

Bangladesh market snapshot

	Last closing
DSEX Index	5,194.03
% change	1.20%
DS30 Index	1,978.73
% change	2.17%
DSES Index	1,137.16
% change	1.55%
Turnover (BDT mn)	7,759
Turnover (USD mn)	63
% change	-1.74%
Market Capitalization (BDT bn)	6,919
Market Capitalization (USD bn)	56
% change	0.64%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
S&P 500	6,296.79
% change	-0.01%
Nikkei 225	39,819.11
% change	-0.21%
FTSE 100	8,992.12
% change	0.22%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	121.49	121.53
EUR	141.23	141.30
GBP	162.85	163.00
INR	1.41	1.41

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
20-July-2025	9.70-11.00	10.01
17-July-2025	9.75-11.00	10.01

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil),	69.40	0.17%
Gold Spot, USD/t oz.	3,351.63	0.05%
Cotton, US\$/lb.	68.57	-0.16%

Source: Bloomberg

Macro

91-day treasury bills rate falls 1.13 percentage points to 10.45% in a week

The interest rate on 91-day treasury bills has dropped below 10.5%, driven by reduced government borrowing from the banking sector in the first quarter of the fiscal year and increased liquidity in the money market. According to Bangladesh Bank data, the central bank conducted an auction of treasury bills across three tenures yesterday. The interest rate on 91-day treasury bills fell to 10.45% in this latest auction, compared to 11.58% in the previous auction held on 13 July – marking a sharp drop of 1.13 percentage points in just one week. Rates for other tenures also declined. The 182-day treasury bills rate fell by 85 basis points to 11.70%, while the 367-day bills rate dropped by 27 basis points to 10.98%.

<https://www.tbsnews.net/economy/banking/91-day-treasury-bills-rate-falls-113-percentage-points-1045-week-1192896>

Capital machinery imports fall for third year

Bangladesh's imports recovered in fiscal year 2024-25 after two years of downturns, but capital machinery imports fell for the third consecutive year, reflecting a low appetite for investment among entrepreneurs. Imports of capital machinery, as reflected by the opening of letters of credit (LCs), dipped by 25 percent year-on-year to \$1.74 billion last fiscal year, according to the latest data of Bangladesh Bank (BB). During the same period, settlement of LCs dropped by 25 percent year-on-year, with analysts and businesses terming the decline a sign of weakened investor confidence and subdued industrial demand.

<https://www.thedailystar.net/business/economy/news/capital-machinery-imports-fall-third-year-3944226>

ICDs to raise export container charges by 60%

Inland container depots (ICDs) have announced a sharp increase in charges for handling export cargoes and empty containers by as much as 60 percent starting September 1, triggering concerns among exporters already feeling the pinch from the impending reciprocal tariff by the United States. The Bangladesh Inland Container Depots Association (BICDA) issued a circular on July 15 in this regard, citing rising operational and investment costs, currency devaluation, and inflationary pressures as key reasons behind the decision.

<https://www.thedailystar.net/business/news/icds-raise-export-container-charges-60-3944241>

US tariff: Dhaka open to trade concessions but set to reject non-trade conditions

The government hopes to secure a significant reduction in the 35% US reciprocal tariff on Bangladeshi exports by offering duty-free access to American goods and ensuring broader trade-related facilities in line with Washington's demands, but will reject any non-trade conditions. The decision came at an inter-ministerial meeting, lasting five and a half hours, held yesterday to coordinate efforts among nearly a dozen ministries aimed at boosting imports from the US.

<https://www.tbsnews.net/economy/us-tariff-dhaka-open-trade-concessions-set-reject-non-trade-conditions-1192881>

BD to import 0.7m tonnes of US wheat annually

Bangladesh has signed a Memorandum of Understanding (MoU) with the United States to import 0.7 million tonnes of high-quality wheat annually from the US over the next five years at competitive prices. This step was taken to deal with the new import taxes slapped by the Trump administration. The deal was signed on Sunday at the Ministry of Food, according to a statement from the ministry.

<https://today.thefinancialexpress.com.bd/public/first-page/bd-to-import-07m-tonnes-of-us-wheat-annually-1753034545>

Value of BB-held gold, silver reserves surges

Bangladesh's reserve precious metals' value has nearly doubled, driven largely by a surge in global gold prices amid decline in value of reserve-currency dollar, central bankers and economists say. According to Bangladesh Bank's latest annual report released last week, the combined value of gold and silver reserves in its vault stood at Tk 101.19 billion at the end of June 2024-an increase of over 87 per cent from Tk 53.94 billion recorded in the previous fiscal year (2022-23). Reports are rife that gold is being reserved by many central banks in the world in the wake of US dollar downturn following trade and tariff turmoil triggered by Donald Trump's 'reciprocal tariff' regime, resulting in gold-price rises.

<https://today.thefinancialexpress.com.bd/public/first-page/value-of-bb-held-gold-silver-reserves-surges-1753034499>

Textile

High US dependence may bring over 250 RMGs to edge as high tariff looms

Over 250 Bangladeshi garment factories face severe repercussions if the United States proceeds with imposing a 35% additional tariff on imports from the country effective from 1 August. These factories are particularly vulnerable, as 60% to 100% of their exports are destined for the US market, according to the Bangladesh Garment Manufacturers and Exporters Association (BGMEA).

<https://www.tbsnews.net/economy/high-us-dependence-may-bring-over-250-rmgs-edge-high-tariff-looms-1192861>

Pharmaceuticals & Chemicals

Tariff threat may shut Bangladesh out of US drug market

Bangladesh is not alarmed by Trump's proposed 200 per cent tariff on imported drugs due to the country's relatively small volume of pharmaceutical exports to the United States, but industry insiders caution that the country could lose the US market altogether if the tariff comes into effect. That means future potential for export expansion into one of the world's most profitable pharmaceutical destinations will be jeopardised too if such a high tariff is imposed. In FY25, Bangladesh's pharmaceutical exports rose to \$213.16 million from \$205.48 million in FY24, according to the Export Promotion Bureau (EPB). Of this, exports to the US stood at roughly \$20 million—less than 10 per cent of the total.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/tariff-threat-may-shut-bangladesh-out-of-us-drug-market-1753030127>

Telecom

Govt forms panel to review draft telecom policy

The government has formed a committee to review the draft Telecommunications Network and Licensing Policy 2025, according to a notification issued by the Cabinet Division yesterday. Planning Adviser Prof Wahiduddin Mahmud will lead the panel, which has been tasked with reviewing the proposed policy's economic, technical and implementation aspects. The development comes as local firms in the telecom sector expressed concern that the new policy would disfavour them. The committee will also analyse the policy's background, assess possible unintended consequences, and evaluate its long-term economic impact and technical viability.

<https://www.thedailystar.net/business/news/govt-forms-panel-review-draft-telecom-policy-3944231>

Mutual Funds

Two mutual funds set to convert to open-end structure

Two mutual funds listed on the capital market – Vanguard AML BD Finance Mutual Fund One and SEML Lecture Equity Management Fund – are preparing to convert from closed-end to open-end status as they near the end of their tenure. To seek investor approval, the trustee boards of both funds have decided to hold separate meetings with unit holders. According to a disclosure on the Dhaka Stock Exchange (DSE) website yesterday, the tenure of both funds will expire on 23 December 2025.

<https://www.tbsnews.net/economy/stocks/two-mutual-funds-set-convert-open-end-structure-1192791>

Stocks

BD Finance's profit down 46pc on lower interest, investment income

Bangladesh Finance's profit plunged 46 per cent year-on-year to Tk 13.18 million in the second quarter through June this year mainly due to a decline in interest earnings and investment income. The non-bank financial institution's consolidated earnings per share stood at Tk 0.07 for April-June 2025, down from Tk 0.13 for the same quarter a year earlier, according to a stock exchange filing on Sunday. The NBF's half-yearly profit also plummeted 63 per cent year-on-year to Tk 22.60 million in the period through June for the same reasons, the company said in its earnings note.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/bd-finance-profit-down-46pc-on-lower-interest-investment-income-1753030298>

Disclaimer

For U.S. persons only: This research report is a product of UCB Stock Brokerage Ltd. ("UCB"), a company authorized to engage in securities activities in Bangladesh, under Marco Polo Securities 15a-6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

Research reports are intended for distribution by only to "Major Institutional Investors" as defined by Rule 15a-6 (b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, UCB has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be affected through Marco Polo or another U.S. registered broker dealer.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by UCB Stock Brokerage Limited (UCB) with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior consent of UCB and UCB accepts no liability whatsoever for the actions of third parties in this respect.

EQUITY RECOMMENDATION STRUCTURE (ABSOLUTE RATINGS)

We calculate our target price by weighting DCF, DDM, SOTP, asset-based and other relative valuation methods, and applying appropriate premiums/ discounts and/or other relevant adjustments.

Expected absolute returns are calculated as the % of difference between our target price and latest close price. Stock recommendations are based on absolute upside (downside) and have a 12-month horizon. Please note that future price fluctuations could lead to a temporary mismatch between upside/downside for a stock and our recommendation.

Recommendation Type	Holding period (if not otherwise mentioned)	Absolute Return Potential
Buy	12 Months	More than +15%
Neutral/ Hold	12 Months	Between -5% and +15%
Underweight	12 Months	Less than -5%

ANALYST CERTIFICATION

Respective analyst(s) identified in this report certifies, with respect to the companies or securities that the individual analyses, that (1) the views expressed in this report reflect his or her personal views about all of the subject companies and securities and (2) no part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this report. The research analyst(s) named on this report are not registered / qualified as research analysts with FINRA.

It has not been determined in advance whether and in what intervals this document will be updated. Unless otherwise stated current prices refer to the most recent trading day's closing price.

Contact Us

Research Team

Md. Hasib Reza, CFA	Head of Research	hasib.reza@ucbstock.com.bd	+880 1755 658 997
Md. Nazmus Sakib, CFA	Deputy Head of Research	nazmus.sakib@ucbstock.com.bd	+880 1701 205 073
Anik Mahmood Ibne Anwar, CFA	Deputy Head of Research	anik.mahmood@ucbstock.com.bd	+880 1701 205 074
Fahmid Islam Sadhin	Research Associate	fahmid.islam@ucbstock.com.bd	+880 1325 086 738
Nafis Zaki	Research Associate	nafis.zaki@ucbstock.com.bd	+880 1871 891 263
Mahmudul Hasan Meraz	Research Associate	mahmudul.hasan@ucbstock.com.bd	+880 1324 719 456
Numair M N Ahmmed	Research Associate	ahmmed.numair@ucbstock.com.bd	+880 1324 719 484

Investment Strategist

Syed Adnan Huda, CFA	First Vice President	adnan@ucbstock.com.bd	+880 1730 325 232
----------------------	----------------------	-----------------------	-------------------

Institutional & Foreign Trade

Tahmidur Rahman	First Assistant Vice President	rahman.tahmidur@ucbstock.com.bd	+880 1726 995 520
-----------------	--------------------------------	---------------------------------	-------------------

Office Premises

Head Office

Gulshan

Bulus Center

+880 2955 8481

Extensions of Head Office

Dilkusha +880 1701 205 090	Dilkusha (NIK Tower) +880 1701 205 000	Dhanmondi +880 1713 205 703	Nikunja +880 1701 205 013	Mohammadpur +880 1324 243 212
Bashundhara +880 1718 106 217	Mirpur-1 +880 1713 205 723	Mirpur-12 +880 1911 197 188	Banasree +880 1701 205 075	Uttara +880 1913 128 156

Branch Offices

Chattogram +880 1701 205 038	Sylhet +880 1713 205 760
--	------------------------------------

Digital Booths

Khulna +880 1717 411 466	Barishal +880 1713 205 762	Cumilla +880 1324 243 163	Jashore +880 1324 243 203	Gazipur +880 1324 243 165
Feni +880 1324 243 210	Khatungonj +880 1713 205 742	Chawkbazar +880 1817 206 965	Madhobdi +880 1324 243 156	
	Narayangonj +880 1324 243 207	Agrabad +880 1324 243 198		