

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:**Tax revenue from DSE rises by 6.91% in Jan**

- The government's tax revenue earnings from the Dhaka Stock Exchange increased by 6.91% or BDT 11.9 Mn in January, compared with that of December of the current financial year, as turnover rose significantly following partial withdrawal of floor price.
- In January of the current financial year, tax revenue from the DSE was BDT 172.2 Mn against BDT 160.3 Mn in December, according to DSE data. The government earned BDT 117.8 Mn tax revenue from member of stock exchange or trading right entitlement certificate holders' commission in January against BDT 71.7 Mn in December.

<https://www.newagebd.net/article/194095/tax-revenue-from-dse-rises-by-691pc-in-jan>

Bangladesh-Türkiye Business Forum turns as Trust

- The Bangladesh-Türkiye Business Forum (BTBF), established in June 2022, has been formalised as a Trust after functioning for six months with an aim to protect and promote Turkish and Bangladeshi commercial interests through a trade and investment-focused approach and activities.
- A release said that led by Rubana Huq of Mohammadi Group and Salauddin Kashem Khan of AK Khan Group of Companies, the BTBF is now comprised of 12 Bangladeshi conglomerates and four Turkish companies.

<https://www.tbsnews.net/economy/bangladesh-turkiye-business-forum-turns-trust-583706>

One in every ten garments exported to the US goes from Bangladesh

- Bangladesh's clothing exports to the US grew by 36.4% to USD 9.75 Bn year-on-year in 2022, according to the latest data from the US Office of Textiles and Apparel (Otexa). The Otexa data showed that Bangladesh's current share in the US market is about 9.8% (of the nearly USD 100 Bn worth of clothing the US imported globally), meaning one in every ten garments exported to America from around the world originated from Bangladesh.
- Bangladesh's apparel exports to the United States have been growing steadily, despite not having duty benefits from the world's largest market, as its market share stood at 8.2% in 2020 and 8.8% in 2021. Exporters attributed the country's strong performance in the US apparel market largely to its ability to quickly adapt to changing consumer trends and demands.

<https://www.tbsnews.net/economy/rmg/one-every-ten-garments-exported-us-goes-bangladesh-583042>

400,000 jute farmers to get seeds for free

- The government is going to provide BDT 81 Mn worth of incentives to farmers in a bid to increase jute cultivation and production across the country. Under the initiative, the agriculture ministry will give jute seeds for free to 400,000 small, marginal and medium farmers, it said in a press release issued yesterday.
- Farmers will get 1 kilogramme of jute seed for cultivation on each bigha of land, as per the statement. The distribution of jute seed will begin at the field level soon, it added. Bangladesh produces roughly 8 Mn bales of raw jute annually with jute millers and spinners processing 80% of it to make sacks, bags, yarn and twine mainly for export.

<https://www.thedailystar.net/business/economy/news/four-lakh-jute-farmers-get-seeds-free-3243851>

Bangabandhu Shilpa Nagar: Private initiatives to develop skilled workforce

- A good deal of fresh technical institutions is in the pipeline to train and develop a highly-skilled workforce for Bangabandhu Sheikh Mujib Shilpa Nagar, the country's largest industrial city being built in Chattogram. Through government and private initiatives, these vocational schools will provide a wide range of industry-oriented training and diploma courses for a period ranging from four months to three years, according to people concerned.

<https://www.tbsnews.net/economy/bangabandhu-shilpa-nagar-private-initiatives-develop-skilled-workforce-583438>

Japan wants to invest another fertiliser factory in Bangladesh

- The Japan Bank for International Cooperation (JBIC) has expressed interest in setting up another fertiliser factory like Ghorashal Fertilizer Factory in Ashuganj, Bangladesh. The JBIC has also shown interest in financing in different sectors including sugar, automobile and electronics.
- The information came on Thursday while the meeting between Industries Minister Nurul Majid Mahmud Humayun and JBIC Governor Hayashi Nobumitsu at Industries Ministry in the city, reports BSS.

<https://thefinancialexpress.com.bd/economy/bangladesh/japan-wants-to-invest-another-fertiliser-factory-in-bangladesh-1675946650>

Rapid industrialisation means 300x land price rise in Habiganj

- Prices of land in the northeastern district of Habiganj, particularly at its Shaistaganj and Madhabpur upazilas, have increased a massive 300 times in the past decade thanks to rapid industrialisation facilitated by the development of the Dhaka-Sylhet highway, availability of gas, electricity and labour.
- Land prices started to spike sharply when local conglomerate Pran-RFL Group bought a piece of land at Olipur of Shaistaganj in 2010 to capitalise the improved road connectivity. The entry of Pran-RFL inspired other industrial groups to expand their footprints to the area, which ultimately led to the meteoric rise in land prices.

<https://www.tbsnews.net/economy/rapid-industrialisation-means-300x-land-price-rise-habiganj-583278>

BB injects USD 330 Mn into market since IMF loan

- The Bangladesh Bank has injected USD 330 Mn into the country's foreign exchange market since February 1 when the International Monetary Fund disbursed USD 476.27 Mn to Bangladesh as the first installment of a USD 4.7 Bn loan.
- The Washington-based lender approved the loan in January under the extended credit facility (ECF) and the extended fund facility (EFF) to help the country defuse the ongoing volatility in its foreign exchange market. Although the IMF has suggested Bangladesh reduce the frequent injection of US dollars into the market, the central bank has not followed the recommendation yet, said Ahsan H Mansur, executive director of the Policy Research Institute.

<https://www.thedailystar.net/business/economy/banks/news/bb-injects-330m-market-imf-loan-3243936>

Garments industry slowdown is key 2023 risk for Bangladesh

- This year's expected global slowdown could hit Bangladesh's key garment industry hard. We see the sector's exports growth falling by roughly 3% in 2023 as world demand for clothing slows. This will add pressure on already-dwindling foreign exchange reserves and weigh on GDP. The damage could also be worse if persistent power outages at the country's factories cause overseas buyers to shift orders elsewhere.

<https://www.tbsnews.net/economy/rmg/garments-industry-slowdown-key-2023-risk-bangladesh-583206>

Policy making on offshore investment faces dilemma

- A latest policy preparation facilitating Bangladeshis making offshore investment in foreign countries gets into a dilemma as some officials mentioned that an already-existing law on 'Capital Account Transaction' holds identical provisions.
- Sources said different state agencies, including finance ministry and Bangladesh Bank (BB), were not in favour of making the new policy on this issue. They believe that there is no need to prepare a separate policy on the matter under Bangladesh Investment Development Authority (BIDA) as there is a law styled 'Capital Account Transaction (Overseas Equity Investment) Rules 2022' in the country.

<https://thefinancialexpress.com.bd/economy/bangladesh/policy-making-on-offshore-investment-faces-dilemma-1676084391>

As production falls, businesses start to shed workforce

- As job cuts in global tech industries make headlines, a much more low profile workforce reduction has started at home, striking fear among the mass of low-skill workers in the country. Industries attribute the downsizing to plummeting imports and the resulting crisis in raw materials, thanks to the current dollar crisis.
- The greenback shortage-led belt-tightening in July last year has also reduced production by almost 50% over the past couple of months, according to entrepreneurs who were forced to lay off workers subsequently in the December-January period.

<https://www.tbsnews.net/bangladesh/production-falls-businesses-start-shed-workforce-582782>

Cotton import to go down

- A big appreciation of the US dollar against the local currency along with a perennial inadequacy of gas pressure in supply lines have started to have a detrimental impact as cotton import is projected to be lower this year. Even in June last year, each US dollar was sold at BDT 91. It has now climbed to BDT 110 because of a shortage of dollars in the markets.
- As a result, the import of many consumer goods has been affected as local importers have cut back on opening letters of credit (LCs). At the end of the current marketing year of cotton in September, Bangladesh was supposed to import 9 Mn bales of raw cotton, said Mohammad Ali Khokon, president of Bangladesh Textile Mills Association (BTMA). But the amount will be around 8 Mn bales, he told The Daily Star over the phone.

<https://www.thedailystar.net/business/economy/news/cotton-import-go-down-3243921>

USD 1.42 Bn export proceeds overdue amid cry for dollar

- While importers, businesses, industries, and workers look at a bleak future as raw materials imports and industrial production get cut due to the current dollar crisis, more than USD 1.42 Bn remains unrepatriated as of December last year despite the expiration of the stipulated 120-day time frame.
- There is an obligation to repatriate the money within a maximum of 120 days from the day after sending the export documents to the importer's bank concerned following shipments of goods. The Bangladesh Bank on 29 January issued a directive to the banks for repatriating the overdue proceeds as soon as possible, revealing the urgency of the situation and the importance of recovering the much-needed foreign currency to shore up the country's economy.

<https://www.tbsnews.net/economy/142b-export-proceeds-overdue-amid-cry-dollar-583722>

Foreign investment in govt bonds falters

- Bangladesh fails to attract foreign investment in treasury bonds as it has stagnated into a zero sum since 2019, according to official count, mainly for two principal financial factors besides the pandemic. A Bangladesh Bank (BB) publication, released Thursday, said there had been no non-resident investment in Bangladesh in the government treasury bonds since 2019. Both non-resident Bangladeshis and foreigners can invest in the government securities.

<https://thefinancialexpress.com.bd/stock/foreign-investment-in-govt-bonds-falters-1676168303>

Stocks:**BATBC | BAT Bangladesh profit keeps soaring, 2022 no exception**

- British American Tobacco (BAT) Bangladesh has been posting business growth for the past few years, and the last year that ended on 31 December 2022 was no exception, even amid several economic adversities. In 2022, the after-tax net profit of the market leader of tobacco surged 19.4% to BDT 17.87 Bn, from BDT 14.97 Bn in the previous year. In 2021, the profit growth was 37% year-on-year.
- As per analysts, the nature of tobacco products is what mainly helped the company's business soar, as factors like high inflation, higher business costs, and a depreciating currency could not change the buying habits of the inelastic product's consumers. According to its latest quarterly financials, the company's gross revenue increased by 8.7% year-on-year in the January to September period of 2022, and stood at BDT 265.72 Bn.

<https://www.tbsnews.net/economy/stocks/bat-bangladesh-profit-keeps-soaring-2022-no-exception-582426>

ACI | ACI ships first batch of pharma to US subsidiary

- Bangladeshi conglomerate ACI has completed exporting its first ever shipment of pharmaceutical products to its subsidiary, ACI Healthcare USA, located in the USA. The products were sent from ACI Healthcare Ltd's facility situated in Narayanganj's Sonargaon, the company said in a statement today.

<https://www.thedailystar.net/business/economy/news/aci-ships-first-batch-pharma-us-subsiary-3245316>

RUNNERAUTO | Runner launches 'Made in Bangladesh' three-wheeler

- Runner Automobiles today launched the country's first "Made in Bangladesh" three-wheeler autorickshaw for the local and foreign markets. At least 70% of the vehicle except for some components of the engine have been made locally through technical collaborations with Indian automaker Bajaj Auto, said Hafizur Rahman Khan, chairman of Runner Group. Some 300 local and 400 foreign workers have already been employed for the 10-acre Runner factory established at a cost of about BDT 3 Bn, Khan said.

<https://www.thedailystar.net/business/news/runner-launches-made-bangladesh-three-wheeler-3245156>

APEXFOOT | Half-yearly performance boosts Apex Footwear's market cap by 9.44%

- The market cap of Apex Footwear surged by 9.44% to BDT 3.94 Bn last week after it declared a 42% growth in both revenue and profit during the first half of FY2023. According to analysts, Apex Footwear performed well in both local and export markets despite the ongoing inflationary pressure. "The key management of the company took several initiatives to tame the inflation pressure which was able to attract more investors. As a result, investors ended up earning the highest return from their shares."

<https://www.tbsnews.net/economy/stocks/half-yearly-performance-boosts-apex-footwears-market-cap-944-583414>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 79.72	USD 4.51	6.00%
Crude Oil (Brent)*	USD 86.39	USD 8.61	11.07%
Gold Spot*	USD 1,865.57	USD 91.42	5.15%
DSEX	6,283.31	76.31	1.23%
S&P 500	4,090.46	250.96	6.54%
FTSE 100	7,882.45	430.71	5.78%
BSE SENSEX	60,682.70	-158.04	-0.26%
KSE-100	41,741.78	1,321.33	3.27%
CSEALL	8,938.48	435.99	5.13%

Exchange Rates**1 US Dollar = 104.52 BDT****1 GBP = 126.08 BDT****1 Euro = 111.76 BDT****1 INR = 1.27 BDT**

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