Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,203.20
% change	-0.16%
DS30 Index	1,922.43
% change	-0.31%
DSES Index	1,160.23
% change	-0.04%
Turnover (BDT mn)	5,993.71
Turnover (USD mn)	49.13
% change	35.13%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	44,556.34
% change	-0.35%
S&P 500	6,129.58
% change	0.05%
Nikkei 225	39,220.00
% change	0.15%
FTSE 100	8,766.73
% change	-0.01%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	122.00	122.00
EUR	127.88	127.93
GBP	154.00	154.04
INR	1.40	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
18-Feb-25	9.75 - 11.00	10.09
17-Feb-25	9.75 - 11.00	10.10
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	75.84	0.82%
Gold Spot, USD/t oz.	2,934.10	1.20%
Cotton, USD/lb.	68.82	2.98%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.16% in the last trading day, closing at 5203.2 points.
- The daily turnover increased by 35.13% in the last trading day.

Global Market

- Some of the key global indices had mixed performance in the last trading day; the Dow Jones Industrial Average fell by 0.347%, the S&P 500 rose by 0.05%, and the FTSE 100 fell by 0.01%.
- One of the key Asian indices, the Nikkei 225 rose by 0.15%.

Key Macro Indicators

- The value of the rose against the EUR and the INR, fell against the GBP, and remained stable against the USD.
- The average overnight rate stood at 10.09%, standing between 9.75% and 11.00%.
- The price of oil futures increased by 0.82%, the price of gold increased by 1.20%, and cotton prices increased by 2.98%.

Bangladesh Macro Update

Bangladesh's job crisis deepens as private sector stalls

- Bangladesh's private sector, which employs 95% of the workforce compared to the government's 5%, faces a deepening crisis as credit growth plunges to a four-year low of 7%.
- With capital machinery imports plummeting 34% in FY25, businesses are halting expansion plans by leaving educated youth disproportionately unemployed.
- A World Bank report published in October 2024, titled Bangladesh Development Update, revealed that a sharp rise in joblessness among tertiary-educated youth, 27.8% of the unemployed in 2022, up from just 9.7% in 2013.
- Inflation outpacing wage growth has only compounded the crisis.
- Shams Mahmud, a former president of the Dhaka Chamber of Commerce and Industry, pointed out that prolonged inflation has pushed companies to use accumulated funds for working capital instead of capacity expansion.

News Source:

https://www.tbsnews.net/economy/bangladeshs-job-crisis-deepens-private-sector-stalls-1072181

Delay in IMF loan release mutually agreed

- The Ministry of Finance (MoF) on Tuesday said the delay in releasing the fourth tranche of IMF loan was mutually decided as Bangladesh could not implement some conditions on time.
- It said the IMF approved a loan in 2023, against which Bangladesh has already received three instalments amounting to USD 2.3 billion.
- The instalments are disbursed upon fulfilment of conditions that have been mutually agreed by the government of Bangladesh and the IMF to strengthen the foundation of the economy.
- It was mutually decided that the two disbursements scheduled in FY2024-25 would be combined.
- The disbursement will be made in June after satisfactory completion of the review scheduled in April and approval by the IMF Board in June 2025.

News Source:

https://today.thefinancialexpress.com.bd/last-page/delay-in-imf-loan-release-mutually-agreed-1739901916

ADB to enhance annual aid package by 50pc

- The Asian Development Bank (ADB) will increase its annual aid package by 50% to USD 36 billion from the current USD 24 billion in the next one decade.
- The ADB approved a plan to scale up its operations by 50% over the next decade, leveraging its existing capital base to enhance its development impact across Asia and the Pacific.
- The Capital Utilisation Plan (CUP) outlines a pathway for increasing ADB's annual financing commitments from USD 24 billion in 2024 to exceed USD 36 billion by 2034.
- This dynamic plan responds to the changing needs of our region and strengthens the transformative impact of ADB's work, improving the lives of people and safeguarding our planet, according to ADB President Masatsugu Asakawa.

- The ADB also strengthened concessional lending and bolstered the Asian Development Fund, the largest source of grants for its poorest and most vulnerable member countries.

News Source:

https://today.thefinancialexpress.com.bd/first-page/adb-to-enhance-annual-aid-package-by-50pc-1739901645

Sectoral Update

Banks, NBFIs and Insurance

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 (no longer financially stable or capable of continuing operations).
- 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, establishing a bridge bank to maintain critical functions and viable operations, and selling the bank to a third party.
- In publishing the draft, the FID also sought public feedback on it.
- 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

Bank loan rescheduling rises Tk 1,922cr 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.
- 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.
- They also noted that a 10-12% down payment was once required for rescheduling, but former governor Abdur Rouf Talukder delegated rescheduling to banks upon his arrival at the central bank, reducing the down payment to just 2-4%.
- Private sector banks rescheduled the highest amount of defaulted loans in the first nine months through September, totalling BDT 17,936 crore, followed by state-owned banks with BDT 1,650 crore, and specialised banks with BDT 1,120 crore, while foreign banks rescheduled no loans during this period.

News Source:

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

Three pvt banks to open $240m LCs for LNG imports

- State-run Petrobangla has started the process of opening letters of credit (LCs) with private commercial banks alongside government-owned ones to facilitate the import of liquefied natural gas (LNG), thus creating scope to clear its arrears to international oil companies (IOCs).
- With the help of private banks, it has brought down the LNG-import arrears by around one-fourth to nearly USD 340 million within a couple of weeks from USD 455 million, according to a senior Petrobangla official.
- He hoped the amount of unpaid bills would decrease further soon as more private banks are interested in opening LCs for Petrobangla to make LNG import payments.
- To date, Petrobangla has inked deals with Prime Bank, City Bank, and Brac Bank to open LCs of various credit limits to import LNG.
- City Bank will provide Petrobangla with a maximum credit of USD 100 million, Brac Bank USD 90 million, and Prime Bank USD 50 million.

News Source:

https://today.thefinancialexpress.com.bd/last-page/three-pvt-banks-to-open-240m-lcs-for-lng-imports-1739901806

Textile

Apparel exports to EU market show steady upturn

- Bangladesh's readymade garment exports to the European Union sustained a 4.8% growth in 2024, in what exporters see a rebound from post-accident setbacks.
- Apparel exports to the EU market during the January-December period of last calendar year fetched 18.27 billion euros compared to 17.44 billion earned in 2023, according to Eurostat data.
- The country's apparel exports to the EU had witnessed over 58% growth in last decade from a low turnover worth 11.54 billion euros in 2015.
- Exporters have attributed a number of factors to the steady rise such as duty-free market access, and workplace-safety compliance after the Rana Plaza collapse, besides producing quality goods.
- The developments ensured buyers' confidence and trust and business environment in the country, providing a boost to Bangladesh's main export trade.

News Source:

https://today.thefinancialexpress.com.bd/first-page/apparel-exports-to-eu-market-show-steady-upturn-1739901599

Doubling gas price will lead to closure of factories: BTMA president

- A proposed doubling of gas prices could trigger a wave of factory closures in Bangladesh's textile sector, according to Bangladesh Textile Mills Association (BTMA) President Showkat Aziz Russell.
- If the gas price is doubled, Bangladesh's textile sector will never become sustainable, he added in a press conference.
- There will be no new investments, and banks will not finance any new projects.

- The press conference was on the upcoming Dhaka Int'l Textile & Garment Machinery Exhibition (DTG), which is the country's largest textile machinery exhibition.
- Starting Thursday (20 February), the four-day event will feature 1,600 stalls from 33 countries.

News Source:

https://www.tbsnews.net/bangladesh/doubling-gas-price-will-lead-closure-factories-btma-president-1071621

Energy

No new energy-and-power projects without commission's approval: BERC Chairman

- Chairman of Bangladesh Energy Regulatory Commission (BERC) Jalal Ahmed has said that that from now on, the concerned authorities must get approval from the commission before implementing any project in the power and energy sector.
- Separate letters will be sent to the Power Division as well as to the Energy and Mineral Resources Division, asking them to take BERC approval before proceeding with any project.
- He noted that there might be questions about the BERC's capacity to assess and scrutinize projects, but the commission will strive to overcome these shortcomings by improving its capabilities.
- The BERC chairman also said that in the past, many projects were taken up without proper justification, and the current burden of capacity charges is the result of those unjustified projects.
- He said that the commission will meet with LPG importers to discuss their problems and resolve issues related to tariffs.

News Source:

https://www.tbsnews.net/node/1072076

Capital Market

Summit Power's income rises 51pc in FY24 on import cost cuts

- Summit Power secured a remarkable 51% year-on-year growth in profit to BDT 3.34 billion in FY24, driven by lower import costs amid stable foreign exchange rates.
- The stable foreign exchange rates in FY24, compared to the previous year, contributed to the year-on-year profit growth.
- Operations of power companies depend mostly on imports, and so when the taka loses its value against the dollar, pricier fuel in the global market gets even pricier, denting companies' bottom-line growth.
- The cost of sales, which includes all associated costs to produce power, stood at BDT 23.60 billion, which was 78% of revenue earned in the nine months through March last year, down from 85% of the revenue in the same period a year ago.

News Source:

https://today.thefinancialexpress.com.bd/stock-corporate/summit-powers-income-rises-51pc-in-fy24-on-import-cost-cuts-1739896644