

## **Economy:**

### **Bangladesh's global market share in clothing exports rises to 7.9%**

Bangladesh has more than tripled its share of clothing exports in the global markets, reaching 7.9% in 2022 from just 2.5% in 2005, according to a World Trade Organisation (WTO) report. Despite facing headwinds in the global markets and grappling with rising production costs due to price hikes of raw materials and energy, Bangladesh retains its position as the world's second-largest clothing exporting country after China. Bangladesh exported USD 45 Bn worth of clothing in 2022, accounting for a 7.9% share of the global market, as said in the report titled "World Trade Statistical Review 2023" released on 31 July. Exporters attributed this growth to the country's efforts to go for value-added products and diversification of orders from China. Exports could go up further if exporters get the required support from the government, such as the uninterrupted supply of energy and favourable tax and duties.

<https://www.tbsnews.net/economy/bangladeshs-global-market-share-clothing-exports-rises-79-675394>

### **Remittance inflow falls 5.86% in July**

Remittance inflow to Bangladesh fell 5.86% year-on-year to USD 1.97 Bn in July, central bank data showed today. It was USD 2.09 Bn in the same month last year. Funds transferred by migrant workers in the first month of the new fiscal year declined 10.27% from June's USD 2.19 Bn. Bangladesh Bank assistant spokesperson Md Sarwar Hossain described July's receipts as better

<https://www.thedailystar.net/business/economy/news/remittance-inflow-falls-586-july-3383736>

### **Taka becomes weaker against dollar again**

The taka has become weaker against the dollar again as the central bank has increased the price of the greenback by BDT 0.50 to BDT 109.50 in case of selling from forex reserves. The central bank sold around USD 69 Mn dollars at the new rate today, according to sources at the Bangladesh Bank. This is the third time the taka was devalued in FY24. The price of a dollar was BDT 109 in July this year. Over the last one year, the country experienced a currency devaluation of BDT 15.05, equivalent to 16%, from BDT 94.45 per dollar a year ago. A senior official of the central bank told TBS that the central bank is selling dollars from reserves at the interbank rate. The interbank rate for dollars rose by BDT 0.50. The central bank has also increased the selling rate of dollars from the reserves.

<https://www.tbsnews.net/economy/taka-becomes-weaker-against-dollar-again-675390>

### **Current-account deficit little cured, reserves crunch not**

Bangladesh sees its current-account deficit (CAD) recoup slowly with export and remittance earnings outstripping tightfisted import spending meant to weather dollar dearth, official data showed. According to the statistics available with the country's central bank, Bangladesh spent USD 6.34 Bn for import purposes in July 2022 while the total earnings from export and remittance came to USD 6.1 Bn. The spending was USD 256.10 Mn higher than the earnings. But things started to make a turnaround in December 2022 and a surplus trend continued till May with USD 76.58 Mn, according to the available BB data. Despite the gradual increase in forex holding, a BB official, who preferred not to be quoted by name, smells a rat in banks'

unrelenting dollar suck from the central bank's reserve and wonders as the sale of the US dollar by BB from its reserves continues soaring.

<https://thefinancialexpress.com.bd/economy/bangladesh/current-account-deficit-little-cured-reserves-crunch-not>

## **Banks, NBFI, and Insurance**

### **Banglalink to apply for digital banking licence**

Mobile network operator Banglalink has decided to apply for a digital banking licence as it looks to leverage its vast pool of customers to serve a population increasingly using technologies to make and receive payments. The decision to apply for a digital bank is based on "our global strategy of transforming ourselves" as a digital operator, Kaan Terzioğlu, group chief executive officer of Banglalink's parent company Veon, told The Daily Star on Monday. VEON, which operates in seven countries, is increasingly launching more digital services amid the decreasing voice revenue in the global telecom industry. In Bangladesh, Toffee was an example of how great feats could be achieved in entertainment, said Terzioğlu, adding that MyBanglalink is a super app that addresses education and healthcare. The company is planning to utilise its existing customer base as a strategic asset to enhance its position in the digital banking market and bring innovation.

<https://www.thedailystar.net/business/economy/news/banglalink-apply-digital-banking-licence-3384136>

### **Nasim Manzur becomes Pioneer Insurance chair**

Syed Nasim Manzur has been elected as the chairman of Pioneer Insurance Company Ltd at a meeting of the board of directors of the insurer in Dhaka recently. Manzur is the chairman of Landmark Footwear Ltd and managing director of Apex Footwear Ltd. He is on the board of Apex Tannery Ltd, Apex Pharma Ltd, Blue Ocean Footwear Ltd, Grey Advertising Bangladesh Ltd, Quantum Consumer Solutions Ltd, Sunbeams School Ltd, and International Publications Ltd. He is the president of the Leathergoods and Footwear Manufacturers & Exporters Association of Bangladesh and a vice-president of the Bangladesh Association of Publicly Listed Companies.

<https://www.thedailystar.net/business/economy/news/nasim-manzur-becomes-pioneer-insurance-chair-3384016>

### **Green Delta profit rebounds in April-June**

Publicly traded Green Delta Insurance, after a significant drop in profits in the first quarter this year, has turned around in the April-June quarter. The non-life insurer posted a consolidated earnings per share (EPS) of BDT 2.14 for the second quarter that ended in June, which was BDT 2.06 for the same period last year. The company thanks its higher underwriting profits that grew to BDT 388.3 Mn in this April-June from BDT 256.5 Mn a year ago for the EPS growth. However, the first quarter EPS that dropped to BDT 0.74 from the previous year's BDT 1.78 did not let the company post a growth in half-yearly profit..

<https://www.tbsnews.net/economy/stocks/green-delta-profit-rebounds-april-june-675370>

### **Dhaka Bank's EPS jumps 31% in April-June quarter**

The consolidated earnings per share of Dhaka Bank Ltd soared 31% year-on-year to BDT 0.71 for April-June this year due to an increase in interest income and a decrease of provision against loans. The lender's half-yearly consolidated EPS also rose more than 7% to BDT 1.31 for January-June 2023, up from BDT 1.22 (restated) for the same period as a year earlier. "EPS increased due to increase of interest income and decrease of provision against loans and advances as compared to the previous period," said the bank in its earnings note published on Tuesday. The bank's consolidated net asset value per share was BDT 22.05 as on June 30, 2023, and BDT 20.91 (restated) as on June 30, 2022. The bank disbursed 6% cash and 6% stock dividends for the year 2022.

<https://thefinancialexpress.com.bd/stock/bangladesh/dhaka-banks-eps-jumps-31pc-in-april-june-quarter>

### **City Bank's profit rises 9% in Q2**

City Bank's consolidated profit rose 9.07% year-on-year to BDT 2.37 Bn in the first half of 2023. The amount was BDT 2.17 Mn during the same period of last year. Consolidated earnings per share (EPS) of the bank was recorded at BDT 1.97 for the half year that ended in June, 2023 against BDT 1.81 during the same period of last year

<https://www.thedailystar.net/business/economy/news/city-banks-profit-rises-9-q2-3384051>

### **BSEC asks Progressive Life to reconstitute its board**

The Bangladesh Securities and Exchange Commission (BSEC) has asked Progressive Life Insurance Company Ltd. to reconstitute its board by appointing five independent directors nominated by the regulator. The company has also been asked to hold its pending annual general meetings (AGMs). The regulator has issued the order recently as the company failed to hold the AGMs for the years 2020-2022 and reconstitute its board in due time. As per the regulatory directive, a company is required to reconstitute the board within 45 working days of its placement in the 'Z' category.

<https://www.thedailystar.net/business/economy/news/city-banks-profit-rises-9-q2-3384051>

### **Capital Market:**

#### **Stocks rebound amid bargain hunting, turnover falls**

Dhaka and Chattogram stocks started the new month with gains as investors, in an effort to take advantage of the previous two days' fall, pushed the major indices up on Tuesday. The DSEX, the broad-based index of the Dhaka Stock Exchange (DSE), closed 0.22% higher at 6,339, more than recovering its previous day's losses. However, turnover fell further to below Tk600 crore due to the cautious approach of investors. The upbeat momentum in the market sustained throughout the session since buy dominance prevailed across the bourse as investors sought quick-gain opportunities in sector-specific issues. However, investors were yet to regain confidence across the trading floor because of market uncertainties due to the potential resurgence of political movements ahead of the national election, according to the analysts at the brokerage firm. Also, many cautious investors were still on the sidelines as they preferred to observe the market momentum and the corporate earnings disclosures by the listed firms. The overall economic environment amid a rising interest rate trend was also a reason behind investors' caution.

<https://www.tbsnews.net/economy/stocks/stocks-open-higher-tuesday-675010>

### **Stock-Specific:**

#### **Reckitt profit grows 25pc in H1**

Reckitt Benckiser (Bangladesh) posted a 25 per cent growth in profit year on year in the first half of this year, thanks to a reduction in running expenses. The UK-based multinational, which sells popular consumer products like Dettol and Harpic, made a profit of Tk 299 million during this January-June period, up from Tk 239 million in the same period last year. The company's second-quarter profit, however, dropped less than 1.0 per cent year on year to Tk 147 million for this April-June quarter. Following the news, Reckitt's stock price rose by Tk 30 each to Tk 4823.30 on Tuesday. Reckitt has remained the most-valued stock on the market in the past few years. Its revenue also grew by 7.0 per cent year on year to Tk 2.68 billion in January-June while production costs rose by 4.0 per cent during the period. Despite increased production costs, the company managed to lower operating costs by reducing administrative and marketing expenses significantly, thus helping make higher profit, said the company in its earnings note.

<https://thefinancialexpress.com.bd/stock/bangladesh/reckitt-profit-grows-25pc-in-h1>

#### **EBL Asset Management Limited (EBL AML)**