

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.

Phenomenal rise in industrial sector NPL

- The volume of classified loans, belonging to the industrial sector, jumped by more than 48% in the fiscal year (FY) 2018-19. The main reason for a big leap was attributed mainly to the addition of certain volume of rescheduled loans that turned classified again to the fresh default loans. Slower repayment by borrowers, particularly by influential ones, has also pushed up the amount of non-performing loans (NPLs) in the sector, bankers said. Non-performing loans (NPLs) in the industrial sector rose to BDT 572.01 billion in FY'19 from BDT 384.99 billion in the previous fiscal, according to the central bank's latest statistics.

- In some cases, borrowers have been unable to repay their instalments properly as their industries suffered due to lack of utility services particularly gas and electricity, the senior banker added. MD and CEO of Pubali Bank Limited said a portion of rescheduled loans had turned classified again mainly for not maintaining the repayment schedule properly. He further said most restructured large loans have also turned classified. This has also pushed up the volume of NPLs. The central bank had cleared proposals from 11 business groups for restructuring their large loans amounting to around BDT 153.26 billion.

<https://today.thefinancialexpress.com.bd/first-page/phenomenal-rise-in-industrial-sector-npl-1571767050>

Grameenphone-Robi Administrator: Foreign Investors' Chamber of Commerce and Industry (FICCI) worried at government move

- The Foreign Investors' Chamber of Commerce and Industry (FICCI) has expressed deep concern over the government's move to appoint administrators for Grameenphone and Robi to realize their dues of BDT 134.46 billion. The chamber has also decided to write to the government policy makers expressing its concern in this regard within a day or two, Executive Director at the FICCI told yesterday after a meeting of the executive committee. Several members of the committee said it would set a bad precedent for the future investors in Bangladesh if the government finally stick to its decision to appoint administrator for the two mobile operators, he said.

- In the meantime, the global association of mobile operators also raised concern about the process the issue was being handled.

<https://www.thedailystar.net/backpage/news/gp-robi-administrator-ficci-worried-govt-move-1817389>

The Investment Corporation of Bangladesh (ICB) moots unit fund to support stock market

- The Investment Corporation of Bangladesh (ICB) has made a move to float another open-ended mutual fund to support the country's stressed capital market. The initiative is part of its continuous market supportive measures. The state entity has recently submitted a proposal, among others, to float Unit Fund-2 to finance minister. As suggested, the initial size of the fund will be BDT 30 billion and ICB will be the fund manager. Of the amount, BDT 10 billion will be collected from sponsors such as banks and financial institutions. The face value of the units will be BDT 100 each.

<https://today.thefinancialexpress.com.bd/first-page/icb-moots-unit-fund-to-support-stock-market-1571767611>

Government in final stage to issue first SME policy

- The government is in the final stage to issue the country's first SME policy with some key provisions including establishment of an incubation centre to develop entrepreneurs, officials said. It also includes arranging collateral free loans at single-digit interest rates for the entrepreneurs. The policy emphasizes expansion of skill development education and training programmes for small and medium enterprises (SMEs) as many could not sustain for lack of such trainings and education programmes. Considering the tax hurdles, the policy also recommends simplification and rationalization of SME tax policy, investment and revenue incentives for export-oriented SME sector. The new policy also has a target to increase the contribution of the SME sector to the gross domestic product to 32% from 25%.

<https://today.thefinancialexpress.com.bd/trade-market/govt-in-final-stage-to-issue-first-sme-policy-1571765518>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$54.05	-0.43	-0.79%
Crude Oil (Brent)*	\$59.37	-0.33	-0.55%
Gold Spot*	\$1,489.13	+1.45	+0.10%
DSEX	4,708.68	-52.74	-1.11%
Dow Jones Industrial Average	26,788.10	-39.54	-0.15%
FTSE 100	7,212.49	+48.85	+0.68%
Nikkei 225	22,540.56	-8.34	-0.04%
BSE SENSEX	39,118.29	+161.45	+0.41%

Exchange Rates**USD 1 = BDT 84.66*****GBP 1 = BDT 108.79*****EUR 1 = BDT 94.14*****INR 1 = BDT 1.19***

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

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