

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.

FDI in Bangladesh jumped 13% after two years: Unctad

- Foreign direct investment (FDI) in Bangladesh rose by 12.9% to USD 2.9 Bn – around the pre-pandemic level – in 2021. In the same year, the number of international project finance deals in Bangladesh tripled to 14, reaching USD 4.7 Bn. The largest project was the construction of a container terminal in Ananda Bazar in Chattogram for USD 2.0 Bn, according to the World Investment Report 2022. Meanwhile, outward FDI from Bangladesh rose nearly seven times to USD 92 Mn in 2021. In 2017, outflow of FDI was the highest, USD 142 Mn, since 1990.

<https://www.tbsnews.net/economy/fdi-bangladesh-jumped-13-after-two-years-unctad-437902>

BB to conduct feasibility study to introduce digital currency

- Finance minister AHM Mustafa Kamal said that the Bangladesh Bank would conduct a feasibility study on the possibility of introducing Central Bank Digital Currency in Bangladesh. The main purpose of launching Central Bank Digital Currency (CDBC) is to facilitate currency in virtual transactions and to encourage start-ups and e-commerce businesses

<https://www.newagebd.net/article/172824/bb-to-conduct-feasibility-study-to-introduce-digital-currency>

Tax return a must to get 50 types of services

- People would not be able to avail nearly 50 types of services unless they submit tax returns to the government every year, according to the proposed finance bill-2022. Bank transaction would be frozen or suspended in case of absence of tax return slip, tax officials said.
- Obtaining and continuation of electricity connections, opening and continuing of bank accounts of any sorts with credit balance above BDT 1.0 Mn, applying for loans above BDT 0.5 Mn from a bank or financial institution, and submission of bill of entry for import.

<https://thefinancialexpress.com.bd/trade/tax-return-a-must-to-get-50-types-of-services-1654836881>

Capital gain from govt securities coming under tax net

- Institutional investors, including banks, insurance and NBFIs will face tax on their capital gains from investments in government securities, according to the new budget for FY23. As per current rules capital gain from government securities like Treasury bills and bonds enjoy zero tax, while a 15% tax rate capital gain from non-govt securities. According to the Bangladesh bank data, During FY21, the net issuance of T-bonds and T-bills was BDT 511.0 Bn and BDT 115.15 Bn, respectively.

<https://www.tbsnews.net/economy/budget/capital-gain-govt-securities-coming-under-tax-net-436390>

BDT 827.45 Bn subsidies for fuel, electricity, gas, and fertilizer

- The government has allocated was BDT 827.45 Bn as subsidies for fuel, electricity, gas, and fertilizer. Despite initially allocating BDT 538.52 Bn in FY22 budget, the rise in prices of fuel and fertilizer in the international market has pressed the government it to BDT 668.25 Bn.

<https://www.tbsnews.net/economy/budget/tk82745cr-subsidies-fuel-electricity-gas-and-fertilizer-436366>

Govt liabilities over SOEs' loan guarantees growing

- Government liabilities over outstanding loans of the state-owned enterprises (SOEs) goes ballooning as they owe BDT 926.01 Bn to local and foreign lenders, sources say. The guarantee amount equivalent to over 2.0% of the GDP is a matter of concern. The SOE debt overhang, following a 25% surge in their loans backed by government guarantees, valid beyond June 2022, has future fiscal implications for the exchequer in economists' view.
- The borrowings buildup involves mainly guarantees provided for 18 large-project guarantees for power-generating projects, according to the sources. The total power-sector guarantees amount to BDT 495.15 Bn or more than 54% of the total, followed by the country's agriculture-development agency BADC involving import of some essential fertilizers.

<https://today.thefinancialexpress.com.bd/first-page/govt-liabilities-over-soes-loan-guarantees-growing-1654968412>

Finance secy Abdur Rouf Talukder new BB governor

- The government on Saturday appointed the finance ministry's senior secretary Abdur Rouf Talukder as the new governor of Bangladesh Bank for four years. Rouf would be the 12th governor of the central bank after being 34 years in civil service since 1988, replacing Fazle Kabir, also a former finance secretary.

<https://www.newagebd.net/article/172983/finance-secy-abdur-rouf-talukder-new-bb-governor>

BGMEA demands keeping source tax unchanged

- The Bangladesh Garment Manufacturers and Exporters Association has requested the government to keep 0.5% source tax on apparel exports unchanged. The government proposed an increase in source tax to 1.0% from 0.5% for apparel exports, which would be difficult for the industry considering the global economic scenario.

<https://www.newagebd.net/article/172915/bgmea-demands-keeping-source-tax-unchanged>

Apparel exports to US witness 65% growth

- The country's apparel exports to the US maintained a robust growth in terms of both value and volume during the first four months of 2022. The US imported RMG items worth USD 3.29 Bn from Bangladesh during 4MCY22, marking a 65.08% growth year-on-year. The country's apparel exports in terms of volume also registered a 50.33% growth to 1.19 Bn square metres during the period under review. Bangladesh fetched USD 7.14 Bn from RMG exports to the US in 2021, keeping the market as its single-largest export destination without any duty preference.

<https://today.thefinancialexpress.com.bd/trade-market/apparel-exports-to-us-witness-65pc-growth-1654969845>

Listed cos offered tax cut for floating above 10% shares

- The government on Thursday proposed reducing corporate tax to 20% from the existing 22.5% for listed companies issuing more than 10% shares through initial public offering in the national budget for FY23. However, the tax rate will be 22.5% for a listed company that issues shares worth 10% or less than 10% of its paid up capital through IPO.

<https://www.newagebd.net/article/172827/listed-cos-offered-tax-cut-for-floating-above-10pc-shares>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 120.67	USD 45.46	60.44%
Crude Oil (Brent)*	USD 122.01	USD 44.23	56.87%
Gold Spot*	USD 1,871.60	USD 42.40	2.32%
DSEX	6,480.30	-276.36	-4.09%
S&P 500	3,900.86	-865.32	-18.16%
FTSE 100	7,317.52	-67.02	-0.91%
BSE SENSEX	54,303.44	-3,950.38	-6.78%
KSE-100	42,014.73	-2,581.34	-5.79%
CSEALL	7,898.79	-4,327.22	-35.39%

Exchange Rates**1 US Dollar = 92.99 BDT****1 GBP = 114.49 BDT****1 Euro = 97.79 BDT****1 INR = 1.19 BDT**

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