

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.

Allocation for agriculture likely to increase to reshape rural economy

- The allocation for the agriculture sector in the upcoming budget is likely to see a significant rise as the government has taken various initiatives for this vital sector to ensure food security, boost the incomes of farmers and create jobs and thus improve the lifestyle of the rural poor. The total spending in this sector is projected to grow by 10% on average annually to BDT 377.07 billion in 2023-24 fiscal, according to a budgetary document obtained by UNB. The allocation for this sector in the running FY22 is BDT 319.12 billion while the projection for FY23 is BDT 344.26 billion.
- The allocation was BDT 239.17 billion, BDT 219.77 billion and BDT 297.25 billion in 2018-19, 2019-20 and 2020-21 fiscals respectively. This agriculture sector covers the activities of the Ministry of Agriculture, Ministry of Fisheries and Livestock, Ministry of Environment and Forest, Ministry of Land and Ministry of Water Resources. To enhance agricultural production and increase agricultural productivity, the government has been providing cash subsidies amounting to BDT 95 billion. To facilitate agricultural mechanisation, the government has taken a project of BDT 30.20 billion and the implementation of which has begun in the 2020-21 fiscal, the document mentions. The farmers are getting agricultural machinery at a 50%-70% subsidised rate on the actual sales price of those machinery.

<https://thefinancialexpress.com.bd/economy/allocation-for-agriculture-likely-to-increase-to-reshape-rural-economy-1641038234>

Remitters further incentivized

- Amid the dwindling remittance inflow situation the government has enhanced the rate of incentives for remittance senders to 2.5 % from 2.0 %. The new rate is effective from Saturday, a new year gift for the remitters from the Prime Minister, says a finance ministry statement. The government introduced incentives in 2019 to encourage expatriates to send remittance through the banking channel that helped to raise the inflow.
- Following the incentive introduction, in the fiscal year 2019-20 expatriates sent USD 18.20 billion, which was 13 % higher than that of the previous year. Remittance inflow rose to USD24.80 billion in the fiscal year 2020-21, up by 36% compared to the fiscal year 2019-20. However, remittance inflow saw a significant fall during the last couple of months prompting the government to hike the rate of incentive in efforts to raise the remittance inflow.

<https://thefinancialexpress.com.bd/economy/remitters-further-incentivised-1641025368>

Six China-funded projects hit snags

- Some China-funded projects worth several billion dollars cannot be implemented in time for delays in land acquisition, design change and the pandemic problem. Such drawbacks were discussed in a high-level meeting that reviewed the progress of six crucial projects being funded and implemented by China, sources told the FE. The projects include Construction of tunnel under the Karnaphuli River, Dasherikandi waste-treatment plant and installation of Single Point Mooring. Two power-transmission projects and another digital connectivity project also get slower for similar reasons.
- The Dasherikandi treatment-plant project has faced headwinds since the beginning as the implementing agencies got objection from the Power Grid Company of Bangladesh and Titas Gas Company while initiating the project. China is providing 280 million US dollars as a concessional loan for this project, and its financial progress is 61.50%.
- The Karnaphuli Tunnel project also falls back and the Chinese company sought one-year extension, project officials said. However, Bangladesh side is learnt to have demurred, as it is considered one of the landmarks in government's undertakings for communications-infrastructure development. The financial progress rate of the project is 68.72%.

<https://thefinancialexpress.com.bd/economy/remitters-further-incentivised-1641025368>

BGMEA, BKMEA form joint body to benchmark prices, costs of RMG products

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) have formed a joint body for benchmarking the minimum price and manufacturing cost of RMG products. The 15-member committee headed by BKMEA Vice President will conduct a thorough analysis of the manufacturing cost, cost of inputs and the export price of the finished goods. The overall objective is to draw a comprehensive and complex picture of the aggregate manufacturing cost of major garment items and their minimum price justification.

<https://thefinancialexpress.com.bd/trade/bgmea-bkmea-form-joint-body-to-benchmark-prices-costs-of-rmg-products-1641057725>

Miscellaneous sector posts 116% gain in 2021

- Miscellaneous sector was the best performer on the Dhaka Stock Exchange (DSE) in 2021, showing 116 % return while the jute sector was the worst loser, shedding 28 %. The sector, which comprises 14 companies, generated the highest return, led by Bangladesh Export Import Company (Beximco), which posted a 176 % gain during the year. The tannery sector came next with 101% return in the outgoing year. It was followed by Bangladesh Monospool Paper Manufacturing Company and Sonali Paper & Board Mills, which gained 253 % and 252 % respectively during the year. The food & allied sector also surged 44 % as four issues of the sector gained more than 100 %.
- The heavyweight banking sector soared 25 % as four listed banks soared more than 50 % with newly listed NRB Commercial Bank gaining 113 %. Premier Bank, First Security Islami Bank and Mercantile Bank also gained 61 %, 57 % and 53 % respectively. Bangladesh Submarine Cable gained 29 %, followed by Robi with 17 % and largest market-cap Grameenphone gained 5.0 %. Pharmaceutical sector also saw a 21 % return, riding on Salvo Chemicals, Beacon Pharma, ACME Pesticides and Orion Pharma. Only two sectors -- jute and travel & leisure saw negative return, losing 28 % and 6.0 % respectively. Tamijuddin Textile Mills was the stock-wise year's top gainer, posting a 1158 % return, followed by Paper Processing & Packaging (1140 %) and Sena Kalyan Insurance (603 %), according to the International Leasing Securities.

<https://thefinancialexpress.com.bd/stock/miscellaneous-sector-posts-116pc-gain-in-2021-1641029223>

KDS Accessories to invest Tk 4.4cr to boost capacity

- KDS Accessories Ltd has decided to invest BDT 4.4 crores to add new machines and do needed repair work in its plants to boost the production capacity. If utilised fully, the extended capacity and improved productivity would add BDT 10 crore to its annual revenue, the company informed its shareholders. The garment accessories manufacturer said it would invest BDT 1.61 crores to replace machine parts for its packaging board plant in Chattogram. It will also invest BDT 2.1 crore in its button unit for adding another six tuning machines, two centrifugal casting machines and water polishing machines along with standard spare parts.

<https://www.tbsnews.net/economy/stocks/kds-accessories-invest-tk44cr-boost-capacity-351844>

RN Spinning to merge with its sister concern

- Listed company RN Spinning Mills, a concern of FAR group, is going to be merged with Samin Food and Beverage Industries and Textile Mills, another non-listed firm of the group, as RN Spinning could not get back to production after a massive fire incident in 2019. Samin Food and Beverage Industries and Textile Mills currently has a capacity of producing 79,848 spindles of cotton, viscose, and CVC yarn annually. RN Spinning was producing synthetic, and acrylic yarn. It raised BDT 30 crore through an initial public offering (IPO) in 2010. According to the company secretary, the planned merger would help RN Spinning to resume operation, bring synergy.

<https://www.tbsnews.net/economy/rn-spinning-merge-its-sister-concern-351862>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 75.21	USD 26.69	55.01%
Crude Oil (Brent)*	USD 77.78	USD 25.98	50.15%
Gold Spot*	USD 1,829.20	(USD 65.90)	-3.48%
DSEX	6,756.66	1,354.59	25.08%
S&P 500	4,766.18	1,010.11	26.89%
FTSE 100	7,384.54	924.02	14.30%
BSE SENSEX	58,253.82	10,502.49	21.99%
KSE-100	44,596.07	840.69	1.92%
CSEALL	12,226.01	5,451.79	80.48%

Exchange Rates**1 US Dollar = 84.87 BDT****1 GBP = 114.79 BDT****1 Euro = 96.50 BDT****1 INR = 1.14 BDT**

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