

*Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.*

### **Bangladesh attracts USD21.17b investment proposals in two years**

- Bangladesh has attracted more than USD 21.17 billion worth of investment proposals in the last two years since the beginning of the Covid-19 pandemic in January 2020, according to statistics released by the various investment promotion agencies of the country. Bangladesh has received USD 2.5 billion Foreign Direct Investment (FDI) in the 2020-2021 financial year while the country received USD 2.37 billion FDI in FY20, according to Bangladesh Bank.
- The Bangladesh Export Processing Zones Authority (BEPZA) plans to set up 539 industrial plots on 1,150 acres of land at Bangabandhu Sheikh Mujib Shilpa Nagar in Mirsharai, Chattogram. It has already prepared 140 plots for factories to be set up there. Meanwhile, 78 companies from home and abroad have applied for more than 250 plots. Of them, Japan alone has sought 50 plots. The companies together have proposed to invest over USD 1.35 billion in the ninth economic zone set up by BEPZA

<https://thefinancialexpress.com.bd/economy/bangladesh-attracts-2117b-investment-proposals-in-two-years-1640264288>

### **ADB lends Bangladesh USD2.6b, pledges USD1.96b more**

- The Asian Development Bank (ADB) has confirmed USD 2.6 billion and pledged another tranche of USD 1.96 billion in assistance for Bangladesh to facilitate socioeconomic recovery and bankrolling its development recipe respectively. The aid package helps Bangladesh strengthening its public health system, speeding up the country's social and economic recovery by widening social safety-net coverage, providing salary support to workers in export-oriented industries, and extending low-interest loans to affected industries and farmers, the ADB claims.
- The ADB in its statement said its assistance for Covid recovery benefited more than 15 million poor and vulnerable people in Bangladesh. More than 3.8 million workers in export-oriented industries (53 % women) received wage subsidies of BDT49.45 billion or USD576.3 million, the bank says in its lending statement. Industries, and micro, small, and midsize enterprises, which were affected during the pandemic, received BDT 481.50 billion or USD 5.6 billion loans, the ADB said. Around 20,845 doctors, nurses and other frontline medical workers received two months' basic pay as honorarium.

<https://thefinancialexpress.com.bd/economy/bangladesh/adb-lends-bangladesh-26b-pledges-196b-more-1640227902>

### **Recovery remains fragile: CPD**

- Economic stability in Bangladesh is not comfortable anymore because of some macroeconomic problems, policy think-tank CPD says and offers a set of recommendations for the government to follow. CPD pointed that the revival remains fragile owing to rising inflation, exchange rate volatility and squeeze in the government's fiscal space.
- CPD pointed that rising prices of essentials hurting the recovery efforts of low-income people, caused by rise in global commodity price, Taka's fall against major currencies, government's hike of diesel and kerosene prices, and diversion of subsidised credit to non-productive sectors. Meanwhile, overall external balance has been on the negative resulting from surging imports. Export earnings have been buoyant but it could not take balance of payments on the favourable side as remittance inflows have slumped in the current fiscal year from that a year ago.
- CPD pointed that the credit uptake growth is still below the government's monetary target of 14.8% and the central bank should not be seen as crowding out the private sector from the credit market. CPD advised to retain the 2% cash incentive on inward remittance and encourage investment in wage earners' bonds to dissuade the transfer of money through informal channels.

- The CPD said private sector credit flow had grown but it was below the target, reflecting that private investment was not increasing. The organisation warned that recovery of loans, including those disbursed under the stimulus packages, would be a critical challenge facing the country's financial sector, and consequently for macroeconomic management.
- CPD wants the government to go for direct cash transfers to more vulnerable households alongside the relatively small and informal enterprises to increase domestic demand and provide some protection to the marginalised groups. The rise in petroleum prices would drive the harvest price of upcoming Boro rice, and further create inflationary pressure in the coming months. The independent think-tank also suggested re-estimation of national annual demand for rice as the existing base of rice demand could not provide proper market signals.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladeshs-economic-stability-under-threat-cpd-1640313796>

### **Tenure of liquidity support to primary dealer banks extends**

- The tenure of assured liquidity support (ALS) to primary dealer (PD) banks against government-approved securities extends as a measure to manage the funds efficiently, officials say. Under the latest provision, the dealer banks are allowed to enjoy the ALS facility for three consecutive months instead of the existing two- month timeline, according to a notification issued Thursday by the Bangladesh Bank (BB).
- The PDs are eligible for such liquidity support against both securities devolved on them as well as purchased through successful bidding in primary auction for a maximum period of three months from the date of issuance of such securities, the officials explain. A BB senior official told the FE that it will encourage the PDs to offer bids for the government-approved securities in the primary auction.
- The dealer banks welcomed the latest BB move, saying that the measure would help slightly to bring dynamism in the primary as well as secondary markets. The Primary Dealers earlier had urged the central bank to enhance the tenure of ALS for both T-bills and BGTBs to help in management of the funds properly. The association had proposed to the central bank that the ALS might be allowed up to three months and 12 months from issue date for T-bills and BGTBs respectively instead of the existing tenure of two months.

<https://thefinancialexpress.com.bd/economy/bangladesh/tenure-of-liquidity-support-to-primary-dealer-banks-extends-1640315366>

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change YTD</b>	<b>% Change YTD</b>
Crude Oil (WTI)*	USD 73.74	USD 25.22	51.98%
Crude Oil (Brent)*	USD 76.69	USD 24.89	48.05%
Gold Spot*	USD 1,808.98	(USD 86.12)	-4.54%
DSEX	6,702.61	1,300.54	24.07%
S&P 500	4,736.38	980.31	26.10%
FTSE 100	7,373.34	912.82	14.13%
BSE SENSEX	57,315.28	9,563.95	20.03%
KSE-100	44,266.90	511.52	1.17%
CSEALL	11,951.23	5,177.01	76.42%

**Exchange Rates****1 US Dollar = 85.81 BDT****1 GBP = 114.93 BDT****1 Euro = 97.08 BDT****1 INR = 1.14 BDT**

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