

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.

Covid-19 positivity rate drops

- The daily death toll from Covid-19 declined to 172 in Bangladesh on Wednesday, with the virus test-positivity rate also maintaining a downturn in recent days. The virus test positivity rate inched down further to 17.7% on the day, from the previous day's 19.2%. On Tuesday, the total fatalities from coronavirus were recorded at 198 across the country, according to the official figures.
- During the last 24 hours until 8:00 am on Wednesday, the highest number of fatalities from Covid-19 was reported at 67 in Dhaka division, followed by Chattogram division with 47, Khulna division 16, Sylhet division 15, Mymensingh 10, Rajshahi 08, Barishal 05, and Rangpur division 04.
- With the latest daily count, the total death toll from coronavirus reached 24,719 since the virus was first detected in Bangladesh in March 2020. According to the Directorate General of Health Services (DGHS) data, the total Covid-19 caseloads reached 1.4 million, and 1.3 million people recovered in the country since March 2020.

<https://today.thefinancialexpress.com.bd/first-page/covid-19-positivity-rate-drops-1629309959>

Bangladesh Bank raises banks' leverage ratio

- The Bangladesh Bank has raised the lending limit of banks in proportion to their Tier 1 capital or core capital. In a circular on Wednesday, the central bank directed banks to get prepared in 2022 to increase their leverage ratio. And from 2023, the lenders will have to increase their leverage ratio by 0.25% per year to take the ratio to 4.0% in 2026.
- According to Basel III, the ratio of Tier-1 capital to debt is called the leverage ratio. At present, the ratio of total debt to Tier-1 capital is 3.0%. Officials at the central bank said banks must increase their capital and then their lending capacity will go up. Such a directive has been issued to enhance the capacity of banks to strengthen the country's economic recovery during the Covid-19 pandemic.

<https://www.tbsnews.net/economy/banking/bb-raises-banks-leverage-ratio-290239>

<https://today.thefinancialexpress.com.bd/last-page/banks-asked-to-raise-leverage-ratio-1629310636>

<https://www.thedailystar.net/business/economy/banks/news/banks-asked-raise-core-capital-ratio-2155686>

Banks to remain open today as holiday reset for Ashura

- Banks will remain open on Thursday as the government has re-fixed the holiday on Holy Ashura, reports UNB. Earlier, Thursday was announced as the public holiday on the occasion of Holy Ashura. Later as per the decision of the National Moon-sighting committee, the day was re-fixed, said a Bangladesh Bank circular on Wednesday.

<https://today.thefinancialexpress.com.bd/last-page/banks-to-remain-open-today-as-holiday-reset-for-ashura-1629310656>

<https://www.dhakatribune.com/business/2021/08/18/banks-to-remain-open-thursday-as-holiday-reset-for-ashura>

Post-import financing comes under Bangladesh Bank probe

- Monitoring post-import financing (PIF) as a suspect behind an upturn in non-performing loans (NPLs) in the banking sector is being mounted by the regulator, officials said. Under the latest move, all the scheduled banks have been instructed to submit their PIF statements to the Department of Off-Site Supervision (DOS) of the central bank in a prescribed format on quarterly basis.
- Post-import financing is a short-term credit facility available to importers for settlement of their import bills which are going to mature. However, the first statement will have to be submitted to the central bank by the end of October this calendar year, as per the regulatory decree-one in a chain of late, meant for managing the money market..

- A considerable amount of the total NPLs has come from such short-term financing, posing a threat to the country's banking system, the central banker noted. Nearly 28% or BDT 247 billion of the total BDT 882.36 billion classified loans concentrated in the trade-financing sector in 2020, according to the central bank's latest Financial Stability Report (FSR) 2020.

<https://today.thefinancialexpress.com.bd/first-page/post-import-financing-comes-under-bb-probe-1629310111>

Light engineering lights up export hope

- Bangladesh's light-engineering sector (LES) lights up trade hopes as it achieved nearly 81-per cent growth in shipments to overseas markets in the last fiscal year (FY), analysts say, as the country strives to enlarge its slim export basket.

- According to the Export Promotion Bureau (EPB), the Bangladeshi small and medium scale manufacturers exported USD 529 million worth of engineering goods in the FY 2020-2021, posting an 80.6% growth year on year. In the previous FY2020, the export of engineering products fetched USD 292.9 million, EPB data showed. A hub for nearly 800,000 jobs, after meeting some 30.0% of local demands, earned about half a billion US dollars in foreign exchange on average per annum.

<https://today.thefinancialexpress.com.bd/first-page/light-engineering-lights-up-export-hope-1629310014>

RMG may lose UK trade benefits post-LDC

- Bangladesh's apparel products may lose duty-free access to the United Kingdom after it graduates to a developing country as regular tariffs will be applicable to any product when its import exceeds a set limit under the UK's new Generalised Scheme of Preferences (GSP).
- The UK has started formulating its own GSP scheme after Brexit. Bangladesh will enjoy duty-free access to the British market for all of its products except for arms and ammunition under the scheme's Least Developed Country Framework until 2026.
- The UK GSP scheme's provision on product or goods graduation states that for textiles, apparel and clothing goods, graduation applies when the import ratio referred to exceeds 47.2%, according to the document.
- The general threshold of 57.0% applies to all other goods. For live plants and floricultural goods, vegetable goods, animal or vegetable oils, fats and waxes and mineral goods, graduation applies when the import ratio referred to exceeds 17.5%. The UK will review the list of graduated goods every three years.

<https://www.tbsnews.net/economy/rmg/rmg-may-lose-uk-trade-benefits-post-ldc-290257>

National Board of Revenue (NBR) to launch e-TDS in September

- The National Board of Revenue will launch an electronic tax deducted at source (e-TDS) system in September to automatically settle claims of tax and refund advance income tax for taxpayers. The system offer taxpayers an automated chalan. The eTDS system would establish data sharing with the e-return system to get tax deduction information on salary payment and other sectors.
- The taxpayers will be able to seek refunds on their paid taxes, adjust their TDS at the time of submission of tax returns and claim tax credit easily using the e-TDS system. The system also provides the taxpayers the opportunity to obtain their tax certificates, acknowledgement receipts and taxpayers' identification numbers anytime from their account in the system.
- At present, four tax zones are using the system under a piloting programme of the e-TDS. The system will be featuring automation intelligence that is interlinked with other entities, including banks, the Bangladesh Road Transport Authority and the Bangladesh Computer Council, which helps the tax authority to ensure tax justice and detect tax evasion.

<https://www.newagebd.net/article/146691/nbr-to-launch-e-tds-in-sept>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 64.58	USD 16.06	33.10%
Crude Oil (Brent)*	USD 67.49	USD 15.69	30.29%
Gold Spot*	USD 1,779.01	(USD 116.09)	-6.13%
DSEX	6,771.85	1,369.78	25.36%
S&P 500	4,400.27	644.20	17.15%
FTSE 100	7,169.32	708.80	10.97%
BSE SENSEX	55,629.49	7,878.16	16.50%
KSE-100	47,258.45	3,503.07	8.01%
CSEALL	8,342.85	1,568.63	23.16%

Exchange Rates

USD 1 = BDT 84.76*
 GBP 1 = BDT 116.31*
 EUR 1 = BDT 98.98*
 INR 1 = BDT 1.14*

*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.