

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.

Parliament passes Finance Bill

- Parliament passed Wednesday the Finance Bill 2022, with some much-debated provisions, to grant legal cover to a new national budget which critics say should have been more welfare-oriented in the crisis time than growth centric.
- Under The new fiscal measures included amnesty for whitening offshore movable assets and a cap of BDT 3.6 Mn as allowable limit for cash transaction for corporate taxpayers. In the upcoming fiscal year 2022-23, corporate taxpayers will be able to enjoy a 2.5% cut in tax rates if they limit cash transaction within the threshold.

<https://today.thefinancialexpress.com.bd/first-page/parliament-passes-finance-bill-1656525662>

BB unveils 'cautious' MPS today

- The central bank is set to unveil a 'cautious' monetary policy for the next fiscal year (FY), 2022-23, today (Thursday) - to curb inflation without hampering the country's economic growth, officials said.
- Earlier, the central bank instructed all the scheduled banks to fix a maximum 9.0% interest rate on all loans, except credit cards, as part of the government's initiative to bring down the rate to single digit from April 01, 2020.

<https://thefinancialexpress.com.bd/national/bb-unveils-cautious-mps-today-y's%20economic%20growth%2C%20officials%20said>

Comply with EDF loan settlement instructions

- The central bank on Wednesday advised the authorised dealers (ADs) to comply with the instructions in settlement of Export Development Fund (EDF) loans.
- Bangladesh Bank (BB) also, in a circular, asked ADs to refrain from forwarding applications of EDF loans, irrespective of nature of imports, for customers whose liabilities have been settled through funded facilities in the immediate past 180 days.

<https://thefinancialexpress.com.bd/national/comply-with-edf-loan-settlement-instructions-1656557168>

ADB to provide USD 41 Mn in grant

- The Asian Development Bank (ADB) will provide USD 41.4 Mn in grant to help improve infrastructure and manage basic needs of the displaced persons from Myanmar sheltered in Cox's Bazar. The additional assistance will be available in the second phase of the ADB's ongoing Emergency Assistance Project worth USD 100 Mn in grant approved in 2018.

<https://today.thefinancialexpress.com.bd/last-page/adb-to-provide-41m-in-grant-1656525989>

BGMEA delegation to take part in Apparel Sourcing Week in India

- A delegation of BGMEA, comprising leading Bangladeshi garment manufacturers and exporters, will participate in the Apparel Sourcing Week 2022 in India next month. The two-day exhibition will begin on July 1 (Friday) at the Sheraton Grand Whitefield in Bengaluru, according to a statement.

<https://today.thefinancialexpress.com.bd/trade-market/bgmea-delegation-to-take-part-in-apparel-sourcing-week-in-india-1656522078>

New monetary policy with higher policy rate comes Thursday

- The central bank is going to announce today a new monetary policy for FY23 with an increased policy rate aimed at controlling inflation. The central bank will increase the policy rate or repo rate -the rate at which the central bank will lend money to commercial banks to 5.25%. The interest rate for money kept at the central bank by the commercial banks (reverse repo rate) will remain 4%.
- The central bank's target is to keep inflation at 5.6% in line with the proposed budget, while GDP growth is expected to be 7.5%. Economists suggest the Bangladesh Bank reduce credit flow and lift the cap on interest rates to effectively curb price hikes.

<https://www.tbsnews.net/economy/new-monetary-policy-higher-policy-rate-comes-thursday-449886>

Apparel exports see 50% growth in June amid high inflation in EU, USA

- Bangladesh's apparel exports registered a near 50% growth compared to last year amounting to USD3.52 Bn in the first 27 days of June, shrugging off the 40 year high record inflation in the United States and European countries prompted by the Russia-Ukraine war.

<https://www.tbsnews.net/economy/rmg/apparel-exports-see-50-growth-june-amid-high-inflation-eu-usa-449486>

Corporate tax slashed by 2.5%

- The government has decided to reduce the corporate tax by 2.5% for all listed and non-listed production-oriented companies, according to parliament sources. Companies can keep BDT3.6 Mn cash transactions annually, which was BDT1.2 Mn previously. At the same time, single transactions for the companies have been set at BDT500,000 Mn.

<https://www.tbsnews.net/economy/budget/corporate-tax-slashed-25-449730>

Banks settle LCs at BDT99 as Dollar soars again

- Banks on Wednesday settled LCs at BDT99 or higher per US dollar as they bought the greenback from exchange houses at rates ranging from BDT98.50 to BDT99. About USD1.5 Bn has been sold from reserves so far this June and the country's foreign exchange reserves have fallen below USD42 Bn due to continued dollar sales.

<https://www.tbsnews.net/economy/banking/banks-settle-lcs-tk99-dollar-soars-again-449866>

No more EDF loan for exporters misusing the facility

- Exporters failing to settle loans from the Export Development Fund with export proceeds within the deadline will no longer be eligible for the borrowing facility from the foreign exchange reserve, said the central bank. The BB found that loans given from the foreign exchange reserve have been found to be misused by some exporters, who turned those into huge forced loans due to failure in payment to the lenders on the due date.

<https://www.tbsnews.net/economy/banking/no-more-edf-loan-exporters-misusing-facility-449794>

Cotton price declining on slower demand

- The price of cotton, the main raw material for readymade garments is on the decline in the international market as demand continues to drop after a big jump. Demand for yarn and cotton is also decreasing in light of a drop in demand for apparels overall as a result of the Russia-Ukraine war.
- People have lost their purchasing power after many countries hiked bank interest rates to tame inflation, which skyrocketed across Europe and the United States due to the conflict.

<https://www.tbsnews.net/economy/cotton-price-declining-slower-demand-449482>

Rice bran oil Spondon back after five years

- After a five-year hiatus, Emerald Oil Industries' rice bran oil Spondon has returned to the country's market. Emerald Oil, which is listed on the capital market, was shut down in 2017 due to loan defaults by its founders. Minori Bangladesh a subsidiary of Japanese farming company Minori Co Limited has extended its hand to revive Emerald Oil by taking over its sponsor-directors shares.

<https://www.tbsnews.net/economy/stocks/rice-bran-oil-spondon-back-after-five-years-449822>

GP's SIM sales banned

- The telecom regulator on Wednesday imposed a ban on the sales of SIM of Grameenphone for not improving its quality of service. The restriction will remain until the country's largest mobile operator improves its quality of service as per standards set by BTRC.
- The GP has 84.95 Mn subscribers until May 2022. It added around 70,000 new subscribers only in May last. According to a number of drive tests run by BTRC, GP has been found providing substandard services in most cases.

<https://today.thefinancialexpress.com.bd/first-page/gps-sim-sales-banned-1656525786>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 110.20	USD 34.99	46.52%
Crude Oil (Brent)*	USD 116.61	USD 38.83	49.92%
Gold Spot*	USD 1,819.02	(USD 10.18)	-0.56%
DSEX	6,350.47	-406.19	-6.01%
S&P 500	3,818.83	-947.35	-19.88%
FTSE 100	7,312.32	-72.22	-0.98%
BSE SENSEX	53,026.97	-5,226.85	-8.97%
KSE-100	41,297.73	-3,298.34	-7.40%
CSEALL	7,365.92	-4,860.09	-39.75%

Exchange Rates**1 US Dollar = 93.23 BDT****1 GBP = 113.11 BDT****1 Euro = 97.46 BDT****1 INR = 1.18 BDT**

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Fahim Hassan	Research Associate	fahim.hassan@bracepl.com	01709 636 546
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
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BRAC EPL Stock Brokerage Limited

www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com