

Important News Snippets

Sunday, May 18, 2025 research@bracepl.com

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Macro:

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

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. Three government agencies - the Department of Environment (DoE), the Dhaka Transport Coordination Authority (DTCA), and the Bangladesh Road Transport Authority (BRTA) - would implement the project, officials at the Economic Relations Division (ERD) and the implementing bodies 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



Important News Snippets

Sunday, May 18, 2025 research@bracepl.com

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

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

Sector & Industries:

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

Stocks:

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



Important News Snippets

Sunday, May 18, 2025 research@bracepl.com

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





Sunday, May 18, 2025 research@bracepl.com

Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 62.49	(USD 8.94)	-12.52%
Crude Oil (Brent)*	USD 65.41	(USD 8.98)	-12.07%
Gold Spot*	USD 3,203.65	USD 595.17	22.82%
DSEX	4,820.47	-395.97	-7.59%
S&P 500	5,958.38	51.44	0.87%
FTSE 100	8,684.56	563.55	6.94%
BSE SENSEX	82,330.59	4,130.66	5.28%
KSE-100	119,649.14	4,390.14	3.81%
CSEALL	16,379.39	434.78	2.73%

Exchange Rates

1 US Dollar = 122.02 BDT

1 GBP = 162.04 BDT

1 Euro = 136.22 BDT

1 INR = 1.43 BDT



Sunday, May 18, 2025 research@bracepl.com

IMPORTANT DISCLOSURES

Analyst Certification: Each research analyst and research associate who authored this document and whose name appears herein certifies that the recommendations and opinions expressed in the research report accurately reflect their personal views about any and all of the securities or issuers discussed therein that are within the coverage universe.

Disclaimer: Estimates and projections herein are our own and are based on assumptions that we believe to be reasonable. Information presented herein, while obtained from sources we believe to be reliable, is not guaranteed either as to accuracy or completeness. Neither the information nor any opinion expressed herein constitutes a solicitation of the purchase or sale of any security. As it acts for public companies from time to time, BRAC-EPL may have a relationship with the above-mentioned company(s). This report is intended for distribution in only those jurisdictions in which BRAC-EPL is registered and any distribution outside those jurisdictions is strictly prohibited.

Compensation of Analysts: The compensation of research analysts is intended to reflect the value of the services they provide to the clients of BRAC-EPL. As with most other employees, the compensation of research analysts is impacted by the overall profitability of the firm, which may include revenues from corporate finance activities of the firm's Corporate Finance department. However, Research analysts' compensation is not directly related to specific corporate finance transaction.

General Risk Factors: BRAC-EPL will conduct a comprehensive risk assessment for each company under coverage at the time of initiating research coverage and revisit this assessment when subsequent update reports are published, or material company events occur. Following are some general risks that can impact future operational and financial performance: (1) Industry fundamentals with respect to customer demand or product / service pricing could change expected revenues and earnings; (2) Issues relating to major competitors or market shares or new product expectations could change investor attitudes; (3) Unforeseen developments with respect to the management, financial condition or accounting policies alter the prospective valuation; or (4) Interest rates, currency or major segments of the economy could alter investor confidence and investment prospects.

BRAC EPL Stock Brokerage Limited Research

Head of Research	salim@bracepl.com	01708 805 221
Research Analyst	fahim.hassan@bracepl.com	01709 636 546
Research Analyst	hztowhidi.khan@bracepl.com	01708 805 224
Research Associate	foysal.ahmed@bracepl.com	01708 805 201
Research Associate	smtoufique.imran@bracepl.com	01708 805 228
Research Associate	rakibul.hasan@bracepl.com	01708 805 229
Research Associate	tasviha.trishila@bracepl.com	01730 701 733
	Research Analyst Research Associate Research Associate Research Associate Research Associate	Research Analyst fahim.hassan@bracepl.com Research Analyst hztowhidi.khan@bracepl.com Research Associate foysal.ahmed@bracepl.com Research Associate smtoufique.imran@bracepl.com Research Associate rakibul.hasan@bracepl.com

International Trade and Sales

Ahsanur Rahman Bappi CEO bappi@bracepl.com 01730 357 991

BRAC EPL Stock Brokerage Limited

www.bracepl.com

Symphony, Plot No.: S.E.(F) - 9(3rd Floor), Road No.: 142

Gulshan Avenue, Dhaka – 1212 Phone: + (88)-02-222282446-47 Fax: + (88)-02-222282452 E-Mail: research@bracepl.com