

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.

State-owned enterprises (SoEs) fund deposit: state-owned commercial banks (SoCBs) to give 5.5%, private commercial banks (PCBs) 6.0% interest rate

• State-owned enterprises (SoEs), which will deposit their funds in private commercial banks (PCBs) and financial institutions (FIs), will get interest at 6.0% rate, and at 5.5% from state-owned commercial banks (SoCBs). The notification regarding this by Ministry of Finance reflects a policy decision taken to keep 50% fund of the SoEs, which they get as part of annual development programmes, and their own funds as deposit to the PCBs and FIs. However, pension fund, provident fund, and endowment fund of the state entities will remain out of the purview of the notification, it added. The government made commitment to make low-cost public fund available to the PCBs, so that they can lend it at 9.0% interest.

<https://thefinancialexpress.com.bd/economy/bangladesh/soes-fund-deposit-socbs-to-give-55pc-pcbs-60pc-interest-rate-1579581273>

Solving bank troubles, GP-regulator issues key for Dhaka Stock Exchange (DSE): Asia Frontier Capital (AFC)

• Bangladesh's stock market can be revived by strengthening the banking sector and settling the tussle between Grameenphone and the telecom regulator, said Hong Kong-based investment firm Asia Frontier Capital (AFC). Improving stock market sentiment requires some very simple decisions but the question remains over whether the political will exists, it said in its annual publication AFC Asia Frontier Fund: 2019 Review and Outlook For 2020.

• GDP growth and overall macroeconomic indicators remain stable but until the authorities can resolve the issues pertaining to the banking sector and mobile operator, which together account for 32% of the index, the overall sentiment may remain soft, the report said. However, on a bottom up basis they expect pharmaceutical and consumer discretionary companies to do well as consumption demand should remain strong due to it being an underpenetrated market. Air conditioner penetration in Bangladesh is 3%, refrigerator 20% and washing machine 2%.

• We believe that the Bangladeshi local currency will depreciate moderately in 2020 to support export growth, it said. However, the report does not expect a sudden devaluation but a more gradual 3 to 5% depreciation going forward.

• The recent market slide resulted from the Grameenphone-regulator tussle and health deterioration of the banking sector, leading to the rise of negative sentiments across the market. The other dampener on investor sentiment has been issues centering the banking sector, which accounts for almost 18% of the index.

<https://www.thedailystar.net/business/news/solving-bank-troubles-gp-regulator-issues-key-dse-1857367>

Country gets USD 153.13 billion remittance in decade

• More than 6.60 million trained workers got employments abroad in the last one decade, from 2009 to 2019, and they remitted around USD 153.13 billion during the period.

• The present government has been imparting training in skill development in two phases under 55 trades through a total of 70 training centers including six institutes of marine technology and 64 technical training centers.

• Workers are being sent in 173 countries so far. Bangladesh sent 2,57,317 and 3,99,000 workers to Saudi Arabia in 2018 and 2019 respectively while 76,560 and 50,292 to Qatar, 27,637 and 12,299 to Kuwait, 72,504 and 72,654 to Oman, 3,235 and 3,318 to the UAE and 811 and 133 to Bahrain.

<https://thefinancialexpress.com.bd/economy/country-gets-15313b-remittance-in-decade-1579611384>

Telcos fined BDT 47.1 million illegal call termination

• The telecom regulator is set to slap all four mobile operators with fines after their SIMs were found being used in illegal call termination, routing of calls from one carrier or provider to another. The telecom regulator is set to slap all four mobile operators with fines after their SIMs were found being used in illegal call termination.

• A fine of BDT 10,000 was imposed for each connection. Of the total fine of BDT 47.1 million, state-run Teletalk alone accounted for BDT 43.6 million: 4,358 of its SIMs were used in call termination. Robi, Banglalink, and GP were fined BDT 3.2 million, BDT 220,000 and BDT 60,000 respectively.

<https://www.thedailystar.net/business/news/telcos-fined-BDT-471cr-over-illegal-call-termination-1857370>

The Executive Committee of the National Economic Council (ECNEC) revises project cost, timeline once again

• The Executive Committee of the National Economic Council (ECNEC) revised the BSCIC industrial park project on the third occasion increasing the project cost and also extending the implementation time. The ECNEC revised the project along with seven others at a combined cost of BDT 229.46 billion. The executive committee approved the BSCIC's industrial park project in Sirajganj in 2010 involving a cost of BDT 3.78 billion. After that, the cost of the industrial park project was first revised upward to BDT 4.89 billion and then it was revised the second time setting the cost at BDT 6.28 billion. In Tuesday's meeting the cost was further raised by BDT 0.91 billion. As per the original project proposal, it was supposed to be completed by June 2014. Now the ECNEC allowed the state-run BSCIC to complete the work by June 2021.

<https://today.thefinancialexpress.com.bd/last-page/ecnec-revises-project-cost-timeline-once-again-1579630432>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$58.34	-0.20	-0.34%
Crude Oil (Brent)*	\$64.38	-0.21	-0.33%
Gold Spot*	\$1,551.89	-6.28	-0.40%
DSEX	4,408.11	-26.13	-0.59%
Dow Jones Industrial Average	29196.04	-152.06	+0.52%
FTSE 100	7,610.70	-40.74	+0.53%
Nikkei 225	23985.50	+120.94	+0.51%
BSE SENSEX	41,497.90	+173.29	+0.42%

Exchange Rates

USD 1 = BDT 85.08*
GBP 1 = BDT 110.95*
EUR 1 = BDT 94.29*
INR 1 = BDT 1.20*

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

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