

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.

Export to cross USD 60 billion by 2021: Commerce Minister

- Bangladesh's export figure will cross the USD 60 billion mark by 2021 thanks to the presence of high quality diversified products in the export basket, Commerce Minister said yesterday. Bangladesh shipped only 25 kinds of products worth BDT 7.87 billion in 1972, just after the independence of the country, he said. The country exported 700 different kinds of products to 199 countries worth USD 41.5 billion last fiscal year, of which USD 37 billion came from the export of commodities and the remaining from the services sectors, he added.
- Being the second largest garment exporter in the world, Bangladeshi manufacturers shipped USD 30.66 billion worth of apparel items last fiscal year, he said. The minister also praised the quality of the products of the country's emerging pharmaceuticals sector. He said the local producers meet 98% of the local demand for medicine and also export the items to 100 countries. If the sustainable development goal is implemented properly, the rate of extreme poverty in Bangladesh would come down to less than 3% by 2030, the minister expected. The central bank has USD 32 billion in foreign currency reserve now, he said.

<https://www.thedailystar.net/news/business/export-cross-60b-2021-tofail-1626016>

Bangladesh Bank (BB) gives nod to set up one more private bank

- The central bank has decided to give licence to one more private commercial bank a few months ahead of the national elections. Proposals for two other banks are also under process. The decision was taken at a meeting of the Bangladesh Bank (BB)'s board of directors held at its headquarters in Dhaka on Tuesday. According to the Governor of BB, they have given clearance in principle to issue licence to the proposed Community Bank Limited, sponsored by Bangladesh Police Welfare Trust after completing all rules and regulations properly.
- Another two proposals for setting up new private banks are still under process, another BB senior official told the FE without giving further details. The proposed banks are Bengal Bank Limited and Peoples Bank Limited. A ruling party lawmaker and owner of Bengal Group of Industries lobbied for Bengal Bank while a Chittagong-based businessman MA Kashem pursued for Peoples Bank.
- In 2009, after Awami League formed the government, nine banks were given the permission on political consideration despite the opposition from different quarters. Currently, there are 58 banks in Bangladesh. Of them, 40 are local private banks, nine foreign and nine state-owned.

<http://today.thefinancialexpress.com.bd/first-page/bb-gives-nod-to-set-up-one-more-pvt-bank-1535474599>
<https://www.thedailystar.net/news/business/police-get-banking-licence-1626010>

Finance minister rules out BASIC Bank's image crisis

- Finance minister ruled out the possibility of a negative impact on the image of BASIC bank after the resignation of its managing director. When asked about the managing director's resignation, the minister said that the bank won't face any problem. BASIC bank was once a healthy bank, but it became financially weak during the 2009-2013 period after BDT 45 billion was allegedly swindled. A section of directors of the bank in connivance with the officials looted the money in the name of granting loans to businesses and individuals by submitting forged documents.

<http://today.thefinancialexpress.com.bd/first-page/muhith-rules-out-basic-banks-image-crisis-1535475038>

International calls fall by 20% in 6 months as new termination rate bites

- The daily average incoming international calls through the legal channel has declined by 20% or 110 million minutes over a span of just six months after the government 'surprisingly' increased the call termination rate in February this year. The average international call termination through the legal channel declined to 430 million minutes per day in July this year from 540 million minutes per day in February this year, according to the latest data of the Bangladesh Telecommunication Regulatory Commission. The BTRC introduced the new call termination rate on February 27 this year.
- The average international call termination through the legal channel was 530 million minutes in March and 52 million minutes in April this year. As per the BTRC directive on the new call rate, international gateway operators are allowed to bring international calls at 2.5 US cents (BDT 2) per minute instead of the previous rate of 2 US cents per minute. The operators, however, are allowed to share revenue with the government at 1.75 US cents (BDT 1.4) per minute. An official said that the commission's reluctance to identify illegal voice over internet protocol business and pressure from influential quarters to keep the rate high played as major factors behind the drastic fall in the volume of international

incoming calls.

<http://www.newagebd.net/article/49308/international-calls-fall-by-20pc-in-6-months-as-new-termination-rate-bites>

Bangladesh Road Transport Corporation (BRTC) to buy 300 more double-deckers under second Indian Line of Credit (LoC)

• Bangladesh Road Transport Corporation (BRTC) will soon add 300 more double-decker buses to its fleet after importing those vehicles from India. The state-owned bus operator signed a BDT 2.39-billion contract with Ashok Leyland Limited on Tuesday to purchase the buses under second Indian Line of Credit (LoC). According to the contract, the supplier will start sending the buses to the country from this December, and will complete the process by next February. Under the first USD 1.0-billion Indian LoC, BRTC completed procurement of 290 double-decker buses from Ashok Leyland in 2013.

• The BRTC chairman said each of the new buses will cost USD 86,500, and will have ramp to facilitate use of wheelchairs by the physically-challenged people. The Cabinet Committee on Government Purchase approved the bus procurement proposal with supplier's credit on August 1. BRTC signed another contract with TATA on August 16 to procure 500 trucks and 100 non-airconditioned buses. BRTA now has over 400 double-decker buses in its fleet of 900 buses.

<http://today.thefinancialexpress.com.bd/last-page/brtc-to-buy-300-more-double-deckers-under-second-indian-loc-1535475385>

ACI Motors becomes sole distributor of Foton vehicles

• ACI Motors Ltd. has signed an agreement with Foton Motor Group on having exclusive dealership and local assembling of Foton Motor in Bangladesh, says a press statement. As per the agreement, ACI Motors has become the sole distributor of a wide range of commercial vehicles of Foton - pick-up van, double cabin pick-up, school van, dump truck, transit mixer, bulk cement carrier, fire service vehicle, cleaning vehicle and heavy crane.

<http://today.thefinancialexpress.com.bd/trade-market/aci-motors-becomes-sole-distributor-of-foton-vehicles-1535471598>

Bangladesh Telecommunication Regulatory Commission (BTRC) to take further clarification from Grameenphone

• Bangladesh Telecommunication Regulatory Commission will seek further clarification from the leading mobile phone operator Grameenphone regarding the audit findings that claimed BDT 115.30 million from the operator for the period of 1996-2017. A move in this direction was taken following request from the telecom operator after the audit report, prepared by third-party auditor, was finalised for making claim, a senior official of the commission told New Age. As the operator expressed its interest to clarify further its stance over the audit report that was carried out by Toha Khan Zaman & Co in association with India's CNK & Associates LLP, the commission would provide GP with the scope, he said.

• Under the initiative, the commission already forwarded the audit report to the mobile phone operator. The government has issued a demand letter to mobile operator Robi claiming BDT 8.67 million after accepting a separate audit report on the company at a commission meeting held on July 19. The claim amount of GP was also accepted in the same meeting but the commission is yet to issue final demand letter to GP in this regard.

• As per the audit report, the leading mobile phone operator shared BDT 10.39 billion less revenue with the telecom regulator since 1997. The operator's outstanding payable to the BTRC includes BDT 51.29-billion compound interest or compensation for delay payment.

<http://www.newagebd.net/article/49309/btrc-to-take-further-clarification-from-gp>

Barapukuria power plant goes out of operation again

• A unit of Barapukuria Coal-fired Thermal Power Plant which resumed operation eight days ago to meet the demands of electricity during the Eid-ul-Azha was shut down again on Tuesday. Executive Engineer and Manager of the power plant Mahbubur Rahman said the unit having a capacity of producing 125MW electricity went out of operation around 3:45 pm as the reserved coal got exhausted. The operation of the power plant will resume again depending on the availability of coal, he said. After remaining closed for about a month, the unit-2 of the Barapukuria power plant resumed its operation on August 20. Barapukuria Coal-fired Thermal Power Plant was shut down on July 22 for shortage

<http://today.thefinancialexpress.com.bd/first-page/barapukuria-power-plant-goes-out-of-operation-again-1535475133>

Profits jump before listing, fall afterwards

- The earnings of 19 out of the 21 textile companies that got listed on the Dhaka bourse between 2010 and 2015 have fallen sharply from the level shown during the initial public offerings. What is more, four of these companies have become junk because of their poor performance and failure to pay dividends to shareholders.
- The scenario is more or less the same for companies that went public in the five years to 2015. During the period, 67 companies were listed. Of them, the earnings of 48 went lower compared to the prelisting level, according to the latest data of the firms available on the DSE website. Only 17 were able to make higher earnings per share (EPS) last year compared to the year of the listing. The earnings of one firm remained unchanged while data about one company were not available.
- Ten companies were downgraded to the junk shares category while three closed operations. The sponsors of most of the companies bring the shares to the market when they think they have no potential to grow. The promoters also go for IPOs when they feel the necessity of raising capital to save themselves from bank loans.

<https://www.thedailystar.net/news/business/profits-jump-listing-fall-afterwards-1626022>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$68.54	+0.01	+0.01%
Crude Oil (Brent)*	\$75.96	+0.01	+0.01%
Gold Spot*	\$1,204.08	+3.08	+0.26%
DSEX	5619.42	+34.45	+0.62%
Dow Jones Industrial Average	26,064.02	+14.38	+0.06%
FTSE 100	7,617.22	+39.73	+0.52%
Nikkei 225	22,940.16	+126.69	+0.56%

Exchange Rates

USD 1 = BDT 83.76*
GBP 1 = BDT 107.79*
EUR 1 = BDT 97.94*
INR 1 = BDT 1.19*

*Currencies and Commodities are taken from Bloomberg.

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BRAC EPL Stock Brokerage Limited

Research

Ayaz Mahmud, CFA	Deputy Head of Research	ayaz.mahmud@bracepl.com	01708 805 221
Md. Sakib Chowdhury	Research Analyst	sakib.chowdhury@bracepl.com	01709 641 247
S. M. Samiuzzaman	Research Analyst	sm.samiuzzaman@bracepl.com	01708 805 224
Sadman Sakib	Research Associate	sadman.sakib@bracepl.com	01730 727 939
Ahmed Zaki Khan	Research Associate	zaki.khan@bracepl.com	01708 805 211
Md. Rafiqul Islam	Research Associate	mrafiqulislam@bracepl.com	01708 805 229

International Trade and Sales

Ahsanur Rahman Bappi	Head of International Trade & Sales	bappi@bracepl.com	01730 357 991
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