

Bangladesh Market

Major Indices	Last closing
DSEX Index	4,874.58
% change	-0.95%
DS30 Index	1,798.74
% change	-0.92%
DSES Index	1,063.79
% change	-1.13%
Turnover (BDT mn)	3,439.36
Turnover (USD mn)	28.19
% change	-5.54%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	42,140.43
% change	-0.64%
S&P 500	5,886.55
% change	0.72%
Nikkei 225	38,321.50
% change	1.80%
FTSE 100	8,602.92
% change	-0.02%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.00	122.00
EUR	136.44	136.48
GBP	162.31	162.41
INR	1.43	1.43

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
13-May-25	9.75 - 11.00	10.05
12-May-25	9.75 - 11.00	10.08

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	66.63	2.57%
Gold Spot, USD/t oz.	3,254.44	0.61%
Cotton, USD/lb.	66.28	-0.53%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.95% on the last trading day, closing at 4,874.58 points.
- The daily turnover decreased by 5.54% on the last trading day.

Global Market

- Majority of the leading global indices posted mixed returns as Dow Jones posted a 0.64% loss, S&P 500 posted a 0.72% gain and FTSE 100 posted a 0.02% loss.
- One of the leading Asian market indices, NIKKEI 225 posted a 1.80% gain.

Key Macro Indicators

- The value of the BDT rose against the EUR, GBP, and fell against INR whereas 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 2.57%, gold price rose by 0.61%, and cotton price fell by 0.53% yesterday.

Global Macro Update

Global stocks rally after US, China pause tariff war, but uncertainty remains

- ◆ Global stock markets surged on Monday after the US and China agreed to slash steep tariffs for at least 90 days, tapping the brakes on a trade war between the world's two biggest economies that had fed fears of a global recession.
- ◆ But the temporary pause did little to address the underlying schisms that led to the dispute, including the US trade deficit with China and US President Donald Trump's demand for more action from Beijing to combat the US fentanyl crisis.
- ◆ Under the temporary truce, the US will cut extra tariffs it imposed on Chinese imports last month from 145% to 30% for the next three months, while Chinese duties on US imports will fall to 10% from 125%.
- ◆ In addition to the tariff reductions, China agreed to lift export countermeasures issued after April 2, including restrictions on rare earth minerals and magnets used widely in high-tech manufacturing, US trade representative Jamieson Greer said in an interview with Fox News.

News Source:

<https://www.tbsnews.net/world/global-economy/global-stocks-rally-after-us-china-pause-tariff-war-uncertainty-remains-1140736>

Bangladesh Macro Update

10 reasons why NBR split

- ◆ Government decision dissolving the National Board of Revenue into tax policymaking and tax administration divisions is to improve efficiency, reduce conflicts of interest, and widen the tax base, the CA Office says.
- ◆ The explanation came Tuesday from the office of the head of interim government as a section of NBR staff took it amiss and went on a pen-down protest against the much-discussed measure.
- ◆ The post-uprising government has announced the major structural reform that effected dissolution of the National Board of Revenue (NBR) to be replaced by two distinct entities under the Ministry of Finance- Revenue Policy Division and Revenue Management Division.
- ◆ A group of NBR officials swung into protest against the move as soon as the announcement came to light.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/10-reasons-why-nbr-split-1747160591>

BB resolves exchange rate dispute with IMF, expects next tranche in June

- ◆ In the first 10 months and seven days of the current fiscal year of 2024-25, remittance inflow has surpassed USD 25 billion, breaking all previous records even before the fiscal year ended.
- ◆ The Bangladesh Bank has finally reached an agreement with the International Monetary Fund (IMF) on implementing greater exchange rate flexibility, a key condition for the USD 4.7 billion loan package, clearing the way for the release of a nearly USD 1.3 billion tranche in June.

- ◆ After a series of meetings with Bangladesh Bank Governor Ahsan H Mansur, the Washington-based lender agreed to release the loan tranche, and the decision will get final approval in the IMF board meeting due in June, a senior central bank official told TBS.
- ◆ The Bangladesh Bank will hold a press conference at its headquarters tomorrow, with the governor joining virtually from Dubai.
- ◆ Spokesperson Arif Hossain Khan said a positive development regarding the IMF loan will be announced at the event.

News Source:

<https://www.tbsnews.net/economy/banking/bb-resolves-exchange-rate-dispute-imf-expects-next-tranche-june-1141636>

BB to adopt more flexible exchange rate to meet IMF conditions

- ◆ After a months-long stalemate, the Bangladesh Bank (BB) is finally set to adopt a more flexible exchange rate regime to fulfil conditions tied to a USD 4.7 billion International Monetary Fund (IMF) loan programme, which will likely enable Bangladesh to receive USD 1.3 billion in the fourth and fifth tranches.
- ◆ Currently, banks in Bangladesh are following a crawling peg rate system for spot purchases and sales of US dollars, where the mid-rate is set at BDT 119 with a 2.5% corridor per greenback.
- ◆ The banking regulator may increase the corridor to 4% or 5% as part of its initiative to bring more flexibility to the foreign exchange market, The Daily Star learned from central bank officials.
- ◆ As a result, banks will be able to quote 4% to 5% higher or lower than the mid-rate for spot purchases and sales of US dollars.

News Source:

<https://www.thedailystar.net/business/news/bb-adopt-more-flexible-exchange-rate-meet-imf-conditions-3894111>

Deficit financing not thru bank borrowing or high-powered money

- ◆ Prudence is at play in budgeting now as Finance Adviser Dr Salehuddin Ahmed said Tuesday this government wouldn't implement the next budget by borrowing from banks or printing money.
- ◆ He also said a very realistic Annual Development Programme (ADP) will be taken in the budget for next fiscal year.
- ◆ Mr Ahmed said the government is in talks with the International Monetary Fund (IMF) and the World Bank on budget-support loans to lessen deficit.
- ◆ Asked whether the splitting of the National Board of Revenue (NBR) into two divisions will have any impact on revenue collection, the adviser answered in the negative, citing international practice of such bifurcation.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/deficit-financing-not-thru-bank-borrowing-or-high-powered-money-1747160879>

Sectoral Update

Textile

3 new RMG factories get LEED certification

- ◆ Three new RMG factories in the country got LEED certification, which is testament to the country's unwavering commitment to environmental sustainability in the Ready-Made Garment (RMG) sector.
- ◆ The three new LEED certified RMG factories are: Tasniah Fabrics Ltd. Admin Building, Nayapaya, Kashimpur, Gazipur, Bangladesh; Tasniah Fabrics Ltd. RMG Building, Address: Nayapaya, Kashimpur, Gazipur, Bangladesh; and Comfit Golden Leaf, Address: Gorai, Mirzapur, Tangail, Dhaka, Bangladesh.
- ◆ This new addition brings the total number of LEED Certified Factories in Bangladesh to 243, with 101 Platinum and 128 Gold Certified.
- ◆ Bangladesh now has 68 out of the top 100 highest rated LEED Certified Factories in the world.
- ◆ Industry insiders said that this is a landmark moment for Bangladesh and a testament to the country's unwavering commitment to environmental sustainability in the RMG sector.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/3-new-rmg-factories-get-leed-certification-1747154956>

Fuel and Power

Govt set to nearly halve power subsidies in FY 2026

- ◆ The government is set to halve the power subsidy for the next fiscal year (FY2025-26) to reduce the financial burden on the exchequer.
- ◆ A substantial payment already made to clear the outstanding bills accumulated over the last couple of years for purchasing electricity from the independent power producers and an efficient power-sector-management plan apparently helped the government to go for the cutback.
- ◆ Analysts, however, suggested maintaining a balance between the subsidy reduction and electricity tariffs so that the consumers, particularly households, do not have to bear the brunt.
- ◆ In the national budget for FY 2025-26, scheduled to be placed in parliament on June 2, the allocation for power subsidy would be BDT 350 billion, about 56.5% of BDT 620 billion revised allocation for the outgoing fiscal year, according to officials.
- ◆ The original allocation for power subsidy was BDT 360 billion for FY 2024-25.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/govt-set-to-nearly-halve-power-subsidies-in-fy-2026-1747161062>

Jet fuel price down by Tk 17.43 per litre

- ◆ The Bangladesh Energy Regulatory Commission (Berc) has reduced the jet fuel Jet A-1 price for domestic and international airlines, effective from 14 May.
- ◆ For domestic carriers, the price of Jet A-1 fuel has been lowered by BDT 17.43 per litre, dropping from BDT 111 to BDT 93.57.

- ◆ For international airlines, the price has been cut by USD 0.1434 per litre, reducing the rate from USD 0.7500 to USD 0.6066.
- ◆ Alongside the fuel price adjustment, the Bangladesh Petroleum Corporation (BPC) has revised its storage and sale charge to BDT 4.04 per litre.
- ◆ Jet fuel is usually imported by Bangladesh Petroleum Corporation, with Padma Oil handling distribution.

News Source:

<https://www.tbsnews.net/bangladesh/energy/jet-fuel-price-down-tk1743-litre-1141361>

Capital Market

DSEX sees sharp fall as investors sell off blue-chip stocks

- ◆ The benchmark DSEX index of the Dhaka Stock Exchange (DSE) suffered a sharp fall on Tuesday (13 May), reversing early gains as investors sold off blue-chip stocks amid concerns over the upcoming budget and lack of market-supportive signals.
- ◆ The DSEX closed 47 points lower at 4,875, while the DSE Shariah Index (DSES) dropped 12 points to 1,064.
- ◆ The DS30 Index, which tracks blue-chip stocks, gained 17 points to reach 1,799, despite most large-cap shares facing downward pressure.
- ◆ Key blue-chip stocks, Square Pharmaceuticals, British American Tobacco Bangladesh, Beximco Pharmaceuticals, Grameenphone, Islami Bank, and Unilever Consumer Care led the decline, dragging the broader market lower.
- ◆ The daily turnover fell to BDT 344 crore, down from BDT 364 crore in the previous session, indicating weakening investor activity.

News Source:

<https://www.tbsnews.net/economy/stocks/dsex-sees-sharp-fall-investors-sell-blue-chip-stocks-1141591>

BRAC, City banks' investment income offsets core business slowdown

- ◆ Both BRAC Bank and City Bank secured a year-on-year growth in profit in the first quarter through March this year despite a decline in interest income as their investment income jumped.
- ◆ City Bank showed a 2.88% year-on-year rise in net profit to BDT 0.93 billion in the first quarter of 2025 although net interest income was reduced by a whopping 63% in the first quarter year-on-year.
- ◆ The profit was mainly driven by a 215% year-on-year surge in investment income to BDT 5.93 billion, most of which came from government securities.
- ◆ The earnings per share (EPS) rose to BDT 0.69 for the first quarter of 2025 from BDT 0.67 for the same period a year ago.
- ◆ BRAC Bank showed a staggering 53% year-on-year escalation in profit to BDT 4.86 billion in the first quarter to March this year, despite a more than 10% reduction in net interest income.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/brac-city-banks-investment-income-offsets-core-business-slowdown-1747154753>

Stocks take further blow as investors not swayed by supportive measures

- ◆ The country's stock market continued to suffer erosion despite a decline in interest rates of Treasury bonds and market supportive measures announced by the interim government.
- ◆ Higher rates of Treasury bonds surpassing 12% have been blamed for a diversion of funds from the equity market to fixed-income securities against the backdrop of negative returns from the former.
- ◆ The stock market is usually expected to react positively when the yield of government securities falls.
- ◆ The interest rate of 5-year T-bonds was cut on Tuesday to 11.99% from 12.39%.
- ◆ On the same day, the Dhaka Stock Exchange (DSE) experienced a sharp fall by 0.95% or 47 points to close at 4874.58 points, with a turnover of less than BDT 4 billion.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/stocks-take-further-blow-as-investors-not-swayed-by-supportive-measures-1747154928>