

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.41%) lost -26.10 points and closed the week at 6,339.51 points. The blue-chip index DS30 (-1.68%) lost -36.92 points and stood at 2,159.87 points. The Shariah-based index DSES (-0.67%) lost -9.22 points and stood at 1,373.96 points. The large cap index CDSET (-0.25%) lost -3.07 points and closed at 1,210.28 points. DSEX, DS30, DSES and CDSET showed YTD returns of +2.14%, -1.61%, +1.11%, -0.34%, respectively.

Total Turnover During the Week (DSE): BDT 32.6 billion (USD 299 million)

Average Daily Turnover Value (ADTV): BDT 6.5 billion (Δ% Week: -31.2%)

Market P/E: 18.5x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a negative note (-0.36%) on Sunday and remained negative on Monday (-0.07%) and Tuesday (-0.11%). However, it ended on a positive note on Wednesday (+0.02%) and remained positive on Thursday (+0.11%).

Sectoral Performance

• Most of the financial sectors registered negative performance this week. Life Insurance experienced the highest loss of -1.27% followed by Mutual Fund (-0.26%), NBFI (-0.09%), Bank (-0.04%), and General Insurance (+2.66%).

• All the non-financial sectors registered negative performance this week. Food & Allied experienced the highest loss of 0.65% followed by Pharmaceutical (-0.49%), Engineering (-0.23%), Fuel & Power (-0.10%), and Telecommunication (0.00%).

Macroeconomic arena

• Broad money up 10.48% in June. Banks asked to bring down directors from same family to 3. Highest growth in pricey edible oil taxes. Cabinet okays BDT 177.06 Bn purchase proposals. Remittances stagnate despite record manpower export in FY23. First imports paid with rupee reaches Bangladesh. Private sector credit continues to slide as BB battles against inflation. Khulna exported BDT 28.23 Bn fish in FY23, producing 64,545 tonnes more than demand. Exports to China fall despite duty benefit. BB can now initiate forced merger of banks. S&P lowers Bangladesh's rating outlook to negative on liquidity risks. Burimari land port again misses revenue target. Industrial production growth almost halves. Fisheries' GDP input shrinking. Japanese credits becoming costlier for Bangladesh. Banks' insatiable appetite drives incessant BB dollar sale. Banks raising interest rates. 'Bangladesh's financial sector's reforms going into right direction'. Banks' forex balances on the rise. BGMEA discusses investment opportunities, potential partnerships with Australian Chamber of Commerce. 'Bangladesh targets producing 8.5 Mn tonnes of fish by 2041'.

• Japan hints at signing EPA with Bangladesh after LDC graduation. bKash, DataSoft in microcredit instalment deal. How MNCs are smartly meeting their dollar demands head on. BIDA to provide 150 services to investors within this year. Public food stock surges to 18-month high. MoUs signed with Japan for bilateral trade, investment. Income generation: BDT 13.93 Bn project likely for 1,000 CHT villages. Leather value lost for lack of certification. CMT manufacturing: Central bank clarifies terms of incentives for apparel exports. Australia assures Bangladesh of 'Duty Free Quota Free' access in post LDC period. NBR-IMF meeting on loan condition progress likely on Friday. Exporters fear deeper losses amid political unrest, falling orders. Energy Division looks for additional loans to pay petroleum, gas, LNG dues. Gold price hits all-time high of BDT 100,777 per bhoiri. ADP implementation drops to 84% in FY23. High-powered money up 175% in FY'23. Huge printed new money dampens ALS demand. Auto sales plunge 44% in H1. BD-Japan joint study on EPA nears completion.

Stock Market arena

• HEIDELBCEM | Heidelberg Cement posts profit in second quarter. ROBI | Robi Axiata profit jumps 140% in H1 of 2023. GIB | Global Islami Bank profit drops 57% in April-June. CITYBANK | City Bank's profit surges 9% in first half of 2023. MARICO | Marico Bangladesh profit surges 29% in Apr-Jun. ABBANK | AB Bank's profit surges over 34%. NRBCBANK | NRB Commercial Bank's losses widened in Q2. UCB | UCB's profit falls 43.50% in April-June. NBL | National Bank incurs BDT 6.27 Bn loss in six months. ASIANS | Asia Insurance reelects chairman. NRBCBANK | NRBC Bank's June deposits up 19% year-on-year. BATBC | Higher tax puts British American Tobacco in net operating cash crisis. AGRANINS | Agrani Insurance posts over 20% higher profit. MASTERAGRO | Curious case of Master Feed Agro stake succession. IBNSINA | Ibn Sina to invest BDT 100 Mn in subsidiary firm. LHBL | LafargeHolcim profit grows 39%. SINGERBD | Eid sales boost Singer profit by 237% in April-June.

July 27, 2023 (Week: July 23, 2023 – July 27, 2023)

Dhaka Stock Exchange

DSEX ended in Red (-0.41%) in the week

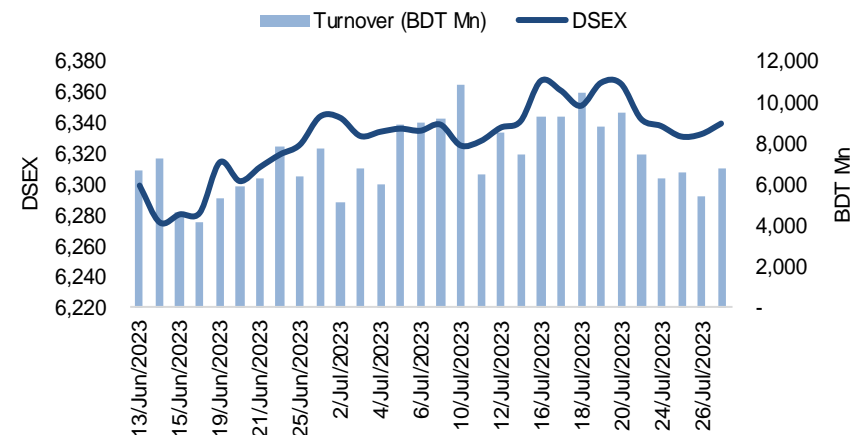
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	29-Dec-2022	Δ% Week	Δ% YTD
DSEX	6,339.51	6,365.61	-26.10	6,206.81	-0.41%	+2.14%
DS30	2,159.87	2,196.79	-36.92	2,195.30	-1.68%	-1.61%
DSES	1,373.96	1,383.18	-9.22	1,358.84	-0.67%	+1.11%
CDSET	1,210.28	1,213.35	-3.07	1,214.42	-0.25%	-0.34%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	7,638,988	7,637,979	+0.0%
	Mn USD	70,082	70,073	
Turnover	Mn BDT	32,567	47,354	-31.2%
	Mn USD	299	434	
Average Daily Turnover	Mn BDT	6,513	9,471	-31.2%
	Mn USD	60	87	
Volume	Mn Shares	717	1,191	-39.8%

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
CRYSTALINS	65.8	53.6	+22.8%	2,632	804.9	20.2x	2.6x
ASAIANS	57.9	48.9	+18.4%	2,725	510.6	27.6x	2.1x
EIL	33.9	30.0	+13.0%	2,210	229.1	31.4x	1.9x
MEGHNAINS	56.6	50.1	+13.0%	2,264	477.5	36.8x	3.7x
RUPALIBANK	36.1	33.2	+8.7%	16,776	316.6	46.0x	1.0x
ASIAPACINS	60.5	55.7	+8.6%	2,562	161.3	25.3x	2.6x
LEGACYFOOT	136.3	125.9	+8.3%	1,783	744.8	NM	15.3x
REPUBLIC	40.2	37.3	+7.8%	2,094	85.2	20.1x	2.3x
DGIC	35.3	33.1	+6.6%	1,412	89.7	39.2x	3.0x
AIL	88.5	83.3	+6.2%	3,916	728.8	55.3x	3.9x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
RUPALILIFE	125.8	156.2	-19.5%	3,776	838.7	NM	NM
MIDLANDBNK	14.2	16.2	-12.3%	9,083	386.6	14.7x	1.1x
AZIZPIPES	115.6	129.5	-10.7%	618	164.8	NM	NM
NAVANAPHAR	98.6	109.0	-9.5%	10,591	246.0	22.4x	2.4x
MEGHNAPET	33.3	36.6	-9.0%	400	12.0	NM	NM
RDFOOD	51.9	57.0	-8.9%	3,943	802.1	42.2x	3.2x
SONARGAON	34.0	37.3	-8.8%	900	100.5	NM	3.0x
YPL	28.7	31.4	-8.6%	2,115	506.5	NM	5.4x
SIMTEX	24.4	26.6	-8.3%	1,942	186.5	26.8x	1.1x
FARCHEM	11.2	12.1	-7.4%	2,443	94.0	NM	1.0x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
FUWANGFOOD	38.1	36.8	+3.5%	4,223	1,628.2	NM	9.6x
SEAPPEARL	218.9	231.5	-5.4%	26,432	1,273.9	31.7x	12.7x
KBPPWBIL	34.8	36.1	-3.6%	3,413	936.1	NM	2.9x
GEMINISEA	802.6	779.6	+3.0%	4,900	871.1	38.3x	31.6x
RUPALILIFE	125.8	156.2	-19.5%	3,776	838.7	NM	NM
CRYSTALINS	65.8	53.6	+22.8%	2,632	804.9	20.2x	2.6x
RDFOOD	51.9	57.0	-8.9%	3,943	802.1	42.2x	3.2x
LEGACYFOOT	136.3	125.9	+8.3%	1,783	744.8	NM	15.3x
AIL	88.5	83.3	+6.2%	3,916	728.8	55.3x	3.9x
DELTALIFE	159.0	161.2	-1.4%	19,676	724.9	NM	NM

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELBCEM	289.0	+61.4%	16,330	36.3x	4.3x
ADNTEL	141.1	+23.7%	9,122	36.6x	5.1x
OLYMPIC	143.0	+15.3%	28,591	17.4x	2.9x
UNIQUEHRL	66.1	+14.6%	19,460	11.6x	0.7x
UNILEVERCL	2,035.8	+14.3%	39,239	44.6x	13.0x
PIONEERINS	75.7	+11.2%	6,731	12.7x	1.5x
JAMUNAOIL	179.1	+7.1%	19,777	6.6x	0.9x
LHBL	68.9	+6.3%	80,019	13.6x	4.0x
BATASHOE	1,002.2	+5.2%	13,710	28.7x	3.8x
EBL	29.4	+4.0%	35,493	6.9x	0.9x

*BDT

**BDT Mn

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,457.4	1,457.9	1,427.09	-0.04%	+2.12%
NBFI	1,922.3	1,923.9	1,927.24	-0.09%	-0.26%
Mutual Fund	832.4	834.5	852.07	-0.26%	-2.31%
General Insurance	3,687.7	3,592.2	3,177.87	+2.66%	+16.04%
Life Insurance	2,850.5	2,887.0	2,492.91	-1.27%	+14.34%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,698.1	3,716.3	3,754.47	-0.49%	-1.50%
Fuel & Power	1,699.7	1,701.5	1,694.29	-0.10%	+0.32%
Cement	2,582.7	2,605.7	2,319.67	-0.88%	+11.34%
Services & Real Estate	1,955.4	2,023.7	1,782.23	-3.37%	+9.72%
Engineering	4,518.2	4,528.7	4,503.40	-0.23%	+0.33%
Food & Allied	21,556.2	21,696.9	21,247.80	-0.65%	+1.45%
IT	3,175.9	3,277.5	3,004.33	-3.10%	+5.71%
Textile	1,644.4	1,651.9	1,621.87	-0.46%	+1.39%
Paper & Printing	10,611.3	10,713.3	10,388.08	-0.95%	+2.15%
Tannery	3,262.1	3,267.0	3,093.43	-0.15%	+5.45%
Jute	16,672.2	16,679.9	14,850.17	-0.05%	+12.27%
Ceramics	685.8	689.5	704.74	-0.54%	-2.69%
Miscellaneous	4,157.3	4,172.3	4,071.46	-0.36%	+2.11%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	160.4	292.8	-45.23%	+2.57%	12.5x	0.7x
NBFI	17.5	69.7	-74.94%	+0.28%	NM	4.5x
Mutual Fund	11.4	23.2	-50.83%	+0.18%	NM	0.7x
General Insurance	1,326.4	921.0	+44.02%	+21.30%	19.8x	1.7x
Life Insurance	546.6	601.8	-9.17%	+8.78%	NM	NM
Telecommunication	1.5	7.6	-79.66%	+0.02%	15.5x	4.5x
Pharmaceutical	377.6	756.6	-50.09%	+6.06%	19.2x	2.3x
Fuel & Power	210.4	677.8	-68.96%	+3.38%	23.5x	1.1x
Cement	207.0	276.8	-25.21%	+3.32%	27.3x	2.7x
Services & Real Estate	338.6	409.9	-17.40%	+5.44%	26.3x	1.0x
Engineering	498.6	879.5	-43.30%	+8.01%	69.4x	1.8x
Food & Allied	939.2	1,570.0	-40.18%	+15.08%	20.1x	7.4x
IT	316.0	451.8	-30.06%	+5.07%	29.0x	3.0x
Textile	482.0	646.8	-25.48%	+7.74%	80.3x	1.2x
Paper & Printing	112.4	203.2	-44.68%	+1.81%	39.4x	2.1x
Tannery	171.4	158.3	+8.31%	+2.75%	49.6x	3.4x
Jute	58.0	78.6	-26.23%	+0.93%	NM	-1415.8x
Ceramics	58.6	116.4	-49.67%	+0.94%	52.6x	1.9x
Miscellaneous	394.3	595.6	-33.79%	+6.33%	16.0x	1.8x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
EGEN	45.2	-13.2%	3,390	31.0x	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	9.0x	0.9x
IDLC	46.5	-	19,330	10.7x	1.0x
IPDC	57.6	-	21,375	30.8x	3.1x
LANKABAFIN	26.0	-	14,010	27.4x	1.4x
ACI	260.2	-	19,829	NM	2.0x
LINDEBD	1,397.7	-	21,271	29.4x	3.5x
UPGDCL	233.7	-	135,475	16.7x	4.4x

Important News: Business & Economy

Broad money up 10.48% in June

- The broad money (M2) in Bangladesh has recorded a 10.48% growth (y-o-y) at the end of June 2023 over the same period a year back amid the persisting high inflationary pressure on the economy. This type of money, defined as the sum of currency outside banks and demand deposits plus time deposits accepted by other deposit corporations, was 9.46% at the end of May last, according to the Bangladesh Bank (BB) data.
- The BB officials opined that this rise is due to an increase in the net domestic asset (NDA) following sale of dollars to banks. But the net foreign asset (NFA) of Bangladesh has dropped, as it has sold dollars to the market. They added that reserve money, which is also called high-powered money, has been expanding - leading to surge in broad money.

<https://thefinancialexpress.com.bd/economy/bangladesh/broad-money-up-1048pc-in-june>

Women entrepreneurs won't get incentives for classified CMSME loans

- The Bangladesh Bank on Wednesday announced that Cottage, Micro, Small and Medium Enterprises (CMSME) loans taken by women entrepreneurs from banks or financial institutions, if classified, would no longer be eligible for incentive benefits. In a circular issued on Wednesday, the central bank outlined the criteria for determining the amount of incentive, stating that it will be calculated based on the total amount of all regular loans or investments and the period of utilisation.
- Additionally, if continuous or revolving loans or investments are renewed within the designated term, they will still be eligible for incentive benefits. The Bangladesh Bank has previously launched the "Small Enterprise Refinance Scheme for Women Entrepreneurs" with a fund of BDT 30 Bn. This scheme aims to support women entrepreneurs by providing loans at a maximum interest/profit rate of 5%.

<https://www.tbsnews.net/economy/women-entrepreneurs-wont-get-incentives-classified-cmsme-loans-672042>

Draft deal gets go-ahead for oil, gas exploration

- The cabinet has approved the draft agreement for deep and shallow sea oil and gas exploration to meet the country's growing energy needs. The approval was given at a meeting of the Cabinet Committee on Economic Affairs today. Cabinet Division Additional Secretary Sayeed Mahbub Khan briefed reporters after the meeting.

- The Department of Energy and Mineral Resources has prepared the draft of "Bangladesh Offshore Model Production Sharing Contract (PSC)" for deep and shallow sea oil and gas exploration to meet the growing energy demand for the country's continued economic growth, he said.

<https://www.thedailystar.net/business/news/draft-deal-gets-go-ahead-oil-gas-exploration-3379071>

Banks asked to bring down directors from same family to 3

- The central bank today instructed banks to bring down the number of directors from the same family to three in line with the Bank Company (Amendment) Act 2023 within the shortest possible time. A maximum of four members from a family were allowed to seat on the board of a bank at the same time as per an amendment of the Bank Company Act 1991.
- The modification was made in 2018. But the new Act, which was passed in parliament on June 21, specified that the number of directors from a single family can't be more than three. The concerned directors should reach a mutual understanding if one of them has to be resigned from the board in order to comply with the law, said the central bank in a notice yesterday.

<https://www.thedailystar.net/business/economy/banks/news/banks-asked-bring-down-directors-same-family-3-3379036>

Highest growth in pricey edible oil taxes

- Consumers of pricey edible oils contributed the highest growth of 241.30% in the government's VAT collection last fiscal as banks managed some increase while insurers were negative among large corporate taxpayers. Officials, however, say the financial year (FY) 2022-23 upswing in value-added tax (VAT) collection from edible oil sales was because of paltry receipts in the corresponding previous period for offering exemption to keep prices affordable on the overheated local market.
- Collection of the consumption tax from the banking sector registered a low 5.07% growth in the past financial year, while the bankers strived for advances by way of devising few newer savings schemes. Insurance sector's tax growth looked stymied in a negative territory, according to official data. Depositors to large commercial banks contributed 5.07% of consumption taxes to the public exchequer last year-a period in the cusp of economic rebound worldwide from pandemic-and war-induced crises.

<https://thefinancialexpress.com.bd/economy/bangladesh/highest-growth-in-pricey-edible-oil-taxes>

Cabinet okays BDT 177.06 Bn purchase proposals

- Thirteen proposals involving BDT 177.06 Bn were approved yesterday by the cabinet committee on public purchase. Of the money, BDT 129.37 Bn will come from the government's own fund and the rest BDT 47.69 Bn from domestic banks and foreign financing. Under a proposal, the government will purchase 8,000 tonnes of lentil at BDT 755.9 Mn for the Trading Corporation of Bangladesh (TCB) from Nabil Naba Foods Ltd.
- Another proposal was okayed to buy 8 Mn litres of soybean oil at BDT 1.31 Bn for the TCB from Meghna Edible Oils Refinery Ltd. The committee also gave go-ahead to the purchase of 1.68 Mn tonnes of refined furnace oil with premium and reference price at BDT 128.51 Bn for the period July to December 2023 for Bangladesh Petroleum Corporation.

<https://www.thedailystar.net/business/economy/news/cabinet-okays-tk-17706cr-purchase-proposals-3379511>

Remittances stagnate despite record manpower export in FY23

- Bangladesh has achieved a remarkable milestone in its manpower export during the immediate past fiscal 2022-23, sending a record 1.14 Mn workers abroad. The number surpasses the target by more than 40% and represents a substantial 15% increase compared to the previous year, according to data from the Bureau of Manpower, Employment, and Training.
- Despite this impressive performance in exporting manpower, the inflow of remittances has not seen a corresponding increase. Remittances only grew by a modest 2.75%, reaching a total of USD 21.61 Bn. The amount is nearly 13% lower than remittances received two years ago despite the government's incentive of 2.5%.

<https://www.tbsnews.net/economy/remittances-stagnate-despite-record-manpower-export-fy23-671646>

First imports paid with rupee reaches Bangladesh

- Bangladesh's trade in Indian rupee formally began today with the arrival of 30 pickup vans at Benapole port, which were purchased with the Indian currency. Bangladeshi importer Nita Company brought in the vehicles from India's Tata Motors Ltd, Abdul Jalil, director of Benapole port, told The Daily Star.
- The vans currently kept at the land port's transshipment yard costed Nita Company 12.4 Mn INR, he said. The vehicles were purchased as part of a recent initiative where the two neighbouring nations agreed to start bilateral trade in Indian rupee to lower the use US dollar.

<https://www.thedailystar.net/business/news/first-imports-paid-rupee-reaches-bangladesh-3378451>

Private sector credit continues to slide as BB battles against inflation

- Formal credit to the private sector is witnessing a continued decline amid the central bank's efforts to contain inflation through money-supply contraction and import tightening due to forex dearth, according to officials and financial-market analysts. Private-sector-credit growth dropped to 10.57% in June compared to the corresponding month last year, according to the latest statistics from the Bangladesh Bank (BB).
- The credit flow had been on an upturn since early in the last fiscal year (FY'23), reaching 13.95% in July and 14.07% in August. However, it started declining subsequently, recording figures of 13.91%, 13.91%, 13.97%, 12.89%, and 12.62% in September, October, November, December, and January, respectively.

<https://thefinancialexpress.com.bd/economy/bangladesh/private-sector-credit-continues-to-slide-as-bb-battles-against-inflation>

Online scammers lay out 'easy money' trap

- The scammers offer high-paying jobs or easy money that require the victims to pay upfront. After taking enough, they vanish. Such scams are on the rise in Bangladesh with schemes using apps and chatbots to defraud thousands through fake job postings and Ponzi schemes in the guise of financial market trading and affiliated marketing or anything people may find lucrative.
- For example, you may see a sponsored ad claiming you can work for Amazon 2-4 hours a day online and earn BDT16,000 daily. No need for any education or work experience – only a smartphone and a few hours on it every day are enough to have such a handsome income and a rich life, promises that sound too good to be true but hard to resist.

<https://www.tbsnews.net/economy/online-scammers-lay-out-easy-money-trap-672154>

Khulna exported BDT 28.23 Bn fish in FY23, producing 64,545 tonnes more than demand

- Some 28,316 metric tonnes of fish worth BDT 28.23 Bn has been exported from Khulna in the 2022-2023 fiscal year. During this period, fish production of the district stood at 21,750 metric tonnes which was 64,545 tonnes more than the district's demand. In the same year, 25,375 metric tonnes of shrimp were produced in the district. Besides, 2,268 metric tonnes of hilsa were extracted from different rivers of the district.

<https://www.tbsnews.net/economy/khulna-exported-tk2823cr-fish-fy23-producing-64545-tonnes-more-demand-671418>

Exports to China fall despite duty benefit

- Bangladesh's export to China fell to its three-year low of USD 677 Mn in the last fiscal year as entrepreneurs could not take advantage of the duty benefits extended by Beijing. If the earnings generated in 2019-20 when the Covid-19 pandemic wreaked havoc around the world are excluded, the receipts in 2022-23 would be the lowest in a decade, data from the Export Promotion Bureau (EPB) showed.
- A limited number of products in the export basket and a lack of intermediate goods and technology products are standing in the way of increasing exports to the world's second-largest economy, which offers duty-free entry to 98% of the items listed in its tariff schedule. Bangladesh's shipment in FY23 was down 1% from USD 683 Mn a year ago and was the lowest since FY20 when the pandemic hit Bangladesh and exports fetched USD 600 Mn in the year.

<https://www.thedailystar.net/business/economy/news/exports-china-fall-despite-duty-benefit-3379611>

Rising headgear, cap export gives diversification a leg-up

- Bangladesh bagged USD 447.43 Mn by exporting headgear products such as hats and caps in the last financial year, a positive development for a country that relies heavily on a handful of products to earn foreign currencies. Data from the Export Promotion Bureau (EPB) showed that the receipts were up 22.71% in 2022-23 from a year earlier as Bangladesh has emerged as one of the key suppliers of headgear items in the growing segment of the global market.
- Headwear items include headbands, hats, beanies, and caps, and in Bangladesh, their manufacturing began nearly two decades ago and is completely export-oriented. The shipment, however, accelerated in recent years rising from just USD 55 Mn in 2013-14 to nearly USD 450 Mn in 2022-23.

<https://www.thedailystar.net/business/economy/news/rising-headgear-cap-export-gives-diversification-leg-3378711>

Central bank issues clean-note policy

- Bangladesh Bank on Monday issued a clean-note policy, first of its kind in the country, to provide citizens with high-quality clean notes while removing worn-out ones from the circulation. It has installed three high-speed automatic note-sorting machines - two in the headquarters in Dhaka and one in its Bogura office - as the traditional destruction system is a time-consuming process, according to a circular issued on Monday.

- The BB will install more machines of this kind so that all branches can sort out the old and unusable notes. The machines can process around 50,000 notes per hour, and the old or torn notes are shredded and compacted. The circular mentioned that the central bank should circulate clean notes in the market as per the Bangladesh Bank order of 1972.

<https://thefinancialexpress.com.bd/economy/bangladesh/central-bank-issues-clean-note-policy>

BB can now initiate forced merger of banks

- From now on, the Bangladesh Bank will be able to initiate forced mergers of any bank if the board of directors and management are found to be involved in activities that go against the depositors' interest. The banking regulator has been vested with the power in the newly amended Bank Company Act 2023, according to a gazette notification published by the central bank on Monday (24 July).
- In the amended act, the central bank has also been endowed with the authority to reconstruct the board of state-owned banks and inspect bank transactions of public organisations. Besides, any subsidiaries and other organisations formed with bank money have been brought under the direct control and monitoring power of Bangladesh Bank, according to the published gazette.

<https://www.tbsnews.net/economy/banking/bb-can-now-initiate-forced-merger-banks-670946>

S&P lowers Bangladesh's rating outlook to negative on liquidity risks

- S&P Global Ratings on Tuesday lowered Bangladesh's long-term rating outlook to negative from stable, citing risks the country's external liquidity position could deteriorate in the next year while foreign exchange reserves remain under pressure. The ratings agency expects the economy to expand between 6% to 6.4% annually between 2024 and 2026. Bangladesh's gross domestic product (GDP) growth fell to 6.03% in the financial year ended June 2023.
- The South Asian nation is struggling to pay for imported fuel because of a dollar shortage and its dollar reserves have shrunk by more than a third since Russia's invasion of Ukraine to stand at USD 29.85 Bn as of July 19. S&P reaffirmed its BB- long-term and B short-term sovereign credit ratings on Bangladesh but said they could be lowered if external debt or liquidity metrics worsened further.

<https://www.thedailystar.net/business/news/sp-lowers-bangladeshs-rating-outlook-negative-liquidity-risks-3378056>

Burimari land port again misses revenue target

- The revenue collection target set for the Burimari land port by the National Board of Revenue has remained unmet for the last couple of years. Businesses and customs authorities blame the dollar crisis, a ban on the import of some goods on which high taxes are imposed and poor infrastructure in and adjoining the port.
- Around BDT 946 Mn was collected in fiscal year 2022-23, which is 28.23% lower than the target. In fiscal year of 2021-22, BDT 919.2 Mn was collected against a target of BDT 1.38 Bn, in fiscal year 2020-21 BDT 1.11 Bn against BDT 1.14 Bn and in fiscal year 2019-20 BDT 567.2 Mn against BDT 10.48 Mn, according to the port authority.

<https://www.thedailystar.net/business/news/burimari-land-port-again-misses-revenue-target-3378296>

VAT from big cos up on rising prices amid slowdown

- Despite a less-than-expected overall economic growth during the last financial year, 2022-23, the country witnessed a notable upswing in Value Added Tax (VAT) collection from big companies. Stakeholders say the surge in commodity prices, particularly of import-dependent goods, bolstered the government's VAT revenues.
- Additionally, strategic measures such as elevating supplementary duty and VAT rates, as well as intensifying VAT officer supervision to curb evasion, expedite case settlements and collection of dues contributed to this relatively positive outcome, they said. According to the National Board of Revenue (NBR), VAT collection in the large taxpayer units (LTU) office from the major companies amounted to BDT 585.66 Bn in FY23, marking a 12% growth compared to the previous fiscal year. In FY22, VAT collection from big companies saw a 6% growth compared to FY21.

<https://www.tbsnews.net/economy/vat-big-cos-rising-prices-amid-slowdown-671582>

Industrial production growth almost halves

- Production growth in Bangladesh slowed significantly in the July-March period of 2022-23 due to the global economic slowdown and gas and electricity shortages at home, according to the Bangladesh Bureau of Statistics (BBS). The average production of large and medium manufacturing units grew 9.02% in the first nine months of the previous fiscal year, down from 16.5% in FY22, shows BBS data compiled by the Bangladesh Bank.

<https://www.thedailystar.net/business/economy/news/industrial-production-growth-almost-halves-3378686>

Fisheries' GDP input shrinking

- The contribution of the fisheries sector to the country's economy has gradually been shrinking for the last half a decade, which experts attributed to a notable plunge in sales in the years amid rocketing inflation. Low production growth, tectonic rise in input costs, and shrinking export-based trade also contributed to the recent plunge, they added.
- The Ministry of Finance Economic Review 2023 showed that the fisheries sector's contribution to the country's gross domestic product (GDP) was reduced to 2.41% in fiscal year (FY) 2023 from 2.70% in FY'19. Meanwhile, local sale of fishes also declined notably in the last one year amid a 40-50% surge in prices, according to the Trading Corporation of Bangladesh (TCB) and the Bangladesh Fish Development Corporation (BFDC).

<https://thefinancialexpress.com.bd/economy/bangladesh/fisheries-gdp-input-shrinking>

Japanese credits becoming costlier for Bangladesh

- Japanese loan is no more a much concessional one as before because its interest rate is being raised every six months, as Tokyo struggles to tame inflation, officials in Dhaka said Monday. Interest-rate rise not alone, other terms and conditions binding credits from the advanced Asian country have also become harder than the previous ones, they said. The loan maturity has been reduced by 10 years, and some other fees have been added up to the interest rates on the Japanese credits.
- Until 2016, Japan had provided the most concessional loan to Bangladesh as it charged only 0.01% for its official development assistance (ODA), an FE analysis has found. Interest has swelled 160 times in last seven years and hit 1.6% from only 0.01% seven years back in 2016, according to the findings. In 2016, the lending rate for the loan from Japan International Cooperation Agency (JICA) was a mere 0.01%.

<https://thefinancialexpress.com.bd/economy/bangladesh/japanese-credits-becoming-costlier-for-bangladesh>

Banks' insatiable appetite drives incessant BB dollar sale

- Commercial banks' insatiable demand for dollar despite gradual increase in their portfolios drives the central bank to unrelentingly sell the greenback to them from limited reserves, officials say. The nation's falling foreign-exchange reserves bear further pressure for such continuous feeding of the US currency by the Bangladesh Bank to the banks-in what remains a riddle to some bankers and economists.

- Shortly after the Russia-Ukraine war broke out, Bangladesh came under immense pressure so far as its forex reserves are concerned from early last fiscal year (FY'23) because of quick fall of forex holding with the commercial banks in the wake of significant rise in import costs globally and less-than-expected levels of earnings from remittance and export receivables. Since then, the central bank, as part of its market intervention, intensified the sale of the greenback from its reserves to the banks to help them meet their foreign-currency obligations amid forex dearth.

<https://thefinancialexpress.com.bd/economy/bangladesh/banks-insatiable-appetite-drives-incessant-bb-dollar-sale>

Banks raising interest rates

- Banks in Bangladesh are raising the interest rate on deposits gradually in order to lure depositors and improve their liquidity situation amid a lack of appetite among savers because of the stubbornly high inflation. Interest rates offered by banks vary. However, the weighted average rate on deposits offered by banks increased to 4.41%, the highest in one year, in May.
- A month ago, the weighted average interest rate on deposits was 4.38%, according to the Bangladesh Bank data. "Public sector borrowing and demand of loans from the private sector have increased and banks have to take deposits at a higher cost as there is a liquidity stress," said Mohammad Ali, managing director of Pubali Bank Ltd.

<https://www.thedailystar.net/business/economy/news/banks-raising-interest-rates-3378691>

'Bangladesh's financial sector's reforms going into right direction'

- Bangladesh has taken various financial reform initiatives, which are going into the right direction, International Finance Corporation (IFC) Country Manager for Bangladesh, Nepal and Bhutan Martin Holtmann said today. The initiatives are fundamental and they are very important to reform Bangladesh's financial sector, Holtmann said.
- He spoke on the "Role of IFC as a development partner in Bangladesh" at the regular luncheon meeting of the American Chamber of Commerce (AmCham) in Bangladesh at Sheraton Hotel in Dhaka attended by businessmen from both Bangladesh and the USA. He lauded the rise of Bangladesh's private sector and its participation in infrastructure development.

<https://www.thedailystar.net/business/news/bangladeshs-financial-sectors-reforms-going-right-direction-3377531>

Local handset making plunges

- The grim scenario of the mobile manufacturing industry in Bangladesh continues to persist as local production plunged by half in the first six months of 2023, primarily due to the expanding grey market. Local manufacturers produced 9.6 Mn handsets from January to June this year, down 48% from 18.5 Mn units in the same period a year earlier, according to the latest data of Bangladesh Telecommunication Regulatory Commission (BTRC).
- According to the Mobile Phone Industry Owners' Association of Bangladesh, smartphone sales plunged by 42% to 3.3 Mn in the first half of the current year compared to the same period of 2022. Meanwhile, feature phone sales plummeted by 40% year-on-year to 4.6 Mn.

<https://www.thedailystar.net/business/economy/news/local-handset-making-plunges-3378706>

Banks' forex balances on the rise

- Gross foreign exchange balances held by commercial banks in Bangladesh rose to a 19-month high of USD 5.53 Bn in June, owing to lower imports and higher export and remittance earnings, central bank data showed. The previous high of USD 5.58 Bn was registered in November last year.
- June's holdings were up 6.23% from the USD 5.21 Bn held at the end of 2021-22 and an increase of 8% from May this year when it stood at USD 5.12 Bn. Despite the turmoil in the global economy, earnings from merchandise shipment rose 6.67% to USD 55.55 Bn in FY23, while remittance inflow grew 2.75% to USD 21.61 Bn.

<https://www.thedailystar.net/business/economy/news/banks-forex-balances-the-rise-3377806>

BGMEA discusses investment opportunities, potential partnerships with Australian Chamber of Commerce

- Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has discussed investment opportunities, potential partnerships, joint ventures, and policy supports offered by the governments to facilitate trade and investment with the Australian Chamber of Commerce and Industry (ACCI). A meeting was held between the BGMEA and the ACCI in Canberra on 22 July. President Faruque Hassan headed the BGMEA side while ACCI was represented by its Chief Executive Officer Andrew McKellar along with Head of Business Development and International Affairs Chris Barnes.

<https://www.tbsnews.net/economy/rmg/bgmea-discusses-investment-opportunities-potential-partnerships-australian-chamber>

'Bangladesh targets producing 8.5 Mn tonnes of fish by 2041'

- Bangladesh targets producing 8.5 Mn tonnes of fish by 2041, said Fisheries and Livestock Minister SM Rezaul Karim today. The target is 1.8 times higher than 2021-22 fiscal year's production of 4.759 Mn tonnes, he said. The minister shared the information at a press conference organised as part of observing National Fisheries Week 2023 at the conference room of the Department of Fisheries in the capital. The government has taken various steps to ensure that the locally produced fishes are safe for human health, the minister said.

<https://www.thedailystar.net/business/news/bangladesh-targets-producing-85-lakh-tonnes-fish-2041-3377501>

Japan hints at signing EPA with Bangladesh after LDC graduation

- Japan is currently studying the preferential treatment that can be accorded to Bangladesh after it graduates to a middle income country, said Nishimura Yasutoshi, Japanese minister for economy, trade and industry. "An Economic Partnership Agreement (EPA) in this regard would help," he said at a meeting with the State Minister for Foreign Affairs Md Shahriar Alam at the State Guest House Jamuna in Dhaka on Monday (24 July).

- He expressed his satisfaction on Bangladesh's mega projects carried out in association with Japan, said a foreign ministry press statement. He praised Bangladesh's youth and energetic population as well as its strategic location between the South and the South East Asia. Referring to the ongoing mega projects of Bangladesh-Japan collaboration, he stressed on the need of such joint ventures to materialise Bangladesh's vision of becoming a smart and developed country.

<https://www.tbsnews.net/economy/japan-hints-signing-epa-bangladesh-after-ldc-graduation-670786>

Foreign direct investment on dive

- Foreign direct investment in Bangladesh seems on a dive as the net FDI inflow marked about 30% annualized fall in the first quarter of this year, under lingering shadows of global economic upset. Latest statistics available with the central bank show the ebb tide in flow of foreign capital into the country, acting as one of major factors for its deficit in financial account.
- Among the other reasons the country sees prolonged balance-of-payments (BoP) shortfall are below-par remittance and export receipts, according to finance officials and economists. The unhappy development in the area of inbound overseas investment comes at a time when the 450-Bn-plus economy is passing tough times amid forex dearth in the wake of the country's falling foreign-currency reserves.

- In the January-March period of 2023, the FDI-starved Bangladesh received net inflow of overseas investment equivalent to USD 626.47 Mn, down 29.49% from USD 888.48 Mn recorded in the same period of time a year before. Compared with the immediate-past quarter, the figure also went down 10.99% from USD 703.83 Mn recorded in the last quarter (October-December period of 2022) of the previous calendar year, according to the Bangladesh Bank (BB) data.

<https://thefinancialexpress.com.bd/economy/bangladesh/foreign-direct-investment-on-dive>

bKash, DataSoft in microcredit instalment deal

- Mobile financial service provider bKash has signed an agreement with DataSoft Systems Bangladesh Ltd to facilitate instalment payments by customers who avail microcredit. Customers of over 200 microfinance institutions that use DataSoft technology and software solutions will get the opportunity to pay instalments of microcredit timely through bKash.

<https://www.thedailystar.net/business/economy/news/bkash-datasoft-microcredit-instalment-deal-3377696>

NBR pulls plug on Saif Logistics off-dock project

- The National Board of Revenue (NBR) has revoked the licences of Saif Logistics Alliance Limited (SLAL) to construct and operate a new multi-modal container terminal at the Chattogram seaport following allegations of irregularities. The move came just three days after giving primary approval for the company to handle containers in the country's largest seaport.
- Official sources said the off-dock permission had been given by relaxing the inland container depot (ICD) policy of NBR on the condition of transporting goods through only the rail route. However, the customs authority now finds the company's preparation inadequate for these services. It is a joint initiative to build the ICD by Bangladesh Railway Container Company Bangladesh Limited (CCBL) and private firm Saif Logistics Alliance.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-pulls-plug-on-saif-logistics-off-dock-project>

How MNCs are smartly meeting their dollar demands head on

- A number of multinational companies (MNCs) operating in Bangladesh, particularly those involved in manufacturing and reliant on imported materials, are desperately seeking alternative options to secure dollars. Industry insiders said these companies are exploring various avenues to obtain the necessary greenback, including seeking assistance from parent companies, engaging in export activities themselves, and collaborating with exporters to meet their urgent needs.

- For example, Unilever Bangladesh, the largest MNC in the country, is looking at different options to meet its demand for the foreign currency. "We are exploring export opportunities. Also, we are talking to the exporters who retain foreign currency from their proceeds," said Mohammad Zaved Akhtar, chief executive officer and managing director of Unilever Bangladesh, which controls over 50% of the USD 4 Bn local market of the fast-moving consumer goods (FMCG).

<https://www.tbsnews.net/economy/how-mnacs-are-smartly-meeting-their-dollar-demands-head-670906>

BIDA to provide 150 services to investors within this year

- The country's apex investment-promotion agency, Bangladesh Investment Development Authority (BIDA), is going to provide 150 services to the investors through its virtual One Stop Service (OSS) within this year as it signed MoUs with five more organisations on Sunday. These organisations will provide nine types of services online for the investors through the virtual OSS of the BIDA.

<https://thefinancialexpress.com.bd/economy/bangladesh/bida-to-provide-150-services-to-investors-within-this-year>

Cement makers call for cutting assessment value at import stage

- The Bangladesh Cement Manufacturers Association (BCMA) has urged the Chattogram Custom House to cut the assessment value of three raw materials as their prices have fallen in international markets. Cement producers say the production cost has increased as the assessment value of cement clinker, granulated slag and gypsum is higher than their prices in the international market.
- They demanded that the assessment value of cement clinker be reduced from USD 60 to USD 50 per tonne, granulated slag from USD 30 to USD 26 and gypsum from USD 35 to USD 30, the BCMA said in a letter to the Chattogram Custom House recently. The country's cement industry entirely depends on imports for raw materials as producers buy clinker, granulated slag, limestone flux, gypsum and fly ash from Thailand, Vietnam and China with a view to making finished products.

<https://www.thedailystar.net/business/economy/news/cement-makers-call-cutting-assessment-value-import-stage-3377796>

Public food stock surges to 18-month high

- Public food stocks in Bangladesh rocketed to an 18-month high in July thanks to higher procurement, imports of grains and reduced distribution, official figures showed. The stock as good since it would allow the government to tackle any untoward situation and intervene in the market to foil any attempts aimed at manipulation by middlemen.

- On July 23, the stock of rice and wheat at public storage facilities stood at 1.953 Mn tonnes, the highest since January 2022, according to data from the food ministry. In January last year, Bangladesh's public food stock was 1.985 Mn tonnes, the highest on record.

<https://www.thedailystar.net/business/economy/news/public-food-stock-surges-18-month-high-3377811>

MoUs signed with Japan for bilateral trade, investment

- The governments of Bangladesh and Japan signed three memorandums of understanding (MoUs) today to enhance bilateral trade and investment between the two countries. Bangladesh Special Economic Zone Ltd (BSEZ Ltd) signed the first MoU with Bangladesh IRIS Co Ltd—a Bangladesh-Japan joint venture company promoting education for children—to purchase land and get the right to use the land inside BSEZ of phase 2.
- A separate economic zone for Japanese entrepreneurs was inaugurated at Araihaaz in Narayanganj in December last year. The BSEZ Ltd signed the second MoU with Brac Kumon Ltd to provide the schoolgoing children near the BSEZ areas with the education opportunity.

<https://www.thedailystar.net/business/news/mous-signed-japan-bilateral-trade-investment-3376446>

Income generation: BDT 13.93 Bn project likely for 1,000 CHT villages

- A BDT 13.93 Bn project is well underway to generate income and employment opportunities in some 1,000 villages in the Chattogram Hill Tracts (CHT) region. Officials concerned said CHT Regional Council under the Ministry of CHT Affairs has undertaken the project for developing some infrastructures and implementing income-generating activities in Rangamati, Bandarban and Khagrachhari districts.
- The Asian Development Bank (ADB) will lend financial support to the project, according to a ministry official. "We'll work to develop skills of hilly rural residents and mobilise community organisations for non-farming activities," said a senior official. The project will facilitate agricultural production of high-value, eco-friendly crops, and also ensure adequate storage and marketing in the hill districts.

<https://thefinancialexpress.com.bd/economy/bangladesh/income-generation-BDT-1393b-project-likely-for-1000-cht-villages>

Import volume dips, price rises at Ctg port in FY23

- Although the volume of merchandise imported through Chattogram port decreased by 3.86%, the total import bill of the goods jumped by 10% in fiscal 2022-23. In the just concluded FY 23, 88.5 Mn tonnes of goods with the value of BDT 4.62 Tn were imported through the port, according to the Chattogram Custom House.

- In the previous fiscal, the imported quantity was 92.1 Mn tonnes and their value was BDT 4,20 Tn. Meanwhile, Chattogram Custom House has collected a total revenue of BDT 616.32 Bn from these imported goods in the FY23, a 4.18% growth from the previous fiscal's BDT 591.60 Bn.

<https://www.tbsnews.net/economy/import-volume-dips-price-rises-ctg-port-fy23-669902>

Forex reserves slip further

- Bangladesh's foreign currency reserves have slipped further as per the definition of the International Monetary Fund's (IMF) balance of payments and investment position manual. The central bank began publishing the gross international reserves (GIR) in line with the manual on July 12 to ensure that the country's dollar stockpile is reported accurately. On the day, it stood at USD 23.58 Bn. On July 19, the GIR fell to USD 23.45 Bn, central bank data showed. Bangladesh's reserves have been under strain for months due to higher imports against the lower-than-expected export earnings and remittances.

<https://www.thedailystar.net/business/economy/news/forex-reserves-slip-further-3376961>

Workers' outflow to Malaysia gets momentum

- The outflow of workers to Malaysia has picked up in recent months amid allegations of charging much higher migration costs than the officially- fixed rate along with deception by a section of recruitment agencies. Bangladesh sent 228,097 workers to the Southeast Asian country in the fiscal year (FY) 2022-23. Of the total, 178,086 workers went during the second half of the last fiscal.
- Sector insiders said Malaysia is a popular destination for Bangladeshi workers; but whenever this market is opened, the rate of fraud increases. Recruiters' greed for higher profits, and non-transparent migration processes in both countries are the reasons behind this. In the initial months, workers outflow took off slowly and averaged at around 10,000 per month during the August-December period of 2022, before started rising since January last, according to data of Bureau of Manpower Employment and Training (BMET).

<https://thefinancialexpress.com.bd/economy/bangladesh/workers-outflow-to-malaysia-gets-momentum>

Leather value lost for lack of certification

- Only two companies in Bangladesh have certification of Leather Working Group (LWG), one of the lowest in the world, said a researcher yesterday. Another firm is undergoing audits for the certification, added the researcher, M Abu Eusuf, executive director of the Research and Policy Integration for Development.

- The LWG is a global body for compliance and environmental certification in the leather and leather goods sector. The certificate is mandatory for market access to Europe, the US and some developed Asian countries. In the absence of the certification, Bangladesh's leather exporters are having to ship their goods mainly to China at 30% to 40% lower prices, said Eusuf at a seminar in Pan Pacific Sonargaon Dhaka in the capital.

<https://www.thedailystar.net/business/economy/news/leather-value-lost-lack-certification-3376966>

CMT manufacturing: Central bank clarifies terms of incentives for apparel exports

- The Bangladesh Bank has clarified the conditions for getting export incentives for garment products manufactured under the cut-make-trim (CMT) process. From now on, local value addition on the export of garment products made under CMT manufacturing will have to be calculated using a new method to be eligible for incentives, the central bank's Foreign Exchange Policy Department (FEPD) said in a new guideline issued Sunday (23 July). Under the CMT manufacturing process, foreign buyers purchase the raw materials of garment products and send those to Bangladesh for the local exporters do the tailor work, according to central bank officials.

<https://www.tbsnews.net/economy/cmt-manufacturing-central-bank-clarifies-terms-incentives-apparel-exports-670206>

5 more orgs to provide online services to investors via Bida OSS

- The Bangladesh Investment Development Authority (Bida) has signed a Memorandum of Understanding with five more service provider companies which will provide nine types of services to local and international investors through the Bida One Stop Service (OSS) portal. The companies are Titas Gas Transmission and Distribution Company Ltd, Sundarban Gas Company Ltd, Rajshahi Water Supply and Sewerage Authority (Wasa), Brac Bank and Prime Bank.
- Including these companies, Bida has signed a MoU with 48 institutions. At present, Bida OSS delivers 67 services provided by 23 organisations. It is possible to provide more than 150 investment-related services from various service providers through the Bida OSS, said Bida Director Jibon Krishna Saha Roy. The agreement was signed at the Bida Conference Room in the capital's Agargaon on Tuesday. Under the agreement, industrial gas line connection services from Titas Gas and Sundarban Gas will be available through an online application.

<https://www.tbsnews.net/economy/5-more-orgs-provide-online-services-investors-bida-oss-670254>

Ship Tilting in Bay: 16 days in, 20 containers feared gone overboard

- Anxiety and frustration continue to grow among importers whose goods-filled containers are yet to be salvaged following the tilting of a vessel in the Bay of Bengal near the Bhasan Char coast 16 days ago. Several of the importers claimed to have spotted, with the help of locals, at least five containers that washed ashore at Bhasan Char and Sandwip.
- However, at least two had been cut open and all the goods inside looted, they said. Pangaon Express was transporting 72 import-laden containers from the Chattogram port to Pangaon Inland Container Depot in Dhaka when it tilted to one side due to strong waves on July 6. This sent three containers overboard and the ship became grounded.

<https://www.thedailystar.net/business/economy/news/ship-tilting-bay-16-days-20-containers-feared-gone-overboard-3376946>

Australia assures Bangladesh of 'Duty Free Quota Free' access in post LDC period

- Australian Assistant Trade Minister Senator Tim Ayres on Friday assured that 'Duty Free Quota Free' access for Bangladesh will be continued in the post LDC period. "Graduation from LDC status would not make any changes to existing Duty Free Quota Free access of Bangladesh's products to Australian market," said Senator Tim Ayres in a meeting with Bangladesh High Commissioner to Australia M Allama Siddiki today.
- BGMEA President Faruque Hassan was present during the meeting at the Commonwealth Parliamentary Office in Sydney. Siddiki briefed the Minister about the impressive socio-economic progress of Bangladesh in the last decade underpinned by success of agriculture and apparel sectors, remittance and macroeconomic as well as political stability.

<https://www.tbsnews.net/economy/australia-assures-bangladesh-duty-free-quota-free-access-post-ldc-period-669154>

Russia's Sberbank exploring providing banking services in Bangladesh

- Russia's largest lender Sberbank said it was exploring the possibility of providing banking services for clients working with companies in Bangladesh, as Russian businesses look east for international expansion, reports Reuters. Sberbank has already held two rounds of talks with the South Asian country's central bank about opening a branch there.

<https://www.tbsnews.net/economy/banking/russias-sberbank-exploring-providing-banking-services-bangladesh-669138>

NBR-IMF meeting on loan condition progress likely on Friday

- The National Board of Revenue (NBR) is expected to hold a meeting with a delegation of the International Monetary Fund (IMF) on Friday regarding the progress and steps taken in the budget to address the conditions imposed by the global lender for its USD 4.7 Bn loan to Bangladesh.
- Several sources related to the NBR told The Business Standard that NBR Chairman Abu Hena Md Rahmatul Muneem will be present in the meeting. However, when asked, the NBR chairman did not admit to any such meeting. Sources said the meeting aims to address the IMF's queries on how the NBR plans to boost the capacity of the revenue sector as well as revenue collection.

<https://www.tbsnews.net/economy/nbr-imf-meeting-loan-condition-progress-likely-friday-668858>

Exporters fear deeper losses amid political unrest, falling orders

- Exporters are facing multiple challenges, including increased production costs due to utility price hikes and capital shortages from slow business. The recent surge in political violence in the country has sparked concerns among exporters who are currently operating their factories at least 20% below capacity owing to declining orders from Western markets that are facing inflationary pressures for over a year.
- While exporters were hopeful that the easing inflation in the USA and Europe would help in recovering orders, the ongoing political unrest is now seen as a potential risk. This has raised fears among international buyers who are becoming apprehensive about timely shipments of goods, potentially impacting the overall economy.

<https://www.tbsnews.net/economy/tmg/exporters-fear-deeper-losses-amid-political-unrest-falling-orders-668874>

Energy Division looks for additional loans to pay petroleum, gas, LNG dues

- The Energy and Mineral Resources Division is set to acquire an additional USD 900 Mn in loans from the International Islamic Trade Finance Corporation, which has already approved a USD 1.4 Bn loan to the Bangladesh Petroleum Corporation (BPC), to settle crude oil import bills for fiscal 2023-24. In an unprecedented move, the Bangladesh Oil, Gas and Mineral Resources Corporation (Petrobangla) – the state-owned organisation responsible for producing and purchasing gas and LNG – has sought USD 500 Mn in loan from the Islamic Trade Finance Corporation to clear overdue payments to liquefied natural gas (LNG) suppliers and gas producers.

<https://www.tbsnews.net/bangladesh/energy/energy-division-looks-additional-loans-pay-petroleum-gas-lng-dues-669230>

Financial Intelligence Unit warns banks against buying remittance dollars at higher rates

- The Bangladesh Financial Intelligence Unit has issued a warning to all banks, cautioning them against collecting remittances at rates higher than the prescribed rate. In a letter issued to this effect on Thursday addressing to the bank managing directors, the intelligence unit observed that certain commercial banks operating in Bangladesh have been paying more than the fixed rate for remittances from abroad.
- As a result, the agency has advised these banks to refrain from such transactions in the future and to exercise caution in this matter. The prescribed rate for banks to collect remittances is determined by the Bangladesh Foreign Exchange Dealers' Association (Bafeda) and the Association of Bankers, Bangladesh (ABB). According to the latest decision, banks are required to collect remittances at a maximum rate of BDT 108.50.
- The central bank has repeatedly emphasised that all banks must adhere to this rate. Furthermore, Bafeda and the ABB have set a rule that no more than BDT 109 can be charged for selling dollars. As part of their investigation into the matter, the central bank is examining 14 banks that are allegedly offering higher rates for buying remittance dollars and selling dollars for import settlement.

<https://www.tbsnews.net/economy/banking/financial-intelligence-unit-warns-banks-against-buying-remittance-dollars-higher>

Gold price hits all-time high of BDT 100,777 per bhoori

- The price of top-quality gold has reached an all-time high of BDT 100,777 per bhoori following an increase of BDT 2,333. The Bangladesh Jeweller's Association (BAJUS) in a press release on Thursday said the adjustment followed a price hike in the local bullion market.
- With the new rates, 22-carat gold will cost BDT 100,777 per bhoori, 21-carat gold will cost BDT 96,228 per bhoori and 18-carat gold will cost BDT 82,464 per bhoori. Besides, the gold price of the traditional method rose to BDT 68,701 per bhoori. The new rate will be effective from Friday, the release added.

<https://www.tbsnews.net/markets/gold-price-hits-all-time-high-tk178-lakh-bhoori-668794>

ADP implementation drops to 84% in FY23

- The implementation of the Annual Development Programme (ADP) experienced a significant decline in the fiscal 2022-23. According to the Implementation Monitoring and Evaluation Department (IMED) report released Thursday, only 84.16% of the revised ADP allocation was spent last financial year, compared to the previous year's rate of 92.74%.

- Officials from the IMED of the planning ministry cited various reasons for the slowdown in ADP implementation. The current economic situation has led to halts in many projects due to the rising cost of construction materials, they mentioned, adding that the government's austerity measures regarding project spending amid the present economic conditions limited funds for some projects, affecting the overall ADP implementation rate.

<https://www.tbsnews.net/economy/adp-implementation-declined-858-percentage-points-fy23-668630>

High-powered money up 175% in FY'23

- Injection of newly printed 'high-powered money' by Bangladesh Bank into the market swelled over 175% in the past financial year, BB sources said, stoking inflation further. Officials at the BB said the central bank had funneled a record volume of the print money into government account in the last one year through buying majority of the government securities itself with 'devolvement mechanism' to ease banks' liquidity stress.
- But economists strike a bit different note that bears a fear of higher inflationary pressure on the already-overheated market that could make a strong bite on people's wallet. According to statistics available with the central bank, the net volume of devolvement carried out by the BB stood at around BDT 800 Bn in the FY'23, in a quantum leap by BDT 510 Bn from the previous fiscal year's BDT 290 Bn.

<https://thefinancialexpress.com.bd/economy/bangladesh/high-powered-money-up-175pc-in-fy23>

Bangladesh may lose 1.7% GDP yearly by 2037: Report

- Bangladesh may lose 1.7% of Gross Domestic Product (GDP) annually by 2037 if it fails to adapt to the effects of a 3°C global warming, said a new report on Wednesday. In addition, in the long run, GDP may decline by 7.6% every year as a result of not being able to adapt to this climate-change impact. Labour supply and productivity are estimated to decline by 46% by 2080 in the country unless workers and employers are able to fully adapt to the changing climate.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-may-lose-17pc-gdp-yearly-by-2037-report>

Huge printed new money dampens ALS demand

- Primary dealer banks' demand for assured liquidity support (ALS) from the central bank plummets largely for generous handouts of newly printed money by the Bangladesh Bank, sources said. Officials and bankers have said the BB circulates the 'high-powered money' through government debt instruments as the government switches borrowing from the banking system, thus relieving stress on banks' liquidity.

- Banks' aggregate liquidity inclusive of investments and deposits stands over BDT 15 Tn, as of last April account of the money market. The ALS is a borrowing instrument for the primary dealers under which the PD banks can borrow money from the central bank to meet their emergency liquidity obligations. According to official statistics, the average per-day disbursement of ALS in July in the immediate-past financial year (FY'23) was BDT 40.35 Bn, which came down to BDT 37.36 Bn in the following month of August.

<https://thefinancialexpress.com.bd/economy/bangladesh/huge-printed-new-money-dampens-als-demand>

Bangladesh gears up for launch of single-point mooring project

- The long-awaited single-point mooring (SPM) -- an offshore bouy designed to pump and siphon imported crude oil to a storage facility -- is now ready for inauguration. Once operations begin, tankers will directly unload petroleum onto the floating buoy, set up in the deep sea some 9 km southwest of Matarbari in Moheshkhali.
- The project is being implemented at a cost of around BDT 83.41 Bn. Prime Minister Sheikh Hasina will inaugurate the SPM project sometime this year, reports bdnews24.com. Highlighting the progress of the initiative, Monjed Ali, a project official, said around 97% of the work had been completed.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-gears-up-for-launch-of-single-point-mooring-project>

Auto sales plunge 44% in H1

- Automobile sales in Bangladesh fell by almost 44% in the first six months of 2023 compared to the same period last year, according to Bangladesh Road Transport Authority (BRTA) data. The decline was driven by a number of factors, including difficulties in opening letters of credit (LCs) faced by car importers, the ongoing foreign-exchange reserves crisis and higher cost of vehicles, said the sector insiders.
- On top of this, inflation is also putting a strain on consumer spending, making it more difficult for people to afford to buy new cars. The BRTA data showed that 5,330 cars were registered in the first six months of the current calendar year, down from 9,394 in the same period last year. Car import data over the past couple of years also support the dull trend in the local auto business. The number of vehicle imports fell to 6,612 in the first half of 2022, from 15,153 in the second half of 2021.

<https://thefinancialexpress.com.bd/economy/bangladesh/auto-sales-plunge-44pc-in-h1>

BD-Japan joint study on EPA nears completion

- Bangladesh expects the ongoing joint study on Economic Partnership Agreement (EPA) with Japan to be completed within days and the two sides are sitting in Dhaka next week for stocktaking, sources said. A team of Japan's Ministry of Economy, Trade and Industry (METI), headed by its minister, Nishimura Yasutoshi, is due in Dhaka next week for discussions to this effect, as Dhaka accelerates preparation for LDC graduation.
- Mr Yasutoshi is likely to have a bilateral meeting with Commerce Minister Tipu Munshi, discussing the nitty-gritty of the deal in the process of making. Officials have said there are 17 components of the joint feasibility study of which six were completed in the first meeting of the joint study group (JSC) held in Tokyo in April this year.

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-japan-joint-study-on-epa-nears-completion>

Stalled project moves as ADB financing mission due soon

- Relocating the inland container depot (ICD) from Kamalapur rail station to Gazipur's Dhirasram to accommodate a multimodal transport hub has been stalled for seven years, but now the priority project moves on financing assurance. The project on ICD relocation to the industrial heartland is also meant for catering increasing container demands, sources said, but the time-consuming G2G model with China and Japan tried before as well as land-acquisition dilemmas held back its progress.
- Bangladesh Railways (BR) has already made some progress on the MMTH project under which public, mass and high-speed train services will be accommodated in an over 300-acre area. Officials have said the ADB has assured of funding USD 250 Mn for the infrastructure development of the ICD. However, sources said, despite some progress in the fund arrangement, approval for the Dhirarsram ICD land-acquisition project has been pending since 2020.

<https://thefinancialexpress.com.bd/economy/bangladesh/stalled-project-moves-as-adb-financing-mission-due-soon>

Important News: Capital Market

SBACBANK | SBAC Bank profit jumps 130% in April-June

- South Bangla Agriculture and Commerce (SBAC) Bank's net profit jumped 130% in the April-June quarter of this year as provision requirements against classified loans decreased. During the quarter, its earnings per share was BDT 0.23, which was BDT 0.10 a year ago at the same time. At the end of the first half of this year, its earnings per share increased to BDT 0.41 from BDT 0.31 in the previous year at the same time. Its share was traded on the floor price at BDT 10.50 each on Wednesday at the Dhaka bourse.

<https://www.tbsnews.net/economy/stocks/sbac-bank-profit-jumps-130-april-june-671726>

HEIDELBCEM | Heidelberg Cement posts profit in second quarter

- Heidelberg Cement Bangladesh Ltd has continued to recover from losses as it registered profit for the second quarter in a row thanks to a reduction in the cost of sales. The multinational company made a profit of BDT 91.1 Mn in April-June against a loss of BDT 37.5 Mn during the same quarter a year earlier.
- As a result, the earnings per share returned to positive territory at BDT 1.61 in the second quarter of 2023 from a negative BDT 0.66 in the identical period in 2022. This raised Heidelberg Cement's total profit to BDT 478 Mn in January-June, against a loss of BDT 205.2 Mn in the first half of 2022, according to its unaudited financial statements published today.

<https://www.thedailystar.net/business/economy/stock/news/heidelberg-cement-posts-profit-second-quarter-3379051>

ROBI | Robi Axiata profit jumps 140% in H1 of 2023

- Robi Axiata Limited—Country's second largest mobile telecom operator—reported that its net profit jumped 140% in the first half of 2023 against the same period last year. During January-June, its net profit was BDT 663.8 Mn, which was BDT 276.7 Mn a year ago. Its earnings per share stood at BDT 0.13 at the end of June this year. In the first half of this year, its revenue also grew by 18% to BDT 48.87 Bn from the previous year at the same time. Its shares closed at BDT 30 each on Wednesday at the Dhaka Stock Exchange.

<https://www.tbsnews.net/economy/stocks/robi-axiata-profit-jumps-140-h1-2023-671982>

GIB | Global Islami Bank profit drops 57% in April-June

- The Global Islami Bank's net profit dropped by over 57% in the April-June quarter of this year. During the quarter, its consolidated earnings per share was BDT 0.13, which was BDT 0.30 a year ago at the same time, according to the Dhaka Stock Exchange (DSE) filing.

- At the end of the first half of this year, earnings per share stood at BDT 0.74, which was BDT 0.50 a year ago during the same period. Its net operating cash flow per share became negative at BDT 10.51 due to increase of profits paid on deposits and decrease of deposits from other banks borrowings.

<https://www.tbsnews.net/economy/stocks/global-islami-bank-profit-drops-57-april-june-671674>

CITYBANK | City Bank's profit surges 9% in first half of 2023

- The City Bank's net profit increased by 9% in the first half of this year compared to the same time a year ago. During the January to June period, its consolidated earnings per share was BDT 1.97, which was BDT 1.81 a year ago at the same period. Its shares traded on the floor price at BDT 21.40 each at the Dhaka bourse.

<https://www.tbsnews.net/economy/stocks/city-banks-profit-surges-9-first-half-2023-671754>

MARICO | Marico Bangladesh profit surges 29% in Apr-Jun

- Marico Bangladesh has reported a 29% growth in profit during the April-June quarter of 2023, despite facing challenges such as high inflation, shortages in fuel and electricity supply, and a dollar crisis. According to its unaudited financial statement approved in its board meeting on Wednesday, the first-moving consumer goods (FMCG) sector company achieved growth by reducing marketing and selling costs. During the quarter, its net profit was BDT 1.33 Bn, which was BDT 1.03 Bn at the same time a year ago. Its earnings per share stood at BDT 42.18 at the end of June.

<https://www.tbsnews.net/economy/stocks/marico-bangladesh-profit-surges-29-apr-jun-672146>

EXCHANGE | DSE to inspect operational status of 14 non-compliant firms

- The Dhaka Stock Exchange (DSE) will conduct an inspection of the operational status and related issues of 14 companies due to their non-compliance with the securities laws and listing regulations. The Bangladesh Securities and Exchange Commission (BSEC) has recently granted permission to the country's premier bourse to carry out an investigation in order to uncover the facts behind the non-compliance.
- According to the BSEC, the 14 companies are Fortune Shoes, National Feed Mills, Central Pharmaceuticals, CVO Petrochemical Refinery, Dulamia Cotton Spinning Mills, Family Tex (BD), Keya Cosmetics, Khan Brother PP Woven Bag Industries, Northern Jute Manufacturing Company, Regent Textile Mills, The Dacca Dyeing and Manufacturing Company, Usmania Glass Sheet Factory, Zaheen Spinning, and Zaheen Tex Industries.

<https://www.tbsnews.net/economy/stocks/dse-inspect-operational-status-14-non-compliant-firms-672150>

EXCHANGE | Commodity exchange to launch soon

- A commissioner of the securities regulator has provided assurance of the soon-to-be-established commodity exchange (CX), which will feature non-delivery cash settlements for three commodities. The assurance was given during a workshop titled "Commodity Exchange: Prospects and Challenges" held at the Bangladesh Securities and Exchange Commission (BSEC) office on Tuesday. According to BSEC Commissioner Prof Shaikh Shamsuddin Ahmed, there is a huge prospect for a CX considering the country's large market size.
- However, he also acknowledged that there are many challenges and obstacles in establishing the CX. Representatives from the central bank, revenue board, tariff commission, and different ministries, including finance, industries, and agriculture, attended the workshop. The primary focus of the workshop was to discuss the draft rules and gather feedback from the participants on the proposed commodity exchange. A commodity exchange is a platform where future commodity contracts are traded, with traders agreeing to buy or sell goods at a negotiated price by a predetermined date.

<https://thefinancialexpress.com.bd/stock/bangladesh/commodity-exchange-to-launch-soon>

MJLBD | MJL Bangladesh strikes USD 75 Mn deal for largest-ever oil tanker

- MJL Bangladesh has entered into a contract with South Korea's DH Shipbuilding to acquire a third-generation oil tanker for USD 75 Mn, equivalent to approximately BDT 8 Bn. The deal was officially signed on 20 July, with plans to launch the vessel into the water during the first quarter of 2026, according to Azam J Chowdhury, managing director of MJL Bangladesh.
- The new oil tanker will be LNG-ready and boast an impressive capacity of 115,000 deadweight tonnes (DWT), making it the largest ship to carry the Bangladesh flag. According to the Bangladesh Ocean Going Ship Owners Association, there are over 60 ocean-going ships with Bangladeshi flags, but none of them have a capacity of 115,000 DWT.

<https://www.tbsnews.net/economy/mjl-bangladesh-strikes-75m-deal-largest-ever-oil-tanker-672142>

ABBANK | AB Bank's profit surges over 34%

- AB Bank Ltd posted a 34.75% year-on-year growth in profit in the April-June quarter of 2023. Thus, the earnings per share rose to BDT 0.31 in the second quarter of the year from BDT 0.23 in the same quarter of 2022. The private commercial bank registered a 4% year-on-year jump in profit in the first half of 2023 as its EPS rose to BDT 0.43 from BDT 0.41, according to a posting on the Dhaka Stock Exchange. The bank's paid-up capital is BDT 8.78 Bn and it provided 2% stock dividend to shareholders in 2022.

<https://www.thedailystar.net/business/economy/news/ab-banks-profit-surges-over-34-3378696>

OLYMPIC | Aziz Mohammad Bhai made chairman of Olympic Industries

- Olympic Industries Limited has appointed Aziz Mohammad Bhai, who holds 31 Mn shares in the country's leading biscuit manufacturer, as its chairman. The company has also appointed his sister Nurjehan Hudda as the acting managing director, according to a stock exchange filing.
- Both have been serving as directors for the company for a long time. However, Aziz did not attend any board meetings as he lives abroad. According to the annual report for fiscal year 2021-22, Olympic Industries held 14 board meetings, but Aziz did not participate in any of them.

<https://www.tbsnews.net/economy/stocks/aziz-mohammad-bhai-made-chairman-olympic-industries-671558>

NRBCBANK | NRB Commercial Bank's losses widened in Q2

- NRB Commercial Bank's losses widened in the April-June period of 2023. The fourth generation bank's earnings per share (EPS) hit BDT 0.51 in the negative in the second quarter of 2023, down from BDT 0.065 in the negative in the same period of 2022.
- The bank's EPS also declined in the January-June period, as it hit BDT 0.51 in the first half of 2023, down from BDT 0.73 in the same period the previous year. The banking financial institution shared the date through a web posting on the website of the Dhaka Stock Exchange (DSE).

<https://www.thedailystar.net/business/news/nrb-commercial-banks-losses-widened-q2-3378271>

UTTARABANK | Uttara Bank's profit falls 18%

- Uttara Bank's profits fell 18% year-on-year in the first six months of 2023. The bank's earnings per share (EPS) stood at BDT 1.64 in the January to June period of last year, down from BDT 2 in the same period of the previous year. Despite the profit fall, the bank's stock price remained unchanged at BDT 22 for consecutive two days at the Dhaka Stock Exchange (DSE).
- According to a posting on the DSE website, the bank's EPS dropped to BDT 0.9 in the second quarter of 2023 from BDT 1.38 in the same period of 2022. According to the DSE data, the bank's paid-up capital is BDT 7.33 Bn. It provided 14% stock and 14% cash dividend for its shareholders in 2022.

<https://www.thedailystar.net/business/news/uttara-banks-profit-falls-18-3378256>

UCB | UCB's profit falls 43.50% in April-June

- United Commercial Bank PLC suffered a 43.50% year-on-year decline in profit in April-June of 2023 owing to a significant decrease in the operating profit stemming from a spike in interest expenses on deposits and borrowings and operating expenditures. The profit stood at BDT 516.8 Mn in the second quarter of the financial year, down from BDT 915.5 Mn during the identical period a year ago, according to the unaudited financial statements of the private commercial lender.
- Thus, the consolidated earnings per share were BDT 0.35 in April-June of 2023 against BDT 0.62 in the same three-month period a year ago. UCB posted a BDT 1.004 Bn profit in January-June, a year-on-year decrease of 20% from BDT 1.26 Bn in the first half of 2022. As a result, the consolidated EPS fell to BDT 0.68 from BDT 0.85.

<https://www.thedailystar.net/business/news/ucbs-profit-falls-4350-april-june-3378196>

ISLAMICFIN | Islamic Finance suffers loss of BDT 5.61 Mn in Q2

- Islamic Finance & Investment, a publicly traded non-bank financial institution, reported a loss of BDT 5.61 Mn in the April-June quarter this year, attributed to an increase in provisions and profit suspense against non-performing loans. According to the company's disclosure on Monday, the earnings per share stood at BDT 0.04 in the negative, compared to BDT 0.32 in the positive for the same quarter the previous year.
- As the company suffered losses in the second quarter, its net profit plunged 97% year-on-year to BDT 2.80 Mn in the six months through June this year. Profit decreased substantially due mainly to an increase in provisioning against defaulted loans and a higher cost of funds, said an official of the company.

<https://thefinancialexpress.com.bd/stock/bangladesh/islamic-finance-suffers-loss-of-tk-561m-in-q2>

NBL | National Bank incurs BDT 6.27 Bn loss in six months

- The National Bank Limited incurred a loss of BDT 6.27 Bn in the first half of this year, which was 261% higher than the previous year at the same time. The bank approved its half-yearly financial statement at a board meeting held on Tuesday (25 July). During the January-June period, its consolidated loss per share was BDT 1.95, which was BDT 0.54 a year ago.
- In the second quarter (April-June), its consolidated loss per share jumped 172% to BDT 0.98, compared to the previous year at the same time. At the end of June this year, its net asset value per share was BDT 10.94, which was 15% lower than the last year.

<https://www.tbsnews.net/economy/stocks/national-bank-incurs-tk627cr-loss-six-months-671478>

ASIANS | Asia Insurance reelects chairman

- Asia Insurance Ltd has reelected its chairman Yussuf Abdullah Harun at a meeting of its board of directors on Monday. Harun is a former chairman of Southeast Bank Ltd, former president of the Federation of Bangladesh Chambers of Commerce and Industry, and former director of Infrastructure Development Company Ltd.
- He obtained his bachelor's degree from the University of Dhaka and qualified as a chartered accountant from the Institute of Chartered Accountants in England and Wales, said a press release. Mohammed Jahangir Alam, chairman of MI Cement Factory Ltd, and Abul Bashar Chowdhury have been reelected vice-chairman and chairman of the insurer's executive committee respectively.

<https://www.thedailystar.net/business/economy/news/burimari-land-port-misses-revenue-target-again-3378526>

EMERALDOIL | Emerald Oil put on auction

- Emerald Oil Industries, listed on the capital market, has been put on auction as the Spondon-branded edible oil producer from rice husk could not pay back money to its lender, BASIC Bank Limited. Despite defaulting on a loan payment of BDT1.02 Bn, the company declared a 2% cash dividend for fiscal 2021-22, as it made a profit of BDT 12.1 Mn after five years since 2017.
- The lender BASIC published an auction notice on Tuesday in line with a court order for the sale of properties owned by Emerald Oil to retrieve the loan taken by its previous owners. The bank has sought applications from interested parties by 16 August. Recently, Emerald Oil shares soared by 249% to BDT182.5 on 12 July this from BDT 42.3 at the end of April. Although, after reaching the peak, the shares have now declined to BDT 154.5 each on 27 July.

<https://www.tbsnews.net/economy/stocks/emerald-oil-put-auction-671538>

NRBCBANK | NRBC Bank's June deposits up 19% year-on-year

- Deposits at NRBC Bank at the end of last June stood at BDT 177.53 Bn, which was a year-on-year increase of 19%, as per a meeting of its board of directors. Loan disbursements also increased to BDT 143.48 Bn whereas a year ago it was BDT 124.16 Bn. Meanwhile, treasury investment stood at BDT 46.72 Bn in contrast to BDT 35.02 Bn in the previous year. Total asset value amounted to BDT 13.12 Bn whereas previously it was BDT 12 Bn.

<https://www.thedailystar.net/business/economy/news/nrbc-banks-june-deposits-19-year-year-3377701>

BATBC | Higher tax puts British American Tobacco in net operating cash crisis

- British American Tobacco Bangladesh Company (BATBC) reported that its net operating cash flow per share (NOCFPS) was BDT 1.23 negative in the first half of this year due to higher VAT, supplementary duty, tax payment and reduce receipt from customers. NOCFPS negative means the company is suffering a liquidity shortage, according to the market insider.
- According to the Dhaka Stock Exchange (DSE) filing, its earnings per share slightly fell to BDT 9.14 in the April-June quarter of 2023, compared to the previous year at the same time. At the end of the first half of this year, its earnings per share was BDT 17.59, which was BDT 16.93 at the same time a year ago.

<https://www.tbsnews.net/economy/stocks/higher-tax-puts-british-american-tobacco-net-operating-cash-crisis-670450>

ISLAMICFIN | Islamic Finance incurs loss in April-June

- Islamic Finance and Investment Limited incurred a loss in the April-June quarter of 2023. During the quarter, its loss per share was BDT 0.04 while its earnings per share was BDT 0.32 a year ago at the same time. Due to the second quarter loss, its earnings per share dropped by 97% to BDT 0.02 compared to last year.
- Besides, its net asset value per share stood at BDT 14.09 at the end of the first half of this year, which was BDT 14.88 a year ago at the same time. On Monday (24 July), the Shariah-based lender's shares were being traded on the floor price at BDT 19.70 each at the DSE.

<https://www.tbsnews.net/economy/stocks/islamic-finance-incurs-loss-april-june-670446>

AGRANINS | Agrani Insurance posts over 20% higher profit

- Agrani Insurance Co Ltd posted a 20.68% year-on-year increase in profit to BDT 11.1 Mn in the second quarter of 2023. The profit stood at BDT 9.209 Mn in the identical April-June quarter of 2022. Thus, the consolidated earnings per share rose to BDT 0.35 in April-June of 2023 from BDT 0.29 in the same quarter of 2022.
- The profit rose to BDT 27.6 Mn in the January-June half of the current financial year from BDT 22.9 Mn in the same period a year ago, an increase of 20.5% year-on-year. So, the consolidated EPS grew to BDT 0.87 from BDT 0.72 during the period.

<https://www.thedailystar.net/business/economy/news/agrani-insurance-posts-over-20-higher-profit-3377781>

MASTERAGRO | Curious case of Master Feed Agro stake succession

- First Capital Securities CEO Kausar Al Mamun as the chief anti-money laundering compliance officer of the brokerage firm raised a red flag last week that there might have been attempts for embezzling a deceased director's stake at Master Feed Agrotech Ltd, an SME company listed with the small-cap platforms of the bourses. In a letter to the Bangladesh Securities and Exchange Commission, he presented a set of irregularities regarding the beneficiary owner (BO) account opened at his firm and used to get transferred one-fourth of the 7.05 Mn Master Feed Agro shares owned by its deceased director Rafiqul Alam.

<https://www.tbsnews.net/economy/stocks/curious-case-master-feed-agro-stake-succession-670938>

EXCHANGE | CSE revises Shariah Index, effective from Aug 3

- The Chittagong Stock Exchange (CSE) has reviewed its Shariah --- an index of Shariah-compliant companies on the basis of performance of the listed companies. The new index will come into effect from August 3. The port city bourse reviews the index twice in a year, according to a statement of the port city bourse on Monday.
- As per the latest revision, nine companies --- Apex Foods, Bangladesh Building Systems, Beximco, Chartered Life Insurance, GBB Power, Global Islami Bank, GQ Ball Pen, Libra Infusions and Square Pharmaceuticals have been included in the list.

<https://thefinancialexpress.com.bd/stock/bangladesh/cse-revises-shariah-index-effective-from-aug-3>

UNITEDINS | United Insurance posts lower profit in Q2

- United Insurance Company Ltd posted about 8 per cent lower profit at BDT 36 Mn in the second quarter of 2023. The profit stood at BDT 39.2 Mn in the identical April-June quarter in 2022. Thus, the earnings per share were BDT 0.81 in April-June this year against BDT 0.88 in the same period last year. The profit stood at BDT 45.8 Mn in January-June, down 13.44% from BDT 52.9 Mn in the first half a year ago. So, the EPS declined to BDT 1.03 from BDT 1.19 during the period.

<https://www.thedailystar.net/business/news/united-insurance-posts-lower-profit-q2-3376686>

WALTONHIL | Walton to start TV exports to South Korea

- Walton, a global electronics brand of Bangladesh, will start exporting televisions with the Walton brand logo in South Korea. Hans Korea, a renowned company of South Korea, will market Walton brand TV in the country's market. Walton and Hans Korea signed a memorandum of understanding (MoU) to this end, Walton said in a press release.

- Nazrul Islam Sarkar, deputy managing director of Walton Hi-Tech Industries PLC, and Han Kijung, chief executive officer of Hans Korea, inked the MoU. "Expanding the TV export market in South Korea is undoubtedly a huge milestone for Walton. This achievement will play an important role in achieving Walton's vision "Go Global 2030", said Mustafa Nahid Hossain, chief business operation of Walton TV.

<https://www.thedailystar.net/business/news/walton-start-tv-exports-south-korea-3376586>

IBNSINA | Ibn Sina to invest BDT 100 Mn in subsidiary firm

- The Ibn Sina Pharmaceutical is going to invest BDT 100 Mn in its subsidiary the Ibn Sina API Industry Ltd as part of its capital investment in order to purchase capital machineries, the company said today. The drug maker is going to purchase a total of 42.5 decimal land in Chattogram and Barishal to set up sales depots. The purchase price of the land will be BDT 55.8 Mn excluding registration fee and other additional expenses, according to the company.

<https://www.thedailystar.net/business/economy/stock/news/ibn-sina-invest-BDT-10-crore-subsiary-firm-3376406>

CNATEX | C&A Textiles to merge with Alif Industries

- Scam-hits C&A Textiles will now merge with Alif Industries Limited – a concern of Alif Group – subject to approval from banks, other creditors and shareholders. After the merger, the entities, both listed on the capital market, will operate as Alif Industries Limited, according to a stock exchange filing on Sunday. Following the news, Alif Industries' shares soared over 8% and closed at BDT 90.30 each, where C&A shares rose 2.59% to BDT 11.90 each at the Dhaka Stock Exchange (DSE).

<https://www.tbsnews.net/economy/stocks/ca-textiles-merge-alif-industries-670290>

SIBL | Social Islami Bank profit inches up, cash flow declines

- Social Islami Bank and its subsidiary companies together have posted BDT 0.34 in earnings per share (EPS) for the April-June period, up from BDT 0.33 for the same period last year, the bank disclosed after its board meeting on Sunday. Over the first half of 2023, the consolidated EPS stood at BDT 0.47, which was BDT 0.43 in the same period of 2022.
- At the end of June, consolidated net asset value per share stood at BDT 20.68. Consolidated figures include that of subsidiary companies. However, net operating cash flow of the Shariah-based lender declined for the first six months of the year to a negative BDT 2.28, from a positive BDT 3.75 a year ago.

<https://www.tbsnews.net/economy/stocks/social-islami-bank-profit-inches-cash-flow-declines-670302>

EXCHANGE | CS30 index revised, including 14 cos

- The port city bourse has revised its CS30 index including 14 companies based on their market performance. The newly included companies have replaced another 14 companies from the existing list. The revised index will come into effect from July 27, 2023.

- The new companies which have been included in CSE-30 Index are Apex Foods, Apex Footwear, Asia Insurance, Bangladesh National Insurance Company, British American Tobacco Bangladesh Company, Export Import Bank of Bangladesh, Global Islami Bank, GPH Ispat, Islami Bank Bangladesh, LafargeHolcim Bangladesh, National Housing Finance & Investment, Summit Alliance Port, Union Bank, and Unique Hotel & Resorts.

<https://thefinancialexpress.com.bd/stock/bangladesh/cs30-index-revised-including-14-cos>

LHBL | LafargeHolcim profit grows 39%

- LafargeHolcim Bangladesh Ltd posted BDT 1707 Mn in net profit after taxes for the April-June period this year, up from BDT 1230 Mn for the same period last year. Analysts attributed the earnings momentum to better performance from both its cement and aggregate selling wings.
- For the three months through June, the multinational company earned a revenue of BDT 6710 Mn, which was 34% higher than a year ago. Analysts said cement prices went up by 5-10% during the three months, helping LafargeHolcim register a 27.6% year-on-year revenue growth from its main business of cement manufacturing and selling.

<https://www.tbsnews.net/economy/stocks/lafargeholcim-profit-grows-39-668866>

SINGERBD | Eid sales boost Singer profit by 237% in April-June

- Singer Bangladesh, blessed by a rare occurrence of two Eid festivals in a single quarter over the April-June period, managed to grow its revenue to BDT 7170 Mn from BDT 5350 Mn a year ago as electronics and home appliances sold more during the two biggest festivals in the country. The oldest player in the country's electronics and home appliances market seemed to have better managed its costs over the quarter, as the cost of production did not increase in proportion to the revenue growth.
- Operating profit for the three months grew to BDT 920 Mn from BDT 390 Mn a year ago, while net profit after taxes grew to BDT 470 Mn from less than BDT 140 Mn. Earnings per share (EPS) for the April-June quarter grew to BDT 4.72 from BDT 1.40 for the same period last year. For the first half of the year, EPS stood at BDT 5.85, up from BDT 2.31 a year ago. Net asset value per share stood at BDT 34.83 at the end of June.

<https://www.tbsnews.net/economy/stocks/eid-sales-boost-singer-profit-237-april-june-668846>

CRYSTALINS | Crystal Ins to invest BDT 125 Mn in digital bank

- Crystal Insurance Company Ltd has decided to invest BDT 125 Mn as a sponsor shareholder to establish a digital bank. SM Shahidullah, company secretary of the insurer, said several names have come up in the proposal as the name of the bank, but it is not final yet. The company took the decision in a board meeting held on July 18, according to a posting on the website of Dhaka Stock Exchange yesterday.

<https://www.thedailystar.net/business/economy/banks/news/crystal-ins-invest-tk-125cr-digital-bank-3374566>

TRUSTBANK | Trust Bank declares 20% dividends

- Trust Bank declared 20% dividends for the year that ended on December 31, 2022. The announcement came at its 24th annual general meeting yesterday, said a press release. Maj Gen Md Nazrul Islam, vice-chairman of the bank, presided over the AGM.

<https://www.thedailystar.net/business/economy/banks/news/trust-bank-declares-20-dividends-3374526>

EBL | EBL wins International Finance Banking Awards 2023

- Eastern Bank Ltd has won the International Finance Banking Awards 2023 in the "Most Innovative Retail Bank in Bangladesh" category. The accolade was conferred by London-based International Finance magazine, known for its comprehensive coverage of the global financial sector, EBL said in a press release yesterday.

<https://www.thedailystar.net/business/economy/news/eb1-wins-international-finance-banking-awards-2023-3375896>

EMERALDOIL | Emerald Oil signs oil export MoU amid auction process

- Emerald Oil has signed a memorandum of understanding (MoU) with a Japanese company for exporting oil amid the ongoing auction process of its factories following a case filed by BASIC Bank against the company in 2017. Emerald Oil, a listed company, signed the MoU with Japanese company Be Born Co Ltd on Thursday, according to a press release. As per the agreement, the company will export 3,000 tonnes of crude oil annually.

<https://www.tbsnews.net/economy/stocks/emerald-oil-signs-oil-export-mou-amid-auction-process-669706>

ICB | How ICB plans to support stock market this fiscal

- The Investment Corporation of Bangladesh (ICB) has finalised an action plan for the ongoing fiscal 2023-24 to boost its business performance as well as strengthen its support to the stock market. For this, the corporation has signed an annual performance agreement (APA) with the Ministry of Finance on 17 July.

- As per the agreement, ICB's action plans for FY24 are to invest BDT 15 Bn in the secondary market of the stock exchanges, disburse BDT 3.50 Bn as margin loans to the investors to strengthen the liquidity support to the capital market, and increase its contribution to the turnover of the bourses by trading stocks worth a total of BDT 12 Bn.

<https://www.tbsnews.net/economy/stocks/how-icb-plans-support-stock-market-fiscal-669702>

EXCHANGE | Robi among 11 cos to have lost blue-chip status for illiquidity

- As many as 11 companies, including the second largest telecom operator Robi Axiata, have been dropped from the DS30 index after they endured a steep, persistent fall in transaction volumes for months. Daily average turnover volumes worth less than BDT 5 Mn in the three months to June 30 is one of the reasons for the exclusion of the stocks from the index, according to the Dhaka Stock Exchange (DSE) that disclosed the rebalancing of the index on Thursday.
- Of the companies, Robi, United Power Generation & Distribution Company (UPDGC), TITAS Gas, and Power Grid are among the top 20 companies in terms of market value. The companies have lost the status "mainly because of very low turnover on the back of liquidity crisis," said a DSE official preferring not to be named. The 11 companies of the blue-chip index have been replaced by 11 others including Eastern Bank, Heidelberg Cement, and Sonali Paper & Board Mills.

<https://thefinancialexpress.com.bd/stock/bangladesh/robi-among-11-cos-to-have-lost-blue-chip-status-for-illiquidity>

EXCHANGE | Floor price decision after securing investments: BSEC chief

- The decision to lift the floor price will be made after figuring out a strategy to secure the capital of investors, said Bangladesh Securities and Exchange Commission (BSEC) Chairman Professor Shibli Rubayat-UI-Islam. "Although many people did not like it, the floor price was set during an unusual situation. Now policymaking is being done with an emphasis on capital protection," he said at a seminar titled "Risk Management Framework of CMSF".
- At the event organised by the Capital Market Stabilization Fund (CMSF) at the BSEC headquarters in Dhaka on Thursday, he said that if the floor price is lifted, brokers will do better in business, but it will make general investors helpless and create opportunities for wealth to be looted.

<https://www.tbsnews.net/economy/stocks/floor-price-decision-after-securing-investments-bsec-chief-668838>

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