Major Macro Economic Indicators

Indicators	Period	2019-20	2018-19	Growth
GDP Growth Rate (in percentage)	FY 2018-19	-	8.15*	
Rate of Inflation				
Twelve Month Average (in percentage)	February	5.60	5.49	2.0%
Point to Point (in percentage)	February	5.46	5.47	-0.2%
Export (EPB) (US$ million)	Jul-Jan	22,919	24,180	-5.2%
Import (C&F) (US$ million)	Jul-Nov	23,996	25,327	-5.3%
Remittances (US$ million)	Jul-Jan	11,046	9,093	21.5%
Current Account Balance (US$ million)	Jul-Dec	(1,347)	(3,388)	60.2%
Foreign Exchange Reserve (US$ million)	February	32,986	32,234	2.3%
Interbank Taka-USD Exchange Rate (Average) (BDT/US$)	March	84.95	84.25	0.8%
Reserve Money (BDT crore)	January	249,202	228,028	9.3%
Broad Money (BDT crore)	January	1,297,550	1,154,558	12.4%
Tax Revenue (NBR) (BDT crore)	Jul-Nov	125,564	116,773	7.5%
Investment in National Savings Certificates (BDT crore)				
Net sale	Jul-Jan	7,673	30,996	-75.2%
Total Outstanding	Jul-Jan	293,333	268,763	9.1%
Total Domestic Credit (BDT crore)	January	1,245,472	1,086,836	14.6%
Net Credit to the Govt. Sector	January	163,255	98,917	65.0%
Credit to the Other Public Sector	January	29,743	24,111	23.4%
Credit to the Private Sector	January	1,052,474	963,808	9.2%
Interest Rate on Advances (in percentage)	December	9.68	9.49	2.0%
Interest Rate on Deposits (in percentage)	December	5.70	5.26	8.4%
Interest Rate Spread (in percentage)	December	3.98	4.23	-5.9%
Classified Loan to Total Outstanding (in percentage)	December	9.32	10.30	-9.5%
Excess Liquidity of the Scheduled Banks[#] (BDT crore)	December	105,646	76,393	38.3%
Call Money Rate (weighted average) (in percentage)	February	5.06	4.36	16.1%
Interest Rates on Treasury Securities (in percentage)				
91-Day T-bill	March	7.16	3.30	117.0%
182-Day T-bill	March	7.51	3.80	97.6%
364-Day T-bill	March	7.59	4.23	79.4%
2-Year BGTB	March	7.84	5.40	45.2%
5-Year BGTB	March	8.12	6.44	26.1%
10-Year BGTB	March	8.64	7.60	13.7%
15-Year BGTB	February	8.89	7.75	14.7%
20-Year BGTB	February	9.10	8.41	8.2%
Interest Rate on 30-day BB Bill (in percentage)	Mar-18	2.96	2.96	0.0%
Interest Rates on Repo & Reverse Repo (in percentage)				
Repo (1-3 day)	March	5.75**	6.00	-4.2%
Reverse Repo (1-3 day)	February	4.75	4.75	0.0%
Breakdown of Major Exports				
Woven Garments (US$ million)	Jul-Jan	9,443	10,077	-6.3%
Knitwear (US$ mn)	Jul-Jan	9,620	10,141	-5.1%
Breakdown of Import L/C Opening (US$ million)	Jul-Aug	9,026	10,018	-9.9%
Food grains (Rice & Wheat)	Jul-Aug	273	261	4.6%
Capital Machinery	Jul-Aug	700	760	-7.8%
Petroleum	Jul-Aug	694	805	-13.8%
Industrial Raw Materials	Jul-Aug	2,738	3,381	-19.0%
Others	Jul-Aug	4,621	4,812	-4.0%
Breakdown of Import L/C Settlement (US$ million)	Jul-Aug	8,467	8,524	-0.7%
Food grains (Rice & Wheat)	Jul-Aug	184	221	-16.8%
Capital Machinery	Jul-Aug	689	787	-12.5%
Petroleum	Jul-Aug	347	792	-56.2%
Industrial Raw Materials	Jul-Aug	2,908	3,111	-6.5%
Others	Jul-Aug	4,340	3,614	20.1%

* Revised GDP Growth Rate; **Effective from March 24, 2020; [#]Total liquid assets less required liquidity (SLR)

News in Brief on Major Macro-Economic Indicators

BD may lose $3.0b to coronavirus outbreak in worst scenario: ADB

The Financial Express; March 11, 2020

- **Bangladesh may lose up to US $3.021 billion if the ongoing coronavirus outbreak across the globe turns to the worst, according to the Asian Development Bank (ADB).**
- The loss will be $8.0 million in the best scenario and $16 million, or 0.01 per cent of the GDP, if it ends moderately, according to the ADB.
- **The spread of the novel coronavirus will have a significant impact on developing Asian economies through numerous channels leading to sharp declines domestic demand, lower tourism and business travel, trade and production linkages, supply disruptions, and health effects,** the Asian lender said.
- "The magnitude of the economic losses will depend on how the outbreak evolves, which remains highly uncertain," it said.
- **The range of scenarios explored in the analysis suggests a global impact in the range of $77 billion to $347 billion, or 0.1 per cent to 0.4 per cent of GDP**.
- In a moderate scenario, where precautionary behaviors and restrictions such as travel bans start easing three months after the outbreak intensified and restrictions were imposed in late January, global losses could reach $156 billion, or 0.2 per cent of global GDP, according to the analysis.

Bangladesh to benefit from coronavirus fallout: survey

The Daily Star; March 12, 2020

- **Bangladesh will benefit from the fallout of the coronavirus as most of the globally renowned companies are planning to shift work orders from China to other Asian countries, including Bangladesh, according to a new survey.**
- Hong Kong-based QIMA, a leading provider of supply chain compliance solutions and which partners with brands, retailers and importers to secure, manage and optimise their global supply network, surveyed the executives of more than 200 globally renowned companies between February and early March.
- **Half of the survey respondents are considering shifting supplier sourcing away from China to new countries or regions, including Vietnam India, and Bangladesh, as well as near-shoring and re-shoring options,** the survey report said.
- Nine out of 10 businesses report being affected by the Covid-19 epidemic, with US-based respondents more likely to be hit than EU-based companies and the regions reliant on Chinese suppliers feeling the most impact.
- "**World consumption is decreasing. I don't see it impacting us positively yet. Some 30 per cent work orders are being slashed by a few customers**," said Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association.

Inflation, remittances key concerns; BB upbeat on robust growth

The Financial Express; March 13, 2020

- **Bangladesh Bank expects the economic growth to be buoyant during the current fiscal year, which will be in line with the budget target of 8.20 per cent.**
- While the central bank is hopeful about keeping the inflation rate within 5.50 per cent band as set in the FY'20 national budget, it is mindful of an uptick.
- "**Recent upward revisions of domestic gas prices, augmented prices of goods and services resulting from the implementation of new VAT law,**" the BB said in its annual report.
- Expanded coverage of VAT law and weakening taka resulting from the increased demand for foreign exchange are potential sources of risk that can create upward pressure on the consumer price index inflation, it added.
- **But the report didn't mention anything about the possible impact of the coronavirus pandemic that has already unsettled the global economy, with dire warnings coming from the international financial institutions and OECD.**
- On the domestic front, BB's buoyant outlook on economic growth is based on several factors.

BD's economic growth to continue at 8.0pc this FY

The Financial Express; March 08, 2020

- **Japanese Ambassador in Dhaka Naoki Ito expressed the hope that Bangladesh's economic growth will continue at 8.0 per cent this fiscal year (FY) despite negative impact of the coronavirus outbreak.**
- "Despite negative impact of the coronavirus, Bangladesh economy will continue to grow at 8.0 per cent," he said. There is a strong indication that the economy of Bangladesh is moving forward.
- Mr. Ito expected that Bangladesh would be a true model of development and said Japan's continuous support to be behind the efforts of the country as the largest and longest development partner and friendship.
- **He pointed out all investment and cooperation made by Japan under the comprehensive partnership signed between the two Prime Ministers of Japan and Bangladesh, and said the country's growth is likely to accelerate further after completion of many of the Japan-funded infrastructure projects by 2024 and 2025.**
- Expressing concerns over the spread of coronavirus in Japan, he said the situation is expected to be contained by next week.

Robust exchange rate critical for sustained growth

The Daily Star; February 26, 2020

- **Poorly managed exchange rate, ad hoc-based incentive and existing domestic protection levels will not make Bangladesh's exports competitive and help diversify both products and destinations, according to a new plan of the government.**
- The National Economic Council (NEC) at its meeting at Sher-e-Bangla Nagar in the city approved the plan.
- In the plan, **export diversification and competitiveness in the global market have been identified as the major challenges facing Bangladesh.**
- The plan called for export diversification as over-reliance on a single export commodity makes the economy vulnerable to external shocks.
- A diverse export basket is absolutely necessary for stable export revenue and its growth.
- **Garment accounts for more than 80 per cent of the national exports, while the EU, the US and Japan are the major export destinations.**

NBR's collection shortfall soars to Tk 39,542cr in Jul-Jan

The New Age BD; February 11, 2020

- Shortfall in revenue collection by the National Board of Revenue is widening every month of the current fiscal year 2019-2020 due to failure of the three wings — value-added tax, customs and income tax — of the NBR in achieving the collection targets set for each month.
- Deficit in revenue collection skyrocketed to Tk 39,542 crore in July-January of the current FY20, rising from that of Tk 31,508 crore in July-December of the year, according to the NBR provisional data.
- **Tax officials managed to collect Tk 1,24,527 crore or 76 per cent of the target for July-January when the collection target was Tk 1,64,069 crore, the data showed**.
- The gap was BDT 31,508 crore in July-December of the fiscal year.
- **Ambitious target of revenue collection set for the entire fiscal year, lack of necessary administrative reforms, failure in implementing the decisions to automate the tax systems, particularly VAT system, and gloomy economic situation in the country are the major reasons for the widening gap in revenue mobilisation**, officials said.
- The government set the revenue collection target at BDT 3,25,600 crore, 45.43 per cent higher than the actual collection of BDT 2,23,892 crore in the last fiscal year of FY 2018-19 when revenue collection grew by only 10.67 per cent.

Exporters on the ropes

The Daily Star; March 06, 2020

- **Export earnings in February edged down 1.80 per cent year-on-year to $3.32 billion mainly because of a slowdown in apparel shipment, according to data from the Export Promotion Bureau (EPB).**
- The February earning is also 10.74 per cent short of the $3.72 billion target set for the month, while overall exports in July-February, the first eight

months of the current fiscal year, fell 4.79 per cent to $26.24 billion.

- The July-February receipt is also 12.72 per cent less than the periodic target of $30.06 billion.
- **Exports await a further blow amid the coronavirus outbreak in China, the major source of raw materials for Bangladesh's apparel items, said exporters and economists.**
- The coronavirus will badly impact the economy as exports from the country are likely to be affected, said Ahsan H Mansur, executive director of the Policy Research Institute.
- Bangladeshi exporters are going through a rough patch in recent months because of factors like poor labour efficiency, high cost of production, low price of garment items and a strong local currency against the US dollar.

Kamal cool on currency depreciation; Measure not feasible for a nation dependent on imports

The Financial Express; March 09, 2020

- **Finance Minister AHM Mustafa Kamal said, depreciation of BDT would not bring any benefit to an import-dependent country.**
- "Some people ask why we are not devaluing currency to enhance export earnings. But the reality is if we even devalue currency to BDT 150 (against US dollar) from the present rate, export can't exceed import," the minister told an event in the capital.
- "**So there is no reason why you would go for devaluing the currency**," he added.
- Explaining the reasons, the minister said that the country would not be able to slash imports such as consumer goods.
- The mid-level essential products are now produced in Bangladesh, for which import is not required.
- **But the luxury items like BMW and Mercedes-Benz cars import would not go down no matter what their prices are, because people who buy such items have huge money in hand,** he said.

Import orders drop by 12pc in January; Coronavirus fallout

The Financial Express; March 12, 2020

- **Bangladesh's import orders dropped by more than 12 per cent or nearly US$663 million in January last due to supply chain disruption caused by the coronavirus outbreak in China.**
- Opening of letters of credit (LCs), generally known as import orders, came down to $4.63 billion in January from $5.29 billion a month ago, according to the central bank's latest data.
- "**The country's overall imports are maintaining a falling trend in the recent months mainly due to global economic slowdown and coronavirus outbreak in Wuhan of China**," a senior official of the Bangladesh Bank (BB) told the FE.
- The central banker also predicted that the falling import trend might continue until June this year.
- "**We've to wait another couple of months to know about the real impact of the coronavirus outbreak on our economy**," the BB official said.

Import fall pushes up tax revenue shortfall

The Financial Express; March 03, 2020

- **Tax revenue shortfall aggravated further, hovering to a deficit worth BDT 374.97 billion against its target until January of the current fiscal year (FY), 2019-20, largely due to fall in import of revenue-generating commodities.**
- Tax on import-export stage posted 1.04 per cent growth with the highest shortfall of BDT 158.26 billion against its target, according to the National Board of Revenue (NBR) provisional data disclosed.
- The NBR's VAT Wing also faced shortfall worth BDT 120.21 billion, while Income Tax Wing BDT 96.49 billion.
- **The NBR's aggregate revenue collection posted a poor 8.47 per cent growth in July-January period of FY 20 over the corresponding period of last year. Average growth in revenue collection during last five years was 13.16 per cent.**
- The NBR collected aggregate revenue worth BDT 1.26 trillion in the first seven months of the FY, against its target of BDT 1.64 trillion for the period.

ADP implementation rate hits 3-yr low in July-Feb

The New Age BD; March 10, 2020

- **The rate of the implementation of the annual development programme in the eight months (July-February) of the current fiscal year 2019-2020 stood at a three-year low as the government agencies could execute only 37.09 per cent or BDT 79,786 crore of the ADP in the period.**
- The previous lowest implementation rate of the government's development budget in the July-February period was 36.91 per cent in FY 2016-2017.
- **The agencies, including ministries and divisions, implemented 39.13 per cent of the ADP in the period in FY 2018-2019 and 38.01 per cent in FY 2017-2018, according to the data of the Implementation Monitoring and Evaluation Division of the planning ministry.**
- The government will have to spend BDT 1,35,328 crore or 63 per cent of the total outlay worth BDT 2,15,114 crore adopted for the entire fiscal year in the remaining months, the IMED data showed.
- **Officials and economists said that the government would have to cut the size of the ADP significantly to achieve the target of a full implementation as the execution of some mega projects, including Padma Bridge, might become slow down due to the impact of coronavirus outbreak in China.**
- They said that the implementation rate of Padma Bridge would become slower as some Chinese nationals could not come back while the supply of equipment and goods from the country was also disrupted due to the epidemic.

Bangladesh Bank resumes dollar buy as remittance rises, import falls

The New Age BD; March 10, 2020

- **The Bangladesh Bank has resumed purchasing of the US dollars from the local market after three years with a view to keeping the prices of the greenbacks stable amid a fall in import payments in the wake of coronavirus.**
- The supply of the US dollars in the country's local market has surged in recent months due mainly to the fall in import payments against the growing volume of remittance inflow.
- In the context of the identification of three coronavirus infected individuals in the country, appreciation of the taka against the US dollar could be another disappointment for the exporters.
- **The central bank for the last time purchased the dollars from the local market on January 4, 2017** and since then it has been injecting the US dollars in the local market.
- In FY20, the BB sold $489 million to the local market till Sunday after selling $2.34 billion in FY19.
- The higher supply could have resulted in a devaluation of the currency in the local market, BB officials said.
- The interbank exchange rate of the dollar was BDT 84.95 on Tuesday, according to the BB data.
- As banks are holding surplus US dollars, they rushed to the BB to sell the greenbacks.

Budget deficit swells in five months; Bank borrowing could hit BDT 1.0tn, predicts economist

The Financial Express; March 15, 2020

- **The country's budget deficit reached BDT 359 billion in the first five months to November, a 37 per cent jump over the same period last fiscal, the ministry of finance data show.**
- During the period, total expenditure amounted to BDT 1,357 billion, compared with revenue receipt of BDT 998 billon.
- **Furthermore, between July and November, the government received a total of BDT 10.72 billion in external funding to execute the budget, almost half the amount it secured in the year-earlier period.**
- The deficit financing from domestic sources was BDT 370 billion (net), most part of it came from the banking system, nearly BDT 300 billion (net).
- **The non-bank borrowing, mostly through saving schemes, was BDT 70 billion (net) during the period under review.**
- The borrowing from savings tools during the same period a year earlier was BDT 220 billion (net).
- Analysts have warned that as a result of Covid-19, the deficit might go up further in the months to come.

Pvt sector credit growth slumps further to 9.2pc in January

The New Age BD; March 10, 2020

- **The private sector credit growth declined to 9.2 per cent in January amid heavy government borrowing from the banking sector and the government's move to cut lending rate for banks to 9 per cent**.
- The private sector credit growth in all the seven months of the fiscal year 2019-2020 remained far below the Bangladesh Bank's projection of 14.8 per cent growth for FY20.
- **Bankers and experts said that the constant fall in private sector credit growth would ultimately slow down the country's economy.**
- If the circumstances remain unchanged, the credit situation to the businesses would deteriorate further in the coming days, they cautioned.
- **The private sector credit growth in January was the lowest after 2008 when the growth rate tumbled below 9 per cent.**
- In December last year, the growth rate dropped to 9.83 per cent from 9.87 per cent in the previous month.
- A fall in deposit growth amid the government's move to implement 9 per cent lending rate and 6 per cent deposit rate is leading the banking sector to a liquidity crisis and thus resulted in a lower credit flow to the businesses, Mirza Aziz said.

Govt formulating rule to ease cost of doing business

The Financial Express; March 12, 2020

- **The government is formulating a rule with the aim to ease the cost of doing business in Bangladesh and increase foreign direct investment in the country.**
- Executive Chairman of the Bangladesh Investment Development Authority (BIDA) Md Serajul Islam said the BIDA has already started discussion in this regard with representatives of all the stakeholders.
- **Serajul Islam said the BIDA is working to coordinate between the government and the private sectors about investments made by them for better development of the country.**
- "The government is also preparing a rule to reduce the cost of doing business and increase the investment in Bangladesh," he said. The BIDA has already started the discussion with the stakeholders in this regard, he added.

Current account deficit narrows in seven months

The Financial Express; March 09, 2020

- **Deficit in the current account balance has declined significantly in the first seven months of the current fiscal year (FY), 2019-20, on the back of shrinking merchandise trade gap.**
- Bangladesh's trade deficit narrowed down by 2.33 per cent or US$230 million during the period under review, as both export and import growth fell, indicating a 'sluggish trend' in the economy.
- "**The trade deficit may shrink further in the coming months because of the falling trend in import growth, which is expected to continue due to coronavirus outbreak in different countries of the world**," a senior central banker told the FE.
- The overall trade deficit came down to $9.64 billion during the July-January period of FY '20 from $9.87 billion in the same period of the previous fiscal, according to the latest data released by the Bangladesh Bank (BB).
- **The export growth fell by 5.31 per cent to $ 22.36 billion during the period under review from $ 23.61 billion in the same period of FY '19 while the import growth dropped by 4.43 per cent to $32.00 billion from $33.49 billion.**
- Lower trade deficit coupled with higher inflow of remittance pushed down the current account deficit during the period under review, according to the BB official.
- The current account deficit stood at $1.52 billion in the seven months of the current fiscal year, down from $4.04 billion in the same period of the last fiscal year, the BB data show.

Japanese firms most optimistic of their prospects in Bangladesh out of Asia

The Daily Star; February 19, 2020

- **Bangladesh is the top choice for Japanese companies seeking to expand business in Asia and Oceania in the next two years due to its high potential and profitability, according to a survey by the Japan External Trade Organisation (JETRO).**

- Some 70.3 per cent of the Japanese companies in Bangladesh are mulling expanding business in the next one to two years, 23.4 per cent believe their operations would remain the same and 1.6 per cent is pondering over going for a reduction.
- The survey took comments of 13,458 Japanese firms engaged in manufacturing and non-manufacturing sectors in 20 Asia and Oceania countries between the months of August and September last year.
- **The Japanese firms in India are the next most sanguine ones: 65.5 per cent are planning expansion.**
- **Vietnam comes in third, with 63.9 per cent of the Japanese firms there are planning expansion. It is followed by Pakistan at 62.5 per cent.**
- Bangladesh came in 5th in terms of profitability for Japanese companies.
- Some 36.7 per cent of the Japanese companies operating in Bangladesh expect an increase in profit in 2019 from a year earlier, while 44.9 per cent expect it to remain the same. Some 18.4 per cent are bracing for a contraction in their profits.

Achieving SDGs: Bangladesh lags behind most S Asian countries

The Dhaka Tribune; February 19, 2020

- **Quite unlike the Millennium Development Goals, Bangladesh's progress in the Sustainable Development Goals has been as per the expectation so far.**
- Ranked 116th, Bangladesh is lagging behind all the South Asian countries except Afghanistan and Pakistan, according to the Sustainable Development Goals Report-2019, released by the United Nations (UN) recently.
- Four years after signing the 2030 Agenda for Sustainable Development, countries have taken action to integrate the goals and targets into their national development plans and to align policies and institutions behind them.
- **According to the report, among South Asian Association for Regional Cooperation (SAARC) countries, Bangladesh ranks sixth only before Afghanistan and Pakistan**.
- Bangladesh scored 60.9 out of 100, while its partner in the region the Maldives ranked 47th socring 72.1, Bhutan 84th with 67.6 points followed by Sri Lanka 93th with 65.8 points, Nepal 103rd with 63.9 points, India 115th with 61.1 points, Pakistan 116th with 55.6 points and Afghanistan 153rd with 49.6 points.

FDI flow far lower than pledged in three years

The Financial Express; February 14, 2020

- **Investment in Bangladesh by overseas firms was far below their initial pledges in the past three consecutive years through 2018**.
- AKM Mozammel Haque, a minister in charge of the Prime Minister's Office said **foreign firms' business strategy, local market and fluctuation of foreign exchange rates are believed to be the main reasons behind such poor actual foreign direct investment (FDI) here**.
- The actual FDI figure in 2018 was $3.6 billion, down by $1.57 billion than what they pledged.
- In 2017, the real FDI inflow dropped to $2.2 billion from $10.3 billion pledged.
- **Overseas firms made such investment pledges during their registration with the Bangladesh Investment Development Authority (BIDA), the country's prime investment promotion agency.**
- There was an even sharper drop in the size of investment in 2016 by foreign firms.
- In 2016, **foreign firms pledged to invest here $11.3 billion. But actually they invested only $2.3 billion during the period under review.**

Beneficiary for remittance incentive extended

The Daily Star; March 12, 2020

- **The central bank has extended the 2 per cent incentive on remittance to Bangladeshi government officials working at the United Nations and other global agencies abroad in a bid to boost foreign currency earnings.**
- Besides, **Bangladesh citizens working abroad at shipping and airline companies, owned by Bangladeshi or foreigners, will be entitled for the incentive**, according to a notice issued by the central bank yesterday.
- Government staff stationed at the UN peacekeeping missions is also eligible. But pilots and mariners working at state-owned companies will not get the privilege, a central banker said.

- As per the previous notice of the central bank, only expatriate Bangladeshi workers were eligible for the subsidy.
- **In the budget for fiscal 2019-20, the government introduced the cash subsidy for remitters to encourage them to send money home through legal channels**.
- In February, expatriate Bangladeshis sent home $1.45 billion to take the tally to $12.49 billion so far in fiscal 2019-20.

July-Feb remittance flow crosses $12b

The Financial Express; March 02, 2020

- **The flow of inward remittances crossed US$12 billion in the first eight months of this fiscal year (FY), despite a significant fall in February**, officials said.
- The inflow of remittances grew by more than 20 per cent to $12.49 billion during the July-February period of FY '20 from $10.41 billion in the same period of the previous fiscal.
- **Remittances from Bangladeshi nationals working abroad were estimated at $1.45 billion in February last, registering a decrease of $186.53 million from the previous month, according to the central bank's latest statistics.**
- **In January 2020, the remittance stood at $1.64 billion.**
- "Fewer working days pushed down the inflow of remittances slightly in February," Kazi Sayedur Rahman, executive director of the Bangladesh Bank (BB), told the FE while replying to a query.
- **About the impact of coronavirus, the central banker said they were yet to find out any adverse impact of the disease on the flow of inward remittances.**

Inflation eases in Feb; Coronavirus might have some impact on inflation: Minister

The Financial Express; March 04, 2020

- **Planning Minister MA Mannan said if coronavirus cannot be contained then it might have some impact on inflation in the coming months, reports UNB**.
- "Corona (virus) is a global fear now and the global trade and commerce have already been affected to some extent due to the virus fallout. If it's not contained, then there might be some impact," said the minister while briefing reporters revealing the monthly consumer price index after the day's Eenec meeting held at the NEC conference room in the city.
- **He said as the country's manufacturing sector is dependent on raw material import, there will be price hike of these materials if the supply is hampered due to virus outbreak. "Naturally, the price level will see a rise that can't be controlled."**
- The minister, however, said it is a matter of great hope that the shipment of goods from China has started.

Bangladesh still risks losing GSP benefits

The Financial Express; February 24, 2020

- **Bangladesh is still at risk of losing the European Union's GSP as the latter has again warned about its readiness to launch the procedure for withdrawal of preferences in case of failure to produce sufficient results.**
- The European Union (EU) will decide on its next steps following the publication of the assessment report by the International Labour Organisation (ILO) by the next month on Bangladesh in line with its (ILO's) previous recommendations.
- **The EU's warning came in its latest report expressing its concerns over labour and human rights situation in Bangladesh. It suggested further improvements in these areas to avert any untoward situation such as withdrawal of trade preferences.**
- The third biennial report on GSP (Generalised Scheme of Preferences) covering the period 2018-19 was published on February 12.
- The report cited the case of Cambodia where the Commission launched the procedure for a temporary withdrawal of the GSP facility in February 2019.
- **The countries which are unwilling to address and engage on issues of concern are being scrutinized, it said,** adding that through enhanced engagement, the EU intensified the dialogue with Bangladesh, Cambodia and Myanmar to press for concrete actions and sustainable solutions to serious shortcomings in respecting fundamental human and labor rights.

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