

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.

Bangladesh second in South Asia in GDP growth: World Bank

- The Bangladesh economy is forecast to achieve the second highest growth rate this fiscal year in South Asia, the World Bank said in its biennial regional economic update yesterday. Bangladesh's gross domestic product is projected to grow at 7.2% this fiscal year and 7.3% the following year, according to the latest edition of the 'South Asia Economic Focus, Making (De)centralisation Work',
- Bangladesh will also clock the highest growth in fiscal 2020-21 too, according to the report.

<https://www.thedailystar.net/business/news/bangladesh-second-south-asia-gdp-growth-wb-1813420>
<https://www.dhakatribune.com/business/2019/10/14/economic-growth-projection-by-world-bank-bangladesh-2nd-fastest-in-south-asia>

Bangladesh Bank lets taka devaluation after 5 months as exports fall

- The Bangladesh Bank has started allowing devaluation of the taka against the USD after a five-month lull to support exporters as the country's export earnings witnessed a fall in July-September this fiscal year (2019-20) amid a slowdown in the global economy. As per the Bangladesh Bank data, the interbank exchange rate of the dollar increased to BDT 84.7 on Sunday, rising in two phases from BDT 84.5 on October 3 this year. The rate was stable at 84.5 since May 3, 2019. If Sunday's interbank exchange rate was taken into consideration, the taka was devalued by 7.62% against the USD since January, 2017 when the dollar was traded at BDT 78.7.
- Although the taka was devalued against the US dollar, injection of the USD in the country's local market was lenient, which indicated that the devaluation was intentional, said BB officials. They said that the central bank allowed devaluation of the taka following requests from the banks, taking the drop in exports in the first quarter of the current fiscal year into consideration. In recent days, the USD has been traded at up to BDT 87 at the curb market. Till Sunday, the BB in the current fiscal year injected USD 89 million including USD 30 million injected in 13 days of October. The monthly average injection was USD 195 million in last fiscal year (2018-2019). In total, the BB injected USD 2.34 billion in last fiscal year.
- Policy Research Institute executive director however that devaluing the taka has become very much vital to keep our exporters competitive in the global market. Only BDT 0.20 devaluation would do nothing if the devaluation of currencies in those countries, which are Bangladesh's export competitors, is taken into consideration, he said, adding that the BB should allow further devaluation of the taka.

<http://www.newagebd.net/article/87586/bangladesh-bank-lets-taka-devaluation-after-5-months-as-exports-fall>

Square Pharma launches volvac poultry vaccines

- Square Pharmaceuticals Ltd introduced volvac poultry vaccines of German-based world renowned pharmaceuticals "Boehringer Ingelheim" in Bangladesh veterinary market namely Volvac® IBD MLV, Volvac® ND Conc. KV, Volvac® ND+IB+EDS KV and Volvac® AC Plus+ND+IB+EDS KV, said a statement.

<http://today.thefinancialexpress.com.bd/stock-corporate/square-pharma-launches-volvac-poultry-vaccines-1570987549>

Regulator halts LR Global's investment in bdnews24.com

- The stock market regulator yesterday put a pause on LR Global Bangladesh's investment of BDT 500 million in local online newspaper bdnews24.com and instructed the asset management firm to hand in all documents within 24 hours to verify if the transaction is compliant with securities rules.
- As per securities rules, an asset manager can invest in listed securities, initial public offerings (IPO), pre-IPO placement shares and securities that are transferrable in the money market. But bdnews24.com is a non-listed company.
- In 2015, LR Global Bangladesh, an asset management firm, was fined BDT 5.0 million for its investment in four non-listed private companies: Guardian Healthcare, Thyrocare Bangladesh, Property Investors and Tribeca Management.

<https://www.thedailystar.net/backpage/news/regulator-halts-lr-globals-investment-bdnews24com-1813234>
<https://www.dhakatribune.com/business/2019/10/13/bsec-suspends-lr-global-bdnews24-BDT500m-deal>
<http://today.thefinancialexpress.com.bd/last-page/bsec-seeks-all-info-on-BDT-500m-deal-1570990111>
<http://www.newagebd.net/article/87589/bsec-halts-lr-globals-investment-deal-with-bdnews24com>

Massive cuts in short code tariffs: Charges to drop 77.5% for govt entities, 50% for private

- Bangladesh Telecommunication Regulatory Commission (BTRC) has decided to lower the call charge for public service short codes by 77.5% to BDT 0.45 from BDT 2 a minute. The telecom watchdog also plans to fix the voice tariff at BDT 1 per minute—down from BDT 2—for short codes used by private organisations. However, seven designated public toll-free numbers were kept out of this list: they would continue to be free like before.
- Short code is a three or five-digit number that the government entities or business houses use to deliver their service automatically and in a much hassle-free way round-the-clock. The BTRC used to allocate this number under the country's number plan.
- Currently, there are 72 government agencies that have short code services and only seven of them are toll free, meaning they do not charge customers for the calls. Bangladesh Police, the Anti-Corruption Commission, Department of Disaster Management, Bangladesh Election Commission, child helpline service, National Legal Aid Services Organization and the Ministry of Women and Children Affairs use the toll-free codes. Of the rest, three numbers charge BDT 0.50 a minute and the rest BDT 2 a minute. And this revenue is shared with the service providers and other carriers as well under their business agreement. On the other hand, currently there are 25 commercial short codes allocated by the BTRC, mostly run by banks and some other financial institutions that are also charging BDT 2 to BDT 2.34 per minute.

<https://www.thedailystar.net/business/news/massive-cuts-short-code-tariffs-1813423>

Tax collection off to a slow start: Shortfall stands at BDT 93.17 billion in July-August

- Tax receipts grew only 3.35% in the first two months of the fiscal year, leaving a shortfall of BDT 93.17 billion in the National Board of Revenue's annual target of BDT 3.26 trillion. Between July and August, the tax collector logged in BDT 296.20 billion in revenue against the goal of BDT 389.38 billion, much to the annoyance of Finance Minister.
- Taxmen blamed the implementation of the new value-added tax law and too many discounts and exemptions extended to various sectors for the slower collection growth.
- In the first two months, tax collection from VAT, the biggest source of revenue, grew only 1.02% year-on-year to BDT 111.99 billion mainly because of a decline in receipts from cigarettes, the biggest source of VAT and supplementary duty. Receipts from customs dropped 1.45% year-on-year to BDT 95.72 billion.
- Tax collection was roughly BDT 550.00 billion short of the target in fiscal 2018-19.

<https://www.thedailystar.net/business/news/tax-collection-slow-start-1813411>

<http://www.newagebd.net/article/87585/nbr-suffers-BDT-9318cr-shortfall-in-revenue-receipt-in-july-aug>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$54.42	-0.28	-0.51%
Crude Oil (Brent)*	\$60.23	-0.28	-0.46%
Gold Spot*	\$1,486.61	-2.40	-0.16%
DSEX	4,761.88	-48.34	-1.00%
Dow Jones Industrial Average	26,816.59	+319.92	+1.21%
FTSE 100	7,247.08	+60.72	+0.84%
Nikkei 225	21,798.87	+246.89	+1.15%
BSE SENSEX	38,208.24	+81.16	+0.21%

Exchange Rates

USD 1 = BDT 84.72*
 GBP 1 = BDT 106.77*
 EUR 1 = BDT 93.45*
 INR 1 = BDT 1.20*

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

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