

*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 3rd largest apparel source for the US in 2022: BGMEA**

- Bangladesh remains the third largest apparel source for the United States in 2022 with a 9.75% share of its total apparel import, which was 8.76% in 2021, said BGMEA President Faruque Hassan in a recent letter to its members and colleagues. In 2022, US's clothing import from Bangladesh grew by 36.38% year-over-year. The US imported USD 9.74 Bn worth of apparel from Bangladesh in 2022 which was USD 7.16 Bn in 2021 and USD 5.40 Bn in 2018, the letter said.
- The US is one of the major apparel importers for Bangladesh as well as for the world. In the last five years (2017-2022), US's apparel import from Bangladesh has increased by 13.99% CAGR whereas their import from the world has grown by 4.50% annually. China, being the top apparel import source for the US and having a 21.75% share, posted 10.83% year-over-year growth in 2022 in dollar value. On the other hand, Vietnam remains in the second position. The value of US's clothing from Vietnam was USD 12.21 Bn in 2018 which increased to USD 14.37 in 2021 and reached USD 18.24 Bn in 2022, the letter reads.

<https://www.tbsnews.net/economy/rmg/bangladesh-3rd-largest-apparel-source-us-2022-bgmea-679158>

**UK offers duty-free access for 92% Bangladeshi exports**

- After graduating from the Least Developed Country (LDC) status, Bangladesh will get duty-free export facilities for 92% of tariff line products, including ready-made garments (RMG), in the UK market. The UK has also assured Bangladesh of lifting the existing ban on betel leaf export from the country, said sources present at a meeting of the joint working group formed for the expansion of bilateral trade and investment between the two countries.
- "The UK delegation said their Developing Countries Trading Scheme is very generous and flexible. Under the UK policy, Bangladesh will get duty-free export facilities for 92% of manufactured goods, including garments, after graduating from Least Developed Country status," Md Abdur Rahim Khan, additional secretary (Export) of the commerce ministry, who led the Bangladesh delegation at the meeting held in the capital yesterday, told The Business Standard.

<https://www.tbsnews.net/economy/uk-offers-duty-free-access-92-bangladeshi-exports-679330>

**LEED-certified RMG units now 200**

- Bangladesh's garment industry has touched a new milestone after two more factories received the certification from the United States Green Building Council (USGBC) for their green initiatives, raising the total to 200. Lida Textile & Dyeing Limited, situated in Kaliakoir of Gazipur, and Liz Fashion Industry Limited, also located in the same industrial belt, received the platinum-rated LEED certification from USGBC, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).
- In a WhatsApp message, Hassan said: "The BGMEA proudly announces a significant achievement in its journey towards sustainable industrialisation, as the nation celebrates the certification of the 200th LEED green factory by the USGBC." "This remarkable milestone underscores Bangladesh's steadfast commitment to environmental stewardship, economic growth, and global competitiveness."

<https://www.thedailystar.net/business/economy/news/leed-certified-rmg-units-now-200-3389841>

**Govt borrowings fall slightly in July**

- The government repaid BDT 93.55 Bn to the central bank in July, the first month of FY24, as the implementation of the Annual Development Programme (ADP) of the new fiscal year has not started in full swing and the revenue earnings were good in June, the last month of FY23. However, the government borrowed BDT 55.32 Bn from commercial banks in July, which may mean a large part of the central bank's debt was paid with this borrowed money.
- According to central bank data, the government repaid BDT 38.23 Bn of earlier borrowings from the banking channel in July. The banking sector borrowing consists of borrowing from the central bank and commercial banks. With this repayment, the government's total borrowing from the central bank has come down to BDT 1.48 Tn and total borrowing from the banking sector to BDT 3.90 Tn.

<https://www.tbsnews.net/economy/banking/govt-borrowings-fall-slightly-july-679310>

**Throwaway RMG wastes can earn billions**

- Throwaway garment waste can earn Bangladesh minimum USD 6.0 Bn annually if cheap export is stopped and recycling supported, entrepreneurs say because of the item's growing potential. Growing numbers of western companies, ranging from fast-fashion retailers to luxury brands, are prioritising clothing made from recycled or other sustainable materials, in view of the magnitude of environmental impacts.
- Bangladesh exports clothing items worth about USD 47 Bn annually from the country's biggest export sector. And the factories churn out some 0.4-0.5 Mn tonnes of such waste or jhut, primarily consisting of cutting waste, scraps and fluffs, industry-insiders have said. Around 20,000 to 22,000 traders are engaged in jhut business, who mostly process the waste in an informal way, creating employment for about 0.6 Mn workers, mainly women. Around 1.0 Mn people are indirectly dependent on the apparel sub-sector.

<https://thefinancialexpress.com.bd/economy/bangladesh/throwaway-rmg-wastes-can-earn-billions>

**Visa opens office in Dhaka**

- Visa, the American multinational financial services corporation, recently opened an office in Dhaka as part of its "strategic expansion in South Asia". It is aimed at "transforming the digital payments landscape in Bangladesh and fostering economic growth and financial inclusion worldwide", according to a press release. It was "in line with our growing business needs", said Soumya Basu, Visa country manager in Bangladesh, Nepal and Bhutan. It "underscores our dedication to invest in local high-quality talent"... "and drive digitisation", he said.

<https://www.thedailystar.net/business/economy/news/visa-opens-office-dhaka-3389846>

**Nippon Paint eyes top spot in Bangladesh's paint market**

- Nippon Paint Bangladesh, a concern of Nippon Paint Holdings of Japan, has drawn up a strategy to be a leader in the growing paints and coatings industry in Bangladesh, said a top official. The company is seeking to climb to the second position within the next three years whereas its ultimate target is to become the market leader, said Yaw Seng Heng, group managing director of Nippon Paint Holdings Malaysia.
- "The goals are part of our new market strategy and planning." Heng shared the strategy, future plans and thoughts during an interview with The Daily Star in Dhaka recently. Last month, he was in the capital to inaugurate the company's newly built warehouse and conducted sharing and training sessions for its employees.

<https://www.thedailystar.net/business/economy/news/nippon-paint-eyes-top-spot-bangladeshs-paint-market-3389826>

**IMF's USD 4.7 Bn loan: Two of 6 major conditions missed**

- The finance ministry has already written to the Washington-based multilateral lender explaining why the country missed the two conditions, The Daily Star has learnt from officials involved with the proceedings. They have also explained the matter to Krishna Srinivasan, the IMF's director of the Asia and Pacific Department, when he called into Bangladesh last month.
- The government has failed to maintain minimum net international reserves (NIR) of USD 24.46 Bn at the end of June. The NIR target was missed by about USD 3 Bn as the government had to dip into reserves to pay for essential imports of fuel, fertiliser and foodstuff from the reserves, the finance ministry officials said.

<https://www.thedailystar.net/news/bangladesh/news/imfs-47b-loan-two-6-major-conditions-missed-3389611>

**Rod prices remain high despite low demand, scrap price fall**

- The price of scraps, the main material for manufacturing rods, has decreased by at least BDT 10,000 per tonne over the past three months but the top-grade MS rods are selling for BDT 96,000-1,00,500 per tonne for the last five months, traders and shipbreaking yard owners have said.
- Tapan Sen Gupta, deputy managing director of BSRM, the country's top rod producer, told The Business Standard, "It is true that in the international market price of scraps has come down slightly but there will be hardly any impact of it in our local market due to the high exchange rate of the dollar.

<https://www.tbsnews.net/bangladesh/rod-prices-remain-high-despite-low-demand-scrap-price-fall-678930>

**High inflation erodes real wages in Bangladesh**

- Bangladesh's high inflationary pressure has eroded the real wages of its labourers amid volatility in the Consumer Price Index (CPI) over the last few months, analysts and economists said on Monday. The daily living of the country's low-income people has been battered for a stymied growth in the Wage Rate Index (WRI) compared to the higher inflation rate, they noted.
- The higher inflation against the lower WRI would severely affect employment, production and consumption, and many people would slip down below the poverty line, they added. The Bangladesh Bureau of Statistics (BBS) data showed that the country's WRI was 7.52% in July. On the other hand, the point-to-point inflation rate in the same month was 9.69%.

<https://thefinancialexpress.com.bd/economy/bangladesh/high-inflation-erodes-real-wages-in-bangladesh>

**Hike in energy prices fails to improve supply**

- The perennial energy crisis of industries in Bangladesh remains unresolved even though energy prices have been hiked considerably to offset government subsidies in the sector and facilitate industrial productivity. Entrepreneurs in the country have long been complaining about how they spend exorbitant amounts to set up industrial units, but still lack adequate gas pressure to run operations at full capacity.
- Besides, many factories are being forced to partially stop production due to the dwindling gas supply. And although some entrepreneurs say the situation has improved a bit, the prevalence of load-shedding is affecting industries every day. As a result, many units have been running at 50% capacity even though they need to run at full steam to offset losses incurred because of the severe fallouts of Covid-19 and the Russia-Ukraine war.

<https://www.thedailystar.net/business/economy/news/hike-energy-prices-fails-improve-supply-3389886>

**Stocks:****BRACBANK | Brac Bank gets go-ahead to raise authorised capital**

- Brac Bank Limited has received permission from the central bank to raise its authorised capital from BDT 20 Bn to BDT 50 Bn. The private commercial lender made the disclosure in a filing on the Dhaka Stock Exchange. The authorised capital is the maximum amount of share capital that a company is allowed to issue to its shareholders as per its constitutional documents. Shares of Brac Bank closed at BDT 35.80 on the DSE yesterday, unchanged from a day earlier.

<https://www.thedailystar.net/business/economy/banks/news/brac-bank-gets-go-ahead-raise-authorized-capital-3389811>

**CITYBANK | City Bank to invest in digital bank**

- The City Bank Ltd is going to invest BDT 138.8 Mn in a proposed digital bank as a sponsor shareholder. The private commercial bank said its board has approved the proposal to join a consortium of nine commercial banks which together will apply for a digital bank. The name of the proposed bank is Digi10 Bank Plc. City Bank plans to become a sponsor shareholder by investing BDT 138.8 Mn, which is 11.11% of the initial paid-up capital of BDT 1250 Mn of the proposed digital bank.

<https://www.thedailystar.net/business/economy/banks/news/city-bank-invest-digital-bank-3389866>

**METROSPIN | Metro Spinning to double production capacity**

- Metro Spinning Ltd to increase its production capacity more than double as the company will import new machinery to replace the old machinery under the BMRE project. The company has informed that they have opened LC of 24,000 spindles for the import of latest automated capital machinery with modern technology (Blow Room, Carding, Simplex, Auto cone) to replace the similar numbers of old machinery/existing machinery capacity of 24,000 spindles.
- After implementation of the BMRE, the total spindle capacity will be 35,520 spindles and the production capacity of the project will be increased by 110% from the existing production capacity, said the company in a stock exchange filing on Tuesday. The project is designed to produce all types of yarn which includes value added Man-Made Fiber (MMF) yarn besides the cotton yarn.

<https://thefinancialexpress.com.bd/stock/bangladesh/metro-spinning-to-double-production-capacity>

**ABBANK | AB Bank inks deal with Ami Probashi**

- AB Bank Ltd recently signed an agreement with Ami Probashi Ltd (APL), a government approved mobile app and web portal assisting Bangladeshi migrant workers in gaining employment abroad and completing migration related processes from the comfort of their homes.
- Using this platform, migrant workers abroad can open bank accounts with any branches of AB Bank and easily send remittance from abroad to this account. Syed Mizanur Rahman, deputy managing director of the bank, and Namir Ahmad Nuri, chief executive officer and co-founder of APL, signed a deal to this end in Dhaka, said a press release.

<https://www.thedailystar.net/business/economy/banks/news/ab-bank-inks-deal-ami-probashi-3389751>

**ISLAMIBANK | Saudi investor withdraws director from Islami Bank**

- Saudi investor Arabsas Travel & Tourist Agency has withdrawn its director from the board of Islami Bank Bangladesh PLC, according to a report of the bank. The investor owns 160.9 Mn shares of Islami Bank, or 9.99% of the total. The move means Arabsas Travel & Tourist Agency's representative Musaid Abdullah A Al-Rajhi will no longer sit on the board of the bank. The Saudi company made its decision known in a letter sent to the bank on July 5. It did not give any explanation.

<https://www.thedailystar.net/business/economy/news/saudi-investor-withdraws-director-islami-bank-3389856>

**MTB | MTB launches country's first-ever virtual debit card**

- Mutual Trust Bank Limited (MTB) launched the country's first-ever virtual debit card, a groundbreaking digital solution under Visa Network. Seamlessly blending innovation, security and convenience, this cutting-edge offering is set to revolutionise day-to-day transactions for users nationwide, according to a statement. MTB's virtual debit card promises a hassle-free and secure banking experience, catering to the modern-day needs of customers. With the option to make ATM transactions through cash by code, customers can access their funds anytime using MTB's widespread ATM network.
- This virtual card can also be used at merchant points across the country through a QR code. The card is also equipped with an e-commerce transaction facility, empowering cardholders to confidently and easily navigate the online shopping landscape. Applying for the card is quick and easy through the MTB Smart Banking app. Syed Mahbubur Rahman, managing director & CEO of MTB, has recently launched the service at a ceremony held at MTB Centre, the bank's corporate head office, in the capital

<https://thefinancialexpress.com.bd/stock/bangladesh/mtb-launches-countrys-first-ever-virtual-debit-card>

**SIBL | SIBL, Nec Money Transfer enter into remittance deal**

- Social Islami Bank Ltd (SIBL) and Nec Money Transfer Ltd signed an agreement at the bank's head office in Dhaka on Monday. Ikram Farazy, chairman of Nec Group, and Md Akmal Hossain, head of international division of the bank, signed the deal, said a press release. Under this agreement, Bangladeshi expatriates can now send money to any branch, sub-branch and agent outlets of the bank through Nec Money Transfer from various countries.

<https://www.thedailystar.net/business/economy/banks/news/sibl-nec-money-transfer-enter-remittance-deal-3389746>

**EXCHANGE | DSE gets new MD**

- The Bangladesh Securities and Exchange Commission (BSEC) has approved ATM Tariquzzaman as managing director of the Dhaka Stock Exchange (DSE) for the next three years. The recommendation to have Tariquzzaman fill the spot was made by the board of directors of the DSE.
- Tariquzzaman is currently working as an executive director of the BSEC. The approval came in a commission meeting held yesterday at the BSEC office in Dhaka. The top executive position at the DSE has been vacant since last September following the resignation of Tarique Amin Bhuiyan.

<https://www.thedailystar.net/business/economy/news/dse-gets-new-md-3389796>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 82.78	USD 7.57	10.07%
Crude Oil (Brent)*	USD 86.07	USD 8.29	10.66%
Gold Spot*	USD 1,928.12	USD 153.97	8.68%
DSEX	6,315.57	108.57	1.75%
S&P 500	4,499.38	659.88	17.19%
FTSE 100	7,527.42	75.68	1.02%
BSE SENSEX	65,846.50	5,005.76	8.23%
KSE-100	47,365.97	6,945.52	17.18%
CSEALL	11,681.66	3,179.17	37.39%

**Exchange Rates****1 US Dollar = 109.42 BDT****1 GBP = 139.50 BDT****1 Euro = 119.97 BDT****1 INR = 1.32 BDT**

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