

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:**Loans from banks become costlier**

- The Bangladesh Bank has raised the lending rate cap on consumer loans to 12% after two and a half years of setting the interest rate ceiling at 9% for all types of loans. At the same time, the central bank has lifted the floor on deposit rates that was capped above inflation in August last year to protect depositors' interest.
- The decisions were made with a view to taming inflation by reining in demand, according to Bangladesh Bank sources. The central bank has not yet issued any circular to this effect, but all banks were verbally instructed to start implementing the new rates this November.

<https://www.tbsnews.net/economy/banking/loans-banks-become-costlier-548058>

Moody's places Bangladesh's Ba3 ratings under review for downgrade

- Moody's Investors Service on Friday placed Bangladesh's long-term issuer and senior unsecured ratings at Ba3 on review for downgrade. The short-term issuer ratings are affirmed at "Not Prime" and the outlook was stable before being placed under review.
- The decision to place the ratings on review for downgrade is driven by Moody's assessment that Bangladesh's deteriorating external position raises external vulnerability and government liquidity risks in a way that may not be consistent with its current rating.

<https://www.tbsnews.net/economy/moodys-places-bangladeshs-ba3-ratings-under-review-downgrade-548574>

Export of headgears, caps: BD bags USD 193.43 Mn, posts 50% growth in Jul-Nov

- Bangladesh has emerged as one of the key suppliers of hats and caps in the global market. Its shipment of these products reached USUSD 193.43 Mn in the first five months of the current fiscal year (FY), 2022-23, analysts said on Friday. The country has secured seventh position in the global export market worth USD 12.4 Bn, the FE analysis found.
- Even during the ongoing global economic crunch, Bangladesh's export of headgears and caps has posted a 50% growth during the July-November period of FY 23. In the same period (July-Nov) of last FY, the country's exporters made shipments of products worth USD 129.25 Mn, the Export Promotion Bureau (EPB) data showed.

<https://thefinancialexpress.com.bd/economy/bangladesh/export-of-headgears-caps-bd-bags-19343m-posts-50pc-growth-in-jul-nov-1670640314>

IT firms grapple with unskilled labour force

- IT firms are struggling to find skilled tech talents and professionals despite higher demand for information technology services from local and global clients, a situation that threatens their expansion and could shatter Bangladesh's export ambition for the sector. A mass exodus of talented workers and promising students, remote work opportunities and a mismatch between supply and demand have aggravated the situation recently.

<https://www.thedailystar.net/business/economy/news/it-firms-grapple-unskilled-labour-force-3191381>

China offers USD 11 Bn JV project

- A Chinese company has offered to build tracks and operate high-speed train on Bangladesh's prime Dhaka-Chattogram corridor with an investment of over USD 11 Bn, officials say. The Chinese firm has proposed to form a joint-venture company with the governments of Bangladesh and China for the big-venture modern train communications.
- The firm-China Railway Design Corporation (CRDC)--submitted the proposal to the Ministry of Railway (MoR), dated November 12, showing 20:80 share for the governments of Bangladesh and China respectively under Bangladesh High Speed Railway Limited company.

<https://thefinancialexpress.com.bd/economy/bangladesh/china-offers-11b-jv-project-1670640164>

Bangladesh mandates ADB to advise on USD 400 Mn expressway connecting 10 economic zones

- The Asian Development Bank's Office of Public-Private Partnership (OPPP) has been mandated to provide transaction advice on Joydebpur-Mymensingh Road PPP project to be built along one of the country's busiest economic corridors.
- The project, being implemented with an estimated budget of USD 400 Mn, is expected to usher the possibility of door to create jobs and skills, as well as cutting road congestion and improving road safety, the lending agency said in a media release.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-mandates-adb-to-advise-on-400m-expressway-connecting-10-economic-zones-1670497139>

PPP investment far lower than required

- Despite having a strong emerging regulatory framework and a relatively mature market, public-private partnership (PPP) projects in Bangladesh have attracted far lower investments than requirements owing to implementation challenges, lack of long-term financing, and dated laws. So far, USD 6.74 Bn has been invested in PPP projects against the requirement of USD 384 Bn by 2030, according to a publication of the Asian Development Bank (ADB).

<https://www.thedailystar.net/business/economy/news/ppp-investment-far-lower-required-3191386>

Rooppur NPP: Unit-1 gets ready for commissioning

- The experts started flushing of systems with the open reactor at Unit-1 of the Rooppur Nuclear Power Plant (NPP) as part of pre-commission on 8 December. This will be followed by a special Post-installation Cleaning (PIC). At this stage, chemically dematerialised water is supplied to the reactor vessel through the connection pipeline and primary circuit pipelines to remove impurities left after the installation of the equipment and the pipelines.

<https://www.tbsnews.net/bangladesh/energy/rooppur-npp-unit-1-gets-ready-commissioning-549170>

IMF lauds Bangladesh's progress as outstanding: Finance minister

- The International Monetary Fund (IMF) praised Bangladesh's "outstanding achievement" during its visit to Dhaka in late October, said Finance Minister AHM Mustafa Kamal.
- The IMF team said the progress and achievement of Bangladesh is extraordinary, the minister said while addressing the award giving ceremony of highest vat payers at Hotel Intercontinental in the capital Saturday (10 December).

<https://www.tbsnews.net/economy/imf-lauds-bangladeshs-progress-outstanding-finance-minister-549030>

Urea stock rises as imports normalize

- The complication in urea fertiliser imports due to the dollar crisis has been dispelled, according to the Bangladesh Chemical Industries Corporation (BCIC).
- The normalisation of imports has augmented supply against demand in the local market and boosted the government's urea stock compared to the previous year, said sources at the BCIC – the agency responsible for the import and production of urea.

<https://www.tbsnews.net/economy/urea-stock-rises-imports-normalise-548370>

RJSC extends MoA and AoA facilities for all types of companies

- The Registrar of Joint Stock Companies (RJSC) – the regulatory body that manages business registration – will provide automated standardised Memorandum of Association (MoA) and Articles of Association (AoA) facilities for all types of companies in Bangladesh.
- The initiative will enable companies to accept and use model articles that are universal and in full compliance with the law, instead of drafting articles of association for their companies, said a press release.

<https://www.tbsnews.net/economy/rjsc-extends-moa-and-aoa-facilities-all-types-companies-548998>

Salman F Rahman urges UK entrepreneurs to invest in Bangladesh

- Private Industry and Investment Adviser to Prime Minister Salman F Rahman has urged UK entrepreneurs to invest more in Bangladesh's environment-friendly sector including the recycling industry.
- "UK businessmen can benefit from the favourable environment that Bangladesh has created for investment," said Salman F Rahman at a high-level round table meeting on "Trade, Growth and Partnership" organised by Bangladesh High Commission, London on Wednesday.

<https://www.tbsnews.net/economy/salman-f-rahman-urges-uk-entrepreneurs-invest-bangladesh-548826>

Germany commits fresh 191 Mn Euro grant for Bangladesh

- Germany has made commitments of extending another 191 Mn Euro in grant to Bangladesh at the latest round of Bangladesh-German Development Cooperation Negotiations 2022. With the new commitment, the amount now stands at 275.1 Mn Euro or around BDT 29.16 Bn since the last government to government negotiations, the German embassy said in a statement today.
- Since 1972, the overall amount reaches more than 3.2 Bn Euro, according to the statement. The two-day bilateral negotiations on development cooperation started on December 7.

<https://www.thedailystar.net/business/news/germany-commits-fresh-191-Mn-euro-grant-bangladesh-3190986>

Bangladesh's cotton import to drop: USDA

- Bangladesh's cotton import may drop to 8 Mn bales in marketing year 2022-23 which began in August, said the US Department of Agriculture (USDA) at the end of last week. This will be resulting from high international raw cotton prices, reduced garment production due to a domestic power shortage and a slowdown in the world economy, it said. The latest projection is about 10% below its previous one of April this year.

<https://www.thedailystar.net/business/economy/news/bangladeshs-cotton-import-drop-usda-3192931>

Wage growth below inflation for 10th month

- For the 10th consecutive month, monthly wage growth of workers has remained below inflation, a trend that indicates a worsening poverty situation as many people are being compelled to cut consumption amid falling real income.
- In November this year, wages of low and unskilled workers grew 6.98%, which was 1.87 percentage points below the average inflation rate of 8.85% in the same month. In October, wages of workers in 44 occupations in agriculture, industry and services grew 6.91% against a consumer price hike of 8.91%, showed data of the Bangladesh Bureau of Statistics (BBS).

<https://www.thedailystar.net/business/economy/news/wage-growth-below-inflation-10th-month-3192966>

Stocks:**AAMRANET | Why Aamra Networks is selling data centre**

- Aamra Networks – an IT communication solutions provider whose prime business is data connectivity – has decided to sell its data centre owing to dissatisfactory revenue generation. The company will sell the data centre at BDT 115 Mn and invest the fund in a new business, and in developing its existing business lines, according to its officials.
- It will invest BDT 30 Mn in the Internet Protocol Telephony Service Provider—a new product line—subject to the approval of the Bangladesh Telecommunication Regulatory Commission. It will also invest BDT 7 Mn in the infrastructure development of its existing multiprotocol label switching (MPLS) business line, which is now profitable and has a promising future.

<https://www.tbsnews.net/economy/stocks/why-aamra-networks-selling-data-centre-548014>

ADNTEL | ADN gets extended time, permission from shareholders to use IPO fund

- ADN Telecom received approval from shareholders to utilize the unused IPO funds by the end of next year. The shareholders of the company in its 19th annual general meeting held Wednesday approved rearranging the unutilized IPO proceeds allocated for balancing, modernization, rehabilitation and expansion (BMRE), said the company in a filing with the Dhaka Stock Exchange.
- The amount has been revised down to BDT 84.96 Mn from BDT 184.96 Mn. Half of the remaining BDT 100 Mn will be invested in the Hi-Tech Park for developing manufacturing facilities and the other half for purchasing land and land development within the deadline, according to the filing.

<https://thefinancialexpress.com.bd/stock/adn-gets-extended-time-permission-from-shareholders-to-use-ipo-fund-1670473078>

YPL | Yeakin Polymer's loss extends in FY22

- Yeakin Polymer Limited suffered a loss of BDT 52.3 Mn in the financial year that ended on June 30. The loss stood at BDT 40.5 Mn a year earlier. Thus, the manufacturer of PP woven bags, garments accessories and household plastic products reported earnings per share of BDT 0.71 in negative for FY22 against a negative BDT 0.55 in FY21.
- "The EPS decreased due to the effects of the Covid-19 pandemic, the Russia-Ukraine war, the shortage of working capital, drop in sales and increase in raw material costs," said Yeakin Polymer in a filing on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/news/yeakin-polymers-loss-extends-fy22-3191326>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 71.02	(USD 4.19)	-5.57%
Crude Oil (Brent)*	USD 76.10	(USD 1.68)	-2.16%
Gold Spot*	USD 1,797.32	(USD 31.88)	-1.74%
DSEX	6,227.82	-528.83	-7.83%
S&P 500	3,934.38	-831.80	-17.45%
FTSE 100	7,476.63	92.09	1.25%
BSE SENSEX	62,181.67	3,927.85	6.74%
KSE-100	41,698.28	-2,897.79	-6.50%
CSEALL	8,851.12	-3,374.89	-27.60%

Exchange Rates**1 US Dollar = 102.91 BDT****1 GBP = 126.20 BDT****1 Euro = 108.47 BDT****1 INR = 1.25 BDT**

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