Daily News Snippet

February 17, 2025

Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,198.78
% change	-0.05%
DS30 Index	1,921.64
% change	0.13%
DSES Index	1,153.60
% change	-0.18%
Turnover (BDT mn)	4,159.60
Turnover (USD mn)	34.10
% change	3.53%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	44,711.43
% change	0.00%
S&P 500	6,115.07
% change	0.00%
Nikkei 225	39,461.47
% change	0.00%
FTSE 100	8,764.72
% change	0.00%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	122.00	122.00
EUR	127.99	128.04
GBP	153.54	153.57
INR	1.41	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
16-Feb-25	9.75 - 11.00	10.05
13-Feb-25	9.75 - 11.00	10.05
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	74.38	-0.85%
Gold Spot, USD/t oz.	2,879.31	-1.70%
Cotton, USD/lb.	66.83	0.00%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.05% in the last trading day, closing at 5198.78 points.
- The daily turnover increased by 3.53% in the last trading day.

Global Market

- Some of the major global indices were closed during the last trading day.
- One of the key Asian indices, the Nikkei 225 was closed.

Key Macro Indicators

- The value of the BDT fell against the EUR, GBP, and INR, and remained stable against the USD.
- The average overnight rate stood at 10.05%, standing between 9.75% and 11.00%.
- The price of oil futures fell by 0.85%, the price of gold fell by 1.70%. The market for cotton was closed.

Bangladesh Macro Update

Gold import not affordable now

- Luxury loses priority for now as the government is unable to facilitate gold import presently for foreign-currency crunch as import essentials like rice, fuels and so weighs on uncomfortable level of reserves.
- Chairman of the National Board of Revenue (NBR) Md Abdur Rahman Khan unveiled such priority reset as Bangladesh Bank made public its struggle to pay import bills as the banking sector has "almost been emptied" by the past government.
- Md Abdur Rahman Khan informed Bangladesh Jewelers' Association (BAJUS) about the situation in a meeting with its leaders on the NBR premises following pleas for lowering import duty on foreign diamond buys.
- On the contrary, the revenue-board chief hinted at imposing Advance Income Tax (AIT) on jewelry imports-in the wake of the interim government's hunt for higher revenues for deficit financing.
- Leaders of BAJUS have raised complaints on existing complexities on the import of gold-which, reports say, results in influx of the precious metal through informal ways.

News Source:

https://today.thefinancialexpress.com.bd/first-page/gold-import-not-affordable-now-1739730278

Interim govt drafts plan, eyes full digital economy, smart governance by 2030

- The interim government eyes expediting the country's digital transformation for a "full digital economy and smart governance" by 2030, a decade ahead of the Awami League government's "Smart Bangladesh by 2041" plan.
- According to a draft of the "National Digital Transformation Strategy," all the digital public infrastructure with artificial intelligence (AI)-powered predictive governance will be implemented in the next six years to make Bangladesh a top 15 nation in the UN E-Government Development Index.
- Within the same deadline, the government targets a "digital economy at scale" including a USD 5 billion ICT export, a 50% increase in startup funding and global partnerships and making Bangladesh an AI and 4IR hub in South Asia.
- The country will have some 7-8 million ICT professionals by 2030, the paper says.

News Source:

https://www.tbsnews.net/bangladesh/new-strategy-paper-eyes-full-digital-economy-smart-governance-2030-1069446

Income tax return deadline ends, NBR says no further extension

- The National Board of Revenue (NBR) has announced that the penalty-free period for filing income tax returns has ended, and no further extensions will be granted.
- Initially set for November, the deadline was extended by 2.5 months in three phases, finally expiring today.

- NBR Chairman Abdur Rahman Khan confirmed the decision during a meeting at the NBR headquarters in the capital's Agargaon.
- Meanwhile, in a press release issued, the NBR clarified that tax returns can still be filed after the deadline and throughout the year, but certain benefits will no longer be applicable.

News Source:

https://www.tbsnews.net/economy/income-tax-return-deadline-ends-nbr-says-no-further-extension-1070126

Sectoral Update

Banks, NBFIs, and Insurance

Banks begin lowering both deposit, lending rates

- A downturn in gains from investment in government securities prompts banks to begin lowering deposit and lending rates both with their attention now switched to private-sector lending, sources say.
- According to bankers and money-market analysts, initially, the commercial lenders are cutting down rates on deposit and advances for corporate entities and planned to do the same for the commoners from April next under the gradually-changing scenario in interest regime.
- Amid the persisting economic sluggishness because of the business uncertainties after the recent mass uprising, the banks have been using the high-yield investment window of treasury bills and bonds to make some sort of profits even in the existing low-lending regime.
- But since early December last, the cut-off yield gains from treasury bills (T-bills) and bonds (T-bonds) continue falling.
- The fall forces the bankers to go for a revision of the interest arithmetic despite the tight monetary-policy stance of the Bangladesh Bank (BB), the country's central bank, to squeeze money supply in a prolonged inflation combat.

News Source:

https://today.thefinancialexpress.com.bd/first-page/banks-begin-lowering-both-deposit-lending-rates-1739730169

Textile

Apparel exports to Europe, US post robust growth

- Bangladesh's apparel shipments to key export markets—Europe and the US—posted robust growth in the first seven months of the current fiscal year of 2024-25.
- This ushered in hopes that work orders would continue to come in increasing quantities, as some orders had been diverted from China amid tariff wars between the world's two biggest economies.
- Exports to the European Union shot up 13.91% year-over-year to USD 11.81 billion in the July–January period of fiscal year 2024-25.
- In the case of the US, the single biggest market for Bangladesh's garments, clothing shipments surged 16.45% to USD 4.47 billion in the first seven months of this fiscal year.

- With this growth, the share of exports to the EU increased to 50.15% in the July–January period of this fiscal year, up from 49.31% in the same period a year ago.

News Source:

https://www.thedailystar.net/business/news/apparel-exports-europe-us-post-robust-growth-3826086

Telecommunication

HC issues rule on unused mobile data and minutes carryover

- The High Court on Sunday issued a rule upon the respondents to explain why they should not be directed to include the unused mobile internet data, talk time and SMSs in the next packages purchased by the users.
- The respondents including the Posts and Telecommunications secretary and the chairman of Bangladesh Telecom Regulatory Commission (BTRC) have been asked to comply with the rule within the next four weeks.
- The High Court bench of Justice Fatema Najib and Justice Sikder Mahmudur Razi passed the order after hearing a writ petition filed in this regard.
- Supreme Court lawyer Md Mizanur Rahman filed the writ petition as a public interest litigation.
- The lawyer in his plea said that no telecom companies are following the BTRC rule of adding the unused internet data, talk time and SMSs in the next package and doing whatever they want.

News Source:

https://today.thefinancialexpress.com.bd/last-page/hc-issues-rule-on-unused-mobile-data-and-minutes-carryover-1739730761

Energy

US company wants undoing of PPA termination

- Five years after the power-purchase agreement (PPA) was terminated, SunEdison USA has sought permission to build a 200-megawatt solar power plant in seaside Cox's Bazar.
- After the regime change in Bangladesh the Missouri-based renewable energy giant, which wanted to invest USD 200 million in the stalled project, has submitted an appeal to the energy adviser of the interim government with the hope of revocation of the PPA termination.
- The energy division recently sent the application to Bangladesh Power Development Board (BPDB) for its opinion about processing the SunEdison plea, according to officials.
- The company also seeks approval for granting a new site and extension of commercial operation date (COD) for the project.
- SunEdison's Consulting Director for Business Development Mohammad Abdur Rab in the application cited that SunEdison USA, through its wholly-owned Singapore Subsidiary and Bangladesh SPV Southern Solar Power Ltd, signed a 200mw solar PPA with BPDB in January 2017.

News Source:

https://today.thefinancialexpress.com.bd/first-page/us-company-wants-undoing-of-ppa-termination-1739730417

Service charges decrease to 5.0pc from 9.0pc

- The government has reduced the service charges on the import of high-sulfur fuel oil (HFO), also known as furnace oil, to 5% from previous 9% to lower the electricity generation costs.
- State-run Bangladesh Power Development Board (BPDB) sent letters to all 48 privately-owned power companies, who have been importing HFO to generate electricity in their power plants.
- The move is expected to save the cash-starved BPDB several billion taka annually.
- In 2011, the government allowed a few privately-owned power plant owners to import HFO.
- Later, most of the private power plant operators were permitted to import HFO with an additional 9% service charge.

News Source:

https://today.thefinancialexpress.com.bd/last-page/service-charges-decrease-to-50pc-from-90pc-1739730721

Capital Market

Stocks remain almost flat

- Dhaka stocks remained almost flat today with a slight fall, reversing the gains it made in the previous season.
- The DSEX, the key index of the Dhaka Stock Exchange (DSE), dropped 2.69 points, or 0.05%, to close at 5,198.78.
- Among the traded securities, 138 advanced, 196 declined, and 75 remained unchanged.
- Despite the drop in index, the turnover increased 3% to BDT 415.95 crore compared to the previous session.
- The Shariah-based DSES index gained 0.29% to 1,155.72 points, while the blue-chip DS30 index edged up 0.29% to 1,919.11.

News Source:

https://thedailystar.net/business/news/stocks-remain-almost-flat-3825381