/economy/stocks/bsccl-issue-tk148cr-share-govt-against-deposit-350182>

Indo-Bangla Pharma sponsor to dump entire stake finding no seat on board

- Sponsor shareholder Amin-Ur-Rashid will sell his holdings in the company to the public market within the next 30 days. After failing to regain his seat on the board of Indo-Bangla Pharmaceuticals, its sponsor shareholder Amin-Ur-Rashid has declared to end his relationship with the drugmaker.
- A senior officer at the company said, Amin-Ur-Rashid wanted to be elected as a director at a recently held annual general meeting but the board did not give him that opportunity. Another former director of the company, seeking anonymity, said the current board has made the drugmaker a family property by removing both of them from the board in fiscal 2018-19.

<https://www.tbsnews.net/economy/stocks/indo-bangla-pharma-sponsor-dump-entire-stake-finding-no-seat-board-350119>

World Stock and Commodities*

| Index Name | Close Value | Value Change YTD | % Change YTD |
|--------------------|--------------------|-------------------------|---------------------|
| Crude Oil (WTI)* | USD 76.19 | USD 27.67 | 57.03% |
| Crude Oil (Brent)* | USD 78.94 | USD 27.14 | 52.39% |
| Gold Spot* | USD 1,805.48 | (USD 89.62) | -4.73% |
| DSEX | 6,742.63 | 1,340.56 | 24.82% |
| S&P 500 | 4,786.36 | 1,030.29 | 27.43% |
| FTSE 100 | 7,372.10 | 911.58 | 14.11% |
| BSE SENSEX | 57,897.48 | 10,146.15 | 21.25% |
| KSE-100 | 44,043.74 | 288.36 | 0.66% |
| CSEALL | 11,907.70 | 5,133.48 | 75.78% |

Exchange Rates**1 US Dollar = 85.77 BDT****1 GBP = 115.23 BDT****1 Euro = 97.02 BDT****1 INR = 1.15 BDT**

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