

Bangladesh Market

Major Indices	Last closing
DSEX Index	4,776.33
% change	-0.31%
DS30 Index	1,771.98
% change	-0.47%
DSES Index	1,041.94
% change	-0.40%
Turnover (BDT mn)	2,887.84
Turnover (USD mn)	23.52
% change	-1.31%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	42,792.07
% change	0.32%
S&P 500	5,963.60
% change	0.09%
Nikkei 225	37,721.50
% change	0.30%
FTSE 100	8,699.31
% change	0.17%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.80
EUR	137.15	138.09
GBP	162.96	164.13
INR	1.43	1.44

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
19-May-25	9.75 - 11.00	10.21
18-May-25	9.55 - 11.00	10.07

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	65.54	0.05%
Gold Spot, USD/t oz.	3,222.63	-0.38%
Cotton, USD/lb.	65.64	1.16%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.31% on the last trading day, closing at 4,776.33 points.
- The daily turnover decreased by 1.31% on the last trading day.

Global Market

- Majority of the leading global indices posted positive returns as Dow Jones posted 0.32% gain, S&P 500 posted 0.09% gain and FTSE 100 posted 0.17% gain.
- One of the leading Asian market indices, NIKKEI 225 posted 0.30% gain.

Key Macro Indicators

- The BDT appreciated against the USD, EUR, GBP, but depreciated against INR.
- The average overnight rate rose at 10.21%, standing between 9.75% and 11.00%.
- The price of oil futures rose by 0.05%, gold price fell by 0.38%, and cotton price rose by 1.16% yesterday.

Bangladesh Macro Update

Funds flowing in as Japan follows IMF, ADB, WB lead

- ◆ Budget-bankrolling funds are flowing in as Japan now agrees to lend Bangladesh around USD 350 million following the footsteps of multilateral lending trios of the IMF, the ADB and the World Bank, according to officials.
- ◆ Bangladesh's largest bilateral donor, Japan, at a negotiation Monday with the Finance Division and Economic Relations Division (ERD) gave the assurance of budget-support credit.
- ◆ Japan may provide JPY50 billion (USD 345 million) to JPY60 billion (USD 414 million) worth of budgetary support to Bangladesh.
- ◆ The fund is expected to come within this fiscal year (FY) 2024-25, ending on June 30.
- ◆ In a move that underscores the strong bilateral ties between the two nations, Japan has agreed to provide Bangladesh with this budgetary support, according to analysts.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/funds-flowing-in-as-japan-follows-imf-adb-wb-lead-1747678542>

Jul-Jan budget deficit up 73pc on slow tax receipts

- ◆ Bangladesh's budget deficit surged by 73.04% in the first seven months of the current fiscal year compared to the same period in FY24, driven largely by sluggish tax collection, according to official data.
- ◆ The total government expenditure stood at BDT 2.746 trillion during the July-January period of FY25, while revenues reached BDT 2.362 trillion, resulting in a deficit of BDT 384.93 billion, according to Ministry of Finance (MoF).
- ◆ During this period of FY24, the deficit was BDT 222.44 billion.
- ◆ Of the total spending in this period of FY25, operating expenditure accounted for BDT 2.233 trillion, and development expenditure amounted to BDT 512.71 billion.
- ◆ The tax revenue collected by the now defunct National Board of Revenue (NBR) was BDT 1.99 trillion during the period, equivalent to just over 40% of the annual target.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/jul-jan-budget-deficit-up-73pc-on-slow-tax-receipts-1747678601>

Jul-Apr ADP execution hits record low of 41.31pc

- ◆ The government agencies continued to show poor performance in projects implementation as they spent only 41.31% of the Annual Development Programme (ADP) during the first 10 months of the current fiscal.
- ◆ The ADP implementation rate during July-April period of the current FY2025 was the lowest in last 12 years, available IMED data revealed.
- ◆ However, the ADP execution rate had been ranging between 49% and 54% during July-April period in the previous four fiscals.

- ◆ During July-April period of FY 2024-25, the government agencies spent BDT 934.25 billion against BDT 2.26-trillion ADP outlay.
- ◆ In the corresponding period of FY2023-2024, they spent BDT 1.25 trillion, 49.26% of the BDT 2.54 trillion ADP allocations.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/jul-apr-adp-execution-hits-record-low-of-4131pc-1747678886>

Sectoral Update

Banks, NBFIs, and Insurance

Large depositors in troubled banks to be offered shares, bonds: Salehuddin

- ◆ In a decisive move to overhaul the struggling banking sector, large depositors in financially weak banks will be offered a stark choice: shares in the respective banks or treasury bonds, instead of the full return of their deposited funds.
- ◆ This significant reform, however, will not affect small depositors, who are guaranteed to receive their money back.
- ◆ We are rushing to enact the Bank Resolution Ordinance and to restructure the NBR because once a political government comes, these reforms won't happen, according to Salehuddin.
- ◆ We will reform the banking sector by December, he added.
- ◆ In contrast, small depositors will be protected and receive their funds through a dedicated fund managed independently by Bangladesh Bank, with the ministry playing a consultative role only.

News Source:

<https://www.tbsnews.net/interviews/large-depositors-troubled-banks-be-offered-shares-bonds-salehuddin-1146851>

Textile

Swisscontact to 'launch 'InSPIRE' challenge fund to boost green energy transition in RMG sector

- ◆ Swisscontact Bangladesh, supported by the Embassy of Sweden, is set to launch the first window of the InSPIRE Challenge Fund at the end of this month, aiming to accelerate the adoption of renewable energy and energy efficiency in Bangladesh's Ready-Made Garment (RMG) sector.
- ◆ The initiative seeks to de-risk private investment in green energy by offering grants that cover up to 40% of project costs, while factories are expected to co-finance the remaining 60%.
- ◆ The amount of the Challenge Fund grant varies by project, ranging from one to five lakh Swedish Krona (SEK).
- ◆ The InSPIRE fund is not a loan, but a performance-based grant, designed to bridge financing gaps for mid- and low-tier factories and energy service providers.

- ◆ We want factories to see that sustainability is not just a cost but a competitive advantage, according to Syeda Ishrat Fatema, deputy country director of Swisscontact.

News Source:

<https://www.tbsnews.net/economy/rmg/swisscontact-launch-inspire-challenge-fund-boost-green-energy-transition-rmg-sector>

US-Bangladesh FTA talks begin, RMG may see major boost

- ◆ In a potentially transformative development for bilateral trade, the United States has agreed in principle to pursue a Free Trade Agreement (FTA) with Bangladesh.
- ◆ Stakeholders anticipate that such an agreement would grant duty-free access to Bangladeshi exports, notably including its crucial readymade garments (RMG) sector, thereby providing a significant impetus to the nation's exports to the lucrative American market.
- ◆ Commerce Secretary Mahbubur Rahman hailed that it is a breakthrough for Bangladesh and the US has already requested a draft of the agreement to expedite the process.
- ◆ The discussions also centered on the potential withdrawal of additional tariffs previously imposed by the Trump administration.
- ◆ During these deliberations, Dhaka proposed the establishment of an FTA as a means to significantly enhance bilateral trade relations with the US.

News Source:

<https://www.tbsnews.net/economy/us-bangladesh-fta-talks-begin-rmg-may-see-major-boost-1145001>

India restricts RMG imports thru' Kolkata, Mumbai seaports

- ◆ India on Saturday imposed port restrictions on the import of certain goods, including readymade garments (RMG) and processed food items, from Bangladesh.
- ◆ The Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry, has issued a notification in this regard.
- ◆ These restrictions came after Bangladesh restricted Indian cotton via sea ports, closing land ports, according to a diplomatic source.
- ◆ But the Indian government said that such port restriction will not apply to Bangladesh goods transiting through India but destined for Nepal and Bhutan.
- ◆ The directive has come into effect immediately.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/india-restricts-rmg-imports-thru-kolkata-mumbai-seaports-1747503412>

Fuel and Power

Govt seeks to import one more LNG cargo in July

- ◆ The government is expecting to import one more cargo of spot liquefied natural gas (LNG) in early July to meet the country's natural gas demand during the upcoming monsoon.

- ◆ State-run Rupantarita Prakritik Gas Company Ltd (RPGCL) aims to purchase the spot LNG cargo for July 2-3 delivery window, according to a senior RPGCL official.
- ◆ The volume of the spot LNG cargo is around 3.36 million British thermal unit (MMBtu).
- ◆ The bid winner will deliver the LNG cargoes on Moheshkhali island in the Bay of Bengal, with options to discharge the cargo at either of the country's two floating storage re-gasification units located on the Moheshkhali island.
- ◆ If this tender becomes successful, the country's buying of spot LNG cargoes in early July will be two in total.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/govt-seeks-to-import-one-more-lng-cargo-in-july-1747678935>

Capital Market

Stocks plunge to 5-year low despite govt promises to support market

- ◆ Stocks witnessed another setback on Monday, with the prime index of the Dhaka Stock Exchange (DSE) sinking to a fresh five-year low despite government efforts to boost investors' confidence.
- ◆ The interim government has planned a number of initiatives, including the offloading of government stakes in state-run and multinational companies, to increase the availability of quality shares in the market.
- ◆ But the announcement of such measures failed to bring any positive result.
- ◆ The market volatility persisted and sellers maintained their dominance amid uncertainties over the market outlook.
- ◆ The benchmark index of the Dhaka bourse finally slid 15 points or 0.31% to 4,776, the lowest in nearly five years since August 2020, when the coronavirus pandemic played havoc on the economy.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/stocks-plunge-to-5-year-low-despite-govt-promises-to-support-market-1747673604>

BSEC chair meets Salehuddin over market reforms

- ◆ Amid the persistent fall of stock indices, the chief of the securities regulator on Monday met the finance adviser to discuss the implementation of recent directives from the chief adviser to help rejuvenate the market.
- ◆ After the meeting, Bangladesh Securities and Exchange Commission (BSEC) Chairman Khondoker Rashed Maqsood said that they had talked about the mode of implementation.
- ◆ Finance Adviser Dr. Salehuddin Ahmed assured him of looking after the matters.
- ◆ The country's two bourses have been experiencing free fall of indices for a couple of months, compelling small investors to take to the street.

- ◆ Following the continuous market plunge and growing protests by general investors, Chief Adviser Prof on May 11 issued five directives, including measures for the listing of profitable state-owned enterprises (SoEs) and multinational companies (MNCs), where the government has stakes.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/bsec-chair-meets-salehuddin-over-market-reforms-1747673769>