

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.

Govt to implement BDT 22.7 Bn project to increase capacity of DESCO

- The government has initiated a move to implement a BDT 22.7 Bn project to increase the power distribution capacity of Dhaka Electric Supply Company Limited in a bid to ensure sustainable and reliable power supply to its clients. DESCO under the power division will implement the project titled 'Dhaka Power System Expansion and Strengthening Project in DESCO Areas' by December 2025.
- The planning commission official informed that out of the total project cost of BDT 22.7 Bn, the government will provide BDT 4.4 Bn, the Asian Development Bank will provide BDT 12.31 Bn as loan while the rest would come from the concerned organisation's own fund. Under the project, about 200,000 new power connections would be provided in the project areas while reliable power supply would be ensured for the existing consumers.

<https://www.newagebd.net/article/167224/govt-to-implement-tk-2272cr-project-to-increase-capacity-of-desco>

March exports hit record \$4.76b

- Export receipts hit USD 4.76 billion in Mar'22, posting 55% growth year-on-year as buoyancy remained in shipments of major manufactured goods such as garments, home textiles and leather footwear despite the Russia-Ukraine war's effect on global trade. The previous record was of October 2021 when it reached USD 4.73 billion. With March, the total earnings from shipping goods abroad rose 33.4% year-on-year to USD 38.6 billion in 9MFY22.
- The Export Promotion Bureau (EPB) data showed that garment exports fetched USD 31.42 billion in 9MFY22, up 33% from that a year ago. Home textiles makers posted a growth of nearly 37% in export receipts year-on-year, while leather and leather product exports jumped 31% year-on-year.

<https://www.thedailystar.net/business/export/news/march-exports-hit-record-476b-2998216>

Dollar bonds now open for unlimited investment

- Two specialized savings schemes in US dollar are now open for unlimited investment as the government withdraws the cap to forestall any greenback shortage under import-payment pressures. However, officials say, the yields on the US Dollar Premium Bond and the US Dollar Investment Bond have been halved.
- For investment upto USD 100k, the rate of returns for three-year-term premium bond would be 4.5-5.0-5.5% for first, second and third year respectively, which was 6.5-7.0-7.5% previously. Rates of returns would be 4.0-4.5-5.0% for the dollar-denominated investment bond, which was 5.5-6.0-6.5% respectively. Rates of returns on investment of USD 0.5 Mn and above, yield rates would be 2.5-3.0-3.5% for the premium bond, and 2.0-2.5-3.0% for the investment bond for three consecutive years.

<https://thefinancialexpress.com.bd/trade/dollar-bonds-now-open-for-unlimited-investment-1649126253>

Bangladesh growth may shrink, inflation intensify

- Bangladesh Bank (BB) forecasts that the growth momentum is expected to be stronger in the rest of FY22, hinging upon growth-supportive fiscal and monetary measures, growing external and internal demand, improving Covid-19 situation, and rising business confidence. Fallouts from the Russia-Ukraine war and global commodity-price spiral may stymie Bangladesh's economic growth and also fuel inflation by this fiscal year-end, the BB forewarns.
- In addition, the sharpening of global energy and non-energy commodity- price spikes caused by the Russia-Ukraine

war may translate into domestic prices and create an unfavorable position in the balance of payments in the coming months, BB added.

- Mustafa K. Mujeri, executive director of the Institute for Inclusive Finance and Development (InM), told the FE that the ongoing upturn in the current-account deficit may continue in the coming months if the lower inflow of remittances and higher import expenses persist.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-growth-may-shrink-inflation-intensify-1649125699>

Bangladesh's forex reserves cross USD 44b again

- Bangladesh's forex reserves rose to USD 44.30 Bn again after slacking in the previous month, thanks to growing inward remittance. The forex reserve fell to USD 43.89 Bn on March 6, 2022 after paying import bills of USD 2.16 Bn to Asian Clearing Union (ACU). The export earnings and remittance inflows of USD 15.29 Bn in 9MFY22 pushed the foreign currency reserves to USD 44.30 Bn on Sunday in contrast to a month ago.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladeshs-forex-reserves-cross-44b-again-1649073190>

Forex crisis spills over into call money market

- The ongoing strain on Bangladesh's foreign exchange regime has created cash shortages in the banking sector, sending the interbank call money rate to a 19-month high. The weighted average rate in the interbank call money market stood at 4.65% in contrast to 3.52% a month ago, and 1.89% a year prior. The previous peak was recorded in August 2020 when the rate stood at 4.7%.
- The current forex crisis confronting the financial sector are mainly responsible for squeezing the supply of cash in the banking sector. The cash shortage may exacerbate further this month amid growing consumption in Ramadan and the upcoming spending spree centring Eid-ul-Fitr. In addition, credit demand is on the rise as the economy has been firing on all cylinders, helped by a sharp fall in coronavirus caseloads.

<https://www.thedailystar.net/business/economy/news/forex-crisis-spills-over-call-money-market-2998226>

Rice output in Aus season drops

- A significant fall in rice output in the Aus season has raised concerns over achieving targeted rice production in FY22. Aus production dropped to 3.0 million tonnes in FY22 amid a plunge after reaching a record 3.28 million tonnes in FY21. Rice was cultivated on 1.15 million hectares during the Aus season in FY22 which was 1.30 million hectares in FY '21. Aus contributed 9.0% to the overall production. According to the agriculture ministry, it had targeted 39.5 million tonnes of rice in FY22 - 3.6 million tonnes in Aus, 15 million tonnes in Aman, and 20.9 million tonnes in this ongoing Boro season.

<https://today.thefinancialexpress.com.bd/last-page/rice-output-in-aus-season-drops-1649096081>

Listed NBFIs, insurers asked to submit data monthly

- The Bangladesh Securities and Exchange Commission has asked all listed non-bank financial institutions and insurance companies to provide information about their stock market investments on a monthly basis. The stock exchanges have been instructed to submit a report to the commission within seven days of every month upon receipts the same from the listed companies.
- BSEC officials said that the regulator wanted to know the stock market investment status of the NBFIs and insurance companies regularly. They said that the regulator would encourage the NBFIs and insurance companies with less investment in the stock market to inject more funds into the market.

<https://www.newagebd.net/article/167250/listed-nbfis-insurers-asked-to-submit-data-monthly>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 104.62	USD 29.41	39.10%
Crude Oil (Brent)*	USD 108.99	USD 31.21	40.13%
Gold Spot*	USD 1,929.44	USD 100.24	5.48%
DSEX	USD 6,718.91	-37.74	-0.56%
S&P 500	4,582.64	-183.54	-3.85%
FTSE 100	7,558.92	174.38	2.36%
BSE SENSEX	60,786.07	2,532.25	4.35%
KSE-100	43,902.04	-694.03	-1.56%
CSEALL	8,244.55	-3,981.46	-32.57%

Exchange Rates**1 US Dollar = 86.23 BDT****1 GBP = 113.08 BDT****1 Euro = 94.59 BDT****1 INR = 1.14 BDT**

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