

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-1.38%) lost -67.93 points and closed the week at 4,846.10 points. The blue-chip index DS30 (-0.73%) lost -12.31 points and stood at 1,680.13 points. The Shariah-based index DSES (-1.38%) lost -15.37 points and stood at 1,098.80 points. The large cap index CDSET (-0.76%) lost -7.53 points and closed at 979.48 points. DSEX, DS30, DSES and CDSET showed YTD returns of +8.83%, +11.02%, +9.90%, +8.86%, respectively.

Total Turnover During The Week (DSE): BDT 39.6 billion (USD 466 million)

Average Daily Turnover Value (ADTV): BDT 9.9 billion ($\Delta\%$ Week: +16.8%)

Market P/E: 15.5x

Daily Index Movement during the Week:

Market performed four sessions during this week. Market performed negatively in the first session by -0.45% and continued to be negative in the second and third session by -0.49% and -0.60% respectively. In the last session, market ended at positive by +0.16%.

Sectoral Performance:

- Financial sectors posted mixed performance this week. Mutual Fund booked the highest gain of 10.13% followed by General Insurance (+9.15%), and Life Insurance (+3.82%). NBFI experienced the highest loss of 2.01% followed by Bank (-0.17%).
- All the non-financial sectors registered negative performance this week. Engineering experienced the highest loss of 13.40% followed by Food & Allied (-2.64%), Pharmaceutical (-2.52%), Fuel & Power (-1.68%), and Telecommunication (-0.60%).

Macroeconomic arena:

- Bangladesh posted a current account surplus of USD 3.53 billion in the first three months (July-September) of 2020-21 Fiscal Year, amid the onslaught of the Covid-19 pandemic. In the same period during the last fiscal year, the country had posted a current account deficit of USD 715 million. According to experts, the trade deficit dropped as the demand for imports also dipped due to the impacts of the Covid-19 pandemic.
- The provisional data of the Bangladesh Bank shows that credit flow growth to the private sector improved slightly - 9.48% in September this year vs 9.36% in the previous month - but the growth rate is far below the monetary target of 14.8% set by the central bank for this fiscal year.
- Increased money supply in the last six months following a substantial growth in high-powered money has helped Bangladesh avert possible recession. The country's aggregate money supply, measured by broad money (M2), increased by 1.41 percentage points to 13.57% in August year-on-year from 12.16% in March 2020, according to the central bank's latest statistics.
- The yields on two types of Treasury Bills (T-bills) dropped further on Sunday as banks preferred to invest their excess funds in the risk-free government securities. The cut-off yield, generally known as interest rate, on 91-day T-bills came down to 0.84% on the day from 0.94% of the previous auction held on October 18.

Stock Market arena:

- Amid the devastating impact of the pandemic, a good number of publicly traded companies have recorded better earnings. The companies, which manufacture pharmaceutical products, Covid-19 related products and provide telecommunication services, saw better earnings and surge in demands for their products rose amid the pandemic
- The stock market regulator has approved the initial public offerings (IPOs) of Energypac and eGeneration, which will raise BDT 1.50 billion and BDT 150 million respectively from the capital market.
- The country's leading drug manufacturer Square Pharmaceuticals will invest BDT 2.50 billion to expand its production capacity to meet the growing demand for its products both at home and abroad
- The Dutch Bangla Bank Ltd is going to issue a bond worth BDT 5 billion and use its proceeds to increase the bank's Tier 2 capital base

Oct 29, 2020 (Week: Oct 25, 2020 - Oct 29, 2020)

Dhaka Stock Exchange

DSEX lost 1.38% in the week

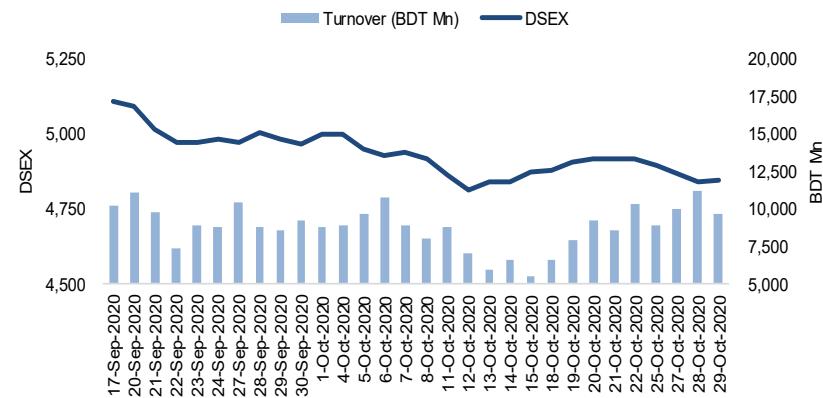
Table 1: Index

Index	Closing	Opening	Δ (Pts)	30-Dec-2019	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	4,846.10	4,914.04	-67.93	4,452.93	-1.38%	+8.83%
DS30	1,680.13	1,692.44	-12.31	1,513.35	-0.73%	+11.02%
DSES	1,098.80	1,114.17	-15.37	999.83	-1.38%	+9.90%
CDSET	979.48	987.01	-7.53	899.76	-0.76%	+8.86%

Table 2: Market Statistics

		This Week	Last Week	%Change
Turnover	Mcap	Mn BDT	3,912,515	3,965,751
	Mn USD	46,051	46,678	-1.3%
	Mn BDT	39,623	42,408	-6.6%
Average Daily Turnover	Mn USD	466	499	-6.6%
	Mn BDT	9,906	8,482	+16.8%
Volume	Mn USD	117	100	+16.8%
	Mn Shares	1,495	1,489	+0.4%

Figure 1: DSEX & Turnover in last four weeks



Associate:

Md. Rafiqul Islam

(880) 1708805229

mrafiqulislam@bracepl.com

Associate:

Md Mahirul Quddus

(880) 1709636546

mmahirul.quddus@bracepl.com

Table 3: Top Ten Gainers

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
AOL	27.1	10.0	+171.0%	2,575	5.0	19.6x	1.6x
BAYLEASING	21.2	18.1	+17.1%	2,987	130.1	11.5x	1.0x
ABB1STMF	6.9	5.9	+16.9%	1,650	354.0	NM	0.8x
BDTHAI	23.6	20.5	+15.1%	2,928	238.8	57.6x	0.8x
EXIM1STMF	7.1	6.2	+14.5%	1,017	60.3	NM	0.8x
RELIANCE1	11.3	9.9	+14.1%	684	116.3	NM	1.0x
AIBL1STMF	8.2	7.2	+13.9%	820	26.9	NM	0.9x
ASIAINS	78.1	68.6	+13.8%	3,676	585.5	46.2x	3.8x
EBLNRBMF	6.6	5.8	+13.8%	1,480	38.4	NM	0.7x
ATCSLGF	9.8	8.7	+12.6%	606	118.9	NM	1.0x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
GENNEXT	3.4	4.7	-27.7%	1,683	26.3	340.0x	0.3x
RENWICKJA	989.2	1,323.1	-25.2%	1,978	16.6	NM	NM
SAVAREFR	215.6	279.5	-22.9%	300	14.1	NM	17.2x
ZAHINTEX	4.7	6.0	-21.7%	385	5.3	NM	0.3x
FINEFOODS	64.8	81.5	-20.5%	906	87.6	344.7x	6.0x
TALLUSPIN	4.0	4.9	-18.4%	357	1.3	NM	0.4x
CONTININS	42.8	52.1	-17.9%	1,712	570.7	32.3x	2.2x
FAMILYTEX	2.8	3.4	-17.6%	992	13.0	NM	0.2x
UNITEDAIR	1.5	1.8	-16.7%	1,242	26.5	NM	NM
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Table 5: Top Ten Most Traded Shares

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
BXPHARMA	118.3	115.7	+2.2%	47,977	1,550	14.0x	1.6x
SANDHANINS	33.1	33.8	-2.1%	3,631	1,020	NM	NM
GLOBALINS	57.1	51.4	+11.1%	2,205	923	49.5x	4.3x
EIL	40.5	37.9	+6.9%	2,640	888	40.7x	3.7x
PIONEERINS	85.4	80.7	+5.8%	5,976	885	11.5x	1.8x
BEXIMCO	21.2	23.4	-9.4%	18,578	792	19.6x	0.3x
EASTLAND	38.6	38.1	+1.3%	3,143	766	30.5x	2.0x
PROVATIINS	69.5	67.4	+3.1%	2,064	761	27.3x	3.5x
RUPALIINS	36.6	37.8	-3.2%	2,806	735	24.0x	1.7x
CITYGENINS	30.6	28.5	+7.4%	2,086	670	37.2x	1.8x

Table 8: Most Appreciated YTD in BRAC EPL Universe

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
BXPHARMA	118.3	+70.5%	47,977	14.0x	1.6x
ACI	248.3	+36.8%	14,246	NM	1.5x
ISLAMIBANK	26.1	+36.6%	42,021	8.0x	0.7x
LANKABAFIN	22.4	+30.7%	12,070	17.0x	1.3x
IDLC	58.2	+28.2%	21,944	16.7x	1.6x
MJLBD	80.8	+27.6%	25,594	14.6x	2.2x
MARICO	2,099.4	+25.5%	66,131	22.7x	41.5x
UPGDCL	305.3	+24.5%	160,892	22.4x	5.7x
BARKAPOWER	28.2	+24.2%	6,206	10.9x	1.4x
GLAXOSMITH	2,100.0	+19.6%	25,298	27.5x	17.9x

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1,313.62	1,315.91	1,319.28	-0.17%	-0.43%
NBFIs	1,910.82	1,950.03	1,565.13	-2.01%	+22.09%
Mutual Funds	825.25	749.37	591.17	+10.13%	+39.59%
General Insurance	3,855.96	3,532.76	1,927.02	+9.15%	+100.10%
Life Insurance	2,044.47	1,969.16	2,194.70	+3.82%	-6.84%
Telecommunication	4,600.53	4,628.24	3,993.59	-0.60%	+15.20%
Pharmaceuticals	2,915.44	2,990.94	2,492.51	-2.52%	+16.97%
Fuel & Power	1,697.39	1,726.33	1,515.21	-1.68%	+12.02%
Cement	1,243.75	1,305.01	1,132.29	-4.69%	+9.84%
Services & Real Estate	993.77	1,025.02	886.70	-3.05%	+12.08%
Engineering	2,968.12	3,427.38	2,257.22	-13.40%	+31.49%
Food & Allied	13,182.24	13,539.77	12,121.49	-2.64%	+8.75%
IT	2,063.96	2,104.59	1,823.13	-1.93%	+13.21%
Textiles	1,057.38	1,119.27	1,042.04	-5.53%	+1.47%
Paper & Printing	5,067.15	5,171.77	5,233.20	-2.02%	-3.17%
Tannery	1,661.81	1,666.77	1,826.45	-0.30%	-9.01%
Jute	8,801.26	10,108.30	11,393.28	-12.93%	-22.75%
Ceramics	409.11	427.61	459.10	-4.33%	-10.89%
Miscellaneous	1,842.94	1,943.93	1,745.96	-5.20%	+5.55%

Table 7: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Banks	425.1	451.1	-5.8%	4.4%	7.7x	0.7x
NBFIs	576.6	363.9	+58.4%	6.0%	103.0x	1.9x
Mutual Funds	775.8	402.2	+92.9%	8.0%	NM	0.8x
General Insurance	4,012.9	3,514.2	+14.2%	41.6%	21.8x	1.9x
Life Insurance	424.5	291.8	+45.5%	4.4%	NM	NM
Telecommunication	156.2	219.0	-28.7%	1.6%	12.8x	9.5x
Pharmaceuticals	877.3	734.8	+19.4%	9.1%	18.5x	2.3x
Fuel & Power	267.8	182.7	+46.6%	2.8%	12.2x	1.4x
Cement	67.9	89.0	-23.7%	0.7%	28.5x	1.9x
Services & Real Estate	89.4	87.7	+2.0%	0.9%	25.4x	0.8x
Engineering	675.8	632.4	+6.9%	7.0%	26.6x	1.6x
Food & Allied	140.5	196.8	-28.6%	1.5%	19.5x	5.5x
IT	198.7	147.0	+35.2%	2.1%	19.4x	2.0x
Textiles	481.9	449.9	+7.1%	5.0%	44.1x	0.7x
Paper & Printing	15.9	27.6	-42.6%	0.2%	91.5x	1.0x
Tannery	50.7	48.9	+3.8%	0.5%	NM	1.7x
Jute	15.2	40.0	-62.1%	0.2%	NM	9.6x
Ceramics	50.0	48.8	+2.5%	0.5%	74.6x	1.4x
Miscellaneous	335.9	362.2	-7.2%	3.5%	24.1x	1.1x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
ECABLES	140.7	-29.4%	3,377	NM	4.9x
BRACBANK	41.5	-21.9%	55,024	15.3x	1.2x
RUNNERAUTO	47.3	-20.5%	5,370	24.0x	0.7x
HEIDELBCEM	139.5	-15.4%	7,882	NM	2.0x
GHAIL	16.7	-14.8%	3,604	15.9x	1.1x
IFADAUTOS	40.8	-11.7%	10,118	44.0x	1.0x
UNIQUEHRL	39.5	-10.0%	11,629	41.6x	0.5x
SHAHJABANK	20.1	-9.8%	19,700	11.8x	1.1x
SHASHADNIM	22.5	-8.9%	3,022	43.1x	0.5x
SINGERBD	165.8	-8.1%	16,531	22.7x	5.4x

Important News: Business & Economy

Bangladesh's current account surplus exceeds USD 3.5 billion

- Bangladesh posted a current account surplus of USD 3.53 billion in the first three months (July-September) of 2020-21 Fiscal Year, amid the onslaught of the Covid-19 pandemic. The Bangladesh Bank made the disclosure in its latest weekly report on Thursday. In the same period during the last fiscal year, the country had posted a current account deficit of USD 715 million. Bangladesh has an import-oriented economy. According to experts, the trade deficit dropped as the demand for imports also dipped due to the impacts of the Covid-19 pandemic, which in turn decreased the country's import payments.

- The country spent USD 11.73 billion on imports in July-September of the current fiscal year, compared to USD 13.25 billion during the corresponding period of the FY2019-20 – indicating an 11% drop in import payments. Bangladesh is also witnessing the return of a positive trend in export earnings during the July-September period of this fiscal year. The country posted USD 9.89 billion in export earnings during this time, compared to USD 9.64 billion during the same period last year. Bangladesh received some USD 6.71 billion in remittance during the first three months (July-September) of the current fiscal year – indicating a nearly 50% growth compared to the corresponding period last year, according to the latest data from the central bank.

<https://tbsnews.net/economy/bangladesh-current-account-surplus-exceeds-35b-148636>

Private sector credit growth increases, but too slowly

- Even though banks are offering loans at cheap rates amid huge excess liquidity, private sector credit growth is rebounding too slowly as investors are still sticking to survival strategies instead of going for expansions after the reopening of the economy. The provisional data of the Bangladesh Bank shows that credit flow growth to the private sector improved slightly - 9.48% in September this year vs 9.36% in the previous month - but the growth rate is far below the monetary target of 14.8% set by the central bank for this fiscal year.

- In July, the credit flow started to increase as banks started to implement government-announced stimulus packages. However, the demand for credits still remained low, taking excess liquidity to a record high of BDT 1.70 trillion in August. It will be challenging to achieve the expected credit growth this year as businesses are still struggling to survive, said a senior executive of a private bank.

<https://tbsnews.net/economy/banking/private-sector-credit-growth-increases-too-slowly-149701>

Economy averts recession, but inflation threat looms

- Increased money supply in the last six months following a substantial growth in high-powered money has helped Bangladesh avert possible recession, but economists say inflationary pressure is building up. High-powered money comprises currency and bank deposits at the central bank. Expansionary monetary policy of the Bangladesh Bank (BB) along with the implementation of the government's stimulus packages aiming to speed up recovery of the pandemic-hit economy have also helped higher inflow of liquidity in the banking system. Besides, the central bank's downward revision of repo rate and cash reserve ratio (CRR) since April 2020 has boosted the flow. The country's aggregate money supply, measured by broad money (M2), increased by 1.41 percentage points to 13.57% in

August year-on-year from 12.16% in March 2020, according to the central bank's latest statistics.

- Economists feared that higher money supply may fuel inflationary pressure on the economy in the near future if the regulators failed to adopt proper policies for balancing between the money supply and price stability. They also recommended the central bank strengthen its monitoring, saying the proper use of money should be ensured. The central bank injected BDT 222.77 billion into the market through buying USD 2.63 billion from the banks in the July-September period of FY'21.

<https://today.thefinancialexpress.com.bd/first-page/economy-averts-recession-but-inflation-threat-looms-1603473922>

Yields on treasury bills drop further

- The yields on two types of Treasury Bills (T-bills) dropped further on Sunday as banks preferred to invest their excess funds in the risk-free government securities. The cut-off yield, generally known as interest rate, on 91-day T-bills came down to 0.84% on the day from 0.94% of the previous auction held on October 18. On the other hand, the yield on 182-day T-bills also fell to 1.35% on the day from 2.00% earlier, according to the auction results.

- The falling trend in yields on T-bills and bonds may continue until mop up the excess liquidity from the market by the central bank using its monetary instruments, according to market operators. The overall excess liquidity with the commercial banks hit an all-time high of around BDT 1.60 trillion in August 2020 from BDT 1.41 trillion a month before. The demand for such securities has increased gradually mainly due to lower interest rates on call money in the inter-bank market along with inter-bank repo, they explained.

<https://today.thefinancialexpress.com.bd/last-page/yields-on-treasury-bills-drop-further-1603647648>

Mobile money transfer to get easier

- All banks and mobile financial service (MFS) providers will have to introduce the financial interoperability system by March 31 to help clients transfer money within the financial institutions. Interoperability means clients will be allowed to send money from their respective accounts with MFS providers to banks. Similarly, clients will be allowed to deposit money from their accounts with banks to MFS providers. Clients will also be able to transfer funds between MFS providers.

- The interoperability service, however, will go live on October 28 and it will be applicable for the banks and MFS providers that have successfully completed their pilot testing. But, other banks, which are yet to complete their preparations, will have to run the programme by March 31.

- As per a Bangladesh Bank notice, clients will have to pay a maximum of 0.8% of their fund to be transferred from one MFS provider to another as fee. Clients, however, will have to count 0.45% per transaction from banks to MFS providers, added the notice.

<https://www.thedailystar.net/frontpage/news/mobile-money-transfer-get-easier-1983261>

<https://tbsnews.net/economy/banking/customers-enjoy-mobile-banking-interoperability-27-oct-148657>

<https://www.dhakatribune.com/business/banks/2020/10/23/bangladesh-bank-interoperable->

[mfs-fund-transfer-by-march-2021](#)

Use of credit cards soars 50% in a year

- The use of credit cards of the commercial banks and financial institutions (FIs) in Bangladesh has gone up sharply, as their month-on-month transactions boosted by 50% within a year, officials and experts said on Wednesday. The volume of their transactions increased to BDT 15.52 billion in this August, from that of BDT 10.35 billion in August 2019, the Bangladesh Bank (BB) statistics showed. A senior central bank official told the FE that since people completed their shopping and banking transactions without going to bank branches during the pandemic period, the use of credit cards increased significantly. He said during this time, e-commerce boosted in the country notably, prompting use of credit cards by the customers.

<https://today.thefinancialexpress.com.bd/public/first-page/use-of-credit-cards-soars-50pc-in-a-year-1603387469>

Leather exports shrink in Q1

- The country's export earnings from leather and leather goods contracted during the first quarter of current fiscal year. Bangladesh fetched USD 225.15 million from leather and leather goods exports during the July-September period of FY 2020-21 posted a 19.49% negative growth over the corresponding period of the last fiscal. Shipment of the sector was USD 1.23 billion in FY2016-17 and since then it has continued falling and stood at USD 797.6 million in FY 2019-20, according to official data of the Export Promotion Bureau (EPB). Exporters attributed the fall in export earnings to the failure in using local raw materials due to compliance issues, sluggish global demand and a shift in synthetic items. The pandemic is the latest blow to the industry.

<https://today.thefinancialexpress.com.bd/public/last-page/leather-exports-shrink-in-q1-1603388097>

In the snares of value-added services

- Nearly half of mobile subscribers in Bangladesh pay for the value-added services they have not subscribed to as service providers stealthily activate them without their consent on their phones. This prompted the Bangladesh Telecommunication Regulatory Commission (BTRC) to order mobile phone operators to implement a one-time password (OTP)-based procedure to protect the mobile users from the malpractice.
- Telecommunication value-added service (TVAS) providers offer various services such as welcome tunes, voice messages, news alerts, missed call alerts, call block, call forwarding or diverting, music, videos, mobile games and streaming services, balance transfer, through mobile carriers under a revenue-sharing model and customers are charged by mobile phone operators. The service providers must obtain consent from subscribers before activating any service. But they did not take such permission from the users in nearly 50% cases but the customers were charged, according to the commission's probe into the allegation against two VAS providers.

- The BTRC collected information about the activities of Purple Digit Communication Ltd and the Abhi Kathachitra Ltd and also the list of their subscribers in the last six months. The officials of the systems and services division of the commission directly called the subscribers to find out whether they gave consent before availing the services. Robi Axiata and Banglalink, respectively the second and third-largest mobile phone operators in

Bangladesh, provided the services to their subscribers through the two firms, according to the BTRC.

<https://www.thedailystar.net/business/news/the-snares-value-added-services-1983921>

Covid-19 fallout: Footwear, leather products sector yet to recover

- The earnings from the country's leather products and footwear sector took a drastic fall due to lack of sales during the three major festivals of 2020 - Eid-ul-Fitr, Eid-ul-Azha and Pohela Boishakh - as a result of the Covid-19 pandemic, which forced people to stay indoors. Exporters of leather products and footwear were also adversely affected by the pandemic, which caused the global economy to suffer. The Company Secretary of Apex Footwear said that the sharp fall of earnings was caused by lower sales during the April-June period.

- Although a key period during the year as both Pohela Boishakh and Eid-ul-Fitr falls under it, people were forced to stay indoors due to the pandemic, resulting in a drastic drop in sales at a time when the lion's share of income was generated for companies like Apex, he added. Besides, exports of footwear and leather goods also declined due to supply chain disruption across the globe caused by the pandemic. The sector people said that usually around 40% of sales came during Eid-ul-Fitr, when mostly new and high-value products were sold.

<https://www.dhakatribune.com/business/economy/2020/10/24/covid-19-fallout-footwear-leather-products-sector-yet-to-recover>

Government's bank borrowing dips amid slow spending

- The government's bank borrowing plunged 90% to BDT 30.33 billion in the first quarter of the fiscal year because of the slower development activities and lower than expected spending on subsidies and paddy and rice procurement. The figure was BDT 279.51 billion in the July-September period a year ago, Bangladesh Bank data showed. Higher sales of savings instruments, lower disbursement of funds from the annual development programme and the subsidy budget and the lower purchase of rice in the last boro season largely contributed to the drastic fall in the government's borrowing from the banking sector.

- The commercial banks are sitting on huge liquidity amid depressed demand for loans caused by the slowdown in economic activity, allowing the government to borrow at a far lower rate. Additional liquidity in the banking sector stood at BDT 1.61 billion as of August, bringing down the call money rate. The weighted average call money rate, the rate at which banks lend other lenders, fell to 2.70% on October 14, down 41.43% from 4.61% on the same day a year ago, BB data showed.

<https://www.thedailystar.net/business/news/govts-bank-borrowing-dips-amid-slow-spending-1984417>

Bangladesh Bank favors bond issuance by market intermediaries

- The central bank has suggested that the securities regulator allow stock market intermediaries to issue bonds for improving the inflow of liquidity in the country's capital market. At the meeting, the BB said that there was scope to improve the liquidity situation of the market intermediaries if the BSEC allowed them to issue bonds by solving the negative equity issue of the business entities. Under the existing policy of BSEC, brokerage houses

or merchant banks were not allowed to issue bonds. The central bank also expressed its positive views about formation of a special fund for the capital market operators having negative equity created due to disbursement of margin loans.

<https://today.thefinancialexpress.com.bd/first-page/bb-favours-bond-issuance-by-market-intermediaries-1603646723>

Allotment for traders under CMSME package increasing by 10%

- Traders will be given 10% more loans from the BDT 200 billion stimulus package announced by the government for entrepreneurs of small and medium-sized enterprises. The central bank has decided to distribute 30% of the package among traders as their demand for loans is higher while the distribution in the manufacturing and services sectors is not at the desired level. Previously, this rate was 20%. Economists, however, have opposed the government's move, saying poor cottage and micro-industry entrepreneurs are the worst affected by the Covid-19 pandemic and they need the credit support more than traders do.

<https://tbsnews.net/economy/allotment-traders-under-cmsme-package-increasing-10-149752>

Business up for MNCs, but not like last year

- Business for most listed multinational companies (MNCs) has bounced back in the July-September period compared to what was during the April-May lockdown, which aimed at curbing the spread of the novel coronavirus. However, the development has been low when a year-on-year analysis is carried out. On the bright side, in context to the preceding quarter of April to June, all 11 of the listed companies operating in Bangladesh witnessed higher sales and earnings. The government announced a general leave from March 26, which was extended to May 30. Afterwards it decided to reopen the economy and subsequently, companies started to reopen their operations.

- Of the listed 11 multinational companies, five witnessed lower sales in the last July-September quarter compared to that in the same period the previous year. For three it was higher whereas the rest are yet to publish their quarterly financial reports. The biggest hit came in the April-June quarter, but businesses have bounced back in the July-September period, he said. Despite disruptions emanating from Covid-19, Bangladesh, with its strong record of growth and sound economic policies, will make a rebound on its growth trajectory, said CEO and country representative for LafargeHolcim Bangladesh.

- The recent stimulus packages introduced by the government coupled with improvements in inward remittance will aid the resurgence of rural demand, he added. Whatever was sold once the general leave was lifted and the economy reopened emanated from demand which had been put on hold for the pandemic, Marico Bangladesh Managing Director said.

<https://www.thedailystar.net/business/news/business-mncs-not-last-year-1984889>

Battery market swells riding on fast-expanding easy-bikes

- The rapid expansion of electric three-wheelers, popularly known as easy bike, has opened up huge business opportunities for battery manufacturers and traders in Bangladesh. The annual market for batteries is BDT 80.00 billion and easy bikes consume more than 60% of the market, two leading industry operators said. Automobiles and solar home systems use the rest. It is huge. Battery demand has more than doubled in rural areas than metro areas.

The segment has expanded in the last six to seven years," said the president of the Accumulator Battery Manufacturers and Exporters Association of Bangladesh.

- The market for rechargeable lead-acid battery had been stagnant or sluggish for years owing to the slow expansion of the use of cars and other vehicles in the country, said a senior official of one manufacturer. A director of Rahimafrooz, one of the leading battery manufacturers, said there are around 1.0 million electric three-wheelers and they require nearly 2.5-3.0 million batteries annually. Because of the requirement for replacement and the increase in the number of electric vehicles, the demand for batteries will grow.

- It appears the market would double in the next five years, said the chief operating officer for the battery unit of Panna Group, adding that the market is growing by 15% annually. To tap the new market, existing manufacturers have expanded their production capacity.

<https://www.thedailystar.net/business/news/battery-market-swells-riding-fast-expanding-easy-bikes-1984857>

Four launch interoperable MFS today

- Interoperable transactions among mobile financial service (MFS) providers and between them and banks are set to be launched today (Tuesday) on a pilot basis, reports UNB. According to official sources, only four MFS providers, including bKash of Brac Bank, MCash of Islami Bank, U-cash and Al Arafat Islami Bank's Islamic Wallet, will launch the interoperable service today while others will gradually introduce the service later. As per directives issued by the Bangladesh Bank's Payment System Department on October 22, all MFS providers and banks have to mandatorily introduce such interoperable transactions within March 31.

- According to an expert in the banking industry, once such a system is fully launched, any MFS account holder or bank account holder will be able to transfer money from and to each other's account. The central bank also directed the MFS and banks not to introduce any new charges on their customers for the new service. The Bangladesh Bank circular said that in case of P2P money transfer from an MFS to another MFS, the receiving MFS will pay a charge at 0.8% on the total amount to the sending MFS. In case of transferring money from MFS to banks or banks to MFS, the MFS will pay a charge of 0.45% on the total amount to the concerned bank and it will take place in both the case of sending and receiving money, said the BB circular.

<https://today.thefinancialexpress.com.bd/last-page/four-launch-interoperable-mfs-today-1603733556>

<https://www.dhakatribune.com/business/2020/10/26/interoperable-mfs-transaction-to-be-launched-from-tuesday>

Q1 sees surplus Balance of Payments BOP

- The country's overall Balance of Payments (BOP) posted a surplus at over USD 3.0 billion in the July-September period, according to the central bank of Bangladesh. Many economists believe the slow pace of imports and higher remittance and external fund inflows were the reasons for the surplus.

- According to the executive director at the Policy Research Institute of Bangladesh (PRI), this has occurred mainly because of slow import. The imports fell by nearly 12% in the period compared to the corresponding period a year back. On the other hand, shipments increased by nearly 3.0% in the period over the same period in 2019, meaning the net

payment from trade surged during the period. The remittance inflow grew by nearly 49% in the period to USD 6.7 billion. The receipts in the form of MLT loans (medium- and long-term loans) were recorded at USD 1.3 billion, up by nearly 54% in Q1 of the fiscal year 2021. According to the central bank, the BOP position reflects a record high final gross international reserve or foreign exchange reserve level of USD 40 billion-plus in this October.

<https://today.thefinancialexpress.com.bd/first-page/q1-sees-surplus-bop-1603820095>

Global H1 Foreign Direct Investments (FDI) drops 49%

- Inflows of global foreign direct investment (FDI) fell 49.0% in the first half (H1) of the current year 'due to the economic fallout from Covid-19'. The UN agency estimated that inflow of FDI in Bangladesh declined by around 19% to USD 1164.30 million during the period under review from USD 1437.0 million in the same period of 2019. So far, Bangladesh Bank has unveiled the FDI figure of Q1 of 2020 which showed that net inflow of FDI in Bangladesh stood at USD 582.17 million, declined by 43.78% from USD 1035.56 million in Q1 of 2019. According to the report, developed economies saw the biggest fall as FDI reached an estimated USD 98 billion in January-June period, recording a decline of 75.0% compared to the same period of 2019.

- The government provided the loan to the apparel makers following their demand to help sustain competitiveness of the industry hit hard by coronavirus, a source said. RMG export earnings year-on-year declined by 20.14% to USD 2.25 billion in March'20, 85.25% to USD 374.67 million in April, and 62.06% to USD 1.23 billion in May, according to the official data. Export earnings have started regaining since June when RMG shipments reached USD 2.24 billion.

<https://www.dhakatribune.com/business/economy/2020/10/27/fdi-in-bangladesh-falls-by-32-in-h1-of-2020>

Pandemic casts gloom on greenfield investment

- The value of greenfield investment project announcements – an indicator of future foreign direct investment trend – fell by 78% in Bangladesh in the first eight months of 2020 because of the coronavirus pandemic, said the Unctad yesterday. Bangladesh received USD 2.49 billion in gross FDI in the July-March period of the last fiscal year, down from USD 3.97 billion in the same period a year ago, Bangladesh Bank data showed. FDI in South Asia fell 31% to USD 20 billion in the first half of the year. India, the largest FDI recipient in the region, saw FDI contracting by 33% to USD 17 billion as the country struggles with Covid-19 containment, the UN agency said.

- In other South Asian countries where investments are largely tied to export-oriented apparel manufacturing, greenfield investments have taken a severe hit due to activity stoppages and contracting global demand. Announced greenfield projects in Bangladesh fell by 78% and in Sri Lanka by 97%. Global FDI flows plunged 49% in the first half of 2020 compared to 2019, due to the economic fallout from the Covid-19. In the wake of the pandemic, lockdowns around the world slowed existing investment projects and the prospects of a deep recession led multinational enterprises to reassess new projects.

- According to the report, developed economies saw the biggest fall, with FDI reaching an estimated USD 98 billion in the six-month period – a decline of 75% compared to 2019. In the six months to June, developing countries in Asia accounted for more than half of global FDI. Flows to economies in transition were down 81% due to a strong decline in the

Russian Federation.

<https://www.thedailystar.net/business/news/pandemic-casts-gloom-greenfield-investment-1985373>

<https://www.dhakatribune.com/business/economy/2020/10/27/unctad-fdi-flows-to-developing-economies-decrease-16>

<https://tbsnews.net/economy/bangladesh-greenfield-investment-project-drops-78-unctad-150451>

Mobile data speed: Bangladesh only ahead of Afghanistan in South Asia

- Bangladesh has fared badly in mobile data speed, ranking below all South Asian nations except for Afghanistan, at a quality listing of global mobile and broadband internet networks. Bangladesh ranked 133rd out of 138 countries on Ookla's Speedtest Global Index for mobile internet speeds with 10.76 megabits per second (Mbps) for downloads in the month of September, considerably lower than the global average of 35.26 Mbps. Bangladesh's average mobile upload speed stood at 6.96 Mbps and latency was 39 milliseconds (ms). The global averages are 11.22 Mbps and 42 ms. The Maldives topped the chart among South Asian nations, ranking 57th with a download speed of 35.70 Mbps, a little over the global average.

- Sri Lanka came 102nd with 19.95 Mbps, Pakistan 116th with 17.13 Mbps, Nepal 117th with 17.12 Mbps, India 131st with 12.07 Mbps and Afghanistan 138th with 7.26 Mbps. In fixed line broadband internet speeds, Bangladesh fared better, ranking 98th out of 175 nations with a download speed of 29.85 Mbps, upload speed of 45.74 Mbps and latency of 21 ms. This is still far behind the global average download speed of 85.73 Mbps. Among the South Asia peer nations, Bangladesh came after India (70th, 46.47 Mbps) and Sri Lanka (94th, 31.42 Mbps).

- However, spectrum allocation, which is one of the lowest in the world in a country where there are over 160 million mobile subscribers, is one of the main reasons for the poor internet service, an official of a telecom operator said. Optical fibres of Nationwide Telecommunication Transmission Network are also not up to the mark and that is another reason for low data transmission, he added. During the pandemic, suddenly use of the mobile internet increased manifold which might have impacted the service, said the secretary general of the Association of Mobile Telecom Operators of Bangladesh (AMTOB).

<https://www.thedailystar.net/business/news/mobile-data-speed-bangladesh-only-ahead-afghanistan-south-asia-1985365>

Post-moratorium NPL real headache for banks: Fitch Solutions

- Banks' profitability will further worsen as soon as the facility of paying loan instalments expires because the banks will have to keep aside a huge amount from their earnings as a provision against default loans. A report released by Fitch Solutions said non-performing loans will increase following the deferment facilities given by the Bangladesh Bank, especially when it comes to a weak economic environment. As part of its crisis mitigation strategy, the Bangladesh Bank, on 19 March, primarily directed banks to provide instalment deferment facility to all borrowers for six months – from 1 January to 30 June. Later, the facility was extended in two phases till December.

- However, banks did not get a waiver from maintaining required provision against default loans. Bankers said default loans in the banking sector will be stable this year, but it is likely to jump in the next year when banks will restart loan classification. The rise in default loan

will hike the provisioning cost for the banks which will ultimately hit their profitability. Default loans in the banking sector increased by BDT 36.06 billion during the April-June quarter of the current year despite a waiver of loan repayments during the pandemic.

- Bankers said default loans will spike further in the third quarter when banks will accumulate the due instalments of borrowers who will not repay loans using an extension of the waiver on loan repayments. According to the central bank's recently approved data, the total amount of default loans stood at BDT 961.16 billion at the end of June, which was 9.16% of the total disbursement and outstanding loan of 59 banks operating in the country.

<https://tbsnews.net/economy/default-loans-worsen-banks-profits-further-fitch-solutions-150574>

BDT 18.31 billion incentives released for exporters

• The government has released a sum of over BDT 18.31 billion in favour of the Bangladesh Bank for the payment of cash incentives to local exporters, officials said. It is the second installment of cash incentives/subsidy for the October-December quarter of the current financial year (FY21). Of the amount, BDT 1.25 billion will go to the jute sector while BDT 17.06 billion to other sectors, according to the finance division. A special 1.0% cash incentive support fund for the readymade garment (RMG) sector has also been included in the second instalment, according to a letter of the ministry of finance (MoF) to the central bank.

<https://today.thefinancialexpress.com.bd/last-page/BDT-1831b-incentives-released-for-exporters-1603821077>

Bangladesh Bank halts launching of interoperable MFS transaction

• Bangladesh Bank on Tuesday decided to postpone the launching of interoperable transaction among mobile financial service (MFS) providers and banks, citing incomplete technical issues. Bangladesh Bank officials said attempts to connect mobile banking and bank accounts were not yet successful. The main reason for the postponement, they said, was that some technical works such as debugging, could not be completed, as there were still errors in some places. But they also remained hopeful that the service would be launched soon. Spokesman and executive director of Bangladesh Bank acknowledged this to the media, adding that it was not possible to enable transaction between MFS and bank accounts.

<https://www.dhakatribune.com/business/banks/2020/10/27/bangladesh-bank-halts-launching-of-interoperable-mfs-transaction>
<https://tbsnews.net/economy/banking/launch-mobile-banking-interoperability-service-halted-150589>

Ministry seeks steps to extend loan repayment period

- The commerce ministry has sought necessary steps from the finance ministry to extend the existing loan repayment tenure to six years with one-year grace period. The country's apparel owners took out the loan from the government's stimulus package for payment of wages and allowances to their workers. An inter-ministerial meeting has decided to extend the loan repayment period to six years from existing two years. It has also decided to send the recommendation to the finance ministry for execution of the tenure.
- Earlier, the Bangladesh Bank set the loan repayment period to two years with six-month

grace period at 2.0% service charge. The RMG sector received over BDT 105 billion to pay April to July wages and allowances from the government as soft loan. The government provided the loan to the apparel makers following their demand to help sustain competitiveness of the industry hit hard by coronavirus, a source said. RMG export earnings year-on-year declined by 20.14% to USD 2.25 billion in March'20, 85.25% to USD 374.67 million in April, and 62.06% to USD 1.23 billion in May, according to the official data.

<https://today.thefinancialexpress.com.bd/first-page/ministry-seeks-steps-to-extend-loan-repayment-period-1603820450>

Titas Gas faces BDT 7.36 billion shortfall in pension fund

• The state-run Titas Gas has a provision shortfall of BDT 7.36 billion in its pension fund, according to the company's audit report. Besides, the listed natural gas distribution company did not keep any provision against its fixed deposit receipts (FDRs) with Padma Bank and ICB Islamic Bank, it said. In its financial statements, Titas Gas showed that it is owed about BDT 1.68 billion as cumulative penal interest since 2002, which was doubtful to the auditor. The company also did not comply with an order from the Financial Reporting Council on transferring share money deposits to share money capital. Against this backdrop, the company's auditor provided a qualified opinion on its financial reports for the year that ended on June 30, 2020.

<https://www.thedailystar.net/business/news/titas-gas-faces-BDT-736cr-shortfall-pension-fund-1985357>

Banks can now lend more to trade-based small enterprises

• Banks and other financial institutions can now lend more to trade-based cottage, micro, small and medium enterprises (CMSMEs) as the central bank yesterday raised the annual ceiling of the loans for the sector by 10% points. While unveiling the BDT 200.00 billion stimulus package for the CMSME sector in April, the central bank included trade-based micro and cottage firms as a huge number of people are employed in the sector. At the time, lenders were allowed to disburse 20% of their total annual loans to trade-based CMSMEs.

• Now, they can set aside 30% of the loans for the sub-sector as the CMSMEs have been hit hard by the coronavirus pandemic, the BB said in a circular yesterday. As a result, banks can channel up to 30% of the stimulus package to the sector. If the amount of the loans goes past 20%, the share of the funds for the manufacturing and service sub-sectors would go down proportionately. However, it would not be below 70% combined for the two sub-sectors, the BB said. The disbursement of the funds from the stimulus package has not been satisfactory, the BB said.

• Trading dominates the CMSME sector. So, they had long been urging the central bank to raise the ceiling for the trading sub-sector, said the head of SME of Brac Bank. Because of the 20% cap, banks could not lend more to CMSME traders from the package, he said. So, they welcome the 10% points increase. This will help banks accelerate the disbursement of funds from the stimulus package. The banker also said the deadline for the CMSME fund disbursement should be extended to December, as the central bank did in case of the stimulus package for the farming sector.

<https://www.thedailystar.net/business/news/banks-can-now-lend-more-trade-based-small-enterprises-1985989>

<https://tbsnews.net/economy/banking/small-traders-get-30-stimulus-package-151066>

Export loans get cheapest ever

- The central bank has slashed interest rates on loans under Export Development Fund (EDF) scheme to help exporters weather the pandemic-related disruptions. The revised rates will allow exporters to borrow from the low-cost fund at a rate of 1.75% instead of the previous 2.0%. Such an interest rate on loans under the EDF will continue until March 31, 2021, according to a notification, issued by the Bangladesh Bank (BB) on Wednesday.
- Authorised dealer (AD) banks will also get the similar benefit and access such loans from the central bank paying 0.75% interest rate, down from 1.0%. Bangladesh's export earnings grew by 2.97% to USD 9.70 billion during the July-September period of the fiscal year (FY), 2020-21, from USD 9.42 billion in the same period of FY '20. The central bank has also considered a lower London Inter-bank Offered Rate (LIBOR) that was linked to the low-cost fund earlier for re-fixing the interest rate. In a month, LIBOR came down to 0.15% this week from 1.79% a year ago, according to the international media reports.
- The central bank has enhanced allocations for the EDF to USD 5.0 billion from USD 3.50 billion in line with the government's efforts to minimise the economic impacts of the coronavirus crisis. Exporters welcomed the BB's latest move, saying that it will help increase export earnings in the coming months defying the challenges posed by the Covid-19 pandemic.

<https://today.thefinancialexpress.com.bd/first-page/export-loans-get-cheapest-ever-1603907095>

<https://www.dhakatribune.com/business/banks/2020/10/28/bangladesh-bank-further-cuts-lending-rate-from-edf>

<https://www.thedailystar.net/business/news/loans-export-dev-fund-be-cheaper-1985993>

<https://tbsnews.net/economy/banking/interest-rate-edf-loans-slashed-151006>

Budget spend shrinks by BDT 1.0 trillion in FY'20

- The government expenditure fell significantly in the last fiscal year as the COVID-19 crisis impacted development outlays. The total budget outlay reached BDT 3.98 trillion at the end of June 30, down by over BDT 1.0 trillion, according to Economic Review 2020, a government publication released on Wednesday. The revised budget for the fiscal year 2020 was BDT 5.01 trillion, which is equivalent to 17.88% of the gross domestic product. The latest publication, which was not published during the budget announcement due to the disruptions caused by COVID-19 outbreak, said operating expenditure was recorded at over 87% while the development expenditure was just over 73%.

- Lower expenditure has helped the country keep fiscal deficit at 4.8% of the gross domestic products (GDP). The original budget had estimated a much wider deficit at 5.5% in 2019-20. The official publication said that revenue mobilization target was BDT 3.38 trillion or 12.4% of the GDP. But, at the end of the fiscal year, the collection was BDT 2.63 trillion, down by more than 22% from the target.

<https://today.thefinancialexpress.com.bd/first-page/budget-spend-shrinks-by-BDT-10tn-in-fy20-1603907435>

Japan lifts foreign aid in Q1

- The inflow of foreign aid to Bangladesh jumped by 55% in the first quarter (Q1) of this fiscal after Japan released a big chunk of budget support to help the economy recover from the Covid-related devastations, officials said on Wednesday. The bilateral and multilateral

development partners disbursed USD 1.45 billion worth of medium and long-term loans and grants in July-September period of the fiscal year 2020-21, provisional statistics of the Economic Relations Division (ERD) showed. The country received USD 931.04 million worth of assistance from the external sources at the same time in FY2020, according to the ERD data.

- Besides, longer term loans and grant disbursement by other major development partners, including the World Bank (WB), the Asian Development Bank (ADB) and China were also remarkable, the official said. The Washington-based lender disbursed USD 329.65 million credit, the ADB USD 201 million and China USD 246.37 million during the first three months of the current fiscal, which will conclude in June 2021. Of the total foreign aid, the development partners released USD 1.38 billion worth loans and USD 60.3 million worth grants during July-September period.

<https://today.thefinancialexpress.com.bd/last-page/japan-lifts-foreign-aid-in-q1-1603907677>

Bangladesh outdoes India, Pakistan in sustainable trade

- Bangladesh has surpassed India and Pakistan in terms of sustainable trade on the back of better performance in economic and social areas, says the Economist Intelligence Unit (EIU). However, the ranking in the environmental aspect is poor for Bangladesh due to worsening deforestation and air and water pollution, according to the EIU's latest Sustainable Trade Index 2020 commissioned by the Hinrich Foundation. The country jumped five places up in the index scoring 49.3 out of 100 and ranked 12th among 20 Indo-Pacific economies, while India and Pakistan scored 47.1 and 43.9 respectively.

- The index measures a country's capacity to participate in the international trading system in a manner that supports the long-term domestic and global goals of economic growth, environmental protection, and social capital development. Bangladesh experienced the highest improvement in social development (9th), but ranked at the bottom in labour standards. On the economic front, the country ranked at the top in the economic growth indicator and performed better in the export market concentration, gross fixed capital formation and growth in the labour force.

<https://tbsnews.net/economy/bangladesh-outdoes-india-pakistan-sustainable-trade-151087>

Important News: Capital Market

Top listed companies paint rosy picture in earnings amid Covid-19

- Amid the devastating impact of the pandemic, a good number of publicly traded companies have recorded better earnings. The companies, which manufacture pharmaceutical products, Covid-19 related products and provide telecommunication services, saw better earnings and surge in demands for their products rose amid the pandemic. Reckitt Benckiser Bangladesh, a multinational company listed with Dhaka and Chittagong Stock Exchanges, witnessed sharp rise in profits due to strong revenue growth driven by increased demand of personal hygiene products during the pandemic. Square Pharmaceuticals, the local giant in medicine production, posted a 4% growth in its consolidated revenue of BDT 52.93 billion for the year ending 30 June 2020.

- Meanwhile, a telecom operator and service provider also saw better growth in earnings as

people used more internet and took services to remain connected with the people while remaining at home. On top of that, multinational companies also recorded better earnings due to their efforts in maintaining supply chain and better corporate practices. Grameenphone is reporting a recovering top line in the Jul-Sep'20 period as the economic activity of Bangladesh gradually resumes following the initial months of Covid-19 pandemic," said Grameenphone CEO Yasir Azman

<https://www.dhakatribune.com/business/stock/2020/10/26/top-listed-companies-paint-rosy-picture-in-earnings-amid-covid-19>

Dutch Bangla Bank to issue BDT 5 billion bond

- The Dutch Bangla Bank Ltd is going to issue a bond worth BDT 5 billion and use its proceeds to increase the bank's Tier 2 capital base. Issuing a non-convertible unsecured subordinated bond is expected to help the commercial bank fulfil its Basel III requirements. The decision was taken at its board meeting on 24 October.

<https://tbsnews.net/economy/stock/dutch-bangla-bank-issue-BDT500-crore-bond-149719>

Regulator okays IPOs of Energypac, eGeneration

- The stock market regulator has approved the initial public offerings (IPOs) of Energypac and eGeneration, which will raise BDT 1.50 billion and BDT 150 million respectively from the capital market. Energypac will issue 40.2 million shares, of which 20.2 million are allocated for bidding among eligible investors while the rest will go to the general investors. With the IPO proceeds, the local power engineering company will expand its business, repay bank loans and meet IPO expenses. Energypac has already completed the bidding process and set a cut-off price of BDT 35 for its shares. General investors can purchase the stock at BDT 31 per share, which is a 10% discount from the cut-off price.
- Meanwhile, eGeneration will issue 15 million shares. With the IPO proceeds, the local ICT firm will buy office space, repay bank loans, develop a digital healthcare platform and meet IPO expenses.

<https://www.thedailystar.net/business/news/regulator-okays-ipos-energypac-e-generation-1982877>

Square Pharma investing BDT 2.50 billion to meet growing demand

- The country's leading drug manufacturer Square Pharmaceuticals will invest BDT 2.50 billion to expand its production capacity to meet the growing demand for its products both at home and abroad. The board of directors of the company made the decision at a meeting on Thursday. The investment is part of our regular operation and expansion plan as per the growth of the pharma market. Each year we allocate a portion of our profit for that, said the company secretary of Square Pharmaceuticals.
- In February this year, the pharma giant decided to set up a subsidiary company, named Square Lifesciences Ltd, at a cost of BDT 3.50 billion in order to manufacture Oral Solid Dosage products. Square Pharma expected that the project would be completed by June 2023. Meanwhile, in October last year, Square Pharma invested BDT 2.00 billion to upgrade and set up new machines as well as acquire land for expansion.

<https://tbsnews.net/companies/pharma/square-pharma-investing-BDT-250cr-meet-growing-demand-149314>

BSEC forms body to probe Aman Feed's irregularities

- The stock market regulator on Thursday set up an inquiry committee to unearth alleged irregularities in the financial statements and corporate governance of Aman Feed Limited. The Bangladesh Securities and Exchange Commission (BSEC) came up with the move after it had found different anomalies in the activities of the company, which manufactures and distributes poultry feed, fish feed, shrimp feed, and cattle feed.
- The issue came to the fore after AB Bank had arranged an auction for the sale of the company's land and factory in September. Meanwhile, Aman Feed secured a stay order from the High Court, which asked the company to pay BDT 600 million – BDT 200 million per month – to the lender by December 2020. According to AB Bank, the company owed around BDT 2.68 billion – including loans and their interest – to the lender till 31 July this year. But, the value of the company's factory and land in Sirajganj is BDT 700 million.

<https://tbsnews.net/economy/stock/bsec-forms-body-probe-aman-feeds-irregularities-148579>

Square Pharma plans BDT 2.5 billion expansion

- Square Pharmaceuticals is planning to invest BDT 2.50 billion to expand its business in the face of rising demand for drugs. The drug maker at a board meeting decided to utilise the fund for balancing, modernisation, rehabilitation and expansion (BMRE) and to purchase machineries and lands.

<https://www.thedailystar.net/business/news/square-pharma-plans-BDT-250cr-expansion-1984413>

BSRM to invest BDT 500 million in cashew nut processing plant

- Bangladesh Steel Re-Rolling Mills (BSRM) will invest BDT 500 million to set up a cashew nut processing plant at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN), a move that will boost the local economy and encourage farmers. The country's leading steel maker has already applied to the Bangladesh Economic Zones Authority (Beza) to take a 15-acre plot on lease for the processing plant. This BDT 500 million investment is just for the preliminary stage as the total investment could increase as needed in the future, deputy managing director of BSRM said.

With people becoming more and more health conscious, the cashew nut cultivation has increased in line with the growing demand in local markets. According to the Department of Agricultural Extension (DAE) office in Bandarban, cashew nuts were cultivated on around 1,797 hectares of land this year while farming increases everyday. The deputy director of the DAE's Bandarban office said about 1,323 tonnes of cashew nut was produced this year in Bandarban. According to the deputy director, at least BDT 3.50 billion is currently being spent to import cashew nuts for local consumption.

<https://www.thedailystar.net/business/news/bsrm-invest-BDT-50cr-cashew-nut-processing-plant-1984409>

Baraka Power solves innocent non-compliance with 4 new institutions aboard

- Baraka Power Ltd has announced the appointment of four new institutional directors, alongside the appointment of a qualified independent director, to comply with securities

regulations, demanding 30% shareholding by sponsors and directors collectively. Baraka Power's kind of innocent non-compliance went back to 2012 when it went off-compliance to abide by another part of the securities regulation that says any shareholder director must hold at least 2% shares at a listed company. The same regulation also said sponsors and directors will have to hold at least 30% shares collectively.

- However, the former directors are still with the company as sponsor shareholders, and recently they have transferred their shares to four holding companies, each of which now has more than 2% shares at Baraka Power, according to the company secretary of Baraka Power. Four representatives of the holding companies will be on Baraka Power Board after the BSEC's approval, he added. He declined to name the institutional shareholders being onboarded as the list is yet to be communicated with the BSEC.

<https://tbsnews.net/economy/stock/baraka-power-solves-innocent-non-compliance-4-new-institutions-aboard-150097>

Marico BD declares 200% interim cash dividend

- Marico Bangladesh Ltd, one of the leading listed multinational companies, has declared 200% interim cash dividend based on six months financials for the period ended on September 30, 2020. Marico Bangladesh, the first subsidiary of Indian fast-moving consumer goods company Marico, has reported earnings per share (EPS) of BDT 25.03 for July-September 2020 as against BDT 21.24 for the same period in 2019. In the six-month period from April to September 2020, its EPS was BDT 56.67 as against BDT 48.20 for April-September 2019, according to a disclosure posted on the Dhaka Stock Exchange (DSE) website on Wednesday.
- The net operating cash flow per share (NOCFPS) was BDT 83.24 for April-September 2020 as against BDT 73.75 for April-September 2019. The net asset value (NAV) per share was BDT 50.57 as on September 30, 2020 and BDT 44.05 as on March 31, 2020.

<https://today.thefinancialexpress.com.bd/stock-corporate/marico-bd-declares-200pc-interim-cash-dividend-1603902214>

<https://www.dhakatribune.com/business/stock/2020/10/28/marico-bangladesh-announces-200-interim-cash-dividend>