

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.

Foreign aid inflow soars 49pc in July-Nov

- The overseas development partners disbursed USD 3.09 billion worth of medium- to long-term (MLT) loans and grants during the July-November period of FY 22, which is 49.44% higher than that in the same period of FY 21, the Economic Relations Division (ERD) data showed.
- During the first five months of FY 21, the multilateral and bilateral development partners provided USD 2.07 billion as foreign assistance. The development partners, including the ADB, the World Bank (WB), the Japan International Cooperation Agency (JICA), the Islamic Development Bank (IDB) and China, disbursed concessional aid every year for development of Bangladesh.

<https://today.thefinancialexpress.com.bd/last-page/foreign-aid-inflow-soars-49pc-in-july-nov-1640625009>

Purchasing power falls in 2021

- The purchasing power of a vast majority of the population fell substantially in 2021 as their cost of living far outstripped the income that also grew, but marginally. People, particularly from low- and lower-middle-income groups, have ruled that their spending on key essentials and utility and other services increased at much faster pace than that of their income.
- Market experts said pandemic-induced sluggish business, higher duties on some imported products, active market syndicate, price hike of diesel and kerosene as well as global raw material price hike cast a cumulative impact on the market.

<https://today.thefinancialexpress.com.bd/first-page/purchasing-power-falls-in-2021-1640624573>

Import bills rise 54% in five months

- Bangladesh's import payments surged by around 54% in the first five months of the current fiscal year compared to the corresponding period of last year – indicating a strong and steady economic recovery in keeping with a sharp fall in coronavirus infections. Import bills in July-November swelled 53.74% year-on-year to USD 30.3 billion, while the settlement of Letters of Credit (LC) in the corresponding period last year stood at USD 19.72 billion. Imports of yarn, capital machinery and intermediate goods had a major contribution to the bills, which means production lines are alive and kicking and there has been a strong consumer demand at home.
- In the first five months of this fiscal year capital machinery import saw 30% growth, the central bank's latest data show. During the period import growth of intermediate goods was 70%, chemical fertilizer 105%, yarn 103% and drugs and medicines more than 1,000%.

<https://www.tbsnews.net/economy/import-bills-rise-54-five-months-349636>

50% of country's population to live in urban areas by 2041

- At least 50% of the country's population will live in urban areas by 2041, projected Nazrul Islam, chairman of the Centre for Urban Studies (CUS). He added that earlier projection indicated it would happen by 2045-46, but now they believe it can happen by 2041 as the government has enhanced its urbanisation efforts.
- Currently, 38-40% of Bangladesh's population lives in urban areas – 505 towns and cities – while it is 35% in India

and 37% in Pakistan, and 58% globally, Nazrul Islam added.

<https://www.tbsnews.net/bangladesh/50-countrys-population-live-urban-areas-2041-349621>

Bangladesh Bank asked to transfer foreign exchange reserve from US soon

- Authorities have been asked to deposit Bangladesh's foreign exchange reserve with banks other than America's to avoid possible US sanctions in the near future. A legal notice has been served, in this regard, upon the government bodies concerned. It demanded that all necessary steps be taken to secure the reserve money transferring it from the Federal Reserve Bank of the USA to any other secured country.
- The Bangladesh Bank governor has been made respondent alongside the finance secretary and the foreign affairs secretary to comply with the notice. They have been asked to take the necessary steps within 30 days from the date of receiving the demand notice.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-bank-asked-to-transfer-foreign-exchange-reserve-from-us-soon-1640600452>

BB relaxes outward remittance rules for foreign nationals

- The central bank will now authorised dealers to remit up to 80% of earned net income after tax at any time of the year subject to availability of fund in the bank accounts of foreign nationals working in Bangladesh. The remaining 20% of foreign nationals' net income will be remittable at the end of the financial year upon completion of income tax assessment, supported by a certificate issued by the tax authority concerned.

<https://www.tbsnews.net/economy/banking/bb-relaxes-outward-remittance-rules-foreign-nationals-349630>

UAE-based Bangladeshi auto industry traders plan to invest in homeland

- UAE-based Bangladeshi auto parts traders and automobile service providers are planning to set up several parts manufacturing plants in Bangladesh's fast-growing USD 4.42 billion automotive markets.
- Over 5,000 Bangladeshi traders dominate the UAE's automotive aftermarket sector, especially the used auto spare parts market. They are involved in the imports, wholesale, retail, servicing and re-export of the auto parts sector while a large number of them also own auto electric service centres, garages that take care of all types of auto servicing and repairs.

<https://www.tbsnews.net/bangladesh/uae-based-bangladeshi-auto-industry-traders-plan-invest-homeland-349597>

Shrimp farming, exports waning

- The country's shrimp exports continued to fall for the last seven fiscal years since FY2013-14 mainly due to decline in the demand for the comparatively high-priced local varieties in the global market. Prices of local varieties - 'black tiger' and 'galda' - are higher than that of the major competitor 'Vannamei', which the restaurants prefer to serve on the tables due to its cheaper rates.
- The earnings from shrimp exports fell to USD 328.84 million in FY 2020-21 from USD 550.16 million in FY 2013-14, according to Export Promotion Bureau (EPB) data. The insiders said the shrimp farming in the country was gradually reducing and processing plants were getting sick for lack of export orders.

<https://today.thefinancialexpress.com.bd/first-page/shrimp-farming-exports-waning-1640624855>

ICB to issue BDT 1,000cr Sukuk bond

- The Investment Corporation of Bangladesh (ICB) has decided to raise BDT 1,000 crore by issuing a bond called "ICB

1st Mudaraba Sukuk" to support the capital market. The corporation said the tenure of the Sukuk, a Sharia-compliant bond-like instrument, will be ten years. The company will issue the bond after securing approval from the Bangladesh Securities and Exchange Commission (BSEC) and other regulators.

- The return against the Sukuk bond will not be lower than the Dhaka Stock Exchange's (DSE) average dividend yield, according to the company officials. ICB will distribute at least 75% of the net profit from the Sukuk to the unit holders at the end of each year, and distribute the rest later.
- ICB will invest the fund raised through the Sukuk in various Shariah-based securities or instruments in the capital market and money market. In this case at least 70% will be invested in the capital market and the rest will be invested in the money market.

<https://www.tbsnews.net/economy/stocks/icb-issue-tk1000cr-sukuk-bond-349618>

BSEC approved bonds of Meghna, Southeast banks

- Meghna Bank and Southeast Bank have got permission to issue subordinated bonds to raise funds. Southeast Bank would issue a non-convertible unsecured floating rate bond worth BDT 500 crore through private placement. Meghna Bank would issue non-convertible, fully redeemable, coupon-bearing subordinated bond worth BDT 200 crore. With face value of BDT 10.0 Mn, both bonds would provide coupon at 7-9% range, and would be placed to institutional investor and other eligible investors.

<https://www.thedailystar.net/business/economy/stock/news/bsec-approved-bonds-meghna-southeast-banks-2926561>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 75.83	USD 27.31	56.29%
Crude Oil (Brent)*	USD 78.75	USD 26.95	52.03%
Gold Spot*	USD 1,811.43	(USD 83.67)	-4.42%
DSEX	6,669.22	1,267.15	23.46%
S&P 500	4,791.19	1,035.12	27.56%
FTSE 100	7,372.10	911.58	14.11%
BSE SENSEX	57,420.24	9,668.91	20.25%
KSE-100	43,913.44	158.06	0.36%
CSEALL	12,008.49	5,234.27	77.27%

Exchange Rates**1 US Dollar = 85.77 BDT****1 GBP = 115.30 BDT****1 Euro = 97.16 BDT****1 INR = 1.14 BDT**

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