

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:**IMF's 3rd review mission due in October**

- The International Monetary Fund (IMF) is scheduled to send its third review mission to Bangladesh next October to assess the progress in meeting the conditions for releasing the fourth tranche of the USD 4.7 Bn loan agreement. IMF Resident Representative for Bangladesh, Jayendu De, disclosed the information in a letter to the Ministry of Finance.

<https://www.tbsnews.net/economy/imfs-3rd-review-mission-due-october-915321>

Migrant workers crowd exchange houses in Malaysia to send remittance home

- A total of USD 482.77 Mn has entered Bangladesh as remittance in the first 10 days of August, according to a recent report by the Bangladesh Bank. During the first six days before and after Sheikh Hasina's exit, only USD 95.65 Mn came to Bangladesh as a remittance. The amount has shot up to USD 387.12 Mn in just three days from 7 August to 10 August.

<https://www.tbsnews.net/economy/migrant-workers-crowd-exchange-houses-malaysia-send-remittance-home-914966>

Bangladesh's credit rating depends on political stability: Moody's

- Bangladesh's credit rating will depend on maintaining political stability and the interim government committing to structural reforms, told US ratings agency Moody's. The agency said credit ratings might worsen if prolonged political or social unrest derails progress on structural reforms and dampens growth or if the interim government deviates from its commitments to structural reforms.

<https://www.thedailystar.net/business/news/bangladeshs-credit-rating-depends-political-stability-moodys-3675891>

Private investment slows as confidence takes a knock

- Private investment as a percentage of Bangladesh's gross domestic product (GDP) has been declining for the past three years due to low investor confidence amid global crises, a persisting US dollar crisis and high inflation. The private investment to GDP ratio lost 0.67% points year-on-year to stand at 23.51% in fiscal year 2023-24, according to Bangladesh Bureau of Statistics data.

<https://www.thedailystar.net/business/news/private-investment-slows-confidence-takes-knock-3675871>

Food inflation tops 14% for first time in 13yrs

- Bangladesh's worsening economic crisis has spun off a price shock with food inflation crossing 14% in July for the first time in 13 years. The consumer price index that includes food and non-food inflation rose 1.94 basis points to 11.66% in July from the previous month, according to data released by the Bangladesh Bureau of Statistics yesterday.

<https://www.thedailystar.net/business/economy/news/food-inflation-tops-14pc-first-time-13yrs-3675706>

Sectors & Industries:**RMG | A section of BGMEA members call for fresh election of the association**

- A number of members of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) have called for the resignation of the current president, SM Mannan Kochi, and his board of directors. They described the March election as involving "unprecedented rigging" and are demanding a new election with a transparent voter list.

<https://www.tbsnews.net/economy/rmg/section-bgmea-members-call-fresh-election-association-915231>

BANK | Several banks are clinically dead: CPD

- Several banks in Bangladesh are clinically dead but are being kept alive through bailouts, said Fahmida Khatun, executive director of the Centre for Policy Dialogue (CPD). Banks on the verge of collapse should be allowed to shut down, Fahmida said while presenting a paper at a media briefing, titled "Bringing discipline back to the banking sector immediately", organised by the think-tank at its office in the capital yesterday.

<https://www.thedailystar.net/business/news/several-banks-are-clinically-dead-cpd-3675896>

Stocks:**SIBL | Social Islami Bank hid BDT 79.36 Bn toxic loans with cenbank's help: Confidential document**

- Shariah-based Social Islami Bank, owned by S Alam Group, concealed BDT 79.36 Bn in defaulted loans with the help of a central bank official, according to a confidential Bangladesh Bank report. According to the inspection report, the defaulted loans at the end of December 2023 amounted to BDT 95.68 Bn, but Social Islami Bank reported only BDT 16.44 Bn to the money market regulator.

<https://www.tbsnews.net/economy/banking/social-islami-bank-hides-tk7936cr-toxic-loans-cenbanks-help-915141>

EXCHANGE | How some Islamic banks issued dividends despite cash crunch

- All the cash-strapped Islamic banks owned by S Alam Group disbursed cash dividends for 2023 to their directors and shareholders by taking liquidity support from the Bangladesh Bank under a special facility called the lender of last resort (LoR).

<https://www.tbsnews.net/economy/banking/how-some-islamic-banks-issued-dividends-despite-cash-crunch-914646>

EXCHANGE | Resignation hits BSEC as 2 commissioners now step down

- Two commissioners of the Bangladesh Securities and Exchange Commission (BSEC) have resigned: Shaikh Shamsuddin Ahmed and Rumana Islam, both professors at the University of Dhaka. The Financial Institutions Division (FID) accepted their resignations, which are effective from 11 August.

<https://www.tbsnews.net/bangladesh/government-accepts-two-bsec-commissioners-resignation-915011>

EXCHANGE | Securities regulator needs overhaul to free it from political bias: DBA

- The DSE Brokers Association (DBA) of Bangladesh placed a 30-point demand, including a massive overhaul of the securities regulator and immediate removal of corrupt officials to ensure good governance.

<https://today.thefinancialexpress.com.bd/stock-corporate/securities-regulator-needs-overhaul-to-free-it-from-political-bias-dba-1723480805>

Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 79.52	USD 7.87	10.98%
Crude Oil (Brent)*	USD 81.76	USD 4.72	6.13%
Gold Spot*	USD 2,465.85	USD 402.87	19.53%
DSEX	5,932.28	-314.21	-5.03%
S&P 500	5,344.40	574.57	12.05%
FTSE 100	8,210.25	477.01	6.17%
BSE SENSEX	79,648.92	7,408.66	10.26%
KSE-100	77,980.29	15,600.88	25.01%
CSEALL	11,319.32	665.16	6.24%

Exchange Rates**1 US Dollar = 117.53 BDT****1 GBP = 150.12 BDT****1 Euro = 128.53 BDT****1 INR = 1.40 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
Fahim Hassan	Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Hossain Zaman Towhidi Khan	Research Analyst	hztowhidi.khan@bracepl.com	01708 805 224
Foyisal Ahmed	Research Associate	foysal.ahmed@bracepl.com	01708 805 201
S M Toufique Imran	Research Associate	smtoufique.imran@bracepl.com	01708 805 228
Rakibul Hasan	Research Associate	rakibul.hasan@bracepl.com	01708 805 229
Md Istiaz Uddin	Research Associate	mistiaz.uddin@bracepl.com	01708 805 202

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