

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-0.02%) lost -1.52 points and closed the week at 6,294.73 points. The blue-chip index DS30 (+0.00%) gained 0.03 points and stood at 2,230.73 points. The Shariah-based index DSES (-0.04%) lost -0.58 points and stood at 1,373.96 points. The large cap index CDSET (-0.04%) lost -0.44 points and closed at 1,224.33 points. DSEX, DS30, DSES and CDSET showed YTD returns of +1.42%, +1.61%, +1.11%, +0.82%, respectively.

Total Turnover During the Week (DSE): BDT 28.4 billion (USD 265 million)

Average Daily Turnover Value (ADTV): BDT 5.7 billion (Δ Week: -6.9%)

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 (-0.13%) on Sunday. It remained negative on Monday (-0.15%) and Tuesday (-0.19%). It turned positive on Wednesday (+0.16%). Lastly, the market closed on a positive note (+0.28%) on Thursday.

Sectoral Performance

• Most of the financial sectors registered negative performance this week. Life Insurance experienced the highest loss of -2.58% followed by General Insurance (-1.94%), NBFi (-0.19%), Mutual Fund (-0.11%), and Bank (+0.19%).

• Non-financial sectors posted mixed performance this week. Food & Allied booked the highest gain of 1.03% followed by Fuel & Power (+0.25%), and Telecommunication (0.00%). Pharmaceutical experienced the highest loss of 0.33% followed by Engineering (-0.08%).

Macroeconomic arena

• Remittance hits five-month high. Country's external position improves as trade deficit narrows by 21% in H1 FY23. Private sector credit growth hits 9-month low in December. Fresh impetus to contactless payment. USAID to publish compliance guidelines for Bangladeshi agro exporters to Gulf countries. Relaxed rules failed to speed up default loan recovery. MF's loan a respite for Bangladesh's current economy, Dhaka chamber says. Recovery won't be faster until FY27, IMF projects. Argentina keen to boost trade ties with Bangladesh. Why IMF approves USD 4.7 Bn against Bangladesh's loan proposal for USD 4.5 Bn. Bangladesh reserves to fall to USD 30 Bn in FY23 before bouncing back: IMF. Central bank simplifies process of receiving remittances for service providers. Small industries up the creek. Despite downturn 3 dozen listed firms plan BDT 75 Bn investment. IMF approves Bangladesh's USD 4.7 Bn loan proposal. EU ambassador for investing in Bangladesh. Foreign loan pledges fall 60% in H1.

• Foreign aid flow falling when forex much coveted. T-bill yields fall. Dollar crisis puts textile millers in a tight spot. Import slowdown to affect economic growth: ADB country head. USDA revises up Bangladesh's rice production forecast. Economic slump drags down growth in VAT collection from big cos. Banking sector needs comprehensive reforms: ADB. Three risks ahead. 'Local conglomerates lost BDT 650 Bn for dollar price hike'. Ministries, divisions with highest allocation lag in ADP implementation. State banks spend 80% of their forex for govt imports in H1. 9 more firms recognised as authorised economic operators. Business climate improves slightly, shows Business Climate Index of MCCI and Policy Exchange. Shipping ministry to implement 35 projects involving BDT 70.75 Bn. Govt moves to frame logistics dev policy. Additional BDT 26.82 Bn sought for Padma Bridge project. Investment proposals rise in 2022. UN cuts Bangladesh's growth forecast. Call money rate rises to 7% amid liquidity shortage.

Stock Market arena

• RENATA | Renata's profit drops 36% in Oct-Dec quarter. SSSTEEL | SS Steel declares 2% cash and 8% stock dividend. OLYMPIC | Olympic shines amid inflation. IFADAUTO | Ifad Auto suffers losses due to weak taka. GP | GP profits down by BDT 4 Bn. ATLASTBANG | Atlas loss extends. GP | Grameenphone retains growth momentum despite ban on SIM sales. APEXFOOT | Apex Footwear's revenue jumped 42% in first half of FY23. SQRPHARMA | Square Pharma's half-yearly profit crosses BDT 10 Bn. DESCO | Bulk power tariff hikes push Desco into losses. WALTONHIL | Walton's profit declines by 63.41% in second quarter. CROWNCMNT | Crown Cement's profit surges in Q2. AMCL(PRAN) | Economic crises drags down profits of 2 Pran concerns in Dec quarter. NPOLYMER | Taka devaluation erodes National Polymer profit by 94%. PADMAOIL | Padma Oil's profit jumps 50%. BEXIMCO | Costly raw materials slash two Beximco firms' profits. COPPERTECH | Coppertech's net profit declines 89% in Q2. BDLAMPS | BD Lamps to invest Mn 3 Mn for new production line. ALI | Alif Industries now allowed to issue new shares to help C&A Textiles. BBSCABLES | Higher costs, strong dollar slash BBS Cables profit by 92%.

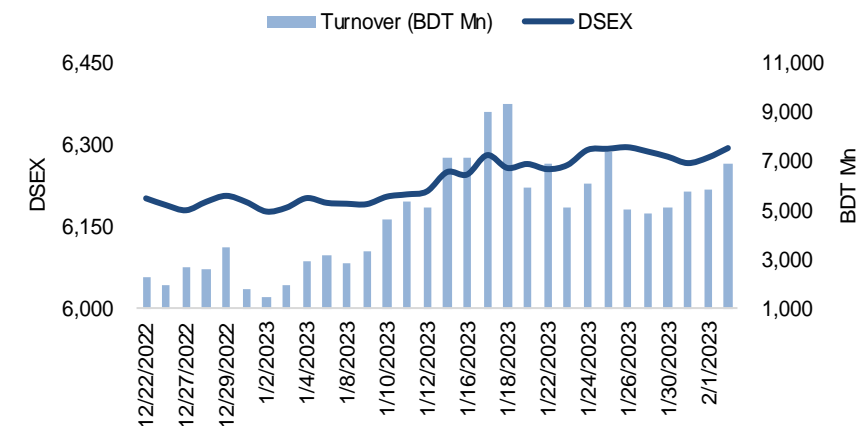
Table 1: Index

Index	Closing*	Opening*	Δ (Pts)	29-Dec-2022	Δ % Week	Δ % YTD
DSEX	6,294.73	6,296.26	-1.52	6,206.81	-0.02%	+1.42%
DS30	2,230.73	2,230.70	+0.03	2,195.30	+0.00%	+1.61%
DSES	1,373.96	1,374.54	-0.58	1,358.84	-0.04%	+1.11%
CDSET	1,224.33	1,224.77	-0.44	1,214.42	-0.04%	+0.82%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	7,673,382	7,670,270	
	Mn USD	71,714	71,685	+0.0%
Turnover	Mn BDT	28,396	30,502	-6.9%
	Mn USD	265	285	
Average Daily Turnover	Mn BDT	5,679	6,100	-6.9%
	Mn USD	53	57	
Volume	Mn Shares	413	491	-15.9%

Figure 1: DSEX & Turnover in last four weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
OLYMPIC	143.9	126.3	+13.9%	28,771	1,007.6	18.7x	3.0x
ORIONINFU	364.6	329.0	+10.8%	7,423	361.8	NM	27.3x
GEMINISEA	444.1	401.3	+10.7%	2,711	621.5	31.7x	25.8x
MONOSPOOL	277.7	253.1	+9.7%	2,607	217.0	37.2x	5.9x
SAPORTL	34.1	31.1	+9.6%	8,077	622.0	20.9x	1.0x
SPCERAMICS	51.5	47.5	+8.4%	7,569	977.5	95.4x	1.7x
EASTRNLUB	1,612.7	1,493.6	+8.0%	1,924	34.3	NM	8.3x
GENEXIL	109.4	101.4	+7.9%	12,670	3,000.9	33.1x	5.9x
EHL	108.2	101.9	+6.2%	10,100	1,484.8	17.0x	1.4x
HWAWELLTEX	48.1	45.3	+6.2%	2,694	15.5	NM	1.4x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
AAMRATECH	36.3	40.5	-10.4%	2,349	202.7	32.2x	1.5x
PRAGATILIF	149.6	166.5	-10.2%	5,161	304.2	NM	NM
EGEN	51.9	57.6	-9.9%	3,893	83.1	35.8x	2.4x
METROSPIN	43.9	47.5	-7.6%	2,709	241.8	44.9x	2.1x
BPML	88.4	95.2	-7.1%	15,363	1,692.1	24.4x	1.2x
FAREASTLIF	80.4	85.7	-6.2%	6,009	213.8	NM	NM
NHFIL	46.0	48.7	-5.5%	5,383	186.8	21.6x	2.4x
SANDHANINS	29.3	30.9	-5.2%	3,214	77.0	NM	NM
BEACONPHAR	308.2	324.3	-5.0%	71,194	261.8	75.9x	11.5x
MEGHNALIFE	89.1	93.7	-4.9%	3,778	561.1	NM	NM

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
GENEXIL	109.4	101.4	+7.9%	12,670	3,000.9	33.1x	5.9x
BPML	88.4	95.2	-7.1%	15,363	1,692.1	24.4x	1.2x
EHL	108.2	101.9	+6.2%	10,100	1,484.8	17.0x	1.4x
AAMRANET	69.7	67.0	+4.0%	4,320	1,394.6	21.8x	1.8x
BSC	133.4	129.2	+3.3%	20,348	1,325.6	9.2x	1.7x
ORIONPHARM	90.9	86.0	+5.7%	21,271	1,103.5	25.9x	1.0x
OLYMPIC	143.9	126.3	+13.9%	28,771	1,007.6	18.7x	3.0x
SPCERAMICS	51.5	47.5	+8.4%	7,569	977.5	95.4x	1.7x
SEAPEARL	271.0	275.1	-1.5%	32,723	907.0	65.8x	19.1x
INTRACO	38.0	36.7	+3.5%	3,733	630.0	25.1x	3.0x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
UNIQUEHRL	71.4	+23.7%	21,020	15.9x	0.8x
OLYMPIC	143.9	+16.0%	28,771	18.7x	3.0x
PIONEERINS	80.0	+11.9%	6,774	12.9x	1.7x
JAMUNAOIL	172.9	+3.3%	19,092	7.3x	0.9x
ADNTEL	117.5	+3.0%	7,597	34.9x	4.1x
PRIMEBANK	19.6	+2.1%	22,193	6.4x	0.7x
LHBL	65.5	+1.1%	76,070	18.6x	4.1x
ISLAMIBANK	33.3	+0.9%	53,613	10.9x	0.8x
BATASHOE	958.3	+0.6%	13,110	37.0x	3.6x
SHAHJABANK	18.9	+0.5%	20,422	5.6x	0.9x

*BDT
**BDT Mn

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,433.6	1,430.9	1,427.09	+0.19%	+0.46%
NBFI	1,930.3	1,934.0	1,927.24	-0.19%	+0.16%
Mutual Fund	849.2	850.2	852.07	-0.11%	-0.33%
General Insurance	3,428.0	3,495.9	3,177.87	-1.94%	+7.87%
Life Insurance	2,680.3	2,751.4	2,492.91	-2.58%	+7.52%
Telecommunication	4,945.6	4,945.6	4,945.60	-	-
Pharmaceutical	3,778.4	3,791.0	3,754.47	-0.33%	+0.64%
Fuel & Power	1,695.9	1,691.7	1,694.29	+0.25%	+0.09%
Cement	2,330.9	2,316.5	2,319.67	+0.62%	+0.48%
Services & Real Estate	2,235.8	2,198.5	1,782.23	+1.69%	+25.45%
Engineering	4,489.7	4,493.3	4,503.40	-0.08%	-0.30%
Food & Allied	21,379.4	21,161.7	21,247.80	+1.03%	+0.62%
IT	3,431.7	3,406.4	3,004.33	+0.74%	+14.22%
Textile	1,587.2	1,594.3	1,621.87	-0.45%	-2.14%
Paper & Printing	10,858.2	11,117.6	10,388.08	-2.33%	+4.53%
Tannery	3,051.0	3,051.3	3,093.43	-0.01%	-1.37%
Jute	12,519.1	12,423.8	14,850.17	+0.77%	-15.70%
Ceramics	717.3	703.5	704.74	+1.97%	+1.78%
Miscellaneous	4,112.2	4,102.0	4,071.46	+0.25%	+1.00%

Table 8: Sector Trading Matrix

Sector Name	Daily average this Week	Daily average last Week	% Change	% of Total Turnover	PE	PB
Bank	58.4	86.9	-32.86%	+1.17%	7.8x	0.7x
NBFI	39.5	92.9	-57.50%	+0.79%	NM	4.5x
Mutual Fund	4.1	2.9	+43.29%	+0.08%	NM	0.8x
General Insurance	183.2	828.5	-77.89%	+3.66%	16.8x	1.6x
Life Insurance	455.3	713.1	-36.15%	+9.09%	NM	NM
Telecommunication	1.9	1.3	+49.18%	+0.04%	17.4x	4.7x
Pharmaceutical	564.2	578.7	-2.51%	+11.26%	18.9x	2.4x
Fuel & Power	190.6	181.8	+4.87%	+3.81%	17.0x	1.1x
Cement	44.6	85.9	-48.05%	+0.89%	33.9x	2.5x
Services & Real Estate	728.1	558.1	+30.48%	+14.54%	37.5x	1.2x
Engineering	95.6	132.8	-28.02%	+1.91%	51.0x	2.1x
Food & Allied	415.0	236.6	+75.40%	+8.29%	21.1x	7.5x
IT	1,177.5	1,005.5	+17.11%	+23.51%	32.6x	3.1x
Textile	102.6	206.7	-50.38%	+2.05%	42.7x	1.0x
Paper & Printing	393.8	296.9	+32.63%	+7.86%	41.3x	2.1x
Tannery	11.7	2.7	+337.78%	+0.23%	46.7x	3.1x
Jute	15.2	4.1	+269.33%	+0.30%	NM	4.8x
Ceramics	231.2	159.9	+44.57%	+4.62%	42.8x	2.0x
Miscellaneous	295.6	327.4	-9.72%	+5.90%	13.2x	1.8x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
EGEN	51.9	-0.4%	3,893	35.8x	2.4x
IDLC	46.5	-	19,330	10.6x	1.1x
DBH	57.8	-	11,270	11.1x	1.5x
IPDC	57.6	-	21,375	24.4x	3.3x
LANKABAFIN	26.0	-	14,010	16.6x	1.3x
ACI	260.2	-	19,829	NM	2.0x
LINDEBD	1,397.7	-	21,271	20.0x	3.6x
UPGDCL	233.7	-	135,475	13.6x	3.8x
SUMITPOWER	34.0	-	36,308	10.7x	0.9x
MJLBD	86.7	-	27,462	12.1x	2.2x

Important News: Business & Economy

Remittance hits five-month high

- Remittance flow to Bangladesh rose to a five-month high in January as banks have made an all-out effort to mobilise US dollars from abroad to overcome the stress in the foreign exchange market. Expatriates sent home USD 1.95 Bn last month, the highest since September when USD 1.53 Bn flew into the country, data from the Bangladesh Bank showed.
- January's receipts were nearly 15% higher than December's USD 1.69 Bn and 14.9% from USD 1.70 Bn recorded in the same month last year. A central banker described the rising flow of remittance as a positive sign for Bangladesh, which needs a higher supply of US dollars to tackle the instability in the foreign currency market.

<https://www.thedailystar.net/business/economy/news/remittance-hits-five-month-high-3236836>

Country's external position improves as trade deficit narrows by 21% in H1 FY23

- Bangladesh's trade deficit narrowed by 21% in the first half of the current fiscal 2022-23 on the back of import curbs, giving the central bank great comfort in managing the country's external position.
- The ease of balance of payment also helped to reduce the country's current account deficit by 36% in the July-December period of the current fiscal year, which gives an indication that the measures the Bangladesh Bank has taken – including substantial depreciation of the taka – have started to pay off to ease pressure on the country's external position.

<https://www.tbsnews.net/economy/countrys-external-position-improves-trade-deficit-narrows-21-h1-fy23-578222>

Private sector credit growth hits 9-month low in December

- Private sector credit growth in December was the slowest in nine months mainly due to liquidity crisis in banks and a dollar shortage. According to bankers, a slowdown in development projects also contributed to the drop in the credit growth.
- According to Bangladesh Bank data, private sector credit growth dropped to 12.4% in December 2022 from 13.97% in the previous month. The growth stood at 12.48% in April.

<https://www.tbsnews.net/economy/private-sector-credit-growth-hits-9-month-low-december-578226>

NBFIs can no longer borrow from call money market: Cenbank

- When the financial sector is running with a severe liquidity crisis, the Bangladesh Bank has instructed non-bank financial institutions not to borrow from the interbank call money market, limiting their options to hunt liquidity. Instead, the NBFIs have been asked to raise long-term funds by issuing bonds.
- A circular issued by the central bank to this effect on Wednesday says some NBFIs are making long-term investments such as lease financing after taking short-term funds from the call money market. As a result, a maturity mismatch of funds is being created, making the institutions unable to pay off the short-term loans on time, says the circular, adding that the NBFIs are also failing to repay the depositors' money on time.

<https://www.tbsnews.net/economy/nbfis-can-no-longer-borrow-call-money-market-cenbank-578270>

Fresh impetus to contactless payment

- Bangladesh Bank yesterday widened the scope for contactless payments in order to further boost touch-and-go transactions and push the country towards a cashless economy.
- From now on, contactless payments of up to BDT 5,000 per transaction can be done using debit and prepaid cards apart from credit cards, the central bank said. Earlier, up to BDT 5,000 payment could be done through contactless credit cards. In case of debit and prepaid cards, the limit was BDT 3,000 per transaction.

<https://www.thedailystar.net/business/economy/news/fresh-impetus-contactless-payment-3236811>

USAID to publish compliance guidelines for Bangladeshi agro exporters to Gulf countries

- The Feed the Future Bangladesh Trade Activity of the USAID will publish a guideline on "Food Safety Requirements of Fresh Fruits and Vegetables, and Processed Food to Gulf Countries" aiming to capacitate the Bangladeshi agricultural product exporters to capture the share of the Gulf market.
- As Bangladeshi agricultural product exporters lack knowledge about food safety and sanitary and phytosanitary measures (SPS) measures, regulatory compliances, and customer requirements in the Gulf countries, they are not able to capture the opportunities to export fresh fruits, vegetables, frozen, and other processed food products in the Gulf countries although they present a distinct opportunity for the Bangladeshi agro exporters.

<https://www.tbsnews.net/economy/usaid-publish-compliance-guidelines-bangladeshi-agro-exporters-gulf-countries-577406>

Relaxed rules failed to speed up default loan recovery

- The recovery of default loans is still weak in Bangladesh despite offering relaxed repayment policies for three consecutive years to 2022 as delinquent borrowers are not paying back funds on time, hitting banks' income and cash flow.
- Although the recovery increased a bit between January and September of 2022, the trend is quite unsatisfactory given the recent escalation of bad loans in the banking sector, said experts. Between January and September, banks retrieved BDT 73.57 Bn, which accounted for 5.47% of the outstanding default loans of BDT 1343.96 Bn, data from Bangladesh Bank showed

<https://www.thedailystar.net/business/economy/news/relaxed-rules-failed-speed-default-loan-recovery-3235746>

IMF's loan a respite for Bangladesh's current economy, Dhaka chamber says

- The International Monetary Fund's (IMF) USD 4.7 Bn credit facility will come as a relief for Bangladesh as the country faces a shortage of foreign exchanges, said the Dhaka Chamber of Commerce and Industry (DCCI) yesterday.
- On January 30, the IMF approved the credit facility under the Extended Credit Facility (ECF), Extended Fund Facility (EFF) and Resilience and Sustainability Facility (RSF) arrangements. The credit facility is to be disbursed under a 42-month programme.

<https://www.thedailystar.net/business/economy/news/imfs-loan-respite-bangladeshs-current-economy-3236781>

Recovery won't be faster until FY27, IMF projects

- Despite an air of optimism, gloomy days will linger for a few more years before the pall lifts, according to projections by the International Monetary Fund (IMF). According to the IMF's assessment, the current fiscal year will be the most challenging as most of the indicators show the economy will be in stress.
- For example, GDP is projected to grow at 5.5% this year, 6.5% in FY24 and 7.4% in FY27. GDP grew by 7.2% in FY22. The multilateral lender projected 7.6% growth in private consumption for FY23, down from 13.2% in FY22, while public sector consumption is expected to see negative growth of 7.5% from positive 5.8%.

<https://www.tbsnews.net/economy/recovery-wont-be-faster-until-fy27-imf-projects-577602>

Argentina keen to boost trade ties with Bangladesh

- An Argentine delegation, including the country's businessmen and higher government officials, is set to be here at the end of February as part of the South American country's keen interest to expand bilateral trade relations. Franco Agustin Senilliani Melchior, head of the Economic and Trade Office said this yesterday at a courtesy meeting with the business leaders of the Federation of Bangladesh Chambers of Commerce & Industries (FBCCI).
- "Both countries have a lot of potential to boost trade ties. There is a huge demand for minerals including lithium, olive oil, processed food, raw materials of gold, etc. Argentina could be a good option for Bangladesh for importing these products," Franco Agustin Senilliani said at the meeting held at the FBCCI office.

<https://www.tbsnews.net/economy/argentina-keen-expand-trade-relations-bangladesh-fbcci-577482>

Why IMF approves USD 4.7 Bn against Bangladesh's loan proposal for USD 4.5 Bn

- Many people have questions about why the IMF approved an additional USD 200 Mn in loan to Bangladesh against its proposal for USD 4.5 Bn. The Business Standard spoke to relevant officials at the Ministry of Finance to clarify and learned that the additional amount came thanks to the stronger position of IMF's Special Drawing Rights (SDR) against the dollar.
- Currently one SDR is equal to USD 1.35 which fluctuates over time. Given the calculation, Bangladesh's debt will go up if dollar depreciates further in the future. However, if dollar strengthens against the SDR, the amount of debt in dollars will also decrease. Finance Ministry officials said Bangladesh had proposed a total SDR 3.5 Bn in loan from the IMF.

<https://www.tbsnews.net/economy/why-bangladesh-received-200m-more-against-45b-imf-loan-proposal-577398>

Bangladesh reserves to fall to USD 30 Bn in FY23 before bouncing back: IMF

- The International Monetary Fund estimates that Bangladesh's foreign currency reserves will fall to USD 30 Bn by the end of the 2022-23 fiscal year. The forex reserve amount estimated by the IMF will be enough to cover the country's import spending for about three and a half months. The international lender's projection came in a statement announcing its Executive Board's decision to give USD 4.7 Bn in loans to the country on Tuesday amid ongoing uncertainty in the global economy.

<https://thefinancialexpress.com.bd/economy/bangladesh-reserves-to-fall-to-30bn-in-fy23-before-bouncing-back-imf-1675153783>

Central bank simplifies process of receiving remittances for service providers

- Bangladesh Bank (BB) has simplified the process of receiving foreign currency earned by providing services to foreign institutions, according to a circular issued by the central bank. From now on, there is no need to fill up paper forms to bring the income earned in exchange for services. It can be brought by only online declaration, said the circular issued on Wednesday. It also makes it easy to receive dollar income from freelancing and other services, reports UNB.

<https://thefinancialexpress.com.bd/economy/central-bank-simplifies-process-of-receiving-remittances-for-service-providers-1675263726>

Small industries up the creek

- The government's decision to increase the power tariff twice last month has created undue pressure on small industries that are unable to keep up with rapidly rising production costs, according to various businesspeople. Customers will now end up bearing the brunt of the higher costs of goods sold, they said
- Small companies usually lack the additional investment capacity needed to face the burden of higher input costs and subsequently become less competitive. Abdur Razzak, president of the Bangladesh Engineering Industry Owners Association (BEIOA), said frequent price hikes for power create a burden for small capital-based businesses, such as those in the light engineering sector.

<https://www.thedailystar.net/business/economy/news/small-industries-the-creek-3235726>

JBCCI stresses Japan-Bangladesh partnership deal

- A delegation of the Japan-Bangladesh Chamber of Commerce and Industry (JBCCI) led by its president, Hikari Kawai, made a courtesy call on Commerce Minister Tipu Munshi at his secretariat office in Dhaka yesterday. During the meeting, the delegation briefly discussed ways to enhance bilateral trade and investment, said a press release.
- Kawai gave a brief outline of the JBCCI and its contribution to promoting bilateral trade and laid emphasis for an economic partnership agreement to be signed between Bangladesh and Japan. He mentioned that the JBCCI had formed a standing committee to collect relevant information on signing an EPA.

<https://www.thedailystar.net/business/economy/news/jbcc-stresses-japan-bangladesh-partnership-deal-3234801>

Despite downturn 3 dozen listed firms plan BDT 75 Bn investment

- Despite domestic and external economic headwinds, some three dozen manufacturing companies listed on the Dhaka Stock Exchange are sticking to their guns and going ahead with expansion plans announced in 2022. While demand and growth have both dampened, these companies have made it clear that they aren't going to turn back from the combined investments of nearly BDT 75 Bn – up by 104% from 2021.
- With an eye on the future, as most of these investments will pay dividends a few years from now, businesses are optimistic about the economic gloom being lifted and want to be prepared for a demand surge. These new investments will also create employment for several thousand people.

<https://www.tbsnews.net/economy/despite-downturn-3-dozen-listed-firms-plan-BDT-7500cr-investment-576930>

IMF approves Bangladesh's USD 4.7 Bn loan proposal

- The International Monetary Fund (IMF) approved Bangladesh's USD 4.7 Bn loan proposal during a board meeting on Monday night (BDST). Bangladesh will get about USD 3.3 Bn under the Extended Credit Facility (ECF) and the Extended Fund Facility (EFF) and about USD 1.4 Bn under the Resilience and Sustainability Facility (RSF), an IMF press release on early Tuesday said.
- Besides, the Washington-based multilateral lender's ECF/EFF approval has enabled the immediate disbursement of about USD 476 Mn as the first of the seven installments slated over 42 months. The remaining amount will be in six equal instalments of USD 704 Mn each.

<https://www.tbsnews.net/economy/imf-approves-bangladeshs-45-billion-loan-proposal-576942>

EU ambassador for investing in Bangladesh

- Bangladesh has built a solid partnership with European Union in the recent past and there are areas and opportunities to invest here, said Charles Whiteley, ambassador and head of delegation of the European Union (EU) to Bangladesh.
- During a visit to LafargeHolcim Bangladesh's plant in Chhatak of Sunamganj recently, he said the company had made "the highest foreign direct investment in the construction sector". Going round the facilities, he said, "I am glad to see the health and safety standard, operational excellence, sustainable community development and innovation initiatives taken by the company."

<https://www.thedailystar.net/business/global-economy/news/eu-ambassador-investing-bangladesh-3234826>

Foreign loan pledges fall 60% in H1

- Bangladesh saw a decline in both foreign aid commitments and disbursements in the first half of the current fiscal year, show latest data, thanks to lengthy approval of development project proposals and a lack of spending capacity by government agencies.
- In the July-December period, foreign aid commitments fell by 60% to USD 1.76 Bn – down from USD 4.39 Bn in the same period last fiscal year, according to the Economic Relations Division's (ERD) data published on Sunday. According to ERD's annual borrowing plan, the government expects USD 9.7 Bn in probable commitments in FY23, including budget support.

<https://www.tbsnews.net/economy/foreign-loan-pledges-fall-60-h1-576226>

Businesses suffer for C&F agents' 7-hour strike

- Import-export activities at all customs stations across Bangladesh, including Chattogram port, were suspended for about seven hours yesterday as clearing and forwarding (C&F) agents observed a strike from 9:00am to 4:00pm to drive home their eight-point demand.
- C&F agents had gathered at the main gate of the customs house in Chattogram port, as well as those in other parts of the country, to demand the amendment of laws related to licencing and the HS (harmonised system) code. In addition, they urged authorities to not hold C&F agents liable for mistakes made by importers. The C&F agents eventually withdrew their strike after Abu Hena Md Rahmatul Muneem, chairman of the National Board of Revenue, welcomed them to meet for a discussion on these issues on February 7.

<https://www.thedailystar.net/business/economy/news/businesses-suffer-cf-agents-7-hour-strike-3234886>

Foreign aid flow falling when forex much coveted

- Foreign-aid inflow has been on a slide as Bangladesh received 10% lower assistance in the first half (H1) of the current fiscal year, officials said, when it is needed to recharge reserves. Aid commitment more than halved while release also dropped deeply during the first six months of the fiscal year (FY) 2022-23, official statistics show.
- Governmental austerity measure and tight monetary policy induced by global economic crisis affected the foreign-assistance flow both from within and without. As such, the country received USD 396 Mn less funds in the July-December period, they said Sunday.

<https://thefinancialexpress.com.bd/economy/foreign-aid-flow-falling-when-forex-much-coveted-1675046134>

IMF expected to approve Bangladesh's USD 4.5 Bn loan package on Monday

- Bangladeshi officials have received indications from the International Monetary Fund (IMF) that the multilateral lender's board has agreed in principle to approve the country's loan request. Several officials of the Ministry of Finance said that the IMF will approve the loan for Bangladesh on Monday (30 January).

<https://www.tbsnews.net/economy/imf-expected-approve-bangladeshs-45b-loan-package-monday-576242>

T-bill yields fall

- The Bangladesh Treasury Bill (T-bill) yields fell on Sunday, as banks shown interest in the risk-free government securities. The yield of the 91-day T-bill dropped by 10 basis points to 7.25% on the day, while the 182-day T-Bill declined to 7.48%, also down by 10 basis points. Treasury yield is the effective annual interest rate that the government pays on one of its debt obligations, expressed as a percentage.

<https://thefinancialexpress.com.bd/economy/t-bill-yields-fall-1675050538>

Dollar crisis puts textile millers in a tight spot

- The ongoing dollar shortage in the banking sector is posing a threat to local textile millers and spinners as they are in trouble in opening letters of credit (LCs) to import raw materials and cotton to feed the country's readymade garment industry.
- Owing to the crunch of the American greenback, most of the local banks are currently taking 10 to 15 days more compared to the usual time in the case of opening the LCs. This may affect the import of raw materials such as cotton, dyes chemicals, viscose and staple fibre vital for manufacturing garment items sold in the export markets.

<https://www.thedailystar.net/business/economy/news/dollar-crisis-puts-textile-millers-tight-spot-3234901>

Import slowdown to affect economic growth: ADB country head

- Slowdown in imports and the current dollar liquidity crisis will affect private sector investment down the line, which will contribute to slow growth of the Bangladesh economy, said Edimon Ginting, country director, Bangladesh of the Asian Development Bank (ADB).
- He said the Bangladesh economy was facing headwinds and tailwinds. Explaining that the tailwind was a remnant of the pandemic, he said the headwind was coming from swelling commodity prices following the Russia-Ukraine crisis, which had slowed global economic growth.

<https://www.tbsnews.net/economy/import-slowdown-affect-economic-growth-adb-country-head-576266>

USDA revises up Bangladesh's rice production forecast

- The US Department of Agriculture (USDA) has revised upward its forecast regarding Bangladesh's rice production in the marketing year (MY) 2022-23 beginning from last May. Production of the staple grain is forecasted to be 35.8 Mn tonnes in MY23, up from the USDA's official estimate of 35.6 Mn tonnes, the agency said in its Grain and Feed Update on Bangladesh released by the end of last week.
- The USDA said it increased Bangladesh's rice harvested area and production forecast because of good Aman season rice harvest during the marketing year that begins with Boro and ends with Aman rice.

<https://www.thedailystar.net/business/economy/news/usda-revises-bangladeshs-rice-production-forecast-3233121>

Economic slump drags down growth in VAT collection from big cos

- The growth in revenue collection from big companies has slowed down in the first half of the current fiscal year, a trend that experts and businessmen attributed to policy issues and economic downturns.
- The value-added tax (VAT) collection from the country's 107 large companies saw an overall growth of 9.7% in July-December period of the 2022-23 fiscal year, which was around 13% in the corresponding period of the 2021-22 fiscal year, according to the National Board of Revenue's Large Taxpayers Unit (LTU) data.
- "The nearly 10% growth in large taxpayers' VAT collection occurred mainly due to the increase in commodity prices and inflation. It is not a normal growth," Farid Uddin, a former member of the National Board of Revenue (NBR), told.

<https://www.tbsnews.net/nbr/economic-slump-drags-down-growth-vat-collection-big-cos-576322>

Banking sector needs comprehensive reforms: ADB

- Bangladesh's banking sector now requires comprehensive reforms for the financial sector to become strong enough to augment a transition to an upper middle-income country by 2031, said Edimon Ginting, country director of Asian Development Bank (ADB), yesterday.
- The South Asian country also needs to raise foreign currency inflow, develop human capital and expand the private sector's role, he told a luncheon meeting of the American Chamber of Commerce in Bangladesh (AmCham) at The Westin Dhaka.

<https://www.thedailystar.net/business/economy/news/banking-sector-needs-comprehensive-reforms-adb-3234011>

Three risks ahead

- Higher inflation, debt crisis and severe commodity price shocks are some of the major economic risks Bangladesh may face in the upcoming years, a new survey of executives warned. Other challenges include asset bubble burst and proliferation of illicit economic activity, said the "Executive Opinion Survey" of the World Economic Forum (WEF).
- Businessmen are worried about the safety and security-related issues concerning organized crime, climate-related business risks, and social and political unrest. A major reform needs to be ensured in the case of public institutions dealing with private investments through better transparency, accountability, and efficiency.

<https://www.thedailystar.net/business/economy/news/three-risks-ahead-3234021>

'Local conglomerates lost BDT 650 Bn for dollar price hike'

- Bangladeshi conglomerates counted BDT 650 Bn in losses in the last one year because of the fall of the local currency against the US dollar, which made loans costlier amid global economic volatility, a noted economist said today.
- Previously, the businesses used to spend BDT 8,200 to buy each USD 100, but the same amount of the American greenback has been costing them BDT 10,500 in the last one year, said Ahsan H Mansur, executive director of the Policy Research Institute (PRI).

<https://www.thedailystar.net/business/news/local-conglomerates-lost-tk-65000cr-dollar-price-hike-3233736>

Ministries, divisions with highest allocation lag in ADP implementation

- Annual development programme (ADP) implementation registered a record low of 23.53% progress in the first half of FY23, according to available data, with the execution rate of some of the ministries and divisions that have received the highest allocations is among the lowest. The previous lowest rate of ADP implementation in the July-December period was recorded at 23.54% in FY16.
- Among the 15 ministries and divisions that have got some 83% of the total ADP allocation for this fiscal year, only three – the Bridge Division, the Power Division, and the Ministry of Housing and Public Works – logged over 30% progress in the July-December period of this fiscal year, according to the latest progress report prepared by the Implementation Monitoring and Evaluation Division (IMED).

<https://www.tbsnews.net/economy/ministries-divisions-highest-allocation-lag-adp-implementation-574758>

State banks spend 80% of their forex for govt imports in H1

- With dollar support by the central bank, state-owned commercial banks spent 80% of their foreign currencies for government imports in July-December, keeping the domestic food and energy supply normal.
- In the first six months of FY23, the Bangladesh Bank has sold USD 7.8 Bn, of which USD 7.2 Bn was supplied to the state-owned banks for importing food, fertiliser and energy, according to industry insiders. The state banks in the July-December period cleared USD 10.68 Bn import bills, including USD 8.41 Bn government goods – which is 80% of the total amount.

<https://www.tbsnews.net/economy/state-banks-spend-80-their-forex-govt-imports-h1-574986>

9 more firms recognised as authorised economic operators

- The National Board of Revenue (NBR) has recognised nine more companies, including Fair Electronics and Omera Cylinders, as authorised economic operators – who enjoy some privileges at ports during export-import. Other firms are Shoeniverse Footwear, Jihan Footwear, ACI Godrej Agrovet, Towa Personal Protective Device Bangladesh, Cutting Edge Industries, MBM Garments and Footsteps Bangladesh.
- Firms recognised as authorised economic operators are allowed to take their imported products to their warehouses or factories directly without formalities related to customs at ports. In case of any problem, customs officials will go to the factory of the importer concerned and inspect the goods.

<https://www.tbsnews.net/nbr/9-more-firms-recognised-authorized-economic-operators-574710>

Business climate improves slightly, shows Business Climate Index of MCCI and Policy Exchange

- The business climate in the country improved slightly in 2022 compared to 2021 on the back of progress in the areas such as starting a business, infrastructure and labour regulations, according to the Bangladesh Business Climate Index (BBX).
- The Metropolitan Chamber of Commerce and Industry (MCCI) in Dhaka, and the Policy Exchange of Bangladesh, a private think-tank, jointly prepared the index, which was first launched in 2021 after the World Bank stopped publishing its Ease of Doing Business Index.

<https://www.thedailystar.net/business/economy/news/business-climate-improves-slightly-3231711>

Shipping ministry to implement 35 projects involving BDT 70.75 Bn

- The Ministry of Shipping will implement 35 projects during the ongoing fiscal year of 2022-23 (FY 23) involving a cost of over BDT 70.75 Bn. Of the total projects, 31 are under annual development programme (ADP) while three are managed by the ministry's own finance. The remaining one is a scheme project.
- A high official of the shipping ministry said the ministry at a meeting on Thursday discussed the progress of the projects taken for FY 23. Speaking at the meeting, State Minister for Shipping Khalid Mahmud Chowdhury said that the ministry has achieved a lot, but it has many challenges too.

<https://thefinancialexpress.com.bd/economy/shipping-ministry-to-implement-35-projects-involving-tk-7075b-1674788702>

Govt moves to frame logistics dev policy

- The government has formed a 29-member committee to ensure an efficient transportation of goods and services and the overall development of the logistics sector in Bangladesh.
- The committee will formulate the National Logistics Development Policy, provide policy support and facilitate existing policy frameworks to attract investment in the logistics sector. It will also provide overall guidance in formulating policies and development strategies for the logistics sub-sector.

<https://www.thedailystar.net/business/economy/news/govt-moves-frame-logistics-dev-policy-3233181>

Additional BDT 26.82 Bn sought for Padma Bridge project

- The Bridges Division has sought an additional BDT 26.82 Bn for the Padma Multipurpose Bridge project in the 3rd Revised Development Project Proposal, which was sent to the Planning Commission.
- According to the revised proposal, the reasons for the additional fund include currency fluctuation, design change in pile foundation, increase in VAT (value-added tax) and income tax due to change in legislation, increased cost due to the design of 400kV transmission tower foundation platforms, design change in Mawa River training work, additional works for operation and maintenance and other civil works and bridge opening ceremony etc.

<https://www.tbsnews.net/bangladesh/infrastructure/additional-BDT2682cr-sought-padma-bridge-project-575246>

Investment proposals rise in 2022

- Investment proposals in the country increased last year compared to the previous year as a result of different initiatives taken by Bida to attract investors.
- According to Bida, the total investment proposals last year were worth around BDT 468.43 Bn, which was around BDT 406.33 Bn in 2021. In October-December last year, 303 industrial units placed around BDT 326.55 Bn investment proposals.

<https://www.tbsnews.net/economy/investment-proposals-rise-2022-575354>

FBCCI seeks PM's directives on not increasing gas price over 57%

- The apex body of businesses has sought Prime Minister Sheikh Hasina's directives to not increase the gas price over 57% for captive and other sectors instead of a maximum 179% hike announced recently.
- In a letter on 25 January, FBCCI also requested the prime minister to implement the new price from April. On 18 January, the Energy and Mineral Resources Division announced the new gas price with a maximum 179% increase effective from February.

<https://www.tbsnews.net/bangladesh/energy/fbcci-seeks-pms-directives-not-increasing-gas-price-over-57-574750>

UN cuts Bangladesh's growth forecast

- The United Nations (UN) has trimmed its forecast on Bangladesh's economic growth to 6% for 2023 from its previous projection of 6.4% as the country's economic situation has significantly deteriorated due to high food and energy prices, monetary tightening and fiscal vulnerabilities.
- The UN also projected deceleration of global economic growth from an estimated 3% in 2022 to only 1.9% this year, marking one of the lowest growth rates in recent decades.

<https://www.thedailystar.net/business/economy/news/un-cuts-bangladeshs-growth-forecast-3231696>

Use of foreign fund in ADP far below target

- Apart from export and remittance earnings, the government has placed importance on securing more foreign funding in the current fiscal year to shield the country's foreign currency reserves from depletion. However, the implementation of foreign-funded projects under the Annual Development Programme (ADP) remains slow, with just 26.5% of the allocation being spent in the first six months of 2022-23.

<https://www.thedailystar.net/business/economy/news/use-foreign-fund-adp-far-below-target-3231671>

Higher input, dollar costs take gloss off paint industry

- Like other sectors, the paint industry in Bangladesh is in troubled waters as the US dollar crunch has made it difficult for manufacturers to import raw materials in line with their demand. Paint manufacturers had posted solid growth in the five to six years on the back of consumption in both urban and rural areas and rising per capita income, before the economic slowdown caused by the coronavirus pandemic and the Russia-Ukraine war hurt sales, industry insiders say.
- Now, owing to the US dollar shortage, the opening of letters of credit (LCs) has fallen, as the Bangladesh Bank has tightened rules to discourage the imports of non-essential and luxury items in order to save the foreign currency reserves from fast depletion.

<https://www.thedailystar.net/business/economy/news/higher-input-dollar-costs-take-gloss-paint-industry-3233231>

Sugar turning bitter!

- Refiners hike sugar prices by BDT 5 per kg – third time in 6 months. Amid this situation, the Bangladesh Sugar Refiners Association on Thursday increased the prices of sugar by BDT 5 per kilogram. Loose refined sugar will now cost BDT 107 per kg and packaged refined sugar BDT 112. The new prices will come into effect on 1 February.
- High prices in the global market, difficulties in opening letters of credit (LCs) due to the ongoing dollar crunch, and high tariffs on imports have already created a supply crunch of sugar in the local market – a situation that traders and stakeholders say could worsen in the upcoming Ramadan.

<https://www.tbsnews.net/markets/sugar-turning-bitter-574746>

Call money rate rises to 7% amid liquidity shortage

- The inter-bank call money rate soared to its highest cap at 7.0% -- a rise by nearly 200 per cent in a year since January 2022 -- on Wednesday amid a liquidity crisis on the financial market. Withdrawal of deposits on the grounds of higher inflation and panic withdrawals from banks following loan irregularities in several banks are believed to be the main reason behind the liquidity shortage.

<https://thefinancialexpress.com.bd/economy/call-money-rate-rises-to-7pc-amid-liquidity-shortage-1674788045>

Important News: Capital Market

RENATA | Renata's profit drops 36% in Oct-Dec quarter

- One of Bangladesh's leading drugmakers, Renata Limited experienced a shrink of 36% in profit in the second quarter of FY2023 due to the raw materials price hike caused by the dollar crisis. In the October-December quarter, the company's earnings per share (EPS) was BDT 7.66, which was BDT 11.89 a year ago.
- At the end of the first quarter of FY2023, its EPS stood at BDT 18.52, which was also 23% lower than the previous year. The company also fell into a net operating cash crisis, it showed a net operating cash flow per share of BDT 2.50 negative.

<https://www.tbsnews.net/economy/stocks/renatas-profit-drops-36-oct-dec-quarter-577678>

SAPORTL | Summit Alliance Port clocks 91% higher profit in Q2

- Summit Alliance Port Limited (SAPL) posted nearly 91% spike in profit to BDT 99.5 Mn in the second quarter of the current financial year of 2022-23. The inland container depot and container freight service provider made a profit of BDT 52.1 Mn in the October-December quarter of the previous financial year.
- Thus, the consolidated earnings per share (EPS) was BDT 0.42 in October-December of FY23 compared to BDT 0.22 in the same quarter of FY22, according to the un-audited financial statements.

<https://www.thedailystar.net/business/economy/news/summit-alliance-port-clocks-91-higher-profit-q2-3236796>

SSSTEEL | SS Steel declares 2% cash and 8% stock dividend

- SS Steel Limited has declared a 2% cash dividend only for its general shareholders and 8% stock for all for the financial year 2021-22 that ended on 30 June. The company said in its price sensitive statement filed at the Dhaka Stock Exchange (DSE), that the board of the company has decided to purchase a land at cost of BDT 300 Mn on purpose of constructing factory and installation capital machineries for business expansion. That is why it declared the stock dividend.
- The company further informed that the declared dividend will be disbursed after getting approval from the Bangladesh Securities and Exchange Commission (BSEC). To approve the dividends and annual audited financial report the company will conduct the annual general meeting on 30 March.

<https://www.tbsnews.net/economy/stocks/ss-steel-declares-2-cash-and-8-stock-dividend-577862>

ACI | Shwapno posts 31% sales growth

- Bangladesh's largest retail chain Shwapno registered 31% year-on-year growth in sales in the July to December period of 2022-23. Its revenue stood at BDT 8.40 Bn in the period, which was BDT 6.41 Bn in the same period of the previous year. The data was found in the financial report of ACI Ltd, the owning company of Shwapno.

<https://www.thedailystar.net/business/organisation-news/news/shwapno-posts-31-sales-growth-3236791>

OLYMPIC | Olympic shines amid inflation

- The soaring prices of raw materials, supply chain disruptions, and other economic uncertainties seemed to be not much of a challenge for Olympic Industries in the July to December period of the ongoing fiscal year. According to its unaudited financial statement in the first half of fiscal 2022-23, the company's net profit jumped 46% year-on-year and stood at BDT 1.05 Bn, nearing its previous fiscal's annual profit of BDT 1.20 Bn.
- In the July to December period, the company's revenue also increased by 32% to BDT 13.63 Bn, compared to the same six months a year ago. Olympic registered growths in both the local sales and exports of its products which explains the revenue upsurge.

<https://www.tbsnews.net/economy/stocks/olympic-shines-amid-inflation-577534>

IFADAUTO | Ifad Auto suffers losses due to weak taka

- Ashok Leyland vehicle distributor Ifad Autos Limited fell into losses in the first half of the fiscal 2022-23 due to the depreciation of the taka against the dollar. Its net loss stood at BDT 172.7 Mn, compared to a net profit of BDT 246.3 Mn in the same period of the previous fiscal year.
- In a filing on the Dhaka Stock Exchange (DSE), the company said it incurred foreign currency losses of BDT 520 Mn in the July-December period, which were only BDT 20 Mn a year ago.

<https://www.tbsnews.net/economy/stocks/ifad-autos-profit-shrinks-over-75-577674>

GP | GP profits down by BDT 4 Bn

- Grameenphone's profits dropped by around BDT 4 Bn in 2022 mainly due to a ban on the sale of its SIM for six months. The largest listed telecom company's profit after tax dropped by 11% to BDT 30.10 Bn in the year ending recently. It was BDT 34.12 Bn in 2021.
- Thus, its earnings per share stood at BDT 22.29 whereas it was BDT 25.28 previously. Its profit margin dropped to 20% in the year which was 24% in 2021. Though its profits fell, the telecom company's revenue crossed BDT 150 Bn for the first time. In the previous year, its revenue amounted to BDT 143 Bn.

<https://www.thedailystar.net/business/economy/news/gp-profits-down-BDT-400cr-3234881>

ATLASTBANG | Atlas loss extends

- Atlas Bangladesh Ltd suffered a loss of BDT 27.2 Mn in the first quarter of the current financial year. The state-owned motorcycle manufacturer and importer posted a loss of BDT 18.9 Mn in the October-December quarter a year earlier.
- Thus, Atlas Bangladesh reported a loss of BDT 0.82 per share in October-December of 2022-23. The EPS stood at BDT 0.57 negative in the same quarter in the previous year. The company also suffered a loss of BDT 21.5 Mn in the first quarter of FY23.

<https://www.thedailystar.net/business/economy/news/atlas-loss-extends-3234861>

POWERGRID | Power Grid sinks into losses

- The Power Grid Company of Bangladesh, a state-run listed electricity grid management and transmission entity, incurred a loss in the first half of the financial year of 2022-23 in spite of securing higher sales. It was mainly due to a massive loss incurred for the depreciation of the local currency against foreign ones, said the company.
- Its revenue grew 5.5% year-on-year to BDT 12.25 Bn during the July-December period. However, this could not prevent the company from incurring a loss of BDT 2.81 Bn. It had logged a profit of BDT 1.96 Bn in the same period of the previous year.

<https://www.thedailystar.net/business/economy/news/power-grid-sinks-losses-3235626>

GP | Grameenphone retains growth momentum despite ban on SIM sales

- Grameenphone Ltd registered a 5.1% year-on-year revenue growth in the calendar year 2022, continuing growth for the seventh consecutive quarter in the October-December period, despite a regulatory ban on its new SIM card sales during the second half of that year.
- Over the year, Grameenphone's subscriber base shrank by 5%, but increased investment in networks ensured that its internet data use grew by 38.8% compared to 2021, likely offsetting the impact of a reduced subscriber pool. In the fourth quarter of 2022, the telecom giant invested over BDT 5 Bn on network coverage and expansion, reaching the milestone of 20,000 site infrastructures as well as 19,600 4G site infrastructures. That took its 4G user base to 34.2 Mn, a 23.6% increase compared to 2021.

<https://www.tbsnews.net/economy/stocks/grameenphone-retains-growth-momentum-despite-ban-sim-sales-577514>

APEXFOOT | Apex Footwear's revenue jumped 42% in first half of FY23

- Apex Footwear Limited reported a 42% growth in revenue in the first half of the fiscal year 2022-23. During the period, its revenue stood at BDT 8.01 Bn, which was BDT 5.66 Bn a year ago during the same period. Its net profit also jumped by 42% to BDT 67.7 Mn in the July-December period. Its earnings per share stood at BDT 5.22.

<https://www.tbsnews.net/economy/stocks/apex-footwears-revenue-jumped-42-first-half-fy23-577466>

SQURPHARMA | Square Pharma's half-yearly profit crosses BDT 10 Bn

- The biannual profit of the country's leading drugmaker Square Pharmaceuticals Limited exceeds BDT 10 Bn for the first time with a double-digit growth whereas other drug manufacturers struggle to gain amid inflation and the energy crisis.
- In the July-December period of the fiscal year 2022-23, the company's net profit stood at BDT 10.63 Bn, which is 10% higher than the previous year's corresponding period. Its earnings per share stood at BDT 11.99 during the period. Square Pharma's revenue also grew by 11% to BDT 32.26 Bn in the first half of the current fiscal year.

<https://www.tbsnews.net/economy/stocks/square-pharmas-half-yearly-profit-crosses-tk1000cr-576902>

DESCO | Bulk power tariff hikes push Desco into losses

- The listed power distributor Dhaka Electric Supply Company (Desco) incurred a loss in the October-December quarter of the current fiscal year as it had to purchase bulk power at higher rates, although its retail price remained the same.
- Officials at the state-owned company have attributed the loss to administrative and other expenses, finance costs, fluctuations in currency exchange rates and bulk electricity price hikes. The distributor posted a BDT 37.7 Mn loss in the three-month period compared to a BDT 153.8 Mn profit in the same period of the last fiscal year, according to its stock exchange disclosure on Monday.

<https://www.tbsnews.net/economy/stocks/bulk-power-tariff-hikes-push-desco-losses-576894>

SIBL | SIBL's chairman, AMD resign

- Social Islami Bank Limited's Chairman Md Mahub Ul Alam and Additional Managing Director Abu Reza Md Yeahia resigned last week. Both cited "personal reasons" in their resignation letters, according to officials of the Shariah-based bank on condition of anonymity.

<https://www.thedailystar.net/business/economy/news/sibls-chairman-amd-resign-3234896>

WALTONHIL | Walton's profit declines by 63.41% in second quarter

- The profit of Walton Hi-Tech Industries, the country's leading electronics and technology company, has decreased 63.41% in the second quarter due to a number of factors including significant increase in the value of the Dollar compared to the Taka, increase in the cost of raw materials and freights, and the impact of the ongoing global crisis.
- From October to December 2022, the revenue of the company was BDT 11.08 Bn, which was BDT ` 14.32 Bn in the same period of the previous year. During the period, its net profit after tax dropped by 63.41% to BDT 604.6 Mn. Its earnings per share were BDT 2, which was BDT 5.45 one year ago.

<https://www.tbsnews.net/economy/stocks/waltons-profit-declines-6341-second-quarter-574262>

CROWNCMNT | Crown Cement's profit surges in Q2

- Crown Cement PLC reported a 371% surge in profit in the second quarter of the ongoing financial year on the back of higher sales. The cement manufacturer raked in BDT 147 Mn in profit in the October-December quarter of 2022-23, up from BDT 31.2 Mn reported in the identical quarter of 2021-22, according to the un-audited financial statements.
- Thus, Crown Cement posted earnings per share of BDT 0.99 for October-December against BDT 0.21 in the same quarter of FY22. The EPS climbed in the second quarter thanks to an increase in revenue, said the cement maker in a filing on the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/news/crown-cements-profit-surges-q2-3233986>

AMCL(PRAN) | Economic crises drags down profits of 2 Pran concerns in Dec quarter

- The net profit of two sister concerns of the Pran-RFL Group – Agricultural Marketing Company Ltd (AMCL) and Rangpur Foundry Ltd (RFL) – declined in the October to December quarter of the current fiscal year due to fuel price hikes and a decrease in their exports amid the global economic crises, according to the financial disclosure by the companies.
- The net profit of AMCL-Pran which produces various food items went down by 8.33% in the second quarter of the current fiscal year compared to the same period of the previous fiscal year. The net profit of Rangpur Foundry – a manufacturer of cast iron products – came down by 5.71% compared to the same period of the previous year.

<https://www.tbsnews.net/economy/economic-crises-drags-down-profits-2-pran-concerns-dec-quarter-576290>

NPOLYMER | Taka devaluation erodes National Polymer profit by 94%

- National Polymer Industries' profit dropped by 94% in the first half of FY23 due to a significant foreign exchange loss caused by the devaluation of the taka against the dollar.
- The company, which manufactures PVC pipes, PVC doors, and bottle-grade PVC compounds, and sells products in both local and international markets, reported an earnings per share of BDT 0.08 in the July-December period of FY23, which was BDT 1.27 a year ago.

<https://www.tbsnews.net/economy/stocks/taka-devaluation-erodes-national-polymer-profit-94-575702>

PADMAOIL | Padma Oil's profit jumps 50%

- The Padma Oil Company saw a big jump in profits in the October-December period of 2022 thanks to an increase in its non-operating income and higher sales volume. The state-run company's earnings per share surged 50% year-on-year to BDT 8.92 in the second quarter of the current financial year from BDT 5.92 previously, the company said in a posting at the Dhaka Stock Exchange.

<https://www.thedailystar.net/business/economy/news/padma-oils-profit-jumps-50-3233941>

BEXIMCO | Costly raw materials slash two Beximco firms' profits

- The earnings per share (EPS) of Beximco Limited and Beximco Pharmaceuticals saw a year-on-year decrease in the October-December quarter of 2022-23 fiscal year, mainly due to price hikes of raw materials, according to their financial statements. The conglomerate's EPS stood at BDT 3.60 in the second quarter of FY23, which is 19% lower than the same time of the previous year. At the end of the first half, its EPS stood at BDT 7.35, which was BDT 8.48 a year ago.

<https://www.tbsnews.net/economy/stocks/costly-raw-materials-slash-two-beximco-firms-profits-576294>

BRACBANK | Brac Bank launches 'Borenno' for SME customers

- Brac Bank has launched a premium banking service styled "Borenno" for clients in the small and medium enterprise (SME) industry. Selim RF Hussain, managing director of the bank, inaugurated the new service at the bank's head office in Dhaka recently, said a press release. Borenno is a bundle of services for SME priority customers with specialised banking services to fulfil their needs and choices.

<https://www.thedailystar.net/business/economy/news/brac-bank-launches-borenno-sme-customers-3233131>

COPPERTECH | Coppertech's net profit declines 89% in Q2

- The net profit of Coppertech Industries Limited has plunged 89.34% in the second quarter (October-December) of the current fiscal year due to the overall economic slowdown of the country and the globe due to ongoing Russia- Ukraine war.
- According to a disclosure published by the company on Thursday (26 January), from October to December 2022, the revenue of the company stood at BDT 117.5 Mn, which was BDT 257.4 Mn in the same period of the previous year. During the period, its net profit stood at BDT 3.4 Mn compared to BDT 31.9 Mn in the same period of the previous year. Its earnings per share (EPS) stood at BDT 0.05 and its net asset value per share was BDT 13.59.

<https://www.tbsnews.net/economy/stocks/coppertechs-net-profit-declines-89-q2-574306>

BDLAMPS | BD Lamps to invest Mn 3 Mn for new production line

- Electric bulb producer Bangladesh Lamps Limited – commonly known as BD Lamps – is going to set up a new production line for manufacturing accessories at its factory in Narsingdi.
- According to the company's disclosure on the Dhaka Stock Exchange (DSE) website on Thursday, the estimated cost of the project is BDT 32 Mn. But there was no information about the type of products to be manufactured in the new production line.

<https://www.tbsnews.net/economy/industry/bd-lamps-set-new-production-line-574230>

AIL | Alif Industries now allowed to issue new shares to help C&A Textiles

- The Bangladesh Securities and Exchange Commission (BSEC) has allowed Alif Industries – a publicly listed textile company – to issue new shares on behalf of its sponsors and directors, and use the fund to help the scam-hit C&A Textiles.
- Back in May last year, the securities regulator allowed Alif to issue a BDT 3 Bn convertible bond for the same purpose. But that bond is yet to get a subscriber. Therefore, since the company is not getting anywhere with its bond plan to help revive C&A Textiles, it has now decided to issue new shares. The new shares will be issued at BDT 22 each, which is a 40% discount on the weighted average share price in six months.

<https://www.tbsnews.net/economy/stocks/alif-industries-now-allowed-issue-new-shares-help-ca-textiles-575718>

BBSCABLES | Higher costs, strong dollar slash BBS Cables profit by 92%

- BBS Cables Ltd witnessed a big year-on-year drop in profits in the October to December quarter of 2022 owing to its soaring costs of sales as well as the appreciation of dollar against the taka. At the end of the quarter, its net profit dropped by 92% to BDT 19.9 Mn, from BDT 241.1 Mn in the same quarter of 2021. Its earnings per share stood at BDT 0.09 and net asset value per share at BDT 32.76.

<https://www.tbsnews.net/economy/stocks/higher-costs-strong-dollar-slash-bbs-cables-profit-92-574718>

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