

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

October 03, 2021

9 Firms to Invest \$55m in Hi-Tech Parks

Nine foreign and domestic firms are going to invest \$55 million in Bangladesh's hi-tech parks to set up manufacturing units for a number of products, including semiconductors, digital devices, and medical equipment.

The companies will also assemble automated teller machines, cash recycling machines, smartphones and other electronics items at the new units, which are expected to create nearly 3,500 job opportunities. The Bangladesh Hi-Tech Park Authority (BHTPA) disclosed this information during an agreement signing ceremony to lease the required lands for these projects for a 40-year period.

Seven of the firms will set up facilities at the Bangabandhu Hi-Tech City in Gazipur while the other two will invest in the Sheikh Hasina Software Technology Park in Jashore.

Of the nine companies, Ulkasemi Pvt Ltd plans to invest \$25 million to make semiconductors at the Bangabandhu Hi-Tech City, the BHTPA said during the event, held at the Pan Pacific Sonargaon Dhaka.

Source: <https://www.thedailystar.net/business/economy/industries/investments/news/9-firms-invest-55m-hi-tech-parks-2188166>

MAJOR INVESTMENTS

In million \$

Companies	Investment	Products
ULKASEMI Pvt Ltd	25	Semiconductor
Celltron Electro	7	Medical equipment
Walton Hi-Tech	6.5	IT/ITES, digital device
MacTel Ltd	6	Smartphone
Daffodil Computers	3	IT and electronics
Technomedia Ltd	2.5	ATM, CRM, RCDM

SOURCE: BHTPA



Bangladesh, Mexico to Expand Bilateral Trade

Bangladesh and Mexico have agreed to work together to expand trade, investment, and bilateral relations between the two countries.

The agreement was reached at a recent meeting of Mexico's Vice-Minister for Foreign Trade, Luz Maria de la Mora Sanchez, and Bangladesh's State Minister for Foreign Affairs, Md Shahriar Alam, during the latter's recent visit to Mexico on the occasion of the country's 200th independence anniversary, according to a press release.

At the meeting, both the ministers stressed the need to further strengthen economic ties between the two countries.

At the meeting between the business representatives of both the countries, they reached a decision to establish a Bangladesh-Mexico Chamber of Commerce.

Source: <https://www.tbsnews.net/economy/bangladesh-mexico-expand-bilateral-trade-310162>

From Losses to Big Profit, Deshbandhu Polymer about-Turns

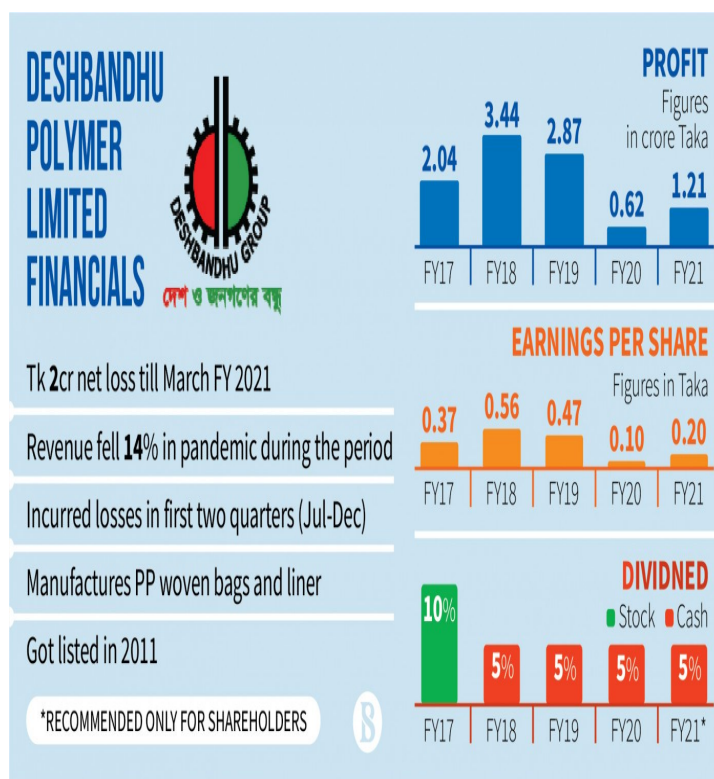
Deshbandhu Polymer Limited – a manufacturer of polypropylene (PP) woven bags for local markets and exports – posted a surprise profit in the April-June quarter although the industry has been struggling to ride out the pandemic shock.

The fourth quarter profit helped the Deshbandhu Group's enterprise regain losses it had incurred in the first nine months of fiscal 2020-2021.

Finally, the company reported a profit of Tk1.21 crore – a 95% increase, from Tk62 lakh in the previous fiscal year.

Deshbandhu Polymer, which got listed on the capital market in 2011, has recommended a 5% cash dividends for its shareholders – excluding sponsors and directors – for FY21.

Source: <https://www.tbsnews.net/economy/stocks/losses-big-profit-deshbandhu-polymer-about-turns-310528>



Indo-Bangla Pharma, Paramount Textile to Purchase Land for Expansion

Indo-Bangla Pharmaceuticals and Paramount Textile – two publicly listed companies – have decided to purchase land for business expansion.

The drugmaker, which got listed on stock exchanges in 2018, said it has registered a sales deed for 1.61 acres of land at a cost of Tk4.21 crore from its own fund.

Woven fabrics manufacturer Paramount Textile, which was listed on the capital market in 2013, will purchase 141 decimal land at Sreepur Pourashava in Gazipur at a cost of Tk2.80 crore for the purpose of production and other auxiliary activities.

Drugmaker Indo-Bangla said it has purchased the land at Kaliakair in Gazipur.

In the first nine months of fiscal 2020-21, its net revenue stood at Tk59.82 crore and the net profit at Tk8.95 crore.

Source: <https://www.tbsnews.net/economy/stocks/indo-bangla-pharma-paramount-textile-purchase-land-expansion-310534>



Paramount Textile Limited

Bay Leasing's H1 Profit Jump 7 times on Capital Market returns

Riding on good returns from its capital market investments, Bay Leasing and Investment Limited posted seven times higher profits in the first half of this year.

In the January-June period, the non-banking financial institution (NBFI) reported a net profit of Tk11.31 crore, which was just Tk1.46 crore at the same time a year ago.

The NBFI, which got listed on the DSE in 2009, has two subsidiary companies – BLI Capital Limited and BLI Securities Limited – whose business is fully dependent on the capital market.

Bay Leasing is also going to form an asset management company named BLI Asset Management Limited, which has already received approval from the securities regulator.

The board of directors of the company earlier recommended a 10% cash dividend for its shareholders for 2020.

Source: <https://www.tbsnews.net/economy/stocks/bay-leasings-h1-profit-jump-7-times-capital-market-returns-310531>



Stocks Stay Afloat to Scale New Peaks

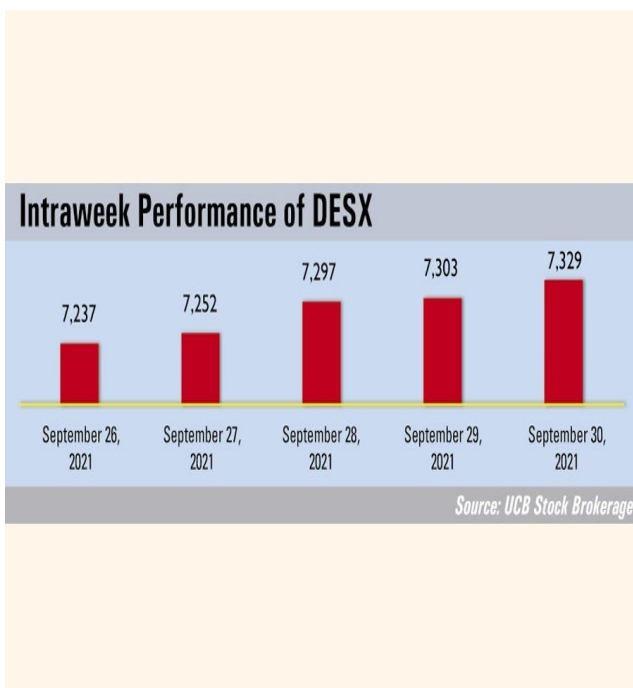
Stocks extended a winning streak in the outgoing week to scale fresh peaks, with investors renewing their appetite for shares in the cement, power and financial-institution sectors.

Week on week, the key DSEX index of the Dhaka Stock Exchange (DSE) climbed 78.44 points or 1.08 per cent to settle at 7,329, the highest since the launch of the DSEX on January 27, 2013.

Two other indices also gained -- the blue-chip DS30 rose 36.97 points to close at its historical high at 2,710, while the DSE Shariah Index (DSES) went up by 11.04 points to end at 1,592.

The week's total turnover stood at Tk. 111.45 billion on the prime bourse, up from Tk. 97.09 billion in the previous week. And the daily average turnover clocked in at Tk. 22.29 billion, which was 15 per cent higher than the previous week's average of Tk. 19.42 billion.

Source: <https://thefinancialexpress.com.bd/stock/stocks-stay-afloat-to-scale-new-peaks-1633149820>



Oil Settles near 3-year High

Oil settled above \$78 a barrel on Friday, just shy of a three-year high reached earlier this week, on expectations that OPEC ministers will maintain a steady pace in raising supply.

The Organization of the Petroleum Exporting Countries and allies, known as OPEC+, meets on Monday. The group is slowly unwinding record output cuts made last year, although sources say it is considering doing more to boost production.

Brent crude rose 97 cents, or 1.2 per cent, to settle at \$79.28 in its fourth weekly rise. US West Texas Intermediate (WTI) rose 85 cents to settle at \$75.88 in a sixth week of gains.

Brent has risen over 50 per cent this year and reached a three-year high of \$80.75 on Tuesday.

OPEC+ is facing pressure from consumers such as the United States and India to produce more to help reduce prices as demand has recovered faster than anticipated in some parts of the world.

Source: <https://www.thedailystar.net/business/global-economy/america/news/oil-settles-near-3-year-high-2189416>



Stocks Wobble at end of Choppy Week

Global stock markets seesawed on Friday at the end of a tumultuous week marked by concerns about soaring inflation and a possible US debt default.

US indices were all higher after an uneven start.

But European markets had a choppy day, with London's FTSE 100 and Frankfurt's DAX both ending the day in the red, while the Paris CAC 40 finished just about steady. That followed heavy losses earlier in Asia.

"The markets are likely to remain volatile as Q4 (fourth quarter) begins with October another historically choppy period after September's wild ride for the markets that saw the S&P 500 snap a seven-month winning streak," said analysts at Charles Schwab.

Analysts said US markets were initially cheered by news that pharmaceutical giant Merck would seek authorisation in the United States for an oral drug against Covid-19 that performed well in clinical trials.

Source: <https://www.thedailystar.net/business/global-economy/europe/news/stocks-wobble-end-choppy-week-2189446>



India Coal Crisis Brews as Power Demand Surges

Indian utilities are scrambling to secure coal supplies as inventories hit critical lows after a surge in power demand from industries and sluggish imports due to record global prices push power plants to the brink.

Over half of India's 135 coal-fired power plants have fuel stocks of less than three days, government data shows, far short of central guidelines recommending supplies of at least two weeks.

Prices of power-generation fuels are surging globally as electricity demand rebounds with industrial growth, and tightening supplies of coal and liquefied natural gas.

India is competing against buyers such as China, the world's largest coal consumer, which is under pressure to ramp up imports amid a severe power crunch.

Rising oil, gas, coal and power prices are feeding inflationary pressures worldwide and slowing economic recovery from the Covid-19 pandemic.

Source: <https://www.thedailystar.net/business/global-economy/indian/news/india-coal-crisis-brews-power-demand-surges-2189436>



US Consumer Spending Surges in August

US consumer spending surged in August, but outlays adjusted for inflation were weaker than initially thought in the prior month, reinforcing expectations that economic growth slowed in the third quarter as Covid-19 infections flared up.

The report from the Commerce Department on Friday, which showed inflation remaining hot in August, raised the risk of consumer spending stalling in the third quarter, even if spending accelerates further in September. Inflation-adjusted, or the so-called real consumer spending is what goes into the calculation of gross domestic product.

"If Covid cases keep falling and sentiment turns positive, there is scope for a more solid finish to this tumultuous year." Consumer spending, which accounts for more than two-thirds of US economic activity, rebounded 0.8 per cent in August. Data for July was revised down to show spending dipping 0.1 per cent instead of gaining 0.3 per cent as previously reported.

Source: <https://www.thedailystar.net/business/global-economy/america/news/us-consumer-spending-surges-august-2189431>



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Alliance Capital Asset Management Ltd.

Contact Us

Address:

Sima Blossom (10th floor)
Comprehensive Holdings
Plot # 390 (Old) 03 (New)
Road # 27 (Old) 16 (New)
Dhanmondi C/A,
Dhaka-1209.

Office: +880 2 9121360 Fax
: +880 2 9120971

Developed By:

Mehnaz Tabassum Khaleel
sarah@acaml.com

Visit us on the web at:
www.acaml.com