

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.

Foreign loan disbursement shoots up 58pc

- Foreign assistance disbursement jumped 58% in 8MFY22 year thanks to fast implementation of mega projects and increased flow of funds from international financial agencies to help Bangladesh tackle the pandemic. During the period, Bangladesh's development partners disbursed USD 6.0 Bn, up from USD 3.7 Bn in FY21.
- Economic Relations Division (ERD) officials say a number of mega projects funded by Japan, including the Dhaka Metro Rail project, are being implemented in full-swing following the easing of coronavirus restrictions. A good amount of funds was also disbursed by the World Bank to support efforts aimed at tackling the pandemic along with regular loans.
- Bangladesh has set an ambitious target to receive USD 12.98 Bn in foreign assistance from its development partners in FY22. Bangladesh made debt repayments amounting to about USD 1.34 Bn in 8MFY22, while it was USD 1.19 Bn during the corresponding period in FY21.
- Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, said it appears that aid utilisation has improved during the period, which is perhaps due to the government's focus on utilising more foreign finance to manage fiscal pressure. The commitment of development partners also increased 22% YoY to USD 4.8 Bn in the past eight months.

<https://www.thedailystar.net/business/economy/news/foreign-loan-disbursement-shoots-58pc-2989391>

Banks' CSR expenditure slumps by BDT 1.63 Bn in six months

- Corporate Social Responsibility (CSR) expenditure in the Banking sector has dropped by BDT 2.98 Bn in 2H'21 compared to BDT 4.61 Bn in 1H'21, with nine banks making no CSR spending during the period.
- BDT 1.32 Bn spending was recorded under disaster management category, while BDT 0.74 Bn went to the health sector. The non-banking financial institutions spent BDT 33.8 Mn for CSR with highest BDT 14.3 Mn in the health sector.

<https://www.tbsnews.net/economy/banking/banks-csr-expenditure-slumps-tk163cr-six-months-390110>

Surge in cotton price to weigh on RMG exports

- Cotton prices surged to more than a decade high in global market in the wake of the Russia-Ukraine war, abnormal hike in freight charge and drought in the US, which will drive up the production cost for readymade garment (RMG) makers in Bangladesh, thus affecting their profitability.
- The price of the plant fibre reached USD 1.3171 per pound on the key US futures contract on Monday, the highest since July 2011, according to a report of the AFP news agency. Importers and millers say if the war prolongs, the price of cotton would jump further. This will ultimately increase the price of yarn in the local markets, which will raise the cost of production for garment manufacturing.
- Local growers can supply less than 2% of 9 million bales of cotton consumed annually in the country, forcing the country to spend nearly USD 3 billion to import the raw material for the growing apparel industry.

<https://www.thedailystar.net/business/economy/news/surge-cotton-price-weigh-rmg-exports-2989461>

Govt extends tenure of five rental plants

- Despite having abundant electricity- generation capacity of its own, the government on Wednesday approved a proposal for tenure extension of five more rental power plants with electricity cost at BDT 16.40 per unit. The heavy fuel oil (HFO)-fired power plants will supply electricity to the Bangladesh Power Development Board (BPDB) for two more years on 'no-electricity, no-payment' basis.
- The plants which got the extension are: 40-MW plant of Khulna Power Company Ltd in Jashore, 115-MW plant of Khulna Power Company Unit-II Ltd in Khulna, 100-MW plant of Dutch Bangla Power and Associates Ltd in Narayanganj, 100-MW plant of Orion Power Meghnaghat Ltd in Narayanganj, and 102-MW plant of Summit Narayanganj Power Ltd in Narayanganj.

<https://today.thefinancialexpress.com.bd/first-page/govt-extends-tenure-of-five-rental-plants-1648057348>

All mobile operators to take part in spectrum auction

- All mobile phone operators have submitted bid earnest money to Bangladesh Telecommunicating Regulatory Commission to participate at the spectrum auction scheduled for March 31. As per the auction scheduled of the BTRC, each of the telecom operators — Grameenphone, Robi, Banglalink and Teletalk — have submitted BDT 100.0 Mn each to participate at the auction.
- The commission would auction 180MHz spectrum, six blocks of 10MHz each from 2.3GHz band and another 12 blocks of 10MHz each from 2.6GHz band. The floor price of each megahertz of spectrum was set at USD 6 million for 15 years.

<https://www.newagebd.net/article/166208/all-mobile-operators-to-take-part-in-spectrum-auction>

Banglalink plans to get listed in 3 years

- Banglalink, the country's third largest mobile operator, is aiming to enter the stock market in three years, according to its parent company's top officials who met the chief of the Bangladesh Securities and Exchange Commission (BSEC) on Monday.
- Kaan Terzioğlu, group chief executive officer (CEO) of VEON, said USD 4 billion had been invested in Banglalink in the last 17 years. He added that they will continue our investment every single year of USD 200-300 million for the next three years.

<https://www.thedailystar.net/business/organisation-news/news/banglalink-plans-get-listed-3-years-2989426>

GP looks to max out 4G potential

- Grameenphone aims to realise the full potential of the fourth-generation (4G) technology as the super-fast mobile telephony can support customers in their digitalisation journey, said Jorgen C Arentz Rostrup, chairman of the largest mobile phone operator in Bangladesh.
- Only a third of the population have 4G connections, owing to lower affordability of devices and levels of knowledge and digital skills. Rostrup, also the head of Asia at Telenor, said that they are going to max out on 4G, which is extremely important and has vast potential.
- According to Rostrup, 5G is still at a nascent stage in Asia. He claimed that Telenor has been working on 5G for a few years, providing them important insights. He added that Telenor and Grameenphone will embrace it when the time is right. Without pointing to any specific direction, one should not embark too much in one direction before things are mature and ready, he added.

<https://www.thedailystar.net/business/organisation-news/news/gp-looks-max-out-4g-potential-2989436>

Rod prices cross BDT 90,000 per tonne

- The price of steel in Bangladesh has jumped 3.34% within a span of just one week, with manufacturers citing it as a ripple effect of rising global demand for scrap and a recent hike of local fuel prices. According to state-run Trading Corporation of Bangladesh (TCB), each tonne of MS rod was selling for BDT 91,500, which was BDT 92,000 actually, according to the managing director (MD) of Mir Akhter Hossain Ltd. It was BDT 88,500 one week ago, said the TCB.
- The MD of Mir Akhter told that some construction companies had already halted their ongoing works foreseeing loss of commercial viability and they are about to turn into loan defaulters. He told that the government should immediately take the initiative to adjust prices listed in ongoing projects, otherwise all development works will get stuck.
- Deputy managing director of Kabir Steel Re-Rolling Mills (KSRM) said the price of scrap steel, the sector's raw materials, reached to USD 730-750 per tonne, which was USD 300-350 in Oct'21. As economies reopened and fuelled demand, prompting several countries, including India, to cut tariffs on its import. Trade sanctions on Russia and its invasion of Ukraine exacerbated the problem as these two cater to around 50% of the world's demand for crude iron.

<https://www.thedailystar.net/business/economy/news/rod-prices-cross-tk-90000-tonne-2989456>

BSEC pushes 28 banks on spl funds for capital mkt

- The securities regulator has requested 28 banks to form a special fund of BDT 2.0 billion each and invest it in the stock market. Investments from the funds will not be considered the banks' capital-market exposure, according to a letter signed by BSEC executive director Mohammad Rezaul Karim. Currently, many banks' exposure to the market remained much below the limit, said the BSEC (Bangladesh Securities and Exchange Commission). 33 banks have already formed such funds by giving BDT 2.0 billion each, under a directive of the central bank, only for capital market.

<https://today.thefinancialexpress.com.bd/first-page/bsec-pushes-28-banks-on-spl-funds-for-capital-mkt-1648057221>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 115.97	USD 40.76	54.19%
Crude Oil (Brent)*	USD 123.10	USD 45.32	58.27%
Gold Spot*	USD 1,941.19	USD 111.99	6.12%
DSEX	6,750.40	-6.26	-0.09%
S&P 500	4,456.24	-309.94	-6.50%
FTSE 100	7,460.63	76.09	1.03%
BSE SENSEX	57,684.82	-569.00	-0.98%
KSE-100	43,203.79	-1,392.28	-3.12%
CSEALL	10,457.81	-1,768.20	-14.46%

Exchange Rates**1 US Dollar = 86.20 BDT****1 GBP = 113.68 BDT****1 Euro = 94.69 BDT****1 INR = 1.12 BDT**

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