

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.

Bourses cut one-hour trading due to virus scare

- Following the free-fall of stocks prices, Dhaka Stock Exchange and the Chittagong Stock Exchange have decided to cut by one hour trading time effective from Thursday. Trading at the bourses will begin at 10:30am and continue until 1:30pm instead of 2:30pm. The new schedule will be continued until further notice. Normally, the capital market sees a four-hour trading from 10:30am to 2:30pm.

<https://thefinancialexpress.com.bd/stock/bangladesh/bourses-cut-one-hour-trading-due-to-virus-scare-1584539039>

Bangladesh coronavirus reaches local transmission level: Institute of Epidemiology, Disease Control and Research (IEDCR)

- The coronavirus in Bangladesh has spread to the level of local transmission the Institute of Epidemiology, Disease Control and Research (IEDCR) said. Bangladesh today reported its first death from the novel coronavirus. The total number of coronavirus infected persons in the country has now risen to 14.

<https://tbsnews.net/international/coronavirus-chronicle/coronavirus-now-reaches-community-transmission-level-bangladesh>

4 state-owned banks (SoBs) may take over BDT 52.32 billion Navana loans with 51 banks, NBFIs

- Troubled four state-owned banks have initiated moves to take over around BDT 52.32 billion in loans of 17 subsidiaries of Navana Group from 51 banks and non-bank financial institutions as the group is struggling to repay debts. The initiatives of the banks, which are suffering from high non-performing loans, came following instruction of the finance ministry. The SoBs which are going to take over Navana loans are Sonali, Rupali, Agrani and Janata. The entities which issued credit to Navana Group include 32 banks and 19 NBFIs. In the takeover process, Agrani Bank has been working as the lead bank and overseeing the entire process.

- Agrani Bank managing director and chief executive officer said that it would be similar to a bailout programme for Navana Group. He added that the SoBs would take over a portion of those loans of Navana and the rest of the loans will remain with the existing banks. The banks may take over BDT 10 billion each of Navana Group's loans with other banks and financial institutions, he said, adding that the issue was yet to be finalized.

- Although the government has initiated to provide Navana Group a bailout with the state-owned banks' fund, the SoBs themselves are struggling with a huge amount of defaulted loans. Of the four banks, the amount of defaulted loans in Janata Bank is the highest, 29.15% of its outstanding loans. The amount in Sonali Bank is 21.55%, while in Rupali Bank and Agrani Bank 15.25% and 14.56% respectively. Disbursement of such a huge amount of loans would also be a violation to the single borrower exposure limit as specified by the central bank in line with the Bank Companies Act, 2013.

- Of the 17 subsidiary or associated companies of Navana Group, Navana Limited and Aftab Automobiles were named in the list of 8,238 defaulters, placed by the finance minister in parliament. As of September 30 last year, loans worth around BDT 660 million of Navana Limited became defaulted while loans worth BDT 800 million of Aftab Automobiles Limited turned defaulted.

<https://www.newagebd.net/article/102578/4-sobs-may-take-over-BDT-5232cr-navana-loans-with-51-banks-nbfis>

Global buyers cancel work orders worth USD 133 million

- Global brands and retailers, who purchase clothing goods from Bangladesh, have cancelled work orders worth USD 133 million over the uncertainty of business triggered by coronavirus pandemic. According to Bangladesh Garment Manufacturers and Exporters and Association (BGMEA), a total of 69 apparel makers have faced order cancellation worth USD 93 million. Meanwhile, 13 members of Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA) have also work orders worth USD 40 million cancelled, which continues to rise every day.

- The USD 34 billion apparel sector is very crucial for Bangladesh economy, which contributes 84.20% to the total exports and employs about four million people, mostly women. Further deterioration in the situation may lead to job cuts in the sector as the factory owners would not be able to pay workers' wages. Though Bangladesh has seen less infection cases and only one death, the coronavirus has spread widely in its major export destinations such as the United States, Germany, the United Kingdom, Spain, Italy, France and Canada.

<https://www.dhakatribune.com/business/economy/2020/03/18/global-buyers-cancel-work-orders-worth-133m>

<https://www.thedailystar.net/business/news/garment-exporters-voice-concerns-1882741>

World Bank approves USD 14 billion package for Covid-19

- The World Bank and IFC's Boards of Directors have approved a USD 14 billion package of fast-track-financing to assist companies and countries in their efforts to prevent, detect and respond to the rapid spread of Covid-19. The World Bank group said this package will strengthen national systems for public health preparedness, including for disease containment, diagnosis, and treatment, and support the private sector.
- Previously, Bangladesh sought for USD 100 million in assistance to combat the health and economic impacts of the coronavirus pandemic from the World Bank. The Asian Development Bank (ADB) on Wednesday also announced a USD 6.5 billion initial package to address the immediate needs of its developing member countries (DMCs) as they respond to the novel coronavirus (COVID-19) pandemic.

<https://www.dhakatribune.com/business/banks/2020/03/18/world-bank-approves-14bn-package-for-covid-19>

The Power Development Board (PDB) among top coal power expansion cos in world: study

- The Power Development Board has ranked among the top coal power expansion companies in the world in a report released globally on Wednesday. The PDB has placed 13th among the 16 major coal power expansion companies with 4,700 megawatts capacity under development. The report said that HSBC was not known to be financing project building coal-based power plant in Bangladesh but still patronizing coal power expansion in the country. HSBC has been leading a consortium of banks since the beginning of 2019 for the expansion of Payra Port in southern Bangladesh, said the report. The Payra Port will import 20 million tonnes of coal every year for potential use in as many as eight new coal power plants planned in Bangladesh, said the report.

<https://www.newagebd.net/article/102579/pdb-among-top-coal-power-expansion-cos-in-world-study>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$21.58	+1.21	+5.94%
Crude Oil (Brent)*	\$25.05	+0.17	+0.68%
Gold Spot*	\$1,473.51	-12.54	-0.84%
DSEX	3,603.95	-168.61	-4.47%
Dow Jones Industrial Average	19,898.92	-1,338.46	-6.30%
FTSE 100	5,080.58	-214.32	-4.05%
Nikkei 225	16,602.26	-124.29	-0.74%
BSE SENSEX	28,869.51	-1,709.58	-5.59%

Exchange Rates

USD 1 = BDT 84.94*
GBP 1 = BDT 97.60*
EUR 1 = BDT 92.57*
INR 1 = BDT 1.14*

*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.

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