

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.

Bangladesh Bank may offer bailout to ailing NBFIs

- Bangladesh Bank is likely to formulate a bailout plan for up to eight non-bank financial institutions which have no capacity to return clients' money. Under the initiative, financially sound NBFIs could come into the management of the ailing NBFIs upon fund injection, the officials said.
- As per the September-quarter end report of 2018, the amount of defaulted loans in the non-bank financial sector stood at BDT 78.90 billion, representing 11.2% of the outstanding loans. At the end of December, 2017, the defaulted loan amount was BDT 45.20 billion.
- According to a stress test report of the central bank, 12 out of 34 non-banking entities were in the red zone that denotes high vulnerability. Of the NBFIs in the red zone, 95.31% outstanding loans of Bangladesh Industrial Finance Corporation had become defaulted. The amount of defaulted loans in First Finance was 37.5%. Bay Leasing, Fareast Finance, FAS Finance, International Leasing and Financial Services, People's Leasing and Financial Services, Premier Leasing, Prime Finance, Reliance Finance and Union Capital were the entities in the red zone, said BB officials.

<http://www.newagebd.net/article/70985/bangladesh-bank-may-offer-bailout-to-ailing-nbfis>

Steel industry booming on mega projects

- Bangladesh's steel industry is going from strength to strength thanks to a construction boom and implementation of mega infrastructure projects, said experts and a study report. A decade ago consumption of steel, which includes mild steel rod, prefabricated steel and corrugated iron sheet, was 1.6 million tonnes and last year it stood at about 7.5 million tonnes, according to industry players. Government projects account for 35% to 40% of the total steel consumed in Bangladesh, up from 15% a decade ago. And last year seven mega projects picked up steam, according to the report.
- Today, steel is almost a BDT 500 billion industry, according to sector people. There are about 40 active manufacturers, who altogether have the capacity to manufacture nine million tonnes a year. Of them, Abul Khair Steel, BSRM and KSRM meet more than half the demand.
- Currently, the per capita consumption in Bangladesh is 45 kg whereas the global average is 208 kg. In India, the average is 65.2 kg and in Pakistan 42 kg. Per capita steel consumption is much higher in developed countries—400 kg in South Korea, 600 kg in the USA and 1,000 kg in Japan. It is this potential that has perhaps convinced Chinese steel giant Kunming Iron & Steel Holding Company to fork out USD 2.4 billion to set up a steel manufacturing plant in Bangladesh.

<https://www.thedailystar.net/business/news/steel-industry-booming-mega-projects-1735855>

Export of agro-products rises 53% in nine months

- The export of agricultural products increased substantially so far in the current fiscal year (FY 2018-19), amid a great leap in shipments of processed food items. In the first nine months, the exports have already surpassed the target worth USD 711 million set for the FY, according to the latest data of the Export Promotion Bureau (RPB). The local traders exported goods worth USD 723 million within the third quarter (July-March), a 53% growth over the corresponding period of last FY, EPB data showed.
- The overall shipment of fresh produces including vegetables, fruits, tobacco, tea, flower and foliage, dry and processed foods were worth USD 674 million in FY '18. Processed food items comprised more than 75% (USD 545 million) of the total farm produce exports, according to EPB.
- Insiders were expecting that the trend might continue in the next three months and the exports might touch USD 1.0 billion mark for the first time with the end of this FY, amid rising demand for Bangladeshi process and fresh produce abroad.
- Pran, Square, Sajeeb, ACI, Partex, Globe, Bombay Sweets, Star Line Food Products, Akij Foods, BD Foods, Arku and Ahmed Foods lead the exporters, according to Bangladesh Agro-Processors' Association (BAPA).

<http://today.thefinancialexpress.com.bd/trade-market/export-of-agro-products-rises-53pc-in-nine-months-1556379627>

Bangladesh Bridges Authority (BBA) seeks reduced allocation for Padma bridge project

• Bangladesh Bridges Authority (BBA) has sought BDT 53.70 billion funds in the upcoming budget for the Padma bridge project, much lower than what the government has allocated for the current fiscal, officials said Saturday. Insiders said although a part of BDT 119.29 billion allocated in the fiscal 2019 is expected to remain unutilized, the Bridge Authority has sought less than half the money for FY2020.

• According to the BBA, it has been able to complete 60.5% of the total work of the Padma Bridge project until February this year. Out of BDT 301.93 billion cost, the Authority spent BDT 182.64 billion until February this fiscal. The project for building the Bangladesh's longest bridge is scheduled to be completed by December this year.

<http://today.thefinancialexpress.com.bd/first-page/bba-seeks-reduced-allocation-for-padma-bridge-project-1556384738>

Motorbikes swarm roads, grab 65% share of all vehicles

• The number of motorbikes plying the roads continues to skyrocket, taking 65% share of the total registered motor vehicles in the country. The number of motorcycles registered by the Bangladesh Road Transport Authority (BRTA) was 2.51 million until February, while the number of all registered vehicles is 3.88 million.

• Officials said motorbikes have become the most popular mode of transport in the country due to their mobility as well as cheap price. Besides, the recent popularity of ride-sharing business and establishment of motorcycle assembly plants in the country have also contributed to the rise in the number of the vehicle. Transport experts, however, do not consider the growth in the number of motorcycles a positive development for the country, particularly in the urban cities. They said this growth has been largely to massive lack of mass transports in the country.

• Although the demand for public transports, including bus and minibus, is high, the number of buses among the registered vehicles is only 46,742, representing only 1.2% of all vehicles. The BRTA data shows that the share of private cars among the registered vehicles is only 9.04%. The share of auto-rickshaws is 7.0% only.

<http://today.thefinancialexpress.com.bd/first-page/motorbikes-swarm-roads-grab-65pc-share-of-all-vehicles-1556384675>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$63.30	-1.91	-2.93%
Crude Oil (Brent)*	\$72.15	-2.20	-2.96%
Gold Spot*	\$1,286.16	+8.99	+0.70%
DSEX	5266.18	25.81	0.49%
Dow Jones Industrial Average	26,543.33	+81.25	+0.31%
FTSE 100	7,428.19	-5.94	-0.08%
Nikkei 225	22,258.73	-48.85	-0.22%

Exchange Rates

USD 1 = BDT 84.35*

GBP 1 = BDT 109.93*

EUR 1 = BDT 94.15*

INR 1 = BDT 1.21*

*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.

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