

*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.*

**Macro:****Govt borrowing from domestic sources surges**

- Government borrowing from domestic banks and non-bank sources rose 55% year-on-year during the July-April period of the fiscal year (FY) 2024-25, due mainly to weaker foreign loan disbursements and poor tax collection. The government borrowed BDT 628.80 Bn in net terms during the first ten months of FY25, compared to BDT 406.80 Bn a year earlier.

<https://www.thedailystar.net/business/economy/news/govt-borrowing-domestic-sources-surges-3924036>

**Bangladesh signs USD 400 Mn budget support deal with AIIB**

- The government today signed a USD 400 Mn loan agreement with the Asian Infrastructure Investment Bank (AIIB) as budget support. The financing agreement aims to implement the "Climate Resilient Inclusive Development Program – Subprogram 2" and help Bangladesh strengthen its institutional capacity for addressing climate change through a range of targeted policy reforms, according to a press release. Initiated by the Finance Division, the programme focuses on three key reform areas.

<https://www.thedailystar.net/business/news/bangladesh-signs-400m-budget-support-deal-aiib-3923731>

**IMF approves USD 1.3 Bn in loans**

- The executive board of the International Monetary Fund yesterday approved the fourth and fifth instalments of its loan for Bangladesh, a top-up of the original USD 4.7 Bn credit by about USD 800 Mn with a six-month extension. Following the approval, Bangladesh has received about USD 1.3 Bn from the IMF, the first disbursement under the country's interim government.

<https://www.thedailystar.net/business/news/imf-approves-13b-loans-3924081>

**EU to invest EUR 1 Bn Bangladesh, plans to double**

- The European Union (EU) has committed to invest EUR 1 Bn in Bangladesh across key sectors including water, energy, transport and health, with plans underway to further double this financing, according to an EU delegation to Bangladesh. The announcement came following a series of high-level stakeholder meetings held last week in Dhaka, organised jointly by the EU delegation and the European Investment Bank (EIB).

<https://www.tbsnews.net/economy/eu-invest-eu1b-bangladesh-plans-double-1172086>

**Advance tax hike risks fuelling inflation: Experts**

- The government's decision to raise the advance tax (AT) rate for importers, excluding industries, to recover revenue lost to VAT evasion, could fuel inflation, experts warned during a post-budget discussion in Dhaka today. Presenting a keynote paper at an event titled "Budget Insights: Challenges and Opportunities Ahead," organised by the Metropolitan Chamber of Commerce and Industry (MCCI) in collaboration with the Policy Research Institute (PRI), Zaidi Sattar, chairman of PRI, cautioned that the new fiscal measures could intensify inflationary pressures and burden consumers.

<https://www.tbsnews.net/economy/advance-tax-hike-risks-fuelling-inflation-experts-1172051>

**Budget leaves regressive tax system unchanged**

- The national budget for the coming year shows no clear shift in tax policy, as the system continues to depend heavily on indirect and trade taxes, according to economist Zaidi Sattar. This keeps the tax structure regressive and places an unfair burden on low and lower-middle-income groups, said Sattar, the chairman of local think tank Policy Research Institute of Bangladesh (PRI).

<https://www.thedailystar.net/business/news/budget-leaves-regressive-tax-system-unchanged-3923936>

**Sector & Industries:****RMG | Bangladesh closing in on China in RMG export to EU**

- Even amidst the tough times at present, garment shipments to the European Union (EU) showcased resilience as Bangladesh fared well in the January-April period, showing signs of an opportunity to overtake China, the largest apparel supplier worldwide, in the EU markets. In January-April of this year, apparel shipments to the EU, the largest export bloc for the country, surged by 23.98% to USD 8.07 Bn from USD 6.51 Bn in the same period of the last year, according to Eurostat data.

<https://www.thedailystar.net/business/economy/news/bangladesh-closing-china-rmg-export-eu-3924041>

**Stocks:****EXCHNAGE | Iran-Israel conflict's impact on Bangladesh limited until now: BRAC EPL**

- The repercussions of the ongoing Iran-Israel conflict would be limited on Bangladesh's capital market, as information about the conflict has already been absorbed by the market, BRAC EPL Stock Brokerage said. The local brokerage house has analysed the impacts of recent global events on the Dhaka Stock Exchange and said the effect of the conflict is yet to unfold. If the conflict escalates, higher global energy and food prices may lead to renewed inflationary pressure in Bangladesh and may affect the South Asian nation's external sector balance, it said.

<https://www.thedailystar.net/business/news/iran-israel-conflicts-impact-bangladesh-limited-until-now-brac-epl-3923816>

**MERCANBANK | Mercantile Bank to issue BDT 8 Bn bond**

- Mercantile Bank, a private sector lender, has decided to raise BDT 8 Bn through issuing bonds, aiming to enhance its capital base. According to its price-sensitive statement filed on the Dhaka Stock Exchange (DSE), the coupon-bearing floating rate non-convertible subordinate bond aimed at raising regulatory capital (tier-2) is expected to help the bank fulfil its Basel-III requirements.

<https://www.tbsnews.net/economy/stocks/mercantile-bank-issue-tk800cr-bond-1172231>

**ACMEPL | Acme Pesticides seeks more time to complete IPO fund utilization**

- Acme Pesticides has sought another 18-month extension to fully utilise its IPO (initial public offering) fund as it failed to complete fund utilisation even within an extended time frame. The company has already used most of the IPO proceeds in line with the prospectus but could not complete utilisation due to legal tussle with a lender, said Company Secretary Sabuj Kumar Ghosh. "So, we are seeking a time extension until December 2027." Earlier, the company was granted a time extension until June this year.

<https://today.thefinancialexpress.com.bd/stock-corporate/acme-pesticides-seeks-more-time-to-complete-ipo-fund-utilisation-1750700827>

**MONNOCERA | Monno Ceramic returns to full production after over a decade of gas crisis**

- Monno Ceramic has returned to full-scale production after more than a decade of struggling with gas supply issues, marking a major turnaround for one of the country's leading tableware manufacturers. With uninterrupted gas flow now restored, the pioneering ceramic tableware manufacturer is gaining fresh momentum and cementing its position as the preferred choice of elite institutions and global brands, said the company in a press release.

<https://www.tbsnews.net/economy/stocks/monno-ceramic-returns-full-production-after-over-decade-gas-crisis-1172226>

**ROBI | Ziad Shatara appointed as Robi CEO**

- Ziad Shatara has been appointed as managing director (MD) and CEO of Robi Axiata by the company's board of directors. The appointment is effective from September 1, according to an official statement of Robi. With over 30 years of experience in steering telecommunication businesses across diverse markets, including Jordan, Italy, Bangladesh, and Cambodia, Ziad brings a wealth of expertise in driving innovation, commercial excellence, and technology-led transformation across mobile, broadband, and fixed-line services.

<https://today.thefinancialexpress.com.bd/stock-corporate/ziad-shatara-appointed-as-robi-ceo-1750700886>

**ILFSL | Auditor finds ILFSL has only BDT 4.17 Bn collateral against BDT 41.39 Bn loans**

- International Leasing and Financial Services Limited (ILFSL) continues to grapple with severe financial distress, despite a court-ordered restructuring and the appointment of a new board. According to the auditor's qualified opinion, as of 31 December 2024, the company held a mere BDT 4.17 Bn in eligible collateral against total loans and advances amounting to BDT 41.39 Bn. The company had sanctioned BDT 30.11 Bn in loans to 246 borrowers, with the majority now classified as non-performing.

<https://www.tbsnews.net/economy/stocks/auditor-finds-ilfsl-has-only-tk417cr-collateral-against-tk4139cr-loans-1172261>

**Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 66.46	(USD 4.97)	-6.96%
Crude Oil (Brent)*	USD 69.47	(USD 4.92)	-6.61%
Gold Spot*	USD 3,351.21	USD 742.73	28.47%
DSEX	4,695.03	-521.41	-10.00%
S&P 500	6,025.19	118.25	2.00%
FTSE 100	8,758.04	637.03	7.84%
BSE SENSEX	81,896.79	3,696.86	4.73%
KSE-100	116,167.47	908.47	0.79%
CSEALL	16,765.40	820.79	5.15%

**Exchange Rates****1 US Dollar = 121.94 BDT****1 GBP = 165.11 BDT****1 Euro = 141.31 BDT****1 INR = 1.41 BDT**

## IMPORTANT DISCLOSURES

**Analyst Certification:** Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

**Disclaimer:** Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

**Compensation of Analysts:** The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

**General Risk Factors:** BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

### BRAC EPL Stock Brokerage Limited

#### Research

Salim Afzal Shawon, CFA	Head of Research	<a href="mailto:salim@bracepl.com">salim@bracepl.com</a>	01708 805 221
Fahim Hassan	Research Analyst	<a href="mailto:fahim.hassan@bracepl.com">fahim.hassan@bracepl.com</a>	01709 636 546
Hossain Zaman Towhidi Khan	Research Analyst	<a href="mailto:hztowhidi.khan@bracepl.com">hztowhidi.khan@bracepl.com</a>	01708 805 224
Foyisal Ahmed	Research Associate	<a href="mailto:foysal.ahmed@bracepl.com">foysal.ahmed@bracepl.com</a>	01708 805 201
S M Toufique Imran	Research Associate	<a href="mailto:smtoufique.imran@bracepl.com">smtoufique.imran@bracepl.com</a>	01708 805 228
Rakibul Hasan	Research Associate	<a href="mailto:rakibul.hasan@bracepl.com">rakibul.hasan@bracepl.com</a>	01708 805 229
Tasviha Taher Trishila	Research Associate	<a href="mailto:tasviha.trishila@bracepl.com">tasviha.trishila@bracepl.com</a>	01730 701 733

#### International Trade and Sales

Ahsanur Rahman Bappi	CEO	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
----------------------	-----	--	---------------

### BRAC EPL Stock Brokerage Limited

[www.bracepl.com](http://www.bracepl.com)

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (88)-02-222282446-47

Fax: + (88)-02-222282452

E-Mail: [research@bracepl.com](mailto:research@bracepl.com)