

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.43%) gained 29.78 points and closed the week at 7,017.23 points. The blue-chip index DS30 (+0.51%) gained 13.22 points and stood at 2,616.30 points. The Shariah-based index DSES (+2.01%) gained 29.56 points and stood at 1,501.71 points. The large cap index CDSET (+0.84%) gained 11.73 points and closed at 1,407.13 points. DSEX, DS30, DSES and CDSET showed YTD returns of +3.86%, +3.31%, +4.93%, +3.53%, respectively.

Total Turnover During the Week (DSE): BDT 78.3 billion (USD 913 million)

Average Daily Turnover Value (ADTV): BDT 15.7 billion ($\Delta\%$ Week: +20.7%)

Market P/E: 17.5x

Daily Index Movement during the Week

Market performed five sessions during this week. The market started this week negatively (-0.78%) on Sunday. It started performing positively (+0.89%) on Monday and (+0.79%) on Tuesday but performed negatively (-0.75%) on Wednesday. At the end, market ended in positive (+0.30%) on Thursday.

Sectoral Performance

- Most of the financial sectors registered negative performance this week. General Insurance experienced the highest loss of -3.97% followed by Bank (-1.32%), NBF1 (-0.98%), Life Insurance (-0.72%), and Mutual Fund (+0.39%).

- Most of the non-financial sectors posted positive performance this week. Telecommunication booked the highest gain of 3.53% followed by Fuel & Power (+2.99%), Pharmaceutical (+1.06%), Engineering (+0.31%), and Food & Allied (-0.17%).

Macroeconomic arena

- Goods trade with the world crosses USD110b in 2021. Bangladesh keen on FTA with Eurasian Economic Union. Bangladesh to import 14.90 lakh tonnes of refined fuel oil in six months. Failing at exporting, Legacy Footwear eyes local market. Bangladesh targets USD 80b export income by 2024. Bangladesh needs 34,000MW of electricity by 2030: ICCB.

- Bangladesh gov't tax collection rises 14.22% in July-Dec period. Forex reserve dips by USD 3.73b in 4 months, dollar appreciates more. Secondary trading of treasury bills, bonds jump by 62 % in 2021. Rising inflation eats up wage gains. Card-based forex transactions hit 21-month high in Oct. Price spiral stalls Bangladesh's spot LNG buy.

- Two more RMG factories get recognized as green. Some RMG suppliers struggling for export payments. BKMEA seeks longer payback period. Virtual desk at Bangladesh mission to attract FDI in ICT sector. JV to invest USD100m in hi-tech park.

- World Bank projects Bangladesh's GDP growth at 6.4% for FY 2021-22. World Bank okays USD 295m to boost Bangladesh's digital economy. Banks asked to keep foreign exchange rates rational. BB delineates CSR fund use. BB to weaken taka in phases. Taka hits 86 against dollar for first time. Excess liquidity in banks drops by BDT 14,000cr in 4 months.

Stock Market arena

- CSE begins trading of 3 Mudaraba Perpetual Bonds issued by UCB Investment. BSEC to allow listing of loss-making startups with high business potentials. SME, debt boards on DSE fail to get bright start. Foreign investors' selloff reaches record high in 2021. Pacific Denims' three directors to sell 15.50 lakh shares.

- Trading of BEXIMCO's BDT 3,000cr Sukuk begins. Fareast Islami Life share price soars 65% in nine days. Dacca Dyeing makes robust comeback after years of trouble. IDLC Income Fund declares 3% interim dividend after 6 months.

- Shipping Corp's share prices double in a week. Union Bank primary shares draw 3.62 times higher offers. Union Insurance: stock trading debut on 16 Jan. JMI Hospital's IPO bidding starts Sunday. Southeast Bank fined again. Walton set to enter North America. Coppertech to supply copper wires to Mohammadi Electric.

January 13, 2022 (Week: Jan 09, 2022 – Jan 13, 2022)

Dhaka Stock Exchange

DSEX ended green (+0.43%) in the week

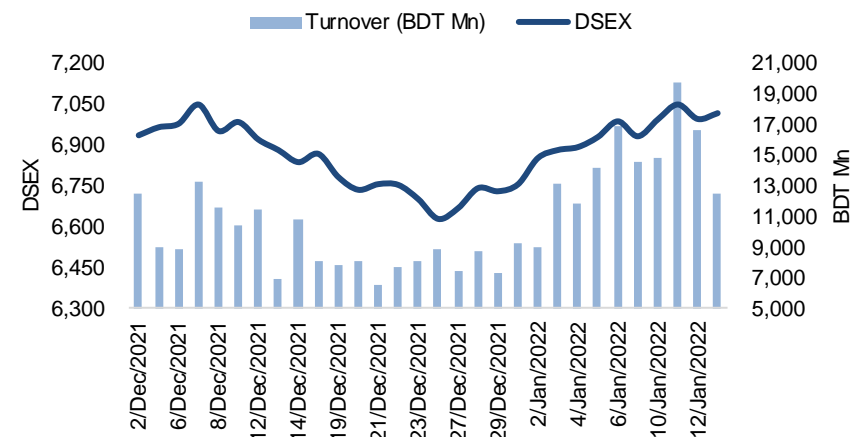
Table 1: Index

| Index | Closing* | Opening* | Δ (Pts) | 30-Dec-2021 | $\Delta\%$ Week | $\Delta\%$ YTD |
|-------|----------|----------|----------------|-------------|-----------------|----------------|
| DSEX | 7,017.23 | 6,987.45 | +29.78 | 6,756.66 | +0.43% | +3.86% |
| DS30 | 2,616.30 | 2,603.09 | +13.22 | 2,532.58 | +0.51% | +3.31% |
| DSES | 1,501.71 | 1,472.15 | +29.56 | 1,431.12 | +2.01% | +4.93% |
| CDSET | 1,407.13 | 1,395.40 | +11.73 | 1,359.13 | +0.84% | +3.53% |

Table 2: Market Statistics

| | | This Week | Last Week | % Change |
|------------------------|-----------|-----------|-----------|----------|
| Mcap | Mn BDT | 5,649,970 | 5,580,319 | |
| | Mn USD | 65,850 | 65,039 | +1.2% |
| Turnover | Mn BDT | 78,324 | 64,882 | +20.7% |
| | Mn USD | 913 | 756 | |
| Average Daily Turnover | Mn BDT | 15,665 | 12,976 | +20.7% |
| | Mn USD | 183 | 151 | |
| Volume | Mn Shares | 1,634 | 1,427 | +14.5% |

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

| Company Name | Close* | Open* | Δ% | Mcap** | Turnover** | PE | PB |
|--------------|--------|-------|--------|--------|------------|-------|-------|
| FAREASTLIF | 98.3 | 68.3 | +43.9% | 7,347 | 1,801.2 | NM | NM |
| RANFOUNDRY | 207.1 | 145.8 | +42.0% | 2,071 | 315.4 | 56.1x | 6.8x |
| AMCL(PRAN) | 365.7 | 265.6 | +37.7% | 2,926 | 405.1 | 65.5x | 4.2x |
| BPML | 67.7 | 51.2 | +32.2% | 11,766 | 783.3 | 27.5x | 1.5x |
| RAKCERAMIC | 55.7 | 45.1 | +23.5% | 23,838 | 1,380.0 | 27.7x | 3.3x |
| TITASGAS | 49.6 | 40.9 | +21.3% | 49,065 | 2,151.8 | 14.3x | 0.7x |
| BSC | 125.9 | 104.6 | +20.4% | 19,204 | 3,642.2 | 14.8x | 1.9x |
| TALLUSPIN | 12.7 | 10.6 | +19.8% | 1,135 | 54.3 | NM | 1.1x |
| LOVELLO | 51.8 | 43.6 | +18.8% | 4,403 | 1,230.4 | 33.0x | 4.0x |
| ANWARGALV | 430.1 | 364.9 | +17.9% | 7,213 | 618.7 | 58.0x | 25.7x |

Table 4: Top Ten Losers

| Company Name | Close* | Open* | Δ% | Mcap** | Turnover** | PE | PB |
|--------------|--------|-------|--------|--------|------------|-------|-------|
| DELTALIFE | 186.3 | 212.4 | -12.3% | 23,055 | 1,920.7 | NM | NM |
| KDSALTD | 64.0 | 70.9 | -9.7% | 4,556 | 373.9 | 26.9x | 2.5x |
| EMERALDOIL | 36.9 | 40.7 | -9.3% | 2,203 | 84.7 | NM | 2.3x |
| SALAMCRST | 27.8 | 30.4 | -8.6% | 2,735 | 19.4 | 32.7x | 1.5x |
| PEOPLESINS | 55.9 | 60.9 | -8.2% | 2,583 | 226.7 | 21.4x | 1.9x |
| SHYAMPSUG | 82.3 | 89.6 | -8.1% | 412 | 8.2 | NM | NM |
| SEAPEARL | 42.7 | 46.3 | -7.8% | 5,156 | 71.5 | NM | 4.1x |
| EGEN | 51.6 | 55.9 | -7.7% | 3,870 | 42.2 | 29.9x | 2.5x |
| AGNISYSL | 21.8 | 23.5 | -7.2% | 1,582 | 128.2 | 25.6x | 1.5x |
| RNSPIN | 6.6 | 7.1 | -7.0% | 2,591 | 33.7 | NM | 55.0x |

Table 5: Top Ten Most Traded Shares

| Company Name | Close* | Open* | Δ% | Mcap** | Turnover** | PE | PB |
|--------------|--------|-------|--------|---------|------------|-------|------|
| BEXIMCO | 149.0 | 149.9 | -0.6% | 130,572 | 4,738.8 | 13.0x | 1.8x |
| POWERGRID | 75.4 | 69.7 | +8.2% | 53,740 | 4,227.7 | 16.2x | 0.6x |
| BSC | 125.9 | 104.6 | +20.4% | 19,204 | 3,642.2 | 14.8x | 1.9x |
| FORTUNE | 121.7 | 110.6 | +10.0% | 19,781 | 2,677.4 | 52.2x | 8.2x |
| TITASGAS | 49.6 | 40.9 | +21.3% | 49,065 | 2,151.8 | 14.3x | 0.7x |
| BSCCL | 231.9 | 226.7 | +2.3% | 38,242 | 2,125.8 | 18.2x | 4.2x |
| LHBL | 80.5 | 81.5 | -1.2% | 93,491 | 1,990.3 | 23.7x | 4.8x |
| DELTALIFE | 186.3 | 212.4 | -12.3% | 23,055 | 1,920.7 | NM | NM |
| FAREASTLIF | 98.3 | 68.3 | +43.9% | 7,347 | 1,801.2 | NM | NM |
| GPHISPAT | 59.1 | 58.6 | +0.9% | 25,816 | 1,392.4 | 14.1x | 2.1x |

Table 6: Most Appreciated YTD in BRAC EPL Universe

| Company Name | Close* | YTD Δ% | Mcap** | PE | PB |
|--------------|--------|--------|---------|-------|------|
| TITASGAS | 49.6 | +36.6% | 49,065 | 14.3x | 0.7x |
| POWERGRID | 75.4 | +26.5% | 53,740 | 16.2x | 0.6x |
| ROBI | 40.8 | +17.9% | 213,708 | 93.0x | 3.2x |
| LHBL | 80.5 | +13.2% | 93,491 | 23.7x | 4.8x |
| IFADAUTOS | 53.1 | +12.3% | 13,432 | 27.9x | 1.3x |
| GPHISPAT | 59.1 | +11.5% | 25,816 | 14.1x | 2.1x |
| ACTIVEFINE | 28.4 | +10.9% | 6,814 | 72.8x | 1.3x |
| BSCCL | 231.9 | +10.4% | 38,242 | 18.2x | 4.2x |
| RUNNERAUTO | 56.2 | +9.6% | 6,381 | 22.8x | 0.9x |
| SQUARETEXT | 56.9 | +9.0% | 11,224 | 10.4x | 1.4x |

Table 7: Sector Indices

| Sector Name | Week Close* | Week Open* | Year Open* | Δ% Week | Δ% YTD |
|------------------------|-------------|------------|------------|---------|---------|
| Bank | 1,616.1 | 1,637.6 | 1,589.69 | -1.32% | +1.66% |
| NBFI | 2,402.2 | 2,426.0 | 2,327.63 | -0.98% | +3.20% |
| Mutual Fund | 917.8 | 914.2 | 882.99 | +0.39% | +3.94% |
| General Insurance | 4,436.9 | 4,620.2 | 4,698.62 | -3.97% | -5.57% |
| Life Insurance | 2,840.3 | 2,861.0 | 2,687.55 | -0.72% | +5.68% |
| Telecommunication | 6,216.1 | 6,004.1 | 5,800.37 | +3.53% | +7.17% |
| Pharmaceutical | 3,954.8 | 3,913.2 | 3,866.63 | +1.06% | +2.28% |
| Fuel & Power | 1,979.6 | 1,922.1 | 1,792.97 | +2.99% | +10.41% |
| Cement | 2,783.9 | 2,806.0 | 2,534.76 | -0.79% | +9.83% |
| Services & Real Estate | 1,389.7 | 1,412.6 | 1,309.43 | -1.62% | +6.13% |
| Engineering | 4,819.5 | 4,804.7 | 4,727.46 | +0.31% | +1.95% |
| Food & Allied | 25,847.9 | 25,892.9 | 25,222.81 | -0.17% | +2.48% |
| IT | 3,279.0 | 3,375.6 | 3,274.61 | -2.86% | +0.13% |
| Textile | 1,537.2 | 1,542.5 | 1,470.60 | -0.34% | +4.53% |
| Paper & Printing | 9,485.2 | 8,862.5 | 9,680.03 | +7.03% | -2.01% |
| Tannery | 3,649.7 | 3,445.3 | 3,236.76 | +5.93% | +12.76% |
| Jute | 8,657.3 | 8,490.4 | 8,747.84 | +1.97% | -1.04% |
| Ceramics | 799.4 | 694.9 | 675.88 | +15.05% | +18.28% |
| Miscellaneous | 4,827.1 | 4,772.6 | 4,625.39 | +1.14% | +4.36% |

Table 8: Sector Trading Matrix

| Sector Name | Daily average this Week | Daily average last Week | % Change | % of Total Turnover | PE | PB |
|------------------------|-------------------------|-------------------------|----------|---------------------|-------|-------|
| Bank | 979.0 | 987.4 | -0.85% | +6.48% | 8.1x | 0.9x |
| NBFI | 803.8 | 595.4 | +35.00% | +5.32% | 22.4x | 4.3x |
| Mutual Fund | 119.6 | 85.5 | +39.96% | +0.79% | NM | 0.8x |
| General Insurance | 586.6 | 993.0 | -40.92% | +3.89% | 20.2x | 2.2x |
| Life Insurance | 1,075.9 | 725.1 | +48.39% | +7.13% | NM | NM |
| Telecommunication | 634.3 | 270.6 | +134.41% | +4.20% | 18.1x | 6.3x |
| Pharmaceutical | 1,224.0 | 1,192.6 | +2.63% | +8.11% | 19.3x | 2.7x |
| Fuel & Power | 2,101.7 | 1,005.2 | +109.08% | +13.92% | 12.9x | 1.3x |
| Cement | 435.1 | 231.7 | +87.79% | +2.88% | 19.4x | 2.9x |
| Services & Real Estate | 527.8 | 461.2 | +14.45% | +3.50% | NM | 1.1x |
| Engineering | 1,486.7 | 776.1 | +91.57% | +9.85% | 19.2x | 2.2x |
| Food & Allied | 723.2 | 606.4 | +19.26% | +4.79% | 31.2x | 9.2x |
| IT | 328.9 | 338.3 | -32.34% | +1.52% | 36.1x | 3.0x |
| Textile | 1,062.6 | 952.8 | +11.53% | +7.04% | 36.4x | 1.1x |
| Paper & Printing | 294.7 | 225.7 | +30.58% | +1.95% | NM | 2.4x |
| Tannery | 590.0 | 566.7 | +4.12% | +3.91% | NM | 3.9x |
| Jute | 10.7 | 10.6 | +1.25% | +0.07% | NM | 20.4x |
| Ceramics | 356.8 | 67.8 | +426.00% | +2.36% | 37.1x | 2.3x |
| Miscellaneous | 1,858.4 | 2,060.8 | -9.82% | +12.31% | 17.2x | 2.3x |

Table 9: Least Appreciated YTD in BRAC EPL Universe

| Company Name | Close* | YTD Δ% | Mcap** | PE | PB |
|--------------|---------|--------|---------|-------|------|
| ENVOYTEX | 44.7 | -8.6% | 7,498 | 69.8x | 1.2x |
| BATASHOE | 906.1 | -6.3% | 12,395 | NM | 3.6x |
| PIONEERINS | 109.8 | -6.1% | 8,452 | 14.4x | 2.2x |
| BANKASIA | 20.7 | -5.0% | 24,134 | 9.7x | 0.9x |
| MTB | 19.2 | -2.0% | 15,600 | 27.2x | 0.9x |
| WALTONHIL | 1,138.7 | -0.9% | 344,945 | 22.7x | 3.7x |
| RENATA | 1,309.9 | -0.2% | 140,412 | 27.0x | 5.2x |
| ISLAMIBANK | 32.0 | -0.0% | 51,520 | 9.6x | 0.8x |
| PRIMEBANK | 21.5 | -0.0% | 24,344 | 7.3x | 0.8x |
| EBL | 38.5 | -0.0% | 36,724 | 6.8x | 1.2x |

Important News: Business & Economy

World Bank projects Bangladesh's GDP growth at 6.4% for FY 2021-22

- The Bangladesh economy is expected to grow by 6.4 % in the current 2021-22 fiscal year (FY), while 6.9 % in 2022-23 fiscal, the World Bank projected. The World Bank made the projection in its 'Global Economic Prospects' report. As per the World Bank estimate, the GDP growth was 5.0 % in the last 2020-21 fiscal, reports UNB. The World Bank report said South Asia's economy rebounded in the second half of the year following a massive second wave of Covid-19 in mid-2021.
- Growth in advanced economies is expected to decline from 5 % in 2021 to 3.8 % in 2022 and 2.3 % in 2023—a pace that, while moderating, will be sufficient to restore output and investment to their pre-pandemic trend in these economies. In emerging and developing economies, however, growth is expected to drop from 6.3 % in 2021 to 4.6 % in 2022 and 4.4 % in 2023. By 2023, all advanced economies will have achieved a full output recovery; yet output in emerging and developing economies will remain 4.0 % below its pre-pandemic trend. For many vulnerable economies, the setback is even larger: output of fragile and conflict-affected economies will be 7.5 % below its pre-pandemic trend, and output of small island states will be 8.5 % below.

<https://thefinancialexpress.com.bd/economy/world-bank-projects-bangladeshs-gdp-growth-at-64pc-for-fy-2021-22-1641983954>

Bangladeshi workers' migration cost falls, yet highest in SE Asia: Study

- The cost of migration for Bangladeshi workers declined to some extent over the last several years, but it is still highest in Southeast Asia, according to a new study. The Refugee and Migratory Movements Research Unit (RMMRU) study showed the female migration cost effectively decreased by 20% in 2017 than that of 2014. It fell by 18% in 2020 as compared to 2017. Compared to 2014, the male migration cost reduced by 5.0% in 2017 than that of 2014 and by 7.0% in 2020 from 2017 level.

<https://thefinancialexpress.com.bd/national/bangladeshi-workers-migration-cost-falls-yet-highest-in-se-asia-study-1642041744>

Banks asked to keep foreign exchange rates rational

- The Bangladesh Bank has called on bankers to keep their foreign exchange rates rational as different rates are causing problems for some banks. People familiar with the discussion said different banks collect remittances at different prices with the average rate for most banks being BDT 86–88 per dollar. But many banks have to buy dollars from the domestic

market at a higher price causing them to suffer losses. Meanwhile, seeking anonymity a managing director of a bank said in order to increase the remittance flow through proper channels, the government has increased cash incentives for expatriates to 2.5% from January, up from 2%.

<https://www.tbsnews.net/economy/banks-asked-keep-foreign-exchange-rates-rational-356659>

Gaping finance deficits bode bad for Bangladesh economy: Economists

- Dr Ahsan H. Mansur, executive director at the Policy Research Institute of Bangladesh (PRI), said let alone the BoP, the fiscal side is also facing some troubles, including squeezing tax-to-GDP ratio. He finds subsidy bill growing significantly in recent months while the annual development programme (ADP) schemes now being prepared on borrowed money. "The pressing issues need to be addressed immediately, within months, even within the weeks, and should be done forcefully. Otherwise, situation will go out of control," Dr Mansur said while speaking on the state of Bangladesh economy in 2021 at a discussion titled 'After the pandemic onslaught-economy on strong recovery path'.
- "The current-account deficit now has recorded USD6.0-billion plus in five months of the fiscal year while it was USD3.0-billion plus during the same period a year before," he says about one of the macroeconomic imbalances. He also points out that import is increasing at a rate of 54 % while export is growing at a much smaller pace. The remittance inflow is declining, in another factor of disproportion in balance- of-payments sheet. Dr Mansur, who had worked at the IMF as division chief, predicts: "If this trend continues, the current-account deficit will be in the range of USD14 billion to USD15 billion."

<https://thefinancialexpress.com.bd/economy/gaping-finance-deficits-bode-bad-for-bangladesh-economy-economists-1641955061>

Bangladesh needs 34,000MW of electricity by 2030: ICCB

- The International Chamber of Commerce-Bangladesh has described the smooth supply of energy as a vital utility for economic development and achieving the sustainable development goals. Quoting experts, an editorial of the current news bulletin of the ICCB said Bangladesh will need an estimated 34,000MW of power by 2030 to sustain its economic growth of over 7 %. The experts suggest that top priority should be given for on-shore and off-shore gas and oil exploration, improvement of power transmission and distribution segments as well should be given topmost priority.

<https://www.newagebd.net/article/159804/bangladesh-needs-34000mw-of-electricity-by-2030-iccb>

Bangladesh to import 14.90 lakh tonnes of refined fuel oil in six months

- The Bangladesh Petroleum Corporation (BPC) will import 14.90 lakh tonnes of refined fuel oil for over BDT 8,417 crore during the January-June period of 2022. Six state-owned enterprises – PTTT Thailand, ENOC UAE, PetroChina, BSP Indonesia, PTLCL Malaysia and UNIPPEC China – will supply the fuel on a government-to-government (G2G) basis. Of the cost, BDT 9,589.66 crore will come from the government and BDT 1,205.18 crore will be borrowed from India. BPC would also import 90,000 tonnes of diesel from India's state-run Numaligarh Refinery Ltd at a cost of BDT 512.48 crore.

<https://www.tbsnews.net/bangladesh/energy/bangladesh-import-1490-lakh-tonnes-refined-fuel-oil-six-months-356614>

Failing at exporting, Legacy Footwear eyes local market

- Failing to create a hold in the export business, Legacy Footwear now wants to enter the local market by extending its plant and for this, the company seeks funds from investors. It has already sought approval from the Bangladesh Securities and Exchange Commission (BSEC) to increase its paid-up capital by BDT 30 crore through issuing a convertible bond.
- A senior BSEC official, seeking anonymity, said the company has not been doing well for more than a decade and for that the commission wanted to know its plans to improve the business. He said the company wants to raise capital without issuing the right shares. The commission, therefore, advised it to apply for a convertible bond.

<https://www.tbsnews.net/economy/failing-exporting-legacy-footwear-eyes-local-market-356611>

Bangladesh targets USD 80b export income by 2024

- The proposed export policy for 2021–24 has targeted an USD 80 billion export income amid challenges of shrinking trade benefits following the country's graduation from the least developed status. The target has been fixed after consultations between the commerce ministry and the business, research bodies and other stakeholders, said the commerce secretary on Tuesday. According to Centre for Policy Dialogue distinguished fellow Mustafizur Rahman, the target is feasible but challenging. Greater focus, he said, should be given on the ease of doing business, attracting foreign direct investment outside the export processing zones and product diversification.
- The country's 2020–21 export earnings grew by 15.10% to USD 38.76 billion compared with 2019–20, some 85% of which came from the RMG exports, Mustafizur pointed out. Besides, the country's exporters are facing risks of losing duty advantages for their exports to developed countries as the country's LDC graduation was endorsed by the UN in 2021.

- The 2018–21 export policy had targeted USD 60 billion income from exports in the period but failed to achieve the target largely due to the Covid pandemic. The new draft policy has highlighted the adverse impacts of the protracted pandemic on the country's exports, said commerce ministry officials.

<https://www.newagebd.net/article/159725/bangladesh-targets-80b-export-income-by-2024>

Keep economy open despite Omicron worries: PRI

- The Policy Research Institute at a programme on Tuesday suggested that the government should keep economy open despite the spread of new coronavirus variant Omicron in the country. The independent economic research organisation made the suggestion at a webinar titled 'After the pandemic onslaught – economy on strong recovery path'.
- 'Already two waves have gone and the third wave is coming. Scientists, politicians and businesspeople now know how to cope up with such a situation,' PRI executive director Ahsan H Mansur said. All the sectors did not recover at the same pace, so the sectors that recovered slowly should get priority and get government support,' said South Asian Network on Economic Modeling research director Sayema Haque Bidisha. Transport, tourism and construction were among the sectors that recovered at the slowest pace, she said.

<https://www.newagebd.net/article/159723/keep-economy-open-despite-omicron-worries-pri>

Bangladesh to approach ADB for USD 940m in fresh aid

- The government is trying to get another USD 940 million in aid package from the Asian Development Bank (ADB) for purchasing Covid-19 shots to be used as booster doses, officials said on Monday. Besides, it requires the money to set up a vaccine plant in Gopalganj with sophisticated facilities for producing the jab inside the country. Earlier, in June last year, the Manila-based lender confirmed another USD 940 million worth of loans to the government for procuring coronavirus vaccines and upgrading the country's health services amid the massive pandemic.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-to-approach-adb-for-940m-in-fresh-aid-1641869649>

Card-based forex transactions hit 21-month high in Oct

- Card-based foreign currency transactions rebounded to a 21-month high in October as people resumed travelling abroad amid a gradual decline in Covid infections at that time. Card-based foreign currency transactions increased to BDT 231.4 crore in October 2021 from BDT 184.4 crore in the previous month. The transaction in October was the highest after BDT 251.4 crore in foreign currency transactions in January 2020.

- The use of foreign currency from cards dropped sharply after the Covid outbreak. Immediately after the Covid outbreak, the foreign currency spending through cards dropped sharply to BDT 40 crore in April 2020 from BDT 269.8 crore four months ago. Closure of borders of the major foreign travel destinations was the key reason for the drastic fall.

<https://www.newagebd.net/article/159724/card-based-forex-transactions-hit-21-month-high-in-oct>

Price spiral stalls Bangladesh's spot LNG buy

- Headwinds hit government bid for resuming LNG import from global spot market as bidders quoted exorbitant rates, fuelled by rebound of world economies. State-owned Rupantarita Prakritik Gas Company Ltd (RPGCL) got price quotes as high as USD 51 per-million British thermal unit (MMBTU) from a supplier as it floated tender to import one 138,000-cubic-metre LNG cargo during middle of this month, a senior Petrobangla official said.
- Switzerland's AOT Trading AG offered the exorbitant price of the liquefied natural gas in its bid as the global energy prices are rallying again in tune with economic bounceback. Vitol Asia offered to supply one LNG cargo at around USD 40 per MMBTU to the RPGCL. Currently, Petrobangla imports LNG from long-term suppliers at around USD 11.5 per MMBTU.

<https://thefinancialexpress.com.bd/trade/price-spiral-stalls-bangladeshs-spot-lng-buy-1641868300>

Bangladesh govt's tax collection rises 14.22% in July-Dec period

- Tax-revenue collection grew 14.22 %, year on year, in the first six months of the current fiscal year but the amount stood BDT 170.81 billion short of the half-yearly target. The National Board of Revenue (NBR) achieved 88.08 % of its target or BDT 1.26 trillion in 1HFY22 thanks to hefty growth in import-stage revenues to compensate for a bit subdued economic activity in recovery stage.
- Hike in global commodity prices in economic fallout from production and supply-chain disruptions by the coronavirus pandemic -- helped the government revenue collector like a blessing in disguise in collecting higher taxes from imports. The NBR collected BDT 465.85 billion VAT, BDT 394.21 billion income tax and BDT 402.02 billion import and export duty in the July-December period.

<https://thefinancialexpress.com.bd/economy/bangladesh-govts-tax-collection-rises-1422pc-in-july-dec-period-1641783636>

Forex reserve dips by USD 3.73b in 4 months, dollar appreciates more

- The country's foreign exchange reserve has decreased by USD3.73 billion in the last four months after reaching a record high of USD48 billion due to the recent surge in import

payments and a sharp decline in remittance earnings. The latest Bangladesh Bank data showed that the country's foreign exchange reserve dropped to USD44.36 billion on January 6, 2022, down USD3.73 billion from USD48.09 billion on September 1, 2021.

- The country's import grew by 53 % against a 22.65 % growth in export earnings in the July-November period of the current fiscal year 2021-2022. As a result, the country's trade deficit grew by more than three times in the July-November period when there was a sharp decline in remittance earnings.

- The recent BB data showed that the import of intermediate goods, petroleum and industrial raw materials grew by 69 %, 101 % and 48 % respectively year-on-year in the July-November period of FY22. Despite the fact, the exchange rate of US dollar on the interbank money market increased to BDT 86 on January 9 from BDT 84.8 on August 1.

<https://www.newagebd.net/article/159633/forex-reserve-dips-by-373b-in-4-months-dollar-appreciates-more>

Dhaka Bank to launch AI-based instant loans

- Dhaka Bank will soon be able to disburse small-scale personal loans (BDT 10,000 and BDT 3 lakh) within two hours after clients submit their application and without requiring any paper documents. Dhaka Bank signed an agreement with CASHe Alliance Ltd in order to manage technological support to roll out the new product.

- The lender will disburse the loan by using artificial intelligence (AI) technology, which will verify the clients' behaviour through their accounts on social media, and types of smartphones and apps used by the clients. This will help the lender know the attitude and aptitude of its clients. A dedicated mobile application has already been prepared and loan seekers will have to download it with their smartphone. In addition, clients will no longer need to visit bank branches to manage small loans.

<https://www.thedailystar.net/business/economy/banks/news/dhaka-bank-launch-ai-based-instant-loans-2936746>

BB delineates CSR fund use

- Bangladesh Bank yesterday issued guidelines on how banks and NBFIs should use corporate social responsibility (CSR) funds, with focus on education, health and climate issues. In addition, the regulations gave priority to disaster management, building sustainable infrastructures in remote areas, sport and culture, and women empowerment. As per the guideline, lenders have to spend at least 30% of their annual CSR funds in the educational sector, and minimum 30% for the health sector. 20% of the fund will have to be used to mitigate the crisis stemming from the ongoing climate change.

- The BB barred lenders to disburse the fund in some specific sectors, such as those which recruit children as workers, while sponsorship in sports and cultural activities at the international level, and branding business developments of a company should not be considered for CSR funds from banks.

<https://www.thedailystar.net/business/economy/banks/news/bb-delineates-csr-fund-use-2936676>

BB to weaken taka in phases

- Bangladesh Bank is considering to follow the path of a gradual depreciation of the Taka against the US dollar to protect the interests of exporters and remitters. The move, however, may stoke the inflationary pressure, which is building up owing to the kinks in the global supply chain, rising imports and shipping costs, and a slowdown in remittances.
- The central bank devalued the interbank exchange rate on Sunday, allowing the local currency to rise to BDT 86 against USD for the first time. The country's import payments have escalated due to the global supply chain disruption and the rising domestic demand from the industrial sector soon after the economy reopened.
- Banks have purchased around USD 2.50 billion from the central bank to settle import bills. BB allowed the local currency to be cheaper by more than BDT 1.0 in the last one year as the interbank exchange rate stood at BDT 84.80 on January 10 last year. The exchange rate in the kerb market is, however, BDT 89.70 per dollar.

<https://www.thedailystar.net/business/economy/e-commerce/news/qcoom-foster-provide-incomplete-refund-list-2936761>

Two more RMG factories get recognised as green

- The United States Green Building Council (USGBC) has recognized two more RMG factories of Bangladesh as green, raising the total number of environment-friendly establishments in the apparel sector to 155. The latest, Sharmin Apparels and Sharmin Fashions Limited were rated with platinum while AM Design Limited received a gold rating.
- Bangladesh is the global leader having the highest number of green garment buildings, where 46 are platinum rated, 95 gold rated, 10 silver, and 4 have no rating. Dozens more units are in the process of achieving LEED certification.

<https://www.tbsnews.net/economy/rmg/two-more-rmg-factories-get-recognised-green-355738>

Some RMG suppliers struggling for export payments

- Some local garment suppliers are struggling to avail payments from troubled Western clothing retailers and brands even nearly two years past making shipments while Covid-19 was initially running riot. Between April and August of 2020, international retailers and brands suspended, cancelled or demanded unusual payment deferrals worth USD 3.18 billion, according to Bangladesh Garment Manufacturers and Exporters Association (BGMEA). However, some 95 % of the payments were made, although after unusual delays of as much as 220 days and under big discounts from suppliers.

<https://www.thedailystar.net/business/economy/news/some-rmg-suppliers-struggling-export-payments-2936691>

Per capita income to cross USD 3,000 this year, LGRD minister hopes

- Local Government and Rural Development (LGRD) Minister Md Tajul Islam has expressed hope that the country's average per capita income would exceed USD 3,000 by this year. He said the government is working for development in all sectors including power, education, health, communication, agriculture equally. The PM has also set a target to graduate to a developed country by 2041. Already food shortages and 100% electrification as well as transformation into digital Bangladesh have been achieved.

<https://thefinancialexpress.com.bd/economy/per-capita-income-to-cross-3000-this-year-lgrd-minister-hopes-1641726156>

World Bank okays USD 295m to boost Bangladesh's digital economy

- The International Development Association (IDA) will extend USD 295 million Scale Up Facility (SUF) loan to Bangladesh for enhancing digital government & economy (EDGE) projects. The project will be implemented by Bangladesh Computer Council under ICT Division.
- The implementation period of this project has been fixed from January 01, 2022 to December 31, 2026. The objectives of this project are to improve cyber security, build resiliency during future crises, and will enable the government to operate virtually to deliver critical public services to citizens and businesses. The loan is to be repaid in 34 years with a grace period of 04 years. The frontend fee is 0.25 %, the commitment charge is 0.25 % and the interest charge is EURIBOR+0.98 %.

<https://thefinancialexpress.com.bd/economy/world-bank-okays-295m-to-boost-bangladeshs-digital-economy-1641737217>

Goods trade with the world crosses USD110b in 2021

- The country's bilateral trade in goods with the rest of the world crossed USD 110 billion in 2021, showed the FE estimation based on statistics of exports receipts and imports payments in 2021. Earnings of Bangladesh stood at USD 44.23 billion in 2021 which was USD 33.61 billion in 2020, increasing by 31.64 % in 2021.
- Payments for imports of goods, on C&F basis, stood at USD 72 billion in 11MCY21 was 36.40 % more than the annual imports payments in 2020. In 2020, the value of trade in goods was recorded at USD 86.40 billion. Thus, trade in goods increased by 34.50 % in the past year from the previous year. Bangladesh's global trade in goods declined by around 12.20 % in 2020 from USD 98.50 billion in 2019 due to the pandemic.

<https://thefinancialexpress.com.bd/economy/goods-trade-with-the-world-crosses-110b-in-2021-1641721332>

Bangladesh keen on FTA with Eurasian Economic Union

- Bangladesh has expressed interest in signing a Free Trade Agreement (FTA) with the Eurasian Economic Union (EAEU), a Russian-led Eastern European economic union comprising Belarus, Kazakhstan, Armenia and Kyrgyzstan, to explore the export potential of various products, including knitwear, jute and shrimp. The countries had a foreign trade volume of USD 7,311 billion in 2020.
- The gross domestic product of the countries is USD 1,634 trillion. Bangladesh does not get duty free facilities in Eurasian markets, although Bangladesh's exports to these countries have increased significantly over the past decade and the amount stands around USD 500 million.

<https://www.tbsnews.net/economy/bangladesh-keen-fta-eurasian-economic-union-355354>

Virtual desk at Bangladesh mission to attract FDI in ICT sector

- A virtual desk at the Bangladesh Embassy in the Netherlands was launched on Saturday to connect investors and partners, explore business and help attract foreign direct investment (FDI) in Bangladesh's ICT sector. The virtual platform called 'Bangladesh IT Connect Portal-Netherlands' -- available at nl.itconnect.gov.bd -- is a joint venture of Bangladesh Computer Council (BCC) and Embassy of Bangladesh to the Netherlands, a statement said. More than 70 IT exporting companies from Bangladesh have already uploaded their profiles that are working in the Netherlands or consider the Netherlands as their potential market.

<https://thefinancialexpress.com.bd/economy/virtual-desk-at-bangladesh-mission-to-attract-fdi-in-ict-sector-1641701592>

Energy subsidy demand surging but funds made available trifle

- The government looks to go for upward adjustments to prices of gas used in industries and power plants with the state subsidy burden going more than three times higher than the budgetary allocation amid a global price spike. To offset any inflationary pressure from such gas price readjustment, three stimulus packages have been suggested for low-income people, farmers and selected export sectors.
- The issues were discussed in several high-level meetings of the Prime Minister's Office, finance and energy ministries in the last two months. The subsidies amounting to BDT 35,000 crore will be needed for the power sector, BDT 10,000 crore for LNG and BDT 25,000 crore for fertilisers, while the subsidies allocated for electricity, fertilisers and LNG stood at BDT 8,500 crore, BDT 9,100 crore and BDT 4,000 crore respectively in the budget.
- With the government finding it hard to subsidise rising energy costs, Petrobangla suggested raising gas prices in industrial and power sectors to meet the fund crisis in LNG imports. Power generation consumed 46% of natural gas, while captive power accounted for 15%, industries 16% and fertiliser factories 5% in 2019-20.

<https://www.tbsnews.net/economy/energy-subsidy-demand-surging-funds-made-available-trifle-355378>

Taka hits 86 against dollar for first time

- Bangladesh Bank devalued the Taka against the US dollar to a large extent in order to tackle pressure stemming from an increase in import payments and give encouragement to remitters. The interbank exchange rate hit BDT 86 per dollar on Sunday for the first time, up from BDT 85.80 on Thursday. The inter-bank exchange rate stood at BDT 84.80 on January 10 last year. The local currency is trading at more than BDT 90 per USD in the kerb market.
- The BB official said the depreciation of the local currency would discourage businesses from importing luxurious items while encouraging expatriate Bangladeshis to send their hard-earned money through the formal sector. In addition, this will also give a boost to exporters, he said. Banks have so far purchased around USD 2.50 billion from the central bank this fiscal year to settle their import bills.
- Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, said that this was the right decision towards adjusting the imbalance faced by the foreign exchange market. He went on to urge the central bank to depreciate the local currency to at least BDT 88 per dollar.

<https://www.thedailystar.net/business/economy/news/taka-hits-86-against-dollar-first-time-2936036>

Excess liquidity in banks drops by BDT 14,000cr in 4 months

- The amount of excess liquidity in the country's banking sector has dropped marginally due to Bangladesh Bank's policy measures. The amount of excess liquidity in the country's banking sector was BDT 2.31 lakh crore at the end of July 2021 and the amount dropped to BDT 2.18 lakh crore at the end of November of the year. In August-November in 2021, the central bank's policy measures managed to contain the supply of excess liquidity by BDT 14,000 crore.
- A BB data showed that the amount of liquid assets in the country's banking sector stood at BDT 4.47 lakh crore at the end of November 2021. The banks were supposed to keep BDT 61,185 crore as cash reserve ratio and another BDT 1,67,838 crore as statutory liquidity ratio. The central bank also injected a huge amount of local currency into the banking system against the purchase US dollars from the banks due to a drastic fall in import payments against a record inflow of remittance.

<https://www.newagebd.net/article/159536/excess-liquidity-in-banks-drops-by-tk-14000cr-in-4-months>

No of mobile internet connections drops in Nov after 6-month rise

- The number of active mobile internet connections in the country dropped in November after six months of increase as many people resumed in-person activities amid a gradual decline in Covid infection cases. As per Bangladesh Telecommunication Regulatory Commission data, the number of active mobile internet connections dropped to 116.5 Mn in November of the just concluded year from 119.1 Mn in the previous month. Apart from the mobile internet connections, there were another 10.1 Mn broadband connections in the country, taking the total number of internet connections to 126.6 crore at the end of November 2021.
- BTRC data showed that the number of mobile phone connections increased by 0.21 Mn in November. The number of total active mobile phone connections increased to 181.5 Mn at the end of November of the year from 181.3 Mn a month ago. Robi, Banglalink and Teletalk gained 1.8 lakh, 0.40 lakh and 0.7 lakh connections respectively in November. Leading mobile phone operator Grameenphone lost 0.8 lakh connections in the month.

<https://www.newagebd.net/article/159539/no-of-mobile-internet-connections-drops-in-nov-after-6-month-rise>

World Bank pledges USD 745m loans for regional connectivity

- The World Bank (WB) has pledged to provide a USD745m loan for the implementation of the Bangladesh Bhutan India Nepal (BBIN) Regional Transport and Trade Facilitation Program (Phase 1), which aims to boost connectivity among the countries.

- Four state agencies – Bangladesh Land Port Authority (BLPA), Roads and Highways Department, Ministry of Commerce and Bangladesh National Board of Revenue (NBR) will implement the programme, segmented into four components. For the modernisation of custom houses of Dhaka and Chattogram and the development of revenue stations, another USD170m will be provided which will be spent through the NBR.
- Of the remaining pledged amount, USD300m will go for policy development and technical assistance in the regional connectivity project of Sylhet-Charkhai-Sheola-Sutarkandi highway upgrading under the supervision of the Roads and Highways Department. Another USD16m of the WB fund will be spent for the trade facilitation agreement (TFA) implementation, which will go through the commerce ministry.

<https://www.tbsnews.net/economy/world-bank-pledges-745m-loans-regional-connectivity-354958>

JV to invest USD100m in hi-tech park

- Bangladesh Cards Ltd, a joint venture between Japanese, Australian and Bangladeshi investors, is going to invest USD 100 million in a local hi-tech park to manufacture high-end technology products, including smart cards and specialised security items, to cater to the growing domestic and international markets.
- The firm, owned by a majority of Bangladeshi investors, also wants to be certified to make e-passports in order to supply to the governments of various countries. The company plans to invest the money in the next five years.
- Companies that invest in the high-tech parks get lucrative tax breaks that include a 10-year tax holiday, duty-free import of capital machinery, tax waiver on foreign expats' salaries, and duty-free utility bills while foreign investors can withdraw their investment anytime.

<https://www.thedailystar.net/business/economy/industries/investments/news/jv-invest-100m-hi-tech-park-2935266>

Rising inflation eats up wage gains

- Wages grew 6.11 % year-on-year in December, according to the Wage Rate Index of the Bangladesh Bureau of Statistics (BBS). This is up from October's 5.97 % and November's 6.02 %.
- In the agriculture sector, where a vast majority of the workforce is employed, the growth stood at 6.24 % in December. The increase was 5.72 % in the industrial sector and 6.25 % in the service sector.

<https://www.thedailystar.net/business/economy/news/rising-inflation-eats-wage-gains-2935256>

BKMEA seeks longer payback period

- The Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) demanded the central bank allow them to repay stimulus loans in 42 months instead of initially fixed 18 months as the severe impacts of Covid-19 persist. The BKMEA also demanded the central bank raise the borrowing ceiling for its members from the Export Development Fund (EDF) to USD 30 million.
- The credit limit set by banks should be extended by 75 % as the prices of raw materials have increased abnormally in the domestic and international markets, said the association. Knitwear shipment fetched USD17 billion in the last fiscal year, out of the total garment export of USD31.45 billion and the national receipts of USD38.75 billion.

<https://www.thedailystar.net/business/economy/news/bkmea-seeks-longer-payback-period-2935271>

Secondary trading of treasury bills, bonds jumps by 62 % in 2021

- Secondary transaction of the government's fixed income tradable securities increased by around 62 % in CY21, according to the central bank. It showed that treasury bills and bonds worth around BDT 1.83 trillion was transacted in the last year which was around BDT 1.13 trillion in 2020. Bangladesh Bank statistics also showed that secondary transaction of the treasury bills and bonds was BDT 382.70 billion in 1QCY21, BDT 125.14 billion in 2Q, BDT 387.04 billion in 3Q, and BDT 985.41 billion in 4Q.

<https://thefinancialexpress.com.bd/trade/secondary-trading-of-treasury-bills-bonds-jumps-by-62-pc-in-2021-1641630076>

Important News: Capital Market

Union Bank primary shares draw 3.62 times higher offers

- Against its BDT428 crore primary shares, Union Bank has received offers of BDT1,548 crore from investors which is 3.62 times higher than the initial public offering (IPO) size. On Sunday, the Dhaka Stock Exchange (DSE) will hold an allotment of primary shares of the new generation private sector lender among successful applicants. Earlier, the country's premier bourse completed its eligible investors' portion on an electronic subscription system.

<https://www.tbsnews.net/economy/stocks/union-bank-primary-shares-draw-362-times-higher-offers-356602>

Southeast Bank fined again

- The Bangladesh Bank has imposed a fine of BDT 21.50 lakh on Southeast Bank after it failed to bring down its excessive investment in a single stock within the regulatory limit. The fine was imposed in the last week of December. The fine came as Southeast Bank parked 22.05 % of its paid-up capital with National Life Insurance Company Ltd (NLICL), in a clear violation of the Bank Company Act 1991, according to a probe carried out by the central bank in August last year.
- A lender is allowed to invest a maximum 10 % of its paid-up capital and 5 % of the total capital in a single stock. The investment made by the bank in NLICL was 9.83 % of the total capital, said the report. The paid-up capital of the bank stood at BDT 1,188 crore in August. The BB asked the lender on November 7 to cut the excessive investment within 30 working days. But the lender has failed to carry out the order.

<https://www.thedailystar.net/business/economy/banks/news/southeast-bank-fined-again-2938281>

Trading of BEXIMCO's BDT 3,000cr Sukuk begins

- The DSE will organise a programme on Wednesday morning to inaugurate the Sukuk trading. Prime minister's private industry and investment adviser Salman F Rahman, also BEXIMCO vice-chairman, will attend the programme as chief guest. The subscription of the BDT 3,000 crore Sukuk was completed on December 15, 2021. Twenty banks, including three state-run banks, have invested BDT 1,724 crore in Shariah-compliant Sukuk issued by Bangladesh Export Import Company Limited.

<https://www.newagebd.net/article/159721/trading-of-beximcos-tk-3000cr-sukuk-begins-tomorrow>

Union Insurance: stock trading debut on 16 Jan

- Union Insurance Company Ltd will make its stock trading debut on 16 January. On 10 January, the Central Depository Bangladesh Limited (CDBL) credited the company's primary shares to the Beneficiary Owner (BO) accounts of investors. The company completed its initial public offering (IPO) subscription between 15 and 22 December, 2021.
- Currently, the insurance company's paid-up capital is BDT29.04 crore. According to its January-September 2020 reports, net profits of the company stood at BDT2.70 crore and its earnings per share, BDT0.93. Its net asset value per share was BDT16.02. In the same timeframe, its net premium stood at BDT43.11 crore, and its net claim was BDT8.68 crore. Union Insurance Company Ltd provides insurance coverage in areas of property damage by fire incidents, marine cargo, motors, liabilities, and engineering projects. It was incorporated as a public limited company in August 2000.

<https://www.tbsnews.net/economy/stocks/union-insurance-stock-trading-debut-16-jan-356140>

Fareast Islami Life share price soars 65% in nine days

- Publicly listed Fareast Islami Life Insurance Company Ltd posted a 65% share price hike during the last nine trading days at the Dhaka Stock Exchange (DSE). The life insurer's stock price reached BDT 82.6 per share on Monday, which was BDT 50.1 on 29 December last year. It is alleged that Fareast Islami Life does not meet customer claims duly for which they suffer even after the policies mature. Also, an investigation by BSEC found that the company's owners embezzled and laundered more than BDT2,125 crore from the company in the past decade.

<https://www.tbsnews.net/economy/stocks/fareast-islami-life-share-price-soars-65-nine-days-355693>

Dacca Dyeing makes robust comeback after years of trouble

- Dacca Dyeing and Manufacturing Company – one of the country's oldest home textile makers – has made a strong comeback from years of losses thanks to the securities regulator's supervision and owners' efforts. The company's share price has risen six and a half times in the last year and is being traded at BDT 23 on the Dhaka Stock Exchange.
- The textile manufacturer suffered losses for consecutive years from the 2015-16 to 2018-19 fiscal years. During the four years, it incurred a loss of BDT 136 crore mainly because its factory went out of production after the disconnection of its gas lines and the power crisis. Following the combined efforts, the company could report a 362% year-on-year growth in net profit to BDT 5.22 crore in fiscal 2020-21. Its net profit grew 138% to BDT 2.70 crore in 1QFY22. The company declared a 2% cash dividend for its shareholders for FY21.

<https://www.tbsnews.net/economy/stocks/dacca-dyeing-makes-robust-comeback-after-years-trouble-355699>

CSE begins trading of 3 Mudaraba Perpetual Bonds issued by UCB Investment

- The inauguration ceremony for three Mudaraba perpetual bonds issued and arranged by UCB Investment Limited was held on 6 January in the port city. The AIBL, IBBL and SJIBL Mudaraba Perpetual Bonds have recently been listed by the Chittagong Stock Exchange (CSE), said a press release.

<https://www.tbsnews.net/economy/stocks/cse-begins-trading-3-mudaraba-perpetual-bonds-issued-ucb-investment-355561>

BSEC to allow listing of loss-making startups with high business potentials

- The Bangladesh Securities and Exchange Commission has initiated a move to allow listing of loss-making startups having high growth potentials on the stock market. According to the current rules, a company needs to have the net profit after tax at least for preceding two financial years if it offers its securities above par value. It would be the first approach from the BSEC to list loss-making concerns on the country's capital market.
- During valuation of a startup, the regulator may consider the company's past performance, examining the expected long-term development of the company's markets, the potential size of the market and the company's market share as well as the level of returns on capital the company might be able to earn, BSEC officials said. The regulator may also consider different probability-weighted scenarios as long-term projections are highly uncertain for startups. Earlier in March 2021, 12 startup firms, including Sheba.xyz and Chaldal, held a meeting with the securities regulator and expressed their interest to be listed on the market.

<https://www.newagebd.net/article/159629/bsec-to-allow-listing-of-loss-making-startups-with-high-business-potentials>

SME, debt boards on DSE fail to get bright start

- The small and medium enterprise (SME) board and the debt securities board on the Dhaka Stock Exchange have failed to get a bright start as investors are reluctant to participate in trading on the boards. Market experts said that regulations restricting small-scale investors to trade on the SME board, absence of confidence and awareness about the new boards and absence of interest and knowledge about debt securities were the key reasons for the low trading activities on the boards. BSEC executive director and spokesperson Rezaul Karim told New Age that there could be less liquidity on any board at its initial stage.

- On Sunday, shares worth only BDT 800,000 were traded on the SME board and shares of four companies out of the eight companies on the board were untraded. On the debt securities board, securities worth BDT 500,000 in four bonds were traded on Sunday. Trading on the SME board on the DSE began on September 30, 2021 with six companies.

<https://www.newagebd.net/article/159538/sme-debt-boards-on-dse-fail-to-get-bright-start>

Trading of Premier Bank's perpetual bond begins Monday

- The trading of Premier Bank's perpetual bond, the fifth listed on the Dhaka Stock Exchange (DSE) debt board, is scheduled to begin in the capital market from Monday (9 January). Earlier, in November last year, the securities regulator approved the Premier Bank to raise BDT200 crore through issuing the perpetual bond.
- Local institutional investors and high-net-worth individuals bought 90% of the bond through a private placement. General investors got the rest of the units through a public offering. The coupon rate has been set at 6%-10% of the bond.
- The minimum subscription amount of the bond, both private placement and public offer, was BDT 5,000. From January to September 2021, the bank logged a profit of BDT 232.39 crore, and its earnings per share stood at BDT 2.23. On Sunday, its shares closed at BDT15.10 each on the DSE.

<https://www.tbsnews.net/economy/stocks/trading-premier-banks-perpetual-bond-begins-monday-355306>

IDLC Income Fund declares 3% interim dividend after 6 months

- After six months of its launch, IDLC Income Fund has recently announced a 3% interim dividend for the period that ended on 31 December, 2021. IDLC Asset Management Ltd (IDLC AML) launched the IDLC Income Fund - the country's first ever debt mutual fund - in June 2021, read a press statement.
- This new category of investment vehicle offers maximum tax benefits like the National Savings Certificate (popularly known as Sanchayapatra), and maintains the optimum balance of yield, safety, and liquidity. IDLC Income Fund will be an eye-opener for the investors because the composition of the portfolio – if maintained with the right investment philosophy – can yield regular and stable income in the form of dividends.

<https://www.tbsnews.net/economy/banking/idlc-income-fund-declares-3-interim-dividend-after-6-months-355078>

Walton set to enter North America

- Walton Hi-Tech Industries Ltd, a giant in the local consumer electronics sector, is all set to enter the North American market through a shipment of home appliances sometime in the middle of 2022. The company signed a partnership agreement with Danby Appliances, a compact appliance brand in North America, in order to expand the market for Walton brand products in the US and Canada.
- Vice president of the global business division at Walton told that Walton will supply refrigerators, air conditioners, washing machines, televisions, and small appliances to the North American market. The company will need to avail North American standard certification before entering the market and ensure product quality as such, he added.

<https://www.thedailystar.net/business/organisation-news/news/walton-set-enter-north-america-2936021>

Coppertech to supply copper wires to Mohammadi Electric

- Publicly listed Coppertech Industries Ltd – a copper pipe, tube, bus bar, strip, and wires producer in the country – will supply copper wires to Mohammadi Electric Wires and Multi Products Limited - an electric accessories and cables manufacturer. The companies have signed a deal where Coppertech will earn a minimum of BDT52 crore annually. But the disclosure failed to attract investors and the company's share price went down by 0.25% to close at BDT39.4 on Sunday, compared to the previous trading session.
- However, from 26 December to 5 January, its share price jumped 26% based on a rumour that the company was going to sign a big business deal of supplying products to cable wire companies. The rumour turned out to be true on 28 December when Coppertech announced the signing of a deal with the state-owned PVC cable company – Eastern Cables – to supply 100 tonnes of finished copper wire worth BDT11.27 crore.

<https://www.tbsnews.net/economy/stocks/coppertech-supply-copper-wires-mohammadi-electric-355303>

Shipping Corp's share prices double in a week

- Stocks of Bangladesh Shipping Corporation (BSC), a state-run listed ocean-going vessel management company, doubled in the last week thanks to the company's higher profit in the first quarter of the current financial year. On December 26, the company disclosed its quarterly report saying its profits surged almost seven times to BDT 66 crore in the July-September period of FY22 while it was BDT 8.80 in the same period the previous year.
- Soon after the disclosure, the company's stock price started to rise, soaring 111 % to BDT 104.6 as of last Thursday. Freight revenue of BSC climbed around 92 % year-on-year to BDT 94 in the first quarter of the current financial year. The company's income from bank

interest and other sources also rose 40 % to BDT 14 crore during the same period. BSC logged higher profits in the financial 2020-21 year as well with its profits jumping more than 73 % to BDT 72 crore compared to the year before.

<https://www.thedailystar.net/business/economy/news/shipping-corps-share-prices-double-week-2935246>

Foreign investors' selloff reaches record high in 2021

- Like the previous three years, foreign portfolio investors continued their selloff in the Dhaka Stock Exchange in 2021 too. Net selling by foreign investors increased to a historic high of BDT2,648 crore in 2021, following the same of BDT2,606 crore in 2020, according to the DSE data. The foreigners' continuing selloff in the bull market and despite the securities regulator's all-out efforts to attract foreign and non-resident Bangladeshi investors' funds into the bourses of Dhaka and Chattogram frustrates market observers.
- In 2021, foreign investors sold listed securities worth BDT 5,206 crore against their purchase of securities worth BDT2,558, which were BDT6,997 crore and BDT3,890 respectively in 2020. However, some institutional foreign investors like Asia Frontier Capital keep holding DSE stocks, mainly the blue-chip ones.

<https://www.tbsnews.net/economy/stocks/foreign-investors-selloff-reaches-record-high-2021-354964>

Pacific Denims' three directors to sell 15.50 lakh shares

- Two sponsor directors, and one corporate director of the Pacific Denims Ltd — a concern of the Pacific Group – have expressed their intention to sell a small portion from their holding shares. As per disclosure by the company on Thursday, Shafiqul Azam and Shadequul Alam, the sponsor directors, will sell 8.5 lakh and 5.4 lakh shares respectively, and the Corporate Director Disney Properties Ltd will sell 1.6 lakh shares. On Thursday, the last trading day of the week, the share price was BDT12.30 each.
- Now, Shafiqul Azam holds around 2.63 crore shares and Shadequul Alam 1.53 crore, while Disney Properties holds 42.77 lakh shares. Pacific Denims collected BDT75 crore through an initial public offering (IPO) from the capital market for business expansion, repayments of loans and bearing the cost of public offering.
- Because of lower dividend than the previous year, the DSE has degraded the company to 'B', which came into effect since 20 December from the 'A' category. In July-September period of the current fiscal year, its earnings per share (EPS) declined by 47% to BDT0.10 from BDT0.19 in the same period of the previous fiscal year.

<https://www.tbsnews.net/economy/stocks/pacific-denims-three-directors-sell-1550-lakh-shares-354931>

JMI Hospital's IPO bidding starts Sunday

- Price-bidding to fix the share price of JMI Hospital Requisite Manufacturing Limited's initial public offering (IPO) is scheduled to begin at the Dhaka Stock Exchange at 5pm on Sunday. Based on the book building method, the bidding will continue until 12 January. Earlier, the modern medical instrument and hospital equipment manufacturer received approval from the Bangladesh Securities and Exchange Commission (BSEC) to raise BDT75 crore from the capital market.
- It will spend the fund for purchasing machinery, land and for loan repayment. Institutional investors will determine the cut-off price of its shares, after which the company will issue shares to the general public at a 20% discount on the price. As of 30 June 2020, the net asset value per share of the company was BDT27.78 without revaluation and BDT29.99 with revaluation. Its paid-up capital is BDT90 crore.

<https://www.tbsnews.net/economy/stocks/jmi-hospitals-ipo-bidding-starts-sunday-354904>

4 listed sick firms must submit comeback plans

- Jute Spinners and RSRM Steel are out of production while production at Aziz Pipes and Central Pharma remain halted now and then. None of the four companies was able to pay dividends due to losses in the 2020-21 fiscal year. Of these four companies, Jute Spinners is in the most vulnerable situation. With a paid-up capital of only BDT1.70 crore, the company has not been in production for a long time.
- There is a good demand for Aziz Pipes in the plastic pipe and fittings market. But at present the company is in a state of disarray owing to defaulted loans, working capital shortfall and negligence of its owners. Central Pharma stopped its production in 2020 following its license suspension by the Directorate General of Drug Administration.
- RSRM, one of the top steel producers in the country, is plagued by bad debts. Besides, the factory was closed owing to dues in electricity and gas bills. Worried about their poor business and inefficient operational status, the Bangladesh Securities and Exchange Commission (BSEC) has asked four listed companies to immediately submit their comeback plans.

<https://www.tbsnews.net/economy/stocks/4-listed-sick-firms-must-submit-comeback-plans-354913>

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