

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

March 22, 2022

FBCCI for Mandatory TIN Submission for Taking Govt Services

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) is expected to propose making it compulsory for people to submit their tax identification number (TIN) and tax payment documents for taking various government services.

The apex trade body will make this recommendation to the government in a bid to expand the country's tax base and bring everyone under the tax net.

The FBCCI may submit its proposals at the consultative committee meeting of the National Board of Revenue (NBR) today. The trade body will also propose allowing entrepreneurs to avail tax registration instead of a trade licence from the local government.

It may also recommend taking steps to raise contribution of the direct tax ratio in tax revenue.

Source: <https://www.thedailystar.net/business/economy/news/fbcci-mandatory-tin-submission-taking-govt-services-2987881>



Airbus Eyes to Enter Bangladesh Market

Eyeing to extend its business to Bangladesh, Airbus, a European multinational aircraft manufacturer, organised an exhibition of its aircraft at the Hazrat Shahjalal International airport on Sunday.

At the event, the company showcased its new generation Airbus A350, to media personnel and top government officials.

The aircraft, powered by Rolls-Royce Trent XWB 97K engine, meets the latest CO2 emissions standard, adopted by the International Civil Aviation Organisation, which will come into effect after 2027, said Airbus officials.

At a press conference organised after the exhibition at the VVIP terminal of the Dhaka airport, Airbus India & South Asia President Rémi Maillard said, "Bangladesh is one of the fastest-growing aviation markets in the world. The passenger fleet and cargo traffic from/to Bangladesh is expected to grow three times more by 2040."

Source: <https://www.tbsnews.net/economy/aviation/airbus-eyes-enter-bangladesh-market-388214>



BA Proposes Tk10,000cr Fund for Strengthening Capital Market

The Bangladesh Merchant Bankers Association (BMBA) has sent a proposal to the Bangladesh Securities and Exchange Commission (BSEC) for setting up a special fund of Tk10,000 crore for intermediaries of the stock market.

According to the proposal, the merchants' body can raise funds in the name of the Capital Market Stabilisation Fund (CMSF) through the issuance of bonds.

The proposal, signed by BMBA President Sayadur Rahman and Secretary Riyad Matin, was sent to the BSEC chairman on Monday.

According to BMBA leaders, the funds, raised through bonds issued in the name of CMSF, could provide long-term loans to market intermediaries at low-interest rates. Special credit facilities will increase the capacity of the intermediaries. So that they can deal with the pressure of panic selloffs by ordinary investors.

Source: <https://www.tbsnews.net/economy/stocks/bmba-proposes-tk10000cr-fund-strengthening-capital-market-388762>



**Bangladesh Merchant
Bankers Association**

BD Thai Food to Change its IPO Fund Utilisation Plan

BD Thai Food and Beverage Limited — a newly listed firm on the stock exchanges — decided to change the utilisation plan of its initial public offering (IPO) fund.

According to the company's prospectus, it initially allotted Tk2.85 crore for a tunnel oven. But now, it will use the amount for rotary oven and packing machines, mould parts, and other different machinery.

In a disclosure on Sunday at the Dhaka Stock Exchange (DSE) website, the company stated that to finalise its new IPO utilisation plan, it has fixed an extraordinary general meeting (EGM) on 9 May through a digital platform.

Also, it mentioned the new allocation of the Tk2.85 crore in the disclosure. It said it has allotted Tk84.57 lakh for importing a rotary oven and packing machine from China, Tk18.58 lakh for importing another rotary oven from India, Tk60.37 lakh for importing three sets of mould parts from China.

Source: <https://www.tbsnews.net/economy/stocks/bd-thai-food-change-its-ipo-fund-utilisation-plan-388210>



51 Shares Allotted in JMI IPO

General investors have received 51 shares each of the Initial Public Offering (IPO) of JMI Hospital Requisite Manufacturing Limited, one of the leading medical equipment manufacturers in the country.

The allotment was given against a subscription fee worth Tk10,000.

A press release issued by the company said 51 shares were allocated on a "pro-rata" or "in proportion" basis while 58 shares were allocated for non-resident Bangladeshi investors at the Dhaka Stock Exchange (DSE) headquarters at the capital's Nikunja.

DSE Managing Director and CEO Tarique Amin Bhuiyan and JMI Hospital Requisite Manufacturing Limited Chairman Md Abdur Razzaq were present on the occasion.

Against JMI IPO worth Tk75 crore, applications worth over Tk649 crore were submitted, which is 8.65 times higher than the investment required.

Source: <https://www.tbsnews.net/economy/stocks/51-shares-allotted-jmi-ipo-388206>



Stocks Edge Lower after a Bumpy Ride

Stocks ended marginally lower on Monday, after the previous day's sharp fall, as the investors remained cautious amid the ongoing Russia-Ukraine conflict.

DSEX, the core index of the Dhaka Stock Exchange, went down by 6.26 points or 0.09 per cent to settle at 6,691, after losing over 67 points in the previous day.

Two other indices, however, edged higher with the DSE 30 Index, comprising blue chips, gaining 1.30 points to finish at 2,436 and the DSE Shariah Index (DSES) saw a fractional loss of 0.21 points to close at 1,441.

Turnover, the crucial indicator of the market, stood at Tk 6.34 billion, which was 2.92 per cent higher than the previous day's 11-month lowest turnover of Tk 6.16 billion.

Market analysts said investors remained worried about the possible adverse impact of the Russia-Ukraine war on the country's economy while some were reluctant to make fresh investments in stocks ahead of the holy Ramadan.

Source: <https://thefinancialexpress.com.bd/stock/stocks-edge-lower-after-a-bumpy-ride-1647857756>



Global: Business

German Producer Prices Jump by Record 25.9pc

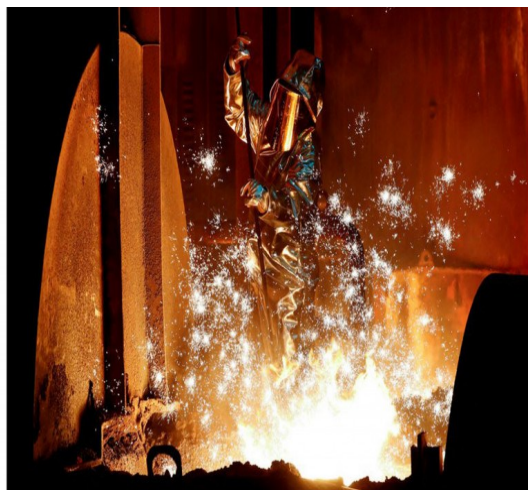
German producer prices maintained their record-breaking rise in February, increasing 25.9 per cent year on year mainly because of energy prices, Federal Statistics Office data showed on Monday.

The jump in factory gate costs, considered a leading indicator for consumer prices, was the biggest since 1949, the statistics office said.

The February figures continued a stretch of record increases since the office began compiling numbers, topping December and January's figures of 24.2 per cent and 25 per cent respectively.

The average expectation among analysts polled by Reuters was for an annual increase of 26.2 per cent.

Source: <https://www.thedailystar.net/business/global-economy/news/german-producer-prices-jump-record-259pc-2987591>



China Keeps Lending Benchmark Unchanged

China kept its benchmark interest rate for corporate and household lending unchanged on Monday, as expected, although analysts say the case for monetary stimulus is building amid mounting external risks to an already slowing economy.

The one-year loan prime rate (LPR) was held at 3.70 per cent while the five-year LPR remained at 4.60 per cent.

Just over half the traders and analysts surveyed in a snap Reuters poll last week expected China to keep both rates unchanged. [read more](#)

The pricing of the LPR is loosely pegged to the People's Bank of China (PBOC) medium-term lending facility (MLF) rate, which the central bank kept unchanged last week, dashing expectations for a cut.

The LPR is set monthly by 18 banks, who submit quotations of their lending rates by adding a premium over the MLF rate.

Markets now widely expect policymakers to resume monetary easing soon to revive an economy hit by a domestic Covid-19 resurgence, weaker credit growth and a faltering property sector, while increasing global risks from the Ukraine conflict also add pressure.

Source: <https://www.thedailystar.net/business/global-economy/news/china-keeps-lending-benchmark-unchanged-2987866>



Thailand's Economy Rebounds in Q4

Thailand's economy rebounded in the fourth quarter of last year on the back of rising exports and the easing of coronavirus restrictions that allowed tourists to return, senior officials said Monday.

The 1.9 per cent on-year expansion was more than double what was forecast and marked a strong bounce after a 0.2 per cent contraction in the previous three months.

For the whole year the economy grew 1.6 per cent, according to the National Economic and Social Development Council, and also beat expectations.

South East Asia's second largest economy was hit with a 6.1 per cent contraction in 2020 -- its worst economic performance since the 1997 Asian Economic Crisis.

The NESDC said it saw growth of 3.5-4.5 per cent this year as tourism picks up and government spending kicks in.

Source: <https://www.thedailystar.net/business/global-economy/news/thailands-economy-rebounds-q4-2967516>



Gold Bid, Stocks Dumped further

Russia's invasion of Ukraine saw investors scrambling for the safety of gold and the protection of inflation hedges as weeks of brinkmanship came to a head on Thursday.

While market participants had been bracing for some form of aggression on Russia's part, Thursday's attack that brought explosions even in the Ukrainian capital of Kyiv, and across the country, made the war real for market participants.

Trader playbooks seemed to change from one that was built around the possibility of a diplomatic resolution to the crisis, to what had at one point been a tail-risk, or extreme, scenario.

"It looks pretty clear that they are moving toward Kyiv, which was always one of the worst case scenarios, because we now have a long night ahead of us trying to understand how bad this gets, and what sanctions get put up," said Chris Weston, head of research at brokerage Pepperstone in Melbourne.

Source: <https://www.thedailystar.net/business/global-economy/news/gold-bid-stocks-dumped-further-2970031>



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