

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**

### **Current account deficit narrows 58.0% in Jul-May of FY21**

- According to latest data released by the Bangladesh Bank, the deficit in the current account balance narrowed by 58.0% to USD 1.8 billion in the first 11 months of the last fiscal year. The growth in export earnings that went to a negative trajectory following the outbreak of Covid-19 has returned to a moderate growth, thanks to a fast recovery in apparel exports.
- In the immediate past 2020-21 fiscal year, the country's export earnings from the apparel sector grew by 12.6% compared to the previous year to stand at USD 31.5 billion. The annual growth in overall exports, however, was 15.1%. The country's exports raked in USD 38.8 billion in the just-concluded fiscal year. In FY20, the export growth was negative 17.0%, according to the Bangladesh Bank.
- The deficit in trade balance widened by 23.0% to USD 19.8 billion in the July-May of last fiscal year, according to the Bangladesh Bank's data. The import expenditure registered a 17.3% growth in the first 11 months of last fiscal year, after bouncing back from negative 8.6% growth in the previous year.

<https://www.tbsnews.net/dropped/trade/current-account-deficit-narrows-58-jul-may-fy21-271714>

### **Record BDT 205.0 billion black money whitened in FY21**

- A total of 11,839 people whitened about BDT 205.0 billion in the just-concluded fiscal year – the highest in the country's history in a single year. Of the amount, BDT 168.3 billion of cash, which was kept in banks or cash as a temporary provision of the National Board of Revenue, has been legalised by 7,055 untaxed money holders. The rest of the money was invested in land, flats or the stock market. The National Board of Revenue (NBR) received BDT 20.6 billion in revenue from those investments.
- Earlier in the 2007-2008 and 2008-2009 fiscal years – during the regime of the military-backed caretaker government – BDT 96.8 billion of black money was whitened, which was the highest amount in Bangladesh's history.
- According to NBR sources, 4,518 people have whitened money by buying land and flats at the end of June. And 268 have invested untaxed money in the stock market. Individual taxpayers whitened undisclosed money amounting to BDT 4.5 billion in the fiscal 2015-2016, but there is no data after that, said NBR sources.
- NBR added that BDT 96.8 billion was whitened during the caretaker government era, while this amount is BDT 133.7 billion during the 44 years between 1972 and 2016. The government also earned revenue amounting to BDT 14.5 billion from this process.

<https://www.tbsnews.net/economy/record-amount-black-money-whitened-bangladesh-last-year-amid-pandemic-271474>

<https://www.dhakatribune.com/business/economy/2021/07/07/close-to-12-000-taxpayers-wash-20-600c-black-money-in-fy21>

### **MFS transactions reach fresh record of BDT 712.5 billion in May**

- Transactions through the mobile financial services reached a fresh record of BDT 712.5 billion in May due to addition transactions during Eid-ul-Fitr, one of the biggest religious festivals of the Muslims, and restrictions on public movement amid the Covid outbreak.
- Bangladesh Bank data showed that the transaction volume in May is 12.3% or BDT 78.1 billion higher than the BDT 634.4 billion in transactions in April 2021. The transaction volume in April was the second highest transaction. The third highest transaction volume, BDT 630.0 billion, through MFS took place in July 2020 during Eid-ul-Azha.
- Daily average transactions through bKash was above BDT 20.0 billion with the number of transactions through its platform reaching above one crore in May, taking its monthly transactions to above BDT 600.0 billion and around 30 crore transactions. The total number of transactions through all the MFS licensees of the central bank was 346.7 million in May, the BB data showed.
- Though the MFS of Nagad constitutes a notable portion of MFS transactions, the BB is yet to include the MFS operator's transaction data in its report. The MFS operator also observed a significant surge in transactions through its platform in May. Transactions through Nagad reached to around BDT 200.0 billion in May.
- The BB data showed that shipping spending through MFS reached BDT 36.5 billion, salary disbursement stood at BDT 27.9 billion, the government's payments stood at BDT 13.1 billion and utility bill payment reached BDT 11.1 billion, among others.

- The number of subscribers of the MFS operators reached 98.1 million at the end of the month.

<https://www.newagebd.net/article/143108/mfs-transactions-reach-fresh-record-of-BDT-71247cr-in-may>

### **SBAC Bank's IPO subscription time extended till July 12**

- The initial public offering (IPO) subscription time of South Bangla Agriculture & Commerce Bank (SBAC) has been extended until July 12. The private lender's IPO subscription, which started on July 5 and supposed to end on July 11, will be continued until July 12. The bank's IPO subscription will now end on July 12 instead of July 11 in accordance with the Bangladesh Bank DOS circular on Tuesday.

- South Bangla Bank is the third company, whose IPO shares will be allotted on the newly introduced pro-rata basis instead of lottery system. Minimum and maximum amount allowed for subscription for general public is BDT 10,000 (or its multiples) and BDT 50,000 respectively.

- Each eligible investor (EI) who intends to submit application shall maintain a minimum investment of BDT 5.0 million for approved pension funds, recognized provident funds and approved gratuity funds and other EIs of BDT 10.0 million only at market price in listed securities as on June 24.

- SBAC, which began commercial operations in Bangladesh on February 20, 2013, will issue 100 million ordinary shares at face value of BDT 10.0 each. With the IPO proceeds, the bank will buy government securities and meet its IPO expenses.

- SBAC Bank Limited has planned to boost its financing in retail and small and medium enterprises (SME) for minimizing risk within the next two years. Under the plans, the investment in retail and SME will be reached at 50% of its total loans and advances by 2023 from the existing level of 30%.

<https://today.thefinancialexpress.com.bd/stock-corporate/sbac-banks-ipo-subscription-time-extended-till-july-12-1625674762>

<https://today.thefinancialexpress.com.bd/stock-corporate/sbac-to-enhance-investment-in-retail-and-sme-sectors-1625674700>

### **Bangladesh Securities and Exchange Commission (BSEC) approves proposal: Capital market stabilization fund**

- The securities regulator on Wednesday approved the proposal regarding the formation of the board of governance under which the operations of BDT 210 billion capital market stabilization fund will be conducted. In last week, the securities regulator got gazette notification on formation of the market stabilization fund.

- As per the rules approved for market stabilization fund, the board of governors of the fund shall be comprised of 11 members, including one chairman nominated by the commission. The commission will nominate another three members, while the bourses will nominate two members, depository organization one member and the association of listed companies one member. One member will also be included from the professionals of chartered accountants or cost and management accountants or chartered secretaries or chartered financial analysts as selected by the commission.

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-approves-proposal-1625674596>

### **BSEC okays PRAN's BDT 1.5 billion green bond**

- The Bangladesh Securities and Exchange Commission on Wednesday allowed PRAN Agro Limited to float non-convertible coupon bearing green bond worth BDT 1.5 billion. The face value of each unit of the bond is BDT 1.0 million. The coupon rate of PRAN Agro's bond is 9.0%.

- PRAN Agro will utilise the bond proceeds in strengthening its capital and liquidity with keeping environmental balance.

- Only banks, financial institutions, insurance companies, listed banks, trust funds, corporate institutions and other eligible investors will be allowed to purchase the bond through private placement.

<https://www.newagebd.net/article/143104/bsec-okays-prans-BDT-150cr-green-bond>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 72.19	USD 23.67	48.78%
Crude Oil (Brent)*	USD 73.50	USD 21.70	41.89%
Gold Spot*	USD 1,803.77	(USD 91.33)	-4.82%
DSEX	6,177.22	775.15	14.35%
S&P 500	4,352.34	596.27	15.87%
FTSE 100	7,151.02	690.50	10.69%
BSE SENSEX	53,054.76	5,303.43	11.11%
KSE-100	47,247.92	3,492.54	7.98%
CSEALL	7,809.38	1,035.16	15.28%

**Exchange Rates**

USD 1 = BDT 84.75\*  
 GBP 1 = BDT 116.95\*  
 EUR 1 = BDT 99.97\*  
 INR 1 = BDT 1.13\*

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

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