

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:**How China's Belt and Road changing Bangladesh's infrastructures**

- According to an estimate by the American Enterprise Institute (AEI), a US think tank, the total investment from China in Bangladesh is USD 7.07 Bn. In addition, Chinese companies have received construction contracts worth USD 22.94 Bn in different sectors. At a recent programme in Dhaka, the Chinese envoy said the BRI investments in Bangladesh are contributing to the improvement of people's living standards.

<https://www.tbsnews.net/economy/how-chinas-belt-and-road-changing-bangladeshs-infrastructures-709826>

BB sets max interest rate of 10.20% on industrial loans for six months

- The interest rate on loans from banks in October has been set at 10.20% as per Bangladesh Bank's formula. On the other hand, NBFIs can charge interest against loans by adding a margin at a maximum rate of 5.0%. Their maximum interest rate will be 12.20% and 9.20% on deposits. However, the loan interest rate set in October cannot be changed within the next six months.

<https://thefinancialexpress.com.bd/economy/bangladesh/bb-sets-max-interest-rate-of-1020pc-on-industrial-loans-for-six-months>

No source tax can be deducted from IT freelancing sector: Cenbank

- Authorised dealer banks engaged in foreign exchange transactions cannot deduct source tax from the information technology freelancing sector, the Bangladesh Bank clarified in a circular on Sunday (1 October). The new circular has been issued as confusion rose about deducting the source tax from the said sector after the central bank's Foreign Exchange Policy Department issued a circular in this regard on 27 September.

<https://www.tbsnews.net/economy/banking/no-source-tax-can-be-deducted-it-freelancing-sector-cenbank-710314>

Some banks get more remittance. Is it for extra efforts, or higher dollar rates?

- A high-ranking official at the Bangladesh Bank said banks are still competing on remittance dollar rates. At present, banks are supposed to pay a maximum of BDT 110 per dollar for remittances. But, according to bankers, some banks are paying the exchange houses up to BDT 116 to collect remittances. Exchange houses are also competing among themselves to collect remittance dollars. They are collecting remittances at higher rates and selling them to banks. Due to this, the banks that offer official rates are not getting remittances as before.

<https://www.tbsnews.net/economy/banking/some-banks-get-more-remittance-it-extra-efforts-or-higher-dollar-rates-709822>

Exports fetch USD 4.31 Bn in September, lowest since April

- Bangladesh earned USD 4.31 Bn in merchandise exports in September which is the second lowest this year, according to data released by the Export Promotion Bureau (EPB) today. Earlier in August, exports grew by around 36% YoY to USD 4.61 Bn driven by a number of products including readymade garments, home textiles, leather and jute goods, according to the EPB.

<https://www.tbsnews.net/economy/exports-fetch-431-billion-september-lowest-after-april-710266>

Remittance inflow from USA almost halves in Jul-Aug

- Remittance inflow from the United States fell by nearly 49% in July-August period of the current fiscal year from that of the same period of the last FY apparently due to volatility in the local foreign exchange market. Bangladesh received only USD 370.27 Mn in the first two months of FY 2023-24, which is 48.65% lower than USD 721.07 Mn received during the same period of FY 2022-23 from the USA, latest official data showed.

<https://thefinancialexpress.com.bd/economy/bangladesh/remittance-inflow-from-usa-almost-halves-in-jul-aug>

Default loans rise by BDT 244.18 Bn in three months

- Defaulted loans rose by around BDT 244.18 Bn in the three months through June due to the non-availability of deferral and reschedule facilities. According to data from the central bank, the total default loan in the banking sector stood at BDT 1.5604 Tn in June, which was 10.11% of the total outstanding loans.

<https://www.tbsnews.net/economy/banking/default-loans-rise-tk24418cr-three-months-710346>

Big drops in remittance, exports make reserves struggle harsher

- Inward remittances dropped to USD 1.34 Bn in September, lowest in 41 months, according to the Bangladesh Bank data released on Sunday, though August saw the highest number of workers going abroad in a single month and a record 1.13 Mn in FY23. When asked why remittances are decreasing, central bank spokesperson Md Mezbaul Haque told TBS, "We need some more time to look into the reasons."

<https://www.tbsnews.net/economy/big-drops-remittance-exports-make-reserves-struggle-harsher-710382>

RMG workers' minimum wage declaration set to face delay

- The third meeting of the minimum wage board for ready-made garment workers ended on Sunday without any concrete proposals from either party to declare minimum wages. Meanwhile, the board, tasked with declaring a new wage structure within six months after assuming responsibility on 9 April, is set to expire next week.

<https://www.tbsnews.net/economy/rmg/rmg-workers-minimum-wage-declaration-set-face-delay-710338>

Treasury heads of 10 banks face fine

- Bangladesh Bank has imposed a fine of BDT 0.1 Mn each on the treasury heads of 10 banks due to their alleged involvement in US dollar rate manipulation. The treasury heads of Social Islami Bank, Al-Arafah Islami, Mercantile, Modhumoti, Midland, Brac, Exim, Premier, Shahjalal Islami and Trust will face the fine.

<https://www.thedailystar.net/business/news/treasury-heads-10-banks-face-fine-3432151>

Banks, bourses far off sustainable financing towards green growth

- Policy inadequacies and lack of right incentives are key constraints on expansion of sustainable financing towards green growth in both banks and the capital market in Bangladesh while the world economy is on fast transition. Also among the drawbacks is a lack of coordination among authorities towards sustainable finance that involves green transition in production and consumption patterns.

<https://thefinancialexpress.com.bd/economy/bangladesh/banks-bourses-far-off-sustainable-financing-towards-green-growth>

Stocks:**PLFSL | People's Leasing unveils three-year financials**

- People's Leasing and Financial Services Limited, a troubled NBFI, published its last three years financials and dividend on Sunday. The loss per share of the NBFI and investment narrowed in 2021 compared to the previous year. The loss per share stood at BDT 14.40 in 2021, which was BDT 22.32 in 2020.

<https://www.tbsnews.net/economy/stocks/peoples-leasing-unveils-three-year-financials-710334>

PHOENIXFIN | Phoenix Finance's quarterly losses deepen by an awful lot

- Poorly performing Phoenix Finance and Investments Limited incurred a loss as gigantic as BDT 806.1 Mn in the April to June quarter of 2023, which was 69 times the loss incurred in the same quarter previous year. In the second quarter of 2022, the non-bank financial institution (NBFI) turned a loss of BDT 11.6 Mn.

<https://www.tbsnews.net/economy/stocks/phoenix-finance-quarterly-losses-deepen-awful-lot-710354>

EXCHANGE | ICB Capital's new product: It is to secure high return tapping into bonds

- ICB Capital Management has designed an investment product, in which individuals, institutions, and registered funds will be able to inject money to get, as it has forecast, an annual return of more than 8%. The product named Term Investment Plan (TIP) has already been approved by the regulator this month and is set to be launched on Sunday.

<https://thefinancialexpress.com.bd/stock/bangladesh/icb-capitals-new-product-it-is-to-secure-high-return-tapping-into-bonds>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 91.06	USD 15.85	21.07%
Crude Oil (Brent)*	USD 92.43	USD 14.65	18.84%
Gold Spot*	USD 1,844.26	USD 70.11	3.95%
DSEX	6,264.90	57.90	0.93%
S&P 500	4,288.05	448.55	11.68%
FTSE 100	7,608.08	156.34	2.10%
BSE SENSEX	65,828.41	4,987.67	8.20%
KSE-100	46,252.02	5,831.57	14.43%
CSEALL	11,335.61	2,833.12	33.32%

Exchange Rates**1 US Dollar = 110.10 BDT****1 GBP = 134.31 BDT****1 Euro = 116.57 BDT****1 INR = 1.33 BDT**

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