

Bangladesh Market	
Major Indices	Last closing
DSEX Index	4,736.34
% change	-0.21%
DS30 Index	1,746.53
% change	-0.39%
DSES Index	1,032.56
% change	-0.45%
Turnover (BDT mn)	2,355.12
Turnover (USD mn)	19.16
% change	-15.29%

Source: Dhaka Stock Exchange

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, fell by 0.21% on the last trading day, closing at 4,736.34 points.
- The daily turnover decreased by 15.29% on the last trading day.

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	37,219.00
% change	0.16%
FTSE 100	8,717.97
% change	0.00%

Source: Bloomberg

Global Market

- The majority of the leading global indices closed yesterday.
- One of the leading Asian market indices, NIKKEI 225 gained 0.16% yesterday.

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

Key Macro Indicators

- The BDT remained stable against the USD, EUR and GBP and INR.
- The average overnight rate rose to 10.13%, standing between 9.75% and 11.00%.
- The price of oil futures increased by 0.58%, gold spot decreased by 0.43%. The cotton market was closed yesterday.

Money market		
Date	Call Money Rate Range (%)	Weighted Average
25-May-25	9.75 - 11.00	10.13
24-May-25	9.75 - 11.00	10.09

Source: BB

Commodities		
Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	64.58	0.58%
Gold Spot, USD/t oz.	3,342.83	-0.43%
Cotton, USD/lb.	66.11	0.00%

Source: Bloomberg

Bangladesh Macro Update

Yields on T-bills rise

- ◆ The yields on treasury bills (T-bills) increased Sunday as banks expressed unwillingness to invest their excess liquidity in the government securities ahead of the Eid-ul-Azha.
- ◆ The cut-off yield, generally known as interest rate, on the 91-day T-bills rose to 11.69% on the day from 11.65% of the previous level while the yield on 182-day T-bills reached 11.85% from the earlier level of 11.51 per cent.
- ◆ The yield on 364-day T-bills rose to 11.75% from 11.62% earlier, according to auction results.
- ◆ Most banks are reluctant to invest their excess funds in the government-approved securities ahead of the Eid, according to a senior official at the Bangladesh Bank (BB).
- ◆ He said the banks want to manage their funds efficiently ahead of the Eid.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/yields-on-t-bills-rise-1748197082>

FY26 Budget: Surcharge to be levied on actual tax to promote transparency

- ◆ In a bid to promote tax fairness, the government is set to revise the surcharge provisions, with plans to impose it on actual tax liabilities rather than inflated assessments.
- ◆ The move aims to encourage taxpayers to disclose their actual wealth with more transparency in their tax returns.
- ◆ Currently, individuals with assets exceeding BDT 4 crore are subject to a surcharge, essentially a tax on tax, ranging from 10% to 35%, depending on different tiers set as per their net wealth.
- ◆ Individual importers are now subject to Advance Income Tax (AIT) at the import stage.
- ◆ If, by the end of the year, the amount deducted as AIT exceeds the taxpayer's actual payable tax, the surcharge is still imposed on the AIT or higher tax amount.

News Source:

<https://www.tbsnews.net/economy/budget/fy26-budget-surcharge-be-levied-actual-tax-promote-transparency-1151706>

10-month revenue growth plunges to five-year low amid NBR crisis

- ◆ Bangladesh is set to face its most significant revenue deficit in five years, since the onset of the Covid-19 pandemic, with growth in revenue collection hitting its lowest since the fiscal year 2019-20.
- ◆ Officials at the National Board of Revenue (NBR) have attributed the grim picture to the deadlock triggered by the protest by officials against a government move to split the NBR.
- ◆ According to data from the NBR, revenue collection increased by a mere 3.24% during the July-April period of the current FY25, marking the slowest growth since the 2019-20 fiscal year.
- ◆ During the ten-month period, the revenue collection fell short of its target by a staggering 38%.

- ◆ NBR officials said over the past five decades, the average revenue collection growth for the NBR has typically exceeded 14%.
- ◆ The only exception was the Covid-hit FY20, which saw an unusual degrowth of 1.96%.

News Source:

<https://www.tbsnews.net/economy/10-month-revenue-growth-plunges-five-year-low-amid-nbr-crisis-1151626>

Bangladesh to seek \$1.0b in budget support

- ◆ Bangladesh will seek one-billion-dollar budget support from Japan during the Chief Adviser's upcoming visit, which will also yield some bilateral cooperation accords, officials said.
- ◆ Chief Adviser Prof Muhammad Yunus is scheduled to visit Tokyo on June 28-31, with these matters high on agenda, the foreign adviser told The Financial Express Sunday.
- ◆ Officials of the ministry have said both the countries have agreed to sign 7 MoUs during the visit of the head of interim government.
- ◆ One will be signed on energy cooperation, two of them will be signed with BIDA, two with the Special Economic Zones Authority, and two will be business-to-business MoU, according to a high official of the ministry.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-to-seek-10b-in-budget-support-1748196508>

Sectoral Update

Banks, NBFIs, and Insurance

NBFIs see Tk1,000cr reduction in default loans during Oct-Dec

- ◆ Default loans in the non-bank financial institutions (NBFIs) saw a remarkable reduction of BDT 1,000 crore during the September-December period of last year, representing a stark contrast to banks, which witnessed a staggering surge of BDT 60,000 crore in such loans during the period.
- ◆ According to Bangladesh Bank data, defaulted loans in NBFIs stood at BDT 25,089 crore at the end of December 2024, down from BDT 26,163 crore in September.
- ◆ This brought the ratio of non-performing loans (NPLs) in the sector down to 33.25% of total disbursed loans, data shows.
- ◆ Bangladesh Bank Executive Director and spokesperson Arif Hossain Khan confirmed the figures and added that not all financial institutions are in trouble, some are performing quite well with rising recovery rates.
- ◆ However, he acknowledged that 33.25% of NBFIs loans being in default is a serious concern and said the sector needs restructuring.

News Source:

<https://www.tbsnews.net/economy/banking/nbfis-see-tk1000cr-reduction-default-loans-during-oct-dec-1151591>

Textile

BTMA demands uninterrupted gas supply to industries

- ◆ Expressing deep concern over the ongoing poor gas supply, leaders of the country's primary textile mills on Sunday demanded immediate measures to ensure uninterrupted energy supply to industries.
- ◆ They also urged the government to suspend the increased prices of gas for industries and captive power plants, arguing that their operations are severely affected, pushing factories to the verge of shutdown.
- ◆ They recommended the government to adopt a mid- and long-term strategy and roadmap, devising the way out of the existing energy crisis and ensuring smooth gas supply.
- ◆ An investment worth USD 70 billion made in the textile and apparel factories, including terry towel, is under threat due to the ongoing gas and working capital crises and thus export earnings would decline as production activity is hampered.
- ◆ As a result, there will be a negative impact on foreign reserves which will hinder the government's recent initiatives to repair the macro economy.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/btma-demands-uninterrupted-gas-supply-to-industries-1748198857>

Tannery

Prices of rawhides fixed ahead of Eid

- ◆ The prices of salt-applied rawhides and skins have been fixed for the upcoming Eid-ul-Azha with an increase of BDT 5.0 and BDT 2.0 compared to that of the previous year.
- ◆ The rawhide prices of salted sacrificial cows have been fixed at BDT 60-65 per square foot (sqft) in the capital city and BDT 55-60 per sqft outside Dhaka.
- ◆ The prices of goat hides have been set at BDT 22-27 per sqft and the prices of baqri skins at BDT 20-22 per sqft.
- ◆ The minimum price of a piece of small size cow rawhide has been fixed at BDT 1,350 and BDT 1150 in Dhaka and outside Dhaka respectively.
- ◆ The prices were fixed at a meeting on Sunday at the commerce ministry.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/prices-of-rawhides-fixed-ahead-of-eid-1748196763>

Fuel and Power

Further delay likely as interim govt also moves slowly

- ◆ Bangladesh's delay in constructing its first crude-oil refinery after independence is set to linger further as the interim government is also in the slow lane to implement the project like the previous ones.
- ◆ Bangladesh had "failed" to build any crude-oil refinery over the past half a century after its independence, resulting in huge waste of foreign currencies that went into the import of refined oils from the international market.

- ◆ Only "negligence" on the part of the authorities concerned is to blame, which is an indication of the dominance of rent-seeking import lobbies.
- ◆ The country's currently operational maiden refinery - Eastern Refinery Ltd (ERL) - was built way back in 1968 by French company Technip, three years before the emergence of independent Bangladesh from the Pakistani rule.
- ◆ The volume of petroleum oil imports increased around threefold over the past five decades to feed the growing consumption in transport, industries, and other commercial outlets with the expansion of the country's overall economy.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/further-delay-likely-as-interim-govt-also-moves-slowly-1748196897>

Capital Market

Market bleeds: DSEX sheds 483 points since April as turnover hits new low

- ◆ Stocks on the country's capital market continued to decline amid ongoing political uncertainty, with turnover at the Dhaka Stock Exchange (DSE) dropping to a new low yesterday, matching levels last seen following the fall of the previous government.
- ◆ Data from the past two months of share trading shows that the benchmark index DSEX has lost around 483 points during the period.
- ◆ According to the DSE, turnover stood at BDT 207 crore on 4 August, a day before the fall of the Sheikh Hasina-led government amid mass student protests demanding her resignation.
- ◆ Yesterday, DSEX fell by 10 points to close at 4,736, while total turnover dropped to BDT 235 crore, marking a 15% decline from the previous session.
- ◆ It was also the lowest turnover recorded so far this year.

News Source:

<https://www.tbsnews.net/economy/stocks/market-bleeds-dsex-sheds-483-points-april-turnover-hits-new-low-1151666>

BSEC to take action against corrupt officials within six months

- ◆ The Bangladesh Securities and Exchange Commission (BSEC) has announced its intention to take action within the next six months against officials and employees of capital market-related institutions who face specific allegations of misconduct and corruption.
- ◆ The regulator, on 18 May, sent a letter to the Financial Institutions Division of the finance ministry, detailing a timeline for implementing five key directives issued by the chief adviser during a high-level meeting held on 11 May.
- ◆ To ensure timely execution, BSEC, in its letter, has outlined responsibilities for various government bodies.
- ◆ For instance, the Ministry of Industries and the Financial Institutions Division are tasked with offloading foreign and state-owned shares within six months.

- ◆ The National Board of Revenue (NBR) is expected to introduce incentives for the capital market in the upcoming budget.

News Source:

<https://www.tbsnews.net/economy/stocks/bsec-take-action-against-corrupt-officials-within-six-months-1151661>