

Bangladesh Market

Major Indices	Last closing
DSEX Index	4,689.52
% change	0.45%
DS30 Index	1,755.80
% change	0.47%
DSES Index	1,023.73
% change	0.58%
Turnover (BDT mn)	2,753.03
Turnover (USD mn)	22.38
% change	17.06%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	42,305.48
% change	0.08%
S&P 500	5,935.94
% change	0.41%
Nikkei 225	37,618.50
% change	0.00%
FTSE 100	8,774.26
% change	0.02%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.95	123.00
EUR	140.50	140.75
GBP	166.28	166.63
INR	1.44	1.44

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
1-Jun-25	9.90 - 11.25	10.48
29-May-25	9.85 - 11.00	10.11

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	63.87	-0.09%
Gold Spot, USD/t oz.	3,387.51	2.33%
Cotton, USD/lb.	66.13	1.64%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.45% on the last trading day, closing at 4,689.52 points.
- The daily turnover increased by 17.06% on the last trading day.

Global Market

- The majority of the global indices showed positive performance on the last trading day; the Dow Jones Industrial Average gained 0.08%, the S&P 500 gained 0.41%, and the FTSE 100 gained 0.02%.
- One of the leading Asian market indices, NIKKEI 225 was unchanged yesterday.

Key Macro Indicators

- The value of BDT appreciated against USD and depreciated against EUR, GBP and INR.
- The average overnight rate was 10.48%, standing between 9.90% and 11.25%.
- The oil futures decreased by 0.09%, gold spot increased by 2.33%, cotton increased by 1.64% yesterday.

Bangladesh Macro Update

Inflation eases slightly to 9.05% in May

- ◆ Bangladesh's inflation rate declined slightly in May, easing to 9.05% from 9.17% in April, according to the Bangladesh Bureau of Statistics (BBS).
- ◆ The data reflects a marginal but positive decline in both food and non-food inflation.
- ◆ Food inflation fell to 8.59% from 8.63% in April, while non-food inflation dropped to 9.42%, down from 9.61% the previous month.
- ◆ Dr Monzur Hossain, member of the General Economics Division, attributed the easing of inflation to a combination of supply-side and demand-side measures taken by the government.
- ◆ He also said that on the demand side, the central bank has pursued a tight monetary policy since the second half of FY25, aimed at curbing inflation and stabilising the foreign exchange market.

News Source:

<https://www.tbsnews.net/economy/inflation-drops-slightly-905-may-1158176>

Forex reserve increased by \$27.4 billion in April due to remittance growth, stable exports: Salehuddin

- ◆ The foreign exchange reserve increased to USD 27.4 billion in April due to the growth of remittance and stable exports, which are playing important roles in keeping the exchange rate stable, said Finance Adviser Salehuddin Ahmed on 2 June.
- ◆ At present, the impact of inflation due to imports is somewhat less as the exchange rate of Taka is stable.
- ◆ Also, inflation is low in the countries from where our goods are imported, according to the finance adviser.
- ◆ He also said that this stability has enabled us to introduce a market-based exchange rate on 14 May this year.

News Source:

<https://www.tbsnews.net/economy/budget/forex-reserve-increased-274-billion-april-due-remittance-growth-stable-exports>

FY26 GDP growth target set at 5.5pc

- ◆ The interim government has backtracked from the previous administration's ambitious macro-economic targets as it is expecting 5.50% economic growth in the next fiscal year.
- ◆ It has also revised down the current fiscal year's gross domestic product (GDP) growth target to 5.0% from the earlier 6.75%.
- ◆ The ousted Sheikh Hasina government took an ambitious 6.75% economic growth target for FY25 despite the internal and external headwinds in the macro-economy.
- ◆ The interim government has also set a realistic target of 6.0% GDP growth in the medium term for FY27.
- ◆ Finance Adviser Dr Salehuddin Ahmed in his FY26 national budget speech on Monday said the GDP growth rate may be slightly lower due to the fight against inflation.

- ◆ Meanwhile, Bangladesh's economy has been estimated to grow at 3.97% in the outgoing FY25 against the revised target of 5.0%, the latest provisional data from the Bangladesh Bureau of Statistics (BBS) showed.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/fy26-gdp-growth-target-set-at-55pc-1748888141>

Forex reserves projected to reach \$34 billion in FY26

- ◆ The finance ministry projects Bangladesh's foreign exchange reserves to climb to USD 34 billion in the upcoming fiscal year.
- ◆ This marks a significant increase from the current reserve level of USD 26.7 billion.
- ◆ The projection comes despite the fact that the current fiscal year's target of USD 31.8 billion in reserves was not met, even with a decline in import growth.
- ◆ According to the finance ministry's Medium Term Macroeconomic Policy Statement, the optimistic outlook for FY26 is based on an anticipated 10% growth in exports, an 8% rise in imports, and an 8% increase in remittance inflows.
- ◆ The ministry noted that the Bangladeshi Taka depreciated by 3.28% against the USD between July and March of FY25.
- ◆ However, with recent signs of exchange rate stability and an improvement in foreign exchange reserves, Bangladesh Bank officially shifted from a crawling pegged to a market-based regime on 14 May 2025

News Source:

<http://tbsnews.net/economy/govt-rely-more-bank-borrowing-target-raised-tk1-lakh-crore-fy26-1158211>

Sectoral Update

Banks, NBFIs, and Insurance

Govt to rely more on bank borrowing as target raised to Tk1 lakh crore for FY26

- ◆ The government has set a bank borrowing target of BDT 1.04 lakh crore for the upcoming fiscal 2025-26, marking a 5% increase from the revised target of BDT 99,000 crore for the current fiscal year.
- ◆ The proposed borrowing will account for 47% of the total budget deficit of BDT 2.21 lakh crore, as outlined in the national budget presented by Finance Adviser Salehuddin Ahmed.
- ◆ Syed Mahbubur Rahman, managing director and CEO of Mutual Trust Bank, told The Business Standard that loan demand in the private sector remains quite low, so banks should be able to support the government if needed.
- ◆ He also added that while interest payments are rising, the government is also taking on new loans to repay old ones.
- ◆ If revenue collection is not prioritised now, the central bank may eventually be forced to print money.

News Source:

<http://tbsnews.net/economy/govt-rely-more-bank-borrowing-target-raised-tk1-lakh-crore-fy26-1158211>

Budget FY26: Excise duty exemption on deposits proposed up to Tk3 lakh

- ◆ Finance Adviser Salehuddin Ahmed has proposed raising the excise duty exemption limit on bank deposits from BDT 1 lakh to BDT 3 lakh in the 2024-25 fiscal year budget.
- ◆ This will allow 75 lakh new low and middle-income depositors to enjoy tax-free benefits.
- ◆ The finance adviser made the announcement in a pre-recorded speech telecast on 2nd June while unveiling the national budget of BDT 7,89,999 for FY26.
- ◆ With this new government facility, the tax-free burden for low and middle-income people will be reduced by approximately BDT 112 crore.
- ◆ National Board of Revenue (NBR) officials said the government took this step to enhance the dynamism of banking services for low- and middle-income individuals.

News Source:

<https://www.tbsnews.net/economy/budget/budget-fy26-excise-duty-exemption-deposits-proposed-tk3-lakh-1158151>

Textile

RMG workers block Ashulia road demanding factory reopening, due payments

- ◆ Garment workers in Ashulia, on the outskirts of Dhaka city, staged a demonstration on 2 June by blocking a road to demand the immediate reopening of their factory and payment of due wages.
- ◆ The workers of Ssain Apparels Limited began the protest around 9:30am at Amtola intersection in the Kathgora area, blocking the Kathgora-Bishmail regional road.
- ◆ They also demanded full settlement of dues under labour law if the factory remains shut.
- ◆ The factory has reportedly been closed since February this year.
- ◆ The protest, however, was called off around 11:30am following intervention from Industrial Police officials.

News Source:

<https://www.tbsnews.net/economy/rmg/rmq-workers-block-ashulia-road-demanding-factory-reopening-due-payments-1157936>

Fuel and Power

12kg LPG cylinder price reduced by Tk 28

- ◆ Bangladesh Energy Regulatory Commission (BERC) has reduced the price of Liquefied Petroleum Gas (LPG) of 12 kg cylinder at retailer level by BDT 28 to BDT 1,403.
- ◆ He said that the new price will be effective from 6pm this evening and all LPG marketing companies will implement the new price.
- ◆ The BERC also set the prices of auto gas at BDT 64.30 per litre, reducing the amount by BDT 1.27.
- ◆ He also said that the price of government-owned 12.50 kg LPG cylinder at dealer/retailer will remain unchanged at BDT 825.

- ◆ He added that the price adjustment for private LPG has been made in line with the Saudi CP (Contract Price).

News Source:

<https://www.tbsnews.net/markets/12kg-lpg-cylinder-price-reduced-tk28-1158536>

Plan taken to reduce overall cost of power generation by Tk 11,000 crore: Finance adviser

- ◆ The finance adviser on 2 June said that a plan has been taken to reduce the overall cost of power generation by 10%.
- ◆ If this plan can be implemented, it is estimated that the cost of electricity subsidy of more than BDT 11,000 crore will be saved.
- ◆ The finance adviser also said that the amount of subsidies given in the power sector is currently around 1% of GDP, which is very high.
- ◆ We are reviewing the power purchase agreements and have taken the initiative to conduct energy audits to reduce the cost of power generation, he added.
- ◆ In the pre-recorded budget speech, Salehuddin Ahmed also outlined the government's plan to increase gas supply from local sources, saying that a plan has been made to supply 648 million cubic feet of gas from domestic sources within this year.

News Source:

<https://www.tbsnews.net/economy/budget/plan-taken-reduce-overall-cost-power-generation-10-finance-adviser-1158216>

Telecommunication

Tax rebate for mobile operators with 20pc free float

- ◆ A telecom operator will enjoy a 10% tax rebate if it floats 20% shares to get listed on the bourses.
- ◆ Banglalink is the only operator that has been in discussion for public listing for a long time.
- ◆ So, the tax incentive may be intended to pave the way for the listing of Banglalink.
- ◆ In 2023, Banglalink decided to float 10% of its outstanding shares, but the plan was halted as it was waiting for a favourable market condition.
- ◆ Market operators also said that there may be scope for RPO (repeat public offering) for already listed mobile operators - Grameenphone and Robi Axiata to enjoy the rebate on income tax for FY26 and FY27.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/tax-rebate-for-mobile-operators-with-20pc-free-float-1748889813>

Capital Market

Stocks rise for second day

- ◆ Indices of the Dhaka Stock Exchange rose yesterday, extending their gains for the second consecutive day.
- ◆ The DSEX, the benchmark index of the premier bourse, went up 30.48 points, or 0.65%, to close at 4,668.40.
- ◆ The Shariah-compliant DSES index gained 0.63% to end at 1,017.77, while the DS30, which tracks blue-chip stocks, inched up 1.03% to 1,747.58.
- ◆ Turnover, a key indicator of market activity, hit BDT 235.18 crore, down from BDT 247.42 crore in the previous session.
- ◆ Market breadth was positive, with 204 issues advancing, 113 declining, and 85 remaining unchanged.

News Source:

<https://www.thedailystar.net/business/news/stocks-rise-second-day-3908601>

Easily attainable target to lure cos into listing

- ◆ Listed companies may get a tax rebate of 2.5% to 20% for FY26 and FY27 if income from all sources is transacted through banks, according to the budget.
- ◆ The conditions for the rebate have been relaxed this time in the sense that the rebate was earlier subject to digital footprints against every single transaction exceeding BDT 0.5 million and annual expenses and investments exceeding BDT 3.6 million.
- ◆ So, the companies, which floated shares to the public, may feel encouraged to attain the tax waiver since it does not entail a significant shift from how they have been operating in the not-so-digital economy.
- ◆ At the same time, the easily-attainable incentive may help make progress towards the country's goal of becoming a fully digital economy.
- ◆ Instead of requiring all income, expenses, and investments to be transacted via bank transfer, now only income must be transacted through bank transfer to qualify for the reduced rate, according to the finance adviser in his budget speech.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/easily-attainable-target-to-lure-cos-into-listing-1748889636>