

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

December 13, 2021

Bangladesh Steps up Yarn, Fabrics Export

Bangladesh has already conquered the international apparel market and is currently the second-largest exporter of garment items worldwide after China with a 6.8 per cent global market share.

Although Bangladesh depends on imports for cotton, a key raw material for textile, the country is fast becoming a major source for yarn and fabrics for textile and garment producers.

The shipment of the raw materials and intermediate goods is rising fast thanks to a government incentive.

Yarn, fabrics and waste yarn worth \$80.48 million were exported from Bangladesh in the July to November period, registering a 38.73 per cent year-on-year growth, according to data from the Export Promotion Bureau.

Bangladesh shipped yarn and fabrics worth \$154.29 million in the last financial year of 2020-21, up 15.52 per cent year-on-year.

Source: <https://www.thedailystar.net/business/export/news/bangladesh-steps-yarn-fabrics-export-2916236>



Grameenphone and SQ Group Win UiPath Award

Grameenphone and SQ Group have been awarded the "UiPath Automation Excellence" award as a recognition for using automation in their respective companies.

UiPath, an automation software company, announced the names of the winners on Thursday (9 December), said a press release. Grameenphone, a Bangladeshi telecommunication company, and SQ Group, an apparel manufacturing company, were among the 31 winners out of 15 award categories.

The "UiPath Automation Excellence" award aims to recognise and celebrate the UiPath customers in India and South Asia for the business impact created by driving innovation using automation in their respective fields.

The winners were selected by a jury panel, consisting of eminent senior industry executives.

Source: <https://www.tbsnews.net/economy/corporates/grameenphone-and-sq-group-win-uipath-award-341389>



‘Retail Sector Holds Huge Employment Potential’

Business executives and trade leaders said the fast-growing retail sector in Bangladesh has already provided employment to over 60 lakh people, and there is a huge potential for generating more job opportunities for youths and women.

Considering the potential of the retail sector, Brac's Skills Development Programme is implementing a project titled "Progressing the Retail Sector by Improving Decent Employment (Pride)" with a goal to create a model for sustainable livelihoods for low-income urban youth. Some 5,200 people will be trained under this programme.

Launched in 2020, the programme will end in 2023. So far 877 people have been trained and 54% of them have managed jobs.

Source: <https://www.tbsnews.net/economy/retail-sector-holds-huge-employment-potential-341302>



Bank Borrowing for Cinema Owners Raised to Tk10cr

Cinema owners with a minimum 100-seat capacity will be eligible for Tk10 crore bank loan for renovation or to build a new one, up from the previous limit of Tk5 crore, said a Bangladesh Bank circular on Thursday.

Earlier in February this year, the central bank formed a refinancing scheme of Tk1,000 crore for the cinemas. The owners from the fund could avail a maximum Tk5 crore bank loan for renovation, modernisation and repair of the movie houses.

According to the new circular, if there are multiple cinema units at a same building owned by the company or owner, they will be considered as a single unit while availing the loan from the refinancing scheme.

Loans to the cinema have a 5% interest rate for the divisional cities, while the premium is 4.5% for other areas. The repayment period is eight years while repayment the first year will meet with a grace period.

The central bank in the new circular asked the managing directors and chief executives of all scheduled banks to implement the directive promptly.

Source: <https://www.tbsnews.net/nbr/bank-borrowing-cinema-owners-raised-tk10cr-341380>

Golden Harvest Bounces back to Profit in Q1

Golden Harvest Agro Industries Limited, which is engaged in the frozen food and ice cream business, bounced back to profit in the July-September quarter of fiscal 2021-22 after incurring losses in four consecutive quarters.

In the first quarter, it reported a net profit of Tk0.29 crore compared to a loss of Tk7.41 crore in the same period of the previous fiscal year.

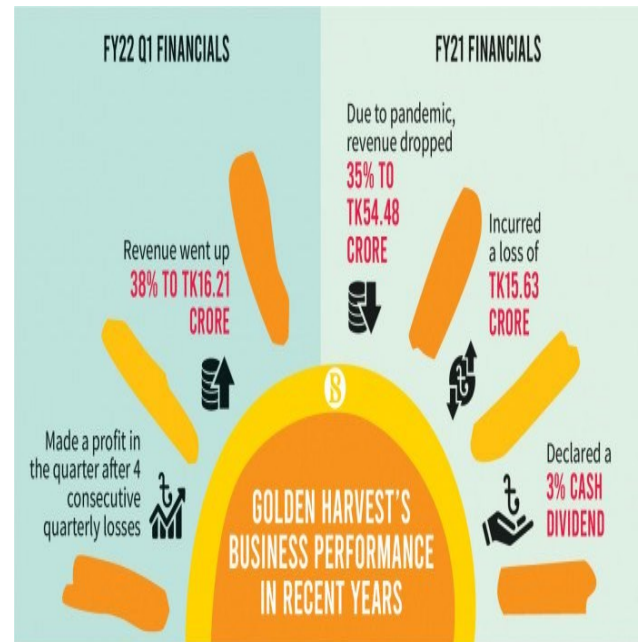
But its sales were yet to catch up to the pre-pandemic level, and due to the low sales, it has been difficult for the company to repay bank loans.

Its sales jumped 38% to Tk16.21 crore in the first quarter of this fiscal year, but the sales value was around Tk30 crore in the pre-pandemic quarter.

Golden Harvest Agro Industries was listed on the country's stock exchanges in 2013. Its paid-up capital is Tk215.80 crore.

Till 30 November, sponsors and directors held only 32.88%, institutional investors 37.28% and general investors 29.75% shares in the company.

Source: <https://www.tbsnews.net/economy/stocks/golden-harvest-bounces-back-profit-q1-342574>



IMF Satisfied with the Stock Market Situation: BSEC

The International Monetary Fund (IMF) is satisfied with the performance of the country's stock market, said Bangladesh Securities and Exchange Commission (BSEC) Commissioner Prof Dr Sheikh Samsuddin Ahmed.

The international financial organisation expressed its satisfaction at a meeting of the BSEC on Sunday where a six-member delegation including IMF Asia-Pacific Resident Representative Jayandu Dey and Division Chief Rahul Anand took part.

Samsuddin Ahmed said there has been fruitful discussion on capitalisation of a macroeconomy through the stock market, creation of potential entrepreneurs and introduction of new types of securities to increase capital flow.

The participants also discussed bringing various types of bond markets including municipalities under Income Securities and Bond Market.

Source: <https://www.tbsnews.net/economy/stocks/imf-satisfied-stock-market-situation-bsec-342571>



Dubai Welcomes 4.88m Visitors in Jan-Oct

Dubai welcomed 4.88 million visitors in the period January- October 2021, its Department of Economy and Tourism (DET) said on Saturday, adding that international visitors in the month of October alone had exceeded one million.

The figures reflect improving momentum and stability in a hospitality industry battered by the COVID-19 pandemic and resulting lockdowns, the DET said.

It gave no comparable figure for the same period in 2020.

It added that the emirate's hospitality sector had sold 9.4 million room nights in the Jan-Oct period, up from 7 million room in the same period in 2019.

Source: <https://www.thedailystar.net/business/global-economy/news/dubai-welcomes-488m-visitors-jan-oct-2915301>



Intel Shows Research for Packing more Computing Power into Chips

Research teams at Intel Corp on Saturday unveiled work that the company believes will help it keep speeding up and shrinking computing chips over the next ten years, with several technologies aimed at stacking parts of chips on top of each other.

Intel's Research Components Group introduced the work in papers at an international conference being held in San Francisco.

The Silicon Valley company is working to regain a lead in making the smallest, fastest chips that it has lost in recent years to rivals like Taiwan Semiconductor Manufacturing Co and Samsung Electronics Co Ltd.

While Intel CEO Pat Gelsinger has laid out commercial plans aimed at regaining that lead by 2025, the research work unveiled Saturday gives a look into how Intel plans to compete beyond 2025.

One of the ways Intel is packing more computing power into chips by stacking up "tiles" or "chiplets" in three dimensions rather than making chips all as one two-dimension piece.

Intel showed work Saturday that could allow for 10 times as many connections between stacked tiles, meaning that more complex tiles can be stacked on top of one another.

Intel believes the technology will yield a 30 per cent to 50 per cent increase in the number of transistors it can pack into a given area on a chip. Raising the number of transistors is the main reason chips have consistently gotten faster over the past 50 years.

Source: <https://www.thedailystar.net/business/global-economy/news/intel-shows-research-packing-more-computing-power-chips-2916141>

Malaysia's Palm Oil Producers Adjust to Labour Shortages

Malaysia's palm oil producers are racing to adjust to an acute shortage of workers due to the coronavirus and sharply higher costs of recruitment as they make changes in response to accusations of forced labour.

The country, second only to Indonesia in palm oil production, has become more competitive in recent months due to higher export levies imposed by its southern neighbour. But mounting employment costs mean Malaysia risks losing that edge and potentially ceding market share to Indonesia.

The increased costs, alongside record-high fertilizer prices affecting both countries, pushed the key commodity to an all-time high in October. That has already forced up the price of the foodstuff worldwide, and is raising the costs of cosmetics and detergents and other products that palm oil is used in. The most pressing problem for palm oil producers such as FGV Holdings and Sime Darby Plantation is a lack of workers to harvest palm trees, a skilled and dangerous task.

Source: <https://www.thedailystar.net/business/global-economy/news/malaysias-palm-oil-producers-adjust-labour-shortages-2916161>



Shipping Costs: Another Danger for Inflation-watchers to Navigate

Much like the coronavirus pandemic, and the economic disruption that it has caused, a global shipping crisis looks set to go on delaying goods traffic and fuelling inflation well into 2023.

Shipping rarely figures in economists' inflation and GDP calculations, and companies tend to fret more about raw materials and labour costs than transportation. But that might be changing.

The cost of shipping a 40-foot container (FEU) unit has eased some 15 per cent from record highs above \$11,000 touched in September, according to the Freightos FBX index. But before the pandemic, the same container cost just \$1,300.

With 90 per cent of the world's merchandise shipped by sea, it risks exacerbating global inflation that is already proving more troublesome than anticipated.

Source: <https://www.thedailystar.net/business/global-economy/news/shipping-costs-another-danger-inflation-watchers-navigate-2916181>



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