

Economy

USD 4.7bn IMF loan: Govt meets most conditions for next tranche

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- Bangladesh has met key conditions like maintaining sufficient foreign exchange reserves and reducing arrears in the energy and fertilizer sectors to secure the next installment of the International Monetary Fund's loan program. However, it once again failed to meet the tax revenue collection target.
- To unlock the sixth tranche, expected to be around USD 450mn, Bangladesh must meet six Quantitative Performance Criteria (QPCs), the most binding IMF conditions. Three of these were introduced in May. The IMF originally approved a USD 4.7bn program in January 2023. In June this year, it released the fourth and fifth installments, alongside a six-month extension and a USD 800mn top-up, bringing the total package to USD 5.5bn. So far, Bangladesh has received USD 3.6bn.
- An IMF mission is scheduled to arrive in Dhaka on October 29 for a two-week review of progress made until June 2025.

From: <https://www.thedailystar.net/business/news/47-billion-imf-loan-govt-meets-most-conditions-next-tranche-4001036>

Taka firms in August as forex liquidity rises: report

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- The Bangladeshi taka strengthened against the US dollar in August as foreign exchange liquidity improved and the American greenback weakened globally, but intervention by Bangladesh Bank (BB) kept the exchange rate broadly stable.
- Interbank foreign exchange transactions in Bangladesh are comprised mainly of spot and swap deals between authorized dealer banks, while forward trades remain infrequent and small in size. Market activity slowed in August — average daily spot transactions fell to USD 33.23mn from USD 40.75mn in July. The share of spot trades in overall interbank activity also slipped to 30.22pc from 32.14pc a month earlier.
- The Bangladeshi taka strengthened to 121.40 per US dollar on August 10 from 122.30 at the end of July, according to BB's Exchange Rate & Foreign Exchange Market Dynamics report.

From: <https://www.thedailystar.net/business/news/taka-firms-august-forex-liquidity-rises-report-4001491>

ADB to cancel or redirect USD 408mn amid project delays

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- The Asian Development Bank (ADB) will cancel or redirect around USD 408mn from projects in Bangladesh this year due to prolonged implementation delays, even as several ADB-funded schemes made progress. The Manila-based lender announced the decision at a project implementation review meeting in Dhaka on Tuesday.
- According to the breakdown, USD 135mn was already cancelled earlier this year due to unused balances at project closing, stemming from procurement savings and favorable foreign exchange rate changes. Another USD 16mn is set to be cancelled by December, while USD 107mn will be repurposed for other programs, bringing the total to USD 408mn.
- This comes as Bangladesh struggles with weak public investment spending. In fiscal year (FY) 2024-25, development expenditure reached only 68pc of the revised annual development programme (ADP) — the lowest in nearly 50 years. In the first two months of FY2026, implementation was just 2.39pc, the poorest in 16 years. Earlier this year, the World Bank also repurposed USD 670mn from 11 ongoing projects for similar reasons.

From: <https://www.thedailystar.net/business/economy/news/adb-cancel-or-redirect-408m-amid-project-delays-4000636>

Ctg Port to enforce increased tariffs from 15 Oct amid businesses' concerns

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- The Chattogram Port Authority (CPA) has announced that it will enforce a new tariff structure from 15 October, which will see port usage charges and fees rise by an average of 41pc.
- The decision was formalized via a circular issued on Tuesday, signed by CPA's Chief Finance & Accounts Officer Mohammad Abdus Shakur. The new rates will apply to all ships, containers, and cargo arriving at the port. This marks the first tariff increase by the Chittagong Port Authority in approximately 40 years.

From: <https://www.tbsnews.net/economy/chattogram-port-enforce-increased-tariffs-14-oct-1250526>

Banking

Loan recovery from top 20 defaulters stalls

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- Financial authorities are focusing on the country's top 20 loan defaulters, who account for more than half of the toxic assets in six state-owned banks, as recovery efforts slow and capital shortfalls deepen.

- As of December 2024, the top 20 borrowers owed BDT 854.4bn (USD 7bn), representing more than 57pc of all non-performing loans (NPLs) in state-owned banks. Yet by mid-2025, the banks had clawed back just BDT 1.28bn (USD 10.5mn) -- barely 1.6pc of the annual recovery target of BDT 80.8bn (USD 662mn), according to a finance ministry report.
- The exposure is dangerously concentrated. Janata Bank alone holds 63pc of loans to these top defaulters, leaving it reliant on a handful of distressed conglomerates.
- Of the investment, the report cited the plan of UAE-based Abu Dhabi Ports to invest USD 1bn in the construction of a multipurpose terminal under the Bay Terminal project at Chattogram port. It also cited the announcement of Denmark-based shipping company AP Moller-Maersk to invest USD 400mn to open a new container terminal in Laldia, Chattogram.
- However, from a South Asian perspective, Bangladesh's share in FDI projects was far below that of India. South Asia attracted 258 logistics FDI projects, with India leading at 85pc.

From: <https://www.thedailystar.net/business/economy/banks/news/loan-recovery-top-20-defaulters-stalls-4000491>

From: <https://www.thedailystar.net/business/economy/news/bangladesh-drew-less-5-s-asias-logistics-fdi-report-4000626>

Cenbank board clears amended BB Ordinance, ending political control on key appointments

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- The Bangladesh Bank's board has approved the draft amendment to the Bangladesh Bank Ordinance 2025, introducing major changes in key appointments, mandate, and financial management to shield the central bank from political influence.
- Under the draft, the president will appoint the governor and deputy governors. While the amendment initially removed government representatives from the board, the final version retained one, according to central bank sources. At present, the board includes three government representatives.
- The ordinance, which will replace the Bangladesh Bank Order of 1972, has been sent to the finance ministry to be placed before the Advisory Council for final approval, according to central bank officials.

From: <https://www.tbsnews.net/economy/cenbank-board-clears-amended-bb-ordinance-ending-political-control-key-appointments-1251666>

Trade and Commerce

Bangladesh drew less than 5pc of S Asia's logistics FDI: report

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- Bangladesh has attracted USD 1.8bn in greenfield foreign direct investment (FDI) in logistics between 2019 and 2024, accounting for 4.9pc of South Asia's total, according to a report by GlobalData and the International Finance Corporation (IFC). The country registered 10 projects in logistics and warehousing operations during the period, apart from receiving USD 185.6mn in FDI in sales and administration business functions relating to the logistics sector, said the study.

Despite rising imports, palm oil prices spiral out of control in Ctg's Khatunganj

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- The government reduced the price of refined palm oil to BDT 150 (USD 1.23) per litre on 12 August, down by BDT 19 (USD 0.16). However, prices rose further in Khatunganj. Super palm oil is now selling at BDT 160-165 (USD 1.3-1.4), compared to BDT 150 (USD 1.23) a month ago, while crude palm oil is going for BDT 153-160 (USD 1.25-1.31).
- Wholesale traders attribute the rise to fluctuations in international booking rates, especially in Malaysia. In June, the booking rate there was 4,050 Ringgit, with Khatunganj prices at BDT 5,650 (USD 46.3) per maund. Later, when bookings rose to 4,600 Ringgit, local prices climbed to BDT 6,100 (USD 50). Even after the booking rate fell to 4,350 Ringgit, the Khatunganj price remained at BDT 5,980 (USD 49.02) per maund.

From: <https://www.tbsnews.net/economy/despite-rising-imports-palm-oil-prices-spiral-out-control-ctg-khatunganj-1252261>

Policyholders left in limbo as BDT 69.3bn (USD 568.4mn) in insurance claims go unpaid

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- The country's insurance sector is facing a deepening crisis as thousands of policyholders continue to wait for their rightful compensation. Till June 2025, insurance companies received claims totaling BDT 91.8bn (USD 752.5mn). However, they managed to pay only BDT 22.5bn (USD 184.1mn), leaving BDT 69.3bn (USD 568.4mn) in unsettled claims, according to unaudited data from the Insurance Development and Regulatory Authority (IDRA).
- This persistent backlog has left countless policyholders in limbo. Many have not received their money even years after their policies matured, leading to frustration and eroding public

trust in the sector. The IDRA itself has often been accused of failing to take strict measures against companies that do not settle claims. As a result, many insurers have grown increasingly reluctant to pay their customers, knowing that there will be little consequence from the regulator.

From: <https://www.tbsnews.net/economy/policyholders-left-limbo-tk6934cr-insurance-claims-go-unpaid-1251636>

Corporate

BRAC Bank gets nod for country's first social bond

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- BRAC Bank has recently received approval from the Bangladesh Securities and Exchange Commission and Bangladesh Bank to issue the country's first-ever social subordinated bond worth BDT 10bn (USD 82.0mn).
- The landmark issuance of the BRAC Bank Social Subordinated Bond will strengthen the bank's Tier-II capital under Basel III, according to a press release. It will also channel funds to cottage, micro, small and medium enterprises (CMSMEs), women-owned businesses, agriculture, food security, affordable housing, and essential services such as healthcare and sanitation.

From: <https://www.thedailystar.net/business/economy/banks/news/brac-bank-gets-nod-countrys-first-social-bond-4001986>

International

Gold set for seventh straight weekly rise

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- Gold prices rose on Friday, hovering near record highs and heading for a seventh consecutive weekly gain, supported by growing concerns over the economic impact of a prolonged US government shutdown and expectations of interest rate cuts.
- Spot gold rose 0.7pc to USD 3,884.19 per ounce by 01:40 p.m. ET (1749 GMT), after hitting a record high of USD 3,896.49 on Thursday. Prices have gained more than 3pc this week.

From: <https://www.thedailystar.net/business/global-economy/news/gold-set-seventh-straight-weekly-rise-4001691>

Falling ocean shipping rates put carrier profits at risk, analysts say

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- A slump in ocean shipping demand since U.S. President Donald Trump imposed a raft of new tariffs on trade partners earlier this year has helped send ocean container rates to their lowest

since January 2024, threatening profits at major carriers including Maersk and Hapag-Lloyd.

- The Drewry World Container Index (WCI), which tracks the off-contract "spot" rate to transport a 40-foot cargo container on major shipping lanes, dropped to roughly 20-month low of USD 1,669 per 40-foot container as of Thursday. The rate for Shanghai to Los Angeles, the busiest container trade route, was down 58pc from a year ago to USD 2,196, Drewry said.

From: <https://www.thedailystar.net/business/news/falling-ocean-shipping-rates-put-carrier-profits-risk-analysts-say-4001346>

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