

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.

BDT depreciation boosts inflow of remittances

- The flow of inward remittances rose by more than 10% in the first nine months of the current fiscal year as the exchange of local currency maintained a depreciating mode against the US dollar. Bangladeshi nationals working abroad sent USD 11.87 billion home during the July-March period of the FY 2018-19. It was USD 10.76 billion in the same period of the previous fiscal, according to the central bank's latest statistics. The remittance inflow was estimated at USD 1.46 billion in March last, up by USD 140 million from that of the previous month. In February 2019, the amount stood at USD 1.32 billion.
- A senior official of the Bangladesh Bank (BB) said that the inflow of remittance may rise further in the coming months ahead of the Holy Ramadan. He also said the flow of overall inward remittance continues to maintain an upward trend due to the depreciation of local currency against the US currency.

<http://today.thefinancialexpress.com.bd/last-page/bdt-depreciation-boosts-inflow-of-remittances-1554142682>

Slow execution may lead to pullout by World Bank of funding worth USD 2.0 billion

- The World Bank (WB) has warned that it will reconsider financing projects worth USD 2.0 billion unless the authority expedites implementation of the projects. The global lender may even withdraw funds if the agencies fail to speed up the execution process of the WB-aided projects, they added.
- The Bank sat with the project executing agencies and the Economic Relations Division (ERD) to review its portfolio to get the updates on the projects. The Bank picked up 11 of its aided projects for stocktaking as those were struggling. The Bank picked up 11 of its aided projects for stocktaking as those were struggling.
- The lender had made the commitment of providing nearly USD2.02 billion worth of concessional loans for the projects on various occasions to improve Bangladesh's different sectors, including infrastructure, education, finance, water supply and sanitation.

<http://today.thefinancialexpress.com.bd/first-page/problem-projects-threaten-20b-wb-loans-1554141634>

National Board of Revenue (NBR) launches online VAT return system

- The National Board of Revenue (NBR) launched Monday online the VAT return submission system help businesses complete the process without harassment. With the newly-launched system, companies will now be able to submit their VAT returns from anywhere without visiting offices.
- Initially, the large taxpayers will be able to avail the online submission facility, while all businesses will come under the system by August 14.

<http://today.thefinancialexpress.com.bd/last-page/nbr-launches-online-vat-return-system-1554142627>

NBFIs can now write off more bad loans

- Country's non-banking financial institutions (NBFIs) are now allowed to write off more bad loans, particularly retail ones, without filing lawsuit that will help reduce their classified loans in the near future.
- The NBFIs are empowered to write off loans up to BDT 0.20 million instead of the previous ceiling of BDT 50,000 without filing cases for recovery, according to latest loan/lease/investment write-off policy for the NBFIs. The policy also allowed the financial institutions to write off such loans after three consecutive years instead of the previous five years.
- Senior bankers and experts earlier told the FE that the banks stand to benefit from the policy as they will now write off small-sized loans without resorting to court. But they said the new policy may not be effective for large loans.

<http://today.thefinancialexpress.com.bd/first-page/nbfis-can-now-write-off-more-bad-loans-1554142032>
<https://www.thedailystar.net/business/news/write-policy-relaxed-nbfis-well-1723693>

Defaulted loan recovery slows as government moves to ease rescheduling

- Banks have been facing a fresh hurdle to recovering defaulted loans in recent weeks following the government's move to give easy rescheduling opportunity for defaulted loans.

- Many defaulters have refrained from paying instalments against their loans and opted to wait for the final decision of the government in this connection. The loan defaulters are waiting to avail themselves of the opportunity of paying lower interest rate along with lower amount of down payment for rescheduling their loans, according to BB officials.
- Many defaulters usually pay a portion of their defaulted loan amounts at the end of a quarter, but at the end of January -March quarter such payment slowed after the government made statements over the proposed rescheduling facility, they said.

<http://www.newagebd.net/article/68931/defaulted-loan-recovery-slows-as-govt-moves-to-ease-rescheduling>

Review meeting on draft ADR (Mediation-Arbitration or Med-Arb) guidelines to help banks protect themselves

- In a meeting called the third tripartite review, participated by representatives of Bangladesh Bank, Association of Bankers, Bangladesh (ABB) and Bangladesh International Arbitration Centre (BIAC), it was agreed in the meeting that incorporating the ADR (Mediation-Arbitration or Med-Arb) clause in all bank contracts will provide banks with a tool to protect themselves from the risk of non-performance of contracts.
- The clause will be framed in a manner that will give the banks an additional safeguard against the risk of default in loan contracts. Banks will have the discretion to use the ADR Cause appropriately in risk mitigation. The committee believed mediation can be tried by the parties even if a loan has been rescheduled since it leaves a scope for negotiation and this is likely to strengthen the existing rescheduling circular.
- To address the existing overhang of bad debts/default court led arbitration is being considered. The committee deems arbitration as a significant option, particularly in cases where the defaulter has assets abroad, because of the cross-border enforceability of an international arbitral award under the New York Convention.
- The draft is being revised and will be submitted to the Bangladesh Bank soon

<http://today.thefinancialexpress.com.bd/stock-corporate/review-meeting-on-draft-adr-guidelines-held-1554139982>

Net foreign investment on DSE tumbles in March

- Net foreign investment in the Dhaka Stock Exchange (DSE) entered a negative territory in March again, after two months break, as overseas investors booked profit by selling shares. Foreign investors collected shares worth BDT 3.75 billion but sold BDT 4.98 billion worth of shares last month, resulting in their net position of a negative BDT 1.23 billion, according to statistics available with the DSE.

<http://today.thefinancialexpress.com.bd/stock-corporate/net-foreign-investment-on-dse-tumbles-in-mar-1554139954>

Grameen Phone (GP) woes over unpaid dues get worse

- Grameenphone's woes over unpaid dues just got worse, with the government now likely to claim about BDT 8.0 billion more following revision of the audit books.
- Last year, following audit into Grameenphone's books from its inception until June 2015 the government had claimed BDT 115.3 billion -- an amount that was disputed by the leading mobile operator. The operator requested the Bangladesh Telecommunication Regulatory Commission to revisit the figures once again, which the telecom watchdog agreed to. Now, in a commission meeting on Sunday the BTRC has come to the decision that it would claim about BDT 8.0 billion and the National Board of Revenue another BDT 40.8 billion.

<https://www.thedailystar.net/business/news/gp-woes-over-unpaid-dues-get-worse-1723708a>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$61.78	+0.19	+0.31%
Crude Oil (Brent)*	\$69.17	+0.16	+0.23%
Gold Spot*	\$1,287.02	-0.70	-0.05%
DSEX	5503.08	+11.18	+0.20%
Dow Jones Industrial Average	26,258.42	+329.74	+1.27%
FTSE 100	7,317.38	+38.19	+0.52%
Nikkei 225	21,531.38	+22.35	+0.10%

Exchange Rates

USD 1 = BDT 83.98*
GBP 1 = BDT 109.75*
EUR 1 = BDT 94.07*
INR 1 = BDT 1.21*

**Currencies and Commodities are taken from xe.com*

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