

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:**Bangladesh, Denmark partner to ensure food safety**

- Denmark and Bangladesh have forged collaboration to strengthen their partnership for food safety and sustainable food production. To this end, Bangladesh Food Safety Authority (BFSA) signed a memorandum of understanding (MoU) with Danish Veterinary and Food Administration (DVFA) at the food ministry office in Dhaka yesterday, said a press release.
- The agreement aims to foster a strategic sector cooperation and enhance scientific, technical, and regulatory collaboration within food safety and sustainable food productions between the two nations, it said. Through this partnership, both countries seek to collaborate on multiple initiatives that leverage their unique expertise, technologies, and resources to deliver innovative solutions for safe food and sustainable agriculture practices, it added.

<https://www.thedailystar.net/business/economy/news/bangladesh-denmark-partner-ensure-food-safety-3396836>

Construction of BDT 20 Bn data centre begins

- The construction works of Yotta Data Services' data centre in Bangabandhu Hi-Tech City, Kaliakoir has started recently. "The piling work has already started and will take 3 years to complete," GSM Jafarullah, managing director of Bangladesh Hi-Tech Park Authority, told The Daily Star yesterday.
- In a Facebook post yesterday, Zunaid Ahmed Palak, state minister for ICT, said Yotta Data Services, an arm of Indian conglomerate Hiranandani Group, would invest BDT 20 Bn to build a tier-IV data centre. The centre will be built on two hyper-scale data centre buildings, featuring 4,800 racks and 28.8MW IT power capacity.

<https://www.thedailystar.net/business/economy/news/construction-tk-2000cr-data-centre-begins-3396811>

Big pharmas taking hold of herbal medicine market

- Big pharmaceutical companies in Bangladesh are gradually taking hold of the country's growing market for herbal medicines as people are opting for higher quality natural remedies with recognisable brand value. The demand for herbal medicine is expanding fast as they have no side effects and are clinically proven to be effective in treating various ailments, according to industry insiders.
- And although there is no reliable data, the market for herbal medicine generates annual revenue of about BDT 25.Bn, which is one-tenth of that earned by the overall pharmaceutical sector, they said. At present, leading drug makers such as Square, Beximco, Incepta and Acme cater to 30% of the country's demand for herbal medicine, earning them a combined BDT 8 Bn each year.

<https://www.thedailystar.net/business/economy/news/big-pharmas-taking-hold-herbal-medicine-market-3396871>

Crab exports recovering from pandemic loss

- Crab exports, which lost momentum after the outbreak of Covid-19, have rebounded in terms of quantity, giving a new lease on life to growers in coastal districts who rear the sea creature to sell to exporters. Over the last two fiscal years, Bangladesh shipped around 7,500 tonnes of crabs annually as exporters are sending the decapod crustaceans by complying with the rules of importing countries, mainly China, the key destination, according to data of the Department of Fisheries (DoF).
- The fisheries office data showed that export of crabs was 7,452 tonnes in fiscal year (FY) 2022-23, which was slightly lower than the previous year but higher than three years ago. However, data of the Export Promotion Bureau (EPB) data showed that export receipts from crabs fell 26% year-on-year to USD 8.7 Mn in FY23. In July of FY23, crab exports surged 71% year-on-year to USD 940,000, EPB data shows.

<https://www.thedailystar.net/business/economy/news/crab-exports-recovering-pandemic-loss-3396891>

Taka slightly undervalued for first time, but economic benefits in question

- Bangladesh taka experienced slight undervaluation for the first time this July compared to other trading partners due to the local currency's faster devaluation against the US dollar. According to the internationally recognised benchmark, the Real Effective Exchange Rate (REER), which compares the value of the taka to currencies of 15 trading partners, indicates a 0.36% undervaluation of the Taka on 26 July, data from the Bangladesh Bank show.
- This comes after the taka was overvalued by 10% to 13% in the previous fiscal year. The REER is an indicator of the competitiveness of a country's currency with respect to a basket of currencies, adjusted for inflation effects. The undervalued currency could mean increased demand for Bangladeshi products globally. However, an undervalued currency also pushes up domestic costs in sectors dependent on imports like petroleum and fertiliser.

<https://www.tbsnews.net/economy/taka-slightly-undervalued-first-time-economic-benefits-question-684242>

Gold price below BDT 100 thousand again

- The jewellers have cut gold prices by BDT 1,749 a bhoori for the domestic market thanks to a drop in the rates of pure gold in the local market. From tomorrow, the price of each bhoori or 11.664 grams of 22-carat gold ornaments will be BDT 99,027, down from BDT 100,776 earlier. The Bangladesh Jewellers Association (Bajus) took the decision today to adjust the prices with the international market, it said in a press release. On July 20, each bhoori of gold price in Bangladesh cross the BDT 100,000-mark for the first time.

<https://www.thedailystar.net/business/news/gold-price-below-tk-1-lakh-again-3396526>

Businesses laud pension scheme for private sector

- Business leaders and experts have lauded one of the four packages of a universal pension scheme (UPS) meant for employees of private companies, saying it would enhance post-retirement financial security and benefit employers too. Rolled out by Prime Minister Sheikh Hasina on August 17, the UPS aims to bring every citizen of the country aged above 18 under pension coverage.
- Its four schemes require beneficiaries to pay instalments up to the age of 60, after which they will start to get a pension every month. The Progoti scheme has three instalment options -- BDT 2,000, BDT 3,000 and BDT 5,000. Any private company deciding to avail the scheme has to pay 50% of the instalment while the employee has to pay the remaining 50%. "It is something of a relief for the corporate sector as the government has taken the responsibility of providing retirement benefits," Md Saiful Islam, president of the Metropolitan Chamber of Commerce & Industry, Dhaka.

<https://www.thedailystar.net/business/economy/news/businesses-laud-pension-scheme-private-sector-3398261>

Pathao wants to establish digital bank

- Pathao, Bangladesh's one of largest digital services company, has applied for a licence to set up a digital bank and extend banking services through its proposed Pathao Digital Bank. The move comes at a time when a number of leading lenders of the country have also showed interest to establish digital banks.
- "Pathao is far more than a brand, or a suite of products -- it is a lifestyle. Just as it has radically transformed urban transportation and the gig economy in Bangladesh, Pathao Digital Bank will reshape banking in Bangladesh," said Fahim Ahmed, managing director and CEO of Pathao. "With this, we believe we can catalyse an important growth stage of the Bangladesh economy," he added.

<https://www.thedailystar.net/business/economy/news/pathao-wants-establish-digital-bank-3398176>

Bad loans, forex volatility main challenges

- Bangladesh should get more attention from investors considering its economic potential but the country faces challenges in bad loans, an illiquid stock market, exchange rate volatility and an unstable political landscape, according to HSBC Global Research. The global research wing of London-based universal bank and financial services group HSBC Holdings PLC yesterday released a report on Bangladesh, styled "The Flying Dutchman".
- The report starts by saying that it is true that the stock market in Bangladesh is small and illiquid. "But as was the case in India two decades ago or Vietnam one decade ago, it [the stock market in Bangladesh] offers prospects for significant long-term capital appreciation driven by earnings growth." The country's GDP growth averaged 6.4% in the past decade - faster than most of Asia - and its GDP per capita ratio recently surpassed that of India.

<https://www.thedailystar.net/business/economy/news/bad-loans-forex-volatility-main-challenges-3396116>

Govt weighs WB-proposed single-currency IDA credit

- A World Bank (WB) proposal for Bangladesh to receive single-currency loans, alongside the usual credits taken through special drawing rights (SDR), a basket of five currencies, is under government consideration. Officials say Bangladesh, being a lower-middle-income country, is one of the top recipients of World Bank's International Development Association (IDA) concessional credits.
- The IDA-fund recipients borrow through SDR whose value is linked to the currency basket of US dollar, euro, pound sterling, Japanese yen, and Chinese yuan. Bangladesh denominates the SDR in US dollar as it receives loans from the World Bank's soft-lending window. A senior official at the Economic Relations Division told the FE that the World Bank a few months back inquired the ERD whether Bangladesh would like to take IDA loans also in any of the five-currency basket.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-weighs-wb-proposed-single-currency-ida-credit>

Christmas apparel shipment to be dull

- Local garment exporters do not expect any substantial increase in shipments to the Western world centring upcoming Christmas sales because of high inflation and for old stocks remaining unsold in retail stores in the American and European markets, exporters said. Of all the garments shipped from Bangladesh throughout the year, nearly 60% is meant for the Christmas season.

<https://www.thedailystar.net/business/economy/news/christmas-apparel-shipment-be-dull-3396106>

Western Economic Corridor: Big dream gets stuck in slow lane

- Funds are there, with two global lenders committing USD 2.4 Bn. However, the high-profile Western Economic Corridor, designed to establish a connection between the nation's southwestern region and international trade routes, is yet to see the start of physical construction even after almost three years since the approval of its initial phase. The intended transformation of the 48-km Jashore-Jhenaidah two-lane road into a six-lane highway by the end of this year seems to have hit a roadblock. The same old reasons—complications in land acquisition and tender process—have been cited for the delay, which, apart from escalating costs, will deprive the people and economy of the intended benefits, as happens in most other big budget projects.
- With a mere 3% financial progress achieved so far, a new deadline has been set for June 2026 to complete this segment of the Western Economic Corridor and Regional Enhancement (WeCARE) Programme, which includes 260km of highway and a network of local roads connecting two land ports – Benapole and Bhomra – and Mongla seaport. Out of the total estimated investment of USD 3.5 Bn, the World Bank has committed USD 1.4 Bn, while the AIIB is contributing an additional USD 1.2 Bn. The rest of the amount will come from the government.

<https://www.tbsnews.net/economy/western-economic-corridor-big-dream-gets-stuck-slow-lane-685190>

Import thru ctg port: What are the products with highest import costs?

- Bangladesh spent the highest, over BDT 100 Bn, behind the import of each of nine products in fiscal year (FY) 2022-23 although some 4,788 types of goods enter through the Chattogram port. The nine are cotton, diesel, scrap metal, furnace oil, palm oil, soybean, cement clinker, wheat and crude edible oil. Such amounts were spent behind six products in the previous FY of 2021-22 whereas only two in FY 2013-14.
- For the last 10 years, it had been mainly cotton, which is the garment industry's raw material, and diesel, a fuel necessary for the generation of electricity. Cement clinker, wheat and crude edible oil made it to the top expenditure list in FY 2022-23 while the rest in FY 2021-22. Although liquefied natural gas (LNG) had been on the list in FY 2019-20 and 2020-21, it dropped out in the last two years. All in all, 88.52 Mn tonnes of different types goods were imported through the Chattogram port in fiscal year 2022-23 at a total cost of BDT 4.62 Tn.

<https://www.thedailystar.net/business/economy/news/import-thru-ctg-port-what-are-the-products-highest-import-costs-3396866>

Stagnation shadows large-scale industries

- Production in the big industrial sector experienced stagnation, as the index for large-scale industries remained nearly unchanged in April of the previous fiscal year. The index of industrial production for large-scale manufacturing in April (July-April) grew by merely 0.021% compared to the same month a year earlier, according to the Bangladesh Bureau of Statistics.
- During July-March of FY23, the general index of industrial production for large-scale manufacturing recorded a 7.2% year-on-year increase. This decline can primarily be attributed to a slowdown in food production, ready-made garment (RMG) manufacturing, chemicals and chemical products, paper and printing and pharmaceutical sectors.

<https://thefinancialexpress.com.bd/economy/bangladesh/stagnation-shadows-large-scale-industries>

Banks now inclined to invest in short-term securities

- Quick-gain 91-day treasury bills become hotcakes now as banks seem inclined to invest in short-term securities under a cautious banking approach as they do pre-election risk calculations. Sources say the switch is also prompted by a discovery that these shorter-duration government securities possessed the lowest volume of 'high-powered money' or print money circulated in the economy by way of government borrowing from the central bank.
- Officials and market players have said the primary dealer banks through which the banks purchase risk-free investment instruments through auctions arranged by the Bangladesh Bank (BB) are less interested to invest in mid-term and long-term government securities mainly to avoid the macroeconomic stress in this election year. "Available gains of interest from investing in the short government securities are another reason why banks investment in the 91-day T-bills," says one of the sources.

<https://thefinancialexpress.com.bd/economy/bangladesh/banks-now-inclined-to-invest-in-short-term-securities>

Regulator resents unreasonable Taka depreciation

- Foreign-exchange dealers and bankers on Wednesday faced regulatory ire for continued depreciation of the local currency against the US dollar-a trend that makes imports costlier and consumer supplies expensive. Bangladesh Bank (BB) governor Abdur Rouf Talukder at a meeting with them expressed his dissatisfaction over the depreciation of the taka, sources said.
- "Such upward adjustment of foreign-exchange rate, almost every month, by banks and BAFEDA (Bangladesh Foreign Exchange Dealers' Association) is fueling inflation in the form of soaring import costs significantly," he said, as the country sees unrelenting price rises. The governor was chairing the bankers' meeting held at the BB headquarters with top executives of the country's commercial banks attending.

<https://thefinancialexpress.com.bd/economy/bangladesh/regulator-resents-unreasonable-taka-depreciation>

Beximco Green Sukuk: A fixed income opportunity overlooked

- In the capital market, an intriguing situation has emerged where return-seeking investors seem to be disregarding the attractive rates offered by the sole listed Sukuk, an Islamic debt instrument. With an impressive yield of over 13%, Beximco Green-Sukuk AL Istisna'a found to be the most alluring fixed income option in the local financial market.
- In comparison, Treasury bonds presently offer a yield of up to 9%, while individuals are placing their funds in banks for returns ranging from 6% to 8%. National savings certificates provide an interest rate between 7.7% to 11.76% annually. Investors in Beximco Sukuk received a periodic payment of 5.55% during the initial half of 2023. This translates to an annual rate of 11.1% based on the face value of BDT 100 per unit.

<https://www.tbsnews.net/economy/beximco-green-sukuk-fixed-income-opportunity-overlooked-683706>

Ship arrival at Ctg port shrinks amid trade slump

- The bustling movement of merchant ships to and from Chattogram Port has dwindled due to a global trade recession triggered by the Russia-Ukraine war, resulting in several jetties of the country's largest seaport sitting idle recently. Vessels typically endure a wait of three to five days before securing berths at the jetties for cargo unloading. But now ships are getting berthing slots on arrival and two-three jetties have sat idle over the past week, according to the Chittagong Port Authority.

<https://www.tbsnews.net/economy/global-trade-recession-shrinks-ship-arrivals-ctg-port-leaving-jetties-idle-684090>

BD still slow to exploit prospects of skilled labour migration

- Bangladesh has fared poorly in migration as it is yet to harness a slew of opportunities of sending skilled workers abroad for not satisfying the labour markets. Skilled workers are up for grabs in developed countries like Japan and South Korea, but Bangladesh cannot tap this potential for skilled-labour shortages. Another case in point is Malaysia that also requires skilled workers. Yet, Bangladesh is only focusing on sending less-skilled workers there.
- Recruiters also find it profitable as they can charge higher migration costs from such less-skilled workers. Bangladesh can reach a new level of earning foreign exchange through exporting skilled workers who earn a lot more than those unskilled, sector insiders believe. For Japan, proficiency in Japanese language N-4 level is a must along with job skills to be selected as a specified skilled worker (SSW).

<https://thefinancialexpress.com.bd/economy/bangladesh/bd-still-slow-to-exploit-prospects-of-skilled-labour-migration>

Did ad-hoc monetary steps drag down our businesses?

- Bangladesh kept taka artificially overvalued when others adjusted their currency values to stay competitive. Soon the dollar crisis began to deplete foreign exchange reserves. But the exchange rate was officially kept lower and banks were provided with dollars at cheaper rates. Then, Bangladesh Bank started devaluing taka frequently and take lost nearly 25% value against dollar in just a year. Bangladesh has managed to keep its exports growing. Businesses also see prospects to gain from the shifts in global commerce. But things are not going to be so easy for Bangladeshi exporters.
- As the dollar crisis is not going to end anytime soon, they will continue to face problems in opening LCs for basic raw materials and capital machinery imports. Expecting a sudden boon from the West's withdrawal from China won't be worthy, too, for 2 reasons. Bangladesh doesn't have the capacity to grab a big pie of the global market overnight. Western countries are not going to find a ready alternative to say good-bye to China either for exports or imports. Bangladesh fails to gain from falling global commodity prices due to the dollar crisis and weakened taka.

<https://www.tbsnews.net/analysis/did-ad-hoc-monetary-steps-drag-down-our-businesses-684634>

Unraveling capital flight from Bangladesh

- Capital flight, a growing concern for Bangladesh over the past few decades, refers to the outflow of financial assets from a country. While usual outflow may also be foreign direct investment, the problem arises when the fund transferred from a country does not have proper documentation of source and there is no intend of repatriation of the fund. This leads to loss of government revenue and depletion of foreign currency reserves.
- The budget for FY23 included provision for taxing assets outside of the country that are unaccounted for. While there is no official record of the amount of capital flight from Bangladesh, this decision of the government acknowledged the phenomenon. The economic repercussions of capital flight are multifold. Firstly, it siphons off resources that could have been utilised for productive measures to improve education, healthcare or infrastructure within the country.

<https://www.thedailystar.net/business/economy/news/unraveling-capital-flight-bangladesh-3398186>

Investment dries up in dyeing sector as gas shortage lingers

- Investment has dried up in Bangladesh's dyeing sector, a vital cog in the textile and apparel supply chain, owing to the dragging gas shortage despite higher demand for fabrics from local garment exporters, industry people say. Not a single new dyeing unit has been set up in the country in the last two years because of the energy crunch and a spike in the investment needed to establish such a facility, said Monsoor Ahmed, chief executive officer of the Bangladesh Textile Mills Association (BTMA), a platform of the primary textile sector.
- Inadequate supply of gas has been an issue for textile millers for a long time since local production has not kept pace with a surge in demand for energy. This prompted the country to turn to liquefied natural gas (LNG) in 2018. But a US dollar shortage forced the government to halt buying LNG from the international spot market in the middle of last year, dealing a blow to industries as gas supply declined.

<https://www.thedailystar.net/business/economy/news/investment-dries-dyeing-sector-gas-shortage-lingers-3398266>

Stocks:**WALTONHIL | Walton bags BDT 2.5 Bn orders at ATS Expo**

- Local electronic goods maker Walton has racked up orders worth an estimated BDT 2.5 Bn from the recently held 'International Advanced Components and Technology (ATS) Expo-2023'. The solo industrial show bagged the orders from domestic and foreign companies, said Walton Hi-Tech Industries PLC Managing Director and CEO Golam Murshed at a post-fair press briefing on Thursday.
- The expo was hosted from 10 to 12 August at International Convention City Bashundhara. "At the ATS Expo, we received huge responses beyond our expectations," Mr Murshed told the press meet. Of the total orders, he said, 50% were from backward linkage industries. Most of the foreign orders came from neighboring India.

<https://thefinancialexpress.com.bd/stock/bangladesh/walton-bags-tk-25b-orders-at-ats-expo>

BRACBANK | Brac Bank's half-yearly profit jumps 75%

- With an increase in deposits, loans and revenue, Brac Bank has posted a staggering 75% year-on-year growth in net profit after tax in this year's first half, according to the bank's earnings disclosure. The top tier private sector commercial bank's consolidated net profit after tax, which includes data of all subsidiaries, grew to BDT 3.34 Bn in the January to June period this year.
- As a result, consolidated earnings per share (EPS) increased to BDT 1.93, which was BDT 1.37 in the first six months of 2022. During the first half of 2023, the bank's standalone loan portfolio and customer deposit grew by 29% and 28% respectively year-on-year while its solo net profit soared to BDT 3.03 Bn from BDT 2.54 Bn in the same period last year.

<https://www.tbsnews.net/economy/stocks/brac-banks-half-yearly-profit-jumps-75-684174>

DHAKABANK | Dhaka Bank to invest in digital bank

- Hopping on the bandwagon with other conventional lenders that will establish digital banks, Dhaka Bank yesterday said it would invest BDT 125 Mn to become a sponsor shareholder of a proposed digital bank. The private bank disclosed to its shareholders that its board had decided to sponsor the proposed Shonchoy Digital Bank PLC and hold a 10% stake in the virtual bank, subject to regulatory approval.

<https://www.thedailystar.net/business/economy/banks/news/dhaka-bank-invest-digital-bank-3396841>

ARAMIT, GENEXIL, NAVANAPHAR | Navana, Genex, Aramit want to invest in digital bank

- Three companies from different sectors – listed on the capital market – want to invest in a proposed digital bank styled "UPAY Digital Bank PLC". Genex Infosys Limited, Navana Pharmaceuticals Limited, and Aramit Limited, from the IT, pharmaceuticals, and miscellaneous sectors, respectively, made the disclosures on their respective websites.
- According to the information, the total paid-up capital of the proposed digital bank will be BDT 1250 Mn. Genex has decided to invest BDT 125 Mn, Navana BDT 75 Mn, and Aramit BDT 62.5 Mn. The three companies will own 10%, 6%, and 5% of the total paid-up capital, respectively.

<https://www.tbsnews.net/economy/banking/navana-genex-aramit-want-invest-digital-bank-685158>

SBACBANK | SBAC Bank elects new chairman

- SBAC Bank Ltd has elected a new chairman at a meeting of its Board of Directors last week. The electee, Abu Zafar Mohammad Shofiuddin, is the chairman of SQ Group, a family-run business which manufactures power generation and distribution equipment through 23 factories and employs over 6,000 individuals, said a press release. Shofiuddin obtained a master's degree in marketing from the University of Dhaka and another in business administration from the University of the West of Scotland.

<https://www.thedailystar.net/business/economy/news/sbac-bank-elects-new-chairman-3398086>

ISLAMIBANK | Islami Bank launches remittance campaign

- Islami Bank Bangladesh PLC launched a campaign styled "Islami Bank-Instant Cash Remittance Fiesta". Mohammed Monirul Moula, managing director and CEO of the bank, inaugurated the fiesta at the Islami Bank Tower in Dhaka yesterday.
- "Islami Bank has been playing an important role in collecting remittances since its inception. One-third of the country's total remittances are collected through this bank," said Moula. Under the campaign, the bank's clients will get a total of 43 washing machines through a digital draw on 43 banking days for sending cash remittance through Instant Cash FZE.

<https://www.thedailystar.net/business/economy/banks/news/islami-bank-launches-remittance-campaign-3396776>

ISLAMIBANK, FIRSTSBANK, GIB, SIBL, UNIONBANK | BB asks 5 Shariah banks to resolve liquidity crisis

- Bangladesh Bank has directed five Shariah-based banks to resolve their current liquidity crisis while three of them were asked to bring down their advance-deposit ratio (ADR) within the regulatory limit as soon as possible. The five are Islami Bank Bangladesh, First Security Islami Bank, Social Islami Bank, Union Bank and Global Islami Bank.
- The ADR measures loans (advances) as a percentage of deposits. A ratio of 100% or less shows that the bank is funding all its loans from deposits rather than relying on wholesale funding (from capital markets or other banks). When a bank crosses the ADR limit, it is in a risky zone, as per industry insiders. The BB's directive came in a meeting with the managing directors of the five at the central bank headquarters on Wednesday.

<https://www.thedailystar.net/business/economy/banks/news/bb-asks-5-shariah-banks-resolve-liquidity-crisis-3396886>

APOLOISPAT | Appollo Ispat drowning in loans

- Appollo Ispat Complex Limited, producer of the renowned "Rani Marka Dheu Tin" brand of corrugated iron sheets, is drowning in loans with production shut for over two years. The company informed its investors through a post on the Dhaka Stock Exchange (DSE) website yesterday that its factory has been out of production for the last two years.
- It said to be currently bearing a "huge financial burden, which is approximately BDT 9 Bn (including penal interest) and other liabilities of BDT 2 Bn". The company has not been publishing any financial reports since 2019 so the data regarding the losses it incurred is not available. A former official of the company, preferring anonymity, said the company was struggling to survive mainly due to embezzlement of funds by a former director in connivance with some officials.

<https://www.thedailystar.net/business/economy/news/appollo-ispate-drowning-loans-3396876>

NBL | BB bars Ron Haque from National Bank's board meetings

- The Bangladesh Bank has restricted National Bank Director Ron Haque Sikder from participating in any of the bank's meetings, including board meetings, due to his violation of central bank regulations. On 26 July, the central bank issued an instruction in this regard in a letter to the managing director of the National Bank.
- Earlier, on 25 August 2022, Ron Haque Sikder was re-elected as a director of the bank at its 39th Annual General Meeting. Currently, he is a member of the bank's Board of Directors, Executive Committee and Risk Management Committee.

<https://www.tbsnews.net/economy/banking/bb-bars-ron-haque-national-banks-board-meetings-685178>

RINGSHINE | BSEC allows struggling Ring Shine's conditional takeover

- The Bangladesh Securities and Exchange Commission (BSEC) has conditionally allowed Wise Star Textile Mills and five Singapore-based private companies to take over struggling Ring Shine Textiles. The market regulator earlier this month approved a proposal but has not yet issued a letter to this end, according to sources at the commission.
- The six companies will take over 37.98% of the shares of Ring Shine, including those held by sponsors and directors. Wise Star, a private firm run by the managing director of listed Queen South Textile, will take hold of only 2% of the shares, while the remaining 35.98% will be taken over by the Singapore-based companies at a negotiated price.

<https://www.tbsnews.net/economy/stocks/bsec-allows-struggling-ring-shines-conditional-takeover-685154>

EXCHANGE | Banks, asset management companies to raise investment in capital market: BSEC

- Banks and asset management companies will raise investment in the stock market for stabilising the market after a drastic fall of share prices. Their commitment came after a meeting of the representatives of merchant banks and asset management companies with the Bangladesh Securities and Exchange Commission (BSEC) on Thursday.
- The meeting also discussed raising the confidence of investors in the capital market and bond market for the sake of the development of the stock market, reports UNB. With BSEC Commissioner Dr Sheikh Shamsuddin Ahmed in the chair, BRAC Bank CEO and Managing Director Salim RF Hussain, Shanta Asset Management Vice Chairman Arif Khan, EBL Securities Managing Director Sayedur Rahman, Standard Chartered Bank Managing Director Muhit Rahman, City Bank AMD and CFO Mahbubur Rahman and representatives of other institutions attended the event.

<https://thefinancialexpress.com.bd/stock/bangladesh/banks-asset-management-companies-to-raise-investment-in-capital-market-bsec>

EXCHANGE | BSEC urges bankers to help develop bond market

- The Bangladesh Securities and Exchange Commission (BSEC) has asked banks in the country to help develop the local bond market by increasing their participation in buying and selling the debt securities. The BSEC made this request during a meeting with various bankers and institutional investors at its office in Dhaka yesterday.
- "The bond market is an important source of long-term financing and it has huge potential in Bangladesh," said Shaikh Shamsuddin Ahmed, a commissioner of the BSEC. As such, the BSEC is giving full-effort to make the bond market more sustainable and useful for entrepreneurs in the country, he added while chairing the meeting.

<https://www.thedailystar.net/business/economy/news/bsec-urges-bankers-help-develop-bond-market-3396881>

EXCHANGE | Govt bonds boost DSE market cap-to-GDP ratio by 47%

- The market capitalisation-to-GDP ratio of the Dhaka Stock Exchange (DSE) surged by 47% following the listing of 250 government securities, known as treasury bonds, on the secondary market on 10 October last year, according to a central bank report. The financial stability report for 2022 showed that until 6 October, the market capitalisation was following a downward trend. However, there was a significant increase on 10 October, primarily due to the listing of treasury bonds, which contributed BDT 3.14 Tn to the market valuation.
- At the end of 2022, the market's overall capitalisation was BDT 7.60 Tn. The total market capitalisation-to-GDP ratio is a vital indication of the depth of a country's capital market, said the money market regulator. According to the financial stability report, the market capitalisation-to-GDP ratio dropped to 13.02% in FY22 from 18.39% a year ago. However, the ratio spiked to 19.14% at the end of December 2022, mainly due to a substantial increase in market capitalisation buoyed by the listing of government securities, the report noted.

<https://www.tbsnews.net/economy/stocks/govt-bonds-boost-dse-market-cap-gdp-ratio-47-685166>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 81.25	USD 6.04	8.03%
Crude Oil (Brent)*	USD 84.80	USD 7.02	9.03%
Gold Spot*	USD 1,889.31	USD 115.16	6.49%
DSEX	6,254.83	47.82	0.77%
S&P 500	4,369.71	530.21	13.81%
FTSE 100	7,262.43	-189.31	-2.54%
BSE SENSEX	64,948.66	4,107.92	6.75%
KSE-100	48,220.68	7,800.23	19.30%
CSEALL	11,403.92	2,901.43	34.12%

Exchange Rates**1 US Dollar = 109.52 BDT****1 GBP = 139.46 BDT****1 Euro = 119.17 BDT****1 INR = 1.32 BDT**

IMPORTANT DISCLOSURES

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