

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+1.57%) gained 103.31 points and closed the week at 6,699.39 points. The blue-chip index DS30 (+1.75%) gained 41.68 points and stood at 2,427.57 points. The Shariah-based index DSES (+1.37%) gained 19.69 points and stood at 1,459.04 points. The large cap index CDSET (+2.16%) gained 27.83 points and closed at 1,318.38 points. DSEX, DS30, DSES and CDSET showed YTD returns of +24.02%, +23.61%, +17.46%, +17.39%, respectively.

Total Turnover During The Week (DSE): BDT 106.5 billion (USD 1,254 million)

Average Daily Turnover Value (ADTV): BDT 26.6 billion (Δ% Week: +13.9%)

Market P/E: 19.1x

Daily Index Movement during the Week:

Market performed four sessions during this week. The market performed positively by +0.49% in the first session and reverted to negative in the second session by -0.16%. The market turned positive in the third sessions by +0.08% and ended on a positive momentum of +1.15%.

Sectoral Performance:

- Financial sectors posted mixed performance this week. NBFJ booked the highest gain of 5.23% followed by Bank (+1.02%). General Insurance experienced the highest loss of 5.41% followed by Mutual Fund (-5.41%), Life Insurance (-2.83%).

- Non-financial sectors posted mixed performance this week. Fuel & Power booked the highest gain of 1.76% followed by Pharmaceutical (+1.62%), and Food & Allied (+0.70%). Engineering experienced the highest loss of 1.98% followed by Telecommunication (-1.81%).

Macroeconomic arena:

- Bangladesh's economy may continue to suffer under the Covid-19 pandemic throughout the current fiscal year due to vaccine shortages and the government's incapability to enforce a strict lockdown, said a recently released Fitch Solutions report. It also has revised down its forecast about the country's GDP growth for fiscal year 2021-22 to 5.5% from its previous projection of 6.7%.

- Under the new provisions, the banks have to fix interest rates on term deposit with maturity of three months and above at rate not less than the rate of inflation, which was published three months before, according to a notification issued by the Bangladesh Bank (BB). The 12-month average inflation was 5.59% in May 2021. The weighted average rates on deposit came down to 4.13% in June 2021.

- Inflation in Bangladesh dropped 28 basis points to 5.36% in July on the back of associated decreases in both food and non-food items, easing pressure on the wallets of consumers. In July, food inflation fell to 5.08%. The BBS said non-food inflation declined 14 basis points to 5.80% in July.

- Bangladesh's trade deficit hit an all-time high of USD 22.27 billion last fiscal year due to a rise in commodity prices in the global market. Economists however assured that the record deficit would not have any adverse impact on the economy as the country's foreign exchange reserve was now in a good condition. In addition, exports went up in fiscal 2020-21, which pushed up imports as well.

- The central bank on Wednesday drained BDT 60.7 billion in idle money from the banking system through an auction of Bangladesh Bank (BB) bills for the second day. In this way, the Bangladesh Bank has so far mopped up a total of BDT 86.8 billion from banks in the two auctions.

Stock Market arena:

- Following a very successful stint as Robi's Managing Director and CEO for five illustrious years, Mahtab Uddin Ahmed has decided not to renew his contract. His term with Robi will officially come to an end on October 31, but he has decided to go on leave with immediate effect.

- South Bangla Agriculture & Commerce Bank (SBAC) will make its shares trading debut on Dhaka Stock Exchange and Chittagong Stock Exchange under the settlement category "N". The DSE trading code for the bank is "SBACBANK".

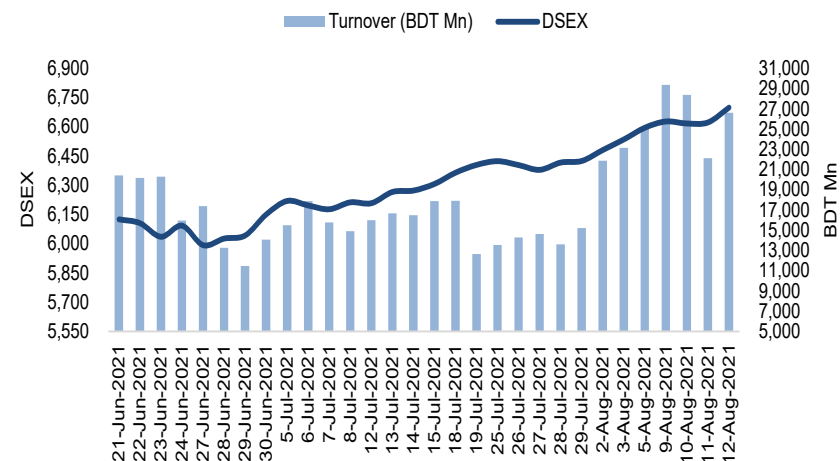
Table 1: Index

Index	Closing	Opening	Δ(Pts)	30-Dec-2019	Δ% Week	Δ%YTD
DSEX	6,699.39	6,596.08	+103.31	5,402.07	+1.57%	+24.02%
DS30	2,427.57	2,385.90	+41.68	1,963.96	+1.75%	+23.61%
DSES	1,459.04	1,439.34	+19.69	1,242.11	+1.37%	+17.46%
CDSET	1,318.38	1,290.55	+27.83	1,123.03	+2.16%	+17.39%

Table 2: Market Statistics

		This Week	Last Week	%Change
Mcap	Mn BDT	5,478,687	5,443,261	+0.7%
	Mn USD	64,485	64,069	
Turnover	Mn BDT	106,542	70,140	+51.9%
	Mn USD	1,254	826	
Average Daily Turnover	Mn BDT	26,635	23,380	+13.9%
	Mn USD	314	275	
Volume	Mn Shares	3,518	2,420	+45.4%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
TALLUSPIN	11.5	8.2	+40.2%	1,027	84.9	NM	1.0x
NHFIL	61.0	47.0	+29.8%	7,139	913.6	18.9x	3.4x
SHYAMPSUG	79.8	62.2	+28.3%	399	13.8	NM	NM
MIRACLEIND	45.2	36.5	+23.8%	1,592	405.3	NM	1.5x
APOLOISPAT	14.7	11.9	+23.5%	5,899	1,413.5	NM	0.8x
ISLAMICFIN	29.4	23.9	+23.0%	4,126	1,290.3	18.6x	2.0x
MITHUNKNIT	18.0	14.7	+22.4%	585	34.2	NM	1.0x
SBACBANK	12.1	10.0	+21.0%	9,494	0.3	15.5x	0.9x
MEGHNA PET	19.7	16.4	+20.1%	236	20.1	NM	NM
USMANIAGL	74.5	62.7	+18.8%	1,297	46.7	NM	0.9x

Table 4: Top Ten Losers

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
PRIMEINSUR	52.4	59.3	-11.6%	2,142	67.8	37.2x	3.1x
EMERALDOIL	33.5	37.5	-10.7%	2,000	90.3	NM	2.1x
ATCSLGF	12.2	13.5	-9.6%	754	212.5	NM	1.2x
CAPMBDBLMF	12.3	13.6	-9.6%	617	79.4	NM	1.5x
PF1STMF	10.0	11.0	-9.1%	600	59.2	NM	1.7x
1JANATAMF	8.1	8.9	-9.0%	2,348	126.3	NM	0.9x
NFML	31.0	34.0	-8.8%	2,866	407.9	24.0x	2.4x
EXIM1STMF	8.6	9.4	-8.5%	1,232	126.7	NM	0.9x
SONARBAINS	76.2	83.1	-8.3%	3,051	188.0	33.3x	3.6x
PURABIGEN	38.3	41.7	-8.2%	2,224	124.6	28.9x	3.0x

Table 5: Top Ten Most Traded Shares

Company Name	Close	Open	Δ%	Mcap (BDT Mn)	Turnover (BDT Mn)	PE	PB
BEXIMCO	107.5	96.9	+10.9%	94,204	7,797	25.9x	1.4x
IFIC	16.8	14.5	+15.9%	28,575	3,391	15.6x	1.0x
LANKABAFIN	40.3	36.8	+9.5%	21,715	2,192	19.3x	2.1x
ORIONPHARM	70.3	68.2	+3.1%	16,450	2,135	22.9x	0.9x
LHBL	67.9	64.5	+5.3%	78,857	1,924	21.6x	4.3x
MALEKSPIN	38.5	33.9	+13.6%	7,454	1,915	NM	0.9x
GPHISPAT	52.3	53.6	-2.4%	20,769	1,432	19.3x	2.8x
APOLOISPAT	14.7	11.9	+23.5%	5,899	1,413	NM	0.8x
BXPBARMA	193.7	189.8	+2.1%	86,412	1,348	18.9x	2.4x
ISLAMICFIN	29.4	23.9	+23.0%	4,126	1,290	18.6x	2.0x

Table 8: Most Appreciated YTD in BRAC EPL Universe

Top 10 Most Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
EGEN	63.9	+539.0%	4,793	49.2x	2.6x
HEIDELBCEM	323.7	+116.4%	18,290	25.1x	4.2x
PIONEERINS	128.7	+88.0%	9,907	18.6x	2.8x
MICEMENT	85.1	+83.4%	12,637	17.8x	1.7x
GPHISPAT	52.3	+70.9%	20,769	19.3x	2.8x
SQUARETEXT	48.6	+63.1%	9,586	53.1x	1.3x
BSRMLTD	96.8	+60.8%	22,851	8.1x	0.8x
BSRMSTEEL	65.2	+53.4%	24,512	9.4x	1.1x
ESQUIRENIT	39.5	+50.2%	5,328	28.4x	1.1x
DUTCHBANGL	82.9	+46.7%	52,434	9.6x	1.6x

Table 6: Sector Indices

Sector Name	Week Close	Week Open	Year Open	%Δ Week	%Δ YTD
Banks	1,600.12	1,584.01	1,372.63	+1.02%	+16.57%
NBFIs	2,310.09	2,195.29	2,033.53	+5.23%	+13.60%
Mutual Funds	1,086.61	1,148.71	959.61	-5.41%	+13.23%
General Insurance	5,084.40	5,375.32	4,103.56	-5.41%	+23.90%
Life Insurance	2,666.94	2,744.64	2,162.58	-2.83%	+23.32%
Telecommunication	6,266.89	6,382.16	5,463.26	-1.81%	+14.71%
Pharmaceuticals	3,928.83	3,866.29	3,306.03	+1.62%	+18.84%
Fuel & Power	1,843.66	1,811.86	1,618.11	+1.76%	+13.94%
Cement	2,358.43	2,253.00	1,416.18	+4.68%	+66.53%
Services & Real Estate	1,200.39	1,215.35	1,083.79	-1.23%	+10.76%
Engineering	5,350.44	5,458.26	3,959.20	-1.98%	+35.14%
Food & Allied	23,442.66	23,280.85	14,705.76	+0.70%	+59.41%
IT	3,290.09	3,208.23	2,350.28	+2.55%	+39.99%
Textiles	1,555.37	1,502.15	1,087.41	+3.54%	+43.03%
Paper & Printing	6,641.12	6,563.29	5,487.56	+1.19%	+21.02%
Tannery	2,261.00	2,252.20	1,771.77	+0.39%	+27.61%
Jute	8,787.65	8,858.13	12,154.61	-0.80%	-27.70%
Ceramics	704.79	698.39	472.38	+0.92%	+49.20%
Miscellaneous	4,193.53	3,971.39	2,539.70	+5.59%	+65.12%

Table 7: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last week	% Change	% of Total Turnover	P/E	P/B
Bank	2,194.8	1,563.2	+40.4%	8.5%	8.5x	0.9x
NBFI	2,287.8	1,139.8	+100.7%	8.9%	43.9x	3.7x
Mutual Fund	852.8	1,133.5	-24.8%	3.3%	NM	1.0x
General Insurance	1,044.2	1,573.2	-33.6%	4.1%	23.4x	2.5x
Life Insurance	280.4	331.9	-15.5%	1.1%	NM	NM
Telecommunication	349.7	390.9	-10.5%	1.4%	18.6x	6.0x
Pharmaceutical	2,892.6	2,905.2	-0.4%	11.2%	23.5x	2.9x
Fuel & Power	1,433.6	1,247.5	+14.9%	5.6%	13.6x	1.6x
Cement	784.3	351.4	+123.2%	3.0%	19.4x	2.8x
Services & Real Estate	504.2	745.7	-32.4%	2.0%	NM	1.0x
Engineering	3,497.2	3,615.4	-3.3%	13.6%	24.3x	2.6x
Food & Allied	964.1	1,133.8	-15.0%	3.7%	30.8x	8.9x
IT	701.9	738.8	-5.0%	2.7%	35.9x	2.8x
Textile	4,185.0	3,234.9	+29.4%	16.3%	NM	1.1x
Paper & Printing	253.1	165.9	+52.5%	1.0%	51.2x	1.3x
Tannery	165.6	146.6	+12.9%	0.6%	NM	2.5x
Jute	23.5	24.0	-2.1%	0.1%	NM	15.9x
Ceramics	690.6	725.6	-4.8%	2.7%	39.5x	2.3x
Miscellaneous	2,636.1	1,622.0	+62.5%	10.2%	28.7x	2.1x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Top 10 Least Appreciated Stocks	Close	Δ% YTD	Mcap (BDT Mn)	P/E	P/B
KPCL	38.4	-15.2%	15,261	11.3x	1.6x
BATASHOE	663.1	-5.6%	9,071	NM	2.5x
OLYMPIC	181.0	-5.3%	36,189	17.5x	4.1x
MTB	21.0	-4.1%	17,062	27.7x	0.9x
SHAHJABANK	21.2	-2.8%	21,817	7.9x	1.1x
DBH	78.8	-2.1%	13,968	12.4x	2.1x
ADNTEL	63.1	-1.9%	4,080	20.5x	2.5x
MPETROLEUM	198.9	+0.5%	21,524	7.6x	1.2x
BXPBARMA	193.7	+1.7%	86,412	18.9x	2.4x
UNILEVERCL	2,861.7	+1.9%	34,473	79.1x	29.3x

Important News: Business & Economy

Economic woes to linger: Fitch Solutions

- Bangladesh's economy may continue to suffer under the Covid-19 pandemic throughout the current fiscal year due to vaccine shortages and the government's incapability to enforce a strict lockdown, said a recently released Fitch Solutions report. It also has revised down its forecast about the country's GDP growth for fiscal year 2021-22 to 5.5% from its previous projection of 6.7%.
- The report, however, said such a GDP forecast of 5.5% reflects its expectation for the country's economy to still record resilient growth. The country's economic activity will also experience less disruption from weak lockdown enforcement, it said. Meanwhile, exports will recover from strong external demand as garment factories remain open amid lockdowns and externally financed public infrastructure investments will drive fixed capital formation growth, it added. The report also opined that implementation of large-scale public infrastructure projects was likely to boost private sector business investment amidst pandemic uncertainty.

<https://www.thedailystar.net/business/economy/news/economic-woes-linger-2148201>

No deposit rates below inflation

- Under the new provisions, the banks have to fix interest rates on term deposit with maturity of three months and above at rate not less than the rate of inflation, which was published three months before, according to a notification issued by the Bangladesh Bank (BB). The 12-month average inflation was 5.59% in May 2021. The weighted average rates on deposit came down to 4.13% in June 2021.
- Bankers feared that the profitability of banks might be hit in the near future following BB's latest moves on deposit-rate appreciation. A portion of savings deposit may move into fixed or term deposit. As a result, cost of deposit will go up, the managing director (MD) and chief executive officer (CEO) of Mutual Trust Bank Limited explained.

<https://today.thefinancialexpress.com.bd/first-page/no-deposit-rates-below-inflation-1628446116>

<https://www.thedailystar.net/business/economy/banks/news/deposit-interest-shouldnt-go-below-inflation-rate-bb-2148196>

<https://www.tbsnews.net/economy/banking/deposit-rate-will-not-be-less-inflation-bangladesh-bank-285322>

Inflation drops in July

- Inflation in Bangladesh dropped 28 basis points to 5.36% in July on the back of associated decreases in both food and non-food items, easing pressure on the wallets of consumers. In July, food inflation fell to 5.08%, down 37 basis points from that of the previous month in spite of the fact that prices of coarse rice had crept up, according to data from the Department of Agricultural Marketing. The BBS said non-food inflation declined 14 basis points to 5.80% in July from that a month ago.
- In July, inflation in rural areas decreased 31 basis points to 5.53%, driven by a fall of 48 basis points in food inflation, which stood at 5.56%. Non-food inflation went up by one basis point to 5.47%. Urban consumers also experienced reduced pressure from price spikes as

reflected in inflation. Overall prices declined 23 basis points to 5.06% in July. Food inflation decreased by 13 basis points to 4.14% while non-food inflation fell by 35 basis points to 6.24%.

<https://www.thedailystar.net/business/economy/news/inflation-drops-july-2149631>
<https://www.tbsnews.net/bangladesh/food-inflation-falls-reality-bites-286501>

Trade deficit hits all-time high

- Bangladesh's trade deficit hit an all-time high of USD 22.27 billion last fiscal year due to a rise in commodity prices in the global market. Economists however assured that the record deficit would not have any adverse impact on the economy as the country's foreign exchange reserve was now in a good condition. In addition, exports went up in fiscal 2020-21, which pushed up imports as well.
- Import of raw materials for the manufacture of garments, the country's prime export item, increased substantially during the period, a distinguished fellow of the Centre for Policy Dialogue said. He, however, said commodity prices in the global market had gone up, which was another cause for the record deficit. This means import volumes of certain products did not go up, rather their prices did.

<https://www.thedailystar.net/business/economy/banks/news/trade-deficit-hits-all-time-high-2149626>

Bangladesh Bank absorbs BDT 60.7 billion excess liquidity from banks on 2nd auction day

- The central bank on Wednesday drained BDT 60.7 billion in idle money from the banking system through an auction of Bangladesh Bank (BB) bills for the second day. In this way, the Bangladesh Bank has so far mopped up a total of BDT 86.8 billion from banks in the two auctions.
- On the second day, the 30-day BB bills – a monetary instrument to mop up excess liquidity – were auctioned, with banks placing bids amounting to BDT 63.8 billion, according to the Bangladesh Bank. Some 41 banks participated in the auction for 30-day bills and different banks purchased bills worth BDT 60.7 billion at a yield rate of 1.25%.
- Earlier on 9 August, the central bank absorbed another BDT 26.1 billion in excess liquidity from the banking system through seven-day and 14-day BB bills. The total excess liquidity in the banking sector almost doubled in the last year and stood at BDT 2.4 trillion this June. The figure was BDT 1.4 trillion in the same period last year, according to Bangladesh Bank data.

<https://www.tbsnews.net/economy/banking/bb-absorbs-tk6070cr-excess-liquidity-banks-2nd-auction-day-286933>

<https://www.newagebd.net/article/146062/bb-bills-worth-tk-6070cr-issued-in-2nd-auction>

BDT 130.0 billion loans rescheduled in 2020

- Even amid a payment pause facility during the pandemic crisis, banks rescheduled BDT 134.7 billion loans last year. The rescheduled amount, however, was the lowest in the last five years and 74% lower when compared to the previous year's figure, according to the Bangladesh Bank's financial stability report for the year 2020.

- The banking sector experienced the highest amount – BDT 527.7 billion – of loan rescheduling in 2019 as the central bank offered a one-time exit policy that allowed borrowers to regularize loans at only 2.0% down payment.

- Of the rescheduled loans, a significant amount remained classified, which is a matter of concern for the central bank. The ratio of non-performing loans rescheduled was the highest 23.3% in the RMG sector, according to the Bangladesh Bank's data. Private commercial banks possessed the highest amount of rescheduled loans which accounted for 59.6%, while the share of state-owned commercial banks was 35.6% last year.

<https://www.tbsnews.net/economy/banking/tk13000-crore-loans-rescheduled-2020-286996>

Bankers balk at minimum deposit interest rate

- A portion of fixed deposits rather than the entire amount in Bangladesh's banking sector is set to come under 'floor', or minimum interest rating, imposed by the central bank recently to protect depositors' interests. Bankers apparently balk at the government move and sit today to plan what can be done. All the scheduled banks have been instructed to fix interest rates on term deposits with maturity of three months and above at rates not less than the rate of inflation, which was published three months before, according to a notification issued by the BB Sunday. Only individuals and two recognized funds-provident and gratuity - holders are eligible to receive such interest rate on their deposits, according to the central banker.

- The fixed deposits contributed more than 45% of the total deposits in the banking industry, according to officials. Of the amount, individual depositors' along with recognised funds hold nearly 30% of total fixed deposits in all the scheduled banks, they added.

<https://today.thefinancialexpress.com.bd/first-page/bankers-balk-at-minimum-deposit-interest-rate-1628619558>

Bangladesh Bank rejects bankers' demand for lifting deposit rate cap

- The Bangladesh Bank has rejected bankers' demand for lifting the minimum interest rate cap on deposits. According to an executive director of the Bangladesh Bank, the deposit rate cap was imposed only for the fixed deposit portion of individual depositors. As a result, only 30.0% of deposits will come under the interest rate cap. Banks currently give almost zero interest to institutional depositors. As a result, the deposit rate cap will not affect the banks' profit margin.

- On Sunday, the Bangladesh Bank issued a circular, barring banks from lowering deposit rates below the inflation rate. The inflation rate has been on an upward trend in recent months and stood at 5.6% in June. If banks have to fix deposit rates above inflation, it will give a small return to depositors but push the lending rate up.

- The deposit rate cap has annoyed bankers as they think it will hurt banks' profitability severely, making it difficult for them to keep the lending rate at 9.0%. The deposit rates came down to 2.0% to 3.0%, the lowest level in recent history, and in the case of some banks, it was as low as 1.0%, it did not affect deposit growth. The deposit growth was above 13.0% to 14.0% during the pandemic year, according to the central bank data.

<https://www.tbsnews.net/economy/banking/bb-rejects-bankers-demand-lifting-deposit-rate-cap-286954>

Finance Minister upbeat on high remittance flow

- Finance Minister AHM Mustafa Kamal expressed doubt over the patriotism of people who talks otherwise about higher remittance inflow and its continuation. Referring to statistics he said before the government started providing incentives in 2019, the country had been receiving USD 13.1 billion each year as remittance. But since starting to pay 2.0% incentives to remitters, the country in the first year received USD 18.2 billion and in the following year the figure went up to USD 24.8 billion.

- According to the distinguished fellow of the Centre for Policy Dialogue (CPD), in July remittance inflow fell by 28.0% compared to the same month of previous fiscal year thus the magic shown by remittance during the last couple of years may ends soon.

<https://today.thefinancialexpress.com.bd/first-page/kamal-upbeat-on-high-remittance-flow-1628707029>

Bangladesh Telecommunication Regulatory Commission (BTRC) okays tariffs for NTTN services

- The Bangladesh Telecommunication Regulatory Commission (BTRC) approved tariff rates for services of the private nationwide telecommunication transmission network (NTTN) operators for the first time. The rates have different slabs, price floors and ceilings for different types of customers and areas, according to the Posts and Telecommunications Division.

- The BTRC in June set a uniform price list for internet service providers (ISPs), who are recipients of NTTN services. It was BDT 500 for 5.0 megabits per second (Mbps) of broadband internet a month, to be followed by all ISPs across the country. According to the tariff plan, BDT 500 was the maximum charge at union level.

- On the other hand, price of 10 Mbps internet has been fixed at BDT 800-1,000 a month, while 20 Mbps at BDT 1,100-1,200 per month. According to the new NTTN tariff rates, up to 10 Mbps of regular capacity bandwidth is going to cost BDT 200-300 in metro areas, BDT 400-500 in other than metro areas, and BDT 200-300 for districts and adjacent upazilas and unions. The tariff is getting cheaper, if the volume of bandwidth range is higher, as per the tariff plans.

<https://today.thefinancialexpress.com.bd/last-page/btrc-okays-tariffs-for-nttn-services-1628707314>

Chattogram customs' July revenue logs 3.5% year-on-year growth

- Despite a series of virus restrictions setbacks and the Eid holidays, Customs House, [Chattogram](#), clocked a 3.5% year-on-year revenue growth in July, fetching home about BDT 33.9 billion. Revenues collected in July last year stood at around BDT 32.9 billion. Revenues in the first month of this current fiscal year were BDT 1.0 billion more than in the corresponding period last year. However, collections still missed the July target of BDT 49.8 billion with the 2021-22 FY target set at BDT 654.4 billion.

- The customs house saw a record BDT 67.4 billion in June revenues, the last month of the outgoing fiscal year. Compared to June, July collections, however, fell about 50.0%, to around BDT 33.9 billion.

- In 2020-21 FY, the revenue collection target for Chattogram customs was around BDT

643.0 billion and the collection stood at BDT 515.8 billion. However, it should be noted that customs revenues for 2019-20 FY were around BDT 418.4 billion and 2020-21 FY did see a 23.2% growth over the previous fiscal year.

<https://www.tbsnews.net/economy/ctg-customs-july-revenue-logs-35-year-year-growth-287002>

Dhaka back in bustle

- Dhaka gets back its usual looks amid traffic bustle with resumption of public transports, offices and trades as Bangladesh, attuned to reopening outer world, unlocked Wednesday all sectors but education.
- However, the incidence of the mortal disease gave a look of climb-down on the day with the health department disclosing 237 deaths out of 10,420 cases in the latest 24 hours' count.
- Despite wasting valuable time getting trapped in nagging traffic congestion, the city commuters were found happy having transports that cost them comparatively low. It was also found that the transport operators resumed their operation not following the government instructions to run half of the transports with capacity passengers as majority of the buses were seen operating on the streets on the first day after the latest lockdown regime was over.

<https://today.thefinancialexpress.com.bd/first-page/dhaka-back-in-bustle-1628706747>

60 districts still at 'high risk' of Covid infections

- With the positivity rates above 10.0%, as many as 60 districts are still at a high risk of coronavirus infection as Bangladesh lifted virus curbs on Wednesday. Of the high-risk zones, Munshiganj logged the highest 43.7% positivity rate while Chapainawabganj recorded the lowest 5.1%.
- At the onset of the second wave in Bangladesh in May, the positivity rate in Chapainawabganj spiraled to 70.0%. Strict lockdown and the engagement of local people to enforce it has improved the situation that many call "the Chapai model" of capping Covid infections.
- On Wednesday, two districts had the positivity rates above 40.0%, 13 districts above 30%, 27 districts above 20.0% and 17 districts above 10.0%. The rates in four districts – Natore, Pabna, Joypurhat and Chapainawabganj – were below 10.0%. On the day, positivity rates in Mymensingh and Sylhet division scored 29.12% and 29.1% respectively, while Rajshahi division clocked the lowest 13.1%.

<https://www.tbsnews.net/coronavirus-chronicle/covid-19-bangladesh/60-districts-still-high-risk-covid-infections-286963>

GDP figure to be published quarterly

- The government has decided to publish the data for the gross domestic product (GDP) on a quarterly basis, a senior official said yesterday. The secretary of the Statistics and Informatics Division, said the provisional GDP data would be disclosed every quarter, and the annual figure would be unveiled at the end of the fiscal year.

<https://www.thedailystar.net/business/economy/news/car-sales-stuck-slow-lane-2149581>

Bangladesh now short of 15 million vaccines

- With more and more people signing up every day to get the Covid-19 shots, Bangladesh is now facing a vaccine shortage of more than 15 million doses. The authorities say inoculating the people who already have completed the registration online and waiting for the jab has emerged as a monumental challenge to the government. According to the health directorate, more than 30 million citizens have registered for the vaccine so far. Only 14.4 million have received their first dose as 4.8 million people have got both doses. The government now has only 7 million shots.
- Of the total 7 million doses of vaccines now in Bangladesh's hand, around 2.4 million Moderna shots will be kept aside for the second dose. Current stock includes 33,000 Pfizer shots, 0.8 million Oxford-AstraZeneca shots and 3 million Sinopharm shots – mostly for the second dose. In a six-day campaign from 7 August, Bangladesh targeted 3.2 million people to bring under mass immunisation. However, 4.7 million people in the first three days of the drive took the vaccines.

<https://www.tbsnews.net/coronavirus-chronicle/covid-19-bangladesh/bangladesh-now-short-15cr-vaccines-286483>

Car sales stuck in slow lane

- Car importers and retailers in Bangladesh are in a tight spot as they are finding it difficult to keep businesses running because of the plunge in sales caused by the second wave of coronavirus infections. Car sales have averaged 1,239 units per month so far this year, down from 1,339 units in 2020, according to the Bangladesh Reconditioned Vehicles Importers and Dealers Association (Barvida) and the Bangladesh Road Transport Authority (BRTA). Passenger car sales plunged to a six-year low of 12,403 units in 2020 as demand collapsed owing to the economic slowdown caused by the pandemic. Sales had improved in January and February in keeping with the rebound in the economy and consumer confidence. But the second wave erased the gains.
- The closure of the BRTA since May owing to lockdowns has aggravated the revenue situation for importers, distributors and retailers, as they have not been able to complete the registration of the cars sold before the second wave. Banks in Bangladesh will not disburse loans secured against cars until they are registered with the BRTA.

<https://www.thedailystar.net/business/economy/news/car-sales-stuck-slow-lane-2149581>

Govt plans 5G for Dhaka this year

- The government is undertaking a project involving about BDT 2 billion to roll out fifth-generation or 5G mobile network on a limited scale in Dhaka by the end of this year. 5G equipment will be set up in 200 points across Dhaka under the project, a member (secretary) of the Planning Commission said. The proposal for the project, which will be implemented by state-owned telecom network operator Teletalk, has already been sent to the planning ministry for review.

<https://www.thedailystar.net/business/telecom/news/govt-plans-5g-dhaka-year-2149621>

Covid -19: Casualties up again

- Both the new Covid-19 caseload and daily deaths surged again in Bangladesh on Monday. The Directorate General of Health Services (DGHS) reported the daily death toll at 245 during the past 24 hours until 8:00 am on the day against Sunday's 241.
- On the other hand, new cases rose up to 11,463 from the previous day's 10,299, according to a DGHS release. However, the rate of fatalities inched up to 1.68% from Sunday's 1.67%.
- According to official figures, the total tested Covid-19 cases passed 1.35 million. Of them, over 1.20 million have recovered from the disease.

<https://today.thefinancialexpress.com.bd/first-page/casualties-up-again-1628531970>

Normal banking from tomorrow

- Banks will operate normally from tomorrow (Wednesday) with customers' transaction time from 10 am to 4 pm instead of current hours of 10 am to 2:30 pm, reports UNB.
- The Bangladesh Bank issued a new circular on Tuesday saying that banks can remain open until 6 pm for conducting their other office activities instead of the previously set time of 4 pm. The new circular was issued against the backdrop of the government's withdrawal of strict countrywide lockdown to contain the deadly Coronavirus that is spreading fast.

<https://today.thefinancialexpress.com.bd/last-page/normal-banking-from-tomorrow-1628532626>
<https://www.thedailystar.net/business/economy/banks/news/regular-banking-hours-tomorrow-2148781>

Bangladesh Bank drains BDT 26.1 billion idle money from banks on first auction day

- The central bank on Monday absorbed BDT 26.1 [billion](#) in excess liquidity from the banking system through an auction of short-term Bangladesh Bank (BB) bills. The seven-day and 14-day BB bills – a monetary instrument to mop up excess liquidity – were auctioned, with banks placing bids amounting to BDT 68.8 billion, according to the debt management department.
- Some 21 banks participated in the auction for the seven-day bills, but six banks, including Sonali Bank, Janata Bank, City Bank, United Commercial Bank and Uttara Bank, purchased bills worth BDT 15.1 billion at yield rate of 0.54%.
- On the other hand, 17 banks took part in the auction for the 14-day bills. Of them, Sonali Bank, Janata Bank and Uttara Bank purchased bills worth BDT 11.0 billion at yield rate of 0.75%.
- The total excess liquidity in the banking sector almost doubled in the last one year and stood at BDT 2.39 trillion this June. The figure was BDT 1.39 trillion in the same period last year, according to Bangladesh Bank's data.

https://www.tbsnews.net/economy/bb-drains-BDT_2605cr-idle-money-banks-first-auction-day-285931
https://www.newagebd.net/article/145899/bb-issues-bills-worth-BDT_-2605cr-to-mop-up-

[liquidity-in-1st-auction](#)

Bankers worry deposit rate cap may hurt lending, profit

- One and a half years back, the Bangladesh Bank had to force banks to implement a 9% lending rate to bring down financing costs. But the loan now is cheaper than that as interest rates came down to the 6% to 7% level and the fall in lending rate is the result of market forces.
- On Sunday, the Bangladesh Bank issued a circular, barring banks from lowering deposit rates below the inflation rate. The inflation rate has been on an upward trend in recent months and stood at 5.56% in June. If banks have to fix deposit rates above inflation, it will give a small return to depositors but push the lending rate up.
- The deposit rate cap has annoyed bankers as it will hurt bank's profitability severely, making it difficult for them to keep the lending rate at 9.0%.

<https://www.tbsnews.net/economy/banking/bankers-worry-deposit-rate-cap-may-hurt-lending-profit-285979>

Garment exports to United States increase

- Bangladesh's garment exports to the United States are showing good growth after the improved coronavirus situation there triggered increased demand for readymade garment (RMG) products. In the six months from January to June this year, Bangladesh's garment exports to the US increased by about 27%.
- According to the latest figures released by the US Department of Commerce's Office of Textiles and Apparel (OTEXA), the country's clothing imports from around the world increased by 26.92% in the six months from January to June.
- The US has been in the throes of a coronavirus outbreak since March 2020. As a result, the country's imports and exports were severely hampered. According to OTEXA, US clothing imports fell by 30% in the first six months of 2020. During the period, their garment imports from Bangladesh declined by about 20%.
- According to OTEXA, in the six months from January to June, the United States imported garments worth USD 35.38 billion from the world market. In the previous year 2020, the imports were USD 27.87 billion. In the first six months of this year, Bangladesh exported garments worth USD 3.13 billion to the country. However, as usual, China is the top exporter in the US market.
- Although Bangladesh is the second largest exporter of garments to the European market, Vietnam has long held the second position in the US market. In the six months from January to June, Vietnam's garment exports to the US were almost double than that of Bangladesh.

<https://www.tbsnews.net/economy/rmg/garment-exports-us-increase-285460>

United States announces additional USD 11.4 million in Covid-19 assistance

- The United States, through the United States Agency for International Development (USAID), has announced an additional USD 11.4 million in urgent Covid-19 assistance for Bangladesh.

- According to the US embassy Dhaka, the additional support will also help Bangladesh strengthen prevention efforts to reduce virus transmission in the community and enhance the quality of treatment and care for the growing numbers of patients across the country.

- With this new funding, the U.S. government has provided a total of over USD 96 million to support Bangladesh's response to Covid-19 since the beginning of the pandemic and continues to work closely with the government and other partners to protect the health of Bangladeshis.

<https://today.thefinancialexpress.com.bd/first-page/us-announces-addl-114m-in-covid-19-assistance-1628532023>

Health Services Division spends only 57.9% ADP allocation

- The Health Services Division (HSD) spent the least amount of money allocated in the revised Annual Development Programme (ADP) of the 2020-21 fiscal year, spending only 57.9% of the allocation. The HSD spent 80.93% government allocation and only 38.17% of foreign aid, according to a recent report of the Implementation Monitoring and Evaluation Division.

- An 82.21% of the revised ADP was implemented at the end of the financial year, which had been 80.39% in the previous 2019-20 fiscal year. However, in the two fiscal years before the outbreak of the Covid pandemic, in 2018-19 and 2017-18, the implementation rate of revised ADP was 94.66% and 94.11% respectively.

<https://www.tbsnews.net/bangladesh/health/health-services-division-spends-only-5791-adp-allocation-285973>

NBR eyes revenue growth as more companies pay tax

- More than 4,500 companies submitted tax returns between January and June for the first time, which reflects rising interest among businesses in paying tax. As many as 90,000 companies were brought under tax net in 2020, according to the National Revenue Board (NBR). Since the corporate tax rate has been lowered and the tax net expanded, the NBR thinks tax collection will increase further this year. Total corporate tax collection amounted to BDT 525.5 billion in 2020, which was BDT 434.9 billion a year ago.

- More than 0.17 million companies have Taxpayer's Identification Number (TIN) issued against them but only 29,785 have submitted returns. Asking anonymity an NBR official said a large number of companies had stayed out of the tax net for a long time, but the revenue authority took an initiative to bring them under taxation. As part of that move last year, NBR created TINs for 90,000 companies that will have to submit their returns by next January.

- The Income Tax Policy Department has submitted a report to the NBR chairman outlining the overall picture of corporate tax realization with a comparative picture of the number of TIN holders, number of return deposits and tax collection in the last 8 years. The report said the growth of corporate return submissions was over 114% compared to last year.

<https://www.tbsnews.net/economy/nbr-eyes-revenue-growth-more-companies-pay-tax-285988>

Chattogram shipbreakers default on BDT 100.0 billion in eight years

- The [Chattogram](#)-based steel and ship breaking industry has defaulted on BDT 100.0 billion in the last eight years, thanks to a borrowing spree from banks in the sector's good times, from 2008 to 2012.

- Banks say now they are concerned about recovering the debt mounting every year as many businessmen have already dropped out of the steel and shipbreaking businesses. Debt recovery court counts suggest the number of cases filed by banks and non-bank financial institutions in the last eight years against steelmakers has also been on the rise.

- The total volume of loans by Chattogram businessmen that is in default is around BDT 360.0 billion, spread across sectors such as essential commodities, steel, readymade garments, and real-estate. Now, shipbreakers hold nearly one-third of that debt, BDT 99.0 billion to be exact.

https://www.tbsnews.net/economy/macro-economy/ctg-shipbreakers-default-BDT_10000cr-8-years-285466

Government to build BDT 15.1 billion solar power plant

- The government is going to set up the country's biggest solar power plant in Madarganj upazila of Jamalpur, in a move to raise the share of renewable energy in total power generation to 10% by 2025. The 100-megawatt Sheikh Hasina Solar Park will cater to the needs of its locality and channel the surplus electricity to the national grid. Its total expenditure has been estimated at BDT 15.1 billion, will be provided by India at 1.0% interest rate.

- The development comes amid Bangladesh's failure to achieve its target to raise renewable energy's share in total power generation to 10% by 2020 due to a lack of resources, technologies and policies.

- Currently, 766.51 megawatts are generated from renewable sources, accounting for 3.3% of the total electricity produced. In the Eighth Five Year Plan, the target has been revised for the 10% to be attained by 2025.

https://www.thedailystar.net/business/economy/news/govt-build-BDT_-1511cr-solar-power-plant-2148816

Computer services export on the rise

- Computer services export from Bangladesh is rising in sync with global demand for data processing, hosting and consultancy services as many people are working from home while companies are outsourcing amidst the lingering coronavirus pandemic. The industry fetched USD 270 million in the first 11 months of 2020-21, up 6.64% year-on-year, showed data from the Export Promotion Bureau (EPB).

- The higher earnings were driven by computer services such as data processing, hosting, consultancy, installation, and maintenance. Full fiscal year data from the state agency is yet to be available. The receipts from the sales of IT-enabled services such as data processing and hosting increased 23.0% to USD 193.1 million.

<https://www.thedailystar.net/business/economy/stock/news/dse-turnover-hits-decade-high-2148766>

Virus curbs ease from August 11

- Operations of offices, shops, markets and public transports will be allowed to resume from August 11, as the government issued a notification on Sunday, relaxing the ongoing virus curbs. It means the country is set to be free from the lockdown after 19 days of restrictions on movements of people, transports and businesses, although an alarming surge of the highly contagious delta variant of the coronavirus continues unabated.
- The pandemic situation in Bangladesh has deteriorated since July last, with 241 deaths and 10,299 new cases reported in the 24 hours till Sunday morning. With the new numbers, the country's death tally hit 22,652 and caseload 13,53,695.

<https://today.thefinancialexpress.com.bd/first-page/virus-curbs-ease-from-august-11-1628446572>

<https://www.tbsnews.net/economy/markets-remain-open-10-hours-daily-11-august-285277>

H1 RMG exports to US tick up

- The country's apparel exports to the United States recorded nearly 26.81% growth to USD 3.13 billion during the first half of 2021. Bangladesh fetched USD 2.46 billion from readymade garment exports to its single largest destination during the January-June period of last year, according to OTEXA, an affiliate of the US Department of Commerce. During the first half of 2021, Bangladesh's main competitors China and Vietnam recorded 26.77% and 20.45% growth respectively.

- Gradual economic recovery aided by the Covid-19 vaccination coverage, better control in coronavirus infection and a shift of orders from China have helped achieve the double digit growth, apparel exporters and experts said. They said the US has been very 'conservative' in purchasing apparel items due to the pandemic, but now they have started placing orders to cater for their growing demands.

<https://today.thefinancialexpress.com.bd/first-page/h1-rmg-exports-to-us-tick-up-1628446678>

<https://www.newagebd.net/article/145812/rmg-export-to-us-rises-by-2681pc-in-jan-june>

Rising yarn prices hit apparel exporters: industry leaders

- Despite having capacity to deliver, local apparel exporters are facing difficulty in grabbing the opportunity of increased work orders because of the rise in yarn prices, industry leaders said. With the reopening of stores followed by mass vaccination, retail sales grew sharply in Europe and the US. As a result, more work orders are coming to Bangladesh, they pointed out. Expressing concern over the rising yarn prices in the local market, they said many apparel makers are even taking orders at a rate below their production costs as a result of price hike.

<https://today.thefinancialexpress.com.bd/trade-market/rising-yarn-prices-hit-apparel-exporters-1628439047>

<https://www.thedailystar.net/business/news/apparel-makers-express-worry-over-rising-yarn-prices-2147781>

<https://www.tbsnews.net/economy/rmg/apparel-exporters-voice-concern-over-rising-yarn-prices-285436>

Paper industry struggles to survive amid pandemic

- Paper industry insiders said the industry is in crisis as the sales of their products have decreased by around 90% compared to the normal times. According to the Bangladesh Paper Mills Association (BPMA), the paper industry has incurred a loss of about BDT 80 billion since the Covid-19 hit the country. Entrepreneurs' investment in this sector is around BDT 700 billion. Entrepreneurs are currently worried about the halt in production, increase in stocks of unsold products, operating costs, and repayment of bank loans.

- The country's paper mills produce offset paper, newsprint, writing and printing paper, packaging paper, duplex board, media paper, liner paper, sticker paper, security paper and various grades of tissue paper. However, 70-80% of their products are writing and printing papers, which is one of the essential educational materials. The sale of these products has collapsed due to the closure of educational institutions amid the pandemic. The paper sales increased a bit as the government and private offices were running before the ongoing shutdown, but now it is close to zero, said industry insiders.

- The demand for different types of paper in the country is about 0.9 million tonnes, but the domestic paper mills have capacity to produce 1.6 million metric tonne per year. Of the local paper mills, 20-30 are large and the rest are small. The size of the country's paper market is about BDT 50 billion. Writing and printing paper products account for 60-70% of the local market and other products account for the rest of the market.

<https://www.tbsnews.net/economy/paper-industry-struggles-survive-amid-pandemic-284992>

Covid claims 261 more lives Positivity rate at 25.7%

- Covid-19 claimed 261 more lives during the last 24 hours until Saturday morning, the second highest in a single day since the pandemic hit the country. With new ones, the total number of deaths from the highly contagious disease reached 22,411, the data available with the Directorate General of Health Services (DGHS) showed.

- The DGHS in its regular bulletin also said 8,136 more people tested positive during the 24-hour period, taking the total number of cases to 1,343,396.

- The positivity rate was recorded at 25.7% as 31,714 samples were tested during the period, the DGHS said, adding that the country conducted over 8.0 million tests so far.

- The country reported the highest single-day deaths of 264 on Thursday. It logged the first Covid positive case on March 8 and the first death on March 18 last year. During the last 24 hours, the fatality rate was reported at 1.7%.

<https://today.thefinancialexpress.com.bd/first-page/covid-claims-261-more-lives-positivity-rate-at-2565pc-1628359112>

Central bank moves to mop up excess liquidity from banks

- The Bangladesh Bank has decided to mop up excess liquidity from banks by issuing bills, aiming to control price pressure and keep the money market stable. The central bank's intervention has come just a week after it announced an expansionary monetary policy for the current fiscal year.

- The central bank is set to start issuing bills from 9 August through auction after a break of three years. The last auction was held on 29 March 2018.

- The total excess liquidity in the banking sector almost doubled in the last one year and stood at BDT 2.49 trillion this June. The figure was BDT 1.4 trillion in the same period last year, according to Bangladesh Bank's data.
- High inflows of remittance sent by expatriate Bangladeshis have mostly contributed to excess liquidity as the central bank is purchasing dollars from the market injecting money. Remittance inflows hit a record high with over 36.0% growth in the just-concluded fiscal 2020-21 despite the pandemic.

<https://www.tbsnews.net/economy/banking/central-bank-moves-mop-excess-liquidity-banks-284143>

Remittance inflow may decline further: Experts

- Bangladesh witnessed an unprecedented boom in remittance inflow amid the Covid-19 pandemic, hitting the single-month record of USD 2.6 billion in July last year. But the cash inflow has been declining and it may come down further in the coming days, experts say.
- Remittance dropped 28.0% to USD 1.87 billion this July from a year ago, according to a recent report of the Bangladesh Bank, which notes that inflow also decreased by more than 3.0% in the same month compared to the previous one despite the Eid-al-Adha festival.
- In FY 2020-21, the July inflow of USD 2.6 billion was an increase of 62.5% compared to the remittance sent a year ago. The country's remittance earnings reached an all-time high of USD 24.8 billion in the last fiscal year despite the Covid-19 pandemic.

<https://www.tbsnews.net/economy/remittance-inflow-may-decline-further-experts-284185>

Private investment hits a trough

- Private investment in Bangladesh fell to its lowest level in 14 years in the last fiscal year owing to the lingering uncertainty caused by the coronavirus pandemic and continuing structural weaknesses.
- In 2020-21, the private investment-to-gross domestic product (GDP) ratio declined to 21.3%, provisional data from the Bangladesh Bureau of Statistics (BBS) showed. This is the lowest ratio since 2007-08.
- The proportion was also lower than the 24.4% private investment predicted for the last fiscal year in the Eighth Five-Year Plan. The ratio had risen to 23.5% in 2018-19. It declined to 22.1% in 2019-20 amidst the onset of Covid-19 in March last year.

<https://www.thedailystar.net/business/economy/industries/investments/news/private-investment-hits-trough-2147471>

Pharmas eye strong local base for key ingredients

- The pharmaceutical industry of the country is going to make a giant stride as local companies are setting up factories in a dedicated park near Dhaka to produce active pharmaceutical ingredients (APIs) to reduce dependence on import for key raw materials for drugs.
- At least five companies including Acme, Healthcare, UniHealth and Ibn Sina have started setting up factories in Munshiganj's Gazaria API Park and a dozen more companies

including Square, Beximco, and Opsonin are going to do the same soon. Some of the companies said they would start production from the beginning of next year.

- According to API Industrial Park Project Director, 27 companies have taken allotment of plots with an expected investment of BDT 30.0 billion. Acme and Healthcare have made considerable progress on their API facilities, and they plan to start production in 2022.
- Experts say that the innovative production of API by the local pharmas would help keep this booming BDT 270.0 billion sector on track in future.
- According to the Bangladesh Association of Pharmaceutical Industries (Bapi), at present, local companies can produce only 3.0% of the total demand for central ingredients of drugs and import the remaining 97% from various countries.

<https://www.tbsnews.net/economy/pharmas-eye-strong-local-base-key-ingredients-284980>

Government to cut total import duty on rice to 15.0%

- The government has decided to cut the total import duty on rice in a bid to rein in prices of the staple in the local market. The National Board of Revenue (NBR) is going to lower the duty on rice to 15.0% from the existing 25.0%.
- Sources said the reduced tax rate on import of rice might be valid until October next. According to the Trading Corporation of Bangladesh (TCB), prices of coarse rice went up by 37.0% in a year.

<https://today.thefinancialexpress.com.bd/first-page/govt-to-cut-total-import-duty-on-rice-to-15pc-1628358921>

Last fiscal's economic growth put at 5.47%

- Bangladesh's GDP has plunged severely due to the COVID-19 in the fiscal year (FY) 2019-2020 as the country's gross domestic output expanded at the rate of 3.51%, official data showed. The economic growth was much lower than the provisional estimation of 5.24%.
- In the last FY2021, the GDP also recorded 5.47% growth, much lower than the target of 8.2%, Bangladesh Bureau of Statistics (BBS) data showed. The GDP size in the FY2021 was estimated at BDT 30.11 trillion.

<https://today.thefinancialexpress.com.bd/public/first-page/last-fiscals-economic-growth-put-at-547pc-1628188365>

<https://www.tbsnews.net/economy/bbs-drastically-cuts-fy20-growth-less-half-284155>

Industrial slump drags down GDP, agri saves

- According to Bangladesh Bureau of Statistics (BBS)'s final data, the gross domestic product (GDP) growth rate driven by the country's main engine-industry-- dipped to 3.25%, nearly a fourth of that in the FY2019. Similarly, the rate on the second growth driver-the service sector - had also plunged to 4.16% in the FY2020 from its bouncy 6.78% rate in FY2019, the official data show. Meanwhile, the stirring growth rate in the agriculture sector in the previous FY2020 helped resuscitate the overall economic output rate to 3.51% before falling into negative trajectory.

- Meanwhile, BBS's provisional GDP estimation in the last FY2021 showed a little bit recovery in industrial growth as this main growth driver of the country expanded 6.12%. Service-sector growth also bounced a bit to 5.61% in FY2021 from 4.16% in the previous fiscal, BBS data show. The growth rate in agriculture, however, fell to 3.45% in the last FY2021 from an impressive 4.59% in the previous year (FY2020).

<https://today.thefinancialexpress.com.bd/public/first-page/industrial-slump-drags-down-gdp-agri-saves-1628271875>
<https://www.thedailystar.net/business/economy/news/economy-hit-harder-thought-2146051>

Per capita income in Bangladesh rises to USD 2,227

- Per capita income in Bangladesh rose by 10% year-on-year to USD 2,227 in the just-concluded fiscal year, according to data of Bangladesh Bureau of Statistics (BBS). The per capita income was USD 2,024 in 2019-20 fiscal year.

<https://www.thedailystar.net/business/news/capita-income-bangladesh-rises-2227-2145696>

Remittance inflow may decline further: Experts

- Bangladesh witnessed an unprecedented boom in remittance inflow amid the Covid-19 pandemic, hitting the single-month record of USD 2.6 billion in July last year. But the cash inflow has been declining and it may come down further in the coming days, experts say. Remittance dropped 28% to USD 1.87 billion this July from a year ago.

- A Distinguished Fellow at the Centre for Policy Dialogue (CPD) said Bangladesh may witness a negative growth in this sector in the near future. He said that Bangladesh should not expect the remittance growth attained amid the pandemic to increase further. The factors that contributed to the growth are having less of an impact now. He thinks that the inflow will gradually return to the pre-pandemic trend.

<https://www.tbsnews.net/economy/remittance-inflow-may-decline-further-experts-284185>

Mass vaccination starts today

- Bangladesh begins today mass vaccination of an estimated 3.2-million people in six days. But the decision of vaccinating those who have just crossed 18 years of age has been withdrawn due to complexity over voter ID card. However, the citizens aged 25 will be vaccinated accordingly.

- Referring to health ministry, the foreign minister said Bangladesh has a stock of 12 million vaccine doses and some would be kept for the second dose. He said Bangladesh would receive another consignment of 3.4-million doses of Sinopharm vaccine next week while 6.0 million of Pfizer vaccine in the first week of September.

<https://today.thefinancialexpress.com.bd/public/first-page/mass-vaccination-starts-today-1628271986>
<https://www.tbsnews.net/coronavirus-chronicle/covid-19-bangladesh/mass-vaccination-resumes-today-covid-deaths-pass-22000>

Three bills to be auctioned to banks: BB to mop up idle money

- The central bank moves to mop up excess liquidity from the market as private credit squeeze for investment stagnation as against increased money supply bloated banking

system. Economists also apprehend that cheap funds from government stimulus for corona crunch relief may be landing in unproductive sectors to create a glut in money supply. Officials said the auction of Bangladesh Bank (BB) Bills is going to resume Monday aiming to absorb idle money from the market.

- The latest BB move comes against the backdrop of banks' surplus liquidity hitting an all-time high at BDT 2,315 billion as of June 30 this calendar year, fuelled by lower private credit growth in a sign that the investment situation has cooled.

- Mopping up excess liquidity from the market will depend on the yields of the bills, said the former chairman of the Association of Bankers, Bangladesh.

<https://today.thefinancialexpress.com.bd/public/first-page/bb-to-mop-up-idle-money-1628187996>
<https://www.thedailystar.net/business/economy/banks/news/bb-set-rein-excess-money-supply-2146016>
<https://www.tbsnews.net/economy/banking/central-bank-moves-mop-excess-liquidity-banks-284143>

Savers, small borrowers pay price as banks run after high profit

- With the financial sector being weighed down by huge excess liquidity, banks have cut the interest rates on deposits at a faster pace than on loans, penalising savers and, to some extent, small borrowers. But the average spread, the difference between the lending rates and the deposit rates, widened over the last several months, meaning banks are punishing clients to ensure handsome profits and dividends for shareholders.

- The weighted average rate on deposits stood at 4.13% in June, down from 5.06% a year ago, according to data from Bangladesh Bank. As a result, depositors are facing a negative return on savings given the inflation rate of 5.64% in June. The lending rate declined to 7.33% in the month from 7.95% a year ago. Against the backdrop, the spread stood at 3.20%age points in June in contrast to 2.89%age points in the same month a year ago.

<https://www.thedailystar.net/business/economy/banks/news/savers-small-borrowers-pay-price-banks-run-after-high-profit-2145151>

ADB's grand USD 5 billion connectivity plan

- The transport sector accounts for one-third of the Asian Development Bank's (ADB) lending pipeline involving USD 16.56 billion for the next three years for Bangladesh as the global lender prioritises multimodal connectivity for a faster economic recovery from Covid-19 shocks. The ADB has streamlined its lending activities in Bangladesh to cushion economic shocks from Covid-19. In the lending pipeline, USD 5 billion has been proposed for road and rail and waterway projects to develop regional connectivity, according to the ADB and the ERD sources.

<https://www.tbsnews.net/bangladesh/transport/adbs-grand-5b-connectivity-plan-284572>

Important News: Capital Market

Robi's CEO decides to depart

- Following a very successful stint as Robi's Managing Director and CEO for five illustrious years, Mahtab Uddin Ahmed has decided not to renew his contract. His term with Robi will officially come to an end on October 31, but he has decided to go on leave with immediate effect.
- Robi's Chief Financial Officer (CFO), M Riyaz Rasheed, in addition to his current role as CFO, will serve as the Acting CEO with immediate effect.

<https://today.thefinancialexpress.com.bd/public/last-page/robi-ceo-decides-to-depart-1628188759>
<https://www.thedailystar.net/business/telecom/news/robi-ceo-steps-down-2146036>

SBAC Bank makes debut as 32nd listed bank today

- South Bangla Agriculture & Commerce Bank (SBAC) will make its shares trading debut on Dhaka Stock Exchange and Chittagong Stock Exchange today (Wednesday) under the settlement category "N". The bank makes its trading debut as 32nd listed bank on the Dhaka bourse. The DSE trading code for the bank is "SBACBANK" and company code is 11151, according to a filing with the DSE on Tuesday.

<https://today.thefinancialexpress.com.bd/stock-corporate/sbac-bank-makes-debut-as-32nd-listed-bank-today-1628617148>

Bangladesh Securities and Exchange Commission (BSEC) to punish auditor of Nurani Dyeing

- The Bangladesh Securities and Exchange Commission has decided to punish auditor of Nurani Dyeing and Sweater Limited for not disclosing information about the closure of company's production for a long time. The BSEC also decided to recast the board of Nunai Dyeing for committing such a crime.
- The Dhaka and Chittagong stock exchanges have recently visited company's corporate office and factory and found it shut. According to the report of the bourses, it was appeared that the company kept its production shut for a long period of time, the press release said.
- However, the audited financial statements and information to the stock exchanges displayed that the activities and production was on operation. BSEC officials said that the auditor breached professional conduct as it did not present the true picture of the company's financial position.

<https://www.newagebd.net/article/146065/bsec-to-punish-auditor-of-nurani-dyeing>

Teletalk gets BDT 22.05 billion kiss of life

- The government injects BDT 22.05 billion from the exchequer into the losing-concern Teletalk to upgrade its struggling network to provide latest telecommunications services. Its network upgrade under a project approved Tuesday is meant to expand 4G telephony in villages and also deliver 5G services to its subscribers, officials said. The state telephony,

Teletalk Bangladesh Limited, shares less than 3.0% of billions of taka worth of the domestic market while multinationals make the most of the bonanza.

<https://today.thefinancialexpress.com.bd/first-page/teletalk-gets-BDT-2205b-kiss-of-life-1628619718>

Nine companies under BSEC scanner

- The securities regulator will probe into the trading of nine listed companies to find out unlawful or fraudulent activities occurred while conducting transactions of the shares of the companies. The companies are Anwar Galvanizing, GBB Power, Emerald Oil Industries, Bangladesh National Insurance Company, National Feed Mill, Paper Processing & Packaging, The Dacca Dyeing & Manufacturing Company, Fu-Wang Ceramic Industries, and Beacon Pharmaceuticals.

<https://today.thefinancialexpress.com.bd/stock-corporate/nine-companies-under-bsec-scanner-1628617008>
<https://www.thedailystar.net/business/economy/stock/news/bsec-probe-unusual-price-hike-9-stocks-2149576>
<https://www.tbsnews.net/economy/stocks/bsec-forms-body-probe-9-firms-286492>

ONE Bank penalised for cooking the books

- The Bangladesh Bank has imposed a financial penalty on ONE Bank for cooking up financial numbers in its balance sheet for the year 2020. At the same time, the listed private commercial bank was asked to make necessary corrections in the balance sheet and republish it within 45 days after receiving the instruction, according to ONE Bank sources. If the bank fails to change the balance sheet within the stipulated period, its managing director will face a penalty as per the banking law. A managing director will be removed if he faces a financial penalty.

<https://www.tbsnews.net/economy/banking/one-bank-penalised-cooking-books-286495>

BDT 21.4 billion project to revive Teletalk

- The government is set to give a lifeline to Teletalk as the loss-making mobile phone operator looks to make a turnaround by winning customers through modernisation, network expansion and the launch of 5G technology. It may provide BDT 21.4 billion, under a project, to take the state-owned operator's 4G network to villages and upgrade the existing core and transmission networks to make it ready for the launch of fifth-generation technology (5G) by 2023.
- The total cost of the project has been estimated at BDT 22.0 billion. Teletalk will chip in with BDT 603.3 million. The project will be placed at the regular weekly meeting of the Executive Committee of the National Economic Council (Ecne) for final approval today. The project will be completed by November 2023.

<https://www.thedailystar.net/business/telecom/news/tk-2140cr-project-revive-teletalk-2148821>

Dhaka Stock Exchange (DSE) turnover hits decade high

- Dhaka Stock Exchange (DSE) registered a turnover of BDT 29.4 billion yesterday, its second single-day highest following the record BDT 32.5 billion of December 5, 2010. The

important market indicator soared 17% compared to that of the previous day at the country's premier bourse to reach its highest point in a decade.

- The DSEX, the benchmark index of the DSE, continued its surge of the last six trading days to rise by 32 points, or 0.48%, to 6,628 yesterday. The DS-30, the blue-chip stock index, soared 6 points to 2,392 at the same time. The Shariah index of the premier bourse, DSES, rose 12 points to 1,452. This is the highest point to be reached by all three indexes since their inception in 2013.

<https://www.thedailystar.net/business/economy/stock/news/dse-turnover-hits-decade-high-2148766>

Unilever's e-commerce platform 'Ushopbd.com' delivers products to consumers' doorsteps

- Unilever Bangladesh Ltd, one of the largest FMCG manufacturers in the country, has made authentic and quality products easily accessible and affordable for its customers through its newly launched e-commerce site- Ushopbd.com, according to a press release. With nationwide home delivery, cash on delivery, and online payment options, customers can easily avail authentic Unilever products to their doorsteps.
- Ushop, the e-commerce website is designed with user-friendly and appealing features that allow consumers to navigate, explore all the categories and shop all their necessary Unilever products spontaneously. Ushopbd.com not only guarantee authentic products but also make shopping enjoyable for the consumers by offering everyday low prices and offers.
- Ushopbd was made previously made available to the consumers as a test trial. Later, in February 2021, it was officially re-launched with improved features. The platform has already received a positive and strong response from consumers- all over the country. Ushopbd is also committed to building itself as a distinct brand by partnering with other relevant organizations to bring doorstep delivery to the people of Bangladesh.

<https://www.dhakatribune.com/business/2021/08/09/unilever-s-e-commerce-platform-ushopbd-com-delivers-products-to-consumers-doorsteps>

Petrobangla owes NBR BDT 213 billion VAT arrears

- The state-owned Petrobangla has suspended submission of monthly VAT (value-added tax) returns since December 2020. The oil and gas company owes BDT 213.2-billion VAT arrears to the National Board of Revenue (NBR) until 07 August 2021.
- NBR officials said non-payment of such a large amount of dues revenue left an adverse impact on the NBR's effort to increase the tax-GDP ratio and mobilise the targeted tax revenue. However, Petrobangla officials say the company is unable to pay the huge amount of VAT under its current financial condition.
- Earlier, there was a decision of finance ministry on 14 March 2017 to settle BDT 167.8-billion VAT dues of Petrobangla through book adjustment that remained unimplemented.
- The petroleum sector contributes 10% of the total revenue collection by the NBR.

<https://today.thefinancialexpress.com.bd/last-page/petrobangla-owes-nbr-BDT-213b-vat->

[arrears-1628356349](#)

BRAC gets approval from Microcredit Regulatory Authority (MRA) to issue zero-coupon bonds

- BRAC, the country's largest microcredit provider, on Thursday received approval from Microcredit Regulatory Authority (MRA) to issue zero-coupon bonds worth BDT 13.5 billion. The bond is unsecured, non-convertible, and fully redeemable with its tenure from one and a half years to five years.
- Institutional investors, corporates and high net worth individuals will be eligible to purchase this bond with a multiple of BDT 10.0 million.
- According to the BRAC CFO, the bonds would open up avenues for non-lender institutions to invest in BRAC microfinance programme. The bonds will help improve the livelihoods of people who need access to affordable financial solutions, especially in marginalised communities, in a more efficient way.

<https://today.thefinancialexpress.com.bd/stock-corporate/brac-gets-approval-from-mra-to-issue-zero-coupon-bonds-1628348124>
<https://www.thedailystar.net/business/economy/news/brac-issue-BDT-1350cr-bonds-2147456>