

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

February 08, 2022

Firms Recovered 60% of Business compared to Pre-pandemic Level: Sanem

Firms in Bangladesh have recovered about 60 per cent of their business compared to the pre-pandemic levels, found a survey.

The survey, conducted by the South Asian Network for Economic Model (Sanem), found that firms recovered 60.6 per cent of their business during the October-December quarter last year, up from 56.8 per cent in the previous quarter.

This was the seventh round of the survey that the Sanem carried out on 502 firms nationwide in January this year. The research organisation has been conducting the survey since July 2020 to track the situation of the economy and the sentiment of businesses during the pandemic.

The Present Business Status Index (PBSI) was 59.20 per cent in the October-December quarter from 56.79 per cent in the earlier quarter.

Source: <https://www.thedailystar.net/business/economy/news/firms-recovered-60-business-compared-pre-pandemic-level-sanem-2956391>



Team Group Targets \$1b Export by 2026 Ships Garments, Medicines



Team Group, a leading garment exporter, has targeted to export goods worth \$1 billion by 2026, when Bangladesh is scheduled to officially make the United Nations status graduation from a least developed to a developing country.

To put this into perspective, Bangladesh earned \$4.85 billion from merchandise exports in January with apparel shipments accounting for about 85 per cent of it.

Apart from manufacturing textile and clothing, the conglomerate has a garment buying house, a pharmaceutical company and real estate development firm.

Among the ventures, the garment buying house's exports last year stood at \$270 million, said Abdullah Hil Rakib, managing director of Team Group, during a conversation at his factory on Saturday.

Source: <https://www.thedailystar.net/business/economy/news/team-group-targets-1b-export-2026-ships-garments-medicines-2956976>

AIBL Gets Remittance Award

Al-Arafah Islami Bank Ltd has recently won a remittance award from the Centre for NRB, a non-profit organisation for non-resident Bangladeshis, as one of the top 10 banks through which the highest amount of remittance passed in 2021.

Md Shafiqur Rahman, deputy managing director, received the award from AK Abdul Momen, minister for foreign affairs, at Pan Pacific Sonargaon Dhaka, said a press release.

Presided over by MS Shekil Chowdhury, chairperson of the Centre for NRB, Mashiur Rahman, economic affairs adviser to the prime minister, Shamsul Alam, state minister for planning, SM Shafiuddin Ahmed, chief of army staff, Prof Emeritus ABM Abdullah and Shahidul Alam, additional secretary of the Ministry of Expatriates' Welfare and Overseas Employment, were present.

Source: <https://www.thedailystar.net/business/economy/banks/news/aibl-gets-remittance-award-2956921>



Accenture, Microsoft Expand Project Amplify to Support Start-ups in Bangladesh

Accenture and Microsoft in Bangladesh are supporting two start-ups, which focus on social impact and sustainability, by helping them to scale their emerging solutions and business models, said a press release.

The joint initiative, called Project Amplify is Asia Pacific-wide and accelerates the growth of 33 start-ups from across the region.

The initiative extends activities launched in South Asia in 2020 welcoming business ventures from Singapore, Australia, Japan, Sri Lanka, and more.

The initiative has a long-term goal of accelerating Asia's potential and improving millions of lives in the region and globally, by addressing diverse societal challenges.

Purpose-driven start-ups from Bangladesh participating in Project Amplify include Niramoy Health and Praava Health. Both start-ups demonstrated how their product, service, and operations address a significant social or environmental problem and have shown early signs of impact.

Source: <https://www.newagebd.net/article/162090/accenture-microsoft-expand-project-amplify-to-support-start-ups-in-bangladesh>





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DSE News

NCCBL Mutual Fund to Pay 12% Cash Dividend

NCCBL Mutual Fund-1, a closed-end fund listed on the Dhaka Stock Exchange (DSE), has declared a 12% annual cash dividend for its unitholders.

To receive the dividend for the 2021 financial year ending on 31 December, investors should hold the fund's units till 1 March.

The dividend decision came from the trustee meeting held on 7 February. It has proposed the double-digit dividend after three years.

LR Global Bangladesh Asset Management Ltd operates the fund, where Bangladesh General Insurance Company Limited acts as a trustee.

At the end of last year, NCCB Mutual Fund's net profit was Tk15 crore and earnings per unit of Tk1.40, which was 25% higher than the previous year.

Source: <https://www.tbsnews.net/economy/stocks/nccbl-mutual-fund-pay-12-cash-dividend-367786>



DSE Frames Guidelines for Brokers' back office Service Vendors

Software vendors will have to ensure uniform back-office services for stockbrokers as the Dhaka Stock Exchange (DSE) formulated guidelines for the back offices maintained by the brokers.

They will also have to get enlisted with the premiere bourse to ensure security of the investors' money and shares.

The guidelines will come into effect soon after getting the approval from the Bangladesh Securities and Exchange (BSEC).

The move came following an instruction of the securities regulator against the backdrop of embezzling investors' money and shares by some rogue traders.

The main objective of introducing the guidelines is to ensure unaltered reporting on the position of investors' money and shares maintained by the stock brokers.

The depository authority introduced the services against the backdrop of incidents of embezzling investors' shares and money by some rogue stock brokers.

Source: <https://thefinancialexpress.com.bd/stock/dse-frames-guidelines-for-brokers-back-office-service-vendors-1644289479>





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Global: Business

Airbus, Quebec Reach \$1.2b Investment Agreement

Europe's Airbus and Quebec on Friday said they have agreed to a \$1.2 billion investment deal that would allow the Canadian province to remain in the loss-making A220 jet program until the venture is likely to turn profitable.

Airbus would invest \$900 million, while Quebec would put \$300 million into the program, according to a statement from the province's government.

The investment would help the A220 program globally to support an increase in production, Benoit Schultz, chief executive of Airbus' Canadian unit, told a press briefing. The A220 is built both at an Airbus plant in the Montreal area and at the Mobile facility in Alabama.

The A220, previously known as the CSeries, is a 110- to 130-seater aircraft, a little smaller than Airbus's mainstay A320 jet. Reuters reported on the deal earlier, citing sources.

Source: <https://www.thedailystar.net/business/global-economy/news/airbus-quebec-reach-12b-investment-agreement-2956901>



Meta Says It will Pay New \$2m UK fine

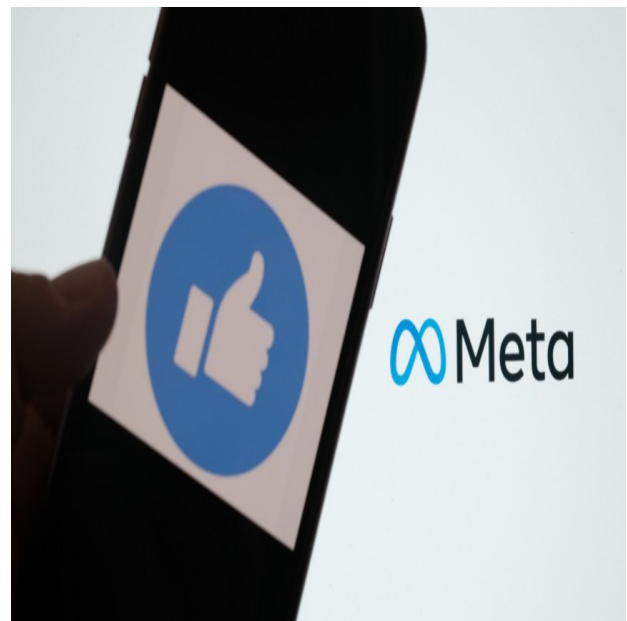
Britain's competition regulator said on Friday it had fined Facebook-owner Meta 1.5 million pounds (\$2 million) over fresh issues regarding its purchase of Giphy, a sanction that the US firm said it would accept.

Britain's Competition and Markets Authority (CMA) has taken a tough line with major tech groups in recent years, investigating their dominance of markets such as digital advertising and seeking to block the Facebook-Giphy deal.

CMA ordered Meta to sell animated images platform Giphy, which it acquired for \$400 million in May 2020, after it decided the remedies offered by the US company did not answer its concerns over the impact to digital advertising.

It said on Friday that Meta had failed to comply with certain aspects of its requirements.

Source: <https://www.thedailystar.net/business/global-economy/europe/news/meta-says-it-will-pay-new-2m-uk-fine-2956931>



China's Auto Exports Double in 2021

China's automobile exports doubled year on year to nearly 2.02 million units in 2021, latest data from the China Association of Automobile Manufacturers showed.

Last year the country's total exports for the year exceeded 2 million units for the first time, according to the association.

New energy vehicle exports reported a threefold increase year on year by reaching 310,000 units, the data showed.

Of the total, exports of passenger cars stood at 1.61 million units, up 1.1 times from the previous year, and exports of commercial vehicles surged 70.7 per cent to 402,000 units.

In December alone, the country's auto manufacturers exported 223,000 cars, up 11.4 per cent from the previous month and up 54 per cent year on year, the data showed.

China's exports of new energy vehicles will grow fast in coming years as they are on track to gain popularity in major car markets, said the Ministry of Commerce.



Source: <https://www.thedailystar.net/business/global-economy/news/chinas-auto-exports-double-2021-2956016>

Europe's Carbon Price nears 100- euro Milestone

The price of permits in the European Union's carbon market closed at a record high above 96 euros on Friday, with analysts expecting the symbolic 100 euro level could soon be breached.

Known as the EU emissions trading system (ETS), Europe's carbon market compels factories, power plants and airlines to pay for each tonne of CO₂ they emit - the higher the permit price, the greater the cost of producing planet-warming emissions, although some receive free permits to help them stay cost competitive in global markets.

The carbon price has risen more than 200 per cent since the start of 2021, due to factors including soaring gas prices that have also prompted some power generators to switch to coal, resulting in higher emissions and demand for permits.

The benchmark EU carbon permit contract traded as high as 97.50 euros per tonne on Friday before ending the day at 96.43 euros, the highest close since the carbon market launched in 2005.

Source: <https://www.thedailystar.net/business/global-economy/europe/news/europes-carbon-price-nears-100-euro-milestone-2956076>



Disclaimer

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Alliance Capital Asset Management Ltd.

Contact Us

Address:

Sima Blossom (10th floor)
Comprehensive Holdings
Plot # 390 (Old) 03 (New)
Road # 27 (Old) 16 (New)
Dhanmondi C/A,
Dhaka-1209.

Office: +880 2 9121360 Fax
: +880 2 9120971

Developed By:

Mehnaz Tabassum Khaleel
sarah@acaml.com

Visit us on the web at:
www.acaml.com