

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:**IMF expected to approve Bangladesh's USD 4.5 Bn loan package on Monday**

- Bangladeshi officials have received indications from the International Monetary Fund (IMF) that the multilateral lender's board has agreed in principle to approve the country's loan request. Several officials of the Ministry of Finance said that the IMF will approve the loan for Bangladesh on Monday (30 January).

<https://www.tbsnews.net/economy/imf-expected-approve-bangladeshs-45b-loan-package-monday-576242>

USDA revises up Bangladesh's rice production forecast

- The US Department of Agriculture (USDA) has revised upward its forecast regarding Bangladesh's rice production in the marketing year (MY) 2022-23 beginning from last May. Production of the staple grain is forecasted to be 35.8 Mn tonnes in MY23, up from the USDA's official estimate of 35.6 Mn tonnes, the agency said in its Grain and Feed Update on Bangladesh released by the end of last week.
- The USDA said it increased Bangladesh's rice harvested area and production forecast because of good Aman season rice harvest during the marketing year that begins with Boro and ends with Aman rice.

<https://www.thedailystar.net/business/economy/news/usda-revises-bangladeshs-rice-production-forecast-3233121>

Economic slump drags down growth in VAT collection from big cos

- The growth in revenue collection from big companies has slowed down in the first half of the current fiscal year, a trend that experts and businessmen attributed to policy issues and economic downturns.
- The value-added tax (VAT) collection from the country's 107 large companies saw an overall growth of 9.7% in July-December period of the 2022-23 fiscal year, which was around 13% in the corresponding period of the 2021-22 fiscal year, according to the National Board of Revenue's Large Taxpayers Unit (LTU) data.
- "The nearly 10% growth in large taxpayers' VAT collection occurred mainly due to the increase in commodity prices and inflation. It is not a normal growth," Farid Uddin, a former member of the National Board of Revenue (NBR), told.

<https://www.tbsnews.net/nbr/economic-slump-drags-down-growth-vat-collection-big-cos-576322>

Import slowdown to affect economic growth: ADB country head

- Slowdown in imports and the current dollar liquidity crisis will affect private sector investment down the line, which will contribute to slow growth of the Bangladesh economy, said Edimon Ginting, country director, Bangladesh of the Asian Development Bank (ADB).
- He said the Bangladesh economy was facing headwinds and tailwinds. Explaining that the tailwind was a remnant of the pandemic, he said the headwind was coming from swelling commodity prices following the Russia-Ukraine crisis, which had slowed global economic growth.

<https://www.tbsnews.net/economy/import-slowdown-affect-economic-growth-adb-country-head-576266>

Foreign loan pledges fall 60% in H1

- Bangladesh saw a decline in both foreign aid commitments and disbursements in the first half of the current fiscal year, show latest data, thanks to lengthy approval of development project proposals and a lack of spending capacity by government agencies.
- In the July-December period, foreign aid commitments fell by 60% to USD 1.76 Bn – down from USD 4.39 Bn in the same period last fiscal year, according to the Economic Relations Division's (ERD) data published on Sunday. According to ERD's annual borrowing plan, the government expects USD 9.7 Bn in probable commitments in FY23, including budget support.

<https://www.tbsnews.net/economy/foreign-loan-pledges-fall-60-h1-576226>

Banking sector needs comprehensive reforms: ADB

- Bangladesh's banking sector now requires comprehensive reforms for the financial sector to become strong enough to augment a transition to an upper middle-income country by 2031, said Edimon Ginting, country director of Asian Development Bank (ADB), yesterday.
- The South Asian country also needs to raise foreign currency inflow, develop human capital and expand the private sector's role, he told a luncheon meeting of the American Chamber of Commerce in Bangladesh (AmCham) at The Westin Dhaka.

<https://www.thedailystar.net/business/economy/news/banking-sector-needs-comprehensive-reforms-adb-3234011>

Three risks ahead

- Higher inflation, debt crisis and severe commodity price shocks are some of the major economic risks Bangladesh may face in the upcoming years, a new survey of executives warned. Other challenges include asset bubble burst and proliferation of illicit economic activity, said the "Executive Opinion Survey" of the World Economic Forum (WEF).
- Businessmen are worried about the safety and security-related issues concerning organized crime, climate-related business risks, and social and political unrest. A major reform needs to be ensured in the case of public institutions dealing with private investments through better transparency, accountability, and efficiency.

<https://www.thedailystar.net/business/economy/news/three-risks-ahead-3234021>

'Local conglomerates lost BDT 650 Bn for dollar price hike'

- Bangladeshi conglomerates counted BDT 650 Bn in losses in the last one year because of the fall of the local currency against the US dollar, which made loans costlier amid global economic volatility, a noted economist said today.
- Previously, the businesses used to spend BDT 8,200 to buy each USD 100, but the same amount of the American greenback has been costing them BDT 10,500 in the last one year, said Ahsan H Mansur, executive director of the Policy Research Institute (PRI).

<https://www.thedailystar.net/business/news/local-conglomerates-lost-tk-65000cr-dollar-price-hike-3233736>

Stocks:**CROWNCMNT | Crown Cement's profit surges in Q2**

- Crown Cement PLC reported a 371% surge in profit in the second quarter of the ongoing financial year on the back of higher sales. The cement manufacturer raked in BDT 147 Mn in profit in the October-December quarter of 2022-23, up from BDT 31.2 Mn reported in the identical quarter of 2021-22, according to the un-audited financial statements.
- Thus, Crown Cement posted earnings per share of BDT 0.99 for October-December against BDT 0.21 in the same quarter of FY22. The EPS climbed in the second quarter thanks to an increase in revenue, said the cement maker in a filing on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/news/crown-cements-profit-surges-q2-3233986>

PADMAOIL | Padma Oil's profit jumps 50%

- The Padma Oil Company saw a big jump in profits in the October-December period of 2022 thanks to an increase in its non-operating income and higher sales volume. The state-run company's earnings per share surged 50% year-on-year to BDT 8.92 in the second quarter of the current financial year from BDT 5.92 previously, the company said in a posting at the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/news/padma-oils-profit-jumps-50-3233941>

AMCL(PRAN) | Economic crises drags down profits of 2 Pran concerns in Dec quarter

- The net profit of two sister concerns of the Pran-RFL Group – Agricultural Marketing Company Ltd (AMCL) and Rangpur Foundry Ltd (RFL) – declined in the October to December quarter of the current fiscal year due to fuel price hikes and a decrease in their exports amid the global economic crises, according to the financial disclosure by the companies.
- The net profit of AMCL-Pran which produces various food items went down by 8.33% in the second quarter of the current fiscal year compared to the same period of the previous fiscal year. The net profit of Rangpur Foundry – a manufacturer of cast iron products – came down by 5.71% compared to the same period of the previous year.

<https://www.tbsnews.net/economy/economic-crises-drags-down-profits-2-pran-concerns-dec-quarter-576290>

BEXIMCO | Costly raw materials slash two Beximco firms' profits

- The earnings per share (EPS) of Beximco Limited and Beximco Pharmaceuticals saw a year-on-year decrease in the October-December quarter of 2022-23 fiscal year, mainly due to price hikes of raw materials, according to their financial statements. The conglomerate's EPS stood at BDT 3.60 in the second quarter of FY23, which is 19% lower than the same time of the previous year. At the end of the first half, its EPS stood at BDT 7.35, which was BDT 8.48 a year ago.

<https://www.tbsnews.net/economy/stocks/costly-raw-materials-slash-two-beximco-firms-profits-576294>

BRACBANK | Brac Bank launches 'Borenno' for SME customers

- Brac Bank has launched a premium banking service styled "Borenno" for clients in the small and medium enterprise (SME) industry. Selim RF Hussain, managing director of the bank, inaugurated the new service at the bank's head office in Dhaka recently, said a press release. Borenno is a bundle of services for SME priority customers with specialised banking services to fulfil their needs and choices.

<https://www.thedailystar.net/business/economy/news/brac-bank-launches-borenno-sme-customers-3233131>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 80.06	USD 4.85	6.45%
Crude Oil (Brent)*	USD 87.00	USD 9.22	11.85%
Gold Spot*	USD 1,925.95	USD 151.80	8.56%
DSEX	6,288.33	81.33	1.31%
S&P 500	4,070.56	231.06	6.02%
FTSE 100	7,765.15	313.41	4.21%
BSE SENSEX	59,330.90	-1,509.84	-2.48%
KSE-100	40,450.53	30.08	0.07%
CSEALL	8,958.79	456.30	5.37%

Exchange Rates**1 US Dollar = 106.02 BDT****1 GBP = 131.34 BDT****1 Euro = 115.21 BDT****1 INR = 1.30 BDT**

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