

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Macro:**Inflation jumps to 9.5% in August, decreases to 9.1% in September**

- Bangladesh's inflation rate shot up to 9.5% in August and then decreased slightly to 9.1% in September. State Minister for Planning Dr Shamsul Alam disclosed it to The Business Standard on Wednesday (5 September). In July, the inflation rate was 7.48% that rose 2.02% points in August. The highest rate that Bangladesh witnessed was 11.97% in September 2011.

<https://www.tbsnews.net/economy/inflation-jumps-95-august-decreases-91-september-508926>

Bangladesh could grab 12% of man-made fibre market by 2030

- Bangladesh has the potential to grab a 12% stake in the global man-made fibre-based apparel market that will reach USD375 Bn by 2030, mainly cashing in on China's declining share, Dr MA Razzaque, chairman of the Research and Policy Integration for Development (RAPID), says.
- Apart from offering necessary policy incentives, for this, the government will also have to invest USD25-30 Bn more in developing a strong backward linkage, he also said in a workshop on "Man-made fibre for moving up the value chain of RMG in the context of LDC Graduation" on Tuesday.

<https://www.tbsnews.net/economy/rmg/bangladesh-could-grab-12-man-made-fibre-market-2030-508610>

Creating jobs, bringing home dollars

- The outsourcing of graphic designing and image editing holds great promise for Bangladesh as many are already earning foreign currencies riding on the boom in digital businesses worldwide. India, the Philippines and Vietnam have long been among the major markets for outsourcing for global clients, but Bangladesh has also become a favourite destination owing to lower prices and the ability to deliver large-scale work.
- Currently, 7,000 people are working at more than 100 small and medium companies in the graphic designing and image editing segment of the country. Another 50,000 are working as freelancers, according to an estimate by industry people.

<https://www.thedailystar.net/business/economy/news/creating-jobs-bringing-home-dollars-3135206>

Why did exports fall first time in 13 months?

- Last month, Bangladesh's export earnings fell to a 13-month low of USD3.9 Bn. Why? Experts say the slide came not for any internal failure of the country. Rather the Ukraine war and the double-digit inflation in the eurozone are the culprits here.
- European Union's 27 countries are the largest trade bloc for Bangladesh's garment products, from where the south Asian nation earns most of its foreign currency.

<https://www.thedailystar.net/business/news/why-did-exports-fall-first-time-13-months-3135791>

Korea raises ODA to USD3 Bn for Bangladesh

- Seoul has recently decided to significantly increase its development loans for Dhaka to USD3 Bn from USD700 Mn for a period of five years, Korean envoy Lee Jang Keun said. On the development front, he cited, Bangladesh has been one of the priority partner countries of Korean

<https://thefinancialexpress.com.bd/economy/korea-raises-oda-to-3b-for-bangladesh-1664855084>

Small fish with big potential

- The Bangladesh Fisheries Research Institute (BFRI) has conserved and improved 37 domesticated varieties of freshwater fish over the past 30 years, bringing hopes that endangered breeds can be preserved to satisfy both local and global demand.
- Some 64 of the 260 varieties of freshwater fish native to Bangladesh are already extinct while another 56 breeds have been listed as critically endangered since 1998 by the International Union for Conservation of Nature.

<https://www.thedailystar.net/business/economy/news/small-fish-big-potential-3135171>

Govt frames policy, aims to boost exports

- The government has issued a policy aiming to facilitate the acquisition of sustainable and advanced technology among light engineering industries in a bid to expedite development in the sector, according to a gazette notification issued last month.
- Under the policy, low interest loans will be provided from a special fund for the purchase of new technologies as well as the development of existing ones so that entrepreneurs feel encouraged to mechanise their production process.

<https://www.thedailystar.net/business/economy/news/govt-frames-policy-aims-boost-exports-3135186>

OPEC+ expected to slash oil output

- Major oil producers led by Saudi Arabia and Russia were expected Wednesday to agree on a major cut in output to prop up prices despite Western concerns over energy-fuelled inflation. The 13-nation OPEC cartel and its 10 Russian-led allies is reportedly considering a reduction of up to 2 Mn barrels per day at a meeting in Vienna — the biggest cut since 2020.
- Such a move could turbocharge crude prices, further aggravating inflation which has reached decades-high levels in many countries and is contributing to a global economic slowdown. US president Joe Biden personally appealed to Saudi leaders in July to boost production in order to tame prices which soared following Russia's invasion of Ukraine earlier this year.

<https://www.newagebd.net/article/182915/opec-expected-to-slash-oil-output>

Freight rates drop 50% as global trade slows

- Bangladesh's ocean freight charges have registered a 50% fall from the pandemic-led massive surges as global trade slows because of shrinking demand for goods paired with rising inflation and inventory excesses in destination countries.
- Vessel operations on the Chattogram-Europe route now cost USD6,000-7,000 per 20-foot container in contrast to USD12,500 in December 2021 when the pandemic was at its peak. Similarly, a US-bound ship now charges USD10,000 per 20-foot container, down from USD20,000, according to the Shipping Agents' Association.

<https://www.tbsnews.net/economy/freight-rates-drop-50-global-trade-slows-508686>

Now e-commerce falls prey to soaring inflation

- Bangladesh's e-commerce platforms have been witnessing a drop in sales in recent months due to high inflation and rising delivery costs. Industry people said the sales growth was 30% to 40% on an average in the last five years but the sales figure remained constant so far this year.
- In July, customers spent BDT9.921 Bn on products and services, over 1% less than June's BDT10.032 Bn, according to the latest data of Bangladesh Bank.

<https://www.thedailystar.net/business/economy/e-commerce/news/now-e-commerce-falls-prey-soaring-inflation-3135106>

BB says import control cannot solve dollar crisis

- Restricting imports is not a permanent solution to the dollar crisis as the global economic downturn has caused the dollar exchange rate to skyrocket internationally, said Bangladesh Bank Executive Director and Spokesperson Serajul Islam.
- "Not only in Bangladesh, but dollar prices have also increased much more in the neighbouring countries. As a result, we are under quite a lot of pressure. But reducing imports is not a permanent solution to deal with this," he told the media on Tuesday.

<https://www.tbsnews.net/economy/bb-says-import-control-cannot-solve-dollar-crisis-508366>

Unsold stock of rawhide weighs on industry

- Bangladesh is suffering from unsold stocks of hides and skins for reasons, including a lack of interest of international brands to source from here, as most tanners do not have certification from Leather Working Group (LWG) centring sustainable and environment-friendly leather production.
- High dependence on China for the export of crust and finished leathers, use of synthetic leather as an alternative to leather, and failure to increase the use of locally produced leather are the other factors that are leading to the stockpile of unsold goods, according to a paper by the Bangladesh Trade and Tariff Commission (BTTC).

<https://www.thedailystar.net/business/economy/news/unsold-stock-rawhide-weighs-industry-3135101>

Deposits in poor's bank accounts decline

- Deposits in poor's bank accounts declined by 18.61% in the second quarter ended in June 2022 compared with that in the same period of the past year. The hard-core poor's deposits in bank accounts stood at BDT2.0137 Bn at the end of June 2022 against BDT2.3884 Bn at the end of June 2021, according to the Bangladesh Bank's quarterly report.

<https://www.newagebd.net/article/182925/deposits-in-poor-s-bank-accounts-decline>

Exporters expand capacity to make technical garments

- Local garment manufacturers are pumping money to expand their capacity to produce technical garment items such as activewear and workwear since their demand is rising in the western markets.
- A few years ago, Bangladesh had one or two technical or functional clothing factories. The number has already crossed 25 as industry people are making significant investments in the segment to grab more of the global market share.

<https://www.thedailystar.net/business/economy/news/exporters-expand-capacity-make-technical-garments-3136241>

Stocks:

Emerald Oil plans to export to Japan

- Emerald Oil Industries, one of the first to market rice bran oil domestically, plans to export its product to Japan, for which it has established a branch in the island nation last month.
- In a disclosure posted on Dhaka Stock Exchange (DSE) yesterday, the rice bran oil producer said it set up a branch in Tokyo on September 20, 2022.

<https://www.thedailystar.net/business/economy/news/emerald-oil-plans-export-japan-3135191>

Bank Asia gets 'PCI DSS' certificate

- Bank Asia Limited has achieved the most prestigious Standard Information Security Certification, namely 'PCI DSS'. The certificate ensures that the store, process and transmission of card data and customer data are now more secure and trustworthy as per international standards.

<https://www.thedailystar.net/business/economy/news/bank-asia-gets-pci-dss-certificate-3135111>

Best Holdings to hold roadshow on 20 Oct

- Best Holdings Limited – the parent company of hotel Le Méridien Dhaka – is going to arrange a roadshow on 20 October to raise around BDT3.50 Bn from the stock market through an initial public offering (IPO).
- The company will offload 10% of its total number of shares for the IPO under the book-building method. Eligible investors will attend and exchange their views at the roadshow.

<https://www.tbsnews.net/economy/stocks/best-holdings-hold-roadshow-20-oct-508582>

eGeneration recommends dividends for general shareholders only

- eGeneration Limited – an IT consulting and software solutions company – has recommended a fiscal year 2021-22 cash dividend of 10%, only for its general shareholders.
- Its sponsors and directors will not take any dividends for FY22. As per the company's shareholding breakdown report, sponsors and directors hold 37.77% shares, institutions 32.87%, foreign investors 0.53%, and general shareholders have 28.83%.

<https://www.tbsnews.net/economy/stocks/egeneration-recommends-dividends-general-shareholders-only-509006>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 87.94	USD 12.73	16.93%
Crude Oil (Brent)*	USD 93.57	USD 15.79	20.30%
Gold Spot*	USD 1,729.20	(USD 100.00)	-5.47%
DSEX	6,544.83	-211.83	-3.14%
S&P 500	3,783.28	-982.90	-20.62%
FTSE 100	7,052.62	-331.92	-4.49%
BSE SENSEX	58,065.47	-188.35	-0.32%
KSE-100	41,128.67	-3,467.40	-7.78%
CSEALL	9,370.01	-2,856.00	-23.36%

Exchange Rates**1 US Dollar = 102.52 BDT****1 GBP = 116.37 BDT****1 Euro = 101.57 BDT****1 INR = 1.26 BDT**

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