

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 Bank approves three more private banks

- The central bank has decided in principle to approve three more private commercial banks (PCBs), attaching a condition of BDT 5.0-billion set as paid-up capital instead of the existing BDT 4.0 billion. The three approved PCBs are Bengal Commercial Bank Limited, Peoples Bank Limited and Citizen Bank Limited.
- BB executive director said that the board has re-fixed the amount of paid-up capital, considering the size of economy as well as GDP (gross domestic product).
- BB officials said the proposed chairmen are Jashim Uddin for Bengal Commercial Bank, MA Kashem for Peoples Bank and Jahanara Huq for Citizen Bank. The department concerned of the BB will issue the Lols after receiving regulations of the board meeting.
- But the proposed banks will have to apply again to the board for seeking final approval after fulfilling the Lols conditions.
- Currently, there are 58 banks in Bangladesh. Of them, 40 are local private banks, nine foreign banks and nine state-owned banks. After completing the licensing process, the number of banks will stand at 62.

<http://today.thefinancialexpress.com.bd/first-page/bb-approves-three-more-private-banks-1550425849>
<https://www.dhakatribune.com/business/2019/02/17/bangladesh-bank-approves-three-new-banks>
<https://www.thedailystar.net/business/banking/news/3-new-banks-get-nod-amid-outcry-1703755>

New rules define working areas of investigators

- The Ministry of Finance (MoF) has issued the long-awaited rules of the Money Laundering Prevention Act 2012 by defining working areas of the investigators. Six government entities empowered to probe corruption have got the authority to submit charge sheets to a court upon completion of their respective investigations.
- According to MoF and customs officials, the government agencies were earlier not sure about their authority to submit charge sheets in the absence of such rules. Some wings, including customs, were facing difficulties upon completion of money-laundering investigations.
- In the rules, the MoF made clear which entities of the government will investigate what types of corruption, mentioned in the money laundering act. They will have to apprise the Bangladesh Financial Intelligence Unit (BFIU) in a MoF-prescribed format on their areas of investigation and relevant cases.
- The government has issued the rules seven years after passing the Money Laundering Prevention Act and three years after its amendment.

<http://today.thefinancialexpress.com.bd/first-page/new-rules-define-working-areas-of-investigators-1550425917>

Development budget to be revised upwards

- In a departure from previous years, the development budget for the current fiscal year is likely to be revised upwards -- by about 11% -- to meet the government's ambitious plans.
- The planning ministry has drafted a revised Annual Development Programme (ADP) allocation of BDT 2.00 trillion. The original ADP allocation for fiscal 2018-19 is BDT 1.80 trillion.
- Some 35 ministries and divisions have demanded BDT 360.00 billion of additional allocation from the government's own fund. The road transport and highways division demanded the highest amount at BDT 57.97 billion despite being one of the poor performers.
- The other ministries that demanded higher allocation include: the local government division (BDT 40.69 billion), the power division (BDT 38.19 billion), the water resources ministry (BDT 26.24 billion), the election commission secretariat (BDT 24.56 billion), the housing and public works ministry (BDT 22.96 billion), and the prime minister's office (BDT 22.46 billion).

<https://www.thedailystar.net/business/news/development-budget-be-revised-upwards-1703749>

Government mulls bond facility for all export sectors

- Businesses should refrain from doctoring trade invoices to help keep the foreign exchange rate at a justifiable level. The government will formulate an 'exit policy' shortly for sick industries while considering allowing bonded warehouse facility for all export-oriented sectors as offered to the readymade garment (RMG) sector.
- Private industry and investment advisor to the Prime Minister said Exchange rate is a big problem for the garment sector. To address the problem, we have to stop under or over invoicing. And we can do it as it is our issue. If businesses want, the under and over trade-invoice practice can be stopped he urged.
- Favoring bonded warehouse facility for all exporters, the PM's advisor said the government is considering formulating an exit policy so that entrepreneurs who are unable to run their businesses can quit.

<http://today.thefinancialexpress.com.bd/last-page/govt-mulls-bond-facility-for-all-export-sectors-1550426933>

Gas companies to seek tariff hike afresh

- The state-run gas companies will place fresh proposals to the energy regulator, seeking tariff hike for almost all sorts of gas users, as the country's LNG import is expected to double by April next.
- Officials did not mention the extent of the hike that Petrobangla and its subsidiary gas marketing and distribution companies will seek, but said it will be almost similar to those of the previous proposals.
- BERC in its verdict on October 16, 2018, turned down the previous proposals of Petrobangla and its subsidiary companies, keeping the natural gas tariff unchanged, as the volume of LNG import was less than expected.
- The state-run Petrobangla and its subsidiary gas companies sought a hike in natural gas tariff, calculating import of LNG to the tune of 1,000 million cubic feet per day (mmcf), according to the BERC Chairman. But re-gasified LNG (RLNG) supply was hovering around 300 mmcf during October.
- Currently the volume of RLNG supply from the country's maiden LNG import terminal - a FSRU (floating, storage, re-gasification unit) - has increased to around 500 mmcf. LNG import is expected to double from April, as the country's second FSRU is expected to be commissioned in early April.

<http://today.thefinancialexpress.com.bd/trade-market/gas-cos-to-see-tariff-hike-afresh-1550424244>

Nitol Niloy gets final licence today

- Nitol Niloy Group is all set to receive the final licence from Bangladesh Economic Zones Authority (Beza) today to establish Kishoreganj Economic Zone.
- The Bangladeshi business entity will set up a pickup assembly plant at a cost of BDT 3.00 billion inside the 84-acre land. Local assembling of pickups would help to cut the present market price of each truck by BDT 100,000.
- The group would upgrade the plant in phases to go for manufacturing of pickups and heavy trucks in future.
- Nitol Motors is the largest distributor of Tata Motors in South Asia and the most dominant player in Bangladesh's commercial vehicle market having over 40% of the market share.

<https://www.thedailystar.net/business/news/nitol-niloy-gets-final-licence-today-1703740>

Shasha Denims to acquire 80% stakes in EOS Textile

- Shasha Denims Ltd. has now decided to acquire 80% of stakes in EOS Textile Mills for USD 12 million (about BDT 1014 million), reversing its earlier decision to acquire 40% of stakes.
- EOS Textiles Mills, a 100% export-oriented textile company, was established by Italian investors at the Dhaka Export Processing Zone in Savar on June 8, 1998.
- Shasha Denims has already paid BDT 300 million from the initial public offering (IPO) fund. The remaining amount will be paid from its cash flow after receiving approval from Bangladesh Bank.
- Earlier, the company announced that it would acquire 40% of stakes of EOS Textiles Mills for about BDT 480 million. Shasha Denims, a sister concern of Shasha Group, one of the leading denim producers in Bangladesh, raised BDT 1.75 billion through IPO in 2014 for a major expansion and improve the quality of denim fabrics by installing modern machinery with the IPO funds

<http://today.thefinancialexpress.com.bd/stock-corporate/shasha-denims-to-acquire-80pc-stakes-in-eos-textile-1550421495>

MBL businesses to grow more, two new subsidiaries in the offing

- Mercantile Bank Ltd (MBL) during the last three years witnessed a solid growth in all parameters of businesses due to concerted efforts, performed by a team of committed and dedicated professionals.
- MBL is now in the process of establishing 2 new subsidiary companies: MBL Asset Management Limited (including venture capital) and MBL MyCash Limited.

<http://today.thefinancialexpress.com.bd/stock-corporate/mbi-businesses-to-grow-more-two-new-subidiaries-in-the-offing-1550421294>

Guardian Life posts 300% growth in two straight years

- Guardian Life Insurance Limited, the fastest growing life insurance company in Bangladesh, saw over 300% growth rate in the last two consecutive years -- 2016 and 2017. The country's leading life insurer was also the highest premium earner in 2016 among fourth generation life insurance companies in Bangladesh.
- The management expenses of the company are also the lowest among all life insurance companies in the country.
- Established in 2013, the Guardian Life Insurance started its business activities on January 01, 2014 and achieved a good responsible position in the insurance sector within four years of its journey. The company is looking to grow further in the coming years.
- The company has the largest group insurance portfolio in the country. The company's paid-up capital is BDT 182 million and authorised capital is BDT 2.0 billion. The sponsors of the Guardian Life Insurance are renowned and very trusted business houses in Bangladesh -- Apex, Brac and Square Group.

<http://today.thefinancialexpress.com.bd/trade-market/guardian-life-posts-300pc-growth-in-two-straight-years-1550424389>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$55.86	+0.27	+0.49%
Crude Oil (Brent)*	\$66.23	-0.02	-0.03%
Gold Spot*	\$1,324.72	+2.23	+0.17%
DSEX	5775.83	+25.53	+0.44%
Dow Jones Industrial Average	25,883.25	+443.86	+1.74%
FTSE 100	7,236.68	+39.67	+0.55%
Nikkei 225	21,273.16	+372.53	+1.78%

Exchange Rates

USD 1 = BDT 83.89*
GBP 1 = BDT 108.33*
EUR 1 = BDT 94.94*
INR 1 = BDT 1.18*

*Currencies and Commodities are taken from Bloomberg.

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