

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.

EU sees all possibilities for Bangladesh to move to GSP Plus scheme

- The European Union sees all possibilities for Bangladesh to move to GSP Plus scheme from Everything but Arms (EBA) scheme, in terms of exporting Bangladeshi products to the EU.
- Gunner Wiegand, managing director for the Asia and the Pacific region of the European External Action Service (EEAS) said as a steadfast partner of Bangladesh, a dominant destination for Bangladesh's export, and a partner for diversifying such exports and investment, green transition, digital transition, the EU sees all the hard work which has gone into the development of Bangladesh.
- Bangladesh now enjoys duty-free facility under EBA scheme of the European Union market, but that will be phased out in 2026 when Bangladesh graduates the LDC status. Bangladesh can then be entitled to GSP Plus, which, however, requires certain conditions to be met.

<https://www.thedailystar.net/business/news/eu-sees-all-possibilities-bangladesh-move-gsp-plus-scheme-2995726>

World Bank loan to help Bangladesh sustain post-Covid growth

- The World Bank has approved a USD 250 million financing to help Bangladesh strengthen its policies to sustain growth following the pandemic and enhance resilience to future shocks. The Bangladesh First Recovery and Resilience Development Policy Credit — the first in a series of two credits — supports fiscal and financial sector policies to enhance macroeconomic stability and sustain growth.
- It supports expanding and modernising social protection programmes and energy sector policies to improve efficiency and reduce greenhouse gas emissions. These actions will help the country build resilience against future shocks, including climate change, the World Bank said in a release. Since 2020, the World Bank has provided over USD 3 billion to Bangladesh to support emergency response, vaccination, and other Covid-19 recovery efforts.

<https://www.newagebd.net/article/166921/world-bank-loan-to-help-bangladesh-sustain-post-covid-growth>

Bangladesh switching to RTA for larger regional trade

- Bangladesh is switching to a new set of policy guidelines titled 'Regional Trade Agreement (RTA)' as the existing FTA regime is deemed obsolete for helping Bangladesh tackle post-graduation trade challenges. As part of the initiative, the government has already drafted the policy guidelines focused on larger regional trade on win-win soft-term deals.
- The new policy on trade agreement will have issues such as investment, trade facilitation, technology, environment-related issues, intellectual-property rights etc. In the 2010 guidelines, the FTAs were mainly focused on matters related to goods and services trade.

<https://thefinancialexpress.com.bd/trade/bangladesh-switching-to-rta-for-larger-regional-trade-1648861643>

Beza inks agreement to establish Indian EZ at Mirsharai

- The Bangladesh Economic Zones Authority (Beza) inked a nonbinding agreement with Adani Ports and SEZ Limited of India on 1 April in Mumbai to establish an economic zone at the Bangabandhu Sheikh Mujib Shilpa Nagar in Mirsharai of Chattogram. The Indian Economic Zone will be established on about 857 acres of land with a cost of about BDT 9.64 billion under Indian line of credit of USD 115 million, said a press release.

- The main activities of the project are land development, construction of access road, administrative building, security shed, water supply and sanitation system, telecommunication, water treatment plant and other investment friendly facilities.
- Various types of industries, including garments and its supporting industries, agro-products and agro-processing products, integrated textiles, leather and leather goods, shipbuilding, motorbike assembly, food and beverage, print and chemical, paper and products, plastics, light engineering (including auto-parts and bicycles), pharmaceutical products, power and solar park are being set up in the industrial city.

<https://www.tbsnews.net/economy/beza-inks-agreement-establish-indian-ez-mirsharai-395390>

Budget pressure rises for debt buildup

- Bangladesh's total foreign debts snowballed to some USD 65 billion, as of Feb'22, enlarging the servicing liability to the external lenders, officials say. In the foreign debts, general government's unpaid loan is USD 56.62 billion while the state-owned enterprises' (SoEs) outstanding loan was some USD 8.5 billion. And the loan buildup has been rising at a higher rate in recent years as many of the repayment schedules had already started.
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- Economists say although Bangladesh is still in a comfortable zone, but its rising foreign debt outstanding with the ballooning hard-term loans might create pressure on fiscal management in the future. The government repaid USD 1.34 billion in 8MFY22, 12.44% higher than the corresponding period.
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- A senior ERD official told that the debt servicing will be rising in the coming days as the grace periods of many big loans will be over. Within next 2-3 years, a big chunk of foreign exchange will be repatriated for the external debt-servicing purpose. He foresees that the debt servicing would get another big boost after four years when the interest payment

<https://thefinancialexpress.com.bd/national/budget-pressure-rises-for-debt-buildup-1648861496>

Written-off bank loans rising for recovery 'reluctance'

- Drives for recovering billions of written-off loans appear sluggish as most of the state-owned banks each month reclaim only a peanut, officials say, while the dud money ballooning. After the balance sheet is cleaned by writing off the default loans every year, the banks' authorities hardly deploy any special endeavour to recover the money, they add.
- Until December 2021, the bank had an aggregate amount of BDT 40.45 billion worth of written-off loans. In 2021, the country's banking sector wrote off some BDT 24.42 billion in bad loans to clean their balance sheet. In 2020 the volume was BDT 9.71 billion, in 2019 some BDT 25.97 billion, and in 2018 they washed up BDT 33.70 billion.

<https://thefinancialexpress.com.bd/national/written-off-bank-loans-rising-for-recovery-reluctance-1648861042>

Sanofi Bangladesh renamed Synovia Pharma

- Beximco Pharmaceuticals Limited has changed the name of the recently acquired subsidiary, Sanofi Bangladesh Limited, to Synovia Pharma PLC, effective from Friday. Sanofi Bangladesh Limited was part of the global biopharmaceutical company Sanofi SA before the acquisition of a majority stake in the company (54.6%) by Beximco Pharma on 1 October 2021.

<https://www.tbsnews.net/dropped/pharma/sanofi-bangladesh-renamed-synovia-pharma-395278>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 99.27	USD 24.06	31.99%
Crude Oil (Brent)*	USD 104.39	USD 26.61	34.21%
Gold Spot*	USD 1,925.68	USD 96.48	5.27%
DSEX	6,753.76	-2.89	-0.04%
S&P 500	4,545.86	-220.32	-4.62%
FTSE 100	7,537.90	153.36	2.08%
BSE SENSEX	59,276.69	1,022.87	1.76%
KSE-100	45,152.11	556.04	1.25%
CSEALL	8,471.43	-3,754.58	-30.71%

Exchange Rates**1 US Dollar = 86.19 BDT****1 GBP = 113.04 BDT****1 Euro = 95.26 BDT****1 INR = 1.13 BDT**

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