

*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:****Country sees 3,362 new BDT 10 Mn deposit holders in Apr-Jun**

- Some 3,362 new depositors made it to the elite club of rich people in the April to June period of 2023, who have over BDT 10 Mn deposits in their bank accounts. As of March 31 this year, the number of accounts with over BDT 10 Mn in deposits was 110,192, which increased to 113,554 at the end of June.
- The rich had BDT 7.31 Tn in 113,554 accounts at the end of June, which was BDT 6.91 Tn in 110,192 bank accounts at the end of March, according to the BB data. Now, rich people own 43% of total deposits of the banking sector, which was 32.28% three months earlier.

<https://www.thedailystar.net/business/news/country-sees-3362-new-tk-1-crore-deposit-holders-apr-jun-3422771>

**Sri Lanka to work with SME Foundation to develop SME sector in Bangladesh**

- Sri Lanka will work with SME Foundation for the development of small and medium entrepreneurs in Bangladesh, Sri Lankan Minister of State for SME Development Prasanna Ranaweera today. The move would be to implement joint programmes for the development of the SME sector, Sri Lanka's Minister of State for SME Development Prasanna Ranaweera MP and National Craft Council Chairman Sampath Erahapola said this during an exchange meeting with SME Foundation Chairperson Professor Dr Md Masudur Rahman on Monday (19 September).

<https://www.tbsnews.net/economy/industry/sri-lanka-sme-foundation-development-small-and-medium-entrepreneurs-bangladesh>

**Nepal can be a source of clean energy for Bangladesh: FBCCI**

- Nepal can be a good source of clean energy for Bangladesh, said Mahbubul Alam, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI). Bangladesh is facing a growing demand for power and energy to meet its Vision 2041 to build Smart Bangladesh and the energy sector is one of the most attractive areas of cooperation between Nepal and Bangladesh, he said.
- Importing power especially clean energy from Nepal will help Bangladesh meet the world trade compliances and increase the use of renewable energy, he added. The FBCCI president made the comments during a meeting with the members of a delegation from Nepal, at the FBCCI building in the capital today.

<https://www.thedailystar.net/business/news/nepal-can-be-source-clean-energy-bangladesh-fbcci-3422726>

**Authority eyes investment influx in Mirsarai EZ as facilities readied**

- With all facilities readied for the setting up of factories, the authority of the Mirsarai Economic Zone is expecting an 'investment shower' soon in the industrial district, which spans 33,800 acres of land. The EZ has been established with a target of producing and exporting goods worth USD 25 Bn and generating 1.4 Mn jobs by attracting both foreign and local investments as various tax-exemption facilities are offered there for investors.
- Currently, five industrial units are in commercial operations in the EZ, while 22 are under construction. Speaking to a group of journalists at Mirsarai EZ, which was later renamed Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN), Project Director Abdullah Al Mahmud Faruk said investors will get a 100% income-tax waiver for the first three years, followed by an 80% to 20% waiver from the fourth to tenth years.

<https://thefinancialexpress.com.bd/economy/bangladesh/authority-eyes-investment-influx-in-mirsarai-ez-as-facilities-readied>

**BGMEA calls for streamlined bond services**

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has urged the Customs Bond Commissionerate in Chattogram to enhance the speed and simplicity of custom bond-related services to boost the competitiveness of the RMG industry. The call was made when a delegation of BGMEA, headed by President Faruque Hassan, held a meeting with AKM Mahbubur Rahman, Commissioner of Customs Bond Commissionerate, Chattogram.

<https://www.tbsnews.net/economy/rmg/bgmea-calls-streamlined-bond-services-702942>

**Outbound workers to non-traditional markets up notably**

- The number of outbound Bangladeshi workers going with jobs to the non-traditional countries, like the United Kingdom (UK) and Italy, increased significantly in the recent months. It happened, as these countries need foreign workers in different sectors during the post-Covid period.
- In the first eight months (January-August) of this year, Bangladesh sent 13,364 workers to Italy, while the number was 7,594 in 2022. The workers went to the European country as factory and agricultural workers, waiter, cook, gas worker, carpenter, welder, chef, hotel boy, cleaner, nurse, mason, caretaker, lab technician, driver, ship-breaker, etc.

<https://thefinancialexpress.com.bd/economy/bangladesh/outbound-workers-to-non-traditional-markets-up-notably>

**Source tax soars despite lower deposit growth**

- Deposit gains of nontaxable low-income people are even being taxed for enforcement puzzles of the new law that yield revenue growth and depress savings. Kulsum Banu, a part-time domestic help in Dhaka's Shantinagar area, is one who gets in the toils of the new income-tax law for its enforcement imbroglio. She received BDT 600 less than her expected receipt from bank deposits.
- A tax at a rate of 15% has been deducted from the profits of Ms Banu by the bank concerned for depositing the money with government exchequer. Banu neither has taxable income nor does she submit tax return to claim the refund of her paid tax to the public exchequer.

<https://thefinancialexpress.com.bd/economy/bangladesh/source-tax-soars-despite-lower-deposit-growth>

**Bangladesh to attain Aman rice acreage target: officials**

- Bangladesh is likely to achieve the cultivation target for Aman, the second biggest rice crop, to bag an increased amount of the grain and ensure domestic self-sufficiency amid volatility in the global market, said agricultural officials. Farmers have transplanted and broadcasted the paddy on 5.8 Mn hectares until September 18 against the 5.93 Mn hectares fixed by the government, said Md Tajul islam Patwary, director general of the Department of Agricultural Extension (DAE).

<https://www.thedailystar.net/business/economy/news/bangladesh-attain-aman-rice-acreage-target-officials-3422996>

**Innovation key to avoiding middle-income trap**

- Bangladesh needs to invest in innovation, technology and productivity in order to avoid the middle-income trap, said economists yesterday. They said many countries managed to attain the middle-income status but they could not advance further and become developed nations as they did not take proper policies on time.
- On the other hand, some middle-income nations emerged as developed countries within a short time on the back of prudent policies and measures. South Korea is one of them. In 1995, Korea crossed the World Bank's gross national income per capita threshold for high-income economies. Its per capita income surged to USD 34,998 and became the 10<sup>th</sup> largest economy in the world in 2021.

<https://www.thedailystar.net/business/economy/news/innovation-key-avoiding-middle-income-trap-3423011>

**ADP implementation 3.84% in first two months of FY24**

- The implementation of the government's Annual Development Programme (ADP) did not pick up pace in the first two months of the current fiscal year with only 3.84% (BDT 105.42 Bn) of the total allocation spent by the implementing agencies, according to the latest progress report by the Implementation Monitoring and Evaluation Division (IMED) of the Planning Ministry.
- The size of ADP for FY2023-24 is BDT 2.75 Tn, of which the government funding is BDT 1.69 Tn, foreign aid BDT 940 Bn, and the remaining BDT 116.74 Bn is composed of various organisations' own funds. The implementation rate in the first two months of last fiscal year was 3.85% (BDT 98.44 Bn) of the total allocation of BDT 2.56 Tn, says the report.

<https://www.tbsnews.net/economy/adp-implementation-384-first-two-months-fy24-703494>

**Faulty bidding leads to time, cost overruns: expert**

- A lack of monitoring and faulty bidding process in government procurement can contribute to time and cost overruns in project implementation in many countries, including least-developed economies, said an analyst yesterday. "Bidding in the procurement process needs to be well designed. Conventional processes allowing aggressive competition can result in poor project outcomes," said Fahad Khalil, a professor at Washington University in the USA.

<https://www.thedailystar.net/business/economy/news/faulty-bidding-leads-time-cost-overruns-expert-3422911>

**Trade deficit dips to USD 635 Mn in July**

- Bangladesh's trade deficit in July, the first month of the current 2023-24 fiscal year, dipped by 69.73% to USD 635 Mn year on year, according to the latest data from the central bank. The Bangladesh Bank data revealed that the country's import payment was USD 4,991 Mn in July, down 14.92%, while earnings from exports stood at USD 4,356 Mn, up 15.61%, during the same period.
- The data showed the gap between Bangladesh's export earnings and import payments in the first month of the previous 2022-23 fiscal year (July 2022-June 2023) was USD 2,098 Mn, reports Xinhua. Bangladesh's trade deficit in the last 2022-23 fiscal year dipped by 48.41% to USD 17.16 Bn year on year amid shrinking forex reserves-depressed imports.

<https://thefinancialexpress.com.bd/economy/bangladesh/trade-deficit-dips-to-635m-in-july>

**Will recommend imports if potato prices do not reduce: Consumer rights DG**

- The government will be advised to consider importing potatoes if traders do not comply with the specified price cap, AHM Shafikuzzaman, the Director General of the Directorate of National Consumer Rights Protection (DNCRP), said on Tuesday. Shafikuzzaman urged the potato traders to ensure that potatoes are sold at BDT 27/kg at the wholesale level, and received assurances of compliance from them. During his visit to the R&R Potato Storage cold storage facility in Mokamtala of Shibganj upazila, Shafikuzzaman discovered evidence of potato hoarding and excessive profit-making.

<https://www.tbsnews.net/markets/will-recommend-imports-if-potato-prices-do-not-reduce-dncrp-dg-703346>

**2 more scanners to reach Ctg port soon**

- Two more container scanners are going to arrive at the Chattogram port within a couple of days, enabling checking exports of contraband and the prevention of money laundering. Chittagong Port Authority (CPA) paid BDT 890 Mn to purchase the two from Chinese firm Nuctech Company Limited. The scanners are enroute on a vessel that left China on September 4 and are expected to arrive at Chattogram on September 22, said the CPA sources. Currently there are seven container scanners at the port, all being used to look into imports.

<https://www.thedailystar.net/business/economy/industries/ports-and-shipping/news/2-more-scanners-reach-ctg-port-soon-3422931>

**Payment service providers can bring remittance**

- Bangladesh Bank yesterday allowed licensed payment service providers (PSPs) to bring inward wage remittances with the aim to increase remittance inflow. The central bank took the decision at a time when the country's foreign exchange reserves continue to go down due to slow forex earning against high demand for imports.
- Bangladesh Bank issued a notice saying that licensed PSPs will be allowed to repatriate wage earners' remittance in association with internationally recognised 1 online payment gateway service providers, banks, digital wallets, card schemes and foreign PSPs.

<https://www.thedailystar.net/business/economy/news/payment-service-providers-can-bring-remittance-3423026>

**Dollar Manipulation: BB asks 10 banks to explain**

- The Bangladesh Bank has asked 10 banks' managing directors why their treasury heads should not be penalised for their involvement in dollar rate manipulation this year. The letter, which was issued on Monday, comes after BB did not accept the banks' previous clarification on the allegation of charging more than the declared rate for the dollar.

<https://www.thedailystar.net/business/economy/banks/news/dollar-manipulation-bb-asks-10-banks-explain-3423076>

**Don't expect prices to go down soon**

- As the food inflation hit 12-year high last month, standing at 12.54%, the government abruptly moved last week to intervene in the market by capping the prices of egg, potato and onion, but the efforts fell flat offering consumers no relief from the exorbitant prices of those essentials.
- The sudden jump in food inflation also made the policymakers worried about keeping the inflation under the target set for the current fiscal year at an average 6%. The first month of the current fiscal year saw a slight fall in inflation, which has been hovering over 9% since last March. Inflation may increase further in the coming months as the election approaches amid a political crisis.

<https://www.tbsnews.net/analysis/dont-expect-prices-go-down-soon-703530>

**Foreign loan utilisation slightly down**

- Utilisation of foreign assistance under the government's Annual Development Programme (ADP) by ministries and divisions has slightly declined year-on-year in the first two months of fiscal year 2023-24. Around BDT 33.67 Bn was spent, which was a decrease of 5.87%, according to data from the Implementation Monitoring and Evaluation Division (IMED).
- Local government division (LGD) spent the most among the 15 ministries and divisions that receive the highest allocations. This government unit, responsible for developing and supporting local government bodies, spent BDT 25.04 Bn, which is around one third of that allotted to the 15.

<https://www.thedailystar.net/business/news/foreign-loan-utilisation-slightly-down-3423036>

**Provident funds to pay 27.5% tax**

- Companies and organisations will be required to file tax returns on the income generated by employee welfare funds from the current fiscal year and pay a 27.5% tax on the earnings. The Income Tax Act 2023 incorporates the provision, lifting the tax exemption and amnesty on the compulsion to file returns for funds such as provident funds, gratuity funds and workers' profit participation funds maintained by the private sector.
- Private sector employees and an analyst said provident funds and gratuity were retirement benefits for those working in the private sector. They opined that because such funds offer a kind of social protection, any imposition of tax on them would reduce retirement benefits. Debabrata Roy Chowdhury, director for legal, regulatory and corporate affairs at Nestlé Bangladesh PLC, said the introduction of income tax on trust funds would lower the overall income from such schemes.

<https://www.thedailystar.net/business/economy/news/provident-funds-pay-275-tax-3423051>

**Banks' lending slows for liquidity crunch**

- The banking sector's lending growth squeezed in the April to June quarter owing to a shortage of liquidity at most banks and their unwillingness to extend credits to borrowers already struggling to pay back, official figures showed. The lending of scheduled banks grew 2.92% to BDT 14.46 Tn in the second quarter compared to the first quarter, according to the data of the central bank.
- In April-June of 2022, the lending rose 5% to BDT 12.99 Tn. "The business in the banking sector squeezed due mainly to a higher inflation rate and a pressure on the macro-economic indicators stemming from the Russia-Ukraine war," said Syed Mahbubur Rahman, a former chairman of the Association of Bankers, Bangladesh.

<https://www.thedailystar.net/business/economy/banks/news/banks-lending-slows-liquidity-crunch-3423056>

**Stocks:****YPL | Yeakin Polymer's stake transfer incomplete even after 16 months of BSEC approval**

- Yeakin Polymer Limited — a publicly listed poly sacks maker — has failed to complete the sale of its sponsor-director shares to Kapita Packaging Solutions Limited even after 16 months of regulatory approval. Now, the approval to transfer Yeakin's ownership by the Bangladesh Securities and Exchange Commission (BSEC) has become time-barred and non-executable. For handing over the ownership to Kapita Packaging, Yeakin Polymer has to ask for a time extension of the approval from the BSEC.

<https://www.tbsnews.net/economy/stocks/yeakin-polymers-stake-transfer-incomplete-even-after-16-months-bsec-approval-703522>

**KBSEED | Krishibid Seed sees 24% lower profit in FY23**

- Krishibid Seed — a sister concern of the Krishibid Group — has reported a 24% year-on-year decline in its net profit after tax in the fiscal 2022-23. Because of this decline in profit, the listed seed producer on the Dhaka Stock Exchange (DSE) SME platform has recommended only a 5% cash dividend for FY23. In the previous fiscal, the dividend paid was 15% cash.
- According to a disclosure on the DSE website on Tuesday, the company's profit stood at BDT 23.1 Mn at the end of FY23. Its earnings per share stood at BDT 0.77. After the company's financial disclosure, its share price on Tuesday fell by 8.44% to BDT 21.17 each at the DSE.

<https://www.tbsnews.net/economy/stocks/krishibid-seed-sees-24-lower-profit-fy23-703518>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 91.21	USD 16.00	21.27%
Crude Oil (Brent)*	USD 94.03	USD 16.25	20.89%
Gold Spot*	USD 1,929.56	USD 155.41	8.76%
DSEX	6,311.08	104.08	1.68%
S&P 500	4,443.95	604.45	15.74%
FTSE 100	7,660.20	208.46	2.80%
BSE SENSEX	67,596.84	6,756.10	11.10%
KSE-100	45,914.18	5,493.73	13.59%
CSEALL	11,363.64	2,861.15	33.65%

**Exchange Rates****1 US Dollar = 109.80 BDT****1 GBP = 136.07 BDT****1 Euro = 117.35 BDT****1 INR = 1.32 BDT**

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