

*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.*

### **Net sales of savings certificate drop more than half in April**

- According to central bank sources, net saving in April was BDT 15.25 billion which was BDT 36.91 billion in March. The sales in February and January were BDT 36.90 billion and BDT 42.10 billion respectively. About the decline in sales in April, CPD Senior Research Fellow said that many people buy more saving certificates at the end of a financial year – April, May and June – to get income tax rebates. The second wave of Covid-19 may have caused such a decrease in sales in April. He further said that people had reduced their purchases of savings certificates out of fear that the second wave could lead to another uncertain situation. People want to keep cash to deal with such situations.
- Besides, one has to go to a bank or an institution concerned for buying savings certificates. Since the lockdown began in April, many have not taken risks and gone out. Meanwhile, in the first 10 months of the current financial year, July-April, the net sales of saving certificates were BDT 347.28 billion, which is BDT 44.26 billion more than the target of the revised budget for the current fiscal.

<https://www.tbsnews.net/economy/banking/net-sales-savings-certificate-drop-more-half-april-256909>

### **BTRC imposes ceilings on broadband internet prices**

- The Bangladesh Telecommunication Regulatory Commission on Sunday for the first time imposed ceilings on prices of three slabs of broadband internet in the country. The three broadband internet slabs are 5Mbps, 10Mbps and 20Mbps. The monthly price ceilings on 5Mbps, 10Mbps and 20Mbps have been set at BDT 500, BDT 800 and BDT 1,200 respectively. On top of the prices, a 5% VAT will be applicable and customers will have to bear the tax. In the country, the number of unique internet users — mobile and broadband — has reached 58.9 million. Of the users, 49 million are unique mobile internet users and the rest 9.8 million broadband internet users.
- As per the BTRC data, the country's internet consumption has reached 2,409Gbps. Of the usage, the broadband internet users consume 58% or 1,392Gbps and the mobile internet users consume the rest 42% or 1,017Gbps.

<http://www.newagebd.net/article/139926/btrc-imposes-ceilings-on-broadband-internet-prices>  
<https://www.dhakatribune.com/business/2021/06/06/broadband-internet-price-set-at-BDT-500-a-month>

### **11 banks face huge capital shortfall**

- Eleven banks faced a capital shortfall of BDT 247.83 billion in the first quarter of 2021, which highlighted the fragile health of the lenders. The banks are Bangladesh Krishi Bank, Sonali, Agrani, ICB Islamic, Rajshahi Krishi Unnayan, BASIC, Bangladesh Commerce, Rupali, Janata, Padma, and AB Bank. Corruptions perpetrated at the banks are mainly responsible for the large capital shortfall. The central bank should take immediate measures to address the problem as such a situation sends a negative message to the international community and local businesspeople that the banking sector is weakening, said an official of the central bank.
- However, the banking sector had a surplus capital of BDT 165.62 billion in March, up from BDT 159.30 billion three months ago. Between January and March, the capital position at Janata Bank improved significantly because of a regulatory forbearance extended by the central bank. The regulator's move would help the state-run bank keep the provision against unclassified and defaulted loans in phases.

<https://www.thedailystar.net/business/economy/news/11-banks-face-huge-capital-shortfall-2106349>

### **Light engineering set to forge ahead faster, but problems remain**

- People linked to light engineering have warmly hailed the proposed budget as it has offered light engineering machine parts manufacturers a 10-year tax holiday, waived value added tax (VAT) on light engineering product manufacturers and addressed the need for technological skills development. The director of the Institute of Appropriate Technology at Bangladesh University of Engineering and Technology (Buet) believes the tax holiday should attract investments for the local manufacturing of components of engineering industries such as automobiles and two wheelers, capital machinery, agro machinery, electrical and electronic products – which are considered thrush sectors.
- The president of the Bangladesh Automobile Manufacturers and Assemblers Association (BAAMA), expects joint ventures in component and parts manufacturing. This will, he believes, help technology transfer. BEIOA President observes that the VAT waiver has come only for the light engineering manufacturers while repairing services by the sector are also saving a huge cost each year and repairing services are still subject to 15% VAT.

<https://www.tbsnews.net/economy/light-engineering-set-forge-ahead-faster-problems-remain-256936>

### MI Cement decides to resume expansion plans

- The MI Cement Factory, which produces Crown brand Cement, has decided to resume its expansion plans to increase production capacity as the demand for cement is growing. Earlier in January 2019, the company planned to expand its production capacity by setting up its 6th cement unit at Muktagachha in Munshiganj at a cost of BDT 6.0 billion. However, in October last year, the company postponed its expansion plans due to Covid-19 outbreak and an overcapacity of production against the domestic market demand.
- After completion of the new unit, the production capacity of the company would be 8,280 metric tonnes per day at its existing factory premises, West Mukterpur, Munshiganj and the overall production capacity of the company would be 19,280 metric tonnes per day, from existing 11,000 metric tonnes, said the company. As per the decision, the estimated project cost is BDT 7.70 billion approximately including the civil construction, said the company. The new production unit with a capacity of 8,280 metric tonnes per day is expected to go into commercial operation by February 2023, the company said in the filing.

<https://today.thefinancialexpress.com.bd/stock-corporate/mi-cement-decides-to-resume-expansion-plans-1622998471>

### GPH exports USD 50m billet to China

- The GPH Ispat Limited exported its fourth shipment of prime quality steel billet to China's main port known as Jiangyin/Xiamen port on May 6 last. The first shipment was made from the Chittagong port in November last year. The GPH made a total of four shipments of billets worth more than 50 million US dollars so far. Chairman and Managing Director said that it is the first time billet export is made in bulk cargo from Bangladesh. We posted the record export of billet in 2008 -- 2,500 MT only -- and also initiated rod and billet export to India in the year of 2010-11.

<https://today.thefinancialexpress.com.bd/trade-market/gph-exports-50m-billet-to-china-1622997365>

### World Stock and Commodities\*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$69.65	\$21.13	43.55%
Crude Oil (Brent)*	\$71.89	\$20.09	38.78%
Gold Spot*	\$1,887.27	(\$7.83)	-0.41%
DSEX	6,038.29	636.22	11.78%
S&P 500	4,229.89	473.82	12.61%
FTSE 100	7,069.04	608.52	9.42%
BSE SENSEX	52,100.05	4,348.72	9.11%
KSE-100	48,211.70	4,456.32	10.18%
CSEALL	7,567.38	793.16	11.71%

### Exchange Rates

**USD 1 = BDT 84.73\***  
**GBP 1 = BDT 119.84\***  
**EUR 1 = BDT 103.03\***  
**INR 1 = BDT 1.16\***

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

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