

Bangladesh Market

Major Indices	Last closing
DSEX Index	5,197.27
% change	-0.58%
DS30 Index	1,995.65
% change	-0.71%
DSES Index	1,111.62
% change	-0.55%
Turnover (BDT mn)	6,064.27
Turnover (USD mn)	49.78
% change	14.42%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	46,270.46
% change	0.44%
S&P 500	6,644.31
% change	-0.16%
Nikkei 225	47,007.50
% change	-0.38%
FTSE 100	9,452.77
% change	0.10%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	121.8	121.83
EUR	141.3489	141.42
GBP	162.1889	162.30
INR	1.3715	1.37

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
14-Oct-25	9.40 - 11.00	9.70
13-Oct-25	9.25 - 11.00	9.72

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	62.39	-1.47%
Gold Spot, USD/t oz.	4,161.73	1.24%
Cotton, USD/lb.	63.51	-0.13%

Source: Bloomberg

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX, was down by 0.58% on the last trading day, closing at 5,197.27 points.
- The daily turnover increased by 14.42% 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 up by 0.44%, the S&P 500 was down by 0.16%, and the FTSE 100 was up by 0.10%.
- One of the leading Asian market indices, NIKKEI 225, was down by 0.38% on the last trading day.

Key Macro Indicators

- The value of BDT was stable against INR and appreciated against the EUR, GBP and depreciated against USD
- The average overnight rate was 9.70%, standing between 9.40% and 11.00%.
- The price of oil futures decreased by 1.47%, the price of gold spot increased by 1.24% and the price of cotton decreased by 0.13% on the last trading day.

Bangladesh Macro Update

IMF further lowers Bangladesh's GDP growth for FY26 to 4.9%

- ◆ The International Monetary Fund (IMF) has further lowered Bangladesh's GDP growth projection for the current fiscal year 2025-26 to 4.9%, a sharp decline from its earlier forecasts of 5.4% in July and 6.5% in April.
- ◆ However, the multilateral lender projected that inflation would fall to 8.8% in FY26 and ease further to 5.5% in the following fiscal year, according to the IMF's latest World Economic Outlook released on 14 October.
- ◆ The IMF growth projection remains close to the latest updates from other global watchdogs.
- ◆ The World Bank and the Asian Development Bank (ADB) have projected GDP growth of 4.8% and 5%, respectively, in their recent updates for FY26.
- ◆ The interim government has set a GDP growth target of 5.5% for the current fiscal year 2025-26, exceeding the projections made by international agencies.

News Source:

<https://www.tbsnews.net/economy/imf-further-lowers-bangladeshs-gdp-growth-fy26-49-1260576>

IMF lifts growth outlook on more benign tariffs as revived US-China trade war looms

- ◆ The International Monetary Fund edged up its 2025 global growth forecast on 14 October as tariff shocks and financial conditions have proven more benign than expected, but warned that a renewed US-China trade war threatened by President Donald Trump could slow output significantly.
- ◆ The IMF said in its World Economic Outlook, that recent trade deals between the US and some major economies have avoided the worst of Trump's threatened tariffs with little retaliation, prompting its second growth upgrade since April.
- ◆ The IMF now predicts global real GDP growth at 3.2% for 2025, up from a July forecast of 3.0% and a more severe April forecast of 2.8% that came after Trump imposed broad global "reciprocal" tariffs and a tit-for-tat escalation with China ensued.
- ◆ It sees global growth at 3.1% in 2026, unchanged from the July forecast.
- ◆ In addition to lower-than-expected tariff rates, global output has been supported by an agile private sector that front-loaded imports and quickly rerouted supply chains, a weaker dollar, fiscal stimulus in Europe and China and an AI investment boom, said IMF chief economist Pierre-Olivier Gourinchas.

News Source:

<https://www.tbsnews.net/world/imf-lifts-growth-outlook-more-benign-tariffs-revived-us-china-trade-war-looms-1260696>

Cap exports rise as buyers look beyond China, Korea

- ◆ Once an overlooked corner of the accessories market, caps are now a growing contributor to Bangladesh's export portfolio, reflecting both shifting global trends and the country's ability to adapt and scale.
- ◆ According to data from the Export Promotion Bureau (EPB), Bangladesh exported USD 89.98 million worth of headgear in the first quarter of FY 2024-25.
- ◆ This was a 12% year-on-year increase from the same period last fiscal year.
- ◆ The goods fetched USD 364.46 million last fiscal year.
- ◆ The figures reflect the increasing importance of non-traditional exports like caps and headwear in Bangladesh's broader apparel diversification efforts, said exporters.

News Source:

<https://www.thedailystar.net/business/news/cap-exports-rise-buyers-look-beyond-china-korea-4010141>

Why our financial sector lags behind the real economy

- ◆ Bangladesh's economy presents a striking contrast. Its markets for real sector products such as consumer goods, construction materials, pharmaceuticals, and real assets like land and apartments are relatively robust, with their share of GDP comparable to peer countries.
- ◆ The same, however, cannot be said for financial products such as corporate bonds, life insurance policies, and mutual funds.
- ◆ These markets remain among the least developed in the region. Even countries with lower per capita income, including Nepal and Pakistan, have more advanced financial markets.
- ◆ Bangladesh's banking sector, which flourished after World Bank-mandated financial reforms in the early 1990s, has steadily declined, with deposit and loan growth now lagging far behind nominal GDP.
- ◆ The answer lies in the nature of the products. Real sector goods involve tangible items and immediate value exchange; buyers receive groceries or materials at the point of payment. In such transactions, the role of legal and regulatory authorities is minimal because trust is built through instant delivery.

News Source:

<https://www.thedailystar.net/business/column/news/why-our-financial-sector-lags-behind-the-real-economy-4010236>

Toothpaste, food or toys: Japanese firms bet bigger on Bangladesh

- ◆ Japanese companies are showing more interest in investing in Bangladesh, expanding existing operations and launching new ventures as they tap into the country's large consumer base and competitive labour market, according to Japanese trade officials and business leaders.
- ◆ They say many investors from the island nation are choosing to produce goods and services in Bangladesh for local consumers rather than exporting those to other countries.

- ◆ One example is Lion Corporation, which formed a joint venture with local Kallol Group in 2022 to produce detergents. The partnership is now setting up a new factory to manufacture dishwashing soap and toothpaste.
- ◆ Another Japanese company, Kewpie, is marketing food products in Bangladesh, while retail chain Miniso offers thousands of items ranging from cosmetics and perfumes to toys, electronics, and stationery.

News Source:

<https://www.thedailystar.net/business/column/news/why-our-financial-sector-lags-behind-the-real-economy-4010236>

Sectoral Update

Banks, NBFIs, and Insurance

Bangladesh Bank buys USD 38 million more from market

- ◆ Bangladesh Bank (BB) today bought USD 38 million more from six commercial banks to rebuild foreign exchange reserves and maintain stability in the exchange rate.
- ◆ As a result, total USD purchases have hit USD 2.12 billion since the beginning of this fiscal year.
- ◆ Due to the continued American currency purchasing spree by the central bank, the foreign exchange reserves of Bangladesh Bank currently stand at USD 27.12 billion.
- ◆ BB, which sold more than USD 25 billion from its forex reserves to help cover imports of fuel, fertiliser, and food between FY21 and FY25, has begun purchasing the greenback since the start of this fiscal year as supply increased owing to higher exports and remittances.
- ◆ Since early July, the taka has gained against the dollar.

News Source:

<https://www.thedailystar.net/business/news/bangladesh-bank-buys-38-million-more-market-4009901>

BB cuts banks' provisioning requirements

- ◆ Banks will now get a special facility allowing them to maintain lower provisioning requirements for classified loans in agricultural, cottage, micro, and small enterprise sectors, according to the Bangladesh Bank.
- ◆ Banks are required to maintain a 1.0% provision against outstanding loans that are classified as either "standard accounts" or "special mention accounts."
- ◆ The decision was taken to encourage banks to disburse short-term agri loans and also disburse loans to the CMSMEs enterprise sector.
- ◆ This is to increase agricultural and SME loans. Banks will have to maintain less security reserves than before against these loans", said one central banker.
- ◆ Banks have to maintain provisioning from their operating profits. As a result, this concession will help banks increase their profits.

- ◆ According to this decision, till December 31, 2026, all unclassified (standard) and short-term agricultural loans and cottage, micro and small (CMS) industrial enterprise loans in the CMSME sector will have to maintain provisioning at the rate of 1.0%.

News Source:

<https://today.thefinancialexpress.com.bd/last-page/bb-cuts-banks-provisioning-requirements-1760462305>

Capital Market

DSEX falls below 5,200 mark after three months

- ◆ The Dhaka stock market fell back into a losing streak 14 October, with the benchmark DSEX index slipping below the 5,200 mark for the first time in three months as investors remained cautious amid ongoing earnings disclosures and regulatory concerns.
- ◆ The DSEX dropped by 30 points, or 0.58%, to close at 5197, while the blue-chip DS30 index fell by 14 points, or 0.70%, to settle at 1,995.
- ◆ Market capitalisation declined by around BDT 6,000 crore, according to data from the Dhaka Stock Exchange (DSE).
- ◆ Despite the persistent bearish sentiment, market turnover rose by 14% from the previous session to BDT 606 crore, supported mainly by heightened activity in general insurance, pharmaceuticals, and textiles.

News Source:

<https://www.tbsnews.net/economy/stocks/dsex-falls-below-5200-mark-after-three-months-1260746>

BSEC to approve IPOs based on bourses' recommendations

- ◆ The Bangladesh Securities and Exchange Commission (BSEC) is drafting a new securities rule requiring that future initial public offerings (IPOs) by new market entrants be approved according to the recommendations of the country's stock exchanges.
- ◆ The decision was made at a commission, where the BSEC approved the draft of the Bangladesh Securities and Exchange Commission (Public Offer of Equity Securities) Rules, 2025.
- ◆ According to a press release issued by the securities regulator, the draft rules will soon be published for public feedback before finalisation.
- ◆ BSEC spokesperson Abul Kalam told TBS that the draft includes a key provision giving priority to the recommendations made by the Dhaka and Chattogram stock exchanges when approving IPOs.
- ◆ In the press release, the commission said the draft rules were developed in line with the recommendations of a special task force formed to review and modernise IPO regulations.

News Source:

<https://www.tbsnews.net/economy/stocks/bsec-approve-ipos-based-bourses-recommendations-1260771>

Foreign investors flee Bangladesh stocks amid political turbulence

- ◆ Foreign investors have retreated from Bangladesh's equity market once again amid persistent economic challenges and fears of political friction during the electoral transition.
- ◆ Economic reform measures taken by the interim government after the political changeover had given rise to optimism about a market turnaround, which is why foreign stakes in well-performing companies jumped until June this year compared to October last year.
- ◆ But the hope has gradually petered out as macroeconomic challenges deepened alongside intensifying political tension in the country centering on the upcoming national election.
- ◆ Persistent political and macroeconomic challenges discouraged overseas investors from making fresh investments in stocks, said Mir Ariful Islam, managing director and CEO of Sandhani Asset Management.
- ◆ Other factors, Mr. Islam said, include the confidence crisis, elevated banking sector vulnerabilities, and record non-performing loans exposed in the banking sector after the political changeover.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/foreign-investors-flee-bangladesh-stocks-amid-political-turbulence-1760454675>

CSE suffers BDT 14.6cr operating loss in FY25

- ◆ The Chittagong Stock Exchange (CSE) reported a 38% increase in operating losses, reaching BDT 14.60 crore in FY 2024–25, highlighting ongoing difficulties in earning revenue from core operations amid a slow market.
- ◆ According to the bourse's price-sensitive disclosure published, CSE managed to post a net profit of BDT 28.74 crore for FY25, a 9% decline from the previous year, mainly driven by interest income from fixed deposits.
- ◆ As of 30 June 2025, the exchange's earnings per share (EPS) stood at BDT 0.45, compared to BDT 0.50 in the previous year.
- ◆ The board of directors has recommended a 3.5% cash dividend for shareholders.
- ◆ To approve the dividend and the audited financial statements, the CSE has scheduled its annual general meeting (AGM) for 11 December, with a record date of 9 November.

News Source:

https://www.tbsnews.net/economy/stocks/cse-suffers-BDT_146cr-operating-loss-fy25-1260781