

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.

Jan-Feb point-to-point inflation on upswing

- The rate of inflation on a point-to-point basis maintained an upward trend during the last couple of months with a higher percentage posted in February. In February, the rate of inflation rose to 5.47% from 5.42% in the previous month.
- The upward trend of food inflation persisted in the last month and rose to 5.44% from 5.33% in the previous month. The non-food inflation, however, remained subdued at 5.51% in February compared to 5.57% in January last.

<http://today.thefinancialexpress.com.bd/first-page/jan-feb-point-to-point-inflation-on-upswing-1551807998>

<https://www.thedailystar.net/business/news/inflation-rises-slightly-feb-1711195>

<http://www.newagebd.net/article/66554/inflation-rises-for-2nd-month-stands-at-547pc-in-feb>

Imports up by 10%, trend may continue ahead of Ramadan

- Bangladesh's overall imports grew by nearly 10% in the first seven months of this fiscal year (FY), 2018-19, following higher imports of intermediate goods and fuel oils, officials said. The actual import in terms of settlement of letters of credit (LCs) rose to USD 32.60 billion during the July-January period of FY'19 from USD 29.65 billion in the same period of the previous fiscal, according to the central bank's latest data.
- The import of capital machinery or industrial equipment used for production, dropped by 6.28% to USD 2.90 billion during the July-January period of FY'19 from USD 3.09 billion, the BB data showed. Industrial raw material import also rose by 12.36% to USD 11.59 billion during the period under review from USD 10.31 billion in the same period of FY '18.

<http://today.thefinancialexpress.com.bd/first-page/imports-up-by-10pc-trend-may-continue-ahead-of-ramadan-1551808172>

Trade war a boon for Bangladesh: Asian Development Bank (ADB)

- Bangladesh's gross domestic product (GDP) will grow 0.19% more within the next one or two years if the US-China trade war escalates further, the Asian Development Bank's (ADB) chief economist said on Monday. Moreover, the country will be able to make exports of an additional USD 400 million, said the chief economist of ADB.
- Bangladesh will receive a lot of work orders, mainly shifted from China—the largest apparel supplier worldwide—because of the tariff war, the chief economist said. Four countries will mainly benefit from the shifting of work orders and foreign direct investment due to the trade war -- Vietnam, Cambodia, Thailand and Bangladesh, said the chief economist.

<https://www.thedailystar.net/business/news/trade-war-boon-bangladesh-ADB-1711198>

Economic zone in Narayanganj for Japanese investors, proposal okayed

- The Executive Committee of the National Economic Council (EcneC) today approved eight projects, including one to set up an economic zone in Narayanganj for Japanese investors spending BDT 25.82 billion which will be implemented by June 2023. Of the project cost, BDT 4.54 billion will come from the government fund, while the rest BDT 21.28 billion as project assistance from Japan through Japan International Cooperation Agency (JICA).
- The EcneC meeting cleared a total of eight projects involving the estimated cost of BDT 62.76 billion, said Planning Minister. Of the total cost, BDT 33.14 billion will be borne from the national exchequer, while BDT 29.62 billion as foreign assistance, he said adding that all the approved projects are fresh ones.
- The EcneC meeting also approved a project for constructing some 340 bridges over upazila, union and village roads under 61 districts in all the eight divisions at a cost of BDT 19.83 billion. The Local Government Engineering Department (LGED) will implement the project by June, 2023.

<https://www.thedailystar.net/business/economic-zone-in-narayanganj-japanese-investors-proposal-okayed-1710865>

<http://www.newagebd.net/article/66553/ecnec-approves-BDT-2582cr-project-to-set-up-japanese-economic-zone>

<https://www.dhakatribune.com/business/2019/03/05/ecnec-approves-economic-zone-in-narayanganj-for-japanese-investors>

Non-profits' part in economy growing

- The contribution of non-profit organizations to the national economy has been substantial in recent years as the sub-sector is growing rapidly. Such non-profits tend to provide services rather than produce goods and they still consume goods and services just as a private company does.
- Non-profits like religious bodies, political parties, non-governmental organizations and clubs now contribute nearly 1.0% of the USD 274-billion economy, showed the Bangladesh Bureau of Statistics (BBS). The BBS has been including the sub-sector as 'Non-Profit Institutions Serving Households (NPISHs)' of the service sector since fiscal year 1998.
- BBS officials said 361,672 non-profit organizations are in operation here and their contribution to GDP amounts to BDT 274 billion per year. As many as 30.08 million people are involved in non-profits-1.4 million are paid employees. Even 77.6% of the institutes are rural-focused. According to officials, the growth rate of the NPISHs remained double digits for a decade now.
- In neighboring India, the NPISHs are counted jointly with households whose contribution was above 10% to GDP in 2018. In the European Union, households and NPISHs comprise 13% of its USD 17.9 trillion GDP.

<http://today.thefinancialexpress.com.bd/first-page/non-profits-part-in-economy-growing-1551808116>

Bangladesh eyes USD 15 billion Saudi investment

- Bangladesh eyes investment worth around USD 15 billion from Saudi Arabian investors, as a high-profile delegation of the country is going to arrive in Dhaka today (Wednesday). Bangladesh has so far prepared 16 projects, involving around USD 15 billion, to place before the Saudi team.
- The proposed projects include Dhaka-Pyra Seaport high-speed train project, and Dhaka-Cox's Bazar high-speed train project. The Saudi entrepreneurs will also be offered to invest in LPG terminal and oil refinery projects here, to be implemented by Saudi energy giant Aramco.

<http://today.thefinancialexpress.com.bd/first-page/bd-eyes-15b-saudi-investment-1551807953>

Collect VAT from digital ads

- The government is taking serious measures to collect value-added tax (VAT) on payments for advertisements published or services taken from digital and social media platforms, for which local companies spend around BDT 11.00 billion a year. On Sunday, the Bangladesh Bank asked all banks to be strict on the payment procedure and deduct 15% VAT on overseas payments for online purchases and adverts on digital platforms.
- Most multinational companies, including mobile phone operators, fast-moving consumer goods companies, ride-sharing and e-commerce platforms and other digital service companies spend hugely on the adverts. The spending is increasing rapidly and some digital agencies have already sprung up to take care of this business segment. General Secretary of the e-Commerce Association of Bangladesh (e-CAB), said the move would increase the cost of doing business and create new challenges for its members as most of them are new.

<https://www.thedailystar.net/business/news/collect-vat-digital-ads-1711204>
<https://www.dhakatribune.com/business/2019/03/05/15-tax-imposed-on-social-media-ads>

Peoples Bank hits a snag

- The central bank has stalled the process to provide license to the proposed Peoples Bank following allegation of money laundering against its Chairman Abul Kashem. But Kashem has vowed to bounce back, saying that he will manage the Bangladesh Bank's license within the shortest possible time. The BB has forwarded the complaint to the Bangladesh Financial Intelligence Unit to scrutinize the issue in details
- As per a decision taken on February 17, the central bank yesterday gave the approval to two other proposed banks – Bengal Commercial and Citizen – and asked them to prepare to roll out banking services as per their boards' decision.

<https://www.thedailystar.net/business/news/peoples-bank-hits-snag-1711183>

Government seeks info on overall state-owned commercial banks' (SoCBs) loans, advances

- The government has sought specific information including overall loans and advances for the last three calendar years until 2018 from state-owned commercial banks (SoCBs). The banks have also been asked to provide detailed information on their financing status on capital machinery, intermediate goods, raw materials, stores and spares and statement of imports and importers from 2016 to 2018. Besides, these banks have been asked to provide the data on export bills, loans, incentives and revenues for the same period.

- The total amount of default loans with six SoCBs rose to BDT 486.96 billion in the Q4 of 2018 from BDT 373.26 billion a year before. The amount was BDT 480.80 billion in the Q3 of 2018. Officials of the banks and dishonest traders involved with mismanagement in the banking system and with illegal activities including illicit fund transfer would be identified through special audit.

<http://today.thefinancialexpress.com.bd/last-page/govt-seeks-info-on-overall-socbs-loans-advances-1551808357>

Bangladesh Securities and Exchange Commission (BSEC) approves 'alternative investment' draft rules

- The securities regulator has approved the Bangladesh Securities and Exchange Commission (Alternative Investment) draft Rules, 2016 after some amendment. The BSEC move will help promote venture financing and equity investment facilities for non-listed local firms, sources concerned said.

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-approves-alternative-investment-draft-rules-1551802455>

National Credit and Commerce Bank Limited (NCC Bank) to issue BDT 7.0 billion bond

- The board of directors of NCC Bank has decided, in principle, to issue non-convertible subordinated bond of BDT 7.0 billion, said an official disclosure on Tuesday. The bank will issue bond for raising fund to have regulatory capital support of the bank under Tier 2 category of BASEL III, according to the disclosure.

<http://today.thefinancialexpress.com.bd/stock-corporate/ncc-bank-to-issue-BDT-70b-bond-1551802733>
<https://www.thedailystar.net/business/news/ncc-issue-BDT-700cr-subordinated-bond-1711174>

BSEC okays AB Bank's BDT 5 billion subordinate bond

- The securities regulator on Tuesday also approved a fully redeemable non-convertible floating rate subordinated bond of BDT 5.0 billion in favour of AB Bank Limited. The purpose of the bond issue is to strengthen the capital base (Tier-2) of the bank. The tenure of the AB Bank bonds will be seven years. Per unit price of the bond will be BDT 10 million.

<http://today.thefinancialexpress.com.bd/stock-corporate/bsec-approves-alternative-investment-draft-rules-1551802455>
<http://www.newagebd.net/article/66558/bsec-okays-ab-banks-BDT-500cr-subordinate-bond>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$56.10	-0.46	-0.81%
Crude Oil (Brent)*	\$65.38	-0.48	-0.73%
Gold Spot*	\$1,287.16	-0.85	-0.07%
DSEX	5,687.49	+5.07	0.09%
Dow Jones Industrial Average	25,806.63	-13.02	-0.05%
FTSE 100	7,183.43	+49.04	+0.69%
Nikkei 225	21,595.07	-131.21	-0.60%

Exchange Rates

USD 1 = BDT 83.93*
 GBP 1 = BDT 110.24*
 EUR 1 = BDT 94.79*
 INR 1 = BDT 1.19*

*Currencies and Commodities are taken from Bloomberg.

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