BUSINES



BB suspends licences of 5 money changers

Serves show-cause to 42

STAR BUSINESS REPORT

Bangladesh Bank has suspended the licences of five foreign exchange houses and served showcause notices to an additional 42 for their alleged involvement in the manipulation of US dollar prices in the kerb market.

Ten inspection teams started visiting money changers around Dhaka city on July 27 to investigate whether they were intentionally hoarding US dollars to hike their rate against the taka.

"In the last one week, the central bank inspected 80 money changers," said Md Serajul Islam, spokesperson of Bangladesh Bank.

He shared information during a press briefing at the central bank's office in Dhaka yesterday.



The banking watchdog started inspecting foreign exchange houses after the US dollar price hit Tk 112 in the kerb market, the highest in the history of Bangladesh.

The money exchange sell foreign currencies to travellers.

As per the central bank rules, a traveller is allowed to purchase a maximum of \$1,000 from a money changer if they go outside the country by air.

The maximum amount of dollars a traveller can purchase before travelling to a foreign nation by land is \$500.

However, travellers can purchase their entire annual ceiling of the greenback to the tune of \$12,000 from banks.

A money changer is permitted to hold a maximum of \$25,000 at the close of each business

Cash beyond this limit will have to be deposited with their respective bank's foreign currency account, the balance of which must not exceed \$50,000 at any point in time.

REASONS FOR EXPORT GROWTH



Continued recovery of garment shipment

Shift of work orders

to Bangladesh from

other countries

EXPORT

OF TOP

GROWTH

SECTORS

In %; source: EPB



Price rise of garment following hike in raw material prices

Strong performance

by leather and

leather goods



basic and semi high-end apparel

of jute and jute

goods export

Fast recovery



CHALLENGES AT HOME & ABROAD



- O Gloomy global economic outlook
- High global inflation
- Fallout of Covid-19 and Russia-Ukraine war
- Forex market volatility

July delivers more good news as exports rise

Frozen, live fish

Home textile

Jute, jute goods

REFAYET ULLAH MIRDHA

Merchandise exports from Bangladesh grew 15 per cent year-on-year to \$3.98 billion in July, giving a much-needed breather to the country amid global uncertainty and foreign exchange crisis, official figures showed vesterday.

The higher overseas sales came after imports fell 31 per cent to \$5.5 billion and remittances went up by 14 per cent to \$2.09 billion in the first month of the fiscal year.

Exporters and economists called the earnings handsome for the fact that the global supply chain is going through a difficult patch from the economic volatility stemming from the Russia-Ukraine war and higher energy costs and inflation worldwide.

The increased shipment will help the government breathe a sigh of relief after abnormally high imports sent the current account deficit to a record high, caused foreign currency reserves to fall at a faster clip, drove down the value of the local currency against the US dollar, and pushed up inflation to a nine-year high.

"We are happy that export earnings are still good," said Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association,

knitters' platform.

In July, earnings were lower cent growth. than expected as the garment industry, which accounts for woven items are performing about 85 per cent of Bangladesh's export receipts, went on an eightday holiday on the occasion of Eid-ul-Azha.

"Our export may face a slowdown in the coming months people to return to workplaces, but it will not slip into the join social events and go on

billion after pulling off a 23.11 per

In the export destinations, strongly helped thanks to the faster recovery of global economies from the severe fallout of Covid-19 as the receding of virus infections allowed more

FOR INQUIRIES **CALL US AT © 16704**

negative territory since we have a lot of work orders shifted from China, Sri Lanka, Myanmar, Cambodia, Vietnam, Indian and Pakistan," said Hatem.

As usual, garments helped rake in higher earnings.

Apparel shipment grew 16.61 per cent year-on-year to \$3.36 billion. Of the sum, \$1.85 billion came from knitwear exports, an increase of 11.80 per cent compared to a year ago, data from the Export Promotion Bureau (EPB) showed.

Woven items fetched \$1.51

vacations.

Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, thinks attaining a double-digit export growth amid a precarious global situation and the volatility in the foreign currency market is not only good for the sector but also good for maintaining macroeconomic stability.

"July earnings also surpassed the monthly target which indicates that the outlook is still bright and it is possible to ensure a double-digit export growth."

He thinks the depreciation of the local currency against the US dollar has given a competitive edge to exporters.

The inter-bank exchange rate of the dollar was Tk 94.70 on Monday, up 11.67 per cent from a year ago. Shipment of leather and leather goods also fared well in July, netting \$99.41 million, up 9.82 per cent, EPB data showed.

Jute and jute goods shipment rose 5.17 per cent to \$63.91 million. Home textile, non-leather footwear items, specialised textile, rubber and plastic goods put on a good show as well.

Some sectors such as frozen and live fish, agricultural products, chemical products, carpet and terry perform well in July.

Exports may continue to grow throughout the current fiscal year, defying the gloomy global economic outlook on the back of the continued recovery of the shipment of lower and semi-highend apparel items, according to

The government has targeted a 10.10 per cent higher export at \$58 billion for the year, buoyed by an all-time high shipment of \$52.08 billion in the last fiscal year that ended in June.

"Shifting orders from China to Bangladesh will help maintain a decent export growth in the coming months," Moazzem said.

Several NBFI boards to be restructured

AHSAN HABIB

The Bangladesh Securities and Exchange Commission (BSEC) is going to reorganise the boards of several non-bank financial institutions (NBFIs) this month in a bid to improve their financial health.

The stock market regulator will sit with Bangladesh Bank soon to discuss about the appointment of directors in these

> "We want to restructure the boards of some NBFIs which have been struggling to make a profit for several years," said BSEC Chairman Prof Shibli Rubayat-Ul-Islam.

Earlier the BSEC restructured the boards of some companies and NBFIs and got good results, he said, adding that it had led to oil producer and a textile manufacturer

to resume production. The regulator previously restructured the boards of C&A Textiles, Ring Shine Textiles, United

Defaulted loans of the NBFIs surged by Tk 1,216 crore to Tk 14,232 crore in January-March of 2022 compared to that in the preceding quarter

Airways, Familytex (BD), Emerald Oil Industries, Fareast Finance and Investment, Fareast Islami Life Insurance Company, FAS Finance and Investment, Bangladesh Welding Electrodes, and Alhaj Textile

Of them, Ring Shine Textiles and Emerald Oil Industries resumed operations while C&A Textiles appears to be making a comeback.

Though some of the companies are going through a real bad patch, now we can know about the situation of the companies with the reforms READ MORE ON B3



all distribution	COMMODITIES		
Jaoil S	Gold 📤	Oil 📥	
	\$1,786.24	\$94.43	
	(per ounce)	(per barrel)	

	CURRENCIES			STANDARD CHARTERED BANK	
		\$USD	€EUR	£GBP	¥CNY
	BUY TK	93.75	95.54	114.15	13.58
	SELL TK	94.75	99.34	117.95	14.27

ASIAN MARKETS					
MUMBAI	токуо	SINGAPORE	SHANGHAI		
0.03% 58,136.36	1.42% 27,594.73	0.01% 3,239.15	2.26% 3,186.27		

Wheat prices may cool off in local market

Export resumes from Ukraine MOHAMMAD SUMAN, Ctg

The price of wheat in Bangladesh may come down as its export from Ukraine has resumed following an agreement with Russia. Prior to the Russia-Ukraine war, 40 per cent of

Bangladesh's wheat import was made from the two After a stalemate of about five months, the first ship loaded with wheat started its journey to Turkey from

Ukraine over the Black Sea on Monday. Importers and wholesalers said wheat prices increased by Tk 300-Tk 400 per maund (around 37 kilogrammes)

after the war began and India restricted wheat exports from February this year. Before the conflict broke out in late February, Indian and Canadian wheat sold for Tk 900 and Tk 1,100 per

maund respectively. According to wholesale traders of Khatunganj, yesterday's prices were Tk 1,450 and Tk 2,100 respectively. The traders said the price of the product has remained normal for the last one week.

However, at the end of July, the price of each variety decreased by Tk 100 following the agreement and price drops in the international market.

'The domestic wheat market was not showing that READ MORE ON B3



Combines harvest wheat in a field near the village of Tomylivka in Kyiv region on Monday as Russia's attack on Ukraine continues. Wheat prices may come down in the Bangladesh market as after a stalemate of about five months, the first ship loaded with wheat started its journey to Turkey from Ukraine over the Black Sea on Monday.

Action plan unveiled for impact investment

STAR BUSINESS REPORT

The National Advisory Board (NAB), a committee guides investment in Bangladesh has unveiled a strategic action plan to attract local and global investment, particularly from the private sector, to help fund sustainable development in the country.

Planning MA Mannan and BIDA Executive Chairman Md Sirazul Islam jointly unveiled the plan, styled Impact "Bangladesh Investment Strategy and Action Plan (BIISAP)" at the Bangladesh Investment Development Authority (BIDA) auditorium yesterday.

The strategic plan will help attract more investment opportunities to minimise the financial for fulfilling the

READ MORE ON B3