

Economy

Govt belt-tightening saved BDT 56.89bn in FY25

September 14, 2025

- As austerity measures trimmed both development and operating outlays across ministries, the government saved BDT 56.89bn (USD 467.27mn), which is more than double last year's savings,
- Major line-item cuts hit vehicles and vessels (down 75pc to BDT 7.74bn, USD 63.57mn), electricity (BDT 17.29bn, USD 142.01mn) and POL (BDT 20.630bn, USD 169.45mn).
- Economists warn the squeeze risks cutting into vital services like health and education.

From: <https://www.thedailystar.net/business/economy/news/govt-belt-tightening-saved-BDT-5689cr-fy25-3985111>

Shrinking cropped area raises food security concerns

September 14, 2025

- Bangladesh lost 1pc of net cropped area, falling to 1.98mn acres in 2023 from 2.01mn acres in 2020, the largest decline in a decade, raising fresh food-security concerns as available farmland shrinks.
- Urbanization and infrastructure ate farmland, with homes, roads, industry and campus projects, including a reported 100-acre allocation for Rabindra University, accounting for most losses and fragmenting productive plots.
- Population pressures widen the gap: BRRI's Rice Vision says Bangladesh will need about 44.6mn tons by 2050 as population hits 215.4mn, yet farmers produced nearly 40mn tons in FY2024-25, leaving tight buffers.
- The agriculture ministry is drafting a farmland-protection policy and a national crop-zoning map to curb conversion to non-farm uses; officials say an integrated plan is needed to stop losses and secure future food supplies.

From: <https://www.thedailystar.net/business/economy/news/shrinking-cropped-area-raises-food-security-concerns-3985121>

BD jobless rate hits 3-yr high at 3.66pc in 2024

September 14, 2025

- Unemployment rose to 3.66pc in 2024, the highest in three years, leaving about 2.62mn people jobless and hitting youth hardest. 15 – 24-year-olds face a 9.65pc jobless rate.
- Joblessness is concentrated among the educated and in cities. Urban unemployment is 4.4pc while rural is at 3.4pc, males 3.75pc compared with females 3.48pc.
- Only 56.75pc of the 121.7mn working-age population are employed. Economists point to high inflation, weak investment and rising interest

rates, warning slow private hiring could stall growth and raise social risks.

From: <https://thefinancialexpress.com.bd/economy/bangladesh/bd-jobless-rate-hits-3-yr-high-at-366pc-in-2024>

Banking

Assured liquidity funding boon for PD banks, bane for non-PDs

September 14, 2025

- Bangladesh Bank's assured-liquidity support for PD banks gives primary dealers a stable funding backstop which increases liquidity, but creates competitive distortion and moral hazard by favoring PDs over non-PD lenders.
- Non-PD banks face higher funding costs and migration risks as clients shift to PDs for assured access, prompting industry calls to phase, broaden or equalize central-bank support to avoid market segmentation.
- Regulators must weigh short-term stability against long-term market health and may consider time-limited ALS, stricter collateral rules or conditional extensions to non-PDs to prevent systemic fragmentation and preserve fair competition.

From: <https://thefinancialexpress.com.bd/economy/bangladesh/assured-liquidity-funding-boon-for-pd-banks-bane-for-non-pds>

Janata Bank seeks govt steps to recover its BDT 18.38bn dues from BSFIC, sugar mills

September 14, 2025

- Janata Bank asked the Finance Ministry to recover BDT 18.38bn (USD 150.97mn) of outstanding loans from BSFIC and several sugar mills, saying the unpaid book is weighing on its profit, capital and credit/CAMELS ratings.
- Key defaulters include North Bengal (BDT 6.05bn; USD 49.69mn), BSFIC (BDT 5.73bn; USD 47.06mn), Carew (BDT 3.36bn; USD 27.60mn), Pabna (BDT 3bn; USD 24.64mn) and Shyampur (BDT 255mn; USD 2.09mn).
- Loans matured in December 2018 and were kept unclassified under government guarantees and tripartite deals. With guarantees lapsed, Bangladesh Bank prohibits showing interest as income, a hit that cut Janata's profit, capital and CAMELS rating.

From: <https://thefinancialexpress.com.bd/economy/bangladesh/janata-bank-seeks-govt-steps-to-recover-its-BDT-1838b-dues-from-bsfic-sugar-mills>

Trade and Commerce

Delaying LDC graduation not fully in govt's hands

September 14, 2025

- Delaying Bangladesh's graduation from the least developed country (LDC) status is not entirely within the government's control, as the country is firmly set to graduate by November 2026, said Anisuzzaman Chowdhury, special assistant to the Chief Adviser.
- "If Bangladesh seeks deferral, it would require approval from the majority of member states of the United Nations, which is unlikely as we've already met all three graduation criteria."

From: <https://www.thedailystar.net/business/economy/news/delaying-ldc-graduation-not-fully-govts-hands-3984886>

US officials to arrive in Dhaka Sunday for tariff talks

September 14, 2025

- A United States trade delegation will arrive in Bangladesh on Sunday for meetings with commerce ministry officials on bilateral trade, progress on trade agreements and the reciprocal tariff imposed by the White House.
- Dhaka hopes the discussions will pave the way for a further reduction in the revised 20pc tariff imposed by President Donald Trump in August.

From: <https://www.thedailystar.net/business/news/us-officials-arrive-dhaka-sunday-tariff-talks-3983561>

Bepza Economic Zone sees surge in investment, draws USD 334m in eight months

September 14, 2025

- Bepza is witnessing a significant influx of investment in the economic zone, with the signing of 23 investment agreements worth USD 333.72mn between January and 8 September 2025. Since 2022, a total of 48 companies have signed lease agreements involving USD 1.03bn in committed investment, which is expected to create about 131,000 jobs.
- According to Bepza, five companies have already started production, four of which are Chinese-owned and the fifth South Korea-owned. Together, they have so far exported goods worth around USD 17.3mn and generated employment for nearly 4,000 people.

From: <https://www.tbsnews.net/economy/bepza-economic-zone-sees-surge-investment-draws-334m-eight-months-1234981>

Corporate

Meghna enters heavy vehicle tyre production after Gazi falls

September 14, 2025

- Meghna Innova Rubber Company Ltd, a concern of Meghna Group, is producing truck, bus, and agricultural tires at its expanded Mirzapur facility in Tangail, which is expected to fill the gap left by the now-closed Gazi Auto Tyres.
- Industry insiders estimate the heavy-vehicle tyre market at BDT 30bn (USD 246.41mn), with over 90pc of demand met by imports. With its new expansion, Meghna is likely to fill the void left by Gazi.

From: <https://www.thedailystar.net/business/economy/news/meghna-enters-heavy-vehicle-tyre-production-after-gazi-falls-3985116>

International

Gold prices rise in global market

September 14, 2025

- Gold prices rose on Friday, holding close to record highs hit earlier this week, as signs of a weakening US labor market reinforced expectations the Federal Reserve will deliver its first rate cut of the year next week.
- Spot gold was up 0.4pc at USD 3,648.55 per ounce, as of 02:25 p.m. EDT (1825 GMT), close to Tuesday's all-time high of USD 3,673.95. The metal has gained 1.7pc so far this week and is poised for a fourth consecutive weekly advance.

From: <https://www.thedailystar.net/business/economy/news/gold-prices-rise-global-market-3985216>

Inflation defenses are no match for debt burden

September 14, 2025

- Western countries are heavily over-indebted, and with weak recent growth and little appetite for austerity, governments may be tempted to inflate away debt. Whether they do depend on how tightly they bind anti-inflation commitments.
- The UK faces a big bill from index-linked gilts, the June uplift added about GBP 254bn to debt servicing, so policymakers may tweak inflation benchmarks, close tax loopholes or mandate pension holdings to lower future payments.
- Strong anti-inflation commitments such as currency pegs or gold standards can prevent inflate-away fixes but risk sovereign collapse.

From: <https://www.thedailystar.net/news/world/europe/news/inflation-defences-are-no-match-debt-burden-3985136>

Stop buying Russian oil

September 14, 2025

- President Donald Trump yesterday said that the United States is prepared to impose fresh energy sanctions on Russia, but only if all Nato nations

cease purchasing Russian oil and implement similar measures.

- In recent weeks, the United States has stepped up pressure on Nato countries to tighten energy sanctions on Russia in a bid to help end its war with Ukraine — a conflict Trump has struggled to bring to a close despite repeated threats of harsher penalties on Moscow and its partners. Trump has also faced criticism at home for repeatedly setting two-week deadlines for Russia to de-escalate and allowing them to pass without concrete action.

From: <https://www.thedailystar.net/news/world/usa/news/stop-buying-russian-oil-3984936>

India's IT sector nervous as US proposes outsourcing tax

September 14, 2025

- US bill (HIRE Act) proposes a 25pc tax on firms using foreign outsourcing, which would raise costs, prompt clients to delay or renegotiate contracts and trigger lobbying and legal fights that could slow new IT deals.
- India's IT sector is USD 283bn and >7pc of GDP, so any tax could erode cost arbitrage. Furthermore, combined federal, state and local levies could hit 60pc in some cases, risking long-term revenue loss.

From: <https://www.thedailystar.net/business/news/indias-it-sector-nervous-us-proposes-outsourcing-tax-3983856>

Under US pressure, Mexico mulls 50pc tariff on Chinese cars

September 14, 2025

- Mexico is proposing a bill to tax light-vehicle imports from China at 50pc and lift auto-parts duties to 10–50pc, aiming to protect strategic industries, replace Asian imports and, safeguard about 325,000 jobs. The bill also targets imports from South Korea, India, Indonesia, Russia, Thailand and Turkey.
- Sales rose about 10pc last year and Mexico now exports nearly 3mn autos to the US annually, linking domestic industry policy to US trade dynamics.

- With Sheinbaum's party holding Congress the measure is likely to pass, raising risks of trade diversion and retaliation.

From: <https://www.thedailystar.net/business/news/under-us-pressure-mexico-mulls-50-tariff-chinese-cars-3983846>

US consumer inflation heats up

September 14, 2025

- US consumer inflation rose last month to its highest level since January, government data showed Thursday, although analysts believe that this will not deter the central bank from an interest rate cut next week
- The data also underscored cost-of-living pressures on households as President Donald Trump's tariffs filter through the world's biggest economy, complicating the Federal Reserve's role in maintaining stable prices

From: <https://www.thedailystar.net/business/global-economy/news/us-consumer-inflation-heats-3984696>

Broad US price increases expected in August amid tariff pass-through

September 14, 2025

- US CPI rose to 2.9pc YoY in August (from 2.7pc in July) and core inflation at 3.1pc, signaling rising cost-of-living pressures.
- Despite slightly hotter inflation, the Fed is still poised to cut rates by 25 bps at its Sept 16–17 meeting.
- Tariffs are already lifting consumer bills – grocery inflation posted its biggest jump since 2022, coffee is up 21pc, audio equipment 12pc and furniture 10pc.

From: <https://www.thedailystar.net/business/news/broad-us-price-increases-expected-august-amid-tariff-pass-through-3983311>

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Morning Newsflash

Sunday, 14 September, 2025

IDLC-SL Research



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	Research Associate	mtashnim@idlc.com	880 1730 70 16 45
Zareen Binte Shahjahan	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: IDLCResearch@idlc.com