

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.

Four more products will receive cash incentives against export, says BB (Bangladesh Bank)

- The new products, each of which will receive the cash support at the rate of 4.0 % over their export value, are locally produced tea, bicycle and its parts, MS Steel products and cement sheet, said a Bangladesh Bank (BB) circular, issued by foreign exchange policy department on Monday.
- The BB circular also mentioned that cash incentives will also be provided for the export of the products produced in the export processing zones, economic zones and hi-tech parks under A, B and C categories.

<https://thefinancialexpress.com.bd/economy/bangladesh/four-more-products-will-receive-cash-incentives-against-export-says-bb-1632150991>

BB (Bangladesh Bank) relaxes forex rules in export, import

- The Bangladesh Bank (BB) has brought relaxation in foreign-exchange regulations in export, import, remittance and other trade services to overcome economic challenges of the Covid-19 pandemic, said BB deputy governor Ahmed Jamal on Monday.
- He also said the central bank has taken a number of initiatives in the areas of trade payment and finance to keep the country's economy going throughout the pandemic.
- He said these while delivering the chief guest's speech at an online review workshop - 'Trade Services Operations of Banks' - organized by the Bangladesh Institute of Bank Management (BIBM), according to a BIBM press release.

<https://today.thefinancialexpress.com.bd/last-page/bb-relaxes-forex-rules-in-export-import-1632163001>

Market diversification key to RMG growth

- About 73 % of our total exports are concentrated on five basic items. The price of 80 % of these exports are as high as USD 15 per kilogram. Around 74.14 % of our exports are concentrated on cotton while 80.67 % of these shipments go to markets in the EU and North America.
- Although we have advanced a lot in safety and sustainability, Bangladesh's garment industry lacks diversification. To be competitive in the race of this fast fashion arena, we need to flag out market and product diversification as an immediate need.

<https://www.thedailystar.net/business/economy/news/market-diversification-key-rmg-growth-2180531>

IFC (International Finance Corporation) to invest USD 2.5m in Truck Lagbe

- International Finance Corporation (IFC) is going to invest USD 2.5 million in online platform Truck Lagbe to connect people and corporate customers with truck owners and drivers through an app and a website in Bangladesh.
- The platform has registered over 43,000 shippers alongside 20,000 trucks of different carrying capacities for short and long hauls.

<https://www.thedailystar.net/business/economy/industries/investments/news/ifc-invest-25m-truck-lagbe-2180556>

ADB (Asian Development Bank) to give USD 250m loan for Bangladesh CMSMEs

- The Asian Development Bank (ADB) would provide USUSD 250 million policy-based loan to Bangladesh for facilitating economic recovery of the CMSMEs amid the Covid-19 pandemic, officials said on Monday.
- It would also help rapid economic and social recovery from Covid-19 by increasing the tax-GDP ratio to 12.3 % in fiscal year (FY) 2025 from 8.9 % in FY 2019, increasing the public investment-GDP ratio to 9.24 % in FY 2025 from 8.03 % in FY 2019, and reforming the state-owned enterprises (SoEs) to minimize subsidies that drain the public exchequer.

<https://today.thefinancialexpress.com.bd/last-page/adb-to-give-250m-loan-for-bangladesh-cmsmes-1632162939>

BB (Bangladesh Bank) unveils guideline on non-banking assets

- The guidelines asked banks to complete the registration and mutation of the assets, ensure the physical possession within the quickest possible time, and include the assets in the balance sheet after adjusting the dues.
- The BB ordered banks to assess the value of the assets prudently. The valuation must be done by a three-member committee comprising officials who are experts in the field. If the valuation differs from the government-fixed rate for local properties, the assessment report must include rationality.

<https://www.thedailystar.net/business/economy/banks/news/bb-unveils-guideline-non-banking-assets-2180541>

Microsoft pays BDT 3.23 crore VAT for the first time in Bangladesh

- Microsoft Corporation, an American multinational technology corporation, has paid Taka 3,23,76,000 as VAT for the first time as a non-resident company.
- After taking its Business Identification Number (BIN) from the Customs, Excise and VAT Commissionerate, Dhaka South in last July, the multinational company deposited the VAT amount to the state coffer in this September against their sold services during the months of July and August.

<https://www.daily-sun.com/post/577731/Microsoft-pays-Tk-3.23cr-VAT-for-the-first-time-in-Bangladesh>

Price hike in a crunch time

- Compared to the Indian market, even a kilogram of the coarse variety of rice the poor segment of society is used to consume is priced at least BDT 10 higher. Now the situation has suddenly exacerbated with almost all kinds of vegetables marking a sharp increase in prices. No vegetable is available at a price below BDT 50.
- Reports have it that prices of eggs and broiler chickens are tagged almost daily by a syndicate which controls the supply of such items according to its sweet will. The poor man's dish of pulse and rice is also not affordable. Price of pulse has registered a hike by no less than 20 %.

<https://thefinancialexpress.com.bd/editorial/price-hike-in-a-crunch-time-1632153788>

Higher taxes are coming with implications for markets

- Taxes in the world's wealthiest countries are rising. Inevitable perhaps given the unprecedented COVID-era debt surge and, according to some investors, even a good thing if it helps close the wealth gaps the pandemic has exacerbated.
- It's easy to see tax increases as a short term negative for investors but if you see people not on higher incomes suddenly get more income it can be positive for the economy and markets

<https://thefinancialexpress.com.bd/trade/higher-taxes-are-coming-with-implications-for-markets-1632154485>

Recovery drops by BDT 109 crore in Apr-June

- Banks' recovery from the classified loans dropped by 5.72 % or BDT 108.88 crore in the April-June quarter of 2021 compared with that in the previous quarter amid a dull business performance due to the Covid-centric restrictions.
- As per Bangladesh Bank data, recovery against the classified loans of all the scheduled banks dropped to BDT 1,795.12 crore in the April-June quarter of 2021 from BDT 1,904 crore in the January-March quarter of 2021.

<https://www.newagebd.net/article/149659/recovery-drops-by-tk-109cr-in-apr-june>

Stock turnover dips but index rebounds

- The DSEX, the benchmark index of Dhaka Stock Exchange (DSE), edged up 14 points, or 0.19 %, to 7,205.
- Turnover, an important indicator of the market, decreased around 13 % to BDT 1,765 crore, which was BDT 2,033 crore on the preceding day. On August 29, turnover had dropped to BDT 1,846 crore.

<https://www.thedailystar.net/business/economy/stock/news/stock-turnover-dips-index-rebounds-2180551>

How Paper Processing and Monospool's paid-up capital tripled overnight

- After 5-12 times stock price hikes in less than three months, regulatory moves to look into the matters, and later, the falling stock prices, nothing was more insane than the latest development regarding their number of shares and the paid-up capital.
- Earlier last week the DSE website was showing that Paper Processing's paid-up capital was BDT 3.36 crore which jumped to BDT10.45 crore at the end of the week and there neither had been any explanation of it nor any announcement of a number of shares increased.

<https://www.tbsnews.net/economy/stocks/how-paper-processing-and-monospools-paid-capital-tripled-overnight-305209>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 70.62	USD 22.10	45.55%
Crude Oil (Brent)*	USD 74.26	USD 22.46	43.36%
Gold Spot*	USD 1,763.26	(USD 131.84)	-6.96%
DSEX	7,205.82	1,803.75	33.39%
S&P 500	4,350.96	594.89	15.84%
FTSE 100	6,903.91	443.39	6.86%
BSE SENSEX	58,490.93	10,739.60	22.49%
KSE-100	46,528.21	2,772.83	6.34%
CSEALL	8,801.95	2,027.73	29.93%

Exchange Rates**1 US Dollar = 85.14 BDT****1 GBP = 116.32 BDT****1 Euro = 99.86 BDT****1 INR = 1.16 BDT**

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BRAC EPL Stock Brokerage Limited**Research**

Salim Afzal Shaown, CFA	Head of Research	salim@bracepl.com	01708 805 221
Nazmus Saadat, CFA	Research Analyst	nazmus.saadat@bracepl.com	01708 805 229
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
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BRAC EPL Stock Brokerage Limitedwww.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com