

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.

Remittance inflow rises to USD 9 billion in 7 months

- Remittance inflow in seven months (July-January) of the current fiscal year (2018-19) grew by 9.26% to USD 9.08 billion compared with USD 8.31 billion in the same period of last financial year (2017-18). Non-resident Bangladeshis sent home record USD 1.59 billion in remittance in January this year, which contributed to the growth of remittance in July-January.
- Bangladesh Bank officials said that inflow of remittance rose by 15% in January compared with that of USD 1.38 billion in January last year as the December 30 elections-centric uncertainties in the economic activities eased in January. They also said that upward trend in remittance inflow had continued for the past few months because of appreciation of the USD against the Bangladeshi currency, taka, prompting expatriates to send money through the legal channel.
- As per the central bank web site data, the exchange rate of dollar, which was BDT 78.7 in January 2017, increased to BDT 82.9 in January last year and remained at BDT 83.95 in last few days. As the dollar rate was on the rise for last couple of years, remittance inflow through the legal channel rose, said officials of central bank.
- Besides the dollar appreciation in Bangladesh, oil price increase in the global market boosted economies in the Middle East countries and earnings of the expatriates accordingly. The central bank's move to increase remittance inflow through the legal channel by taking measures for the prevention of digital hundi was another reason for the rise of remittance inflow in the period.

<http://www.newagebd.net/article/63719/remittance-inflow-rises-to-9b-in-7-months>
<https://www.thedailystar.net/business/news/remittances-rise-weak-taka-1697197>

12 international companies to make USD 5.78 billion FDI in economic zones

- Twelve international companies would make around USD 5.78 billion foreign direct investment (FDI) in Bangladesh's special economic zones (SEZs), generating 13,000 new jobs for the local people. The FDI is coming from Japan, Malaysia, China, United Kingdom (UK), Singapore, UAE, India, Australia and South Korea to the country's building materials, steel, power, processed food, paint, petro chemical and garment accessories sectors, said officials.
- BEZA executive chairman informed that different world renowned big companies were coming to Bangladesh with huge investment proposals. He also added that they have signed land allocation agreements with 12 multinational companies which would make USD 5.78 billion FDI in SEZs. In addition, another USD 5 billion FDI proposal is in the pipeline, disclosed the BEZA Executive Chairman.
- BEZA executive chairman said that the 12 companies had been allocated a total of 1,810 acres of lands most of which are located in the Mirershori and Maheshkhali economic zones. 'A few companies have planned to go on production within the next year,' he added. The BEZA executive chairman said they were developing separate SEZs for the investors of Japan, China and India.

<http://www.newagebd.net/article/63725/12-intl-cos-to-make-578b-fdi-in-economic-zones>

National Saving Certificate (NSC) sales go online

- The national saving certificates online management system was launched on Sunday on trial basis, aiming at checking possible abuses in investment in the government saving tools. Initially, the online database under the Public Expenditure Management Strengthening Programme by the Finance Division will be operated at the headquarters of Bangladesh Bank, Bangladesh Post Office, Sonali Bank and Directorate of National Savings.
- The experimental operation would help DNS detect investments beyond the individual saver's limit and fictitious investments. During the experimental operation over the next three month, buyers would be required to make payment in cheque for saving certificates worth above BDT 50,000. The operation is expected to be expanded to divisional level and district level by phases to implement the planned mandatory requirement of submission of electronic taxpayer identification number and national identity cards.
- Buyers will also require bank accounts and mobile numbers while purchasing national saving certificates and bonds. Those who have already invested in saving certificates and bonds will have to submit the same to draw profits or encash matured ones. The government has long been searching ways to check the high growth in the sales of saving certificates as more and more people in absence of better investment opportunities are buying saving certificates that

offer high interest rates.

- Since 2010-11, apparel shipments to new destinations have been growing rapidly. Exports to those destinations varied from USD 200 million to USD 500 million before the stimulus package was announced. The most popular among 11 saving certificates are: 5-year Bangladesh Sanchayapatra (11.28% yield), 3-monthly Profit Bearing Sanchayapatra (11.04%), Family Saving Certificate (11.52%), and Pensioner Sanchayapatra (11.76% yield).

<http://www.newagebd.net/article/63718/nsc-sales-go-online>
http://today.thefinancialexpress.com.bd/last-page/govt-launches-savings-tools-online-database-1549216118?fbclid=IwAR3GxYF-Di-fKsoIGHxY8_BbZQsr1ZXVvhUBw4yZ8oTVrueF41eTvJGNx9w

Bangladesh Bank's (BB) legal battle likely to end in three years

- The Bangladesh Bank's (BB) lawyer concerned has opined that the legal battle for recovering the money, stolen from its reserve account with the Federal Reserve Bank of New York (NY Fed) in the US, might be completed within three years.
- A number of steps have been taken as preparations before filling the lawsuit by the BB's Bangladesh Financial Intelligence Unit (BFIU).
- BB and NY Fed signed a resolution and assistance agreement on February 01 to support each other until the recovery of the entire stolen money.

<http://today.thefinancialexpress.com.bd/first-page/bbs-legal-battle-likely-to-end-in-three-years-1549215704>
<https://www.thedailystar.net/business/news/swift-says-its-helping-bb-rebuild-network-1697191>

Finance Minister asks tax officials to avoid SRO issuance after budget

- Finance minister on Sunday asked National Board of Revenue to avoid issuance of statutory regulatory order (SROs) without national emergency after the passage of the national budget in the parliament. At a meeting with income tax department of NBR, he also said that he would maintain consistencies in fiscal measures including tax rates in next budgets. NBR usually issues SROs giving tax exemptions.

<http://www.newagebd.net/article/63716/kamal-asks-tax-officials-to-avoid-sro-issuance-after-budget>

National Board of Revenue (NBR) reaping benefit

- The National Board of Revenue logged in BDT 100 million in the last fiscal year thanks to 8-10 multinational companies' voluntary compliance with a rule that requires foreign firms to declare transactions with their overseas entities.
- More than 100 multinational companies have submitted their statements of international transactions (SITs) along with their returns.
- Arm's length pricing is when the buyer and seller of a product or service agree on a price by acting in their self-interest and are not subject to any pressure or duress from the other party. It assures third parties that there is no collusion between the buyer and the seller.
- The NBR framed the law on transfer pricing in 2012 in order to reduce the scope for illicit fund transfer and tax evasion by foreign firms. However, the law is yet to be fully implemented. Transfer pricing refers to the rules and methods for pricing transactions within and between enterprises under common ownership or control.

<https://www.thedailystar.net/business/news/nbr-reaping-benefit-1697185>

Rely more on national grid, not on captive power plants

- Private sector should depend more on national grid instead of captive power plants for running their industrial units to help lessen energy cost and boost investment in the public sector.
- The unconsumed power of off-peak hour now has been a big concern for the government as it has to pay a huge amount of money as capacity charge to the private generation companies.
- The government plans to offer lower tariff for electricity consumption during the off-peak hours, he said adding that the government is now making its efforts for providing uninterrupted power supply to consumers.

<http://today.thefinancialexpress.com.bd/last-page/rely-more-on-natl-grid-not-on-captive-power-plants-1549216180>

Economic zones' factories to get uninterrupted power

- New and relocated industrial units in the economic zones will be given uninterrupted power supply, Nasrul Hamid, state minister for power, said yesterday.
- Bangladesh's installed power generation capacity is 20,854MW. Actual generation was 8,744MW yesterday, according to the power division.
- Ahmad Kaikaus, secretary of the power division, said the government has set a target to increase the installed power generation to 60,000MW by 2041.

<https://www.thedailystar.net/business/news/economic-zones-factories-get-uninterrupted-power-1697182>

January foreign investment at Dhaka Stock Exchange (DSE) turns positive after 3 months

- The net foreign investment at Dhaka Stock Exchange turned positive in January after remaining negative three months on the trot amid political calm after the December 30 general election. The foreign investors bought shares worth BDT 4.95 billion in January against their sales of shares worth BDT 3.19 billion with the net investment standing at BDT 1.75 billion.
- In December last year, the net foreign portfolio investment was BDT 1.01 billion negative as the foreigners bought shares worth BDT 2.46 billion against their sales of shares worth BDT 3.47 billion. The net position of the overseas investment was BDT 225.0 million negative in November and BDT 2.01 billion negative in October. The polls-centric political uncertainties that weighed on the capital market last year eased after the national elections, market experts said.
- They said that the foreigner investors anticipated that the stock market in Bangladesh would improve this year. The key DSE index, DSEX, gained 435.37 points in last month to close at 5,821.01 points on January 31. The daily average turnover was BDT 9.72 billion in the month. Political uncertainties in the election year, depreciation of the taka against the USD and woes in the country's banking sector played the key role in the foreigners' exit from the country's stock market in 2018.
- The net foreign trading was BDT 5.93 billion negative in 2018 with nine months of negative figures. The total foreign turnover on DSE also surged to BDT 8.15 billion in January from that of BDT 5.93 billion in the previous month. The net overseas investment at the bourse was negative BDT 6.76 billion in the year of market crash (2010).

<http://www.newagebd.net/article/63624/h1-import-payments-cross-27b>

<https://www.dhakatribune.com/business/2019/02/03/net-foreign-investment-at-dse-positive-in-january>

http://today.thefinancialexpress.com.bd/stock-corporate/foreign-fund-flow-in-stocks-turns-around-1549211674?fbclid=IwAR2YNO5rfVVqZuWo_QQWyxwslxM5PliG_ChMTXvJLRFJUBfMjYV84ICtiQE

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$55.19	-0.07	-0.13%
Crude Oil (Brent)*	\$62.64	-0.11	-0.18%
Gold Spot*	\$1,313.87	-4.11	-0.31%
DSEX	5801.33	-19.68	-0.34%
Dow Jones Industrial Average	25,063.89	+64.22	+0.26%
FTSE 100	7,020.22	+51.37	+0.74%
Nikkei 225	20,897.85	+109.46	+0.53%

Exchange Rates

USD 1 = BDT 83.64*

GBP 1 = BDT 109.37*

EUR 1 = BDT 95.75*

INR 1 = BDT 1.17*

*Currencies and Commodities are taken from Bloomberg.

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