

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:**Bangladesh improves in logistics strength**

- Bangladesh has climbed up four notches to rank 35th among the 50 most promising emerging logistics markets in the world, thanks to the country's performance in both domestic and international logistics opportunities, according to the 2023 Agility Emerging Markets Logistics Index.
- However, Bangladesh has scored the lowest yet again among four emerging South Asian economies in the 14th annual edition of the index unveiled by Agility – a Kuwait-based global logistics company – on Tuesday.

<https://www.tbsnews.net/economy/industry/bangladesh-improves-logistics-strength-581646>

Country's revenue earnings were BDT 400 Bn more in last fiscal: Finance Minister

- Finance Minister AHM Mustafa Kamal has said the National Board of Revenue (NBR) has earned BDT 400 Bn more in 2021-22 fiscal year compare to the previous fiscal.
- "The NBR has earned over BDT 400 Bn more in 2021-22 fiscal year compare to 2020-21 fiscal", said the finance minister replying to a starred tabled question by treasury bench lawmaker M Abdul Latif of Chattogram-11 at the Jatiya Sangsad. Country's revenue earnings were BDT 3016.34 Bn in 2021-22 fiscal while it was BDT 2616.89 Bn in 2020-21, he mentioned.

<https://www.tbsnews.net/economy/countrys-revenue-earnings-were-tk40000cr-more-last-fiscal-finance-minister-581638>

JBCCI for EPA between Bangladesh, Japan to boost trade

- Japan-Bangladesh Chamber of Commerce and Industry (JBCCI) laid emphasis on Economic Partnership Agreement (EPA) between Japan and Bangladesh to increase trade and investment between the two countries. The chamber made the observation while meeting with Economic Relations Division (ERD) Secretary Sharifa Khan at her office in the city, reports BSS citing a press release.

<https://thefinancialexpress.com.bd/economy/jbcc-for-epa-between-bangladesh-japan-to-boost-trade-1675778152>

Retailers cancelling RMG orders, seeking discounts

- International clothing retailers and brands are either cancelling their orders to garment factories in Bangladesh or putting them on hold because of the persisting volatility in the global economy, higher inflation, and stockpiling of unsold goods.
- Inflation in Europe and the US, the two largest markets for garment items made in Bangladesh, as well as many other export destinations has remained at an elevated level despite falling in recent months, meaning a continued struggle for consumers.

<https://www.thedailystar.net/business/economy/news/retailers-cancelling-rmg-orders-seeking-discounts-3241936>

RMG turns to India from China to get cheaper man-made yarn

- Bangladesh has shifted its focus towards India from China for importing man-made fibre yarn and fabric due to competitive pricing, improved lead time with the opening of two new land ports and growing demand of the key apparel raw material globally.
- Industry stakeholders say the United States' anti-China position may have also played a role in Bangladesh's shift towards India for man-made fibre, the import volume of which is likely to double in the next five years from the neighbouring ally.

<https://www.tbsnews.net/economy/rmg-turns-india-china-get-cheaper-man-made-yarn-581650>

Sustainable trade and investment key to Asia and Pacific green future

- Greener trade and investment is crucial to tackling climate change in Asia and the Pacific and will require governments in the region to work together more closely, according to a new report by the Asian Development Bank (ADB). The report styled Asian Economic Integration Report (AEIR) 2023 stated although trade and investment have fueled remarkable economic growth in Asia in recent decades, it has also led to large increases in carbon dioxide emissions in the region—which is more vulnerable to the effects of climate change than any other.
- Reversing this trend will require measures such as promoting trade in environmental goods and services, nurturing green businesses, developing carbon pricing mechanisms, and strengthening regional cooperation through trade and investment agreements, added the report released by ADB Tuesday (7 February).

<https://www.tbsnews.net/economy/sustainable-trade-and-investment-key-asia-and-pacific-green-future-581538>

Foreign aid for national budget drops by USD 1 Bn: Finance Minister

- The foreign assistance for the national budget has declined to USD 2.23 Bn in the current fiscal year from USD 3.26 Bn in the last fiscal year (2021-22). Finance Minister AHM Mustafa Kamal on Tuesday placed these statistics in Parliament while replying to a scripted question from Awami League lawmaker Morshed Alam (Noakhali-2).
- In the written answer, the minister said the government received assistance equivalent to some USD 3.26 Bn from different development partners for the budget in the last fiscal year. But there is a possibility to get the assistance equivalent to USD 2.23 Bn in the current fiscal year.

<https://www.tbsnews.net/economy/foreign-aid-national-budget-drops-finance-minister-581474>

FDI from US halves after sanctions

- When Bangladesh is in dire need of foreign investment, FDI inflow from the top investing country the United States halved in January-June 2022 compared to the previous six months – a development that, stakeholders say, is attributable to "a lack of FDI-friendly atmosphere" in the country.
- According to a Bangladesh Bank report titled "Foreign Direct Investment and External Debt", the net FDI from the US dropped by 56% to USD 200.79 Mn in the first half of the last year from USD 460.33 Mn in the previous six months, contributing to a slowdown in FDI inflow in the second half of FY22. Coincidentally, the dip in FDI inflow has occurred following US sanctions on RAB and seven of its current and former officials on 10 December 2021.

<https://www.tbsnews.net/economy/fdi-us-halves-jan-jun-2022-581342>

Stocks:**BANGAS | Biscuit-maker Bangas thrives amid inflation**

- Bangas Limited – one of the leading biscuit-makers of the country – has reported a 32% year-on-year profit growth in the July to December period of the fiscal 2022-23. In the October to December quarter of 2022, the sales volume of Bangas biscuits was high enough to help offset the company's year-on-year profit decline in the previous July to September quarter and post an overall profit growth in the first half.
- In the July to September quarter of 2022, Bangas' net profit declined by 16.6% and stood at BDT 381,000 compared to the first quarter of FY22. But in the next October to December quarter, the profit jumped by a staggering 88% to BDT 542,000 year-on-year.

<https://www.tbsnews.net/economy/stocks/biscuit-maker-bangas-thrives-amid-inflation-581586>

PDL | BSEC smells revenue manipulation at Pacific Denims

- The Bangladesh Securities and Exchange Commission (BSEC) has smelled revenue manipulation at Pacific Denims Ltd as the market regulator suspects that the apparel manufacturer has been showing inflated sales for years. According to BSEC officials, the company failed to generate its expected profit based on its revenue. Besides, investors have not received expected dividends and returns from the company since its listing on the stock market. The commission also sought relevant documents from the company for review.

<https://www.tbsnews.net/economy/stocks/bsec-smells-revenue-manipulation-pacific-denims-581562>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 77.24	USD 2.03	2.70%
Crude Oil (Brent)*	USD 83.71	USD 5.93	7.62%
Gold Spot*	USD 1,874.97	USD 100.82	5.68%
DSEX	6,285.40	78.40	1.26%
S&P 500	4,164.00	324.50	8.45%
FTSE 100	7,864.71	412.97	5.54%
BSE SENSEX	60,286.04	-554.70	-0.91%
KSE-100	41,522.76	1,102.31	2.73%
CSEALL	9,100.14	597.65	7.03%

Exchange Rates**1 US Dollar = 106.93 BDT****1 GBP = 128.87 BDT****1 Euro = 115.63 BDT****1 INR = 1.30 BDT**

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

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
----------------------	-------------------------	--	---------------