

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.

Dhaka South City Corporation (DSCC) mayor to devise unified city bus service

- The mayor of Dhaka South City Corporation (DSCC) will now discharge the responsibility of developing a unified bus operation system. Late mayor Annisul Huq initiated the move. The decision was taken at the meeting of Road Transport Advisory Council held at the Ministry of Road Transport and Bridges on Monday.
- Mayor Annisul Huq had taken the initiative to rationalise the city's more than 200 bus routes into six for operating those under six companies in line with the recommendation of the strategic transport plan (STP). Though it was a task of the coordination authority, the responsibility was vested with the late mayor after a directive from the Prime Minister.

<http://today.thefinancialexpress.com.bd/first-page/dscc-mayor-to-devise-unified-city-bus-service-1535387904>

Indian company to supply 350 trucks to Bangladesh Road Transport Corporation (BRTC)

- India-based company Eicher Trucks and Buses, part of VE Commercial Vehicles, announced on Monday that it has bagged an order for 350 heavy duty trucks from Bangladesh Road Transport Corporation (BRTC). BRTC has bought 350 units of Eicher 20.16, the 16 tonnes GVW haulage truck. The new order will further drive VECV's vision of modernising the commercial vehicle industry in Bangladesh. The delivery of the order is expected to take place within eight months.

<http://today.thefinancialexpress.com.bd/trade-market/indian-co-to-supply-350-trucks-to-brtc-1535384633>

China's Foton to assemble vehicles in Bangladesh

- Foton Motor, a Chinese vehicle manufacturer, will set up a plant in Bangladesh by next year to assemble commercial vehicles, a top official of the company said yesterday. According to the President of Foton Motor, the market for commercial vehicles in Bangladesh is very potential as the demand is increasing in line with the country's consistent economic growth. He informed this after the signing of an exclusive dealership deal with local ACI Motors at the ACI Centre in the capital for marketing Foton vehicles.
- At present, the country's market size for commercial vehicles is about BDT 42.00 billion a year and the segment is dominated by Indian vehicles. Japanese vehicles used to control the segment a decade ago. ACI Motors believes that this partnership will enable it to grab 10% of the market of commercial vehicles within the next three years, according to Subrata Ranjan Das, executive director of the company.

<https://www.thedailystar.net/news/business/chinas-foton-assemble-vehicles-bangladesh-1625551>

Steelmakers flexing muscles

- Steelmakers are investing billions of BDT either to expand existing capacity or set up new units as consumption is on the rise. Per capita steel consumption in Bangladesh has grown more than 54% to 37kg in the last eight years thanks to the government's large infrastructure projects and the thriving housing sector. According to market players, per capita steel use was 24kg in 2010.
- Market leader Bangladesh Steel Re-Rolling Mills (BSRM) and other top firms such as Anwar Ispat, AKS, GPH, KSRM and Bashundhara Steel have expanded their capacity in recent years. Chinese companies have also shown interest to invest in the steel sector. In 1972, local millers used to produce a meagre 47,000 tonnes of steel. The figure rose to 5.5 million tonnes in 2017 and is expected to hit 7.0 million tonnes this year. The sector turns over about BDT 300.00 billion a year in sales revenue. There are some 400 big, medium- and small-sized steel mills in the country with a combined production capacity of 8.0 million tonnes. Of them, the top 10 companies hold more than 50% stakes.

<https://www.thedailystar.net/news/business/steelmakers-flexing-muscles-1625572>

No visible headway yet in Bangladesh Securities and Exchange Commission (BSEC) move

- The proposed Electronic Data Gathering, Analysis and Retrieval (EDGAR) system of the securities regulator has not made any visible progress yet, though the move was initiated two years ago. The Bangladesh Securities and Exchange Commission (BSEC) had earlier taken the initiative to introduce the EDGAR system aimed at speeding up the data and information submission by market intermediaries and listed companies. The commission officials, however, said they have not started the work for EDGAR system fully yet owing to different reasons, including the delay in appointing the consultant for the project.

- The Asian Development Bank (ADB) had also tagged a condition for introducing e-data gathering system with its third phase of the Capital Market Development Project (CMDP-III). After the introduction of the e-data gathering system, all intermediaries and listed companies will have to submit data and information through a format to the securities regulator.

<http://today.thefinancialexpress.com.bd/first-page/no-visible-headway-yet-in-bsec-move-1535387678>

Dhaka Stock Exchange (DSE) gets fund from Chinese strategic partner 'in a week'

- The Dhaka Stock Exchange (DSE) is set to receive the fund from its Chinese strategic partner, which is a consortium of two stock exchanges, within a week against the DSE's shares sold to the partner. The Bangladesh Securities and Exchange Commission (BSEC) approved the proposal made by the Chinese consortium for being a strategic partner of Bangladesh's premier bourse on May 3 last.
- As per the BSEC approval, the DSE has sold its 25% stake or more than 450.94 million shares to the Chinese consortium comprising Shenzhen Stock Exchange and Shanghai Stock Exchange. The Bangladesh Bank already approved the Non-Resident Investors BDT Account in which the fund from the Chinese consortium will be received.
- The exchange's 25% stake would also be transferred to the BO (beneficiary owner) account of the strategic partner while receiving the fund. The Chinese consortium offered BDT 22 for each of the 25% shares. But the price declined a little bit following the dividend offered by the DSE. After transfer of the shares, 250 TREC (Trading Right Entitlement Certificate) holders of the DSE will receive around BDT 9.46 billion from the consortium. The fund will be distributed equally to the TREC holders as each of them sold 25% of their shareholdings.

<http://today.thefinancialexpress.com.bd/stock-corporate/dse-gets-fund-from-chinese-strategic-partner-in-a-week-1535383959>

<http://www.newagebd.net/article/49244/bb-okays-nita-for-chinese-group-to-send-BDT-947cr-to-bangladesh>

<https://www.dhakatribune.com/business/stock/2018/08/28/strategic-investor-for-dse-at-the-end-stage-formalities>

World Stock and Commodities*

Index Name	Close Value	Value Change	% Change
Crude Oil (WTI)*	\$68.86	-0.01	-0.01%
Crude Oil (Brent)*	\$76.21	0.00	0.00%
Gold Spot*	\$1,209.01	-2.37	-0.20%
DSEX	5584.97	-11.94	-0.21%
Dow Jones Industrial Average	26,049.64	+259.29	+1.01%
FTSE 100	7,577.49	+14.27	+0.19%
Nikkei 225	22,894.95	+95.31	+0.42%

Exchange Rates

USD 1 = BDT 83.80*
 GBP 1 = BDT 107.89*
 EUR 1 = BDT 97.82*
 INR 1 = BDT 1.20*

*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

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
----------------------	-------------------------------------	----------------------------------------------------------	---------------