

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:**WTO to persuade top businesses to shift their supply chains to BD**

- Referring to Bangladesh's impending graduation from the LDC category, Dr Ngozi said that the WTO would make sure that the process is smooth. "We have established principles. We will be working with you," Chief Adviser's Deputy Press Secretary quoted her as saying.

<https://today.thefinancialexpress.com.bd/first-page/wto-to-persuade-top-businesses-to-shift-their-supply-chains-to-bd-1737742612>

Govt relocates WB loans from slow-moving projects to speed up utilization

- The government is set to shift World Bank loans from slow-progressing or non-urgent projects to finance new ones, with USD 810 Mn already taken out of various development projects, according to sources at the Economic Relations Division (ERD). The strategy has been adopted to expedite the utilisation of World Bank funds. The global lender is being notified of these relocations regularly, the ERD sources said.

<https://www.tbsnews.net/economy/govt-relocates-wb-loans-slow-moving-projects-speed-utilisation-1052316>

Inflation can be reduced to 6-7% in next fiscal: Dr Zahid Hussain

- Dr Zahid Hussain, a prominent figure and former lead economist at the World Bank's Dhaka Office, has expressed optimism that the general point-to-point inflation rate could be reduced to between 6-7% in the next fiscal year (FY26) if the country does not face natural or political calamities.

<https://www.tbsnews.net/economy/inflation-can-be-reduced-6-7-next-fiscal-dr-zahid-hussain-1051661>

Bangladesh leads South Asia in mobile money growth: GSMA

- The report titled "The State of the Industry Report on Mobile Money 2024" states the use of mobile money is increasing rapidly all over the world with approximately USD 2.7 Mn (nearly BDT 330 Mn) was transacted every minute globally via mobile phones in 2023. GSMA is a London-based non-profit organisation representing mobile network operators worldwide.

<https://www.tbsnews.net/economy/bangladesh-leads-south-asia-mobile-money-growth-gsma-1052306>

Bangladesh's trade deficit with China rises by over 1.0%

- During this period, Bangladesh imported goods worth USD 17.80 Bn while exporting only USD 1.35 Bn, resulting in a significant trade imbalance. Excluding services, the trade deficit stood at USD 16.28 Bn in 2022-23 fiscal year.

<https://today.thefinancialexpress.com.bd/last-page/bangladeshs-trade-deficit-with-china-rises-by-over-10pc-1737826458>

No alternative to strengthening b2b relations with Bangladesh, says Pakistan high commissioner

- Pakistan High Commissioner in Dhaka Syed Ahmed Maroof emphasised strengthening trade and economic relations as part of the bilateral ties between Pakistan and Bangladesh. "There is no alternative to enhancing business-to-business relations between both nations to achieve this goal.

<https://www.tbsnews.net/economy/no-alternative-strengthening-b2b-relations-bangladesh-says-pakistan-high-commissioner>

Economy slowing, negative revenue growth shows the sign

- For Bangladesh, it is no longer the question of whether the economy is destined for a hard landing or a glide to a flat state; rather the question now is how deep the descent will be. According to economists and businesspeople, this negative growth in revenue collection itself is not the disease. Instead, it is a symptom of a slowing economy and growing cracks on the macro frontier.

<https://www.thedailystar.net/business/economy/news/economy-slowing-negative-revenue-growth-shows-the-sign-3806916>

Defer LDC graduation by 3yrs: BCI

- The government should take steps to defer Bangladesh's graduation from the Least Developed Countries (LDC) category by at least three years, said the Bangladesh Chamber of Industries (BCI) today. "We are not ready for LDC graduation right now. Why should we commit conscious suicide?" said BCI President Anwar-ul Alam Chowdhury (Parvez) at a press briefing in the capital.

<https://www.thedailystar.net/business/news/defer-ldc-graduation-3yrs-bci-3807946>

Saudi firm interested to transform Matarbari into regional mega port

- Red Sea Gateway Terminal, a Saudi-owned port company, today (24 January) expressed its interest in managing the deep-sea port of Matarbari in Bangladesh. He made the comments when he called on Chief Adviser Muhammad Yunus on the sideline of the World Economic Forum annual meeting in the Swiss mountain city of Davos, reads a press release.

<https://www.tbsnews.net/economy/saudi-company-keen-managing-matarbari-port-1051486>

World's major port handlers show interest to invest in Bangladesh

- DP World and AP Moller--Maersk, two major global port handlers, have expressed interest in making big investments in Bangladesh to help the country build new ports along the Bay of Bengal. Sulayem said they want to invest in the New Mooring Container Terminal, as well as to reduce congestion and emissions in the Chittagong port and increase efficiency.

<https://www.thedailystar.net/business/economy/news/worlds-major-port-handlers-show-interest-invest-bangladesh-3806846>

Withdraw increased VAT, duties on processed food items: agro-processors

- The Bangladesh Agro-Processors' Association (BAPA) has urged the National Board of Revenue (NBR) to withdraw the increased valued-added tax and duties on processed food products and restore them to their previous rates.

<https://www.thedailystar.net/business/news/withdraw-increased-vat-duties-processed-food-items-agro-processors-3806761>

Waning foreign investment a wake-up call for policymakers

- The inflow of foreign direct investment (FDI) into Bangladesh is facing critical challenges as a plethora of factors have caused it to stagnate to a mere 0.5% of the country's gross domestic product in recent years.

<https://www.thedailystar.net/business/economy/news/waning-foreign-investment-wake-call-policymakers-3808261>

Sector & Industries:**BANK | BB introduces provisioning system to tackle NPLs**

- In a bid to mitigate the severe liquidity crisis and prevent bankruptcies stemming from non-performing loans (NPLs), Bangladesh's central bank has introduced a new provisioning model in compliance with international financial standards. The move aims to ensure banks are better equipped to handle loan defaults and maintain financial stability.

<https://thefinancialexpress.com.bd/economy/bangladesh/bb-introduces-provisioning-system-to-tackle-npls>

FUEL & POWER | MIGA offers mega-financing plan for LNG import

- A senior EMRD official says the MIGA has proposed to help Bangladesh in importing liquefied natural gas or LNG worth up to USD 350 Mn annually from the international market. It also offers that the facility will be enhanced over the next seven years.

<https://thefinancialexpress.com.bd/economy/miga-offers-mega-financing-plan-for-lng-import>

PHARMACEUTICALS | Denmark's IFU to invest USD 12.5 Mn in local pharmacy chain

- Denmark's IFU will invest USD 12.5 Mn in pharmacy chain AKS Khan Pharmaceuticals for the expansion of the latter's network, targeting to cater to 8 Mn patients annually within three years. The investment into this concern of AKS Khan Holdings will come through the Investment Fund for Developing Countries (IFU), a development finance institution of the Danish government.

<https://www.thedailystar.net/business/economy/news/denmarks-ifu-invest-125m-local-pharmacy-chain-3806896>

FUEL & POWER | Govt signs LNG deal with US firm

- Argent LNG, which is developing a 25 Mn metric tonnes per annum (MTPA) LNG facility in Louisiana, has signed a non-binding agreement with the government of Bangladesh to purchase up to 5 Mn metric tons of liquefied natural gas (LNG) annually, the company said in a statement on Friday.

<https://www.thedailystar.net/business/news/louisianas-argent-lng-sets-deal-government-bangladesh-3807801>

BANK | BB to implement int'l reporting standards by 2027

- Analysts had long called for the adoption of the latest 'IFRS 9' while the International Monetary Fund also attached the adoption of the latest standards as a condition for its USD 4.7 Bn loan programme to the country.

<https://www.thedailystar.net/business/economy/news/bb-implement-intl-reporting-standards-2027-3806901>

FUEL & POWER | Country may face shortage of up to 3,000MW next summer

- Unless the government pays private power producers around BDT 80 Bn now, fuel shortage will lead to a shortage of 2,500-3,000 megawatts of electricity from March, power plant owners said. The government owes members of Bangladesh Independent Power Producers Association (BIPPA) around BDT 100 Bn, said leaders of the association at a views-exchange meeting with journalists.

<https://www.thedailystar.net/news/bangladesh/news/country-may-face-shortage-3000mw-next-summer-3807011>

RMG | Bangladesh faces tough time in global apparel game

- A few international clothing retailers and brands opted to shift work orders away from Bangladesh as local exporters were facing challenges in timely production, shipment, raw material imports and transportation owing to political turmoil as a result of the student-led mass uprising in July.

<https://www.thedailystar.net/business/economy/news/bangladesh-faces-tough-time-global-apparel-game-3807541>

BANK | Digital bank launch deludes aspirants

- Much-hyped digital-bank operations get caught up in limbo with almost no progress in the launch of this virtual banking for the tech-savvy younger population, sponsors deplore.

<https://thefinancialexpress.com.bd/economy/digital-bank-launch-deludes-aspirants>

Stocks:**RUNNERAUTO | Runner Automobiles' Q2 profit rises 600%**

- The company's profit went up a robust 600% year-on-year in the October-December quarter of FY25 reaching BDT 39.7 Mn. Its consolidated earnings per share (EPS) rose to BDT 0.35, compared to BDT 0.05 in the same period last year, according to a disclosure on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/news/runner-automobiles-q2-profit-rises-600-3806496>

MALEKSPIN | Malek Spinning Mills' profit rises 21%

- The company reported a profit of BDT 507.2 Mn in the October-December quarter. The company's consolidated earnings per share (EPS) rose to BDT 2.62 in the period, up from BDT 2.16 in the same quarter of 2023, according to a disclosure on the Dhaka Stock Exchange (DSE) website.

<https://www.thedailystar.net/business/news/malek-spinning-mills-profit-rises-21-3806501>

GP | GP extends partnership with Ericsson

- Grameenphone, the country's leading telecommunications service provider, has extended its partnership with Ericsson to drive innovation through AI-powered solutions. This strategic collaboration aims to deliver world-class services with greater efficiency, enabling Grameenphone to offer personalised solutions that meet the evolving needs of its customers.

<https://thefinancialexpress.com.bd/stock/bangladesh/gp-extends-partnership-with-ericsson>

RENATA | Renata's sales grow 12%, but profit plunges 35%

- The sales and profit trends remained consistent in the second quarter, as revenue grew 16%, fuelled by higher sales in pharmaceuticals, animal health, exports, and contributions from subsidiaries. However, the company's quarterly profits dropped 27 % year-on-year to BDT 640 Mn. Renata reported 18% export growth and 24% growth in the animal health segment in the second quarter.

<https://www.thedailystar.net/business/news/renatas-sales-grow-12-profit-plunges-35-3808016>

IDLC | IDLC Finance unveils Shariah-compliant financing window 'IDLC Islamic'

- IDLC Finance PLC recently launched the Shariah-compliant financing window, named "IDLC Islamic," at the Pan Pacific Sonargaon Dhaka. Md Zakir Hossain Chowdhury, deputy governor of Bangladesh Bank, inaugurated the new window as the chief guest, said a press release.

<https://www.thedailystar.net/business/organisation-news/news/idlc-finance-unveils-shariah-compliant-financing-window-idlc-islamic-3808096>

TITASGAS | Titas Gas sinks further in red on system loss

- Titas Gas's system loss hit a decade high of 1,204 Mn cubic meters in fiscal 2023-24 -- enough to meet a month's import bill of high-priced liquified natural gas (LNG).

<https://www.thedailystar.net/news/bangladesh/news/titas-gas-sinks-further-red-system-loss-3806971>

CAPMIBBLMF | Board approves un-audited report of CAPM IBBL Islamic Mutual Fund for Q2

- The Trustee meeting of CAPM IBBL Islamic Mutual Fund was held on Thursday (January 23). During the meeting, the accounts and unaudited report for the second quarter ending 31st December 2024 were approved, according to a press release.

<https://thefinancialexpress.com.bd/stock/board-approves-un-audited-report-of-capm-ibbl-islamic-mutual-fund-for-q2>

CAPMBDBLMF | CAPM-BDBL Mutual Fund incurs loss in Oct-Dec

- CAPM BDBL Mutual Fund has reported a loss of BDT 2.3 Mn in the October-December quarter of this fiscal year due to high provision against unrealised loss. According to the closed-end mutual fund's statement, published today, its loss per unit stood at BDT 0.05 during the second quarter.

<https://www.tbsnews.net/economy/stocks/capm-bdbl-mutual-fund-incurs-loss-oct-dec-1050846>

BEXIMCO | Defaulted loans: Not possible to reopen Beximco's 16 RMG factories

- Considering the sheer volume of Beximco's debt, the government does not think it's feasible to reopen the textile and garment factories that were taken out of production by the group, Labour Adviser Brig Gen (retd) M Sakhawat Hussain said yesterday.

<https://www.thedailystar.net/business/news/defaulted-loans-not-possible-reopen-beximcos-16-rmg-factories-3806631>

KEYACOSMET | Keya Cosmetics announces permanent closure of factory operations

- Keya Cosmetics Limited has announced the permanent closure of its factories due to 'ongoing challenges in the market' from May next. In a media release issued today (23 January), the company cited market instability, discrepancies in accounts with its bank, shortages of raw materials and declining production activities as the primary reasons behind the decision.

<https://www.tbsnews.net/economy/keya-cosmetics-announces-permanent-closure-factory-operations-1050466>

EXCHANGE | Govt to curtail bonds to cure securities market

- The interim government, which is pursuing a course of wide-scale reforms, prepares to cut the quantity of such bonds from the next financial year (2025-26). Earlier, the World Bank and the IMF had suggested a reduction in the volume of bond to expand the transaction volume on Bangladesh's financial market.

<https://today.thefinancialexpress.com.bd/last-page/govt-to-curtail-bonds-to-cure-securities-market-1737742973>

EXCHANGE | Ctg bourse halts decision to extend trading session amid flak

- The Chittagong Stock Exchange (CSE) postponed its decision to extend the trading session for 45 minutes starting on 26 January following strong opposition from the DSE Brokers Association of Bangladesh. The CSE issued a letter postponing its decision to the stakeholders today.

<https://www.tbsnews.net/economy/stocks/ctg-bourse-halts-decision-extend-trading-session-amid-flak-1050901>

EXCHANGE | BDT 30 Bn to be raised through sukuk for rural infrastructure

- The government has decided to issue BDT 30 Bn worth of sukuk, a Shariah-compliant bond, in March to fund the construction of bridges to connect rural roads. This move aims to boost agricultural production and improve socio-economic conditions at the grassroots level.

<https://www.thedailystar.net/business/economy/news/tk-3000cr-be-raised-through-sukuk-rural-infrastructure-3806906>

Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 74.66	USD 3.23	4.52%
Crude Oil (Brent)*	USD 78.50	USD 4.11	5.52%
Gold Spot*	USD 2,770.58	USD 162.10	6.21%
DSEX	5,166.53	-49.91	-0.96%
S&P 500	6,101.24	194.30	3.29%
FTSE 100	8,502.35	381.34	4.70%
BSE SENSEX	76,190.46	-2,009.47	-2.57%
KSE-100	114,880.49	-378.51	-0.33%
CSEALL	12,003.29	0.00	0.00%

Exchange Rates**1 US Dollar = 122.00 BDT****1 GBP = 152.15 BDT****1 Euro = 128.12 BDT****1 INR = 1.42 BDT**

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 any and 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 transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and 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 prospects.

BRAC EPL Stock Brokerage Limited

Research

Salim Afzal Shawon, CFA	Head of Research	salim@bracepl.com	01708 805 221
Fahim Hassan	Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Hossain Zaman Towhidi Khan	Research Analyst	hztowhidi.khan@bracepl.com	01708 805 224
Foyisal Ahmed	Research Associate	foysal.ahmed@bracepl.com	01708 805 201
S M Toufique Imran	Research Associate	smtoufique.imran@bracepl.com	01708 805 228
Rakibul Hasan	Research Associate	rakibul.hasan@bracepl.com	01708 805 229
Md Istiaz Uddin	Research Associate	mistiaz.uddin@bracepl.com	01708 805 202

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