

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.

Bangladesh Securities and Exchange Commission (BSEC) seeks tax on future reserves

- The securities regulator has suggested imposing tax on the profit to be transferred as reserves from next year by the listed companies. However, tax will be applicable only to companies that will fail to disburse a minimum amount of cash dividend. The Bangladesh Securities and Exchange Commission (BSEC) proposal aims to encourage cash dividend disbursement. A large number of companies are reportedly retaining profits without disbursing dividend to shareholders. It has also urged the National Board of Revenue (NBR) to withdraw the proposal to levy a 15% tax on stock dividend. The proposals came in the wake of criticism from stakeholders over proposed budgetary measures like tax on stock dividend and retained earnings.

- Finance minister in his budget speech on June 13 proposed a 15% tax on stock dividend to encourage cash dividend by listed companies. This tax will be applicable to the listed companies only. The minister also proposed a 15% additional tax on retained earnings and reserves, if it exceeds 50% of a company's paid-up capital. According to the BSEC proposal, the companies need not pay any tax on existing reserves. But tax will be applicable to the amounts which will be retained from next year without recommending a minimum amount of cash dividend.

<http://today.thefinancialexpress.com.bd/first-page/bsec-seeks-tax-on-future-reserves-1561485352>

Donors disburse USD 5.2 billion in 11 months

- Donors disbursed development assistance worth USD5.21 billion in 11 months (July-May) of fiscal year (FY) 2018-19, up 11% compared to the same period of the previous fiscal, official data showed on Monday. During the same period of FY 2017-18, the foreign development partners had made available USD 4.69 billion in concessional medium- and long-term (MLT) assistance. According to the Economic Relations Division (ERD)'s provisional data, the development partners provided USD 4.97 billion in concessional loans and USD 238.90 million as grant during the period from July 2018 to May 2019. However, the commitment of foreign assistance for the July-May period of the outgoing FY '19 was USD6.22 billion, the ERD data show. Of the USD 6.22 billion external aid commitment, USD 5.03 billion was earmarked as loans and the remaining USD 1.18 billion as grants.

- Bangladesh's development partners, including the World Bank, the Asian Development Bank, the Japan International Cooperation Agency (JICA), UK's donor agency DFID, and the Islamic Development Bank, disburse concessional aid every year for the development projects of the country. Bangladesh utilizes the foreign aid mostly to implement infrastructure projects and reduce poverty level in the country.

<http://today.thefinancialexpress.com.bd/first-page/donors-disburse-52b-in-11-months-1561485470>

Private importers free to sell LNG (liquefied natural gas) to other users

- The private parties concerned will have the liberty to sell re-gasified LNG at the prices negotiated with their buyers under the maiden LNG import policy adopted by the government recently. Under the "LNG Import Policy for Private Sector 2019," the private parties, local or foreign, will be able to import LNG (liquefied natural gas), re-gasify it and sell the re-gasified LNG to the consumers of their choice. The government will not interfere in fixing the selling prices of the re-gasified LNG imported by the private parties, the policy spells out. The private sector LNG importers would also be allowed to use the imported re-gasified LNG at their own power plants and industrial units and for other commercial purposes. They would also have the liberty to supply the re-gasified LNG to others' power plants, industrial units and commercial entities.

- The private sector will, however, be allowed to sell the 'surplus' re-gasified LNG, not exceeding 25% of their total imported volume, to the state-run Petrobangla that markets petroleum products locally, the policy states. But the selling price of the re-gasified LNG to Petrobangla should be determined by it, the policy notes.

- The country entered the LNG import era on April 24 last year, when the US-based Excelerate Energy's Excellence arrived at the Moheshkhali Island terminal carrying 136,000 cubic metres of lean LNG from Qatar. The Petrobangla, however, started regular import of LNG from Qatar's RasGas on September 9 that year after initiating successfully the feeding of re-gasified LNG to consumers from August 18. Currently some 600 million cubic feet per day (mmcf) of re-gasified LNG are being supplied to the national grid, especially to the consumers of Chattogram city through two LNG import terminals.

- Bangladesh will need to import around 30 million tonnes of LNG per year to meet the mounting demand from various sectors, including industries, power plants and fertilizer plants by 2041 as the domestic gas reserves are depleting fast, according to a report prepared by Copenhagen-based research firm Ramboll in association with the Geological Survey

of Denmark and EQMS Consulting Limited. Bangladesh's existing gas reserves of around 12 Tcf (trillion cubic feet) would completely run out by 2038 in the event of no new discovery of gas reserves, the report added.

<http://today.thefinancialexpress.com.bd/first-page/private-importers-free-to-sell-lng-to-other-users-1561485276>

Esquire ICL Apparel Fund gets Bangladesh Securities and Exchange Commission (BSEC) approval

- The securities regulator has approved the draft prospectus of Esquire ICL Apparel Fund, an open-end mutual fund. The initial size of the fund will be BDT 250 million, of which BDT 100 million will be contributed by the sponsor. The remaining BDT 150 million will be collected through sales of units. The face value of the units of the fund will be BDT 10 each. Esquire Knit Composite is the sponsor of the fund, while Impress Capital is the fund manager.

<http://today.thefinancialexpress.com.bd/stock-corporate/esquire-icl-apparel-fund-gets-bsec-approval-1561484045>

Budget announcement causes price hike: survey

- The prices of essential commodities tend to spiral following the announcement of national budgets, much to the distress of the poor and the ultra-poor, found a recent survey. Only one-fifth of the respondents of a survey conducted by BRAC and research organizations iSocial and Unnayan Shamannay think the yearly budget announcements have nominal effect. But around two-thirds think the prices of essential commodities typically go up after the announcement. The survey, which started this year, is part of a seven-year research on comprehensively measuring the budget's impact on the poor and extreme poor.

The survey was conducted among 4,800 randomly selected respondents from extreme poor, poor and middle-income backgrounds. The findings are grouped in three categories: effectiveness of social security services, public perception about the budget's priorities, and disaster preparedness and mechanisms in marginalized households. Of the respondents, 10% receive at least one social security service and one-third of these receivers are women.

<https://www.thedailystar.net/business/news/budget-announcement-causes-price-hike-survey-1762555>

Gazipur city development project gets The Executive Committee of the National Economic Council (ECNEC) nod

- The Executive Committee of the National Economic Council (ECNEC) at a meeting on Tuesday approved a total of 10 projects, including Gazipur city development project, involving BDT 69.67 billion. Under the BDT 38.28 billion city development project, the Gazipur City Corporation will develop roads and drains and also acquire 239.78 acres of land for development activities. Of the total cost, BDT 66.86 billion will come from the government fund, BDT 2.42 billion from the implementing agencies' own resources and the remaining amount as project assistance from foreign sources, he said. Of the projects, nine are new and one is a revised one.

<http://today.thefinancialexpress.com.bd/last-page/gazipur-city-dev-project-gets-ecnec-nod-1561486207>

<http://thefinancialexpress.com.bd/economy/10-projects-worth-BDT-69b-get-ecnec-nod-1561463193>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$58.88	+1.05	+1.82%
Crude Oil (Brent)*	\$65.76	+0.71	+1.09%
Gold Spot*	\$1,407.50	-15.94	-1.12%
DSEX	5380.96	+1.81	+0.03%
Dow Jones Industrial Average	26,548.22	-179.32	-0.67%
FTSE 100	7,422.43	+5.74	+0.08%
Nikkei 225	21,076.65	-117.16	-0.55%

Exchange Rates

USD 1 = BDT 84.59*

GBP 1 = BDT 107.29*

EUR 1 = BDT 96.07*

INR 1 = BDT 1.22*

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

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