

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,216.07
% change	0.32%
DS30 Index	1,899.62
% change	0.26%
DSES Index	1,166.61
% change	0.23%
Turnover (BDT mn)	4,528.48
Turnover (USD mn)	37.12
% change	9.77%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	41,350.93
% change	-0.20%
S&P 500	5,599.30
% change	0.49%
Nikkei 225	37,129.50
% change	0.91%
FTSE 100	8,540.97
% change	0.53%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.00
EUR	132.81	132.85
GBP	158.11	158.20
INR	1.40	1.40

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
12-Mar-25	9.75 - 11.00	10.05
11-Mar-25	9.50 - 11.00	9.99

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	70.95	2.00%
Gold Spot, USD/t oz.	2,938.16	0.76%
Cotton, USD/lb.	66.98	1.48%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.32% in the last trading day, closing at 5216.07 points.
- The daily turnover increased by 9.77% in the last trading day.

Global Market

- The majority of the global indices had mixed performance in the last trading day; the Dow Jones Industrial Average fell by 0.199%, the S&P 500 rose by 0.49%, and the FTSE 100 rose by 0.53%.
- One of the key Asian indices, the Nikkei 225 rose by 0.91%.

Key Macro Indicators

- The value of the BDT rose against the EUR and INR, fell against the GBP, and remained stable against the USD.
- The average overnight rate stood at 10.05%, standing between 9.75% and 11.00%.
- The price of oil futures rose by 2.00%, the price of gold rose by 0.76%, and the price of cotton rose by 1.48%.

Bangladesh Macro Update

Separation of revenue policy and enforcement this month, takes effect next FY: NBR chair

- ◆ NBR Chairman Abdur Rahman Khan has announced that the separation of revenue policy and enforcement will take place this month through a presidential ordinance, with the change taking effect in the next fiscal year, starting in July, to ensure independent operations.
- ◆ Speaking at a discussion, NBR Chairman said that Revenue-related expert officials will work as head of the two departments, while other experts will serve as part of an auxiliary team.
- ◆ In his speech, the NBR chairman also addressed Bangladesh's low investment levels, attributing them not to high tax rates but rather to a lack of good governance.
- ◆ There was an assumption that offering tax incentives would attract investment, but that didn't happen, also businesses are not afraid of taxes.
- ◆ The main reason behind the lack of investment growth is the lack of good governance, the Chairman further added.

News Source:

<https://www.tbsnews.net/economy/lack-good-governance-not-tax-rates-main-barrier-investment-nbr-chairman-1091116>

Bangladesh imports over five times its exports to Saarc nations

- ◆ Bangladesh continues to grapple with a significant trade imbalance with Saarc countries as import payments far exceed exports, according to the latest Bangladesh Bank (BB) report.
- ◆ The report, covering fiscal year (FY) 2023-24, shows Bangladesh's total import payments to Saarc nations stood at USD 9.76 billion while export earnings from the region reached only USD 1.74 billion.
- ◆ Imports were more than five times the value of Bangladesh's exports to the eight-member bloc, underscoring the country's heavy reliance on goods from its South Asian neighbours, particularly India, its largest trading partner in the region and second-largest import source after China.
- ◆ Imports from Saarc accounted for 15.44% of Bangladesh's total imports of USD 63.22 billion in FY24, up slightly from a year earlier.
- ◆ In the same year, exports to the region made up 4.47% of total shipments of around USD 39 billion, according to the BB report on Bangladesh's trade, remittances and foreign investment within Saarc, released on 11th March.

News Source:

<https://www.thedailystar.net/business/news/bangladesh-imports-over-five-times-its-exports-saarc-nations-3846631>

Deadline extended further till Apr 30.

- ◆ The National Board of Revenue (NBR) has extended the deadline once again for company taxpayers to file their income tax returns.

- ◆ In an order issued on 12th March, the deadline for filing company returns has been extended until April 30.
- ◆ According to the order signed by Second Secretary of Tax Policy, HM Shahriar Hasan, the NBR has exercised its authority under Section 334, Clause (b) of the Income Tax Act, 2023, to set April 30, 2025, as the new deadline for company taxpayers defined under the act for the 2024-25 tax year, replacing the previously set deadline of 16 March 2025.
- ◆ Earlier, several business organisations have recently sent letters to the NBR, requesting an extension for filing company returns.
- ◆ In the 2023-24 fiscal year, the deadline for company return submissions was also extended until April 30.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/deadline-extended-further-till-apr-30-1741804888>

Sectoral Update

Banks, NBFIs, and Insurance

Moody's downgrades Bangladesh banking sector outlook to negative

- ◆ Global credit ratings agency Moody's has revised its outlook for Bangladesh's banking system to negative from stable, citing mounting pressures from a slowing economy and persistently high inflation.
- ◆ The agency warns that the operating environment for the country's banks is set to weaken as businesses grapple with falling demand and rising costs, partly driven by ongoing supply chain disruptions.
- ◆ Moody's also pointed to concerns over the government's diminishing ability to support banks in times of stress, further contributing to the negative outlook.
- ◆ In its latest assessment, the ratings agency said the asset quality and profitability of Bangladeshi banks are likely to deteriorate, as structural weaknesses such as lax regulations and poor corporate governance continue to pose risks.
- ◆ Despite these challenges, it expects banks' capitalisation to remain stable and slower credit growth will help offset the impact of weakening internal capital generation, it said.

News Source:

<https://www.tbsnews.net/economy/moodys-downgrades-banladeshs-banking-outlook-negative-stable-1090846>

Cenbank dissolves Meghna, NRBC, NRB bank boards for going against depositors' interests

- ◆ The Bangladesh Bank, in an effort to encourage loan repayments, has relaxed some of the terms of its exit policy for recovering defaulted or unpaid loans, including halving the required down payment for applications seeking exit facilities.
- ◆ A circular in this regard was issued by the central bank's Banking Regulation and Policy Department (BRPD) on 10 March.
- ◆ The change comes as the previous policy failed to generate the expected response from borrowers.
- ◆ From now, the required down payment is 5%, down from the previous 10%.

- ◆ According to the circular, borrowers seeking exit facilities for various types of classified or unpaid loans can now apply with a 5% down payment.

News Source:

<https://www.tbsnews.net/economy/banking/cenbank-dissolves-boards-meghna-nrb-nrbc-bank-1091011>

IDRA lacks power to stop scams by insurance companies: Chairman

- ◆ Insurance companies could not be held accountable for financial frauds as the regulatory body lacks power to enforce disciplinary actions, said the chief of the Insurance Development and Regulatory Authority (IDRA), Dr. M Aslam Alam.
- ◆ Mr Alam criticized the Insurance Act as highly flawed, and argued that it had been designed in favour of insurers by weakening IDRA.
- ◆ Under the existing laws, IDRA does not have the power to restructure the board of an insurance company.
- ◆ In the banking sector, the central bank must approve the appointment of a chairman, but IDRA has no such authority over insurance companies.
- ◆ Mr Alam accused insurance companies of non-cooperation when IDRA demands information from them he also raised questions about the authenticity of the data provided by insurers.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/idra-lacks-power-to-stop-scams-by-insurance-companies-chairman-1741796249>

Textile

RMG workers protest, block roads in Ashulia, Gazipur over unpaid wages, lay-offs and co-worker's death

- ◆ Ready-made garment (RMG) workers staged protests and blocked major roads in Ashulia and Gazipur on 12 March over unpaid wages, the death of a co-worker, and sudden lay-offs, causing severe traffic congestion for hours amid Ramadan.
- ◆ In Ashulia, workers from Mahmud Fashion Ltd blocked the Nabinagar-Chandra Road near Baroipara area around 1:30pm, demanding overdue wages and Eid bonuses.
- ◆ Ashulia Industrial Police later intervened, dispersing the blockade after 2.5 hours using batons, teargas, and sound grenades.
- ◆ Despite repeated requests to clear the road, the workers refused to withdraw their blockade.
- ◆ Workers alleged that factory management had failed to pay February's wages, despite promising payment on 7 March.

News Source:

<https://www.tbsnews.net/economy/rmg/rmg-workers-protest-block-roads-ashulia-gazipur-over-unpaid-wages-lay-offs-and-co>

Energy

Russia seeks CA's support to continue Gazprom's work

- ◆ Russia has sought the cooperation of Chief Adviser Prof Muhammad Yunus to continue the work of Russian state-owned Gazprom International in gas exploration in Bangladesh.
- ◆ Russian Ambassador to Bangladesh Alexander G Khozin made the request when he called on the chief adviser at the State Guest House Jamuna in Dhaka on 11 March.
- ◆ Gazprom has been present in Bangladesh since 2012 and working as a partner in exploring gas reserves.
- ◆ In 2023, Gazprom International discovered five new wells for further exploration in Bhola.
- ◆ Chief Adviser Prof Yunus thanked Gazprom for the necessary preparations for drilling five wells in Bhola and informed that the Ministry of Power, Energy, and Mineral Resources was working on the issue.

News Source:

<https://www.tbsnews.net/foreign-policy/russia-seeks-continued-cooperation-bangladeshs-gas-exploration-efforts-1089996>

Capital Market

Stocks rally for third straight session

- ◆ Stocks at the Dhaka bourse extended their rally for the third consecutive session this week, rebounding from a sharp decline in the first session.
- ◆ This week, stocks traded for four sessions until on Wednesday, the market witnessed a downturn, with the DSEX falling by 29 points amid unrest at the regulatory body.
- ◆ As the situation stabilised, stocks gained upward momentum from Monday through Wednesday.
- ◆ Over these three sessions, the DSEX, the broad index of the Dhaka Stock Exchange, recovered 41 points, including a 16-point gain on Wednesday, settling at 5,216 points.

News Source:

<https://www.tbsnews.net/economy/stocks/stocks-rally-third-straight-session-1090636>

LafargeHolcim's profit lowest in four years in 2024

- ◆ LafargeHolcim earned its lowest profit in four years in 2024 due to lower sales amid recent political changeover and adverse macroeconomic environment.
- ◆ The multinational cement manufacturer's profit plunged 36% year-on-year to BDT 3.82 billion in 2024.
- ◆ As a result, earnings per share (EPS) fell to BDT 3.29 in 2024 from BDT 5.12 the year before.
- ◆ Due to a decline in profits, the board of directors slashed dividends to 38% in cash for 2024, including a 19% interim dividend, from a record cash dividend of 50% paid for 2023.
- ◆ The total number of shares is 1.61 million and LafargeHolcim will provide BDT 4.41 billion in total in cash dividends for 2024.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/lafargeholcims-profit-lowest-in-four-years-in-2024-1741796186>