

### Bangladesh Market

Major Indices	Last closing
DSEX Index	4,746.43
% change	-0.81%
DS30 Index	1,753.30
% change	-1.34%
DSES Index	1,037.23
% change	-0.92%
Turnover (BDT mn)	2,780.29
Turnover (USD mn)	22.62
% change	9.66%

Source: Dhaka Stock Exchange

### International Market

Major Indices	Last closing
Dow Jones Industrial Average	41,603.07
% change	0.00%
S&P 500	5,802.82
% change	0.00%
Nikkei 225	37,160.47
% change	0.00%
FTSE 100	8,717.97
% change	0.00%

Source: Bloomberg

### Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.80	122.89
EUR	139.55	139.68
GBP	166.22	166.38
INR	1.44	1.44

Source: BB

### Money market

Date	Call Money Rate Range (%)	Weighted Average
24-May-25	9.75 - 11.00	10.09
22-May-25	9.75 - 11.00	10.11

Source: BB

### Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	64.78	0.00%
Gold Spot, USD/t oz.	3,357.42	0.00%
Cotton, USD/lb.	66.11	0.00%

Source: Bloomberg

## Market Summary

### Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.81% on the last trading day, closing at 4,746.43 points.
- The daily turnover increased by 9.66% on the last trading day.

### Global Market

- The majority of the leading global indices closed yesterday.
- One of the leading Asian market indices, NIKKEI 225 was also closed yesterday.

### Key Macro Indicators

- The BDT depreciated against the USD, EUR and GBP and INR.
- The average overnight rate fell at 10.09%, standing between 9.75% and 11.00%.
- The markets of oil futures, gold and cotton were closed yesterday.

## Bangladesh Macro Update

### Strong external sector bolsters economic recovery hopes: GED

- ◆ The Planning Commission's General Economics Division (GED) expects an economic recovery bolstered by a favorable external sector with positive exports, remittance growth, and a stable exchange rate.
- ◆ While global growth is expected to remain steady, domestic challenges, including political uncertainty and inflation, are expected to weigh on the economy in the short term, TGED warned.
- ◆ In its latest monthly outlook, the Planning Commission's wing calls for prudent measures to mitigate the adverse impact of inflation on households and build confidence among investors in the upcoming budget would be key to a strong recovery in the coming fiscal year.
- ◆ It also cites declining inflationary pressures, and a positive deposit and credit growth in the banking sector as signs of gradual restoration of macroeconomic stability.
- ◆ The economic outlook for Bangladesh in May and June 2025 is marked by cautious optimism, with a gradual restoration of macroeconomic stability through various reform measures, according to the GED.

#### News Source:

<https://www.tbsnews.net/economy/strong-external-sector-bolsters-economic-recovery-hopes-ged-1150926>

### Minimum tax may rise to Tk5,000 for individuals, Tk1,000 for new filers

- ◆ The government is considering raising the minimum income tax for individual taxpayers to BDT 5,000 in the upcoming FY26 budget, up from the current three-tier range of BDT 3,000 to BDT 5,000, depending on location.
- ◆ However, new TIN (Taxpayer Identification Number) holders may be allowed to pay a reduced minimum tax of BDT 1,000 to encourage tax compliance.
- ◆ According to sources at the National Board of Revenue (NBR), the revised minimum tax rates could be announced when the FY2025-26 budget ordinance is unveiled in early June.
- ◆ An NBR official, speaking on condition of anonymity, told TBS that many individuals underreport taxable income to take advantage of the minimum tax threshold.

#### News Source:

<https://www.tbsnews.net/economy/minimum-tax-may-rise-tk5000-individuals-tk1000-new-filers-1150901>

### Govt's higher borrowing may impact pvt sector credit flow, warns GED

- ◆ The General Economic Division (GED) of the Planning Commission has warned that increased public sector borrowing from commercial banks may be crowding out the credit flow to the private sector.
- ◆ The government's economic think-tank noted that public sector borrowing from commercial banks had risen significantly in recent months, primarily due to sluggish revenue collection and suspension of direct lending from the central bank.
- ◆ The remark was made in the May issue of "Economic Update and Outlook" released by the GED on Saturday.
- ◆ The paper notes that inflation eased slightly in April compared to March, mainly due to a drop in food prices.

- ◆ To cushion the impact of potential food supply shocks amid rising food costs, the GED recommends maintaining an adequate strategic buffer stock, especially of rice.

**News Source:**

<https://today.thefinancialexpress.com.bd/first-page/govts-higher-borrowing-may-impact-pvt-sector-credit-flow-warns-ged-1748109089>

## Bangladesh per capita debt mounts to \$483

- ◆ As 2024 drew to a close, a sobering economic milestone quietly took shape: every Bangladeshi now carries the burden of USD 483 in public external debt.
- ◆ This revelation stems from the latest figures released by the Bangladesh Bank, which show the nation's outstanding foreign debt ballooning to USD 103.64 billion by December 2024.
- ◆ Of this, the government's share alone is USD 84.21 billion and with the population nearing 174 million, the per capita burden has nearly doubled since fiscal year 2015-16 when the figure was USD 257.
- ◆ The backdrop to this mounting debt is a decade of steady economic expansion.
- ◆ Bangladesh's per capita income rose to USD 2,738 in fiscal year 2023–24, according to preliminary estimates from the Bangladesh Bureau of Statistics.

**News Source:**

<https://www.thedailystar.net/business/news/bangladesh-capita-debt-mounts-483-3902566>

## Sectoral Update

### Textile

## Around 200 factories at risk of labour unrest before Eid

- ◆ Around 200 factories, including textile and readymade garments, in different industrial zones are at risk of labour unrest as, according to law-enforcement agencies, these units are unlikely to be able to pay wages and festival allowances before the upcoming Eid-ul-Azha.
- ◆ To avert any unwanted situation, the trade bodies claimed to have intensified their monitoring and keeping close contact with the management concerned.
- ◆ Meanwhile, the Ministry of Labour and Employment (MoLE) has clarified that the workers and employees of factories and other industrial establishments will enjoy Eid-ul-Azha holidays as per the labour law.
- ◆ In a circular on Tuesday last, the MoLE issued the clarification in response to apparel sector trade bodies' request for the same.
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**News Source:**

<https://today.thefinancialexpress.com.bd/last-page/around-200-factories-at-risk-of-labour-unrest-before-eid-1748109538>

## Fuel and Power

### Adani finally agrees to sit over power purchase disputes

- ◆ In a breakthrough, Adani Power Limited has proposed to the Bangladesh Power Development Board (BPDB) to resolve the disputed clauses in the Power Purchase Agreement (PPA) with the Indian conglomerate.
- ◆ The proposal was made by the chief executive officer of Adani Power, Shersingh B Khyalia, on Thursday during a meeting with the BPDB chairman, Md Rezaul Karim in Dhaka.
- ◆ Bangladesh had expressed concerns about the disputed clauses in the PPA long before the Adani Group-owned 1600 megawatt Godda power plant in India started supplying electricity to Bangladesh.
- ◆ The BPDB chairman acknowledged receiving the PPA renegotiation proposal from Adani Power.
- ◆ The deal was signed in 2017 to supply electricity to Bangladesh from the 1600MW Godda power plant for 25 years.

#### News Source:

<https://www.tbsnews.net/bangladesh/energy/adani-finally-agrees-sit-over-power-purchase-disputes-1150881>

### Scrap rampal plant, ensure transparency in power deals: Anu Muhammad

- ◆ Noted economist Prof Anu Muhammad described the Rampal power plant as a "symbol of Indian dominance" and called on the government to scrap the project, even at the cost of short-term financial losses.
- ◆ Any financial losses can be recovered by confiscating the ill-gotten wealth of those who looted the energy sector, he added.
- ◆ He also slammed charges paid to idle power plants as a "hotbed of corruption" and labelled the Adani power deal "anti-national".
- ◆ Quick rental power plants, he suggested, are no longer necessary and should be phased out.
- ◆ He also criticised the government's recent move to repeal the Energy Sector Indemnity Ordinance while allegedly attaching fresh conditions that undermined public expectations.

#### News Source:

<https://www.tbsnews.net/bangladesh/energy/scrap-rampal-plant-ensure-transparency-power-deals-anu-muhammad-1150726>

## Capital Market

### Stocks plunge further amid political volatility

- ◆ The country's capital market extended its losing streak yesterday as selling pressure persisted, dragging the DSEX down by 38.7 points to close at 4,746, a new low amid the ongoing economic uncertainty and political volatility.
- ◆ Most listed stocks saw price erosion, with investors remaining cautious amid ongoing market volatility.
- ◆ Turnover, one of the key indicators of market activity on the Dhaka Stock Exchange (DSE) rose slightly by 10% to BDT 278 crore, after hitting a ten-month low last Thursday.

- ◆ Of the traded stocks today, 271 scrips saw price decline, 74 advanced and 52 remained unchanged.
- ◆ The DSES, the Shariah index, declined by 9.66 points to 1,037, while the DS30, the blue-chip index, dropped by 23.80 points to settle at 1,753.

**News Source:**

<https://www.tbsnews.net/economy/stocks/stocks-plunge-further-amid-political-volatility-1150876>

## **Impunity plagues capital market: Debapriya**

- ◆ The fundamental problem plaguing the country's capital market is the persistent failure to prosecute those responsible for manipulating shares and ruining small investors in the 1996 and 2010 stock market crashes, rendering superficial solutions ineffective, according to Debapriya Bhattacharya, a distinguished fellow at the Centre for Policy Dialogue.
- ◆ Superficial remedies or quick fixes won't solve the problem unless we address its root causes.
- ◆ He noted that the first major stock market crash in Bangladesh occurred in 1996.
- ◆ There was a breakdown in legal enforcement, a regulatory failure, and strong political interference.
- ◆ He further said that the legal case filed at the time was flawed, deliberately which allowed the perpetrators to go unpunished.

**News Source:**

<https://www.tbsnews.net/economy/stocks/quick-fix-remedies-bringing-foreign-experts-wont-fix-bangladeshs-stock-market>

## **Listing more govt firms won't strengthen capital market unless reforms come first**

- ◆ The idea of listing state-owned enterprises (SOEs) on the stock market has long been promoted as a way to improve transparency and governance.
- ◆ Bangladesh has already listed several SOEs, such as Power Grid Company, Titas Gas, Jamuna Oil, Padma Oil and Meghna Petroleum.
- ◆ But despite their public status, these companies remain largely uninvestable in their current form.
- ◆ Initially, the motivation for listing SOEs was to encourage better governance through market discipline.
- ◆ However, no meaningful effort has been made to assess whether listed SOEs actually outperform their unlisted peers.

**News Source:**

<https://www.tbsnews.net/economy/stocks/listing-more-govt-firms-wont-strengthen-capital-market-unless-reforms-come-first>