

Bangladesh Market

Major Indices	Last closing
DSEX Index	4,709.09
% change	0.95%
DS30 Index	1,762.37
% change	0.92%
DSES Index	1,028.90
% change	1.14%
Turnover (BDT mn)	2,244.97
Turnover (USD mn)	18.25
% change	-1.99%

Source: Dhaka Stock Exchange

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.95% on the last trading day, closing at 4,709.09 points.
- The daily turnover decreased by 1.99% on the last trading day.

International Market

Major Indices	Last closing
Dow Jones Industrial Average	42,197.79
% change	0.00%
S&P 500	5,976.97
% change	0.00%
Nikkei 225	37,834.25
% change	0.00%
FTSE 100	8,850.63
% change	0.00%

Source: Bloomberg

Global Market

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

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.96	123.00
EUR	141.86	142.10
GBP	166.57	166.87
INR	1.43	1.43

Source: BB

Key Macro Indicators

- The value of BDT depreciated against USD, EUR and GBP and appreciated against INR.
- The average overnight rate was 10.44%, standing between 9.90% and 11.50%.
- The oil futures, gold spot and cotton markets were closed yesterday.

Money market

Date	Call Money Rate Range (%)	Weighted Average
4-Jun-25	9.90 - 11.50	10.44
3-Jun-25	9.90 - 11.50	10.39

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	74.23	0.00%
Gold Spot, USD/t oz.	3,432.64	0.00%
Cotton, USD/lb.	65.36	0.00%

Source: Bloomberg

Bangladesh Macro Update

Increased VAT on online sales commissions to put pressure on SME sector: Stakeholders

- ◆ Amid the struggles the country's small and medium enterprises (SMEs) have already been facing for a long time, the government's recent decision to increase VAT on commissions from online sales from 5% to 15% has become a new challenge for SME entrepreneurs.
- ◆ Stakeholders warn this move could negatively affect e-commerce activity and directly impact the SME sector, disproportionately hurting small businesses that rely on digital platforms to reach customers.
- ◆ Most SMEs in Bangladesh use online platforms to sell their products due to lower entry barriers and wider market access.
- ◆ With the increased VAT, SME entrepreneurs fear a decline in online sales, reduced competitiveness, and rising product prices, ultimately pushing many SMEs into further crisis.
- ◆ They urged the government to reverse the decision, which they say is not supportive of small businesses and will force them to raise product prices, which will ultimately affect consumers.

News Source:

<https://www.tbsnews.net/economy/increased-vat-online-sales-commissions-put-pressure-sme-sector-stakeholders-1164146>

BB aims to raise \$100m to recover laundered assets

- ◆ Bangladesh Bank (BB) Governor Ahsan H Mansur aims to raise USD 100 million from global litigation funders to finance asset recovery from business and political figures tied to the regime of ousted prime minister Sheikh Hasina by 2025.
- ◆ A litigation funder is a third party that provides financial support to a litigant to cover legal costs associated with a lawsuit, in exchange for a share of the potential financial recovery from the case.
- ◆ The central bank governor recently met with leading global litigation firms in London and discussed a roadmap to achieve his goal of mobilising USD 100 million in litigation funding to finance 30 asset recovery cases.
- ◆ According to a statement from the central bank, Ahsan H Mansur visited London from June 10 to June 13 as a part of the Chief Advisor's delegation.

News Source:

<https://www.thedailystar.net/business/economy/news/bb-aims-raise-100m-recover-laundered-assets-3917076>

Chattogram Port proposes 70%-100% tariff hike

- ◆ As inflation tightens its grip on household budgets nationwide, the Chattogram Port Authority is considering a steep 70%-100% increase in cargo handling tariffs, a move that risks sending shockwaves through an already strained economy.
- ◆ At a 2 June meeting at the Ministry of Shipping, officials debated the long-pending tariff adjustment, with the shipping adviser pushing for a final decision by month's end.

- ◆ Stakeholders have been asked to submit written feedback ahead of a decisive meeting later in June, according to port officials.
- ◆ Though the hike remains under discussion, its potential scale has alarmed importers, exporters, and economists, who warn it could drive up prices for essentials, from food to manufactured goods, deepening consumer distress.

News Source:

<https://www.tbsnews.net/economy/ctg-port-proposes-70-100-tariff-hike-1165271>

Post-LDC foreign debt servicing a concern

- ◆ Ballooning external debt-servicing liabilities claim a king's ransom from the budget for the outgoing fiscal year.
- ◆ Such a concern is reflected in the official budget documents as the interim government presents next fiscal's budget for Bangladesh.
- ◆ The government is projected to repay nearly 30% higher or USD 2.615 billion in servicing external debt in the outgoing FY2024-25, up from USD 2.02 billion in the previous fiscal year, the documents show.
- ◆ The finance ministry notes that the weakening of the Bangladesh Taka (BDT) against the US dollar has substantially increased the cost of foreign-debt repayments.
- ◆ The Taka has lost a considerable portion of its value in recent years, exacerbating the issue of rising debt-servicing costs, according to the finance adviser.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/post-ldc-foreign-debt-servicing-a-concern-1749921920>

Sectoral Update

Banks, NBFIs, and Insurance

Core-taka bank accounts edge down by 719 in March quarter

- ◆ The number of bank account holders with deposits of at least BDT 1 crore in the country declined by 719 at the end of the first quarter of this year, after a rise at the end of the previous year, according to Bangladesh Bank data.
- ◆ Industry insiders suggest the reduction might be linked to ongoing anti-corruption efforts by the interim government.
- ◆ The central bank data shows that at the close of December 2024, the total number of bank accounts across the country stood at approximately 16.32 crore, with a total deposit balance of BDT 18,83,711 crore.
- ◆ By the end of March this year, the total number of accounts had increased to approximately 16.57 crore, and the total deposit balance rose to BDT 19,23,504 crore.

News Source:

<https://www.tbsnews.net/economy/banking/crore-taka-bank-accounts-edge-down-719-march-quarter-1165346>

Govt to amend insurance law, limiting family ownership

- ◆ The government has taken the initiative to amend the insurance law, aiming to give the regulator greater authority to dissolve and restructure the boards of insurers, limit family ownership concentration, and impose hefty fines for breaking the rules.
- ◆ The Insurance Development and Regulatory Authority (Idra) has taken the initiative, as the current 15-year-old law does not adequately empower the regulator to act against delinquent insurers.
- ◆ Comprehensive amendments are being undertaken to strengthen its enforcement powers, according to Tanjina Ismail, Idra member for law.
- ◆ Another senior Idra official said that revising the law is essential to ensure tougher penalties, particularly given the widespread allegations of non-compliance, including the failure of many insurers to settle large numbers of claims.
- ◆ The draft of the revised Insurance Act will soon be published on the Idra website to invite public comments and feedback from stakeholders.

News Source:

<https://www.thedailystar.net/business/economy/news/govt-amend-insurance-law-limiting-family-ownership-3917141>

Textile

Israel-Iran conflict threatens Bangladesh's export routes, warns BGMEA president

- ◆ Mahmud Hasan Khan Babu, the newly elected president of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), has expressed grave concern over the impact of the escalating Israel-Iran conflict on global shipping routes and Bangladesh's export sector.
- ◆ It is a very big concern for our export as we have already faced a major disruption from the Yemeni Houthi attack in the Red Sea, which cost us time and additional charges because of the lengthy journey.
- ◆ We would face an adverse effect in exporting our products across the globe because of the impending shipping line disruption in the Red Sea and the Gulf Peninsula, he added.
- ◆ To mitigate the impact, Babu said that the BGMEA would formally urge the government to mobilise more resources at Chattogram Port.
- ◆ BGMEA will give a letter to mobilise more resources to Chattogram Port to unload cargo as early as possible.

News Source:

<https://www.tbsnews.net/economy/rmg/israel-iran-conflict-threatens-bangladeshs-export-routes-warns-bgmea-president-1164336>

Tannery

2.5m rawhides preserved so far

- ◆ The country's industries, madrasas and orphanages have preserved over 2.5 million rawhides so far this Eid-ul-Azha season, according to the commerce ministry.

- ◆ With the supply of 30,000 tonnes of salt to these institutions and other organisations, the rawhides could have been preserved properly.
- ◆ A total of 0.466 million cow, buffalo, and goat hides have been preserved in Dhaka's Posta area and at the BSCIC Leather Industrial Estate of Savar by the tannery owners.
- ◆ Meanwhile, 2.05 million hides have been preserved across the six divisions outside Dhaka, Rajshahi, Sylhet, Barishal, Rangpur, Khulna, and Chattogram, bringing the total number of preserved hides to 2.52 million.
- ◆ In regions outside Dhaka, the preservation work was being carried out under the supervision of district and upazila administrations.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/25m-rawhides-preserved-so-far-1749922770>

Fuel and Power

Govt eyes two more spot LNG cargoes to boost industrial gas supply

- ◆ The government is planning to import two more spot liquefied natural gas (LNG) cargoes in July to increase gas supply to industries and other commercial users-excluding power plants-amid efforts to stabilise energy supply for production.
- ◆ State-run Rupantarita Prakritik Gas Company Ltd (RPGCL) has floated a couple of tenders to purchase the two spot LNG cargoes for delivery windows of July 15-16 and July 17-18, according to a senior RPGCL official.
- ◆ Each of the spot cargoes will carry around 3.36 million British thermal units (MMBtu) of LNG.
- ◆ The successful bidder will deliver the LNG cargo at Moheshkhali island in the Bay of Bengal, with options to offload at either of the country's two floating storage and re-gasification units (FSRUs) located there.
- ◆ If these tenders are successful, the total number of spot LNG cargoes purchased in early July will reach five.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/govt-eyes-two-more-spot-lng-cargoes-to-boost-industrial-gas-supply-1749922924>

Capital Market

Marico earns record annual profit on hair oil sales growth

- ◆ Despite the turmoil and uncertainties in the political landscape, Marico Bangladesh has reported a record profit and revenue for the year ended in March this year.
- ◆ The revenue of the India-based multinational company grew 12.3% year-on-year to BDT 16.31 billion while profit jumped 28.2% year-on-year to BDT 5.91 billion in the year to March.
- ◆ The growth was driven by our flagship brand Parachute coconut oil and the launch of innovative value-added products in the hair care and skin care categories, according to Saugata Gupta, chairman of Marico Bangladesh.

- ◆ The growth is significant for a listed firm at this moment against the backdrop of the prevailing challenging economic environment and high inflation, due to which many local companies have been struggling to survive.
- ◆ Marico Bangladesh's compound annual growth rates (CAGR) of revenue and profit between FY21 and FY25 are 7.76% and 18.45%, respectively.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/marico-earns-record-annual-profit-on-hair-oil-sales-growth-1749917148>

Titas Gas rallies as the budget proposes source tax relief

- ◆ Shares of Titas Gas Transmission and Distribution Company, a publicly listed, state-owned gas distributor, soared over 11%, ranking among the week's top gainers after the government proposed a source tax reduction in the FY2025–26 budget.
- ◆ From FY2023 to FY2025, the company suffered significant losses due to higher tax expenses, as the source tax had been treated as a minimum tax during final settlements.
- ◆ This tax became a major burden, particularly as Titas has long struggled with unmanageable system losses in its gas distribution network.
- ◆ In an effort to ease the tax burden and improve the company's profitability, Finance Adviser Dr Salehuddin Ahmed on 2 June proposed reducing the tax at source for gas distribution companies from 2% to 0.6%.
- ◆ Following the announcement, investors rushed to buy Titas Gas shares, pushing the stock price up by 11%, from BDT 17.10 on 2 June to BDT 19.00 on 4 June.

News Source:

<https://www.tbsnews.net/economy/stocks/titas-gas-rallies-budget-proposes-source-tax-relief-1164056>