

*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.*

### **China to provide tariff benefit to more Bangladeshi goods**

- China is going to increase the tariff-free quota benefit for more Bangladeshi goods to minimise the trade imbalance between the two countries. Some 97% goods originated from Bangladesh have been enjoying duty benefit to Chinese markets since July 2020 and now the Jinping administration offered raising it to 98%. The 97% package covers nearly 9,000 Bangladeshi goods. However, Bangladesh will lose the duty benefit for 98% goods after its graduation to a developing nation in 2026 if the country does not sign any trade deal with China.

<https://www.thedailystar.net/business/news/china-provide-tariff-benefit-more-bangladeshi-goods-3042436>

### **USD 1,500 Mn underway as budgetary support: PM Hasina**

- Prime Minister Sheikh Hasina on Wednesday said a process is underway to mobilise USD 1.0 Bn as budgetary support to tackle future emergency situation and economic crisis caused by Russia-Ukraine war. Besides, she said, as part of the programme to tackle the economic crisis due to Covid-19 pandemic, a process is underway to mobilise another USD 500.0 Mn as budgetary support.

<https://www.tbsnews.net/economy/1500-mln-underway-budgetary-support-pm-hasina-435670>

### **Startups need to file tax returns**

- The tax authority apparently seeks to cut turnover tax for startups to 0.1% from the next fiscal year from the existing 0.6% to facilitate the growth of budding entrepreneurs. Startups are expected to be exempted from all types of reporting requirements related to tax, except for filing submissions of income tax returns. The National Board of Revenue may also relax rules regarding allowable expenditures of startups.

<https://www.thedailystar.net/business/economy/news/startups-need-file-tax-returns-3042816>

### **Govt wants to raise money supply by over 15% even amid soaring inflation**

- The government is going to increase the money supply in the next fiscal year to 15.4%, highest in the last seven years, which appears to throw a spanner in its own efforts to tame rising inflation. Economists say such an uncalculated target of broad money growth will further stoke inflation in Bangladesh. At its coordination council meeting, the finance ministry said the country's economic growth target has been projected at 7.5% and inflation at 5.6%. Nominal GDP will stand at 13.1%.

<https://www.tbsnews.net/economy/budget/govt-wants-raise-money-supply-over-15-even-amid-soaring-inflation-435306>

### **Suppliers against int'l tenders to lose exporter status, facilities**

- Local businesses that supply goods or services against international tenders are going to lose their exporter status and all facilities in the next fiscal year, according to sources at the finance ministry. If goods and services do not go outside Bangladesh's geographical boundary, it will no longer be considered as exports, the new provision incorporated into the income tax law defines.
- Besides, under an internal back-to-back letter of credit, suppliers of locally-manufactured raw materials and other inputs to export-oriented industries will be called exporters. From FY23, all other suppliers will have to pay a 5% tax at source on goods and 4% on raw materials.

<https://www.tbsnews.net/economy/budget/suppliers-against-intl-tenders-lose-exporter-status-facilities-435886>

**Capital shortfall of 10 banks down by over BDT 75.0 Bn in 3 months**

- The capital shortfall in the 10 banks stood at BDT 346.39 Bn at the end of Dec'21, which came down to BDT 270.86 Bn at the end of Mar'22. Three private banks saw their capital strength weaken in Mar'22 compared to Dec'21 because of an increase in non-performing loans (NPLs).
- The country's scheduled banks had a capital adequacy ratio of 11.41% at the end of Mar'22, while the capital adequacy of state-owned banks was only 6.76%, specialised banks 33.58% deficit, and the private banks had a capital adequacy ratio of 13.22% at the end of Mar'22, down from 13.72% three month ago.

<https://www.tbsnews.net/economy/banking/capital-shortfall-10-banks-down-over-tk7500cr-3-months-435882>

**Govt to introduce injury insurance scheme for RMG workers**

- The government has decided to introduce an employment injury scheme (EIS) for the readymade garment sector workers from July this year. The labour and employment ministry agreed on this on Wednesday at a meeting with the International Labour Organisation (ILO) in Geneva, Switzerland. The project will be launched in the first week of July on pilot basis. A bank account will be opened in a state-owned bank to be operated by a tripartite management committee.

<https://www.tbsnews.net/bangladesh/govt-introduce-injury-insurance-scheme-rmg-workers-435658>

**Padma Bridge: A USD 500 Mn boost to commercial vehicle market**

- The Padma Bridge is expected to create demand for thousands of commercial vehicles worth at least USD 500 Mn in the next five years. A leading commercial vehicle company's insight reveals that the industry expects to sell nearly 700 large buses this year alone, to new and existing fleet owners, targeting several dozen direct highway. Around 3,000 large buses, estimated to be worth nearly BDT 2.5 Bn, are expected to be sold in five years.

<https://www.tbsnews.net/economy/padma-bridge-500m-boost-commercial-vehicle-market-435418>

**Tax receipts from DSE drop 19% in May**

- The government revenue earnings from the Dhaka Stock Exchange (DSE) dropped by 19% month-on-month in May on the back of falling turnover value. The government collected revenue worth BDT 176 Mn in May which was BDT 218 Mn in Apr'22. Market analysts said bearish market trend, lower share sales by sponsor-directors and reduced trading days due to Eid-holidays affected the government earnings from the premier bourse in May.

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-receipts-from-dse-drop-19pc-in-may-1654713863>

**Investors must invest at least BDT 50,000 for IPO quota**

- The Bangladesh Securities and Exchange Commission on Wednesday raised the minimum stock market investment requirement to BDT 50,000 from BDT 20,000 for the general investors for enjoying initial public offering quota. The minimum investment for non-resident Bangladeshi was set at BDT 100,000.

<https://www.newagebd.net/article/172703/investors-must-invest-at-least-tk-50000-for-ipo-quota>

**BSEC okays draft prospectus of Blue-Wealth Fund**

- The Bangladesh Securities and Exchange Commission (BSEC) approved the draft prospectus of Blue-Wealth 1st Balanced Fund, an open-ended mutual fund. According to the BSEC, the primary target size of the fund is BDT 250.0 Mn. The sponsor, Blue-Wealth Assets Limited, will provide BDT 25.0 Mn, and the remaining BDT 225.0 Mn will be raised by selling mutual fund units to investors at a face value of BDT 10 each. Sandhani Asset Management Limited is the trustee, while Brac Bank Ltd is the custodian of the fund.

<https://www.tbsnews.net/economy/bsec-okays-draft-prospectus-blue-wealth-fund-435718>

**Navana Pharma gets BSEC nod to discover IPO cut-off price**

- The Bangladesh Securities and Exchange Commission (BSEC) on Wednesday allowed Navana Pharmaceuticals Limited to raise BDT 750 Mn from the stock market through an initial public offering (IPO). The cut-off price of the shares will be determined by the book building method, and general investors will get a 30% discount on the cut-off price.
- Of the funds, the drugmaker plans to use BDT 232.4 Mn for a new general production building, BDT 97.3 Mn for a new utility and engineering building, BDT 178.5 Mn for refurbishing the cephalosporin unit, BDT 211.8 Mn for loan repayment, and the rest for meeting IPO expenses.

<https://www.tbsnews.net/economy/stocks/navana-pharma-gets-bsec-approval-ipo-raise-tk75cr-435814>

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change YTD</b>	<b>% Change YTD</b>
Crude Oil (WTI)*	USD 122.48	USD 47.27	62.85%
Crude Oil (Brent)*	USD 124.06	USD 46.28	59.50%
Gold Spot*	USD 1,851.31	USD 22.11	1.21%
DSEX	6,484.25	-272.41	-4.03%
S&P 500	4,115.77	-650.41	-13.65%
FTSE 100	7,593.00	208.46	2.82%
BSE SENSEX	54,892.49	-3,361.33	-5.77%
KSE-100	41,553.16	-3,042.91	-6.82%
CSEALL	7,772.69	-4,453.32	-36.42%

**Exchange Rates****1 US Dollar = 92.95 BDT****1 GBP = 116.41 BDT****1 Euro = 99.58 BDT****1 INR = 1.19 BDT**

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