

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:**Bangladesh now has 2.5 Mn jobless people: BBS**

- The number of unemployed people in Bangladesh decreased by 3.47% or 90,000 in the April-June quarter compared to the previous quarter this year, according to data of the Bangladesh Bureau of Statistics (BBS). Bangladesh had 2.59 Mn unemployed people in the January-March quarter of 2023, which came down to 2.5 Mn in the April-June quarter. Moreover, the April-June quarter's number is also 2.34% lower than the same period of the previous year's 2.56 Mn, according to the second quarterly Labour Force Survey 2023 of BBS.

<https://www.thedailystar.net/business/economy/news/bangladesh-now-has-25-lakh-jobless-people-bbs-3382321>

Govt eyes 5 unicorn startups in two years, 50 by 2041

- Prime Minister Sheikh Hasina has said the government is working to support at least five startup companies to achieve billion-dollar value by 2025. Bangladesh started late and significantly lags behind its comparator economies in terms of startup funding and growth of the firms.
- Apart from the MFS industry that revolutionised financial transactions of unbanked people in a decade and kept growing the daily transaction numbers and value consistently, e-commerce, smart logistics, mobility, Ed-tech, healthcare tech, Agro-tech startups have also been flourishing in the country over the last half a decade. According to the government, the tech industry ecosystem that already has over 2,000 startups helped create 1.5 Mn jobs in the country already.

<https://www.tbsnews.net/economy/govt-eyes-5-unicorn-startups-two-years-50-2041-674118>

25 products dominated imports in FY23

- About half the imports through Chattogram port during fiscal year (FY) 2022-23 were made up of just 25 products that have industrial or household applications, according to data of the Chattogram Custom House. Roughly 88.5 Mn tonnes of goods worth BDT 4.62 Tn were imported through the country's premier seaport in the previous fiscal year.
- The top imported items are cotton, diesel, used and scrap ships, furnace oil, palm oil, cement clinker, wheat, crude oil, fertiliser, soybean, hot rolled steel, lentils, iron and steel structures, broken or crushed stones, and peas. although these products make up a lion's share of Bangladesh's imports, there is no chance of decreasing dependency on them as they are mostly used for essential purposes, said Dr Moniul Islam, a professor of economics at Chattogram University.

<https://www.thedailystar.net/business/economy/news/25-products-dominated-imports-fy23-3382291>

Application deadline extended to Aug 17

The application deadline for digital bank licences has been extended to August 17 this year, according to an official of Bangladesh Bank. Md Sarwar Hossain, assistant spokesperson of Bangladesh Bank, yesterday told The Daily Star that they extended the deadline to give entrepreneurs more time to prepare detailed and quality applications with all the necessary documents. The central bank invited applications for forming digital banks from June 21 this year and the deadline was set to end on August 1.

<https://www.thedailystar.net/business/economy/news/application-deadline-extended-aug-17-3382306>

LC opening slumped 26% in FY23

- Bangladesh's imports fell sharply in the immediate past fiscal year as reflected by the slide in the opening of letters of credit (LCs) driven by a shortage of US dollars and restrictions on the purchase of non-essential items from external sources. Private and public entities opened LCs of USD 69.36 Bn in 2022-23, down 26% year-on-year from USD 94.26 Bn a year ago, according to data from the Bangladesh Bank.
- During the 11-month period, businesses opened USD 2.69 Bn worth of LCs to import capital machinery, which was 55% lower year-on-year. In the face of rising pressure on the country's foreign exchange reserves and volatility in the exchange market as imports were higher than exports and remittances, the central bank started tightening measures to discourage imports.

<https://www.thedailystar.net/business/economy/news/lc-opening-slumped-26-fy23-3382326>

Most railway projects in slow lane as funds trickle in

- The pace at which funds are being released is likely to push most of the railway projects years beyond deadlines and make their implementation uncertain, officials and experts fear. The limited capacity of Bangladesh Railway and burden of new projects over the ongoing ones worsen the situation further, they feel. Citing some examples, they said the BDT 55.80 Bn Bogura-Sirajganj dual-gauge railway line project, initiated in 2018, has made a meagre 0.2% progress. The current fiscal year allocates BDT 4.4050 Bn for this stagnant project.

<https://www.tbsnews.net/bangladesh/most-railway-projects-slow-lane-funds-trickle-674142>

Private credit growth dips to 19-month low in June

- Private sector credit growth continued to decline for the seventh consecutive month, with a year-on-year growth rate of 10.49% this June – the lowest in 19 months, amidst a declining trend in imports owing to the ongoing dollar crisis and liquidity stress in banks. In November 2021, private sector loan growth was recorded at 10.11%. Data obtained from the central bank indicate that there had been a steady upward trend in private credit growth from mid-2021 to November last year.
- But, since then, the growth rate has experienced a consistent downward trend for seven consecutive months, presenting an unprecedented scenario within the banking sector. This falling trend in credit growth implies that the economy is in a slowdown mode and may not recover in the immediate future, banking experts have observed. Furthermore, the decrease in the opening of LCs for capital machinery imports has led to a decline in new investments in the country, further compounding the situation.

<https://www.tbsnews.net/economy/banking/private-credit-growth-dips-19-month-low-june-674114>

Stocks:**BANKASIA | Bank Asia's profits almost double in Q2**

- Bank Asia saw its profits almost double in the April-June period of the current calendar year, according to a disclosure posted on the Dhaka Stock Exchange (DSE) website. The lender's earnings per share soared 92.5% year-on-year to BDT 1.81 during the second quarter compared to BDT 0.94 in the same period of the previous year. The bank provided 15% cash dividend for its shareholders for the year 2022.

<https://www.thedailystar.net/business/economy/news/bank-asias-profits-almost-double-q2-3382261>

ROBI | Robi forms subsidiary for digital services, startup investments

- Robi Axiata Ltd has incorporated a solely owned subsidiary company named r-ventures PLC to operate in the area of digital services that include OTT services, ticketing services and mobile value-added services, according to the Dhaka Stock Exchange (DSE). The subsidiary firm would also invest in startup and digital ventures, the company said. The second largest telecom operator in the country has posted BDT 0.13 in earnings per share for the six months over January to June this year, which was BDT 0.05 for the same period of last year.

<https://www.tbsnews.net/economy/stocks/robi-forms-subsidiary-digital-services-startup-investments-674106>

EXCHANGE | Rules relaxed for Best Holdings' IPO

- The Bangladesh Securities and Exchange Commission (BSEC) has relaxed the initial public offering (IPO) rules for Best Holdings on three conditions to help the owning entity of Le Méridien Dhaka raise fund from the public. The stock market watchdog delayed approving Best's BDT 3.5 Bn IPO application submitted in October of 2022, as the company converted its BDT 1.25 Bn bond invested by Agrani Bank into shares in June that year.
- The rules of the BSEC did not allow a company to apply for an IPO after raising paid-up capital through cash. However, in a gazette published on July 27, the commission exempted the rules for Best Holdings on several conditions against the company's urge to relax it.

<https://www.thedailystar.net/business/economy/news/rules-relaxed-best-holdings-ipo-3382296>

EXCHANGE | Stabilisation fund invests BDT 2.7 Bn to support ailing stock market

- The Capital Market Stabilisation Fund (CMSF) has invested BDT 2.7 Bn since its inception in 2021 with a view to supporting the ailing stock market. The fund has been invested through the Investment Corporation of Bangladesh, said Md Nojibur Rahman, chairman of the CMSF.
- The Bangladesh Securities and Exchange Commission (BSEC) has formed the CMSF as a custodian of undistributed cash and stock dividends, non-refunded public subscription money and unallotted rights shares from the issuer of listed securities. Cash and stocks in the fund are returned following claims by the shareholders or investors at any time in the indefinite perpetuity. The move from the regulator came after it decided to use undistributed and unclaimed dividends of listed companies. It ordered listed companies to deposit their undistributed dividends to the fund.

<https://www.thedailystar.net/business/economy/news/stabilisation-fund-invests-tk-270cr-support-ailing-stock-market-3382151>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 80.43	USD 5.22	6.94%
Crude Oil (Brent)*	USD 84.68	USD 6.90	8.87%
Gold Spot*	USD 1,956.69	USD 182.54	10.29%
DSEX	6,333.86	126.86	2.04%
S&P 500	4,582.23	742.73	19.34%
FTSE 100	7,694.27	242.53	3.25%
BSE SENSEX	66,160.20	5,319.46	8.74%
KSE-100	47,139.06	6,718.61	16.62%
CSEALL	11,312.19	2,809.70	33.05%

Exchange Rates**1 US Dollar = 108.38 BDT****1 GBP = 139.25 BDT****1 Euro = 119.36 BDT****1 INR = 1.32 BDT**

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