

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:**BDT 4.13 Tn earned as foreign currency from exports in July-April period**

- Bangladesh has earned over BDT 4.13 Tn as foreign currency by exporting various products during July to April period in the current 2022-23 fiscal. Commerce Minister Tipu Munshi gave the information while responding to a question during the question-answer session in the parliament on Monday, reports BSS. He informed that the country got the earnings by exporting knitwear, readymade garment products, home textiles, footwear, frozen food, jute and jute goods, leather and leather goods.

<https://thefinancialexpress.com.bd/economy/bangladesh/tk-413-trillion-earned-as-foreign-currency-from-exports-in-july-april-period>

Universal pension from July, monthly contribution BDT 500-5000

- The government is set to launch the universal pension scheme nationwide in July, with individual contributions ranging from a minimum of BDT 500 to a maximum of BDT 5,000 per month. Individuals aged above 50 will also be able to join the scheme, but to be eligible for the pension, they will need to make contributions for 10 years, according to finance ministry officials. The scheme will initially target four categories – private sector employees, non-resident Bangladeshis, individuals from the informal sector, and insolvent individuals.
- Although the rate of interest has not yet been finalised, officials said the rate would be higher than that for bank deposits but slightly lower than the prevailing interest rate on savings certificates. The scheme covers individuals aged 18-50 years and above. The relevant law excluded people over 50, but later they were brought under the scheme with conditions by formulating rules.

<https://www.tbsnews.net/economy/universal-pension-july-monthly-contribution-tk500-5000-648746>

Cement industry demands relief from high-tax burden

- The Finance Bill-2023 has proposed an increase in customs duty (CD) on imports of clinker by BDT 200 to BDT 700 per tonne. In contrast, the industry had been requesting the government to reduce the CD from BDT 500 to BDT 200. A duty of BDT 700 per tonne is around 12%-13%, which, in general, should not be more than 5% for such an important commodity, said Bangladesh Cement Manufacturers Association (BCMA) President Md Alamgir Kabir at a press conference on Monday.
- Besides, there is a non-adjustable advanced income tax (AIT) twice – 2-5% during raw materials imports and 2% while selling finished goods. This AIT, along with the energy crisis, high transportation cost, dollar appreciation and struggle in opening letters of credit (LC), has made the cement industry weaker. Even worse for the industry, the AIT is treated as the ultimate tax regardless of whether a company makes a profit or not, he added. The AIT collected in two stages should be at most 0.5% that the industry can bear, the association believes.

<https://www.tbsnews.net/economy/industry/cement-industry-demands-relief-high-tax-burden-648698>

Hotel-owners demand continued duty exemption for material imports

- Luxury hotel owners on Monday demanded the continuation of duties exemption for their hotel material imports, saying that withdrawal of such facilities will lead to a fall in foreign tourists in the country. They have been enjoying a 10% exemption in import duties for interior decoration materials, kitchen equipment, building security equipment and furniture etc for a long time. The Bangladesh International Hotel Association, in a letter to the National Board of Revenue, said the budgetary measures to withdraw the duty exemption from the next fiscal year would increase hotel establishment costs as well as room rents and other charges for customers.

<https://www.tbsnews.net/economy/hotel-owners-demand-continued-duty-exemption-material-imports-648690>

Firms with over BDT 20 Mn turnover likely under NBR scanner

- Partnership firms, registering more than BDT 20 Mn in annual turnover, are expected to require the submission of an audited financial statement along with returns as the tax authority seeks to include the provision in the new income tax bill. Also, the association of persons and operators of various types funds will also need to file audited financial statements alongside income tax returns, according to the Income Tax Bill 2023 placed by Finance Minister AHM Mustafa Kamal in parliament last week. As these businesses were not needed to file audited accounts, there was an absence of compliance.

<https://www.thedailystar.net/business/economy/news/firms-over-tk-2cr-turnover-likely-under-nbr-scanner-3344721>

Tax measures in new budget to escalate tobacco use: Experts

- The proposed national budget for FY 2023-24, if adopted, will once again render tobacco products cheaper than essential commodities, experts have said. This will raise tobacco-related illness and deaths, deprive the government of the opportunity to earn additional revenue, and only benefit tobacco companies, they said at a post-budget press conference on tobacco price and tax measures, at the National Press Club on Monday. Economists and anti-tobacco leaders have raised demand for introducing specific supplementary duty (SD) to effectively raise the prices of tobacco products in the final budget.
- As per the proposals of anti-tobacco organisations, only by introducing 65% of SD in the low-tier cigarettes, the government can earn at least BDT 17 Bn as additional revenue. As the proposed budget has set the SD on the low-tier of cigarettes at only 58%, the companies will pocket at least BDT 4.86 Bn as additional profit.

<https://www.tbsnews.net/economy/tax-measures-new-budget-escalate-tobacco-use-experts-648642>

Tax collection rebounds in May

- Tax collection by the National Board of Revenue (NBR) shot up in May, powered by buoyancy in value added tax (VAT) collection from domestic economic activities and increased income tax receipts, according to a provisional estimate. Taxmen collected BDT 304.81 Bn in May, which drove the overall growth of revenue collection up by 11% year-on-year in the July-May period of the current fiscal. With the recovery in collection last month after a fall in April, overall revenue receipts stood at BDT 2807.76 Bn, which shows that the NBR will have to collect BDT 892.24 Bn to meet its revenue goal of BDT 3700 Bn during this financial year.

<https://www.thedailystar.net/business/economy/news/tax-collection-rebounds-may-3344731>

BSCIC estate brings solvency to female workers

- The Bangladesh Small and Cottage Industries Corporation (BSCIC) established an industrial estate on 26.30 acres of land in the Dapunia area of Jamalpur in 1980 with a view to developing small and medium enterprises and creating jobs. The estate has turned out to be successful as it has reached most of its core targets. What is more, it has generated jobs, mostly for women, thus making them solvent and empowering them. According to the office of the Jamalpur BSCIC, there are 82 industrial units located over 197 plots. Of the 1,848 workers employed, 723 are male and 1,125 are female.

<https://www.thedailystar.net/business/economy/news/bscic-estate-brings-solvency-female-workers-3344671>

High time to reduce demand, tackle inflation head-on

- The government should target reducing demand through ensuring market-based interest and exchange rates as well as cutting allocation for infrastructure projects to rein in inflation and protect the foreign currency reserves, said economists yesterday. "Evidence shows that countries that adopted demand reduction policies through hikes in interest rates have all succeeded in reducing inflation substantially." Ahmed made the comments while making the keynote presentation at a seminar -- Four key challenges for the national budget 2023-24: some reflections -- organised by the Bangladesh Institute of Development Studies (BIDS).

<https://www.thedailystar.net/business/economy/news/high-time-reduce-demand-tackle-inflation-head-3344736>

Mobile production declines sharply in April

- Local production of mobile phones declined substantially in Bangladesh in April as manufacturers grappled with a massive drop in sales amidst the grey market's expansion. About 1.478 Mn units of phones were manufactured in the month, a drop of 56.28% year-on-year. Although the 0.668 Mn smartphones produced in April was the highest in six months, it was down 47.11% compared to the same month a year earlier, highlighting the dire situation the local device manufacturers were in. Production of 4G smartphones plummeted by over 61% year-on-year in the first quarter of this year.

<https://www.thedailystar.net/business/economy/news/mobile-production-declines-sharply-april-3344696>

Country's export earnings to rise by USD 70 Bn in FY24

- Commerce Minister Tipu Munshi on Monday said the country's export earnings most hopefully will be increased to USD 70 Bn in the next year. The government has formulated a series of import policies aiming to strengthen the position of the country for bringing mobility in export under competitive global trade, the minister said while responding to a question tabled by treasury bench lawmaker Morshed Alam of Noakhali-2 in parliament.

<https://www.tbsnews.net/economy/countrys-export-earnings-rise-70b-fy24-648718>

Stocks:**EMERALDOIL | Emerald Oil rectifies last two quarters' earnings**

- Emerald Oil Industries, which had posted miscalculated earnings per share (EPS) for the second and third quarter of the fiscal 2022-23 last week, posted the correct figures on the Dhaka Stock Exchange (DSE) website on Monday. Therefore, the revised EPS for the second (October to December) quarter of FY23 is BDT 0.19, and that for the third (January to March) quarter is BDT 0.17. According to the company's disclosure on 8 June, the wrong figures were BDT 0.21 for December quarter and BDT 0.19 for March quarter. Emerald Oil officials said the company made a mistake in calculating its EPS by diluting fresh shares against share money deposit of BDT 82.8 Mn into ordinary shares for the said quarters.

<https://www.tbsnews.net/economy/stocks/emerald-oil-rectifies-last-two-quarters-earnings-648734>

PADMALIFE | Regulator appoints observer to Padma Islami Life Insurance

- The insurance regulator has appointed an observer on the board of directors of Padma Islami Life Insurance to protect the interest of policy holders of the company. The company said in its statement filed on the stock exchange on Monday, the Insurance Development and Regulatory Authority (Idra) has sent its Director Jahangir Alam to the company's board as observer to ensure good governance. The disclosure also said Idra stated that policyholders are constantly filing complaints with the regulator due to non-payment of insurance claims on time by the company.

<https://www.tbsnews.net/economy/stocks/regulator-appoints-observer-padma-islami-life-insurance-648722>

DUTCHBANGL | Sadia Rayen becomes Dutch-Bangla Bank chairman

- Sadia Rayen Ahmed was elected as the chairman of Dutch-Bangla Bank Limited yesterday. Sadia succeeds Sayem Ahmed, the bank said in a press release. She has been serving as a director of the bank since June 14, 2022. Since 2012 she has been serving as a deputy managing director (finance) of various textile spinning mills with monthly exports of USD 80 Mn.

<https://www.thedailystar.net/business/economy/news/sadia-rayen-becomes-dutch-bangla-bank-chairman-3344591>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 67.37	(USD 7.84)	-10.42%
Crude Oil (Brent)*	USD 72.19	(USD 5.59)	-7.19%
Gold Spot*	USD 1,959.27	USD 185.12	10.43%
DSEX	6,310.60	103.60	1.67%
S&P 500	4,338.93	499.43	13.01%
FTSE 100	7,570.69	118.95	1.60%
BSE SENSEX	62,724.71	1,883.97	3.10%
KSE-100	41,772.33	1,351.88	3.34%
CSEALL	9,014.83	512.34	6.03%

Exchange Rates**1 US Dollar = 108.40 BDT****1 GBP = 135.68 BDT****1 Euro = 116.66 BDT****1 INR = 1.32 BDT**

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