EBL ASSET MANAGEMENT LTD.
(A fully owned subsidiary of Eastern Bank Ltd.)

Daily News Snippet

February 4, 2025

Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,145.84
% change	0.38%
DS30 Index	1,909.80
% change	0.08%
DSES Index	1,139.24
% change	0.33%
Turnover (BDT mn)	4,313.31
Turnover (USD mn)	35.36
% change	21.02%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	44,421.91
% change	-0.28%
S&P 500	5,994.57
% change	-0.76%
Nikkei 225	39,267.50
% change	1.61%
FTSE 100	8,583.56
% change	-1.04%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	122.00	122.00
EUR	126.42	126.45
GBP	151.16	151.23
INR	1.41	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
3-Feb-25	9.50 - 11.00	9.95
2-Feb-25	9.50 - 11.00	10.00
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	75.96	-1.04%
Gold Spot, USD/t oz.	2,813.49	0.45%
Cotton, USD/lb.	66.04	0.24%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.38% in the last trading day, closing at 5145.84 points.
- The daily turnover increased by 21.02% in the last trading day.

Global Market

- Some of the key global indices performed negatively in the last trading day; the Dow Jones Industrial Average fell by 0.28%, the S&P 500 fell by 0.76%, and the FTSE 100 fell by 1.04%.
- One of the key Asian indices, the Nikkei 225 rose by 1.61%.

Key Macro Indicators

- The value of the BDT remained stable against some of the major currencies.
- The average overnight rate stood at 9.95%, standing between 9.50% and 11.00%.
- Prices of oil futures fell by 1.04, the price of gold increased by 0.45%, and the price of cotton rose by 0.24%.

Bangladesh Macro Update

Exports grow 11.68pc in Jul-Jan, FY25

- Bangladesh's merchandise-export earnings posted an 11.68% growth to USD 28.97 billion during the first seven months of the current fiscal year, with a January downturn.
- According to Export Promotion Bureau (EPB) data released on Monday, the country's export earnings were USD 25.94 billion during the July-January period of last fiscal year.
- The single-month export earnings in January 2025 also showed a 5.70% year-on-year rise to USD 4.44 billion compared to USD 4.2 billion in January 2024, EPB data revealed.
- The new format of data processing devised through the correction of past trade arithmetic didn't show the period's target.
- Readymade garment (RMG) items, as usual, overwhelmingly dominated the export earnings by recording a 12.00% growth in the July-January period.

News Source:

https://today.thefinancialexpress.com.bd/last-page/exports-grow-1168pc-in-jul-jan-fy25-1738609613

Can high revenue estimate without planning be fruitful? Experts say NO

- The government has set ambitious revenue collection targets for the next three fiscal years, aiming to generate BDT 5.64 lakh crore in FY26, BDT 6.49 lakh crore in FY27, and BDT 7.46 lakh crore in FY28, according to sources with the Ministry of Finance.
- These projections, largely driven by commitments to the International Monetary Fund (IMF) and the need to address the ongoing economic crisis, have raised concerns among economists and policymakers.
- Experts warn that without a well-defined action plan, strong enforcement measures, and structural reforms, these high targets may prove unrealistic, following the pattern of consistent shortfalls in recent years.
- Despite the National Board of Revenue (NBR) repeatedly missing its targets most recently falling BDT 57,700 crore short in the first half of FY25, the government continues to revise revenue projections upwards.
- The Budget Management Committee (BMC) of the Internal Resources Division (IRD) under the Finance Ministry set the revenue collection targets for the next three fiscals, at a recent meeting chaired by its secretary Md Abdur Rahman Khan.

News Source:

https://www.daily-sun.com/post/789980

Tax breaks, cash incentives, low-cost loans on the table for API investors

- Persisting high prices of goods and services despite government interventions have prompted the finance authorities to begin brainstorming to fix the defiant hikers, with focus on demand-pull and cost-push factors.

- The interim government is weighing a set of incentives, including VAT and tax exemptions, cash incentives, and low-interest loans to spur investment in the production of Active Pharmaceutical Ingredients (APIs), the key raw materials for medicines.
- The move comes as the government struggles to attract entrepreneurs to a dedicated industrial park set up for API manufacturing.
- If implemented, this initiative could be a game-changer. Industry insiders estimate that Bangladesh could save USD 1 billion in foreign currency annually by reducing its reliance on imported APIs.
- Not only would this ease pressure on the country's foreign exchange reserves, it could also make medicines more affordable for consumers.
- According to finance ministry sources, the ministry sent a letter to Bangladesh Bank on 2 January, seeking a decision on these proposed incentives.

News Source:

https://www.tbsnews.net/economy/tax-breaks-cash-incentives-low-cost-loans-table-api-investors-1060356

Textile

Apparel exports grew by 12% in Jul-Jan of FY25

- The country's apparel exports grew by 12% year-on-year to USD 23.55 billion in the first seven months of fiscal 2024-25, according to government data.
- Overall exports exceeded USD 4 billion for four consecutive months from October to January.
- In January, shipments reached USD 4.44 billion, marking a 5.70% year-on-year growth, according to Export Promotion Bureau (EPB) data.
- Cumulative export earnings for July-January showed an 11.68% growth compared to the same period last year.
- However, after experiencing consecutive double-digit growth over the previous four months from September to December, the apparel sector's earnings growth slowed to 5.70% in January.

News Source:

https://www.tbsnews.net/economy/rmg/apparel-exports-grew-12-jul-jan-fy25-1059716

Engineering

BD still holds top position in ship-breaking

- Bangladesh maintained its position as the world's top ship-breaking destination in 2024 despite a fall in imports of scrapped vessels compared to 2023.
- The country imported 130 scrapped ships last year which was 23.53% less than 170 ships imported in the preceding year 2023, according to data from the NGO Ship-breaking Platform (NSP).
- However, industry insiders claimed that imports of ship witnessed significant decline both in number and in tonnage due to letter-of-credit (L/C)-opening issues such as US dollar crisis and other related ones.
- They also noted that total tonnage of imported ships fell hinting at a shift towards smaller vessels.

- Obtaining various approvals, including environmental clearances, can take up to two months, accruing bank interest during the delay, according to Hossainul Arefin, executive committee member of Bangladesh Ship Breakers and Recyclers Association (BSBRA).

News Source:

https://today.thefinancialexpress.com.bd/last-page/bd-still-holds-top-position-in-ship-breaking-1738609653

Pharmaceuticals

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- The move comes as the government struggles to attract entrepreneurs to a dedicated industrial park set up for API manufacturing.
- If implemented, this initiative could be a game-changer as industry insiders estimate that Bangladesh could save USD 1 billion in foreign currency annually by reducing its reliance on imported APIs.
- Not only would this ease pressure on the country's foreign exchange reserves, it could also make medicines more affordable for consumers.
- Currently, Bangladesh imports nearly 90% of its APIs, leading to an annual outflow of over USD 1 billion.

News Source:

https://www.tbsnews.net/economy/tax-breaks-cash-incentives-low-cost-loans-table-api-investors-1060356

Energy

Cenbank to provide dollars for power dues from March onwards

- The government has decided to provide dollars from the foreign exchange reserves to pay off outstanding bills in order to ensure a normal supply of electricity ahead of the upcoming Ramadan, summer and irrigation seasons.
- The Bangladesh Bank has agreed to release dollars from March onwards for settling outstanding payments for electricity imported from India, in addition to the independent power producers (IPPs).
- The decision to limit subsidies in the electricity sector and address the increased demand for power during the upcoming summer and irrigation season was made at a meeting.
- The meeting, chaired by Finance Adviser Salehuddin Ahmed, was focused on measures related to the recommendations of the International Monetary Fund.
- "Bangladesh Bank has informed that dollars will be released this February to settle outstanding bills for fertiliser imports, and from March onwards, dollars will be released to clear arrears for electricity payments.

News Source:

https://www.tbsnews.net/bangladesh/energy/cenbank-provide-dollars-power-dues-march-onwards-1060381

Capital Market

Dhaka stocks keep gaining

- Stocks edged up in the morning trade today maintaining the gains from the previous two sessions.
- The new entity will have an authorised capital of BDT 1 billion and a paid-up capital of BDT 100 million, according to the business conglomerate in a stock exchange filing.
- ACI will hold an 85% stake in the subsidiary.
- The setting up of the herbal and nutraceuticals unit is subject to approval of the regulators concerned, including the Directorate General of Drug Administration (DGDA).
- Nutraceuticals are foods or parts of foods that may have health benefits, being in use for disease prevention and treatment.

News Source:

https://www.thedailystar.net/business/news/dhaka-stocks-keep-gaining-3814926

GP declares 170% cash dividend

- The country's largest telecom operator Grameenphone declared a 170% cash dividend for the year 2024.
- Its total cash dividend would be 330% for the year 2024 which represents 122.73% of the profit for the year 2024, inclusive of 160% interim cash dividend which has already been paid.
- To approve the audited financial statements and dividend, the company will conduct the annual general meeting that scheduled on 23 April, and the record date is 26 February.
- In the last year, its earnings per share was BDT 26.89, increased from BDT 24.49 in the previous year.
- Following the dividend declaration, its share rose by 0.45% to reach BDT 338.50 in the opening session on Tuesday.

News Source:

https://www.tbsnews.net/economy/stocks/gp-declares-170-cash-dividend-1060401

Market intermediaries feel forced to shut down business amid low turnovers

- Prolonged bearish trend of the country's capital market threatens the survival of intermediaries.
- A majority of them are unable to meet expenses with income derived from operations.
- Many of them said that they would have to close business if the market failed to bounce back.
- The intermediaries generate income in the form of commissions or charges on services provided to clients and by managing their own portfolios, IPOs (initial public offerings) and mutual funds.
- The stockbrokers, which are comparatively stronger financially, have continued operations with the advantage of large capitals.

News Source:

https://today.thefinancialexpress.com.bd/stock-corporate/market-intermediaries-feel-forced-to-shut-down-business-amid-low-turnovers-1738605392