

### Bangladesh Market

Major Indices	Last closing
DSEX Index	5,035.47
% change	1.08%
DS30 Index	1,894.21
% change	1.00%
DSES Index	1,094.11
% change	0.96%
Turnover (BDT mn)	6,906.21
Turnover (USD mn)	56.68
% change	14.77%

Source: Dhaka Stock Exchange

### International Market

Major Indices	Last closing
Dow Jones Industrial Average	44,458.30
% change	0.49%
S&P 500	6,263.26
% change	0.61%
Nikkei 225	39,803.50
% change	-0.34%
FTSE 100	8,867.02
% change	0.15%

Source: Bloomberg

### Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	121.40	121.85
EUR	142.27	142.83
GBP	164.93	165.61
INR	1.42	1.42

Source: BB

### Money market

Date	Call Money Rate Range (%)	Weighted Average
9-Jul-25	9.75 - 11.00	10.07
8-Jul-25	9.85 - 11.00	10.07

Source: BB

### Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	70.19	0.06%
Gold Spot, USD/t oz.	3,317.69	0.46%
Cotton, USD/lb.	67.78	0.59%

Source: Bloomberg

## Market Summary

### Bangladesh Market

- The leading bourse of the country, DSEX, rose by 1.08% on the last trading day, closing at 5,035.47 points.
- The daily turnover increased by 14.77% on the last trading day.

### Global Market

- The majority of the global indices showed mixed performance on the last trading day; the Dow Jones Industrial Average rose by 0.49%, the S&P 500 rose by 0.61%, and the FTSE 100 rose by 0.15%.
- One of the leading Asian market indices, NIKKEI 225, fell by 0.34% yesterday.

### Key Macro Indicators

- The value of BDT appreciated against USD, INR, EUR and GBP.
- The average overnight rate was 10.07%, standing between 9.75% and 11.00%.
- The oil futures increased by 0.06%, gold spot decreased by 0.46% and cotton increased by 0.59% on the last trading day.

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## Bangladesh Macro Update

### Bangladesh faces higher rate despite lower trade gap

- ◆ Although Bangladesh is the 52nd largest trading partner of the US and its trade deficit with the latter is much lower than its competitors, the Donald Trump administration has imposed a higher 35% tariff on its products, analysts say.
- ◆ They say the tariff on Bangladesh has likely been imposed on political grounds rather than the reciprocal methodology.
- ◆ The countries which have good relations with the US or better lobbies in the Trump administration would get benefits, while the weak and poor ones like Bangladesh would be affected by the unjustified tariff structures, they add.
- ◆ Analysing the US government's trade data, The Financial Express found that compared to Bangladesh, America's trade deficit with Vietnam was more than 20 times higher and with India 7.5 times greater in 2024.
- ◆ Vietnam is the 10th largest trading partner of the US, while India is the 12th largest.
- ◆ Although the US has imposed the tariffs on a reciprocal basis (by calculating trade deficit and the tariff imposed by the counterpart nation), the rates for Bangladesh are much higher than the latter's competitors like Vietnam and India.

**News Source:**

<https://today.thefinancialexpress.com.bd/last-page/bangladesh-faces-higher-rate-despite-lower-trade-gap-1752086165>

### Govt sets sights high on \$65b export this fiscal

- ◆ An ambitious export target of USD 65 billion is proposed for this fiscal year with the government having gauged all the ground realities and global and local economic scenarios, officials say.
- ◆ The uppish export turnover for 2025-26 reflects a 17.22% growth over the estimated export earnings of USD 55.45 billion in the just-past FY2024-25.
- ◆ According to sources at the Ministry of Commerce, the proposed target includes USD 56.5 billion from goods and USD 8.5 billion from services. The estimated growth rates are 17% for goods and 18.67% for services.
- ◆ Initially, the Export Promotion Bureau (EPB) proposed a target of USD 63.5 billion for FY2025-26-with USD 55 billion to come from goods and USD 8.5 billion from services-with an overall annualised growth of 14.52%.

**News Source:**

<https://today.thefinancialexpress.com.bd/first-page/govt-sets-sights-high-on-65b-export-this-fiscal-1752085514>

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## Real wage growth remains negative for 41 months

- ◆ Bangladesh's real wage growth remained negative for the 41st consecutive month in June, even as the inflation rate eased to its lowest level in nearly three years, according to the latest data from the Bangladesh Bureau of Statistics (BBS).
- ◆ Year-on-year, wage growth stood at 8.18% in June, 0.30% below the month's inflation rate of 8.48%, as per the recently released BBS Wage Rate Index (WRI).
- ◆ A similar trend was observed in May, when wages across 63 occupations in the agriculture, industry, and services sectors grew by 8.21%, 0.84% below inflation at the time.
- ◆ Division-wise, wage growth rose only in Rangpur, while it declined in all other divisions.
- ◆ The continued decline has forced many to cut back on consumption as their real incomes shrink, with economists warning that if nothing changes, millions might fall victim to malnutrition.

### News Source:

<https://www.thedailystar.net/business/news/real-wage-growth-remains-negative-41-months-3936271>

## US buyers push Bangladeshi exporters to share extra tariff costs

- ◆ Following the United States' decision to impose a tariff of 35% on imports from Bangladesh, US buyers have largely suspended negotiations for new orders and are now asking Bangladeshi suppliers to share the cost of extra duties on shipments already in progress.
- ◆ Exporters in Bangladesh have reported that the new tariff, set to take effect on 1 August, will increase the total duty on most Bangladeshi products entering the US market to around 51%, combining the previous rate of nearly 16% with the new 35%.
- ◆ Industry leaders warn that if implemented, this could significantly impact Bangladesh's USD 8.4 billion export market in the US, particularly the ready-made garment sector.
- ◆ Exporters said that the uncertainty surrounding the new duty has created anxiety, particularly as buyers begin to renegotiate cost responsibilities for shipments already placed but not yet delivered.

### News Source:

<https://www.tbsnews.net/economy/us-buyers-push-bangladeshi-exporters-share-extra-tariff-costs-1184716>

## Sectoral Update

### Banks, NBFIs, and Insurance

## Banks allowed to make equity investment in startups

- ◆ The Bangladesh Bank (BB) has allowed banks to make equity investments in the startup sector in addition to providing loans at 4% interest.
- ◆ The regulator issued a circular in this regard on 9<sup>th</sup> July, stating that it will establish a venture capital company to facilitate investment.
- ◆ The company will be financed by 1% of the annual net profit of all banks.
- ◆ The circular details that banks will have to offer the equity investment solely from their self-established startup fund.

- ◆ Additionally, banks are required to distribute loans by availing refinancing from Bangladesh Bank's BDT 500 crore refinance fund.

**News Source:**

<https://www.thedailystar.net/business/news/banks-allowed-make-equity-investment-startups-3936266>

**Textile**

## Myriad workers stare as RMG minors getting upset

- ◆ Umpteen workers stare at possible livelihood upset as Bangladesh's readymade-garment factories, mostly small and midsize ones, may take a stumbling blow from the highhanded latest US tariff regime.
- ◆ Though big factories mostly manufacture garments for US buyers, industry insiders say that SMEs dependent on the US market would face a 'disaster' and those working for other traditional destinations, like the EU, and non-traditional markets would indirectly be affected in the long run.
- ◆ Some 3,500 garment factories are in operation across the country, the majority being SMEs in size.
- ◆ Garment factories having workers more than 1,000 are categorised as large and units with workers ranging from 300 to below 1,000 defined as medium and up to 300 as small ones.
- ◆ According to Mapped in Bangladesh (MiB), some 1,734 factories export readymade garments to the United States and some 1,100 units that have workers below 1,000 are small and medium while the rest 634 have workers above 1,000 to 18,500.

**News Source:**

<https://today.thefinancialexpress.com.bd/first-page/myriad-workers-stare-as-rmg-minors-getting-upset-1752085799>

## Two RMG factories get LEED certificates

- ◆ Two more RMG factories of Bangladesh have got the Leadership in Energy and Environmental Design (LEED) certificates from the US Green Building Council (USGBC).
- ◆ It's a testament to the country's unwavering commitment to environmental sustainability in the Ready-Made Garment (RMG) sector, according to the leaders of RMG sector.
- ◆ The two factories receiving the LEED certificates are: Evitex Apparels Limited of Gazipur and Aswad Composite Mills of Ashulia, Savar.
- ◆ Both the factories received the Gold Certificates based on their performance across various sustainability categories and significant achievement in green building practices.
- ◆ This brings the total number of LEED-certified RMG factories in Bangladesh to 250, with 105 Platinum and 131 Gold ratings.

**News Source:**

<https://www.tbsnews.net/economy/rmg/two-rmg-factories-get-leed-certificates-1184381>

## Tariffs drive US clothing imports from China to 22-year low in May

- ◆ The value of apparel imports from China to the US fell in May to its lowest monthly level in 22 years, according to latest trade data, highlighting the impact of steep US tariffs.

- ◆ China has for years been the biggest exporter of clothes to the US, but its share of the US apparel market has fallen as trade relations between the world's two biggest economies soured.
- ◆ US President Donald Trump ratcheted tariffs up to as much as 145% in April, driving more US retailers to reduce purchases from Chinese factories in favor of Vietnam, Bangladesh, India, and elsewhere.
- ◆ The US imported USD 556 million worth of clothing from China in May, down from USD 796 million in April, and the fourth straight month of declines, according to US International Trade Commission (USITC) data.
- ◆ The last time monthly imports were lower than that was May 2003.

**News Source:**

<https://www.tbsnews.net/world/tariffs-drive-us-clothing-imports-china-22-year-low-ma-1184781>

## Pharmaceuticals

### Drug exporters concerned over Trump's 200% tariff plan

- ◆ Uncertainty looms over Bangladesh's pharmaceutical exports to the US market, as President Donald Trump plans to impose tariffs of up to 200%.
- ◆ Industry insiders said that several companies are preparing to export to the US market and have built up capacity with world-class facilities, but the tariff plan, if implemented, may prevent them from commencing exports.
- ◆ Trump on Tuesday announced plans to impose tariffs of up to 200% on pharmaceutical imports, although he signalled a grace period of about one and a half years before the policy takes effect.
- ◆ Square Pharmaceuticals currently exports medications worth around USD 4 million to 5 million annually to select US markets.
- ◆ Although some Bangladeshi firms have received US Food and Drug Administration (USFDA) approval, the country currently lacks the capacity to lower pharmaceutical prices further to remain competitive in the US market under such a high duty regime.

**News Source:**

<https://www.thedailystar.net/business/news/drug-exporters-concerned-over-trumps-200-tariff-plan-3936261>

## Capital Market

### Stocks break 5,000 barrier amid signs of economic turnaround

- ◆ Stocks extended their rally for the sixth straight session on Wednesday, with the key index of the Dhaka bourse surpassing the 5,000-point threshold after three months, defying worries over proposed higher-than-expected US tariff imposition.
- ◆ Improving macroeconomic indicators seem to have helped offset concerns over the US imposition of a 35% reciprocal tariff on exports from Bangladesh, according to market analysts.
- ◆ Exports grew 8.6% year-on-year to USD 48.28 billion in the just concluded financial year despite economic headwinds, while inward remittance surpassed USD 30 billion in FY25.
- ◆ Inflation also dropped to a 35-month low of 8.48% in June.

- ◆ Moreover, the yield rates against government securities are showing a declining trend and the government slashed the interest rates on all major savings certificates by 47 to 57 basis points last week.

**News Source:**

<https://today.thefinancialexpress.com.bd/stock-corporate/stocks-break-5000-barrier-amid-signs-of-economic-turnaround-1752083812>

## **Tariff volatility drives investors to actively managed funds**

- ◆ Global investors are pivoting towards actively managed equity funds this year as market volatility rises on worries over US tariffs and the stock market rally broadens beyond a few mega-cap tech stocks.
- ◆ According to LSEG Lipper data, active equity funds secured a record inflow of USD 127 billion in the first half of 2025, up 57% over last year, while passively managed equity funds saw a decline of 8%.
- ◆ Passive strategies have dominated in recent years due to their lower fees and consistent outperformance over active peers.
- ◆ But this year, US President Donald Trump's tariff actions and rising geopolitical tensions have jolted markets, driving greater price dispersion across sectors and individual stocks.
- ◆ Analysts say that the shifting backdrop is creating opportunities for active managers, particularly those focused on companies with strong pricing power, diversified revenues, and resilient supply chains.

**News Source:**

<https://today.thefinancialexpress.com.bd/stock-corporate/tariff-volatility-drives-investors-to-actively-managed-funds-1752083930>