

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:**BB working to scrap interest rate ceiling**

- The Bangladesh Bank has taken an initiative to scrap the 9% interest rate ceiling and introduce a market-based interest rate on loans. "We are working on the development of a market-based reference rate. On top of that, we will be giving a corridor for the lending rates," said Bangladesh Bank Governor Abdur Rouf Talukder.
- Contacted, a BB official explained the governor's comment, saying that the central bank might initially set a reference rate on loans based on the demand for credit from borrowers. "We will then set a range of a particular corridor of interest rates on the reference rate that will be applicable to borrowers," he said.

<https://www.thedailystar.net/business/economy/news/bb-working-scrap-interest-rate-ceiling-3269671>

FMCG companies bullish about further growth

- Local and international fast-moving consumer goods (FMCG) companies are bullish about growth opportunities in Bangladesh's consumer goods market on the back of a middle-class set to surge in size. The number of people belonging to the middle and affluent class is projected to increase from 12 Mn, or 7% of the population, now to 34 Mn by 2025, according to a paper of the Federation of Bangladesh Chambers of Commerce and Industry (FCCI).
- "Bangladesh is ready for big brands. And people of this country know luxury brands. It is one of the fastest-growing consumer markets in Asia," said Syed Nasim Manzur, managing director of Apex Footwear Limited. "People are ready to spend and they are making better choices in how they spend."

<https://www.thedailystar.net/business/economy/news/fmccg-companies-bullish-about-further-growth-3269686>

Momen stresses FTA with Nepal to boost trade cooperation

- Foreign Minister Dr AK Abdul Momen on Sunday underscored the need for signing a free trade agreement (FTA) with Nepal to boost bilateral trade between the two countries. Meanwhile, the two countries have progressed a lot in energy cooperation, he said.
- "Nepal and Bangladesh are graduating from the status of LDC (least developed country) in 2026 and thus, both countries have enormous opportunities to work together for a smooth LDC graduation. Energy, tourism, education and migration sectors and connectivity between the two countries have many untapped potentials for mutual cooperation," added Momen at the seminar celebrating the golden jubilee of the Bangladesh-Nepal bilateral ties.

<https://www.tbsnews.net/economy/momen-stresses-fta-nepal-boost-trade-cooperation-598594>

Missed the Boat in Vietnam? Go to Bangladesh, says top official of KOTRA

- Companies that missed investment opportunities in Vietnam and are looking to relocate factories from China should consider investing in Bangladesh, which is currently welcoming USD 100 Bn in investments and offering numerous benefits to become a trillion-dollar economy and a developed nation, said Jong Won Kim, the Director General of the Green Growth Department at the Korea Trade-Investment Promotion Agency.

<https://www.tbsnews.net/economy/missed-boat-vietnam-go-bangladesh-says-top-official-kotra-598250>

Bangladesh has huge potential in agro-processing

- Bangladesh offers huge opportunity for agribusiness and agro-processing thanks to the farmers' hard work, which has enabled the country to secure top positions in the global ranks for producing a number of items, namely fish, rice, potato and mango, industry operators and analysts said yesterday. The nation currently bags around 70 Mn tonnes of agricultural products, a majority of which are rice and potato while fruits, vegetables and spices make up about 17%.
- Local firms process a portion of the produce for export and the domestic market, which is expected to expand in coming years owing to the rising income of the growing middle-class and urbanisation. "The potential for agribusiness is tremendous," said Ahsan Khan Chowdhury, chairman and CEO of Pran-RFL Group, the country's largest agro-processor, at the Bangladesh Business Summit.

<https://www.thedailystar.net/business/economy/news/bangladesh-has-huge-potential-agro-processing-3269546>

Japanese entrepreneurs keen to invest more in Bangladesh

- Japanese entrepreneurs are willing to invest more in Bangladesh to take advantage of available manpower and market access facilities, as well as explore the potential of the local market, according to business leaders, envoys, and policymakers from Japan.
- "About 70% of Japanese companies in Bangladesh have expressed their willingness to expand their investment in one to two units," said Yasutoshi Nishimura, minister of economy, trade, and industry of Japan, in a video message at a parallel session styled "Japan-Bangladesh Trade and Investment: Opportunities and Way Forward" at the Bangladesh Business Summit 2023 on Sunday.

<https://www.tbsnews.net/economy/japanese-entrepreneurs-keen-invest-more-bangladesh-598590>

ECNEC approves eight projects with BDT 121.67 Bn

- The Executive Committee of the National Economic Council (ECNEC) has approved a BDT 43.23 Bn Resilient Infrastructure for Adaptation and Vulnerability Reduction Project (RIVER) in a bid to reduce flood risks of the sudden flood-prone communities and people living along the river banks.
- The approval came from a meeting of the ECNEC, with its Chairperson and Prime Minister Sheikh Hasina in the chair, held at the NEC Conference Room at Sher-e-Bangla Nagar area in Dhaka on Sunday. Briefing reporters after the meeting, State Minister for Planning Dr Shamsul Alam informed that the day's meeting approved a total of eight projects with an overall estimated cost of BDT 121.67 Bn, reports BSS.

<https://thefinancialexpress.com.bd/economy/bangladesh/ecnec-approves-eight-projects-with-tk-12167-billion>

Management of banks should be allowed to act independently

- In an ideal scenario, ensuring the independence of a bank's management from the influence of its board helps smooth execution of decisions in tune with the board's policies, said Bangladesh Bank Governor Abdur Rouf Talukder recently.
- Both the boards of directors alongside the chief executive officers play a very significant role in the banks' overall performance, he said. Talukder was addressing a "Twenty-first Nurul Matin Memorial Lecture on Ethics in Banking" at the Bangladesh Institute of Bank Management on Saturday.

<https://www.thedailystar.net/business/economy/banks/news/management-banks-should-be-allowed-act-independently-3269666>

Reduce corporate tax rate: AMTOB to NBR

- The Association of Mobile Telecom Operators of Bangladesh (AMTOB), the national trade organisation representing all mobile telecom operators in Bangladesh, has proposed to reduce the corporate tax rate on mobile phone operator companies in the FY2023-2024 budget.
- "We propose to remove or reduce the minimum tax. Mobile operators are required to pay a minimum tax of 2% of their annual gross revenue which is in conflict with the Income Tax Act. Paying minimum tax despite loss in business means paying tax out of capital which is a hindrance to business expansion," AMTOB Secretary General said.
- AMTOB also proposed to withdraw the minimum turnover tax and abolish the tax of BDT 200 imposed on SIM cards. "There is no alternative to removing or reducing the minimum tax in favor of sustaining the industry and building the Digital Bangladesh as announced by the government," he added.

<https://www.tbsnews.net/bangladesh/telecom/reduce-corporate-tax-rate-amtob-nbr-598226>

Boost logistics for business competitiveness, exports: Economists

- Bangladesh needs to strengthen its frail logistic sector through immense public-private investments to increase trade facilitation, business competitiveness and export earnings, said eminent economists and trade leaders.
- Goods transportation by truck in Bangladesh costs four times higher than in India. If gridlocks can be eliminated, the transportation cost will come down by 35.5% and logistics costs by 35%, which will increase the business competitiveness, said Masrur Reaz, chairman of the Policy Exchange of Bangladesh.
- "The average speed of cargo trucks on the Dhaka-Chattogram route is 19 km/h. If this speed can be raised to 40 km/h, the country's export earnings will shoot up by about 8%," Masrur said. World Bank Country Director to Bangladesh Abdoulaye Seck said exports will increase by 20% if the logistics cost can be reduced by 25%.

<https://www.tbsnews.net/economy/boost-logistics-business-competitiveness-exports-economists-598574>

Govt to form authority on public procurement

- The government has prepared a draft law for ensuring transparency and accountability in public sector purchases while also improving efficiency in the sector. As per the draft law, which will soon be placed at a cabinet meeting, the Bangladesh Public Procurement Authority (BPPA) will be formed to regulate public purchases. A top official of the planning ministry confirmed last week that the draft law has already been sent to the Cabinet Division.
- Earlier, the World Bank called for full implementation of the e-Government Procurement (e-GP) system, which would bring down the average procurement lead time (from invitation to contract signing) to 50 days from 70 days at present. But for that to happen, the Bangladesh Public Procurement Authority Act must be enacted, the global lender said in its conditions for upcoming budgetary support.

<https://www.thedailystar.net/business/economy/news/govt-form-authority-public-procurement-3269681>

Govt takes action plan to disseminate jute goods globally

- The government has started formulation and implementation of diversified action plans to disseminate the jute goods across the world, said textile and jute minister Golam Dastagir Gazi on Sunday marking National Jute Day. 'The Ministry of Textiles and Jute has already started formulation and implementation of diversified action plan to disseminate jute goods worldwide', he said.

<https://www.newagebd.net/article/196650/govt-takes-action-plan-to-disseminate-jute-goods-globally>

Inflation increased to 8.78% in February

- The general point-to-point inflation rate increased slightly to 8.78% in February mainly because of the slight rise in food inflation, according to the monthly Consumer Price Index (CPI) of the Bangladesh Bureau of Statistics (BBS). The inflation rate was 8.57% in January and 8.71% in December, reports BSS.
- In February, the point-to-point food inflation increased to 8.13%, which was 7.76% in the previous month. The point-to-point non-food inflation declined slightly to 9.82% in February down from 9.84% in January.

<https://thefinancialexpress.com.bd/economy/bangladesh/inflation-increased-to-878pc-in-february>

Stocks:**EXCHANGE | DSE's aim to sell Shariah index data fails investors**

- Investors and stakeholders have no free access to the DSE Shariah index (DSES) as the Dhaka bourse has been managing it for the purpose of business. Market operators pay the Dhaka Stock Exchange for information about the companies listed on the DSES to help their clients with Shariah-compliant investment decisions. On the other hand, the Chittagong Stock Exchange (CSE) has kept its Shariah index accessible to all for free.
- "We have not made the information public as part of our plan to sell data. In fact, all information are not available free of cost on the stock exchanges of other countries," said Mohammad Asadur Rahman, company secretary of the DSE. So, investors, who would look out for Shariah-compliant companies, would have to go to the market operators that have purchased access to the data.

<https://thefinancialexpress.com.bd/stock/bangladesh/dses-aim-to-sell-shariah-index-data-fails-investors>

LINDEBD | Linde Bangladesh wants to demerge hard goods business

- Linde Bangladesh Ltd, a medical and industrial gas producer in the country, has decided to restructure and reorganise its gas and hard goods business. Besides, the company will demerge its hard goods business such as welding products and equipment to a wholly owned subsidiary subject to the High Court approval, said company officials at a board meeting on Sunday (12 March).
- The company said in its price sensitive statement, after getting approval from the High Court, the hard goods business will be hived down to a wholly owned subsidiary and will bring much needed diversity in the product range. Linde earned over 60% annually from its hard goods business, the rest came from gas selling.

<https://www.tbsnews.net/economy/stocks/linde-bangladesh-demerge-hard-goods-business-598494>

MONOSPOOL | Monospool Paper to amalgamate with Pearl Paper

- The Board of Directors of Transferee company Monospool Paper Manufacturing has decided to merge their operations with the Transferor company Peral Paper & Board Mills Limited, which is now subject to the approval of the high court and other regulatory authorities. In a disclosure on the Dhaka Stock Exchange (DSE) website on Sunday, the company said, both entities will survive under Bangladesh Monospool Paper Manufacturing Company after the amalgamation.

<https://www.tbsnews.net/economy/stocks/monospool-paper-amalgamate-pearl-paper-598238>

GENEXIL | Genex Infosys director to transfer 2.8 Mn shares

- Chowdhury Fazle Imam, one of the directors of Genex Infosys Limited, has expressed his intention to transfer 2,800,000 shares to his brother Chowdhury Fazle Alam, a general shareholder of the company. According to a disclosure published on the Dhaka Stock Exchange (DSE), Chowdhury Fazle Imam will transfer his shares as a gift outside of the trading systems of the stock exchange within 30 working days. At present, Chowdhury Fazle Imam holds 11,984,704 shares of Genex Infosys Limited.

<https://www.tbsnews.net/economy/stocks/genex-infosys-director-transfer-28-lakh-shares-598298>

KTL | Auditor appointed to probe why Kattali Textile is failing to use IPO fund

- The Bangladesh Securities and Exchange Commission (BSEC) has decided to appoint Islam Jahid & Co Chartered Accountants as a special auditor at Kattali Textile Mills Ltd to find out why the company is failing to utilise its initial public offering (IPO) fund. The auditor will review the company's IPO proceeds and financial statements for the last three fiscal years. But the BSEC is yet to issue any letter to Kattali Textile about this.
- Back in 2018, Kattali Textile raised BDT 340 Mn through an IPO to purchase capital machinery, repay bank loans, install an electric transformer, and bear IPO expenses. The company was supposed to use the fund within October 2020. But as of January 2023, the firm has only been able to use 49.5% or BDT 168.4 Mn of its IPO fund.

<https://www.tbsnews.net/economy/stocks/auditor-appointed-probe-why-kattali-textile-failing-use-ipo-fund-598578>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 76.64	USD 1.43	1.90%
Crude Oil (Brent)*	USD 82.67	USD 4.89	6.29%
Gold Spot*	USD 1,874.65	USD 100.50	5.66%
DSEX	6,234.99	27.99	0.45%
S&P 500	3,861.59	22.09	0.58%
FTSE 100	7,748.35	296.61	3.98%
BSE SENSEX	59,135.13	-1,705.61	-2.80%
KSE-100	41,793.87	1,373.42	3.40%
CSEALL	9,606.96	1,104.47	12.99%

Exchange Rates**1 US Dollar = 105.19 BDT****1 GBP = 126.86 BDT****1 Euro = 112.21 BDT****1 INR = 1.28 BDT**

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