

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.

Mar exports rise 12.59%

- The country's export earnings in March 2021 posted a 12.59% growth to USD 3.07 billion over that of the corresponding month of 2020, when Bangladesh fetched USD 2.73 billion in March last year. The single month earnings in this March, however, fell short of the target by 10.79%, according to the Export Promotion Bureau (EPB) data, released on Tuesday. Meanwhile, exporters, especially those of ready-made garment (RMG) sector, opined that the comparison of export growth for the month of March with that of the matching month of 2020 is 'misleading'.
- Exports started getting affected when the first wave of Covid-19 pandemic had hit the country in March last year. The export growths for the months of 2021 should be calculated with the corresponding months of 2019, not 2020, they suggested. The overall export earnings during the first nine months of the current fiscal year (FY), 2020-21, stood at USD 28.93 billion, marking a meagre negative growth of 0.12% compared to that of the corresponding period of last fiscal, the EPB data showed. Export earnings were USD 28.97 billion during July-March period of FY 2019-20.
- The July-March export earnings of FY 21, however, fell short of the target set for the period by 4.43%. After a continuous fall in export since the beginning of 2020, mainly due to the Covid-19 pandemic, the earnings started recovering from June, and entered into positive territory from July, according to the EPB data. Export earnings, however, witnessed a negative growth during the first half (July-December) of the current FY, and continued throughout its first nine months.

<https://today.thefinancialexpress.com.bd/first-page/mar-exports-rise-1259pc-1617730790>
<https://www.tbsnews.net/economy/export-earnings-grow-over-12-march-227548>
<https://www.dhakatribune.com/business/2021/04/06/export-earnings-see-12-6-growth-in-march>
<https://www.newagebd.net/article/134643/export-declines-by-012pc-to-2893b-in-july-march>
<https://www.thedailystar.net/business/news/exports-rebound-march-2073413>
<https://www.newagebd.net/article/134642/trade-deficit-widens-by-949pc-in-july-feb>

IMF lifts GDP growth forecast to 5%

- The International Monetary Fund has raised its projection for the economic growth of Bangladesh to 5% for 2021, up from 4.4% it forecast in October. According to the IMF, the country will return to its high growth trajectory next year, when the gross domestic product (GDP) is projected to expand by 7.5%. The GDP will grow by 7.2% in 2026. Experts, however, say higher GDP growth is still uncertain since the country is currently experiencing a fresh surge of coronavirus infections, which have forced the government to impose strict containment measures from Monday, restricting mass mobility and shutting down businesses.
- A former lead economist of the World Bank's Dhaka office said that the IMF had upgraded its global projections mainly due to the progress in vaccination programmes across the world. But they could not anticipate the latest surge in coronavirus infections because all the figures are finalised a month before the report is published, he added. The IMF's projection had been very plausible if there were no pickup in coronavirus caseloads and disruptions as external demand was expected to pick up in the second half of 2021, the economist said. The problem is Bangladesh is now in lockdown, and there is a surge in infections. So, uncertainty has deepened, he said.
- On March 31, the World Bank projected Bangladesh's GDP to grow as high as 5.6% in the fiscal year 2020-21, subject to three factors. The projected expansion will depend on how the ongoing vaccination campaign proceeds, whether new restrictions to mobility are required, and how quickly the world economy recovers, the WB said in its "South Asia Economic Focus Spring 2021 South Asia Vaccinates" report.

<https://www.thedailystar.net/business/news/imf-lifts-gdp-growth-forecast-5pc-2073401>
<https://www.tbsnews.net/economy/imf-projects-50-growth-rate-bangladesh-2021-227797>
<https://www.newagebd.net/article/134640/imf-ups-2021-gdp-growth-forecast-to-5pc-for-bangladesh>

Internet use surges during lockdown

- Internet has gone up drastically in the past two days as most of the people remained home after the country went into a weeklong lockdown to curb the rise of Covid-19 infections. The figure comprises of 60% internet used by the internet service providers (ISPs), and the remaining 40% by mobile internet. The return of remote work and home office led to the surge, as people had to conduct official work, meet through video calls, communicate using digital messaging apps and more, which needed more internet, said ISP and international internet gateway (IIG) service providers.
- But this has not affected internet use in the corporate segment, as many officials are working from home now, hence diverting the internet use volume from corporate to residential segment. The average bandwidth use of ISPs has

increased by 10%-15%, they also said. All the ISPs mostly have unused bandwidth, they can avail amid this rise in internet use and provide uninterrupted internet. But the real picture can be seen soon once that stock runs out, they feared. If the demand increases, they all have to buy more internet bandwidth, hence internet costs at user end may also increase, operators said.

- Last year the use of internet bandwidth was 1400gbps around this period, said the Internet Service Providers Association of Bangladesh (ISPAB.) It may increase more in the coming days, they also said. Among the 200gbps, about 50% of the bandwidth is used in Dhaka, they added. IIG company Earth Telecommunications' managing director said that use of internet residentially, both broadband and mobile internet, has increased by 90% as online classes, and video conferences increased. However, the sudden surge was notable. Although banks and financial institutions are using the internet, it is not significant compared to residential usage, he added.

<https://www.dhakatribune.com/business/2021/04/06/internet-use-surges-during-lockdown>

Low gas pressure hurts over 300 large factories

- More than 300 factories, especially textile, spinning and garment industries in Kanchpur, Narayanganj and Narsingdi have been facing a massive production loss every day because of a disruption in gas supply since March 13. The sufferers also include steel mills and glassware factories. Industry owners feared that they might face the cancellation of work orders from international retailers and brands or expensive air shipment because of the sudden disruption in the gas supply. The managing director of NZ Textiles Ltd, a spinning mill at Bhulta in Narayanganj said that the production at his mills had fallen to 50% since March 13 because of the low pressure of gas.

- But air shipment is very expensive for any exporter, and it is an additional burden for the manufacturers whose businesses plummeted because of the lower demand in western markets owing to the pandemic. The secretary of the Bangladesh Textile Mills Association said that production in at least 40 big textile mills had been affected in the largest industrial belt since March 13. Usually, textile and spinning mills need a lot of gas pressure to produce quality products. He also said that most of the mills were busy producing goods for international buyers as well as the spending season ahead of the upcoming Eid-ul-Fitr.

<https://www.thedailystar.net/business/news/low-gas-pressure-hurts-over-300-large-factories-2073417>
<https://today.thefinancialexpress.com.bd/last-page/gas-crunch-halts-textile-mills-1617728633>

National Bank under BB scanner

- Bangladesh Bank has asked National Bank not to disburse any loan without its prior approval. The banking watchdog recently received allegations that the lender had disbursed a good amount of funds sidestepping approval from its board. This prompted the central bank to issue the instruction on April 5 asking the bank to send by yesterday detailed information of loans approved and disbursed since December 26. But the bank yesterday sought five working days to send the information, saying it was not possible to provide data within only one day, said the acting managing director (MD) of the lender.

- He claimed that they had not disbursed any large loan, which requires approval from the board, in recent months. If no board meeting is held, the bank has to take the permission from the central bank. The central bank has also asked National Bank to inform whether the acting MD was working under a valid contract. He acknowledged that his employment tenure ended on March 31 but that the bank's authority had earlier extended it by one month. But the board of directors is yet to approve the extension, he said.

<https://www.thedailystar.net/business/news/national-bank-under-bb-scanner-2073409>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$59.24	\$10.72	22.09%
Crude Oil (Brent)*	\$62.66	\$10.86	20.97%
Gold Spot*	\$1,737.87	(\$157.23)	-8.30%
DSEX	5,281.38	(120.69)	-2.23%
S&P 500	4,073.94	317.87	8.46%
FTSE 100	6,823.55	363.03	5.62%
BSE SENSEX	49,201.39	1,450.06	3.04%
KSE-100	44,404.70	649.32	1.48%
CSEALL	7,280.27	506.05	7.47%

Exchange Rates

USD 1 = BDT 84.73*

GBP 1 = BDT 117.12*

EUR 1 = BDT 100.58*

INR 1 = BDT 1.15*

**Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*

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