

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:**71.6% of Japanese firms eye expansion in Bangladesh**

- Japanese enterprises maintain a positive outlook on Bangladesh's burgeoning economic prospects, with an impressive 71.6% of companies currently active in the country expressing a strong inclination to expand their operations over the next one to two years.
- According to a survey conducted by the Japan External Trade Organization (Jetro), in terms of business expansion, Bangladesh ranks second after India at 72.5% among the countries in the Asia and Oceania regions where Japanese companies have operations. The report also says for competitive labour costs, Bangladesh has the second-highest ratio of export volume to total sales in the region. Like before, Japanese firms find the business environment a bottleneck in Bangladesh.

<https://www.tbsnews.net/economy/over-61-japanese-companies-bangladesh-expect-increase-profit-2023-jetro-691658>

China seeks more engagements, business with Bangladesh

- With applicant-friendly visa policies, various options of flights and attractive ticket prices, China encourages more Bangladeshi people to study, do business, go sightseeing and invest in China, said the Chinese Embassy in Dhaka on Wednesday. According to China's new regulations, travelers bounding for China are no longer required to take Covid-19 PCR or ATR test before boarding, valid from August 30. The Chinese Embassy in Bangladesh also issued a notice three weeks ago to further facilitate the visa application process for Bangladeshi citizens.

<https://thefinancialexpress.com.bd/economy/bangladesh/china-seeks-more-engagements-business-with-bangladesh>

Saudi Arabia aims to attract 3 Mn Bangladeshi travellers by 2030

- The Kingdom of Saudi Arabia (KSA) looks forward to increase the number of Bangladeshi travellers to 3 Mn annually by 2030 while so far this year over 332,000 Bangladeshis have already visited the oil-rich nation. This was revealed today at the Saudi Arabian first ever road show on NUSUK, the customer-centric official integrated digital platform (nusuk.sa) for the international travelers planning to visit the kingdom for spiritual and tourism purposes. The visiting Saudi Minister for Hajj said his government aim is to increase the ease and accessibility for Bangladeshi travelers, especially with the growing numbers of Umrah pilgrims.

<https://www.tbsnews.net/bangladesh/saudi-arabia-aims-attract-3m-bangladeshi-travellers-2030-691790>

DBL gears up for Srihatta textile production by Nov

- DBL Group, a leading apparel exporter in the country, plans to commence commercial production at its greenfield cotton yarn spinning mill in the Srihatta Economic Zone in Moulvibazar by November. As part of its investment plans, the group has constructed a world-class textile mill named "Jinnat Textile Mills Ltd".
- According to the top management, the business conglomerate will initiate operations in its nine other units, spanning various sectors in the economic zone, within the next two years. The group is investing approximately USD 650 Mn to establish the factories at DBL Industrial Park, which is currently being developed within the economic zone. DBL Group has a total of 30 companies, ranging from textiles to ceramics and packaging.

<https://www.tbsnews.net/economy/rmg/dbl-gears-srihatta-textile-production-nov-691310>

Turnover tax on beverages reduced to 3%

- The government has reduced the turnover tax on the carbonated beverages industry to 3%, which was set at 5% for fiscal 2023-24, to give breathing space for small and new companies. The decision will come into effect immediately, according to an SRO issued by the National Board of Revenue (NBR) on Tuesday.
- According to the Bangladesh Beverage Manufacturers' Association, this sector has an annual turnover of about BDT 80 Bn and some major market players have already invested about BDT 100 Bn. Of them, Akij Food and Beverage invested more than BDT 8 Bn. In the FY24 budget, the government set the turnover tax for the carbonated beverages industry at 5% -- an over eight-fold hike from 0.60% in the previous fiscal -- to generate more revenue from this sector.

<https://www.tbsnews.net/economy/turnover-tax-beverages-reduced-3-691474>

Two more products now eligible for BB's green finance

- Bangladesh Bank has included jute products manufacturing industry and lithium battery manufacturing plant in the list of eligible sub-sectors who will get loan from the banking regulator's BDT 400 refinance scheme. With the inclusion of the new two, 70 sub-sectors will now get fund from the scheme, according to a circular of the sustainable finance department of the Bangladesh Bank. Moreover, the banking watchdog also cut the interest rates of such loans to 5% from the previous 6%. However, the interest rate will be up to 3% for solar irrigation pumps under the agriculture sector.

<https://www.thedailystar.net/business/news/two-more-products-now-eligible-bbs-green-finance-3407126>

Why rebuilding reserves proves so tough

- A 17-month endeavour to rebuild the country's foreign exchange reserves, which plummeted to USD 23 Bn from USD 38 Bn, proved unfruitful, with a flawed exchange rate mechanism diverting dollar inflow towards informal channels, playing a significant role in the depletion of reserves.
- Furthermore, the lending rate mechanism, which kept money cheap, fuelled import demand, and rising interest rates in the global market following the Russia-Ukraine war resulted in decreased private sector borrowing from foreign sources, thereby obstructing the rebuilding of reserves. The country's forex reserves had been declining from their peak of USD 48 Bn in August 2021 but had remained above USD 38 Bn until the onset of the Ukraine war.

<https://www.tbsnews.net/economy/why-rebuilding-reserves-proves-so-tough-691958>

Initial inspection of all RMG factories by Feb 2024

- The RMG Sustainability Council (RSC) is hoping to conclude the initial safety inspections of all factories by next February to address its backlog, as stated by its officials. Official data indicate that out of a total of 1,913 factories under the RSC's supervision, 534 factories have completed all initial safety findings. The Sustainability Council, established on 20 May 2020 and registered with the Office of the Registrar of Joint Stock Companies and Firms in Bangladesh, functions as a safety monitoring entity in the country's RMG sector.

<https://www.tbsnews.net/economy/initial-inspection-all-rmg-factories-feb-2024-691946>

Bida to check up on 17 factories next month

- Bangladesh Investment Development Authority (Bida) from next month will start checking up on the progress made by 17 factories in implementing a correction action plan (CAP) on ensuring safe work environments. Bida had earlier identified 106 risky factories under a nationwide initiative on preventing fires and other disasters following the death of over 50 people in a blaze at a factory of Hashem Foods Limited in Narayanganj on July 8 in 2021.

<https://www.thedailystar.net/business/economy/news/bida-check-17-factories-next-month-3407351>

DCs, ministries asked to work on resolving RMG workers' dues

- The Cabinet Division has directed two ministries and five deputy commissioners to take effective measures to clear ready-made garment workers' arrears after a confidential government report revealed that owners of some factories located in the capital and its surrounding districts are not paying salaries on time, which could trigger labour unrest.
- Officials of the Cabinet Division told TBS that intelligence reports are showing that various parties are trying to create chaos in the country ahead of the general election. Since many garment owners are not able to pay workers on time, it could also anger the workers and create turmoil.

<https://www.tbsnews.net/economy/rmg/dcs-ministries-asked-work-resolving-rmg-workers-dues-691270>

71% Japanese firms dissatisfied with business climate in Bangladesh

- Although Japanese companies operating in Bangladesh are upbeat about the growth potential in the country, 71% of them are dissatisfied with the general business environment, a new survey showed. Of them, 26.2% were highly dissatisfied and 44.6% slightly dissatisfied, according to the survey of the Japan External Trade Organisation (Jetro). The survey finds that three-fourths of Japanese companies with a presence in Bangladesh termed complicated customs clearance procedures as the biggest challenge for business operations.

<https://www.thedailystar.net/business/economy/news/71-japanese-firms-dissatisfied-business-climate-bangladesh-3407396>

Benbank suspends 7 moneychangers' licences for overpricing dollars

- The central bank has suspended seven moneychangers' licences for selling dollars in the curb market at a price higher than the fixed rate. The Bangladesh Bank has also sought explanations from ten other moneychangers for different irregularities, said sources.
- The National Security Intelligence (NSI) and the Bangladesh Financial Intelligence Unit (BFIU) raided four money exchanges at Dainik Bangla Mor and Gulshan areas in the capital yesterday. According to a decision taken in a meeting between the central bank and the Money Changers Association of Bangladesh, the money changers can maintain a maximum difference of BDT 1 compared to the commercial banks in buying and selling dollars. Currently, banks are selling dollars at BDT 111.50 each.

<https://www.tbsnews.net/economy/licence-7-money-changers-suspended-selling-dollars-higher-prices-691862>

Stocks:**IBNSINA | IBN SINA Pharma's profit growth takes a pause in FY23**

- The profit of IBN SINA Pharmaceutical Industry remained almost unchanged for FY23 as it recorded no notable rise in revenue compared to the previous fiscal year. Its consolidated profit was BDT 605.50 Mn in FY23, which was BDT 605.81 Mn in the previous fiscal year. The company's consolidated earnings per share (EPS) stood at BDT 19.38 for FY23, reduced slightly from BDT 19.39 for FY22. Meanwhile, the company's board of directors recommended 60% cash dividend for FY23.

<https://thefinancialexpress.com.bd/stock/bangladesh/ibn-sina-pharmas-profit-growth-takes-a-pause-in-fy23>

DACCADYE | Gas line disconnection halts Dacca Dyeing's partial production

- The Dacca Dyeing and Manufacturing Company has closed its dyeing unit for the time being because of the gas line discontinuation by the state-owned gas distributor Titas Gas, owing to the textile firm's failure to pay security deposit. According to the disclosure, on 26 July, the Titas Gas authorities temporarily stopped Dacca Dyeing's gas metre connection.

<https://www.tbsnews.net/economy/stocks/gas-line-disconnection-halts-dacca-dyeings-partial-production-691914>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 81.62	USD 6.41	8.52%
Crude Oil (Brent)*	USD 85.85	USD 8.07	10.38%
Gold Spot*	USD 1,946.73	USD 172.58	9.73%
DSEX	6,293.14	86.14	1.39%
S&P 500	4,514.87	675.37	17.59%
FTSE 100	7,473.67	21.93	0.29%
BSE SENSEX	65,087.25	4,246.51	6.98%
KSE-100	46,189.72	5,769.27	14.27%
CSEALL	11,168.26	2,665.77	31.35%

Exchange Rates**1 US Dollar = 109.04 BDT****1 GBP = 138.73 BDT****1 Euro = 119.11 BDT****1 INR = 1.32 BDT**

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