

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:**Wheat prices drop BST100 per maund in two days**

- In a space of just two days since the Russia-Ukraine agreement was reached, wheat prices have dropped BDT100 per maund at the Khatunganj wholesale market. Driven by the war, wheat prices earlier reached their all-time high – Indian and Canadian varieties at BDT1,650 and BDT2,150 respectively – in mid-May. Before the conflict broke out in late February, Indian and Canadian varieties were sold for just BDT900 and BDT1,100 respectively.

<https://www.tbsnews.net/markets/wheat-prices-drop-tk100-maund-two-days-464414>

Interest rates under refinancing scheme for green products decrease

- The Bangladesh Bank has reduced the interest rates of loans under the Refinancing Scheme for Green Products, Projects and Initiatives by 2%. From now on, the interest rate at the end borrowers level will be 5% for such loans with a tenure of less than 5 years, according to the circular. The rate will be 5.5% for loans with a tenure of more than 5 years but less than 8 years. In the case of over 8 years, borrowers have to pay 6% in interest.

<https://www.tbsnews.net/economy/interest-rates-under-refinancing-scheme-green-products-decrease-464390>

D-8 trade body mulls cross currency swap

- The D-8 Chamber of Commerce and Industries, also known as D8 CCI, is mulling cross currency swap among the Developing-8 countries – Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkiye – to address foreign exchange reserve volatility and reduce pressure on the US dollar, D8 CCI President Sheikh Fazle Fahim said.

<https://www.tbsnews.net/economy/d-8-trade-body-mulls-cross-currency-swap-464374>

Moscow wants Dhaka to join Russian alternative to SWIFT

- The currency swap arrangement between the Bank of Russia and the Bangladesh Bank has entered a new phase as Russia is willing to introduce its own payment channel for transactions with banks instead of inking a currency swap deal. But banks in Bangladesh are not willing to join this system for fear of facing US sanctions as Russia has already lost access to the global payment channel SWIFT.

<https://www.tbsnews.net/economy/moscow-wants-dhaka-join-russian-alternative-swift-464026>

Govt asks BB to provide LC data on rice import

- The government has asked the central bank to provide it with the LC (letter of credit) data of rice import, aiming to know the shipment details of the staple so that it can monitor and oversee supply situation in the market. The commerce ministry has recently written to the Bangladesh Bank to obtain data of LCs opened by the private entities in every fortnight from 30 June last.
- The government decided to import around 1 Mn tonnes of rice, aiming to tackle the artificial rice crisis - caused mostly by some unscrupulous traders and hoarders in the country, said a source in the commerce ministry.

<https://today.thefinancialexpress.com.bd/last-page/govt-asks-bb-to-provide-lc-data-on-rice-import-1658687296>

ifs and buts cloud service sector export growth

- Despite a global increase in the demand for software and data processing in post-pandemic times, a lack of skilled manpower has seen the Ministry of Commerce setting an export target of only USD470 Mn from the sector in the current fiscal 2022-23, which is 13.31% more than the previous financial year.
- The ICT Division set a target of increasing the export income to USD5 Bn by 2025, but sector stakeholders say that even USD1 Bn exports isn't possible without trained manpower. The government is also unable to expect additional export income from tourism either although the sector is booming around the world following the lifting of Covid-induced travel restrictions.

<https://www.tbsnews.net/economy/ifs-and-buts-cloud-service-sector-export-growth-464418>

Power outages take toll on leather sector

- Talking to The Business Standard, manufacturers, particularly at the Tannery Industrial Estate at Savar, said a good number of hides have already been damaged while being processed due to the power outage, which has been happening several times for over two hours a day.
- "Once started, there is no way to halt the processing work until its completion. The load shedding during this time, particularly at the stage of dyeing and colouring, causes defects in the final output, which reduces leather prices by 60-70%." said owner of Khokon Tannery at the Tannery Industrial Estate in Savar.

<https://www.tbsnews.net/economy/industry/power-outages-take-toll-leather-sector-464122>

SMEs outside EPZs, industrial belts bear the brunt

- The ongoing regular power cuts are eating away at the profits of small and medium enterprises (SMEs) in Bangladesh since they need to rely on costly diesel to keep their operation up and running, which is raising the cost of production.
- Janata Engineering, an agricultural machinery manufacturing unit in Chuadanga, is one of the factories facing the fallout of the reduced power supply. Its production has witnessed a decline because of the load-shedding that lasts at least two hours during working hours every day. As a result, the factory can't run at its full capacity.

<https://www.thedailystar.net/business/economy/news/smes-outside-epzs-industrial-belts-bear-the-brunt-3078656>

Stocks:**PRAN-RFL eyes USD 1Bn exports by 2025, USD2 Bn by 2030**

- PRAN-RFL Group, one of the country's leading business conglomerates, plans to double its export earning to USD1.0 Bn within the next three years. It is also planning to reach the USD2 Bn export-earning benchmark by 2030 - based on its diversified range of products and markets.
- The group's export that started in 1997 by sending pineapples to France stood at USD532 Mn in last fiscal year, 2021-22. Of the amount, RMG export brought only USD100 Mn, while the rest came from non-RMG items, including agro and agro-processing, plastic, and light engineering.

<https://today.thefinancialexpress.com.bd/last-page/pran-rfl-eyes-1b-exports-by-2025-2b-by-2030-1658687190>

Usmania Glass to issue shares to BCIC against loans

- Usmania Glass Sheet Factory – a pioneer in the country's glass industry – wants to issue shares to the Bangladesh Chemical Industries Corporation (BCIC) against loans amounting to BDT187.7 Mn. This way, the company will be able to comply with the regulatory requirement of fulfilling the minimum paid-up capital requirement of BDT300 Mn.

<https://www.tbsnews.net/economy/stocks/usmania-glass-issue-shares-bcic-against-loans-464310>

City Bank's profit rises slightly in Q2

- The consolidated earnings per share of the private commercial bank were BDT 1.21 in the April-June period, up from BDT 1.19 recorded in the same period last year, according to the un-audited financial statements. The consolidated EPS, however, fell to BDT 2.04 in the first half of 2022 against BDT 2.16 registered in the same period of 2021.

<https://www.thedailystar.net/business/organisation-news/news/city-banks-profit-rises-slightly-q2-3078551>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 94.03	USD 18.82	25.02%
Crude Oil (Brent)*	USD 102.54	USD 24.76	31.83%
Gold Spot*	USD 1,727.68	(USD 101.52)	-5.55%
DSEX	6,052.45	-704.21	-10.42%
S&P 500	3,961.63	-804.55	-16.88%
FTSE 100	7,276.37	-108.17	-1.46%
BSE SENSEX	56,072.23	-2,181.59	-3.74%
KSE-100	40,077.30	-4,518.77	-10.13%
CSEALL	7,721.78	-4,504.23	-36.84%

Exchange Rates**1 US Dollar = 94.16 BDT****1 GBP = 112.86 BDT****1 Euro = 96.13 BDT****1 INR = 1.18 BDT**

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