

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:**Lending rate cap to be lifted soon: BB tells IMF**

- The Bangladesh Bank has assured the International Monetary Fund (IMF) that it will soon lift the existing lending rate cap and leave the country's foreign exchange market to a free-floating exchange rate system, several high officials of the central bank have told The Business Standard.
- The IMF team, which arrived in Dhaka on Wednesday on a 15-day visit to discuss the terms and conditions of a prospective USD 4.5 Bn loan for Bangladesh, held several meetings with the Bangladesh Bank high-ups including Governor Abdur Rouf Talukder on Thursday and emphasised withdrawing the lending rate cap, and ensuring the market-determined exchange rate.

<https://www.tbsnews.net/economy/lending-rate-cap-be-lifted-soon-bb-tells-imf-521430>

'US companies ready to invest in Bangladesh'

- The US companies are ready to invest in energy, particularly in liquified natural gas (LNG), to help Bangladesh grow further, a top US official said today. Arun Venkataraman, assistant secretary of commerce for global markets and director general of the US and Foreign Commercial Service, made the comment at a press conference at Pan Pacific Sonargaon in Dhaka.

<https://www.thedailystar.net/business/news/us-companies-ready-invest-bangladesh-3153791>

Bangladesh's steel factories less polluting

- The steel manufacturing plants in Bangladesh are less polluting and the lowest carbon emitters compared to the largest producers globally, mainly for the melting process followed locally and the efficient consumption of energy and water, said a top industrialist.
- The process that Bangladeshi steel makers are following in producing steel is melting scrap, which is part of recycling, said Aameir Alihussain, managing director of BSRM, the country's leading steel maker, an interview with The Daily Star recently.

<https://www.thedailystar.net/business/economy/news/bangladeshs-steel-factories-less-polluting-3153326>

Bangladesh can increase export USD 18 Bn more in EU: Study

- Bangladesh exported USD 23 Bn to 27 countries of the European Union (EU) which can be increased USD 18 Bn more by enhancing production capacity and product diversification, as per a study.
- The study was conducted by Research and Policy Integration for Development (RAPID) with the cooperation of Friedrich-Ebert-Stiftung (FES) Bangladesh on the titled 'Strengthening Bangladesh-EU Trade and Economic Cooperation: Issues and Policy Priorities.'

<https://www.tbsnews.net/economy/bangladesh-can-increase-export-18b-more-eu-study-521378>

Agri ministry's BDT 1.37 Bn incentive for winter crop farmers

- The government will give BDT 1.37 Bn incentive to the farmers to encourage them grow winter crops, including wheat, maize, mustard, sunflower, onions and pulses, in the current year, the agriculture ministry said today. The incentive will be given in the form of seeds and fertiliser to 1.67 Mn farmers, the ministry said in a statement.

<https://www.thedailystar.net/business/news/agri-ministrys-tk-137-crore-incentive-winter-crop-farmers-3153851>

0.251 Mn tonnes of shrimp produced in Bangladesh in FY21: minister

- Bangladesh produced 0.251 Mn tonnes of shrimp in 2020-21 fiscal year and the country's export income increased in the last few years despite global recession amid Covid-19 pandemic, Fisheries Minister SM Rezaul Karim said today. He spoke at the closing ceremony of the Safe Aqua Farming for Economic and Trade Improvement (SAFETI) project funded by the United States Department of Agriculture (USDA) at InterContinental Dhaka in the capital.

<https://www.thedailystar.net/business/news/shrimps-export-income-rising-despite-global-crisis-minister-3155126>

'Congenial ecosystem needed for startups to thrive'

- Startups are doing relatively well in Bangladesh but their success rate is not quite satisfactory owing to problems from a lack of access to finance to age-old valuation process to a dearth of private equity and incubation, said speakers and industry people today.
- "A startup-friendly ecosystem in the country has not been substantially equipped, but startups can be a great economic enabler for Bangladesh," said Rizwan Rahman, president of the Dhaka Chamber of Commerce & Industry (DCCI).

<https://www.thedailystar.net/bot-business/news/congenial-ecosystem-needed-startups-thrive-3155286>

FDI flow soars: 37% despite economic jitters

- Net foreign direct investment to Bangladesh rose 37% year-on-year to USD 3.43 Bn in the last fiscal year, a positive development for the economy amidst the ongoing foreign exchange volatility. The country is suffering from the deterioration of the foreign exchange reserves, caused by higher import bills and lower-than-expected export and remittance receipts.

<https://www.thedailystar.net/business/economy/news/37pc-despite-economic-jitters-3154251>

Inflation choking mid-income people: Sanem

- Mid-income families, especially lower middle-income groups, are suffering for persistent high inflation, said South Asian Network on Economic Modeling (Sanem) today. "Many people belonging to the middle-class families saw their income declined because of job losses. The ongoing high inflation has put them in trouble," said Bazlul Haque Khondker, chairman of the Sanem.

<https://www.thedailystar.net/business/news/inflation-choking-mid-income-people-sanem-3153901>

Will NDB loans slip away?

- Bangladesh's joining the New Development Bank (NDB) in 2021 raised hopes that the new avenue would help the country meet the growing need for foreign financing. The slow progress limits Bangladesh's potentials to avail funds ranging from USD 3 Bn to USD 5 Bn from the new development lender's USD 30 Bn portfolio for the 2022-26 period, ERD officials pointed out.

<https://www.tbsnews.net/economy/will-ndb-loans-slip-away-522330>

No EU-Bangladesh FTA in foreseeable future

- There is no possibility of signing a free trade agreement (FTA) with Bangladesh in the foreseeable future because of the complexity related to the issue as well as bloc's lack of interest, said Charles Whiteley, head of the delegation of the European Union to Bangladesh, yesterday.
- This is not going to happen because of the degree of complexity, and the trade relations between the two sides are not yet at the stage where "we would be genuinely interested on the EU side to negotiate an FTA", he said.

<https://www.thedailystar.net/business/economy/news/no-eu-bangladesh-fta-foreseeable-future-3154221>

Credit growth slows

- Private sector credit growth fell by more than 2% in September as banks slowed loan disbursement amid liquidity crunch, snapping a seven-month upward trend. The credit growth stood at 11.93% last month in contrast to 14.07% recorded in August, data from Bangladesh Bank showed.

<https://www.thedailystar.net/business/economy/banks/news/credit-growth-slows-3154226>

Small mills suffer for low quality of raw jute

- Production has slowed at small jute mills in northern regions of Bangladesh due to low quality of raw jute resulting from problems in retting during harvest, according to market players.
- The quality of jute has deteriorated as farmers had to soak the stalks in shallow ponds or mud in the canal bed, which is giving the material a hard and dark look instead of the soft and glazy appearance it is known for. As a result, they are not getting sufficient prices.

<https://www.thedailystar.net/business/economy/news/small-mills-suffer-low-quality-raw-jute-3154136>

US to give USD 1 Bn in 5 years to support private investment in Bangladesh

- The United States has committed to providing the private sector in Bangladesh – mainly for agriculture, skills development, renewable energy and research, revenue system development, and overall export development – with USD 1 Bn in investment support in the next five years.
- This assistance will be provided through the US Agency for International Development (USAID), stakeholders said at a seminar on Saturday, jointly organised by the American Chamber of Commerce and the US Embassy at a hotel in Dhaka on the last day of this year's three-day US Trade Show.

<https://www.tbsnews.net/economy/us-give-1b-5-years-support-private-investment-bangladesh-522290>

Startups not getting local investment due to valuation complications

- Complications regarding the valuation of startup companies – which usually have almost no physical assets – create problems for them when they want to raise funds through the stock market, resulting in low local investment in such ventures, industry insiders have said.
- Around USD 800 Mn have been invested in the country's startups in the last decade, 98% of which came from abroad, said Pathao CEO Fahim Ahmed in the keynote paper presented at the seminar, titled "Journey of CMSMEs from startup to scale up: prospects and challenges," organised by the Dhaka Chamber of Commerce and Industry (DCCI) Saturday (29 October).

<https://www.tbsnews.net/economy/startups-not-getting-local-investment-due-valuation-complications-522306>

Banking laws may be amended to create exit for genuine loan defaulters: Salman F Rahman

- The government is thinking to amend the banking laws to create an exit way for genuine loan defaulters, not the willful ones, said Salman F Rahman, adviser to the prime minister on private industry and investment.
- "The defaulted loans are a big problem in the country and many countries of the world including India and China are facing the same issue, he said while addressing a seminar titled "The Role of PPP in Achieving Vision 2041" organised by the FBCCI in its auditorium in the capital on Saturday.

<https://www.tbsnews.net/economy/banking-laws-may-be-amended-create-exit-genuine-loan-defaulters-salman-f-rahman-522098>

Why USD 30 Bn Saudi investments see little progress

- Even though the country is hungry for foreign investment, the proposals of some top Saudi Arabian companies to invest around USD 30 Bn in various sectors in Bangladesh over the past six-seven years have gone nowhere. Only one project that has made some progress after a long gap is a cement factory in Chhatak, Sunamganj with an investment of USD 600 Mn. Currently, tender evaluation work is going on for the project.

<https://www.tbsnews.net/economy/why-30b-saudi-investments-see-little-progress-521842>

Steel industry to heat up as new players joining race

- Bangladesh's steel industry is set to see the entry of a couple of large business houses while several existing steelworks are looking to expand their capacities in order to gain from the rising demand for the key construction material.
- Six conglomerates, including Meghna Group of Companies, PHP Group of Industries, Bashundhara Group and Anwar Group of Industries, are setting up new factories and expanding manufacturing capacities.

<https://www.thedailystar.net/business/economy/news/steel-industry-heat-new-players-joining-race-3155591>

Trade with Russia: BD out to find payment option amid SWIFT ban

- Dhaka is desperately exploring alternative payment systems amid multiple sanctions, including SWIFT ban, against Russia as bilateral trade will suffer a setback sans a free and safe transaction mechanism. State agencies, including finance and commerce ministries, and central bank, are expected to sit for strategies tomorrow to choose a workable method.

<https://thefinancialexpress.com.bd/economy/trade-with-russia-bd-out-to-find-payment-option-amid-swift-ban-1667011682>

GSP, cotton to dominate next Ticfa talks

- Commerce Minister Tipu Munshi on Thursday said cotton fumigation and generalised system of preference (GSP) issues would be discussed in details in the next meeting of the Trade and Investment Cooperation Forum Agreement (Ticfa).
- While inaugurating the US trade show and the commercial service office of the US Embassy in the city, the minister stated that almost all the requirements for getting the GSP facility were met by Bangladesh.

<https://thefinancialexpress.com.bd/economy/gsp-cotton-to-dominate-next-ticfa-talks-1666929740>

Government keen to expand digital banking, looks into digital currency launch

- The government is optimistic about expanding digital banking in the country to accelerate financial inclusion with an aim to create more jobs for young jobseekers. According to an official document seen by UNB, the government has stepped in to examine the possibility of establishing digital banks.

<https://thefinancialexpress.com.bd/economy/government-keen-to-expand-digital-banking-looks-into-digital-currency-launch-1667053853>

IMF support to enable govt to recharge reserves

- The International Monetary Fund (IMF) says its support programme for Bangladesh will help the country replenish its foreign-currency reserves and enhance the capacity to deal with economic downturn feared ahead. While launching its 'Regional Economic Outlook Report for Asia and the Pacific' in Singapore Friday, the IMF officials said the war in Ukraine and high commodity prices dampened Bangladesh's robust recovery from the pandemic.

<https://thefinancialexpress.com.bd/economy/imf-support-to-enable-govt-to-recharge-reserves-1667009783>

Stocks:**ROBI | Robi revenue rises 6% in Q3**

- Robi has maintained its growth momentum in the third quarter of 2022 when its revenue grew 5.9% year-on-year to BDT 22.074 Bn. The telecom operator's revenue also rose by 4.8% compared to the last quarter when it gained a profit after tax (PAT) of BDT 292 Mn, Robi said in a statement yesterday.
- In the last quarter, the company's voice revenue increased by 6% and data revenue by 2.8% compared to the previous quarter. In year-on-year comparison, the voice revenue growth stood at 8.7% and data revenue growth 3.8%, according to the statement.

<https://www.thedailystar.net/business/telecom/news/robi-revenue-rises-6pc-q3-3155546>

NRBCBANK | NRBC Bank's EPS BDT 1.48 in Q3

- Earnings per share of NRB Commercial Bank stood at BDT 1.48 in the January-September period of 2022, said the private commercial bank in a press release. The bank's consolidated net asset value (NAV) per share was BDT 15.78 as of September 30, which was BDT 15.01 during the same period in 2021, according to the unaudited balance sheet, which was approved at a board meeting yesterday.

<https://www.thedailystar.net/business/economy/banks/news/nrbc-banks-eps-tk-148-q3-3154121>

CHARTEREDLIFE | EBL, Visa unveil co-branded cards, loan products

- Eastern Bank Ltd and Visa launched co-brand cards and loan products for Startup Bangladesh Ltd, the flagship venture capital fund of the ICT Division. The co-brand credit cards which come with a number of benefits for the customers will be usable for both domestic and international transactions.
- The 'Startup Explorer', a loan product for Startups in Bangladesh, and 'EBL Freedom Freelancer Visa Debit Card' were also launched at the same programme, which will help them manage their foreign currency earnings efficiently.

<https://www.thedailystar.net/business/economy/banks/news/ebl-visa-unveil-co-branded-cards-loan-products-3154141>

BBSCABLES | BBS Cables' profit falls for rising raw material prices

- BBS Cables witnessed a decline in profits in 2021-22 fiscal year because of the rising global prices of raw materials and a fall in government tenders, which is the biggest source of the company's earnings. The cable producer's earnings per share dropped more than 13% year-on-year to BDT 4.01 in 2021-22. However, the board of directors of BBS declared 8% cash and 5% stock dividends for its shareholders.

<https://www.thedailystar.net/business/news/bbs-cables-profit-falls-rising-raw-material-prices-3153806>

ACMELAB | ACME Laboratories declares 30% cash dividend

- The ACME Laboratories has declared higher dividends for its shareholders as the company made higher profits in 2021-22 financial year. The drug maker's profits rose 34% year-on-year to BDT 2.11 Bn in the last fiscal year when its earnings per share (EPS) hit BDT 9.98. Considering the higher profits, board of directors of the company declared 30% cash dividend for its shareholders while it disbursed 25% cash dividend in the previous year.

<https://www.thedailystar.net/business/news/acme-laboratories-declares-30-cash-dividend-3153746>

AFTABAUTO | Why Aftab Auto shut down its motorcycle unit

- Aftab Automobiles Limited, the assembler of Benelli, Keeway, and Indian Mahindra two wheelers, and also Hino buses, has announced the closure of its motorcycle unit.
- Aftab Auto's Company Secretary Md Mostafizur Rahman told The Business Standard (TBS), "The two-wheeler unit was not making money and that was why the board of directors decided to close its operations."

<https://www.tbsnews.net/economy/stocks/why-aftab-auto-shut-down-its-motorcycle-unit-521366>

SONALIPAPR | Sonali Paper profits grow on stock investment returns

- Sonali Paper and Board Mills once again reported big profits mainly riding on good returns from its investments in the stock market.
- In the first nine months of the fiscal 2021-22, Sonali Paper has seen better growth in its returns from stock investments than that of the core business – media, liner, simplex, duplex paper board, papers, and aluminium foil papers. As a result, in FY22, the revenue and profit grew 44% and 48% respectively compared to the previous fiscal year.

<https://www.tbsnews.net/economy/stocks/sonali-paper-profits-grow-stock-investment-returns-521334>

BEXIMCO | Beximco doubles its annual profits

- Beximco Ltd has doubled its profits in the 2021-22 fiscal year to BDT12.55 Bn from BDT6.60 Bn a year ago.
- Against each share having a face value of BDT10, the publicly traded conglomerate has earned BDT14.32 in profits (EPS), which was BDT7.53 in the previous fiscal year, according to a public disclosure following the company's board meeting on Thursday (27 October).

<https://www.tbsnews.net/economy/stocks/beximco-doubles-its-annual-profits-521314>

RUNNERAUTO | Runner's profit falls 11%

- The profit of Runner Automobiles fell 11% year-on-year to BDT 270 Mn in 2021-22 financial year. However, the board of directors of the company declared 10% cash dividend for its shareholders. The automobile company's earnings per share (EPS) was BDT 2.40 in the last financial year.

<https://www.thedailystar.net/business/news/runners-profit-falls-11-3153871>

AZIZPIPES | Aziz Pipes: Once gold trophy winner now at last gasp

- After 2020, the pipe-maker announced suspension of production twice due to raw material and working capital crunch. In a turnaround bid, Aziz Pipes recently appointed a seasoned banker to the driving seat.
- In an expansion and product diversification misstep, the company lost its huge reputation and potential. Besides, a lack of leadership, inept management and disputes with banks contributed to the gradual fall of the company. Aziz Pipes' current survival mode includes purchase of raw materials at a higher rate from the local market, minimal use of the production lines and payment of remaining 200 employees and officials.

<https://www.tbsnews.net/economy/aziz-pipes-once-gold-trophy-winner-now-last-gasp-522002>

SINOBANGLA | Sinobangla shares jump 30% on rights issue decision

- The share price of Sinobangla Industries Limited soared 30% a day after the plastic packaging manufacturer decided to issue right shares to raise funds for business expansion and loan repayments. On Wednesday evening, the board of the company decided to issue the right shares and pay dividends to its shareholders.
- According to a stock exchange disclosure, the company's board has decided to issue one right share against two existing shares to its shareholders. The issue price of the right share has been set at BDT20 including the BDT10 premium.

<https://www.tbsnews.net/economy/stocks/sinobangla-shares-jump-30-rights-issue-decision-521234>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 87.90	USD 12.69	16.87%
Crude Oil (Brent)*	USD 95.77	USD 17.99	23.13%
Gold Spot*	USD 1,644.86	(USD 184.34)	-10.08%
DSEX	6,377.99	-378.67	-5.60%
S&P 500	3,901.06	-865.12	-18.15%
FTSE 100	7,047.67	-336.87	-4.56%
BSE SENSEX	59,959.85	1,706.03	2.93%
KSE-100	41,140.33	-3,455.74	-7.75%
CSEALL	8,728.60	-3,497.41	-28.61%

Exchange Rates**1 US Dollar = 100.65 BDT****1 GBP = 116.89 BDT****1 Euro = 100.29 BDT****1 INR = 1.22 BDT**

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