

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,267.89
% change	0.63%
DS30 Index	1,930.37
% change	0.20%
DSES Index	1,176.05
% change	0.59%
Turnover (BDT mn)	6,072.05
Turnover (USD mn)	49.77
% change	11.56%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	43,621.16
% change	0.37%
S&P 500	5,955.25
% change	-0.47%
Nikkei 225	38,102.50
% change	-1.49%
FTSE 100	8,668.67
% change	0.11%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.00
EUR	127.69	127.72
GBP	154.01	154.04
INR	1.41	1.41

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
25-Feb-25	9.75 - 11.00	10.06
24-Feb-25	9.75 - 11.00	10.04

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	72.50	-2.44%
Gold Spot, USD/t oz.	2,918.68	-1.10%
Cotton, USD/lb.	67.37	-0.75%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.63% in the last trading day, closing at 5267.89 points.
- The daily turnover increased by 11.56% 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 rose by 0.37%, the S&P 500 fell by 0.47%, and the FTSE 100 rose by 0.11%.
- One of the key Asian indices, the Nikkei 225 fell by 1.49%.

Key Macro Indicators

- The value of the BDT rose against the GBP and INR, fell against the EUR, and remained stable against the USD.
- The average overnight rate stood at 10.06%, standing between 9.75% and 11.00%.
- The price of oil futures fell by 2.24%, gold prices fell by 1.10%, and cotton fell by 0.75%.

Global Macro Update

Dollar recoups losses

- ◆ The dollar edged up slightly on Tuesday after falling to its lowest in more than two months at the start of the week, buoyed by safe-haven flows after US President Donald Trump said tariffs on Mexico and Canada would proceed as planned.
- ◆ The firmer dollar in turn left the euro off a one-month high at USD 1.0476, with future gains in the single currency likely to hinge on how soon a coalition government can be formed in Germany following the election victory of the country's conservatives.
- ◆ Trump on 24th February said that tariffs on Canadian and Mexican imports are "on time and on schedule" despite efforts by the countries to beef up border security and halt the flow of fentanyl into the US ahead of a March 4 deadline.
- ◆ Many had hoped the top two US trading partners could persuade Trump's administration to further delay tariffs that would apply to over USD 918 billion worth of US imports from the two countries, from autos to energy.

News Source:

<https://www.thedailystar.net/business/news/dollar-recoups-losses-3833911>

Bangladesh Macro Update

Economic recovery on, but riddled with headwinds

- ◆ A gradual recovery of Bangladesh economy during the second quarter of this fiscal year is a bit retarded by 'substantial' hurdles like inflationary pressures, revenue shortfall and sluggish investment, a business body says.
- ◆ In the quarter under review (October-December of FY25), the economy had been recovering gradually from political instability that began in the first week of July 2024, according to the Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka.
- ◆ The country's elite trade body makes the observations in its review styled 'Economic Situation in Bangladesh for October-December period of the FY25'.
- ◆ The economy is still facing substantial hurdles, including inflationary pressures, a shortfall in revenue collection, slow public spending, diminished job opportunities, a sluggish investment climate and the need to rebuild public confidence in the banking system, according to MCCI.
- ◆ Other hurdles mentioned include slow public spending, diminished job opportunities and the need to rebuild public confidence in the banking system.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/economic-recovery-on-but-riddled-with-headwinds-1740507720>

Experts urge policy reforms as high inflation stifles business, investment

- ◆ The rising inflation and economic instability are restraining business growth and investment in Bangladesh, according to discussants at the 12th Financial Sector Development Working Committee meeting.

- ◆ The experts have raised concerns over Bangladesh Bank's delayed policy response to the country's prolonged inflation.
- ◆ The experts also pointed towards the systemic inefficiencies in the economy, emphasising the need for policy reforms.
- ◆ The experts also hoped that the central bank's ongoing efforts to curb inflation will yield positive results soon.
- ◆ The meeting was organised by Business Initiative Leading Development (BUILD) on 24 February at its conference room, chaired by Nurun Nahar, deputy governor of Bangladesh Bank (BB).

News Source:

<https://www.tbsnews.net/economy/experts-urge-policy-reforms-high-inflation-stifles-business-investment-1078431>

Sectoral Update

Banks, NBFIs, and Insurance

Chances of keeping few ailing banks alive slim: Mansur

- ◆ Notwithstanding various regulatory rescue efforts to keep all the crisis-hit commercial banks operational, Bangladesh Bank Governor Dr Ahsan H. Mansur gives up hope of keeping a few alive on government doles.
- ◆ The Governor says the central bank has been working hard to make the struggling banks exist in the market through establishing corporate governance there.
- ◆ Regarding fate of the troubled banks, the governor said a bank-resolution act is being processed wherein all the options like liquidation, mergers and recapitalisation will be incorporated.
- ◆ The Governor mentions that the central bank keeps meeting with the top management of the banks and inquiring about their progress on a regular basis.
- ◆ Sharing good progress made by two private commercial banks, UCB (United Commercial Bank) and Islami Bank Bangladesh, Mansur said both banks are now functioning without props from the central bank.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/chances-of-keeping-few-ailing-banks-alive-slim-mansur-1740507334>

Banks balk at rescheduling non-wilful defaulters' loans

- ◆ A bailout policy-support committee constituted by the central bank for the affected businesses sits with all commercial banks' chief executives soon to motivate them as the lenders hesitate to reschedule non-wilful defaulters' loans.
- ◆ Sources said at the last meeting with the committee, some commercial banks had expressed unwillingness to reschedule such loans as they said the lenders were already struggling with massive non-performing loans (NPLs) and a financial crisis.

- ◆ Some banks also suggested the committee not to recommend changing any rules and regulations of the central bank for the exigencies of helping out non-wilful defaulters as the existing ones are enough, bankers said.
- ◆ The Bangladesh Bank (BB) formed the 'selection committee for policy support to restructure businesses and financial management' that sat with some 15 international and national private commercial banks' officials in mid-February.
- ◆ Bank officials there expressed their stance on the current financial and NPL crises, said bankers and committee members.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/banks-balk-at-rescheduling-non-wilful-defaulters-loans-1740507556>

Energy

Govt approves LNG import to address gas shortfall

- ◆ The government has decided to import one cargo of liquefied natural gas (LNG) from the spot market by the first week of March through the direct purchase method to prevent a shortfall in gas supply.
- ◆ The Advisory Council Committee on Purchase approved a proposal in this regard.
- ◆ TotalEnergies Gas & Power Limited of Switzerland emerged as the recommended bidder, offering a unit price of USD 16.43 per million British thermal units (MMBtu), with a total purchase cost of BDT 787.99 crore, including VAT and tax.
- ◆ An energy ministry official stated that the ministry had floated tenders for LNG five times but had not received any cost-efficient proposals.

News Source:

<https://www.thedailystar.net/business/news/govt-approves-lng-import-address-gas-shortfall-3833356>

Capital Market

Banking sector surge propels Dhaka bourse to four-day rally

- ◆ Benchmarks on the Dhaka Stock Exchange (DSE) continued their rally for the fourth consecutive session, driven by a major surge in the banking sector, with 92% of listed banks seeing significant gains.
- ◆ The DSEX, the key index of the DSE, jumped 32 points to close at 5,267 yesterday, marking its highest level since November last year.
- ◆ Over the past four sessions, the DSEX has gained a total of 75 points, while market capitalisation increased by BDT 4,100 crore, reaching BDT 6.97 lakh crore.
- ◆ Investor participation also saw a notable rise, primarily driven by the rally in banking stocks.
- ◆ Market analysts attributed the rally to the banking sector's relatively low price-to-earnings (P/E) ratio, which currently stands at 7.18, making it an attractive investment option compared to other sectors.

News Source:

<https://www.tbsnews.net/economy/stocks/banking-sector-surge-propels-dhaka-bourse-four-day-rally-1078466>

Singer's new plant to reduce reliance on imports, boost profitability

- ◆ Singer Bangladesh has started commercial operation of its new home appliance manufacturing plant, aimed at strengthening its position in the fast growing market.
- ◆ The Bangladesh Economic Zones Authority (BEZA) on Monday approved the operation of the plant at Araihasar in Narayangonj, according to a stock exchange filing.
- ◆ Spanning 135,000 square meters, the new plant will be manufacturing refrigerators, television sets, washing machines, air conditioners and other major appliances for the local market.
- ◆ By producing over 90% of its products locally, the new plant will cater to the Bangladeshi market while positioning Bangladesh as a regional hub for consumer durables in the medium to long term, according to the company.
- ◆ Currently, Singer has a manufacturing unit at Hemayetpur in Savar, producing 52% of its products locally.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/singers-new-plant-to-reduce-reliance-on-imports-boost-profitability-1740506099>