

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.

Empower Bangladesh Bank (BB) to sack high-ups of state-owned banks (SoBs)

- The existing Banking Companies Act (BCA) should be reformed to empower the Bangladesh Bank (BB) with the authority of dismissing the chairmen and directors of the state-owned banks (SoBs), said BB former deputy governor. Such legal reforms can help the SoBs to lower their non-performing loan (NPL) ratio by making their high-ups more accountable.
- At present, the BCA empowers the central bank to dismiss the chairmen and directors of the private commercial banks (PCBs). But it is not currently applicable for the SoBs. But ultimately, both the SoBs and the PCBs are scheduled banks. Why should there be two different sets of rules for them? This is absolutely wrong, he added.
- Meanwhile, the NPL ratio of the SoBs is more than 20%, because the central bank has no supervisory power over them.

<http://today.thefinancialexpress.com.bd/first-page/empower-bb-to-sack-high-ups-of-sobs-1551894813>

Banks' liquidity shortage intensifying again

- Liquidity shortage in banks has intensified ahead of adjustment of their advance deposit ratio with the Bangladesh Bank-set rate amid a slow growth in deposits coupled with high volume of defaulted loans. Banks in recent times have increased borrowing money from the central bank to cope with the shortage while inter-bank loan transactions have also rose.
- Riding on higher demand for liquidity, call money rate increased to 4.29% on February 26 this year. The rate of call money was 2.77% in June last year.
- Banks borrowed BDT 134.75 billion from the central bank through repurchase agreement (REPO) in the period between July, 2018 and till March 5, 2019 while the entities borrowed BDT 5.72 billion in the entire 2017-2018 fiscal year. In the fiscal year of 2016-2017, banks' borrowing through REPO was BDT 1.15 billion.
- Association of Bankers, Bangladesh chairman said, liquidity had been going through a stressful situation and many of the banks were going for deposits at above 10% rate to get rid of the situation.

<http://www.newagebd.net/article/66651/banks-liquidity-shortage-intensifying-again>

Asian Clearing Union (ACU) payment pushes forex reserve down

- Bangladesh has made a routine payment of USD 1.15 billion to the Asian Clearing Union (ACU) against imports during the January-February period of this calendar year. After the payment, the foreign exchange (forex) reserve fell to USD 31.36 billion on Wednesday from USD 32.39 billion of the previous working day.
- The country will be able to settle around five months of import bills with the existing forex reserve now. The forex reserve maintained the level despite selling of the US currency to the banks continuously for settling import payment obligations.
- Since July 01 of the current fiscal year, the central bank has sold USD 1.70 billion to the commercial banks as part of its ongoing support.
- Meanwhile, the amount of ACU payment came down to USD 1.146 billion during the period under review from USD 1.148 billion earlier mainly due to lower imports from the ACU member countries, particularly from India.

<http://today.thefinancialexpress.com.bd/trade-market/acu-payment-pushes-forex-reserve-down-1551894330>

Bangladesh Bank (BB) asks Bangladesh Securities and Exchange Commission (BSEC) to ban BIFC share transfer by the founding chairman of Bangladesh Industrial Finance Company

- Bangladesh Bank has requested Bangladesh Securities and Exchange Commission to impose a ban on Bangladesh Industrial Finance Company founding chairman and people connected with him from transferring shares of the company.
- The BB move came following an Anti-Corruption Commission advice asking the central bank to impose the ban until

Bangladesh Industrial Finance Company founding chairman pays BDT 3.97 billion in outstanding loans (excluding interest) to BIFC, a company listed with Dhaka Stock Exchange.

- Although Bangladesh Industrial Finance Company founding chairman promised to return the rest BDT 3.97 billion, which excludes interest, he is yet to pay back the money. Therefore, ACC feels the necessity of imposing ban on BIFC share transfer by Mannan and people close to and connected with him.

<http://www.newagebd.net/article/66660/bb-asks-bsec-to-ban-bifc-share-transfer-by-mannan>

Dhaka upbeat on Saudi investment deals

- Bangladesh expects to get billions of dollars of investments from Saudi Arabia in energy, aviation and healthcare sectors as both sides open talks. The 34-member delegation led by two Saudi ministers will spend the day in the capital when investment deals and memorandums of understanding (MoUs) are expected to be signed.
- It is expected to receive an estimated investment of USD 15-20 billion from the Gulf country. The delegation is likely to ink deals, sign MoUs and discuss at least 16 projects of various government ministries and state-owned enterprises.
- Around 4,000 skilled medical technologists affiliated with the institutions will be recruited in Saudi and other Middle Eastern countries every year.

<http://today.thefinancialexpress.com.bd/first-page/dhaka-upbeat-on-saudi-investment-deals-1551895110>

National Board of Revenue (NBR) looks to net in 0.7 million new taxpayers this FY

- The National Board of Revenue (NBR) has set a target to find out a total of 0.7 million new taxpayers in the current fiscal year (FY), 2018-19, from the owners of house properties, businesses and salaried persons. The NBR's Income Tax Wing will conduct a door-to-door survey on the basis of holding numbers and other information, collected from the two city corporations.
- The NBR's Tax Survey and Inspection Wing has found around 230,000 holdings under the Dhaka South City Corporation and 162,000 holdings under the Dhaka North City Corporation. The wing has also found at least 1.3 million businesses across the country, which are also eligible to pay tax.
- Until January of the current FY, the NBR has netted some 250,000 new taxpayers. The taxmen will be able to find out 450,000 more taxpayers afresh following the increased efforts, officials said.

<http://today.thefinancialexpress.com.bd/first-page/nbr-looks-to-net-in-07m-new-taxpayers-this-fy-1551895050>
<http://www.newagebd.net/article/66655/nbr-eyes-7-lakh-new-taxpayers-thru-door-to-door-survey>

ECNEC okays DSCC's USD 106 million-cost project

- The Dhaka South City Corporation (DSCC) will launch a project soon to improve neighbourhoods in some parts of the capital, including Old Dhaka, which has been gripped with various problems, including lack of open space and recreation facilities
- The Executive Committee of the National Economic Council (ECNEC) approved the Dhaka Urban Upgrading Project, taken in this regard at a cost of USD 106 million. Under the project, different neighbourhood facilities will be improved in areas like Kamrangir Char, Lalbag, Sutrapur, Nayabazar, Gulistan, Khilgaon, Mugda and Bashabo.
- These facilities include development and upgradation of multipurpose community centres, roads, streets, sidewalks, drainage, parks, open spaces, waterfronts, playgrounds, plazas, squares, green areas and markets.
- The World Bank (WB) has assured the government of providing USD 100 million for the project, and the WB board is expected to approve the fund in its next meeting.

<http://today.thefinancialexpress.com.bd/last-page/ecnec-okays-dscs-106m-cost-project-1551895627>

International firm to survey site of land-based LNG terminal

- Petrobangla would carry out multiple surveys, including metocean, offshore geotechnical and bathymetry, by a global firm on the proposed site of a land-based LNG import terminal at Matarbari. The firm would be appointed soon to conduct surveys to successfully implement the country's first land-based LNG terminal.
- For the facility, a project developer to be selected through a competitive bidding would use the surveyed data while building the terminal before June 2023. The US-based Excelerate Energy, the owner of the lone operational offshore LNG terminal at Moheshkhali in the Bay of Bengal, did the surveys of its own before building the facility.

- The official said the government would build a 15-kilometre channel at Matarbari to build a proposed deep-sea port there to ensure loading and unloading of goods efficiently. The main navigational channel would be 350 metres wide and 18 metres deep.

<http://today.thefinancialexpress.com.bd/last-page/intl-firm-to-survey-site-of-land-based-Ing-terminal-1551895573>

Dragged down by directors

- The burden of a dead mobile operator, widespread loan fraudulence, mismanagement and influence of a sponsor director were what dragged the once sound AB Bank into the reds. It was the first private bank in the country making good profits. In fact, AB Bank topped the listed banks in the stock market in terms of earning in 2009.
- But the bank suffered a free-fall in 2017 when its profits dried up to an extent that it failed to announce dividend for its shareholders and crash-landed from category A to Z -- a category for poorly performing companies. Its share price dropped 56% in the last two years, coming down close to face value at BDT 10.
- The year 2018 was no different, as the bank could not close its account even in January this year. All the financial indicators such as liquidity, loan deposit-ratio and non-performing loan were blinking red. At the core of its trouble stood two things -- BDT 3.50 billion loan guarantee given to a telecom company, Citycell, and around BDT 5.00 billion illegally siphoned abroad by two directors of the bank between 2008 and 2014.
- Faced with liquidity crisis and rise in non-performing loan that stood at 7.2% in December last year from 4.47 in December 2016, AB Bank management seemed to have learned nothing from their past mistakes.

<https://www.thedailystar.net/frontpage/ab-bank-dragged-down-directors-1711525>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$56.39	+0.17	+0.30%
Crude Oil (Brent)*	\$66.32	+0.33	+0.50%
Gold Spot*	\$1,287.25	+0.89	+0.07%
DSEX	5686.38	-1.10	-0.02%
Dow Jones Industrial Average	25,673.46	-133.17	-0.52%
FTSE 100	7,196.00	+12.57	+0.17%
Nikkei 225	21,440.50	-156.31	-0.72%

Exchange Rates

USD 1 = BDT 84.00*
 GBP 1 = BDT 110.73*
 EUR 1 = BDT 94.98*
 INR 1 = BDT 1.20*

*Currencies and Commodities are taken from Bloomberg.

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