

### Bangladesh Market

Major Indices	Last closing
DSEX Index	5,392.65
% change	0.84%
DS30 Index	2,091.25
% change	0.92%
DSES Index	1,165.51
% change	1.17%
Turnover (BDT mn)	5,760.06
Turnover (USD mn)	47.29
% change	23.18%

Source: Dhaka Stock Exchange

### International Market

Major Indices	Last closing
Dow Jones Industrial Average	46,121.28
% change	-0.37%
S&P 500	6,637.97
% change	-0.28%
Nikkei 225	45,634.00
% change	0.37%
FTSE 100	9,250.43
% change	0.29%

Source: Bloomberg

### Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	121.75	121.80
EUR	142.90	142.99
GBP	163.68	163.82
INR	1.37	1.37

Source: BB

### Money market

Date	Call Money Rate Range (%)	Weighted Average
24-Sep-25	9.75 - 11.00	9.92
23-Sep-25	9.75 - 11.00	9.92

Source: BB

### Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	69.31	2.48%
Gold Spot, USD/t oz.	3,743.09	-0.56%
Cotton, USD/lb.	66.17	-0.71%

Source: Bloomberg

## Market Summary

### Bangladesh Market

- The leading bourse of the country, DSEX, was up by 0.84% on the last trading day, closing at 5,392.65 points.
- The daily turnover increased by 23.18% on the last trading day.

### Global Market

- Most of the global indices showed mixed performance on the last trading day; the Dow Jones Industrial Average was down by 0.37%, the S&P 500 was down by 0.28%, and the FTSE 100 was up by 0.29%.
- One of the leading Asian market indices, NIKKEI 225, was up by 0.37% on the last trading day.

### Key Macro Indicators

- The value of BDT depreciated against the USD and INR, and appreciated against EUR and GBP.
- The average overnight rate was 9.92%, standing between 9.75% and 11.00%.
- The price of oil futures increased by 2.48%, the price of gold spot decreased by 0.56% and the price of cotton decreased by 0.71% on the last trading day.

## Bangladesh Macro Update

### Govt to take \$1.47b in non-concessional loans for 7 projects

- ◆ The government is taking non-concessional loans worth BDT 1.47 billion for seven projects.
- ◆ This was approved in a meeting of the Standing Committee on Non-Concessional Loan on 24<sup>th</sup> September, held at the ERD conference room in Sher-e-Bangla Nagar, chaired by the Finance Adviser.
- ◆ A non-concessional loan from a development partner such as the World Bank or the Asian Development Bank (ADB) is a loan provided at or near market-based interest rates and terms.
- ◆ Unlike a concessional loan, it does not include a significant "grant element" or subsidy.
- ◆ ERD officials said that because the current Secured Overnight Financing Rate (SOFR) is high, the grant element of market-based loans is decreasing.

**News Source:**

<https://www.tbsnews.net/economy/govt-take-147b-non-concessional-loans-7-projects-1244986>

### Unpacking the impact of Trump's reciprocal tariff

- ◆ The Research and Policy Integration for Development (RAPID) projected on 16 September that Bangladesh's exports to the US may contract by around 14.3%, equivalent to USD 1.25 billion, of which the hit to apparel could be USD 1.08 billion.
- ◆ RAPID cautions that price pressures and competition spillovers could strain Bangladesh's export performance globally, adding to the loss of US export orders.
- ◆ Beneath the surface of the impact lie two competing forces: trade destruction, where exports shrink due to higher costs, and a more complicated dynamic of trade diversion, where Bangladesh may gain some and lose some globally.
- ◆ As of today, the outlook for President Trump softening his tariff stance remains uncertain, especially with India, a pivotal partner open to negotiation, and China, a more entrenched rival.
- ◆ The diplomatic chessboard is still in play, and Bangladesh wrapped up another negotiation round in mid-September, with the outcome yet to unfold.

**News Source:**

<https://www.tbsnews.net/economy/unpacking-impact-trumps-reciprocal-tariff-1244251>

### Credit flow to businesses at historic low

- ◆ Private-sector credit growth hit a historic low of 6.49% as of June 2025 by official count, signalling deep slowdown in business investment and stoking concerns about Bangladesh's long-term economic momentum.
- ◆ General Economics Division (GED) of the Planning Commission shows the situation in its September report titled 'Economic Update and Outlook', released on 24<sup>th</sup> September.
- ◆ The report carries a note of warning that industrial expansion, employment generation and overall growth could face significant headwinds unless the flow of credits to private enterprises improves.

- ◆ Quoting data from Bangladesh Bank, the report highlights that the domestic credit growth decelerated to 7.97% at the end of June, down from 9.8% a year earlier.
- ◆ The slowdown is particularly pronounced in the private sector, reflecting weak investment demand, high lending rates, political and economic uncertainty, and cautious bank lending.

**News Source:**

<https://today.thefinancialexpress.com.bd/first-page/credit-flow-to-businesses-at-historic-low-1758736900>

## **Export diversification project gets delayed again, cost rises 34%**

- ◆ The long-awaited Export Competitiveness for Jobs (EC4J) project, designed to diversify the country's export basket, has been delayed for a second time, with its deadline now pushed to June next year and costs revised upward.
- ◆ Initially approved in 2017 with a budget of BDT 941 crore, the World Bank-funded project was intended to strengthen competitiveness in leather, footwear, light engineering and plastics, while creating an estimated 90,000 jobs.
- ◆ Costs have since climbed to BDT 1,264 crore, a 34% increase, according to planning ministry documents.
- ◆ The delay comes as Bangladesh faces mounting pressure to expand its exports ahead of graduation from the Least Developed Country group in November next year.
- ◆ Despite years of pledges to diversify, the country still depends heavily on ready-made garments, which account for nearly 82% of total merchandise shipments.

**News Source:**

<https://www.thedailystar.net/business/export/news/export-diversification-project-gets-delayed-again-cost-rises-34-3993951>

## **Rice prices may ease in coming months: report**

- ◆ Rice prices are likely to decrease in the coming months, according to a report by General Economics Division (GED) of Bangladesh Planning Commission.
- ◆ The GED's Monthly Economic Update and Outlook report for September noted that rice inflation has kept prices above double digits since December 2024, reaching 15.52% in June this year.
- ◆ Inflation for coarse, medium, and fine rice, the three categories based on grain size and shape, stood at over 15% for three consecutive months.
- ◆ However, only medium rice was recorded at 13.95% in August, slightly lower than 15.32% in July.
- ◆ Although higher yields of Boro season paddy, which accounts for over half of Bangladesh's annual rice output, since June had raised expectations of a drop in prices, the market did not reflect the improvement.

**News Source:**

<https://www.thedailystar.net/business/economy/news/rice-prices-may-ease-coming-months-report-3993616>

## Sectoral Update

### Banks, NBFIs, and Insurance

#### **NBFI default loans rise to BDT 27,541cr in June, now 36% of total lending**

- ◆ Default loans at the country's non-bank financial institutions (NBFIs) reached BDT 27,541 crore by the end of June 2025, accounting for 35.72% of their total loans disbursed, according to Bangladesh Bank data.
- ◆ Just three months earlier, at the end of March, the figure stood at BDT 27,189 crore, or 35.32% of total loans.
- ◆ This means default loans grew by BDT 352 crore in just one quarter.
- ◆ At the end of December 2024, the total loan portfolio of NBFIs was BDT 75,450 crore, of which BDT 25,089 crore or 33.25% was classified as non-performing.
- ◆ As per the central bank data, although outstanding loans in the NBFI sector have grown in recent months, defaults are increasing at a much faster pace.
- ◆ This indicates that not only are older loans turning bad, but some of the newly disbursed loans are also falling into default.

#### **News Source:**

<https://www.tbsnews.net/economy/nbfi-default-loans-rise-BDT-27541cr-june-now-36-total-lending-1244991>

#### **Six state banks under scrutiny over Tk1.49 lakh crore in default loans**

- ◆ The financial health of the country's six state-owned commercial banks (SoCBs) came under scrutiny at a meeting chaired by the finance adviser, where officials of the Financial Institutions Division (FID) presented a detailed report on their performance until June this year.
- ◆ The presentation covered the banks' capital adequacy, profit earnings, non-performing loans (NPLs), recovery efforts, pending litigations, audit objections, and provision shortfalls.
- ◆ According to the report, the six banks are weighed down by an alarming BDT 1.49 lakh crore in default loans, amounting to around 44% of their total disbursed credit.
- ◆ Of this, nearly BDT 85 thousand crore, 57% of the total, is concentrated among just 20 top defaulters.
- ◆ The adviser directed bank management to strengthen recovery efforts, especially from the largest defaulters, while ensuring good governance.
- ◆ He stressed that boards of directors must not interfere in the day-to-day operations of the banks.

#### **News Source:**

<https://www.tbsnews.net/economy/banking/six-state-banks-under-scrutiny-over-tk149-lakh-crore-default-loans-1245106>

#### **Salehuddin asks SoCBs to speed up the default loan recovery drive**

- ◆ The Finance Adviser has asked the chief executives of six State-Owned Commercial Banks (SoCBs) to take necessary steps for quicker recovery of their default loans.

- ◆ He also advised them to ensure good governance in the banks, emphasizing that the board of directors should not interfere in banks' day-to-day affairs in any situation.
- ◆ The adviser also directed that all the activities in the banks should be carried out based on commercial merit.
- ◆ He gave the directions at a meeting at the Finance Division, where managing directors of the six SoCBs, top officials from the financial institutions division (FID), and the central bank attended.
- ◆ At the meeting, the FID officials apprised the finance adviser of the six SoCBs' financial health until June this year, according to the meeting sources.

**News Source:**

<https://today.thefinancialexpress.com.bd/last-page/salehuddin-asks-socbs-to-speed-up-default-loan-recovery-drive-1758737230>

## **Interest rate spread falls to a 25-month low amid profitability concerns**

- ◆ The interest-rate spread between banks' weighted average lending and deposit rates narrowed to a 25-month low of 5.75% in July, raising concerns over profitability in the country's financial sector.
- ◆ The decline, driven by higher deposit costs and sluggish lending growth, reflects mounting stress in the banking industry, according to Bangladesh Bank data.
- ◆ The spread narrowed by 7.0 basis points compared with the previous month.
- ◆ The spread is widely used as an indicator of the business efficiency of financial institutions, and the regulator often takes corrective measures based on its movements.
- ◆ Bankers attributed the July decline to a build-up of stressed assets across the industry, noting that funding costs remained elevated while lending growth lagged during the period under review.

**News Source:**

<https://thefinancialexpress.com.bd/trade/interest-rate-spread-falls-to-25-month-low-amid-profitability-concerns>

## **Energy**

### **Numerous global energy majors vying for deal**

- ◆ Half a dozen international firms are vying for contract to construct a new floating storage and regasification unit (FSRU) at Moheshkhali island as Bangladesh opts for enhancing LNG-handling capacity amid falling domestic gas reserves against rising demand.
- ◆ Sources say they have submitted proposals either to state-run Petrobangla, the Energy and Mineral Resources Division (EMRD) under the Ministry of Power, Energy and Mineral Resources, or both.
- ◆ Oman's OQ Trading International, Saudi Arabia's Aramco Trading, Azerbaijan's Socar, US-based Excelerate Energy, and Russia's Novatek are among the global players interested in setting up the FSRU or related infrastructure used for regasifying imported LNG to feed into national grid, according to market insiders.

- ◆ We have received proposals from a good number of international firms showing interest in developing a new FSRU, according to Petrobangla Chairman.
- ◆ He notes that the government may award the contract considering the growing need for ramping up the LNG-regasification capacity in the wake of depleting domestic reserves.

**News Source:**

<https://today.thefinancialexpress.com.bd/first-page/numerous-global-energy-majors-vying-for-deal-1758736751>

## Telecommunication

### New telecom policy trims licensing categories to four

- ◆ The Bangladesh Telecommunication Regulatory Commission (BTRC) has started preparing new guidelines under the Telecommunications Network and Licensing Policy, which came into effect last week with the gazette publication.
- ◆ The new policy marks the formal end of the International Long Distance Telecommunication Service (ILDTS) Policy 2010.
- ◆ That framework had been introduced to regulate international gateways and curb illegal internet-based voice over internet protocol (VoIP) calls, but became increasingly outdated as technology advanced.
- ◆ Under the new licences, there will be four categories, while there was more than a dozen previously.
- ◆ We have already formed committees to formulate guidelines accordingly, according to Maj Gen (retd) Md Emdad ul Bari, chairman of the BTRC.

**News Source:**

<https://www.thedailystar.net/business/telecom/news/new-telecom-policy-trims-licensing-categories-four-3993966>

## Capital Market

### Dhaka stocks climb for second day

- ◆ Dhaka stocks extended their gains for a second consecutive session, lifted by Non-Bank Financial Institutions (NBFIs) as well as fuel and power shares, while turnover also rose.
- ◆ The DSEX, the benchmark index of the bourse, increased 45.18 points, or 0.84%, to close at 5,392.65, according to Dhaka Stock Exchange data.
- ◆ Other indices followed the performance of the main index as both Shariah-based DSES and the blue-chip DS30 ended the day higher.
- ◆ Turnover, a key indicator of investor activity, stood at BDT576 crore, up from BDT467.59 crore in the previous session, reflecting higher investor participation in line with the positive indexes.
- ◆ Block trades, high-volume transactions involving large numbers of securities, contributed 2% of the overall market turnover.

- ◆ Market breadth was mostly positive, with 289 issues advancing against 60 declining, while 48 remained unchanged.

**News Source:**

<https://www.thedailystar.net/business/news/dhaka-stocks-climb-second-day-3993611>

## **BSEC to investigate S Alam-owned Aviva equity's loans and financial transactions**

- ◆ The Bangladesh Securities and Exchange Commission (BSEC) has launched an investigation into Aviva Equity Management Ltd, a subsidiary of Aviva Finance owned by the S Alam Group, over its loans, financial dealings, and possible money laundering.
- ◆ To protect the interests of the capital market and general investors, the regulator formed a three-member committee comprising Director Md Monsur Rahman, Joint Director Sultana Parvin, and Assistant Director Md Maruf Hasan. The panel has 60 working days to submit its report.
- ◆ The investigation will review the total loans provided by Aviva Finance to Aviva Equity, the outstanding dues with interest as of August 2025, and the progress of repayment.
- ◆ The committee will also examine whether the company has taken loans from other sources, the purpose of loan utilisation, compliance with regulatory requirements, any margin loans provided to related parties, and whether any portion of the loan was involved in money laundering.
- ◆ Additionally, the committee will assess reasons behind delayed repayment and the firm's ability to fully repay the loans, including a possible timeline.

**News Source:**

<https://www.tbsnews.net/economy/stocks/bsec-investigate-s-alam-owned-aviva-equitys-loans-and-financial-transactions-1244956>

## **Miracle Industries' shares surge on BCIC 50% procurement deal**

- ◆ The Bangladesh Chemical Industries Corporation (BCIC) will now purchase 50% of its total requirement for woven polypropylene (WPP) and polyethylene (PE) bags from the publicly listed Miracle Industries Ltd.
- ◆ As a result, the company's revenue is expected to double from these orders, which will positively impact its net profit. BCIC remains the company's main buyer.
- ◆ According to a disclosure on the stock exchange, if Miracle Industries fails to supply the bags within the specified time, the BCIC reserves the right to procure the required bags from alternative sources.
- ◆ For the announcement of this news, the company's share price surged by 9.71% to BDT33.90 on the Dhaka stock exchange.
- ◆ In December last year, the industries ministry approved the procurement of 20% of BCIC's total bag requirement from Miracle Industries.

**News Source:**

<https://www.tbsnews.net/economy/stocks/miracle-industries-shares-surge-bcic-50-procurement-deal-1245026>

## **Let the market decide IPO prices**

- ◆ For decades, Bangladesh's capital market has been trapped in a policy mistake of its own making: regulators, not the market, have set the prices of initial public offerings (IPOs).
- ◆ In most cases, shares were issued at their face value, usually BDT10.
- ◆ Sometimes regulators permitted a small premium, based on their own judgment.
- ◆ On rare occasions, they allowed the so-called "book-building method", but with restrictions so tight that the outcome was never truly market-driven.
- ◆ As a result, IPOs were systematically underpriced, as shown by their price performance at debut trading.

**News Source:**

<https://www.thedailystar.net/business/column/news/let-the-market-decide-ipo-prices-3994001>