Morning Newsflash

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IDLC-SL Research

Economy

Economic activity contracts in August as PMI falls to 49.9

September 09, 2026

- Bangladesh's overall economic activity contracted in August, as disruptions to energy and power supplies weighed on business activity, according to the latest Bangladesh Purchasing Managers' Index.
- The headline PMI fell to 49.9 in August, slipping below the 50-point threshold that separates expansion from contraction.
- The latest PMI report attributed the slowdown across economic activities to disruptions in energy and power supplies, highlighting the growing impact of energy constraints on businesses.

From: https://thefinancialexpress.com.bd/economy/economic-activity-contracts-in-august-as-pmi-falls-to-499

Trade deficit widens to USD 2bn as exports fall, petroleum, fertiliser imports rise

September 09, 2026

- Bangladesh's trade deficit widened in July, the first month of the current fiscal year, mainly due to higher imports of petroleum products and fertiliser, while exports declined.
- The trade deficit rose to USD 2.09bn in July, compared with USD 1.5bn in the same month of the previous fiscal year, according to balance of payments data released by the Bangladesh Bank on 08 September. According to BoP data, imports grew by 8.6pc in July, while exports declined by 1.9pc. As imports exceed exports, the trade deficit widens.
- Petroleum product imports amounted to USD 1.37bn in July, up from USD 750mn in the same month a year earlier, representing an increase of more than 83pc. Meanwhile, fertiliser import costs rose also by 50pc to USD 187mn in July, compared with USD 125mn a year earlier.

From: https://www.tbsnews.net/economy/trade-deficit-widens-2b-exports-fall-petroleum-fertiliser-imports-rise-1537316

Banking

Banks' provisioning shortfall crosses BDT 2.0tn (USD 16.4bn)

September 09, 2026

- Overall provisioning shortfall against loans in Bangladesh's banking system overran BDT 2.0tn (USD 16.4bn) mark with a 16pc or BDT 309.16bn (USD 2.53bn) rise in the first half of 2026.
- The total provisioning shortfall of PCBs rose to BDT 1.48tn (USD 12.13bn) as of June 30, from BDT 1.21tn (USD 9.92bn) six months earlier, while the provisioning shortfall of SoCBs increased to BDT 746.34bn (USD 6.12bn), from BDT 703.64bn (USD 5.77bn).

From: https://thefinancialexpress.com.bd/economy/banks-provisioning-shortfall-crosses-tk-20-trillion

Trade and Commerce

Bangladesh exports to India rise 7.67pc despite diplomatic tensions

September 09, 2026

- Diplomatic ties between Bangladesh and India have remained strained for more than two years, but bilateral trade has continued to show resilience, with Bangladesh's exports to its neighbour rising in the first two months of the ongoing fiscal year.
- Bangladesh exported goods worth USD 335.2mn to India in July-August of fiscal 2026-27, up 7.67pc from USD 311.3mn in the same period a year earlier, according to Export Promotion Bureau data released on Tuesday.

From: https://thefinancialexpress.com.bd/bangladesh/bangladesh-exports-to-india-rise-767-percent-despite-diplomatic-tensions

RMG

Ban on knit fabric imports abolished

September 09, 2026

- The government on Tuesday has abolished the provision, which prohibits the import of knit fabrics, in the new import policy for 2026-29 amid the withdrawal demand from the garment exporters.
- BKMEA president Mohammad Hatem said the ongoing gas crisis has severely disrupted domestic textile mills and fabric production, making local manufacturers unable to meet the volume, specialised technical standards and design variations required by international buyers, making raw materials import unavoidable.

From: https://thefinancialexpress.com.bd/trade/ban-on-knit-fabric-imports-abolished

Energy and Power

1,210MW set to be added to national grid this week: State minister

September 09, 2026

- A combined 1,210MW of electricity is expected to be added to the national grid this week as the government moves to ease widespread power shortages amid an ongoing gas and energy crisis.

- Five power plants whose contracts have expired are set to generate 550MW for the national grid this week without capacity charges, while the 660MW Rampal power plant is also scheduled to resume operations.

From: https://www.tbsnews.net/economy/energy/1210mw-set-be-added-national-grid-week-state-minister-1536646

Telecom

Conflicting data clouds picture of mobile network quality

September 09, 2026

- Bangladesh's mobile network quality mostly met regulatory standards in July, but a long-delayed assessment by the Bangladesh Telecommunication Regulatory Commission (BTRC) found significant differences between operators' reported figures and the regulator's own measurements.
- The assessment compared Quality of Service (QoS) data reported by the country's four mobile operators - Grameenphone, Robi, Banglalink and Teletalk - with network data collected by the BTRC.
- The assessment report found that most operators met key national benchmarks. However, differences between operators' reported figures and BTRC's measurements, the lack of raw data and uneven performance across locations raise concerns.

From: https://www.thedailystar.net/business/economy/news/conflicting-data-clouds-picture-mobile-network-quality-4268101

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