

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:**Matarbari will become regional hub in South-Asian economy: Experts**

- The government is constructing a deep seaport at Matarbari of Cox's Bazar to help the country handle growing volumes of exports and imports and ease the pressure on the country's principal seaport Chattogram. The government is also constructing a Coal-based Power Plant, an LNG Terminal, and the development of highways.
- Experts concerned expect that Matarbari will become the most important export-import hub in the South-Asian region in future as the region is bustling with a number of mega projects, including Deep-Sea Port, reports BSS. Construction works for the dream deep-sea port project is going on in full swing. With the pandemic is almost retreating, the work is on without any break. The project is likely to be completed by 2026 next.

<https://thefinancialexpress.com.bd/economy/bangladesh/matarbari-will-become-regional-hub-in-south-asian-economy-experts-1673174535>

PM emphasises signing PTA, FTA with Brazil, 3 other S American countries

- Prime Minister Sheikh Hasina on Sunday (8 January) stressed the need for boosting trade and business cooperation between Bangladesh and Brazil. There is a huge prospect of business expansion between the two countries, she said when Brazilian Ambassador to Bangladesh Paulo Fernando Dias Feres paid a courtesy call on her at Ganabhaban.
- She emphasised signing preferential trade agreement (PTA) or free trade agreement (FTA) with Brazil and three other MERCOSUR (The Southern Common Market) countries – Argentina, Paraguay and Uruguay – soon, as Bangladesh will graduate into a developing country in 2026.

<https://www.tbsnews.net/bangladesh/pm-emphasises-signing-pta-fta-brazil-and-three-other-south-american-countries-564542>

Call money rate reaches new high at 6.80%

- The average call money rate – the interest rate at which a bank borrows from another overnight – reached 6.80% on Sunday from the previous day's 6.70%.
- The rate reached 6.70% on Thursday from the previous day's 5.77% after the central bank allowed banks to raise the rate to maximum 6.75% amid the liquidity crisis marking the highest in six and a half years, according to the Bangladesh Bank, which has been keeping data on the call money rate since May 2016.

<https://www.tbsnews.net/economy/banking/call-money-rate-reaches-new-high-680-564766>

Livestock resources boom, but their health care remains ignored

- In the last one decade, Bangladesh's livestock sector increased by around 80 Mn to 432.4 Mn, and burgeoning further – changing the agri landscape dominated by crop cultivation, boosting the national protein supply chain and generating employment in rural Bangladesh.
- But an acute shortage of veterinary professionals stands in the way of the changes, deterring cattle farming from being a sustainable sector and, ultimately, leaving the entire protein supply chain at risk.

<https://www.tbsnews.net/economy/livestock-resources-boom-their-health-care-remains-ignored-564586>

Power tariff hike to drive up production cost, stoke inflationary pressures.

- Any increase in the retail tariffs of electricity will drive up the production cost and lead to a further spiral in inflation, worsening the condition of lower-income groups, said presidents of two chambers. "A hike in electricity tariff will only exacerbate inflation and increase the sufferings of lower-income people," said Anwar-ul Alam Chowdhury (Parvez), president of the Bangladesh Chamber of Industries (BCI).
- He made the remarks while speaking to The Daily Star after a technical evaluation committee of the Bangladesh Energy Regulatory Commission (BERC) yesterday recommended raising retail electricity prices by 15%.

<https://www.thedailystar.net/business/news/power-tariff-hike-drive-production-cost-stoke-inflationary-pressures-3215786>

Formalities eased for opening NRBs' taka accounts

- The central bank has simplified formalities for the opening non-resident investor's taka accounts (NITAs). Commercial banks are using different sets of documents for opening NITAs that may create ambiguity among the applicants, said the BB in a notice yesterday.
- In order to bring uniformity in the opening of NITAs, banks have been advised to obtain the applicant's valid passport copy, photograph, proof of address, reliable source of income, and the copy of the nominee or authorised person's passport or national identification card, and the photograph.

<https://www.thedailystar.net/business/economy/news/formalities-eased-opening-nrbs-taka-accounts-3215881>

20 goods account for 51% of total import spending

- Of all the money spent behind the 4,500 types of goods imported through the Chattogram port in the first five months of fiscal year 2022-23, more than 51% or BDT 1,046 Bn was spent for only 20 products.
- The 20 include old ships and scrap, diesel, furnace oil, crude fuel oil, palm oil, crude soybean oil, soybean seed, wheat, lentil, cotton, fertiliser and cement clinker. Their import has increased by 52% year-on-year. According to Custom House Chattogram, about 37.28 Mn tonnes of goods worth BDT 2,053 Bn were imported in the July-November period. The 20 products were of 21.36 Mn tonnes.

<https://www.thedailystar.net/business/economy/news/20-goods-account-51pc-total-import-spending-3215136>

Narrow gap in dollar buy- sale rates

- Apparel exporters have demanded that the government fast narrow down the gap between the rates at which the US dollar is bought and sold, citing that they were incurring losses for volatility in the exchange rate. The local garment exporters demanded that the gap be a maximum of one taka, saying that banks were doing brisk business giving the excuse of a scarcity of dollars in the market.
- Last week, the Bankers Association of Bangladesh and the Bangladesh Foreign Exchange Dealer's Association (BAFEDA) declared the exchange rate on export receipts at BDT 102 per dollar from BDT 101.

<https://www.thedailystar.net/business/economy/news/narrow-gap-dollar-buy-sale-rates-3215986>

Ctg port asks importers to take quick delivery of dangerous goods

- The Chattogram port authorities have called upon importers to take quick delivery of dangerous goods in order to keep port activities normal. Currently, 1,571 TEUs (twenty-foot equivalent units) of dangerous goods brought in by importers are lying inside the port, according to the letter signed by the port's terminal manager.

<https://www.tbsnews.net/economy/ctg-port-asks-importers-take-quick-delivery-dangerous-goods-564794>

Bank branches go past 11,000 mark for first time

- Branches of banks in Bangladesh have gone past the 11,000-mark for the first time despite expanding digitalisation in the financial sector, central bank data showed. Scheduled banks had 11,030 physical branches in October, according to the Bangladesh Bank review of e-banking and e-commerce statistics.
- The review showed a bank branch serves 15,332 persons on average while every 12,745 persons receive digital financial services using an ATM.

<https://www.thedailystar.net/business/economy/news/bank-branches-go-past-11000-mark-first-time-3215126>

Startups' tough time to continue in 2023, perhaps even beyond

- According to the LightCastle compilation of disclosed deals, Bangladeshi startups received USD 103 Mn in funding in 2022, which peaked at USD 415 Mn in 2021, including the USD 250 Mn Softbank investment in Bkash.
- Alongside the three-fourth drop in investment amount, the number of investment deals dropped to 27 from 33, and most of the bigger ticket investments were found to have been concentrated in the year's first half.

<https://www.tbsnews.net/economy/startups-tough-time-continue-2023-perhaps-even-beyond-564494>

High plot price drives away entrepreneurs from Rajshahi Bscic-2

- Entrepreneurs have shied away from allotting plots in the Bangladesh Small and Cottage Industries Corporation industrial city-2 (Bscic-2) in Rajshahi due to high prices.
- People concerned say the authorities published notices on 28 July 2022 for the allotment of 286 plots in Rajshahi Bscic-2. The last date for submitting applications was 12 September. But only 38 plots in the industrial city have been allotted, so far. Entrepreneurs say the plot price in Rajshahi Bscic-2 has been fixed at BDT 1,136.27 per sqft which is the highest among the BSCIC industrial cities in the country.

<https://www.tbsnews.net/economy/industry/high-plot-price-drives-away-entrepreneurs-rajshahi-bscic-2-564478>

Labour welfare largely neglected as few companies share profit

- Workers' well-being is still greatly ignored in the country as most companies are, reportedly, reluctant to comply with the legal obligation to contribute 5% of their profits to the welfare of their employees.
- Even most of the profit-making listed companies have refrained from forming and distributing funds for the welfare of their workers and are not donating money to the workers' welfare foundation, according to sources at the Dhaka Stock Exchange. There are over 300 listed companies in the country and the majority of them are in profit.

<https://www.tbsnews.net/economy/labour-welfare-largely-neglected-few-companies-share-profit-564442>

RMG accessories businesses want 5-yr tenure for business-related licences.

- Garment accessories manufacturers and exporters on Sunday demanded an increase of tenure to five year of all licences required to do business to reduce cost and hassle of business in the country.
- 'At least 32 licences are required to start a business in Bangladesh and businesses have to spend additional money and face hassle to renew the licences every year,' Mohammad Moazzem Hossain Moti president of Bangladesh Garments Accessories and Packaging Manufacturers and Exporters Association said at a press conference on the day.

<https://www.newagebd.net/article/191175/rmg-accessories-businesses-want-5-yr-tenure-for-business-related-licences>

Stocks:**EXCHANGE | Nine nominated as members for Shariah council**

- The Bangladesh Securities and Exchange Commission (BSEC) has recently nominated nine members for the Shariah council that has been formed to tap more Islamic investors in the country's stock market. As per the rules, five out of the nine nominated are Shariah scholars, namely Professor Dr Mohammad Abdur Rashid, Mufti Shahed Rahmani, Mufti Yousuf Sultan, Mufti Dr Waliur Rahman Khan, representative of Islamic Foundation, Bangladesh, and Mawlana Shah Wali Ullah.
- In the last five years, new Shariah-based securities such as Mudraba perpetual bonds, Sukuk bonds, and Shariah-compliant mutual funds have been issued in the stock market. But since there was no Shariah council, any dispute arising in the management of these securities could not be resolved.

<https://www.tbsnews.net/economy/stocks/nine-nominated-members-shariah-council-564778>

FARCHEM | HC approves Far Chemical-SF Textile merger

- The High Court has allowed Far Chemical Industries Limited – a publicly listed textile-based chemical firm – to merge with the non-listed SF Textile Industries Limited. According to a stock exchange filing by Far Chemical on Sunday, all existing equity shares of both Far Chemical and SF Textile will be cancelled.
- As per the amalgamation rules, Far Chemical's existing shareholders will get the shares at a 1:3 ratio. In simple words, they will get one new share of post-merger Far Chemical, against their three shares held in the company before the merger. The pre-merger Far Chemical currently has 218,093,423 ordinary shares. For the share allocation at 1:3 ratio, 72,697,808 new shares will be issued at BDT 10 each by the post-merger Far Chemical.

<https://www.tbsnews.net/economy/stocks/hc-approves-far-chemical-sf-textile-merger-564774>

PUBALIBANK | Pubali Bank, BB sign deal on refinance loan

- Pubali Bank Limited and the Bangladesh Bank signed an agreement on disbursement of loans under a refinancing scheme worth BDT 50 Bn for food security of the country.
- Mohammad Ali, managing director (current charge) of Pubali Bank, and Md Abul Kalam Azad, director of the agriculture credit department of Bangladesh Bank, signed the agreement at the latter's headquarters in Dhaka yesterday, said a press release.

<https://www.thedailystar.net/business/economy/news/pubali-bank-bb-sign-deal-refinance-loan-3215831>

EXCHANGE | CSE revises Shariah Index, effective from Jan 22

- The Chittagong Stock Exchange (CSE) has reviewed its Shariah --- an index comprised of Shariah-compliant stocks based on performance of the listed companies. The new index will come into effect from January 22. The port city bourse reviews the index twice in a year, according to a statement of the port city bourse on Sunday.
- Since the Muslim law prohibits alcohol, gambling, prostitution, interest-bearing financial transactions and many other restrictions, companies engaged with such businesses are not investable to Shariah adherents.

<https://thefinancialexpress.com.bd/stock/cse-revises-shariah-index-effective-from-jan-22-1673182405>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 74.26	(USD 0.95)	-1.26%
Crude Oil (Brent)*	USD 79.17	USD 1.39	1.79%
Gold Spot*	USD 1,874.14	USD 99.99	5.64%
DSEX	6,192.31	-14.69	-0.24%
S&P 500	3,824.14	-15.36	-0.40%
FTSE 100	7,578.15	126.41	1.70%
BSE SENSEX	60,940.17	99.43	0.16%
KSE-100	41,007.52	587.07	1.45%
CSEALL	8,424.11	-78.38	-0.92%

Exchange Rates**1 US Dollar = 104.01 BDT****1 GBP = 126.01 BDT****1 Euro = 110.96 BDT****1 INR = 1.27 BDT**

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