

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.

Trade deficit narrows by 11% in first half of FY2018-19

- At the end of December 2018, trade deficit stood at USD7.66 billion, down from USD 8.62 billion last year.
- Bangladesh's trade deficit has narrowed by 11% in the first six months of the current fiscal year (FY2018-19), owing to a rise of exports and a slowdown of imports.
- During this six-month period, export earnings rose by 14.01% to USD 20.16 billion from USD17.69 billion, while import payments rose by 5.73% to USD27.82 billion from USD26.31 billion during the same period of the previous fiscal year (FY2017-18).

<https://www.dhakatribune.com/business/2019/02/04/trade-deficit-narrows-by-11-in-first-half-of-fy2018-19>
<http://www.newagebd.net/article/63828/trade-deficit-drops-by-11%-in-h1>

Banks waive BDT 4.22 billion interest in 9 months against default loans

- Banks waived interests amounting to BDT 4.22 billion against their bad loans in the first nine months of 2018, as habitual defaulters continue to enjoy impunity for their delinquency. This is, however, 48% down from BDT 8.19 billion in the same period a year ago, largely because some waivers were not duly reported to the central bank by the lenders.
- Banks' non-performing loans hit nearly BDT 1 trillion at the end of September last year -- the largest yet in Bangladesh's 48-year-history.
- In the same quarter, the amount of toxic loans increased 11.23% to BDT 993.70 billion. The amount is up 24% from a year earlier. Some BDT 7.64 billion was waived in 2016 and BDT 17.53 billion in 2017.

<https://www.thedailystar.net/business/news/banks-waive-BDT-422cr-interest-9-months-against-default-loans-1697683>

'Bankers book evidence act' in the pipeline

- The government has made a move to make a new 'bankers book evidence act' which will accommodate all new banking products and services. The proposed act will replace the age-old British rule styled the 'Bankers Book Act 1891'.
- The banking accounts maintenance tools will be admissible by courts as legal documents.
- The colonial act does not include modern banking products and services like automated teller machine, online payment, credit card and the like. As a result, any transaction through new devices cannot be meant for "official copy" for legal purposes to settle a case.
- The Financial Institutions Division under the Ministry of Finance has already prepared a draft to this end.

<http://today.thefinancialexpress.com.bd/first-page/bankers-book-evidence-act-in-the-pipeline-1549301442>

State-owned financial entities indifferent to timely settlement

- A total of 38,729 audit objections, involving a sum over BDT 1.48 trillion, with different state-run banks and agencies, including the Bangladesh Bank (BB), have long remained unresolved.
- The audit objections, raised by the Commercial Audit Directorate under the office of Comptroller and Auditor General (CAG), remained pending against the central bank, ten state-owned banks and five state agencies as of December 2018.
- Of the total, 36,179 objections involving BDT 1.28 trillion are against five state-owned commercial banks and five specialized banks.
- The number of audit objections with Bangladesh Bank (BB) stands at 1,035, involving over BDT 116.344 billion. Of the banks, the state-owned Janata Bank alone has 5724 unsettled audit objections involving BDT 395.93 billion, according to a finance ministry report.

<http://today.thefinancialexpress.com.bd/first-page/state-owned-financial-entities-indifferent-to-timely-settlement-1549301077>

Move to import Liquefied Natural Gas (LNG) from spot market

- The state-run Petrobangla has planned to import around one-fourth of the country's total LNG requirement from the spot LNG market to keep open the option of sourcing the fuel from diverse sources.
- The remaining volume of liquefied natural gas (LNG) would be procured from long-term suppliers, a senior official of the state-run agency said.
- Petrobangla has already initiated deals with a total of 15 global suppliers to import LNG from the spot market. The companies include Mitsui, ENI, Total, AOT Energy, Woodside Petroleum Ltd., Chevron Corp, Gunvor and local Summit Group.
- Currently, Bangladesh has been importing LNG from two long-term suppliers -- Qatar's RasGas and Oman's Oman Trading International (OTI) -- to re-gasify LNG in the lone operational 3.75 million tonne per annum (Mtpa) FSRU owned by the US-based Excelerate Energy at Moheshkhali island in the Bay of Bengal.

<http://today.thefinancialexpress.com.bd/last-page/move-to-import-lng-from-spot-market-1549301687>

National Board of Revenue (NBR) misses VAT collection target in first half of FY2018-19

- The National Board of Revenue (NBR) has collected BDT 384.53 billion in VAT, during the first half of the ongoing 2018-19 fiscal year, against a set target of BDT 500.25 billion, according to the board's data, lagging behind by BDT 115.72 billion.
- During an internal meeting held to review and analyze key reasons behind the revenue collection shortfall, eight issues were identified, including changes in rates taken in the annual budget and uncollected VAT from Bangladesh Petroleum Corporation (BPC).

<https://www.dhakatribune.com/business/2019/02/04/nbr-misses-vat-collection-target-in-first-half-of-fy2018-19>

Government earnings from Dhaka Stock Exchange (DSE) fall 14% in July-January

- The government revenue earnings from the Dhaka Stock Exchange (DSE) fell 14 % in July-January period of the current fiscal year on the back of falling trade volumes.
- Market insiders said sluggish market trend coupled with low share sales by sponsor-directors and placement holders during the period affected the government revenue earnings from the prime bourse.
- The government collected revenue worth BDT 1394 million in seven months (July-January) in the current fiscal year which was BDT 1613 million in the corresponding period of the previous fiscal.
- However, the government earnings from the DSE rose sharply by 126 % month-on-month in January 2019 to BDT 326 million amid rising trading activities after the national elections.

<http://today.thefinancialexpress.com.bd/stock-corporate/govt-earnings-from-dse-fall-14%-in-july-january-1549302930>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$54.84	+0.28	+0.51%
Crude Oil (Brent)*	\$62.79	+0.28	+0.45%
Gold Spot*	\$1,314.72	+2.47	+0.19%
DSEX	5828.07	+26.74	+0.46%
Dow Jones Industrial Average	25,239.37	+175.48	+0.70%
FTSE 100	7,034.13	+13.91	+0.20%
Nikkei 225	20,875.38	-8.39	-0.04%

Exchange Rates

USD 1 = BDT 83.85*

GBP 1 = BDT 109.35*

EUR 1 = BDT 95.90*

INR 1 = BDT 1.17*

**Currencies and Commodities are taken from Bloomberg.*

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