

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.

Centre for Policy Dialogue (CPD) warns of debt-servicing trouble

- A think-tank on Wednesday warned that Bangladesh would face debt-servicing problem unless it proceeded with caution while securing foreign loans. A distinguished fellow at the CPD said the foreign loan to Bangladesh has been increasing in recent times, thanks to the country's latest status of a lower-middle income country. About 37% foreign funding is required for the annual development programme, he said, underlining the need for mobilizing domestic resources.
- Potential mis-invoicing and other illicit outflows for Bangladesh, as percentage of total trade with advanced economies have been estimated to be more than 7.0%, CPD's senior research fellow said. The UNCTAD report said that illicit financial flow from Bangladesh as of 2015 was equivalent to 36% of its tax revenue, which is equivalent to the average of all LDCs. He said Bangladesh's tax-GDP ratio is significantly lower than that of LDC average. The money laundered in 2015 was 36% of our total tax collected during that period, according to the report. Tax buoyancy and tax efforts are also very low compared to other LDC countries, the report noted.

<https://today.thefinancialexpress.com.bd/first-page/cpd-warns-of-debt-servicing-trouble-1574272627>
<http://www.newagebd.net/article/91227/bangladesh-exposure-to-capital-flight-very-high-unctad-report>
<https://www.dhakatribune.com/bangladesh/dhaka/2019/11/20/lcd-report-2019-illicit-money-transfer-from-bangladesh-36-of-total-revenue>

Information and Communication Technology (ICT) sector set to fetch USD 5.0 billion in export earnings by 2025

- The country's computer and information communication technology (ICT) sector is poised to fetch USD 5.0 billion in export earnings by the year 2025 buoyed by competitiveness and growing number of ICT-skilled youth, industry insiders said. Experts said that the recent move to remove complications over the disbursement of the cash incentive for the ICT and computer sector will also boost the exports.
- In the last fiscal, the export touched USD 1.0 billion-mark, showing a 66% growth over the last two years. The USD 1.0 billion industry, comprising ICT and IT enabled services, has seen higher compound annual growth than India and Vietnam in the last couple of years.
- Industry people said that the non-resident Bangladeshi entrepreneurs and the start-ups would be encouraged to invest in Bangladesh targeting the global ICT market to get the benefit of the 10% export subsidy. According to Tholons, a global research organization, IT education cost is around 35% less in Bangladesh than India and Philippines. Apart from this, there are over 650,000 IT free-lancers in the country which is the highest in the world.

<https://today.thefinancialexpress.com.bd/trade-market/ict-sector-set-to-fetch-50b-in-export-earnings-by-2025-1574271225>

World Economic Forum (WEF): Bangladesh slips two notches in global competitiveness

- Bangladesh ranked 105th out of 141 countries in the Global Competitiveness Report 2019 published by the World Economic Forum (WEF) on Tuesday, down by two notches from the previous year ranking as competitiveness weakened in most of the indicators. It ranked 103rd in 2018 and 102nd in 2017. Bangladesh's score this year is similar to last year, 52.1.
- The report also included that the garment trade that began in Bangladesh in the 1970s is now a USD 30 billion industry. But the economy is diversifying. The services sector – including microfinance and computing – makes up 53% of the country's GDP. The success of the IT industry is central to the digital transformation and ongoing economic growth of Bangladesh. It exports nearly USD 1 billion of technology products every year – a figure that the government expects to increase to USD 5 billion by 2021. The country also has 600,000 IT freelancers.

<https://www.dhakatribune.com/business/2019/11/20/wef-bangladesh-slips-two-notches-in-global-competitiveness>

Bangladesh Bank clears up confusion over remittance incentive

- Remittance receivers will not need to provide documents to collect cash incentive against inflows of the euro, the pound sterling and other currencies along with US dollars equivalent to USD 1,500, or BDT 150,000, the central bank said yesterday. In June, the government introduced 2% cash subsidy for remitters to encourage them to send money home through legal channels. The initial central bank circular did not mention any other currencies other than the US dollar, creating a confusion among remitters and recipients. Yesterday's notice also extended the timeframe to 15

working days from the existing five days to submit documents for the amount that goes past USD 1,500, or BDT 150,000, in euros, pound sterling and other foreign currencies.

- In the budget for fiscal 2019-20, the government introduced 2% cash subsidy for remitters to encourage them to send money home through legal channels. This has given a boost to the remittance inflow, a Bangladesh Bank official said. Remittances reached USD 16.4 billion in FY19, a new historic height in nominal terms. Migrant workers sent home USD 1.63 billion in October, the second largest inflow in a single month.

<https://www.thedailystar.net/business/news/bb-clears-confusion-over-remittance-incentive-1829953>
<https://today.thefinancialexpress.com.bd/last-page/conversion-of-local-currency-allowed-1574273127>

Government willing to fully own Sanofi's Bangladesh operations

- After local businesses, the government is now willing to buy the French drug maker Sanofi, which decided to leave Bangladesh after 60 years of its operations, officials said. Of the government shares, the ministry of industries owns 25.40% while the state-owned Bangladesh Chemical Industries Corporation, or BCIC, holds 19.96%. To discuss the departure process, a five-member Sanofi team called on the government shareholders who made the offer of buying 54.64% stake in the multinational company. Officials at the ministry and the BCIC said four to five local business groups have already shown interest to buy Sanofi's shares soon after the report on the company's exit decision was published in the Financial Express on September 14, 2019.

<https://today.thefinancialexpress.com.bd/first-page/govt-willing-to-fully-own-sanofis-bd-operations-1574272821>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$57.11	+1.90	+3.44%
Crude Oil (Brent)*	\$62.22	-0.18	-0.29%
Gold Spot*	\$1,472.56	+0.95	+0.06%
DSEX	4,691.94	-30.44	-0.64%
Dow Jones Industrial Average	27,821.09	-112.93	-0.40%
FTSE 100	7,262.49	-61.31	-0.84%
Nikkei 225	22,872.03	-276.54	-1.19%
BSE SENSEX	40,669.53	+17.89	+0.04%

Exchange Rates

USD 1 = BDT 84.68*
GBP 1 = BDT 109.49*
EUR 1 = BDT 93.81*
INR 1 = BDT 1.18*

*Currencies are taken from XE Currency Converter and Commodities are taken from Bloomberg.

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