

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:**Japanese realtor JP Building to invest USD 20 Mn in Bangladesh**

- Japanese real estate and construction company JP Building opened its new Bangladesh chapter "JP Build BD Co", through which the realtor plans to invest USD 20 Mn or BDT 2160 Mn in the local market in the next three years. JP Build BD Co will provide Bangladesh's real estate sector with construction solutions and sophisticated technology, JP Building said in a statement today.

<https://www.thedailystar.net/business/news/japanese-realtor-jp-building-invest-20-million-bangladesh-3327576>

Interbank dollar exchange rate rises to BDT 108.75

- The interbank exchange rate for dollars rose from BDT 108.50 to BDT 108.75, which is the highest in the country's history. According to central bank data, the American greenback traded at the lowest rate of BDT 108.50 and highest rate of BDT 108.75 on Monday (22 May). On 30 April, Association of Bankers Bangladesh (ABB) and Bangladesh Foreign Exchange Dealers' Association (BAFEDA) increased the remittance dollar rate by BDT 1 to BDT 108. Earlier, the dollar rate of remittance was BDT 107 for about six months, although several banks have brought remittances with higher rates in March.

<https://www.tbsnews.net/economy/interbank-dollar-exchange-rate-rises-tk10875-636846>

Metro rail gets VAT exemption from ticket sales

- The government has exempted value added tax (VAT) on metro rail ticket sales till 30 June 2024. This order will be deemed effective from the day metro rail was launched (28 December 2022), the National Board of Revenue said in a notification on Sunday. In order to make metro rail more popular in the initial stage of the introduction, it is necessary to make the cost of travel in this public transport affordable, the revenue board said.

<https://www.tbsnews.net/nbr/metro-rail-gets-vat-exemption-ticket-sales-636958>

Health and hygiene to get budgetary care

- The government plans to offer duty rebate on the import of more raw materials of medicine and medical equipment productions in the upcoming national budget, a move experts say will strengthen the local industry and benefit the health sector. Besides, the VAT waiver may continue in the next year for raw material import for manufacturing sanitary napkins, diapers and toiletries, necessary items for public health and hygiene.
- According to finance ministry officials, the government is going to include another 10-12 raw materials of cancer and diabetes drugs to the existing duty-free list to make the treatments more affordable. Import of silicone tube for manufacturing intravenous cannula also may get duty rebate.

<https://www.tbsnews.net/economy/health-and-hygiene-get-budgetary-care-637006>

Online marketplaces may be exempted from VAT challans

- Online marketplaces are expected to receive an exemption from the mandatory collection of invoices for value-added tax, known as VAT challans, for sales made on their sites starting from the next fiscal year. The introduction of the measure will result in the exemption of online marketplaces from the mandatory collection of VAT challans, with the aim of attracting increased foreign direct investments (FDIs) in the sector.
- The officials further said starting in the new fiscal year, e-commerce companies will only be required to pay VAT on their service commissions. If the platforms are engaged in selling goods, sales VAT will be applicable, and the companies will be responsible for paying their VAT on their sales.

<https://www.tbsnews.net/nbr/online-marketplaces-may-be-exempted-vat-challans-636998>

MCCI for taka-rupee trade with India

- The Metropolitan Chamber of Commerce and Industry (MCCI) yesterday proposed introducing a currency swap facility enabling use of both the Bangladeshi taka and the Indian rupee to increase bilateral trade. The chamber also recommended a dual currency credit card and the free flow of the two currencies without any cap in case of bilateral trade regardless of Bangladesh's export performance. The MCCI also proposed harmonisation of standards of the Bureau of Indian Standards (BIS) with those of the Bangladesh Standards and Testing Institution (BSTI) to promote and bring ease to the trade.

<https://www.thedailystar.net/business/economy/news/mcci-taka-rupee-trade-india-3327951>

Next budget to focus on Smart Bangladesh concept, 4IR challenges

- Keeping in mind the concept of "Smart Bangladesh", the budget for the fiscal year 2023-24 will focus on creating smart manpower to cope with the impacts of the Fourth Industrial Revolution (4IR). Officials said the lack of smart manpower will hinder the transformation of the country into a "Smart Bangladesh". Therefore, the government plans to prioritise capacity building by providing the necessary training.

<https://thefinancialexpress.com.bd/economy/bangladesh/next-budget-to-focus-on-smart-bangladesh-concept-4ir-challenges>

Bangladesh to turn to China-led NDB seeking development support

- Amid the current global economic turbulence, Bangladesh is going to approach the China-led New Development Bank (NDB) to seek greater financial support for the country's infrastructure development, officials said on Tuesday. A Bangladeshi delegation, headed by Economic Relations Division (ERD) Secretary Sharifa Khan, will participate in the NDB's board of governors meeting in Shanghai next week, officials said.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-to-turn-to-china-led-ndb-seeking-development-support>

Direct tax regime getting a facelift

- Bangladesh is getting a full-fledged income-tax law after 39 years from July with an updated direct-tax regime shifting government reliance on import taxes that make imported goods costlier. The changes in direct tax measures would come through 'The Income Tax Law 2023' meant for action from the upcoming fiscal year, officials said. Currently, income-tax measures are enforced through the Income Tax Ordinance 1984. An updated draft of the new income-tax law was handed over to the Internal Resources Division (IRD) on Monday to proceed further on the latest taxing modalities.

<https://thefinancialexpress.com.bd/economy/bangladesh/direct-tax-regime-getting-a-facelift>

Withdraw 10% tax on cash assistance against RMG exports: BGMEA

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has called for the removal of a 10% tax on cash assistance provided for the export of ready-made garments in the upcoming budget. According to the BGMEA, as cash assistance is not considered business income, it is reasonable to exempt it from taxation. The association emphasized the need for policy support from the government to ensure the sustainability of the export-oriented apparel business.
- To enhance the business environment and reduce the overall "cost of doing business," the BGMEA recommended measures such as uninterrupted electricity and gas supply, decreased value-added tax (VAT) and tax rates, single-digit bank interest rates, and the continuation of incentives for export earnings.

<https://www.tbsnews.net/economy/rmg/withdraw-10-tax-cash-assistance-against-rmg-exports-bgmea-636946>

Budget 2023-24: E-cigarettes to be costlier by June

- The new budget for the upcoming fiscal year 2023-24 will spell relief for lungs as the government will impose duty on e-cigarettes, electronic vaporizing devices and its parts. Finance ministry officials said the new budget will impose a 150% supplementary duty on liquid nicotine, and transdermal use of nicotine. At the same time it may also impose a 212.20% duty on electronic cigarettes and similar personal electric vaporising devices and its parts. The move is aimed to discourage the use of electronic cigarettes and similar devices considering the health risk, officials of the finance ministry have told The Business Standard.

<https://www.tbsnews.net/economy/budget-2023-24-e-cigarettes-be-costlier-june-636942>

Jiban Bima sees steady growth despite challenges

- Jiban Bima Corporation, a state-run life insurance provider in Bangladesh, witnessed steady growth for the past few years as its subscriber base has expanded even though customers lack faith in the industry. The company's life insurance fund advanced 7.37% year-on-year to BDT 24.74 Bn in 2022, registering annual growth of above 6% for the past three years.
- "The main reason for the higher life premium is that people are confident they will get their funds back without facing any fraud as we are a state-run company," said Ferdous Alam Khan, manager for consolidation accounts of Jiban Bima Corporation.

<https://www.thedailystar.net/business/economy/news/jiban-bima-sees-steady-growth-despite-challenges-3327811>

Stocks:**ABBANK | AB Bank gets BSEC approval to issue 2% stock dividend**

- AB Bank has obtained the consent of the Bangladesh Securities and Exchange Commission (BSEC) to issue a 2% stock dividend for the fiscal year 2022. The stock dividend entitlement will be based on the record date set for 31 May. Shareholders of AB Bank will be eligible to receive the dividend in the form of additional shares, in proportion to their existing holdings. Notably, AB Bank's consolidated earnings per share (EPS) for 2022 remained at BDT 0.83, the same as the previous year, indicating stability in the bank's financial performance. Meanwhile, AB Bank's shares continue to trade at the floor price of BDT 9.90 each.

<https://www.tbsnews.net/economy/stocks/ab-bank-gets-bsec-approval-issue-2-stock-dividend-636522>

NRBCBANK | NRBC Bank receives BSEC nod to issue 4.5% stock dividend

- NRB Commercial (NRBC) Bank Limited has obtained the green light from the Bangladesh Securities and Exchange Commission (BSEC) to issue a 4.5% Stock Dividend for the fiscal year 2022. This decision comes after the bank recommended a total dividend of 12% on 2 May 2023, which includes 7.5% cash dividend and 4.5% stock dividend for its shareholders, covering the period ending 31 December 2022.

<https://www.tbsnews.net/economy/stocks/nrbc-bank-receives-bsec-nod-issue-45-stock-dividend-636566>

EGEN | eGeneration appointed to set up Bangladesh Insurance Authority data centre

- eGeneration Limited, a renowned software firm, has recently signed an agreement with the Bangladesh Insurance Sector Development Project to set up a state-of-the-art data centre for the Bangladesh Insurance Authority. The cost of the data centre project is estimated to reach BDT 150 Mn.

<https://www.tbsnews.net/economy/stocks/egeneration-ltd-partners-bangladesh-insurance-authority-establish-data-centre-636646>

ISLAMIBANK | UAE-based BTA Wealth buys BDT 1110 Mn shares of Islami Bank

- The United Arab Emirates-based BTA Wealth Management has bought over 2% stake – 34.2 Mn units of shares – of Islami Bank Bangladesh Limited at a cost of BDT 1110 Mn as the leading private-sector lender has been in a struggle for liquidity shortage. The shares were traded at BDT 32.6 each in the block market on 27 April, according to the Dhaka Stock Exchange.

<https://www.tbsnews.net/economy/stocks/uae-based-bta-wealth-buys-tk111cr-shares-islami-bank-637002>

EXCHANGE | BSEC approves Green Delta Dragon Enhance Blue Chip Growth Fund's drafts prospectus

- The Bangladesh Securities and Exchange Commission (BSEC) on Tuesday approved a draft prospectus of the Green Delta Dragon Enhanced Blue Chip Growth Fund, an open-end mutual fund. According to the press release, the fund targets to raise BDT 500 Mn. The entrepreneurs Green Delta Insurance Company and Dragon Capital Markets will jointly provide BDT 50 Mn and the rest of the amount will be opened for general shareholders.

<https://www.tbsnews.net/economy/stocks/bsec-approves-green-delta-dragon-enhance-blue-chip-growth-funds-drafts-prospectus>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 73.67	(USD 1.54)	-2.05%
Crude Oil (Brent)*	USD 77.51	(USD 0.27)	-0.35%
Gold Spot*	USD 1,973.04	USD 198.89	11.21%
DSEX	6,306.19	99.19	1.60%
S&P 500	4,145.58	306.08	7.97%
FTSE 100	7,762.95	311.21	4.18%
BSE SENSEX	61,981.79	1,141.05	1.88%
KSE-100	41,116.63	696.18	1.72%
CSEALL	8,635.31	132.82	1.56%

Exchange Rates**1 US Dollar = 108.28 BDT****1 GBP = 134.44 BDT****1 Euro = 116.69 BDT****1 INR = 1.31 BDT**

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