

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:**World Bank to give USD 500 Mn budget support**

- The World Bank is considering a USD 500 Mn budget support for Bangladesh in the current fiscal year under two programmes, said its Country Director Abdoulaye Seck today. In the last fiscal year that ended on June 30, the development lender gave USD 500 Mn in budget support as well. The fund was part of the green and climate-resilient development policy credit.

<https://www.thedailystar.net/business/news/world-bank-give-500-million-budget-support-3434776>

ADB to provide USD 120 Mn for community resilience, livelihoods in rural Bangladesh

- The Asian Development Bank (ADB) and the Government of Bangladesh on Wednesday signed a loan agreement for USD 120 Mn to improve access to basic services and climate resilience of remote and rural communities in the Chittagong Hill Tracts (CHT) of Bangladesh. Sharifa Khan, Secretary, Economic Relations Division, and Edimon Ginting, ADB Country Director for Bangladesh signed the agreement on behalf of Bangladesh and ADB, respectively.

<https://thefinancialexpress.com.bd/economy/adb-to-provide-120m-for-community-resilience-livelihoods-in-rural-bangladesh>

IMF satisfied on achievement of reform measures: Bangladesh Bank

- The International Monetary Fund (IMF) has expressed satisfaction over the achievement of some reform measures Bangladesh Bank (BB) has taken in line with the IMF's suggestions for its USD 4.7 Bn loan programme. The IMF team will assess the overall condition of the economy before sitting with the central bank again and share the outcomes of the meetings, said Md Mezbaul Haque, Bangladesh Bank (BB) executive director and spokesman.

<https://www.tbsnews.net/economy/imf-satisfied-achievement-reform-measures-bangladesh-bank-712198>

ERD, FAO sign technical assistance project agreement

- The Economic Relations Division of the Ministry of Finance has announced the formalisation of a technical assistance project agreement with the Food and Agriculture Organization of the United Nations (FAO). The primary objective of this collaboration is to ensure utilising bio-pesticides as nature-based solution, reads a press release.

<https://www.tbsnews.net/economy/erd-fao-sign-technical-assistance-project-agreement-712442>

New drug act to take pharma sector to greater heights

- The new Drugs and Cosmetics Act 2023 will help the pharmaceuticals sector of Bangladesh get rid of adulterated and substandard medicines and climb to the next heights, manufacturers say. The Directorate General of Drug Administration (DGDA) will establish the Department of Drug Prosecution to enforce laws.

<https://www.thedailystar.net/business/economy/news/new-drug-act-take-pharma-sector-greater-heights-3434721>

Financial reforms needed to achieve macroeconomic stability: WB country director

- Bangladesh needs to reform its financial sector in a variety of areas including exchange rate policy, inflation, and monetary policy, to achieve macroeconomic stability, said World Bank Country Director for Bangladesh Abdoulaye Seck on Wednesday (4 October). He further said the World Bank will continue supporting the reform programmes in Bangladesh.

<https://www.tbsnews.net/economy/financial-reforms-needed-achieve-macroeconomic-stability-wb-country-director-712218>

‘Bangladesh should reform labour laws for EU’s GSP Plus regime’

- Bangladesh's market access to the European Union under the proposed GSP Plus regime depends on the alignment of the south Asian country's labour law with the international standards, EU Ambassador in Bangladesh Charles Whiteley said today. If Bangladesh does not fulfil the BLA revision according to the action plan, this would be a major setback for the implementation process, he said.

<https://www.thedailystar.net/business/news/bangladesh-should-reform-labour-laws-eus-gsp-plus-regime-3434656>

Further contraction of monetary, fiscal policies needed to control inflation: Atiur Rahman tells BB

- The central bank needs to take steps towards further contracting the monetary and fiscal policies in order to control inflation, former central bank governor and emeritus professor Atiur Rahman told the Bangladesh Bank today. At a policy review meeting with the central bank on Wednesday, he opined that macroeconomic stability is more important right now than growth.

<https://www.tbsnews.net/economy/further-contraction-monetary-fiscal-policies-needed-control-inflation-atiur-rahman-tells-bb>

External deficit widens further, mounting pressure on reserves

- Deficit in the country's financial account balance swelled to USD 2.02 Bn at the end of August from USD 946 Mn a month ago, putting further pressure on the dwindling forex reserves. According to the Bangladesh Bank data, the trade deficit widened in August to stand at USD 1.01 Bn, up from USD 0.64 Bn in July. At the end of September, the country's reserves stood at USD 21.15 Bn, down from USD 23.26 Bn at the end of August.

<https://www.tbsnews.net/economy/external-deficit-widens-further-mounting-pressure-reserves-712486>

Bangladesh Bank's measures failed to control inflation: IMF

- IMF has said the Bangladesh Bank's monetary policy has failed to control inflation, pointing to the central bank's failure to fix the exchange rate based on the actual market situation and to set a sufficiently high lending rate to reduce money supply. According to the central bank's policy, the lending rate is determined based on the six-month moving average rate of treasury bills (SMART) plus an additional 3%. Currently, the SMART rate is 7.20%. So, the maximum lending rate charged by banks is 10.20%.

<https://www.tbsnews.net/economy/bangladesh-banks-measures-failed-control-inflation-imf-712394>

State banks' default loan surges

- Default loans in the banking sector shot to a historic high at the end of June this year owing to rising non-performing loans (NPLs) at state-owned commercial banks, said Bangladesh Bank yesterday. The amount of NPLs at the state banks stood at BDT 744.5 Bn, up 28.45% from that three months ago, said the central bank in its quarterly report.

<https://www.thedailystar.net/business/economy/news/state-banks-default-loan-surges-3434881>

Dollar shortage, energy security big concerns for EU investors in Bangladesh

- European investors in Bangladesh raised concerns over the ongoing dollar shortage and energy security challenges in the country to run their businesses. In the panel discussion, foreign investors addressed frequent changes in tax and VAT laws, lack of infrastructure and bureaucratic problems in getting business licences as issues creating bottlenecks for future investment.

<https://www.tbsnews.net/economy/dollar-shortage-energy-security-big-concerns-eu-investors-bangladesh-712402>

A sharp rise in policy rate. What it means for you

- The Bangladesh Bank has increased its key policy rate by 75 basis points to 7.25%, the highest hike in the last one decade, aiming to make money costlier to curb inflation. This is the second hike in three months and sixth since May last year when inflation just shot over 8% from below 6% in January 2022.

<https://www.tbsnews.net/economy/sharp-rise-policy-rate-what-it-means-you-712490>

Stocks:**APEXFOODS | Apex Foods profit jumps 73%, thanks to pricey dollar, cost cutting**

- When the country's shrimp industry was grappling with dwindling exports, publicly listed shrimp exporter Apex Foods Limited posted a remarkable year-on-year growth in annual profit in the fiscal 2022-23. Reason, dollar appreciation coupled with the company's effective cost minimisation.

<https://www.tbsnews.net/economy/stocks/apex-foods-profit-jumps-73-thanks-pricey-dollar-cost-cutting-712482>

RNSPIN, FARCHEM | BSEC okays RN Spinning-Samin Food, Far Chemical-SF Textile mergers

- The securities regulator, at the beginning of this month, approved the mergers of Samin Food and Beverage Industries and Textile Mills Limited with RN Spinning Mills Limited, and SF Textile Industries Limited with FAR Chemical Industries Limited. Last year, the High Court approved both the listed firms to merge with their non-listed subsidiaries. After the amalgamation, the new entities will be known as FAR Chemical and RN Spinning.

<https://www.tbsnews.net/economy/stocks/bsec-okays-rn-spinning-samin-food-far-chemical-sf-textile-mergers-712450>

RINGSHINE | Ownership transfer of 38% stake in Ring Shine gets regulator's nod

- The Bangladesh Securities and Exchange Commission (BSEC) approved of a proposal put forward by Wise Star for transfer of 190.03 Mn shares of Ring Shine Textiles, including those held by sponsors and directors, according to a stock exchange filing on Tuesday. In the ownership transfer process, Wise Star has been representing the Singaporean companies too.

<https://thefinancialexpress.com.bd/stock/bangladesh/ownership-transfer-of-38pc-stake-in-ring-shine-gets-regulators-nod>

LBSL | How much can LankaBangla clients earn from primary treasury bonds?

- LankaBangla Securities, on behalf of its brokerage clients, successfully participated in the maiden primary auction of treasury bonds through beneficiary owner (BO) accounts. The top-tier brokerage firm's treasury trading desk on Tuesday secured up to over 9% yield for its clients at the auction of the two-year government bonds and the value was BDT 11 Mn.

<https://www.tbsnews.net/economy/stocks/how-much-lankabangla-brokerage-clients-will-earn-primary-treasury-bonds-712370>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 84.40	USD 9.19	12.22%
Crude Oil (Brent)*	USD 86.09	USD 8.31	10.68%
Gold Spot*	USD 1,826.66	USD 52.51	2.96%
DSEX	6,262.79	55.79	0.90%
S&P 500	4,263.75	424.25	11.05%
FTSE 100	7,412.45	-39.29	-0.53%
BSE SENSEX	65,226.04	4,385.30	7.21%
KSE-100	47,107.81	6,687.36	16.54%
CSEALL	11,080.79	2,578.30	30.32%

Exchange Rates**1 US Dollar = 110.15 BDT****1 GBP = 133.94 BDT****1 Euro = 115.94 BDT****1 INR = 1.32 BDT**

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Fahim Hassan	Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Hossain Zaman Towhidi Khan	Senior Research Associate	hztowhidi.khan@bracepl.com	01708 805 224
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229
Syed Tawsifuzzaman	Research Associate	s.tawsifuzzaman@bracepl.com	01708 805 202
Foyisal Ahmed	Research Associate	foysal.ahmed@bracepl.com	01708 805 201

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
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BRAC EPL Stock Brokerage Limited

www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com