

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.

### **GDP to grow 6.8% in FY'21, projects Asian Development Bank (ADB)**

- Bangladesh's economy is expected to grow at a rate of 6.8% in the current fiscal year, recovering from the severe adverse impact of Covid-19 pandemic, Asian Development Bank (ADB) said on Tuesday. It, however, apprehended that this growth projection would not be achieved if the pandemic prolongs in Bangladesh or in its export destinations. The growth reflects gradual recovery, supported by a strong manufacturing base and strengthening of growth in export destinations, according to the Asian Development Outlook (ADO) 2020 Update.

- The country's gross domestic product (GDP) growth forecast is 1.4% points lower than the government's target of 8.2% for the FY2021. Its GDP grew at 5.24% in the last FY, according to a provisional estimate. However, the ADB has provided a far better outlook on Bangladesh's economy than that of the World Bank, which drew a grim picture for the FY'21. The WB also said the South Asian economy could grow at only 1.0% rate as it is hit hard by the pandemic. The recent projection by the International Monetary Fund (IMF) on Bangladesh's GDP growth at 5.7% for the FY'21 was also less than that of the ADO 2020 Update.

<https://today.thefinancialexpress.com.bd/first-page/gdp-to-grow-68pc-in-fy21-projects-ADB-1600191302>

<https://www.thedailystar.net/business/news/economy-path-gradual-recovery-1962065>

<https://tbsnews.net/economy/ADB-forecasts-68-percent-growth-bangladesh-current-fiscal-133039>

<https://www.dhakatribune.com/business/economy/2020/09/15/ADB-bangladesh-gdp-to-grow-by-6-8-in-fy21>

### **Bank deposit growth rises to 11.4% in July**

- The growth in deposits in the country's banking sector increased to 11.4% in July, the first month of the current fiscal year, when people started returning to their regular activities defying the coronavirus-induced risks. The rise in deposit growth came after a consistent decline in growth from February this year. The growth stood at 11.4% in July from 10.61% in the previous month, showed a Bangladesh Bank data released on Tuesday. In January this year, the growth in bank deposits was the highest, 12.9% , in the fiscal year 2019-2020.

- Even though the impact of the coronavirus outbreak was intense in July, the disbursement of loans to the businesses, as part of the implementation of the government-announced stimulus packages, and gradual restoration of trade and investments after the withdrawal of countrywide shutdown were the two major factors behind the improvement in deposit growth in the banking system, said bankers. The deposit growth rate was 11.88% in April this year, but the rate declined in May and June to 11.36% and 10.61% respectively.

- The deposit growth increased in July as savers returned to banks after the countrywide shutdown was withdrawn on May 30, said the Standard Bank managing director and chief executive officer. He said that still savers had no option but banks to park their deposits. Although the present situation on the country's stock market has changed positively but it will take time to restore the confidence of investors. As a result, banks are the ultimate goal for savers even though the interest rate is on the decline, he added.

<https://www.newagebd.net/article/116351/bank-deposit-growth-rises-to-114pc-in-july>

<https://www.dhakatribune.com/business/banks/2020/09/15/banks-deposit-growth-rises-in-july>

### **Rights subscription of Pragati Life begins Sept 24**

- Rights shares subscription of Pragati Life Insurance is set to begin September 24, aiming to raise BDT 230.27 million. The subscription period for the rights will be continued until October 20, 2020, officials said. The rights issue is an offer of new shares by a company to its existing shareholders in proportion to the shares they already own and usually at a discount to market price. The stock market regulator - Bangladesh Securities and Exchange Commission (BSEC)--approved the Pragati Life's application to raise BDT 230.27 million through rights issue on August 13.

- The purposes of issuance of right shares are to cope with the business growth and strengthen the capital base of the company as well as fulfill the regulatory requirement. The life insurer, which was listed on the Dhaka bourse in 2006, will issue more than 15.35 million rights shares of BDT 15 each, including BDT 5.0 as a premium to raise the said amount. The company will issue one rights share against existing one share (1R:1). The company will invest the rights offer amounts in government treasury bonds, and in fixed deposits at banks and financial institutions.

<https://today.thefinancialexpress.com.bd/stock-corporate/rights-subscription-of-pragati-life-begins-sept-24-1600184870>

### **Express Insurance plans interim dividend**

- Newly-listed Express Insurance is likely to recommend interim dividend as investors have expressed dissatisfaction

over the 'no dividend' recommended for the year ended on December 31, 2019. The company is mulling to recommend interim dividend after a meeting held on Tuesday with the Bangladesh Securities and Exchange Commission (BSEC). Official sources said the securities regulator has suggested Express Insurance to take into account the investors' dissatisfaction expressed over no dividend recommended just after being listed with stock exchanges.

<https://today.thefinancialexpress.com.bd/stock-corporate/express-insurance-plans-interim-div-1600184903>

<https://www.thedailystar.net/business/news/find-something-investors-1962029>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$38.83	(\$22.80)	-36.99%
Crude Oil (Brent)*	\$41.01	(\$27.43)	-40.08%
Gold Spot*	\$1,957.71	\$436.24	28.67%
DSEX	5,100.55	647.62	14.54%
S&P 500	3,401.20	170.42	5.27%
FTSE 100	6,105.54	(1,481.51)	-19.53%
BSE SENSEX	39,044.35	(2,597.79)	-6.24%
KSE-100	42,346.42	1,611.34	3.96%
CSEALL	5,533.69	(595.52)	-9.72%

**Exchange Rates**

USD 1 = BDT 85.19\*

GBP 1 = BDT 109.94\*

EUR 1 = BDT 100.92\*

INR 1 = BDT 1.16\*

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

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