

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

November 18, 2021

Bogura Chilli Production Set to Exceed Target

Amir Hossain, a chilli farmer of Bogura's major chilli farming tract Sariakandi upazila, has been cultivating on three bighas land for the last seven years and he plans on continuing it as he is making good profits, also true for other chilli farmers in the area.

Amir, who farms at a char area, known as Nijbalail in Haatsher-pur union, said that chilli farming on char lands has its perks.

Bogura, known for producing quality red chillies, has recorded an estimated over Tk300 crore worth of chillies' production for a second fiscal (2020-21) in a row. Of the estimated sup Sariakandi upazila alone accounted for over Tk113 crore while the remaining bulk of the capsicum family spice was farmed in 11 upazilas of the district.

Department of Agricultural Extension, Bogura officials said chilli was cultivated on 6,980 hectares of land against the target of 7,615 hectares. In the district. A total of 17,799 tonnes of chilli were harvested, the market value of which is estimated over Tk222 crore 48 lakh.

Source: <https://www.tbsnews.net/dropped/trade/bogura-chilli-production-set-exceed-target-331219>



Vietnamese Envoy for more Export from Bangladesh to Reduce Trade Gap

Ambassador of Vietnam to Bangladesh Pham Viet Chien has said that they want Bangladesh to export more to Vietnam for reducing the existing trade gap.

The Ambassador said this when a seven-member delegation, led by him, visited the Dhaka Chamber of Commerce and Industry (DCCI) and participated in an interactive business meeting on Wednesday at the DCCI auditorium.

Chien said several Vietnamese companies are still in operation in Bangladesh and they are doing well, reports BSS.

He said the bilateral trade between Vietnam and Bangladesh would boost manifold, but for that Bangladesh needs to develop in the logistic sector like improved port facilities having easy loading and unloading processes.

Source: <https://thefinancialexpress.com.bd/economy/vietnamese-envoy-for-more-export-from-bangladesh-to-reduce-trade-gap-1637149758>



Despite Fall in Int'l Market, Ctg Sugar Market still Un- changed

The country's biggest wholesale hub Khatunganj of Chattogram is selling sugar, one of the most consumed commodities, at Tk2,660 per maund (around 40 kilograms).

The price remained unchanged for a long time despite a downward trend in international markets in recent times. The global market saw a fall of \$13 or Tk1,170 per tonne of sugar, to \$513 on 16 November.

Market analysts say importers and traders hike the prices immediately after an increase in the global market, but they do not cut prices with the news of global fall.

With freight charge and duties, a maund of sugar was imported at Tk1,804 before 12 November, which is now selling at Tk2,660 in the wholesale market – Tk856 profit in each maund.

"The price of sugar has been on the rise for the last 7-8 months and hit its highest of Tk2,850 per maund," said Ismail Hossain, a trader at the market.

Meanwhile, to keep the price at an affordable level, the National Board of Revenue cut the regulatory duties by 10% to 20%.

Source: <https://www.tbsnews.net/economy/bazaar/despite-fall-intl-market-ctg-sugar-market-still-unchanged-331192>



Processed Food Market Worth \$5.8b by 2030: FICCI

With the huge potential of Foreign Direct Investment (FDI) and the repeated private sector interventions in the country's agribusiness, the local processed food market will be worth \$5.8 billion by 2030, said a report by the Foreign Investors Chamber of Commerce and Industry (FICCI) on Wednesday.

The report titled "Growth Drivers of Bangladesh: Accelerating Investment Opportunities in Agribusiness, Digital Economy, and Green Finance", in association with the Policy Exchange of Bangladesh, was unveiled at a consultation meeting in Dhaka with stakeholders.

In addition, 34 million people are going to be in the middle and affluent class by 2025, which will also accelerate the expansion of the processed food market. The changing pattern of lifestyle is increasing the trend day by day, the report added.

Source: <https://www.tbsnews.net/economy/industry/processed-food-market-worth-58b-2030-ficci-331177>



Stocks Continue Rising

The stock market rose for the third consecutive day today.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), rose 4 points or 0.05 per cent to 7,060.

At the DSE, 152 companies' stock prices increased, 177 fell and 37 remained unchanged.

Express Insurance topped the gainers' list that rose 9.90 per cent followed by Sena Kalyan Insurance, Index Agro Industries, Acme Pesticides and Janata Insurance.

Stocks of IFIC Bank traded mostly that worth Tk 120 crore followed by Beximco Ltd, Delta Life Insurance, Orion Pharmaceuticals and NRB Commercial Bank.

IFIL Islamic Mutual Fund-1 experienced the highest fall of 5.97 per cent, followed by Generation Next, Agni Systems, Anlima Yearn, and Brac Bank.

The Chittagong Stock Exchange also rose today. The CASPI, the main index of the port city bourse, up 3 points, or 0.01 per cent, to 20,642.

Source: <https://www.thedailystar.net/business/news/stocks-continue-rising-2232206>



Union Insurance Subscription to Open on 15 Dec

The subscription of the initial public offering (IPO) of Union Insurance will be opened on 15 December and continue until 22 December 2021.

Earlier, the Bangladesh Securities and Exchange Commission (BSEC) allowed the company to raise Tk19.36 crore IPO by issuing 1.93 crore ordinary shares.

The insurer will offer the shares to the public at a face value of Tk10 each, and invest the fund in fixed deposit receipts (FDR) and the capital market. It will use a part of the fund to purchase a floor space.

Union Insurance provides insurance coverage in areas of property damage by fire incidents, marine cargos, motors, liabilities, and engineering projects.

The insurer had earlier applied to the commission but failed to comply with the securities rules.

Later that year, BSEC exempted insurance companies from the securities rule to enable them to get listed on the stock market under the fixed price method.

Source: <https://www.tbsnews.net/economy/stocks/union-insurance-subscription-open-15-dec-331156>



UK Inflation Leaps to 10-Year High

British inflation surged to a 10-year high last month as household energy bills rocketed, according to data on Wednesday that will bolster expectations that the Bank of England will raise interest rates next month.

Consumer prices rose by 4.2 per cent in annual terms in October, leaping from a 3.1 per cent increase in September. Both the BoE and a Reuters poll of economists - none of whom had predicted such a big increase - had pointed to a reading of 3.9 per cent.

"Today's inflation data will reinforce the Bank of England's resolve to act," Yael Selfin, chief economist at KPMG UK, said.

The pound climbed to a one-week high versus the US dollar and a 21-month high against the euro after the data. Finance minister Rishi Sunak said rising inflation was not just a British problem and the government was taking action to offset the hit to spending power, even as it scales back most of its coronavirus emergency support.

Source: <https://www.thedailystar.net/business/global-economy/europe/news/uk-inflation-leaps-10-year-high-2232731>



Walmart Raises Sales Forecast as Demand Picks up

Walmart Inc on Tuesday raised its annual sales and profit forecast in anticipation of a surge in demand for toys and apparel during the crucial holiday season, even as global supply chain disruptions hit its margins in the third quarter.

Major retailers including Amazon.com have been struggling to bring products into the United States ahead of the peak shopping season due to shipping logjams, shuttered factories in parts of Asia and a scarcity of raw materials in recent months.

However, Walmart kept prices low to draw shoppers to its stores, and limited disruption from supply chain shortages by chartering its own vessels to ship goods, ordering products into the United States well ahead of time and re-routing deliveries to less crowded ports.

This helped Walmart increase US inventory by 11.5 per cent ahead of the busy festive season, with executives saying the measures taken to tackle port delays have positioned Walmart well for the holidays.

With more than 5,000 US stores, the discounter's size and leverage with consumer product companies allow it to sell goods at lower prices, a key advantage when US inflation is at a 30-year high.

Walmart's forecast comes weeks after rival ecommerce giant Amazon reported an underwhelming fourth-quarter outlook and warned of higher costs during the holiday period.

The Bentonville, Arkansas-based company also said it expects full-year US same-store sales to be more than 6 per cent higher versus its prior forecast of a 5 per cent to 6 per cent rise.

Source: <https://www.thedailystar.net/business/global-economy/america/news/walmart-raises-sales-forecast-demand-picks-2232651>

Amazon to End Visa Credit Card Payments in UK over High Fees

Online retail giant Amazon on Wednesday said that it planned to stop accepting payments in the UK made with Visa credit cards, blaming the move on high fees.

'These costs should be going down over time with technological advancements, but instead they continue to stay high or even rise,' Amazon said in a statement.

Amazon's UK online site will no longer accept the cards as of January 19.

Customers can continue to use Visa debit cards, Amazon said.

'With the rapidly changing payments landscape around the world, we will continue innovating on behalf of customers to add and promote faster, cheaper, and more inclusive payment options to our stores across the globe,' Amazon added.

Visa hit out at the move, with a spokeswoman saying the card payments giant was 'very disappointed that Amazon is threatening to restrict consumer choice'.

'When consumer choice is limited, nobody wins. We have a long-standing relationship with Amazon and we continue to work toward a resolution,' she added in a statement.

Source: <https://www.newagebd.net/article/154933/amazon-to-end-visa-credit-card-payments-in-uk-over-high-fees>



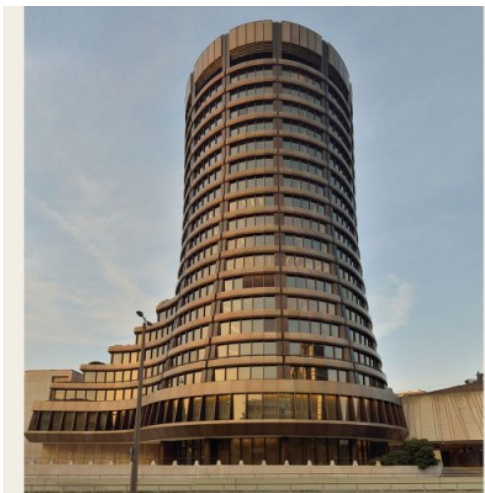
Top Banking Regulator Urges Climate Rules for Lenders

The top international banking supervisory authority on Tuesday said lenders should account for climate risks when managing their business, suggesting a list of 18 "principles" to guide banks and national supervisors.

Banks should "consider the potential impacts of climate-related risk drivers on their individual business models and assess the financial materiality of these risks," the Basel Committee on Banking Supervision said in a consultation document.

Climate-related responsibilities should be clearly assigned to individual board members or committees and "throughout the organisational structure" of financial firms, the BIS adds, as well as urging them to collect data to inform their decisions.

Source: <https://www.thedailystar.net/business/global-economy/news/top-banking-regulator-urges-climate-rules-lenders-2232721>



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