

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Macro:**BB keeps policy stance tight to tame inflation**

- The Bangladesh Bank (BB) has maintained its tight monetary policy stance for the second half of the current fiscal year (FY) 2024-25 to tame the stubbornly high inflation. To this end, the policy interest rate, a key tool of monetary policy, has been kept unchanged at 10% for the January-June period of FY25.

<https://www.thedailystar.net/business/news/bb-keeps-policy-stance-tight-tame-inflation-3821266>

BB expects to bring down inflation to 5% by next year, 7-8% by June

- Inflation will come down to 5% by next year, Bangladesh Bank Governor Ahsan H Mansur said today (10 February). Giving a presentation on the monetary policy announcement for the second half of FY2024-25, he also expressed hope that inflation will come down to 7 to 8% level by June.

<https://www.tbsnews.net/economy/banking/bangladesh-bank-unveils-monetary-policy-keeping-policy-rate-unchanged-10-1065491>

Fully market-based exchange rate not now

- The Bangladesh Bank (BB) is not moving away from the crawling peg mechanism to a free-floating exchange rate regime right now to "avoid any speculative role" by foreign currency market aggregators. According to the central bank's findings, foreign currency market aggregators -- systems used in forex trading to aggregate liquidity from several liquidity providers -- considerably influence the country's exchange rate.

<https://www.thedailystar.net/business/news/fully-market-based-exchange-rate-not-now-3821241>

Contractionary stance will hamper private sector growth: Dhaka Chamber

- The Dhaka Chamber of Commerce and Industry (DCCI) has expressed concern over Bangladesh Bank's decision to maintain a contractionary monetary policy in the second half of the 2024-25 fiscal year, keeping the policy rate at 10%. While aimed at curbing inflation, this rigid stance hampers private sector credit growth and economic expansion.

<https://www.thedailystar.net/business/news/contractionary-stance-will-hamper-private-sector-growth-dhaka-chamber-3820861>

CA urges Standard Chartered Group Chief Executive Bill Winters to showcase Bangladesh and its potential to investors

- Chief Adviser Muhammad Yunus on Monday asked the Standard Chartered global CEO to speak on behalf of Bangladesh, highlighting the reforms being undertaken by the interim government since August. Muhammad Yunus said Bangladesh has been a victim of a massive disinformation campaign in recent months, and he sought the SCB's help to fight this menace.

<https://www.tbsnews.net/economy/ca-urges-standard-chartered-group-chief-executive-bill-winters-showcase-bangladesh-and-its>

AIIB to lend Bangladesh USD 400 Mn

- Bangladesh is getting USD400 Mn from the Asian Infrastructure Investment Bank (AIIB) as budget-support credit to finance policy actions for infrastructural development in climate-critical sectors. The agreed loan will be given under AIIB's climate policy-based financing arrangement (CPBF) in a project titled 'Climate Resilient Inclusive Development Programme (Sub-programme 2)'. The recipe will be co-financed by the Asian Development Bank (ADB).

<https://today.thefinancialexpress.com.bd/first-page/aiib-to-lend-bangladesh-400m-1739210581>

Analysts see positive stock market outlook as BB keeps policy rate unchanged

- On Monday, the central bank unveiled its monetary policy for the January-June period. During the presentation, the bank expressed optimism that inflation would fall to the 7-8% range by June and indicated plans to reduce the policy rate in the second half of the year.

<https://www.tbsnews.net/economy/stocks/analysts-see-positive-stock-market-outlook-bb-keeps-policy-rate-unchanged-1065971>

Economic outlook for FY25 not very optimistic: BB

- Bangladesh's economy may grow at a rate of around 4 to 5% in the 2024-25 fiscal year (FY), but it is expected to bounce back to 6% or above the following year as the political situation stabilises, uncertainty decreases, and policies become more proactive, the central bank said today.

<https://www.thedailystar.net/business/news/economic-outlook-fy25-not-very-optimistic-bb-3820756>

BB Order, Bank Company Act to be reviewed

- The central bank is going to review both the Bangladesh Bank (BB) Order and the existing Bank Company Act to ensure corporate governance in the country's banking sector. The central bank will review each section of the Bank Company Act 1991, which was last revised in 2023 to make the sections relevant to the situation at the time, according to the central bank chief.

<https://today.thefinancialexpress.com.bd/first-page/bb-order-bank-company-act-to-be-reviewed-1739210494>

Growth in industry sector suffered most in FY24: Final BBS data

- Bangladesh's industry, service and agriculture sectors' growth suffered in the last fiscal year of 2023-24 (FY24), according to revised data from the BBS. Of the three sectors, industry sector growth saw the steepest decline of 4.865 compared to FY2022-23, according to the final data for FY24 BBS published today (10 February).

<https://www.tbsnews.net/economy/growth-industry-service-agri-suffered-most-fy24-revised-bbs-data-1065511>

Unclaimed import boxes clog 18% of Ctg port capacity

- Around 200,000 tonnes of imported goods, stuffed in 9,644 containers, have been abandoned at Chattogram port for years – occupying 18% of its capacity, as customs officials point the finger at lengthy auction processes for the backlog.

<https://www.thedailystar.net/business/news/unclaimed-import-boxes-clog-18-ctg-port-capacity-3821261>

Sector & Industries:**BANK | Default loans may exceed 30% by June**

- The banking sector continues to face challenges, including rising NPLs, which are likely to exceed 30% of total outstanding loans by June this year, raising serious concerns, said Bangladesh Bank (BB). The central bank has forecast a surge in NPLs, which stood at 16.93% at the end of September 2024, up from 9.93% a year ago.

<https://www.thedailystar.net/business/news/default-loans-may-exceed-30-june-3821231>

TEXTILE | Pacific Casuals shuts 2 factory units in Chattogram EPZ

- Pacific Casuals, a subsidiary of Pacific Knit Division, has shut down two of its factory units in the Chattogram Export Processing Zone (CEPZ). According to the notice, signed by the senior manager of the factory's Human Resources and Administration department, the decision was taken under Section 12(1) of the EPZ Labour Act 2019.

<https://www.tbsnews.net/bangladesh/pacific-jeans-group-shuts-down-two-factory-units-n-chattogram-epz-1065211>

Stocks:**ACI | ACI MD to buy its BDT 380 Mn shares**

- The managing director of ACI Ltd has again announced plans to buy more of its shares, reflecting confidence in the listed conglomerate's potential, even though the stock price is yet to respond in kind. In a disclosure on the Dhaka Stock Exchange website yesterday, Managing Director Arif Dowla said he would buy 2.5 Mn shares at the prevailing market price within the next 30 working days.

<https://www.thedailystar.net/business/news/aci-md-buy-its-tk-38cr-shares-3821251>

BSRMLTD | Africawala to purchase BDT 70 Mn shares of BSRM

- Ali Asghar Badruddin Africawala, a placement shareholder of BSRM Limited, yesterday informed that he intends to buy more of the company's shares. In a disclosure to the Dhaka Stock Exchange (DSE), the steel producer announced that Africawala—who holds 10.45% of its shares—aims to buy 0.9 Mn shares at the prevailing market price.

<https://www.thedailystar.net/business/news/africawala-purchase-tk-7cr-shares-bsrm-3821246>

BSRMSTEEL | IDCOL provides BDT 5 Bn financing for BSRM's new eco-friendly steel plant

- The Infrastructure Development Company Limited (IDCOL) has provided BDT 5 Bn to finance the newest steel manufacturing plant of BSRM Steels Limited in Mirsharai, Chittagong. The plant will create hundreds of new jobs and provide greater support for local businesses in the supply chain, according to a press release.

<https://www.thedailystar.net/business/organisation-news/news/idcol-provides-tk-500cr-financing-bsrms-new-eco-friendly-steel-plant-3820991>

ACMEPL | ACME Pesticides returns to 'B' stocks by day's end after brief move to junk category

- The Dhaka Stock Exchange (DSE) downgraded ACME Pesticides, along with three other publicly listed companies, to the Z category at the start of trading today, as they failed to disburse declared dividends. However, by the end of the session, the company disbursed the dividend, leading the bourse to reinstate it to the B category, effective from today.

<https://www.tbsnews.net/economy/stocks/acme-pesticides-returns-b-stocks-days-end-after-brief-move-junk-category-1065991>

JAMUNAOIL, PADMAOIL | Fixed income drives Padma, Jamuna Oil profits

- Non-operating income, primarily from fixed deposit receipts (FDRs) in banks, has significantly boosted the profits of state-owned oil distributors Padma Oil Company and Jamuna Oil Company in the first half of the current fiscal year. During the July to December period of FY25, Jamuna Oil reported a 29.59% increase in profit, while Padma Oil saw a 50.60% rise compared to the same period in the previous fiscal year (FY24), according to their financial statements.

<https://www.tbsnews.net/economy/stocks/fixed-income-drives-padma-jamuna-oil-profits-1065951>

SONALIPAPR | Sonali Paper reports strong Q2 profit with increased revenue, share price surges

- Sonali Paper and Board Mills, a concern of Younus Group, reported a significant profit growth in the second quarter (October-December) of the current fiscal year, driven by increased revenue and lower financial losses. The company's revenue grew 15% year-on-year to BDT 961.3 Mn, up from BDT 836.0 Mn in the same period last year. Its profit after tax stood at BDT 122.5 Mn, marking a sharp turnaround from a BDT 5.7 Mn loss a year ago.

<https://www.tbsnews.net/economy/stocks/sonali-paper-reports-strong-q2-profit-increased-revenue-share-price-surges-1065966>

Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 72.36	USD 0.93	1.30%
Crude Oil (Brent)*	USD 75.97	USD 1.58	2.12%
Gold Spot*	USD 2,935.87	USD 327.39	12.55%
DSEX	5,174.28	-42.16	-0.81%
S&P 500	6,066.44	159.50	2.70%
FTSE 100	8,767.80	646.79	7.96%
BSE SENSEX	77,311.80	-888.13	-1.14%
KSE-100	111,377.97	-3,881.03	-3.37%
CSEALL	12,003.29	0.00	0.00%

Exchange Rates**1 US Dollar = 122.04 BDT****1 GBP = 150.94 BDT****1 Euro = 125.81 BDT****1 INR = 1.40 BDT**

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