

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,517.95
% change	1.37%
DS30 Index	2,156.99
% change	1.93%
DSES Index	1,207.20
% change	1.55%
Turnover (BDT mn)	11,323.18
Turnover (USD mn)	92.92
% change	16.55%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	45,544.88
% change	-0.20%
S&P 500	6,460.26
% change	-0.64%
Nikkei 225	42,718.47
% change	-0.26%
FTSE 100	9,187.34
% change	-0.32%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	121.55	121.73
EUR	142.02	142.28
GBP	164.13	164.41
INR	1.38	1.38

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
28-Aug-25	9.50 - 11.00	9.98
27-Aug-25	9.70 - 11.00	9.99

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	67.48	-0.74%
Gold Spot, USD/t oz.	3,448.00	0.90%
Cotton, USD/lb.	66.54	-1.13%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, was up by 1.37% on the last trading day, closing at 5,517.95 points.
- The daily turnover increased by 16.55% 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 0.20%, the S&P 500 fell by 0.64%, and the FTSE 100 fell by 0.32%.
- One of the leading Asian market indices, NIKKEI 225, fell by 0.26% on the last trading day.

Key Macro Indicators

- The value of BDT appreciated against the USD, GBP, and INR, and depreciated against the EUR.
- The average overnight rate was 9.98%, standing between 9.50% and 11.00%.
- The price of oil futures decreased by 0.74%, the price of gold spot increased by 0.90% and the price of cotton decreased by 1.13% on the last trading day.

Bangladesh Macro Update

Bangladesh could gain \$2b business from tariff advantage: Zahid Hussain

- ◆ Higher tariffs imposed on India and China by the Trump administration could divert USD 1.27-2.32 billion in US export orders from these countries to Bangladesh in the current fiscal year (FY) 2025-26, says Dr Zahid Hussain, former lead economist at the World Bank's Dhaka office.
- ◆ A 30% higher tariff on India alone could divert USD 1.2-2.07 billion in orders to Bangladesh, while those from China could range from USD 74 million to USD 250 million.
- ◆ Dr Hussain noted that economic activity has increased compared to last year and overall stability has improved, but household conditions have worsened, with poverty and inequality on the rise.
- ◆ Stability has largely been restored through the removal of those involved in money laundering and plundering, the appointment of competent people to key management positions, and favourable global factors, including declines in the US dollar, commodity prices, exchange rates, and interest rates.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/bangladesh-could-gain-2b-business-from-tariff-advantage-zahid-hussain-1756575023>

Another 2-year extension on the cards

- ◆ The much-hyped Japanese Economic Zone project at Araihasar in Narayanganj is heading for another two-year extension, with the Chief Adviser's Office now seeking a second revision to complete the pending infrastructure works.
- ◆ Approved in 2019 with a June 2023 deadline, the project aimed to attract USD 20 billion in foreign direct investment (FDI) and house over 300 Japanese companies.
- ◆ As it could not be completed, the deadline was extended till June 2025.
- ◆ Even the extended deadline has expired, and the project is still incomplete.
- ◆ The Planning Commission's Industry and Energy Division recently convened a meeting of the Project Evaluation Committee (PEC) to review a proposal from the Chief Adviser's Office, officials said.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/another-2-year-extension-on-the-cards-1756575823>

Taka remains undervalued for 2 consecutive months: BB Study

- ◆ The Bangladeshi Taka (BDT) remained undervalued for two consecutive months, a recent study by Bangladesh Bank (BB) shows, indicating that depreciation pressures on the currency have reversed.
- ◆ The report found that the equilibrium exchange rate, based on Real Effective Exchange Rate (REER) calculations, stood at BDT 121.55 in June 2025, leaving the taka undervalued by BDT 1.71 against the US dollar.
- ◆ The study, estimating equilibrium exchange rates for Bangladesh, was prepared by Deputy Governor Dr Md Habibur Rahman, Chief Economist's Unit Director Dr Md Salim Al Mamun, Joint Director Mr Nur-E-Alom Siddique, and a PhD candidate at Deakin University, Australia.

- ◆ According to the report, the Taka had been overvalued in past years: by BDT 9.09 in June 2021, BDT 8.11 in June 2022, and BDT 0.22 in June 2023.
- ◆ By June 2024, the currency turned slightly undervalued by BDT 1.11, recent declines in the REER index were driven by currency depreciation and falling relative prices.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/taka-remains-undervalued-for-2-consecutive-months-bb-study-1756575355>

Forex reserves surge to \$26b

- ◆ Foreign exchange reserve stood at USD 26 billion as per BPM6, according to Bangladesh Bank data released on 28 August.
- ◆ Earlier on 8 July, reserve was USD 24.45 billion.
- ◆ Bangladesh's reserves surged to a record high of USD 48 billion in August 2021 during the pandemic-led economic shutdown.
- ◆ However, reserves started to fall gradually in the post-pandemic period driven by a spike in import payments.
- ◆ Forex reserve erosion persisted until 5 August 2024. However, following the political shift, reserves began to rise, driven by increasing remittance inflows.
- ◆ Additionally, the Bangladesh Bank's decision to halt dollar sales from reserves contributed to the upward trend.

News Source:

<https://www.tbsnews.net/economy/forex-reserves-surge-26b-1223046>

Sectoral Update

Banks, NBFIs, and Insurance

Cenbank invites fresh applications for a digital bank licence from 1 September

- ◆ The Bangladesh Bank has invited fresh applications for digital bank licences from 1 to 30 September, revising its digital bank guidelines to prevent shell companies from sponsoring proposed digital banks.
- ◆ A shell company is defined as one that lacks its own business or assets in the country where it is registered.
- ◆ The revised guidelines, issued on Monday, also tighten the fit-and-proper test for sponsors, raising the paid-up capital requirement from BDT 125 crore to BDT 300 crore.
- ◆ Besides, if an individual sponsor or the nominated representative of an institutional sponsor holds citizenship in more than one country, full details of all citizenships and related information must be provided.
- ◆ Any previously renounced citizenships must also be disclosed, according to the revised guidelines.

- ◆ Enterprises, companies, or individuals awaiting verdicts in any ongoing lawsuits related to loan default status will be ineligible to apply as sponsors.

News Source:

<https://www.tbsnews.net/economy/banking/bangladesh-bank-opens-window-digital-bank-licence-applications-1-sept-1220621>

BDT 73,101cr loan default cases filed in Ctg in a year – 86% tied to S Alam Group alone

- ◆ Since the government changed on 5 August 2024, 46 banks have lodged 1,028 loan default cases with Chattogram's Artha Rin Adalat, involving a staggering BDT 73,101 crore – tantamount to more than 9% of the FY2025-26 national budget.
- ◆ An analysis of the case documents reveals that while only 31 of these cases involve S Alam Group and its entities, they account for 86% of the total defaulted loans — BDT 63,125.48 crore across three banks: Islami Bank, Janata Bank, and Social Islami Bank.
- ◆ Islami Bank Bangladesh alone bears the brunt of BDT 51,327.34 crore in defaults by the Chattogram-based conglomerate, including BDT 42,176.94 crore from its Khatunganj branch.
- ◆ According to the Islami Bank's new Managing Director, the matter is under investigation. With the Bangladesh Bank's support, they have formed four audit committees. Once their reports are in, they will know how these irregularities occurred and against whom action should be taken. Already, 8-10 senior officials directly involved have been suspended.

News Source:

<https://www.tbsnews.net/economy/banking/tk73101cr-loan-default-cases-filed-ctg-year-86-tied-s-alam-group-alone-1223751>

Bangladesh back in South Asia remittance race

- ◆ Bangladesh has returned to a competitive remittance growth path in line with its South Asian neighbours, with a larger-than-usual flow of money sent home by expatriates following the political changeover in August last year.
- ◆ Although Bangladesh posted strong growth in remittance earnings last year, Pakistan and Nepal recorded much higher spikes over the same period, according to the Asian Development Bank (ADB).
- ◆ After the pandemic-hit 2020, remittance inflows to Bangladesh, Nepal and Pakistan had been rising gradually before surging in 2024.
- ◆ Last year, Nepal led the region with a 36 percent jump to USD 14 billion, while Pakistan recorded a 31% rise to about USD 35 billion.
- ◆ In its "Key Indicators for Asia and the Pacific 2025: Measuring Sustainable Global Production" report published last week, the ADB showed the trend.

News Source:

<https://www.thedailystar.net/business/economy/news/bangladesh-back-south-asia-remittance-race-3974491>

BB buys \$150m in auction to shore up forex market

- ◆ To stabilise the exchange rate and support remittance and export flows, the Bangladesh Bank purchased USD 149.5 million from commercial banks through another auction.
- ◆ The central bank initiated the auction on 27th August, with an initial target of purchasing USD 30 million.
- ◆ However, it ended up buying a significantly larger amount, with a cut-off rate of BDT 121.70.
- ◆ This follows a previous purchase on 14 August, when the bank acquired USD 176 million at a cut-off rate of BDT 121.50.
- ◆ This indicates that the central bank increased the cut-off rate by at least 20 basis points.
- ◆ A policymaker on the central bank's auction committee told TBS that 17 banks had offered to sell between USD 160-170 million, but the Bangladesh Bank purchased dollars from 13 of them to meet its target, which was set based on market conditions.

News Source:

<https://www.tbsnews.net/economy/bb-buys-150m-auction-shore-forex-market-1223061>

Telecom

Telecom industry hobbled by high taxes

- ◆ The telecom industry of Bangladesh is caught in a paradox.
- ◆ It is indispensable to the country's digital ambitions, yet weighed down by regulatory complexity, high taxation, and market fragmentation, according to Johan Buse, chief executive officer of Banglalink.
- ◆ According to the CEO, if one looks at what the regulator is doing and some of the proposed changes, it actually really looks like people are trying to make a change.
- ◆ The telecommunications sector in Bangladesh now faces a tax rate of 56%.
- ◆ This rate far exceeds that of neighbouring India, where the tax is around 25%.
- ◆ The rate is 35% in Sub-Saharan Africa, 24% in the Middle East and North Africa, and 24% in the Asia Pacific region. The average rate is 21% in Europe and 18% across Latin American countries.

News Source:

<https://www.thedailystar.net/business/economy/news/telecom-industry-hobbled-high-taxes-3974531>

Textile

Apparel brands and retailers urged to adopt responsible purchasing practices

- ◆ A global coalition of rights campaigners urges brands and retailers of apparel to adopt responsible purchasing practices by ring-fencing labour costs in all price negotiations to facilitate payment of living wages and avoid other exploitative practices.
- ◆ In a survey report, titled 'Unraveling Exploitation -- Exposing the Need for Responsible Business Laws in Fashion Supply Chains,' Oxfam Australia also calls for avoiding short lead times, last-minute order changes, and other practices that create exploitative conditions.

- ◆ The British-founded confederation of 21 non-governmental organisations working to end the injustice of poverty worldwide, in its report published on August 26, reveals findings on Bangladesh's main export industry in particular.
- ◆ It claims to have found labour rights violations, including exploitation and child labour, across Bangladesh's garment-supply chain, mostly in informal workplaces like subcontracting and home-based production.
- ◆ Drawing on more than a dozen focus group discussions and key informant interviews and surveying over 400 workers, the report narrates how the current sourcing model, from which international brands benefit, enables and sustains conditions that amount to 'modern slavery'.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/apparel-brands-retailers-urged-to-adopt-responsible-purchasing-practices-1756574811>

Capital Market

DSE rebounds strongly as election roadmap boosts investor confidence

- ◆ General investors remained active on both buying and selling sides, expecting renewed market confidence. Investors primarily focused on low-paid-up, undervalued, and promising stocks.
- ◆ The indices of the Dhaka Stock Exchange (DSE) rebounded strongly, recovering from a two-day natural correction on 28 August, the day of the national election roadmap announcement.
- ◆ The benchmark index, DSEX, rose by 75 points to close at 5,518, while the blue-chip DS30 index gained 41 points to finish at 2,157.
- ◆ The shariah index also advanced 18 points, closing at 1,207, while market turnover increased by 16.46% to BDT 1,132 crore, compared to BDT 972 crore in the previous session.
- ◆ Market insiders note that general investors had been waiting for political stability and a clear timeline for the upcoming national election before making fresh investments.

News Source:

<https://www.tbsnews.net/economy/stocks/dse-rebounds-strongly-election-roadmap-boosts-investor-confidence-1223041>

BSEC declines Confidence Cement's plea to reconsider rights issue

- ◆ The Bangladesh Securities and Exchange Commission (BSEC) has turned down a request from Confidence Cement PLC to review its earlier rejection of the company's rights issue proposal.
- ◆ Referring to a disclosure made earlier on 15 July 2025, the Dhaka Stock Exchange (DSE) said on 27 August that the BSEC informed the company that there is no scope under the Securities and Exchange Commission (Rights Issue) Rules, 2006, to reconsider or review an application once rejected.
- ◆ In June, the regulator had rejected Confidence Cement's application to raise BDT 100 crore through a rights issue to support the rising investment needs of its associate company, Confidence Cement Dhaka Ltd.

- ◆ The Chattogram-based cement manufacturer, a concern of Confidence Group, initially planned to issue one rights share against three existing shares at BDT 45 each, including a BDT 35 premium, but later reduced the price by BDT 10 due to the volatile and liquidity-strapped market.
- ◆ Following the rejection, Confidence Cement has decided to divest its entire 50% stake in Confidence Cement Dhaka Ltd for BDT 140.97 crore to another associate company, Confidence Power Holdings.

News Source:

<https://www.tbsnews.net/economy/stocks/bsec-declines-confidence-cements-plea-reconsider-rights-issue-1223141>

DSE grants FIX certification to 13 more brokerage houses

- ◆ The Dhaka Stock Exchange (DSE) has awarded FIX certification to 13 more brokerage houses, enabling them to connect their own Order Management Systems (OMS) directly to the DSE's trading engine through API connectivity.
- ◆ The certificates were handed over by DSE Chairman Mominul Islam at a ceremony on 28 August at the stock exchange's Training Academy.
- ◆ The certification, a prerequisite for brokerage houses, verifies compliance with the Financial Information Exchange (FIX) protocol – a universal standard for electronic financial trading and communication – which the DSE adopted as part of its modernisation efforts.
- ◆ Speaking at the ceremony, the chairman said DSE is working collectively to develop the capital market, and its positive impact is already visible in trading activities.

News Source:

<https://www.tbsnews.net/economy/stocks/dse-grants-fix-certification-13-more-brokerage-houses-1223031>

Premier Bank skips dividend for first time in 18 years

- ◆ Premier Bank has declared no dividend for 2024 — the first time since its stock market debut in 2007 — amid sharp profit declines and continued losses.
- ◆ According to the price-sensitive statement filed on the Dhaka Stock Exchange (DSE) on Thursday, the bank's board of directors, in a meeting on 27 August, decided not to pay dividends, citing a provision shortfall against classified loans as the main reason for skipping shareholder returns.
- ◆ For shareholders, the absence of dividends for 2024 comes as a stark departure from the bank's track record as, in 2023, Premier Bank declared a 12.50% cash dividend, continuing a tradition of annual payouts since its listing.
- ◆ Premier Bank reported consolidated earnings per share (EPS) of BDT 1.09 for 2024, down steeply from BDT 3.37 in 2023, and its net profit plunged by 68% year-on-year to BDT 134 crore from BDT 415 crore.

News Source:

<https://www.tbsnews.net/economy/stocks/premier-bank-declares-no-dividend-2024-posts-loss-first-half-2025-1222366>