



# News Blaze of the Week

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## Editorial Panel

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## Quotation Corner

**Your limitation—it's only your imagination.**

**Push yourself, because no one else is going to do it for you.**

**Sometimes later becomes never. Do it now.**

**Great things never come from comfort zones.**

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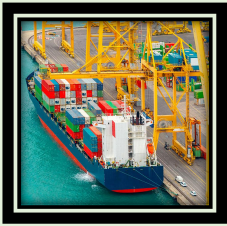
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# Central Bank

## **BB extends both policy coverage, tenure**

Considering the Covid-19 pandemic, the central bank has allowed more time for the exporters to realise their export proceeds. The tenure has been extended up to seven months instead of existing six months, and the coverage of the relaxed policy widened to all export sectors. The extended period for realisation of the export proceeds will equally be applicable for all sectors, depending on the necessity, till March 31 next year, according to a notification issued by the Bangladesh Bank (BB) on Wednesday. Earlier on July 23 last, the central bank had extended such policy, but only for the readymade garment (RMG) and textile goods exporters. Under the relaxation, authorised dealer (AD) banks are empowered to allow all exporters to extend the tenure of realising the export proceeds up to 210 days instead of 180 days, according to officials. The banks normally allow exporters to bring home the export proceeds within 120 days or four months in line with the existing forex regulations. Earlier on March 19, the BB relaxed regulations to facilitate foreign trade covering both export and import to help businesses face the adverse impact of Covid-19.

Source: <https://today.thefinancialexpress.com.bd/first-page/bb-extends-both-policy-coverage-tenure-1605722069>

# Financial Institutions

## Most NBFIs see rise in profits

- Most of the listed non-bank financial institutions (NBFIs) posted higher profits in the July-September quarter thanks to the lower provisioning regime amid the ongoing pandemic. All but Peoples Leasing out of the 23 listed NBFIs published their financial reports. Of them, the earnings of 10 rose year-on-year, and four bounced back and returned to profits.
- Despite posting higher profits, investors are still feeling shaky to invest in the stocks of the NBFIs as they fear bad times are coming next year. The government set the ceiling on banks' lending rate at 9 per cent, and the deposit rate at 6 per cent for the sake of industrialisation and the rates came into effect on April 1 this year.
- The DSEX, the benchmark index of the Dhaka Stock Exchange, rose 28 per cent, or 1,130 points, in the July-September period. It dropped 8.1 per cent, or 436 points, in the same period last year. The NPLs in 33 NBFIs in Bangladesh, including the listed ones, stood at Tk 8,905.62 crore as of June this year, which were 13.29 per cent of the outstanding loans, according to data from the Bangladesh Bank. It was Tk 6,399 crore, or 9.53 per cent of the total loans, in December last year.

Source: <https://www.thedailystar.net/business/news/most-nbfis-see-rise-profits-1995137>

## StanChart-Channel i announce 6th edition of Agrow Award

- Standard Chartered Bangladesh and Channel i have jointly announced the launch of the sixth edition of Standard Chartered - Channel i Agrow Award to recognise the best performing individuals and institutions for their significant contribution to the agriculture sector.
- This year, two new award categories— best journalist (agriculture) and best community as disaster fighter— have been introduced, bringing the total to 10. The eight other categories for the nominations are: farmer of the year – male; farmer of the year – female; heroes for change; jury special; best agricultural organisation in research, innovation and technology; best agricultural organisation in support and execution; best agricultural exporter; and lifetime achievement award.
- The Awards recognises the leaders and innovators that are taking the agriculture industry forward to promote technology and best practises at all levels of the industry. There have been 34 award winners since 2014.

Source: <https://www.thedailystar.net/business/news/stanchart-channel-i-announce-6th-edition-agrow-award-1995073>



## SBAC Bank opens Dupchachia Sub-Branch

- Tariqul Islam Chowdhury, Managing Director & CEO of South Bangla Agriculture & Commerce (SBAC) Bank, inaugurated Dupchachia Sub-Branch at Dupchachia Bazar in Bogura recently. Dupchachia Upazila Nirbahi Officer S. M. Zakir Hossain, Azad Group Partner Shahinur Rahman Sabuz, businessman Biplob Prosad, bank's Head of Credit ASM Hojaiffa Noman, Head of Card Mohammad Shafiul Azam, Bogura Branch Manager Md. Abdur Razzaque and Sub-Branch In-charge Md. Shariful Islam were present on the occasion.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/sbac-bank-opens-dupchachia-sub-branch-1605367772>

## Record \$1.2b remittance flows in 15 days of Nov

- Bangladesh earned a record \$1.2 billion in remittance in the first 15 days in November, the finance ministry said yesterday, despite grim forecasts made at the height of the pandemic about the money sent by migrant workers. Even amid the coronavirus pandemic, the surge in remittance has kept its pace, the ministry said in a press release.
- In just 12 days this month, expatriates sent more than \$1 billion. From July 1 to November 12, remittance inflow stood at \$9.69 billion, up 43.42 per cent from \$6.89 billion year-on-year. The migrant workers remitted \$2.11 billion in October, which was way higher than \$1.64 billion flown to the country in the same month a year ago. October's receipts were the third-highest monthly flow in history, behind July's \$2.59 billion and September's \$2.15 billion. In April, the multinational lender had said money sent by the migrant workers to Bangladesh is projected at \$14 billion for 2020, a fall likely of about 22 per cent because of the fallouts of the pandemic.
- The rising flow from May led the WB to forecast on October 30 that inbound remittance would accelerate by about 8 per cent to \$19.8 billion this year. Bangladesh is forecast to have posted the highest year-on-year remittance growth of 53.5 per cent among the top 49 recipient-countries in the third quarter of 2020. Bangladesh received \$18.3 billion in remittance in 2019.

Source: <https://www.thedailystar.net/business/news/record-12b-remittance-flows-15-days-nov-1996201>

# Financial Institutions

## IPDC Finance sees record revenue, excess liquidity

- IPDC Finance Limited has declared record revenue and highest excess liquidity of all time. The country's first private sector non-banking financial institution (NBFI) announced the success in its quarter three (Q3) 2020 investors' meet, held virtually on Sunday, according to a press statement. Besides sharing the Q3 financial statements, the session also covered the company's future strategies for the post-Covid period. In 2020, IPDC's customer deposit has increased by 20.5 per cent compared to December 2019 due to its innovative deposit campaigns.
- Besides, its revenue has grown by 29.1 per cent year-over-year, while its classified loan ratio of 1.59 per cent remains the lowest in the sector among the publicly listed diversified NBFIs. Despite the pandemic, IPDC has outperformed its own performance compared to the same period last year. It has maintained a strong capital base with an adequacy ratio of 17.50 per cent, the statement mentioned. After setting aside adequate provisioning (for possible difficult times ahead), the company has registered Tk 500.30 million solid net profit after tax during the period from January to September 2020, which is 13.4 per cent higher than that of last year.
- The company has also ended Q3 of 2020 with a strong liquidity cushion of Tk 8.25 billion that is the highest till date, and enough to meet its short-term obligations. To support the community, IPDC not only started 'IPDC Manobota', a deposit product to help people save money, and at the same time provide food among underprivileged people against the deposited amount.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/ipdc-finance-sees-record-revenue-excess-liquidity-1605542978>



# Financial Institutions

## **BRAC Bank launches TARA Uddokta for women entrepreneurs**

- BRAC Bank has recently launched 'TARA Uddokta', - an interest-bearing current account specially designed for women entrepreneurs, said a statement. 'TARA Uddokta' offers reduced fees, along with higher interest rates, exclusive cashback offers, and special pricing on insurance products for women entrepreneurs. A TARA Uddokta account can be opened with Tk 1000 only. Apart from that, TARA Uddokta offers free issuance of debit cards, health insurance packages with exclusive pricing, special merchant service rate on POS machines, welcome vouchers from different lifestyle brands with a debit card, and many more.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/brac-bank-launches-tara-uddokta-for-women-entrepreneurs-1605542841>

## **Mercantile Bank workshop on compliance issues of RMG industry**

- Mercantile Bank organised a virtual workshop on 'Monitoring and Compliance Issues of Ready Made Garments (RMG) Industry' recently. Head of respective divisions of head office and branch heads, branch forex-in-charge along RMG cell officials of Head Office participated in the virtual session. A total of 65 officials attended the online programme.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/mercantile-bank-workshop-on-compliance-issues-of-rmg-industry-1605542887>

# Financial Institutions

## City Bank's EGM approves Tk. 4.0b Convertible Perpetual Bond

- The Extraordinary General Meeting (EGM) of City Bank was held on Tuesday on a virtual platform. The shareholders unanimously approved contingent Convertible Perpetual Bond for Tk. 4.00 billion (Additional Tier-I Capital), subject to the approval of the regulators. In his welcome speech, Chairman Aziz Al Kaiser mentioned the various challenges persisting in the banking sector due to Covid-19 pandemic and the consistent attempts to overcome those. In the third quarter of this year, City Bank posted a consolidated profit after tax of Tk 3.08 billion, which is 18 per cent more than the same period last year.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/city-banks-egm-approves-tk-40b-convertible-perpetual-bond-1605632440>

## Modhumoti Bank signs deal with Digital Healthcare Solutions

- Modhumoti Bank Limited has signed a partnership agreement with Digital Healthcare Solutions (Digital Health) recently for telemedicine and related services. Under the agreement, Modhumoti Bank Agent Banking customers will get telemedicine services and Health care services from Agent banking points using Digital Health platform.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/modhumoti-bank-signs-deal-with-digital-healthcare-solutions-1605632389>

# Financial Institutions

## NRBC: First bank in 12 years to go for IPO

- NRB Commercial Bank is going public to raise Tk 120 crore from the stock market, a move that would make it the first bank in Bangladesh in 12 years to be listed on the bourse. The initial public offering was approved at a meeting of the Bangladesh Securities and Exchange Commission (BSEC) yesterday. The bank began its journey on April 2, 2013, as a scheduled bank.
- NRB Commercial Bank registered deposits of Tk 7,185 crore in 2019. Its total loans and advances amounted to Tk 6,201 crore. The bank's weighted average earnings per share for the last five years was Tk 1.55. Per-share net asset value stood at Tk 13.86 as of June 30, 2020. NRB Commercial Bank's return on the asset was 1.46 per cent.
- The stock market regulator also gave its consent to Lub-rref to publish its prospectus to raise Tk 150 crore by issuing 4.52 crore shares through the book-building process. When a company wants a higher price than face value while issuing new shares, the price is determined through bidding, which is called the book-building method. The BSEC asked eligible investors to submit bidding analysis and procedure for bids over Tk 50 for each share of the company.

Source: <https://www.thedailystar.net/business/news/nrb-commercial-bank-gets-nod-go-public-1997409>

## Daniel new Director of MTB

- Daniel de Lange, as the representative of Norfund (The Norwegian Investment Fund for developing countries), has recently replaced Herbert Ludwig Jaeger and been appointed as a Director of Mutual Trust Bank Limited (MTB), said a statement. Norfund holds 9.53 per cent of the outstanding shares of MTB. Norfund is owned and funded by the Norwegian Government and is the Government's most important tool for strengthening the private sector in developing countries, and for reducing poverty.
- Daniel de Lange has over 30 years' experience in the finance industry and as such has gained significant insight into all aspects of banking and finance. He is based in Hong Kong and has lived and transacted in Asia for over 25 years. He was a Managing Director with JPMorgan Chase, and during his 17 years with the firm was based in New York, Jakarta, and Hong Kong. He led multidisciplinary teams originating, advising and executing cross-border transactions with multinational and domestic companies. As advisor to large multi-sponsor transactions, he was closely involved in financial, commercial and legal aspects of ventures.

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Source: <https://today.thefinancialexpress.com.bd/stock-corporate/daniel-new-director-of-mtb-1605718618>





# Financial Institutions

## Green Delta Insurance wins WEF's New Champion Award

- After earning AAA credit rating 7 years in a row, Green Delta Insurance won another global recognition on Monday at the "Pioneers of Change Summit 2020" by World Economic Forum (WEF) in the category of "excellence in sustainability". The Pioneers of Change summit (16-20 November) aims to explore the innovation needed to bounce back from the pandemic.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/green-delta-insurance-wins-wefs-new-champion-award-1605718721>

## Md. Abdul Mannan joins Sonali Bank as its DMD

- Md. Abdul Mannan joined Sonali Bank Limited as Deputy Managing Director on November 01, says a statement. Prior to the appointment, he served as Deputy Managing Director of Karmasangsthan Bank. After completing his B.Com (Hon's) and M.Com degree in Finance from the University of Dhaka, he started his career as a senior officer at Janata Bank Ltd in 1993.

Source: <https://today.thefinancialexpress.com.bd/trade-market/md-abdul-mannan-joins-sonali-bank-as-its-dmd-1605717898>

# Stock Market

## DSE rises riding on banking stocks

- Investors went after the banking stocks yesterday pinning hopes on the higher profits posted by banks in the last quarter, resulting a 33.67-point rise in the benchmark general index of the Dhaka Stock Exchange. Stock prices of 29 out of the listed 30 banks rose on the day when the DSEX increased 0.69 per cent to 4,905. Deposits at banks rose 10.49 per cent year-on-year to Tk 1,305,453 crore in the last fiscal year on the back of rules around national savings certificates and record flow of remittance.
- Turnover, one of the important indicators of the stock market, hit Tk 790.9 crore yesterday, up from Tk 790.1 crore on the previous day. ICB AMCL Second Mutual Fund topped the gainers' list with a 10 per cent rise followed by Miracle Industries, Hakkani Pulp, Associated Oxygen and Appollo Ispat. Beximco Pharmaceuticals was the most traded stocks that traded worth Tk 63.9 crore followed by Brac Bank, Beximco Ltd, Asia Insurance and Grameen One: Scheme Two. Of the total 357 traded companies, 149 advanced, 127 declined and 71 remained unchanged. CSEX, the benchmark index of the port city bourse, rose 68 points, or 0.82 per cent, to 8,459.37 yesterday. Out of the total 256 companies' stocks, 108 rose, 101 fell and 47 remained the same.

Source: <https://www.thedailystar.net/business/news/dse-rises-riding-banking-stocks-1996793>





# Corporate Market

## Robi, UGC sign MoU

- University Grants Commission (UGC) signed an MoU with Robi on Sunday. Robi's Chief Enterprise Business Officer Md. Adil Hossain and UGC's Secretary Dr. Ferdous Zaman signed the agreement on behalf of their respective organisations. Robi's Managing Director and CEO Mahtab Uddin Ahmed and UGC Chairman Prof. Dr. Kazi Shahidullah were present at the MoU signing ceremony. Under the agreement, Robi will provide 30 GB data pack with 30 days' validity at an affordable rate to any University willing to take up the facility.

Source: <https://today.thefinancialexpress.com.bd/stock-corporate/robi-ugc-sign-mou-1605457924>

## Robi's IPO subscription begins today

- The biggest initial public offering in Bangladesh's history will make a major step forward today as investors would be able to bid for the shares of Robi-Axiata. The offer closes on November 23. General and eligible investors and non-resident Bangladeshis can apply for the shares. Robi, the second-largest mobile network operator, is going to raise Tk 523.79 crore from its IPO, overtaking market leader Grameenphone's floatation of Tk 486 crore in 2009.
- At the end of October this year, the network provider reached the milestone of five crore subscribers in a testament to its growing influence in the local market. Grameenphone has more than 7.76 crore active subscribers. Robi was the first operator to launch 3.5G services in Bangladesh. It rolled out 4.5G services across all 64 districts in 2018. Since Robi is a multinational company that maintains good governance, it will attract foreign investors, said Khairul Bashar Abu Taher Mohammed, chief executive officer of MTB Capital, a merchant bank.
- Robi will issue 52.3 crore shares, which account for 10 per cent of the company's total number of shares, at face value of Tk 10. Initially, the operator will raise Tk 136 crore from the stock market by issuing 13.6 crore shares. The remaining Tk 387.74 crore would be raised by doling out a further 38.77 crore shares. Of the 38.77 crore shares, around 19.39 crore will be issued to general investors and 15.44 crore to eligible investors. The rest will go to non-resident Bangladeshi investors. The operator demanded that the turnover tax be reduced to 0.75 per cent from the existing 2 per cent and the corporate tax be slashed by 10 percentage points to 35 per cent for the next 10 years.
- The company's per share net asset value was Tk 12.64 as of December 31, 2019. The carrier started its journey in 1997 under the brand name of Aktel. It then changed its name to Axiata (Bangladesh) in 2009 and took the present name Robi Axiata in 2010. Axiata holds a 68.69 per cent stake in the company and the Delhi-based Bharti Airtel owns the remaining 31.31 per cent.

Source: <https://www.thedailystar.net/business/news/robis-ipo-subscription-begins-today-1996233>



## Engineering consultants start work for Matarbari port dev project

- The engineering consultant team appointed for the development of Matarbari deep-sea port in Moheshkhali started its work yesterday. The Chattogram Port Authority (CPA) on September 23 signed an agreement with Japanese firm Nippon Koei Joint Venture (JV) Company Ltd for the engineering and consultancy services of the Matarbari Port Development Project. Nippon Koei was selected as the top-ranked consulting firm to render engineering related services with a negotiated contract price of Tk 234 crore. The consultant team also includes Overseas Coastal Area Development Institute of Japan (OCDI),
- Japan Port Consultants (JPC) and a Bangladeshi firm Development Design Consultants Ltd. Also, the team would provide technology transfer to the CPA. The team consists of 30 experts from Japan, 18 from Bangladesh and 21 supporting staff, all of whom are Bangladeshi nationals. The detail design would be conducted between November 2020 and June 2021. The schedule for completing tender assistance is from July 2021 to June 2022, and the construction supervision from July 2022 to December 2025. In the first phase, a 300-metre multi-purpose terminal with a backup area of 29.15 acres will be constructed by June 2025. A 460-metre container terminal with a backup area of 50 acres will be built within December 2025.
- Once constructed, the container terminal of the port would be capable of providing berthing facilities to big container ships with a draft limit of 18 metres and capacity to transport 8,000 to 10,000 TEUs (twenty-foot equivalent units) of containers, the CPA chairman said. In the multi-purpose terminal, large cargo vessels which can transport 80,000 to 100,000 tonnes of cargoes would be able to berth, he said. Currently, ships with as high as 9.5-metre draft can berth at the Chattogram port.

Source: <https://www.thedailystar.net/business/news/engineering-consultants-start-work-matarbari-port-dev-project-1996193>





# Trade Market

## Work on deep-sea port begins

- A decision by the energy ministry to stop providing new gas connections to the industries outside economic zones and industrial parks from April next year has drawn the ire of industrialists. Trade body and business chamber leaders said they did not fully agree with the initiative as such a sudden move will act as a hurdle to industrialisation. A circular from the Energy and Mineral Resources Division on October 5 said the government would not allow any new gas connections to the industries located outside of economic zones from March 31 next year to bring about industrialisation in a planned way.
- The government's decision on planned industrialisation is vital. I am also in favour of the move. However, the investment will be affected as economic zones are not ready to set up industrial plants, he said. The energy and mineral resources division issued the circular citing an instruction of the prime minister at a meeting of the governing body of the Bangabandhu Sheikh Mujib Shilpa Nagar on October 20, 2019. In order to discourage unplanned industrialisation, all utility services, including power and gas connection will have to be stopped in phases except for that inside the economic zones."
- The directive does not apply to the economic zones under the Bangladesh Economic Zones Authority (Beza), and the industrial sites under the Bangladesh Small and Cottage Industries Corporation (BSCIC). There are more than 8.8 million cottage, micro, small and medium enterprises, many of which cannot buy land at the economic zones to set up industries.

Source: <https://www.thedailystar.net/business/news/industries-vexed-no-gas-plan-beyond-economic-zones-1995749>



## **Bangladesh gets \$256.5m Green Climate Fund**

- Bangladesh has received \$256.5 million from the global Green Climate Fund to promote private sector investment through large scale adoption of energy-efficient technologies in the textile and garment sectors. This is the first concessional credit line for Bangladesh, and the first private sector financing from the GCF in the country, the Infrastructure Development Company Ltd (Idcol) said yesterday. Under the programme, Idcol will get \$250 million concessional loan for a tenure of 20 years with a grace period of five years for financing energy-efficient equipment.
- Another \$6.5 million will come as technical assistance (grant) to develop enabling environment by covering areas such as capacity building, awareness, support in loan disbursement and monitoring and evaluation of the programme parameters. Out of \$250 million loan, \$100 million will be utilised to finance textile sector energy efficiency projects, while \$150 million will be channeled to four local financial institutions for financing energy efficiency projects in the RMG sector. The total programme size will be \$423.50 million, including co-financing from Idcol, local financiers and the project sponsors, Idcol said. Lenders would get the fund at a flat rate of 1.75 per cent for 20 years. Industries would get the loans at 4.75 per cent, Malik said.
- The readymade garment sector is the largest industrial contributor in CO2 emissions at 15.4 per cent, followed by the textile sector at 12.4 per cent, according to the GCF website. The programme provides an integrated package of concessional financing for textile and RMG manufacturers, and technical assistance to create an enabling environment and ultimately to reduce 14.5 million tonnes of carbon dioxide equivalent in emissions.

Source: <https://www.thedailystar.net/business/news/bangladesh-gets-2565m-green-climate-fund-1996813>

## **Japan to invest \$2.0b in BD: Ito**

- Bangladesh is the future destination of Japanese investments, Japan's ambassador to Bangladesh Naoki Ito said this during a meeting with president of the Chittagong Chamber of Commerce and Industry (CCCI), Mahbulul Alam on Tuesday. He said Japan will make an investment worth US \$2.0 billion in the country. Of the amount, \$1.0 billion will be invested in Araihaajar upazila of Naryanganj district and another \$1.0 billion at the Mirsarai Economic Zone (MEZ) in Chattogram district, Mr Ito informed Mr Alam during a curtsey call on him at the hall room of the CCCI's World Trade Centre (WTC).
- Bangladesh has to create skilled manpower in future for attracting Japanese investment. Japan will always help Dhaka to ensure that Bangladesh attains the SDG in 2030 and become a developed country within 2041.

Source: <https://today.thefinancialexpress.com.bd/trade-market/japan-to-invest-20b-in-bd-ito-1605634596>



## **Govt caps MFS's cash-out charge for safety net funds**

- The government decision to distribute the fund under its social safety net programme through mobile financial services will ensure transparency and bring more unbanked people under the formal financial system, according to industry people. As part of its move to release the fund smoothly through the mobile financial service (MFS) providers, the government has fixed Tk 7 as the cash-out charge per Tk 1,000 withdrawal for the funds to be disbursed under the social protection programmes, according to a finance ministry circular on Thursday.
- The government disburses cash support in the form of allowances, honorarium, scholarships and stipends. Besides, other programmes also provide cash support. Currently, Bangladesh runs more than 125 social protection programmes through 20 ministries and divisions. The government has allocated Tk 95,570 crore for social protection purposes in the current fiscal year, which is 16.83 per cent of the entire budget and 3.01 per cent of the GDP.

Source: <https://www.thedailystar.net/business/news/govt-caps-mfss-cash-out-charge-safety-net-funds-1995745>

# Industry Update

## Industries vexed at no-gas plan outside economic zones

- A decision by the energy ministry to stop providing new gas connections to the industries outside economic zones and industrial parks from April next year has drawn the ire of industrialists. Trade body and business chamber leaders said they did not fully agree with the initiative as such a sudden move will act as a hurdle to industrialisation. A circular from the Energy and Mineral Resources Division on October 5 said the government would not allow any new gas connections to the industries located outside of economic zones from March 31 next year to bring about industrialisation in a planned way.
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- In order to discourage unplanned industrialisation, all utility services, including power and gas connection will have to be stopped in phases except for that inside the economic zones." The directive does not apply to the economic zones under the Bangladesh Economic Zones Authority (Beza), and the industrial sites under the Bangladesh Small and Cottage Industries Corporation (BSCIC). There are more than 8.8 million cottage, micro, small and medium enterprises, many of which cannot buy land at the economic zones to set up industries.

Source: <https://www.thedailystar.net/business/news/industries-vexed-no-gas-plan-beyond-economic-zones-1995749>



### Bangladesh on track to becoming a \$6b pharma market by 2025

- The pharmaceutical market of Bangladesh is expected to surpass \$6 billion by 2025 with an absolute growth of 114 per cent from its 2019 levels, according to a report from a Dublin-based market insight and analysis firm, Research and Markets. "The pharmaceutical market has been witnessing excellent growth in recent years, and it is expected to have a compound annual growth rate of more than 12 per cent during the 2019-2025 period," said the report titled "Bangladesh Pharmaceutical Market Future Opportunity Outlook 2025".
- Market players estimate that the local market size of the sector was about Tk 25,000 crore (\$3 billion) in 2019. In 2012, it stood at about Tk 9,390 and in 2017 it hit Tk 18,755.6 crore, according to the IMS Health Care Report. The pharmaceutical industry, a winner of the global market through dynamism and technology, experienced tremendous growth in the last decade and currently contributes 1.83 per cent to the country's gross domestic product (GDP), according to industry people.
- Local pharmaceutical makers still have immense potential in the healthcare sector, as Bangladeshis spend around \$2.04 billion abroad annually for medical treatment, which is 1.94 per cent of the country's GDP, according to a market analysis by the Bangladesh Investment Development Authority (Bida). Pharmaceutical shipments soared 4.49 per cent year-on-year to \$136 million in fiscal 2019-20 following improvements in product quality and policy support. The industry is one of the handful of sectors that ended the fiscal year in the black when national exports fell 16.93 per cent. The sector fetched \$130 million in export earnings in fiscal 2018-19 and \$103.46 million in fiscal 2017-18.

Source: <https://www.thedailystar.net/business/news/bangladesh-track-becoming-6b-pharma-market-2025-1995741>



## Japan may offer corporate tax breaks to firms that digitize

- Japan is considering offering tax incentives to companies that adopt digitalisation, public broadcaster NHK reported on Saturday. The coronavirus pandemic highlighted a need for firms to digitalize to improve their productivity, which prompted the government to consider steps to support their business reforms by digital technology.
- The government and the ruling Liberal Democratic Party (LDP) plan to discuss details of corporate tax breaks to be included in next fiscal year's tax revision, targeting mainly mid-sized companies to promote their digital investment.

Source: <https://www.thedailystar.net/business/news/japan-may-offer-corporate-tax-breaks-firms-digitise-1995033>

## Asia forms world's biggest trade bloc, a China-backed group excluding US

- Fifteen Asia-Pacific economies formed the world's largest free trade bloc on Sunday, a China-backed deal that excludes the United States, which had left a rival Asia-Pacific grouping under President Donald Trump. The signing of the Regional Comprehensive Economic Partnership (RCEP) at a regional summit in Hanoi, is a further blow to the group pushed by former US president Barack Obama, which his successor Trump exited in 2017.
- RCEP will account for 30 per cent of the global economy, 30 per cent of the global population and reach 2.2 billion consumers, Vietnam said. China's finance ministry said the new bloc's promises include eliminating some tariffs within the group, including some immediately and others over 10 years. There were no details on which products and which countries would see immediate reduction in tariffs.

Source: <https://www.thedailystar.net/business/news/asia-forms-worlds-biggest-trade-bloc-china-backed-group-excluding-us-1995697>

## Oil falls on surge in coronavirus

- Oil prices fell on Thursday, weighed down by the surge in coronavirus cases that is hampering the global economy, along with an unexpected rise in US crude stockpiles. Oil futures tracked with US equities, which also fell on pandemic concerns. Europe is grappling with a sharp increase in infections and new social restrictions.
- In the United States, new cases have surpassed 100,000 per day for several days, and more than a dozen states have doubled their caseloads in the last two weeks. Brent crude fell 27 cents to settle at \$43.53 a barrel, while US West Texas Intermediate (WTI) crude fell 33 cents to settle at \$41.12 a barrel. US government data added to the bearishness, as crude inventories rose by 4.3 million barrels last week, compared with an expected fall of 913,000 barrels.
- Both contracts rallied this week after data showed an experimental coronavirus vaccine being developed by Pfizer Inc and BioNTech was 90 per cent effective, raising hopes that the pandemic will be brought under control. The Organization of the Petroleum Exporting Countries (OPEC) lowered its forecast for demand on Wednesday, saying consumption will rebound more slowly in 2021 than previously thought because of the virus.

Source: <https://www.thedailystar.net/business/news/japan-may-offer-corporate-tax-breaks-firms-digitise-1995033>





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