

Weekly Market Update

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.12%) gained 7.41 points and closed the week at 6,214.20 points. The blue-chip index DS30 (-0.48%) lost -10.55 points and stood at 2,198.89 points. The Shariah-based index DSES (-0.11%) lost -1.44 points and stood at 1,347.89 points. The large cap index CDSET (-0.19%) lost -2.29 points and closed at 1,207.54 points. DSEX, DS30, DSES and CDSET showed YTD returns of +0.12%, +0.16%, -0.81%, -0.57%, respectively.

Total Turnover During the Week (DSE): BDT 28.9 billion (USD 269 million)
Average Daily Turnover Value (ADTV): BDT 5.8 billion ($\Delta\%$ Week: +41.2%)
Market P/E: 18.2x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a positive note (+0.18%) on Sunday. However, it turned negative (-0.07%) on Monday and remained negative on Tuesday (-0.06%). It reverted to positive on Wednesday (+0.02%). Lastly, the market closed on a positive note (+0.05%) on Thursday.

Sectoral Performance

- Financial sectors posted mixed performance this week. Bank booked the highest gain of 0.50% followed by General Insurance (+0.08%), and NBF1 (+0.01%). Life Insurance experienced the highest loss of 0.29% followed by Mutual Fund (0.00%).
- Non-financial sectors posted mixed performance this week. Fuel & Power booked the highest gain of 0.07% followed by Engineering (+0.06%), and Telecommunication (+0.00%). Food & Allied experienced the highest loss of 3.13% followed by Pharmaceutical (-0.26%).

Macroeconomic arena

• Up to USD 1.71 Bn required annually till 2041 for 40% renewable capacity: Study. Bridges Division begins repayment of Padma Bridge loan. ICMBAB calls for integrated, end-to-end digitisation of NBR activities. Govt to make another LNG purchase from spot market. Financial account deficit widens despite negative import growth in February. Subsidy, interest payment to go high in FY24 budget. Bangladesh's GDP expected to grow by 5.3% in FY23: ADB. Bangladesh to receive USD 1.45 Bn more shortly. Include women's unpaid work in GDP: PM. Strong structural reforms can help Bangladesh sustain growth: WB. Shrimp exports recovering from downturn. Jewellers seek 10-year 'tax holiday' for gold refinery. BB instructs state-owned banks to reduce non-performing loans. Ceramics sales down as consumers cut back on expenses. Taka slips further as BB sells dollars.

• Taka devalued yet again. Evaded taxes 8 times social safety net budget: CPD. Relief for external balance as export, remittance grow. ADB working on the fund for Bangladesh. Remitters sent home USD 2.02 Bn in March. Bangladesh's brand value more than twice of Pakistan, 10 times of Sri Lanka. Pathao gets payment service provider license. Preferential trade deal with Indonesia likely soon. Bangladesh may start trading with India using rupee soon. Stimulus loans-turned-long term investments put banks in stress: NRBC chairman. Germany to give 7 Mn Euro for social protection of textile, leather workers. PM calls for strengthening economic ties with Vietnam. Export trophy policy amended. Govt prepares guideline on non-native shrimp farming. Bangladesh, Netherlands hold talks to deepen economic cooperation. NBR makes e-payment of income taxes mandatory.

Stock Market arena

• GENNEXT | AJ Corporation increases holding in Generation Next Fashions. EXIMBANK | Exim Bank launches 'Exim Happiness'. STANDBANK | Standard Bank director elected exec committee chairman. EXCHANGE | Three banks see higher annual profits in 2022. EXCHANGE | Which listed firms await Ramadan boost? PARAMOUNT | Paramount Insurance's yearly profit goes down by 38% in 2022. MALEKSPIN | Malek Spinning to replace its worn-out machinery. MALEKSPIN | Why Malek Spinning backed out on BDT 2.13 Bn investment plan. EXCHANGE | DSE seeks info about all the BDT 2 Mn accounts. UTTARABANK | Uttara Bank's annual profit grows by 22%. BARKAPOW | Three directors to transfer Baraka Power stakes to holding companies. BIFC | Investor petitions in HC for liquidation of BIFC. EXCHANGE | Stabilisation Fund: A new financing window for stock market. EXCHANGE | Why BSEC took a year to approve 2 banks' stock dividends. EXCHANGE | BMSL's mutual fund gets go-ahead. ROBI | Robi Axiata avoids stamp duty of BDT 284 Mn: Bangladesh Bank. STANCERAM | Standard Ceramic suffers losses in Q2. LHBL | Sinha Fashions exits Lafarge Holcim Bangladesh board. ENVOYTEX | Envoy Textile to earn BDT 1.76 Bn from new spinning unit. ICB | Shortfall found in dividend account of Prime Finance First Mutual Fund.

April 06, 2023 (Week: April 02, 2023 – April 06, 2023)

Dhaka Stock Exchange

DSEX ended in green (+0.12%) in the week

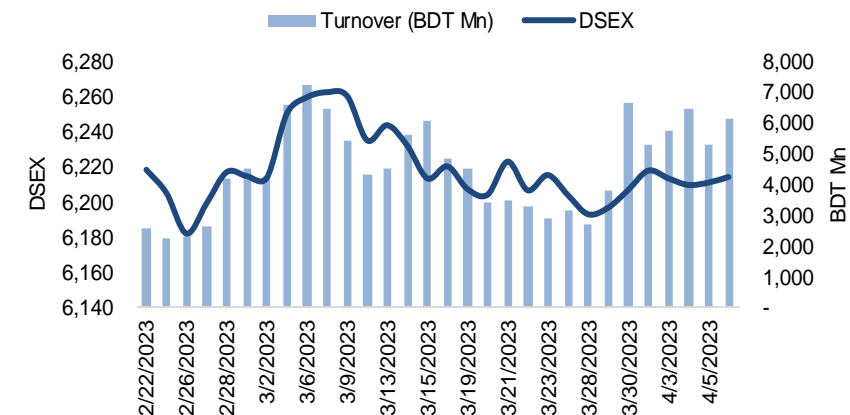
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	29-Dec-2022	$\Delta\%$ Week	$\Delta\%$ YTD
DSEX	6,214.20	6,206.80	+7.41	6,206.81	+0.12%	+0.12%
DS30	2,198.89	2,209.44	-10.55	2,195.30	-0.48%	+0.16%
DSES	1,347.89	1,349.33	-1.44	1,358.84	-0.11%	-0.81%
CDSET	1,207.54	1,209.83	-2.29	1,214.42	-0.19%	-0.57%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,629,120	7,623,663	+0.1%
	M n USD	71,028	70,978	
Turnover	M n BDT	28,933	16,392	+76.5%
	M n USD	269	153	
Average Daily Turnover	M n BDT	5,787	4,098	+41.2%
	M n USD	54	38	
Volume	M n Shares	404	233	+73.4%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
GEMINISEA	714.8	528.2	+35.3%	4,364	985.8	510x	416x
APEXFOODS	2917	246.0	+18.6%	1,663	3310	38.3x	2.3x
BDAUTOCA	154.9	132.3	+17.1%	670	228.4	NM	214x
AAMRANET	73.0	63.0	+15.9%	4,525	1488.8	22.9x	19x
MIDLANDBNK	118	10.2	+15.7%	7,548	89.8	30.4x	0.9x
RAHIMTEXT	160.0	139.8	+14.4%	1,514	14.3	NM	4.8x
APEXFOOT	342.4	299.8	+14.2%	4,449	667.8	27.6x	15x
SONALIANS	475.6	420.6	+13.1%	2,580	320.4	NM	2.1x
LEGACYFOOT	83.7	74.4	+12.5%	1,095	540.5	NM	9.3x
BDLAMP	284.2	253.6	+12.1%	2,850	292.8	38.1x	3.2x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
UNILEVERCL	2,006.2	3,134.5	-36.0%	24,168	71.7	33.1x	14.4x
MIRACLEIND	25.2	27.9	-9.7%	887	60.5	NM	0.8x
BDWELDING	23.4	25.7	-8.9%	1,014	40.5	NM	2.0x
ADNTEL	149.6	163.6	-8.6%	9,672	771.8	44.4x	5.2x
MEGHANAPET	29.5	32.2	-8.4%	354	7.4	NM	NM
BENGALWTL	26.0	28.3	-8.1%	2,378	195.6	49.1x	10x
INTECH	25.5	27.7	-7.9%	799	79.1	NM	22.6x
ZEALBANGLA	127.4	138.3	-7.9%	764	4.5	NM	NM
ISNLTD	46.9	50.5	-7.1%	512	512	79.5x	13.9x
BEACONPHAR	245.0	258.5	-5.2%	56,595	126.3	60.3x	9.2x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
GENEXIL	100.2	97.1	+3.2%	11,605	1,783.9	30.3x	5.4x
EHL	116.0	108.7	+6.7%	10,828	1,771.2	18.2x	15x
AAMRANET	73.0	63.0	+15.9%	4,525	1,488.8	22.9x	19x
BSC	127.1	127.4	-0.2%	19,387	1,344.9	8.5x	16x
UNIQUEHRL	73.5	76.0	-3.3%	21,638	1,101.6	16.4x	0.9x
GEMINISEA	714.8	528.2	+35.3%	4,364	985.8	510x	416x
ADNTEL	149.6	163.6	-8.6%	9,672	771.8	44.4x	5.2x
APEXFOOT	342.4	299.8	+14.2%	4,449	667.8	27.6x	15x
INTRACO	34.7	32.6	+6.4%	3,409	667.0	22.9x	2.8x
RDFOOD	44.2	44.6	-0.9%	3,358	597.4	38.4x	2.8x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
ADNTEL	149.6	+31.1%	9,672	44.4x	5.2x
UNIQUEHRL	73.5	+27.4%	21,638	16.4x	0.9x
OLYMPIC	154.9	+24.9%	30,971	20.1x	3.3x
JAMUNAOIL	179.6	+7.4%	19,832	7.6x	0.9x
PRIMEBANK	20.3	+5.7%	22,985	5.8x	0.7x
BERGERPBL	1,735.9	+0.8%	80,507	27.3x	6.7x
BATASHOE	958.9	+0.7%	13,118	37.1x	3.6x
SHAHJABANK	18.9	+0.5%	20,422	5.7x	0.9x
BANKASIA	20.3	+0.5%	23,668	7.7x	0.8x
MPETROLEUM	199.3	+0.4%	21,567	6.0x	10x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1434.4	1427.3	1427.09	+0.50%	+0.51%
NBFI	1,916.4	1,916.2	1,927.24	+0.01%	-0.56%
Mutual Fund	825.4	825.4	852.07	-	-3.13%
General Insurance	3,064.4	3,061.8	3,177.87	+0.08%	-3.57%
Life Insurance	2,540.3	2,547.6	2,492.91	-0.29%	+1.90%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,663.0	3,672.3	3,754.47	-0.26%	-2.44%
Fuel & Power	1,694.6	1,693.4	1,694.29	+0.07%	+0.02%
Cement	2,311.2	2,309.9	2,319.67	+0.06%	-0.36%
Services & Real Estate	2,273.4	2,323.4	1,782.23	-2.15%	+27.56%
Engineering	4,478.5	4,475.9	4,503.40	+0.06%	-0.55%
Food & Allied	21,069.2	21,750.8	21,247.80	-3.13%	-0.84%
IT	3,436.9	3,418.3	3,004.33	+0.55%	+14.40%
Textile	1,589.9	1,581.7	1,621.87	+0.51%	-1.97%
Paper & Printing	10,544.4	10,407.5	10,388.08	+1.32%	+1.51%
Tannery	3,221.3	3,133.9	3,093.43	+2.79%	+4.13%
Jute	14,003.5	12,751.2	14,850.17	+9.82%	-5.70%
Ceramics	689.6	691.9	704.74	-0.33%	-2.15%
Miscellaneous	4,096.2	4,092.3	4,071.46	+0.10%	+0.61%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	69.6	52.8	+31.80%	+1.36%	7.7x	0.7x
NBFI	15.9	2.4	+575.68%	+0.31%	NM	4.4x
Mutual Fund	2.0	0.7	+204.87%	+0.04%	NM	0.7x
General Insurance	125.8	103.7	+21.25%	+2.46%	15.1x	14x
Life Insurance	344.1	282.8	+21.68%	+6.73%	NM	NM
Telecommunication	0.4	0.2	+150.70%	+0.01%	16.8x	4.7x
Pharmaceutical	363.3	186.6	+94.71%	+7.10%	18.4x	2.4x
Fuel & Power	163.3	54.4	+200.24%	+3.19%	17.9x	1x
Cement	6.5	2.4	+166.37%	+0.13%	58.0x	2.6x
Services & Real Estate	726.4	786.8	-7.68%	+14.21%	38.2x	12x
Engineering	261.1	158.0	+65.25%	+5.11%	56.1x	2.1x
Food & Allied	633.1	529.5	+19.56%	+12.38%	19.4x	7.8x
IT	1,093.7	559.5	+95.47%	+21.39%	33.3x	3.1x
Textile	221.0	119.4	+85.04%	+4.32%	44.7x	1x
Paper & Printing	224.1	128.3	+74.65%	+4.38%	40.1x	2.0x
Tannery	268.4	107.9	+148.75%	+5.25%	49.3x	3.3x
Jute	67.3	15.3	+340.17%	+1.32%	NM	5.4x
Ceramics	160.3	109.4	+46.53%	+3.14%	41.8x	19x
Miscellaneous	366.7	226.6	+61.85%	+7.17%	13.2x	18x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
UNILEVERCL	2,006.2	-29.6%	24,168	33.1x	14.4x
EGEN	45.2	-13.2%	3,390	31.2x	2.1x
ISLAMIBANK	32.7	-0.9%	52,647	10.7x	0.8x
MTB	16.6	-0.6%	14,836	3.5x	0.7x
IDLC	46.5	-	19,330	10.6x	1x
DBH	57.8	-	11,270	11.1x	14x
IPDC	57.6	-	21,375	23.7x	3.1x
LANKABAFIN	26.0	-	14,010	16.6x	13x
ACI	260.2	-	19,829	NM	2.0x
LINDEBD	1,397.7	-	21,271	24.1x	3.5x

*BDT

**BDT Mn

Important News: Business & Economy

Up to USD 1.71 Bn required annually till 2041 for 40% renewable capacity: Study

- Bangladesh would require an annual investment of USD 1.53 Bn to USD 1.71 Bn from 2024 through 2041 to achieve its ambitious 40% renewable energy target in total generation capacity, estimates a new report of the Institute for Energy Economics and Financial Analysis (IEEFA).
- The report claimed that the estimated investment is less than the power sector's subsidy burden in the fiscal 2021-22. It adds that a faster transition to renewable energy would free up financial resources that otherwise end up as subsidy payments.

<https://www.tbsnews.net/bangladesh/energy/171b-required-annually-till-2041-40-renewable-capacity-study-611830>

Bridges Division begins repayment of Padma Bridge loan

- The Bridges Division on Wednesday began the repayment of the loan it took for the Padma Bridge construction from the revenue it earned as toll collection from the bridge. Road Transport and Bridges Minister Obaidul Quader handed over a cheque worth around BDT 3.17 Bn to Prime Minister Sheikh Hasina as the first and second instalments of the loan.
- The total cost of constructing the bridge with domestic financing amounted to BDT 301.93 Bn. The government provided a grant worth BDT 3 Bn and provided the remaining BDT 298.93 Bn as a loan with a 1% annual interest rate, according to Bridge Division officials.

<https://www.tbsnews.net/economy/bridges-division-begins-repayment-padma-bridge-loan-611338>

ICMAB calls for integrated, end-to-end digitisation of NBR activities

- The Institute of Cost and Management Accountants of Bangladesh (ICMAB) has called for a comprehensive, integrated and end-to-end digitisation of the activities of the National Board of Revenue (NBR) so that the hassles faced by the taxpayers are minimised.
- ICMAB has recommended that audit of tax returns should be selected on the basis of an automated system based on revenue risk analysis for ensuring transparency and eliminating unnecessary harassment of the compliant taxpayers, said ICMAB President Md Abdur Rahman Khan at a pre-budget discussion held in the capital yesterday.

<https://www.tbsnews.net/bangladesh/icmab-calls-integrated-end-end-digitisation-nbr-activities-611786>

Govt to make another LNG purchase from spot market

- The government is going to buy another shipment of liquefied natural gas (LNG) from the international spot market, the sixth since February. The cabinet committee on purchase in a meeting yesterday approved the procurement of 3.36 Mn MMBtu of LNG from TotalEnergies Gas and Power Limited of the Switzerland at BDT 6.244 Bn.
- This time the price of the super-chilled fuel was USD 14.84 per MMBtu, which was USD 13.69 per MMBtu for the last shipment purchased in March 23. It was USD 14.66 on March 10 when Bangladesh bought the same amount of fuel from the same company, TotalEnergies. In the first week of March the country bought the fuel from Singapore-based Vitol Asia at USD 16.10.

<https://www.thedailystar.net/business/economy/news/govt-make-another-lng-purchase-spot-market-3288821>

Financial account deficit widens despite negative import growth in February

- The Bangladesh Bank's rigorous efforts to reduce import expenditure and save foreign exchange reserves have yielded little result as the financial account deficit continues to widen, crossing USD 1.5 Bn in July-February this fiscal year. This has increased pressure on the country's external position.
- According to data from the Bangladesh Bank, the financial account deficit went up by USD 350 Mn in February alone from USD 1.19 Bn in the July-January period because of negative growth in foreign fund inflow. The financial account deficit has resulted in an USD 8 Bn loss in foreign exchange reserves during the same period, as the Bangladesh Bank has had to settle all foreign payments directly from the forex reserve.

<https://www.tbsnews.net/economy/financial-account-deficit-widens-despite-negative-import-growth-february-611810>

Subsidy, interest payment to go high in FY24 budget

- Despite the government's plan to raise the prices of gas and electricity and adjust fuel oil prices every three months, the subsidy pressure is going to increase in the budget for the forthcoming fiscal year, the finance ministry has said.
- Additionally, the government will have to spend more on loan interests in the new financial year when interest payments on loans taken for various mega projects, including the Rooppur nuclear power plant, Matarbari coal power plant, and the Mass Rapid Transit start, according to a budget coordination meeting yesterday.

<https://www.tbsnews.net/economy/budget/subsidy-interest-payment-go-high-fy24-budget-611826>

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>

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>

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>

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>

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>

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>

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>

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>

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.

- 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>

Bank deposits increase by BDT 170 Bn in Feb

- Deposits in the country's banks increased by about BDT 170 Bn in February compared to the previous month. The amount of loans disbursed by banks during the period has increased by around BDT 60 Bn. Regarding the reasons for the increase in bank deposit, Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank, told TBS, "In October and November last year, there was a crisis of confidence due to various incidents in the banking sector. At that time, we saw a lot of withdrawal pressure in the banks
- The customers' confidence in banks has recently increased due to various campaigns of the central bank and the commercial banks. Customers are now returning to banks. Besides, most banks have increased interest rates on deposits.

<https://www.tbsnews.net/economy/banking/bank-deposits-increase-tk17000cr-feb-610570>

Social safety spending to rise BDT 15 Bn in FY24

- The Ministry of Finance has decided to expand the social safety net for the elderly, widows, and disabled persons, increasing the number of beneficiaries by BDT .73 Mn in the upcoming fiscal 2023-24. The ministry is also going to raise the monthly old age allowance and widow allowance in the new budget after a decade-long break, in light of the recent surge in commodity prices.
- The decisions – finalized at an inter-ministerial meeting held at the secretariat yesterday – will result in an additional expenditure of BDT 15.26 Bn in the next financial year, sources at the finance ministry said.

<https://www.tbsnews.net/economy/social-safety-spending-rise-tk1500cr-fy24-610566>

Huawei to develop 50,000 ICT talents in South Asia

- Global tech giant Huawei has taken an ambitious plan of developing 50,000 ICT talents in South Asia in the next five years. The Chinese multinational will take various programmes like building ICT academies, organising different ICT and startup competitions, online course enrolment and fresh employee recruitment.
- The announcement came in an event titled 'Building a Smart Talent Ecosystem, In South Asia, For South Asia' held at Huawei's representative office of South Asia in Dhaka today. Yuying Karl, director for Bangladesh at Huawei's south Asia public relations department, shared the insight and plan at the event.

<https://www.thedailystar.net/business/news/huawei-develop-50000-ict-talents-south-asia-3287776>

Bangladesh Bank sets new lending rate formula

- The Bangladesh Bank has set a new lending rate formula for commercial banks in which the rate will be fixed based on the weighted average rate of a six-month treasury bill plus a 3% premium. Bankers were informed about the new formula in a meeting presided over by Bangladesh Bank Governor Abdur Rouf Talukder on Sunday.
- The new formula, dubbed "smart short-term moving average rate", will come into effect in July this year, lifting the single-digit lending rate cap.

<https://www.tbsnews.net/economy/banking/bangladesh-bank-sets-new-lending-rate-formula-609866>

Bangladesh cosmetics, toiletries replacing imported ones

- The country's cosmetics and toiletries products are gradually substituting the imported ones - following intensified efforts of local manufacturers on research and innovation to launch new items. Industry sources said a good number of consumers of personal and homecare products have switched to using the locally manufactured ones, as a bunch of new and advanced quality products are now available in market.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-cosmetics-toiletries-replacing-imported-ones>

S Alam Group to invest USD 400 Mn to set up two more sugar refineries

- S Alam Group, one of the leading industrial groups in the country, plans to set up two more sugar refineries in Narayanganj and Chattogram with an investment of USD 400 Mn. The new refineries will mostly produce liquid sugar for the industry and refined sugar will be exported as well, said the company officials. The two refineries will jointly process 6,400 tonnes of sugar a day, 3,200 tonnes each, they informed.
- One of the two proposed refineries will be constructed at Ichanagar in Azimpara union of Karnaphuli upazila in Chattogram and the other at Ganga Nagar in Rupganj upazila of Narayanganj, he informed, adding that the two refineries are expected to be fully operational by 2025.

<https://www.tbsnews.net/economy/s-alam-group-invest-400m-set-two-more-sugar-refineries-610530>

Taka devalued yet again

- Taka has been devalued against the US dollar yet again. The Bangladesh Bank made the adjustment on Monday to sell dollars from its reserve at BDT 103, which was BDT 102 until Sunday. With the latest adjustment, the greenback price has increased 14 times since the beginning of FY23 amid depleting foreign exchange reserves.
- The central bank supplied USD 70 Mn to different banks at the new rate on Monday, according to official data, while the total release of dollars from the reserve in the current fiscal year amounted to USD 10 Bn.

<https://www.tbsnews.net/economy/taka-devalued-yet-again-610526>

Evaded taxes 8 times social safety net budget: CPD

- The yearly tax evasion and avoidance and exemptions mostly in the corporate sector could amount to BDT 2930 Bn at its highest, which is about eight times the amount of social safety net and welfare expenditure in the country, according to a study by the Center for Policy Dialogue (CPD). The tax evasion is also almost equal to the total revenue collection, the CPD said.
- In the fiscal 2021-22, the National Board of Revenue collected slightly higher than BDT 3000 Bn in revenues. The CPD has identified reserve and provision, showing less income, taking the help of legal advisors and tax practitioners, showing more investment allowances, individual intention, and high informal or cash-based transactions as the primary ways for tax avoidance and evasion.

<https://www.tbsnews.net/nbr/tax-evasion-avoidance-almost-equal-amount-revenue-collection-cpd-610398>

Relief for external balance as export, remittance grow

- According to Export Promotion Bureau (EPB) data released on Sunday, merchandise exports of Bangladesh grew by 8.07% to USD 41.72 Bn in the July-March period. Also, on the same day, the Bangladesh Bank reported a 4.83% year-on-year increase in remittances for the first nine months, amounting to USD 16.03 Bn. Analysts said this growth is expected to stabilize the currency and improve the balance of payments in the months to come.

<https://www.tbsnews.net/economy/rmg-cushions-export-dip-blow-growing-12-three-quarters-609630>

ADB working on the fund for Bangladesh

- Asian Development Bank (ADB) is working to provide around USD 2 Bn in budgetary support to Bangladesh this fiscal year in a co-funding initiative it plans to lead, a move that would to some extent relieve the existing pressure on the foreign exchange reserve.
- The fund would come in two phases: USD 1.05 Bn in April and about USD 1 Bn more in June, learned The Daily Star from the finance ministry officials involved with the proceedings. Of the sum, the Manila-based multilateral lender will provide USD 400 Mn, Japan International Cooperation Agency USD 250 Mn, Asian Infrastructure Investment Bank USD 250 Mn and South Korea USD 150 Mn.

<https://www.thedailystar.net/business/economy/news/adb-working-the-fund-bangladesh-3285011>

Remitters sent home USD 2.02 Bn in March

- Remittance flow to Bangladesh rose to a seven-month high in March as expatriate Bangladeshis sent a remarkable amount of greenback to their near and dear ones centering the upcoming Eid-ul-Fitr. Data from Bangladesh Bank showed expatriates sent home USD 2.02 Bn last month, the highest since September last year when USD 1.53 Bn flew into the country.
- March's receipts were nearly 29.3% higher than February's USD 1.56 Bn and 8.5% from USD 1.85 Bn recorded in March last year.

<https://www.thedailystar.net/business/news/remitters-sent-home-202-billion-march-3286841>

Bangladesh's brand value more than twice of Pakistan, 10 times of Sri Lanka

- Bangladesh's brand value rose by a record 37% to USD 508 Bn in 2023, up from USD 371 Bn in 2022, according to Brand Finance, a chartered accountancy firm regulated by the Institute of Chartered Accountants in England and Wales.
- "Bangladesh emerges as one of the fastest-growing nation brands in the ranking, recording 37% year-on-year growth," reads a report published on Global Soft Power Index 2023 by the UK-based firm.

<https://www.tbsnews.net/economy/bangladeshs-brand-value-more-twice-pakistan-10-times-sri-lanka-609658>

Pathao gets payment service provider license

- Pathao's subsidiary, Digital Payments Ltd, has been awarded a payment service provider (PSP) license by the Bangladesh Bank on Sunday. The license authorises the subsidiary to offer payment services within Bangladesh under the brand name "Pathao Pay."

<https://www.tbsnews.net/economy/pathao-gets-payment-service-provider-license-609806>

Preferential trade deal with Indonesia likely soon

- Commerce Minister Tipu Munshi yesterday expected that Bangladesh and Indonesia would be able to ink a bilateral preferential trade agreement soon. Munshi expressed his optimism at a meeting with Indonesian Ambassador to Bangladesh Heru Hartanto Subolo at the commerce ministry.

<https://www.thedailystar.net/business/economy/news/preferential-trade-deal-indonesia-likely-soon-3287176>

Bangladesh may start trading with India using rupee soon.

- The ministry of commerce has placed a written recommendation at the last cabinet meeting regarding the possibility and opportunity of using rupee instead of dollar. According to an executive director of Bangladesh Bank, the central bank is very close to striking the deal in this regard. Further stated, the use of rupee will start with Bangladesh's USD 2 Bn trade with India.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-may-start-trading-with-india-using-rupee-soon>

Stimulus loans-turned-long term investments put banks in stress: NRBC chairman

- SM Parvez Tamal, chairman of the new generation of the NRB Commercial Bank, made the observation in an interview with The Business Standard recently, marking its 10-year journey since 2013. He said banks could not recover the stimulus loans due to the extended repayment facility which created a liquidity crisis. Loans under stimulus packages were given for one year but the repayment facility was extended for two years, leading to a mismatch in assets and liabilities for the banks.

<https://www.tbsnews.net/economy/banking/stimulus-loans-turned-long-term-investments-put-banks-crisis-nrbc-chairman-609610>

Germany to give 7 Mn Euro for social protection of textile, leather workers

- Germany will provide 7.0 Mn Euros to Bangladesh as a grant for ensuring the social protection of workers in the textile and leather sectors.
- In this regard, a bilateral agreement named "Accident Insurance for Employees in the Textile and Leather Sector (Working title: Social Protection for Workers in the Textile and Leather Sector (SoSi))" involving a grant of 7 Mn Euros was signed today between the government of Bangladesh and the government of Germany.
- The objective of the project is to improve the conditions for access to social protection for workers in the textile and leather sector. This project was proposed in the "Technical Cooperation Agreement 2021" signed on January 11, 2022 between Bangladesh and Germany.

<https://thefinancialexpress.com.bd/economy/bangladesh/germany-to-give-7m-euro-for-social-protection-of-textile-leather-workers>

PM calls for strengthening economic ties with Vietnam

- Prime Minister Sheikh Hasina yesterday emphasised on enhancing economic cooperation between Bangladesh and Vietnam for the mutual benefit of the two countries. She made the observation while outgoing Ambassador of Vietnam Pham Viet Chien called on her at Gono Bhaban, Ihsanul Karim, the PM's press secretary, told reporters.
- During the meeting, they expressed satisfaction over the growing bilateral relations, the press secretary said. Hasina mentioned that Bangladesh and Vietnam have many common issues like their victorious struggles for liberation of their countries.

<https://www.thedailystar.net/business/economy/news/pm-calls-strengthening-economic-ties-vietnam-3285006>

Export trophy policy amended

- The commerce ministry has published an amended national export trophy policy raising the minimum value of products and services that have to be exported for eligibility alongside bringing more goods and services under its purview. The ministry gazetted the policy on March 29.

<https://www.thedailystar.net/business/economy/news/export-trophy-policy-amended-3286256>

Govt prepares guideline on non-native shrimp farming

- The government has formulated a guideline for the commercial cultivation of non-native vannamei shrimp in a bid to increase export earnings from the sector, strengthen its presence in international markets and improve domestic supply. The Ministry of Fisheries and Livestock yesterday approved the guidelines, which were prepared and scrutinised by a dedicated committee featuring aquaculture experts
- "The guideline was prepared so that farmers can cultivate vannamei shrimp in the right way without facing any complications," said KH Mahbubul Haque, director general of the Department of Fisheries. Frozen food exporters who had been pursuing the government to allow the cultivation of non-native shrimp in the face of falling export earnings for over a decade welcomed the new guideline.

<https://www.thedailystar.net/business/economy/news/govt-prepares-guideline-non-native-shrimp-farming-3285101>

Bangladesh, Netherlands hold talks to deepen economic cooperation

- Bangladesh and Netherlands held discussions to deepen economic cooperation between the two countries, as Prime Minister's Principal Secretary M Tofazzel Hossain Miah called on Dutch Prime Minister's Foreign and Security Adviser Ambassador Geoffrey Van Leeuwen.
- Leeuwen, during the meeting held yesterday (Friday), mentioned the Dutch Government's intention to deepen cooperation with Bangladesh beyond water sector, according to a press release of Bangladesh Embassy to the Netherlands received in Dhaka today (1 April).

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-netherlands-hold-talks-to-deepen-economic-cooperation> .

NBR makes e-payment of income taxes mandatory

- The government has made electronic payment of income taxes mandatory by scrapping the provision of payment through pay order and manual treasury challan. The National Board of Revenue (NBR) on Thursday issued a statutory regulatory order (SRO) that took effect from March 23, 2023.
- The pre-publication gazette has been signed by Income tax member Dr Sams Uddin Ahmed. However, the revenue board will review the SRO if any objection or recommendation is made on this issue by the next 15 days

<https://thefinancialexpress.com.bd/economy/bangladesh/nbr-makes-e-payment-mandatory>

Bangladesh reiterates demand for extension of benefits

- Bangladesh has again demanded that the European Union (EU) extend its trade facilities meant for least developed countries (LDC) for six more years instead of three years to ensure the country's smooth graduation to a developing nation. A delegation of Bangladesh placed the demand at different meetings with high-ups of the EU at its headquarters in Brussels in Belgium over the last two days.
- Bangladesh is scheduled to make the United Nations status graduation from November 24, 2026. The EU will continue to provide Bangladesh the LDC trade benefits up to 2029, with the three extra years being a grace period the world's largest trade bloc allows for graduating countries. Bangladesh wants the extension to last up to 2032 to take more preparations for the graduation.

<https://www.thedailystar.net/business/economy/news/bangladesh-reiterates-demand-extension-benefits-3285071>

Gold flirting with highs near BDT 100,000

- The price of 22-carat gold has gone up in Bangladesh for the second time in about a week, reaching a record-high of nearly BDT 100,000 per bhorī (11.66 grammes). Having been adjusted by a maximum of BDT 1,516 per bhorī, 22-carat gold will now cost BDT 99,144 for that amount, according to a press release from the Bangladesh Jewellers' Association issued yesterday.
- Bajus said they revised the cost of gold considering the highly volatile changes in pure gold prices in the domestic market. The new price will come into effect across the country from today.

<https://www.thedailystar.net/business/economy/news/gold-flirting-highs-near-tk-1-lakh-3286131>

Govt extensively banking on domestic borrowing

- Net government borrowing from domestic banks and nonbanks for deficit financing ballooned over 72% in the first seven months to January of this fiscal year (FY 2023) year on year. Economists raise fears of crowding-out effect on private-sector credits-although needs there are yet limited under the shadows of global and local economic slowdown.
- Officials have said the significant rise in the net domestic borrowing by government to meet its fiscal requirement was mainly because of less-than-expected collection of tax-and non-tax revenues.

<https://thefinancialexpress.com.bd/economy/bangladesh/govt-extensively-banking-on-domestic-borrowing>

Borrow more from non-bank sources

- The central bank has said the government will have to borrow more from non-banking sources to finance its expenditures in a bid to rein in higher inflationary pressures as the latter's bank borrowing surged. The government's domestic borrowing climbed 72.3% year-on-year to BDT 427.17 Bn in the July- January period of the current fiscal year of 2022-23, with a major portion coming from the banking system.
- "Considering the ongoing inflationary pressure in the economy, the government will have to attach a big emphasis on borrowing from the non-banking sources in the coming days," said the central bank in its monthly report on government domestic borrowing.

<https://www.thedailystar.net/business/economy/news/borrow-more-non-bank-sources-3285106>

Apparel export to EU grew 35.69% in 2022

- The European Union's (EU) apparel imports from Bangladesh rose 35.69% to USD 22.89 Bn in 2022 compared to USD 16.87 Bn in 2021, Eurostat, the statistical office of the EU, said. The EU's apparel imports from all over the world grew 20.97% during this time.

<https://www.tbsnews.net/economy/rmg/apparel-export-eu-grew-3569-2022-608378>

LC restriction squeezes imports, slows economy

- LC tightening enforced in the wake of dollar crunch squeezes imports and slows economy that prompts an industry leader to urge the government to relax restrictions. A noted banker joins his voice with the business leader in calling for import acceleration, as he rues income loss for banks and the government too.
- The opening of letters of credit (LCs) for import slumped by over 23% during eight months to February as Bangladesh gets tightfisted to ease pressures on its foreign-exchange reserves. During the period under review, the total opening of LCs was recorded at USD 45.5 Bn, down by 23.53% from the same period a year earlier.

<https://thefinancialexpress.com.bd/economy/bangladesh/lc-restriction-squeezes-imports-slows-economy>

Important News: Capital Market

GENNEXT | AJ Corporation increases holding in Generation Next Fashions

- Generation Next Fashions Limited's corporate director AJ Corporation Limited has been increasing its holding in the company to comply with rules regarding the minimum shares owned by the sponsors and directors. In February this year, AJ Corporation declared to buy 8.019 Mn or 1.62% shares of the textile company. Since then, it has bought 6.519 Mn shares of Generation Next Fashions through the block market of the Dhaka Stock Exchange (DSE).
- As of 31 March, the sponsors and directors jointly held 14.80% share of Generation Next Fashions, where the regulatory requirement is minimum 30%. Market insiders said currently, the price of each share of Generation Next is BDT 6 on the DSE, while its face value is BDT 10. So, it is a perfect time to comply with the regulatory requirement at low cost.

<https://www.tbsnews.net/economy/stocks/aj-corporation-increases-holding-generation-next-fashions-611818>

EXIMBANK | Exim Bank launches 'Exim Happiness'

- Exim Bank yesterday launched a product titled "Exim Happiness" aiming at more savings and profits. Mohammad Feroz Hossain, managing director of Exim Bank, inaugurated the product at the bank's head office in Dhaka, said a press release.

<https://www.thedailystar.net/business/economy/banks/news/exim-bank-launches-exim-happiness-3289936>

STANDBANKL | Standard Bank director elected exec committee chairman

- Standard Bank has recently elected a director as the chairman of its executive committee. The electee, Gulzar Ahmed, also owner of Apan Jewellers, was the vice-chairman of the bank, said a press release. Ahmed is the chairman of Unique Gold Private Ltd, senior vice-president and chairman of the banking and financial standing committee of Bangladesh Jeweller's Association (Bajus).
- He is the first vice-president of the Bangladesh Jewellery Manufacturers and Exporters Association, member of the Federation of Bangladesh Chambers of Commerce and Industry and the Baitul Mukarram Market Babosaye Group, and chief adviser of Gulshan DNCC Market.

<https://www.thedailystar.net/business/economy/banks/news/standard-bank-director-elected-exec-committee-chairman-3289946>

EXCHANGE | Three banks see higher annual profits in 2022

- Shahjalal Islami Bank, Prime Bank, and Eastern Bank have posted year-on-year growths in their profits for the year that ended on 31 December 2022, thanks to an increase in their earnings from foreign exchange. At their board meetings on Wednesday, the banks approved their audited annual reports, and declared dividends for their shareholders.

<https://www.tbsnews.net/economy/stocks/three-banks-see-higher-annual-profits-2022-611758>

EXCHANGE | Which listed firms await Ramadan boost?

- With the virtuous cycle of increased income, spending, and giving, the month of Ramadan ahead of Eid-ul-Fitr significantly contributes to the economy, business turnover, and profits. Analysts at capital market services group CAL Bangladesh looked into the impacts of Ramadan and Eid sales on the listed firms' profits, and they found listed footwear and consumer electronics companies to be the most benefited businesses during the major festival.
- For instance, Eid-ul-Fitr alone accounts for one-third of the annual footwear sales in the country, and the seasonal sales helped Bata Shoe Bangladesh grow its earnings per share (EPS) to BDT 19.41 in the quarter of Eid-ul-Fitr last year, up from BDT 5.01 in the previous quarter.
- Apparel sales and food consumption top all other segments in the season with BDT 144.50 Bn and BDT 110 Bn in estimated turnover, respectively, due to the culture of buying good foods over the holy month of Ramadan and new apparel and footwear for every family member ahead of Eid-ul-Fitr.

<https://www.tbsnews.net/economy/which-listed-firms-await-ramadan-boost-611766>

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, EPS 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.

<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-UI-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>

UTTARABANK | Uttara Bank's annual profit grows by 22%

- Uttara Bank Ltd has posted 21.92% year-on-year growth in its consolidated net profit for 2022. The publicly traded commercial bank, along with its subsidiaries, generated BDT 2.706 Bn in net profit after taxes in 2022, which was BDT 2.22 Bn in the previous year.
- Earnings per share (EPS) jumped to BDT 4.2 from BDT 3.45, according to a price sensitive information disclosure by the bank on Monday. At the end of last December, Uttara Bank's consolidated net asset value per share stood at BDT 31.79. Uttara Bank's board of directors recommended 14% stock dividends alongside 14% cash for 2022.

<https://www.tbsnews.net/economy/stocks/uttara-banks-annual-profit-grows-22-610534>

BARKAPOWER | Three directors to transfer Baraka Power stakes to holding companies

- Three directors of Baraka Power Ltd have announced plans to transfer their entire stakes at the company to two holding companies, according to the Dhaka Stock Exchange (DSE). Directors Ahsanul Kabir, Faisal Ahmed Chowdhury and Nanu Kazi Mohammed Miah will sell a total of more than 14.3 Mn shares in the block market, according to the disclosure.
- On the other hand, two of the corporate directors of Baraka Power – NRB Ventures (Pvt) Limited and Fusion Holdings (Pvt) Limited – together will buy the same number of shares from the block market.

<https://www.tbsnews.net/economy/stocks/three-directors-transfer-baraka-power-stakes-holding-companies-610202>

BIFC | Investor petitions in HC for liquidation of BIFC

- A foreign investor of the Bangladesh Industrial Finance Company (BIFC), a controversial non-banking financial institution, has filed an application in the High Court seeking liquidation of the company. A single company bench of Justice Khizir Ahmed Choudhury accepted the petition on Monday.
- Loquit Ullah, the foreign investor, invested about BDT 150 Mn in the BIFC, which has been going through a financial crisis for a long time. He did not get the money back. So, he has sought help from the court, the plaintiff's lawyer Omar Faruque told reporters.

<https://www.tbsnews.net/economy/investor-petitions-hc-liquidation-bifc-610542>

EXCHANGE | Stabilisation Fund: A new financing window for stock market

- The Capital Market Stabilization Fund (CMSF), which has been created by collecting investors' unclaimed dividends, is turning into a new funding window for the stock market. Last year, the Fund provided the Investment Corporation of Bangladesh (ICB) with BDT 2.25 Bn in several phases for investing in the secondary market.
- Now, the CMSF will provide market intermediaries with loans at low interest rates to increase liquidity in the capital market. The tenure of this loan will be 180 days, but it is renewable. According to the Bangladesh Securities and Exchange Commission (BSEC), the CMSF board will decide the interest rate, which will be at the higher end of the three-month average of fixed deposit receipt (FDR) rates.

<https://www.tbsnews.net/economy/stocks/stabilisation-fund-new-financing-window-stock-market-610546>

EXCHANGE | Why BSEC took a year to approve 2 banks' stock dividends

- The Bangladesh Securities and Exchange Commission (BSEC) has taken nearly one year to approve the stock dividends declared by two newly listed banks. The Union Bank, on 28 April last year, declared 5% cash and 5% stock dividends to its shareholders for 2021, and the South Bangla Agriculture and Commerce Bank (SBAC) on 27 April 2022 declared 3% cash and 1% stock dividends for 2021.
- When asked about the delay, Rezaul Karim, spokesperson and executive director of BSEC, told The Business Standard (TBS), "The two banks failed to meet the conditions of the commission. But the commission gave a late approval under special consideration as the banks are also obliged to meet the conditions of Basel-III."

<https://www.tbsnews.net/economy/stocks/why-bsec-took-year-approve-2-banks-stock-dividends-610538>

EXCHANGE | BMSL's mutual fund gets go-ahead

- The Bangladesh Securities and Exchange Commission (BSEC) has given go-ahead to the BMSL National Housing Growth Fund. The primary target of the open-ended mutual fund is to collect BDT 250 Mn. Of that, the National Housing Finance and Investments has already provided BDT 25 Mn and the rest of the fund will come from the general investors.
- Each unit price of the fund is BDT 10. BMSL Asset Management Company is the asset manager of the fund. Trustee and custodian of the fund is Bangladesh General Insurance and Brac Bank respectively.

<https://www.thedailystar.net/business/news/bmsls-mutual-fund-gets-go-ahead-3287811>

ROBI | Robi Axiata avoids stamp duty of BDT 284 Mn: Bangladesh Bank

- The Bangladesh Bank has detected that the company evaded stamp duty to the tune of BDT 284.9 Mn on transferring shares among foreign investors. The issue was raised by the central bank more than a decade after the shares were transferred, putting the company in trouble regarding sending back its dividend to foreign investors.
- Two non-resident shareholders, Warid Telecom International and Bharti Airtel Holdings (Singapore), transferred shares to each other in 2010 and 2013, according to the Bangladesh Bank. The transfer value for each share was fixed at BDT 0.06 in 2010 and BDT 45.21 in 2013, with Airtel paying a stamp duty of BDT 93.6 Mn against the share transfer value.

<https://www.tbsnews.net/bangladesh/telecom/robi-axiata-avoids-stamp-duty-tk28-crore-bangladesh-bank-609478>

STANCERAM | Standard Ceramic suffers losses in Q2

- Standard Ceramic Industries Ltd suffered a BDT 8.59 Mn loss in the second quarter of the ongoing financial year owing to the reduction in sales and gross profit. This compared to the BDT 0.19 Mn profit the ceramics manufacturer made in the same October-December quarter in the previous financial year.

<https://www.thedailystar.net/business/economy/news/standard-ceramic-suffers-losses-q2-3287066>

LHBL | Sinha Fashions exits Lafarge Holcim Bangladesh board

- Sinha Fashions Limited, a concern of the once prominent and leading apparel business conglomerate Sinha-Medlar Group, has dropped out of LafargeHolcim Bangladesh Limited's board through the resignation of its nominated director Naheed Akhter Sinha.
- Sinha Fashions holds 2.49% or 28.9 Mn shares at LafargeHolcim. Earlier, Sinha Fashions transferred 5.4 Mn shares of LafargeHolcim and sold an additional 0.75 Mn of its shares to repay a bank loan and maintain a clean sheet with the Credit Information Bureau.

<https://www.tbsnews.net/economy/stocks/sinha-fashions-drops-out-lafargeholcim-board-609854>

ENVOYTEX | Envoy Textile to earn BDT 1.76 Bn from new spinning unit

- The new spinning unit, which got into commercial operation on 1 April, will add BDT 1.76 Bn to the annual turnover of Envoy Textiles Limited, according to the entrepreneur. The manufacturer of 100% export-oriented denim fabric has an annual denim fabric production capacity of 52 Mn yards – about 10% of the country's total capacity.

<https://www.tbsnews.net/economy/rmg/envoy-textile-earn-tk176cr-new-spinning-unit-609242>

ICB | Shortfall found in dividend account of Prime Finance First Mutual Fund

- The auditor of Prime Finance First Mutual Fund – managed by ICB Asset Management Company Limited – has found a shortfall of BDT 1.53 Mn in the fund's dividend distribution bank account.
- As per regulatory requirement, the full amount of cash dividend of mutual funds must be kept in a separate bank account before disbursement. However, in the financial statements of Prime Finance First Mutual Fund for 2022, the auditor found that the amount of cash dividend kept in the dividend disbursement account is BDT 1.53 Mn short.

<https://www.tbsnews.net/economy/stocks/shortfall-found-dividend-account-prime-finances-mutual-fund-609850>

GENNEXT | AJ Corporation to buy 1.5 Mn shares of Generation Next Fashions

- AJ Corporation Limited, a Generation Next Fashions Ltd corporate director, has expressed its intention to buy 1.5 Mn shares of the company. The AJ Corporation will buy these shares from the block market within the next 30 working days, according to the Dhaka Stock Exchange (DSE) on Thursday (30 March).
- Block market trading takes place beyond the regular trading screen where buyers and sellers meet at their pre-negotiated prices within the allowable range and it is mainly to facilitate bulk trades.

<https://www.tbsnews.net/economy/stocks/aj-corporation-buy-15-lakh-shares-generation-next-fashions-608006>

UCB | UCB's BDT 50 Mn open-ended mutual fund gets go-ahead

- The Bangladesh Securities and Exchange Commission has approved an open-ended mutual fund named UCB Income Plus Fund worth BDT 500 Mn. Of the fund, UCB Asset Management has provided BDT 50 Mn and the rest of the fund is open for sell for the general investors. Price of each fund unit is BDT 10.
- Mutual funds pool money from investors to channel it into securities such as stocks, bonds, and other assets. Depending on the profits earned, investors are then paid their share as dividends. Open-ended mutual funds are not listed with the stock market but one can buy them from a fund manager's office on the basis of its net asset value. Similarly, investors can sell off fund units at any time at prices based on its current net asset value.

<https://www.thedailystar.net/business/economy/news/ucbs-tk-50cr-open-ended-mutual-fund-gets-go-ahead-3284991>

BRACBANK | Brac Bank adopts digital processes to promote sustainability

- Brac Bank's SME business is taking steps towards reducing paper usage and promoting environmental sustainability by adopting various digital processes. The bank now digitally conducts the performance management of 2,800 field-based business development managers (BDMs) and relationship officers (ROs) instead of traditional paper-based methods, said a press release.
- Moreover, the bank has replaced hardcopy letters with digital modes of communication, such as SMS, for deferral, loan call-off reminders, counseling, and annual target communication. These digital initiatives have resulted in significant paper and person-hour savings while reducing turnaround time and providing greater convenience for the bank's field-level teams.

<https://www.thedailystar.net/business/economy/banks/news/brac-bank-adopts-digital-processes-promote-sustainability-3284956>

UNITEDAIR | BSEC to act against United Airways former board of directors

- The Bangladesh Securities and Exchange Commission (BSEC) is going to take action against the former board of directors of United Airways (BD) Ltd, which ceased operations in September 2014. The decision was made based on an enquiry report at a meeting on Thursday, according to a BSEC press release.
- Last September, the stock market regulator formed a five-member enquiry committee to investigate the company's affairs. A BSEC official who wished to remain anonymous said most of the irregularities occurred during the tenure of managing director.

<https://www.tbsnews.net/economy/stocks/bsec-act-against-united-airways-former-board-directors-608290>

ICB | ICB urges clients to wait for their money until stock market gets better

- The spillover impact of the declining capital market is taking a toll on the Investment Corporation of Bangladesh (ICB), a state-owned entity with a significant focus on capital market operations. As the market has been deteriorating for over a year, ICB's earnings have declined, hurting its ability to repay depositors' money despite being a trusted name.
- Recently, the state-owned Pashchimanchal (west) Gas Company Limited, applied for the encashment of a BDT 840 Mn term deposit upon its maturity. However, the ICB could pay BDT 676.9 Mn

<https://www.tbsnews.net/economy/icb-urges-clients-wait-their-money-until-stock-market-gets-better-609266>

EXCHANGE | BSEC to compel mutual funds to inject more money into stocks

- In an attempt to boost demand for stocks, the Bangladesh Securities and Exchange Commission (BSEC) has designed a way so that mutual funds inject more money in listed securities. At present, mutual funds, other than a few which have secured fund-specific exemptions based on their nature and investment style, each have to park at least 60% of its assets in publicly traded securities.
- According to analysts, the country's mutual fund industry has nearly BDT 160 Bn assets under management, and nearly 70% of it is estimated to be in listed company shares. At least BDT 15 Bn of the mutual fund money should be injected into the bourses if the regulatory move comes into effect.

<https://www.tbsnews.net/economy/stocks/bsec-compel-mutual-funds-inject-more-money-stocks-608286>

EXCHANGE | Why these 3 new platforms are performing poorly on bourses

- The Dhaka Stock Exchange (DSE) has launched three new trading platforms in the past 19 months with different purposes – providing small firms with opportunities to raise capital, trading treasury bonds, and allowing trading of non-listed securities, among others – to make the capital market vibrant. However, despite their promising potential and hype, the platforms have failed to live up to expectations and are making a poor show on the bourses.

<https://www.tbsnews.net/economy/stocks/why-these-3-new-platforms-are-performing-poorly-bourses-608306>

EXCHANGE | Trust Islami Life's IPO subscription to open Monday

- The initial public offering (IPO) subscription of Trust Islami Life Insurance will begin Monday (April 3), aiming to raise BDT 160 Mn from the stock market under the fixed price method. The life insurer's IPO subscription through the electronic subscription system of the stock exchanges will continue until April 9, officials said.
- Trust Islami Life Insurance's IPO is the second IPO in 2023 after Midland Bank which already raised BDT 700 Mn under the fixed price method and made its trading debut on March 27.

<https://thefinancialexpress.com.bd/stock/bangladesh/trust-islami-lifes-ipo-subscription-to-open-monday>

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