

### Bangladesh Market

Major Indices	Last closing
DSEX Index	4,976.16
% change	1.68%
DS30 Index	1,873.00
% change	2.01%
DSES Index	1,081.19
% change	1.48%
Turnover (BDT mn)	5,734.60
Turnover (USD mn)	46.79
% change	13.29%

Source: Dhaka Stock Exchange

### International Market

Major Indices	Last closing
Dow Jones Industrial Average	44,406.36
% change	-0.94%
S&P 500	6,229.98
% change	-0.79%
Nikkei 225	39,499.50
% change	-0.58%
FTSE 100	8,806.53
% change	-0.19%

Source: Bloomberg

### Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	122.25	122.55
EUR	143.12	143.51
GBP	166.25	166.67
INR	1.43	1.43

Source: BB

### Money market

Date	Call Money Rate Range (%)	Weighted Average
7-Jul-25	9.90 - 11.50	10.14
3-Jul-25	9.00 - 11.00	10.06

Source: BB

### Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	69.6	2.69%
Gold Spot, USD/t oz.	3,334.76	0.17%
Cotton, USD/lb.	67.83	-0.92%

Source: Bloomberg

## Market Summary

### Bangladesh Market

- The leading bourse of the country, DSEX, rose by 1.68% on the last trading day, closing at 4,976.16 points.
- The daily turnover increased by 13.29% on the last trading day.

### Global Market

- The majority of the global indices showed negative performance on the last trading day; the Dow Jones Industrial Average fell by 0.94%, the S&P 500 fell by 0.79%, and the FTSE 100 fell by 0.19%.
- One of the leading Asian market indices, NIKKEI 225, fell by 0.58% yesterday.

### Key Macro Indicators

- The value of BDT appreciated against USD, INR, EUR and GBP.
- The average overnight rate was 10.14%, standing between 9.90% and 11.50%.
- The oil futures increased by 2.69%, gold spot increased by 0.17% and cotton decreased by 0.92% on the last trading day.

---

## Global Macro Update

### Trump unveils first wave of steeper US tariffs, extends deadline

- ◆ US President Donald Trump unveiled higher tariffs for Japan, South Korea and a dozen other countries in a push for new trade deals on 7<sup>th</sup> July, but extended the deadline for the steeper levies to kick in until August.
- ◆ Trump issued similar letters to countries including Indonesia, Bangladesh, Thailand, South Africa and Malaysia, saying he would slap duties on their products ranging from 25% to 40%.
- ◆ These mark a step up from the 10% levy the president earlier imposed on almost all trading partners.
- ◆ But the starting date of August 1 marks a delay in Trump's reimposition of higher duties.
- ◆ Japan's Prime Minister Shigeru Ishiba said Sunday that he "won't easily compromise" in trade talks with Washington.

#### News Source:

<https://www.thedailystar.net/business/global-economy/news/trump-unveils-first-wave-steeper-us-tariffs-extends-deadline-3934611>

## Bangladesh Macro Update

### GDP grows 4.86% in Jan-Mar of FY25

- ◆ Bangladesh's economy grew by 4.86% in the third quarter (January–March) of the 2024–25 fiscal year at constant prices, up from 4.62% during the same period last year, according to provisional estimates released today by the Bangladesh Bureau of Statistics (BBS).
- ◆ The latest data shows a rebound from the first and second quarters, when GDP growth stood at 1.96% and 4.48% respectively.
- ◆ In comparison, FY24 recorded growth of 5.87% and 4.47% during those quarters.
- ◆ The combined GDP growth for the first nine months of the just concluded fiscal year now stands at 3.81%, slightly lower than the same period a year earlier.
- ◆ In nominal terms, the size of Bangladesh's economy reached BDT 14.20 lakh crore in the third quarter, up from BDT 12.67 lakh crore during the same period last year.

#### News Source:

<https://www.tbsnews.net/economy/gdp-grows-486-jan-mar-fy25-1182751>

### Inflation drops below 9% after 27 months

- ◆ Inflation in Bangladesh has dropped below 9% for the first time in 27 months, according to latest data from the Bangladesh Bureau of Statistics (BBS) released on 7 July.
- ◆ In June 2025, the point-to-point inflation rate fell to 8.48%, down from 9.05% in May.
- ◆ The inflation rate had remained above the 9% mark since March 2023.
- ◆ During the past 27 months, the highest recorded inflation was 11.66% in July 2024.

- 
- ◆ According to BBS data, food inflation fell to 7.39% in June this year, from 8.59% in May. Besides, non-food inflation declined slightly to 9.37% in June, from 9.42% in May.

**News Source:**

<https://www.tbsnews.net/economy/inflation-drops-below-9-848-after-27-months-1182696>

## **How BB's floating rate regime calms forex market**

- ◆ Bangladesh's foreign exchange market has shown remarkable stability over the past one and a half months, following the Bangladesh Bank's (BB) adoption of a floating exchange rate regime on 14 May.
- ◆ This resilience is largely attributed to a strong inflow of remittances through official banking channels, confounding earlier concerns of a sharp depreciation.
- ◆ Despite initial worries that greater exchange rate flexibility would trigger a temporary slump in the local currency, the market responded positively.
- ◆ The Taka has seen a slight appreciation, driven by improved dollar availability.
- ◆ Central bank data reveals the interbank exchange rate dropped to BDT 122.75 per dollar on 26 June, down from BDT 122.96 on 29 May. Similarly, the remittance rate fell to BDT 122.50 in June from BDT 123 in May.

**News Source:**

<https://www.tbsnews.net/economy/how-bbs-floating-rate-regime-calms-forex-market-1181166>

## **US lowers Bangladesh tariff to 35% from 37%**

- ◆ The US has announced a plan to impose a 35% trade tariff on Bangladesh, a slight reduction from the 37% rate initially proposed, according to a Reuters report.
- ◆ While the new rate offers some relief, it falls well short of the 20% tariff that officials in Dhaka expected.
- ◆ The government has argued it deserves more favourable terms than competitors such as Vietnam, which recently secured a 20% rate.
- ◆ A Bangladeshi delegation remains in Washington for last-ditch talks with the US Trade Representative's office.
- ◆ Failure to secure a more favourable bilateral agreement by the deadline would see the 35% tariff imposed, a significant blow to the country's export-oriented economy.

**News Source:**

<https://www.thedailystar.net/business/global-economy/news/us-lowers-bangladesh-tariff-35-37-3934591>

## Sectoral Update

### Banks, NBFIs, and Insurance

## Stricter provisioning on losses from share, bond, and subsidiary investments by financial institutions

- ◆ Bangladesh Bank has imposed stricter conditions on provisioning against losses incurred by non-bank financial institutions (NBFIs) from investments in shares, equity, bonds and debentures, mutual funds, and commercial papers along with traditional loans.
- ◆ From now on, provisioning must be made ranging from 25% to 100% depending on the category of investment, with quarterly reporting to begin from the September quarter of this year.
- ◆ Previously, NBFIs only had to make provisions based on loan classification.
- ◆ Bankers believe this new initiative will reduce investment risks and strengthen the financial foundation of these institutions.
- ◆ Bangladesh Bank issued a circular on 6<sup>th</sup> July directing all scheduled banks to comply and submit quarterly reports in a prescribed format.

#### News Source:

<https://www.tbsnews.net/economy/banking/stricter-provisioning-losses-share-bond-and-subsiary-investments-financial>

## NBFI non-performing loans soar to Tk27,189cr in March

- ◆ The authorities have decided in principle to let the Chittagong Port Authority (CPA) take charge of the New Mooring Container Terminal (NCT) for six months amid opposition from major political parties to appointing a foreign operator.
- ◆ Non-performing loans (NPLs) in Bangladesh's non-bank financial institutions (NBFIs) surged to BDT 27,189 crore by the end of March this year, accounting for 35.32% of the sector's total outstanding loans of Tk76,987 crore.
- ◆ This marks a deterioration from December 2024, when NPLs stood at BDT 25,089 crore or 33.25% of the total BDT 75,450 crore in outstanding loans.
- ◆ An analysis of the data shows that although loan outstanding in the fragile NBFI sector has been rising recently, the volume of classified loans is increasing even faster.
- ◆ It indicates that not only previously disbursed loans, but also newly disbursed loans are likely entering the classified loan category.
- ◆ Compared to the same period last year, NBFI loan outstandings rose by BDT 2,598 crore, while default loans surged by BDT 3,300 crore.
- ◆ As a result, the NPL ratio jumped by 3.32% year-on-year.

#### News Source:

<https://www.tbsnews.net/economy/banking/nbfi-non-performing-loans-soar-tk27189cr-march-1180731>

## Textile

### **Bangladesh retains second largest apparel exporter spot in 2024**

- ◆ Bangladesh maintained its position as the world's second largest apparel exporter in 2024, behind only China, according to World Trade Organization (WTO) data.
- ◆ The nation exported garments worth USD 38.48 billion last year, marking a slight increase of 0.21% year-on-year.
- ◆ This export value represented 6.90% of the total global market, which stood at USD 557.50 billion in 2024.
- ◆ A year prior, Bangladesh's market share in apparel was 7.38%.
- ◆ The WTO data showed that China remained the largest apparel exporter in 2024, capturing 29.64% of the total market.

#### **News Source:**

<https://www.thedailystar.net/business/news/bangladesh-retains-second-largest-apparel-exporter-spot-2024-3934636>

## Fuel and Power

### **Solar panels to be installed in government buildings, educational institutions, hospitals within six months**

- ◆ Over the next three to six months, solar panels will be installed in all government offices, schools, colleges, madrasahs, and hospitals across the country, under the government's National Rooftop Solar Programme.
- ◆ The Power Division announced the initiative in a circular issued on 7 July, stating that the programme aims to add around 3,000 megawatts of electricity to the national grid by December through rooftop solar installations on public buildings.
- ◆ The government will implement the scheme under two investment models: the capital expenditure (CapEx) model for government offices and the operating expenditure (OpEx) model for educational and healthcare institutions.
- ◆ Under the OpEx model, schools, colleges, madrasahs, and hospitals will not have to bear any costs.
- ◆ The solar systems will be connected to the grid without batteries in most cases.

#### **News Source:**

<https://www.tbsnews.net/bangladesh/energy/solar-panels-be-installed-government-buildings-educational-institutions-hospitals>

## Capital Market

### **Stocks see remarkable gains, riding on optimism over bank reforms**

- ◆ The key index of the Dhaka Stock Exchange (DSE) surged on Monday, riding on optimism surrounding reforms brought on by the central bank.

- ◆ The DSEX, the benchmark index of the DSE, moved up by 82.09 points to 4,976, the highest gain in two months.
- ◆ The index last exceeded this level on April 27, when it reached 4,995 points.
- ◆ Renewed optimism following recent reform measures by the Bangladesh Bank played a key role in boosting investor confidence.
- ◆ The DS30 index, which represents blue-chip stocks, gained 36 points to close at 1,873, while the DSES Index, comprising Shariah-compliant companies, rose by more than 15 points to 1,081.

**News Source:**

<https://today.thefinancialexpress.com.bd/stock-corporate/stocks-see-remarkable-gains-riding-on-optimism-over-bank-reforms-1751908191>

## **Fines nothing but way to cover up failure to punish market frauds**

- ◆ The imposition of fines by the securities regulator is nothing but a symbolic action with rare occasions when it translates into meaningful punishment for stock market fraud.
- ◆ The Bangladesh Securities and Exchange Commission (BSEC) still prefers levying monetary penalties to filing lawsuits against individual and institutional investors and other market stakeholders in actions against manipulative trades and transactions in the secondary market.
- ◆ In doing so, the market watchdog avoids hassles in pursuing cases.
- ◆ On the other hand, the accused easily gets away with not paying the fines by exploiting loopholes in securities rules and regulations.
- ◆ Therefore, penalties have become an action not meant to deter market manipulators from committing repeated offences; rather they are seen as a mechanism to cover regulatory failures.

**News Source:**

<https://today.thefinancialexpress.com.bd/stock-corporate/fines-nothing-but-way-to-cover-up-failure-to-punish-market-frauds-1751908099>