

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:**Quarterly reports on GDP from 2024: BBS tells IMF**

- The Bangladesh Bureau of Statistics (BBS) has decided to prepare and release quarterly reports on the country's gross domestic product (GDP) from 2024. The move comes following the conditions put forth by the International Monetary Fund (IMF) for the USD 4.7 Bn loan for Bangladesh.
- BBS Director General (DG) Md Matiar Rahman revealed the information following a meeting with a delegation of the International Monetary Fund (IMF) in Dhaka on Tuesday (2 May) morning. "We have also informed the international lender about updating our consumer price index (CPI). Data related to 722 food and non-food items under total 12 categories have been taken instead of the current 412 items under eight categories.

<https://www.tbsnews.net/economy/quarterly-reports-gdp-2024-bbs-tells-imf-624954>

Uniform exchange rate from July, Commerce tells IMF

- The commerce ministry has informed the International Monetary Fund (IMF) that a uniform exchange rate of the US dollar will be introduced for importers and exporters from July this year. In a meeting with the Senior Secretary of the commerce ministry Tapan Kanti Ghosh on Tuesday, the IMF reiterated its call for introducing a unified exchange rate for imports and exports. In addition, the global lender raised concerns about exporters intentionally not bringing in export proceeds to the country. According to Bangladesh Bank sources, the official dollar rate for exporters is now BDT 106. But the importers said they have to buy dollars from banks at BDT 113-114 for opening letters of credit (LCs).

<https://www.tbsnews.net/economy/uniform-exchange-rate-july-commerce-tells-imf-625350>

Bangladesh's exports to India could rise by 300% if connectivity improves: Indian envoy

- Indian High Commissioner in Dhaka Pranay Verma said on Tuesday that Bangladesh's exports to India could increase by nearly 300% if connectivity improves along with trade and infrastructure. "Studies indicate that the seamless connectivity between India and Bangladesh has the potential to increase national income by 17% in Bangladesh and 8% in India," he said at a seminar on "Multimodal connectivity between India and Bangladesh".
- In the last 10 years, Bangladesh's exports to India have increased by around four times, reaching nearly USD 2 Bn in the fiscal 2021–22. According to data from the Bangladesh Bank, in the fiscal 2017–18, goods worth USD 8.62 Bn were imported from India, and the volume increased to over USD 14 Bn in the fiscal 2021–22. Pranay Verma said, "To optimise the potential for better connectivity, we hope to gain greater access to and from Bangladesh's ports, inland waterways, and road links. We also offer Bangladesh options to use our ports, railways, and airports to export goods to India and the rest of the world.

<https://www.tbsnews.net/economy/bangladeshs-export-india-could-increase-nearly-300-if-connectivity-improves-indian-envoy>

WB to provide USD 2.25 Bn to Bangladesh in five projects

- World Bank will provide USD 2.25 Bn as loan to Bangladesh to develop various sectors, including regional trade and connectivity, disaster preparedness and environmental management. A loan agreement was signed on Monday between Bangladesh and the World Bank for implementing five projects.
- This loan agreement comprises five projects: Accelerating transport and trade connectivity in Eastern South Asia (ACCESS) – Bangladesh Phase-1 Project worth USD 753.45 Mn. USD 500 Mn Resilient Infrastructure Building Project (RIVER) for resilience, adaptation and vulnerability reduction that will be the first major investment to support Bangladesh's Delta Plan 2100. It will help improve disaster preparedness against inland flooding. USD 500 Mn First Bangladesh Green and Climate Resilient Development (GCRD) project is the first such credit that will help the country's transition to resilient development.
- USD 250 Mn Sustainable Microenterprise and Resilient Transformation (SMART) project aims to help transform the microenterprise sector into a more dynamic, less polluting, resource efficient and climate resilient growth sector. USD 250 Mn Bangladesh Environmental Sustainability and Transformation (BEST) project to help strengthen environmental management and promote private sector participation in green investment.

<https://thefinancialexpress.com.bd/economy/bangladesh/wb-to-provide-225b-to-bangladesh-in-five-projects>

NBR wants higher taxes for the wealthy in FY24 budget

- Wealthy individuals may face higher taxes next year as the National Board of Revenue (NBR) wants to increase the surcharge on their income taxes in the budget for the next fiscal year, finance ministry officials said. The surcharge on income tax payable by wealthy individuals now varies between 10% and 35%. At present, the surcharge for individual taxpayers whose asset limit is between BDT 100 Mn and BDT 200 Mn is 20%. For those with assets between BDT 200 Mn and BDT 500 Mn, the rate is 30%. Taxpayers with assets exceeding BDT 500 Mn have to pay a surcharge of 35%. The minimum 10% surcharge is payable for individuals owning more than a vehicle or a residential property of more than 8,000 square feet.

<https://www.tbsnews.net/economy/nbr-wants-higher-taxes-wealthy-fy24-budget-625366>

Remittances down 16.28% in April on low exchange rate

- Remittances inflow to the country fell by 16.28% in April this year compared to the same period last year. Banking sector insiders said the remittance inflow dropped as banks offered a lower exchange rate in April compared to that in March. According to the central bank, the country received USD 1.68 Bn in remittances in April 2023, while it received USD 2.01 Bn in April last year. Even in March this year, Bangladesh received over USD 2 Bn in remittances – around USD 350 Mn more than that in April.
- An analysis of the central bank's data shows that overall remittance has decreased but it has not decreased equally in all banks. Out of around 60 banks in April, 28 banks saw an increase in remittance income, while 22 banks witnessed a decrease compared to March. The remittance income of the remaining 10 banks remained stable. Mostly private banks witnessed the drop in remittance. In March, private banks received USD 1.73 Bn in remittances, which dropped to USD 1.38 Bn in April. Private banks' remittance income fell by USD 348 Mn in one month.

<https://www.tbsnews.net/economy/remittances-down-1944-april-625154>

Textile firms bear the brunt of dollar, energy crises in March quarter

- Textile and apparel industry in the country incurred losses, and many of them saw lower profits in the January-March quarter of the current fiscal owing to energy shortage, strong dollar and a slowdown in global market demand caused by the Russia-Ukraine war. The industry entrepreneurs said that the dollar shortage affected the local textile industry as most of them are not able to open letters of credit (LC) for the import of raw cotton despite it becoming cheaper in the global market, affecting apparel prices.
- As a result of a fall in demand for textile and apparel finished goods and a rise in production cost, the country's listed companies in this sector saw a sharp fall in profit during the first quarter, according to the data of the Dhaka Stock Exchange (DSE).

<https://www.tbsnews.net/economy/textile-firms-bear-brunt-dollar-energy-crises-march-quarter-625354>

Net foreign investment declines 35% in Oct-Dec 2022

- Net foreign direct investment (FDI) in the country fell by 35.56% in the last quarter (October-December) of 2022 compared to the previous quarter due to the ongoing foreign exchange crisis in the country, according to the latest report of the Bangladesh Bank. Central bank data shows that foreign net investment in the last quarter of 2022 amounted to USD 703 Mn, which was USD 1,100 Mn in the previous quarter.
- People concerned said investments in Bangladesh were showing a slight increase after the normalisation of the Covid-19 situation. However, due to the Russia-Ukraine war and the subsequent global inflation, central banks of several countries have raised interest rates, leading foreign investors to countries with higher rates. As a result, Bangladesh has experienced a decrease in foreign investments, they said.

<https://www.tbsnews.net/economy/net-foreign-investment-declines-35-oct-dec-2022-625370>

Taka weakens further, BB sells USD 1 at BDT 104.5

- The Bangladeshi taka today weakened further against the US dollar as the Bangladesh Bank started selling the American greenback to banks at BDT 104.5. The move is aimed at adjusting the exchange rates gradually in line with the market demand and supply, a Bangladesh Bank official said. The central bank sold USD 56 Mn to banks at the new rate, said a senior Bangladesh Bank official, seeking anonymity. The central bank devalued the local currency BDT 103 from BDT 102 in the first week of April.

<https://www.thedailystar.net/business/news/taka-weakens-further-bb-sells-1-tk-1045-3309376>

Economic pressure deepens as export, remittance dip

- Exports and remittances, two major sources of foreign currencies for Bangladesh, plunged in April, a bad omen for the economy as it deals with multiple challenges, including a dollar crisis, an elevated level of import costs and falling reserves. Export earnings slumped 16.5% year-on-year to USD 3.95 Bn last month, according to the Export Promotion Bureau. And despite a surge in the outflow of migrant workers in 2022, remittances sent by migrant workers and non-resident Bangladeshis living abroad dropped 16.2% to USD 1.68 Bn, the sharpest fall in 14 months, data from the Bangladesh Bank showed.

<https://www.thedailystar.net/business/economy/news/economic-pressure-deepens-export-remittance-dip-3309756>

Stocks:**MLDYEING | ML Dyeing posts 82% profit decline**

- ML Dyeing Limited, a listed yarn dyeing company of Far Group, posted an 82% profit decline year on year in the third quarter of the current fiscal year. From January to March quarter, the net profit of the company stood at BDT 4.6 Mn, which was BDT 25.6 Mn in the same period of the previous year. Its earnings per share (EPS) was BDT 0.02, which was BDT 0.11 one year ago.

<https://www.tbsnews.net/economy/stocks/ml-dyeing-posts-82-profit-decline-624906>

KOHINOOR | Kohinoor Chemicals posts 16.5% jump in profit in July-March

- Kohinoor Chemicals Company (Bangladesh) Ltd, one of the oldest soaps, cosmetics and toiletries manufacturers in the country, reported a 3.4% year-on-year increase in profit to BDT 102 Mn in the third quarter of the current financial year. The profit stood at BDT 98.7 Mn in the January-March quarter of 2021-22. Thus, its earnings per share stood at BDT 3.33 in January-March, which was BDT 3.22 in the same quarter of 2021-22. On the back of the latest quarter results, the cosmetics and toiletries maker recorded a 16.5% rise in profit to BDT 274.8 Mn during the July-March period of 2022-23. It was BDT 235.9 Mn in the same period a year earlier.

<https://www.thedailystar.net/business/news/kohinoor-chemicals-posts-165-jump-profit-july-march-3309346>

ACI | ACI profit drops 21% due to high production costs

- The consolidated earnings per share (EPS) of ACI Limited decreased by 21% year on year in the third quarter of the fiscal year due to high production costs. From January to March quarter, its consolidated earnings per share (EPS) was BDT 0.33, which was BDT 0.42 in the same period of the previous year. From July to March period, its consolidated per share loss was BDT 1.45, which was a profit of BDT 5.67 from one year ago. The company said EPS has decreased due to an increase in costs because of currency devaluation, a hike in energy prices, high import prices, and increased financing costs, according to earnings disclosure.

<https://www.tbsnews.net/economy/stocks/aci-profit-drops-21-due-high-production-costs-624914>

UPGDCL | United Power's profit drops 22% due to high production costs

- The United Power Generation and Distribution Company saw a 22% year-on-year profit decrease in the third quarter of the current fiscal year due to increasing costs of production. In the January to March quarter, its consolidated net profit came down to BDT 2.48 Bn compared to BDT 3.18 Bn in the same period of the previous fiscal year. The consolidated earnings per share stood at BDT 4.28, down from BDT 5.50 a year ago. According to Md Mujibul Islam Patwary, an assistant general manager of the company, the import cost of Heavy Fuel Oil (HFO), which is used in their power plants as fuel, rose significantly due to rising dollar rates.

<https://www.tbsnews.net/economy/stocks/united-powers-profit-drops-22-due-high-production-costs-624938>

GP | Grameenphone's profit drops 3.83% in Jan-Mar

- Grameenphone reported a 3.83% year-on-year decline in its quarterly profit after taxes for the January-March period. The telecom market leader, despite its higher revenue – BDT 37.34 Bn from BDT 36.33 Bn – saw its net profit dropping to BDT 7.79 Bn in the three months, from BDT 8.09 Bn in the same period a year ago. According to a price sensitive information disclosure by the company, its quarterly earnings per share (EPS) inched down to BDT 5.77 from BDT 6.00 for the same quarter of 2022.

<https://www.tbsnews.net/economy/stocks/grameenphones-profit-drops-383-jan-mar-625294>

NRBCBANK | NRBC Bank made BDT 1.93 Bn profit in 2022

- NRB Commercial Bank Limited posted a 14.35% year-on-year decline in profit to BDT 1.93 Bn in 2022 owing to an additional provision that was set aside and an extra tax burden. The private commercial lender made a profit of BDT 2.25 Bn in 2021. Thus, NRB Commercial Bank reported consolidated earnings per share of BDT 2.44 for 2022 against BDT 2.85 in 2021. The EPS decreased compared to the previous year for keeping additional provisions and an extra tax burden, said the bank in a filing on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/banks/news/nrbc-bank-made-tk-193cr-profit-2022-3309726>

ADNTEL | ADN Telecom to build 13-storied building, data centre at BDT 700 Mn

- ADN Telecom's board of directors has decided to construct a 13-storied commercial building and a data centre setup in the capital's Badda area. According to a regulatory disclosure, the building will have a total approximate floor space of 1,16,400 square feet. Of the 13-storied building, with three basements, the first and second floors will be used for the data centre. The estimated total cost of the project will be BDT 700 Mn which will be financed through a syndicate loan from banks. The company's board believes that this investment will have a positive impact on the long-term growth and success of the company, reads the disclosure statement.

<https://www.tbsnews.net/economy/stocks/adn-telecom-posts-impressive-q3-growth-624962>

BANKASIA | Romo Rouf Chowdhury re-elected as Bank Asia chairman

- Romo Rouf Chowdhury has been re-elected as the chairman of Bank Asia Limited at a meeting of the board of directors held on April 30, 2023. Chowdhury is one of the sponsor shareholders as well as sponsor directors of Bank Asia, said a press release. He has more than 30 years of experience as an industrialist. He is one of the successful young entrepreneurs of Bangladesh. Currently, Chowdhury is the chairman of Rancon Group.

<https://www.thedailystar.net/business/economy/banks/news/romo-rouf-chowdhury-re-elected-bank-asia-chairman-3309691>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 71.59	(USD 3.62)	-4.81%
Crude Oil (Brent)*	USD 75.29	(USD 2.49)	-3.20%
Gold Spot*	USD 2,017.39	USD 243.24	13.71%
DSEX	6,270.77	63.77	1.03%
S&P 500	4,119.58	280.08	7.29%
FTSE 100	7,773.03	321.29	4.31%
BSE SENSEX	61,354.71	513.97	0.84%
KSE-100	41,927.64	1,507.19	3.73%
CSEALL	8,711.46	208.97	2.46%

Exchange Rates**1 US Dollar = 105.81 BDT****1 GBP = 132.10 BDT****1 Euro = 116.61 BDT****1 INR = 1.29 BDT**

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BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Anika Mafiz	Research Analyst	anika.mafiz@bracepl.com	01708 805 206
Fahim Hassan	Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Hossain Zaman Towhidi Khan	Senior Research Associate	hztowhidi.khan@bracepl.com	01708 805 224
Billal Hossain	Research Associate	billal.hossain@bracepl.com	01708 805 229
Md. Tanvir Ahmed	Research Associate	mtanvir.ahmed@bracepl.com	01708 805 201
Syed Tawsifuzzaman	Research Associate	s.tawsifuzzaman@bracepl.com	01708 805 202

International Trade and Sales

Ahsanur Rahman Bappi	Chief Executive Officer	bappi@bracepl.com	01730 357 991
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For any queries or services, you can reach us at care@bracepl.com or hotline **16285**.