

*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.*

### **Exports rise by 30.46% in July-Feb**

- Bangladesh's export earnings in the July-February period of the current financial year 2021-22 increased by 30.46 % to USD33.84 billion from USD25.86 billion in the same period of the previous fiscal year due to an outstanding performance by readymade garment products. Export earnings in February 2022 grew by 34.54 % year-on-year to USD4.29 billion from USD3.19 billion in the same month of 2021, according to the Export Promotion Bureau data released on Wednesday.
- The EPB data showed that export earnings from RMG in the eight months of FY22 fetched USD 27.49 billion, which is 30.73 % higher than the earnings of USD21.03 billion in FY21. 'Export earnings growth is very positive and we have taken some initiatives to maintain the trend,' Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association, told New Age.

<https://www.newagebd.net/article/164250/exports-rise-by-3046pc-in-july-feb>

### **Revenue collection grows 16% on import surge**

- The National Board of Revenue (NBR) posted 16.09% year-on-year growth in revenue collection which amounted to BDT 1.5 trillion in 7MFY22, thanks to a surge in imports with pandemic easing slowly. Of the three types of revenues, the growth in customs was the highest 22.45% during the period, while VAT saw a 12.68% and income tax 14.20% increase year-on-year. NBR officials said a rapid surge in imports keeping pace with sharply growing local demand amid the easing of the Covid-19 situation played a crucial role in generating higher customs revenue, as well as the overall revenue.

<https://www.tbsnews.net/nbr/revenue-collection-grows-16-import-surge-379051>

### **UAE finds Bangladesh food processing industry promising for investment**

- UAE Ambassador in Bangladesh Abdulla Ali Al-Hmoudi on Wednesday said the food processing industry in Bangladesh looks promising for possible investment by his country's businesspeople. The envoy said that different countries showcase their goods at the pavilions in the Global Village of Dubai. The ambassador urged Bangladesh to take advantage of this. Bangladesh Pavilion in the Global Village would make it easier for tourists from different countries, including Dubai, to get information about Bangladeshi products.

<https://thefinancialexpress.com.bd/economy/uae-finds-bangladesh-food-processing-industry-promising-for-investment-1646220889>

### **Global commodity price hikes may jeopardise inflation target: BB**

- Bangladesh's economy has experienced a strong rebound from the pandemic-induced downturn, but the recent spikes in global commodity prices – aided by unfolding geopolitical conflicts – may create price pressure for the country, causing the government to miss its inflation target, observes the Bangladesh Bank.
- The central bank also addressed a number of risks, including negative pressure on the balance of payment amid high imports and the severity of the ongoing pandemic, which may cast a cloud over the growth prospects.
- The Bangladesh Bank, however, hinted at continuing with the current expansionary and accommodative monetary stance when other global central banks are opting for squeezing money supply to curb inflation.

<https://www.tbsnews.net/economy/global-commodity-price-hikes-may-jeopardise-inflation-target-bb-378988>

**Inflation in Bangladesh expected to exceed 6.0% by June**

- The annual average rate of inflation is likely to cross 6.0 % level by the end of the current fiscal year (FY22), according to the central bank's inflation expectation survey. Around 77 % of the respondents, surveyed to gauge the inflation expectation in near future, expect one-year-ahead average inflation to be above 6.0 %.
- Annual Monetary Policy Review, released Tuesday evening, mentioned the result of the inflation expectation survey without any elaboration, adding Bangladesh Bank's staff projections on inflation for the remaining period of 2022 are also consistent with the inflation expectation survey results.

<https://thefinancialexpress.com.bd/economy/inflation-in-bangladesh-expected-to-exceed-60pc-by-june-1646229677>

**Gap between lending, deposit rates reduced in January**

- Interest spread narrowed down in January as banks raised deposit rates while lending rates dropped slightly, bankers have said. The weighted average spread between lending and deposit rates, offered by scheduled banks, fell to 3.12 % from 3.19 % in December, revealed the central bank's latest statistics.
- The weighted average interest rate on lending fell to 7.13 % in January 2022 from 7.18 % in the previous month while such rate on deposits rose to 4.01 % from 3.99 % earlier. Lower yield on advances along with an uptrend in interest rates on deposit pushed down the spread in January than in December, senior bankers explained.

<https://thefinancialexpress.com.bd/economy/gap-between-lending-deposit-rates-reduced-in-january-1646189490>

**Default loans increase by BDT 145.4 Bn in 2021**

- Defaulted loans have started to rise from the pandemic lows as banks began ending moratorium packages by classifying loans amid normalisation of the financial condition of borrowers. Default loans in the banking sector increased by BDT 145.4 Bn in the past year after loan moratoriums were partially lifted. Although resumption of business activities increased money flow last year, many borrowers were yet to meet payments, forcing banks to classify a number of loans causing a rise in defaults, industry insiders said.
- The banking sector experienced a 16.38% growth in default loans after many banks did not extend the moratorium facility in 2021. The payment deferral that the central bank offered for January to December in 2020 helped banks reduce default loans amounting to BDT 56.0 Bn throughout the year.
- On the other hand, interest rates on lending may rise slightly in near future following a rebounding demand for credit, particularly from the private sector, in recent months, according to the private banker. Meanwhile, average spread with state-owned commercial banks was 2.35% in January, 3.19% with private commercial banks, 5.25% with foreign commercial banks and 1.82 % with specialized banks.

<https://www.tbsnews.net/economy/banking/default-loans-increase-tk14539-crore-2021-378835>

**Bangladesh feels the heat of Ukraine invasion**

- The far-reaching implications of an ongoing rally in oil prices amid Russia's invasion of Ukraine have already descended on Bangladesh as the state-owned Bangladesh Petroleum Corporation (BPC) is losing BDT 190 million per day. Before the war in Europe even began, oil prices were already lodged in an upward trend as demand for the fuel outpaced production after global economies started to rebound from the Covid-19 pandemic.
- But with Russia, one of the largest oil suppliers in the world, now engaged in battle with Ukraine, the threat of supply disruptions has only made things worse. With oil topping USD 110 a barrel, economists said the subsequent impact on Bangladesh's economy can be seen in rising import payments, fall in export receipts, pressure on the exchange

rate, rising commodity prices and soaring inflation.

<https://www.thedailystar.net/business/economy/news/bangladesh-feels-the-heat-ukraine-invasion-2974521>

### **Fuel supply still steady, but subsidy, price may rise**

- The Ukraine war, which has already caused energy prices to shoot up and started a new supply crunch, might not affect Bangladesh fuel imports in the short term owing to several timely government initiatives; but a prolonged war poses a major financial and supply threat. The heat of the war is still lukewarm for Bangladesh as the country is sourcing its petroleum and Liquefied Natural Gas (LNG) from the Middle East and other Asian countries. But the war has already hiked energy prices to a new record worldwide. This is set to mount huge pressure on the government in the coming months. If the war prolongs, the supply risk and cost burden on Bangladesh might become unbearable.

<https://www.tbsnews.net/bangladesh/energy/fuel-supply-still-steady-subsidy-price-may-rise-379057>

### **Investors cautiously optimistic about 2022 market: LankaBangla Survey**

- Investors are found to be cautious about many economic and market factors in 2022, but their optimism did not let off, revealed the Bangladesh Capital Market Sentiment Survey 2022 by LankaBangla Securities, the top brokerage firm in the country. The majority of respondents anticipate the Dhaka Stock Exchange's broad-based benchmark DSEX will close above the 7,000 mark at the end of this year.
- They came up with the anticipation despite their perception of increased risks of less money flow on the country's bourses, further policy interventions by different regulators, weakened investor confidence, the weak regulatory framework, and risk of poor corporate earnings growth. Only a minority of 10.3% of respondents are bearish about the stock market.

<https://www.tbsnews.net/economy/stocks/investors-cautiously-optimistic-about-2022-market-lankabangla-survey-379003>

### **Renata to purchase land for factory expansion**

- Renata Limited – a manufacturer of pharmaceuticals and animal health products – will acquire 560 decimals of land at Rajendrapur in Gazipur for factory expansion. According to a disclosure by the company on the Dhaka Stock Exchange (DSE) website on Wednesday, the land will cost BDT 510 million excluding registration and incidental costs. Besides, as per an order of the High Court, the company decided to hold an extraordinary general meeting (EGM) on 16 April to approve the merger of its two subsidiaries – Renata Agro Industries and Purnava Ltd.

<https://www.tbsnews.net/economy/stocks/renata-purchase-land-factory-expansion-379015>

**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 113.13	USD 37.92	50.42%
Crude Oil (Brent)*	USD 116.52	USD 38.74	49.81%
Gold Spot*	USD 1,929.30	USD 100.10	5.47%
DSEX	6,699.84	-56.82	-0.84%
S&P 500	4,386.54	-379.64	-7.97%
FTSE 100	7,429.56	45.02	0.61%
BSE SENSEX	55,468.90	-2,784.92	-4.78%
KSE-100	44,514.12	-81.95	-0.18%
CSEALL	11,406.34	-819.67	-6.70%

**Exchange Rates****1 US Dollar = 85.99 BDT****1 GBP = 115.17 BDT****1 Euro = 95.50 BDT****1 INR = 1.13 BDT**

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