Economy

RMG cash incentives redoubled for spinning mills' revival

July 12, 2026

- Cash incentives for Bangladesh's export-oriented ready-made garment (RMG) manufacturers have been redoubled to 5.0 per cent from 1.5 per cent for resuscitating struggling spinning industry through greater use of locally produced yarns and fabrics.
- The Finance Division issued on July 9 a notification making the revised incentive package effective retrospectively from July 1, 2026.

From: https://thefinancialexpress.com.bd/bangladesh/rmg-cash-incentives-redoubled-for-spinning-mills-revival

IMF's new loan programme may begin in January next year

July 12, 2026

- The International Monetary Fund's (IMF) new loan programme for Bangladesh, prioritising revenue collection growth and banking sector reforms, may begin next January.
- A fact-finding mission led by Ivo Krznar, the IMF mission chief for Bangladesh's loan programme, will hold discussions from tomorrow with Bangladesh Bank, the finance ministry, and other relevant ministries, divisions, and agencies to gather updates on reform programmes and government actions taken so far.

From: https://www.thedailystar.net/business/news/imfs-new-loan-programme-may-begin-january-next-year-4221236

Global jitters intensify foreign fund outflow from Bangladesh stocks

July 12, 2026

- Foreign portfolio investors (FPIs) are steadily pulling out funds from Bangladesh's equity market as they have been moving assets to developed markets amid persistent macroeconomic challenges stemming from geopolitical tensions.
- Net investment by overseas investors in the 12 months to May this year stood at negative BDT 4.30bn (USD 35.25mn) meaning they sold more shares than they bought. Foreign investors purchased shares worth BDT 21.12bn (USD 173.11mn), while selling shares worth BDT 25.42bn (USD 60.23mn) during the period, according to market data.

From: https://thefinancialexpress.com.bd/bangladesh/global-jitters-intensify-foreign-fund-outflow-from-bangladesh-stocks

Bangladesh may face additional tariff burden from USTR in latest review: ADB

July 12, 2026

- Bangladesh could face renewed pressure on its export sector as the United States prepares a fresh round of tariffs under Section 301 of the Trade Act, a move that would not only raise the country's trade costs but also deepen uncertainty across developing Asia, according to the Asian Development Bank (ADB).
- According to the ADB's scenario analysis, if the proposed Section 301 measures are implemented, the effective US tariff rate on developing Asia and the Pacific would rise from 24.8pc to 25.9pc. South Asia, which includes Bangladesh, would experience a 1.2pc increase, while developing East Asia, led by China, would see tariffs rise by 1.3pc.

From: https://www.thedailystar.net/business/news/bangladesh-may-face-additional-tariff-burden-ustr-latest-review-adb-4220011

Banking

Consumer lending rises for 3rd straight quarter in FY26

July 12, 2026

- Consumer lending in the country's banking sector continued its upward trajectory in the January-March quarter of FY26, with outstanding loans surpassing BDT 1.58tn (USD 12.95bn) despite elevated lending rates and persistent inflation.
- The steady increase indicates that households are increasingly relying on bank financing to meet housing, education, healthcare and other personal expenses as rising living costs continue to strain purchasing power.

From: https://thefinancialexpress.com.bd/bangladesh/consumer-lending-rises-for-3rd-straight-quarter-in-fy26

The banks that transformed are winning

July 12, 2026

- Despite ongoing challenges across the sector, a few private banks delivered remarkable growth and profitability in 2025. BRAC Bank became the first local private bank to cross the BDT 20bn (USD 163.9mn) profit milestone, while several leading banks recorded annual profit growth of between 20pc and more than 100pc. A number of banks also entered the BDT 10bn (USD 81.9mn) profit club for the first time. These institutions maintained NPL ratios of around 2-3pc, well below the industry average, while preserving strong liquidity and capital positions. Deposit inflows rose significantly as customers shifted to financially stable and technologically advanced banks. At the same time, digital banking channels processed transactions worth trillions of BDT, driving growth in fee income, customer acquisition and digital adoption.

- This performance was underpinned by transformation programmes over several years to modernise banking operations. Banks invested heavily in business process redesign, core banking modernisation, cloud-native infrastructure, cyber security, AI-driven automation, enterprise integration and digital payment ecosystems.

From: https://www.thedailystar.net/business/column/news/the-banks-transformed-are-winning-4221516

Capital Market

DSE finds AFC Agro's factory closed, adding to growing list of non-operational firms

July 12, 2026

- The premier bourse published this finding on its website on Thursday.
- According to existing securities laws, listed companies are legally obligated to immediately inform their investors and the regulators if factory operations are suspended.

From: https://www.tbsnews.net/economy/stocks/dse-finds-afc-agros-factory-closed-adding-growing-list-non-operational-firms-1485681

Dhaka bourse asked to probe "suspicious trading" of Provati Insurance shares

July 12, 2026

- The Bangladesh Securities and Exchange Commission (BSEC) has directed the Dhaka Stock Exchange (DSE) to look into "suspicious trading" of Provati Insurance after detecting unusual price movements of the stock and trading patterns.
- The move came after Provati Insurance's share price soared 55.16pc in just three months, climbing from BDT 30.40 (USD 0.25) on March 31 to BDT 67.80 (USD 0.56) on July 2 this year. The rally was observed despite the company's weak financial performance in recent years.

From: https://thefinancialexpress.com.bd/bangladesh/dhaka-bourse-asked-to-probe-suspicious-trading-of-provati-insurance-shares

Only 10 firms make up 40pc of DSE market value

July 12, 2026

- Although 360 companies are listed on the Dhaka Stock Exchange (DSE), just 10 account for nearly 40pc of its total market capitalization, showing the limited depth of the local capital market.
- Analysts say the concentration leaves investors with relatively few quality stocks, discourages institutional participation and keeps the market small compared with regional peers.

From: https://www.thedailystar.net/business/economy/news/only-10-firms-make-40-dse-market-value-4221486

Trade and Commerce

Vegetable exports fail to grow due to weak diversification of basket and market

July 12, 2026

- Bangladesh's vegetable exports rebounded in FY26, but it remains below the export earnings it achieved a decade ago, exposing persistent weaknesses in diversification of both market and products, food-safety compliance and logistics.
- Export Promotion Bureau data show that vegetable exports earned USD 88.88mn in FY26, up 9.57pc from USD 81.12mn a year earlier. But this is USD 14.36mn below the USD 103.24mn earned in FY15.

From: https://www.tbsnews.net/economy/vegetable-exports-fail-grow-due-weak-diversification-basket-and-market-1484971

Govt in trade talks with 15 countries, blocs to ease post-LDC export challenges

July 12, 2026

- A comprehensive post-LDC strategy focused on trade diplomacy, export market diversification, investment promotion, trade facilitation and improving international competitiveness is being implemented, Commerce Minister Khandakar Abdul Muktadir said while responding to a question during the parliamentary session.
- He said Bangladesh is currently engaged in trade negotiations or cooperation initiatives with Japan, South Korea, Singapore, the United Arab Emirates, India, Bhutan, Nepal, Malaysia, Indonesia, Sri Lanka, Türkiye, Mauritius, Nigeria, New Zealand and the European Union.

From: https://www.tbsnews.net/economy/govt-trade-talks-15-countries-blocs-ease-post-ldc-export-challenges-1484346

International

India approves plan to expand strategic oil reserves

July 12, 2026

- India's largest state-run oil and gas producer has approved plans to develop a 1.75mn metric tonne strategic petroleum reserve, as New Delhi seeks to bolster energy security after being hit hard during the Middle East war.
- India, the world's third-largest importer of oil and the second-largest buyer of liquefied petroleum

gas, has faced major disruptions due to restrictions on the Strait of Hormuz during the conflict between the United States and Iran.

From: https://www.thedailystar.net/business/global-economy/news/india-approves-plan-expand-strategic-oil-reserves-4221506

Fed report cites 'stepped-up' inflation due to tariffs, Iran war, AI buildout
July 12, 2026

- US inflation "stepped up further this spring" as the evolving impact of tariffs, a war-related rise in energy costs, and the booming artificial intelligence buildout boosted price pressures that took root last year, the Federal Reserve said on Friday in a monetary policy report to Congress.
- "Inflation has risen this year and remains elevated relative to the Federal Open Market Committee's longer-run objective of 2pc," with the most recent data showing the US central bank's preferred Personal Consumption Expenditures Price Index running about double that rate as of May, the report said.

From: https://www.thedailystar.net/business/news/fed-report-cites-stepped-inflation-due-tariffs-iran-war-ai-buildout-4221166

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