

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:**Subsidies to go up 35% in next budget**

- Despite hiking the prices of gas and electricity to meet the International Monetary Fund's conditions to cut back on subsidies, the government may have to increase the subsidy and incentive allocation by 35% for the forthcoming fiscal year 2023-24 compared to this year.
- Besides, the devaluation of the taka against the US dollar, increases in global interest rates, and rise in interest rates on treasury bonds and other related factors are expected to lead to a 27% rise in the interest payment burden next fiscal year, according to a finance ministry estimate. Finance ministry documents show that allocation on subsidies and incentives will exceed BDT 1.1 Tn in the FY24 budget, up from BDT 814.9 Bn in the original budget for the current fiscal year.
- However, the Finance Division has allocated an additional BDT 168.12 Bn on subsidies for agriculture, electricity, and food assistance in the revised budget of the current financial year. On the other hand, interest payments will rise above BDT 1.0 Tn in the forthcoming budget from BDT 795.3 Bn this year, according to the documents.

<https://www.tbsnews.net/economy/subsidies-go-35-next-budget-606590>

Cabinet to review Bank Company (Amendment) Bill 2023

- The cabinet in a meeting on Tuesday is likely to approve the draft Bank Company (Amendment) Bill 2023 to fulfill the IMF condition under the USD 4.7-Bn loan deal, said officials of the financial institutions divisions. The government has taken the loan from the Washington-based multilateral lender to overcome severe pressure on the foreign currency reserves declining since August 2021.
- The International Monetary Fund that disbursed USD 476 Mn as first installment in February under the loan deal wants that the government submit the Bank Company Act to the parliament by September 2023 for an amendment. The FID officials said that the amendment had incorporated definition of deliberate loan defaulters as the issues were not clear in the existing Bank Company Act 1991.

<https://www.newagebd.net/article/197932/cabinet-to-review-bank-company-amendment-bill-2023>

CPD recommends a 5.0% salary increment for workers in industries

- The Centre for Policy Dialogue (CPD), a think-tank, has recommended a 5% salary increment for workers in industries, as well as forming a new wage structure. It also urged the government to provide in the next national budget a special increment to both public and private employees to adjust to the inflation.
- These increments will help them reduce the stress of maintaining a family's monthly expenditures which have increased by 25% due to depreciated domestic currency, energy and electricity price hikes, the CPD said in its proposals for FY 2023-2024 budget, reports UNB.

<https://thefinancialexpress.com.bd/economy/bangladesh/cpd-recommends-a-50pc-salary-increment-for-workers-in-industries>

Govt eyes non-tax revenue boost thru' fee hike

- The government has planned to increase non-tax revenue collection in the forthcoming fiscal year, which may result in additional costs for citizens to avail of certain government services. However, analysts are sceptical about an expected improvement in the quality of services these institutions provide.
- They are also doubtful about the success of the initiative to increase revenue collection by keeping the loss-making government commercial entities in operation. According to sources from the finance ministry, the government eyes BDT 460 Bn in revenue from this sector in the forthcoming fiscal year 2023-24.

<https://www.tbsnews.net/nbr/govt-eyes-non-tax-revenue-boost-thru-fee-hike-606238>

Belgian businesses urged to invest in Bangladesh

- Belgian businesses have a wide range of investment opportunities in Bangladesh, from high-end apparel to fourth industrial revolution (4IR) technologies, said Bangladeshi lawmakers and business leaders at a seminar on Monday.
- "Belgian investors can substantially invest in our high-end RMG, medical equipment, automobiles, electronics, trade logistics, agro-processing, construction, maritime economy, Information Technology Enabled Services (ITES) and 4IR technology above all 100 economic zones and 28 hi-tech parks," said Dhaka Chamber of Commerce and Industry (DCCI) President Md Sameer Sattar.

<https://www.tbsnews.net/economy/belgian-businesses-urged-invest-bangladesh-606550>

'Market has no food scarcity, rather problem is in supply chain'

- There is no shortage of any product in the market, rather the problem lies in the supply chain, Industries Minister Nurul Majid Mahmud Humayun said today. The shelves of the markets are full of different products, which means that there is no problem with the production also, he said.
- Humayun made the comments when industries ministry teamed up with the ICT department to ensure food safety and smooth supply of agricultural goods along with strengthening the supply chain. The minister spoke as the chief guest at a programme where Industries Secretary Zakia Sultana signed a deal with ICT Secretary Md Shamsul Arefin at the conference room of the industries ministry in Dhaka today.

<https://www.thedailystar.net/business/news/market-has-no-food-scarcity-rather-problem-supply-chain-3282146>

Dhaka airport covers losses of five domestic airports

- The domestic airports in Bangladesh are heavily reliant on the income generated by the Hazrat Shahjalal International Airport in Dhaka. Of the eight airports that are currently operational, three are designated as international, while the remaining five operate exclusively domestic flights.
- According to the Civil Aviation Authority of Bangladesh (CAAB) data, the organisation earned around BDT 19.11 Bn in the fiscal year 2021-22 mostly by operating these airports while it spent around BDT 9.60 Bn to maintain and operate these facilities. Of the total revenue BDT 15.97 Bn was generated by the Shahjalal International Airport, the largest and busiest airport in the country. Other seven airports were able to generate only BDT 3.14 Bn in revenue, which is a relatively small amount compared to what the Dhaka airport generated.

<https://www.tbsnews.net/economy/aviation/dhaka-airport-covers-losses-five-domestic-airports-606202>

Higher costs take a toll on tractor sales

- Tractor sales are in a slump as demand from farmers and brick kiln operators has waned amid higher fuel prices and vehicle costs due to the depreciation of taka against the US dollar, according to two leading dealerships. The sale of tractors used for tilling cropland and carrying goods declined 12% year-on-year to 5,304 units from 4,677 units during the July-February period of the current fiscal, said Subrata Ranjan Das, executive director of ACI Motors.
- Other than tractors, sales of power tillers and diesel engines have also declined. "We are seeing a lack of appetite in the field as price hikes for fuel and fertiliser have affected demand. Besides, the overall economy is under stress, and this has impacted sales," he added.

<https://www.thedailystar.net/business/economy/news/higher-costs-take-toll-tractor-sales-3282326>

Stocks:**UNITEDFIN | United Finance posts 36% lower profit in 2022**

- United Finance Limited registered a 36% year-on-year fall in profit to BDT 142 Mn in 2022. The non-banking financial institution made BDT 222.6 Mn profit in 2021. Thus, United Finance reported earnings per share of BDT 0.76 for the financial year of 2022 compared to BDT 1.19 a year ago, according to a disclosure on the Dhaka Stock Exchange.
- The net asset value per share fell slightly to BDT 17.06 last year from BDT 17.30 in 2021 while the net operating cash flow per share was BDT 12.47 negative from BDT 5.63 during the period. The board of directors of United Finance recommended a 5% cash dividend for the year that ended on December 31.

<https://www.thedailystar.net/business/economy/news/united-finance-posts-36-lower-profit-2022-3282266>

NIALCO | Nialco Alloys to revise fund utilisation plan

- Nialco Alloys, a listed manufacturer of copper alloy products on the SME board, is going to revise its utilisation plan of the fund it collected from the stock market through a qualified investor offer (QIO). In February 2022, the company raised BDT 75 Mn, of which, it has used BDT 46.2 Mn.
- Now, the company is planning to use the remaining BDT 28.8 Mn for building sheds for its raw materials, instead of acquiring a covered van as it had planned to do at the time of its SME board listing.

<https://www.tbsnews.net/economy/stocks/nialco-alloys-revise-fund-utilisation-plan-606574>

UNIONBANK | Mokammel reappointed as Union Bank MD

- ABM Mokammel Hoque Chowdhury has been reappointed as the managing director of Union Bank Limited. Chowdhury has been serving the bank in capacity of managing director since 2020, said a press release. He started his banking career at First Security Islami Bank Limited in 2001 as a probationary officer.
- He joined Union Bank Limited in 2013 and worked in different capacities. Mokammel Hoque did his MBA degree majoring on Human Resource Management.

<https://www.thedailystar.net/business/economy/news/mokammel-reappointed-union-bank-md-3282211>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 72.81	(USD 2.40)	-3.19%
Crude Oil (Brent)*	USD 78.16	USD 0.38	0.49%
Gold Spot*	USD 1,956.67	USD 182.52	10.29%
DSEX	6,203.92	-3.08	-0.05%
S&P 500	3,977.53	138.03	3.59%
FTSE 100	7,471.77	20.03	0.27%
BSE SENSEX	57,653.86	-3,186.88	-5.24%
KSE-100	40,000.37	-420.08	-1.04%
CSEALL	9,285.21	782.72	9.21%

Exchange Rates**1 US Dollar = 105.07 BDT****1 GBP = 129.09 BDT****1 Euro = 113.48 BDT****1 INR = 1.28 BDT**

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