Morning Newsflash

Sunday, 23 August, 2026

IDLC-SL Research

Economy

Govt targets lofty 34.5pc investment-GDP ratio for FY27

August 23, 2026

- Bangladesh wants to expand its investment-to-GDP ratio by 6.57pc within a year as it has set the aspiration in the newly approved five-year development strategy and framework, analysts say. Economists have termed this "over-ambitious", saying the target is almost impossible to achieve.
- The Bangladesh Bureau of Statistics (BBS) data shows the ratio reduced to 27.93pc in FY26 from 28.54pc in FY25. In addition, the government wants to grow the ratio to 40pc in FY31. According to the target, the ratio would reach 35.6 per cent in FY28, 36.8 per cent in FY29, and 37.6 per cent in FY30.

From: https://thefinancialexpress.com.bd/bangladesh/govt-targets-lofty-345pc-investment-gdp-ratio-for-fy27-1

Inward remittances thru MFS fall nearly 21pc to BDT 22.29bn (USD 182.7mn) in June

August 23, 2026

- Inward remittances through mobile financial services (MFS) declined by nearly 21pc in June over the previous month, according to Bangladesh Bank (BB). According to the BB figures, wage-earner remittances received through MFS stood at BDT 22.29bn (USD 182.7mn) in June compared to BDT 28.18bn (USD 230.98mn) in May.
- The decline was recorded in both rural and urban areas, indicating a slowdown in the inflow of wage-earner remittances through digital financial channels during the month.

From: https://thefinancialexpress.com.bd/bangladesh/inward-remittances-thru-mfs-fall-nearly-21pc-to-tk-2229b-in-june

Banking

Cenbank introduces ADR policy to speed up loan recovery, ease court backlog

August 23, 2026

- The central bank issued the "Alternative Dispute Resolution (ADR) Mediator Institution Enlistment Policy, 2026" on 20 August, directing all scheduled banks, finance companies and intermediary institutions operating in Bangladesh to comply with the guidelines.
- Under the policy, Bangladesh Bank will enlist qualified and experienced mediator institutions to establish a modern and sustainable ADR framework for resolving financial disputes and strengthen public confidence in mediation.

From: https://www.tbsnews.net/economy/banking/cenbank-introduces-adr-policy-speed-loan-recovery-ease-court-backlog-1520871

Trade and Commerce

US overtakes India as Bangladesh's second-largest trading partner

August 23, 2026

- The US overtook India to become Bangladesh's second-largest trading partner in May, signifying the growing importance of the American market to the country's external sector, according to the Bangladesh Bureau of Statistics (BBS) data.
- The shift was driven primarily by Bangladesh's large export surplus with the US.
- In May, Bangladesh exported goods worth BDT 104.53bn (USD 856.80mn) to the US and imported BDT 29.79bn (USD 244.2mn), putting bilateral trade at BDT 134.32bn (USD 1.1bn).

From: https://thefinancialexpress.com.bd/bangladesh/us-overtakes-india-as-bangladeshs-second-largest-trading-partner

Gold price rises by BDT 5,482 (USD 44.93) per bhori

August 23, 2026

- The Bangladesh Jewellers' Association (BAJUS) has once again raised gold prices in the local market, increasing the rate of 22-carat gold to BDT 246,110 (USD 2,017.30) per bhori.
- According to the new rate, 21-carat gold will now cost BDT 235,030 (USD 1,926.48) per bhori (11.664 grams), while 18-carat gold will be priced at BDT 201,846 (USD 1,654.48) per bhori. Traditional gold will cost Tk 164,812 (USD 1,350.92) per bhori.

From: https://thefinancialexpress.com.bd/trade/gold-price-rises-by-tk-5482-per-bhori

Govt offers major tax break on server imports

August 23, 2026

- The government has waived more than half of the total tax incidence on server imports to promote cloud infrastructure and data centre development amid growing adoption of artificial intelligence.
- Currently, the total tax incidence on server imports is nearly 24pc. Following the notification, the rate has been reduced to 9.5pc, including 7.5pc advance tax, said a tax official, seeking anonymity.

From: https://www.thedailystar.net/business/economy/news/govt-offers-major-tax-break-server-imports-4254256

Energy and Power

Five-year energy roadmap aims to cut capacity-payment burden, tackle gas crunch, and import costs

August 23, 2026

- Bangladesh could reduce the power sector's annual capacity-payment burden of USD 1.5bn to USD 1.8bn through appropriate policymaking and effective implementation, according to the government's Five-Year Strategic Framework.
- According to the framework, Bangladesh currently has significant surplus power generation capacity. Even after factoring in 6pc growth and a 15pc reserve margin, the country's total power requirement could reach around 25,714MW over the next five years, while existing generation capacity is expected to remain above that level. To increase domestic energy supply, the framework recommends accelerating both onshore and offshore gas exploration.

From: https://www.tbsnews.net/economy/five-year-energy-roadmap-aims-cut-capacity-payment-burden-tackle-gas-crunch-and-import-costs

Fuel import costs surge 107pc in one year
August 23, 2026

- Driven by rising international fuel prices and increased demand, Bangladesh spent nearly USD 10.64bn on petroleum product imports in the last fiscal year.
- In the previous fiscal year, 2024-25, import expenditure in this sector was less than USD 5.14bn. As a result, fuel import costs increased by nearly USD 5.5bn, or 107pc, in just one year.

From: https://observerbd.com/news/589111

RMG
Gas crisis slashes knitwear output by 30-50pc
August 23, 2026

- The prevailing gas shortage across major industrial hubs has severely hit Bangladesh's knitwear sector like many other industries, crippling core dyeing and finishing operations, as well as threatening timely export deliveries, industry people say.
- With low gas pressure disabling boilers crucial for fabrics coloring and steam pressing, apparel manufacturers face growing friction with international buyers, who are now demanding costly air shipments to prevent seasonal stock delays, they add.

From: https://thefinancialexpress.com.bd/bangladesh/gas-crisis-slashes-knitwear-output-by-30-50pc

Capital Market
Uttara Finance board dissolved again
August 23, 2026

- The Bangladesh Bank (BB) has once again dissolved the board of Uttara Finance and Investments, just six months after reconstituting it, and appointed an administrator to the crisis-hit non-bank financial institution (NBFI).
- The central bank abolished the five-member board on Tuesday under Section 20(1) of the Financial Company Act, 2023, according to a stock exchange filing on Wednesday.

From: https://thefinancialexpress.com.bd/bangladesh/uttara-finance-board-dissolved-again

World Bank Group, BSEC discuss mortgage refinancing
August 23, 2026

- A delegation of the World Bank Group (WBG) on Thursday held a meeting with the securities regulator to discuss legal frameworks required to launch the proposed Mortgage Refinance Company (MRC) in Bangladesh.
- The meeting was organized as part of an attempt to conduct a feasibility study on the MRC that is expected to facilitate long-term housing finance in the country.

From: https://thefinancialexpress.com.bd/bangladesh/world-bank-group-bsec-discuss-mortgage-refinancing

International
Stocks waver, dollar drops as US Treasury moves to lower bond yields
August 23, 2026

- Stock markets mostly rose on Wednesday and the dollar fell sharply after the US Treasury signaled action to push down government bond yields, easing fears that higher borrowing costs would weigh on economic growth worldwide.
- Oil prices again moved higher on doubts of any quick deal to reopen the Strait of Hormuz to tanker traffic, stoking the inflation fears that have rattled markets since the US-Iran war began nearly six months ago.

From: https://observerbd.com/news/589050

DISCLAIMER

The information contained in this report has been compiled by IDLC Securities Limited (IDLC-SL) from sources believed to be reliable, but no representation or warranty, express or implied, is made by IDLC-SL as to its accuracy, completeness, or correctness. Expressions of opinion herein were arrived at after due and careful consideration and were based upon the best information then known to us, and in our opinion are fair and reasonable in the circumstances prevailing at that time.

All opinions and estimates contained in this report are subject to change without notice due to changed circumstances and without legal responsibility. This document is not and should not be construed as an offer or the solicitation of an offer to buy or sell any securities. It does not constitute a personal recommendation or take into account the particular investment objectives, financial conditions, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances. IDLC-SL accepts no liability whatsoever for any direct or consequential loss arising from any use of this report or the information contained herein.

IDLC-SL and its affiliates, officers, directors, and employees may have positions in, and buy or sell, the securities, if any, referred to in this Document. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that may reflect opinions that are contrary to the opinions expressed in this Document and may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

By issuing this research report, each IDLC-SL analyst named in this report hereby certifies that the recommendations and opinions expressed herein accurately reflect the research analyst's independent views about any and all of the subject securities or companies discussed herein, and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in this report. On top of that, no part of the research analyst's compensation was, is, or will be, directly or indirectly related with any kind of investment banking activities.

This document is not directed to, or intended for distribution to or use by, any person or entity that is a citizen or resident of or located in any locality, state, country, or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. The information and data provided herein is the exclusive property of IDLC-SL. No part of this material can be (i) copied, photocopied, or duplicated in any form by any means or (ii) redistributed without the prior written consent of IDLC-SL.

Research Team

Name	Designation	Email	Contact Number
Tanay Kumar Roy, CFA	Head of Equity Research	tanay@idlc.com	880 1708 46 95 80
Md. Fahad Been Ayub	Business Analyst	MdFahad@IDLC.com	880 1521 43 81 88
Mohammad Tashnim	Senior Research Associate	mtashnim@idlc.com	880 1730 70 16 45
Zareen Binte Shahjahan	Senior Research Associate	zareen@idlc.com	880 1708 46 95 95
Muntasir Mohammad	Analyst	muntasirm@idlc.com	

IDLC Securities Limited

DR Tower (4th Floor), 65/2/2 Bir Protik Gazi Golam Dastagir Road,

Purana Paltan, Dhaka - 1000

Tel: +8809609994352

Fax: +88029574366

E-mail: IDLCSLResearch@idlc.com