

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

## Important News Snippets

### Covid infection rate below 17.0%

- Both Covid-19 infections and fatalities continued to show a downward trend as the daily positivity rate dropped below 17% on Saturday. In the last 24 hours ending at 8:00am on Saturday, the country recorded 3,991 coronavirus positive cases after July 22 when the daily caseload was 3,697, according to the Directorate General of Health Services (DGHS). The positivity rate stood at 16.71% on the day. At least 120 people died of Covid-19 during the same period, the official data showed. And the death figure was the lowest in 52 days.

- A flight of All Nippon Airways (ANA) carrying 781,440 doses of AstraZeneca vaccine, departed from Narita International Airport at 21:43 hours and it reached Dhaka on Saturday by a flight of Cathay Pacific, foreign ministry officials said.

- With this shipment, the total amount of dispatched vaccines from Japan stood at over 2.4 million. This delivery is a part of Japan's commitment to supplying over 3.0 million doses of vaccine under WHO-COVAX mechanism.

<https://today.thefinancialexpress.com.bd/first-page/covid-infection-rate-below-17pc-1629566963>

### Sales of savings tools triple in FY'21

- The government's net borrowing through the national savings instruments more than doubled in the fiscal year (FY) 2020-21 than that of the FY's target, according to the official statistics. The Department of National Savings (DNS) disclosed recently that the net sales of national savings certificates stood at BDT 419.6 billion in the last FY against a target of BDT 200 billion. The net sales of the instruments were nearly three times higher in the last FY than that of the previous FY's BDT 144.3 billion, data showed.

- The government sells savings instruments, including four types of savings certificates, with the yield rates up to 11.76%. In contrast, the banks are providing interest rates on deposits up to 5.5% while charging the lending rates up to 9.0%. The interest rates vary depending on banks and bank-client relationship, insiders have said. Some banks were offering even 6.0 to 7.0% lending rates, they added. Around 20 million investors are involved in this sector, DNS officials said.

<https://today.thefinancialexpress.com.bd/first-page/sales-of-savings-tools-triple-in-fy21-1629567018>

### What drove NBFIs' half yearly profits boost

- Non-bank financial institutions (NBFI), like the commercial banks, are posting higher profits for the first half of 2021 that attracted analysts and stock investors' eyes. 10 of the 23 publicly listed NBFIs, mostly the top-tier ones, already disclosed their financial statements for the January-June period and that reveals significant year-on-year growth in net profits after tax for nine firms.

- The financial sector analyst of the brokerage firm thanked three factors for the improved earnings of the NBFIs. These are better spread in interest rates, the deferral facilities by the central bank and most importantly the vibrant state of the capital market.

<https://www.tbsnews.net/economy/what-drove-nbfis-half-yearly-profits-boost-291268>

### Consumers saved BDT 1.65 trillion during pandemic

- Amid the historic low interest rates of bank deposits, consumers socked BDT 1.65 trillion away in 2020, the highest in the last five years, thanks to saving tendency in the pandemic time.

- Current deposits mostly contributed to higher savings, which reflected that wealth of rich people increased owing to limited spending opportunities amid lockdowns. On the other hand, loan growth was 8.4%, the lowest in the last five years. As a result, the gap between outstanding deposits and loans widened considerably to BDT 2.1 trillion last year from BDT 1.3 trillion a year ago, according to the financial stability report of the Bangladesh Bank for 2020.

- Despite the low interest rate, banks saw good deposit growth as interest rate matters little to customers, said Ali Reza Iftekhar, managing director of Eastern Bank and also the chairman of ABB (Association of Bankers Bangladesh). Customers now give importance to banks' service quality and reputation instead of interest rates, he also said. The total deposit stood at BDT 14.3 trillion in June this year.

<https://www.tbsnews.net/economy/banking/consumers-saved-tk165-lakh-crore-during-pandemic-290737>

### **Soaring freight rates fuel commodity prices**

• Essential commodities such as edible oil, wheat and sugar have become costlier in Bangladesh as their prices rose in the international markets because of the supply crunch and increased shipping costs, hitting the pocketbooks of consumers. The increase in the cost of transportation has had an impact on imported goods.

• Data from the National Board of Revenue (NBR) showed that oil refiners imported crude soybean oil at BDT 116,350 per tonne in July, up 12.0%, or BDT 12,772, from June. Traders imported wheat at BDT 32,318 per tonne in July, an increase of 14.0% from June. Similarly, the sugar price has increased by 19.0% to BDT 41,757 per tonne within a month.

<https://www.thedailystar.net/business/economy/news/soaring-freight-rates-fuel-commodity-prices-2157756>

### **Grameen Telecom hires lobbyist to dodge BDT 3.0 billion**

• Grameen Telecom, a shareholder of Grameenphone, has hired a lobbyist at BDT 140 million to win 107 cases lodged against it for realizing BDT 3.0 billion in worker-welfare dues. The Grameen Telecom Workers Employees Union made the allegation on Saturday. Meanwhile, leaders of the union have demanded appointment of an administrator in Grameen Telecom for attempting to deprive workers and employees of their rights.

• Grameen Telecom receives more than BDT 10-billion dividend every year from Grameenphone. In 2019 alone, the company received a dividend worth BDT 13 billion. But Grameen Telecom never paid 5.0% of these dividends to the workers' welfare fund, although they had a legal obligation to share profits with its employees.

<https://today.thefinancialexpress.com.bd/trade-market/grameen-telecom-hires-lobbyist-to-dodge-tk-30b-1629560754>

### **City Group to set up hi-tech park in Demra**

• Food conglomerate City Group will develop a hi-tech park at Demra in Dhaka with a proposed investment of around BDT 50 billion. The 'City Hi-Tech Park' to be developed on 115 acres of land is expected to create employment opportunities for more than 15,000 people, according to a statement issued by the Bangladesh Hi-Tech Park Authority (BHTPA) on Thursday. The investors will get 14 incentives while investing in the park. They will get one-stop services.

• The conglomerate has shown interest in setting up the park as part of a strategy to diversify its business. The Park will be built in such a way that can attract both local and foreign investors.

<https://thefinancialexpress.com.bd/trade/city-group-to-set-up-hi-tech-park-in-demra-1629429787>

<https://www.tbsnews.net/economy/city-hi-tech-park-demra-draw-BDT-5000cr-investment-create-15000-jobs-290596>

### **IFAD Autos to invest USD 51.0 million in Bangabandhu Sheikh Mujib Shilpa Nagar**

• Ifad Autos Limited signed a land-lease agreement with Bangladesh Economic Zones Authority (Beza) by which the company will expand its manufacturing facilities on 30 acres of land at the Bangabandhu Sheikh Mujib Shilpa Nagar.

• According to a Beza press statement, the company Ifad will invest USD 51.0 million to set up a car assembly factory, lubricant blending plant, and light engineering industry, that will create employment for about 880 people.

<https://www.tbsnews.net/economy/ifad-autos-invest-51m-bangabandhu-sheikh-mujib-shilpa-nagar-290671>

### **Bangladesh Securities and Exchange Commission (BSEC) to reinstate mandatory IPO issuance rules**

• The Bangladesh Securities and Exchange Commission has initiated a move to reinstate its rules that would make it mandatory for companies with paid-up capital of more than BDT 500 million to be listed on the country's stock exchanges. The current commission led by BSEC chairman Shibli Rubayat-UI-Islam also wants to restore the notification which had asked companies to take BSEC consent for raising capital through issuing placement shares.

• The country's capital market has been going through a dry spell of initial public offerings as the BSEC has only one IPO application to deal with after approving just five IPOs in the last eight months. Besides, companies have shied away from listing on the stock exchanges as they have to remain under the regulatory watch, comply with various rules and file taxes properly, the officials said.

<https://www.newagebd.net/article/146915/bsec-to-reinstate-mandatory-ipo-issuance-rules>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 62.14	USD 13.62	28.07%
Crude Oil (Brent)*	USD 65.18	USD 13.38	25.83%
Gold Spot*	USD 1,784.00	(USD 111.10)	-5.86%
DSEX	6,760.62	1,358.55	25.15%
S&P 500	4,441.67	685.60	18.25%
FTSE 100	7,087.90	627.38	9.71%
BSE SENSEX	55,392.32	7,640.99	16.00%
KSE-100	47,599.82	3,844.44	8.79%
CSEALL	8,240.06	1,465.84	21.64%

**Exchange Rates**

**USD 1 = BDT 84.85\***  
**GBP 1 = BDT 115.61\***  
**EUR 1 = BDT 99.28\***  
**INR 1 = BDT 1.14\***

*\*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.*