

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.

Silver lining on export front

- The reverse trend witnessed in the country's export earnings in the month of June also continued in July and entered the positive territory, much to the relief of businesses and the policymakers. The earnings grew by 0.59% to USD3.91 billion in July after a continuous fall in shipments in previous months amid the coronavirus outbreak. Exports fetched USD 3.88 billion in the month of July last year, according to the official data. Exporters and experts attributed the gradual reopening of western markets to the positive trend in shipments from Bangladesh. New orders coupled with revival of the orders suspended earlier did also contributed to the turnaround.
- The ready-made garment (RMG) sector that contributed over 83% or USD 3.24 billion to total export income in July last, however, witnessed nearly 2.0% negative growth.

<https://today.thefinancialexpress.com.bd/first-page/silver-lining-on-export-front-1596561785>

Remittance flow sets new record of USD 2.6 billion

- The flow of inward remittances grew by nearly 42% to a record high of USD 2.60 billion in July over that of the previous month, following celebration of the Eid-ul-Azha festival. Remittances from Bangladeshi nationals working abroad in the first month of the current fiscal year (FY), 2020-21, were up by 766.93 million of a month before (June), according to the central bank's latest statistics. It was USD 1.60 billion in July 2019.
- The government's incentive providing along with the central bank's latest policy support has helped the country to achieve the new record of inward remittances, according to officials and bankers. Non-resident Bangladeshis (NRBs) normally send increased amount of remittances for their relatives and families in the country to celebrate the two Eid festivals.
- Meanwhile, the central bank has projected that the flow of inward remittances might grow by nearly 3.0% to USD 18.75 billion in FY 2021 from USD 18.20 billion of the previous fiscal, according to its latest monetary policy statement (MPS). Available information indicates that employment of the Bangladeshi workers and professionals abroad has dropped sharply in 2020. Many overseas workers have already become jobless due to worldwide breakout of the Covid-19 pandemic.

<https://today.thefinancialexpress.com.bd/last-page/remittance-flow-sets-new-record-of-26b-1596561432>

SS Steel to acquire Saleh Steel

- SS Steel, a newly listed company, plans to acquire Saleh Steel Industries with the view to staking a larger claim on the BDT 550 billion-industry, in yet another indication of the impending recovery of the Bangladesh economy from the fallout of the global coronavirus pandemic. The 19-year-old steelmaker will invest a total BDT 1.59 billion in Saleh Steel. Of the sum, BDT 247.5 million would be equity investment for its 99% stake. Another BDT 1.34 billion would be invested for the smooth operation of the company.
- The country has about 40 active steel manufacturers, who altogether can manufacture 9 million tonnes of steel annually. Of them, Abul Khair Steel, GPH Steel, BSRM and KSRM meet more than half the yearly demand of about eight million tonnes.

<https://www.thedailystar.net/business/news/ss-steel-acquire-saleh-steel-1939889>

Dip in export order, mismanagement hit rawhide business hard

- Apex Tannery, the largest rawhide processing company in the country, had 1.5 million rawhides in stock before Eid-ul-Azha. The company with a capacity to stock 3 million rawhides did not set any target to buy new rawhides during this Eid as there was no demand from the buyers this year. Executive Director of Apex (Operation) said they did not find it necessary to collect during Eid as the price of processed rawhide in Europe or China was low.
- Almost all of the 188 tanneries registered with the Bangladesh Tanners Association (BTA) shared a similar experience. Owners of warehouses and tanneries said 35-40% less rawhides was collected this year compared to last year as in that year they suffered losses because of low demand for rawhide. Besides, owners of rawhide warehouses and tanneries could not manage any loans to buy new rawhides. This caused a chaos in the rawhide trade all across the country and a big slump in price. Cow rawhides were sold for BDT 150-600 in the capital, while the goat skins were sold for BDT 2-10 depending on their sizes.

<https://tbsnews.net/economy/industry/dip-export-order-mismanagement-hit-rawhide-business-hard-115411>
<https://www.thedailystar.net/business/news/bad-news-rawhide-trade-year-too-1939385>

Bangladesh receives USD 202 million from World Bank for food security

• The World Bank's board of executive directors today approved USD 202 million in additional financing for the Modern Food Storage Facilities Project to increase the storage capacity of Bangladesh's national strategic grain reserves by 535,500 tons for 4.5 million households. The project is helping Bangladesh address food insecurity in challenging times, such as frequent climate-induced disasters or crisis situations like Covid-19 pandemic, according to a press release issued by WB in this regard.

<https://www.thedailystar.net/business/news/bangladesh-receives-202-million-wb-food-security-1939393>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change YTD
Crude Oil (WTI)*	\$41.64	-19.99	-32.44%
Crude Oil (Brent)*	\$44.40	-24.04	-35.13%
Gold Spot*	\$2,013.01	491.54	32.31%
DSEX	4,299.11	-153.82	-3.45%
S&P 500	3,306.51	75.73	2.34%
FTSE 100	6,036.00	-1,551.05	-20.44%
BSE SENSEX	37,892.36	-3,749.78	-9.00%
KSE-100	39,577.62	-1,157.46	-2.84%
CSEALL	5,166.81	-962.40	-15.70%

Exchange Rates

USD 1 = BDT 84.71*
GBP 1 = BDT 110.86*
EUR 1 = BDT 100.07*
INR 1 = BDT 1.13*

**Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*

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