

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.

Macro:**Bangladesh expands cargo carrying capacity by sea**

- Bangladesh's entrepreneurs, encouraged by prospects, tax and VAT benefits, expanded their capacity in oceangoing shipping sector, with the total number of vessels rising to 91, the highest so far, at the end of 2022 from 80 ships a year ago. With the increase, oceangoing ships now have a carrying capacity of nearly 3 Mn tonnes, said industry insiders yesterday.
- Tax exemption on income earned by oceangoing vessels carrying the Bangladeshi flag until 2030 and value added tax (VAT) exemption on the import of vessels of up to 25 years old attracted investment in the sector over the last couple of years. "This sector has really done well. We have become competitive after reduction of taxes by the National Board of Revenue (NBR)," said Azam J Chowdhury, chairman of Bangladesh Ocean Going Ship Owners' Association (BOGSOA).

<https://www.thedailystar.net/business/economy/news/bangladesh-expands-cargo-carrying-capacity-sea-3216916>

WB agency offers USD 1 Bn guarantee for food imports

- The Multilateral Investment Guarantee Agency (Miga), a wing of the World Bank Group, has offered to guarantee USD 500 Mn to USD 1 Bn in foreign loans to ease imports of essentials and improve food security in Bangladesh at a time of rising commodity prices and dollar crisis.
- Miga, the political risk insurance arm of the World Bank Group, has also expressed willingness to guarantee foreign currency loans from foreign lenders to set up an export development fund for the ready-made garment industry.

<https://www.tbsnews.net/economy/wb-agency-offers-1b-guarantee-food-imports-565342>

Plastic product shipment climbs 41%

- The shipment of plastic products rose 41% year-on-year to USD 100.17 Mn in the first six months of the current financial year as orders surged following the post-pandemic recovery and manufacturers made a foray into new export destinations, official figures showed.
- The earnings compared to USD 71.06 Mn in the July-December half of a year earlier. Of the receipts, PVC (polyvinyl chloride) bags fetched USD 16.66 Mn in July-December, up 37.23% year-on-year, according to the Export Promotion Bureau (EPB).

<https://www.thedailystar.net/business/economy/news/plastic-product-shipment-climbs-41-3215816>

Traders want alternatives to LC to keep imports normal

- Business leaders have urged the commerce ministry to consider setting up trade credit and currency swap systems as alternatives to letters of credit (LCs) for importing goods as they have been facing problems in this regard recently.
- "We need to explore the potential of alternatives to LCs. Systems like trade credit or buyer's credit, deferred payment, usance LC and currency swap may be preferred," said Md Sameer Sattar, president of the Dhaka Chamber of Commerce and Industry (DCCI), at a meeting with the commerce minister at the secretariat yesterday.

<https://www.tbsnews.net/economy/traders-want-alternatives-lc-keep-imports-normal-565298>

Bangladesh working to implement IMF conditions to get USD 4.5 Bn loan

- Bangladesh government is working to gradually implement almost all conditions of the International Monetary Fund (IMF) to get a USD 4.5 Bn loan from the Washington-based lender, to meet the foreign exchange crisis, said a senior official of the finance ministry on Monday.
- As per the conditions, Bangladesh Bank (BB) will leave control of the Bangladesh currency's exchange rate with the US dollar to the floating market. BB also includes allowing the private sector to import fuel and increasing electricity prices at the retail level, reports UNB.
- Besides, a long-term plan will be made to make the prices of imported goods, including energy products, use-based and to increase the tax-GDP ratio. A decision has already been taken from the highest level of the government regarding the implementation of these conditions, said the official speaking on condition of anonymity as he is not authorised to talk to the media.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-working-to-implement-imf-conditions-to-get-45b-loan-1673272603>

Banglabandha port reopened to import yarn from Nepal

- Bangladesh has again allowed traders to import yarn from neighbouring Nepal through the Banglabandha Land Port – a major port in Northern Bangladesh – after a two-decade-long restriction.
- The National Board of Revenue issued a statutory regulatory order last week to this end. "Only acrylic yarn has been provisioned to be imported to the country through the port. Nepal had a request to open the port for all kinds of yarn. Local importers also had the same demand," a senior revenue official, wishing to remain unnamed, told The Business Standard.
- "The door has been opened for only export-oriented traders only," he added and noted that the Bangladesh Land Port Authority will soon take necessary steps accordingly.

<https://www.tbsnews.net/economy/banglabandha-port-reopened-import-yarn-nepal-564978>

Tipu seeks British investment in spl economic zones, hi-tech parks

- Mentioning that Bangladesh is now the best profitable destination for making investments, commerce minister Tipu Munshi on Monday sought British investments in special economic zones and hi-tech parks in Bangladesh.
- 'The investment procedures have been simplified in Bangladesh while the country has been providing a set of facilities for attracting foreign investment,' Tipu made the urge when visiting British MP Rushanara Ali met him at his secretariat office in the city on Monday.
- The commerce minister mentioned that there was a huge potential for making investments in the country's energy, railway, telecommunications, information technology, pharmaceuticals, light engineering, services, education and RMG sector where the British investors could avail such opportunities, said a press release.

<https://www.newagebd.net/article/191243/tipu-seeks-british-investment-in-spl-economic-zones-hi-tech-parks>

Banks' interest rate rising within regulatory ceiling

- Banks' lending and deposit rates have been increasing gradually as demand for funds has risen in the sector amid a liquidity shortage. However, the 9% lending rate cap does not allow banks to raise the interest rate as per the demand for credits, bankers said.
- According to Bangladesh Bank data, weighted average deposit rate was 3.97% in June 2022 that increased for the five consecutive months to settle at 4.22% in November. The lending rate was 7.09% in June 2022 that increased continuously to reach 7.18% at the end of November. Some banks offered high interest rates to get deposits as they were going through a liquidity crisis, the bankers said.

<https://www.newagebd.net/article/191259/banks-interest-rate-rising-within-regulatory-ceiling>

Stimulus for large, small industries: BDT 500 Bn fresh funds see tepid disbursement

- Two of the government's 28 Covid-19 stimulus packages saw a fresh injection of BDT 500 Bn in the ongoing financial year, but only 4% of the fund was disbursed between July and October.
- The two packages each aimed at providing working capital to large industries and service sector firms and cottage, micro, small, and medium enterprises (CMSMEs) saw a collective disbursement of BDT 21.51 Bn as of October, according to a finance ministry report.

<https://www.thedailystar.net/business/economy/news/stimulus-large-small-industries-tk-50000cr-fresh-funds-see-tepid-disbursement-3215996>

BGMEA leaders want tenure extension

- Rather the board in a meeting held at the BGMEA office on Sunday decided to extend the tenure of the current board for the next six months. It cited excuses of bad business conditions following the Russia-Ukraine war, severe fallouts of the Covid-19 and lower inflow of work orders from international clothing retailers and brands.
- Faisal Samad, leader of Forum, another panel of the BGMEA, said he would also submit an application to the DTO this week asking not to extend the tenure of the current board as the BGMEA constitution does not allow it.

<https://www.thedailystar.net/business/economy/news/bgmea-leaders-want-tenure-extension-3216921>

Develop transition strategy with private sector: DCCI

- The government should formulate a "transition strategy" with the private sector to address any detrimental effect, such as a loss in exports, arising from Bangladesh's United Nations status graduation in 2026, said the DCCI yesterday.
- Once it comes to be known as a developing nation from a least developed country (LDC), Bangladesh will lose preferential market access to different export destinations, said Sameer Sattar, president of the Dhaka Chamber of Commerce and Industry (DCCI).

<https://www.thedailystar.net/business/economy/news/develop-transition-strategy-private-sector-dcci-3216801>

Bida provides 67 services to investors through OSS

- Bangladesh Investment Development Authority (BIDA) is providing 67 services to investors through its One Stop Service (OSS), said its chief yesterday. At present, 23 organisations are involved in these processes, said Bida Executive Chairman Lokman Hossain Miah.

<https://www.thedailystar.net/business/news/bida-provides-67-services-investors-through-oss-3216341>

Country-wise private sector debt of Bangladesh

- Bangladesh's private sector's medium and long-term debt from foreign countries stood at USD 8.09 Bn at the end of September 2022. The sector had the highest volume of loans from China at USD 2.28 Bn, Bangladesh Bank data showed. Hong Kong came second with loans of USD 1.26 Bn, and the United Kingdom was placed third with loans of USD 0.85 Bn.

<https://www.thedailystar.net/business/news/country-wise-private-sector-debt-bangladesh-3216426>

Stocks:

EXCHANGE | DSE organises awareness programme to speed up trading of government securities

- The Dhaka Stock Exchange (DSE) held an awareness programme on Monday titled “The basics of government securities and trading on the stock exchange platform” as part of a series of initiatives aiming to speed up trading of government securities.
- The premier bourse held the awareness programme with the participation of heads of operations and authorised representatives of TREC holders at the DSE premises.

<https://thefinancialexpress.com.bd/stock/dse-organises-awareness-programme-to-speed-up-trading-of-government-securities-1673276960>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 74.58	(USD 0.63)	-0.84%
Crude Oil (Brent)*	USD 79.49	USD 1.71	2.20%
Gold Spot*	USD 1,875.23	USD 101.08	5.70%
DSEX	6,191.55	-15.45	-0.25%
S&P 500	3,824.14	-15.36	-0.40%
FTSE 100	7,724.94	273.20	3.67%
BSE SENSEX	60,942.79	102.05	0.17%
KSE-100	40,504.76	84.31	0.21%
CSEALL	8,381.04	-121.45	-1.43%

Exchange Rates**1 US Dollar = 104.18 BDT****1 GBP = 126.79 BDT****1 Euro = 111.66 BDT****1 INR = 1.26 BDT**

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