

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:**ADB outlines Bangladesh's USD 286 Bn potential in 14-district corridor**

- If Bangladesh creates an economic corridor encompassing 14 northeast and southwest districts – from Khulna division to the northeast Sylhet and Mymensingh divisions via Dhaka, the region's economic output could surge to USD 286 Bn by 2050 from USD 32 Bn in 2020, the Asian Development Bank has said.
- The international lender in its "Bangladesh Economic Corridor Development Highlights" released at a city hotel on Wednesday also said that the corridor is expected to generate 2.3 Mn additional jobs by 2025 and the number will gradually increase to 40.7 Mn by 2050.

<https://www.tbsnews.net/economy/total-output-entire-bangladesh-economic-corridor-region-likely-increase-286b-2050-adb-687422>

ADP implementation rate increased in first month of fiscal year 2023-24

- The implementation rate of the Annual Development Programme (ADP) saw an increase in the first month of fiscal 2023-24, said a recent report of the Implementation Monitoring and Evaluation Division (IMED). All ministries and divisions of the government could spend only 1.27% or BDT 34.89 bn of their respective allocations under the ADP in the first month (July) of the current fiscal year, revealed the latest progress report prepared by the Implementation Monitoring and Evaluation Division (IMED) of Ministry of Planning
- In the same period of FY23 and FY22, the ADP implementation rate was 0.96% and 1.14%, respectively. The ADP allocation for FY24 amounts to BDT 2.75 Tn. ADP implementation rate of 36 ministries and departments is less than 1%. Many ministries and divisions could not start spending money in July. The 15 ministries with the highest allocation in ADP, which received 80% of the total ADP allocation, had a spending rate of 1.34% in July.

<https://www.tbsnews.net/economy/adp-implementation-rate-increased-first-month-fiscal-year-2023-24-687046>

Bangladesh and India reaffirm commitment for bolstering customs cooperation

- Bangladesh and India have reaffirmed their commitment to bolstering customs cooperation and streamlining cross-border trade. "The 14th JGC meeting discussed a host of bilateral issues such as the opening of new land customs stations, easing port restrictions, development of road and rail infrastructure, pre-arrival exchange of customs data and a bilateral agreement on customs cooperation," the Indian finance ministry said as the two countries concluded their 14th Joint Group of Customs (JGC) meeting in New Delhi on 21-22 August, reports Live Mint.
- Bangladesh-India Joint Group of Customs meetings are held on an annual basis to discuss issues relating to customs cooperation and cross-border trade facilitation. The meetings play a vital role in enhancing connectivity and developing trade infrastructure for smooth customs clearance at land borders, it added. There are 62 land customs stations (which include land border crossing points, railway stations and river banks/ports) along the India-Bangladesh Border in the States of West Bengal, Assam, Meghalaya, Tripura and Mizoram.

<https://www.tbsnews.net/world/south-asia/bangladesh-and-india-reaffirm-commitment-bolstering-customs-cooperation-686970>

It's time to sign an FTA with USA: FBCCI

- The governments of Bangladesh and the USA should take an initiative to sign a free trade agreement (FTA) in order to increase bilateral trade, FBCCI President Mahbubul Alam said today. The president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) made the call in a meeting with US Embassy's Commercial Counselor John Fay, at the FBCCI office in Dhaka.
- The USA is the single largest export destination of Bangladesh and this is the right time for signing an FTA between the two nations in order to take advantage of the supply chains for enhanced mutual benefit, Alam said in a statement of the FBCCI. The FBCCI is hopeful of building a diversified portfolio in trade relations with the USA in the days to come, he added.

<https://www.thedailystar.net/business/news/its-time-sign-fta-usa-fbcci-3401256>

Strong start to FY24: July sees 15% growth in NBR revenue

- The National Board of Revenue (NBR) has started fiscal 2023-24 with satisfactory collections, posting an over 15% rise in revenue year-on-year in July, despite the fact that the economy is going through a slowdown. Sources have told The Business Standard that the revenue board earned BDT 205.61 Bn in revenue in the first month of the current fiscal year, and yet the figure fell short of the target by about BDT 20 bn.

<https://www.tbsnews.net/nbr/strong-start-fy24-july-sees-15-growth-nbr-revenue-687578>

Foam industry firming up

- The market for polyurethane foam is growing in Bangladesh as the material is being increasingly used for making upholstered furniture as well as packaging and insulation, according to industry insiders. For example, the automotive industry is contributing to the increased use as many car seats and door panels now incorporate foam fillings, they said.
- As such, around 200 companies have entered the polyurethane foam industry over the past 30 years. Besides, big companies like EuroAsia, Pran-RFL, Swan, Karmo, Bengal, Apex, Expo Group, Akhter, HomeTex, Hatil, and Classical Home have already established a firm grip on the market.

<https://www.thedailystar.net/business/economy/news/foam-industry-firming-3401586>

Idcol pays govt BDT 700 Mn dividend

- The Infrastructure Development Company Ltd (Idcol) has paid a dividend of BDT 700 Mn to the government exchequer from its net profit of the last financial year of 2022. Sharifa Khan, secretary to the Economic Relations Division and chairman of Idcol, handed over the dividend cheque to Finance Minister AHM Mustafa Kamal at the finance ministry in Dhaka yesterday, said a press release.
- After receiving the cheque, the finance minister said, "Idcol has set an example in financing infrastructure development, and energy and renewable energy sectors of Bangladesh." In the previous financial year, the state-owned institution had paid a dividend of BDT 500 Mn to the government. Idcol's profit before tax and provision was BDT 6.99 Bn in 2022.

<https://www.thedailystar.net/business/economy/news/idcol-pays-govt-tk-70cr-dividend-3401481>

Large exporters bypass fixed dollar rate to earn more

- Large exporters are allegedly not adhering to the exchange rate set for export proceeds and are selling the highly sought-after dollars to importers directly at inflated prices. As a result, the price of dollars bought by importers is officially lower but actually higher, according to industry insiders.
- The Bangladesh Foreign Exchange Dealers Association (Bafeda) and the Association of Bankers, Bangladesh (ABB) have increased the dollar rate for exporters by BDT 1 to BDT 108.5 since the beginning of this month. Exporters are still not satisfied, as the dollar rate for remittances is higher than that. Senior officials at several banks explained the dollar selling process, saying exporters and importers negotiate a dollar rate – around BDT 112-113 – between themselves.

<https://www.tbsnews.net/economy/large-exporters-bypass-fixed-dollar-rate-earn-more-687058>

Bangladesh sees debt buildup over BDT 14.48 Tn

- Bangladesh sees ballooning debt buildup to BDT 14.48 Tn end of March largely for the compounding of borrowings with repayment liabilities, prompting economists to suggest mobilisation of multilateral funds. According to a latest publication of the Ministry of Finance the amount of debts had increased over 6.0% till March of the past fiscal year (FY 2023) over December 2022.
- The total debt up to December 2022 was BDT 13.60 Tn, says the report prepared by the finance division and released this week. The total debt-to-GDP ratio stood at 32.55% at the end of March 2022-23 or up by nearly 2.0% from the second quarter or December 2022 period, the report has mentioned.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-sees-debt-buildup-over-tk-1448-trillion>

India set to ban sugar exports for first time in 7 years

- India is expected to ban mills from exporting sugar in the next season beginning October, halting shipments for the first time in seven years, as a lack of rain has cut cane yields, three government sources said. India's absence from the world market would be likely to increase benchmark prices in New York and London that are already trading around multi-year highs, triggering fears of further inflation on global food markets.
- "Our primary focus is to fulfil local sugar requirements and produce ethanol from surplus sugarcane," said a government source who asked not to be named in line with official rules. "For the upcoming season, we will not have enough sugar to allocate for export quotas." India allowed mills to export only 6.1 Mn tonnes of sugar during the current season to September 30, after letting them sell a record 11.1 Mn tonnes last season.

<https://www.thedailystar.net/business/news/india-set-ban-sugar-exports-first-time-7-years-3401306>

Export gains limited from existing trade deals

- Bangladesh has so far signed five bilateral and regional trading agreements to bolster exports, trade and investments with a view to expediting economic growth. However, except for the South Asian Free Trade Area (Safta), the export growth to the countries covered by various trading deals has not been buoyant.
- India is the major country where Bangladesh has managed to boost its shipment over the years thanks to the duty-free benefit provided by New Delhi to least-developed countries (LDCs) except for 25 products under the Safta, data from the Export Promotion Bureau (EPB) showed. Bangladesh's exports to Saarc countries under the Safta doubled to USD 2.36 Bn in the fiscal year of 2022-23 from USD 1.04 Bn five years ago.

<https://www.thedailystar.net/business/economy/news/export-gains-limited-existing-trade-deals-3401621>

Khairuzzaman new finance secretary

- Energy Secretary Md Khairuzzaman Mozumder has been appointed as the new finance secretary, the public administration ministry said in a notice yesterday. He would replace Fatima Yasmin, who has been picked by the Asian Development Bank (ADB) as the first vice-president from Bangladesh at the development lender.
- Mozumder obtained bachelor and master degrees in international relations from the University of Dhaka and an MA in political economy from McGill University in Canada. He has a PhD in government (political economy) from the University of Essex in the United Kingdom.

<https://www.thedailystar.net/business/economy/news/khairuzzaman-new-finance-secretary-3401611>

BRICS membership: Experts don't see immediate benefits

- Trade economists are being cautiously optimistic about the immediate benefits if Bangladesh is given membership of the BRICS bloc, which is a five-nation alliance comprising Brazil, Russia, India, China and South Africa. One of the agendas at the 15th BRICS Summit, which is a three-day event ending on August 24 in Johannesburg, is to discuss the possibility of expanding the alliance.
- So far, more than 40 countries, including Saudi Arabia, Iran, the UAE, Argentina, Indonesia, Egypt, Ethiopia and Bangladesh, have expressed interest in joining BRICS, according to a report by Reuters. However, trade economists are sceptical about the benefits of associating with BRICS as it is more of a political alliance than a trading bloc.

<https://www.thedailystar.net/business/economy/news/brics-membership-experts-dont-see-immediate-benefits-3401596>

Stocks:**PRIMEBANK | ITFC arranges USD 40m for Prime Bank**

- The International Islamic Trade Finance Corporation (ITFC), a member of the Islamic Development Bank (IsDB) Group, has arranged a syndicated murabaha financing facility worth of USD 40 Mn for Prime Bank Ltd. The financing facility will support the growing trade business of the bank for SME and corporate segments, said a press release.
- Hassan O Rashid, managing director and CEO of Prime Bank, and Nazeem Noordali, chief operating officer of ITFC, signed the agreement at the former's headquarters in Dhaka. Through this strategic partnership, the ITFC will be supporting the key sectors of the economy by availing vital foreign currency to support the global trade of Bangladeshi importers and exporters.

<https://www.thedailystar.net/business/economy/banks/news/itfc-arranges-40m-prime-bank-3401531>

EBL | EBL, Pran sign interest swap deal

- Eastern Bank Ltd (EBL) and leading agro-processor Pran Agro Ltd today closed the country's first local currency interest rate swap (IRS) deal, a financial instrument for managing interest rate volatility. Unlike conventional loans, IRS involves no upfront capital transfer but rather orchestrates the exchange of fixed and floating rate payments at periodic intervals. This strategic tool allows entities to hedge against potential risks and fluctuations in interest rates.
- Under the deal, the EBL will pay Pran at fixed 7% while Pran will pay EBL based on an interbank repo (IBR) rate every quarter for a year, the bank said in a statement. The Bangladesh Bank publishes the IBR rate daily and the first quarter average was 6.37%. Pran will make more profit if the IBR falls or stays below 7% and will incur losses from the transaction if the IBR rate exceeds 7% consistently.

<https://www.thedailystar.net/business/news/eb-pran-sign-interest-swap-deal-3401326>

BDFINANCE | Bangladesh Finance signs deal with WeGrow Tech

- Bangladesh Finance Ltd yesterday signed a collaboration agreement with WeGro Technologies Ltd, a Dhaka-based agri-tech startup, for the purpose of financial inclusion of marginal agricultural entrepreneurs. Md Kyser Hamid, managing director and CEO of the non-bank financial institution, and Md Mahmudur Rahman, founder and CEO of the agri-tech startup, inked the deal at the former's head office at Dilkusha, Motijheel in Dhaka, said a press release.
- Through this agreement, the two organisations will ensure cooperation in various ways, including providing loans to small agricultural entrepreneurs on easy terms and supplying and selling their products at fair prices. "Bringing entrepreneurs from remote areas under financial inclusion was one of the main tasks for this prestigious recognition," said Hamid.

<https://www.thedailystar.net/business/economy/news/bangladesh-finance-signs-deal-wegrow-tech-3401486>

EXCHANGE | DSE pushes for changes in ATB regulations to boost trading

- The Dhaka bourse is set to replace some regulations currently applied to the Alternative Trading Board (ATB) to build momentum in trading, deliver clear information about listed securities and remove existing ambiguities. It will send its proposal to the securities regulator in two weeks' time.
- Presently, an individual shareholder is not allowed to sell holdings within three months after the share purchase on the ATB. If anyone offloads shares within the timeframe and achieves capital gains, the money will be transferred to the exchange's investors' protection fund instead of the investor's account.

<https://thefinancialexpress.com.bd/stock/bangladesh/dse-pushes-for-changes-in-atb-regulations-to-boost-trading>

EXCHANGE | BSEC forms committee to identify stock market rumour-mongers

- The securities regulator has put together a team to find out individuals who are spreading false information about the stock market through social media and other means. The three-member inquiry committee has the Bangladesh Securities and Exchange Commission (BSEC) Additional Director Md Faruque Hossain as the team leader, and Md Tahsin Ahmed, manager at the Dhaka Stock Exchange (DSE), and Md Mahmudur Rahman, senior executive at the DSE as other members.

<https://www.tbsnews.net/economy/stocks/bsec-forms-committee-identify-stock-market-rumour-mongers-687558>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 78.48	USD 3.27	4.35%
Crude Oil (Brent)*	USD 82.83	USD 5.05	6.49%
Gold Spot*	USD 1,919.04	USD 144.89	8.17%
DSEX	6,275.75	68.75	1.11%
S&P 500	4,436.01	596.51	15.54%
FTSE 100	7,320.53	-131.21	-1.76%
BSE SENSEX	65,433.30	4,592.56	7.55%
KSE-100	47,513.17	7,092.72	17.55%
CSEALL	11,279.03	2,776.54	32.66%

Exchange Rates**1 US Dollar = 109.21 BDT****1 GBP = 138.82 BDT****1 Euro = 118.62 BDT****1 INR = 1.32 BDT**

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