

## Weekly Market Update

### Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.40%) lost -25.11 points and closed the week at 6,284.63 points. The blue-chip index DS30 (-0.27%) lost -5.75 points and stood at 2,140.36 points. The Shariah-based index DSES (-0.37%) lost -5.01 points and stood at 1,359.60 points. The large cap index CDSET (-0.06%) lost -0.73 points and closed at 1,208.28 points. DSEX, DS30, DSES and CDSET showed YTD returns of +1.25%, -2.50%, +0.06%, -0.51%, respectively.

**Total Turnover During the Week (DSE):** BDT 18.1 billion (USD 165 million)

**Average Daily Turnover Value (ADTV):** BDT 4.5 billion ( $\Delta\%$  Week: -43.4%)

**Market P/E:** 18.4x

### Daily Index Movement during the Week

The market performed four sessions during this week. The market started on a negative note (-0.46%) on Sunday and reverted to positive on Monday (+0.03%). Then, the market remained positive on Tuesday (+0.02%). Finally, the market closed on a positive note on Wednesday (+0.01%).

### Sectoral Performance

• All the financial sectors registered negative performance this week. General Insurance experienced the highest loss of -3.42% followed by Life Insurance (-1.41%), Bank (-0.09%), Mutual Fund (-0.06%), and NBFIL (-0.01%).

• All the non-financial sectors registered negative performance this week. Pharmaceutical experienced the highest loss of 0.28% followed by Food & Allied (-0.24%), Engineering (-0.10%), Fuel & Power (-0.07%), and Telecommunication (0.00%).

### Macroeconomic arena

• Hong Kong and Bangladesh sign DTA. 6 cos to invest USD 70 Mn in 3 industrial estates. Visa restrictions won't effect apparel exports to US market: BGMEA President. Bangladesh Bank didn't get any notice over US restrictions on ACU transactions: BB Spokesperson. Govt refixes commission rates on sales of petroleum fuels. Duty-waiver can raise annual cotton apparel exports to US by up to USD 800 Mn: Expert. Record Bangladeshis hired in Italy this year, USD 800 Mn sent home. Finance minister seeks expert advice to boost remittance thru' legal channels. Govt's electronic fund transfers to save BDT 600 Bn in five years. Liquidity squeeze to banks begins. Bangladesh starts exporting printed circuit boards. No scope to settle trade in Russian ruble: Cenbank. Taka weakens even further. Bangladesh-South Korea bilateral trade crosses USD 3 Bn in last fiscal: State minister. Chinese company to invest USD 23.15 Mn in Uttara EPZ. Cenbank fixes forward forex rate. Banks asked to work together to stabilise forex market.

• Dollar rates raised to BDT 110 for remitters, exporters. Exporters' dollar retention limit cut by 50% to curb greenback shortage. Forex holdings in banks fall in August. Shopowners' Association seeks withdrawal of 1% supervision charge in CMSME loans. Bike-sharing thru' apps on decline, forcing cos to halt service. BRI to help Bangladesh's real GDP growth by 2.1%: report. Sri Lanka pays off entire USD 200 Mn loan from Bangladesh with USD 22 Mn interest. 4,725kg hilsa exported to India. Indigo farming: Once a curse, now a blessing. US firms want to invest in IT, energy. US-Bangla Airlines eyes expansion. Annual turnover peaks on huge capital goods imports. Now BB opens crisis resolution consultation. Insurers to be brought under corporate governance guideline. BD gig workers need social safety nets, says WB. RPGCL reissues tender for one spot LNG cargo. BDT 36.6 Bn project needed to set up factories in Plastic Industrial City: Study. 'Initiatives taken to utilise by-products to make sugar mills profitable'. Bangladesh economy hit hard by Ukraine war.

### Stock Market arena

• ONEBANKLTD, BRACBANK, DUTCHBANGL | Three banks to issue BDT 16 Bn bonds. SAVAREFR | Savar Refractories to delist, offers to buy public shares at 56% discount. AIL, ALIF | Alif Industries to merge with Alif Manufacturing. SAIFPOWER | Saif Powertec to facilitate Kolkata-Agartala cargos production. EMERALDOIL | Emerald Oil, Minori Bangladesh, Jamuna Edible Oil partner to upturn rice bran oil production. MIRAKHTER | Mir Concrete Block leaps to grab stake in concrete brick market. ISLAMIBANK | Islami Bank Bangladesh PLC gets Remittance Award. BSCCL | Govt wants Submarine Cable shares at rate 66% lower than market price. BATBC | British American Tobacco BD to build BDT 1.5 Bn bonded warehouse. DBH | IFC offers USD 30 Mn to DBH Finance for low-cost housing. UNIONBANK | Union Bank distributes agriculture funds. PHARMAID | Pharma Aids to meet growing demand by toll manufacturing. METROSPIN | Why Metro Spinning's factory is closing for a year.

September 27, 2023 (Week: September 24, 2023 – September 27, 2023)

**Dhaka Stock Exchange**

**DSEX ended in Red (-0.40%) in the week**

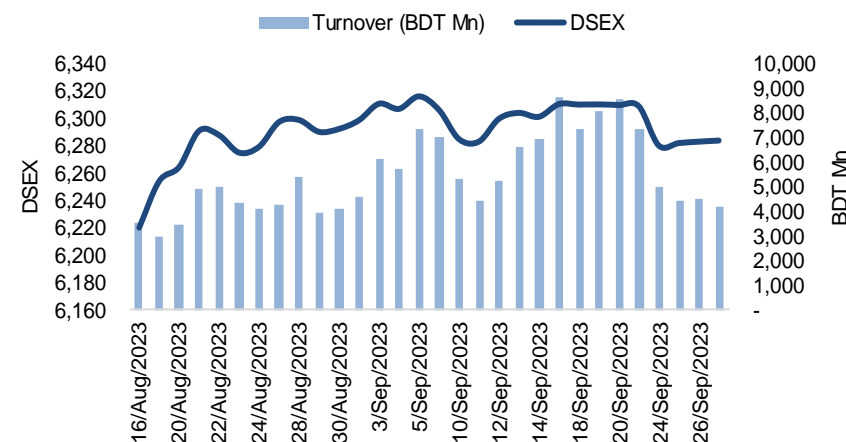
Table 1: Index

Index	Closing*	Opening*	$\Delta$ (Pts)	29-Dec-2022	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	6,284.63	6,309.75	-25.11	6,206.81	-0.40%	+1.25%
DS30	2,140.36	2,146.10	-5.75	2,195.30	-0.27%	-2.50%
DSES	1,359.60	1,364.61	-5.01	1,358.84	-0.37%	+0.06%
CDSET	1,208.28	1,209.01	-0.73	1,214.42	-0.06%	-0.51%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,774,755	7,791,017	-0.2%
	M n USD	70,519	70,667	
Turnover	M n BDT	18,143	40,048	-54.7%
	M n USD	165	363	
Average Daily Turnover	M n BDT	4,536	8,010	-43.4%
	M n USD	41	73	
Volume	M n Shares	335	734	-54.3%

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
SHYAMP SUG	139.1	117.3	+18.6%	696	49.6	NM	NM
AMBEEPHA	770.1	675.5	+14.0%	1,848	109.1	NM	40.5x
DAFODILCOM	102.9	92.0	+11.8%	5,136	232.4	NM	7.6x
ZEALBANGLA	140.9	127.7	+10.3%	845	210	NM	NM
KBPPWBIL	27.0	24.5	+10.2%	2,648	515.7	NM	2.3x
JUTESPINN	362.1	340.5	+6.3%	616	8.0	NM	NM
PROVATIINS	64.8	61.1	+6.1%	2,612	400.8	34.0x	3.1x
ARAMIT	288.1	271.8	+6.0%	1,729	23.1	48.6x	2.0x
APEXFOODS	427.1	404.2	+5.7%	2,435	186.7	43.0x	3.4x
NITOLINS	45.2	42.8	+5.6%	1,817	63.4	23.1x	1.5x

**Table 4: Top Ten Losers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
CRYSTALINS	111.5	132.5	-15.8%	4,460	365.2	34.3x	4.5x
AGRANINS	43.6	50.1	-13.0%	1,385	70.6	22.0x	2.1x
MIRACLEIND	46.5	51.2	-9.2%	1,638	444.1	NM	2.7x
TILIL	59.2	14.6	-8.9%	2,368	135.7	NM	NM
FUWANGFOOD	30.2	33.1	-8.8%	3,347	647.2	NM	7.6x
DGIC	37.5	40.9	-8.3%	1,500	172.6	41.2x	3.1x
AIL	78.7	85.8	-8.3%	3,483	260.6	49.2x	3.5x
EMERALDOIL	136.8	148.2	-7.7%	8,169	200.6	NM	NM
DESHBANDHU	22.5	24.3	-7.4%	1,381	49.8	64.3x	12x
RELIANCINS	76.1	82.1	-7.3%	8,003	57.8	14.9x	12x

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

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
UNIONINS	68.6	68.4	+0.3%	3,320	795.8	27.9x	3.8x
BDCOM	38.3	38.6	-0.8%	2,186	655.5	26.5x	2.4x
FUWANGFOOD	30.2	33.1	-8.8%	3,347	647.2	NM	7.6x
GEMINISEA	817.6	832.5	-1.8%	4,992	588.6	39.0x	32.2x
CITYGENINS	50.6	49.1	+3.1%	3,449	586.5	19.8x	2.6x
KBPPWBIL	27.0	24.5	+10.2%	2,648	515.7	NM	2.3x
EHL	99.7	103.7	-3.9%	9,307	497.0	13.5x	12x
MIRACLEIND	46.5	51.2	-9.2%	1,638	444.1	NM	2.7x
SEAPEARL	187.9	190.1	-1.2%	22,689	420.3	27.2x	10.9x
PROVATIINS	64.8	61.1	+6.1%	2,612	400.8	34.0x	3.1x

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

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELBCEM	263.4	+47.1%	14,883	33.1x	3.9x
OLYMPIC	153.1	+23.5%	30,611	18.6x	3.1x
UNIQUEHRL	68.3	+18.4%	20,108	10.6x	0.8x
UNILEVERCL	2,014.5	+13.1%	38,828	44.9x	22.1x
PIONEERINS	75.0	+10.1%	6,668	13.7x	16x
ADNTEL	123.9	+8.6%	8,010	32.2x	4.5x
LHBL	69.4	+7.1%	80,599	13.7x	4.1x
JAMUNAOIL	177.1	+5.9%	19,556	6.5x	0.9x
PRIMEBANK	20.0	+4.2%	22,646	5.2x	0.7x
EBL	29.4	+4.0%	35,493	6.7x	1.0x

\*BDT

\*\*BDT Mn

**Table 7: Sector Indices**

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1443.0	1444.2	1427.09	-0.09%	+1.11%
NBFI	1,916.8	1,916.9	1,927.24	-0.01%	-0.54%
Mutual Fund	827.1	827.6	852.07	-0.06%	-2.93%
General Insurance	3,870.2	4,007.2	3,177.87	-3.42%	+2.179%
Life Insurance	2,682.2	2,720.7	2,492.91	-1.41%	+7.59%
Telecommunication	4,945.6	4,945.6	4,945.60	-0.00%	-0.00%
Pharmaceutical	3,700.0	3,710.3	3,754.47	-0.28%	-1.45%
Fuel & Power	1,697.7	1,698.9	1,694.29	-0.07%	+0.20%
Cement	2,555.2	2,554.7	2,319.67	+0.02%	+10.15%
Services & Real Estate	1,900.0	1,924.8	1,782.23	-1.29%	+6.61%
Engineering	4,480.8	4,485.2	4,503.40	-0.10%	-0.50%
Food & Allied	21,498.4	21,550.6	21,247.80	-0.24%	+1.18%
IT	3,155.6	3,195.8	3,004.33	-1.26%	+5.03%
Textile	1,613.7	1,617.8	1,621.87	-0.25%	-0.50%
Paper & Printing	10,305.0	10,688.8	10,388.08	-3.59%	-0.80%
Tannery	3,175.2	3,196.4	3,093.43	-0.66%	+2.64%
Jute	15,954.0	15,724.9	14,850.17	+1.46%	+7.43%
Ceramics	679.9	679.9	704.74	-	-3.52%
Miscellaneous	4,132.5	4,197.5	4,071.46	-1.55%	+1.50%

**Table 8: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	518	59.1	-12.46%	+1.25%	12.1x	0.7x
NBFI	2.2	4.4	-49.65%	+0.05%	NM	7.0x
Mutual Fund	2.0	3.2	-37.36%	+0.05%	NM	0.7x
General Insurance	1,397.9	3,184.5	-56.10%	+33.88%	20.9x	1.8x
Life Insurance	227.7	751.6	-69.70%	+5.52%	NM	NM
Telecommunication	0.3	0.6	-54.86%	+0.01%	15.6x	4.4x
Pharmaceutical	288.0	374.5	-23.09%	+6.98%	19.2x	2.3x
Fuel & Power	61.7	118.0	-47.72%	+1.50%	23.6x	1.1x
Cement	89.9	106.9	-15.93%	+2.18%	27.1x	2.7x
Services & Real Estate	302.0	563.5	-46.40%	+7.32%	23.4x	12x
Engineering	118.7	160.9	-26.21%	+2.88%	60.9x	1.8x
Food & Allied	525.6	801.9	-34.46%	+12.74%	20.0x	7.5x
IT	379.1	274.7	+37.99%	+9.19%	29.0x	3.0x
Textile	142.3	263.2	-45.96%	+3.45%	78.7x	1.1x
Paper & Printing	128.9	214.7	-39.94%	+3.13%	38.3x	2.0x
Tannery	87.2	122.0	-28.51%	+2.11%	44.4x	3.2x
Jute	12.7	15.6	-18.30%	+0.31%	NM	-1354.8x
Ceramics	0.1	0.7	-88.67%	+0.00%	53.4x	1.9x
Miscellaneous	307.7	318.0	-3.24%	+7.46%	15.9x	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	31.2x	2.0x
ISLAMIBANK	32.6	-1.2%	52,486	8.4x	0.7x
TRUSTBANK	31.7	-0.1%	27,142	9.9x	1.1x
BRACBANK	35.8	-0.0%	57,596	8.3x	0.9x
IDLC	46.5	-	19,330	11.2x	1.1x
IPDC	57.6	-	21,375	38.4x	3.3x
LANKABAFIN	26.0	-	14,010	27.4x	1.4x
ACI	260.2	-	19,829	NM	2.0x
LINDEBD	1,397.7	-	21,271	33.7x	3.7x
UPGDCL	233.7	-	135,475	16.7x	4.4x

## Important News: Business & Economy

### Hong Kong and Bangladesh sign DTA

- Hong Kong and Bangladesh have signed a comprehensive double taxation arrangement (DTA) that draws heavily from the OECD's 2017 Model Tax Convention on Income and Capital. Under this DTA, companies will be considered tax residents of Hong Kong if their primary management or control operations are based in Hong Kong. Hong Kong residents engaged in international shipping transport within Bangladesh can benefit from a substantial 50% tax reduction on their taxable profits in Bangladesh.

<https://www.tbsnews.net/bangladesh/hong-kong-and-bangladesh-sign-dta-707222>

### 6 cos to invest USD 70 Mn in 3 industrial estates

- Six companies will invest USD 70 Mn in various sectors in the Bangabandhu Sheikh Mujib Shilpa Nagar, Sabrang Tourism Park, and Jamalpur Economic Zone. Sources at the Bangladesh Economic Zones Authority (Beza) said land lease agreements with the companies will be signed on 27 September. The firms have been allotted 21 acres of land at the three industrial enclaves, which is expected to create more than 2,594 job opportunities.

<https://www.tbsnews.net/economy/6-cos-invest-70m-3-industrial-estates-707206>

### Visa restrictions won't effect apparel exports to US market: BGMEA President

- Bangladesh Garment Manufacturers and Exporters Association (BGMEA) president Faruque Hassan on Tuesday said that the United States' visa restrictions would not put any impact on apparel exports to the American market for now. He also said that the US has not put any sanction on the country rather it imposed visa restrictions on individuals.

<https://thefinancialexpress.com.bd/trade/visa-restrictions-wont-effect-apparel-exports-to-us-market-bgmea-president>

### Bangladesh Bank didn't get any notice over US restrictions on ACU transactions: BB Spokesperson

- The Bangladesh Bank has not received any instructions regarding not settling transactions through the Asian Clearing Union (ACU), Bangladesh Bank Spokesperson Md Mezbaul Haque said today (26 September). Various reports in the Indian media said the US Office of Foreign Assets Control (OFAC) had instructed banks there not to settle transactions related to the Asian Clearing Union (ACU).

<https://www.tbsnews.net/economy/banking/bangladesh-bank-didnt-get-any-notice-over-us-restrictions-acu-transactions-bb>

### Govt refixes commission rates on sales of petroleum fuels

- In a gazette notification, the Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources announced the decision on Tuesday refixing the commission rates for the dealers and agents. As per the gazette notification, the dealers and agents will get 4.28% in commission on the sales of per litre octane, 4.24% on the sales of petrol, 2% on sales of kerosene and 2.85% for per litre diesel.

<https://thefinancialexpress.com.bd/trade/govt-refixes-commission-rates-on-sales-of-petroleum-fuels>

### No forward forex contract for over three months: BB

- Banks will not be allowed to go for forward sale of foreign exchange for over three months, Bangladesh Bank said in a circular today. The central bank released today's circular to clarify its previous circular issued on September 24 where it said the forward premium would not exceed SMART plus 5% per annum.

<https://www.thedailystar.net/business/news/no-forward-forex-contract-over-three-months-bb-3428696>

### BB fixes interest rate for loans from green fund

- The central bank yesterday fixed the interest rate of its US dollar and euro financing from the Green Transformation Fund (GTF) owing to the discontinuation of Libor and the upward trend of the interest rate globally. The Bangladesh Bank operates the fund in the two currencies to extend loans to authorised dealers (ADs) for on-lending or re-financing to borrowers to help them implement green and environment-friendly initiatives.
- The rate-fixing comes after the London Interbank Offered Rate (Libor), a benchmark interest rate at which major global banks used to lend to one another in the international interbank market for short-term loans, ceased to exist.

<https://www.thedailystar.net/business/economy/news/bb-fixes-interest-rate-loans-green-fund-3428776>

### BB formulates digital payment policies with quick refund, penalty provisions

- The central bank has formulated policies to ensure the security of customers and businesses in the process of digital payments for online product and service sales, including procedures for refunds and penalties. If a customer cancels an order after making a digital payment, he or she must be refunded within a maximum of three days. The Payment System Department of the Bangladesh Bank issued a circular to this effect on Tuesday.

<https://www.tbsnews.net/economy/banking/bb-formulates-digital-payment-policies-quick-refund-penalty-provisions-707838>

**Nearly 22,000 MFS accounts blocked for hundi, online gambling**

- The Bangladesh Financial Intelligence Unit (BFIU) has blocked 21,725 mobile financial service (MFS) accounts due to their alleged involvement in hundi and online gambling. Most of those accounts are from bKash, Nagad and Rocket, a senior official of the anti-money laundering agency told The Daily Star requesting anonymity.

<https://www.thedailystar.net/business/news/nearly-22000-mfs-accounts-blocked-hundi-online-gambling-3428746>

**Economic zones to come under eco-friendly performance rating**

- The Bangladesh Economic Zone Authority (Beza) is set to classify the country's economic zones into bronze, silver, gold, and platinum tiers, aligning with international standards to enhance the environmental sustainability of the production process. The initiative has been undertaken with a focus on meeting the demand for environmentally friendly production in the global market and attracting future investments.

<https://www.tbsnews.net/economy/economic-zones-come-under-eco-friendly-performance-rating-707218>

**Power price, subsidy to rise as govt has to pay producers at latest dollar rate**

- Electricity consumers look set to bear the burden of additional payment the government plans to make to private producers to help them offset the loss in furnace oil import due to exchange rate volatility. The government has decided to pay for furnace oil imports – imported by the furnace oil-based Independent Power Plants (IPPs) — on the payment-time exchange rate of the dollar rather than the purchase-time rate.

<https://www.tbsnews.net/bangladesh/energy/power-price-subsidy-rise-govt-has-pay-producers-latest-dollar-rate-707842>

**Duty-waiver can raise annual cotton apparel exports to US by up to USD 800 Mn: Expert**

- Bangladesh's cotton garment exports to the USA can grow by USD 400-800 Mn annually if the US government waives duty on exports of apparel made from cotton imported from America, said Mohammad Abdur Razzaque, research director of the Policy Research Institute (PRI) on Monday. John Fay, commercial counsellor of the US Embassy in Bangladesh, said there is a possibility of reducing the duty on export of garment items to the USA from Bangladesh.

<https://www.tbsnews.net/economy/industry/duty-waiver-can-add-800m-bangladesh-cotton-garment-export-usa-year-study-707026>

**Record Bangladeshis hired in Italy this year, USD 800 Mn sent home**

- Around 14,434 workers have been employed in various industries in Italy from Bangladesh till 20 September 2023, already the highest in a single year, according to the Bureau of Manpower, Employment and Training (BMET). Bangladeshi expatriates in Italy sent USD 800 Mn remittance in the first eight months of 2023.

<https://www.tbsnews.net/bangladesh/migration/record-bangladeshis-hired-italy-year-800m-sent-home-706554>

**Finance minister seeks expert advice to boost remittance thru' legal channels**

- In an effort to boost the flow of remittances through legal channels, Finance Minister AHM Mustafa Kamal has sought advice and innovative ideas from economists and experts in this field. The government is open to any constructive suggestions to enhance remittance inflow and is committed to swiftly implementing them, he says.

<https://www.tbsnews.net/economy/finance-minister-seeks-expert-advice-boost-remittance-thru-legal-channels-707086>

**Govt's electronic fund transfers to save BDT 600 Bn in five years**

- Ministry of Finance estimates the integrated budget and account system (iBAS++) will save Bangladesh an estimated USD 5.4 Bn in the next five years. The iBAS++ would save bank service charges of BDT 40-50 Bn annually for providing pensions, and BDT 250 Bn savings through enforcing national savings schemes restrictions. The reforms encompass 37.1 Mn beneficiaries who receives allowances and stipends through electronic fund transfers.

<https://www.thedailystar.net/business/economy/news/govts-electronic-fund-transfers-save-tk-60000cr-five-years-3428046>

**Liquidity squeeze to banks begins**

- As part of the latest move, the government auction committee on risk-free investment instruments did not accept all the bids placed at Sunday auction by the commercial banks for 7-day-tenure liquidity facility at the REPO rate.
- The latest inflation-tackling move comes after the central bank squeezed the flow of 'high-powered money' into the economy as consumer woes continue worsening amid steep commodity prices which, evidently, defies government market intervention through pegging prices of some essentials.

<https://thefinancialexpress.com.bd/economy/bangladesh/liquidity-squeeze-to-banks-begins>



### **Bangladesh starts exporting printed circuit boards**

- Walton Digi-Tech Industries Limited, the country's sole manufacturer of the printed circuit boards, has recently initiated exports to Greece, providing 360,000 PCBs. The company currently meets 50% of the country's demand for 20,000 square metres of PCB per month. The company plans to commence export to other countries in Europe and America.

<https://www.thedailystar.net/business/global-economy/news/bangladesh-starts-exporting-printed-circuit1>

### **No scope to settle trade in Russian ruble: Cenbank**

- Mezbaul Haque, spokesperson of Bangladesh Bank, has said Bangladesh has no agreement with Russia about trading in the Russian currency, Ruble. The Bangladesh Bank can trade only in the official currency which is approved by the International Monetary Fund (IMF) as a reserve currency, he maintained.

<https://www.tbsnews.net/economy/no-scope-settle-trade-russian-ruble-cenbank-706546>

### **Taka weakens even further**

- The Bangladesh Bank increased the exchange rate of the dollars from reserves by BDT 0.50 to BDT 110.50 on Monday. This decision was made at a joint meeting of the Bangladesh Foreign Exchange Dealers' Association (Bafeda) and Association of Bankers' Bangladesh (ABB).

<https://www.tbsnews.net/economy/banking/taka-weakens-even-further-707166>

### **Taxpayers face quandary as NBR online portal not ready**

- The online portal is not ready yet, offline services are off-limits too, and the revenue authority is still scrambling to grasp the changes in collection rules: this is exactly what happens when a new tax law, incorporating stringent measures, catches the revenue collector off guard.
- A senior tax official said the concerned wing of NBR could not finalise work on the online tax return portal by updating the system to align with the new tax law, which came into force on July 1, 2023, as the tax authority is still amending the tax measures.

<https://thefinancialexpress.com.bd/economy/bangladesh/taxpayers-face-quandary-as-nbr-online-portal-not-ready>

### **Fitch now rates Bangladesh's foreign debt outlook negative**

- Fitch Ratings has reassessed Bangladesh's ability to fulfill its foreign-currency debt obligations, shifting its outlook from "stable" to "negative." However, Fitch has upheld Bangladesh's long-term foreign-currency Issuer Default Rating (IDR) at 'BB-', an investment-grade rating, albeit with a negative outlook.

- Earlier in September 2022, Fitch affirmed Bangladesh's Long-Term Foreign-Currency Issuer Default Rating (IDR) at "BB-" with a stable outlook. In May of this year, Moody's Investors Service also downgraded Bangladesh's long-term ratings from Ba3 to B1.

<https://www.tbsnews.net/economy/fitch-revises-outlook-bangladesh-negative-stable-affirms-bb-707070>

### **SME neglected in foreign trade finance: Study**

- The SME sector in the country can avail of loans from banks but is neglected in getting finance for foreign trade whereas the sector can play a major role in boosting exports and overcoming the ongoing dollar crisis, said experts. As the chief guest of the event, Bangladesh Bank Deputy Governor Kazi Sayedur Rahman said SME entrepreneurs play an important role in economic and social development, especially in poor and least developed countries.

<https://www.tbsnews.net/economy/sme-neglected-foreign-trade-finance-study-707138>

### **Nagad pivots towards meeting all your banking needs**

- Nagad, the country's leading mobile financial service provider, is on the cusp of setting up the much-hyped digital bank, promising to redefine convenience and accessibility in financial services. Under its digital banking platform, Nagad will offer single-digit and collateral-free loans for small informal businesses and farmers who now have to take loans from moneylenders even at 40% interest rate per day, Zahidul Islam pointed out.

<https://thefinancialexpress.com.bd/trade/nagad-pivots-towards-meeting-all-your-banking-needs>

### **US imposes restrictions on ACU payment**

- The US Office of Foreign Assets Control (OFAC) under the US Department of The Treasury asked banks there to refrain from processing payments linked to the ACU mechanism, per Indian media report. ACU is a trade-related payment mechanism among its member countries: India, Bangladesh, Bhutan, Iran, the Maldives, Myanmar, Nepal, Pakistan and Sri Lanka. The report also states that India controls nearly 93% of ACU's credit positions.
- According to Dr Zahid Hussain, former lead economist at World Bank 's Dhaka office, the move will not create any major pains for the Bangladesh economy as the country now pays ACU liabilities involving USD 1.0 Bn each two months and that it can be paid in euro from BB's non-US overseas accounts receivables. However, Dr Ahsan H. Mansur from Policy Research Institute of Bangladesh (PRI) told that it will certainly cause extra burden to the economy in the form of creating fresh complexities in its trade-payment procedure.

<https://today.thefinancialexpress.com.bd/first-page/us-imposes-restrictions-on-acu-payment-1695662280>

## **Bangladesh-South Korea bilateral trade crosses USD 3 Bn in last fiscal: State minister**

- State Minister for Foreign Affairs M Shahriar Alam on Sunday said that the bilateral trade between Bangladesh and South Korea crossed USD 3.0 Bn in the last fiscal year 2022-23. He thanked the Korean government for granting preferential access to 95% of Bangladeshi products. Ambassador Park Young Sik said that the bilateral ties between the countries are now on a solid footing.

<https://thefinancialexpress.com.bd/national/bangladesh-south-korea-bilateral-trade-crosses-3-billion-state-minister>

## **Chinese company to invest USD 23.15 Mn in Uttara EPZ**

- Chinese company M/s. Bangladesh Boyang Textile Co. Ltd. is going to set up a textile and home textile manufacturing industry in Uttara EPZ with an investment of USD 23.15 Mn. This fully foreign owned company will create employment opportunities for 1993 Bangladeshi nationals. Bangladesh Boyang Textile Co. will produce annually 50 Mn meters of linen/cotton woven & denim fabrics and 3 Mn pieces of home textile like pillow cases, bed sheets and tablecloths.

<https://thefinancialexpress.com.bd/trade/chinese-company-to-invest-2315m-in-uttara-epz>

## **Vietnam president attends forum in Dhaka to boost economic cooperation**

- Vuong Dinh Hue, President of the Vietnam National Assembly, has attended an event in Dhaka titled 'Forum on Policies and Laws to Promote Economic, Trade and Investment Cooperation between Vietnam and Bangladesh. During the Forum three b2b MoUs were signed between BMH Vietnam Company and Doreen Group Bangladesh on investment cooperation, technology transfer and development of pre-engineered steel production.

<https://thefinancialexpress.com.bd/trade/vietnam-president-attends-forum-in-dhaka-to-boost-economic-cooperation>

## **Saidpur's cookware puts footprint in global market**

- Royal Relax Metal Industries, established in Saidpur, Nilphamari, in 1978 to manufacture aluminium products, exports its products to three countries, India, Bhutan and Nepal, with an annual turnover ranging from USD 0.3 - 0.5 Mn. In the current month, the company plans to export products worth USD 22,000 to Bhutan. Despite its growth and potential the company faces various challenges like non-availability of uninterrupted power supply and harassment by VAT and tax officials.

<https://www.tbsnews.net/economy/industry/saidpurs-cookware-puts-footprint-global-market-706026>

## **Agri loans remain strong as credit, recovery grow**

- At a time when the credit flow to the private sector is on a downward trajectory, the disbursement and recovery of agricultural loans through banks increased in the first two months of the current fiscal year. A total of BDT 53.08 Bn agricultural loan was disbursed in July-August of FY24, marking a 38% increase from BDT 38.37 Bn in the same period last fiscal. Bankers say agricultural loans are easy to recover, leading to their ready issuance. Additionally, the central bank's agricultural credit targets prompt banks to disburse these funds diligently.

<https://www.tbsnews.net/economy/banking/agri-loans-remain-strong-credit-recovery-grow-706470>

## **Another 36,000 RMG workers to receive salary through bKash payroll solution**

- Another eight leading RMG companies in the country started using bKash's digital payroll solution to disburse salaries and allowances to their workers. With this latest addition, currently more than 1,100 factories are disbursing salaries and allowances to over a million workers through bKash's digital payroll solution, says a press release. In addition, bKash facilitates services like instant digital nano loan, savings from bank and NBFI, insurance service for the workers.

<https://thefinancialexpress.com.bd/trade/another-36000-rmg-workers-to-receive-salary-through-bkash-payroll-solution>

## **Cenbank fixes forward forex rate**

- The central bank fixed the forward foreign currency selling and buying rate on Sunday. From now on, banks can fix the rate of forward dollar by adding the maximum six months moving average rate of treasury bill (SMART) + 5% per year to the current dollar rate. A senior official of the central bank told The Business Standard, by fixing the forward selling and purchasing rates of foreign currency, a consumer's exchange rate risk is decreased.

<https://www.tbsnews.net/economy/banking/cenbank-fixes-forward-forex-rate-706494>

## **Banks asked to work together to stabilise forex market**

- The Bangladesh Bank today asked banks to work jointly to get rid of the volatility in the country's foreign exchange market. The central bank instruction came at a meeting between Governor Abdur Rouf Talukder and a delegation of the Association of Bankers Bangladesh (ABB) at the BB headquarters. Neither central bankers nor the CEOs of the commercial banks agreed to comment on the outcome of the meeting.

<https://www.thedailystar.net/business/news/banks-asked-work-together-stabilise-forex-market-3427161>

### **Govt's bank borrowing in check**

- The government's borrowing from the banking system has remained in check so far in the ongoing fiscal year thanks to lower expenditures and higher revenue collection. This is a reverse from a trend seen in the last fiscal year when the government took a record BDT 980 Bn in loans from the Bangladesh Bank to run its operations, which contributed to stoking inflation.
- The inflationary situation, which has remained at an elevated level for the past one and a half years, forced the government to change its borrowing policy for the current fiscal year.

<https://www.thedailystar.net/business/economy/news/govts-bank-borrowing-check-3426321>

### **US wants govt action against counterfeit apparel exports**

- The United States has urged Bangladesh to take action to address the export of counterfeit clothing items from the second-largest garment supplier to the world's largest economy. Earlier, the USTR identified Bangladesh as one of the top five sources for counterfeit clothing items globally, a discredit that stakeholders have identified as a matter of concern. The US conveyed to Bangladesh that supporting workers' rights, including freedom of association and collective bargaining, is a top priority for the Biden-Harris administration.

<https://www.thedailystar.net/business/economy/news/us-wants-govt-action-against-counterfeit-apparel-exports-3427281>

### **Dollar rates raised to BDT 110 for remitters, exporters**

- Banks have once again raised the official rate of the dollar by BDT 0.50 for remittances, export proceeds, and import settlements amid volatility in the country's foreign exchange market. The new dollar rates are BDT 110 for remittances and export proceeds and BDT 110.50 for import settlements.
- A source present at the meeting said some bank MDs offered various prices to customers to increase remittances. However, the proposal was not accepted considering that if it is introduced, an unfair practice may be introduced in collecting remittances among the banks.

<https://www.tbsnews.net/economy/banking/dollar-rates-raised-tk110-remitters-exporters-706518>

### **Exporters' dollar retention limit cut by 50% to curb greenback shortage**

- The Bangladesh Bank (BB) has cut the dollar retention limit by 50% for the exporters to curb shortage of the greenback in the interbank market and boost its flow. Merchandise exporters can retain up to 60% of their repatriated export incomes, depending on their local value addition

- According to bankers, foreign exchange reserves are declining due to an increase in import spending, surpassing remittance income and expatriate export earnings. Consequently, the flow of dollars in the market has declined, prompting the decision to take action.

<https://www.tbsnews.net/economy/banking/exporters-retention-limit-cut-50-boost-dollar-flow-706502>

### **Forex holdings in banks fall in August**

- Commercial banks witnessed a drop in foreign currencies last month from that in the preceding month mainly due to a sharp fall year-on-year in the inflow of remittance and a relatively small growth in export earnings. The gross foreign currency balance with the banks stood at USD 5.80 Bn in August, down from USD 5.90 Bn in July, as per the latest data of Bangladesh Bank. Industry insiders said the foreign currency balance of banks generally falls when remittance earnings fall and import payments increase.

<https://www.thedailystar.net/business/economy/news/forex-holdings-banks-fall-august-3427291>

### **Shopowners' Association seeks withdrawal of 1% supervision charge in CMSME loans**

- Bangladesh Dokan Malik Samity, an association of shopowners, has demanded withdrawal of 1% supervision charged in CMSME loans. Helal Uddin, president of Dokan Malik Samity said if the supervision charge is not withdrawn and the money taken already is not returned by October 15, shopowners will move against it across the country.

<https://thefinancialexpress.com.bd/economy/shopowners-association-seeks-withdrawal-of-1pc-supervision-charge-in-cmsme-loans>

### **Bike-sharing thru' apps on decline, forcing cos to halt service**

- The once-thriving bike-ride sharing trend via apps has taken an unexpected hit, as a sharp decline in usage is forcing companies to halt their services, with 13 out of the 15 registered companies having non-renewed yearly licences. Only two companies - Pathao and Uber - have secured timely permit renewals, indicating their strong business performance. Meanwhile, the BRTA warned of tougher action, and said it will not let anyone run a ride-sharing service without valid permission.

<https://www.tbsnews.net/economy/bike-sharing-thru-apps-decline-forcing-cos-halt-service-706030>

### **BRI to help Bangladesh's real GDP growth by 2.1%: report**

- A recent report estimated that the Belt and Road Initiative (BRI) will help Bangladesh's real gross domestic product (GDP) growth by at least 2.1%, generate an additional 2.5% to 5.1% of employment, and decrease extreme poverty by 1.3%.

- The report, titled 'The Belt and Road in Bangladesh Achievements and Way Forward,' was published in Dhaka on Thursday by the Chinese embassy in Bangladesh. According to the report, depending on the specific scenarios considered, the BRI projects are projected to create an additional 1.8 Mn to 3.6 Mn employment opportunities.

<https://thefinancialexpress.com.bd/economy/bangladesh/bri-to-help-bangladeshs-real-gdp-growth-by-21pc-report>

### **Sri Lanka pays off entire USD 200 Mn loan from Bangladesh with USD 22 Mn interest**

- Sri Lanka has paid off the entirety of USD 200 Mn loan from Bangladesh, taken through a currency exchange agreement two years ago to survive the severe dollar shortage. According to Bangladesh Bank, Sri Lanka initially repaid USD 50 Mn on August 20. Then on August 31, it returned USD 100 Mn. Finally, they returned the remaining USD 50 Mn on Thursday night.

<https://www.tbsnews.net/bangladesh/sri-lanka-pay-200-million-loan-bangladesh-45-million-interest-705654>

### **4,725kg hilsa exported to India**

- A total of 4,725 kilograms of hilsa fish were exported from Bangladesh to India through Brahmanbaria's Akhaura land port on Friday evening ahead of the biggest Hindu festival of Durga Puja. Dhaka-based companies, Ripa Enterprise and SS Corporation, exported the fish in three vans at a rate of USD 10 per kg.

<https://www.tbsnews.net/economy/4725kg-hilsa-exported-india-705362>

### **Indigo farming: Once a curse, now a blessing**

- High profits motivate Rangpur farmers to engage in indigo farming with export potential. Manohar Roy, a farmer in Rangpur's southern region, has read about the dark history when the British rulers forced the farmers in Bengal to grow indigo. Yet he decided to cultivate it on his own land.
- Jahangir Alam, a former director of DAE, mentioned in his research, available on the Agriculture Information Service (AIS) website, that India needs about 300 tonnes of indigo every year. The best quality of indigo is sold at BDT 25,000 per kg in the international market. Currently, El Salvador meets most of the world's demand for indigo.

<https://www.tbsnews.net/economy/indigo-farming-once-dark-history-now-blessing-705038>

### **US firms want to invest in IT, energy**

- US companies want to invest in five sectors of Bangladesh, namely IT, education, healthcare, energy and infrastructure, said John Fay, commercial counsellor at the US embassy, yesterday. For attracting more US foreign direct investment in those areas Bangladesh needs to improve the investment climate, Fay said at a monthly luncheon meeting of the American Chamber of Commerce in Bangladesh (AmCham) at The Westin Dhaka. "US industry is Bangladesh's largest foreign investor with a total USD 4 Bn invested in the country. I would be happy to see this amount grow," he said.

<https://www.thedailystar.net/business/economy/news/us-firms-want-invest-it-energy-3424916>

### **Bangladesh among more than 30 countries approved to trade in rouble: Russian Embassy**

- The Russian government has approved a list of more than 30 friendly and neutral countries, from which banks and brokers will be allowed to trade in the Russian currency and derivatives market. The list includes Bangladesh, said the Russian Embassy in Dhaka on Saturday. But Argentina, Hong Kong, Israel, Mexico and Moldova were taken off the list that was published in draft form in the summer.

<https://thefinancialexpress.com.bd/trade/bd-among-more-than-30-countries-approved-to-trade-in-rouble-russian-embassy>

### **Bangladesh can offer ASEAN a bridge between South Asia and Southeast Asia: FBCCI**

- Bangladesh can be a major trade hub and bridge between businesses across the Asean, South Asian and South East Asian countries, FBCCI Vice President Joshoda Jibon Deb Nath said yesterday. FBCCI Vice President Joshoda Jibon Deb Nath said, "Bangladesh will soon graduate from LDC countries in 2026, and it will try to enter into several FTA and PTA with South East Asian emerging economic tigers."
- The FBCCI vice president said, "Bangladesh will soon graduate from LDC countries in 2026, and it will try to enter into several FTA and PTA with South East Asian emerging economic tigers."

<https://www.tbsnews.net/economy/bangladesh-can-offer-asean-bridge-between-south-asia-and-southeast-asia-fbcci-705234>



### **Matarbari channel handed over to CPA**

- The dream of realising a deep seaport at Matarbari in Cox's Bazar is now a step closer as Chittagong Port Authority (CPA) has taken charge of an artificial navigation channel created for vessel movement required for a coal-fired power plant. The channel has already become vibrant long before the construction of the port. A total of 120 big and small vessels carrying construction materials and coal for the 1200MW Matarbari power plant have so far berthed at the two jetties of the power plant since December 2020.

<https://www.thedailystar.net/business/economy/news/matarbari-channel-handed-over-cpa-3424846>

### **Bangladesh's air connectivity scope increasing through development and prosperity: State minister**

- The scope of air connectivity in Bangladesh is increasing through development and prosperity, State Minister for Civil Aviation and Tourism Md Mahbub Ali said yesterday while speaking at "Monitor Airline of the Year 2023 awards" ceremony. Citing information from the International Air Transport Association (IATA), Aviation expert and editor of Bangladesh Monitor, Kazi Wahidul Alam said that air transportation in Bangladesh is forecast to grow by 160% in the next 15 years, based on the current trends.

<https://www.tbsnews.net/economy/aviation/bangladeshs-air-connectivity-scope-increasing-through-development-and-prosperity>

### **NBFIs see rebound as confidence starts to revive**

- The struggling NBFIs see a ray of hope for the industry's much-needed rebound with increased deposits in the last quarter (Q4) of the immediate-past financial year (FY23). According to the latest statistics of the Bangladesh Bank (BB) released on Wednesday, the total deposits (excluding inter-NBFIs) of the sector increased by BDT 9.843 Bn or 2.25% to BDT 446.83 Bn during April-June 2023 compared to January-March 2023. The lion's share of deposits in NBFIs came from the private sector (92.46%), while the remaining portion was received from the public sector.

<https://thefinancialexpress.com.bd/economy/bangladesh/nbfis-see-rebound-as-confidence-starts-to-revive>

### **Imports on incremental fall under belt-tightening**

- Imports show an incremental fall under belt-tightening recipe the government has adopted amid dollar dearth, with the July-August turnover recording an 18% contraction. The overall import trade in terms of opening letters of credit dipped to USD 10.5 Bn, down 18.14% during the first two months of the current fiscal year, 2023-24, over its corresponding period a year before, data compiled by Bangladesh Bank showed.

- Economists and manufacturers find two main reasons behind the sharp fall in imports: persisting higher inflation which adversely affects demand for goods on the domestic market and dollar shortages as the banks are unwilling to open LCs.

<https://thefinancialexpress.com.bd/trade/imports-on-incremental-fall-under-belt-tightening>

### **US-Bangla Airlines eyes expansion**

- US-Bangla Airlines is going to procure a record 26 aircraft soon to expand its routes and capture a major pie of the country's aviation market currently dominated by foreign operators. At present, US-Bangla Airlines runs one flight to each of its destinations whereas foreign airlines operate four to five flights.

- The operator plans to turn the Shah Amanat International Airport its second-biggest hub since 60% to 70% of Bangladeshis who reside in the UAE, Oman and Qatar are from the Chattogram region. Foreign airlines control 75% of Bangladesh's aviation market while three Bangladeshi airlines hold the rest.

<https://www.thedailystar.net/business/economy/news/us-bangla-airlines-eyes-expansion-3426301>

### **Annual turnover peaks on huge capital goods imports**

- Bilateral trade between Bangladesh and China finds a bonanza even in crunch time with huge necessary imports of capital goods by the former heavily tilting the balance towards Beijing. Official data show the annual turnover in the two-way trade in the past fiscal year hit a record high at around taka 2.2 Tn or USD 20 Bn as, analysts say.
- Bangladesh had to make bulk import of goods for running industries and maintaining supply the consumer market, despite belt-tightening amid forex crunch. The growing business ties made the world's second-largest economy Bangladesh's biggest trading partner for the 15th year in a row since 2009.

<https://thefinancialexpress.com.bd/economy/bangladesh/annual-turnover-peaks-on-huge-capital-goods-imports>

### **Bangladesh needs multiple choices for better bargaining in foreign financial proposals: Japanese expert**

- Highlighting Japan's new plan for Free and Open Indo-Pacific (FOIP), Dr Ken Jimbo said Japan is offering 51 items without any conditions attached and Bangladesh can pick and choose which is attractive. Bangladesh needs to have more choices regarding any proposal - especially financial proposals - that will give it a better bargaining point, according to a Japanese expert.

- "We have to be very robust in creating such proposals to make Bangladesh have much more free choices. It is better if you have two or more choices. In fact, we both need to have more choices," Dr Ken Jimbo, Managing Director, International House of Japan and Professor of Keio University told UNB in an interview recently.

<https://www.tbsnews.net/bangladesh/bangladesh-needs-multiple-choices-better-bargaining-foreign-financial-proposals-japanese>

### **Exporters urge buyers to pay more for future orders considering workers' living costs**

- Apparel exporters have appealed to brands and buyers to consider paying additional costs for forthcoming orders in view of rising living expenses of workers due to the high inflation across the world. According to statistics for December 2021, Bangladesh has the lowest wage among the competitor countries – Pakistan, Sri Lanka, India, Myanmar, Cambodia, and Indonesia. The government formed a new wage board for garment workers on 9 April 2023. The new wages are likely to be finalised by November and implemented in the following month.

<https://www.tbsnews.net/bangladesh/bgmea-urges-companies-upsurge-prices-anticipation-workers-wage-increase-704502>

### **2 more banks allowed to trade in rupees, 6 more in pipeline**

- In addition, six more banks — Trust Bank, Social Islami Bank, AB Bank, NCC Bank, Prime Bank, and Premier Bank — have submitted applications to the central bank for authorisation to conduct trade in rupees, a senior central bank official told The Business Standard. More Bangladeshi banks have shown interest in conducting trade in rupees ever since Bangladesh and India launched a rupee trade settlement mechanism in July this year.
- The Bangladesh Bank (BB) has already granted permission to two more banks — Islami Bank and Standard Chartered Bank — to engage in trade with India using rupees, bringing the total to four banks participating in this arrangement.

<https://www.tbsnews.net/economy/banking/2-more-banks-allowed-trade-rupees-6-more-pipeline-704278>

### **Now BB opens crisis resolution consultation**

- Bangladesh Bank opens consultation with economists, think-tanks, business bodies and professional groups on how to manage inexorable inflation and persisting macroeconomic stress-two cardinal concerns of the day. The central bank makes the move on conducting stakeholder consultation in the wake of growing pressure on Bangladesh's macroeconomic front, like mounting inflationary pressure and foreign-exchange crunch.

- In the first meeting, he said, the BB governor sat with Professor Dr Wahiuddin Mahmud who suggested stopping the injecting of 'high-powered money' into government accounts by the central bank.

<https://thefinancialexpress.com.bd/economy/bangladesh/now-bb-opens-crisis-resolution-consultation>

### **Insurers to be brought under corporate governance guideline**

- The government is going to formulate corporate governance guidelines to ensure compliance with applicable laws and regulations and good governance in the operation of insurance companies in Bangladesh. As part of this initiative, the Idra published the draft guidelines on its website on September 19.
- The guidelines set the maximum number of directors on the board of an insurer at 20, including two neutral directors. In addition, there will be a clear procedure for appointing and reappointing directors, the guidelines said. Stakeholders concerned and the public have been given until September 24 to submit views and feedback on the draft.

<https://www.thedailystar.net/business/economy/news/insurers-be-brought-under-corporate-governance-guideline-3424881>

### **BD gig workers need social safety nets, says WB**

- A good number of freelancers in Bangladesh and in other emerging economies do not have access to social safety nets despite their inadequate earnings, according to a World Bank study. Around 40% of surveyed freelancers in Bangladesh were unable to make ends meet on a regular basis while 42% had little savings. The study suggested making innovative models of social insurance, especially those working with the private sector, and the platforms themselves can help expand the protection of workers in developing countries.

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-gig-workers-need-social-safety-nets-says-wb>

### **RPGCL reissues tender for one spot LNG cargo**

- With the previous one cancelled due to a high price quotation, state-run Rupantarita Prakritik Gas Company Ltd (RPGCL) has floated the tender again to purchase one spot LNG cargo for delivery to the Moheshkhali floating storage and re-gasification unit (FSRU) on October 11-12. Bangladesh previously awarded two spot LNG cargo tenders for deliveries on September 28-29 and October 25-26 to Moheshkhali FSRUs -- one to France's TotalEnergies and the other to Singapore's Vitol Asia.

<https://thefinancialexpress.com.bd/trade/govt-re-tenders-to-import-one-spot-lng-cargo-in-oct>

## **BDT 36.6 Bn project needed to set up factories in Plastic Industrial City: Study**

- The government needs to take a project involving BDT 36.6 Bn to relocate small plastic factories to the Plastic Industrial City in Munshiganj to boost export earnings from this sector, according to a recent study report. About 5,000 factories across the country are producing plastic products said Dr Khondaker Golam Moazzem, research director at the Centre for Policy Dialogue (CPD).
- "Government should immediately approve the proposal for relocation of about 1,200 factories currently located in the residential areas and multi-storied buildings, mainly in old Dhaka" he added. It is expected that the government will allocate about 10 kathas of land for each owner for building a two-storied (8,000 sq feet) industrial space.

<https://www.tbsnews.net/economy/industry/tk3660cr-project-needed-set-factories-plastic-industrial-city-study-705834>

## **'Initiatives taken to utilise by-products to make sugar mills profitable'**

- The government took initiatives to shift focus on utilising by-products from solely relying on sugar production to making the country's sugar mills profitable, Industries Secretary Zakia Sultana has said. Secretary Zakia Sultana also highlighted the government's commitment to supporting sugarcane farmers by providing high-quality sugarcane seeds and fertilizers. The government has streamlined the payment process for sugarcane. In addition to these measures, Secretary Zakia Sultana emphasised the government's commitment to addressing the debt issues faced by the Bangladesh Sugar and Food Industry Corporation.

<https://www.tbsnews.net/economy/industry/initiatives-taken-utilise-products-make-sugar-mills-profitable-705866>

## **Bangladesh economy hit hard by Ukraine war**

- Since the first shots were fired in February 2022, the war in Ukraine has affected the Bangladesh economy in a number of ways, and most of these can be described as supply chain disruptions. Russia is a market for Bangladesh's ready-made garment (RMG) products. In FY2021, Bangladesh's exports to Russia was to the tune of USD 550 Mn, and imports from Russia was USD 480 Mn. Bangladesh imports wheat and maize from Russia. Sanctions mean Bangladesh will have to import these items from somewhere else.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-economy-hit-hard-by-ukraine-war>

## **Riverine Barishal div lags banking**

- Despite its immense potential, the once-economically vibrant Barishal division has become least-focused region in the country in terms of banking services availability. Barishal has become a region with the second-lowest deposit volume at BDT 318.76 Bn, following the recently formed Mymensingh division with BDT 262.80 Bn. A Bangladesh Bank official said that although Barisal contributes the second-lowest regional deposits after Mymensingh, the ratio of loans and advances to deposits is much lower in Barisal compared to that of Mymensingh.

<https://thefinancialexpress.com.bd/economy/bangladesh/riverine-barishal-div-lags-banking>

## **Climate fund stuck in Farmers Bank**

- The Bangladesh Climate Change Trust was supposed to get back in 2016 the BDT 5.38 Bn, plus the accumulated interest, it deposited with the then Farmers Bank, now renamed Padma Bank. However, it has so far received just BDT 740 Mn after around seven years. A source present at the meeting in December told The Daily Star that the bank had sought 15 more years to return the deposit, but the environment minister asked Padma Bank officials to return the amount by 2030.

<https://www.thedailystar.net/business/economy/banks/news/climate-fund-stuck-farmers-bank-3424731>

## **Closure ordered for Janata Exchange in Italy amid mounting losses**

- When several banks in the country are looking to open new exchange houses to collect remittances, the almost 21-year-old Janata Exchange Company in Italy has been asked to shut down after years of insurmountable losses. The central bank last month directed Janata Bank to close its loss-making subsidiary to protect customer deposits and maintain foreign exchange reserves. Janata Bank spent approximately BDT 456.2 Mn to cover the exchange house's losses in 12 years from 2009 to 2020, according to the state-owned bank.

<https://www.tbsnews.net/economy/banking/closure-ordered-janata-exchange-italy-amid-mounting8>

## **Uncertainty lingers over Chhatak Cement's return to operation**

- State-run Chhatak Cement Company in Sunamganj might not return to production anytime soon as its modernisation project is set to miss the deadline for the second time while uncertainty over the supply of the key raw material persists. The delay comes despite the construction of the factory, silos and other important components and largely because the supply of the key raw material – limestone – from India is yet to be finalised and the new ropeway has not been installed.

<https://www.thedailystar.net/business/economy/news/uncertainty-lingers-over-chhatak-cements-return-operation-3424926>

### **PKB faces loan recovery hurdles amid soaring classified loan ratio**

- The state-run Probashi Kallyan Bank (PKB) said it is facing unprecedented challenges in loan recovery from outbound workers, at a time when the bank's classified loan ratio surged to 15% in FY24 from 7.5% in the previous fiscal year. Officials of the bank attribute the spike in classified loans to migrant borrowers not paying instalments on time, unsuccessful migration, overseas joblessness and low wages.
- According to official data, many are struggling to secure employment and others are faced with underpayment. Besides, a significant number of outbound workers find themselves ensnared in undocumented work, making it difficult for them to remit loan instalments on time.

<https://thefinancialexpress.com.bd/trade/pkb-faces-loan-recovery-hurdles-amid-soaring-classified-loan-ratio>

### **4 IP telephony service providers lose licences**

- The Bangladesh Telecommunication Regulatory Commission (BTRC) has recently cancelled the licences of four internet protocol telephony service providers (IPTSPs) after they lost their internet service provider (ISP) licence. The telecom regulator directed the cancelled licensees to surrender their licences to the commission within 10 days, according to BTRC documents. The regulator declared all activities of these IPTSPs fully illegal and punishable under the Bangladesh Telecommunication Act 2001.

<https://www.thedailystar.net/business/news/4-ip-telephony-service-providers-lose-licences-3425966>

### **Flour, wheat flour still dearer despite global wheat price plunge**

- Retail prices of wheat and wheat products such as flour and wheat flour remain high in the country despite international wheat prices falling below pre-Russia-Ukraine war levels. Before the Russia-Ukraine war in February last year, a 2kg packet of wheat flour was available at BDT 90 and flour at BDT 100-105 in the local market, but the prices went up to BDT 120 and BDT 140, respectively, a month after the war had begun.

<https://www.tbsnews.net/economy/bazaar/flour-wheat-flour-still-dearer-despite-global-wheat-price-plunge-705418>

### **Foodpanda up for sale in most Asian markets. What about Bangladesh?**

- Delivery Hero, the Berlin-based parent of Foodpanda, is in talks with potential buyers to sell the online food delivery giant's operations in Singapore, Cambodia, Laos, Malaysia, Myanmar, the Philippines and Thailand, the company was quoted by Reuters as saying on Wednesday. Foodpanda and its other wings in Bangladesh together incurred a cumulative loss of more than over BDT 8.5 Bn in 2016-2022.

<https://www.tbsnews.net/economy/foodpanda-sale-most-asian-markets-what-about-bangladesh-704906>

### **Charges to eat into private sector low-paid employees' wages**

- Electronic salary disbursement to employees, as mandated in the new income tax law, eats into low-paid people's paltry pay through cash-out charges, sources say and seek a relief. Earlier, there was an exemption ceiling up to BDT 20,000 for salary disbursement in cash in the tax law. Industry-insiders and tax experts say the cash-out charges should be reduced for the low-paid private sector employees.

<https://thefinancialexpress.com.bd/economy/bangladesh/charges-to-eat-into-private-sector-low-paid-employees-wages>



## Important News: Capital Market

### **ONEBANKLTD, BRACBANK, DUTCHBANGL | Three banks to issue BDT 16 Bn bonds**

- The Bangladesh Securities and Exchange Commission (BSEC) has allowed three banks to issue subordinated bonds worth BDT 16 Bn to meet their tier-2 capital base. One Bank will issue bonds worth BDT 4 Bn, Brac Bank BDT 7 Bn, and Dutch Bangla Bank BDT 5 Bn. The bonds will be unsecured, non-convertible, fully redeemable, and will have a floating interest rate.

<https://www.tbsnews.net/economy/stocks/three-banks-issue-tk1600cr-bonds-707770>

### **SAVAREFR | Savar Refractories to delist, offers to buy public shares at 56% discount**

- In order to delist from the stock market, Savar Refractories Ltd — a bricks manufacturer that has been publicly listed since 1998 — has offered to buy out its public shares at a rate 56% lower than the market price. Savar Refractories has offered the shares held by general investors at BDT 95.52 apiece, whereas the market price of the shares are BDT 215.5 at the Dhaka Stock Exchange (DSE).

<https://www.tbsnews.net/economy/stocks/savar-refractories-delist-offers-public-shares-56-below>

### **AIL, ALIF | Alif Industries to merge with Alif Manufacturing**

- Alif Industries is going to merge with Alif Manufacturing Company as the board of directors of both companies unanimously approved the decision of amalgamation. After completion of the merger, Alif Industries will be the surviving entity on the stock exchange, according to a stock exchange filing on Monday. The approval is subject to requisite approval of the scheme of amalgamation by the banks, other creditors and shareholders of the company and other stakeholders.

<https://thefinancialexpress.com.bd/stock/bangladesh/alif-industries-to-merge-with-alif-manufacturing>

### **SAIFPOWER | Saif Powertec to facilitate Kolkata-Agartala cargos production**

- Publicly listed Saif Powertec Limited is going to provide cargo transportation services from Kolkata to Agartala via Chattogram, Mongla Ports and Pangaon Inland Container Terminal. To facilitate the cargo transport service by using the Indo-Bangladeshi Protocol route, Syama Prasad Mookerjee Port (SMP) and Saif Powertec signed a memorandum of understanding (MoU) in Kolkata on Monday.

<https://www.tbsnews.net/economy/stocks/saif-powertec-facilitate-kolkata-agartala-cargos-707150>

### **EMERALDOIL | Emerald Oil, Minori Bangladesh, Jamuna Edible Oil partner to upturn rice bran oil production**

- Publicly listed Emerald Oil Industries, along with Minori Bangladesh Ltd, has signed an agreement with Jamuna Edible Oil to increase the production of rice bran oil. Under the agreement, Emerald Oil will refine crude oil at the Jamuna Edible Oil plant to produce oil. Half of the production will be exported to Japan. Minori Bangladesh Managing Director Mia Mamun said all three companies will be able to make a profit.

<https://www.tbsnews.net/economy/stocks/emerald-oil-minori-bangladesh-jamuna-edible-oil-partner-upturn-rice-bran-oil>

### **MIRAKHTER | Mir Concrete Block leaps to grab stake in concrete brick market**

- Mir Concrete Block, a prominent player in the concrete block manufacturing industry, has started a new production unit with an investment of over BDT 300 Mn aiming to strengthen its position in the thriving local concrete brick market, which is presently estimated to be valued at approximately BDT 1.20 Bn. Sakhawat Hossain, deputy general manager (DGM) of Mir Concrete Block, highlighted that approximately 350 Bn pieces of clay bricks, amounting to around BDT 100 Bn, are used annually in Bangladesh.

<https://www.tbsnews.net/economy/industry/mir-concrete-block-leaps-grab-stake-concrete-brick-market-706058>

### **ISLAMIBANK | Islami Bank Bangladesh PLC gets Remittance Award**

- Muktadhara New York Inc has awarded Islami Bank Bangladesh PLC with the Remittance Award for collecting the highest remittance in Bangladesh. The award was presented at the closing session of the 2-day Bangladeshi Immigrant Day and Trade Fair 2023 organized by USA-Bangladesh Business Link and Muktadhara New York Inc in association with FBCCI and Greater New York Chamber of Commerce in New York on Saturday.

<https://thefinancialexpress.com.bd/trade/islami-bank-bangladesh-plc-gets-remittance-award>

### **PUBALIBANK | Timely steps alleviate forex crunch of Pubali Bank**

- Pubali Bank Limited has successfully dealt with the ongoing foreign currency crunch courtesy of timely restrictions on the import of luxurious items, foreign fruits and ornaments, said the top official of the private commercial lender. "In the last month, we had only 2.12% NPLs. It was 2.6% in December last year," said Mohammad Ali, managing director and chief executive officer of the bank. Despite the global situation, the bank's operating profit has grown over 25%, he added.

<https://www.thedailystar.net/business/economy/banks/news/timely-steps-alleviate-forex-crunch>

**PRIMEBANK | Prime Bank inks deal with Le Meridien Dhaka**

- Prime Bank recently signed a strategic partnership with Le Meridien Dhaka. Under the deal, Visa and Mastercard platinum credit cardholders, World Mastercard credit cardholders and monarch (priority banking) customers of the bank will enjoy "Buy 1 Get 1 Free" service. Apart from this, all cardholders of the bank will enjoy up to 15% discounts on restaurant, café and health club membership at the hotel.

<https://www.thedailystar.net/business/organisation-news/news/prime-bank-inks-deal-le-meridien-dhaka-3427201>

**BSCCL | Govt wants Submarine Cable shares at rate 66% lower than market price**

- The Posts and Telecommunications Division of the government wants the shares of Bangladesh Submarine Cable Company Limited (BSCCL) against the share money deposit at a 66% lower rate than the prevailing market price on the Dhaka bourse. According to the company's Dhaka Stock Exchange (DSE) filing on Sunday, BSCCL will issue 22.1 Mn shares against the government's share money deposit of BDT 1.66 Bn.
- Azam Ali, managing director of the BSCCL, told The Business Standard, "Since the government has not taken any dividend or interest against this share money deposit for the last six years, we feel that the government has made a reasonable proposal."

<https://www.tbsnews.net/economy/stocks/govt-wants-submarine-cable-shares-rate-66-lower-market-price-706526>

**EXCHANGE | Financial crimes: Brokers' own capital determines risk clients are exposed to**

- Fund misappropriation by four brokerage firms, between 2019 and 2021 drew attention anew to the matter of regulatory capital that a broker must have to minimize risk to investors. But negative equity and repeated time extensions to meet provisioning requirement against unrealised losses in the brokers' own portfolios make it imperative for the regulators to set a minimum paid-up capital that they must have for the sake of safety of stock investors.
- The securities regulator issued a directive in October 2022 on reportage of brokers' capital adequacy ratio online. The exact number of the TREC holders which so far have fully complied with the capital adequacy provision could not be known.

<https://thefinancialexpress.com.bd/stock/bangladesh/financial-crimes-brokers-own-capital-determines-risk-clients-are-exposed-to>

**BATBC | British American Tobacco BD to build BDT 1.5 Bn bonded warehouse**

- British American Tobacco Bangladesh Company has decided to build a general bonded warehouse worth BDT 1.5 Bn in its Savar factory to improve productivity and meet the growing demand. In a disclosure published on its website, British American Tobacco stated this investment, which will be financed through loans and internal sources, would enhance the firm's production capacity.
- British American Tobacco said it has its own and rented bonded warehouses that are far away from its Savar factory, which results in the company's cost of transporting goods to go up. So, the company decided to build a bonded warehouse in its factory to reduce this additional cost.

<https://www.tbsnews.net/economy/stocks/british-american-tobacco-bd-build-tk150cr-bonded-warehouse-705814>

**DBH | IFC offers USD 30 Mn to DBH Finance for low-cost housing**

- Global development institution International Finance Corporation (IFC) has shown interest in extending its support to DBH Finance to help carve out a loan segment exclusively meant for middle-income people. IFC may also support the company in mobilising up to USD 25 Mn more through bond subscriptions by other investors, according to a disclosure by IFC on Tuesday.
- Stock market analysts welcome the move, saying the IFC-DBH project would inspire local investors to inject money in the bond market. The board of directors of DBH Finance decided to issue up to BDT 5.50 Bn affordable housing bonds.

<https://thefinancialexpress.com.bd/stock/bangladesh/ifc-offers-30m-to-dbh-finance-for-low-cost-housing>

**ADNTEL | ADN Telecom to buy BDT 23 Mn land for business expansion**

- Publicly listed ADN Telecom Limited is set to acquire a 235-decimal plot of land in Gazipur at a cost of BDT 23 Mn. In a DSE filing on Thursday, the company informed that the purpose of acquiring the said land is future business expansion. But the detailed plan of expansion has not been disclosed by the company yet. This June, ADN Telecom decided to acquire a 10% stake worth BDT 120 Mn at Shohoj Limited — the pioneer of Bangladesh's largest online ticketing platform "Shohoz".

<https://www.tbsnews.net/economy/stocks/adn-telecom-buy-tk23cr-land-business-expansion-704882>

**ABBANK | AB Bank to issue BDT 5 Bn subordinated bond**

- The board of directors of AB Bank Ltd has decided to issue a subordinated bond worth BDT 5 Bn, with the objective of bolstering its Tier-2 capital, according to company disclosure. The bond, titled "AB Bank Subordinated Bonds-V," is pending approval from relevant parties. Md Jasim Uddin, company secretary of the bank, has said the management made the decision in the last board meeting. The features and issue manager of the bond are yet to be fixed.

<https://www.tbsnews.net/economy/stocks/ab-bank-issue-tk500cr-subordinated-bond-704862>

**UNIONBANK | Union Bank distributes agriculture funds**

- Shariah-based Union Bank Ltd distributed agriculture investment among farmers in Chattogram yesterday. Mustafizur Rahaman Chowdhury, a member of parliament from the Chattogram 16 constituency, inaugurated the distribution as chief guest, said a press release.

<https://www.thedailystar.net/business/organisation-news/news/union-bank-distributes-agriculture-funds-3426196>

**PHARMAID | Pharma Aids to meet growing demand by toll manufacturing**

- Pharma Aids has planned to increase production by 20% to meet the growing demand but through toll manufacturing. At present, the pioneer ampoule manufacturer in the country can produce up to 0.45 Mn glass ampoules a day. Through the agreement, it will be able to deliver 0.10 Mn more pieces of ampoules. Listed in 1987, the stock of Pharma Aids has been stuck at BDT 790.70 (floor price) each share since November last year. Pharma Aids suffered losses in the past two quarters through March this year owing to a decline in net sales and an increase in the cost of production.

<https://thefinancialexpress.com.bd/stock/bangladesh/pharma-aids-to-meet-growing-demand-by-toll-manufacturing>

**MOSTFAMETL | SME co Mostafa Metal to issue zero-coupon bonds**

- SME company Mostafa Metal Industries is set to issue non-convertible, zero-coupon bonds worth BDT 180 Mn for business expansion. The issuance of the bonds was approved at the latest AGM of the company, according to a stock exchange filing on Wednesday. Company secretary Md Nazmul Islam said the company would increase production capacity with the money as it sought to meet growing demand. However, the company's sales revenue rose only 1% year-on-year to BDT 421.40 Mn for FY22 while profit dropped 8% to BDT 50.30 Mn.

<https://thefinancialexpress.com.bd/stock/bangladesh/sme-co-mostafa-metal-to-issue-zero-coupon-bonds>

**METROSPIN | Why Metro Spinning's factory is closing for a year**

- Metro Spinning Limited, a concern of Maksons Group, has suspended its production for a year to renovate its factory and enhance production capacity. The spinning mill announced the closure of its factory in a Dhaka Stock Exchange (DSE) filing on Thursday but did not disclose the date of the closure. According to the DSE data, the downfall of Metro Spinning's stock started from 12 September. By 21 September, its share price dropped over 26% to close at BDT 27.2 each.

<https://www.tbsnews.net/economy/stocks/why-metro-spinnings-factory-closing-year-704874>

**EXCHANGE | Institutional investors demand return of BDT 430 Mn stuck in Asiatic Lab's IPO subscription**

- Institutional investors who bid for Asiatic Laboratories' initial public offering (IPO) shares through book-building method have demanded their deposits back as the subscription process has been held up by the securities regulator since January this year. Around BDT 431.8 Mn of 92 institutional investors who participated in the bidding is stuck in a Dhaka Stock Exchange (DSE) account for around a year, said sources. The securities regulator suspended the subscription process after receiving a complaint that the company overstated in fixed assets.

<https://www.tbsnews.net/economy/stocks/institutional-investors-demand-return-tk43cr-stuck-asiatic-labs-ipo-subscription>

**EXCHANGE | AVIVA Equity caught with customers' fund mismanagement**

- The Dhaka bourse has found a deficit of BDT 30.6 Mn in the consolidated customers' account (CCA) of AVIVA Equity Management. An inspection team of the Dhaka Stock Exchange (DSE) examined the customers' account and identified misappropriation of investors' money and other anomalies.
- According to the inspection report, AVIVA Equity Management owes BDT 72.2 Mn to its clients, but the DSE team found BDT 41.6 Mn in the company's document. The bourse has not yet taken any stringent action against the company even though it did not get any response to its queries about negative equity.

<https://thefinancialexpress.com.bd/stock/bangladesh/aviva-equity-caught-with-customers-fund-mismanagement>

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