

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.

Bangladesh Bank (BB) resumes action after three years

- The central bank purchased USD 2.63 billion from the commercial banks directly in the first quarter (Q1) of the current fiscal year (FY), aiming to keep the inter-bank foreign exchange (forex) market stable. Official figures show the amount of purchasing the greenback was nearly three times higher than that of FY 2019-20 when the Bangladesh Bank (BB) bought USD 877 million. The central bank resumed purchasing the US currency on March 09 last after around three years to keep the exchange rate of the local currency against the greenback stable.
- The BB's intervention came against the backdrop of appreciating mode of Bangladesh Taka (BDT) against the US currency mainly due to lower import payments recently. On the other hand, the central bank sold only USD 200 million to the banks during the July-September period of FY '21 to meet their demand for the greenback. They have bought the US currency from the banks to protect interest of the exporters and migrant workers, the executive director of the BB.
- The USD was quoted at BDT 84.80 on the inter-bank forex market on Monday. The rate remained at the same level in the Q1 of FY '21. Another BB official said the central bank has intensified buying the USD from the banks to offset higher inflow of the foreign currency in the recent months. The supply side of the foreign currency is improving gradually, following higher growth of inward remittances despite the ongoing Covid-19 pandemic, the central banker added.

<https://today.thefinancialexpress.com.bd/first-page/bb-resumes-action-after-three-years-1601919261>

Government to reassess waiver of loans worth BDT 6.86 billion

- The government will scrutinise further a BGMEA proposal for waiving the entire bank loan liabilities of as many as 131 readymade garments (RMG) units, a person familiar with the situation said. When contacted, the commerce secretary said, they will examine further the proposal for exempting the 131 ailing RMG factories from the repayment of bank loans. A committee will work on the matter and then we will take the next course of steps.
- In 2019, BGMEA president requested the finance minister for considering waiving the principal loan amount, interest and other costs of 133 RMG units, said a senior official of the ministry. In response to the BGMEA application, the finance ministry then had asked for the central bank's opinion on the issue.

<https://today.thefinancialexpress.com.bd/first-page/govt-to-reassess-waiver-of-loans-worth-BDT-686b-1601919390>
<https://www.thedailystar.net/business/news/committee-formed-review-proposal-waive-BDT-649cr-rmg-factories-raking-losses-1973349>

Associated Oxygen's IPO lottery draw tomorrow

- Associated Oxygen is set to hold IPO (initial public offering) lottery draw tomorrow (Wednesday), aiming to allocate 15 million ordinary shares among the successful applicants. The lottery draw will be held at 10:30am at Crystal Ballroom, Hotel Intercontinental in Dhaka, according to a disclosure posted on the Chittagong Stock Exchange (CSE) website on Monday.
- The company's IPO was oversubscribed by 31.46 times as the company received worth about BDT 4.72 billion against public issue of IPO of BDT 150 million, according to the disclosure. The stock market regulator - Bangladesh Securities and Exchange Commission (BSEC)- on July 16 approved the company's proposal to raise BDT 150 million from the capital market through initial public offering.

<https://today.thefinancialexpress.com.bd/stock-corporate/associated-oxygens-ipo-lottery-draw-tomorrow-1601913793>

Mobile banking faces bump in August

- Transactions through mobile financial services (MFS) dropped by more than 34% in August as people resumed normal banking despite the Covid-19 pandemic. The expiry of the tenure of the stimulus package for the payments of salary of the workers of export-oriented readymade garment (RMG) sector also pushed down such transactions using the digital channels, officials said.
- Total MFS transactions came down to BDT 414.04 billion in August 2020 from BDT 629.99 billion in the previous month. It's a normal trend in MFS transactions, a senior official of the Bangladesh Bank (BB) said. Transactions through MFS were BDT 397.85 billion in March this calendar year. But July's transactions were higher because an increasing number of people, businesses and government agencies used such digital services for making their

payments to avoid movement, according to the central banker.

<https://today.thefinancialexpress.com.bd/trade-market/mobile-banking-faces-bump-in-aug-1601915046>

Bangladesh Bank initiates move to integrate bank, MFS accounts

• The Bangladesh Bank has initiated a move to integrate mobile financial service accounts with the bank accounts of MFS users to facilitate a number of banking services, including offering lending and deposit products, through the widely used digital transaction service. One of the main targets of the initiative is to facilitate getting bank loans by the small-scale businesses, which do not have the ability to fulfil all the requirements for the purpose, he said. Once the integration is completed, banks would be able to assess creditworthiness of any customer of the MFS operators based on the customer's transactions through MFS, the official said.

• Nagad, a digital financial arm of the postal department, managing director said that the regulatory body should take a prompt initiative to implement the integration system as it would bring ample opportunities for the customers. Along with the integration, the interoperability services among the MFS operators should also be launched as soon as possible, he said.

<https://www.newagebd.net/article/118202/bangladesh-bank-initiates-move-to-integrate-bank-mfs-accounts>

Investors to get back BDT 1.50 billion debenture funds after a decade

• The Bangladesh Securities and Exchange Commission (BSEC) has taken an initiative to return funds that were raised through debentures about 30 years ago, totalling around BDT 1.50 billion. Eight debentures -- Bangladesh Luggage Industries, Bangladesh Zipper Industries, Beximco Knitting, Beximco Fisheries, Beximco Textiles, Beximco Denim, Aramit Cement and BD Welding Electrodes -- were listed with the Dhaka Stock Exchange (DSE) back in the 1990s. And although their tenures ended in between 2002 and 2008, the issuers did not repay the capital raised through investors.

• Unlike previous commissions though, the newly appointed commission, led by the current BSEC President has taken measures to return this money. The debentures will be paid back in phases with two companies returning the funds each phase. Of the eight companies, two will have their 14% debentures delisted after the money is returned to investors, according to the DSE. The two companies -- Bangladesh Luggage Industries and Bangladesh Zipper Industries -- are both concerns of Doel Group.

<https://www.thedailystar.net/business/news/investors-get-back-BDT-150cr-debenture-funds-after-decade-1973161>

Non-compliant cos to face action: BSEC chair

• Bangladesh Securities and Exchange Commission chairman said that the regulator would take action against the companies which had failed to comply with the 30-per cent joint shareholding rules. The regulator has already cancelled directorship of 17 directors for non-compliance with minimum 2% shareholding by the directors. It would also take actions against the companies which have failed to comply with the 30-per cent joint shareholding rules by the stipulated time, he said. The commission will soon introduce Sukuk bonds on the market, he said, adding that it would hold a roadshow on Sukuk in the Middle East to attract the expatriates there to the scheme.

<https://www.newagebd.net/article/118205/non-compliant-cos-to-face-action-bsec-chair>

Local, foreign cos can buy TREC for BDT 0.5 million

• The Bangladesh Securities and Exchange Commission has set the TREC or brokerage licence fee at BDT 0.5 million, allowing foreign companies, along with local ones, to acquire the licence. Market experts, however, said that the trading right entitlement certificate (TREC) fee set by the stock market regulator was very meagre and such a low amount would open the door for low-profile companies to brokerage business. As per the BSEC notification, any local and foreign company can buy TREC for BDT 0.5 million in registration fee.

<https://www.newagebd.net/article/118203/local-foreign-cos-can-buy-trec-for-BDT-5-lakh>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$39.23	(\$22.40)	-36.35%
Crude Oil (Brent)*	\$41.33	(\$27.11)	-39.61%
Gold Spot*	\$1,908.75	\$387.28	25.45%
DSEX	4,946.68	493.75	11.09%
S&P 500	3,408.63	177.85	5.50%
FTSE 100	5,942.94	(1,644.11)	-21.67%
BSE SENSEX	38,973.70	(2,668.44)	-6.41%
KSE-100	39,072.47	(1,662.61)	-4.08%
CSEALL	5,587.18	(542.03)	-8.84%

Exchange Rates

USD 1 = BDT 84.70*

GBP 1 = BDT 109.96*

EUR 1 = BDT 99.81*

INR 1 = BDT 1.16*

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

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