

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.

### **Five projects of Tk 1,022cr get nod**

- The government yesterday gave the go-ahead to five projects involving BDT 1,022 crore. The projects include a scheme for the spending of an additional BDT 249 crore to prevent erosion of the banks of the Padma river, and another proposal include BDT 640 crore allocation for building a bridge over the Payra river.

<https://www.thedailystar.net/business/economy/news/five-projects-tk-1022cr-get-nod-2945811>

### **Vaccine diplomacy success as Bangladesh gets most vaccines from Covax**

- Bangladesh is the top recipient of vaccines under the Covax facility among all the low- and middle-income countries due to effective vaccine diplomacy, health experts said. Besides, Bangladesh has a good track record of vaccine utilisation which also contributed to getting more vaccines under Covax.
- Top Covax donor-funded dose recipients are Bangladesh 133.06 million, Indonesia 87.95 million, Pakistan 77.16 million, Philippines 65.14 million, Nepal 22.93 million and Vietnam 49.61 million.
- In Bangladesh, 92.4 million people have received the first dose of coronavirus vaccine, 58.3 million people received two doses and 1.0 million people got booster doses till Saturday. Health Minister Zahid Maleque said at a press briefing that the government has a stock of 90 million doses of vaccines. The government will administer vaccines to 70% of its population or 120 million as per the target. Bangladesh has collected 240 million doses of vaccines through procuring, donation and gifts.

<https://www.tbsnews.net/coronavirus-chronicle/covid-19-bangladesh/vaccine-diplomacy-success-bangladesh-gets-most-vaccines>

### **Dhaka likely to sign PTA with Colombo in April next**

- Dhaka wants to conclude a preferential trade agreement (PTA) with Colombo in April next, in order to boost bilateral trade between the two South Asian countries. Final offer lists of products from both sides will be sent virtually later this month, said a senior official of the commerce ministry.
- Under the proposed deal, both the governments have already exchanged request lists of products - Bangladesh earlier sent a list of more than 100 products while Sri Lanka 112, seeking duty-free access from the respective sides.

<https://thefinancialexpress.com.bd/trade/dhaka-likely-to-sign-pta-with-colombo-in-april-next-1642906898>

### **CWEIC to help BD retain growth pace in post-LDC period**

- Commonwealth Enterprise and Investment Council (CWEIC) is willing to assist Bangladesh in sustaining its robust economic growth after the country's graduation from the category of least developed countries (LDCs), says Samantha Cohen, CEO of CWEIC.
- CWEIC will organise visit of a high-level business delegation to Bangladesh later this year, Ms. Samantha said. She requested FBCCI to arrange B2B meetings and factory visits for the delegation to show them the compliance and competitive advantages of the growing sectors of the country.
- CWEIC will also assist Bangladesh in entering the mainstream market of its major and highly potential trade partners, including the UK, Canada and Australia, as well as highlight Bangladesh's remarkable development accomplishments and innumerable potential among its member states.

<https://today.thefinancialexpress.com.bd/trade-market/cweic-to-help-bd-retain-growth-pace-in-post-ldc-period-1642955830>

### **ADP execution still below pre-pandemic levels**

- The government managed to spend BDT 56,962 crore from its ADP budget in 1HFY22, up from BDT 51,266 crore in 1HFY21. ADP implementation rate was 24.06% during 1HFY22 against 23.89% during 1HFY21.
- According to the monthly implementation progress report of the IMED, the spending of government funds increased in the first six months year-on-year while of project assistance funds declined. Of the overall ADP spending, BDT 34,679 crore could be spent from government funds while BDT 19,553 crore from project assistance.
- Even amidst the pandemic, the health service division has been one of the low performing divisions spending only 9.84% of its total allocation. Among the 15 largest allocation receivers, the industries ministry implemented 52.84% of its allocation, followed by housing and public works ministry (36.17%), water resources ministry (28.54%), road transport and highways division (28.36%) and railways ministry (26.57%).

<https://www.thedailystar.net/business/economy/news/adp-execution-still-below-pre-pandemic-levels-2945886>

### **BB introduces credit guarantee facility to pace loans disbursement among marginal groups**

- Bangladesh Bank (BB) has introduced a new credit guarantee facility to speed up loan disbursement to landless farmers, low-income professionals, school banking account holders and small traders. The marginal people can take a loan of BDT 25,000 to BDT 500,000 in a single name while BDT 2.0 million can be borrowed as a five-member group under the new credit guarantee scheme, reports UNB.
- Under the restructured, no security deposit can be taken in case of lending to marginal / landless farmers, low mother professionals, school banking account holders and small traders with accounts of BDT10/50/100.

<https://thefinancialexpress.com.bd/economy/bangladesh/bb-introduces-credit-guarantee-facility-to-pace-loans-disbursement-among-marginal-groups-1642940842>

### **New pay structure for banks to discourage good performers, reduce profitability**

- In a circular issued on 20 January, the Bangladesh Bank asked banks not to deprive their employees of promotion even if they fail to achieve business targets. It also said banks cannot fire employees on the grounds of inefficiency or force them to resign. The central bank also asked banks not to set business targets for employees.
- Industry experts said the central bank circular is encouraging banks to treat both efficient and inefficient employees equally instead of incentivising skilled manpower – which will have a severe impact on the banking business. In the private sector, incentives come through performance resulting in different salary structures for the same post. However, the Bangladesh Bank asked banks not to consider the performance in case of annual increment.

<https://www.tbsnews.net/economy/banking/new-pay-structure-banks-discourage-good-performers-reduce-profitability-361447>

### **BB aid for stocks ends up salvaging Beximco sukuk**

- The central bank announced a special package in February 2020 to prop up the stock market as the benchmark index of the Dhaka Stock Exchange (DSE) was hovering around a seven-year low of 4,385 points. As part of the package, scheduled banks had decided to form a fund of BDT 5,470 crore by borrowing from the central bank. They have so far invested around BDT 3,300 crore, BB data showed. Of the sum, BDT 1,900 crore was invested in shares, and around BDT 1,400 crore was used in subscribing to the Islamic bond of Beximco Ltd.
- As a result, Beximco turned out to be the ultimate beneficiary of the scheme as most banks subscribed to its Green

Sukuk Al Istisna'a, thanks to the liberty extended by the Bangladesh Bank to the lenders. As banks invested a huge amount of the fund in the sukuk instead of stocks, the main goal of the BB package was not achieved, said a top official of an asset management company, preferring anonymity.

<https://www.thedailystar.net/business/economy/stock/news/bb-aid-stocks-ends-salvaging-beximco-sukuk-2945911>

### **Rising fuel, fertiliser prices fuelling farm spending**

- Soaring fuel and fertiliser prices are set to fuel government spending in farm subsidy to support agriculture, which acts as economic saviour amid the pandemic, officials say. Although the government has earmarked BDT 95 billion as agricultural subsidy for the current financial year, FY'22, they say, the volume could overshoot the target amid the global as well as local price rises.
- "Costs for subsidy might more than double in FY22 over that of last FY as different fertiliser prices increased by 80-230% in a year, of which urea witnessed maximum surge," says an official at the agriculture ministry.

<https://today.thefinancialexpress.com.bd/first-page/rising-fuel-fertiliser-prices-fuelling-farm-spending-1642960205>

### **Bangladesh government finally goes for bidding for second oil refinery**

- The government has finally decided to select through competitive bidding a contractor for construction of the country's second crude fuel oil refinery, after six years of deliberation. Eastern Refinery Ltd, a wholly owned subsidiary of BPC, will implement the project having an estimated refining capacity of 3.0 million tonnes annually.
- Bangladesh Petroleum Corporation (BPC) was negotiating with French firm Technip, which was the contractor of the ERL's existing refinery. Insiders said Technip had proposed USD 2.23 billion, however, the Indian consulting firm opined that the cost might be USD 1.80 billion.

<https://thefinancialexpress.com.bd/trade/bangladesh-government-finally-goes-for-bidding-for-second-oil-refinery-1642921162>

### **Textiles, apparel exports to US increase by 30.68% in 2021**

- The US import from Bangladesh during the mentioned period has increased by 30.68% compared to the same period of 2020, whereas their global import saw 25.43% growth, said Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Director Mohiuddin Rubel on Sunday.
- China being the top import market for USA and having a 24% share of the USA's total apparel import, posted 27.29% growth during this period. During this period USA's import from Vietnam has grown by 12.73%, reports UNB. Countries which have seen significant growth are - Pakistan 59.30%, Honduras 47.10%, India 35.47%, and Mexico 29.67%.

<https://thefinancialexpress.com.bd/economy/bangladesh/textiles-apparel-exports-to-us-increase-by-3068pc-in-2021-1642942330>

### **ILO, BGMEA join hands**

- The International Labour Organization (ILO) and the Bangladesh Garments Manufacturers and Exporters Association (BGMEA) have joined hands in a bid to continue the momentum of workplace safety in the garment industry of Bangladesh. An implementation agreement was signed between ILO and BGMEA on Sunday to strengthen the capacity of safety committees, says a press release.
- Safety committees are tasked to implement, monitor and communicate on safety issues at workplaces. Under the deals, 700 safety committee members from 75 garment factories will be trained on occupational safety and health (OSH), hazard identification and risk assessment, building safety culture, management of fire accidents and Covid-19 guidelines. These up-skilled safety committee members will, in turn, spread the awareness among roughly 50,000

workers in their respective factories.

<https://today.thefinancialexpress.com.bd/trade-market/ilo-bgmea-join-hands-1642955875>

### **Illegal ICD charges increasing business costs: BGMEA**

- The readymade garment exporters have alleged that landing charge levied by private inland container depots (ICD) for transporting goods from the factory to the ICD warehouses at Chattogram Port is illegal and increasing the business cost.
- Last week, the Bangladesh Garment Manufacturers & Exporters Association (BGMEA) sent a letter to the Chattogram Port Authority demanding cancellation of the charge. According to the organisation, the charge is supposed to be collected from the forwarders appointed by the importers, but in a competition to get business, it is being collected from the exporters.

<https://www.tbsnews.net/economy/illegal-icd-charges-increasing-business-costs-bgmea-361441>

### **BD Thai Food makes debut Monday**

- BD Thai Food & Beverage will make its shares trading debut on Dhaka Stock Exchange and Chittagong Stock Exchange tomorrow (Monday) under the settlement category “N”. BD Thai Food, which received regulatory approval from the Bangladesh Securities and Exchange Commission on October 3, 2021, raised BDT 150 million from the capital market under the fixed price method.
- Each general investor got a minimum 26 IPO shares of BD Thai Food while non-resident Bangladeshi investors received 20 shares against application of BDT 10,000. The company will utilise the IPO proceeds for purchasing machinery and equipment, developing land, complete construction of a new factory building and bearing the IPO expenses.

<https://thefinancialexpress.com.bd/stock/bangladesh/bd-thai-food-makes-debut-monday-1642922602>

### **Meghna Petroleum posts profit growth despite a revenue decline**

- Despite a marginal drop in its sales, Meghna Petroleum Ltd posted higher year-on-year profits in the October-December quarter of the current fiscal year - thanks to its control over costs, and higher income from investments. Its net profit after taxes for the last three months of 2021 increased to BDT70.4 crore from BDT61.7 crore a year ago.
- The company's Managing Director Mir Saifullah-Al-Khaled told The Business Standard, "Operational income dropped due to a big drop in furnace oil sales, and no revenue from the business with local fractionation plants." Meghna Petroleum's furnace oil supply to the power plants dropped by 40,000 tons year-on-year in the October-December quarter as the private sector power plants were importing the fuel themselves in 2021.
- However, the state-owned fuel distributor successfully reduced its administrative, selling and distribution, and financial expenses that helped post BDT30.83 crore in operational profits, up from BDT28.58 crore in the same quarter of 2020. Also, its non-operating income, mainly the income from its over BDT1,800 crore investments in fixed deposits and other securities, increased to over BDT65 crore from BDT58.3 crore.

<https://www.tbsnews.net/economy/stocks/meghna-petroleum-posts-profit-growth-despite-revenue-decline-361396>

### **Padma Oil to invest BDT400cr to build commercial space**

- State-owned oil distributor Padma Oil Company Limited will build a commercial space in the capital by investing around BDT400 crore. For the project, the company on Sunday signed an agreement with the joint venture of National Development Engineers Ltd, and Engineers & Architects Limited. According to officials at the company, it will

construct a 12-storey modern residential cum commercial building by 2025.

<https://www.tbsnews.net/economy/stocks/padma-oil-invest-tk400cr-build-commercial-space-361414>

### **BSEC to appoint auditor to review Intech financials**

- The Bangladesh Securities and Exchange Commission (BSEC) has decided to appoint a special auditor to review recent financial statements of the poorly performing IT firm Intech Limited after the Intech chairman brought allegations of fund embezzlement against the former chairman.
- A member of the board of directors of the company, seeking anonymity, said he also observed some irregularities in the finances of the company. BSEC Commissioner Dr Sheikh Shamsuddin Ahmed said the commission wants to review the last three years' financial statement of the company for the interest of investors, and take legal actions if the allegations are proved true.

<https://www.tbsnews.net/economy/stocks/bsec-appoint-auditor-review-intech-financials-361417>

### **BSCCL wants to issue 14 lakh shares to employees**

- Bangladesh Submarine Cable Company Limited wants to give its employees 10% or 14 lakh shares of 1.48 crore shares which would be issued against government's BDT 166 crore share money deposit. BSCCL has recently sought opinions from different regulatory bodies whether there is any regulatory barrier to issuing shares in favour of employees after the initial public offering.
- The company in the letter to the BSEC said that the government could transfer BSCCL's employees 10% shares of the total shares to be issued against its BDT 166 crore share money deposit at BDT 10 each or any other price. However, the current holdings of the public other than the government must remain unchanged at 26.15% even after issuing shares to the employees, the letter said.

<https://www.newagebd.net/article/160814/bsccl-wants-to-issue-14-lakh-shares-to-employees>

### **Japan Tobacco accuses BATB of anti-competitive practices**

- The Bangladesh Competition Commission (BCC) is investigating a complaint of anti-competitive practices filed by Japan Tobacco International (JTI) against British American Tobacco Bangladesh (BATB). In its complaint, United Dhaka Tobacco Company Ltd (UDTCL), a concern of JTI, alleged that BATB was abusing its dominant position.
- JTI, which markets cigarettes in all segments, alleged that BATB operates a programme with its retailers, directly or indirectly, to prevent competition in the market and stop rivals from gaining more market access. Under the programme, if a BATB partner retailer stocks or sells products of United Dhaka Tobacco, BATB or its representatives penalise and deduct loyalty points from the retailers, which translates into retailers being deprived of lucrative incentives.

<https://www.thedailystar.net/business/organisation-news/news/japan-tobacco-accuses-batb-anti-competitive-practices-2945906>

**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 86.06	USD 10.85	14.43%
Crude Oil (Brent)*	USD 88.83	USD 11.05	14.21%
Gold Spot*	USD 1,833.31	USD 4.11	0.22%
DSEX	7,073.00	316.34	4.68%
S&P 500	4,397.93	-368.25	-7.73%
FTSE 100	7,494.13	109.59	1.48%
BSE SENSEX	59,037.18	783.36	1.34%
KSE-100	45,018.28	422.21	0.95%
CSEALL	13,371.61	1,145.60	9.37%

**Exchange Rates****1 US Dollar = 85.94 BDT****1 GBP = 116.61 BDT****1 Euro = 97.43 BDT****1 INR = 1.16 BDT**

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