

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.

Ecneec approves five revised projects

- The Executive Committee of the National Economic Council (Ecneec) yesterday endorsed the third revision of a project to develop the approach road to the Bangabandhu Sheikh Mujib Safari Park in Gazipur. In its third draft, the project cost has been set at about BDT 242 crore, up a whopping 344% from the original estimate of around BDT 70 crore.
- With this, the Ecneec approved five revised projects, pushing up the collective completion costs by some BDT 654 crore. As such, the five projects will now cost a total of about BDT 3,142 crore, up 35% from the original estimate of BDT 2,320 crore.

<https://www.thedailystar.net/business/economy/news/ecneec-approves-five-revised-projects-2947431>

Import tax revenue up on the back of higher rate

- The country's tax collection at import stage marks impressive growth as taxmen have been taking a conservative approach as far as rationalisation of tariff is concerned. Import duty rate is one of the highest in Bangladesh, 25%, among top five countries, which experts find as a negative factor for a developing country. As a World Trade Organisation (WTO) member, Bangladesh will have to bring down its average import tariff for the sake of trade liberalisation.
- Data available with the National Board of Revenue shows revenue collection at import stage has grown by 76.12% in the past five years (2016-17 to 2020-21). However, the volume of income tax receipts was higher than customs revenue as almost 60% taxes come at import stage in the form of advance income tax (AIT). Policy Research Institute chairman Dr Zaidi Sattar says total tax incidence (TTI) at import stage stands at 51% on average in Bangladesh.

<https://today.thefinancialexpress.com.bd/first-page/import-tax-revenue-up-on-the-back-of-higher-rate-1643132828>

Govt e-transfer to individuals nearly triples

- A new Bangladesh Bank platform has helped the government settle almost 100% of its payments made to individuals electronically, giving a boost to the country's financial inclusion efforts. The digital transfer of funds to individuals includes salaries paid to public sector employees, cash support to the poor and marginalised, and stipends to students.
- The payment through the platform -- Government eTransaction Processing Hub (GeTPH) -- escalated 159% year-on-year to BDT 92,139 crore last year, according to data from the central bank. The system settles transactions made through the Bangladesh Electronic Fund Transfer Network (BEFTN), enabling beneficiaries to receive funds within a day.

<https://www.thedailystar.net/business/economy/banks/news/govt-e-transfer-individuals-nearly-triples-2947521>

Bangladeshi startups finally getting the investment they deserve

- Bangladeshi startups alone bagged USD 150-200 million investments in 2021, landing almost half of the amount it had received from either venture capital firms or individuals over the past decade, according to industry insiders.
- Of those, around 75% were scored mostly by three tech firms — ShopUp, bKash and Pathao — with the country seeing its first-ever unicorn being born through the mobile financial service provider (MFS), while the mobile-based retail service provider ShopUp raised USD 75 million alone.

<https://www.dhakatribune.com/business/2022/01/25/bangladeshi-startups-finally-getting-the-investment-they-deserve>

Denmark keen to help BD process its agro products

- Denmark shows interest in investing in Bangladesh to help the latter process its agricultural products. The Scandinavian nation will also assist Bangladesh in improving the quality of its farm produce, in a bid to ensure safe food for all. The two countries discussed issues related to mutual cooperation in agriculture, dairy, safe food, reduction of food waste, development of food value chain and modern lab, said a press statement.
- Dr Razzaque said despite achieving an outstanding success in crop production, Bangladesh still lagged behind in export and processing of the agro products. The country has a great potential in processing of mango, pineapple, banana, tomato, potato and vegetables, thereby boosting exports by a large margin, said the minister.

<https://today.thefinancialexpress.com.bd/trade-market/denmark-keen-to-help-bd-process-its-agro-products-1643126897>

Bankers to get promotion even if deposit target missed, BB clarifies

- The Bangladesh Bank, clarifying the salary structure for bankers, on Tuesday said bankers would not be sacked or deprived of benefits if they failed to meet their deposit collection targets. At the same time, the central bank directed banks to ensure that its officials are not forced to resign or sacked on unfounded allegations of incompetence.
- The Bangladesh Bank came up with the clarifications in a circular issued amid recent criticism over its new pay scale for bankers. According to the circular, the issues described in the previous circular regarding bankers' salaries were not properly analysed and the misleading interpretations were interfering with banks' compliance with the new pay scale, the BB said, adding, this was not desirable.

<https://www.tbsnews.net/economy/banking/bankers-get-promotion-even-if-deposit-target-missed-bb-clarifies-362308>

MFS cash-in hits record BDT 21,208cr in Nov

- The amount of cash-in, a form of depositing money, in mobile financial service accounts hit a fresh high in November 2021 as customers found making different kinds of payments through the MFS convenient amid a growing digital financial ecosystem. As per the latest Bangladesh Bank data, cash-in in MFS accounts increased to BDT 21,207.7 crore in November from BDT 21,049.4 crore in the previous month.
- Prompted by rapid technology adoption by people, the MFS operators have brought a wide range of utility service providers under their network with a view to expanding the business after the Covid outbreak, officials of MFS operators said. On the platforms of the MFS operators, one can pay electricity, gas, water, internet, telephone and credit card bills, make payments for cable or DTH and education institutions and deposit government fees, they said.

<https://www.newagebd.net/article/161002/mfs-cash-in-hits-record-tk-21208cr-in-nov>

BTMA seeks 100% duty exemption for all types of fibres

- The Bangladesh Textile Mills Association (BTMA) has sought 100% import duty exemption for any types of fibres as the global demand for diversified clothes has been on the rise. It has also suggested increasing the wastage rate for producing yarn from raw cotton to 17% from the existing 10%
- The BTMA, in the letter, requested the ministry to brief the National Board of Revenue about the matter so that the revenue agency can consider the duties exemption in formulating the national budget of the upcoming fiscal (FY2022-23). The trade body of textile mills also requested the government to continue the 15% corporate tax rate facility until 2026 for the companies involved in the sector. The tax waiver is supposed to end in June this year, which the sector has been enjoying since 2019-20 fiscal. The trade body demanded reducing import-duties on textile parts to 1%, like

capital machinery, from the existing 26-104%. The BTMA also demanded cutting down value-added tax on locally manufactured yarn to BDT3 per kg. Currently, it is BDT6 per kg.

<https://www.tbsnews.net/economy/btma-seeks-100-duty-exemption-all-types-fibres-362374>

Now 66% increase in power price proposed

- Now power board seeks to raise bulk electricity tariffs around 66%, hot on the heels of proposed doubling of gas rates at this trying time, sources say. The state-run Bangladesh Power Development Board (BPDB) has submitted its proposal to Bangladesh Energy Regulatory Commission (BERC) for hike, or upward adjustment, of the tariffs with retrospective effect from January 1, 2022.
- State-run electricity-marketing and distribution companies would have to purchase bulk electricity at higher rates if the tariffs are raised. In a knock-on effect, they might also seek to increase retail-level electricity rates to earn additional revenues from the end-users to make up for the purchase of electricity from the BPDB at the increased bulk rates, they say.

<https://today.thefinancialexpress.com.bd/first-page/now-66pc-increase-in-power-price-proposed-1643133074>

Price of steel rods up BDT 2,000 per tonne in two weeks

- The price of mild steel rods (MS rod), a key construction material, has increased BDT 2,000 per tonne in just two weeks, thanks to the persistent high prices of raw materials globally.
- Entrepreneurs in the industry said the price of rods has gone up due to the higher prices of scrap metal and billet, the raw materials for making rods, in local and global markets. However, traders say that raw materials imported earlier are now being used in MS rod production as the raw material imported at higher prices has not reached yet. So, it is irrational to hike prices at this time.

<https://www.tbsnews.net/bangladesh/price-steel-rods-tk2000-tonne-two-weeks-362383>

Paramount Textile to issue 150m preference shares

- Paramount Textile, a sister concern of Paramount Group, has decided to issue 150 million fully redeemable non-convertible cumulative preference shares. Through issuing the preference shares, the textile maker would raise a fund of BDT 1.50 billion for five-year tenure, the company said in a filing with the Dhaka Stock Exchange on Tuesday. It would be issued through private placement among the potential investors with a face value of BDT 10 each.
- With the funds, Paramount Textile would finance the upcoming project expansion and pay-off a portion of high-cost short term loan. The share issue is subject to the approval of Bangladesh Securities and Exchange Commission and the extraordinary general meeting of the company.

<https://thefinancialexpress.com.bd/stock/bangladesh/paramount-textile-to-issue-150m-preference-shares-1643092048>

Loss in last quarter drags Singer's annual profit to six-year low

- The multinational electronics and home appliances company posted an annual profit of BDT51.85 crore for the year, which was the lowest in the last six years. The profit was on the decline after a milestone in 2019 – surpassing the BDT100 crore mark. However, the company generated revenue of BDT1,332 crore in the first three quarters (January-September) of 2021 that yielded BDT59.5 crore in profit after taxes, slightly higher year-on-year, even in ups and downs in business amid Covid-induced restrictions.
- Equity analysts said the electronics and appliances industry suffered from price hikes in raw material, intermediary raw material and freight costs in the late last year amid the reopening of the country's economy.

<https://www.tbsnews.net/economy/stocks/loss-last-quarter-drags-singers-annual-profit-six-year-low-362365>

RN Spinning strives for a comeback

- RN Spinning Mills has decided to lease land from its own concern, Samin Foods, to re-establish a production unit that has remained shut since 2019, when a fire destroyed the premises at the Cumilla Export Processing Zone.
- RN Spinning will have to pay a monthly rent of BDT 5 lakh, excluding value-added tax, for the location. At the new premises, the company would set up a cotton spinning factory with a targeted capacity of 40,800 spindles. The estimated project cost of civil and other construction work is around BDT 60 crore while the plant machinery and equipment costs would be around BDT 160 crore.

<https://www.thedailystar.net/business/organisation-news/news/rn-spinning-strives-comeback-2947506>

Magnito Digital, bKash in service exchange deal

- Magnito Digital and bKash recently signed an agreement for the digital marketing firm to handle the mobile financial service platform's related social media communications in exchange for money transfer services via mobile phones.
- Magnito Digital manages digital products and services and creates content for major brands such as Grameenphone, Hero MotoCorp Bangladesh, Fresh, British American Tobacco Bangladesh and Syngenta, says a press release.

<https://www.thedailystar.net/business/organisation-news/news/magnito-digital-bkash-service-exchange-deal-2947436>

Union Bank to debut in stock market today

- Union Bank is going to debut in the stock market today as the 33rd bank. In last September, the stock market regulator gave go-ahead to Union Bank to raise BDT 428 crore from the public, which became the largest initial public offering (IPO) in the banking sector.
- Every general investors has been allocated with a minimum of 792 ordinary shares of the bank on a pro-rate basis. Each non-resident Bangladeshi investors got 537 IPO shares.

<https://www.thedailystar.net/business/economy/banks/news/union-bank-debut-stock-market-today-2947411>

Unique Hotel returns to profit

- Unique Hotel and Resorts Ltd, owner of The Westin Dhaka, has returned to profits as its revenue surged in the October-December period of the 2021-22 financial year. The company recorded revenue of about BDT 40.12 crore in the three months leading up to December 2021, which was 117% higher year-on-year compared to BDT 18.50 crore in the same period a year ago.
- "We had good business, particularly in between November and December, as we saw a lot of banquets and events and presence of guests," said Md Sharif Hasan, company secretary of Unique Hotel and Resorts, adding that they did not have any business last year.

<https://www.thedailystar.net/business/organisation-news/news/unique-hotel-returns-profit-2947416>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 85.22	USD 10.01	13.31%
Crude Oil (Brent)*	USD 88.00	USD 10.22	13.14%
Gold Spot*	USD 1,847.70	USD 18.50	1.01%
DSEX	7,032.57	275.92	4.08%
S&P 500	4,356.45	-409.73	-8.60%
FTSE 100	7,371.46	-13.08	-0.18%
BSE SENSEX	57,858.15	-395.67	-0.68%
KSE-100	44,887.77	291.70	0.65%
CSEALL	13,210.17	984.16	8.05%

Exchange Rates**1 US Dollar = 85.96 BDT****1 GBP = 116.13 BDT****1 Euro = 97.16 BDT****1 INR = 1.15 BDT**

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