

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.

Saving tools sales reach 68% of annual target in 4 months

- National savings certificate sales increased 2.96% or BDT 5.14 billion in July-October of 2018-2019 fiscal year in comparison with that of in the same period of the previous year due to higher returns from NSCs than bank deposits.
- As per the latest Directorate of National Savings report, the net sales of NSCs increased to BDT 178.29 billion in July-October of FY19 against BDT 173.15 billion in the same period of FY18.
- The net sales of NSCs, however, posted fall in October this year by 4.40% or BDT 2.04 billion against that of in the same month of last fiscal year mainly due to the finance minister's latest stance to streamline sales of NSC sales from January 2019 amid its high growth and debt liability getting heavy for the budget management.
- In October, net sales of government's savings certificates declined to BDT 44.17 billion against sales of BDT 46.20 billion in the same month last year.
- Earlier, the government had announced that it would not cut interest rates on NSCs before the national elections likely to be held by the end of December this year.
- The rates offered by the NSCs are between 11.04% and 11.76%. The government's net borrowing from the savings certificates was BDT 465.30 billion in the fiscal year of 2017-2018 against its revised target of BDT 440.00 billion for the fiscal year. The initial target for FY18 was BDT 301.50 billion.

<http://www.newagebd.net/article/58450/saving-tools-sales-reach-68pc-of-annual-target-in-4-months>

Rising non-performing loan (NPL) in banks weighs on stocks

- The spiraling non-performing loan (NPL) of the banking sector weighed down shares of banks and non-bank financial institutions hitting Dhaka stocks with a 0.49% fall yesterday.
- Among the 30 listed banks, prices of 23 fell, four remained unchanged and three rose, an almost similar trend seen in the previous trading day on Thursday.
- Shares of Dhaka Bank, IFIC, EBL, Islami Bank Bangladesh, One, Rupali and Standard Bank closed to their lowest levels in six months.
- The banking sector's rising NPL is to blame for the fall, said the president of the DSE Brokers' Association.
- The NPL touched BDT 993.70 billion at the end of the third quarter, which is up by 11.23% compared to the previous quarter and 24% year-on-year, according to Bangladesh Bank data.

The banking stocks along with the market started falling as soon as the news of the spiraling NPL surfaced on Thursday, the president of the DSE Brokers' Association added.

<https://www.thedailystar.net/business/news/rising-npl-banks-weighs-stocks-1671448>

Annual Development Programme (ADP) implementation 20% in July-November

- The government spent BDT 364.38 billion for projects under the Annual Development Programme (ADP) during July-November period of the current fiscal year (FY 2018-19) with an implementation rate of 20.15% .
- The expenditure in the first five months is BDT 34.41 billion higher than that of the corresponding period of the previous fiscal (FY18) when the expenditure was BDT 329.97 billion.
- Planning Minister said that the government is hopeful about achieving full implementation of the ADP in the current FY.
- If the current momentum continues, it is expected that the GDP growth rate in the current fiscal year would reach 8.25% to 8.30% .
- Noting that the agriculture, manufacturing and the services sectors have flourished a lot over the years while the ICT sector is booming, the minister said the country would be able to attain double digit or 10% growth rate by the year 2021.

<http://today.thefinancialexpress.com.bd/trade-market/adp-implementation-20pc-in-july-nov-1544377026>
<https://thefinancialexpress.com.bd/economy/bangladesh/minister-optimistic-about-100pc-adp-implementation-in-fy19-1544355361>
<https://www.thedailystar.net/business/news/adp-spending-picks-pace-1671457>
<http://www.newagebd.net/article/58445/adp-spending-2015pc-in-five-months>

New VAT law to come into force from next fiscal year

- The new VAT law will come into force from the next fiscal year with multiple rates instead of a uniform rate of 15% , according to the head of National Board of Revenue (NBR).
- NBR may keep three rates of VAT as the uniform rate is not perfect for the country's economy, said NBR chairman.
- The government had passed the new VAT and Supplementary Duty Act-2012 with 15% uniform rate for all kinds of businesses.
- In the budget for FY 2017-18, the government deferred enforcement of new VAT law by two years.

<http://today.thefinancialexpress.com.bd/first-page/new-vat-law-to-come-into-force-from-next-fiscal-year-1544377959>

Foreign banks hardly lend money to SMEs

- Lending to Small and Medium Enterprises (SMEs) by foreign commercial banks (FCBs) operating in Bangladesh is much lower than expected level over the years.
- According to the data available with the Bangladesh Bank, nine foreign banks disbursed only BDT 7.50 billion in credit during the period between January and June of the current calendar year.
- The amount was less than one% of the total SME loan disbursement target.
- State-owned commercial banks (SoCBs), private commercial banks (PCBs), specialised banks (SBs) and Islamic banks disbursed BDT 59.00 billion, BDT 354.48 billion, BDT 6.32 billion and BDT 311.18 billion respectively during the period.
- Besides, Non-Bank Financial Institutions (NBFIs) disbursed BDT 36.63 billion during the same period.
- Disbursement of SME loans during the January-June period stood at BDT 775.15 billion or 48.13% of its total annual target set for the banks and NBFIs, the data mentioned.

<http://today.thefinancialexpress.com.bd/last-page/foreign-banks-hardly-lend-money-to-smes-1544378267>

Bangladesh 9th highest recipient of remittance this year: World Bank

- Bangladesh is the ninth highest recipient of remittances this year with USD 15.9 billion and in South Asia it ranks third after India (USD 79.5 billion) and Pakistan (USD 20.9 billion), the World Bank said in a report.
- Bangladesh experienced strong upticks of 17.9% in 2018, the bank said.
- In its latest Migration and Development Brief, the World Bank said Bangladesh, after a steep decline in 2016 (-11.5%), remittances were flat in 2017, but remittances are showing a brisk uptick in 2018 (17.9%).
- The Bank estimates that officially-recorded remittances to developing countries will increase by 10.8% to reach USD 528 billion in 2018.
- However, the pace of migrant worker deployments from Bangladesh for the first three quarters of 2018 slowed by 25% (0.55 million, compared with 0.73 million in the same period in the previous year).

<http://today.thefinancialexpress.com.bd/last-page/bangladesh-9th-highest-recipient-of-remittance-this-year-world-bank-1544378460>
<https://www.dhakatribune.com/business/2018/12/10/world-bank-bangladesh-ninth-in-remittances-with-15-9bn>

MJL Bangladesh witnesses steady growth in five years

- MJL Bangladesh, country's largest lubricant company has exhibited a steady growth in revenue earnings and dividend disbursement, among others, in last five consecutive years through 'operational excellence'.

- During the period, the company registered growth rates between 1.88% to 39% in revenue earnings based on a 'loyal' and 'productive' force.
- For the year ended on June 30, 2018, the company has reported a consolidated net profit of above BDT 2.29 billion, which was 7.0% higher than the revenues calculated in previous year.
- Except 2014-15, the company's earnings per share (EPS) gradually rose during 2013-14 to 2017-18 following the increased net profits.
- The company's EPS was BDT 3.77 in 2013-14, BDT 3.61 in 2014-15, BDT 5.71 in 2015-16, BDT 6.95 in 2016-17 and BDT 7.0 in 2017-18.

<http://today.thefinancialexpress.com.bd/stock-corporate/mil-bangladesh-witnesses-steady-growth-in-five-yrs-1544373065>

Disbursement falls in July-October

- Some banks have recently slowed down lending as part of their efforts to weather the ongoing liquidity crisis, leaving an adverse impact on overall agriculture credit disbursement, Bangladesh Bank officials said.
- The central bank set a farm loan disbursement target of BDT 218.0 billion for 2018-19, of which 24.55% was disbursed between July and October.
- Eight state-owned commercial and specialised banks -- Sonali, Janata, Agrani, Rupali, BASIC, BDBL, Bangladesh Krishi and Rajshahi Krishi Unnayan Bank -- together disbursed BDT 26.08 billion.
- Private and foreign banks provided BDT 27.44 billion in agriculture loans during the period.

As per the central bank instruction, traditional lenders will have to slash the ADR by 1.5% points to 83.5% from existing 85% and shariah-based banks to 89% from 90% .

<https://www.thedailystar.net/business/news/disbursement-falls-jul-oct-1671451>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$52.60	-0.01	-0.02%
Crude Oil (Brent)*	\$62.09	+0.42	+0.68%
Gold Spot*	\$1,249.01	-0.30	-0.02%
DSEX	5306.23	-26.58	-0.50%
Dow Jones Industrial Average	24,388.95	-558.72	-2.24%
FTSE 100	6,778.11	+74.06	+1.10%
Nikkei 225	21,180.68	-498.00	-2.30%

Exchange Rates

USD 1 = BDT 83.61*
GBP 1 = BDT 106.57*
EUR 1 = BDT 95.57*
INR 1 = BDT 1.17*

*Currencies and Commodities are taken from Bloomberg.

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