

Weekly Market Update

Capital Market Overview

The market closed in green this week. The benchmark index DSEX (+0.42%) gained 21.65 points and closed the week at 5,225.61 points. The blue-chip index DS30 (+0.63%) gained 11.88 points and stood at 1,901.56 points. The Shariah-based index DSES (+0.38%) gained 4.40 points and stood at 1,165.28 points. The large cap index CDSET (+0.19%) gained 2.00 points and closed at 1,048.72 points. DSEX, DS30, DSES and CDSET showed YTD returns of +0.18%, -1.97%, -0.31%, -1.63%, respectively.

Total Turnover During The Week (DSE): BDT 19.5 billion (USD 160 million)

Average Daily Turnover Value (ADTV): BDT 3.9 billion (Δ% Week: +7.8%)

Market P/E: 14.8x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started negatively on Sunday (-0.57%), but showed positive performance on Monday (+0.32%) and remained positive throughout Tuesday (+0.16%), Wednesday (+0.32%) and Thursday (+0.18%).

Sectoral Performance

· Most of the financial sectors posted positive performance this week. General Insurance booked the highest gain of 2.18% followed by Life Insurance (+1.31%), Mutual Fund (+1.13%), Bank (+0.47%), and NBFI (-1.98%).

· Non-financial (large-cap) sectors posted mixed performance this week. Pharmaceutical booked the highest gain of 0.67% followed by Food & Allied (+0.44%). Fuel & Power experienced the highest loss of 2.69% followed by Telecommunication (-0.77%), and Engineering (-0.55%).

Macroeconomic Arena

Separation of revenue policy and enforcement this month, takes effect next FY: NBR chair. Bangladesh imports over five times its exports to Saarc nations. Deadline for company tax return submission extended to 30 April amid low response. Commodity prices are dropping, expected to decline further: Commerce Adviser. BANK | Moody's cuts banking outlook to negative. LIFE INSURANCE | Stakeholders raise alarm as 10 life insurers running without CEOs. Bangladesh eyes Pakistan as emerging sourcing destination. Govt selects Chinese firm to expand the facilities at Mongla port. Revenue BDT 520 Bn short of IMF target for Jul-Dec. Current account turns negative as external balance stays shaky. Zero-interest loans gone but WB offers lower rates in new policy. Yield on five-year BGTBs rises significantly.

BANK | BB decides to end assured liquidity support for PD banks. FUEL & POWER | Top business leaders urge BERC to reject proposal on raising gas price. FUEL & POWER | Proposals for setting gas tariffs unconstitutional: BCI. FUEL & POWER | US oil major plans expanding hold on BD gas blocks. RMG | 200 RMG factories at risk of labour unrest. Canada gives USD 272 Mn in aid to Bangladesh, Indo-Pacific as USAID shuttered. None else but NBR to present tax-waiver issues in parliament. NBR launches customs risk management regulations against money laundering. Reserves drop to USD 19.7 Bn after ACU payment. Pvt sector credit growth plunges. Bangladesh's economy expands at slower pace in Feb: PMI. PHARMACEUTICAL | Pharma exports rise, but Feb slump raises eyebrows.

Stock Market Arena

LHB | LafargeHolcim's sales, profits dropped last year. BEXIMCO | HC cancels appointment of receiver for managing Beximco Group cos. NRBBANK, NRBCBANK | BB reconstitutes board of three private banks. SQRPHARMA | Square Pharma vice chairman eyes shares worth BDT 330 Mn. EXCHANGE | Fifth sukuk oversubscribed by three times as govt raises BDT 30 Bn. AAMRANET, AAMRATECH | Aamra firms struggle with fund crisis, fall into non-compliance. EXCHANGE | Sri Lankan investors show interest in Bangladesh's stock market: BSEC. SQRPHARMA | Square Pharma chairman to buy over BDT 320 Mn shares. EXCHANGE | ACC investigates BSEC over data smuggling allegations via 'illegal connection'. EXCHANGE | BSEC Executive Director Mahbulul Alam resigns amid allegations. SAMATALETH | DSE upgrades Samata Leather from Z to B category. DHAKABANK | Shanta Life signs MoU with Dhaka Bank to launch bancassurance services. HAMI | Hami Industries to rent out factory space in Chattogram.

DSEX ended in Green (+0.42%) in the week

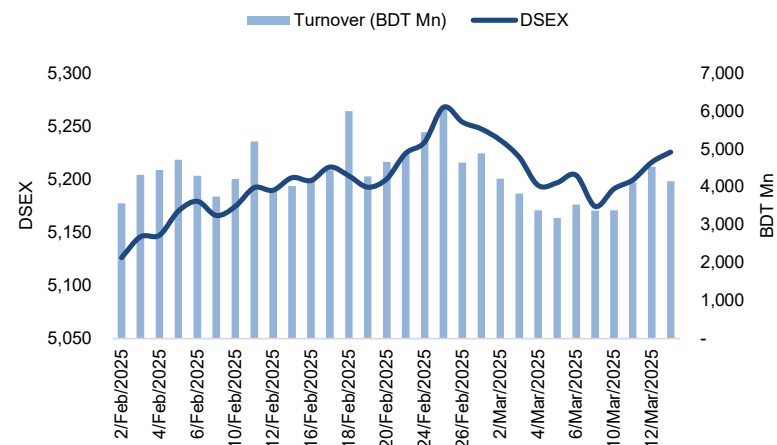
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	30-Dec-2024	Δ% Week	Δ% YTD
DSEX	5,225.61	5,203.96	+21.65	5,216.44	0.42%	0.18%
DS30	1,901.56	1,889.68	+11.88	1,939.73	0.63%	-1.97%
DSES	1,165.28	1,160.89	+4.40	1,168.90	0.38%	-0.31%
CDSET	1,048.72	1,046.72	+2.00	1,066.09	0.19%	-1.63%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	6,755,706	6,821,475	-0.96%
	Mn USD	55,375	55,914	
Turnover	Mn BDT	19,547	18,135	7.79%
	Mn USD	160	149	
Average Daily	Mn BDT	3,909	3,627	7.79%
	Mn USD	32	30	
Volume	Mn Shares	658	685	-3.97%

Figure 1: DSEX & Turnover in Last Four Weeks



Hossain Zaman Towhidi Khan
 Research Analyst
 (880) 1708805224
hztowhidi.khan@bracepl.com

S M Toufique Imran
 Research Associate
 (880) 1708805228
smtoufique.imran@bracepl.com

Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
SALAMCRST	26.6	20.1	+32.3%	2,617	173.7	NM	1.5x
PRIMELIFE	43.3	35.5	+22.0%	1,322	83.4	NM	NM
SHYAMPSUG	127.2	104.6	+21.6%	636	31.7	NM	NM
SPCERAMICS	20.0	17.1	+17.0%	2,939	333.4	NM	0.7x
EBL1STMF	5.6	4.8	+16.7%	811	20.2	NM	0.6x
VAMLRBBF	5.2	4.5	+15.6%	825	5.0	NM	0.5x
GHAIL	14.5	12.8	+13.3%	3,130	154.2	NM	1.2x
PARAMOUNT	40.5	36.0	+12.5%	1,647	63.3	16.4x	1.5x
ZEALBANGLA	94.6	85.3	+10.9%	568	4.0	NM	NM
HAKKANIPUL	70.9	64.0	+10.8%	1,347	393.5	NM	2.9x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
AIL	65.6	74.1	-11.5%	3,193	539.0	24.6x	2.8x
BIFC	6.9	7.6	-9.2%	695	3.1	NM	NM
MIDLANDBNK	16.9	18.5	-8.6%	10,810	242.9	9.8x	1.2x
1STPRIMFMF	18.5	20.1	-8.0%	370	48.9	NM	1.7x
ECABLES	103.8	112.3	-7.6%	2,740	8.1	NM	0.3x
SUMITPOWER	14.7	15.9	-7.5%	15,698	48.0	4.7x	0.4x
FAMILYTEX	2.6	2.8	-7.1%	921	4.7	NM	0.2x
KPCL	13.1	14.1	-7.1%	5,206	13.1	68.9x	0.7x
SANDHANINS	22.4	24.1	-7.1%	2,457	150.7	NM	NM
NHFIL	27.2	29.1	-6.5%	3,183	61.2	57.9x	1.4x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONINFU	416.6	386.9	+7.7%	8,482	1,010.8	NM	27.2x
LOVELLO	86.2	81.9	+5.3%	8,060	851.9	38.8x	6.8x
BEACHHATCH	121.3	116.7	+3.9%	5,022	769.3	35.6x	8.0x
AIL	65.6	74.1	-11.5%	3,193	539.0	24.6x	2.8x
KBPPWBIL	171.8	160.2	+7.2%	16,850	518.3	NM	14.5x
LINDEBD	1,041.6	1,023.7	+1.7%	15,851	502.5	2.6x	4.7x
HAKKANIPUL	70.9	64.0	+10.8%	1,347	393.5	NM	2.9x
ROBI	28.1	29.1	-3.4%	147,186	339.5	21.0x	2.1x
SPCERAMICS	20.0	17.1	+17.0%	2,939	333.4	NM	0.7x
SQURPHARMA	219.9	217.5	+1.1%	194,931	331.6	8.7x	1.5x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
ACTIVEFINE	10.2	+29.1%	2,447	NM	0.5x
ESQUIRENIT	24.5	+25.6%	3,305	14.4x	0.4x
GHAIL	14.5	+25.0%	3,130	NM	1.2x
UCB	11.3	+22.8%	17,519	6.2x	0.4x
ACI	167.0	+19.6%	14,635	NM	2.4x
IFADAUTOS	23.8	+16.7%	6,384	NM	0.7x
MIRAKHTER	34.1	+8.9%	4,118	13.9x	0.7x
ENVOYTEX	42.5	+7.9%	7,129	7.4x	0.8x
BRACBANK	52.8	+7.8%	93,441	8.4x	1.2x
DUTCHBANGL	51.0	+6.5%	44,820	7.2x	0.9x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,446.3	1,439.5	1,429.64	+0.47%	+1.16%
NBFI	1,070.9	1,092.6	1,188.21	-1.98%	-9.87%
Mutual Fund	579.0	572.5	603.30	+1.13%	-4.03%
General Insurance	2,605.6	2,550.1	2,772.79	+2.18%	-6.03%
Life Insurance	1,783.4	1,760.4	1,827.34	+1.31%	-2.40%
Telecommunication	5,204.0	5,244.3	5,185.99	-0.77%	+0.35%
Pharmaceutical	2,894.7	2,875.6	2,959.70	+0.67%	-2.20%
Fuel & Power	1,082.6	1,112.5	1,108.63	-2.69%	-2.35%
Cement	1,813.5	1,830.1	1,957.26	-0.91%	-7.35%
Services & Real Estate	1,017.1	1,020.4	1,013.65	-0.33%	+0.34%
Engineering	2,470.5	2,484.2	2,496.75	-0.55%	-1.05%
Food & Allied	15,947.1	15,878.0	17,177.59	+0.44%	-7.16%
IT	1,986.4	2,015.6	1,994.92	-1.45%	-0.43%
Textile	1,150.7	1,152.0	1,093.38	-0.11%	+5.25%
Paper & Printing	4,675.6	4,638.8	3,998.20	+0.79%	+16.94%
Tannery	1,987.1	1,970.5	2,020.25	+0.84%	-1.64%
Jute	12,393.1	12,570.1	14,455.60	-1.41%	-14.27%
Ceramics	409.3	402.2	359.12	+1.76%	+13.97%
Miscellaneous	4,240.1	4,269.8	4,252.62	-0.69%	-0.29%

Table 8: Sector Trading Matrix

Sector Name	Daily Avg this Week	Daily Avg last Week	% Change	% of Total Turnover	PE	PB
Bank	308.8	320.6	-3.69%	+8.34%	8.8x	0.7x
NBFI	52.2	77.3	-32.46%	+1.41%	NM	NM
Mutual Fund	85.2	89.7	-4.93%	+2.30%	NM	0.5x
General Insurance	128.0	62.5	+104.68%	+3.46%	13.2x	1.1x
Life Insurance	196.3	92.1	+113.16%	+5.30%	NM	NM
Telecommunication	99.4	94.7	+4.99%	+2.68%	13.7x	4.1x
Pharmaceutical	515.3	538.8	-4.36%	+13.92%	13.3x	1.5x
Fuel & Power	286.5	223.4	+28.26%	+7.74%	15.7x	0.6x
Cement	22.6	21.0	+7.47%	+0.61%	17.4x	1.9x
Services & Real Estate	60.8	72.4	-15.99%	+1.64%	19.9x	0.4x
Engineering	296.6	351.3	-15.58%	+8.01%	12.6x	0.9x
Food & Allied	521.6	328.7	+58.71%	+14.09%	15.9x	4.3x
IT	91.7	113.7	-19.35%	+2.48%	20.3x	1.7x
Textile	499.4	498.1	+0.26%	+13.49%	81.4x	0.8x
Paper & Printing	197.2	183.7	+7.38%	+5.33%	NM	1.0x
Tannery	36.6	53.6	-31.59%	+0.99%	NM	1.6x
Jute	12.4	19.3	-35.91%	+0.33%	NM	NM
Ceramics	105.0	122.9	-14.53%	+2.84%	NM	1.1x
Miscellaneous	186.7	133.1	+40.28%	+5.04%	94.2x	1.9x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
RENATA	504.7	-20.5%	57,887	19.6x	1.7x
POWERGRID	34.9	-16.5%	31,892	NM	0.2x
BATBC	328.2	-10.7%	177,228	10.1x	3.1x
RECKITBEN	3,900.8	-10.3%	18,431	NM	12.9x
LHB	48.4	-10.2%	56,210	14.7x	3.0x
ISLAMIBANK	43.8	-9.5%	70,518	15.1x	1.0x
DOREENPWR	21.7	-9.2%	3,930	21.9x	0.4x
CONFIDCEM	51.6	-9.0%	4,451	5.3x	0.6x
LANKABAFIN	17.1	-8.1%	9,214	17.6x	0.9x
PIONEERINS	44.3	-7.7%	4,333	9.2x	1.0x

*BDT

*BDT Mn

Important News: Business, Economy & Sector

Separation of revenue policy and enforcement this month, takes effect next FY: NBR chair

- NBR Chairman Abdur Rahman Khan has announced that the separation of revenue policy and enforcement will take place this month through a presidential ordinance, with the change taking effect in the next fiscal year, starting in July, to ensure independent operations.

<https://www.tbsnews.net/economy/lack-good-governance-not-tax-rates-main-barrier-investment-nbr-chairman-1091116>

Bangladesh imports over five times its exports to Saarc nations

- Bangladesh continues to grapple with a significant trade imbalance with Saarc countries as import payments far exceed exports, according to the latest Bangladesh Bank (BB) report. The report, covering fiscal year (FY) 2023-24, shows Bangladesh's total import payments to Saarc nations stood at USD 9.76 Bn while export earnings from the region reached only USD 1.74 Bn.

<https://www.thedailystar.net/business/news/bangladesh-imports-over-five-times-its-exports-saarc-nations-3846631>

Deadline for company tax return submission extended to 30 April amid low response

- The National Board of Revenue (NBR) has extended the deadline for companies to submit their income tax returns until 30 April 2025. The deadline was previously extended twice by the revenue authority, with the final extension setting it to 16 March.

<https://www.tbsnews.net/bangladesh/deadline-company-tax-return-submission-extended-30-april-amid-low-response-1090726>

Commodity prices are dropping, expected to decline further: Commerce Adviser

- Commerce Adviser Sheikh Bashir Uddin said on Monday that the prices of daily essentials are now on a downward trend from being stable and are expected to decline further. He was speaking at a gathering of imams and khatibs after Iftar at the Jamia Madania Baridhara auditorium, organised by Hefazat-e-Islam Bangladesh Dhaka Metropolitan on Wednesday evening.

<https://thefinancialexpress.com.bd/trade/commodity-prices-are-dropping-expected-to-decline-further-commerce-adviser>

BANK | Moody's cuts banking outlook to negative

- Moody's Ratings has downgraded Bangladesh's banking system outlook from "stable" to "negative", citing rising asset risks and worsening economic conditions. "Structural risks to banks' asset quality, such as lax regulations and poor corporate governance, will persist," the US credit rating agency said.

<https://www.thedailystar.net/business/news/moodys-cuts-banking-outlook-negative-3845906>

LIFE INSURANCE | Stakeholders raise alarm as 10 life insurers running without CEOs

- Of the 35 life insurance companies in the country, 10 are operating without permanent chief executive officers (CEOs) and are being run by acting executives, stakeholders said, raising concerns about this leadership gap. At a seminar titled "Insurance Sector Reforms and What We Can Do" at the IDRA office, they attributed the issue to many companies being granted licenses for political reasons without developing a skilled workforce to support them.

<https://www.tbsnews.net/economy/stocks/stakeholders-raise-alarm-10-life-insurers-running-without-ceos-1091186>

Bangladesh eyes Pakistan as emerging sourcing destination

- Bangladesh stands to benefit from enhanced trade ties with Pakistan as local traders are optimistic about getting more competitive prices and a broader range of raw material sources. Currently, trade dynamics favour Pakistan, with Bangladesh importing cotton, yarn, fabrics, and essential commodities from the country.

<https://www.thedailystar.net/business/news/bangladesh-eyes-pakistan-emerging-sourcing-destination-3845536>

Govt selects Chinese firm to expand the facilities at Mongla port

- The government has awarded a contract to a Chinese firm to expand the facilities of Mongla port. The committee awarded the contract to Beijing-based China Civil Engineering Construction Corporation (CCECC) for expanding the facilities of the Mongla Port and improving its service at a cost of BDT 40.46 Bn.

<https://thefinancialexpress.com.bd/trade/govt-selects-chinese-firm-to-expand-the-facilities-at-mongla-port>

Revenue BDT 520 Bn short of IMF target for Jul-Dec

- Revenue collection fell significantly short of the International Monetary Fund's (IMF) target in the first six months of the current fiscal year. The government raised BDT 1628.92 Bn in total revenue, including from both National Board of Revenue (NBR) and non-NBR sources, according to finance ministry data, missing the IMF's target to collect BDT 2151.20 Bn by BDT 522.28 Bn.

<https://www.thedailystar.net/business/news/revenue-tk-52000cr-short-imf-target-jul-dec-3845526>

Current account turns negative as external balance stays shaky

- According to Bangladesh Bank (BB) data, the current account deficit stood at USD 552 Mn in the July-January period of fiscal year (FY) 2024-25, compared to a USD 56 Mn surplus in July-December. The main culprit is a widening gap in the service account, driven by rising transportation costs.

<https://www.thedailystar.net/business/news/current-account-turns-negative-external-balance-stays-shaky-3845521>

Zero-interest loans gone but WB offers lower rates in new policy

- Bangladesh is entering a new phase in its relationship with the World Bank (WB), moving away from zero-interest funds. Starting July, under IDA 21, the WB's next three-year concessional lending cycle. According to ERD officials, Bangladesh can borrow USD 834 Mn at zero interest under the current cycle, ending in June.

<https://www.tbsnews.net/bangladesh/zero-interest-loans-gone-wb-offers-lower-rates-new-policy-1090436>

Yield on five-year BGTBs rises significantly

- The yield on five-year Bangladesh government treasury bonds (BGTBs) increased significantly on Tuesday as banks expressed their unwillingness to invest funds in the securities before the upcoming Eid festival. The cut-off yield, generally known as interest rate, on the BGTBs rose to 11.50% on the day from 10.47% earlier, according to auction results.

<https://thefinancialexpress.com.bd/economy/bangladesh/yield-on-five-year-bgtbs-rises-significantly>

PHARMACEUTICALS | No more advance tax on cancer drug raw material imports

- The National Board of Revenue (NBR) has exempted advance tax on the import of raw materials used to manufacture cancer drugs, according to a notification issued earlier this month. The move follows a decision by the income tax department under the NBR to reduce the tax at source on the import of ingredients for oncology medicines from 5% to 2%.

<https://www.thedailystar.net/business/news/no-more-advance-tax-cancer-drug-raw-material-imports-3844941>

RMG | Bangladesh beats competitors in RMG export growth to US

- Bangladesh has outperformed competitor countries to attain the highest year-on-year growth in apparel shipments to the US market in January, as American retailers and brands are placing large volumes of work orders here to capitalise on the favourable tariff regime. Exporters said this happened as the Trump administration raised tariffs on imports from China and Mexico, creating an advantage for Bangladesh in the US market.

<https://www.thedailystar.net/business/news/bangladesh-beats-competitors-rmg-export-growth-us-3845531>

FUEL & POWER | Russia seeks continuity of Gazprom's work in Bangladesh

- Russia has sought the cooperation of Chief Adviser (CA) Prof Muhammad Yunus to ensure the continued operations of the state-owned Russian company Gazprom International in gas exploration. Gazprom has been active in Bangladesh since 2012, partnering in the exploration of gas reserves. In 2023, Gazprom International identified five new wells for further exploration in Bhola, an island off the southern coast.

<https://www.thedailystar.net/business/news/russia-seeks-continuity-gazproms-work-bangladesh-3845511>

FUEL & POWER | Conglomerate resumes full-scale electricity export to Bangladesh

- India's Adani resumes full-scale operation and supply of electricity from both of its dedicated power-plant units following a call from Bangladesh at the start of Ramadan. The Adani Power Jharkhand Ltd (APJL) plant supplied around 1,362 megawatts (MW) of electricity against its combined capacity to supply 1,496 MWs on Monday, according to official data from the state-run Bangladesh Power Development Board (BPDB).

<https://thefinancialexpress.com.bd/economy/conglomerate-resumes-full-scale-electricity-export-to-bangladesh>

BANK | Bank deposit growth exceeds 8% in Jan after 4 months

- Deposits in the country's banking sector grew by 8.28% in January this year after remaining below 8% for the last four months of 2024, according to central bank data released today. Bankers attributed the prolonged low deposit growth to high inflation, reduced liquidity, and customer distrust in certain banks.

<https://www.tbsnews.net/economy/banking/bank-deposit-growth-exceeds-8-jan-after-4-months-1090306>

FUEL & POWER | Gas loss in Bangladesh is over 33% higher than standard: Analysis

- Bangladesh incurs a loss of 10% in natural gas transmission system, a volume which is over 33% higher than that of the international standard, energy regulatory commission said on Tuesday. According to international standards, the maximum acceptable gas loss in distribution lines is 0.20 to 0.30%.

<https://thefinancialexpress.com.bd/national/gas-loss-in-bangladesh-is-over-33pc-higher-than-standard-analysis>

Laundered billions: Govt fast-tracks recovery efforts

- The interim government is set to enact a special law aimed at streamlining the recovery process of money laundered during the Sheikh Hasina regime. The special law, which would be formulated within one week, would provide a legal framework for retrieving the money.

<https://www.thedailystar.net/news/bangladesh/news/laundered-billions-govt-fast-tracks-recovery-efforts-3844101>

BB governor to visit UK for asset recovery

- Bangladesh Bank (BB) Governor Ahsan H Mansur will visit the United Kingdom (UK) as a part of efforts to recover laundered assets. The information was disclosed by Press Secretary to the Chief Adviser (CA) Shafiqul Alam in a press briefing following a high-level meeting yesterday.

<https://www.thedailystar.net/business/news/bb-governor-visit-uk-asset-recovery-3844556>

Japan lending Bangladesh USD 581 Mn

- Japan is going to lend Bangladesh USD 581 Mn for improving power generation and ensuring food safety, officials said Monday, in aid to the interim government. The Economic Relations Division (ERD) under the Ministry of Finance (MoF) and Japan are likely to sign two loan deals on March 25 to this effect MoF officials said.

<https://thefinancialexpress.com.bd/economy/japan-lending-bangladesh-581-million>

BANK | BB relaxes loan exit policy for troubled businesses

- Bangladesh Bank (BB) today relaxed the down payment requirements for exit facilities on defaulted loans of closed or loss-incurring companies. From now on, such applications can be made with only 5% down payment on the existing loan balance, which was previously at 10%.

<https://www.thedailystar.net/business/news/bb-relaxes-loan-exit-policy-troubled-businesses-3844406>

BANK | BB decides to end assured liquidity support for PD banks

- Primary dealer (PD) banks come under a major regulatory move as the central bank has decided to discard the assured liquidity support (ALS) for them, officials said. As the PD banks have not been going through any devolvement over a period of more than three financial years (FYs), the continuation of ALS would be irrational and have a detrimental effect on ensuring a level playing field for all banks, they said.

<https://thefinancialexpress.com.bd/economy/bb-decides-to-end-assured-liquidity-support-for-pd-banks>

FUEL & POWER | Top business leaders urge BERC to reject proposal on raising gas price

- Some top 10 business leaders on Monday jointly appealed to the Bangladesh Energy Regulatory Commission (BERC) to turn down the proposal of Petrobangla and six other gas distribution companies to raise the gas price for additional load and new connections.

<https://thefinancialexpress.com.bd/trade/top-business-leaders-urge-berc-to-reject-proposal-on-raising-gas-price>

FUEL & POWER | Proposals for setting gas tariffs unconstitutional: BCI

- The basis proposed for setting gas tariffs is unconstitutional, against the laws and against the principles of fairness, according to the Bangladesh Chamber of Industries (BCI) recently. The "unrealistic" and "one-sided" gas price hike during the previous government was the main reason behind the troubles being faced by industries, it added.

<https://www.thedailystar.net/business/news/proposals-setting-gas-tariffs-unconstitutional-bci-3844401>

FUEL & POWER | US oil major plans expanding hold on BD gas blocks

- US oil-major Chevron bids for developing Bangladesh's onshore hydrocarbons block-11 and attain exploration rights over an extended area of block-12 to discover fresh gas to help the country mitigate energy crisis.

<https://today.thefinancialexpress.com.bd/first-page/us-oil-major-plans-expanding-hold-on-bd-gas-blocks-1741631054>

RMG | 200 RMG factories at risk of labour unrest

- At least 200 garment factories in different industrial zones are at risk of labour unrest as, according to law-enforcement agencies, these units might fail to pay wages and festival allowances before Eid-ul-Fitr. Meantime, factory owners of all industries at a Tripartite Consultative Committee meeting last Thursday were instructed to pay festival allowances by 20th Ramadan, according to sources.

<https://today.thefinancialexpress.com.bd/last-page/200-rmg-factories-at-risk-of-labour-unrest-1741631532>

Canada gives USD 272 Mn in aid to Bangladesh, Indo-Pacific as USAID shuttered

- Canada unveiled USD 272.1 Mn in new funding for foreign aid projects for Bangladesh and the Indo-Pacific region, Canada's Minister of International Development, Ahmed Hussen said on Sunday (9 March). The money, alongside the contributions of other foreign partners and donors will help fund 14 different projects and in both Bangladesh and other countries in the Indo-Pacific, says Global News.

<https://www.tbsnews.net/world/canada-gives-272m-aid-bangladesh-indo-pacific-usaid-shuttered-1088676>

None else but NBR to present tax-waiver issues in parliament

- NBR has prepared the draft 'Tax Expenditure Policy Framework', preventing any agency or authority but the government revenue board (NBR) from placing any tax-exemption issue before parliament. The draft policy restricts inclusion of any tax-breaks, rebate or waiver in any of the law, bilateral or multilateral treaties, local or joint-venture agreements bypassing the tax authority. The draft framework is an integrated one comprising income tax, customs and value-added tax (VAT) wings.

<https://today.thefinancialexpress.com.bd/first-page/none-else-but-nbr-to-present-tax-waiver-issues-in-parliament-1741544139>

NBR launches customs risk management regulations against money laundering

- The National Board of Revenue has issued a notification introducing the 'Customs Risk Management Regulations, 2025' aimed at addressing economic risks such as money laundering and terrorism financing. As part of this initiative, a dedicated Customs Risk Management Commissionerate (CRMC) will be established.

<https://www.newagebd.net/post/economy/259720/nbr-launches-customs-risk-management-regulations-against-money-laundering>

Reserves drop to USD 19.7 Bn after ACU payment

- Bangladesh's foreign exchange reserves fell from USD 21.39 Bn to USD 19.7 Bn on Sunday after the country paid USD 1.75 Bn in regional import bills through the Asian Clearing Union (ACU).

<https://www.thedailystar.net/business/news/reserves-drop-197b-after-acu-payment-3843676>

Pvt sector credit growth plunges

- Private sector credit growth in Bangladesh fell sharply to 7.15% in Jan'25, which has been on a steady decline for six consecutive months. Bank officials attributed the slowdown to a stagnant business environment, political unrest, and weak law enforcement. Businesses adopted a cautious 'wait-and-see' approach, holding back on new investments.

<https://www.newagebd.net/post/economy/259730/pvt-sector-credit-growth-plunges>

Bangladesh's economy expands at slower pace in Feb: PMI

- Bangladesh's Purchasing Managers' Index (PMI) in February dropped by 1.1 points to 64.6, indicating a slowdown in the pace of economic expansion compared to the previous month. The pace of growth in agriculture and manufacturing increased from January, while it declined in the construction and service sectors.

<https://www.tbsnews.net/economy/bangladeshs-economy-expands-slower-pace-feb-pmi-1088571>

PHARMACEUTICAL | Pharma exports rise, but Feb slump raises eyebrows

- The pharmaceutical sector earned USD 145.46 Mn in export proceeds during Jul'24-Feb'25 period, posting a 7.1% increase. However, Feb'25 exports were USD 13.02 Mn, marking a 22.6% decline. The drop was largely driven by recent cuts in US foreign aid and a temporary halt in medicine shipments to Vietnam and Cambodia, where business activities slowed during New Year celebrations, industry insiders said.

<https://www.thedailystar.net/business/news/pharma-exports-rise-feb-slump-raises-eyebrows-3843686>

FOOD & ALLIED | Abul Khair Group chairman expands business

- The chairman of Abul Khair Group has expanded business in the food and commodities sector under his company Smile Food Products Limited by acquiring Abdul Monem Sugar Refinery Limited and Globe Edible Oil, in deals worth BDT 40.0 Bn. Abdul Monem Group lacked integrated operations for sugar which resulted in mounting losses, while Globe Edible Oil's acquisition comes amid political shifts.

<https://www.tbsnews.net/economy/industry/time-low-confidence-abul-khair-group-chairman-expands-business-1088666>

Food inflation drops to single digit in Feb, overall price index edges down to 9.32%

- Inflation in Bangladesh continued its downward trend in February, reaching 9.32%, down from 9.94% in January, according to the latest data from the Bangladesh Bureau of Statistics (BBS) released today (6 March). The general point-to-point inflation at the national level was 9.67% in February last year. This is the second time in five months that inflation has fallen to a single-digit level. The last time inflation was below 10% was in September 2024, when it stood at 9.92%.

<https://www.tbsnews.net/economy/february-inflation-edges-down-slightly-932-food-inflation-down-924-1086081>

Turkey's Koç Group reaffirms commitment to Bangladesh

- Koç Holding, an investment holding company in Türkiye, has reiterated its commitment to Bangladesh following a high-profile visit by senior executives from Koç Holding, Beko, and Aygaz. The visit, hosted by Singer Bangladesh Limited — a subsidiary of Beko, the flagship brand of Koç Group — in collaboration with United Aygaz LPG and Aygaz, highlights the strategic vision Koç Group has for Bangladesh and its dedication to enhancing business relationships within the region.

<https://www.thedailystar.net/business/organisation-news/news/turkeys-koc-group-reaffirms-commitment-bangladesh-3841166>

Interest payments consuming most part of govt budget

- Interest payments on government's domestic and foreign borrowings emerge as the highest actual expenditure as percentage of budget spending in the first half of this fiscal year, coming to BDT 625.6 Bn. Official statistics show the July-December 2024 interest payments by the government, totalling BDT 625.6 Bn, account for over 55% of the total allocation for this purpose for the entire fiscal year 2024-25 ending next June 30.

<https://today.thefinancialexpress.com.bd/first-page/interest-payments-consuming-most-part-of-govt-budget-1741454699>

Food subsidies raised by nearly 12%

- The interim government is set to increase its allocation for food subsidies by nearly 12%, raising the total to BDT 81 Bn, to intensify food distribution programmes and provide a cushion to low-income groups. The move was prompted by production losses from two rounds of flash floods last year and persistent inflation, which has hovered above nine for 24 straight months.

<https://www.thedailystar.net/business/economy/news/food-subsidies-raised-nearly-12-3842841>

Help factory workers facing job risk

- According to a Prothom Alo report, 95 factories in Gazipur, Savar, Narayanganj and Narsingdi have permanently shut down over the past seven months, while several others have temporarily ceased operations, resulting in 62,000 job losses so far. Many of these factories, including those belonging to Beximco, Gazi and Bengal groups—whose owners were closely associated with the fallen Awami League regime—came under attack during and after the July mass uprising.

<https://www.thedailystar.net/opinion/editorial/news/help-factory-workers-facing-job-risk-3842411>

FUEL & POWER | Adani deal: Govt body for renegotiating tax rebate, surcharge, coal price

- A government review committee will recommend renegotiating key clauses in the Adani Power deal, citing "one-sided" terms that favour the Indian conglomerate. The 2017 agreement, facilitating electricity exports from India, is under scrutiny for contentious provisions regarding tax rebates, excessive late payment surcharges, and skewed coal pricing.

<https://www.tbsnews.net/bangladesh/infrastructure/adani-deal-govt-body-renegotiating-tax-rebate-surcharge-coal-price-1087866>

BANK | Banks now to borrow at unified repo rate of 10%

- Commercial banks will now borrow funds at a unified rate by using repo instrument as the central bank is eliminating the existing differentials in lending to the lenders. The country's scheduled banks currently get liquidity feeding from the Bangladesh Bank against repo using three windows: 7-day, 14-day and 28-day-tenure instruments at varied rates. As part of the wrap-up decision, the central bank will only charge the policy or repo rate—now 10%—for the borrowed funds from March 9 (tomorrow), whatever the tenure is.

<https://thefinancialexpress.com.bd/economy/banks-now-to-borrow-at-unified-repo-rate-of-10pc>

TELECOM | Bangladeshi firms partner with Starlink

- Several Bangladeshi firms have partnered with Starlink to support the setup of ground earth stations in Bangladesh. The firms have signed contracts with Starlink for collaboration as a team from the US telecommunications service provider is currently visiting Bangladesh. The collaboration includes space allocation, construction support, and ongoing infrastructure maintenance.

<https://www.thedailystar.net/top-news/news/bangladeshi-firms-partner-starlink-3842701>

Important News: Stocks

LHB | LafargeHolcim's sales, profits dropped last year

- LafargeHolcim Bangladesh saw a drop in sales and profits in 2024 amid the political changeover and a challenging macroeconomic environment. In 2024, the net sales of the cement producer stood at BDT 27.54 Bn, a 3% decrease from the previous year.

<https://www.thedailystar.net/business/news/lafargeholcims-sales-profits-dropped-last-year-3846226>

BEXIMCO | HC cancels appointment of receiver for managing Beximco Group cos

- "Considering the interests of thousands of employees, the High Court decided that the firms of the Beximco Group of Companies would be operated under their own management, subject to the supervision of relevant departments of the government, including Bangladesh Bank and other statutory bodies, and properly complying with the law," HC said.

<https://www.thedailystar.net/business/news/lafargeholcims-sales-profits-dropped-last-year-3846226>

NRBBANK, NRBCBANK | BB reconstitutes board of three private banks

- The Bangladesh Bank (BB) today reconstituted the board of directors of three private commercial banks. The commercial lenders are: NRB Commercial Bank, NRB Bank, and Meghna Bank, a top official of the BB familiar with the development told The Daily Star.

<https://www.thedailystar.net/business/news/bb-reconstitutes-board-three-private-banks-3846146>

SQURPHARMA | Square Pharma vice chairman eyes shares worth BDT 330 Mn

- Ratna Patra, vice chairman of Square Pharmaceuticals, today expressed her willingness to purchase 1.5 Mn shares of the company, valued at close to BDT 330 Mn at the current market price. Also a sponsor of the company, Ratna plans to acquire the shares at the prevailing market price in both the public and block markets through the Dhaka Stock Exchange (DSE) within the next 30 working days.

<https://www.thedailystar.net/business/news/square-pharma-vice-chairman-eyes-shares-worth-tk-33-crore-3845991>

EXCHANGE | Fifth sukuk oversubscribed by three times as govt raises BDT 30 Bn

- The government yesterday received a huge response from investors centring its initiative to raise BDT 30 Bn through sukuk, a Shariah-compliant bond, to fund the construction of bridges to connect rural roads. In an auction of 7-year bonds, Bangladesh Bank (BB) received bids worth BDT 109.25 Bn from Shariah-based banks and financial institutions, conventional banks, provident funds, and individual investors.

<https://www.thedailystar.net/business/news/fifth-sukuk-oversubscribed-three-times-govt-raises-tk-3000cr-3846201>

AAMRANET, AAMRATECH | Aamra firms struggle with fund crisis, fall into non-compliance

- Two listed companies under the Aamra Group, Aamra Technologies and Aamra Networks, are grappling with severe business challenges and a liquidity crisis, which have pushed them into non-compliance with regulatory requirements. Both firms failed to disburse declared dividends within the stipulated time frame, leading to their downgrade to the Z category.

<https://www.tbsnews.net/economy/stocks/aamra-firms-struggle-fund-crisis-fall-non-compliance-1090326>

EXCHANGE | Sri Lankan investors show interest in Bangladesh's stock market: BSEC

- Sri Lankan investors have expressed their intention to invest in Bangladesh, as well as collaborate in the operational sectors of the country's stock market. The investors, led by Dilshan Wirasekara, chairman of the Colombo Stock Exchange, conveyed their interest during a meeting with Khondoker Rashed Maqsood, chairman of the BSEC.

<https://www.thedailystar.net/business/news/sri-lankan-investors-show-interest-bangladeshs-stock-market-bsec-3845246>

SQURPHARMA | Square Pharma chairman to buy over BDT 320 Mn shares

- Samuel S Chowdhury, chairman of Square Pharmaceuticals, yesterday expressed his willingness to purchase 1.5 Mn shares of the company, valued at over BDT 320 Mn at the current market price. Also a sponsor of the company, Samuel plans to acquire the shares at the prevailing market price in both the public and block markets through the Dhaka Stock Exchange (DSE) within the next 30 working days, Square Pharmaceuticals said in a disclosure on the premier bourse's website.

<https://www.thedailystar.net/business/news/square-pharma-chairman-buy-over-tk-32cr-shares-3843946>

EXCHANGE | ACC investigates BSEC over data smuggling allegations via 'illegal connection'

- The Anti-Corruption Commission, or ACC, has conducted a raid on the Bangladesh Securities and Exchange Commission, or BSEC. This is the second raid conducted by the anti-graft agency on the BSEC in a week. The ACC said the raid was conducted to investigate allegations of illegal connection of software linked to the BSEC's "surveillance" programme, information laundering, fund embezzlement, and irregularities in project implementation.

<https://thefinancialexpress.com.bd/trade/acc-investigates-bsec-over-data-smuggling-allegations-via-illegal-connection>

EXCHANGE | BSEC Executive Director Mahbubul Alam resigns amid allegations

- Mahbubul Alam, executive director of the Bangladesh Securities and Exchange Commission (BSEC), has resigned from his position. He submitted his resignation letter to the BSEC chairman today (10 March), sources familiar with the matter confirmed to The Business Standard.

<https://www.tbsnews.net/economy/stocks/bsec-executive-director-mahbubul-alam-resigns-amid-allegations-1089281>

SAMATALETH | DSE upgrades Samata Leather from Z to B category

- The Dhaka Stock Exchange (DSE) has upgraded Samata Leather Complex from the 'Z' category to the 'B' category, marking a significant shift in its classification on the capital market. The upgrade follows the company's announcement of a 0.40% cash dividend for general investors for the fiscal year 2024, which ended on 30 June. As a result, Samata Leather will start trading under the 'B' category from today.

<https://www.tbsnews.net/economy/stocks/dse-upgrades-samata-leather-z-b-category-1088611>

DHAKABANK | Shanta Life signs MoU with Dhaka Bank to launch bancassurance services

- Shanta Life Insurance PLC recently signed a memorandum of understanding (MoU) with Dhaka Bank PLC, aiming to provide bancassurance services through the bank's distribution channel.

<https://www.thedailystar.net/business/organisation-news/news/shanta-life-signs-mou-dhaka-bank-launch-bancassurance-services-3843421>

HAMI | Hami Industries to rent out factory space in Chattogram

- Hami Industries PLC, formerly known as Imam Button Industries Ltd, has signed an agreement with Lubricant Asia Limited to lease out 6,752 square feet of space from its factory in Fouzderhat Heavy Industrial Area of Chattogram for two years. The company will charge a rent of BDT 20 per square foot, effective from March 1 this year.

<https://www.thedailystar.net/business/news/hami-industries-rent-out-factory-space-chattogram-3843656>

MJLBD | MJL Bangladesh to sell 20-year-old ship at USD 22.7 Mn

- MJL Bangladesh PLC has decided to sell one of its second-hand oil tankers, MT Omera Legacy, as part of its strategic asset management. The MT Omera Legacy, a 20-year-old vessel with a displacement capacity of 1,07,000 tonnes, will be sold for USD 22.7 Mn (approximately BDT 2.72 Bn). A 3% commission will be deducted from the sale proceeds, resulting in MJL Bangladesh receiving BDT 2.64 Bn net from the transaction.

<https://www.tbsnews.net/economy/stocks/mjl-bangladesh-sell-20-year-old-ship-227m-1086431>

PIONEERINS | Pioneer Insurance declares 25% cash dividend for 2024

- Pioneer Insurance Company Ltd has proposed a 25% cash dividend for its shareholders for the year ending on 31 December 2024. The figure marks a decrease from the previous year's payout, where the company distributed a 20% cash dividend and a 10% stock dividend for 2023.

<https://www.tbsnews.net/economy/stocks/pioneer-insurance-declares-25-cash-dividend-2024-1086441>

BEXGSUKUK | With maturity looming, Beximco's sukuk repayment uncertain as incomes dry up

- The Beximco Green Sukuk, a five-year financial instrument, is set to mature in December 2026, requiring Beximco Limited to repay approximately BDT 28 Bn to investors. However, growing concerns surround the timely repayment as Beximco's Textile Division, a major revenue source of the group, remains closed, and other revenue sources are minimal, leaving the solar park as the primary income stream.

<https://www.tbsnews.net/economy/maturity-looming-beximcos-sukuk-repayment-uncertain-incomes-dry-1087066>

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transactions.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and also revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment.

BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Fahim Hassan	Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Hossain Zaman Towhidi Khan	Research Analyst	hztowhidi.khan@bracepl.com	01708 805 224
Foysal Ahmed	Research Associate	foysal.ahmed@bracepl.com	01708 805 201
S M Toufique Imran	Research Associate	smtoufique.imran@bracepl.com	01708 805 228
Rakibul Hasan	Research Associate	rakibul.hasan@bracepl.com	01708 805 229
Tasviha Taher Trishila	Research Associate	tasviha.trishila@bracepl.com	01730 701 733

International Trade and Sales

Ahsanur Rahman Bappi	CEO	bappi@bracepl.com	01730 357 991
----------------------	-----	--	---------------

FOR SERVICE-RELATED QUERIES, REACH OUT TO

 care@bracepl.com

 Call 16285



Website

Address

E-Mail

Contact

www.bracepl.com

Symphony, Plot No. S.E. (F) - 9, Road No.
142, Gulshan-1, Dhaka

Research: research@bracepl.com
Sales : ftrader@bracepl.com

Phone: +88 02 222282446-47
Fax: +88 02 222282452