

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.

Next budget to be pro-growth: Finance Minister

- Finance Minister A H M Mustafa Kamal said on Sunday the budget for the next fiscal year (FY) would be pro-growth and pro-development. He also said employment generation would get priority in the budget, and steps would be taken to provide job to at least one person of each family.
- The minister said the new budget will also focus on safety-net issue. The new VAT act will be effective from next July. But, implementation of the act across the country will take time, the minister opined.

<http://today.thefinancialexpress.com.bd/first-page/next-budget-to-be-pro-growth-kamal-1552239889>

Taka deflates further against USD

- The exchange rate of the Bangladesh Taka (BDT) depreciated further against the US dollar (USD) on Sunday, mainly due to higher demand for the greenback in the market for settling import bills. The US dollar was quoted at BDT 84.20 each in the inter-bank forex market on the day against BDT 83.15 of the previous working day, market operators said.
- The local currency faced such depreciation, although the Bangladesh Bank (BB) sold USD 44 million to the commercial banks in the last week to keep the forex market stable. A total of USD1.71 billion has been sold since July 01 of the current fiscal year (FY), 2018-19, to the commercial banks as part of BB's ongoing support, according to latest official figures.
- The demand for the US dollar is gradually increasing, mainly due to higher import payment pressure, particularly of capital machinery for power plants, intermediate goods, petroleum products, fertilisers and liquefied natural gas (LNG). Managing Director and Chief Executive Officer of Pubali Bank Limited said that such depreciating mode of the local currency will help increase the inflow of foreign exchange in Bangladesh. He also expects that the inflow of foreign exchange will increase significantly ahead of the holy Ramadan.

<http://today.thefinancialexpress.com.bd/first-page/taka-deflates-further-against-us-1552239929>
<https://www.dhakatribune.com/business/2019/03/10/experts-fear-more-pressure-on-usd-in-the-coming-days>

Bangladesh may lose 2% GDP by 2050 for climate change: Environment, Forest and Climate Change Minister

- Bangladesh may incur a loss of its 2% GDP by 2050 if the international community fails to take effective measures to cope with climate change impacts. Environment, Forest and Climate Change Minister gave the information on Sunday in the parliament. The minister said the government has been implementing various programmes across the country to cope with the adverse impacts of climate change.
- Citing the study findings of the World Bank and the Asian Development Bank (ADB), the environment minister said the country suffered a loss of USD 1.67 billion, which was equivalent to 6 to 8% of its GDP, in 2007 due to a devastating cyclone induced by global climate change. He said a countrywide flood caused a loss to 4.8% of the country's GDP in 1998.

<http://thefinancialexpress.com.bd/national/bd-may-lose-2pc-gdp-by-2050-for-climate-change-155222525>

Macroeconomic indicators satisfactory in Q1: Finance minister

- The country's macro-economic indicators; including export earning, remittance and foreign exchange reserve; were satisfactory in the first quarter (July-September) of the current fiscal (2018-19), according to the finance minister. Highlighting some key macroeconomic indicators during the first quarter of the current fiscal, the Finance Minister said the revenue collection under the National Board Revenue (NBR) rose by 12.9%, while the overall public expenditure increased by 10.38%, the ADP implementation rate was 7.88% during first quarter of current fiscal which was 10.2% in the last fiscal.
- The minister said the export earnings rose to USD 9.98 billion in first quarter of current fiscal, which was USD 8.1 billion during the same period of the previous year. The minister said the import expenditure increased by 11.48% to USD 14.69 billion, while it was 28.39% in last fiscal. The rate of remittance increased by 13.73% during the first quarter of this fiscal while it was 4.48% during the same period of last fiscal.

- The minister also said the overall inflation increased to 5.68% in September 2018 from 5.55% in September 2017, while the rate of general point-to-point inflation came down to 5.43% in September 2018 from 6.12% in September 2017.

<https://thefinancialexpress.com.bd/economy/macroeconomic-indicators-satisfactory-in-q1-finance-minister-1552229286>

Bangladesh exports to US grew 6.42% in 2018

- Bangladesh exports to the US registered a 6.42% rise to USD5.60 billion in 2018, riding mainly on apparel items to the single largest export destination, according to Otexa data. Apparel products alone fetched USD 5.40 billion of total merchandise export. Non-apparel products managed to earn only USD 206.25 million during the period. In 2017, Bangladesh RMG exports to the US market saw a 4.51% negative growth to USD5.03 billion, which was USD 5.30 billion in 2016.
- Industry insiders and trade analysts attribute the positive growth in export earnings to the ongoing trade war between the US and China, and improvement in safety standards at apparel factories. Safety inspection by Alliance, a platform of North American buyers to improve workplace safety made significant progress throughout 2018, bringing satisfaction among western buyers that resulted in more work orders, BGMEA vice president said.

<https://www.dhakatribune.com/business/2019/03/10/bangladesh-exports-to-us-grew-6-42-in-2018>
<http://www.newagebd.net/article/67041/exports-to-us-soar-by-18pc-in-july-feb-on-us-china-trade-war>

Solar energy reduces rural poverty

- Solar home system (SHS) is helping reduce poverty in remote areas of Bangladesh through income-generating activities, industry people said yesterday. The number of SHS installation reached 6.8 million in 2018, which provides electricity in the remote areas through off-grid power services.
- According to a World Bank study, SHS can have immediate impacts: it enables households to have light after nightfall, makes study easier in the evenings and allows people to watch TV which inspire them to take part in different activities. Furthermore, it can lower the levels of household air pollution through reduced use of kerosene and may even generate extra income by renting charger for mobile phones.
- SHS prices have fallen within the reach of low-income people in rural areas in the last three/four years due to the availability of products and government subsidy, said Zohurul Islam, an executive of Rahimafrooz, a Bangladeshi solar panel maker. He said people can install a 120-watt SHS at their homes at a cost of BDT 20,000 to BDT 35,000. Even the customers can clear the payment through monthly instalment, Islam said.

<https://www.thedailystar.net/business/news/solar-energy-reduces-rural-poverty-1713181>

Government mulls USD 2 billion power bonds

- The government plans to raise USD2 billion through issuing bonds to bankroll investment in the power and energy sector, state minister for power, energy and mineral resources said yesterday. As Bangladesh plans to raise its GDP growth to 10% in 2041, the energy ministry plans to see an investment of USD71 billion in the sector and produce 60,000 MW of electricity, according to the minister.

<https://www.thedailystar.net/business/news/govt-mulls-2b-power-bonds-1713187>

Tax receipts from DSE slump 29% in February

- The government revenue earnings from the Dhaka Stock Exchange (DSE) dipped 29% month-on-month in February in lockstep with falling turnover. The government collected revenue worth BDT 232 million in February which was BDT 326 million in January, 2019, according to statistics from the prime bourse of the country.
- Market analysts said bearish market trend, lower shares sale by sponsor-directors coupled with reduced trading sessions affected the government earnings from the main bourse in February. The investors mostly followed "go-slow" strategy throughout the month amid persistent liquidity shortage which diluted the government earnings as earnings are related to turnover, said a leading broker. A DSE official said the government earnings fell in February on the back of falling turnover value and lower trading session.
- The government earnings from the DSE in eight months (July to February) of the current fiscal year also fell 6.17% to BDT 1626 million which was BDT 1733 million in the corresponding period of the previous fiscal, the DSE data shows. The government earned the amount on TREC (trading right entitlement certificate) holders' commission and share sales by sponsor-directors and placement holders. The DSE, on behalf of the government, collects tax as TREC holders' commission and share sales by sponsor-directors and placement holders at the rate of 0.05% and 5.0%

respectively and deposits the amount to the government exchequer.

<http://today.thefinancialexpress.com.bd/stock-corporate/tax-receipts-from-dse-slump-29pc-in-february-1552234636>

Grameenphone Employees Union (GPEU) gets registered after 7 years of legal battle

- Grameenphone Employees Union (GPEU) has received registration certificate from the labour department after seven years of legal battle. The certificate was handed over to the leaders of the union by the labour department director Shibnath Roy on March 7, a press release of the union said.

- On July 23, 2012, the GP employees formed a union in fear of job cut, resulting in termination of 160 employees including 7 central committee members of the proposed union immediately after submission of the proposal to the labour department for registration. Rejected by the labor department initially, long legal battle helped securing registration of the union, the GPEU press release said.

<http://www.newagebd.net/article/67011/gpeu-gets-registered-after-7yrs-of-legal-battle>

SK Trims to invest BDT 35 million in two companies

- The board of directors of SK Trims & Industries has decided to invest total BDT 35 million in two companies, said an official disclosure on Sunday. As per the board decision, the company will invest BDT 25 million (2,500,000 shares) or 2.0% shares in W&W Company (Pharmaceuticals Packaging Manufacturing Unit situated in Gazipur). The SK Trims will also invest BDT 10 million (1,000,000 shares) or 1.43% shares in BEKA Garments & Textiles (situated in Narayanganj). The board has also confirmed that investment of BDT 10 million in Dominage Steel Building Systems has been completed.

- SK Trims, which raised a capital worth BDT 300 million through IPO, made trading debut on July 15, 2018.

<http://today.thefinancialexpress.com.bd/stock-corporate/sk-trims-to-invest-BDT-35m-in-two-cos-1552234663>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$56.40	+0.33	+0.59%
Crude Oil (Brent)*	\$66.08	+0.34	+0.52%
Gold Spot*	\$1,297.45	-0.85	-0.07%
DSEX	5710.07	+21.60	+0.38%
Dow Jones Industrial Average	25,450.24	-22.99	-0.09%
FTSE 100	7,104.31	-53.24	-0.74%
Nikkei 225	21,116.36	+90.80	+0.43%

Exchange Rates

USD 1 = BDT 83.80*

GBP 1 = BDT 108.72*

EUR 1 = BDT 94.13*

INR 1 = BDT 1.20*

*Currencies and Commodities are taken from Bloomberg.

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