

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:**EVs to dominate future car market**

- Electric vehicles (EVs), including plug-in hybrids, will one day dominate the automobile market in Bangladesh as the demand for cars run on alternative fuel is slowly gaining ground, according to importers and distributors. Around 20 EVs of global automotive brands such as Tesla and Porsche have been registered with the Bangladesh Road Transport Authority (BRTA) since September 2022, when EV registration was first introduced.
- Market insiders say around 50 to 60% of all passenger car imports are now either plug-in hybrid or hybrid cars. The National Board of Revenue currently exacts 20% supplementary duty on EV imports while the customs duty is 72%. Against this backdrop, the BARVIDA president demanded the withdrawal of these taxes to reduce the price of EVs and thereby increase demand.

<https://www.thedailystar.net/business/economy/news/evs-dominate-future-car-market-3274786>

Daily transaction of MFS exceeds BDT 32 Bn: Bangladesh Bank

- The Average daily transaction of mobile financial service has crossed BDT 32 Bn and its volume shows a growing trend, said the latest report of Bangladesh Bank. Analysing the data of 13 MFS in the country the BB report said that MFS gets popular in Bangladesh due to convenient transaction opportunities and payment facilities.
- The BB has released the updated statistics of MFS with information on 13 service providers. It has been seen that in the first month of this year January, customers transacted BDT 1.05 Tn. This figure is the second-highest recorded transaction on mobile so far.

<https://www.newagebd.net/article/197159/daily-transaction-of-mfs-exceeds-BDT3200-crore-bangladesh-bank>

BGMEA to go all out for post-LDC duty benefit

- Apparel exporters will begin lobbying with major trading partners and blocs from next month to win their support for Bangladesh's efforts aimed at retaining duty benefits for six more years after the graduation of the nation from the group of least-developed countries.
- Bangladesh is expected to lose its duty-free market access following its graduation to a developing country in 2026. But the European Union and the UK have already announced a three-year transition period to help the country graduate smoothly amid challenges posed by the coronavirus pandemic.

<https://www.thedailystar.net/business/economy/news/bgmea-go-all-out-post-ldc-duty-benefit-3274791>

Watermelon enters export basket

- In a first for Bangladesh, a consignment of watermelon has been shipped to Malaysia through Chattogram port by Sattar International, a vegetable exporter based in the port city. The consignment of more than 13 tonnes of watermelon and 5 tonnes of tomato had reached a private inland container depot last week.
- The goods were then packed into a 40-feet refrigerated container after customs and quarantine tests. Abdul Kaiyum, proprietor of Sattar International, said the value of the 5 tonnes of tomato alone is worth USD 3,000.

<https://www.thedailystar.net/business/economy/news/watermelon-enters-export-basket-3274776>

ADB, IFC offer to invest USD 10 Bn in bonds to tap blue economy

- The Asian Development Bank (ADB) and the International Finance Corporation (IFC) have expressed interest in investing at least USD 10 Bn through bonds over the next 10 years in Bangladesh to tap into the vast resources of the Bay of Bengal. Besides, the two international organisations will also invest in developing various city corporations and municipalities, the Bangladesh Securities and Exchange Commission (BSEC) said in a recent report sent to the Parliamentary Standing Committee on Planning Ministry.
- In addition to Bay of Bengal-based financing, the two companies may also invest the money on various projects in the service sector through promising private sector bonds, which the commission believes will help Bangladesh's economic development and stabilise foreign exchange reserves.

<https://www.tbsnews.net/economy/adb-ifc-offer-invest-10b-bonds-tap-blue-economy-600850>

Price of MS rod crosses BDT 100,000

- Bangladesh's construction sector is facing challenges due to frequent hikes in the price of mild steel (MS) rod and other major construction materials while slow development activities have put many workers out of job, according to industry people. The price of MS rod crossed BDT 100,000 per tonne on Tuesday as production costs have risen due to increasing fuel and energy prices amid the ongoing US dollar crisis.
- However, the Trading Corporation of Bangladesh has been listing the price of 60-grade MS rod at BDT 92,500 per tonne since Monday, down from BDT 95,500 previously. "The higher cost will not only impact construction firms, but also the country's overall economic growth by slowing money circulation," said SM Khorshed Alam, former president of the Bangladesh Association of Construction Industry (BACI).

<https://www.thedailystar.net/business/economy/news/price-ms-rod-crosses-BDT-1-lakh-3273401>

Gold prices hit historic high of BDT 98,794 a bhoori

- Gold prices hit a historic high of BDT 98,794 a bhoori and Bangladesh Jewellers' Association (Bajus) has decided to make the rate effective from tomorrow. The Bajus shared the information through a press release today evening. "We have decided to increase gold prices as we have to pay higher now to buy it from international markets," Dewan Aminul Islam, vice president of the Bajus, told The Daily Star.
- The increased cost of US dollars has also fuelled gold prices, he said. According to the new rates, 22-carat gold will cost BDT 98,794 a bhoori, up from the previous rate of BDT 91,096 each 11.66 grams or a bhoori.

<https://www.thedailystar.net/business/news/gold-prices-hit-historic-high-tk-98794-bhoori-3274601>

Edible oil price heats up despite significant global drop

- The price of palm and soybean oil has dropped drastically by at least BDT 200-250 per maund in the international market in the past two and a half months, but the commodity is still selling at a higher rate in the domestic market. Although the booking price is decreasing every day, the price of cooking oil has been rising by BDT 200-300 per maund in the domestic market for the past two weeks, according to traders.
- However, edible oil importers said due to the normal production and supply in producing countries, the prices in the international market decreased slightly in the last six months, but the consumers of the country did not get that benefit due to the increase in the exchange rate of the dollar.

<https://www.tbsnews.net/economy/bazaar/edible-oil-price-heats-despite-significant-global-drop-601338>

Inflation, economic volatility top threats to businesses

- Higher inflation, macroeconomic volatility and geopolitical conflict are the top three threats for the business sector in Bangladesh for the next one year, according to the PwC's global CEO survey. Chief executive officers in Bangladesh feel that they will be most exposed to the three threats in the next 12 months, said the global professional service provider in its survey titled "26th Annual Global CEO Survey 2023". The CEOs think all three issues are potent enough to compound and reinforce each other.

<https://www.thedailystar.net/business/economy/news/inflation-economic-volatility-top-threats-businesses-3273416>

Raise SME loan ratio to 25% by 2024

- Bangladesh Bank yesterday asked banks and non-bank financial institutions to raise their loan disbursement ratio for cottage, micro, small and medium enterprises to 25% of their outstanding loans by next year. From 2024, of all the loans provided to this sector, 50% must be distributed among cottage, micro and small enterprises, according to a central bank notice.
- Moreover, at least another 15% will have to be given out to women entrepreneurs, 40% to manufacturing, 25% to service and 35% to trading sectors. The central bank had issued almost the same instructions to lenders in 2019, said a Bangladesh Bank official.

<https://www.thedailystar.net/business/economy/banks/news/raise-sme-loan-ratio-25-2024-3273411>

Stocks:**EXCHANGE | IFC to support Bangladesh's bond market development**

- The International Finance Corporation (IFC) of the World Bank Group will support Bangladesh in the development of its bond market and corporate governance. To this end, the IFC held a bilateral meeting with the Bangladesh Securities and Exchange Commission (BSEC) on Thursday. A cooperation agreement was signed between the two sides during the meeting.
- Through this agreement, four objectives will be achieved. These include strengthening the environment, social, and governance (ESG) regulatory and reporting framework, supporting the development of a framework for sustainable bonds (including blue, green, and pink bonds), and IFC working closely with the BSEC to review the corporate governance code.
- The IFC will cooperate in developing environmental social management systems, including improving due diligence standards and corporate governance practices among financial institutions. The real sector will help clients overcome investment barriers and improve the performance of IFC's portfolio companies.

<https://www.tbsnews.net/economy/stocks/ifc-support-bangladeshs-bond-market-development-601694>

EXCHANGE | Dollar crunch holds multinationals back from higher dividends

- Foreign companies operating in different countries may prioritise reinvesting earnings into growth opportunities overpaying dividends to shareholders, but that may not always be the case. Recent data show that foreign companies operating in Bangladesh are offering fewer dividends due to the unfavourable exchange rate.
- The taka (BDT) has depreciated by around 25% in the past year, and there is also a crisis with the greenback, according to insiders and analysts. As a result, foreign companies have chosen to retain earnings to mitigate currency exchange risks, which has resulted in lower dividend pay-outs to investors.

<https://www.tbsnews.net/economy/stocks/dollar-crunch-holds-multinationals-back-higher-dividends-601690>

EXCHANGE | Time extension again for provisioning against unrealised losses

- Stock dealers, stockbrokers, and merchant banks get more time -- until December 31, 2025 -- for provisioning their portfolios against unrealised losses after the latest time extension by the securities regulator.
- At a meeting on Wednesday, the Bangladesh Securities and Exchange Commission (BSEC) made the decision, having received requests by market operators, said BSEC spokesperson and executive director Mohammad Rezaul Karim. Against the backdrop of the sluggish stock market, the move will "inspire long-term investments by institutional investors," he said.

<https://thefinancialexpress.com.bd/stock/bangladesh/time-extension-again-for-provisioning-against-unrealised-losses>

EXCHANGE | 'Floor price is helping none'

- The floor price imposed against the basic concepts of market demand-supply is not helping anyone, believes stock market expert Abu Ahmed, a former professor of economics at the University of Dhaka. "Price goes up and down -- that is the beauty of the stock market as they create opportunities for investors," the professor said in a recent interview with The Business Standard.
- As the market was lacking opportunities to sell stocks, it got stagnant, and fund managers would underperform and lack the strength to pay dividends to investors, he said.

<https://www.tbsnews.net/economy/stocks/floor-price-helping-none-601698>

JAMUNABANK | Jamuna Bank to buy land worth BDT 1.37 Bn

- The board of directors of Jamuna Bank Ltd has decided to purchase land from China Bangla Agro Feeds worth more than BDT 1.37 Bn excluding the cost of registration and other related expenses. The land measuring area is more or less 110 katha situated at Khilkhet in Dhaka, said the company in a regulatory filing on Thursday.

<https://thefinancialexpress.com.bd/stock/bangladesh/jamuna-bank-to-buy-land-worth-tk-137b>

MOSTFAMETL | Mostafa Metal to issue BDT 180 Mn bond for business expansion

- Mostafa Metal Industries, a listed firm on the SME board, has decided to issue a non-convertible bond worth BDT 180 Mn for the business expansion. The manufacturer of all kinds of Polyvinyl Chloride (PVC) and wood plastic composite (WPC) doors for the local market will issue the zero-coupon bond through private placement at an 11% coupon rate.
- The price for each of the 36 total lots of the bond units will be BDT 5 Mn, according to a disclosure on the Dhaka Stock Exchange (DSE). In 2021, the SME firm went public to raise BDT 110 Mn from the stock market through a qualified investor offer (QIO) and got listed on the SME board.

<https://www.tbsnews.net/economy/stocks/mostafa-metal-issue-tk18cr-bond-business-expansion-600786>

WALTONHIL | Walton launches products of 3 European brands

- Electrical and electronics manufacturer Walton has recently launched products availing trademarks of three European brands aiming to emulate the quality standards. Eva Rizwana Nilu, deputy managing director of Walton Hi-Tech Industries PLC, launched the products at Walton Corporate Office in the capital, said a press release.
- The company also aims to export the products, including compressors, refrigerators, televisions and air conditioners, of ACC, Zanussi Elettromeccanica and Verdichter abroad.

<https://www.thedailystar.net/business/economy/news/walton-launches-products-3-european-brands-3274716>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 66.74	(USD 8.47)	-11.26%
Crude Oil (Brent)*	USD 72.97	(USD 4.81)	-6.18%
Gold Spot*	USD 1,989.25	USD 215.10	12.12%
DSEX	6,220.24	13.24	0.21%
S&P 500	3,916.64	77.14	2.01%
FTSE 100	7,335.40	-116.34	-1.56%
BSE SENSEX	57,989.90	-2,850.84	-4.69%
KSE-100	41,329.95	909.50	2.25%
CSEALL	9,587.79	1,085.30	12.76%

Exchange Rates**1 US Dollar = 106.33 BDT****1 GBP = 129.52 BDT****1 Euro = 114.22 BDT****1 INR = 1.29 BDT**

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