

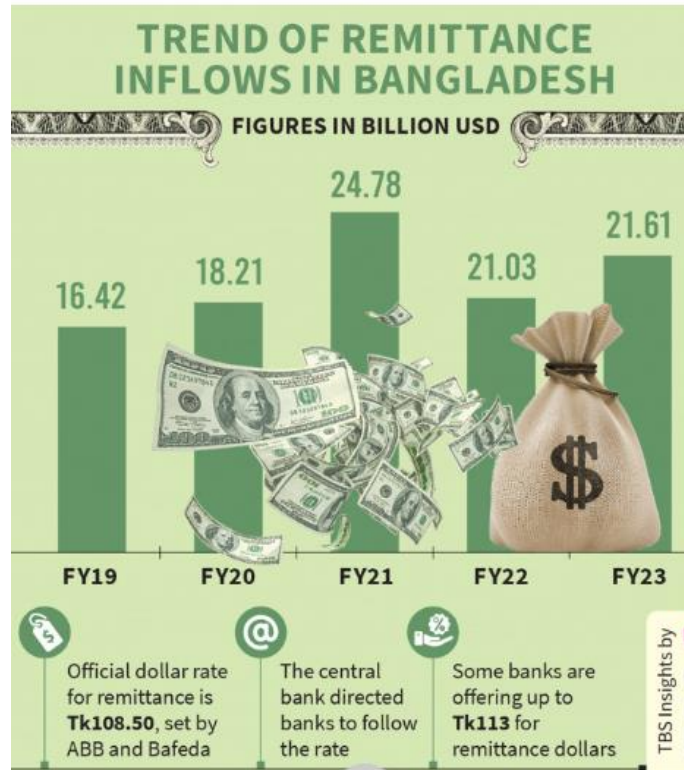
Economy

Remittance inflow hits 35-month high

Bangladesh's inward remittances through banking channels reached a 35-month high of \$2.12 billion in June this year, primarily attributed to Eid-ul-Adha and rising dollar rates for remitters.

Expatriate Bangladeshis sent home \$1.84 billion through the banking channels in June last year, the central bank's data shows. Bangladesh received a total of \$21.61 billion in remittances in FY23, marking a 2.75% increase compared to the previous fiscal year's \$21.03 billion.

Previously, in July 2020, the country witnessed the highest remittance inflow of \$2.6 billion. Experts believe that the closure of hundi, an illegal remittance channel, due to transport suspensions amid the coronavirus pandemic, led to an increase in remittance flows through legal channels.

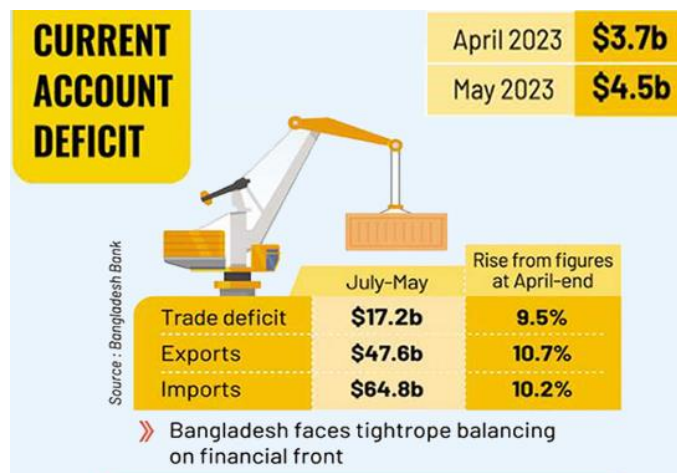


<https://thefinancialexpress.com.bd/economy/bangladesh/remittance-inflow-hits-35-month-high>

CAD widens, financial account remains vulnerable; Little relaxing of essential imports pressures BoP

Bangladesh is facing tightrope balancing on the financial front with external payments imbalance staying high, as per May data, apparently following guarded relaxing of import restrictions to feed the economy.

The country's current-account deficit widened, according to the statistics available until May, as a result of little loosening of the chokehold resorted to amid fall in foreign-currency reserves. And the woes over the financial account continue as it also accounts for a large deficit as recorded last May.



The current-account deficit, which is a measure of a country's trade where the value of the goods and services it imports exceeds the value of the products and services it exports, stood at US\$4.5 billion during

the July-May period of the just-past fiscal year, according to Bangladesh Bank's latest report on the country's external financial front. The CAD deficit was approximately \$3.7 billion during the July-April period of the FY2023.

<https://thefinancialexpress.com.bd/economy/bangladesh/cad-widens-financial-account-remains-vulnerable>

93 tonnes of green chilli imported from India

About 93 tonnes of green chillies arrived in the country within a week after Bangladesh allowed the import of the kitchen essential due to skyrocketing prices, according to a notification from the Ministry of Agriculture. When consumers are struggling to deal with the soaring prices of essentials, the retail price of green chilli hit a record high of BDT 700 a kg in the capital and other parts of the country's kitchen markets yesterday.

The price of chillies decreased in the span of one day after the news of the import. In Karwan Bazar, chilli was being sold today at BDT 400 per kg wholesale and BDT 600 retail. Just about a month ago, retailers in the capital sold green chilli for BDT 100 to BDT 120 a kg.

<https://www.thedailystar.net/health/food/news/93-tonnes-green-chilli-imported-india-3359331>

Fertiliser price increased by 105%, sugar by 60% in Bangladesh since Russia-Ukraine war

The price of fertiliser in Bangladesh has risen by 105% and sugar by 60% due to the Russia-Ukraine war, finds a study conducted by the international humanitarian organisation ActionAid. According to the study, the prices of petrol also increased by 47% and sanitary pads by 23% in Bangladesh.

A survey of more than 1,000 community members and leaders in 14 countries across Asia, Africa and the Caribbean found that prices of fertiliser rose by more than 115% over the period monitored, while costs of petrol and sanitary pads increased by 80% or more, leading to soaring child marriage rates, deteriorating women's health and worsening mental health.

<https://www.tbsnews.net/economy/fertiliser-price-increased-105-sugar-60-bangladesh-russia-ukraine-war-report-658838>

New austerity measures: Purchase of new vehicles halted, travel restrictions for govt officials

In a slew of austerity measures, the government on Sunday halted the purchase of new vehicles and placed restrictions on foreign travel for government officials. The government has introduced a series of outlines at the start of the new fiscal year, FY24, with the aim of cutting costs and alleviating budgetary pressures, according to a circular issued by the Ministry of Finance. Additionally, stricter controls have been implemented on expenditures related to land acquisition.

<https://www.tbsnews.net/economy/new-austerity-measures-purchase-new-vehicles-govt-official-travel-restrictions-658950>

Overdue farm credit rises 10.75% by April-end

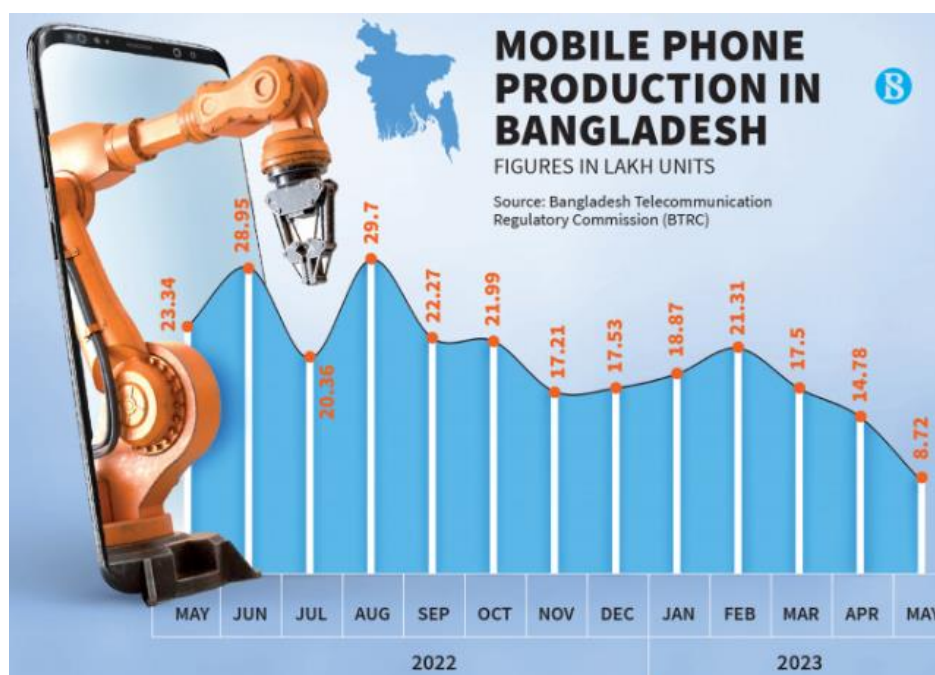
The overdue agricultural credit stood at BDT 69.5 Bn at the end of April 2023, up by 10.75% from BDT 62.74 Bn at the end of April 2022. The overdue agricultural credit, as a percentage of outstanding balance was 13.45 at the end of April 2023 and 12.74 at the end of April 2022, according to Bangladesh Bank data.

The agricultural credit disbursement target was fixed at BDT 309.11 Bn for FY23, which was 8.88% higher than BDT 283.91 Bn targeted in FY22. During July-April 2023, disbursement of agriculture credit stood at BDT 269.3 Bn or up by 87.12% of the total disbursement target of FY23.

<https://thefinancialexpress.com.bd/economy/bangladesh/overdue-farm-credit-rises-1075pc-by-april-end>

Mobile phone production in Bangladesh hits 17-month low in May

Mobile phone handset production has drastically dropped to 872 thousand units in May this year, the lowest in 17 months, according to the latest data released by the Bangladesh Telecommunication Regulatory Commission (BTRC). The production of mobile phones was 1.4 Mn units in April and 2.3 Mn units in May the previous year. The highest production was recorded at 4.1 Mn units in January last year.



<https://www.tbsnews.net/economy/industry/mobile-phone-production-bangladesh-hits-17-month-low-may-658594>

Faltering footwear, leather industries: Why Bangladesh fails to capitalise on raw material advantage

Bangladesh lags far behind its economic peers in footwear and leather product exports, exposing the country's insufficient focus on a sector that possesses a key advantage – regular access to the main rawhide – which its competitors lack. For instance, Bangladesh, despite having started footwear and leather

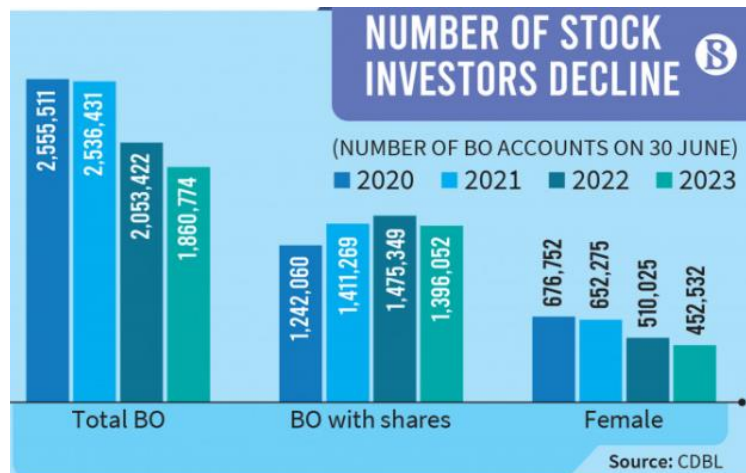
product exports earlier than Vietnam, lags significantly behind in earnings, with the latter earning over USD 20 Bn compared to Bangladesh's USD 1 Bn.

The country earned nearly USD 1.25 Bn in the 2021-22 fiscal year from the exports of leather and leather products while semi-finished or finished leather made less than USD 125 Mn of it, down from USD 400 Mn in 2014-15. Because of the non-compliance of local leather, footwear, and other leather product exporters have to import compliant leather from other countries as per the buyers' specifications, and that costs the country over USD 150 Mn annually, according to BTA.

<https://www.tbsnews.net/analysis/faltering-footwear-leather-industries-why-bangladesh-fails-capitalise-raw-material>

Individual investor base shrinks in FY23

Having a painful bearish environment over two-thirds of the time, the stock market saw its individual investors base shrinking in the 2022-23 fiscal year. According to the Central Depository Bangladesh Ltd (CDBL), the number of beneficiary owner (BO) accounts through which investors engage with the capital market, declined by nearly 200 thousand over the fiscal year that ended this June.



<https://www.tbsnews.net/economy/stocks/individual-investor-base-shrinks-fy23-658946>

Stock-Specific News

GPH Ispat revaluates its fixed asset

GPH Ispat Limited — a listed steel manufacturer — has revaluated its fixed asset which has become double approximately. According to the disclosure, the company posted its evaluated net asset value per share was BDT 52.36, which was BDT 26.77 at the end of March 2023. Its total evaluated fixed asset was BDT 32.2 Bn, which was BDT 17.36 Bn as of March 2023.

From January to March of the fiscal year 2023, its earnings per share was BDT 1.16, which was BDT 1.34 in the same period of the previous year. Its share price stood at BDT 44.80 on the Dhaka stock exchange on Sunday.

<https://www.tbsnews.net/economy/stocks/gph-ispate-revaluates-its-fixed-asset-658718>

Pragati Life fund rises 2% in Jan-Mar

Pragati Life Insurance Ltd posted a 2% year-on-year life fund growth in the first quarter (January to March) in the calendar year 2023. From January to March, its life insurance fund stood at BDT 6.21 Bn, which was BDT 6.09 Bn in the same period of 2022. Earlier, the board of directors of Pragati Life Insurance Ltd recommended a 12% cash dividend for the year that ended on 31 December 2022. The share price of the

company decreased by 2.73% and stood at BDT 128.50 on the Dhaka Stock Exchange till 12.42pm on Sunday (2 July).

<https://www.tbsnews.net/economy/stocks/pragati-life-fund-rises-2-jan-mar-658698>

Stock-Exchange News

18 more stocks at risk of plunging into Z category

Eighteen more companies listed on the Dhaka Stock Exchange (DSE) are at risk of being downgraded to the Z category due to their failure to declare dividends for at least two years and hold annual general meetings (AGMs) within the stipulated time.

Among the other 18 non-complaint companies, Ring Shine Textiles, New Line Clothings, Kattali Textile, CVO Petrochemical Refinery, and Renwick Jajneswar & Co. (BD) Ltd are still classified in the A category. Miracle Industries, Delta Spinners, Yeakin Polymer, Regent Textile Mills, Intech Limited, Keya Cosmetics, Atlas Bangladesh, Aziz Pipes, Central Pharmaceuticals, Khulna Printing & Packaging, Libra Infusions, Zaheen Spinning, and Zahintex Industries are classified in the B category.

<https://www.tbsnews.net/economy/stocks/18-more-stocks-risk-plunging-z-category-658626>