

## Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.23%) lost -13.89 points and closed the week at 6,052.76 points. The blue-chip index DS30 (-0.36%) lost -8.04 points and stood at 2,197.06 points. The Shariah-based index DSES (-0.66%) lost -8.55 points and stood at 1,290.93 points. The large cap index CDSET (-0.45%) lost -5.53 points and closed at 1,224.99 points. DSEX, DS30, DSES and CDSET showed YTD returns of +12.05%, +11.87%, +3.93%, +9.08%, respectively.

**Total Turnover During The Week (DSE):** BDT 98.0 billion (USD 1,153 million)  
**Average Daily Turnover Value (ADTV):** BDT 19.6 billion (Δ% Week: -19.6%)

**Market P/E:** 19.0x

### Daily Index Movement during the Week:

Market performed five sessions during this week. In the first session, market performed negatively by -0.50% and continued to be negative by -0.37% in the second session. Market rebounded in the third session by +0.14% and continued to be positive in the fourth and fifth sessions by +0.49% and +0.02% respectively.

### Sectoral Performance:

- Financial sectors posted mixed performance this week. General Insurance booked the highest gain of 6.16% followed by Life Insurance (+0.33%). Bank experienced the highest loss of 1.70% followed by NBFI (-1.09%), Mutual Fund (-0.25%).

- Non-financial sectors posted mixed performance this week. Fuel & Power booked the highest gain of 1.58% followed by Pharmaceutical (+0.38%), and Food & Allied (+0.17%). Telecommunication experienced the highest loss of 2.20% followed by Engineering (-1.55%).

### Macroeconomic arena:

- On the back of its wide network, bKash has acquired a huge number of users. Since March 2020, it has added 14.4mn new customers. Other MFS providers have also had significant customer acquisition.

- Air conditioning (AC) systems and fan sales have increased to almost 30% during this heatwave. Compared to previous year's sales, this year's sale is quite as high as last year. A member of Bangladesh Electronics Merchants Association said that urbanization, climate change, and the purchasing capacity of the middle class are key reasons behind surge in AC and fan sales.

- Bangladesh's economy is facing yet another blow due to the resurgence of Covid-19, the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) has said. The economy showed signs of recovery in the third quarter (Q3) of fiscal year 2020-21. Bangladesh was unexpectedly hit by the second wave of coronavirus with a gradual increase in daily positivity rates just when it was hoping to move at full speed towards recovery from the fallout.

- Thanks to the potential of the country's listed companies, HSBC has termed Bangladesh's stock market as a "hidden gem" for fund managers. With a market cap-to-GDP ratio of just 14%, the country deserves more attention than it gets, it added.

- The amount of classified loans in the banking sector increased slightly in the first quarter (Q1) of the current calendar year despite providing policy support by the central bank in relation to loan classification. The share of NPLs rose to 8.07% of the total outstanding loans in the Q1 of 2021 from 7.66% in the previous quarter.

### Stock Market arena:

- The boards of directors of three listed firms, including two banks, have decided to issue different types of bonds worth BDT 14 billion to strengthen their capital base. The companies are National Credit and Commerce Bank, Dhaka Bank and Delta Brac Housing Finance Corporation. NCC Bank will issue non-convertible subordinated bond worth BDT 7.0 billion, Dhaka Bank to issue BDT 4.0 billion perpetual bond while Delta Brac Housing Finance will issue BDT 3.0 billion zero coupon bond.

- UK state-owned development finance institution CDC and Norwegian state-owned investment fund Norfund together will invest USD 10 million in ACI Motors, announced the recipient company Sunday. The investment follows the trail of Dutch development financier FMO's USD 15 million investments in ACI Motors last year.

- The Bangladesh Securities and Exchange Commission has decided not to offer the floor price facility to newly listed companies.

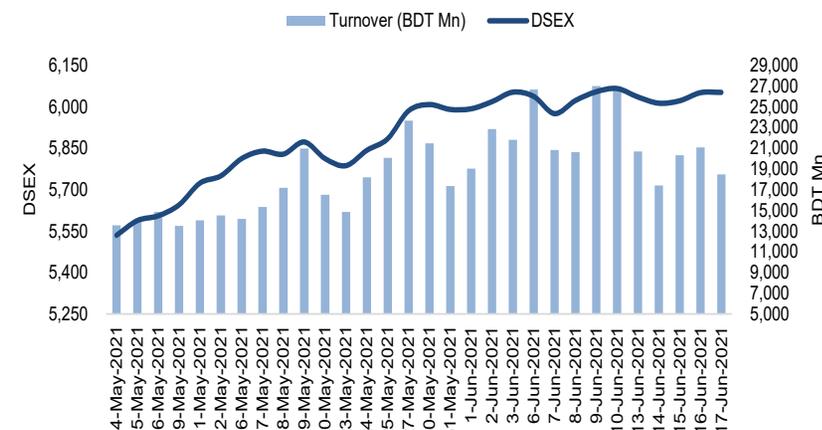
Table 1: Index

Index	Closing	Opening	Δ(Pts)	30-Dec-2019	Δ% Week	Δ%YTD
DSEX	6,052.76	6,066.64	-13.89	5,402.07	-0.23%	+12.05%
DS30	2,197.06	2,205.10	-8.04	1,963.96	-0.36%	+11.87%
DSES	1,290.93	1,299.48	-8.55	1,242.11	-0.66%	+3.93%
CDSET	1,224.99	1,230.52	-5.53	1,123.03	-0.45%	+9.08%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	5,081,348	5,099,378	-0.4%
	Mn USD	59,809	60,021	
Turnover	Mn BDT	97,987	121,882	-19.6%
	Mn USD	1,153	1,435	
Average Daily Turnover	Mn BDT	19,597	24,376	-19.6%
	Mn USD	231	287	
Volume	Mn Shares	2,912	3,691	-21.1%

Figure 1: DSEX & Turnover in last four weeks



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**Table 3: Top Ten Gainers**

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
MONOSPOOL	80.4	50.0	+60.8%	265	0.0	NM	2.0x
PAPERPROC	25.6	16.0	+60.0%	95	0.0	64.0x	0.9x
MONNOFABR	16.0	10.0	+60.0%	1,840	1.1	NM	0.6x
TAMIJTEX	19.1	12.0	+59.2%	574	0.0	63.7x	0.2x
SAFKOSPINN	24.9	16.4	+51.8%	747	190.3	NM	1.5x
CNATEX	3.8	2.7	+40.7%	909	101.0	NM	0.3x
ARAMITCEM	42.3	31.9	+32.6%	1,433	82.6	NM	1.6x
TUNGHAI	4.6	3.6	+27.8%	491	41.4	NM	0.4x
UNITEDINS	71.5	56.5	+26.5%	3,182	120.7	NM	2.3x
RELIANCINS	121.6	96.3	+26.3%	12,788	668.1	22.8x	2.0x

**Table 4: Top Ten Losers**

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
ALIF	10.7	12.0	-10.8%	2,781	592.8	21.0x	0.8x
SONARBAINS	102.6	114.4	-10.3%	4,108	1,347.1	44.8x	4.9x
MHSMML	18.1	20.1	-10.0%	1,828	181.0	NM	1.3x
ALARABANK	21.5	23.8	-9.7%	22,895	49.1	10.0x	1.0x
MONNOAGML	649.9	718.7	-9.6%	1,776	5.2	NM	47.9x
STANCERAM	252.0	278.5	-9.5%	1,628	2.4	NM	28.5x
SONALIPAPR	223.5	247.0	-9.5%	4,091	12.0	56.8x	0.7x
SAMATALETH	87.7	96.8	-9.4%	905	0.7	NM	6.1x
CVOPRL	94.7	104.5	-9.4%	2,391	3.1	NM	7.9x
MONNOCERA	107.5	118.6	-9.4%	4,055	95.0	NM	1.9x

**Table 5: Top Ten Most Traded Shares**

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
BEXIMCO	97.8	96.4	+1.5%	87,847	8,175	24.2x	1.3x
PIONEERINS	201.0	193.9	+3.7%	14,066	2,701	27.1x	4.2x
ORIONPHARM	56.7	52.3	+8.4%	13,268	1,875	20.8x	0.8x
FORTUNE	43.8	39.3	+11.5%	6,780	1,662	36.4x	3.2x
LRBDL	50.8	49.2	+3.3%	7,378	1,659	35.8x	1.5x
NFML	38.1	35.4	+7.6%	3,522	1,511	29.5x	2.9x
GREENDEL	135.7	122.7	+10.6%	13,596	1,482	16.9x	2.0x
NRBCBANK	33.7	36.0	-6.4%	24,859	1,481	13.9x	2.2x
SONARBAINS	102.6	114.4	-10.3%	4,108	1,347	44.8x	4.9x
PRAGATIINS	118.4	108.4	+9.2%	7,766	1,331	30.9x	2.3x

**Table 8: Most Appreciated YTD in BRAC EPL Universe**

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
EGEN	51.4	+414.0%	3,855	39.6x	2.1x
PIONEERINS	201.0	+166.9%	14,066	27.1x	4.2x
HEIDELBCEM	325.2	+117.4%	18,375	53.9x	4.3x
MICEMENT	72.6	+56.5%	10,781	15.2x	1.4x
BSRMLTD	91.4	+51.8%	21,577	7.6x	0.8x
ROBI	44.0	+47.7%	230,469	NM	3.5x
BSRMSTEEL	59.3	+39.5%	22,294	8.5x	1.0x
SQUARETEXT	40.7	+36.6%	8,028	44.4x	1.1x
ESQUIRENIT	35.7	+35.7%	4,816	25.7x	1.0x
BATBC	533.1	+35.4%	287,874	24.6x	7.6x

**Table 6: Sector Indices**

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1,480.03	1,505.61	1,372.63	-1.70%	+7.82%
NBFIs	2,049.92	2,072.46	2,033.53	-1.09%	+0.81%
Mutual Funds	1,006.88	1,009.44	959.61	-0.25%	+4.93%
General Insurance	6,033.78	5,683.55	4,103.56	+6.16%	+47.04%
Life Insurance	2,733.46	2,724.40	2,162.58	+0.33%	+26.40%
Telecommunication	6,159.64	6,297.88	5,463.26	-2.20%	+12.75%
Pharmaceuticals	3,411.31	3,398.45	3,306.03	+0.38%	+3.18%
Fuel & Power	1,716.64	1,690.01	1,618.11	+1.58%	+6.09%
Cement	2,013.52	1,993.73	1,416.18	+0.99%	+42.18%
Services & Real Estate	1,101.68	1,116.84	1,083.79	-1.36%	+1.65%
Engineering	4,945.70	5,023.45	3,959.20	-1.55%	+24.92%
Food & Allied	21,021.79	20,985.26	14,705.76	+0.17%	+42.95%
IT	2,703.90	2,807.33	2,350.28	-3.68%	+15.05%
Textiles	1,251.32	1,266.47	1,087.41	-1.20%	+15.07%
Paper & Printing	5,001.28	5,193.80	5,487.56	-3.71%	-8.86%
Tannery	1,968.88	1,942.36	1,771.77	+1.37%	+11.12%
Jute	7,890.24	8,246.38	12,154.61	-4.32%	-35.08%
Ceramics	529.79	541.72	472.38	-2.20%	+12.15%
Miscellaneous	4,043.43	3,992.83	2,539.70	+1.27%	+59.21%

**Table 7: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Bank	1,334.3	2,040.7	-34.6%	7.0%	8.4x	0.8x
NBFI	841.6	1,584.9	-46.9%	4.4%	43.5x	3.2x
Mutual Fund	445.7	382.1	+16.7%	2.3%	NM	0.9x
General Insurance	4,170.5	4,848.8	-14.0%	22.0%	29.2x	2.9x
Life Insurance	744.2	1,125.2	-33.9%	3.9%	NM	NM
Telecommunication	266.3	412.0	-35.4%	1.4%	18.6x	5.4x
Pharmaceutical	1,379.2	1,317.1	+4.7%	7.3%	20.4x	2.5x
Fuel & Power	1,249.5	1,111.1	+12.5%	6.6%	12.5x	1.4x
Cement	363.7	509.5	-28.6%	1.9%	20.7x	2.5x
Services & Real Estate	310.5	396.7	-21.7%	1.6%	NM	0.9x
Engineering	2,169.4	2,453.4	-11.6%	11.4%	30.0x	2.8x
Food & Allied	433.1	524.1	-17.4%	2.3%	32.4x	8.0x
IT	283.0	444.0	-36.3%	1.5%	29.7x	2.3x
Textile	2,056.9	2,973.3	-30.8%	10.8%	NM	0.9x
Paper & Printing	45.3	52.5	-13.7%	0.2%	38.5x	1.0x
Tannery	347.4	546.8	-36.5%	1.8%	NM	2.2x
Jute	12.2	18.6	-34.4%	0.1%	NM	14.1x
Ceramics	175.0	217.8	-19.7%	0.9%	57.6x	1.8x
Miscellaneous	2,368.6	2,839.6	-16.6%	12.5%	30.7x	2.0x

**Table 9: Least Appreciated YTD in BRAC EPL Universe**

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
ADNTEL	51.1	-20.5%	3,304	16.6x	2.0x
UNIQUEHRL	34.2	-13.6%	10,068	NM	0.4x
KPCL	39.6	-12.6%	15,738	11.7x	1.7x
IDLC	57.1	-9.9%	21,530	7.9x	1.4x
OLYMPIC	172.8	-9.6%	34,549	16.7x	3.9x
GHAIL	15.2	-9.0%	3,281	NM	1.1x
SHAHJABANK	19.9	-8.8%	20,479	9.9x	1.1x
BXPBARMA	174.9	-8.2%	78,025	17.1x	2.2x
MPETROLEUM	183.9	-7.1%	19,901	7.0x	1.1x
BATASHOE	655.3	-6.7%	8,965	NM	2.5x

## Important News: Business & Economy

### Digital transactions – the new normal

• In Bangladesh, there are 59 scheduled banks with more than 10,000 branches. Yet 40% of the population is still unbanked – a situation has given rise to the mobile financial service (MFS). On the back of its wide network, bKash has acquired a huge number of users. Since March 2020, it has added 14.4mn new customers. Other MFS providers have also had significant customer acquisition.

• This financial technology has been highly beneficial in reaching out the government's initial stimulus package of BDT 50.00 billion to the workers of export-oriented garments industries last year. About 45% of it was channelled through bKash, 29% through Rocket, and the rest by other MFS providers. It is a matter of genuine concern that the government is likely to hike the corporate tax of MFS up to 40% from the existing 32.5%. This may be a significant blow for the budding MFS industry, where providers need to make a massive investment in technological innovations to ensure customer-centricity. None of them has made a mentionable profit yet.

<https://www.thedailystar.net/business/economy/news/digital-transactions-the-new-normal-2109813>

### ACs, fans selling like hotcakes this heatwave

• Air conditioning (AC) systems and fan sales have increased to almost 30% this heatwave. Compared to previous year's sales, this year's sale is quite as high as last year, said a retail trader who operates Lalbagh Electronics. A buyer said that they want to buy an AC. The temperature is increasing, so buying an AC is becoming a must. A member of Bangladesh Electronics Merchants Association said that urbanization, climate change, and the purchasing capacity of the middle class are key reasons behind surge in AC and fan sales.

<https://www.dhakatribune.com/business/commerce/2021/06/12/acs-fans-selling-like-hotcakes-this-heatwave>

### Economy faces a fresh blow

• Bangladesh's economy is facing yet another blow due to the resurgence of Covid-19, the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) has said. The economy showed signs of recovery in the third quarter (Q3) of fiscal year 2020-21, it added. Bangladesh was unexpectedly hit by the second wave of coronavirus with a gradual increase in daily positivity rates just when it was hoping to move at full speed towards recovery from the fallout, the MCCI cited. In its quarterly review for January-March 2021, the chamber said coronavirus lockdown once again brought back disruptions to the lives and livelihoods of people with the resultant uncertainty for economy.

• Global lockdowns and economic stagnation as well as a 66-day public holiday initially in Bangladesh due to the outbreak of Covid-19 led to a disruption to the country's economic activity. But the country's economy had been showing signs of recovery in Q3 of FY21, according to the country's one of the oldest trade bodies. Financially and socially vulnerable people were mostly impacted during the outbreak of the plague, it stated. However, the government's stimulus packages provided much-needed support to businesses at various levels.

<https://today.thefinancialexpress.com.bd/first-page/economy-faces-a-fresh-blow-1623866668>

<https://www.thedailystar.net/business/news/mcci-sees-recovery-q4-2112545>

### Bangladesh's stock market a hidden gem: HSBC

• Thanks to the potential of the country's listed companies, HSBC has termed Bangladesh's stock market as a "hidden gem" for fund managers. With a market cap-to-GDP ratio of just 14%, the country deserves more attention than it gets, it added.

• Bangladesh's stock market is where Vietnam's was five years ago and is well placed to start closing the gap. Moreover, Bangladesh has a larger economy and population that are growing at a faster pace despite power shortages, poor infrastructure, a banking sector struggling with soured loans, and political issues. The country also has a sound macro position and robust external balance sheet while its external debt is low and foreign exchange reserve coverage is high.

• Regarding the local banking sector, HSBC said the level of non-performing loans (NPLs) is above 8%, centred around agriculture, large industries, and garment companies. The main issue is a substandard credit information system while recovering loans is complex and time consuming. However, Vietnam's banks used to have a similar problem with NPLs but thanks to strong growth in profitability, their balance sheets are now stronger.

<https://www.thedailystar.net/business/news/bangladeshs-stock-market-hidden-gem-hsbc-2108821>

### NPLs up despite relaxed loan classification

• The amount of classified loans in the banking sector increased slightly in the first quarter (Q1) of the current calendar year despite providing policy support by the central bank in relation to loan classification. The volume of non-performing loans (NPLs) grew by more than 7.0% or BDT 63.51 billion to BDT 950.85 billion during the January-March period of 2021 from BDT 887.34 billion in the preceding quarter. The share of NPLs also rose to 8.07% of the total outstanding loans in the Q1 of 2021 from 7.66% in the previous quarter - as per consolidated statement of classified loans covering both domestic and offshore banking units. It was 9.03% as on March 31, 2020.

• The amount of classified loans increased by nearly 3.0% or BDT 25.74 billion to BDT 950.85 billion in the Q1 of 2021 compared to the same period of the previous calendar year. The amount of NPLs was BDT 925.11 billion as on March 31, 2020. The classified loans cover substandard, doubtful and bad/loss portions of the total outstanding credit, which reached BDT 11,776.58 billion as on March 31 on a consolidated basis. It was BDT 11,587.75 billion three months before. The central bank spokesperson said that the amount of classified loans would decrease in the second quarter (Q2) of this year, if the banks strengthen their recovery drives.

<https://today.thefinancialexpress.com.bd/first-page/npls-up-despite-relaxed-loan-classification-1623780995>

<https://www.dhakatribune.com/business/banks/2021/06/15/npls-rise-by-6-351c-in-q1-21>

<http://www.newagebd.net/article/140874/defaulted-loans-surge-by-BDT-6802cr>

<https://www.thedailystar.net/business/news/bad-loans-rise-payment-holiday-ends-partially-2111873>

## SoCBs widen sector's Q1 provisioning shortfall

- The provisioning shortfall against their loans in the country's banking system swelled in the first quarter (Q1) of current calendar year despite the fact loan classification has been on a relaxed mode because of the pandemic. The shortfall increased to more than BDT 51 billion in the Q1 when the classified loans recorded a marginal rise, officials said. As usual, the state-owned banks with their huge load of soured loans were the culprits. The aggregate amount of provisioning shortfall rose to BDT 52.58 billion during the January-March period of 2021 from only BDT 1.23 billion three months before. "The amount of provision shortfall increased significantly mainly due to the rising trend of non-performing loans (NPLs), a BB senior official said.
- The volume of classified loans increased by more than 7.0% or BDT 63.51 billion to BDT 950.85 billion in Q1 of 2021 from BDT 887.34 billion in the preceding quarter, according to the consolidated statement of classified loans covering both domestic and offshore banking units. The provisioning shortfall of two SoCBs pushed up the overall shortfall in the banking sector, the BB official said, explaining the latest provisioning shortfall situation in the SoCBs. However, 10 banks out of 59 failed to keep requisite provisions against Q1 loans, particularly the classified ones, the BB data showed.

<https://today.thefinancialexpress.com.bd/first-page/socbs-widen-sectors-q1-provisioning-shortfall-1623866821>  
<https://www.thedailystar.net/business/news/banks-provision-shortfall-widens-2112541>  
<http://www.newagebd.net/article/140965/provision-shortfalls-of-11-banks-up-77pc>  
[https://www.tbsnews.net/economy/banking/provision-shortfall-janata-rose-BDT\\_5000-crore-261928](https://www.tbsnews.net/economy/banking/provision-shortfall-janata-rose-BDT_5000-crore-261928)

## Deposits of extreme poor in BDT 10 accounts fall

- The deposits to BDT 10 bank accounts, also called no-frill accounts, of the extreme poor fell by BDT 1.04 billion in just a year as the account holders had to withdraw the money to survive the pandemic blues. The central bank's Jan-Mar quarterly data show that the total number of no-frill accounts belonging to the extreme poor increased by 500,000, and reached 3.2 million at the end of March this year. Compared to the Jan-Mar quarter last year, the deposits to the accounts dropped by 34% and reached BDT 2.18 billion at the end of March this year.
- A senior research fellow at the Bangladesh Institute of Development Studies (BIDS) said that since the total number of accounts increased but deposits fell, it is clearly understood that people had to take recourse to the tiny savings they had to survive the pandemic. She said that the pandemic-led income fall is the prime reason for people resorting to savings. On the BDT 10 account rise, the researcher said since the poor need to have an official transaction channel to get government aid, the number of no-frill accounts could have spiked.

[https://www.tbsnews.net/economy/deposits-extreme-poor-BDT\\_10-accounts-fall-261916](https://www.tbsnews.net/economy/deposits-extreme-poor-BDT_10-accounts-fall-261916)

## Shifts in real-estate demand amidst pandemic

- Since March 2020, most industries have seen massive changes in how the markets operate, thus adopting new strategies to cater to the public and keep businesses afloat. The real-estate industry in Bangladesh has also encountered and adapted to drastic shifts in demand since the pandemic. Bproperty, the country's sole property solution provider, gives us an insight on how the market has changed, and what trends have been observed

recently.

- In terms of demand, in the first five months of 2021, Bproperty saw around 18.2% more housing demand Year-Over-Year. However, the demand is less so than it was during the third quarter of 2020 -- just after the lockdown was lifted last year. The record increase in real-estate activity can be attributed to a number of favourable regulations introduced last year.
- After things settled considerably during the fourth quarter of last year, housing demand experienced some slowdown, but was seen to be gaining momentum again during the first quarter of this year. The enforcement of another lockdown in April has derailed some of that momentum as, compared to the first two months of 2021, there was about 34% less housing demand in April and May.

<https://www.dhakatribune.com/business/2021/06/16/shifts-in-real-estate-demand-amidst-pandemic>

## Private banks overtake state-owned banks in defaulted loans

- Private banks have been overburdened with defaulted loans and the amount of such loans in these banks is higher than that of state-owned banks this year. At the end of March, the rate was 20.91% in government banks and 5.13% in private banks. However, in proportion to the total loans disbursed, the rate of default is much higher in government banks. According to data provided by central bank sources on Tuesday, the default in private banks stood at BDT 450.90 billion while in state-owned banks it stood at BDT 434.50 billion at the end of March.
- At the end of December last year, the default rate of private banks was less than that of government banks. At that time, the default in private banks was BDT 403.61 billion and in state-owned banks, it was BDT 422.73 billion. Meanwhile, non-performing loans of private banks increased by BDT 47.28 billion and those of state-owned banks increased by BDT 30.69 billion from January to March. A former chairman of the Association of Bankers Bangladesh said that since the amount of loans disbursed by private banks is higher than that of government ones, the number of defaulters is also increasing.

Dhaka Chamber President said that when an organisation declares a dividend, it is based on the previous year's performance. In this case, too, the effect of Covid-19 is visible this year. It may increase further. He added that traders are continuing production only to keep the business running. But due to the overall sluggishness in demand, just as sales of goods have declined, so has the collection of sales. As a result, banks are having problems paying the instalments.

<https://www.tbsnews.net/economy/banking/private-banks-overtake-state-owned-banks-defaulted-loans-261469>

## 2nd wave lockdown lowers credit card transactions in April

- As a result of the all-out lockdown imposed to tackle the second wave of the ongoing Covid-19 pandemic, credit card transactions declined in April by BDT 2.48 billion compared to that in the previous month. According to the report, credit card transactions fell to BDT 15.34 billion in April from BDT 17.83 billion in March, which saw the highest number of transactions in the last two years. Asked about the decrease in transactions, the country manager of Mastercard said that superstores and shopping malls were closed as the lockdown was in force in April. As a result, people did not go out, which ultimately reduced

card transactions.

- Many people transacted on the internet using cards, but such transactions were much less in number. Kamal said as the situation was somewhat normal at the end of last year and the first three months of this year, credit card transactions were also on the rise at the time. But when the second wave of the pandemic hit the country, everything stumbled again. Especially, with the closure of airlines, tourist spots, hotels, motels, and even restaurants, card transactions decreased a lot. Cards are mostly used in these places, he added.

<https://www.tbsnews.net/economy/banking/2nd-wave-lockdown-lowers-credit-card-transactions-april-260848>

### **Despite pandemic, school banking deposits see 20% growth in one year**

- Deposits in school banking accounts jumped sharply over the past one year, even though educational institutions are closed due to the Covid-19 pandemic. The number of school banking accounts also posted a significant growth during the same period. At the end of April this year, students deposited BDT 19.86 billion in the accounts, up from BDT 16.54 billion a year ago. The 20% growth in deposits recorded in April this year is also higher compared to the 14.24% annual growth registered in April 2020. The number of school banking accounts stood at 2.79 million at the end of April this year, up by 23% from 2.25 million a year ago.

- The central bank's data reveal that the lion's share of school students' deposits is in urban areas. Of the total deposits, BDT 14.93 billion was in urban areas and BDT 4.93 billion in rural areas. The urban-rural divide is also visible in growth as well as total number of accounts. According to the Bangladesh Bank, the number accounts under school banking in rural areas rose 4.27% to reach 1.25 million. On the other hand, the number of accounts in urban areas increased by 11.32% in the last one year and stood at over 1.52 million in April this year.

<https://www.tbsnews.net/economy/banking/despite-pandemic-school-banking-deposits-see-20-growth-one-year-260833>

### **Amount of cash outside banking system drops to BDT 1.84 trillion**

- People's tendency to keep additional cash in their hands, observed immediately after the coronavirus outbreak, has waned gradually in the last several months as they are getting used to the new normal. The amount of cash outside the banking system dropped by BDT 267.67 billion to BDT 1.84 trillion in March this year from a record high of BDT 2.10 trillion in July 2020. Prior to the decline between August 2020 and March 2021, the amount of cash outside the banking system rose by BDT 520.66 billion from BDT 1.58 trillion in January 2020.

- 'The coronavirus-induced panic had prompted people to keep additional money in their hands immediately after the outbreak of coronavirus and the subsequent imposition of restrictions on public movement that made people panicky, Policy Research Institute executive director said, adding that such tendencies are usually observed among people when they are faced with any shock and the same tendency was observed here. The amount of cash outside the country's banking sector has been declining gradually as people are getting used to the situation and the banks are continuing to serve the people even during the restricted period, he also said.

<http://www.newagebd.net/article/140747/amount-of-cash-outside-banking-system-drops-to->

[BDT -1842163cr](#)

### **Rising yarn prices threaten garment export recovery**

- Local garment exporters are feeling the pinch of a sudden unusual rise in yarn prices in the local and international markets, a development that is threatening to derail the recovery of the apparel shipment from the pandemic-induced slowdown. Yarn prices rose 40% between December and June because of the cotton price hike in the international futures markets, exporters say. Yarn accounts for 50% of the cost to produce a t-shirt or a garment item, while button, zippers and other accessories comprise the rest.

- Since Bangladesh is not a major cotton-producing nation, 99% of the requirement for the raw material is met through imports. Traders, importers and millers import 8 million bales of cotton, spending USD 3 billion a year. Last year, cotton imports fell to 7.2 million bales as production halted in many mills after the government had imposed nationwide restrictions to tame the coronavirus pandemic. Despite the increase in the price of raw materials, international clothing retailers and brands are reluctant to offer a better price to local garment suppliers.

<https://www.thedailystar.net/business/news/rising-yarn-prices-threaten-garment-export-recovery-2111245>

### **Strong bike industry inspires component makers**

- Buoyed by the government policy aimed at developing the motorcycle industry, local companies are gradually making a foray into the component manufacturing segment with a view to cutting the country's reliance on imports. The motorcycle industry needs more than 700 components to manufacture a bike. The local light engineering industry can make four components, namely drive chain, seat, stand, and battery. The president of the Automobile Components & Accessories Manufacturers Association said that Bangladesh could manufacture all motorcycle components as local vendors had all the resources.

- He is the managing director of Run Industries, which manufactures motorcycle seats. It sells more than 200,000 seats to Runner and Hero combined. The factory has an annual production capacity of 1.8mn seats. The annual demand is worth no less than BDT 5.00bn and the market has been growing around 15% per annum for the last 10 years, they said.

<https://www.thedailystar.net/business/news/strong-bike-industry-inspires-component-makers-2111237>

### **Lending rate of most banks dip below 7%**

- Lending rate of most of the banks dropped below 7% in April owing to the poor credit demand amid the ongoing Covid-19 pandemic. The weighted average lending rate of 18 banks dropped below 7% in April, while the deposit rate of 19 banks dropped below 4% in the month under consideration as the banks were reluctant to attract savers at a time when they were holding excess liquidity in their hand. Amid the significant decline in deposit and lending rates in the last one year, 27 banks have managed to enhance their interest rate spread while the spread of 31 banks has dropped during the period.

- The overall interest rate spread in the country's banking sector, however, returned above 3% after it fell below 3% following the implementation of a 9% lending rate cap just after the outbreak of coronavirus in the country. Due to the outbreak of coronavirus and the subsequent economic fallout, the credit disbursement from the banking sector has

remained dull even though the central bank has so far injected a huge amount of liquidity in the banking system by implementing stimulus packages and against the purchase of dollars from the local market.

<https://www.dhakatribune.com/business/banks/2021/06/13/lending-rate-of-most-banks-dip-below-7>

<http://www.newagebd.net/article/140660/18-banks-average-lending-rate-falls-below-7pc-in-april>

### **Internet banking transactions exceed BDT 100.00 billion in March**

• Digital transactions are on the rise in financial transactions during the ongoing pandemic. One of the means of digital transaction is internet banking. The number of customers is increasing along with the increase in transactions in internet banking. For the first time, internet banking transactions in the country have exceeded BDT 100.00 billion. According to the latest data released by the central bank, transactions in March last stood at BDT 103.71 billion, up 57.42% from March last year. Internet banking transactions increased by 22.34% in March as compared to February. The turnover in February was BDT 84.77 billion.

• The chairman of the Association of Bankers Bangladesh (ABB) and managing director of Eastern Bank Limited (EBL) said that the increased amount of transactions indicate that an increased number of consumers are leaning towards digital transactions. He added that through internet banking, customers get many services at home. They are getting services like opening an account, withdrawing money, depositing money, bill payment, money transfer etc. This is increasing the interest of customers.

<https://www.tbsnews.net/economy/banking/internet-banking-transactions-exceed-BDT-10000cr-march-260362>

### **Separate supervision units at banks to handle demand loans**

• The Bangladesh Bank Sunday issued a guideline on demand loans, mandating a number of measures such as separate supervision units at banks, the highest individual credit ceilings, with repayment and rescheduling periods. The separate units at banks to oversee the demand loans will be led by a banker of at least a deputy managing director (DMD) rank, said the central bank. Earlier, there was no specific guideline for demand loans. Bankers hope the new guideline will help discipline borrowing meant for short term business purposes such as importing essentials, or industrial raw material imports.

• Demand loans are required to be repaid on the call of the lender. The credit and repayment period of such loans are decided by the lender, and are usually negotiable. The loans are sanctioned against tangible assets or other securities. The central bank notification said all loans for bringing in essentials or industrial raw materials will be called post import financing (PIF). According to the guideline, banks will have to have their PIF policies approved by the board of directors. There will also be an individual credit ceiling for such loans.

<https://www.tbsnews.net/economy/banking/separate-supervision-units-banks-handle-demand-loans-260347>

### **BB extends policy support until December to tackle Covid-19**

• The Bangladesh Bank (BB) has extended the relaxation of several policies regarding

import trade for six more months, until the end of December later this year. Relaxing of the policies was extended to tackle the onslaught caused by the ongoing Covid-19 pandemic, according to a circular issued by the central bank's foreign exchange policy department on Thursday. Under the policy support, raw materials, agricultural implements, and chemical fertilizers can be imported for 360 days instead of 180 days under supply or buyer's credit schemes.

• Additionally, advance import payments of up to USD 500,000 can be made without repayment guarantees or approval from the central bank on the import of Covid-related life-saving drugs, medical kits/equipment, and other essential medical items. It also stated that for additional time in settlement of import payments, separate permission to extend the validity of LCAF will not be required. Since its conception, both exporters and importers said the policies had helped them to sustain trade during the ongoing pandemic situation, and the extension is expected to continue to do so.

<https://www.dhakatribune.com/business/banks/2021/06/13/bb-extends-policy-support-until-december-to-tackle-covid-19>

### **Government to extend PPA tenure of 5 power plants by 2 years**

• The Bangladesh Power Development Board has decided to extend tenure of power purchase agreements with five power plants of three listed companies by two years. The BPDB sent a letter to the power, energy and mineral resources ministry regarding the matter on May 25. In the letter, the BPDB mentioned that it made a number of decisions in its board meeting held on May 19, which were sent to departments concerned for taking necessary steps regarding the issue.

• The five furnace oil-based power plants are Summit Narayanganj Power Limited, a subsidiary of Summit Power, Orion Power Meghnaghat and Dutch Bangla Power & Associates, subsidiaries of Orion Pharma and KPCL Unit-2 and Khan Jahan Ali Power Company of Khulna Power Company (KPCL). In the letter to ministry, BPDB said that tenure extension of five furnace oil-based power plants (total 457MW) could be extended by two years on the basis of 'no electricity no payment without any guaranteed off-take'.

<http://www.newagebd.net/article/140657/govt-to-extend-ppa-tenure-of-5-power-plants-by-2-years>

### **BB tightens rules to restore discipline in import financing**

• The central bank yesterday drew up a detailed guideline on post-import financing (PIF) to end the misuse of loans extended to pay for imported goods and bring discipline in the foreign exchange regime in the banking industry. Previously, some delinquent borrowers frequently used the PIF window to siphon off money from lenders, compelling the Bangladesh Bank to prepare the guideline, said a central banker. Under the PIF, banks extend loans to importers to help them pay the cost of the imported items within the stipulated time. This gives importers the opportunity to repay it after selling products.

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- Conventional banks earlier used to treat such financing as loans against trust receipts, while Shariah-based banks called it Murabaha trust receipts. The central bank has asked banks to cite the lending product as PIF going forward, according to a BB notice yesterday. Importers have to pay back the loans under the facility within three months for consumer goods and six months for industrial raw materials as per the previous instruction of the central bank. Now, banks will be allowed to extend the repayment tenure by a month for consumer products and two months for industrial raw materials. Banks will have to take approval from their boards for such extension.

<https://www.thedailystar.net/business/banking/news/bb-tightens-rules-restore-discipline-import-financing-2110613>

### **Tax cuts eat into tax-GDP ratio: NBR**

- The National Board of Revenue (NBR) estimates that the tax-GDP ratio was 9.9% in the fiscal year 2019-20, but it would have been 17.81% had the government not provided tax exemptions. It says the government provided tax exemptions of around BDT 2.5 trillion to facilitate growth in different sectors in FY20. It realised BDT 2.18 trillion in revenue that year against a target of BDT 3 trillion. Of the total exemptions, BDT 467.55 billion was exempted for importing raw materials, capital machinery, and other goods while BDT 1.52 trillion was waived against bond facilities for export-oriented industries.

- According to the General Economic Division, the 7th five-year-plan had projected the tax-GDP ratio would be 13.7% for FY20, however, the actual ratio was 7.9%. The 8th five-year plan also projected that the tax-GDP ratio would be 12.25% for FY25. The government has been facilitating growth through tax exemptions, reduced tax rates, and tax holidays to accelerate local business and attract foreign direct investment, the revenue board said.

<https://www.tbsnews.net/economy/tax-cuts-eat-tax-gdp-ratio-nbr-260395>

### **'Export may face setback sans quick vaccination'**

- Speakers stressed on Sunday the need for quick vaccination to develop people's immunity; otherwise the country's export may face a setback. They emphasised further widening of tax net, facilitating private investment, and quality expenditure on health, education and agriculture. They also said there is a need for providing financial support to the new poor, created mostly in the urban areas due to the Covid-19 pandemic. This is a very serious issue, as the buyers who purchase our clothes will feel fear, if there is no herd immunity in the country, Planning Minister added.

<https://today.thefinancialexpress.com.bd/last-page/export-may-face-setback-sans-quick-vaccination-1623608812>  
<https://www.tbsnews.net/economy/budget/we-may-lose-export-markets-vaccination-260374>

### **Private sector in a sorry state**

- Bangladesh's private sector has long been in stagnation because of the coronavirus pandemic, and this was again on display during the auction for sukuk last week. The government earlier said it would mobilise BDT 40.00 billion from the second and final round of the auction of the Shariah-based tool. But investors placed bids for a record BDT 327.26-billion on June 9, in a sign of the weak credit demand in the private sector. No auction of treasury bills and bonds have observed such massive bids. The final round has broken all previous records of auctions of government securities, said several officials of the Bangladesh Bank (BB), who have direct knowledge about the auction of government

securities.

- On December 28, the first sukuk auction in the country's history took place. Banks and individuals placed bids worth BDT 151.53 billion against the targeted amount of BDT 40.00 billion. As the economy is facing a protracted slowdown, banks are exploring various options to invest their idle funds to maximize profits amid the lower credit demand. Banks flocked to T-bills and bonds since the second quarter of last year after the pandemic hit the country, bringing the economy to its knees. The executive director of the Policy Research Institute of Bangladesh said that the higher bid for sukuk auction was not a good sign for the economy.

<https://www.thedailystar.net/business/economy/news/private-sector-sorry-state-2109921>

### **Marginal rise in government's liabilities likely in FY'22**

- The government's liabilities in the next fiscal year (FY), 2021-22, are expected to rise marginally, as its domestic liabilities, which usually become higher than foreign loans, are likely to shrink to some extent. The government's total liabilities - domestic and foreign - may increase by over 6.0% to BDT 3.4 trillion in FY 2021-22. The amount usually increases by double digits.

- Earlier, the government's loan targets from domestic sources soared by 56% in the original budget of FY 2020-21, according to the annual financial statement. However, in the next FY, the domestic liabilities are expected to fall by 5.0% to approximately BDT 2.3 trillion. In the revised budget of the current FY, the amount is BDT 2.4 trillion. Besides, the foreign liabilities might stand at approximately BDT 1.2 trillion, up by 38% than the revised estimation. In the revised budget for FY-2021, the amount is BDT 857 million.

<https://today.thefinancialexpress.com.bd/first-page/marginal-rise-in-govts-liabilities-likely-in-fy22-1623433191>

### **EU now wants labour law changes by next June**

- The European Union, a top export destination for Bangladesh, now wants Bangladesh to amend its existing labour law by June 2022 to stay eligible for the Generalised System of Preferences (GSP) facility in their market and the GSP Plus benefit after graduating to a developing country. Bangladeshi stakeholders feel that they are ready to approve trade unions in the EPZs and inspections by the factory inspection department, but introducing trade unions will be challenging.

- The EU's ongoing GSP scheme will expire in December 2023. The new scheme will be launched from next year after the draft of the EU's new GSP resolution gets the go-ahead from the European Parliament next June. That is why the EU is now pushing Bangladesh for amendments to the two laws on labor rights by that time as the continuation of the GSP facility from 2024 will depend on the protection of labour and human rights.

<https://www.tbsnews.net/bangladesh/eu-now-wants-labour-law-changes-next-june-258982>

### **Floating offshore taka bond: ADB seeks final nod, government not in a hurry**

- The Asian Development Bank (ADB) has sought final approval from the government for floating offshore taka-denominated bond for Bangladesh, officials said. In December 2019, the ADB first expressed interest to issue both onshore and offshore taka bonds in and outside Bangladesh in a letter to the government. The economic relations division (ERD)

additional said the issuance of the bond has yet to reach the final stage.

- On November 11, 2019, Bangladesh's first offshore taka bond namely 'Bangla Bond' was listed on the London Stock Exchange. The International Finance Corporation (IFC) launched bond worth the BDT 800-million (USD 9.5 million) to expand operations and distribution facilities for Bangladesh's PRAN Group. The three-year bond was oversubscribed by 30% higher than the offer of the IFC, a member of the World Bank Group.

<https://today.thefinancialexpress.com.bd/first-page/adb-seeks-final-nod-govt-not-in-a-hurry-1623433461>

### **Private sector credit growth falls further**

- The growth in credit flow to the private sector came down to 8.29% in April 2021 on a year-on-year basis, from 8.79% a month ago, according to the Bangladesh Bank's (BB) latest statistics. The rising coronavirus infections and deepening uncertainty slashed the private sector credit growth in the last couple of months, according to senior bankers. They also said lower trade financing also pushed down the credit growth in April 2021. Bangladesh's overall imports dropped by more than 10% or USD 509.03 million in April, mainly due to the Covid-19 pandemic second wave.

<https://today.thefinancialexpress.com.bd/first-page/private-sector-credit-growth-falls-further-1623347810>  
<http://www.newagebd.net/article/140364/pvt-sector-credit-growth-falls-further-in-april>

### **BASIC Bank, Bangladesh Development Bank Limited (BDBL) merger on cards: Finance Minister**

- The troubled BASIC Bank is heading for a merger with the better-performing Bangladesh Development Bank Limited (BDBL) as part of the government's efforts to improve the overall health of the country's state banks, which have historically been sitting on a heavy pile of soured credit. They are both state banks, so the merger should not raise any objection from anyone, the Finance Minister said.

- Once a model for state-owned banks, BASIC Bank's fortune took a turn for the worst when the present government came to power in 2009 and appointed Abdul Hye Bacchu as its chairman. Between 2010 and 2013, more than BDT 45 billion flew out, leaving the state bank in financial quicksand. The government had to keep pouring in funds to keep the bank standing.

- The BDBL, born out of the merger of Bangladesh Shilpa Rin Sangstha and Bangladesh Shilpa Bank in 2010, is a rare instance of a sound state bank. The bank has always been in the green, and last year, logged in a profit of BDT 45 million. At the end of last year, the bank had no provisioning shortfall and a capital surplus of BDT 6.05 billion. Its defaulted loans stood at BDT 5.95 billion, which is 34% of its total outstanding loans.

- The law to allow the merger will be in place over the next six months, according to the Finance Minister. Last month, the cabinet has approved in principle the amendment to the Bank Company Act, which includes the provision to merge weak banks with strong ones as well as a clear outline of habitual defaulters and the actions that can be taken against them. Banks that go from bad to worse to worst will be "forcibly merged" with the sounder ones, the minister said.

<https://www.thedailystar.net/frontpage/news/basic-bank-bdbl-merger-cards-2108637>

### **Bangladesh Bank extends policy supports to importers until Dec 31**

- The central bank has extended the tenure of its different policy supports to importers by six more months amid the ongoing Covid-19 pandemic, officials said. Under the policy supports, advance payment of up to USD 0.50 million or equivalent can be made without repayment guarantee for import of coronavirus-related life-saving drugs, medical kits/equipment and other essential medical items.

- The BB also allowed usance period to settle payments for input imports by industrial importers up to 360 days instead of 180 days. Besides, usance period has been extended up to 360 days instead of 180 days for imports of agricultural implements and chemical fertilizers.

<https://today.thefinancialexpress.com.bd/last-page/bb-extends-policy-supports-to-importers-until-dec-31-1623348485>  
<http://www.newagebd.net/article/140371/policy-support-for-covid-medicine-import-extended-till-dec>

### **Relief for customers as Bangladesh Bank cuts charges on deposits, loans**

- The central bank yesterday either lowered or eliminated charges on deposits and loans, bringing an end to the excessive fees and commissions that banks used to impose on customers. In a new development, clients will now be able to open a savings account with an initial deposit of BDT 500 and a current account with BDT 1,000. A borrower previously had to count 2% of the outstanding loan amount for an early settlement of a credit. Now, clients will have to pay a 0.5% charge if they settle early.

- For the disbursement of loans up to BDT 5 million, lenders can charge a maximum of 0.5% as a processing fee, which will not exceed BDT 15,000. If the loan amount is more than BDT 5 million, the processing fee can be 0.3% with the cap set at BDT 20,000.

- Banks cannot impose any loan application fees while businesses in the CMSME and farm sectors will be allowed to reschedule their default loans without any charge. When it comes to rescheduling loans for businesses in other sectors, lenders can charge a maximum of 0.25%, but no more than BDT 10,000, of the outstanding loan.

<https://www.thedailystar.net/business/news/relief-customers-bb-lowers-charges-deposits-loans-2108837>  
<https://www.tbsnews.net/economy/banking/applying-loan-now-cost-free-258961>  
<http://www.newagebd.net/article/140372/bangladesh-bank-cuts-term-loan-early-settlement-fee-by-75pc>

## Important News: Capital Market

### Two banks, one NBFIs to issue BDT 14 billion bonds

• The boards of directors of three listed firms, including two banks, have decided to issue different types of bonds worth BDT 14 billion to strengthen their capital base. The companies are National Credit and Commerce Bank, Dhaka Bank and Delta Brac Housing Finance Corporation. NCC Bank will issue non-convertible subordinated bond worth BDT 7.0 billion, Dhaka Bank to issue BDT 4.0 billion perpetual bond while Delta Brac Housing Finance will issue BDT 3.0 billion zero coupon bond.

• NCC Bank: NCC Bank has decided to issue 'NCC Bank non-convertible subordinated bond-2' worth BDT 7.0 billion. The bank will issue bond to have capital support of the company under Tier 2 category of BASEL III, according to the filing. Dhaka Bank: Dhaka Bank has decided to raise BDT 4.0 billion through issuance of contingent-convertible perpetual bond as additional Tier-1 (AT-1) capital to support the bank's Basel- III compliance in line with Bangladesh Bank guidelines on risk based capital adequacy in December, 2014. DBH: The board of directors of Delta Brac Housing Finance Corporation has decided to raise BDT 3.0 billion through issuance of non-convertible zero coupon bonds.

<https://today.thefinancialexpress.com.bd/first-page/two-banks-one-nbfi-to-issue-BDT-14bonds-1623866766>

### CDC, Norfund to invest USD 10 million in ACI Motors

• UK state-owned development finance institution CDC and Norwegian state-owned investment fund Norfund together will invest USD 10 million in ACI Motors, announced the recipient company Sunday. The investment follows the trail of Dutch development financier FMO's USD 15 million investments in ACI Motors last year. Sixty five% of the upcoming investment equivalent to around BDT 840 million would be used as capital expenditures, while the remaining amount would be spent as working capital, said the managing director of the agro machinery and automobile subsidiary of ACI Limited.

• They will further expand the capacity of our existing Yamaha motorcycle manufacturing plant and the agro machinery units, he said, adding, They are also planning to set up an assembly plant for Foton branded commercial vehicles. With money pouring in, Yamaha motorcycle manufacturing plant would see the annual capacity go up to 1,08,000 units immediately, which will be raised to 140,000 units later. Besides, the company is continuously expanding its farm machinery capacity, and planning for assembling combine harvesters to further consolidate its market leadership.

<https://www.tbsnews.net/economy/corporates/cdc-norfund-invest-10-million-aci-motors-260368>

### No floor price facility for newly listed companies: Bangladesh Securities and Exchange Commission (BSEC)

• The Bangladesh Securities and Exchange Commission has decided not to offer the floor price facility to newly listed companies. Previously, floor prices for newly listed companies were face value for companies coming through fixed price method or cut-off price for companies coming through book building method and last trading price for companies

coming from the over-the-counter market as per the BSEC instruction, DSE officials said. In lieu of the floor price mechanism, regular circuit breaker will be imposed on the new and relisted companies, they said.

<http://www.newagebd.net/article/140870/no-floor-price-facility-for-newly-listed-companies-bsec>

### BSEC urges IDRA to take steps to enlist 21 insurance companies on bourses

• The Bangladesh Securities and Exchange Commission has urged the Insurance Development and Regulatory Authority to take necessary steps for listing 21 insurance companies on the country's stock exchanges. BSEC executive director and spokesperson said that the commission issued a letter to request the insurance regulator for taking necessary steps for listing the insurance companies on the bourse. He said that the regulator removed barriers to listing of insurance companies by providing them necessary exemptions of securities rules as per a request made by IDRA. However, 21 insurance companies are yet to apply for public offer, he said.

<http://www.newagebd.net/article/140966/bsec-urges-idra-to-take-steps-to-enlist-21-insurance-cos-on-bourses>

### Intech restructures board to revive business

• Poorly performing IT firm Intech Limited has restructured its board by electing a new chairman and a vice chairman to revive its business. According to the Dhaka Stock Exchange (DSE) website, the new board has elected Barrister Khandaker Reza-E-Raquib, a current sponsor shareholder of Modhumoti Bank, as the chairman and Atiqul Alam Chowdhury, director of S Alam Group, as the vice chairman. Early this year, people involved in Chattogram-based conglomerate S Alam Group and KDS Group joined the Intech board as part of complying with the regulatory provision of jointly holding 30% of the company's shares by the shareholder directors.

<https://www.tbsnews.net/economy/corporates/intech-restructures-board-revive-business-261457>

### Re-listed companies' shares shine on first day of trading

• Share prices of four re-listed firms, which started trading on the bourses' main market on Sunday, hit the upper limit circuit breaker on first day of trading. The companies are Bangladesh Monospool Paper Manufacturing Company, Paper Processing and Packaging, Tamijuddin Textile Mills and Monno Fabrics. The companies started trading on the main market of Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) from Sunday after being degraded in the over-the-counter (OTC) market since 2009. The shares of the companies, which were de-listed from the main market or non-compliant, are traded on the OTC market.

<https://today.thefinancialexpress.com.bd/stock-corporate/re-listed-cos-shares-shine-on-first-day-of-trading-1623605876>

<https://www.tbsnews.net/economy/stocks/sellers-hold-four-otc-returnees-260392>

### Ring Shine Textiles resumes partial operation after 9 months

• With help of the securities regulator, the Ring Shine Textiles Ltd has partially resumed its factory operation with 25% capacity on Sunday, after keeping it closed for nine months. Earlier, in September last year, the company declared to shut the factory due to order cancellation for the Covid-19 pandemic and working capital shortage. The company owned by Singaporean entrepreneurs raised a fund of BDT 1.50 billion from investors to set up denim plants and repay bank loans in 2019.

<https://www.tbsnews.net/economy/rmg/ring-shine-textiles-resumes-partial-operation-after-9-months-260386>

<https://www.thedailystar.net/business/economy/news/ring-shine-resume-partial-production-2110525>

### eGeneration implements intelligent cloud solution of Microsoft for IFAD Group

• eGeneration has recently implemented integrated intelligent cloud and modern workplace solutions of Microsoft in IFAD group and its subsidiaries in Bangladesh. The solutions included a host of enterprise software like productivity and collaboration tools and task management software under a secured cloud platform. The provided solutions will protect and secure the organization's data by maintaining security, compliance, and most importantly, enabling the employees to work in new and flexible ways. eGeneration worked closely with employees of IFAD group to ensure proper training to empower them and help them increase their productivity.

<http://www.newagebd.net/article/140524/egeneration-implements-intelligent-cloud-solution-of-microsoft-for-ifad-group>

<https://www.dhakatribune.com/business/2021/06/13/egeneration-sets-up-microsoft-workplace-solutions-for-ifad-group>

### 30 new DSE TRECs to begin operation soon

• Dhaka bourse is ready to handover 30 new TRECs (trading right entitlement certificates) very soon as the process of issuing such trading licenses has already been completed. The officials of Dhaka Stock Exchange (DSE) said the new TRECs are likely to be distributed within two weeks to the companies which got the regulatory consent to start trading operations in the capital market. The number of existing brokerage firms on the premier bourse is 250. The DSE found no claimants of four firms, while another eight firms are not active in operations. As a result, 238 firm presently are active in operations.

<https://today.thefinancialexpress.com.bd/stock-corporate/30-new-dse-trecs-to-begin-operation-soon-1623511098>

### NRB Commercial Bank to issue BDT 5 billion subordinated bond

• NRB Commercial Bank Ltd decided to issue coupon bearing subordinated bonds worth BDT 5 billion to fuel its microcredit and regular credit programmes across the country. The new generation bank, recently listed in the stock market, has informed that the proceeds would strengthen its Tier II capital if the bonds are approved by the regulatory authorities. The bonds would be non-convertible, unsecured, coupon bearing and subordinated ones.

<https://www.tbsnews.net/economy/banking/nrb-commercial-bank-issue-BDT500-crore-subordinated-bond-258919>

### Shahjalal Bank plans to raise BDT 5 billion via bonds

• The Shahjalal Islami Bank is planning to issue mudarabah perpetual bonds to raise BDT 4.5 billion through private placement and BDT 500 million through public offer.

<https://www.tbsnews.net/economy/banking/shahjalal-bank-plans-raise-BDT-5bn-bonds-258646>

### Nialco makes flying debut on CSE SME Platform

• Shares of Nialco Alloys, which raised BDT 75 million through qualified investors offer (QIO), were halted at 10% upper circuit breaker, as price limit was as usual applicable circuit breaker from its debut trading. Only registered qualified investors, including institutional and high net worth individuals, are eligible to participate in trading of securities in SME Trading Platform.

• Nialco Alloys will apply for trading on the Dhaka Stock Exchange (DSE) later on, officials said. Incorporated in June 2011 as a public limited company, Chittagong-based Nialco Alloys is a 100% export-oriented company.

<https://today.thefinancialexpress.com.bd/stock-corporate/nialco-makes-flying-debut-on-cse-sme-platform-1623342312>

<https://www.thedailystar.net/business/news/nialco-debuts-cse-2108785>

<http://www.newagebd.net/article/140362/first-sme-makes-debut-on-cse>