

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,214.21
% change	0.33%
DS30 Index	1,918.06
% change	0.34%
DSES Index	1,168.03
% change	0.15%
Turnover (BDT mn)	3,864.75
Turnover (USD mn)	31.68
% change	-23.36%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	42,454.79
% change	-0.31%
S&P 500	5,712.20
% change	-1.12%
Nikkei 225	37,692.00
% change	-0.23%
FTSE 100	8,689.59
% change	0.30%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.00
EUR	131.76	131.78
GBP	157.61	157.71
INR	1.43	1.43

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
25-Mar-25	9.75 - 11.00	9.95
24-Mar-25	8.80 - 11.00	9.85

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	73.06	0.93%
Gold Spot, USD/t oz.	3,021.61	0.06%
Cotton, USD/lb.	65.68	0.83%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.33% on the last trading day, closing at 5214.21 points.
- The daily turnover fell by 23.36% on the last trading day.

Global Market

- The majority of the global indices had mixed performance on the last trading day; the Dow Jones Industrial Average fell by 0.312%, the S&P 500 fell by 1.12%, and the FTSE 100 rose by 0.3%.
- One of the key Asian indices, the Nikkei 225 fell by 0.23%.

Key Macro Indicators

- The value of the BDT rose against the EUR, fell against the GBP and INR, and remained stable against the USD.
- The average overnight rate stood at 9.95%, standing between 9.75% and 11.00%.
- The price of oil futures rose by 0.93%, gold prices rose by 0.06%, the price of cotton rose by 0.83%.

Bangladesh Macro Update

Next ADP likely to be worth Tk 2.30t

- ◆ A relatively fat development budget worth BDT 2.30 trillion is likely to be prepared for the next fiscal year, too, by the interim government notwithstanding a staggeringly low execution of the outgoing ADP.
- ◆ By official count, only a fourth of the total annual development programme or ADP for the fiscal year 2024-25 had been implemented in eight months to this February.
- ◆ The size of the ADP in the upcoming financial year may set at BDT 2.30 trillion to meet fund demands made by different ministries and divisions, finance ministry officials said.
- ◆ However, the finance officials find the new ADP outsized compared to the implementation capacity of the ministries and presume that it will also remain largely unimplemented.
- ◆ The original ADP allocation for the outgoing fiscal year 2024-25 was BDT 2.65 trillion which was revised down by BDT 49 billion to BDT 2.16 trillion earlier this month following a big implementation gap.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/next-adp-likely-to-be-worth-tk-230t-1743008736>

Forex market steadies as dollar inflows go up

- ◆ The country's foreign exchange market is stabilising thanks to a surge in US dollar (USD) inflows, driven by higher remittances, stronger export earnings and tighter oversight by the central bank.
- ◆ Liquidity in the forex market has improved, evident in banks' net open positions (NOP), the difference between their foreign currency assets and liabilities.
- ◆ Banks' NOP reached USD 550 million as of 20 March, up from around USD 150 million earlier in the month, according to Bangladesh Bank data.
- ◆ Over the past few months, the NOP had fluctuated between USD 250 million and USD 300 million, central bank officials said.
- ◆ Industry insiders attributed the NOP increase to a rise in the inflow of the US dollar, which indicates that the foreign exchange market is increasingly gaining stability.

News Source:

<https://www.thedailystar.net/business/economy/news/forex-market-steadies-dollar-inflows-go-3858396>

Repayment outpaces foreign aid inflow

- ◆ Bangladesh spent USD 2.636 billion in debt servicing against principal and interest during July-February of this fiscal year at a rising rate that outpaces receipt, according to officials, affecting execution of aided projects.
- ◆ The foreign-aid inflow dropped as both commitment and disbursement ebbed down in the first eight months the fiscal year (FY) 2024-25, officials said.
- ◆ According to Economic Relations Division (ERD) data, foreign-aid commitments squeezed 67.3% in the July-February period while disbursements dropped 17.3%.

- ◆ Bangladesh repaid USD 2.636 billion worth of funds to development partners in July-February period of this fiscal against its debts compared to USD 2.03 billion in the same period of last FY2024, according to the ERD data, released Monday.
- ◆ Principal amount payment increased to USD 1.69 billion in the first eight months of the current FY2025 compared to USD 1.22 billion in the corresponding period the last fiscal.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/repayment-outpaces-foreign-aid-inflow-1743009792>

Sectoral Update

Banks, NBFIs, and Insurance

Yield rise may make govt bank borrowing costlier

- ◆ Government bank borrowings may be costlier from this fiscal year's last quarter for growing yields on sovereign securities, as rate rises already cast their shadows before.
- ◆ Economists and bankers believe the yield pressures may be zooming despite the borrowing target for the April-June period is not set to increase significantly.
- ◆ On Tuesday, the government released its auction calendar for the fourth quarter of the fiscal year 2024-25 with a plan to borrow BDT 1.42 trillion through the banking system, an increase of nearly 8.0%.
- ◆ The country's banks typically rely on repo borrowing to meet urgent liquidity needs and fund their investments in government securities. But the central bank has announced discontinuation of the 28-day repo facility from April 10.
- ◆ Bankers argue that soon after issuance of the circular, yields on both treasury bills and bonds reflected an uptrend in last auctions held on 23rd and 25th March.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/yield-rise-may-make-govt-bank-borrowing-costlier-1743009437>

Textile

RMG exporters struggle as rise in 'open costing' by buyers cuts profits

- ◆ Bangladesh's RMG exporters are seeing profits shrink as buyers increasingly control pricing through open costing, which has grown from 10% to 60% of total exports over the last decade.
- ◆ This pricing method is making it harder for factory owners to stay profitable, with some even facing financial losses.
- ◆ Under open costing, buyers determine product prices based on a transparent breakdown of production costs, including raw materials, labour, overhead, and profit margins.
- ◆ Garment exporters said that intense competition among factories in Bangladesh is further weakening their ability to negotiate prices.

News Source:

<https://www.tbsnews.net/economy/rmg/rmg-exporters-struggle-rise-open-costing-buyers-cuts-profits-1102871>

Fuel and Power

Energy Division, fuel distributors urge Cenbank to keep depot-area banks open during Eid holidays

- ◆ The Energy and Mineral Resources Division has urged the Bangladesh Bank to keep bank branches in fuel depot areas open during the Eid-ul-Fitr holidays to ensure uninterrupted fuel supply.
- ◆ The Energy Division requested that bank branches in depot areas remain open on 30 March and 3 April to facilitate fuel purchases by dealers and ensure an uninterrupted supply to consumers.
- ◆ The association's President Syed Sajjadul Karim Kabul stated that the Bangladesh Petroleum Corporation (BPC) is keeping fuel depots open to support Eid travel and ensure continuous operation of fuel-based power plants.
- ◆ However, the closure of banks prevents distributors from obtaining necessary pay orders for fuel purchases as cash transactions are not feasible.
- ◆ If banks remain closed, they will be unable to process payments, leading to a potential fuel supply disruption.

News Source:

<https://www.tbsnews.net/bangladesh/energy/energy-division-fuel-distributors-urge-cenbank-keep-depot-area-banks-open-during>

Capital Market

Dhaka index rises as NBFIs lead gains

- ◆ In a surprising market movement, non-banking financial institution (NBFI) stocks led a broad-based rally at the Dhaka Stock Exchange (DSE) yesterday.
- ◆ It delivered outsized returns despite the sector's well-documented struggles with non-performing loans and governance issues.
- ◆ The NBFI sector delivered a 3.4% return, with top-performing stocks including LankaBangla Finance, Islamic Finance, FAS Finance, and Premier Leasing.
- ◆ LankaBangla Finance leading the top gainers' chart with a 10% price jump, followed by Islamic Finance with 9.26%, FAS Finance with 9.09%, and Premier Leasing with 8.82% gain.
- ◆ Riding on the robust performance of the NBFIs, DSEX, the key index of the premier bourse, climbed 17 points or 0.33% to reach at 5,214, extending its rally for the second consecutive sessions

News Source:

<https://www.tbsnews.net/economy/stocks/dhaka-index-rises-nbfi-stocks-lead-gains-1101956>

Eastern Lubricants share soars by Tk 657 in a month

- ◆ The share price of state-owned Eastern Lubricants Blenders Ltd surged by BDT 657 within just one month at the Dhaka Stock Exchange.
- ◆ On 27 February, the company's stock was trading at BDT 1,337.6.
- ◆ By 24 March, it had surged 49% to BDT 1,995.2.

- ◆ Eastern Lubricants is the highest valuable company among the listed state-owned entities.
- ◆ As of February shareholding report, government holds 51% stake in the company, while sponsors and directors have 15.04%, institutional investors 8.22% and the remaining 25.74% hold by the general investors.

News Source:

<https://www.tbsnews.net/economy/stocks/eastern-lubricants-share-soars-tk657-month-1102796>

Renata's bond, preference shares: What's behind the subscription failure?

- ◆ The Bangladesh Securities and Exchange Commission (BSEC) has extended the subscription tenure for Renata, a leading pharmaceutical company as its bond and preference shares failed to get fully subscribed on time.
- ◆ Nearly a year has passed since the stock market regulator consented to the issuance of a BDT 660 crore zero-coupon bond and BDT 350 crore preference shares, but both capital-raising efforts for short-term loan repayment remain undersubscribed.
- ◆ According to a press release issued on 25 March, the BSEC extended the subscription period for the zero-coupon bond by six months and for the issuance of preference shares by three months.
- ◆ The commission warned that this extension would be the last.
- ◆ As of now, Renata has received BDT 225 crore in subscriptions for its preference shares and BDT 150 crore for its zero-coupon bond, according to officials.

News Source:

<https://www.tbsnews.net/economy/stocks/renatas-bond-preference-shares-whats-behind-subscription-failure-1102861>