

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.

The International Monetary Fund (IMF) projects 7.8% growth

- The International Monetary Fund (IMF) has forecasted a 7.8% economic growth for Bangladesh in 2019. The IMF also projected that the gross domestic product (GDP) growth of Bangladesh will be slower, at the rate of 7.4% and 7.3% in 2020 and 2024 respectively. Bangladesh estimates annual GDP growth on the basis of its financial year (July-June). The Washington-based global monetary watchdog, however, projects the GDP growth on calendar year basis.
- The world economy is projected to grow at 3.0% in 2019 - a significant drop from 2017-18 for emerging markets and developing economies as well as advanced economies - before recovering to 3.4% in 2020. However, a slightly higher growth rate is projected for 2021-24. This global growth pattern reflects a major downturn and projected recovery in a group of emerging market economies, it added.

<http://today.thefinancialexpress.com.bd/first-page/imf-projects-78pc-growth-1571164058>
<http://www.newagebd.net/article/87774/imf-projects-gdp-growth-to-drop-to-74pc>

Inflation hits 9-month high

- Inflation edged up five basis points to 5.54% in September, the highest in nine months, driven mainly by spiraling prices of food and non-food items. Food and non-food inflation drove up the overall inflation in the month. Food inflation rose by three basis points to 5.30% from 5.27% a month ago, while non-food surged 10 basis points to 5.92% from 5.82%.
- In September, the prices of onion, ginger, dried chili, vegetables, fish, and broiler chicken went up compared to a month ago, the BBS said in an analysis. Onion prices saw the sharpest increase in the food basket. In the non-food sub-sector, the cost of health treatment and the price of educational items rose last month, according to BBS data. The data showed urban inflation went up to 5.41% from 5.34%, driven largely by the increase in the non-food inflation, which rose 17 basis points in a month to 5.42% in September. General inflation in urban areas rose to 5.80%, up five basis points from August. Both food and non-food inflation went up in urban areas.
- The government has targeted a 5.5% inflation rate in the current fiscal year. It was able to contain it at 5.48% last fiscal year, comfortably below the target of 5.6%.

<https://www.thedailystar.net/business/news/inflation-hits-9-month-high-1814359>
<http://today.thefinancialexpress.com.bd/first-page/inflation-rate-up-in-sept-1571163961>

Foreign Direct Investment (FDI) jumps 50.71% to USD 3.89 billion in FY'19

- The net inflow of foreign direct investment (FDI) in Bangladesh increased by 50.71% in the last fiscal year (FY'19), according to the latest statistics released by the central bank on Tuesday. It showed that net FDI stood at USD 3.89 billion in FY'19 from USD 2.58 billion in FY'18. Robust inflow of FDI helped ease some pressure on the country's balance of payments (BoP) in the past fiscal year.
- Nevertheless, the inflow of FDI was still well below the projection made in the Seventh Five-Year Plan (7th FYP). The 7th FYP projected that net inflow of FDI would be USD 7.44 billion in FY'19.

<http://today.thefinancialexpress.com.bd/last-page/fdi-jumps-5071pc-to-389b-in-fy19-1571164258>

The Annual Development Programme (ADP) execution drops in Q1

- The Annual Development Programme (ADP) implementation rate fallen to 8.06% in the first quarter (Q1) of the current fiscal year (FY) 2019-20. During the same period (July-September) of FY 2018-19, different ministries and agencies executed 8.25% of ADP. According to Implementation Monitoring and Evaluation Division (IMED), project executors spent only BDT 173.44 billion, 8.06% of the total BDT 2.15-trillion ADP in Q1 of FY '20. But the implementers spent BDT 149.27 billion or 8.25% of the BDT 1.80-trillion ADP during the same period of last fiscal.
- The government has framed a BDT 2.15-trillion ADP for the current fiscal. Of the total outlay, it has allocated BDT 1.31 trillion from internal resources in ADP and BDT 718 billion funds from external resources in project aid.

<http://today.thefinancialexpress.com.bd/last-page/adp-execution-drops-in-q1-1571164322>
<http://www.newagebd.net/article/87776/adp-spending-in-july-sept-lowest-in-4yrs>

BTRC seeks ministry nod to appoint administrators at GP, Robi

• The telecom regulator is keen to appoint separate administrators at mobile operators Grameenphone and Robi as the companies failed to pay BDT 134.46 billion in government audit claims. Bangladesh Telecommunication Regulatory Commission (BTRC) on Tuesday sent letters to the Ministry of Posts and Telecommunications seeking permission to appoint administrators for overseeing the operation of the two companies, a top Commission official told Dhaka Tribune.

<https://www.dhakatribune.com/business/2019/10/15/btrc-seeks-ministry-nod-to-appoint-administrators-at-gp-robi>

GPH Ispat to launch new factory by November

• GPH Ispat Limited is set to launch its new plant, comprising of state of the art machinery, by next month to produce high quality steel products. The new plant will help the company to increase its production capacity to around 1.0 million tonnes annually from 0.15 million tonnes as well as to create new employment. The plant will use Quantum Electric Arc Furnace (EAF) technology that will also substantially reduce negative impact on environment. After a Mexican company, GPH Group is adopting the technology as the second one in the world.

<http://today.thefinancialexpress.com.bd/stock-corporate/gph-ispate-to-launch-new-factory-by-nov-1571161031>

Electrical products' market growing fast

• The domestic market of electrical products and wiring solutions is growing fast thanks to the rapid urbanisation, increased availability of electricity and rising purchasing power of the general mass. Such products now have a market of BDT 50 billion, which was hardly around BDT 15 billion in 2010, said the Director for Marketing of Pran-RFL Group, the owning entity of a major market player RFL Electronics.

• The Head of Marketing at Bangladesh Lamps Ltd, thinks increasing power generation and massive electrification in rural areas have played the vital role for the market to grow in the last 10 years.

• On May 29, Bangladesh produced 12,893 megawatts of electricity, the highest ever and a straight fourfold increase from what it was in fiscal 2009-10, according to the power division. The government data says a staggering 93% people now have access to power and the number of beneficiaries has doubled within a decade.

• Manufacturers of branded products cater for 50% of the local demand while the non-branded local and imported goods meet the rest, Head of Marketing at Bangladesh Lamps Ltd. said.

• Other noted manufacturers of electrical products are Super Star Group, MEP Group and ACI.

<https://www.thedailystar.net/business/news/electrical-products-market-growing-fast-1814353>

Jobs abroad in decline

• Bangladesh continues to witness decline in overseas jobs over the last two years amid unabated malpractices in recruitment process, falling demand in the Gulf countries and an absence of effective steps to explore new markets. More than 1 million Bangladeshis secured jobs overseas in 2017 but that came down to 7,34,181 last year, according to the Bureau of Manpower Employment and Training. In the first eight months this year, the number of jobs Bangladeshis got were 4,17,084. The projected number of jobs by the yearend is 6,25,620. Labour migration experts and recruiting businesses fear this trend will affect the inflow of remittance, create pressure on local job market and the economy.

<https://www.thedailystar.net/frontpage/news/jobs-abroad-decline-1814272>

Sanofi to leave Bangladesh, confirms Managing Director

• Sanofi is now packing its bags to leave Bangladesh for strategic reasons, said the managing director of its local operations, bringing an end to weeks of speculation and denial. It may take 12 to 18 months from the moment Sanofi starts the process of selling its stakes to a buyer, Managing Director of Sanofi's Bangladesh operations, told a group of journalists yesterday.

• But, the French drug-maker is yet to find any takers for its stakes in the venture, where state-run Bangladesh Chemical Industries Corporation (BCIC) holds 45.36% stakes.

<https://www.thedailystar.net/business/news/sanofi-leave-bangladesh-confirms-md-1814365>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$53.23	-0.36	-0.67%
Crude Oil (Brent)*	\$58.92	-0.43	-0.72%
Gold Spot*	\$1,495.02	+1.81	+0.12%
DSEX	4,711.31	-50.57	-1.06%
Dow Jones Industrial Average	26,787.36	-29.23	-0.11%
FTSE 100	7,213.45	-33.63	-0.46%
Nikkei 225	22,174.45	+375.58	+1.72%
BSE SENSEX	38,316.49	+102.02	+0.27%

Exchange Rates**USD 1 = BDT 84.72*****GBP 1 = BDT 106.91*****EUR 1 = BDT 93.45*****INR 1 = BDT 1.19***

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

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