

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:**Saudi offers large scale investment in Bangladesh**

- Saudi Arabia has offered to make a large scale of investment in various sectors of Bangladesh, as the country has a stable government and a tremendous record of economic growth. Saudi Arabian Minister of Investment Khalid A Al-Falih and Minister of Economy and Planning Faisal Alibrahim came up with the offer when they jointly called on Prime Minister Sheikh Hasina at her place of residence in Doha today. The Saudi Minister of Investment and the Minister of Economy also sought cooperation from Bangladesh in achieving the goal of Saudi Arabia's Vision 2030.

<https://www.tbsnews.net/economy/saudi-offers-large-scale-investment-bangladesh-637050>

Transsion opens new factory in Bangladesh

- Transsion Holdings, a leading provider of smart devices and mobile services, has inaugurated its ISMARTU factory to meet the growing demand for smart devices in Bangladesh. The new factory, located in the Meghna Industrial Economic Zone, Narayanganj, was officially opened by Transsion Holdings Chairman George Zhu and ISMARTU Bangladesh Chief Executive Officer Rezwanaul Hoque.
- The total investment of the first phase of the new ISMARTU factory is about USD 22 Mn, which demonstrates Transsion's commitment to the local market. From design to construction, the new factory introduces more advanced production standards, with a more scientific layout to better meet the needs of modernized mobile phone production.

<https://www.tbsnews.net/economy/transsion-opens-new-factory-bangladesh-637502>

CPD proposes inheritance tax to reduce wealth inequality

- The Center for Policy Dialogue (CPD) has proposed imposing an inheritance tax as part of a wealth tax to reduce wealth inequality in the country and increase revenue collection. "The wealth and income disparity in the country has increased. Tax collection should be increased to ensure tax fairness," Debapriya Bhattacharya, distinguished fellow at the think tank, said in his keynote presentation at a dialogue titled "State and scope of property taxation in Bangladesh".
- Shameem Haider Patwary said tax collection is low due to a lack of democracy and good governance in the country. Additionally, people do not want to pay taxes if they don't get the expected services.

<https://www.tbsnews.net/economy/cpd-proposes-inheritance-tax-reduce-wealth-inequality-637438>

Bangladesh's apparel export to EU increases by 3.9%, remains second largest source

- Bangladesh's apparel export to European Union has shown value-wise growth by 3.9% during the January-March period of 2023 to USD 5.6 Bn from USD 5.4 Bn in January-March 2022. Also, with 24.07% share of the EU's total RMG import (in terms of dollar value), Bangladesh remains the second largest apparel import source for the EU after China (China's share 24.55%) during January-March 2023.
- However, according to the quantity-wise import statistics (measured in kilogram), Bangladesh became number "one" sourcing country for EU during the mentioned months of 2023. In fact, Bangladesh secured the top position in EU's apparel sourcing list in terms of quantity in 2022 as well.

<https://www.tbsnews.net/economy/rmg/bangladeshs-apparel-export-eu-increases-39-remains-second-largest-source-637618>

Saarc biz leaders urge tapping intra-regional trade potential

- Bangladesh's current exports to South Asian countries amount to USD 532.70 Mn, with a potential for further growth of USD 7.2 Bn. Business leaders from the Saarc countries have stressed the need for harnessing the untapped potential of intra-regional trade amidst the global recession caused by the Russia-Ukraine war following the Covid-19 pandemic.
- During the "Conference on Harnessing Regional Strengths: Saarc's Importance for South Asia's Growth" organised by the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) in Dhaka on Wednesday, they highlighted the significant role that Saarc countries can play in driving economic prosperity in the region.

<https://www.tbsnews.net/economy/saarc-biz-leaders-urge-tapping-intra-regional-trade-potential-637578>

Govt to procure 18 Mn liters of soybean oil, 80,000 tons of fertilizer

- The Cabinet Committee on Government Purchase (CCGP) on Wednesday approved separate proposals for procuring some 18 Mn liters of soybean oil, 80,000 tons of fertilizer and 12,500 tons of sugar to meet the growing demand of the country. The approvals came from the 18th meeting of the CCGP in this year, held virtually with Finance Minister AHM Mustafa Kamal in the chair.
- Briefing reporters after the meeting, Cabinet Division Additional Secretary Sayeed Mahbub Khan informed that the day's CCGP meeting approved a total of 11 proposals. He said following a proposal from the Ministry of Commerce, the state-run Trading Corporation of Bangladesh (TCB) would procure some 11 Mn liters of soybean oil under international tender method from Accentuate Technology Inc USA (Local Agent: OMC Ltd Dhaka) with around BDT 1295.8 Mn where per liter soybean oil would cost BDT 140.16.

<https://www.tbsnews.net/economy/govt-procure-180cr-litres-soybean-oil-80000-tonnes-fertiliser-637450>

'Matarbari port to make Bangladesh gateway to South Asia'

- The Matarbari deep sea port of Chattogram district would transform Bangladesh into the gateway to South Asia, said Yuji Ando, country representative of Japan External Trade Organization, on Wednesday at a meeting with local business leaders in the port city. The port, due to start operations in 2026, would become the country's first deep seaport and its fourth seaport.
- The meeting was participated by representatives from the Chittagong Chamber of Commerce and Industry, Japan External Trade Organization and Japan Commerce and Industry Association in Dhaka.

<https://www.tbsnews.net/economy/matarbari-port-make-bangladesh-gateway-south-asia-637622>

Govt lifts ban on aromatic rice export

- The government is going to lift ban on export of aromatic rice soon as a measure for export diversification, said Senior Commerce Secretary Tapan Kanti Ghosh today. "We will not allow export of aromatic rice by all. We will allow export of aromatic rice on a case-to-case basis as many have already applied," he told The Daily Star over the phone. If any exporter wants to export aromatic rice, they can do it from now although no circular has been published in this connect yet, Ghosh said.

<https://www.thedailystar.net/business/news/govt-lifts-ban-aromatic-rice-export-3328676>

NBFIs interest rate spread falls 60% in a month

- The interest spread of non-bank financial institutions (NBFIs) experienced a significant decline of 60% in April compared to the previous month due to an increase in non-performing loans within the sector. People concerned said when the interest rate spread decreases, it directly impacts the income of the institution. For non-bank financial institutions to operate effectively, it is recommended to maintain a minimum interest spread of 3% to ensure financial stability and sustainability.
- According to the central bank data, NBFIs are currently collecting deposits at an average interest rate of 7.83%. However, the interest rate on loans stands at 8.27%. Consequently, the interest rate spread for NBFIs has narrowed down to 0.44%. In March, they were receiving an interest rate of 8.89% on loans, resulting in an interest rate spread of 1.11%.

<https://www.tbsnews.net/economy/nbfis-interest-rate-spread-falls-60-month-637686>

Hike property tax to curb accumulation of wealth, inequality

- An increase in property tax is needed to curb rapid wealth accumulation and rising inequality as the rate in Bangladesh is one of the lowest in the world, said the Centre for Policy Dialogue (CPD) and analysts yesterday. The property tax, which is collected in the form of land taxes and stamp duties, accounts for 0.27% of the of Bangladesh's gross domestic product (GDP), close to the average in African countries.
- The amount of tax generated from properties, mainly land, is supposed to increase in line with the growth of the economy: if the GDP per capita of a country goes up by one per cent, the property tax as a percentage of GDP should increase by 0.47%. "An additional BDT 60 Bn were supposed to come in the form of property taxes. We have not got that," said CPD Distinguished Fellow Debapriya Bhattacharya while presenting the findings of a study on property taxes in Bangladesh at a dialogue.

<https://www.thedailystar.net/business/economy/news/hike-property-tax-curb-accumulation-wealth-inequality-3328981>

Keep provision against loss in securities investments

- Banks will have to keep provisions if the market price of the investments made in listed and non-listed companies falls or their net worth deteriorates, according to the central bank. If the net worth -- the difference between assets and liabilities -- of the investment in non-listed companies declines, banks will have to set aside provisions in proportion to the funds invested, said the Bangladesh Bank in a circular yesterday. The instructions will come into effect on June 30.

<https://www.thedailystar.net/business/economy/banks/news/keep-provision-against-loss-securities-investments-3328951>

Stocks:**GQBALLPEN | GQ Ball Pen adjusts BDT 11.5 Mn bank loan with land sell proceeds**

- GQ Ball Pen Industries has got BDT 34.5 Mn from selling its 7.67 katha land at Agrabad, Chattogram, the company disclosed through the Dhaka Stock Exchange (DSE) on Wednesday. As announced earlier, the company paid BDT 11.5 Mn to South East Bank to partially adjust its bank liabilities and the rest of the amount it got from the land buyer would be utilised on a "priority basis". According to the DSE, the company had a short-term bank liability of BDT 31.7 Mn at the end of June 2022, while it had no long-term loans.

<https://www.tbsnews.net/economy/stocks/gq-ball-pen-adjusts-tk115-crore-bank-loan-land-sell-proceeds-637370>

GLOBALINS | Global Insurance to pay 12.25% cash dividends

- The board of directors of Global Insurance Company has proposed a cash dividend of BDT 1.225 per share, representing 12.25% of the face value of BDT 10 per share for the year 2022, according to the Dhaka Stock Exchange (DSE). The publicly traded non-life insurer posted BDT 1.63 in earnings per share (EPS) for 2022, which was BDT 1.62 in 2021. At the end of December last year, Global Insurance's net asset value per share stood at BDT 13.8.

<https://www.tbsnews.net/economy/stocks/global-insurance-pay-1225-cash-dividends-637478>

BBSCABLES | BBS Cables to supply BDT 1.06 Bn cables to DPDC

- BBS Cables Limited has been given the task of supplying copper cables worth BDT 1.06 Bn to Dhaka Power Distribution Company Limited. In a filing on the Dhaka Stock Exchange yesterday, the company said it has received the notification of award from the state-run power distributor to supply the cables.

<https://www.thedailystar.net/business/economy/news/bbs-cables-supply-tk-106cr-cables-dpdc-3328826>

SIBL, SOUTHEASTB | SIBL, Southeast Bank get nod to declare stock dividends

- Social Islami Bank Ltd and Southeast Bank Ltd have received permissions from the Bangladesh Securities and Exchange Commission (BSEC) to declare stock dividends for the financial year that ended on December 31, 2022. In a filing on the Dhaka Stock Exchange yesterday, SIBL said the BSEC has accorded its consent for their declaration of a 5% stock dividend for the year. In another post, Southeast Bank said it has received nod from the commission to award a 4% stock dividend for 2022.

<https://www.thedailystar.net/business/economy/banks/news/sibl-southeast-bank-get-nod-declare-stock-dividends-3328841>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 74.15	(USD 1.06)	-1.41%
Crude Oil (Brent)*	USD 78.23	USD 0.45	0.58%
Gold Spot*	USD 1,958.41	USD 184.26	10.39%
DSEX	6,305.90	98.90	1.59%
S&P 500	4,115.24	275.74	7.18%
FTSE 100	7,627.10	175.36	2.35%
BSE SENSEX	61,773.78	933.04	1.53%
KSE-100	41,098.48	678.03	1.68%
CSEALL	8,635.31	132.82	1.56%

Exchange Rates

1 US Dollar = 107.20 BDT

1 GBP = 132.37 BDT

1 Euro = 115.18 BDT

1 INR = 1.30 BDT

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