

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 can export USD 6 Bn RMG made from recycled yarn'**

- Bangladesh can export USD 6 Bn worth of garment items if it can locally process the 400,000 tonnes of recycled yarn and fabrics the local garment makers produce every year, experts said today. The exporters said they want to make garments from the wastes as the European nations—the major markets for Bangladesh—are making a law for importing apparels made from recycled yarn. Moreover, making of garment items from recycled yarn will also help Bangladesh in obtaining the GSP Plus facility in the European Union (EU).

<https://www.thedailystar.net/business/news/bangladesh-can-export-6-billion-rmg-made-recycled-yarn-3410281>

Retired bankers can join banks as director: Cenbank

- From now, retired bankers can rejoin banks as directors, said a Bangladesh Bank circular on Sunday. "Officials from any bank can become directors of the bank five years after retirement or expiry of contract," reads the circular. Earlier, in 2021, appointment of retired bankers was restricted to board members of the same bank they served. A high official of the central bank said that the same facility [reappointment] was earlier provided for Non-Bank Financial Institutions (NBFIs). It has now been applied for banks.

<https://www.tbsnews.net/economy/banking/retired-bankers-can-join-banks-director-cenbank-694122>

NBR to introduce automated customs declaration system soon

- Passengers arriving in or departing from Bangladesh would soon enjoy an automated system of declaring their belongings and currencies they are carrying with to the customs authorities. The customs wing of the National Board of Revenue (NBR) is developing the system as instructed by Chairman Abu Hena Md Rahmatul Muneem, officials said. The board's IT wing is providing necessary support to the initiative.
- Officials at the NBR said the new system is expected to be inaugurated soon to facilitate air, land and sea route passengers complete the customs process easily and within a short time. Misbehaviour is one of the major setbacks in-bound passengers, especially remittance earners, experience at the airports in Bangladesh.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-to-introduce-automated-customs-declaration-system-soon>

Third tea auction centre launched in Panchagarh

- A new tea auction centre began operations in Bangladesh's northwest bordering district of Panchagarh yesterday, making it the third establishment of its kind following the country's first in Chattogram and the second in Sreemangal. Following the inaugural ceremony, brokers started their bidding activities via a virtual platform. At least 12,079 acres of land are under tea cultivation across five northern districts, namely Panchagarh, Thakurgaon, Nilphamari, Lalmonirhat and Dinajpur.

<https://www.thedailystar.net/business/economy/news/third-tea-auction-centre-launched-panchagarh-3409596>

Will more freight tracks, ICDs change Railway's future?

- Bangladesh Railway needs dedicated freight tracks and connectivity with major sea and land ports to raise its share in cargo transportation and become commercially viable, says a strategic plan drafted by the Planning Commission. Full conversion to broad gauge line, building more inland container depots (ICDs), and procuring adequate equipment to modernize the railway services and maintenance are among the integrated future strategic plans that also aim to ensure full operational cost recovery in the next 10 years.
- Planning Commission officials said the medium-term budgetary framework (MTBF) has a total allocation of BDT 106.4 Bn for railway projects till the fiscal 2027-28. The amount of investment required to implement the new strategic plan will be determined in consultation with the railway authorities.

<https://www.tbsnews.net/bangladesh/will-more-freight-tracks-icds-change-railways-future-694126>

CMSMEs needs all services under one roof

- All services including registration, financing, and business development of the Cottage, Micro, Small & Medium Enterprises (CMSME) sector in Bangladesh need to be under a single organisation, experts have suggested. Besides, separate policies are needed for cottage, micro and small enterprises and separate one for medium industries.
- Most Asian countries have a unified organisation for CMSME sector development, but in Bangladesh, entrepreneurs face service gaps due to poor inter-agency coordination, according to the keynote of the seminar, jointly organised by ILO Bangladesh and SME Foundation.

<https://www.tbsnews.net/economy/industry/cmsmes-needs-all-services-under-one-roof-694082>

Remittance plunged 21.47% in August

- Remittance inflow to Bangladesh plunged 21.47% year-on-year to USD 1.59 Bn in August, according to central bank data released today. The amount of funds sent by Bangladeshi migrant workers was USD 2.03 Bn in the same month last year. Bankers said the remittance inflow has fallen in recent months mainly due to the huge gap between formal and informal exchange rates, meaning a portion of the remittance earnings comes to Bangladesh through illegal channels.

<https://www.thedailystar.net/business/news/remittance-plunged-2147-august-3410111>

Debt buildup, capital flight, inflation stoke instability

- Inflation, debt buildup, capital flight and reserves depletion are among factors fueling macroeconomic instability in Bangladesh that could be averted with prudent measures in time, says a noted economist. Bangladesh's economy has been facing macroeconomic challenges like fast-depleting foreign-exchange reserves, volatility on the foreign-exchange market, and persisting higher inflation. "If we did gradual adjustment with dollars, then we could avoid the current problems, but we kept it static," Prof Dr Wahiududdin Mahmud said.

<https://thefinancialexpress.com.bd/economy/bangladesh/debt-buildup-capital-flight-inflation-stoke-instability>

Remittance inflow may decline this fiscal

- Speakers at a seminar on Saturday expressed the fear that remittance might decrease in the current financial year compared to the last year as the remittance inflow from Bangladesh expatriates continues to decline. It said the inward remittance decreased by 5.88% in July this year than July last year. They identified using hundi by the workers and money launderers among the main reasons for the downward trend in inward remittance. At the same time, due to service shortages in banking channels, additional costs of sending money officially and fluctuations in the dollar exchange rate are the reasons behind it.

<https://thefinancialexpress.com.bd/economy/remittance-inflow-may-decline-this-fiscal>

Jamuna Life Ins in crisis, Idra prescribes remedies

- Teetering on the verge of a crisis, Jamuna Life Insurance Company Limited has been prescribed some remedies by the insurance regulator, including preparation of a business action plan at the earliest for the next three years. Steps must be taken to ensure continuation of over 60% of policies, such as by deferring 10% of first-year premium commission payments to agents till the second year, said the Idra.
- Moreover, average management expenses must be reduced by 30% while customer claims settled timely, it said. The directives were passed following a hearing at the Idra office on May 22 based on the regulator's analysis of the insurer's financials for the 2017-2021 period. According to Idra's investigation documents on the five-year period, just 14.08% of the insurer's policies were continued by customers on an average in their first year.

<https://www.thedailystar.net/business/economy/news/jamuna-life-ins-crisis-idra-prescribes-remedies-3409586>

Stocks:**PRAGATILIF | Pragati Life Ins settles BDT 1900 Mn claims in H1**

- Pragati Life Insurance has settled BDT 1896.8 Mn claims in the first half of 2023, an increase of 25.92% from the same period last year. The company settled a total of 60,152 claims in the first half of the current year, including death claims, maturity claims, medical claims and other insurance benefits. In 2022, the insurer settled BDT 3157.5 Mn claims with a claim settlement ratio of 98%, meaning that the company paid out 98% of all claims that were filed in 2022.

<https://www.thedailystar.net/business/economy/news/pragati-life-ins-settles-tk-190cr-claims-h1-3410366>

STANDBANKL | Standard Bank launches four deposit products

- Standard Bank has recently launched four deposit schemes to meet the growing customers' demand and expand its range of services. The four deposit products, which will be operated in complete compliance with shariah, are: Nobabi -- Mudaraba Millionaire Plus, Ameer -- Mudaraba Kotipoti Plus, Sohojei Digun -- Mudaraba Double Scheme and Uparjon -- Mudaraba Monthly Income.

<https://www.thedailystar.net/business/economy/banks/news/standard-bank-launches-four-deposit-products-3410371>

EXCHANGE | BSEC to go tough to ensure 30% shareholding by owners

- The companies that fail to comply with maintaining a minimum 30% shareholding of paid-up capital by sponsors and directors have to submit a comprehensive plan to the Bangladesh Securities and Exchange Commission (BSEC) by 30 September. In its instructions issued for stock exchanges, the regulator has also said that at least two additional independent directors will have to be appointed to the companies subject to the approval of the commission within 15 days.

<https://www.tbsnews.net/economy/stocks/bsec-go-tough-ensure-30-shareholding-owners-694110>

EXCHANGE | Investors barely show interest in bank, NBFi stocks

- Investors are hardly showing any interest to buy stocks of banks mainly due to the sector's key indicators portraying a gloomy outlook. Moreover, manipulation is a big draw for investors here. With a higher free float of banking stocks than what companies have on an average, there is little scope for manipulation. As a result, stocks of eight banks have remained below their face-value of BDT 10 for the last couple of months amidst the scarcity of buyers.
- The intrinsic value is low for two reasons, one of which is for banks not being able to generate required cash flow for non-performing loans (NPLs) being too big, said Prof Mohammad Musa, a stock market analyst. The other is that investors believe the banks and NBFIs are not adequately keeping provision, for which their income may not prevail for long, he added.

<https://www.thedailystar.net/business/economy/news/investors-barely-show-interest-bank-nbf-stocks-3410436>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 85.69	USD 10.48	13.93%
Crude Oil (Brent)*	USD 88.60	USD 10.82	13.91%
Gold Spot*	USD 1,945.95	USD 171.80	9.68%
DSEX	6,311.61	104.61	1.69%
S&P 500	4,515.77	676.27	17.61%
FTSE 100	7,464.54	12.80	0.17%
BSE SENSEX	65,387.16	4,546.42	7.47%
KSE-100	45,324.50	4,904.05	12.13%
CSEALL	11,156.42	2,653.93	31.21%

Exchange Rates**1 US Dollar = 109.24 BDT****1 GBP = 137.68 BDT****1 Euro = 117.83 BDT****1 INR = 1.32 BDT**

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