

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.

Investors can apply for loan until September

- The supervisory committee of the capital market refinancing scheme has extended the loan application deadline by three months to September this year.
- According to Mohammad Saifur Rahman, an executive director of Bangladesh Securities and Exchange Commission (BSEC), the affected investors can now apply for the loan facility till September this year.
- Following the setback, Bangladesh Bank provided BDT 9.0 billion to Investment Corporation of Bangladesh (ICB) in three equal instalments. Out of the BDT 9.0 billion, BDT 40 million is yet to be disbursed against the portfolios of affected investors, according to the BSEC executive director.
- As per the recent decision, investors who have not applied for the loan so far will get the priority.

<http://today.thefinancialexpress.com.bd/stock-corporate/investors-can-apply-for-loan-until-september-1528994622?date=15-06-2018>

Transfer fee cut to add USD 20 billion more to remittance flow

- As many as 200 million migrants sent USD 481 billion in 2017 to remittances-reliant countries of which USD 466 billion went to developing countries, according to IFAD.
- According to IFAD estimates, USD 6.5 trillion in remittances will be sent to developing countries between 2015 and 2030, involving over 1.0 billion senders and receivers. Close to half of the remittances will go to the rural areas where poverty and hunger are acutely affecting the livelihood of teeming millions.
- While the cost of sending money has been reduced by half over the last five years, it still represents, on average, 7.13% of the amount sent.
- According to IFAD analysis, families spend about 75% of their remittances on basic needs such as food, housing, education and health. The remaining 25%, over USD 100 billion, can be invested in financial and tangible assets such as savings or small business development that help families build their future.

<http://today.thefinancialexpress.com.bd/last-page/transfer-fee-cut-to-add-20b-more-to-remittance-flow-1528998172?date=15-06-2018>

<https://www.dhakatribune.com/business/regulations/2018/06/13/nbr-no-vat-on-remittances>
<http://www.newagebd.net/article/43695/no-vat-income-tax-on-nrbs-remittance-nbr>

State banks sit with most default loans

- Eight state-run banks accounted for more than half of the BDT 885.9 billion default loans in the banking sector at the end of the first quarter of 2018 as their unbridled indiscipline continues to weigh down the entire industry.
- At the end of March, the default loans of Agrani, Rupali, Sonali, Janata, BASIC, Bangladesh Krishi, Rajshahi Krishi Unnayan and Bangladesh Development Bank stood at BDT 491.1 billion, up 14.88% from the previous quarter, according to data from the Bangladesh Bank.
- A large amount of the loans were sanctioned by the state-run banks even when they knew that they would become classified, said Khondkar Ibrahim Khaled, a former Bangladesh Bank deputy governor.
- Between 2009 and 2013, BDT 45.0 billion was swindled out of BASIC Bank -- and Bacchu's fingerprints were all over. Yet, he was not made accused in any of the 56 cases filed by the Anti-Corruption Commission over the loan scams.

<https://www.thedailystar.net/business/state-banks-sit-most-default-loans-1591456>

Credit from Japan to get costlier

- Japan has raised the interest rate on loans given to Bangladesh -- following in the footsteps of the World Bank -- by 30 basis points to 1% effective from next fiscal year thanks to the rise of the country's per capita income.
- The existing loans will not be subjected to higher interest rate. For instance, last year Japan extended 38 loan

packages to Bangladesh at a flat interest rate of 0.7% and the interest rate on them will remain the same.

- The two countries yesterday signed 39 loan packages worth USD 1.83 billion (about BDT 153.3 billion) for six projects, and the new interest rate will be applicable to them.
- Until the fiscal year of 2016-17, the rate of interest on Japanese loans was 0.01% with a repayment period of 40 years, including 10 years' grace period, said an official of the Economic Relations Division.
- To continue to get loans at concessionary terms from the International Development Association (IDA), the arm of the World Bank Group that hands out loans and grants to the world's poorest developing countries, Bangladesh's GNI per capita has to be less than USD 1,165.

<https://www.thedailystar.net/business/credit-japan-get-costlier-1591453>

<http://www.newagebd.net/article/43739/bangladesh-japan-sign-BDT-15326cr-loan-deals-for-6-projects>

All garment workers paid

- All the garment factories, irrespective of their affiliation with the BGMEA and BKMEA, have paid workers' salaries and festival bonuses as of yesterday, dispelling apprehension that some might not be able to do so ahead of Eid-ul-Fitr, according to factory owners.
- Most of the 4.4 million garment workers employed in the nearly 5,500 BGMEA and Bangladesh Knitwear Manufacturers and Exporters Association (BKMEA)-member factories are scheduled to return to their village homes to celebrate Eid with their near and dear ones.

<https://www.thedailystar.net/business/all-garment-workers-paid-1591450>

<https://www.dhakatribune.com/business/regulations/2018/06/14/bgmea-all-employees-have-their-eid-bonuses>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$63.83	-1.23	-1.89%
Crude Oil (Brent)*	\$72.75	-0.69	-0.94%
Gold Spot*	\$1,280.44	+1.50	+0.12%
DSEX	5365.22	38.78	0.73%
Dow Jones Industrial Average	25,090.48	-84.83	-0.34%
FTSE 100	7,633.91	-131.88	-1.70%
Nikkei 225	22,643.40	-208.35	-0.91%

Exchange Rates

USD 1 = BDT 83.78*

GBP 1 = BDT 111.18*

EUR 1 = BDT 97.11*

INR 1 = BDT 1.23*

*Currencies and Commodities are taken from Bloomberg.

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