Economy
LDC exit in 2026 could deepen economic woes: govt report
July 16, 2026

- Bangladesh's economy is in crisis due to domestic and external shocks, and graduation from the category of Least Developed Countries (LDCs) this year will worsen the situation due to several risks, according to a government document.
- The paper identified the risk of disruptions to oil supplies, higher prices amid the ongoing Middle East conflict, and export losses due to the signing of Free Trade Agreements (FTAs) between Bangladesh's competitors and the European Union and the United Kingdom, two key export destinations.
- A team, led by Commerce Minister Khandakar Abdul Muktadir, is already in New York to persuade other nations to support Bangladesh's bid to extend its graduation schedule by another three years to allow more time to prepare for competition in the post-LDC period.

From: https://www.thedailystar.net/business/economy/news/ldc-exit-2026-could-deepen-economic-woes-govt-report-4224931

Banking
BB returns Al-Arafah Islami Bank to former owners
July 16, 2026

- The Bangladesh Bank has returned Al-Arafah Islami Bank PLC (AIBL) to its former owners and shareholders, reconstituting the board of directors to include 14 directors drawn from the bank's original sponsor-entrepreneurs.
- The central bank issued a letter to the bank's managing director yesterday informing him of the decision. The new board retains the existing board members alongside the returning sponsor-directors, including Khalilur Rahman, founder of Chattogram-based KDS Group, and his associates.
- BB Executive Director and spokesperson Arief Hossain Khan confirmed the development, saying the bank's improved financial condition prompted the handover.

From: https://www.thedailystar.net/business/economy/news/bb-returns-al-arafah-islami-bank-former-owners-4224921

Foreign-owned firms get easier access to external loans
July 16, 2026

- Bangladesh Bank eased regulations on external borrowing by fully foreign-owned industrial enterprises, allowing them to access loans from parent companies, associates, and shareholders abroad under a general authorisation framework.
- According to a circular issued yesterday, eligible manufacturing and service-sector enterprises operating both within and outside specialised zones, including export processing zones (EPZs), economic zones (EZs), and High-Tech Parks, will be able to obtain short-, medium- and long-term foreign loans subject to specified conditions.
- For short-term borrowings of less than one year, companies outside specialised zones may obtain interest-free loans for working capital purposes without prior approval from Bangladesh Bank. For medium-term borrowings of one to five years, Bangladesh Bank allowed interest-free loans of up to USD 50mn and cost-bearing loans of up to USD 5.0mn for capital expenditure, including the purchase of machinery and equipment, as well as construction-related expenditure. Long-term borrowings of more than five years will also be allowed, with borrowing costs capped at 3pc "per annum" where applicable.

From: https://www.thedailystar.net/business/global-economy/news/foreign-owned-firms-get-easier-access-external-loans-4224916

Capital Market
Grameenphone's Q2 profit falls 14pc on revenue decline
July 16, 2026

- Grameenphone has reported a nearly 14pc year-on-year decline in profit to BDT 7.6bn (USD 62.3mn) in the second quarter (Q2) of 2026, due to lower revenue earnings amid a challenging macroeconomic environment.
- The country's largest mobile operator recorded revenue of BDT 39.8bn (USD 326.23mn) in the June quarter, marking a 3pc decline compared to the same quarter last year, according to the company's financial results released on Tuesday.
- GP's earnings per share (EPS) stood at BDT 5.62 (USD 0.046) in the April-June quarter compared to BDT 6.51 (USD 0.053) in the same quarter last year, while the EBITDA margin remained strong at 58 per cent. Despite lower earnings, the company's board declared a 105pc interim cash dividend for the first half of 2026, accounting for 100pc of the profit earned during the period.

From: https://thefinancialexpress.com.bd/bangladesh/grameenphones-q2-profit-falls-14pc-on-revenue-decline

Trade and Commerce
Bangladesh Bank tightens boiler import rules with prior approval requirement
July 16, 2026

- Bangladesh Bank has made prior approval from the chief inspector of Boilers mandatory for the import of boilers and boiler components, in line with a directive from the Ministry of Industries.
- The central bank's Foreign Exchange Policy Department issued a notification yesterday (14 July), instructing authorised dealer (AD) branches of all banks engaged in foreign exchange transactions to comply with the new requirement.
- According to the notification, boiler manufacturers must complete construction within a maximum of 12 months from the date of drawing and design approval. Manufacturers must also hand over all documents and certificates required for registration to the buying entity after supply or sale of a boiler, and must inform the chief inspector of Boilers in writing of the buyer's name and address.

From: https://www.tbsnews.net/economy/banking/bangladesh-bank-tightens-boiler-import-rules-prior-approval-requirement-1488741

Chinese firms drive two-thirds of EPZ investments in FY26
July 16, 2026

- Chinese-owned and joint-venture companies accounted for nearly two-thirds of the investment commitments secured by the Bangladesh Export Processing Zones Authority (Bepza) in the fiscal 2025-26.
- Bepza signed land lease agreements with 36 companies during the fiscal year, securing proposed investments worth USD 717.71mn, according to official figures. Of those companies, 23 are either wholly Chinese-owned or Chinese joint ventures, representing USD 498.86mn in proposed investments.

From: https://www.tbsnews.net/economy/chinese-firms-drive-two-thirds-epz-investments-fy26-1488641

Deltaport Footwear to invest USD 21.60m in Bepza economic zone
July 16, 2026

- Deltaport Footwear Ltd, a joint venture of Italian and Irish investors, will invest USD 21.60mn to set up a footwear manufacturing plant at the Bepza Economic Zone in Mirsharai, Chattogram, run by the Bangladesh Export Processing Zones Authority (Bepza).
- The plant will make around three million pairs of injected, cemented, casual, formal, ladies' and safety shoes a year, creating jobs for 468 Bangladeshi nationals.

From: https://www.thedailystar.net/business/news/deltaport-footwear-invest-2160m-bepza-economic-zone-4224476

International

US Russia sanctions bill eases threat of tariffs on China and India
July 16, 2026

- US senators on Tuesday unveiled an updated version of the Russia sanctions bill, championed by the late Senator Lindsey Graham, which eases the original proposal's tariff threat on China, India and other importers of Russian oil and gas.
- The bill, backed by both Republican and Democratic senators, seeks to impose sanctions on Russian officials and to use tariffs to pressure China and India to reduce their dependence on Russia as an energy supplier.

From: https://www.tbsnews.net/worldbiz/usa/us-russia-sanctions-bill-eases-threat-tariffs-china-and-india-1488806

Oil rises 2pc as Mideast hostilities worsen
July 16, 2026

- Oil extended gains by around 2pc on Wednesday as President Donald Trump reimposed a naval blockade on all Iranian ports and Iran’s Islamic Revolutionary Guard Corps threatened to close “all other export corridors that benefit the U.S. and its allies”.
- Brent futures climbed USD 1.71, or 2pc, to USD 86.44 a barrel at 0806 GMT. West Texas Intermediate futures gained USD 1.43, or 1.8pc, to USD 80.77 a barrel.

From: https://www.thedailystar.net/business/global-economy/news/oil-rises-2-mideast-hostilities-worsen-4224881

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