

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

September 21, 2021

IFC to Invest \$2.5m in Truck Lagbe

International Finance Corporation (IFC) is going to invest \$2.5 million in online platform Truck Lagbe to connect people and corporate customers with truck owners and drivers through an app and a website in Bangladesh.

The partnership will also help expand services, modernise the logistics sector and maintain critical supply chains, especially for delivering food and essential items during Covid-19, the World Bank Group member said in a statement yesterday.

The company said it offers price transparency, real-time tracking of shipments through GPS technology and maximises truck utilisation, driving efficiencies across the logistics value chain, which reduces greenhouse gas emissions.

"As traditional methods became inaccessible during the Covid-19 pandemic, Truck Lagbe became the go-to platform for thousands of small businesses and truck owners," said Anayet Rashid, Truck Lagbe's co-founder and CEO.

Source: <https://www.thedailystar.net/business/economy/industries/investments/news/ifc-invest-25m-truck-lagbe-2180556>



Bangladesh to Export 2,080 tonnes of Hilsha to India

The commerce ministry today gave go-ahead to 52 companies to export 2,080 tonnes of hilsha fish to India by October 10 this year, as the Indian government wanted this special variety of fish from Bangladesh ahead of the Durga Puja, a religious festival for Hindu people.

The demand for hilsha fish is very high among the people of Bangladesh and India's West Bengal for its special flavour. So, every year the Indian government urges Bangladesh to send hilsha fish to India ahead of the Puja.

"We have selected 52 local companies to ship 40 tonnes of hilsha each to India as they qualified for exporting the fish," said Commerce Secretary Tapan Kanti Ghosh over phone.

Source: <https://www.thedailystar.net/business/news/bangladesh-export-2080-tonnes-hilsha-india-2180201>



Govt to Provide Cash Incentive on Export in Four New Sectors

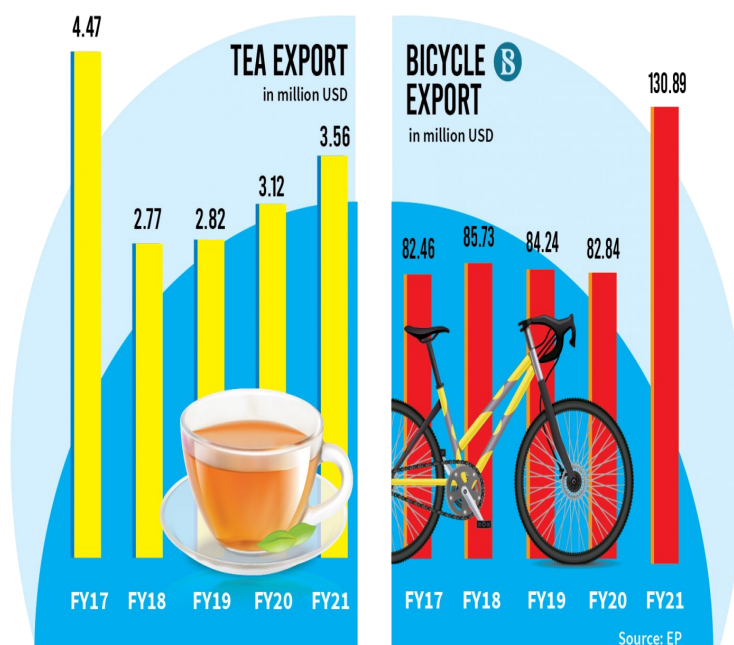
To diversify the country's export basket, the government will provide cash assistance to four new sectors – tea, bicycles and parts, MS steel products, and cement sheets.

The Foreign Exchange Policy Department of the Bangladesh Bank issued instructions regarding the cash assistance for the export sector for 2021-22 on Monday.

In 2020-21, the export of bicycles was 30% more than the target and increased 60% from the previous year. Therefore, the government has decided to provide a 4% cash assistance to exporters to further increase exports in this sector.

Exports in the tea sector in the last financial year also increased by 14% compared to the previous year, which was at about 90% of the export target.

Source: <https://www.tbsnews.net/economy/govt-provide-cash-assistance-export-34-sectors-305029>



Saudi Arabia keen to invest more in Bangladesh

During a meeting with Salman F Rahman, private industry and investment adviser to Prime Minister Sheikh Hasina – now on a visit to the gulf country, the Saudi minister also stressed the importance of signing cooperation agreements or memoranda of understanding on specialised economic zone-based investments, says a press release issued on Monday.

Salman F Rahman apprised the Saudi minister of the steps undertaken by the current government to attract foreign investment. He also proposed to set up a special economic zone for Saudi investors as committed by the prime minister.

In addition, the Saudi Federation of Chambers expressed its interest in the adviser's proposal for amending the MoU signed between the two countries' chambers of commerce in 2005 to make it more convenient.

Saudi companies present at the meeting, who have investment in Bangladesh, expressed their satisfaction with the investment climate in Bangladesh.

Source: <https://www.tbsnews.net/economy/saudi-arabia-keen-invest-more-bangladesh-305185>



DSEX slightly up after one day falls

Equity indices of both Dhaka and Chittagong stock exchanges slightly increased on Monday after falls on the previous day.

The Dhaka Stock Exchange's (DSE) total turnover declined by 13.34% to Tk1762.56 crore as investors took a cautious stance.

The DSE turnover reached such a low level after 32 trading sessions and it is also below Tk2,000 crore after 15 days.

DSEX, the benchmark index of the DSE, rose 14 points or 0.19%, which closed at 7,206 points, up from 7,192 points on Sunday.

At the end of Monday's trading session, out of the 376 issues traded, 174 advanced, 163 declined and 37 remained unchanged.

The port city bourse Chittagong Stock Exchange (CSE) also advanced and the All Share Price Index (CASPI) rose 47.4 points to 21,030.

On the sectoral front, General Insurance (13.92%), Textile (11.73%), and Financial Institution (10.58%) issues were traded the most on the bourse on Monday.

Course: <https://www.tbsnews.net/economy/stocks/dsex-slightly-after-one-day-falls-305203>



Bangladesh Bourses Give Highest Return among Peers

Bangladesh's capital market is giving the highest return among its peer countries and is ready to catch up with the country's real economic growth.

A research by AFC Asia Frontier Fund released on 8 August 2020 showed that the Dhaka Stock Exchange (DSE) was the best performer globally with a gain of 15.8%. Lower interest rate, increasing exports and remittances and the reopening of the economy led to the rally.

The country's premier bourse again performed the best among Asian frontier markets in May this year, according to Asia Frontier Capital.

DSEX, the broad-based index at the DSE, gained more than 9.3% that month, while key indices in the markets of Pakistan, Vietnam, China, the Philippines, Kazakhstan, Sri Lanka, Thailand, and Indonesia lagged behind with lower gains, it said.

Course: <https://www.tbsnews.net/economy/stocks/bangladesh-bourses-give-highest-return-among-peers-305266>

Zara Owner Inditex Outshines H&M as Sales Top Pre-pandemic Levels

Fashion brand Zara owner Inditex has outpaced Swedish rival H&M in its efforts to bounce back from the coronavirus crisis, with second-quarter sales rising above pre-pandemic levels.

The world's biggest fashion retailer's sales in the quarter edged above levels seen before the pandemic as most stores reopened and people rushed to renew their wardrobe after store closures imposed to curb the spread of the virus.

Rival H&M's sales grew less than expected from a year ago in the three months through August, and remained lodged below pre-pandemic levels. H&M said lockdowns and restrictions hampered its development, particularly in Asia.

Inditex Executive Chairman Pablo Isla said that sales in stores and online were progressively recovering across all brands and markets, despite some restrictions in Asia due to the pandemic.

Source: <https://www.thedailystar.net/business/global-economy/news/zara-owner-inditex-outshines-hm-sales-top-pre-pandemic-levels-2180526>



UK holds emergency meeting over soaring gas prices

The UK government was on Monday holding an emergency meeting with energy and consumer groups, as the country experiences record gas prices that threaten huge bills for households as well as undermining food supplies and casting doubt on energy firms' futures.

Prime minister Boris Johnson sought to reassure consumers fearing surging winter power bills and the possibility of more small British energy firms collapsing from higher costs.

Speaking during a visit to the United States, Johnson said, 'People should be reassured in the sense that yes there are a lot of short-term problems not just in our country... but around the world caused by gas supplies and shortages of all kinds.'

Source: <https://www.newagebd.net/article/149655/uk-holds-emergency-meeting-over-soaring-gas-prices>



Honda Targets Annual Sales of 70,000 Prologue Electric Vehicles in US

Honda Motor Co's US unit said on Monday it is targeting initial annual sales of 70,000 for its planned electric Prologue sport utility vehicle when it goes to market in 2024.

Honda plans to add additional electric vehicle models as it aims to have sold a total of 500,000 electric vehicles in the United States by 2030, and to achieve 100 per cent zero emission vehicles sales in North America by 2040.

The Honda Prologue is being co-developed with General Motors Co and is based on the Detroit automaker's Ultium platform, a modular platform and battery system. Honda and GM are also co-developing an electric Acura-brand SUV. GM will assemble the Prologue and the Acura SUV -- both of which will go on sale in 2024 -- but Honda has not disclosed which plant will build the vehicles or the name or volume targets for the Acura.

Following the GM-built models, Honda will introduce a series of electrified vehicles through 2030 based on the Honda developed e-Architecture, a new EV platform led by Honda, and will assemble electric vehicles at Honda plants in North America.

Source: <https://www.thedailystar.net/business/global-economy/news/honda-targets-annual-sales-70000-prologue-electric-vehicles-us-2180466>

BP gambles big on fast transition from oil to renewables



Deep in the Oman desert lies one of BP's more lucrative projects, a mass of steel pipes and cooling towers that showcases the British energy giant's pioneering natural gas extraction technology.

The facility earned BP Plc more than \$650 million in profits in 2019, according to financial filings reviewed by Reuters. Yet the oil major agreed to sell a third of its majority stake in the project earlier this year. The deal exemplifies a larger strategy to liquidate fossil-fuel assets to raise cash for investments in renewable-energy projects that BP concedes won't make money for years.

BP's big bet is emblematic of the hard choices confronting Big Oil. All oil majors face mounting pressure from regulators and investors worldwide to develop cleaner energy and divest from fossil fuels, a primary source of greenhouse-gas emissions that cause global warming. That scrutiny has increased since early August, when the United Nations panel on climate change warned in a landmark report that rising temperatures could soon spiral out of control.

Source: <https://www.tbsnews.net/world/bp-gambles-big-fast-transition-oil-renewables-305098>

Disclaimer

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