

*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:****PM approves BDT 7640 Bn proposed budget for FY24**

- The proposed budget for the fiscal 2023-24, amounting to BDT 7640 Bn, has received the nod from Prime Minister Sheikh Hasina. During the presentation of the budget allocation estimates at Ganabhaban on Wednesday evening, the prime minister advised taking appropriate steps to ensure stability in the overall economy of the country.
- She emphasised the importance of allocating necessary funds to continue ongoing development activities and adopting a strong fiscal policy to keep the prices of goods at a bearable level. Officials present at the meeting stated that the prime minister also directed to continue austerity in public expenditure, control inflation, and ensure macroeconomic stability by overcoming the existing instability in the external sector.

<https://www.tbsnews.net/economy/budget/pm-approves-tk764-lakh-crore-proposed-budget-fy24-629658>

**G7 nations should end support for LNG to meet fossil fuel phase-out target: CPD**

- The member countries of the Group of Seven (G7) should end all direct and indirect support for liquefied natural gas (LNG) fuel and infrastructure within their own territories and overseas, including developing countries like Bangladesh, in order to meet the fossil fuel phase-out target by 2030, the Centre for Policy Dialogue (CPD), a think tank, said on Wednesday. "Promoting liquefied natural gas as a transitional fuel will further disrupt the process of fossil fuel phase-out by the targeted time because LNG itself is a carbon-based fuel," the think tank noted at a dialogue at a hotel in Dhaka.
- G7 is an intergovernmental political forum comprising Germany, Italy, Japan, Canada, France, the UK and the US. The group members had committed to abandoning coal by 2030 and to ending new direct public support for the international unabated fossil fuel energy sector.

<https://www.tbsnews.net/economy/g7-nations-should-end-support-lng-meet-fossil-fuel-phase-out-target-cpd-629530>

**Current account deficit narrows further, reserves inch up to USD 30 Bn**

- Bangladesh's current account balance – which comprises primary and secondary income through trade, services, and remittances – kept narrowing slowly in the first nine months of the current fiscal year thanks to a fall in imports, providing the Bangladesh Bank with breathing space in managing the external position. The current account deficit slightly narrowed in March to stand at USD 3.6 Bn in the July-March period of FY23, down from USD 3.74 Bn in July-February, according to the Bangladesh Bank's data.
- Furthermore, Bangladesh's foreign exchange reserves increased to USD 30.36 Bn on Wednesday, up from USD 29.78 Bn just a day earlier. This rebuilding of reserves was made possible as the country received USD 507 Mn in budget support from the World Bank, as per Bangladesh Bank Spokesperson Mezbaur Haque.

<https://www.tbsnews.net/economy/current-account-deficit-narrows-further-reserves-inch-30b-629694>

**Foreign banks' forex income soars**

- The earnings of foreign banks operating in Bangladesh rocketed in 2022 buoyed by their incomes from the dealings of international currencies. The income from foreign exchange dealings, particularly sales, surged 151% year-on-year to BDT 19.21 Bn for the nine multinational banks that have a presence in the country. The income was fuelled by the depreciation of the taka against the US dollar that affected import costs but benefitted exporters.
- The taka has been under pressure for nearly a year after the Russia-Ukraine war-induced fallout sent the prices of commodities higher. As a result, import-dependent nations such as Bangladesh were forced to pay more to clear import bills. The foreign banks' profit and loss reports were dominated by investment income and income from commissions and charges while interest income grew marginally.

<https://www.thedailystar.net/business/economy/news/foreign-banks-forex-income-soars-3316691>

**Bangladesh cuts import reliance for lifesaving vaccines**

- Bangladesh has cut its reliance on the global markets for lifesaving vaccines as a number of local manufacturers are producing quality jabs, saving a significant volume of foreign currencies, industry people say. Currently, Bangladesh is almost self-sufficient in manufacturing regular and specialised vaccines thanks to the efforts of local manufacturers. Three local pharmaceutical companies -- Incepta Pharmaceuticals, Popular Pharmaceuticals and Globe Biotech -- are involved in the manufacturing of more than 14 types of vaccines, including those for antivenom, Hepatitis B, inactivated influenza, rabies, tetanus and typhoid.
- SM Shafiuzzaman, secretary-general of the Bangladesh Association of Pharmaceutical Industries (Bapi), says the dependency on the overseas markets for vaccines has reduced in the last one decade as local manufacturers produce quality products.

<https://www.thedailystar.net/business/economy/news/bangladesh-cuts-import-reliance-lifesaving-vaccines-3315731>

**BDT 2.63 Tn ADP for FY'24 awaits NEC approval**

- The National Economic Council (NEC) of Bangladesh is likely to approve the Annual Development Programme of BDT 2.63 trillion for the new fiscal year, FY2023-24. Under the new plan, at least 20% of the funds will go into ten mega projects, including the Rooppur Nuclear Power Plant, mostly bankrolled by Russia. An amount of BDT 528.95 Bn will be allocated to 10 mega-projects in the 2023-24 fiscal year which is 32% higher than in the current revised outlay. The ten mega-projects include an extension of the MRT line-6, the first metro rail in the country, to Motijheel, the Bangabandhu Sheikh Mujibur Rahman Karnaphuli Tunnel, rail track construction from Dohazari to Cox's Bazar, and the Padma Rail Link Project.

<https://thefinancialexpress.com.bd/economy/bangladesh/tk-263-trillion-adp-for-fy24-awaits-nec-approval>

**Action plan for SMEs needed to face LDC graduation challenges: Experts**

- The small and medium-sized enterprises (SMEs) in the country need specific action plans to meet the challenge of Bangladesh's transition from a least developed country (LDC) to the developing country status, said experts at a seminar in Dhaka. Abu Hena Reza Hasan, professor of the Department of International Relations at Dhaka University, emphasised the need for specific action plans to address the challenges facing Bangladesh's SME sector in light of the country's transition from an LDC to a developing country. He pointed out that the lack of skilled manpower, managers, and technology is a major hurdle that needs to be addressed. To tackle this issue, he recommended that the government invest in producing skilled human resources for the manufacturing and service sectors.

<https://www.tbsnews.net/economy/action-plan-smes-needed-face-ldc-graduation-challenges-experts-629646>

**Tax rebate on investment in secondary stock may go**

- The government is contemplating removing tax rebates on investments made in the secondary stock market, while at the same time enhancing benefits for savers in banks – a measure that could increase government revenues but may have the unintended consequence of diverting funds from the capital markets to the banking system. At present, taxpayers are eligible for a 15% rebate on their investments up to a maximum of 20% of their taxable income in the stock market, deposit pension schemes (DPS), life insurance, etc.
- Finance ministry officials have indicated that the government is planning to propose the withdrawal of rebates on investments in the secondary market in the budget for the upcoming fiscal 2023-24. The tax benefits would be limited only to investments made in initial public offerings (IPOs).

<https://www.tbsnews.net/economy/tax-rebate-investment-secondary-stock-may-go-629718>

**Short-term foreign loans to private sector fall USD 2.34 Bn in 3 months**

- Bangladesh's private sector has been compelled to pay off its short-term foreign loans despite the high cost of the US dollar compared to the taka, mainly to avoid additional payments arising from interest rate hikes and geopolitical tension. In the March quarter, the private sector's short-term foreign debt decreased by USD 2.34 Bn compared to that of December of the previous year, thanks to a continuous increase in the Secured Overnight Financing Rate (SOFR) that serves as the international base interest rate.
- The data from the Bangladesh Bank reveals that the outstanding amount of short-term foreign debt in the private sector stood at USD 16.42 Bn in December, but within just three months, it decreased to USD 14.08 Bn. "Foreign debt has become expensive due to the rise in the international base interest rate, so borrowers are in a rush to repay their loans. Even many are repaying short-term foreign debts before maturity," explained Bangladesh Bank Spokesperson Md Mezbaul Haque.

<https://www.tbsnews.net/economy/short-term-foreign-loans-private-sector-fall-234b-3-months-629682>

**Stocks:****JAMUNABANK | Jamuna Bank posts 3% profit growth in Jan- Mar**

- Jamuna Bank Limited posted a 3% year-on-year profit growth in the January to March quarter of 2023 owing to an increase in net interest income as well as investment income. The private sector lender made a consolidated net profit of BDT 1.3336 Bn for the first three months of this year, which was BDT 1.2887 Bn in the same period of the previous year. From January to March quarter, its consolidated earnings per share was BDT 1.78, which was BDT 1.72 one year ago. The bank recommended a 17.50% cash and 8.50% stock dividend for its shareholders for the year ended 2022.

<https://www.tbsnews.net/economy/stocks/jamuna-bank-posts-3-profit-growth-jan-mar-629302>

**CITYBANK | City Bank makes BDT 880 Mn profit in Jan-Mar**

- The City Bank Ltd made a BDT 880 Mn profit in the first quarter of the current financial year. The private commercial bank reported a similar profit in the January-March quarter of 2022 as well. Thus, the consolidated earnings per share were BDT 0.74 in January-March of 2023, unchanged from the same three-month period of 2022, according to the unaudited financial statements. Higher cash outflows for loan disbursements than cash inflows for acquiring deposits and borrowings resulted in the change in the NOCFPS, said City Bank in a filing on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/banks/news/city-bank-makes-tk-88cr-profit-jan-mar-3316661>

**MTB | MTB wins Global Good Governance Awards**

- Mutual Trust Bank (MTB) Limited recently won the Global Good Governance (3G) Awards for its excellence in sustainability reporting. This recognition highlights the bank's commitment to transparent reporting and responsible business practices, solidifying its position as a leading organisation promoting sustainability and social responsibility, said a press release. The Global Good Governance Awards is an international recognition of organisations demonstrating excellence in governance, social responsibility and sustainability.

<https://www.thedailystar.net/business/economy/banks/news/mtb-wins-global-good-governance-awards-3316596>

**EBL | Eastern Bank's profit declined 10% in Jan-Mar**

- Eastern Bank Ltd (RBL) posted a 10% year-on-year profit decline in the January to March quarter of 2023. The private sector lender made a consolidated net profit of BDT 1.0731 Bn for the first three months of this year, which was BDT 1.1911 Bn in the same period of the previous year. From January to March quarter, its consolidated earnings per share was BDT 1, which was BDT 1.11 one year ago. The bank recommended a 12.50% cash and 12.50% stock dividend for its shareholders for the year ended 2022.

<https://www.tbsnews.net/economy/stocks/eastern-banks-profit-declined-10-jan-mar-629234>

**EXIMBANK | Exim Bank's profit declines 44% in Jan-Mar**

- Exim Bank Ltd posted a 44% year-on-year profit decline in the January to March quarter of 2023 due to an increase in provision for investments and other assets. The private sector lender made a consolidated net profit of BDT 202.7 Mn for the first three months of this year, which was BDT 361.9 Mn in the same period of the previous year. From January to March quarter, its consolidated earnings per share was BDT 0.14, which was BDT 0.25 one year ago. The bank recommended a 10% cash dividend for its shareholders for the year ended 2022.

<https://www.tbsnews.net/economy/stocks/exim-banks-profit-declines-44-jan-mar-629314>

**CONFIDCEM | Confidence Cement's profit drops 29%**

- Confidence Cement Limited, a concern of the Chottagram-based Confidence Group, reported a 29.59% year-on-year profit decline for the January to March quarter of the current fiscal year owing to foreign exchange loss, an increase in bank interest and charges. From January to March quarter, the consolidated net profit of the company stood at BDT 143.6 Mn, which was BDT 203.9 Mn in the same period of the previous year. From January to March quarter, its consolidated earnings per share was BDT 1.84, which was BDT 2.61 one year ago.

<https://www.tbsnews.net/economy/stocks/confidence-cements-profit-drops-29-629254>

**ENVOYTEX | Envoy Textiles sees lower revenue, profit in Jan-Mar**

- Envoy Textiles Ltd, a publicly listed textile company, has witnessed a decline in its revenue and profit in the January to March quarter of the current fiscal year, compared to the same quarter of the previous fiscal. In the first three months of 2023, the company's revenue fell 24% to BDT 2.5783 Bn, compared to the same period of the previous year. Its net profit during the quarter fell by 29% to BDT 125.3 Mn year-on-year. According to the company's disclosure on the Dhaka Stock Exchange (DSE) website on Wednesday, its net profit dropped mainly because of a decrease in export orders, and currency fluctuation.

<https://www.tbsnews.net/economy/stocks/envoy-textiles-sees-lower-revenue-profit-jan-mar-629282>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 72.92	(USD 2.29)	-3.04%
Crude Oil (Brent)*	USD 76.74	(USD 1.04)	-1.34%
Gold Spot*	USD 2,035.22	USD 261.07	14.72%
DSEX	6,279.11	72.11	1.16%
S&P 500	4,137.64	298.14	7.77%
FTSE 100	7,741.33	289.59	3.89%
BSE SENSEX	61,940.20	1,099.46	1.81%
KSE-100	41,074.95	654.50	1.62%
CSEALL	8,914.74	412.25	4.85%

**Exchange Rates****1 US Dollar = 107.30 BDT****1 GBP = 135.59 BDT****1 Euro = 117.86 BDT****1 INR = 1.31 BDT**

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