

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,183.36
% change	-0.35%
DS30 Index	1,896.23
% change	0.44%
DSES Index	1,158.77
% change	0.06%
Turnover (BDT mn)	4,212.83
Turnover (USD mn)	34.53
% change	-15.26%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	41,985.35
% change	0.00%
S&P 500	5,667.56
% change	0.00%
Nikkei 225	37,811.50
% change	0.36%
FTSE 100	8,646.79
% change	0.00%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.00
EUR	131.93	131.96
GBP	157.60	157.64
INR	1.42	1.42

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
23-Mar-25	9.75 - 11.00	10.02
20-Mar-25	9.75 - 11.00	10.01

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	72.16	0.00%
Gold Spot, USD/t oz.	3,024.82	0.04%
Cotton, USD/lb.	65.27	0.00%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.35% in the last trading day, closing at 5183.36 points.
- The daily turnover increased by 3.03% on the last trading day.

Global Market

- The majority of the global indices were closed on the last trading day.
- One of the key Asian indices, the Nikkei 225 rose by 0.36%.

Key Macro Indicators

- The value of the BDT rose against the EUR and the GBP, and fell and INR, and remained stable against the USD.
- The average overnight rate stood at 10.02%, standing between 9.75% and 11.00%.
- Gold prices increased by 0.04% on the last trading day. The oil futures market and the cotton market were closed.

Bangladesh Macro Update

Import LCs opening and settlement rise by 20% in February

- ◆ Higher remittance inflow and export earnings have boosted the availability of dollars in the banking sector, leading to a nearly 20% year-on-year increase in both the opening and settlement of import letters of credit (LCs) in February.
- ◆ According to data from the central bank, import LCs worth USD 6.26 billion were opened in February, marking a 19.92% increase from USD 5.22 billion in the same month last year.
- ◆ In the first two months of this year, over USD 6 billion worth of LCs have been opened.
- ◆ When asked about the surge in import LCs, a senior official from the central bank said that Remittance inflow and export earnings have increased significantly compared to the previous fiscal year.
- ◆ As a result, banks now have a higher availability of dollars, enabling them to open more import LCs.
- ◆ Central bank data states that Bangladesh received USD 2.53 billion in remittances in February, the fourth-highest monthly inflow in the country's history.

News Source:

<https://www.tbsnews.net/economy/import-lcs-opening-and-settlement-rise-20-february-1100186>

Jul-Feb revenue surges, still Tk58,000cr short of target

- ◆ Revenue collection has been rising in recent months, with the National Board of Revenue (NBR) recording nearly 2% year-on-year growth in the first eight months of the current fiscal year.
- ◆ Still, revenue collection fell short of the target of over BDT 2.80 lakh crore for the period by more than BDT 58,000 crore.
- ◆ According to NBR data, revenue collection from July to February stood at BDT 221,817 crore, compared to BDT 117,971 crore during the same period in the previous fiscal year.
- ◆ The NBR data also indicates positive growth in revenue collection for three consecutive months since December.
- ◆ Meanwhile, NBR Chairman Abdur Rahman Khan held a meeting with Income Tax Department officials on 23 March to assess the field situation in revenue collection, and the meeting directed authorities to expand the tax net to boost income tax collection.

News Source:

<https://www.tbsnews.net/economy/jul-feb-revenue-surges-still-tk58000cr-short-target-1100181>

BIDA chief prioritises job creation over FDI volume

- ◆ Bangladesh Investment Development Authority (BIDA) Executive Chairman Ashik Chowdhury has emphasised the need to shift the focus of foreign direct investment (FDI) from its monetary volume to the number of jobs it creates.
- ◆ Chowdhury stressed the importance of job creation for Bangladesh's economic growth and urged Japanese investors to increase their presence in the country, creating employment opportunities and improving the quality of human capital.

- ◆ He noted that Bangladesh has the potential to become a regional manufacturing hub that will serve markets beyond its borders.
- ◆ Presenting the survey report, Japan External Trade Organisation's (JETRO) Country Representative for Bangladesh Yuji Ando highlighted the nuanced landscape of Japanese business operations in Bangladesh, marked by a mix of current challenges and optimistic future projections.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/bida-chief-prioritises-job-creation-over-fdi-volume-1742752672>

Sectoral Update

Banks, NBFIs, and Insurance

CIB report must be verified for any new amount of agri, rural loan approvals: Cenbank

- ◆ For any amount of new loans sanctioned or existing loan renewals in all sectors under the agricultural and rural loans, a Credit Information Bureau (CIB) report must be verified.
- ◆ The Bangladesh Bank on 23 March issued a circular in this regard, directing all scheduled banks to comply with the requirement.
- ◆ Previously, a CIB report was not required for agricultural and rural loans up to BDT 2.5 lakh.
- ◆ According to the circular, if loans are provided without verifying the CIB report, a customer could obtain multiple agricultural and rural loans, each up to a maximum of BDT 2.5 lakh from various banks, which the lending bank would not know about.
- ◆ This process creates a risk of increasing default loans, which is why the directive has been issued.

News Source:

<https://www.tbsnews.net/economy/banking/cib-report-must-be-verified-any-new-amount-agri-rural-loan-approvals-cenbank-1100021>

Banks get remedies but what about ailing NBFIs?

- ◆ Irregularities, scams, and governance failures necessitate reforms for both banks and non-bank financial institutions (NBFIs), but the severity of ailments in both sectors seems to have left the banking regulator with no option to pick and choose.
- ◆ For the Bangladesh Bank, the question is no longer regarding which will get the remedy first, but how long the other can sustain itself in a state of neglect.
- ◆ The longer NBFIs remain untreated, the worse their condition will become.
- ◆ Banks require urgent reforms, but so do NBFIs, industry leaders say, warning that delays may push them beyond recovery.
- ◆ Of the 35 NBFIs in the country, a dozen are currently struggling to repay depositors due to an acute liquidity crisis, a persistent issue that has tarnished the sector's image over the years.

- ◆ After the political changeover on August 5 last year, the central bank initiated a series of banking sector reforms, including the formation of taskforces, the introduction of new laws and amendments to existing legislation such as the Bank Company Act.

News Source:

<https://www.thedailystar.net/business/news/banks-get-remedies-what-about-ailing-nbfis-3855991>

Tobacco

Govt plans to raise high-end cigarette prices to curb consumption

- ◆ The government is planning to hike prices to curb the consumption of high-end and premium cigarettes, which has risen following a significant drop in lower-priced cigarette sales after the supplementary tax increase in January, according to Finance Adviser Salehuddin Ahmed.
- ◆ The meeting was held on 25 February by the advisory committee tasked with reviewing the draft amendment of the Smoking and Tobacco Products Usage (Control) Ordinance, 2024.
- ◆ To reduce smoking prevalence among marginalised communities, higher taxes have already been imposed on lower-tier cigarettes.
- ◆ Steps will also be taken to curb the consumption of luxury cigarettes in the future.
- ◆ Sheikh Bashir, the commerce adviser also stated that curbing the illicit trade of tobacco products could generate an additional BDT 10,000 crore in annual revenue.

News Source:

<https://www.tbsnews.net/bangladesh/govt-plans-raise-high-end-cigarette-prices-curb-consumption-1100236>

Energy

DESCO invites bids to generate 120MW rooftop solar power

- ◆ Dhaka Electric Supply Company (DESCO) wants to generate 120 megawatts (MW) of solar power by setting up on-grid solar systems in its eight operational circles, according to officials.
- ◆ In this regard, it recently invited bids from international engineering, procurement, and construction (EPC) contractors to design, build, finance, operate, and maintain the systems.
- ◆ DESCO said that it wants to set up the systems to support the government's clean energy initiative and increase the share of non-fossil energy consumption.
- ◆ The systems will be set up on rooftops and other urban spaces in areas within the DESCO jurisdiction to generate on-grid solar power, which will be integrated with the company's distribution network through net metering.
- ◆ In each of the eight operational circles, DESCO plans to generate 15MW of solar power.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/desco-invites-bids-to-generate-120mw-rooftop-solar-power-1742752244>

BPC proposes jet fuel price increase to Tk 112 per litre for local carriers

- ◆ State-owned Bangladesh Petroleum Corporation (BPC) has proposed the price of Jet-A1 fuel at BDT 112 per litre for local carriers and USD 0.74 for international carriers.
- ◆ The proposal was presented to the Bangladesh Energy Regulatory Commission (BERC) during a hearing at TCB Bhaban on 23 March.
- ◆ BERC Chairman Jalal Ahmed moderated the mass hearing which was attended by other commission members and various stakeholders.
- ◆ Despite opposition to the proposed increase in the Jet-A1 fuel tariff, ATM Selim, senior general manager of BPC, defended the move, stating that the tariff hike was necessary for the survival of state-owned organisations and to continue ongoing projects.
- ◆ The Aviation Operators Association of Bangladesh (AOAB), representing local carriers, has called for a downward adjustment of the Jet-A1 fuel tariff to ensure their survival.

News Source:

<https://www.tbsnews.net/bangladesh/energy/bpc-proposes-jet-fuel-price-increase-tk112-litre-local-carriers-1100071>

Patuakhali RNPL power plant faces allegations over late tender acceptance

- ◆ The coal supply tender process for the RPCL-Norinco International Power Limited (RNPL) Patuakhali 1320 MW Power Plant, which began over two and a half years ago, has become controversial after two tenders were accepted past the official deadline on 20 March.
- ◆ Engineer Md Selim Bhuiyan, managing director of RNPL, told that the tenders were accepted despite being late, referring to them as "late tenders."
- ◆ He stated that the issue would be addressed in an upcoming board meeting.
- ◆ The acceptance of late tenders has raised concerns among other participants in the process, with some suggesting that the decision might have been made to favour one particular company.
- ◆ A board meeting was convened to validate the late tenders, raising further questions about the transparency of the process.

News Source:

<https://www.tbsnews.net/bangladesh/energy/patuakhali-rnpl-power-plant-faces-allegations-over-late-tender-acceptance-1100091>

Capital Market

Stocks plunge as market sees widespread sell-offs

- ◆ Stocks closed in the red on Sunday as there were widespread sell-offs across the sectors during the trading session.
- ◆ The prime index of the Dhaka Stock Exchange (DSE) saw erosion of 18.34 points to settle at 5,183.
- ◆ Dhaka stocks plunged as selling pressure mounted ahead of the Eid vacation to begin at the start of next week.

- ◆ Investors were cautious amid uncertain market momentum against the backdrop of ongoing political tension.
- ◆ Turnover, a crucial indicator of the market, was BDT 4.21 billion on Sunday, down 15.26% from the previous trading day.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/stocks-plunge-as-market-sees-widespread-sell-offs-1742748131>

BSEC plans to set up media monitoring service

- ◆ The Bangladesh Securities and Exchange Commission (BSEC) plans to establish a news media monitoring service to systematically track stock market-related items and has issued a tender to select a suitable service provider.
- ◆ As an "A" category member of the International Organisation of Securities Commissions, BSEC is responsible for protecting investors' interests, which requires monitoring news across print, electronic, online, and social media, according to the notification.
- ◆ The commission is inviting proposals from service providers for news media monitoring services to collect and deliver capital market-related news from national print, electronic, online, and social media.
- ◆ The information should be provided via email and a portal dashboard, using predefined keywords, and include video clips when applicable.
- ◆ It should be categorised into general and adverse reports, with adverse ones highlighting violations of laws and regulations, such as Anti-Money Laundering (AML), Countering the Financing of Terrorism (CFT), securities laws, or other relevant norms.

News Source:

<https://www.tbsnews.net/economy/stocks/bsec-plans-set-media-monitoring-service-1100146>

Regulator must offer benefits for IPOs of multinational firms: Rupali Chowdhury

- ◆ The equity market lacks incentives to attract multinational companies, according to Rupali Haque Chowdhury, president of the Bangladesh Association of Publicly Listed Companies (BAPLC).
- ◆ There is a dearth of good companies in the equity market.
- ◆ The government should provide policy support and tax incentives to inspire multinational firms operating in Bangladesh to join the stock market, she added.
- ◆ Five years ago, the tax rate gap between listed and non-listed companies was 10%, which came down to 5% last year despite repeated requests from market stakeholders for an expansion of the gap.
- ◆ Why will companies issue IPOs if they don't get benefits after listing, whereas they get credits from banks?

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/regulator-must-offer-benefits-for-ipos-of-multinational-firms-rupali-chowdhury-1742748103>