

Economy

Quarterly reports on GDP from 2024: BBS tells IMF

The Bangladesh Bureau of Statistics (BBS) has decided to prepare and release quarterly reports on the country's gross domestic product (GDP) from 2024. The move comes following the conditions put forth by the International Monetary Fund (IMF) for the USD 4.7 Bn loan for Bangladesh.

BBS Director General (DG) Md Matiar Rahman also said "We have also informed the international lender about updating our consumer price index (CPI). Data related to 722 food and non-food items under total 12 categories have been taken instead of the current 412 items under eight categories.

<https://www.tbsnews.net/economy/quarterly-reports-gdp-2024-bbs-tells-imf-624954>

Uniform exchange rate from July, Commerce tells IMF

The commerce ministry has informed the International Monetary Fund (IMF) that a uniform exchange rate of the US dollar will be introduced for importers and exporters from July this year. In a meeting with the Senior Secretary of the commerce ministry Tapan Kanti Ghosh on Tuesday, the IMF reiterated its call for introducing a unified exchange rate for imports and exports. In addition, the global lender raised concerns about exporters intentionally not bringing in export proceeds to the country. According to Bangladesh Bank sources, the official dollar rate for exporters is now BDT 106. But the importers said they have to buy dollars from banks at BDT 113-114 for opening letters of credit (LCs).

<https://www.tbsnews.net/economy/uniform-exchange-rate-july-commerce-tells-imf-625350>

Refiners seek to up soybean oil price by Tk 18 per litre

Citing the expiration of a VAT cut, edible oil refiners want to increase the price of bottled soybean oil by Tk 18 to Tk 205 per litre from today (Wednesday) - at a time when the global prices declined to a twelve-month low.

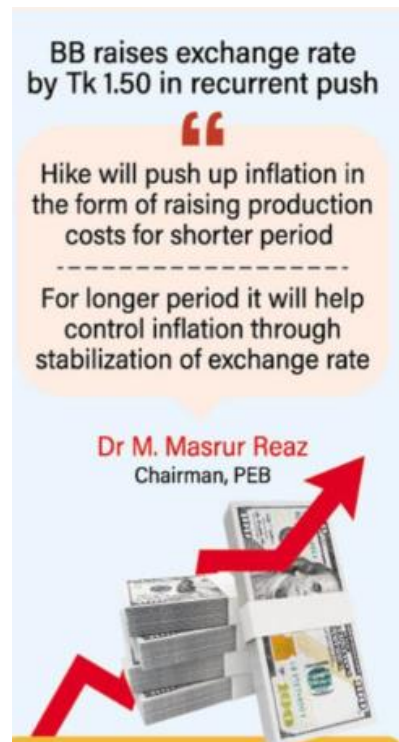
<https://thefinancialexpress.com.bd/trade/refiners-seek-to-up-soybean-oil-price-by-tk-18-per-litre>

Dollar price hiked higher in one go now

Now the US dollar becomes dearer as Bangladesh Bank Tuesday raised the regulatory exchange rate by Tk 1.50 to Tk 104.50 in a readjustment process falling in line with a recommendation.

Economists say costlier trading currency may mean costlier imports and pricier consumer goods -- and a further possible push in inflation.

Officials concerned said the policy-rate raise came as part of a plan to up the exchange rate of the US currency further to cross Tk 105 each by June in line with suggestion from the International Monetary Fund (IMF) for reaching a uniform exchange rate of the dollar on the market.



<https://thefinancialexpress.com.bd/economy/bangladesh/dollar-price-hiked-higher-in-one-go-now>

NBR wants higher taxes for the wealthy in FY24 budget

Wealthy individuals may face higher taxes next year as the National Board of Revenue (NBR) wants to increase the surcharge on their income taxes in the budget for the next fiscal year, finance ministry officials said. An official of the ministry told The Business Standard that the NBR is likely to propose a 5-10 percentage points increase on the existing surcharges.

<https://www.tbsnews.net/economy/nbr-wants-higher-taxes-wealthy-fy24-budget-625366>

Eid remittance falls due to low dollar rate

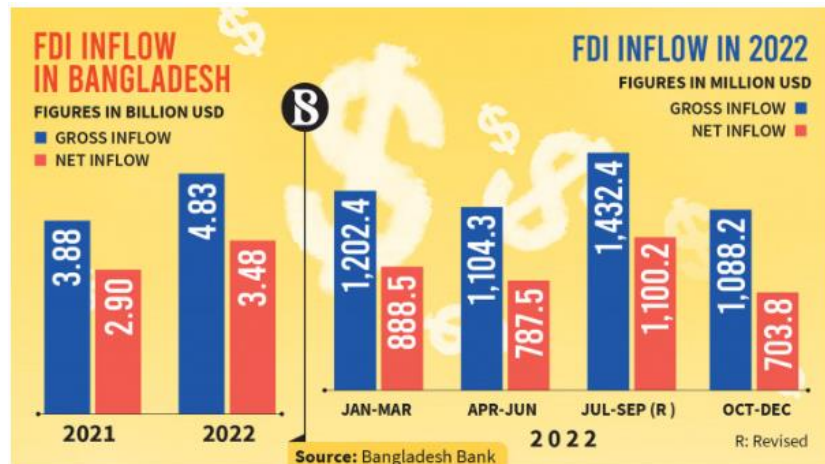
Remittance inflow usually increases in Ramadan ahead of Eid but the amount of money sent home by Bangladeshis working abroad dropped by about \$151 million in April compared to March due to a lower rate of the US dollar offered by banks. An analysis of central bank data reveals that the country received \$1,423 million in remittances between 4 and 24 March, which fell to \$1,272 million in the corresponding period of April. Of the received amount in April, \$313 million came in the third week of the month, but the first two weeks each saw an inflow of over \$475 million.

<https://www.tbsnews.net/economy/eid-remittance-falls-due-low-dollar-rate-621714>

Net foreign investment declines 35% in Oct-Dec 2022

Net foreign direct investment (FDI) in the country fell by 35.56% in the last quarter (October-December) of 2022 compared to the previous quarter due to the ongoing foreign exchange crisis in the country, according to the latest report of the Bangladesh Bank.

Central bank data shows that foreign net investment in the last quarter of 2022 amounted to \$703 million, which was \$1,100 million in the previous quarter. Net foreign investment is calculated by excluding dividends taken by foreign companies from the total foreign investment.



<https://www.tbsnews.net/economy/net-foreign-investment-declines-35-oct-dec-2022-625370>

Economic pressure deepens as export, remittance dip

Exports and remittances, two major sources of foreign currencies for Bangladesh, plunged in April, a bad omen for the economy as it deals with multiple challenges, including a dollar crisis, an elevated level of import costs and falling reserves. Export earnings slumped 16.5% year-on-year to USD 3.95 Bn last month, according to the Export Promotion Bureau. And despite a surge in the outflow of migrant workers in 2022,

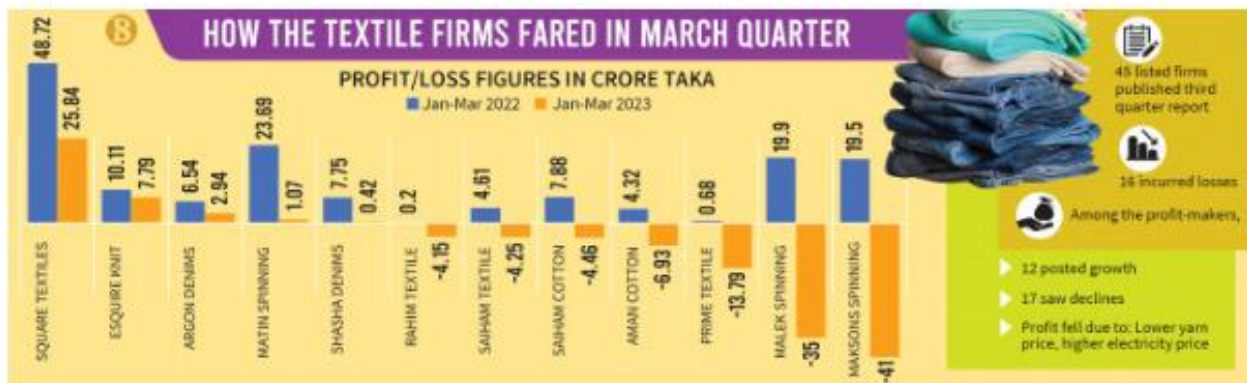
remittances sent by migrant workers and nonresident Bangladeshis living abroad dropped 16.2% to USD 1.68 Bn, the sharpest fall in 14 months, data from the Bangladesh Bank showed.

<https://www.thedailystar.net/business/economy/news/economic-pressure-deepens-export-remittance-dip-3309756>

Textile

Textile firms bear the brunt of dollar, energy crises in March quarter

Textile and apparel industry in the country incurred losses, and many of them saw lower profits in the January-March quarter of the current fiscal owing to energy shortage, strong dollar and a slowdown in global market demand caused by the Russia-Ukraine war.



The industry entrepreneurs said that the dollar shortage affected the local textile industry as most of them are not able to open letters of credit (LC) for the import of raw cotton despite it becoming cheaper in the global market, affecting apparel prices.

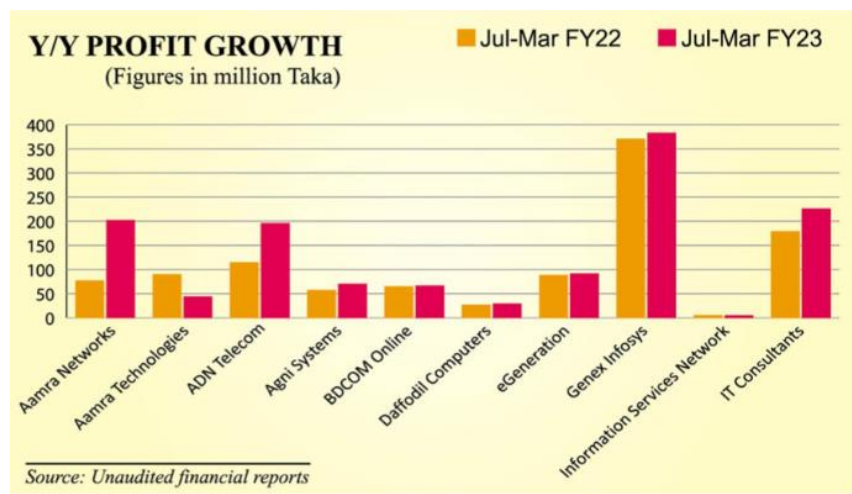
<https://www.tbsnews.net/economy/textile-firms-bear-brunt-dollar-energy-crises-march-quarter-625354>

IT Sector

Most IT firms' profit leaps to double-digit growth in Jan-Mar on rising demand

Most IT companies posted double-digit profit growth in the third quarter ended in March as the demand for related services increased both in the local and global markets.

Of the 10 IT firms that disclosed quarterly earnings until now, eight showed a rise in income while profits of the two others fell year-on-year in January-March.



All the companies together secured Tk 393 million in profit in the January-March quarter, a 30 per cent jump from the same period a year ago. They were at no risk of foreign exchange loss since they do not rely on imports on a regular basis. Hence, unlike manufacturing companies, the IT firms hardly bore any impact of the devaluation of the taka against the dollar.

<https://thefinancialexpress.com.bd/trade/most-it-firms-profit-leaps-to-double-digit-growth-in-jan-mar-on-rising-demand>

Stock-Specific News

United Power's profit drops 22% due to high production costs

The United Power Generation and Distribution Company saw a 22% year-on-year profit decrease in the third quarter of the current fiscal year due to increasing costs of production. In the January to March quarter, its consolidated net profit came down to Tk 248.11 crore compared to Tk 318.83 crore in the same period of the previous fiscal year. The consolidated earnings per share stood at Tk 4.28, down from Tk 5.50 a year ago.

<https://www.tbsnews.net/economy/stocks/united-powers-profit-drops-22-due-high-production-costs-624938>

Grameenphone's profit drops 3.83% in Jan-Mar

Grameenphone reported a 3.83% year-on-year decline in its quarterly profit after taxes for the January-March period. The telecom market leader, despite its higher revenue – Tk3,734 crore from Tk3,633 crore – saw its net profit dropping to Tk779 crore in the three months, from Tk809 crore in the same period a year ago. According to a price sensitive information disclosure by the company, its quarterly earnings per share (EPS) inched down to Tk5.77 from Tk6.00 for the same quarter of 2022.

<https://www.tbsnews.net/economy/stocks/grameenphones-profit-drops-383-jan-mar-625294>

ADN Telecom to build 13-storied building, data centre at Tk70 crore

ADN Telecom's board of directors has decided to construct a 13-storied commercial building and a data centre setup in the capital's Badda area. According to a regulatory disclosure, the building will have a total approximate floor space of 1,16,400 square feet. Of the 13-storied building, with three basements, the first and second floors will be used for the data centre.

<https://www.tbsnews.net/economy/stocks/adn-telecom-posts-impressive-q3-growth-624962>