

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.89%) gained 62.43 points and closed the week at 7,085.95 points. The blue-chip index DS30 (+0.20%) gained 5.15 points and stood at 2,597.49 points. The Shariah-based index DSES (+0.89%) gained 13.37 points and stood at 1,517.62 points. The large cap index CDSET (+0.37%) gained 5.20 points and closed at 1,402.67 points. DSEX, DS30, DSES and CDSET showed YTD returns of +4.87%, +2.56%, +6.04%, +3.20%, respectively.

Total Turnover During the Week (DSE): BDT 66.2 billion (USD 770 million)

Average Daily Turnover Value (ADTV): BDT 13.2 billion ($\Delta\%$ Week: +2.9%)

Market P/E: 17.3x

Daily Index Movement during the Week

Market performed five sessions during this week. Market started this week positively (+0.58%) on Sunday but became negative (-0.18%) on Monday. Again, it started performing positively on the following days. It ended (0.30%) on Tuesday, (+0.12%) on Wednesday and (+0.06%) on Thursday.

Sectoral Performance

- Most of the financial sectors posted positive performance this week. General Insurance booked the highest gain of 3.91% followed by NBF1 (+1.68%), Mutual Fund (+0.88%), Bank (+0.28%), and Life Insurance (-0.43%).

- Most of the non-financial sectors posted positive performance this week. Fuel & Power booked the highest gain of 2.36% followed by Engineering (+2.32%), Pharmaceutical (+1.61%), Telecommunication (+0.40%), and Food & Allied (-2.56%).

Macroeconomic arena

- GDP makes quantum leap in corona year. Capital machinery imports soar above USD 1b in Dec. RMG export to US crosses pre-pandemic level in 2021. EU seeks customs clearance for all imports outside ports. Apparel exports likely to fetch USD50 billion in 2022: BGMEA president. Gold import duty to be cut in next budget: NBR chair. Gold prices on the rise, 22-carat gold now BDT 75,000 a bhori. Reform can enhance foreign trade 50%, end smuggling. Bangladesh risks losing 14.28% export earnings.

- Turning haor areas into economic hub: Kishoreganj EZ kicks off next month. Govt may cut dev budget by 8.0%. Business confidence takes a hit from Omicron. BD gets offer at USD 32 per MMBTU for late Feb delivery. Govt aims for 10% electricity from renewables by 2025. Dollar selling spree on despite taka depreciation. NSC sales turn negative in Dec after 19 months.

- App for e-commerce firms' registration to launch Monday. RMG units not inspected by Accord to go thru RSC inspection. Latest tech to be used for water reuse: BGMEA president. First industrial park for shoes shaping up. BSMA asks govt for lower duties on scrap imports. RMG units not inspected by Accord to go thru RSC inspection.

Stock Market arena

- BSEC mulls performance-based service fee system for AMCs. BSEC to inquire insider trading allegations against bank director's son BSEC panel to probe Active Fine Chemicals irregularities. BSEC orders Tamha Securities to sell off assets for settling clients' claims. Accessories stocks swell despite business declines. Premier Cement to issue preference shares. Summit Power allowed reopening its two plants.

- Shipping Corporation's half-yearly profits exceed Tk100cr for the first time. BD Thai Food's stock jumps 239% in 12 days. Dacca Dyeing profit jumps 188% in Q2 NCCBL Mutual Fund to pay 12% cash dividend. Yeakin Polymer's price almost doubles in a month sans PSI. Agro Organica files for a BDT 10cr QIO. Stock regulator orders action against NRB Bank CFO, others. New shareholders enter Fareast Life board. Food makers hit by falling profits as raw material prices rise. Global Islami Bank wants to go public for BDT425cr.

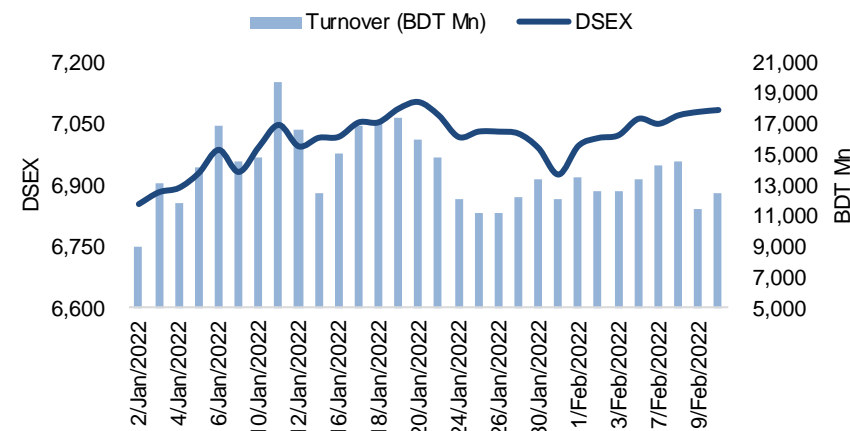
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	30-Dec-2020	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	7,085.95	7,023.52	+62.43	6,756.66	+0.89%	+4.87%
DS30	2,597.49	2,592.34	+5.15	2,532.58	+0.20%	+2.56%
DSES	1,517.62	1,504.25	+13.37	1,431.12	+0.89%	+6.04%
CDSET	1,402.67	1,397.47	+5.20	1,359.13	+0.37%	+3.20%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	5,667,530	5,621,827	
	M n USD	65,902	65,370	+0.8%
Turnover	M n BDT	66,178	64,289	+2.9%
	M n USD	770	748	
Average Daily Turnover	M n BDT	13,236	12,858	+2.9%
	M n USD	154	150	
Volume	M n Shares	1,473	1,470	+0.2%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
UNIONINS	65.5	40.9	+60.1%	3,170	113.6	51.1x	4.3x
BDTHAIFOOD	37.2	23.3	+59.7%	3,032	10.4	69.9x	2.6x
TAMIJTEX	234.7	166.0	+41.4%	7,056	90.8	50.5x	2.8x
MONOSPOOL	232.3	194.4	+19.5%	2,181	168.7	NM	5.7x
KTL	39.4	33.2	+18.7%	4,582	731.6	83.7x	2.3x
ZEALBANGLA	134.9	114.1	+18.2%	809	7.8	NM	NM
TAKAFULINS	77.2	66.5	+16.1%	3,288	231.0	34.5x	4.1x
TOSRIFA	212	18.4	+15.2%	1,441	171.4	25.5x	0.7x
SHYAMPSUG	83.8	73.3	+14.3%	419	6.2	NM	NM
KPCL	34.0	29.8	+14.1%	13,512	192.3	NM	1.6x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
QUEENSOUTH	30.9	34.9	-11.5%	4,448	607.2	19.2x	2.1x
BBS	26.8	30.2	-11.3%	4,367	1201.2	50.1x	1.8x
SUNLIFEINS	39.1	44.0	-11.1%	1,398	42.5	NM	NM
PRIMEINSUR	90.5	98.6	-8.2%	3,699	264.8	27.1x	4.9x
NPOLYMER	60.1	63.9	-5.9%	4,386	475.0	17.9x	2.1x
LIBRAINFU	979.2	1040.2	-5.9%	1,471	319	NM	0.8x
AGNISYSL	25.4	26.9	-5.6%	1,843	272.0	29.5x	1.7x
UNIONBANK	13.3	14.0	-5.0%	13,126	862.1	12.5x	0.9x
FUWANGFOOD	22.1	23.2	-4.7%	2,450	435.7	NM	1.9x
AIL	47.0	49.3	-4.7%	2,080	40.1	31.5x	2.2x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BSC	141.1	134.8	+4.7%	21,523	4,316.7	12.4x	2.1x
BEXIMCO	147.2	151.1	-2.6%	128,994	3,364.2	10.3x	1.8x
BATBC	627.5	650.8	-3.6%	338,850	2,164.0	22.6x	9.2x
ORIONPHARM	113.3	103.9	+9.0%	26,512	2,108.6	28.3x	1.4x
FORTUNE	121.3	117.2	+3.5%	19,716	1,984.4	41.5x	8.0x
SAIFPOWER	45.0	43.4	+3.7%	17,070	1,527.7	25.1x	2.7x
ACMELAB	103.1	94.6	+9.0%	21,816	1,394.7	11.6x	1.1x
BBS	26.8	30.2	-11.3%	4,367	1,201.2	50.1x	1.8x
BAYLEASING	35.4	31.9	+11.0%	4,987	1,183.7	12.3x	1.6x
ISLAMIBANK	32.5	32.9	-1.2%	52,325	1,109.9	9.7x	0.8x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD Δ%	Mcap**	PE	PB
SQUARETEXT	67.3	+28.9%	13,275	9.2x	1.6x
TITASGAS	44.6	+22.9%	44,119	12.9x	0.6x
UNIQUEHRL	60.4	+20.3%	17,782	NM	0.7x
GHAIL	19.8	+20.0%	4,274	NM	1.4x
ACMELAB	103.1	+19.2%	21,816	11.6x	1.1x
POWERGRID	68.8	+15.4%	49,036	14.1x	0.5x
DOREENPWR	77.5	+14.3%	12,533	9.1x	1.6x
LINDEBD	1,796.6	+13.7%	27,341	21.9x	4.8x
KPCL	34.0	+13.7%	13,512	NM	1.6x
ROBI	38.8	+12.1%	203,232	88.5x	3.1x

*BDT
**BDT Mn

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,629.6	1,625.1	1,589.69	+0.28%	+2.51%
NBFI	2,420.0	2,379.9	2,327.63	+1.68%	+3.97%
Mutual Fund	902.8	894.9	882.99	+0.88%	+2.24%
General Insurance	4,712.1	4,534.9	4,698.62	+3.91%	+0.29%
Life Insurance	2,847.8	2,860.1	2,687.55	-0.43%	+5.96%
Telecommunication	6,121.2	6,096.8	5,800.37	+0.40%	+5.53%
Pharmaceutical	4,048.9	3,984.9	3,866.63	+1.61%	+4.71%
Fuel & Power	1,941.0	1,896.3	1,792.97	+2.36%	+8.26%
Cement	2,789.2	2,759.8	2,534.76	+1.07%	+10.04%
Services & Real Estate	1,562.4	1,474.1	1,309.43	+5.99%	+19.32%
Engineering	4,854.6	4,744.4	4,727.46	+2.32%	+2.69%
Food & Allied	25,516.2	26,186.7	25,222.81	-2.56%	+1.16%
IT	3,263.6	3,262.4	3,274.61	+0.04%	-0.34%
Textile	1,656.8	1,616.4	1,470.60	+2.50%	+12.66%
Paper & Printing	9,384.6	9,427.8	9,680.03	-0.46%	-3.05%
Tannery	3,740.5	3,678.9	3,236.76	+1.68%	+15.56%
Jute	8,524.2	8,513.2	8,747.84	+0.13%	-2.56%
Ceramics	775.2	792.1	675.88	-2.14%	+14.69%
Miscellaneous	4,712.2	4,751.7	4,625.39	-0.83%	+1.88%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	910.2	914.2	-0.44%	+7.06%	8.2x	0.9x
NBFI	827.4	397.6	+108.11%	+6.41%	NM	4.3x
Mutual Fund	65.7	71.2	-7.76%	+0.51%	NM	0.8x
General Insurance	1,065.9	700.8	+52.10%	+8.26%	21.5x	2.3x
Life Insurance	503.8	565.9	-10.98%	+3.90%	NM	NM
Telecommunication	136.3	114.6	+18.93%	+1.06%	18.7x	5.7x
Pharmaceutical	1,581.1	1,313.4	+20.38%	+12.26%	18.9x	2.8x
Fuel & Power	682.8	740.7	-7.82%	+5.29%	12.4x	1.3x
Cement	199.3	411.7	-51.58%	+1.55%	20.4x	2.8x
Services & Real Estate	533.5	438.7	+21.61%	+4.14%	NM	1.2x
Engineering	1,509.3	1,702.9	-11.37%	+11.70%	19.3x	2.0x
Food & Allied	835.8	720.5	+16.01%	+6.48%	28.2x	9.7x
IT	301.3	383.3	-21.38%	+2.34%	33.2x	2.9x
Textile	1,166.6	1,510.3	-22.76%	+9.04%	30.6x	1.1x
Paper & Printing	300.0	188.1	+59.46%	+2.33%	NM	2.3x
Tannery	435.1	305.5	+42.41%	+3.37%	NM	3.9x
Jute	7.3	5.0	+46.91%	+0.06%	NM	24.4x
Ceramics	168.7	327.7	-48.52%	+1.31%	33.8x	2.2x
Miscellaneous	1,670.7	1,632.0	+2.37%	+12.95%	14.5x	2.3x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD Δ%	Mcap**	PE	PB
BATASHOE	916.9	-5.2%	12,543	NM	3.6x
BANKASIA	20.7	-5.0%	24,134	9.7x	0.9x
WALTONHIL	1,100.9	-4.2%	333,494	23.1x	3.6x
MTB	18.9	-3.6%	15,356	26.8x	0.9x
ENVOYTEX	47.2	-3.5%	7,917	30.1x	1.2x
PIONEERINS	113.2	-3.2%	8,714	14.8x	2.3x
OLYMPIC	155.9	-2.9%	31,170	18.5x	3.5x
ADNTEL	51.0	-2.7%	3,297	19.6x	1.9x
ACTIVEFINE	25.1	-2.0%	6,022	NM	1.1x
BATBC	627.5	-1.3%	338,850	22.6x	9.2x

Important News: Business & Economy

Capital machinery imports soar above USD 1b in Dec

- The country's businesses imported capital machinery worth above USD 1 billion in December amid a major spike in export earnings in the recent months of the current fiscal year 2021-2022. The country's import of capital machinery in the July-November period of FY22 was USD1.66 billion and the spending for the same purpose in July-December of FY22 reached USD2.69 billion.
- In July-December of FY22, the spending for capital machinery imports grew by 67.37 % year-on-year. In FY21, the country's spending for capital machinery was USD 3.74 billion. The country's overall import payments in 6MFY22 grew by 52.91 % year-on-year.
- The country's import costs for FY22 would be USD 30 billion higher than the import payments for FY21. Spending for intermediate goods stood at USD 3.39 billion in the first six months of FY22 against USD 2.11 billion in the corresponding period of FY21.

<https://www.newagebd.net/article/162313/capital-machinery-imports-soar-above-1b-in-dec>

NBR relaxes rules for machinery import for govt project

- The National Board of Revenue has eased some rules in importing machinery, parts and equipment for use in government projects. Under the new rules, machinery and equipment imported for a project may be used for other projects subject to permission, subject to approval from the managers of both projects.
- In addition, all liabilities including bank guarantees will have to be borne by the receiver project implementing authority. Importers of any faulty machinery will be responsible for sending those back. Besides, importers will be given approval for a year in importing equipment for projects from now on, which can later be extended for another six months.

<https://www.tbsnews.net/nbr/nbr-relaxes-rules-machinery-import-govt-project-368716>

Lower effective corporate tax rates: MCCI

- An elite chamber urges the government to restructure Bangladesh's corporate income tax as businesses are denied benefits of rate cuts through excessive "disallowance of expense" and "tax deducted at source". The corporate tax rate is 22.5%, but in some cases it ranges from 40 to 50 %.

- The chamber leaders argue that setting the corporate tax rates and overall tax structures matching with regional competitor countries is imperative for a sustainable graduation from the trade preference endowed LDC status. The government should bring down effective corporate tax as the higher effective tax rates are affecting both domestic and foreign investment in the country.

<https://today.thefinancialexpress.com.bd/first-page/lower-effective-corporate-tax-rates-mcci-1644431795>

EU seeks customs clearance for all imports outside ports

- The European Union has proposed increasing off-dock customs facilities for all imported cargo, removing idle containers quickly and introducing round use of containers to facilitate its trade with Bangladesh. Currently, only 37 inbound goods enjoy the customs clearance through off-docks, while for all other commodities, which is 75% of the total import volume.
- EU demanded that the share of foreign companies in the logistics sector be allowed to increase to 100% from the existing 49%. The EU proposed revising agency commission. If an agent books, the agent gets 5% of net freight. If principal books, then the agent gets 2.5% of net freight.
- EU suggested ensuring electric delivery order, paperless bill of lading (blockchain) and haulage ecosystem. EU proposed the removal of the tax provision that restricts companies from spending on promotional expenses more than 0.5% of companies' turnover.

<https://www.tbsnews.net/economy/eu-seeks-customs-clearance-all-imports-outside-ports-368728>

Track bank accounts with eTINs

- Foreign investors recommended introducing an eTIN-based tracking system of bank accounts to prevent evasion and increase tax collection. The idea is that the central bank will put in place the system which the revenue authority would utilise to do necessary analysis in this regard.
- The banks collect tax deducted at source (TDS) at 10% (accounts with TIN) and 15% (without TIN) rates as per the Income-tax Ordinance, 1984. To encourage TDS compliance and widening the tax net, corporate tax rate for compliant companies could be reduced by 10% of their tax liability.

<https://today.thefinancialexpress.com.bd/first-page/track-bank-accounts-with-etins-1644431868>

Foreigners to pay 25% tax against outward remittances

- The Bangladesh Bank has asked foreign individuals and business entities in Bangladesh to pay 25% tax against their income before repatriating it as outward remittances. According to the circular, if the authority finds irregularities in repatriating income, then an additional 2% simple interest charge will be applied monthly, apart from the existing 25% tax on income.

<https://www.tbsnews.net/economy/foreigners-pay-25-tax-against-outward-remittances-368713>

Gold prices on the rise, 22-carat gold now BDT 75,000 a bhuri

- The price of 21-carat gold has been set at BDT 71,675 per bhuri (1 bhuri = 11.667 gram), an increase of BDT 1,691. The price of 18-carat gold has been set at BDT 61,819 per bhuri, an increase of BDT 814 on its previous price. The price of traditional gold has increased to BDT 51,205, posting an increase of BDT 1,205. The price silver would remain unchanged.

<https://www.tbsnews.net/economy/gold-prices-rise-22-carat-gold-now-tk75000-bhuri-368698>

Reform can enhance foreign trade 50%, end smuggling

- ADB says if the government goes for reform and trade-facilitation works, the foreign trade volume will increase by 50 %, cargo shipment-and customs-clearance time will be reduced by 50%. The government is going to take up USD 152.5 million project for modernising nine land ports to facilitate cross-border trade. The ADB alone will provide USD 144.5 million and the rest amount will be spent by the government.

<https://today.thefinancialexpress.com.bd/last-page/reform-can-enhance-foreign-trade-50pc-end-smuggling-1644432388>

BKash fetches freelancer's remittance in seconds

- BKash has already signed a deal with Payoneer, an online payment gateway service provider that allows users to send or receive payments from around the world. Under the agreement, BRAC Bank will act as the local payment gateway. The whole process would take in real-time, and a freelancer will be able to withdraw money when a minimum of BDT 1,000 is deposited to their bKash account.

<https://www.thedailystar.net/business/economy/news/bkash-fetches-freelancers-remittance-seconds-2958651>

Troubled NBFIs render BDT 1,000cr bank loans sour

- Twenty-five banks are suffering from a collective default loan of BDT 974.4 crore after several non-bank financial institutions (NBFIs) failed to pay back funds despite maturity. NPL figure is much higher than the amount reported by banks as the BB had earlier asked them not to classify the funds despite their inability of NBFIs to repay on time.
- Banks feel comfort in parking funds at NBFIs as the latter own licences from the central bank to do banking, such as disbursing loans to borrowers and mobilising funds from depositors. Banks have funds of BDT 29,223 crore with NBFIs, either in the form of loans or deposits. NPLs with the country's 34 NBFIs stood at BDT 11,757 crore as of September, up 17 % nine months ago.

<https://www.thedailystar.net/business/economy/banks/news/troubled-nbfis-render-tk-1000cr-bank-loans-sour-2958656>

RMG export to US crosses pre-pandemic level in 2021

- Bangladesh fetched USD7.14 billion from readymade garment exports to the US in 2021, keeping the market as its single-largest destination without any duty preferences. The apparel exports to the US were 36.69 % or USD1.91 billion higher than that of the 2020 earnings worth USD5.22 billion. The 2021 RMG exports also surpassed the pre-pandemic level of 2019 when Bangladesh earned USD5.92 billion.
- A high demand for the Bangladeshi RMG, especially knit items have helped the exports grow both in terms of volume and value. In 2021, Bangladesh shipped 2.60 billion square metres of apparel items, up by 37.87 % from 1.88 billion square metres in the same period of 2020. the overall apparel imports of the US from across the world during 2021 also increased by 27.36 % to USD 81.59 billion from USD 64.06 billion in 2020.

<https://today.thefinancialexpress.com.bd/first-page/rmg-export-to-us-crosses-pre-pandemic-level-in-2021-1644431920>

Truck sale revving up, bus hits 7-year low

- According to the annual vehicle registration data from the Bangladesh Road Transport Authority (BRTA), the total registration of all segment vehicles increased by 18% year-on-year in 2021. This follows a 24% decline in 2020 amid the first wave of the pandemic.
- Industries, including textiles, construction materials and the consumer sector, have been buying a large portion of trucks and covered vans in 2021, said the chairman of Nitol-Niloy Group that assembles Tata commercial vehicles.

- Director of Ifad Automobiles (assembler & distributor of Ashok Leyland) said corporate clients are contributing to at least 20% of the commercial vehicle demand, up from the previous average of 10%.
- Pickup truck sales could grow more if the double cabin ones did not face a slowdown following a halt in government procurement, said Energypac's general manager heading its JAC commercial vehicles unit.

<https://www.tbsnews.net/economy/truck-sale-revving-bus-hits-7-year-low-368734>

GDP makes quantum leap in corona year

- Bangladesh's economic growth in the last fiscal marks a quantum leap by 1.51 percentage points to an impressive 6.94 % in final official calculations, despite pandemic devastations. The public statistical body Tuesday finally unveiled the country's actual economic growth to 6.94 % for FY21, more than double the figure in the previous FY2020.
- The country's total size of GDP at current price stood at USD 416 billion or BDT 35.30 trillion. The higher GDP size finally also boosted the per-capita income (gross national income) of Bangladeshis to USD 2,591 in the last fiscal from the previous provisional data of USD 2,554.
- Agriculture had also shown an impressive growth trend at 3.17 % while the services sector grown at a moderate rate of 5.73 %. The investment-GDP ratio for the last fiscal had also shown an upward trend at 31.02 % compared to the provisional estimation of 30.76 %.

<https://today.thefinancialexpress.com.bd/first-page/gdp-makes-quantum-leap-in-corona-year-1644342731>

ECNEC approves 11 projects of BDT 375.07b

- The government approved 11 development projects involving a total cost of BDT 375.07 billion. BDT 360.57 billion of the total expenditure will come from the internal resources and BDT 14.50 billion as project assistance from the external resources.
- The ECNEC approved another project of the Bangladesh Hi-Tech Park Authority (BHTPA) titled "Construction of Primary Infrastructure for Sheikh Hasina Institute of Frontier Technology" to be set up at Shibchar upazila of Madaripur district by December 2026. The other approved projects included Infrastructure Development of Mongla Commander Flotilla West at BDT 6.99 billion.

<https://today.thefinancialexpress.com.bd/last-page/ecnec-approves-11-projects-of-tk37507b-1644343442>

Bilateral pacts on the cards to boost BD-Canada trade

- Dhaka and Ottawa are likely to ink two key pacts to increase Canadian trade and investment in Bangladesh. Citing the complexity of Canadian visa process as a major obstacle to bilateral trade, the high commissioner said that "discussions are also underway to set up a visa office at the Canadian High Commission in Dhaka". The high commissioner also proposed the signing of an MoU between the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) and the BCC to strengthen Canada-Bangladesh trade and investment relations.

<https://today.thefinancialexpress.com.bd/trade-market/bilateral-pacts-on-the-cards-to-boost-bd-canada-trade-1644337348>

BD for no further anti-dumping duty

- Dhaka will request New Delhi not to further continue anti-dumping duty on hydrogen peroxide as it was not being exported to the Indian market at dumped prices. Both Indo-Bangla representatives and stakeholders took part in the hearing that was hosted virtually recently. India is now conducting a 'sunset' review of the import of hydrogen peroxide from Bangladesh.
- The 'sunset' review, according to the anti-dumping agreement of the World Trade Organisation (WTO), is made to extend the validity of anti-dumping duty for five more years through an investigation. It is a protectionist tariff that a domestic government imposes on foreign imports that it believes are priced below fair market value.

<https://today.thefinancialexpress.com.bd/last-page/bd-for-no-further-anti-dumping-duty-1644343080>

BJMC again floats tender to lease 13 govt jute mills

- The 13 mills will be leased out for five to twenty years, along with the possibility of extending this at a later time, and the mills premises will be used for producing only goods using jute. The mills cannot be mortgaged, sub-leased or rented out to any party, including banks, financial institutions or intermediaries.
- Earlier in April last year, the jute authorities had floated another international tender to lease out 17 out of 26 mills to the private sector. Of those, three mills – Gul Ahmed Jute Mills, MM Jute Mills, and RR Jute Mills – are in the Chattogram zone. The lease would be awarded to the highest scoring bidder ranked on the basis of a combined score of technical and financial proposals weighted equally.

<https://www.tbsnews.net/economy/industry/bjmc-again-floats-tender-lease-13-govt-jute-mills-368287>

Forget govt support

- The National Board of Revenue (NBR) has suggested local entrepreneurs focus on capacity building to become more competitive rather than seeking government support over the coming years. He added that Bangladesh is going to graduate from a least-developed country within the next four years and so, there will be no scope for the government to provide support to protect local industries. He went on to say that Bangladesh will face numerous challenges in conducting trade and business after the country's graduation in 2026.

<https://www.thedailystar.net/business/economy/news/forget-govt-support-2957751>

Yields on govt securities continue to fall

- The cut off yield, generally known as interest rate, on Five-Year BGTBs came down to 5.75% on the day from 6.47% earlier. The yield fell below the inflation rate on point-to-point basis in December 2021. The inflation rose to 6.05% in December last calendar year from 5.98% a month ago on point-to-point basis because of higher prices both food and non-food items.
- However, the government borrowed BDT 5.0 billion on Tuesday through issuing the BGTBs to meet its budget deficit partly. The yield on 91-Day Treasury Bills (T-bills) dropped to 2.21% on February 06 from 2.37% earlier while the yield on 364-Day T-bills came down to 3.39% from 3.45%.

<https://today.thefinancialexpress.com.bd/first-page/yields-on-govt-securities-continue-to-fall-1644342839>

Mobile phone connection growth 3-year high in 2021

- The number of mobile phone connections to 181.0 million at the end of December 2021 from 170.1 million a year ago, as people's dependency on mobile phone and internet connectivity grew sharply after the Covid outbreak.
- Of the 18.1 crore active mobile phone connections in the country, Grameenphone is holding 83.5 million connections, representing 46.11% market share. The operator's number of connections increased by 4.4 million in 2021.
- Robi, Banglalink and Teletalk added 2.8 million lakh, 1.9 million and 1.7 million customers respectively in 2021. With the addition, the number of active connections of Robi, Banglalink and Teletalk reached 53.7 million, 37.2 million and 6.7 million respectively.
- Apart from the mobile phone connections, the internet connections in the country grew by 12 million to reach 123.8 million at the end of 2021.

<https://www.newagebd.net/article/162209/mobile-phone-connection-growth-3-year-high-in-2021>

Unilever rebrands 'Glaxose-D' as 'GlucoMax D'

- Glaxose-D, the country's top glucose brand of Unilever Consumer Care Limited, has hit the market with a new name of GlucoMax-D last week, said a press release. GlucoMax-D is a fast and effective provider of energy for all age consumers. The name 'GlucoMax-D' has finally been voted upon to relaunch this nutrition brand with the legacy of five decades of serving its consumers.

<https://www.newagebd.net/article/162185/unilever-rebrands-glaxose-d-as-glucomax-d>

Govt to allow soya meal export

- The total demand for soybean meal in Bangladesh is an estimated 2.5 to 2.6-million tonnes per year. Of the needs, 75-80% is procured from domestic soybean oil producers. The country imports an estimated 0.35-0.04 million tonnes of soybean meal per annum. Apart from local production, Bangladesh is currently importing soybean meal from countries like India, the US, Brazil and Argentina.
- There is demand for Bangladeshi soybean cake, meal and soybean in different countries, including Nepal, Cambodia, India and Thailand. Annual soybean meal production capacity of industrial groups like Meghna, City, Globe, KBC and Jamuna is close to 5.0-million tonnes. The industrial groups claimed the soybean seed-crushing factories have been facing massive losses due to the export ban.

<https://today.thefinancialexpress.com.bd/trade-market/govt-to-allow-soya-meal-export-1644254097>

Metro network to expand around Dhaka

- In the first phase, Narayanganj and Gazipur are prioritised for the extension of metro rail lines. The construction of a 129.90-kilometre metro rail route by 2030 has been finalised, which includes the Mass Rapid Transit Line-4, stretching from Dhaka's Kamalapur to Narayanganj.
- The total length of the metro lines will be 250 kilometres and the metro rail will carry about 75 lakh passengers every day. "After the completion of the first phase, the metro rail network will be expanded to Gazipur Chowrasta, Baipail in Savar, Rupganj and Barapa in Narayanganj, and Jhilmil in Keraniganj,".

<https://www.tbsnews.net/bangladesh/infrastructure/metro-network-expand-around-dhaka-367813>

Bangladesh sets target to vaccinate 100pc people by December

- All the people of the country will get the two doses of vaccines and the booster one against Covid-19 by December as per the target, said Health Minister Zahid Maleque on Monday. The minister said the government has so far spent more than BDT 200 billion on vaccinating the people of the country
- He said that 67.50 million people have received the second doses and 2.60 million people got the booster shots. The minister reported that there are 100 million vaccines in stock, adding Bangladesh received a total of 270 million vaccine doses.

<https://thefinancialexpress.com.bd/national/bangladesh-sets-target-to-vaccinate-100pc-people-by-december-1644227823>

Turning haor areas into economic hub: Kishoreganj EZ kicks off next month

- The first-ever economic zone in the country's haor areas is set for a launch in Kishoreganj, 90km from the capital Dhaka, with the Indian Tata Group going into production of pickups in March. It is expected to create 2,000 jobs initially, and then in five years.
- The figure will gradually increase to 20,000, says Nitol Niloy Group, which is developing the Kishoreganj Economic Zone. "Aside from Tata, Nitol Niloy Group is investing BDT600-900 crore in the tyre industry with an annual production capacity of 3.5 lakh units,".

<https://www.tbsnews.net/economy/turning-haor-areas-economic-hub-kishoreganj-ez-kicks-next-month-367399>

Govt may cut dev budget by 8.0%

- The government may trim the development budget down by 8.0% to BDT 2.07 trillion as project execution loses steam, as of the first half (H1) of this fiscal. The size of the ADP for the current fiscal is BDT 2.25 trillion. It is likely to keep aside similar amount of BDT 1.37-trillion outlay from the government's internal resources while BDT 702.50 billion from foreign funds.
- Government ministries and agencies had sought 20%-lower funds than their current BDT 880.24 billion allocations from project aid (PA) financed by the overseas development partners. The Economic Relations Division (ERD) has already revised downward the PA outlay to BDT 702.50 billion from BDT 880.24 billion. Public agencies spent 22% from their BDT 880.24 billion PA outlay in the current ADP during the July-December period. The local-government sector has sought higher BDT 436.75 billion out of the total BDT 1.62-trillion requirements in the upcoming RADP.

<https://today.thefinancialexpress.com.bd/first-page/govt-may-cut-dev-budget-by-80pc-1644256421>

Business confidence takes a hit from Omicron

- Firms in Bangladesh feel that the economic recovery will be weaker than they had perceived earlier due to the adverse impacts of Omicron and the fuel price hike that raised the cost of doing business, according to a survey carried out by the South Asian Network for Economic Model (Sanem).
- The survey found that 17% firms believe there will be a stronger recovery and 44% expect a moderate turnaround, down from 21% and 52% in October last year, respectively. The survey also found that Business Confidence Index (BCI) declined to 54.99 in January-March this year from 60.67 in October-December last year, indicating lower business confidence overall.
- According to the survey, firms recovered 60.6% of their business during October-December last year, up from 56.8% in the previous quarter. As a result, the Present Business Status Index (PBSI) was 59.20 per cent in October to December from 56.79 per cent in the preceding quarter.

<https://www.thedailystar.net/business/economy/news/business-confidence-takes-hit-omicron-2956996>

BD gets offer at USD 32 per MMBTU for late Feb delivery

- Bangladesh has received a price quote at around USD 32 per million British thermal unit (MMBTU) as the best offer to import LNG (liquefied natural gas) from the spot market for late February delivery. The price is around 7.50 %higher than the price Petrobangla purchased from French Total for early February delivery. Currently, state-run Petrobangla imports LNG from long-term suppliers at around USD 11.5 per MMBTU.
- LNG regasification now dropped to around 400 million cubic feet per day (mmcf), from usual supply of over 800 mmcf, as the country's LNG re-gasification is now dependent on US's Excelerate Energy's FSRU only. Country's overall natural gas output also dropped to around 2,800 mmcf from the previous supply of around 3,200 mmcf.

<https://today.thefinancialexpress.com.bd/last-page/bd-gets-offer-at-32-per-mmbtu-for-late-feb-delivery-1644256919>

Govt aims for 10% electricity from renewables by 2025

- The budgetary allocations for the power and energy sector as projected in the document for the 2023-24 fiscal is BDT 305.26 billion, while the projection for 2022-23 fiscal is BDT 289.62 billion and it is BDT 274.84 billion in the running 2021-22 fiscal. The government is working to achieve the target of generating 40,000 MW by 2030 and 60,000 MW by 2041.

- The government is implementing new plans to generate electricity based on coal, diesel-furnace oil, nuclear power and renewable energy by solving the existing problem of power generation through gas-fired power plants. At present, the country has a power generation capacity of 22,023 MW (including captive and renewable) and is in the process of setting up another 38 power plants with a combined capacity of a further 14,115 MW. At present only about 722 MW of electricity is being generated from renewable sources.

<https://today.thefinancialexpress.com.bd/stock-corporate/govt-aims-for-10pc-electricity-from-renewables-by-2025-1644254605>

First container ship leaves for Italy with RMG goods

- Bangladesh's first-ever direct export of readymade garments by sea started on Monday with MV Songa Cheeta leaving the Chattogram port for Italy. The ship left the port at around 3:00pm for Ravenna port in Italy carrying 950 TEUs (Twenty Equipment Unit) in 493 boxes. If direct container ship operation on Chattogram-Italy route remains uninterrupted, Bangladesh will be ahead of Vietnam in RMG export as it will save lead time and fare.

<https://today.thefinancialexpress.com.bd/trade-market/first-container-ship-leaves-for-italy-with-rmg-goods-1644254052>

Bangladesh risks losing 14.28% export earnings

- Bangladesh may lose out significantly for facing greater adversities and stricter rules-of-origin (RoO) requirements in export destinations. The country is likely to lose 14.28% or USD5.73 billion worth of export earnings annually after its graduation to a developing nation from the least-developed country (LDC) status. It is because of the country's overwhelming dependence on textiles and clothing (T&C) exports bound for markets with high preferential tariff margins.

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-risks-losing-1428pc-export-earnings-1644256320>

Wait for riding high-capacity bikes to linger as 165cc limit stays

- The import policy retains the bar on the import of all types of motorcycles beyond 165cc engine capacity. Companies registered as motorcycle manufacturers are, however, allowed to import machinery and other parts to manufacture two-wheelers up to 500cc, but only for the purpose of export. The policy order will remain in force for a period of three years till 2025 or until a new import policy comes into force.

- Operations Head of Asian Motorbikes Ltd have told TBS that foreign investment came into Bangladesh with expectation that the local high-powered motorcycle market would grow in future. Chairman of Runner Group told that foreign buyers of these motorbikes have found some problems with them as we exported them without any road trial.

- Nitol-Niloy Group, which manufactures motorcycles of the Hero brand, applied to the commerce ministry seeking ban on the use of motorcycles beyond 165cc in the country. The company argued that they set up plants for manufacturing motorcycles up to a maximum of 165cc according to the Import Policy Order 2015-2018, and, therefore, raising the cc limit would make it difficult to recover investment in these plants and reduce the ability to repay bank loans.

<https://www.tbsnews.net/economy/wait-riding-high-capacity-bikes-linger-165cc-limit-stays-367807>

Bangladeshi company to set up backward linkage industry in IEPZ

- Bangladesh Export Processing Zones Authority (BEPZA) and Adnan Fibre Limited on Sunday signed an agreement to this effect at BEPZA Complex in Dhaka. Adnan Fibre will invest USD 20.66 million to produce 25,000 tonnes of Polyester Staple Fibre (PSF) per annum. The company will produce PSF from the PET Flex (PET Bottle) which will be collected locally.

<https://thefinancialexpress.com.bd/economy/bangladeshi-company-to-set-up-backward-linkage-industry-in-iepz-1644144827>

Patenga Container likely to open in June: CPA Chairman

- Patenga's new container terminal in Chattogram is expected to open in June, said Chattogram port authority chairman rear admiral M Shahjahan. After the opening of the terminal, it'll be possible to handle 145 million TEUS containers in a year. At present, Chattogram Port has the capacity to contain 50,000 TEUs containers. Now there are 39,000 TEUS containers at the port.

<https://www.newagebd.net/article/162006/patenga-container-likely-to-open-in-june-cpa-chairman>

Bangladesh won't fall into Chinese debt trap, says Foreign Minister Momen

- Bangladesh will not fall into the so-called Chinese debt trap as the volume of its loan from China is not that big, said Foreign Minister Dr AK Abdul Momen on Saturday. The minister said that a country needs to take 40% of its debt from a particular source to be in the debt trap, which in this case is only around 5%.

<https://thefinancialexpress.com.bd/economy/bangladesh-wont-fall-into-chinese-debt-trap-says-foreign-minister-momen-1644117500>

Cut corporate tax by 2.5pc next fiscal year

- The Dhaka Chamber of Commerce & Industry (DCCI) urged the government to cut the corporate tax rate by 2.5 percentage points in the next fiscal year to align it with the regional average rate. The corporate tax rate in Bangladesh is 30 per cent while the average rate is 29% in Pakistan, 24% in Sri Lanka, and 20% in Vietnam, Cambodia and Thailand, according to a DCCI paper.

<https://www.thedailystar.net/business/economy/news/cut-corporate-tax-25pc-next-fiscal-year-2956146>

Digital business identification launched for e-commerce firms

- The commerce ministry today launched the digital business identification (DBID) for the e-commerce companies with a view to check irregularities in the sector. Every e-commerce company will now have to obtain the DBID for doing business. At the launching, some 11 companies were given the DBID certificates. More than 1,600 e-commerce companies and nearly five lakh financial commerce companies are involved in Bangladesh's e-commerce business.

<https://www.thedailystar.net/business/news/digital-business-identification-launched-e-commerce-firms-2955641>

Apparel exports likely to fetch USD50 billion in 2022: BGMEA president

- The country's apparel exports are likely to fetch USD 50 billion in 2022, says Bangladesh Garment Manufacturers and Exporters Association President. He added that during last November and December, RMG manufacturers exported nearly USD 4.0 billion worth of garments a month. The BGMEA president said the direct connectivity with Europe would reduce business costs by 40% and cut shipment time to 16 days. He hoped more European shipping lines would launch such services on their routes.

<https://www.tbsnews.net/economy/rmg/apparel-exports-likely-fetch-50-billion-2022-bgmea-president-367303>

Entrepreneurs demand equal tariff facilities like RMG on fire safety equipment import

- The government has only allowed the readymade garment (RMG) sector to import fire safety equipment at reduced rates even though workers in all sectors have equal rights to safety and security and therefore there should be no such discrimination in the tariff rate on the import of fire safety equipment, said entrepreneurs at a meeting.

- Niaz Ali Chisty said due to high tax incidence, it is often not possible for small and medium entrepreneurs to take adequate fire protection measures. Besides, separate permits required for the import of carbon dioxide, foam, dry powder and other fire-resistant gases and chemicals result in harassment and delay for importers. As there is no laboratory of the Bangladesh Standards and Testing Institution in Chattogram, chemicals have to be sent to Dhaka for testing, which takes an additional eight to 10 days, incurring extra cost, he added.

<https://www.tbsnews.net/economy/entrepreneurs-demand-equal-tariff-facilities-rmg-fire-safety-equipment-import-367318>

Large conglomerates expanding ceramic footprints

- Ceramic market in the past six years got at least BDT 4,000 crore investments by five large companies such as Sheltech, DBL and Greatwall Ceramic – raising the total market investment to BDT 10,000 crore. According to the Bangladesh Ceramic Manufacturers' and Exporters' Association, ceramics logged BDT 6,000 crore sales in FY21. Of it, tableware and bathroom fittings jointly amounted to BDT 1,000 crore. Local manufacturers in that year sold BDT 4,300 crore tiles, while the item worth BDT 700 crore was imported.

- Meghna recently entered the tiles market with BDT 500 crore investment, while Akij expanded production to tableware last month after logging bright records in tile-making. Meanwhile, agri-consumer giant Pran-RFL is revving up to enter the ceramic market that has clocked around 100% growth in the last six years. The company will manufacture tiles initially, according to market sources.

<https://www.tbsnews.net/economy/industry/large-conglomerates-expanding-ceramic-footprints-367366>

Ctg custom's move to expedite auctioning boosts revenue

- Chittagong Custom House's revenue collection through auctioning off undelivered goods brought in by evading duty, smuggling and misdeclaration has nearly doubled as the authorities moved to expedite the auction process earlier in 2021. Starting in 2021, the custom house decided to arrange two auctions instead of one aiming to clear 15% of the port yard area occupied with products awaiting auction.

- In 2020, the custom house generated a revenue of BDT 65.30 crore through 13 auctions, which jumped to 24 last year and the revenue collection reached BDT 115.65 crore. According to port sources, the port is unable to handle some 2,50,000 containers every year due to over 7,000 containers full of auctionable goods that are stuck at the port yard.

<https://www.tbsnews.net/nbr/ctg-customs-move-expedite-auctioning-boosts-revenue-366517>

Gold import duty to be cut in next budget: NBR chair

- National Board Revenue chairman on Saturday said the gold import duty would be lowered in the upcoming budget with the aim of checking gold smuggling. At a press conference marking the 13th EFD lottery results announcement at the seminar room of the revenue board in Dhaka, Muneem also said that the monitoring of gold smuggling was a challenging task and it was a serious concern for the revenue authority.
- The NBR has installed 3,393 EFDs and SDC devices free of cost as part of the pilot project of the VAT automation system. So far, the revenue board has installed EFDs at 3,591 shops all over the country. In order to install the EFDs, businesses now have to pay BDT 20,500 while they have to pay BDT 24,000 for installation of the SDC devices.

<https://www.newagebd.net/article/161953/gold-import-duty-to-be-cut-in-next-budget-nbr-chair>

App for e-commerce firms' registration to launch Monday

- A dedicated application for the registration of e-commerce firms operating in the country, either based on websites or social media platforms, is all set to be launched on Monday. A programme and discussion session will be held in this regard at the Bangladesh Secretariat on Monday, reads a press release issued by the commerce ministry. Commerce Minister Tipu Munshi will attend the event as the chief guest.

<https://www.tbsnews.net/economy/app-e-commerce-firms-registration-launch-monday-366736>

Container ship reaches Ctg directly from Italy, will leave with export goods Monday

- Container ship the Songa Cheetah reached the Chittagong Port on Saturday and is set to leave for Italy's Porto di Ravenna (The Port of Ravenna) on Monday on the first direct commercial freight trip from Bangladesh to Europe. A harbour pilot from the Chittagong Port moored the vessel at the Jetty no 4 in the New-mooring Container Terminal (NCT) at 1:15pm Saturday, after its arrival at the outer anchorage of the port.
- According to sources with shipping agents, about 98% of the export goods are readymade garments while the remaining 2% are handicrafts, and leather and jute products. Once the goods arrive at the Ravenna port, they will be delivered to various destinations in Europe as per the demand of the buyers, they added. Md Omar Farooq, secretary to the Chittagong Port Authority, told TBS that the port authorities welcome the launch of the direct freight service to Italy and dubbed the development a huge milestone for the country's economy.

<https://www.tbsnews.net/economy/container-ship-reaches-ctg-directly-italy-will-leave-export-goods-monday-366871>

NSC sales turn negative in Dec after 19 months

- The net sales of national savings certificates turned negative in December 2021 after 19 months as the government tightened NSC sales rules to contain people's buying spree of the savings instruments. According to Bangladesh Bank data, the net sales of NSCs turned negative at BDT 435.96 crore in December 2021 against positive BDT 1,442.2 crore in the same month a year ago.
- So, many of the savers found interest rate on savings instruments lucrative since the NSCs offered as high as 12 % against its different products. Afterwards, the sales of NSCs in FY21 rose to BDT 41,959.5 crore, more than double the government's initial budgetary target for the particular year. Initially, the target was BDT 20,000 crore, which was later revised upward to BDT 30,302 crore.
- To contain the sales, the government in June 2021 barred individuals to purchase NSCs worth above BDT 2 lakh without submitting the tax identification number. Prior to making the TIN-related sanction, the government stopped selling one of its savings instruments through banks and the Post Office from May 19, 2021. Under the new rules, the five-year Bangladesh Sanchayapatra can only be purchased from the Sanchay bureaus.

<https://www.newagebd.net/article/161951/nsc-sales-turn-negative-in-dec-after-19-months>

Dollar selling spree on despite taka depreciation

- Bangladesh Bank injected a record USD 3.07 billion into banks in the July-January period of the current fiscal year of 2021-22, comfortably breaking the previous high. Alone in January, BB sold USD 559 million. The previous high was registered in 2018-19 when the BB sold USD 1.34 billion.
- Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, and Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue (CPD), both shared that same concern that the central bank needs to depreciate the local currency further.
- Both the government and the central bank should make a concerted effort to cut the import payments in order to keep the foreign currency reserves buoyant. Reserves declined to USD 45.13 billion on February 2 after rocketing to USD 48 billion, an all-time high, in August last year.

<https://www.thedailystar.net/business/economy/banks/news/dollar-selling-sprees-despite-taka-depreciation-2955431>

RMG units not inspected by Accord to go thru RSC inspection

- Bangladesh Garment Manufacturers and Exporters Association has taken an initiative to bring its members, who are interested to do business with European buyers but remained outside the jurisdiction of Accord-run safety inspection, under the inspection programme of the Readymade Garment Sustainability Council. The BGMEA has recently issued a letter to its members and requested to send profiles of factories to being audited under the RSC.

<https://www.newagebd.net/article/161927/rmg-units-not-inspected-by-accord-to-go-thru-rsc-inspection>

Latest tech to be used for water reuse: BGMEA president

- Latest technology will be used for water reuse at BGMEA Garment Village of Bangabandhu Sheikh Mujib Shilpa Nagar at Mirsharai in Chattogram to cut water use in garment factories. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Faruque Hassan said this after visiting the development works of plots at the Garments Village. About supplying groundwater to the factories, Faruque Hassan said that BGMEA was working on zero water discharge.
- The Bangladesh Economic Zones Authority (Beza) and the BGMEA signed an MoU on 21 March of 2018 for the allocation of 500 acres of land at the Bangabandhu Sheikh Mujib Shilpa Nagar. As many as 48 factories have got an allocation of 291 acres of land. BGMEA has paid BDT209 crore to the Beza authorities. In March 2021, 41 factories applied for 190 acres of land allotment in the industrial estate where they want to invest USD1,100 million.

<https://www.tbsnews.net/economy/rmg/latest-tech-be-used-water-reuse-bgmea-president-366886>

First industrial park for shoes shaping up

- The Bangladesh Investment Development Authority (Bida) gave the permission for the establishment of the Bangladesh Shoe City Ltd in September. Nasir Khan, chairman and managing director of Jennys Group, is the founder of the park. The park, which is being set up in Gazipur, would cost around USD 100 million. Of the sum, Khan's equity is 46 per cent and a global lender will provide the rest.
- The park is located over 35 acres of land where 24 factories could be accommodated. Jennys Group has already set up three factories, including a shoe manufacturing unit. The footwear sector needs at least 152 items to manufacture a piece of shoe. Of them, 50 major items will be produced in the park, Khan says. Bangladesh is yet to establish a supply chain for the leather and footwear sector although the Asian Development Bank (ADB) thinks there are possible strong backward linkages.

<https://www.thedailystar.net/business/economy/news/first-industrial-park-shoes-shaping-2955451>

BSMA asks govt for lower duties on scrap imports

- Bangladesh Steel Manufacturers Association urged the government for reduction of all existing duties and taxes on scrap and sponge iron imports for local manufacturers. The production cost of rod has also gone up, having adverse impact on the country's construction sector. At present, scrap costs 79 per cent additional expense, resulting in overall production costs increased by 52%. In contrast, the selling price has increased by only 37 per cent.
- According to the producers, the rod has to be sold at a loss in most cases as the selling price has not increased as compared to the increase in the price of raw material in the world market. Currently, the selling price of per metric ton rod is BDT 78,000 while the same in West Bengal, India, costs BDT 86,000, the BSMA leaders added.

<https://www.newagebd.net/article/161916/bsma-asks-govt-for-lower-duties-on-scrap-imports>

RMG units not inspected by Accord to go thru RSC inspection

- Bangladesh Garment Manufacturers and Exporters Association has taken an initiative to bring its members, who are interested to do business with European buyers but remained outside the jurisdiction of Accord-run safety inspection, under the inspection programme of the Readymade Garment Sustainability Council. The BGMEA has recently issued a letter to its members and requested to send profiles of factories to being audited under the RSC

<https://www.newagebd.net/article/161927/rmg-units-not-inspected-by-accord-to-go-thru-rsc-inspection>

Important News: Capital Market

BSEC mulls performance-based service fee system for AMCs

- The Bangladesh Securities and Exchange Commission has moved to limit asset management companies to charging annual service fees from mutual funds based on performance by MFs under their management. Currently the AMCs are charging the fees based on weighted average net asset value of mutual funds.
- The BSEC would make categories based on the performance by the mutual funds. The commission would consider dividend giving ability, net asset value and governance of the funds while assessing performance, they said. BSEC commissioner Shaikh Shamsuddin Ahmed said that the regulator observed that many AMCs were not performing well and failed to provide expected dividend to the unitholders but charging large amount of service fees.

<https://www.newagebd.net/article/162308/bsec-mulls-performance-based-service-fee-system-for-amcs>

Shipping Corporation's half-yearly profits exceed Tk100cr for the first time

- The profit of the Bangladesh Shipping Corporation has surpassed BDT 100 crore in 1HFY22, for the first time. The profit grew by 400% to BDT 126 crore, and the earnings per share (EPS) rose to BDT 8.28. It has also surpassed the near BDT 72 crore annual profit for fiscal 2020-21. The corporation said hikes in shipping fares internationally on a large scale helped it post a higher revenue, and profit than the previous fiscal year.
- In FY21, the corporation had reported a 73.67% profit increase to BDT 71.99 crore, which was the highest for the previous six years, bolstered by a surge in shipping fares, and a decrease in ship operating costs. The share price, which was BDT 49.4 on 23 December last year, closed at BDT 143.4 on 9 February. Unprofitable due to old age, 36 ships have been sold.

<https://www.tbsnews.net/economy/shipping-corporations-half-yearly-profits-exceed-tk100cr-first-time-368737>

BD Thai Food's stock jumps 239% in 12 days

- BD Thai Food & Beverage is rising 'abnormally' since its trading debut although there is no undisclosed price sensitive information (PSI). In the last 12 trading days since its debut, the company saw its share price jumped 239 % or BDT 23.90 each riding on speculation and 'irrational hype' among investors.

<https://today.thefinancialexpress.com.bd/stock-corporate/bd-thai-foods-stock-jumps-239pc-in-12-days-1644430318>

Dacca Dyeing profit jumps 188% in Q2

- The Dacca Dyeing and Manufacturing Company reported a 188% jump in profit to BDT 3.63 crore in 2QFY22. During 2QFY22, the company's revenue grew by 109% to BDT 22.94 crore compared to the previous year's Q2. At the end of 1HFY22, revenue stood at BDT 42.20 crore, profit BDT 6.34 crore, and earnings per share BDT 0.73.

<https://www.tbsnews.net/economy/stocks/dacca-dyeing-profit-jumps-188-q2-368689>

BSEC to inquire insider trading allegations against bank director's son

- The Bangladesh Securities and Exchange Commission (BSEC) has formed a three-member committee to look into insider trading allegations against Mamun Azim, the son of Southeast Bank Director Azim Uddin Ahmed. The regulator said BSEC thinks the allegations against Mamun Azim and others in purchasing shares need to be verified.
- Insider trading is defined as use of privileged access to price sensitive information to gain through the buy-sell of company shares. If the allegations are found to be true, they will be accused of violating insider trading and other securities laws.

<https://www.tbsnews.net/economy/stocks/bsec-inquire-insider-trading-allegations-against-bank-directors-son-368701>

Premier Cement to issue preference shares

- Premier Cement Mills will issue fully redeemable and non-convertible preference shares to raise a capital worth above BDT 3.10 billion. The preference shares worth above BDT 2.35 billion will be issued for a period of five years to potential investors through private placement.
- And the shares worth BDT 750 million will be issued to the company's sponsor shareholders or directors and the tenure of such shares will be 12 years. The rate of dividend of the shares, which will be issued through private placement, will be 6.25 % to 7.75 %.
- The rate of dividend of the preference shares to be issued to sponsor shareholders or directors will be zero %.The offer price of the preference shares of the Premier Cement Mills is BDT 2.5 million.The company will utilise the fund to restructure balance sheet, reduce the financial costs, enhance profit and develop financial indicators.

<https://today.thefinancialexpress.com.bd/stock-corporate/premier-cement-to-issue-preference-shares-1644337956>

Summit Power allowed reopening its two plants

- The Bangladesh Rural Electrification Board (BREB) has allowed Summit Power to restart its two power plants from 7 February – that were shut down because of the expiry of the Power Purchase Agreement (PPA). The Chandina Power Plant (Unit-2) with a capacity of 13.5 MW has remained closed since 15 November, and the Madhabdi Power Plant (Unit-2) with a capacity of 24.3 MW since 16 December 2021.
- The Bangladesh Rural Electrification Board (BREB) has allowed Summit Power to restart its two power plants from 7 February – that were shut down because of the expiry of the Power Purchase Agreement (PPA). In the first half of fiscal 2021-22, its revenue slightly increased to BDT2,028.49 crore, but net profit dropped 28% to BDT347.75 crore due to an increase in fuel prices in the international markets.

<https://www.tbsnews.net/economy/stocks/summit-power-allowed-reopening-its-two-plants-368296>

Accessories stocks swell despite business declines

- In the last three months, Yeakin Polymer, Khan Brothers PP Woven and Olympic Accessories saw 141%, 58% and 40%, rise in their shares prices, respectively. All three companies have incurred losses in the current financial year. Even keeping pace with the country's export growth, their business has not grown in that way. Deshbandhu Polymer has done well in this sector.
- In the October-December quarter, its sales increased by 42% to BDT24.29 crore and profit was BDT1.10 crore. Meanwhile, KDS Accessories' business grew 55% in the October-December quarter, but profits fell 14%. Although SK Trims is in profit, its sales have decreased. The products could not be supplied as per the demand as production at the company's factory was disrupted.

<https://www.tbsnews.net/economy/industry/accessories-stocks-swell-despite-business-declines-368251>

BSEC panel to probe Active Fine Chemicals irregularities

- BSEC officials said Active Fine has been in multiple irregularities in recent years. That includes non-compliance with the regulatory order for mandatory 30% shareholding by sponsor-directors, some qualified opinion on its account's elements by the statutory auditor, not arranging the annual general meeting of shareholders for the 2019-20 financial year, and most importantly its deteriorating financial performance. The company's profits drastically dropped in the last three years and nowadays it is swinging between losses and poor profits.

<https://www.tbsnews.net/economy/bsec-panel-probe-active-fine-chemicals-irregularities-368266>

NCCBL Mutual Fund to pay 12% cash dividend

- NCCBL Mutual Fund-1 has declared a 12% annual cash dividend for its unitholders. To receive the dividend for the 2021 financial year ending on 31 December, investors should hold the fund's units till 1 March. It has proposed the double-digit dividend after three years. It's net profit was BDT15 crore and earnings per unit of BDT1.40, which was 25% higher than the previous year.
- To secure the investors' fund, it invested 36% of its total asset in fundamental stocks such as British American Tobacco, Renata, Square Pharma, Bata Shoe and Grameenphone. It also invested around 11% of the total fund in non-listed companies namely Thyrocare Bangladesh Limited, Bangladesh News 24 Hours and Rangpur Distilleries and Chemicals Ltd.

<https://www.tbsnews.net/economy/stocks/nccbl-mutual-fund-pay-12-cash-dividend-367786>

Yeakin Polymer's price almost doubles in a month sans PSI

- Yeakin Polymer Ltd, a 'B' category listed company, is witnessing an unprecedented price hike and increase in volume of shares despite no undisclosed price sensitive information (PSI). Within a month, the composite PP woven bag manufacturer's share price jumped 91 %or BDT 11 each to close at BDT 23.10 on Monday. It was also more than two years' highest price on the Dhaka bourse.
- The company's share price was BDT 12.10 a month earlier on January 9. Its shares traded between BDT 8.40 and BDT 23.20 in the last one year. The factory continued production in limited scale during March to July 2021 as one director and two workers have expired, other directors and officials were also affected of Covid-19, but not closed the factory. The company is facing a working capital shortage in the last four years.

<https://today.thefinancialexpress.com.bd/stock-corporate/yeakin-polymers-price-almost-doubles-in-a-month-sans-psi-1644254530>

BSEC orders Tamha Securities to sell off assets for settling clients' claims

- In a move to settle the claims of the defrauded clients of Tamha Securities, the Bangladesh Securities and Exchange Commission (BSEC) has instructed the firm's management to sell off assets. The sale will be implemented according to the deed agreement among the directors of the company. Also, the company will sell its Trading Rights Entitlement Certificate (Trec), Rashid informed the BSEC. After completion of the sale, Tamha's management will give the fund to the Dhaka Stock Exchange (DSE) within 31 May.

<https://www.tbsnews.net/economy/stocks/bsec-orders-tamha-securities-sell-assets-settling-clients-claims-367780>

Agro Organica files for a BDT 10cr QIO

- Agro Organica Limited has applied to the Bangladesh Securities and Exchange Commission (BSEC) for a Qualified Investors Offer (QIO) to raise BDT 10 crore under the fixed price method from the SME board of the stock exchanges. Agro Organica Limited started commercial operation in October 2015. The factory is situated at BSCIC Industrial Area, Nowhata, Sherpur.

<https://www.tbsnews.net/economy/stocks/agro-organica-files-tk10cr-qio-367282>

Stock regulator orders action against NRB Bank CFO, others

- The securities regulator has asked the NRB Bank to take departmental action against its chief financial officer (CFO) Kamrul Hasan and others concerned as they executed unauthorised share transactions. The Bangladesh Securities and Exchange Commission (BSEC) instructed the bank last week through a letter to its managing director. The bank will have to inform the BSEC within February 28 after ensuring compliance of the instruction.

<https://thefinancialexpress.com.bd/stock/stock-regulator-orders-action-against-nrb-bank-cfo-others-1644117073>

New shareholders enter Fareast Life board

- The Bangladesh Securities and Exchange Commission (BSEC) has again reconstructed the board of scam-hit Fareast Islami Life Insurance Company Ltd. The BSEC earlier revoked the previous board of 10 independent directors formed last September.
- The regulator on Thursday has approved two new shareholder firms Tradenext International Ltd and Jupiter Business Ltd and an individual sponsor Al-Haj Md Helal Uddin Miah to join the board. Tradenext International and Jupiter Business Ltd are two associate companies of BEXIMCO.

<https://www.tbsnews.net/economy/stocks/new-shareholders-enter-fareast-life-board-367372>

Food makers hit by falling profits as raw material prices rise

- Profits of listed biscuit makers plunged year-on-year in the last October-December period owing to a rise in raw material prices. In contrast, milk, juice and fish processors logged higher profits. Profit of ice cream makers and tea companies more than doubled. The overall profit of listed food processors dropped 8.6% to BDT 42 crore in 2QFY22. Olympic Industries and Bangas, which own some of the best-selling biscuit brands, showed profit drops of 39 per cent and 78 per cent respectively in the three months. Executive director of Olympic Industries told that palm oil and sugar prices soared 80% and 30% respectively over the past year.

- Although the ice cream industry was also hit by the raw material price hike, an increase in sales along with discounts saved the day, according to the managing director of Lovello Ice-Cream. Golden Harvest, another ice cream producer, returned to a profit of BDT 6.4 Mn. A year earlier, the company had incurred losses of BDT 60.0 Mn.

- Among those who were able to rake in higher profits are: National Tea Company, Rangpur Dairy and Food Products, the Agricultural Marketing Company (Pran), Gemini Sea Food, Apex Foods, Beach Hatchery and Fine Foods.

<https://www.thedailystar.net/business/economy/news/food-makers-hit-falling-profits-raw-material-prices-rise-2956081>

Global Islami Bank wants to go public for BDT425cr

- Global Islami Bank Ltd, a fourth-generation commercial bank, has applied to the securities regulator to raise BDT 425 crore through an initial public offering (IPO). The bank applied to the Bangladesh Securities and Exchange Commission (BSEC) last week to issue shares at a face value of BDT10 under the fixed price method. The private sector lender will invest BDT 100 crore in small and medium enterprises (SMEs) considering the ample growth opportunity and mounting financing needs of the SMEs. Besides, the bank will also invest BDT 268.5 crore in government securities and bonds as secured investment.
- Prime Bank Investment Limited and LankaBangla Investments Limited will be the issue managers for the Global Islami Bank's IPO. According to sources, the bank made a profit of BDT 98.54 crore after tax and provisions, while its earnings per share (EPS) stood at BDT 1.91 till 30 September 2021. During the period, its net investment income was BDT366 crore. The return on equity of the bank was 13.95%, while its return on assets was 0.79% till September 2021. The bank's classified investment was 2.15% of its total investment as of 30 September 2021.

<https://www.tbsnews.net/economy/stocks/global-islami-bank-wants-go-public-tk425cr-366874>

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