

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,234.95
% change	0.20%
DS30 Index	1,926.50
% change	0.28%
DSES Index	1,169.10
% change	0.26%
Turnover (BDT mn)	5,442.84
Turnover (USD mn)	44.61
% change	11.63%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	43,461.21
% change	-1.62%
S&P 500	5,983.25
% change	-2.19%
Nikkei 225	38,127.50
% change	-0.56%
FTSE 100	8,658.98
% change	-0.05%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.00
EUR	127.59	127.61
GBP	154.09	154.12
INR	1.41	1.41

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
24-Feb-25	9.75 - 11.00	10.04
23-Feb-25	9.75 - 11.00	10.07

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	74.31	-2.29%
Gold Spot, USD/t oz.	2,950.12	0.39%
Cotton, USD/lb.	67.88	0.61%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.2% in the last trading day, closing at 5234.95 points.
- The daily turnover increased by 11.63% 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 1.62%, the S&P 500 fell by 2.19%, and the FTSE 100 fell by 0.05%.
- One of the key Asian indices, the Nikkei 225 fell by 0.56%.

Key Macro Indicators

- The value of the BDT remained stable against the EUR, GBP, and INR, and USD.
- The average overnight rate stood at 10.04%, standing between 9.75% and 11.00%.
- The price of oil futures fell by 2.29%, gold prices increased by 0.39%, and cotton prices rose by 0.61%.

Global Macro Update

US business stalling, inflation expectations surge

- ◆ US business activity nearly stalled in February amid mounting fears over tariffs on imports and deep cuts in federal government spending, erasing all the gains notched in the aftermath of President Donald Trump's election victory.
- ◆ The tumble in activity to a 17-month low reported by S&P Global on Friday was the latest in a string of surveys to suggest that businesses and consumers were becoming increasingly rattled by the Trump administration's policies.
- ◆ Business and consumer sentiment soared following the Republican's November 5 victory on hopes for a less-stringent regulatory environment, tax cuts and low inflation.
- ◆ S&P Global's flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, fell to 50.4 this month.
- ◆ That was the lowest reading since September 2023 and was down from 52.7 in January, and a reading above 50 indicates expansion in the private sector.

News Source:

<https://www.thedailystar.net/business/news/us-business-stalling-inflation-expectations-surge-3832106>

Bangladesh Macro Update

NBR's revenue growth gains momentum amid economic recovery

- ◆ With the economy showing signs of gradual recovery, the National Board of Revenue (NBR) has started to see positive results in revenue collection.
- ◆ According to sources related to NBR, revenue collection saw the highest growth in January among the first seven months of the 2024-25 fiscal year, with a 7% increase.
- ◆ This marked the second consecutive month of positive growth after November's decline, bringing the total number of months with growth to four this fiscal.
- ◆ Earlier, the months of September and October also witnessed growth but the growth rates were not significant.
- ◆ Overall, from July to January, revenue collection increased by nearly 3% compared to the same period in the previous fiscal.

News Source:

<https://www.tbsnews.net/nbr/nbrs-revenue-growth-gains-momentum-amid-economic-recovery-1077516>

Strengthen institutions before liberalising import: Economists

- ◆ After graduation from the least development country (LDC) status, Bangladesh will face significant challenges in its export-driven development, economists have said, adding that the country cannot progress to the next level without easing its high import tariff structure.
- ◆ The economists cautioned that import liberalisation should not proceed without first strengthening institutional capacity.

- ◆ CPD's Distinguished Fellow Dr Mustafizur Rahman highlighted two contrasting examples of import liberalisation, Singapore and Haiti.
- ◆ Dr Mustafizur Rahman warned that Bangladesh faces significant institutional capacity gaps in areas such as revenue collection, policy formulation, and implementation.
- ◆ Dr Mustafizur also noted that while the average import tariff in the US and Europe is below 4%, they impose 11-18% tariffs on apparel imports.

News Source:

<https://www.tbsnews.net/economy/economists-urge-caution-import-liberalisation-strengthening-institutional-capacity-1076791>

Sectoral Update

Banks, NBFIs, and Insurance

Banks seek intraday liquidity facility as quick-fix substitute

- ◆ Commercial banks of Bangladesh demand introduction of intraday liquidity facility (ILF) as a quick-fix substitute for them to avoid likely payment gridlock following the phasing out of existing repo facility.
- ◆ Treasury heads of the commercial placed the demand Monday at a meeting with the monetary policy unit of Bangladesh Bank (BB), the country's central bank, which plans to discard 28-day-tenure liquidity support against repo facility, meeting-insiders said.
- ◆ Intraday Liquidity Facility or ILF is an instrument of providing funds to a bank by the central bank for the duration of a business day against securities provided as collateral by the bank.
- ◆ To meet one of IMF conditions binding its USD 4.70 billion lending package for stabilising the country's macroeconomic situation, the Bangladesh Bank has cut down the daily liquidity support against the repo facility to twice a week (Monday and Wednesday) since last July.
- ◆ Later, it was reduced to once a week with effect since November last.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/banks-seek-intraday-liquidity-facility-as-quick-fix-substitute-1740417872>

Textile

RMG net exports rise to 61% in Oct-Dec, highest in 4 quarters

- ◆ The country's readymade garment (RMG) exports rose during the October-December period of the current fiscal year, while raw material imports grew at a slower pace, resulting in net exports of 61.04%, the highest in the last four quarters.
- ◆ According to a central bank report, the RMG sector had a net export of 61.41% during the October-December quarter of FY24.
- ◆ The report shows that the import value of raw materials including raw cotton, synthetic/viscose fibre, synthetic/mixed yarn, cotton yarn, and textile fabrics and accessories for garments, was USD 4.04 billion in the October-December period of FY25, accounting for 39% of total RMG export earnings.

- ◆ As a result, net exports from the sector reached USD 6.33 billion in the second quarter of FY25, marking a 12.67% increase from the preceding quarter's USD 5.62 billion and an 18% rise compared to the same quarter last year.
- ◆ Total export earnings from RMG reached USD 10.37 billion in the October-December quarter of FY25, a 9% increase from the previous quarter's USD 9.51 billion, driven by a rebound in economic activities in advanced economies and the peak holiday shopping season in Western markets.

News Source:

<https://www.tbsnews.net/economy/rmg/rmg-net-exports-rise-61-oct-dec-highest-4-quarters-1077436>

Bangladesh's apparel exports to EU grew 4.86% in 2024

- ◆ Bangladesh's readymade garment exports to the European Union (EU) witnessed a 4.86% growth in 2024, marking a significant recovery from previous setbacks, according to Eurostat data.
- ◆ Apparel exports from Bangladesh to the EU during the January-December period of the last calendar year amounted to USD 19.77 billion, up from USD 18.85 billion in 2023.
- ◆ Industry insiders said that several factors contributed to this steady rise, including the production of value-added garments, duty-free market access, adherence to workplace safety standards, and the combined efforts of manufacturers and workers.
- ◆ These developments bolstered buyers' confidence, enhancing the business environment and fortifying Bangladesh's position as a key player in the export market.
- ◆ Despite fluctuations throughout the year, with a slow start followed by a surge in the last quarter of 2024, Bangladesh experienced substantial year-on-year growth in October, November, and December.

News Source:

<https://www.tbsnews.net/economy/rmg/bangladesh-apparel-exports-eu-grew-486-2024-1077331>

Energy

Energy adviser warns of load shedding in areas with excessive AC use

- ◆ Power, Energy, and Mineral Resources Adviser Muhammad Fouzul Kabir Khan yesterday announced that the government may implement load shedding in areas where the cooling load from air conditioning exceeds a reasonable demand during the upcoming Ramadan and summer seasons.
- ◆ If people don't follow our request to set thermostats at 25 degrees Celsius, how can we enforce it?
- ◆ If there's excess demand with no clear reason other than cooling load, we will implement load shedding in those feeders.
- ◆ We have formed teams in the distribution companies to monitor cooling loads across the city, he added.
- ◆ Fouzul acknowledged the challenge of implementing this plan but stressed its importance in reducing load shedding during Ramadan and summer.

News Source:

<https://www.tbsnews.net/bangladesh/energy/energy-adviser-warns-load-shedding-areas-excessive-ac-use-1077446>

Capital Market

Stocks gain for three consecutive sessions

- ◆ The Dhaka Stock Exchange's (DSE) benchmark index, DSEX, soared yesterday, extending the rally to the third consecutive session, driven primarily by robust gains in non-bank financial institutions and pharma stocks.
- ◆ On the day, the DSEX surged by 10 points, or 0.20%, to reach 5,234 points, while blue-chip DS30 gained 5 points, or 0.28%, to close at 1,926.
- ◆ The overall market turnover saw a modest rise of 12%, reaching BDT 544 crore compared to BDT 487 crore in the previous session.
- ◆ BRAC Bank, Beacon Pharma, Beximco Pharma and Orion Pharma were key contributors to the rise in the benchmark index of the Dhaka bourse.
- ◆ However, the index's upward momentum was restrained by declines in Grameenphone, Olympic Industries, Islami Bank, and Square Pharma shares, limiting overall growth.

News Source:

<https://www.tbsnews.net/economy/stocks/stocks-gain-three-consecutive-sessions-1077376>

Jamuna Oil posts highest profit, Titas Gas hits historic losses in H1

- ◆ Jamuna Oil registered the highest profit among the listed state-owned companies, while Titas Gas suffered historic losses in the first half of the fiscal 2024-25.
- ◆ 16 of the 18 listed state-run firms have released their H1 financials, with nine reporting losses and seven posting profits.
- ◆ Among the loss-makers, once-prominent firms like Titas Gas and the Investment Corporation of Bangladesh (ICB) posted significant losses.
- ◆ Others - Desco, Atlas Bangladesh, Eastern Cables, Zeal Bangla Sugar, Shyampur Sugar, Usmania Glass, and Renwick Jaineswar – have faced prolonged losses due to limited market competitiveness.
- ◆ Meanwhile, Jamuna Oil and Padma Oil posted record profits for the July-December period, primarily driven by higher interest income from bank deposits.

News Source:

<https://www.tbsnews.net/economy/stocks/jamuna-oil-posts-highest-profit-titas-gas-hits-historic-losses-h1-1077461>