Economy

Govt plans to shift fiscal year from July-June to April-March

August 16, 2026

- The government is planning to change Bangladesh's fiscal year from the current July-June cycle to April-March, with a proposal expected to be placed before a cabinet committee soon, according to finance ministry sources.
- The Budget Wing of the finance ministry is now reviewing what changes would be needed to laws related to the fiscal year, the budget-making process, the tax system, government accounting, and the implementation of development projects.

From: https://www.tbsnews.net/bangladesh/govt-plans-shift-fiscal-year-july-june-april-march-1513576

Expanding services sector grows 11.5pc in FY26

August 16, 2026

- The services sector, which accounts for more than half of Bangladesh's gross domestic product (GDP), continued to expand in the fiscal year 2025-26, with its size rising to BDT 32.06tn (USD 262.79bn) from BDT 28.75tn (USD 235.66bn) a year earlier.
- The sector's output increased by BDT 3.31tn (USD 27.13bn), or around 11.5pc, year on year in FY26, according to the latest Bangladesh Bank (BB) data.

From: https://thefinancialexpress.com.bd/bangladesh/expanding-services-sector-grows-115pc-in-fy26

Bangladesh, ADB identify USD 1.0b annual investment pipeline

August 16, 2026

- The government and Asian Development Bank (ADB) have identified an annual ADB pipeline of more than USD 1.0bn aligned with the IGND initiative and initiated investment promotion consultations with private sector representatives.
- The discussion with ADB addressed banking-sector and capital-market reforms, renewable energy and private sector participation, climate-resilient investment, digital transformation, and Chattogram's role as Bangladesh's principal maritime and economic gateway, the press statement said.

From: https://thefinancialexpress.com.bd/bangladesh/bangladesh-adb-identify-10b-annual-investment-pipeline

Banking

Bangladesh Bank streamlines foreign exchange rules for imports

August 16, 2026

- Bangladesh Bank has issued a consolidated circular incorporating the latest foreign exchange regulations governing import transactions. The circular combines all foreign exchange regulations related to imports issued over the past year and will remain in force for one year from Thursday, according to the central bank.
- The new framework includes provisions on import trade, online reporting, letters of credit (LCs), permitted payment methods, advance remittances, submission of bills of entry, supplier's and buyer's credit, settlement of import liabilities and back-to-back LCs. At the same time, all previous instructions related to imports will be scrapped, it said.

From: https://thefinancialexpress.com.bd/bangladesh/bangladesh-bank-streamlines-foreign-exchange-rules-for-imports

Dollar rates ease in banks, stays costly outside as remittance surges

August 16, 2026

- The dollar has continued to lose ground against the taka as remittance inflows rise and import spending trends lower. Over a week, the greenback fell BDT 0.61, or 0.50pc, in the interbank market.
- On Thursday, the dollar traded as high as BDT 123.41, as low as BDT 123.05, with an average rate of BDT 123.20. A week earlier, the average was BDT 123.81. But banks are selling dollars at higher rates, while the open market is charging BDT 126-127.

From: https://thefinancialexpress.com.bd/bangladesh/dollar-rates-ease-in-banks

Trade and Commerce

Gold prices rise to set record again

August 16, 2026

- The Bangladesh Jewellers' Association increased gold prices by BDT 2,158 (USD 17.69) per bhori within 24 hours due to rising pure gold prices in the local market.
- According to the new BAJUS rates, 22-carat gold per bhori (11.664 grams) including VAT will cost BDT 236,779 (USD 1,940.81), 21-carat gold per bhori BDT 226,165 (USD 1,853.81), 18-carat gold per bhori BDT 194,206 (USD 1,591.85), and traditional method gold per bhori BDT 158,630 (USD 1,300.25).

From: https://observerbd.com/news/588137

RMG

RMG exports to EU fall 16.43pc in Jan-Jun

August 16, 2026

- Bangladesh's ready-made garment (RMG) exports to the European Union (EU) fell 16.43pc year-on-year to €8.64bn in the January-June period of 2026, according to Eurostat, the bloc's statistical office.
- During the six months, the volume of exports fell 8.22pc year-on-year, while prices decreased 8.94pc.

From: https://www.thedailystar.net/business/economy/news/rmg-exports-eu-fall-1643-jan-jun-4248511

Capital Market

City Group to raise BDT 15bn (USD 122.95mn) from market for working capital, debt repayment

August 16, 2026

- City Group plans to raise around BDT 15bn (USD 122.95mn) from the secondary market at a time when it is heavily burdened with bank loans, straining its capacity to continue operations. The proposed fundraising is expected to take place over the next 12 to 18 months on a best-effort basis by the issue manager, LankaBangla Investments Ltd, subject to applicable laws and regulations, regulatory approvals, and market conditions.
- The instruments for raising capital may include an Initial Public Offering (IPO), private equity, preference shares, corporate bonds, Sukuk and/or other permissible capital market vehicles. As part of the move, the group will decide which companies will raise capital and through which instruments.
- On fund utilization, Reza Uddin Ahmed, a director of City Group, said there was no scope of further business expansion for the group. The fund mainly will be used as working capital and for repayment of debts.

From: https://thefinancialexpress.com.bd/bangladesh/city-group-to-raise-tk-15b-from-market-for-working-capital-debt-repayment

BB moves to liquidate five NBFIs with BDT 20.0bn (USD 163.9mn) from govt fund

August 16, 2026

- The central bank plans to seek BDT 20.0bn (USD 163.9mn) from the government's budget allocation to liquidate five non-bank financial institutions (NBFIs) that are already declared non-viable.
- The initial allocation would be used to make quick payments to individual depositors and help contain unrest in the financial sector, a senior Bangladesh Bank executive said. The official also said the previous plan was to repay depositors in full. However, the National Board of Revenue opposed funding the entire amount from the budget and suggested financing part of the payments from recovered assets.
- The official said BB's decision initially covered nine institutions. Four, however, were given three months to regain financial viability under Section 15 of the Bank Resolution Act. In July, Prime Finance and Investment, GSP Finance Company (Bangladesh), Bangladesh Industrial Finance Company, and Premier Leasing and Finance were given the window.

From: https://www.tbsnews.net/economy/banking/bb-moves-liquidate-five-nbfis-tk2000cr-govt-fund-1514701

Dhaka Bank to raise BDT 3.0bn (USD 24.6mn) via perpetual bond to bridge capital gap

August 16, 2026

- Dhaka Bank PLC has decided to raise BDT 3.0bn (USD 24.6mn) through the issuance of a contingent-convertible perpetual bond to strengthen its Tier -1 capital base and ensure compliance with international Basel-III standards.
- According to its half-yearly unaudited report for 2026, the bank's Tier-I capital (going concern capital) stood at 8.19pc, which is below the 8.50pc threshold mandated by the Bangladesh Bank. While the bank's total capital ratio remained compliant at 12.66pc – slightly above the 12.50% requirement – the issuance is necessary to reinforce its primary capital layer.

From: https://www.tbsnews.net/economy/stocks/dhaka-bank-raise-tk300cr-perpetual-bond-bridge-capital-gap-1515921

City Bank eyes BDT 30.0bn (USD 245.9mn) capital ceiling, plans to expand board

August 16, 2026

- The board of directors of City Bank PLC has proposed increasing the bank's authorized capital by 50% to BDT 30.0bn (USD 245.9mn), creating room to strengthen its paid-up capital amid new Bangladesh Bank cash dividend requirements.
- City Bank's current paid-up capital is BDT 17.5bn (USD 143.4mn), leaving a BDT 2.5bn (USD 20.5mn) gap to the required threshold. The bank paid a 15pc cash dividend and a 15pc stock dividend for 2025. By increasing its authorized capital, the bank will create the legal headroom to issue additional bonus or rights shares in the coming years and raise its paid-up capital above the regulatory threshold.

- City Bank has also proposed increasing the maximum number of non-independent directors from eight to ten. Shareholder approval will be sought to amend the relevant provisions of the bank's Memorandum and Articles of Association.

From: https://www.tbsnews.net/economy/stocks/city-bank-eyes-tk3000cr-capital-ceiling-plans-expand-board-1515896

Morgan Stanley ends 3-year pause on Bangladesh index reviews, to resume in Nov
August 16, 2026

- In a significant boost to the global credibility of Bangladesh's capital market, MSCI (Morgan Stanley Capital International) has announced that it will resume regular index reviews and implement corporate events for the MSCI Bangladesh Indexes starting November 2026.
- The recent decision ends a more than three-year hiatus during which the global index provider placed the Bangladeshi market under "special treatment" in 2023 because of a controversial floor price mechanism introduced in 2022.

From: https://www.tbsnews.net/economy/stocks/morgan-stanley-ends-3-year-pause-bangladesh-index-reviews-resume-nov-1514621

International

Most Asian stocks track Wall St record as US data ease rate fears
August 16, 2026

- Most Asian stocks rose Friday as another soft US inflation reading solidified expectations the Federal Reserve will hold off hiking interest rates, while a further drop in oil prices added to the upbeat mood.
- The advances tracked a healthy lead from Wall Street, where the S&P 500 ended at a record and the Nasdaq saw its highest close since June after data showed the producer price index slowed sharply in July and came in below forecasts.

From: https://observerbd.com/news/587972

India's inflation accelerates to 4.45pc
August 16, 2026

- India's retail inflation accelerated in July, led by higher food prices, to a pace that is still unlikely to push the central bank to hike interest rates over the next few months.
- The consumer price index rose 4.45pc from a year earlier in July, marking a second consecutive month above the Reserve Bank of India's 4pc medium-term target and nearly in line with a Reuters poll that had estimated inflation at 4.5pc.

From: https://www.thedailystar.net/business/global-economy/news/indias-inflation-accelerates-445-4247181

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