

*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:****BBS to calculate inflation on new base year per IMF advice**

- Bangladesh Bureau of Statistics (BBS) is making radical changes in the inflation calculation considering the present financial situation and the IMF suggestions. The inflation will be calculated for the base year 2021-22 instead of the existing base year of 2005-06, which will be more accurate as lifestyle and consumer behaviours made a big change in the present time, the BBS sources said.
- According to the BBS, in the new base year, the changes in consumption patterns of people during the last one and a half decade have been prioritized. For example, in the base year 2005-06, inflation was calculated using only 426 goods and services. About 300 more products and services are increasing in the new base year. There will be a total of 722 products and services as new, which will be calculated by taking 100 points and the contribution of these products to inflation, reports UNB.

<https://thefinancialexpress.com.bd/economy/bbs-to-calculate-inflation-on-new-base-year-per-imf-advice-1676381142>

**India agrees to sit over relaxing LoC terms at last**

- In the face of strong demands from Bangladesh, India has agreed to negotiate and modify the terms of Indian loans for the first time. One of the proposals was to waive the obligation to purchase 75% of goods from India - an issue of prolonged contention from the Bangladesh side - under the Indian Line of Credit (LoC) scheme.
- Officials of the Economic Relations Divisions (ERD) said the decision was taken at a high-level meeting on the Indian LoC project on Tuesday in the presence of ERD Secretary Sharifa Khan, Additional Secretary of the Ministry of External Affairs of India Prabhat Kumar and High Commissioner Pranay Verma led the respective sides. ERD officials also proposed joint ventures between Indian and Bangladeshi contractors for projects under the loan scheme.

<https://www.tbsnews.net/economy/india-agrees-sit-over-relaxing-loc-terms-last-585266>

**State-run oil companies see higher profits**

- While most listed companies struggled to raise profits in the first half of 2022-23 owing to higher petroleum prices, listed state-run oil companies in Bangladesh saw a staggering double-digit growth in earnings. The higher profits came mainly from higher interest income from bank deposits and higher sales revenue as demand for fuel rose amidst power outages.

<https://www.thedailystar.net/business/economy/news/state-run-oil-companies-see-higher-profits-3248086>

**Are you next for tax audit? It's now the software's call**

- The National Board of Revenue (NBR) is developing specialised software, which according to officials will bring transparency to the tax audit process, check taxmen's discretionary power, detect tax evasion and eliminate audit fear among taxpayers.
- The software, called "Risk Management Engine" that can communicate with other government agencies for data collection, will select files for in-person audits after scanning returns submitted by taxpayers, individuals and companies alike.

<https://www.tbsnews.net/nbr/are-you-next-tax-audit-its-now-sofwares-call-585254>

**Explore new markets for RMG: PM**

- Prime minister Sheikh Hasina on Tuesday asked all concerned to explore new markets for Bangladeshi garments with invention of newer items keeping pace with its ever-changing trend. 'They, who are working with garments and their exports, will have to find new markets. Newer products will have to be produced keeping in mind that the choices vary with different countries,' she said.
- The premier was addressing as chief guest a function marking the National Textiles Day-2022 and inauguration of six textile educational institutes in six districts, joining from her official Ganabhaban residence here through a video conference.

<https://www.newagebd.net/article/194465/explore-new-markets-for-rmg-pm>

**Import LC opening dips 25% in July-January**

- Opening of letter of credit (LC) for imports has plummeted by around 25% in the first seven months of FY23, according to central bank data, amid the government's belt-tightening to save dollars and the Bangladesh Bank's scaled-up monitoring of import prices.
- LC opening in the July-January period of the current fiscal year was USD 39.46 Bn, down 24.79% or USD 13 Bn from the same period of FY22, according to the Bangladesh Bank data. However, LC settlement – known as import payments too – in July-January stood at USD 46.82 Bn, up 2.86% compared to FY22, due to global commodity price hikes. The country's forex reserve stood at around USD 44 Bn in April 2022. At the end of January 2023, the reserve fell to USD 32.22 Bn.

<https://www.tbsnews.net/economy/import-lc-opening-dips-25-july-january-585258>

**Govt's higher borrowing from BB stokes inflation risk**

- The government has kept borrowing from the Bangladesh Bank as commercial banks can't come up with much-needed funds owing to the liquidity crunch. But if the government consistently borrows from the central bank, it may fuel inflation, which has remained at an elevated level for the past one year.
- Between July 1 and February 9 this fiscal year, the government borrowed BDT 521.29 Bn from the central bank, according to BB data. It borrowed BDT 314.03 Bn in the entire fiscal year of 2021-22. "Borrowing from the central bank usually means an injection of new money into the market. This usually put an adverse impact on inflation," said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

<https://www.thedailystar.net/business/economy/news/govts-higher-borrowing-bb-stokes-inflation-risk-3248101>

**Stocks:****BDTHAIFOOD | BD Thai Food makes BDT 14.7 Mn profit in Q2**

- BD Thai Food & Beverage Ltd made a profit of BDT 14.7 Mn in the October-December period of the current financial year, up 13% year-on-year. The food manufacturer clocked a profit of BDT 13 Mn in the second quarter of 2021-22.
- Thus, the food and beverage maker reported its earnings per share (EPS) of BDT 0.18 for the second quarter of 2022-23. It was BDT 0.16 in the same three-month period of FY22, according to the company's unaudited financial statements. In the first half of FY23, it raked in BDT 38.3 Mn in profit, up from BDT 25.3 Mn in the July-December of FY22.

<https://www.thedailystar.net/business/economy/news/bd-thai-food-makes-tk-147cr-profit-q2-3248001>

**PREMIERCEM | Premier Cement posts BDT 1128.3 Mn loss**

- Premier Cement Mills PLC suffered a loss of BDT 1128.3 Mn in the financial year that ended on June 30, 2022. This was contrary to the BDT 651.7 Mn profit the cement manufacturer made in the previous financial year of 2020-21. Thus, the company reported consolidated negative earnings per share of BDT 10.70 for the last financial year. The EPS was a positive BDT 6.18 in FY21.
- The consolidated net asset value per share fell to BDT 67.13 from BDT 79.83 while the consolidated net operating cash flow per share slipped to BDT 5.26 from BDT 6.31 in FY21. The board of directors of Premier Cement Mills has recommended a 10% cash dividend for the year that ended on June 30.

<https://www.thedailystar.net/business/economy/news/premier-cement-posts-BDT-112cr-loss-3248056>

**MTB | Mutual Trust Bank closed a USD 55 Mn dual tranche syndicated financing facility**

- Mutual Trust Bank has closed a USD 55 Mn 1-year dual tranche syndicated financing facility arranged by Mashreq, a financial services provider in the Gulf Cooperative Council, Europe, USA, Asia and Africa. The loan has been extended to support the international trade finance of MTB, the facility, which was subscribed by seven lenders spread over GCC, Africa and Europe, said a press release.

<https://www.thedailystar.net/business/economy/news/mutual-trust-bank-closed-55m-dual-tranche-syndicated-financing-facility-3248021>

**CITYGENINS | City General Insurance's profit jumps 34% in 2022**

- City General Insurance has reported higher profit for the year that ended on December 31, 2022, on the back of higher premium earnings. The general insurer reported earnings per share of BDT 2.25 for the year 2022 which was BDT 1.68 a year earlier, an increase of 34% year-on-year.
- "The EPS has increased due to increase of the company's premium income significantly," said the company in a filing on the Dhaka Stock Exchange on Tuesday.

<https://thefinancialexpress.com.bd/stock/city-general-insurances-profit-jumps-34pc-in-2022-1676355161>

**World Stock and Commodities\***

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 78.75	USD 3.54	4.71%
Crude Oil (Brent)*	USD 85.31	USD 7.53	9.68%
Gold Spot*	USD 1,857.41	USD 83.26	4.69%
DSEX	6,256.17	49.17	0.79%
S&P 500	4,136.13	296.63	7.73%
FTSE 100	7,953.85	502.11	6.74%
BSE SENSEX	61,032.26	191.52	0.31%
KSE-100	41,150.16	729.71	1.81%
CSEALL	8,790.72	288.23	3.39%

**Exchange Rates****1 US Dollar = 106.91 BDT****1 GBP = 129.95 BDT****1 Euro = 114.69 BDT****1 INR = 1.29 BDT**

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