

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:**Default loans drop by BDT 137.40 Bn in Oct-Dec on relaxed policies**

- Between October and December of last year, the banking sector saw default loans significantly decline by BDT 137.40 Bn thanks to a new loan rescheduling policy and relaxed repayment options offered by the central bank. According to the Bangladesh Bank, the total amount of default loans fell to BDT 1,200 Bn in December, after reaching a record high of BDT 1,340 Bn in September last year. In December last year, the rate of default loans fell to 8.16% from 9.36% in September.
- Mirza Elias Uddin Ahmed, managing director of Jamuna Bank, attributed the drop mainly to an easy rescheduling policy. 'Now bank boards can regularise the long defaulted loans on their own. The rescheduling earlier required around 8%-10% down payment, but the amount is now only 2%-4%,' he told The Business Standard.

<https://www.tbsnews.net/economy/banking/default-loans-drop-whopping-BDT13740cr-q2-587530>

NBR plans to widen bonded warehouse facility

- The National Board of Revenue plans to bring more export-oriented sectors under the bonded warehouse privilege so that entrepreneurs can import raw materials duty-free, said its chief yesterday. "Upon completion of the present bond automation project, it will be feasible to expand it. If the facility is extended before the automation, it might be misused," said NBR Chairman Abu Hena Md Rahmatul Muneem.
- He made the comments at a pre-budget meeting at the NBR's head office in the capital's Agargaon with the Bangladesh Investment Development Authority (Bida), the Bangladesh Export Processing Zones Authority (Bepza) and the Bangladesh Economic Zones Authority (Beza).
- The agencies placed a number of proposals seeking tax benefits. The NBR organised the meeting to hear the views and concerns of businesses and stakeholders as part of its preparation to framing tax proposals for the fiscal year of 2023-24, which begins in July.

<https://www.thedailystar.net/business/economy/news/nbr-plans-widen-bonded-warehouse-facility-3252441>

Govt boasts BDT 31.38 Bn Jul-Oct budget surplus

- Two unusual financial developments helped the government put aside a budget surplus of BDT 31.38 Bn in the first four months of the current fiscal year, which economists, however, believe is transitory. According to data released from the Ministry of Finance (MoF), revenue mobilisation was BDT 1.078 Tn, compared to expenditures amounting to BDT 1.047 Tn, during the July-October period of the fiscal year 2022-2023.
- During the period, the total revenue collection increased by 5.6% compared to the corresponding period of the previous fiscal year (FY22) and achievement as to the annual target was 24.8%. The tax revenue, consisting of both NBR and non-NBR revenues, stood at BDT 958.04 Bn, up by BDT 58.92 Bn from the same period a year before. Non-tax revenue or NTR was recorded at BDT 117.95 Bn during the period under review.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-boasts-BDT-3138b-jul-oct-budget-surplus-1676775315>

US remains top source of remittance

- For the second consecutive quarter, the United States of America has been the biggest source of remittance for Bangladesh, leaving the Kingdom of Saudi Arabia (KSA) in second place even though the Middle Eastern nation hired the highest number of workers during the period. Bangladeshis in the North American country sent USD 966.89 Mn in the October-December period of 2022, up nearly 16% from USD 834 Mn a year ago.
- As such, remittance from the USA accounted for 20.06% of the total remittance inflow of USD 4,820 Mn in the October-December period of last year, according to the Quarterly Report on Remittance Inflows in Bangladesh released by the central bank yesterday. However, migrants sent a lower amount of remittance in the second quarter of fiscal year (FY) 2022-23 compared to the same period a year ago.

<https://www.thedailystar.net/business/economy/news/us-remains-top-source-remittance-3252421>

UK wants level-playing field for foreign cos in Bangladesh

- The UK has urged Bangladesh to maintain a level-playing field for foreign companies interested in investing and operating in Bangladesh, a release said. The country also invited Bangladesh to engage with the UK private sector to pursue a commercial dispute resolution system to unlock the full potential of foreign direct investment (FDI) into Bangladesh.
- "A conducive business climate and removal of market access barriers will benefit both countries and underline the great opportunities for UK businesses," UK Trade Commissioner for South Asia Alan Gemmell OBE told the second Bangladesh-UK Trade and Investment Dialogue held on Sunday in Dhaka.

<https://www.tbsnews.net/economy/uk-wants-level-playing-field-foreign-companies-bangladesh-587430>

BGMEA seeks French dev assistance for SMEs

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) has urged Proparco, a subsidiary of the French AFD Group focused on private sector development, to provide low-cost funds to small Bangladeshi enterprises. Small-scale firms struggle to secure financing from the usual sources for failing to fulfil some mandatory conditions which sometimes require going through tedious processes and bureaucratic tangles, it said.
- BGMEA President Faruque Hassan made the call in a meeting with a delegation of Proparco in Paris on February 18 to discuss possible collaboration to support the sustainable development of Bangladesh's garment industry.

<https://www.thedailystar.net/business/economy/news/bgmea-seeks-french-dev-assistance-smes-3252306>

Business leaders complain of high cost of international factoring

- Business leaders in Bangladesh have complained that they cannot avail of international factoring as the cost is very high. Discounts against import bills and international insurance costs are high. Besides, if the payment comes from a third country, they face problems in withdrawing the money.
- Discounts against import bills and international insurance costs are high. Besides, if the payment comes from a third country, they face problems in withdrawing the money. Also, although there is a policy on export factoring, it is becoming difficult to implement it because there is no policy of the central bank in the case of import factoring, said the businessmen at a Panel. They said that the central bank must come forward to solve these problems otherwise traders will lose interest in international factoring.

<https://www.tbsnews.net/economy/business-leaders-complain-high-cost-international-factoring-587638>

Women businesses suggest raising tax-free income limit

- Leaders of the Women Entrepreneurs Network for Development Association on Sunday proposed extending the taxable income limit for women to BDT 700,000 from the existing BDT 350,000 in the forthcoming budget for the financial year 2023-2024.
- They also demanded offering value-added tax exemption facility to the women entrepreneurs to BDT 30 Mn from the existing limit BDT 5 Mn annually and also cutting the corporate tax rate from the existing 27.5% to 22.5% for women-owned businesses.

<https://www.newagebd.net/article/194876/women-businesses-suggest-raising-tax-free-income-limit>

Starting a business in Bangladesh takes 6 months: Bida chief

- Bangladesh Investment Development Authority (Bida) Executive Chairman Lokman Hossain Miah has said Bangladesh sees less foreign direct investment (FDI) as it takes comparatively longer time to start a business here compared to competing countries.
- "Vietnam provides all services in 35 days while Indonesia gives in 49 days and India gives in 60 days. But it takes about six months in Bangladesh," he said while addressing AmCham's February luncheon meeting on "Investment for Smart Bangladesh" on Sunday.

<https://www.tbsnews.net/economy/starting-business-bangladesh-takes-6-months-bida-chief-587590>

Central complaint platform launched to prevent e-commerce fraud

- Commerce Minister Tipu Munshi has urged all to be more aware and vigilant to prevent e-commerce fraud. He made the call while inaugurating the Central Complaint Management System (CCMS), aimed to protect consumers' rights, in Dhaka on Sunday as the chief guest.

<https://www.tbsnews.net/economy/central-complaint-platform-launched-prevent-e-commerce-fraud-587378>

Consumer goods giants struggle to secure dollars for Ramadan imports

- Consumer goods giants – the priority clients for any bank in regular times – are not getting dollars to import essentials, widely used in Ramadan, prompting them to seek the intervention of the commerce ministry.
- City Group, a leading consumer goods manufacturer and importer, recently approached 28 banks to open letters of credit (LCs) to import commodities for the upcoming Ramadan, but failed to secure the required funds as all 28 banks turned them down citing dollar crunch.

<https://www.tbsnews.net/economy/consumer-goods-giants-struggle-secure-dollars-ramadan-imports-587298>

Stocks:**ROBI | Forex loss knocks off 49% of Robi's annual profit**

- Foreign exchange losses ate away nearly half of the annual profit of Robi Axiata in 2022, said the company in an earnings disclosure programme on Sunday. With 5.4% growth in annual revenue to BDT 85.86 Bn in 2022, the company would have posted BDT 3.61 Bn in net profits if it had not incurred foreign exchange loss of BDT 1.79 Bn.
- However, its annual net profit of BDT 1.827 Bn was still 1.3% higher than that in the previous year and its board of directors recommended a 7% cash dividend for 2022.

<https://www.tbsnews.net/economy/stocks/forex-loss-knocks-49-robis-annual-profit-587618>

CONFIDCEM | Confidence Cement's profit down 20% in Q1

- Confidence Cement Ltd reported a BDT 225.1 Mn profit in the October-December quarter of the current financial year. The profit was, however, down nearly 20% from the BDT 280.9 Mn the cement manufacturer made in the first quarter of the previous financial year of 2021-22.
- Thus, the consolidated earnings per share (EPS) were BDT 2.74 in October-December of 2022-23 against BDT 3.42 in the same quarter a year earlier, according to the unaudited financial statements. The EPS decreased due to a higher raw material price in the international market and the foreign currency fluctuation loss at home, said Confidence Cement in a filing on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/news/confidence-cements-profit-down-20-q1-3252386>

EXCHANGE | Asia-Pacific capital market regulators' representatives to join Dhaka meeting

- For the first time, representatives of the capital market regulatory bodies of different countries will gather in Bangladesh as a two-day meeting of the International Organization of Securities Commissions (IOSCO) Asia Pacific region kicks off in Dhaka on Wednesday.
- The IOSCO is a leading international policy forum and a global standard-setter for securities regulators. The organisation's membership regulates more than 95% of the world's securities markets in some 130 jurisdictions, and it continues to expand.
- Representatives of the capital market regulatory bodies of other countries in the Asia-Pacific region, including Australia, New Zealand, Singapore, Hong Kong, Japan, India, Malaysia, Thailand, Vietnam, Indonesia, Pakistan, and Nepal, will participate in the meeting.

<https://www.tbsnews.net/economy/stocks/asia-pacific-capital-market-regulators-representatives-join-dhaka-meeting-587610>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 76.27	USD 1.06	1.41%
Crude Oil (Brent)*	USD 82.96	USD 5.18	6.66%
Gold Spot*	USD 1,840.03	USD 65.88	3.71%
DSEX	6,227.94	20.94	0.34%
S&P 500	4,079.09	239.59	6.24%
FTSE 100	8,004.36	552.62	7.42%
BSE SENSEX	61,002.57	161.83	0.27%
KSE-100	41,118.61	698.16	1.73%
CSEALL	8,848.36	345.87	4.07%

Exchange Rates**1 US Dollar = 105.69 BDT****1 GBP = 127.03 BDT****1 Euro = 112.84 BDT****1 INR = 1.28 BDT**

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