

*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.*

**Macro:****BGMEA eyes potential USD 5 Bn recycled apparel export**

- Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has touted great prospects in the export of value-added garments made of recycled yarn from scrap fabric or used cloth. Around 5 Bn dollars in revenue can be generated by exporting apparel products made from recycled yarn, the organisation estimated during the pre-budget discussion held at the NBR Building in Dhaka's Agargaon on Tuesday (7 March).
- BGMEA President Faruque Hassan at the meeting highlighted the export potential of recycled RMG products noting that around USD 500 Mn worth of jhut or scrap fabrics are currently produced in the country. Anticipating that Bangladesh could turn into a hub for recycled garments, Faruque Hassan said three factories have already started producing recycled yarn while encouraging others to invest.

<https://www.tbsnews.net/economy/bgmea-eyes-potential-5-billion-recycled-apparel-export-595878>

**Reduce duty on 28 types of daily goods to give consumers relief: CPD**

- The Center for Policy Dialogue (CPD) has proposed a reduction of duty on the import of 28 daily essentials to give some relief to people by reining in rising commodity prices. During a pre-budget discussion organised by the National Board of Revenue (NBR) at its office in the capital on Wednesday, the CPD said the measure would help dampen the price of essentials.
- Speaking at the event, Muntaseer Kamal, research fellow of the CPD, also asked to abolish the opportunity to whiten black money with the offshore tax amnesty and make a time-bound plan to phase out tax exemptions. Besides, the research institute also proposed increasing the tax-free income limit of individual taxpayers from BDT 300,000 to BDT 350,000.

<https://www.tbsnews.net/economy/reduce-duty-28-types-daily-goods-give-consumers-relief-cpd-595938>

**Egyptian team visits procurement unit of IMED**

- A delegation comprising public procurement officials from Egypt has concluded its two-day visit to the Central Procurement Technical Unit (CPTU) of the Implementation Monitoring and Evaluation Division (IMED). During the visit, the five-member team led by Leena Abbasy, a procurement specialist of the World Bank, shared knowledge and got experience on public procurement reforms and electronic government procurement (e-GP) system in Bangladesh, according to a press release.
- Other members of the delegation are Mohamed Ousama, Noha Taher Zaher, Mohamed Atef, and Ahmed Saad. They also attended some learning sessions on various aspects of e-GP. The overall objective of the knowledge exchange was to build Egypt's preparedness to design, develop, and implement electronic government procurement, with a focus on strengthening the institutional and technical capacity of public procurement officials in the country, according to the press release.

<https://www.thedailystar.net/business/news/egyptian-team-visits-procurement-unit-imed-3266046>

**Fast-track projects see better implementation**

- Implementation of eight fast-track projects under the Annual Development Programme (ADP) was at a good pace in the first seven months of the current fiscal year of 2022-23 while that of other projects was slower. Spending under some fast-track projects was even higher than that of their allocations, so the government raised their allocations in the revised ADP in the last National Economic Council (NEC) meeting.
- However, spending under the Rooppur nuclear power plant project was lower than its allocation. As a result, the allocation was reduced. Apart from the eight projects, the government raised allocations in the revision for other mega projects that witnessed spending in excess of their allocations.

<https://www.thedailystar.net/business/economy/news/fast-track-projects-see-better-implementation-3266631>

**BKMEA for continuation of current corporate tax rate for 5 more years**

- The Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) today urged the government to cut the tax deducted at source and continue the existing corporate tax rate for another five years. The association's Executive President Mohammad Hatem placed the proposals during a meeting with the National Board of Revenue (NBR) at the latter's headquarters in the capital's Agargaon.
- According to one of the proposals, the tax deducted at source should be slashed to 0.5% from 1 % in 2023-24 for export-oriented garment factories. The reduced rate should be continued for five years. The government should continue the 12% corporate tax for garment industries and 10% for green garment factories for the five fiscal years.

<https://www.thedailystar.net/business/news/bkmea-continuation-current-corporate-tax-rate-5-more-years-3265551>

**Textile millers seek removal of import stage taxes on fibres**

- The Bangladesh Textile Mills Association (BTMA) today sought the scope to import all types of fibres, including recycled and manmade, in the upcoming fiscal year of 2023-24 without paying any duty and other taxes and any non-tariff barriers. The BTMA requested the NBR to remove the VAT slapped on the collection of raw materials by deemed exporters to produce recycled fibres and later during the sales of the item to local millers.
- It proposed VAT exemption on the fabrics manufactured from artificial fibre by power looms. The BTMA said the provision of a 3% to 5% advance income tax levied on the import of machinery should be abolished. The 2% tax deducted on the payments of cotton purchased from the local sources should be withdrawn, it said.

<https://www.thedailystar.net/business/news/textile-millers-seek-removal-import-stage-taxes-fibres-3265546>

**Consumer electronics sales plunge amid high inflation**

- The consumer electronics sector in Bangladesh is witnessing a slide in demand as sales have declined by 40% from a year ago amid belt-tightening by customers. Retailers say consumers are reluctant to spend on luxury items amid the ongoing economic crisis and inflationary pains. Although industry data on the sales of electronic home appliances is hard to come by, the sales records of companies, both foreign and local, pointed to the slump in demand.
- Major players in the domestic consumer electronics market are Walton, Transcom Digital, Rangs Electronics, Rangs Toshiba, Best Electronics, MyOne Electronics Industries, Jamuna Electronics, Pran RFL (Vision), Esquire Electronics, Electra International, and Super Star Group.

<https://www.thedailystar.net/business/economy/news/consumer-electronics-sales-plunge-amid-high-inflation-3266641>

**Apparel exporters propose simplifying AEO process**

- Apparel and related backward linkage businesses have proposed that the National Board of Revenue simplify the authorised economic operator process to ensure quick customs service for saving cost and time and reducing corruption. They also demanded withdrawing duties on import of all kinds of yarn, including recycled yarn and manmade yarn, in the national budget for forthcoming financial year 2023-24.
- The Bangladesh Garment Manufacturers and Exporters Association, the Bangladesh Knitwear Manufacturers and Exporters Association and the Bangladesh Textile Mills Association made the proposals at a pre-budget discussion with the NBR at its office at Sher-e-Bangla Nagar in the capital Dhaka on Tuesday.

<https://www.newagebd.net/article/196274/apparel-exporters-propose-simplifying-aeo-process>

**Pulse import cost rising amid scanty local production**

- The import cost of pulses in Bangladesh is on the rise due to increased consumption, inadequate domestic production and higher prices in the international markets. A sharp depreciation of the taka against the US dollar in the past one year and a surge in freight costs have also contributed to the higher import prices of one of the most popular kitchen items in the country.
- Pulse production has retained an upward trend over the years, but the output did not rise in line with the growing demand. Farmers produce 425000 tonnes of pulses in 2020-21, up from 397000 tonnes in the previous year, data from the Bangladesh Bureau of Statistics showed. Every year, Bangladesh needs to import 1.2 Mn tonnes to 1.3 Mn tonnes of pulses, including lentils, chickpeas and green gram beans.

<https://www.thedailystar.net/business/economy/news/pulse-import-cost-rising-amid-scanty-local-production-3266636>

**Bangladesh's investment flows decline sharply in 2022: Unctad**

- Greenfield investment projects announced in Bangladesh dropped by 59% during the first eleven months of 2022, according to a report by the United Nations Conference on Trade and Development (UNCTAD). In 2022, Bangladesh received greenfield investment projects worth USD 376 Mn representing a 59% decline from the previous year despite it being considered a reliable indicator of future foreign direct investment (FDI) trends.
- Furthermore, the report revealed that international project finance deals announced in 2022 also fell drastically, by 97% to USD 117 Mn. The number of project finance deals fell by 93%, from 14 deals in 2021 to just 1 deal in 2022. Globally, the number of international project finance deals in 2022 was 42% lower than in 2019, with a 76% reduction in value. The number of greenfield project announcements by multinational enterprises decreased by 55% over the same period.

<https://www.tbsnews.net/economy/bangladeshs-investment-flows-decline-sharply-2022-unctad-596462>

**Fire at TCB warehouse damages 20 tonnes of soybean oil, 10 tonnes chickpeas**

- About 20 tonnes of soybean oil and 10 tonnes of chickpeas were damaged when a fire broke out at a warehouse of Trading Corporation of Bangladesh (TCB) in Tejgaon area of Dhaka. The state-run corporation, however, could not determine the cause of the fire that originated early Wednesday.
- A three-member committee has been formed to investigate into the incident and it has been asked to submit its report within the next seven days. TCB Chairman Ariful Hassan told The Daily Star, "We initially estimate that 20 tonnes of soybean oil and 10-12 tonnes of chickpeas were damaged in the fire."

<https://www.thedailystar.net/business/news/fire-tcb-warehouse-damages-20-tonnes-soybean-oil-10-tonnes-chickpeas-3266006>

**Stocks:****BRACBANK | Brac Bank to recruit 500 female sales officials to serve women entrepreneurs**

- Brac Bank plans to recruit 500 female sales officials who will provide dedicated banking services to women entrepreneurs. The bank has announced the plan on the occasion of International Women's Day. In the first batch, the bank has already onboarded 26 women to drive sales across different offices in the country. The bank will expand this all-female team across Bangladesh.

<https://www.thedailystar.net/business/news/brac-bank-recruit-500-female-sales-officials-serve-women-entrepreneurs-3266121>

**SSSTEEL | SS Steel's profit plunges 98% on costlier raw materials, imports**

- SS Steel Limited's net profit plunged 98% year-on-year in the first half of the current fiscal year despite an impressive growth in revenue. It blamed the decline in profit on a sharp rise in production cost, rendered by costlier raw materials and foreign currency transaction loss. Its consolidated revenue rose 140% year-on-year to BDT 7.62 Bn in the six months through December 2022, thanks to subsidiaries.
- But higher expenditure on raw materials and the devaluation of the taka against the dollar ate up a larger chunk of profit. The company's cost of sales skyrocketed to BDT 7.01 Bn in the six months to December 2022, from BDT 2.25 Bn in the same period a year earlier. As a result, the steel maker's profit dropped to BDT 6.01 Mn in July-December 2022, from BDT 449 Mn a year earlier.

<https://thefinancialexpress.com.bd/stock/bangladesh/ss-steels-profit-plunges-98pc-on-costlier-raw-materials-imports>

**DACCADYE | Dacca Dyeing chairman, MD default on Dhaka Bank loan**

- The chairman and managing director of The Dacca Dyeing and Manufacturing Company – one of the oldest textile millers in the country – have defaulted on a nearly BDT 75 Mn loan from Dhaka Bank. Hence, in order to recover the loan, the bank has recently called an auction to sell the assets owned by the listed company's Chairman Giasuddin Quader Chowdhury and Managing Director Sameer Quader Chowdhury. They are also directors at QC Corporation.

<https://www.tbsnews.net/economy/stocks/dacca-dyeing-chairman-md-default-dhaka-bank-loan-596446>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 76.64	USD 1.43	1.90%
Crude Oil (Brent)*	USD 82.66	USD 4.88	6.27%
Gold Spot*	USD 1,812.62	USD 38.47	2.17%
DSEX	6,262.31	55.31	0.89%
S&P 500	3,992.01	152.51	3.97%
FTSE 100	7,929.92	478.18	6.42%
BSE SENSEX	60,348.09	-492.65	-0.81%
KSE-100	41,358.93	938.48	2.32%
CSEALL	9,356.75	854.26	10.05%

**Exchange Rates****1 US Dollar = 105.27 BDT****1 GBP = 124.60 BDT****1 Euro = 110.96 BDT****1 INR = 1.28 BDT**

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