

*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.*

### **Cut corporate taxes, duties on industrial imports**

- At a pre-budget meeting with the National Board of Revenue (NBR), BEZA officials called for exemption of 4.0% advance tax on raw materials imported by the industries. BIDA proposed lowering the corporate-tax rates from 32.5% to 28%.
- BEPZA officials called for updating Statutory Regulatory Order (SRO) to facilitate import of all types of fire-fighting equipment by the industries working in the EPZs. It also seeks NBR's support for easing the import of building materials and foodstuffs for foreigners through updating related policies and SROs.
- The BUILD suggests lowering advance tax on profit from 20% to 10% for companies and from 10% to 5.0% for individuals. The think-tank also called for involving the private research organisations, universities and other stakeholders with a research fund worth BDT 500 million declared by the government in a previous national annual budget.

<https://today.thefinancialexpress.com.bd/first-page/cut-corporate-taxes-duties-on-industrial-imports-1644517916>

### **Industries seek cut in VAT on resorts, liquors**

- Leaders of different associations - representing shop and restaurant owners, tourism industry, and courier service, etc - placed their budget proposals for FY23. Resort owners want to lower the current 15% VAT to 7.5 %. Another proposed recommended cutting the VAT on air-conditioned restaurants from 10% to 6.0%, and non-AC restaurants from 7.5% to 3.5%. Tour Operators' Association of Bangladesh (TOAB) president proposed the NBR to provide duty-free or low-duty vehicle import facility for tourism industry.

<https://today.thefinancialexpress.com.bd/last-page/industries-seek-cut-in-vat-on-resorts-liquors-1644518286>

### **Dollar sales hit record USD 3.15b in seven months of FY22**

- Injection of dollars by the Bangladesh Bank reached a record high of USD 3.15 billion in July-January of the current fiscal year amid a major spike in import payments. Amid the import surge, demand for dollars on the local market soared, which prompted the country's banks to buy greenbacks from the central bank to settle import payments
- The country's another major source of foreign currency, wage earners remittance, also dropped by 20.9% year-on-year in July-December of the current fiscal year 2021-2022.
- Policy Research Institute executive director Ahsan H Mansur told New Age on Monday that import growth is a positive indication, but the funding would be difficult. To contain the import situation and the dollar demand, he suggested an immediate depreciation of the taka as it would help contain the massive growth in import payments.

<https://www.newagebd.net/article/162407/dollar-sales-hit-record-315b-in-seven-months-of-fy22>

### **Govt's bank borrowing increases BDT 2,484cr in Jul-Jan**

- The government has borrowed BDT 12,681 crore in the July-January period of the fiscal 2021-22 which is 16.58% of the total loan target for this financial year. The amount of the total bank borrowing in the first seven months in FY21 was BDT 10,197 crore.
- The government is mostly spending this borrowed money in debt servicing of the local commercial banks. The total

balance amount of the net loan until January this year stands at over BDT 2.15 lakh crore. The balance was over BDT 2.21 lakh crore in June last fiscal year. The government has a target to borrow BDT 76,452 crore from the banking system in the current fiscal year to meet the budget deficit

- According to data of the Bangladesh Bank, the government borrowed BDT 27,154 crore from commercial banks during July-January through treasury bills and auctioning bonds. The government refunded BDT 14,473 crore to the Bangladesh Bank. As a result, its total net loan from the banking system stood at BDT 12,681 crore.

<https://www.tbsnews.net/economy/banking/govts-bank-borrowing-increases-BDT2484cr-jul-jan-369145>

### **Railways asks ERD to search for funds**

- The railways ministry has asked the Economic Relations Division (ERD) to search for funds for a project to convert the Akhaura-Sylhet rail track into dual gauge from metre gauge. The request came after the government decided not to implement the project with Chinese funds due to higher cost. Executive Committee of the National Economic Committee (Ecneec) approved the project cost at the cost of BDT 16,104 crore.

<https://www.thedailystar.net/business/economy/news/railways-asks-erd-search-funds-2959431>

### **High prospect of striking huge gas jackpot**

- Bangladesh may see a change of fortune with prospective huge gas strike in and around offshore Bhola island. State-run Bangladesh Petroleum Exploration and Production Company Ltd (BAPEX) has already discovered two gas fields in Shahbazpur and Bhola North areas that have cumulative recoverable reserves of around 1.5 -2.0 trillion cubic feet (Tcf). Shahbazpur gas field is supplying 64mmcf/d gas, while Bhola North has yet to initiate supply.
- A number of international oil companies (IOCs), including US's UNOCAL and Russian GAZPROM, are learnt to be upbeat about hitting the jackpot in Bhola hydrocarbon turfs. BAPEX currently plans on carrying out extensive 3D and 2D seismic survey in and around Bhola island, including Barisal, Muladi in blocks 7 and 10, to find new gas structures.
- Sources say after the discovery of first gas field -Shahbazpur - by BAPEX in 1996 US oil major UNOCAL placed a USD 700 million proposal named 'Western Region Integrated Project (WRIP) for developing Shahbazpur gas field, construction of 120-kilometre Shahbazpur (Bhola)-Digholia (Khulna) gas pipeline, setting up gas-based power plants in Bhola, Barisal and Khulna.

<https://today.thefinancialexpress.com.bd/first-page/high-prospect-of-striking-huge-gas-jackpot-1644517693>

### **Apparel export to India rising fast**

- Bangladesh shipped garment items worth USD 365.95 million to India in 1HFY22, up 58.07%, according to data from the Export Promotion Bureau. Of the receipts, USD 161.69 million came from knitwear shipments, up 66.46 % year-on-year. Woven garment shipments surged 52 % to USD 204.26 million at the same time. However, a 12.50% countervailing duty on garment items acts as a major barrier for Bangladeshi producers in Indian markets, exporters say.

<https://www.thedailystar.net/business/export/news/apparel-export-india-rising-fast-2959441>

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change YTD</b>	<b>% Change YTD</b>
Crude Oil (WTI)*	USD 89.81	USD 14.60	19.41%
Crude Oil (Brent)*	USD 91.50	USD 13.72	17.64%
Gold Spot*	USD 1,834.02	USD 4.82	0.26%
DSEX	7,081.38	324.73	4.81%
S&P 500	4,587.18	-179.00	-3.76%
FTSE 100	7,643.42	258.88	3.51%
BSE SENSEX	58,962.03	708.21	1.22%
KSE-100	46,339.76	1,743.69	3.91%
CSEALL	12,081.69	-144.32	-1.18%

**Exchange Rates****1 US Dollar = 85.82 BDT****1 GBP = 116.25 BDT****1 Euro = 97.83 BDT****1 INR = 1.14 BDT**

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### BRAC EPL Stock Brokerage Limited

#### Research

Salim Afzal Shawon, CFA	Head of Research	<a href="mailto:salim@bracepl.com">salim@bracepl.com</a>	01708 805 221
Anika Mafiz	Research Analyst	<a href="mailto:anika.mafiz@bracepl.com">anika.mafiz@bracepl.com</a>	01708 805 206
Fahim Hassan	Research Associate	<a href="mailto:fahim.hassan@bracepl.com">fahim.hassan@bracepl.com</a>	01709 636 546
Md. Mahmudul Hasan	Junior Research Associate	<a href="mailto:mmahmudul.hasan@bracepl.com">mmahmudul.hasan@bracepl.com</a>	01708 805 201

#### International Trade and Sales

Ahsanur Rahman Bappi	CEO	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
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### BRAC EPL Stock Brokerage Limited

[www.bracepl.com](http://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](mailto:research@bracepl.com)