

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

### **World Bank forecasts 7.3% growth**

- The World Bank (WB) forecast on Thursday a conservative 7.3% growth of Bangladesh's economy for the current fiscal year (FY) 2018-19. The GDP (gross domestic product) growth rate is 0.83% points lower than the government's provisional estimation of 8.13%, it forecast. WB lead economist said that Bangladesh economy has been doing well over the years. Its potential is much higher than the current performance. According to the WB report, Bangladesh is the fifth fastest-growing economy in the world.
- The WB said Bangladesh's growth outlook remains strong and stable. Meanwhile, the WB opposed the government's move on the latest bailout package for bank loan defaulters, saying this could encourage good borrowers to be new defaulters.

<http://today.thefinancialexpress.com.bd/public/first-page/wb-forecasts-73pc-growth-1554399878>

### **Bangladesh's slip in ranking 'hits investment growth'**

- Bangladesh has not only failed to improve its position in the 'ease of doing business' index, it has rather slipped by 111 notches in the past 13 years. Bangladesh ranked 176th in the 2019 version of the 'Ease of Doing Business' index of the World Bank (WB) and International Finance Corporation. The country scored 65th in 2006-the first year of assessing such status of world economies.
- Bangladesh is positioned in the "below average" class in the report as it has ranked 176th among 190 economies. Businessmen and analysts have expressed sheer unhappiness over the country's plunging performance in creating better environment for the businesses.

<https://thefinancialexpress.com.bd/economy/bangladesh/bds-slip-in-ranking-hits-investment-growth-1554521487>

### **Bangladesh trade policy review ends at World Trade Organization (WTO)**

- The fifth review of Bangladesh trade policy concluded at the World Trade Organization (WTO) in Geneva on Friday with a call to further liberalize the country's tariff regime.
- Members participated in the two-day review meeting also urged Bangladesh to strictly implement multilateral rules of intellectual property rights (IPRs) gradually.
- They also wanted to know about the preparation and strategies of the country to address different challenges likely to be emerged after the graduation from the Least Developed Country (LDC) status by 2024.

<http://today.thefinancialexpress.com.bd/first-page/bd-trade-policy-review-ends-at-wto-1554569624>

### **Defaulters to get another lifeline**

- The country's loan classification rules, which were tightened in 2012 to comply with global standards, are set to be relaxed by the central bank as it engineers to bring down the large amount of default loans.
- In 2012, the central bank had reduced a three-month time frame for treating the three types of classified loans – sub-standard, doubtful and bad – to shine out the banking sector in line with the global norms.
- As per the rules, loans overdue for three, six and nine months are now classified as sub-standard, doubtful and bad respectively. But now, the timeline has been pushed by three months for each category, meaning non-payment for six months would lead to the loan being classified sub-standard.
- The loan would turn doubtful after non-payment for nine months and bad after 12 months.
- The willful defaulters are compelling the central bank to revise the policy, according to former deputy governor of Bangladesh Bank
- The central bank has already prepared a draft guideline on the issue and its senior management team discussed the matter last week at a meeting.

<https://www.thedailystar.net/business/news/defaulters-get-another-lifeline-1726072>

### **Paying with Mobile Financial Services (MFS) at retails gaining traction**

- Payments through the mobile financial service platform have trebled in the last one year, in a development that will bring cheer to the central bank as it strives to move towards a cashless society.
- In February, total MFS merchant payment stood at BDT 4,298 million, in contrast to BDT 1154.3 million a year earlier, according to data from the central bank.
- At present, people are using MFS to pay for goods at both brick-and-mortar and e-commerce shops and also for rides, tuition fees and utility bills. Even salary disbursement and government payments are made through the platform. To further increase the platform's popularity MFS operators are currently providing cashbacks and discounts for making payments through them, a move that also accounts for the spike in transactions, said industry insiders.
- Currently, about 100,000 merchants are connected with the platform, of which 80,000 accounts are registered with bKash alone.

<https://www.thedailystar.net/business/news/paying-mfs-retails-gaining-traction-1726069>

### **Thrust on cut in approval time for IPO proposals**

- Discussants at a seminar on Saturday stressed the need for reducing the time of approving IPO (initial public offering) proposals to help well-performing companies fulfil their target of raising capital. They also focused on other impediments, discouraging many companies from going public. According to them, unwillingness of ensuring transparency and accountability, easy process of getting bank loans, trend in tax evasion, lack of corporate governance and hassle in the annual general meeting are the factors behind reluctance of many companies to go public.

<http://today.thefinancialexpress.com.bd/last-page/thrust-on-cut-in-approval-time-for-ipo-proposals-1554569736>

### **BRAC Bank, Ace Alliance enter into Interest Rate Swap agreement**

- BRAC Bank Limited and the Ace Alliance Power Limited (AAPL) celebrated the signing of an Interest Rate Swap (IRS) deal, under which the bank provided hedging for AAPL's exposure in LIBOR against their borrowing of USD 68.60 million for 10.3 years, says a statement.
- In current global market scenario with increased volatility in interest rates, AAPL found it imperative to hedge against losses arising from floating rate loan. BRAC Bank Ltd. was able to provide the most effective derivative solution — Interest Rate Swap — to hedge the LIBOR into a fixed rate.

<http://today.thefinancialexpress.com.bd/stock-corporate/brac-bank-ace-alliance-enter-into-irs-agreement-1554485817>

### **Arçelik acquires majority stake in Singer Bangladesh**

- Arçelik, a leading Turkish home appliance maker, has closed on its acquisition of the Retail Holdings Bhold BV, the company that controls 57% of Singer Bangladesh Limited, for USD 75 million, according to an announcement by the Turkish company.
- Following the close of the transaction, Arçelik's wholly-owned subsidiary Ardutch owns the Retail Holdings Bhold, says a statement.
- Founded in 1955, Arçelik has operations in the durable consumer goods industry with production, marketing and after-sales services.

<https://today.thefinancialexpress.com.bd/stock-corporate/arcelik-acquires-majority-stake-in-singer-bd-1554486022>

### **Esquire Knit to make trading debut April 9**

- The Esquire Knit Composite Limited will make its share trading debut on the bourses on April 9 (Tuesday) under 'N' category. The DSE trading code for Esquire Knit is "ESQUIRENIT" and company code is 17481. The scrip ID is 12069 and scrip code is "ESQUIRENIT". The Esquire Knit raised a total capital of BDT 1.50 billion through issuing 34.89 million ordinary shares under the book-building method. Book building is a process through which an issuer attempts to determine the price to offer for its shares based on demand from institutional investors.
- The cut-off price of Esquire Knit share was fixed at BDT 45 each on July 14 last year by the institutional investors through electronic bidding. The remaining 40% or 14.06 million shares issued to the general investors, including affected small investors and non-resident Bangladeshis. The IPO proceeds will be used to procure garment machinery for a new project (28.76%), for building and civil construction (66.95%) and to meet the IPO expenses (4.29%). Prime Finance Capital Management is the issue manager of the Esquire Knit IPO.

- The company's pre-IPO paid-up capital is BDT 1.0 billion and authorised capital is BDT 2.0 billion. Located at Sonargaon in Narayanganj, Esquire Knit is 100% export-oriented company which started commercial operation in 2001. The company produces different types of knit garments through its six units -- knitting, fabric, printing, embroidery, industrial laundry and garments and sells the same to foreign buyers.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/esquire-knit-to-make-trading-debut-apr-9-1554394958>

### South Bangla Agriculture and Commerce (SBAC) Bank to raise BDT 2.0 billion from stock market

- South Bangla Agriculture and Commerce (SBAC) Bank, has taken an initiative to raise BDT 2.0 billion from the capital market as part of fulfilling the regulatory requirement. The fourth-generation private commercial bank will go public under the fixed price method subject to approval of the regulators.
- To raise the said amount of capital, the bank will offload 200 million ordinary shares at an offer price of BDT 10 each.
- The bank will submit the IPO proposal with the financial statement for the period ended on June 30, 2019.

<http://today.thefinancialexpress.com.bd/stock-corporate/sbac-bank-to-raise-BDT-20-billion-from-stock-market-1554566437>

### World Stock and Commodities\*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$63.08	+0.98	+1.58%
Crude Oil (Brent)*	\$70.34	+0.94	+1.35%
Gold Spot*	\$1,291.76	-0.45	-0.03%
DSEX	5,459.91	+7.71	0.14%
Dow Jones Industrial Average	26,424.99	+40.36	+0.15%
FTSE 100	7,446.87	+44.93	+0.61%
Nikkei 225	21,807.50	+82.55	+0.38%

### Exchange Rates

USD 1 = BDT 84.27\*  
 GBP 1 = BDT 109.84\*  
 EUR 1 = BDT 94.64\*  
 INR 1 = BDT 1.22\*

\*Currencies and Commodities are taken from xe.com.

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### BRAC EPL Stock Brokerage Limited

#### Research

Ayaz Mahmud, CFA	Deputy Head of Research	<a href="mailto:ayaz.mahmud@bracepl.com">ayaz.mahmud@bracepl.com</a>	01708 805 221
Md. Sakib Chowdhury	Research Analyst	<a href="mailto:sakib.chowdhury@bracepl.com">sakib.chowdhury@bracepl.com</a>	01709 641 247
S. M. Samiuzzaman	Research Analyst	<a href="mailto:sm.samiuzzaman@bracepl.com">sm.samiuzzaman@bracepl.com</a>	01708 805 224
Sadman Sakib	Research Associate	<a href="mailto:sadman.sakib@bracepl.com">sadman.sakib@bracepl.com</a>	01730 727 939
Ahmed Zaki Khan	Research Associate	<a href="mailto:zaki.khan@bracepl.com">zaki.khan@bracepl.com</a>	01708 805 211
Md. Rafiqul Islam	Research Associate	<a href="mailto:mrafiquislam@bracepl.com">mrafiquislam@bracepl.com</a>	01708 805 229
Md. Mahirul Quddus	Research Associate	<a href="mailto:mmahirul.quddus@bracepl.com">mmahirul.quddus@bracepl.com</a>	01709 636 546

#### International Trade and Sales

Ahsanur Rahman Bappi	Head of International Trade & Sales	<a href="mailto:bappi@bracepl.com">bappi@bracepl.com</a>	01730 357 991
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#### BRAC EPL Research [www.bracepl.com](http://www.bracepl.com)

121/B Gulshan Avenue  
Gulshan-2, Dhaka  
Phone: +880 2 881 9421-5  
Fax: +880 2 881 9426  
E-Mail: [research@bracepl.com](mailto:research@bracepl.com)