

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.

Pvt sector credit growth in Apr hits 38-month high

- Private sector credit growth in April rose to 12.48% in Apr'22, close to the BB monetary policy target of 14.8% for FY22. The growth reached a more than three-year high in April amid high imports in FY22. High imports have created instabilities on commodity and currency markets in the country.
- Policy Research Institute of Bangladesh executive director Ahsan H Mansur told that the real cost of fund became very low due to high inflation, thus attracting the businesses to borrow fund. He said that a high private sector credit growth would not be supportive to tackle the ongoing economic crisis rather a low growth rate would be good to reduce the trade deficit and thereby reduce pressure on the Taka.

<https://www.newagebd.net/article/171884/pvt-sector-credit-growth-in-apr-hits-38-month-high>

BB raises interbank dollar rate to BDT 89

- Bangladesh Bank on Sunday set the interbank exchange rate at BDT 89 per US dollar, devaluating again the local currency taka by BDT 1.1 from BDT 87.9 based on bankers' proposals. Prior to the issuance of the directive, the Association of Bankers, Bangladesh and the Bangladesh Foreign Exchange Dealers' Association proposed the exchange rate at BDT 88.95 per US dollar for the exporters, BDT 89.8 for remitters and BDT 89.95 for importers.

<https://www.newagebd.net/article/171861/bb-raises-interbank-dollar-rate-to-tk-89>

Govt mulls doubling source tax on exports

- The government mulls raising the source tax on export earnings to 1.0% from 0.5% in the forthcoming national budget, sources said. Economists feel the National Board of Revenue (NBR) may want to raise the source tax on exports considering it the best possible option to increase its revenue collection. They, however, observe that if the rate of source tax is equal for all, non-RMG sectors will lag behind in the effective rate of protection since the RMG sector enjoys some special benefits from the government.

<https://www.tbsnews.net/economy/budget/govt-mulls-doubling-source-tax-exports-429418>

Bangladesh's foreign debt repayment to double in F25

- The maturity of a number of big foreign loans, with their grace periods ending soon, will almost double the country's external debt repayment at USD 4.02 Bn in FY25 against USD 2.4 Bn in the outgoing FY22. Overall debt repayment would stand at USD 2.7 Bn in FY23 (USD 1.9 Bn in principal), and USD 3.28 Bn in FY24 (USD 2.3 Bn in principal).

<https://www.newagebd.net/article/171893/bangladeshs-foreign-debt-repayment-to-double-in-f25>

Bangladesh Bank increases policy rate to 5%

- Bangladesh Bank (BB) on Sunday increased its policy rate by 25 basis points to 5.0% in a bid to keep the country's inflation in check. The rise in the policy (Repo) rate will likely to make credit costly as banks will have to borrow from BB at the new rate. However, BB did not mention any change to current 4% reverse repo rate.

<https://www.tbsnews.net/economy/banking/bangladesh-bank-raises-interest-rate-5-429346>

India's ONGC yet to submit work plan for drilling two offshore wells

- ONGC Videsh Ltd, India's hydrocarbon exploration firm, is yet to submit any work plan for drilling two shallow-depth

offshore wells (SS-04 and SS-09) although the contract tenure is scheduled to expire in February next. The firm will be allowed to operate and sell oil and gas for 20 years from an oil field and 25 years from a gas field.

<https://thefinancialexpress.com.bd/trade/indias-ongc-yet-to-submit-work-plan-for-drilling-two-offshore-wells-1653880109>

IBN Sina Pharma to operate natural medicine unit separately

- IBN Sina Pharmaceutical Industry wants to separate its natural medicine unit and hand it over to the newly-formed IBN Sina Natural Medicine Limited subject to approval by the shareholders. Currently, IBN Sina Pharma has two separate manufacturing units in its factory at Gazipur, one for pharmaceutical medicine and the other for natural medicine.
- IBN Sina Pharma's Technical and Finance Director told that the natural medicine segment is generating hundreds of millions of taka, hence this business is being segregated to increase focus. The business of natural medicine will be conducted under a subsidiary of IBN Sina Pharma. However, its marketing and distribution will be with IBN Sina Pharma, he added.

<https://www.tbsnews.net/economy/stocks/ibn-sina-pharma-operate-natural-medicine-unit-separately-429306>

National Bank to issue BDT 5.0 Bn bond for capital requirement

- National Bank Limited will issue subordinated bonds worth BDT 5.0 Bn to strengthen its regulatory capital and to comply with the Base III capital requirement.

<https://www.tbsnews.net/economy/stocks/national-bank-issue-tk500cr-bond-capital-requirement-429310>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 115.94	USD 40.73	54.16%
Crude Oil (Brent)*	USD 120.01	USD 42.23	54.29%
Gold Spot*	USD 1,858.50	USD 29.30	1.60%
DSEX	6,369.33	-387.32	-5.73%
S&P 500	4,158.24	-607.94	-12.76%
FTSE 100	7,585.46	200.92	2.72%
BSE SENSEX	55,507.75	-2,746.07	-4.71%
KSE-100	42,861.45	-1,734.62	-3.89%
CSEALL	8,315.55	-3,910.46	-31.98%

Exchange Rates**1 US Dollar = 87.95 BDT****1 GBP = 111.20 BDT****1 Euro = 94.48 BDT****1 INR = 1.12 BDT**

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