

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.

Confidence Power Rangpur starts commercial operation

- The Confidence Power Rangpur Ltd, a 99% subsidiary of Confidence Power Holdings Ltd, has started commercial operation from August 12, said an official disclosure on Tuesday. The Confidence Power Holdings is an associate company of Confidence Cement Ltd. The Confidence Cement, a listed company, has 41% stake in Confidence Power Holdings.
- According to the disclosure, the Confidence Power Rangpur has started commercial operation of its heavy fuel oil (HFO)-based net 113MW Power Plant consisting of Unit of Bergen Engines supplied along with related auxiliaries by Norway to sell the whole production of electricity to the Bangladesh Power Development Board (BPDB). In January 2018, the board of directors of the Confidence Cement agreed to invest in the new power plant projects located at Bogra, Rangpur and Chittagong under Confidence Power Holdings. The Confidence Power Bogra Unit-2, a 99% subsidiary of Confidence Power Holdings, also started commercial operation on March 30, this year.

<http://today.thefinancialexpress.com.bd/stock-corporate/confidence-power-rangpur-starts-commercial-operation-1566313889>

Inflation inches up in July

- The country's point-to-point inflation was recorded at 5.62% in July, the first month of the current fiscal year (FY), 2019-20, showing a rising trend, according to official data. In July, the inflation increased by 0.10 percentage points from that of 5.52% in June last, according to the Bangladesh Bureau of Statistics (BBS) data, unveiled in Dhaka on Tuesday. In the month of July of the previous FY, 2018-19, the rate of inflation was recorded 5.51%. The highest inflation in the last 13 months was 5.63% in May, as per the BBS data.
- According to the BBS data, the rate of point-to-point inflation increased both in rural and urban areas in July. In the rural areas, the inflation rate was recorded 5.49% last month compared to 5.38% in June. In the urban areas, the inflation on point-to-point basis was recorded 5.88% in July, showing a rising trend from that of 5.78% in June. The BBS data showed that in the general index the food inflation on point-to-point basis increased to 5.42% in July from that of 5.40% in the previous month. Besides, the non-food inflation also rose to 5.94% last month from that of 5.71% in June.
- The Planning Minister said the inflation slightly increased in the first month of the fiscal year as prices of vegetables rose because of heavy rains and floods in the rural areas. The floods and rains hampered production and disrupted the supply chain. Besides, people bought more products in Eid-ul-Azha, pushing up the price of both food and non-food items. A former lead economist of the World Bank Bangladesh said floods were likely to have caused the increase in food inflation in July relative to June, while implementation of the new VAT law and the upward revision in gas prices contributed to the rise in non-food inflation both relative to June 2019 and July 2018. He said a very strong growth in remittance in July is likely to have boosted demand pressure on both food and non-food inflation. The spending on the occasion of Eid-ul-Azha added about BDT 400 billion to the economy, up 29% year-on-year. Vegetables became significantly pricier throughout July largely due to inundated farmlands.

<http://today.thefinancialexpress.com.bd/first-page/inflation-inches-up-in-july-1566322742>
<https://www.thedailystar.net/business/news/inflation-edges-july-1787974>
<http://www.newagebd.net/article/82025/inflation-up-in-july-on-gas-price-hike-flood>
<https://www.dhakatribune.com/business/economy/2019/08/20/inflation-inches-up-in-july>

July exports up by 8.55%

- Country's earnings from shipment of merchandise products grew by 8.55% in the first month of the current fiscal year over the corresponding month of last fiscal. Bangladesh earned nearly USD3.89 billion in July last compared to USD 3.58 billion in July, 2018, according to, the Export Promotion Bureau (EPB) data revealed Tuesday. The export earnings during the month of July last were 1.59% up higher than the strategic target set for the same month.
- According to the EPB data, a positive growth in the export receipts from readymade garment (RMG) products - both knitwear and woven -- helped raise the country's overall export incomes. The country's earnings from export of RMG items reached at USD 3.31 billion in the first month of this fiscal, up by 9.7% over the same month of last fiscal. Leather and leather products, the next great export hope, also fared well. It raked USD 106.10 million, up 16.39%, and USD 14.17 million more than the target.

<http://today.thefinancialexpress.com.bd/last-page/july-exports-up-by-855pc-1566323220>

<https://www.thedailystar.net/business/export/news/exports-smash-record-july-fetch-389b-1787980>
<http://www.newagebd.net/article/82024/exports-hit-record-39b-in-july-on-pre-aid-shipment>
<https://www.dhakatribune.com/business/economy/2019/08/20/export-earnings-post-8-55-growth-in-july>

The Anti-Corruption Commission (ACC) launches probe against Bangladesh Securities and Exchange Commission (BSEC) chairman

- The Anti-Corruption Commission (ACC) has launched an investigation into allegations of embezzlement and money laundering against securities market regulator Bangladesh Securities and Exchange Commission (BSEC) Chairman M Khairul Hossain. According to the allegations, Khairul Hossain embezzled and laundered money through the process of low quality initial public offering (IPO) approval. During his eight-year tenure, 84 IPOs were approved and around half of them were alleged to be of low quality.
- It was alleged that a good number of low quality firms resorting to malpractices often showed higher profitability in their annual financial statements while applying for IPO approvals to the securities regulator during the last eight years. A section of BSEC senior officials knowing everything about fake and concocted statements of companies in question kept approving their IPOs, sometimes with higher premiums. After getting listed, it was found that the earning per share (EPSs) of most of the firms started going downwards, suggesting their earlier earnings reports were either overestimated, or fake, an expert said.

<http://www.newagebd.net/article/82026/acc-probing-ipo-anomalies-complaints-against-bsec-chair-khairul>
<https://www.dhakatribune.com/business/stock/2019/08/20/acc-launches-probe-against-bsec-chairman>

ICB representative resigns from ACI board over 'Shwapno' issue

- The representative of state-owned Investment Corporation of Bangladesh (ICB) has resigned from the board of listed company Advanced Chemical Industries (ACI) Limited as its subsidiary 'Shwapno', a chain super shop brand, has been incurring huge losses. The super shop has been running at a loss since its inception in 2008. In the 2017-18 fiscal year, 'Shwapno' incurred a loss of BDT 1.35 billion, and its accumulated loss in the year stood at BDT 8.91 billion. As per official sources, ICB owns 18.86%, including 8.16% ICB Unit Fund, share of ACI Limited. Asked about ICB share in the company, the officials said they might sell their shares if they got good price.

<https://www.dhakatribune.com/business/stock/2019/08/20/icb-representative-resigns-from-aci-board-over-shwapno-issue>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$56.34	+0.13	+0.23%
Crude Oil (Brent)*	\$60.36	+0.33	+0.55%
Gold Spot*	\$1,503.38	-3.82	-0.25%
DSEX	5227.50	+0.23	+0.00%
Dow Jones Industrial Average	25,962.44	-173.35	-0.66%
FTSE 100	7,125.00	-64.65	-0.90%
Nikkei 225	20,599.09	-78.13	-0.38%

Exchange Rates

USD 1 = BDT 84.35*
GBP 1 = BDT 102.60*
EUR 1 = BDT 93.60*
INR 1 = BDT 1.18*

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

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