

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.

BDT deflates notably against USD

- The exchange rate of the Bangladesh Taka (BDT) depreciated significantly against the USD on Monday, mainly due to higher demand for the greenback in the market for settling the import bills.
- The USD was quoted at BDT 84.05 each in the inter-bank forex market on Monday against BDT 83.95 of the previous working day.
- BDT faced the depreciation, although the Bangladesh Bank (BB) sold USD 85 million to the commercial banks on the day for keeping the forex market stable.
- A total of USD 1.55 billion has been sold since July 01 of the current fiscal year (FY), 2018-19, to the commercial banks as part of BB's ongoing support
- The demand for the USD is gradually increasing, mainly due to higher import payment pressure, particularly of capital machinery for power plants, intermediate goods, petroleum products and LNG.

<http://today.thefinancialexpress.com.bd/first-page/bdt-deflates-notably-against-us-1549905954>

Declining deposits worry banks

- Banks are in desperate want for deposits as savers are showing unwillingness to park their funds in the banking system due to negative returns once inflation and tax are taken into consideration.
- Unexpected interference of private banks' directors in setting the interest rate -- 6 % for deposits and 9 % for lending -- and a much higher yield on savings certificates were the main reasons for the waning deposits.
- Banks' deposits grew at 9 % in December last year in contrast to 10.22 % a year earlier and 13 % in December 2016. The weighted average interest rate on deposit was 5.26 % in December last year, down from 5.30 % a month earlier. On the other hand, inflation stood at 5.35 % in December.
- The national savings tools offer interest rate in the range of 11.04 % to 11.76 %, hence no savers will park their money in banks for 5 to 6 % according to the executive director of the Policy Research Institute.

<https://www.thedailystar.net/business/news/declining-deposits-worry-banks-1700896>

GP, Robi to partner with Bank Asia on agent banking

- Top two mobile phone operators Grameenphone and Robi are set to enter into a partnership with Bank Asia on agent banking – a move that is expected to give huge boost to the new service and deepen financial inclusion.
- The operators are expected to roll out the service next week. As per plan, the Agent Banking operation will be run by software provided by the banks and the mobile operators will seek permission from the central bank to run it on mobile applications.
- Retailers and distributors of the operators will work as the representative of Bank Asia to provide banking service. The operators will ensure security and monitoring in accordance with the laws of the central bank and have to submit a copy of the certification to the BTRC.
- The operators will share revenues with the BTRC from its gross earnings from the agent banking service, like they do with the commission for telecommunication service. Mobile phone operators share 5.5 % of gross earnings with the commission and another 1 % goes to the social obligation fund.
- Robi will complete its preparation to launch the service next week at its 400 touch points, said a top executive of the mobile operator. GP, the leading operator, declined to comment. There are 3.0 million accounts under agent banking and deposits stand at BDT 300.00 billion. The service channeled BDT 50.00 billion in remittance into the country last year.

<https://www.thedailystar.net/business/news/declining-deposits-worry-banks-1700896>

Bangladesh Telecommunication Regulatory Commission (BTRC) mulls extending one or more

blocks of 016 series for Robi

- Bangladesh Telecommunication Regulatory Commission is thinking to allow mobile phone operator Robi Axiata Limited one or more blocks of 016 number series instead of issuing the entire series. If allowed, Robi would be able to continue issuing connections starting with prefix 016. The prefix was earlier used by Airtel before its merger with Robi in 2016.
- Under the merger conditions, the telecom regulator allowed Robi to issue connection starting with 016 prefix for two years that ended in October, 2018. Following the expiry of BTRC-approved timeframe, Robi requested the commission to maintain the commission's approval that allowed the mobile phone operator to use 016 number series along with its existing 018 prefix.
- Robi's around 34 million customers are using connections under 018 prefix along with another 13 million customers who are connected with 016 prefix. The subscriber base of the mobile operator is around 47 million.

<http://www.newagebd.net/article/64544/btrc-mulls-extending-one-or-more-blocks-of-016-series-for-rob>

JMI Group to execute LPG projects

- The JMI Group has forayed into the booming LPG business and now looks to grab a significant portion of the market share by utilising investments from foreign and local sources. The conglomerate has initiated an integrated LPG (liquefied petroleum gas) business and the JMI Industrial Gas Ltd. and its allied concerns will implement LPG projects in the country as part of it.
- MTB arranges syndicated term loan of BDT 3.80 billion to implement this project.
- State Minister praising the move of JMI said the country has a 3.0 million tonnes per year (Mtpa) LPG market, but current consumption is hovering around only 1.0 Mtpa.

<http://today.thefinancialexpress.com.bd/stock-corporate/jmi-group-to-execute-lpg-projects-1549908037>
<https://www.dhakatribune.com/business/2019/02/11/BDT380-crore-bank-loan-to-construct-lpg-plant-in-sitakunda>

Proposed Kishoreganj Economic Zone (KEZ) set to get licence

- The proposed Kishoreganj Economic Zone (KEZ), a venture of Nitol Niloy Group, is set to obtain licence from the authorities concerned. The zone would be established on 91.63 acres of land in Pakundia Upazilla, next to Bhairab-Kishoreganj highway.
- The zone will have all the required facilities such as water treatment plant, effluent treatment plant and fire extinguishing system. It will accommodate industrial facilities for manufacturing businesses like automobiles, steel, apparel, leather goods, agro processing, and Information Communication Technology (ICT), aimed at exporting products after meeting the local demand.
- The KEZ will create direct and indirect employment for around 25,000 people in five years. Some factories in the KEZ, comprised of 26 industrial plots, are expected to go for production by the end of this year.
- The zone - 170-km from Dhaka, 307-km from the Chittagong sea port and 40-km from Ashuganj river port - is connected with Gachihata Station of Bhairab-Kishoreganj railway link through its own line.

<http://today.thefinancialexpress.com.bd/trade-market/proposed-kez-set-to-get-licence-1549908320>

Government to review minimum wages for steel re-rolling mill workers

- The government has taken an initiative to review the minimum wages for the workers of country's steel re-rolling mills in accordance with the Bangladesh labour act.
- The minimum wages for the workers of the sector were last set in the year of 2011 with minimum monthly pay of BDT 4,600. As per the labour act, the minimum wages for a sector have to be reviewed after each five years.

<http://www.newagebd.net/article/64535/govt-to-review-minimum-wages-for-steel-re-rolling-mill-workers>

Bashundhara Paper installs new tissue machine

- The Bashundhara Paper Mills has set up a new European brand automated tissue machine using the IPO fund of BDT 2.0 billion which was raised by floating more than 26 million ordinary shares under the book-building method last year.

- The company earlier said the initial public offering (IPO) fund was being used for purchasing machinery worth about BDT 1.35 billion, repay bank loans of about BDT 600 million and bear the IPO expenses of about BDT 50 million.
- The machine will increase tissue manufacturing capacity by 30,000 MT per year and add diversities in the product portfolio. This new set-up is expected to bring about BDT 4.0 billion in revenue and BDT 360 million in profit after tax per year at optimum utilisation level.

<http://today.thefinancialexpress.com.bd/stock-corporate/bashundhara-paper-installs-new-tissue-machine-1549908065>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$52.83	+0.42	+0.80%
Crude Oil (Brent)*	\$62.03	+0.52	+0.85%
Gold Spot*	\$1,308.66	+0.54	+0.04%
DSEX	5733.91	-29.82	-0.52%
Dow Jones Industrial Average	25,053.11	-53.22	-0.21%
FTSE 100	7,129.11	+57.93	+0.82%
Nikkei 225	20,745.28	+412.11	+2.03%

Exchange Rates

USD 1 = BDT 83.71*
 GBP 1 = BDT 107.72*
 EUR 1 = BDT 94.47*
 INR 1 = BDT 1.18*

*Currencies and Commodities are taken from Bloomberg.

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