

Bangladesh is Back!!

Government aims to restore business confidence, revive economy in one month



- Interim government plans to boost business confidence by enhancing transparency in government expenditure, boosting agricultural and industry production, restoring financial order, and increasing revenue collection.
- Pledges to eradicate cost-cutting factors in the business sector, including banking, to ensure a dynamic and fully functional economy within a month.
- Overhauling and restructure of the banking sector is underway, a banking commission will be formed to develop an action plan, which can be implemented within six months.
- Central Bank is providing **easy loan facility** for payment of salaries and allowances to workers of active export-oriented industries.

IMF is ready to assist Bangladesh in achieving development reform goals

- IMF shows interest in strengthening partnership by supporting Bangladesh's reform agenda and focusing on domestic revenue mobilization, expenditure rationalisation, and climate change.
- Krishna Srinivasan, director of the Asia and Pacific Department of the IMF, states the IMF's support for Bangladesh's finance in a letter.
- IMF has disbursed third installment of **\$4.7 billion** loan package to address the foreign exchange reserve crisis.
- Interim government, led by Dr Muhammad Yunus, is requesting an additional **\$3 billion** to increase total debt to **\$7.7 billion**.



Bangladesh's Remittance Inflow Rises

- Bangladesh received **\$2.2 billion** as remittances in August, **16% surge from July 2024**.
- The central bank's decision to raise the dollar price by 2.5% played a role in the increase in remittances.

A refreshing change at Dhaka airport

- Significant improvements in speedy luggage retrieval, cleanliness and maintenance, passenger handling and care.
- Officials reported that passengers receive **80-85%** of their luggage within the stipulated time, with the first piece available within **18 minutes of shutting down the aircraft engine**.
- Services such as free wi-fi, free phone service, and help desk are active to navigate the passengers.



Passengers rejoice as metro rail resumes operation after a month



- Metro service resumed after a 37-day suspension due to recent crisis.
- Regular commuters, especially office workers, are relieved to have the metro rail running again.
- The interim government plans to designate the metro rail as a **Key Point Installation (KPI)** to prevent future disruptions and ensure its security.

Exporters upbeat about loss recovery

- Exporters are optimistic about the new interim government in restoring law and order to create a business-friendly environment, boosting global buyer confidence.
- **UNI Global Union, IndustriALL, and Ethical Trading Initiative** urge global buyers to maintain engagement with Bangladeshi suppliers to understand the consequences of factory shutdowns and recent unrest.
- **H&M** supports Bangladesh's stability measures and assures suppliers, it will not seek discounts due to potential delays.



Power and Fuel prices see positive changes



- Interim Government reduces fuel prices, by **Tk 1.25 for Diesel-Kerosene**, by **Tk 6.0 per litre for petrol-octane**, effective from September 1.
- Government has canceled its executive authority to raise power and gas prices without a public hearing by the Bangladesh Energy Regulatory Commission (BERC).

Stocks see highest rise in 3.5 years

- Stocks in Bangladesh witnessed a massive jump amid hopes of a revival of the market following the fall of the previous government.
- DSEX, the key index of Dhaka Stock Exchange (DSE), **surged 197 points, or 3.77 percent, to reach 5,426** on August 06, the biggest surge in the past 3.5 years. DS30, the index for blue-chip stocks, **increased 75 points, or 4%, to 1,934.**
- DSEX rose by **24 points to 5,829** on 31st August, marking its third consecutive day of gains. Blue-chip DS30 index also increased by **4 points, closing at 2,128.**
- The upward trend was driven by expectations of favorable market conditions following recent regulatory reforms.



Prices of daily necessities in kitchen market gradually decreasing

- Prices of Rice have decreased by **Tk 2 per kg**, vegetables by **Tk 10-20 per kg**, chicken by **TK 20** in the markets of the capital.
- The downward trend of prices of daily necessities is positive for businesses as it will ease up pressure on wage growth.

Port

- Bangladesh Inland Container Depots Association reports handling of **14,215 TEUs** of export containers at private depots, nearly double the normal capacity since August 6th.

CPA offers water routes for container deliveries amid flood

- The National Board of Revenue has extended the transfer of imported goods (**1,856 containers**) from Chattogram port to Pangaon Inland Container Terminal until October 31 to alleviate flood-related issues.
- Bangladesh Inland Container Depot Association (BICDA) has proposed to Chattogram Port Authority (CPA) to allow them to handle and deliver all types of imported goods through the full container load (FCL) facility to help improve port operations and reduce lead times.



Direct Shipping Service Between China and Chattogram Port

- Pacific International Lines (PIL), a leading Singaporean shipping company, is set to launch a direct shipping service between China and Chattogram Port under the **China Chittagong Express (CCE)** service.
- The weekly service will depart from China's Ningbo Port, stopping at Shanghai and Shekou ports before reaching Chattogram (**Ningbo - Shanghai - Shekou - Chittagong - Ningbo**)
- The CCE service is expected to reduce **transit time by around 50%**, will take **9 to 14 days** to transport goods directly from China to Chattogram, a significant improvement from the 20 to 22 days it currently takes via Singapore or Colombo.

