

Economy

Uncertainty continues to weigh on private credit growth

September 09, 2025

- Private credit growth barely moved, with July loans to businesses up 6.52pc y/y to BDT 17.42tn (USD 142.80bn), the second-lowest pace in 18 months as investment demand stays weak.
- Investment signals like opening of LCs for capital machinery fell 25pc in FY25 and imports of intermediate goods and raw materials declined, indicating that firms are postponing expansion amid political uncertainty and higher costs.
- Banks have grown cautious under tighter regulatory scrutiny, shifting funds into government securities. However, the central bank still projects a 7.2pc rise in business loans by Dec 2025 while the recovery depends on political stability and demand revival.

From: <https://www.thedailystar.net/business/news/uncertainty-continues-weigh-private-credit-growth-3981306>

Govt's domestic borrowing surpasses target by BDT 20bn

September 09, 2025

- Government borrowed BDT 1,193.7bn in FY2024-25, above the revised BDT 1,170bn target (USD 9.80bn vs USD 9.61bn), even though more than BDT 1,500bn (USD 12.3bn) of the BDT 7,440bn (USD 61.0bn) budget went unspent. Revenue shortfalls forced the government to borrow more as NBR missed its revised target by BDT 926.26bn (USD 7.61bn).
- Interest payments were revised up to BDT 1,215bn (USD 9.98bn); banks supplied BDT 771.07bn (USD 6.33bn) versus a BDT 990bn (USD 8.1bn) target, while non-bank borrowing jumped to BDT 483.22bn (USD 3.97bn).

From: <https://www.thedailystar.net/business/news/govts-domestic-borrowing-surpasses-target-BDT-2000cr-3981316>

Bangladesh Bank targets USD 40bn in reserves to stabilize taka

September 09, 2025

- Bangladesh Bank aims to lift gross reserves to about USD 40bn by June 2026 from USD 31.4bn now, buying over USD 1bn recently to steady the taka, the governor says the goal is to stabilize the rate, not fix the price.
- Reserves cover roughly five months of imports on the central-bank measure (four months by the IMF yardstick); the buildup follows repayment of nearly USD 4bn in arrears and stronger

remittances, which narrowed the current-account gap.

- Governor Ahsan H Mansur says political clarity after the Feb 2026 election will help speed up reforms while bank consolidation and tighter oversight of non-bank lenders are also necessary to lock in macro stability for five to ten years.

From: <https://www.tbsnews.net/economy/bangladesh-bank-targets-40-bln-reserves-stabilise-taka-1230981>

Banking

Govt to inject BDT 202bn (USD 1.66bn) to launch United Islami Bank thru merging 5 Islami Banks

September 09, 2025

- The government has approved an initial capital injection of BDT 202bn (USD 1.66bn) to establish United Islami Bank, a new entity that will be created by merging five struggling Islamic banks
- The proposed paid-up capital for the new bank is BDT 352bn (USD 2.89bn), which will make it the largest bank in Bangladesh once the consolidation is completed.

From: <https://www.observerbd.com/news/543118>

Trade and Commerce

Tariffs steer US synthetic shoe orders to Bangladesh

September 09, 2025

- US tariffs on Chinese footwear have pushed American buyers toward Bangladesh's non-leather and synthetic-leather makers.
- The export amount for synthetic shoe from Bangladesh hit USD 523mn in FY25, up from USD 244mn in FY2017-18. Synthetic shoes are becoming more popular globally than leather for comfort and style. Besides, synthetic materials are less expensive to produce than real leather, making synthetic footwear more accessible to a wider consumer base.
- For local non-leather footwear manufacturers, Europe remains the biggest destination, taking almost 90 percent of synthetic shoe exports. However, shoe shipments dipped to USD 42mn in August compared to USD 45mn a year earlier (-7pc) due to shipment delays and Chinese discounted products in Europe. But exporters say bulk US orders are returning and normal flows may take up to three months.

From: <https://www.thedailystar.net/business/news/tariffs-steer-us-synthetic-shoe-orders-bangladesh-3981301>

Govt allows 1,200 tons of hilsa export to India

September 09, 2025

- Commerce ministry has given the go-ahead to the export of 1,200 tons of hilsa to India ahead of this year's Durga Puja. Interested exporters have been asked to submit their application in hard copy within September 11 office hours.
- The minimum export price has been set at USD 12.5 per kilogram.

From: <https://www.thedailystar.net/business/news/govt-allows-1200-tons-hilsa-export-india-3980951>

Bangladesh seeks Chinese support to diversify exports, boost investment

September 09, 2025

- Bangladesh seeks to strengthen economic ties with China to diversify exports and attract investment, supporting sustainable socio-economic growth, particularly in the wake of its graduation from the least developed country (LDC) status.
- China offered two new MoUs to Bangladesh—to boost investment, expand exports, and strengthen supply chains—proposed for signing during the 15th Bangladesh–China Joint Economic Commission. One focuses on technical and investment cooperation, the other on supply-chain resilience.
- Sectors highlighted for potential collaboration in man-made fibre, light engineering, pharmaceuticals, agro-processing, cold-chain logistics, and infrastructure, with low-cost Chinese financing also on the table.

From: <https://www.tbsnews.net/economy/bangladesh-seeks-chinese-support-diversify-exports-boost-investment-1231491>

Cable makers hit by construction slowdown

September 09, 2025

- Cable makers report a 25–30pc slump in demand after cancelled or delayed government projects and weaker private investment, leading to unused capacity of BDT 150bn (USD 1.23bn), far above current annual demand of BDT 100bn (USD 819.72mn).
- Industrial orders fell about 50pc and real-estate cable sales plunged roughly 60pc, while raw-material imports are delayed two to three months and tighter banking rules squeezed working capital across the sector.

From: <https://www.thedailystar.net/business/news/cable-makers-hit-construction-slowdown-3981311>

Gold price keeps breaking record

September 09, 2025

- Gold prices broke the record set a day earlier and hit another historic high of BDT 182,809 (USD 1501.46) a bhoiri.
- Bangladesh Jewellers Association (Bajus) decided to make the rate effective from today.

From: <https://www.thedailystar.net/business/news/gold-price-keeps-breaking-record-3981206>

Corporate

Omera to acquire Totalgaz Bangladesh for BDT 2.27bn (USD)

September 09, 2025

- Omera Petroleum, a unit of MJL Bangladesh PLC, will acquire Premier LP Gas Ltd (Totalgaz Bangladesh) for BDT 2.27bn (USD 18.64mn), buying 99.995pc of shares.
- If regulatory approval received, it gains PLPG's infrastructure and 1.6 million cylinders.

From: <https://www.thedailystar.net/business/news/omera-acquire-totalgaz-bangladesh-BDT-227cr-3980816>

Biman cuts Jeddah flights from Ctg despite high demand

September 09, 2025

- From Sept 10, Biman will suspend the Wednesday Chattogram–Jeddah flight, cutting weekly frequency to two. Umrah pilgrims may face higher costs as the carrier cedes seats to fast-moving foreign airlines.
- SalamAir will add three weekly Muscat services from Chattogram from Sept 19, raising its weekly runs from seven to ten, which pushes many Jeddah, Kuwait and Doha passengers onto longer, costlier indirect routes.
- Biman says an aircraft shortage forced the cut, and Hajj agencies warn of a looming seat crisis as year-end pilgrim traffic builds, urging the carrier or regulators to restore capacity fast.

From: <https://www.thedailystar.net/business/economy/aviation/news/biman-cuts-jeddah-flights-ctg-despite-high-demand-3981006>

International

Oil prices climb

September 09, 2025

- Oil prices rose in early Monday trade after OPEC+ decided to raise output more slowly from October—Brent gained 0.5pc to USD 65.84/barrel and WTI rose 0.5pc to USD 62.17, recovering part of last week's losses.
- Though all OPEC+ producers continue to increase supply, the October cutback eased fears of oversupply; added support came from

expectations of tighter Russian supply due to potential new US sanctions.

- Analysts say the rebound appears technical—buoyed by policy signals rather than demand strength—so price pressure may return if supply continues to ramp up and demand remains weak.

From: <https://www.observerbd.com/news/543001>

Trump's tariffs could shave 0.5pc off India GDP

September 09, 2025

- India's chief economic adviser warned Trump's 50pc tariffs could cut India's GDP by about 0.5–0.6pc this year, a shock that would shave growth unless the levies are short-lived or buyers shift sourcing fast.
- Officials say the levies hit roughly 55pc of India's USD 87bn merchandise exports to the US, opening a clear window for rivals such as Vietnam, Bangladesh and China to grab displaced orders and market share.
- New Delhi still sticks to a 6.3–6.8pc growth target for FY26, citing a 7.8pc Q1 expansion, but advisers admit sustained tariffs could undercut that outlook and force policy adjustments.

From: <https://www.thedailystar.net/business/news/trumps-tariffs-could-shave-05-india-gdp-3980851>

StanChart expects Fed to cut rates by 50bps

September 09, 2025

- Standard Chartered now expects the Fed to cut rates by 50 bps at the Sept 17 meeting, up from a prior 25-bp call, after weak August payrolls that added only 22,000 jobs and pushed unemployment to 4.3pc.
- The bank says the labour market slid "from solid to soft in less than six weeks," opening the door to a catch-up half-point cut in September, but warns sticky inflation and fiscal easing make further cuts unlikely.
- Markets pricing a bigger cut would support Treasuries and equities and push the dollar lower, although Standard Chartered does not see any follow-up easing due to persistent inflation risks.

From: <https://www.thedailystar.net/business/news/stanchart-expects-fed-cut-rates-50bps-3981356>

China says trade grew in August, but below forecasts

September 09, 2025

- China's exports rose 4.4pc year-on-year in August, below Bloomberg's 5.5pc forecast; shipments to the US plunged 33.1pc y/y (–11.8pc m/m) while

exports to the EU (+10.4pc) and ASEAN (+22.5pc) masked the weakness.

- Imports grew only 1.3pc y/y in August versus a 3.4pc forecast, signaling weak domestic demand; factory output ticked up but still logged a fifth straight month of contraction, adding downside risk to the recovery.
- A US–China tariff truce (temporary cuts to 30pc US, 10pc China) and delayed reimposition until Nov 10 gave a short boost, but analysts say frontloading and trade-diversion gains are fading and exports may face renewed pressure.

From: <https://www.thedailystar.net/business/news/china-says-trade-grew-august-below-forecasts-3980796>

Asian markets rise as Japan's political shake-up weakens yen

September 09, 2025

- Asian stock markets rose on Monday, led by a strong rally in Tokyo, where the Nikkei 225 jumped 1.9pc following Japanese Prime Minister Shigeru Ishiba's unexpected resignation announcement.
- The yen fell sharply, with the dollar buying 148.14 yen in morning trade, up from 147.07 on Friday. Japanese exporters welcomed the currency's drop, while bond yields climbed amid political uncertainty and speculation over looser fiscal policies from Ishiba's potential successors.

From: <https://www.observerbd.com/news/543021>

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