

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 ahead of all

- Bangladesh equalled China and India to log in the highest per capita economic growth globally in the last five years, according to The Spectator Index.
- The country's per capita growth was 45% in the past five years in terms of purchasing power parity, which is the same as neighbouring India and China.
- The index -- which is run by The Spectator, a weekly British magazine focused on politics, economics, history, military affairs, sports, science, and technology -- also compared Bangladesh's economy with that of Venezuela to show how much the South Asian nation has progressed over the years.
- In 1980, the size of Venezuela's economy was USD 117 billion in PPP terms compared to Bangladesh's USD 41 billion. In 2018, the gross domestic product of Venezuela stood at USD 330 billion, whereas it was USD 751 billion for Bangladesh.

<https://www.thedailystar.net/business/news/bangladesh-ahead-all-1696726>

RMG exports to non-traditional markets soar 36%

- Garment export to non-traditional markets grew by 36.21% year-on-year to USD 2.90 billion in the current fiscal year's first six months because of a government stimulus package and duty-free market access. The receipt from the garment shipment in the same period last fiscal was USD 2.13 billion.
- Garment export to non-traditional markets has been growing since 2010-11 when the government announced a 5% cash incentive as a stimulus package to offset fallouts of financial recessions that affected the global economy in 2007 and 2008.
- Apart from the traditional US, European Union and Canadian markets, all others are considered non-traditional or emerging markets for Bangladesh. Australia, Brazil, Chile, China, India, Japan, South Korea, Mexico, Russia, South Africa and Turkey are the 11 stronger markets.
- Since 2010-11, apparel shipments to new destinations have been growing rapidly. Exports to those destinations varied from USD 200 million to USD 500 million before the stimulus package was announced.

<https://www.thedailystar.net/business/news/rmg-exports-soar-36pc-1696729>

Country to seek the status quo in post-LDC era

- Bangladesh seeks to extend the TRIPS privileges well into its post-LDC era to safeguard the local pharma industry from the tough global patent regime. Launched in 1994, the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement sets global minimum standards for the protection of intellectual property rights.
- Commerce ministry high officials said they would urge the World Trade Organization to waive TRIPS-related obligations for Bangladesh even after its graduation from the least developed country (LDC) category.
- The LDCs were granted a transition period to comply with the agreement which has been extended twice until July 01, 2021 and January 01, 2033 respectively. But Bangladesh fulfilled the LDC graduation criteria last year and is expected to formally graduate from the LDC category by 2024.
- The director general of WTO Cell said that they would ask the WTO to continue the TRIPS privileges for Bangladesh even after its LDC graduation.

<http://today.thefinancialexpress.com.bd/first-page/country-to-seek-the-status-quo-in-post-ldc-era-1549126190>

H1 import payments cross USD 27 billion

- The country's import payments increased by 10.78% in the first half of the current fiscal year 2018-2019 due mainly to rise in payments for import of petroleum oils, industrial raw materials and other products.
- According to Bangladesh Bank data, the country settled import payments worth USD 27.32 billion in July-December

of FY19, against USD 24.66 billion in the same period.

- Import of fuel oils, crude and refined, surged by 45.66% in six months due to an increased demand for the items in the fuel-based power plants. Industrial raw materials import went up by 10.56% in the period while products in other category also surged by 19.68 per cent.

<http://www.newagebd.net/article/63624/h1-import-payments-cross-27b>

Launch of saving certificates online database tomorrow

- Saving certificates online database named 'national saving certificates online management system' will be launched tomorrow (Sunday). The move has been taken to see whether savings schemes are abused by exceeding investment limit or making 'benami' (fictitious) investments.
- Initially, the online database will be launched at the headquarters of Bangladesh Bank, Bangladesh Post Office, Sonali Bank and Department of National Savings.
- Cash transaction of up to BDT 100,000 will be allowed. But savers must submit cheques for buying savings tools worth over BDT 100,000. The savers will also require bank accounts, mobile numbers while purchasing national savings certificates and bonds.

<http://today.thefinancialexpress.com.bd/first-page/launch-of-saving-certificates-online-database-tomorrow-1549043682>

Janata bad loans up by BDT 28.68 billion in 3 months

- The scam-hit Janata Bank has BDT 28.68 billion more added to its piles of defaulted loans in the past three months mainly due to the failure of two of its clients to repay loans.
- The total amount of bad loans of the state-owned bank stood at BDT 17,304 as of December 2018, a threefold increase on BDT 5,818 as of December 2017.
- The sharp increase in defaulted loans has largely been attributed to the failure by the bank's clients Crescent Group and AnonTex to clear the loan repayment.
- A Janata Bank deputy general manager, informed that the entire loan of BDT 35.72 billion given by the bank to five subsidiaries of the Crescent Group became defaulted.

<http://www.newagebd.net/article/63632/janata-bad-loans-up-by-BDT-2868cr-in-3-months>

Bangladesh Bank (BB) to focus on credit flow to priority sectors

- The Bangladesh Bank (BB) will continue its intensive supervision in ensuring credit flow to the priority sectors to help create more and better jobs along with protecting the environment.
- BB will continue resorting to intensive and intrusive supervision in ensuring that credit flows reach the priority sectors (agriculture, manufacturing, SMEs) that can create more and better jobs while protecting the environment.
- The Chairman of the Association of Bankers, Bangladesh (ABB), said economic impact of such loans will be improved, if their proper use is ensured. The ambitious target of building Bangladesh as a knowledge-based upper middle-income country by 2030 or earlier and graduation to a developed one by 2041 will require unwavering and continued reforms, given the country's integration with the global economy in an increasingly complex world.

<http://today.thefinancialexpress.com.bd/first-page/bb-to-focus-on-credit-flow-to-priority-sectors-1548956832>

State-Owned Banks (SoBs), Financial Institutions (FIs) must improve financial health: The Ministry of Finance (MoF)

- The Ministry of Finance (MoF) has asked the chief executives of state-owned banks (SoBs) and financial institutions to improve financial health. It also exhorted them to work vigorously to achieve the targets set in the annual performance agreement (APA), sources said.
- The heads of the SoBs and financial institutions sign the APA with the FID every fiscal when they vow to improve their financial health.
- The APA contains issues like keeping non-performing loans (NPLs) at logical level, raising income by distributing loans and advances, improving overall financial conditions and lowering risks and strengthening financial base.

- In recent months, the state-owned banks are plagued with large NPLs creating hue and cry among politicians and economists. As of September, last year, the amount of defaulted loans in the country's banking sector reached an all-time high of BDT 1.0 trillion.

<http://today.thefinancialexpress.com.bd/last-page/sobs-fis-must-improve-financial-health-mof-1548957440>
<http://www.newagebd.net/article/63413/poor-bad-loan-recovery-by-scam-hit-sobs-irks-fid>

Rules on cigarette paper imports tightened

- The National Board of Revenue (NBR) has tightened the rules on imports of papers used in making cigarettes in the face of allegation of tax evasion.
- Importers, along with import-related documents, have to submit letters from the field offices of value-added tax (VAT) to confirm that they submit return regularly and have existence, according to an order of the VAT wing of the NBR.
- The NBR move comes amid an allegation of VAT evasion against a section of cigarette paper importers. Cigarette is the biggest source of VAT and more than 86.00 billion sticks of cigarette are sold annually, according to industry and NBR data.

<https://www.thedailystar.net/business/news/rules-cigarette-paper-imports-tightened-1695766>

Telecom ministry probes BTRC committee's irregularities

- The telecom ministry has launched a probe into the allegations of irregularities against a Bangladesh Telecommunication Regulatory Commission committee that deals with promotion of the commission's officials.
- Submission of a joint complaint by around 30 officials of the rank of deputy director, senior assistant director and assistant director of BTRC prompted the ministry to take the move.
- Telecommunications and information technology ministry issued by its deputy secretary Urmi Tamanna on January 29 asked the three-member probe body to investigate the allegations against the BTRC committee. The committee has been asked to submit its report in 10 days to the telecom division acting secretary upon completion of investigation.

<http://www.newagebd.net/article/63530/telecom-ministry-probes-btrc-committees-irregularities>

Reliance on coal may ease in revised power master plan

- The government is planning a review of the power system master plan (PSMP) to pinpoint the electricity demand and the sources of energy to streamline the sector's growth in an efficient way. The Power Division under the Ministry of Power, Energy and Mineral Resources (MPEMR) already initiated its work on updating the PSMP of 2015.
- Overall projection of demand for electricity in future might be reviewed lower and the urgency of building a significant number of new coal-fired power plants might ease in the new PSMP.
- Currently, the country's total electricity generation capacity is 17,685 megawatts (MW) from 127 power plants-gas-fired, oil-run, coal-fired and hydropower. Under the PSMP-2015, the government has a target to generate 24,000 MW of electricity by 2024, 40,000MW by 2030 and 60,000 MW by 2041.
- Electricity generation costs at different power plants also vary significantly.

<http://today.thefinancialexpress.com.bd/first-page/reliance-on-coal-may-ease-in-revised-power-master-plan-1549126375>

38,244 new BO accounts in January amid stocks' surge

- The number of beneficiary owners' accounts at the country's stock market has risen by nearly 2,000 per trading day on average after the December 30 national elections amid bullish vibes at the market.
- In 20 trading sessions in January this year, 38,244 BO accounts were opened.
- As of January 31, the number of BO accounts stood at 2,817,041 while the figure was 2,778,797 as of December 31 last year. The number also hit a 18-month high after July 10, 2017 when it was 2,819,707.
- Investors usually open new BO accounts or revive their suspended ones when they find the primary and secondary market vibrant, according to the market operators.

<http://www.newagebd.net/article/63526/38244-new-bo-accounts-in-jan-amid-stocks-surge>

Dhaka Stock Exchange (DSE) approves 5.0% cash dividend

- The shareholders of the Dhaka Stock Exchange (DSE) has approved 5.0% cash dividend, among others, earlier recommended for the year ended on June 30, 2018.
- Along with appointing auditor for next fiscal year, the shareholders also approved directors' report, auditors' statements, and audited financial statement for the year ended on June 30, 2018.

<http://today.thefinancialexpress.com.bd/trade-market/dse-approves-50pc-cash-dividend-1549034506>

ACI to bring 'smart' tractors

- ACI Motors, a unit of ACI, is set to introduce hi-tech tractors that will simplify the lives of farmers and maximize their income.
- The tractors will be from Yanmar, a Japanese heavy equipment manufacturer, which last week unveiled two new models that are fuel-efficient and can be accessed through a smartphone.
- The two variants -- YM357A and YM351A -- were launched at a ceremony in the Thai capital and are expected to hit the market in Southeast Asia this year before becoming available globally.
- The tractors, which were introduced as part of the Yanmar's bid to boost its market share in Southeast Asia, have engine outputs of 57 and 51 horsepower respectively and can work both rice paddies and dry fields and haul loads.
- The tractors have the SmartAssist technology, which allows operators to see where and how the tractors are working in the field via a smartphone.

<https://www.thedailystar.net/business/news/aci-bring-smart-tractors-1696732>

Intraco Refuelling moves to merge its five subsidiary companies

- The Intraco Refuelling Station Limited (IRSL) has decided to merge its five subsidiary companies with itself to reduce the 'management cost' and avail 'tax benefit'.
- The boards of directors of the IRSL and subsidiary companies have decided in a meeting that the parent company, IRSL, will take over all assets and liabilities of the five subsidiaries through merger.
- The subsidiary companies of the IRSL are Absar & Elias Enterprises, East End Automobiles, M Hye & Co. CNG Refuelling Station, Good CNG Refueling Station and Nessa & Sons.
- Following the merger, the IRSL can avail tax benefit i.e. 25% tax rate instead of 35% tax rate for all five subsidiaries companies, according to the disclosure. Moreover, the merger will help avoid double taxation in case of dividend declared by the subsidiaries companies.

<http://today.thefinancialexpress.com.bd/stock-corporate/intraco-refuelling-moves-to-merge-its-five-subsiary-companies-1548952773>

Prime Bank rolls out 'PrimeDiGi'

- Prime Bank has introduced 'PrimeDiGi', the first ever digital savings account in the country, mainly targeting the youths. This savings account can be opened at anytime and anywhere.
- Customers will not need to go to any branch of the bank for opening the savings accounts and also no initial deposit is required.
- Under PrimeDiGi, customers will get various services, including balance inquiry, account statement, fund transfer, credit card payment, utility bill payment, mobile recharge, insurance premium payment, transaction history etc.

<http://today.thefinancialexpress.com.bd/stock-corporate/prime-bank-rolls-out-primedigi-1548952913>
<https://www.thedailystar.net/business/banking/news/prime-bank-brings-digital-savings-account-1695793>
<https://www.dhakatribune.com/business/banks/2019/02/01/prime-bank-introduces-digital-savings-account-prime-dg>

Pran bags USD 2 million export orders at German fair

- Pran, a leading local food processor, secured export orders worth USD 2 million at ISM Fair in Cologne, Germany.

About 1,700 exhibitors from different countries took part in the four-day show that began on January 27 to display processed foods, especially sweets and snacks.

- Pran displayed over 200 products, including 10 new ones. Pran has brought huge changes to the 'sweets and snacks' category in Bangladesh. As a result, demand for their products rose both at home and abroad, according to the chief operating officer of Pran Export Limited.

<https://www.thedailystar.net/business/news/pran-bags-2m-export-orders-german-fair-1695778>

Genex Infosys to make debut February 6

- Genex Infosys Ltd, an IT company, will make its share trading debut on February 06 (Wednesday) on the bourses under "N" category. Genex Infosys will be the 9th company under the IT sector on the Dhaka Stock Exchange (DSE).
- The company raised a fund worth BDT 200 million from the capital market under the fixed price method by offloading 20 million ordinary shares at an offer price of BDT 10 each under the fixed price method.
- The share subscription for the initial public offering (IPO) of Genex Infosys took place between November 18 and November 29 last year. The company's IPO was oversubscribed by nearly 36 times as total subscription received BDT 7.15 billion against IPO issue of BDT 200 million.
- Genex Infosys will utilise the IPO proceeds for expansion of call centre business (61.50%), partial long-term loan repayment (30%) and the IPO expenses 8.50%.

<http://today.thefinancialexpress.com.bd/stock-corporate/genex-infosys-to-make-debut-feb-6-1549123854>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$55.26	+1.47	+2.73%
Crude Oil (Brent)*	\$62.75	+1.91	+3.14%
Gold Spot*	\$1,317.98	-3.27	-0.25%
DSEX	5821.01	-63.10	-1.07%
Dow Jones Industrial Average	25,063.89	+64.22	+0.26%
FTSE 100	7,020.22	+51.37	+0.74%
Nikkei 225	20,788.39	+14.90	+0.07%

Exchange Rates

USD 1 = BDT 83.63*
 GBP 1 = BDT 109.39*
 EUR 1 = BDT 95.81*
 INR 1 = BDT 1.17*

*Currencies and Commodities are taken from Bloomberg.

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