

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

October 05, 2021

Exports Single-Month Highest in September

Riding on the largest shipments made of apparel goods, Bangladesh recorded its highest ever single-month export earnings of \$4.16 billion in September.

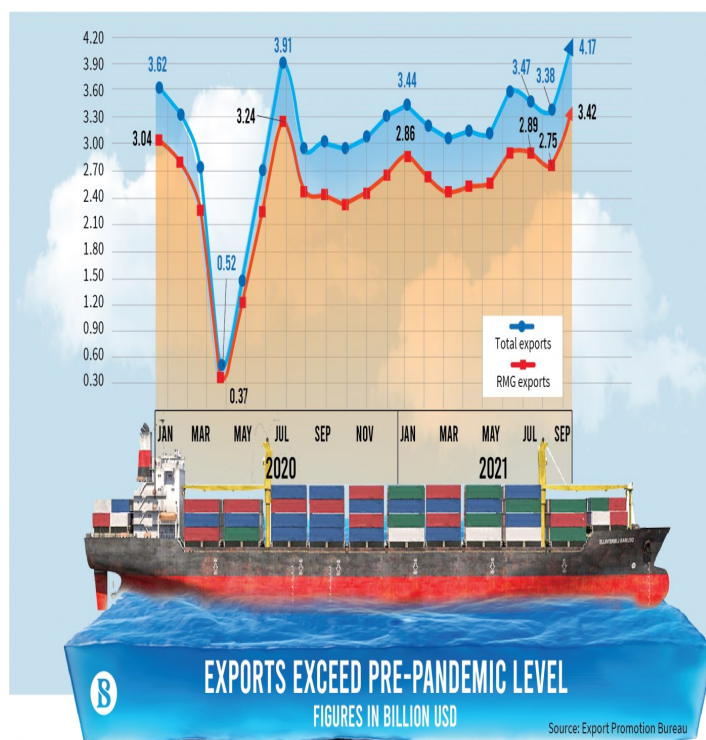
The earnings were 37.99% higher than the \$3.01 billion registered in September of last year, according to provisional data of the Export Promotion Bureau (EPB) released yesterday.

"As economies began to open up, retailers needed goods in bulk to meet consumer demand. As people could not leave their homes for around two years, once the restrictions were lifted, they began to buy more," said Dr Khondaker Golam Moazzem, research director at the Centre for Policy Dialogue.

Bangladesh earned \$11.02 billion from exports in the first quarter of this fiscal year, which is 11.37% higher than the same period last fiscal year when it earned \$9.89 billion.

The quarterly earnings were also 5.65% higher than the target of \$10.43 billion, according to the EPB.

Source: <https://www.tbsnews.net/economy/export-sees-38-growth-september-311209>



ADB Extends \$1.78b for Dhaka-Sylhet Corridor

The Asian Development Bank is providing \$1.78 billion in loans to Bangladesh under the multi-finance financing facilities, making it the highest proposed financing from the Manila-based lender against any single project.

The "South Asia Sub-regional Economic Cooperation Dhaka-Sylhet Corridor Road Investment Project" will be implemented under a framework financing agreement (FFA), the finance ministry said in a statement yesterday.

Under this FFA, a loan of \$400 million for tranche-1 was approved on September 8 this year, according to the statement.

The main objective of the project is to improve the sub-regional transport and trade through upgrading the 209.33 kilometres of corridor to a four-lane standard with the feature of the slow-moving vehicular traffic lane.

Source: <https://www.thedailystar.net/business/economy/news/adb-extends-178b-dhaka-sylhet-corridor-2190896>



Tax Receipts Rise as Economy Recovers

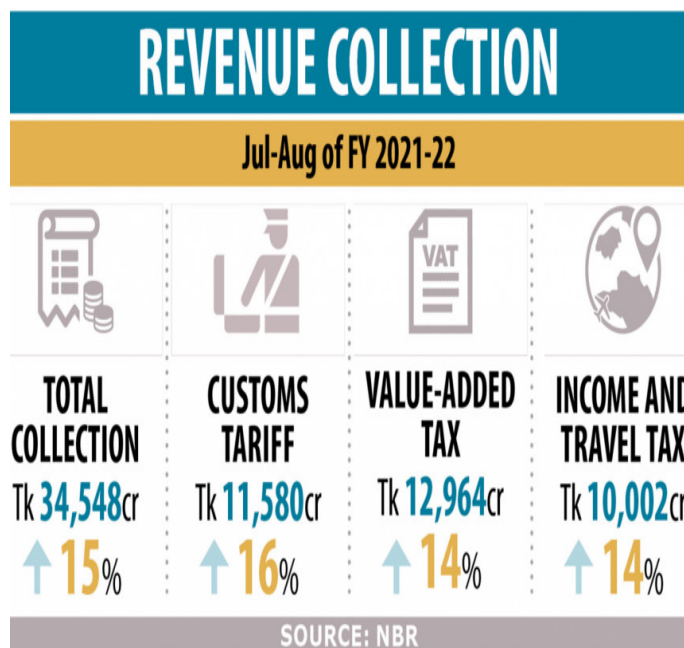
Revenue collection soared nearly 15 per cent to Tk. 34,548 crore in the July-August period of the current fiscal year from Tk. 30,160 crore, powered by a recovery in economic and business activities since lifting of the countrywide lockdown early August.

Surging imports extended support to revenue collection growth through overseas trade, according to provisional data from the National Board of Revenue (NBR).

The lifting of the bar along with vaccinations unleashed business activities, enabling the VAT authority to log a 14 per cent increase in indirect tax to Tk. 12,964 crore in the July-August period of the current fiscal year from Tk. 11,350 crore a year ago.

Tariff collection from customs soared 16 per cent year-on-year to Tk. 11,580 crore in the first two months of the current fiscal year from Tk. 10,008 crore in the previous fiscal 2020-21 as an uptick in imports continued.

Source: <https://www.thedailystar.net/business/economy/industries/tax-customes/news/tax-receipts-rise-economy-recovers-2190906>



Netherlands Keen to Support in Bangladesh's Agro Processing, Exports

The Netherlands is interested to support Bangladesh in agro-processing and the country's farm product exports.

The two countries will sign a memorandum of understanding (MoU) soon on the matter aiming to increase mutual cooperation in the agriculture sector.

The two nations will work together on Plant Variety Protection, Agricultural Transformation Program (ATP), Phytosanitary Certificates, Testing Labs and linking the private sector in the initiative.

Besides, the two countries have agreed to send a trade mission from the Netherlands to Bangladesh and an expert mission from Bangladesh to the north European country to identify areas for cooperation in the agri sector.

Source: <https://thefinancialexpress.com.bd/trade/netherlands-keen-to-support-in-bangladeshs-agro-processing-exports-1633405688>



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DSE News

Stocks Fall after Five Days of Rise

The stock market fell today after rising for five consecutive days, although the turnover rose at the premier bourse.

The DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), fell 28 points, or 0.38 per cent, to 7,327.

At the DSE, 48 stocks rose, 297 declined and 31 remained unchanged.

Turnover at the Dhaka bourse soared 12 per cent to Tk. 2,755 crore, up from Tk. 2,439 crore on the previous day.

Beximco Ltd became the top traded stock with shares worth Tk. 176 crore changing hands followed by LafargeHolcim Bangladesh, Orion Pharmaceuticals, Beximco Pharmaceuticals and LankaBangla Finance.

Orion Infusion topped the gainers' list that rose 9.82 per cent followed by Shinepukur Ceramics, Sea Pearl Sea Beach Resort & Spa, C&A Textiles, and LafargeHolcim Bangladesh.

Source: <https://www.thedailystar.net/business/news/stocks-fall-after-five-days-rise-2190541>



LankaBangla Securities Retains Top Stockbroker Spot

LankaBangla Securities Ltd, the brokerage arm of LankaBangla Finance, has firmly held its position as the top stockbroker of the Dhaka Stock Exchange (DSE).

The premier bourse maintains the ranking each month based on how much trade a broker executes in terms of the value of transacted securities.

The DSE's list for September put ICB Securities Trading Company, the brokerage subsidiary of the state-owned Investment Corporation of Bangladesh, in the second position.

IDLC Securities, a subsidiary of leading non-bank financial institution IDLC Finance, stood third.

Brac EPL Stock Brokerage, a subsidiary of Brac Bank Ltd, and City Brokerage, a wing of the City Bank, respectively, were in the fourth and fifth positions.

Source: tbsnews.net/economy/stocks/lankabangla-securities-retains-top-stockbroker-spot-311449



Evergrande to Raise \$5b from Property Unit Sale

China Evergrande will sell a majority stake in its property management business for more than \$5 billion, Chinese media said on Monday, a deal which would be the largest asset sale yet at the debt-laden property developer if it goes ahead.

Once China's top-selling property group, Evergrande is facing what could be one of the country's largest-ever restructurings as the company is weighed down by debts of around \$305 billion. Uncertainty over Evergrande's fate has unsettled financial markets worried about any fallout from its troubles.

Evergrande on Monday said it requested a halt in the trading of its shares in Hong Kong pending an announcement about a major transaction. Evergrande Property Services Group, a spin-off listed last year, also requested a halt and said it referred to "a possible general offer for shares of the company."

Source: <https://www.thedailystar.net/business/global-economy/news/evergrande-raise-5b-property-unit-sale-2190871>



Energy Costs Add to Emerging Central Banks' Inflation Headache

Higher energy prices are fanning inflation in several emerging markets, testing the resolve of their central banks and risking stymieing growth in Hungary, Poland and the Czech Republic and more currency weakness in Turkey, analysts say.

In a bold response to the price pressures, the Czech National Bank (CNB) on Thursday raised its main interest rate by 75 basis points, its biggest hike since 1997. It cited rising energy prices as well as supply-chain disruptions and domestic factors like higher costs in owner-occupied housing and services.

Benchmark European gas prices have surged more than 300 per cent this year due to factors including low storage levels, outages and high demand as economies rebound, dragging up wholesale electricity costs.

Goldman Sachs forecasts inflation for the year at 4.5 per cent in Romania, 3.9 per cent in the Czech Republic and 3.7 per cent in Poland.

Source: <https://www.thedailystar.net/business/global-economy/news/energy-costs-add-emerging-central-banks-inflation-headache-2190866>





UK to Unveil New Pandemic Support for Workers

Britain's finance minister admitted Monday that ending a pandemic furlough scheme that kept millions employed would mean job losses as the government was set to announce new support for workers.

Rishi Sunak, the chancellor of the exchequer, will announce a 500 million (\$680 million, 580 million euro) package of retraining aimed at older workers coming off furlough and at younger Britons, the ruling Conservative party said.

Prime Minister Boris Johnson's government has spent almost 70 billion on paying the bulk of wages for staff stuck at home, helping to keep the official unemployment rate relatively low. But Sunak ended the furlough scheme on Thursday, and is also scrapping a weekly boost to benefits for the lowest-paid workers.

He insists that it is time to transition to longer-term support, against objections by opposition parties and campaigners that the changes will plunge many people deeper into poverty.

Source: <https://www.thedailystar.net/business/global-economy/news/uk-unveil-new-pandemic-support-workers-2190876>



Opec+ likely to Keep Oil Output Policy Unchanged

OPEC and its allies are likely to stick to their existing agreement to add 400,000 barrels per day (bpd) of oil to the market in November, three OPEC+ sources said on Monday, despite consumer pressure for more supply to cool a red hot market.

Benchmark Brent crude, up 50 per cent so far this year, surged above \$80 a barrel last month and was trading around \$79 on Monday, supported by supply disruptions and surging demand as the global economy recovers from the Covid-19 pandemic.

OPEC+ agreed in July to boost output by 400,000 bpd every month until at least April 2022 to phase out 5.8 million bpd of existing production cuts by the group, which slashed output in 2020 when the pandemic destroyed demand.

In a note published on Friday, JP Morgan analysts said: "Considering the declining refinery runs and weakening physical market indicators in China we do not see the incentive for the OPEC+ alliance to boost oil production beyond the currently-committed 400,000 bpd."

Source: <https://www.thedailystar.net/business/global-economy/news/opec-likely-keep-oil-output-policy-unchanged-2190841>



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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