

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:**Apparel exports to Europe, US may surge by USD54 Bn by 2030: Research**

- A declining trend of China's garment exports on top of the establishment of a strong local backward linkage industry makes the Bangladesh apparel sector nicely poised to increase its annual exports to two key markets – Europe and the US – by USD54 Bn by 2030, predicts Research and Policy Integration for Development (RAPID).
- Bangladesh has the potential to boost its apparel exports to the US market to USD24 Bn and to the European market to USD65 Bn by next eight years, says the research organisation. It has calculated the potential of garment exports in view of the current trend and statistics of the global apparel market, and the potential capacity of the Bangladesh RMG industry.
- According to Export Promotion Bureau (EPB) estimates, Bangladesh exported garments worth about USD43 Bn in the fiscal 2021-22, of which exports to Europe accounted for USD26 Bn. Bangladesh's RMG exports to the US market stood at USD9 Bn last fiscal year. In other words, Bangladesh's garment exports to these two markets may increase two and a half times in eight years, with an average annual export growth of 12% to Europe and 15% to the US, according to RAPID.

<https://www.tbsnews.net/economy/rmg/apparel-exports-europe-us-may-surge-54b-2030-research-495114>

Bangladesh Bank increases dollar price by BDT1 to BDT96

- The Bangladesh Bank increased the exchange rate for dollar by BDT1 to BDT96 Monday (12 September). Central bank sources confirmed the increase in the exchange rate. A day ago, the central bank had traded dollars for BDT95 each. On the same day, banks capped the rates of the dollar at BDT108 for remittance inflows and BDT99 for export proceeds as part of an effort to curb volatility in the country's foreign exchange market.
- The two organisations collected a maximum of BDT108 per dollar in remittances from Monday while encashing export revenue at a maximum of BDT99 per dollar. Additionally, they opened LC at BDT1 more than the weighted average of the exchange rate of remittance and export. The interbank dollar exchange rate on Monday was BDT103.5.

<https://www.tbsnews.net/economy/banking/bangladesh-bank-increases-dollar-price-tk1-tk96-495086>

Hong Kong investments sought for logistics sector

- Bangladesh has sought investments in its logistics sector from Hong Kong. At a programme – Exploring business and investment opportunities for Bangladesh via Hong Kong – speakers urged investors from Hong Kong to invest in Bangladesh owing to its pro-investment environment. They also said Bangladesh has set up 100 economic zones where various facilities are being provided for investors.

<https://www.tbsnews.net/economy/hong-kong-investments-sought-logistics-sector-495106>

Disbursal fails to catch up with WB loan commitments

- The net loan pledge by the World Bank to Bangladesh edged up USD4.6 Bn in the last five years, while the disbursement ratio registered a fall, according to the lender's portfolio. Compared to FY18, the World Bank disbursed only USD519 Mn more in FY22, show a WB report. At the end of FY22, the undisbursed amount was USD8.5 Bn as it was USD7 Bn in FY18.

- According to the report, the commitment-disbursement ratio declined to 16.1% in FY22. The figure was at 17.8% in FY21, 15.2% in FY20, 21.2% in FY19 and 21.8% in FY18. A tripartite meeting on 11-12 September in Dhaka by the global lender, implementing agencies and the Economic Relations Division (ERD) identified a number of project issues such as slow start, readiness and improper synchronisation between the government and the lender mainly responsible for delaying the disbursement.

<https://www.tbsnews.net/economy/disbursal-fails-catch-wb-loan-commitments-495098>

Industrial credit rises 22% in FY22 on higher import costs

- Credit flow to the industrial sector has registered a 22% jump year-on-year in FY22, riding on high import costs and rising dollar prices. In the last fiscal year, banks and non-bank financial institutions disbursed BDT4,815.17 Bn in loans to the industrial sector, while the disbursal was BDT3,747.19 Bn in FY21, according to the central bank's industrial quarterly report.
- Bankers have mainly linked this healthy credit growth to imports of capital machinery and other goods at higher costs because of soaring global prices and continuous gain of dollars against taka. The lending rate is still capped at 9% for banks although the central bank has raised the repurchase agreement (repo) rate to 5.5% to control inflation. That is why customers are availing bank loans at lower rates, leading to a rise in disbursements to the industrial sector, they say.

<https://www.tbsnews.net/economy/industrial-credit-rises-22-fy22-higher-import-costs-495102>

Stocks:

Pragati Life Insurance allowed to issue bonus shares

- The Bangladesh Securities and Exchange Commission (BSEC) has approved Pragati Life Insurance Ltd to issue stock dividends for the year ended 31 December 2021, according to the company's stock exchange filing on Monday. In June this year, the company recommended 11% cash and 6% stock dividends for its shareholders for 2021.
- It recommended bonus shares to utilise their retained earnings as capital for business expansion. According to the disclosure, the company's board of directors has set 26 September as the record date to identify shareholders entitled to the stock dividend.

<https://www.tbsnews.net/economy/stocks/pragati-life-insurance-allowed-issue-bonus-shares-495026>

Navana Pharma launches IPO Tuesday

- The initial public offering (IPO) of Navana Pharmaceuticals will open for subscription tomorrow (Tuesday), aiming to raise BDT750 Mn under the book-building method. The IPO subscription period will continue until September 19, officials said. Navana Pharma received the regulatory approval for its IPO on June 8 this year.
- Eligible investors took part in the price discovery of the IPO shares by bidding for 72 hours from July 4 to July 7, a requirement for going public under the book-building method. Following the bidding, the cut-off price for each share was fixed at BDT34. However, general investors will be able to purchase its IPO shares at a 30% discount on the cut-off price, as per the regulatory approval.

<https://thefinancialexpress.com.bd/stock/navana-pharma-launches-ipo-tuesday-1662969855>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 87.19	USD 11.98	15.93%
Crude Oil (Brent)*	USD 93.32	USD 15.54	19.98%
Gold Spot*	USD 1,721.90	(USD 107.30)	-5.87%
DSEX	6,528.31	-228.35	-3.38%
S&P 500	4,110.41	-655.77	-13.76%
FTSE 100	7,473.03	88.49	1.20%
BSE SENSEX	60,115.13	1,861.31	3.20%
KSE-100	41,862.29	-2,733.78	-6.13%
CSEALL	9,813.18	-2,412.83	-19.74%

Exchange Rates**1 US Dollar = 94.95 BDT****1 GBP = 110.93 BDT****1 Euro = 96.15 BDT****1 INR = 1.20 BDT**

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