

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.

DCs asked to help collect VAT from rural shops

- Deputy commissioners, who are playing roles of executive heads of districts, have been urged to help the National Board of Revenue collect value-added tax from different shops in the rural area, by installing electronic fiscal devices (EFD). The NBR is working to set up the devices in different outlets.

<https://www.tbsnews.net/economy/dcs-asked-help-collect-vat-rural-shops-359233>

Inflation hits 13-month high

- The point-to-point inflation in December 2021 hit 13-months high at 6.05 % as the raise in diesel and kerosene prices continued to push up the prices of non-food items, officials said on Tuesday. In October 2020, the general inflation was recorded 6.44 % by the Bangladesh Bureau of Statistics. In November 2021, the government increased the prices of kerosene and diesel by BDT 15 per litre amid criticisms that the move would ultimately lead to high inflation and increase in prices of food and non-food items.
- Former Bangladesh Bank governor Salehuddin Ahmed said on Monday that checking inflation would be difficult for the government in the coming months. According to the Bangladesh Bureau of Statistic, the price hike of non-food items that have overtaken the price hike of food items since October 2021 crossed 7 % in December 2021. The rate of overall inflation in October 2021 was 5.4 % and the food inflation was 5.3 %. Such inflation benefitted a number of market players amid lax monitoring by the government agencies.

<https://www.newagebd.net/article/160361/inflation-hits-13-month-high>

Micro-enterprises to get receivable financing easily

- The Bangladesh Bank asked all banks and non-bank financial institutions (NBFIs) to ensure micro, small and medium enterprises (MSMEs) receivable financing through the digital trading platform. The central bank issued the instructions in a circular in line with the "Guidelines for Local Factoring/Receivable Financing through Digital Platform-Pilot Phase" on Monday. According to the Bangladesh Bank, from now on ThinkBig Solutions Ltd will operate the pilot-phased trading platform for the digital intervention in receivable financing.
- The Bangladesh Bank guideline says a majority of these MSMEs do not have access to sufficient credit and liquidity required for their daily working capital needs. One of the pressing issues has been the reluctance of the formal sector to lend to MSMEs due to high perceived risks and higher operational cost since the loan size is very small and requires intensive monitoring and supervision, it added.

<https://www.tbsnews.net/economy/banking/micro-enterprises-get-receivable-financing-easily-359239>

Central bank likely to approve Shakib's directorship at People's Bank on Thursday

- People's Bank failed to qualify for the final license even three years after issuing consent from Bangladesh Bank, reports UNB. At the meeting of the board of governors on Thursday, the central bank is expected to raise an application for further extension of People's Bank's LOI (letter of intent).

<https://thefinancialexpress.com.bd/trade/central-bank-likely-to-approve-shakibs-directorship-at-peoples-bank-on-thursday-1642513089>

BGMEA for removing legal bar on back-to-back LCs for non-bonded exports

- The BGMEA has demanded speedy amendment to the National Board of Revenue (NBR) rules to approve raw

material purchases under back-to-back LCs of readymade garment exporters who are not covered by bonds. Under the current provisions, institutions without bond licences cannot purchase raw material on credit through back-to-back LCs for export purposes.

- The revenue board in a letter on 31 August last year requested the Bangladesh Bank not to allow non-bonded apparel factories the facility as it contradicts the central bank's guidelines. On November 30, a committee formed by the commerce ministry made five recommendations, including an amendment to the VAT Act, to repeal the condition of having a bond licence for back-to-back LCs. However, the rules have not been amended so far. A letter has also been sent to Bangladesh Bank on behalf of BKMEA to take initiative to solve this.

<https://www.tbsnews.net/economy/rmg/bgmea-removing-legal-bar-back-back-lcs-non-bonded-exports-359236>

Garment, accessory makers form joint panel to boost apparel export

- The manufacturers of garment and its accessories formed a joint committee to expedite export of apparel items. The 11-member committee headed by BGMEA Vice President will act as a bridge between the manufacturers of garments and accessories and packaging to strengthen business relationship through collaboration. The committee will deal with trade related issues and settle disputes that arise among garments manufacturers and accessories-packaging suppliers.

<https://www.thedailystar.net/business/export/news/exporters-enjoying-us-sales-bonanza-2942231>

Prime Islami Life Insurance shares soar in eight days

- The share price of Prime Islami Life Insurance — a third-generation Islamic insurer – has climbed 43% in the last eight trading days. According to the Dhaka Stock Exchange (DSE), the shares rose to BDT89.2 each on Tuesday, from BDT62.4 each on 6 January. Following such a sharp rise in its share prices, the country's premier bourse sent a query to the company on 17 January.
- In reply, the company said that there is no undisclosed price sensitive information (PSI) for the recent unusual price hike. Also, in mid last year, its share price shot up sharply. Each share soared to BDT 93.1 on 13 June, the highest in that year. Later, the share price declined to BDT 57 each in December. Again, its share price increased amid financial upgrading.

<https://www.tbsnews.net/economy/stocks/prime-islami-life-insurance-shares-soar-eight-days-359185>

SS Steel shares fly on quarterly earnings growth

- SS Steel Limited's share price soared 9.63% on Tuesday as investors turned to the stock following the disclosure of the quarterly earnings growth by the MS Rod manufacturer. At the end of the day's trading, their share rose to BDT20.50 on the Dhaka Stock Exchange (DSE). According to the company's unaudited financial statement for the first quarter of fiscal 2021-2022, its revenue increased 12% to BDT 143.85 crore and net profit grew 9% to BDT22.36 crore from a year earlier. At the end of the July-September quarter, its consolidated earnings per share stood at BDT0.73 and the revalued net asset value per share was at BDT 24.32.
- The company also signed an agreement with the City Bank to arrange financing of BDT 200 crore as a term loan and BDT 100 crore as working capital from a consortium of banks and non-banking financial institutions for acquiring the ceramic plant.

<https://www.tbsnews.net/economy/stocks/ss-steel-shares-fly-quarterly-earnings-growth-359191>

Anlima Yarn shares face correction after quarterly disclosure

- Anlima Yarn Dyeing Ltd faced the highest scrip-wise price correction on Tuesday at the Dhaka Stock Exchange (DSE)

after disclosing its financials for the October to December quarter of the current 2021-22 fiscal year. Its stock price fell 6.1% to BDT 38.5 per share compared to the previous session. According to the company's disclosure on the DSE website on Tuesday, the net loss per share of the company stood at BDT 0.08 for the second quarter of the current fiscal. As per the company's unaudited financial statements, from October to December 2021, Anlima Yarn's net loss reduced 44% to BDT 15 lakh from BDT 27 lakh in the July to September quarter. Despite the decrease in losses, its share price faced massive correction.

<https://www.tbsnews.net/economy/stocks/anlima-yarn-shares-face-correction-after-quarterly-disclosure-359206>

Yeakin Polymer out of production for 2 years but investors in the dark

- Yeakin Polymer has gone out of production for more than two years but the plastic bag manufacturer did not disclose it, keeping its shareholders in the dark about its latest status. The company allegedly stopped production three years after it was listed on the capital market in 2016 owing to a decrease in demand for plastic bags in the market and a shortage in its working capital.
- The Bangladesh Securities and Exchange Commission (BSEC) believes general shareholders have been misguided by the audit reports, an official at the commission told The Business Standard. The company did not even inform the Dhaka Stock Exchange (DSE) about the production shutdown. Since June last year, institutional investors have been selling shares of the company regularly. Institutional investors held a 14.01% stake in the company in June and it dropped to 11.30% in December.

<https://www.tbsnews.net/economy/stocks/yeakin-polymer-out-production-2-years-investors-dark-359197>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 86.70	USD 11.49	15.28%
Crude Oil (Brent)*	USD 88.58	USD 10.80	13.89%
Gold Spot*	USD 1,813.97	(USD 15.23)	-0.83%
DSEX	7,055.71	299.05	4.43%
S&P 500	4,577.34	-188.84	-3.96%
FTSE 100	7,563.55	179.01	2.42%
BSE SENSEX	60,754.86	2,501.04	4.29%
KSE-100	45,507.41	911.34	2.04%
CSEALL	13,457.20	1,231.19	10.07%

Exchange Rates**1 US Dollar = 85.99 BDT****1 GBP = 116.90 BDT****1 Euro = 97.37 BDT****1 INR = 1.15 BDT**

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