

*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 raises policy rate by 25 basis points to curb inflation**

- The Bangladesh Bank (BB) has increased the policy rate by 25 basis points to 6% in a move to curb inflation by making money more expensive for banks. The central bank unveiled its new monetary policy for the second half of the current fiscal year at a press conference held in its headquarters Sunday (15 January).

<https://www.tbsnews.net/economy/banking/bb-raises-policy-rate-25-basis-points-568166>

**Move towards market-based exchange rate by FY23-end: Bangladesh Bank**

- The central bank today said it is taking necessary measures to gradually move towards a market-based, flexible and unified exchange rate regime by the end of the ongoing fiscal year. The move will aim at getting rid of the volatility in the exchange rate regime owing to multiple exchange rates.
- In September, the Bangladesh Foreign Exchange Dealers' Association (BAFEDA) and the Association of Bankers Bangladesh (ABB) in September agreed to follow multiple exchange rates amid the shortage of US dollars.

<https://www.thedailystar.net/business/business-special-events/monetary-policy-fy22-23/news/move-towards-market-based-exchange-rate-fy23-end-bangladesh-bank-3221646>

**Lending rate cap relaxed for consumer loans**

- Bangladesh Bank yesterday relaxed the lending rate cap for consumer loans, allowing banks to hike it up to 3% from the current level. This means banks can charge up to 12% in interest rates on consumer loans from 9% now, according to the new monetary policy of the central bank. Similarly, the BB has withdrawn the floor on the deposit rate.

<https://www.thedailystar.net/business/economy/news/lending-rate-cap-relaxed-consumer-loans-3221961>

**Central bank outlines 3 challenges for second half of FY23**

- The Bangladesh Bank (BB) has outlined three specific external challenges that must be addressed and overcome to ensure the country's economic growth in the second half of the current fiscal year. The three external factors are – (i) the length and intensity of the Russia-Ukraine war, (ii) the spree of interest hikes by the Fed, and (iii) the re-emergence of Covid-19 and its severity in China.

<https://www.tbsnews.net/economy/central-bank-outlines-3-challenges-second-half-fy23-568194>

**3-year roadmap to reduce import dependency of cooking oil: Razzaque**

- Agriculture Minister Dr Abdur Razzaque yesterday said the government is implementing a three-year roadmap to reduce import dependency of cooking oil through 50% production of oil.
- "We are importing 90% cooking oil to meet domestic demand costing BDT 250 Bn each year," he said while visiting mustard crop field in Dhanbari upazila of Tangail district. As part of the three-year roadmap, mustard cultivation has increased sharply in the country, Razzaque added.

<https://www.tbsnews.net/economy/3-year-roadmap-reduce-import-dependency-cooking-oil-razzaque-568410>

**Credit growth target upped for January-June**

- The Bangladesh Bank today raised its domestic credit growth target by 30 basis points to 18.5% for the second half of 2022-23 in order to allow higher government expenditures. The credit growth target for the public sector has been adjusted upwards to 37.7% from 36%, while the target for the private sector credit growth has been kept unchanged at 14.1%

<https://www.thedailystar.net/business/business-special-events/monetary-policy-fy22-23/news/credit-growth-target-upped-january-june-3221621>

**BB looks to promote digital banking**

- The Bangladesh Bank plans to promote digital banking to encourage the broad adoption of financial products and services as it looks to accelerate financial inclusion, thus moving the country towards a cashless society.
- The digitalisation of the banking sector, the popularisation of mobile financial services (MFS) and agent banking, the rise of online-based banking services, the introduction of payment systems operators (PSOs) and payment service providers (PSPs), and the full interoperability of the financial sector, specifically the introduction of interoperable digital transaction platform "Binimoy" are some of the critical initiatives to impact the onboarding and transaction behaviour of end-users.

<https://www.thedailystar.net/business/economy/news/bb-looks-promote-digital-banking-3222076>

**Workshop on economic development in Cox's Bazar**

- Prabridhi, a local economic development project funded by Switzerland and Bangladesh, recently organised a capacity development and knowledge exchange workshop that was inaugurated by Muhammad Ibrahim, secretary to the Local Government Division in Cox's Bazar. The three-day workshop that ended yesterday consisted of group discussions, exercises and presentations, a press release said.

<https://www.thedailystar.net/business/economy/news/workshop-economic-development-coxs-bazar-3222001>

**Nigeria keen to expand trade with Bangladesh**

- Nigeria wants to expand trade with Bangladesh as the south Asian country has achieved significant development in the last decade, said Akinremi Bolaji, director for economic, trade and investment of the foreign affairs ministry of the west African nation.
- The Nigerian government is reviewing the possibilities of creating cooperation between the two nations in various sectors, including business, trade, investment and information technology, he said.

<https://www.thedailystar.net/business/economy/news/nigeria-keen-expand-trade-bangladesh-3221971>

**Only 8.7% households have computers: BBS survey**

- Only 8.7% of households in Bangladesh have a computer, found a government survey, underscoring the lack of access to digital devices and their unaffordability. The digital divide is also palpable in terms of computer ownership as only 3.1% of rural households and 25.6% urban households own a computer.
- The Bangladesh Bureau of Statistics carried out the survey titled the "Survey on ICT Use and Access by Individuals and Households 2022". Access, usage and ownership of ICT are key to linking communities, facilitating businesses and empowering communities socially and economically, said the survey report.

<https://www.thedailystar.net/business/economy/news/only-87-households-have-computers-bbs-survey-3221966>

**Bangladesh should continue reforms**

- Bangladesh should continue with the measures to reform various sectors of the economy, said IMF's Deputy Managing Director Antoinette Monsio Sayeh today. The visiting official of the multilateral lender praised the measures taken by the government and the Bangladesh Bank to tackle the economic crisis the country is facing, the finance ministry said in a press release.

<https://www.thedailystar.net/business/news/bangladesh-should-continue-reforms-3221861>

**US working very closely with Bangladesh regarding GSP facilities: Donald Lu**

- Visiting US Assistant Secretary Donald Lu said today that his country is working very closely with Bangladesh regarding the Generalised System of Preferences (GSP) facilities.
- "We have to wait for our congress to authorise GSP to any country. But we are working very closely with the government. So, when it gets authorised, the first country on the list would be Bangladesh," he said while speaking to the media after holding a meeting with Foreign Minister Dr AK Abdul Momen at the foreign ministry on Sunday (15 January).

<https://www.tbsnews.net/economy/us-working-very-closely-bangladesh-regarding-gsp-facilities-donald-lu-568150>

**New era begins as Ctg port sees bigger ships berth**

- A vessel with 10 metres draught berthed at a jetty of the Chattogram port for the first time yesterday, a major leap forward as the movement of larger ships is expected to cut costs and save time. Port users hope that the increased draught limit would enable the transportation of more cargoes and containers by a single vessel and help ease congestion at the seaport, which handles around 90% of Bangladesh's USD 135 Bn annual trade.
- Port users say initially container vessels would benefit from the move since the new draught limit is applicable for only the container jetties at General Cargo Berth, Chittagong Container Terminal (CCT) and New Mooring Container Terminal.

<https://www.thedailystar.net/business/economy/news/new-era-begins-ctg-port-sees-bigger-ships-berth-3222096>

**State-of-the-art wash plant installed at PDS's RMG plant in Adamjee EPZ**

- PDS Limited, a global fashion infrastructure company, has installed a state-of-the-art wash plant at Progress Apparels Bangladesh Ltd, one of PDS's manufacturing subsidiaries in Bangladesh.
- The wash plant, installed in partnership and funding from the Netherlands-based Good Fashion Fund, has the capacity to wash 6 Mn garments per annum and Progress Apparels can now manage 90% of the current wash requirement in-house.

<https://www.tbsnews.net/economy/rmg/state-art-wash-plant-installed-pdss-rmg-plant-adamjee-epz-568454>

**Governor admits trade-based money laundering**

- Bangladesh Bank Governor Abdur Rouf Talukder on Sunday said businesses used to launder money through over-invoicing and under-invoicing.
- "There was a trend of money laundering through over and under-invoicing. But I don't know if the money was used for buying homes in foreign countries," the governor said while replying to a question on overseas property purchases by Bangladeshi businessmen.

<https://www.tbsnews.net/economy/banking/governor-admits-trade-based-money-laundering-568494>

### **Beza to start skills training with first batch of 2,000**

- Bangladesh Economic Zones Authority (Beza) will start the skill development program with 2,000 people primarily selected from the affected areas around the Bangabandhu Sheikh Mujib Shilpa Nagar (BSMSN).
- "Later, under the Skills Voucher Program, 20,000 people will be trained and employed according to the skilled manpower needs of investors in various economic zones," he said this at the first workshop at the Bangabandhu International Conference Center in Dhaka on Sunday.

<https://www.tbsnews.net/economy/beza-start-skills-training-first-batch-2000-568478>

### **Stocks:**

#### **SAFKOSPINN | Safko Spinning's stock dividend rejected**

- The Bangladesh Securities and Exchange Commission (BSEC) has turned down the proposal of Safko Spinning Mills to issue a 1% stock dividend for the 2021-22 fiscal year.
- The company had recommended 2% cash and 1% stock dividends for FY22. An official of the company, on condition of anonymity, said the regulator has rejected the stock dividend because the company does not have enough retained earnings.

<https://www.tbsnews.net/economy/stocks/safko-spinnings-stock-dividend-rejected-568470>

#### **BANKASIA | Bank Asia donates BDT 40 Mn to PM's Ashrayan Project-2 Fund**

- Bank Asia has donated BDT 40 Mn to the prime minister's Ashrayan Project-2 Fund for underprivileged and homeless people of the country as a part of its corporate social responsibility.
- Prime Minister Sheikh Hasina received the cheque from Romo Rouf Chowdhury, chairman of Bank Asia, during a programme held at the Prime Minister's Office in Dhaka yesterday, said a press release.

<https://www.thedailystar.net/business/economy/news/bank-asia-donates-tk-4cr-pms-ashrayan-project-2-fund-3221981>

#### **Asiatic Laboratories | Why BSEC held up subscription of Asiatic Laboratories IPO**

- The electronic subscription of the initial public offering (IPO) shares of Asiatic Laboratories by the general investors, which was set to begin yesterday, has now been held up until further notice.
- According to sources, the Bangladesh Securities and Exchange Commission (BSEC) received complaints through phone calls and other channels against the company – especially about its fixed assets being overstated, and disputes over ownership.

<https://www.tbsnews.net/economy/stocks/why-bsec-held-subscription-asiatic-laboratories-ipo-568466>

**World Stock and Commodities\***

<b>Index Name</b>	<b>Close Value</b>	<b>Value Change YTD</b>	<b>% Change YTD</b>
Crude Oil (WTI)*	USD 79.66	USD 4.45	5.92%
Crude Oil (Brent)*	USD 85.04	USD 7.26	9.33%
Gold Spot*	USD 1,921.00	USD 146.85	8.28%
DSEX	6,250.50	43.50	0.70%
S&P 500	3,999.09	159.59	4.16%
FTSE 100	7,578.15	126.41	1.70%
BSE SENSEX	60,261.18	-579.56	-0.95%
KSE-100	40,323.45	-97.00	-0.24%
CSEALL	8,262.50	-239.99	-2.82%

**Exchange Rates****1 US Dollar = 103.91 BDT****1 GBP = 127.40 BDT****1 Euro = 112.84 BDT****1 INR = 1.28 BDT**

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