

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 earnings in September up 55%

- The country's single-month earnings from merchandise goods hit a record 54.64% growth to reach USD 3.14 billion in September 2018. The earnings also surpassed the target set for the month by 14.74%. The country fetched USD 2.03 billion during the corresponding month of last year.
- The overall earnings during first three months of current fiscal year of 2018-19 stood at USD 9.9 billion marking 14.75% growth. The export performance was 6.54% higher than the target set for the period. The earnings were USD 8.7 billion during July-September of last fiscal.
- Experts and exporters attributed the robust growth to the surge in Ready Made Garment's (RMG) productivity performance. Earnings from export of RMG products during July-September of this fiscal grew by 14.66% to USD 8.19 billion, which was USD 7.1 billion in the corresponding period of last fiscal, according to Export Promotion Bureau data. The earnings also surpassed the target by 4.75%.

<http://today.thefinancialexpress.com.bd/trade-market/export-earnings-in-sep-up-55pc-1539014909>
<https://www.thedailystar.net/business/news/exports-remain-robust-sep-1644619>
<https://www.dhakatribune.com/business/2018/10/08/export-earnings-up-by-over-50-in-september>
<http://www.newagebd.net/article/52683/q1-exports-surge-by-1475pc-on-higher-shipment-us-china-trade-war>

Bangladesh Bank must ensure compliance of regulatory measures by commercial banks

- President of International Chamber of Commerce-Bangladesh (ICC-B) has said Bangladesh Bank must ensure compliance of regulatory measures by the commercial banks. According to the ICC-B chief, so far only limited action has been taken to penalise defaulters, improve risk management and strengthen professionalism in bank management. To tackle the sector's deep-rooted problems of corruption and poor risk practices further efforts are needed. He said huge amount of Non-Performing Loans (NPL) is affecting the eight state-owned commercial and specialized banks.
- Since 2009, the government has injected BDT 145.1 billion into the state owned banks but they are yet to show any sign of strengthening their capital base. On top of this, total banking sector loan amounted to BDT 7,527.3 billion, of which BDT 803.1 billion or 10.67% was bad debt. And if restructured or rescheduled loans were included, NPL in the banking sector would be 17% of total outstanding loans.

<http://today.thefinancialexpress.com.bd/last-page/bb-must-ensure-compliance-of-regulatory-measures-by-commercial-banks-1539020966>
<https://www.thedailystar.net/business/news/more-efforts-needed-cut-banking-graft-iccb-1644598>

Banks can lend more

- Commercial banks have been empowered to lend more as the central bank has relaxed cash reserve requirement (CRR) and statutory liquidity ratio (SLR) rules. Officials said the banks are allowed to maintain both CRR and SLR with the Bangladesh Bank (BB) only for net investment in subordinate bonds instead of the previous gross investment amount.
- Bangladesh Bank has revised CRR and SLR rules to help the banks improve loanable funds that may also be lent to their prospective clients. The central bank issued a circular with two reporting formats on Monday, saying it will come into force with immediate effect. The revised policies will help the banks bring down interest rates on lending through reducing the cost of funds.

<http://today.thefinancialexpress.com.bd/first-page/banks-can-lend-more-1539020562>

Prime Minister's Office asks National Board of Revenue to find reasons behind foreign investors leaving country

- The Prime Minister's Office (PMO) has asked the National Board of Revenue (NBR) to find reasons behind the departure of some large foreign investors. PMO Principal Coordinator SDG (Sustainable Development Goals) Affairs said some major industrial units and airlines are withdrawing their business operations from Bangladesh. He also said that NBR will have to examine the reasons behind their departure, and consider possible measures in this regard.
- Since January last, four foreign airlines have left Bangladesh. They are -- Bangkok Airways, Thai Smile, Oman Air, and Etihad Airways. Besides, Glaxosmithkline has closed operations of its pharmaceuticals plant in Bangladesh. Such withdrawal of investment may give a negative signal to potential investors, if the government fails to address the issue

properly.

- According to the decisions of the meeting, NBR will have to organise meetings between PMO, the Bangladesh Investment Development Authority (BIDA), the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), the Metropolitan Chamber of Commerce and Industry (MCCI), the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), the Chattogram Chamber of Commerce and Industry (CCCI) and other major business associations.

<http://today.thefinancialexpress.com.bd/first-page/pmo-asks-nbr-to-find-reasons-behind-foreign-investors-leaving-country-1539020478>
<http://www.newagebd.net/article/52680/pmo-asks-nbr-to-find-reasons-behind-foreign-investors-exit>

Bangladesh Energy Regulatory Commission goes slow on gas price hike move

- The Bangladesh Energy Regulatory Commission (BERC) is now going slow on its move to increase gas prices in the country. The BERC was long waiting for a government decision on supplementary duty (SD) waiver on import of pricey liquefied natural gas (LNG) and has been planning to raise gas prices upon calculating the SD waiver implications.
- Though the energy regulator has received the SD waiver SRO (statutory regulatory order) from the National Board of Revenue (NBR) last week, it's now weighing the pros and cons of the timing of the gas price hike decision, especially just ahead of the upcoming national election. Energy sector insiders believe that the things are getting delayed as the BERC is now going slow on its price hike decision to avoid any political repercussion ahead of the national election.

<http://today.thefinancialexpress.com.bd/trade-market/berc-goes-slow-on-gas-price-hike-move-1539014973>

Bangladesh Telecommunication Regulatory Commission busts six illegal VoIP centres, seizes 11,000 SIM cards last month

- The telecoms regulator seized nearly 11,000 SIM cards from illegal VoIP (Voice over Internet Protocol) call centres across the country last month. The telecoms regulator seized nearly 11,000 SIM cards from illegal VoIP (Voice over Internet Protocol) call centres across the country last month. The telecoms regulator said over 25 million minutes of overseas (incoming) calls are made through illegal VoIP exchanges every day, causing loss of revenue worth millions of BDT to the state exchequer.
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- During the drives conducted jointly by the BTRC and the Rapid Action Battalion (RAB), 5,075 SIM cards of Teletalk, 3,897 of Robi, 1,414 of Grameenphone, 426 of Banglalink, 120 of PSTN operator Rankstel and 15 SIM cards of WIMAX operator Banglalion were seized. BTRC also seized 72 GSM gateways (SIM box) and many other VoIP equipment.

<http://today.thefinancialexpress.com.bd/trade-market/btrc-busts-six-illegal-voip-centres-seizes-11000-sim-cards-last-month-1539014936>
<https://www.dhakatribune.com/business/2018/10/08/btrc-illegal-voip-calls-incur-huge-revenue-loss>
<http://www.newagebd.net/article/52688/mnos-must-take-liability-for-sim-card-misuse-in-illegal-voip-business>

Stock market can't keep pace with economic growth

- The stock market has failed to keep pace with the country's robust economic growth because of the reluctance of the conglomerates to get listed and give the general people the opportunity to invest in good companies. Bangladesh's gross domestic product is growing at over 7% every year but the growth of market capitalisation is not on a par with it.
- The growth of Bangladesh's economy is praised in international forums but stock market does not match the high growth rate, said commissioner of the Bangladesh Securities and Exchange Commission (BSEC). He said the stock market experienced many reforms as well in the last few years but big conglomerates were yet to come forward. Many big conglomerates do not want to share ownership of the entities with the public and abide by rules and regulations of the securities law, he said. The BSEC is trying to increase institutional investors' base in the market, he added.
- The risk was higher, as the base of retail investors was much higher than institutional investors. When there is a boom in the stock market, general investors come over to invest. But when it stays in its lowest point, they do not come. But they should come when it stays at its lowest point as it would be lucrative for them, suggested the commissioner of BSEC. According to director of the CDBL, Investors should gain proper knowledge about the stock market before pouring their money into it.

<https://www.thedailystar.net/business/news/stock-market-cant-keep-pace-economic-growth-1644595>
<http://today.thefinancialexpress.com.bd/stock-corporate/list-more-cos-having-good-fundamentals-1539012467>

State banks' loss-making branches shrink

- The number of loss-making branch of five state-owned commercial banks came down 24% to 270 in the first half of the year. All five banks except Janata saw a sharp decline in the number of loss-making branches thanks to an expansion of loan activities at branch level.
- Sonali, the largest state-owned bank, saw its loss-making branches come down to 137 at the end of June from 181 six months earlier. During the period, Agrani bank brought down its loss-making branches to 31 from 57, Rupali to 27 from 33 and BASIC Bank to 16 from 21, according to data from the central bank.
- Only Janata, which is mired in controversies surrounding loans amounting to BDT 83.0 billion, saw a rise in loss-making branches in the first six months of the year: from 57 to 59. The state banks put in more efforts on reducing their number of loss-making branches due to constant pressure from the Bangladesh Bank

<https://www.thedailystar.net/business/news/state-banks-loss-making-branches-shrink-1644586>

Evince Textiles to invest BDT 704.0 million for expansion

- Evince Textiles, which was placed in 'Z' category on September 24 from 'A' category due to 'no' dividend declaration for the year ended on June 30, 2018, has decided to invest about BDT 703.7 million for Balancing, Modernization, Rehabilitation and Expansion of its existing project.
- Of the total amount, BDT 554.1 million or 79% will be arranged through term loan from Modhumoti Bank. The remaining amount of BDT 149.6 million or 21% will be financed from the company's own sources as equity. As per the BMRE (balancing, modernisation, rehabilitation and expansion) programme, the company will set-up capital machinery and equipment with pumps, motors, pipes, auxiliaries, fixtures, fabrication, erection and installation worth BDT 547.0 million and, building and civil construction worth BDT 156.7 million. The proposed BMRE has been taken up by the board with a view to enhancing the overall production capacity by 50%.

<http://today.thefinancialexpress.com.bd/stock-corporate/evince-textiles-to-invest-BDT-704m-for-expansion-1539012504>
<https://www.thedailystar.net/business/news/evince-textiles-spend-BDT-70cr-expansion-1644592>

Agrani Bank approves loan to Le Meridian owner

- State-owned Agrani Bank is going to provide a large loan to the owner of the five-star Le Meridian hotel who is facing an Anti-Corruption Commission (ACC) investigation into the alleged amassing of illegal wealth. Even though the owner of Le Meridian is accused of accumulating wealth totalling millions of BDT through illegal business and the misappropriation of government assets. The bank board meeting approved BDT 1.25 billion as a loan to Best Holding Limited, owned by Amin Ahmad Bhuiyan, without any deposits.
- The loan was approved with corporate guaranty and personal guaranties although the paid up capital of the company is only BDT 20 million. The former deputy governor of Bangladesh Bank, said that it is not a right practice to approve loans without verification of information. The former deputy governor of Bangladesh Bank, said that the Dhaka Tribune that it is not a right practice to approve loans without verification of information. This includes BDT 1.01 billion with City Bank, BDT 0.85 billion with NCC Bank, BDT 1.10 billion with Southeast Bank, and BDT 1.00 billion with Bangladesh Infrastructure Finance Fund Limited.

<https://www.dhakatribune.com/business/2018/10/08/agrani-bank-approves-loan-to-le-meridian-owner>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$74.52	+0.23	+0.31%
Crude Oil (Brent)*	\$84.15	+0.24	+0.29%
Gold Spot*	\$1,190.05	+1.97	+0.17%
DSEX	5440.95	+30.13	0.56%
Dow Jones Industrial Average	26,486.78	+39.73	+0.15%
FTSE 100	7,233.33	-85.21	-1.16%
Nikkei 225	23,564.91	-218.81	-0.92%

Exchange Rates

USD 1 = BDT 83.75*

GBP 1 = BDT 109.66*

EUR 1 = BDT 96.25*

INR 1 = BDT 1.13*

**Currencies and Commodities are taken from Bloomberg.*

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