

Banks & NBFIs

Changes in NBFIs' deposit, lending rates in the offing

- The Bangladesh Bank has agreed in principle to change the interest rates on both deposits and lending of non-banking financial institutions (NBFIs).
- From now on, the interest rate on one-year term deposits of the customers of the institutions will be a maximum of 8% and at the same time, they will be able to disburse loans at up to a maximum of 12%, according to sources in the central bank.

From: <https://www.tbsnews.net/economy/changes-nbfis-deposit-lending-rates-offing-426290>

Interest on written-off loans can be waived

- The Bangladesh Bank has offered an opportunity to waive the interest on written-off loans.
- However, the waiver will not be applicable for intentionally defaulted loans and loans are taken by fraud. The waiver of interest on written off loans must be approved by the board of the respective bank.

From: <https://www.tbsnews.net/economy/banking/interest-written-loans-can-be-waived-426250>

Economy

LDC graduation preparation: Lifting fiscal protection begins with next budget

- Phasing out fiscal protection to local industries begins in the upcoming fiscal year by way of taxing those as Bangladesh prepares for open competition after LDC graduation, sources say.
- Such industries, including manufacturers of mobile phone, refrigerator and air-conditioner, might see 5.0-percent value-added tax (VAT) at production stage in the FY 2022-23 budget, to be placed in parliament on June 9, according to the sources.

From: <https://today.thefinancialexpress.com.bd/first-page/lifting-fiscal-protection-begins-with-next-budget-1653415412>

PM opens Padma Bridge June 25

- The Padma Bridge is scheduled to open for road traffic on June 25 next, establishing a direct link between the capital and southwestern regions of the country.
- The bridge construction finally began in December 2014 after the government announced to construct it from its own fund. However, the construction was delayed further by over three years due to solving faults in the designs of 14 piers of the 6.15-kilometre bridge.

From: <https://today.thefinancialexpress.com.bd/first-page/pm-opens-padma-bridge-june-25-1653415460>

NBR misses revenue collection target

- The National Board of Revenue (NBR) missed the revenue collection target in the first 10 months (July-April) of the current fiscal year.
- NBR has collected BDT 2.28 tn during the first ten months of FY22. The target for the period was set at BDT 2.60 tn.

From: <https://www.dhakatribune.com/business/2022/05/24/nbr-misses-revenue-collection-target>

Duties up to 20pc imposed on imports of luxury goods

- Regulatory duties up to 20 per cent have been imposed on the imports of luxury goods, including fruit, flowers, furniture and cosmetics, in an effort to bolster foreign exchange reserves.
- Before the recent hike, the government had imposed import duties of 3-35 per cent on 3,408 products, with higher tariffs on those classified as luxury goods.

From: <https://thefinancialexpress.com.bd/trade/duties-up-to-20pc-imposed-on-imports-of-luxury-goods-1653388864>

Important Disclosures:

About Shanta Securities Limited: This report has been prepared by the Research Department of Shanta Securities Limited (hereinafter referred to as SSL). SSL is a stockbroker registered with and regulated by Bangladesh Securities & Exchange Commission (BSEC), Bangladesh. SSL and its affiliates (Shanta Asset Management Limited and Shanta Equity Limited) offer full-service brokerage, investment management, and investment banking services to the clients.

Disclaimer: Information for the preparation of this report has been obtained from sources believed to be reliable but SSL does not warrant its completeness or accuracy. Opinions and estimates constitute the best judgment of the research analyst(s) as of the date of this material and are subject to change without notice. The information contained herein this report is of general nature and does not consider the circumstances of any person or entity. Therefore, no one should act based on the content of this report without exercising appropriate due diligence and reasonable care. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument.

Distribution: This report is not intended for distribution to the public. Also, this document is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability, or use would be contrary to law or regulation. The information and data provided herein is the exclusive property of SSL. No part of this material can be copied/ redistributed/ transmitted/ duplicated in any form by any means without the prior written consent from SSL.

Name	Designation	Email	Mobile No.
Research Contact			
S. M. Galibur Rahman, CFA	Head of Research	galib@shantasecurities.com	01708469570
Md. Rakibul Hassan, CFA	Research Analyst	rakibul.hassan@shantasecurities.com	01708484445
Thanveer Mahamud Shakil	Research Associate	thanveer@shantasecurities.com	01704166870
Corporate and Institutional Contact			
Kazi Aminul Islam	Head of Corporate Trading	kazi.aminul@shantasecurities.com	01708484455

SSL Research DeskEmail: research@shantasecurities.comThe Glass House (Level 10), S.E (B)-2,
38 Gulshan Avenue, Gulshan -1, Dhaka -1212, Bangladesh

Phone: +88-02- 58810684-88,

Fax: +88-02-9513543

www.shantasecurities.com