

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:**Bangladesh leads global denim market**

- Bangladesh's dominance in the global denim market has continued thanks to a surge in demand driven by the trade tension between the US and China. Owing to higher demand, denim product manufacturers have surpassed their Chinese counterparts in Europe and the US, the two major export destinations for Bangladesh.
- Bangladesh exported denim products worth USD689.69 Mn to European Union in the January–June period of 2022, registering a 37.26% year-on-year growth, according to data from the Export Promotion Bureau and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). It was USD502.45 Mn during the corresponding period of 2021.
- Similarly, Bangladesh is the top denim exporter in the US, fetching USD445.51 Mn in the first half, an increase of 57.06% from USD283.65 Mn during the identical six-month period last year.

<https://www.thedailystar.net/business/economy/news/bangladesh-leads-global-denim-market-3118961>

Public Debt Act updated with sovereign bonds, government sukuk clauses

- The government published the gazette for Public Debt Act, 2022 on Tuesday. The new act, replacing Public Debt Act 1944, incorporates clauses for sovereign bonds and Shariah-compliant securities. In the absence of necessary clauses in the previous act, the government had to rely on executive orders for its borrowings.
- For example, the government collected BDT80 Bn for a countrywide safe water project with a sukuk in fiscal year 2020-21, based on executive orders. But from now on, it can rely on the added clauses in the new act. The new act incorporates clauses related to the state's guarantee against debts issued by its various entities.

<https://www.tbsnews.net/economy/public-debt-act-updated-sovereign-bonds-government-sukuk-clauses-495790>

Exporters in raw material crunch

- Export-oriented businesses now fear that they might miss shipment deadlines as their sourcing of necessary raw materials are now facing disruptions as some banks are refusing to open LCs on account of dollar shortages and non-settlements of previous loans taken from Export Development Fund (EDF) with export proceeds, according to industry people.
- On top of it, a number of exporters now see their borrowing from the EDF inadequate because raw material prices have gone up in the global market and the US dollar continues to gain against taka, a dozen of entrepreneurs and business leaders told The Business Standard. As a result, timely deliveries for ordered goods have become uncertain, they noted.

<https://www.tbsnews.net/economy/exporters-raw-material-crunch-495818>

Central bank website shows BDT106.15 as highest inter-bank dollar exchange rate

- The website of the Bangladesh Bank shows BDT106.15 as the highest inter-bank rate of dollar exchanges and BDT101.67 as the lowest rate. According to the website of the central bank, these prices were the highest and lowest rates of exchanges among the dealer banks as of Tuesday.
- The dollar exchange rate was BDT95 till Sunday and increased by BDT1.0 on Monday. However, UNB reported that the central bank sold USD45 Mn from foreign exchange reserves at the rate of BDT96 on Tuesday.

<https://thefinancialexpress.com.bd/economy/central-bank-website-shows-tk-10615-as-highest-inter-bank-dollar-exchange-rate-1663079380>

Stocks:**Genex Infosys partners with Standard Chartered to expand the bank's client base**

- Genex Infosys Limited — a publicly listed information technology (IT) firm — has partnered with Standard Chartered Bangladesh to help the bank build a wider client base and scale up its distribution network. The board of directors of Genex approved the deal on Tuesday, according to a stock exchange filing by the company. The company is expected to earn BDT60 Mn a year in revenue from this project, the disclosure added.

<https://www.tbsnews.net/economy/stocks/genex-infosys-partners-standard-chartered-expand-banks-client-base-495702>

Meghna Insurance declares 3% cash dividend for 2021

- Meghna Insurance Company Limited, listed in 2022, has recommended a 3% cash dividend for its shareholders for 2021. The company disclosed the dividend information in a filing on the stock exchanges on Tuesday.
- According to the filing, its earnings per share (EPS) stood at BDT0.94 that year, which was BDT0.95 in 2020. Its net asset value (NAV) per share also declined to BDT17.88 from BDT26.04 in the previous year. The annual general meeting (AGM) of the company will be held on 22 December. The record date has been set for 24 October.

<https://www.tbsnews.net/economy/stocks/meghna-insurance-declares-3-cash-dividend-2021-495778>

IPDC gets conditional approval for EUR15 Mn loan from DEG

- The Bangladesh Bank (BB), with Standard Chartered Bank mediating, has conditionally allowed IPDC Finance Ltd to avail a long-term loan of EUR15 Mn from the Germany-based Deutsche Investitions-und Entwicklungsgesellschaft (DEG). The conditions would require IPDC to renegotiate the terms and conditions of the foreign currency loan.
- Mominul Islam, managing director and chief executive officer (CEO) of IPDC Finance, said IPDC was in talks to avail the financing at a floating rate of interest that would be determined based on the London interbank rate benchmark. However, the central bank has asked that the rate be within 4.2%, which is lower than the negotiated one.

<https://www.tbsnews.net/economy/stocks/ipdc-gets-conditional-approval-eu15m-loan-deg-495726>

Post-listing non-performance: BSEC asks some merchant banks to explain

- The securities regulator has asked several merchant banks to explain why their issue management activities will not be suspended over their involvement in the listing of non-performing companies. The Bangladesh Securities and Exchange Commission (BSEC) on Monday asked the companies to submit explanations within seven working days. Asked, the BSEC officials, however, refused to mention the names and the exact number of companies from which explanations have been called.

<https://thefinancialexpress.com.bd/stock/post-listing-non-performance-bsec-asks-some-merchant-banks-to-explain-1663045281>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 87.51	USD 12.30	16.35%
Crude Oil (Brent)*	USD 93.33	USD 15.55	19.99%
Gold Spot*	USD 1,703.15	(USD 126.05)	-6.89%
DSEX	6,537.60	-219.06	-3.24%
S&P 500	3,932.69	-833.49	-17.49%
FTSE 100	7,385.86	1.32	0.02%
BSE SENSEX	60,571.08	2,317.26	3.98%
KSE-100	42,001.34	-2,594.73	-5.82%
CSEALL	9,749.09	-2,476.92	-20.26%

Exchange Rates**1 US Dollar = 94.88 BDT****1 GBP = 109.13 BDT****1 Euro = 94.72 BDT****1 INR = 1.19 BDT**

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