

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.

BDT depreciation set to fuel external debt stocks

- The local currency's depreciation against dollar is set to raise external debt stocks and interest payments largely, according to economists. According to economics parlance, taka's depreciation against US dollar pushes up the country's external debt stocks. Interest payments also grow large due to the depreciation.
- Bangladesh Taka (BDT) depreciated 4.0% in fiscal year (FY) 2017-18, according to the latest Monetary Policy Statement (MPS) of the Bangladesh Bank (BB). The local currency further depreciated 1.8% last July, the first month of the current fiscal year.
- The current account deficit is estimated at USD 9.2 billion or 3.3% of the gross domestic product (GDP) in the past fiscal year, according to the BB. The country's external debt volume stood at BDT 2.7 trillion in FY '18, according to the medium-term macroeconomic policy statement of finance ministry.

<http://today.thefinancialexpress.com.bd/first-page/bdt-depreciation-set-to-fuel-external-debt-stocks-1534096163>

Export subsidy gets bigger

- The government is set to extend export subsidy to eight new products and increase the amount for existing ones with a view to boosting overseas shipments and encouraging environment-friendly industrialisation. The decision, which was taken last week at a meeting chaired by Finance Minister will soon be conveyed to the central bank for implementation.
- The export target for this fiscal year is USD 44 billion, which is about 20% more than fiscal 2017-18's receipts. At present, cash incentive ranging from 2-20% is given to 26 product categories. The new products that will get export subsidy are: pharmaceuticals, photovoltaic modules, locally assembled motorcycles, razor and razor blades, ceramics, prayer caps, galvanized sheets and coils, and crabs and eels.
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<https://www.thedailystar.net/news/business/export-subsidy-gets-bigger-1620001>

Runner Automobiles' IPO bidding to begin September 10

- The bidding for discovering cut-off price for Runner Automobiles IPO shares under the book-building method is set to begin on September 10. The bidding by the eligible institutional investors through the uniform and integrated electronic subscription system of the stock exchanges will be continued till September 13, officials said. The Bangladesh Securities and Exchange Commission (BSEC) allowed the company to conduct bidding for discovering IPO (initial public offering) share price on July 10.
- Runner Automobiles, which held road show on October 2016, will raise a capital worth BDT 1.0 billion from the capital market. Runner Automobiles will use the IPO proceeds for research and development, purchase of machinery, repaying bank loans and meeting expenditure for the IPO process. Of the IPO proceeds, BDT 630 million will be spent on design and development of new products, machinery purchase and upgradation of existing models, BDT 330 million for bank loan repayment and the remaining BDT 40 million will be IPO expenses.
- According to the financial statement for the year ended on June 30, 2017, the company's net asset value (NAV) per share is BDT 55.70, with revaluation reserve. The value is BDT 41.9 without revaluation reserve. And, the weighted average earnings per share (EPS) of the company is BDT 3.3. IDLC Investments is working as the issue manager of the IPO.

<http://today.thefinancialexpress.com.bd/stock-corporate/runner-automobiles-ipo-bidding-to-begin-sept-10-1534090705>

Survey unveils RMG financing hurdles

- Bankers have identified late shipment and delays in presentation of documents as major impediments to financing the country's readymade garment (RMG) sector. They have also identified default and non-repatriation of export proceeds as another critical challenge in this regard.
- About 66% of the surveyed bankers considered late shipment as the critical challenge associated with RMG trade

services, according to the research finding. Some 53% of the respondents have identified late presentation of documents while 42% see non-repatriation of fund against contract as challenges to financing in the largest foreign currency earning sector.

- Lower usage of packing credit, inefficiency in assessing working capital, absence of tolerance in credit limit, absence of customized collateral system, inconsistency in different trade charges among banks were seen as operational obstacles in proper trade facilitation by the exporters, it said.

<http://today.thefinancialexpress.com.bd/first-page/survey-unveils-rmg-financing-hurdles-1534096417>

Thrust on improving ease of doing business to boost leather sector

- Business leaders have called for improving ease of doing business and addressing logistical hassles and infrastructure bottlenecks such as port congestions in order to realise the full potential of the leather industry. They also called upon the relevant bodies to take up long-term policy support to achieve USD 5.0 billion exports by 2021.

- In the last five years, from fiscal year (FY) 2013-14 to 2016-17, the leather sector retained an approximate positive average annual growth rate (AAGR) of 11%. In FY 2017-18, however, there was a downfall to 10.7%.

<http://today.thefinancialexpress.com.bd/trade-market/thrust-on-improving-ease-of-doing-business-to-boost-leather-sector-1534091276>

China evinces interest in free trade agreement with Bangladesh (BD FTA): Commerce Minister

- China showed its interest in signing a free trade agreement (FTA) with Bangladesh, Commerce Minister Tofail Ahmed said on Sunday. The minister was talking to reporters at a view-exchange meeting with Chinese ambassador to Bangladesh Zhang Zuo at the Ministry of Commerce (MoC) at the Bangladesh Secretariat. Bangladesh and China earlier inked a memorandum of understanding (MoU) in this regard.

- Both the countries started working towards a joint feasibility study on the possibility of inking an FTA, the minister mentioned. Bangladesh is enjoying some duty benefits in the Chinese market as a least-developed country (LDC), according to a commerce ministry official. Bangladesh's exports to China totaled USD 949.41 million during fiscal year 2016-2017 and imports from China accounted for USD 1,0128.10 million, a document showed.

<http://today.thefinancialexpress.com.bd/print/china-evinces-interest-in-bd-fta-tofail-1534091403>

Grameenphone launches 2 co-branded 4G enabled smartphones

- Grameenphone on Sunday launched two new co-branded smartphones — Symphony G100 and Micromax B5 Pro — with an aim to bring general customers under 4G ecosystem. The co-branded smartphones were introduced through an inauguration ceremony held at Pan Pacific Sonargaon Hotel in Dhaka.

<http://www.newagebd.net/article/48262/gp-launches-2-co-branded-4g-enabled-smartphones>

<https://www.dhakatribune.com/business/2018/08/13/gp-launches-two-co-branded-4g-enabled-smartphones>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$ 67.57	-0.06	-0.09%
Crude Oil (Brent)*	\$ 72.61	-0.20	-0.27%
Gold Spot*	\$ 1,208.04	-2.53	-0.21%
DSEX	5407.19	+0.18	+0.00%
Dow Jones Industrial Average	25,313.14	-196.09	-0.77%
FTSE 100	7,667.01	-74.76	-0.97%
Nikkei 225	21,902.90	-395.18	-1.77%

Exchange Rates

USD 1 = BDT 83.81*
 GBP 1 = BDT 106.87*
 EUR 1 = BDT 95.32*
 INR 1 = BDT 1.21*

*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	mrafiquislam@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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