

### Bangladesh Market

Major Indices	Last closing
DSEX Index	5,219.62
% change	0.49%
DS30 Index	1,996.78
% change	0.91%
DSES Index	1,146.78
% change	0.85%
Turnover (BDT mn)	8,607.07
Turnover (USD mn)	70.72
% change	10.93%

Source: Dhaka Stock Exchange

### International Market

Major Indices	Last closing
Dow Jones Industrial Average	44,323.07
% change	-0.04%
S&P 500	6,305.60
% change	0.14%
Nikkei 225	39,790.50
% change	-0.07%
FTSE 100	9,012.99
% change	0.23%

Source: Bloomberg

### Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	121.50	121.70
EUR	142.09	142.34
GBP	163.88	164.25
INR	1.41	1.41

Source: BB

### Money market

Date	Call Money Rate Range (%)	Weighted Average
21-Jul-25	9.70 - 11.00	10.02
20-Jul-25	9.70 - 11.00	10.01

Source: BB

### Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	69.21	-0.23%
Gold Spot, USD/t oz.	3,396.66	1.42%
Cotton, USD/lb.	68.10	-0.84%

Source: Bloomberg

## Market Summary

### Bangladesh Market

- The leading bourse of the country, DSEX, rose by 0.49% on the last trading day, closing at 5,219.62 points.
- The daily turnover increased by 10.93% 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 fell by 0.04%, the S&P 500 rose by 0.14%, and the FTSE 100 rose by 0.23%.
- One of the leading Asian market indices, NIKKEI 225, fell by 0.07% on the last trading day.

### Key Macro Indicators

- The value of BDT depreciated against USD, EUR, GBP and INR.
- The average overnight rate was 10.02%, standing between 9.70% and 11.00%.
- The oil futures decreased by 0.23%, gold spot increased by 1.42% and cotton decreased by 0.84% on the last trading day.

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## Bangladesh Macro Update

### IMF for keeping policy rate at 10% to contain inflation

- ◆ Bangladesh should maintain its policy rate at 10% until the middle of fiscal year 2025-26, the International Monetary Fund (IMF) has said.
- ◆ It cited the inflationary pressures of a weaker currency and the heightened sensitivity of inflation expectations to exchange rate depreciation.
- ◆ It said the uncertainty surrounding inflation, external imbalances, and forex market pressures calls for a cautious approach to unwinding the tighter monetary policy stance and for a higher degree of exchange rate flexibility.
- ◆ It also added that normalising inflation to the target range will become more protracted if the Taka depreciates in response to the impact of US tariffs on the external trade balance.

**News Source:**

<https://www.thedailystar.net/business/economy/news/imf-keeping-policy-rate-10-contain-inflation-3944841>

### Tariff deal: Dhaka to submit draft today, US yet to confirm meeting date

- ◆ Bangladesh is set to submit its draft position paper on 22<sup>nd</sup> July to the Office of the United States Trade Representative (USTR) in response to the US-proposed draft reciprocal tariff agreement, as Washington has yet to reply to Dhaka's request for a third-round meeting, according to commerce ministry officials.
- ◆ Commerce Secretary Mahbubur Rahman told that an email had been sent to the US requesting a meeting date.
- ◆ He said that the US have yet to inform us of a date.
- ◆ Regarding the draft paper, he said Bangladesh will seek a transitional period of 5 to 10 years to implement various non-trade obligations, including those related to environmental and labour rights.
- ◆ He added that, in line with the US proposal, Bangladesh will also request technical assistance in several areas to help remove trade barriers and support the agreement's implementation.

**News Source:**

<https://www.tbsnews.net/economy/tariff-deal-dhaka-submit-draft-today-us-yet-confirm-meeting-date-1193746>

### Wheat imports surge as local production declines

- ◆ Bangladesh's reliance on imported wheat has hit a new high, with the country bringing in a record 6.2 million tonnes in FY24, the third-largest volume in its history, as domestic production continues to fall short of growing demand.
- ◆ A decade ago, wheat imports hovered between 2.5 to 3.0 million tonnes.
- ◆ The sharp rise is being attributed to a combination of factors including dwindling cultivation areas, a shift by farmers towards more profitable crops such as maize, and a lack of government incentives for wheat farming.
- ◆ Official data from the Bangladesh Bank shows that the country's annual wheat demand now stands at around 7.0-7.5 million tonnes.

- ◆ However, domestic production has declined to just 1.1 million tonnes in FY24 and may drop further by 0.1 million tonnes in FY25, according to an official from the Department of Agricultural Extension (DAE).

**News Source:**

<https://today.thefinancialexpress.com.bd/last-page/wheat-imports-surge-as-local-production-declines-1753120676>

## **Processed food exports slow further**

- ◆ Bangladesh's agricultural product exports increased slightly last fiscal year, although shipments to India fell, apparently due to its recent ban on the entry of goods, including processed foods, garments, fruits, and soft drinks, through all land ports except Bhomra.
- ◆ Local exporters are reporting shipment delays, rising logistics costs, and declining exports as goods must be rerouted through a single port, coupled with a new provision making it mandatory to get all goods tested at laboratories.
- ◆ According to the Export Promotion Bureau (EPB), Bangladesh exported agricultural products worth USD 989 million in fiscal year 2024-25, whereas it was USD 964 million in the preceding fiscal year of 2023-24.
- ◆ The data show dry food exports fell by more than 14% year-on-year, while sugar and confectionery dropped 17%.

**News Source:**

<https://www.thedailystar.net/business/economy/news/processed-food-exports-slow-further-3944836>

## **Sectoral Update**

### **Banks, NBFIs, and Insurance**

## **BD among top eight countries with largest unbanked population**

- ◆ More than half of the world's adults without financial accounts live in eight countries, including Bangladesh, according to the latest Global Findex 2025 report published by the World Bank (WB).
- ◆ The report reveals that over 650 million adults, or 53% of the global population without financial accounts, are concentrated in eight large economies, Bangladesh, China, Egypt, India, Indonesia, Mexico, Nigeria, and Pakistan.
- ◆ These countries either have large populations, relatively low levels of financial inclusion, or both.
- ◆ The report explains that a country with many people can have a high account ownership rate but still have many without accounts.
- ◆ For example, China and India have nearly 90% account ownership but still have the most unbanked adults because of their large populations.

**News Source:**

<https://today.thefinancialexpress.com.bd/first-page/bd-among-top-eight-countries-with-largest-unbanked-population-1753120467>

## Auditors, rating agencies fail to forecast banking woes

- ◆ Banks have several layers of professionals to regularly assess their financial health and raise early warnings at the first sign of trouble.
- ◆ But following the political changeover in August last year, which exposed widespread corruption and the fragile state of many banks, scrutiny has turned on the very people tasked with sounding the alarm.
- ◆ Now fingers are pointed at professionals responsible for detecting irregularities, ranging from independent directors and external auditors to credit rating agencies, for helping conceal bad loans, irregularities, and mismanagement for years.
- ◆ As the cosmetic gloss begins to wear off, these so-called flag raisers are trading blame.
- ◆ Many now concede it was "a collective failure", rooted in a broader weakness of regulatory oversight.

### News Source:

<https://www.thedailystar.net/business/economy/news/auditors-rating-agencies-fail-forecast-banking-woes-3944816>

## Cenbank's liquidation target: Who the troubled 20 NBFIs are

- ◆ The central bank is preparing to liquidate around 20 non-bank financial institutions (NBFIs) identified as deeply troubled, with most no longer functioning in any meaningful capacity.
- ◆ The 20 troubled NBFIs facing potential liquidation are: CVC Finance, Bay Leasing, Islamic Finance, Meridian Finance, GSP Finance, Hajj Finance, National Finance, Industrial and Infrastructure Development Finance Company Ltd (IIDFC), Premier Leasing,
- ◆ Also Prime Finance, Uttara Finance, Aviva Finance, Phoenix Finance, People's Leasing, First Finance, Union Capital, International Leasing, Bangladesh Industrial Finance Company Limited (BIFC), Fareast Finance, and FAS Finance.
- ◆ Most are no longer operational in practice, and seven have default rates exceeding 90%, according to the central bank.
- ◆ Together, the 20 NBFIs hold deposits worth BDT 22,127 crore. Institutional funds account for 74% of this amount, while the remaining 26% comes from individual depositors.
- ◆ Show-cause notices have already been served on these NBFIs, asking why their licences should not be cancelled.

### News Source:

<https://www.tbsnews.net/economy/cenbanks-liquidation-target-who-troubled-20-nbfis-are-1193156>

## Energy

### Hydro project won't affect downstream countries

- ◆ Chinese Ambassador to Bangladesh Yao Wen Monday assured Dhaka that the Chinese hydropower project on the Yarlung Zangbo river would not affect water flow to downstream countries, including Bangladesh as it is being implemented solely for electricity generation.
- ◆ The assurance came against the backdrop of concerns in the lower riparian countries regarding potential impacts on water flow due to China's construction of a large hydropower project near the Great Bend of

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the Yarlung Zangbo river, which becomes the Brahmaputra upon entering India and flows into Bangladesh as the river Jamuna.

- ◆ China has maintained that the project is aimed at clean energy generation and regional carbon reduction, with no diversion of river water, according to the envoy.
- ◆ During the meeting, both sides exchanged views on issues of mutual interest, with a focus on further strengthening bilateral cooperation.
- ◆ Both countries underscored the need to enhance cooperation and people-to-people exchanges, particularly in view of the ongoing celebrations marking the 50th anniversary of diplomatic relations between Bangladesh and China this year.

**News Source:**

<https://today.thefinancialexpress.com.bd/last-page/hydro-project-wont-affect-downstream-countries-1753121368>

**Capital Market**

**Investor interest in blue-chip stocks lifts turnover to 10-month peak**

- ◆ The Dhaka Stock Exchange witnessed this year's highest turnover on Monday, surpassing BDT 8.5 billion after 10 months, as buoyant investors put fresh bets on selective blue-chip stocks.
- ◆ Turnover, a crucial indicator of the market, stood at BDT 8.61 billion on the country's premier bourse, climbing further by 11% from the day before.
- ◆ Fundamentally strong stocks remained the focus of investors because of their attractive valuations, according to market analysts.
- ◆ The market might have drawn heightened attention also due to high hopes surrounding upcoming earnings disclosures and dividend declarations.
- ◆ Supported by robust investor participation, the broad index of the prime bourse crossed the threshold of 5,200 after three months as the market had stayed upbeat for five consecutive sessions.

**News Source:**

<https://today.thefinancialexpress.com.bd/stock-corporate/investor-interest-in-blue-chip-stocks-lifts-turnover-to-10-month-peak-1753122412>