

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.

NEC approves BDT 2.46 Tn ADP for FY23

- The National Economic Council (NEC) on Tuesday approved a BDT 2.46 Tn Annual Development Programme (ADP) for FY23. The transport and communication sector has got the highest allocation in the ADP. The government also prioritised ensuring optimum utilisation of public funds through checking misuse.
- Briefing reporters after the meeting, Planning Minister said that out of the original ADP outlay of BDT 2.46 Tn for the next fiscal year, BDT 1.53 Tn will come from the local sources while the rest of BDT 930.00 Bn as project assistance from external sources.
- Out of the 15 sectors, the transport and communication sector witnessed the highest ADP allocation of BDT 706.96 Bn in the next fiscal year followed by the Power and Energy Sector BDT 394.12 Bn, the education sector BDT 290.81 Bn, the health sector BDT 192.78 Bn.

<https://thefinancialexpress.com.bd/economy/bangladesh/nec-approves-tk-246-trillion-adp-for-fy23-1652783350>

25% of govt procurement must come from CMSMEs

- The industries ministry has finalised the draft of the "Sub-Contracting Act 2022", making it mandatory for the government to make at least 25% of its procurement from the domestic cottage, micro, small and medium enterprises (CMSMEs). It would relax the condition of the open tender method, and some other obligations such as publishing tender notices in newspapers and paying tender prices by suppliers. The proposed law would ensure the provision of 50% advance payment to suppliers, sharing of work among participating companies and pricing through negotiations.
- Under the new law, small entrepreneurs will be able to supply imported goods and parts as domestic products with at least 50% value addition. Apart from that, required financial and technical support would be provided to the companies interested in acquiring the capacity to produce items not manufactured in the country..

<https://www.tbsnews.net/economy/25-govt-procurement-must-come-cmsmes-421782>

Clinch fresh deals or cross uphill duty wall

- Bangladesh exports to the vast European market may face an uphill duty wall of 12% after the country's LDC graduation and grace time if a fresh deal is missed. The current GSP Plus facility for zero-duty export to the market of the bloc lapses after 2029. Bangladesh's graduation in 2026 will also result in immediate termination of LDC-related trade preferences in many countries, including Australia, Canada, China, India, and Japan.
- Industry-insiders and analysts say the emerging factors surrounding Bangladesh's graduation from the least-developed -country status could take a toll on the country's exports to the European Union market unless the issues are addressed in time. They think the headwinds may stem from the EU's green deal, its free-trade agreements with other major garment- producing countries, and environment, social and governance (ESG) compliance initiative.
- The combined share of the products from Bangladesh is more than 13% of the total EU imports of the knitwear, woven and home textile. Under the proposed EU GSP regulations, if the combined share of a country exceeds 6.0% of the total EU imports of the same products, safeguard measures would be triggered to remove duty-free market access for these products.

<https://today.thefinancialexpress.com.bd/first-page/clinch-fresh-deals-or-cross-uphill-duty-wall-1652810286>

Import shipment tracking made a must for banks

- The Bangladesh Bank on Tuesday made the tracking of import shipments a must for the country's banks to prevent import-based money laundering. The step of the central bank came at a time when the country's import payments reached a record high of USD 61.52 Bn. Prior to the issuance of the import trading-related circular, the Bangladesh Bank on April 20 made the tracking of export shipments a must.
- The surge in import payments prompted the BB to slap a high margin on import letters of credit of luxurious items and non-essential items. Banks are supposed to slap at least 75% margin on LCs opened for non-essential items.

<https://www.newagebd.net/article/170827/import-shipment-tracking-made-a-must-for-banks>

US dollar exchange rate in Bangladesh tops BDT 100 on kerb market

- The exchange rate of the US dollar in the country's informal market, also known as kerb market, exceeded BDT 100 on Tuesday as the demand for the greenback remained high. The exchange rate of the dollar became highly volatile not only on the informal market but also in banks. Bankers and experts said that the import payments remained high while the Bangladesh Bank was unable to supply adequate amount of dollars on the market to meet the demand due to a depletion of reserve since August 2021.
- Banking sources said that the exchange rate of the dollar in the country's informal market skyrocketed to up to BDT 102 on Tuesday from BDT 95-97 a day ago. Former Bangladesh Institute of Bank Management director general told that had the exchange rate been adjusted gradually at a marginal rate when the balance of payment situation was better, it would not be a matter of concern now.

<https://www.newagebd.net/article/170800/us-dollar-exchange-rate-in-bangladesh-tops-tk-100-on-kerb-market>

RMG makers worried over move on power tariff hike

- Textile and apparel industry owners have expressed concerns as the Bangladesh Energy Regulatory Commission (BERC) is holding a day-long public hearing on the 65.95% bulk electricity price hike proposal on Wednesday. As per the latest tariff order, the bulk price of per unit electricity is BDT 5.17. But the BPDB proposed to BERC for increasing the price to BDT 8.58 per unit. RMG makers are worried that the electricity price hike amid an economic struggle would put industries under added pressure and such a decision would not be wise.
- In a statement, the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) said the electricity price hike in the current context would be considered a suicidal move by the government. Chairman of Envoy Textile told that if the Russia-Ukraine war prolongs for a few months, it would adversely affect the main export destination – the European market. Hence, such decision would create another challenge for the industries.

<https://www.tbsnews.net/economy/rmg/rmg-makers-worried-over-move-power-tariff-hike-421754>

Pvt companies may invest in power transmission, distribution

- Private firms will be allowed to invest in power transmission and distribution lines as the government constitutes a policy to encourage private-sector investment for smooth operation of the power grid. The national power grid can be used by the private sector under commercial terms as per the guideline. The government will ensure investment security, waive taxes for 15 years and reduce import tax to woo private firms' investment in this potential sector.
- The State Minister for Power told that Bangladesh has witnessed private investment worth USD 12.0 Bn in the power sector over the past one decade. The government has planned to attract USD 50.0 Bn more private investment over

the next 12 years.

<https://today.thefinancialexpress.com.bd/last-page/pvt-companies-may-invest-in-power-transmission-distribution-1652811001>

ICB receives BDT 250 Mn from CMSF

- Capital Market Stabilisation Fund (CMSF) has provided another amount of BDT 250 Mn in third phase to Investment Corporation of Bangladesh (ICB) to support the ailing stock market. As a result, the state-run ICB has so far received a total of BDT 1.75 Bn from the CMSF to enhance liquidity support for the stock market. According to the officials, the CMSF has so far received BDT 4.60 Bn in cash and shares worth BDT 3.38 Bn in current market value.

<https://today.thefinancialexpress.com.bd/stock-corporate/icb-receives-tk-250-million-from-cmsf-1652801676>

Kapita Packaging allowed to take over Yeakin Polymer

- The Bangladesh Securities and Exchange Commission has allowed Kapita Packaging Solutions to acquire Yeakin Polymer Limited by buying the company's sponsor-directors' entire stake at face value. According to the BSEC approval, Kapita will buy total 22.19 Mn or 30.11% shares at BDT 10 each.

<https://www.newagebd.net/article/170826/kapita-packaging-allowed-to-take-over-yeakin-polymer>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 113.59	USD 38.38	51.03%
Crude Oil (Brent)*	USD 112.59	USD 34.81	44.75%
Gold Spot*	USD 1,810.49	(USD 18.71)	-1.02%
DSEX	6,403.51	-353.15	-5.23%
S&P 500	4,088.85	-677.33	-14.21%
FTSE 100	7,518.35	133.81	1.81%
BSE SENSEX	54,318.47	-3,935.35	-6.76%
KSE-100	42,726.06	-1,870.01	-4.19%
CSEALL	8,457.65	-3,768.36	-30.82%

Exchange Rates**1 US Dollar = 87.51 BDT****1 GBP = 109.13 BDT****1 Euro = 92.17 BDT****1 INR = 1.12 BDT**

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