Treasury Weekly

BRAC BANK

আস্থা অবিচল

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USDBDT Exchange Rate

The central bank has been boosting reserves mainly by purchasing US dollars from commercial banks through auctions. Even after settling import- payment obligations to the Asian Clearing Union (ACU) member-countries as gross foreign-exchange reserves are yet expected to stay over US$32 billion.

A higher inflow of remittances prompts the central bank to scale up intervention in the foreign-exchange market to forestall any imbalance in dollar-taka exchange rates and avoid its economic domino effect. To maintain market stability and build a safety net, Bangladesh Bank so far purchased over $3.13 billion from commercial banks. The central bank purchased over $1 billion in December alone. It is expected that the current upward trend in remittances should continue until March as Eid-ul-Fitr is scheduled to be celebrated in the third week of that month.

Bangladesh's apparel export to the United States, its single-largest market, has been on the ascent with a double-digit growth of 15.14 per cent recorded during the first ten months of 2025. During the period, Bangladesh outpaced almost all its major competitors in export growth to the US, notwithstanding the tariff turmoil that spell an upset for many exporting countries.

Outlook: BDT is expected to remain stable driven by Bangladesh Bank Market Operations and considering sufficient remittance inflows ahead of Eid.

Global Currencies

EURUSD -0.70% weekly change

EUR ends week near 1.1640, posts 0.7% loss as Dollar dominates. EUR slides for the week as Dollar strength overshadows mixed US payrolls and housing data.

GBPUSD -0.42% weekly change

GBP slips below 1.3450 as NFP slash January Fed cut bets. GBP pulls back as weak job gains are offset by a lower unemployment rate, reinforcing labor market resilience.

AUDUSD -0.13% weekly change

AUD falls as USD firms on labor data, Australian inflation disappoints. The US Dollar finds support following mixed US labor market data. The AUD stays under pressure after weaker-than-expected inflation data.

USDJPY 0.68% weekly change

USD/JPY firms near one-year highs as markets scale back near-term Fed cuts. JPY hovers near one-year highs as resilient US data reinforce a cautious Fed outlook.

USDCNY 0.07% weekly change

USD/CNY remains under 7.0000 as China's December inflation data showed headline CPI rising to 0.8% y/y, the highest since February 2023, while core CPI stayed at 1.2% for a third consecutive month, and PPI printed -1.9%, indicating ongoing deflationary pressure.

Money Market

Item	Avg. Vol. (Cr.)	% Δ (Vol.)	WAR	% Δ (WAR)
Call	3716.94	-3.40%	9.88%	-0.13%
Repo	3832.89	17.09%	9.97%	0.14%
Term	38.50	-29.61%	11.17%	0.48%

Excess reserve (Excess CRR: un-invested cash) in banking system decreased to BDT 102.21. bio by end of July'25 from BDT 128.97 bio as of end of June'25. Total liquid asset (excess of min required asset) including excess investment in government treasury securities decreased to BDT 5.84 trio at the end of July'25 from 5.86 trio at end of June'25.

Interest Rate

Government net borrowing from banking system (including BB) stood at BDT 373.6 bln on Jul -Nov'FY26, whereas net borrowing from scheduled bank was BDT 192 bln during the same period. Government borrowing from the non-banking system stood at BDT 115.90 bln Jul-Oct'FY26. Net sales of NSC was BDT 20.76 bln during Jul-Nov'FY26, with a 23% Y-o-Y growth. Tax revenue collection on Jul-Oct'25 was BDT 1194.78 bln, showing 15.5% Y-o-Y growth. Inflation increased slightly to 8.49 % at the end of Dec, 25 [8.29% on Nov'25] with food inflation of 7.71% and Non-food inflation picket at 9.13%. M-o-M inflation decreased by 0.84% indicative sluggish slowness.

On monetary side, reserve money growth stood at 4.35% year on year in Nov'25. Broad money growth stood at 8.92% year on year in Nov'25 while month to month growth is 0.97%. Private Sector credit growth dropped to 6.58% in Nov'25. As inflation rate is still above targeted level, rate cut is not expected within next 1/2 months. In foreign exchange market, the central bank bought USD 617 million from the market in Jan'26, injecting approx. BDT 7,500 crore into the financial system. Liquidity condition eased riding on injected liquidity.

Outlook: Considering upcoming auction calendar and present liquidity conditions, government treasury yields are expected to fall in coming days.

Capital Market

- Ten state-owned enterprises (SoEs) and multinational companies (MNCs) have agreed in principle to offload a portion of their shares on the stock market, following board-level approvals or renewed commitment to seeking them. The move is part of the government's broader effort to deepen the capital market and rebuild investor confidence by bringing blue-chip companies to the bourses through direct listing.
- A high-powered committee formed by the finance ministry has recommended shifting long-closed, loss-making, and non-dividend-paying companies from the main board of the stock exchanges to a separate trading platform. The stocks would be labelled under a new 'R' category.
- BSEC has introduced the Public Offer of Equity Securities Rules, 2025, significantly tightening regulations on initial public offerings (IPOs) to ensure greater transparency, discipline and long-term stability in the capital market.

Market Synopsis

Reference Rate	Overnight	1M	3M`	6M	12M
USD SOFR	3.64000	3.67127	3.65180	3.59184	3.44488
ESTR/EURIBOR	1.93300	1.97100	2.01900	2.11600	2.25100
GBP SONIA	3.72490	3.73060	3.70690	3.63170	3.52570

Treasury Bill & Bond Yields

Tenor	Latest Yield	Previous Yield
91 Days	10.14%	10.42%
182 Days	10.25%	10.55%
364 Days	10.34%	10.66%
2 Years	10.51%	10.72%
5 Years	10.84%	10.79%
10 Years	10.87%	10.39%
15 Years	10.89%	10.74%
20 Years	10.90%	10.82%

Commodities

Commodity (unit)	Latest Price	Weekly Change
Brent Crude Oil (BBL)	63.34	4.26%
Gold (OZS)	4,510.15	4.16%
ICE-US Cotton (LBS)	64.41	0.62%
Soybean (BSH)	1,048.50	1.85%
Wheat (BSH)	517.25	2.12%
Sugar (LBS)	14.89	1.99%
Palm Oil (Tonne)	991.65	0.68%
Steel (Tonne)	940.00	0.00%

Released Economic Data (South Asia & China)

Indicator	India	Pakistan	China	Bangladesh
CPI (YoY)	0.71%	5.60%	0.20%	9.94%
GDP Annual Growth Rate	8.20%	3.70%	4.80%	3.97%
Policy Repo Rate	5.25%	10.50%	3.00%	10.00%
Government Bond 10Y	6.63%	11.08%	1.88%	10.87%

Released Economic Data (G8 Countries)

Indicator	USA	UK	Eurozone	Japan
CPI (YoY)	2.70%	3.20%	2.00%	2.90%
GDP Growth Rate	4.30%	0.10%	0.30%	-0.60%
Unemployment Rate	4.40%	5.10%	6.30%	2.60%
Base Rate	3.75%	3.75%	2.15%	0.75%
Government Bond 10Y	4.18%	4.38%	3.22%*	2.10%

*10-Year Eurozone Central Government Bond Par Yield Curve

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