

## Weekly Market Update

### Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.40%) gained 25.26 points and closed the week at 6,280.09 points. The blue-chip index DS30 (+0.42%) gained 8.83 points and stood at 2,130.50 points. The Shariah-based index DSES (+0.56%) gained 7.63 points and stood at 1,365.74 points. The large cap index CDSET (+0.33%) gained 4.01 points and closed at 1,212.44 points. DSEX, DS30, DSES and CDSET showed YTD returns of +1.18%, -2.95%, +0.51%, -0.16%, respectively.

**Total Turnover During the Week (DSE):** BDT 21.9 billion (USD 200 million)  
**Average Daily Turnover Value (ADTV):** BDT 4.4 billion (Δ% Week: +17.6%)  
**Market P/E:** 18.5x

### Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a positive note (0.17%) on Sunday and remained positive on Monday (0.42%). Then the market became negative on Tuesday (-0.05%) and remained negative on Wednesday (-0.20%). However, the market closed on a positive note on Thursday (+0.07%).

### Sectoral Performance

• Financial sectors posted mixed performance this week. Life Insurance booked the highest gain of 1.44% followed by Bank (+0.43%), and Mutual Fund (+0.08%). General Insurance experienced the highest loss of 0.07% followed by NBFI (-0.01%).

• All the non-financial sectors posted positive performance this week. Food & Allied booked the highest gain of 0.65% followed by Pharmaceutical (+0.45%), Fuel & Power (+0.20%), Engineering (+0.15%), and Telecommunication (0.00%).

### Macroeconomic arena

• ADB outlines Bangladesh's USD 286 Bn potential in 14-district corridor. ADP implementation rate increased in first month of fiscal year 2023-24. It's time to sign an FTA with USA: FBCCI. Bangladesh and India reaffirm commitment for bolstering customs cooperation. Bangladesh sees debt buildup over BDT 14.48 Tn. BB income from foreign currency reserve jumps. Ctg port may draw USD 7 Bn investment in 3 years. Industrial loans fall by BDT 180 Bn in three months. Central bank's profit falls by BDT 142 Bn in FY23. Women workers' outflow falls 27% in 7 months. Banks begin wallowing in cashable assets again. Padma Bank gets over 2yrs to clear fine of BDT 550 Mn. India agrees to import quota of 7 vital food commodities, including rice and wheat. Sri Lanka repays USD 50 Mn to Bangladesh. Falling exports hit jute growers. Govt borrowing bloats to BDT 1.84 Tn. Economists say, recommend mid-and long-term reforms. Hosting data locally to save forex: experts. Apparel behemoths expanding into new sectors.

• Projects with Chinese Loans: One complete, eight running at adequate pace. Bangladesh adopts GM cotton. Pvt inland container depots handle imports worth USD 54 Bn at Ctg port annually: Bicda. Bangladesh posts current account deficit at USD 3.3 Bn in FY23. Some BDT 2.07 Tn default loan trapped in lawsuits. JICA proposes to raise interest rate to 2.26% for loans to Bangladesh. Forex reserves' import coverage strength at 6yr low: Mastercard Economics. USD 12 Bn from exports did not come home last year. MetLife settles BDT 15.37 Bn claims in first half. Bangladesh, Denmark partner to ensure food safety. Construction of BDT 20 Bn data centre begins. Big pharma taking hold of herbal medicine market. Bad loans, forex volatility main challenges. Govt weighs WB-proposed single-currency IDA credit. Christmas apparel shipment to be dull. Unraveling capital flight from Bangladesh. Did ad hoc monetary steps drag down our businesses? Investment dries up in dyeing sector as gas shortage lingers.

### Stock Market arena

• PRIMEBANK | ITFC arranges USD 40 Mn for Prime Bank. EBL | EBL, Pran sign interest swap deal. BDFINANCE | Bangladesh Finance signs deal with WeGrow Tech. GENEXIL | 60,000 to be installed in Dhaka, Ctg this FY. AAMRANET | Aamra Networks to issue BDT 930 Mn right shares for loan repayment. RUNNERAUTO | Green Delta Capital completes issuance of Runner sustainability bonds. GPHISPAT | GPH Ispat gets accreditation board's certificate. MIRACLEIND | Mehmood Equities takes charge of reviving Miracle Industries. CROWNCEMENT | Crown Cement to buy fly ash from Matarbari power plant. FAREASTFIN, FASFIN, BIFC | Three sick NBFI's incur losses again. GREENDELTA | Green Delta gets 3 foreign strategic partners for digital bank. WALTONHIL | Walton bags BDT 2.5 Bn orders at ATS Expo. BRACBANK | Brac Bank's half-yearly profit jumps 75%. ISLAMIBANK | Islami Bank launches remittance campaign. ARAMIT, GENEXIL, NAVANAPHAR | Navana, Genex, Aramit want to invest in digital bank. ISLAMIBANK, FIRTSBANK, GIB, SIBL, UNIONBANK | BB asks 5 Shariah banks to resolve liquidity crisis. APOLOISPAT | Apollo Ispat drowning in loans. RINGSHINE | BSEC allows struggling Ring Shine's conditional takeover.

August 24, 2023 (Week: August 20, 2023 – August 24, 2023)

**Dhaka Stock Exchange**

**DSEX ended in Green (0.40%) in the week**

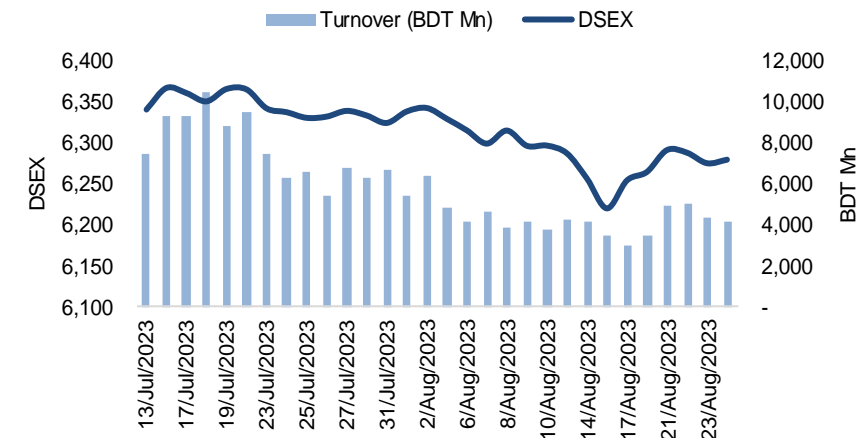
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	29-Dec-2022	Δ% Week	Δ% YTD
DSEX	6,280.09	6,254.83	+25.26	6,206.81	+0.40%	+1.18%
DS30	2,130.50	2,121.67	+8.83	2,195.30	+0.42%	-2.95%
DSES	1,365.74	1,358.10	+7.63	1,358.84	+0.56%	+0.51%
CDSET	1,212.44	1,208.43	+4.01	1,214.42	+0.33%	-0.16%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,752,249	7,733,359	+0.2%
	M n USD	70,797	70,624	
Turnover	M n BDT	21,906	14,903	+47.0%
	M n USD	200	136	
Average Daily Turnover	M n BDT	4,381	3,726	+17.6%
	M n USD	40	34	
Volume	M n Shares	453	305	+48.4%

Figure 1: DSEX & Turnover in last four weeks



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**Table 3: Top Ten Gainers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
MIRACLEIND	42.7	29.9	+42.8%	1,504	368.1	NM	14x
ARAMITCEM	28.8	22.4	+28.6%	976	57.3	NM	29.7x
SKTRIMS	29.3	25.4	+15.4%	2,482	1012	25.9x	19x
EMERALDOIL	156.5	140.0	+11.8%	9,345	690.8	NM	NM
RUPALIBANK	30.4	27.4	+10.9%	14,127	199.9	27.0x	0.8x
RUPALILIFE	114.7	103.5	+10.8%	3,443	913.8	NM	NM
YPL	27.1	24.5	+10.6%	1,997	258.9	NM	5.1x
CLICL	54.5	49.3	+10.5%	2,044	50.7	NM	NM
FUWANGFOOD	33.1	30.3	+9.2%	3,669	1,934.5	NM	8.4x
BENGALWTL	25.7	23.6	+8.9%	2,351	57.8	52.4x	0.9x

**Table 4: Top Ten Losers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
MERCINS	315	333	-5.4%	1,358	24.4	17.4x	14x
NORTHERN	212.9	222.5	-4.3%	456	6.9	NM	2.6x
JUTESPINN	344.7	359.1	-4.0%	586	3.2	NM	NM
SEAPEARL	175.1	182.4	-4.0%	21,143	982.8	25.4x	10.1x
ZEALBANGLA	120.8	125.5	-3.7%	725	5.5	NM	NM
GQBALLPEN	126.5	131.2	-3.6%	1,129	30.7	NM	1.1x
SIMTEX	24.8	25.7	-3.5%	1,974	331.5	27.3x	1.1x
SIMTEX	24.8	25.7	-3.5%	1,974	331.5	27.3x	1.1x
FARCHEM	11.1	11.5	-3.5%	2,421	121.1	NM	10x
GENNEXT	6.2	6.4	-3.1%	3,069	108.9	NM	0.5x

**Table 5: Top Ten Most Traded Shares**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
FUWANGFOOD	33.1	30.3	+9.2%	3,669	1,934.5	NM	8.4x
SEAPEARL	175.1	182.4	-4.0%	21,143	982.8	25.4x	10.1x
RUPALILIFE	114.7	103.5	+10.8%	3,443	913.8	NM	NM
SONALIPAPR	639.7	629.0	+1.7%	21,075	818.7	68.4x	3.7x
EMERALDOIL	156.5	140.0	+11.8%	9,345	690.8	NM	NM
GEMINISEA	727.7	691.4	+5.3%	4,443	577.0	34.7x	28.7x
LHBL	69.3	67.5	+2.7%	80,483	443.2	13.7x	4.1x
AIL	91.0	88.7	+2.6%	4,027	399.3	56.9x	4.0x
MIRACLEIND	42.7	29.9	+42.8%	1,504	368.1	NM	14x
KBPPWBIL	24.8	25.7	-3.5%	2,432	365.6	NM	2.1x

**Table 6: Most Appreciated YTD in BRAC EPL Universe**

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELBCEM	268.1	+49.7%	15,149	33.7x	4.0x
OLYMPIC	148.7	+19.9%	29,731	18.1x	3.0x
UNILEVERCL	2,055.9	+15.5%	39,626	45.8x	22.5x
ADNTEL	125.6	+10.1%	8,120	32.6x	4.6x
BERGERPBL	1,879.3	+9.1%	87,158	28.5x	6.2x
UNIQUEHRL	62.7	+8.7%	18,459	110x	0.7x
LHBL	69.3	+6.9%	80,483	13.7x	4.1x
MARICO	2,583.1	+6.7%	81,368	19.5x	16.6x
JAMUNAOIL	178.4	+6.6%	19,700	6.6x	0.9x
PRIMEBANK	20.4	+6.3%	23,099	5.3x	0.7x

\*BDT

\*\*BDT Mn

**Table 7: Sector Indices**

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1453.6	1447.3	1427.09	+0.43%	+1.86%
NBFI	1,919.0	1,919.2	1,927.24	-0.01%	-0.43%
Mutual Fund	828.1	827.4	852.07	+0.08%	-2.81%
General Insurance	3,406.6	3,408.9	3,177.87	-0.07%	+7.20%
Life Insurance	2,668.3	2,630.4	2,492.91	+1.44%	+7.04%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,727.9	3,711.1	3,754.47	+0.45%	-0.71%
Fuel & Power	1,703.4	1,700.0	1,694.29	+0.20%	+0.54%
Cement	2,576.7	2,521.3	2,319.67	+2.20%	+11.08%
Services & Real Estate	1,778.4	1,790.9	1,782.23	-0.70%	-0.21%
Engineering	4,496.4	4,489.8	4,503.40	+0.15%	-0.16%
Food & Allied	21,563.0	21,424.6	21,247.80	+0.65%	+1.48%
IT	3,061.5	2,985.0	3,004.33	+2.56%	+1.90%
Textile	1,627.9	1,627.2	1,621.87	+0.04%	+0.37%
Paper & Printing	10,359.5	10,285.9	10,388.08	+0.72%	-0.28%
Tannery	3,233.6	3,215.6	3,093.43	+0.56%	+4.53%
Jute	16,117.4	16,192.8	14,850.17	-0.47%	+8.53%
Ceramics	680.2	681.3	704.74	-0.15%	-3.48%
Miscellaneous	4,238.3	4,182.9	4,071.46	+1.32%	+4.10%

**Table 8: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	94.1	82.2	+14.50%	+2.41%	12.1x	0.7x
NBFI	9.7	5.4	+80.38%	+0.25%	NM	5.8x
Mutual Fund	8.8	10.3	-14.68%	+0.23%	NM	0.7x
General Insurance	344.7	323.6	+6.54%	+8.83%	18.4x	16x
Life Insurance	367.0	246.6	+48.80%	+9.40%	NM	NM
Telecommunication	0.6	0.6	+12.51%	+0.02%	15.5x	4.5x
Pharmaceutical	262.7	367.7	-28.55%	+6.73%	19.3x	2.3x
Fuel & Power	93.3	108.7	-14.18%	+2.39%	23.7x	1.1x
Cement	139.4	121.1	+15.14%	+3.57%	27.3x	2.7x
Services & Real Estate	265.6	206.4	+28.67%	+6.80%	23.9x	0.9x
Engineering	250.5	243.0	+3.08%	+6.42%	69.1x	18x
Food & Allied	858.2	660.5	+29.93%	+21.99%	20.1x	7.6x
IT	219.5	163.3	+34.36%	+5.62%	28.2x	2.9x
Textile	294.3	217.4	+35.34%	+7.54%	79.4x	12x
Paper & Printing	224.5	185.1	+21.31%	+5.75%	38.5x	2.0x
Tannery	86.2	81.4	+5.92%	+2.21%	46.7x	3.3x
Jute	315	54.0	-41.67%	+0.81%	NM	-1368.7x
Ceramics	39.8	15.2	+161.65%	+1.02%	53.4x	19x
Miscellaneous	313.0	253.2	+23.60%	+8.02%	16.3x	18x

**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	112x	1.1x
IPDC	57.6	-	21,375	38.4x	3.3x
LANKABAFIN	26.0	-	14,010	27.4x	1.4x
ACI	260.2	-	19,829	NM	2.0x
LINDEBD	1,397.7	-	21,271	33.7x	3.7x
UPGDCL	233.7	-	135,475	16.7x	4.4x

## Important News: Business & Economy

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

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

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

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

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

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

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

- The governments of Bangladesh and the USA should take an initiative to sign a free trade agreement (FTA) in order to increase bilateral trade, FBCCI President Mahbubul Alam said today. The president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) made the call in a meeting with US Embassy's Commercial Counselor John Fay, at the FBCCI office in Dhaka.

- The USA is the single largest export destination of Bangladesh and this is the right time for signing an FTA between the two nations in order to take advantage of the supply chains for enhanced mutual benefit, Alam said in a statement of the FBCCI. The FBCCI is hopeful of building a diversified portfolio in trade relations with the USA in the days to come, he added.

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

### Bangladesh and India reaffirm commitment for bolstering customs cooperation

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

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

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

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

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

### Foam industry firming up

- The market for polyurethane foam is growing in Bangladesh as the material is being increasingly used for making upholstered furniture as well as packaging and insulation, according to industry insiders. For example, the automotive industry is contributing to the increased use as many car seats and door panels now incorporate foam fillings, they said.

- As such, around 200 companies have entered the polyurethane foam industry over the past 30 years. Besides, big companies like EuroAsia, Pran-RFL, Swan, Karmo, Bengal, Apex, Expo Group, Akhter, HomeTex, Hatil, and Classical Home have already established a firm grip on the market.

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

### **Idcol pays govt BDT 700 Mn dividend**

- The Infrastructure Development Company Ltd (Idcol) has paid a dividend of BDT 700 Mn to the government exchequer from its net profit of the last financial year of 2022. Sharifa Khan, secretary to the Economic Relations Division and chairman of Idcol, handed over the dividend cheque to Finance Minister AHM Mustafa Kamal at the finance ministry in Dhaka yesterday, said a press release.
- After receiving the cheque, the finance minister said, "Idcol has set an example in financing infrastructure development, and energy and renewable energy sectors of Bangladesh." In the previous financial year, the state-owned institution had paid a dividend of BDT 500 Mn to the government. Idcol's profit before tax and provision was BDT 6,99 Bn in 2022.

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

### **Large exporters bypass fixed dollar rate to earn more**

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

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

### **Bangladesh sees debt buildup over BDT 14.48 Tn**

- Bangladesh sees ballooning debt buildup to BDT 14.48 Tn end of March largely for the compounding of borrowings with repayment liabilities, prompting economists to suggest mobilisation of multilateral funds. According to a latest publication of the Ministry of Finance the amount of debts had increased over 6.0% till March of the FY 2023 over December 2022.

- The total debt up to December 2022 was BDT 13.60 Tn, says the report prepared by the finance division and released this week. The total debt-to-GDP ratio stood at 32.55% at the end of March 2022-23 or up by nearly 2.0% from the second quarter or December 2022 period, the report has mentioned.

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

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

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

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

### **Export gains limited from existing trade deals**

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

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

### **Khairuzzaman new finance secretary**

- Energy Secretary Md Khairuzzaman Mozumder has been appointed as the new finance secretary, the public administration ministry said in a notice yesterday. He would replace Fatima Yasmin, who has been picked by the Asian Development Bank (ADB) as the first vice-president from Bangladesh at the development lender.

- Mozumder obtained bachelor and master degrees in international relations from the University of Dhaka and an MA in political economy from McGill University in Canada. He has a PhD in government (political economy) from the University of Essex in the United Kingdom.

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

### **BRICS membership: Experts don't see immediate benefits**

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

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

### **BB income from foreign currency reserve jumps**

- Bangladesh Bank's income from foreign currency reserves has gone up 108% year-on-year to BDT 60 Bn in fiscal year 2022-23, as per the central bank's annual report. The rise was due to foreign currency revaluations and a USD selling spree of the central bank, said its officials.
- The BB has pumped nearly USD 14 Bn into banks from its forex reserve in fiscal year 2022-23. The central bank finalised its annual accounts for the last fiscal year yesterday, all approved in a meeting of its board of directors presided over by Bangladesh Bank Governor Abdur Rouf Talukder.

<https://www.thedailystar.net/business/economy/news/bb-income-foreign-currency-reserve-jumps-3400676>

### **Ctg port may draw USD 7 Bn investment in 3 years**

- The Chattogram port has the potential to draw around USD 5 Bn to USD 7 bn in foreign direct investments over the next three years, said Rear Admiral Mohammad Sohail, the newly appointed chairman CPA. With these foreign investments, the port will be able to play a vital role in the economic development of the country in the coming years, he opined.

- Referring to the interests of different foreign port operators to invest in the ongoing and proposed projects of the port, he said many countries were showing interest. With increased investment, there will be more employment. Modern technologies will be adopted while foreign exchange reserves will also increase and the efficiency and capacity of the port will be enhanced, he said.

<https://www.thedailystar.net/business/economy/industries/ports-and-shipping/news/ctg-port-may-draw-7b-investment-3-years-3400681>

### **Bangladesh to request fast disbursement of China funds, cut in lending rates**

- Bangladesh has decided to request China to reduce interest rates on their loans bankrolling big-budget development agenda and expedite disbursement of the funds committed for different projects, officials said. As learnt from sources in the Ministry of Foreign Affairs, the matter is expected to be raised during a bilateral meeting between Chinese President Xi Jinping and Bangladesh Prime Minister Sheikh Hasina scheduled to be held at 2:30pm (local time) on August 23 on the sidelines of the BRICS summit in Johannesburg this week.
- Sheikh Hasina was set to fly for Johannesburg, South Africa, today (Tuesday) and there is a possibility of a one-on-one meeting between the two leaders. However, asked about the matter, Foreign Minister Dr AK Abdul Momen said schedules of sidelines summit talks were not fixed yet. "There is a possibility, but not confirmed," he said when asked whether there would be a bilateral meeting between the leaders of Bangladesh and China-the two Asian nations now having best of relations, especially on the economic front.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-to-request-fast-disbursement-of-china-funds-cut-in-lending-rates>

### **Empowering Bangladesh's digital future**

- Bangladesh has experienced a remarkable transformation in its digital landscape, with the proliferation of e-commerce platforms playing a pivotal role. These platforms not only facilitate online buying and selling but have also emerged as powerful vehicles for providing digital financial services, fostering financial inclusion and uplifting communities.
- Micro, small, and medium enterprises (MSMEs) are the lifeblood of Bangladesh's economy, comprising 90% of sellers on various e-commerce platforms. However, one of the longstanding challenges faced by these entities has been limited access to financing. Traditional banking systems often require extensive documentation, collateral and a lengthy approval process, making it difficult for these businesses to secure the capital they need to expand and thrive.

<https://www.thedailystar.net/business/economy/news/empowering-bangladeshs-digital-future-3400646>

### **Industrial loans fall by BDT 180 Bn in three months**

- Industrial loans declined by BDT 180 Bn in the first three months of this year due to a slowdown in global economic recovery, ongoing political uncertainty, and lower imports of raw materials and capital machinery. According to data from the central bank, businesses in the industrial sector received BDT 1.31 Tn from banks and financial institutions in the January-March quarter, which is a decline from the BDT 1.49 Tn in the previous three months.
- Bankers say higher global prices of essential commodities, such as fuel oil and gas, along with a strong dollar, have led to an increase in import costs. In addition, production has seen a significant drop due to industries being unable to import raw materials owing to the dollar shortage. It has resulted in a decline in loan disbursements in the industrial sector.

<https://www.tbsnews.net/economy/banking/industrial-loans-fall-tk18000cr-three-months-686462>

### **Central bank's profit falls by BDT 142 Bn in FY23**

- The central bank's profit plummeted by around 95%, or BDT 142.47 Bn, year-on-year, mainly due to lower gains from foreign exchange. According to data from the Bangladesh Bank, its operating profit for fiscal 2022-23 stood at BDT 150 Bn, which was BDT 292.47 Bn in the previous fiscal year.
- On Tuesday, the Bangladesh Bank board, presided over by Governor Abdur Rouf Talukder, approved its financial statement for fiscal 2022-23. Mezbaul Haque, spokesperson for the central bank, told The Business Standard, "A profit of BDT 60 Bn has come from dollar sales and BDT 70 Bn from lending to the government. Besides, it has made a profit of BDT 20 Bn by lending to commercial banks."

<https://www.tbsnews.net/economy/banking/central-banks-profit-falls-tk14200cr-fy23-686954>

### **Women workers' outflow falls 27% in 7 months**

- The outflow of women workers abroad has declined by more than 27% in the last seven months of 2023 for a significant decrease in hiring by Saudi Arabia. The Kingdom of Saudi Arabia is the key job destination country for Bangladeshi female workers.
- Data available with the Bureau of Manpower Employment and Training (BMET) shows 48,543 women workers had been abroad with jobs during the January-July period. The number of outbound women workers during the same period of 2022 was 67,127, according to the data.

<https://thefinancialexpress.com.bd/economy/bangladesh/women-workers-outflow-falls-27pc-in-7-months>

### **BD yet to get any loan from NDB**

- Bangladesh has not received any project loan from the BRICS-initiated New Development Bank (NDB) - even after two years of joining the entity, insiders said on Monday. Bangladesh obtained the NDB's first membership in September 2021 after the five BRICS founder-nations (Brazil, Russia, India, China, and South Africa). But the Shanghai-based lender is yet to approve any loan for the country, they added.
- Bangladesh also applied for joining the BRICS, a new economic bloc outside the western world. Prime Minister Sheikh Hasina is joining the BRICS summit in Johannesburg, South Africa, on August 22-24. Bangladesh earlier sought at least USD 1.50 Bn worth of funds from the NDB for six projects, said officials.

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-yet-to-get-any-loan-from-ndb>

### **NBR initiates public hearings to bridge gap with taxpayers**

- Tax officials will now hold public hearings in their respective tax zones across the country to bridge the gap with taxpayers and address their problems. Senior Secretary of the Internal Resources Division (IRD) and National Board of Revenue (NBR) Chairman Abu Hena Md Rahmatul Muneem initiated the move, the first of its kind, following widespread misconceptions on tax issues among taxpayers, officials said.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-initiates-public-hearings-to-bridge-gap-with-taxpayers>

### **Banks begin wallowing in cashable assets again**

- In a turnaround from months of cash crunch, excess liquidity in Bangladesh's banking industry began ballooning as aggregate cashable assets of the banks amounted to BDT 1.66 Tn end of June 2023. The recent surge in deposits but a continuous fall in the demand for credits from the private sector resulted in the growth in excess liquidity in the country's commercial banks, officials and bankers said.
- According to the statistics of Bangladesh Bank (BB), the central bank, the volume of excess liquidity in banks was over BDT 2.0 Tn in June 2022. But since then, it kept declining to reach BDT 1.36 Tn in February 2023. Thereafter, the banking industry sees an upturn in the volume of idle cashable assets. It stood at BDT 1.66 Tn as of June this year, the BB data showed.

<https://thefinancialexpress.com.bd/economy/bangladesh/banks-begin-wallowing-in-cashable-assets-again>

### **BB allows Nagad to surrender NBFI licence**

- Bangladesh Bank today accepted Nagad's application to surrender its licence to run as a non-bank financial institution (NBFI). The central bank's decision came from a board meeting, BB's Executive Director and Spokesperson Md Mezbaul Haque told The Daily Star. On August 1 this year, Nagad Managing Director Tanvir A Mishuk said to the journalists that Nagad had surrendered its NBFI licence as most of the shareholders of the company want to establish it as a digital bank. Nagad received the NBFI licence from the banking regulator in May this year.

<https://www.thedailystar.net/business/news/bb-allows-nagad-surrender-nbfi-licence-3400431>

### **Airfares up, up and away**

- As airfares continue to rise, Bangladeshi travellers are finding themselves having to shell out more than they were ready for. The surge has impacted not only migrant workers and business travellers, students pursuing education abroad have also been facing extra burden because of the price rise. For example, Bachchu Shekh, a Bangladeshi individual, flew to the USA with his family for studies on 28 July by Turkish Airlines. His painstaking planning for the trip was not made any easier by the BDT 145 thousand each ticket for the Dhaka-New York route.

<https://www.tbsnews.net/economy/aviation/airfares-and-away-686962>

### **Padma Bank gets over 2yrs to clear fine of BDT 550 Mn**

- Padma Bank, formerly known as Farmers Bank, is going to get over two years, until April 2028, to clear a BDT 550 Mn penalty for its failure to maintain the regulator-stipulated cash reserve ratio (CRR) from 2017 to 2019. The previous deadline to pay the fine was till September 2025.
- The board of directors of Bangladesh Bank at its 429th meeting yesterday decided to extend the timeframe taking into consideration an application of the bank. Bangladesh Bank Governor Abdur Rouf Talukder presided over the meeting.

<https://www.thedailystar.net/business/economy/banks/news/padma-bank-gets-over-2yrs-clear-fine>

### **India agrees to import quota of 7 vital food commodities, including rice and wheat**

- India has agreed to fulfil Bangladesh's request for the import of seven vital food commodities, including rice and wheat, subject to Bangladesh guaranteeing the import of the designated quantities within the specified annual quota. At the same time, India has set a condition to ensure the specified amount is imported within the stipulated time.

- The development happened during a virtual meeting titled "Fixation of the annual quota for Bangladesh in import of various essential commodities from India" between representatives from the two neighbouring countries on Sunday (20 August). Tapan Kanti Ghosh, senior secretary of the commerce ministry, led the Bangladesh side during the meeting.

<https://www.tbsnews.net/bangladesh/india-agrees-fulfil-bangladeshs-import-quota-request-686290>

### **Sri Lanka repays USD 50 Mn to Bangladesh**

- Sri Lanka paid back Bangladesh USD 50 Mn of loans, which is one fourth of the USD 200 Mn given by Dhaka in 2021. Bangladesh Bank received the first instalment of the payment on August 17, Md Mezbaul Haque, executive director and spokesperson of the central bank, told The Daily Star. The crisis-hit nation will pay another instalment within August 30, he said.
- However, Haque did not say how much Sri Lanka will pay as the second instalment. He said the central bank hopes the Island country will clear the whole payment of USD 200 Mn by September this year. Bangladesh lent the money to Sri Lanka in three instalments under a currency swap agreement.

<https://www.thedailystar.net/business/news/sri-lanka-repays-50-million-bangladesh-3399586>

### **Govt set to restore tax benefit for bank depositors, exporters**

- The government is set to reinstate tax benefit for certain corporate bank depositors, exempted from mandatory submission of tax returns, and also for exporters to allow them to enjoy source tax at reduced rates, officials said. Source tax on cash incentives for exporters was 10%, which was considered finally paid tax on the income under the Income Tax Ordinance 1984.
- In the Income Tax Act 2023, the National Board of Revenue (NBR) waived the provision. Tax liability of the exporters would go up under the current provision, as they would require paying income tax on the amount of cash incentives at 27.5% rate, tax officials said.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-set-to-restore-tax-benefit-for-bank-depositors-exporters>

### **Many making beeline to start digital bank**

- The Bangladesh Bank (BB) has received a total of 52 applications from banks and various other entities that are interested in setting up digital banks in the country. The central bank Sunday revealed the number of applications and said it was now scrutinising the same, before giving the go-ahead.

- "We had received 52 applications until the deadline came to end on August 17," Md Mezbaul Hoq, a spokesperson for the BB, told the FE. He wouldn't disclose when and how many no-objection certificates (NOCs) could be issued for setting up digital bank-a latest switch in banking in tune with the dawning of the era of digital finance globally.

<https://thefinancialexpress.com.bd/economy/bangladesh/many-making-beeline-to-start-digital-bank>

### **Sheba Fintech gets PSP licence**

- Sheba Fintech Ltd, an IT service and consultation provider of Bangladesh, has received the payment service provider licence from Bangladesh Bank. The licence will enable Sheba to roll out its own mobile wallet. Sheba Fintech has been provided with the licence on some conditions, the central bank said in a circular today. However, the banking regulator did not mention the conditions in the circular. Sheba Fintech works for providing individual users and online and offline businesses with simplified payment experience.

<https://www.thedailystar.net/business/economy/industries/ict/news/sheba-fintech-gets-psp-licence-3399611>

### **Bangladeshi jute, jute goods may face fresh Indian blow**

- Jute and jute goods exporters could come under more pressure in India as New Delhi plans to impose countervailing duty (CVD) on their shipment, at a time when they are already facing an anti-dumping duty (ADD) in the market. India has started investigation to levy CVD as it thinks that its domestic industry is being hurt by the subsidies provided by Bangladesh.
- The Indian government has sent a letter to the commerce ministry of Bangladesh on August 4 seeking a meeting with Senior Commerce Secretary Tapan Kanti Ghosh today as part of the investigation. The ministry has sought two more months to hold the meeting, Ghosh told The Daily Star yesterday.

<https://www.thedailystar.net/news/bangladesh/news/bangladeshi-jute-jute-goods-may-face-fresh-indian-blow-3399261>

### **Lift import tariffs on onion**

- The Bangladesh Trade and Tariff Commission (BTTC) yesterday requested the revenue authority to lift all import tariffs on onion until December 31 this year as its domestic prices spiked after India slapped 40% export duty on the vegetable. In a letter to the National Board of Revenue (NBR), the BTTC said the prices of Indian onions may rise to USD 400 - USD 420 a tonne from USD 280 - USD 300 after the imposition of the new export duty by New Delhi.

<https://www.thedailystar.net/business/economy/news/lift-import-tariffs-onion-3399931>

### **Falling exports hit jute growers**

- Falling export of jute and jute goods is now having an effect on jute growers as prices of the natural fibre have fallen during the current harvesting season. Cultivated as a cash crop, raw jute is fetching farmers at best BDT 2,700 per maund (around 37 kilogrammes) at local haats (market) of Faridpur, Pabna and some northwestern districts, reports our correspondents from there.
- The current prices are nearly 15% lower than the BDT 3,200 or so they were getting in the same period a year ago. The development comes at a time when farmers increased jute acreage by 2% to 745 thousand hectares in the current season, up from 729 thousand hectares previously, according to the data of the Department of Agricultural Extension.

<https://www.thedailystar.net/business/economy/news/falling-exports-hit-jute-growers-3399936>

### **Govt borrowing bloats to BDT 1.84 Tn**

- Government borrowing from internal and external sources climbed to BDT 1.84 Tn in the past fiscal, in a 13% year-on-year rise, with the domestic debt dominating the account. Bangladesh Bank statistics show borrowing from domestic sources - banking and non-banking-surged 23% to BDT 1.09 Tn in the financial year 2022-23.
- Foreign or external borrowings increased nearly 2.0% to BDT 746.5 Bn in the period under review. The total deficit financing as percentage of GDP at current market price stood at 4.15% in the FY2023. It was 4.08 in the year before.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-borrowing-bloats-to-tk-184t>

### **Economists say, recommend mid-and long-term reforms**

- Economists suggest mid-and long-term reforms to overcome persisting macroeconomic strains in Bangladesh as they think there is no quick-fix remedy for the major problems the growing economy currently faces. Speaking at a roundtable Sunday in Dhaka, they also called upon the policymakers to take immediate measures to address setbacks related to financial account of the balance of payments (BoP) through intensifying efforts in a structured way to attract more FDI (foreign direct investment) inflow and remittance by enhancing skills of the remitters in line with demand of the time.

<https://thefinancialexpress.com.bd/economy/bangladesh/economists-say-recommend-mid-and-long-term-reforms>

### **Hosting data locally to save forex: experts**

- Hosting data locally by domestic companies would help Bangladesh save a huge volume of US dollars that are otherwise needed to store them abroad and ease the current foreign exchange crisis, experts said yesterday. By ensuring that the data generated by telecommunication service providers, over-the-top platforms and other institutions is hosted within the country, prompt access to data can also be ensured, they added.

<https://www.thedailystar.net/business/economy/news/hosting-data-locally-save-forex-experts-3399811>

### **Apparel behemoths expanding into new sectors**

- Textile and garment behemoths in Bangladesh have started ploughing their surplus wealth into new sectors in order to tap the potential in an economy that is growing at a healthy clip and consumers' purchasing power is rising. Immensely successful garment and textile millers have expanded into sectors such as electricity generation, real estate, agriculture, dairy, hospitality, banking, tea estate, computer chips making, insurance, capital market, health, education, leasing, e-commerce, construction, pharmaceuticals, and economic zones.
- Textile and garment manufacturers have been playing a vital role in the economy by earning foreign currencies and creating jobs since the late 1970s when a group of local entrepreneurs sowed the seed for a successful sector exploiting the then quota system. They have been contributing nearly 85% to national export earnings for more than three decades. Currently, over 100 textile and garment factories register an annual export turnover of USD 500 Mn, industry people say.

<https://www.thedailystar.net/business/economy/news/apparel-behemoths-expanding-new-sectors-3399946>

### **Rooppur will be ready on time**

- The much-awaited Rooppur nuclear power plant is coming along at more or less the expected pace but the country has to wait longer to enjoy the benefits as the power evacuation facility from the plant would not be ready on time. One of the two projects for power evacuation from Rooppur, which was taken up in April 2018 for completion by December this year, saw 63% physical progress and 47.78% financial progress as of June, according to the Power Grid Company of Bangladesh (PGCB). The BDT 109.81 Bn transmission project is unlikely to be completed before the middle of next year, according to officials.

- The physical progress of the other project, which was taken up in July 2022 for completion by June 2025, is just 5% and the financial progress is 7.47% as of July 3, according to PGCB. Under the project, 7 kilometre-long 400 kV and 230 kV double circuit lines crossing the Jamuna river and a 2 km-long 400 kV single circuit line across the Padma river were supposed to be set up at a cost of BDT 60.56 Bn. "It will not be possible to start test production unless the power evacuation facility is up and running," said a top official of the BDT 1.13 Tn Rooppur power plant project on the condition of anonymity to speak candidly on the matter.

<https://www.thedailystar.net/business/economy/news/rooppur-will-be-ready-time-3398991>

### **Long-term plan behind high tea production**

- It was in 2007 when one of the country's largest tea-producing companies, Consolidated Tea and Lands Company (Bangladesh) Limited, initiated a long-term plan to increase tea production. Fifteen years later, the plan is finally paying off as four gardens of the company, popularly known as Finlays Tea Company, have yielded the highest amount of produce last year.

<https://www.thedailystar.net/business/economy/news/long-term-plan-behind-high-tea-production-3399926>

### **Projects with Chinese Loans: One complete, eight running at adequate pace**

- One of the development projects undertaken on Chinese loans has been completed while eight others are being implemented in full swing following a prolonged hiatus for the pandemic, said relevant officials and Economic Relations Division (ERD). A memorandum of understanding titled "Strengthening investment and production capacity cooperation", comprising 27 projects and a cost of USD 20 Bn, was signed during Chinese President Xi Jinping's visit to Bangladesh in 2016.
- Agreements for loans of USD 8.08 Bn for nine have been signed, out of which the Chinese authority disbursed USD 4.47 Bn till June 2023. The eight projects are running at an "adequate" pace at the moment and disbursement of funds is also "satisfactory", said a senior ERD official. The ERD is sitting with project implementing entities, the embassy of China and the Exim Bank of China from time to time to identify bottlenecks, he said.

<https://www.thedailystar.net/business/economy/news/projects-chinese-loans-one-complete-eight-running-adequate-pace-3399941>

### **Bangladesh adopts GM cotton**

- Bangladesh yesterday released two varieties of a genetically modified (GM) cotton for domestic cultivation, aiming to increase yields and reduce import dependence. The GM cotton has genetic traits taken from a soil-dwelling bacterium - *Bacillus thuringiensis* (Bt) - that effectively fights bollworm, a caterpillar responsible for damaging cotton yields.
- This is the second GM plant to be introduced in the country. Bangladesh joined the GM-crop cultivating nations in 2014 introducing Bt brinjal, the first GM food crop in South Asia. At least 20% of the country's demand for cotton, or around 150 thousand bales, can be met by locally cultivating the Bt and hybrid varieties of cotton, said Agriculture Minister Muhammad Abdur Razzaque.

<https://www.thedailystar.net/business/economy/news/bangladesh-adopts-gm-cotton-3399051>

### **10-year loan rescheduling facility for ship-builders**

- Loans, leases and investments extended by non-bank financial institutions (NBFIs) to ship manufacturers could be rescheduled for up to 10 years as the central bank took the initiative to help beleaguered borrowers resume making installments. Revenue flows to ship-builders, catering to both local and international markets, have been affected for various reasons that are not within their control. As a result, they are failing to pay installments regularly, the central bank said in a notice yesterday.
- Under the circumstances, simplifying the repayment process for the affected borrowers is required in a bid to recover long-pending unrepaid loans and reduce the level of classified loans. NBFIs have been asked to create two separate accounts --- one for outstanding principal amount and the other for outstanding interest amount – on the basis of the dues payable as of June 30 this year.

<https://www.thedailystar.net/business/economy/news/10-year-loan-rescheduling-facility-ship-builders-3399176>

### **Pvt inland container depots handle imports worth USD 54 Bn at Ctg port annually: Bicda**

- Private inland container depots (ICDs) at the Chattogram port are contributing to the country's economy by annually handling export cargoes worth USD 54 Bn, 25% of total imports transported in containers and also a large volume of empty containers at the port. This was revealed in a meeting between Rear Admiral Mohammad Sohail, chairman of the Chattogram Port Authority, and a delegation of the Bangladesh Inland Container Depots Association (Bicda), led by its President Nurul Qayyum Khan, at the port city's Bandar Bhaban on Sunday.

- The Bicda delegation consists of the association's Vice Presidents Khalilur Rahman and Imran Fahim Noor, Directors Yasser Rizvi, Be-nazir Chowdhury Nishan and Captain Kamrul Islam Mazumder and Director General Md Rubel Amin Sikder. At the meeting, Bicda President Nurul Qayyum Khan expressed frustration, stating that the contribution of private ICDs remains unrecognised due to reluctance of government quarters, policymakers and stakeholder organisations concerned. He termed it "very unfortunate and disappointing".

<https://www.tbsnews.net/economy/pvt-inland-container-depots-handle-imports-worth-54b-ctg-port-annually-bicda-685702>

### **52 digital bank licences sought**

- Fifty-two applications have been filed by companies such as banks, fintec firms and mobile financial service providers to roll out digital banks, Bangladesh Bank Spokesperson Md Mezbaul Haque confirmed today. The deadline for filing the applications ended on August 17.
- The central bank invited applications for digital bank from the entrepreneurs from June 21 this year. As per the Bangladesh Bank's rule, investors willing to set up a digital bank will have to have a minimum paid-up capital of BDT 1250 Mn and the capital will have to come from the sponsors.

<https://www.thedailystar.net/business/economy/banks/news/52-digital-bank-licences-sought-3398671>

### **RFL expands Bizli Cables product line with new medium-voltage cable**

- RFL Group, widely known as Pran-RFL Group, one of the leading business conglomerates in the country, has introduced a new product category — medium-voltage power cable — to its popular cable brand Bizli Cables. The trial production of the cable has already begun at a newly constructed factory.
- According to company officials, the medium-voltage cable market in the country is expanding but it is mostly import-dependent. The new product aims to reduce that dependency and meet the growing demand for medium-voltage cable as the government has initiated the installation of underground power cables across the country. The group's concern, Rangpur Metal Industries Limited, which started its journey in 2013, runs the cable business under the brand name Bizli Cables.

<https://www.tbsnews.net/economy/industry/rfl-expands-bizli-cables-product-line-new-medium-voltage-cable-685254>

### **Bangladesh posts current account deficit at USD 3.3 Bn in FY23**

- Bangladesh registered a current account deficit of some USD 3.3 Bn in the last fiscal year running from July 2022 to June 2023, a Bangladesh Bank (BB) official has said. The central bank official said on Sunday that the current account balance showed a deficit of USD 3.334 Bn in fiscal year 2022-23, compared to the deficit of USD 4.575 Bn recorded a year earlier, reports Xinhua.
- Remittances, however, helped Bangladesh by cushioning the impact of current account deficit with moderate export income growth, said the official. According to the official, inflow of remittances from some 10 Mn Bangladeshis living and working in over 100 countries and regions in fiscal year 2022-23 amounted to USD 21.61 Bn.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-posts-current-account-deficit-at-33b-in-fy23>

### **Some BDT 2.07 Tn default loan trapped in lawsuits**

- Loads of default loans of private and public banks get caught in legal cobweb and go ballooning over BDT 2.07 Tn by the end of March this year, sources say, compounding problems in Bangladesh's banking industry. In the first quarter of this year (January-March 2023), sixty banks filed 14,650 new cases with claims to BDT 274 Bn as they failed to recover the default loans, according to a latest report of Bangladesh Bank (BB). The total number of such cases with Artha Rin Adalats (money loan courts) had risen to 214,282 until then, and the aggregate claims stood at around BDT 2.07 Tn.
- Economists and analysts say such bad loans weaken Bangladesh's banking system. However, loan recovery by different courts across the country came to BDT 44.34 Bn only during the period under review, the report states, adding that BDT 67.89 Bn was recovered through alternative dispute resolution (ADR) mechanism. People familiar with the process have said the banks often sanction loans "arbitrarily", without keeping in mind that the credits will have to be recovered.

<https://thefinancialexpress.com.bd/economy/bangladesh/some-tk-207-trillion-default-loan-trapped-in-lawsuits>

### **JICA proposes to raise interest rate to 2.26% for loans to Bangladesh**

- The Japan International Cooperation Agency (JICA) has proposed to raise the interest rate to 2.26% from 1.6%, for loans to be provided to Bangladesh. The Economic Relations Division of Bangladesh has been trying to make JICA keep the interest rate as low as possible, at least below 2%, since Japan placed the proposal in July.

- The new rate may become effective by October as Bangladesh is expecting to sign the 44<sup>th</sup> loan package deal with JICA in November, said AKM Shahabuddin, an additional secretary at the ERD. An ERD official said Japan assured Bangladesh of funding three ongoing projects and providing USD 310 Mn as budget support under that package.

<https://thefinancialexpress.com.bd/economy/bangladesh/jica-proposes-to-raise-interest-rate-to-226pc-for-loans-to-bangladesh>

### **Onion prices go up as India slaps fresh duty**

- Onion prices at wholesale and retail markets in Bangladesh rose overnight yesterday after India imposed a 40% duty on exports of the bulb. India slapped a fresh tax on onion exports on Saturday in a bid to retain stocks and thereby tame escalating domestic prices, according to a notification from the neighbouring nation's finance ministry.
- As such, the wholesale price of Indian onions has risen by as much as BDT 12 per kilogramme (kg), according to traders in Dhaka and Chattogram. Mohammad Hafiz Uddin, a wholesaler in the capital's Shyambazar, said he sold Indian onions for about BDT 50 per kg on Saturday while the price was BDT 62 on Sunday.

<https://www.thedailystar.net/business/economy/news/onion-prices-go-india-slaps-fresh-duty-3399196>

### **Capital machinery import slumps, a sign of slowing investment, economy**

- Bangladesh's import of capital machinery and intermediate goods, which are used to make finished products for both local and export markets, declined in the last fiscal year, reflecting a slowdown in private investment and the economy. The persistent dollar crisis, which began at the beginning of 2022-23, and higher inflation at home and abroad for a fall in the purchasing capacity of consumers are all to blame for the drop.
- Of late, businesses have become cautious when it comes to investments as political uncertainty is deepening ahead of the parliamentary election due early next year. Subsequently, the import of capital machinery fell 11% year-on-year to USD 4.84 Bn in FY23, according to the import data compiled by the Bangladesh Bank based on customs records.

<https://www.thedailystar.net/business/economy/news/capital-machinery-import-slumps-sign-slowing-investment-economy-3399206>

### **Forex reserves' import coverage strength at 6yr low: Mastercard Economics**

- Bangladesh can now cover four months' import cost with its foreign currency reserves, which is the lowest in the last six years, according to the Mastercard Economic Institute. The information was revealed at a roundtable discussion on the "State of the Global, Regional, and Bangladesh Economic Outlook" organised by Mastercard on Sunday in Dhaka.

- In the keynote, David Mann, chief economist for Asia Pacific and Middle East Africa at the Institute, showed that Bangladesh was able to cover 12 months' import cost with its forex reserves in mid-2020. But the coverage capacity has been declining and stands at four months in June this year, he said.

<https://www.tbsnews.net/economy/forex-reserves-import-coverage-strength-6yr-low-mastercard-economics-685698>

### **USD 12 Bn from exports did not come home last year**

- Bangladesh's export receipts fell short of the value of export shipments by USD 12 Bn in the last fiscal year, prompting concerns within the Bangladesh Bank regarding the historically high unrealised export proceeds pending abroad, which is taking a toll on the foreign exchange reserves. In fiscal 2022-23, export receipts totaled USD 43 Bn, a figure 22% lower than the export shipment value of USD 55.6 Bn, as reported by the Bangladesh Bank. The unrealised export value was twice the amount recorded in FY22 and six times higher than that of FY20.
- While common factors such as time lag and export bill discounts can account for mismatches between shipment and realised values, a senior executive at the Bangladesh Bank noted that the recent trend of unrealised export proceeds is unusually high. In light of this situation, the central bank initiated the collection of export documents to ascertain the reasons behind this surge in unrealised export proceeds, he said.

<https://www.tbsnews.net/economy/12b-exports-did-not-come-home-last-year-685746>

### **Loan disbursements thru agent banking rise 70%**

- Loan disbursement through agent banking surged 70.58% year-on-year to BDT 130.41 Bn in June 2023 on the back of improved access to finance for rural people, according to Bangladesh Bank. At the end of June last year, the disbursement stood at BDT 76.45 Bn.
- Deposits and remittance inflows also grew by 19% and 33.74%, respectively, compared to the previous year, according to data from the central bank. Bankers said that with the gradual expansion of agent banking, many people who were previously excluded from banking services at the rural level can now easily avail themselves of the services, which is the key reason behind the increased flow of such loans.

<https://www.tbsnews.net/economy/banking/loan-disbursements-thru-agent-banking-rise-70-685726>

### **Uncertainty spurs cash stockpiling out of banks**

- Cash in people's hands reached BDT 2.91 Tn till June surging by BDT 360 Bn from the previous month as pre-election political uncertainties and a global economic slowdown spooked consumers. As per central bank data, cash in people's hands or out of banking channels amounted to BDT 2.36 Tn by June 2022, implying the amount grew over BDT 55,000 in about a year till June 2023.
- Managing director of a private bank told The Business Standard that the interest rate cap of 10% prevents financial institutions from hiking deposit rates high enough to attract more cash flow. In this situation, financial institutions will not have enough earnings to cover operating costs, he added. The banks offer maximum 8% deposit rate but this is not high enough compared with the current inflation rate to encourage people to park their cash in banks.

<https://www.tbsnews.net/economy/banking/uncertainty-spurs-cash-stockpiling-out-banks-685718>

### **MetLife settles BDT 15.37 Bn claims in first half**

- Life insurer MetLife Bangladesh has settled BDT 15.37 Bn worth of claims in the first six months of this year. The amount includes the money customers received as insurance benefits and claims for loss of life and medical needs, MetLife said in a press release today. The insurance company said MetLife's customers enjoy the best claim settlement experience as they can submit their claim requests online and receive claimed money within three to five working days.

<https://www.thedailystar.net/business/news/metlife-settles-tk-1537-crore-claims-first-half-3398811>

### **Bangladesh, Denmark partner to ensure food safety**

- Denmark and Bangladesh have forged collaboration to strengthen their partnership for food safety and sustainable food production. To this end, Bangladesh Food Safety Authority (BFSA) signed a memorandum of understanding (MoU) with Danish Veterinary and Food Administration (DVFA) at the food ministry office in Dhaka yesterday, said a press release.
- The agreement aims to foster a strategic sector cooperation and enhance scientific, technical, and regulatory collaboration within food safety and sustainable food productions between the two nations, it said. Through this partnership, both countries seek to collaborate on multiple initiatives that leverage their unique expertise, technologies, and resources to deliver innovative solutions for safe food and sustainable agriculture practices, it added.

<https://www.thedailystar.net/business/economy/news/bangladesh-denmark-partner-ensure-food-safety-3396836>

### **Construction of BDT 20 Bn data centre begins**

- The construction works of Yotta Data Services' data centre in Bangabandhu Hi-Tech City, Kaliakoir has started recently. "The piling work has already started and will take 3 years to complete," GSM Jafarullah, managing director of Bangladesh Hi-Tech Park Authority, told The Daily Star yesterday.
- In a Facebook post yesterday, Zunaid Ahmed Palak, state minister for ICT, said Yotta Data Services, an arm of Indian conglomerate Hiranandani Group, would invest BDT 20 Bn to build a tier-IV data centre. The centre will be built on two hyper-scale data centre buildings, featuring 4,800 racks and 28.8MW IT power capacity.

<https://www.thedailystar.net/business/economy/news/construction-tk-2000cr-data-centre-begins-3396811>

### **Big pharmas taking hold of herbal medicine market**

- Big pharmaceutical companies in Bangladesh are gradually taking hold of the country's growing market for herbal medicines as people are opting for higher quality natural remedies with recognisable brand value. The demand for herbal medicine is expanding fast as they have no side effects and are clinically proven to be effective in treating various ailments, according to industry insiders.
- And although there is no reliable data, the market for herbal medicine generates annual revenue of about BDT 25.Bn, which is one-tenth of that earned by the overall pharmaceutical sector, they said. At present, leading drug makers such as Square, Beximco, Incepta and Acme cater to 30% of the country's demand for herbal medicine, earning them a combined BDT 8 Bn each year.

<https://www.thedailystar.net/business/economy/news/big-pharmas-taking-hold-herbal-medicine-market-3396871>

### **Crab exports recovering from pandemic loss**

- Crab exports, which lost momentum after the outbreak of Covid-19, have rebounded in terms of quantity, giving a new lease on life to growers in coastal districts who rear the sea creature to sell to exporters. Over the last two fiscal years, Bangladesh shipped around 7,500 tonnes of crabs annually as exporters are sending the decapod crustaceans by complying with the rules of importing countries, mainly China, the key destination, according to data of the Department of Fisheries (DoF).

- The fisheries office data showed that export of crabs was 7,452 tonnes in fiscal year (FY) 2022-23, which was slightly lower than the previous year but higher than three years ago. However, data of the Export Promotion Bureau (EPB) data showed that export receipts from crabs fell 26% year-on-year to USD 8.7 Mn in FY23. In July of FY23, crab exports surged 71% year-on-year to USD 940,000, EPB data shows.

<https://www.thedailystar.net/business/economy/news/crab-exports-recovering-pandemic-loss-3396891>

### **Taka slightly undervalued for first time, but economic benefits in question**

- Bangladesh taka experienced slight undervaluation for the first time this July compared to other trading partners due to the local currency's faster devaluation against the US dollar. According to the internationally recognised benchmark, the Real Effective Exchange Rate (REER), which compares the value of the taka to currencies of 15 trading partners, indicates a 0.36% undervaluation of the Taka on 26 July, data from the Bangladesh Bank show.
- This comes after the taka was overvalued by 10% to 13% in the previous fiscal year. The REER is an indicator of the competitiveness of a country's currency with respect to a basket of currencies, adjusted for inflation effects. The undervalued currency could mean increased demand for Bangladeshi products globally. However, an undervalued currency also pushes up domestic costs in sectors dependent on imports like petroleum and fertiliser.

<https://www.tbsnews.net/economy/taka-slightly-undervalued-first-time-economic-benefits-question-684242>

### **Gold price below BDT 100 thousand again**

- The jewellers have cut gold prices by BDT 1,749 a bhoori for the domestic market thanks to a drop in the rates of pure gold in the local market. From tomorrow, the price of each bhoori or 11.664 grams of 22-carat gold ornaments will be BDT 99,027, down from BDT 100,776 earlier. The Bangladesh Jewellers Association (Bajus) took the decision today to adjust the prices with the international market, it said in a press release. On July 20, each bhoori of gold price in Bangladesh cross the BDT 100,000-mark for the first time.

<https://www.thedailystar.net/business/news/gold-price-below-tk-1-lakh-again-3396526>

### **Businesses laud pension scheme for private sector**

- Business leaders and experts have lauded one of the four packages of a universal pension scheme (UPS) meant for employees of private companies, saying it would enhance post-retirement financial security and benefit employers too. Rolled out by Prime Minister Sheikh Hasina on August 17, the UPS aims to bring every citizen of the country aged above 18 under pension coverage.

- Its four schemes require beneficiaries to pay instalments up to the age of 60, after which they will start to get a pension every month. The Progoti scheme has three instalment options -- BDT 2,000, BDT 3,000 and BDT 5,000. Any private company deciding to avail the scheme has to pay 50% of the instalment while the employee has to pay the remaining 50%. "It is something of a relief for the corporate sector as the government has taken the responsibility of providing retirement benefits," Md Saiful Islam, president of the Metropolitan Chamber of Commerce & Industry, Dhaka.

<https://www.thedailystar.net/business/economy/news/businesses-laud-pension-scheme-private-sector-3398261>

### **Pathao wants to establish digital bank**

- Pathao, Bangladesh's one of largest digital services company, has applied for a licence to set up a digital bank and extend banking services through its proposed Pathao Digital Bank. The move comes at a time when a number of leading lenders of the country have also showed interest to establish digital banks.
- "Pathao is far more than a brand, or a suite of products -- it is a lifestyle. Just as it has radically transformed urban transportation and the gig economy in Bangladesh, Pathao Digital Bank will reshape banking in Bangladesh," said Fahim Ahmed, managing director and CEO of Pathao. "With this, we believe we can catalyse an important growth stage of the Bangladesh economy," he added.

<https://www.thedailystar.net/business/economy/news/pathao-wants-establish-digital-bank-3398176>

### **Bad loans, forex volatility main challenges**

- Bangladesh should get more attention from investors considering its economic potential but the country faces challenges in bad loans, an illiquid stock market, exchange rate volatility and an unstable political landscape, according to HSBC Global Research. The global research wing of London-based universal bank and financial services group HSBC Holdings PLC yesterday released a report on Bangladesh, styled "The Flying Dutchman".
- The report starts by saying that it is true that the stock market in Bangladesh is small and illiquid. "But as was the case in India two decades ago or Vietnam one decade ago, it [the stock market in Bangladesh] offers prospects for significant long-term capital appreciation driven by earnings growth." The country's GDP growth averaged 6.4% in the past decade - faster than most of Asia - and its GDP per capita ratio recently surpassed that of India.

<https://www.thedailystar.net/business/economy/news/bad-loans-forex-volatility-main-challenges-3396116>

### **Govt weighs WB-proposed single-currency IDA credit**

- A World Bank (WB) proposal for Bangladesh to receive single-currency loans, alongside the usual credits taken through special drawing rights (SDR), a basket of five currencies, is under government consideration. Officials say Bangladesh, being a lower-middle-income country, is one of the top recipients of World Bank's International Development Association (IDA) concessional credits.
- The IDA-fund recipients borrow through SDR whose value is linked to the currency basket of US dollar, euro, pound sterling, Japanese yen, and Chinese yuan. Bangladesh denominates the SDR in US dollar as it receives loans from the World Bank's soft-lending window. A senior official at the Economic Relations Division told the FE that the World Bank a few months back inquired the ERD whether Bangladesh would like to take IDA loans also in any of the five-currency basket.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-weighs-wb-proposed-single-currency-ida-credit>

### **Christmas apparel shipment to be dull**

- Local garment exporters do not expect any substantial increase in shipments to the Western world centring upcoming Christmas sales because of high inflation and for old stocks remaining unsold in retail stores in the American and European markets, exporters said. Of all the garments shipped from Bangladesh throughout the year, nearly 60% is meant for the Christmas season.

<https://www.thedailystar.net/business/economy/news/christmas-apparel-shipment-be-dull-3396106>

### **Western Economic Corridor: Big dream gets stuck in slow lane**

- Funds are there, with two global lenders committing USD 2.4 Bn. However, the high-profile Western Economic Corridor, designed to establish a connection between the nation's southwestern region and international trade routes, is yet to see the start of physical construction even after almost three years since the approval of its initial phase. The intended transformation of the 48-km Jashore-Jhenaidah two-lane road into a six-lane highway by the end of this year seems to have hit a roadblock. The same old reasons— complications in land acquisition and tender process — have been cited for the delay, which, apart from escalating costs, will deprive the people and economy of the intended benefits, as happens in most other big budget projects.

- With a mere 3% financial progress achieved so far, a new deadline has been set for June 2026 to complete this segment of the Western Economic Corridor and Regional Enhancement (WeCARE) Programme, which includes 260km of highway and a network of local roads connecting two land ports – Benapole and Bhomra – and Mongla seaport. Out of the total estimated investment of USD 3.5 Bn, the World Bank has committed USD 1.4 Bn, while the AIIB is contributing an additional USD 1.2 Bn. The rest of the amount will come from the government.

<https://www.tbsnews.net/economy/western-economic-corridor-big-dream-gets-stuck-slow-lane-685190>

### **Import thru ctg port: What are the products with highest import costs?**

- Bangladesh spent the highest, over BDT 100 Bn, behind the import of each of nine products in fiscal year (FY) 2022-23 although some 4,788 types of goods enter through the Chattogram port. The nine are cotton, diesel, scrap metal, furnace oil, palm oil, soybean, cement clinker, wheat and crude edible oil. Such amounts were spent behind six products in the previous FY of 2021-22 whereas only two in FY 2013-14.
- For the last 10 years, it had been mainly cotton, which is the garment industry's raw material, and diesel, a fuel necessary for the generation of electricity. Cement clinker, wheat and crude edible oil made it to the top expenditure list in FY 2022-23 while the rest in FY 2021-22. Although liquefied natural gas (LNG) had been on the list in FY 2019-20 and 2020-21, it dropped out in the last two years. All in all, 88.52 Mn tonnes of different types goods were imported through the Chattogram port in fiscal year 2022-23 at a total cost of BDT 4.62 Tn.

<https://www.thedailystar.net/business/economy/news/import-thru-ctg-port-what-are-the-products-highest-import-costs-3396866>

### **Stagnation shadows large-scale industries**

- Production in the big industrial sector experienced stagnation, as the index for large-scale industries remained nearly unchanged in April of the previous fiscal year. The index of industrial production for large-scale manufacturing in April (July-April) grew by merely 0.021% compared to the same month a year earlier, according to the Bangladesh Bureau of Statistics.
- During July-March of FY23, the general index of industrial production for large-scale manufacturing recorded a 7.2% year-on-year increase. This decline can primarily be attributed to a slowdown in food production, ready-made garment (RMG) manufacturing, chemicals and chemical products, paper and printing and pharmaceutical sectors.

<https://thefinancialexpress.com.bd/economy/bangladesh/stagnation-shadows-large-scale-industries>

### **Banks now inclined to invest in short-term securities**

- Quick-gain 91-day treasury bills become hotcakes now as banks seem inclined to invest in short-term securities under a cautious banking approach as they do pre-election risk calculations. Sources say the switch is also prompted by a discovery that these shorter-duration government securities possessed the lowest volume of 'high-powered money' or print money circulated in the economy by way of government borrowing from the central bank.
- Officials and market players have said the primary dealer banks through which the banks purchase risk-free investment instruments through auctions arranged by the Bangladesh Bank (BB) are less interested to invest in mid-term and long-term government securities mainly to avoid the macroeconomic stress in this election year. "Available gains of interest from investing in the short government securities are another reason why banks investment in the 91-day T-bills," says one of the sources.

<https://thefinancialexpress.com.bd/economy/bangladesh/banks-now-inclined-to-invest-in-short-term-securities>

### **Regulator resents unreasonable Taka depreciation**

- Foreign-exchange dealers and bankers on Wednesday faced regulatory ire for continued depreciation of the local currency against the US dollar-a trend that makes imports costlier and consumer supplies expensive. Bangladesh Bank (BB) governor Abdur Rouf Talukder at a meeting with them expressed his dissatisfaction over the depreciation of the taka, sources said.
- "Such upward adjustment of foreign-exchange rate, almost every month, by banks and BAFEDA (Bangladesh Foreign Exchange Dealers' Association) is fueling inflation in the form of soaring import costs significantly," he said, as the country sees unrelenting price rises. The governor was chairing the bankers' meeting held at the BB headquarters with top executives of the country's commercial banks attending.

<https://thefinancialexpress.com.bd/economy/bangladesh/regulator-resents-unreasonable-taka-depreciation>

### **Beximco Green Sukuk: A fixed income opportunity overlooked**

- In the capital market, an intriguing situation has emerged where return-seeking investors seem to be disregarding the attractive rates offered by the sole listed Sukuk, an Islamic debt instrument. With an impressive yield of over 13%, Beximco Green-Sukuk AL Istisna'a found to be the most alluring fixed income option in the local financial market.

- In comparison, Treasury bonds presently offer a yield of up to 9%, while individuals are placing their funds in banks for returns ranging from 6% to 8%. National savings certificates provide an interest rate between 7.7% to 11.76% annually. Investors in Beximco Sukuk received a periodic payment of 5.55% during the initial half of 2023. This translates to an annual rate of 11.1% based on the face value of BDT 100 per unit.

<https://www.tbsnews.net/economy/beximco-green-sukuk-fixed-income-opportunity-overlooked-683706>

### **Ship arrival at Ctg port shrinks amid trade slump**

- The bustling movement of merchant ships to and from Chattogram Port has dwindled due to a global trade recession triggered by the Russia-Ukraine war, resulting in several jetties of the country's largest seaport sitting idle recently. Vessels typically endure a wait of three to five days before securing berths at the jetties for cargo unloading. But now ships are getting berthing slots on arrival and two-three jetties have sat idle over the past week, according to the Chittagong Port Authority.

<https://www.tbsnews.net/economy/global-trade-recession-shrinks-ship-arrivals-ctg-port-leaving-jetties-idle-684090>

### **BD still slow to exploit prospects of skilled labour migration**

- Bangladesh has fared poorly in migration as it is yet to harness a slew of opportunities of sending skilled workers abroad for not satisfying the labour markets. Skilled workers are up for grabs in developed countries like Japan and South Korea, but Bangladesh cannot tap this potential for skilled-labour shortages. Another case in point is Malaysia that also requires skilled workers. Yet, Bangladesh is only focusing on sending less-skilled workers there.
- Recruiters also find it profitable as they can charge higher migration costs from such less-skilled workers. Bangladesh can reach a new level of earning foreign exchange through exporting skilled workers who earn a lot more than those unskilled, sector insiders believe. For Japan, proficiency in Japanese language N-4 level is a must along with job skills to be selected as a specified skilled worker (SSW).

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-still-slow-to-exploit-prospects-of-skilled-labour-migration>

### **Unraveling capital flight from Bangladesh**

- Capital flight, a growing concern for Bangladesh over the past few decades, refers to the outflow of financial assets from a country. While usual outflow may also be foreign direct investment, the problem arises when the fund transferred from a country does not have proper documentation of source and there is no intent of repatriation of the fund. This leads to loss of government revenue and depletion of foreign currency reserves.

- The budget for FY23 included provision for taxing assets outside of the country that are unaccounted for. While there is no official record of the amount of capital flight from Bangladesh, this decision of the government acknowledged the phenomenon. The economic repercussions of capital flight are multifold. Firstly, it siphons off resources that could have been utilised for productive measures to improve education, healthcare or infrastructure within the country.

<https://www.thedailystar.net/business/economy/news/unraveling-capital-flight-bangladesh-3398186>

### **Did ad-hoc monetary steps drag down our businesses?**

- Bangladesh kept taka artificially overvalued when others adjusted their currency values to stay competitive. Soon the dollar crisis began to deplete foreign exchange reserves. But the exchange rate was officially kept lower and banks were provided with dollars at cheaper rates. Then, Bangladesh Bank started devaluing taka frequently and take lost nearly 25% value against dollar in just a year. Bangladesh has managed to keep its exports growing.
- As the dollar crisis is not going to end anytime soon, they will continue to face problems in opening LCs for basic raw materials and capital machinery imports. Expecting a sudden boon from the West's withdrawal from China won't be worthy, too, for 2 reasons. Bangladesh doesn't have the capacity to grab a big pie of the global market overnight. Western countries are not going to find a ready alternative to say good-bye to China either for exports or imports.

<https://www.tbsnews.net/analysis/did-ad-hoc-monetary-steps-drag-down-our-businesses-684634>

### **Investment dries up in dyeing sector as gas shortage lingers**

- Investment has dried up in Bangladesh's dyeing sector, a vital cog in the textile and apparel supply chain, owing to the dragging gas shortage despite higher demand for fabrics from local garment exporters, industry people say. Not a single new dyeing unit has been set up in the country in the last two years because of the energy crunch and a spike in the investment needed to establish such a facility, said Monsoor Ahmed, chief executive officer of the Bangladesh Textile Mills Association (BTMA), a platform of the primary textile sector.
- Inadequate supply of gas has been an issue for textile millers for a long time since local production has not kept pace with a surge in demand for energy. This prompted the country to turn to liquified natural gas (LNG) in 2018. But a US dollar shortage forced the government to halt buying LNG from the international spot market in the middle of last year, dealing a blow to industries as gas supply declined.

<https://www.thedailystar.net/business/economy/news/investment-dries-dyeing-sector-gas-shortage-lingers-3398266>

## Important News: Capital Market

### PRIMEBANK | ITFC arranges USD 40 Mn for Prime Bank

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

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

### EBL | EBL, Pran sign interest swap deal

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

<https://www.thedailystar.net/business/news/eb1-pran-sign-interest-swap-deal-3401326>

### BDFINANCE | Bangladesh Finance signs deal with WeGrow Tech

- Bangladesh Finance Ltd yesterday signed a collaboration agreement with WeGro Technologies Ltd, a Dhaka-based agri-tech startup, for the purpose of financial inclusion of marginal agricultural entrepreneurs. Md Kyser Hamid, managing director and CEO of the non-bank financial institution, and Md Mahmudur Rahman, founder and CEO of the agri-tech startup, inked the deal at the former's head office at Dilkusha, Motijheel in Dhaka, said a press release.

- Through this agreement, the two organisations will ensure cooperation in various ways, including providing loans to small agricultural entrepreneurs on easy terms and supplying and selling their products at fair prices. "Bringing entrepreneurs from remote areas under financial inclusion was one of the main tasks for this prestigious recognition," said Hamid.

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

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

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

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

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

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

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

### GENEXIL | 60,000 to be installed in Dhaka, Ctg this FY

- The National Board of Revenue (NBR), in association with Genex Infosys Limited, will install electronic fiscal devices (EFDs) at retail and wholesale outlets in Bangladesh to improve the collection of value-added tax (VAT) from these sources. Initially, 60,000 EFDs will be deployed at stores in Dhaka and Chattogram within the current fiscal year while another three hundred thousand devices will be installed all over the country within the next five.

<https://www.thedailystar.net/business/economy/news/60000-be-installed-dhaka-ctg-fy-3400661>

**AAMRANET | Aamra Networks to issue BDT 930 Mn right shares for loan repayment**

- Aamra Networks Limited — a publicly listed internet service provider — has decided to raise BDT 930 Mn by issuing right shares in order to repay loan and expand business. The company said in its disclosure on the Dhaka Stock Exchange (DSE) website on Tuesday, that a portion of the fund will be used to repay loans, and the remaining amount will be used for network system upgradation and network coverage expansion.
- However, the company is yet to disclose how much of the BDT 930 Mn will be used for loan repayment and how much for network expansion. To raise the said capital, the company will issue 30.9 Mn right shares at a ratio of 2:1. This means, one new share will be issued against two existing shares held by an individual investor. The share price will be BDT 30 each, including a premium of BDT 20, the disclosure reads.

<https://www.tbsnews.net/economy/stocks/aamra-networks-issue-tk93cr-right-shares-loan-repayment-686942>

**GEMINISEA | BSEC team to probe Gemini Sea Food's 'inflated' revenue**

- The Bangladesh Securities and Exchange Commission (BSEC) will investigate the financial disclosures of Gemini Sea Food Limited following the discovery of "inflated revenue figures" during a preliminary inquiry by the Dhaka bourse. To this end, the commission on Tuesday formed a three-member committee.
- The committee, composed of BSEC Additional Director Mollah Miraz-Us-Sunnah, Assistant Director Anwarul Azim, and Dhaka Stock Exchange (DSE) Manager Rumana Ferdous Mou, will present its findings to the commission within 60 days. Gemini Sea Food, a pioneer in exporting certified organic shrimp to EU retailers, processes, packages, and exports quality frozen raw shrimp, cooked shrimp, and whitefish.

<https://www.tbsnews.net/economy/stocks/bsec-team-probe-gemini-sea-foods-inflated-revenue-686926>

**RUNNERAUTO | Green Delta Capital completes issuance of Runner sustainability bonds**

- Green Delta Capital Limited (GDCL) successfully completed the issuance of Runner Auto Sustainability Bonds of BDT 2,675 Mn, according to a press release. The proceeds from the bonds, with seven years' tenure, will go towards enhancing the credit support facility for Runner customers as well as the construction of a 4MW rooftop solar plant for Runner's three-wheeler manufacturing facility in Bhaluka, Mymensingh.

- This is the first-ever sustainability bond in Bangladesh, certified by Moody's Investors Service Singapore Pte. The features of the bonds are aligned with the International Capital Market Association's (ICMA) Sustainability Bond Guidelines 2021. Moody's is a global integrated risk assessment firm that empowers organisations to make better investment decisions. Moody's Investors Service Singapore Pte is a part of the organisation dedicated to provide independent analysis of sustainable financing frameworks.

<https://thefinancialexpress.com.bd/stock/bangladesh/green-delta-capital-completes-issuance-of-runner-sustainability-bonds>

**EXCHANGE | RACE Management to give BDT 1 Bn to MFs' unit holders**

- Four more closed-end mutual funds, managed by RACE Management, declared cash dividends amounting to BDT 407.70 Mn for FY23 on Monday. The average cash dividends for the four MFs are 4.13%, said an official of RACE Asset Management.
- With this, Race Management will disburse nearly BDT 1 Bn in cash dividends to unit holders of seven close-ended mutual funds and an open-ended mutual fund for FY23. RACE Management leads the closed-end mutual fund sector, managing 10 such funds with combined asset under management (AUM) of BDT 32.29 Bn.

<https://thefinancialexpress.com.bd/stock/bangladesh/race-management-to-give-tk-1b-to-mfs-unit-holders>

**EXCHANGE | DSE looking for ways to list new cos amid dried-up IPO flow**

- The Dhaka bourse has been making frantic moves to bring new companies to the capital market as the flow of initial public offerings (IPOs) has dried up this year. The aim is not only to help the market gain momentum but also to salvage the business of the exchange and market operators as daily transactions have kept falling for the floor price.
- On Monday, the Dhaka Stock Exchange (DSE) sat with merchant bankers who work as issue managers. "The market needs IPOs to ensure a desired trade volume to avert any possible long-term impact of the bearish market," said DSE acting managing director M. Shaifur Rahman Mazumdar.

<https://thefinancialexpress.com.bd/stock/bangladesh/dse-looking-for-ways-to-list-new-cos-amid-dried-up-ipo-flow>

**EXCHANGE | DSE to tap into potential of green RMG cos for capital market expansion**

- The Dhaka bourse has made a move to bring green ready-made garment factories into the capital market either through an initial public offering (IPO) or through issuance of bonds. It is set to sign an agreement with the BGMEA within a month from now.

- The Dhaka Stock Exchange has come to know that there are about 100 LEED certified garment units across the country, which are capable of meeting regulatory requirements to get equity or debt financing solutions. "Such companies have the opportunity to get sustainable investment solutions as more and more investors are now willing to put money in environment-friendly businesses," said DSE acting managing director Shaifur Rahman Mazumdar.

<https://thefinancialexpress.com.bd/stock/bangladesh/dse-to-tap-into-potential-of-green-rmg-cos-for-capital-market-expansion>

### **EXCHANGE | 11 listed NBFIs leave investors in dark**

- Seven months have passed since the world bid adieu to 2022, but almost half of the listed non-bank financial institutions (NBFIs) in Bangladesh have not published their financial statements for the year, breaching securities rules. As a result, hundreds of thousands of general investors who are holding the stocks of the companies have remained in the dark about how the non-banks fared in the year. NBFIs' financial year runs from January through December.
- According to listing regulations, the annual financial statements of listed companies, excluding mutual funds, have to be audited within 120 days after the issuers' financial year ends. And the report must be published within 14 days of the audit. This means NBFIs are compelled to bring out their yearly statements by the middle of May. At present, 23 NBFIs are listed on the Dhaka Stock Exchange (DSE). Of them, 11 are yet to publish the financial reports within the stipulated date.

<https://www.thedailystar.net/business/economy/news/11-listed-nbfis-leave-investors-dark-3400701>

### **GPHISPAT | GPH Ispat gets accreditation board's certificate**

- GPH Ispat Quality Control Lab, a steel re-bar manufacturing company in Bangladesh, recently received accreditation certificate from Bangladesh Accreditation Board (BAB) for ensuring the quality of the manufactured products. Sheikh Faezul Amin, director general (additional secretary) of BAB, handed over the certificate to Md Ashrafuzzaman, director of GPH Ispat, at a certificate giving ceremony held at Shilpa Bhaban in Motijheel.
- GPH has set up a state-of-the-art quality control lab on its own factory premises in Sitakunda, Chattogram from where it has been producing world-class steel by maintaining various international and national standards. ASM Suman, chief research and project officer of the steel manufacturing company, Saiful Islam, head of laboratory, and other top officials from both the organisations were present.

<https://www.thedailystar.net/business/economy/news/gph-ispate-gets-accreditation-boards-certificate>

### **MIRACLEIND | Mehmood Equities takes charge of reviving Miracle Industries**

- After acquiring a 10% stake in Miracle Industries Ltd, a plastic packaging products exporter, Mehmood Equities Ltd took charge of resuming the operation of the listed company, which has been non-performing for the last two years. In a disclosure on Monday, Miracle Industries informed that Mehmood Equities, the new owner, nominated three directors to its board and planned to invest the necessary funds for resuming operations on 30 September.
- Riding on the development, Miracle's share price jumped over 9% as investors hoped for its return to operation. On Monday, its shares closed at BDT 33.40 each, a 9.87% jump from the previous session at the Dhaka Stock Exchange (DSE). Miracle Industries — founded in 1995 as a joint venture with state-owned Bangladesh Chemical Industries Corporation (BCIC) and four entrepreneurs — manufactures different types of bags for cement, fertiliser, salt, feed, sugar, food grains, and chemicals.

<https://www.tbsnews.net/economy/stocks/miracle-industries-shares-soar-announcement-resuming-production-685898>

### **EXCHANGE | Merchant bankers demand a relaxed listing regime**

- Merchant bankers, in a discussion with the Dhaka Stock Exchange (DSE) on Monday, demanded relaxation of capital market listing rules as too stringent rules are making it hard to attract high-quality companies to the bourses. Representatives from the country's leading investment banks have expressed the view that the direct listing method should be reinstated for well-performing firms, including numerous multinationals, as these firms do not need fresh capital from the public. This method allows firms to avoid raising capital through an initial public offering (IPO).
- After observing some overvalued trading debuts a decade ago, the securities regulator prohibited direct listing of private sector firms. Also, the process of fixing share price for book building IPOs in the amended public issue rules a few years ago was discouraging companies to go public, investment bankers opined.

<https://www.tbsnews.net/economy/stocks/merchant-bankers-demand-relaxed-listing-regime-686310>

### **EXCHANGE | DSE seeks rule relaxation to boost alternative trading board**

- The Dhaka Stock Exchange (DSE) wrote to the securities regulator for relaxation of some rules for the alternative trading board (ATB) to increase liquidity and ensure fair pricing in the trading platform. In its letter to the Bangladesh Securities and Exchange Commission (BSEC) this July, the Dhaka bourse sought the removal of the 90-day bar to sell equity securities to realise gains.

- Also, the DSE wrote instead of fair value, it wants to consider the reference price or yesterday close price (YCP) in calculating the circuit breaker. A circuit breaker is an emergency measure established by stock markets that shut down trading activity temporarily or for the rest of the trading day when market prices drop significantly.

<https://www.tbsnews.net/economy/stocks/dse-seeks-rule-relaxation-boost-alternative-trading-board-685690>

### **ALARABANK | Salim Rahman elected as EC chairman of AIBL**

- Salim Rahman has been elected as the chairman of the executive committee of Al-Arafah Islami Bank Ltd (AIBL) in the 390th meeting of the board of directors of the bank on Sunday. Rahman is the managing director of KDS Group, said a press release. Currently, the group consists of KDS Garments Industries Ltd, KDS Accessories Ltd, KDS Apparels Ltd, KDS Logistics Ltd, KDS IDR Ltd, KDS Textiles Ltd, KYCR Coil Industries Ltd, Steel Accessories Ltd, and KDS Poly Industries Ltd. He had held the position of director of another private bank for 15 years before joining as a director of the AIBL.

<https://www.thedailystar.net/business/economy/news/salim-rahman-elected-ec-chairman-aibl-3399781>

### **CROWNCEMENT | Crown Cement to buy fly ash from Matarbari power plant**

- Crown Cement PLC has decided to purchase fly ash from the Matarbari 2x600 MW Ultra Super Critical Coal Fired Power Plant to ensure smooth and regular production of cement. The company will soon sign a joint venture consortium agreement (JVCA) with the power plant, Md Mozharul Islam, company secretary of Crown Cement, told The Daily Star.
- Fly ash collected from the plant will be used as a raw material for cement production, which will help in decreasing import dependency and save transport cost, he said. However, Islam did not say anything about when the deal will be signed and how much fly ash the company will purchase from the plant.

<https://www.thedailystar.net/business/news/crown-cement-buy-fly-ash-matarbari-power-plant-3398886>

### **ALARABANK | Labu elected as AIBL chairman**

- Abdus Samad Labu has been elected as the chairman of Al-Arafah Islami Bank Ltd (AIBL) in the 390th meeting of the board of directors of the bank yesterday. Labu is one of the founder directors of the bank, said a press release. He is the vice-chairman of S Alam Group, chairman of S Alam Cold Rolled Steels Ltd, and a vice-chairman of Ekushey Television (ETV). He is a renowned name in the business arena of the country and manages various business houses in different capacities.

<https://www.thedailystar.net/business/economy/news/labu-elected-aibl-chairman-3399086>

### **FAREASTFIN, FASFIN, BIFC | Three sick NBFIs incur losses again**

- Three poorly performing non-bank financial institutions (NBFIs) — Fareast Finance, First Finance, and Bangladesh Industrial Finance — have published their most recent financial statements, all of which show losses. Fareast Finance and First Finance have posted quarterly financials for the April to June quarter of 2023, while Bangladesh Industrial Finance posted its annual performance for 2021.

<https://www.tbsnews.net/economy/stocks/three-sick-nbfis-incur-losses-again-685710>

### **GREENDELTA | Green Delta gets 3 foreign strategic partners for digital bank**

- Green Delta Insurance has got three foreign strategic partners for its proposed digital banking venture "Yeah Digital Bank PLC" and the consortium is one of the 52 applicants for a digital banking licence in Bangladesh, according to sources. The three foreign strategic partners will hold a 70% stake in the proposed digital bank awaiting the Bangladesh Bank licence, while local sponsors will have the remaining 30% stake.
- The foreign strategic partners of Green Delta include the Singapore-based technology firm Mintech, which has already provided software and app solutions to around 30 digital banks in various markets. Its client banks served 35 Mn registered users and disbursed over USD 50 Bn in digitally disbursed loans. Silverhorn, another foreign partner, is a Hong Kong and Singapore-based investor firm that has a strategic investment in leading digital banking and digital lending firms in several South-East Asian markets.

<https://www.tbsnews.net/economy/stocks/green-delta-gets-3-foreign-strategic-partners-digital-bank-685694>

### **EXCHANGE | Brokers not incentivised enough to help retail investors buy debt securities**

- It is not retail investors' lack of appetite, rather brokerage firms' lack of interest that has kept bond trading limited to institutional investors and high net-worth individuals. Brokers do not feel encouraged enough to cater to the demand of small investors for bonds.
- In case of Treasury bonds, they can charge their clients at 0.10% of the transacted volume per transaction. Hence, the higher is the trade volume the higher the transaction charge/fee is paid to the stock broker. For trading of corporate bonds, transaction fee is fixed at BDT 100 each trade.

<https://thefinancialexpress.com.bd/stock/bangladesh/brokers-not-incentivised-enough-to-help-retail-investors-buy-debt-securities>

**WALTONHIL | Walton bags BDT 2.5 Bn orders at ATS Expo**

- Local electronic goods maker Walton has racked up orders worth an estimated BDT 2.5 Bn from the recently held 'International Advanced Components and Technology (ATS) Expo-2023'. The solo industrial show bagged the orders from domestic and foreign companies, said Walton Hi-Tech Industries PLC Managing Director and CEO Golam Murshed at a post-fair press briefing on Thursday.
- The expo was hosted from 10 to 12 August at International Convention City Bashundhara. "At the ATS Expo, we received huge responses beyond our expectations," Mr Murshed told the press meet. Of the total orders, he said, 50% were from backward linkage industries. Most of the foreign orders came from neighboring India.

<https://thefinancialexpress.com.bd/stock/bangladesh/walton-bags-tk-25b-orders-at-ats-expo>

**BRACBANK | Brac Bank's half-yearly profit jumps 75%**

- With an increase in deposits, loans and revenue, Brac Bank has posted a staggering 75% year-on-year growth in net profit after tax in this year's first half, according to the bank's earnings disclosure. The top tier private sector commercial bank's consolidated net profit after tax, which includes data of all subsidiaries, grew to BDT 3.34 Bn in the January to June period this year.
- As a result, consolidated earnings per share (EPS) increased to BDT 1.93, which was BDT 1.37 in the first six months of 2022. During the first half of 2023, the bank's standalone loan portfolio and customer deposit grew by 29% and 28% respectively year-on-year while its solo net profit soared to BDT 3.03 Bn from BDT 2.54 Bn in the same period last year.

<https://www.tbsnews.net/economy/stocks/brac-banks-half-yearly-profit-jumps-75-684174>

**ISLAMIBANK | Islami Bank launches remittance campaign**

- Islami Bank Bangladesh PLC launched a campaign styled "Islami Bank-Instant Cash Remittance Fiesta". Mohammed Monirul Moula, managing director and CEO of the bank, inaugurated the fiesta at the Islami Bank Tower in Dhaka yesterday.
- "Islami Bank has been playing an important role in collecting remittances since its inception. One-third of the country's total remittances are collected through this bank," said Moula. Under the campaign, the bank's clients will get a total of 43 washing machines through a digital draw on 43 banking days for sending cash remittance through Instant Cash FZE.

<https://www.thedailystar.net/business/economy/banks/news/islami-bank-launches-remittance-campaign-3396776>

**DHAKABANK | Dhaka Bank to invest in digital bank**

- Hopping on the bandwagon with other conventional lenders that will establish digital banks, Dhaka Bank yesterday said it would invest BDT 125 Mn to become a sponsor shareholder of a proposed digital bank. The private bank disclosed to its shareholders that its board had decided to sponsor the proposed Shonchoy Digital Bank PLC and hold a 10% stake in the virtual bank, subject to regulatory approval.

<https://www.thedailystar.net/business/economy/banks/news/dhaka-bank-invest-digital-bank-3396841>

**ARAMIT, GENEXIL, NAVANAPHAR | Navana, Genex, Aramit want to invest in digital bank**

- Three companies from different sectors – listed on the capital market – want to invest in a proposed digital bank styled "UPAY Digital Bank PLC". Genex Infosys Limited, Navana Pharmaceuticals Limited, and Aramit Limited, from the IT, pharmaceuticals, and miscellaneous sectors, respectively, made the disclosures on their respective websites.
- According to the information, the total paid-up capital of the proposed digital bank will be BDT 1250 Mn. Genex has decided to invest BDT 125 Mn, Navana BDT 75 Mn, and Aramit BDT 62.5 Mn. The three companies will own 10%, 6%, and 5% of the total paid-up capital, respectively.

<https://www.tbsnews.net/economy/banking/navana-genex-aramit-want-invest-digital-bank-685158>

**SBACBANK | SBAC Bank elects new chairman**

- SBAC Bank Ltd has elected a new chairman at a meeting of its Board of Directors last week. The electee, Abu Zafar Mohammod Shofiuddin, is the chairman of SQ Group, a family-run business which manufactures power generation and distribution equipment through 23 factories and employs over 6,000 individuals, said a press release. Shofiuddin obtained a master's degree in marketing from the University of Dhaka and another in business administration from the University of the West of Scotland.

<https://www.thedailystar.net/business/economy/news/sbac-bank-elects-new-chairman-3398086>

**ISLAMIBANK, FIRSTSBANK, GIB, SIBL, UNIONBANK | BB asks 5 Shariah banks to resolve liquidity crisis**

- Bangladesh Bank has directed five Shariah-based banks to resolve their current liquidity crisis while three of them were asked to bring down their advance-deposit ratio (ADR) within the regulatory limit as soon as possible. The five are Islami Bank Bangladesh, First Security Islami Bank, Social Islami Bank, Union Bank and Global Islami Bank.

- The ADR measures loans (advances) as a percentage of deposits. A ratio of 100% or less shows that the bank is funding all its loans from deposits rather than relying on wholesale funding (from capital markets or other banks). When a bank crosses the ADR limit, it is in a risky zone, as per industry insiders. The BB's directive came in a meeting with the managing directors of the five at the central bank headquarters on Wednesday.

<https://www.thedailystar.net/business/economy/banks/news/bb-asks-5-shariah-banks-resolve-liquidity-crisis-3396886>

### **APOLLOISPAT | Appollo Ispat drowning in loans**

- Appollo Ispat Complex Limited, producer of the renowned "Rani Marka Dheu Tin" brand of corrugated iron sheets, is drowning in loans with production shut for over two years. The company informed its investors through a post on the Dhaka Stock Exchange (DSE) website yesterday that its factory has been out of production for the last two years.
- It said to be currently bearing a "huge financial burden, which is approximately BDT 9 Bn (including penal interest) and other liabilities of BDT 2 Bn". The company has not been publishing any financial reports since 2019 so the data regarding the losses it incurred is not available. A former official of the company, preferring anonymity, said the company was struggling to survive mainly due to embezzlement of funds by a former director in connivance with some officials.

<https://www.thedailystar.net/business/economy/news/appollo-ispate-drowning-loans-3396876>

### **NBL | BB bars Ron Haque from National Bank's board meetings**

- The Bangladesh Bank has restricted National Bank Director Ron Haque Sikder from participating in any of the bank's meetings, including board meetings, due to his violation of central bank regulations. On 26 July, the central bank issued an instruction in this regard in a letter to the managing director of the National Bank.
- Earlier, on 25 August 2022, Ron Haque Sikder was re-elected as a director of the bank at its 39th Annual General Meeting. Currently, he is a member of the bank's Board of Directors, Executive Committee and Risk Management Committee.

<https://www.tbsnews.net/economy/banking/bb-bars-ron-haque-national-banks-board-meetings-685178>

### **RINGSHINE | BSEC allows struggling Ring Shine's conditional takeover**

- The Bangladesh Securities and Exchange Commission (BSEC) has conditionally allowed Wise Star Textile Mills and five Singapore-based private companies to take over struggling Ring Shine Textiles. The market regulator earlier this month approved a proposal but has not yet issued a letter to this end, according to sources at the commission.

- The six companies will take over 37.98% of the shares of Ring Shine, including those held by sponsors and directors. Wise Star, a private firm run by the managing director of listed Queen South Textile, will take hold of only 2% of the shares, while the remaining 35.98% will be taken over by the Singapore-based companies at a negotiated price.

<https://www.tbsnews.net/economy/stocks/bsec-allows-struggling-ring-shines-conditional-takeover-685154>

### **EXCHANGE | Banks, asset management companies to raise investment in capital market: BSEC**

- Banks and asset management companies will raise investment in the stock market for stabilising the market after a drastic fall of share prices. Their commitment came after a meeting of the representatives of merchant banks and asset management companies with the Bangladesh Securities and Exchange Commission (BSEC) on Thursday.
- The meeting also discussed raising the confidence of investors in the capital market and bond market for the sake of the development of the stock market, reports UNB. With BSEC Commissioner Dr Sheikh Shamsuddin Ahmed in the chair, BRAC Bank CEO and Managing Director Salim RF Hussain, Shanta Asset Management Vice Chairman Arif Khan, EBL Securities Managing Director Sayedur Rahman, Standard Chartered Bank Managing Director Muhit Rahman, City Bank AMD and CFO Mahbubur Rahman and representatives of other institutions attended the event.

<https://thefinancialexpress.com.bd/stock/bangladesh/banks-asset-management-companies-to-raise-investment-in-capital-market-bsec>

### **EXCHANGE | BSEC urges bankers to help develop bond market**

- The Bangladesh Securities and Exchange Commission (BSEC) has asked banks in the country to help develop the local bond market by increasing their participation in buying and selling the debt securities. The BSEC made this request during a meeting with various bankers and institutional investors at its office in Dhaka yesterday.
- "The bond market is an important source of long-term financing and it has huge potential in Bangladesh," said Shaikh Shamsuddin Ahmed, a commissioner of the BSEC. As such, the BSEC is giving full-effort to make the bond market more sustainable and useful for entrepreneurs in the country, he added while chairing the meeting.

<https://www.thedailystar.net/business/economy/news/bsec-urges-bankers-help-develop-bond-market-3396881>

**EXCHANGE | Govt bonds boost DSE market cap-to-GDP ratio by 47%**

- The market capitalisation-to-GDP ratio of the Dhaka Stock Exchange (DSE) surged by 47% following the listing of 250 government securities, known as treasury bonds, on the secondary market on 10 October last year, according to a central bank report. The financial stability report for 2022 showed that until 6 October, the market capitalisation was following a downward trend. However, there was a significant increase on 10 October, primarily due to the listing of treasury bonds, which contributed BDT 3.14 Tn to the market valuation.
- At the end of 2022, the market's overall capitalisation was BDT 7.60 Tn. The total market capitalisation-to-GDP ratio is a vital indication of the depth of a country's capital market, said the money market regulator. According to the financial stability report, the market capitalisation-to-GDP ratio dropped to 13.02% in FY22 from 18.39% a year ago. However, the ratio spiked to 19.14% at the end of December 2022, mainly due to a substantial increase in market capitalisation buoyed by the listing of government securities, the report noted.

<https://www.tbsnews.net/economy/stocks/govt-bonds-boost-dse-market-cap-gdp-ratio-47-685166>

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