

July 31, 2022

# Morning Newsflash



## Economy

### Private credit growth hits 4-year high

- Private sector credit growth in Bangladesh accelerated to a four-year high of 13.66 per cent last fiscal year from what was in the preceding year.
- The propellants were the need to finance rising imports and demand for SME and retail loans as the economy regained its pace in growth from the pandemic's fallout.

[\[Read more\]](#)

### A record USD 10 bn foreign loans, aid came in FY22

- Amidst a lot of criticism regarding seeking a USD 4.5 bn loan from IMF (International Monetary Fund), the Economic Relations Division (ERD) of the Finance Ministry statistics disclosed that the government of Bangladesh has set a new record in taking aid and loans from development partners and donor countries in FY22.
- In terms of financing, the Asian Development Bank (ADB) topped the list, followed by Japan and the World Bank, according to a report published by the ERD on July 27.

[\[Read more\]](#)

### Gas crisis hits industries

- The gas crisis is seriously affecting the country's industries, including the export-oriented apparel and textile sectors, already struggling to cope with power cuts for a more than a week, besides the suspension of fertiliser production at two state-owned factories.
- Leaders of the Bangladesh Knitwear Manufacturers and Exporters Association, the Bangladesh Textile Mills Association and apparel factories said that their productions dropped by 40–50 per cent due to the fall in gas supply.

[\[Read more\]](#)

## Banks

### Call money rate continues to rise amid liquidity pressure

- The inter-bank call money rate has been surging continuously amid liquidity shortage in the financial system.
- The weighted average rate on call money rose to 5.54 per cent on July 28 from 4.42 per cent in June. The rate was 2.23 per cent in June, 2021, according to the data of the Bangladesh Bank.

[\[Read more\]](#)

## Capital Market

## Floor prices set on cos again

- The Bangladesh Securities and Exchange Commission on Thursday again imposed floor price on all listed companies to arrest free fall in the market.
- According to the order, opening price of any listed company must be set at the average of the closing price of immediate preceding five trading days and this average price calculated for each security must be considered as the floor price and lowest limit of the circuit breaker.

[\[Read more\]](#)

## Textile & RMG

### Apparel exports see nearly 14% growth in July

- Bangladesh's apparel exports have raked in around USD 2.78 bn with nearly 14% year-on-year growth in the first 27 days of July, while the sector is bracing for around 30% shortage of work orders in the coming months.
- The sector enjoyed a whopping 1,128% growth year-on-year in a single day during the period, but the shipment also witnessed zero export on 10 July, said sources at the Bangladesh Garment Manufacturers and Exporters Association (BGMEA)

[\[Read more\]](#)

### Import of apparel raw materials surges

- The import of basic raw materials used to produce garment items in Bangladesh surged in the first six months of 2022 on the back of a rise in demand in the export markets, even contributing to the dollar crisis in the country.
- The imports of yarn, cotton, knitted and woven fabrics rocketed in such a way that their combined value in the January-June period this year almost equalled that of the entire 2021.

[\[Read more\]](#)

## Commodities

### Rice production to decline: USDA forecasts on Bangladesh

- Bangladesh may bag lower rice output this season, which begins with Boro paddy in winter, as heavy rainfall and flash floods in June have damaged the Aush crops to be harvested next month, according to a recent forecast by the US Department of Agriculture (USDA).
- The agency raised its estimate regarding the Boro rice harvested in the April-May period to 19.7 mn tonnes, up 2 per cent from the previous harvest.

[\[Read more\]](#)

### Wheat price falling as India lifts embargo

- The price of wheat has gone down by BDT 4-5 per kilogram as supply issues eased on the back of India resuming exports through the Hili land port in Dinajpur, reports UNB.
- The traders said they bought wheat at BDT 36-37 per kg on Saturday, which was BDT 40 -41 per kg last week.

[\[Read more\]](#)



## [Help Center | Contact Us](#)



If you do not want to receive this email in the future, please

[Unsubscribe](#)

**Disclaimer:**

The contents of this email are confidential, may be legally privileged, and is not intended for distribution to the public. If you are not the addressee, please do not copy, forward, disclose or use the information contained herein. If you have received this e-mail in error, please notify the sender by return e-mail. This email has been transmitted over a public network and may suffer errors, viruses, delay, interception, and amendment. The sender does not accept any liability damage caused by the contents of this email. Unless expressly stated, any opinions are those of the sender's and are not approved by SSL or any of its affiliates. Shanta Securities Limited is a stockbroker registered with and regulated by Bangladesh Securities & Exchange Commission (BSEC), Bangladesh. SSL and its affiliates (Shanta Asset Management Limited and Shanta Equity Limited) offer full-service brokerage, investment management, and investment banking services to clients. For any further information, please visit [www.shantasecurities.com](http://www.shantasecurities.com)