

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:**Loans to get costlier as BB hikes lending rate to 5.75%**

- The Bangladesh Bank has increased the repo rate - the interest rate at which banks borrow short-term funds - by 25 basis points to 5.75% in a move to dampen inflation in the country. Earlier on 30 June, the Bangladesh Bank hiked the repo rate from 5% to 5.50% to check the flow of money in the economy swelled by various government stimulus.

<https://www.tbsnews.net/economy/banking/loans-get-costlier-bb-hikes-lending-rate-575-505610>

Garment exports to US surge

- Garment exports to the US rose 54.43% year-on-year in the January-July period to hit USD5.71 Bn as the demand for locally made garment items is growing among American consumers, according to data from the country's Office of Textiles and Apparel (OTEXA).
- In fiscal 2021-22, Bangladesh's overall shipments to the US amounted to USD10.41 Bn, around USD9.01 Bn of which were garments. US imports of apparel items increased by 39.06% in the January-July period compared to the corresponding period the year before.

<https://www.thedailystar.net/business/economy/news/garment-exports-us-surge-3130501>

Fitch affirms Bangladesh's issuer default rating at 'BB-', outlook stable

- The rating agency Fitch Ratings on Thursday affirmed Bangladesh's Long-Term Foreign-Currency Issuer Default Rating (IDR) at "BB-" with a stable outlook.
- The rating reflects Bangladesh's strong growth prospects, government debt that is below the "BB" median, and a manageable external debt repayment profile.

<https://www.tbsnews.net/economy/fitch-affirms-bangladeshs-issuer-default-rating-bb-outlook-stable-506310>

BB nod must for NBFIs to lend to subsidiaries

- Non-bank financial institutions (NBFIs) will have to take permission from the central bank to lend to their subsidiaries or associates and waive loans or interests.
- The move is aimed at protecting the interests of the depositors and restoring discipline in the financial sector, said the Bangladesh Bank in a notice yesterday

<https://www.thedailystar.net/business/economy/news/bb-nod-must-nbfis-lend-subsidiaries-3131606>

Meta includes Bangladesh in annual marketing summit

- Meta, formerly known as the Facebook company, for the first time has expanded its annual marketing summit to Bangladesh, and the digital event was aired today.
- Bangladesh is one of the Asia Pacific countries, which were included by the Meta in its annual event to discuss the future of the metaverse and opportunities for businesses.

<https://www.thedailystar.net/business/news/meta-includes-bangladesh-annual-marketing-summit-3131206>

Manpower export to Middle East surges

- The number of Bangladeshi workers who headed to the Middle East countries in search of jobs surged 177% year-on-year in the first eight months of 2022, official figures showed.
- The opening of the doors following the recovery of the oil-rich nations from the coronavirus pandemic and a higher income thanks to a spike in energy prices owing to the Russia-Ukraine war have boosted the economic activities in the region and lifted the demand for foreign workers.

<https://www.thedailystar.net/business/economy/news/manpower-export-middle-east-surges-3132836>

Bangladesh poised to overtake China in apparel export to EU

- Bangladesh is poised to overtake China in garment exports to Europe, the world's largest market, anytime in the near future for work orders shifting its way and its price competitiveness.
- In the January-June period of this year, Bangladesh attained shipments worth USD11.31 Bn, registering the highest year-on-year growth of 44.6%, according to Eurostat. China secured a 21.78% rise, reaching USD12.22 Bn, added the data of the European Union's statistical office.

<https://www.thedailystar.net/business/news/bangladesh-poised-overtake-china-apparel-export-eu-3132691>

'Indonesia keen to strengthen relations with Bangladesh'

- The Embassy of the Republic of Indonesia in Dhaka celebrated its 77th Independence Day on Thursday evening demonstrating an enhanced partnership between Bangladesh and Indonesia.
- Ambassador Heru highlighted that this year marks the 50-years of diplomatic relations between Indonesia and Bangladesh. He said his country is committed to strengthening the friendly relations with Bangladesh in many aspects, especially in bilateral trade and cooperation in more comprehensive sectors.

<https://thefinancialexpress.com.bd/economy/indonesia-keen-to-strengthen-relations-with-bangladesh-1664538710>

Treatment plant opens to end CEPZ water crisis

- A water treatment plant set up near the Patenga silo jetty was inaugurated yesterday to purify 3 Mn gallons daily from the Karnaphuli river and meet shortages at 148 factories in Chattogram Export Processing Zone (CEPZ).
- "From the beginning of the establishment of Chattogram EPZ, there was a shortage of drinking water in this region," said Bangladesh Export Processing Zone Authority (Bepza) Chairman Maj Gen AKM Ziaur Rahman on opening the facility.

<https://www.thedailystar.net/business/economy/news/treatment-plant-opens-end-cepz-water-crisis-3131556>

Do more to keep financial inclusion momentum going

- Bangladesh should do more to keep up its momentum in the area of financial inclusion, expand access and bridge the gender gaps that persist, said a top official of the International Monetary Fund (IMF).
- While giving her opening remarks at a virtual discussion on "Fintech and Financial Inclusion and the Case of Bangladesh: Peer-Learning Series" on Wednesday, IMF Deputy Managing Director Antoinette M Sayeh said in Bangladesh, financial inclusion has been a decades-long journey to include segments of the population that previously had limited access to formal finance.

<https://www.thedailystar.net/business/economy/news/do-more-keep-financial-inclusion-momentum-going-3131596>

Economic growth momentum at risk for global volatility: BB

- The economy faces multidimensional challenges as the volatile global scenario threatens to create an adverse situation for the growth momentum of Bangladesh, the central bank warned yesterday.
- "Looking ahead, headwinds to current growth momentum could emerge from unfavourable developments in global economies," said the Bangladesh Bank in its quarterly review.

<https://www.thedailystar.net/business/economy/news/economic-growth-momentum-risk-global-volatility-bb-3130611>

Amid border tensions, trade through Teknaf port plummets

- Both imports and exports through the Teknaf land port fell significantly over the last one and a half months, according to trade data, as tension escalates at the Myanmar-Bangladesh border.
- Through the port, Bangladesh imported 20,500 tonnes of goods in July. The volume fell to 17,318 tonnes in August and 13,580 tonnes in the first 26 days of September. Besides, exports in September came down to 320 tonnes from 400 tonnes in July.

<https://www.tbsnews.net/economy/amid-border-tensions-trade-through-teknaf-port-plummets-506394>

Nearly five years on, govt supervision yet to come about

- Bangladesh Ship Recycling Act, 2018 was enacted four and a half years ago but its implementation has stayed limited to just the formation of a board. Construction of waste treatment plants and the board's permanent offices, manpower recruitment, insurance benefits for workers and punishment for law violators after regular inspections are yet to come about.

<https://www.thedailystar.net/business/economy/news/nearly-five-years-govt-supervision-yet-come-about-3130506>

VAT on edible oil reverts to 15%

- The VAT rate on edible oil has reverted to 15% after a relaxation for six and a half months. Earlier this year, the government instated a 5% VAT levy at the import level instead of 15% to keep the price down. However, that concession expired Saturday (1 October).

<https://www.tbsnews.net/economy/vat-edible-oil-reverts-15-506830>

Fertiliser import falters as Saudi banks cancel Sonali Bank LCs

- The cancellation of four Sonali Bank LCs by two Saudi banks in a row caused a fertiliser import schedule disruption when more imports were planned after urea production dropped due to the current gas crisis and ongoing factory repairs.
- The Bangladesh Chemical Industries Corporation (BCIC), fearing a possible supply crunch of urea in the current and ongoing Boro season, has written to the Bangladesh Bank governor, expressing concern over the cancellation of letter of credits (LCs), said a BCIC director, who wished to remain anonymous.

<https://www.tbsnews.net/economy/fertiliser-import-falters-saudi-banks-cancel-sonali-bank-lcs-506914>

Stocks:

Apex Footwear's annual sales up 10%, profits 31%

- Local footwear giant Apex Footwear Limited managed to do good business in the financial year 2021-22 compared to the previous fiscal year, as its sales grew by 10% and profit by 31%, despite high inflation, appreciation of the US dollar, and an increase in business costs.
- The company at its board meeting on 29 September recommended a 35% cash and a 10% stock dividend to shareholders for the last fiscal. The dividend and financial statement will be approved by its shareholders at the annual general meeting on 23 November. The record date is 24 October for selecting eligible shareholders.

<https://www.tbsnews.net/economy/corporates/apex-footwears-annual-sales-10-profits-31-506838>

Commodities exchange will be a place for trading futures contracts: BSEC commissioner Mizanur Rahman

- A commodities exchange, yet to be introduced in Bangladesh, will lead to stabilising commodity prices in the local market through integration with foreign markets and can contribute to the country's overall development, said Dr Mizanur Rhaman, commissioner, Bangladesh Securities and Exchange Commission (BSEC).

<https://www.tbsnews.net/economy/stocks/commodities-exchange-will-be-place-trading-futures-contracts-bsec-commissioner>

BSEC to file cases against Nurani Dyeing

- The stock-market regulator has decided to take enforcement action and file a case against Nurani Dyeing and Sweater Ltd. for allegedly providing false information in its financials and embezzling IPO funds.'
- According to the Dhaka Stock Exchange's (DSE) and BSEC's investigative reports, Nurani Dying, its sponsor/director, the issue manager concerned, statutory auditor of that time and IPO fund utilisation auditor have defrauded the shareholders in various ways, which is a violation of securities rules.

<https://thefinancialexpress.com.bd/stock/bsec-to-file-cases-against-nurani-dyeing-1664422474>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 79.49	USD 4.28	5.69%
Crude Oil (Brent)*	USD 85.14	USD 7.36	9.46%
Gold Spot*	USD 1,660.61	(USD 168.59)	-9.22%
DSEX	6,512.89	-243.76	-3.61%
S&P 500	3,585.62	-1,180.56	-24.77%
FTSE 100	6,839.81	-544.73	-7.38%
BSE SENSEX	57,426.92	-826.90	-1.42%
KSE-100	41,128.67	-3,467.40	-7.78%
CSEALL	9,931.07	-2,294.94	-18.77%

Exchange Rates**1 US Dollar = 101.06 BDT****1 GBP = 112.86 BDT****1 Euro = 99.08 BDT****1 INR = 1.24 BDT**

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