

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:**Bangladesh Forex Flexibility to Help Fight External Shocks, IMF Says**

- Bangladesh's pivot to a more market-driven exchange rate will help the nation fight external shocks, the International Monetary Fund said. "Greater flexibility will help buffer external shocks, manage domestic liquidity conditions, and strengthen monetary transmission," Rahul Anand, IMF mission chief for Bangladesh, said in an emailed response to questions Friday. The move is in line with IMF policy advice, he said.
- Bangladesh loosened its control on its currency this week and allowed the taka to weaken, with Finance Minister AHM Mustafa Kamal saying the nation will gradually go for a floating exchange rate. The government is seeking a loan from the IMF and a more market-driven exchange rate is typically one of the conditions set by the Washington-based lender.
- The taka traded as low as 106.9 per dollar on Wednesday, losing 11% of its value this week, according to data from the central bank. Bangladesh Bank has injected USD10.4 Bn into the currency market since July 2021 to support the taka, according to BRAC EPL Stock Brokerage Ltd.

<https://www.bloomberg.com/news/articles/2022-09-16/bangladesh-fx-flexibility-to-fight-external-shocks-imf-says?leadSource=uverify%20wall>

Dhaka EPZ gets USD25.62 Mn FDI

- Tri-nation company Gava Private Limited is going to establish a garments manufacturing unit with USD25.62 Mn in the Dhaka Export Processing Zone (DEPZ). The project from joint investors from Hong Kong, Switzerland and Sri Lanka will create about 3,086 employment opportunities for Bangladeshi nationals.
- According to the Dhaka EPZ officials, this tri-nation company will annually produce 4.4 Mn pieces of jackets, fleece jackets, t-shirts, polo shirts, sweaters, trousers, coveralls, stretch pants, denim pants, shorts, shirts, sweat-shirts, hi-vis shirts, and vests.

<https://www.tbsnews.net/economy/2562m-new-investment-dhaka-epz-498646>

New headache: private firms' foreign loans jump to USD26 Bn

- The amount of foreign loans availed by the private sector in Bangladesh has been swelling fast since 2020, creating a major headache for the country's economy at a time when its foreign exchange reserves are plummeting.
- Various private companies in the country took foreign loans to the tune of USD25.95 Bn collectively as of June this year, up 39% year-on-year, shows data from Bangladesh Bank. Besides, short-term external debt accounted for 68.4% of all foreign loans taken by the private sector till June. The repayment tenure for a majority of these short-term loans is a maximum of three years.

<https://www.thedailystar.net/business/economy/news/new-headache-private-firms-foreign-loans-jump-26b-3122656>

Remittances thru' state banks drop 35%, private banks in positive growth

- Remittance influx to state-run commercial banks dropped around 35% in the April-June quarter, compared to that of the same period of the previous year, while private commercial banks witnessed a positive growth of 1.57%
- The overall remittance flow was USD5733.42 Mn during the quarter, 7.22% lower year-on-year, according to the central bank's latest report. It was USD6179.48 Mn in the April-June quarter of 2021. Bankers said the June quarter trend also continued in July and August.

<https://www.tbsnews.net/economy/banking/remittances-thru-state-banks-drop-35-private-banks-positive-growth-498870>

Mandatory tax return filing relaxed for loans, credit cards

- The National Board of Revenue (NBR) has relaxed the provision of mandatory submission of tax returns for obtaining loans up to BDT2.0 Mn. Borrowers will not need to submit proof of income tax returns in case of taking loans up to BDT2.0 Mn and for credit card transactions up to BDT0.20 Mn, in the student category.
- The relaxed condition, however, will not be applicable for those who have taxable income, according to a notification issued with immediate effect by the tax authority of NBR on Sunday.

<https://www.tbsnews.net/nbr/mandatory-tax-return-filing-relaxed-loans-credit-cards-498442>

Gas shortage chokes textile millers

- Textile millers across the greater Gazipur, Sreepur and Bhaluka industrial belt yesterday urged the state minister for energy, power and mineral resources to put an end to their perennial gas crisis, which is currently preventing them from continuing smooth production.
- Textile millers and other factories along this industrial belt annually produce some USD10 Bn worth of goods, particularly fabric, yarn and finished garments. However, they have been suffering from low gas pressure for the past few years.

<https://www.thedailystar.net/business/economy/news/gas-shortage-chokes-textile-millers-3122641>

Stocks:**GP starts selling SIM against unused numbers**

- Grameenphone has started selling SIM cards against its suspended unused numbers, following a recent regulatory approval.
- But, the ban on the country's largest mobile network operator from selling new SIMs is still there, Bangladesh Telecommunication Regulatory Commission (BTRC) Vice-Chairman Subrata Roy Maitra told The Business Standard.

<https://www.tbsnews.net/bangladesh/telecom/gp-starts-selling-sim-against-unused-numbers-498758>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 85.56	USD 10.35	13.76%
Crude Oil (Brent)*	USD 91.98	USD 14.20	18.26%
Gold Spot*	USD 1,671.60	(USD 157.60)	-8.62%
DSEX	6,535.14	-221.52	-3.28%
S&P 500	3,873.33	-892.85	-18.73%
FTSE 100	7,236.68	-147.86	-2.00%
BSE SENSEX	58,840.79	586.97	1.01%
KSE-100	41,679.49	-2,916.58	-6.54%
CSEALL	10,102.70	-2,123.31	-17.37%

Exchange Rates**1 US Dollar = 104.56 BDT****1 GBP = 119.25 BDT****1 Euro = 104.58 BDT****1 INR = 1.31 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