

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.

Global raters air concern over state banks' health

- Three global ratings agencies- Moody's Investors Service, Standard & Poor's (S&P) and Fitch Ratings have identified poor governance standards and weak financial health as risk factors for the Bangladesh's banking sector, particularly for public banks. The agencies have also rated Bangladesh's outlook as stable, reflecting that upside and downside risks are well-balanced. The central bank released the latest credit ratings reports of three agencies on its website on 24th July, Sunday.
- It also said Bangladesh's state-owned banks account for 30 per cent of the banking system assets and exhibit significantly weaker asset quality, profitability, and capital adequacy than private commercial banks. On the other hand, S&P assessed a moderate risk related to contingent liabilities from financial institutions, in particular the state-owned commercial banks (SoCBs) sector.
- Fitch rating also said that the official non-performing loan ratio is high at 10.1 per cent in June 2017, while the capital-to-risk weighted-asset ratio (CRAR) is low at 10.9 per cent. The CRAR for the six state-owned commercial banks is well below the 10 per cent regulatory minimum.

<http://today.thefinancialexpress.com.bd/first-page/global-raters-air-concern-over-state-banks-health-1532367886>

UK wants to invest in infrastructure

- British trade envoy Rushanara Ali MP, said that the United Kingdom wants to invest in a big way in Bangladesh to help achieve its middle-income country status saying the next generation of British Bangladeshis can make the difference with their cemented ties with Bangladesh. According to her infrastructure is a big area for investment. She listed the energy sector, especially renewable energy, and technological cooperation, education and skill sharing as some of the potential areas for cooperation.
- Talking about investment barriers, she said further improvement in business climate meant that more investors were looking at Bangladesh for future investment, not just from the UK but from other countries. She, expressed optimism that they have been working together and a favorable business environment was considerably worked out

<https://www.thedailystar.net/business/uk-wants-invest-infrastructure-1610026>

ADB doubles commitment for next three years

- The Asian Development Bank is ready to lend \$8.01 billion to Bangladesh over the next three years, almost the double the amount it had committed in the previous three years. Between 2015 and 2017, the Manila-based multilateral lender committed \$4.08 billion.
- The ADB has already sent an indicative plan to the government about its intent to bankroll various mega projects with the view to reducing high transport and logistics costs and improving access to domestic, regional and international markets. It will focus on the development of transport corridors integrating roads, railways and ports in order to ease congestion, improve climate resilience, continue institutional reforms and facilitate trade.
- The bank will provide about \$140 million for the Bangladesh-India grid interconnection project, \$35 million in technical assistance loan for the Dhaka Metro line-5 (South) and \$250 million in investment for the first phase of the same project

<https://www.thedailystar.net/business/banking/adb-doubles-commitment-next-three-years-1610032>

NBR review body to scrutinize draft of new income tax law

- The National Board of Revenue (NBR) has formed a review committee for scrutinising draft of the new income tax law to assess its possible impact after implementation. The newly-formed body would also conduct a study to align the draft income tax law with the international best practices
- The seven-member review committee will analyse income tax laws of other countries to recommend on the basis of their best practices. They will also identify the possible threats and barriers for implementing the new law and scrutinize whether the new law has any conflict with the country's socio-economic context. The committee then will have to submit a report after compiling the feedback of the field-level tax officers on the draft of the new law.

<https://www.google.com/search?q=NBR+review+body+to+scrutinize+draft+of+new+income+tax+law&ie=utf-8&oe=utf->

[8&client=firefox-b-ab](#)

Regulator okays Kattali Textile IPO despite DSE's objection

- The capital market regulator has given a go-ahead to the initial public offering of Kattali Textile disregarding tough observations from the Dhaka Stock Exchange. On June 26, the Bangladesh Securities and Exchange Commission (BSEC) approved the IPO proposal of the garment exporter, which plans to raise Tk 34 crore from the market
- Earlier The DSE recommended the IPO of Kattali Textile should not be approved as it failed to submit some documents what the premier bourse wanted to verify the authenticity of the data presented in the draft prospectus of the company

<https://www.thedailystar.net/business/regulator-okays-kattali-textile-ipo-despite-dses-objection-1610035>

MIDAS Finance in 'A' category

- MIDAS Financing Ltd will be placed in "A" category from existing "Z" category with effect from today (Tuesday), according to DSE web-posting on Monday. The company disbursed 10 per cent stock dividend for the year ended on December 31, 2017, it said.
- The stockbrokers and merchant bankers have been requested not to provide loan facilities to their clients against trading of the shares of MIDASFIN up to 30 trading days from July 24, 2018.

<http://today.thefinancialexpress.com.bd/stock-corporate/midas-finance-in-a-category-1532360081>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$67.67	-0.22	-0.32%
Crude Oil (Brent)*	\$72.86	-0.20	-0.27%
Gold Spot*	\$1,222.14	-2.36	-0.19%
DSEX	5348.07	+8.88	+0.17%
Dow Jones Industrial Average	25,044.29	-13.83	-0.06%
FTSE 100	7,655.79	-23.00	-0.30%
Nikkei 225	22,534.03	+137.04	+0.61%

Exchange Rates

USD 1 = BDT 84.00*
 GBP 1 = BDT 110.00*
 EUR 1 = BDT 98.17*
 INR 1 = BDT 1.22*

*Currencies and Commodities are taken from Bloomberg.

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