

*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.*

### **Import payments top USD 51.5 billion in FY18**

- Country's import payments topped USD 51.5 billion with a 16.39-per cent growth in last fiscal year of 2017-2018 amid increased payments for food grains and petroleum imports. As per Bangladesh Bank data, letters of credit worth USD 51.53 billion were settled in FY18 against USD 44.27 billion in FY17. The total payment for import, however, would have been much higher in FY18 if freight on board prices of products were considered. Bangladesh Bank (BB) officials said that the rice and wheat import remained high in the just concluded fiscal year in line with the previous fiscal year and so did the import payments.
- Besides the high import payments for food grains, higher payments for petroleum in the wake of price rise of the item in the international market was another reason for the hike in import payments in the fiscal year, they said. Crude oil was traded at round USD 70 a barrel in last couple of weeks, while its price was USD 50 a barrel a year ago.

<http://www.newagebd.net/article/47726/import-payments-top-515b-in-fy18>

### **Single digit interest closer to reality**

- All state-owned enterprises have promised not to demand more than 6% from banks for parking their funds with them with a view to facilitating the long-delayed single digit interest rate for lending. The development comes after private banks told Finance Minister last week that it would not be possible to bring down the lending rate to 9% if the SoEs do not keep their funds with them. Of the 57 banks in the country, 40 are private. At present, the SoEs tend to keep their funds through an unofficial process of competitive bidding among banks; whichever bank offers the highest interest rate they go to them with their deposits.
- The minister said that the SoEs the practice must now stop; they must deposit their funds with private banks at 6% interest or lower. However, the funds kept as fixed deposits will be lowered to 6% after the expiry of the existing term. Earlier on June 20, banks announced that the interest rate on lending and deposit would come down to single digits from July 1. But, none of the rates came down, and

<https://www.thedailystar.net/business/single-digit-interest-closer-reality-1616506>

### **Eight new power plants add 1742MW to national grid**

- Prime Minister inaugurated eight newly constructed power plants on Sunday, adding some 1742 megawatts (MW) of electricity to the national grid. The eight power plants are Ghorashal 350MW Combined Cycle Power Plant, Kodda 300MW Power Plant in Gazipur, Daudkandi 200MW Power Plant, Kushiara 163MW combined cycle Power Plant at Fenchuganj, Noapara 100MW Power Plant, Kamolaghat 54MW Power Plant, Simple Cycle (Gas Turbine) of Siddhirganj 335MW Combined Cycle Power Plant and Siddhirganj 225MW combined cycle power plant.

<http://today.thefinancialexpress.com.bd/trade-market/eight-new-power-plants-add-1742mw-to-national-grid-1533486492>

### **CPD proposes BDT 9,228 as RMG workers' lowest wage**

- The Centre for Policy Dialogue (CPD) proposed on Sunday BDT 9,228 (USD 110) as the minimum monthly wage for the entry-level workers of the country's ready-made garment (RMG) sector. Labour leaders, however, strongly rejected the think-tank's wage proposal and adhered to their demand of BDT 16,000 for the same. CPD proposed BDT 8,200 as the minimum monthly wage in 2013. The organisation also proposed abolishing the seventh grade in the wage structure, and upgrade the workers to the sixth grade, considering factors like rise in their skills and use of technology in the industry etc.
- It also recommended progressive wage hike for the workers of other grades also. The think-tank's proposals also included incorporating childcare facility as well as providing education and communication allowances in the wage structure. According to CPD Research Director, The proposed minimum wage for the newly-introduced grade-six is proposed to be BDT 10,028. If a worker does not have any children, the grade-six wage would be BDT 9,228. CPD made the recommendations by taking into consideration slowdown in profit margin of enterprises as well as their possible business risks in future including trade war and rise in petroleum and gas prices.

<http://today.thefinancialexpress.com.bd/last-page/cpd-proposes-BDT-9228-as-rmg-workers-lowest-wage-1533490764>  
<https://www.thedailystar.net/business/rmg-minimum-wage-cpd-proposes-BDT-10028-1616509>  
<http://www.newagebd.net/article/47727/rights-groups-oppose-cpd-proposal-to-set-rmg-workers-minimum-wage-at-BDT-9228>

**City Bank launches online supply finance chain**

• City Bank yesterday launched a digital “Supply Chain Finance and Distributor Finance Facility” through which suppliers will get paid whenever invoices are approved while buyers will enjoy increased liquidity and improved working capital. The online platform will also enable SME businesses' easy access to finance, particularly short-term working capital, along with other banking facilities. A statement of the bank said the process would help link buyers, suppliers and financing institutions to lower financing costs and improve business efficiency. Apex Footwear Ltd and EON Group have already been using the platform while an agreement has been signed with Pran-RFL Group.

<https://www.thedailystar.net/business/banking/city-bank-launches-online-supply-finance-chain-1616386>

**World Stock and Commodities\***

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$68.76	+0.27	+0.39%
Crude Oil (Brent)*	\$73.42	+0.21	+0.29%
Gold Spot*	\$1,216.07	+1.17	+0.10%
DSEX	5357.03	-42.77	-0.79%
Dow Jones Industrial Average	25,462.58	+136.42	+0.54%
FTSE 100	7,659.10	+83.17	+1.10%
Nikkei 225	22,563.03	+37.85	+0.17%

**Exchange Rates**

USD 1 = BDT 84.21\*  
GBP 1 = BDT 109.45\*  
EUR 1 = BDT 97.37\*  
INR 1 = BDT 1.22\*

*\*Currencies and Commodities are taken from Bloomberg.*

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