

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.

Exporters now brace for continued spike in Chinese raw material prices

- Bangladesh's exporters now brace for a bigger blow to its raw material sourcing from China as the ongoing gas and electricity crisis in China is expected to continue for at least four more months with the advent of winter when consumption peaks. Domestic cost pressures, fuelled by energy shortages, have already halved factory outputs in China, eventually forcing its suppliers to hike product prices by up to a 100%. Bangladesh, which depends on China for about 60% of its raw materials required for export sectors, is not shielded from the impacts.
- Sayeed Ahmad Chowdhury, director (operation) at Square Denims Ltd, said, "The way prices of raw materials increased is unbelievable for Bangladeshi importers, but we still have to procure at very high prices to maintain export commitments." Liquid indigo now costs USD 8.20/ kg, which was USD 4.80/ kg just two weeks ago, he also said. Md Shahidullah Azim, vice-president at Bangladesh Garment Manufacturers and Exporters Association (BGMEA), told TBS that freight costs rose to USD 12,000-13,000 per 20-foot container from USD 2,500-USD 3,000 a year ago. On top of it, their production cost will go up further by 5% because of 23%-30% rises on transport cost, container handling charges and other services, he added.

<https://www.tbsnews.net/economy/exporters-now-brace-continued-spike-chinese-raw-material-prices-329692>

Oct LC settlements fall 5.26pc to \$5.27b

- Bangladesh's import volume fell in October as apparel exporters had earlier made contingency stockpile of textiles in line with buyers' orders to avert global price volatility and cut down purchase. Settlement of letters of credit (LC), in terms of value, fell by 5.26% to USD 5.27 billion in October 2021 from USD 5.56 billion in the previous month, according to the central bank's latest statistics. The LC valuations were worth USD 5.17 billion in August. On the other hand, the opening of LCs, generally known as import orders, dropped by more than 15% to USD 5.63 billion in the past month from USD 6.63 billion a month ago. It was USD 6.29 billion in August 2021.
- Bangladesh Bank (BB) officials as well as the market operators predicted that the downturn in imports may continue in the coming months while upward trend in export earnings is expected to carry on until December this calendar year. "Our overall imports may fall gradually in the near future. And it will come back to pre-pandemic level," a BB senior official told the FE Sunday. Overall import in September was a temporary phenomenon just after curbing the coronavirus infections in Bangladesh, the central banker explained.

<https://today.thefinancialexpress.com.bd/first-page/oct-lc-settlements-fall-526pc-to-527b-1636912242>

Dutch agro practices show potential for BD

- Bangladeshi farmers and food processors might get benefit from Dutch expertise and technology after a high-level government and business delegation, led by Agriculture Minister Dr Muhammad Abdur Razzaque, concluded a visit to the Netherlands. Bangladesh has ambitions to greatly expand its fruit and vegetable exports and food processing capacity. So it hopes to emulate the success of the Netherlands, which is the largest fresh vegetable exporter in the world as well as the world's second largest exporter of agri-food products, said a press release of the Food and Agriculture Organization (FAO) of the United Nations.
- Speaking at the end of the official trip, Dr Razzaque said that Bangladesh would benefit from Dutch technology and know-how. "The mission has been very successful and we have learned much about opportunities for technological support for increasing agricultural productivity and the processing value addition chain," he said. The minister said, "To be competitive in the global market in terms of price, quality, and safety, I think it's important to keep updated with

the latest technology and how we can take some of them back home to increase productivity."

<https://today.thefinancialexpress.com.bd/trade-market/dutch-agro-practices-show-potential-for-bd-1636908534>

Truckers charge arbitrary high fares

- The goods transport owners went on strike protesting the fuel price hike and then called it off after the authority assured them of increasing the fare accordingly. Although there is no final decision taken in this regard, the goods transporters are charging fares unreasonably, which might push up the product prices, said the traders at the different land and seaports in the country.
- The transport owners said there is no fixed fare for transporting goods according to the routes. The vehicle fares fluctuate almost hourly like the share prices in the stock market. A nationwide transport strike began on 5 November in protest at hiking the oil prices. On 8 November, the fourth day of the strike, the good transport company owners suspended the strike after a meeting with the home minister. As part of the discussion, the leaders of the goods transport owners' association will meet with the Bangladesh Road Transport Authority chairman today at the Setu Bhaban in Dhaka, said Chowdhury Zafar Ahmed, secretary-general of the Bangladesh Covered Van, Truck, Prime Mover Goods Transport Association.

<https://www.tbsnews.net/economy/truckers-charge-arbitrary-high-fares-329332>

Solid tannery waste to be converted into organic fertilizer: Bscic

- The solid waste from Savar leather industrial city will now be converted into organic bio-fertiliser through implementing a waste management project, said Bangladesh Small and Cottage Industries Corporation (Bscic) Chairman Md Mostaq Hasan. He said, so far the solid waste of Savar tannery has been dumped on the banks of the Dhaleshwari river on the south side of the industrial city. The river and its surrounding environment have been polluted for a long time due to the dumping of solid waste under the open sky.
- Md Abdus Salam Xitu, general manager of Bangladeshi associate company Resources Regeneration BD Ltd, told The Business Standard, "The plant will be constructed on 12/13 acres of land in Gazipur for the time being. We will be able to start implementing the project as soon as the agreement is signed between the companies. The company has asked Bscic for land and waste for implementing the project." He further said that the Italian company is engaged in the production of fertilisers from waste in several countries in Europe and America.

<https://www.tbsnews.net/economy/solid-tannery-waste-be-converted-organic-fertilizer-bscic-329650>

Remittance from Malaysia, S'pore plunges amid restrictions

- Bangladesh's remittance earnings from Malaysia and Singapore have suffered a major setback in the July-September quarter of 2021 as fresh recruitment to the countries from Bangladesh has remained almost halted. Although the overall remittance inflow in the country dropped by 19.44% YoY in July-September of 2021 period, the flow from Malaysia and Singapore plunged by 52.1% and 40.96% respectively during the period under consideration.
- According to the latest Bangladesh Bank data, the inflow of remittance from Malaysia dropped to USD 290.86 million in the July-September period of 2021 against the inflow of USD 607.24 million in the corresponding period in 2020. Remittance income from Singapore dropped to USD 111.63 million in July-September of 2021 against earnings of USD 189.06 million in the corresponding period in 2020.
- Allegations of malpractice in the recruitment process and high recruitment costs prompted the Malaysian government to suspend recruiting workers from Bangladesh in September 2018. Restrictions to curb Covid infections since March 2020 acted as the major reason behind the plunge in employment opportunities in Singapore. As per government data, the migration of Bangladeshi employees to Singapore dropped to 10,085 in 2020 from 49,829 in 2019. Even

though fresh recruitment to the country has remained halted since May 2021, many of the country's employees have returned to Bangladesh since then and were not allowed to re-enter Singapore due to the Covid restrictions.

<https://www.newagebd.net/article/154685/remittance-from-malaysia-spore-plunges-amid-restrictions>

BPC in trouble over BPDB's extra purchase order of petroleum

- A purchase order by the Bangladesh Power Development Board (BPDB) to import extra quantities of diesel and furnace oil has put the Bangladesh Petroleum Corporation (BPC) in big trouble in terms of storage capacity. Citing official sources UNB reports that the BPDB placed an extra order to BPC to import 105,800 tonnes of diesel and 101,000 tonnes of furnace oil for the month of October this year to meet its requirement in the liquid fuel-fired power plants run by private operators as well as by the government.
- In a letter, the BPC mentioned that the BPDB has received only 25,836 tonnes of diesel against a purchase order for 105,800 tonnes and 41,704 tonnes of furnace oil against a purchase order of 101,000 tonnes of furnace oil. The letter added that if the BPDB does not receive the remaining oils, it would not be possible to further import the petroleum as per requirement. The BPC also demanded compensation from the BPPB for its demurrage to be paid to the fuel carrying ships..

<https://thefinancialexpress.com.bd/trade/bpc-in-trouble-over-bpds-extra-purchase-order-of-petroleum-1636897381>

Stocks tumble after three-day gain

- The stock market returned to the falling streak on Sunday, snapping a three-day gain, amid quick profit booking on major sector shares. The market started on a positive note and the key index rose about 30 points within the first 30 minutes of trading. But the rest of the session went steadily, eroding more than 65 points. DSEX went down by 65.85 points or 0.94 per cent to settle at 6,930, after gaining 196 points in the past three straight sessions.
- Turnover also fell to Tk 11.11, which was 26 per cent lower than the previous day's tally of Tk 15.06 billion. More than 73 per cent of traded issues lost their price, as out of 373 issues traded, 273 declined, 68 advanced and 32 remained unchanged on the DSE trading floor.

<https://thefinancialexpress.com.bd/stock/stocks-tumble-after-three-day-gain-1636885037>

Square Pharma's profit increases by 27pc in July-Sept

- Square Pharmaceuticals Limited posted higher profits in July to September period compared to that in the same period in the previous year. Earnings per share price of Square Pharma was advanced by 27 per cent to Tk 5.64 each in July-September this year against Tk 4.44 a share in the same period in the previous year. The company also posted net asset value per share Tk 108.71 for the July to September period.

<https://www.newagebd.net/article/154652/square-pharmas-profit-increases-by-27pc-in-july-sept>

Beximco Pharma wins Global Generics and Biosimilars Awards 2021

- Beximco Pharma has won the highly prestigious Global Generics and Biosimilars Awards 2021 in the category of Company of the Year, Asia Pacific, said a press release. The winners were announced at a live ceremony on Wednesday at the Stella Polare, Fiera Milano, Milan, Italy. The company had won this category after competing with the other finalists namely Korea's leading biosimilar company Samsung Bioepis, Spain based Exeltis Healthcare APAC and Taiwan's largest pharma company Lotus pharmaceuticals. Beximco Pharma also won this award in 2019, held in Frankfurt, Germany.

<https://www.newagebd.net/article/154634/beximco-pharma-wins-global-generics-and-biosimilars-awards-2021>

Singer faces Tk 94cr VAT evasion charge

- A field office of the National Board of Revenue has brought a VAT evasion allegation against Singer Bangladesh Ltd and claimed nearly BDT 94 crore as indirect tax from the electronics and home appliance seller. Singer's records of March officially showed it had 110 showrooms, said the NBR field office, adding that this discrepancy was a violation of rules.
- Singer Bangladesh has three separate VAT registrations. It itself is registered with the Customs, Excise & VAT Commissionerate, Dhaka (South) as a trading entity for selling imported and locally manufactured appliances. Its factory is listed with the LTU, VAT as a manufacturer, while another factory, International Appliance Ltd, is registered with the Customs, Excise & VAT Commissionerate, Dhaka (West). A South commissionerate official said Singer had VAT registration for 110 units until March this year but it showed over 400 showrooms in its return and claim for input tax rebate.

<https://www.thedailystar.net/business/organisation-news/news/singer-faces-tk-94cr-vat-evasion-charge-2230246>

MJL sees profits soar 71pc

- MJL Bangladesh Ltd saw its profits surge to BDT 62.8 crore in the July-September quarter, up 71% YoY, as the reopening of economic activities since August powered its lubricant sales. The company registered revenue of BDT 606 crore in the quarter, up 30% from BDT 506 crore a year ago.
- Md Rokibul Kabir, company secretary of MJL Bangladesh, told that MJL had good business in the July-September quarter as industries and power plants ran, while there was increased vehicle movement. He went on to say that the company's profit soared as it could cut its administrative expenses and loan costs by 22% and 18% respectively in the July-September period.

<https://www.thedailystar.net/business/organisation-news/news/mjl-sees-profits-soar-71pc-2230236>

Auditor finds anomalies in FAS Finance accounts

- The auditor of FAS Finance and Investment Limited has found various inconsistencies and irregularities, including inflated retained earnings, net asset value and profits, in the company's annual financial statement ending on December 31, 2020. The auditor has given its qualified opinion on the condition of the company in the Auditor's Report for the year ended on December 31, 2020.
- At the year ended, the company's non-performing loans stood at BDT 1,703 crore, which was 88 per cent of loan advance and lease investment, the report said. As a result, the required loan provision of loan advance and lease in the year amounted to BDT 898 crore, but BDT 164 crore was accounted as loan provision. As a result of over-crediting interest income on loan advance and lease, the retained earnings or net asset value of the company is overstated by Tk 110.32 crore. If this correction is made in the financial statements, then the net asset per share would further be reduced by Tk 7.37.

<https://www.newagebd.net/article/154684/auditor-finds-anomalies-in-fas-finance-accounts>

National Polymer to issue Tk300cr zero-coupon bond

- National Polymer Industries Ltd has decided to collect BDT 300 crore through issuing zero-coupon bonds. The plan is subject to regulatory approval and the money would be used for the company's business expansion, alongside financing its operations.

<https://www.tbsnews.net/economy/stocks/national-polymer-issue-tk300cr-zero-coupon-bond-329716>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 80.79	USD 32.27	66.51%
Crude Oil (Brent)*	USD 82.17	USD 30.37	58.63%
Gold Spot*	USD 1,864.90	(USD 30.20)	-1.59%
DSEX	6,930.07	1,528.00	28.29%
S&P 500	4,682.85	926.78	24.67%
FTSE 100	7,347.91	887.39	13.74%
BSE SENSEX	60,686.69	12,935.36	27.09%
KSE-100	45,749.15	1,993.77	4.56%
CSEALL	10,666.54	3,892.32	57.46%

Exchange Rates**1 US Dollar = 85.75 BDT****1 GBP = 115.04 BDT****1 Euro = 98.13 BDT****1 INR = 1.15 BDT**

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