

## Weekly Market Update

### Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.31%) gained 19.41 points and closed the week at 6,299.50 points. The blue-chip index DS30 (+0.52%) gained 11.11 points and stood at 2,141.61 points. The Shariah-based index DSES (+0.50%) gained 6.79 points and stood at 1,372.52 points. The large cap index CDSET (-0.03%) lost -0.36 points and closed at 1,212.08 points. DSEX, DS30, DSES and CDSET showed YTD returns of +1.49%, -2.45%, +1.01%, -0.19%, respectively.

**Total Turnover During the Week (DSE):** BDT 22.3 billion (USD 204 million)

**Average Daily Turnover Value (ADTV):** BDT 4.5 billion (Δ% Week: +1.7%)

**Market P/E:** 18.4x

### Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a positive note (+0.29%) on Sunday and remained positive on Monday (+0.02%). Then the market became negative on Tuesday (-0.14%) and became positive on Wednesday (+0.03%). Lastly, the market closed on a positive note on Thursday (+0.10%).

### Sectoral Performance

• Financial sectors posted mixed performance this week. General Insurance booked the highest gain of 0.64% followed by Mutual Fund (+0.03%). Life Insurance experienced the highest loss of 0.12% followed by Bank (-0.11%), NBFi (-0.02%).

• Non-financial sectors posted mixed performance this week. Food & Allied booked the highest gain of 0.47% followed by Telecommunication (0.00%). Fuel & Power experienced the highest loss of 0.08% followed by Engineering (-0.05%), and Pharmaceutical (0.00%).

### Macroeconomic arena

• 71.6% of Japanese firms eye expansion in Bangladesh. China seeks more engagements, business with Bangladesh Turnover tax on beverages reduced to 3%. Cenbank suspends 7 moneychangers' licences for overpricing dollars. Bida to check up on 17 factories next month. 71% Japanese firms dissatisfied with business climate in Bangladesh. Take advantage of Bangladesh's business-friendly regime: PM Hasina tells US businesses. Top cement makers shifting to eco-friendly production. Bangladesh, FAO sign technical assistance project agreement. Onnessa, business advisory platform for women, launched. New initiative to boost shoemaking. Policyholders can take loan from universal pension scheme fund. Bangladesh needs policy changes to avoid middle-income trap: Economists. India mulls oil supply from Assam to Bangladesh, Myanmar, Nepal. BGMEA seeks Korean investment in non-cotton textiles. Bangladesh likely to receive IMF loan's 2nd instalment in Nov. Australian duty benefit to continue: BGMEA. Secret behind banks' hefty profit. Do our sweets have sweeter potential in the global market?

• Interest rate spread of NBFIs drops to historic low. Decline in IDCOL's solar home system sparks loan waiver appeal. WB to give USD 300 Mn for youth employment. Another USD 1 Bn budget support expected this year. Canada extends duty-free access for Bangladesh till 2034. Bangladesh expects to be BRICS member in second phase. Opportunities to turn around should come before wholesale declaration of loan defaulters: FBCCI president. Tax collection up 15.38% in July. Confidence crisis in financial sector deepens. SME Foundation in quandary with BDT 500 Mn FDRs in PK Haldar's scam-hit NBFi. GM cotton cultivation kicks off. Chinese firm offers BDT 1 Tn mega project for 2 smart cities. Tax for FY24 to be assessed as per new law. New GSP of UK: Bangladesh's RMG export prospects brighten. Government changes borrowing strategy as bankers bid big. NBR seeks direct access to taxpayers' bank details. Sustainable finance on the rise. Electric vehicle sales yet to gain pace. Listed NBFIs log lower earnings in January-June. Many factories founder due to financial crisis.

### Stock Market arena

• IBNSINA | IBN SINA Pharma's profit growth takes a pause in FY23. DACCADYE | Gas line disconnection halts Dacca Dyeing's partial production. EBL, TRUSTBANK | EBL, Trust Bank sign deal on money transfer. BSCCL | Bangladesh Submarine Cable declares record dividend for FY2022-23. BRACBANK | Brac Bank rated stable by S&P. INTRACO | Intraco Refueling plans to merge with 3 other CNG stations. NTLTUBES | National Tubes' undistributed bonus shares raised more questions than answered. MJLBD | MJL Bangladesh to buy 50 bigha land at BDT 950 Mn. BRACBANK | Brac Bank, Gram Unnayan sign deal. PUBALIBANK | Pubali Bank signs deal with SSL. PADMALIFE | Padma Islami's life fund shrinks in first half. SOUTHEASTB | Southeast Bank asked to submit BDT 2 Bn BLI Capital loan papers. APOLLOISPAT | Apollo Ispat bearing the brunt of ex-employees' fund mishandling. SEAPEARL | Team formed to probe Sea Pearl stock's rally.

August 31, 2023 (Week: August 27, 2023 – August 31, 2023)

**Dhaka Stock Exchange**

**DSEX ended in Green (0.31%) in the week**

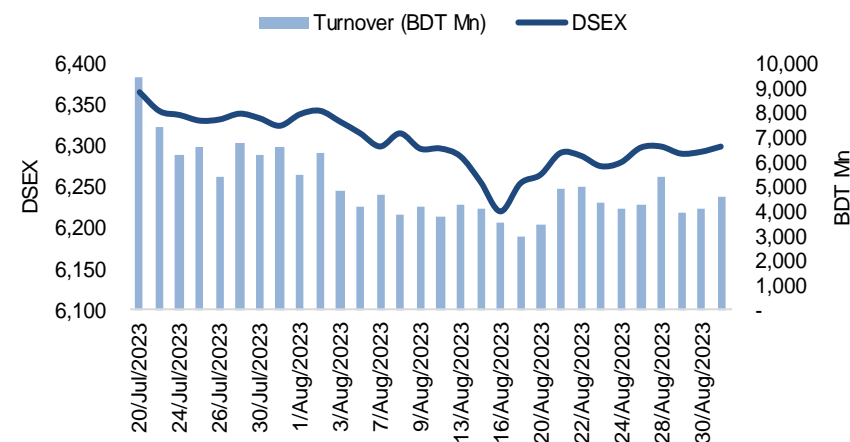
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	29-Dec-2022	Δ% Week	Δ% YTD
DSEX	6,299.50	6,280.09	+19.41	6,206.81	+0.31%	+1.49%
DS30	2,141.61	2,130.50	+11.11	2,195.30	+0.52%	-2.45%
DSES	1,372.52	1,365.74	+6.79	1,358.84	+0.50%	+1.01%
CDSET	1,212.08	1,212.44	-0.36	1,214.42	-0.03%	-0.19%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,760,576	7,752,249	+0.1%
	M n USD	70,873	70,797	
Turnover	M n BDT	22,287	21,906	+1.7%
	M n USD	204	200	
Average Daily Turnover	M n BDT	4,457	4,381	+1.7%
	M n USD	41	40	
Volume	M n Shares	450	453	-0.6%

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
FUWANGFOOD	40.6	33.1	+22.7%	4,500	2,257.1	NM	10.3x
DAFODILCOM	86.4	72.0	+20.0%	4,312	107.6	NM	6.4x
INTRACO	413	35.8	+15.4%	4,057	637.7	27.5x	3.2x
EHL	95.1	82.7	+15.0%	8,877	768.2	14.1x	12x
KBPPWBIL	28.3	24.8	+14.1%	2,776	624.5	NM	2.4x
EMERALDOIL	1718	156.5	+9.8%	10,259	6816	NM	NM
METROSPIN	38.9	35.7	+9.0%	2,400	227.4	39.8x	19x
CRYSTALINS	62.1	57.2	+8.6%	2,484	225.6	19.1x	2.5x
SONALIPAPR	690.2	639.7	+7.9%	22,739	753.6	73.8x	4.0x
APEXTANRY	107.5	100.1	+7.4%	1,638	9.4	NM	19x

**Table 4: Top Ten Losers**

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ARAMITCEM	26.6	28.8	-7.6%	901	123.9	NM	27.4x
SANDHANINS	26.9	28.2	-4.6%	2,951	30.6	NM	NM
JUTESPINN	329.9	344.7	-4.3%	561	4.6	NM	NM
RELIANCINS	67.6	70.6	-4.2%	7,109	10.1	13.2x	10x
MIRACLEIND	40.9	42.7	-4.2%	1,440	476.1	NM	13x
MEGHNA PET	36.4	37.7	-3.4%	437	11.2	NM	NM
AFTBAUTO	25.9	26.8	-3.4%	2,734	10.7	37.4x	0.5x
PRIMELIFE	54.9	56.8	-3.3%	1,676	17.5	NM	NM
SINOBANGLA	70.4	72.7	-3.2%	1,422	144.9	38.5x	2.5x
BENGALWTL	24.9	25.7	-3.1%	2,278	65.6	50.8x	0.9x

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

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
FUWANGFOOD	40.6	33.1	+22.7%	4,500	2,257.1	NM	10.3x
RUPALILIFE	114.1	114.7	-0.5%	3,425	970.3	NM	NM
EHL	95.1	82.7	+15.0%	8,877	768.2	14.1x	12x
SONALIPAPR	690.2	639.7	+7.9%	22,739	753.6	73.8x	4.0x
EMERALDOIL	1718	156.5	+9.8%	10,259	6816	NM	NM
SEAPEARL	1819	175.1	+3.9%	21,964	660.1	26.4x	10.5x
INTRACO	413	35.8	+15.4%	4,057	637.7	27.5x	3.2x
KBPPWBIL	28.3	24.8	+14.1%	2,776	624.5	NM	2.4x
GEMINISEA	779.7	727.7	+7.1%	4,760	604.5	37.2x	30.7x
MIRACLEIND	40.9	42.7	-4.2%	1,440	476.1	NM	13x

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

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
HEIDELBCEM	263.9	+47.3%	14,911	33.2x	3.9x
OLYMPIC	148.2	+19.5%	29,631	18.0x	3.0x
ADNTEL	131.2	+15.0%	8,482	34.1x	4.8x
UNILEVERCL	2,043.1	+14.7%	39,379	45.5x	22.4x
UNIQUEHRL	64.3	+11.4%	18,930	11.3x	0.7x
BERGERPBL	1,858.7	+7.9%	86,203	28.2x	6.2x
LHBL	69.9	+7.9%	81,180	13.8x	4.1x
MARICO	2,560.2	+5.7%	80,646	19.3x	16.4x
JAMUNAOIL	176.5	+5.5%	19,490	6.5x	0.9x
BATASHOE	998.5	+4.9%	13,659	26.5x	3.5x

\*BDT

\*\*BDT Mn

**Table 7: Sector Indices**

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1452.0	1453.6	1427.09	-0.11%	+1.75%
NBFI	1,918.7	1,919.0	1,927.24	-0.02%	-0.44%
Mutual Fund	828.4	828.1	852.07	+0.03%	-2.78%
General Insurance	3,428.4	3,406.6	3,177.87	+0.64%	+7.88%
Life Insurance	2,665.1	2,668.3	2,492.91	-0.12%	+6.91%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,727.7	3,727.9	3,754.47	-0.00%	-0.71%
Fuel & Power	1,702.0	1,703.4	1,694.29	-0.08%	+0.45%
Cement	2,581.4	2,576.7	2,319.67	+0.18%	+1128%
Services & Real Estate	1,840.5	1,778.4	1,782.23	+3.49%	+3.27%
Engineering	4,494.0	4,496.4	4,503.40	-0.05%	-0.21%
Food & Allied	21,663.8	21,563.0	21,247.80	+0.47%	+196%
IT	3,181.8	3,061.5	3,004.33	+3.93%	+5.91%
Textile	1,632.6	1,627.9	1,621.87	+0.29%	+0.66%
Paper & Printing	10,986.6	10,359.5	10,388.08	+6.05%	+5.76%
Tannery	3,224.2	3,233.6	3,093.43	-0.29%	+4.23%
Jute	16,143.6	16,117.4	14,850.17	+0.16%	+8.71%
Ceramics	679.9	680.2	704.74	-0.05%	-3.52%
Miscellaneous	4,232.3	4,238.3	4,071.46	-0.14%	+3.95%

**Table 8: Sector Trading Matrix**

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	70.9	94.1	-24.63%	+1.76%	12.1x	0.7x
NBFI	6.3	9.7	-34.76%	+0.16%	NM	6.1x
Mutual Fund	9.6	8.8	+8.95%	+0.24%	NM	0.7x
General Insurance	260.2	344.7	-24.51%	+6.45%	18.6x	16x
Life Insurance	317.6	367.0	-13.47%	+7.87%	NM	NM
Telecommunication	0.8	0.6	+25.12%	+0.02%	15.6x	4.4x
Pharmaceutical	305.2	262.7	+16.15%	+7.56%	19.3x	2.3x
Fuel & Power	172.5	93.3	+84.94%	+4.27%	23.6x	1.1x
Cement	137.8	139.4	-1.20%	+3.41%	27.3x	2.7x
Services & Real Estate	320.7	265.6	+20.76%	+7.94%	16.7x	12x
Engineering	223.3	250.5	-10.87%	+5.53%	69.0x	18x
Food & Allied	917.3	858.2	+6.88%	+22.72%	20.2x	7.6x
IT	253.2	219.5	+15.36%	+6.27%	29.3x	3.0x
Textile	268.2	294.3	-8.87%	+6.64%	79.7x	12x
Paper & Printing	244.4	224.5	+8.86%	+6.05%	40.8x	2.1x
Tannery	71.1	86.2	-17.50%	+1.76%	46.6x	3.2x
Jute	27.7	31.5	-11.97%	+0.69%	NM	-1370.9x
Ceramics	14.5	39.8	-63.67%	+0.36%	53.4x	19x
Miscellaneous	416.2	313.0	+32.98%	+10.31%	16.3x	18x

**Table 9: Least Appreciated YTD in BRAC EPL Universe**

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
EGEN	45.2	-13.2%	3,390	310x	2.0x
ISLAMIBANK	32.6	-1.2%	52,486	8.4x	0.7x
TRUSTBANK	31.7	-0.1%	27,142	9.9x	1.1x
BRACBANK	35.8	-0.0%	57,596	8.3x	0.9x
IDLC	46.5	-	19,330	11.2x	1.1x
IPDC	57.6	-	21,375	38.4x	3.3x
LANKABAFIN	26.0	-	14,010	27.4x	14x
ACI	260.2	-	19,829	NM	2.0x
LINDEBD	1,397.7	-	21,271	33.7x	3.7x
UPGDCL	233.7	-	135,475	16.7x	4.4x

## Important News: Business & Economy

### 71.6% of Japanese firms eye expansion in Bangladesh

- Japanese enterprises maintain a positive outlook on Bangladesh's burgeoning economic prospects, with an impressive 71.6% of companies currently active in the country expressing a strong inclination to expand their operations over the next one to two years.
- According to a survey conducted by the Japan External Trade Organization (Jetro), in terms of business expansion, Bangladesh ranks second after India at 72.5% among the countries in the Asia and Oceania regions where Japanese companies have operations. The report also says for competitive labour costs, Bangladesh has the second-highest ratio of export volume to total sales in the region. Like before, Japanese firms find the business environment a bottleneck in Bangladesh.

<https://www.tbsnews.net/economy/over-61-japanese-companies-bangladesh-expect-increase-profit-2023-jetro-691658>

### China seeks more engagements, business with Bangladesh

- With applicant-friendly visa policies, various options of flights and attractive ticket prices, China encourages more Bangladeshi people to study, do business, go sightseeing and invest in China, said the Chinese Embassy in Dhaka on Wednesday. According to China's new regulations, travelers bounding for China are no longer required to take Covid-19 PCR or ATR test before boarding, valid from August 30. The Chinese Embassy in Bangladesh also issued a notice three weeks ago to further facilitate the visa application process for Bangladeshi citizens.

<https://thefinancialexpress.com.bd/economy/bangladesh/china-seeks-more-engagements-business-with-bangladesh>

### Saudi Arabia aims to attract 3 Mn Bangladeshi travellers by 2030

- The Kingdom of Saudi Arabia (KSA) looks forward to increase the number of Bangladeshi travellers to 3 Mn annually by 2030 while so far this year over 332,000 Bangladeshis have already visited the oil-rich nation. This was revealed today at the Saudi Arabian first ever road show on NUSUK, the customer-centric official integrated digital platform (nusuk.sa) for the international travelers planning to visit the kingdom for spiritual and tourism purposes. The visiting Saudi Minister for Hajj said his government aim is to increase the ease and accessibility for Bangladeshi travelers, especially with the growing numbers of Umrah pilgrims.

<https://www.tbsnews.net/bangladesh/saudi-arabia-aims-attract-3m-bangladeshi-travellers-2030-691790>

### DBL gears up for Srihatta textile production by Nov

- DBL Group, a leading apparel exporter in the country, plans to commence commercial production at its greenfield cotton yarn spinning mill in the Srihatta Economic Zone in Moulvibazar by November. As part of its investment plans, the group has constructed a world-class textile mill named "Jinnat Textile Mills Ltd".
- According to the top management, the business conglomerate will initiate operations in its nine other units, spanning various sectors in the economic zone, within the next two years. The group is investing approximately USD 650 Mn to establish the factories at DBL Industrial Park, which is currently being developed within the economic zone. DBL Group has a total of 30 companies, ranging from textiles to ceramics and packaging.

<https://www.tbsnews.net/economy/rmg/dbl-gears-srihatta-textile-production-nov-691310>

### Turnover tax on beverages reduced to 3%

- The government has reduced the turnover tax on the carbonated beverages industry to 3%, which was set at 5% for fiscal 2023-24, to give breathing space for small and new companies. The decision will come into effect immediately, according to an SRO issued by the National Board of Revenue (NBR) on Tuesday.
- According to the Bangladesh Beverage Manufacturers' Association, this sector has an annual turnover of about BDT 80 Bn and some major market players have already invested about BDT 100 Bn. Of them, Akij Food and Beverage invested more than BDT 8 Bn. In the FY24 budget, the government set the turnover tax for the carbonated beverages industry at 5% -- an over eight-fold hike from 0.60% in the previous fiscal -- to generate more revenue from this sector.

<https://www.tbsnews.net/economy/turnover-tax-beverages-reduced-3-691474>

### Two more products now eligible for BB's green finance

- Bangladesh Bank has included jute products manufacturing industry and lithium battery manufacturing plant in the list of eligible sub-sectors who will get loan from the banking regulator's BDT 400 refinance scheme. With the inclusion of the new two, 70 sub-sectors will now get fund from the scheme, according to a circular of the sustainable finance department of the Bangladesh Bank. Moreover, the banking watchdog also cut the interest rates of such loans to 5% from the previous 6%. However, the interest rate will be up to 3% for solar irrigation pumps under the agriculture sector.

<https://www.thedailystar.net/business/news/two-more-products-now-eligible-bbs-green-finance-3407126>

### **Why rebuilding reserves proves so tough**

- A 17-month endeavour to rebuild the country's foreign exchange reserves, which plummeted to USD 23 Bn from USD 38 Bn, proved unfruitful, with a flawed exchange rate mechanism diverting dollar inflow towards informal channels, playing a significant role in the depletion of reserves.
- Furthermore, the lending rate mechanism, which kept money cheap, fuelled import demand, and rising interest rates in the global market following the Russia-Ukraine war resulted in decreased private sector borrowing from foreign sources, thereby obstructing the rebuilding of reserves. The country's forex reserves had been declining from their peak of USD 48 Bn in August 2021 but had remained above USD 38 Bn until the onset of the Ukraine war.

<https://www.tbsnews.net/economy/why-rebuilding-reserves-proves-so-tough-691958>

### **Initial inspection of all RMG factories by Feb 2024**

- The RMG Sustainability Council (RSC) is hoping to conclude the initial safety inspections of all factories by next February to address its backlog, as stated by its officials. Official data indicate that out of a total of 1,913 factories under the RSC's supervision, 534 factories have completed all initial safety findings. The Sustainability Council, established on 20 May 2020 and registered with the Office of the Registrar of Joint Stock Companies and Firms in Bangladesh, functions as a safety monitoring entity in the country's RMG sector.

<https://www.tbsnews.net/economy/initial-inspection-all-rmg-factories-feb-2024-691946>

### **Cenbank suspends 7 moneychangers' licences for overpricing dollars**

- The central bank has suspended seven moneychangers' licences for selling dollars in the curb market at a price higher than the fixed rate. The Bangladesh Bank has also sought explanations from ten other moneychangers for different irregularities, said sources.
- The National Security Intelligence (NSI) and the Bangladesh Financial Intelligence Unit (BFIU) raided four money exchanges at Dainik Bangla Mor and Gulshan areas in the capital yesterday. According to a decision taken in a meeting between the central bank and the Money Changers Association of Bangladesh, the money changers can maintain a maximum difference of BDT 1 compared to the commercial banks in buying and selling dollars. Currently, banks are selling dollars at BDT 111.50 each.

<https://www.tbsnews.net/economy/licence-7-money-changers-suspended-selling-dollars-higher-prices-691862>

### **Bida to check up on 17 factories next month**

- Bangladesh Investment Development Authority (Bida) from next month will start checking up on the progress made by 17 factories in implementing a correction action plan (CAP) on ensuring safe work environments. Bida had earlier identified 106 risky factories under a nationwide initiative on preventing fires and other disasters following the death of over 50 people in a blaze at a factory of Hashem Foods Limited in Narayanganj on July 8 in 2021.

<https://www.thedailystar.net/business/economy/news/bida-check-17-factories-next-month-3407351>

### **DCs, ministries asked to work on resolving RMG workers' dues**

- The Cabinet Division has directed two ministries and five deputy commissioners to take effective measures to clear ready-made garment workers' arrears after a confidential government report revealed that owners of some factories located in the capital and its surrounding districts are not paying salaries on time, which could trigger labour unrest.
- Officials of the Cabinet Division told TBS that intelligence reports are showing that various parties are trying to create chaos in the country ahead of the general election. Since many garment owners are not able to pay workers on time, it could also anger the workers and create turmoil.

<https://www.tbsnews.net/economy/rmg/dcs-ministries-asked-work-resolving-rmg-workers-dues-691270>

### **71% Japanese firms dissatisfied with business climate in Bangladesh**

- Although Japanese companies operating in Bangladesh are upbeat about the growth potential in the country, 71% of them are dissatisfied with the general business environment, a new survey showed. Of them, 26.2% were highly dissatisfied and 44.6% slightly dissatisfied, according to the survey of the Japan External Trade Organisation (Jetro). The survey finds that three-fourths of Japanese companies with a presence in Bangladesh termed complicated customs clearance procedures as the biggest challenge for business operations.

<https://www.thedailystar.net/business/economy/news/71-japanese-firms-dissatisfied-business-climate-bangladesh-3407396>

### **Saudi firm to partner in Bangladesh's largest solar plant**

- A joint venture led by Saudi-based ACWA Power Company is setting up Bangladesh's largest solar power plant in Rampal upazila of Bagerhat with an investment of USD 430 Mn. The Bangladesh Power Development Board (BPDB) will provide the land adjacent to the Rampal coal-fired power plant for the solar plant that will generate 300MW of electricity, sources said.



- According to officials, Saudi Arabia's ACWA Power is the world's largest electricity company and currently generates about 56,000MW of electricity. Also, the Saudi company wants to invest USD 2.5 Bn in Bangladesh to build a gas-run plant capable of generating 3,600MW electricity. It signed a MoU with the BPDB for the development of a natural gas/R-LNG-based combined cycle power plant on 17 October 2019.

<https://www.tbsnews.net/bangladesh/energy/saudi-firm-partner-bangladeshs-largest-solar-plant-691234>

### **US firms eye Bangladesh's aerospace, tech, energy sectors**

- American companies are interested in investing in a broader range of sectors having growth potential in Bangladesh, including aerospace, digital economy, energy and life sciences, said US-Bangladesh Business Council President Atul Keshap.
- It was the largest-ever American business delegation meeting with the Bangladesh government where executives of some 40 US firms attended. The list of the firms includes trillion-dollar investment fund manager Blackstone, Visa, Mastercard, Boeing, Meta, Metlife, Uber, Abbott, Chevron, ExxonMobil, Excelerate Energy, Bell Textron, GE Aerospace, Standard Chartered, Drinkwell, Corteva alongside the Bangladesh-focus US ventures like Chaldal, Anchorless Bangladesh, Praava Health.

<https://www.tbsnews.net/economy/us-firms-eye-bangladeshs-aerospace-tech-energy-sectors-691198>

### **Cabinet approves draft law to welcome BRICS bank funds**

- The cabinet has approved a draft of the New Development Bank Act, 2023 to welcome funds from the lending arm of the BRICS bloc of developing nations. The government expects USD 800 Mn from the NDB to fund two projects after the law comes into effect, a top official said after the cabinet passed the draft. The projects include the installation of Dhaka-Narayanganj gas pipeline and supply of water to Mohammadpur's Basila by Dhaka Water Supply and Sewerage Authority, said Cabinet Secretary Md Mahub Hossain.

<https://thefinancialexpress.com.bd/economy/bangladesh/cabinet-approves-draft-law-to-welcome-brics-bank-funds>

### **President seeks Italian investment in Bangladesh's EPZ, hi-tech park**

- President Mohammed Shahabuddin urged the Italian investors to invest in EPZs and Hi-tech Parks of Bangladesh as the new Italian ambassador to Bangladesh presented his credentials to the President at Bangabhaban in Dhaka city. Welcoming the Italian government's interest in taking more manpower from Bangladesh under Italy's 'Legal Migration Scheme', the President also urged the country to take more workforce from Bangladesh.

<https://thefinancialexpress.com.bd/national/president-seeks-italian-investment-in-bangladeshs>

### **Take advantage of Bangladesh's business-friendly regime: PM Hasina tells US businesses**

- Prime Minister Sheikh Hasina on Tuesday asked the US Businesses to come with more investments in Bangladesh in potential and productive sectors for mutual benefits, reports the UNB. Currently, she said that Bangladesh has the most open foreign direct investment policies in South Asia. With its own market of 170 Mn people, the Prime Minister said, Bangladesh is located in the heart of a market of nearly 3 Bn consumers. She said that the government is pursuing a long-term growth strategy for the citizens that is sustainable.

<https://www.tbsnews.net/economy/take-advantage-bangladeshs-conducive-investment-regime-pm-hasina-tells-us-businesses-691114>

### **Top cement makers shifting to eco-friendly production**

- Bangladesh's major cement manufacturers are increasingly shifting to eco-friendly production processes with a view to cutting energy consumption and pollution and ensuring the sustainability of their business in a world that is getting more worried about industries' carbon footprint. In Bangladesh, there are 37 active cement factories, with a total annual production capacity of 58 Mn tonnes against a demand of 35 Mn tonnes. The cement industry is one of the major sectors responsible for huge carbon emissions and air pollution.

<https://www.thedailystar.net/business/economy/news/top-cement-makers-shifting-eco-friendly-production-3406406>

### **Bangladesh, FAO sign technical assistance project agreement**

- The Economic Relations Division of the Ministry of Finance has signed a technical assistance project agreement with the Food and Agriculture Organization (FAO) of the United Nations (UN). The core objective of this collaboration is to evaluate the potential of mechanised ratooning rice systems. Implementation of the project will be led by the Bangladesh Rice Research Institute under the Ministry of Agriculture. The allocated budget for the project in Bangladesh amounts to USD 146,044.

<https://www.tbsnews.net/economy/bangladesh-fao-sign-technical-assistance-project-agreement-691082>

### **Onnessa, business advisory platform for women, launched**

- Onnessa, a new one-stop business advisory platform for Bangladeshi women entrepreneurs, was launched today to expand economic opportunities for women in the country. The SME Foundation and The Asia Foundation jointly launched the platform at a programme at Pan Pacific Sonargaon in Dhaka.

- Md Masudur Rahman, chairperson of SME Foundation, said this platform will definitely help the country's women entrepreneurs to boost up their business activities. Managing the finance is a major problem for women entrepreneurs and here the platform will extend non-stop services on all kinds of advisory policy to get support on bankability and bank loan products, he said.

<https://www.thedailystar.net/business/news/onnessa-business-advisory-platform-women-launched-3235391>

### **New initiative to boost shoemaking**

- The SME Foundation has established a common facility centre (CFC) for shoemakers in Kaluhati village under Rajshahi's Charghat upazila, a move that is expected to help businesses improve the quality of their products. It has been set up under a BDT 25 Mn project. The facility is the first of its kind in the country and will be run by a committee headed by Hossain. The first shoemaking factory in Kaluhati was set up in 1980. Witnessing its success, other villagers established factories, turning the village into a hub for shoemaking with their sales network spread across Bangladesh.

<https://www.thedailystar.net/business/economy/news/new-initiative-boost-shoemaking-3398091>

### **Policyholders can take loan from universal pension scheme fund**

- The policyholders can take loans against the money they deposited as subscription fee for the UPS, said Kabirul Ezdani Khan, executive chairman of the National Pension Authority. The contributor can borrow up to 50% of the money deposited for the pension fund and the loan has to be paid in a maximum of 24 instalments, he said. Since the launch, the Progoti scheme-- dedicated for private sector employees--has received the highest response.

<https://www.thedailystar.net/business/news/policyholders-can-take-loan-universal-pension-scheme-fund-3406161>

### **Bangladesh needs policy changes to avoid middle-income trap: Economists**

- Bangladesh needs effective measures to develop human capital, and policy changes to attract foreign investments, said experts at a programme on Tuesday. About 80% of countries get stuck at middle-income trap after graduating from the Least Developed Country (LDC) status, said Dr Ahsan H Mansur, executive director of the Policy Research Institute. Referring to South Korea's development, he said the country has maintained about 6% growth over the last six decades. Bangladesh has also experienced a 6% growth over the past decade.

<https://www.tbsnews.net/economy/bangladesh-needs-policy-changes-avoid-middle-income-trap-economists-691214>

### **StanChart facilitates first LC application via H2H connectivity**

- Standard Chartered Bangladesh has provided Genesis Fashions Ltd, a ready-made garments manufacturer and sister concern of the M&J Group, with the resources needed to submit trade applications via host-to-host (H2H) connectivity.
- This connectivity enables Genesis Fashions to directly apply for letters of credit and other trade products from their own ERP system eliminating any duplication of work and thereby adding efficiency to the trade process. The bank's H2H solution provides clients with an entirely paperless service that empowers them to minimise their carbon footprint while conducting trade processes with greater speed and efficiency.

<https://www.thedailystar.net/business/economy/news/stanchart-facilitates-first-lc-application-h2h-connectivity-3406331>

### **Economy headed in wrong direction**

- As much as 70% of the respondents in a recent survey think Bangladesh's economy is heading in the wrong direction, and they cite high prices of products as the basis for their viewpoint. The disclosure was made in the study titled 'The State of Bangladesh's Political Governance, Development and Society: According to Its Citizens' jointly conducted by The Asia Foundation in Bangladesh and the Brac Institute of Governance and Development. As much as 87% of the respondents from the highest income group said Bangladesh is going in the wrong direction from an economic perspective.

<https://www.thedailystar.net/news/bangladesh/news/economy-headed-wrong-direction-3406411>

### **India mulls oil supply from Assam to Bangladesh, Myanmar, Nepal**

- The Indian government is mulling oil supply to Bangladesh, and other neighbouring countries Myanmar and Nepal from the petroleum, oil and lubricant (POL) storage unit in Assam's Cachar district, Indian Union State Minister Rameswar Teli said. "It's possible to supply petroleum products from the greenfield POL unit at Moinarbong to Bangladesh, Myanmar and even Nepal. Railway tracks are being aligned to facilitate bulk movement of fuel," Teli said during his visit to the unit of the PSU major Indian Oil Corporation on Sunday, reports the Times of India.

<https://www.tbsnews.net/bangladesh/india-mulls-oil-supply-assam-bangladesh-myanmar-nepal-691282>

### **BGMEA seeks Korean investment in non-cotton textiles**

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) today urged the Korean businesses to invest in non-cotton textiles, man-made fibre (MMF) based yarns and fabrics, functional fabrics like polyester, viscose, spandex and mélange.

- In the meeting, Hassan highlighted the growing interests of Bangladesh's garment industry in diversifying into non-cotton products, including high-value fashion items based on MMF and technical textiles, according to a statement from the BGMEA. Bangladesh is a promising destination for Korea to ship its MMF, textile machinery, chemical dyes and other raw materials while Korea is a potential garment export market for Bangladesh, Hassan said.

<https://www.thedailystar.net/business/news/bgmea-seeks-korean-investment-non-cotton-textiles-3405356>

### **Bangladesh likely to receive IMF loan's 2nd instalment in Nov**

- Bangladesh is expected to receive the second installment of the USD 4.7 Bn loan from the IMF by November this year. "Officials of the International Monetary Fund (IMF) visited Dhaka several times and found satisfactory achievement in different sectors. The second instalment of the loan will be released timely," a senior official of the finance ministry told UNB on Monday. Bangladesh received USD 470.62 Mn as the first instalment of IMF's loan last February. The entire amount of the IMF loan will be released to Bangladesh in seven instalments over three and a half years till 2026.

<https://thefinancialexpress.com.bd/economy/bangladesh-expected-to-receive-imf-loans-2nd-instalment-in-nov>

### **Australian duty benefit to continue: BGMEA**

- Australia will continue to provide duty free access to Bangladesh's products even after it makes the LDC graduation in 2026, said a top leader of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday. This was assured at a meeting between the BGMEA and the Australian government's Department of Foreign Affairs and Trade (DFAT) in Canberra in July 21 this year, said BGMEA President Faruque Hassan. Australia is one of Bangladesh's non-traditional export destinations, receiving garments worth USD 1.16 Bn last fiscal year, which was less than half a billion dollars 10 years ago, the BGMEA said in a statement.

<https://www.thedailystar.net/business/economy/news/australian-duty-benefit-continue-bgmea-3405511>

### **Secret behind banks' hefty profit**

- The banking sector in Bangladesh witnessed an astonishing surge of 183% in net profit in 2022 as compared to the preceding year even as business activities remained stagnant in the face of a severe dollar crisis. However, this high growth in profit is attributable to window-dressing in the balance sheets of banks through the practice of provision deferral.

- As per the Bangladesh Bank's Financial Stability Report 2022, the net profit within the banking sector increased to BDT 142.26 Bn in 2022 from BDT 50.22 Bn in the previous year. Additionally, the cumulative provisions allocated for bad debts witnessed a decline of 42.66%, dwindling to BDT 87.67 Bn from BDT 152.9 Bn. The aggregate default loans in banks reached BDT 1.20 Tn at the close of December last year, which was BDT 1.03 Tn in the corresponding period of the preceding year.

<https://www.tbsnews.net/economy/banking/secret-behind-banks-hefty-profit-690526>

### **Do our sweets have sweeter potential in the global market?**

- The sweet market in the country has undergone a remarkable transformation over the last decade, driven by the involvement of several corporate entities. Recently, initiations of small-scale exports have sparked optimism among stakeholders regarding the industry's potential.
- Industry insiders say a strategic focus on sweet product exports for the global market could unlock new opportunities. According to the Export Promotion Bureau of Bangladesh (EPB), the export income of the sugar confectionery sector in fiscal year 2022-23 was USD 236.8 Mn. But there has been no contribution of sweets here.

<https://www.tbsnews.net/economy/do-our-sweets-have-sweeter-potential-global-market-689978>

### **Local company holds potential in automobile filter export**

- Bogra Motors Pvt Ltd, a factory located in the Bangladesh Small and Cottage Industries Corporation's (BSCIC) industrial estate in Bogura, has achieved a remarkable feat as it can produce filters that can be used in automobiles both at home and abroad. Bogra Motors obtained ISO (International Organisation for Standardisation) certification in 2004 and is selling its products under the brand name of "Power". Currently, the company has the capacity to produce more than 70,000 to 80,000 units of filters worth around BDT 20 Mn annually. Last year, it manufactured filters worth BDT 200 Mn.

<https://www.thedailystar.net/business/economy/news/local-company-holds-potential-automobile-filter-export-3405646>

### **Biman sees huge potential in Dhaka-Narita direct flights**

- The state-owned Biman Bangladesh Airlines is all set to inaugurate its Dhaka-Narita direct flight on 1 September with an aim not only to cater to the travel needs of Bangladeshis flying to Japan and Japanese visitors heading to Dhaka but also to lure Japan-bound travellers from neighbouring Nepal and India.

- According to Japan's Ministry of Justice, till 2022, there were 20,954 Bangladeshis living in Japan. The island nation is also considered a desirable study destination for Bangladeshi students. Though Nepal Airlines operates direct flights on the Kathmandu-Narita route, the Biman authorities think that it is not sufficient against the huge demand. Biman had suspended its Dhaka-Tokyo route in 2006, as it was not commercially viable due to a lack of sufficient aircraft, said aviation stakeholders.

<https://www.tbsnews.net/economy/aviation/there-huge-potentials-dhaka-narita-route-says-biman-chief-690118>

### **In a decade, Rahman Jute Spinners expands exports to 40 countries**

- Founded just over a decade ago, Rahman Jute Spinners Private Limited in Rajshahi now exports eco-friendly jute yarn to 40 countries. The company, which currently ships 25,000 tonnes of jute yarn, cloth, and bags annually, has undertaken a plan to add two more units to its factory. Fazlur Rahman, managing director at the company, stated that there are approximately 150 jute yarn-producing mills in the country, and out of those, 10 mills export their products to various countries. The global market size for jute yarn is approximately 0.4 Mn tonnes.

<https://www.tbsnews.net/economy/decade-rahman-jute-spinners-expands-exports-40-countries-689998>

### **Diversify exports to face post-LDC challenges: WB country director**

- Bangladesh needs to diversify its export products, including light engineering and pharmaceuticals, and explore new market opportunities to face challenges after its graduation from LDC status, said the World Bank country director for Bangladesh and Bhutan. Abdoulaye Seck also observed that the country's exports might experience a decline of up to 14% following its graduation. He reaffirmed the WB's commitment to Bangladesh's development and its openness to partnerships in the future.

<https://www.tbsnews.net/economy/bangladesh-needs-diversity-export-face-ldc-graduation-challenges-wb-country-director-690278>

### **MFS service charge set at 0.7% for payment**

- The mobile financial service providers can charge a maximum of BDT 0.7 for every BDT 100 deposited by the policyholders of the Universal Pension Scheme (UPS) as subscription fees to the pension authority. The central bank, referring to a circular of the finance division issued on August 16, said the government earlier fixed the cash out charge at 0.7% for withdrawal of funds by the beneficiaries under social safety net schemes. The same service charge will be applicable for payment of instalment for UPS through MFSs, it said.

<https://www.thedailystar.net/business/economy/news/mfs-service-charge-set-07-payment-3405666>

### **Worker outflow to Saudi Arabia climbs but remittance falls**

- The outflow of migrant workers from Bangladesh to Saudi Arabia surged around four times in the last three years, official figures showed. However, remittance earnings from Saudi Arabia stood at USD 5.7 Bn in 2020-21. It dropped to USD 4.5 Bn in 2021-22 and USD 3.7 Bn in 2022-23, Bangladesh Bank data showed. Since a large number of people are going abroad for low-paid jobs, per person remittance inflow is quite low in Bangladesh compared to that of India and the Philippines, Khan, a senior research fellow at the Centre for Policy Dialogue, said.

<https://www.thedailystar.net/business/global-economy/news/worker-outflow-saudi-arabia-climbs-remittance-falls-3405671>

### **Dollar kerb market heats up again**

- The exchange rate gap in the official and unofficial channels in Bangladesh has started to widen after a few months of lull as the US dollar is getting costlier in the informal market, a development that may adversely impact the remittance flow.
- Industry people blame the lower deposits of the USD in the banking system, the fixed dollar rate, the rising number of students going abroad, and the higher illegal cross-border transactions for the growing gap. The spike in the dollar rate may hit the inflow of remittance as remitters turn to the illegal hundi markets to send funds to the beneficiaries. In Bangladesh, a one-per cent deviation between the formal and informal exchange rate shifts 3.6% of remittances from the formal to the informal financial sector, said the World Bank in May.

<https://www.thedailystar.net/business/economy/news/dollar-kerb-market-heats-again-3405676>

### **Interest rate spread of NBFIs drops to historic low**

- The country's non-bank financial institutions (NBFIs) witnessed a historic low interest-rate spread at 0.16% last July, due to a number of reasons including the rise of classified loans and the interest rate cap imposed by the central bank.
- According to the central bank data, NBFIs are currently collecting deposits at an average interest rate of 8.02%. However, the interest rate on loans stands at 8.18%. Consequently, the interest rate spread for NBFIs has narrowed down to 0.16% in July. Central bank data shows that the number of NBFIs in negative spreads was 10 even a year ago. In the last one year, there have been two new additions. Due to these NBFIs in the negative, the sector's cumulative interest total spread is going negative.

<https://www.tbsnews.net/economy/interest-rate-spread-nbfis-drops-historic-low-690522>



### **Decline in IDCOL's solar home system sparks loan waiver appeal**

- The government's various rural electrification initiatives have led to a sharp decline in the Solar Home System (SHS) programme of the Infrastructure Development Company Limited (IDCOL), forcing the non-bank financial institution to seek loan waivers from the government.
- Due to rapid grid expansion, free SHS distribution, and an unregulated SHS market have made it challenging for POs to collect payments from customers, and therefore they are facing a difficult situation to repay IDCOL loans, according to the letter. The matter was presented to Finance Minister AHM Mustafa Kamal for approval. However, the minister has yet to make a decision on the matter, according to finance ministry officials.

<https://www.tbsnews.net/bangladesh/energy/decline-idcols-solar-home-system-sparks-loan-waiver-appeal-689986>

### **WB to give USD 300 Mn for youth employment**

- Bangladesh and the World Bank yesterday signed a USD 300 Mn financing agreement to equip about 900,000 economically disengaged rural youths with skills and alternative education needed for employment and entrepreneurship.
- In Bangladesh, about 27% of youth that is about 12.6 Mn people are classified as NEET. Bangladesh currently has the largest ongoing IDA programme totaling USD 15.86 Bn. The World Bank was among the first development partners to support Bangladesh and has committed about USD 40 Bn in grants, interest-free and concessional credits to the country since its independence..

<https://www.thedailystar.net/business/economy/news/wb-give-300m-youth-employment-3404776>

### **Another USD 1 Bn budget support expected this year**

- Bangladesh is expecting another USD 1 Bn in budget support towards the end of the year in a financing arrangement led by the Asian Development Bank. Of the USD 1 Bn, the Manila-based lender would be providing USD 400 Mn; Japan International Cooperation Agency, the China-led Asian Infrastructure Investment Bank would be providing the rest.
- The funding is to support the country's efforts towards climate change mitigation and/or adaptation and low-carbon development, following in the leads of the World Bank and the International Monetary Fund, which earlier provided USD 500 Mn and USD 1.4 Bn respectively. For Bangladesh, the USD 1 Bn would go some way towards propping up its strained dollar stockpile, which stood at USD 23.2 Bn as of August 23, according to data from the central bank.

<https://www.thedailystar.net/business/economy/news/another-1b-budget-support-expected-year>

### **Canada extends duty-free access for Bangladesh till 2034**

- Bangladesh will continue to enjoy duty-free access to Canada market till 2034 as per a bill passed in Canadian parliament in June. Welcoming the development, BGMEA President Faruque Hassan told The Business Standard that the Canadian parliament passed a finance bill on June 8, extending the GPT scheme until the end of 2034.
- According to the EPB (Export Promotion Bureau) data, Canada was the 11th largest exporting partner of Bangladesh with a USD 1.72 Bn export in FY23. Besides, the North American nation is one of the major markets for Bangladeshi apparel. Bangladesh's RMG export to Canada reached USD 1.55 Bn in FY23, which was USD 1.33 Bn the previous fiscal, showing 16.55% growth.

<https://www.tbsnews.net/economy/canada-extends-duty-free-access-bangladesh-till-2034-689910>

### **Bangladesh expects to be BRICS member in second phase**

- Bangladesh, which failed to become a member of the BRICS grouping in the just concluded Johannesburg summit, is expected to be included in the next phase. Mr Masud, foreign secretary, also noted that political and regional issues might be instrumental in the exclusion of Bangladesh. However, he observed that Bangladesh is getting the real benefit of the BRICS by becoming a member of the New Development Bank, sponsored by it.

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-expects-to-be-brics-member-in-second-phase>

### **Maersk wants to build a new terminal at Laldia of Ctg port**

- The government is positively considering the investment proposal of Danish shipping and logistic giant AP Moller Maersk to construct and operate a new container terminal at Chattogram port's Laldia. Global ports and terminal operator APM Terminals submitted a proposal to the shipping ministry in April this year for investing around USD 450 Mn to construct a new terminal at Laldia area of the port.
- Maersk Group CEO Robert Maersk Uggla and top-level Danish delegation are scheduled to meet Prime Minister Sheikh Hasina at her office Gono Bhaban tomorrow morning where Laldia and other port related investment proposals of Maersk Group would be discussed. CPA officials said the Maersk Group has proposed to construct a new terminal on a 46-acre area of Laldia and initially they proposed to invest USD 450 Mn.

<https://www.thedailystar.net/business/news/maersk-wants-build-new-terminal-laldia-ctg-port-3404926>

#### **4th-highest on unfolding AIIB credit line**

- Bangladesh stands out as the fourth-biggest recipient of assistance from an unfolding Asian Infrastructure Investment Bank (AIIB) credit line with over USD 3.67 Bn received from the new bank's committed finance between 2016 and March 2023.
- This accounts for more than 8.41% of the total investment made so far by the up-and-coming development financier, according to available AIIB statistics. The AIIB says the investment is meant for developing "infrastructure for tomorrow". Its objective reads: "By investing in sustainable infrastructure, AIIB unlocks new capital, new technologies and new ways in which to address climate change and to connect Asia, and the world."

<https://thefinancialexpress.com.bd/economy/bangladesh/4th-highest-on-unfolding-aiib-credit-line>

#### **Rajshahi's mango goes to Russia for first time**

- A Rajshahi-based exporting organization has sent gourmati and katimon varieties of mangoes to Russian markets from Rajshahi for the first time. Confirming the matter Chief Executive Officer of MTB Agro and Garden Mahtab Ali said this is the first venture of exporting Rajshahi's mango to Russia.
- Shamsul Wadud, Additional Director of the Department of Agriculture Extension, said they are searching for new markets around the world. Exporting mangoes from Rajshahi is gradually increasing. Last year, 222 tonnes of mangoes were exported from Rajshahi, Naogaon and Chapainawabganj districts to different global markets. This year, the figure surpassed 380 tonnes, he added.

<https://www.tbsnews.net/economy/rajshahis-mango-goes-russia-first-time-689538>

#### **BGMEA plans big to cut carbon emission**

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) targets reducing carbon emission by 30%, using sustainable raw materials in 50% of the cases and bringing down the use of groundwater by 50% within 2030.
- Under the sustainability vision, the BGMEA also has the target to reduce energy consumption by 30%, use of 20% renewable energy and reduce deforestation by 30% by the stipulated timeframe of 2030, BGMEA President Faruque Hassan said yesterday. The total number of LEED certified green garment factories in Bangladesh is now 200, of which 73 are platinum, the highest category.

<https://www.thedailystar.net/business/economy/news/bgmea-plans-big-cut-carbon-emission-3404751>

#### **Jashore Bscic rebounding from Covid-19 slowdown**

- The Bscic Industrial City in Jashore, which was hit hard by Covid-19 pandemic impacts, has shown signs of recovery in the fiscal year 2022-23. In FY23, goods worth BDT 6.56 Bn were manufactured, of which goods worth BDT 1.9 Bn were exported while the rest worth BDT 4.66 Bn were sold locally.
- Built-in 1962 over 50 acres near Jashore town, the industrial city currently houses 122 operational units that provide employment for 6,918 workers. Former Jashore Chamber of Commerce President Mizanur Rahman Khan highlighted the lack of government financial support hindering potential growth in Bscic.

<https://www.tbsnews.net/economy/industry/jashore-bscic-rebounding-covid-19-slowdown-689434>

#### **Mobile subscriber base gets another boost in July**

- The mobile subscriber base in Bangladesh continues to grow as network operators in the country acquired a total of about 1.4 Mn customers in July, registering the biggest monthly jump in over a year. The overall number of SIM subscribers reached 187.5 Mn in July, up from 186.1 Mn a month earlier, according to BTRC.
- The growth was shared by Grameenphone, Robi Axiata and Banglalink while state-run Teletalk ended up losing some customers. During the six-month ban, Grameenphone lost almost 5 Mn customers. Meanwhile, state-owned Teletalk lost about 20,000 customers in July, bringing its total down to 6.47 Mn.

<https://www.thedailystar.net/business/economy/news/mobile-subscriber-base-gets-another-boost-july-3404606>

#### **Demand for CI sheet rising in Dhaka and other cities**

- The market for corrugated iron (CI) sheets is expanding in Bangladesh thanks to the availability of more durable and coloured versions of the product, according to industry insiders. As such, the country's annual demand for CI sheets now exceeds 1.2 Mn tonnes, creating a market worth around BDT 150 Bn.
- At present, PHP produces some 0.45 Mn tonnes of CI sheets each year, catering to about 45% of the total market. Imported CI sheets mainly come from Japan, Vietnam, Taiwan, China and South Korea but shipments are gradually reducing as local producers are developing their product basket with cheaper alternatives.

<https://www.thedailystar.net/business/economy/news/demand-ci-sheet-rising-dhaka-and-other-cities-3404741>

**85% government Sukuks for Islamic lenders, insurers**

- Shariah-compliant banks, non-bank financial institutions (NBFIs) and insurance companies would be entitled to buy 85% of the government Sukuks, the Bangladesh Bank said on Sunday. Previously, the allocation quota was raised to 80% from 70%.
- According to the central bank's circular, 10% of the government issued Islamic securities would be reserved for Islamic branches and windows of conventional banks. The remaining 5% units would be issued to other investors including individual investors, provident funds and deposit insurance, it added. The Bangladesh Bank raised BDT 130 Bn for two different projects in the recent years and has plans to continue as the burgeoning Islamic financial industry is in increasing need for the Shariah-compliant instruments.

<https://www.tbsnews.net/economy/stocks/85-government-sukuks-islamic-lenders-insurers-689858>

**Make customs, bond services simpler: BGMEA**

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) yesterday called for making the customs, bond and VAT related services simpler and faster to remain competitive in the global apparel market. BGMEA President Faruque Hassan said the garment industry can save time and money, and become more efficient. He also laid emphasis on improving the understanding of customs and VAT regulations among garment industry professionals by providing training in this regard. The programme was organised by the BGAPMEA in association with the Bangladesh Tax Training Institute in Dhaka.

<https://www.thedailystar.net/business/economy/news/make-customs-bond-services-simpler-bgmea-3404586>

**BB instructs non-banks to reduce bad loans**

- Bangladesh Bank has instructed non-bank financial institutions (NBFIs) to reduce the amount of non-performing loans (NPLs) they have to resolve the sector's image crisis. The country's 35 NBFIs had NPLs amounting to BDT 178.55 Bn at the end of March, which is 25% of the loans they had disbursed, as per the central bank's latest data.
- The instruction came at a meeting between the central bank and the Bangladesh Leasing and Finance Companies Association (BLFCA), a forum of chief executives of the NBFIs, at the BB headquarters yesterday. Presiding over the meeting, Bangladesh Bank Governor Abdur Rouf Talukder specifically asked the NBFIs to regain customer confidence through improvements of their financial health. Bangladesh Bank's financial stability report-2022 said 14 NBFIs were in the red zone last year as per a stress test report.

<https://www.thedailystar.net/business/economy/news/bb-instructs-non-banks-reduce-bad-loans-3404766>

**Prevent sale of yarns, fabrics imported under false declaration: Textile mill owners**

- Textile mills owners have written to the Customs Bond Commissionerate seeking its support alleging that yarn, fabric and dress materials imported under false declaration are selling in local markets through bond abuse, plummeting the demand for local products. People related to the textile sector said that on an average, high-value yarns worth BDT 500 Mn from around 280 local mills each, totalling around BDT 14 Bn, are left unsold.

<https://www.tbsnews.net/economy/rmg/prevent-sale-yarns-fabrics-imported-under-false-declaration-textile-mill-owners-689882>

**Opportunities to turn around should come before wholesale declaration of loan defaulters: FBCCI president**

- The new president of the country's apex trade body, the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), has already written to Bangladesh Bank asking for opportunities for businesses struggling to pay instalments against loans to turn around their fortunes before declaring them as loan defaulters.
- Bangladesh is trying to curb inflation, but the global supply chain disruption creates crises on the supply side, which is the cause of the price hike in some cases, he pointed out. The FBCCI president said, the federation (FBCCI) has already written a letter to the Bangladesh Bank (BB) to not declare any company as defaulter without understanding the reality.

<https://www.tbsnews.net/economy/opportunities-turn-around-should-come-wholesale-declaration-loan-defaulters-fbcci-president>

**Bangladesh Agricultural Investment Forum kicks off to boost agrifood transformation**

- Bangladesh Agricultural Investment Forum, initiated by the Ministry of Agriculture, commenced its journey on 27 August to accelerate agricultural development in the country. The forum, which could become an annual event, is the result of last year's FAO Investment Forum in Rome, Italy. Both forums are part of FAO's Hand-in-Hand Initiative. The initiative aims to catalyze agricultural transformation by fostering increased targeted investment and improved access to finance for food producers, investors, policymakers and agri-processing enterprises, according to a press release issued by FAO.

<https://www.tbsnews.net/economy/bangladesh-agricultural-investment-forum-kicks-boost-agrifood-transformation-689614>

### **Tax burden to add up, if return deadline missed**

- Taxes will be imposed on the entire income of a taxpayer without any exclusion, if the return is submitted after the Tax Day, the deadline for return filing. A provision in this connection has been incorporated in the new tax law and has been made effective from the current fiscal year for individual, non-resident and corporate taxpayers. "Tax will be imposed on entire income of a taxpayer along with a 4.0% monthly rate of interest for the taxpayers who would miss the deadline," said a senior tax official.

<https://thefinancialexpress.com.bd/economy/bangladesh/tax-burden-to-add-up-if-return-deadline-missed>

### **Cenbank flags banks' data anomalies**

- The Bangladesh Bank has voiced concerns over significant anomalies in banks ranging from disparities related to outstanding and overdue LC information in contrast to the central bank's dashboard to instances of deliberately undervalued invoicing for tax evasion.
- Also, the central bankers pointed out the delayed submission of export data and inaccurate foreign exchange data by authorised dealer banks. These observations were outlined in a document from the central bank, which was prepared following a meeting between the chief executive officers of banks and senior central bank officials on 16 August. Bangladesh Bank Governor Abdur Rouf Talukder chaired the meeting. Bankers have also been warned for not following the single borrower exposure limit as issued by the central bank last year.

<https://www.tbsnews.net/economy/banking/cenbank-flags-banks-data-anomalies-689906>

### **Tax collection up 15.38% in July**

- Tax-revenue collection grew by 15.38% in the first month of the current fiscal year (FY), 2023-24, due to a hefty rise in VAT collection following the inflationary pressure. VAT collection grew by 21.51% in July compared to that of the corresponding month last year, according to the National Board of Revenue's (NBR) provisional data.
- The government has set BDT 4.30 Tn revenue collection target for FY 2023-24. Average revenue collection growth was 10.64% during the last five years. The NBR achieved 10.19% growth in tax revenue collection in July of FY 2022-23 over the corresponding period of the previous year. Growth of the customs wing was 3.70%, the VAT wing 15.68%, and the income tax wing 10.03%.

<https://thefinancialexpress.com.bd/economy/bangladesh/tax-collection-up-1538pc-in-july>

### **Confidence crisis in financial sector deepens**

- Bangladesh's financial sector is struggling to win back people's trust mainly due to the deterioration of some key indicators amid a lack of good governance, irregularities and lighter punishment for wrongdoers, according to analysts.
- The financial sector has been in bad shape at a time when Bangladesh plans to become a developed nation by 2041. The banking sector is burdened with a higher NPL, which stood at BDT 1.32 Tn in March, up 16% from a year earlier, data from the Bangladesh Bank showed. A floor price has led to the creation of a barren equity market since there are fewer buyers. Both intermediaries and investors are worried about the direction of the market as economic uncertainty shows no sign of disappearing.

<https://www.thedailystar.net/business/economy/news/confidence-crisis-financial-sector-deepens-3404786>

### **SME Foundation in quandary with BDT 500 Mn FDRs in PK Haldar's scam-hit NBFI**

- The Small and Medium Enterprise (SME) Foundation has found itself in deep water with around BDT 500 Mn investment in fixed deposit receipts (FDRs) made to the International Leasing and Financial Services (ILFS) Limited — a non-bank financial institution (NBFI) owned by Prashanta Kumar Halder — mired in loan scams and heavy liabilities.
- The foundation has been trying to get back the money — which it invested from its Endowment Fund made of the government's block allocation — from the NBFI for several years now. To withdraw the FDRs, it had sent repeated letters to the ILFS but got only false assurance in response. Moreover, BDT 894.9 Mn of the SME foundation's Reserve Fund and BDT 811 Mn of the General Fund are in different banks.

<https://www.tbsnews.net/economy/sme-foundation-quandary-tk50cr-fdrs-pk-haldars-scam-hit-nbfi-689422>

### **GM cotton cultivation kicks off**

- Bangladesh has started cultivation of genetically modified (GM) cotton for the first time this year to boost yields and cut import dependence of the raw materials of yarn, a top official of the Cotton Development Board (CDB) said yesterday. The development comes after the agriculture ministry released two varieties of GM cotton for domestic cultivation early last week.

<https://www.thedailystar.net/business/economy/news/gm-cotton-cultivation-kicks-3403886>



### **Chinese firm offers BDT 1 Tn mega project for 2 smart cities**

- Despite the slow disbursement of funds in ongoing China-funded projects within the country, another Chinese company has now presented a substantial investment proposition amounting to around BDT 1 Tn or around USD 9 Bn for two mega projects.
- The feasibility study and comprehensive environmental survey for both of these projects have already been completed with the funding of CRBC, sources say. Experts say the Chinese company has already secured the contract for constructing the Chinese Economic Zone in Anwara, Chattogram. If the company also gets the contracts for the mega projects in Keraniganj and Turag, it could potentially lead to project delays.

<https://www.tbsnews.net/economy/chinese-firm-offers-tk1-lakh-crore-mega-project-2-smart-cities-688330>

### **BGMEA delegation meets trade minister of Kurdistan Regional Government in Iraq**

- A delegation of Bangladesh Garment Manufacturers and Exporters Association (BGMEA) led by President Faruque Hassan discussed bilateral trade with Kamal Muslim, minister of Trade and Industry, Kurdistan Regional Government in Erbil, Iraq. During the meeting, BGMEA President Faruque apprised Kamal Muslim of growing manufacturing sectors of Bangladesh and potential products, including readymade garments that Kurdistan could import from the country. Meanwhile, Kamal Muslim gave an overview of the investment opportunities that Bangladeshi entrepreneurs could make use of.

<https://www.tbsnews.net/economy/bgmea-delegation-meets-trade-minister-kurdistan-regional-government-iraq-688778>

### **Exports of 43 sectors to remain eligible**

- Bangladesh Bank (BB) yesterday announced that 43 products or sectors will be eligible for government stimulus or cash incentives against export receipts for the current fiscal year of 2023-24. The same products or sectors were named for the benefits last fiscal year.
- However, it will not be possible to continue direct cash incentives against export receipts once the country makes the United Nations status graduation from a least developed to a developing nation in November 2026. As a result, the government has been devising strategies, as in alternatives to payment of direct cash incentives, to incentivise local exporters after the LDC graduation.

<https://www.thedailystar.net/business/economy/news/exports-43-sectors-remain-eligible-3402471>

### **Defying hard times, garment makers bet big with BDT 120 Bn in new tech**

- Undeterred by the challenges confronting both domestic and international markets, Bangladeshi garment, textile, and accessories manufacturers are poised to make a resounding statement by investing a substantial BDT 120 Bn over the next two years in new technologies that are set to reshape the industry landscape. Insiders with knowledge of the matter told The Business Standard that eight prominent companies are poised to channel around BDT 120 Bn into these fresh investments, a move projected to yield job opportunities for about 50,000 individuals within their respective apparel, textile, and accessories units.

<https://www.tbsnews.net/economy/rmg/defying-hard-times-garment-makers-bet-big-tk1200cr-new-tech-688802>

### **India's Numaligarh Refinery plans petroleum export to Bangladesh thru waterways**

- In addition to petroleum export through cross-border pipelines, Indian state-owned Numaligarh Refinery Limited is now planning to trade petroleum products to Bangladesh through waterways. As part of its initiatives, Numaligarh Refinery signed a Memorandum of Understanding with the Inland Waterways Authority of India on 24 August, for the transportation of petroleum products to Bangladesh, using the Jogighopa jetty of Assam.
- Bangladesh and India inaugurated their first-ever cross-border energy pipeline on 18 March this year to trade fuel oil. The 131.57km pipeline, connecting Siliguri in West Bengal and Parbatipur in Dinajpur, is capable of exporting 1 Mn tonnes of fuel annually to Bangladesh. BPC officials could not be reached for their comment on the matter despite repeated attempts.

<https://www.tbsnews.net/bangladesh/energy/indias-numaligarh-refinery-plans-petroleum-export-bangladesh-thru-waterways-689330>

### **NSD investors to enjoy tax cut on interest income**

- The National Board of Revenue (NBR) has allowed investors in national savings Deposits (NSDs) and exporters to enjoy reduced tax rates on their interest income and cash incentives. It has also allowed certain corporate taxpayers, enjoy source tax on bank deposits as a 'finally paid' one, according to SRO that came into effect on Wednesday.
- The provision was in the Income tax Ordinance-1984. The NBR had scrapped it by introducing the new Income Tax Act-2023 to consider the income tax as a 'minimum tax' to be added with the actual income of a taxpayer, officials said.

<https://thefinancialexpress.com.bd/economy/bangladesh/nsd-investors-to-enjoy-tax-cut-on-interest>

### **Develop light engineering to meet investment-GDP ratio targets**

- The light engineering sector's development is crucial for meeting the investment-GDP ratio target of 27.35% by fiscal year 2024-25, said DCCI President Md Sameer Sattar yesterday. The development will strengthen local value and supply chains for many allied industries, he said.
- The current tariff structure on the import of light engineering products is counterproductive for the sector's growth, he said. The sector is generating annual revenues of BDT 200 Bn and contributing about 3% to the GDP, which is increasing by 10% every year, said SM Shoyeb Hossain Nobel, additional managing director of Walton, in a keynote paper.

<https://www.thedailystar.net/business/economy/news/develop-light-engineering-meet-investment-gdp-ratio-targets-3402436>

### **Tax for FY24 to be assessed as per new law**

- Taxpayers will need to assess their taxable income and payable taxes based on the Income Tax Law 2023 that came into effect in June, according to a clarification by the National Board of Revenue (NBR). Bangladesh has more than 9.1 Mn registered taxpayers, including companies. Nearly 3.4 Mn filed returns in 2022-23, the highest on record.
- The NBR, however, said some new provisions in the income tax law regarding the disallowance of expenses of businesses will be applicable from the income year of 2024-25. In this case, the provisions of Income Tax Ordinance 1984 should be followed, the clarification said. During the assessment of incomes from businesses, the provisions of the Income Tax Act 2023 will be applicable in the case of carrying over losses and their adjustments.

<https://www.thedailystar.net/business/economy/news/tax-fy24-be-assessed-new-law-3402466>

### **New GSP of UK: Bangladesh's RMG export prospects brighten**

- Bangladesh's garment export to the United Kingdom (UK) is expected to rise significantly as the British government will continue to offer duty-free benefits to developing nations even after they graduate from the least developed country (LDC) status. As per the United Nations Committee for Development Policy, Bangladesh is scheduled to make the United Nations status graduation to a developing nation from an LDC in November 2026. However, the UK has introduced its new Generalised System of Preferences (GSP), namely Developing Countries Trading Scheme (DCTS), under which developing nations will also enjoy duty-free benefits to the UK markets.

<https://www.thedailystar.net/business/economy/news/new-gsp-uk-bangladeshs-rmg-export-prospects-brighten-3403881>

### **Government changes borrowing strategy as bankers bid big**

- A strategy change in government bank borrowing becomes clear in a switch from long-term treasury bonds to short-term treasury bills to dodge "distortion" in interest regime as bankers bid big at auctions. Under the latest borrowing mechanism, the government has discarded the auctions of T-bonds with 15-year and 20-year terms for the last three consecutive months while the auction of these investment instruments remained stalled for two more months of the calendar year.
- Seeking anonymity, a BB official says the participating primary dealer banks, which are allowed to take part in the bidding on government securities, have been placing higher rates of interest, starting from 9.25% to around 9.75%, which is much higher than the previous cut-off yields. According to the BB data, the government has borrowed around BDT 39.0 Bn through T-bonds under the tenure of 15 and 20 years so far this year and around 50% of the funds were 'high-powered money' given by the central bank through printing money.

<https://thefinancialexpress.com.bd/economy/bangladesh/government-changes-borrowing-strategy-as-bankers-bid-big>

### **Retaining duty benefits until new trade deals focused**

- Dhaka is seeking continuity of the existing duty benefits on exports until new trade pacts are signed with China, India and Japan ahead of Bangladesh's LDC graduation. Efforts have already got underway to strike free-trade agreements (FTAs) with these important trade partners, officials said.
- Officials concerned with the ministry of commerce (MoC) told the FE that FTA negotiations are huge a task and may not be completed before Bangladesh graduates from the group of least-developed countries or LDCs. They said as the procedure leading to signing FTA with China, India, and Japan started and would take time, Bangladesh would request them to continue with the existing duty benefits until FTA deals made.

<https://thefinancialexpress.com.bd/economy/bangladesh/retaining-duty-benefits-until-new-trade-deals-focused>

### **NBFIs with lower bad loans**

- Although most non-bank financial institutions (NBFIs) in Bangladesh are struggling with a high rate of non-performing loans (NPLs), some of them are bucking the trend by maintaining a lower ratio. While the average NPL ratio in the overall sector rose to 25% as of March this year, classified loans in 11 of the 35 NBFIs in the country remain below 10% of their outstanding loans.

<https://www.thedailystar.net/business/economy/news/nbfis-lower-bad-loans-3403896>

### **Tipu urges India to implement proposed process in supply of daily necessities**

- Commerce Minister Tipu Munshi on Friday called upon the Indian government to speed up the implementation of the proposed process for supplying essential goods from India to Bangladesh. He made the call to the country in a bilateral meeting with Indian Commerce Minister Piyush Goyal on the sidelines of the G-20 Trade and Investment Ministers meeting held in Jaipur, India.

<https://www.tbsnews.net/economy/tipu-urges-india-implement-proposed-process-supply-daily-necessities-688718>

### **NBR seeks direct access to taxpayers' bank details**

- The National Board of Revenue (NBR) wants direct access to taxpayers' bank account details through the Bangladesh Bank as part of an integration endeavour aimed at combating tax evasion. This would give the revenue board easy access to banking details of taxpayers and traders helping them monitor money flow.
- Sources on the know have indicated when completed, it would not be necessary to request the information from banks, as the revenue board would be able to directly access the data with permission from the central bank. Meanwhile, business people have argued that providing the NBR with direct access to bank information could create fear, including businessmen, possibly leading to reduced banking transactions.

<https://www.tbsnews.net/nbr/nbr-seeks-direct-access-taxpayers-bank-details-689338>

### **Govt reduces tax on cash incentive, land gain tax stays higher**

- The government has relieved additional tax burden on exporters' cash incentives, income of savings certificates and fixed deposits and savings deposits, according to the finance ministry officials. However, additional taxes on top of a 10% source tax on income from land acquisition compensation paid by the government, income from sales of land and income from signing money will remain the same as mentioned in the new income tax law.
- Under the previous law, exporters had to pay a 10% source tax on their cash incentive, which was treated as the minimum tax and a final settlement. But the new law does not mention anything about the final settlement, a high official of the National Board of Revenue (NBR) told The Business Standard, requesting anonymity.

<https://www.tbsnews.net/economy/govt-reduces-tax-cash-incentive-land-gain-tax-stays-higher-687650>

### **Sustainable finance on the rise**

- Sustainable finance extended by banks rose nearly 40% year-on-year to BDT 353.9 Bn in the first quarter of 2023 as lenders keep disbursing a higher volume of loans to eco-friendly businesses and industries, official figures showed. The BB rolled out the sustainable finance policy in 2020.
- Green finance of banks surged 65% year-on-year to BDT 27.8 Bn in the first quarter of 2023. This, however, was down from BDT 40.5 Bn reported in the October-December quarter. The amount totalled BDT 16.9 Bn in the January-March quarter of 2022. In 2022, banks and non-banks disbursed BDT 122.3 Bn in the form of green finance, up from BDT 72.32 Bn in 2021.

<https://www.thedailystar.net/business/economy/news/sustainable-finance-the-rise-3402461>

### **Electric vehicle sales yet to gain pace**

- Although Bangladesh is laying the groundwork for gradually adopting electric vehicles (EVs), sales are yet to gain pace because of higher prices, further inflated by an elevated level of import duty and the cost of registration, according to market players.
- Around 70 units made by global automotive brands such as Tesla, Audi and Porsche have been registered with the Bangladesh Road Transport Authority (BRTA) since September 2022, when the EV registration was introduced. The average electric vehicle price in July was USD 53,469 versus an average price of USD 48,334 across all vehicles, according to California-based vehicle valuation and automotive research company Kelley Blue Book.

<https://www.thedailystar.net/business/economy/news/electric-vehicle-sales-yet-gain-pace-3402506>

### **Listed NBFIs log lower earnings in January-June**

- All of the listed non-bank financial institutions (NBFIs) in Bangladesh that published their financial reports for the January-June period of the current calendar year reported lower earnings due to reduced interest income, among other reasons. At present, there are 23 NBFIs listed with the Dhaka Stock Exchange.
- Of them, the 13 that published their half-yearly financial statements so far have registered worse earnings than they did during the same period last year. "The earnings of these NBFIs dropped for several reasons, such as lower interest income, scanty income from the capital market and borrowers struggling to make repayments," said Kanti Kumar Saha, vice chairman the Bangladesh Leasing and Finance Companies Association.

<https://www.thedailystar.net/business/economy/news/listed-nbfis-log-lower-earnings-january-june-3402491>

### **Many factories founder due to financial crisis**

- Umpteen industrial units across Bangladesh that manufacture goods for both local and international markets have closed down for a slew of problems that include currency devaluation and global demand dive, insiders said. Sources say most of such factories are small and medium in size.
- Also, a good number of those that export goods failed to survive owing to losses they incur because of the currency-exchange-rate gap, according to exporters. According to Industrial Police data, some 313 factories under its jurisdiction have gone bust since January to mid-August of the current calendar year. Asked about the ordeals, Md Shahidullah Azim, vice president of BGMEA, said most of the factories were closed down because of lack of work orders.

<https://thefinancialexpress.com.bd/economy/bangladesh/many-factories-founder-due-to-financial-crisis>

### **National pension scheme: 'Probas' programme not attracting expatriates**

- The National Pension Authority (NPA) is getting a lower response from Bangladeshi expatriates. Among 14.9 Mn Bangladeshi expatriates, only 209 people have deposited their contribution in the name of the 'Probas' programme of the national pension scheme.
- According to the sources, about 8,231 people have contributed their money to different programmes till August 17. An official of the pension authority said, "Many people are registering. But we don't consider the registration number as the real number. We see how many people have actually deposited money against the specific programme."

<https://thefinancialexpress.com.bd/trade/national-pension-scheme-probas-programme-not-attracting-expatriates>

### **16 non-banks weighed down by high NPLs**

- Nearly half of non-bank financial institutions (NBFIs) saw a third of their loans turn into non-performing ones at the end of March 2023, which gives an indication of the tough times the sector was going through mainly due to massive irregularities in 8 to 10 companies. Intense competition with banks amidst liquidity pressure, image being tarnished and borrowers finding it tougher to run businesses are mainly to blame for the NBFIs sector's struggles. There are 35 NBFIs in the country. For 16, the nonperforming loan (NPL) ratio is over 30%, according to Bangladesh Bank data.

<https://www.thedailystar.net/business/economy/news/16-non-banks-weighed-down-high-npls-3403891>

### **NGO funding faces sharp decline**

- The flow of foreign funds to non-governmental organisations (NGOs) in the country experienced a substantial contraction during the previous fiscal year, coinciding with Bangladesh's graduation into a developing country. The latest available data by the NGO Affairs Bureau reveals a nearly 30% reduction, with commitments for NGO funding decreasing to USD 720 Mn in FY23 - down from USD 1.03 Bn during the preceding fiscal year.
- Accompanying the decline in funding commitments, disbursements to NGOs also experienced a downturn of around 10% over the last fiscal year. Experts and stakeholders point to several factors contributing to this decline, including Bangladesh's current advancement to a middle-income country, donors diverting their attention to other LDCs requiring aid, and a shift towards assisting refugees displaced by the Ukraine-Russia conflict.

<https://thefinancialexpress.com.bd/economy/bangladesh/ngo-funding-faces-sharp-decline>



## Important News: Capital Market

### **IBNSINA | IBN SINA Pharma's profit growth takes a pause in FY23**

- The profit of IBN SINA Pharmaceutical Industry remained almost unchanged for FY23 as it recorded no notable rise in revenue compared to the previous fiscal year. Its consolidated profit was BDT 605.50 Mn in FY23, which was BDT 605.81 Mn in the previous fiscal year. The company's consolidated earnings per share (EPS) stood at BDT 19.38 for FY23, reduced slightly from BDT 19.39 for FY22. Meanwhile, the company's board of directors recommended 60% cash dividend for FY23.

<https://thefinancialexpress.com.bd/stock/bangladesh/ibn-sina-pharmas-profit-growth-takes-a-pause-in-fy23>

### **DACCADYE | Gas line disconnection halts Dacca Dyeing's partial production**

- The Dacca Dyeing and Manufacturing Company has closed its dyeing unit for the time being because of the gas line discontinuation by the state-owned gas distributor Titas Gas, owing to the textile firm's failure to pay security deposit. According to the disclosure, on 26 July, the Titas Gas authorities temporarily stopped Dacca Dyeing's gas metre connection.

<https://www.tbsnews.net/economy/stocks/gas-line-disconnection-halts-dacca-dyeings-partial-production-691914>

### **INTRACO | Intraco to merge with subsidiaries to cut down tax burden**

- Intraco Refueling Station has reached an advanced stage for merger with its three subsidiaries in a bid to lessen tax burden. The boards of Intraco and the subsidiaries -- M. HYE & Co. CNG Refueling Station Limited, Nessa & sons Limited, and Good CNG Refueling Station Limited - decided in favour of the amalgamation considering the corporate tax gap between listed and non-listed companies.
- A non-listed company has to pay 27% corporate tax, while its listed counterpart pays 20%. The amalgamation between the parent company and the subsidiaries would ease the tax burden of the parent company. The second reason behind the merger is to avoid double taxation on dividends realised from the subsidiaries. The amalgamation is subject to the approval of shareholders, the securities regulator, creditors and the High Court.

<https://thefinancialexpress.com.bd/stock/bangladesh/intraco-to-merge-with-subsidiaries-to-cut-down-tax-burden>

### **UCB | UCB gets BB recognition in sustainability rating**

- United Commercial Bank (UCB) PLC was honoured yesterday as one of top banks in "Sustainability Rating 2023" by the Bangladesh Bank. The acknowledgement has been ensured as part of UCB's continuous dedication towards sustainable finance, green finance, corporate social responsibility and core banking sustainability, said a press release.

<https://www.thedailystar.net/business/economy/news/ucb-gets-bb-recognition-sustainability-rating-3406306>

### **EBL, TRUSTBANK | EBL, Trust Bank sign deal on money transfer**

- Eastern Bank Ltd (EBL) has signed an agreement with Trust Bank Ltd for the money transfer service Ria, a US-based global money transfer company whose Bangladesh agent is Trust Bank. EBL's partnership with Trust Bank and Ria aims to boost the efficiency and accessibility of remittance services for expatriate Bangladeshis across the globe where Ria has widespread presence, it said.

<https://www.thedailystar.net/business/economy/news/eb1-trust-bank-sign-deal-money-transfer-3406326>

### **EXCHANGE | Asset manager Prime Finance's 3 mutual funds under BSEC scanner**

- The securities regulator has recently formed an inquiry committee to review all the portfolio statements of three mutual funds managed by Prime Finance Asset Management Company Limited. The funds in question are Prime Financial First Unit Fund, Prime Finance Second Mutual Fund, and Rupali Life Insurance First Mutual Fund.

<https://www.tbsnews.net/economy/stocks/asset-manager-prime-finances-3-mutual-funds-under-bsec-scanner-691194>

### **BSCCL | Bangladesh Submarine Cable declares record dividend for FY2022-23**

- Bangladesh Submarine Cable Company Limited (BSCCL) has declared a record 51% cash dividend to its shareholders for the financial year 2022-23. The dividend declaration came from the state-owned company's board meeting held on Monday (28 August).
- According to the company's disclosure, its revenue grew over 16% to BDT 5.15 Bn in the last fiscal compared to the previous year. To approve the dividend and financial statement, it will conduct the AGM on 12 October and the record date is set on 20 September.

<https://www.tbsnews.net/economy/stocks/bangladesh-submarine-cable-declares-record-dividend-fy2022-23-690378>

**BRACBANK | Brac Bank rated stable by S&P**

- Brac Bank has been provided a "B+" credit rating with a stable outlook by S&P Global Ratings. This is in contrast to a recent "Banking Industry Country Risk Assessment (BICRA) for Bangladesh" seeing a revision in industry risk trend from stable to negative, said a press release.
- The US-based institution provided the rating on August 8. "Brac Bank's established franchise enables it to access foreign currency from its retail remittance and export-oriented clients. This somewhat alleviates the US dollar funding pressure facing the broader banking sector," it said in a statement.

<https://www.thedailystar.net/business/economy/news/brac-bank-rated-stable-sp-3405536>

**INTRACO | Intraco Refueling plans to merge with 3 other CNG stations**

- Intraco Refueling has decided to merge its business with three other CNG stations. The directors of the company have approved the amalgamation proposal with M HYE & Co CNG Refueling Station, Nessa & Sons Limited and Good CNG Re-Fueling Station Limited, according to DSE disclosure. The amalgamation will be implemented subject to the creditors, shareholders, high court and the securities regulator's approval.

<https://www.tbsnews.net/economy/stocks/intraco-refueling-plans-merge-3-other-cng-stations-690022>

**EBL | Eastern Bank to sell lands in Purbachal, Bashundhara**

- Eastern Bank Limited has decided to sell two of its lands - one is located in Purbachal and the other one in the capital's Bashundhara. The bank said in a disclosure on the Dhaka Stock Exchange (DSE) that it will sell 85.15 katha at Purbachal and 5 katha at Bashundhara residential area. However, the amount expected to be generated by selling the lands was not mentioned in the disclosure.

<https://www.tbsnews.net/economy/stocks/eastern-bank-sell-lands-purbachal-bashundhara-690002>

**AL-HAJTEX | Alhaj Textile gets three new independent directors**

- The securities regulator has appointed three new independent directors at the publicly listed Alhaj Textile Mills Limited. Also, BSEC has withdrawn two independent directors who were appointed at the company's board earlier. In the mid-2019, Alhaj Textile decided to shut down the factory following its failure to sell products. After that, the company turned losses for the last two years and abstained from paying any dividend to the shareholders. To revive the listed firm, the BSEC has restructured the board of Alhaj Textile. After that, the company returned to operations in June 2021.

<https://www.tbsnews.net/economy/stocks/alhaj-textile-gets-three-new-independent-directors-690470>

**MIDLANDBNK | Midland Bank calls meeting to change IPO fund utilization**

- Midland Bank Limited called an extra general meeting (EGM) to get the shareholders' approval for changing the utilization proceeds of the IPO fund. The bank, in a disclosure on the Dhaka Stock Exchange (DSE), said it wants to invest BDT 4.67 Mn of the IPO fund in government securities. This money was earmarked for IPO expenses.
- Earlier, in September last year, BSEC had allowed the bank to raise BDT 700 Mn from the capital market with an initial public offering (IPO). The bank issued 70 Mn shares at a face value of BDT 10 each. Besides, the bank also decided to change its name to Midland Bank PLC.

<https://www.tbsnews.net/economy/stocks/midland-bank-calls-meeting-change-ipo-fund-utilisation-690214>

**AOL | BSEC to look into Associated Oxygen's factory operation**

- The Bangladesh Securities and Exchange Commission (BSEC) has formed an inquiry committee to look into Associated Oxygen Limited's financial statements and activities as irregularities are suspected in its operation. The inquiry committee will submit a report to the commission within 60 days of its formation.
- Sources at the Dhaka Stock Exchange told The Business Standard that when its officials, seeking anonymity, recently contacted Associated Oxygen – a listed company – on the pretext of buying products, the company told them that their factory was closed for a few months. Then the Dhaka Stock Exchange informed the Bangladesh Securities Regulator and Exchange Commission about the matter and expressed its interest to investigate it.

<https://www.tbsnews.net/economy/stocks/bsec-look-associated-oxygens-factory-operation-690482>

**NTLTUBES | National Tubes' undistributed bonus shares raised more questions than answered**

- The state-run listed company National Tubes on Sunday transferred 42% of its outstanding shares to the account of Capital Market Stabilisation Fund (CMSF). These shares had been issued in stock dividends and remained undistributed since 2007. "Giving stock dividend has the same accounting impact as retaining cash on balance sheet. We can thus conclude that the company has reinvested capital in its own business," said Asif Khan, chairman of EDGE Asset Management. National Tubes has also transferred cash dividends worth around BDT 5 Mn to the CMSF.

<https://thefinancialexpress.com.bd/stock/bangladesh/national-tubes-undistributed-bonus-shares-raised-more-questions-than-answered>

**MJLBD | MJL Bangladesh to buy 50 bigha land at BDT 950 Mn**

- MJL Bangladesh PLC has announced that the company will buy an industrial plot at a cost of BDT 950 Mn in Narayanganj. In a disclosure at the Dhaka Stock Exchange on Sunday (27 August), the company said it has conditionally signed an MOU with the seller to purchase an industrial plot of land measuring 50 Bigha. The land is located at Shiddhirganj of Narayanganj, and the company is buying it for its future expansion.

<https://www.tbsnews.net/economy/stocks/mjl-bangladesh-buy-50-bigha-land-tk95cr-689494>

**NCCBANK | NCC Bank inks deal with AamarPay**

- NCC Bank Ltd recently signed a corporate agreement with AamarPay, a sister concern of web outsourcing company Soft Tech Innovation Ltd. Under the deal, the bank's credit cardholders will get SmartPay EMI facility for up to 36 months at zero interest at AamarPay online shopping.

<https://www.thedailystar.net/business/economy/news/ncc-bank-inks-deal-aamarpay-3404611>

**MERCANBANK | Mercantile Bank takes PLC suffix**

- Mercantile Bank Ltd has changed its name to Mercantile Bank PLC (public limited company), the central bank said in a circular yesterday. The change of the private commercial bank came into effect yesterday, according to the circular. In Bangladesh, the companies are switching to the PLC suffix in order to comply with the amended Company Act 1994. The amendment was made in 2020.

<https://www.thedailystar.net/business/economy/news/mercantile-bank-takes-plc-suffix-3404601>

**FAMILYTEX | Familytex: A company meant to rip off retail investors**

- Among the listed companies of the textile sector on the website of the Dhaka Stock Exchange (DSE), one will come across Familytex (BD). Except for the company's name and some sporadic financial figures uploaded until 2020, no other information and corporate disclosure is available of the company.
- The 'Z' category company has not been in operation but it is hard to say for how many years. It also has no website. Currently, retail investors hold more than 77% of the total shares offloaded by the company for public trading. On the other hand, sponsor-directors have only 4% shares, reduced from 75% in 2013 immediately after the initial public offering. Familytex distributed only stock dividends since its listing to its shareholders.

<https://thefinancialexpress.com.bd/stock/bangladesh/familytex-a-company-meant-to-rip-off-retail-investors>

**EXCHANGE | 10 brokers to give clients direct access to trading platform**

- Ten brokerage firms formed a consortium to install their own order management system (OMS) in January to expedite transactions. When the system will get operational in January, clients of the brokers will have direct access to an automated trading platform for executing transactions with the DSE and the CSE.
- After installation of the OMS of the consortium, clients of the brokerage firms will be able to trade at a faster pace from home, said Chief Executive Officer of EBL Securities Md. Sayadue Rahman. Too many orders placed by brokerage firms at a time overload the systems deployed by the exchanges, leading to technical disruptions.

<https://thefinancialexpress.com.bd/stock/bangladesh/10-brokers-to-give-clients-direct-access-to-trading-platform>

**BRACBANK | Brac Bank, Gram Unnayan sign deal**

- Brac Bank recently signed a strategic partnership with a non-governmental organisation (NGO) Gram Unnayan Karma to support farmers living in remote char areas by enabling them to adopt high-value crops and develop markets for their agricultural produce.
- Through this agreement, char-based farmers in Bogura can increase their income by expanding the cultivation of cash crops such as maize, jute, mustard, and green chili, utilising machinery. "By empowering these farmers with modern machinery and advanced agricultural methods, we aim to develop sustainable markets and positively impact their livelihoods," said Sabbir.

<https://www.thedailystar.net/business/economy/news/brac-bank-gram-unnayan-sign-deal-3403841>

**PUBALIBANK | Pubali Bank signs deal with SSL**

- Pubali Bank Ltd and Software Shop Ltd (SSL) signed an agreement for integration of Shohoz online ticketing platform on Pubali PI banking app. Under this agreement, the bank's customers can purchase bus tickets using Shohoz online ticketing platform through the former's mobile banking app "PI".

<https://www.thedailystar.net/business/economy/banks/news/pubali-bank-signs-deal-ssl-3402396>

**PADMALIFE | Padma Islami's life fund shrinks in first half**

- The life fund of Padma Islami Life Insurance Company shrank in the January to June period of the current year when the company settled higher amount of claims compared to the deposited premiums. In the first half of 2022, Padma Islami's life fund deficit was BDT 0.6 Mn, the company said in the DSE disclosure.

- The listed life insurer said it spent, including claim settlement, BDT 94 Mn higher than in income in the first half of 2023, according to a posting on the website of the Dhaka Stock Exchange (DSE). In the first half of 2022, Padma Islami's life fund deficit was BDT 0.6 Mn, the company said in the DSE disclosure.

<https://www.thedailystar.net/business/news/padma-islamis-life-fund-shrinks-first-half-3402136>

### **SOUTHEASTB | Southeast Bank asked to submit BDT 2 Bn BLI Capital loan papers**

- The securities regulator has sought all the relevant documents of Southeast Bank's BDT 2 Bn loan to BLI Capital Limited — a subsidiary of the publicly listed Bay Leasing and Investment Limited.
- Earlier this month, the BSEC formed a committee to investigate allegations concerning an individual's transition to the directorship of Southeast Bank through the acquisition of shares obtained via a loan from the same lender. The committee would also probe the bank's purchase of EM Power shares. In a letter on 20 August, the BSEC asked the bank to submit all the documents to the inquiry committee by 30 August.

<https://www.tbsnews.net/economy/stocks/southeast-bank-asked-submit-tk200cr-bli-capital-loan-papers-689322>

### **ENVOYTEX | Murshedy family loses two directorships in Envoy Textiles**

- Amidst a struggle for supremacy between two business partners, the Abdus Salam Murshedy family has lost two directorship positions on the board of Envoy Textiles. During the annual general meeting (AGM) on Thursday, the majority of votes were cast against shareholder-directors Sharmin Salam, Murshedy's wife, and Ishmam Salam, his son.
- According to company officials, the AGM, however, could not confirm the appointment of the managing director and deputy managing director because of a High Court stay. The AGM was pending due to a legal battle among owners. The textile miller had earlier postponed its AGM, which was scheduled for 26 June, after Murshedy moved the Appellate Division to challenge a High Court order. The shareholders at the AGM approved a 15% cash dividend for fiscal 2021-22.

<https://www.tbsnews.net/economy/stocks/murshedy-family-loses-two-directorships-envoy-textiles-688250>

### **APOLOISPAT | Appollo Ispat bearing the brunt of ex-employees' fund mishandling**

- Appollo Ispat Complex — once renowned for its corrugated iron sheets brand "Rani Marka Dheutin" — is having to carry the weight of fund mismanagement by its former employees as the company is drowning in a massive loan of BDT 11 Bn.
- In a letter to the Bangladesh Securities and Exchange Commission (BSEC), Apollo Ispat said the past employees acted against the interests of the company which caused damages and piled up the debt burden. Appollo Ispat was listed on the stock market in 2013. Back then, it raised BDT 2.16 Bn through an initial public offering (IPO). After its listing, the company posted handsome profits for three straight years. However, its business began to decline in 2017 after its pre-IPO shares were up for sale on the bourses.

<https://www.tbsnews.net/economy/stocks/appollo-ispas-bearing-brunt-ex-employees-fund-mishandling-689314>

### **SEAPEARL | Team formed to probe Sea Pearl stock's rally**

- The securities regulator has formed an inquiry committee to investigate if there had been any price manipulation, insider trading or other irregularity behind the price hike of Sea Pearl Beach Resort and Spa Ltd's shares. The team has 60 days to submit its findings to the Bangladesh Securities and Exchange Commission.
- Each share of the five-star hotel company was trading below BDT 50 in August last year, which then hit above BDT 300 this February. The regulatory move came after a recent media report that named some members of the cartel who allegedly manipulated the stock price.

<https://www.tbsnews.net/economy/stocks/committee-formed-enquire-sear-pearl-stock-rally-688130>

### **EXCHANGE | BSEC delegates visit India to learn from commodity exchange expertise**

- A group of representatives from the Bangladesh Securities and Exchange Commission (BSEC) visited India to gain insights into the functioning of the country's commodity exchange and derivatives market. The delegates participated in the training workshop at the office of Multi Commodity Exchange of India (MCX) in Mumbai on 24 August, according to a BSEC press release. India's reputed asset management company Kotak Mahindra Asset Management held a discussion meeting with the BSEC delegations at the workshop.

<https://www.tbsnews.net/economy/stocks/bsec-delegates-visit-india-learn-commodity-exchange-expertise-689306>



**EXCHANGE | Market constricts scope of meeting 10% free float target**

- The securities regulator had asked the three companies to increase their free float shares up to 10% by offloading 1% of the required amount of shares every month. As per the regulatory requirement, Walton had to float 9.03% more shares, ICB 6.81% and Berger 5%. As per a decision at a meeting with the finance ministry, Pubali bank had to offload 0.5 Mn shares per month at the prevailing market prices. The managing director of Pubali Bank, Mohammad Ali said the company would incur a loss if shares were sold in the current market situation.

<https://thefinancialexpress.com.bd/stock/bangladesh/market-constricts-scope-of-meeting-10pc-free-float-target>

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