

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.

### **Matarbari deep-sea port to outshine Asian peers**

- The Matarbari deep-sea port will have the highest water draft against similar facilities in Asia, officials said. The first phase of the port is expected to be completed by 2023 when one jetty for handling containers and one for multipurpose use will be ready, they said.
- Japan International Cooperation Agency (JICA) said that Matarbari port will have 18.7-metre deep draft and will be able to accommodate container vessels of 8,200 TEUs (twenty-foot equivalent unit) and bulk carriers of nearly 70,000 deadweight tonnage (DWT). In Asia, the Hambantota port has 17-metre water draft, the port of Colombo has 15.5-m depth, and the port of Singapore's maximum water draft is 16-metre, according to websites. The maximum water draft of the port of Jeddah's main channel is 16-metre, the port of Jebel Ali in the United Arab Emirates has water depth of 15.2-metre, and port of Busan's water depth is only 12-metre.

<http://today.thefinancialexpress.com.bd/last-page/matarbari-deep-sea-port-to-outshine-asian-peers-1553793093?date=29-03-2019>

### **Private banks' deposit growth falls further last year**

- The overall deposit growth in the country's private commercial banks (PCBs) fell further last year despite allowing the state-owned enterprises (SoEs) to deposit of half their funds with them. The falling trend in deposit growth pushed up further advance-deposit ratio (ADR), which was higher than that of the safe limit, set by the Bangladesh Bank (BB) earlier, officials said.
- The deposit growth in all 40 PCBs had been on a decline, slumping from 12.58% on December 31, 2017 to 11.46% on the same day of the last calendar year and 13.73% as on December 31, 2016. Most of State owned Enterprises (SoEs) still prefer to deposit their funds with public banks rather than the PCBs, according to the banking sector insiders. In April 2018, the government allowed the public entities to deposit 50% of their funds with the private banks, up from the earlier ceiling of 25% , to help mitigate the liquidity crunch in the banking system.
- Meanwhile, the amount of rescheduled loans jumped by more than 21% or BDT 40.90 billion in the last calendar year due to the national election that was held on December 30. The volume of rescheduled loans rose to BDT 232.10 billion as on December 31, 2018 from BDT 191.20 billion on the same day of the previous year, according to the central bank's latest statistics.
- Meanwhile, the credit growth of all 40 PCBs came down to 14.32% on December 31, 2018 from 19.90% on the same day of previous year. It was 17.70% as on December 31, 2016.

<http://today.thefinancialexpress.com.bd/trade-market/pvt-banks-deposit-growth-falls-further-last-year-1553877175?date=30-03-2019>

### **Recovery fails to keep pace with default loan spike**

- The pace of recovery of banks' nonperforming loans (NPL) was much lower than the rate at which their NPL increased last year -- an ominous development for the sector. In 2018, banks recovered BDT 133.92 billion of NPLs, up 5.86% from a year earlier, while delinquent loans in the sector soared 26.38% to BDT 939.11 billion, according to data from the sector. Given the trend, the latest government move to amend the existing loan rules to extend more facilities to defaulters will only exacerbate the situation, said Khondkar Ibrahim Khaled, former deputy governor of the central bank.
- Last week, the government announced that defaulters would be allowed to reschedule their loans for 12 years after furnishing 2% down payment under a special package. At present, defaulters can reschedule their loans for at most 3 years by providing 10 to 15% down payment. Both small and large borrowers will be able to get the rescheduling facility and a 7% simple interest formula instead of existing compound formula will be applied.
- Both small and large borrowers will be able to get the rescheduling facility and a 7% simple interest formula instead of existing compound formula will be applied. If their payments are regular, borrowers will also be able to get fresh loans from the same bank after rescheduling. Finance Minister said that only those with genuine reasons for becoming defaulters can avail the facility. The discretionary measure will only widen the scope for unethical bankers to facilitate delinquent borrowers in exchange for favours, said experts.

<https://www.thedailystar.net/business/news/recovery-fails-keep-pace-default-loan-spike-1722655>

### **Telcos asked to block 2.6 million illegal SIMs**

- The telecom regulator has made a list of about 2.6 million illegal SIMs and urged the mobile operators to deactivate the connections on April 26. The SIMs were registered exceeding the permissible limit of 15 mobile connections against every national identity card. The number of mobile connections of each operator will be disclosed on April 3 and the operators will then communicate with the users and deactivate the illegal ones.
- “A senior official of BTRC said that they have found that youths are involved in most of the cases. In some cases, a huge number of SIMs were found registered against each of the NIDs of some businesspeople. Law enforcing agencies have frequently been finding a lot of active registered and biometrically verified mobile connections involved in criminal activities, he said.
- On March 28, the BTRC through a letter warned the mobile phone operators on informing of the decisions taken a day before and warned them of stern regulatory measures if the SIMs were not deactivated on time. Earlier in November 2017, the BTRC instructed the telecom operators not to register more than 15 SIM cards against an NID card, scrapping an earlier provision that allowed an individual to own 20 SIM cards. But the telecom watchdog could not monitor whether the order was implemented due to the absence of a Central Biometric Verification Monitoring (CBVM) platform.

<https://www.thedailystar.net/business/news/telcos-asked-block-26-lakh-illegal-sims-1722643>

### **New Swedish medicines in Bangladesh**

- AstraZeneca, a leading biopharmaceutical company of Swedish-British origin, announced its partnership with MGH Healthcare Ltd to provide reliable access to AstraZeneca medicines in Bangladesh. AstraZeneca and MGH Healthcare will increase awareness among physicians and patients about the science behind innovative treatments and will increase access to innovative treatments to make a difference to patients in Bangladesh.

<http://today.thefinancialexpress.com.bd/trade-market/new-swedish-medicines-in-bangladesh-1553788056?date=29-03-2019>

### **Gas price hike for international oil companies (IOCs) on the cards**

- Bangladesh plans a 7.5% hike in gas price for international oil companies to lure global players into hydrocarbon exploration in its untapped offshore blocks in the upcoming bidding. The selected bidders would also be able to export gas in any form-piped or liquefied-after having 'right of first refusal' from state-run Petrobangla.
- In the model production-sharing contract (PSC), gas price has been pegged to high sulfur fuel oil prices, or HSFO. The floor price for HSFO has been fixed at USD 100 per tonne and the ceiling price at USD 215 per tonne. It works out the price at around USD 7.25 per Mcf (1,000 cubic feet), said a senior Petrobangla official.

<http://today.thefinancialexpress.com.bd/last-page/gas-price-hike-for-iocs-on-the-cards-1553882383?date=30-03-2019>

### **Bay Terminal gets final approval for land**

- The Central Land Allocation Committee (CLAC) on Thursday approved 803.1710 acres of land for the Bay Terminal project. In a meeting held at the ministry of land yesterday, the committee finally approved the "Bay Terminal" of Chattogram Port Authority (CPA).
- The works of Bay Terminal with all modern port facilities to mobilize port activities and reduce transportation cost is now progressing in full swing as the project is in the top priority list of Prime Minister, said officials of CPA. CPA officials said, the bigger ships with more length and draft will be able to berth at the jetties of the terminal for handling goods. The new terminal would immensely reduce transportation cost and bring dynamism in port activities.

<http://today.thefinancialexpress.com.bd/trade-market/bay-terminal-gets-final-approval-for-land-1553877621?date=30-03-2019>

### **The Investment Corporation of Bangladesh (ICB) seeks BDT 50 billion fund to stabilize stock market**

- The Investment Corporation of Bangladesh (ICB) has proposed creation of a BDT 50-billion 'market support fund' to help make the stock market stable. Sources said the corporation made an appeal to the finance ministry amid volatility now prevailing in bourses. The ICB's investment in the bourses was at BDT 7.35 billion in June 2009 which rose to BDT 105.70 billion in June 2018.
- Last Wednesday, the turnover at the country's prime bourse, Dhaka Stock Exchange (DSE), came down to BDT 3.53 billion, hitting a fresh three-month low. Many see it as an instance of investors' reluctance to stake new funds on stocks.

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change</b>	<b>% Change</b>
Crude Oil (WTI)*	\$60.14	+0.84	+1.42%
Crude Oil (Brent)*	\$67.58	+0.48	+0.72%
Gold Spot*	\$1,292.38	+1.96	+0.15%
DSEX	5505.50	+3.01	0.05%
Dow Jones Industrial Average	25,928.68	+211.22	+0.82%
FTSE 100	7,279.19	+44.86	+0.62%
Nikkei 225	21,205.81	+172.05	+0.82%

**Exchange Rates**

USD 1 = BDT 84.24\*

GBP 1 = BDT 109.87\*

EUR 1 = BDT 94.51\*

INR 1 = BDT 1.22\*

*\*Currencies and Commodities are taken from Bloomberg.*

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