

Economy:

Inflation falls slightly to 9.69% in July

Inflation fell slightly to 9.69 percent in July from 9.74 percent in the previous month thanks to the steady prices of non-food items, according to the Bangladesh Bureau of Statistics (BBS). This was the second consecutive month the consumer prices witnessed decline since May when inflation rose to 9.94 percent, an 11-year high. Food inflation rose to 9.76 percent in July from 9.73 percent in the previous month. Non-food inflation eased to 9.47 percent last month from 9.6 percent in June, according to the BBS.

<https://www.thedailystar.net/business/economy/news/inflation-falls-slightly-969-july-3387901>

Why unified exchange rate couldn't stop dollar sale from reserve

The Bangladesh Bank keeps selling dollars from its foreign exchange reserves despite a historic high devaluation of the taka in a single day on 3 July, indicating that the implementation of a unified exchange rate is still dictated. The gap between the officially declared rate and the market rate has now exceeded Tk5 per US dollar. Although the central bank set the rate for selling dollars from its reserve at Tk109.50 in line with the interbank rate, market insiders reveal that most banks are opening import letters of credit (LCs) at Tk114-116, disregarding the official rate.



<https://www.tbsnews.net/economy/banking/why-unified-exchange-rate-couldnt-stop-dollar-sale-reserve-678082>

Bank, NBFi, and Insurance Sector:

Govt nods forming insurance co to cover all public employees

The government has approved the formation of an independent insurance company with the aim to bring all public employees under insurance coverage. The Ministry of Public Administration will form the company, which will be under the Bangladesh Employees Welfare Board. In this regard, the ministry in a letter has sought the opinion of secretaries, divisional commissioners, deputy commissioners, and upazila nirbahi officers by 27 August. According to the letter, the Bangladesh Employee Welfare Board Act has provisions to form a separate insurance company for government employees.

<https://www.tbsnews.net/economy/govt-nods-forming-insurance-co-cover-all-public-employees-678122>

Apparel & Textile Sector:

2023 won't fare well for apparel trade: BGMEA

The rest of the year 2023 will not fare well in terms of apparel trade measured in dollar values, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). The President of BGMEA commented that the projection of the global apparel trade will drastically fall in 2023. Moreover, as per the performance report of the months that have elapsed in 2023, sourcing by major markets has drastically gone down. Particularly, garment import by the US and European Union from around the world has declined by 22.92 percent and 8.84 percent respectively during the January-May period of 2023.

APPAREL EXPORT BY VARIOUS COUNTRIES (Value in billion \$)			
Country	2020	2021	2022
China	141.59	176.08	182.42
Bangladesh	28.07	34.2	45.35
Vietnam	28.6	31.2	35.27
Turkey	15.35	18.73	19.91
India	12.97	16.15	17.71
Indonesia	7.55	9.32	10.08
Cambodia	7.55	8.13	9.11
USA	4.84	6.14	7.16

SOURCE: WTO

<https://www.thedailystar.net/business/economy/news/2023-wont-fare-well-apparel-trade-bgmea-3388126>

Agriculture Sector:

BB raises farm loan disbursement target for FY24

Bangladesh Bank yesterday gave lenders in the country a higher farm loan disbursement target for fiscal year (FY) 2023-24 in an effort to ensure that farmers get enough funds to invest in increasing food production. As such, banks will have to collectively provide Tk 35,000 crore as agricultural loans in FY24, up nearly 14 percent year-on-year. However, growers will be required to pay higher interest on loans this fiscal year as the central bank removed the cap on interest rates and introduced a corridor.

<https://www.thedailystar.net/business/economy/news/bb-raises-farm-loan-disbursement-target-fy24-3388036>

Telecommunication Sector:

BTRC now seeks opinions from licensees

Bangladesh Telecommunication Regulatory Commission (BTRC) and its licence holders are at odds over a proposed amendment to the telecommunication act, which suggests the revocation of licences for those who fails to pay dues in time. As the licensees raised objections to this change, the BTRC has now invited their opinion on the issue. In a notice issued last week, BTRC asks the licensees to give their opinions within 15 days mentioning their name, licence No. and mobile numbers. Earlier, mobile phone operators raised strong objections to the move to unilaterally amend the Telecom Act, saying it could hamper business and erode investor confidence.

<https://today.thefinancialexpress.com.bd/trade-market/btrc-now-seeks-opinions-from-licensees-1691343705>

Capital Market:

Turnover hits 4-month low

The daily turnover on the Dhaka Stock Exchange tumbled to four-month low on Sunday as investors were reluctant to put fresh bets on stocks amid growing political tensions. Turnover, a crucial indicator of the market, was 4.17 billion on the country's premier bourse, slumping further by 14 per cent from the previous day. It was the lowest single-day transaction volume since April 13 this year, when the turnover was recorded at Tk 4.14 billion. Analysts said the market remained under sale pressure as investors continued to encash holdings while institutional investors remained on the sidelines amid growing political tensions.

<https://today.thefinancialexpress.com.bd/stock-corporate/turnover-hits-4-month-low-1691344136>

Stock-specific:

Titas Gas users in a fix for supply crunch

People's sufferings continue unabated as complaints regarding unavailability of piped gas and low gas pressure with Titas Gas Transmission and Distribution Company Limited increased significantly in fiscal year (FY) 2021-22 compared to FY 2020-21. Titas received 210 complaints about low gas pressure in FY 22, while it was 171 in FY 21. A total of 647 complaints about no gas supply were filed with the company in FY 22, whereas it received 521 such complaints in FY 21, according to the company's data. As many as 6,862 complaints, like fire accident, gas leakage, low gas pressure, no gas, etc, were filed with Titas Gas in FY 22, while the number was 8,881 in FY 21.

<https://today.thefinancialexpress.com.bd/last-page/titas-gas-users-in-a-fix-for-supply-crunch-1691346258>

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