

Economy

Inflation eases slightly to 8.29pc in August

September 08, 2025

- Inflation in August eased slightly to 8.29 pc, down from 8.55pc in July, according to the latest data from the Bangladesh Bureau of Statistics (BBS). The decline was mainly driven by a notable fall in non-food inflation, even as food prices continued to rise.
- Food inflation, a persistent concern for low-income households, inched up to 7.60pc in August from 7.56pc in July. On the other hand, non-food inflation declined sharply, dropping to 8.90pc in August from 9.38pc a month earlier.

From: <https://www.thedailystar.net/business/news/inflation-eases-slightly-829-august-3980176>

Reserves fall to USD 25.3bn after ACU payment

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- IMF's measure of Bangladesh's foreign-exchange reserves fell to USD 25.30bn after the country cleared USD 1.50bn in import bills through the Asian Clearing Union, a routine bi-monthly settlement that temporarily reduces reserves.
- Bangladesh Bank's own gross-reserve tally stood at USD 30.04bn after the payment, and reserves have recovered from below USD 20bn last year thanks to stronger remittances, export earnings and weak import demand.

From: <https://www.thedailystar.net/business/news/reserves-fall-253b-after-acu-payment-3980311>

Bangladesh's economy might have expanded in August but at a slower pace: PMI

September 08, 2025

- The Purchasing Managers' index stood at 58.3 in August, down 3.2 points from July, according to the latest report by MCCI and PEB, with agriculture and construction declining while manufacturing and services recorded slower growth.
- The agriculture sector contracted after 10 months of expansion, with new business, activity, and input costs slowing, while order backlogs and employment also declined. The manufacturing sector, meanwhile, registered its 12th consecutive month of expansion, though at a slower pace.
- Growth in new orders, exports, factory output, and supplier deliveries was offset by contractions in order backlogs and employment, which declined for the third month in a row.

From: <https://www.thedailystar.net/business/news/bangladeshs-economy-might-have-expanded-august-pmi-3980246>

Banking

Largest Islamic bank in the making

September 08, 2025

- The interim government has initiated formal procedures to merge five troubled Islamic lenders, First Security Islami Bank, Union Bank, Global Islami Bank, Social Islami Bank and Exim Bank, into the country's largest state-owned shariah bank, a significant step towards stabilizing the financial sector.
- The plan, drawn up under the newly enacted Bank Resolution Ordinance 2025, will require an estimated BDT 352bn (USD 2.89bn) rescue plan funded by BDT 202bn (USD 1.66bn) from the government and BDT 150bn (USD 1.23bn) from institutional funds and deposit conversions.

From: <https://www.thedailystar.net/business/economy/banks/news/largest-islamic-bank-the-making-3980601>

Bank Company Act: BAB for lifting family director cap, proposes 9-year tenure

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- The Bangladesh Association of Banks (BAB) wants the central bank to narrow the legal definition of "family" to spouses and dependents, and to lift the 10pc single-family share cap to 25pc or more, arguing bigger stakes force owner discipline.
- On board rules, BAB urged easing family-director limits, opposed cutting board size to 15 and forcing 50pc independents, and proposed lengthening director tenure to nine years instead of the draft's six years to preserve continuity and experience.
- BAB also asked the regulator to repeal cross-bank shareholding limits and the proposed 5pc voting-power cap, warning such constraints will choke capital mobilization, push investors away and encourage opaque, indirect share accumulation.

From: <https://www.tbsnews.net/economy/bank-company-act-bab-lifting-family-director-cap-proposes-9-year-tenure-1230946>

Banks may be allowed to reschedule unpaid loans up to BDT 3.0bn (USD 24.6mn)

September 08, 2025

- Banks will be free to take decision on rescheduling of unpaid loans up to maximum BDT 3.0bn (USD 24.6mn) on bank-client understanding.
- As part of the pressure-relaxing recipe on the special committee to settle policy-support-seeking matters, the banking regulator is about to transfer the decision-making responsibility to the banks in respect of settling such appeals of the borrowers with outstanding loans of up to BDT

3.0bn (USD 24.6mn). Appeals may be for both classified and unclassified loans.

From: <https://thefinancialexpress.com.bd/economy/banks-may-be-allowed-to-reschedule-unpaid-loans-up-to-tk-30-billion>

Trade and Commerce

Govt to form expert panel for trade talks

September 08, 2025

- The government will form an expert negotiators' pool to fast-track FTAs, PTAs, CEPAs and EPAs before LDC graduation, so Bangladesh can protect market access and manage complex trade rules.
- Talks are already moving: negotiations with Singapore and Korea will begin soon, and a Bangladesh team is in Tokyo for a final round on an EPA that could be signed this year.
- However, business leaders want a six-year deferment, warning graduation could cut exports by as much as 14pc — roughly USD 7bn — a heavy hit for RMG and footwear, which make up nearly 90pc of exports.

From: <https://www.thedailystar.net/business/news/govt-form-expert-panel-trade-talks-3980351>

Corporate

Confidence Cement to sell subsidiary to sister company

September 08, 2025

- Confidence Cement will sell its entire Dhaka-unit stake to sister firm Confidence Power Holdings, 140.9mn shares for BDT 1.41bn (USD 11.57mn), a board-approved move subject to shareholder sign-off to ease liquidity pressures.
- The Dhaka unit which has a capacity 6,000 tons per day hasn't reached full commercial production yet. However, the company cites weak infrastructure demand and tight liquidity which has been reflected in its earnings. Q1 profit was BDT 248.4mn (USD 2.04mn) while EPS fell to BDT 2.88 (USD 0.024) from BDT 3 (USD 0.025).

From: <https://www.thedailystar.net/business/news/confidence-cement-sell-subsidiary-sister-company-3980146>

International

Tesla's Musk pay scheme mixes two kinds of madness

September 08, 2025

- Tesla's board proposed up to USD 1tn in stock awards for Elon Musk, contingent on massive milestones that demand Tesla reach roughly USD 8.5tn in market value and about USD 400bn in EBITDA by 2035.
- The plan ties operational goals to product fantasies, including 20mn total vehicle deliveries

and 1mn robotaxis, while assuming valuation multiples near 21 times EBITDA despite Tesla trading at an unusually high multiple now.

- Governance flags are loud, the award lets tranche shares vote in proportion initially but gives Musk control as tranches unlock, and a bylaw change limits lawsuits from small shareholders, concentrating power while shareholders chase returns.

From: <https://www.thedailystar.net/business/news/teslas-musk-pay-scheme-mixes-two-kinds-madness-3980206>

US jobs data boosts rate cut hopes but stocks slide

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- Weak US payrolls — just 22,000 jobs added versus 77,000 expected — cemented market bets on a September 25bps Fed cut, triggering a buy-the-rumor, sell-the-fact move that wiped out early gains and sent US indices lower.
- The data pushed the dollar and Treasury yields down and sent gold to fresh record highs, while oil extended losses on expectations of rising supply, forcing investors to choose cheaper funding against a dimmer growth outlook.
- Markets moved worldwide: European stocks closed lower, Tokyo climbed after tariff relief for Japanese autos, and Tesla jumped on CEO pay-package news, showing how policy and corporate headlines can amplify market swings.

From: <https://www.thedailystar.net/business/news/us-jobs-data-boosts-rate-cut-hopes-stocks-slide-3980101>

88 postal operators suspend services to US over tariffs

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- Postal traffic to the US plunged by more than 80pc after Washington ended the small-package tax exemption on August 29; 88 postal operators worldwide have suspended some or all US-bound services, disrupting cross-border e-commerce.
- The Universal Postal Union says traffic was down 81pc on August 29 versus a week earlier; carriers refused to shoulder customs-duty collection and many post operators lack links to US-approved "qualified parties," blocking routine routes.
- Inbound mail to the US is about 15pc of global postal flows (44pc from Europe, 30pc from Asia).

From: <https://www.thedailystar.net/business/news/88-postal-operators-suspend-services-us-over-tariffs-un-3980091>

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