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# Daily News Snippet

**February 18, 2025**

| Bangladesh Market | |
|---|---|
| **Major Indices** | **Last closing** |
| DSEX Index | 5,211.53 |
| % change | 0.25% |
| DS30 Index | 1,928.33 |
| % change | 0.35% |
| DSES Index | 1,160.64 |
| % change | 0.61% |
| Turnover (BDT mn) | 4,435.66 |
| Turnover (USD mn) | 36.36 |
| % change | 6.64% |
| ***Source: Dhaka Stock Exchange*** | |

| International Market | |
|---|---|
| **Major Indices** | **Last closing** |
| Dow Jones Industrial Average | 44,711.43 |
| % change | 0.00% |
| S&P 500 | 6,126.75 |
| % change | 0.19% |
| Nikkei 225 | 39,161.50 |
| % change | 0.15% |
| FTSE 100 | 8,768.01 |
| % change | 0.04% |
| ***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** |
| 17-Feb-25 | 9.75 - 11.00 | 10.10 |
| 16-Feb-25 | 9.75 - 11.00 | 10.05 |
| ***Source: BB*** | | |

| Commodities | | |
|---|---|---|
| **Major Commodities** | **Price** | **% Change** |
| Brent Crude (Oil), USD/bbl. | 75.22 | 1.13% |
| Gold Spot, USD/t oz. | 2,899.22 | 0.69% |
| Cotton, USD/lb. | 66.83 | 0.00% |
| ***Source: Bloomberg*** | | |

## Market Summary

## Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.25% in the last trading day, closing at 5211.53 points.
- The daily turnover increased by 6.64% in the last trading day.

## Global Market

- Some of the key global indices performed positively in the last trading day; the Dow Jones Industrial Average was closed, the S&P 500 rose by 0.19%, and the FTSE 100 rose by 0.04%.
- One of the key Asian indices, the Nikkei 225 rose by 0.15%.

## Key Macro Indicators

- The value of the BDT remained stable against some of the major currencies.
- The average overnight rate stood at 10.10%, standing between 9.75% and 11.00%.
- The price of oil futures increased by 1.13%, the price of gold increased by 0.69%. The market for cotton was closed.

### Bangladesh Macro Update

## GDP growth to stay low in FY25: Finance adviser

- The country's GDP growth will remain low this fiscal year, Finance Adviser Salehuddin Ahmed said today, amid grim forecasts from international groups including the World Bank and the Asian Development Bank due to various economic challenges.
- Salehuddin Ahmed further assured that essential supplies, such as rice and pulses, would not be in short supply, as the government has taken necessary measures to ensure people's livelihoods are secure.
- The finance adviser acknowledged that, despite undertaking several reform initiatives, significant progress would be limited.
- Salehuddin Ahmed expressed confidence in leaving a lasting impact, particularly in implementing the policy and administrative separation of the National Board of Revenue (NBR).

**News Source:**

https://www.tbsnews.net/economy/growth-wont-be-high-year-thats-no-reason-panic-finance-adviser-1071141

## IMF delays fourth tranche of $4.7 billion loan again

- The International Monetary Fund (IMF) has once again delayed the disbursement of the fourth tranche – amounting to USD 645 million of its USD 4.7 billion loan to Bangladesh, according to Finance Adviser Salehuddin Ahmed.
- The proposal for both the fourth and fifth tranches will now be presented together at the IMF executive board meeting in June, instead of the previously scheduled March meeting, the Finance Adviser told journalists following the Deputy Commissioners' Conference at the Ministry of Finance today.
- According to finance ministry officials, the delay is due to Bangladesh's failure to meet two key IMF conditions.
- One was to fully allow the foreign exchange rate to be determined by the market.
- The other was to collect an additional BDT 12,000 crore in VAT beyond the government's target for the current fiscal year.

**News Source:**

https://www.tbsnews.net/bangladesh/imf-delays-fourth-tranche-47-billion-loan-bangladesh-again-1070546

## Tax collection trails target with growth in negative trajectory

- Tax collection against the submitted returns declined 1.53% despite extending submission time thrice and the number of returns having increased by 150,000, possibly as the well-off remain on the run.
- On the other hand, the overall tax receipt by the revenue board trails the target far off in the first half of the current financial year, 2024-25.
- The deadline for submission of individuals' tax return expired Sunday.
- Since July 2024 till February 16, 2025, the National Board of Revenue (NBR) had received BDT 62.44 billion from returns against BDT 63.42 billion in the same period last year, official data showed.

- Talking to the FE Monday, income-tax member (Board admin) of the revenue board GM Abul Kalam Kaikobad said there is no reason to get worried on decline in tax collection from tax returns as overall return submission grew satisfactorily amid several economic challenges.

**News Source:**

https://today.thefinancialexpress.com.bd/first-page/tax-collection-trails-target-with-growth-in-negative-trajectory-1739815447

## Sectoral Update

### Banks, NBFIs, and Insurance

## Bank loan rescheduling rises Tk1,922cr in Jan-Sep

- In the first nine months of 2024, rescheduled defaulted loans in the banking sector increased by BDT 1,922 crore, with bankers attributing the increase to a significant rise in fresh non-performing loans.
- According to data from the Bangladesh Bank, banks rescheduled loans totalling BDT 20,732 crore from January to September last year, an increase from BDT 18,810 crore in the equivalent period of 2023.
- Despite the rise in rescheduling, non-performing loans in the banking sector are growing rapidly, with the total standing at BDT 2.85 lakh crore, or nearly 17% of the country's outstanding loans, estimated at BDT 16.83 lakh crore, as of September 2024.
- Bankers noted that under the ousted Awami League government, concessions were provided to reduce the exposure of defaulters, with the loan rescheduling policy simplified and the process delegated to banks in 2022, leading to a significant increase in rescheduling.

**News Source:**

https://www.tbsnews.net/economy/banking/bank-loan-rescheduling-rises-tk1922cr-jan-sep-1071316

## BB to fix banks if deemed 'non-viable': Final draft law

- The Bangladesh Bank has finalized the draft of the Bank Resolution Ordinance, 2025, equipping itself with provisions that allow it to resolve, meaning intervene and take corrective action against banks it deems non-viable.
- The Bangladesh Bank's resolution powers will include appointing a temporary administrator, raising capital through new or existing shareholders, transferring the bank's shares, assets, and liabilities to a third party.
- It will be done by establishing a bridge bank to maintain critical functions and viable operations, and selling the bank to a third party, according to the draft ordinance published by the Financial Institutions Division (FID) on its website yesterday.
- Under the proposed law, the central bank will establish a separate department to exercise its resolution powers over scheduled banks. It will also create a Bank Restructuring and Resolution Fund.

**News Source:**

https://www.tbsnews.net/economy/banking/bb-fix-banks-if-deemed-non-viable-final-draft-law-1071326

### Textile

## Financial hardship crumbles RMG workers' participation

- Financial constraints, followed by fears of job cuts, premium loss and uncertainty of seamless premium, are top reasons that bar ready-made garment workers from participating in Universal Pension Scheme (UPS), according to a latest study.
- About 99% of the surveyed RMG workers were found uninterested in the UPS.
- Majority or 90.6% of workers cited financial constraints and 6.7% expressed concerns over the scheme's long-term sustainability.
- Some 2.7% of the surveyed workers have been found unaware of the UPS.
- The study, however, has found that only 1.3% of the surveyed workers have so far enrolled in 'Progoti' scheme which was introduced in August 2023.

**News Source:**

https://today.thefinancialexpress.com.bd/first-page/financial-hardship-crumbles-rmg-workers-participation-1739815582

## Buyers urge Bangladesh’s RMG suppliers to comply with Human Rights Due Diligence

- Bangladesh's buyers and brand representatives have urged the country's ready-made garment (RMG) suppliers to recognise and comply with the European Union's new policy, Human Rights Due Diligence (HRDD), which will help them maintain a sustainable business in the long run.
- They raised this issue at a seminar titled "Human Rights Due Diligence," held at a hotel in Gulshan, Dhaka.
- Sabiha Akter, corporate sustainability manager of Cotton Group, a Belgium-based brand, said that Human Rights Due Diligence (HRDD) is not optional, it is a must.
- The event brought together six European member brand representatives of Fair Wear and 13 suppliers to foster discussions around the HRDD concept and its implementation at the factory level.
- Bangladesh's garment entrepreneurs acknowledged the importance of HRDD for long-term sustainability.

**News Source:**

https://www.tbsnews.net/economy/rmg/factory-owners-forced-follow-strict-rules-buyers-face-no-accountability-industry

### Energy

## How govt prepares to meet Ramadan power demand as temperatures rise

- With Ramadan and peak summer approaching, the government is ramping up efforts to ensure an uninterrupted power supply by increasing liquefied natural gas (LNG) imports and implementing measures to regulate air conditioner usage as a way of managing rising electricity demand.
- Power consumption is expected to surge by over 4,000 megawatts (MW) in Ramadan alone, pushing peak-time electricity demand to around 16,000MW from the current generation level of 11,808MW.

- To meet this surge, the government must nearly match the country's record-high power generation, which peaked at 16,477MW on 30 April 2024.
- To achieve this, the Ministry of Power, Energy and Mineral Resources has sought BDT 8,000 crore from the finance division to import primary fuels.
- Besides, to conserve electricity, Power, Energy and Mineral Resources Adviser Muhammad Fouzul Kabir Khan yesterday announced that no organisations, institutions or individuals will be allowed to operate air conditioners at lower than 25  degrees in the upcoming summer.

**News Source:**

https://www.tbsnews.net/bangladesh/energy/temperatures-rise-govt-prepares-meet-ramadan-power-demand-1071231

### Capital Market

## DSEX climbs to highest level since early January

- The Dhaka Stock Exchange (DSE) witnessed a surge yesterday, with its benchmark index, DSEX, reaching its highest level since the first week of January.
- The index rose by 12.74 points or 0.24%, closing at 5,211, reflecting positive market sentiment while the blue-chip DS30 also gained 6 points to reach 1,928.
- Market analysts attributed the upward trend to several factors, including improved corporate earnings, favourable macroeconomic indicators, and increased participation from both retail and institutional investors.
- However, analysts warned that the rise of junk stocks is raising concerns about possible market manipulation, which could erode discipline and stability in the market.
- Trading activity also saw a notable uptick, with the daily turnover rising to BDT 443 crore, compared to BDT 415 crore in the previous session

**News Source:**

https://www.tbsnews.net/economy/stocks/dsex-climbs-highest-level-early-january-1071206

## Summit Power declares 10% cash dividend

- Summit Power has recommended paying a 10% cash dividend for its shareholders for the 2023-24 fiscal year.
- The dividend declaration was made at its board meeting yesterday (17 February), according to the company's price-sensitive statement.
- Summit Power scheduled its annual general meeting (AGM) for 13 April, with the record date set for 10 March.
- Meanwhile, its consolidated earnings per share stood at BDT 3.13 last year, marking a significant increase from BDT 2.07 in the previous year.

**News Source:**

https://www.tbsnews.net/economy/stocks/summit-power-declares-10-cash-dividend-1071331

## Robi's annual profit more than doubles on operating efficiency

- Robi Axiata earned a record profit of BDT 7.03 billion last year riding on what it claimed was operating efficiency and strategic investments in a challenging business climate.
- Its annual profit soared 119% year-on-year but revenue grew less than 1% to BDT 99.50 billion in 2024, compared to the previous year.
- The top-line growth is slim because of internet blackout during the student-led mass uprising in July-August last year and flash floods across the country later on.
- The second largest telecom operator's voice revenue was up only 0.7% year-on-year in 2024, while data revenue rose 2.2% year-over-year in the year.
- The year was marked by economic instability, high inflation, and market disruptions, which impacted consumer purchasing power, according to M. Riyaaz Rasheed, acting CEO of Robi Axiata.

**News Source:**

https://today.thefinancialexpress.com.bd/stock-corporate/robis-annual-profit-more-than-doubles-on-operating-efficiency-1739809443