

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

### **Important News Snippets**

#### **Covid infection rate drops to 14.8%, 114 more die**

- Covid-19 infection rate declined further to 14.8%, while the fatalities from the virus remained unchanged at 114 in Bangladesh on Wednesday. On Tuesday, the Directorate General of Health Services (DGHS) reported the Covid-19 test positivity rate at 15.1%.
- The total Covid-19 cases reached 1.477 million in Bangladesh since March last year, and nearly 1.4 million of them recovered from the deadly disease. Over 5.4 million samples have so far been tested across the country, the DGHS figures showed.
- Meanwhile The government will start administering the second dose of Covid-19 vaccine under its mass vaccination campaign on Sep 7, according to the chief of the Directorate General of Health Services (DGHS).

<https://today.thefinancialexpress.com.bd/first-page/covid-infection-rate-drops-to-1476pc-114-more-die-1629915115>

#### **Bangladesh Bank (BB) starts money market probe**

- The central bank starts investigation into entire money-market transactions along with exposures on the capital market to gauge liquidity movements in the banking system, following some already-detected incongruities.
- At least six teams of the Bangladesh Bank (BB) are now probing different transactions of treasury and investment departments of the banks and non-banking financial institutions (NBFIs), officials said.
- Meanwhile, the central bank started collecting information on short-term loans or placements with names of the clients along with the banks' daily reports on their own, subsidiaries and others' net exposures on the capital market on August 16.

<https://today.thefinancialexpress.com.bd/first-page/bb-starts-money-mkt-probe-1629914960>

#### **12 banks breach Bangladesh Bank (BB) rules in making stocks investments**

- At least 12 banks have violated Bangladesh Bank's rules in terms of investing in the country's capital market from their respective special funds formed for stock market investments. A central bank primary scrutiny on the banks' investments in the stocks also revealed that the banks had invested at least BDT 800 million in several scrips, including BEXIMCO and some newly listed companies, in violation of BB rules, sources said.
- So far, 14 banks have taken the scope for forming special funds worth around BDT 17.0 billion to invest in stocks. Of the banks, two have taken fund from the central bank and the rest 12 formed the funds from their own sources.

<https://www.newagebd.net/article/147296/12-banks-breach-bb-rules-in-making-stocks-investments>

#### **USD 51.0 billion in foreign aid still stuck in the pipeline**

- A significant part of the foreign funds committed to Bangladesh by different countries and development partners for implementing development projects has got stuck in the pipeline. The amount stands at USD 51.6 billion or BDT 4.3 trillion at the end of fiscal 2020-21, which is almost 72.0% of the current national budget. Until the 2019-20 fiscal year, the size of the foreign grants pipeline was USD 49 billion and USD 2.24 billion more was added to it in the 2020-21 fiscal year.
- The government has managed to get a commitment of around USD 9.4 billion in fiscal 2020-21, but could release only USD 7.1 billion. This added a new amount of USD 2.3 billion to the pipeline in the last fiscal year. Similarly, a USD 9.6 billion finance contract was signed in fiscal 2019-20 with only USD 7.3 billion of it released. This added USD 2.3 billion to the pipeline that year.

<https://today.thefinancialexpress.com.bd/trade-market/51b-in-foreign-aid-still-stuck-in-the-pipeline-1629912756>

#### **The National Board of Revenue (NBR) steps in to stop misuse of tax rebate on savings certificates**

- NBR has connected with the database of the Directorate of National Savings (DNS) to verify the investment information on the savings certificates shown in the tax returns. This step has been taken to stop the misuse of the tax rebate facility.
- According to the law, tax rebates are available on the purchase of savings certificates. A taxpayer currently gets a 15.0% tax rebate if he invests 25% or more of his annual income in savings certificates.

<https://www.dhakatribune.com/business/2021/08/25/nbr-steps-in-to-stop-misuse-of-tax-rebate-on-savings-certificates>

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### **Agriculture loans in July 60.0% less than target**

- Agricultural loans disbursed in the first month of the ongoing fiscal year amounted to BDT 9.4 billion, 60.0% less than the target, according to the Bangladesh Bank. The government set a target to distribute BDT 283.9 billion in loans in the agricultural sector in FY 2021-22.
- Bangladesh Rural Development Board also disbursed BDT 560 million from its own fund for agriculture and other purposes in rural areas. The BB data shows that eight state-run banks provided loans of BDT 3.0 billion in the sector in July, far less than the target of BDT 9.2 billion. Apart from that, private and foreign banks distributed BDT 6.4 billion in loans whereas the target was BDT 14.5 billion.
- To boost up the agricultural production and protect the sector from Covid impacts, the government had aimed to distribute loans of more than BDT 262.9 billion in FY 2020-21. But finally, the loan disbursement amounted to BDT 255.1 billion.

<https://www.tbsnews.net/economy/banking/agri-loans-july-60-less-target-293206>

### **3 key fast-track projects near end**

- Padma Bridge, Payra Port and Dhaka Metro Rail-6 are among the fast-track projects nearing completion, whereas several others are witnessing a slower than expected implementation rate, according to a progress report.
- The Padma Multipurpose Bridge project, the largest bridge infrastructure in Bangladesh, had financial progress of 85.74% and physical progress of 87.25% as of July this year, said the Implementation Monitoring and Evaluation Division (IMED) in the report.

<https://www.thedailystar.net/business/economy/news/3-key-fast-track-projects-near-end-2161196>

### **Banks to submit monthly VAT info**

- The central bank has asked scheduled banks to submit statements of value-added tax (VAT) deducted from services rendered by non-resident taxpayers such as Google, Facebook, Amazon and Microsoft. The banks will have to send the statements through the banks' head offices within seven days of the following month, said a notification issued by the Bangladesh Bank (BB) on Wednesday.
- Earlier, in May this year two of the world's largest tech giants Google and Amazon obtained their Business Identification Number (BIN) from the National Board of Revenue (NBR) – a mandatory requirement for any business operating in Bangladesh. For the first time ever, two non-residential companies have registered for BINs in the country, and they will now pay a 15% VAT on revenue derived from Bangladesh, and submit returns on the total turnover at the end of each year.

<https://today.thefinancialexpress.com.bd/first-page/banks-to-submit-monthly-vat-info-1629915166>

<https://www.tbsnews.net/economy/nbr-receive-vat-statements-foreign-business-entities-such-google-facebook-293215>

### **Bangladesh Bank revokes credit card bill payment facility**

- The central bank has cancelled the credit card bill payment special facility offered during the coronavirus lockdown. In a circular on Wednesday, the Payment Systems Department of the Bangladesh Bank said the facility regarding bill payment period, late payment fee, and interest had been withdrawn as businesses had reopened in line with hygiene rules.

<https://www.tbsnews.net/economy/banking/bb-revokes-credit-card-bill-payment-facility-293170>

### **Accord brands, unions ink new international deal**

- Major global apparel brands, including H&M, and unions to the Accord on Fire and Building Safety in Bangladesh have agreed to extend the legally-binding commitments to workplace safety in Bangladesh and other garment-producing countries, sources said.
- The new agreement - "The International Accord for Health and Safety in the Textile and Garment Industry" - signed for at least two years, will extend its coverage to general health and safety, rather than only fire and building safety, they added.

<https://today.thefinancialexpress.com.bd/last-page/accord-brands-unions-ink-new-intl-deal-1629915515>

<https://www.tbsnews.net/economy/rmg/retailers-and-unions-extend-legally-binding-worker-safety-accord-bangladesh-sources>

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### **BGMEA demands 10.0% incentive on export of non-cotton garments**

- The garment makers have demanded 10% incentive on export on garment items made from non-cotton fibre to encourage investment in manmade fiber (MMF).
- Currently, Vietnam has 10.0% market share in the MMF-based garment markets globally and the share of Bangladesh is still struggling to be 5.0% in this segment. Of the global garment market, some 75.0% are MMF-based fibre and this market is growing by 3.0 to 4.0% annually. Of the 75.0% MMF, some 64.0% includes synthetic fibre.

<https://www.thedailystar.net/business/news/bgmea-demands-10-incentive-export-non-cotton-garments-2160641>

### **No more direct payments into e-commerce accounts**

- The commerce ministry in a letter has requested the Bangladesh Bank to give necessary instructions to banks not to allow the deposit of any payment directly into bank accounts of e-commerce companies from customers. A large number of customers have been deceived by various e-commerce companies, including Evaly, e-Orange, Dhamaka even after paying prices in advance.

<https://www.tbsnews.net/economy/no-more-direct-payments-e-commerce-accounts-293197>

### **Tamijuddin Textile Mills to invest BDT 500 million in BMRE**

- Tamijuddin Textile Mills, which returned to the bourse's main market two months back, has decided to invest in balancing, modernization, rehabilitation and expansion (BMRE) an estimated amount of BDT 500 million.
- Tamijuddin Textile backed to the Dhaka Stock Exchange's main market on June 13 this year along with three other companies, after staying on the over-the-counter (OTC) market more than a decade since 2009 due to its poor performance.

<https://today.thefinancialexpress.com.bd/stock-corporate/tamijuddin-textile-mills-to-invest-tk-500m-in-bmre-1629913231>

### **World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 67.81	USD 19.29	39.76%
Crude Oil (Brent)*	USD 71.78	USD 19.98	38.57%
Gold Spot*	USD 1,790.08	(USD 105.02)	-5.54%
DSEX	6,878.76	1,476.69	27.34%
S&P 500	4,496.19	740.12	19.70%
FTSE 100	7,150.12	689.60	10.67%
BSE SENSEX	55,944.21	8,192.88	17.16%
KSE-100	47,635.90	3,880.52	8.87%
CSEALL	8,756.63	1,982.41	29.26%

### **Exchange Rates**

USD 1 = BDT 85.20\*  
 GBP 1 = BDT 117.14\*  
 EUR 1 = BDT 100.20\*  
 INR 1 = BDT 1.14\*

\*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.

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