

Capital Market

BSEC extends margin loan limit to increase liquidity

- Bangladesh's capital market regulator has increased the margin loan limit in an effort to increase liquidity in the market and counteract the recent dip in the stock market.
- On Sunday, the Bangladesh Securities and Exchange Commission (BSEC) raised the loan limit to 100 per cent from 80 per cent, meaning that investors will now be able to get 100 per cent of their investment as a loan.

From: <https://thefinancialexpress.com.bd/stock/bangladesh/bsec-extends-margin-loan-limit-to-increase-liquidity-1653222788>

Fresh fiscal bailouts up as bourses dip

- Stocks sink yet deeper as the benchmark of Bangladesh's prime bourse hit an 11-month low on Sunday, prompting the government to frame rescue packages with fresh financial injections.
- A latest refinance scheme worth BDT 10.09 bn and raising the margin-loan ratio to 1:1 are the two major measures unveiled on the day to inject funds into the market that is bleeding dry, official and market sources said.

From: <https://today.thefinancialexpress.com.bd/first-page/fresh-fiscal-bailouts-up-as-bourses-dip-1653242229>

Economy

Reverse remittance restricted

- Outward remittance for training, seminar and workshop abroad now comes under restrictions meant for mitigating pressure on Bangladesh's foreign-exchange reserves, officials say.
- All authorized dealer (AD) banks have been instructed to refrain from release of foreign exchange on account of registration/participation fee for attending training, seminar, and workshop abroad, according to a notification issued Sunday by the Bangladesh Bank (BB).

From: <https://today.thefinancialexpress.com.bd/first-page/reverse-remittance-restricted-1653242279>

Additional tax on non-essential, luxurious items likely

- The government is likely to slap additional taxes on the import of luxurious and non-essential items with a view to tackling on-going reserve depletion amid the global commodity price spiral.
- Along with slapping additional taxes, the government may also ban imports of some luxurious and non-essential items to overcome the economic concerns and supply shortage across the globe induced mainly by the war in Ukraine.

From: <https://www.newagebd.net/article/171277/additional-tax-on-non-essential-luxurious-items-likely>

With 2 months left, 45% ADP fund still unspent

- To utilise the full amount of the revised Annual Development Programme (ADP) allocation, BDT 973.46 bn is to be spent in the next two months (May-June), which is 45% of the total allocation.
- According to the Implementation Monitoring and Evaluation Division (IMED), the ADP implementation during July-April of the current fiscal year was 55.18%. In terms of money the expenditure has been so far BDT 1.19 tn.

From: <https://www.tbsnews.net/economy/2-months-left-45-adp-fund-still-unspent-424926>

Govt to lower fertiliser usage target for FY23

- The government is set to cut fertiliser usage for the upcoming financial year (FY23) following its skyrocketing prices in the global market.
- The Department of Agriculture Extension (DAE) under the Ministry of Agriculture primarily has set a requirement for 6.4 mn tonnes of fertiliser for the upcoming financial year which was 6.56 mn tonnes in the outgoing financial year, said an official of the DAE.

From: <https://today.thefinancialexpress.com.bd/first-page/govt-to-lower-fertiliser-usage-target-for-fy23-1653242320>

Textile & RMG

Net export earnings from RMG drop in Q3

- The net export earnings from readymade garments in the January-March period of the current financial year 2021-22 fell by 3.89 per cent, or USD 243.82 mn, to USD 6.02 bn from USD 6.26 bn in the October-December period of the fiscal year due to a price hike of raw materials on the global market.
- According to Bangladesh Bank data, the value addition in RMG products dropped to a record low of 52.24 per cent in the third quarter of FY22.

From: <https://www.newagebd.net/article/171256/net-export-earnings-from-rmg-drop-in-q3>

Pharmaceuticals

VAT on sales of locally-produced APIs likely to go from FY23

- The government is going to exempt local manufacturers of active pharmaceutical ingredients (API) from paying value-added tax (VAT) at the sale or supply stage to make pharmaceutical raw materials easily available.
- The National Board of Revenue (NBR) in its budget proposal has suggested VAT exemption at the supply stage of APIs, sources at the revenue board told The Business Standard, adding the finance minister may announce the exemption on 9 June while presenting the national budget for fiscal 2022-23 in parliament.

From: <https://www.tbsnews.net/economy/industry/vat-sales-locally-produced-apis-likely-go-fy23-424526>

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