

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.

Ctg custom's move to expedite auctioning boosts revenue

- Chittagong Custom House's revenue collection through auctioning off undelivered goods brought in by evading duty, smuggling and misdeclaration has nearly doubled as the authorities moved to expedite the auction process earlier in 2021. Starting in 2021, the custom house decided to arrange two auctions instead of one aiming to clear 15% of the port yard area occupied with products awaiting auction.
- In 2020, the custom house generated a revenue of BDT 65.30 crore through 13 auctions, which jumped to 24 last year and the revenue collection reached BDT 115.65 crore. According to port sources, the port is unable to handle some 2,50,000 containers every year due to over 7,000 containers full of auctionable goods that are stuck at the port yard.

<https://www.tbsnews.net/nbr/ctg-customs-move-expedite-auctioning-boosts-revenue-366517>

Gold import duty to be cut in next budget: NBR chair

- National Board Revenue chairman on Saturday said the gold import duty would be lowered in the upcoming budget with the aim of checking gold smuggling. At a press conference marking the 13th EFD lottery results announcement at the seminar room of the revenue board in Dhaka, Muneem also said that the monitoring of gold smuggling was a challenging task and it was a serious concern for the revenue authority.
- The NBR has installed 3,393 EFDs and SDC devices free of cost as part of the pilot project of the VAT automation system. So far, the revenue board has installed EFDs at 3,591 shops all over the country. In order to install the EFDs, businesses now have to pay BDT 20,500 while they have to pay BDT 24,000 for installation of the SDC devices.

<https://www.newagebd.net/article/161953/gold-import-duty-to-be-cut-in-next-budget-nbr-chair>

App for e-commerce firms' registration to launch Monday

- A dedicated application for the registration of e-commerce firms operating in the country, either based on websites or social media platforms, is all set to be launched on Monday. A programme and discussion session will be held in this regard at the Bangladesh Secretariat on Monday, reads a press release issued by the commerce ministry. Commerce Minister Tipu Munshi will attend the event as the chief guest.

<https://www.tbsnews.net/economy/app-e-commerce-firms-registration-launch-monday-366736>

Container ship reaches Ctg directly from Italy, will leave with export goods Monday

- Container ship the Songa Cheetah reached the Chittagong Port on Saturday and is set to leave for Italy's Porto di Ravenna (The Port of Ravenna) on Monday on the first direct commercial freight trip from Bangladesh to Europe. A harbour pilot from the Chittagong Port moored the vessel at the Jetty no 4 in the New-mooring Container Terminal (NCT) at 1:15pm Saturday, after its arrival at the outer anchorage of the port.
- According to sources with shipping agents, about 98% of the export goods are readymade garments while the remaining 2% are handicrafts, and leather and jute products. Once the goods arrive at the Ravenna port, they will be delivered to various destinations in Europe as per the demand of the buyers, they added. Md Omar Farooq, secretary to the Chittagong Port Authority, told TBS that the port authorities welcome the launch of the direct freight service to Italy and dubbed the development a huge milestone for the country's economy.

<https://www.tbsnews.net/economy/container-ship-reaches-ctg-directly-italy-will-leave-export-goods-monday-366871>

NSC sales turn negative in Dec after 19 months

- The net sales of national savings certificates turned negative in December 2021 after 19 months as the government tightened NSC sales rules to contain people's buying spree of the savings instruments. According to Bangladesh Bank data, the net sales of NSCs turned negative at BDT 435.96 crore in December 2021 against positive BDT 1,442.2 crore in the same month a year ago.
- So, many of the savers found interest rate on savings instruments lucrative since the NSCs offered as high as 12 % against its different products. Afterwards, the sales of NSCs in FY21 rose to BDT 41,959.5 crore, more than double the government's initial budgetary target for the particular year. Initially, the target was BDT 20,000 crore, which was later revised upward to BDT 30,302 crore.
- To contain the sales, the government in June 2021 barred individuals to purchase NSCs worth above BDT 2 lakh without submitting the tax identification number. Prior to making the TIN-related sanction, the government stopped selling one of its savings instruments through banks and the Post Office from May 19, 2021. Under the new rules, the five-year Bangladesh Sanchayapatra can only be purchased from the Sanchay bureaus.

<https://www.newagebd.net/article/161951/nsc-sales-turn-negative-in-dec-after-19-months>

Dollar selling spree on despite taka depreciation

- Bangladesh Bank injected a record USD 3.07 billion into banks in the July-January period of the current fiscal year of 2021-22, comfortably breaking the previous high. Alone in January, BB sold USD 559 million. The previous high was registered in 2018-19 when the BB sold USD 1.34 billion.
- Ahsan H Mansur, executive director of the Policy Research Institute of Bangladesh, and Mustafizur Rahman, a distinguished fellow at the Centre for Policy Dialogue (CPD), both shared that same concern that the central bank needs to depreciate the local currency further.
- Both the government and the central bank should make a concerted effort to cut the import payments in order to keep the foreign currency reserves buoyant. Reserves declined to USD 45.13 billion on February 2 after rocketing to USD 48 billion, an all-time high, in August last year.
- Banks have purchased US dollars from the central bank in exchange for the taka, squeezing money circulation in the economy. Such reduction in money circulation helps curb inflationary pressures. But the ongoing global supply chain disruption is mainly responsible for the price increase in Bangladesh.

<https://www.thedailystar.net/business/economy/banks/news/dollar-selling-spreedespite-takadepreciation-2955431>

RMG units not inspected by Accord to go thru RSC inspection

- Bangladesh Garment Manufacturers and Exporters Association has taken an initiative to bring its members, who are interested to do business with European buyers but remained outside the jurisdiction of Accord-run safety inspection, under the inspection programme of the Readymade Garment Sustainability Council. The BGMEA has recently issued a letter to its members and requested to send profiles of factories to being audited under the RSC.

<https://www.newagebd.net/article/161927/rmg-units-not-inspected-by-accord-to-go-thru-rsc-inspection>

Latest tech to be used for water reuse: BGMEA president

- Latest technology will be used for water reuse at BGMEA Garment Village of Bangabandhu Sheikh Mujib Shilpa Nagar at Mirsharai in Chattogram to cut water use in garment factories. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President Faruque Hassan said this after visiting the development works of plots at

the Garments Village. About supplying groundwater to the factories, Faruque Hassan said that BGMEA was working on zero water discharge.

- The Bangladesh Economic Zones Authority (Beza) and the BGMEA signed an MoU on 21 March of 2018 for the allocation of 500 acres of land at the Bangabandhu Sheikh Mujib Shilpa Nagar. As many as 48 factories have got an allocation of 291 acres of land. BGMEA has paid BDT209 crore to the Beza authorities. In March 2021, 41 factories applied for 190 acres of land allotment in the industrial estate where they want to invest USD1,100 million.

<https://www.tbsnews.net/economy/rmg/latest-tech-be-used-water-reuse-bgmea-president-366886>

First industrial park for shoes shaping up

- The Bangladesh Investment Development Authority (Bida) gave the permission for the establishment of the Bangladesh Shoe City Ltd in September. Nasir Khan, chairman and managing director of Jennys Group, is the founder of the park. The park, which is being set up in Gazipur, would cost around USD 100 million. Of the sum, Khan's equity is 46 per cent and a global lender will provide the rest.
- The park is located over 35 acres of land where 24 factories could be accommodated. Jennys Group has already set up three factories, including a shoe manufacturing unit. The footwear sector needs at least 152 items to manufacture a piece of shoe. Of them, 50 major items will be produced in the park, Khan says.
- Bangladesh is yet to establish a supply chain for the leather and footwear sector although the Asian Development Bank (ADB) thinks there are possible strong backward linkages thanks to mostly locally sourced raw materials, an abundant supply of low cost, trainable labour, and its advantageous location.

<https://www.thedailystar.net/business/economy/news/first-industrial-park-shoes-shaping-2955451>

BSMA asks govt for lower duties on scrap imports

- Bangladesh Steel Manufacturers Association urged the government for reduction of all existing duties and taxes on scrap and sponge iron imports for local manufacturers. The production cost of rod has also gone up, having adverse impact on the country's construction sector. At present, scrap costs 79 per cent additional expense, resulting in overall production costs increased by 52%. In contrast, the selling price has increased by only 37 per cent.
- According to the producers, the rod has to be sold at a loss in most cases as the selling price has not increased as compared to the increase in the price of raw material in the world market. Currently, the selling price of per metric ton rod is BDT 78,000 while the same in West Bengal, India, costs BDT 86,000, the BSMA leaders added.

<https://www.newagebd.net/article/161916/bsma-asks-govt-for-lower-duties-on-scrap-imports>

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<https://www.newagebd.net/article/161927/rmg-units-not-inspected-by-accord-to-go-thru-rsc-inspection>

Global Islami Bank wants to go public for BDT425cr

- Global Islami Bank Ltd, a fourth-generation commercial bank, has applied to the securities regulator to raise BDT 425 crore through an initial public offering (IPO). The bank applied to the Bangladesh Securities and Exchange Commission (BSEC) last week to issue shares at a face value of BDT10 under the fixed price method. The private

sector lender will invest BDT 100 crore in small and medium enterprises (SMEs) considering the ample growth opportunity and mounting financing needs of the SMEs. Besides, the bank will also invest BDT 268.5 crore in government securities and bonds as secured investment.

- Prime Bank Investment Limited and LankaBangla Investments Limited will be the issue managers for the Global Islami Bank's IPO. According to sources, the bank made a profit of BDT 98.54 crore after tax and provisions, while its earnings per share (EPS) stood at BDT 1.91 till 30 September 2021. During the period, its net investment income was BDT366 crore. The return on equity of the bank was 13.95%, while its return on assets was 0.79% till September 2021. The bank's classified investment was 2.15% of its total investment as of 30 September 2021.

<https://www.tbsnews.net/economy/stocks/global-islami-bank-wants-go-public-tk425cr-366874>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 92.31	USD 17.10	22.74%
Crude Oil (Brent)*	USD 93.27	USD 15.49	19.92%
Gold Spot*	USD 1,808.28	(USD 20.92)	-1.14%
DSEX	7,023.52	266.86	3.95%
S&P 500	4,500.54	-265.64	-5.57%
FTSE 100	7,516.40	131.86	1.79%
BSE SENSEX	58,644.82	391.00	0.67%
KSE-100	45,909.65	1,313.58	2.95%
CSEALL	12,762.60	536.59	4.39%

Exchange Rates**1 US Dollar = 85.98 BDT****1 GBP = 116.34 BDT****1 Euro = 98.44 BDT****1 INR = 1.15 BDT**

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