

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+2.35%) gained 124.84 points and closed the week at 5,435.03 points. The blue-chip index DS30 (+3.00%) gained 60.73 points and stood at 2,087.55 points. The Shariah-based index DSES (+2.34%) gained 28.31 points and stood at 1,237.39 points. The large cap index CDSET (+2.52%) gained 28.79 points and closed at 1,169.52 points. DSEX, DS30, DSES and CDSET showed YTD returns of +0.61%, +6.29%, -0.38%, +4.14%, respectively.

Total Turnover During The Week (DSE): BDT 42.6 billion (USD 501 million)

Average Daily Turnover Value (ADTV): BDT 8.5 billion (Δ Week: +68.8%)

Market P/E: 18.6x

Daily Index Movement during the Week:

Market performed five sessions during this week. In the first session, market performed positively by +0.40% and continued to be positive in the remaining sessions by +0.35%, +1.34%, +0.03%, and +0.22% respectively.

Sectoral Performance:

- All the financial sectors posted positive performance this week except Bank (-0.56%). General Insurance booked the highest gain of 9.70% followed by NBF (4.39%), Life Insurance (+2.22%), and Mutual Fund (+1.99%).

- Non-financial sectors posted mixed performance this week. Pharmaceutical booked the highest gain of 2.61% followed by Fuel & Power (+1.90%), and Engineering (+0.38%). Food & Allied experienced the highest loss of 0.99% followed by Telecommunication (-0.33%).

Macroeconomic arena:

- The government allocation for public expenditure on goods and services will witness a significant rise in the coming years after a slight dip in the last couple of years. The government has estimated to spend BDT 401.3 billion, which is 6.6% of the budget, for public expenditure in the coming 2021-22 fiscal. The country is likely to get BDT 5.93 trillion budget for 2021-22 fiscal, BDT 253.14 billion higher than the running one, aiming to face the COVID-19 pandemic challenge for recovering the economy, according to a government document.

- Despite the uncertainty caused by the coronavirus pandemic, international clothing brands are confident that Bangladesh will remain a major source of apparels in the coming months. China, Bangladesh, Sri Lanka and Vietnam are major players in the global supply chain of the apparel business. Medium-term challenges will closely correlate with the extent to which the coronavirus is contained. The second wave has significantly reduced demand in prominent markets such as the US, the UK, and the EU. A significant shift in the distribution of export orders by buyers during the Covid-19 period (January-June 2020) has deprived several major supplying countries, including Bangladesh and Sri Lanka. Bangladesh's share in global knitwear markets fell from 8% in the pre-pandemic level to 6% in June last year. Similarly, the country's share in the woven segment declined from 7% to 6% during the period.

- The point-to-point inflation increased to 5.47% in March last as the prices of some essential items went up mainly in the rural areas. The inflation rate increased by 0.15 percentage points in March last from that of 5.32% in the previous month (February). Both the food and non-food inflation rates increased in the last month compared to the previous month of February. The food inflation increased by 0.09 percentage points to 5.51% in the last month from that of 5.42% in the previous month of February. The non-food inflation also increased slightly by 0.22 percentage points to 5.39% in March from 5.17% in the previous month.

Stock Market arena:

- The securities regulator has approved the first proposal for raising capital by an SME, namely Nialco Alloys, through the qualified investor offer (QIO). The company seeking to raise a capital worth BDT 75 million will be listed on the SME platform of the stock exchange. The maiden approval to the QIO of Nialco Alloys, a manufacturer of grade bronze and brass ingots, came Thursday. The regulatory approval came as part of the move taken to ensure long-term financing for the SME (Small and medium-sized enterprise) sector.

- Unique Meghnaghat Power is going to sell an 11.76% stake to Doha-based power development and investment company Nebras Power Investment Management BV worth USD 24.06 million or BDT 2.06 billion.

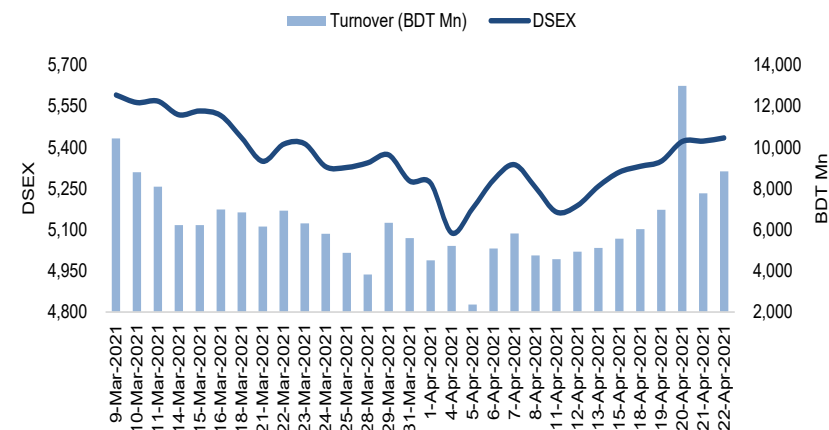
Table 1: Index

Index	Closing	Opening	Δ (Pts)	30-Dec-2019	Δ % Week	Δ %YTD
DSEX	5,435.03	5,310.19	+124.84	5,402.07	+2.35%	+0.61%
DS30	2,087.55	2,026.82	+60.73	1,963.96	+3.00%	+6.29%
DSES	1,237.39	1,209.08	+28.31	1,242.11	+2.34%	-0.38%
CDSET	1,169.52	1,140.73	+28.79	1,123.03	+2.52%	+4.14%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	4,683,168	4,627,544	
	Mn USD	55,122	54,467	+1.2%
Turnover	Mn BDT	42,599	20,192	+111.0%
	Mn USD	501	238	
Average Daily Turnover	Mn BDT	8,520	5,048	+68.8%
	Mn USD	100	59	
Volume	Mn Shares	1,037	569	+82.3%

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
AGRANINS	53.5	41.3	+29.5%	1,699	551.7	32.7x	3.1x
SPCERAMICS	27.0	21.1	+28.0%	3,968	358.9	NM	0.9x
HEIDELBCEM	225.4	177.7	+26.8%	12,736	119.7	NM	3.3x
DHAKAINS	62.4	49.7	+25.6%	2,504	221.9	25.8x	3.1x
DGIC	41.0	33.4	+22.8%	1,640	452.3	50.6x	3.6x
EASTERNINS	115.7	96.0	+20.5%	4,988	311.4	29.0x	2.6x
MIDASFIN	20.6	17.1	+20.5%	2,863	34.9	9.9x	1.8x
RDFOOD	26.5	22.4	+18.3%	1,955	368.6	NM	1.8x
UNITEDINS	52.1	44.2	+17.9%	2,318	45.2	22.3x	1.5x
CRYSTALINS	52.3	44.9	+16.5%	2,092	540.5	25.9x	2.7x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
JAMUNABANK	16.6	18.8	-11.7%	12,437	134.4	3.6x	0.5x
JUTESPINN	93.3	103.6	-9.9%	159	0.1	NM	NM
RINGSHINE	4.9	5.4	-9.3%	2,476	2.8	17.1x	0.3x
KPCL	34.3	37.8	-9.3%	13,631	24.4	11.4x	1.5x
MLDYEING	37.9	41.7	-9.1%	8,809	0.0	69.8x	2.4x
SONARGAON	19.4	21.3	-8.9%	513	0.7	NM	0.8x
SAIHAMTEX	18.8	20.5	-8.3%	1,703	0.2	NM	0.4x
SHURWID	16.9	18.4	-8.2%	970	0.0	12.2x	1.3x
MTB	18.5	20.1	-8.0%	12,363	33.5	10.1x	0.8x
VFSTDL	17.4	18.9	-7.9%	1,837	1.1	13.4x	1.0x

Table 5: Top Ten Most Traded Shares

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
BEXIMCO	85.7	76.5	+12.0%	75,101	6,511	NM	1.2x
LANKABAFIN	33.5	29.0	+15.5%	18,051	1,819	25.4x	1.9x
BDFINANCE	36.6	34.9	+4.9%	6,499	1,818	19.4x	2.1x
BXPBARMA	191.2	181.1	+5.6%	85,297	1,698	21.3x	2.4x
BATBC	523.6	529.5	-1.1%	282,744	1,444	26.0x	2.8x
ROBI	45.6	45.9	-0.7%	238,850	1,437	NM	3.6x
LHBL	57.7	52.9	+9.1%	67,011	1,210	28.4x	3.9x
ASIAPACINS	71.3	61.4	+16.1%	3,020	992	39.3x	3.4x
SUMITPOWER	44.0	42.9	+2.6%	46,987	564	8.6x	1.4x
AGRANINS	53.5	41.3	+29.5%	1,699	552	32.7x	3.1x

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	35.3	+253.0%	2,648	34.4x	1.7x
ROBI	45.6	+53.0%	238,850	NM	3.6x
HEIDELBCEM	225.4	+50.7%	12,736	NM	3.3x
BATBC	523.6	+33.0%	282,744	26.0x	2.8x
LHBL	57.7	+20.7%	67,011	28.4x	3.9x
BERGERPBL	1,702.6	+19.1%	78,963	32.0x	8.1x
SUMITPOWER	44.0	+13.1%	46,987	8.6x	1.4x
RECKITT BEN	4,547.9	+12.4%	21,489	29.4x	41.7x
RENATA	1,224.9	+10.7%	119,364	27.0x	5.2x
EBL	39.4	+9.4%	31,985	7.7x	1.1x

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1,277.68	1,284.87	1,372.63	-0.56%	-6.92%
NBFIs	1,844.49	1,766.92	2,033.53	+4.39%	-9.30%
Mutual Funds	875.31	858.22	959.61	+1.99%	-8.78%
General Insurance	4,053.20	3,694.69	4,103.56	+9.70%	-1.23%
Life Insurance	2,025.72	1,981.75	2,162.58	+2.22%	-6.33%
Telecommunication	6,143.33	6,163.90	5,463.26	-0.33%	+12.45%
Pharmaceuticals	3,339.82	3,254.84	3,306.03	+2.61%	+1.02%
Fuel & Power	1,640.03	1,609.52	1,618.11	+1.90%	+1.35%
Cement	1,786.88	1,637.67	1,416.18	+9.11%	+26.18%
Services & Real Estate	1,035.27	1,034.55	1,083.79	+0.07%	-4.48%
Engineering	4,284.51	4,268.29	3,959.20	+0.38%	+8.22%
Food & Allied	20,572.70	20,779.04	14,705.76	-0.99%	+39.90%
IT	2,115.12	2,075.08	2,350.28	+1.93%	-10.01%
Textiles	904.64	922.94	1,087.41	-1.98%	-16.81%
Paper & Printing	5,176.49	5,190.08	5,487.56	-0.26%	-5.67%
Tannery	1,671.86	1,653.42	1,771.77	+1.12%	-5.64%
Jute	9,309.04	8,634.35	12,154.61	+7.81%	-23.41%
Ceramics	514.92	471.21	472.38	+9.28%	+9.01%
Miscellaneous	3,569.36	3,411.13	2,539.70	+4.64%	+40.54%

Table 7: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Bank	329.5	348.0	-5.3%	4.3%	7.1x	0.7x
NBFI	852.8	377.5	+125.9%	11.2%	54.2x	3.0x
Mutual Fund	163.2	106.1	+53.8%	2.1%	NM	0.8x
General Insurance	2,109.5	1,637.8	+28.8%	27.7%	21.8x	2.0x
Life Insurance	52.0	26.3	+97.8%	0.7%	NM	NM
Telecommunication	349.9	275.1	+27.2%	4.6%	18.9x	6.3x
Pharmaceutical	602.6	306.5	+96.6%	7.9%	21.4x	2.6x
Fuel & Power	392.6	327.4	+19.9%	5.2%	13.0x	1.4x
Cement	294.9	123.6	+138.5%	3.9%	28.1x	2.5x
Services & Real Estate	64.9	27.6	+135.2%	0.9%	NM	0.8x
Engineering	236.3	116.6	+102.7%	3.1%	33.7x	2.5x
Food & Allied	466.2	150.1	+210.5%	6.1%	33.8x	3.3x
IT	56.7	28.3	+100.0%	0.7%	25.0x	1.9x
Textile	112.2	63.1	+77.8%	1.5%	NM	0.6x
Paper & Printing	2.0	1.4	+48.9%	0.0%	57.9x	1.0x
Tannery	14.9	17.0	-12.0%	0.2%	NM	1.8x
Jute	16.0	2.2	+630.4%	0.2%	NM	14.7x
Ceramics	89.3	32.8	+172.2%	1.2%	66.3x	1.7x
Miscellaneous	1,400.2	577.7	+142.4%	18.4%	50.5x	1.9x

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	44.0	-31.6%	2,845	15.4x	1.7x
KPCL	34.3	-24.3%	13,631	11.4x	1.5x
MTB	18.5	-23.2%	12,363	10.1x	0.8x
MIRAKHTER	63.3	-21.9%	7,645	25.2x	1.4x
ESQUIRENIT	21.3	-19.0%	2,873	13.7x	0.6x
SHASHADNIM	18.2	-15.7%	2,567	12.4x	0.4x
UNIQUEHRL	33.7	-14.9%	9,921	74.9x	0.4x
IPDC	24.0	-13.0%	8,906	12.9x	1.5x
OLYMPIC	166.9	-12.7%	33,370	16.3x	4.0x
MPETROLEUM	174.1	-12.1%	18,840	6.5x	1.1x

Important News: Business & Economy

BDT 6 trillion budget for FY'22 on the anvil

• The government allocation for public expenditure on goods and services will witness a significant rise in the coming years after a slight dip in the last couple of years, reports UNB. The government has estimated to spend BDT 401.3 billion, which is 6.6% of the budget, for public expenditure in the coming 2021-22 fiscal. The country is likely to get BDT 5.93 trillion budget for 2021-22 fiscal, BDT 253.14 billion higher than the running one, aiming to face the COVID-19 pandemic challenge for recovering the economy, according to a government document.

<https://today.thefinancialexpress.com.bd/trade-market/BDT-6tn-budget-for-fy-22-on-the-anvil-1618764465>

<https://www.tbsnews.net/economy/BDT6-trillion-budget-works-2021-22-govt-eyes-increased-outlay-capital-expenditure-233311>

Clothing brands still see Bangladesh as a major supplier: CPD-IPS study

• Despite the uncertainty caused by the coronavirus pandemic, international clothing brands are confident that Bangladesh will remain a major source of apparels in the coming months, according to a new study. The Centre for Policy Dialogue (CPD), a think-tank based in Dhaka, and the Institute of Policy Studies (IPS) of Sri Lanka, carried out the study.

• China, Bangladesh, Sri Lanka and Vietnam are major players in the global supply chain of the apparel business. Medium-term challenges will closely correlate with the extent to which the coronavirus is contained. The second wave has significantly reduced demand in prominent markets such as the US, the UK, and the EU, the study said. A significant shift in the distribution of export orders by buyers during the Covid-19 period (January–June 2020) has deprived several major supplying countries, including Bangladesh and Sri Lanka. Bangladesh's share in global knitwear markets fell from 8% in the pre-pandemic level to 6% in June last year. Similarly, the country's share in the woven segment declined from 7% to 6% during the period.

<https://www.thedailystar.net/business/news/clothing-brands-still-see-bangladesh-major-supplier-2081669>

<https://today.thefinancialexpress.com.bd/first-page/bd-to-keep-major-source-tag-1619028280>

Inflation rises to 5.47% in March

• The point-to-point inflation increased to 5.47% in March last as the prices of some essential items went up mainly in the rural areas, according to official data released on Thursday. The Bangladesh Bureau of Statistics (BBS) showed that the inflation rate increased by 0.15 percentage points in March last from that of 5.32% in the previous month (February). The rate was 5.48% in the same month a year ago, the BBS statistics showed.

• Both the food and non-food inflation rates increased in the last month compared to the previous month of February. The food inflation increased by 0.09 percentage points to 5.51% in the last month from that of 5.42% in the previous month of February. The non-food inflation also increased slightly by 0.22 percentage points to 5.39% in March from 5.17% in the previous month.

<https://today.thefinancialexpress.com.bd/first-page/inflation-rises-to-547pc-in-march->

[1618510236](#)

ADP execution lowest in 11 years

• The government agencies implemented only about 42% of the revised development projects in the first three quarters of the current fiscal year (FY) which is the lowest in more than a decade, officials said on Thursday. They said the overall implementation rate this year deteriorated due to the health ministry's incapability to implement projects. The ministry, holding 5th largest development budget this FY, could implement only about 21% of its Annual Development Programme (ADP) during the July-March period of FY2020-21. According to the Implementation Monitoring and Evaluation Division (IMED) report, all the government ministries and agencies executed 41.92% of the ADP, 3.16 percentage points lower than that of the same period last FY20.

• A senior Planning Commission (PC) official said the government's development works are still in the frail trajectory as the public agencies' project execution capacity are not improving over the years. Some people may show Covid-19 as an excuse, but as the economy restarted at full speed from early this FY2021, the worst performance was unusual and unpredictable, he added. The economic activities restarted nine months ago and the ministries and agencies concerned got enough space to achieve their development targets for FY2021, he said, raising a question why the implementation rate lagged behind the previous year's performance.

<https://today.thefinancialexpress.com.bd/first-page/adp-execution-lowest-in-11-yrs-1618510181>

Middle class savings under pressure

• In the banking sector, money is now cheaper than ever before. Low interest rates are a blessing for borrowers but a curse for the middle class depositors who depend on interest earnings. Money in the bank is now a loss for them. Most banks in the country are currently offering interest rates ranging from 3% to 4% against savings – far below the 5.63% inflation rate as of February this year. Most banks have brought down their cost of funds to below 3% following the single digit lending rate set from 1 April last year, making these depositors losers.

• The dilemma of the middle class has also come to the central bank's attention. The regulator last week halved the account maintenance fee for this year, taking the pandemic into account. Depositors who have a deposit of up to BDT 1 million in their savings accounts in 2021 will get this facility. This facility will not be applicable for current accounts. According to the decision, banks will deduct the account maintenance fee once instead of twice for this year.

<https://www.tbsnews.net/economy/banking/middle-class-savings-under-pressure-235321>

Steel structure business slumps 50% in pandemic

• The steel structure industry witnessed a 50% decline in business during the ongoing coronavirus pandemic, according to the Steel Building Manufacturers Association of Bangladesh. Industry insiders said private entrepreneurs are reluctant to invest more in new projects, which caused the slump. The industry is fully dependent on imported raw materials. Due to economic recessions and worldwide Covid-19 restrictions, raw material prices increased by around 40%, causing product costs to increase as well. But industry

players could not increase the prices of finished products due to poor demand.

- The steel structure industry has been growing in Bangladesh for 30 years riding on industrialization and big government projects. According to industry insiders, around 100 companies are now providing PEB solutions in Bangladesh and at least 20 firms entered the market in the last five years. Despite challenges, steel structure companies say they will make big investments in the coming days. Bangladesh Building System is to invest BDT 160 million to modernise its factory, complying with the requirements of its foreign buyers who want to build factories in Bangladesh.

<https://www.tbsnews.net/economy/industry/steel-structure-business-slumps-50-pandemic-235249>

Footwear business caught in doldrums again before Eid

- The shoe industry logs one third of the annual sales ahead of Eid-ul-Fitr. Hoping for maximum return, businessmen make preparations to grab the market. This year, sales before the festival could make up part of the loss incurred throughout the year because of the pandemic, but the lockdown extended to 28 April slimmed the possibility. Shops are closed and customers and shoemakers alike are confined to their homes. There are as many as 500 shoemakers, including more than 15 well-known brands, in the country. The market is rather dominated by small companies, employing a few hundreds of thousands of men and women. The market expanded, as the economy grew, at a rate of 12-15% a year before the pandemic broke out in the country. After registering a decline in the annual growth last year, businessmen were looking forward to overcoming their losses this year.

<https://www.tbsnews.net/economy/industry/footwear-business-caught-doldrums-again-eid-234745>

Lockdown up to April 28 as circular issued

- The government issued a circular on Tuesday, extending the ongoing hard lockdown by seven more days up to April 28. The Cabinet Division issued the circular, stating that the strict restriction on public movement and gathering, imposed last week, would remain in force during the extended period. But special international flights and banking activities would continue during the upcoming seven days of complete lockdown, it said.

<https://today.thefinancialexpress.com.bd/first-page/lockdown-up-to-april-28-as-circular-issued-1618942292>

NBFI borrowers can defer repayments till June

- Borrowers of non-bank financial institutions (NBFIs) will get a fresh repayment deferral support of three months till June 30 this year. Bangladesh Bank (BB) yesterday said such borrowers who were facing trouble in paying instalments during the Covid-19 pandemic would be eligible. The NBFIs' clients also enjoyed a loan moratorium facility throughout last year. The central bank extended the loan moratorium facility due to the second wave of the coronavirus pandemic, said a BB official who was engaged on the issue. The NBFIs will not be allowed to impose any penal interest, extra fee, commission or charge.

- Around a month back, the BB enabled a fresh repayment deferral support for the borrowers of banks for three months, albeit subject to the bank-customer relations. In a circular on March 24, it said banks would have to take this support into consideration for clients who were unable to pay their instalments on time. Borrowers were to start paying the

instalments from the second quarter.

<https://www.thedailystar.net/business/news/nbfi-borrowers-can-defer-repayments-till-june-2081009>

<https://www.tbsnews.net/economy/banking/nbfi-borrowers-get-further-respite-loan-repayments-234544>

Sputnik V vaccine: Russia offers to sell 25 million shots

- The Russian government has offered Bangladesh to either buy around 25 million doses of Sputnik V Covid-19 vaccine or produce the shots locally with its assistance. He said the Russian government also offered exporting another 35 million doses of the vaccine by April next year in phases.

- Asked whether Bangladesh is capable of producing such a huge number of vaccine shots, the Health Ministersaid they inspected several local drug manufacturers who were capable enough to produce the vaccine. The move comes amid an uncertainty over availability of vaccine shots from Serum Institute of India (SII). With Serum failing to comply with an agreement to supply 30 million jabs of Covishield to Bangladesh in six instalments, the Bangladesh government started exploring alternative sources for shots in a desperate attempt to continue the ongoing inoculation drive against novel coronavirus.

- Russia approved the Sputnik V vaccine for domestic use in August last year. India recently approved the use of Sputnik V as the country faces shortages of jabs amid an intensifying second wave of the deadly Covid-19 virus. The health minister said apart from Russia, some local companies have already started discussions on importing vaccines manufactured by US drugmaker Moderna.

<https://www.thedailystar.net/frontpage/news/sputnik-v-vaccine-russia-offers-sell-25cr-shots-2081149>

<https://www.tbsnews.net/coronavirus-chronicle/covid-19-bangladesh/5-other-vaccine-proposals-under-review-234646>

Creating an enabling ecosystem for fintech

- Covid-19 has accelerated technology adoption across the board. A key sector that has witnessed a boom is financial services, viz. mobile financial service (MFS), cards, and other alternative payment methods. Fintech has unpredictably and truly arrived in Bangladesh.

- Recent health and movement restrictions resulted in registered MFS users increasing by 24% (around 20 million new users) between January of 2020 and 2021, where the number and volume of transactions increased by around 30% and 36% respectively. Electronic funds transfer (EFT) transactions, or digital transfers between bank accounts, increased nearly 2.5 times between February and June 2020. Debit and credit card transaction volume also increased by 24% and 16% respectively, and 23 million cards were distributed in the country by January 2021.

Digital transaction of remittance is also growing. In 2020, Bangladesh received USD 19.8 billion in inward remittances, 7.6% increase from 2019. Online platforms such as RemitPrime, launched by Prime Bank, and MyCash, a platform launched in Singapore, allow direct transfers to any bKash wallet in Bangladesh.

<https://www.thedailystar.net/business/news/creating-enabling-ecosystem-fintech-2080993>

Go on with policy support to fight second wave: IMF

- Bangladesh faces challenges in sustaining the effective response it unveiled in the initial phase of the pandemic last year as it grapples with a devastating second wave of the deadly pathogen, the International Monetary Fund has said. When asked about the types of fiscal measures the government needs to take to address the pandemic-induced economic downturn, deputy director for the Asia and Pacific Department of the IMF said that the challenge for policy was to sustain the effective response that Bangladesh made during the initial phase of the crisis.
- Since Covid-19 hit Bangladesh on March 8 last year, the government has announced 23 stimulus packages involving BDT 1.24 trillion, which is more than 4% of the country's gross domestic product. As of March 18 this year, banks disbursed about BDT 130.11 billion among 89,892 borrowers under the stimulus package worth BDT 200 billion earmarked for the SME sector, data from the central bank showed. Despite extending the deadline thrice by the central bank, many banks showed unwillingness to disburse loans to the SME sector, which is considered the bedrock of the economy. The Bangladesh Bank has recently asked banks to disburse the fund by June. Banks have disbursed 72% of the stimulus package for the farm sector, which received BDT 50 billion.

<https://www.thedailystar.net/business/news/go-policy-support-fight-second-wave-imf-2080421>

Cigarette, mobile, pharma sectors pay higher VAT

- Three sectors - cigarette, pharmaceuticals and mobile phone - made an impressive contribution to the government's revenue collection efforts during the first three quarters of the current fiscal year despite the disruptions being caused by the Covid pandemic to the country's economy. In the first three quarters of the current fiscal year (FY), 2020-21, VAT collection from large taxpayers grew by 9.17% thanks to those three sectors, officials said. Cigarette industry was the largest contributor, as usual.
- Increase in price of cigarettes and hike in Supplementary Duty (SD) levied in the budget also helped to collect higher revenue from cigarette sector. Price of low-tier cigarettes increased by BDT 2.0 in the budget, while its SD rose to 57% from 55%. On the other hand, tax and price slab of medium-tier cigarette remained unchanged, while prices for high-tier and premium quality increased by BDT 4.0 and BDT 5.0 respectively.

<https://today.thefinancialexpress.com.bd/first-page/cigarette-mobile-pharma-sectors-pay-higher-vat-1618855605>

<https://www.newagebd.net/article/135853/vat-receipts-from-big-cos-grow-by-917pc-in-july-march>

Directorate of National Savings (DNS) to be lone seller to institutional investors

- The government is considering selling savings instruments to institutional buyers only by savings directorate offices instead of banks and post offices with intent to check intrusion of illicit funds. As part of automation to curb misuse of the facility, a senior finance ministry official said, the sale of certificates to institutional investors only by the directorate is under consideration. Government, private sector and autonomous bodies are allowed to invest their provident funds in buying 'Five-year Bangladesh Sanchayapatra' of the Directorate of National Savings (DNS) as institutional investors. There is no upper or lower limit for recognised provident funds in buying the designated savings certificate, meaning they can

buy as much as they need.

- According to DNS officials, the banks and post offices, which sell savings tools, do not conduct due diligence properly. Thus, possibilities are there that unauthorised persons or companies may take the advantage and make investment in savings instruments, they said.
- The government in 2020 found that the sale of savings tools went up unusually and feared the investment of unauthorised or undeclared money. Later, the government automated the selling of savings tools and made submission of taxpayer's identification number mandatory for buying the instruments. This has helped check the buying of savings tools with undeclared money, officials said. The government set a net borrowing target of BDT 200 billion by selling savings tools this fiscal year. However, the net borrowing till February 2021 reached BDT 293 billion.

<https://today.thefinancialexpress.com.bd/last-page/dns-to-be-lone-seller-to-institutional-investors-1618856179>

Payra downgraded to seaport from deep seaport

- After five years of effort, the government has given up the idea to build a deep seaport in Payra and decided to build a regular seaport there, says State Minister for Shipping. Accordingly, the port site has been relocated from its original offshore location by 65 kilometres to an onshore location at the mouth of the Rabnabad channel. Downgrading the project from deep seaport means Payra would not host any mother vessel or very large ships-- but smaller vessels like the ones handled by the Chattogram and Mongla ports. We are not building any deep seaport here considering that we are a cyclone-prone country and the southwestern region is most hit by cyclones, said the state minister.
- This will leave Bangladesh with just one deep seaport project in Matarbari near Maheshkhali that has an 18-metre draft – good enough for berthing mother vessels. The Matarbari deep seaport project is now being developed under a Japanese loan side by side with the Matarbari 1200-megawatt coal power project.

<https://www.tbsnews.net/bangladesh/infrastructure/payra-downgraded-seaport-deep-seaport-234118>

Annual Development Programme (ADP) spending slows in Jul-Mar

- The first nine months of the current fiscal year of 2020-21 saw slow implementation of the Annual Development Programme (ADP) with only 41.92% of the total outlay spent till March while development spending declined 3.27% year-on-year. But surprisingly, some ministries and divisions have made much progress in implementing their development programmes, in some cases much higher than the overall level of 41.92%. However, the implementation rates of sectors mainly related to fighting the pandemic are very low.
- The latest data from the Implementation Monitoring and Evaluation Department (IMED) shows that BDT 877.35 billion was spent from July to March against the total yearly ADP allocation of BDT 2.09 trillion. The expenditure in these nine months declined 3.27% year-on-year from BDT 907.04 billion spent in the same period last fiscal year.
- A former lead economist of World Bank's Dhaka office said it was easy to blame the pandemic for everything that has gone awry with ADP implementation this year. There certainly is truth in it, but it cannot be the whole truth, he said. He said this was evident from a comparison of ministries whose implementation rates were higher than the overall 41.9%

rate during the nine months till March and the ones whose implementation rates were lower.

<https://www.thedailystar.net/business/economy/news/adp-spending-slows-jul-mar-2079857>

Sun rising for Bangladesh Automotive Industry

- In less than a decade, the two-wheeler market in Bangladesh grew more than three times. During this period the source of supply shifted from the imports to the local manufacturing which accounts for more than 90% of the units sold here annually. Following the Motorcycle Industry Development Policy 2018, the government now is working to finalise the Automobile Industry Development Policy 2020.
- The deputy managing director of Ifad group said that prior to Covid-19, Bangladesh automobile market had been growing at an annual average of 15-20% rate while the auto parts market was growing at 12%. Both the growth rates are way above the respective global averages. With the noticeable national infrastructure investments for roads and highways, bridges and tunnels, and regional connectivity initiatives Bangladesh is likely to see a high demand for automobiles, like two-wheelers, passenger cars, light and heavy commercial vehicles or three-wheelers, in coming days too, he said.
- According to the Bangladesh Road Transport Authority (BRTA) there are more than 4.6 million registered motorised vehicles in Bangladesh, while a large number such vehicles, especially two and three-wheelers, are running without registration. Of the total registered vehicles, nearly 80% are two-wheelers, 5% are passenger cars, while buses and trucks together, pickups, auto rickshaws, vans, minibuses made the remainder of the pie.

<https://www.tbsnews.net/economy/industry/sun-rising-bangladesh-automotive-industry-233557>

World Bank fund of USD 7.5 million for PPE producers

- A USD 7.5 million fund monetised by the World Bank has been launched to help Bangladeshi companies producing medical and personal protective equipment (MPPE) to combat the Covid-19 pandemic. This Covid-19 Enterprise Response Fund (CERF) will provide loans ranging from USD 50,000 to USD 500,000 as part of the Export Competitiveness for Jobs (EC4J) Project. The term of the fund is from April this year to December 2022. Companies that manufacture Personal Protective Equipment (PPE), diagnostic equipment and clinical equipment for export and for local markets can avail loans from this fund. The companies must have three years of experience in the production of such products and have to maintain environmental protection rules.

<https://www.tbsnews.net/economy/world-bank-fund-75-million-ppe-producers-233407>
<https://www.newagebd.net/article/135737/govt-launches-75m-matching-grant-for-producing-mppe>

10,051 more accounts with BDT 10 million in 2020

- The number of bank accounts with over BDT 10 million in deposits has continued to grow even during the Covid outbreak, with banks adding 10,051 such accounts in 2020. Deposits in such accounts rose by BDT 277.01 billion to BDT 5.95 trillion in 2020 from BDT 5.68 trillion in 2019. The rapid surge in wealth accumulation by a small segment of people happened at a time when a large portion of the country's people was struggling hard for survival and many of them entered into poverty afresh during the Covid-hit 2020.

- The deposits in the accounts which are generally opened with BDT 10 as deposits to receive the government's assistance dropped by 80.82% to BDT 2.02 billion at the end of December 2020 from BDT 3.66 billion a year ago. It is not a good sign but it is a global phenomenon where income inequality is rising and we are observing the same situation in Bangladesh as well, Policy Research Institute executive director said.

<https://www.newagebd.net/article/135752/10051-more-accounts-with-BDT-1cr-in-2020>

Hundreds of factories out of operation

- Many small and medium scale manufacturing units, located in major industrial belts, that had faced closure during the first wave of Covid-19 are yet to resume operations, according to sources. Most of these units used to do subcontracting jobs. They could not resume operations for non-availability of work orders, they added. A total of 630 factories in Dhaka, Gazipur, Chattogram, Narayanganj and Khulna, remained closed since the beginning of the coronavirus outbreak in the country in March last year, according to Industrial Police data. Some 16 factories are located in different export processing zones under the Bangladesh Export Processing Zones Authority (BEZA), it showed. The rest 389 are non-RMG factories, data showed.
- When asked, first vice president of BGMEA said that the overall situation is not good. A sizeable number of factories, especially the small and medium-sized ones, have gone out of the business mainly because of the pandemic. Though the big ones are somehow surviving, it has become very difficult for the SMEs to run business in a situation when the buyers were placing less work orders and, asking for discounts and deferred payments.

<https://today.thefinancialexpress.com.bd/first-page/hundreds-of-factories-out-of-operation-1618770046>

Covid-19 wipes out 37% of wages: Study

- Between 10 and 20 million people, including regular, temporary, and casual workers, self-employed, and small entrepreneurs in different sectors, lost their jobs due to the immediate impacts of the first wave of Covid-19, a study says. About 16.38 million people became new poor due to the reduction in overall wages by 37% while the earnings of salaried workers came down to about half of the regular wages, according to the study. Despite the families of low-income workers facing different types of financial difficulties, including their inability to pay house rents, utility bills, and school fees, the stimulus announced by the government reached only 8% of the total employed population during the crisis, said the study conducted by the Centre for Policy Dialogue (CPD) and Bangladesh Institute of Labour Studies (BILS).

- The report said the workers' overall wages had declined by 37% and the decline in income of salaried workers was much higher at 49%. Moreover, small and medium enterprises lost 66% of their revenue during the pandemic compared to the pre-Covid-19 period. The income of all families, including migrants, dropped by 20% during the pandemic. The poverty rate increased to 33% in the fiscal year 2019-20 from 20% in FY17, the report said.

<https://www.tbsnews.net/economy/covid-19-wipes-out-37-wages-study-233095>
<https://www.thedailystar.net/frontpage/news/16m-become-new-poor-bangladesh-2079121>

New budget to be pandemic-centric

- The national budget for fiscal year 2021-22 will focus on measures to face Covid-19 challenges, save lives and livelihoods of people and recover economy. Officials said the budget would be pandemic-centric as the second wave of coronavirus is relentless in its grip at home and abroad, showing no signs of deceleration sooner. The budget for the next fiscal year will be placed in parliament on a Thursday on June 03 or June 10.

- A senior finance ministry official said the government succeeded in keeping the number of infection and death under control during the first wave of the pandemic. It simply made the government confident that the pandemic would not be able to give a serious bite in future. But the second wave came in its trail with severe strength and the number of casualties this time has surpassed last year's figures. The extremes of the second wave and its possible impact have pushed the government to rethink about measures needed to keep the economy afloat, the official said.

<https://today.thefinancialexpress.com.bd/first-page/new-budget-to-be-pandemic-centric-1618594893>

Bangladesh government's 2020 debt rises to 39.6% of GDP

- The government debt of Bangladesh surged to a new high in 2020 than in 2019. However, the country's other sectoral debts declined during the period under review. The picture came up in an analysis on the frontier markets, conducted by the Washington-based Institute of International Finance (IIF). Bangladesh is a frontier market, which is more developed than the least developed countries. But it is too small, risky or illiquid to be generally classified as an emerging market economy.

- The IIF showed that Bangladesh government debt reached 39.6% of the GDP (gross domestic product) in 2020, nearly 4.0 percentage point higher than that in 2019 calendar year. It measured three other sectoral debts for the period for Bangladesh, where two debt cases were down, while one remained stable or the same. Bangladesh's household debt, consisting of loans taken by families from the financial system, stood at 9.2% of the GDP in 2020, down by 0.8 percentage point over 2019. The non-financial sector debt, taken by autonomous bodies or such other institutions, stood at 34.2% of the GDP in 2020, down by 1.3 percentage point than in 2019. The financial sector debt, usually taken by the country's financial institutions, remained the same at 1.9% of the GDP in 2020 and 2019.

<https://today.thefinancialexpress.com.bd/first-page/bd-govts-2020-debt-rises-to-396pc-of-gdp-1618594725>

Work plan underway to retain GSP

- The government has initiated devising a work plan to sustain the country's generalized system of preferences or GSP facility in EU markets after its graduation from least developed country status, officials said. The move had been initiated amid doubts over the continuation of zero-tariff benefit on exports of Bangladeshi products in EU markets after the country's graduation from LDC. It is not certain whether Bangladeshi products would be getting existing GSP facility in EU markets beyond 2029 after obtaining the same for three years since 2026.

- As a LDC, Bangladesh is a major beneficiary of the EU's external trade policy meant for the impoverished nations. Currently, Bangladesh enjoys duty-free facility in exporting goods to the EU under its EBA (everything but arms) scheme. About 61% of Bangladeshi goods

are exported to the EU markets. The Europe bloc is the largest destination of Bangladesh's garment exports, with shipments amounting to USD18.69 billion during the fiscal year 2019-20.

<https://today.thefinancialexpress.com.bd/last-page/work-plan-underway-to-retain-gsp-1618595232>

Draw up country risk management guidelines: Bangladesh Bank asks banks

- Bangladesh Bank yesterday asked banks to draw up country risk management guidelines focusing foreign nations, all aimed at absorbing unexpected economic shocks stemming from abroad. Banks will have to define the risks from foreign countries, meaning those with which banks get involved though business with both public and private companies. As a part of the move, the central bank issued guidelines on country risk management (GCRM) for banks. For the present, only in respect to the country, where a bank's net funded exposure is 2% or more of its total assets (mainly loans and advances), the bank is required to implement the GCRM policy.

- Bank will have to keep general provisions, with effect from the first quarter of 2022, against their net funded exposures in different countries on a graded scale ranging from 0.25% to 20%. If a country's rating is insignificant, banks do not have to keep any provision, but they have to keep aside funds for countries whose ratings span from low to high.

<https://www.thedailystar.net/business/news/draw-country-risk-management-guidelines-2078321>

Businesses' deposits rise 12.6% amid pandemic

- Due to stagnation in investment and new business initiatives amid the coronavirus pandemic, the amount of bank deposits by businessmen and industrialists increased in 2020 compared to the previous year. Compared to 2019, the deposits increased by more than BDT 170 billion in 2020 or about 12.6%, according to the scheduled bank statistics report released by the central bank on Thursday.

- The former president of the Dhaka Chamber of Commerce and Industries (DCCI) said that over the past year businesses have been unable to make any new investments due to uncertainties amid the pandemic, which has led to an increase in their savings. The managing director of Mutual Trust Bank, said that the huge growth of remittances throughout the year 2020 is one of the reasons for the increase in deposits of the businesses and the banking sector as a whole. He said a portion of this remittance has also helped businesses increase their deposits. In addition, their deposits have increased due to lower imports over the last year.

<https://www.tbsnews.net/economy/businesses-deposits-rise-126-amid-pandemic-232228>

Important News: Capital Market

BSEC approves 1st SME proposal to raise capital

- The securities regulator has approved the first proposal for raising capital by an SME, namely Nialco Alloys, through the qualified investor offer (QIO). The company seeking to raise a capital worth BDT 75 million will be listed on the SME platform of the stock exchange. The maiden approval to the QIO of Nialco Alloys, a manufacturer of grade bronze and brass ingots, came Thursday at a meeting held at the office of the Bangladesh Securities and Exchange Commission (BSEC) in the city. The regulatory approval came as part of the move taken to ensure long-term financing for the SME (Small and medium-sized enterprise) sector.
- Nialco Alloys will raise the said capital from the eligible investors (EIs) by offloading 7.5 million shares at an offer price of BDT 10 each. According to the prospectus, the company's net proceeds will be used for developing land, purchasing machineries and catering the QIO expenses. As per the BSEC approval, the company will not be allowed to issue any bonus shares within three years from the date commencing trading with the SME platform.
- According to the QIO prospectus, the principal activity and the nature of the business of Nialco Alloys include manufacturing of high grade bronze and brass ingots including gun metal, phosphorus bronze, leaded bronze, aluminium bronze, manganese bronze, sand cast brass (SCB), high tensile brass (HTB), die cast brass (DCB), master alloys, and phosphorus copper.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-approves-1st-sme-proposal-to-raise-capital-1618505581>

<https://www.tbsnews.net/economy/stock/nialco-alloys-allowed-raise-BDT75cr-small-cap-boards-232183>

<https://www.newagebd.net/article/135457/first-sme-ipo-gets-bsec-nod>

Unique Power selling stakes to Qatari company

- Unique Meghnaghat Power is going to sell an 11.76% stake to Doha-based power development and investment company Nebras Power Investment Management BV worth USD 24.06 million or BDT 2.06 billion. Parent company the Unique Hotel and Resorts made the disclosure through the Dhaka Stock Exchange website yesterday. It said to have already signed a memorandum of understanding with Nebras. A total of 14,641 shares would be sold having a face value of BDT 10, informed the company.
- Nebras develops and manages portfolios of strategic investment in the power sector globally. Its total asset was 7.2 billion Qatari riyals in 2019, according to the company's website.
- In 2019, Unique signed a deal with the Bangladesh Power Development Board (BPDB), Power Grid Company of Bangladesh, and Titas Gas Transmission and Distribution Company to set up the power plant. It has a 22-year power purchase agreement with the BPDB. The company has also informed of developing a 584 MW gas/liquefied natural gas-based power plant with Strategic Finance and GE Capital Global Energy Investments BV. The Meghnaghat plant is under construction on 18.75 acres of land at an estimated cost of USD 520 million. It is expected to start operations by July 2022, generating electricity that could power 700,000 homes.

<https://www.thedailystar.net/business/economy/news/unique-power-selling-stakes-qatari-company-2079889>

4 firms to join small cap board on relaxed rules

- The securities regulator has exempted four firms from the rules regarding the qualified investors offer (QIO) to enlist them on the small capital boards of the bourses. The four companies that will be listed on the small capital board are Master Feed Agrotec, Subra Systems Ltd, Oryza Agro Industries Limited and Mostafa Metal Industries.
- Master Feed Agrotec wants to raise BDT 100 million through QIO. Manufacturing and marketing poultry, fish and cattle feeds are the main activities of the company. It is also engaged in poultry and fish farming. Subra Systems wants to raise BDT 150 million through QIO. The principal activities of the company relate to providing a comprehensive integrated business software solution. Oryza Agro wants to raise BDT 100 million through QIO. The principal activities of the company are manufacturing and marketing fish and poultry feed. Mostafa Metal Industries Limited is a concern of the conglomerate Mustafa group. The company wants to raise BDT 110 million through QIO. The company produces a wide range of products maximising the use of timber substitute.
- The small-cap platform was formed in 2019 to attract businesses with a small capital base to the stock market. With a view to making the small capital board active, the commission wants to enlist some companies on the board within this financial year. Companies whose paid-up capital is above BDT 300 million but are not able to go for an IPO can apply to be listed with the small capital board and get a waiver of rules in this regard, according to the commission.

<https://www.tbsnews.net/economy/stock/4-firms-join-small-cap-board-relaxed-rules-233056>

BSEC okays BDT 100 million RBIMCO BGFI fund

- The stock market regulator has approved a draft prospectus of the open-end RBIMCO BGFI fund. The initial target fund size is BDT 100 million and the per-unit value is BDT 10. As a sponsor of the fund, Royal Bengal Investment Management Company will provide BDT 10 million and the remaining BDT 90 million will be open for general investors. Royal Bengal Investment Management is the fund manager, the trustee is Bangladesh General Insurance Company Limited, and the custodian is Brac Bank Limited.

<https://www.tbsnews.net/economy/stock/bsec-okays-BDT10cr-rbimco-bgfi-fund-232165>

RD Food corporate director to buy 0.74 million shares

- Concrete and Steel Technologies Limited – a corporate director of Rangpur Dairy and Food Products Ltd (RD Food) – has announced it will buy more than 0.74 million shares of the listed company from the open market. The purchase will be accomplished within this month through the Dhaka Stock Exchange at the prevailing market price, said the company in a regulatory filing with the DSE.
- The company, already exporting products on a test basis to African countries, was awarded USD 1.1million export orders to Burkina Faso, the UAE, Ghana, Mali, the Republic of Moldova, Yemen, and many other countries of the world, RD Food informed shareholders on 12 April. Export proceeds will impact company revenues in the coming days. Its turnover will increase by BDT 91.3 million, gross profit by nearly BDT 17 million, and its annual earnings per share (EPS) will go up by BDT 0.1.

<https://www.tbsnews.net/economy/stock/rd-food-corporate-director-buy-737-lakh-shares-235258>

Nagad reaches 40 million users' landmark

- Nagad, the fastest-growing mobile financial service of this kind in the world, has surpassed the 40 million users' landmark, recently. The digital financial arm of Bangladesh postal department has gone past BDT 4.0 billion mark of the daily transaction, says a press release.

- From the very beginning, Nagad has ensured send money free fix the lowest cash-out charge (BDT 9.99 per thousand) in Bangladesh have created a buzz in the sector. Moreover, currently 12,000 merchants on boarded on Nagad's network with 500 e-commerce platforms. The bills of all utility, including electricity, water, gas, and broadband internet can be paid through Nagad without any additional cost. It's easy to recharge mobile balance and buy various packages from Nagad.

<https://today.thefinancialexpress.com.bd/trade-market/nagad-reaches-40m-users-landmark-1618934639>

<https://www.newagebd.net/article/135887/nagad-reaches-4-crore-user-landmark>

UCB's upay offers lowest cash-out fee

- upay, the mobile financial service platform of United Commercial Bank, offers the cheapest cash withdrawal fee for its customers who use the mobile phone's USSD facility for transactions. USSD allows users message service without a smartphone or data/internet connection to use mobile banking. The cash-out charge for upay clients is 1.4% or BDT 14 per BDT 1,000 from agent points, which is inclusive of VAT and taxes. On the other hand, bKash and Rocket currently charge 1.85% or BDT 18.5 per BDT 1,000 cash-out through USSD, while Nagad's charge is BDT 14.90.

- Launched its operation on March 17, upay has also made person-to-person transactions charge-free. Besides, upay offers some unique services exclusively available for upay customers, including payment of traffic prosecution fines, Indian visa fee payment, and Titas gas (prepaid) bill payment. All types of bill payments are free of charge. With the launch of the upay, UCB shelved its eight-year-old MFS brand "Ucash", which was launched in 2013. The customers of Ucash have been migrated to the upay platform.

<https://www.tbsnews.net/companies/ucbs-upay-offers-lowest-cash-out-fee-234661>

BSEC sees no complications

- The officials of the securities regulator see no complications in issuing IPO (initial public offering) shares among the employees of two companies which recently have received the regulatory approval to go public. A senior official of the Bangladesh Securities and Exchange Commission (BSEC) said the employees' sense of responsibility will be strengthened if they are allowed to get the shares which are treated as IPO shares.

- In last week, the securities regulator allowed the Midland Bank to issue 3.5 million shares among its employees and those shares will also be treated as the part of the company's IPO. In the existing public issue rules, there is no provision of distributing shares to a company's employees. As a result, the securities regulator has waived the company from the public issue rules through a separate notification. In October, 2020 the securities regulator also allowed Robi Axiata to allot 136.1million shares to its employees under the

Employee Share Purchase Plan (ESPP). The securities regulator has imposed two-year lock-in on the shares of the employees of Robi and Midland Bank.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-sees-no-complications-1618672396>

ADN Telecom's IPO fund utilization time extended

- ADN Telecom has informed that the Bangladesh Securities and Exchange Commission (BSEC) has approved its application for alteration and the time extension of utilization schedule of IPO proceeds. The utilization of the remaining balance amount of BDT 288.6 million under the head of BMRE (balancing, modernization, rehabilitation and expansion), has been extended for two years up to 31 December 2022, the company said in a filing on the Dhaka Stock Exchange (DSE) on Thursday. The company has also informed that the utilization of the remaining balance amount of BDT 32.6 million under the head of data center has been extended for one year up to 30 September 2021 and the change of address of the data center. The utilization of the remaining balance amount of BDT 13.9 million under the head of loan repayment as soon as possible towards paying off outstanding loan with The City Bank, said the company. ADN Telecom raised BDT 570 million in 2019 through initial public offering (IPO) under the book-building method to develop infrastructures, establish data center and repay bank loans.

<https://today.thefinancialexpress.com.bd/stock-corporate/adn-telecoms-ipo-fund-utilisation-time-extended-1618584821>

Midland Bank can allot 3.5 million IPO shares among its employees

- The securities regulator has exempted Midland Bank from the provision of maintaining stipulated IPO (initial public offering) quota for different types of shareholders. The Bangladesh Securities and Exchange Commission (BSEC) exempted the bank from the public issue rules to distribute shares, which will be considered as IPO shares, among its employees. As a result, Midland Bank will be able to allot 3.5-million shares among its employees and such shares will be considered as a part of the IPO. It said the shares distributed among employees would be locked for two years from the date of issuance of prospectus or close of subscription. After allotment of the shares among employees, the bank will distribute the remaining 66.5-million shares as per the rules having stipulated ceiling for IPO shares. Midland Bank will go to public to raise BDT 700 million under the fixed price method.

<https://today.thefinancialexpress.com.bd/stock-corporate/midland-bank-can-allot-35m-ipo-shares-among-its-employees-1618505673>