

### FOREIGN INVESTORS' CHAMBER OF COMMERCE & INDUSTRY



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### Feature

### South Asia Loses Growth Lead, Can Regain through Action

After leading global growth for two years, South Asia has fallen to second place, after East Asia and the Pacific. The region's slowdown is due to both temporary shocks and longer-term challenges. Regional economic growth is expected to slow to 6.9 percent in 2017 from 7.5 percent in 2016, but growth could rebound to 7.1 percent in 2018 with the right mix of policies and reforms.

The just released twice-ayear South Asia Economic Focus (SAEF) finds that the slowdown in South Asia has mostly been driven by internal factors, most notably in India, such as a decrease in private investment, and an increase in imports and government spending. This edition, Growth out of the Blue, explores the potential of night-time light satellite imagery to improve measurement and understanding of economic activities.

"While growth rates in South Asia largely remain robust given the economic shocks that some countries in the region have faced, countries should continue to actively address their growing trade and fiscal deficits," said Annette Dixon, the World Bank South Asia Region Vice President. "With the right mix of policies to respond to challenges, we remain confident that South Asian countries can accelerate their growth to create more opportunities and prosperity for their people." economic activity expected to accelerate to more than 5 percent this and next year, if deficits are well-managed and external stability is maintained. Nepal has seen an economic rebound after the earthquake and trade disruption in 2015, but growth is moderating this



Given its weight in the region, India sets the pace for South Asia. Its Gross Domestic Product (GDP) growth is expected to slow down to 7.0 percent in 2017, due to surging imports and declining private investment along with the effects from withdrawing large amounts of banknotes and the introduction of the Goods and Services Tax (GST). However, India's growth is expected to rebound to 7.3 percent in 2018.

Pakistan continues its upward growth performance with

year. In Bangladesh, industrial production continued to accelerate, export growth slowed, and fiscal deficits increased. Overall. South Asian economies stand to gain from continued recovery advanced in economies, which are their largest export markets.

The report also highlights that South Asia was once at the cutting edge in economic measurement and analysis, pioneering techniques such as the use of household surveys.

### FICCI Feature

With the rise of big data, traditional ways to measure economic phenomena like prices and GDP can be supplemented. To improve economic measurement in South Asia, a greater reliance on big data may help, but a clear agenda toward stronger statistical systems is a necessity.

"We're very excited about the potential of adopting new sources of data to improve our understanding of economic activity. Nightlight data, for instance, is easy to obtain, regularly updated, and very informative." said World Bank South Asia Region Chief Economist Martin Rama. "In this report, it allows us to shed light on recent episodes and to provide a new perspective on how policies and shocks impacted the region, down to the local level."

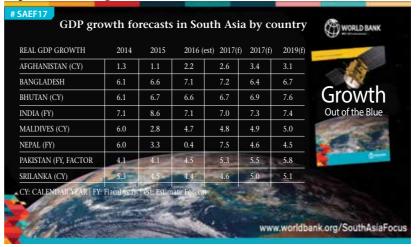
Afghanistan's economic recovery remains slow with continuing insecurity curbing private investment and consumer demand. Growth is projected to accelerate slightly from 2.6 percent in 2017 to 3.4 percent in 2018. However, with population growth of nearly 3 percent, such a level of economic growth means minimal income per capita growth. Sustained economic growth requires transforming the economy through better

health and education, improved agriculture, and the development of the country's mining resources.

The economy in Bangladesh remains strong with accelerating industrial production and resilient However, growth services. is expected to moderate this year. Deficits are widening as export growth and remittances have weakened which should be monitored and addressed along with increasing stresses on the financial sector and uncertainties around the upcoming elections.

Economic activity in Bhutan has kept growth strong with the economy expected to grow at 6.7 contributed to growth and poverty reduction. However, risks are emerging, including possible delays in hydropower construction and the slowdown in growth in India.

India's economic momentum has been affected from from disruptions the withdrawal of banknotes and uncertainties around the GST. Growth is expected to slow from 8.6 percent in 2015 to 7.0 percent in 2017. Sound policies around balancing public spending with private investment could accelerate growth to 7.3 percent by 2018. While sustained growth is expected to translate to continued poverty reduction, more focus could be made



percent in 2017 and 6.9 percent in 2018. Hydropower projects, supportive policies combined with low inflation, a stable exchange rate and greater financial reserves have to help benefit the informal economy more.

In Maldives, GDP growth has rebounded to nearly 5 percent as the government embarks on several major infrastructure

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projects help move to Maldivians to the capital city Malé. Construction is expected to be a key driver of growth, with tourism also recovering. The country could better align economic activity with providing more employment opportunities, and better health as well as education services. In addition, it needs to prepare for the impacts of climate change.

Nepal has seen an impressive economic recovery after disruptions from earthquakes and a trade blockade. Economic activity rebounded to 7.5 percent in 2017 through increasing government resources, spending, and remittances from abroad. Growth is expected to slow in 2018 due to the heaviest floods in decades, slow recovery of exports, and an increase in lending rates.

In Pakistan, economic growth is expected to accelerate to more than 5 percent this and the next years if the country's fiscal deficits are well managed and external stability is maintained. Efforts to reverse the trade and fiscal imbalances and continued implementation of reforms will be needed for sustaining and accelerating growth and improving welfare.

### Feature **FICCI**

Sri Lanka's economic growth is projected to grow at 4.6 percent in 2017 and achieve 5 percent growth in the years ahead. Public finances and reserves have improved despite a high budget deficit and public debt. Frequent natural disasters continue to weaken economic performance and are likely to increase poverty. Accelerating reforms to promote competitiveness, better governance, and a more balanced budget are critical to ensure sustained growth and development.

[Source: http://www.worldbank.org/en/ news/press-release/2017/10/08/rightpolicies-south-asia-potential-growthlead-saef]

### AIDE-MEMOIRE

To make the FICCI Monthly Bulletin more interesting/useful, please provide your company news & write ups for publication.

### **Business News**

#### Bangladesh 177th in Ease of Doing Business Ranking

Bangladesh has been ranked 177th among 190 economies across the world in the latest tally of ease of doing business, prepared by The World Bank. The report shows the country actually slipped one step back in the global indicator of doing business smoothly. The Doing Business 2018 Report, released on October 31, put Bangladesh on the 177th position. The country was on 176th position in the last year's report on 190 economies.

Neighboring country India, which was positioned

130th last year, has jumped into the bracket of top 100 countries in this year's report. New Zealand appears on top of the list, followed by Singapore, Denmark, South Korea, Hong Kong, United States of America, United Kingdom, Norway, Georgia and Sweden.

### **Bangladesh Export Earnings May Slow Down: UNESCAP**

Growth of earnings from the merchandise export in Bangladesh may slow down in the next year, according to the latest forecast of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).

ESCAP released its latest version of The Asia-Pacific Trade and Investment Report (APTIR) reveals the forecast. It showed that value of export may post 4.6 per cent growth in next year which is also estimated to grow by 5.2 per cent in the current year (2017). The report, however, mentioned that volume of export growth would increase to 3.5 per cent in the next year from 1.3 per cent estimated in 2017.

ESCAP projected that the price of the country's export would drop significantly in the next year. It projected only 1.1 per cent growth in price in the next year against the estimated 3.9 per cent growth in 2017.

The report mentioned that in 2017, exports by the Asia-Pacific region are expected to grow by 4.5 per cent in volume, and imports may reach nearly 8.0 per cent. ESCAP also anticipated that export volume of the Asia-Pacific region in 2018 would grow modestly at 3.5 per cent while the import volume will increase by less than 3.0 per cent.

"Export and import prices, especially commodity prices, are not likely to increase, and in fact, may trend downward due to the potential slowdown of investment and consumption precipitated by rising uncertainties," it added. "The sluggish prices will cause trade value to grow much slower in 2018 than in this year.

### **BAPEX Confirms Newfound Gas in Bhola**

Bangladesh Petroleum Exploration and Production Company (BAPEX) have confirmed existence of high-pressured extractable natural gas three kilometres off Shahbazpur Gas Field in Bhola. BAPEX's Deputy General Manager Meherul Hasan said they completed two pending geological tests to be sure of this at the new gas field Shahbazpur East-1 in the district's Borhanuddin upazila. Earlier at 10 in the morning, the government gas explorer carried out a perforation test and found a flow pressure of the gas field around 5000psi. The test also confirmed a rich reserve, which is estimated to 720 billion cubic feet, in the new gas field, believed to be an extension of Shahbazpur Gas Field. Two days back, BAPEX completed another test through direct steam method but that was not enough to be confirmed of the gas existence. Earlier on October 23, Cabinet Secretary Shafiul Alam broke the gas field discovery to the media, calling it 'quite a good news for the country.

### Bangladesh 6th in Asia with Over 6 Lakh Internally Displaced People

Bangladesh ranked sixth among the Asian countries with 614,000 people displaced in their own country, according to a recent report of the Genevabased Internal Displacement Monitoring Centre (IDMC).

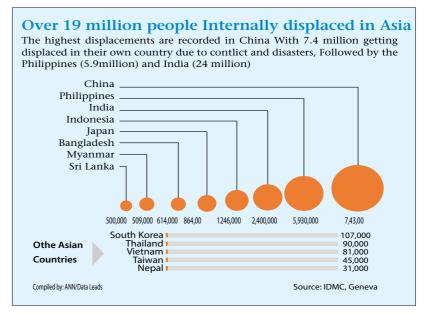
The highest displacements are recorded in China with 7.4 million people getting displaced in their own country due to conflict and disasters, followed by the Philippines (5.9 million) and India (2.4 million), the report said.

The World is faced with the rising crisis of internally displaced people. Each year millions of people are being made homeless as a result of sudden disasters such as floods and storms, new figures show. The majority of the people who are faced with the high risk of displacement live in Asian countries mostly struggling economic with various hardships. Eight countries with highest risk of internally displaced people are in Asia.

China tops the list with most number of internally displaced people due to the natural disasters. Around 7. 4 million people are displaced and earthquakes, storms, floods and geophysical hazards are mostly responsible for their displacement.

The Philippines has the second highest number of internally

In India which has the third highest number of displaced people, displacement in recent years has been attributed to the environmental factors. India is prone to droughts, floods, tsunamis, earthquakes and



displaced people in Asia. Disasters due to typhoons are a major factor for displacement of people in the country. The armed conflicts in the southern island of Mindano have also forced people to dislocate. Clan based violence and human rights violations by state and non-state actors continue to push people away from their locations.

cyclones. The third of country's population live in poverty and substandard housing which makes it difficult for them to cope in the face of natural disasters. Combined with these factors is the poorly urbanization planned and environmental degradation which has led to risk of and damage displacement. Also, the political conflicts in



various states of the country and increase of human rights violations also have led to people displacing and moving to safer areas.

In Indonesia, people have been dislocated because of protracted inter communal violence and insurgency related violence and as a result of which they have been unwilling to reintegrate and re-establish their lives. Conflict of Aceh, Free Papua Movement, attack on religious minorities, targeting of shia population in the country has forced people to displace, according to IDMC.

People in Japan continue to bear the brunt of The Great East Japan Earthquake, persistent tsunamis and the Fukushima nuclear radiation disaster. The country has fifth largest number of internally displaced people in Asia. Floods and protracted ethnic conflicts have rendered thousands of people displaced in Bangladesh making it country with sixth largest number of internally displaced people.

Myanmar has also been witnessing inter community conflicts leading to violence and consequently displacement. The conflict between Buddhists and Muslims in the Rakhine state since 2012 has continuously been displacing people.

Sri Lanka has been witness to a brutal war between State and Liberation Tigers of Tamil Elam (LTTE) which has resulted in thousands of people being displaced from Northern and Eastern provinces.

The conflict in Thailand between Malay Muslims

and the State has resulted in internal displacement along with environmental disasters like recent floods in the county. The Buddhist minority in the state of Pattani has moved to safer places to evade the conflict. The displacement due to natural disasters has been mostly from rural to urban areas.

Refugees and people uprooted in their own countries already at record-high are numbers. Worse the internally displaced people are in a much difficult position. While refuges benefit from an established legal system of protection, those displaced internally lack any institutional support or assistance from international community or justice system.

### Honda Investing \$29m in Motorcycle Plant

Japanese Honda Motor Co is investing \$29 million in a new joint venture plant with a target to increase its annual production capacity to 200,000 motorcycles by 2021.

BangladeshHondaPrivateLtd (BHL) and theBangladeshgovernmentstartedconstruction of thenew25-acreplantinside

Abdul Monem Economic Zone (AMEZ) in Munshiganj district. Honda owns 70 percent of the stakes in BHL while the rest is owned by state-owned Bangladesh Steel Engineering Corporation.

BHL primarily has a target to go into production in the new plant in the middle of next year, Bangladesh Honda said in a statement. According to the officials, BHL will manufacture the parts in the plant. Over 350 persons can be employed in the plant, said Shah Muhammad Ashiqur Rahman, head of finance and commercial of BHL.

At the groundbreaking ceremony yesterday, Shinji Aoyama, operating officer for Honda Motor Co for Asia and Oceania, said, "We believe the motorcycle market in Bangladesh is growing at a faster rate because of the growing population and a steady rise of the economy." He said the new investment has been made keeping in mind the growing demand for motorcycles in Bangladesh. "We hope we can supply the motorcycles at an affordable price to our local customers in Bangladesh."

From January to September this year, 270,000 motorcycles were sold in Bangladesh and the demand is on the rise, said Rahman. Rahman said the Japanese company came in Bangladesh in December 2012 and started production in a rented factory in Sreepur of Gazipur.

BHL has a production capacity of 80,000 units in its 8,700-square meter Sreepur plant. Currently, BHL produces seven models of motorcycles in Bangladesh such as CD80, Dream New 110, Livo 110, CB Shine 125 and CB Trigger.

Industries Minister Amir Hossain Amu, Bangladesh Economic Zones Authority (BEZA) Executive Chairman Paban Chowdhury and newly appointed Japanese Ambassador in Bangladesh Hiroyasu Izumi were present at yesterday's ceremony. BEZA, the economic zones regulatory body, awarded a license to AMEZ in January this year to set up the economic zone on a 315-acre land.

Chowdhury said Honda purchased 25 acres of land from AMEZ to set up the plant. "Production in five BEZA-developed economic zones has already started and the development work of 30 more is ongoing in full swing," he added. BEZA is working with a target to develop 100 economic zones across the country, he said.

#### Investment Proposals for July-September '17 Leap 140%: BIDA

Investment proposals rose by 140 per cent during July-September period this year, according to the latest data of the Bangladesh Investment Development Authority (BIDA).

During that period, BIDA received proposals involving a total of Tk. 697.66 billion from local and foreign investors in 391 industrial units. The amount is Tk. 407.40 billion more than April-June period of the same year, says a BSS report.

In April-June period, BIDA got investment proposals involving Tk. 290.25 billion for 443 industrial units. From BIDA data, it can also be seen that local investment proposals rose by 88.16 per cent during July-September of 2017.

During this period, BIDA received proposals for investing a total of Tk. 516.27 billion from the local entrepreneurs for 361 industrial units. The proposed amount was Tk. 274.38 billion for 396 industrial units during April-June period of 2017.

The authority received proposals involving a total of Tk. 181.38 billion from overseas investors for 10 fully foreign owned industrial units and 20 joint venture units with local entrepreneurs.

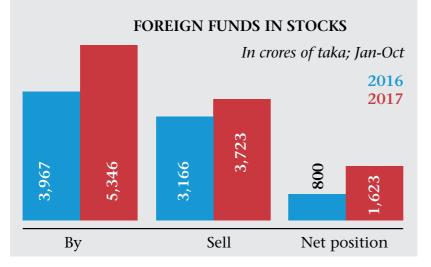
BIDA said the highest number of proposals came for the chemical industries, which was 33.98 per cent of the total proposed amount. Proposal for industrial sector was 31.15 per cent. Service sector came next with 29.72 per cent followed by engineering sector with 8.18 per cent, agricultural sector with 4.11 per cent, textile sector with 10.51 per cent and allied with 7.28 per cent.

The investment proposals from local and foreign entrepreneurs would create a total of 66,491 jobs in the country.

#### Foreign Investment in Stocks Doubles in Jan-Oct'17

Foreign investment in stocks doubled year-on-year in the first 10 months of 2017 as overseas investors continue to show their trust in the market. Net position of foreign portfolio with the Dhaka Stock Exchange (DSE) stood at Tk. 1,623.43 crore in January-October, compared to Tk. 800.47 crore in the Securities and Exchange Commission, at a seminar in Dhaka recently. He said the government's continuous efforts to strengthen the stock market have made the country a popular destination for foreign investors.

In the first 10 months, foreign investors bought shares



same period a year ago. The steadily growing economy and matured market behavior after the demutualization of bourses encouraged foreign investors to put their money in stocks, said a senior executive of the DSE.

Many foreign individuals and institutions are now showing interest to invest in Bangladesh's stock market, said M Khairul Hossain, chairman of Bangladesh worth Tk. 5,346 crore and sold shares of Tk. 3,723 crore. However, a recent move of the central bank made foreign investors cautious along with their local peers.

In October, the Bangladesh Bank took action against overexposed banks, which put pressure on the market. The central bank fined seven banks for violating stock rule by way of over-exposure. The move prompted sales pressure as the overexposed banks also had to get rid of shares to adjust their investment in line with the regulatory limit. As a result, foreign investors were careful about injecting funds into stocks. They sold shares to book profit in October taking their net position into the negative territory.

In fact, both the local and foreign investors booked profit amid the downward market last month, said the DSE executive. However, there was no unusual movement in price indices, which reflected the matured behavior of the bourse, he said.

In October, overseas investors sold shares worth Tk. 396.86 crore and bought shares of Tk. 245.13 crore, creating monthly a negative net investment position of Tk. 151.72 crore, DSE data shows. Monthly turnover in the foreign portfolio fell 32 percent to Tk. 642 crore in October from Tk. 946.55 crore in the previous month.

Foreign investors will continue to invest more in stocks in the coming days in anticipation of steady economic growth, according to the DSE official.

### **Market & Financial News**

### **Exports Spring Back**

Exports bounced back in the month of October, fetching \$2.84 billion on the back of higher shipments of apparel products.

"Yes, garment export is rebounding after a slowdown over the last few months," said Siddigur Rahman, president of the Bangladesh Garment Manufacturers and Exporters Association. Garment shipments, which typically fetch 82 percent of the export earnings, brought home \$2.29 billion last month, up 41.36 percent from the previous month and 6.02 percent from a year earlier. "I hope garment shipments will only increase from here onwards as the peak season is coming up," he added.

October's receipts are higher than the previous month's by 39.9 percent and the previous year's by 6.37 percent, according to data from the Export Promotion Bureau. The amount, which beat the target of \$2.68 billion set by the commerce ministry for the month, takes the tally so far in the fiscal year to \$11.51 billion. In the first four months of fiscal 2017-18, leather and leather goods shipment, the second largest export earning sector after garment, declined slightly.

It raked in \$428.44 million, down 0.02 percent from a year earlier. But jute and jute goods, the next big export earner, saw its receipts soar 16.46 percent to \$345.01 million during the period.

The sector's prospects on the global stage brightened after the long-delayed diversification of the product range and the higher demand shipment of agricultural products like vegetable, fruits, spices, cut flowers grew 20.22 percent to \$203.21 million.

Frozen fish, live fish and shrimp export increased 15.41 percent to \$226.91 million, which is 37.21 percent higher than the target for the period. Shrimp exporters said they have been receiving better prices from buyers as the



for Bangladeshi made jute yarn for carpets and rug manufacturing in Turkev and some Middle-eastern destinations, according to industry people. Moreover, jute exports to Japan and Russia are increasing due to higher demand of natural fibre-made products there, exporters said. Home textile exports increased 20.37 percent year-on-year to \$260.79 million, while the

demand for the black tiger variety of shrimp increased in the western world.

Last year, shrimp exporters received \$5.50 to \$6.50 for a pound of shrimp, but this year they are receiving between \$7.50 and \$8, according to exporters. Pharmaceuticals exports grew 17.31 percent year-on-year to \$32.19 million and furniture exports 18.81 percent to \$14.15 million.

#### **Remittance Rebounds**

Remittance rebounded in October after hitting a sevenyear low the previous month, bringing a sigh of relief for the government. The Bangladeshi diasporas sent home \$1.16 billion last month, up 14.85 percent from a year earlier and 35.83 percent from the previous month, according to data from the central bank.

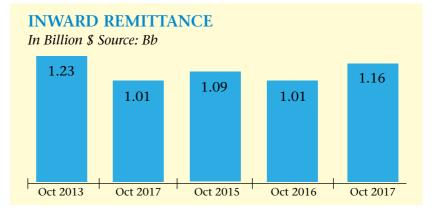
Remittance is a major source of foreign currency for Bangladesh and its descent since fiscal 2015-16 has progressively become a matter of concern for the government.

Although the official explanation being pushed for theshrinkingremittanceinflow is the persistent weakness in the Gulf Cooperation Council economies, where the majority of the migrant workers reside, it does not present the complete picture.

The growing popularity of digital "hundi" among migrant workers is another reason for the lower official remittance figures in recent times. Digital hundi is an illegal transfer of funds from abroad. The remitter deposits the amount to a vendor in his/her host country, who then instructs his network in Bangladesh to deposit the sum to the accounts of mobile financial service (MFS) providers.

Through this illegal channel the recipients in Bangladesh

tend to get a bigger sum than what they would have if the money was sent through the official channel. The reason for the jump in October's inflows, Bangladesh Bank officials say, is that the various initiatives that the government and the migrant workers. It also requested the Bangladeshi embassies in different countries to take measures to encourage migrant workers to send their hard-earned income through the proper banking channel.



central bank took to tackle the growing popularity of digital hundi in recent times are finally starting to bear fruit.

For instance, the central bank has asked MFS providers to suspend suspicious accounts of agents, who settle cross-country financial transactions bv bypassing the money laundering and terrorism financing laws. bKash, the leading MFS provider, has suspended the activities of more than 2,000 agents in line with the central bank directive, said Habibur Rahman, a general manager of the **BB.**"More suspicious accounts will be suspended," he said.

The central bank has asked banks to recruit agents abroad to collect remittances from "More steps will be taken to boost the official remittance figures," Rahman added. October's inflows take the receipts so far in the fiscal year to \$4.55 billion, up 7.05 percent from a year earlier. Remittance inflow in fiscal 2016-17 was the lowest in six years, which plunged the country's current account balance in the deficit zone.

The current account balance registered a deficit of \$1.48 billion in fiscal 2016-17 for the first time in five years. Expatriate Bangladeshis sent home \$12.77 billion in fiscal 2016-17, down 14.47 percent year-on-year.

#### **Current Account Deficit Widens to \$1.79b**

The country's current account deficit widened further in the first three months of this fiscal year due to sluggish export earnings and higher import payments.

In the July-September period of 2017-18, the deficit stood at \$1.79 billion, which was \$539 million in the surplus in the same period a year earlier, according to the central bank data. The current account also registered a deficit of \$451 million in the first two months of this fiscal year.

Strong import growth coupled with a moderate rise in exports contributed to the current account deficit, a Bangladesh Bank official told. In the quarter, imports rose 28.38 percent year-on-year while exports grew 7.70 percent, both of which resulted in the further widening of trade deficit.

The current account registered

a deficit of \$1.48 billion in 2016-17 against a surplus of \$4.26 billion a year earlier.

The government should take up initiatives to increase the export earnings with a view to tackling the large current account deficits, Khondaker Golam Moazzem, research director of the Centre for Policy Dialogue, told The Daily Star yesterday.

A moderate growth in inward remittances also left an adverse impact on the current account, he said.

The Bangladeshi diasporas sent home \$4.55 billion in the first four months of the current fiscal year, up 6.89 percent from a year earlier. "The central bank should take more initiatives to prevent hundi for the sake of increasing the remittance," he said.

Hundi is an illegal crossboundary channel for financial transactions. "The deficit of current account will decrease significantly if hundi can be prevented." The trade deficit also widened 133.37 percent year-on-year to \$3.65 billion in the three months to September.

Moazzem said trade deficit is a usual phenomenon for a developing country like Bangladesh. But higher import payments mainly for food grains and petroleum products pushed up the gap significantly in the last few months, he said. The gap has also depreciated the local currency against the US dollar.

The average taka-dollar exchange rate stood at Tk 80.92 yesterday, which was Tk. 78.45 a year ago, according to central bank statistics. Subsequently, at the end of September, the overall balance was \$360 million in contrast to \$1.79 billion in the negative a year earlier.

# **AIDE-MEMOIRE** FICCI issues Certificate of Origin, Visa Referral Letters and other Certificates for its member companies.

### Article

### 2017-18 Global Economic Outlook - Implications for Bangladesh

Muhammad Mahmood

The International Monetary Fund (IMF) in its latest World Economic Outlook report (October, 2017) has given a more optimistic forecast for global economic growth. This report was released in the context of its annual meeting in Washington last month setting out the IMF's policy agenda. The IMF predicts 3.6 per cent global economic growth this year followed by 3.7 per cent the next year. It is now 10 years since the Global Financial Crisis (GFC), the greatest economic collapse we have ever seen in our life time till now. Within this context this optimistic economic outlook is very encouraging.

While describing the economic growth outlook as good news, IMF Chief Economist the Maurice Obstfeld pointed out this growth was marked by acceleration from very tepid growth rates of recent years. He noted that the predicted longerrun potential growth rates are lower than they were in the past. He further indicated that the current phase of recovery was incomplete in many important ways and then he went on to say that the window of opportunity provided by the current "cyclical upswing" would not be open forever. His use of the term "cyclical upswing" is verv important; this clearly indicates

economic conditions have not yet returned to the conditions as prevailed before the pre-2007-08 period. According to the report the main area of incompleteness of the recovery was wage growth which remained stagnant to fairly slow relative to income earned by people belonging to the top income bracket (possibly he was referring to the one per cent). The report feared that this phenomenon can fuel social and political discontent. In essence it alludes to economic populism which generally refers to a general opposition to income inequality and globalization (more precisely free trade) and also opposition to money in politics. But economic populism has hardly any grounding in economics and money in politics is a political issue not an economic issue. Nevertheless, we ought to be careful about it as it is a reality now in many developed and developing countries.

The decline in real wages is not a new phenomenon but part of a longer-term trend. Working poor has been a common feature of most industrialized economies for a considerable period of time predating the GFC. Furthermore, flexible working arrangements such as casual, part-time (many of whom accepted such working arrangements involuntarily), including "zero-hour contracts",

are on the increase. A zerohour contract (or low-hour contract) is where an employer has the discretion to vary the employee's working hours; usually anywhere from full-time to "zero hours". These flexible working conditions lie at the root of low productivity now in most developed economies. More alarming is the minimum wage is no longer a guarantee to meet living costs or a way out of poverty. Working people on minimum wages are in most cases practically condemned to poverty. Only a living wage can save them from poverty but with rising unemployment and widespread disguised unemployment as well as falling trade union memberships, trade unions are at a disadvantageous position to strike a stronger bargain for a living wage.

In effect the world is still picking through the wreckage of the economic meltdown of 2007-08 and quite unsure what needs to be done differently to restore economic normalcy and more importantly, to ensure that the world does not face this type of calamity again. Over the longer term the failure to lift potential growth and make growth more inclusive would further fuel protectionism. There is now growing discontent among people as reflected in

growing political trends towards "populism". Populism is a term that can be applied in numerous contexts and extremely difficult to tie it down to a single descriptive phenomenon. It is a veneer to give expression to popular discontent against the powerful elite and provide policies which look and sound that they will work and make things better. But in reality they would not; because they misunderstand or misinterpret the underlying causes of the problem. No wonder their discontent has been directed against globalization because they blame globalization for their job losses in manufacturing, offshoring production facilities and fear of immigrants. It is creating a divide between "us" and "foreigners". But those compulsive fears mask the far greater role played by increasing industrial automation and its impact on the job market. The report focusing on the challenges facing emerging markets and developing economies predicted rather a "sobering outlook". It indicated that nearly a quarter of these economies would likely experience negative per to capita growth and low-income commodity-exporting countries also would face challenges. However, affecting all countries is the concern surrounding the growth rate of trade flows which just barely was above that of global gross domestic product (GDP). The report further stressed that sustaining the current phase of economic expansion would

require policy-makers to avoid protectionist measures and do more to ensure that gains from growth are shared more widely.

This slowdown in trade flows has important implications for Bangladesh. Exports of goods and services accounted for 16.5 per cent of GDP in 2016 while imports accounted for 23.2 per cent of GDP during the same year. While Bangladesh has now positioned itself as manufacturing-exporting а country, the export basket is largely composed of one product - ready-made garment (RMG) accounting for about 80 per cent of exports. The products of the RMG industry are mostly targeted towards low to middle-income consumers developed in countries. These products are highly income elastic. With wage stagnation and rising unemployment (including unemployment), disguised any significant increases in export volumes are unlikely given the nature of the targeted market. The diversification of manufacturing has been advocated by policy planner in Bangladesh, but nothing noteworthy seems to have happened on that front yet. However, remittances from more than 1.0 million workers overseas are the single largest source of foreign exchange earnings. Workers' remittances also kept the current account in surplus for most of the years over the last decade while the country ran trade

deficits during the same period. According to the World Bank, Bangladesh is now one of the largest recipients of remittance with about US\$ 15 billion in 2015. Since then remittances to Bangladesh have slowed down negatively impacting on the country's balance of payments. The falling commodity prices (i.e. oil) negatively impacting on economic activity in the major host countries of Bangladeshi immigrant workers in the Middle East. With the continuing sluggish oil prices, it is unlikely to see any major

turn-around in remittances to

Bangladesh.

The Bangladesh economy is expected to grow between 6.4 per cent to 6.8 per cent in 2017 and 2018. But declining exports, falling remittances and rising food (especially rice) price inflation may result in lower than expected growth. However, there are other risk factors that need to be factored in, such as early floods, the Rohingya refugee influx, the political uncertainties in the run up to elections in 2019, delays in fiscal reforms, very low productivity, industrial unrests and rising energy prices in projecting the future growth rates. But the ongoing infrastructure development may help drive growth rates to a higher level in 2018 and beyond.

[The writer is an independent economic and political analyst. This article was also published in the daily Financial Express on November 04, 2017]

### **Activities of the Chamber**

Newly Elected EC Members, President and Vice President of FICCI (2017 – 2019)

November 07: The newly elected Executive Committee of FICCI (2017–19) has elected its President and Vice President for the period 2017 – 2019 on the day. Mr. Shehzad Munim and Mr. Kevin Lyon have been elected President and Vice President respectively for the term 2017 – 19.



Mr. Shehzad Munim President, FICCI

Mr. Shehzad Munim has been elected President of Foreign Investors' Chamber of Commerce and Industries (FICCI) for the year 2017-19. He has been elected as the FICCI President for the First time. Earlier he served as a member of the Executive Committee of the Chamber. Mr. Munim currently is serving as the Managing Director of British American Tobacco Bangladesh Co. Ltd. (BAT). Mr. Shehzad Munim joined BAT Bangladesh as Territory Officer in 1997 after graduating from Institute of Business Administration (IBA) of Dhaka University. Mr. Munim worked in different roles within BAT Bangladesh department Marketing before being seconded to BAT New Zealand as Group Brand Manager in 2003 and subsequently he took over the role of Head of Brand Marketing in BAT New Zealand in 2005. In 2006, he took the challenge of developing the innovations process in BAT Australasia as Product and Packaging Innovations Manager. In 2007, he returned to BAT Bangladesh as Head of Brand Marketing after completing 4 vears of successful secondment in Australasia. In 2008, he assumed the role of Head of Marketing Bangladesh and delivered very strong business results. After completing a very successful tenure as Head of Marketing in Bangladesh

Mr. Munim has taken over the challenging role of Area Head of Marketing South Asia Area and is currently based in Islamabad, Pakistan. Repatriating to Bangladesh he assumed the role of the Managing Director in October 2013 and since then has been leading the business of BAT Bangladesh from the front.

He loves to travel thus exploring new places every year. Mr. Munim's passion for cricket knows no bounds and continues to inspire our young minds.



Mr. Kevin Lyon Vice President, FICCI

Mr. Kevin Lyon has been re-elected Vice-President of Foreign Investors' Chamber of Commerce & Industry (FICCI) for the term 2017-19. Kevin Lyon is the President of Chevron Bangladesh based in Dhaka, commencing his position since January 2015. Chevron is the largest producer of natural gas in Bangladesh, supplying over 50 percent of the country's natural gas consumption from three fields in northeastern Bangladesh. Before his arrival in Bangladesh, Kevin was the country manager for Chevron Exploration and Production Netherlands, part of the Chevron Upstream Europe strategic business unit. In this role, he was responsible for Chevron's oil and gas production in 10 offshore blocks located in the Dutch sector of the North Sea. Prior to his relocation to The Netherlands, he was based in Jakarta, Indonesia where he held the position of Non-operated Joint Venture Manager in Chevron's IndoAsia Business Unit. His assignment in Jakarta was preceded by an assignment in Manila, Philippines where he was the President of Chevron Malampaya. Prior to his tenure in IndoAsia, Mr. Lyon served as the Strategy and Planning Manager for the Nigeria/Mid Africa Strategic Business Unit. While in

Nigeria he held the positions of Organizational Design Manager and Deepwater Business Manager covering several Joint Venture and Production Sharing Contract areas. Kevin joined Texaco in 1988 and during his career in the energy industry he has held a variety of positions ranging from downstream refinery projects, midstream pipeline operations and upstream exploration and development. He earned his Electrical Engineering BS degree from University of Wyoming which he received in 1988. He is also a registered Professional Engineer in the State of Texas.

#### The newly elected Executive Committee Members for two years' term (2017-19):

1. Mr. Faisal Ahmed Chowdhury, Chairman, Baraka Power Ltd.

2. Mr. Francois de Maricourt,
CEO, The Hongkong
& Shanghai Banking
Corporation Ltd.

3. Mr. Kevin Lyon, President, Chevron Bangladesh

4. Dr. Mahmudul Karim, Country Lead, Santos Sangu Field Ltd. 5. Mr. Mahtab Uddin Ahmed, MD & CEO, Robi Axiata Ltd.

6. Mr. Md. Shafiqul Azim, GM, R-Pac (Bangladesh) Ltd.

7. Mr. Mohamed Haniffa Mohamed Fairoz, MD, Singer Bangladesh Ltd.

8. Mr. Mohsin Uddin Ahmed, MD, Linde Bangladesh Ltd.

9. Mr. Muin Uddin Mazumder, MD, Sanofi Bangladesh Ltd.

10. Mr. S. A. A. Masrur, Country Head, Bank Al Falah Ltd.

11. Mr. Shadab Ahmed Khan, Country Manager, Coca-Cola Bangladesh Ltd.

12. Mr. Shehzad Munim, Managing Director, British American Tobacco Bangladesh Co. Ltd.

13. Mr. Sujan Kumar Saha, Managing Director, BASF Bangladesh Ltd.

14. Mr. Syed Mohammad Kamal, Country Manager, MasterCard Singapore Holding PTE Ltd.

15. Mr. Syed Sadaquat Hossain, MD, Dachser (Bangladesh) Ltd.

The new Executive Committee will be effective from December 01, 2017.

### The 54th Annual General Meeting of FICCI

The  $54^{th}$ Annual General Meeting (AGM) of the Chamber was held on November 30, 2017 at 7:15 pm at the Four Points by Sheraton, Dhaka. The outgoing the Chamber President of Rupali Ms. Chowdhury presided over the meeting. The Chamber's Annual Report 2017-19 was circulated earlier among the member-representatives.

Ms. Rupail Chowdhury began her speech mentioning the end of the 4<sup>th</sup> consecutive year of The President also shared key achievements of the Chamber during her four years tenure. These were:

More business-friendly regulations: The Government has accepted a considerable number of recommendations proposed by FICCI in National Budget. FICCI also pursued the regulators to protect the business interest of the members. Some of the achievements in this score are:



left to right: Mr. Kevin Lyon, VP, Mr. Shehzad Munim, President (2017-19), Ms. Rupali Chowdhury, President (2015-17), Mr. Jamil Osman, Executive Director, FICCI.

her tenure as FICCI president. She happily announced that Mr. Shezad Munim, MD, BAT would replace her as President of FICCI from December 01, 2017. Ms. Chowdhury considered that it was a great honor for her to act as FICCI president for the last four years. She expressed her thanks and gratitude to all for giving her the opportunity to lead and relentlessly pursue various agenda of a prestigious organization like FICCI at different forums.

- Income year of the subsidiary of foreign companies & branches has been aligned.
- VAT to be deposited before VAT appeal has been kept at 10% instead of 50% proposed in budget.
- Provision for the deduction of tax on the direct materials that constitute cost of sales or cost of goods sold has been withdrawn.

- Provision for the adjustment of AIT deducted at import stage against the deductible tax at selling stage has been introduced.
- Procedures of tax deduction and tax collection on certain services and fees & commission have been simplified.
- The limit of allowable perquisite has been enhanced.
- Scope of the requirement for submission of e-TIN by the assesse has been widened.
- Computer generated notice & order and filing of return has been introduced.
- The definition of 'Worker' for distribution of WPPF was changed and new "Beneficiaries" term was introduced. This has resolved problems suffered by many members since introduction of labor law in 2006.
- Problem faced by members in FMCG business due to Customs Ruling relating to valuation of packing materials on the basis of net weight is in the process of being resolved.

Activities of the Chamber **FICCI** 

FICCI's 50<sup>th</sup> Anniversary Program: FICCI commemorated its 50<sup>th</sup> anniversary program on August 16, 2014 at Pan-Pacific Sonargaon Hotel. The Honorable President of the People's Republic Bangladesh Mr. Md. Abdul Hamid graced the occasion as the chief guest of the event. FICCI President said: "I would express my thanks and gratitude to all the members of the then Executive Committee, distinguished members the of FICCI and my colleagues at FICCI office for extending their wholehearted support and cooperation for the successful implementation of FICCI's 50th anniversary program."

**Contributory Provident Fund:** The Executive Committee of FICCI had approved the Contributory Provident Fund Rules, 2015 of FICCI which was made effective from 1<sup>st</sup> July, 2015 and became a part of FICCI's existing Service Rules. All FICCI officials are reaping the benefit of Contributory Provident Fund.

Donation for Nepal Earthquake Victims: FICCI had donated BDT 1.5 million to the earthquake victims of Nepal. An amount of BDT 1.45 million has been collected from the member companies and the remaining amount has been paid from FICCI's own fund.

Workshop & Conferences: Holding seminars, workshops and conferences at regular intervals enhances the importance, prestige and image of a chamber. Previously FICCI did not arrange any such seminars, workshops and conferences. She said that during her tenure--

- A Roundtable Conference on Foreign Direct Investment was successfully organized by FICCI on October 14. 2015 at BRAC Center. Dhaka. FICCI member-Citycell company sponsored the program. Business icons, high Govt. officials, academics and representatives from the civil society participated in the discussion.
- FICCI and NBR jointly organized a day long workshop in January 29, 2017 at the grand ballroom of Westin Dhaka on the theme "Road Map to Ensure Compliance with New VAT Laws". The workshop highlighted the techniques of rearranging business operations procedure to adopt the proposed new VAT laws without any interruption in the business. The Honorable State Minister of Finance Mr M. A. Mannan, MP inaugurated the "Workshop" while Jahangir Barrister Hossain, Member, VAT Policy was present as the Special Guest. There 175 participants were including the NBR

officials, diplomats, representatives from donor agencies, CEO/ MD & representatives from FICCI member companies and reporters from print & electronic media.

FICCI MCCI and jointly organized an International Conference Food Safetv on on August 23 & 24, 2017 in collaboration with Bangladesh Food Safety Authority (BFSA), and Bangladesh Standards and Testing Institution (BSTI). The objective of the conference was to facilitate understanding of food safety and quality among the stakeholders and to develop a broadbased consensus on how to build an efficient effective and food safety control system in Bangladesh that will lead to improved public health and enhanced protection. consumer large number of А multinational and local FMCG companies, Govt. delegates and WHO representatives attended the conference.

• Formation of FICCI Subcommittees: During her tenure FICCI has formed three new Subcommittees namely, (i) Subcommittee for SR & Sustainability E n v i r o n m e n t a l **FICCI** Activities of the Chamber

Protection: (ii) Subcommittee for the Garments Industries: and (iii) FMCGSubcommittee. Sub-Committee for SR & Sustainability Environmental Protection and FMCG Subcommittee functioned quite satisfactorily under the efficient leadership of the conveners of these two Subcommittees.

FICCI **Delegations:** tenure During her the Chamber have introduced an organized arranging policy of meetings between FICCI delegations and Ministers, Secretaries, Governors and high Govt. officials to place proposals and recommendations to the regulating authorities for safeguarding the business and financial interests of our member-The companies. delegations are generally composed of members of the EC Committee and the relevant Subcommittees. Each year the delegation meet with the Finance Minister, the State Minister of Finance and the Chairman, NBR to press for the implementation of FICCI members' fiscal proposals and to resolve FICCI issues pertaining to fiscal matters. During last four years several

FICCI delegations met with Industry Minister, Commerce Minister, Minister for Expatriates' Welfare and Overseas Employment, Home Minister, State Minister for Energy, Power and Mineral Resources, State Minister for Labor and Employment, Law Secretary, Governors and Deputy Governors Bangladesh of Bank. Government has The accepted a considerable number of fiscal proposals by FICCI submitted during the formulation of last 4 years' National Budgets. Further, great number of issues have been resolved by the Govt. on different occasions as a result of negotiations conducted by FICCI delegates with the regulatory authorities.

Luncheon **Meetings:** During her tenure FICCI has invited Sir Fazle Hasan Abed. two BIDA Chairman, US Ambassador, British High Commissioner, Indian High Commissioner, EU Ambassador, Chinese Ambassador, German Ambassador, Finance Minister, State Minister for Power, Energy and Resources, Mineral Bangladesh Bank Governor, Industry Minister, State Minister for

Labor and Employment, and Chairman, NBR in luncheon meetings.

FICCI Elections for 2017-19: Ms. Chwodhury congratulated the newly elected President Shezad Mr. Munim. Managing Director of British American Tobacco Bangladesh Co. Ltd.; Vice-President Mr. Kevin Lyon, President of Chevron Bangladesh and 13 other Members of the FICCI Executive Committee for 2017-19.

After the speech FICCI president moved the resolution for the adoption of the Annual Report (2016-17) of FICCI and invited FICCI members to discuss or make comments on the Annual Report of the Chamber for the year ended 30th June, 2017 which has been published and circulated earlier among the members. Mr. Sujan Kumar Saha, member of the Executive Committee (2015-17) proposed for the approval of the Annual Report 2016-17. Dr. S M Akbar seconded the proposal. The President, on behalf of EC, declared that the Annual Report of the chamber for 2016-17 is received, considered and adopted.

FICCI president moved the resolution for the adoption of the Annual Accounts and Audit Report (2016-17) of FICCI and invited FICCI members to discuss or make comments on the Annual Accounts and Accounts and Auditors' Report of the Chamber for the year ended 30<sup>th</sup> June, 2017 which has been published and circulated earlier among the members. Mr. Mohd. Nooruddin Chowdhury proposed for the approval of the Annual Accounts and Auditor's Report for 2016-17 and Mr. Md. Shafiqul Azim seconded the proposal. FICCI President, on behalf of as Auditor of FICCI's Account for 2017-18 and propose a remuneration of Taka 35,000 as in the last year. Mr. Sadaquat Hossain seconded the proposal. FICCI President, on behalf of EC, declared that M/s HodaVasi Chowdhury and Co. be appointed as Auditor of FICCI's Account for 2017-18 at a fee of Taka 35,000 only.



Guests at the AGM

EC, declared that the Annual Accounts and Auditors' Report of the chamber for 2016-17 is received, considered and adopted

FICCI president moved the resolution for the adoption of the Appointment of the Auditors and fixation of their remuneration. She will disclose that M/s HodaVasi Chowdhury and Co. has been preparing the Accounts and Audit reports of FICCI for past several years. No Audit firm except M/s HodaVasi Chowdhury and Co. has sought appointment as Auditor of FICCI's Account for 2017-18.

Mr. Mr. S A A Masrur proposed for the appointment of M/s HodaVasiChowdhury and Co. After the 3 agenda were passed by the members of FICCI the floor was made open for general discussions. In this segment Mr. Selim A Chowdhury thanked the outgoing President, Vice President and the Executive Committee (2015-17), where he was also a member. He mentioned FICCI as 'small and beautiful'. Mr. Chowdhury also congratulated the newly elected President Mr. Shehzad Munim and Executive Committee (2017-19) and vowed for his continuous support in the coming days.

After the general discussion Mr. Kevin Lyon, Vice President (2015-17) provided the vote of thanks. Mr. Lyon thanked everyone for attending the AGM and appreciated member companies for supporting FICCI. Mr. Lyon especially thanked Ms. Rupali Chowdhury for her outstanding leadership and everything she has done in her tenure for supporting FICCI and supporting good business in Bangladesh. Mr. Kevin Lyon also assured his support for newly elected President and the Executive Committee.

After the vote thanks the newly elected President Mr. Shehzad Mr. Munim thanked everyone including the outgoing members of the Executive Committee (2015-17). He recognized the job of FICCI President as a big challenge. Mr. Munim mentioned that he was in FICCI because of Ms. Rupali Chowdhury. She head hunted him for FICCI and since then she's been pursuing him for this position. The newly elected President marked the newly elected executive committee (2017-19)as a great combination of different industries and experience. He further appreciated Ms. Rupali Chowdhury for her achievements during her tenure. Mr. Munim said that FICCI's voice has been feeble compared to its contribution to the national exchequer. He concluded his speech by seeking advice & support from the Executive Committee and from the outgoing President as well.

At the end, the outgoing President Ms. Rupali Chowdhury read out the names

#### Networking Cocktail & Dinner

November 30: FICCI arranged anetworkingcocktail&dinner at the grand ballroom of Four Points by Sheraton, Dhaka. Besides FICCI members, Guests different from institutions attended the event. Diplomats, Chamber/ Business Leaders, FICCI Representatives, Member Former FICCI Presidents and other distinguished guests were present in the program. An estimated 120 guests were present at the program. The program began with a brief welcome message from the Chamber's President Ms. Rupali Chowdhury, who is also the Managing Director of Berger Paints Bangladesh Ltd. In her welcome address the President thanked the newly elected President Mr. Shenzad Munim and the Executive Committee (2017-15). She also thanked all the distinguished guests for attending FICCI's networking program. The event was sponsored by Berger Paints Bangladesh Ltd.



Other Meetings **FICCI** 

### **Other Meetings**

**November 05:** The FMCG Subcommittee of the Chamber had its meeting on the day at the FICCI conference room.

on 'Partnering for Reduced Inequalities: How Business Can Contribute to the SDGs' at the GP House, Dhaka. **November 08:** The President of the Chamber attended a seminar organized by Bangladesh Association of



The meeting was chaired by its convener Mr. Shadab Ahmed Khan. . .\_ \_.

**November 07:** The FICCI President, Ms. Rupali Chowdhury had a meeting with the FIDS team of E&Y

Publicly Listed Companies (BAPLC) at the Bangabandhu International Conference Center (BICC) at Agargaon.



Trade, Tariff, Taxation & Company Affairs Subcommittee Meeting

**November 06:** The President of the Chamber attended a round table discussion

(Ernst Young) at her office at Berger House.

**November 08:** Ms. Rupali Chowdhury, President, FICCI attended an interview on

### FICCI Other Meetings

'Power Woman' at Radio Color FM.

November 09: A meeting of the Trade, Tariff, Taxation & Company Affairs Subcommittee was held on the day at the FICCI conference room. The meeting was chaired by its convener Mr. Abdul Khalek. as the new CEO of Standard Chartered Bangladesh.

November 20: FICCI А delegation consisting members of the Trade, Tariff, Taxation & Company Affairs Subcommittee headed by the convener of the Subcommittee Mr. Abdul Khalek had a meeting with Barrister Jahangir Hossain,

Mr. Jamil Osman, Executive Director of the Chamber. The meeting was a part of Mr. Mitra's official orientation program prior to his joining as an Economic Counselor at the Bangladesh Embassy in Rome, Italy. They discussed FDI and investment issues related to Bangladesh & Italy.

November 29: A FICCI



Left to Right: Mr. Jamil Osman & Mr. Manash Mitra

**November 11:** The President of the Chamber attended the inauguration ceremony of 'Abanti Gallery of Fine Arts'.

**November 11:** FICCI President Ms. Rupali Chowdhury attended the farewell of outgoing CEO of Standard Chartered Bangladesh, Mr. Abrar A Anwar at the Radisson Blu Dhaka. The event also greeted Mr. Naser Ezaz Bijoy Member (VAT Policy) at his office at NBR to discuss issues related to VAT On-line.

**November 21:** The President of the Chamber attended the winter party at the British High Commissioner's residence, Dhaka.

**November 28:** Mr. Manash Mitra, BCS Cadre (Economic) & Sr. Chief Asst. visited the FICCI office and had a meeting with delegation consisting of members the Trade, Tariff, Taxation & Company Affairs Subcommittee headed by the convener of the Subcommittee Mr. Abdul Khalek had a meeting with Mr. Md. Lutfor Rahman, Member (Customs Policy and R&S) at his office at NBR to discuss issues related to NBR's Notification Issued on Packaging Material Cost in Assessable Value.

## **Key Economic Indicators**

### **Consumer Price Index (CPI) & Inflation Rate**

	(2005-06=10								-06=100)
CPI Classification	2014-15	2015-16	2016-17	2016-17			2017-18		
				Aug'16	Sepť16	Ocť16	Aug'17	Sept'17	Ocť17
1	2	3	4	5	6	7	8	9	10
NATIONAL									
General index	207.58	219.86	231.82	226.57	230.27	231.85	239.92	244.36	245.86
Inflation	6.41	5.92	5.44	5.37	5.53	5.57	5.89	6.12	6.04
Food index	223.80	234.77	248.90	241.89	247.88	250.64	259.60	267.38	269.73
Inflation	6.68	4.90	6.02	4.30	5.10	5.56	7.32	7.87	7.62
Non-food index	186.79	200.66	209.92	206.93	207.69	207.75	214.68	214.84	215.26
Inflation	5.99	7.43	4.61	7.00	6.19	5.58	3.75	3.44	3.61
RURAL									
General index	209.10	220.10	231.02	225.69	229.46	231.27	238.97	243.70	245.48
Inflation	6.20	5.26	4.96	4.41	4.63	4.87	5.88	6.21	6.14
Food index	221.02	230.31	243.08	235.93	241.68	244.59	253.36	260.94	263.46
Inflation	6.40	4.20	5.54	3.40	4.27	4.89	7.39	7.97	7.71
Non-food index	190.13	203.86	211.83	209.40	210.03	210.07	216.08	216.28	216.88
Inflation	5.81	7.22	3.91	6.28	5.31	4.83	3.19	2.98	3.24
URBAN									
General index	204.76	219.31	233.29	228.18	231.76	232.91	241.66	245.56	246.56
Inflation	6.80	7.11	6.37	7.15	7.21	6.87	5.91	5.95	5.86
Food index	230.56	245.66	263.09	256.42	263.01	265.39	274.82	283.09	285.03
Inflation	7.31	6.55	7.10	6.39	7.03	7.09	7.18	7.63	7.40
Non-food index	182.32	196.39	207.38	203.62	204.58	204.66	212.81	212.92	213.09
Inflation	6.24	7.72	5.60	7.99	7.42	6.63	4.51	4.08	4.12

Source: Bangladesh Bureau of Statistics

					USD in Millions	
Country	July	August	September	October	Total	
	2017-2018	2017-2018	2017-2018	2017-2018		
Bahrain	40.68	52.17	30.86	43.37	167.08	
Kuwait	88.41	99.66	62.61	90.32	341	
Oman	75.74	96.11	57.93	77.79	307.57	
Qatar	61.16	65.62	37.3	50.81	214.89	
K.S.A.	199.4	249.62	142.97	210.66	802.65	
U.A.E.	169.95	210.83	133.92	184.81	699.51	
Libya	0.05	0.19	0.1	0.15	0.49	
Iran	0	0	0	0	0	
Sub total	635.39	774.2	465.69	657.91	2533.19	
Australia	4.45	6.19	3.86	3.89	18.39	
Hong Kong	1.64	1.98	1.12	1.9	6.64	
Italy	60.23	80.19	41.81	53.64	235.87	
Malaysia	73.08	102.56	63.53	89.31	328.48	
Singapore	27.35	27.58	18.31	23.37	96.61	
U.K.	80.2	117.9	59.88	74.24	332.22	
U.S.A.	146.58	199.08	135.48	169.07	650.21	
Germany	2.39	3.33	2.33	3.18	11.23	
Japan	1.81	3.08	1.46	2.17	8.52	
S. Korea	7.56	7.82	6.33	7.48	29.19	
Others	74.89	94.67	57.07	72.93	299.56	
Sub total	480.18	644.38	391.18	501.18	2016.92	
Total	1115.57	1418.58	856.87	1159.09	4550.11	

### Wage Earners Remittance Inflows: Selected Country Wise

Source: Bangladesh Bank

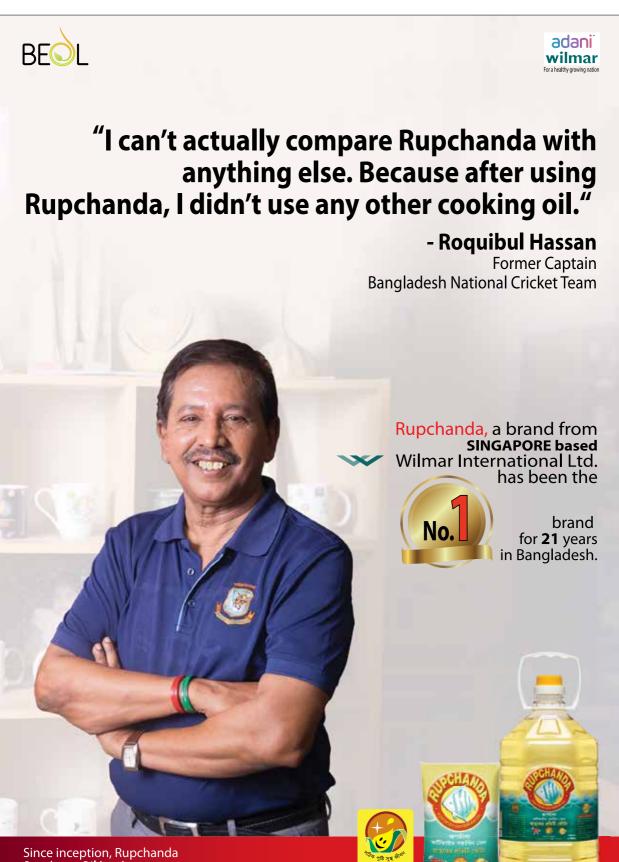
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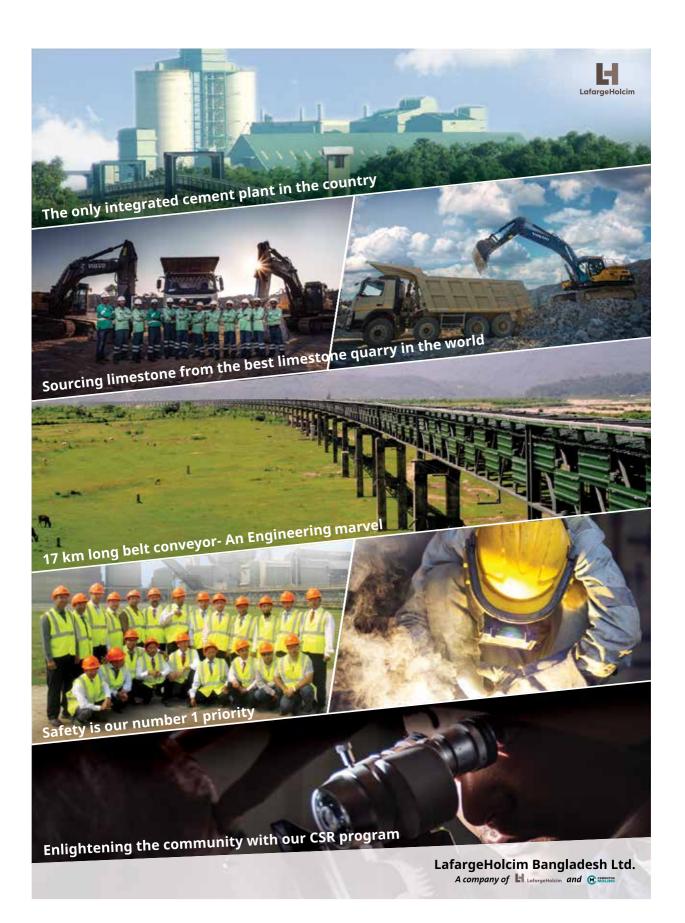
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