

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.

July-April exports see moderate growth

- The country's export earnings maintained a moderate growth of 6.41% in the first ten months of the current fiscal year (FY). The export earnings stood at USD 30.40 billion during the July-April period of the FY 2017-18 which was USD 28.57 billion in the corresponding period of the FY 2016-17. The single-month earnings in April 2018 grew by 7.11% to USD 2.95 billion which was USD 2.75 billion in April last calendar year. Earnings from readymade garments (RMG) export during the period stood at USD 25.30 billion, marking a 9.37% growth over the corresponding period of the FY 2016-17.

- The knitwear export stood at USD 12.54 billion during the period, marking an 11.43% growth during the period of the FY18. Leather and leather product exports witnessed a negative growth of 10.02% to USD 916.74 million compared to that of USD 1.01 billion during the same period of the FY17. Leather footwear export, however, increased by 6.60% to USD 460.14 million during the period. Exports of frozen and live fish stood at USD 434.97 million, marking 2.32% growth during the July-April period of the current fiscal year.

<http://today.thefinancialexpress.com.bd/public/first-page/july-april-exports-see-moderate-growth-1525974909>

Government nod for next ADP with 1,300-plus projects

- The government endorsed Thursday a BDT 1.73 trillion Annual Development Programme (ADP), including a record 1,347 projects for the next fiscal. The outlay for the next fiscal is 16.59% or BDT 246.19 billion higher than that of the revised allocation of FY2018. Planning minister said that out of the total spend, BDT 1.13 trillion will come from the government's internal resources and the remaining BDT 600 billion from the external sources in the form of the project aid.

- In the current fiscal, the government has revised the ADP in the third quarter, trimming the allocation to BDT 1.48 trillion from the original outlay of BDT 1.56 trillion due to poor performance of the government's executing agencies in project implementation. Until April of the current fiscal, the government implemented some 48% of the BDT 1.48 trillion revised ADP. In the new ADP for the next fiscal, the transport sector has received the highest BDT 454.49 billion, 24.29% of the total outlay.

- The second highest allocation has been made for the power sector. This sector has received BDT 229.30 billion, which is 13.25% of the total ADP. According to the Planning Commission, a total of 1,347 development projects have been included in the ADP for the next fiscal. The fresh ADP has included 78 development projects, which will be implemented under the Public Private Partnership (PPP) initiative.

<http://today.thefinancialexpress.com.bd/public/first-page/govt-nod-for-next-adp-with-1300-plus-projects-1525975013>

LDC (least developing country) graduation triggers double whammy for Bangladesh

- LDC graduation might throw Bangladesh into 'double trouble' as the country's preparation for coping with the post-graduation challenges is not satisfactory, economists and businessmen warned Saturday. They said the double whammy would come in the form increasing the cost of doing business or cost of borrowing while taking away of various market preferences that the country enjoys as an LDC (least developing country).

- To avert the unexpected economic shock, they called upon the government to move ahead cautiously as Bangladesh would not be able to get back on the LDC status again like others because of a recent decision that skipped the scope of return for a country having population above 75 million. They suggested paying attention to the major requirements like enhancing institutional capacity, creating investment-friendly climate, human resources development and attaining the eligibility to get special preferences like GSP-plus and other non-LDC funding options.

- Managing director of Apex Footwear Limited, said that higher ratings for investment also entail higher cost and the graduation will phase out the access to low-cost ODA fund. About the erosion of market preferences, he said the remedy lies in GSP plus that comes with conditions like better labor and environmental standards and the private sector is not ready to cope with this

<http://today.thefinancialexpress.com.bd/first-page/ldc-graduation-triggers-double-whammy-for-bd-1526143337>

Government to review savings tools' rates : Finance Minister

- The government is going to review the existing yield rates on savings certificates after the next national budget, Finance Minister. He also added that ideally, the yield rates on savings certificate should be just a bit higher than the

market rates but now, those have become too high. , Chief Executive Officer of IDLC Finance said that the growing popularity of savings certificate is harming the banking sector while it is also detrimental to the development of the bond market.

- In Bangladesh, the rate of yield is the highest on government savings certificates among other deposit schemes. As a result, the sale of these certificates has increased significantly in recent times. In the last fiscal year alone, savings certificates sale reached over BDT. 750 billion, while the gross sale of such savings tools stood at BDT 550 billion during the first eight months against the total sale target of BDT 600 billion for the fiscal year 2017-18. Economists, however, have long suggested reducing the rates of yield on savings instruments, but the government, so far, has not made such a decision, considering the interests of small savers.

- In response to the issue of corporate tax cut, both the finance minister and the NBR chairman said that the rate of corporate tax will see a reduction in the next budget. Executive director of the think-tank Policy Research Institute of Bangladesh said that although the uniform VAT rate will not be implemented before 2019, the country should get ready for this scheme from now.

<http://today.thefinancialexpress.com.bd/last-page/govt-to-review-savings-tools-rates-muhith-1526143844>
<https://www.thedailystar.net/business/corporate-tax-cuts-way-1575628>

Government set to release over BDT 11 billion in cash incentives for exporters

- The government is set to release a sum of BDT 11.05 billion in favor of the Bangladesh Bank for the payment of cash incentives/subsidy to local exporters. It will be the last (fourth) installment of cash incentives for FY 2017-18, according to the finance division. A finance ministry official said that they had received a request from the central bank to release the fourth tranche of cash incentive/subsidy and they had decided to release the money soon. A central bank official mentioned that a sum of BDT 26.15 billion is needed immediately to pay the outstanding cash incentive/subsidy. Of the amount, BDT 1.15 billion will go to the jute sector while BDT 25 billion to other sectors.

<http://today.thefinancialexpress.com.bd/public/trade-market/govt-set-to-release-over-BDT-11b-in-cash-incentives-for-exporters-1526057626>

Exporters get BDT 44.81 billion in cash subsidy

- The government has disbursed cash subsidy worth BDT 44.81 billion against the allocation of BDT 45 billion to the export-oriented sectors for the fiscal year 2017-18 (FY18). Currently, 27 export-oriented sectors including apparel industry, frozen foods and fish, leather products, agro-based products and agro-processing industry are receiving cash incentives. The sectors are enjoying up to 20% cash incentive from the government that helps increase their export volume. Except jute, all the sectors entitled to receive cash subsidy got the full amount allocated for the current fiscal year. Because of lower export volume, jute and jute goods exporters slipped in the target this year.

- The government last week released the fourth (last) installment of cash incentives amounting to BDT 11.06 billion for disbursement among major exporters during the period from April to June this year. Of the total amount, jute and jute goods exporters will get BDT 1.06 billion in cash incentives while other sectors will receive BDT 10.0 billion, according to a circular issued by finance division. The ministry of finance allocated BDT 5.0 billion for the jute and jute goods subsector this fiscal. Of the amount, BDT 4.81 billion were disbursed. However, BDT 40 billion were distributed to other listed sectors. Following anti-dumping duty, imposed by the Indian government, and political instability in Middle East, the export of jute goods declined significantly.

<http://today.thefinancialexpress.com.bd/trade-market/exporters-get-BDT-4481b-in-cash-subsidy-1526140583>

DSEX dips below 5,600-mark as Q1 results frustrate investors

- Stocks extended the bearish spell for the seven straight session Thursday, with core index of the major bourse dipping below 5,600-mark after six weeks, as investors continued their selling binge amid poor quarterly earnings disclosures. Analysts said that ongoing pessimism, poor quarterly earnings results coupled with upcoming holy month of Ramadan continued to prompt investors to cash in on stocks while some adopted 'wait-and-see' stance ahead of the national budget. Meanwhile, the banking sector continued to incur losses, plunging by 1.80% further with the prices of 25 banks closing in the red.

- The market started the session on negative note and the downward trend continued till end of the session with no sign of reversal, finally DSEX fell more than 40 points while CSE All Share Price Index lost 106 points at closing. Trading activities were almost similar as the total turnover amounting to BDT 5.62 billion on the DSE against BDT 5.60 billion in the previous session. Engineering sector dominated the turnover chart - the sector accounted for 26% of the total turnover, followed by textile 17% and fuel & power 12%. According to International Leasing Securities, the panicked-investors started selling from the beginning of the session and continued till the closure.

- All the large-cap sectors showed negative performance except engineering and telecommunication, gaining 1.35% and 0.97%. The losers took strong lead over the gainers as out of 334 issues traded, 197 closed lower, 89 ended

higher and 48 issues remained unchanged on the DSE trading floor. Western Marine Shipyard topped the turnover chart with shares worth BDT 276 million changing hands, closely followed by BBS Cables, Beximco, Dragon Sweater and BSRN.

<http://today.thefinancialexpress.com.bd/stock-corporate/dsex-dips-below-5600-mark-as-q1-results-frustrate-investors-1525968993?date=11-05-2018>

Aamra Tech to get NIX license

- The board of directors of Aamra Technologies has decided to receive National Internet Exchange (NIX) licence from Bangladesh Telecommunication Regulatory Commission (BTRC). The NIX licensees allow its holders to route domestic internet traffic. The purpose of NIX is to facilitate local content development, encourage local web hosting and reduce latency in domestic traffic and thus saving international internet bandwidth and foreign currency.
- The licence would allow Aamra Technologies to build its own NIX infrastructure and facilitate internet service with higher efficiency and lower latency, giving the company a vital competitive edge over its competitors. Considering the rapidly growing internet user-base of Bangladesh, many international content providers such as Netflix, Vimeo, What's App, Viber are expected to be connected with Aamra Technologies' NIX to reduce latency of their content inside Bangladesh, resulting in mutual commercial benefit of the company and international content providers.
- Aamra Technologies expects to finish building its NIX infrastructure within a year and initial investment will be approximately BDT 10 million. The company has also reported earnings per share (EPS) of BDT 0.34 for January-March 2018 as against BDT 0.61 for January-March 2017. In nine months for July 2017-March 2018, EPS was BDT 1.23 as against BDT 1.09 for July 2016-March 2017. The company's paid-up capital is BDT 553.69 million and authorized capital is BDT 1.0 billion, while total number of securities is 55.36 million.

<http://today.thefinancialexpress.com.bd/stock-corporate/aamra-tech-to-get-nix-licence-1525969023?date=11-05-2018>

United Power emerges largest market cap company in power sector

- United Power Generation & Distribution Company Limited emerged as the largest market capitalization entity among the listed power-sector companies on the Dhaka bourse. The power generation company's total market cap crossed USD 1.0 billion milestone for the first time on Tuesday last and stood at BDT 88.67 billion on Thursday. Now, United Power is the sixth highest listed company in terms of market capitalization on the Dhaka Stock Exchange (DSE) after Grameenphone, Square Pharmaceuticals, BATBC, BRAC Bank and ICB as of Thursday.

<http://today.thefinancialexpress.com.bd/stock-corporate/united-power-emerges-largest-market-cap-co-in-power-sector-1525969082?date=11-05-2018>

Exim Bank to issue BDT 6.0 billion bond

- The board of directors of Exim Bank Limited has adopted a resolution for issuance of Mudaraba Subordinated Bond worth BDT 6.0 billion as a process of inclusion in Tier-II capital. The 7-year bond will be issued through private placement subject to approval of the regulatory authorities - Bangladesh Bank and Bangladesh Securities & Exchange Commission (BSEC) -- and compliance of all formalities in this respect. The Exim Bank has reported consolidated EPS of BDT 2.34, consolidated net operating cash flow per share (NAV) per share of BDT 19.58 and consolidated net operating cash flow per share (NOCFPS) of BDT 4.02 for the year ended on December 31, 2017 as against BDT 2.15, BDT 18.74 and minus BDT 3.42 respectively for the same period of the previous year.

<http://today.thefinancialexpress.com.bd/stock-corporate/exim-bank-to-issue-BDT-60b-bond-1525969051?date=11-05-2018>

Zaheen Spinning registers growth in last four years

- Zaheen Spinning Limited registered moderate growth in turnover and earnings in last four years following the company's smooth operation. Meanwhile, they said the company opened its new unit, enhancing its production capacity, which would be strengthened further with another unit to be opened soon. The company's turnover rose gradually and consequently the net profit increased in last four years. The company secretary, said that the production of Zaheen Spinning would increase proportionately after opening the proposed unit.
- The company's net profit rose 56% or BDT 42.58 million for the year ended on June 30, 2017 compared to previous year. The company's net profit stood at above BDT 119.24 million for the year ended on June 30, 2017 against above BDT 76.66 million calculated for same period of the previous year. The company reported turnover worth above BDT 869.04 million for the year ended on June 30, 2017 against the turnover worth above BDT 794.95 million calculated for the year ended on June 30, 2016.
- The company's earnings per share (EPS) was BDT 1.39 for the year ended on June 30, 2017 and BDT 2.03 for 18

months ended on June 30, 2016. The EPS was BDT 0.56 for the year ended on December 31, 2013 and BDT 1.36 for the year ended on December 31, 2014. In November last, the company started the job of opening new unit and recently their new unit came into operation with 30 ring machines having 15,480 spindles. The company is expected to increase production by 4,240 kg per day following the operation of new unit.

- The Company secretary said the securities regulator has already approved the rights offer and the company will raise a capital worth above BDT 850 million through issuing 85 million shares. The company said the rotor thread would also be produced from the wastage of the ring unit. Zaheen Spinning, presently an 'A' category company, was listed with the stock exchanges in 2015. The company's sponsor-directors hold 31.10% shares while institutions 26.63% and general public 42.27% as of March 29, 2018.

<http://today.thefinancialexpress.com.bd/stock-corporate/zaheen-spinning-registers-growth-in-last-four-years-1526141494>

Western Marine emerges one of turnover leaders last week

- Western Marine Shipyard has witnessed increased earnings per share (EPS) for January-March quarter (Q3) of 2018 compared to same period of the previous year. Following the increased EPS, the company was positioned in the weekly top turnover chart along with witnessing price hike in share price last week. The company has reported its EPS of BDT. 0.82 for the Q3 as against BDT. 0.43 for the same quarter of 2017, according to un-audited financial statement. The EPS was BDT. 2.14 for July 2017-March 2018 as against BDT. 1.46 for July 2016-March 2017.

- The company emerged as one of the top turnover leaders with an average daily turnover of above BDT 209 million in five sessions of last week. The company's net operating cash flow per share (NOCFPS) was BDT. 3.02 for July 2017-March 2018 as against BDT. 3.67 for July 2016-March 2017. The net asset value (NAV) per share (with assets revaluation) was BDT. 32.45 as on March 31, 2018 and BDT. 34.24 as on June 30, 2017, NAV per share (without assets revaluation) was BDT. 28.35 as on March 31, 2018 and BDT. 29.61 as on June 30, 2017.

<http://today.thefinancialexpress.com.bd/stock-corporate/western-marine-emerges-one-of-turnover-leaders-last-week-1526141644>

Real estate stocks yield highest return last week

- The shares of Services & Real Estate sector witnessed the highest return in last week as all companies went green. The companies of Services & Real Estate sector are Eastern Housing, SAIF Powertec, Samorita Hospital and Summit Alliance Port. The companies' featured a total turnover of above BDT 47.90 million on Dhaka Stock Exchange (DSE) in last week. The companies captured 0.9% of the market turnover featured by the premier bourse DSE. On Thursday, the share trading of Eastern Housing closed at BDT 48.90 with a marginal rise of 0.41% or BDT 0.2 per share. After five sessions, the company's share price rose 2.30%.

- After five trading sessions of last week, the share trading SAIF Powertec closed at BDT 27 on Thursday with a rise of 3.44%. The share trading of Samorita Hospital closed at BDT 72.90 with a rise of 1.66% or BDT 1.2 per share on Thursday. The company's share price rose 1.0% in five sessions. The share price of Summit Alliance Port rose 0.65% or BDT 0.2 to close at BDT 31 on Thursday. The company's share price rose 8.0% in five sessions of last week.

<http://today.thefinancialexpress.com.bd/stock-corporate/real-estate-stocks-yield-highest-return-last-week-1526141866>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$70.70	-0.66	-0.92%
Crude Oil (Brent)*	\$77.12	-0.35	-0.45%
Gold Spot*	\$1,319.30	-2.30	-0.17%
DSEX	5587.22	-40.11	-0.71%
Dow Jones Industrial Average	24,831.17	+91.64	+0.37%
FTSE 100	7,724.55	+23.58	+0.31%
Nikkei 225	22,758.48	+261.30	+1.16%

Exchange Rates

USD 1 = BDT 84.16*

GBP 1 = BDT 113.96*

EUR 1 = BDT 100.51*

INR 1 = BDT 1.25*

**Currencies and Commodities are taken from Bloomberg.*

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