

*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 exports to EU, UK jump big in FY23**

- Bangladesh apparel exports saw a big jump in European markets in the fiscal 2022-23 despite the economic slowdown driven by the Russia-Ukraine war. Apparel exports grew by 9.93% year-on-year in the European Union countries to about USD 23.52 Bn, while the earning was USD 21.40 Bn in FY22, according to the Export Promotion Bureau (EPB). Besides, the UK market also saw 11.78% year-on-year growth to over USD 5 Bn in FY23, while the earning was USD 4.50 Bn in the previous fiscal.
- Bangladesh's overall apparel export grew by 10.27% year-on-year to USD 46.99 Bn in FY23, while the earning was USD 42.61 Bn in FY22. The apparel sector's export income contributed 84.59% to the country's total export earnings worth USD 55.55 Bn in the just-concluded fiscal year of FY23, according to EPB data.

<https://www.tbsnews.net/economy/rmg/apparel-exports-eu-uk-jump-big-fy23-663294>

**BD posts USD 3.48 Bn FDI inflow in 2022, up by 20.16%**

- Foreign direct investment (FDI) in Bangladesh rose by 20.16% to USD 3.48 Bn in 2022, according to a report of a UN agency. Outward FDI from Bangladesh, however, declined by 42.7% to US USD 53 Mn in 2022 against USD 92 Mn in 2021, according to the 'World Investment Report 2023' of the United Nations Conference on Trade and Development (UNCTAD) published on July 5.
- The top five FDI recipient countries are Ethiopia, Cambodia, Bangladesh, Senegal and Mozambique, accounting for about 70% of the total. The fall in FDI flows was mostly caused by financial transactions of multinational enterprises in developed economies. The UNCTAD expects the downward pressure on global FDI to continue in 2023.

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-posts-348b-fdi-inflow-in-2022-up-by-2016pc>

**Commerce secretaries to meet next month**

- A meeting between the commerce secretaries of Bangladesh and India is likely to be held in Dhaka next month to review the progress towards signing a comprehensive economic partnership agreement (Cepa). The last commerce secretary-level meeting on the Cepa issue was held in New Delhi last year.
- However, the formal or final negotiation for signing the agreement will begin after the completion of negotiations at other levels, Senior Commerce Secretary Tapan Kanti Ghosh over the phone yesterday. If signed, the Cepa will be the first free trade agreement of its kind as Bangladesh has till date signed only a preferential trade agreement with Bhutan in December 2020.

<https://www.thedailystar.net/business/economy/news/commerce-secretaries-meet-next-month-3366016>

**Which banks have lowest non-performing loans in Bangladesh?**

- Thirteen banks--seven foreign and six local--are performing outstandingly at present with a non-performing loan (NPL) ratio of less than 3% when the sectoral ratio goes past 8%. These 13 with their good corporate governance and due diligence in banking activities have played a vital role in keeping the sectoral ratio to below the level of 10%. EBL's NPL ratio is 2.78% of its loans, which is one of the lowest in private commercial banks in Bangladesh.

<https://www.thedailystar.net/business/economy/banks/news/which-banks-have-lowest-non-performing-loans-bangladesh-3365786>

**ICT trade bodies demand amendment to A2i bill**

- ICT trade bodies in Bangladesh yesterday urged the government to amend the recently approved Agency to Innovate (A2i) Bill 2023, scrapping the clause that empowers A2i to form companies. The bill was passed in parliament on July 5. "The current clause within the A2i bill grants the agency authority to establish any type of company and provide any service, which directly contradicts the interests of the industry," said Russell T Ahmed, president of BASIS at a press conference on the bill jointly organised by five leading ICT trade associations at the BASIS auditorium in Kawran Bazar, Dhaka.
- Along with some of the trade bodies' demands, it was unanimously agreed that A2i shall not be authorised to form any company. However, A2i was empowered to form companies in the bill that was later passed in parliament.

<https://www.thedailystar.net/business/economy/industries/ict/news/ict-trade-bodies-demand-amendment-a2i-bill-3365826>

**Coordinated fiscal, monetary policy vital in curbing inflation**

- Economists and business leaders have called for a synchronised approach by fiscal and monetary authorities to combat rising inflation and alleviate its impact on consumers. In Bangladesh, average inflation for the recently concluded fiscal year 2022-23 far exceeded the government's revised target of 7.5%. The Consumer Price Index (CPI) rose by 9.02%, marking the highest average inflation rate in 12 years.
- Pointing at to the surging commodity prices, former central bank governor Dr Atiur Rahman said the common practice among central banks worldwide to implement regulatory measures, such as interest rate hikes, to effectively combat high inflation.

<https://thefinancialexpress.com.bd/economy/bangladesh/coordinated-fiscal-monetary-policy-vital-in-curbing-inflation>

**NBR falls short of revenue collection target by BDT 440 Bn in FY23**

- The National Board of Revenue (NBR) ended the fiscal year 2022-23 with a revenue shortfall of BDT 440 Bn, despite revenue generation growth by 8.12% compared to the previous financial year. In FY 2022-23, the revenue collection target was BDT 3.70 Tn. According to NBR's provisional account, BDT 3.25 Tn revenue has been collected. There is a shortfall in the revenue collection target of around BDT 440.0 Bn, reports UNB.
- In the last financial year FY22, the revenue deficit was BDT 280 Bn. A revenue of BDT 3.85 Tn was collected that year. A senior NBR official said that 87.91% of the revenue collection target has been achieved against the targets in three categories of NBR in FY23.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-falls-short-of-revenue-collection-target-by-tk-440b-in-fy23>

**BSCIC suffers BDT 250 Mn losses for dues**

- The BSCIC suffered a loss of BDT 253.2 Mn in 2018-2019 and 2019-2020 as it did not realise dues related to service charges and lease money from a number of plot owners in several industrial estates, according to an audit report. The Office of the Comptroller and Auditor General of Bangladesh (CAG) found 12 counts of financial irregularities and violations of rules during the audit at various industrial estates owned by the Bangladesh Small and Cottage Industries Corporation (BSCIC) during the two years.
- The report showed the agency incurred a loss of BDT 95 Mn as it did not collect service charges from several plot owners in the API Industrial Park in Munshiganj and the Savar Tannery Industrial Estate. In its response, the BSCIC said that the owners of the industrial units applied to the industries minister, seeking a waiver of service charge amounting to BDT 70.8 Mn.

<https://www.thedailystar.net/business/economy/news/bscic-suffers-tk-25cr-losses-dues-3365996>

**Stocks:****LOVELLO | Lovello Ice-cream finally pays out due dividend**

- Taufika Foods and Lovello Ice-cream PLC, after a delay of over five months, has at last disbursed the dividend it had declared for the 2021-22 fiscal year to the shareholders' bank accounts. The listed firm in the food and allied sector of the stock exchanges had declared a 12% cash dividend for FY22.
- In the January to March quarter, its revenue fell by 29% year-on-year to BDT 240.9 Mn, and profit by 25% to BDT 34.7 Mn. The company had raised BDT 300 Mn from the stock market through an initial public offering (IPO) to expand its business.

<https://www.tbsnews.net/economy/stocks/lovello-ice-cream-finally-pays-out-due-dividend-663274>

**MTB, GP | Mutual Trust Bank, GP sign partnership agreement**

- Mutual Trust Bank Ltd and Grameenphone have signed a partnership agreement to introduce a touch-free automation system for mobile operator's distributors with a bid to align with "Smart Bangladesh" vision. The system intelligently generates auto purchase orders when stock levels are low, guaranteeing distributors never experience shortages. Financial transactions are seamlessly completed by depositing funds directly into GP distributors' accounts from the distributors.
- This unique partnership utilises distributors' profiles and pre-approved CC loans, allowing the bank to provide automatic financing when fund shortages occur. Cash transactions for product lifting become effortless and efficient.

<https://www.thedailystar.net/business/economy/news/mutual-trust-bank-gp-sign-partnership-agreement-3365871>

**EXCHANGE | Protective Islami Life Insurance files for BDT 150 Mn IPO**

- Protective Islami Life Insurance Ltd wants to raise BDT 150 Mn from the capital market through an initial public offering (IPO) under the fixed price method. The company will issue 15 Mn ordinary shares with a face value of BDT 10 apiece. ICB Capital Management Limited is working as the issue manager for the company's IPO. The life insurer has recently submitted its IPO application to the Bangladesh Securities and Exchange Commission (BSEC) along with its prospectus and other relevant documents.
- Protective Islami Life Insurance was established in 2013. It mainly provides individual life insurance, pensions, and group life and health insurance. The company said in its IPO prospectus that of the BDT 150 Mn, it will invest BDT 139.5 Mn in the capital market, including government treasury bonds and fixed deposit receipts.

<https://www.tbsnews.net/economy/stocks/protective-islami-life-insurance-files-tk15-crore-ipo-663278>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 73.30	(USD 1.91)	-2.54%
Crude Oil (Brent)*	USD 77.93	USD 0.15	0.19%
Gold Spot*	USD 1,925.03	USD 150.88	8.50%
DSEX	6,325.20	118.20	1.90%
S&P 500	4,409.53	570.03	14.85%
FTSE 100	7,273.79	-177.95	-2.39%
BSE SENSEX	65,344.17	4,503.43	7.40%
KSE-100	44,561.82	4,141.37	10.25%
CSEALL	10,311.25	1,808.76	21.27%

**Exchange Rates****1 US Dollar = 108.36 BDT****1 GBP = 139.45 BDT****1 Euro = 119.30 BDT****1 INR = 1.31 BDT**

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