

News Blaze of the Week:

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Research & Development Unit

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As a part of world pandemic Bangladesh is also passing through the COVID-19 pandemic. This disease caused by severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2). The virus was confirmed to have spread to Bangladesh in March 2020. The first three known cases were reported on 8 March 2020 by the country's epidemiology institute, IEDCR. Infections remained low until the end of March but saw a steep rise in April. In the week ending on 11 April, new cases in Bangladesh grew by 1,155 percent, the highest in Asia. As of 14 June 2020, there have been a total of 87,520 confirmed cases in the country, with 18,730 recoveries and 1,171 deaths.

In response to COVID-19 government has declared general special leave from 26 March to 25 April, 2020. This leave affected some of the most vulnerable groups directly. At the same time other business also started suffering from this situation. It is expected that broader socio-economic impacts will continue to be felt for several months. These impacts will also disproportionately affect the most vulnerable groups.

Considering the situation, the Government of Bangladesh has mobilized significant resources to support communities impacted. Different organizations and People are also coming forward for helping the sufferer. For business community this is the time to come up with new business ideas, new product and supportive manpower plan.

We know that crisis will come and crisis will go away, but they will leave the act of people, the role of reach and famous people. For building a safe and better future every single person need to work hand in hand.

Hope in this crucial time our effort for publishing the weekly under the title "**News Blaze of the Week**" will help you in decision making and save your precious time. May Almighty Allah Bless us with his Marcy and forgiveness.

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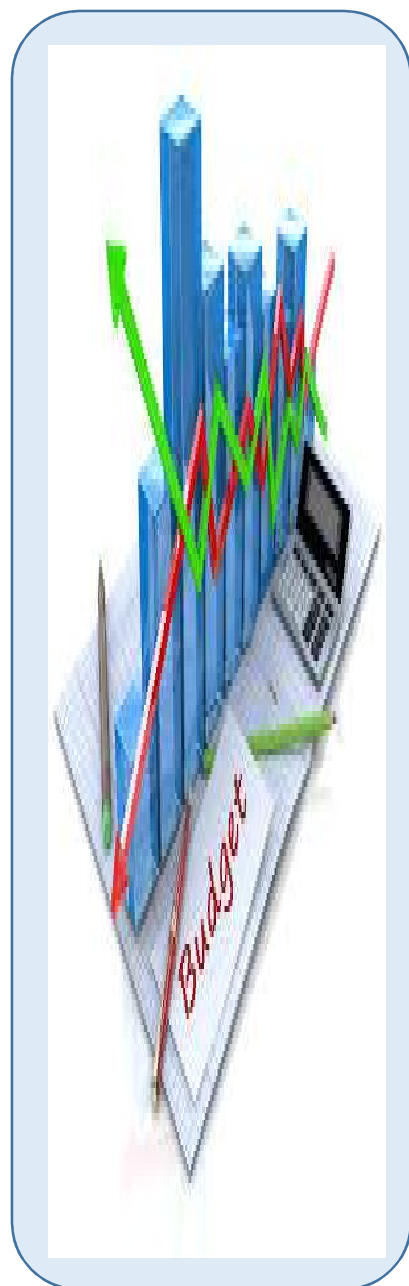


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Budget Financial Year 21



Finance Minister AHM Mustafa Kamal has tabled a national budget of Tk. 568,000 crore for the FY2020-21, the biggest in Bangladesh's history. Some highlights are presented here.

Deficit will be 6% of GDP

The government has forecast that the overall FY2020-21 budget deficit will be Tk. 190,000 crore, which is 6% of the GDP.

Govt. sets ambitious 8.2% GDP growth target for FY21

Amid uncertainty and bleak future of a global economic recovery, Bangladesh government has set a target of 8.2% gross domestic product (GDP) growth for FY20-21.

Health sector to get Tk. 29,247 crore for overhaul

Finance Minister AHM Mustafa Kamal has announced a total of Tk. 29,247 crore for overhaul of the health sector, which has been battered by the Covid-19 pandemic, in the budget for the 2020-21 fiscal year.

60% hike in excise duty proposed for bank accounts with over Tk. 5crore

The government has proposed to hike excise duty on bank accounts with significant balances in an attempt to increase revenue collection for the next fiscal year, as well as pave the way for recovery of economy battered by the Covid-19 pandemic.

Govt. takes Tk. 3,198 crore farm mechanization project to support farmers.

Agriculture second highest priority in budget, says finance minister.

Tax-free income ceiling for individuals raised to Tk. 3 lakh

Finance Minister AHM Mustafa Kamal has proposed to raise the ceiling for tax-free income threshold to Tk. 3 lakh from the existing ceiling of Tk. 2.5lakh - the first time in five years.

Govt. targets Tk. 378,000 crore in revenues

Of the amount, the NBR has been tasked to realize a revenue collection target of Tk. 330,000 crore.

Second highest allocation proposed for transport, communications

Including the operational cost – Tk. 10,342 crore – the sector has been tipped to be allocated Tk. 64,580 crore.

Mobile phone use likely to become costlier

Mobile phone use is likely to become costlier in the 2020-21 fiscal year, as the government has proposed a 5% hike in the supplementary duty (SD) on mobile phone services - voice and data – in the proposed budget.

Cigarettes to become costlier

Finance Minister Kamal proposed increasing supplementary duty in a bid to reduce the consumption of tobacco products and maximize revenue collection from this sector.

No initiative for Rohingya rehabilitation

The finance minister reiterated that Bangladesh would maintain this gesture of humanitarian response in the coming fiscal year too.

Expert Source: Increase budget for migrant workers' welfare in FY21

Over 10.2 million Bangladeshi migrant workers work in 174 countries across the world.

Tk. 66,401 crore budget proposed for education sector

The government has proposed a budget of Tk. 66,401 crore for the education sector in the next fiscal year, up from a budget of Tk. 61,114 crore in the outgoing 2019-20 fiscal year.

Social safety net programs to get 16.83% of total budget

The government has proposed an allocation of Tk. 95,574 crore for the social safety net programs for the 2020-21 fiscal year in its fight against poverty and coronavirus-related issues.

Wage, infrastructure, machinery major expenses in health budget

More than one-third of the total health budget will be allocated for paying wages while paying for infrastructure and machinery or equipment will also make a huge dent in it.

Fund cuts in mega projects due to Covid-19 pandemic

The government has cut allocation in the mega projects at a time when those are already supposed to miss the deadline due to the Covid-19 pandemic.

Power, energy sector receives Tk. 26,758 crore

The power and energy sector of Bangladesh is set to receive an allocation of Tk. 26,758 crore in the proposed national budget for the 2020-21 fiscal year.

Source tax for RMG increases to 0.5% for FY21

Tax at source for Bangladesh's apparel sector, the \$34 billion industry, increased to 0.5% from 0.25% for FY2020-21.

RMG sector to enjoy 12% corporate tax for two more years

The \$34 billion apparel sector of Bangladesh will continue to enjoy reduced corporate tax rate at 12% for the 2020-21 fiscal year, in a bid to help fight the Covid-19 impact.

50% penalty for money laundering

The government has proposed to impose a fresh 50% tax to check trade-based money laundering and tax evasion through fake and inflated investment.

11.23% of budget to go on interest payments

The government has to spend Tk. 63,801 crore in interest payments, which is 11.23% of the proposed national budget for the 2020-21 fiscal year.

Military spending increases by Tk. 2,327 crore

The chunk of defence budget for the FY2020-21 has been increased by Tk. 2,327 crore than that of the outgoing fiscal year.

Food Ministry allocated Tk. 19,264 crore

The new allocation is nearly Tk. 3,000 crore more than that in the outgoing fiscal year.

AIT increased for cars, SUVs

Finance Minister Kamal has proposed to raise the advance income tax (AIT) for private cars and sport utility vehicles (SUVs) for the incoming FY2020-21

Local cosmetics to become costlier

The supplementary duty on local cosmetics will be increased to 10% from 5%.

Tk1,478.93 crore proposed for development of youth and sports

Kamal said the government is playing an important role in the development of sports and culture for the youth of Bangladesh

Tk1,585 crore for law and justice sector, Tk222 crore for SC

In the previous fiscal year, Tk1,196 crore was allocated for the law and justice sector and Tk195 crore for the Supreme Court.

Government Recent Initiatives

Chinese investment: Government picks 17 'priority' projects

- The government has selected a total of 17 development projects worth US\$11.5 billion as priority ones for Chinese investment.
- The list includes three projects belonging to the power division -- Power grid strengthening project worth US\$970 million, replacement of overloaded transformers for providing reliable electricity at a cost of US\$230.59 million and system loss reduction project worth US\$467.95 million.
- Bangladesh Railway (BR) has four projects on the list which are: Joydevpur-Ishwardi double line project at a cost of US\$1045.59 million, conversion of Akhaura-Sylhet metre gauge line to double gauge line at a cost of US\$1272.9 million, construction of Joydevpur-Mymensingh-Jamalpur double gauge line worth US\$581.26 million and construction of new inland container depot near Dhirasram Railway Station at a cost of US\$200 million.
- The list contains two projects from the road transport division. They are: Construction of Dhaka-Ashulia expressway at a cost of US\$1155.18 million and Sitakunda-Cox's Bazar marine drive expressway project worth US\$ 2856.56 million.
- Two projects of the ICT ministry have also been put there on the priority list. These are: Establishing digital connectivity at a cost of US\$837 million and modernisation of rural and urban lives through ICT worth US\$500 million.
- The local government ministry has two projects on the list that includes Rajshahi WASA water treatment plant project worth US\$276 million and water supply, sanitation and waste management project in municipalities at a cost of US\$150 million.
- The other projects on the priority list include \$280 million jute mills modernisation project under the jute ministry, and \$221 million Chinese Economic Zone project in Chattogram.

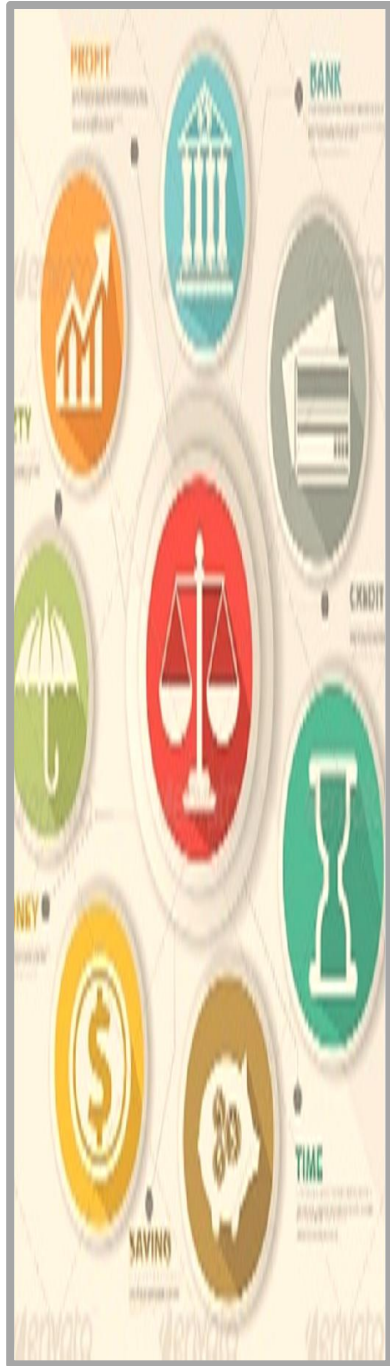
SOURCE: <http://thefinancialexpress.com.bd/economy/chinese-investment-government-picks-17-priority-projects-1591501196>

Govt. set to target \$2,326 per-capita income

- The government is going to raise the country's per capita income target by \$153 to US\$2,326 in the next fiscal, despite the economic impact of the coronavirus pandemic
- For fiscal year 2020, the authorities expect the per head earnings of the population to reach \$2,173, up by \$264.
- According to the Bangladesh Bureau of Statistics (BBS), the per capita GNI was recorded at \$1,909 in the FY
- Bangladesh has been one of top five-fastest growing economies in the world with its stunning GDP growth rate of more than 7.0 per cent over the last few years.

SOURCE: <http://thefinancialexpress.com.bd/public/economy/budget-for-fy-21-govt-set-to-target-2326-per-capita-income-1591587829>





Govt. asks BGMEA to stop termination of workers

- The government has asked apparel sector trade bodies to take measures to stop termination of workers to avoid any possible labor unrest amid the coronavirus pandemic.
- The government's instructions came after 67 factories had terminated a total of 17,579 workers, although a tripartite meeting decided that no worker or factory would be laid off during the pandemic especially before Eid-ul-Fitr.

SOURCE: <http://today.thefinancialexpress.com.bd/print/govt-asks-bgmea-to-stop-termination-of-workers-1591638200>

Safety net outlay to hit 3pc of GDP for first time

- The government may allocate Tk. 95,155 crore for the safety net programmes in the next fiscal year.
- The allocation would be 27.95 per cent higher than Tk. 74,367 crore set aside in the current fiscal year and 3 per cent of the gross domestic product of Bangladesh.
- The allocation was 2.58 per cent of the GDP in FY2019-20.
- The allocation for the pension has been kept unchanged at Tk. 23,010 crore for the FY21, which is 31 per cent of the total SSNP budget in the FY20 and it would be 24.18 per cent in FY21.
- Excluding the allocation for the pensioners and their families, the total SSNP budget stands at Tk. 72,145 crore, which would be 2.50 per cent of the Tk. 2,885,872-crore GDP of Bangladesh.

SOURCE: <http://www.thedailystar.net/business/news/safety-net-outlay-hit-3pc-gdp-first-time-1911489>

Govt. takes Tk. 113b from state-run power, gas entities

- The government has taken around Tk. 113 billion (11,300 crore) from different state-run power and gas entities over the past several months during the coronavirus pandemic.
- Of the total amount, paid by the state-run entities to the public exchequer, the Bangladesh Petroleum Corporation (BPC) paid around Tk. 50 billion, Petrobangla around Tk. 48 billion, and Bangladesh Power Development Board (BPDB) around Tk. 15 billion.
- The Petrobangla paid around Tk. 30 billion from its gas development fund (GDF), which was established mainly to bear the expenses of oil and gas exploration in local fields.
- The BPDB paid Tk. 15 billion to the public exchequer in two installments.

SOURCE: <http://thefinancialexpress.com.bd/economy/bangladesh/govt-takes-Tk.-113b-from-state-run-power-gas-entities-1591759611#:~:text=The%20government%20has%20taken%20around,started%20spreading%20across%20the%20country>

Seven new sectors may get tax holiday

- The government may extend tax holiday benefit to seven new sectors from the next fiscal year to encourage expansion of manufacturing activities.
- The tax benefit may be given for a period of 10 years and the rate of tax to be reduced gradually to be fully phased out on the 11th year
- Investors will be able to reap the advantage of establishing such industries between July 1, 2019 and June 30, 2024.
- Apparel makers, who account for more than 80 per cent of the country's export earnings, currently enjoy 12 per cent corporate tax on incomes, nearly three times less than the current corporate tax of 35 per cent for non-listed companies.
- The rate of corporate tax is 10 per cent for holders of green building certificates.
- The NBR reduced source tax on export earnings of garment twice in fiscal 2018-19 -- from 1 per cent to 0.60 per cent in September 2018 and further to 0.25 per cent in January the next year
- As 1 per cent rate of source tax on exports became effective at the beginning of this fiscal year in July 2019, the NBR slashed the rate to 0.25 per cent later in October and said the privilege would expire on June 30, 2020.
- Export receipts plunged 18 per cent year-on-year to \$31 billion in July-May of the current fiscal year from that a year ago.
- Shipments trebled to nearly \$1.5 billion in May from just over half a billion in April this year.

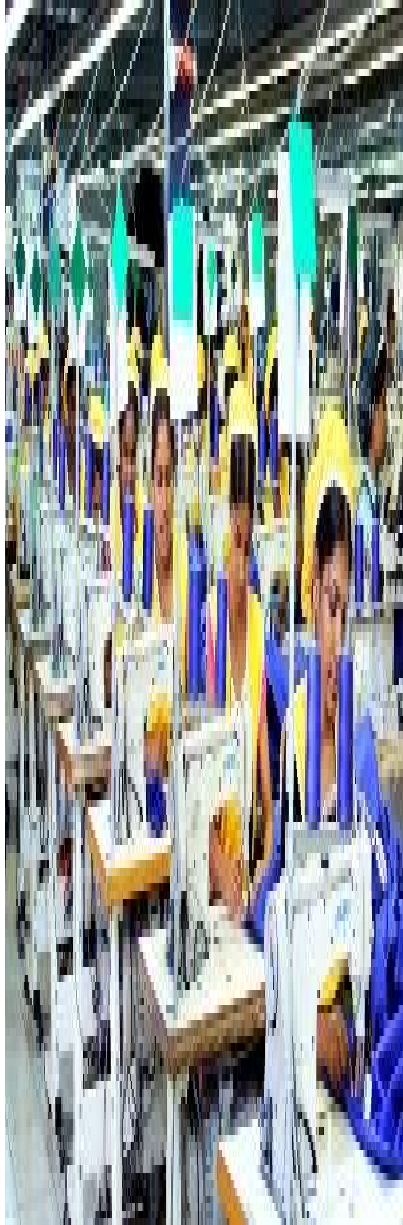
SOURCE: <http://www.thedailystar.net/business/news/seven-new-sectors-may-get-tax-holiday-1911925>

Trade through Benapole port resumes after 2.5 months

- Benapole port opened for trade between Bangladesh and India in June 07 afternoon after being kept shut for around two and a half months since March 23 for the ongoing coronavirus pandemic.
- About 2,500 trucks loaded with goods are waiting to enter Bangladesh and it might take around 24 hours for those to get moving for being kept lying idle for such a long period, said Kartik Chandra, general secretary of C&F Agent Staff Association at Petrapole.
- The West Bengal government had opted to suspend export-import activities up until the central government lifted a fourth phase of lockdown.

SOURCE: <http://www.thedailystar.net/business/news/trade-through-benapole-port-resumes-after-25-months-1910853>





Pharmaceuticals

Pharma sector snares 53pc turnover on main bourse

- Pharmaceuticals sector topped the weekly turnover chart on the Dhaka bourse, the first week after 66 day-long closure.
- The pharma sector accounted for 53 per cent of the week's total turnover with six firms - Square Pharma, Beximco Pharma, Indo-Bangla Pharma, Orion Pharma, Central Pharma and Silva Pharma-- came from the sector out of top 10 turnover chart.
- Square Pharma topped the week's turnover chart with shares worth Tk. 671 million changing hands during the week, which was 9.70 per cent of the week's total turnover, according to statistics from the DSE.

SOURCE: <http://today.thefinancialexpress.com.bd/stock-corporate/pharma-sector-snares-53pc-turnover-on-main-bourse-1591459332>

Apparel

Fresh orders for apparel plunge 45pc

- The inflow of new work orders to Bangladesh's garment sector from international retailers and brands for June is 45 per cent lower than that a year ago as demand is yet to pick up in the western markets because of the coronavirus pandemic.
- New orders are being issued but they are at least 40 per cent to 45 per cent lower compared to last year's
- So far, after intense negotiation with the buyers, a portion of the \$3.15 billion worth work orders that were cancelled due to the Covid-19 pandemic have been reinstated.
- Finally, the local garment industry will have to face damages amounting to \$5 billion
- The buyers are demanding even 180 to 220 days deferred payment although they primarily agreed to pay the money within 90 days.

SOURCE: <http://www.thedailystar.net/business/news/fresh-orders-apparel-plunge-45pc-1911933>

Central Bank Regulations



Formation of special fund: Scheduled banks asked to submit info on daily basis

- Bangladesh Bank (BB) has asked the scheduled banks to submit information on daily basis regarding the formation of the special fund earlier announced to support the country's ailing capital market.
- The BB delivered its instruction on Thursday after a decision taken in last week by the central bank and the securities regulator to accelerate the formation of the bank's special fund worth Tk. 2.0 billion each.
- The BB circular came in the wake of merchant bankers' request for a Tk. 100 billion fund from the government to support the cash-hungry capital market.

SOURCE: <http://thefinancialexpress.com.bd/stock/formation-of-special-fund-scheduled-banks-asked-to-submit-info-on-daily-basis-1591502598>

BB allows banks to give cash dividends to them

- Bangladesh Bank has allowed listed banks to disburse cash dividends to general shareholders, including foreign investors, for 2019, walking back from its earlier bold announcement to put such payments on hold.
- The central bank issued a notice asking banks to disburse the dividends before September 30 as it looks to protect the interests of the general investors.
- Banks that can declare cash dividend should do so such that small investors benefit from their investment
- Meanwhile, DSEX, the benchmark index of the Dhaka Stock Exchange, rose 8.12 points, or 0.20 per cent to close at 3,961.51 yesterday.

SOURCE: <http://www.thedailystar.net/business/news/cheer-retail-investors-bb-allows-banks-give-cash-dividends-them-1910893>

Banks & Financial Institutions

Dhaka Bank launches online account opening platform

- To facilitate the opening of bank accounts, the Dhaka Bank Limited has introduced an online account opening platform named Account from Home.
- By using this platform, potential customers will be able to open bank accounts from their homes by filling up an account form online with necessary information.
- To access this facility, customers need to click the following link and go through it- <http://dhakabankltd.com/deposit-application/>.
- The bank's agents, in this regard, will deliver welcome packs to the customers' doorstep (maintaining health and safety standards), including free debit card, cheque book. Customers will also collect the banking necessary documents from these agents by submitting their signatures.

SOURCE: <http://tbsnews.net/economy/banking/dhaka-bank-limited-introduces-online-account-opening-platform-account-home-90751>

Lanka Bangla Finance donates Tk. 2cr to PM's relief fund

- Non-bank financial institution Lanka Bangla Finance has donated Tk. 2 crore to the Prime Minister's Relief and Welfare Fund as part of its ongoing support to help the country fight the coronavirus pandemic.

SOURCE: <http://www.thedailystar.net/business/news/lankabangla-finance-donates-Tk.-2cr-pms-relief-fund-1910321>

Prime Bank gets new chairman

- Tanjil Chowdhury has recently been elected the new chairman of Prime Bank at the age of 36. He is the youngest chairman of any private bank in Bangladesh.

SOURCE: <http://www.thedailystar.net/business/news/prime-bank-gets-new-chairman-1910329>





MDB launches 'midland online'

- Midland Bank Limited (MDB) has registered for 'midland online', its robust, client driven internet banking application
- Through this self-registration process, customers can avail 'midland online' by visiting <http://ibanking.midlandbankbd.net> with few simple steps that will require only few minutes.

SOURCE: <http://today.thefinancialexpress.com.bd/print/mdb-launches-midland-online-1591547016>

Dutch-Bangla Bank's profit surges 59pc in Q1

- Dutch-Bangla Bank Ltd's profit after tax surged 59 per cent year-on-year in the first quarter (Q1) for January-March, 2020.
- As per the disclosure, the bank's profit after tax stood at Tk. 754.86 million in January-March, 2020, which was Tk. 473.81 million in the same quarter of the previous year.
- The company's earnings per share (EPS) stood at Tk. 1.51 for January-March 2020 as against Tk. 0.95 for January-March 2019.
- The net operating cash flow per share (NOCFPS) was Tk. 17.86 for January-March 2020 as against Tk. 4.09 for January-March 2019.
- The company's paid-up capital is Tk. 5.0 billion and authorized capital is Tk. 15 billion, while the total number of securities is 500 million.

SOURCE: <http://thefinancialexpress.com.bd/stock/dutch-bangla-banks-profit-surges-59pc-in-q1-1591781805>

SIBL urges use of SIBL NOW app

- Social Islami Bank is urging customers to use its mobile app "SIBL Now" from anywhere round-the-clock to avoid frequent visits to branches in order to contain the spread of Covid-19.
- Using this app, customers can enjoy facilities of intra-bank and interbank fund transfers, utility bill and credit card payments, mobile top ups and money transfer to bKash account.
- Customers need to visit www.siblbd.com to get an application form where they need to register before submitting the form to the nearest bank branch to verify signature for security purposes.

SOURCE: <http://www.thedailystar.net/business/news/sibl-urges-use-sibl-now-app-1912293>

Stock Market Update

DSE turnover remains below Tk. 1.0b-mark

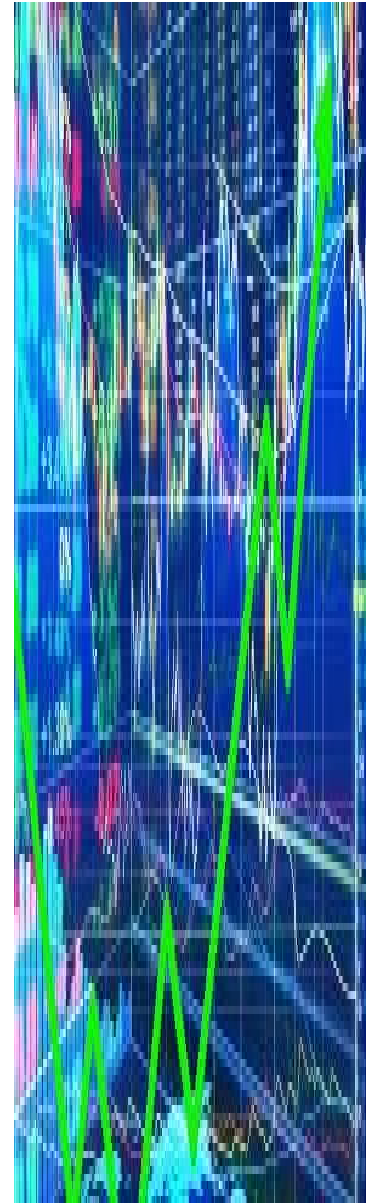
- The turnover on the Dhaka Stock Exchange hovered below Tk. 1.0 billion-mark amid growing tension over Covid-19 pandemic and floor price limitation.
- Turnover stood at Tk. 700 million on the country's premier bourse on Sunday, after hitting a 13 years' low to Tk. 430 million Thursday last.
- DSEX, the key index of the DSE, went up by 8.12 points or 0.20 per cent to close at 3,961, after losing 107 points in the past four straight sessions.
- The market-cap of the DSE also advanced to Tk. 3,102 billion, from Tk. 3,099 billion in the previous session.
- Pharmaceutical sector continued to lead the turnover chart, capturing 55 per cent of the day's total turnover on the premier bourse.
- Square Pharma topped the turnover chart with shares worth Tk. 97 million changing hands, followed by Grameen phone, Central Pharma, Beximco Pharma and Linde Bangladesh.
- The Chittagong Stock Exchange also edged higher with its All Shares Price Index (CASPI)-gaining 23 points to close at 11,260 and the Selective Categories Index - CSCX -advancing 14 points to finish at 6,822.

SOURCE: <http://today.thefinancialexpress.com.bd/print/dse-turnover-remains-below-Tk.-10b-mark-1591546552>

Stocks stay flat amid thin participation

- Stocks stayed flat on Tuesday while turnover dipped below Tk. 1.0 billion-mark once again as investors were reluctant to make fresh investment amid ongoing Covid-19 pandemic.
- DSEX, the key index of the Dhaka Stock Exchange, went up by 6.26 points or 0.15 per cent to close at 3,962.
- Of the issues traded, 238 remained unchanged while only 25 issues advanced and 16 declined on the DSE trading floor.
- Two other indices also edged up. The DS30 index, comprising blue chips, advanced 4.24 points to finish at 1,329 and the DSE Shariah Index gained 0.35 points to close at 917.
- Accordingly, the pharma sector gained 0.30 per cent. The sector also grabbed 40 per cent of the day's total turnover.
- A total number of 10,546 trades were executed in the day's trading session with trading volume of 25.04 million shares and mutual fund units.
- The market-cap of the DSE also inched up to Tk. 3,102 billion, from Tk. 3,100 billion in the previous session.

SOURCE: <http://today.thefinancialexpress.com.bd/print/stocks-stay-flat-amid-thin-participation-1591721422>



Stocks end flat for investors' apathy

- Dhaka stocks finished almost flat with a sluggish turnover on Wednesday, as the ongoing coronavirus pandemic and floor price limitation kept the investors watchful.
- The Dhaka Stock Exchange (DSE) key index - DSEX - went up by 4.37 points or 0.11 per cent to close at 3,966.
- Turnover slumped to Tk. 594 million, which was 12 per cent lower than the previous day. The investors did not show any enthusiasm for buying shares at current price level amid the fast-spreading Covid-19 pandemic.
- Two other DSE indices also edged up. The DS30 index, comprising blue chips, advanced 3.15 points to finish at 1,332, and the DSE Shariah Index gained 1.50 points to close at 919.
- Meanwhile, the Chittagong Stock Exchange (CSE) edged higher with its All Shares Price Index (CASPI) advancing 14 points to close at 11,258, and the Selective Categories Index - CSCX - gaining 8.0 points to finish at 6,821.
- Of the issues traded, 21 gained, eight declined and 58 remained unchanged on the CSE floor.
- The port-city bourse traded 858,772 shares and mutual fund units worth Tk. 22 million in turnover.

SOURCE: <http://today.thefinancialexpress.com.bd/print/stocks-end-flat-for-investors-apaty-1591805523>

Agriculture & SME



3,740 hectares of land brought under jute cultivation in Narsingdi

- A total of 3,740 hectares of land has been brought under jute cultivation in all six upazilas of the district during the current season.
- Of the total, 440 hectares of land were brought under jute cultivation in Sadar upazila, 160 hectares in Polash upazila, 510 hectares in Shipper upazila, 620 hectares in Belabo upazila, 690 hectares in Monohardi upazila and 1320 hectares of land were brought under the cultivation in Raipura upzila during the season.
- Department of Agriculture Extension (DAE) office sources said cultivation of jute is increasing every year in the district as growers are getting fair price of their products.

SOURCE: <http://today.thefinancialexpress.com.bd/trade-market/3740-hectares-of-land-brought-under-jute-cultivation-in-narsingdi-1591547034>



\$15m City Bank-ITFC loans for SMEs

- City Bank has entered into a \$15 million trade finance partnership with International Islamic Trade Finance Corporation (ITFC) for providing short-term loan facilities to small and medium enterprises.
- The financing of Jeddah-based ITFC, the trade financing arm of Islamic Development Bank (IsDB), comes as part of the IsDB's COVID-19 response strategy
- The strategy focuses on providing life-saving support through the provision of medical supplies, staple food and fertiliser for agricultural production to some of the Organisation of Islamic Cooperation countries.

SOURCE: <http://www.thedailystar.net/business/news/15m-city-bank-itfc-loans-smes-1912345>

Shrimp farmers seek soft loans to survive shocks

- Stakeholders of the country's shrimp industry yesterday demanded soft loans from the government as the sector is in dire straits because of two natural disasters -- the Covid-19 pandemic and super cyclone Amphan.
- Shrimp is being cultivated on around 258,681 hectares of land in the south and south western part of Bangladesh
- Shrimp farmers, who export their produce to the EU and US to earn the nation \$500 million annually, were the worst hit.
- Nearly Tk. 175 crore was lost by 18,450 shrimp farms in the southern coastal regions due to the cyclone.
- Around 90 per cent of shrimp farmers are small entrepreneurs, and they are dependent on imported feed and other inputs, which have also been disrupted in recent times.

SOURCE: <http://www.thedailystar.net/business/news/shrimp-farmers-seek-soft-loans-survive-shocks-1911917>

FDI & Grants

Yabang Group plans \$1.0b investment in BD

- They plan to invest in building a large-scale industrial park in Bangladesh.
- If things go according to plan, the initial investment may be around US\$ 1 billion.
- The investment is likely to generate employment for around 10000 persons.

SOURCE: <http://thefinancialexpress.com.bd/trade/yabang-group-plans-10b-investment-in-bd-1591439576>

Japan entrepreneurs want to invest in BD

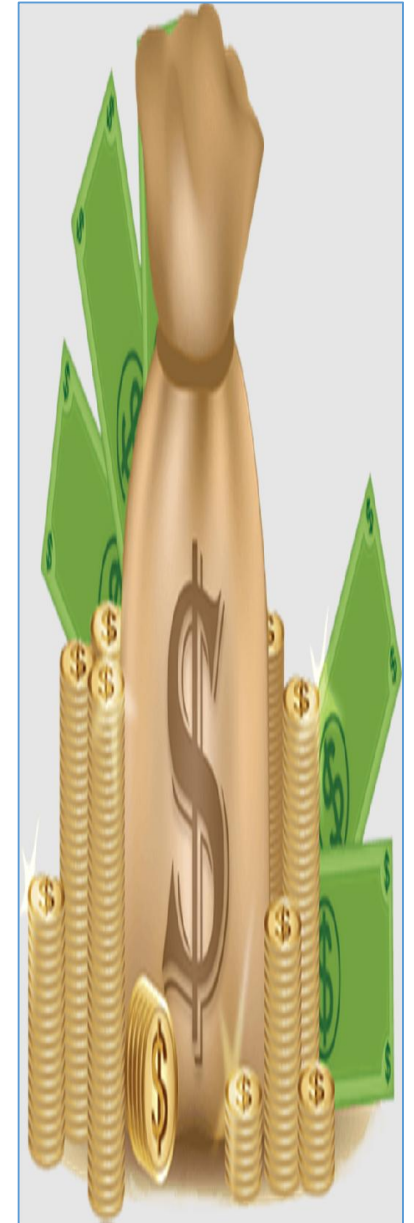
- Entrepreneurs of Japan are interested to invest in Bangladesh, said country director of Japan External Trade Organisation (JETRO) Yuji Ando.
- Chittagong Chamber of Commerce and Industry (CCCI) president Mahbubul Alam chaired the event organised by CCCI, JETRO, Dhaka, and Japan-Bangladesh Chamber of Commerce and Industry (JBCCI).

SOURCE: <http://www.thefinancialexpress.com.bd/trade/japan-entrepreneurs-want-to-invest-in-bd-1591593462>

BD to get WB's \$250m budgetary aid in June

- Bangladesh is likely to receive US\$250 million budgetary support from the World Bank
- The WB board, in its upcoming meeting on June 19, might endorse second instalment of the Development Policy Credit (DPC), amounting to \$250 million, for Bangladesh
- Meanwhile, the WB has recently approved \$100 million funds for Bangladesh as fast-track response to support the country's ailing health facilities to combat the COVID-19 outbreak.
- The WB has commitments of providing nearly \$13 billion funds for some 45 ongoing development projects in Bangladesh.
- The Washington-based lender has recently announced that it will provide \$160 billion funds in next 15 months for combatting the pandemic, and help the economies across the globe recover from the losses they face for it.

SOURCE: <http://thefinancialexpress.com.bd/economy/bangladesh/bd-to-get-wbs-250m-budgetary-aid-in-june-1591674699#:~:text=It'll%20be%20nd%20tranche%20of%20the%20lender's%20%24750m%20DPC&text=Bangladesh%20is%20likely%20to%20receive,week%2C%20officials%20said%20on%20Monday.>





OPEC, allies meet to discuss output cuts

- OPEC and its allies were holding talks via video conference Saturday to assess their current deal to slash production as oil prices tentatively recover on easing coronavirus lockdowns.
- The 13-member cartel and other oil producing nations such as Russia and Mexico are discussing an agreement reached in April to boost prices
- According to data intelligence company Kpler, OPEC+ reduced output by around 8.6 million bpd in May, a smaller cut than planned, with Iraq and Nigeria seen as the main culprits.
-

SOURCE: <http://www.thedailystar.net/business/news/opec-allies-meet-discuss-output-cuts-1910325>

Pound pushes through \$1.27 for first time since March

- The pound rose above \$1.27 and was set for its biggest weekly gain against the dollar since the end of March on Friday, even though European Union and British negotiators said there had been little progress in Brexit trade talks.
- The pound, which has gained more than 3 cents in a week, rose as high as \$1.2705, its strongest since March 12.
- The pound has gained 5 per cent against the dollar since reaching a low of \$1.2075 in mid-May, but has been held back by Britain's high coronavirus death toll, Brexit-related risks, the prospect of negative interest rates and a growing debt pile.

SOURCE: <http://www.thedailystar.net/backpage/news/pound-pushes-through-127-first-time-march-1910313>

Canada's Bombardier to cut 2,500 jobs

- Canadian aircraft manufacturer Bombardier announced Friday it will eliminate 2,500 jobs this year -- 10 percent of its global workforce -- citing the impact of the COVID-19 pandemic on demand for its business jets.
- Bombardier has undergone a painful restructuring over the last five years, selling off its trains and commercial aviation divisions.
- Last month, it reported a US\$200 million first quarter loss, due in part to authorities ordering a COVID-19 shutdown of its assembly lines.

SOURCE: <http://www.thedailystar.net/business/news/canadas-bombardier-cut-2500-jobs-1910305>

UK seeks to boost post-Brexit ties with ASEAN partnership

- Britain has applied to become a dialogue partner of the Association of Southeast Asian Nations (ASEAN), the government said on Friday, as it seeks to boost post-Brexit ties in the region.
- ASEAN has 10 existing dialogue partners including the European Union, which Britain left at the end of January, as well as Australia, Canada, Japan and the United States.
- Britain said it hoped partnership status with the 10-member ASEAN, which seeks to accelerate economic growth, social progress and collaboration in the region, would lead to new opportunities across trade, education, science and security.

SOURCE: <http://www.thedailystar.net/business/news/uk-seeks-boost-post-brexit-ties-asean-partnership-1910285>

China imports plunge, exports fall

- China's exports and imports fell in May as the economic slowdown abroad started to take its toll, and after a surprise jump driven by increased demand for anti-epidemic supplies
- Exports from the manufacturing powerhouse fell 3.3 percent on-year last month, better than the 6.5 percent slide expected by a Bloomberg poll of analysts.
- Customs data released Sunday also showed a larger than expected drop in imports on-year, which were down by 16.7 percent and at a four-year low.
- Meanwhile, China's trade surplus with the US was up by 3.7 percent to \$27.9 billion in May, from last year.
- This was also higher than the \$22.8 billion surplus in April.

SOURCE: <http://www.thedailystar.net/business/news/china-imports-plunge-exports-fall-1910833>

Oil production resumes at key Libya field

- The Libyan National Oil Company said Sunday production had resumed at Al-Sharara oil field, the country's largest, which had been shut months ago by the forces of strongman Khalifa Haftar.
- Al-Sharara, about 900 kilometres (560 miles) south of Tripoli, produces 315,000 barrels per day -- nearly one third of Libya's crude output -- but is frequently attacked and blocked by militias.
- The National Oil Company said that production will resume at a capacity of 30,000 barrels of oil per day until it reaches full capacity within 90 days, due to damage sustained from the shutdown.
- Libya plunged into chaos after the ouster and killing of Kadhafi in a 2011 NATO-backed uprising, with rival administrations and militias vying for control of the country and its oil wealth.

SOURCE: <http://www.thedailystar.net/business/news/oil-production-resumes-key-libya-field-1910825>





Sterling holds near \$1.27 as UK plans re-opening

- Sterling rose against the dollar on Monday, as plans to ease coronavirus lockdowns in the UK and signs the economy may bounce back due to pent-up demand kept the currency just below the \$1.27 touched late last week.
- The pound has risen 2.8% against the dollar this month as several economies re-open from lockdowns, weakening demand for the U.S. currency.
- By 0828 GMT, sterling was up 0.15% against the dollar at \$1.2686, just below Friday's \$1.27. It was weaker against the euro by 0.12% at 89.10 pence.

SOURCE: <http://www.thedailystar.net/business/news/sterling-holds-near-127-uk-plans-re-opening-1911409>

Vietnam ratifies free trade deal with EU

- Vietnam ratified a free trade agreement with the European Union on Monday that will cut or eliminate 99 per cent of tariffs on goods traded between the Southeast Asian country and the bloc, and provide Vietnam with a much-needed post pandemic boost.
- The EVFTA, expected to take effect in July, is the European Union's second deal with a member of the Association of Southeast Asian nations (ASEAN) after Singapore, and one of few with a developing country.
- Vietnam will have a transition period of up to 10 years for some imports, such as cars.
- The World Bank said in May the EVFTA could boost Vietnam's gross domestic product and exports by 2.4 per cent and 12 per cent respectively by 2030 and lift hundreds of thousands of people out of poverty.

SOURCE: <http://www.thedailystar.net/business/news/vietnam-ratifies-free-trade-deal-eu-1911413>

Morgan Stanley flags risk oil price rally will lead to a fall

- Oil prices have quickly climbed to levels that raise the risk of price falls as demand is fragile, Morgan Stanley said on Monday, as benchmark crude hit its highest in three months.
- Oil climbed on Monday after major producers agreed to extend a deal on record output cuts to the end of July and as China's crude imports hit an all-time high in May.
- Consumption is unlikely to return fully to pre-coronavirus levels until the end of 2021, Morgan Stanley said, adding that inventories are unusually high after the increases in April.

SOURCE: <http://www.thedailystar.net/business/news/morgan-stanley-flags-risk-oil-price-rally-will-lead-fall-1911417>

Hong Kong govt to lead \$5b rescue package for Cathay Pacific

- Cathay Pacific Airways Ltd revealed on Tuesday the Hong Kong government will lead a recapitalization plan worth HK\$39 billion (\$5 billion) to help it through the coronavirus pandemic, the latest public rescue for a troubled airline.
- Just like Singapore Airlines Ltd, which received an up to \$10.1 billion rescue package led by state-investor Temasek Holdings, Cathay has no domestic market to rely on to cushion against the plunge in international travel.
- Under the rescue plan announced by Cathay on Tuesday, the Hong Kong government would be issued HK\$19.5 billion of preference shares giving it a 6 per cent stake, and HK\$1.95 billion of warrants. It would also provide a HK\$7.8 billion bridging loan and would have the right to two observers at board meetings.
- The deal includes a HK\$11.7 billion rights issue to existing shareholders, led by Swire Pacific Ltd and Air China Ltd, which had halted trading on Tuesday morning alongside Cathay, pending the announcement. Swire, which holds 45 per cent, Air China which owns 30 per cent and Qatar Airways with 10 per cent plan to participate in the rights issue, Cathay said. Their holdings will fall to 42 per cent, 28 per cent and 9.4 per cent afterward.

SOURCE: <http://www.thedailystar.net/business/news/hong-kong-govt-lead-5b-rescue-package-cathay-pacific-1911889>

US Fed again expands Main St loan programme to reach more firms

- The US Federal Reserve on Monday once again announced changes to its Main Street Lending Program to reach more companies struggling to deal with the damage done by the coronavirus shutdowns.
- The facility, which has not yet launched, once again slashed in half the minimum loan amount, taking it down to \$250,000 from \$500,000 previously.
- The central bank originally conceived the program with a \$1 million minimum, as it rushed to find ways to support businesses that are too big to benefit from the Paycheck Protection Program run by the Treasury Department.

SOURCE: <http://www.thedailystar.net/business/news/us-fed-again-expands-main-st-loan-programme-reach-more-firms-1911881>

France pledges 15b euros for stricken aviation firms

- The French government on Tuesday pledged 15 billion euros (\$16.9 billion) for the country's aviation industry, where thousands of jobs are on the line as the coronavirus crisis hammers the travel industry.
- Airlines have parked up to 90 percent of their aircraft, some 4.5 million flights have been cancelled so far, and an estimated \$314 billion in revenues will be lost this year, according to the International Air Transport Association (IATA).
- International airlines are in line to make a combined net loss of more than \$84 billion this year

SOURCE: <http://www.thedailystar.net/business/news/france-pledges-15b-euros-stricken-aviation-firms-1912273>



Quotation Corner

"Success is not final; failure is not fatal: It is the courage to continue that counts."

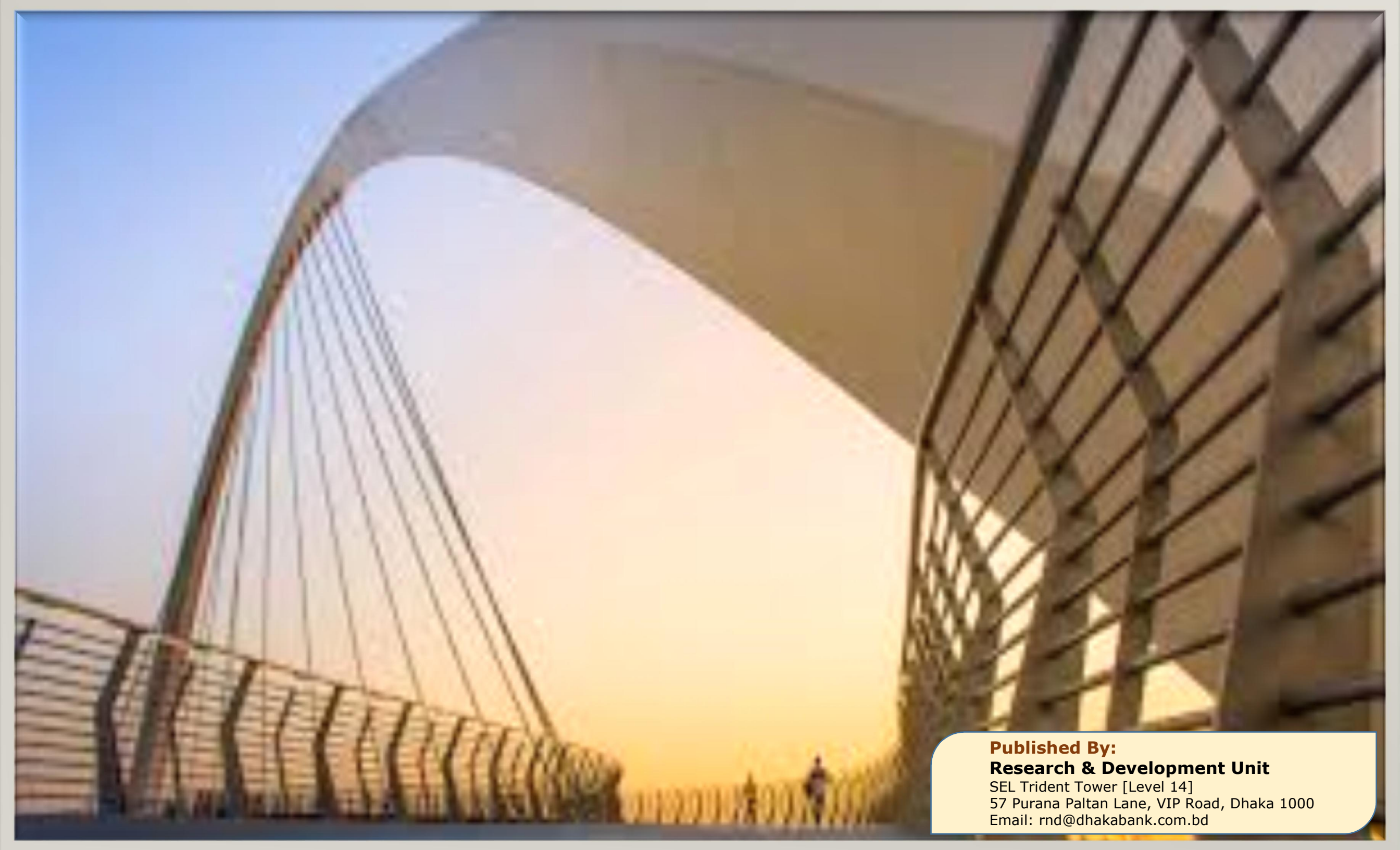
-- Winston S. Churchill

"Try not to become a man of success. Rather become a man of value."

-- Albert Einstein

"The ones who are crazy enough to think they can change the world, are the ones that do."

-- Anonymous



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