

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:**Microcredit booms as rural people opt for hassle-free loans**

- After two years of pandemic struggles, small businesses and entrepreneurs in rural Bangladesh started to turn around last year driving up the credit appetite for household-owned workshops, agriculture, cattle farming, fisheries and three-wheelers. In addition, the war-fuelled inflation has also forced many to turn to micro-loans to meet needs.
- Data shows that the disbursement in the first six months of FY23 is on an uptrend to BDT 1,100 Bn. In FY22, the microfinance institutions disbursed loans of around BDT 1,920 Bn, which marks an impressive 27% year-on-year growth.
- Besides, some 222 new micro-lenders were approved in the last 14 months to meet the burgeoning loan demand, according to the Microcredit Regulatory Authority (MRA). According to the Microcredit Regulatory Authority, MRA-licensed microfinance institutions disbursed more than BDT 1,910 Bn in FY22 – up from BDT 1,510 Bn in FY21 and BDT 1,360 Bn in FY20.

<https://www.tbsnews.net/economy/banking/microcredit-booms-rural-people-opt-hassle-free-loans-590746>

Bangladeshi garment factory becomes global leader among LEED certified factories

- A Bangladeshi woven garment factory, Green Textile Ltd unit 4, has become the global leader among the Leadership in Energy and Environmental Design (LEED) certified green factories after it received a score of 104 out of 110, the highest ever in the apparel industry category.
- The US Green Building Council (USGBC) had issued the LEED platinum certification to the factory on 21 February, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). Following the certification, Mymensingh-based Green Textile Limited's unit-4, a joint venture project of Epic group and Envoy legacy, now holds the top position among its peers globally.

<https://www.tbsnews.net/economy/rmg/bangladeshi-garment-factory-becomes-global-leader-among-leed-certified-factories-590738>

Demand for luxury flats intact despite economic woes

- The demand for luxury apartments has remained unchanged while the sales of regular properties and initiation of new housing projects are in the slow lane amid the ongoing economic crisis, according to market players. Sustained inflationary pressure stemming from global crises, such as the Russia-Ukraine war, has driven up apartment prices by increasing the cost of raw materials.
- As such, construction costs have gone up by BDT 1,500 to BDT 12,000 per square foot depending on the size and location of the property, as per an assessment by the Real Estate and Housing Association of Bangladesh (REHAB). Despite these constraints, the demand for luxury apartments remains constant as the target customers are of an economic stratum, which has been less affected by economic crises compared to the general public.

<https://www.thedailystar.net/business/economy/news/demand-luxury-flats-intact-despite-economic-woes-3257371>

ICT can play key role to diversify exports

- Bangladesh's export basket dominated mainly by garments needs to be diversified, where ICT can play the key role, experts said yesterday. Garments account for 90 per cent of exports to EU from Bangladesh, but ICT can be a very promising and important sector for the diversification, EU Ambassador Charles Whiteley said.
- "The shortfall we have in Europe for ICT experts will grow to 8 Mn by 2030 from the current 1.5 Mn." "We have a kind of brain gap in the EU. We will be scouting the world for talent, not to steal talent, but to work with the talent," he added.

<https://www.thedailystar.net/business/economy/news/ict-can-play-key-role-diversify-exports-3257346>

Basis SoftExpo 2023: An exhibition promoting the next big leap

- The largest ICT exhibition in the South Asian region, Basis SoftExpo 2023, will end in the capital on Sunday evening, leaving behind its ever shining marks in promoting the country's biggest leapfrogging potentials in terms of grabbing the demographic dividends and export diversification, rightly addressed by the government through targeting a USD 5 Bn export of IT and ITES products and services.
- Bangladesh Association of Software and Information Services (BASIS) President Russel T Ahmed in exchange announced USD 20 Bn export target by 2031 and gave a 3x3 formulae to achieve it. "The story is all about the next big leap," said Russel T Ahmed, the leader of the exhibition organiser.

<https://www.tbsnews.net/economy/basis-softexpo-2023-exhibition-promoting-next-big-leap-590726>

MCCI for continuation of energy subsidies

- The Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) has requested the government to continue the subsidy on the energy sector so that the private sector can stay afloat amid the double blow dealt by the coronavirus pandemic and the Russia-Ukraine war. The pandemic hit the economy in 2020, its second wave came in 2021, and Bangladesh is yet to recover from it fully.
- At a time when the economy was trying to return to its high growth trajectory, the war emerged out of nowhere, derailing the recovery and dealing a major blow to businesses. "The government can think of continuing the subsidy in the energy sector at least by another year considering the double effect," said Md Saiful Islam, president of the MCCI. He made the request while speaking to reporters at the office of the country's oldest trade body.

<https://www.thedailystar.net/business/economy/news/mcci-continuation-energy-subsidies-3257261>

Canada wants agro collaboration with Bangladesh, says visiting minister

- Canada is keen to collaborate with Bangladesh in the agriculture sector particularly in the development of food storage and small-scale farmers. Canadian Minister of International Development Harjit S Sajjan expressed this interest during a courtesy call on Prime Minister Sheikh Hasina at her official residence Ganabhaban. PM's Speechwriter Md Nazrul Islam briefed reporters after the meeting.
- According to the spokesperson, the visiting Canadian minister appreciated the development of Bangladesh in agriculture and education. The minister also praised Hasina for developing a large agro-farm inside her residence complex. The premier called upon the Canadian entrepreneurs to make investment in agro-processing industry and others in the special economic zones of Bangladesh.

<https://www.tbsnews.net/economy/canada-wants-agro-collaboration-bangladesh-says-visiting-minister-590142>

Govt to develop smart livestock farming through technology

- The government aims to promote the development of smart livestock farming in the country through the establishment of sustainable farms and the utilisation of technology to enhance production while maintaining the quality. Stakeholders have indicated that the development of smart livestock farming will require the implementation of various schemes throughout the country. These schemes include new methods for cattle and poultry farming.
- The Ministry of Fisheries and Livestock launched the Livestock Services Week and Exhibition 2023 nationwide on Saturday, under the theme "Smart Livestock Smart Bangladesh," in an effort to achieve these goals. The campaign will continue from 25 February to 1 March.

<https://www.tbsnews.net/markets/prices-meat-milk-eggs-remain-bearable-during-ramadan-livestock-minister-590614>

BBS finally releases Boro output data, nearly to no avail

- The Bangladesh Bureau of Statistics (BBS) last week finally made public its estimate of the amount of Boro season paddy produced in the country last year, which sadly will come to little effect as farmers will be harvesting this year's crops within a month or so.
- Had the data been available prior to the planting of this year's crops, which is from November to February, the government could have better prepared its national production and import strategies to ensure food security. Rice is a staple food for Bangladesh and Boro paddy accounts for nearly 55% of the country's yearly rice production. The harvest of Boro paddy runs between April and June, meaning the BBS took over seven months to provide the data.

<https://www.thedailystar.net/business/economy/news/bbs-finally-releases-boro-output-data-nearly-no-avail-3255941>

Depositors withdraw BDT 114.26 Bn from Islamic banks in 3 months

- Deposit flow to Islamic banks in Bangladesh registered a fall in the fourth quarter of 2022, the first such decline in eight years, in a sign of erosion of confidence among savers owing to loan irregularities. Data released yesterday by the Bangladesh Bank showed that total deposits in Islamic banks declined to BDT 4.09 Tn at the end of December 2022, down 2.71% from BDT 4.22 Tn in September.
- This means Islamic banks lost BDT 114.26 Bn in deposits in the three months, according to the October-December quarterly report on Islamic banking of the central bank. Full-fledged Islamic banks, now numbered 10, were the biggest sufferers as they lost BDT 118.42 Bn in the fourth quarter from the third quarter.

<https://www.thedailystar.net/business/economy/news/depositors-withdraw-tk-11426cr-islamic-banks-3-months-3255956>

Foreign aid flow into BD falling headlong

- Foreign-aid flow into Bangladesh is ebbing down drastically in recent months as the country received 62-percent less assistance confirmation in July-January period, officials said Saturday and aired despair about any early rebound. Government's belt-tightening stance on public spending, lax reform initiatives, country's waning creditworthiness, and global economic shocks have shrunk the overseas development assistance (ODA) inflow to the country, analysts said.
- Economists point out that reluctance in reform, lower local resource allocation for the foreign-funded development projects, and historically weak capacity in project implementation as the dampers on the ODA inflow. The country's larger development partners, including the World Bank and Japan, confirmed the lowest amount of funds in the first seven months of the current fiscal year (FY) 2022-23.

<https://thefinancialexpress.com.bd/economy/foreign-aid-flow-into-bd-falling-headlong-1677377789>

Current BD budget deficit widens

- Bangladesh sees widening budget deficit, amounting to BDT 71.53 Bn during the July-November period in an over 62% increase year on year, amid lower revenue collection, official statistics show. The shortfall incurred in the November tally is the first in this fiscal year as it remained in surplus domain up to October last, according to a report of the Ministry of Finance on Thursday.

<https://thefinancialexpress.com.bd/economy/current-bd-budget-deficit-widens-1677292727>

Stocks:**BSC | Shipping Corporation's profit surges 12% in Oct-Dec**

- State-owned Bangladesh Shipping Corporation's (BSC) earnings per share (EPS) rose by 12% in the October-December quarter of FY2022-23. During the quarter, its EPS stood at BDT 4.43, which was BDT 3.94 during the same time a year ago. At the end of the first half of FY2023, its EPS was BDT 8.41, a figure 2% higher than the previous year during the same period.

<https://www.tbsnews.net/economy/stocks/shipping-corporations-profit-surges-12-oct-dec-590490>

CITYBANK | City Bank Perpetual Bond's half-yearly coupon rate set at 10%

- The City Bank Limited has announced a 10% half-yearly coupon rate for its perpetual bond which is trading at the Dhaka Stock Exchange (DSE) from June 2022. According to a DSE disclosure on Thursday, the coupon period starts from 1 March 2023, and ends on 31 August. A coupon is the interest payment received by a bondholder from the date of issuance until the date of maturity of the bond.
- The City Bank Perpetual Bond, which made its trading debut with a price of BDT 1 Mn per unit, closed at BDT 1.037 Mn per unit on Thursday. The bond is unsecured, contingent-convertible, fully paid-up, non-cumulative and Basel-III compliant.

<https://www.tbsnews.net/economy/stocks/city-bank-perpetual-bonds-half-yearly-coupon-rate-set-10-589746>

ROBI | Robi launches eSIM facilities

- The country's second-largest telecom operator - Robi Axiata Ltd -has launched eSIM facility for its customers. Robi customers would be able to enjoy digital services without the need for a physical SIM card thanks to the smart solution, according to a press release. Robi is the third operator that launched the eSIM facility in the country after Grameenphone and Banglalink.

<https://thefinancialexpress.com.bd/stock/bangladesh/robi-launches-esim-facilities-1677120763>

CITYBANK | City Bank, BAU in agri research deal

- City Bank and Bangladesh Agricultural University (BAU) recently signed a memorandum of understanding (MoU) on financial assistance for agricultural research and development to ensure sustainable food security in Bangladesh. Mashrur Arefin, managing director and CEO of the bank, and Prof Lutful Hassan, vice-chancellor of the university, signed the deal at City Bank Centre in Dhaka, said a press release.
- Under the deal, both organisations will work together to establish a knowledge partnership which will assist education and human resources development in the field of agriculture with the objective to increase agricultural production and its quality, capacity building and innovation.

<https://www.thedailystar.net/business/economy/news/city-bank-bau-agri-research-deal-3257291>

PRIMEBANK | Prime Bank gets new DMD

- Prime Bank has recently promoted a senior executive vice-president to the post of deputy managing director (DMD). The official, Syed M Omar Tayub, was working as a senior executive vice-president and head of micro, small and medium enterprises banking in Prime Bank concurrently, said a press release. Tayub is currently serving on deputation as the managing director and chief executive officer of Prime Bank Investment, a subsidiary of Prime Bank.

<https://www.thedailystar.net/business/economy/news/prime-bank-gets-new-dmd-3257301>

SSSTEEL | Anomalies spotted in SS Steel financials

- An auditor has found some inconsistencies in the financials of SS Steel for the year ended on June 30, 2022. Mentioning some inconsistencies, including violation of Financial Reporting Council (FRC) notification, the auditor has given qualified opinion in its report for FY22. According to the auditor, the opening and closing balance of the Workers Profit Participation Fund (WPPF) account is not supported by a separate bank account.

<https://thefinancialexpress.com.bd/stock/anomalies-spotted-in-ss-steel-financials-1677120865>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 76.32	USD 1.11	1.48%
Crude Oil (Brent)*	USD 83.16	USD 5.38	6.92%
Gold Spot*	USD 1,811.04	USD 36.89	2.08%
DSEX	6,205.12	-1.88	-0.03%
S&P 500	3,970.04	130.54	3.40%
FTSE 100	7,878.66	426.92	5.73%
BSE SENSEX	59,463.93	-1,376.81	-2.26%
KSE-100	40,707.76	287.31	0.71%
CSEALL	9,315.87	813.38	9.57%

Exchange Rates**1 US Dollar = 106.68 BDT****1 GBP = 127.42 BDT****1 Euro = 112.77 BDT****1 INR = 1.29 BDT**

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