

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,220.67
% change	-0.31%
DS30 Index	1,898.52
% change	-0.27%
DSES Index	1,162.42
% change	-0.35%
Turnover (BDT mn)	3,817.49
Turnover (USD mn)	31.29
% change	-9.53%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	43,191.24
% change	-1.48%
S&P 500	5,849.72
% change	-1.76%
Nikkei 225	37,331.50
% change	-3.48%
FTSE 100	8,871.31
% change	0.70%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.00
EUR	126.58	126.60
GBP	153.44	153.48
INR	1.39	1.39

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
3-Mar-25	9.75 - 11.00	10.04
2-Mar-25	9.75 - 11.00	10.04

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	71.49	-1.81%
Gold Spot, USD/t oz.	2,890.95	1.13%
Cotton, USD/lb.	65.51	0.40%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.31% in the last trading day, closing at 5220.67 points.
- The daily turnover fell by 9.53% 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 1.48%, the S&P 500 fell by 1.76%, and the FTSE 100 rose by 0.70%.
- One of the key Asian indices, the Nikkei 225 fell by 3.48%.

Key Macro Indicators

- The value of the BDT rose against the EUR, the GBP, and the INR, and remained stable against the USD.
- The average overnight rate stood at 10.04%, standing between 9.75% and 11.00%.
- The price of oil futures fell by 1.81%, gold prices rose by 1.13%, and cotton prices rose by 0.40%.

Bangladesh Macro Update

Interim govt downsizes ADP by Tk 490 billion

- ◆ Projects and costs both see deep cuts as the interim government downsizes the ongoing annual development programme (ADP) to BDT 2.16 trillion under its policy to economize spending in crunch time.
- ◆ The revised annual development programme or RADP for the current fiscal year sheds BDT 490 billion from the original ADP outlay, while maintaining priority on transport and communications, power and energy, and education, mirroring the original plan left over by the ousted Sheikh Hasina government.
- ◆ The approval for the revised development budget came Monday from the meeting of the National Economic Council (NEC) held at the NEC auditorium in Dhaka with Chief Adviser of the interim government Professor Dr Muhammad Yunus in the chair.
- ◆ Briefing the press following the meeting, Planning Adviser Dr Wahiduddin Mahmud said BDT 598.77 billion, only 21.52 % of the original ADP, had been spent in the first seven months of the fiscal year 2024-25.
- ◆ Around 18.49% of the original ADP was deducted in response to lower implementation rate, resource constraints and reprioritization of development activities, the Chief Adviser added.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/interim-govt-downsizes-adp-by-tk-490-billion-1741028419>

Blanket VAT waivers to make pricey essentials affordable

- ◆ A blanket waiver of value-added tax (VAT) is given in government bid to make pricey essentials affordable as Ramadan business binge further heats up the market.
- ◆ The National Board of Revenue (NBR) waived VAT, partially, on a slew of essential commodities like overpriced edible oils, flour, Ata and lentils to keep the market stable during the holy month of Ramadan.
- ◆ This exemption applies at the production level for some products and at the business level for others.
- ◆ The NBR issued a Statutory Regulatory Order waiving the all-encompassing tax-VAT that any consumer, be they rich or poor, of products and services have to pay.
- ◆ According to the NBR notification, VAT exemption will be applicable at the production level for rapeseed oil, colza-seed oil, and canola oil until June 30, 2025.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/blanket-vat-waivers-to-make-pricey-essentials-affordable-1741028627>

Shrimp processing units close as exports halve in 7 years

- ◆ The once-thriving shrimp processing industry is now facing a severe downturn, with processing units shutting down as exports have halved in seven years.

- ◆ Formerly a major contributor to the country's export earnings and rural employment, the industry is struggling due to a combination of factors, including a shortage of raw materials, declining global demand, environmental changes, financial mismanagement and failure to adapt to changing market conditions.
- ◆ Cashing in on export subsidies and rising global demand, many shrimp processing units sprang up in the southwestern, southern and southeastern regions in the 1990s, backed by low-cost bank financing.
- ◆ The industry boom lasted for around a decade, but as global demand for shrimp subsided and incentives fizzled out, production began to falter.
- ◆ Shrinking local supply and the emergence of a domestic prawn market further contributed to the decline.

News Source:

<https://www.thedailystar.net/business/news/shrimp-processing-units-close-exports-halve-7-years-3839046>

Sectoral Update

Banks, NBFIs, and Insurance

How some banks mobilised record deposits despite low industry growth

- ◆ When the country's banking sector experienced its lowest deposit growth in recent history, some private commercial banks excelled, setting records in deposit mobilisation even through the economic crisis of 2024.
- ◆ The average deposit growth dipped to 7.44% year-on-year in December last year, while some banks achieved growth of over 20% to 30% during the year.
- ◆ This contradiction highlights how a strong reputation and consistent service quality enabled some banks to achieve record-high deposit growth, even as the financial sector struggled with low depositor confidence.
- ◆ Among 43 private commercial banks, only eight, City, BRAC, Eastern, Dutch-Bangla, Prime, Mutual Trust, Bank Asia, and Pubali, sustained high deposit collection, while most faced withdrawal pressure.

News Source:

<https://www.tbsnews.net/economy/banking/how-some-banks-mobilised-record-deposits-despite-low-industry-growth-1083786>

Energy

RPGCL likely to buy two more spot cargoes

- ◆ The state-run Rupantarita Prakritik Gas Company Ltd (RPGCL) intends to buy two more spot LNG cargoes for March 09-10 and March 15-16 delivery windows to meet the mounting demand during Ramadan.
- ◆ The RPGCL has already floated tenders and is currently awaiting evaluation.
- ◆ It earlier cancelled two tenders for March 10-11 delivery windows due to poor response and high price quotes from the bidders.
- ◆ If these two tenders become successful, Bangladesh will be able to bag three spot LNG cargoes for March deliveries.

- ◆ The government has planned to buy a total of four similar cargoes for March delivery windows to meet the mounting energy demand, especially during the fasting month of Ramadan.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/rpgcl-likely-to-buy-two-more-spot-cargoes-1741028821>

12kg LPG cylinder price cut by Tk 28

- ◆ The Bangladesh Energy Regulatory Commission (BERC) has reduced the price of a 12-kg liquefied petroleum gas (LPG) cylinder by BDT 28, or 1.89%, to BDT 1,450 from previous BDT 1,478 for March trading by private businesses.
- ◆ The new rate came into effect on Monday.
- ◆ The adjustment is based on the Saudi Aramco CP (contract price) for March 2025, fluctuations in foreign exchange rates and changes in value-added tax (VAT).
- ◆ The commission has been setting the LPG prices for private operators within the first week of every month since April 2021.
- ◆ The private sector can sell LPG in various cylinder sizes-5.5 kg, 12.5 kg, 15 kg, 16 kg, 18 kg, 20 kg, 22 kg, 25 kg, 30 kg, 35 kg and 45 kg-to consumers at proportionately adjusted prices.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/12kg-lpg-cylinder-price-cut-by-tk-28-1741028937>

Capital Market

Stocks continue to fall for fourth day

- ◆ Stocks closed lower on Monday amid persistent selling pressure and sluggish market momentum.
- ◆ The prime index of the Dhaka Stock Exchange (DSE) lost 16.18 points to settle at 5,220.67.
- ◆ The benchmark index of the Dhaka bourse witnessed correction for the fourth consecutive session.
- ◆ The blue-chip index DS30, comprising 30 leading companies, decreased by 5.16 points to 1,898.52, while the DSES Index, of Shariah-compliant companies, experienced an erosion of 4.13 points to 1,162.42.
- ◆ Investor sentiment remained cautious due to ongoing market volatility, keeping most market indices in the red as the majority of stocks faced downward pressure.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/stocks-continue-to-fall-for-fourth-day-1741025818>

DSE asked to probe unusual share surge of inactive firms

- ◆ The Bangladesh Securities and Exchange Commission (BSEC) has directed the Dhaka Stock Exchange (DSE) to investigate the recent sharp rise in share prices and trading volumes of certain companies that have been inactive for a long time.
- ◆ In the last week of February, the commission instructed the country's premier bourse to find out the reasons behind this unusual price surge and increased trading activity.

- ◆ Some companies that have not been operational for an extended period have recently seen a significant rise in share transactions.
- ◆ Since the DSE is responsible for ensuring compliance with trading rules and regulations, the regulator has asked the exchange to investigate whether any suspicious transactions or violations of securities laws have occurred.
- ◆ The Dhaka bourse has been given 30 working days to submit its findings and observations to the commission.

News Source:

<https://www.tbsnews.net/economy/stocks/dse-asked-probe-unusual-share-surge-inactive-firms-1083746>

Liquidation of Growth Fund to set example for asset managers

- ◆ Asian Tiger Sandhani Life Growth Fund will be liquidated next week after the completion of 10 years, as the securities regulator has rejected the time extension appeal, a corrective move to change course from past mistakes.
- ◆ Timely redemption will allow unitholders to recover their investments at the current net asset value (NAV) of the fund, a relief for them especially when units of listed MFs, including the Growth Fund, are trading at heavy discounts in the secondary market.
- ◆ This is going to be the first time in a decade that investors of a close-ended pooled fund will redeem their units.
- ◆ During the time, the tenure of listed MFs was extended by 10 years after maturity to the frustration of unitholders.
- ◆ This time the Bangladesh Securities and Exchange Commission (BSEC) did what had been recommended by the taskforce working on capital market reforms.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/liquidation-of-growth-fund-to-set-example-for-asset-managers-1741025796>