

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.

Block allocations: Focus shifts to war fallout from jobs

- The government is not keeping a separate allocation for vaccines in the next fiscal year's budget as it pulls back from vaccine procurement given the high inoculation rate and low infection rates. In the past two fiscal years, BDT 100.0 Bn was earmarked in the budget for vaccine procurement.
- Bangladesh has targeted to inoculate 70% of the population with two doses of the Covid-19 vaccine, of which 69.03% of the population have received double doses. Of those who have received the full dose, 12.79% have received the booster dose.

<https://www.thedailystar.net/business/economy/national-budget/news/weaning-vaccine-purchase-3039451>

Budget to set out 8 tough tasks to fight 'imported inflation'

- Identifying 'imported inflation' as the main culprit for the economy, the finance ministry has prepared a list of eight challenging tasks to do in the new financial year from July to tame price shocks, continue productive development works and protect livelihoods.
- Mobilising fund for higher subsidies for fuel, gas and fertiliser, and expanding social safety net schemes are among the priorities of the new budget not to pass the full brunt of price shocks on to consumers, finance officials aware of the budget process have told The Business Standard.
- Checking import to maintain a stable foreign exchange reserve, delaying less important projects, keeping interest rates within 9% are among the strategies, increasing revenue income to reduce budget deficit and supporting private sector investment to create jobs are also included in the to-do list incorporated in the 9 June.

<https://www.tbsnews.net/economy/budget/budget-set-out-8-tough-tasks-fight-imported-inflation-433146>

Keep lending rate free floating: Economists

- The government should allow banks to determine their lending rates according to the market demand considering the current inflation situation like it did in the case of the BDT-dollar exchange rate, said economists. They added that should the government decide to leave the lending rate to the market, the rate will increase, which people have to accept.
- "Now the savings rate in banks is 6%, whereas the inflation rate is 6.5%. So it is negative for the depositors. So, you have to pay interest rate on free float and you have to accept that the interest rate will increase," distinguished CPD fellow Professor Mustfizur Rahman elaborated.
- Zahid Hussain, former lead economist at World Bank Dhaka office said, "Bangladesh Bank's decision to leave the exchange rate to the market is correct. But where the dollar is being sold at BDT92 or more, the central bank is selling at a rate of BDT88. This is counterproductive." He emphasised on keeping the demand management and supply on track.

<https://www.tbsnews.net/economy/banking/keep-lending-rate-free-floating-economists-433118>

Non-brand furniture industry growing, eyeing huge exports

- According to Grand View Research, an international market research firm, the size of the global furniture market is

USD 560 Bn. According to the SME Foundation, the size of the local furniture market is at least BDT 250.0 Bn and non-brand furniture accounts for more than 50% of the market.

- More than 400,000 people are employed in this sector, which has expanded the most since the 1990s, according to the SME Foundation. According to industry insiders, about 95% of the non-brand furniture in the country are manufactured by micro level factories. Excluding them, the number of small and medium level factories is around 6,500.

<https://www.tbsnews.net/economy/industry/non-brand-furniture-industry-growing-eying-huge-exports-432710>

BERC sets new gas tariff today

- The Bangladesh Energy Regulatory Commission (BERC) announces today (Sunday) the fresh gas tariff at consumer level, officials say. The commission's order on the new natural gas rates at consumer level will be announced through a virtual press briefing at 3:00 pm, according to a BERC statement on Saturday.
- The BERC technical evaluation committee earlier recommended increasing gas price to BDT 11.64 per cubic metre from existing BDT 9.70, a 20-% rise on average.

<https://today.thefinancialexpress.com.bd/first-page/berc-sets-new-gas-tariff-today-1654364100>

Small investments creating jobs

- Small investments in the cottage and micro sectors are playing an important role in employment generation and sustainable development of the country, said Bangladesh Bank Governor Fazle Kabir at a conference.

<https://www.thedailystar.net/business/economy/news/small-investments-creating-jobs-3039351>

'Tea production rises 61% since 2009'

- Tea production rose by around 61% in the last 12 years in Bangladesh. Bangladesh produced 60,000 tonnes of tea in 2009, which increased to 96,510 tonnes in 2021.
- Of the total production, 14,550 tonnes of tea were produced in the northern districts --Panchagarh, Thakurgaon, Lalmonirhat and Kurigram. In 2021, some 1,263 acres of land were brought under tea cultivation in five northern districts.

<https://www.thedailystar.net/business/news/tea-production-rises-61-2009-3039286>

IDLC Finance to begin shariah-compliant business

- IDLC Finance, a listed company, has decided to commence shariah-compliant business to diversify its operations. The company's board of directors has taken the decision of providing shariah compliant services in a meeting held recently. To commence the shariah compliant business, the company will open a separate wing.

<https://today.thefinancialexpress.com.bd/stock-corporate/idlc-finance-to-begin-shariah-compliant-business-1654358703>

BEXIMCO's sukuk to give 5.8% return for first 6 months

- Beximco Green Sukuk al Istisna'a will give 5.8% or BDT 1,740 Mn as return to its sukuk-holders for the first six months of the first year (December 23, 2021 to June 22, 2022). The trustee Investment Corporation of Bangladesh made the decision at a trustee committee meeting on June 2.

<https://www.newagebd.net/article/172428/beximcos-sukuk-to-give-58pc-return-for-first-6-months>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 118.87	USD 43.66	58.05%
Crude Oil (Brent)*	USD 119.72	USD 41.94	53.92%
Gold Spot*	USD 1,851.19	USD 21.99	1.20%
DSEX	6,451.53	-305.13	-4.52%
S&P 500	4,108.54	-657.64	-13.80%
FTSE 100	7,532.95	148.41	2.01%
BSE SENSEX	55,769.23	-2,484.59	-4.27%
KSE-100	41,314.88	-3,281.19	-7.36%
CSEALL	8,054.77	-4,171.24	-34.12%

Exchange Rates**1 US Dollar = 89.33 BDT****1 GBP = 111.56 BDT****1 Euro = 95.75 BDT****1 INR = 1.15 BDT**

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