

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.

BD gets USD 28 billion in foreign investment in five years

- Bangladesh received more than USD 28 billion in investment from 45 countries in the last five years with China investing the highest amount of USD 8.11 billion, reports UNB. According to the BIDA's statistics, the top ten countries in terms of investment size are: China (USD 8107 million), the UAE (USD 7836 million), Saudi Arabia (USD 2461 million), Singapore (USD 2261 million), the UK (USD 1962 million), The Netherlands (USD 1744 million), the USA (USD 1219 million), India (USD 976 million), Thailand (USD 637 million) and Japan (USD 384 million).
- In a scripted answer, the state minister also said the country's diplomatic missions are maintaining good relations with different organisations, multi-national companies alongside different governments as part of their efforts to increase foreign investment in Bangladesh and expand trade further.
- Besides, he said, efforts are on to sign various investment and trade related economic deals with new countries alongside taking steps for strengthening trade and investment ties with the neighbouring and regional countries. As per the directives of the Prime Minister, Shahriar said, their ministry is working to bring dynamism into the economic diplomacy by increasing coordination and cooperation with Commerce Ministry and different relevant government bodies in a bid to implement the Awami League's election manifesto and achieve the goal of 10% GDP by 2023.

<http://today.thefinancialexpress.com.bd/last-page/bd-gets-28b-in-foreign-investment-in-five-yrs-1549476395>
<http://www.newagebd.net/article/64027/export-earnings-jump-to-24b-in-seven-months>

Export earnings grow 13.39% in July-Jan period of FY '19

- Earnings from the country's merchandise exports in the first seven months of the current fiscal year (FY) stood at USD 24.17 billion, marking a 13.39% growth over the corresponding period of last fiscal, according to official data. The exports fetched USD21.32 billion during the July-January period of FY 2017-18.
- The export performance was 7.91% higher than the target set for the seven-month period of this FY, data showed. The single month earnings in January last grew by 7.95% to USD3.67 billion from USD3.40 billion in the same month last year, according to the Export Promotion Bureau (EPB) data released on Wednesday.
- The January performance also surpassed the target set for the month by 1.59%. The earnings from export of readymade garments (RMG) during the July-January period of the current FY grew by 14.51% to USD20.21 billion from USD17.65 billion in the corresponding period of last fiscal, according to the EPB data.
- When asked, Bangladesh Garment Manufacturers and Exporters Association (BGMEA) President termed the RMG export growth 'good' and attributed it to the safety measures taken by the industry.

<http://today.thefinancialexpress.com.bd/trade-market/export-earnings-grow-1339pc-in-july-jan-period-of-fy-19-1549474616>
<https://www.thedailystar.net/business/news/exports-rise-792pc-1698550>

Bangladesh Bank (BB) issues new loan write-off policy

- All banks in the country have to create a separate debt cancellation unit to recover loans that were written off to cleanse balance sheets while reducing tax burden. The latest instruction also bars banks to reschedule or restructure loans already written-off by the banks. While loans are written off as an accounting practice, the claim on these loans is not scrapped and banks have to keep adequate provisions against the same amount.
- Bangladesh Bank first issued loan write-off policy in 2003. Two revised instructions were also issued in 2004 and 2013 through official circulars. With the latest circular coming into effect, all the previous instructions become null and void, according to the central bank's notification. It also said that there would be no partial write-off and the bank management has to get prior approval for writing off any loan account.
- Despite being written-off, loan account of any borrower has to be classified as default borrower unless he/she fully settles all his liabilities with banks and banks have to regularly submit report on the loan written-off to the Credit Information Bureau (CIB) of Bangladesh Bank.

<http://today.thefinancialexpress.com.bd/first-page/bb-issues-new-loan-write-off-policy-1549475842>
<http://www.newagebd.net/article/64028/banks-capacity-to-write-off-loans-enhanced>

Move to reduce NPLs through implementation of laws

- Senior bankers and law minister are likely to meet the High Court judges and Attorney General's Office to discuss the ways of reducing troubled loans through effective implementation of existing laws. Necessary amendment to the existing laws relating to banking will be discussed at the high-level meeting, according to participants.
- Both regulators and bankers are now working on how to reduce the amount of non-performing loans (NPLs) in the banking system, the ABB chief said. The central bank may submit its recommendations for amending relevant laws and regulations after detailed scrutiny to the ministry of finance to help reduce the volume of NPLs, according to BB executive director and spokesperson.
- The central bank has already formed three committees to prepare a set of recommendations for amending three relevant pieces of laws and regulations to help reduce the volume of default loans. The committees are now working to submit the recommendations to the finance ministry for amending the Banking Companies Act, Bankruptcy Act and Negotiable Instrument Act along with Merger and Acquisition (M&A) regulations, another BB official said.
- The central bank's latest moves came against the backdrop of a rising trend in loan defaults in the country's banking system in recent months. The volume of NPLs jumped by nearly 34% or BDT 250.67 billion to BDT 993.70 billion as on September 30, 2018, from BDT 743.03 billion as on December 31, 2017, according to the BB data.
- The share of classified loans also rose to 11.45% of the total outstanding loans in September 2018 from 9.31% in December 2017. The defaulted loans include substandard, doubtful and bad/loss of total outstanding credits, which stood at BDT 8,680.07 billion as on September 30, 2018, from BDT 7,981.96 billion as on December 31, 2017.

<http://today.thefinancialexpress.com.bd/first-page/move-to-reduce-npls-thru-implementation-of-laws-1549475794>
<https://www.thedailystar.net/business/news/bb-may-see-opinions-minister-legal-experts-1698547>

All banks to face special audit soon

- The government will carry out special audit in every bank of the country to bring the loan defaulters under increased scrutiny, said Finance Minister. He added that each and every bank of the country will come under this special auditing. The main purpose of this auditing is to help the banks get rid of bad loans.
- They need to identify who are the genuine borrowers and who are the wilful defaulters. They need to monitor how the bank loans are being used. They will soon engage three auditing firms to conduct this special auditing

<http://today.thefinancialexpress.com.bd/first-page/all-banks-to-face-special-audit-soon-1549475626>
<https://www.thedailystar.net/business/news/govt-conduct-special-audit-banks-kamal-1698556>

Lenders vying for customers at REHAB fair

- More than a dozen lenders are competing with each other to lure prospective home loan borrowers at a housing fair that kicked off in the capital yesterday. Most of the 14 banks and non-bank financial institutions that are taking part in the REHAB Fair 2019 are offering home loans with an interest rate of 10% and others at 11-12 percent.
- The middle and lower-middle income people who dream to live in their own apartments find the presence of the lenders at the fair to be very convenient. The assistant relationship manager for the retail banking division of Mutual Trust Bank (MTB), said they were offering "a special rate" for home loans marking the fair to materialise the dreams of customers.
- The interest rate is 9.99 percent. A loan processing fee of 0.50% has to be paid alongside. A maximum of 70% of the property or apartment value can be borrowed, starting from BDT 0.5 million to BDT 12.0 million, and the repayment tenure ranges from three to 25 years, he again added.

<https://www.thedailystar.net/business/news/lenders-vying-customers-rehab-fair-1698568>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$53.90	-0.11	-0.20%
Crude Oil (Brent)*	\$62.50	-0.19	-0.30%
Gold Spot*	\$1,303.69	-2.91	-0.22%
DSEX	5786.00	-14.23	-0.25%
Dow Jones Industrial Average	25,390.30	-21.22	-0.08%
FTSE 100	7,173.09	-4.28	-0.06%
Nikkei 225	20,734.97	-139.09	-0.67%

Exchange Rates

USD 1 = BDT 83.77*

GBP 1 = BDT 108.33*

EUR 1 = BDT 95.16*

INR 1 = BDT 1.17*

**Currencies and Commodities are taken from Bloomberg.*

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