

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

November 07, 2021

FBCCI Seeks Investment from British-Bangladeshis

The Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) has requested the UK businessmen to come forward for the development of trade, investment, and economic relations between the UK and Bangladesh.

FBCCI President Md Jashim Uddin made the call during a meeting with the British Bangladesh Chamber of Commerce and Industry (BBCI) on Friday in London.

While leading the Bangladeshi business delegation at the meeting, the FBCCI chief said UK and Bangladesh have an excellent bond of friendship which is reflected in trade partnerships and people to people links.

The FBCCI President also met with Sir Hugo Swire, vice chairman of Commonwealth Enterprise and Investment Council (CWEIC), where both parties discussed mutual growth and closer cooperation between the business people of the commonwealth countries.

Source: <https://www.tbsnews.net/economy/fbcci-seeks-investment-british-bangladeshis-326113>



Rebased GDP Increases per Capita Income by almost 16%

Bangladesh's per capita income has increased to \$2554 (USD) from \$2227, a jump of nearly 16 percent, thanks to a new base year for calculating the country's gross domestic product (GDP).

The government recently finalized 2015-16 as the new base year to calculate (GDP). All national accounts will from now on be based on this new base year. Previously the government was using a base year of 2005-6.

Officials at the Bangladesh Bureau of Statistics (BBS) said the marked increase in the size of the GDP itself and attendant changes in per capita income will accrue mainly due to the inclusion of some new sectors in the calculation and price changes between the two periods.

For the 2019-2020 fiscal, the per capita income has gone up to \$2335 from \$2024.

Source: <https://www.tbsnews.net/economy/rebased-gdp-increases-capita-income-almost-16-325273>



Govt Hopeful of Getting Huge Investment from Dubai: Officials

The government is hopeful of getting large-scale investment from Dubai in the coming days to the special economic zones in Bangladesh which are being set up in an effective and planned way.

Officials concerned said this at a seminar titled 'Invest in economic zones: opportunity beyond border' held at the conference room of the Bangladesh Pavilion at the World Expo 2020 in Dubai. Bangladesh Economic Zones Authority organised the seminar with support from the Bangladesh mission in UAE and the consulate general office in Dubai.

Bangladesh Ambassador to the UAE M Abu Jafar said that Dubai has created a scope for making investment in Bangladesh and all concerned would have to take forward this initiative.

The participants at the seminar expressed their satisfaction over the existing investment-friendly policy of the government and stressed the need for updating the Gold Policy.

Source: <https://www.newagebd.net/article/153874/govt-hopeful-of-getting-huge-investment-from-dubai-officials>



Deshbandhu Invests Tk. 800cr to Expand in Export Markets

Deshbandhu Group invested around Tk. 800 crore in the last one year despite the business uncertainty caused by the coronavirus pandemic as it looks to expand its footprint in the overseas markets.

At a time when many companies put a halt to their investment plans, Deshbandhu continued to invest in its food, beverage, packaging, garment, and other entities.

Of the Tk. 800 crore, around Tk. 200 crore was invested in its food and beverage concern. Export-oriented Deshbandhu Packaging received an investment of Tk. 230 crore, the sweaters and apparel concerns Tk. 250 crore, and other concerns around Tk. 120 crore.

Deshbandhu has an 11 per cent market share in the country's beverage industry, according to Mohammad Maruf Hossain, general manager of Deshbandhu Food and Beverage.

Source: <https://www.thedailystar.net/business/economy/industries/investments/news/deshbandhu-invests-tk-800cr-expand-export-markets-2223901>





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Sena Kalyan Insurance Posts Tk8.28 crore Profit in Jan-Sept

Sena Kalyan Insurance Company Ltd earned Tk8.28 crore in net profit in the January-September period of this year.

During the period, the company's earnings per share (EPS) stood at Tk3.45, which was Tk2.07 considering Pre-IPO paid-up shares.

In the July-September quarter, its net profit was Tk1.68 crore and EPS was Tk0.70.

Consequently, the pre-IPO net asset value per share is Tk23.64 as of 30 September 2021.

The company will make its debut on the Dhaka Stock Exchange and Chittagong Stock Exchange on 7 November. On 2 November, the Central Depository Bangladesh Limited (CDBL) credited the company's primary shares to investors' BO accounts.

The company has been oversubscribed by 35.28 times. It completed its subscription on 3-8 October. Around 4.66 lakh investors applied for company shares to the tune of Tk564.53 crore.

Source: <https://www.tbsnews.net/economy/stocks/sena-kalyan-insurance-posts-tk828-crore-profit-jan-sept-325486>



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BD Thai Profit Surpasses the Pre-Pandemic level

Bangladesh Thai Aluminium Limited, which took a blow last year, has surpassed the pre-pandemic level in terms of profit.

In fiscal 2020-21, the pioneer in the aluminium industry posted a 512% growth in profit to Tk16.03 crore compared to the previous fiscal year.

According to its financials, the revenue reached the pre-pandemic level in FY21 to Tk120.36 crore – a 58% jump from the previous year.

In fiscal 2018-2019, the revenue stood at Tk121.22 crore and profit at Tk6.97 crore.

Due to the pandemic, the revenue decreased to Tk76.24 crore and profit to Tk2.62 crore in FY20.

Despite an amazing growth amid the pandemic, the manufacturer of aluminium products will pay less dividend, compared to the previous year, to its shareholders for spending retained earnings on development work.

Source: <https://www.tbsnews.net/economy/stocks/bd-thai-profit-surpasses-pre-pandemic-level-326179>



Global: Business

Shortages Hit French, German Industrial Output

Industrial output fell in September in both France and Germany as delays in receiving materials hampered production, data released Friday showed.

In Germany, where manufacturing for export is the lynchpin of the economy, industrial production fell by 1.1 per cent in September from August, the national statistics agency Destatis said. That followed a 3.5 percent drop in August.

The September drop confounded some analysts who had been expecting a gain and on an annual basis output is now down 1.0 percent from last year, having been higher in previous months.

Industrial production was also 9.5 per cent below the pre-pandemic February 2020 level, in seasonally and calendar-adjusted terms.

Germany's auto industry has been particularly hard hit due to a shortage of semiconductors, with production way below pre-pandemic levels.



Source: <https://www.thedailystar.net/business/global-economy/news/shortages-hit-french-german-industrial-output-2223876>

Top Oil Producers Stick with Modest Output Boost despite Pressure

Major oil producers agreed on Thursday to continue modestly raising output despite pressure from the United States and other big consumer nations to open up the taps much more decisively amid soaring prices.

The 13 members of the Organization of Petroleum Exporting Countries and their 10 allies reconfirmed a July decision to gradually step up production each month in a brief meeting via videoconference.

The powerful producers led by Saudi Arabia and Russia in the so-called OPEC+ will add 4,00,000 barrels per day in December, they said.

The decision aimed 'to ensure a stable and a balanced oil market, the efficient and secure supply to consumers,' the group said in a statement.

The OPEC+ nations also pledged 'to continue to adopt a proactive and transparent approach which has provided stability to oil markets.'

OPEC+ slashed production steeply last year as the pandemic hit markets, but has eased output cuts this year as the global economy slowly recovers.

With prices for the benchmark WTI contract reaching \$85 last week, the highest since 2014, US president Joe Biden appealed on the sidelines of the G20 summit in Rome over the weekend to OPEC to pump more.

Source: <https://www.newagebd.net/article/153792/top-oil-producers-stick-with-modest-output-boost-despite-pressure>

Long-dated Euro Zone Yields up

Long-dated euro zone bond yields edged higher on Thursday with the market predicting that the Bank of England will be the first major central bank to hike rates since the onset of the Covid-19 crisis when it meets later in the day.

Following the US Federal Reserve announcement overnight that it would taper its bond purchases, money markets are predicting that the BoE will hike rates on Thursday as policymakers around the world grapple with runaway inflation.

"Spill-overs from the BoE decision should be in store today for Bunds with the market pricing a 15bp hike of the base rate to at today's meeting, followed by more aggressive tightening throughout 2022," analysts at Commerzbank said in a note, adding they too believe the meeting could deliver a 15 basis point hike.

German Bund yields, the benchmark for the single currency bloc, rose 1-3 basis points across the curve, with the long-dated 30-year yield rising 2.5 bps to 0.174 per cent at one stage.

Source: <https://www.thedailystar.net/business/global-economy/news/long-dated-euro-zone-yields-2222466>



US Economy Adds 531,000 Jobs in October: Govt

The US economy added 531,000 jobs last month and the unemployment rate dropped to 4.6 per cent, the government reported Friday, a better-than-expected result indicating hiring is resurging as Covid-19 infections decline.

A wide range of industries added jobs in October, including manufacturing, transportation and warehousing, and the hard-hit leisure and hospitality sector, though public education employment declined, the Labor Department said.

A spike in coronavirus infections fueled by the fast-spreading Delta variant held employment down in August and September, but the report brought welcome news: upward revisions to both months that indicated hiring was 235,000 higher than first reported.

"We got an unambiguously strong October jobs report -- big job gain, unemployment fell, hours worked increased and wage growth is strong," tweeted Mark Zandi of Moody's Analytics.

Source: <https://www.thedailystar.net/business/global-economy/news/us-economy-adds-531000-jobs-october-govt-2223871>



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