

HIGHLIGHTS OF THE DAY

Bangladesh: Economy

November 30, 2021

\$2.7 billion Worth Proposals Came in Investment Summit

The two-day international investment summit that concluded in Dhaka today attracted \$2.7 billion worth of investment proposals from domestic and international companies in different sectors.

Of the amount, the Engineering Dimension, a Saudi industrial group, declared to invest \$1.75 billion for making power generators and establish cement manufacturing plant.

Aygaz, a Turkish industrial group, announced to invest \$150 million with local United Group.

Karnaphuly Dry Dock declared spending \$118 million to construct a terminal in Chattogram port.

Barishal Electric Power Company came up with an investment proposal of \$100 million to produce electricity.

Guopo Renewable Energy Technology announced to invest \$50 million, Hangzhou JY Supply Chain \$20 million and IT Hub Investments \$15 million.

Source: <https://www.thedailystar.net/business/news/27-billion-worth-proposals-came-investment-summit-2905801>



Asian Development Bank

ADB Extends \$150 million Loan to Help Small Enterprises to Recover

The Asian Development Bank will provide Bangladesh with a \$150 million loan to provide financing for cottage, micro, and small-sized enterprises (CMSEs) to create jobs for promoting socio-economic recovery after the Covid-19 pandemic.

The loan to Bangladesh Bank, the nation's central bank, will be on-lent to participating financial institutions, which in turn will help 30,000 CMSEs operated by the beneficiaries.

The project will create at least 45,000 employment opportunities by December 2025.

It has targeted to disburse 20 per cent of the funds to micro-business led by women to support their recovery as they have limited access to finance and have severely been affected by the pandemic due to their high concentration in retail, travel, and hospitality sectors.

Source: <https://www.thedailystar.net/business/news/adb-extends-150-million-loan-help-small-enterprises-recover-2905616>

Square Pharma to Start Drug Production in Kenya by January

Square Pharmaceuticals Ltd is going to be the first Bangladeshi company to produce medicines in a foreign country as it is scheduled to start manufacturing in Kenya by January 2022.

The trial operation will start in December this year.

As per the company's financial statement, the construction of the project began in 2019 and was initially scheduled to be completed by early 2021.

However, the global outbreak of Covid-19 impacted the construction work to a great extent. Finally, Square completed the construction of its manufacturing plant in Nairobi, the Kenyan capital in September 2021 at a cost of Tk170 crore.

The pharma giant looks to get hold of the \$30 million drug market in Kenya and five other East African countries – Tanzania, Rwanda, Burundi, Uganda, and South Sudan – and fulfil the unmet demands of medicines in those countries.

According to the company's 2017 disclosure on the Dhaka Stock Exchange, Square invested \$20 million to set up a drug manufacturing plant in Kenya.

Source: <https://www.tbsnews.net/economy/stocks/square-pharma-start-drug-production-kenya-january-336535>



Active Fine Chemicals, AFC Agro Post Stellar Profit Growths

Active Fine Chemicals and AFC Agro Biotech – two companies of the AFC Group – posted a staggering increase in profits in the first quarter of the current fiscal year.

Both companies posted significant growths in revenue, thanks to the export incentives of Active Fine Chemicals and the sales from a big order of AFC Agro to the government.

The net profit of Active Fine Chemicals - a chemical reagent and active pharmaceutical ingredients (API) maker - increased 745% to Tk6.34 crore in the July to September quarter of the current fiscal year, compared to the same period the previous fiscal.

During the period, the company earned Tk41.88 crore revenue, which was Tk38.67 crore in the same period the previous year.

Its earnings per share (EPS) was Tk0.26, and net asset value (NAV) per share was Tk22.27 in the first quarter of FY22.

Source: <https://www.tbsnews.net/economy/stocks/active-fine-chemicals-afc-agro-post-stellar-profit-growths-336529>





Stocks Return to Green after Six-day Fall

Stocks returned to green on Monday on the back of gains in bank shares after ending a six-day falling streak on the Dhaka Stock Exchange (DSE).

DSEX, the prime index of the country's premier bourse, inched up by 21.6 points or 0.32% to settle at 6,796.

The key index had earlier lost 318 points during the last six consecutive sessions.

The turnover witnessed a decline on Monday as investors mostly remain on the sidelines owing to worries over the adverse impact of the new coronavirus variant on the country.

The premier bourse's turnover declined to Tk708 crore, from Tk837 crore in the previous trading session on Sunday.

The majority of the stocks closed in green territory. Out of 372 issues traded, 238 advanced, 89 declined, and 45 remained unchanged.

Also, there is a panic among stock market investors as the Bangladesh Bank sought information from the capital market intermediaries.

Source: <https://www.tbsnews.net/economy/stocks/stocks-return-green-after-six-day-fall-336517>



IPO Subscription of Three Companies Opens Next Month

The initial public offering (IPO) subscription of three companies, including a private commercial bank, will commence in December, officials said.

The companies are Union Bank, Union Insurance Company and BD Thai Food & Beverage. These three companies will raise an aggregate amount of over Tk 4.62 billion from the public under the fixed price method.

Union Bank is set to raise Tk 4.28 billion from the public, which will be the largest IPO in the banking sector. Among all sectors, Union Bank's IPO is the fourth largest after Robi Axiata (Tk 5.23 billion), Grameenphone (Tk 4.86 billion) and MJL Bangladesh (Tk 4.60 billion).

Union Insurance will raise Tk 193.60 million and BD Thai Food & Beverage will collect Tk 150 million from the public.

Source: <https://thefinancialexpress.com.bd/stock/ipo-subscription-of-three-companies-opens-next-month-1638159000>

Three companies' IPO subscription at a glance

Company name	Subscription open	Subscription close	IPO amount
Union Insurance	December 15	December 22	Tk 193.60m
BD Thai Food	December 23	December 29	Tk 150m
Union Bank	December 26	December 30	Tk 4280m

Source: DSE and IPO prospectuses

BP Plans Large-scale Green Hydrogen Project in UK

BP said on Monday it plans to set up a large-scale green hydrogen production plant in northeast England, generated with wind, water and solar energy to aid Britain's move away from fossil fuels.

The project, dubbed HyGreen Teesside, aims to produce 60 MWe (megawatt electrical input) of so-called "green" hydrogen, which is derived from renewable sources, by 2025, BP said.

Along with its previously announced "blue" hydrogen project, which is produced from natural gas, the two Teesside plants have the potential to deliver 30 per cent of Britain's 2030 target for hydrogen production, BP said.

Governments and energy companies are betting on clean hydrogen playing a leading role in efforts to lower greenhouse gas emissions, but its future uses and costs are highly uncertain. The British government is targeting 5 GW (gigawatts) of low-carbon hydrogen production by 2030 to replace natural gas in powering around three million homes, as well as industry and transport.

Source: <https://www.thedailystar.net/business/global-economy/news/bp-plans-large-scale-green-hydrogen-project-uk-2906041>



In Greece's Tough Job Market, Non-profits Offer Refugee Lifeline

Bowed over a large workbench with a dozen classmates, asylum-seeker Fazle Rabbi is learning how to construct a network cable, hoping to boost his job prospects in Greece.

'If I get good marks from this academy, I think I will get (a job) as an IT technician,' the 18-year-old Bangladeshi said, pliers in hand.

Rabbi is among dozens attending vocational and entrepreneurship courses at Odyssey, a non-profit that is one of Greece's leading job advisers to refugees and other vulnerable persons.

In an upstairs classroom, another group is learning how to operate wood-carving machinery software.

Based in the industrial district of Rentis near Piraeus, Odyssey since 2016 has assisted around 2,500 beneficiaries either through courses or follow-up support, with another 3,000 applicants currently seeking to join.

Founded soon after over a million Syrians, Afghans, Iraqis and other persons fleeing conflict arrived in Europe, the group — named after Homer's epic of adversity — helps to prepare job seekers for the arduous task of finding employment in post-crisis Greece.

After a decade-long crisis, unemployment in Greece is still officially 13 per cent — 28 per cent among those aged under 25.

Source: <https://www.newagebd.net/article/155952/in-greeces-tough-job-market-non-profits-offer-refugee-lifeline>

Spanish Inflation Soars to 29-year High

Spanish inflation accelerated in November to its highest level in nearly three decades on the back of rising food and gas prices, official data showed Monday.

Consumer prices jumped by 5.6 per cent, up from a 5.4 per cent increase in October, according to preliminary figures from national statistics institute.

That is its fastest pace since September 1992, when the rate was 5.8 per cent.

The surge in inflation in the eurozone's fourth-largest economy was due largely to a spike in food prices, followed by higher gas prices, the statistics office said. Electricity costs, however, declined slightly after a month-long acceleration, it added.

As in other European Union nations, inflation in Spain has risen since the start of the year after consumer prices declined during most of 2020 due to the economic impact of pandemic lockdowns.

Source: <https://www.thedailystar.net/business/global-economy/news/spanish-inflation-soars-29-year-high-2906026>



UK Mortgage Approvals Slide to Lowest since Mid-2020

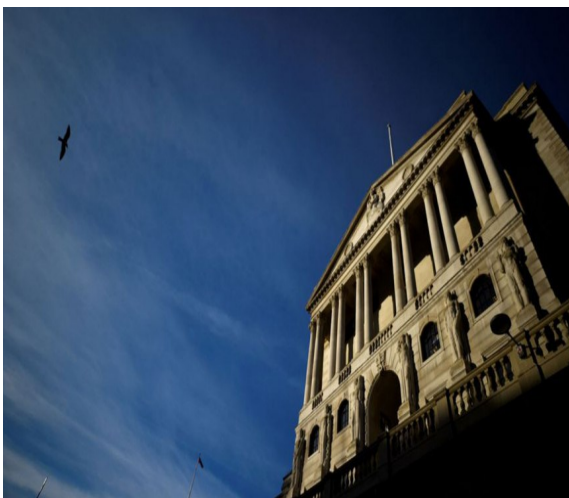
Mortgage approvals in Britain dropped last month to their lowest since June 2020, according to central bank data on Monday that underlined recent signs of slowing housing market activity after the end of a tax break on home purchases.

Along with more robust figures for consumer lending - which grew by its most since July 2020, when there was an easing of initial Covid-19 lockdown restrictions - the figures offer a mixed picture for the BoE as it considers a December rate rise.

The Bank of England said lenders approved 67,199 mortgages in October, below all forecasts in a Reuters poll of economists and down from 71,851 in September.

Other surveys have pointed to a slowdown in the number of homes coming to the market, something that has pushed house prices to new record highs despite the withdrawal of a temporary exemption from Stamp Duty Land Tax for property purchases.

Source: <https://www.thedailystar.net/business/global-economy/news/uk-mortgage-approvals-slide-lowest-mid-2020-2906021>



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