

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.

Lift lending cap

- The Bangladesh Bank should raise the private sector credit target and review other major goals by conducting the mid-term review of the monetary policy statement for 2021-22, said analysts. They also urged the central bank to withdraw the lending cap and depreciate the taka further against the US dollar in order to keep the financial sector stable. Fahmida Khatun, executive director of the Centre for Policy Dialogue, said that the central bank should expand the credit growth by 1-1.5 %age points in a bid to give a boost to the confidence of businesses amid the coronavirus pandemic. The central bank has set a credit growth target of 14.80 % for the fiscal year, ending in June. The growth stood at 10.68 % in December against the goal of 11 % for the first half.
- Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, thinks the private sector credit growth will go up automatically in the coming months given the upward demand for loans from businesses as the economy recovers. He called for a withdrawal of the lending cap as the interest rate on deposits is going up due to the rising inflation. "The interest rate on deposits may go up to 7-8 % soon and this will subsequently create a pressure on banks' lending operation." As per the government decision, banks disburse loans, except credit card loans, at a 9 % interest rate. Mansur also recommended further depreciation of the local currency against the US dollar.

<https://www.thedailystar.net/business/economy/banks/news/lift-lending-cap-2954091>

Strengthening garment industry vital for LDC graduation: Report

- Asian countries graduating from the category of least developed countries (LDCs) need to take measures to bolster their textile and clothing sector, particularly in response to the economic impact of Covid-19, said a report prepared by the World Trade Organization (WTO) and three UN bodies. The report titled "The Textile and Clothing Sector in Asian Graduating Least Developed Countries: Challenges and Ways Forward," published on 1 February, focuses on countries such as Bangladesh, Laos and Nepal, where the textile and clothing sector is a major industry and will be significantly impacted by LDC graduation.
- LDC support measures offered by international development and trade partners have benefitted the textile and clothing sector. Adjustments to these measures are part of the graduation process and will need to be managed to ensure a smooth transition for the countries overall, the report said. The report notes that the LDC graduation presents an opportunity for the countries to develop strategies that can position the sector higher up the global value chain. Many major clothing brands and retailers consulted for the report believe that LDC graduation will only modestly affect their sourcing and are planning to expand sourcing from graduating LDCs over the next three to five years.

<https://www.tbsnews.net/economy/strengthening-garment-industry-vital-ldc-graduation-report-366490>

Textile sector preparing to keep pace with changing global fashion

- Bangladesh Textile Mills Association (BTMA) President Mohammad Ali Khokon appears optimistic about the future of Bangladesh's primary textile sector, but equally concerned about policies, rules and logistics which do not match with the present day needs of industries. In an interview with The Business Standard's Senior Staff Correspondent Reyad Hossain, he reveals the industry's growing focus on modernisation and man-made fibre.
- Bangladesh has come a long way since its inception and so has the textile and clothing industry which is the mainstay of the country's present economic success. About 84% of the country's total export earnings comes from the textile and clothing sector where the contribution of primary textile sector (PTS) is around 64%. Primary textiles are now considered as import-substitute industry which is helping the country retain foreign currency and enriching the foreign

exchange reserves. Thence, at present the primary textile sector is standing on an investment footing of USD 15 billion.

<https://www.tbsnews.net/supplement/textile-sector-preparing-keep-pace-changing-global-fashion-366352>

India's state-run coal giant plans bulk exports to Bangladesh for first time

- Coal India Ltd, the world's largest coal miner, plans to directly export output to neighbouring countries, according to sources and documents seen by Reuters, after decades of exclusively supplying domestic consumers, Reuters reports. The state-run company plans to export to Bangladesh, Nepal and Bhutan, according to a draft policy sent to the secretary of India's coal ministry.

<https://thefinancialexpress.com.bd/trade/indias-state-run-coal-giant-plans-bulk-exports-to-bangladesh-for-first-time-1643964738>

NBR's revenue from DSE grows by 20.82pc in January

- The government revenue earnings from the Dhaka Stock Exchange grew by 20.82 % in January compared with that in December of the ongoing fiscal year. In January, tax revenue was BDT 39.69 crore against December's BDT 32.85 crore. In January of the ongoing fiscal year, tax revenue from the member of stock exchange or trading right entitlement certificate holders' commission rose by 61.15 % to BDT 31.20 crore against the BDT 19.36 crore in the previous month. On other hand, tax revenue from the share sales by sponsor-directors and placement holders fell by 37.06 % to BDT 8.49 crore in January from BDT 13.49 crore of December of the fiscal year 2021-2022.
- owever, the government's revenue earnings from the DSE grew by 55.93 % in the July-January period of the ongoing fiscal year compared with that in the same period of the previous fiscal year. The NBR received taxes worth BDT 278.64 crore in July-January of the fiscal year 2021-22 against BDT 178.69 crore in the same period of the previous fiscal year, according to DSE data. Of the total revenue earnings in July-January, BDT 233.40 crore came from the tax on trading right entitlement certificate holders' commission, also known as brokerage commission, while BDT 45.14 crore came from the tax on share sales by sponsor-directors and placement holders, the data showed.

<https://www.newagebd.net/article/161856/nbrs-revenue-from-dse-grows-by-2082pc-in-january>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 92.31	USD 17.10	22.74%
Crude Oil (Brent)*	USD 93.27	USD 15.49	19.92%
Gold Spot*	USD 1,806.28	(USD 22.92)	-1.25%
DSEX	7,023.52	266.86	3.95%
S&P 500	4,500.54	-265.64	-5.57%
FTSE 100	7,516.40	131.86	1.79%
BSE SENSEX	58,644.82	391.00	0.67%
KSE-100	45,909.65	1,313.58	2.95%
CSEALL	12,762.60	536.59	4.39%

Exchange Rates**1 US Dollar = 85.90 BDT****1 GBP = 116.30 BDT****1 Euro = 98.34 BDT****1 INR = 1.15 BDT**

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546
Md. Mahmudul Hasan	Junior Research Associate	mmahmudul.hasan@bracepl.com	01708 805 201

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
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BRAC EPL Stock Brokerage Limited

www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com