

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.

International Finance Corporation (IFC) offers USD 40m loan to lower middle-income group

- The International Finance Corporation (IFC) has proposed investing up to USD 40 million in a state-run financial entity in the form of loans to the lower middle-income people in Bangladesh. According to its Articles of Agreement, the private sector lending arm of the World Bank (WB) needs to take prior permission from the member state concerned if it wants to finance an enterprise in the territories of that country. The IFC, according to an available note, wants to invest USD 40 million in Infrastructure Development Company Limited (IDCOL) to help it provide loans to the lower middle-income people. IFC's proposed investment will consist of a loan of up to USD 40 million equivalent in BDT. Of the total proposed loan, the IFC wants to provide USD 20 million in tranche in the next few months and the rest of investment in about a year.

<http://today.thefinancialexpress.com.bd/last-page/ifc-offers-40m-loan-to-lower-middle-income-group-1526924790>

Bangladesh Bank ups export loan ceiling for textiles, apparel makers

- The central bank has raised the loan limit of garment and textiles producers under its Export Development Fund (EDF) to help boost income from outbound shipment. It has now been decided to enhance the limit of USD 20 million to USD 25 million for member mills of the BGMEA (Bangladesh Garment Manufacturers and Exporters Association) and the BTMA (Bangladesh Textile Mills Association). An authorised dealer bank used to borrow a maximum USD 20 million from the EDF against their foreign currency financing of input procurement for member mills of the BGMEA and the BTMA. He also said such enhancement would also help increase the inflow of foreign currency slightly in the market.

<http://today.thefinancialexpress.com.bd/last-page/bb-ups-export-loan-ceiling-for-textiles-apparel-makers-1526924648>
<http://www.newagebd.net/article/41783/bb-raises-edf-loan-limit-for-apparel-businesses>

Bangladesh Bank begins special probe into 'misreporting' of forex rate

- The central bank has started carrying out a special inspection to detect irregularities relating to foreign exchange reporting by the commercial banks. Three inspection teams of Bangladesh Bank (BB) started on-site inspection Sunday to find out alleged 'misreporting' on foreign exchange rate to the central bank by some banks. Besides, overall inflow and outflow of the foreign exchange of the banks concerned have also been probed to assess the actual position on the foreign exchange of the banks. The teams have been assigned to conduct such allegation against six banks initially. The BB's latest move came against the backdrop of allegations that some banks are trying to mislead the central bank with 'untrue information' about foreign exchange rates offered particularly to the importers.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-bank-begins-special-probe-into-misreporting-of-forex-rate-1526874049>

Rupali, Mercantile banks allowed to float bonds worth BDT 9 billion

- The Bangladesh Securities and Exchange Commission on Monday allowed Mercantile Bank and Rupali Bank to float unsecured subordinated rate bonds worth BDT 9.00 billion in total. As per the BSEC approval, Mercantile Bank will float unsecured subordinated floating rate bond worth BDT 3 billion and Rupali Bank will also issue bond worth BDT 6 billion. The face value of each unit of Mercantile Bank's bond will be BDT 0.1 million while the face value of Rupali Bank's bonds will be BDT 1 million each. The bonds to be issued by the two banks will be fully redeemable in seven years. Only corporate bodies, financial institutions, eligible investors and high net worth individuals will be allowed to subscribe the bonds through the private placement. The banks will fulfill the requirement for Tier II Capital Base by raising capital through the bond issue. Green Delta Insurance Company is the trustee of both of the banks' bonds.

<http://www.newagebd.net/article/41787/rupali-mercantile-banks-allowed-to-float-bonds-worth-BDT-900cr>

Huge loans written off to flatter balance sheets

- Banks made wholesale loan write-offs in the final quarter of 2017 in a bid to flatter their balance sheets and overall performance. As much as BDT 18.75 billion was written-off between October and December of last year, in contrast to BDT 3.22 billion three months earlier. Of the 25 banks that took the facility to clean up their balance sheets, AB Bank topped the chart writing off BDT 3.28 billion, followed by Prime Bank (BDT 2.06 billion) and IFIC Bank (BDT 1.52 billion), according to data from the Bangladesh Bank. With the latest update, a total of BDT 481.92 billion has been written-off between January 2003 and 2017. Of the amount, 78.13% remained outstanding, meaning that banks' efforts to recover the loans did not pay off.

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<https://www.thedailystar.net/business/huge-loans-written-flatter-balance-sheets-1579852>

Subscription hits 9-time high, lottery on May 30

• Bashundhara Paper Mills, a concern of Bashundhara Group, will hold IPO lottery on May 30 to allocate shares among the successful general applicants. The company's initial public offering (IPO) hit more than nine-time higher than the shares earmarked for the general investors. The company raised BDT 2.0 billion, by floating more than 26 million ordinary shares, of which 15.62 million shares or 60% is reserved for the eligible investors at BDT 80 each as per the book-building method. Remaining 10.40 million shares or 40% will be issued to the general shareholders, including non-resident Bangladeshis, at 10% discount on cut-off price, meaning the general investors will get the company's share at BDT 72 each.

<http://today.thefinancialexpress.com.bd/stock-corporate/subscription-hits-9-time-high-lottery-on-may-30-1526920432>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$72.45	+0.21	+0.29%
Crude Oil (Brent)*	\$79.35	+0.13	+0.16%
Gold Spot*	\$1,290.49	-2.11	-0.16%
DSEX	5413.29	22.59	0.42%
Dow Jones Industrial Average	25,013.29	+298.20	+1.21%
FTSE 100	7,859.17	+80.38	+1.03%
Nikkei 225	22,989.33	-13.04	-0.06%

Exchange Rates

USD 1 = BDT 84.20*
 GBP 1 = BDT 113.00*
 EUR 1 = BDT 99.19*
 INR 1 = BDT 1.24*

*Currencies and Commodities are taken from Bloomberg.

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