

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:**Cenbank trims EDF by USD 1 Bn to ease pressure on reserves**

- The Bangladesh Bank has downsized the Export Development Fund (EDF) by USD 1 Bn to USD 6 Bn and aims at reducing it by another USD 2-3 Bn in the next six months, in line with the IMF's suggestion to come out of commercial lending from the reserves, sources at the central bank said.
- The move is a part of the central bank's plan to phase out foreign currency lending under the EDF, which is built from forex reserves – a development that might upset exporters who have been availing low-cost finance in foreign currency under this fund for over three decades.

<https://www.tbsnews.net/economy/banking/cenbank-trims-edf-1b-ease-pressure-reserves-572358>

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>

It is high time to work together on more projects, investment areas: Chinese envoy

- Chinese Ambassador to Bangladesh Yao Wen on Sunday said it is high time to work together on more projects and investment areas overcoming the common challenges ahead.
- "We find that there is a great potential to work together on high level visits and economic development," he told reporters at the Ministry of Foreign Affairs. The ambassador said China can do a lot and the two countries can work together for better future. "I feel confidence."

<https://www.tbsnews.net/economy/it-high-time-work-together-more-projects-investment-areas-chinese-envoy-572102>

Global maize, wheat prices down 1%, rice up 1%, says World Bank's Food Security Update

- Agricultural, cereal, and export prices have remained relatively stable in the one month to January 17, said the Food Security Update of the World Bank. The agricultural index closed at the same level, the export index was 1% higher, and the cereal index was 1% lower.
- Maize and wheat prices closed 1% and 2% lower, respectively, and rice prices were up 1%. Maize and rice prices are 8% and 13% higher, respectively, than in January 2022. But wheat prices were 2% lower during the same period.

<https://www.thedailystar.net/business/economy/news/global-maize-wheat-prices-down-1-rice-1-3227866>

Bangladesh can save billions by early investment

- Bangladesh could avoid billions in climate damages and lost GDP growth this decade by making timely investments to withstand the projected impact of climate change, according to a new study by Standard Chartered.
- The study titled "The Adaptation Economy" revealed that without investing a minimum of USD 1.2 Bn in adaptation by 2030, Bangladesh could face projected damages and lost GDP growth of USD 11.6 Bn – nearly 10 times that amount.

<https://www.thedailystar.net/business/economy/news/bangladesh-can-save-billions-early-investment-3227876>

Keep food and agri inputs out of sanction purview

- Agriculture Minister Muhammad Abdur Razzaque on Saturday urged the leaders of developed countries to keep food and agricultural inputs out of the purview of sanctions related to the Russia-Ukraine war, according to a press release.
- "Developed countries should be more responsible and proactive in ensuring food security worldwide," he said. Razzaque went on to say that Bangladesh has become an innocent victim of the war, due to which the prices of fertiliser have risen at least four times while the cost of food grains are also high, leading to food insecurity.

<https://www.thedailystar.net/business/economy/news/keep-food-and-agri-inputs-out-sanction-purview-3227826>

Take multidimensional measurement approach to assess real poverty line, say economists

- Speakers at a discussion on Saturday emphasised on taking a multidimensional poverty measurement approach instead of income-based poverty measures to assess the real poverty line of Bangladesh. Although the poverty rate declined to nearly 21% in the last 20 years from 40% in the 1990s, the number of poor people (around 35 Mn) is still higher than it was three decades ago.
- Economists, academics and researchers were speaking at the event on launching "Bangladesh Poverty Watch Report 2022" in the city, presided over by Palli Karma-Sahayak Foundation (PKSF) Chairman Dr Qazi Kholiquzzaman Ahmad.
- The report was jointly prepared by the Institute for Inclusive Finance and Development (InM) and the Center for Inclusive Development Dialogue (CIDD), aimed at ensuring that grassroots voices of 'left behind' and extremely poor population groups are heard.

<https://thefinancialexpress.com.bd/economy/take-multidimensional-measurement-approach-to-assess-real-poverty-line-say-economists-1674355954>

CETP of int'l standard needed urgently for leather sector: FBCCI

- A central effluent treatment plant (CETP) of international standard is necessary for the development of the leather sector of the country, said Md Jashim Uddin, president of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), yesterday.
- The CETP at the Savar Tannery Industrial Estate in Hemayetpur should be made operational as per international standards at the fastest possible time so that the leather sector's potentials can be utilised, he said.

<https://www.thedailystar.net/business/economy/news/cetp-intl-standard-needed-urgently-leather-sector-fbcci-3227806>

Gas, power prices to be revised again

- Commerce Minister Tipu Munshi yesterday said that discussions are once again underway to readjust the gas and electricity prices. "Efforts are on to ensure fair gas and electricity prices for the people of the country," he added. The commerce minister then said the prices of electricity and gas have been increased in coordination with the higher cost of production.

<https://www.thedailystar.net/business/economy/news/gas-power-prices-be-revised-again-3227946>

After energy, LC opening crisis now cripples businesses

- At the beginning of 2022, businesses were upbeat and many of them thought that the worst stemming from the losses induced by the coronavirus pandemic was finally over. That was short-lived. The assumption changed as another crisis began to unfold following Russia's invasion of Ukraine in February 2022. And Bangladesh, a net importing country, soon found itself on the receiving end.
- Amid the worsening energy and power crisis, the winter emerges as a saviour as electricity demand fell. Still, load-shedding remains while factories are yet to receive an adequate supply of gas amid insufficient local production and the pause in buying liquefied natural gas from international spot markets.
- Faced with an increased cost of production after the government hiked petroleum, gas and electricity prices and higher import costs, businesses were forced to increase their prices of goods and services.

<https://www.thedailystar.net/business/economy/news/after-energy-lc-opening-crisis-now-cripples-businesses-3227961>

Stocks:**EXCHANGE | Alam Steels, Crown Cement, 29 other listed cos removed from DSEX**

- The Dhaka Stock Exchange (DSE) has removed S Alam Cold Rolled Steels Limited and Crown Cement, along with 29 other listed companies, from the DSE Broad Index (DSEX).
- Seven companies – BD Thai Food, ACME Pesticides, Sena Kalyan Insurance, Union Insurance, C&A Textiles, Meghna Insurance, and Bangladesh Industrial Finance Corporation – entered the DSEX. The number of companies in the DSEX now stands at 315.

<https://www.tbsnews.net/economy/stocks/s-alam-steels-crown-cement-29-other-listed-cos-removed-dsex-572034>

PHARMAID | Pharma Aids incurs losses in Oct-Dec quarter

- Pharma Aids Limited suffered a loss of BDT 2.371 Mn in the second quarter of the 2022-23 financial year owing to a decline in net sales and an increase in the cost of production. Thus, the company reported earnings per share of BDT 0.76 in negative for October-December of FY23, according to the unaudited financial statements.
- The EPS decreased due to a decline in net sales, the increase in the cost of goods sold and the cost of raw materials, the higher expenses for gas and fuel, and the hike in tax expenses, said the company in a filing on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/news/pharma-aids-incurs-losses-oct-dec-quarter-3227881>

KAY&QUE | Kay & Que's profit unchanged in Q2

- Kay & Que (Bangladesh) Ltd made a BDT 0.566 Mn profit in the October-December quarter of the current financial year, unchanged from a year earlier. Due to the insufficient collection against sales, the NOCFPS significantly decreased, said Kay & Que in a filing on the Dhaka Stock Exchange (DSE).
- The manufacturer reported earnings per share of BDT 0.11 for October-December against BDT 0.11 in the same quarter of 2021-22, according to the unaudited financial statements. The net asset value per share fell slightly to BDT 74.17 on December 31 from BDT 75.64 on June 30.

<https://www.thedailystar.net/business/economy/news/kay-ques-profit-unchanged-q2-3227836>

NBL | BSEC allows scam-hit National Bank to issue BDT 5 Bn bond.

- The Bangladesh Securities and Exchange Commission (BSEC) has allowed the Sikder family dominated National Bank to issue a BDT 5 Bn bond at a time when the lender is facing a tough time due to loan scams and the absence of good governance.
- The first-generation private lender said in a stock exchange filing on Sunday that it had received the regulator's nod to issue the subordinated bond to strengthen its capital base in order to meet the Basel III requirement. But it has not disclosed the tenure of the bond and made no mention of the date of getting the commission's approval.

<https://www.tbsnews.net/economy/stocks/bsec-allows-scam-hit-national-bank-issue-tk500cr-bond-572350>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 81.32	USD 6.11	8.12%
Crude Oil (Brent)*	USD 87.29	USD 9.51	12.23%
Gold Spot*	USD 1,931.77	USD 157.62	8.88%
DSEX	6,255.93	48.93	0.79%
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 = 106.74 BDT****1 GBP = 132.65 BDT****1 Euro = 116.29 BDT****1 INR = 1.32 BDT**

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Fahim Hassan	Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Hossain Zaman Towhidi Khan	Senior Research Associate	hztowhidi.khan@bracepl.com	01708 805 224
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229
Md. Tanvir Ahmed	Research Associate	mtanvir.ahmed@bracepl.com	01708 805 201
Syed Tawsifuzzaman	Research Associate	s.tawsifuzzaman@bracepl.com	01708 805 202

International Trade and Sales

Ahsanur Rahman Bappi	Chief Executive Officer	bappi@bracepl.com	01730 357 991
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Website

www.bracepl.com

Address

Symphony, Plot No. S.E. (F) - 9,
 Road No. 142, Gulshan-1, Dhaka

E-Mail

Research: research@bracepl.com
 Sales : frader@bracepl.com

Contact

Phone: +880 2 985 2446-50
 Fax: +880 2 985 2451