

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.

Expansionary course to continue in H2

- The central bank has decided to stick to the expansionary monetary policy during the second half (H2) of this fiscal year (FY) with some adjustments, taking into account the money market and the overall macroeconomic situation. The government has already cut its GDP growth projection at 7.40% from its earlier projection of 8.20% for the FY'21 mainly due to the ongoing Covid-19 pandemic. According to the planned adjustments, the target of the country's aggregate money supply, measured by broad money (M2), is expected to decrease by 0.60% point to around 15% in June instead of 15.60% earlier, according to officials.
- The growth of M2 stood at 14.21% in December 2020 against its target at 14%, set by the BB earlier. Besides, the target of reserve money (RM) is also set to slash in line with the growth of revised M2 to curb possible inflationary pressure on the economy, they added. They also said targets of credit to the public sector particularly the government borrowing from the banking sector is likely to decline in H2 of FY'21 while the private sector credit growth is expected to remain unchanged. The BB's latest moves came against the backdrop of rising trend in excess liquidity in the country's banking sector in recent months following lower private sector credit growth.

<https://today.thefinancialexpress.com.bd/first-page/expansionary-course-to-continue-in-h2-1612116977>

Repayment tenure for term loans extended by two years

- The central bank yesterday eased the repayment facility for term loans for tens of thousands of borrowers, including industrialists and businesses to help them pay instalments at ease as the pandemic persists. The move comes as the Bangladesh Bank said it was not going to extend the moratorium facility, introduced for all types of borrowers in April last year in response to the devastating crisis, to 2021. Two top bankers hailed the Bangladesh Bank's step and said the relaxation in the repayment terms would help businesses recover smoothly and allow banks and financial institutions to realise loans. Credits that carry a tenure of more than one year are considered as term loans.
- As much as 70% of the total outstanding loans amounting to BDT 10.63 trillion were term loans as of September 30 last year, according to a BB official. Clients will enjoy the relaxed facility based on the banker-customer relationship, the BB said in a notice. The loan moratorium facility has not been extended, the central bank said. Now, the instalments of the term loans that were scheduled to be paid last year will be added to the principal amount of borrowers.

<https://today.thefinancialexpress.com.bd/first-page/bb-lifts-loan-moratorium-1612117129>
<https://www.thedailystar.net/business/news/repayment-tenure-term-loans-extended-two-years-2037205>
<https://tbsnews.net/economy/banking/loan-moratorium-ends-relaxed-repayment-facility-194803>
<https://www.newagebd.net/article/128854/banks-allowed-to-extend-loan-repayment-tenure>
<https://www.dhakatribune.com/business/banks/2021/02/01/no-more-loan-moratorium-facility>

Pandemic leaves little impact on steel, cement makers

- Leading steel, cement and paint companies related to the construction sector witnessed higher profits in the July-December period of the current financial year despite the ongoing coronavirus pandemic. Although industry insiders fear that they will face 30% lower profits from the July-December period, the reality is different as profits came mainly due to higher demand from government development projects. Among five listed cement manufacturers, three saw higher profits, one returned to profits and the last incurred a loss albeit on a lower extent compared to that in the same period the previous year.
- Sales volumes significantly increased during the last quarter as the demand for cement increased when all development activities resumed, according to the managing director of Premier Cement. Besides, rural demand is also bouncing back as all rural economic activities are going on in full swing, he said. They did not increase the price of cement to make profit since it is not fair but we want to make profit through improving efficiency, he added.

<https://www.thedailystar.net/business/news/pandemic-leaves-little-impact-steel-cement-makers-2037197>

Mir Akhter to begin share trading from 2 February

- Mir Akhter Hossain Limited, one of the largest construction and engineering firms of the country, will start trading its shares on both the stock exchanges from 2 February (Tuesday) under the "N" category. The company's IPO subscription was held between 24 December and 30 December last year under the book building method. On 5 November last year, the Bangladesh Securities and Exchange Commission (BSEC) gave its approval to the company to raise BDT 1.25 billion through an IPO. The company says it will use the money for expanding business, purchasing

equipment and repaying bank loans.

<https://tbsnews.net/economy/stock/mir-akhter-begin-share-trading-2-february-194707>

<https://today.thefinancialexpress.com.bd/stock-corporate/mir-akhter-to-make-debut-tomorrow-1612114690>

Placement shares to be part of IPO

• The Bangladesh Securities and Exchange Commission has moved to allow companies intending to raise capital through initial public offering to keep 15% of IPO shares and sell them to anybody the firms wish before the IPO approval. The regulator would also reduce the lock-in period of placement shares held by foreign investors to one year from the existing two years. A BSEC commissioner said that the regulator had taken the move to bring transparency in the placement business. Market experts said that the wicked placement business would have a fine tune amid the BSEC's new IPO rules.

<https://www.newagebd.net/article/128855/placement-shares-to-be-part-of-ipo>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$51.99	\$3.47	7.15%
Crude Oil (Brent)*	\$54.89	\$3.09	5.97%
Gold Spot*	\$1,851.95	(\$43.15)	-2.28%
DSEX	5,649.86	247.79	4.59%
S&P 500	3,714.24	(41.83)	-1.11%
FTSE 100	6,407.46	(53.06)	-0.82%
BSE SENSEX	46,285.77	(1,465.56)	-3.07%
KSE-100	46,385.54	2,630.16	6.01%
CSEALL	8,668.07	1,893.85	27.96%

Exchange Rates

USD 1 = BDT 84.73*

GBP 1 = BDT 116.31*

EUR 1 = BDT 102.81*

INR 1 = BDT 1.16*

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

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