

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:**Export-import to be easier as certificates' tenure extended**

- The government has extended the tenures of the import registration certificate (IRC) and the export registration certificate (ERC) to five years from one year, easing doing business procedures. Businesses welcomed the move since they had been seeking the extension for years.
- "The new initiative will definitely benefit businesses as they will not have to spend more time and face hassles in receiving signatures from government offices at the end of every year," said Rizwan Rahman, president of the Dhaka Chamber of Commerce and Industry (DCCI).

<https://www.thedailystar.net/business/economy/news/export-import-be-easier-certificates-tenure-extended-3178931>

Private sector driving Bangladesh towards USD 1-Tn economy

- Private companies are spearheading Bangladesh's growth with their energy and optimism, putting the economy on a path to cross the USD 1 Tn mark by 2040, according to a top global consulting firm.
- The milestone will be achieved because of private firms' drive to become world-class global businesses and their ability to recruit the best talent, build globally recognised brands, and compete with leading multinational companies, said the Boston Consulting Group (BCG) in a report.

<https://www.thedailystar.net/business/economy/news/private-sector-driving-bangladesh-towards-1-tr-economy-3178946>

Bank lending rate being uncapped

- Borrowers should brace for costlier funds as lending-rate caps are being phased out to give a much-coveted profitability raise to bankers who lament inflationary pressure on their earnings, sources say. Bangladesh Bank (BB) plans to lift the limits on interest on credits in phases from the third quarter (Q3) of this fiscal year, but 'unofficial' hints already begin giving the banks a free play.
- In accordance with the plan, officials say, the central bank is set to lift the interest- rate cap on SMEs first, to be followed by working capital and industrial term loan in tandem. This reverting to open money market allows banks to raise the rate on interest to "balance out the crushing pressure of inflation".

<https://thefinancialexpress.com.bd/economy/bank-lending-rate-being-uncapped-1669430791>

National Tariff Policy will come into force next year, if approved

- The tariff protection to the country's domestic industry — imposition of high rates of customs duty on imports – will soon end. However, the privilege will be afforded to a select few for a certain period of time, according to the draft of the National Tariff Policy 2023, which looks to make domestic industries more efficient to sustain post-LDC ompetition.
- The country's first-ever tariff policy, whose draft has been seen by The Business Standard, also aims at encouraging investment, promoting exports as well as ensuring consumers' benefits through reduction of price disparities between local and imported goods. The average tariff in Bangladesh is 14%, while the average of developed countries is 8.5%. Countries are committed to the World Trade Organisation to lower tariffs to facilitate more global trade integration.

<https://www.tbsnews.net/economy/protective-tariffs-be-phased-out-539638>

Nearly 67% garment export receipts retained

- Thanks to the increasing use of local raw materials, Bangladesh's retention value from the shipment of apparel items is rising, highlighting the development of a strong backward linkage industry and less reliance on imported yarn and fabrics.
- The retention value of the exported apparel surged 36.36% to USD 28.5 Bn in the financial year of 2021-22 from USD 20.9 Bn a year earlier, data from the Export Promotion Bureau and the Bangladesh Textile Mills Association (BTMA) showed.

<https://www.thedailystar.net/business/economy/news/nearly-67-garment-export-receipts-retained-3178936>

Islamic finance growing in Bangladesh: Fitch Ratings

- Islamic finance is likely to continue growing over the medium term in Bangladesh - driven by rising public demand, new branch openings, and supportive government policies, said a report by US-based credit rating agency Fitch Ratings.
- "Many conventional banks are focusing on Islamic products, either by opening new Islamic branches or windows, or by converting into full-fledged Islamic banks. Islamic capital markets remain nascent, but the government started issuing domestic sovereign sukuk in 2020, with its fourth auction in April 2022. This supports fiscal funding diversification and enables Islamic banks and takaful firms to invest their liquidity. Structural issues include underdeveloped regulations and a weak banking sector," the Fitch Ratings report said.

<https://www.tbsnews.net/economy/islamic-finance-growing-bangladesh-fitch-ratings-537970>

Adequate gas can boost ceramics export: entrepreneurs

- Product output of the ceramics industry of Bangladesh has increased at least 200% while investment 20% over the last decade, according to the Bangladesh Ceramic Manufacturers and Exporters Association (BCMEA). "Currently, over 70 firms are producing ceramic products in a full-fledged manner while about 10 years ago, there were only 18 to 20 firms active across the country," said Md Shirajul Islam Mollah, president of the BCMEA.
- However, the industry's production is now facing severe disruptions for the ongoing gas crisis, said Mollah, also the managing director of China-Bangla Ceramic Industries. "If we can recover from the crisis, the ceramic industry will contribute in giving a boost to the country's foreign exchange reserves," he said.

<https://www.thedailystar.net/business/economy/news/adequate-gas-can-boost-ceramics-export-entrepreneurs-3178901>

Bangladesh will get 1-1.5 Mn tonnes LNG annually from Brunei, says Nasrul

- State Minister for Power, Energy and Mineral Resources Nasrul Hamid has said Bangladesh is going to get 1-1.5 Mn tonnes of liquefied natural gas (LNG) from Brunei starting in early 2023.
- He made the statement following a bilateral meeting between Bangladesh and Brunei Darussalam in Bandar Seri Begawan on Thursday. "There might be a 10-15-year agreement between the two nations in this regard," he said.

<https://thefinancialexpress.com.bd/economy/bangladesh-will-get-1-15m-tonnes-lng-annually-from-brunei-says-nasrul-1669294465>

Kosovo, Bangladesh companies should explore joint ventures: Envoy

- Bangladesh and Kosovan companies can go for joint ventures in ICT, garment, pharmaceutical and food processing sectors, said Güner Ureya, ambassador of the Republic of Kosovo in Dhaka. "Both countries are very open to investments. If some Kosovan companies come to invest here in Bangladesh, I suggest it seeks joint ventures with Bangladeshi companies," he said during a meeting at The Business Standard office on Thursday.

<https://www.tbsnews.net/economy/kosovo-bangladesh-trade-volume-eu15m-2022-envoy-539122>

How fiscal restraint can help fight inflation

- Government support was vital to help people and firms survive pandemic lockdowns and support the economic recovery. But where inflation is high and persistent, across-the-board fiscal support is not warranted. Most governments have already dialed back pandemic support.
- With many people still struggling, governments should continue to prioritise helping the most vulnerable to cope with soaring food and energy bills and cover other costs—but governments should also avoid adding to aggregate demand that risks dialing up inflation. In many advanced and emerging economies, fiscal restraint can lower inflation while reducing debt.

<https://www.thedailystar.net/business/economy/opinion/news/how-fiscal-restraint-can-help-fight-inflation-3178246>

Small businesses suffer as sales drop for high inflation

- Cottage, micro, small-and-medium enterprises (CMSMEs) in Bangladesh are suffering from significantly lower sales at a time when inflationary pressure has pushed up production costs, according to entrepreneurs. Consumers are buying fewer products due to the inflated cost of daily necessities and economic uncertainty stemming from multiple crises, especially the Russia-Ukraine war, they said.

<https://www.thedailystar.net/business/economy/news/small-businesses-suffer-sales-drop-high-inflation-3178886>

Foreign aid commitments fall by 85% YOY in July-Oct

- Foreign aid commitments decreased by 85% during the July-October period to USD 413.81 Mn, down from USD 2.76 Bn in the same period last fiscal year, according to the Economic Relations Division (ERD) data.
- Foreign aid disbursement has also decreased due to the lack of spending capacity of government agencies. The disbursement, which stood at USD 1.97 Bn, was a 25% decrease compared to the same period last year when it was USD 2.62 Bn.

<https://www.tbsnews.net/economy/foreign-aid-commitments-fall-85-yoy-july-oct-539626>

USD 10 Bn export in 16 years, Karnaphuli EPZ grows steady

- Since its inception in 2006, the Karnaphuli Export Processing Zone (EPZ) has been steadily growing to boost the country's export earnings in its 209-acre area, where the only state-owned steel mill once was until it wound down in 1999 crumbling under debts.
- The same place is now vibrant with enterprises contributing to the country's economic growth and creating a staggering 78,000 employments over the course of 16 years. The Karnaphuli EPZ, which is located in North Patenga – some 3km away from the Chattogram EPZ – has so far brought in export earnings amounting to nearly USD 10 Bn.

<https://www.tbsnews.net/economy/10b-export-16-years-karnaphuli-epz-grows-steady-539334>

Bangladesh, EU willing to sign 'partnership cooperation' agreement to elevate ties

- Bangladesh and the European Union (EU) on Thursday expressed willingness to sign a "partnership cooperation" agreement to elevate the relations to next level. However, it is still at an initial stage as it requires extensive discussions and negotiations.
- State Minister for Foreign Affairs Md Shahrir Alam together with Deputy Secretary General of the European External Action Service (EEAS) Enrique Mora conveyed two sides' willingness regarding such a mechanism.

<https://www.tbsnews.net/economy/bangladesh-eu-willing-sign-partnership-cooperation-agreement-elevate-ties-538558>

Stocks:**KDSALTD | KDS Accessories holds AGM**

- The 31st Annual General Meeting (AGM) of KDS Accessories Limited was held on a virtual platform on Thursday. The AGM approved the highest dividend since its IPO at the rate of 16% in cash for the year 2021-2022. The other activities of the AGM were adoption of the Audited Financial Statements of 2021-2022, election of directors, appointment of Independent Director and Auditors.

<https://thefinancialexpress.com.bd/stock/kds-accessories-holds-agm-1669345740>

EXCHANGE | Nasir Uddin Chowdhury becomes CSE director

- Mohammed Nasir Uddin Chowdhury, managing director of Lanka Bangla Securities Limited and LankaBangla Group Capital Market Operations, has become director of the Chittagong Stock Exchange (CSE). His appointment was approved at the CSE's annual general meeting (AGM) held on Thursday, said a press release. Nasir Uddin Chowdhury has 28 years of experience in the capital market, financial institutions, and venture capital.

<https://www.tbsnews.net/economy/stocks/nasir-uddin-chowdhury-becomes-cse-director-539114>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 76.28	USD 1.07	1.42%
Crude Oil (Brent)*	USD 83.63	USD 5.85	7.52%
Gold Spot*	USD 1,754.93	(USD 74.27)	-4.06%
DSEX	6,215.11	-541.55	-8.02%
S&P 500	4,026.12	-740.06	-15.53%
FTSE 100	7,486.67	102.13	1.38%
BSE SENSEX	62,293.64	4,039.82	6.93%
KSE-100	42,936.73	-1,659.34	-3.72%
CSEALL	8,173.86	-4,052.15	-33.14%

Exchange Rates**1 US Dollar = 103.50 BDT****1 GBP = 125.16 BDT****1 Euro = 107.80 BDT****1 INR = 1.27 BDT**

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