

*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.*

### **Easy money may pose a threat to price stability**

- Extraordinary easy financing' conditions may pose 'upside risks' in the case of price stability in the upcoming quarters, the Bangladesh Bank (BB) report for the last quarter (Q4) of the immediate past financial year (FY), released on Tuesday, said. The central bank in its quarterly publication noted that active vigilance and policy tuning are required for making a balance between growth recovery and price stability. The quarterly said economic activities were shattered heavily, in the final quarter of the FY2019-20 due to an unprecedented lockdown clamped to contain the Covid-19 pandemic. The industry and service sectors were affected most, it said.
- During this period (April-June 2020), industrial production dropped significantly, driven mostly by a precipitous fall in manufacturing output. The service sector activities were stalled by the partial and often complete shutdown of transportation, trade, and hospitality industries, the quarterly noted. Nonetheless, the preliminary estimations by the Bangladesh Bureau of Statistics (BBS) suggested that real GDP growth dropped to 5.24% in FY 20 from 8.15% in FY 19.
- The BB report said although food inflation witnessed a notable rise in Q4, non-food inflation remained moderate because of subdued demand of elastic items. Accordingly, 12-month average inflation rose to 5.65% in FY 20, whereas the target was 5.50%. In the quarter, the government's borrowings from the banking system increased following a slide in revenues, caused by economic fallout of the pandemic. It was accompanied by an uptick in net foreign asset that led to a broad money (M2) growth of 12.64%, close to the target for FY 20.

<https://today.thefinancialexpress.com.bd/first-page/easy-money-may-pose-a-threat-to-price-stability-1600796055>

### **Chinese loan deals for four projects hopefully this year**

- With development projects losing steam for the ongoing pandemic and several months of shutdown, the Economic Relations Division (ERD) hopes to get four back on track by getting loan agreements signed with China this fiscal year. Sources at the ERD said talks were underway for availing USD 2.4 billion in loan for the four, including one on constructing an elevated expressway connecting Dhaka and Ashulia.
- The four are among 27 projects for which China assured providing a loan of USD 20 billion as per a memorandum of understanding styled "Strengthening and Production Capacity Cooperation" signed during the Chinese President's visit to Dhaka in October 2016. Till date, the deal has been sealed for seven of them involving a loan of USD 6.65 billion, of which USD 1.54 billion has been disbursed.

<https://www.thedailystar.net/business/news/chinese-loan-deals-four-projects-hopefully-year-1965957>

### **Independent Directors in many companies not playing due role: Bangladesh Securities and Exchange Commission (BSEC)**

- The chairman of Bangladesh Securities and Exchange Commission (BSEC) on Monday said the appointments of Independent Directors in many companies in Bangladesh are made just from relatives, friends and they are not playing their due role. They are working to improve it by reviewing the codes of UK, Japan and US context. They also need to redefine the independence of Independent Directors and their qualifications. Every Director should be individually and jointly responsible for the overall activities of the board. BSEC is deeply committed and looking forward to educating and training Independent Directors, the BSEC Commissioner added.

<https://today.thefinancialexpress.com.bd/stock-corporate/independent-directors-in-many-cos-not-playing-due-role-bsec-1600790691>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	\$39.60	(\$22.03)	-35.75%
Crude Oil (Brent)*	\$41.34	(\$27.10)	-39.60%
Gold Spot*	\$1,900.56	\$379.09	24.92%
DSEX	4,970.11	517.18	11.61%
S&P 500	3,315.57	84.79	2.62%
FTSE 100	5,829.46	(1,757.59)	-23.17%
BSE SENSEX	37,734.08	(3,908.06)	-9.38%
KSE-100	41,828.91	1,093.83	2.69%
CSEALL	5,780.94	(348.27)	-5.68%

**Exchange Rates**

**USD 1 = BDT 84.89\***

**GBP 1 = BDT 108.00\***

**EUR 1 = BDT 99.16\***

**INR 1 = BDT 1.15\***

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

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