

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.

Philippines wants to import more medicines from Bangladesh

- The Philippines has expressed its interest to import more medicines from Bangladesh.
- The Southeast Asian country also expressed its willingness to invest in some sectors, including agro processing and leather sectors.
- Bangladesh earns only USD 7.0 million through exporting medicines to the Philippines, but it has a potential to export more according to the secretariat office of the minister.
- In the financial year 2017-2018, Bangladesh exported goods worth over USD 47.04 million to the Philippines and the imports from that country stood at USD 8.07 million.

<http://today.thefinancialexpress.com.bd/trade-market/philippines-wants-to-import-more-medicines-from-bd-1548265443>

Industrial default loans soar 39.5%

- Banks' default loans in the industrial sector soared 39.50% to BDT 436.20 billion as of September 2018, as industrialists continue to dodge the Bangladesh Bank (BB) for undue favour.
- The amount of default loans was up from BDT 312.70 billion during the same period of previous fiscal year.
- According to central bank data on industrial default loans, the state-owned commercial banks accounted for 44.91%, private commercial banks 42.46%, foreign banks 1.67%, non-banking financial institutions 8.76% and specialized banks had 2.20%, at the end of September 2018.
- During the July-September period of the current 2018-19 fiscal year, the total amount of industrial loan disbursement was BDT 944 billion.

<https://www.dhakatribune.com/business/2019/01/23/industrial-default-loans-soar-39-5>

USD 100 billion garment export possible by 2024

- Bangladesh will be able to export USD 100 billion worth of garment items by 2024 as the international apparel retailers are placing an increasing number of work orders.
- By 2021, when Bangladesh will also celebrate its 50th anniversary, we will be able to export garment items worth USD 50 billion.
- Last fiscal year, garment shipments fetched USD 30.61 billion.
- Bangladesh is in the second position in garment exports globally after China.

<https://www.thedailystar.net/business/news/100b-garment-export-possible-2024-1692091>

Financial services ease hassles

- Four commercial banks and a leading mobile financial service provider are taking part in this year's Dhaka International Trade Fair to serve the visitors of the annual showcase.
- Namely, two state-run banks Sonali and Janata, two private banks Islami Bank Bangladesh and Dutch-Bangla Bank Ltd (DBBL) and bKash participated.
- Corporate clients and others deposit BDT 1.0 million as value-added tax on an average every day through the branch of Sonali Bank at the fair
- Janata Bank receives around BDT 5.0 million in deposits on an average every day during the month-long expo. The amount rises on Fridays and Saturdays.
- Dutch Bangla bank's daily cash deposit collection hovers between BDT 7.0 million to BDT 10 million during the trade

show.

- bKash, the largest mobile financial service provider in Bangladesh, is offering cash back to customers where they can enjoy 50 % cash back on the prices of entry ticket brought through the app or the USSD channel *247# of bKash or through DITF's online portal.

<https://www.thedailystar.net/business/news/financial-services-ease-hassles-1692085>

Government plans to develop new coalmines by state-run companies

- The government is planning to develop new coalmines on its own, breaking the decade-old stalemate over the issue.
- The coalmines will not be leased out to any foreign or local private sector company or their joint venture (JV) for exploration. Rather the government itself will develop the coalmines employing the services of the relevant state-run entities.
- Currently, the country has five coalmines, but coal extraction is limited to only one coalmine at Barapukuria in Dinajpur, utilising the underground coalmining method.
- The country currently has only three coal-fired power plants having the total generation capacity of only 524 MW, against the total installed capacity of 17,685 MW.
- Bangladesh has around 2.0 billion tonnes of coal reserves in five coalmines across the country, which is equivalent to 70 TCF of gas. Of the total coal reserves, Barapukuria coalmine has 390 million metric tonnes (mmt) of coal, Phulbari has 572 mmt coal, Khalaspir has 143 mmt, Dighipara has 400 mmt, and Jamalganj has 1,053 mmt of coal in different depths under ground level.

<http://today.thefinancialexpress.com.bd/first-page/govt-plans-to-develop-new-coalmines-by-state-run-companies-1548266068>

National Board of Revenue (NBR) tax receipt falls BDT 69.76 billion short of target in July-December

- Slow implementation of the annual development programme has taken a heavy toll on income tax collection by National Board of Revenue in the first half (July-December) of the current fiscal year (2018-19).
- Slow disbursement of allocation under the ADP put a negative impact on income tax collection from the sector in July-December, causing a shortfall of BDT 69.76 billion in the overall income tax collection.
- Tax officials managed to collect BDT 284.56 billion in income tax in July-December of FY19 against the target of BDT 354.32 billion set for the period.

<http://www.newagebd.net/article/62693/nbr-tax-receipt-falls-BDT-6976cr-short-of-target-in-jul-dec>

Cabinet body approves 590MW power plant in Chattogram

- The Cabinet Committee on Public Purchase on Wednesday approved a total of six proposals, including one to set up a 590 MW power plant in Chattogram under the private sector.
- A proposal of the Power Division was approved to allow a consortium of three companies -- one Bangladeshi and two from China -- to establish the 590 MW Combined Cycle Power Plant in Anwara of Chattogram.
- State-owned Bangladesh Power Development Board (PDB) will purchase electricity from the plant for over 22 years at a levelised tariff of US Cent 3.6867 per unit (kilowatt hour) which is equivalent to BDT 2.9493 when it will be running with natural gas.
- But the tariff will be charged at US Cent 6.8043, equivalent to BDT 5.4435, per unit when it will be running using imported RLNG.

<http://today.thefinancialexpress.com.bd/last-page/cabinet-body-approves-590mw-power-plant-in-chattogram-1548266756>

<https://www.thedailystar.net/business/news/govt-build-590mw-plant-anwara-1692079>

Electronic waste disposal rules on the cards

- The government is framing rules to ensure proper management of electronic waste (e-waste) such as handsets, computers and electrical items, which tend to be dumped haphazardly, posing risks to the environment and public health.

- The growth rate of e-waste generation is about 20 % per year.
- The amount of e-waste rose to 0.4 million tonnes in 2018 from 0.13 million tonnes in 2010. The volume is projected to be 4.62 million tonnes by 2035.
- Manufacturers and assemblers of the devices will have to collect e-waste either for reuse or destruction during production of electrical and electronic goods and ensure delivery of the e-wastes to the registered repairers, dismantlers and recyclers.

<https://www.thedailystar.net/business/news/electronic-waste-disposal-rules-the-cards-1692100>

BDT 9.0 billion disbursed under capital market refinancing scheme

- The disbursement of BDT 9.0 billion has finally been completed under the capital market refinancing scheme initiated after 2010-11 stock market debacle to reduce sufferings of 'affected' investors.
- In August 2013, the state-run Investment Corporation of Bangladesh (ICB) received BDT 3.0 billion as the first installment of the refinancing scheme from the central bank. Later, the rest of the fund worth BDT 6.0 billion was disbursed through two installments.
- 35 merchant banks and brokerage firms have received the fund worth BDT 9.0 billion against the portfolios of 36,481 affected investors.
- Of other borrowers, BRAC EPL received above BDT 567.60 million, ICB above BDT 566.70 million, NBL Securities above BDT 265.40 million, Janata Capital and Investment above BDT 407.80 million, and Fareast Stocks & Bonds above BDT 187 million.
- BSEC identified some 954,000 investors, who are eligible for the loan facility, in line with the guidelines set for the capital market refinancing scheme.

http://today.thefinancialexpress.com.bd/stock-corporate/BDT_-90b-disbursed-under-capital-market-refinancing-scheme-1548265060

Locally assembled electric cars to hit streets soon

- Nitol Motors is set to come with a locally-assembled electric vehicle by next year, in yet another big stride for Bangladesh's fledgling automotive industry. An electric vehicle uses chemical energy stored in rechargeable battery packs instead of fossil fuel to propel it.
- Globally, electric car market share is on the rise: at the end of 2018 it stood at 4.6 %, almost double from what it was in 2017.
- Nitol's model, which will be called Suvare, will be the size and feel of regular cars and will cost about BDT 1.2 million. The maximum speed of the car will be 150 kilometres (km) per hour.
- The vehicles will be assembled at a plant spanning 10 acres in Pabna. The plant, which will cost BDT 3.50 billion, will have the capacity to assemble 20,000 units per year. Initially, about 5,000 units of only one model will be assembled.
- With half an hour's charge Suvare can run 200 km, according to Ahmad. The battery capacity will be 25 kilowatt per hour and it will cost only BDT 170 to fully charge it each time as per present power tariff.

<https://www.thedailystar.net/business/news/locally-assembled-electric-cars-hit-streets-soon-1692118>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$52.38	-0.24	-0.46%
Crude Oil (Brent)*	\$60.88	-0.26	-0.43%
Gold Spot*	\$1,282.88	+0.16	+0.01%
DSEX	5925.24	-59.78	-0.47%
Dow Jones Industrial Average	24,575.62	+171.14	+0.70%
FTSE 100	6,842.88	-58.51	-0.85%
Nikkei 225	20,539.54	-54.18	-0.26%

Exchange Rates

USD 1 = BDT 83.68*

GBP 1 = BDT 109.42*

EUR 1 = BDT 95.31*

INR 1 = BDT 1.17*

**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

Khandakar Safwan Saad, CFA	Head of Research	safwan@bracepl.com	01730 357 779
Ayaz Mahmud, CFA	Deputy Head of Research	ayaz.mahmud@bracepl.com	01708 805 221
S. M. Samiuzzaman	Research Analyst	sm.samiuzzaman@bracepl.com	01708 805 224
Farah Tasnim Huque	Research Associate	farah.tasnim@bracepl.com	01730 727 913
Kazi Raquib-UI Huq	Research Associate	raquib.huq@bracepl.com	01730 727 931
Ahmed Zaki Khan	Research Associate	zaki.khan@bracepl.com	01708 805211
Sadman Sakib	Research Associate	sadman.sakib@bracepl.com	01730 727 939

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