

Sunday, February 16, 2025 research@bracepl.com

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:

GDP may cross USD 500 Bn for first time in FY26

■ The finance ministry is likely to project that the country's gross domestic product (GDP) will surpass the USD 500-Bn mark for the first time in the upcoming fiscal year (FY), anticipating an economic rebound in FY 2025-26. For the ongoing fiscal year, the initial GDP projection was USD 491 Bn at current prices.

https://www.thedailystar.net/business/economy/news/gdp-may-cross-500b-first-time-fy26-3825141

NBR plans to ease duty-free imports for small, non-bonded exporters

• The National Board of Revenue (NBR) is considering letting small-scale exporters without bonded warehouse licences import raw materials duty-free using a bank guarantee for the applicable taxes. Initially, the NBR's customs wing is considering offering the benefit to exporters with annual exports under USD 5 Mn, aiming for implementation by next June.

https://www.tbsnews.net/economy/nbr-plans-ease-duty-free-imports-small-non-bonded-exporters-1069426

World Bank vice president reaffirms support for Bangladesh's inclusive growth

The World Bank Vice President for South Asia, Martin Raiser, concluded his visit to Bangladesh today and reaffirmed the World Bank's support for economic reforms critical for the country's inclusive and sustainable growth and development.

https://www.thedailystar.net/business/news/world-bank-vice-president-reaffirms-support-bangladeshs-inclusive-growth-3823551

Proactive action plan needed to cure labour market woes: expert

A proactive action plan, incorporating demand-driven training, apprenticeships for youth, and strategies to foster entrepreneurship, must be adopted to address the severity of unemployment, wage disparity, and gender inequality, said a top expert on labour markets and employment.

https://www.thedailystar.net/business/economy/news/proactive-action-plan-needed-cure-labour-market-woes-expert-3823966

Dynamic selection process in the offing

■ The interim government is going to introduce a "dynamic social registry (DSR)" system to receive real-time applications seeking government support from the social safety-net programmes (SSNPs), officials said. The online registration system is expected to check fraudulent and bad practices in the selection process of beneficiaries and ensure transparency and accountability.

https://thefinancialexpress.com.bd/national/dynamic-selection-process-in-the-offing

Development spending in Jul-Jan hits 15-year low

■ Implementation of the Annual Development Programme (ADP) stood at just 21.52% in the first seven months of the fiscal year 2024-25 as public works were weighed down by political unrest. This was the lowest ADP implementation in roughly the past 15 years, including the same seven months of fiscal year 2020-21, when the COVID-19 pandemic was raging across the globe.

https://www.thedailystar.net/business/economy/news/development-spending-jul-jan-hits-15-year-low-3824016

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Important News Snippets

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Declining investments dampen growth outlook

• Bangladesh's investment-to-GDP ratio declined to 30.70% in the fiscal year (FY) 2023-24, according to official data, signalling a potential slowdown in future economic growth. Businesses say fragile confidence, due to a combination of factors such as a depreciating taka, spiking cost of living and political uncertainty, has deterred fresh investments since the Covid-19 pandemic.

https://www.thedailystar.net/business/economy/news/declining-investments-dampen-growth-outlook-3824021

Inflation notably erodes people's savings capacity

• High inflation is undermining Bangladeshis' inherent saving habit that gives economists to believe that deeper financial problems may be forthcoming as high prices of commodities dent household savings and investments. In the fiscal year 2024, gross domestic savings (GDS) declined to 23.96% of GDP, shedding 1.8% points from the previous year, the national statistical agency mentions in its latest report released last week.

https://thefinancialexpress.com.bd/economy/inflation-notably-erodes-peoples-savings-capacity

Sector & Industries:

FUEL & POWER | Adani to restore full power to Bangladesh in days but differences remain, say sources

Adani Power has agreed to fully restore supply from a 1,600 MW India power plant to Bangladesh in a few days after a gap of three months but has rejected Dhaka's request for discounts and tax benefits, two sources told Reuters.

https://www.thedailystar.net/environment/natural-resources/energy/news/adani-restore-full-power-bangladesh-days-differences-remain-say-sources-3824646

FUEL & POWER | Tenders reissued for 3 spot LNG cargoes

State-run Rupantarita Prakritik Gas Company Ltd (RPGCL) has re-issued tenders to purchase three spot liquefied natural gas (LNG) cargoes for March 05-06 and March 10-11 delivery windows. State-run Petrobangla will buy one LNG cargo for March 05-06 and two LNG cargoes for March 10-11 delivery windows, a senior RPGCL official said. The government has planned to buy a total of four spot LNG cargoes for March to meet the mounting energy demand especially during the month of Ramadan.

https://today.the financial express.com.bd/public/last-page/tenders-reissued-for-3-spot-lng-cargoes-1739643215

RMG | RMGs secure strong orders, defying odds over last six months

■ Bangladesh's readymade garment (RMG) industry remains resilient, securing steady export orders over the last six months through January. Most buyers are ramping up purchases amid strong retail demand in key markets such as the US and EU. Industry leaders anticipate over 10% growth in 2025 based on current order projections.

https://www.tbsnews.net/economy/rmg/rmgs-secure-strong-orders-defying-odds-over-last-six-months-1068411

BANK | Now PCBs to get state guarantee against LCs to import essentials

• Like state-owned commercial banks (SoCBs), the government has decided to issue state guarantees in favour of private commercial banks (PCBs) too to facilitate import of essential commodities, aiming to ensure smooth supply of such items in the local market, sources said. However, such security will be provided in local currency only to the banks with good ratings, they added.

https://today.thefinancialexpress.com.bd/public/last-page/now-pcbs-to-get-state-guarantee-against-lcs-to-import-essentials-1739643087



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BANK | December sees highest overseas card spending by Bangladeshis in 2024

■ In December last year, Bangladeshi nationals spent BDT 8.34 Bn abroad on goods and services via credit and debit cards, marking the highest expenditure recorded for the year, according to Bangladesh Bank data. According to Bangladesh Bank's November data, the highest credit card spending by Bangladeshis was in the United States, accounting for (15.87%) of total transactions. It was followed by India (10.94%), Thailand (10.74%), Singapore (8.92%), and the UK (7.98%).

https://www.tbsnews.net/economy/banking/foreign-transactions-thru-cards-reaches-one-year-high-tk834cr-spent-dec-1069191

TEXTILE | Coats plans to go greener in Bangladesh

■ The UK-headquartered thread manufacturer Coats Group has been expanding its operations in Bangladesh to meet the growing demand from local customers, according to a top official. The globally leading thread-maker is also opting to go green as it aims to take the "driving seat in sustainability," said David Paja, the group chief executive officer (CEO) of Coats. Paja said the group has set targets to use 60% recycled content by 2026 and 100% non-virgin raw materials by 2030.

https://www.thedailystar.net/business/economy/news/coats-plans-go-greener-bangladesh-3823996

BANK | Banks' un-invested cash wanes again after buildup

• The volume of un-invested cash in the banking sector dropped again after a significant buildup following direct credit feeding by the central bank to revive the liquidity-starved commercial banks. According to data from the Bangladesh Bank (BB) uninvested excess cash in the banking system stood at BDT 193.29 Bn at the end of June 2024. The amount plummeted to BDT 57.08 Bn by September and BDT 58.91 Bn in October. But in November, such cash rebounded to BDT 192.37 Bn. It dropped again in December with the figure reaching BDT 176.75 Bn.

https://today.thefinancialexpress.com.bd/public/last-page/banks-un-invested-cash-wanes-again-after-buildup-1739643127

HEALTHCARE | Hospital waste management in BD lags behind sustainable standards

■ Experts have warned Bangladesh's current healthcare waste management system falls significantly short of sustainable waste management principles, with 55% of solid waste in urban areas remaining uncollected, exacerbating pollution, public health risks and climate change. The country's medical waste generation is increasing at an estimated rate of 3.0% per year, with overall waste production standing at approximately 25,000 tonnes per day. Dhaka alone manages nearly 6,500 tonnes daily, a figure projected to rise to 8,500 tonnes by 2032.

https://today.thefinancialexpress.com.bd/public/metro-news/hospital-waste-management-in-bd-lags-behind-sustainable-standards-1739642579

TELECOM | 29 IIG operators still owe BDT 2.05 Bn to BTRC

• A total of 29 international internet gateway (IIG) service providers in Bangladesh still owe the country's telecom regulator about BDT 2.05 Bn collectively even though the monthlong window to clear their dues has long passed. Official documents, dated December 16 and 17, show that the BTRC had instructed 30 local IIG service providers to clear payments amounting to BDT 2.20 Bn by January 18. However, just 15 of them have since issued payments amounting to roughly BDT 150 Mn.

https://www.thedailystar.net/business/economy/news/29-iig-operators-still-owe-tk-205cr-btrc-3825121



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Stocks:

LRBDL | Lub-rref rebounds to profit in Q2

• Lub-rref (Bangladesh), a publicly listed fuel and power firm that incurred losses in the first quarter, returned to profit in the second quarter of the current fiscal year. In the December quarter, it made a profit of BDT 33.4 Mn, with earnings per share (EPS) of BDT 0.23.

https://www.tbsnews.net/economy/stocks/lub-rref-rebounds-profit-q2-1068321

RENATA | Renata ships Cabergoline to UK for first time

Renata exported the first consignment of Cabergoline 0.5mg tablets to the UK market, having received approval four months ago. This followed the launch of the generic drug in Australia in October last year, "highlighting the company's growing global presence," said the company in a stock exchange filing on Thursday.

https://today.thefinancialexpress.com.bd/public/stock-corporate/renata-ships-cabergoline-to-uk-for-first-time-1739468104

EMERALDOIL | BASIC Bank moves to auction Emerald Oil's assets again

• After multiple attempts to recover loans, BASIC Bank Limited, a state-owned lender, is once again auctioning off the assets - land and machinery - pledged as collateral by Emerald Oil Industries. Previously, Emerald Oil's assets were put up for auction at least three times, but no bids met the bank's expectations, according to sources at BASIC Bank.

https://www.tbsnews.net/economy/stocks/basic-bank-moves-auction-emerald-oils-assets-again-1069391

EXCHANGE | 5th Sukuk bond coming in Mar to raise BDT 30 Bn

• The government is going to raise BDT 30 Bn by issuing the fifth Sukuk bond in the third week of March 2025 as part of its effort to implement a development project smoothly. "We have also decided to issue the Shariah-compliant bond through both Istisna'a and Ijarah financing structures," a member of the committee told The Financial Express after the meeting.

https://today.thefinancialexpress.com.bd/public/first-page/5th-sukuk-bond-coming-in-mar-to-raise-tk-30b-1739471922

EXCHANGE | BSEC to crackdown on BDT 3 Bn brokerage scam

The Bangladesh Securities and Exchange Commission (BSEC) has decided to seek legal opinions on initiating action against four brokerage firms for embezzling BDT 3 Bn of investors' money using a fraudulent software database. The four firms set to face legal actions are Tamha Securities Ltd, Banco Securities Ltd, Crest Securities Ltd, and Shah Mohammad Sagir & Company Ltd.

https://www.tbsnews.net/economy/stocks/bsec-crackdown-tk300cr-brokerage-scam-1068376





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Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 70.74	(USD 0.69)	-0.97%
Crude Oil (Brent)*	USD 74.74	USD 0.35	0.47%
Gold Spot*	USD 2,882.53	USD 274.05	10.51%
DSEX	5,201.48	-14.96	-0.29%
S&P 500	6,114.63	207.69	3.52%
FTSE 100	8,732.46	611.45	7.53%
BSE SENSEX	75,939.21	-2,260.72	-2.89%
KSE-100	112,085.30	-3,173.70	-2.75%
CSEALL	12,003.29	0.00	0.00%

Exchange Rates

1 US Dollar = 121.52 BDT

1 GBP = 152.87 BDT

1 Euro = 127.55 BDT

1 INR = 1.40 BDT



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BRAC EPL Stock Brokerage Limited Research

Head of Research	salim@bracepl.com	01708 805 221
Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Research Analyst	hztowhidi.khan@bracepl.com	01708 805 224
Research Associate	foysal.ahmed@bracepl.com	01708 805 201
Research Associate	smtoufique.imran@bracepl.com	01708 805 228
Research Associate	rakibul.hasan@bracepl.com	01708 805 229
Research Associate	mistiaz.uddin@bracepl.com	01708 805 202
	Research Analyst Research Analyst Research Associate Research Associate Research Associate	Research Analyst fahim.hassan@bracepl.com Research Analyst hztowhidi.khan@bracepl.com Research Associate foysal.ahmed@bracepl.com Research Associate smtoufique.imran@bracepl.com Research Associate rakibul.hasan@bracepl.com

International Trade and Sales

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

BRAC EPL Stock Brokerage Limited

www.bracepl.com

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

Gulshan Avenue, Dhaka – 1212 Phone: + (88)-02-222282446-47 Fax: + (88)-02-222282452 E-Mail: research@bracepl.com