

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.

Recovery slow for feeble efforts

- Banks have been able to recover less than a fourth of their written off loans in the last 15 years because of half-hearted effort on their part. Introduced in January 2003 with a view to putting the brakes on rising default loans, the Bangladesh Bank's (BB's) write-off policy has allowed banks to clean up their balance sheets artificially. But the initiative failed to bring any good for banks due to their lacklustre efforts to recover non-performing loans from defaulters, said, a former BB governor.
- Between January 2003 and September 2018, banks wrote off BDT 497.45 billion. As of September, BDT 378.66 billion, which is 76% of the sum, remained outstanding, according to data from the central bank. Default and written-off loans together stood at BDT 1.37 trillion as of September. The increase in both default and written-off loans is interrelated as the worst categories of debts mainly stem from banks' inability to recover funds from defaulters, he argued.
- The upward trend of written-off loans has created a severe situation in the financial sector as there is no visible effort to step up the recovery of troubled loans. On the contrary, the worst debts continue to mount. Banks' total written-off loans rose 5.23% year-on-year to BDT 378.66 billion at the end of September. Of the sum, state banks have written off BDT 181.11 billion and private banks BDT 184.68 billion. The written-off loans in the two state-run specialised banks -- Bangladesh Krishi Bank and Rajshahi Krishi Unnayan Bank -- were BDT 3.44 billion. Foreign banks wrote off BDT 9.44 billion.

<https://www.thedailystar.net/business/news/recovery-slow-feeble-efforts-1685032>

Bangladesh Bank seeks info on banks' overdue import bills

- The central bank has sought information on overdue import bills up to December 31, 2018 from the commercial banks by January 13, as the amount of such bills stood at around USD 600 million.
- According to a senior official of the Bangladesh Bank (BB), BB sent letters to all foreign exchange dealer banks in this connection with a prescribed format to get the information immediately. BB will take the next course of action after receiving the information from the banks, he added.

<http://today.thefinancialexpress.com.bd/last-page/bb-seeks-info-on-banks-overdue-import-bills-1546970182>
<http://www.newagebd.net/article/61216/banks-asked-to-explain-import-bills-non-payment>
<https://www.thedailystar.net/business/news/bb-pushes-banks-clear-import-bills-1685014>

Bangladesh pays USD 1.15 billion to Asian Clearing Union (ACU) for November-December imports

- Bangladesh has made a routine payment of USD 1.15 billion to the Asian Clearing Union (ACU) against imports during the November-December period of last calendar year.
- After the payment, the foreign exchange (forex) reserve fell to USD 31.01 billion on Tuesday from USD 32.09 billion on the previous working day, according to the central bank officials.
- The amount of ACU payment rose to USD 1.15 billion during the period under review from USD 1.13 billion earlier mainly due to higher imports from the ACU member countries particularly from India.

<http://today.thefinancialexpress.com.bd/trade-market/bd-pays-115b-to-acu-for-nov-dec-imports-1546969289>

Export earnings to be raised to USD 50b by 2021: Commerce Minister

- Newly appointed Commerce Minister yesterday said highest emphasis would be given to raising the country's export earnings to USD 50 billion by 2021. He also said that they would work to fetch more foreign direct investment, ensure diversification of products, generate new employment and ensure region-wise development.
- He also added that there is already an export target of USD 50 billion where RMG will play the major role with its high growth. Pharmaceuticals are also doing well and they will work to fulfill their target.
- The commerce minister said that a new salary structure is going to be introduced this month and whenever there is any new thing, objections come.

<https://www.thedailystar.net/business/news/export-earnings-be-raised-50b-2021-tipu-munshi-1685029>
<https://www.dhakatribune.com/business/2019/01/08/tipu-munshi-export-earnings-50b-by-2021>

Government to focus more on energy sector

- State Minister for Ministry of Power, Energy and Mineral Resources (MPEMR) said the government will pay more attention to developing the country's energy sector in the coming years.
- The government had concentrated its efforts more on developing the power sector in the previous years, he said. He opined that greater access to electricity will help develop the country's rural areas. The government will work to ensure democracy and rule of law (in the country), develop skilled manpower, and provide employment to the youths, he further said.
- He also laid emphasis on prompt decision making by the government officials to accelerate the pace of development. He said he will devise future plans for his ministry in the next three months, and then will go for implementing the same in the next four and a half years.

<http://today.thefinancialexpress.com.bd/last-page/govt-to-focus-more-on-energy-sector-1546970131>

BDT 8.90 billion investment plan to revamp Chhatak Cement Company

- Chhatak Cement Company Limited incurred an accumulated loss of over BDT 3.63 billion in last five fiscal years from 2013-14 to 2017-18 mainly due to gradual erosion in production capacity with old, outdated machinery, officials said.
- They said ropeway, crusher, kiln, overhead crane and some other equipment and machinery are 60-80 years old, reducing substantially the production capacity on a regular basis and gradually intensifying the extent of its losses.
- Presently, the annual production capacity of the 80-year-old state-owned factory, a concern of Bangladesh Chemical Industries Corporation (BCIC), declined to only 70,000 metric tonnes.

<http://today.thefinancialexpress.com.bd/trade-market/BDT-890b-investment-plan-to-revamp-chhatak-cement-co-1546969263>

Government, World Bank sign USD 250 million credit deal today

- The government and the World Bank (WB) are set to ink a USD 250 million financing agreement today (Wednesday) for implementing the 'First Programmatic Jobs Development Policy Credit'.
- The financing will be available as the first tranche of a proposed USD 750 million budgetary support under the 'Development Policy Credit (DPC)'.
- The remaining USD 500 million credit is expected to be disbursed in the next two financial years in two equal instalments, depending on fulfilment of the conditions set by the WB, officials said.

<http://today.thefinancialexpress.com.bd/first-page/govt-wb-sign-250m-credit-deal-today-1546969858>

3 pharma companies to get authorised economic operators' (AEO) licences this month

- National Board of Revenue is set to issue authorised economic operators' licence to three local pharmaceutical companies recognising them as trusted traders in import-export procedures.
- The three companies are Square Pharmaceuticals Ltd, Beximco Pharmaceuticals Ltd and Incepta Pharmaceuticals Ltd which will enjoy a set of benefits including quick release of import-export consignments from ports without physical examination by customs authorities.
- AEO scheme will initially be run on a pilot basis for six months and then will become fully operational based on experiences.
- NBR has introduced the system to facilitate international trade and ease of doing business by trusted traders.

<http://www.newagebd.net/article/61213/3-pharma-cos-to-get-aeo-licences-this-month>
<https://www.thedailystar.net/business/news/three-pharmas-enjoy-quicker-port-clearance-1685023>

Data consumption rises by 34% in July-November

- Data consumption in the country increased by 34% in the July-November period of the current fiscal year (2018-19)

due to growing use of internet for individual and business purposes.

- Besides, flourishing of local contents and online-centric services also helped attract more internet users and bandwidth usage accordingly, said market experts. They also said increased online activities by the users in the run-up to the December 30 national polls were another reason for the rise in data consumption in the country in the period.
- According to Bangladesh Telecommunication Regulatory Commission data, international internet bandwidth consumption increased by 228 gigabits per second to 900Gbps at the end of November, 2018 from 672Gbps in June. Bandwidth consumption by the country's internet users was 411Gbps in June, 2017.
- As per the BTRC's latest data, people used 91.8 million connections through mobile and broadband internet as of November, 2018. Of the connections, 93.68% or 86 million were given by the mobile phone operators and the rest 6.32% or 5.78 million were given by the broadband internet service providers. The number of internet users in the country was 73.3 million at the end of June, 2017.

<http://www.newagebd.net/article/61215/data-consumption-rises-by-34pc-in-jul-nov>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$50.49	+0.71	+1.43%
Crude Oil (Brent)*	\$59.43	+0.71	+1.21%
Gold Spot*	\$1,283.14	-2.25	-0.18%
DSEX	5770.78	+115.59	+2.04%
Dow Jones Industrial Average	23,787.45	+256.10	+1.09%
FTSE 100	6,861.60	+50.72	+0.74%
Nikkei 225	20,459.73	+255.69	+1.27%

Exchange Rates

USD 1 = BDT 83.75*
 GBP 1 = BDT 106.67*
 EUR 1 = BDT 95.93*
 INR 1 = BDT 1.19*

*Currencies and Commodities are taken from Bloomberg.

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