Treasury Weekly

BRAC BANK
আস্থা অবিচল

Issue # 05-2026 | Date: 10 May 2026

USDBDT Exchange Rate

The country's remittance inflow has reached $315 million in the first three days of May, reflecting sustained strong inflows from expatriate Bangladeshis. On a cumulative basis, expatriate Bangladeshis sent $29,648 million in remittances from July to May 3, of the current fiscal year, significantly higher than $24,625 million recorded in the corresponding period of the previous fiscal year. Bangladesh's foreign exchange reserves stood at US$35.20 billion, according to the latest data released by the Bangladesh Bank (BB) on Sunday. Under the International Monetary Fund's (IMF) BPM-6 accounting method, the reserves stood at $30.51 billion, the central bank added. Central bank has resumed purchase of USD from the interbank market.

The central bank remains concerned about persistently high inflation and is seeking to ease pressure by strengthening the local currency. Central Bank officers opined that a stronger taka can help reduce import costs. The Bangladesh Bank purchased $30 million from commercial banks through an auction yesterday, aiming to strengthen foreign exchange reserves ahead of upcoming payments to the Asian Clearing Union (ACU).

Outlook: BDT is expected to depreciate gradually against USD keeping in mind global market situation and currency competitiveness.

Global Currencies

Currency Pair	Weekly Change	Current Level	Expected Weekly Trend
EURUSD	-0.01%	1.1721	Neutral
GBPUSD	0.32%	1.3576	Neutral
AUDUSD	0.77%	0.7206	Bullish
USDJPY	-1.46%	157.06	Bearish
USDCNY	-0.12%	6.8282	Bearish

Market Overview:

- Trump threatens to raise EU auto tariffs to 25% from 15%, weighing on the EUR/USD pair. USD rebounds from two-week lows amid intensifying geopolitical risks.
- GBP/USD surges past 1.3600 as Yen intervention batters Dollar. Fed hawks warned energy shocks could keep inflation pressures elevated.
- AUD/USD remains bullish despite hovering around 0.7200. RSI above 50 supports bullish momentum and potential breakout scenario.
- USD/JPY steadies after Japan's intervention checks Yen slide. Iran's proposal to Washington helped improve broader market sentiment.

Money Market

Item	Avg. Vol. (Cr.)	% Δ (Vol.)	WAR	% Δ (WAR)
Call	5208.64	57.95%	9.98%	-0.02%
Repo	3970.73	9.25%	9.83%	-0.10%
Term	57.15	-61.19%	11.87%	1.43%

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 8,830 Bn during Jul-Feb'FY26. Government borrowing from the non-banking system stood at BDT 40.34 Bn Jul-Feb'FY26. Net sales of NSC was BDT -5.55 Bn during Jul-Feb'FY26. Tax revenue collection during Jul-Mar'FY26 was BDT 2,878.6 Bn, showing 11.15% Y-o-Y growth. Inflation increased to 9.04% at the end of Apr'26 [8.71% in Mar'26] with food inflation of 8.39% and non-food inflation of 9.57%. M-o-M inflation increased by 33 basis points, mostly driven by non-food price inflation because of oil price hike. On monetary side, Bangladesh witnessed a sharp expansion in high-powered money, with reserve money growing by 13.35% Y-o-Y in Feb'26 and broad money growing at 10.52% Y-o-Y in Feb'26. The expansion was largely attributed to the central bank injecting money to meet government expenditure needs. Private Sector credit growth dropped further to 6.03% in Feb'25 at historical lowest level. As inflation rate is still above targeted level, rate cut is not expected in near term. In Apr'26, Bangladesh Bank's USD purchases decreased significantly compared to Feb'26. While February saw record-breaking monthly purchases of approximately USD 1.5 Bn, April experienced around USD 120 Mn purchases. It significantly lowered direct liquidity injection into the banking system in Apr'26 compared to two months earlier.

Outlook: As the fiscal year closes in June 2026, the government is poised to continue relying on high-yield borrowing to cover budgetary shortfalls amidst persistent energy-driven inflation, indicating that high interest rates will likely persist in the near term.

Capital Market

- Foreign investments in Bangladesh's stock market plunged by 70% over the past five years to USD 914.58 Mn at the end of December 2025, underscoring sustained capital outflows and a steady erosion of investor confidence. Foreign equity holdings dropped sharply from USD 3.0 Bn in 2020 to USD 865 Mn in 2024, before slightly recovering in 2025, according to Bangladesh Bank data.
- The number of junk stocks on the Dhaka Stock Exchange (DSE) has surged to a record high of 125, accounting for 35% of all listed companies. The sharp rise follows the downgrade of 10 more banks to the Z category on Sunday after they failed to declare dividends for two consecutive years- 2024 and 2025 -amid rising non-performing loans (NPLs) and significant provisioning shortfalls.

Market Synopsis

Reference Rate	Overnight	1M	3M	6M	12M
USD SOFR	3.60000	3.63229	3.64329	3.65770	3.72516
ESTR/EURIBOR	1.93000	1.96700	2.23400	2.47200	2.70800
GBP SONIA	3.72990	3.73750	3.82100	3.97750	4.19710

Treasury Bill & Bond Yields

Tenor	Latest Yield	Previous Yield
91 Days	10.17%	10.16%
182 Days	10.49%	10.41%
364 Days	10.68%	10.54%
2 Years	10.72%	10.23%
5 Years	10.75%	10.21%
10 Years	10.98%	10.25%
15 Years	11.15%	10.49%
20 Years	11.23%	10.60%

Commodities

Commodity (unit)	Latest Price	Weekly Change
Brent Crude Oil (BBL)	101.29	-6.36%
Gold (OZS)	4,714.41	2.18%
ICE-US Cotton (LBS)	84.73	3.52%
Soybean (BSH)	1,194.25	0.55%
Wheat (BSH)	607.50	-2.72%
Sugar (LBS)	14.69	-1.74%
Palm Oil (Tonne)	1,149.82	-0.19%
Steel (Tonne)	1,078.00	-0.55%

Released Economic Data (South Asia & China)

Indicator	India	Pakistan	China	Bangladesh
CPI (YoY)	3.40%	10.90%	1.00%	9.04%
GDP Annual Growth Rate	7.80%	3.90%	5.00%	3.97%
Policy Repo Rate	5.25%	11.50%	3.00%	10.00%
Government Bond 10Y	6.96%	12.80%	1.77%	10.98%

Released Economic Data (G8 Countries)

Indicator	USA	UK	Eurozone	Japan
CPI (YoY)	3.30%	3.30%	3.00%	1.50%
GDP Growth Rate	2.00%	0.10%	0.10%	0.30%
Unemployment Rate	4.30%	4.90%	6.20%	2.70%
Base Rate	3.75%	3.75%	2.15%	0.75%
Government Bond 10Y	4.36%	4.92%	3.35%*	2.48%

*10-Year Eurozone Central Government Bond Par Yield Curve

For further information please contact:
Dealing Room, Treasury & Financial Institutions, BRAC Bank PLC
Phone: +88028801257-58 **E-mail:** dealing.room@bracbank.com