

আপনার কৃষ্টিজিত সঞ্চয়ের  
**সর্বাধিক নিরাপত্তা ও সর্বোচ্চ মুনাফার জন্য**  
 এসআইবিএল-এ আমানত রাখুন।

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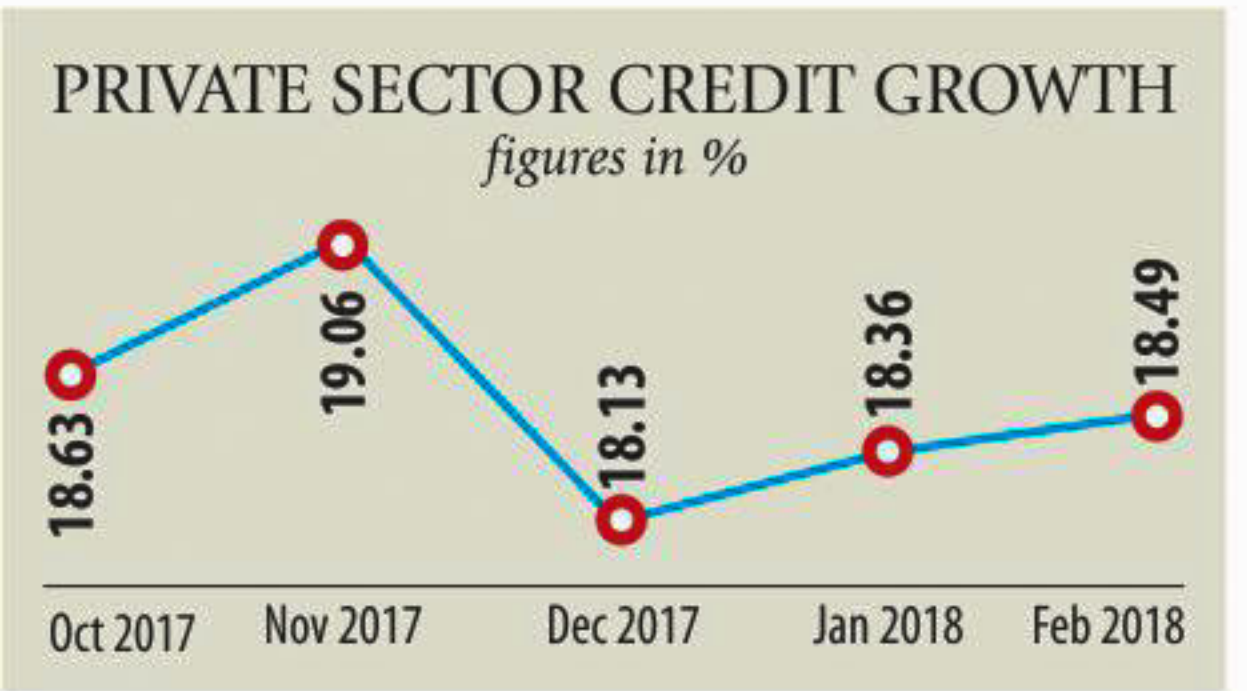
আমরা দিচ্ছি শ্রীআহ ভিত্তিক সর্বাধিক ব্যাংকিং সেবার প্রতিশ্রুতি

# star BUSINESS

DHAKA WEDNESDAY APRIL 4, 2018, CHAITRA 21, 1424 BS • starbusiness@thedailystar.net

## FAÇADE OF LIQUIDITY CRISIS

### Private sector credit growth continues to rise



JEBUN NESA ALO

Private sector credit grew 18.49 percent in February, up from 18.36 percent a month earlier and way past the central bank's target of 16.3 percent, dispelling the notion of an ongoing liquidity crisis in the banking sector.

For the best part of 2017 the private sector credit growth has been on the rise, prompting the Bangladesh Bank in January this year to lower the banks' loan-deposit ratio ceiling to 83.5 percent from 85 percent.

Bankers insisted that the move created a severe liquidity crisis but the latest data from the BB suggests otherwise.

In the name of the liquidity crisis, private banks, by way of its directors, particularly those who are politically linked, managed to persuade the BB to lower the cash reserve ratio by one percentage point to 5.5 percent. [READ MORE ON B3](#)

## Economy marches towards record 7.65pc growth

REJAUL KARIM BYRON

The Bangladesh economy is charging towards record growth figure for the second consecutive year, driven by double-digit growth in manufacturing and construction sectors.

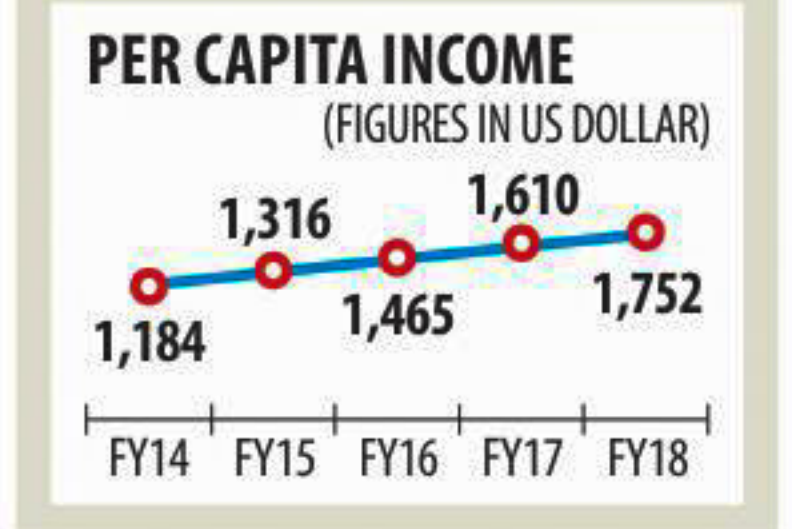
GDP growth in fiscal 2017-18 is likely to be 7.65 percent, up from 7.28 percent a year earlier, as per the estimate of the Bangladesh Bureau of Statistics.

This is the third consecutive year that the economic growth was above 7 percent after years of languishing in the neighbourhood of 6 percent.

The rise in construction growth is attributable to progress in implementation of mega projects and increased growth in housing construction, stimulated, among others, by recovery in remittance, said Zahid Hussain, lead economist at the World Bank's Dhaka office.

The provisional estimates show that the manufacturing sector grew 13.18 percent this fiscal year and the construction sector 10.11 percent.

"The final figures may be higher," said Planning Minister AHM



tors are now showing positive trend, he said, citing export and remittance as examples.

"Due to these causes, growth was good. Besides, there is no depression in world economy, which also helped," the planning minister added.

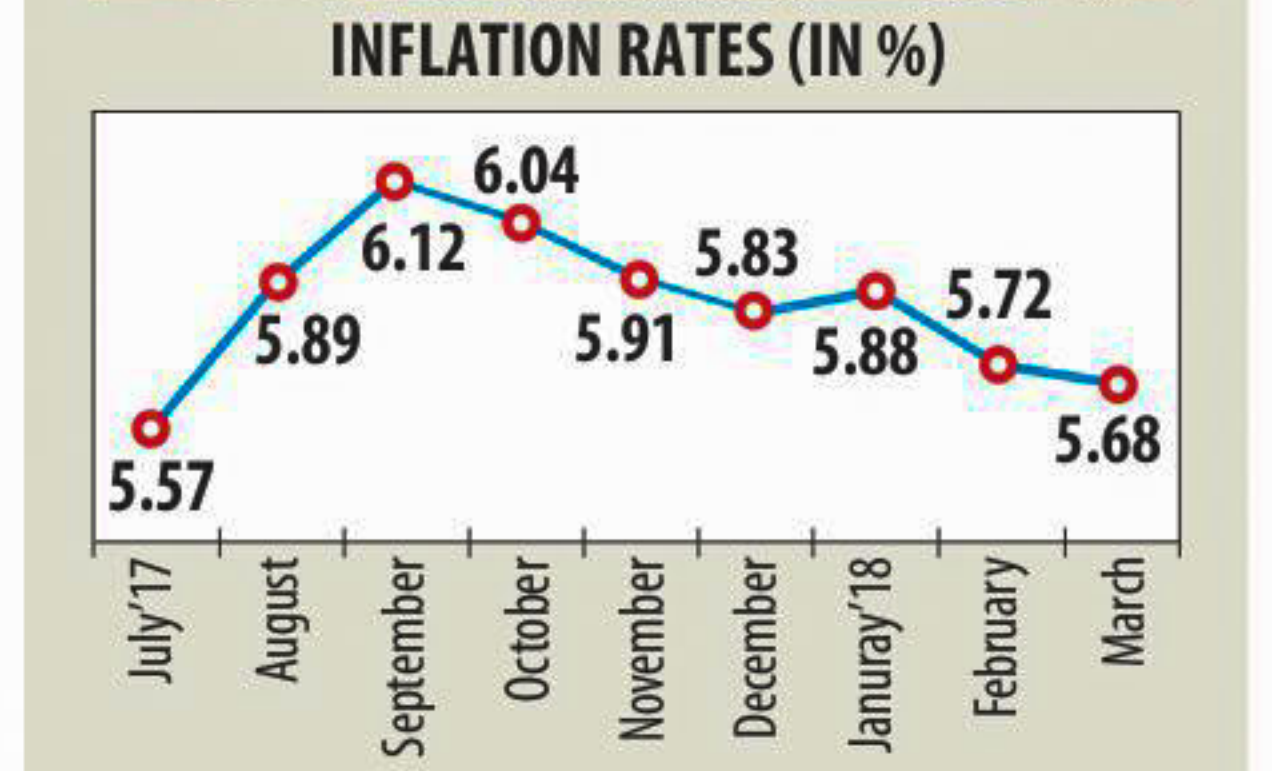
Kamal's disclosure comes after Finance Minister AMA Muhith on Sunday said the economy is on track to log in better GDP growth figures than last year even though it is an election year.

The BBS data shows that the agriculture sector, whose contribution to the GDP is 14.10 percent, grew 3.06 percent in fiscal 2017-18, up from 2.97 percent last year.

The services sector, whose contribution to the GDP is 52.85 percent, grew 6.33 percent this year, down from 6.69 percent registered a year earlier.

There was a decrease in growth of wholesale and retail trade, transport and communication, financial intermediation, education, health and social work sectors. Only hotel and restaurants saw higher growth. [READ MORE ON B3](#)

## Inflation falls to 5.68pc in March



JAGARAN CHAKMA

Inflation came down slightly to 5.68 percent in March riding on a decline in food prices, according to the Bangladesh Bureau of Statistics (BBS).

Planning Minister AHM Mustafa Kamal released the inflation data for January to March yesterday.

In February, the inflation rate stood at 5.72 percent.

Food inflation declined in the third quarter of the current fiscal year of 2017-18 on the back of a fall in prices of egg, vegetables, and spices.

March's inflation figure, however, was higher than the same month a year ago when it was 5.39 percent.

Inflation rose to 5.76 percent in January-March, up from 5.28 percent in the second quarter.

According to the Consumer Price Index (CPI) of the BBS, rural inflation was 5.72 percent in January-March, up from 5.08 percent a quarter ago. [READ MORE ON B3](#)

## No plan to raise tax-free income limit: NBR

STAR BUSINESS REPORT

The revenue authority plans to cut the tax rate for individuals in the lower tax brackets instead of raising the tax-free income limit.

"It may not be possible to raise the tax-free income ceiling," Md Mosharraf Hossain Bhuiyan, chairman of the National Board of Revenue, said at a pre-budget discussion at his office in the capital yesterday.

He spoke in a meeting with the leaders of Dhaka Chamber of Commerce and Industry, which proposed raising tax-free income ceiling to Tk 3 lakh from 2018-19.

Yesterday, the Bangladesh Chamber of Industries (BCI) and the Dhaka Stock Exchange demanded the limit be set at Tk 3.5 lakh for the next fiscal year due to rising cost of living.

Bhuiyan said anyone living outside Dhaka and Chittagong city corporations with annual incomes of more than Tk 2.50 lakh has the ability to pay a minimum tax of Tk 3,000. [READ MORE ON B3](#)

## Exports decline 1.38pc

REFAYET ULLAH MIRDHA

Export earnings fell 1.38 percent year-on-year to \$3.05 billion in March due to a decline in leather goods shipment.

March's receipts fell short of the \$3.16 billion target for the month, according to data from the Export Promotion Bureau (EPB).

Leather and leather goods sector—the second largest export earner after garments—fetched \$848.78 million in the July-March period, down 8.04 percent year-on-year.

The shipment of leather and leather goods went down largely as the relocation of tanneries from Hazaribagh to Savar has hampered production of such goods.



in July-March. Knitwear exports rose 11.61 percent to \$11.32 billion and woven garments exports increased 6.75 percent to \$11.51 billion during the period.

Garment shipment, which account for more than 80 percent of the national export, grew because of the increased sales of high-value items and the depreciation of the local currency against the US dollar.

"The higher exchange rate of the US dollar helped exports a bit," said Siddiqur Rahman, president of Bangladesh Garment Manufacturers and Exporters Association.

The exchange rate rose to Tk 84 a dollar, up from Tk 78 and Tk 80 previously. [READ MORE ON B3](#)



Prime Minister Sheikh Hasina is seen with directors and chief executive officers of private banks along with their spouses at her Gono Bhaban residence in the capital yesterday.

## BGMEA chief criticises the way BB handles liquidity crisis

STAR BUSINESS REPORT

The chief of the garment makers' platform on Monday criticised the way the central bank is dealing with the ongoing liquidity crisis in the banking sector.

Siddiqur Rahman, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), also gave examples of some banking scams and suggested ways to check the irregularities.

He made the comments while delivering a speech at the BGMEA-BUFT Journalism Fellowship awarding ceremony at the BGMEA Bhaban in Dhaka.

"Whatever I said is true. None has influenced me or put pressure on me before or after the speech," Rahman told The Daily Star yesterday.

"I said 90 percent of the banks are doing fine, but some banks are not doing well. We are not in favour or disfavour of any bank. I have not told anything bad about Bangladesh Bank." [READ MORE ON B3](#)

## Pvt banks to give Tk 160cr to PM's fund

STAR BUSINESS REPORT

The Bangladesh Association of Banks (BAB), a forum of private banks' directors, has taken up an initiative to raise Tk 160 crore for the Prime Minister's Relief and Welfare Fund.

The BAB circulated a letter to all private banks last week saying the 30 old banks will donate Tk 5 crore each while the remaining 10 new banks Tk 1 crore each. [READ MORE ON B3](#)

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**Service Downtime Schedule:**  
 Begin: 2:00am, Friday, 6<sup>th</sup> April, 2018  
 End: 8:00pm, Monday, 9<sup>th</sup> April, 2018

During the conversion period, all our banking services including our Branches, ATM, Cheque Clearing\*, EFTN, RTGS, CDM\*\*, Internet Banking, Debit Card transactions and SMS Banking will not be available. However, BRAC Bank Credit Card and Prepaid Card customers will be able to make transactions as usual.

We apologize for any inconvenience that you may face and express our gratitude for your patience and support during this time.

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\*Cheque Clearing Services from 11:00AM on Thursday, 5<sup>th</sup> April 2018 to Monday, 9<sup>th</sup> April 2018. Any cheque that is placed after 11:00AM on 5<sup>th</sup> April, will be cleared on 10<sup>th</sup> April 2018. Kindly deposit your Cheque to the Branch only if you are comfortable and okay with this delay.  
 \*\*CDM operations will remain suspended from 01:00PM, 5<sup>th</sup> April 2018 to 08:00PM, 9<sup>th</sup> April 2018.