

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,283.72
% change	-1.01%
DS30 Index	2,033.04
% change	-0.90%
DSES Index	1,134.27
% change	-1.30%
Turnover (BDT mn)	5,301.80
Turnover (USD mn)	43.53
% change	-13.35%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	45,479.60
% change	-1.90%
S&P 500	6,552.51
% change	-2.71%
Nikkei 225	48,088.80
% change	-1.01%
FTSE 100	9,427.47
% change	-0.86%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	121.79	121.82
EUR	141.50	141.58
GBP	162.69	162.76
INR	1.37	1.37

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
09-Oct-25	9.50 - 11.00	9.58
08-Oct-25	9.50 - 11.00	9.68

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	62.73	-3.82%
Gold Spot, USD/t oz.	4,018.30	1.06%
Cotton, USD/lb.	63.84	2.92%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, was down by 1.01% on the last trading day, closing at 5,283.72 points.
- The daily turnover decreased by 13.35% on the last trading day.

Global Market

- Most of the global indices showed negative performance on the last trading day; the Dow Jones Industrial Average was down by 1.90%, the S&P 500 was down by 2.71%, and the FTSE 100 was down by 0.86%.
- One of the leading Asian market indices, NIKKEI 225, was down by 1.01% on the last trading day.

Key Macro Indicators

- The value of BDT appreciated against the EUR, GBP, and depreciated against the USD and INR.
- The average overnight rate was 9.58%, standing between 9.50% and 11.00%.
- The price of oil futures decreased by 3.82%, the price of gold spot increased by 1.06% and the price of cotton increased by 2.92% on the last trading day.

Bangladesh Macro Update

ADB provides USD 100 million to create jobs under small enterprises in rural Bangladesh

- ◆ The Asian Development Bank (ADB) and the Government of Bangladesh on 9 October signed a USD 100 million agreement to help cottage, micro, small, and medium-sized enterprises (CMSMEs) outside Dhaka and Chattogram metropolitan areas, gain access to medium and long-term credit.
- ◆ Md Shahriar Kader Siddiky, secretary at the Economic Relations Division (ERD), and Hoe Yun Jeong, country director of ADB, signed the agreements on behalf of Bangladesh and ADB, respectively, at a ceremony at the ERD offices in Dhaka.
- ◆ As Bangladesh strives to diversify and transition its economy, developing CMSMEs is a key to accelerating growth, and reducing poverty, income inequality, and regional disparity, according to Country Director Hoe Yun Jeong.
- ◆ This project will help achieve these goals by supporting the CMSMEs in rural areas, especially those run by women, with better access to long-term capital.
- ◆ The project will also help women entrepreneurs develop skills to manage their enterprises more efficiently, and improve the financial institutions' technical capacity to provide credit and skills to the CMSMEs.

News Source:

<https://www.tbsnews.net/bangladesh/adb-provides-100-million-create-jobs-under-small-enterprises-rural-bangladesh-1256581>

What conditions must be met for exporters to get VAT exemption on local purchase?

- ◆ Exporters in Bangladesh are eligible for value-added tax (VAT) exemptions on local purchases of goods and services, but in practice, complications at the field level have often caused additional costs, delays, and even harassment.
- ◆ In some cases, VAT was imposed despite the exemption.
- ◆ To address these issues, the National Board of Revenue (NBR) clarified on 9 October that exporters meeting certain conditions will qualify for VAT exemption, with such purchases considered as "deemed exports."
- ◆ Utility Declaration (UD) refers to a declaration of raw material entitlement submitted by exporters through their respective associations to customs authorities.
- ◆ Welcoming the NBR's clarification, BGMEA Vice President Md Shehab Udduza Chowdhury told The Business Standard, We procure various goods and services locally, which is 10% of the export value.
- ◆ But VAT offices often did not recognise them as 'deemed exports', leading to VAT imposition and complications. This clarification resolves a long-standing issue.

News Source:

<https://www.tbsnews.net/nbr/what-conditions-must-be-met-exporters-get-vat-exemption-1258116>

Bangladesh's GDP grows 3.35% in Q4 of FY25, industry shows strongest rebound

- ◆ Bangladesh's economy grew by 3.35% in the fourth quarter of the last fiscal 2024-25 at constant prices, up from 2.14% in the same period of FY24, according to data released by the Bangladesh Bureau of Statistics (BBS) 9 October.
- ◆ The growth in the first three quarters of FY25 was 1.96%, 4.48%, and 4.86%, compared to 5.87%, 4.47%, and 4.62%, respectively, in FY24.
- ◆ Overall, GDP growth for FY25 at constant prices, based on the combined four quarters, stands at 3.69%.
- ◆ The industrial sector saw stronger performance, growing 4.10% in Q4 FY25 compared to 1.08% in Q4 of FY24.
- ◆ The agriculture sector expanded by 3.01% in the fourth quarter of FY25, down from 4.11% in Q4 FY24.
- ◆ Meanwhile, the services sector grew 2.96% in Q4 FY25, down from 3.61% in Q4 FY24.
- ◆ The provisional estimate puts the GDP size at current prices for the fourth quarter of FY25 at BDT 14.4 lakh crore, compared to BDT 13.2 lakh crore in the same quarter of FY24.

News Source:

<https://www.tbsnews.net/economy/bangladeshs-gdp-grows-335-q4-industry-shows-strongest-rebound-1256681>

Lower interest to single digits, help economy grow

- ◆ Business leaders on Thursday urged the central bank to reinstate single-digit lending rates.
- ◆ They deplored that ramped-up interest, currently hovering above 14%, was harming business growth, investment and global competitiveness.
- ◆ The strong plea for rate cut was made during a meeting with Bangladesh Bank (BB) Governor Ahsan H Mansur, following a stocktaking of the country's overall trade and economic situation that took latest twists amid political upheavals associated with last year's uprising.
- ◆ Speaking to The Financial Express after the consultation was over, BTMA President Showkat Aziz Russell said the textile and garment sectors were under immense financial pressure and urgently needed a return to single-digit lending rates to survive.
- ◆ He also raised concerns over five banks currently undergoing mergers, stating that they owe large sums to member textile mills but are failing to make payment.

News Source:

<https://today.thefinancialexpress.com.bd/public/first-page/lower-interest-to-single-digits-help-economy-grow-1760033521>

Sectoral Update

Banks, NBFIs, and Insurance

Remittance inflows lift current account to surplus despite trade gap

- ◆ The country's current account balance turned positive in the first two months of the 2025-26 fiscal year, driven by strong remittance inflows despite a widening trade deficit.
- ◆ According to Bangladesh Bank data, the current account posted a surplus of USD 483 million in July-August, up sharply from USD 191 million in the same period of the previous fiscal year.
- ◆ The sustained remittance inflow has also contributed to a gradual rise in foreign exchange reserves, with the gross reserve surpassing USD 27 billion.
- ◆ Remittance inflows have remained above USD 2 billion per month since August 2024, with a record USD 3.29 billion received in March 2025, the highest monthly figure in Bangladesh's history.
- ◆ The strong inflow of remittances and export earnings has allowed the Bangladesh Bank to purchase over USD 2 billion from commercial banks through auctions as of 9 October.

News Source:

<https://www.tbsnews.net/economy/remittance-inflows-lift-current-account-surplus-despite-trade-gap-1257016>

Interbank money transactions make resounding rebound with rapid rise

- ◆ Interbank short-term lending and borrowing on the call-money market is making a resounding rebound, with the September turnover recording a 26.6% month-on-month rise to BDT 1.47 trillion.
- ◆ Bankers and analysts say the turnaround is taking place on the back of increasing liquidity on the money market—a development that is also easing the exigency of state cash feeding to cash-strapped banks.
- ◆ The sharp rise indicates that interbank transactions have expanded, thus reducing the banks' reliance on borrowing from the central bank or Bangladesh Bank.
- ◆ Of the total call-money transactions, 87.41% were overnight deals reflecting the dominance of short-term liquidity adjustments among banks.
- ◆ The turnover on the interbank repo market, another avenue for banks' transactions, stood at BDT 541.31 billion in September, marking a steep rise of 113.75% over the previous month.

News Source:

<https://today.thefinancialexpress.com.bd/public/last-page/interbank-money-transactions-make-resounding-rebound-with-rapid-rise-1760118273>

BB buys over USD 2.0b from banks in 3 months

- ◆ The central bank purchased over USD 2.0 billion from banks in nearly last three months, aiming to encourage both exporters and remitters through keeping the dollar-taka rate stable.
- ◆ As part of the ongoing intervention, the Bangladesh Bank (BB) bought USD 107 million more through auction from 10 commercial banks in the interbank spot market on Thursday on the same ground.

- ◆ The latest amount was bought under the Multiple Price Auction method and the cutoff rate was BDT 121.80 per dollar, according to the central bank officials.
- ◆ Earlier on 6 October, the central bank purchased USD 104 million from 8 banks in a similar auction.
- ◆ The central bank has so far bought USD 2.09 billion from banks directly through 14 auctions since July 13 last under the prevailing free-floating exchange rate arrangement, they added.

News Source:

<https://today.thefinancialexpress.com.bd/public/last-page/bb-buys-over-20b-from-banks-in-3-months-1760034118>

New law to fully insure 93% of bank depositors

- ◆ The government has approved amendments to the Deposit Protection Act, proposing an increase in the protection limit for bank deposits to BDT 2 lakh.
- ◆ Around 93 percent of all bank accounts in the country hold deposits within this level, according to the finance ministry's proposal for the amendments, which drew on central bank data.
- ◆ Besides, non-bank financial institutions (NBFIs) will also be brought under the deposit protection framework for the first time.
- ◆ But non-bank depositors will have to wait until July 2028 to receive legal coverage under the new framework.
- ◆ The amendment, approved at an advisory council meeting on Thursday last week, introduces several new measures.

News Source:

<https://www.thedailystar.net/business/economy/banks/news/new-law-fully-insure-93-bank-depositors-4007576>

Capital Market

Dhaka stocks end week lower on weak investor confidence

- ◆ The Dhaka Stock Exchange (DSE) closed the week on a bearish note, with key indices registering a broad-based correction as cautious investors engaged in profit-booking and portfolio rebalancing.
- ◆ Market momentum was subdued throughout the five trading sessions, with four ending in the red, largely due to ongoing earnings and dividend declarations by June-closing companies.
- ◆ The benchmark DSEX index dropped by 132 points to close at 5,284. Similarly, the blue-chip index DS30 fell by 49 points to 2,033, and the shariah-based DSES declined by 38 points to 1,134.
- ◆ However, the DSE SME Index (DSMEX) bucked the trend, gaining 95 points to close at 1,064.
- ◆ Despite the indices falling, the weekly average turnover rose by 5.97% to Tk657 crore, compared to BDT 620 crore in the previous week.
- ◆ The total turnover for the week was BDT 3,286 crore. Conversely, market capitalisation slipped by 1.09%, falling to BDT 717,126.78 crore.

- ◆ According to market analysts, the recent downtrend stems from multiple factors, including economic and policy-related uncertainties.

News Source:

<https://www.tbsnews.net/economy/stocks/dhaka-stocks-end-week-lower-weak-investor-confidence-1258261>

Bangladesh equity market worst performer in Sept

- ◆ The Bangladesh equity market was the worst performer globally in September this year, as the prime index plunged 3.2% amid broad-based profit-booking pressure following three consecutive months of recovery.
- ◆ In contrast, South Korea emerged as the best performer, posting a return of more than 10% in September, followed by Taiwan with 9% and Pakistan with 7.34%, according to EBL Securities.
- ◆ Apart from Bangladesh, only the Philippines recorded a marginal decline of 0.30% during the month, while other global equity markets posted gains.
- ◆ Although Bangladesh's stock market began the month on a positive note, with the benchmark index surpassing the 5,600 level for the first time in 11 months, the momentum soon lost traction as sellers became dominant, weighing heavily on the indices.
- ◆ Investors turned cautious amid volatile momentum in the absence of a reviving catalyst for the market," said EBL Securities in its monthly analysis.

News Source:

<https://today.thefinancialexpress.com.bd/public/stock-corporate/bangladesh-equity-market-worst-performer-in-sept-1760032288>

Bank mergers and NBFIs windups: What's in store for shareholders?

- ◆ The Bangladesh Bank's move to liquidate nine ailing non-bank financial institutions (NBFIs) and merge five struggling banks marks one of the most sweeping clean-ups of the financial sector in recent years.
- ◆ The move is aimed at restoring stability in the country's volatile financial sector, marred by rampant systemic corruption.
- ◆ But while the regulator's actions are well-intentioned, they have raised questions about the fate of thousands of small investors: what will happen to the money they poured into those firms.
- ◆ Of the 14 institutions on the chopping block, 13 are listed on the stock market. Together, general shareholders hold around 550 crore shares with a face value of BDT 5,500 crore.
- ◆ Many of them now face a grim prospect, with those shares effectively becoming worthless.

News Source:

<https://www.thedailystar.net/business/news/bank-mergers-and-nbfi-windups-whats-store-shareholders-4007436>