

*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.*

### **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 BDT1.53 lakh crore in the first seven months of the fiscal 2021-22, 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% in the July 2021- January 2022 period, while value-added tax saw a 12.68% and income tax 14.20% increase compared to those of the previous fiscal (FY2020-21).
- Also, global hikes in prices of several commercial items such as fuel oil and essential commodities also contributed to the revenue growth. Besides, another reason behind the growth in customs revenue was strict law enforcement against imports under misdeclaration. The NBR collected BDT46,767 crore in income tax from individuals and companies, BDT57,942 crore in value-added tax on production and distribution of goods, and BDT48,727 crore in customs duties on imports.
- However, the overall revenue growth of 16.09% in the first seven months was far lower than the government's target of 27% for the ongoing fiscal. The government set a target of collecting some BDT3.3 lakh crores in FY22.

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

### **Govt to seek removal of anti-dumping duty on jute**

- Bangladesh will again urge India to withdraw the anti-dumping duty (ADD) on locally produced jute and jute goods. The export of jute and jute goods has been performing poorly over the past few years since the Indian government imposed the ADD ranging between USD19 and USD352 per tonne on Bangladesh's jute yarn, hessian and bags.
- Bangladesh's exports are faring well while the global supply chain continues to recover from the severe fallout of Covid-19 but one of the most promising sectors, namely jute, is failing. For instance, between July and February of the current fiscal year, the export of jute and jute goods fell by 7.34 % to USD799.42 million. India was a major export destination for Bangladeshi jute and jute goods before it imposed the ADD.

<https://www.thedailystar.net/business/economy/news/govt-seek-removal-anti-dumping-duty-jute-2975316>

### **BEZA's EZ continuity plan to face disaster risks**

- The Bangladesh Economic Zones Authority (BEZA) is planning to introduce business continuity plan (BCP) in the economic zones (EZs) to protect investment in the zones from disaster-related loss. The BCP would also help to develop institutional mechanism for promoting resilience of businesses. The Programming Division is supporting the BEZA for this piloting initiative with the assistance of National Resilience Programme (NRP) - technically supported by UNDP, and funded by FCDO of the UK and SIDA of the Government of Sweden.
- Under this initiative, guidelines will be developed for area-specific and enterprise-level BCP, and capacity development training on BCP will be imparted to business administrators and the BEZA officials. Initially the BCP will be piloted in Bangabandhu Sheikh Mujib Shilpanagar, Mirshari, Chattogram, and Meghna Industrial Economic Zone in Narayanganj.

<https://today.thefinancialexpress.com.bd/first-page/bezas-ez-continuity-plan-to-face-disaster-risks-1646327508>

**Food inflation for poor twice the official data**

- The official figures of inflation don't reflect the real scenario of the stress of the marginalised households in the wake of the price hikes. Officially reported food inflation figures are grossly underestimating the actual food inflation faced by financially marginalised households in Bangladesh
- In January, food inflation in the urban and rural areas was 4.85 % and 5.94 %, respectively, according to the Bangladesh Bureau of Statistics (BBS). However, Sanem's estimate suggests that the marginalised households are facing food inflation rates that are more than two times the officially reported food inflation rates.
- According to the Sanem study, in January, food inflation was 11.36 % in the urban areas and 11.21 % in the rural areas. The study showed the average food consumption is 61.13 % of the total consumption expenditure of the urban marginalised household groups and 65.36 % of the total consumption expenditure of the rural household groups under consideration. These are much higher than the shares of the food expenditure used by the BBS in their Consumer Price Index (CPI) calculation, which is 45.17 % for the urban areas and 58.54 % for the rural areas.

<https://www.thedailystar.net/business/economy/news/food-inflation-poor-twice-the-official-data-2975341>

**LPG price hiked again**

- Bangladesh's energy regulator again raised the retail prices of liquefied petroleum gas (LPG), by 12.17 % for March trading, avowedly to adjust to soaring oil prices on the international market. Now, the price of 12kg cooking fuel goes up to BDT 1,391 in March trading from BDT 1,240 set for February.
- The Saudi Aramco CP price of propane is USUSD895 per tonne and butane USD920 per tonne for March trading. The BERC has considered the propane and butane mixture at the ratio of 35:65 to get the average price at USUSD911.25 per tonne. Uptrend in global oil prices due to the current war between Russia and Ukraine ramped up the Saudi Aramco CP price of propane and butane from February's USUSD775 per tonne and USD775 per tonne respectively.
- Price for LPG to be supplied through reticulated system, or centralized storage system, will be BDT 115.88 per kg, inclusive of VAT, instead of previous BDT 100.10 per kg. Retail price of auto gas -- the LPG used in vehicles -- for March also rises, to BDT 64.78 per litre including VAT, compared to BDT 57.81 per litre of February. The price of state-owned LP Gas company's LPG has been kept unchanged at BDT 591 for 12.5kg gas.

<https://today.thefinancialexpress.com.bd/first-page/lpg-price-hiked-again-1646327561>

**New producer groups to be formed to boost livestock sector**

- The UN Food and Agriculture Organisation (FAO) and the Department of Livestock Services (DLS), Ministry of Fisheries and Livestock (MoFL) today announced the creation of 5,500 farmer groups in a bid to boost the country's livestock sector. The groups, to be formed across 61 districts of the country, will be provided with investments, better access to markets, and improve their resilience to climate change and other risks. The sector-based investment will include areas like dairy cattle, dairy buffalo, beef, goats, sheep, and poultry.
- FAO's Livestock and Dairy Development Project (LDDP), funded by the World Bank, is working with the Department of Livestock Services to establish and mobilize the farmer groups which will receive technical and financial support. Livestock & Dairy Development Project (LDDP) is also working to create a national management strategy for the livestock sector, supporting livestock farmer field schools, and assisting in drafting national policy. These interlinked measures are expected to contribute to the transformation of livestock and dairy development in Bangladesh.

<https://www.tbsnews.net/economy/macro-economy/new-producer-groups-formed-boast-livestock-sector-325240>

**Dhaka for currency swap with Moscow**

- Dhaka mulls over using alternative payment method in financial transactions with Moscow if international gateway SWIFT blocks Russian banks following sanctions over the Ukraine war. Finance Minister AHM Mustafa Kamal came up with such substitution idea in reply to newsmen after approving a proposal for import of 30,000 tonnes of muriate of potash (MoP) fertiliser from Russian state agency JSC Foreign Economic Corporation "Prodintorg".
- "If we fail to make payment due to SWIFT-related complications, in that case we have to follow currency-swap method," says Mr Kamal. He notes that Bangladesh has good relations with Russia--and that is undeniable. Buying fertiliser from Russia is not a new affair for Bangladesh. "If they fail (to make supply), in that case we have to find out alternative sources," the minister told the press.

<https://today.thefinancialexpress.com.bd/first-page/dhaka-for-currency-swap-with-moscow-1646327743>

**Banks' provisioning shortfall rises hundredfold in 2021**

- The aggregate amount of provisioning shortfall rose to BDT 140.07 billion, as of December 31, from BDT 1.23 billion a year before, according to the central bank's latest statistics. The provisioning shortfall was BDT 62.04 billion on September 30, 2021. The amount of classified loans in the country's banking system jumped by 16.38 % or BDT 145.40 billion to BDT 1032.74 billion, as of December 31, in the past year from BDT 887.34 billion a year ago, despite policy support from the central bank.
- The BB earlier had asked all the scheduled banks to keep additional 2.0-% special general provisioning instead of earlier 1.0 % against loans, which have enjoyed latest policy support of the central bank. In the case of CMSE (cottage, micro and small enterprises), such provisioning was 1.50 %, according to the BB official. As per the BB regulations, the banks have to keep 0.25-% to 2.0- % provisions against general category of loans, 20-% against substandard category, 50-% against doubtful loans, and 100-% against bad or 'loss' category of loans.

<https://today.thefinancialexpress.com.bd/first-page/banks-provisioning-shortfall-rises-hundredfold-in-2021-1646327459>

**Suspend transactions with Russian banks**

- Global payments messaging network SWIFT has asked Bangladesh's banks to suspend transactions with seven Russian lenders since they are facing sanctions from the United States and the European Union over Moscow's invasion of Ukraine. The Bangladesh Bank yesterday also asked banks to remain cautious in their dealing with their Russian counterparts to avoid punitive measures from the western nations and financial entities in case of violations of any global sanction.
- Agrani Bank yesterday received an instruction from SWIFT to suspend all transactions, from March 12, with the seven Russian banks that are facing the sanction, said a top official of the state-run Bangladeshi lender. The development came after the EU said it was excluding seven Russian banks from the SWIFT. The banks have been given 10 days to wind down their SWIFT operations. The sanction prompted VEB to ask its Bangladeshi counterparts, including Agrani Bank and Sonali Bank, to suspend transactions through the SWIFT.

<https://www.thedailystar.net/business/economy/banks/news/suspend-transactions-russian-banks-2975331>

### **Time befitting policy support needed for RMG industry**

- Timely and befitting policy support will be crucial in addressing future challenges and unlocking potential of the ready-made garment industry of Bangladesh, said Faruque Hassan, President of BGMEA. The bold, timely and focused policy support extended by the government has helped to salvage the RMG industry from the unprecedented impacts of the Covid-19 pandemic, he said.

<https://www.tbsnews.net/economy/rmg/time-befitting-policy-support-needed-rmg-industry-379405>

### **Insurance sector rebounds strongly**

- The insurance industry rebounded strongly in 2021 after getting hit by the coronavirus pandemic thanks to the contraction of excessive commission to agents and digitisation of services. Total gross premium of life and non-life insurance grew 8.45 % year-on-year to BDT 14,392 crore in 2021, according to the Insurance Development and Regulatory Authority (IDRA).
- However, premium fell 0.89 % to BDT 13,271 crore in 2020 due to pandemic. One company's data was excluded due to a lack of data and most of the data for the year 2021 was unaudited. The unaudited data of 2021 may differ from the audited data and one insurer in 2021 (non-life) has been excluded as data is not available. For 2020, two insurance companies data are unaudited (life insurers).

<https://www.thedailystar.net/business/economy/news/insurance-sector-rebounds-strongly-2975321>

### **MTB teams up with bKash**

- With a view to enhancing the bank's digitized transaction facilities, Mutual Trust Bank Limited (MTB) and bKash, a leading mobile financial service (MFS) provider, launched 24/7 digital cash management facility for the distributors of bKash, says a press release. This fully automated service will make the distributors' lives easier. By using this service, distributors of bKash will be able to generate e-Money, which is their main commodity, with the balance of MTB account. They will be able to use this service 24/7 throughout the year.

<https://today.thefinancialexpress.com.bd/trade-market/mtb-teams-up-with-bkash-1646322951>

### **SFIL, Nagad sign agreement**

- Strategic Finance and Investments Limited (SFIL), a financial institution, and Nagad, a mobile financial service provider, signed an agreement whereby SFIL customers will be able to do savings and repay loans through 'Nagad'. Under the agreement, SFIL customers will be able to deposit or pay money to Strategic Finance and Investments Limited anytime and anywhere through 'Nagad' Wallet. In the future, clients of SFIL and Nagad will be able to avail many more benefits, including micro loans, SME loans, DPS and Savings.

<https://today.thefinancialexpress.com.bd/trade-market/sfil-nagad-sign-agreement-1646323145>

### **StanChart donates oxygen plant to Ctg Maa-Shishu Hospital**

- Standard Chartered Bangladesh has partnered with Chattogram Maa-Shishu O General Hospital, a charitable hospital, to ensure reliable and adequate supply of life-saving oxygen, which has been a dire need throughout the pandemic. Under this partnership, Standard Chartered Bangladesh has donated a pressure swing adsorption (PSA) medical oxygen generation plant, enabling the hospital to become self-sufficient with dedicated oxygen supply. The total installed capacity of the plant is 436 litres/minute. This is the first medical oxygen plant donated by a bank in Bangladesh.

<https://today.thefinancialexpress.com.bd/trade-market/stanchart-donates-oxygen-plant-to-ctg-maa-shishu-hospital-1646323044>

### **GPH Ispat's new plant starts commercial production**

- GPH Ispat on Monday began commercial production at its new plant, which was built using quantum technology – the first in Asia and the second in the world – at a cost of BDT2,500 crore. The expanded production at the plant is expected to increase GPH's market share in the steel industry to around 10% from the existing 3-4%.
- The annual production capacity of the plant is 8,40,000 tonnes of billet and 6,40,000 tonnes of rod and medium section products, such as BIM steel, angle, channel, flat bar, etc. With this, the annual production capacity of the company will be 10,08,000 tonnes of billet and 7,60,000 tonnes of rod and medium section products.

<https://www.tbsnews.net/economy/macro-economy/gph-ispate-starts-commercial-production-new-plant-264013>

### **Saif Powertec becomes first local firm to operate ships from abroad**

- The company will operate eight vessels to transport imported goods from Fujairah Port of the United Arab Emirates (UAE) to Chattogram and Mongla ports, and other ports in South-East Asia and the Indian subcontinent. This arrangement will allow for easier and low cost shipment of goods from the UAE. On 28 February, Saif Powertec informed the Dhaka Stock Exchange (DSE) that it had signed an agreement with Safeen Feeder Company of the UAE.
- For this, Saif Powertec has launched a subsidiary company, Saif United Shipping & Trading, in the UAE. Saif Powertec has also informed the DSE that for the transport of goods it will charter eight ocean-going vessels from Safeen Feeder. The vessels will be operated by Saif United Shipping.
- Each ship will have a capacity of 55,000 DWT. It, however, did not disclose the amount of investment made in the business. The vessels are each expected to bring in an income of BDT154 crore for Saif Powertec, registering a profit of BDT15.48 crore.

<https://www.tbsnews.net/economy/industry/saif-powertec-becomes-first-local-firm-operate-ships-abroad-378496>

**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 109.55	USD 34.34	45.66%
Crude Oil (Brent)*	USD 112.04	USD 34.26	44.05%
Gold Spot*	USD 1,939.55	USD 110.35	6.03%
DSEX	6,696.52	-60.14	-0.89%
S&P 500	4,363.49	-402.69	-8.45%
FTSE 100	7,238.85	-145.69	-1.97%
BSE SENSEX	54,232.10	-4,021.72	-6.90%
KSE-100	44,525.72	-70.35	-0.16%
CSEALL	11,162.66	-1,063.35	-8.70%

**Exchange Rates****1 US Dollar = 85.83 BDT****1 GBP = 114.50 BDT****1 Euro = 94.69 BDT****1 INR = 1.13 BDT**

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