

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:**Govt securities to trade in bourses from Monday**

- Trading of government securities is going to start on the stock exchanges from Monday in a bid to make general investors accustomed to dealing with these treasury bonds and bills.
- In a circular Bangladesh Bank said government treasury bonds and treasury bills were now already traded at Over The Counter (OTC) and Anonymous Order Matching trading platforms. Until August this year, 222 government treasury bonds were listed at Dhaka Stock Exchange valuing USD6.2 Bn.

<https://www.thedailystar.net/business/economy/news/govt-securities-trade-bourses-monday-3137061>

Loan write-off declines

- Loans written off by banks in Bangladesh declined in the first half of 2022 despite the upward trend of default loans. As per the rules, banks have to keep 100% provisioning against delinquent assets and the coverage has to come from operating profits.
- The outstanding amount of write-off loans stood at BDT433.60 Bn in June this year in contrast to BDT440.83 Bn six months ago, data from the Bangladesh Bank showed. It amounted to BDT435.43 Bn in June last year.

<https://www.thedailystar.net/business/economy/news/loan-write-declines-3137086>

Naogaon hand-made prayer caps usher BDT10 Bn export potential

- Handmade prayer caps, locally known as "Tupi", from different upazilas of Naogaon has made their mark beyond the border to the middle eastern countries, especially Oman, and business owners say they are eyeing a staggering BDT10 Bn in export income in the upcoming season.

<https://www.tbsnews.net/economy/naogaon-hand-made-prayer-caps-usher-tk1000cr-export-potential-510582>

Labour migration may exceed pre-Covid levels

- The growing number of people from Bangladesh registering for work overseas indicates that international migration from the country may soon surpass pre-pandemic levels, according to a recent report by the World Bank.
- Around 0.6 Mn locals registered for overseas employment in the first six months of this year while there was a total of 0.617 Mn migrants in 2021. In the five-year leading up to Covid-19, the number of people from Bangladesh going abroad for work stood at an annual average of about 0.75 Mn.

<https://www.thedailystar.net/business/economy/news/labour-migration-may-exceed-pre-covid-levels-3138511>

Knitwear continues dominance in export

- The knitwear segment has retained its position as the country's biggest export earner in the readymade garment industry and among all the sectors of Bangladesh. In 2020-21, knitwear outran woven and recaptured the glory. And it continued in the last fiscal year as well as it brought home USD23.21 Bn, versus the woven's USD19.40 Bn.

<https://www.thedailystar.net/business/economy/news/knitwear-continues-dominance-export-3138516>

Bangladesh's economy in solid position despite global downturn: Economists

- Bangladesh's economy is "not at risk, rather it is in a consolidated state" despite the ongoing global economic downturn, economists and policymakers said at a roundtable on Saturday.
- "My estimate is a bit optimistic. If the ongoing process of imports is effective, and if it can be kept at USD80 Bn, which was USD82 Bn in the last fiscal year, exports at USD55 Bn, and remittances at USD24-25 Bn, then we can move from current account deficit to surplus," said Zaidi Sattar, chairman of the Policy Research Institute (PRI).

<https://www.tbsnews.net/economy/bangladeshs-economy-solid-position-despite-global-downturn-economists-510510>

World Bank cuts Bangladesh GDP growth forecast to 6.1% for FY22-23

- The World Bank has revised down the GDP growth forecast for Bangladesh to 6.1% for the current fiscal year 2022-2023 from 6.7% growth projection made in April and June this year.
- South Asia Economic Focus of the World Bank, titled "Coping with Shocks: Migration and the Road to Resilience" revealed on Thursday found higher inflation and rolling electricity blackouts as major challenges for the economy and cut the growth outlook by 0.6% points.

<https://www.tbsnews.net/economy/world-bank-cuts-bangladesh-gdp-growth-forecast-61-fy22-23-509466>

With jute mills closed, mounting loans weigh on BJMC

- As the 25 state-owned jute mills have remained closed since mid-2020, the Bangladesh Jute Mills Corporation (BJMC) has apparently had no income over the last one and a half years. The closure leaves around BDT100 Bn loans of these mills at public banks mounting. The jute mills corporation is now in a tight spot with the increasing interest of the loans, let alone repayment of the principal.

<https://www.tbsnews.net/economy/industry/jute-mills-closed-mounting-loans-weigh-bjmc-509270>

Heavy taxes an impediment for furniture export growths

- Furniture producers, who meet 95% of the domestic demand, are now eyeing a slice of the USD700 Bn global market and hoping for policy support from the government.
- If the government supports the import of raw materials needed by the industry, then the export income from the sector will grow, while the labour-intensive production methods will also ensure an increase in employment opportunities.

<https://www.tbsnews.net/economy/industry/heavy-taxes-impediment-furniture-export-growths-509522>

Faucet market grows as urbanisation leads to increased demand

- The market of faucet and showerhead is growing steadily as rapid urbanisation, expansion of the housing sector and improved economic conditions have led to increasing demand for the sanitary essentials.
- Industry insiders say the water tap market has crossed the BDT15 Bn mark with a yearly growth of 15%. However, the majority of this market is dominated by foreign brands as currently there are no major local brands manufacturing these items except for the RFL Group. As a result, substandard products are taking a piece of the pie.

<https://www.tbsnews.net/economy/faucet-market-grows-urbanisation-leads-increased-demand-510118>

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<https://www.tbsnews.net/economy/industry/heavy-taxes-impediment-furniture-export-growth-509522>

Hilsa export to India: Bangladesh earned USD13.6 Mn this year so far

- Bangladesh government has earned USD13.6 Mn from exporting 1,352 tonnes of hilsa fish to India this year so far, Fisheries and Livestock Minister SM Rezaul Karim said today. Hilsa production has doubled in last 12 years and the rate of production is now 90%, he said.

<https://www.tbsnews.net/economy/bazaar/hilsa-export-india-bangladesh-earned-136cr-year-so-far-509298>

Stocks:

Pubali Bank on a tear

- At the time of its denationalisation in 1984, Pubali Bank's defaulted loans were more than 50% owing to a lack of corporate governance.
- Pubali Bank is one of the sound financial organisations in Bangladesh and non-performing loans (NPLs) have fallen to as low as 3%, way lower than the industry average of more than 8%.

<https://www.thedailystar.net/business/economy/news/pubali-bank-tear-3138496>

Beximco raises EUR32.5m from Dutch bank

- Beximco Ltd has raised EUR32.5 Mn from Dutch financial institution ING Bank in order to expand its knit fabric facility, said a press release yesterday.
- The company will buy advanced German and other textile equipment through an exporter in Germany based on financing from ING Bank, with an insurance-backed cover from Germany's Export Credit Agency (ECA).

<https://www.thedailystar.net/business/economy/news/beximco-raises-eu325m-dutch-bank-3136921>

BSEC rejects Baraka Power's BDT1.5 Bn bond issuance move

- The Bangladesh Securities and Exchange Commission (BSEC) has rejected Baraka Power Limited's application aimed at issuing a BDT1.5 Bn fully redeemable non-convertible zero-coupon bond.
- The power producer disclosed it in a filing on the Dhaka Stock Exchange (DSE) yesterday. The post, however, did not explain why the application was rejected.

<https://www.thedailystar.net/business/economy/news/bsec-rejects-baraka-powers-tk-150cr-bond-issuance-move-3136991>

Sino-Bangla JV to invest USD15.63 Mn in Ishwardi EPZ

- Jinqiu Global Textile Bangladesh Ltd, a China-Bangladesh joint venture company, is going to invest USD15.63 Mn to set up garments accessories manufacturing industry in Ishwardi Export Processing Zone (IEPZ).
- The company will manufacture 250 Mn metres and 2 Mn cones of different types of garments accessories annually and generate employment opportunities for 981 Bangladeshi nationals.

<https://www.thedailystar.net/business/economy/news/sino-bangla-jv-invest-1563m-ishwardi-epz-3137001>

Dhaka Bank allowed to issue BDT2 Bn bond

- Dhaka Bank Ltd has received approval from the securities regulator to issue a perpetual bond worth BDT2 Bn in a bid to strengthen the additional Tier-1 capital base of the private sector lender.
- The bank will raise BDT1.5 Bn through private placements and the remaining BDT500 Mn through a public offering. This would be a coupon-bearing, contingent convertible perpetual bond.

<https://www.tbsnews.net/economy/stocks/dhaka-bank-allowed-issue-tk200cr-bond-509622>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 92.02	USD 16.81	22.35%
Crude Oil (Brent)*	USD 97.26	USD 19.48	25.04%
Gold Spot*	USD 1,692.49	(USD 136.71)	-7.47%
DSEX	6,569.51	-187.15	-2.77%
S&P 500	3,639.66	-1,126.52	-23.64%
FTSE 100	6,991.09	-393.45	-5.33%
BSE SENSEX	58,191.29	-62.53	-0.11%
KSE-100	41,128.67	-3,467.40	-7.78%
CSEALL	9,049.52	-3,176.49	-25.98%

Exchange Rates**1 US Dollar = 103.22 BDT****1 GBP = 114.49 BDT****1 Euro = 100.58 BDT****1 INR = 1.25 BDT**

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