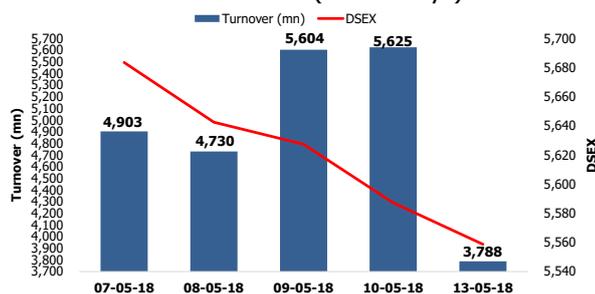


- DSE, Chinese consortium to sign share sales deal today
- Summit Gazipur II Power: Plant operation news leaves no impact on share price
- IPO subscription of SK Trims opens today
- DSE enters hi-tech era
- Bangladesh needs 60,000 MW power to be developed status: Nasrul Hamid
- Bangladesh needs more warehouse space: World Bank
- TOWER CO LICENCE: BTRC extends deadline for bid submission to June 11
- Brexit seen threatening UK links in EU supply chain

DSEX &amp; Turnover (Last 5 Days)



### Commodity Prices

Commodity	Price (US \$)
Oil (USD/bbl)	70.43
Natural Gas (USD/MMBtu)	2.81
Gold (USD/T oz)	1,319.60
Silver (USD/T oz)	16.73
Copper (USD/lb)	311.85

### Exchange Rates

Currency	Ask	Bid
USD	83.10	83.10
EUR	99.24	99.27
GBP	112.53	112.57
JPY	0.76	0.76
INR	1.23	1.23

### Sandhani Life Unit Fund

	Bid/Ask	NAV of the Fund	
Face Value	10	NAV/unit	9.51
Sale Price	9.50	NAV @Cost	384,140,277.78
Purchase Price	9.45	NAV@ Market	326,923,568.95

## CAPITAL MARKET

### DSE, Chinese consortium to sign share sales deal today

The Dhaka Stock Exchange will sign a memorandum of understanding with a Chinese consortium today to sell 25 per cent of its shares to the group of Shenzhen Stock Exchange and Shanghai Stock Exchange for making it the strategic partner of the bourse. Finance minister AMA Muhith is expected to be present as the chief guest while Bangladesh Securities and Exchange Commission chairman M Khairul Hossain will be present as the special guest at the occasion at the Le Meridien Hotel in Dhaka. Shenzhen Stock Exchange president Wang Jianjun, Shanghai Stock Exchange supervisory board chair Pan Xuexian and DSE managing director KAM Majedur Rahman will sign the MoU. The DSE has to submit a signed copy of the agreement to the market regulator within seven days of formal signing between them, said a senior official of the commission. The decision to sign the agreement came after the BSEC on May 3 approved the bourse's proposal for selling 25 per cent of its shares for Tk 947 crore to the Chinese consortium for making it the strategic investor of the bourse, ending three months of uncertainty over the issue. The BSEC approved the SPA as the DSE shareholders at an extraordinary general meeting approved the offer and share purchasing agreement of the group after making necessary amendments as per the commission's directions.

**Impact:** An alliance with the Chinese consortium will benefit DSE in many ways. It will attract more foreign investment and increase the overall turnover of the market. It may also improve the corporate governance of DSE.

### Summit Gazipur II Power: Plant operation news leaves no impact on share price

Summit Gazipur II Power, a 300 megawatt (MW) HFO-fired power plant, has started its commercial operation at Kodda in Gazipur, says Summit Power, which has 20 per cent stake in the plant. The plant was brought into operation within the scheduled time on Thursday last (nine months from the date of the letter of intent), according to a disclosure posted on the Dhaka Stock Exchange (DSE) website on Sunday. The project is being run under the private sector power generation policy of Bangladesh on build, own and operate (BOO) basis for a 15-year period, commencing on commercial operation date (COD), according to the disclosure. Summit Power, which was listed on the Dhaka bourse in 2005, disbursed 30 per cent cash dividend for the year ended on June 30, 2017. Each share of the power generation company closed at Tk 37.30 on Sunday at the country's prime bourse, remaining unchanged over the previous session. The company's consolidated earnings per share (EPS) stood at Tk 1.04 for January-March 2018 quarter as against Tk 0.77 for January-March 2017. In nine months, for July 2017-March 2018, the consolidated EPS was Tk 3.37 as against Tk 2.74 for July 2016-March 2017. The consolidated net operating cash flow per share (NOCFPS) was

Tk 3.83 for July 2017-March 2018 as against Tk 3.19 for July 2016-March 2017.

### IPO subscription of SK Trims opens today

The initial public offering (IPO) subscription of SK Trims & Industries opens today (Monday) through which Tk 300 million will be raised from the capital market under the fixed price method. The subscription will remain open till May 22 for resident and non-resident Bangladeshis. SK Trims, which received the regulatory approval from the Bangladesh Securities and Exchange Commission (BSEC) in February, will float 30 million ordinary shares at an issue price of Tk 10 each. A market lot is 500 shares and the required amount (per lot) of foreign currency for NRBs and foreign applicants for IPO of the company is US\$ 60.43 or GBP 42.71 or EUR 49.11, according to Dhaka Stock Exchange (DSE). The company will use the IPO fund for procurement of capital machinery and equipment (42.42 per cent), construction of building and other civil works (49.64 per cent) and meeting the IPO expenses (7.94 per cent). As per the entity's audited financial statements for the year ended on June 30, 2017, the company's net asset value per share and weighted average earnings per share are Tk 12.79 and Tk 1.31 respectively. The company's basic earnings per share stood at Tk 4.65 for the year ended on June 30, 2017. The company's pre-IPO paid-up capital is Tk 400 million and authorised capital is Tk 1.0 billion.

### DSE enters hi-tech era

The Dhaka Stock Exchange can brace itself for some radical technological upgrades in the near future that would take it to global standards after Shenzhen Stock Exchange (SZSE) and Shanghai Stock Exchange (SSE) became its strategic partner. The Chinese consortium, which will ink the deal to purchase 25 percent stake in the DSE today, has offered to share an array of technical products and services covering all aspects of the stock exchange business. "With the product and services, DSE can become a leading stock exchange in the region," said the proposal from the consortium. The consortium has offered to assist in mapping the information disclosure process for issuers at the DSE and share its expertise in designing an electronic information disclosure system. The platform would provide corporate information of the issuing companies, simple analytical tools, interactive question and answer facility and online complaint portal with a view to enhancing transparency and corporate governance. "It will allow investors to make more informed investment decisions as they may ask any question and get answer from the issuing company," said KAM Majedur Rahman, managing director of DSE. The Chinese consortium would also help the DSE to upgrade its trading and surveillance systems. Over the years, SZSE has developed leading edge expertise in research and development and operation and maintenance of the market surveillance system.

## ECONOMY & COMMERCE

### Bangladesh needs 60,000 MW power to be developed status: Nasrul Hamid

State minister for power, energy and mineral resources Nasrul Hamid on Sunday said Bangladesh has been working to increase power generation as it needs 60,000 megawatt electricity to be a developed country by 2041. 'Currently the power generation capacity of the country has reached to 16,046 MW while the government is working relentlessly to reach the general capacity 24,000 MW by 2021 to be a middle income country, he said. Hamid was addressing a session on 'Power for Human Development' at the 'Rising Bangladesh' conference at Loeb House of Harvard University in Boston, the United State. International Sustainable Development Institute (ISDI) of Florida and Centre for International Development of Harvard Kennedy School and Lakshmi Mittal South Asia Institute of Harvard University jointly organised the conference. Prime minister's economic affairs advisor Mashiur Rahman, principal co-ordinator (SDG Affairs) to the Prime Minister's Office M Abul Kalam Azad, executive chairman of Bangladesh Investment Development Authority Kazi M Aminul Islam and general secretary of Bangladesh Economic Association Jamaluddin Ahmed spoke on the occasion. The state minister said massive initiatives are underway to build a developed Bangladesh by 2041. The power sector needs US\$82.5 million in this regard while US\$ 22 million has already been invested in the sector, he added.

### Bangladesh needs more warehouse space: World Bank

Bangladesh will need 26.74 million square feet of additional warehouse space by fiscal 2021-22 thanks to the spiralling foreign trade, according to a survey of the World Bank. Currently, the demand for warehouse space, mainly for storing imported and exportable goods near ports, is 41.5 million square feet, according to the preliminary findings. In the next four years, such demand will hit 68.24 million square feet, 29.54 percent of which would be used by the manufacturing sector, the study said. The consumption-led demand will grow 27 percent and export-import demand will use 11.7 percent of the space, it said. However, the emerging warehousing business has been facing a lot of challenges which should be mitigated as soon as possible for faster growth of business and to maintain the quality of exportable and imported goods. The major challenges for the sector are absence of regulatory policy, scarcity of land for warehousing, absence of common bonded warehouses, ceiling on land holding, limited availability of structured warehouses, high cost of land in major clusters and lack of ventilation and fumigation facilities in warehouses. Sugata Sarkar, director for advisory and marketing research at Knight Frank India, a property consultant, presented the findings of the survey at a workshop titled "Bangladesh logistics study: key issues, prospects and priorities" at Sonargaon hotel in Dhaka yesterday.

## TOWER CO LICENCE: BTRC extends deadline for bid submission to June 11

No entity has so far expressed interest to get licence to become a tower company operator, a senior official of the Bangladesh Telecommunication Regulatory Commission told New Age. On April 1, 2018, the BTRC invited proposals from the competent entities by May 13 to award four tower sharing company licences. The telecom regulatory body, however, on May 10 extended the deadline by one month at the eleventh hour. The aim of issuing two tower sharing company licences is to ensure optimal use of resources by separating the ownership of mobile phone towers from mobile phone operators. The BTRC official said that the commission made the extension following pleas from a number of companies including a Summit-associate entity. Along with Summit, a couple of multinational companies, who came to know the issue later, requested the commission in this regard with a view to understanding the overall tower sharing licencing guidelines and to complete the requirements to apply for the licence, he said. Speaking about the non-submission of bids for licence within the first deadline, May 13, he said, 'We had conveyed the message of time extension to the potential applicants last week. That's why the potential entities refrained from submitting proposals.' The BTRC official also informed that 13 entities had so far purchased tower sharing guidelines from the commission, a reflection of the entities' interest regarding two tower sharing licences.

## INTERNATIONAL

### Brexit seen threatening UK links in EU supply chain

Mandy Ridyard knew Brexit was going to be a challenge for her aviation components firm, but it was still a shock when she heard a French company bluntly ruling out British suppliers from an international bid for a contract in China. There was just too much uncertainty about Brexit to include British companies in the group, a representative of the firm told a meeting of business representatives and government officials from Britain and France in February. "The elephant in the room was Brexit," Ridyard said of the meeting, which was organised by the British embassy in Paris to spur more bilateral business but only served to increase her anxiety about Britain's departure from the European Union. "If companies are not currently looking to the UK for their products, then we will be losing out on a generation of strategic deals," Ridyard said. "That business will be gone." One of the biggest concerns for manufacturers as Britain heads into crunch Brexit negotiations this year is over one of the building blocks of cross-border trade: a customs regime. There are signs that many EU companies are holding back on using British firms in their supply chains - which can involve parts criss-crossing borders several times - because of what they still don't know about tariffs, regulations and the potential for costly delays at the border. Jeegar Kakkad, policy director at ADS, a British aerospace trade group, said big

aviation firms were now asking British suppliers to warehouse a month's worth of stock at their own expense, to offset the risk of Brexit border delays.

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