

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.

Bangladesh Bank wants information on all bad debts

- Bangladesh Bank has asked all the banks and other financial institutions of the country to send reports about all the default loans. As per a new circular issued on Thursday, the banks and financial institutions are supposed to report to the central bank even if the defaulted loan is BDT 1 only. Until now, the banks and other financial institutions were supposed to send information on default loans of BDT 50,000 or more and for credit cards BDT 10,000 unpaid loans to the central bank's Credit Information Bureau.
- In the circular, the Bangladesh Bank have asked for information on all loans needed to be sent to the CIB database to strengthen monitoring of loans in the banking sector, reports bdnews24. Banks and financial institutions need to collect information from the CIB database before approving client's loan or credit limit. A defaulter was not able to take loans if the amount of bad debt was more than BDT 50,000. But under the new stringent regulation, anyone with BDT 1 bad loan would not be eligible to take any other loan.
- Bank customers who had borrowed over BDT 100 million each in past 10 years still owe banks BDT 656.02 billion in unpaid loans, Finance Minister clarified in January. According to him, the list of such loan defaulters totals 1,956 individuals and organizations.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-bank-wants-information-on-all-bad-debts-1524983454>

July-Mar import up 14%on food grains, fuel oils

- The country's overall import grew by more than 14% in the first nine months of the current fiscal year (FY), 2017-18, mainly due to higher import of food grains and fuel oils. The settlement of letters of credit (LCs), generally known as actual import, in terms of value, rose to USD 38.41 billion during the July-March period of FY 18 from USD 33.63 billion in the same period of the previous fiscal, according to Bangladesh Bank's (BB) latest statistics.
- The president and managing director of Bank Asia Limited, said the overall import may increase further in the coming months. It may happen due to higher import of consumer goods, including food grains, and capital machinery for power plants as well as implementation of various infrastructure development projects across the country. He also said import of machinery or equipment for balancing, modernization, rehabilitation and expansion (BMRE) of many industrial units, particularly apparel factories, has also contributed to the rising trend of industrial import.
- Import of capital machinery or industrial equipment used for production increased by more than 4.0% to USD 3.99 billion in the first nine months of this fiscal against USD 3.83 billion during the same period of FY 17. Import of consumer goods rose by 57.53% to USD 6.02 billion during the period under review from USD 3.82 in the same period of FY 17. Import of industrial raw materials grew by 10.08% to USD 13.42 billion during the period under review from USD 12.19 billion in the corresponding period.

<http://today.thefinancialexpress.com.bd/first-page/july-mar-import-up-14pc-on-food-grains-fuel-oils-1525023866>

Chinese party may get nod today

- A Chinese consortium, comprising the Shenzhen Stock Exchange and the Shanghai Stock Exchange, is likely to win approval from the members of the Dhaka Stock Exchange to become the strategic partner of the bourse. The exchange will hold an extraordinary general meeting today at the Purbani Hotel where its members are expected to give a nod to the proposal of the Chinese consortium. The meeting has been convened about a month after the Bangladesh Securities and Exchange Commission (BSEC) instructed the DSE to send a revised proposal to it upon receiving consent from the members.

<https://www.thedailystar.net/business/chinese-party-may-get-nod-today-1569622>

Ibn Sina washes its hands of Islami Bank

- Ibn Sina Trust, one of the sponsor shareholders of Islami Bank Bangladesh, is set to sell off its entire 2.24% stake in the bank within the next 30 days. The trust will sell 36.0 million shares through block markets of the Dhaka Stock Exchange and the Chittagong Stock Exchange at the prevailing market price, it said in a posting on the DSE website on Thursday. On Thursday, IBBL shares traded at BDT 26.1, meaning the sales will fetch BDT 941.6 million for the corporate sponsor. Ibn Sina's exit from the country's biggest private lender comes less than a fortnight after IBBL Chairman Arastoo Khan resigned.

• Ibn Sina left the bank's board on January 5 this year after a huge reshuffle. Last year, the Islamic Development Bank, one of the foreign investors of IBBL, sold two-thirds of its shares, bringing its stake in the bank down to 2% from 7.5%. In 2014, foreign sponsor-shareholder Bahrain Islamic Bank sold off all of its shares and Dubai Islamic Bank followed suit in 2015.

<https://www.thedailystar.net/business/banking/ibn-sina-washes-its-hands-islami-bank-1569619>

Bashundhara Paper's IPO subscription begins today

• Public subscription of Bashundhara Paper Mills begins today (Monday) for raising BDT 2.0 billion from the capital market under the book-building method. The initial public offering (IPO) subscription of the company will remain open till May 09 for resident and non-resident Bangladeshis. The company is set to float about 26.03 million shares, of which 60% or 15.62 million shares to be issued to the eligible investors at cut-off price of BDT 80 each.

• Remaining 10.41 million shares will be sold to general shareholders, including non-resident Bangladeshis, at 10% discount on cut-off price, meaning the general investors will get each share of the company at BDT 72 each, as per the revised book-building method. A market lot is 100 shares and the required amount (per lot) of foreign currency for NRBs and foreign applicants for IPO of the company is USD 87.01 or GBP 62.28 or EUR 70.98, according to Dhaka Stock Exchange (DSE).

• A market lot is 100 shares and the required amount (per lot) of foreign currency for NRBs and foreign applicants for IPO of the company is USD 87.01 or GBP 62.28 or EUR 70.98, according to Dhaka Stock Exchange (DSE). The company's IPO fund will be used for expansion of business activities and purchase machineries about BDT 1.35 billion, to repay bank loans of about BDT 600 million and to bear IPO expenses about BDT 50 million, according to the IPO prospectus. AAA Finance & Investment is working as issue manager of Bashundhara Paper Mills.

<http://today.thefinancialexpress.com.bd/stock-corporate/bashundhara-papers-ipo-subscription-begins-today-1525016118>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$67.87	-0.23	-0.34%
Crude Oil (Brent)*	\$74.13	-0.51	-0.68%
Gold Spot*	\$1,321.74	-2.26	-0.17%
DSEX	5813.80	+11.77	+0.20%
Dow Jones Industrial Average	24,311.19	-11.15	-0.05%
FTSE 100	7,502.21	+80.78	+1.09%
Nikkei 225	22,467.87	+148.26	+0.66%

Exchange Rates

USD 1 = BDT 82.98*

GBP 1 = BDT 114.35*

EUR 1 = BDT 100.62*

INR 1 = BDT 1.24*

*Currencies and Commodities are taken from Bloomberg.

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and also revisit this assessment when subsequent update reports are published or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

BRAC EPL Stock Brokerage Limited

Research

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

International Trade and Sales

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

Fax: +(8802) 9852451-52
E-Mail: research@bracepl.com