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HIGHLIGHTS OF THE DAY

Bangladesh: Economy **April 26, 2022**

FBCCI Urges for Roadmap to Ensure Energy Security

Federation of Bangladesh Chambers of Commerce and Industry president Md Jashim Uddin on Monday urged the government to prepare a roadmap to ensure the energy security in industries.

He made the call at the second meeting of the FBCCI's standing committee on power, energy and utilities virtually.

Jashim said that entrepreneurs were facing uncertainties as to whether gas and electricity would be available at the time of setting up any new factory, where the gas would be available if it is set up, and what the prices would be in the future.

A roadmap on energy will remove these uncertainties, he said.

Energy Pack Power Generation Limited managing director and CEO Humayun Rashid, also the chairman of the standing committee, chaired the meeting.

He said that the use of domestic resources had to be increased to ensure the energy security in the country in the long run. Citing Sri Lanka as an example, Humayun said that the energy crisis worsened the country's suffering.

Source: https://www.newagebd.net/article/168997/fbcci-urges-for-roadmap-to-ensure-energy-security

Govt Forms National Committee on Exports

The government has formed a national committee to oversee the country's exports as a whole, deal with export-related crises, and the challenges before and after graduation from Least Developed Country (LDC) status.

The 44-member body consists of 11 ministers, 16 top officials and executives of various ministries, divisions, and organisations, and presidents of 16 export-oriented trade associations.

The commerce ministry on Friday issued a gazette notification in this regard.

Apart from reviewing the overall exports of the country, the committee will also make recommendations and take decisions on issues related to export methods, incentives for exporting and the production of export items in order to achieve sustainable export growth.

Source: https://www.tbsnews.net/bangladesh/govt-forms-national-committee-exports-409442

City Bank Joins UN-convened Net-Zero Banking Alliance

City Bank has joined the Net-Zero Banking Alliance in line with its commitment to a greener planet recently, according to a press release.

City Bank is committed to align its lending and investment portfolios with net-zero emissions by 2050, following the temperature goals of the Paris Agreement.

City Bank has been rated as one of the top-10 sustainable banks in Bangladesh by the central bank's Sustainability Rating 2020 due to its significant contribution to sustainable finance and green finance.

To attain the global targets set through the Paris Agreement and the broader United Nations Sustainable Development Goals, in light of the government's Intended Nationally Determined Contributions and Sustainable Finance Policy of the central bank of Bangladesh, City Bank has incorporated responsible financing in its lending practices and steers customers' environmental, social and governance investments for the betterment of people and planet.

Source: https://www.newagebd.net/article/169004/city-bank-joins-un-convened-net-zero-banking-alliance

MFS Customers' Monthly Cash-in Raised to Tk 5 lakh



The Bangladesh Bank on Monday raised the limit on monthly cash-in, a form of money deposit in mobile financial service accounts, for the MFS users to Tk 5 lakh.

Customers of the mobile financial services are now allowed to cash in additional Tk 3 lakh in a month in their accounts from their bank accounts or cards.

Earlier, the limit was Tk 2 lakh and clients were allowed to deposit the sum either through agents or cards. In the case of cash-in from bank accounts and cards, the daily transaction limit would be Tk 50,000 and the limit on cash-in from agents would remain unchanged at Tk 20,000.

The limits on daily and monthly person-to-person transactions have been kept unchanged at Tk 25,000 and Tk 2 lakh respectively. The daily and monthly cash-out limits have been kept unchanged at Tk 25,000 and Tk 1.5 lakh.

A BB circular issued by its payment systems department general manager Md Mezbaul Haque said that the growing importance of the MFS-based money transactions had prompted the BB to issue the fresh circular.

Source: https://www.newagebd.net/article/168993/mfs-customers-monthly-cash-in-raised-to-tk-5-lakh

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DSE News

Union Bank Added to Key DSE Index

The Dhaka Stock Exchange (DSE) has added newly listed Union Bank Ltd to its benchmark DSEX index as it met all the criteria for interim quarterly IPO addition.

The indices committee of the DSE nominated the Union Bank as an eligible constituent for inclusion in the DSEX after reviewing its performance for January-March 2022 quarter on the basis of the index methodology designed by S&P Dow Jones Indices.

With the new inclusion, the DSEX will have 339 listed companies, accounting for about 95 per cent of the prime bourse's total market capitalisation.

The Union Bank made its trading debut on January 26 and its each share closed at Tk 12 on Thursday, gaining 0.84 per cent over the previous day.

A fourth generation private commercial bank, the Union Bank raised Tk 4.28 billion from the capital market under the fixed-price method with a view to buying government securities, investing in the stock market and financing in the SME and other sectors.

Source: https://thefinancialexpress.com.bd/stock/union-bank-added-to-key-dse-index-1650599837

JMI Hospital Price Jumps 272pc in Three Weeks

The stock price of newly-listed JMI Hospital Requisite Manufacturing is rising 'abnormally' as it created an 'irrational hype' among investors.

Within the three weeks since its debut, the company's share price jumped over 272 per cent or Tk 54.50 each riding on short-term speculation. The medical equipment manufacturer's share price closed at Tk 74.50 on Thursday on the Dhaka Stock Exchange, from its issue price of Tk 20 each.

It was also the week's top gainer, surging 44.94 per cent during the week. Market analysts said the investors showed their appetite for the new issue amid short-term speculation creating an 'irrational hype' among investors since its debut on March 31.

Most of the initial public offering (IPO) shareholders were unwilling to sell their stakes hoping for higher profit in future, according to a merchant banker.

Source: https://thefinancialexpress.com.bd/stock/jmi-hospital-price-jumps-272pc-in-three-weeks-1650689814

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Global: Business

IMF Warns of 'Stagflationary' Risks in Asia, Cuts Growth Outlook

The Asian region faces a "stagflationary" outlook, a senior International Monetary Fund (IMF) official warned on Tuesday, citing the Ukraine war, spike in commodity costs and a slowdown in China as creating significant uncertainty.



While Asia's trade and financial exposures to Russia and Ukraine are limited, the region's economies will be affected by the crisis through higher commodity prices and slower growth in European trading partners, said Anne-Marie Gulde-Wolf, acting director of the IMF's Asia and Pacific Department.

Moreover, she noted that inflation in Asia is also starting to pick up at a time when China's economic slowdown is adding to pressure on regional growth.

The headwinds to growth come at a time when policy space to respond is limited, Gulde-Wolf said, adding that Asian policymakers will face a difficult trade-off of responding to slowing growth and rising inflation.

Source: https://www.tbsnews.net/world/imf-warns-stagflationary-risks-asia-cuts-growth-outlook-409578

Oil Prices Rebound from Sharp Drop on China Demand Concerns

Oil prices opened slightly higher on Tuesday, after falling sharply the prior session on worries that continued Covid-19 lockdowns in China would eat into demand and as the US dollar rose to a two-year high.



Brent crude futures were at $102.57, up 25 cents, or 0.2% and US West Texas Intermediate contracts climbed to $98.70, up 16 cents, or 0.2% at 0002 GMT.

Both contracts had settled down around 4% on Monday, with Brent down as much as $7 a barrel in the session and WTI dipping roughly $6 a barrel.

In China lockdowns to counter Covid in Shanghai have dragged into their fourth week. Meanwhile orders for mass testing, including in Beijing's largest shopping district, have prompted fears of other Shanghai-style lockdowns.

Source: https://www.tbsnews.net/world/global-economy/oil-prices-rebound-sharp-drop-china-demand-concerns-409570

Twitter, under Shareholder Pressure, Begins Deal Talks with Musk

Twitter Inc kicked off deal negotiations with Elon Musk on Sunday after he wooed many of the social media company's shareholders with financing details on his $43 billion acquisition offer, people familiar with the matter said.



The company's decision to engage with Musk, taken earlier on Sunday, does not mean that it will accept his $54.20 per share bid, the sources said. It signifies, however, that Twitter is now exploring whether a sale of the company to Musk is possible on attractive terms, the sources added.

Musk, chief executive of electric car giant Tesla Inc, has been meeting with Twitter shareholders in the last few days, seeking support for his bid. He has said Twitter needs to be taken private to grow and become a genuine platform for free speech.

Many Twitter shareholders reached out to the company after Musk outlined a detailed financing plan for his bid on Thursday and urged it not to let the opportunity for a deal slip away, Reuters reported earlier on Sunday.

Source: https://www.tbsnews.net/world/global-economy/twitter-under-shareholder-pressure-begins-deal-talks-musk-408978

S&P Upgrades Greece Debt Rating



S&P Global Ratings on Friday upgraded Greece's debt rating to BB+, citing its improving economy even as the country deals with the shocks from the war in Ukraine.

"The upgrade reflects our expectation of a continuous improvement in Greece's policy effectiveness, while the fallout from the war in Ukraine appears manageable in light of considerable buffers in both the private and public sectors," the agency said in a statement.

The upgrade raised Greece's rating from BB, while S&P put its outlook for the country at stable, citing "our expectation that Greece's fiscal buffers and proven policy effectiveness will allow the country to absorb the indirect impact of the war in Ukraine on its economy and public finances."

Source: https://www.thedailystar.net/business/global-economy/news/sp-upgrades-greece-debt-rating-3011726

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