

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.

Japanese firms keen on entering Bangladesh's e-commerce: envoy

- Some Japanese companies are thinking of entering the e-commerce business in Bangladesh, said ITO Naoki, Japanese ambassador to Bangladesh. In future, some Japanese companies will be visible through e-commerce platforms in Bangladesh, he added.
- The envoy mentioned challenges being logistics as timely delivery is very crucial for the success of e-commerce; shoddy or counterfeit goods and these goods should be excluded from the market as these do not give confidence to the system; and a secure online payment system, regulatory framework and coordinated efforts.

<https://www.thedailystar.net/business/economy/e-commerce/news/japanese-firms-keen-entering-bangladeshs-e-commerce-envoy-2229376>

Target 1% of China market for smooth LDC graduation: Experts

- If Bangladesh can capture 1.0% share of the Chinese market, its export earnings from China alone could be in the range between USD 20-25 billion a year – a boost needed for the country's transition from the group of least developed countries (LDC). This optimism was expressed on Saturday at a webinar that highlighted Bangladesh's untapped export potentials in the huge Chinese market.
- Five items constituted around 76% of Bangladesh's total exports to China in the 2020-21 fiscal year – woven garments 21%, knitwear 19%, raw hides, skins and leather 9%, iron and steel 6%, and other vegetable textile fibres 21%.

<https://www.tbsnews.net/economy/target-1-china-market-smooth-ldc-graduation-experts-329260>

Better logistics must to boost export receipts: WB

- Tatiana Peralta, a World Bank transport expert on Saturday said improvement in transport and logistics in Bangladesh would help boost its export receipt significantly. A one-day reduction in dwell time [ship's stay time] at Chittagong port would increase export by 7.4% according to her.
- She said reducing domestic logistic costs by 17% would also increase export by 7.4%. Improving minimum speed along the national highways to 40 kilometres per hour would increase exports by 3.7%.

<https://today.thefinancialexpress.com.bd/first-page/better-logistics-must-to-boost-export-receipts-wb-1636824309>

Industries ministry for crude edible salt import

- The industries ministry has suggested allowing import of over 0.31 million tonnes of crude edible salt to meet its shortage and keep the price of the widely used item stable in the local market. The ministry has written to the commerce ministry to take necessary steps in this regard, allowing 222 active factories to import such salt.
- Salt production was some 0.21 million tonnes less than the demand in FY20. The country currently has a stock of over 0.61 million tonnes of salt - over 0.456 million tonnes at the field level and 0.16 million tonnes at the mill level.

<https://today.thefinancialexpress.com.bd/last-page/industries-ministry-for-crude-edible-salt-import-1636824745>

BD needs good grounds for access

- Bangladesh should put forward a set of strong grounds urgently to retain its duty-free benefit for apparel exports under new GSP+ rules of the European Union (EU), suggests a study. The time for making comment on the safeguard provisions of the new rules for 2024-2034 is set to expire by 19 November 2021.
- Apparel items may lose duty-free access after adoption of the new rules by EU parliament and the council likely in the last quarter of 2022. The garment sector may see a duty hike from current zero to 12% on average in EU market from 2024 under the new rule.

<https://today.thefinancialexpress.com.bd/first-page/bd-needs-good-grounds-for-access-1636824485>

Are the days of cheap loans over?

- As the economy inches towards normalcy riding on falling coronavirus infections and ongoing vaccination programme, the demand for loans has made a comeback in the last couple of months. A rising trend of import financing and demand for short-term loans are playing a major role in pushing up the credit demand.
- The weighted average lending rate stood at 7.24% in Sep'21, unchanged from Aug'21, according to data from the Bangladesh Bank. In addition, the yield on Treasury bills and bonds has seen an upward movement in recent months. The interest rate on a five-year T-bond stands at 6.50% this month in contrast to 5.75% a month ago. The government secured a net loan of BDT 9,696 crore from the banking sector between July and October. The interest rate of the inter-bank call money market stood at 2.25% in October, up from 1.90% the month before. The credit growth in the private sector stood at 8.77% in Sep'21, up from 8.42% a month earlier.
- Mirza Elias Uddin Ahmed, managing director of Jamuna Bank, told that the era of cheap lending rate has ended as the demand for loans is on the rise. Emranul Huq, managing director of Dhaka Bank, said the demand for loans was yet to pick up, and his bank now disbursed loans only to good borrowers. Abul Kashem Md Shirin, managing director of Dutch-Bangla Bank Ltd told that he had not seen any remarkable change in the credit demand at his bank except for the working capital. Mohammad Shams-Ul Islam, managing director of Agrani Bank, said his bank had received a good number of credit proposals from businesses as firms were expanding.

<https://www.thedailystar.net/business/economy/banks/news/are-the-days-cheap-loans-over-2229386>

Capacity costs surge to BDT 250b

- Annual capacity payments to power-plant owners, sans use of electricity, keeps ballooning as the amount increased by around one-fourth to BDT 250 billion in the last fiscal year, according to the latest official count.
- Officials say the payment obligation against unused capacities of the plants, including the much-talked-about expensive rental and quick-rental ones once hired to meet exigencies of outages, is mounting fiscal burden on the state-run Bangladesh Power Development Board (BPDB).

<https://today.thefinancialexpress.com.bd/first-page/capacity-costs-surge-to-tk-250b-1636824148>

Rod prices go thru the roof

- Rod prices in Bangladesh hit BDT 80,700 per tonne because of the persistent high prices of raw materials globally, supply constraints, and the latest hike in fuel prices locally, official figures showed on Friday. It was up 4.12% from BDT 77,500 per tonne on Thursday, according to Trading Corporation of Bangladesh (TCB). However, Mir Nasir Hossain, managing director of Mir Akhter Hossain Ltd, said the actual price was BDT 83,000 per tonne on Saturday.
- Manufacturers largely blame the increasing cost of melting scrap in the international market, which rose from USD 300-350 per tonne on last October to USD 630 per tonne recently. Tapan Sengupta, deputy managing director of BSRM, claimed that the retail price of steel was still below the production cost as per the present input costs, and feared the price would increase further in the coming days.

<https://www.thedailystar.net/business/economy/news/rod-prices-go-thru-the-roof-2229381>

SIM Group may acquire majority shares of Banco Finance

- Merchant bank Banco Finance and Investment Limited, a related party to Banco Securities Limited, is likely to sell the majority shares of the merchant bank to SIM Group to settle investors' claims over the brokerage house. Officials of Banco Finance said that the deal might be worth around BDT 18.0 crore but it would be finalised after holding a meeting with the BSEC chairman.
- The company was also trying to sell Subra Systems Limited where a number of directors of Banco Securities held shares. It has approached a number of business groups regarding the matter, they said. Subra Systems had applied to the BSEC to raise BDT 12.0 crore through the qualified investor offer under the SME platform.

<https://www.newagebd.net/article/154572/sim-group-may-acquire-majority-shares-of-banco-finance>

Banks' earnings shine as recovery continues

- Among the 32 publicly listed banks, 26 have reported growth in their profitability during 9M'2021, thanks to both regulatory support and steady recovery of economic activities. Gains from bonds amid a low-interest rate regime coupled with a vibrant stock market were blessings for many banks in dire situations post nationwide shutdown. According to the declarations, the six banks posting negative growth are SBAC Bank, National Bank, Exim Bank, Rupali Bank, Mutual Trust Bank and ICBI Bank.

<https://www.dhakatribune.com/business/2021/11/13/banks-earnings-shine-as-recovery-continues>

Walton Hi-Tech net profit soars 126%

- Walton Hi-Tech Industries saw a steep growth in its turnover for FY21 which aided a significant growth in its net profit. Riding on increased turnover, the company's net profit soared 126% or BDT 9.13 billion to stand at BDT 16.39 billion for the FY 2020-21 from BDT 7.26 billion for the previous FY.
- Of the net profit, the lion's share of BDT 15.16 billion came from the sales of refrigerators and air conditioners. For the FY21, the company has reported its sales turnover of over BDT 71.96 billion, against above BDT 42.55 billion for the FY20.

<https://today.thefinancialexpress.com.bd/stock-corporate/walton-hi-tech-net-profit-soars-126pc-1636820610>

Runner Automobiles extends IPO proceed deadline

- Runner Automobiles has revised the IPO (initial public offering) proceed utilisation timeframe to December 31, 2022 to utilise the fund for manufacture of 3-wheelers.
- In a disclosure, the company said the utilisation of IPO proceeds was delayed as most of the countries were under lockdown for several months and the production and shipment of the capital machinery were delayed due to the impact of the Covid-19 pandemic.

<https://today.thefinancialexpress.com.bd/stock-corporate/runner-automobiles-extends-ipo-proceed-deadline-1636820718>

Renata's profit grows 11% in Jul-Sep

- Renata Limited has registered a 10.71% growth in profit for the July-September quarter of fiscal 2021-22. Their revenue also rose 5% to BDT 774.49 crore, from BDT 735.29 crore in the previous corresponding quarter.
- According to its financials, the profit increased to BDT 139.654 crore, from BDT 126.13 crore, and the earnings per share (EPS) rose to BDT 14.19, from BDT 12.7, at the same period a year ago.

<https://www.tbsnews.net/economy/stocks/renatas-profit-grows-11-jul-sep-329266>

BSRM firms repeat stellar growth in Jul-Sep

- BSRM Limited and BSRM Steels continued their stellar growth in the first quarter of this fiscal year both in revenue and profit. With the economic recovery since the first wave of the pandemic last year, the demand for construction rods and other MS products is growing steadily as both megaprojects and private constructions are running in full swing.
- According to the latest financial statements, in the July-September quarter of fiscal 2020-2021, BSRM Limited's year-on-year sales grew 59% to BDT 1,538 crore. A 55% year-on-year drop in selling and distribution costs and a more than 95% fall in net finance cost helped the company nearly triple its quarterly profit to BDT 128 crore, resulting in quarterly earnings per share of BDT 2.89.
- On the other hand, BSRM Steels, posting 41% revenue growth, and 56% drop in selling and distribution costs and a 32% drop in interest expense, more than tripled its quarterly profits to over BDT 108 crore from less than BDT 36 crore a year ago. BSRM Steels posted an EPS of BDT 4.29 for the July-September quarter.

<https://www.tbsnews.net/economy/corporates/bsrm-firms-repeat-stellar-growth-jul-sep-329263>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 80.79	USD 32.27	66.51%
Crude Oil (Brent)*	USD 82.17	USD 30.37	58.63%
Gold Spot*	USD 1,864.90	(USD 30.20)	-1.59%
DSEX	6,995.93	1,593.86	29.50%
S&P 500	4,682.85	926.78	24.67%
FTSE 100	7,347.91	887.39	13.74%
BSE SENSEX	60,686.69	12,935.36	27.09%
KSE-100	45,749.15	1,993.77	4.56%
CSEALL	10,666.54	3,892.32	57.46%

Exchange Rates**1 US Dollar = 85.76 BDT****1 GBP = 115.05 BDT****1 Euro = 98.14 BDT****1 INR = 1.15 BDT**

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