

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:**Local production of pharma raw materials gaining traction**

- Pharmaceutical companies are gradually enhancing their capacity to produce the raw materials needed to make medicines, which will go on to reduce Bangladesh's over-reliance on imports and augment the country's competitive edge in the global market.
- In the last 12 years, the value of active pharmaceutical ingredients (APIs) made in the country grew four times to more than BDT 20 Bn thanks to the entry of more firms in the segment in recent years. It was about BDT 5 Bn in 2010. Local companies meet 10% to 15% of the annual demand for APIs, according to Monjurul Alam, director for global business development at Beacon Pharmaceuticals.

<https://www.thedailystar.net/business/economy/news/local-production-pharma-raw-materials-gaining-traction-3275646>

Bangladesh's potato export continues to grow: FAO

- Potato export from farmers, supported by the Food and Agriculture Organization of the United Nations, continues to grow, as producers came together on Sunday to celebrate another year of success. Four producer co-operatives joined the fourth annual potato export inauguration in Rangpur - the country's main potato growing region, a FAO press release said.
- Last year, Bangladesh produced 11 Mn tonnes - making it the third largest producer in Asia, after China and India - of which it exported nearly 0.8 Mn tonnes. More than a third of potato exports went to Malaysia, a fourth went to Nepal and a fifth went to Sri Lanka.

<https://www.newagebd.net/article/197239/bangladeshs-potato-export-continues-to-grow-fao>

Bangladesh urges international community to continue providing trade facilities to graduated countries

- Foreign Minister Dr AK Abdul Momen, on Sunday, called upon the international community to continue providing trade facilities to the countries who have graduated from the LDC status. Addressing the 25th founding anniversary celebration programme of the Diplomatic Correspondents' Association of Bangladesh (DCAB) in the city, the minister said that the continuation of trade facilities is essential for the successful transition of the graduated countries.

<https://thefinancialexpress.com.bd/economy/bangladesh/international-community-urged-to-continue-providing-trade-facilities-to-graduated-countries>

67% RMG export earnings come from 10 items

- About 68% of Bangladesh's annual export earnings from apparels is still confined to just 10 items, indicating that product diversification in the industry is yet to reach expected levels even after a journey of four-and-a-half decades.
- The 10 most exported apparel items accounted for USD 30.94 Bn of the country's USD 45.70 Bn earnings from the industry last year, according to data from the Export Promotion Bureau compiled by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

<https://www.thedailystar.net/business/economy/news/67-rmg-export-earnings-come-10-items-3275621>

BDT 1 Bn fresh investment to ramp up waste paper processing

- Paper industry leaders are now leaning towards boosting the recycling of waste paper as the dearth of dollars continues to hinder the import of raw materials of pulp and paper. According to sector insiders, the new investment will be a shot in the arm for the industry, which has been facing a crisis since the pandemic hit in early 2020, halting imports. The Russia-Ukraine war made the crisis only worse with the dollar shortage.
- Lipy Paper Mills Ltd, a company that currently produces and exports white print paper, has invested BDT 1 Bn in waste paper processing to turn discarded or thrown-away paper into new paper products. Shahriar Hasan Khan, deputy managing director of Lipy Paper Mills, told The Business Standard (TBS), "We made the investment in waste paper processing to reduce the dependence on import of raw materials (pulp). We are now in the middle of installing modern machinery in our factory in Sonargaon to process discarded paper and make new products."

<https://www.tbsnews.net/economy/industry/BDT100cr-fresh-investment-ramp-waste-paper-processing-601826>

EDF reduced to USD 5.5 Bn, banks to face penalty interest for repayment delay

- Banks will have to pay 4% "penal interest" if they fail to repay loans taken from the Export Development Fund (EDF) formed from the country's foreign exchange reserves on time, according to a circular issued by the Bangladesh Bank on Sunday. The central bank has made the decision as several banks have been delaying the repayment of EDF loans for a long time, officials concerned have told The Business Standard.
- Data obtained from the central bank on 19 March show that the outstanding amount of EDF loans currently stands at USD 5.5 Bn. To reduce the strain on its reserves, the central bank has been more aggressive in recovering outstanding EDF loans than disbursing new loans from the fund. In the last two and a half months, the amount of outstanding EDF loans has been reduced by over USD 1.5 Bn.

<https://www.tbsnews.net/economy/banking/bb-impose-4-penal-interest-banks-unpaid-edf-loans-602090>

Revenue barely grows, raising worries about fiscal balance

- Revenue growth has nosedived and fallen far behind the target in the eight months of the current fiscal year up to February, raising concerns over financing the deficit and development projects with prospects of more domestic resource mobilisation in the rest of the year remaining bleak.
- The downward trend in revenue collection that began in November last year continues with collection growth falling as low as 3.07% this February, sliding by more than a percentage point from 4.91% in January. According to the National Board of Revenue (NBR) sources, BDT 237.27 Bn in revenue – income tax, value-added tax (VAT) and customs tax – was collected in February this year, which was BDT 230.20 Bn in February of FY22.

<https://www.tbsnews.net/economy/revenue-barely-grows-raising-worries-about-fiscal-balance-602206>

Sugar price to go down by BDT 5 soon: Commerce minister

- Commerce Minister Tipu Munshi has said that sugar prices in the consumer market will go down by BDT 5 per kg soon. "It will take seven days to implement the new price rate," the minister said during a meeting of the task force on essential commodities at the commerce ministry in Dhaka on Sunday (19 March).
- Tipu Munshi said, "The government slashed duties on sugar imports last month following which the retail price is expected to go down by BDT 4.5. "But we have requested traders to lower the rate by BDT 5. They have agreed to our request and assured us that the rate will be effective after a week."

<https://www.tbsnews.net/economy/bazaar/sugar-price-go-down-BDT5-soon-commerce-minister-601886>

High prices may cut demand by 20%

- The demand for essential commodities may fall 20% year-on-year in the upcoming month of Ramadan thanks to the high prices of the items in the market, according to a paper by the commerce ministry. The paper was presented at a meeting of the taskforce on prices of essentials and market situation yesterday. Officials said industrial use of edible oil and sugar to make wheat-based foods such as biscuits and bread has already declined resulting from a slump in wheat imports.

<https://www.thedailystar.net/business/economy/news/high-prices-may-cut-demand-20-3275591>

Depreciation adds BDT 600 Bn payment burden for foreign loan borrowers

- The once cheaper foreign loan has now turned into a burden for private sector borrowers as they will have to pay an additional BDT 600 Bn against the total foreign currency loan of USD 24.3 Bn thanks to taka devaluation. Back in 2021, when the greenback rate stood at BDT 84.8, private borrowers indebted in dollars were staring at a payment of BDT 2 Tn against their loans.
- Fast forward to the present day, with the dollar surging to BDT 107, and the payment for the same quantum of offshore debt has jumped to BDT 2.60 Tn. As if the taka depreciation in the past year was not enough, private borrowers are now grappling with escalating interest rates in the global market. According to a top central bank official, this is deterring them from seeking external loans.

<https://www.tbsnews.net/economy/banking/depreciation-adds-BDT60000cr-payment-burden-foreign-loan-borrowers-601778>

Stocks:**BANKASIA | Bank Asia declares 15% cash dividend for 2022**

- The board of directors of Bank Asia Ltd has recommended a 15% cash dividend for the year that ended on December 31, 2022. The final approval of the dividend will come during the annual general meeting (AGM) scheduled to be held on April 30 at 11:00 am in Dhaka through digital platforms.
- The record date for entitlement of dividend is April 4. The bank has also reported consolidated earnings per share (EPS) of BDT 2.62 for the year ended on December 31, 2022 as against BDT 2.34 in the previous year. The consolidated net asset value (NAV) per share stood at BDT 24.41 for the year ended on December 31, 2022, as against BDT 23.33 in the previous year.

<https://thefinancialexpress.com.bd/stock/bangladesh/bank-asia-declares-15pc-cash-dividend-for-2022>

UNITEDINS | United Insurance's profit goes up on marine business

- The net profit of United Insurance Company Ltd increased by 6% for 2022, riding on higher premium collection and interest income, and it recommended a 10% cash dividend for its shareholders. In 2022, the gross premium of the non-life insurer, which was incorporated in 1985 and listed on the Dhaka Stock Exchange in 1990, stood at BDT 585.7 Mn compared to BDT 543.3 Mn in the previous year.
- Consequently, its profit after tax stood at BDT 77.9 Mn, which was BDT 73.5 Mn in 2021. Khawja Manzer Nadeem, managing director of United Insurance, said the company has made good business in marine insurance, essential products, garments, and pharmaceutical raw materials over the year.

<https://www.tbsnews.net/economy/stocks/united-insurances-profit-goes-marine-business-602194>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 67.02	(USD 8.19)	-10.89%
Crude Oil (Brent)*	USD 73.25	(USD 4.53)	-5.82%
Gold Spot*	USD 1,970.07	USD 195.92	11.04%
DSEX	6,207.33	0.33	0.01%
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	9,686.15	1,183.66	13.92%

Exchange Rates**1 US Dollar = 107.00 BDT****1 GBP = 130.33 BDT****1 Euro = 114.24 BDT****1 INR = 1.30 BDT**

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