

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.

Renata to set up UK subsidiary

- Renata Limited, a pharmaceutical and animal health products manufacturer, will establish a subsidiary company in the UK after fulfilling necessary regulatory requirements to export products to the countries of European Union. The name of the subsidiary will be Renata (UK) Limited as the company's board of directors approved a proposal in this regard, according to an official disclosure on Thursday. Earlier in January 18, the company informed that two factories- the Potent Product Facility at Mirpur and the General Facility at Rajendrapur- had approved by the Medicines and Healthcare products Agency (MHRA) of the UK.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/renata-to-set-up-uk-subsiary-1526581427>

IDLC Investments to act as issue manager for Super Star IPO

- Super Star Electrical Accessories Limited, a concern of Super Star Group, has recently signed an issue management agreement with IDLC Investments Limited to raise capital through initial public offering (IPO), according to a statement. The company manufactures and markets electrical accessories like switches, sockets, energy meters, and circuit breakers. Along with electrical equipment and accessories business, the group has a foothold in other industries like renewable energy, real estate, engineering, paper, agro, and telecom.

<http://today.thefinancialexpress.com.bd/stock-corporate/idlc-investments-to-act-as-issue-manager-for-super-star-ipo-1526745673>

FMO's largest syndication deal with ONE Bank Limited (OBL)

- ONE Bank Limited (OBL) has recently inked a 5-year Term Loan deal for USD 80 million with a consortium of European DFIs (Development Financial Institutions) through a consortium led by FMO, the Dutch Development Bank. It is participated by Proparco, OeEB and Norfund- French, Austrian and Norwegian DFIs, said a statement. This has been FMO's largest syndication deal with a Bangladeshi bank. RSA Advisory Limited was the Advisor and Co-Arranger to the transaction. The Fund will be utilized through ONE Bank's Offshore Banking Unit (OBU) for Green, SME and Corporate finances. Almost simultaneously, IFC- the commercial arm of the World Bank has extended a WCS facility of USD 30 million to OBL. IFC is also processing further facilities to OBL such as 5-year Term Loan of USD 20 Million for Green Projects and another Non Funded Trade Finance facility of USD 30 million. This will enable the Bank to execute larger trade finance transactions for the country's importers and exporters.

<http://today.thefinancialexpress.com.bd/trade-market/fmos-largest-syndication-deal-with-bd-bank-1526743898>

Budget to see corporate tax cut, higher exemption limit

- Taxpayers are going to get some good news in the coming budget for the 2018-19 fiscal year. The tax free income ceiling for the individual taxpayers will be extended while there will be tax cuts for the corporate sector. The reduction of the corporate tax rate has been a long standing demand from businesses. The finance minister in his budget speech last year said a limited number of sectors, including non-listed banks, non-listed mobile phone operators and cigarette manufacturing companies, were paying taxes at rates more than 40%. "We plan to gradually bring the rate down to 40% for these sectors in future," he said.

<https://www.dhakatribune.com/business/2018/05/20/budget-to-see-corporate-tax-cut-higher-exemption-limit>

Government to phase out tariff value system from FY '19

- The government is set to start phasing out the tariff value system from the upcoming fiscal year (FY), 2018-19, as it is found that consumers are not getting benefit of it. The National Board of Revenue (NBR) is likely to withdraw tariff

value for some consumer products in the budget for FY '19. The board has submitted a list of those for consideration of Finance Minister A M A Muhith, officials said. Following a recent instruction of the minister, the NBR conducted an analysis on a number of products under tariff value and compared their consumer prices. In the analysis, the board found a wide gap between the selling prices and the NBR-fixed tariff value of those items, they said.

<http://today.thefinancialexpress.com.bd/public/first-page/govt-to-phase-out-tariff-value-system-from-fy-19-1526579026>

<http://www.newagebd.net/article/41421/govt-moves-to-scrap-tariff-value-system>

Bangladesh government plans two VAT rates in next budget

- The government is planning to merge several value-added tax rates into at least two rates in the upcoming national budget for the fiscal year 2018-2019, finance ministry officials said. They said that finance minister Abul Maal Abdul Muhith already sought a list of VAT rates for different products and calculation of VAT collected from those sectors from National Board of Revenue. The decision may be made as part of implementation of the suspended Value-Added Tax and Supplementary Duty Act-2012 from July 2019, they added. Generally, the applicable VAT rate is 15% in the country. But, currently, there are several other truncated VAT rates ranging from 1.5% to 10% for various types of goods and services.

<http://www.newagebd.net/article/41640/bangladesh-government-plans-two-vat-rates-in-next-budget>

Trade deficit doubles in a year

- Bangladesh's trade deficit has almost doubled within 12 months, rising to USD13.20 billion at the end of March this year, according to the latest data from the central bank's Balance of Payment (BoP). The data from Bangladesh Bank showed that the trade deficit was USD7.03 billion for the July to March period of 2016-17 fiscal year, which means the year-on-year trade gap for the corresponding period was USD6.16 billion, while the deficit was USD1.47 billion in the month of March only. The central bank said the trade deficit was result of the slower growth of exports as compared to the growth of imports during the period under review.

<https://www.dhakatribune.com/business/2018/05/20/trade-deficit-doubles-in-a-year>

Five entities sign share purchase agreement with Farmers Bank

- Four state-owned banks and a financial institution have signed share purchase agreements with the Farmers Bank to inject new capital amounting to BDT 765 crore into the beleaguered bank. Sonali, Janata, Agrani, Rupali will inject BDT 165 crore each and the Investment Corporation of Bangladesh (ICB) will give BDT 55 crore as fresh equity in line with the government instruction. The signing ceremony took place at the ICB's board room in the capital on Wednesday when managing directors of the six institutions were present along with the chairman of Farmers Bank.

<https://www.thedailystar.net/business/five-entities-sign-share-purchase-agreement-farmers-bank-1577839>

Govt cuts AIT on imported LNG

- The revenue board cut advance income tax on the import of liquefied natural gas (LNG) in order to keep its prices low on the local market. The National Board of Revenue (NBR) slashed the advance tax to 2.0% from the existing 5.0% in case of LNG import. The board has issued a notification, signed by income tax policy member Kanon Kumar Roy, to make it effective. A senior official of the income tax wing said such tax on import of LNG has been reduced to facilitate the supply of energy at lower prices after re-gasification. According to the income tax ordinance, most of the imported items attract advance tax at a rate of 5.0 The rate of Advance Income Tax (AIT) is also 2.0% for the imports of octane and petrol.

<http://today.thefinancialexpress.com.bd/first-page/govt-cuts-ait-on-imported-lng-1526748279>

Getco new strategic partner of edotco

- edotco Bangladesh ("edotco BD"), an integrated telecommunications infrastructure services company in Bangladesh has welcomed Getco, a prominent Bangladesh-based conglomerate as a 30% shareholder and strategic partner to

further enhance its efforts towards the development of telecommunications infrastructure in the country.

- edotco BD currently owns and operates over 9,000 telecom towers throughout the country and over 27,000 towers across the six countries in which they have a presence. The company has been deepening its commitment over the past five years by ensuring the right sharable infrastructure is constructed and managed to enable seamless connectivity. edotco's growing partnerships with local corporations is also a testament of its commitment to drive innovation in the countries where they have operations.

<http://today.thefinancialexpress.com.bd/last-page/long-term-bond-for-retired-govt-officials-under-study-1526494014>

<https://www.thedailystar.net/business/telecom/telecom-tower-business-garners-huge-response-1577944>

Banking sector biggest downside risk to economy, says Metropolitan Chamber of Commerce & Industry

- Dhaka-based preeminent trade body MCCI has termed the country's banking sector the biggest downside risk to the economy. The review for the period of January-March of the fiscal year (FY) 2017-18 also called for strict vigilance by the central bank to bring discipline in the sector. The MCCI voiced concern over the growing income inequality in the country. The MCCI suggested combating the growing income inequality, the government has to develop more safety net programmes for the poor. The chamber urged the government to reform the existing banking system, which it said was largely responsible for creating inequality in the country.

<http://today.thefinancialexpress.com.bd/first-page/fast-track-energy-projects-go-off-track-1526493083>

<https://www.thedailystar.net/business/banking-scams-threat-growth-potential-mcci-1577947>

High rates of return on savings tools hobbles bond market: Experts

- The yield rates on government savings instruments should be rationalised to help develop long-term securities markets in Bangladesh, experts said Thursday. They also recommended developing pension funds for all government employees along with issuing the housing mortgage bond. The suggestions came at a session on 'In Search for Long-Term Financing Instruments: The cases for Corporate Bonds, Infrastructure Bonds and Housing Finance' held at a city hotel. The session was organised on the sidelines of Bangladesh Long Term Finance Conference 2018. Dr. Ahsan H Mansur, executive director of the Policy Research Institute (PRI) of Bangladesh, presided over the session.

<http://today.thefinancialexpress.com.bd/public/stock-corporate/high-rates-of-return-on-savings-tools-hobbles-bond-market-experts-1526581335>

Bangladesh National Board of Revenue relaxes import limit on RMG raw goods already shipped

- National Board of Revenue has relaxed restriction on the import of raw materials, which have already been shipped, under free of cost scheme for readymade garment industry. Export-oriented RMG manufacturers have been allowed to release the excess raw materials, mainly fabrics, imported beyond the permissible limit under the FOC scheme. Customs wing of the revenue board on May 3 issued a special order permitting release of excess amount of raw materials on some conditions.

<http://www.newagebd.net/article/41641/bangladesh-nbr-relaxes-import-limit-on-rmq-raw-goods-already-shipped>

Muhith to sit with biggies on long-term financing

- Finance Minister AMA Muhith said on Thursday the state of long term financing in the country still remains 'poor,' as many banks and financial institutions choose to go for short-term and medium-term lending. Keeping that in view, he said, he will take necessary steps to improve long-term financing for the sake of development of the country's infrastructure and capital market.

<http://today.thefinancialexpress.com.bd/public/last-page/muhith-to-sit-with-biggies-on-long-term-financing-1526579643>

Bangladesh Petroleum Corporation (BPC) fears BDT 80.0 billion loss in next FY

- The Bangladesh Petroleum Corporation (BPC) fears incurring a loss of about BDT 80 billion in the upcoming fiscal year because of selling fuel oil at lower rate than import price, officials said. To cope with its financial loss, the BPC has recently requested the government to set aside a budgetary allocation as subsidy for the corporation, they added. However, the BPC has suggested the government not to raise the petroleum prices in the domestic market immediately. But it opined that if the petroleum prices can be re-fixed on monthly or daily basis like neighbouring countries, such a big loss can be avoided. The BPC in a letter to the energy division, which later was forwarded to the ministry of finance, said the petroleum prices were last reduced in the domestic market in April 2016.

<http://today.thefinancialexpress.com.bd/public/last-page/bpc-fears-BDT-80b-loss-in-next-fy-1526666283>

Chinese co willing to build 2nd nuke power plant in BD

- China's state-owned company -- Dongfang Electric Corporation (DEC) -- wants to build the proposed second nuclear power plant in Bangladesh. A top official of the corporation said recently that the Chinese company had shown interest to build the second nuclear power plant which the government of Bangladesh is planning to set up. In November 2017, Bangladesh started the construction work of its first nuclear power plant at Rooppur of Pabna district. Russia's state-owned nuclear corporation Rosatom is implementing the project at a cost of USD 12.65 billion. According to Rosatom, the first unit at Rooppur is scheduled to go into commercial operation in 2023 while the second unit in 2024.

<http://today.thefinancialexpress.com.bd/first-page/chinese-co-willing-to-build-2nd-nuke-power-plant-in-bd-1526748220>

TV sales to jump amid World Cup fever

- Led television makers and sellers are expecting a good month of sales ahead of the 2018 FIFA World Cup Russia, which is scheduled to begin on June 14. As part of the move, companies such as Samsung, Walton, Rangs, Transcom and Singer have come up with different offers, especially discounts, to attract customers. Transcom Digital is putting up mega offers for football fans, one being discounts of BDT BDT 2,000 to BDT 50,000, said Yeamin Sharif Chowdhury, director operations. Customers will get a code and use it to send an SMS for the discount amount.

<https://www.thedailystar.net/business/tv-sales-jump-amid-world-cup-fever-1578880>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$71.28	-0.21	-0.29%
Crude Oil (Brent)*	\$78.51	-0.79	-1.00%
Gold Spot*	\$1,293.05	+2.26	+0.18%
DSEX	5,443.31	-68.45	-1.24%
Dow Jones Industrial Average	24,715.09	+1.11	+0.00%
FTSE 100	7,778.79	-9.18	-0.12%
Nikkei 225	22,930.36	+91.99	+0.40%

Exchange Rates

USD 1 = BDT 84.20*
 GBP 1 = BDT 113.40*
 EUR 1 = BDT 99.12*
 INR 1 = BDT 1.23*

*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	mrafiqulislam@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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