

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.64%) lost -39.93 points and closed the week at 6,220.24 points. The blue-chip index DS30 (-0.37%) lost -8.21 points and stood at 2,218.76 points. The Shariah-based index DSES (-0.40%) lost -5.48 points and stood at 1,356.85 points. The large cap index CDSET (-0.03%) lost -0.35 points and closed at 1,216.66 points. DSEX, DS30, DSES and CDSET showed YTD returns of +0.22%, +1.07%, -0.15%, +0.18%, respectively.

Total Turnover During the Week (DSE): BDT 25.4 billion (USD 239 million)

Average Daily Turnover Value (ADTV): BDT 5.1 billion (Δ% Week: -21.4%)

Market P/E: 18.4x

Daily Index Movement during the Week

The market performed five sessions during this week. The market started on a negative note (-0.40%) on Sunday. It turned positive on Monday (+0.14%). It reverted to negative on Tuesday (-0.19) and remained negative on Wednesday (-0.30%). And lastly, the market closed on a positive note (+0.11%) on Thursday.

Sectoral Performance

• All the financial sectors registered negative performance this week. General Insurance experienced the highest loss of -3.49% followed by Life Insurance (-3.33%), Mutual Fund (-0.18%), Bank (-0.09%), and NBF (0.00%).

• Non-financial sectors posted mixed performance this week. Food & Allied booked the highest gain of 0.83% followed by Telecommunication (0.00%). Pharmaceutical experienced the highest loss of 0.58% followed by Fuel & Power (-0.21%), and Engineering (-0.11%).

Macroeconomic arena

• Bangladesh, Vietnam eye collaboration for mutual trade benefits. Agriculture ministry to offer 45 services of 17 agencies. Agri export suffers sharpest decline in 7 years. US wants to bolster top FDI position: Peter Haas. Banks waive off BDT 50.64 Bn in loan interests in 2022. Govt's interest expenses jump over 22%. BDT 7.46 Tn budget likely for next fiscal year. USD 500 Mn could be saved annually by recycling textile wastes. Bangladesh to get WB assistance for improving communication network of Metro rail. Bangladesh okays draft agreement allowing Bhutan to use ports. ADB president commits to support Bangladesh. No antibiotics used in poultry'. Customs detects BDT 3.82 Bn money laundering thru RMG exports. Trillion-dollar economy achievable before 2040 Bangladesh, Korea sign USD 3 Bn soft loan deal for mega projects. 452 enterprises from 38 countries currently operating in 8 EPZs: Bepza. BB working to scrap interest rate ceiling. Momen stresses FTA with Nepal to boost trade cooperation.

• Pharma sector needs foreign investment to cope with post-LDC challenges. FMCG companies bullish about further growth. Bangladesh has huge potential in agro-processing. Japanese entrepreneurs keen to invest more in Bangladesh. ECNEC approves eight projects with BDT 121.67 Bn. Boost logistics for business competitiveness, exports: Economists. Govt to form authority on public procurement. Govt takes action plan to disseminate jute goods globally. Inflation increased to 8.78% in February. Apparel export to EU grows by 14.29% during July-Feb of FY23. PM opens Bangladesh Business Summit. Bangladesh gears up to establish joint business council with Saudi Arabia. Govt aims customs efficiency by cutting cost, time. Chinese trade body CCPIT keen to invest more in Bangladesh. Bangladesh not heading towards Chinese debt trap. Bangladesh Bank heist: Philippine justice dept assures assistance. Tax receipts from DSE fall by 17.22% in February. Govt borrowing from BB may fuel inflation.

Stock Market arena

EXCHANGE | Directors can't book profit in six months of buying shares. SKICL | Sena Kalyan Insurance's EPS drops 25% in 2022. BDFINANCE | Bangladesh Finance's annual profit drops. UNIQUEHRL | Unique Hotel's power project gets USD 463 Mn foreign loan. INTRACO | Intraco Natural Gas Station to sell 92% of its pre-IPO shares in Intraco Refueling. SEAPEARL | Now Sea Pearl to buy 30% stake in Shamim Enterprise. BXPHERMA | Beximco Pharma directors to buy-sell 17 Mn shares between themselves. LINDEBD | Linde Bangladesh wants to demerge hard goods business. ACI | ACI to expand footprint in marine engine market. ITC | IT Consultants Ltd to invest BDT 2.80 Bn in infrastructure development. UNILEVERCL | Unilever Consumer Care posts 38.45% higher profit. SONALIANSH | Sonali Aansh Industries posted 36% jump in profit. MONOSPOOL | Monospool Paper to amalgamate with Pearl Paper. LINDEBD | High cost, strong dollar drag down Linde BD's annual profit.

March 16, 2023 (Week: March 12, 2023 – March 16, 2023)

Dhaka Stock Exchange

DSEX ended in red (-0.64%) in the week

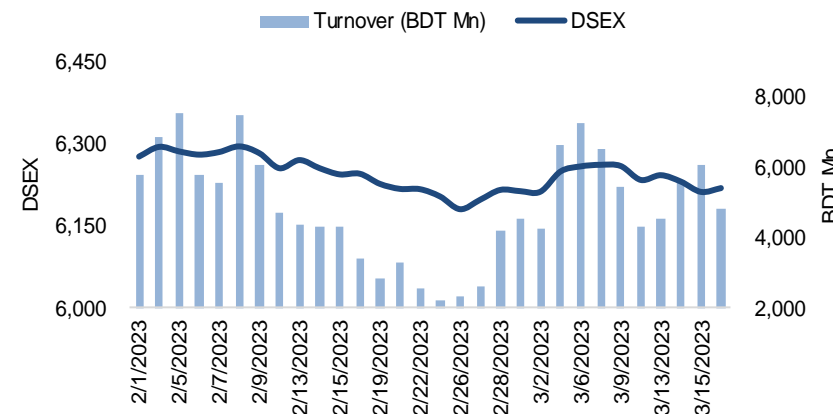
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	29-Dec-2022	Δ% Week	Δ% YTD
DSEX	6,220.24	6,260.18	-39.93	6,206.81	-0.64%	+0.22%
DS30	2,218.76	2,226.97	-8.21	2,195.30	-0.37%	+1.07%
DSES	1,356.85	1,362.33	-5.48	1,358.84	-0.40%	-0.15%
CDSET	1,216.66	1,217.01	-0.35	1,214.42	-0.03%	+0.18%

Table 2: Market Statistics

		This Week	Last Week	% Change
M cap	M n BDT	7,618,947	7,655,916	-0.5%
	M n USD	71,718	72,066	
Turnover	M n BDT	25,401	25,850	-1.7%
	M n USD	239	243	
Average Daily Turnover	M n BDT	5,080	6,462	-21.4%
	M n USD	48	61	
Volume	M n Shares	369	404	-8.8%

Figure 1: DSEX & Turnover in last four weeks



Md. Tanvir Ahmed
 Research Associate
 (880) 1708805201

mtanvir.ahmed@bracepl.com

Billal Hossain
 Research Associate
 (880) 1708805229

billal.hossain@bracepl.com

Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
AL-HAJTEX	194.3	173.7	+11.9%	4,333	417.8	NM	20.5x
CITYGENINS	34.7	318	+9.1%	2,365	182.6	15.4x	19x
SHYAMPUSUG	87.8	80.6	+8.9%	439	28.3	NM	NM
UNIONCAP	8.1	7.5	+8.0%	1,398	33.7	NM	NM
OLYMPIC	158.2	147.8	+7.0%	31,630	940.9	20.6x	3.3x
OIMEX	17.7	16.6	+6.6%	1,187	75.4	NM	16x
UNILEVERCL	2,987.6	2,849.0	+4.9%	35,990	202.4	49.3x	214x
RDFOOD	40.9	39.4	+3.8%	3,107	390.7	35.5x	2.6x
NFML	14.1	13.8	+2.2%	1,316	36.1	88.0x	12x
AIBLPBOND	4,999.0	4,900.0	+2.0%	500	0.1	NM	NM

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
BGIC	54.2	64.5	-16.0%	2,928	10.1	33.9x	2.7x
METROSPIN	33.7	38.9	-13.4%	2,079	130.4	34.5x	16x
LEGACYFOOT	43.5	49.9	-12.8%	569	114	NM	4.8x
SKICL	48.5	55.1	-12.0%	1,940	87.9	17.0x	2.4x
APEXFOODS	235.4	264.5	-11.0%	1,342	70.5	30.9x	19x
INTECH	20.8	23.3	-10.7%	651	8.3	NM	12.5x
PRAGATILIF	109.8	1218	-9.9%	3,788	108.9	NM	NM
ORIONINFU	291.1	322.9	-9.8%	5,927	292.1	NM	218x
DOMINAGE	16.2	17.9	-9.5%	1,662	315.0	29.5x	0.9x
ICICL	29.3	32.3	-9.3%	1,484	73.5	32.4x	19x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
RUPALILIFE	106.1	104.9	+1.1%	3,185	1,450.8	NM	NM
GENEXIL	94.5	101.4	-6.8%	10,945	1,176.6	28.6x	5.1x
SEAPEARL	308.2	320.1	-3.7%	37,215	1,140.5	74.8x	218x
MEGHNALIFE	85.3	91.3	-6.6%	3,617	1,036.9	NM	NM
ADNTEL	161.9	166.5	-2.8%	10,467	978.2	48.0x	5.7x
OLYMPIC	158.2	147.8	+7.0%	31,630	940.9	20.6x	3.3x
AAMRANET	63.8	65.3	-2.3%	3,955	920.2	20.0x	17x
BDCOM	42.3	43.6	-3.0%	2,415	784.9	29.7x	2.7x
EHL	97.3	105.7	-7.9%	9,082	667.1	15.3x	13x
BSC	127.5	133.5	-4.5%	19,448	654.0	8.5x	16x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
ADNTEL	161.9	+41.9%	10,467	48.0x	5.7x
OLYMPIC	158.2	+27.6%	31,630	20.6x	3.3x
UNIQUEHRL	65.5	+13.5%	19,283	14.6x	0.8x
JAMUNAOIL	178.8	+6.9%	19,744	7.5x	0.9x
PRIMEBANK	20.2	+5.2%	22,872	6.6x	0.7x
UNILEVERCL	2,987.6	+4.9%	35,990	49.3x	214x
ISLAMIBANK	33.4	+1.2%	53,774	110x	0.8x
MPETROLEUM	200.7	+1.1%	21,719	6.0x	10x
BATASHOE	955.9	+0.4%	13,077	36.9x	3.5x
PIONEERINS	71.7	+0.3%	6,071	116x	15x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,432.6	1,433.9	1,427.09	-0.09%	+0.39%
NBFI	1,916.9	1,917.0	1,927.24	-0.00%	-0.54%
Mutual Fund	826.8	828.4	852.07	-0.18%	-2.96%
General Insurance	3,084.0	3,195.6	3,177.87	-3.49%	-2.95%
Life Insurance	2,574.4	2,663.0	2,492.91	-3.33%	+3.27%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,698.9	3,720.6	3,754.47	-0.58%	-1.48%
Fuel & Power	1,693.7	1,697.3	1,694.29	-0.21%	-0.03%
Cement	2,309.0	2,310.7	2,319.67	-0.07%	-0.46%
Services & Real Estate	2,249.4	2,337.3	1,782.23	-3.76%	+26.21%
Engineering	4,480.5	4,485.3	4,503.40	-0.11%	-0.51%
Food & Allied	21,623.1	21,446.1	21,247.80	+0.83%	+1.77%
IT	3,377.4	3,503.7	3,004.33	-3.61%	+12.42%
Textile	1,580.9	1,580.8	1,621.87	+0.01%	-2.53%
Paper & Printing	10,614.0	11,030.2	10,388.08	-3.77%	+2.17%
Tannery	3,070.5	3,119.6	3,093.43	-1.58%	-0.74%
Jute	12,279.3	13,009.5	14,850.17	-5.61%	-17.31%
Ceramics	688.4	698.4	704.74	-1.43%	-2.32%
Miscellaneous	4,074.7	4,091.8	4,071.46	-0.42%	+0.08%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	50.0	69.5	-28.09%	+1.23%	7.8x	0.7x
NBFI	16.4	24.8	-33.94%	+0.40%	NM	4.4x
Mutual Fund	2.9	9.3	-68.40%	+0.07%	NM	0.7x
General Insurance	230.1	272.6	-15.61%	+5.64%	15.2x	15x
Life Insurance	757.6	677.1	+11.88%	+18.57%	NM	NM
Telecommunication	15	2.4	-37.90%	+0.04%	16.8x	4.7x
Pharmaceutical	270.5	533.9	-49.33%	+6.63%	18.5x	2.4x
Fuel & Power	78.3	219.5	-64.31%	+1.92%	17.9x	1.1x
Cement	4.5	114.8	-96.07%	+0.11%	57.9x	2.6x
Services & Real Estate	448.4	694.9	-35.47%	+10.99%	37.8x	12x
Engineering	222.5	317.3	-29.89%	+5.45%	56.2x	2.1x
Food & Allied	483.7	529.7	-8.67%	+11.86%	20.0x	8.0x
IT	864.2	1,063.8	-18.77%	+21.19%	32.1x	3.0x
Textile	142.8	175.5	-18.63%	+3.50%	42.7x	10x
Paper & Printing	152.4	300.9	-49.34%	+3.74%	40.4x	2.1x
Tannery	58.7	131.5	-55.36%	+1.44%	47.0x	3.1x
Jute	15.1	31.6	-52.22%	+0.37%	NM	4.7x
Ceramics	129.8	266.2	-51.23%	+3.18%	41.2x	19x
Miscellaneous	149.4	369.1	-59.52%	+3.66%	13.1x	18x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
EGEN	45.2	-13.2%	3,390	312x	2.1x
MTB	16.6	-0.6%	14,836	3.5x	0.7x
SHAHJABANK	18.8	-	20,314	5.6x	0.9x
IDLC	46.5	-	19,330	10.6x	1.1x
DBH	57.8	-	11,270	11.1x	15x
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
UPGDCL	233.7	-	135,475	15.4x	4.7x

*BDT

**BDT Mn

Important News: Business & Economy

Bangladesh, Vietnam eye collaboration for mutual trade benefits

- A business delegation of Vietnamese led by Pham Viet Chien, ambassador of Vietnam to Bangladesh, on Wednesday called on Faruque Hassan, president of the Bangladesh Garment Manufacturers and Exporters Association to discuss business opportunities and potential partnerships to promote mutual trade growth.
- Other members of the delegation were Do Quoc Hung, deputy director-general, Asia -Africa Market Department, Do Van Trong, executive board, Pham Anh Dong, managing director, Viet Giang Garment Jsc, Nguyen Thi Hien, director, Vietnam Textile and Garment Sustainable Development Solutions Ltd Co, Pham Thi Phuong Hoa, director, Hung Yen Garment Corporation - Joint Stock Company and Le Phuc Tien, director, Bac Giang LGG Garment Corporation Jsc.

<https://www.newagebd.net/article/196903/bangladesh-vietnam-eye-collaboration-for-mutual-trade-benefits>

Agriculture ministry to offer 45 services of 17 agencies

- The agriculture ministry yesterday launched a digital platform to provide 45 agri-related services of 17 agencies to farmers, businesses, importers and exporters. People will get agriculture related advice, information on crops, know the process of licensing and registration for various purposes, and information regarding fertilizer and crop protection chemicals from the platform, the ministry said in a press release. Over 20 Mn people in the country involved with agriculture will directly enjoy the benefit from the integrated platform <http://service.moa.gov.bd/portal/home>.

<https://www.thedailystar.net/business/economy/news/agriculture-ministry-offer-45-services-17-agencies-3272511>

Agri export suffers sharpest decline in 7 years

- The export growth of agricultural products, including vegetables, fruits and dry food, decreased 26.96% in the first eight months of the current financial year, the sharpest decline in seven years, official figures showed. Agricultural products fetched USD 623.18 Mn in July-February of 2022-23, which was USD 853 Mn in the same eight-month period of 2021-22, according to data from the Export Promotion Bureau (EPB).

<https://www.thedailystar.net/business/economy/news/agri-export-suffers-sharpest-decline-7-years-3272516>

US wants to bolster top FDI position: Peter Haas

- The US Ambassador in Dhaka Peter Haas said on Wednesday that his country wants to strengthen its position as the top foreign direct investor in Bangladesh. "The USA wants to enhance its effort as the number one investor in Bangladesh through collaboration," he said after visiting the Meghnaghat 584MW Combined Cycle Power Project in Narayanganj.
- According to the Bangladesh Bank's report, as of June 2022, the United States holds the largest foreign direct investment (FDI) stock in Bangladesh, amounting to USD 4.15 Bn. The United Kingdom follows with USD 2.42 Bn investment, while Singapore holds the third position with USD 1.61 Bn, and China takes the fourth spot with USD 1.47 Bn.

<https://www.tbsnews.net/economy/us-wants-bolster-top-fdi-position-peter-haas-600278>

Capacity building thru industrialisation required to meet post-LDC challenges

- The Chairman of the National Board of Revenue (NBR) Abu Hena Md Rahmatul Muneem said, capacity building through industrialisation is required to meet post-LDC challenges. "For the same reason the scope of tax should also be increased, and focus should be given to modern industrialisation," he said yesterday at a pre-budget meeting, organised by the Chattogram Chamber of Commerce and Industry at the World Trade Centre in Chattogram.
- The NBR is working to increase the scope of taxes, duties and VAT to sustain the increasing GDP growth of the country with the limited number of manpower and to increase the revenue of the government, he said. Besides, to strengthen the wings of NBR, various projects is underway, added the NBR chief.

<https://www.tbsnews.net/economy/capacity-building-thru-industrialisation-required-meet-post-ldc-challenges-600274>

Banks waive off BDT 50.64 Bn in loan interests in 2022

- Default loan rescheduling and loan interest waivers have increased at an unusual rate in the banking sector, according to the latest Bangladesh Bank data. Lenders waived off some BDT 50.64 Bn while rescheduling loans throughout 2022. It is BDT 32.09 Bn higher than that of the previous year. For such a situation, sector insiders blamed the liberal policy of the central bank which empowered bank owners to waive loan interests on nominal down payments.
- Besides, the desperate attitude of banks to recover outstanding loans which got stuck thanks to pandemic-induced relaxed policies also contributed to the surge in waived-off interests. "All the benefits of loan rescheduling and waiver are received by some large borrowers, who are mostly wilful defaulters," Salehuddin Ahmed, former central bank governor said.

<https://www.tbsnews.net/economy/banking/banks-waive-BDT5064cr-loan-interests-2022-600270>

Most users not content with BBS data

- Out of 14 types of statistics gathered by the Bangladesh Bureau of Statistics (BBS), eight are thought to be outdated by at least 50% of people who use the data and participated in a new survey of the state-run agency. The eight types of data are on agriculture, foreign trade, industry, labour, population, demographic and vital statistics; health, gender and education.
- Some 69.23% users, the highest percentage of respondents, think the foreign trade statistics are outdated while only 24.24%, the lowest, think the same for national accounts. The national accounts data, which is used to produce GDP and CPI, is frequently updated by the BBS, according to 54.41% of the respondents.
- Moreover, around two-thirds expect more statistical data, according to the "User Satisfaction Survey 2022" made public through a programme on the BBS headquarters in Dhaka yesterday. Besides, the second most widespread reason for user dissatisfaction was that the "data is not useful", said the survey.

<https://www.thedailystar.net/business/economy/news/most-users-not-content-bbs-data-3272526>

Agri export suffers sharpest decline in 7 years

- The export growth of agricultural products, including vegetables, fruits and dry food, decreased 26.96% in the first eight months of the current financial year, the sharpest decline in seven years, official figures showed. Agricultural products fetched USD 623.18 Mn in July-February of 2022-23, which was USD 853 Mn in the same eight-month period of 2021-22, according to data from the Export Promotion Bureau (EPB).

<https://www.thedailystar.net/business/economy/news/agri-export-suffers-sharpest-decline-7-years-3272516>

Govt's interest expenses jump over 22%

- The government's expenses on interest payments rose more than 22% to BDT 407.92 Bn in the first six months of the current fiscal year owing largely to higher expenditures on treasury bills, official figures showed. The interest expense was higher than the annual target because of a rise in interest rates for government securities, according to the quarterly debt bulletin of the finance ministry.
- Treasury bills and bonds are one of the major tools the government uses when it comes to borrowing. The interest on the securities has gone up recently owing to the liquidity shortage in the banking system.

<https://www.thedailystar.net/business/economy/news/govts-interest-expenses-jump-over-22-3272506>

Embezzlement of insurance customers' money will not be tolerated: Idra Chairman

- Chairman of the Insurance Development and Regulatory Authority (Idra) Mohammad Zainul Bari said on Wednesday that no one will be allowed to embezzle the money of the customers of insurance companies. At a programme of the Capital Market Journalist Forum (CMJF) in the capital's Paltan area, he said, "The companies against whom complaints have been filed regarding insurance claims payment to customers have already been instructed to make the payments."
- "They must settle the insurance claims even if it requires them to sell their assets," said the Idra chairman. He added that the board of the company that would not follow the instruction will be dissolved, if necessary. Zainul Bari said, "Due to a lack of compliance for a long time, irregularities and corruption have taken root in many companies. There have been cases of embezzlement. We have taken a strict stance to resolve these issues."

<https://www.tbsnews.net/economy/stocks/embezzlement-insurance-customers-money-will-not-be-tolerated-idra-chairman-600250>

BDT 7.46 Tn budget likely for next fiscal year

- A yet bigger budget worth BDT 7.46 Tn may be in the making for Bangladesh for the forthcoming fiscal year (FY), sources said, although the current one is trimmed for revenue-expenditure mismatch. According to the sources, Finance Minister AHM Mustafa Kamal may set sights high also on gross domestic product (GDP) growth for the fiscal year 2023-24, targeting 7.5% in a further rebound from the crisis-induced dips.
- In the new budget, according to the officials, the government may set a target to keep inflation at around 6.0%-in what is deemed a daunting task as the current rate still stands close by 9.0% in resurgence after a descent from around a double-digit level amid price rises at home and abroad.
- In another major macroeconomic parameter, less-than-expected levels of resource mobilisation might widen the overall budget deficit to 6.0% in proportion to the country's GDP. Independent analysts and economists are, however, not in favour of expansionary budgeting so that people, hard-hit by price rises of goods and services and utilities, don't have to bear tax burdens.

<https://thefinancialexpress.com.bd/economy/bangladesh/tk-746t-budget-likely-for-next-fiscal-year>

USD 500 Mn could be saved annually by recycling textile wastes

- Bangladesh will be able to save nearly USD 500 Mn in yarn imports annually if the country can recycle all cotton textile wastes locally, said apparel industry experts. Due to a lack of policy and industrial recycling capacity, about two-thirds of local valuable post-industrial waste materials are currently being exported and the country is losing the opportunity to benefit from these wastes, industry leaders said at a discussion, "Promoting Circularity for a Sustainable RMG-sector in Bangladesh".
- The Nordic Chamber of Commerce and Industry (NCCI) in Bangladesh, in collaboration with sustainable fashion platforms and the Nordic embassies, organised the event at the Sheraton Dhaka hotel in the capital on Tuesday. According to the NCCI estimates, the country's apparel industry produces about 577,000 tonnes of textile waste every year.

<https://www.tbsnews.net/economy/05bn-could-be-saved-annually-recycling-textile-wastes-599714>

Renewable energy businesses for duty waiver

- Solar and renewable energy businesses on Tuesday demanded that the National Board of Revenue withdraw duties on import of raw materials in the national budget for the forthcoming financial year 2023-24. 'E-commerce businesses proposed that the NBR offer a tax holiday for 10 years.
- The e-Commerce Association of Bangladesh, the Bangladesh Solar and Renewable Energy Association, the Bangladesh Acid Merchant Association, the Bangladesh Paint Manufacturer's Association, the Bangladesh Bread Biscuit-O-Confectionery Prostutkarak Samity, and the Bangladesh Flexible Packaging Industries Association presented their respective budget proposals at a pre-budget discussion with the NBR. e-CAB also proposed reducing value-added tax on delivery services from the existing 15% to 5%.

<https://www.newagebd.net/article/196841/renewable-energy-businesses-for-duty-waiver>

Don't rush into panic buying: Tipu Munshi

- Commerce Minister Tipu Munshi has urged consumers to not rush into panic buying as he assures them of enough stock of essentials for Ramadan. "It will then be difficult to control the market," he cautioned yesterday at a media brief, held on the occasion of the World Consumer Rights Day.
- The minister said there is enough stock of essential products and they are taking various measures to keep the market stable during Ramadan. He also urged everyone to keep their eyes open so that traders cannot stockpile products.

<https://www.tbsnews.net/economy/dont-rush-panic-buying-tipu-munshi-599710>

Bangladesh to get WB assistance for improving communication network of Metro rail

- The World Bank has shown interest to provide 150 Mn US dollar as assistance to DNCC for improving the communication network centering the metro rail in Dhaka. "Under the project titled 'Integrated Corridor's Management (ICM)' a communication network will be built from Mirpur-12 to Bangla motor area connecting all metro rail stations for the smooth movement of passengers," an official release said on Tuesday.
- The assurance has been made when Dhaka North City Corporation (DNCC) mayor Atiqul Islam met with Guangzhe Chen, Vice President for Infrastructure at the World Bank (WB) at the WB headquarters in Washington DC, USA on Monday afternoon (local time), reports BSS citing the release.

<https://thefinancialexpress.com.bd/economy/bangladesh/bangladesh-to-get-wb-assistance-for-improving-communication-network-of-metro-rail>

Analysts warn of middle-income trap

- Analysts have warned that Bangladesh may fall into the middle-income trap unless it takes measures to improve human capital, make the economy greener, build infrastructure without taking excessive loans and increase efficiency. They also called for diversifying export products, raising the tax-to-GDP ratio and increasing investment to improve digital infrastructure.

<https://www.thedailystar.net/business/economy/news/analysts-warn-middle-income-trap-3271536>

Bangladesh okays draft agreement allowing Bhutan to use ports

The cabinet on Monday approved a draft agreement for signing with Bhutan allowing the country to use Bangladesh ports and territory for exports and imports of goods to and from a third country. 'The cabinet has endorsed the draft 'Agreement on the Movement of Traffic-in-Transit and Protocol between the Government of the People's Republic of Bangladesh and the Royal Government of Bhutan,' cabinet secretary Md Mahbub Hossain told.

- He said that the deal once signed with Bhutan would allow the landlocked country to use Bangladesh territory and ports including seaports and land ports for imports and exports of products to and from another country. Bhutan will be able to transport their products through Bangladesh by trucks,' he said.

<https://www.newagebd.net/article/196755/bangladesh-okays-draft-agreement-allowing-bhutan-to-use-ports>

Sugar price keeps rising though import duty goes

- Sugar prices have maintained an upward trend at both wholesale and retail levels in Bangladesh despite a record cut in import duties to keep the market stable ahead of Ramadan. On February 26, the National Board of Revenue (NBR) lifted BDT 3,000 specific duty on the import of raw sugar and BDT 6,000 on refined sugar per tonne with immediate effect. It also cut the regulatory duty on the import of sugar to 25% from 30%.
- After the reduction, the overall import cost of raw and refined sugar is expected to decline by BDT 6,500 and BDT 9,000 per tonne at the import stage, respectively. Still, the price of sugar shows no sign of cooling down. Rather, it increased by BDT 130, or 3%, per maund in the wholesale market.

<https://www.thedailystar.net/business/economy/news/sugar-price-keeps-rising-though-import-duty-goes-3271496>

No new import permit for onion through Hili land port after 15 March

- Importers are suspecting that onion prices in the country may go up during Ramadan, as the government has decided to not issue new permits for importing Indian onions after 15 March through the Hili land port -- to ensure local farmers get a fair price.
- "Large consignments of onions are being imported now through Hili land port to keep prices stable during Ramadan. But the government decided to not issue new onion import permits from India, which may make the onion market unstable," Senior Vice President of Hili Land Port Import-Export Group Shahidul Islam said. If onion imports stop after March 15, importers will suffer financially. Consumers also have to buy onions at higher prices during Ramadan, he added.

<https://www.tbsnews.net/economy/bazaar/no-new-import-permit-onion-through-hili-land-port-after-15-march-599434>

ADB president commits to support Bangladesh

- Asian Development Bank (ADB) President Masatsugu Asakawa praised Bangladesh for its steady growth and said they are ready to support Bangladesh in a bigger way. He told this in a bilateral meeting with Bangladesh Prime Minister Sheikh Hasina as part of its celebration of 50 years of close development partnership in Dhaka on Tuesday.
- Asakawa, who is now visiting Dhaka, said ADB is committed to widening its partnership with the country and to increasing financial support for key development priorities to help achieve the country's goal of becoming an upper middle-income country by 2031.

<https://www.tbsnews.net/economy/adb-president-commits-support-bangladesh-599402>

'No antibiotics used in poultry'

- Bangladesh's poultry industry operators and farmers use prebiotics, probiotics and essential oils instead of antibiotics to help produce good quality meat and eggs, said a top leader of the poultry industry yesterday. Prebiotics are specialised plant fibres that aid in stimulating healthy bacteria whereas probiotics are live microorganisms that have health benefits. Essential oils are concentrated extracts from plants.
- "There is firm belief among consumers that we use antibiotics, but reality is that we are using prebiotics, probiotics and essential oils. Consumers can now buy eggs and chicken meat with a guarantee from the market if they want," said Moshir Rahman, president of the Bangladesh branch of the World's Poultry Science Association (WPSA). He made this remark on the opening day of a two-day international seminar on poultry in Dhaka, according to a press release.

<https://www.thedailystar.net/business/economy/news/no-antibiotics-used-poultry-3271521>

Customs detects BDT 3.82 Bn money laundering thru RMG exports

- The Customs Intelligence and Investigation Directorate (CIID) has unearthed that four Dhaka-based apparel exporters laundered BDT 3.82 Bn using fake documents. The agency, an office under the National Board of Revenue (NBR), said.
- Asia Trading, Sabiha Saiki Fashion, Emu Trading Corporation, and Ilham shipped readymade garments valued BDT 3.82 Bn to several countries in 1,762 consignments between 2017 to February 2023. Although they exported 18,355 tonnes of goods, no US dollar came to the country against the consignments, according to the findings of a probe of the CIID.

<https://www.thedailystar.net/business/economy/news/customs-detects-tk-382cr-money-laundering-thru-rmg-exports-3271531>

Trillion-dollar economy achievable before 2040

- Bangladesh will become a trillion-dollar economy much before 2040 because of infrastructural developments, economic growth momentum and the confidence and indomitable spirit of local entrepreneurs, said FBCCI President Md Jashim Uddin yesterday.
- "We had a lot of constraints in the economy. We did not get available land to establish factories, get adequate gas and we had faced load shedding," he said. "Even after these, we have been able to make the size of our economy around USD 470 Bn," said the chief of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

<https://www.thedailystar.net/business/economy/news/trillion-dollar-economy-achievable-2040-3270601>

Bangladesh's shipbreaking industry faces challenges amid push towards greener yards

- Amid the alarming news of 80% of Bangladesh's shipbreaking yards shutting down in the last three years, there is a glimmer of hope – SN Corporation has become the second "green yard" in the country. Established in 1990 on 13 acres of land in Sitakunda, Chattogram, SN Corporation currently employs over 300 people and produces an average of 90,000-100,000 tonnes of scrap materials per year through dismantling vessels.
- "We have achieved this by following rigorous processes and adhering to environment-friendly standards. It is great news not only for us but also for the country that another shipbreaking yard has become green," Barkat Ullah, CEO of SN Corporation, told The Business Standard. SN Corporation underwent a demanding certification procedure by a Japanese ship classification society called Nippon Kaiji Kyokai (ClassNK) to ensure that it met the strict procedural and performance standards required by the HKC.

<https://www.tbsnews.net/economy/industry/bangladeshs-shipbreaking-industry-faces-challenges-amid-push-towards-greener-yards>

Bangladesh, Korea sign USD 3 Bn soft loan deal for mega projects

- Bangladesh and Korea on Sunday signed a soft loan agreement worth USD 3 Bn aimed at implementing new mega projects in the country. Under the signed Letter of Understanding (LoU) and Cooperation Arrangement (C/A), Korea will provide the loan through the Economic Development Cooperation Fund (EDCF) during 2023-2027, according to a press release of the Ministry of Finance on Monday.

<https://www.tbsnews.net/economy/bangladesh-korea-sign-agreement-3b-loan-mega-projects-598954>

452 enterprises from 38 countries currently operating in 8 EPZs: Bepza

- Currently there are 452 enterprises from 38 countries operating in eight export processing zones (EPZs) of the country, said Bangladesh Export Processing Zones Authority (Bepza) Executive Chairman Major General Abul Kalam Mohammad Ziaur Rahman on Monday.
- "We started with a single export processing zone in 1980 and now we have eight EPZs while another three are coming up," he said during a seminar on 'Investing in Economic Zones Progress and Priority Opportunities in Bangladesh' at the Bangladesh Business Summit organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in the capital's Bangabandhu International Conference Centre.

<https://www.tbsnews.net/economy/452-enterprises-38-countries-currently-operating-8-epzs-bepza-599050>

10 honoured with FBCCI Business Excellence Award

- The Federation of Bangladesh Chambers of Commerce and Industry, widely known as FBCCI, has recognised 10 individuals and organisations with the "FBCCI Business Excellence Award" for their contribution to the country's economy. The FBCCI handed over the awards at a gala event at the Bangabandhu International Conference Centre in the capital on Monday evening, said a press release.
- Managing Director of Beximco Pharma Nazmul Hasan and BSRM Group Chief Alihussain Akberali were honoured in the Business Leadership category, while Olympic Industries Managing Director Mubarak Ali, Square Food Managing Director Anjan Chowdhury, National Life Insurance CEO Md Kazim Uddin, Energypac Power Generation Managing Director Humayun Rashid received the award in the Industry, Commerce, Services and Agriculture and Agri-Business categories.

<https://www.tbsnews.net/economy/corporates/10-honoured-fbcci-business-excellence-award-599174>

BB working to scrap interest rate ceiling

- The Bangladesh Bank has taken an initiative to scrap the 9% interest rate ceiling and introduce a market-based interest rate on loans. "We are working on the development of a market-based reference rate. On top of that, we will be giving a corridor for the lending rates," said Bangladesh Bank Governor Abdur Rouf Talukder.
- Contacted, a BB official explained the governor's comment, saying that the central bank might initially set a reference rate on loans based on the demand for credit from borrowers. "We will then set a range of a particular corridor of interest rates on the reference rate that will be applicable to borrowers," he said.

<https://www.thedailystar.net/business/economy/news/bb-working-scrap-interest-rate-ceiling-3269671>

Momen stresses FTA with Nepal to boost trade cooperation

- Foreign Minister Dr AK Abdul Momen on Sunday underscored the need for signing a free trade agreement (FTA) with Nepal to boost bilateral trade between the two countries. Meanwhile, the two countries have progressed a lot in energy cooperation, he said.
- "Nepal and Bangladesh are graduating from the status of LDC (least developed country) in 2026 and thus, both countries have enormous opportunities to work together for a smooth LDC graduation. Energy, tourism, education and migration sectors and connectivity between the two countries have many untapped potentials for mutual cooperation," added Momen at the seminar celebrating the golden jubilee of the Bangladesh-Nepal bilateral ties.

<https://www.tbsnews.net/economy/momen-stresses-fta-nepal-boost-trade-cooperation-598594>

Pharma sector needs foreign investment to cope with post-LDC challenges

- Bangladesh's pharmaceutical sector needs investments by global pharma powerhouses and joint collaboration between them and local drug makers to cope with post-LDC challenges, according to industry experts and stakeholders.
- Once Bangladesh graduates from least developed country (LDC) status in 2026, the free patent benefits for drug production will no longer be applicable. As a result, medicine production will get tougher and Bangladesh must prepare from now to ensure that medicine prices stay within people's reach, they explained at a session on the third and final day of the Bangladesh Business Summit 2023 on Monday.
- The drugs currently produced under the free patent facility will continue to enjoy the facility until 2033 thanks to the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement. Free patent benefit for any new generic after 2026, however, will not be applicable.

<https://www.tbsnews.net/economy/pharma-sector-needs-foreign-investment-cope-post-ldc-challenges-599130>

Alamgir joins MGI

- Syed Alamgir has recently joined the Meghna Group of Industries (MGI) as the chief executive officer (CEO) of its fast-moving consumer goods (FMCG) department. Alamgir had been working for Akij Ventures Limited as managing director and CEO before joining MGI, said a press release. He embarked on his career in May and Baker Limited, a UK-based pharmaceuticals company.

<https://www.thedailystar.net/business/economy/news/alamgir-joins-mgi-3270461>

FMCG companies bullish about further growth

- Local and international FMCG companies are bullish about growth opportunities in Bangladesh's consumer goods market on the back of a middle-class set to surge in size. The number of people belonging to the middle and affluent class is projected to increase from 12 Mn, or 7% of the population, now to 34 Mn by 2025, according to a paper of FBCCI.
- "Bangladesh is ready for big brands. And people of this country know luxury brands. It is one of the fastest-growing consumer markets in Asia," said the managing director of Apex Footwear Limited. "People are ready to spend and they are making better choices in how they spend."

<https://www.thedailystar.net/business/economy/news/fmcc-companies-bullish-about-further-growth-3269686>

Missed the Boat in Vietnam? Go to Bangladesh, says top official of KOTRA

- Companies that missed investment opportunities in Vietnam and are looking to relocate factories from China should consider investing in Bangladesh, which is currently welcoming USD 100 Bn in investments and offering numerous benefits to become a trillion-dollar economy and a developed nation, said Jong Won Kim, the Director General of the Green Growth Department at the Korea Trade-Investment Promotion Agency.

<https://www.tbsnews.net/economy/missed-boat-vietnam-go-bangladesh-says-top-official-kotra-598250>

Bangladesh has huge potential in agro-processing

- Bangladesh offers huge opportunity for agribusiness and agro-processing thanks to the farmers' hard work, which has enabled the country to secure top positions in the global ranks for producing a number of items, namely fish, rice, potato and mango, industry operators and analysts said. The nation currently bags around 70 Mn tonnes of agricultural products, a majority of which are rice and potato while fruits, vegetables and spices make up about 17%.
- Local firms process a portion of the produce for export and the domestic market, which is expected to expand in coming years owing to the rising income of the growing middle-class and urbanisation. "The potential for agribusiness is tremendous," said Ahsan Khan Chowdhury, chairman and CEO of Pran-RFL Group, at the Bangladesh Business Summit.

<https://www.thedailystar.net/business/economy/news/bangladesh-has-huge-potential-agro-processing-3269546>

Reduce corporate tax rate: AMTOB to NBR

- The Association of Mobile Telecom Operators of Bangladesh (AMTOB), the national trade organisation representing all mobile telecom operators in Bangladesh, has proposed to reduce the corporate tax rate on mobile phone operator companies in the FY2023-24 budget.
- "We propose to remove or reduce the minimum tax. Mobile operators are required to pay a minimum tax of 2% of their annual gross revenue which is in conflict with the Income Tax Act. Paying minimum tax despite loss in business means paying tax out of capital which is a hindrance to business expansion," AMTOB Secretary General said.
- AMTOB also proposed to withdraw the minimum turnover tax and abolish the tax of BDT 200 imposed on SIM cards. "There is no alternative to removing or reducing the minimum tax in favor of sustaining the industry and building the Digital Bangladesh as announced by the government," he added.

<https://www.tbsnews.net/bangladesh/telecom/reduce-corporate-tax-rate-amtob-nbr-598226>

Japanese entrepreneurs keen to invest more in Bangladesh

- Japanese entrepreneurs are willing to invest more in Bangladesh to take advantage of available manpower and market access facilities, as well as explore the potential of the local market, according to business leaders, envoys, and policymakers from Japan.
- "About 70% of Japanese companies in Bangladesh have expressed their willingness to expand their investment in one to two units," said Yasutoshi Nishimura, minister of economy, trade, and industry of Japan, in a video message at a parallel session styled "Japan-Bangladesh Trade and Investment: Opportunities and Way Forward" at the Bangladesh Business Summit 2023 on Sunday.

<https://www.tbsnews.net/economy/japanese-entrepreneurs-keen-invest-more-bangladesh-598590>

ECNEC approves eight projects with BDT 121.67 Bn

- The Executive Committee of the National Economic Council (ECNEC) has approved a BDT 43.23 Bn Resilient Infrastructure for Adaptation and Vulnerability Reduction Project (RIVER) in a bid to reduce flood risks of the sudden flood-prone communities and people living along the river banks.
- The approval came from a meeting of the ECNEC, with its Chairperson and Prime Minister Sheikh Hasina in the chair, held at the NEC Conference Room at Sher-e-Bangla Nagar area in Dhaka on Sunday. Briefing reporters after the meeting, State Minister for Planning Dr Shamsul Alam informed that the day's meeting approved a total of eight projects with an overall estimated cost of BDT 121.67 Bn, reports BSS.

<https://thefinancialexpress.com.bd/economy/bangladesh/ecnec-approves-eight-projects-with-tk-12167-billion>

Management of banks should be allowed to act independently

- In an ideal scenario, ensuring the independence of a bank's management from the influence of its board helps smooth execution of decisions in tune with the board's policies, said Bangladesh Bank Governor Abdur Rouf Talukder recently.
- Both the boards of directors alongside the chief executive officers play a very significant role in the banks' overall performance, he said. Talukder was addressing a "Twenty-first Nurul Matin Memorial Lecture on Ethics in Banking" at the Bangladesh Institute of Bank Management on Saturday.

<https://www.thedailystar.net/business/economy/banks/news/management-banks-should-be-allowed-act-independently-3269666>

Boost logistics for business competitiveness, exports: Economists

- Bangladesh needs to strengthen its frail logistic sector through immense public-private investments to increase trade facilitation, business competitiveness and export earnings, said eminent economists and trade leaders.
- Goods transportation by truck in Bangladesh costs four times higher than in India. If gridlocks can be eliminated, the transportation cost will come down by 35.5% and logistics costs by 35%, which will increase the business competitiveness, said Masrur Reaz, chairman of the Policy Exchange of Bangladesh.
- "The average speed of cargo trucks on the Dhaka-Chattogram route is 19 km/h. If this speed can be raised to 40 km/h, the country's export earnings will shoot up by about 8%," Masrur said. World Bank Country Director to Bangladesh Abdoulaye Seck said exports will increase by 20% if the logistics cost can be reduced by 25%.

<https://www.tbsnews.net/economy/boost-logistics-business-competitiveness-exports-economists-598574>

Govt to form authority on public procurement

- The government has prepared a draft law for ensuring transparency and accountability in public sector purchases while also improving efficiency in the sector. As per the draft law, which will soon be placed at a cabinet meeting, the Bangladesh Public Procurement Authority (BPPA) will be formed to regulate public purchases. A top official of the planning ministry confirmed last week that the draft law has already been sent to the Cabinet Division.
- Earlier, the World Bank called for full implementation of the e-Government Procurement (e-GP) system, which would bring down the average procurement lead time (from invitation to contract signing) to 50 days from 70 days at present. But for that to happen, the Bangladesh Public Procurement Authority Act must be enacted, the global lender said in its conditions for upcoming budgetary support.

<https://www.thedailystar.net/business/economy/news/govt-form-authority-public-procurement-3269681>

Govt takes action plan to disseminate jute goods globally

- The government has started formulation and implementation of diversified action plans to disseminate the jute goods across the world, said textile and jute minister Golam Dastgir Gazi on Sunday marking National Jute Day. 'The Ministry of Textiles and Jute has already started formulation and implementation of diversified action plan to disseminate jute goods worldwide', he said.

<https://www.newagebd.net/article/196650/govt-takes-action-plan-to-disseminate-jute-goods-globally>

Inflation increased to 8.78% in February

- The general point-to-point inflation rate increased slightly to 8.78% in February mainly because of the slight rise in food inflation, according to the monthly Consumer Price Index (CPI) of the Bangladesh Bureau of Statistics (BBS). The inflation rate was 8.57% in January and 8.71% in December, reports BSS.
- In February, the point-to-point food inflation increased to 8.13%, which was 7.76% in the previous month. The point-to-point non-food inflation declined slightly to 9.82% in February down from 9.84% in January.

<https://thefinancialexpress.com.bd/economy/bangladesh/inflation-increased-to-878pc-in-february>

Apparel export to EU grows by 14.29% during July-Feb of FY23

- The European Union's (EU) apparel imports from Bangladesh saw a 14.29% growth to USD 15.72 Bn during July-February of fiscal 2022-23, as per the Export Promotion Bureau (EPB). Germany, being the largest European market, fetched USD 4.62 Bn with only 1.03% growth compared to the same period of the previous year.
- Export to France and Spain also increased by 27.65% (USD 1.89 Bn) and 18.79% (USD 2.35 Bn) respectively. On the other hand, exports to Bulgaria and Poland have shown negative year-on-year (YoY) growth. During the mentioned period, exports to the USA declined by 2.87% YoY. In July-February of FY2022-23, Bangladesh's apparel export to non-traditional markets also grew by 35.02% and reached USD 5.69 Bn.

<https://www.tbsnews.net/economy/rmg/apparel-export-eu-grows-1429-during-july-feb-fy23-597514>

PM opens Bangladesh Business Summit

- Prime Minister Sheikh Hasina today inaugurated the "Bangladesh Business Summit 2023" to commemorate the Golden Jubilee of the country's apex business body FBCCI. She opened the three-day summit as the chief guest at the Bangabandhu International Conference Centre (BICC) in the capital organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).
- The Ministry of Foreign Affairs, the Commerce Ministry and the Bangladesh Investment Development Authority (BIDA) are partnering with the FBCCI for the summit. Ministers from seven countries including the United Kingdom (UK), the Kingdom of Saudi Arabia (KSA), China, Bhutan, the United Arab Emirates, CEOs of 12 multinational companies and more than 200 foreign investors and business leaders from 17 countries of the world are participating in the summit.

<https://www.tbsnews.net/economy/pm-open-bangladesh-business-summit-today-597558>

Bangladesh gears up to establish joint business council with Saudi Arabia

- Bangladesh is set to welcome a high-level Saudi delegation to the Bangladesh Business Summit over the weekend amid plans to establish a joint business council, said the Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) on Thursday (9 March).
- The Bangladesh Business Summit 2023 is an international trade and investment promotion event hosted by the FBCCI reports Arab Times. Prime Minister Sheikh Hasina will open the conference, which will take place in Dhaka on 11-13 March, and will include 200 delegates from all over the world.

<https://www.tbsnews.net/economy/bangladesh-gears-establish-joint-business-council-saudi-arabia-597106>

Govt aims customs efficiency by cutting cost, time

- The government is set to approve a project to modernise the country's major customs stations in Chattogram, Dhaka and Benapole at a cost of BDT 16.86 Bn aiming to meet the challenges of LDC graduation in 2026. The World Bank will provide 87% of the money as a loan for the Customs Modernization and Infrastructure Development project.
- According to sources in the Planning Commission, the project will be presented to the Executive Committee of the National Economic Council (Ecne) at a meeting on 12 March for final approval. The National Board of Revenue (NBR) believes the project will reduce the time and cost of handling imports and exports at the port by improving customs infrastructure and increasing the efficiency of officials.

<https://www.tbsnews.net/economy/govt-aims-customs-efficiency-cutting-cost-time-597098>

Chinese trade body CCPIT keen to invest more in Bangladesh

- The China Council for the Promotion of International Trade (CCPIT) has expressed its interest to increase their cooperation in Bangladesh's infrastructural connectivity, biopharmaceuticals, clean energy and agricultural sector.
- The visiting representatives of the council CCPIT inked a memorandum of understanding with Bangladesh China Chamber of Commerce and Industry (BCCCI) to explore more opportunities of bilateral trade and investment and to further deepen the economic and trade relations.

<https://www.thedailystar.net/business/news/chinese-trade-body-ccpit-keen-invest-more-bangladesh-3268631>

Bangladesh not heading towards Chinese debt trap

- Bangladesh yesterday strongly ruled out the possibility of falling into any Chinese debt-trap as the return on its investments is much higher than the cost of the funds, said Foreign Minister AK Abdul Momen yesterday. He said there is a wrong perception among many people that Bangladesh would slip into a Chinese debt-trap.
- He made the comments in replying to questions from Richard Quest, CNN's Business editor-at-large, at the Bangladesh Business Summit. The three-day summit, organised by the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), kicked off at the Bangabandhu International Conference Centre in Dhaka to showcase the country's progress and potential to both global and local investors.

<https://www.thedailystar.net/business/economy/news/bangladesh-not-heading-towards-chinese-debt-trap-3268851>

Bangladesh Bank heist: Philippine justice dept assures assistance

- The Department of Justice of the Philippines pledged on Friday (10 March) to resolve any remaining issue regarding the Bangladesh Bank heist in 2016, Philippine News Agency reported. "We are trying to be of assistance to them.
- When our foreign friends ask for assistance, we do that. Tinutulungan talaga natin kasi (We help because) it's a natural thing for us to do, between friendly nations. Remember that the Philippines was one of the first countries to recognize Bangladesh when it got its independence (in 1971)," DOJ Secretary Jesus Crispin Remulla told reporters.

<https://www.tbsnews.net/economy/bangladesh-bank-heist-philippine-justice-dept-assures-assistance-597546>

Tax receipts from DSE fall by 17.22% in February

- The government's tax revenue earnings from the Dhaka Stock Exchange decreased by 17.22% or BDT 34.2 Mn in February, compared with that of January of the current financial year, as turnover decreased significantly amid a confidence crisis among investors.
- In February of the current financial year, tax revenue from the DSE was BDT 138.0 Mn against BDT 172.2 Mn in January, according to DSE data. In February, the government's tax revenue earning from member of stock exchange or trading right entitlement certificate holders' commission decreased by 25.29% to BDT 88.0 Mn against BDT 117.8 Mn in January.

<https://www.newagebd.net/article/196485/tax-receipts-from-dse-fall-by-1722pc-in-february>

Govt borrowing from BB may fuel inflation

- The government has continued borrowing from Bangladesh Bank as commercial banks have been unable to come up with much-needed funds owing to a liquidity crunch. If the government consistently borrows from the central bank, it may fuel inflation, which has remained at an elevated level over the past one year.
- Between July 1 and March 2 this fiscal year, the government borrowed BDT 500.43 Bn from the central bank, according to the BB data. It borrowed BDT 314.03 Bn in the entire fiscal year of 2021-22. Borrowing from the central bank usually stokes inflationary pressure as it plays a vital role in creating money circulation, said Zahid Hussain, a former lead economist of the World Bank's Dhaka office.

<https://www.thedailystar.net/business/economy/news/govt-borrowing-bb-may-fuel-inflation-3268831>

Forex reserves slip to six-year low

- Bangladesh's foreign currency reserves have slipped to a six-year low of USD 31.15 Bn after the central bank cleared import bills to the tune of USD 1.05 Bn with a number of Asian countries, official figures showed. This means the reserves have fallen by about 30% from USD 44.14 Bn recorded in March last year.
- The current level of the reserves is the lowest since the financial year of 2016-17 when it stood at USD 33.49 Bn. The BB settled the import payments through the Asian Clearing Union (ACU) on Monday.

<https://www.thedailystar.net/business/economy/news/forex-reserves-slip-six-year-low-3267481>

Budget deficit widens on lower revenue receipt

- Government budget deficit widened in the first six months of the current fiscal year on narrowing revenue receipt, finance officials said Thursday, while economists forecast no better scenario ahead. The budget deficit was recorded up to December at BDT 101.66 Bn amid lower revenue collection, official statistics show. The deficit was at BDT 71.53 Bn up to November.
- The total revenue mobilisation was recorded at BDT 1.613 Tn up to December, down by nearly BDT 50 Bn from the same period a year earlier. The total expenditure was BDT 1.715 Tn during the period under review. In the official accounting tax revenue was recorded at about BDT 1.449 Tn, down by 3.3% year on year. Non-tax revenue (NTR), however, remained almost at par during the July-December period at BDT 163.87 Bn.

<https://thefinancialexpress.com.bd/economy/bangladesh/budget-deficit-widens-on-lower-revenue-receipt>

Escalating operating costs belie govt's austerity ado

- Government's austerity or cautionary approach to spending amid current economic shocks fails to stand reality test as it is going to increase its operating expenditure in the revised budget for the current fiscal year. The government has, however, cut the development expenditure, usually considered growth engine of an economy, in the upcoming revised national budget, officials said.
- The Ministry of Finance (MoF) is going to revise the current national budget outlay cutting allocations by 2.61% to BDT 6.60 Tn from that of BDT 6.78 Tn, MoF officials said. Officials said the MoF has proposed to boost the allocations in the operating budget.

<https://thefinancialexpress.com.bd/economy/bangladesh/escalating-operating-costs-belie-govts-austerity-ado>

Apparel exhibition in Dhaka on March 16

- A conference and exhibition on sustainable clothing production will be held in Dhaka on March 16. About 20 exhibitors are expected to present green production technologies at the Sustainable Apparel Forum (SAF), according to a press release. The fourth edition of the SAF will focus on several agendas, including circularity, carbon emission reductions and climate action and shifting to renewable energy.

<https://www.thedailystar.net/business/economy/news/apparel-exhibition-dhaka-march-16-3267461>

Important News: Capital Market

EXCHANGE | Directors can't book profit in six months of buying shares

- Beneficiaries, including directors and officials, of a company will have to deposit back into the company their profits earned from the sale of their shares within six months of the purchase, according to a proposed law formulated to prevent stock manipulation. And in case of a failure to deposit the profits, the Bangladesh Securities and Exchange Commission (BSEC) will realise the money.
- The Securities and Exchange Ordinance of 1969 and the Act of 1993 on the same subject are being replaced by the new law with such a provision. The Financial Institutions Division has published the draft of the proposed law, titled "Bangladesh Securities and Exchange Commission Act 2022." Public opinion has been sought on the draft.

<https://www.tbsnews.net/economy/stocks/directors-cant-book-profit-six-months-buying-shares-600258>

SKICL | Sena Kalyan Insurance's EPS drops 25% in 2022

- Sena Kalyan Insurance Company, a concern of Sena Kalyan Sangstha of Bangladesh Armed Forces, has reported a 25% year-on-year fall in its annual profit in 2022, due to increase in number of shares after listing. The general insurer's earnings per share stood at BDT 2.86 for 2022, down from BDT 3.83 in 2021, the company said in a filing with the Dhaka Stock Exchange on Wednesday. Despite dropping profit, the board of directors has recommended a 12% cash dividend for the year ended December 31, 2022. In 2021, the company also disbursed 12% cash dividend.

<https://thefinancialexpress.com.bd/stock/bangladesh/sena-kalyan-insurances-eps-drops-25pc-in-2022>

BDFINANCE | Bangladesh Finance's annual profit drops

- Bangladesh Finance's annual profits dropped 8.10% year-on-year to BDT 235 Mn in 2022 due to higher provisions against stressed loans coupled with lower income from capital market investment.
- The non-bank financial institution has reported consolidated earnings per share of BDT 1.25 for the year ended on December 31, 2022, as against BDT 1.36 in the year before, according to a disclosure posted on the Dhaka Stock Exchange website on Tuesday.
- Despite the drop in profit, the board of directors has recommended a 10% cash dividend for 2022. In 2021, the company disbursed 6% cash and 6% stock dividend to its shareholders.

<https://thefinancialexpress.com.bd/stock/bangladesh/bangladesh-finances-annual-profit-drops>

UNIQUEHRL | Unique Hotel's power project gets USD 463 Mn foreign loan

- Unique Meghnaghat Power Limited – a joint venture of Unique Hotel and Resorts, Strategic Finance Limited, Nebras Power Investment Management, and GE Capital Global Energy Investment – has secured a USD 463 Mn loan from four foreign lenders to finance the project.
- In a stock exchange filing on Tuesday, the Unique Hotel said the owning companies have agreed to finance 75% of the project from bank loans and the remaining 25% through equity support.

<https://www.tbsnews.net/bangladesh/energy/unique-hotels-power-project-gets-463m-foreign-loan-599730>

EXCHANGE | DSE's aim to sell Shariah index data fails investors

- Investors and stakeholders have no free access to the DSE Shariah index (DSES) as the Dhaka bourse has been managing it for the purpose of business. Market operators pay the Dhaka Stock Exchange for information about the companies listed on the DSES to help their clients with Shariah-compliant investment decisions. On the other hand, the Chittagong Stock Exchange (CSE) has kept its Shariah index accessible to all for free.
- "We have not made the information public as part of our plan to sell data. In fact, all information are not available free of cost on the stock exchanges of other countries," said Mohammad Asadur Rahman, company secretary of the DSE. So, investors, who would look out for Shariah-compliant companies, would have to go to the market operators that have purchased access to the data.

<https://thefinancialexpress.com.bd/stock/bangladesh/dses-aim-to-sell-shariah-index-data-fails-investors>

INTRACO | Intraco Natural Gas Station to sell 92% of its pre-IPO shares in Intraco Refueling

- Intraco Natural Gas Station is going to sell 2.96 Mn out of its 3.19 Mn placement shares in Intraco Refueling Station at the prevailing market price through the Dhaka Stock Exchange (DSE). Placement is basically a private sale of large blocks of shares before a stock is listed on a stock exchange.
- Of the shares, 1.46 Mn will be sold in the public market, and 1.5 Mn in the block market, according to a disclosure by Intraco Refueling on the DSE website on Tuesday. Intraco Natural's Managing Director Mohammed Riyadh Ali is also the managing director at Intraco Refueling.

<https://www.tbsnews.net/economy/stocks/intraco-natural-gas-station-sell-92-its-pre-ipo-shares-intraco-refueling-599690>

SIMTEX | BSEC to recast Simtex Industries' board

- The Bangladesh Securities and Exchange Commission (BSEC) is going to recast the board of directors of Simtex Industries Limited – a manufacturer of sewing threads – to minimise the company's internal conflicts so that it can move on with its business activities. Accordingly, the BSEC has decided to remove three directors – two independent and one nominated – of the company and appoint five independent directors.

<https://www.tbsnews.net/economy/stocks/bsec-recast-simtex-industries-board-600254>

BRACBANK | Brac Bank custodian of UCB mutual fund

- UCB Asset Management and Brac Bank have signed an agreement for the latter to provide custodial services for UCB Income Plus Fund, an open-ended mutual fund initially of BDT 500 Mn. Tareq Refat Ullah Khan, deputy managing director of Brac Bank, and SM Rashedul Hasan, managing director of UCB Asset Management, inked the deal.

<https://www.thedailystar.net/business/economy/news/brac-bank-custodian-ucb-mutual-fund-3270541>

SEAPEARL | Now Sea Pearl to buy 30% stake in Shamim Enterprise

- Sea Pearl Beach Resort and Spa, a five-star hotel in Cox's Bazar, is going to acquire a 30% stake in its parent company Shamim Enterprise (Pvt) Ltd at a cost of around BDT 340 Mn. Shamim Enterprise, a non-listed construction firm, has recently transferred 48.8 Mn shares or 40.40% holding of Sea Pearl Beach Resort to the Sea Pearl Sundarban Eco Resort. All the three companies are operating under a common management.
- Sea Pearl Beach Resort will buy 33.9 Mn shares (30% stake) of Shamim Enterprise at BDT 10 each, which is subject to approval of the general shareholders in an extra-ordinary general meeting (EGM), said the company in a disclosure published on the DSE website.

<https://www.tbsnews.net/economy/stocks/now-sea-pearl-buy-30-stake-shamim-enterprise-599726>

BXPHERMA | Beximco Pharma directors to buy-sell 17 Mn shares between themselves

- Two of the corporate directors of Beximco Pharmaceuticals Limited have announced to buy and sell of around 17 Mn shares, roughly valued at BDT 2.5 Bn, of the listed drug maker between themselves in the block market. In a disclosure through the Dhaka Stock Exchange (DSE), the company said, its corporate director IFIC Securities Limited will sell the shares and its other corporate director Absolute Construction & Engineering Limited will buy the same shares in the block market within the next 30 working days.

<https://www.tbsnews.net/economy/stocks/beximco-pharma-directors-buy-sell-17-crore-shares-between-themselves-598854>

LINDEBD | Linde Bangladesh wants to demerge hard goods business

- Linde Bangladesh Ltd, a medical and industrial gas producer in the country, has decided to restructure and reorganise its gas and hard goods business. Besides, the company will demerge its hard goods business such as welding products and equipment to a wholly owned subsidiary subject to the High Court approval, said company officials at a board meeting on Sunday (12 March).
- The company said in its price sensitive statement, after getting approval from the High Court, the hard goods business will be hived down to a wholly owned subsidiary and will bring much needed diversity in the product range. Linde earned over 60% annually from its hard goods business, the rest came from gas selling.

<https://www.tbsnews.net/economy/stocks/linde-bangladesh-demerge-hard-goods-business-598494>

ACI | ACI to expand footprint in marine engine market

- ACI Limited, one of the biggest conglomerates in Bangladesh, is set to expand its footprint in the country's marine engine business segment in order to capture a piece of a market that is growing 12% annually. Chinese engines dominate the USD 61 Mn market in Bangladesh with a 33% share, followed by Japan with 21%, and the United States with 15%.
- According to ACI, the marine engine market was around USD 24 Mn in 2019-20 and it doubled to USD 52.2 Mn in the following financial year as demand from operators rose. The number of ocean- and river-going ships is also going up.

<https://www.thedailystar.net/business/organisation-news/news/aci-expand-footprint-marine-engine-market-3267486>

ITC | IT Consultants Ltd to invest BDT 2.80 Bn in infrastructure development

- IT Consultants Limited has decided to invest BDT 2.80 Bn which will be used to purchase land and build an IT-based tower. Of the amount, the company will provide BDT 760 Mn from its own source and the rest will come from banks.
- The company provides major banks, financial institutions, govt organizations and retailers with an advanced infrastructure for transaction processing services while operating one of the largest bank-driven independent ATM networks in Bangladesh. The company said in its price-sensitive statement that it will purchase land located at the Tejgaon Industrial Area at the cost of BDT 350 Mn.

<https://www.tbsnews.net/economy/stocks/it-consultants-ltd-invest-tk280cr-infrastructure-development-597746>

UNILEVERCL | Unilever Consumer Care posts 38.45% higher profit

- Unilever Consumer Care Limited reported a profit of BDT 730.5 Mn in the financial year that ended on December 31, up 38.45% year-on-year, the company said. The profit stood at BDT 527.6 Mn in 2021. The board of directors of the multinational company approved the audited financial statements for 2022 on Thursday. It showed earnings per share rose to BDT 60.64 in 2022 from BDT 43.80 in 2021. The multinational company has declared a 300% dividend for 2022: 240% cash dividend and 60% stock dividend.

<https://www.thedailystar.net/business/economy/news/unilever-consumer-care-posts-3845-higher-profit-3268716>

SONALIANSH | Sonali Aansh Industries posted 36% jump in profit

- Sonali Aansh Industries Limited posted a 36% jump in profit to BDT 6.13 Mn in the second quarter of the current financial year. The jute products manufacturer made BDT 4.50 Mn in profit in the same quarter a year earlier. Thus, Sonali Aansh Industries reported earnings per share of BDT 1.13 in October-December of 2022-23, which was BDT 0.83 in the identical quarter a year earlier, according to the un-audited financial statements.

<https://www.thedailystar.net/business/organisation-news/news/sonali-aansh-industries-posted-36-jump-profit-3267396>

MONOSPOOL | Monospool Paper to amalgamate with Pearl Paper

- The Board of Directors of Transferee company Monospool Paper Manufacturing has decided to merge their operations with the Transferor company Peral Paper & Board Mills Limited, which is now subject to the approval of the high court and other regulatory authorities. In a disclosure on DSE website on Sunday, the company said, both entities will survive under Bangladesh Monospool Paper Manufacturing Company after the amalgamation.

<https://www.tbsnews.net/economy/stocks/monospool-paper-amalgamate-pearl-paper-598238>

LINDEBD | High cost, strong dollar drag down Linde BD's annual profit

- Linde Bangladesh (BD) Limited has reported a 28% year-on-year decline in its annual profit for 2022, owing to high production costs and the appreciation of the dollar against the taka. Its net profit stood at BDT 883.3 Mn, down from BDT 1.23 Bn in the previous year.
- But despite a profit decline, the company recommended a 420% cash dividend for 2022. To secure shareholders' approval of the dividend, Linde BD will hold an annual general meeting on 11 May. The record date has been set on 2 April.

<https://www.tbsnews.net/economy/stocks/high-cost-strong-dollar-drag-down-linde-bds-annual-profit-598838>

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

International Trade and Sales

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

BRAC EPL Research

www.bracepl.com

Symphony, Plot No.: S.E.(F) – 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212

Phone: + (880)-2-9852446-50

Fax: + (880)-2-9852451-52

E-Mail: research@bracepl.com