

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.

Central bank will print 1,200 million currencies and banknotes

- The Bangladesh Bank (BB) will print 1,200 million pieces of currencies and banknotes of various denominations in the next fiscal year (FY), 2018-19. The target is up by 5.44% from FY 2017-18. The revised target was 1138.05 million pieces for the outgoing fiscal year. According to BB officials, The banknotes are being printed to feed the growing demand throughout the next fiscal year.
- The Security Printing Corporation Bangladesh Ltd. (SPCBL) printed 1016.80 million currencies and banknotes as of May in FY 2017-18, according to the SPCBL data. On the other hand, the demand for chequebooks and other security products is up, according to Financial Institutions Division (FID).

<https://thefinancialexpress.com.bd/economy/bangladesh/central-bank-will-print-1200m-currencies-and-banknotes-1530251803>

Guideline on NPL write-off underway

- The central bank is set to make a new guideline on writing off non-performing loans (NPLs). The Bangladesh Bank (BB) is actively considering a new strategy in the matters of writing off NPLs by the banks. The NPL problem has been taxing the brains of the people at the BB and relevant others in the sector. The practice of loan write-off is basically contributing to a shortfall of funds in the banking sector.
- The Anti-Corruption Commission (ACC) recently sent a charter of recommendations to the BB on the issue of write-off of the NPLs. It laid emphasis on putting maximum efforts to collect the irrecoverable loans. According to sources, banks are required to provision in full the amount they write off anytime. However, banks may write off a defaulted loan below BDT 50,000 without suing a borrower.
- As per existing rules, the oldest of bad or classified loans should be considered first for writing-off, the BB document showed. In spite of writing off a loan, a borrower will continue to be identified as a defaulter. According to the BB data, a total of BDT 481.92 billion was written off from 2003 to 2017 in the banking sector.

<http://today.thefinancialexpress.com.bd/public/first-page/guideline-on-npl-write-off-underway-1530293568>

Bangladesh Bank eases rules on bank guarantee to foreign firms

- The central bank has relaxed regulations, allowing commercial banks to issue guarantee on behalf of foreign-controlled firms favoring the local authorities against counter-guarantee from foreign banks. One of the Bangladesh Bank officials said that the banks are also allowed to issue such guarantee in both local and foreign currencies without prior approval from the Bangladesh Bank (BB).
- He also said the central bank has relaxed the guidelines for foreign exchange transactions to facilitate the foreign firms' business activities in Bangladesh. Under the existing regulations, the ADs are permitted to issue guarantee, bid bond or performance bond in foreign currency or in local currency on behalf of non-resident company favouring residents in Bangladesh, provided they hold a back to back guarantee covering the guaranteed amount from an overseas correspondent or other overseas banks.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-bank-eases-rules-on-bank-guarantee-to-foreign-firms-1530246421>

<http://www.newagebd.net/article/44730/banks-can-give-guarantee-to-foreign-cos-sans-prior-nod>

Net sales of savings tools up in 11 months

- The net sale of state-run savings instruments increased by 2.0% during the last 11 months of fiscal year (FY) 2017-18 compared to the corresponding period of the previous fiscal. The net sale of savings schemes was worth BDT 478.61 billion in the July-May period of FY 2017-18, according to the Department of National Savings (DNS). In the 11 months of FY 2016-17, the net sale was worth BDT 469.69 billion.

<http://today.thefinancialexpress.com.bd/public/last-page/net-sales-of-savings-tools-up-in-11-months-1530208838>

Bangladesh Telecommunication Regulatory Commission (BTRC) mulls setting price range of internet

- After the imposition of cap on pay-per-use internet tariff, Bangladesh Telecommunication Regulatory Commission is

likely to set a range of internet price with a view to making internet more affordable to the users. Under the existing rules and regulation of the telecom regulator, mobile phone operators and the broadband user are not supposed to follow any such range in setting prices of internet package.

- As a result, internet service providers including the broadband and mobile phone operators can charge high rate of bandwidth or data from the subscribers. Meanwhile, BTRC has imposed cap over the pay-per-use internet with a view to giving mobile internet users respite from billing shock.

<http://www.newagebd.net/article/44912/btrc-mulls-setting-price-range-of-internet>

The Jatiya Sangsad (JS) passes BDT 4.64 trillion budget for FY19

- The Jatiya Sangsad (JS) today passed a BDT 4.64 trillion national budget for fiscal year 2018-19 setting the GDP growth target at 7.8% in a bid to further alleviate poverty, reduce inequalities and bring basic and qualitative changes in the living standards of the people. The prices of 10-stick low category cigarettes increased from BDT 32 to BDT 35 while that of high-category 10-stick cigarettes to BDT 105 from BDT 102.
- The size of the national budget for FY19 is BDT 4.64 trillion, or 16.07%, higher than the original budget size of BDT 4.0 trillion of the outgoing fiscal year (FY18), BSS reported.

<https://thefinancialexpress.com.bd/economy/bangladesh/js-passes-BDT-464-trillion-budget-for-fy19-1530176284>

Portfolio investment up 17.18%

- Transactions in foreign portfolio investment in Bangladesh stock market rose 17.18% in the outgoing fiscal year (FY) 2017-18 compared to previous FY. The net position in foreign portfolios marginally rose in the FY 2017-18, as the amount of the securities sold was greater than the amount of securities purchased during the period.
- In the FY 2017-18, the amount of transactions in foreign portfolios stood at above BDT 117.29 million, which was 7.37% of annual turnover observed on the premier bourse DSE. On the other hand, the amount of transactions in foreign portfolios was above BDT 100.09 billion in the FY 2016-17. As a result, in 2017-18 the foreign portfolio transactions rose 17.18% or above BDT 17.19 billion compared to that of the FY 2016-17.
- According to the DSE information, the foreign portfolio investors purchased securities worth above BDT 59.01 billion in the FY 2017-18. During same period, they sold securities worth above BDT 58.28 billion. As a result, the net position in foreign portfolios rose only 1.25% or above BDT 730 million in the FY 2017-18.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/portfolio-investment-up-1718-per-cent-1530210624>

Foreign funds fall further in Dhaka Stock Exchange (DSE)

- Net foreign investment in the Dhaka Stock Exchange fell to BDT 2.07 billion in the negative in June because of fears over political uncertainty in the run up to national election at the year-end. Foreign investors bought shares worth BDT 4.46 billion and sold securities worth BDT 6.53 billion, according to data from the premier bourse. The net foreign investment plummeted to BDT 2.83 billion in the negative in May and BDT 250 million in April.
- Fears of political uncertainty prompted foreign investors to go for sell-off, according to a merchant banker. He said the depreciation of the local currency against the USD also contributed to the sell-off by the foreign investors. Moreover, foreigners are concerned about the future of the economy as it had suffered during the parliamentary election in the past because of polls-related unrest.

<https://www.thedailystar.net/business/foreign-funds-fall-further-dse-1598041>

Nine companies, two Mutual Funds raise BDT 5.41 billion through IPOs

- Fund raising by companies through initial public offerings (IPOs) surged by 39% in the outgoing fiscal year (FY) compared to the previous fiscal. Nine companies and two mutual funds (MF) raised an aggregate amount of BDT 5.41 billion through IPOs in FY 2017-18, according to data available from the Dhaka Stock Exchange (DSE).
- In FY 2016-17, six companies and three mutual funds collected BDT 3.90 billion. Fund raising by companies through IPOs was slow in FY 2016-17 mainly due to the revised Public Issue Rules-2015. Three of the nine companies in the outgoing fiscal raised funds applying the book building method.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/nine-companies-two-mutual-funds-raise-BDT-541b-through-ipos-1530289676>

United Power to acquire two plants

- The board of directors of United Power Generation & Distribution Company has decided to acquire two power plants of the United Group. United Power will acquire majority shares (92.41%) at face value in the United Ashuganj Energy Ltd. (UAEL). United Ashuganj Energy is located at Ashuganj in Brahmanbaria having generation capacity of 195 MW power by natural gas.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/united-power-to-acquire-two-plants-1530210648>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$74.15	+0.70	+0.95%
Crude Oil (Brent)*	\$79.23	+1.62	+2.09%
Gold Spot*	1,252.60	+4.35	+0.35%
DSEX	5405.46	-23.58	-0.43%
Dow Jones Industrial Average	24,271.41	+55.36	+0.23%
FTSE 100	7,537.92	+21.30	+0.28%
Nikkei 225	22,304.51	+34.12	+0.15%

Exchange Rates

USD 1 = BDT 83.78*

GBP 1 = BDT 110.66*

EUR 1 = BDT 97.89*

INR 1 = BDT 1.22*

*Currencies and Commodities are taken from Bloomberg.

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