

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.

Macro:**Remittance hits five-month high**

- Remittance flow to Bangladesh rose to a five-month high in January as banks have made an all-out effort to mobilise US dollars from abroad to overcome the stress in the foreign exchange market. Expatriates sent home USD 1.95 Bn last month, the highest since September when USD 1.53 Bn flew into the country, data from the Bangladesh Bank showed.
- January's receipts were nearly 15% higher than December's USD 1.69 Bn and 14.9% from USD 1.70 Bn recorded in the same month last year. A central banker described the rising flow of remittance as a positive sign for Bangladesh, which needs a higher supply of US dollars to tackle the instability in the foreign currency market.

<https://www.thedailystar.net/business/economy/news/remittance-hits-five-month-high-3236836>

Country's external position improves as trade deficit narrows by 21% in H1 FY23

- Bangladesh's trade deficit narrowed by 21% in the first half of the current fiscal 2022-23 on the back of import curbs, giving the central bank great comfort in managing the country's external position.
- The ease of balance of payment also helped to reduce the country's current account deficit by 36% in the July-December period of the current fiscal year, which gives an indication that the measures the Bangladesh Bank has taken – including substantial depreciation of the taka – have started to pay off to ease pressure on the country's external position.

<https://www.tbsnews.net/economy/countrys-external-position-improves-trade-deficit-narrows-21-h1-fy23-578222>

NBFIs can no longer borrow from call money market: Cenbank

- When the financial sector is running with a severe liquidity crisis, the Bangladesh Bank has instructed non-bank financial institutions not to borrow from the interbank call money market, limiting their options to hunt liquidity. Instead, the NBFIs have been asked to raise long-term funds by issuing bonds.
- A circular issued by the central bank to this effect on Wednesday says some NBFIs are making long-term investments such as lease financing after taking short-term funds from the call money market. As a result, a maturity mismatch of funds is being created, making the institutions unable to pay off the short-term loans on time, says the circular, adding that the NBFIs are also failing to repay the depositors' money on time.

<https://www.tbsnews.net/economy/nbfis-can-no-longer-borrow-call-money-market-cenbank-578270>

Fresh impetus to contactless payment

- Bangladesh Bank yesterday widened the scope for contactless payments in order to further boost touch-and-go transactions and push the country towards a cashless economy.
- From now on, contactless payments of up to BDT 5,000 per transaction can be done using debit and prepaid cards apart from credit cards, the central bank said. Earlier, up to BDT 5,000 payment could be done through contactless credit cards. In case of debit and prepaid cards, the limit was BDT 3,000 per transaction.

<https://www.thedailystar.net/business/economy/news/fresh-impetus-contactless-payment-3236811>

IMF's loan a respite for Bangladesh's current economy, Dhaka chamber says

- The International Monetary Fund's (IMF) USD 4.7 Bn credit facility will come as a relief for Bangladesh as the country faces a shortage of foreign exchanges, said the Dhaka Chamber of Commerce and Industry (DCCI) yesterday.
- On January 30, the IMF approved the credit facility under the Extended Credit Facility (ECF), Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) arrangements. The credit facility is to be disbursed under a 42-month programme.

<https://www.thedailystar.net/business/economy/news/imfs-loan-respite-bangladeshs-current-economy-3236781>

Private sector credit growth hits 9-month low in December

- Private sector credit growth in December was the slowest in nine months mainly due to liquidity crisis in banks and a dollar shortage. According to bankers, a slowdown in development projects also contributed to the drop in the credit growth.
- According to Bangladesh Bank data, private sector credit growth dropped to 12.4% in December 2022 from 13.97% in the previous month. The growth stood at 12.48% in April.

<https://www.tbsnews.net/economy/private-sector-credit-growth-hits-9-month-low-december-578226>

Central bank simplifies process of receiving remittances for service providers

- Bangladesh Bank (BB) has simplified the process of receiving foreign currency earned by providing services to foreign institutions, according to a circular issued by the central bank. From now on, there is no need to fill up paper forms to bring the income earned in exchange for services. It can be brought by only online declaration, said the circular issued on Wednesday. It also makes it easy to receive dollar income from freelancing and other services, reports UNB.

<https://thefinancialexpress.com.bd/economy/central-bank-simplifies-process-of-receiving-remittances-for-service-providers-1675263726>

Stocks:**RENATA | Renata's profit drops 36% in Oct-Dec quarter**

- One of Bangladesh's leading drugmakers, Renata Limited experienced a shrink of 36% in profit in the second quarter of FY2023 due to the raw materials price hike caused by the dollar crisis. In the October-December quarter, the company's earnings per share (EPS) was BDT 7.66, which was BDT 11.89 a year ago.
- At the end of the first quarter of FY2023, its EPS stood at BDT 18.52, which was also 23% lower than the previous year. The company also fell into a net operating cash crisis, it showed a net operating cash flow per share of BDT 2.50 negative.

<https://www.tbsnews.net/economy/stocks/renatas-profit-drops-36-oct-dec-quarter-577678>

ACI | Shwapno posts 31% sales growth

- Bangladesh's largest retail chain Shwapno registered 31% year-on-year growth in sales in the July to December period of 2022-23. Its revenue stood at BDT 8.40 Bn in the period, which was BDT 6.41 Bn in the same period of the previous year. The data was found in the financial report of ACI Ltd, the owning company of Shwapno.

<https://www.thedailystar.net/business/organisation-news/news/shwapno-posts-31-sales-growth-3236791>

SAPORTL | Summit Alliance Port clocks 91% higher profit in Q2

- Summit Alliance Port Limited (SAPL) posted nearly 91% spike in profit to BDT 99.5 Mn in the second quarter of the current financial year of 2022-23. The inland container depot and container freight service provider made a profit of BDT 52.1 Mn in the October-December quarter of the previous financial year.
- Thus, the consolidated earnings per share (EPS) was BDT 0.42 in October-December of FY23 compared to BDT 0.22 in the same quarter of FY22, according to the un-audited financial statements.

<https://www.thedailystar.net/business/economy/news/summit-alliance-port-clocks-91-higher-profit-q2-3236796>

IFADAUTO | Ifad Auto suffers losses due to weak taka

- Ashok Leyland vehicle distributor Ifad Autos Limited fell into losses in the first half of the fiscal 2022-23 due to the depreciation of the taka against the dollar. Its net loss stood at BDT 172.7 Mn, compared to a net profit of BDT 246.3 Mn in the same period of the previous fiscal year.
- In a filing on the Dhaka Stock Exchange (DSE), the company said it incurred foreign currency losses of BDT 520 Mn in the July-December period, which were only BDT 20 Mn a year ago.

<https://www.tbsnews.net/economy/stocks/ifad-autos-profit-shrinks-over-75-577674>

SSSTEEL | SS Steel declares 2% cash and 8% stock dividend

- SS Steel Limited has declared a 2% cash dividend only for its general shareholders and 8% stock for all for the financial year 2021-22 that ended on 30 June. The company said in its price sensitive statement filed at the Dhaka Stock Exchange (DSE), that the board of the company has decided to purchase a land at cost of BDT 300 Mn on purpose of constructing factory and installation capital machineries for business expansion. That is why it declared the stock dividend.
- The company further informed that the declared dividend will be disbursed after getting approval from the Bangladesh Securities and Exchange Commission (BSEC). To approve the dividends and annual audited financial report the company will conduct the annual general meeting on 30 March.

<https://www.tbsnews.net/economy/stocks/ss-steel-declares-2-cash-and-8-stock-dividend-577862>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 76.98	USD 1.77	2.35%
Crude Oil (Brent)*	USD 83.34	USD 5.56	7.15%
Gold Spot*	USD 1,953.30	USD 179.15	10.10%
DSEX	6,277.18	70.18	1.13%
S&P 500	4,119.21	279.71	7.29%
FTSE 100	7,761.11	309.37	4.15%
BSE SENSEX	59,708.08	-1,132.66	-1.86%
KSE-100	40,619.94	199.49	0.49%
CSEALL	8,865.05	362.56	4.26%

Exchange Rates**1 US Dollar = 106.08 BDT****1 GBP = 131.38 BDT****1 Euro = 116.96 BDT****1 INR = 1.30 BDT**

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