

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.

Macro:**Bangladesh receives USD1.64 Bn remittance in 21 days of July: BB**

- Bangladesh has received USD1.64 Bn inward remittance till 21 July, thanks to Eid-ul-Azha when Bangladeshi migrants sent more money to families to celebrate one of the biggest festival of Muslims, according to data from Bangladesh Bank. It means, on an average the expatriates sent USD78.22 Mn remittance into the country during 1-21 July, the opening month of the fiscal year 2022-23.
- In June, the last month of the fiscal year, the expatriates sent home USD1.83 Bn remittance through the banking channel, said the BB figures available on Monday. Bangladesh received the highest USD24.77 Bn remittance in FY2020-21, amid global travel restrictions amid Covid-19 pandemic.

<https://www.tbsnews.net/economy/bangladesh-receives-164b-remittance-21-days-july-bb-464914>

Ministries agree to sign CEPA with India

- Senior officials of ministries concerned yesterday reached consensus on signing a much-needed Comprehensive Economic Partnership Agreement (CEPA) with India to expand trade and investment with the neighbouring country. This CEPA is a part of the government's massive initiatives to sign trade deals with major trading partners to retain duty benefits following the United Nations status graduation from a least developed to a developing country in 2026.

<https://www.thedailystar.net/business/economy/news/ministries-agree-sign-cepa-india-3079576>

Country switches to coal power to substitute petroleum imports

- Following footstep of many others, Bangladesh intends to augment imported-coal use for electricity generation to substitute costly diesel, furnace oil and liquefied natural gas (LNG) imports. Although coal price seems cheaper, sources say, its price on the international market also has almost doubled since the Russia-Ukraine war flared up on February 25 from USD239 to as high as USD425 per tonne.
- Currently, around 1,200 megawatts of electricity is generated from coal, of which around 200MW is being generated with local coal in Barapukuria mine-side thermal power plant and 1,000MW from imported Indonesian coal in Payra 1320MW coal-fired power plant.

<https://today.thefinancialexpress.com.bd/first-page/country-switches-to-coal-power-to-substitute-petroleum-imports-1658771694>

Govt formally seeks USD4.5b from IMF

- Finance Minister AHM Mustafa Kamal has sent in a formal request to the IMF for a USD4.5 Bn loan, putting to bed the speculations on whether the country would be seeking the support from the Washington-based multilateral lender at all. According to documents seen by The Daily Star, Kamal sought the amount as balance of payment and budget support as well as to mitigate the effects of climate change on Bangladesh.

<https://www.thedailystar.net/business/economy/news/govt-formally-seeks-45b-imf-3079321>

Income tax return made mandatory for savings certificate over BDT500,000

- The Bangladesh Bank has made it mandatory to show proof of last year's income tax return for investment in savings certificate worth more than BDT500,000. The central bank's Data Management department issued a circular in this regard Monday.

<https://www.tbsnews.net/economy/banking/income-tax-return-made-mandatory-savings-certificate-over-tk5-lakh-464922>

VAT collection weak from large payers in FY22 despite business recovery

- Even though businesses recovered from Covid-19 fallouts in the fiscal 2021-22 and revenue grew 14% year-on-year, VAT collection from 34 large sectors saw a growth of only over 6%. VAT collection from 13 of these sectors, in fact, fell by 1%-90% year-on-year, while the mobile, banking and cosmetic sectors saw only less than 1% rise. The NBR's VAT collection target from LTUs fell short a whopping BDT120 Bn in FY22 against a target of BDT640 Bn.

<https://www.tbsnews.net/nbr/vat-collection-weak-large-payers-fy22-despite-business-recovery-465022>

BD spends USD5.0 Bn yearly on fighting climate impacts

- Bangladesh's economy could achieve 10% GDP growth if it has not been impacted by climate change, foreign minister Dr AK Abdul Momen said on Monday. Bangladesh suffers a loss of 2.0% of GDP every year due to this adverse impact of the changing climate. "In addition, we spent nearly USD5 Bn each year on fighting the challenges of climate change," Dr Momen says while addressing a dialogue on 'Human mobility in the context of climate change'.

<https://today.thefinancialexpress.com.bd/last-page/bd-spends-50b-yearly-on-fighting-climate-impacts-1658772042>

Bankers asked to repatriate USD2 Bn export proceeds from nostro accounts

- To ease the dollar crisis, bankers have been asked to bring to the country export proceeds of nearly USD2 Bn that remain in their nostro accounts with foreign banks. The instruction came at a meeting held by the Bangladesh Bank with top executives of all commercial banks at its headquarters on Monday (25 July). The meeting mainly focused on the dollar crisis and clarification of a newly issued circular on loan rescheduling.

<https://www.tbsnews.net/economy/banking/bankers-asked-repatriate-2b-export-proceeds-nostro-accounts-465002>

Imports slow in June

- Imports slowed down in June after the Bangladesh Bank tightened the rules for opening LCs for luxury items as part of its efforts to shore up foreign exchange reserves. In June, LC settlements declined by over 6% month-on-month and the trend continued in July, according to data from the central bank. The LC settlement value was USD6.79 Bn in June – the lowest in the past nine months.

<https://www.tbsnews.net/economy/imports-slow-june-464974>

Stocks:

AB Bank's profit grows by 35% in the first half

- AB Bank – the first private sector bank in Bangladesh – has registered an impressive 35% year-on-year growth in its consolidated net profit in the first half of 2022. In stock exchange filings on Monday, the lender said the profit rose to BDT36.1.6 Mn, which was BDT260 Mn in the corresponding period of the previous year. Its EPS stood at BDT0.42 in the January-June period, up from BDT0.31 a year ago.

<https://www.tbsnews.net/economy/stocks/ab-banks-profit-grows-35-first-half-464930>

Cost control boosts Unilever Consumer Care's profit

- Unilever Consumer Care Limited – previously operating as GlaxoSmithKline (Bangladesh) – has registered an impressive 58% year-on-year profit growth in the first half of 2022 despite a surge in its raw material and packaging costs. The multinational company also reported a 4% jump in its sales.

<https://www.tbsnews.net/economy/stocks/cost-control-boosts-unilever-consumer-cares-profit-464954>

GP loses subscribers in June while Robi gains

- The country's largest mobile network operator Grameenphone (GP) lost 150,000 subscribers in June, while the second-largest operator, Robi Axiata, gained 2,80,000 new users in the same month, according to fresh statistics.
- The latest data of the Bangladesh Telecommunication Regulatory Commission (BTRC) shows that GP subscribers stood at 84.80 Mn at the end of June -- down from 84.95 Mn in May. The telecom industry overall gained 222,000 subscribers in June, reaching 184.45 million from 184.23 million in May, the data shows.

<https://today.thefinancialexpress.com.bd/last-page/gp-loses-subscribers-in-june-while-robi-gains-1658772196>

Sena Kalyan Insurance sees 33% EPS drop in H1

- Sena Kalyan Insurance Company reported a 33% drop in its earnings per share (EPS) in the first half of 2022, compared to the same six months of the previous year.
- From January to June of 2022, its EPS declined to BDT 1.85 from BDT 2.75 in the same period of 2021. Also, in the second quarter alone, its EPS fell by 27% to BDT 0.91 from BDT 1.25 in the April to June period of 2021.

<https://www.tbsnews.net/economy/stocks/sena-kalyan-insurance-sees-33-eps-drop-h1-464942>

World Stock and Commodities*

| Index Name | Close Value | Value Change YTD | % Change YTD |
|--------------------|--------------------|-------------------------|---------------------|
| Crude Oil (WTI)* | USD 98.30 | USD 23.09 | 30.70% |
| Crude Oil (Brent)* | USD 106.95 | USD 29.17 | 37.50% |
| Gold Spot* | USD 1,725.13 | (USD 104.07) | -5.69% |
| DSEX | 6,082.90 | -673.76 | -9.97% |
| S&P 500 | 3,966.84 | -799.34 | -16.77% |
| FTSE 100 | 7,306.30 | -78.24 | -1.06% |
| BSE SENSEX | 55,766.22 | -2,487.60 | -4.27% |
| KSE-100 | 39,844.02 | -4,752.05 | -10.66% |
| CSEALL | 7,639.42 | -4,586.59 | -37.52% |

Exchange Rates

1 US Dollar = 94.35 BDT
1 GBP = 113.92 BDT
1 Euro = 96.58 BDT
1 INR = 1.18 BDT

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