

*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.*

### **Move on for cost-free remittance by expats**

- A move is under way to facilitate sending of money back home free of cost by the Bangladeshi migrant workers. The government, not the migrant workers, will bear the cost involved in sending money to family members back home.
- An official at the finance division said the move has been taken to raise inward remittance as they believe this will help encourage remitters to send money through formal channels instead of informal ones, including "hundi".
- It is estimated that BDT 5.0-7.0 billion annually may be required to bear the cost of remittance transfer. Under the move, the government may be required to allocate the amount in its annual national budget.
- However, remittance has rebounded in recent months, hitting at USD15.53 billion in the year 2018. Remittance jumped by nearly 15% or around USD2.0 billion in the 2018 calendar year, thanks to the depreciation of local currency against dollar.
- People familiar with the development said remittance inflows rose despite a falling trend in outbound jobs of Bangladeshis. An estimated 10 million Bangladeshi workers are employed in different countries and they remit USD15 billion, on an average, every year to help boost the foreign currency reserve.

<http://today.thefinancialexpress.com.bd/first-page/move-on-for-cost-free-remittance-by-expats-1546796044>

### **Bangladesh H1 exports to US jump 19% on US-China trade spat**

- Country's export earnings from the United States in the first half of the current financial year 2018-19 grew by nearly 19% as the ongoing trade tension between the US and China encouraged global garment retailers to increase their import orders to Bangladesh.
- According to the Export Promotion Bureau data, export of readymade garment products to US, the largest export destination for Bangladesh, in the July-December period of FY19 increased by 18.93% to USD3.09 billion from USD2.60 billion in the same period of FY18.
- Country's overall export earnings from the US, in the first six months of FY 19 grew by 18.97% to USD3.45 billion from USD2.90 billion in the same period of FY 18.

<http://www.newagebd.net/article/61040/bangladesh-h1-exports-to-us-jump-19pc-on-us-china-trade-spat>

### **Bangladesh trade deficit falls by 12% in July-November on rising exports**

- The country's trade deficit eased by 12.46% or USD0.95 billion in July-November of the current 2018-2019 fiscal year compared with that in the same period of the last fiscal year due mainly to a rise in export earnings.
- In July-November of 2018-2019, trade deficit stood at USD6.66 billion, down from USD7.61 billion in the same period of previous fiscal, showed the Bangladesh Bank data.
- It's the export earnings, especially in the readymade garment sector, which posted significant growth in the period thus narrowing down trade deficit of the country. Bangladesh received higher orders for readymade garment products from western buyers who shifted their orders to Bangladesh amid the ongoing trade war between the USA and China.
- In July-November of FY19, the country's export earnings grew by 16.75% to USD16.77 billion from USD14.37 billion in the first five months of FY18.
- Import payments grew by 6.64% year-on year to USD23.43 billion in the period from USD21.97 billion in the same period last fiscal year.
- Deficit in the overall balance, however, doubled to USD837 million in July-November of FY19 from that of USD479 million in the same period of FY18.

<http://www.newagebd.net/article/61037/bangladesh-trade-deficit-falls-by-12pc-in-july-nov-on-rising-exports>

### **State banks' cash recovery flatters to deceive**

- Despite the huge loan rescheduling spree, the four state-owned banks saw poor cash recovery from their top defaulters in the first nine months of 2018.
- Sonali, Janata, Agrani and Rupali banks recovered a total of BDT 13.08 billion from defaulters between January and September last year in contrast to the rescheduled amount of BDT 27.22 billion, according to data from the Bangladesh Bank.
- According to the managing director of Agrani, the tendency of taking stay order against the default loans is mostly to blame for the slow recovery. As of June 2018, the state-owned banks have BDT 463.66 billion tied up with cases with the money loan court. Many of the defaulters participated in the 11th parliamentary election by obtaining stay order against their default loans instead of paying back the amount. As a result, the banks could not recover much ahead of the polls, he added.

<https://www.thedailystar.net/business/banking/news/state-banks-cash-recovery-flatters-deceive-1683895>

### ADP spending crawls to 27.4% in 6 months

- In July-December, the government development budget implementing agencies could spend BDT 495.95 billion or 27.42% of the total ADP allocation of BDT 1808.69 billion for FY19.
- The agencies spent BDT 443.31 billion or 27.02% of total ADP in the same period of the last FY 2017-2018, according to data of the Implementation Monitoring and Evaluation Division of planning ministry.
- According to the outgoing planning minister, ADP spending became more than double in the year from BDT 237.95 billion in FY 2014-2015. The government will be able to implement the full ADP in the year if the overall situation remains stable and there are no natural calamities in the country, he added.

<http://www.newagebd.net/article/61045/adp-spending-crawls-to-274pc-in-6-months>

### World Stock and Commodities\*

| Index Name                   | Close Value | Value Change | % Change |
|------------------------------|-------------|--------------|----------|
| Crude Oil (WTI)*             | \$48.57     | +0.61        | +1.27%   |
| Crude Oil (Brent)*           | \$57.61     | +0.55        | +0.96%   |
| Gold Spot*                   | \$1,289.03  | +2.98        | +0.23%   |
| DSEX                         | 5590.47     | +94.03       | +1.71%   |
| Dow Jones Industrial Average | 23,433.16   | +746.94      | +3.29%   |
| FTSE 100                     | 6,837.42    | +144.76      | +2.16%   |
| Nikkei 225                   | 20,118.14   | +556.18      | +2.84%   |

### Exchange Rates

USD 1 = BDT 83.84\*  
 GBP 1 = BDT 106.88\*  
 EUR 1 = BDT 95.82\*  
 INR 1 = BDT 1.21\*

\*Currencies and Commodities are taken from Bloomberg.

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