

*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:****bKash posts BDT 358.5 Mn net profit in first quarter**

- The country's leading mobile financial service provider bKash has reported a net profit of BDT 358.5 Mn in the January-March quarter of 2023. At the same time of the previous year, it incurred a loss of BDT 287.8 Mn. The mobile financial service provider had been in profit until 2018 since its inception in 2011, but it suffered significant losses between 2019 and 2021. According to its financial report, it bounced back to profit in the July-September quarter of 2022 after incurring loss for three years – 39 months to be exact – as it saw a higher revenue and earned a significant amount from government securities and fixed deposits.

<https://www.tbsnews.net/economy/bkash-posts-tk3585-crore-net-profit-first-quarter-628402>

**BGMEA urges Customs to simplify short shipment certification process**

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has urged customs authorities to simplify the process of issuing certificates related to short shipments of goods in exports. Sources said work is underway to update all information regarding post-export short shipment of goods in the Asycuda Word System – an integrated customs management system for international trade and transport operations in a modern automated environment, and the Bangladesh Bank's website, but the process has been hindered by various problems.

<https://www.tbsnews.net/economy/bgmea-urges-customs-simplify-short-shipment-certification-process-628422>

**Introducing digital currency can reduce money laundering: Economists**

- Introducing the Central Bank Digital Currency (CBDC) can help reduce the amount of money smuggled out of the country every year to a large extent, said economists and accountants at a seminar. CBDC is a form of digital currency issued by a country's central bank. It is similar to cryptocurrencies, except that their value is fixed by the central bank and equivalent to the country's fiat currency.
- Speakers at the seminar said CBDCs have been introduced in many countries. It is time to raise awareness about this issue in Bangladesh as well. However, before that more focus should be made on building a cashless society. The government must have the political will to launch a CBDC and ensure the protection and security of consumer interests.

<https://www.tbsnews.net/economy/introducing-digital-currency-can-reduce-money-laundering-economists-628490>

**Have savers lost appetite for savings certificates?**

- While deposits in the banking system are increasing, savers are withdrawing more from savings tools than depositing despite lower interest rates in banks, shows the central bank data. The Bangladesh Bank data shows that the withdrawal tendency continued along the FY23. From the July-March period of the current fiscal year, the savings certificate saw a new deposit of BDT 626.58 Bn and withdrawal of BDT 668.19 Bn. In other words, people have taken out BDT 41.6 Bn more than what they have invested over the first nine months of the fiscal. Bankers and economists say the appeal of the saving tools waned due to inflationary pressure, reduced interest rate and a limit to buy savings certificates.

<https://www.tbsnews.net/economy/have-savers-lost-appetite-savings-certificates-627942>

**Next budget to be placed on Jun 1**

- Finance Minister AHM Mustafa Kamal is scheduled to present the national budget for 2023-24 fiscal year on June 1. The finance division published a document today as a part of the preparation for the next national budget. The budget of the 2023-24 financial year will be around BDT 7.5 Tn, which will be the highest-ever budget in the history of Bangladesh. The National Economic Council is scheduled to announce the new annual development programme of BDT 2.74 Tn on May 11, according to an official of the planning commission.

<https://www.thedailystar.net/business/news/next-budget-be-placed-jun-1-3314381>

**Big-budget infrastructure upgrade planned with WB funding**

- A big-budget project costing BDT 20 Bn is framed to upgrade infrastructures of customs and VAT offices to enable them to meet growing demand for trade and transit facilitation, officials say. The National Board of Revenue (NBR) has framed the project to strengthen capacity of customs and VAT administration with fund support from the World Bank (WB).
- Officials feel that the investment in customs and VAT infrastructures has become imperative as the government is offering transit facilities to neighbouring countries and striving for Bangladesh to graduate to a middle-income country by 2026. The Ministry of Finance (MoF) has sought nearly BDT 16.53 Bn worth of fund support from the World Bank for the upgrading to meet growing demand for domestic revenue mobilisation and trade facilitation.

<https://thefinancialexpress.com.bd/economy/bangladesh/big-budget-infrastructure-upgrade-planned-with-wb-funding>

**Idra, insurers call for measures to narrow protection gap**

- Insurers, regulators, and experts emphasise the importance of addressing and narrowing the insurance protection gap through various measures, including improving insurance awareness, transparency, digitisation, affordability, accessibility, and product innovation. Mohammad Jainul Bari, chairman of the Insurance Development and Regulatory Authority (Idra), said that Bangladesh's insurance penetration remained low at 0.40 in 2022, despite the country's economic success. However, he said the sector's gross premium income increased by 17% to BDT 168.15 Bn from BDT 144.07 Bn in the previous year.
- According to him, the total insurance protection gap in Bangladesh stood at around BDT 180 Tn, which is around five times the country's GDP. To combat this gap, Bari stressed the need for a collaborative effort among all stakeholders in the insurance ecosystem.

<https://www.tbsnews.net/economy/idra-insurers-call-measures-narrow-protection-gap-628502>

**Interbank dollar rate hits record 108, but transactions poor**

- The interbank dollar rate, at which one bank sells dollars to another, rose to a record BDT 108, but transactions on the platform were poor due to a shortage of greenbacks in the country. And the country's foreign currency reserves have dipped to USD 29.78 Bn. According to data from the central bank, banks on Sunday transacted dollars among themselves between BDT 107.30 and BDT 108. According to bankers, the interbank dollar rate has risen mainly due to an increase in remittance rates. Earlier on 30 April, the Association of Bankers Bangladesh (ABB) and Bangladesh Foreign Exchange Dealers' Association (Bafeda) raised the dollar rate by BDT 1 to BDT 108 for remitters.

<https://www.tbsnews.net/economy/banking/interbank-dollar-rate-hits-record-tk108-transactions-poor-628514>

**Unions for BDT 23,000 minimum wage for RMG sector**

- The first meeting of a newly formed wage board for garment workers is scheduled to be held on May 24 on a proposal of major trade unions for offering workers a minimum monthly payment of BDT 23,000. The amount has been proposed considering the needs of a four-member family alongside other major factors such as the current high inflationary pressure, house rent, medical allowance, transport costs and the overall cost of living. It is very difficult to run a family below the proposed amount as inflation is high, said Amirul Haque Amin, president of National Garment Workers Federation.

<https://www.thedailystar.net/business/economy/news/unions-tk-23000-minimum-wage-rmg-sector-3314756>

**Tax collection growth halves in March**

- Revenue collection growth reduced by half in March this year from a year ago, suffered by decline in income and customs tax receipts amid falling corporate earnings and a downturn in imports, which analysts say is likely to weigh on the government's budget spending, especially for development. Value-added tax (VAT), the biggest source of revenue for the state, was the only saviour that helped the National Board of Revenue (NBR) log 4.3% higher growth in overall revenue to BDT 294.73 Bn in March from BDT 282.54 Bn a year ago, according to preliminary data released by the NBR yesterday.
- On the other hand, income tax collection decreased 2.8% year-on-year. In March, taxmen logged BDT 106.48 Bn, down from BDT 109.58 Bn a year ago. Customs duty collection from imported items declined 1.37% year-on-year to BDT 81.82 Bn this March.

<https://www.thedailystar.net/business/economy/news/tax-collection-growth-halves-march-3314741>

**Stocks:****BRACBANK | Brac Bank's profit jumped 25% in Jan-Mar**

- Brac Bank's profit jumped by 25% in the January-March quarter of 2023, according to its financial disclosure filed on the Dhaka Stock Exchange (DSE). During the first quarter, its earnings per share were BDT 0.96, which was BDT 0.77 at the same time a year ago. Besides, it also bagged consent from the Bangladesh Securities and Exchange Commission (BSEC) for raising paid-up capital through the issuance of a 7.50% stock dividend for the year ending 31 December 2022.

<https://www.tbsnews.net/economy/stocks/brac-banks-profit-jumped-25-jan-mar-628130>

**ROBI | Robi's revenue, profit surge in March quarter**

- Robi Axiata Limited – the country's second largest mobile network operator – has reported growths in both its revenue and profit in the January to March quarter of the ongoing 2022-23 fiscal year, compared to the same quarter of the previous fiscal. According to its un-audited financial statement for the March quarter, that the company revealed after its board meeting on Monday, its mobile services revenue including voice, non-voice traffic, data, subscriptions and connection fees surged by 17.64% to BDT 21.71 Bn. And, its net profit grew by 5.49% to BDT 420 Mn.

<https://www.tbsnews.net/economy/stocks/robi-posts-tk41-crore-profit-january-march-628254>

**LHBL | LafargeHolcim posts record profit in Jan-Mar**

- LafargeHolcim Bangladesh Limited has made a strong start to the year, posting a net profit of BDT 1.9 Bn in the first three months, the highest in a particular quarter for the company. The net profit jumped over 102% year-on-year, and earnings per share stood at BDT 1.64, up from BDT 0.81 a year ago. In a press release, the company said its sales increased by 37% to BDT 8.54 Bn in the January-March quarter compared to BDT 6.25 Bn in 2022.

<https://www.tbsnews.net/economy/stocks/lafargeholcims-profit-jumps-over-100-jan-mar-628322>

**UNILEVERCL | Unilever Consumer Care's profit rises 17%**

- Unilever Consumer Care Ltd (UCL), the maker of Horlicks, said its profit soared 17% in the first three months of this year despite the consumer goods company recorded a fall in sales. The UCL logged BDT 201.3 Mn in profits in January-March this year up from BDT 172.6 Mn a year ago. The earnings per share (EPS) of the company, a part of Unilever's group of companies, rose to BDT 16.72 in the first quarter of this year from BDT 14.33 the same period a year ago.

<https://www.thedailystar.net/business/economy/news/unilever-consumer-cares-profit-rises-17-3314616>

**GREENDELT | Green Delta Insurance profit drops over 58% in Jan-Mar quarter**

- Green Delta Insurance's profit dropped over 58% in the January-March quarter of 2023 as the general insurer paid higher claims during the quarter. During the first quarter, its earnings per share was BDT 0.74, which was BDT 1.78 at the same time a year ago. Earlier, it had paid its shareholders a 25% cash dividend for the year ending on 31 December 2022. During the last year, its earnings per share was BDT 7.30, which was 13% lower than the previous year.

<https://www.tbsnews.net/economy/stocks/green-delta-insurance-profit-drops-over-58-jan-mar-quarter-628126>

**BRACBANK | Brac Bank rated 'AAA' again**

- Brac Bank again got the highest credit rating "AAA" by the Credit Rating Agency of Bangladesh (CRAB) for showing its solid financial strength and stability. CRAB has reaffirmed "AAA" for long-term and ST-1 for the short-term with "Stable" outlook for Brac Bank, said a press release. "This unique achievement has resulted from the bank's continuous efforts towards improving and maintaining an industry-above capital base, better asset quality, exemplary corporate governance and superior liquidity position," said Selim RF Hussain, managing director of the bank.

<https://www.thedailystar.net/business/economy/news/brac-bank-rated-aaa-again-3314621>

**QUASEMIND | Quasem Industries posts 20% decline in profit in Q3**

- Quasem Industries Ltd reported a 20% year-on-year decline in profit to BDT 8.727 Mn in the third quarter of the current financial year owing to a rise in the cost of production and expenses. The battery manufacturer made a BDT 10.9 Mn profit in January-March of the previous financial year of 2021-22. Its earnings per share rose to BDT 0.12 in the January-March quarter of 2022-23 against BDT 0.15 in the similar quarter a year earlier, according to the unaudited financial statements.

<https://www.thedailystar.net/business/news/quasem-industries-posts-20-decline-profit-q3-3314351>

**EXCHANGE | 4 banks must pay BDT 261.2 Mn in penalty for violating SEC rules**

- Four banks are facing a penalty of BDT 261.2 Mn for not providing cash dividends, instead giving bonus dividends only, which is a violation of the rules of the stock market enlistment. The banks are Arab-Bangladesh Bank or AB Bank, Mutual Trust Bank, One Bank, and First Security Islami Bank Limited. According to the law, AB Bank will have to pay BDT 17.2 Mn, Mutual Trust Bank BDT 89.4 Mn, One Bank BDT 50 Mn, and First Security Islami Bank BDT 104.6 Mn.

<https://www.tbsnews.net/economy/stocks/4-banks-must-pay-tk2612cr-penalty-violating-sec-rules-628434>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 72.98	(USD 2.23)	-2.97%
Crude Oil (Brent)*	USD 76.80	(USD 0.98)	-1.26%
Gold Spot*	USD 2,020.45	USD 246.30	13.88%
DSEX	6,261.63	54.63	0.88%
S&P 500	4,138.12	298.62	7.78%
FTSE 100	7,778.38	326.64	4.38%
BSE SENSEX	61,764.25	923.51	1.52%
KSE-100	41,829.49	1,409.04	3.49%
CSEALL	8,926.58	424.09	4.99%

**Exchange Rates****1 US Dollar = 107.23 BDT****1 GBP = 135.23 BDT****1 Euro = 117.85 BDT****1 INR = 1.31 BDT**

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