

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.

Current account deficit set to cross record USD 10 billion

- Bangladesh's current account deficit is set to cross the USD 10 billion mark for the first time in history as the country's capacity to export continues to lag behind its appetite for imports. Between the months of July and April of fiscal 2017-18, the current account deficit stood at USD 9.37 billion in contrast to USD 2.21 billion in the negative a year earlier, according to the central bank's balance of payments data. Executive director of the Policy Research Institute of Bangladesh said that the current account deficit has surely crossed the USD 10 billion mark in the recently concluded fiscal year.
- The deficit to GDP ratio will be about 3.50% to 4% at the end of last fiscal year. Historically, the ratio hovered between 1% and 1.50% in a fiscal year. A deficit of USD 10 billion means the country has already borrowed the same amount from foreign sources. If the trend continues Bangladesh will become an indebted country within the next five years. The country has now capability of settling import payments of maximum five months in contrast to eight months a year ago.

<https://www.thedailystar.net/business/economy/current-account-deficit-set-cross-record-10b-1606693>

Ready-Made Garments (RMG) owners, workers submit proposals on minimum wage

- Owners and a worker representative have proposed BDT 6,360 and BDT 12,020 respectively as the minimum monthly wages for entry-level apparel workers. Rights groups rejected both the proposals and stuck to their previous demand for BDT 16,000 as minimum wages. The owners' proposed hike was only 20%. In contrast, the workers' representative proposed a 127% rise. resident of the Bangladesh Garment Manufacturers and Exporters Association said that they proposed BDT 6,360 mainly taking the cost of living into consideration.
- The minimum monthly wage proposed by him for an entry level garment worker included a basic pay of BDT 3,600 and house rent of BDT 1,440 -- or 40% of the basic. The other allowances are BDT 300 as medical, BDT 240 as transportation and BDT 780 as food. The proposal recommended 18.92%, 18.77%, 18.45% and 17.31% spike in the grades of six, five, four and three respectively. The owners, however, didn't propose any hike in the grades one and two. The main task of the board is to fix minimum monthly wages while those of the other grades will rise accordingly once the minimum pay is fixed, the BGMEA president said.
- She also suggested a basic pay of BDT 7,050 and BDT 2,820 as house rent. The other allowances are BDT 1,000 as medical, BDT 500 as transport and BDT 650 as food. She proposed BDT 12,930 for grade six, BDT 13,910 for grade five, BDT 14,960 for grade four and BDT 16,150 for grade three workers respectively. A 10% annual increment, two festival allowances and one month's gross salary as festival allowance and 20% of the basic payment as Boishakh allowance were included in the proposal of the workers' representative. The board, however, didn't fix any date for the next meeting.

<http://today.thefinancialexpress.com.bd/first-page/rmg-owners-workers-submit-proposals-on-minimum-wage-1531763510>

<https://www.thedailystar.net/business/owners-propose-BDT-6360-workers-want-BDT-12020-1606633>

Develop infrastructure to achieve SDGs: Federation of Bangladesh Chambers of Commerce & Industries (FBCCI)

- Business leaders have urged the authorities concerned to take more steps to develop infrastructure, including seaports and rail network, to achieve the Sustainable Development Goals (SDGs) by 2030, reports BSS. Taking part in the discussion, the business leaders expressed their interest to work with the Planning Ministry for developing infrastructure to facilitate trade and industrial activities. They also stressed the need for steps to ease traffic congestions in the capital, which is hampering business activities.

<http://today.thefinancialexpress.com.bd/trade-market/develop-infrastructure-to-achieve-sdgs-fbcci-1531762256>

Government's revenue from capital market falls 7.61% in FY'18

- The government's revenue earnings from the capital market declined 7.61% or BDT 312.70 million in the just concluded fiscal year (FY 2017-18) compared to the previous FY. The earnings declined mainly due to reduced turnover value registered by both the stock exchanges. The government bagged revenue worth more than BDT 3.79 billion from the Dhaka and Chittagong stock exchanges, and Central Depository Bangladesh Limited (CDBL) in FY 2017-18.
- According to Dhaka Stock Exchange (DSE) official, the revenue from the capital market would rise a little more as the

exchange is yet to submit its own corporate tax. The revenues come from brokerage commission charge on share transactions, sales and transfer of shares by sponsor-directors, and dividend income. It also comes from maintenance fee of BO (beneficiary owner's) accounts and corporate tax paid by stock exchanges and the depository organisation-CDBL. The greater amount of revenue comes from brokerage commission charged on transaction of shares by general investors.

- According to DSE officials, the government's revenue declined marginally in FY 2017-18 as the turnover value declined during the period. The daily average turnover was BDT 6.46 billion on the premier bourse in the outgoing fiscal year, down 14.43% over the previous FY. Of total revenue realised in the FY 2017-18, BDT 2.37 billion came from the DSE, BDT 553.7 million from the Chittagong Stock Exchange (CSE) and BDT 870 million from the CDBL.

<http://today.thefinancialexpress.com.bd/stock-corporate/govts-revenue-from-capital-market-falls-761pc-in-fy18-1531762913>

Summit Gazipur 1 Power adds 149MW to national grid

- Summit Group, the country's largest independent power producer, has started supplying 149 megawatts of electricity to the national grid from its heavy fuel oil-fired Summit Gazipur 1 Power Ltd. With addition of this new power plant, the total generation capacity of Summit now stands at 1,941 megawatts.

<https://www.thedailystar.net/business/summit-gazipur-1-power-adds-149mw-national-grid-1606663>

GP profit rises 36% in Apr-Jun

- Grameenphone's net profit rose 36.3% year-on-year to BDT 1,0.80 billion in the April-June period, the highest in a single quarter in the operator's history, helped by an unused portion of tax provisioning as well as growth in voice and data revenue. It had made BDT 6.40 billion in net profit in the first quarter of 2018. The operator added BDT 2.90 billion to its actual net profit in the second quarter. GP had set aside the amount as part of its tax provisioning. It, however, did not need to use the sum, said a top executive of the operator.

- Revenue rose to BDT 32.58 billion in the quarter riding on huge data and moderate voice revenue growth, up 0.50% from the same quarter a year ago. The remaining from the tax provision helped increase the operator's earnings per share to BDT 8 for April-June, up from BDT 4.74 in the first quarter. GP said that the first half of 2018 was challenging because of adverse effects from bad weather and ongoing intense competition. GP CEO also said that the operator crossed the 2.0 million milestone for 4G subscribers in the quarter.

<https://www.thedailystar.net/business/telecom/gp-profit-rises-36pc-apr-jun-1606627>
<http://www.newagebd.net/article/46195/gp-posts-40pc-profit-growth-in-q2>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$68.10	+0.04	+0.06%
Crude Oil (Brent)*	\$72.19	+0.35	+0.49%
Gold Spot*	\$1,241.36	+0.43	+0.03%
DSEX	5339.91	+3.16	+0.06%
Dow Jones Industrial Average	25,064.36	+44.95	+0.18%
FTSE 100	7,600.45	-61.42	-0.80%
Nikkei 225	22,782.17	+184.82	+0.82%

Exchange Rates

USD 1 = BDT 83.76*
 GBP 1 = BDT 110.97*
 EUR 1 = BDT 98.15*
 INR 1 = BDT 1.23*

*Currencies and Commodities are taken from Bloomberg.

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