

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

April 17, 2022

Ctg Custom House Sees 21.98% Revenue Growth

Chattogram Custom House, the largest customs station in the country, has achieved a significant boost in revenue collection in the first nine months of the current fiscal year owing to an increase in production and import.

From July to March of the current fiscal year 2021-22, Chattogram Custom House saw 21.98% revenue growth which was Tk42,730.82 crore – about Tk5459 less than the target.

According to Chattogram Custom authorities, the revenue collection is expected to reach nearly Tk60,000 crore compared to Tk51,576.96 crore last fiscal.

In the last fiscal year 2020-21, the revenue collection in the first nine months was Tk35,031.65 crore, which was nearly Tk12,000 crore less than the target.

A review of the revenue collection data of Chattogram Custom House shows that the highest revenue collection of the current fiscal was in March when Tk5,296.69 crore was collected.

Source: <https://www.tbsnews.net/nbr/ctg-custom-house-sees-2198-revenue-growth-404326>



Saif Powertec, Safeen Feeders to Run Shipping Service from Abroad



SaifPowertec Limited, a listed firm active in ports, logistics, civil engineering, and power sectors, has signed a long-term trade facilitation and shipping agreement with Safeen Feeders, a concern of UAE-based AD Ports Group.

With this agreement, SaifPowertec Ltd becomes the first Bangladeshi company to operate in the shipping and logistics sector abroad.

Under the terms of the agreement, the two companies will work closely to facilitate trade and cargo services from UAE's Fujairah Port to Bangladeshi ports over a period of 15 years.

As part of the collaboration, Safeen Feeders is expected to provide eight Supramax bulk carriers with 55,000 Deadweight Tonnage (DWT) capacity to SaifPowertec, AD Ports Group said in their announcement.

Source: <https://www.tbsnews.net/dropped/trade/saif-powertec-safeen-feeders-run-shipping-service-abroad-404314>

VAT on BTCL Profit Sharing Pay to Foreign Cos Waived

The National Board of Revenue has exempted the foreign companies listed under the Bangladesh Telecommunications Company Limited from paying value-added tax on profit sharing payments by the BTCL to avoid double taxation on consumers.

According to the sub-section (3) of section 126 of the Value Added Tax and Supplementary Duty Act, 2012, a number of listed foreign companies under the BTCL would enjoy the VAT exemption on service charges which are paid in foreign currencies, with retrospective effect from July 1, 2019, said the official order.

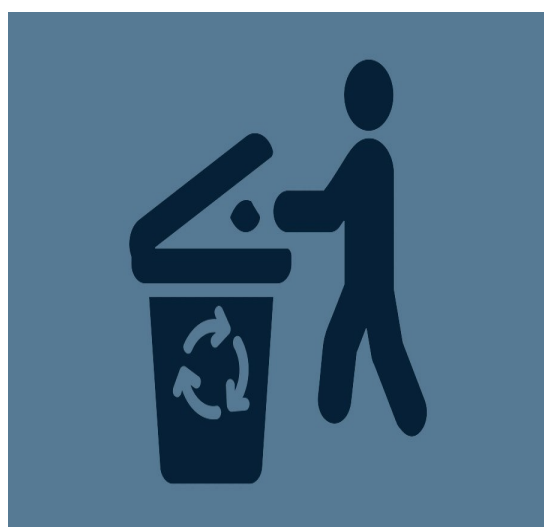
The BTCL brings different services, including internet bandwidth, Google and Facebook peering, Inmarsat, and international outgoing telephone call service, for consumers from foreign companies.

The entity deducts VAT at a reduced rate from the consumers while providing the imported services, and deposits it to the public exchequer.

Source: <https://www.newagebd.net/article/168164/vat-on-btcl-profit-sharing-pay-to-foreign-cos-waived>



FBCCI Urges Canadian Companies to Invest in Bangladesh's Waste Management



FBCCI President Md Jashim Uddin has urged Canadian companies to invest in waste management and waste-to-power generation in Bangladesh as the country has a number of reputed companies in this field.

He made the request on Tuesday night while speaking at a virtual meeting of Canada- Bangladesh joint working group on strengthening commercial relations, reports UNB.

FBCCI president is the Bangladeshi side co-chair of the joint working committee, said the report citing a press release.

Nuzhat Tam Zaman, the Canadian side Co-chair of the Canada-Bangladesh joint working group on strengthening commercial relations, said that Bangladesh has the opportunity to capture the Canadian Outsourcing market.

She said that most Canadian companies are used to hiring freelancers from India, Russia, and Ukraine for web development, social media management, digital content production, and other ITES.

Source: <https://thefinancialexpress.com.bd/economy/fbcci-urges-canadian-companies-to-invest-in-bangladeshs-waste-management-1649849814>

Takaful Islami Insurance Declares 11% Cash Dividend for 2021

Takaful Islami Insurance Limited has recommended an 11% cash dividend for its shareholders for 2021.

The dividend was declared at the company's board meeting on Tuesday evening.

The principal objects of the company are to provide a wide range of indemnity and insurance guarantees other than the life insurance business.

For 2021, the net profit of the company was Tk9.58 crore, which was Tk7.03 crore the previous year.

Its earnings per share were Tk2.25 and its net asset value was Tk19.15 as of 31 December 2021. The price to earnings ratio based on the latest unaudited financial statements of the company stood at 28.34 points.

As of 31 March 2022, sponsors and directors jointly held 50.34%, institutions 14.87%, foreign investors 0.07%, and the general public, 34.72% shares of the company. The last share trading price of the company on the Dhaka Stock Exchange was Tk65 per share on Wednesday.

Source: <https://www.tbsnews.net/economy/stocks/takaful-islami-insurance-declares-11-cash-dividend-2021-402782>



Stocks Back from Two Days of Losing Streak

Indices of both the country's stock exchanges are back to the green zone on Wednesday after two days of free falls due to concerns over the prevailing macroeconomic scenarios led by global price volatilities.

But the stock markets are still facing liquidity shortage as most investors are reluctant to further invest due to high inflation in the commodities market and fixation of a lower circuit breaker limit at 2%, said a top official of a leading brokerage firm.

He further said due to the lower circuit breaker, the Dhaka Stock Exchange (DSE) witnessed no buyers for more than 60 companies' shares.

At the end of Wednesday's session, the DSEX edged up 10 points to reach 6,584, whereas the blue-chip index DS30 increased 8 points to 2,440. Out of the 380 issues traded at the DSE, 130 advanced, 185 declined, and 65 remained unchanged.

Source: <https://www.tbsnews.net/economy/stocks/stocks-back-two-days-losing-streak-402778>



Global: Business

IMF Hopes to Mobilise \$45b for New Trust

The International Monetary Fund hopes to mobilise around \$45 billion for a new trust to help a broader range of countries, including some middle-income economies, deal with climate change and other longer-term challenges, a paper prepared by IMF staff and reviewed by Reuters shows.

The IMF's executive board is expected on Wednesday to approve plans for the new Resilience and Sustainability Trust (RST) that were hammered out by IMF staff after the Group of 20 major economies backed creation of the instrument in October.

Nearly three-quarters of the IMF's 190 members would be eligible to borrow from the new trust, the global lender's first facility set up expressly to help countries manage balance of payments risks posed by longer-term challenges, the paper said.

"Today, even as IMF member countries confront the immediate challenges of rising inflation, constrained fiscal space and pandemic recovery heightened by risks associated with the war in Ukraine they are also calling on the Fund to help respond to longer-term challenges such as climate change and pandemic preparedness," the paper said.

Source: <https://www.thedailystar.net/business/global-economy/america/news/imf-hopes-mobilise-45b-new-trust-3004551>



Nepal to Miss Economic Growth Target

Nepal will fall short of its growth target, a top government official said on Thursday, underscoring the troubled state of an economy grappling with a pandemic-induced loss of tourism, a widening trade deficit and soaring commodity prices.

This month, the Himalayan nation of 29 million people imposed curbs on imports of luxury goods in a bid to rein in outflows of its dwindling foreign exchange reserves and suspended its central bank governor, stoking concerns about a potential economic crisis, reports Reuters.

Nepal's GDP target of 7.0 per cent growth for the financial year to mid-July will be missed and growth could be "limited to only 4.0 per cent," a senior government official with the direct knowledge of the matter told Reuters.

Sky-high prices for crude oil, coal and edible oils in the wake of Russia's invasion of Ukraine have battered Nepal's economy which had been gradually recovering from large losses of tourist dollars during the pandemic.



Source: <https://thefinancialexpress.com.bd/economy/nepal-to-miss-economic-growth-target-1649934523>

Honda to Invest \$40b in EV Tech over Next Decade

Japanese automaker Honda said Tuesday it will invest nearly \$40billion into electric vehicle technology over the next decade as it works towards switching all sales away from traditional fuel cars.

Global auto giants are increasingly prioritising electric and hybrid vehicles, with demand growing for less polluting models as concern about climate change grows.

Honda said in a statement that it plans to launch 30 EV models by 2030, with an annual production volume of more than two million units.

The company said it would allocate around five trillion yen (\$39.9 billion) over the next 10 years "in the area of electrification and software technologies to further accelerate its electrification".

The investment is the latest step in its push to have electric and fuel cell vehicles account for 100 percent of all sales by 2040, a target announced a year ago.

Source: <https://www.tbsnews.net/world/global-economy/honda-invest-40b-ev-tech-over-next-decade-401742>



Meta Tests Sale of Virtual Goods in Metaverse

Meta, the parent company of Facebook and Instagram, will give content creators the opportunity to sell virtual items to users in Horizon Worlds, its main platform in the metaverse, the company said Monday.

"For example, someone could make and sell attachable accessories for a fashion world or offer paid access to a new part of a world," the Californian tech group said in a press release.

The metaverse, touted by Meta and other companies as the future of the internet, consists of a set of parallel "universes" accessed primarily through augmented and virtual reality platforms. It already exists in a basic way in the form of video games such as Minecraft, Fortnite and Roblox and social platforms such as Horizon Worlds, and VRChat, where people come together not only to play, but also to interact and participate in events.

Meta, whose income is overwhelmingly dependent on large-scale targeted advertising, has made it its mission to make a major contribution to the emergence of the metaverse, and is staking out its place in the next battle for the public's attention.

Source: <https://www.tbsnews.net/world/global-economy/meta-tests-sale-virtual-goods-metaverse-401738>



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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