Morning News Snippet

August 31, 2025

Bangladesh market snapshot

	Last closing
DSEX Index	5517.95
% change	*1.37%*
DS30 Index	2156.99
% change	*1.93%*
DSES Index	1207.20
% change	*1.55%*
Turnover (BDT mn)	11,323
Turnover (USD mn)	93
% change	*16.55%*
Market Capitaliztion (BDT bn)	7,184
Market Capitaliztion (USD bn)	59
% change	*0.75%*

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
S&P 500	6,460.26
% change	*-0.64%*
Nikkei 225	42,718.47
% change	*-0.26%*
FTSE 100	9,187.34
% change	*-0.32%*

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	121.75	121.86
EUR	141.68	141.85
GBP	164.33	164.49
INR	1.39	1.39

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
28-Aug-2025	9.50-11.00	9.98
27-Aug-2025	9.70-11.00	9.99

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil),	67.48	*-0.74%*
Gold Spot, USD/t oz.	3,447.95	*0.90%*
Cotton, USd/lb.	66.54	*-1.13%*

Source: Bloomberg

Macro

Govt's fiscal deficit exceeds Tk 1.0t in 11 months of FY'25

The government's fiscal deficit during the first 11 months of the fiscal year (FY) 2024-25 exceeded Tk 1.0 trillion, driven largely by higher operating costs that include increased food imports. The amount was 42 per-cent up from that of the corresponding period of the previous fiscal, according to official data. The government's total borrowing during the July-May period of the last fiscal year stood at about Tk 1.06 trillion, the Finance Division data revealed.

https://thefinancialexpress.com.bd/economy/bangladesh/govts-fiscal-deficit-exceeds-tk-10t-in-11-months-of-fy25

Tight monetary policy to stay to bring inflation down to 3-4%: Cenbank chief economist

The tight monetary policy in place will continue as the government is trying to bring inflation down to 3-4% as quickly as possible, said Bangladesh Bank's Chief Economist Mohammad Akhtar Hossain on Thursday (28 August).

https://www.tbsnews.net/economy/govt-working-reduce-inflation-3-4-bb-chief-economist-1222831

BB buys $150m in auction to shore up forex market

To stabilise the exchange rate and support remittance and export flows, the Bangladesh Bank purchased $149.5 million from commercial banks through another auction yesterday. The central bank initiated the auction on Thursday (28th August), with an initial target of purchasing $30 million. However, it ended up buying a significantly larger amount, with a cut-off rate of Tk121.70.

https://www.tbsnews.net/economy/bb-buys-150m-auction-shore-forex-market-1223061

Bangladesh begins FY26 with steep debt servicing pressure

Foreign debt repayments saw a steep rise at the beginning of the new fiscal year (FY2025-26), with Bangladesh paying more than double the amount disbursed by development partners in July. According to the latest Economic Relations Division (ERD) report published on Thursday (28 August), the government repaid $446.68 million in the first month of FY26 – with $327.72 million as principal repayment and $118.96 million in interest.

https://www.tbsnews.net/economy/bangladesh-begins-fy26-steep-debt-servicing-pressure-1222826

Please see penultimate page for additional important disclosures: *UCB Stock Brokerage Ltd. ("UCB") is a foreign broker-dealer unregistered in the USA. UCB research is prepared by analysts who are not registered in the USA. UCB research is distributed in the USA pursuant to Rule 15a-6 of the Securities Exchange Act of 1934 solely by Marco Polo Securities Inc., an SEC registered and FINRA-member broker-dealer.*

Bangladesh back in South Asia remittance race

Bangladesh has returned to a competitive remittance growth path in line with its South Asian neighbours, with a larger-than-usual flow of money sent home by expatriates following the political changeover in August last year. Although Bangladesh posted strong growth in remittance earnings last year, Pakistan and Nepal recorded much higher spikes over the same period, according to the Asian Development Bank (ADB).

https://www.thedailystar.net/business/economy/news/bangladesh-back-south-asia-remittance-race-3974491

Bangladesh's export to Brazil up 26% in FY25

Bangladesh's multilateral engagement with Brazil, particularly in the economic sector, has deepened as Dhaka and Brasilia explore new avenues to elevate bilateral relations to greater heights, diplomatic and trade sources said. According to the Export Promotion Bureau (EPB), Bangladesh exported goods worth $187 million to Brazil in the 2024-25 fiscal year, marking a 26% rise from $147 million in 2023-24.

https://www.tbsnews.net/economy/bangladeshs-export-brazil-26-fy25-1224566

Banks

Banks' borrowings from BB window hit record high

Commercial banks' hefty borrowings from the central bank betray perceived double dealings-healing liquidity crunch in the banking system and investing the funds in plum state treasuries. According to bankers and money-market analysts, the banks need fund feeding principally as the deposit growth remains stymied amid higher non-performing loans (NPLs) regime in the banking sector.

https://thefinancialexpress.com.bd/economy/banks-borrowings-from-bb-window-hit-record-high

Tk73,101cr loan default cases filed in Ctg in a year – 86% tied to S Alam Group alone

Since the government changed on 5 August last year, 46 banks have lodged 1,028 loan default cases with Chattogram's Artha Rin Adalat, involving a staggering Tk73,101 crore – tantamount to more than 9% of the FY2025-26 national budget. An analysis of the case documents by The Business Standard reveals that while only 31 of these cases involve S Alam Group and its entities, they account for 86% of the total defaulted loans — Tk63,125.48 crore across three banks: Islami Bank, Janata Bank, and Social Islami Bank.

https://www.tbsnews.net/economy/banking/tk73101cr-loan-default-cases-filed-ctg-year-86-tied-s-alam-group-alone-1223751

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

Branch Offices

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

Digital Booths

Khulna	**Barishal**	**Cumilla**	**Jashore**	**Gazipur**
+880 1717 411 466	+880 1713 205 762	+880 1324 243 163	+880 1324 243 203	+880 1324 243 165

Feni	**Khatungonj**	**Chawkbazar**	**Madhobdi**
+880 1324 243 210	+880 1713 205 742	+880 1817 206 965	+880 1324 243 156

Narayangonj	**Agrabad**
+880 1324 243 207	+880 1324 243 198