

*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.*

### **Finnish businesses want to invest in Bangladesh**

- Finnish businesses are interested to invest in Bangladesh's different sectors including financial services, renewable energy, information communication technology (ICT), education and healthcare services. They also showed willingness to find local partners in Bangladesh to expand their activities so that the bilateral trade and investment between the two countries grow significantly.
- FBCCI is dealing with knowledge transfer for third industrial revolution to fourth (4IR), artificial intelligence (AI), regulatory planning, SDGs, industry-academia gap assessment, skill development and technology transfer, FBCCI President added. The apex trade body leader also noted the bilateral trade between the two countries which is estimated to be around US USD 245 million in FY 2018-19.

<https://today.thefinancialexpress.com.bd/trade-market/finnish-businesses-want-to-invest-in-bangladesh-1574005309>  
<https://www.dhakatribune.com/business/2019/11/17/finland-keen-to-invest-in-bangladesh>  
<https://www.thedailystar.net/business/news/finnish-eye-bangladesh-potential-investment-destination-1828660>

### **Special Loan Rescheduling: Defaulters get more time to apply for the facility**

- The Bangladesh Bank on Sunday extended the application submission deadline for granting loan defaulters special loan rescheduling and one-time exit facility by another 90 days. A BB circular issued on the day said that it had extended the deadline following a High Court order issued on November 3 this year. The extended timeframe began on Sunday, the BB circular said.
- Under the BB's new circular, banks would be allowed to issue fresh loans to the beneficiaries of the loan rescheduling under special policy if the beneficiaries pay 15% of their loans as down payment for loan rescheduling. However, banks are barred from issuing fresh loans to the borrowers who would receive special rescheduling scope by paying 2% of their loans as down payment. Apart from the rescheduling for 10 years, the BB will also allow settlement of defaulted loans under 'One Time Exit' scheme that allows the defaulters to enjoy interest waiver for the preceding period of loan settlement. However, the borrowers are supposed to clear the entire loan amount within 360 days without any grace period to avail the one time exit scheme.
- The BB circular also allowed banks to grant rescheduling facility to the garments and textile entities without conducting special audit in the entities.

<http://www.newagebd.net/article/90938/defaulters-get-more-time-to-apply-for-the-facility>  
<https://www.dhakatribune.com/business/2019/11/17/bb-extends-special-loan-rescheduling-facility-until-february-4>

### **Premier Cement takes up BDT 13.00 billion expansion despite industry glut**

- An unhealthy competition plagues Bangladesh's cement sector for a 43% overcapacity but this seems to have done little to dissuade Premier Cement from realising plans of doubling its annual production by next March. They have constructed two more units in Narayanganj and Chattogram involving BDT 13.00 billion, the company's managing director said. He said to have taken up the expansion plans way back in 2017 foreseeing demand taking the lead within 2021. The promise comes from the past, with demand continually growing for eight years by around 15.6% on the back of government plans on implementing mega projects.
- The new units are up and ready for trial runs, he said, adding that its Dhaka Stock Exchange disclosure would come following an annual general meeting in this fiscal year's third quarter. The Narayanganj unit is taking up BDT 8.00 billion and the Chattogram one the rest. Standard Chartered Bank, Pubali Bank and City Bank provided 70pc of the cost as loan while a Danish bank another USD 35 million or BDT 2.80 billion for purchase of capital machinery.
- There are 37 active cement factories in Bangladesh which invested over BDT 300.00 billion to attain a combined annual production capacity of 58 million tonnes against a demand of 33 million tonnes. According to Bangladesh Cement Manufacturers Association, local companies dominate the market where annual sales have reached USD 3 billion, or BDT 255.00 billion. Of the total consumption, individuals account for 25%, real estate companies and developers 30% and the government 45%. Bangladesh's per capita cement consumption is around 181 kilogrammes. It is expected to increase to 220 kg by 2020.

<https://www.thedailystar.net/business/news/premier-cement-takes-BDT-1300cr-expansion-despite-industry-glut-1828651>

### **Shepherd Industries' decision of purchasing shares of 'Shepherd Jeans': Bangladesh Securities**

### **and Exchange Commission (BSEC) halts the move**

- The securities regulator has halted the execution of the Shepherd Industries' decision of purchasing the shares of another company 'Shepherd Jeans' by the assets of the former. The securities regulator has halted the transfer of the assets of the listed Shepherd Industries as the Shepherd Jeans is a 'newly' private company. Shepherd Industries wanted to purchase 15.5 million shares of Shepherd Jeans at a price of BDT 10 each by consideration of land, building and machinery for a sum of BDT 155 million.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-halts-the-move-1574013603>

### **Bangladesh Bank moves to cut dollar's spread at customer level**

- The central bank has started a process to reduce the spread between selling and buying rates of the USD at the customer level to the benefit of exporters and remitters, officials said. As part of the move, 10 leading commercial banks were asked on Sunday to report in writing in a couple of days, if they face any problem with reduction of the spread. We want to revisit the gap between BC (bill for collection) Selling and TT (telegraphic transfer) Clean considering different cost factors for fixing such rates, a senior official of the Bangladesh Bank (BB) said.
- Currently, the banks are allowed to maintain around BDT 1.0 spread between the BC Selling and TT Clean. Actually, the spread is lower than that of official announcement in consideration of the higher rates, offered by some banks to the exchange houses abroad, to boost inflow of remittances, the senior banker explained. On the other hand, the spread between the inter-bank rate and the BC Selling is now only five poisha. The exchange rate of the USD was quoted at a maximum of BDT 84.85 for the BC Selling on Sunday unchanged from the previous level.

<https://today.thefinancialexpress.com.bd/first-page/bb-moves-to-cut-dollars-spread-at-customer-level-1574012454>

### **Bangladesh Association of Software and Information Services (BASIS) for special uninterrupted cards in digital marketing: Meeting next week with all banks**

- The Bangladesh Association of Software and Information Services (BASIS) on Sunday sought central bank's intervention to open the facility of international credit and pre-paid cards. At a meeting, the association leaders informed the Bangladesh Bank (BB) that some banks have stopped the facility of international credit and pre-paid cards which are hindering the development of digital marketing sector of the country.
- In addition to the domestic and foreign companies, telecoms, technology companies and consumers of various e-commerce models in Bangladesh every year, numerous individuals and companies are expanding their brands, products and services to digital media channels such as Facebook, Google, Instagram, Twitter, YouTube and spending more than BDT 20 billion for advertising. Industry insiders said there are about 1000 agencies, big and small, involved in this growing digital industry.
- In the context of the meeting, the delegation suggested to use special uninterrupted cards containing network providers such as MasterCard or Visa Card in digital marketing. It can be provided through public or private banks and can only be used to send payments to authorised media channels.

<https://today.thefinancialexpress.com.bd/stock-corporate/basis-for-spl-uninterrupted-cards-in-digital-marketing-1574013558>

### **Specialised Economic Zones (SEZ) units get wider scope for bringing overseas funds**

- The Bangladesh Bank on Sunday widened the scope for bringing funds from abroad for the enterprises which are operating in different specialised economic zones in the country. A BB circular issued on the day said that it was observed that eligible enterprises operating in different specialised economic zones like export processing zones, economic zones and hi-tech parks received inward remittances other than foreign equity, authorised foreign loans and export proceeds. In order to enhance scope of operation, the BB allowed authorised dealers of banks to credit the entities' accounts with legitimate receipts against small, quality and insurance claims, freight charge of sample, reimbursement of expenses for samples from the buyers or partners, it said.

<http://www.newagebd.net/article/90943/sez-units-get-wider-scope-for-bringing-overseas-funds>

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change</b>	<b>% Change</b>
Crude Oil (WTI)*	\$57.82	+0.10	+0.17%
Crude Oil (Brent)*	\$63.37	+0.07	+0.11%
Gold Spot*	\$1,465.64	-2.57	-0.17%
DSEX	4,717.39	+7.03	+0.15%
Dow Jones Industrial Average	28,004.89	+222.93	+0.80%
FTSE 100	7,302.94	+10.18	+0.14%
Nikkei 225	23,366.79	+63.47	+0.27%
BSE SENSEX	40,479.66	+122.97	+0.30%

**Exchange Rates****USD 1 = BDT 84.69\*****GBP 1 = BDT 109.50\*****EUR 1 = BDT 93.69\*****INR 1 = BDT 1.18\***

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

## 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 also 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

Ayaz Mahmud, CFA	Head of Research	<a href="mailto:ayaz.mahmud@bracepl.com">ayaz.mahmud@bracepl.com</a>	01708 805 221
Sadman Sakib	Research Associate	<a href="mailto:sadman.sakib@bracepl.com">sadman.sakib@bracepl.com</a>	01730 727 939
Ahmed Zaki Khan	Research Associate	<a href="mailto:zaki.khan@bracepl.com">zaki.khan@bracepl.com</a>	01708 805 211
Md. Rafiqul Islam	Research Associate	<a href="mailto:mrafiqulislam@bracepl.com">mrafiqulislam@bracepl.com</a>	01708 805 229
Md. Mahirul Quddus	Research Associate	<a href="mailto:mmahirul.quddus@bracepl.com">mmahirul.quddus@bracepl.com</a>	01709 636 546

#### International Trade and Sales

Ahsanur Rahman Bappi	Head of International Trade & Sales	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
----------------------	-------------------------------------	--	---------------

#### BRAC EPL Research [www.bracepl.com](http://www.bracepl.com)

121/B Gulshan Avenue  
Gulshan-2, Dhaka  
Phone: +880 2 881 9421-5  
Fax: +880 2 881 9426  
E-Mail: [research@bracepl.com](mailto:research@bracepl.com)