

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.

Japan to help set up automobile factory: Envoy

- Japanese Ambassador in Dhaka Ito Naoki said his country will provide all sorts of cooperation to Bangladesh in setting up new fertiliser factory and automobile factory. He said this during a meeting with Industries Minister Nurul Majid Mahmud Humayun at the Industries Ministry.
- The Industries Minister drew the attention of the ambassador to make specific proposals by identifying areas for bilateral cooperation in the industrial sector. If a specific proposal is received, the Bangladesh government will consider it with due importance, he added.

<https://today.thefinancialexpress.com.bd/trade-market/japan-to-help-set-up-automobile-factory-envoy-1638381103>

CMEC to build 42.5-MW plant at Aminbazar

- The China Machinery Engineering Corporation (CMEC) will build a 42.5-megawatt (MW) power plant at Aminbazar in Dhaka. The Dhaka North City Corporation (DNCC) will provide some 30 acres of land and around 3,000 tonnes of waste materials everyday to it to generate electricity.
- The CMEC will purchase additional 20 acres of land and build a 12-kilometre-long 132 kilovolt (KV) transmission line to implement the power plant project. The state-run Bangladesh Power Development Board (BPDB) will purchase electricity from the power plant at a rate of USD 0.2178 or BDT 18.29 per unit (one kilowatt hour) under 'no electricity no payment' system. The CMEC and the BPDB inked a power purchase agreement (PPA), while an implementation agreement was inked with the Power Division.

<https://today.thefinancialexpress.com.bd/trade-market/cmec-to-build-425-mw-plant-at-aminbazar-1638380938>

NTBs, supply constraints stymie Indo-BD trade potentials

- Non-tariff barriers and supply-side and logistics constraints are identified by experts as key barriers to tapping the true potential of Indo-Bangladesh bilateral trade. State Minister for Foreign Affairs M Shahriar Alam urged India to withdraw non-tariff barriers and other impediments to remove trade imbalance.
- "Bangladesh's export to India was worth 0.3 billion US dollars in 2011, but after Bangladesh was granted duty-free market access by India that year, its export to India rose to 1.0 billion dollars by 2018," said Professor Mustafizur Rahman of the CPD. Citing the recent trend, he said Bangladesh exports to India may cross 2.0 billion US dollars in the current fiscal year. He stressed the need for simplification of the cross-border trade procedure and infrastructure development for luring Indian investment into the special economic zones in Bangladesh.

<https://today.thefinancialexpress.com.bd/last-page/ntbs-supply-constraints-stymie-indo-bd-trade-potentials-1638382574>

Remittance inflow falls further in Nov

- Remittance inflow to Bangladesh dived further in November as money transfers through byways like hundi might have gathered speeds with the easing of pandemic restrictions worldwide. The money sent home by Bangladeshis working

abroad amounted to USD 1.55 billion in November 2021, down by 5.66% or USD 93.17 million from the previous month's level.

- The official figures also show that the inward flow of remittance dropped by nearly 21% to USD 8.61 billion during the July-November period of the current fiscal year (FY), 2021-22, from USD 10.89 billion in the same period of the previous fiscal.

<https://today.thefinancialexpress.com.bd/first-page/remittance-inflow-falls-further-in-nov-1638383593>

Graft, high taxes hinder business, development

- Economists and policy experts Wednesday appreciated Bangladesh's advances but spotlighted lapses like factious politics, lack of governance, corruption, inequality and high tax incidence that taint business climate and affect investment. Those factors are prompting money laundering out of the country rather than investing inside the country, they said at a Bangladesh Institute of Development Studies (BIDS) meet.
- The speakers were also critical about some unproductive public-fund expenditures without quality development and on the slow progress of the projects. Economist and former Deputy Chairman of the Planning Commission (PC) Dr Nurul Islam said, "Politics is the main reason behind the rising income inequality in the country. When a country has lack of political stability, investment there will be a far cry. And the money will be siphoned off the country."

<https://today.thefinancialexpress.com.bd/first-page/graft-high-taxes-hinder-business-development-1638383333>

Shadow banking booms amid lax monitoring

- Shadow banking is fast growing in Bangladesh partly because of new normal created by the pandemic but its monitoring needs to be tightened to avert any chaos on the financial market, Bangladesh Institute of Bank Management (BIBM) rings the alarm bells. BIBM makes the observations based on a study the findings of which were unveiled Wednesday at a seminar on shadow banking in Bangladesh with special reference to new-normal scenarios.
- BIBM's research paper says these types of banking in the economy are less or not regulated. However, these are not illegal and unethical. The growth of such banking has been expanding across the globe due to the coronavirus pandemic and the fastest growth of the financial technology called fintech. Some instruments of mobile financial services like bKash, Nagad, Upay are shadow products as they are controlled or operated by separate managements outside of banks.

<https://today.thefinancialexpress.com.bd/first-page/shadow-banking-booms-amid-lax-monitoring-1638383165>

Netflix gets VAT registration in BD

- The USA-based subscription streaming service and production company Netflix has got the Value-Added Tax (VAT) identification number from the National Board of Revenue (NBR). PricewaterhouseCoopers would be their local consultant. Netflix will now pay 15% VAT on revenues generated from Bangladesh from this December.

<https://today.thefinancialexpress.com.bd/trade-market/netflix-gets-vat-registration-in-bd-1638380981>

No decision at BB-BSEC meeting

- The meeting that was held between the Bangladesh Bank (BB) and the Bangladesh Securities and Exchange Commission (BSEC) on Tuesday last did not take any decision on matters relating to investment in the capital market by scheduled banks and non-banking financial institutions (NBFIs).
- The BB in a press release, issued on Wednesday, said the issue was discussed in details at the meeting where it had clarified the limitations of investment by banks and NBFIs in the capital market under the Bank Company Act, 1991 and Financial Institutions Act 1993.

<https://today.thefinancialexpress.com.bd/first-page/no-decision-at-bb-bsec-meeting-1638383390>

PM apprised of issues affecting capital market's development

- Bangladesh Securities and Exchange Commission (BSEC) Chairman Professor Shibli Rubayat-UI-Islam has apprised Prime Minister Sheikh Hasina of issues that are affecting the development of the country's capital market. The Chairman stated that the government will be supporting the growth of the country's capital market.

<https://www.tbsnews.net/economy/stocks/pm-apprised-issues-affecting-capital-markets-development-337423>

Green Delta Dragon receives asset management license

- Green Delta Dragon Asset Management Company Limited (Green Delta Dragon) announces its award of an Asset Management License from the Bangladesh Securities and Exchange Commission (BSEC). Green Delta Dragon is a joint-venture asset manager founded by Green Delta Insurance Company Ltd (GDIC), Dragon Capital Management (HK) Ltd. (Dragon Capital) and Equinox Dhaka Ltd. (Equinox).
- Green Delta Dragon enters Bangladesh as a research focused asset manager that intends to enhance traditional product performance and innovate new products and services to both propel investor value and growth of the Bangladesh capital market.

<https://today.thefinancialexpress.com.bd/stock-corporate/green-delta-dragon-receives-asset-management-license-1638375003>

Beximco Synthetics applies to BSEC for delisting

- Beximco Synthetics has applied to the securities regulator to be delisted from the stock market. The company has applied to the Bangladesh Securities and Exchange Commission (BSEC) seeking its commission's consent-in-principle for the exit plan of above 55.77 million securities.
- The share trading of loss making Beximco Synthetics, presently a 'Z' category company, remains suspended since September 9, 2020 following the company's move to be de-listed from the market. Mohammad Rezaul Karim, a BSEC spokesperson, said the company will be delisted on completion of purchasing others' shares by the sponsor-directors as per existing rules.

<https://today.thefinancialexpress.com.bd/stock-corporate/beximco-synthetics-applies-to-bsec-for-delisting-1638374901>

Stocks claw back amid optimism

- Stocks rebounded strongly Wednesday, snapping a prolonged bearish trend, amid investors' optimism after the central bank and the securities regulator agreed to resolve some policy matters related to the stock market. A high-level meeting between Bangladesh Bank and Bangladesh Securities and Exchange Commission was held Tuesday where they agreed to resolve any complex issues through discussion for ensuring sustainable development of the country's capital market. Market analysts said the regulators agreed upon some prudent measures to boost up the stocks which motivated the investors to make new investments in the sector specific lucrative stocks.
- DSEX, the prime index of the Dhaka Stock Exchange (DSE), soared 143.74 points or 2.14% to settle at 6,847, after losing over 92 points in the previous day. Stocks opened sharply higher from the beginning and the upsurge in the equity indices was led by the giant Beximco and Beximco Pharma stocks. Two other indices also ended sharply higher. The DSE 30 Index, comprising blue chips, jumped 73.56 points to finish at 2,589 and the DSE Shariah Index (DSES) soared 32.21 points to close at 1437. Turnover stood at BDT 11.02 billion, which was nearly 4% lower than the previous day.

<https://today.thefinancialexpress.com.bd/stock-corporate/stocks-claw-back-amid-optimism-1638374855>

Ten most traded cos grab 47% transaction

- Ten most-traded stocks accounted for more than 47% transactions on the Dhaka Stock Exchange (DSE) Wednesday while Beximco dominated the turnover chart. According to statistics available with the DSE, about 7.50 million shares of Beximco were traded, generating a turnover of BDT 1.22 billion, which was 11% of the premier bourse's total transactions.
- ONE Bank came second on the turnover chart, with shares worth BDT 1.13 billion changing hands. First Security Islami Bank clinched the third spot, with shares worth BDT 772 million changing hands. Delta Life Insurance emerged as the fourth, with shares worth BDT 464 million changing hands. The newly-listed Acme Pesticides notched the fifth spot. IFIC Bank, Genex Infosys, Orion Pharma, Paramount Textile and Fortune Shoes were the remaining five.

<https://today.thefinancialexpress.com.bd/stock-corporate/ten-most-traded-cos-grab-47pc-transaction-1638375040>

Tung Hai incurs BDT 237cr loss in five years

- Tung Hai Knitting and Dyeing – a 100% export-oriented composite sweater factory – has incurred a loss of BDT 237.81 crore in the last five fiscal years as its factory remained closed since fiscal 2016-17. Despite factory closure, the company has to bear the fixed and other costs which dragged it down to losses.
- The sweater manufacturer has disappointed its shareholders for its failure to declare any dividends. Among the last five years, the highest BDT 102.28 crore loss was in fiscal 2017-18 when the loss per share stood at BDT 9.59, according to the financials. The company said on local stock exchanges, its annual general meeting will be held on 29 December.

<https://www.tbsnews.net/economy/stocks/tung-hai-incurs-tk237cr-loss-five-years-337513>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 66.50	USD 17.98	37.06%
Crude Oil (Brent)*	USD 69.74	USD 17.94	34.63%
Gold Spot*	USD 1,782.58	(USD 112.52)	-5.94%
DSEX	6,847.00	1,444.93	26.75%
S&P 500	4,576.00	819.93	21.83%
FTSE 100	7,168.68	708.16	10.96%
BSE SENSEX	57,684.79	9,933.46	20.80%
KSE-100	45,369.14	1,613.76	3.69%
CSEALL	11,409.88	4,635.66	68.43%

Exchange Rates**1 US Dollar = 85.71 BDT****1 GBP = 113.77 BDT****1 Euro = 96.89 BDT****1 INR = 1.14 BDT**

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, 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
----------------------	-----	--	---------------

BRAC EPL Stock Brokerage Limited

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