

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.

Government's likely budget to be BDT 5.25 trillion

- The government is set to fix GDP (gross domestic product) growth target for the next fiscal year at 8.2%, officials said.
- The total size of the budget for fiscal year 2019-20 may be around BDT 5.25 trillion, they said. The total size of the budget for fiscal year 2019-20, which is expected to be held in June 13, may be around BDT 5.25 trillion, they said.
- The Finance Minister said that all these things are at the preliminary stage and not final, he noted..
- On another occasion, Finance Minister asked the Centre for Policy Dialogue (CPD) to provide data in support of the think-tank's claim that the economy's high growth performance is not reflected in key macroeconomic indicators.
- Meanwhile, the government is likely to allocate a record BDT 718 billion foreign aid for the upcoming development budget as some mega projects will eat up a significant amount of external funds. The Economic Relations Division (ERD) of the ministry of finance has finalised the project aid for the Annual Development Programme (ADP) of the fiscal year 2019-20. The proposed allocation is 40.78% higher than the current allocation in the revised ADP of the ongoing fiscal. In the current budget, the government allocated BDT 510 billion worth of foreign aid (project aid) in the Revised Annual Development Programme (RADP) of the FY2018-19.
- Since some mega projects including Rooppur nuclear power plant will receive a good amount of allocations, the total size of the foreign aid in the ADP has risen by nearly 41% in the upcoming ADP, according to official. Some projects in the power and transport sectors will also receive higher allocations in the upcoming budget, prompting the Division to prepare a rising project aid profile for the next national budget.
- The ministry of finance (MoF) and the Commission are working on formulating the national budget for the upcoming fiscal, where ADP will be the major part of the development budget. In the original BDT 1.73 trillion ADP for FY2019, the government had allocated BDT 600 billion as project aid. But last month, it slashed the amount by BDT 90 billion as development projects could spend less.

<http://today.thefinancialexpress.com.bd/first-page/BDT-525t-budget-likely-1556128221>

Bangladesh Bank plans forming CMC for banks' liquidity demand

- The Bangladesh Bank (BB) is planning to set up a Cash Management Cell (CMC) under its Debt Management Department (DMD) to meet instant liquidity requirement of banks, officials said.x
- At the meeting, the senior officials of the Primary Dealer (PD) banks proposed the central bank to take such a measure, as the BB is the last resort to facilitate proper liquidity management in the country's banking system.
- According to the proposal, at the closure of businesses, the central bank may arrange Repo and Reserve Repo auctions to help the bank concerned comply with the BB's cash reserve requirement (CRR) rules. Normally, the banks do not lend their excess funds to others without having counterparty limits that are set by an entity in order to manage and control risks. Excess funds with both the commercial banks as well as the government may be used through the cell, according to a PD official.
- When contacted, a BB senior official said the central bank is considering the proposal positively.

<http://today.thefinancialexpress.com.bd/last-page/bb-plans-forming-cmc-for-banks-liquidity-demand-1556128790>

GP bound to pay outstanding BDT 126 billion: Bangladesh Telecommunication Regulatory Commission (BTRC)

- Bangladesh Telecommunication Regulatory Commission (BTRC) said the country's leading mobile phone operator Grameenphone has no alternative to paying BDT 125.79 billion dues unearthed through an audit. Talking to the news agency, BTRC Chairman said that Grameenphone is legally bound to make the payment of the outstanding amount unearthed by conducting an audit.
- Officials said the telecom regulator is mulling to force the operator to pay the outstanding amount following legal procedures such as stopping issuance of NOC, putting cap on customer base and temporary ban of license.

<http://today.thefinancialexpress.com.bd/stock-corporate/gp-bound-to-pay-outstanding-BDT-126b-btrc-1556124731>

<http://www.newagebd.net/article/70745/gp-bound-to-pay-outstanding-BDT-12579cr-says-btrc>

Bangladesh Securities and Exchange Commission (BSEC) yet to approve Norfund proposal to buy 10% equity shares of Mutual Trust Bank (MTB)

- The proposal regarding issuance of a substantial amount of shares to a foreign investment fund by Mutual Trust Bank (MTB) is yet to get regulatory approval though the bank sought permission from the BSEC almost six months back.
- Norfund, owned by the Norwegian government, in September of 2018 reached an agreement to buy 10% equity shares in Mutual Trust Bank at more than BDT 1.73 billion. Both sides have agreed to make the deal at BDT 27.19 a share, including BDT 17.19 as premium. As per the board's decision, the MTB will issue above 63.70 million shares, which is 10% of paid-up capital, to the Norfund. In exchange, Norfund will get a seat in the board of the bank. The officials said the bank took the decision of issuing shares as part of its move to enhance the paid-up capital and strengthen corporate governance.
- Asked, a senior official of the Bangladesh Securities and Exchange Commission (BSEC), however said that the bank's proposal is under their active consideration. The securities regulator is set to settle the issue as soon as possible.
- The MTB sought approval from the securities regulator on November 6 last after completing relevant processes including approvals from the central bank and shareholders. The Managing Director said the regulatory approval to the proposal of issuing shares is also related to some other mandatory functions. Before getting the regulatory approval, the bank was unable to complete the bank's annual report and conduct annual general meeting (AGM) as well, according to the Director. The management is hoping that the the securities regulator will help the bank in completing mandatory functions in due time,
- With Norfund's investment, he said, MTB's capital base will also increase significantly to meet the Basel III requirement. Presently, the bank's paid-up capital stands at BDT 5.73 billion and it will go up to BDT 7.46 billion thanks to the injection of the fund.

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-yet-to-approve-norfund-proposal-to-buy-10pc-equity-shares-of-mtb-1556124619>

Padma Bridge work unlikely to meet December 2019 deadline

- The much-vaunted Padma Bridge project is once again fated to miss its construction deadline.
- The Chinese firm, China Major Bridge Engineering (CMBE), was given until December 2019 to complete the work on the 6.15-kilometre road-cum-rail bridge over the river Padma. Sources said the firm of late sought two and a half years more for completion of the project citing various reasons.
- The government earlier extended the deadline for completing the work on the much-talked-about Padma Bridge to December 2018. But then it again extended the deadline to December 2019 failing to achieve due progress in the project work. The cost of the Padma Multipurpose Bridge Project (PMBP) has already been raised to BDT 301 billion from BDT 288 billion. The project manager said that whenever pressure is put on the contractor to speed up the work, a plea for time extension is placed.

<http://today.thefinancialexpress.com.bd/first-page/padma-bridge-work-unlikely-to-meet-dec-19-deadline-1556128357>

World Stock and Commodities*

| Index Name | Close Value | Value Change | % Change |
|------------------------------|--------------------|---------------------|-----------------|
| Crude Oil (WTI)* | \$65.80 | -0.09 | -0.14% |
| Crude Oil (Brent)* | \$74.60 | +0.03 | +0.04% |
| Gold Spot* | \$1,276.24 | +0.48 | +0.04% |
| DSEX | 5,240.37 | -20.49 | -0.39% |
| Dow Jones Industrial Average | 26,597.05 | -59.34 | -0.22% |
| FTSE 100 | 7,471.75 | -51.32 | -0.68% |
| Nikkei 225 | 22,278.09 | +78.09 | +0.35% |

Exchange Rates**USD 1 = BDT 84.65*****GBP 1 = BDT 109.25*****EUR 1 = BDT 94.51*****INR 1 = BDT 1.21*****Currencies and Commodities are taken from xe.com.*

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