

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.

Bangladesh plans annual rise in transport, communication spending to make it efficient

- The government plans to increase the budget in the transport and communication sector by 14% annually to make it cost-effective and efficient to ensure the socio-economic progress of the country. Total spending for this sector is projected at BDT 861.62 billion in FY24 while BDT 787.76 billion in FY23 with BDT 720.28 billion in the current FY22.
- To modernise the road transport system, the Division is implementing initiatives to upgrade important highways of the country to 4 or more lanes. Meanwhile, 453 km of national highways have been upgraded to 4 lanes. In the medium term, the document stated, plans have been made to upgrade all national highways to 4 lanes, and strengthen and widen other highways. The priorities include the introduction of digital systems in traffic management and control, ensuring safe roads, and online tax and other fee collection. The Bangladesh Road Transport Corporation Act 2020 has been enacted to increase road safety.

<https://thefinancialexpress.com.bd/economy/bangladesh-plans-annual-rise-in-transport-communication-spending-to-make-it-efficient-1644750713>

Mongla port turns around

- Mongla port, the country's second biggest seaport, has made a strong comeback as it sees an increased arrival of ships. The monthly arrival of ships, which fell below 10 in 2008, grew several times in recent years. In 2021, 71 vessels arrived at the port every month on average, up from 46 five years ago. The opening of Padma Bridge would narrow the distance between Dhaka and Mongla to 170 kms from 274 kms.
- The port can now handle one crore tonnes of cargo, 100,000 twenty-foot equivalent units of containers, and 20,000 cars annually. In 2020-21, cargo handling stood at 1.19 crore tonnes, just double the volume five years ago.

<https://www.thedailystar.net/business/economy/industries/ports-and-shipping/news/mongla-port-turns-around-2961446>

Easy money era not to end for now

- It is not the easy money supply but the increased oil price that is blamed for the rising inflation in a study conducted by the Bangladesh Bank. However, globally, central banks have addressed cheap financing as one of the main reasons for the inflation spike and moved for tightening monetary tools. In the case of Bangladesh, the central bank is still considering continuing with the easy money era.
- Even though inflation surged to 6.05% in December, cheap money did not contribute to it, observed central bankers. A rise of 10% in oil prices will directly increase the national inflation by 0.12 percentage points, said the study. The government raised the prices of diesel and kerosene by 23% in November last year.

<https://www.tbsnews.net/economy/banking/easy-money-era-not-end-now-369991>

Banks asked to submit inland LC data to monitoring system properly

- The Bangladesh Bank today asked banks to submit the required data of inland letters of credit (LCs) to the online import monitoring system (OIMS) appropriately. Although the central bank earlier asked lenders to submit the data on a regular basis, some banks have not followed the instruction ignoring the rules.
- The lenders now give acceptance to their corresponding banks in favour of inland LCs without placing the data on the OIMS. Acceptance means a bank takes responsibility of an importer to pay the worth of the imported items to the

corresponding bank, through which the products are exported. After getting the acceptance, the corresponding bank pay the cost of the exported items to the exporters without realising the funds from exporters.

<https://www.thedailystar.net/business/news/banks-asked-submit-inland-lc-data-monitoring-system-properly-2961066>

Habibur appointed BB's chief economist

- The Bangladesh Bank on Sunday appointed Md Habibur Rahman as its chief economist. Habibur, executive director (research) of the BB, has been recruited in the post as per a decision of directors' board made at 419th meeting, a BB official told the BSS.

<https://www.newagebd.net/article/162677/habibur-appointed-bbs-chief-economist>

NBFIs barred from disbursing loans on BB cheques

- Bangladesh Bank ordered NBFIs not to disburse loans using cheques of current accounts they have to maintain with the central bank. Every NBFi maintains a current account with the central bank to maintain their cash reserve ratio and statutory liquidity ratio. An investigation found that such cheques were used in some of the major scams perpetrated in the NBFi sector, said officials of the central bank.

<https://www.thedailystar.net/business/economy/banks/news/nbfis-barred-disbursing-loans-bb-cheques-2961441>

Write-off loans grow as recovery low

- As of Sep'21, banks removed around BDT 974 crore from their balance sheets and recovered only BDT 472 crore, according to Bangladesh Bank data. Lenders have written off BDT 57,975 crore till Sep'21, which is 57.31% of the total defaulted loans in the banking sector. Net write-off stood at BDT 43,609.43 crore.
- In 2019, banks wrote off BDT 2,596.69 crore and collected BDT 831 crore from the sector. Lenders removed BDT 970.59 crore from their balance sheets in 2020 when they recovered a little more than BDT 736 crore.

<https://www.tbsnews.net/economy/banking/write-loans-grow-recovery-low-370360>

Imported LNG to be 24 times more expensive than local gas: CPD

- The price of imported Liquefied Natural Gas (LNG) in the fiscal 2021-22 is going to be 24 times more expensive than the national production by local companies, said a study by the Centre for Policy Dialogue (CPD).
- BERC suggested reducing systems loss, which is 7%-10% in Bangladesh. This would reduce dependency on spot market, which accounts for 3-4% of total LNG imports.
- Dr M Tamim pointed that the production of Bibiyana gas field has remained stuck to 1,000mmcf since 2009, and Titas gas-field, even larger than Bibiyana, failed to increase output from 400mmcf now. He said Bibiyana field might go out of production any time and gas shortage might go up to 37-42% after 2025, requiring the country to rely more on LNG import and use coal to achieve its long-term power generation targets set for 2030 or 2040.

<https://www.tbsnews.net/bangladesh/energy/imported-lng-be-24-times-more-expensive-local-gas-cpd-370075>

Grameenphone partners with itel to introduce affordable 4G smartphone

- Grameenphone has partnered with popular smartphone brand itel to launch the cobranded handset itel A23 Pro in Bangladesh with an aim to bring affordable 4G smartphones into the market to enable advanced connectivity for people from all walks of life across the country, said a press release. itel A23 Pro is a VoLTE enabled 4G smartphone equipped with the dual 4G SIM slot. The co-branded smartphone is available in the market at only BDT 4,990.

<https://www.newagebd.net/article/162664/grameenphone-partners-with-itel-to-introduce-affordable-4g-smartphone>

Peninsula Chittagong profit doubles as hotel business recovers

- As hotel businesses are recovering due to the easing down of Covid-19 restrictions, the Chattogram-based hotel — The Peninsula Chittagong Limited — has registered a staggering 120% increase in its October-December profit for fiscal 2021-22, compared to the same period of the previous fiscal.
- The hotel's profit stood at BDT 3.91 crore in 2QFY22, doubling from BDT1.78 crore a year ago. Its earnings per share (EPS) was BDT 0.33, which was BDT 0.15 in 2QFY21.

<https://www.tbsnews.net/economy/stocks/peninsula-chittagong-profit-doubles-hotel-business-recovers-370255>

Robi applies to BTRC for 3G phase-out

- Mobile operator RobiAxiata Limited has filed a plea with the Bangladesh Telecommunication Regulatory Commission to phase out the 3G (the third generation) network operations with a view to utilising the same resources for strengthening its 4G (the fourth generation) network. Earlier, the operator in a statement expressed its intention to phase out the 3G network operations by 2023.

<https://www.newagebd.net/article/162674/robi-applies-to-btrc-for-3g-phase-out>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 93.10	USD 17.89	23.79%
Crude Oil (Brent)*	USD 94.44	USD 16.66	21.42%
Gold Spot*	USD 1,858.76	USD 29.56	1.62%
DSEX	7,089.53	332.87	4.93%
S&P 500	4,418.64	-347.54	-7.29%
FTSE 100	7,661.02	276.48	3.74%
BSE SENSEX	58,152.92	-100.90	-0.17%
KSE-100	46,079.37	1,483.30	3.33%
CSEALL	12,459.80	233.79	1.91%

Exchange Rates**1 US Dollar = 85.98 BDT****1 GBP = 116.43 BDT****1 Euro = 97.53 BDT****1 INR = 1.14 BDT**

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