

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:**Locally made Hyundai cars to hit the streets next week**

- "Made in Bangladesh" Hyundai motor vehicles will hit the streets next week as Fair Technology yesterday commenced production at the country's first manufacturing facility for cars designed by the South Korean automobile brand.
- Set up on two industrial plots at the Bangabandhu Hi-Tech Park in Kaliakoir of Gazipur, the factory has already produced 100 units of Hyundai Creta, a highly popular subcompact crossover SUV. Each Hyundai Creta was manufactured using more than 1,000 parts imported from nine different countries, according to company officials.

<https://www.thedailystar.net/business/economy/news/locally-made-hyundai-cars-hit-the-streets-next-week-3225721>

Largest biz summit in Mar to showcase trade opportunities

- Bangladesh will showcase trade and investment opportunities in the country to the world at a business summit – the largest as claimed by businesses – in March this year in Dhaka.
- Along with representatives of the world's leading companies, ambassadors and high commissioners from 28 countries are also being invited to the summit slated for 11 March. The FBCCI is playing a key role in organising the summit with the support of two ministries and the Bangladesh Investment Development Authority (Bida).

<https://www.tbsnews.net/economy/largest-biz-summit-mar-showcase-trade-opportunities-570462>

Local flexible packaging now a BDT 60 Bn industry

- Demand for packaged consumer goods was already on a gradual rise, with people becoming more health conscious, cities growing, and disposable incomes rising. But with the pandemic hitting, the market for packaged goods has been witnessing a huge surge as more and more people are opting to buy packaged items over loose ones – further contributing to the flexible packaging growth.
- According to industry insiders, the market size of the local flexible packaging industry is around BDT 60 Bn with an annual growth rate of around 20%.

<https://www.tbsnews.net/economy/industry/local-flexible-packaging-now-tk6000cr-industry-570554>

Xiaomi motherboards now being made locally

- Xiaomi, a Beijing-based global smartphone brand, recently announced that the motherboards used in its handsets are now being produced in Bangladesh as the company looks to increase value-addition in the country's nascent mobile manufacturing industry.
- The Printed Circuit Board Assembly (PCBA), commonly known as motherboard, is a major component of the company's products as it connects various chips and electrical circuits to enable the overall functionality of a smartphone.

<https://www.thedailystar.net/business/economy/news/xiaomi-motherboards-now-being-made-locally-3227106>

Bangladesh on right track to become a trillion-dollar economy by 2035: Momen

- Foreign Minister AK Abdul Momen on Thursday laid emphasis on stronger partnership and collaborations, noting that Bangladesh is moving towards the right direction to become a trillion-dollar economy by 2035.
- "We have potential to become an international business and manufacturing hub and it is time we start creating narratives which would allow Bangladesh platforms to become global incubators for innovation and entrepreneurship," he told a luncheon meeting.

<https://www.tbsnews.net/economy/bangladesh-right-track-become-trillion-dollar-economy-2035-momen-570678>

Further improve ease of doing business to utilise country's potential, investors urge

- Local and foreign investors on Thursday termed Bangladesh a land of opportunity and urged the government to further improve on the ease-of-doing-business factors to utilise the country's full potential.
- "A lot of opportunities are here [in Bangladesh]. An organised coordination is necessary to utilise that," Naser Ejaj Bijoy, president of the Foreign Investors' Chamber of Commerce and Industry, said in a programme at a hotel in the capital.

<https://www.tbsnews.net/economy/industry/further-improve-ease-doing-business-utilise-countrys-potential-investors-urge>

Bangladesh wants MIGA-backed loans at 4% max

- Bangladesh plans to pay a maximum of 4% in the interest rate and commissions against the loans to be guaranteed by the Multilateral Investment Guarantee Agency (MIGA), said officials of the commerce ministry.
- Recently, the MIGA in a letter to the Bangladesh Bank and the finance ministry offered to become a guarantor for the import of essential commodities worth USD 500 Mn to USD 1 Bn.

<https://www.thedailystar.net/business/economy/news/bangladesh-wants-miga-backed-loans-4-max-3225781>

Bad loan recovery drops 51% in Q3 2022

- Bad loan recovery dropped 51% to BDT 18.76 Bn in the July-September quarter of 2022 compared to BDT 38.57 Bn in the previous quarter, according to the latest data of the central bank. Bankers say the worsening business situation amid the dollar crisis, and liberal policies of the central bank in realising loans are behind the drastic fall.
- "The key reason behind the lower rate of loan recovery than the rate at which the defaulted loans are increasing is the relaxed repayment policy of the Bangladesh Bank," said Anis A Khan, former managing director of Mutual Trust Bank.

<https://www.tbsnews.net/economy/banking/bad-loan-recovery-drops-51-q3-2022-570510>

Import complexities disrupt baby formula supply

- A crisis has arisen in the supply of infant formula with the dollar shortage complicating the process of opening letters of credit (LCs) for imports, while the gas crisis forced exporting countries to limit their production.
- Importers and distributors of baby formula said the supply of the product has declined compared to the demand in the market, while its price has increased due to the hike in import costs.

<https://www.tbsnews.net/economy/industry/import-complexities-disrupt-baby-formula-supply-570530>

Implement roadmap on ending child labour in agri, households by 2024: EU tells Bangladesh

- The European Union has sought a concrete roadmap from Bangladesh on ending child labour in agriculture and domestic works in order to continue enjoying duty-free exports facilities to the 27-nation bloc after LDC graduation. At the same time, Bangladesh has to make primary education enjoyable for children to prevent dropouts, the EU said in a letter.
- The EU, the largest market of Bangladesh's export products, also said the 2025 roadmap submitted by the government for amending labour laws and labour regulations to meet the nine-point action plan issued by the EU has to be implemented by 2024.

<https://www.tbsnews.net/economy/implement-roadmap-ending-child-labour-agri-households-2024-eu-tells-bangladesh-570890>

TCB to buy lentils, soybean oil ahead of Ramadan

- The Trading Corporation of Bangladesh will purchase 8,000 tonnes of lentils and 11 Mn litres of soybean oil ahead of Ramadan, the month of fasting for Muslims scheduled to begin in late March. The lentils will be purchased from Export Trading Bd, Dhaka, a local agent of Indian company ETC Agro Processing Pvt, which was selected through an open tender method.

<https://www.thedailystar.net/business/economy/news/tcb-buy-lentils-soybean-oil-ahead-ramadan-3225776>

Capital machinery leads huge drop in LC opening

- There has been a massive decline in the import of capital machinery, industrial raw materials, intermediate goods and consumer goods due to the dollar crisis in the country and instability in the global trade.
- The import of capital machinery in the July-December period of the current fiscal year stood at USD 1.27 Bn, which was 65.32% less than imports involving USD 3.67 Bn in the same period of FY22.

<https://www.tbsnews.net/economy/banking/capital-machinery-leads-huge-drop-lc-opening-571130>

Duty-free cotton import from USA would benefit RMG: Tipu Munshi

- Commerce Minister Tipu Munshi said on Friday that the readymade garments industry in Bangladesh would be benefited if the USA approves duty-free facilities in cotton import.
- At an event titled "4th Global Cotton Summit Bangladesh-2023", the minister said, "Bangladesh is the second largest RMG exporter in the world and imports a huge amount of cotton every year from different countries. On the other hand, the USA is the largest cotton exporter. It is also the largest export market for our garments."

<https://www.tbsnews.net/economy/commerce-minister-duty-free-cotton-us-571238>

State banks' core business in the red

- Four state-run commercial banks (SCBs) in Bangladesh are struggling to generate revenue from their core business of lending due to voluminous non-performing loans and the lending rate ceiling. As a result, they have been forced to bank on the incomes from the investments in bonds and bills to remain afloat.
- The net interest income is the difference between the earnings made against loans and the interest paid against deposits. Financial reports showed the net interest income of Sonali Bank, Rupali Bank, and Agrani Bank was negative in 2020 and 2021. Janata Bank's net interest income contracted in 2021.

<https://www.thedailystar.net/business/economy/news/state-banks-core-business-the-red-3227131>

Fund crisis, cost rise stall over 1,000 dev projects

- Global and local economic crises arising from the pandemic and the ongoing war in Europe that prompted the government to opt for austerity measures in the development sector have now stalled thousands of projects worth lakhs of crores of taka.
- Many, if not all, of some 1,016 ongoing development projects involving around BDT 4,500 Bn under seven government agencies are mired in delays reportedly for a number of reasons i.e. non-release of funds by the government, high prices of construction materials, no revision to schedule of rates, non-payment of outstanding bills to contractors, and problems in opening LCs to import construction materials amid the dollar crisis.

<https://www.tbsnews.net/economy/fund-crisis-cost-rise-stall-over-1000-dev-projects-571350>

Kamal urges WB to extend more support in mega projects

- Finance Minister AHM Mustafa Kamal on Saturday urged the World Bank to extend more support in mega projects of Bangladesh and also to make capital Dhaka more livable to make memorable the 50-year partnership between Bangladesh and the World Bank.
- Kamal also observed that the World Bank can exchange the experiences of other countries towards ensuring smooth graduation of Bangladesh from the LDCs. The finance minister made the request when visiting Managing Director (operations) of the World Bank Axel van Trotsenburg met him at a city hotel Saturday, said a Finance Ministry press release.

<https://www.tbsnews.net/economy/kamal-urges-wb-extend-more-support-mega-projects-571790>

Importers in a bind as sample goods pile on Ctg custom's lone chemist

- The chemical laboratory of Chattogram Custom House, the country's largest customs station, has been reduced to a skeleton crew – a lone assistant chemical examiner and a few helping hands – as the lab nears almost a year without any full-time chemical examiner leading to a backlog of import product samples.
- There are only five people working in the lab against 15 positions. The 10 vacant positions include two chemical examiner posts, three deputy chief chemical examiner positions and five assistant chemical examiner positions. Delayed lab report of import samples is extending the goods release timeframe and as a result the importers are taking financial losses on top of the harassment getting the imports released.

<https://www.tbsnews.net/economy/importers-bind-sample-goods-pile-ctg-customs-lone-chemist-571394>

Consumers feel the squeeze: Prices of all daily commodities soared in 2022

- Consumers struggled to cope with rising prices of daily commodities all through the year 2022. From rice, flour, oil to fish, meat and vegetables – prices of 56 products soared in 2022, with five of them seeing more than 60% price hike, according to the Consumer Association of Bangladesh (CAB).
- The CAB, on Saturday, released a report titled "Inflationary Pressures in Dhaka Megacity in 2022" presenting a picture of commodity price rise compared to January 2022. The association listed 56 products that both general people and low-earners in Dhaka regularly eat and use.

<https://www.tbsnews.net/economy/dhaka-saw-1108-annual-average-inflation-2022-cab-571634>

Gas, power price hike: Pharma sector fears 25% rise in production cost

- Medical treatments are about to get costlier as production cost for manufacturing drugs will go up by at least 25% following a recent hike in gas and power charges, according to manufacturers. For large industries, the unit price of gas has spiked nearly threefold from BDT 11.98 to BDT 30, as per a notification issued by the Energy and Mineral Resources Division on Thursday.

<https://www.thedailystar.net/business/economy/news/gas-power-price-hike-pharma-sector-fears-25-rise-production-cost-3227096>

Stocks:

SEAPEARL | Shamim Enterprise to transfer its 40% stake in Sea Pearl to Sundarban Eco Resort

- Sea Pearl Beach Resort and Spa Limited – a firm listed on the stock market – has secured the nod of the securities regulator to transfer its 40% stake held by Shamim Enterprise to Sea Pearl Sundarban Eco Resort, which is owned by the same management.
- Shamim Enterprise, a non-listed firm and the mother company of Sea Pearl Beach Resort, holds around 48.8 Mn shares, or 40.40% of the company located in Cox's Bazar.

<https://www.tbsnews.net/economy/stocks/shamim-enterprise-transfer-its-40-stake-sea-pearl-sundarban-eco-resort-570858>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 81.64	USD 6.43	8.55%
Crude Oil (Brent)*	USD 87.63	USD 9.85	12.66%
Gold Spot*	USD 1,926.08	USD 151.93	8.56%
DSEX	6,265.44	58.44	0.94%
S&P 500	3,972.61	133.11	3.47%
FTSE 100	7,770.59	318.85	4.28%
BSE SENSEX	60,621.77	-218.97	-0.36%
KSE-100	38,407.98	-2,012.47	-4.98%
CSEALL	8,718.15	215.66	2.54%

Exchange Rates**1 US Dollar = 105.63 BDT****1 GBP = 130.87 BDT****1 Euro = 114.84 BDT****1 INR = 1.30 BDT**

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