

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:**Apparel export to US sees 6.31% growth in July**

- Ready-made garments (RMG) export to the US, the largest export destination for Bangladesh has increased by 6.31% in July of 2023-24 fiscal year to USD 729.03 Mn from USD 685.77 Mn in July of 2022-23 fiscal, As per the statistics of Export Promotion Bureau (EPB). During the first month of fiscal year 2023-24, clothing export to the EU market also grew by 17.40% to USD 1.95 Bn from USD 1.66 Bn in the same period of last fiscal year.
- During the mentioned period, export to some major markets in EU region such as Spain, France, Italy, Netherland and Poland grew by 36.35%, 22.71%, 36.75%, 23.03% and 18.07% respectively. However, export to Germany, the second largest export destination for Bangladesh saw 0.70% year-over-year negative growth and stood at USD 514 Mn.

<https://www.tbsnews.net/economy/rmg/apparel-export-us-sees-631-growth-july-679870>

India may guarantee supply of 7 essentials

- Bangladesh is hopeful of an Indian guarantee of a quota ensuring the year-round import of seven essential commodities as the neighbouring country has shown interest and bilateral negotiations are progressing for signing an associated agreement. A commerce secretary-level meeting between the two countries is scheduled to be held virtually this month to assess Bangladesh's demand and India readiness to give the guarantee.
- "We have fixed two dates (either August 17 or August 20) for holding the meeting," said Senior Commerce Secretary Tapan Kanti Ghosh over the phone. Moreover, Prime Minister Sheikh Hasina is also scheduled to visit India to attend the 18th G20 Summit in New Delhi on September 9 and 10.

<https://www.thedailystar.net/business/economy/news/india-may-guarantee-supply-7-essentials-3390616>

Fakir Knitwear to invest USD 45.8 Mn at BSMSN

- Fakir Knitwear Limited is set to invest about USD 45.82 Mn to set up a knit composite factory at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Mirsarai, Chattogram. The company, which has been contributing to the country's garment, logistics and agricultural sectors since 1936, expects to create employment opportunities for about 2,000 people at the unit.
- As such, Fakir Knitwear yesterday signed an agreement with the Bangladesh Economic Zone Authority (Beza) for the allotment of 15 acres of land at the BSMSN. Fakir Mashrikuzzaman, deputy managing director of Fakir Knitwear, and Md Mozibor Rahman, executive member (investment development) of Beza, signed the agreement at the latter's office.

<https://www.thedailystar.net/business/economy/news/fakir-knitwear-invest-458m-bsmsn-3390621>

Efforts underway to invite int'l bidding within a month for gas exploration: Energy secretary

- Bangladesh government's Energy Secretary Dr Md Khairuzzaman Mozumder has said that the government has planned to invite international bidding for offshore hydrocarbon exploration within a month. "Last week the Cabinet Committee on Economic Affairs approved the New Model Production Sharing Contract (PSC). Now we're making our highest efforts to go for international bidding within a month," he told a webinar on Wednesday (August 09, 2023).
- The Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources organized the webinar to observe "the National Energy Security Day". The energy secretary said the government is assuming that this time a huge response will be received from international oil companies (IOCs) as the Model PSC has been modified making it more attractive.

<https://www.tbsnews.net/bangladesh/energy/efforts-underway-invite-intl-bidding-within-month-gas-exploration-energy-secretary>

Universal Pension: Deposit BDT 5 Mn over 42 years, get up to BDT 60 Mn back

- The Universal Pension Scheme is set to roll out on 17 August, aiming to establish a sustainable social security system for elderly citizens of private and informal sectors, expatriates, and impoverished people. In addition to ensuring social security and reducing the number of beneficiaries in the social safety programme, the scheme will be of significant advantages to contributors.
- By enrolling in the scheme at 18 years old, private sector employees or expatriates can receive benefits 12 times greater than their 42 years of contribution, documents from the Finance Ministry reveal. For example, if an expatriate starts contributing BDT 10,000 per month under the Probas Scheme, his total contributions to the government would amount to BDT 5,040,000 by age 60. With a monthly pension of BDT 3,44,655 from age 60 to at least 75, the accumulated sum would reach BDT 62,037,900, which is around 12.31 times their total contribution.

<https://www.tbsnews.net/bangladesh/universal-pension-deposit-tk50-lakh-over-42-years-get-tk6cr-back-679902>

Onion prices keep soaring despite imports

- The price of onions continues to soar at wholesale and retail levels despite importing around 3,00,000 tonnes of the essential kitchen item in the last two months, alongside supplying local ones. In a span of three-four days, the price has increased by BDT 10-15 for the local variety of onions and by BDT 5-10 for imported ones in the markets of the capital city. Traders have attributed this price rise to short supply and high import costs.

<https://www.tbsnews.net/economy/bazaar/onion-prices-keep-soaring-despite-imports-679878>

Multinational tech giants to face VAT scrutiny

- To scrutinise any mismatch between the paid and actually payable value-added tax (VAT), the revenue authority is considering launching audits of the financial statements filed by global technology giants along with their VAT returns. Currently, 12 non-resident companies, including Google, Facebook (now Meta), Netflix, LinkedIn, Microsoft, Amazon, Zoom and Zoho, submit VAT returns to the National Board of Revenue (NBR).
- Official sources said that the NBR recently instructed the Central Intelligence Cell (CIC) to examine tax-payment issues of global tech leaders to verify their compliance. In the fiscal year 2022-23, the companies paid BDT 599 Mn in VAT under VAT South Zone - the jurisdiction for these companies.

<https://thefinancialexpress.com.bd/economy/bangladesh/multinational-tech-giants-to-face-vat-scrutiny>

Can Bangladesh hit dev goals with scanty R&D?

- Bangladesh's economy has been growing at a striking rate in the last one decade on the back of low-paid workers in the manufacturing and service sectors but innovation has played insignificant role behind the development journey. The main factor for the lack of innovation has been scanty investment, both public and private, although investments in research and development (R&D) are believed to be important keys to future prosperity.
- And experts warn that if the lower investment trend lingers, economic growth may be stuck at a certain level. In Bangladesh, the overall R&D investments stood at 0.03% of gross domestic product (GDP) in 2022-23, according to data of the planning commission. It was 0.54% in Vietnam, 0.70% in India, and 2.55% in China, World Bank data showed.

<https://www.thedailystar.net/business/economy/news/can-bangladesh-hit-dev-goals-scanty-rd-3390631>

BPC again seeks time, funds

- The deadline for the "Installation of Single Point Mooring (SPM) with Double Line" project will be extended for the fourth time with the cost to be raised by around BDT 10 Bn, or 15%, according to the Planning Commission. On behalf of the Bangladesh Petroleum Corporation (BPC), the implementing agency Eastern Refinery Limited (ERL) recently proposed revising the project cost to BDT 82.22 Bn and extending its deadline by one year.
- The BPC said more time and money is needed to complete the project due to issues resulting from the higher price of US dollar, which include increased payments for foreign contractors and consultants. The proposal was placed at a meeting of the Project Evaluation Committee (PEC) of the Planning Commission on Tuesday, sources said. During the meeting, the Planning Commission raised various questions, asking for an explanation from the BPC as to why the project tenure should be extended until June 2024 even though implementation has reached 97% physical progress.

<https://www.thedailystar.net/business/economy/news/bpc-again-seeks-time-funds-3390626>

Stocks:**METROSPIN | Metro Spinning expects to double production capacity in 6 months with new machinery**

- Metro Spinning is all set to more than double its production capacity within six months as it has finally reached the culmination of a plan to import new machinery made two years ago. In October 2021, the company, which is a concern of Makson Group, announced its decision to invest BDT 2 Bn for the reconstruction and expansion of its factory in order to cater to the growing demand for apparels abroad.
- In a stock exchange filing on Tuesday, the company said they had finally succeeded in opening a letter of credit to import latest automated capital machinery to replace existing machinery. After the installation of the new machinery, the company will be able to increase its production by 110%.

<https://thefinancialexpress.com.bd/stock/bangladesh/metro-spinning-expects-to-double-production-capacity-in-6-months-with-new-machinery>

EBL | EBL joins the fray to invest in digital bank

- Eastern Bank Ltd (EBL) is going to invest BDT 125 Mn to be a sponsor shareholder of a proposed digital bank, according to a decision of the board of the private bank taken yesterday. The name of the proposed digital bank is Digi10 Bank PLC, in which the private bank will hold 10% share of the initial paid-up capital of BDT 1250 Mn.
- The investment will be done subject to all regulatory approval, as per the decision of the EBL board. The disclosure by EBL comes after a number of banks unveiled their decision to invest in establishing digital banks, for which Bangladesh Bank called for applications from the third week of June.

<https://www.thedailystar.net/business/economy/banks/news/ebel-joins-the-fray-invest-digital-bank-3390611>

STANDBANKL | Standard Bank promotes official to DMD post

- Standard Bank Ltd has recently promoted an official to the post of deputy managing director (DMD). The official, Md Mohon Miah, was serving as the head of business development, Shariah secretariat, internal control & compliance division and an Islamic banking conversion project in the bank.
- Miah joined Standard Bank in 2020. He previously served Islami Bank Bangladesh Ltd as a deputy managing director and head of corporate investments, said a press release. Obtaining a master's degree in Islamic history and culture from the University of Dhaka, he had started his banking career as a probationary officer in 1985.

<https://www.thedailystar.net/business/economy/banks/news/standard-bank-promotes-official-dmd-post-3390571>

CITYBANK | City Bank revises investment amount in digital bank

- The City Bank Ltd has revised the investment amount to be invested in a proposed digital bank named "Digi10 Bank Plc. In a stock exchange filing on Wednesday, the first-generation private lender said the board has revised the investment amount to BDT 138.8 Mn instead of the earlier disclosure of BDT 277.80 Mn.
- The proposed digital bank is a joint venture consortium comprising 9 commercial banks who together will apply for a digital bank with the proposed name of 'Digi10 Bank Plc', according to the filing. The revised amount would be equivalent to 11.11% of the total paid-up capital of the proposed digital bank of BDT 1.25 Bn.

<https://thefinancialexpress.com.bd/stock/bangladesh/city-bank-revises-investment-amount-in-digital-bank>

PRIMEFIN | Prime Finance incurs losses again

- Prime Finance and Investment Limited has turned a loss of BDT 340 Mn in the first nine months of 2022 because of lower interest income and higher deposit cost. In 2021, it incurred a loss of BDT 19 Mn and hence, did not recommend any dividend for that year.
- The non-bank financial institution (NBFI) has published its financials for 2021 and un-audited financials for January to September period of 2022 on the Dhaka Stock Exchange (DSE) website on Wednesday. From 2015 to 2017, the company suffered a total loss of BDT 1830 Mn because of a loan scam which the Anti-Corruption Commission (ACC) has been investigating.

<https://www.tbsnews.net/economy/stocks/prime-finance-incurs-losses-again-679850>

SHAHJABANK | Shahjalal Islami Bank launches contactless cards

- Shahjalal Islami Bank Ltd launched contactless debit, credit and prepaid cards with the aim of providing faster services to customers. Mohammed Younus, chairman of the bank, inaugurated the cards at a programme in Dhaka, said a press release. The contactless cards not only provide convenience of contactless payment but also offer all the existing features of regular credit, debit and prepaid cards of the bank.

<https://www.thedailystar.net/business/economy/banks/news/shahjalal-islami-bank-launches-contactless-cards-3390536>

MASTERAGRO | Team formed to probe alleged share embezzlement at Master Feed

- The stock market regulator has recently formed an inquiry committee to investigate the alleged embezzlement of shares of the deceased Rafikul Alam, who was the director at Master Feed Agrotec Ltd — a firm listed on the SME board of the stock exchanges. Last month, Md Kausar Al Mamun, chief executive officer (CEO) of First Capital Securities raised a red flag that there might have been attempts to embezzle the deceased director's stake.
- In a letter to the Bangladesh Securities and Exchange Commission (BSEC), Al Mamun alleged that Umme Habiba Yesmine, wife of Alam, opened a fake beneficiary owner (BO) account with First Capital Securities by using someone else's information to sell and withdraw a portion of Alam's shares. Based on Mamun's complaint, the BSEC formed the inquiry team that has the commission's Assistant Director Md Maruf Hasan, and Debasish Roy, manager at the investigation and enforcement department of the Dhaka Stock Exchange (DSE). BSEC Additional Director Md Faruq Hossain will supervise the inquiry committee.

<https://www.tbsnews.net/economy/stocks/team-formed-probe-alleged-share-embezzlement-master-feed-679822>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 84.17	USD 8.96	11.91%
Crude Oil (Brent)*	USD 87.34	USD 9.56	12.29%
Gold Spot*	USD 1,917.79	USD 143.64	8.10%
DSEX	6,296.99	89.99	1.45%
S&P 500	4,467.71	628.21	16.36%
FTSE 100	7,587.30	135.56	1.82%
BSE SENSEX	65,995.81	5,155.07	8.47%
KSE-100	48,334.54	7,914.09	19.58%
CSEALL	11,724.22	3,221.73	37.89%

Exchange Rates**1 US Dollar = 109.47 BDT****1 GBP = 139.20 BDT****1 Euro = 120.12 BDT****1 INR = 1.32 BDT**

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