

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:**Chinese firm to invest USD 19.5 Mn in Mongla EPZ**

- Chinese factory M/s QSL.S Garments Co, is going to set up a RMG industry in Mongla EPZ (MEPZ) with an investment of USD 19.5 Mn. This fully foreign owned company will produce annually 6 Mn pcs of woven & knit garments products like Shirt, T-Shirt, Jacket, Pant, Shorts, etc. They will create employment opportunities for 2598 Bangladeshi nationals.

<https://www.tbsnews.net/economy/chinese-firm-invest-195-million-mongla-epz-698054>

Cotton waste the new cash cow

- Cotton waste is turning into a new cash cow for Bangladesh as it is increasingly being sold abroad although local garment exporters are in favour of retaining and recycling it. Cotton waste exports marked a significant rise of 76.77% year-on-year to fetch USD 84.85 Mn in the July-August period, the first two months of the current fiscal year, as per the Export Promotion Bureau. Demand for cotton waste is rising worldwide with increased awareness among end consumers on the sustainable use of garments through recycling.

<https://www.thedailystar.net/business/economy/news/cotton-waste-the-new-cash-cow-3415906>

Japan keen to increase investment in Bangladesh

- Japanese Ambassador to Dhaka Iwama Kiminori said his country would like to increase investment in Bangladesh's Economic Zones. Regarding the export of manpower to Japan, Ambassador Kiminori said, "We are trying to improve the commercial relationship and communication between the two countries." The ambassador assured that Japan will work jointly with Bangladesh to expand employment opportunities in Japan and travel for Bangladeshi to Japan.

<https://thefinancialexpress.com.bd/economy/bangladesh/japan-keen-to-increase-investment-in-bangladesh>

Hortex makes 18,000 agro entrepreneurs

- A government value-chain development initiative has generated more than 18,000 agro entrepreneurs in the past five years, boosting farm trade in 30 districts. Hortex Foundation jointly with the Department of Agricultural Extension (DAE) conducted the five-year project on 'value-chain development (VCD) of selected high-value crops. Mitul Kumar Saha, managing director (in-charge) of Hortex Foundation, said the key objective of the activities was to "improve smallholder farmers' access to markets". According to Hortex, a total of 43,670 tonnes of produce have so far been traded by POs while 2,633 tonnes been exported.

<https://thefinancialexpress.com.bd/economy/bangladesh/hortex-makes-18000-agro-entrepreneurs>

Forex reserves slip below USD 22 Bn after ACU payment

- The country's foreign exchange reserves fell below USD 22 Bn after clearing the import bills of USD 1.3 Bn with the Asian Clearing Union (ACU). According to data from the central bank, the country cleared USD 1.1 Bn in ACU payments for the May-June period in July. Last February, the IMF disbursed USD 476.27 Mn to Bangladesh as the first tranche of the USD 4.7 Bn loan. The second instalment is expected to be released later this year. According to the terms of the IMF loan agreement, the country's net reserves should be USD 25.31 Bn in September and USD 26 Bn at the end of December.

<https://www.tbsnews.net/economy/forex-reserves-slip-below-22b-after-acu-payment-698218>

Man-made factors drive soaring food inflation to 13-year high

- While global prices for staple foodstuffs hit a two-year low in August, Bangladesh experienced a staggering 12.54% food inflation that month, the highest in 13 years, a situation that is significantly impacting the cost of living, particularly for the low-income groups.
- The last time Bangladesh witnessed inflation higher than August was in FY2010-11 when it reached 14.11%. Economists attribute this persistently high inflation to internal factors, describing it as largely man-made. These factors include availability of cheap credit, market manipulation by vested interest groups, weak monitoring mechanisms, deteriorating macroeconomic fundamentals, and issues within the banking sector and money market.

<https://www.tbsnews.net/economy/man-made-factors-drive-soaring-food-inflation-13-year-high-698230>

State of e-commerce: Con trick undercuts roaring rise

- Fabulously growing e-commerce business in Bangladesh, which boasted a record growth of 300% during the Covid-19 pandemic, now loses its shine for multiple factors that conspicuously include confidence trick on consumers. Sources say consumers are also raising the question of violation of privacy of their personal data confided to the e-commerce businesses.
- Jahangir Alam Shovon, Executive Director of the e-commerce Association of Bangladesh, blames a section of staff members of e-commerce business for indulging in data-trading by supplying consumer information of a new venture. Market rate of data of each consumer is BDT 0.10 to BDT 10 each in trading by a section of e-commerce businessmen, he adds.

<https://thefinancialexpress.com.bd/economy/bangladesh/state-of-e-commerce-con-trick-undercuts-roaring-rise>

Powder milk imports dip to 8-year low as consumers tighten belts

- Bangladesh's imports of milk and cream plummeted to 118,000 tonnes in the last fiscal year of 2022-23, the lowest in eight years, after a section of consumers cut consumption of milk-based foods and beverages in a bid to manage costs amid heightened levels of inflation. FY23's imports of milk and cream were nearly 16% lower than the volume imported the previous year, data from the Bangladesh Bureau of Statistics (BBS) showed. Industry people attributed the drop to increased domestic production of milk and a reduction in consumption by budget-conscious consumers.

<https://www.thedailystar.net/business/economy/news/powder-milk-imports-dip-8-year-low-consumers-tighten-belts-3415871>

Stocks:**SUMITPOWER | Summit partners with Indian company to improve rail logistics**

- Summit Alliance Port Limited (SAPL) has signed a memorandum of understanding with Pristine Logistics & Infraprojects Limited, one of the largest integrated rail terminal operators in India, to form a joint venture to improve rail logistics in Bangladesh.
- It will mainly work to develop rail-linked inland container depots, container freight stations and multimodal logistics parks at strategically important locations in Bangladesh. The joint venture aims to facilitate the needs of the exporters and importers by providing long-haul rail services from Indian locations to the border and interiors of Bangladesh.

<https://www.thedailystar.net/business/news/summit-partners-indian-company-improve-rail-logistics-3415631>

TRUSTBANK | Trust Bank to buy 22.1 Mn shares of Trust Axiata Digital

- Trust Bank Limited (TBL) has decided to buy 22.1 Mn ordinary shares of Trust Axiata Digital Ltd from Axiata Digital Services Sdn Bhd. Of the shares, 2,20,49,990 will be purchased in the name of TBL while 10 shares will be in the name of TBL Managing Director and Chief Executive Officer Humaira Azam. By purchasing these shares, Trust Bank will take 100% control over the management of Trust Axiata Digital Ltd, the filing said.

<https://www.thedailystar.net/business/economy/banks/news/trust-bank-buy-221cr-shares-trust-axiata-digital-3415731>

PUBALIBANK | Pubali Bank deposits up 90-fold in four decades

- Pubali Bank had deposits amounting to BDT 549.94 Bn and current capital of approximately BDT 43.22 Bn as of June this year. When it had begun its journey as a privatised bank less than four decades ago, its deposits stood at BDT 6.14 Bn, as per a board meeting of the lender at its head office in Dhaka recently. Pubali Bank is operating at home and abroad with 501 branches, 170 sub-branches, 17 Islamic banking windows and a workforce of around 9,000 employees.

<https://www.thedailystar.net/business/economy/banks/news/pubali-bank-deposits-90-fold-four-decades-3415781>

PHOENIXFIN | Loss widens, Phoenix Finance will not pay dividend

- Phoenix Finance and Investments Ltd — a non-bank financial institution in the country — will not pay dividends for 2022 as its losses have widened to the previous year. The NBFIL paid its shareholders a 12% stock dividend in 2022. According to its disclosure published on the bourses on Sunday, the loss per share jumped to BDT 8.36. The loss per share was BDT 2.11 in the previous year in 2021. The net asset value per share declined to BDT 9.18 in 2022, which was BDT 17.54. In 2021, the NBFIL had incurred a loss of BDT 350 Mn.

<https://www.tbsnews.net/economy/stocks/loss-widens-phoenix-finance-will-not-pay-dividend-697986>

EXCHANGE | 42 firms under Dhaka bourse scanner

- The Dhaka Stock Exchange (DSE) is set to investigate the operational status of 42 listed firms and determine the reasons behind their non-compliance with the listing rules. Some of these companies raised funds from the investors through the stock market but deprived them of their dividends. Also, some did not publish their financials, and also did not hold AGMs regularly.
- According to sources, the DSE wrote to the Bangladesh Securities and Exchange Commission (BSEC) earlier this year seeking permission for investigating 42 non-performing listed firms. This July, the BSEC allowed the DSE to inspect 14 of the 42 firms. After completing the inspection, the bourse will submit its findings to the BSEC. The commission will then take necessary steps based on the DSE's inspection report.

<https://www.tbsnews.net/economy/stocks/42-firms-under-dhaka-bourse-scanner-698198>

EXCHANGE | What clueless female investors reveal in regulatory queries that numbers don't tell

- Of 1.73 Mn active BO accounts, 24.44% or 0.42 Mn accounts are owned by women. But brokerage houses say women investors' participation in trading is very low. A senior executive of Modern Securities said around 1-2% of BO accounts of women were maintained by the account holders themselves.
- Talking to the FE, some stock brokers said the number of female investors having authority to take investment decisions is insignificant. Usually, men open BO accounts in the name of their wives, sisters or mothers to serve their own interest.

<https://thefinancialexpress.com.bd/stock/bangladesh/what-clueless-female-investors-reveal-in-regulatory-queries-that-numbers-dont-tell>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 86.95	USD 11.74	15.61%
Crude Oil (Brent)*	USD 90.30	USD 12.52	16.10%
Gold Spot*	USD 1,923.23	USD 149.08	8.40%
DSEX	6,285.70	78.70	1.27%
S&P 500	4,457.49	617.99	16.10%
FTSE 100	7,478.19	26.45	0.35%
BSE SENSEX	66,598.91	5,758.17	9.46%
KSE-100	46,077.39	5,656.94	14.00%
CSEALL	11,466.07	2,963.58	34.86%

Exchange Rates**1 US Dollar = 109.69 BDT****1 GBP = 137.06 BDT****1 Euro = 117.60 BDT****1 INR = 1.32 BDT**

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