

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's GDP expected to grow by 5.3% in FY23: ADB**

- Bangladesh's gross domestic product is expected to grow by 5.3% in the current fiscal year, 2022-23, the Asian Development Bank said in a report. The slower growth forecast reflects subdued domestic demand and weaker export expansion due to slow global growth following the Russian invasion of Ukraine, reports bdnews24.com citing the report released on Tuesday.
- Inflation is forecast to accelerate from 6.2% in FY2022 to 8.7% in FY2023. The current account deficit is anticipated to narrow from 4.1% of GDP in FY2022 to 1.6% in FY2023 as imports loosen and remittances grow. According to the report, the main risk to this growth projection is a greater economic slowdown in Bangladesh's major export destinations driven by global uncertainty over the prolonged political tensions.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladeshs-gdp-expected-to-grow-by-53pc-in-fy23-adb>

Strong structural reforms can help Bangladesh sustain growth: WB

- Bangladesh made a rapid recovery from the COVID-19 pandemic supported by prudent macroeconomic policies, but the economy now faces considerable challenges with global economic uncertainty, rising inflationary pressure, energy shortages, a balance-of-payments deficit, and a revenue shortfall, said the World Bank (WB) in its twice-year-update.
- Released today, the Bangladesh Development Update April 2023 entitled 'Trade Reform: An Urgent Agenda' said that accelerating the implementation of structural reforms, including trade reforms and export diversification, will help Bangladesh face the current challenges and a sustained growth momentum in Bangladesh is expected to accelerate over the medium term. In FY24, growth is expected to pick up to 6.2%.

<https://thefinancialexpress.com.bd/economy/strong-structural-reforms-can-help-bangladesh-sustain-growth-wb>

Bangladesh to receive USD 1.45 Bn more shortly

- Bangladesh expects to bag another dollop of about USD 1.45 Bn in budgetary-support credit by next month from four other development financiers, apart from the IMF loan, officials said Monday. Finance officials are upbeat that this forthcoming aggregate amount of US dollars would leave a space for relief from the fiscal stress, by way of financing the budget deficit and recharging the country's falling foreign-Exchange reserves.
- The forex support now comes from the World Bank, the Asian Development Bank, Japan and the Asian Infrastructure Investment Bank (AIIB). The donors are likely to confirm the financing by next month to ease the financial crunch, Ministry of Finance (MoF) officials said.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-to-receive-145b-more-shortly>

BB instructs state-owned banks to reduce non-performing loans

- The Bangladesh Bank has instructed state-owned banks to reduce their non-performing loans to less than 10%, as it is a mandatory requirement to receive loans from the International Monetary Fund (IMF). Bangladesh Bank Governor Abdur Rouf Talukder issued the instruction in a meeting with the managing directors of four state-owned banks on Tuesday.
- The IMF has imposed conditions including reforms in the banking sector to get USD 4.5 Bn as loan assistance to Bangladesh. Some of the conditions set by the IMF include the removal of the maximum interest rate obligation for loans, disclosure of net foreign currency reserves, reduction of defaulted loans in banks, and determining currency exchange rates in line with market fluctuations.

<https://www.tbsnews.net/economy/banking/bb-instructs-state-owned-banks-reduce-non-performing-loans-611194>

Include women's unpaid work in GDP: PM

- Prime Minister Sheikh Hasina yesterday asked the authorities concerned to incorporate women's unpaid household works into Bangladesh's gross domestic product (GDP). Women do domestic chores all their life but their work has remained unreported for a long time, the premier said.
- Many developed Nordic countries like Finland and Norway have already acknowledged women's domestic contribution, Hasina said. In response, the planning minister said he will assign the Bangladesh Institute of Development Studies to work on it.

<https://www.thedailystar.net/business/economy/news/include-womens-unpaid-work-gdp-pm-3289011>

Shrimp exports recovering from downturn

- Shrimp exports are gradually recovering from a downturn earlier this year mainly due to increased demand and prices for freshwater prawn and partly for brackish water shrimp locally known as black tiger, two exporters said. Export earnings from shrimp, the main item of the USD 0.5 Bn export earning frozen and live fish sector, plunged as much as 32% in the July-November period of the current fiscal year 2022-23.
- The situation has been improving since then. Frozen food processors recorded a 24% slump in shrimp shipments for the US and European markets, showed data from the Export Promotion Bureau (EPB).

<https://www.thedailystar.net/business/economy/news/shrimp-exports-recovering-downturn-3287906>

Jewellers seek 10-year 'tax holiday' for gold refinery

- Jewellers have demanded a ten-year tax holiday for gold refineries in the country to flourish the industry of the precious metal. At a pre-budget press conference on Tuesday, the Bangladesh Jeweller's Association (Bajus) wanted the government to provide the businesses with a 50% cash incentive for a minimum 20% value addition to promote the exports of gold bars, coins, and ornaments.
- It also called for reducing the value-added tax (VAT) to 3% from 5% at present on retail sales of gold, silver, and diamond ornaments to make them competitive with the neighboring country of India. Bajus Vice President Anwar Hossain presented the budget proposal at the press conference held at the Bashundhara City Shopping Complex in the capital.

<https://www.tbsnews.net/economy/jewellers-seek-10-year-tax-holiday-gold-refinery-611034>

Ceramics sales down as consumers cut back on expenses

- Sales of ceramics items have dropped by up to 20% in Bangladesh as consumers cut back on their non-essential expenditures and the real estate sector faces a slowdown amid economic uncertainty and higher inflationary pressures, industry people said.
- The prices of ceramic items have gone up owing to several factors such as the spike in raw material prices, the US dollar rate, transportation costs, and utility bills. Manufacturers and traders say the cost of production in the ceramics sector has surged by 20% to 30% in the past eight months.

<https://www.thedailystar.net/business/economy/news/ceramics-sales-down-consumers-cut-back-expenses-3288061>

Cement demand drops 14% in March

- The demand for cement in Bangladesh decreased by 14% year-on-year to 4 Mn tonnes in March due to delays in implementation of government projects and reduced private construction activities, according to the industry people. Cement consumption normally reaches year-high in March, but this year it experienced a year-on-year fall, which is a rare case, cement manufacturers said.
- The import-dependent cement industry is currently in dire straits because of multiple problems, including an increase in import price of raw materials, dollar crisis, complications in opening of letters of credit and price hikes of diesel, gas and electricity, they said. On the other hand, the decrease in cement demand during the peak session has become an additional concern for cement producers, they added.

<https://www.thedailystar.net/business/news/cement-demand-drops-14-march-3288791>

Inflation jumps to 7-month high in March

- Inflation in Bangladesh jumped to a seven-month high of 9.33% in March as food prices rose and the adjustment of oil, gas, and electricity prices took hold, highlighting the pains low-income households are going through. The Consumer Price Index (CPI) rose 55 basis points from the 8.78% reported in February.
- This means the spike in the CPI was just behind the 10-year high of 9.52% seen in August last year, led by higher commodity prices in the global markets and the resulting increase in the prices of petroleum, gas, and electricity at home. Planning Minister MA Mannan shared the inflation figures yesterday after the meeting of the Executive Committee of the National Economic Council in the capital.

<https://www.thedailystar.net/business/economy/news/inflation-jumps-7-month-high-march-3289026>

Taka slips further as BB sells dollars

- The taka has weakened further against the US dollar as the Bangladesh Bank has started selling the American greenback to banks at BDT 103. The move is aimed at adjusting the exchange rates gradually in line with the market demand and supply. The latest depreciation of the local currency comes a month after the central bank sold the greenback to banks at BDT 102 per USD.
- The central bank is selling the dollars to banks to help them meet their foreign currency requirements, particularly for import payments, amid the foreign exchange crisis that has been lingering for a year.

<https://www.thedailystar.net/business/economy/news/taka-slips-further-bb-sells-dollars-3288991>

Stocks:**PARAMOUNT | Paramount Insurance's yearly profit goes down by 38% in 2022**

- Paramount Insurance Company Ltd has reported a 38% year-on-year decline in its profit for the year that ended on 31 December 2022 owing to a slowdown in the opening of letters of credit (LCs) and also the stock market. At the end of 2022, the company's net profit stood at BDT 76 Mn, which was BDT 123.2 Mn in 2021. In 2022, earnings per share stood at BDT 1.87.
- At the company's board meeting on Monday, it declared a 10% cash dividend for 2022, like it did in 2021. Paramount Insurance's Company Secretary Zharna Parul told The Business Standard that the company's collection of premiums from marine insurance dropped because of difficulties in opening LCs due to the dollar crisis.

<https://www.tbsnews.net/economy/stocks/paramount-insurance-declares-10-cash-dividend-610798>

MALEKSPIN | Malek Spinning to replace its worn-out machinery

- Malek Spinning Mills Ltd, a concern of New Asia Group, has decided to replace some of its existing machinery being used in its mills located in Shafipur and Gazipur. The move aims to replace and upgrade the worn-out machinery that has lost production efficiency. Some BDT 1.066 Bn will have to be spent for the replacements.
- Funds will be collected from internal sources, bank loans and other sources, said the company in its disclosure. The company also informed us that the company's board of directors decided to postpone the implementation of their proposed project in Bhaluika and Mymensingh.

<https://www.tbsnews.net/economy/stocks/malek-spinning-replace-its-worn-out-machineries-610898>

MALEKSPIN | Why Malek Spinning backed out on BDT 2.13 Bn investment plan

- Malek Spinning had undertaken a bold plan to invest over BDT 2 Bn in 2021, when the global economy was in distress due to the pandemic, creating high hopes among its investors. But the spinner has backed out just two months before the project implementation deadline.
- The spinner has shown a lack of good business prospects due to a slump in prices and demand for yarn as well as the appreciation of foreign exchange, a factor that pushes up the cost of importing machinery for setting up a new factory, as reasons for its withdrawal from the plan.

<https://www.tbsnews.net/economy/stocks/why-malek-spinning-backed-out-tk213cr-investment-plan-611166>

EXCHANGE | DSE seeks info about all the BDT 2 Mn accounts

- The Dhaka Stock Exchange (DSE) has asked all the stockbrokers to submit information of their clients having at least BDT 2 Mn investments in securities by 10 April if they are interested to be eligible for trading in the SME platform. Data provided after 10 April will not be processed for the next time slot set to end on 30 June, said the premier bourse in its letter.
- This fueled a speculation that the regulators are going to lower the minimum investment threshold for trading eligibility of SME stocks to BDT 2 Mn from BDT 3 Mn, according to stockbrokers. Professor Shibli Rubayat-Ul-Islam, chairman of Bangladesh Securities and Exchange Commission (BSEC), told The Business Standard the regulator did not make any decision to change the minimum worth criteria for SME stock investing as the matter was subjudice.

<https://www.tbsnews.net/economy/stocks/dse-seeks-info-about-all-tk20-lakh-accounts-611154>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 81.07	USD 5.86	7.79%
Crude Oil (Brent)*	USD 85.38	USD 7.60	9.77%
Gold Spot*	USD 2,022.49	USD 248.34	14.00%
DSEX	6,209.68	2.68	0.04%
S&P 500	4,100.60	261.10	6.80%
FTSE 100	7,634.52	182.78	2.45%
BSE SENSEX	59,106.44	-1,734.30	-2.85%
KSE-100	39,687.26	-733.19	-1.81%
CSEALL	9,250.96	748.47	8.80%

Exchange Rates**1 US Dollar = 105.58 BDT****1 GBP = 131.86 BDT****1 Euro = 115.74 BDT****1 INR = 1.29 BDT**

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