

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:**Hopes for USD 30 Bn reserve by June amid concerns to meet IMF threshold**

- With an IMF review mission already in Dhaka amid finance officials' concerns about complying with the net reserves threshold to get the lender's second instalment of loans, the government is projecting a USD 30 Bn foreign reserve buildup by June next year.
- A finance ministry official who preferred anonymity told TBS on Monday that the IMF board would see the staff team's report and decide if the next tranche would be disbursed in December.

<https://www.tbsnews.net/economy/banking/hopes-30b-reserve-june-amid-concerns-meet-imf-threshold-711034>

Cenbank finally moves to make money costlier to fight inflation

- The reference lending rate, also known as SMART (six-month moving average rate of Treasury bill), surged to 7.20% in September, the highest in six months, as Bangladesh has stopped money creation through devolvement for deficit financing to curb money supply amid rising inflation. The surge in the SMART rate indicates that money will be costlier as it is linked with the lending rates of banks.

<https://www.tbsnews.net/economy/banking/cenbank-finally-moves-make-money-costlier-fight-inflation-711010>

Govt looks to regain economy's pre-Covid momentum by the end of current fiscal

- The government is hoping to return the country's economy to its pre-Covid momentum in terms of growth by the end of the running 2023-24 fiscal according to the official narrative in a Finance Ministry document. If everything goes according to plan and 'assumptions hold', the document says that 8% GDP growth rate is expected to be achieved in FY 2025-26.

<https://www.tbsnews.net/economy/govt-looks-regain-economys-pre-covid-momentum-end-current-fiscal-710446>

Stakeholders seek NBR clarification over tax exemption on Universal Pension investment

- With the Sixth Schedule of the Income Tax law not mentioning any pension scheme contributions, the Universal Pension Scheme, has raised questions among stakeholders regarding the availability of tax exemptions against the investment. A senior official of the NBR, on the condition of anonymity, told TBS that they would analyse the issue after receiving any formal letter from the National Pension Authority or Ministry of Finance.

<https://www.tbsnews.net/nbr/stakeholders-seek-nbr-clarification-over-tax-exemption-universal-pension-investment-710394>

BB to form Escrow implementation body soon as part of cleaning up e-commerce

- Bangladesh Bank has taken the initiative to form an implementation committee under its Escrow policy, with the inclusion of stakeholders to regulate the country's e-commerce platforms. It is expected to be helpful to get around the problem whereby many e-commerce firms, whether running deliberate scams or going bust in the heat of competition, end up making off with enormous amounts of money paid to them by customers, against which no goods have been delivered.

<https://thefinancialexpress.com.bd/trade/bb-to-form-escrow-implementation-body-soon-as-part-of-cleaning-up-e-commerce>

Leather footwear exports fall to five-year low

- Bangladesh's leather footwear industry saw its export earnings fall to a five-year low of USD 141.83 Mn in the first quarter of the current fiscal year due to a decline in export orders from the Eurozone in the face of the ongoing economic crisis. According to data from the Export Promotion Bureau, there was a 32.77% decline in year-on-year export earnings.

<https://www.thedailystar.net/business/economy/news/leather-footwear-exports-fall-five-year-low-3433371>

Knitwear's export performance stronger than woven

- Shorter lead times, easy availability of raw materials in the domestic market and changes in global fashion have made knitwear items the top export from Bangladesh. In July-September of the current fiscal year, knitwear item shipments rose 19.70% year-on-year to USD 6.76 Bn compared to the corresponding period in the previous fiscal year, according to data from the EPB.

<https://www.thedailystar.net/business/economy/news/knitwears-export-performance-stronger-woven-3433366>

Weak batch of data paints economy's deepening woes

- Bangladesh wrapped up the last fiscal year of 2022-23 with slower economic growth. The growth of export receipts decelerated to 9.5% in the first quarter of 2023-24 from 13.3% in the identical three months of FY23. Remittances dipped 13%. Imports, through which the country brings in industrial raw materials and capital machinery, continue to face downturns as well.

<https://www.thedailystar.net/business/economy/news/weak-batch-data-paints-economys-deepening-woes-3433361>

External debt nears USD 100 Bn

- Bangladesh's overall external debt stock nearly hit the USD 100 Bn mark in June driven by increasing appetite for funds from both public and private sectors, central bank figures showed. The debt buildup, which still within the threshold recommended by the IMF, is becoming a headache for the country in view of the unfavourable developments on various economic fronts.

<https://www.thedailystar.net/business/economy/news/external-debt-nears-100b-3433356>

Jul-Aug foreign loan repayment rises 38.2% amid disbursement slump

- Bangladesh's foreign loan disbursement has decreased while debt repayment has increased 38.2% year-on-year in the first two months of the current fiscal year. Foreign aid disbursement has dropped 14.48% to USD 739.07 Mn from USD 864.29 Mn a year ago, according to data published by the Economic Relations Division (ERD) on Monday.

<https://www.tbsnews.net/economy/banking/jul-aug-foreign-loan-repayment-rises-382-amid-disbursement-slump-710990>

Bangladesh's growth still lowest in South Asia: expert

- Although agricultural productivity is growing in Bangladesh, its rate of progress in this regard remains the lowest among nearby countries in South Asia and beyond, according to an analyst. As per the World Development Indicators (WDI), an index comprising international statistics on global development compiled by the World Bank, Bangladesh's agricultural productivity growth stood at 1% in 2021.

<https://www.thedailystar.net/business/economy/news/bangladeshs-growth-still-lowest-south-asia-expert-3433351>

Eight banks' provision shortfall jumps to BDT 261.33 Bn on mounting default loans

- The provision shortfall of eight banks – three state-owned and five private – increased to BDT 261.33 Bn at the end of June 2023, which bankers believe is due to mounting defaulted loans. According to data from the central bank, the eight banks' provision shortfall soared by BDT 59.74 Bn in the April-June quarter. As per the policy, banks are required to keep a provision of 0.50% to 5% against deposits.

<https://www.tbsnews.net/economy/banking/eight-banks-provision-shortfall-jumps-tk26133cr-mounting-default-loans-711026>

Urgent dollar support sought for fuel import

- The Energy Division has urgently reached out to the Bangladesh Bank, seeking assistance for the state-owned Bangladesh Petroleum Corporation (BPC) to secure the necessary dollars, saying it is crucial to settle overdue import bills that have accumulated over several months. Failure to resolve this issue promptly could potentially lead to increased costs as suppliers may impose penalties for delayed payments.

<https://www.tbsnews.net/bangladesh/energy/urgent-dollar-support-sought-fuel-import-711030>

LPG price hiked by BDT 6.58 per kg, 12kg cylinder to cost BDT 1,363

- The price of liquefied petroleum gas (LPG) has been hiked by BDT 6.58 per kg to BDT 113.58 per kg for the month of October as compared to the previous price of BDT 107 per kg in September. The new price will be effective from 6pm Monday, said Bangladesh Energy Regulatory Commission (BERC) Chairman Md Nurul Amin while announcing the new price at a press conference at the commission's auditorium.

<https://www.tbsnews.net/bangladesh/energy/lpg-price-hiked-tk658-kg-12kg-cylinder-cost-tk1363-710678>

Stocks:**INTECH | Intech Limited declares no dividend for FY22**

- Intech Limited, an IT sector company, decided not to pay any dividends to its shareholders for the fiscal year of 2021-22 ended on 30 June. The company, in a disclosure on the Dhaka bourse, reported a loss per share of BDT 1.15, which was BDT 2.75 a year ago.

<https://www.tbsnews.net/economy/stocks/intech-limited-declares-no-dividend-fy22-710474>

INTRACO | BSEC greenlights Intraco's BDT 500 Mn bond

- The stock market regulator has given consent to Intraco Refueling's proposal to raise BDT 500 Mn through the issuance of a seven-year coupon-bearing bond. In an official consent letter, the Bangladesh Securities and Exchange Commission (BSEC) specified that the bond's coupon rate is fixed at 7%, ensuring semiannual payouts to investors.

<https://www.tbsnews.net/economy/stocks/bsec-greenlights-intracos-tk50-crore-bond-710486>

EGEN | eGeneration's placement shareholder to sell 2 Mn shares

- eGeneration Solutions — a placement shareholder of the publicly listed eGeneration Ltd — has announced to sell 2 Mn eGeneration Ltd shares through the Dhaka Stock Exchange (DSE). At the end of the fiscal 2022-23, its earnings per share (EPS) stood at BDT 1.45, meagrely higher than the EPS in the previous fiscal. In FY23, the company recommended a 10% cash dividend for its general shareholders only.

<https://www.tbsnews.net/economy/stocks/egenerations-placement-shareholder-sell-20-lakh-shares-711002>

BATBC | British American Tobacco asked to pay BDT 20.54 Bn in 'evaded tax'

- The National Board of Revenue (NBR) has served a notice on British American Tobacco Bangladesh (BATB), asking the country's largest tobacco manufacturer to pay BDT 20.54 Bn in "evaded tax". According to sources, the NBR has found evidence that BATB in 2016 evaded value-added tax (VAT) and supplementary duty of the said amount by concealing information.

<https://www.tbsnews.net/nbr/top-tobacco-company-asked-pay-tk2054cr-evaded-tax-710414>

EXCHANGE | BSEC moves to stop embezzlement via back-office software

- The securities regulator, on Monday, has finally issued an order to the bourses in a move to prevent further embezzlement of investors' funds by brokerage houses using back-office software. In its order, the Bangladesh Securities and Exchange Commission (BSEC) said that the back-office software most brokerage firms use are editable.

<https://www.tbsnews.net/economy/stocks/bsec-moves-stop-embezzlement-back-office-software-711006>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 87.88	USD 12.67	16.85%
Crude Oil (Brent)*	USD 89.76	USD 11.98	15.40%
Gold Spot*	USD 1,818.31	USD 44.16	2.49%
DSEX	6,272.94	65.94	1.06%
S&P 500	4,288.39	448.89	11.69%
FTSE 100	7,510.72	58.98	0.79%
BSE SENSEX	65,828.41	4,987.67	8.20%
KSE-100	46,663.58	6,243.13	15.45%
CSEALL	11,163.76	2,661.27	31.30%

Exchange Rates**1 US Dollar = 110.51 BDT****1 GBP = 133.42 BDT****1 Euro = 115.66 BDT****1 INR = 1.33 BDT**

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