

*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.*

### **2nd wave lockdown hurts business recovery**

- The lockdown enforced to control the second wave of coronavirus transmission has slowed down the business-recovery process in Bangladesh as 64 % of the firms registered poor rebound from the pandemic disruptions during April-June period of this year, according to a survey that also shows ways of an economic recovery.
- The fifth quarter since the virus hit the economy was too bad for business when only 9.0 % of 501 surveyed firms reported strong recovery while 27 % maintained moderate turnaround.
- During that period of headwind blowing in and out of the country, the extent of economic recovery from the covid-induced losses fell back to 35 % from 57 % that was reported in the previous quarter (January-March).

<https://today.thefinancialexpress.com.bd/first-page/2nd-wave-lockdown-hurts-biz-recovery-1630170413>

<https://www.tbsnews.net/economy/64-companies-report-weak-recovery-pandemic-blues-294373>

### **Government to raise commodity supply 55.18% in FY'22**

- The government will procure more than 0.273 million tonnes of key essential commodities for the current fiscal year (FY) as part of a market intervention strategy to keep prices in the local market stable, officials said. The quantity would be 55.18 % higher than that of last FY's 0.176 million tonnes, purchased by the state-run Trading Corporation of Bangladesh (TCB).
- Under a plan for FY 2021-22, the government has set a target to procure 75,000 tonnes of soybean oil, 75,000 tonnes of onion, 65,000 tonnes of sugar and 48,000 tonnes of lentil.

<https://today.thefinancialexpress.com.bd/last-page/govt-to-raise-commodity-supply-5518pc-in-fy22-1630171341>

### **Develop local market, production capacity**

- Speakers at a virtual dialogue on Saturday stressed the need for developing local market and manufacturing capacity to face emerging challenges and remain competitive in the post-LDC era. They also suggested modernization and automation of tax, VAT and duty structures, development of the supply chain ecosystem, attracting new investment, using technology, development of human resources, and ensuring low-cost financing to make local businesses more competitive.

<https://today.thefinancialexpress.com.bd/last-page/develop-local-market-production-capacity-1630171425>

<https://www.tbsnews.net/economy/local-market-development-will-ease-post-ldc-challenges-say-business-leaders-294529>

<https://www.thedailystar.net/business/economy/news/strengthen-domestic-market-supply-chain-2163441>

### **Insurance regulator devises bond coverage**

- The regulator is aggressively working to introduce insurance products for bond issuers that will guarantee repayment of the principal and all associated benefits to the bondholders in the event of issuer default. Officials said the Insurance Development and Regulatory Authority or IDRA, the regulator of 81 life and non-life firms in insurance sector, took the move for insurance coverage of the fixed-income instruments on the capital market.
- However, the securities regulator-Bangladesh Securities and Exchange Commission-in a note on the proposed guidance said that bond insurance cannot be made mandatory. If any issuer offers credit enhancement in the form of insurance, then it will be applicable.

<https://thefinancialexpress.com.bd/stock/insurance-regulator-devises-bond-coverage-1630122367>

### Safety net payout through' Mobile Financial Service (MFS) eases life, improves efficiency

- Digitization of the government aid and safety net allowance disbursement is directly helping in attaining social and financial inclusion of the marginalized people across the country. This digitization of the aid disbursement has come with a path-breaking innovation of the mobile financial service (MFS) wing of Bangladesh Post Office, Nagad. This has taken the availability of such funds to the next level with accuracy of reaching target beneficiaries.
- The MFS service started in the country 10 years ago, but disbursement of public funds started with Nagad and it has channeled nearly 80 million government payments to 25 million unique beneficiaries only in the fiscal 2020-21.

<https://thefinancialexpress.com.bd/economy/safety-net-payout-thru-mfs-eases-life-improves-efficiency-1630205865>

### Bangladesh Bank (BB) extends relaxed loan classification policy

- Bangladesh Bank has further extended the period during which its relaxed loan classification policy would stay in effect, given the ongoing business slowdown brought on by the coronavirus pandemic. As per the Bangladesh Bank decision, borrowers will be able to avoid the default zone by paying 25 % of each instalment of their loans until December this year.
- In addition, default loans in the banking sector have also started to go up since the first quarter of this year as the central bank withdrew a moratorium facility. Non-performing loans stood at BDT 99,205 crore in June, up 11.80 % from six months earlier and 3.21 % year-on-year, showed data from the BB.

<https://www.thedailystar.net/business/economy/banks/news/bb-extends-relaxed-loan-classification-policy-2163406>

### World Stock and Commodities\*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD68.74	USD20.22	41.67%
Crude Oil (Brent)*	USD72.70	USD20.90	40.35%
Gold Spot*	USD1,817.58	(USD77.52)	-4.09%
DSEX	6,851.32	1,449.25	26.83%
S&P 500	4,509.37	753.30	20.06%
FTSE 100	7,148.01	687.49	10.64%
BSE SENSEX	56,124.72	8,373.39	17.54%
KSE-100	47,136.53	3,381.15	7.73%
CSEALL	8,931.33	2,157.11	31.84%

### Exchange Rates

USD 1 = BDT 84.90\*  
 GBP 1 = BDT 116.83\*  
 EUR 1 = BDT 100.17\*  
 INR 1 = BDT 1.15\*

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

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