

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.52%) lost -32.61 points and closed the week at 6,297.25 points. The blue-chip index DS30 (-0.45%) lost -9.59 points and stood at 2,142.94 points. The Shariah-based index DSES (-0.36%) lost -4.88 points and stood at 1,368.05 points. The large cap index CDSET (+0.15%) gained 1.85 points and closed at 1,211.73 points. DSEX, DS30, DSES and CDSET showed YTD returns of +1.46%, -2.39%, +0.68%, -0.22%, respectively.

Total Turnover During the Week (DSE): BDT 20.7 billion (USD 189 million)

Average Daily Turnover Value (ADTV): BDT 4.1 billion (Δ% Week: -30.1%)

Market P/E: 18.4x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a negative note (-0.22%) on Sunday and remained negative on Monday (-0.26%). However, it ended on a positive note on Tuesday (+0.25%) and then became negative on Wednesday (-0.29%). Lastly, the market closed on a positive note on Thursday (+0.00%).

Sectoral Performance

• All the financial sectors registered negative performance this week. General Insurance experienced the highest loss of -4.87% followed by Life Insurance (-3.18%), Mutual Fund (-0.37%), Bank (-0.17%), and NBFi (-0.07%).

• Most of the non-financial sectors posted positive performance this week. Pharmaceutical booked the highest gain of 0.21% followed by Fuel & Power (+0.11%), and Food & Allied (+0.02%). Engineering experienced the highest loss of 0.35% followed by Telecommunication (0.00%).

Macroeconomic arena

• Apparel export to US sees 6.31% growth in July. India may guarantee supply of 7 essentials. Efforts underway to invite int'l bidding within a month for gas exploration: Energy secretary. Fakir Knitwear to invest USD 45.8 Mn at BSMSN. Onion prices keep soaring despite imports. Bangladesh 3rd largest apparel source for the US in 2022: BGMEA. UK offers duty-free access for 92% Bangladeshi exports. LEED-certified RMG units now 200. Throwaway RMG wastes can earn billions. Nippon Paint eyes top spot in Bangladesh's paint market. IMF's USD 4.7 Bn loan: Two of 6 major conditions missed. Rod prices remain high despite low demand, scrap price fall. Trade settlement with Bangladesh in rupee will boost bilateral commerce: Confederation of Indian Industry. US wants to help build capacity of BFIU. NBR suspects wrongdoing, may reopen some ADR cases. Bangladesh's share in EU apparel market jumps to 22.20%.

• NBFIs' profits halve in H1 as interest spread hits historic low. Most MFS operators struggle in a booming market. Factories at API park still unable to start production. Inflation falls slightly to 9.69% in July. Foreign loan disbursements fall 7.4% YoY. Govt wants to form insurer for public employees. Why unified exchange rate couldn't stop dollar sale from reserve. Foreign funds for NGOs hit 6-year low as grants diverted to war-torn Ukraine. Bangladesh yet to savour recycled yarn market. ADB mobilises USD 261 Mn for expressway. US apparel buyers to increase sourcing from Bangladesh: Report. Bangladesh's share in global RMG trade trebles in 17 years. PMO for increasing leather export to USD 5 Bn within four years. Deposits grow by BDT 310 Bn in June – 2nd highest in banking history. Indian health-tech company Pristyn Care starts operation in Bangladesh. Shrimp exports sink as western consumers tighten spending. Cenbank to cut classification time. Bangladesh's export-GDP ratio lowest among LDCs.

Stock Market arena

• METROSPIN | Metro Spinning expects to double production capacity in 6 months with new machinery. MASTERAGRO | Team formed to probe alleged share embezzlement at Master Feed. EBL | EBL joins the fray to invest in digital bank. PRIMEFIN | Prime Finance incurs losses again. SHAHJABANK | Shahjalal Islami Bank launches contactless cards. BRACBANK | Brac Bank gets go-ahead to raise authorised capital. METROSPIN | Metro Spinning to double production capacity. CITYBANK | City Bank to invest in digital bank. ISLAMIBANK | Saudi investor withdraws director from Islami Bank. SQRPHARMA | Square Pharma enters outsourcing contract with Euro Pharma. PRIMEBANK | Prime Bank, Bida sign MoU. EMERALDOIL | Japanese firm Be Born Co keen to buy 1.1 Mn Emerald Oil shares. SADHESIVE | Star Adhesives to issue BDT 500 Mn bond for business expansion. RECKITTEN | Reckitt Benckiser's profit 25% higher this Jan-Jun. IPDC | IPDC EZ: 'Buy Now, Pay Later' app changes the way you shop. NORTHRINS | Mortuza elected chairman of Northern Islami Insurance. RUNNERAUTO | MetLife buys more than 96% of Runner's sustainability bonds. DELTALIFE | Why Delta Life again halted board meeting.

August 10, 2023 (Week: August 06, 2023 – August 10, 2023)

Dhaka Stock Exchange

DSEX ended in Red (-0.52%) in the week

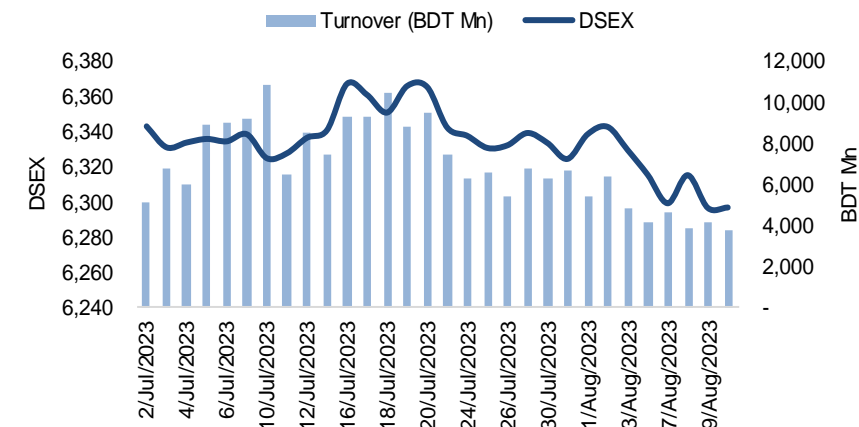
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	29-Dec-2022	Δ% Week	Δ% YTD
DSEX	6,297.25	6,329.86	-32.61	6,206.81	-0.52%	+1.46%
DS30	2,142.94	2,152.52	-9.59	2,195.30	-0.45%	-2.39%
DSES	1,368.05	1,372.93	-4.88	1,358.84	-0.36%	+0.68%
CDSET	1,211.73	1,209.88	+1.85	1,214.42	+0.15%	-0.22%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,754,995	7,813,705	-0.8%
	M n USD	70,822	71,358	
Turnover	M n BDT	20,714	29,639	-30.1%
	M n USD	189	271	
Average Daily Turnover	M n BDT	4,143	5,928	-30.1%
	M n USD	38	54	
Volume	M n Shares	430	569	-24.4%

Figure 1: DSEX & Turnover in last four weeks



Hossain Zaman Towhidi Khan

Senior Research Associate

(880) 1708805224

hztowhidi.khan@bracepl.com

Billal Hossain

Research Associate

(880) 1708805229

billal.hossain@bracepl.com

Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
AMBEEPHA	645.1	537.9	+19.9%	1,548	86.8	NM	33.9x
NTC	436.3	393.1	+11.0%	2,880	24.9	NM	216.0x
ARAMIT	293.4	266.6	+10.1%	1,760	45.4	49.5x	2.1x
AIL	95.9	88.7	+8.1%	4,244	655.5	59.9x	4.2x
MEGHNA PET	39.9	37.1	+7.5%	479	55.6	NM	NM
FARCHEM	117	10.9	+7.3%	2,552	181.9	NM	10x
SHYAMPSUG	114.1	107.7	+5.9%	571	17.4	NM	NM
PREMIERCEM	67.5	64.9	+4.0%	7,118	121.6	NM	10x
DAFODILCOM	68.4	65.9	+3.8%	3,414	21.8	96.3x	5.0x
NORTHERN	226.1	218.4	+3.5%	484	14.3	NM	2.8x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
DESHBANDHU	25.6	32.2	-20.5%	1,571	506.4	73.1x	1.4x
CAPMIBBLMF	11.2	13.2	-15.2%	749	20.8	NM	1.2x
CONTININS	41.9	48.4	-13.4%	1,743	161.9	69.8x	2.0x
KBPPWBIL	28.9	32.5	-11.1%	2,835	1,040.2	NM	2.4x
PRIMELIFE	59.2	66.5	-11.0%	1,807	38.1	NM	NM
MEGHNAINS	43.0	48.1	-10.6%	1,720	117.2	21.8x	3.0x
KPPL	11.1	12.4	-10.5%	811	45.9	NM	NM
REPUBLIC	36.0	40.2	-10.4%	1,876	28.7	18.1x	2.1x
ASIAPACINS	52.6	58.6	-10.2%	2,228	46.5	22.0x	2.3x
METROSPIN	39.8	44.3	-10.2%	2,456	370.9	40.7x	1.9x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
KBPPWBIL	28.9	32.5	-11.1%	2,835	1,040.2	NM	2.4x
FUWANGFOOD	314	34.4	-8.7%	3,480	1,010.1	NM	7.9x
SONALIPAPR	625.4	615.1	+1.7%	20,604	807.1	66.9x	3.7x
SEAPEARL	2110	214.7	-1.7%	25,478	6915	30.6x	12.2x
AIL	95.9	88.7	+8.1%	4,244	655.5	59.9x	4.2x
LEGACYFOOT	127.8	132.9	-3.8%	1,672	567.6	NM	14.3x
EMERALDOIL	156.2	1510	+3.4%	9,327	5319	NM	NM
DESHBANDHU	25.6	32.2	-20.5%	1,571	506.4	73.1x	14x
RUPALILIFE	115.1	121.3	-5.1%	3,455	449.2	NM	NM
JHRML	80.2	83.6	-4.1%	10,049	426.7	34.7x	2.6x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELBCEM	269.6	+50.5%	15,233	33.9x	4.0x
ADNTEL	136.1	+19.3%	8,799	35.4x	4.9x
OLYMPIC	143.6	+15.8%	28,711	17.5x	2.9x
UNILEVERCL	2,054.2	+15.4%	39,593	45.8x	22.5x
UNIQUEHRL	64.2	+11.3%	18,900	113x	0.7x
JAMUNAOIL	178.7	+6.8%	19,733	6.6x	0.9x
BERGERPBL	1,820.0	+5.7%	84,408	27.6x	6.1x
BATASHOE	1,000.0	+5.0%	13,680	26.6x	3.5x
LHBL	67.9	+4.8%	78,857	13.4x	4.0x
PIONEERINS	71.3	+4.7%	6,339	13.0x	1.6x

*BDT

**BDT Mn

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1450.2	1452.6	1427.09	-0.17%	+1.62%
NBFI	1920.5	1921.9	1927.24	-0.07%	-0.35%
Mutual Fund	827.6	830.7	852.07	-0.37%	-2.87%
General Insurance	3,436.5	3,612.5	3,177.87	-4.87%	+8.14%
Life Insurance	2,703.8	2,792.7	2,492.91	-3.18%	+8.46%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,714.6	3,707.0	3,754.47	+0.21%	-1.06%
Fuel & Power	1,701.8	1,699.9	1,694.29	+0.11%	+0.44%
Cement	2,547.1	2,561.9	2,319.67	-0.58%	+9.80%
Services & Real Estate	1,906.1	1,953.3	1,782.23	-2.42%	+6.95%
Engineering	4,495.9	4,511.5	4,503.40	-0.35%	-0.17%
Food & Allied	21,580.5	21,575.5	21,247.80	+0.02%	+1.57%
IT	3,100.3	3,209.4	3,004.33	-3.40%	+3.19%
Textile	1,636.9	1,647.4	1,621.87	-0.64%	+0.92%
Paper & Printing	10,535.0	10,646.0	10,388.08	-1.04%	+1.41%
Tannery	3,247.6	3,234.0	3,093.43	+0.42%	+4.98%
Jute	16,413.0	16,455.3	14,850.17	-0.26%	+10.52%
Ceramics	682.2	685.7	704.74	-0.52%	-3.20%
Miscellaneous	4,199.6	4,211.6	4,071.46	-0.28%	+3.15%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	82.9	124.1	-33.18%	+2.19%	12.1x	0.7x
NBFI	7.1	7.4	-3.40%	+0.19%	NM	4.7x
Mutual Fund	5.9	5.9	+1.17%	+0.16%	NM	0.7x
General Insurance	435.3	1,232.1	-64.67%	+11.51%	18.6x	1.6x
Life Insurance	310.1	578.6	-46.41%	+8.20%	NM	NM
Telecommunication	0.7	0.9	-16.25%	+0.02%	15.5x	4.5x
Pharmaceutical	360.5	456.9	-21.11%	+9.53%	19.3x	2.3x
Fuel & Power	93.9	118.3	-20.63%	+2.48%	23.6x	1.1x
Cement	82.9	92.1	-9.99%	+2.19%	27.0x	2.6x
Services & Real Estate	193.9	315.8	-38.59%	+5.13%	25.6x	10x
Engineering	282.7	322.4	-12.32%	+7.48%	69.0x	1.8x
Food & Allied	625.9	818.3	-23.51%	+16.56%	20.1x	7.6x
IT	162.6	262.6	-38.08%	+4.30%	28.3x	2.9x
Textile	336.0	442.4	-24.05%	+8.89%	79.9x	12x
Paper & Printing	226.4	76.8	+194.68%	+5.99%	39.1x	2.0x
Tannery	148.6	131.3	+13.19%	+3.93%	46.9x	3.3x
Jute	30.0	24.4	+22.94%	+0.79%	NM	-1393.8x
Ceramics	118	48.5	-75.71%	+0.31%	52.3x	1.9x
Miscellaneous	383.3	466.6	-17.85%	+10.14%	16.2x	1.8x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
EGEN	45.2	-13.2%	3,390	310x	2.0x
ISLAMIBANK	32.6	-1.2%	52,486	8.4x	0.7x
TRUSTBANK	31.7	-0.1%	27,142	9.9x	1.1x
BRACBANK	35.8	-0.0%	57,596	8.3x	0.9x
IDLC	46.5	-	19,330	11.2x	1.1x
IPDC	57.6	-	21,375	38.4x	3.3x
LANKABAFIN	26.0	-	14,010	27.4x	14x
ACI	260.2	-	19,829	NM	2.0x
LINDEBD	1,397.7	-	21,271	33.7x	3.7x
UPGDCL	233.7	-	15,475	16.7x	4.4x

Important News: Business & Economy

Apparel export to US sees 6.31% growth in July

- Ready-made garments (RMG) export to the US, the largest export destination for Bangladesh has increased by 6.31% in July of 2023-24 fiscal year to USD 729.03 Mn from USD 685.77 Mn in July of 2022-23 fiscal, As per the statistics of Export Promotion Bureau (EPB). During the first month of fiscal year 2023-24, clothing export to the EU market also grew by 17.40% to USD 1.95 Bn from USD 1.66 Bn in the same period of last fiscal year.
- During the mentioned period, export to some major markets in EU region such as Spain, France, Italy, Netherland and Poland grew by 36.35%, 22.71%, 36.75%, 23.03% and 18.07% respectively. However, export to Germany, the second largest export destination for Bangladesh saw 0.70% year-over-year negative growth and stood at USD 514 Mn.

<https://www.tbsnews.net/economy/rmg/apparel-export-us-sees-631-growth-july-679870>

India may guarantee supply of 7 essentials

- Bangladesh is hopeful of an Indian guarantee of a quota ensuring the year-round import of seven essential commodities as the neighbouring country has shown interest and bilateral negotiations are progressing for signing an associated agreement. A commerce secretary-level meeting between the two countries is scheduled to be held virtually this month to assess Bangladesh's demand and India readiness to give the guarantee.
- "We have fixed two dates (either August 17 or August 20) for holding the meeting," said Senior Commerce Secretary Tapan Kanti Ghosh over the phone. Moreover, Prime Minister Sheikh Hasina is also scheduled to visit India to attend the 18th G20 Summit in New Delhi on September 9 and 10.

<https://www.thedailystar.net/business/economy/news/india-may-guarantee-supply-7-essentials-3390616>

Efforts underway to invite int'l bidding within a month for gas exploration: Energy secretary

- Bangladesh government's Energy Secretary Dr Md Khairuzzaman Mozumder has said that the government has planned to invite international bidding for offshore hydrocarbon exploration within a month. "Last week the Cabinet Committee on Economic Affairs approved the New Model Production Sharing Contract (PSC). Now we're making our highest efforts to go for international bidding within a month," he told a webinar on Wednesday (August 09, 2023).

- The Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources organized the webinar to observe "the National Energy Security Day". The energy secretary said the government is assuming that this time a huge response will be received from international oil companies (IOCs) as the Model PSC has been modified making it more attractive.

<https://www.tbsnews.net/bangladesh/energy/efforts-underway-invite-intl-bidding-within-month-gas-exploration-energy-secretary>

Fakir Knitwear to invest USD 45.8 Mn at BSMSN

- Fakir Knitwear Limited is set to invest about USD 45.82 Mn to set up a knit composite factory at the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN) in Mirsarai, Chattogram. The company, which has been contributing to the country's garment, logistics and agricultural sectors since 1936, expects to create employment opportunities for about 2,000 people at the unit.
- As such, Fakir Knitwear yesterday signed an agreement with the Bangladesh Economic Zone Authority (Beza) for the allotment of 15 acres of land at the BSMSN. Fakir Mashrikuzzaman, deputy managing director of Fakir Knitwear, and Md Mozibor Rahman, executive member (investment development) of Beza, signed the agreement at the latter's office.

<https://www.thedailystar.net/business/economy/news/fakir-knitwear-invest-458m-bsmsn-3390621>

Universal Pension: Deposit BDT 5 Mn over 42 years, get up to BDT 60 Mn back

- The Universal Pension Scheme is set to roll out on 17 August, aiming to establish a sustainable social security system for elderly citizens of private and informal sectors, expatriates, and impoverished people. In addition to ensuring social security and reducing the number of beneficiaries in the social safety programme, the scheme will be of significant advantages to contributors.
- By enrolling in the scheme at 18 years old, private sector employees or expatriates can receive benefits 12 times greater than their 42 years of contribution, documents from the Finance Ministry reveal. For example, if an expatriate starts contributing BDT 10,000 per month under the Probas Scheme, his total contributions to the government would amount to BDT 5.04 Mn by age 60. With a monthly pension of BDT 3.4 Mn from age 60 to at least 75, the accumulated sum would reach BDT 62 Mn.

<https://www.tbsnews.net/bangladesh/universal-pension-deposit-tk50-lakh-over-42-years-get-tk6cr-back-679902>

Onion prices keep soaring despite imports

- The price of onions continues to soar at wholesale and retail levels despite importing around 3,00,000 tonnes of the essential kitchen item in the last two months, alongside supplying local ones. In a span of three-four days, the price has increased by BDT 10-15 for the local variety of onions and by BDT 5-10 for imported ones in the markets of the capital city. Traders have attributed this price rise to short supply and high import costs.

<https://www.tbsnews.net/economy/bazaar/onion-prices-keep-soaring-despite-imports-679878>

Multinational tech giants to face VAT scrutiny

- To scrutinise any mismatch between the paid and actually payable value-added tax (VAT), the revenue authority is considering launching audits of the financial statements filed by global technology giants along with their VAT returns. Currently, 12 non-resident companies, including Google, Facebook (now Meta), Netflix, LinkedIn, Microsoft, Amazon, Zoom and Zoho, submit VAT returns to the National Board of Revenue (NBR).
- Official sources said that the NBR recently instructed the Central Intelligence Cell (CIC) to examine tax-payment issues of global tech leaders to verify their compliance. In the fiscal year 2022-23, the companies paid BDT 599 Mn in VAT under VAT South Zone - the jurisdiction for these companies.

<https://thefinancialexpress.com.bd/economy/bangladesh/multinational-tech-giants-to-face-vat-scrutiny>

BPC again seeks time, funds

- The deadline for the "Installation of Single Point Mooring (SPM) with Double Line" project will be extended for the fourth time with the cost to be raised by around BDT 10 Bn, or 15%, according to the Planning Commission. On behalf of the Bangladesh Petroleum Corporation (BPC), the implementing agency Eastern Refinery Limited (ERL) recently proposed revising the project cost to BDT 82.22 Bn and extending its deadline by one year.
- The BPC said more time and money is needed to complete the project due to issues resulting from the higher price of US dollar, which include increased payments for foreign contractors and consultants. The proposal was placed at a meeting of the Project Evaluation Committee (PEC) of the Planning Commission on Tuesday, sources said. During the meeting, the Planning Commission raised various questions, asking for an explanation from the BPC as to why the project tenure should be extended until June 2024 even though implementation has reached 97% physical progress.

<https://www.thedailystar.net/business/economy/news/bpc-again-seeks-time-funds-3390626>

Can Bangladesh hit dev goals with scanty R&D?

- Bangladesh's economy has been growing at a striking rate in the last one decade on the back of low-paid workers in the manufacturing and service sectors but innovation has played insignificant role behind the development journey. The main factor for the lack of innovation has been scanty investment, both public and private, although investments in research and development (R&D) are believed to be important keys to future prosperity.
- And experts warn that if the lower investment trend lingers, economic growth may be stuck at a certain level. In Bangladesh, the overall R&D investments stood at 0.03% of gross domestic product (GDP) in 2022-23, according to data of the planning commission. It was 0.54% in Vietnam, 0.70% in India, and 2.55% in China, World Bank data showed.

<https://www.thedailystar.net/business/economy/news/can-bangladesh-hit-dev-goals-scanty-rd-3390631>

Bangladesh 3rd largest apparel source for the US in 2022: BGMEA

- Bangladesh remains the third largest apparel source for the United States in 2022 with a 9.75% share of its total apparel import, which was 8.76% in 2021, said BGMEA President Faruque Hassan in a recent letter to its members and colleagues. In 2022, US's clothing import from Bangladesh grew by 36.38% year-over-year. The US imported USD 9.74 Bn worth of apparel from Bangladesh in 2022 which was USD 7.16 Bn in 2021 and USD 5.40 Bn in 2018, the letter said.
- The US is one of the major apparel importers for Bangladesh as well as for the world. In the last five years (2017-2022), US's apparel import from Bangladesh has increased by 13.99% CAGR whereas their import from the world has grown by 4.50% annually. China, being the top apparel import source for the US and having a 21.75% share, posted 10.83% year-over-year growth in 2022 in dollar value. On the other hand, Vietnam remains in the second position. The value of US's clothing from Vietnam was USD 12.21 Bn in 2018 which increased to USD 14.37 in 2021 and reached USD 18.24 Bn in 2022, the letter reads.

<https://www.tbsnews.net/economy/rmg/bangladesh-3rd-largest-apparel-source-us-2022-bgmea-679158>

UK offers duty-free access for 92% Bangladeshi exports

- After graduating from the Least Developed Country (LDC) status, Bangladesh will get duty-free export facilities for 92% of tariff line products, including ready-made garments (RMG), in the UK market. The UK has also assured Bangladesh of lifting the existing ban on betel leaf export from the country, said sources present at a meeting of the joint working group formed for the expansion of bilateral trade and investment between the two countries.

- "The UK delegation said their Developing Countries Trading Scheme is very generous and flexible. Under the UK policy, Bangladesh will get duty-free export facilities for 92% of manufactured goods, including garments, after graduating from Least Developed Country status," Md Abdur Rahim Khan, additional secretary (Export) of the commerce ministry, who led the Bangladesh delegation at the meeting held in the capital yesterday, told The Business Standard.

<https://www.tbsnews.net/economy/uk-offers-duty-free-access-92-bangladeshi-exports-679330>

LEED-certified RMG units now 200

- Bangladesh's garment industry has touched a new milestone after two more factories received the certification from the United States Green Building Council (USGBC) for their green initiatives, raising the total to 200. Lida Textile & Dyeing Limited, situated in Kaliakoir of Gazipur, and Liz Fashion Industry Limited, also located in the same industrial belt, received the platinum-rated LEED certification from USGBC, said Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).
- In a WhatsApp message, Hassan said: "The BGMEA proudly announces a significant achievement in its journey towards sustainable industrialisation, as the nation celebrates the certification of the 200th LEED green factory by the USGBC." "This remarkable milestone underscores Bangladesh's steadfast commitment to environmental stewardship, economic growth, and global competitiveness."

<https://www.thedailystar.net/business/economy/news/leed-certified-rmg-units-now-200-3389841>

Govt borrowings fall slightly in July

- The government repaid BDT 93.55 Bn to the central bank in July, the first month of FY24, as the implementation of the Annual Development Programme (ADP) of the new fiscal year has not started in full swing and the revenue earnings were good in June, the last month of FY23. However, the government borrowed BDT 55.32 Bn from commercial banks in July, which may mean a large part of the central bank's debt was paid with this borrowed money.
- According to central bank data, the government repaid BDT 38.23 Bn of earlier borrowings from the banking channel in July. The banking sector borrowing consists of borrowing from the central bank and commercial banks. With this repayment, the government's total borrowing from the central bank has come down to BDT 1.48 Tn and total borrowing from the banking sector to BDT 3.90 Tn.

<https://www.tbsnews.net/economy/banking/govt-borrowings-fall-slightly-july-679310>

Throwaway RMG wastes can earn billions

- Throwaway garment waste can earn Bangladesh minimum USD 6.0 Bn annually if cheap export is stopped and recycling supported, entrepreneurs say because of the item's growing potential. Growing numbers of western companies, ranging from fast-fashion retailers to luxury brands, are prioritising clothing made from recycled or other sustainable materials, in view of the magnitude of environmental impacts.
- Bangladesh exports clothing items worth about USD 47 Bn annually from the country's biggest export sector. And the factories churn out some 0.4-0.5 Mn tonnes of such waste or jhut, primarily consisting of cutting waste, scraps and fluffs, industry-insiders have said. Around 20,000 to 22,000 traders are engaged in jhut business, who mostly process the waste in an informal way, creating employment for about 0.6 Mn workers, mainly women. Around 1.0 Mn people are indirectly dependent on the apparel sub-sector.

<https://thefinancialexpress.com.bd/economy/bangladesh/throwaway-rmg-wastes-can-earn-billions>

Visa opens office in Dhaka

- Visa, the American multinational financial services corporation, recently opened an office in Dhaka as part of its "strategic expansion in South Asia". It is aimed at "transforming the digital payments landscape in Bangladesh and fostering economic growth and financial inclusion worldwide", according to a press release. It was "in line with our growing business needs", said Soumya Basu, Visa country manager in Bangladesh, Nepal and Bhutan. It "underscores our dedication to invest in local high-quality talent"... "and drive digitisation", he said.

<https://www.thedailystar.net/business/economy/news/visa-opens-office-dhaka-3389846>

Nippon Paint eyes top spot in Bangladesh's paint market

- Nippon Paint Bangladesh, a concern of Nippon Paint Holdings of Japan, has drawn up a strategy to be a leader in the growing paints and coatings industry in Bangladesh, said a top official. The company is seeking to climb to the second position within the next three years whereas its ultimate target is to become the market leader, said Yaw Seng Heng, group managing director of Nippon Paint Holdings Malaysia.
- "The goals are part of our new market strategy and planning." Heng shared the strategy, future plans and thoughts during an interview with The Daily Star in Dhaka recently. Last month, he was in the capital to inaugurate the company's newly built warehouse and conducted sharing and training sessions for its employees.

<https://www.thedailystar.net/business/economy/news/nippon-paint-eyes-top-spot-bangladeshs-paint-market-3389826>

IMF's USD 4.7 Bn loan: Two of 6 major conditions missed

- The finance ministry has already written to the Washington-based multilateral lender explaining why the country missed the two conditions, The Daily Star has learnt from officials involved with the proceedings. They have also explained the matter to Krishna Srinivasan, the IMF's director of the Asia and Pacific Department, when he called into Bangladesh last month.
- The government has failed to maintain minimum net international reserves (NIR) of USD 24.46 Bn at the end of June. The NIR target was missed by about USD 3 Bn as the government had to dip into reserves to pay for essential imports of fuel, fertiliser and foodstuff from the reserves, the finance ministry officials said.

<https://www.thedailystar.net/news/bangladesh/news/imfs-47b-loan-two-6-major-conditions-missed-3389611>

Rod prices remain high despite low demand, scrap price fall

- The price of scraps, the main material for manufacturing rods, has decreased by at least BDT 10,000 per tonne over the past three months but the top-grade MS rods are selling for BDT 96,000-1,00,500 per tonne for the last five months, traders have said.
- Tapan Sen Gupta, deputy managing director of BSRM, the country's top rod producer, told The Business Standard, "It is true that in the international market price of scraps has come down slightly but there will be hardly any impact of it in our local market due to the high exchange rate of the dollar.

<https://www.tbsnews.net/bangladesh/rod-prices-remain-high-despite-low-demand-scrap-price-fall-678930>

High inflation erodes real wages in Bangladesh

- Bangladesh's high inflationary pressure has eroded the real wages of its labourers amid volatility in the Consumer Price Index (CPI) over the last few months, analysts and economists said on Monday. The daily living of the country's low-income people has been battered for a stymied growth in the Wage Rate Index (WRI) compared to the higher inflation rate, they noted.
- The higher inflation against the lower WRI would severely affect employment, production and consumption, and many people would slip down below the poverty line, they added. The Bangladesh Bureau of Statistics (BBS) data showed that the country's WRI was 7.52% in July. On the other hand, the point-to-point inflation rate in the same month was 9.69%.

<https://thefinancialexpress.com.bd/economy/bangladesh/high-inflation-erodes-real-wages-in-bangladesh>

Hike in energy prices fails to improve supply

- The perennial energy crisis of industries in Bangladesh remains unresolved even though energy prices have been hiked considerably to offset government subsidies in the sector and facilitate industrial productivity. Entrepreneurs in the country have long been complaining about how they spend exorbitant amounts to set up industrial units, but still lack adequate gas pressure to run operations at full capacity.
- Besides, many factories are being forced to partially stop production due to the dwindling gas supply. And although some entrepreneurs say the situation has improved a bit, the prevalence of load-shedding is affecting industries every day. As a result, many units have been running at 50% capacity even though they need to run at full steam to offset losses incurred because of the severe fallouts of Covid-19 and the Russia-Ukraine war.

<https://www.thedailystar.net/business/economy/news/hike-energy-prices-fails-improve-supply-3389886>

Indian businesses keen to invest in health, education and power sectors

- A business delegation from Indian Chamber of Commerce (ICC) have expressed keen interest in investing in Bangladesh especially in the health, education and power sectors. During a meeting with Foreign Minister AK Abdul Momen on Monday (7 August), they also proposed to launch a BIMSTEC Chamber of Commerce to promote trade and commerce amongst the BIMSTEC member states— India, Bhutan, Bangladesh, Myanmar, Thailand, Nepal and Sri Lanka.
- Foreign Minister Momen appreciated the idea and assured of extending necessary support in this regard, said a foreign ministry press statement. He also expressed his satisfaction to the foreign delegation over the excellent bilateral relation between Bangladesh and India. The minister noted that both Bangladesh and India have made remarkable growth in trade and investment in recent years.

<https://www.tbsnews.net/economy/indian-businesses-keen-invest-health-education-and-power-sectors-678526>

Trade settlement with Bangladesh in rupee will boost bilateral commerce: Confederation of Indian Industry

- Bangladesh and India commencing cross-border trade settlement in Indian rupee (INR) would promote two-way commerce by reducing transaction cost, the Confederation of Indian Industry (CII) said on Sunday (6 August). Since all exports and imports and settlement of trade transactions under this arrangement may be denominated and invoiced in INR, this would also reduce dependence on the US Dollar and would address situations like scarcity of forex reserves apart from strengthening regional currency and trade.

- "This would certainly promote the growth of trade between the nations and support the increasing interest of the global trading community in INR," Budhia added. Due to this arrangement, the transaction costs during trade between the countries will reduce which will boost the Indian exports to Bangladesh, he further said. In July this year, Bangladesh and India launched trade transactions in rupees with the aim of reducing dependence on the US dollar and strengthening regional currency and trade. This is the first time Bangladesh has done bilateral trade with a foreign country in addition to the US dollar.

<https://www.tbsnews.net/economy/trade-settlement-bangladesh-rupee-will-boost-bilateral-commerce-confederation-indian>

US wants to help build capacity of BFIU

- A visiting US Department of State official yesterday showed interest on developing the capacity of Bangladesh Financial Intelligence Unit (BFIU) to prevent money laundering and terrorist financing. The BFIU is a government agency of Bangladesh responsible for investigating money laundering, suspicious transactions and cash transaction reports.
- Richard Nephew, the state department's coordinator on global anti-corruption, expressed the interest in a meeting with a three-member team of the BFIU comprising Director Md Rafiqul Islam, Additional Director Kamal Hossain and Joint Director Zobaida Afroze. When contacted by The Daily Star, the BFIU officials termed it a courtesy visit and informed that the US official had wanted to know what kind of assistant the BFIU needed.

<https://www.thedailystar.net/business/economy/news/us-wants-help-build-capacity-bfiu-3389006>

Line of Credit: Bangladesh, India again stress accelerating fund release

- At the 21st review meeting on projects under the Indian Line of Credit, Bangladesh and India have agreed to speed up debt financing for projects as only 20% of the fund announced under the scheme was released in the last 13 years. Officials concerned said since the first Line of Credit agreement was signed in 2010, the two countries have been holding review meetings every year, but failed to solve many of the problems related to these projects.
- Consequently, several implementing agencies have decided to drop a number of projects which were fraught with various complications. India is lending Bangladesh USD 7.362 Bn under the three Line of Credit agreements. Of that amount, USD 1.489 Bn or 20% has been disbursed till June this year. Bangladesh and India signed the first Line of Credit agreement involving USD 862 Mn in August 2010. So far, USD 747.52 Mn under that agreement has been released.

<https://www.tbsnews.net/economy/line-credit-bangladesh-india-again-stress-accelerating-fund-release-678150>

Guava season aiding economic growth in south

- With the guava season now in full swing, farmers and traders in southern Bangladesh are busy harvesting and selling the fruit from various orchards in the region. After visiting Banaripara upazila of Barishal, Jhalakathi sadar upazila, and Nesarabad upazila of Pirojpur, it was seen that local markets are packed to the rafters with fresh green guava.
- Besides, as much of the fruit is moved via inland waterways, floating guava markets can be found across each of the three districts. These markets have become a tourist attraction over time, drawing in large crowds of foreign and domestic travellers this time each year.

<https://www.thedailystar.net/business/economy/news/guava-season-aiding-economic-growth-south-3388986>

NBR suspects wrongdoing, may reopen some ADR cases

- Government's revenue authority moves to review a dozen cases of large taxpayers settled through ADR posthaste as it found entire claim to taxes written off, sources say. High-ups at the National Board of Revenue (NBR) suspect that government might have been deprived of due revenue through mishandling of disputes under the alternative dispute resolution (ADR) system meant to leapfrog time-consuming court proceedings.
- The ADR cases have been resolved by waiving entire amounts of demand of the government from the large corporates, official sources said. Out of BDT 5.61 Bn worth of claim, the NBR did not receive any taxes through the out-of-court settlement system, introduced in 2012 to ensure a win-win situation between taxpayers and taxmen, said a senior revenue official.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-suspects-wrongdoing-may-reopen-some-adr-cases>

Bangladesh's share in EU apparel market jumps to 22.20%

- Bangladesh's apparel exports to the European Union (EU) have surged, capturing a 22.20% share of the market in 2022. In contrast, the market share of the country's top competitor, China, declined to 29.24%, according to the latest data from Eurostat – the statistical agency of the European Commission.
- Bangladesh, the second-largest apparel exporter to the EU, exported USD 22.89 Bn worth of apparel to the market last year, showcasing a remarkable 35.69% year-on-year growth. Meanwhile, China's exports stood at USD 30.15 Bn, with a growth rate of 17.01%. In 2021, Bangladesh's market share accounted for 19.80%, valued at USD 16.87 Bn, while China dominated with a 30.22% share, totaling USD 30.22 Bn.

<https://www.tbsnews.net/economy/rmg/bangladeshs-share-eu-apparel-market-jumps-2220-678086>

NBFIs' profits halve in H1 as interest spread hits historic low

- Non-bank financial institutions' (NBFIs) overall profit halved year-on-year in the first six months of this year, owing to rising costs of funds rendered by shrinking interest spread. The gap between borrowing and lending rates came down to a historic low at 0.27% on an average in June for the NBFIs industry, while it was 0.75% for January-June this year, according to the Bangladesh Bank data.
- "The main business of the non-bank financial institutions was hit due to the narrowing of the gap between the interest rate on deposits and the lending rate," said Mominul Islam, managing director & CEO of IPDC Finance. Interest spread of International Leasing [among the nine that disclosed earnings] and eight others, which are yet to make disclosures, turned negative up to 11.36% in June, meaning they offered higher interest rates on deposits than what they charged against loans.

<https://thefinancialexpress.com.bd/stock/bangladesh/nbfis-profits-halve-in-h1-as-interest-spread-hits-historic-low>

Most MFS operators struggle in a booming market

- In 2011 when mobile financial service (MFS) was introduced in Bangladesh, 27 banks took the approval from the central bank as many had correctly predicted an impending boom in mobile banking amid rising usage of cell phones. Not all licencees saw the light of the day and 19 firms rolled out the service by 2016. Of them, 13 entities currently exist in a market that witnesses more than BDT 35 Bn worth of transactions every day and the amount is only rising.
- Dutch-Bangla Bank Ltd pioneered the country's first MFS operation in March 2011 by introducing DBBL Mobile, which was later rebranded Rocket. bKash, a subsidiary of Brac Bank, followed suit three months later. Currently, bKash, Nagad -- an MFS wing of Bangladesh Post Office that made a foray into the industry in 2019 -- and Rocket control more than 80% of the market in terms of subscribers, which numbered 204 Mn in May.

<https://www.thedailystar.net/business/economy/news/most-mfs-operators-struggle-booming-market-3389016>

Govt moves to allow private sector in fuel oil refinery, retailing

- In a major policy shift, the government is moving towards ending its fuel oil monopoly as it has drafted outlines to allow the private sector to import and refine crude oils and market their products through their own networks. Under the initiative, the Bangladesh Petroleum Corporation (BPC) will procure more than half of diesel, petrol, octane, jet fuel, and furnace oil during the initial five years of private sector fuel production entering the market.

- The Ministry of Power, Energy, and Mineral Resources has already drafted a policy framework in this regard, a copy of which has been accessed by The Business Standard. The draft policy states that private refineries will have to sell a minimum of 60% of the total fuel oil outputs – diesel, octane, petrol, jet fuel, furnace oil and by-products- to the BPC at a government-determined price during the initial three years from the commencement.

<https://www.tbsnews.net/bangladesh/energy/govt-moves-allow-private-sector-fuel-oil-refinery-retailing-678678>

Factories at API park still unable to start production

- Makers of active pharmaceutical ingredients (API) at the API Industrial Park in Gazaria of Munshiganj have fallen into uncertainty as bureaucratic complexities and the lack of gas connections are preventing them from starting production. Investors of API industries now need to secure a number of certifications before starting commercial production due to the enactment of the Drugs and Cosmetics Act, 2023.
- Earlier, API manufacturers would only need a licence from the Directorate General of Drug Administration (DGDA). But now, they also need permission from the Department of Narcotics, the Department of Explosives and the Ministry of Commerce before commissioning their units, which is a time-consuming process.

<https://www.thedailystar.net/business/economy/news/factories-api-park-still-unable-start-production-3389011>

Inflation falls slightly to 9.69% in July

- Inflation fell slightly to 9.69% in July from 9.74% in the previous month thanks to the steady prices of non-food items, according to the Bangladesh Bureau of Statistics (BBS). This was the second consecutive month the consumer prices witnessed decline since May when inflation rose to 9.94%, an 11-year high. Food inflation rose to 9.76% in July from 9.73% in the previous month. Non-food inflation eased to 9.47% last month from 9.6% in June, according to the BBS.

<https://www.thedailystar.net/business/economy/news/inflation-falls-slightly-969-july-3387901>

Chinese firm looking to set up router factory

- The KFL Group of China has shown keen interest in investing about BDT 1 Bn to establish a router manufacturing plant in Bangladesh. A delegation of the Chinese digital technology company expressed their eagerness in this regard during a courtesy meeting with Mustafa Jabbar, the posts and telecommunications minister, at the secretariat in Dhaka yesterday.

<https://www.thedailystar.net/business/economy/news/chinese-firm-looking-set-router-factory-3388106>

BB raises farm loan disbursement target for FY24

- Bangladesh Bank yesterday gave lenders in the country a higher farm loan disbursement target for fiscal year (FY) 2023-24 in an effort to ensure that farmers get enough funds to invest in increasing food production. As such, banks will have to collectively provide BDT 350 Bn as agricultural loans in FY24, up nearly 14% year-on-year.
- However, growers will be required to pay higher interest on loans this fiscal year as the central bank removed the cap on interest rates and introduced a corridor. So, borrowers of agricultural credit will need to bear 9.13% interest on loans, up from 8% the previous year.

<https://www.thedailystar.net/business/economy/news/bb-raises-farm-loan-disbursement-target-fy24-3388036>

Carew & Company posts BDT 580 Mn profit in FY 23 on record liquor sales

- Carew and Company Limited has witnessed around BDT 580 Mn profit after paying taxes in FY23 as its distillery unit sold a record amount of 5.773 Mn proof litres of liquor during that period, according to sources at the company. The company's net profit last fiscal year was around BDT 90 Mn higher than its profit of around BDT 491.7 Mn in FY22, according to the company's latest audit report.
- The Carew and Company Managing Director Mohammad Mosharraf said the company has set a target of earning BDT 1 Bn profit in the current fiscal year. Last fiscal year, all the units of Carew and Company – except for its sugar factory – witnessed profit. The company has been benefitting from the increased demand for liquor in the country since 2021 following the National Board of Revenue's imposition of restrictions on importing alcohol.

<https://www.tbsnews.net/economy/industry/carew-company-posts-tk58cr-profit-fy23-record-liquor-sales-677562>

Foreign loan disbursements fall 7.4% YoY

- The year-on-year disbursements of foreign loans from development partners have decreased by 7.4% in the 2022-23 fiscal year but commitments of loans increased by about 7.23%. According to data from the Economic Relations Division (ERD) of the finance ministry, In the recently concluded FY23, the foreign loan disbursement has dropped to USD 9.267 Bn from a record USD 10 Bn disbursed in the previous 2021-22 fiscal year. And commitments of foreign aid increased to USD 8.798 Bn in FY23, up from USD 8.20 Bn in the previous fiscal year, ERD data shows.

<https://www.tbsnews.net/economy/foreign-loan-disbursements-fall-74-yoy-678062>

Govt wants to form insurer for public employees

- The government is pondering over whether to set up an "independent" insurance company under Bangladesh Karmachari Kallyan Board (BKKB) to provide insurance to government employees. On August 3, the Ministry of Public Administration sent a letter to all secretaries, divisional and deputy commissioners and upazila nirbahi officers to share opinions on the formation of the company by August 17.
- Currently there are two state-run insurance companies for all citizens -- Jiban Bima Corporation which deals with life insurance and Sadharan Bima Corporation, which deals with non-life insurance. Two state-run insurance companies already exist and insurance coverage for government employees can be ensured through those two, said Prof Md Main Uddin, a former chairman of the Department of Banking and Insurance at the University of Dhaka.

<https://www.thedailystar.net/business/economy/news/govt-wants-form-insurer-public-employees-3388121>

Why unified exchange rate couldn't stop dollar sale from reserve

- The Bangladesh Bank keeps selling dollars from its foreign exchange reserves despite a historic high devaluation of the taka in a single day on 3 July, indicating that the implementation of a unified exchange rate is still dictated. The gap between the officially declared rate and the market rate has now exceeded BDT 5 per USD. Although the central bank set the rate for selling dollars from its reserve at BDT 109.50 in line with the interbank rate, market insiders reveal that most banks are opening import letters of credit (LCs) at BDT 114-116, disregarding the official rate.
- Due to the higher dollar rate in the market, the Bangladesh Bank had to offload USD 1.14 Bn from its reserves in July to cover import expenses. This trend has been consistently observed for over a year, indicating a sustained challenge in managing the country's import costs. This figure, equivalent to BDT 125 Bn, was the highest amount in taka for a single month, attributed to the high dollar rate of BDT 108 to BDT 109, as per central bank data. The objective of introducing a unified exchange rate was aimed at easing pressure on foreign exchange reserves, but it has not yielded the desired results.

<https://www.tbsnews.net/economy/banking/why-unified-exchange-rate-couldnt-stop-dollar-sale-reserve-678082>

Foreign funds for NGOs hit 6-year low as grants diverted to war-torn Ukraine

- The flow of foreign funds to non-government organisations (NGOs) operating in Bangladesh reached a six-year low in the just-concluded FY23, which sector insiders attribute to global donors redirecting their financial support to the war-torn nation of Ukraine. Less funding means less opportunity for NGOs to carry out their development activities, primarily in health and education, stakeholders said.
- The Russia-Ukraine war came at a time when the country's development organisations were eyeing a recovery from the Covid-19 pandemic, they said, adding that grant-based small and mid-level organisations are now in an existential threat amid the poor flow of donations. Coast Trust, one of the 2,500 registered NGOs under the NGO Affairs Bureau, is facing the impact of the global crisis.

<https://www.tbsnews.net/bangladesh/foreign-funds-ngos-hit-6-year-low-grants-diverted-war-torn-ukraine-677598>

2023 won't fare well for apparel trade: BGMEA

- The rest of the year 2023 will not fare well in terms of apparel trade measured in dollar values, said a top official of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday. The projection is that the global trade of apparel will drastically fall in 2023, said BGMEA President Faruque Hassan in an analysis posted for the BGMEA members.
- As per the performance report of the months that have elapsed in 2023, sourcing by major markets has drastically gone down, he said. Particularly, garment import by the US and European Union from around the world has declined by 22.92% and 8.84% respectively during the January-May period of 2023, he added.

<https://www.thedailystar.net/business/economy/news/2023-wont-fare-well-apparel-trade-bgmea-3388126>

Cargo movement on Indo-Bangla water routes falls

- Local vessels transported a lower number of cargoes between India and Bangladesh in the fiscal year 2022-23 than the previous year because of a decline in imports, particularly fly ash and raw materials of cement mills. Cargoes carried by the vessels of Bangladesh and India between the two neighbouring nations declined 13% year-on-year to 4.1 Mn tonnes in FY23, down from the previous year's 4.7 Mn tonnes, the highest on the record, shows data of the Bangladesh Inland Water Transport Authority (BIWTA).

- This was the first time in four years that the cargo movement through waterways under the Protocol on Inland Water Transit & Trade between Bangladesh and India (PIWT&T) fell. Convenience and relatively lower cost than road encouraged many businesses to prefer waterways to transport their goods, mainly imports from India, importers and carrier operators said earlier.

<https://www.thedailystar.net/business/economy/news/cargo-movement-into-bangla-water-routes-falls-3388111>

Decline in some major imports hits govt revenues

- Import volume of some major revenue-generating products declined in the last fiscal year with resultant fall in government's collection of customs duty and taxes. Out of the ten sources of revenues, some 70% are industrial raw materials used in power plants, manufacturing units, construction of building structures while the rest are fruits and sugar.
- Those ten products contribute 26% to the total customs revenue out of more than 6,000 products or tariff lines. Six of the products, which contribute the highest volume of import taxes, dropped up to 27% in the FY 2022-23, according to latest data available with the National Board of Revenue (NBR).

<https://thefinancialexpress.com.bd/economy/bangladesh/decline-in-some-major-imports-hits-govt-revenues>

Investment bonanza in construction, squeeze in production

- Gross fixed capital formation (GFCF) in Bangladesh, a key measure of investment in the economy, has seen a surge in construction sector amid Infrastructure-building carnival in a proportional drop in productive sectors. According to Bangladesh Bureau of Statistics or BBS data the GFCF in other sectors, for example, plants and equipment, transport equipment and others category dropped in the past fiscal year.
- The GFCF stood at BDT 13.9 Tn in the fiscal 2022-23, ending June last, at current prices, up by 9.0% year on year, the national statistical office said. Public-sector share is BDT 3.3 Tn while the private sector's BDT 10.5 Tn, according to the BBS estimation. The GFCF shows the trend of capital expenditure in an economy. It consists of expenditures in construction sector, plant and machinery, transport equipment, and others.

<https://thefinancialexpress.com.bd/economy/bangladesh/investment-bonanza-in-construction-squeeze-in-production>

Bangladesh yet to savour recycled yarn market

- Bangladesh is still lagging behind competitors in the production of recycled yarn although the market for such yarn is swelling, especially in tune with new environmental laws being formulated by the European Union (EU). Recycled yarn is manufactured from worn-out or scrap textiles, furniture and clothing or other materials like plastic bottles.
- Though much of the recycling processes are patented, the basic concept involves creating pulp or fibres and turning those into yarn. Sometimes virgin cotton is also added to the mix. Use of apparel made from recycled yarn has been growing globally as consumers' behaviour is changing centring the need for protecting the environment and slowing down climate change.

<https://www.thedailystar.net/business/economy/news/bangladesh-yet-savour-recycled-yarn-market-3388136>

ADB mobilises USD 261 Mn for expressway

- The Asian Development Bank (ADB) has mobilised USD 261 Mn of private sector capital for a four-lane, 13.5-kilometre expressway between Dhaka and other major cities in order to ease traffic congestions and provide better connectivity. The global lender made the decision as a transaction advisor for the government's Rampura-Amulia-Demra Expressway public-private partnership (PPP) project, it said in a press release yesterday.
- The project is being funded through a USD 193 Mn senior loan from the Asian Infrastructure Investment Bank; Bank of China; DBS Bank Limited; and Infrastructure Development Company Limited, a financial institution based in Bangladesh, it said. The remaining USD 68 Mn is being provided by sponsors as equity contributions, the ADB said, adding that it assisted in project structuring, negotiation, tender execution, and provided support for commercial award and financial closure.

<https://www.thedailystar.net/business/economy/news/adb-mobilises-261m-expressway-3385971>

US apparel buyers to increase sourcing from Bangladesh: Report

- More than half of US apparel executives intend to increase sourcing from Bangladesh, surpassing China, Cambodia, Indonesia, Egypt and other competitors, according to the US Fashion Industry Association's (USFIA) 2023 Benchmarking Study. Bangladeshi apparel entrepreneurs said the potential influx of additional orders to Bangladesh would not only catalyse the growth of existing industries but also pave the way for the creation of numerous job opportunities.

- When queried about the countries or regions from which US fashion companies intend to enhance their sourcing value over the next two years, an equal proportion (52%) of executives intend to boost their sourcing from Vietnam and India alongside Bangladesh. However, 15% of US fashion executives expressed a desire to reduce their sourcing from Vietnam, while 11% aimed to do so from Cambodia and Sri Lanka. Additionally, 7% indicated a similar intention regarding India and Indonesia.

<https://www.tbsnews.net/economy/rmg/us-apparel-buyers-increase-sourcing-bangladesh-report-676582>

Bangladesh's share in global RMG trade trebles in 17 years

- Bangladesh's share in the global readymade garment trade more than tripled in the past 17 years as the country cements its position as one of the largest suppliers internationally. In 2005, the country's share was 2.5% but it rocketed to 7.9% last year, data from the World Trade Statistical Review 2023 showed. A number of factors have driven the expansion in the past two decades as the country solidified its place as the second-largest apparel supplier in the world after China and raised its market share.
- One of the strengths has been the expanding primary textile sector, which has already invested more than USD 23 Bn. As a result, the knitwear segment currently can avail more than 90% of fabrics and yarn from domestic markets, which have cut the lead time by four weeks. Similarly, woven exporters can procure more than 40% of fabrics locally. Equally, the accessories sector meets 90% of the demand.

<https://www.thedailystar.net/business/economy/news/bangladeshs-share-global-rmg-trade-trebles-17-years-3385996>

PMO for increasing leather export to USD 5 Bn within four years

- The Prime Minister's Office (PMO) on Saturday directed the authorities concerned to create an environment to increase the export of leather and leather goods to USD 5 Bn in the next 3-4 years from the existing USD 1.7 Bn. The directive came from a meeting on the upgradation of the environmental compliance of tanneries in Savar, central effluent plant (CETP) and solid waste management to the standards of Leather Working Group (LWG).
- PM's Principal Secretary M Tofazzel Hossain Miah presided over the meeting held at the PMO in the city. High government officials including the industries secretary and the chairman of Bangladesh Small Cottage and Industries (BSCIC), and representatives from tannery owners and leather goods manufacturers including President of Bangladesh Tanners' Association, the president of leathergoods and Footwear Manufacturers and Exporters Association of Bangladesh participated in the meeting.

<https://www.tbsnews.net/bangladesh/pmo-increasing-leather-export-5-billion-within-four-years-677430>

Banks' profits hit by lower income from forex market

- The combined profits of 35 listed banks in Bangladesh dropped 9% year-on-year to BDT 41.60 Bn during the first half of 2023 as volatility in the country's foreign exchange market has curbed their commissions from forex dealings. As per their financial statements for the January-June period of the current calendar year, a majority of these lenders logged higher profits with just 13 registering reduced earnings.
- However, the profit-making banks saw comparatively slow growth, allowing the loss-making ones to outpace the combined gains of the profit makers. For example, profits of Bank Asia soared 52% to BDT 3.54 Bn during the six-month period while losses of National Bank sank further by some 262% to BDT 6.26 Bn.

<https://www.thedailystar.net/business/economy/news/banks-profits-hit-lower-income-forex-market-3387436>

Import tax exemption expands 18% despite efforts to rein in

- The revenue board's repeated talk about boosting revenue by curbing tax exemptions has had no effect in practice as the amount of tax benefits continues to rise. Tax exemptions on imports alone jumped 18% to BDT 610 Bn in the just concluded fiscal year 2022-23, according to a recent internal report of the National Board of Revenue (NBR).
- The report was presented by the customs department at a revenue meeting of NBR last Monday. Growth in import duty collection increased only 4% in the last fiscal, which is the lowest in the last two decades except for the Covid-19 year of 2021.

<https://www.tbsnews.net/nbr/import-tax-exemption-expands-18-despite-efforts-rein-677506>

Deposits grow by BDT 310 Bn in June – 2nd highest in banking history

- Deposits increased by BDT 311.81 Bn in June, marking the highest monthly growth in the last fiscal year and the second-highest in the country's banking history, according to data from the Bangladesh Bank. At the end of June, the deposits amounted to BDT 15.95 Tn, which is an increase from BDT 15.64 Tn in the previous month.
- Syed Mahbubur Rahman, managing director of Mutual Trust Bank, told The Business Standard, "The main reason behind the rise in deposits is the increased interest rate for depositors." "Besides, June witnessed the highest remittances in the outgoing fiscal year, which were also converted into taka and added to deposits," he added.

<https://www.tbsnews.net/economy/banking/deposits-grow-tk3100cr-june-2nd-highest-banking-history-676166>

Indian health-tech company Pristyn Care starts operation in Bangladesh

- Indian healthcare delivery startup Pristyn Care on Thursday (3 August) said it has commenced operations in Bangladesh. The company said it will invest INR 1 Bn over the next two years to expand operations in Bangladesh and plans to have five patient care centres in Dhaka and Chattogram by March 2024, reports the Economic Times. It also aims to hire 200 employees across various departments as part of the expansion plans.

<https://www.tbsnews.net/bangladesh/health/indian-health-tech-company-pristyn-care-starts-operation-bangladesh-676670>

Low imports, high exports ease pressure on external balance

- Bangladesh managed to cut its trade deficit in half and narrow down the current account deficit at the end of the fiscal 2022-23, largely due to a decrease in imports and increases in exports and remittance inflows. This has eased pressure on the external balance of the country. According to data obtained from the Bangladesh Bank, the country's trade deficit narrowed down to USD 17.2 Bn in FY23, an almost 48% reduction from the USD 33.25 Bn deficit recorded in the previous fiscal year.
- The positive trend is further evident in the current account deficit, which saw a remarkable reduction from USD 18.64 Bn in FY22 to USD 3.33 Bn during the July-June period of FY23. This significant improvement can be attributed to a decrease in import payments, which fell by USD 13 Bn, representing a decline of nearly 16%. A senior official of the central bank expressed optimism about the developments, stating, "We have made substantial progress in the trade balance. This achievement is primarily attributed to the increase in exports and strategic measures taken by the central bank to curtail imports."

<https://www.tbsnews.net/economy/low-imports-high-exports-ease-pressure-external-balance-676618>

Export container handling drops by 10,532 TEUs at Ctg port in July

- Container handling of both import and export goods at the Chattogram port decreased in July, compared to the corresponding month last year, due to the Russia-Ukraine warfare and dollar crisis. The port handled 59,592 twenty-foot equivalent units (TEUs) containers of export goods in July, down by 10,532 TEUs from 70,124 TEUs of export containers handled at the port's yard in the same month last year.
- In addition, 1,13,385 (TEUs) of import containers were handled at the port in July this year, down by 212 TEUs from 1,13,597 TEUs in the same month of 2022. In July this year, the amount of empty import container handling was 6,668 TEUs, and the empty export container was 59,352 TEUs.

<https://www.tbsnews.net/economy/export-container-handling-drops-10532-teus-ctg-port-july-676614>

Shrimp exports sink as western consumers tighten spending

- The demand for Bangladesh's black tiger shrimp export is fast losing ground in western markets, prompting the government to approve the commercial production of vannamei, a cheaper top-selling shrimp variety. Bangladesh's shrimp export fell by 26.27% to USD 300 Mn in FY23, according to data from the Bangladesh Export Promotion Bureau. The export was 40% lower than the target of USD 500 Mn.
- To prevent further erosion in the exports, which mostly comprise black tigers, the Department of Fisheries recently gave preliminary permission for vannamei production in the country. To quickly get commercial production up and running, fisheries company Desh Bangla has been granted permission to experimentally produce vannamei juveniles.

<https://www.tbsnews.net/economy/industry/shrimp-exports-sink-western-consumers-tighten-spending-677066>

Cenbank to cut classification time. Bankers fear rise in default loans

- As per the guidelines agreed with the International Monetary Fund to avail of its USD 4.7 Bn budget support, the central bank plans to reduce the overdue period for classifying long-term loans to three months from six months in its efforts to contain non-performing loans and address irregularities in the banking sector.
- "Another big directive is coming. All types of term loans must be classified within the next three months after becoming overdue, which is one of the conditions of the IMF," a high-ranking official of the central bank on condition of anonymity told The Business Standard.

<https://www.tbsnews.net/economy/banking/cenbank-cut-classification-time-bankers-fear-rise-default-loans-677018>

BoP deficit deteriorates 'worryingly'

- Higher external spending against lower earnings caused Bangladesh's balance-of-payments (BoP) situation to deteriorate into a large deficit worth USD 8.2 Bn in the past fiscal, thus further denting its forex reserves. Many leading economists paint such picture of the country's transactions with the rest of the globe as "worrying".
- The fiscal 2022-23 BoP woes have largely been driven by a sharp deficit in financial account and current account. Bangladesh had a financial-account surplus of more than USD 15.5 Bn in FY 2021-22. But it was in large deficit amounting to USD 2.1 Bn in FY 2023 in a reversal of the macroeconomic health.

<https://thefinancialexpress.com.bd/economy/bangladesh/bop-deficit-deteriorates-worryingly>

Labour issues to dominate BD-US TICFA talks

- Labour issues are likely to take centre stage at the upcoming Dhaka-Washington talks on matters of advancing the Trade and Investment Cooperation Forum Agreement (TICFA). The seventh edition of the council is scheduled to convene in mid-September, just a few months before the next national elections in Bangladesh.
- Over the past couple of months, the United States has been vocal about Bangladesh's democratic process, human rights and labour issues. In mid-June of this year, a delegation of US administration officials, led by Uzra Zeya, Under Secretary for Civilian Security, Democracy and Human Rights, visited Bangladesh discussing a gamut of affairs that prominently covered democracy and labour rights.

<https://thefinancialexpress.com.bd/economy/bangladesh/labour-issues-to-dominate-bd-us-ticfa-talks>

Bangladesh's export-GDP ratio lowest among LDCs

- When it comes to the percentage of goods and commercial services exports in gross domestic product (GDP), Bangladesh has had some of the lowest figures among 46 least developed countries (LDCs) over the years. It was 12.5% in 2022, a 2.3% decline over the span of 12 years, according to World Trade Statistical Review 2023.
- GDP is the monetary value of all finished goods and services made within a country during a specific period. Though the share of commercial services exports in GDP rose to 1.2% from 0.9%, the share of goods exports fell to 11.3% from 13.9%. Among the LDCs, Bangladesh ranks 30th, gaining just one step from that in 2010.

<https://www.thedailystar.net/business/economy/news/bangladeshs-export-gdp-ratio-lowest-among-ldcs-3385981>

Companies at sea with oceangoing ships

- The shipping lines, which invested heavily in the fleet of ocean-going vessels to profit from skyrocketing shipping costs during the pandemic years, are now feeling nervous as both freight charges and imports have declined sharply in the recovery period.
- Officials of several ship-owning companies such as KSRM Group, Meghna Group and Karnaphuli Group said freight charges on both bulk carriers and container ships dropped globally by about 50% over the course of a year as an aftermath of the Russia-Ukraine war.

<https://www.tbsnews.net/economy/companies-sea-oceangoing-ships-677502>

Important News: Capital Market

METROSPIN | Metro Spinning expects to double production capacity in 6 months with new machinery

- Metro Spinning is all set to more than double its production capacity within six months as it has finally reached the culmination of a plan to import new machinery made two years ago. In October 2021, the company, which is a concern of Makson Group, announced its decision to invest BDT 2 Bn for the reconstruction and expansion of its factory in order to cater to the growing demand for apparels abroad.
- In a stock exchange filing on Tuesday, the company said they had finally succeeded in opening a letter of credit to import latest automated capital machinery to replace existing machinery. After the installation of the new machinery, the company will be able to increase its production by 110%.

<https://thefinancialexpress.com.bd/stock/bangladesh/metro-spinning-expects-to-double-production-capacity-in-6-months-with-new-machinery>

STANDBANKL | Standard Bank promotes official to DMD post

- Standard Bank Ltd has recently promoted an official to the post of deputy managing director (DMD). The official, Md Mohon Miah, was serving as the head of business development, Shariah secretariat, internal control & compliance division and an Islamic banking conversion project in the bank.
- Miah joined Standard Bank in 2020. He previously served Islami Bank Bangladesh Ltd as a deputy managing director and head of corporate investments, said a press release. Obtaining a master's degree in Islamic history and culture from the University of Dhaka, he had started his banking career as a probationary officer in 1985.

<https://www.thedailystar.net/business/economy/banks/news/standard-bank-promotes-official-dmd-post-3390571>

MASTERAGRO | Team formed to probe alleged share embezzlement at Master Feed

- The stock market regulator has recently formed an inquiry committee to investigate the alleged embezzlement of shares of the deceased Rafikul Alam, who was the director at Master Feed Agrotec Ltd — a firm listed on the SME board of the stock exchanges. Last month, Md Kausar Al Mamun, chief executive officer (CEO) of First Capital Securities raised a red flag that there might have been attempts to embezzle the deceased director's stake.

- In a letter to the Bangladesh Securities and Exchange Commission (BSEC), Al Mamun alleged that Umme Habiba Yesmine, wife of Alam, opened a fake beneficiary owner (BO) account with First Capital Securities by using someone else's information to sell and withdraw a portion of Alam's shares. Based on Mamun's complaint, the BSEC formed the inquiry team that has the commission's Assistant Director Md Maruf Hasan, and Debasish Roy, manager at the investigation and enforcement department of the Dhaka Stock Exchange (DSE). BSEC Additional Director Md Faruq Hossain will supervise the inquiry committee.

<https://www.tbsnews.net/economy/stocks/team-formed-probe-alleged-share-embezzlement-master-feed-679822>

CITYBANK | City Bank revises investment amount in digital bank

- The City Bank Ltd has revised the investment amount to be invested in a proposed digital bank named "Digi10 Bank Plc. In a stock exchange filing on Wednesday, the first-generation private lender said the board has revised the investment amount to BDT 138.8 Mn instead of the earlier disclosure of BDT 277.80 Mn.
- The proposed digital bank is a joint venture consortium comprising 9 commercial banks who together will apply for a digital bank with the proposed name of 'Digi10 Bank Plc', according to the filing. The revised amount would be equivalent to 11.11% of the total paid-up capital of the proposed digital bank of BDT 1.25 Bn.

<https://thefinancialexpress.com.bd/stock/bangladesh/city-bank-revises-investment-amount-in-digital-bank>

EBL | EBL joins the fray to invest in digital bank

- Eastern Bank Ltd (EBL) is going to invest BDT 125 Mn to be a sponsor shareholder of a proposed digital bank, according to a decision of the board of the private bank taken yesterday. The name of the proposed digital bank is Digi10 Bank PLC, in which the private bank will hold 10% share of the initial paid-up capital of BDT 1250 Mn.
- The investment will be done subject to all regulatory approval, as per the decision of the EBL board. The disclosure by EBL comes after a number of banks unveiled their decision to invest in establishing digital banks, for which Bangladesh Bank called for applications from the third week of June.

<https://www.thedailystar.net/business/economy/banks/news/ebel-joins-the-fray-invest-digital-bank-3390611>

PRIMEFIN | Prime Finance incurs losses again

- Prime Finance and Investment Limited has turned a loss of BDT 340 Mn in the first nine months of 2022 because of lower interest income and higher deposit cost. In 2021, it incurred a loss of BDT 19 Mn and hence, did not recommend any dividend for that year.
- The non-bank financial institution (NBFI) has published its financials for 2021 and un-audited financials for January to September period of 2022 on the Dhaka Stock Exchange (DSE) website on Wednesday. From 2015 to 2017, the company suffered a total loss of BDT 1830 Mn because of a loan scam which the Anti-Corruption Commission (ACC) has been investigating.

<https://www.tbsnews.net/economy/stocks/prime-finance-incurs-losses-again-679850>

SHAHJABANK | Shahjalal Islami Bank launches contactless cards

- Shahjalal Islami Bank Ltd launched contactless debit, credit and prepaid cards with the aim of providing faster services to customers. Mohammed Younus, chairman of the bank, inaugurated the cards at a programme in Dhaka, said a press release. The contactless cards not only provide convenience of contactless payment but also offer all the existing features of regular credit, debit and prepaid cards of the bank.

<https://www.thedailystar.net/business/economy/banks/news/shahjalal-islami-bank-launches-contactless-cards-3390536>

BRACBANK | Brac Bank gets go-ahead to raise authorised capital

- Brac Bank Limited has received permission from the central bank to raise its authorised capital from BDT 20 Bn to BDT 50 Bn. The private commercial lender made the disclosure in a filing on the Dhaka Stock Exchange. The authorised capital is the maximum amount of share capital that a company is allowed to issue to its shareholders as per its constitutional documents. Shares of Brac Bank closed at BDT 35.80 on the DSE yesterday, unchanged from a day earlier.

<https://www.thedailystar.net/business/economy/banks/news/brac-bank-gets-go-ahead-raise-authorised-capital-3389811>

METROSPIN | Metro Spinning to double production capacity

- Metro Spinning Ltd to increase its production capacity more than double as the company will import new machinery to replace the old machinery under the BMRE project. The company has informed that they have opened LC of 24,000 spindles for the import of latest automated capital machinery with modern technology (Blow Room, Carding, Simplex, Auto cone) to replace the similar numbers of old machinery/existing machinery capacity of 24,000 spindles.

- After implementation of the BMRE, the total spindle capacity will be 35,520 spindles and the production capacity of the project will be increased by 110% from the existing production capacity, said the company in a stock exchange filing on Tuesday. The project is designed to produce all types of yarn which includes value added Man-Made Fiber (MMF) yarn besides the cotton yarn.

<https://thefinancialexpress.com.bd/stock/bangladesh/metro-spinning-to-double-production-capacity>

CITYBANK | City Bank to invest in digital bank

- The City Bank Ltd is going to invest BDT 138.8 Mn in a proposed digital bank as a sponsor shareholder. The private commercial bank said its board has approved the proposal to join a consortium of nine commercial banks which together will apply for a digital bank. The name of the proposed bank is Digi10 Bank Plc. City Bank plans to become a sponsor shareholder by investing BDT 138.8 Mn, which is 11.11% of the initial paid-up capital of BDT 1250 Mn of the proposed digital bank.

<https://www.thedailystar.net/business/economy/banks/news/city-bank-invest-digital-bank-3389866>

ABBANK | AB Bank inks deal with Ami Probashi

- AB Bank Ltd recently signed an agreement with APL, a government approved mobile app and web portal assisting Bangladeshi migrant workers in gaining employment abroad and completing migration related processes from the comfort of their homes.
- Using this platform, migrant workers abroad can open bank accounts with any branches of AB Bank and easily send remittance from abroad to this account. Syed Mizanur Rahman, deputy managing director of the bank, and Namir Ahmad Nuri, chief executive officer and co-founder of APL, signed a deal to this end in Dhaka, said a press release.

<https://www.thedailystar.net/business/economy/banks/news/ab-bank-inks-deal-ami-probashi-3389751>

ISLAMIBANK | Saudi investor withdraws director from Islami Bank

- Saudi investor Arabsas Travel & Tourist Agency has withdrawn its director from the board of Islami Bank Bangladesh PLC, according to a report of the bank. The investor owns 160.9 Mn shares of Islami Bank, or 9.99% of the total. The move means Arabsas Travel & Tourist Agency's representative Musaid Abdullah A Al-Rajhi will no longer sit on the board of the bank. The Saudi company made its decision known in a letter sent to the bank on July 5. It did not give any explanation.

<https://www.thedailystar.net/business/economy/news/saudi-investor-withdraws-director-islami-bank-3389856>

MTB | MTB launches country's first-ever virtual debit card

- Mutual Trust Bank Limited (MTB) launched the country's first-ever virtual debit card, a groundbreaking digital solution under Visa Network. Seamlessly blending innovation, security and convenience, this cutting-edge offering is set to revolutionise day-to-day transactions for users nationwide, according to a statement. MTB's virtual debit card promises a hassle-free and secure banking experience, catering to the modern-day needs of customers. With the option to make ATM transactions through cash by code, customers can access their funds anytime using MTB's widespread ATM network.
- This virtual card can also be used at merchant points across the country through a QR code. The card is also equipped with an e-commerce transaction facility, empowering cardholders to confidently and easily navigate the online shopping landscape. Applying for the card is quick and easy through the MTB Smart Banking app. Syed Mahbubur Rahman, managing director & CEO of MTB, has recently launched the service at a ceremony held at MTB Centre, the bank's corporate head office, in the capital

<https://thefinancialexpress.com.bd/stock/bangladesh/mtb-launches-countrys-first-ever-virtual-debit-card>

SIBL | SIBL, Nec Money Transfer enter into remittance deal

- Social Islami Bank Ltd (SIBL) and Nec Money Transfer Ltd signed an agreement at the bank's head office in Dhaka on Monday. Ikram Farazy, chairman of Nec Group, and Md Akmal Hossain, head of international division of the bank, signed the deal, said a press release. Under this agreement, Bangladeshi expatriates can now send money to any branch, sub-branch and agent outlets of the bank through Nec Money Transfer from various countries.

<https://www.thedailystar.net/business/economy/banks/news/sibl-nec-money-transfer-enter-remittance-deal-3389746>

EXCHANGE | DSE gets new MD

- The Bangladesh Securities and Exchange Commission (BSEC) has approved ATM Tariquzzaman as managing director of the Dhaka Stock Exchange (DSE) for the next three years. The recommendation to have Tariquzzaman fill the spot was made by the board of directors of the DSE.
- Tariquzzaman is currently working as an executive director of the BSEC. The approval came in a commission meeting held yesterday at the BSEC office in Dhaka. The top executive position at the DSE has been vacant since last September following the resignation of Tarique Amin Bhuiyan.

<https://www.thedailystar.net/business/economy/news/dse-gets-new-md-3389796>

SQURPHARMA | Square Pharma enters outsourcing contract with Euro Pharma

- Square Pharmaceuticals entered into another production outsourcing contract with local drug maker Euro Pharma Ltd, according to a regulatory disclosure following a board meeting on Monday (9 August). This is the second outsourcing contract Square Pharma signed within a week.
- Under the contract, Euro Pharma would manufacture some products on behalf of Square, helping the latter in meeting the increased demand for the products. Also, it would help Square introduce new products, according to the regulatory filing. Earlier last week, the company informed that it had entered an agreement with Aristopharma Ltd for contract manufacturing of its product.

<https://www.tbsnews.net/economy/stocks/square-pharma-enters-outsourcing-contract-euro-pharma-678578>

MIDLANDBNK | Midland Bank, Placid NK to offer remittance services

- Midland Bank Ltd recently signed an agreement with Placid NK Corporation, a global money transfer company, to establish remittance drawing arrangements fostering seamless and secure cross-border fund transfers. Md Ahsan-uz-Zaman, managing director and CEO of the bank, and Mohammed Rashid, director of the money transfer company, inked the deal at the bank's head office in Gulshan, said a press release.
- Under the deal, the bank will be able to disburse remittances from its branches and agent banking centres sourced through this global money transfer company. Among others, Khondkar Towfique Hossain, head of international division of the bank, Nazmul Ahsan, head of treasury division, Nafisa Chowdhury, head of NRB banking unit, and Faroque Helaly, Bangladesh country head of the money transfer company, were present.

<https://www.thedailystar.net/business/economy/news/midland-bank-placid-nk-offer-remittance-services-3388961>

PRIMEBANK | Prime Bank, Bida sign MoU

- Prime Bank Ltd recently signed a memorandum of understanding (MoU) with Bangladesh Investment Development Authority (Bida) to provide one stop banking service to foreign investors. Shams Abdullah Muhaimin, deputy managing director of the bank, and Jibon Krishna Saha Roy, director general of the Bida, signed the MoU in this regard at the latter's office in Agargaon of Dhaka, said a press release.

- "This partnership with Bida will open up the doors for Prime Bank to proudly contribute to the facilitation of investment in Bangladesh," said Muhaimin. This partnership will facilitate the foreign investors with a sophisticated banking solution that ranges from online bank account and temporary bank account opening to an exclusive transactional service to ease their operations.

<https://www.thedailystar.net/business/economy/news/prime-bank-bida-sign-mou-3388956>

ISLAMIBANK | Islami Bank sees big changes as Saudi company withdraws directorship

- A big change has been made in the position of directors in the board of Islami Bank Bangladesh Limited. Country's largest private sector lender has mentioned the change in its shareholding report for July this year. The report was also submitted to the stock exchanges to comply with the regulatory requirement.
- According to the report, Arabsas Travel and Tourist Agency, a Saudi Arabia-based company, withdrew the directorship by sending a letter on 5 July, where the bank approved it on 26 July through board meeting. Earlier, Musaid Abdullah A Al-Rajhi served as the director of Islami Bank for a long time on behalf of the company.

<https://www.tbsnews.net/economy/banking/big-changes-islami-banks-board-678586>

RSRMSTEEL | BSEC moves to bring debt-ridden RSRM back into business

- The Bangladesh Securities and Exchange Commission (BSEC) has decided to investigate the overall business situation of Ratanpur Steel Re-Rolling Mills (RSRM) Limited, a Chattogram-based company owned by Ratanpur Group burdened with crores of default loans. Two steel plants of RSRM, a listed company, have been closed for the last two and a half years due to debt and a lack of working capital.
- The number of cases filed against the group now stands at 30 for defaulting on BDT 25 Bn loans taken from ten banks. The securities regulator took the initiative as investors are being deprived of their expected return as the company did not declare a dividend for a few years and the reopening of the company's two factories remains uncertain as of today.

<https://www.tbsnews.net/economy/stocks/bsec-moves-bring-debt-ridden-rsrn-back-business-678590>

EXIMBANK | Exim Bank launches Bangla QR transaction

- Exim Bank recently launched a bill payment service through Bangla QR with the aim to help create cashless Bangladesh. Mohammad Feroz Hossain, managing director and CEO of the bank, inaugurated the service at the bank's head office in Dhaka, said a press release.

- As a result of launching the service, the bank's customers will now be able to pay bills directly from their accounts by scanning the Bangla QR code on their mobile phones at any store or outlet with Bangla QR through its modernised mobile banking app "Exim Aiser".

<https://www.thedailystar.net/business/economy/news/exim-bank-launches-bangla-qr-transaction-3388076>

EMERALDOIL | Japanese firm Be Born Co keen to buy 1.1 Mn Emerald Oil shares

- Japanese firm Be Born Company Limited wants to buy 1.1 Mn shares of the publicly listed Emerald Oil Industries at the prevailing market price from the public market through the Dhaka Stock Exchange (DSE). In this regard, Be Born Co has recently written to the managing director of Emerald Oil. On Sunday, Emerald Oil shares closed at BDT 153.5 each. Therefore, the value of the 1.1 Mn shares will be nearly BDT 170 Mn.
- Emerald Oil's Managing Director Afzal Hossain told The Business Standard, "After receiving the buy intimation letter from Be Born Co, we sent it to the Bangladesh Securities and Exchange Commission (BSEC) and the Dhaka bourse." In 2021, Minori Bangladesh — a subsidiary of another Japanese firm Minori Co Limited — got BSEC approval to invest BDT 400 Mn in Emerald Oil for bringing the company back into production.

<https://www.tbsnews.net/economy/stocks/japanese-firm-be-born-co-keen-buy-11-lakh-emerald-oil-shares-678018>

BGIC | BGIC declares 12% cash dividend

- Bangladesh General Insurance Company (BGIC) Ltd announced a 12% cash dividend for the year 2022. This was disclosed at the insurer's 38th annual general meeting, which was held virtually last week, said a press release. Towhid Samad, chairman of the insurer, presided over the meeting, where Ahmed Saifuddin Chowdhury, managing director and CEO of the company, along with a large number of shareholders were present.

<https://www.thedailystar.net/business/economy/news/new-chairman-mercantile-exchange-house-uk-3388061>

SQURPHARMA | Aristopharma to make medicines for Square

- Leading local drugmaker Aristopharma has signed a contract manufacturing deal with market leader Square Pharmaceuticals PLC to produce some products for the latter. Aristopharma will manufacture some injectable items, tablets and dry syrups for the listed pharmaceuticals company, officials of the two firms told The Daily Star.

- The board of directors of Square Pharmaceuticals gave go-ahead to the contract manufacturing agreement on July 12 this year to meet increased demand of its existing products and to introduce new products. Square Pharmaceuticals shared the information through a posting on the website of the Dhaka Stock Exchange (DSE) yesterday.

<https://www.thedailystar.net/business/economy/news/aristopharma-make-medicines-square-3385926>

MERCANBANK | New chairman for Mercantile Exchange House (UK)

- M Amanullah, sponsor director of Mercantile Bank, has been elected as chairman of Mercantile Exchange House (UK) Ltd in the bank's 426th board meeting held recently. Amanullah was the chairman of the bank and contributed heavily towards the efficiency and optimisation of Mercantile Bank during his tenure playing different roles as the chairman of various committees of the bank.

<https://www.thedailystar.net/business/economy/news/new-chairman-mercantile-exchange-house-uk-3388061>

SADHESIVE | Star Adhesives to issue BDT 500 Mn bond for business expansion

- Star Adhesives Limited — a concern of the Partex Star Group — has decided to issue a convertible bond worth BDT 500 Mn to expand its business and refinance bank loans. The bond will be unsecured, fully convertible, or redeemable for six years with a moratorium of one year, according to the company's disclosure on the Dhaka Stock Exchange (DSE) website on Sunday.
- The bond will be issued at a floating interest rate on a semi-annual basis. A floating interest rate is one that changes periodically throughout the bond tenure. The issuance of the bond is subject to approval by the shareholders through an online extraordinary general meeting (EGM) and by the Bangladesh Securities and Exchange Commission.

<https://www.tbsnews.net/economy/stocks/star-adhesives-issue-tk50cr-bond-business-expansion-678022>

BRACBANK, CITYBANK, IDLC | Brac, City Bank, IDLC Finance retain top spots

- Brac Bank, The City Bank and IDLC Finance Ltd were named as the top banks and non-banks for the third consecutive year in the central bank's Sustainability Rating for 2022. Other banks included in the list are Jamuna Bank, Prime Bank, Shahjalal Islami Bank Limited, Trust Bank, and United Commercial Bank. Agrani SME Financing Company and Bangladesh Finance were included in the list under the non-bank financial institution category for two consecutive years.

- Sustainable finance indicators include banks and financial institutions' sustainable finance performance, including green finance, priority sustainable agriculture and cottage, micro, small and medium enterprise finance, access to sustainable finance for women, in-house green banking performances, environment and social risk management compliance, and participation in green investment.

<https://www.thedailystar.net/business/economy/banks/news/brac-city-bank-idlc-finance-retain-top-spots-3385991>

RECKITT BEN | Reckitt Benckiser's profit 25% higher this Jan-Jun

- The UK-based multinational Reckitt Benckiser (Bangladesh) PLC has posted a 25% year-on-year profit growth in the first half of 2023, thanks to a significant decrease in the company's operating expenses. At the end of this June, its net profit stood at BDT 299 Mn. Also, the company's revenue grew 6.63% to BDT 2.68 Bn in the January to June period this year, compared to the same period last year. The company's half-yearly earnings per share (EPS) stood at BDT 63.29 in 2023, which was BDT 50.68 last year.

<https://www.tbsnews.net/economy/stocks/reckitt-benckisers-profit-25-higher-jan-jun-677486>

SONALILIFE | Sonali Life's net premium income grows 48% in H1 2023

- The net premium income of Sonali Life Insurance Company increased by 47.54% in the first half of 2023, compared to the same period last year. In this January-June period, the life insurer's net premium income stood at BDT 3.46 Bn, which was BDT 2.35 Bn in the same period of 2022. Net premium income is the gross amount of revenue derived from premiums minus any returned premium. In this year's first half, the company's life fund balance increased by 89.83% year-on-year to BDT 7.593 Bn.

<https://www.tbsnews.net/economy/stocks/sonali-lifes-net-premium-income-grows-48-h1-2023-677498>

NRBCBANK | NRB Bank plans to introduce neo-banking services

- NRB Bank is planning and working to onboard digital banking facilities as well as introduce neo-banking services for its customers, according to the top official of the private bank. The new digital banking platform will be introduced in conjunction with telecom operators and mobile financial services, and this will make it simpler for clients to do banking online and on mobile devices, said NRB Bank Managing Director and CEO Mamoon Mahmood Shah.

<https://www.thedailystar.net/business/economy/news/nrb-bank-plans-introduce-neo-banking-services-3387401>

GENEXIL | We'll install 600,00 electronic fiscal devices by this FY: Genex Infosys executive director

- The National Board of Revenue signed an agreement with Genex Infosys Limited in November 2022 to enhance the efficiency of value-added tax (VAT) collection and ensure compliance. Genex Infosys will be responsible for installing Electronic Fiscal Devices (EFDs) to monitor and facilitate VAT collection.
- In exchange, it will receive a commission from each transaction. The programme is currently in a trial phase and is expected to be fully launched soon. In a recent interview with The Business Standard's Senior Correspondent Reyad Hossain, Genex Infosys Executive Director Md Enayetul Islam provided insights into the system's preparation.

<https://www.tbsnews.net/interviews/well-install-60000-electronic-fiscal-devices-fy-genex-infosys-executive-director-677062>

IPDC | IPDC EZ: 'Buy Now, Pay Later' app changes the way you shop

- IPDC has introduced a new app called "IPDC EZ," which enables shoppers to make delayed payments. The full press release is provided below - With Bangladesh progressing towards becoming a developed nation, there is a clear aspiration among its citizens for an improved standard of living. The country's robust GDP growth rate and high ranking on the Inclusive Development Index create an ideal environment for enhancing the quality of life.
- To address this demand, IPDC introduces the innovative IPDC EZ app, revolutionizing the way customers purchase electronic products, home appliances, furniture, training and health packages, IPS, and even travel packages. With a comprehensive approach to elevating lifestyles, IPDC EZ caters to almost every aspect of consumer needs and desires. What sets this app apart is its unique feature of offering zero-interest EMI without requiring a credit card.

<https://www.tbsnews.net/economy/ipdc-ez-buy-now-pay-later-app-changes-way-you-shop-676874>

NORTHRNINS | Mortuza elected chairman of Northern Islami Insurance

- Mortuza Siddique Chowdhury, a well-known businessperson, has been elected chairman of Northern Islami Insurance Ltd. while Mostafizur Rahman, a versatile business personality, re-elected vice chairman of the company, says a statement. Presently, Mr Chowdhury, who hails from Chattogram, is serving as Managing Director of Mortuza Assets Ltd., Marsha Transport Ltd. and Marsha Trading, as chairman of Marsha Holding and Marsha Fishing and as vice chairman of Park View Hospital.

- He is a sponsor-shareholder of First Security Islami Bank Ltd. He is also associated with many schools, colleges, social and charitable organisations. Mostafizur Rahman, the re-elected vice chairman, has long business experience in various fields like textile and garments, securities, agro industry, media and communications sector.

<https://thefinancialexpress.com.bd/stock/bangladesh/mortuza-elected-chairman-of-northern-islami-insurance>

RUNNERAUTO | MetLife buys more than 96% of Runner's sustainability bonds

- MetLife Bangladesh has invested more than BDT 2.57 Bn in the country's first-ever internationally certified sustainability bonds issued by Runner Automobiles. The investment is equivalent to more than 96% of the total size of the bonds.
- Publicly traded Runner Automobiles in June this year received regulatory approval to raise BDT 2.65 Bn through the sustainability bonds to expand its customer base and build a rooftop solar plant for its three-wheeler manufacturing plant. The yield rate ranges from 8.5% to 9% per annum with a seven-year maturity period.

<https://thefinancialexpress.com.bd/stock/bangladesh/metlife-buys-more-than-96pc-of-runners-sustainability-bonds>

DELTALIFE | Why Delta Life again halted board meeting

- Delta Life Insurance, on Thursday, again halted its board meeting scheduled for the same day and the postponement of the much awaited meeting to review three years' annual reports and dividends hurt investor sentiment. A sharp selloff made Delta Life the top losing stock on the Dhaka Stock Exchange on Thursday as it closed 6.4% lower at BDT 144.3.
- "Unfortunately, our audit committee chairman fell sick. Without him, the accounts cannot be placed at the board meeting," said Uttam Kumar Sadhu, company secretary of Delta Life. "Hope we can fix the next date for the board meeting by the middle of the month and accomplish the annual general meetings (AGMs) within the stipulated date of 4 October," he added.

<https://www.tbsnews.net/economy/stocks/why-delta-life-again-halted-board-meeting-676566>

EXCHANGE | DSE to visit 42 cos to expose their true worth to investors

- The Dhaka Stock Exchange (DSE) has separated out 42 companies for inspection of physical entities for their failure to meet one or more obligations - holding annual general meetings, giving out dividends as declared, or paying listing fees. Inspections will be carried out in phases. In the first phase, 14 companies will be paid visit to by the DSE. The bourse has already received an approval from the Bangladesh Securities and Exchange Commission (BSEC) in this regard.
- "The aim is to expose real scenario of the companies to investors," said Mohammad Rezaul Karim, spokesperson of the BSEC. Some companies have not been in operation but they refrained from making any disclosure to inform their shareholders, he said. Mr Karim also revealed that the DSE had decided to carry out inspections in phases due to a shortage of skilled manpower.

<https://thefinancialexpress.com.bd/stock/bangladesh/dse-to-visit-42-cos-to-expose-their-true-worth-to-investors>

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Fahim Hassan	Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Hossain Zaman Towhidi Khan	Senior Research Associate	hztowhidi.khan@bracepl.com	01708 805 224
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229
Syed Tawsifuzzaman	Research Associate	s.tawsifuzzaman@bracepl.com	01708 805 202

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
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FOR SERVICE-RELATED QUERIES, REACH OUT TO

 care@bracepl.com
 Call 16285



Website	Address	E-Mail	Contact
www.bracepl.com	Symphony, Plot No. S.E. (F) - 9, Road No. 142, Gulshan-1, Dhaka	Research: research@bracepl.com Sales: ftrader@bracepl.com	Phone: +880 2 985 2446-50 Fax: +880 2 985 2451