

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.

Macro:**Chinese company to set up RMG factory in Chattogram EPZ with USD9.58 Mn investment**

- Chinese company M/s. Intex Link Garments (BD) Limited is going to set up a garment company in Chattogram Export Processing Zone (CEPZ) with an investment of USD9.58 Mn.
- An agreement to this effect was signed between Bangladesh Export Processing Zones Authority (BEPZA) and Intex Link Garments (BD) Ltd at BEPZA Complex, Dhaka Monday (3 October), according to a Bepza release issued.

<https://www.tbsnews.net/economy/industry/chinese-company-set-rmg-factory-chattogram-epz-958m-investment-507798>

Scam-hit banks, NBFIs take lead in defaulted industrial loans

- The amount of defaulted industrial loans has kept mounting with 16 banks and non-bank financial institutions (NBFIs) – most of them made the headlines for various scams in the past – being the worst sufferers, which, experts say, is attributable to sanctioning of large loans without proper credit risk assessment.
- According to the Bangladesh Bank's data, banks and NBFIs in the country have some BDT6,690 Bn in outstanding loans in the industrial sector until June this year, of which over BDT581.43 Bn or about 9% have turned default. Three months ago, the volume of defaulted industrial loans was BDT523.72 Bn.

<https://www.tbsnews.net/economy/banking/scam-hit-banks-nbfis-take-lead-defaulted-industrial-loans-507646>

Plastic industry has huge possibility to grow in Bangladesh: Bengal Director

- For the last two decades, the use of plastic in the country is continuously rising and it is being a substitute for wood and metal because of its light weight and durability. So there is a huge possibility for the plastic sector to grow here, said Mr Humayun Kabir, director of the Bengal Plastic Ltd, one of the largest market players in the plastic industry.

<https://www.tbsnews.net/economy/industry/plastic-industry-has-huge-possibility-grow-bangladesh-bengal-director-507454>

Two more RMG units get global green recognition

- The number of green garment factories in Bangladesh has reached 173 as two more units received the Leadership in Energy and Environmental Design (LEED) certification from the US Green Building Council (USGBC) yesterday.
- Of the two factories, Aman Tex Limited located in Boiragirchala of Gazipur received the highest-rank of platinum while Ayesha Fashion Ltd in Dhaka received gold, the second highest ranking.

<https://www.thedailystar.net/business/economy/news/two-more-rmg-units-get-global-green-recognition-3134416>

BD losing USD6.0 Bn for lower labour productivity

- Experts have suggested taking prudent steps to control pollution and accelerate efforts to mitigate climate change (CC) impacts, as a recent global report said Bangladesh is losing about USD6.0 Bn due to lower labour productivity. A US-based organisation - The Adrienne Arsht-Rockefeller Foundation Resilience Centre (Arsht-Rock) - in the report also said the loss is estimated to be more than 8.0% of its annual labour output.

<https://thefinancialexpress.com.bd/economy/bd-losing-60b-for-lower-labour-productivity-1664765221>

Inflation down notably, visibly

- Planning Minister MA Mannan yesterday claimed that inflation in Bangladesh has come down notably although the Bangladesh Bureau of Statistics (BBS) was yet to publish the consumer price index for August and September.
- In July, inflation, a measure of changes in prices of a basket of commodities, fell to 7.48% from a nine-year high of 7.56% in June, thanks to a fall in food inflation, according to the BBS.

<https://www.thedailystar.net/business/economy/news/inflation-down-notably-visibly-3134431>

Why rising manpower exports see falling remittance

- While manpower export has been rising substantially since the beginning of the year, remittance inflow shows a completely opposite trend, falling drastically in September and putting foreign exchange reserves under more stress.
- This paradoxical situation is blamed on two reasons – the remittance rate cap and digital hundi. Bangladesh sent 0.784 Mn workers in the first eight months of the current year, nearly double the 0.276 Mn sent in the same period last year. Of these workers, 88% went to the Gulf countries, which are less affected by the global crisis due to the surge in oil price, meaning the workers' earnings were not affected.

<https://www.tbsnews.net/economy/why-rising-manpower-exports-see-falling-remittance-507966>

Policy sets six-year action plan to develop light engineering sector

- The government has issued Light Engineering Industry Development Policy 2022, setting an action plan with a timeframe to ensure developed infrastructure, industrial park, easy financing and industrial incentives for the sector in 2022-2027.
- The industries ministry on September 29 issued the policy through a gazette notification saying that the policy would help flourish the sector to attain the goal of increasing industrial sectors' contribution to GDP to 40% by 2027.

<https://www.newagebd.net/article/182748/policy-sets-six-year-action-plan-to-develop-light-engineering-sector>

Stocks:

Robi gets new CEO

- Robi Axiata, the second largest mobile phone operator in Bangladesh, has appointed Rajeev Sethi as its new chief executive officer. Sethi, a former CEO of Grameenphone, took charge this month. Interestingly, Erik Aas, the CEO of the third largest operator, Banglalink, is also a former CEO of Grameenphone.

<https://www.thedailystar.net/business/economy/news/robi-gets-new-ceo-3134441>

KDS Accessories' profit up 6%

- KDS Accessories Limited's profit rose nearly 6 % year-on-year to BDT 165.8 Mn in the year that ended on June 30, 2022.
- The profit stood at BDT 156.6 Mn a year ago, data from the Dhaka Stock Exchange (DSE) showed. The company reported earnings per share of BDT 2.33 for 2021-22, against BDT 2.20 a year ago. The net asset value, which is the value of an entity's assets minus the value of its liabilities, rose to BDT 25.58 per share from BDT 24.75.

<https://www.thedailystar.net/business/economy/news/kds-accessories-profit-6pc-3134411>

BB working to help strengthen stock market

- Bangladesh Bank Governor Abdur Rouf Talukder yesterday said they are trying to help strengthen the country's securities market as it should be a major source of long-term funding for entrepreneurs and thereby assist in reducing non-performing loans in the banking sector.
- Rising NPLs are the biggest problem currently faced by the banking sector, which deals with long-term loans with short-term deposits.

<https://www.thedailystar.net/business/economy/news/bb-working-help-strengthen-stock-market-3134386>

Agrani Bank to auction Nurani Dyeing's factory

- Agrani Bank is going to auction the factory and land of Feni-based Nurani Dyeing and Sweater Limited – entrepreneurs of which fled from the country after embezzling the fund raised from the stock market – on the charge of loan default.
- To make this happen, the state-run commercial bank has recently floated an auction circular seeking tenders from interested buyers by 27 October.

<https://www.tbsnews.net/economy/stocks/agrani-bank-auction-nurani-dyeings-factory-507918>

Indo-Bangla Pharma to sell its Barishal land

- Indo-Bangla Pharmaceuticals Limited is going to sell its 1.59 acres of land in Barishal for BDT 2.7 Mn and use the fund to buy land in Gazipur for business expansion, according to a stock exchange filing on Monday.
- In September last year, it bought 1.61 acres of land there at BDT42 Mn with its own fund. Then in March this year, it bought another 2.01 acres of land at BDT 26.5 Mn.

<https://www.tbsnews.net/economy/stocks/indo-bangla-pharma-sell-its-barishal-land-507890>

Govt securities to trial trading in secondary market next week: BB Governor

- Government securities will start trial trading in the secondary market from next week to turn the capital market vibrant, said Bangladesh Bank Governor Abdur Rouf Talukder on Monday. He said the country's fast-growing economy requires huge investment that cannot be met only by bank lending. All sections of people have to invest in the stock markets market to create capital for growth, he added.

<https://thefinancialexpress.com.bd/economy/govt-securities-to-trial-trading-in-secondary-market-next-week-bb-governor-1664806434>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 83.69	USD 8.48	11.28%
Crude Oil (Brent)*	USD 89.10	USD 11.32	14.55%
Gold Spot*	USD 1,696.49	(USD 132.71)	-7.26%
DSEX	6,518.35	-238.31	-3.53%
S&P 500	3,678.43	-1,087.75	-22.82%
FTSE 100	6,908.76	-475.78	-6.44%
BSE SENSEX	56,788.81	-1,465.01	-2.51%
KSE-100	41,128.67	-3,467.40	-7.78%
CSEALL	9,649.86	-2,576.15	-21.07%

Exchange Rates**1 US Dollar = 102.73 BDT****1 GBP = 116.02 BDT****1 Euro = 100.12 BDT****1 INR = 1.25 BDT**

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Hossain Zaman Towhidi Khan	Senior Research Associate	hztowhidi.khan@bracepl.com	01708 805 224
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229
Md. Tanvir Ahmed	Research Associate	mtanvir.ahmed@bracepl.com	01708 805 201

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
----------------------	-----	--	---------------

BRAC EPL Stock Brokerage Limited

www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com