

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

Bangladesh to receive 20.0 million vaccine doses in two months: Health Minister

- The country would receive around 20.0 million (2.0 crore) vaccine doses from various sources in next one or two months. These vaccines include one million AstraZeneca vaccines from Serum Institute of India, 5.0 million Sinovac doses from Sinopharm and 6.0 million doses of Pfizer vaccines from BioNTech of the US under the Covax facility.
- A lot of 6.0 million Pfizer vaccines would arrive by early August. The World Health Organization (WHO) has informed regarding these vaccines. Besides, Bangladesh may receive another 5.0 million doses from China by the end of this month or early August.

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

Government to source LNG from mid-term suppliers as demand grows

- The government is planning to involve global LNG (liquefied natural gas) suppliers for the mid-term to meet the mounting demand for natural gas in the country. State-run Petrobangla would import the fuel from such suppliers for a period from five to eight years under contract terms.
- Currently, Petrobangla is importing the LNG under the long-term deals from two suppliers -- Qatar's QatarGas and Oman's Oman Trading International (OTI). Both suppliers were selected through negotiations. The state-run oil, gas and mineral corporation is also importing LNG from the spot market through competitive biddings from 18 selected suppliers.
- Petrobangla has planned to import a total of 64 LNG cargoes in 2021 from the term suppliers, which are two cargoes or 3.0% less than that of the previous year. It will import a total of 40 LNG cargoes from Qatargas and the remaining 24 from the OTI in 2021.
- From the spot market, it will import a total of 18 LNG cargoes in 2021, which was only one cargo in 2020. Petrobangla had imported 43 LNG cargoes from Qatargas in 2019 and 40 in 2020. It imported 26 LNG cargoes from OTI in 2020 and 20 in 2019.

<https://today.thefinancialexpress.com.bd/trade-market/govt-to-source-lng-from-mid-term-suppliers-as-demand-grows-1625931487>

Defaulted Loans: Cash recovery nosedives

- Cash recovery from defaulted loans declined sharply in the first quarter of this year as business activities of the beleaguered clients in Bangladesh worsened due to the economic hardship stemming from the Covid-19 pandemic.
- Banks collectively recovered BDT 15.9 billion, down 23.0% from three months earlier and 7.0% from a year ago, showed data from Bangladesh Bank.
- Banks usually recover more than BDT 20.0 billion from their defaulted loans per quarter, but their efforts started to face a roadblock when the Covid-19 arrived on the shores of the country in March last year. The NPLs stood at BDT 950.9 billion as of March, up 7.1% from three months earlier and 2.8% year-on-year.
- According to the managing director of Meghna Bank, cash recovery from both unclassified loans and NPLs had experienced sluggishness in recent months due to the business slowdown. Banks usually realize a good amount of default loans by settling associated cases with the money loan courts. But the restrictions on movement from time to time made it difficult to smoothly run court operations.

<https://www.thedailystar.net/business/economy/news/cash-recovery-nosedives-2126991>

Rice price highest in Bangladesh among Asian peers

- Global rice prices fell to a 15-month low in June, but its price is now the highest in Bangladesh than in any Asian country, according to official figures. Rice varieties of India, Pakistan, Vietnam and Thailand, which are similar to that of Bangladesh, are trading at USD 373-525 a tonne globally, disclosed the Food and Agricultural Organisation (FAO). But insiders said the same quality of rice is trading at USD 480-650 a tonne in Bangladesh.
- Indian and Pakistani rice of 5.0-per cent broken, parboiled, common daily-eating rice, is being traded between USD 373 and USD 437 a tonne. Vietnamese varieties are selling at USD 470 a tonne (5.0-per cent broken) to USD 492 a tonne. Thai parboiled (5.0-per cent broken), similar to Bangladeshi finer varieties, are now being traded at USD 525 a tonne on average.

- The Bangladesh Auto Major Husking Mill Owners Association's data shows rice prices were minimum BDT 41 a kilogram (hybrid) and maximum BDT 55 a kg (zira/miniket) at mill gates. Taking into account mill-gate prices, rice prices are now at USD 480-650 a tonne in Bangladesh.

<https://today.thefinancialexpress.com.bd/last-page/rice-price-highest-in-bd-among-asian-peers-1625937599>

Chattogram export cargo backlog almost static

- The export cargo backlog in Chattogram remained almost static on Saturday. A total of 13,766 TEUs (20-foot equivalent units) of export cargoes remained stockpiled at different off-docks in the port city on the day, 70 TEUs less than the volume on Friday. The depots usually have a backlog of around 6,000 TEUs during the normal period. This backlog has built up due to the lack of pre-assigned feeder vessels at the Chittagong Port. The feeder vessels carry the cargoes to the mother vessels for shipment to the USA and Europe markets.

- On the other hand, the depots had a total of 34,255 TEUs of empty containers on Saturday, up by 565 TEUs from the figure on Friday. And they have 10,785 TEUs of 40-ft empty containers that are needed for stuffing the exports, according to the statistics prepared by the Bangladesh Inland Container Depots Association (BICDA), a group of 19 privately-owned off-docks. There are a total of 19 off-docks in Chattogram. But only 17 are in operation. They have aggregate storing capacity of 77,700 TEUs.

<https://today.thefinancialexpress.com.bd/last-page/ctg-export-cargo-backlog-almost-static-1625937839>

Sukuk trustees to enjoy tax waiver

- In a bid to popularise Sukuk, a form of Shariah-compliant asset-backed securities, the government is going to announce an income tax waiver for the special purpose vehicle (SPV) entities that work as the trustee of Sukuks. Also, all transactions between the originator and SPV of Sukuks would enjoy a waiver from source taxes, according to a draft statutory regulatory order prepared by the National Board of Revenue (NBR).

- In asset-backed securities, SPV owns and works as the trustee of the underlying assets bought with the investors' money, while the originator remains as the beneficiary and user of the assets in exchange for a predefined rent over the agreed period. Once the originator hands over the assets to the SPV, which works as the trustee of the Sukuk, and finally, as soon as the originator pays the investors back, the SPV hands over the asset to the originator.

- Earlier, in the national budget for this fiscal year, the government waived the 4.0% capital gain tax on the transfer of the underlying assets of Sukuk.

- The Bangladesh Securities and Exchange Commission (BSEC) has already approved the Beximco Sukuk that would support the company to build its solar power infrastructures and expand textile facilities. Also, the Bangladesh Bank issued a BDT 80.0 billion Sukuk earlier this year which was originated by the government to finance its safe water project.

<https://www.tbsnews.net/economy/stocks/sukuk-trustees-enjoy-tax-waiver-272233>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 74.56	USD 26.04	53.67%
Crude Oil (Brent)*	USD 75.55	USD 23.75	45.85%
Gold Spot*	USD 1,808.32	(USD 86.78)	-4.58%
DSEX	6,212.77	810.70	15.01%
S&P 500	4,369.55	613.48	16.33%
FTSE 100	7,121.88	661.36	10.24%
BSE SENSEX	52,386.19	4,634.86	9.71%
KSE-100	47,563.45	3,808.07	8.70%
CSEALL	7,852.19	1,077.97	15.91%

Exchange Rates

USD 1 = BDT 84.85*
 GBP 1 = BDT 118.03*
 EUR 1 = BDT 100.76*
 INR 1 = BDT 1.14*

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

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