

Weekly Market Update

Capital Market Overview

The market closed in red this week. The benchmark index DSEX (-1.54%) lost -74.04 points and closed the week at 4,746.43 points. The blue-chip index DS30 (-1.96%) lost -35.01 points and stood at 1,753.30 points. The Shariah-based index DSES (-1.48%) lost -15.55 points and stood at 1,037.23 points. The large cap index CDESET (-1.93%) lost -19.14 points and closed at 973.41 points. DSEX, DS30, DSES and CDESET showed YTD returns of -9.01%, -9.61%, -11.26%, -8.69%, respectively.

Total Turnover During The Week (DSE): BDT 17.4 billion (USD 141 million)

Average Daily Turnover Value (ADTV): BDT 2.9 billion (Δ% Week: -7.3%)

Market P/E: 14.6x

Daily Index Movement during the Week

The market performed six sessions during this week. The market started and remained negative on Sunday (-0.61%) & Monday (-0.31%), but turned and remained positive throughout Tuesday (+0.39%) & Wednesday (+0.13%), however closed negative on Thursday (-0.34%) and ended the week negatively on Saturday (-0.81%).

Sectoral Performance

· All the financial sectors registered negative performance this week. Mutual Fund experienced the highest loss of -6.33% followed by General Insurance (-2.74%), NBFI (-2.51%), Bank (-2.15%), and Life Insurance (-0.22%).

· All the non-financial (large-cap) sectors registered negative performance this week. Telecommunication experienced the highest loss of 5.64% followed by Food & Allied (-3.91%), Fuel & Power (-1.15%), Pharmaceutical (-0.91%), and Engineering (-0.41%).

Macroeconomic Arena

National budget FY25-26: Govt to recast social safety net schemes. Govt plans 31% hike in food subsidy in FY26 budget. BPO summit to begin on June 21. BB should be transparent about its consumer credit rating licence. Sammlito Parishad vows to help achieve USD 100 Bn exports by 2030. Govt to address tea tax mismanagement: Bashir. Labour coalition protests move to lease Chattogram port terminal to foreign firm. Import advance tax set to climb 7.5%, affecting from baby food to cars. Inflation expected to drop to 5% by end of 2025: BB governor. BD cancels USD 21 Mn deal with Indian defence shipyard amid strained ties. Work together to overcome economic challenges. TANNERY | Govt to allow rawhide exports despite tanners' objections. BANK | State-owned banks: Too big to fail or just too broken to fix?.

REAL ESTATE | Govt to Cut Property Registration Tax by 40% to Align Deed Value with Market Rates. BANK | Banks Can Now Pay Fees for Correspondence Courses Abroad. TRADE | No Retaliatory Steps; Proposal for Dialogue Being Made: Commerce Secretary on India's Land Port. MISCELLANEOUS | Plastic industry hit the most by Indian import curb thru land ports: BPGMEA president. FUEL&POWER | Kerosene, diesel to no longer cost the same. Funds Flowing in as Japan Follows IMF, ADB, WB Lead. ADP implementation lowest in five years. Financial scams: Frozen fortunes to fund victim compensation. Laundered Money Goes into Two Sovereign Funds. Joblessness rises amid dull investment. Two-thirds of social protection allocations not genuine. Jul-Jan Budget Deficit Up 73% on Slow Tax Receipts.

Stock Market Arena

OLYMPIC | Olympic to import cookie production line worth BDT 131.9 Mn. RUNNERAUTO | Runner to buy 781 decimal land in Bhaluka, Magura to expand business. PHOENIXFIN | Phoenix Finance suffers record loss of BDT 8 Bn in 2024. PUBALIBANK | Pubali Bank director to gift BDT 420 Mn shares to son. EXCHANGE | Three banks, an NBFI get BSEC nod to disburse stock dividends. EXCHANGE | BSEC to hold meeting with retail investors' representatives on 29 May. BSC | Shipping Corp profit swells on rising global fares. ISLAMIBANK | Islami Bank removes MD. WALTONHIL | Walton expands to Singapore. EXCHANGE | Task force revises up IPO quota for general investors to 60%. EXCHANGE | Yield on 10-Year BGTBs Falls Substantially. EXCHANGE | Licence of Shah Mohammad Sagir revoked. EXCHANGE | Most listed state companies incur loss in 9 months. EXCHANGE | Brokers urge immediate stimulus to restore confidence in capital market. TRUSTBANK | Trust Bank's Q1 profit drops 8%.

DSEX ended in Red (-1.54%) in the week

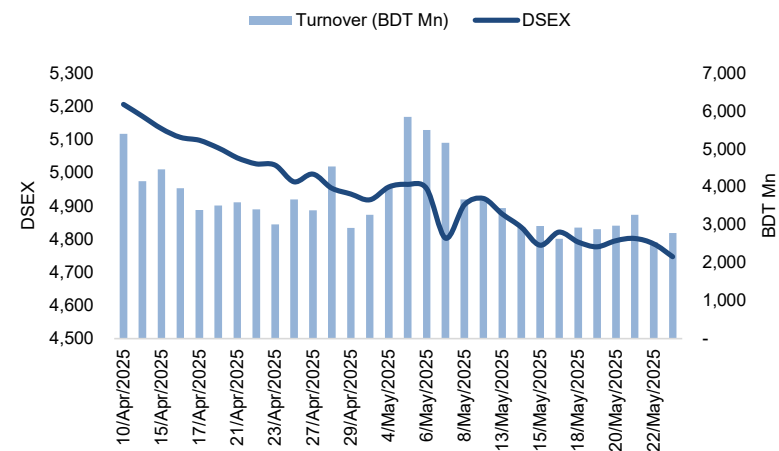
Table 1: Index

Index	Closing*	Opening*	Δ(Pts)	30-Dec-2024	Δ% Week	Δ% YTD
DSEX	4,746.43	4,820.47	-74.04	5,216.44	-1.54%	-9.01%
DS30	1,753.30	1,788.30	-35.01	1,939.73	-1.96%	-9.61%
DSES	1,037.23	1,052.78	-15.55	1,168.90	-1.48%	-11.26%
CDESET	973.41	992.55	-19.14	1,066.09	-1.93%	-8.69%

Table 2: Market Statistics

		This Week	Last Week	% Change
Mcap	Mn BDT	6,483,931	6,529,917	
	Mn USD	52,815	53,189	-0.70%
Turnover	Mn BDT	17,370	15,619	11.21%
	Mn USD	141	127	
Average Daily	Mn BDT	2,895	3,124	-7.33%
	Mn USD	24	25	
Volume	Mn Shares	879	874	0.61%

Figure 1: DSEX & Turnover in Last Four Weeks



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Table 3: Top Ten Gainers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
SONARGAON	40.4	27.8	+45.3%	1,069	220.5	NM	2.1x
SPCERAMICS	23.3	18.8	+23.9%	3,424	421.6	NM	0.8x
BENGALWTL	20.1	16.5	+21.8%	1,839	70.0	35.9x	0.8x
SALAMCRST	21.4	17.9	+19.6%	2,105	224.6	NM	1.2x
BPML	34.7	29.4	+18.0%	6,031	90.0	NM	0.5x
FIRSTFIN	4.0	3.4	+17.6%	474	3.8	NM	NM
ATLASBANG	57.3	49.7	+15.3%	1,898	3.1	NM	0.5x
NTC	169.6	147.8	+14.7%	1,874	7.8	NM	NM
FAREASTFIN	4.3	3.8	+13.2%	705	71.8	NM	NM
KTL	11.5	10.2	+12.7%	1,338	116.8	NM	0.8x

Table 4: Top Ten Losers

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
FBFIF	3.4	4.1	-17.1%	2,639	153.1	NM	0.4x
ABB1STMF	4.1	4.8	-14.6%	980	224.5	NM	0.4x
BGIC	29.9	34.8	-14.1%	1,615	17.5	20.9x	1.5x
IFIC1STMF	3.6	4.1	-12.2%	656	49.7	NM	0.4x
UNITEDFIN	11.8	13.4	-11.9%	2,208	31.5	10.4x	0.7x
SEMLFBSLGF	5.5	6.2	-11.3%	401	9.5	NM	0.5x
BPPL	14.5	16.2	-10.5%	2,508	349.0	63.0x	0.5x
TRUSTB1MF	3.5	3.9	-10.3%	1,063	17.1	NM	0.4x
SAIFPOWER	7.7	8.5	-9.4%	2,921	13.9	11.0x	0.5x
PRAGATIINS	46.2	51.0	-9.4%	3,405	3.6	8.3x	0.8x

Table 5: Top Ten Most Traded Shares

Company Name	Close*	Open*	Δ%	Mcap**	Turnover**	PE	PB
ORIONINFU	348.4	352.1	-1.1%	7,093	837.1	NM	22.2x
BEACHHATCH	45.1	46.5	-3.0%	1,867	754.7	9.6x	2.7x
BRACBANK	51.9	52.3	-0.8%	91,848	505.8	6.8x	1.1x
CITYBANK	19.0	23.0	-7.1%	28,903	431.0	2.9x	0.6x
SPCERAMICS	23.3	18.8	+23.9%	3,424	421.6	NM	0.8x
SQURPHARMA	207.4	209.3	-0.9%	183,850	386.8	7.8x	1.4x
NRBBANK	11.6	12.4	-6.5%	8,011	385.8	19.1x	0.9x
MIDLANDBNK	25.5	25.2	+4.2%	16,801	381.5	20.0x	1.7x
BSC	87.4	90.1	-3.0%	13,332	357.0	4.4x	0.9x
BPPL	14.5	16.2	-10.5%	2,508	349.0	63.0x	0.5x

Table 6: Most Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
ACI	161.7	+15.8%	14,171	NM	2.4x
UCB	10.2	+10.9%	15,814	5.6x	0.4x
ESQUIRENIT	21.2	+8.7%	2,860	9.1x	0.3x
IFADAUTOS	22.1	+8.4%	5,928	NM	0.6x
MARICO	2,471.3	+8.3%	77,846	13.2x	10.3x
BARKAPOWER	10.6	+8.2%	2,496	50.5x	0.5x
BXPBARMA	87.3	+7.0%	38,946	6.1x	0.8x
BRACBANK	51.9	+5.9%	91,848	6.8x	1.1x
BANKASIA	18.0	+5.9%	20,986	6.2x	0.6x
EBL	22.2	+5.6%	35,427	5.2x	0.7x

Table 7: Sector Indices

Sector Name	Week Close*	Week Open*	Year Open*	Δ% Week	Δ% YTD
Bank	1,314.2	1,343.0	1,429.64	-2.15%	-8.08%
NBFI	905.8	929.1	1,188.21	-2.51%	-23.76%
Mutual Fund	614.6	656.2	603.30	-6.33%	+1.88%
General Insurance	2,374.6	2,441.5	2,772.79	-2.74%	-14.36%
Life Insurance	1,559.1	1,562.6	1,827.34	-0.22%	-14.68%
Telecommunication	4,415.0	4,678.7	5,185.99	-5.64%	-14.87%
Pharmaceutical	2,754.7	2,779.9	2,959.70	-0.91%	-6.93%
Fuel & Power	1,029.7	1,041.7	1,108.63	-1.15%	-7.12%
Cement	1,675.3	1,712.8	1,957.26	-2.19%	-14.41%
Services & Real Estate	873.6	889.5	1,013.65	-1.79%	-13.82%
Engineering	2,189.6	2,198.7	2,496.75	-0.41%	-12.30%
Food & Allied	13,603.5	14,157.2	17,177.59	-3.91%	-20.81%
IT	1,642.9	1,667.3	1,994.92	-1.46%	-17.64%
Textile	988.9	981.0	1,093.38	+0.80%	-9.55%
Paper & Printing	3,989.2	3,814.6	3,998.20	+4.58%	-0.23%
Tannery	1,875.9	1,808.9	2,020.25	+3.70%	-7.14%
Jute	9,913.6	9,988.7	14,455.60	-0.75%	-31.42%
Ceramics	362.9	350.4	359.12	+3.56%	+1.06%
Miscellaneous	4,136.0	4,133.1	4,252.62	+0.07%	-2.74%

Table 8: Sector Trading Matrix

Sector Name	Daily Avg this Week	Daily Avg last Week	% Change	% of Total Turnover	PE	PB
Bank	481.8	665.0	-27.55%	+17.97%	6.7x	0.6x
NBFI	52.1	63.2	-17.44%	+1.94%	NM	NM
Mutual Fund	181.1	320.1	-43.43%	+6.76%	NM	0.5x
General Insurance	136.6	175.7	-22.28%	+5.09%	11.4x	1.0x
Life Insurance	63.8	55.2	+15.60%	+2.38%	NM	NM
Telecommunication	31.5	45.4	-30.76%	+1.17%	13.7x	3.3x
Pharmaceutical	367.8	214.5	+71.42%	+13.72%	12.1x	1.4x
Fuel & Power	185.0	272.8	-32.19%	+6.90%	17.2x	0.6x
Cement	25.1	23.5	+6.82%	+0.94%	19.1x	1.7x
Services & Real Estate	46.1	70.1	-34.28%	+1.72%	22.8x	0.4x
Engineering	212.9	196.6	+8.27%	+7.94%	11.3x	0.7x
Food & Allied	273.0	320.5	-14.83%	+10.18%	14.4x	4.0x
IT	49.6	56.2	-11.74%	+1.85%	18.2x	1.4x
Textile	261.4	157.1	+66.40%	+9.75%	NM	0.7x
Paper & Printing	81.8	98.1	-16.62%	+3.05%	NM	0.9x
Tannery	26.6	18.3	+45.77%	+0.99%	64.2x	1.5x
Jute	5.4	8.4	-35.72%	+0.20%	NM	NM
Ceramics	94.3	55.4	+70.29%	+3.52%	NM	1.0x
Miscellaneous	105.3	107.9	-2.35%	+3.93%	88.4x	1.8x

Table 9: Least Appreciated YTD in BRAC EPL Universe

Company Name	Close*	YTD %Δ	Mcap**	PE	PB
ISLAMIBANK	33.6	-30.6%	54,096	11.6x	0.7x
ADNTEL	61.8	-27.5%	3,995	11.0x	1.9x
KPCL	9.7	-26.0%	3,855	28.5x	0.5x
POWERGRID	31.1	-25.6%	28,419	NM	0.2x
UNIQUEHRL	32.9	-25.6%	9,686	7.6x	0.4x
PIONEERINS	35.8	-25.4%	3,501	7.7x	0.8x
BATBC	274.5	-25.3%	148,230	9.0x	2.8x
EGEN	18.5	-24.2%	1,388	23.1x	0.8x
RENATA	483.3	-23.9%	55,433	19.7x	1.6x
RECKITT BEN	3,325.7	-23.5%	15,714	20.8x	8.7x

*BDT

*BDT Mn

Important News: Business, Economy & Sector

National budget FY25-26: Govt to recast social safety net schemes

- The interim government is likely to introduce a transparent system for social safety net schemes in the upcoming budget, increasing the number of beneficiaries by around 1 Mn while slashing one-third of the existing programmes. In the new system, there will be fewer than 100 schemes, down from the current 140. Thirty-eight of the schemes will be grouped as "pro-poor" as suggested by the European Union and other development partners.

<https://www.thedailystar.net/business/bangladesh-budget-2025-26/news/national-budget-fy25-26-govt-recast-social-safety-net-schemes-3901686>

Govt plans 31% hike in food subsidy in FY26 budget

- The government plans to raise the food subsidy allocation by 31% to BDT 95 Bn in the upcoming fiscal year, aiming to ensure access to affordable food for poor and low-income households. In the current fiscal year (FY) 2024-25, the food subsidy budget was initially set at BDT 72 Bn before being revised to BDT 80.59 Bn.

<https://www.thedailystar.net/business/news/govt-plans-31-hike-food-subsidy-fy26-budget-3901191>

External debt doubles in seven years

- Bangladesh's external debt soared to USD 103 Bn by the end of December 2024, doubling from USD 51 Bn in fiscal year (FY) 2016–17, as the sharp increase in borrowing coincided with a rapid expansion of the economy. During the period, the country's gross domestic product (GDP) grew from USD 223 Bn in FY17 to USD 450 Bn in FY24, show the latest figures of the Bangladesh Bureau of Statistics (BBS).

<https://www.thedailystar.net/business/news/external-debt-doubles-seven-years-3901161>

BPO summit to begin on June 21

- A two-day BPO Summit Bangladesh 2025 is set to begin for the sixth time on June 21 at Senapangan in the capital, bringing together firms in the business process outsourcing (BPO) sector. This year's summit carries the theme "BPO 2.0: Revolution to Innovation", signalling a transformative era of innovation-driven growth for Bangladesh.

<https://www.thedailystar.net/business/news/bpo-summit-begin-june-21-3901151>

BB should be transparent about its consumer credit rating licence

- In July last year, the Bangladesh Bank quietly issued invitations for applications to establish the country's first consumer credit rating bureau. The initiative, which received little public attention at the time due to political instability, represents a critical juncture in Bangladesh's financial infrastructure development.

<https://www.thedailystar.net/business/news/bb-should-be-transparent-about-its-consumer-credit-rating-licence-3900691>

Sammilito Parishad vows to help achieve USD 100 Bn exports by 2030

- Sarmilito Parishad, a panel contesting in the biennial election of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), yesterday committed to working towards achieving the export target of garments at USD 100 Bn by 2030 by improving the energy supply and developing small and medium enterprises.

<https://www.thedailystar.net/business/news/sammilito-parishad-vows-help-achieve-100b-exports-2030-3900551>

Govt to address tea tax mismanagement: Bashir

- The government wants to address various types of mismanagement involving tariff and tax in the local tea sector, which accounts for annual sales of around BDT 100 Bn, said Sk Bashir Uddin, adviser to the Ministry of Commerce, yesterday. The sales figure is a combination of BDT 40 Bn worth of tea leaves and the value of milk and sugar and revenue of retailers, he said.

<https://www.thedailystar.net/business/news/govt-address-tea-tax-mismanagement-bashir-3900646>

Labour coalition protests move to lease Chattogram port terminal to foreign firm

- The Chattogram chapter of the Sramik Karmachari Oikya Parishad, a coalition of labour organisations, has voiced strong concern over the government's reported move to lease the New Mooring Container Terminal (NCT) of Chattogram Port to a foreign entity. At a views-exchange meeting held today (23 May) at the BILS-LRSC office, speakers questioned the legitimacy of the caretaker government in taking such decisions.

<https://www.tbsnews.net/economy/labour-coalition-protests-move-lease-chattogram-port-terminal-foreign-firm-1150021>

Import advance tax set to climb 7.5%, affecting from baby food to cars

- The government is poised to significantly increase the Advance Tax (AT) on commercial imports in the upcoming budget, a move aimed at boosting revenue and compensating for persistent compliance failures in local Value Added Tax (VAT) collection. The proposed hike is drawing sharp criticism from businesses and consumer rights advocates, who warn of immediate price increases for a wide array of goods.

<https://www.tbsnews.net/economy/import-advance-tax-set-climb-75-affecting-baby-food-cars-1149596>

Inflation expected to drop to 5% by end of 2025: BB governor

- "In June, the inflation rate will fall to 8%. By August, this rate will come down to 7%. We expect it to reach 5% by the end of 2025. If inflation can be brought down to 3-4%, it will then be able to support the exchange rate," he said.

<https://www.tbsnews.net/economy/bb-governor-predicts-inflation-drop-5-2025-end-1149491>

CAAB hopes to complete negotiation with Japanese consortium by June

- The Civil Aviation Authority of Bangladesh (CAAB) is expecting to complete the negotiation with the Japanese consortium that will take the charge of operation and maintenance work of the newly-built third terminal of the country's prime international airport by June this year. CAAB Chairman Air Vice-Marshal Md Monjur Kabir Bhuiyan told this correspondent that they are currently in negotiation with the consortium and hope to complete the formalities by June this year.

<https://today.thefinancialexpress.com.bd/first-page/caab-hopes-to-complete-negotiation-with-japanese-consortium-by-june-1748025556>

BD cancels USD 21 Mn deal with Indian defence shipyard amid strained ties

- Bangladesh has reportedly cancelled a USD 21 Mn contract with Kolkata-based defence shipyard Garden Reach Shipbuilding & Engineers (GRSE) for the construction of an advanced ocean-going tug amid fraught ties with India. The agreement, signed last year, involved the design, construction, and delivery of a 61-metre, 800-tonne tug within 24 months, Times of India reports.

<https://today.thefinancialexpress.com.bd/first-page/bd-cancels-21m-deal-with-indian-defence-shipyard-amid-strained-ties-1748025580>

Work together to overcome economic challenges

- Finance Adviser Dr Salehuddin Ahmed on Friday urged all to work together for overcoming all challenges facing the country's economy. "We are in the midst of all sorts of challenges," he said while speaking as the chief guest at the national finals of the Bangladesh Economics Olympiad 2025, held at Dhaka Residential Model College in the city.

<https://today.thefinancialexpress.com.bd/last-page/work-together-to-overcome-economic-challenges-1748025938>

TANNERY | Govt to allow rawhide exports despite tanners' objections

- Although tanners have voiced opposition, the government will allow rawhide exports during the Eid-ul-Azha season with the aim of fostering demand and ensuring better prices for traders at the field level, Commerce Secretary Mahbubur Rahman said yesterday.

<https://www.thedailystar.net/business/news/govt-allow-rawhide-exports-despite-tanners-objections-3901171>

BANK | Rules eased for sending money abroad for language courses

- Bangladesh Bank has made it easier for students to send money abroad for language courses. In a circular issued today, the central bank said students no longer need its approval to send foreign exchange for such courses, even if the course is not a requirement for a bachelor's degree.

<https://www.thedailystar.net/business/news/rules-eased-sending-money-abroad-language-courses-3900831>

BANK | State-owned banks: Too big to fail or just too broken to fix?

- For years, the government has been on a life-support mission – pumping taxpayers' money into state-owned banks to keep them afloat. Between 2009 and 2024, under Sheikh Hasina's regime alone, over BDT 250 Bn has been injected into these corruption-riddled banks. The rationale? Recapitalisation. The hope? Recovery. The outcome? A gradual deterioration in financial health, driven by politically motivated loans, poor governance, and the consistent failure of politically appointed boards of directors.

<https://www.tbsnews.net/economy/banking/state-owned-banks-too-big-fail-or-just-too-broken-fix-1150131>

BANK | PKSF's BDT 2.4 Bn scheme to guarantee bank loans for micro-financiers

- The Palli Karma-Sahayak Foundation (PKSF) is expected to launch the country's first-ever Credit Enhancement Scheme (CES) today to facilitate the flow of microcredit from banks, through microfinance institutions (MFIs), to small businesses struggling for funds. Under the scheme, the PKSF will guarantee loans taken by its partner MFIs from banks, backed by a BDT 2.4 Bn reserve fund. In return, a one-time commission of 0.5% will be charged on the loan amount.

<https://www.tbsnews.net/economy/pksfs-tk240cr-scheme-guarantee-bank-loans-micro-financiers-1150076>

BANK | Eight banks defer scheduled board meetings

- Eight publicly listed banks have rescheduled their upcoming board meetings — mandated for announcing the annual financials and dividends for 2024, as well as publishing the first-quarter financials for 2025 — leaving investors in the dark.

<https://www.tbsnews.net/economy/stocks/eight-banks-defer-scheduled-board-meetings-1149461>

MISCELLANEOUS | Govt to provide policy support to plastic toy industry: Commerce secy

- The government will offer policy support to help grow the plastic toy industry, said Commerce Secretary Mahbubur Rahman, adding that expanding exports will require high-quality, competitive products. He made the statement at the opening ceremony of the two-day "Plastic Toy Exhibition Fair," which started today (22 May) at the InterContinental Hotel in Dhaka.

<https://www.tbsnews.net/economy/govt-provide-policy-support-plastic-toy-industry-commerce-secy-1149311>

BANK | Banks snapping up windfall from gaping interest spread

- Banks are bagging a windfall from gaping spread between lending and deposit interest rates that banking experts dub a violation of relevant guidelines and international best practices. On an ascent in a pickup from a descent two years back, the interest-rate spread for banks recorded a significant rise in March 2025, indicating a potential rise in their profitability.

<https://today.thefinancialexpress.com.bd/first-page/banks-snapping-up-windfall-from-gaping-interest-spread-1748025407>

FUEL & POWER | Gas distributor gets lavish on borrowed money, receives PC rebuff

- A gas-pipeline project is spurned by government planners for a lavish estimation of expenditures, including a fat consultancy cost, to be funded with local and foreign loans, insiders said Friday. Titas Gas Transmission and Distribution Company PLC proposed to spend BDT 3.085 Bn for consultancy service alone out of the BDT 81.61- Bn pipeline-installation project, they said, only to be spurned by the Planning Commission (PC).

<https://today.thefinancialexpress.com.bd/first-page/gas-distributor-gets-lavish-on-borrowed-money-receives-pc-rebuff-1748025456>

Foreign exchange reserves to reach USD 40 Bn in next fiscal year, BB governor hopes

- Bangladesh Bank Governor Dr Ahsan H Mansur on Wednesday projected that the country's foreign exchange reserves will rise to USD 30 Bn by June, with a further target of reaching USD 40 Bn in the upcoming fiscal year. He also addressed the challenges facing the microcredit sector, noting that high interest rates are becoming increasingly unsustainable.

<https://thefinancialexpress.com.bd/economy/bangladesh/foreign-exchange-reserves-to-reach-400-billion-in-next-fiscal-year-bb-governor-hopes>

Govt officials to get up to 20% dearness allowance

- The upcoming national budget is expected to announce a 15% dearness allowance for government officials in grades 1 to 9, and 20% for those in grades 10 to 20. This benefit will be effective from 1 July, allowing government employees to receive the new allowance from that date. This special incentive remains in effect. However, once the dearness allowance is implemented, the 5% special incentive introduced in FY2023-24 will be discontinued.

<https://www.tbsnews.net/economy/budget/govt-officials-get-20-dearness-allowance-1148586>

Bangladesh to begin mango export to China for the first time on 28 May: Agri secy

- Bangladesh is going to export mangoes to China for the first time on 28 May, Agriculture Secretary Dr Mohammad Emdad Ullah Mian announced today (21 May). "About 50 tonnes of mangoes will be exported to China this year, while talks are on with Chinese provisional governments and the Chinese ambassador in Dhaka to export more mangoes to China," he said at a press briefing at the Foreign Service Academy in Dhaka.

<https://www.tbsnews.net/economy/bangladesh-begin-mango-export-china-first-time-28-may-agri-secy-1148351>

IsDB to give USD 241.3 Mn for climate-resilient bridges

- Bangladesh has signed a USD 241.3 Mn financing agreement with the Islamic Development Bank (IsDB) to construct five climate-resilient bridges in the Mymensingh division. The project, named "Construction of Five Climate-Resilient Bridges in Mymensingh Division, Bangladesh," will be implemented by the Roads and Highways Department under the Road Transport and Highways Division.

<https://www.thedailystar.net/business/news/isdb-give-2413m-climate-resilient-bridges-3899981>

Ambitious reforms urgent for Bangladesh to attract FDI

- Bangladesh urgently needs ambitious reforms to attract more foreign direct investment (FDI) and stimulate domestic private investment by ensuring better coordination among government agencies - especially on policy matters. In an interview with The Financial Express, Hoe Youn Jeong, the Asian Development Bank (ADB) Country Director for Bangladesh, put forward the suggestion to avert further erosion of the already-waning investor confidence as reflected in the declining inflow of FDI.

<https://thefinancialexpress.com.bd/economy/ambitious-reforms-urgent-for-bangladesh-to-attract-fdi>

CAAB, Biman propose fee cuts to boost air cargo

- The Civil Aviation Authority of Bangladesh (CAAB) and Biman have proposed reducing landing, parking, and ground handling charges at the country's airports to make air cargo services cost-effective and resilient amid global disruptions. The recommendations, among others, were made to the Ministry of Civil Aviation and Tourism after a meeting between CAAB and Biman, said CAAB Chairman Air Vice Marshal Md Monjur Kabir Bhuiyan.

<https://www.thedailystar.net/news/bangladesh/news/caab-biman-propose-fee-cuts-boost-air-cargo-3900351>

Customs houses to remain open during holidays to support RMG exports ahead of Eid

- The National Board of Revenue (NBR) has announced that all Customs Houses and Stations will remain operational on public and weekly holidays from June 5 to June 14, excluding Eid day, to facilitate uninterrupted import-export trade ahead of Eid-ul-Azha. The decision follows a formal request from the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), which stressed the importance of continuous trade operations for the export-oriented ready-made garment industry.

<https://www.tbsnews.net/nbr/customs-houses-remain-open-during-holidays-support-rmg-exports-ahead-eid-1147951>

'Intolerable burden': Businesses sound alarm on extortion, crime spikes

- Business leaders have once again sounded a dire warning over the rapidly deteriorating law and order situation nationwide, declaring that pervasive extortion has become an "intolerable burden" on their daily operations.

<https://www.tbsnews.net/economy/dcci-discussion-business-leaders-call-swift-action-restore-law-and-order-1148061>

TELECOM | Broadband internet prices cut by BDT 100

- The internet regulator has reduced broadband internet prices at the consumer level by up to 20% in a bid to make internet access more affordable across the country. The Bangladesh Telecommunication Regulatory Commission (BTRC) issued the directive to broadband internet service providers on Tuesday.

<https://www.thedailystar.net/business/news/broadband-internet-prices-cut-tk-100-3900401>

FOOD&ALLIED | Govt working to boost tea export after meeting local demand

- Commerce Adviser Sk Bashir Uddin said on Wednesday that the government is working to enhance the export of tea after meeting the local demand, reports BSS. He also called upon all to highlight the tea industry both at local and international markets. The Commerce Adviser was addressing a function marking the 5th National Tea Day held at the Osmani Memorial Auditorium in the capital.

<https://today.thefinancialexpress.com.bd/stock-corporate/govt-working-to-boost-tea-export-after-meeting-local-demand-1747844815>

RMG | BGMEA wants 3-month window from India to clear pending shipments

- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) today urged the commerce ministry to request the Indian government for a three-month notification period to clear the pending consignments of goods meant for export to India.

<https://www.thedailystar.net/business/news/bgmea-wants-3-month-window-india-clear-pending-shipments-3900206>

FUEL&POWER | Petrobangla looks to go without subsidy

- The state-run Petrobangla is upbeat about withdrawal of value-added tax (VAT) on the import of expensive liquefied natural gas (LNG) as it would help reduce overall LNG cost and free this state-entity from any subsidy from the government, said sources. Petrobangla would be able to reduce the overall LNG import cost by around BDT 65-69 Bn annually.

<https://thefinancialexpress.com.bd/trade/petrobangla-looks-to-go-without-subsidy>

INSURANCE | MetLife tops life insurers in claims settlement for 2024

- MetLife Bangladesh topped the list of life insurance companies in terms of claims settlement in 2024, according to data from the Insurance Development and Regulatory Authority (IDRA). Overall, the life insurance companies in Bangladesh settled BDT 85.90 Bn out of BDT 129.65 Bn in claims filed during the year, the IDRA reports shows.

<https://thefinancialexpress.com.bd/trade/metlife-tops-life-insurers-in-claims-settlement-for-2024>

BANK | Only 0.1% of account holders control 42% of deposits: PRI study

- A tiny fraction of account holders and just two districts -- Dhaka and Chattogram -- dominate banking deposits and loans, exposing deep inequalities in access to financial services in Bangladesh, according to a new study by the Policy Research Institute (PRI). Only 0.1% of account holders, each with deposits of BDT 10 Mn or more, control nearly 42% of total bank deposits as of the end of the fiscal year (FY) 2023–24, according to the research.

<https://www.thedailystar.net/business/news/only-01-account-holders-control-42-deposits-pri-study-3900431>

Trump's Remittance Tax Plan Poses Threat to Bangladesh

- The US House Budget Committee voted late on Sunday to move forward with President Donald Trump's "One Big Beautiful Bill Act", a proposal that could make sending money back home more expensive for three lakh Bangladeshis currently living in the United States. The bill proposes a 5% tax on all international money transfers made by non-US citizens, including holders of non-immigrant visas such as the H-1B and green card holders.

<https://www.thedailystar.net/business/news/trumps-remittance-tax-plan-poses-threat-bangladesh-3899341>

To Appease US, NBR to Offer Zero-Duty for 100 More Goods

- The National Board of Revenue (NBR) is set to propose zero import duties on an additional 100 goods in the upcoming national budget, aiming to boost bilateral trade with the United States and cushion higher tariffs on Bangladeshi products entering the American market. The move received policy-level approval from Chief Adviser Professor Muhammad Yunus during a meeting with National Board of Revenue (NBR) officials on Monday, where Finance Adviser Salehuddin Ahmed was also present.

<https://www.thedailystar.net/business/news/appease-us-nbr-offer-zero-duty-100-more-goods-3899606>

A Promising Start to Financial Justice for Victims of Scams

- We commend the government's decision to create a fund to compensate victims of financial irregularities using the money and assets recovered from alleged embezzlers and money launderers. According to the Bangladesh Bank governor, frozen assets of the accused, including shares held in various banks and companies, will also be included in the fund. He further stated that substantial sums deposited in various banks by individuals under investigation or facing trial have already been seized, along with control of shares owned by fugitives and those facing charges. This suggests that the government has already begun to make some progress in recovering stolen assets, which is indeed encouraging.

<https://www.thedailystar.net/opinion/editorial/news/promising-start-financial-justice-victims-scams-3899061>

Japanese FDI Rising, Still There's Room to Attract More

- Japanese investment in Bangladesh has grown steadily over the past decade. But with clearer policies, improved infrastructure and a more predictable regulatory environment, there is room to attract much more. These were the key observations shared by Tareq Rafi Bhuiyan Jun, president of the Japan-Bangladesh Chamber of Commerce and Industry (JBCCI).

<https://www.thedailystar.net/business/news/japanese-fdi-rising-still-theres-room-attract-more-3899581>

Uneven Enforcement Undermines Our FDI Aspirations

- Concerns over legal unpredictability and uneven regulatory enforcement continue to cast a shadow over Bangladesh's investment climate. In recent years, several senior executives of multinational firms have been drawn into criminal proceedings over alleged labour law violations -- cases many in the business community view as excessive and disproportionate.

<https://www.thedailystar.net/business/news/uneven-enforcement-undermines-our-fdi-aspirations-3899556>

Institutions Systematically Weakened Over Past 15 Years: Adviser

- The institutional capacity of various organisations in Bangladesh has been systematically weakened over the past 15 years, both in the public and private sectors, said Commerce Adviser Sk Bashir Uddin. This has significantly hindered the development of local industries and disrupted the natural competitiveness of the market, he said.

<https://www.thedailystar.net/business/news/institutions-systematically-weakened-past-15-yrs-adviser-3899096>

Govt to Consider NBR Officials' Concerns

- The government will duly consider demands from protesting officials of the National Board of Revenue (NBR), who have been observing a pen-down strike since the interim government passed an ordinance aimed at dissolving the revenue board on May 12. The assurance came following a meeting at the Secretariat between NBR officials and three government advisers, after which the finance ministry issued a statement.

<https://www.thedailystar.net/business/news/govt-consider-nbr-officials-concerns-3899251>

Dearness Allowance for Civil Servants on the Cards

- The government is considering introducing a dearness allowance for public servants in the upcoming national budget, said Finance Adviser Salehuddin Ahmed. A committee has already been formed to work on the issue, he told reporters after a meeting of the advisory committee on government purchase at the Secretariat in Dhaka yesterday.

<https://www.thedailystar.net/business/news/dearness-allowance-civil-servants-the-cards-3899006>

Global Confidence in Bangladesh Growing, Says Prof Yunus

- Chief Adviser Professor Muhammad Yunus on Tuesday said global confidence in Bangladesh is growing as top companies from around the world visited the country to assess the situation first-hand. They came not out of obligation, but out of curiosity and belief in what's possible here," he said.

<https://thefinancialexpress.com.bd/national/global-confidence-in-bangladesh-growing-says-prof-yunus>

BDT Closer to Equilibrium Level Against US Dollar

- The local currency Bangladesh Taka (BDT) is now almost in an equilibrium against the US dollar, according to the latest Real Effective Exchange Rate (REER) index data. The local currency Bangladesh Taka (BDT) is now almost in an equilibrium against the US dollar, according to the latest Real Effective Exchange Rate (REER) index data.

<https://today.thefinancialexpress.com.bd/first-page/bdt-closer-to-equilibrium-level-against-us-dollar-1747765951>

Graduation from LDC club to create some opportunities: BB Governor

- Bangladesh Bank Governor Dr Ahsan H. Mansur said that graduation from the Least Developed Countries (LDC) would create some opportunities for Bangladesh, despite the businesses having some observations.

<https://today.thefinancialexpress.com.bd/last-page/graduation-from-ldc-club-to-create-some-opportunities-bb-governor-1747766629>

TELECOM | Starlink Satellite Internet Gets Going in Bangladesh

- Unlimited data will be flowing on the information superhighway for tapping in knowledge economy as Bangladesh steps into the era of satellite internet with the commercial launch of US business-baron Elon Mask's much-vaunted Starlink.

<https://today.thefinancialexpress.com.bd/first-page/starlink-satellite-internet-gets-going-in-bd-1747765907>

REAL ESTATE | Govt to Cut Property Registration Tax by 40% to Align Deed Value with Market Rates

- The government is set to drastically reduce land and flat registration taxes and fees by 40% starting the next fiscal year. This significant cut will be coupled with a crucial shift: aligning property deed values with actual market prices, moving away from outdated "mouza rates". This calculated move aims to curb the pervasive flow of black money in the real estate sector and substantially boost state revenue.

<https://www.tbsnews.net/economy/govt-cut-property-registration-tax-40-align-deed-value-market-rates-1147831>

BANK | Banks Can Now Pay Fees for Correspondence Courses Abroad

- A correspondence course is a class in which students receive lessons and assignments by mail or e-mail and then return completed assignments to receive a grade. The central bank gave the go-ahead through a notice on Tuesday. To facilitate the development of professional skills, it has been decided that banks may remit fees for correspondence courses to be paid by students to foreign professional or educational institutions for appearing in professional examinations, the notice read.

<https://www.thedailystar.net/business/news/banks-can-now-pay-fees-correspondence-courses-abroad-3899221>

TRADE | No Retaliatory Steps; Proposal for Dialogue Being Made: Commerce Secretary on India's Land Port

- "We will not take any retaliatory steps. They've taken this step, and we will engage [in discussions] with them," he told reporters after a meeting at the Secretariat with business leaders and secretaries from several ministries.

<https://www.tbsnews.net/economy/no-retaliatory-steps-proposal-dialogue-being-made-commerce-secy-indias-land-port>

MISCELLANEOUS | Plastic industry hit the most by Indian import curb thru land ports: BPGMEA president

- Bangladesh's plastic industry has been the most affected by the recently imposed Indian restrictions on imports of Bangladeshi goods through their land ports, according to Shamim Ahmed, president of the Bangladesh Plastic Goods Manufacturers and Exporters Association (BPGMEA).

<https://www.tbsnews.net/economy/plastic-industry-hit-most-indian-import-curb-thru-land-ports-bpgmea-president-1147786>

TRADE | Revenue may take a hit as customs activity halves amid pen-down strike

- Ongoing protests by revenue officials opposing the dissolution of the National Board of Revenue (NBR) have severely disrupted operations at customs houses, raising concerns among stakeholders who fear the disruption could have an adverse impact on revenue collection, especially as the fiscal year draws to a close.

<https://www.tbsnews.net/economy/revenue-may-take-hit-customs-activity-halves-amid-pen-down-strike-1146901>

FUEL&POWER | Kerosene, diesel to no longer cost the same

- Kerosene and diesel will no longer cost the same, as per a new fuel pricing formula introduced by the Energy and Mineral Resources Division today. As per the formula, Bangladesh Petroleum Corporation's (BPC) administrative costs and Eastern Refinery's fuel processing costs have been kept "variable", which may slightly increase prices in the future, according to officials concerned. Earlier, the costs were fixed at Tk 1.06 and Tk 1.53 respectively whereas from now those would be calculated based on the actual cost incurred.

<https://www.thedailystar.net/business/news/kerosene-diesel-no-longer-cost-the-same-3899361>

Funds Flowing in as Japan Follows IMF, ADB, WB Lead

- Budget-bankrolling funds are flowing in as Japan now agrees to lend Bangladesh around USD 350 Mn following the footstep of multilateral lending trios of the IMF, the ADB and the World Bank, officials said Monday. Bangladesh's largest bilateral donor, Japan, at a negation Monday with the Finance Division and Economic Relations Division (ERD) gave the assurance of budget-support credit, said Ministry of Finance (MoF) officials.

<https://today.thefinancialexpress.com.bd/first-page/funds-flowing-in-as-japan-follows-imf-adb-wb-lead-1747678542>

ADP implementation lowest in five years

- In the first 10 months of fiscal year 2024–25, the implementation rate of the government's Annual Development Programme (ADP) stood at just 41.31%—the lowest since fiscal year 2020–21. This means the ministries and divisions utilised only 41.31% of their development fund allocations between July last year and April this year, according to a report by the Implementation Monitoring and Evaluation Division (IMED).

<https://www.thedailystar.net/business/news/adp-implementation-lowest-five-years-3898451>

Financial scams: Frozen fortunes to fund victim compensation

- The government has decided to create a fund to compensate victims of financial irregularities by using money and assets recovered from alleged embezzlers and money launderers. Frozen assets of accused individuals, including shares held in various banks and companies, will also be included in the fund, Bangladesh Bank Governor Ahsan H Mansur said at a press briefing at the Foreign Service Academy yesterday.

<https://www.thedailystar.net/business/news/financial-scams-frozen-fortunes-fund-victim-compensation-3898136>

Laundered Money Goes into Two Sovereign Funds

- Bangladesh Bank Governor Dr Ahsan H Mansur Monday disclosed the decision about the modalities of appropriations of the stolen assets after a high-level meeting on repatriation of the laundered assets. "Two separate funds will be created. One will be with the attached assets of those who plundered banks and another fund will be created with the assets plundered from non-banking sources," the Governor told a press briefing after the consultation.

<https://today.thefinancialexpress.com.bd/first-page/laundered-money-goes-into-two-sovereign-funds-1747678407>

Joblessness rises amid dull investment

- Jobs in Bangladesh are not being created in line with the demand from its youth population, leading to a rise in unemployment despite the urgent need for more job opportunities. Bangladesh's unemployment rate increased to 4.63% in the October-December period of fiscal year 2024-25 as a growing number of job seekers failed to secure employment, according to the latest Quarterly Labour Force Survey (QLFS) data.

<https://www.thedailystar.net/business/news/joblessness-rises-amid-dull-investment-3898676>

Two-thirds of social protection allocations not genuine

- Nearly two-thirds of the allocations under this fiscal year's social security budget do not qualify as genuine social protection spending, according to a study by the Citizens Platform for SDGs, Bangladesh. The platform classified the 140 existing social safety net programmes into three categories: acceptable, quasi-acceptable (mainly loan and training schemes), and non-acceptable -- those that should be excluded from the social protection framework.

<https://www.thedailystar.net/business/news/two-thirds-social-protection-allocations-not-genuine-3898681>

Jul-Jan Budget Deficit Up 73% on Slow Tax Receipts

- Bangladesh's budget deficit surged by 73.04% in the first seven months of the current fiscal year compared to the same period in FY24, driven largely by sluggish tax collection, official data shows. According to the Ministry of Finance (MoF), the total government expenditure stood at BDT 2.746 Tn during the July-January period of FY25, while revenues reached BDT 2.362 Tn, resulting in a deficit of BDT 384.93 Bn.

<https://today.thefinancialexpress.com.bd/first-page/jul-jan-budget-deficit-up-73pc-on-slow-tax-receipts-1747678601>

Upcoming budget follows previous govt's framework, say economists

- Criticising the absence of fresh thinking in the upcoming budget, economists at a Dhaka policy forum today (19 May) said the interim government is adopting its predecessor's fiscal framework with only minor tweaks. "The fiscal framework for this budget remains essentially that of the previous regime. No major shift has taken place – only cosmetic adjustments," said economist Debapriya Bhattacharya at the discussion titled "Bangladesh Economy 2025–26: Policy Reforms and National Budget".

<https://www.tbsnews.net/economy/upcoming-budget-follows-previous-govts-framework-say-economists-1146811>

FOOD & ALLIED | Akij Food to raise BDT 5 Bn thru zero-coupon bond

- Akij Food and Beverage Limited (AFBL), a concern of Akij Venture Limited, has initiated the process to raise BDT 5 Bn for the company's expansion through the issuance of a zero-coupon bond.

<https://www.thedailystar.net/business/organisation-news/news/akij-food-raise-tk-500cr-thru-zero-coupon-bond-3898386>

TEXTILE | Govt Plans to Scrap Reduced Tax Benefits for Textile Sector

- The government plans to scrap the benefits of a reduced 15% tax rate for textile entrepreneurs in the upcoming fiscal year as part of moving away from tax exemptions, according to officials at the National Board of Revenue (NBR). In the next budget, the sector is expected to face the regular corporate tax rate of 27.5%. However, companies listed on the stock market will enjoy a relatively lower rate of 22.5%, the officials said.

<https://www.tbsnews.net/economy/govt-plans-scrap-reduced-tax-benefits-textile-sector-1145816>

FUEL & POWER | Govt Seeks to Import One More LNG Cargo in July

- The government is expecting to import one more cargo of spot liquefied natural gas (LNG) in early July to meet the country's natural gas demand during the upcoming monsoon. State-run Rupantarita Prakritik Gas Company Ltd (RPGCL) aims to purchase the spot LNG cargo for July 2-3 delivery window, a senior RPGCL official told The Financial Express on Monday.

<https://today.thefinancialexpress.com.bd/last-page/govt-seeks-to-import-one-more-lng-cargo-in-july-1747678935>

BANK | Nagad barred from bank transfers

- Bangladesh Bank has instructed banks to bar fund transfers by Nagad while keeping the mobile financial services available to customers. Bangladesh Bank Governor Ahsan H Mansur disclosed this information in a press conference after a high-level government meeting at Foreign Service Academy in Dhaka yesterday.

<https://www.thedailystar.net/business/news/nagad-barred-bank-transfers-3898656>

BANK | Large depositors in troubled banks to be offered shares, bonds: Salehuddin

- In a decisive move to overhaul the struggling banking sector, large depositors in financially weak banks will be offered a stark choice: shares in the respective banks or treasury bonds, instead of the full return of their deposited funds. This significant reform, however, will not affect small depositors, who are guaranteed to receive their money back.

<https://www.tbsnews.net/interviews/large-depositors-troubled-banks-be-offered-shares-bonds-salehuddin-1146851>

TRADE | Customs Strike Paralyzes Chattogram Port, Halts Trade for 5 Days

- A five-day work stoppage by officials at the Chattogram Custom House has severely disrupted operations at the country's main seaport, leading to a backlog of over 4,000 containers and a significant drop in customs processing.

<https://www.tbsnews.net/economy/customs-strike-paralyses-chattogram-port-halts-trade-5-days-1146696>

CA advises preparing 'realistic' budget

- Government high-ups have instructed finance officials to focus improvement in people's living standard and wellbeing in budgeting in a pivot from making growth-centric budget of the past times, sources said. The advice came when finance division officials Saturday placed the next budget outline before Chief Adviser Dr Muhammad Yunus seeking his opinion.

<https://today.thefinancialexpress.com.bd/first-page/ca-advises-preparing-realistic-budget-1747594731>

Govt approves BDT 2.3 Tn ADP for FY26

- The National Economic Council (NEC) has approved a BDT 2.3 Tn Annual Development Programme (ADP) for the upcoming fiscal year – a significant reduction from the original ADP of the current fiscal year, reflecting the interim government's austerity drive and cuts to low-priority projects. The approved ADP represents a 13.20% or BDT 350 Bn decrease from the current fiscal year's original ADP, but a 6.48% or BDT 140 Bn increase compared to the revised ADP.

<https://www.tbsnews.net/economy/govt-approves-tk23-lakh-crore-adp-fy26-1145251>

Writ challenges ordinance dissolving NBR

- A writ petition has been filed with the High Court challenging the legality of the "Revenue Policy and Revenue Management Ordinance 2025" that dissolved the National Board of Revenue (NBR) and replaced it with two new divisions. Filed on Sunday by Supreme Court lawyer Md Juwel Azad, the petition sought a stay order from the High Court on the operation of the ordinance.

<https://today.thefinancialexpress.com.bd/first-page/writ-challenges-ordinance-dissolving-nbr-1747594563>

Land port restrictions force costly reroute for Bangladesh RMG, food exports to India

- India's abrupt ban on the import of seven categories of Bangladeshi goods via land ports is expected to significantly disrupt Bangladesh's key exports to India – namely readymade garments (RMG) and processed food. The move comes amid rising trade tensions between the two neighbours, following Bangladesh's earlier decision to ban yarn imports from India via land ports just a month ago.

<https://www.tbsnews.net/economy/land-port-restrictions-force-costly-reroute-bangladesh-rmg-food-exports-india-1145586>

NBR may continue prospective tax system till FY28

- The National Board of Revenue (NBR) is expected to continue the prospective tax system until fiscal year 2027-28, allowing taxpayers and businesses to determine applicable tax rates in advance instead of waiting until the end of the income year.

<https://www.thedailystar.net/business/news/nbr-may-continue-prospective-tax-system-till-fy28-3897891>

BDT 1 Bn fund for youth self-employment on the cards

- The finance ministry is set to establish a special fund of approximately BDT 1 Bn in the budget for the upcoming fiscal year 2025-26 to foster self-employment among young people. The head of the interim government also provided a series of guidelines on crucial sectors, including improving the investment climate, controlling inflation, strengthening the education and healthcare sectors, and protecting women's rights.

<https://www.tbsnews.net/economy/tk100cr-fund-youth-self-employment-cards-1145776>

High inflation, costly loans force firms to cut spending

- From mild steel rods to electronics and food products, advertisements in newspapers and on televisions have decreased as businesses say they have tightened their belts to weather stubbornly high inflation, the steep devaluation of the local currency, and punishingly high bank interest rates.

<https://www.thedailystar.net/business/news/high-inflation-costly-loans-force-firms-cut-spending-3897896>

3.02 Mn lost jobs in Oct-Dec

- The number of employed people in the country fell to 68.09 Mn in the fourth quarter of 2024, down from 71.11 Mn in the same period of 2023, according to the latest report by the Bangladesh Bureau of Statistics (BBS). This means that approximately 3.02 Mn people lost their jobs during the October-December period of 2024 compared to the previous year, the BBS revealed in its provisional Quarterly Labour Force Survey released on Sunday.

<https://thefinancialexpress.com.bd/economy/bangladesh/302m-lost-jobs-in-oct-dec>

BANK | Exchange rate of dollar rises slightly

- The interbank exchange rate of the US dollar rose slightly yesterday, two working days after the central bank adopted a market-driven exchange rate system. Banks traded the greenback at BDT 122.78 per dollar, up from BDT 122.60 the previous day, according to Bangladesh Bank data.

<https://www.thedailystar.net/business/news/exchange-rate-dollar-rises-slightly-3897886>

TANNERY | Lotto inaugurates new factory to nearly triple production capacity

- Express Leather Products Limited (Lotto Bangladesh), the manufacturing and marketing licensee of Italian Lotto sportswear and English Lee Cooper shoes, inaugurated its new factory in Kapasia, Gazipur, yesterday. The BDT 1 Bn project, to be fully operable in two years, will increase the company's footwear production capacity to 2.7 times, its managing director Kazi Jamil Islam told The Business Standard.

<https://www.tbsnews.net/economy/industry/lotto-inaugurates-new-factory-nearly-triple-production-capacity-1145821>

RMG | Seize opportunity in US apparel market amid tariff shifts

- Bangladesh has a strategic opportunity to strengthen its position in the US apparel market as major competitor countries face higher tariffs and growing risks, said Debapriya Bhattacharya, a distinguished fellow at the Centre for Policy Dialogue (CPD). "A rational option could be eliminating para-tariffs, like supplementary duties and regulatory duties, which would lower effective import tariffs and signal goodwill toward US trade concerns," he said.

<https://www.thedailystar.net/business/economy/news/seize-opportunity-us-apparel-market-amid-tariff-shifts-3897081>

RMG | Fast fashion, fat margins: How retailers cash in on low-cost RMG

- Global fashion brands are reaping triple-digit profits on Bangladeshi garments, buying at USD 3 and selling for three to four times more. Yet, they continue to pressure factories to cut prices further. A shirt manufactured in Bangladesh at a free-on-board (FoB) price of USD 5 often retails for as much as USD 28 in Europe or North America. Once shipping, warehousing, duties, and other operational costs are added, bringing the total to around USD 16, retailers may still earn a profit of about USD 12 per item.

<https://www.thedailystar.net/business/economy/news/fast-fashion-fat-margins-how-retailers-cash-low-cost-rmg-3897076>

Hefty interest payments to cost BDT 1.22 Tn

- Significant rises in domestic and overseas borrowings make the government earmark some BDT 1.22 Tn for hefty interest payments in the upcoming budget, and officials see no letup in liability increases in the near future. Experts see high debt stock, interest-rate rise and depreciation of the local currency behind the rise in debt-service costs. The estimated budgetary allocation for interest payments accounts for an increase by BDT 85 Bn or 7.5% compared to the allocation in the outgoing budget, they said.

<https://thefinancialexpress.com.bd/economy/hefty-interest-payments-to-cost-tk-122-trillion>

NEC sits today on BDT 2.3 Tn ADP; buildings get lion's share

- The National Economic Council (NEC) meets today (18 May) to consider a proposed BDT 2.3 Tn Annual Development Programme (ADP) for the next fiscal year (FY26), with the lion's share of funds earmarked for public sector residential and nonresidential building construction. According to Planning Commission sources, allocations for development projects are made based on economic codes. A review of the codes for 1,111 projects listed in the next ADP shows construction of various buildings secured the highest funds — 439.54 Bn, or 14.42% of the total outlay.

<https://www.tbsnews.net/economy/nec-sits-today-tk23-lakh-cr-adp-buildings-get-lions-share-1144931>

India halts import of Bangladeshi garments, processed foods via land ports

- India has restricted the import of at least seven categories of Bangladeshi goods, including readymade garments, fruits and processed foods, through its land ports – just a month after Bangladesh banned yarn imports via the same route.

<https://www.tbsnews.net/economy/india-now-restricts-land-port-imports-garments-fruits-and-other-select-items-bangladesh>

Govt finishes USD 290 Mn loan negotiation with WB

- Bangladesh has completed negotiations with the World Bank (WB) to get a USD 290 Mn loan to combat air pollution by operating environment-friendly electric buses and improve air quality, officials said. The government would purchase 100 such buses, as well as set up 12 vehicle inspection centres (VICs) and 20 vehicle emission detectors in Dhaka and outside the capital, they said.

<https://today.thefinancialexpress.com.bd/last-page/govt-finishes-290m-loan-negotiation-with-wb-1747418551>

Govt to withdraw mandatory radiation test this year: Commerce secy

- The government is planning to withdraw the mandatory radiation test primarily to reduce import costs and processing time, said Commerce Secretary Mahbubur Rahman today (17 May). He made the remark at an event, on US reciprocal tariffs and the way forward for Bangladesh, jointly organised by the Dhaka Chamber of Commerce and Industry (DCCI) and Business Initiative Leading Development (BUILD) in the capital's Motijheel.

<https://www.tbsnews.net/economy/govt-withdraw-mandatory-radiation-test-year-commerce-secy-1144521>

BD's move to join trade blocs

- Rising protectionism and tariff wars among the world's leading economies in recent years have put the case for multilateralism at a disadvantage. Encouraging local manufacturing by reducing reliance on imported goods or the so-called policy of import substitution might now gain a stronger ground. Unfortunately, the opposite is true. No doubt, high tariffs on imported items raise relative profitability of industries serving the domestic market in the short run. But in the long run, it hampers production for overseas markets, that is, exports.

<https://today.thefinancialexpress.com.bd/editorial/bds-move-to-join-trade-blocs-1747401134>

10 ministries brace for budget cuts

- The allocation for the top 10 ministries and divisions is set to be trimmed by 13% in next fiscal year's annual development programme (ADP) due to the government's cost-cutting measures and shying away from mega and low-priority projects. In the budget for next fiscal year, BDT 163.10 Bn would be earmarked for the ministries, which is about 70% of the total ADP allocation. The Daily Star has learnt from planning ministry officials involved with the proceedings.

<https://www.thedailystar.net/business/bangladesh-budget-2025-26/news/10-ministries-brace-budget-cuts-3897121>

BANK | Govt borrows BDT 1.08 Tn from commercial banks in 11.5 months of FY25

- The government has borrowed BDT 1.08 Tn from scheduled banks in the first eleven and a half months of FY25, up by 57% from the previous fiscal year, according to the monthly report on government domestic borrowing by the Bangladesh Bank. The report shows that as of 12 May, the amount of outstanding loans from the scheduled banks has reached BDT 4.85 Tn, which was BDT 687.06 Bn during the same period in FY24.

<https://www.tbsnews.net/economy/banking/govt-borrows-tk108-lakh-crore-commercial-banks-115-months-fy25-1144976>

RMG | US-Bangladesh FTA talks begin, RMG may see major boost

- In a potentially transformative development for bilateral trade, the United States has agreed in principle to pursue a Free Trade Agreement (FTA) with Bangladesh. Stakeholders anticipate that such an agreement would grant duty-free access to Bangladeshi exports, notably including its crucial readymade garments (RMG) sector, thereby providing a significant impetus to the nation's exports to the lucrative American market.

<https://www.tbsnews.net/economy/us-bangladesh-fta-talks-begin-rmg-may-see-major-boost-1145001>

INSURANCE | Insurance growth hit a three-year low in 2024

- By the end of 2024, the insurance sector's premium collection growth dropped to a three-year low of 7.3%, down from 9.1% in 2023. The decline is attributed to the sector's struggle to gain client trust amid persistent economic uncertainty.

<https://www.tbsnews.net/economy/insurance-growth-hit-three-year-low-2024-1144971>

Important News: Stocks

OLYMPIC | Olympic to import cookie production line worth BDT 131.9 Mn

- Olympic Industries Ltd will import a new multi-colour cookie production line with standard accessories at a cost of around BDT 131.9 Mn. The company's board approved the decision at a meeting held on May 21, according to a disclosure posted on the Dhaka Stock Exchange (DSE) website today.

<https://www.thedailystar.net/business/news/olympic-import-cookie-production-line-worth-tk-1319-crore-3900761>

RUNNERAUTO | Runner to buy 781 decimal land in Bhaluka, Magura to expand business

- Runner Automobiles decided to buy 374 decimals land at Sreepur, Magura and 407 decimals land nearby its existing factory complex at Bhaluka, Mymensingh. It will also sell a 552 decimal plot at Boradoba, Mymensingh, according to a disclosure at the Dhaka Stock Exchange (DSE).

<https://www.tbsnews.net/economy/stocks/runner-buy-781-decimal-land-bhaluka-magura-expand-business-1149511>

NTC | National Tea's shares soar BDT 28.4 for each in two days

- Despite keeping its investors in the dark, the share price of National Tea Company has soared by BDT 28.40 to BDT 164.20 each over the past two days, according to the data of the Dhaka Stock Exchange (DSE). In the last two consecutive trading sessions, the share price of the tea producer hit the upper limit—the maximum allowable single-day price increase—and topped the gainers' chart with the highest gains.

<https://www.tbsnews.net/economy/stocks/national-teas-shares-soar-tk284-each-two-days-1149471>

PHOENIXFIN | Phoenix Finance suffers record loss of BDT 8 Bn in 2024

- Phoenix Finance and Investments suffered a record loss in 2024, driven by increased provisioning and reduced income from the ailing stock market. The non-bank financial institution reported a loss of BDT 8.08 Bn in 2024, compared to a loss of BDT 7.05 Bn the previous year.

<https://today.thefinancialexpress.com.bd/stock-corporate/phoenix-finance-suffers-record-loss-of-tk-8b-in-2024-1748020784>

PUBALIBANK | Pubali Bank director to gift BDT 420 Mn shares to son

- Monir Uddin Ahmed, a shareholder-director of Pubali Bank, has announced plans to gift 14.6 Mn shares of the bank to his son Kabir Ahmed. The transfer will be executed off-market within 30 working days from 21 April, suggests the declaration made through the DSE on Wednesday (21 May). Based on the bank's closing share price of BDT 28.50 on the announcement day, the gift is valued at approximately BDT 420 Mn.

<https://www.tbsnews.net/economy/stocks/pubali-bank-director-gift-tk42cr-shares-son-1148481>

EXCHANGE | Three banks, an NBFI get BSEC nod to disburse stock dividends

- The Bangladesh Securities and Exchange Commission (BSEC) has approved three banks and a non-bank financial institution (NBFI) to raise capital through the issuance of stock dividends. The four institutions disclosed the information via the Dhaka Stock Exchange (DSE) today (21 May). The three banks are BRAC Bank, Midland Bank, and Mutual Trust Bank, while the NBFI is IPDC Finance.

<https://www.tbsnews.net/economy/stocks/three-banks-nbfi-get-bsec-nod-disburse-stock-dividends-1148471>

EXCHANGE | BSEC to hold meeting with retail investors' representatives on 29 May

- Considering the current state of the country's capital market, the Bangladesh Securities and Exchange Commission (BSEC) is set to hold a dialogue with representatives of retail investors' associations, scheduled for 29 May at 12pm. The securities regulator announced the initiative through a press release today (21 May). The meeting will be chaired by Anisuzzaman Chowdhury, special assistant to the chief adviser, with BSEC Chairman Khondoker Rashed Maqsood also expected to be in attendance.

<https://www.tbsnews.net/economy/stocks/bsec-hold-meeting-retail-investors-representatives-29-may-1148476>

BSC | Shipping Corp profit swells on rising global fares

- Bangladesh Shipping Corporation (BSC) has posted notable growth in revenue and profit during the first nine months of the current fiscal year 2024-25, buoyed by rising international charter fares. According to a Shipping Corporation statement, the revenue of the ocean-going vessel management authority grew around 24.09% with a 23.23% growth in freight and 28.71% in service revenue, totalling BDT 4.3 Bn over the same period of the previous fiscal year.

<https://www.tbsnews.net/economy/stocks/shipping-corp-profit-swells-rising-global-fares-1148491>

ISLAMIBANK | Islami Bank removes MD

- The board of directors of Islami Bank has removed its managing director, Muhammad Monirul Moulana, due to his alleged involvement in loan irregularities and mismanagement unearthed by an external audit. The bank made the decision in its 395th board meeting, held on April 6 this year, which received the go-ahead from Bangladesh Bank on May 20.

<https://www.thedailystar.net/business/news/islami-bank-removes-md-3900111>

WALTONHIL | Walton expands to Singapore

- Walton Hi-Tech Industries PLC entered into a global distributorship agreement with Singapore-based Flair M&E Pte Ltd, appointing the company as its authorised distributor in Singapore for the next five years.

<https://www.thedailystar.net/business/news/walton-expands-singapore-3899036>

EXCHANGE | BSEC Freezes 617 BO Accounts Over Misconduct

- The Bangladesh Securities and Exchange Commission (BSEC) has frozen 617 beneficiary owner (BO) accounts due to misconduct and non-compliance in the capital market. Speaking to TBS, BSEC spokesperson Abul Kalam said the accounts were frozen based on court orders and requests from other government agencies in response to various types of capital market misconduct.

<https://www.tbsnews.net/economy/stocks/bsec-freezes-617-bo-accounts-over-misconduct-1147851>

EXCHANGE | Task force revises up IPO quota for general investors to 60%

- In the final amendments submitted by the Capital Market Reform Task force, the share allocation for general investors in initial public offerings (IPOs) has been increased by 10 percentage points to 60%, while the allocation for eligible investors has been reduced to 40%. The task force submitted the finalised amendments to the IPO and mutual fund rules to the Bangladesh Securities and Exchange Commission (BSEC) on Monday.

<https://www.tbsnews.net/economy/stocks/task-force-revises-ipo-quota-general-investors-60-1147841>

EXCHANGE | Yield on 10-Year BGTBs Falls Substantially

- The yield on 10-Year Bangladesh Government Treasury Bonds (BGTBs) dropped significantly on Tuesday, as banks expressed eagerness to invest their excess liquidity in the risk-free securities. The cut-off yield, generally known as interest rate, on the BGTBs fell to 11.88% on the day from 12.48% earlier, according to the auction results.

<https://today.thefinancialexpress.com.bd/last-page/yield-on-10-year-bgtbs-falls-substantially-1747766420#:~:text=The%20yield%20on%2010%2DYear,in%20the%20risk%2Dfree%20securities>

EXCHANGE | Navigating the Turbulence: A decade and a half of the Bangladesh capital market

- The Bangladesh capital market, a vital cog in the nation's economic machinery, has traversed a complex and often turbulent path from 2010 to the present day. This period has been punctuated by dramatic crashes, tentative recoveries, and persistent challenges that continue to shape its landscape. Understanding this journey, replete with both setbacks and potential, is crucial for policymakers, investors, and the broader economic community. This analysis delves into the critical junctures, performance indicators, and underlying issues that have defined the Bangladesh capital market over the past decade and a half, offering insights into its current state and future prospects.

<https://www.tbsnews.net/economy/stocks/navigating-turbulence-decade-and-half-bangladesh-capital-market-1147456>

EXCHANGE | Licence of Shah Mohammad Sagir revoked

- The securities regulator has revoked the TREC licence of Shah Mohammad Sagir & Co over the embezzlement of clients' funds worth around BDT 137 Mn six years ago. Trading at the brokerage firm was suspended in September 2019 to protect investors after the regulator confirmed misappropriation of investors' money in the wake of an investigation by the Dhaka bourse.

<https://thefinancialexpress.com.bd/stock/bangladesh/licence-of-shah-mohammad-sagir-revoked>

EXCHANGE | Most listed state companies incur loss in 9 months

- A majority of listed state-owned enterprises (SOEs) incurred combined losses totalling BDT 14.01 Bn in the first nine months of the current fiscal year, with Titas Gas alone accounting for BDT 9.47 Bn due to tax-related complications, underscoring persistent inefficiencies.

<https://www.tbsnews.net/economy/stocks/most-listed-state-companies-incur-loss-9-months-1146801>

EXCHANGE | Brokers urge immediate stimulus to restore confidence in capital market

- Leaders of the brokerage community have said that immediate stimulus measures are necessary to pull the country's stock market out of its current downward trend. Long-term or paper-based reforms alone cannot rebuild confidence, they said at a high-level meeting today, stressing the urgent need for bold, visible actions to restore investor trust.

<https://www.tbsnews.net/economy/stocks/brokers-urge-immediate-stimulus-restore-confidence-capital-market-1145756>

TRUSTBANK | Trust Bank's Q1 profit drops 8%

- Trust Bank PLC reported a fall in profit for the first quarter of 2025, as rising expenses dented its earnings. The bank's profit declined by 8% year-on-year to BDT 293.7 Mn, according to its financial statement.

<https://www.thedailystar.net/business/news/trust-banks-q1-profit-drops-8-3897441>

SOUTHEASTB | Southeast Bank signs MoU with National Pension Authority

- Southeast Bank PLC has signed a Memorandum of Understanding (MoU) with the National Pension Authority (NPA) to facilitate the collection of monthly contributions under the Universal Pension Scheme (UPS).

<https://thefinancialexpress.com.bd/trade/southeast-bank-signs-mou-with-national-pension-authority>

EXCHANGE | Yields on T-bills show mixed trend

- The yields on treasury bills (T-bills) showed a mixed trend on Sunday as banks preferred to invest their excess liquidity in higher-tenure securities rather than lower-tenure ones. The cut-off yield, generally known as interest rate, on the 91-day T-bills rose to 11.65% on the day from the previous level of 11.54%.

<https://thefinancialexpress.com.bd/stock/bangladesh/yields-on-t-bills-show-mixed-trend>

EXCHANGE | Govt measures imminent to make visible changes in market

- Special assistant to the chief adviser, Dr Anisuzzaman Chowdhury has assured that the existing problems surrounding the capital market will be quickly resolved for its sustainable development.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/govt-measures-imminent-to-make-visible-changes-in-market-1747586372>

EXCHANGE | BSEC mulls scrapping BO account fees, decides to hold monthly stakeholder meetings

- The Bangladesh Securities and Exchange Commission (BSEC) is actively considering scrapping the fees associated with opening and maintaining beneficiary owner (BO) accounts. The regulator is also considering allowing investors to deposit or withdraw up to BDT 0.5 Mn in cash. Additionally, the BSEC announced that it will hold monthly meetings with all capital market stakeholders to ensure more inclusive and transparent decision-making.

<https://www.tbsnews.net/economy/stocks/bsec-mulls-scrapping-bo-account-fees-decides-hold-monthly-stakeholder-meetings>

EXCHANGE | How ICB's dividend plan for FY25 may boomerang on unitholders

- The state-run Investment Corporation of Bangladesh (ICB) has proposed that mutual funds (MFs) be allowed to distribute dividends from profits in the current fiscal year without meeting provisional requirements but experts say it will cause capital erosion. Both fund managers and unitholders will eventually endure consequences as the MFs will only get smaller in size after the disbursement of dividends for FY25, warn several fund managers while talking to the FE correspondent.

<https://thefinancialexpress.com.bd/stock/bangladesh/how-icbs-dividend-plan-for-fy25-may-boomerang-on-unitholders>

MTB | Mutual Trust Bank's Q1 profit rises 11%

- The private commercial lender made a profit of BDT 850 Mn in the January-March quarter, up 11% year-on-year, according to its financial statement. The increase follows a 10% year-on-year growth in consolidated profit in 2024, when the bank made BDT 5.7 Bn. Its earnings per share (EPS) rose to BDT 0.87 in the January-March quarter, up from BDT 0.78 in the same period a year ago.

<https://www.thedailystar.net/business/news/mutual-trust-banks-q1-profit-rises-11-3896791>

JAMUNABANK | Jamuna Bank's profit goes up 9% in Q1

- The bank's profit grew 18% year-on-year to BDT 2.7959Bn in 2024. For the January-March quarter of 2025, the bank's consolidated earnings per share (EPS) stood at BDT 2.04, up from BDT 1.86 (restated) in the same period a year earlier, according to a recent disclosure on the Dhaka Stock Exchange (DSE) website.

<https://www.thedailystar.net/business/news/jamuna-banks-profit-goes-9-q1-3896801>

BDFINANCE | Bangladesh Finance profit drops 75% in Jan-Mar

- Bangladesh Finance Limited, a non-bank financial institution, posted consolidated earnings per share (EPS) of BDT 0.05 for the first quarter (January–March) of the current year 2025. This marks a significant decline by 75% from BDT 0.20 in the same period of the previous fiscal year, according to the company's financial report filed on the Dhaka Stock Exchange (DSE) today (17 May).

<https://www.tbsnews.net/economy/stocks/bangladesh-finance-profit-drops-75-jan-mar-1144926>

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