

National Economy

Forex reserves slip further

Bangladesh's foreign currency reserves have slipped further as per the definition of the International Monetary Fund's (IMF) balance of payments and investment position manual. The central bank began publishing the gross international reserves (GIR) in line with the manual on July 12 to ensure that the country's dollar stockpile is reported accurately. On the day, it stood at USD 23.58 Bn. On July 19, the GIR fell to USD 23.45 Bn, central bank data showed. Bangladesh's reserves have been under strain for months due to higher imports against the lower-than-expected export earnings and remittances.



<https://www.thedailystar.net/business/economy/news/forex-reserves-slip-further-3376961>

Import volume dips, price rises at Ctg port in FY23

Although the volume of merchandise imported through Chattogram port decreased by 3.86%, the total import bill of the goods jumped by 10% in fiscal 2022-23. In the just concluded FY 23, 88.5 Mn tonnes of goods with the value of BDT 4.62 Tn were imported through the port, according to the Chattogram Custom House.

In the previous fiscal, the imported quantity was 92.1 Mn tonnes and their value was BDT 4,20 Tn. Meanwhile, Chattogram Custom House has collected a total revenue of BDT 616.32 Bn from these imported goods in the FY23, a 4.18% growth from the previous fiscal's BDT 591.60 Bn.

<https://www.tbsnews.net/economy/import-volume-dips-price-rises-ctg-port-fy23-669902>

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Japan keen to invest more but seeks better business environment

Japan wants to support Bangladesh in improving six potential areas to face the challenges of graduation from the least developed countries (LDC) status but has called on the government to improve the country's business environment. Japan's Economy, Trade and Industry Ministry has identified the six areas – diversifying the apparel sector, becoming an IT giant, transitioning to clean energy and heavier industries, becoming a logistics hub, and moving towards a circular economy.

"Japan wants to work jointly with Bangladesh for energy security and climate change," Minister Yasutoshi Nishimura said while addressing a summit titled "Bangladesh-Japan economic relations for the next 50 years: For the industrial upgradation of Bangladesh" in Dhaka on Sunday.

<https://www.tbsnews.net/economy/japan-keen-invest-more-seeks-better-business-environment-670338>



Global Economy

Most Asian currencies slip ahead of likely Fed hike

The Taiwan dollar and Thai baht led losses among weak Asian currencies on Monday (24 July), as investors braced for the US Federal Reserve's meeting later this week, even as expectations rise for a pause in rate hikes in the future. Taiwan's dollar <TWD=TP> lost about 0.5%, slipping to its weakest since 11 July and was on track for its fourth consecutive session of losses.

Market participants expect a 25 basis point rate hike at the Federal Open Market Committee meeting which concludes late Wednesday, with all eyes on Fed Chair Jerome Powell's speech on the trajectory of rate hikes in the near term.

<https://www.tbsnews.net/economy/stocks/most-asian-currencies-slip-ahead-likely-fed-hike-670426>

Textile

CMT manufacturing: Central bank clarifies terms of incentives for apparel exports

The Bangladesh Bank has clarified the conditions for getting export incentives for garment products manufactured under the cut-make-trim (CMT) process. From now on, local value addition on the export of garment products made under CMT manufacturing will have to be calculated using a new method to be eligible for incentives, the central bank's Foreign Exchange Policy Department (FEPD) said in a new guideline issued Sunday (23 July). Under the CMT manufacturing process, foreign buyers purchase the raw materials of garment products and send those to Bangladesh for the local exporters do the tailor work, according to central bank officials.

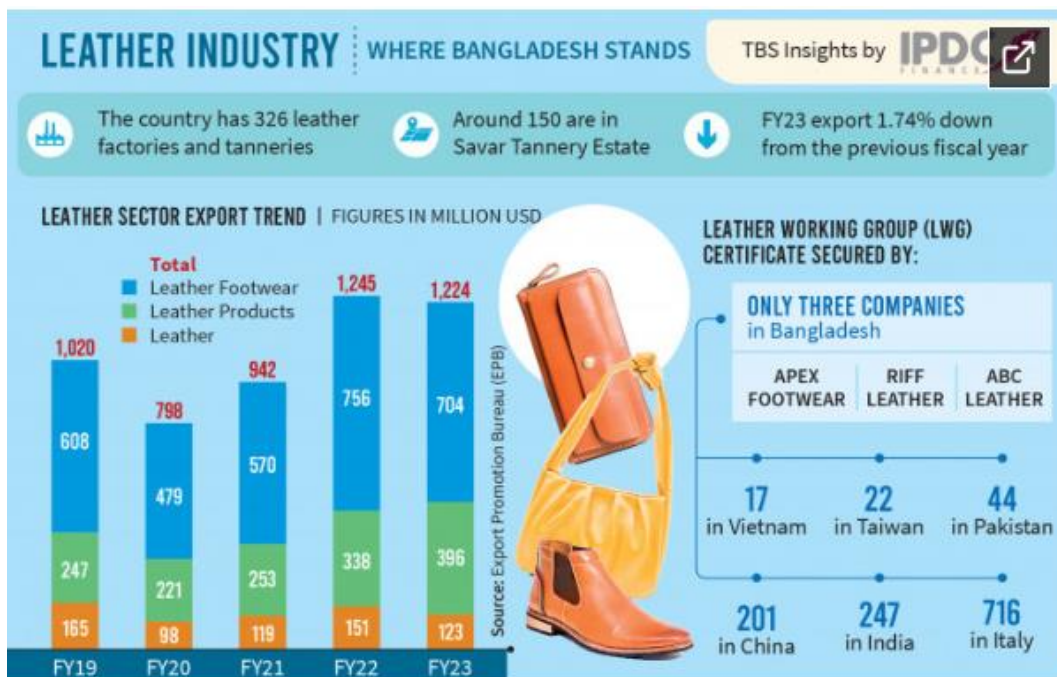
<https://www.tbsnews.net/economy/cmt-manufacturing-central-bank-clarifies-terms-incentives-apparel-exports-670206>

Tannery

How non-compliance hindering leather industry growth

The leather and leather goods industry, the second-largest foreign currency earning sector of Bangladesh, is not experiencing a significant boost in exports primarily due to non-compliance with waste management and effluent treatment. All this discourages foreign buyers and investors, preventing the industry from expanding its presence in the global market despite having ample opportunities and potential.

During a seminar yesterday, tanners and exporters expressed these grievances and emphasised the urgent need for the central effluent treatment plant in Savar Tannery Industrial Estate to become fully functional. They believe this would attract foreign buyers and lead to increased exports.



<https://www.tbsnews.net/economy/industry/how-cetp-non-compliance-hindering-leather-industry-growth-670334>

Stock-Specific News

United Insurance posts lower profit in Q2

United Insurance Company Ltd posted about 8 per cent lower profit at BDT 36 Mn in the second quarter of 2023. The profit stood at BDT 39.2 Mn in the identical April-June quarter in 2022. Thus, the earnings per share were BDT 0.81 in April-June this year against BDT 0.88 in the same period last year. The profit stood at BDT 45.8 Mn in January-June, down 13.44% from BDT 52.9 Mn in the first half a year ago. So, the EPS declined to BDT 1.03 from BDT 1.19 during the period.

<https://www.thedailystar.net/business/news/united-insurance-posts-lower-profit-q2-3376686>

Walton to start TV exports to South Korea

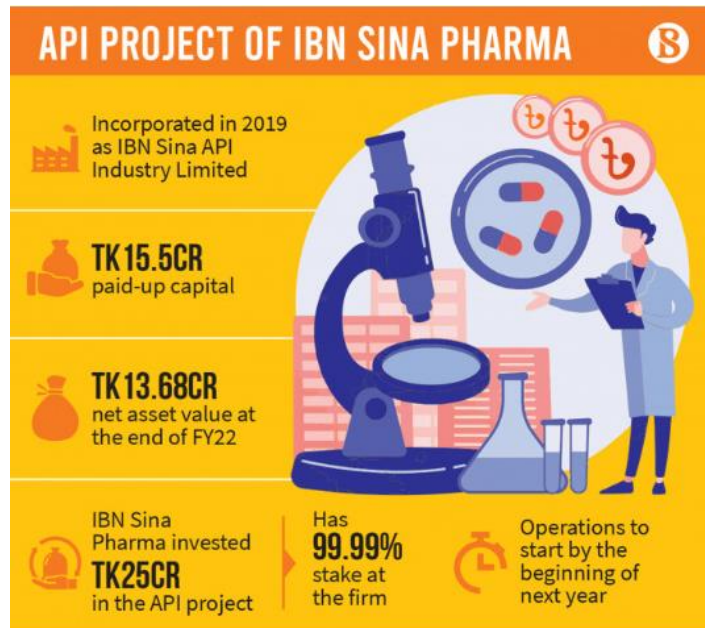
Walton, a global electronics brand of Bangladesh, will start exporting televisions with the Walton brand logo in South Korea. Hans Korea, a renowned company of South Korea, will market Walton brand TV in the country's market. Walton and Hans Korea signed a memorandum of understanding (MoU) to this end, Walton said in a press release.

Nazrul Islam Sarkar, deputy managing director of Walton Hi-Tech Industries PLC, and Han Kijung, chief executive officer of Hans Korea, inked the MoU. "Expanding the TV export market in South Korea is undoubtedly a huge milestone for Walton. This achievement will play an important role in achieving Walton's vision "Go Global 2030", said Mustafa Nahid Hossain, chief business operation of Walton TV.

<https://www.thedailystar.net/business/news/walton-start-tv-exports-south-korea-3376586>

Ibn Sina to invest BDT 100 Mn in subsidiary firm

The Ibn Sina Pharmaceutical is going to invest BDT 100 Mn in its subsidiary the Ibn Sina API Industry Ltd as part of its capital investment in order to purchase capital machineries, the company said today. The drug maker is going to purchase a total of 42.5 decimal land in Chattogram and Barishal to set up sales depots. The purchase price of the land will be BDT 55.8 Mn excluding registration fee and other additional expenses, according to the company.



<https://www.thedailystar.net/business/economy/stock/news/ibn-sina-invest-tk-10-crore-subsiary-firm-3376406>

C&A Textiles to merge with Alif Industries

Scam-hits C&A Textiles will now merge with Alif Industries Limited – a concern of Alif Group – subject to approval from banks, other creditors and shareholders. After the merger, the entities, both listed on the capital market, will operate as Alif Industries Limited, according to a stock exchange filing on Sunday.

Following the news, Alif Industries' shares soared over 8% and closed at Tk90.30 each, where C&A shares rose 2.59% to Tk11.90 each at the Dhaka Stock Exchange (DSE).



<https://www.tbsnews.net/economy/stocks/ca-textiles-merge-alif-industries-670290>

Stock-Exchange News

CS30 index revised, including 14 cos

The port city bourse has revised its CS30 index including 14 companies based on their market performance. The newly included companies have replaced another 14 companies from the existing list. The revised index will come into effect from July 27, 2023.

The new companies which have been included in CSE-30 Index are Apex Foods, Apex Footwear, Asia Insurance, Bangladesh National Insurance Company, British American Tobacco Bangladesh Company, Export Import Bank of Bangladesh, Global Islami Bank, GPH Ispat, Islami Bank Bangladesh, LafargeHolcim Bangladesh, National Housing Finance & Investment, Summit Alliance Port, Union Bank, and Unique Hotel & Resorts.

<https://thefinancialexpress.com.bd/stock/bangladesh/cs30-index-revised-including-14-cos>