

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

August 26, 2021

BJMC Gets 55 Investment Proposals

Bangladesh Jute Mills Corporation (BJMC) has received around 55 proposals from home and abroad till date seeking to invest in 25 state-run jute mills shuttered in July 2020 for modernisation, said BJMC Chairman Md Abdur Rouf yesterday.

The government has decided to lease out all 25 to the private sector to reopen them either through joint ventures, public private partnerships or government-to-government (G2G) agreements, he told The Daily Star.

Demand for jute has grown significantly in Saudi Arabia recently due to increasing awareness. Now Bangladeshi jute products are exported to different countries, including Saudi Arabia.

Source: BJMC gets 55 investment proposals | The Daily Star



HSBC, BEZA, Brac to Make Mirsarai Economic Zone Greener

HSBC Bangladesh has recently partnered with the Bangladesh Economic Zones Authority (BEZA) and Brac to build a green economic zone in Chattogram's Mirsarai.

The collaboration will ensure over 40,000 mangroves plantation across 10 acres of coastal land at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Mirsarai.

The mangrove plantation is estimated to capture 492 tonnes of carbon each year.

"Mangrove forest is known for its incremental carbon capture capacity and can grow well in the coastal areas where water salinity is high. This is the very first mangrove initiative by a private sector among all the economic zones in Bangladesh and will play its part in ecological development in the area," Mahbub ur Rahman said.

Source: HSBC, BEZA, Brac to make Mirsarai Economic Zone greener (thefinancialexpress.com.bd)



Tamijuddin Textile Mills to Invest Tk. 500m in BMRE

Tamijuddin Textile Mills, which returned to the bourse's main market two months back, has decided to invest in balancing, modernisation, rehabilitation and expansion (BMRE) an estimated amount of Tk. 500 million.

Tamijuddin Textile backed to the Dhaka Stock Exchange's main market on June 13 this year along with three other companies, after staying on the over-the-counter (OTC) market more than a decade since 2009 due to its poor performance.

The textile maker expects that after execution of the BMRE a significant value addition will come in terms of company's profitability, yarn quality, production capacity and efficiency, said the filing, without elaborating.

Its share price had jumped more than 560 per cent or Tk. 74 each within 10 weeks since it got back to the bourse's main market. The textile maker's share price was Tk. 13.20 each on June 13 this year.

Source: Tamijuddin Textile Mills to invest Tk 500m in BMRE
(thefinancialexpress.com.bd)



Pioneer Insurance Profit up 26% in Q2 as Operating Cost Falls

Pioneer Insurance Company posted a 26% growth in profit in the second quarter (April to June) of 2021 due to a decline in operating cost and an increase in reinsurance commission.

It made a net profit of Tk17.54 crore in this period, which was Tk13.95 crore during the same period last year. Besides, its operating cost fell by 37% during this period compared to the same period last year.

From April to June 2021, the company's net premium income stood at Tk44.33 crore, which was Tk36.47 crore in the same period of 2020. Consequently, its reinsurance commission jumped by 39.52% to Tk3.53 crore.

On the other hand, its operating cost stood at Tk11.2 crore, which was Tk17.68 crore in the second quarter of 2020.

Its earnings per share during the second quarter of 2021 was Tk2.51, which was Tk1.99 in the same period of 2020.

Source: Pioneer Insurance profit up 26% in Q2 as operating cost falls (tbsnews.net)



Stocks Open Positive amid Volatile Trading

Stocks witnessed a positive trend on Thursday, after the previous day's mild correction, as bargain hunters remained in a buying mood on sector-wise issues.

Following the single-day modest correction, DSEX, the prime index of the Dhaka Stock Exchange (DSE), went up by 15.49 points or 0.22 per cent to stand at 6,894 points within the first 30 minutes of trading at 10:30 am –the highest since its inception more than eight years back in 2013.

Two other indices also gained in early trading with the DS30 index, comprising blue chips, advanced 2.63 points to reach 2,462, and the Shariah Index (DSES) gained 1.63 points to stand at 1,494 points till then

Turnover, another important indicator of the market, stood at Tk 3.39 billion within the first 30 minutes of trading at 10:30 am.

Market analysts said the bargain hunters are showing their buying interest on sector-wise stocks anticipating positive momentum ahead as the money market has huge liquidity.

Source: Stocks open positive amid volatile trading
(thefinancialexpress.com.bd)

Total Trade	Total Volume	Total Value in Taka (mn)
79915	169411131	4721.027
Issues Advanced	Issues declined	Issues Unchanged
209	98	63



Dhaka Bank's EPS Jumps 161pc in April-June

Dhaka Bank posted a 161 per cent increase in its second quarter (Q2) earnings for April-June 2021 compared to the same quarter of the previous year, thanks to rising operating income.

In a filing with Dhaka Stock Exchange (DSE) Wednesday, the bank said its consolidated earnings per share (EPS) rose to Tk. 0.47 for April-June 2021, up by a whopping 161 per cent, from Tk. 0.18 in the corresponding period.

The bank's consolidated EPS for six months until June 30, 2021 also increased to Tk. 1.10 as against Tk. 0.79 for the same period of the previous year. The consolidated net operating cash flow per share (NOCFPS) was Tk. 3.98 for January-June 2021 as against minus Tk. 5.81 for January-June 2020.

The bank has informed that EPS increased due to the increase of total operating income by Tk. 718.4 million (Tk. 2898.10 million in Q2 of 2021, whereas Tk. 2179.70 million was in Q2 of 2020).

Source: Dhaka Bank's EPS jumps 161pc in April-June
(thefinancialexpress.com.bd)



Global: Business

Citi Considering Bitcoin Futures Trading for Some Clients

Citigroup Inc is considering offering bitcoin futures trading for some institutional clients, a spokesperson for the bank said on Tuesday, citing increased demand in the cryptocurrency space.

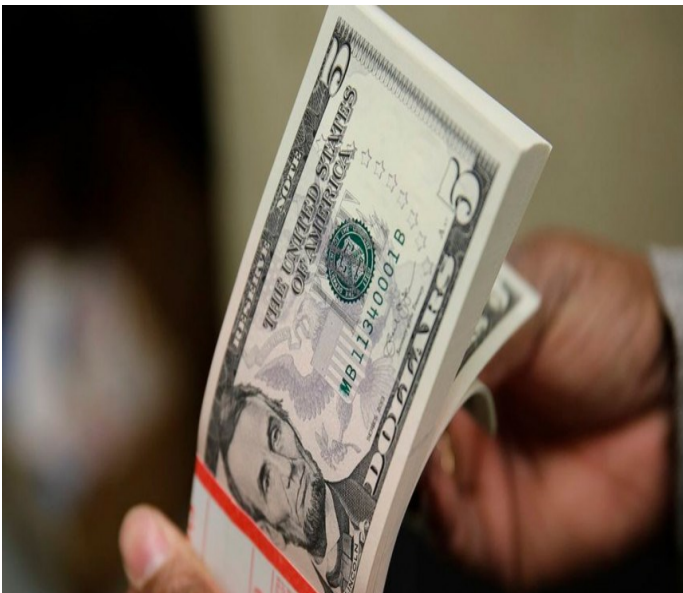
Bitcoin prices rose past \$50,000 on Monday, after having weathered a crackdown by Chinese authorities on domestic cryptocurrency mining companies earlier this year, as mainstream adoption by corporations and the wider public gathers pace.

Media outlet Coindesk reported earlier on Tuesday that Citi is awaiting regulatory approval to begin trading bitcoin futures on the Chicago Mercantile Exchange, citing a source within the bank.

"Given the many questions around regulatory frameworks, supervisory expectations, and other factors, we are being very thoughtful about our approach," a Citi spokeswoman said in an email.

"We are presently considering products such as futures for some of our institutional clients, as these operate under strong regulatory frameworks," she added.

Source: Citi considering bitcoin futures trading for some clients | The Daily Star



Dollar Slips Further

The dollar eased further on Tuesday as risk-related currencies benefited from rising commodity prices and markets set aside concerns about the spread of the Delta coronavirus variant to gauge data that showed a US economy in strong recovery mode.

Risk appetite in global markets strengthened after the US Food and Drug Administration on Monday granted full approval to the Covid-19 vaccine developed by Pfizer and BioNTech in a move that could accelerate US inoculations.

A bounce in China's technology sector also contributed to risk-on sentiment that helped boost the Canadian, Australian and New Zealand dollars. "The euro, Canada and Aussie currencies made new lows for the year last week, and so the dollar is consolidating and its upside momentum has stalled," said Marc Chandler, a managing director at Bannockburn Global Forex.

The dollar index, which measures the greenback against a basket of six currencies, fell 0.091 per cent to 92.903.

Source: Dollar slips further | The Daily Star

Samsung Announces \$205b Investment Plan

Samsung Group unveiled a \$205 billion investment blueprint on Tuesday aimed at making the company a leader in a range of technologies from semiconductors to robotics and creating 40,000 new jobs.

The tech giant is South Korea's largest conglomerate and its overall turnover is equivalent to a fifth of the national gross domestic product. Samsung Electronics, its flagship subsidiary, is the world's biggest smartphone maker.

The conglomerate said it would build two new manufacturing plants on top of three currently in operation with a view to tapping into the manufacturing of vaccines. Of the 240 trillion won (\$205 billion) it plans to spend, it will commit 180 trillion won to South Korea.

The plan will "help Samsung strengthen its global standing in key industries while spearheading innovation in new fields", the company said in a statement, adding that it will also pursue corporate acquisitions.

On the semiconductor front, the firm said it will seek to enhance cutting-edge technologies to meet "long-term demand rather than short-term changes".

Source: Samsung announces \$205b investment plan | The Daily Star



US Approves Licences for Huawei to Buy Auto Chips

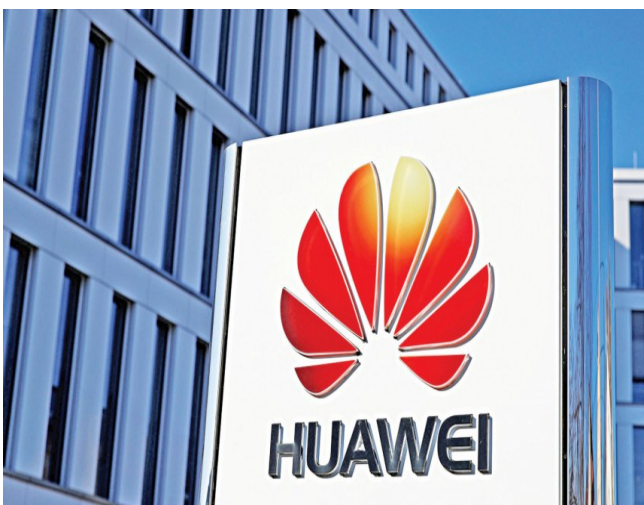
US officials have approved license applications worth hundreds of millions of dollars for China's blacklisted telecom company Huawei to buy chips for its growing auto component business, two people familiar with the matter said.

Huawei, the world's largest telecommunications equipment maker, has been hobbled by trade restrictions imposed by the Trump administration on the sale of chips and other components used in its network gear and smartphones businesses.

Richard Barnett, chief marketing officer at a global electronics consultancy called Supply Frame, said Huawei is in the "early innings" of trying to invest in the \$5 trillion automotive market that has large potential growth both inside and outside of China.

"Cars and trucks are now computers on wheels," said Barnett, "That convergence is what's driving Huawei's strategic focus to be a bigger player in that area."

Source: US firms pitch in on Afghanistan aid | The Daily Star



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