Treasury Weekly

BRAC BANK

আস্থা অবিচল

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USDBDT Exchange Rate

Expatriate Bangladeshis have sent over $2 billion in remittances during the first 18 days of February, as money transfers surged ahead of Ramadan and Eid. Central bank statistics show that January 2026 saw an inflow of $3.17 billion, marking it as the third-highest monthly total in the country's history. The current fiscal year (FY 2025–26) has shown robust growth, with total remittances reaching $21.56 billion between July 1 and February 18. The country's foreign exchange reserves have crossed the $30 billion mark (19 February).

Import letters of credit (LCs) opened in January climbed to $6.61 billion – the highest in 11 months. The surge is attributed to increased imports of essential commodities ahead of Ramadan and a renewed sense of business confidence surrounding the February elections. Traders also brought in some capital machinery in anticipation of improved economic conditions. However, Bangladesh Bank data shows that private sector credit growth stood at 6.10% at the end of December, remaining below 7% for seven consecutive months. This indicates that businesses are borrowing less for trade and investment. Without new business expansion, demand for capital machinery remains limited, which in turn affects LC openings.

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

Global Currencies

Currency Pair	Weekly Change	Current Level	Expected Weekly Trend
EURUSD	0.28%	1.1813	Bullish
GBPUSD	0.01%	1.3484	Neutral
AUDUSD	0.42%	0.7113	Bullish
USDJPY	0.64%	156.05	Bullish
USDCNY	-0.73%	6.8579	Bearish

Market Overview:

- EUR steadies above 1.18 despite stronger than expected PPI data. US producer inflation remains firm.
- GBP falls after core PPI jumps to 3.6%, supporting a less dovish federal reserve outlook. Middle east tensions linked ot Donald Trump add safe haven bid to USD.
- AUD trades little changed on Friday as USD retreats despite strong PPI data. RBA rate hike bets continue to underpin the AUD.
- JPY trades near 156.00 as the USD consolidates after the PPI release. Producer inflation surprise to the upside, reducing bets on a June Fed rate cut.

Money Market

Item	Avg. Vol. (Cr.)	% Δ (Vol.)	WAR	% Δ (WAR)
Call	3837.30	-23.13%	9.87%	-0.07%
Repo	3887.67	17.28%	10.41%	0.13%
Term	110.08	163.66%	10.73%	-0.11%

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 414.9 bln on Jul -15 Jan'FY26, whereas net borrowing from scheduled bank was BDT 379.93 bln during the same period. Government borrowing from the non-banking system stood at BDT 82.57 bln Jul-Dec'FY26. Net sales of NSC was BDT 24.61 bln during Jul-Dec'FY26. Tax revenue collection on Jul-Jan'FY26 was BDT 2236.3 bln, showing 12.9% Y-o-Y growth. Inflation increased slightly to 8.58 % at the end of Jan'26 [8.49% on Dec'25] with food inflation of 8.29% and Non-food inflation picket at 8.81%. M-o-M inflation decreased by 0.73% indicative sluggish slowness. Bangladesh Purchasing Manager Index (PMI) kept its Slower Expansion at 53.9 level.

On monetary side, reserve money growth stood at 9.22% year on year in Dec'25. Broad money growth stood at 9.55% year on year in Dec'25, indicating faster Reserve money growth at year end. Private Sector credit growth dropped further to 6.10% in Dec'25 at multi year low level. 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 1.5 bln from the market in Feb'26, injecting approx. BDT 18,800 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

- Stocks opened the week nearly flat on Sunday as investors mostly remained watchful, waiting for the potential policy direction and regulatory changes under the newly elected government. Market analysts said cautious investors preferred to realize gains from the recent election-driven rally, while opportunistic investors opted to take positions in lucrative stocks, keeping the market index flat
- Chittagong Stock Exchange (CSE) completed setting up an online trading platform nearly a year ago and also conducted a mock trading session. To simplify the process of trading open-ended fund units, a separate clause was included in the revised mutual fund rules published in November last year. Managing director of the CSE said that asset managers are not interested in online trading in open-ended funds.

Market Synopsis

Reference Rate	Overnight	1M	3M	6M	12M
USD SOFR	3.67000	3.66727	3.66573	3.61828	3.46731
ESTR/EURIBOR	1.93500	1.94300	2.01300	2.12800	2.22200
GBP SONIA	3.72860	3.65870	3.56570	3.49380	3.40050

Treasury Bill & Bond Yields

Tenor	Latest Yield	Previous Yield
91 Days	9.90%	10.02%
182 Days	9.98%	10.11%
364 Days	9.94%	10.07%
2 Years	10.46%	10.51%
5 Years	10.32%	10.31%
10 Years	10.37%	10.49%
15 Years	10.34%	10.55%
20 Years	10.44%	10.67%

Commodities

Commodity (unit)	Latest Price	Weekly Change
Brent Crude Oil (BBL)	72.48	1.00%
Gold (OZS)	5,277.29	3.41%
ICE-US Cotton (LBS)	63.61	0.92%
Soybean (BSH)	1,157.25	1.74%
Wheat (BSH)	591.25	3.10%
Sugar (LBS)	14.30	0.00%
Palm Oil (Tonne)	1,040.00	-0.86%
Steel (Tonne)	1,017.00	3.67%

Released Economic Data (South Asia & China)

Indicator	India	Pakistan	China	Bangladesh
CPI (YoY)	2.75%	5.80%	0.20%	8.58%
GDP Annual Growth Rate	7.80%	3.70%	4.50%	3.97%
Policy Repo Rate	5.25%	10.50%	3.00%	10.00%
Government Bond 10Y	6.71%	11.43%	1.79%	10.49%

Released Economic Data (G8 Countries)

Indicator	USA	UK	Eurozone	Japan
CPI (YoY)	2.40%	3.00%	1.70%	1.50%
GDP Growth Rate	1.40%	0.10%	0.30%	0.10%
Unemployment Rate	4.30%	5.20%	6.20%	2.60%
Base Rate	3.75%	3.75%	2.15%	0.75%
Government Bond 10Y	4.05%	4.31%	3.15%*	2.10%

**10-Year Eurozone Central Government Bond Par Yield Curve*

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