

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.

Local producers may get tax benefits, VAT waivers

- The government is likely to consider providing tax benefits to local manufacturers of ICT products in the upcoming FY23 budget, while imposing high taxes on import of finished goods. The imports of raw materials for ICT products would also be facilitated through awarding tax waivers. Currently, import of laptop, desktop, printers and other finished computer and ICT products are subject to pay only 5.0% duty. Import of finished laptop may require paying 20% duty in FY23.

<https://today.thefinancialexpress.com.bd/last-page/local-producers-may-get-tax-benefits-vat-waivers-1654108887>

Bhutan wants to finalise deal to use the ports

- Bhutan wants Bangladesh to make 2017's transit route deal functional soon so that the landlocked country can use Mongla and Banglabandha ports to carry goods from and to Bangladesh through India. The discussion is still at the primary level, as India is also a part of the proposed transit route, Senior Commerce Secretary said.

<https://www.thedailystar.net/business/economy/news/bhutan-wants-finalise-deal-use-the-ports-3037391>

Remittance drops by 15.95% in July-May

- Inflow of remittance dropped by 15.95% in 11MFY22 amid a widening gap in exchange rates in the formal channel and the kerb market. The inflow dropped to USD 19.19 Bn from USD 22.84 Bn in 11MFY21. Centre for Policy Dialogue distinguished fellow Mustafizur Rahman told that the amount is compared with the pre-pandemic period. He added that the growth rate would be double digit if it is compared with the inflow of remittance in the first 11MFY20.

<https://www.newagebd.net/article/172123/remittance-drops-by-1595pc-in-july-may>

GDP growth may slow to 6.5%

- Bangladesh's real GDP growth may slow to 6.5% in FY23, says a global rating agency that attributes the slowdown to a slew of headwinds. In the process of rebound from the pandemic shocks, meanwhile, the official statistical agency has projected a robust growth at 7.2% for the outgoing FY22.
- Although growth will be supported by some tailwinds, like the continued easing of covid-19 restrictions over the coming quarters, it notes, high base effects (GDP data rebased to FY16) and the myriad headwinds facing the economy suggest that the growth on balance could slow in FY23.

<https://today.thefinancialexpress.com.bd/first-page/gdp-growth-may-slow-to-65pc-1654108573>

Bank chairmen can be subsidiary directors till June 2023

- Bank chairmen along with the heads of executive, audit and risk management committees who hold directorships of associated subsidiaries or foundations will be able to continue to serve in the latter role till June 2023, said Bangladesh Bank (BB). Last month, BB had instructed persons who are now in such directorship roles to resign or get exempted by June 30 this year. Banks informed the central bank that it would be difficult to run the subsidiaries and foundations due to a lack of skilled manpower.

<https://www.thedailystar.net/business/economy/banks/news/bank-chairmen-can-be-subsiadiary-directors-till-june-2023-3037351>

Devious deals by banks trigger forex volatility

- Devious deals by banks trigger current forex volatility in Bangladesh, a probe finds and the central bank begins quizzing them over the anomalies, officials say. The top executives of the banks -- one a state-owned commercial bank (SoCB) and another is a private commercial bank (PCB) -- have been asked to submit their explanations

<https://today.thefinancialexpress.com.bd/first-page/devious-deals-by-banks-trigger-forex-volatility-1654108514>

Dollar shortage forces price rise for greenbacks in kerb market

- Money changers in the country on Wednesday claimed that as fewer people are selling dollars in the kerb market despite demand, the value of the greenbacks is rising in the open market. Money changers were seen buying dollars between BDT 95.50-96, which they would sell for BDT 96.50-97. Earlier on Tuesday, the dollar was bought for BDT 95-95.70 and was sold at BDT 96.30-96.50. As such, the dollar rose by BDT 0.20-0.50 in a single day.

<https://www.tbsnews.net/economy/dollar-shortage-forces-price-rise-greenbacks-kerb-market-431362>

Ashuganj Power: Project benefits caught in same old delays

- The Ashuganj Power Station Company, which raised BDT 6.0 Bn through the issuance of bonds for two power plants in 2019, has been paying interests to bond investors despite having no returns. Sources at Ashuganj Power say interest payments are putting the company's total earnings under pressure. On top, the bonds will mature next year and then the company will have to start paying principal to the investors.
- The Patuakhali 1,320MW super thermal power plant was in the list of 10 coal-fired projects that were scrapped by the government. Although the project would be now developed as LNG-based, the physical progress of the project is only over 30% and its financial progress is 27.85%. Pandemic-led shutdown delayed implementation of Ashuganj 400MW combined cycle power plant, which is now expected to go into operation in mid-June.

<https://www.tbsnews.net/bangladesh/energy/ashuganj-power-project-benefits-caught-same-old-delays-431378>

Govt approves purchasing 3.36 Mn MMBtu LNG

- The Cabinet Committee on Government Purchase (CCGP) has approved the import of 3.36 Mn MMBtus (British thermal units) of LNG to meet the growing demand. Petrobangla would procure the LNG from M/S Gunvor Singapore Pte. Ltd., Singapore at a cost of around BDT 8.38 Bn.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-approves-purchasing-336m-mmbtu-lng-1654092653>

Non-brand bakery products prices soar by 20%

- The prices of non-brand bakery products have been increased by 20% amid hike in prices of flour, oil, butter, and other ingredients used for baking. President of Bangladesh Bread, Biscuit and Confectionery Manufacturers Association (BBBCMA) said that the increased prices of bakery products have become effective from June 1.

<https://thefinancialexpress.com.bd/trade/non-brand-bakery-products-prices-soar-by-20pc-1654090536>

BSEC okays draft prospectus of Sandhani Income Fund

- Bangladesh Securities and Exchange Commission (BSEC) has approved the draft prospectus of BDT 500 Mn Sandhani AML SLIC Fixed Income Fund. Of this, the sponsor will provide BDT 100 Mn and the remaining BDT 400 Mn will be raised by selling mutual fund units to investors at a face value of BDT 10 each.

<https://www.tbsnews.net/economy/stocks/bsec-okays-draft-prospectus-sandhani-income-fund-431282>

IFIC Bank to issue BDT 5.0 Bn bonds

- To strengthen its Tier 2 capital base, IFIC Bank has received regulatory approval to raise BDT 5.0 Bn through the issuance of unsecured, non-convertible, fully redeemable, floating rate bond. The fund would be raised through

private placement for financial institutions, insurance companies and corporates. Each unit price of the bond is BDT 10.0 Mn. Sena Kalyan Insurance Company and Standard Chartered Bank are the trustee and mandated lead arranger respectively.

<https://www.thedailystar.net/business/economy/banks/news/ific-bank-issue-tk-500cr-bonds-3037371>

SS Steel owners allowed to take over Oimex

- The Bangladesh Securities and Exchange Commission on Wednesday allowed owners of SS Steel Limited to take over Oimex Electrode Limited. BSEC officials said that SS Steel entrepreneurs would acquire sponsor-directors' portion of shares in Oimex at BDT 10 each.

<https://www.newagebd.net/article/172150/ss-steel-owners-allowed-to-take-over-oimex>

Union Group wants to acquire Ring Shine Textiles

- Union Group has expressed its intention of acquiring Ring Shine Textiles Limited, according to a letter sent to the Bangladesh Securities and Exchange Commission in this regard on May 17. Union Group has experiences in the same track of business activities like Ring Shine.
- In its letter, Union Group told that they have agreed to take over the company because of a request by bankers concerned and to save the investors of share market. The only drawback in this takeover is the huge liability of the company, rendering net asset value as negative.

<https://www.newagebd.net/article/172153/union-group-wants-to-acquire-ring-shine-textiles>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 112.43	USD 37.22	49.49%
Crude Oil (Brent)*	USD 113.64	USD 35.86	46.10%
Gold Spot*	USD 1,845.18	USD 15.98	0.87%
DSEX	6,433.17	-323.48	-4.79%
S&P 500	4,101.23	-664.95	-13.95%
FTSE 100	7,532.95	148.41	2.01%
BSE SENSEX	55,381.17	-2,872.65	-4.93%
KSE-100	42,756.04	-1,840.03	-4.13%
CSEALL	8,064.69	-4,161.32	-34.04%

Exchange Rates**1 US Dollar = 89.04 BDT****1 GBP = 111.17 BDT****1 Euro = 94.88 BDT****1 INR = 1.15 BDT**

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