

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:**CMSMEs get BDT 250,000 Mn**

- Bangladesh Bank yesterday unveiled a BDT 250,000 Mn refinance scheme for cottage, micro, small and medium enterprises (CMSMEs) in order to increase their access to finances. Borrowers in the CMSME sector will get funds in the form of term loans, whose tenure is more than one year, from the scheme, according to a central bank notice.

<https://www.thedailystar.net/business/economy/news/cmsmes-get-tk-25000cr-3074656>

Recovery to rise, dev process to accelerate

- A fresh loan-rescheduling and- restructuring policy the central bank has just issued would help raise recovery of huge unpaid loans and facilitate overall economic activities amid the exigencies of pandemic and war.
- Under the fresh provisions, the down-payment amount for the first- time and second-time rescheduling of a term loans has been cut down to minimum 2.5-4.5% from 15-50% earlier of the overdue installments or 5.0-7.00% of the total outstanding amount of a loan, whichever is less.

<https://today.thefinancialexpress.com.bd/first-page/recovery-to-rise-dev-process-to-accelerate-1658253267>

Rescheduling policy relaxed to reduce default loans: BB

- In the wake of criticism over relaxing the policy for rescheduling defaulted loans, the central bank has claimed that extending time to borrowers and reducing down payments will slash the amount of defaulted loans in the country's banking sector.
- According to the central bank's circular on Monday, a defaulter will be able to reschedule the loan four times with 2.5% to 5% down payments. This will allow big defaulters with a loan of BDT5 Bn and above a maximum of 29 years to make repayments

<https://www.tbsnews.net/economy/banking/rescheduling-policy-relaxed-reduce-default-loans-bb-461302>

BB tightens shippers' EDF facility

- The Bangladesh Bank (BB) on Tuesday tightened the Export Development Fund (EDF) facility for the shippers to some extent, as settlement of liabilities from the funded facility is no more allowed. The central bank has been providing the facility to the exporters through USD 8.0 Bn EDF fund, which helps lower their cost of doing business.

<https://today.thefinancialexpress.com.bd/last-page/bb-tightens-shippers-edf-facility-1658254022>

Inflation bites, as rate soars to 9-year high

- Bangladeshis also feel bitter bite of inflation as its point-to-point rate climbed to 7.56 % last month, a nine-year high, amid erratic price rises. Meanwhile, the average inflation rate in the last fiscal year (FY), 2021-22, was recorded at 6.15 %, same as the previous FY2021, according to Bangladesh Bureau of Statistics (BBS) data released Tuesday.

<https://today.thefinancialexpress.com.bd/first-page/inflation-bites-as-rate-soars-to-9-year-high-1658253187>

Industries seek protection from power cuts

- A Industrial unit owners of different sectors have demanded that the government provide them immunity from blackouts or load shedding. They also expressed relief at production remaining nearly unhurt yesterday, the first day of planned power cuts, just as the government had promised to ensure.

<https://www.thedailystar.net/business/economy/news/industries-seek-protection-power-cuts-3074651>

Increased loan facility for exporters extended till 31 Dec

- Usually, a client can borrow up to USD25 Mn from the fund. However, in a directive in May 2020, the limit was increased to USD30 Mn for the members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) and the Bangladesh Textile Mills Association (BTMA). According to that directive, the deadline was fixed for December 2020. Since then, the increased credit facility has been extended regularly.

<https://www.tbsnews.net/economy/banking/increased-loan-facility-export-development-fund-extended-till-31-december-461214>

Hasty spending in last three months pushes up ADP implementation to 93%

- Development spending was 94.66% in FY2018-19. Amid the coronavirus pandemic, it dropped to 80.39% in FY2019-20 and 82.11% in FY2020-21. The government has been able to spend 93% of its development budget in the recently concluded FY2021-22, as the outlay jumped exponentially in the last three months, official data has shown.
- According to IMED data, BDT1048.3 Bn – which is more than half of the annual development budget – was spent in the last three months of the just concluded fiscal year.

<https://www.tbsnews.net/economy/hasty-spending-last-three-months-pushes-adp-implementation-93-461338>

Bangladesh Bank instructs to export £20, £50 paper notes by 30 Sept

- Bangladesh Bank said that the decision was taken to export these notes out of the country as the UK central bank announced to withdraw these two notes from the market. Paper £20 and £50 banknotes of Bank of England will no longer be legal tender from September 30, 2022. Banks having stock of such paper notes are advised to export the currencies by the stipulated time frame without fail

<https://www.tbsnews.net/economy/bangladesh-bank-instructs-export-ps20-ps50-paper-notes-30-sept-461166>

Metro Rail project cost rise by BDT114.86 Bn gets Ecneec nod

- The Executive Committee of the National Economic Council (Ecneec) on Tuesday approved the second revision of the Dhaka Mass Rapid Transit Development (Line-6) project with an additional cost of BDT114.86 Bn. With the latest revision, the length of the metro rail (Line-6) increases by 1.16km – from Motijheel to Kamalapur – while the total cost reaches BDT334.72 Bn.

<https://www.tbsnews.net/economy/metro-rail-mrt-line-6-project-cost-goes-tk11486cr-gets-ecneec-nod-461158>

Stocks:**Padma Islami Life's revenue declines**

- The listed life insurer that has been losing its reputation for non-settlement of insurance claims found its life revenue account shrinking by BDT7.76 Mn in the April-June quarter, while over the same period of the previous year it declined by BDT167,000.
- Earlier, in the January-March quarter, Padma Life secured an increase of BDT7.1 Mn in its life revenue account which helped its life insurance fund to grow to over BDT130 Mn. However, the decline in the second quarter has resulted in a BDT680,000 drop in its life revenue account.

<https://www.tbsnews.net/economy/stocks/padma-islami-lifes-revenue-declines-461274>

Hike in production cost eats into Singer's profit

- Singer Bangladesh Limited has failed to achieve any profit growth in the April-June quarter of 2022 as it could not adjust its selling prices in line with the rising cost of production due to immense competition in the local market. The company's net profit after taxes in the second quarter dropped to BDT139.5 Mn, which was 51% lower compared to the same period a year ago
- The rising import cost of raw materials increased the company's cost of production by 15% which could not be fully adjusted with its selling prices and ended up reducing its gross profit by 4% and operating profit by 21%, compared to the same quarter a year ago, said the company in its financial statement.

<https://www.tbsnews.net/economy/hike-production-cost-eats-singers-profit-461250>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 103.53	USD 28.32	37.65%
Crude Oil (Brent)*	USD 107.19	USD 29.41	37.81%
Gold Spot*	USD 1,712.11	(USD 117.09)	-6.40%
DSEX	6,153.17	-603.49	-8.93%
S&P 500	3,936.69	-829.49	-17.40%
FTSE 100	7,296.28	-88.26	-1.20%
BSE SENSEX	54,767.62	-3,486.20	-5.98%
KSE-100	40,389.07	-4,207.00	-9.43%
CSEALL	7,644.12	-4,581.89	-37.48%

Exchange Rates**1 US Dollar = 94.02 BDT****1 GBP = 113.09 BDT****1 Euro = 96.30 BDT****1 INR = 1.18 BDT**

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