

*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:****China eyes to boost investment in Bangladesh as business environment improves**

- Bangladesh will see an increased investment in the textile and clothing sectors in the coming days as the business environment has marked tremendous improvement in recent years, said Calvin Ngan, president of the Overseas Chinese Association in Bangladesh (Ocab). Bangladesh and China enjoy warm relations that will reach a new height in the coming days, he said at the Chinese New Year celebration at Le MERIDIEN Hotel in the capital recently.
- According to the annual report of the Bangladesh Bank, China invested USD 465.17 Mn (13.5% of total foreign direct investment in Bangladesh) and Hong Kong invested USD 179.22 Mn (5.2%) in the July–June period of FY22, talking the total Chinese investment to USD 644.30 Mn.

<https://www.tbsnews.net/economy/china-eyes-boost-investment-bangladesh-business-environment-improves-593922>

**Egyptian team to visit Bangladesh to learn about public procurement**

- An Egyptian delegation will come tomorrow on a three-day visit to learn from Bangladesh about the south Asian country's journey towards digitalisation of the public procurement system, including its design, development, implementation and sustainability.
- Since 2011, a total of 14 countries, including Gambia, Bhutan, Sri Lanka, Afghanistan, Nepal, Ethiopia and Nigeria, visited Bangladesh's Central Procurement Technical Unit (CPTU) for knowledge and experience sharing on public procurement reforms and electronic government procurement (e-GP) system.

<https://www.thedailystar.net/business/news/egyptian-team-visit-bangladesh-learn-about-public-procurement-3262786>

**IMF mission due Sunday to assess Bangladesh's climate risks**

- An International Monetary Fund (IMF) mission will arrive in Dhaka on Sunday on a five-day visit to assess climate-related risks in the financial sector of Bangladesh. In a letter sent to the Bangladesh Bank governor recently, the global lender said the IMF's Monetary and Capital Markets (MCM) Department is proposing a mission in Bangladesh on 5-9 March.
- The mission, led by Agense Carella, an economist at the MCM Department of the IMF, will help the Bangladesh authorities, including the Bangladesh Bank and Ministry of Finance, to develop a framework to assess physical climate risk – identifying available financial and climate data and designing a risk assessment framework that is tailored to available data with a focus on the impact of floods on the banking sector.

<https://www.tbsnews.net/economy/imf-mission-due-sunday-assess-bangladeshs-climate-risks-593970>

**Export earnings rise 7.81% in February**

- Bangladesh's merchandise exports rose 7.81% to USD 4.63 Bn YoY this February riding on major export earner apparel shipments, as per Export Promotion Bureau (EPB) data published on Thursday (2 March). However, the country's export earnings in February went below the USD 5 Bn mark after three months of staying above that. The earnings in January were USD 5.13 Bn. The figure was USD 5.37 Bn in December and USD 5.09 Bn in November (reaching over the USD 5 Bn mark for the very first time).

<https://www.tbsnews.net/economy/export-earnings-dip-below-5-billion-after-3-months-593218>

**Dhaka, Delhi discussing de-dollarisation**

- Bangladesh and India are in talks about doing away with the dollar as the official currency for payments between the two countries -- a development that would bring down the cost of trade as well as the conversion rate losses for businesses and ordinary people. The talks took place on the sidelines of the G20 Finance Ministers and Central Bank Governors meeting held in the southern Indian city of Bengaluru on February 24-25.
- Every year, Bangladeshi nationals spend about USD 2 Bn on treatment, tourism and education in India, according to the government's estimates. At the same time, India is among the top three import destinations for Bangladesh. And official transactions between the two nations are conducted in US dollars and then converted to rupee or taka, which leaves both sides with some conversion losses.

<https://www.thedailystar.net/news/bangladesh/diplomacy/news/dhaka-delhi-discussing-de-dollarisation-3261576>

**Sadharan Bima deposits BDT 5.0 Bn to govt exchequer**

- Sadharan Bima Corporation has deposited BDT 5.0 Bn to the government exchequer as the lone state-owned non-life insurer was asked to park its surplus for the 2022 financial year, according to sources. The amount was provided from Sadharan Bima's fixed deposits with different scheduled banks, according to documents signed by the corporation's Managing Director Sayed Bealal Hossain.
- According to the Insurance Corporation Act-2019, after making provisions for bad and doubtful debts, depreciation of assets and any other matters as may be determined by the corporation board, the Sadharan Bima may establish a reserve fund out of its net annual profit and any surplus remaining after that shall be paid to the government.

<https://thefinancialexpress.com.bd/economy/bangladesh/sadharan-bima-deposits-tk-50b-to-govt-exchequer>

**Apparel exports continue to beat targets**

- Bangladesh's RMG exports have been continuing to beat their strategic targets for the past four months due mainly to a shift of work orders from China as well as high-cost raw material. The apparel exports earned USD 3.94 Bn with a 12.31% year-on-year growth in the single month of February against the target of USD 3.88 Bn, according to data published by the Export Promotion Bureau (EPB).
- Both knitwear and woven garments witnessed export growth of 16.94% and 7.45% to USD 2.09 Bn and USD 12.84 Bn, respectively, beating their targets. The overall garment industry saw exports higher than their targets in six of eight months in the ongoing fiscal year (FY23). Apart from the four months in a row, starting in November, the exports saw such an achievement in July and August.

<https://www.tbsnews.net/economy/rmg/apparel-exports-continue-beat-targets-593526>

**No limit on loans for power producers' fuel purchase**

- Bangladesh Bank yesterday allowed banks to keep private sector power producers out of the purview of the single borrower exposure limit when giving them loans for the import of raw materials, including fuel oil. As per the single borrower exposure limit, banks are not allowed to give out loans that are more than 25% of their capital to a single person, entity, or business group.
- But the rule will not be applicable for independent power producers (IPPs) in running their plants as Bangladesh Bank will allow the companies to take loans from lenders beyond the limit, according to a central bank notice. Banks will have to follow the new rule until December this year.

<https://www.thedailystar.net/business/economy/banks/news/no-limit-loans-power-producers-fuel-purchase-3261881>

**Pharma industry facing tough time due to high prices of materials, energy and transportation:****Owners**

- The country's pharmaceutical industry is currently passing a tough period due to high prices of materials, the US dollar, energy and transportation. Nazmul Hassan Papon, chief executive officer of Beximco Pharmaceuticals Ltd (BPL) and president of Bangladesh Association of Pharmaceutical Industries (BAPI) inaugurated the 3-day exhibition scheduled to end on 4 March.
- Addressing the event as the chief guest, he said, "Just when the pharma industry started recovering from the Covid-19 pandemic, the Russia-Ukraine War broke out. This caused the global supply chain to disrupt and prices of raw materials skyrocketed due to the dollar crisis. "Besides, the increase in the price of electricity and fuel has also added to our rising production cost. These are the major reasons why we are currently experiencing a very tough time."

<https://www.tbsnews.net/economy/pharma-industry-facing-tough-time-due-high-prices-materials-energy-and-transportation-owners>

**Taka slips further as BB sells USD at BDT 102**

- The taka has weakened further against the US dollar as the Bangladesh Bank is selling the American greenback to banks at BDT 102. The move is aimed at adjusting the exchange rates gradually in line with the market demand and supply. The latest depreciation comes a month after the central bank sold the greenback to banks at BDT 101. Since January, the BB depreciated the local currency by 2%.
- The BB is selling the US dollar to banks to help them meet their foreign currency requirements, particularly for import payments, amid the foreign exchange crisis that has been lingering for a year. The central bank sold USD 56 Mn to banks at the new rate, said a senior BB official, seeking anonymity. "We are adjusting the exchange rate gradually."

<https://www.thedailystar.net/business/economy/banks/news/taka-slips-further-bb-sells-usd-BDT-102-3261876>

**Leather exporters stare at grim prospects in 2023**

- Growth in leather footwear exports from Bangladesh was unsatisfactory in the first seven months of the current financial year as the economic fallout of the Russia-Ukraine war has been weighing down shipments since September, according to industry people.
- Export earnings from leather footwear amounted to USD 458.59 Mn for the July-January period of 2022-2023, registering a year-on-year growth of just 4.12%. Shipments of leather products brought home USD 246.07 Mn in the identical period, indicating growth of 22.23%, shows data from the Export Promotion Bureau (EPB). On the other hand, leather exports slumped 8.87% to USD 77.27 Mn.

<https://www.thedailystar.net/business/economy/news/leather-exporters-stare-grim-prospects-2023-3263221>

**BIWTA to seek 2-year extension for Nagarbari river port**

- After missing the deadline for a second time about eight months ago, the Bangladesh Inland Water Transport Authority (BIWTA) will seek a two-year extension for constructing a river port in Bera upazila of Pabna. Under the project initiated by the shipping ministry in July 2018, the BIWTA was supposed to have built the port and its associated facilities at a cost of BDT 5.1309 Bn by June 2021.
- Once a ferry terminal, the under construction Nagarbari river port located around 100 kilometres west of Dhaka used to enable the unloading of imported goods, such as fertiliser, coal, clinker, stones, cement and food grains, brought through the waterways from Chattogram.

<https://www.thedailystar.net/business/economy/news/biwt-a-seek-2-year-extension-nagarbari-river-port-3263206>

**BGMEA, Texprocil to work on Indo-Bangla trade**

- There is a huge prospect for enhancing trade between Bangladesh and India, especially in garment and textile sectors, according to Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). Collaboration between the governments and among the businesses could pave the way for more bilateral trade, he said.

<https://www.thedailystar.net/business/economy/news/bgmea-texprocil-work-indo-bangla-trade-3263121>

**WB warns of pulling funds from faltering development projects**

- Unhappy about inordinate execution delays, the World Bank has warned of withdrawing its funds from over half a dozen projects, officials said Thursday after a review meeting with the lender. It has also called the government agencies for completing the eight ongoing projects, involving an assistance of USD 3.02 Bn, in time, as the development partner is reluctant to extend the completion scheduled, they said.
- The latest prod came when representatives of the global lender sat Thursday in Dhaka for reviewing its financial supported eight 'slow-moving' and 'problematic' projects in Bangladesh. "The meeting was basically held for streamlining the slow-moving and weak-progressed projects. The Bank has called the project authorities to execute the remaining works in time or it will withdraw the unspent money," a senior official involved with the WB-funded project told the FE.

<https://thefinancialexpress.com.bd/economy/bangladesh/wb-warns-of-pulling-funds-from-faltering-development-projects>

**Stocks:****LHBL | LafargeHolcim declares its highest-ever dividend**

- LafargeHolcim Bangladesh Ltd has declared a 48% cash dividend for its shareholders for 2022, the highest ever. The board of directors of the local operations of the multinational cement manufacturer recommended a 15% cash dividend for the October-December period of the financial year, according to a press release.
- It provided a 25% cash dividend in 2021 and 10% in the previous seven years each. The record dividend came after LafargeHolcim's net profit rose 14% year-on-year to BDT 4.45 Bn last year although 2022 was tough for the whole cement industry in Bangladesh owing to the business slowdown caused by higher inflation and escalated prices of raw materials, driven by the Russia-Ukraine war.

<https://www.thedailystar.net/business/organisation-news/news/lafargeholcim-declares-its-highest-ever-dividend-3261846>

**OLYMPIC | Olympic Industries investing BDT 30 Mn in land**

- Olympic Industries, the market leader in biscuits, will spend about BDT 30.4 Mn on land purchase, including expenditures for registration. It would buy 86 decimals of land at Lolati in Narayanganj, which is adjacent to its biscuit and confectionery units. In June 2021, the company had earlier bought 48 decimals of land at Kutubpur for BDT 72 Mn and other costs of BDT 7.56 Mn, which is attached to its noodles, snacks, corrugated carton, and battery factories.
- In the last two years, the industry leader has invested around BDT 440 Mn in business expansion, building construction, and other works. According to a Dhaka Stock Exchange (DSE) filing, the cost of land is BDT 27.5 Mn and BDT 2.89 Mn for the registration charge and other miscellaneous expenses, including fees.

<https://www.tbsnews.net/economy/stocks/olympic-industries-investing-tk3cr-land-593458>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 79.68	USD 4.47	5.94%
Crude Oil (Brent)*	USD 85.83	USD 8.05	10.35%
Gold Spot*	USD 1,856.48	USD 82.33	4.64%
DSEX	6,213.74	6.74	0.11%
S&P 500	4,045.64	206.14	5.37%
FTSE 100	7,947.11	495.37	6.65%
BSE SENSEX	59,808.97	-1,031.77	-1.70%
KSE-100	41,337.00	916.55	2.27%
CSEALL	9,356.75	854.26	10.05%

**Exchange Rates****1 US Dollar = 106.17 BDT****1 GBP = 127.78 BDT****1 Euro = 113.02 BDT****1 INR = 1.30 BDT**

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