Treasury Weekly

BRAC BANK
আস্থা অবিচল

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USDBDT Exchange Rate

During the first 10 months (July-April) of FY26, the current account recorded a deficit of $1.07 billion, compared with a deficit of $1.64 billion during the same period of the previous fiscal year. As a result, the deficit narrowed by $563 million. Despite the trade deficit widening by more than $4 billion, robust remittance inflows helped offset the impact and reduce the overall deficit. emittance inflows during the first 10 months of the current fiscal year increased by 19.5% compared with the same period a year earlier. Expatriate Bangladeshis sent $29.33 billion during July-April of FY2025-26, up from $24.54 billion during the corresponding period of FY2024-25.

Bangladesh Bank data show that the trade deficit widened to $22.21 billion during the first 10 months of FY2025-26, compared with $18.23 billion during the same period of the previous fiscal year. Exports during the first 10 months of the current fiscal year totalled $36.02 billion, down from $36.57 billion a year earlier. This represents a decline of about 1.5%. Meanwhile, imports increased by nearly $4 billion. Imports reached $58.23 billion during the period, compared with $54.80 billion during the same period of the previous fiscal year.

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	-0.24%	1.1631	Bearish
GBPUSD	-0.21%	1.3440	Bearish
AUDUSD	-0.63%	0.7138	Bearish
USDJPY	0.35%	159.87	Bullish
USDCNY	0.16%	6.7746	Neutral

Market Overview:

The Eurozone Retail Sales data for April declines at a faster pace of 0.4% in April, compared to the 0.3% contraction expected.

GBP/USD edges up to near 1.3430 as the USD ticks lower. The Cable is broadly sideways amid the US-Iran deadlock. US President Trump confirmed that Iran's Ayatollah is involved in negotiations with Washington.

USD/JPY retreats from over a one-month high set on Thursday, though it lacks follow-through. The Israel-Lebanon ceasefire weighs on the USD and the currency pair amid intervention fears. The bullish technical setup warrants some caution before positioning for any corrective decline.

Money Market

Item	Avg. Vol. (Cr.)	% Δ (Vol.)	WAR	% Δ (WAR)
Call	5746.18	25.38%	9.95%	-0.16%
Repo	2478.13	-18.50%	10.20%	0.29%
Term	25.15	-51.41%	10.86%	-0.16%

Excess reserve (Excess CRR: un-invested cash) in banking system decreased to BDT 71.72 bio by end of oct'25 from BDT 97.35 bio as of end of sep'25. Total liquid asset (excess of min required asset) including excess investment in government treasury securities increased to BDT 6.26 trio at the end of Oct'25 from 6.19 trio at end of Sep'25.

Interest Rate

Government net borrowing from banking system (including BB) stood at BDT 12,610 Bn during Jul-Mar'FY26. Tax revenue collection during Jul-Apr'FY26 was BDT 3,269.3 Bn, showing 10.6% Y-o-Y growth. Inflation increased to 9.04% at the end of Apr'26. M-o-M inflation increased by 33 basis points, mostly driven by non-food inflation of 9.57% due to oil price hike. Electricity tariff hike by 16.7% (Retail) and 19.9% (Bulk) could create upward pressure on inflation in the coming months.

On monetary side, Bangladesh witnessed reserve money expansion by 10.07% Y-o-Y in Mar'26 and broad money growing at 10.43% Y-o-Y in Mar'26. The expansion was largely attributed to the central bank injecting money to meet government expenditure needs. Bangladesh Bank's purchase of USD 310 Mn from the market in May'26 injects additional taka liquidity into the banking system, which may further support money supply growth. Private Sector credit growth dropped further to 4.72% in Mar'25 at historical lowest level. However, Bangladesh Bank's announced BDT 600 Bn stimulus package for reopening closed factories and long-term private sector growth expected to increase credit creation and money supply as well.

Outlook: Despite increased government borrowing ahead of the fiscal year-end, ongoing liquidity injections and improving liquidity expectations in the banking system are likely to limit the scope for further rate hikes in the coming

Capital Market

- Finance Minister promises professional, politics-free securities commission. The entire commission of the securities regulator will be replaced within two weeks by non-political professionals with adequate knowledge of the capital market.
- DSEX hit a three-month peak as investors remained highly confident, driven by expectations of positive government commitments toward capital market development. This optimism encouraged continued buying of fundamentally solid and attractively priced stocks.

Market Synopsis

Reference Rate	Overnight	1M	3M	6M	12M
USD SOFR	3.63000	3.62103	3.66135	3.73960	3.91915
ESTR/EURIBOR	1.93100	2.00900	2.31200	2.58400	2.84200
GBP SONIA	3.73120	3.74300	3.80090	3.92400	4.12290

Treasury Bill & Bond Yields

Tenor	Latest Yield	Previous Yield
91 Days	10.06%	10.15%
182 Days	10.17%	10.41%
364 Days	10.20%	10.50%
2 Years	10.43%	10.72%
5 Years	10.78%	10.75%
10 Years	10.91%	10.98%
15 Years	11.03%	11.15%
20 Years	11.10%	11.23%

Commodities

Commodity (unit)	Latest Price	Weekly Change
Brent Crude Oil (BBL)	93.09	1.13%
Gold (OZS)	4,328.80	-4.56%
ICE-US Cotton (LBS)	73.75	-3.15%
Soybean (BSH)	1,121.50	-5.50%
Wheat (BSH)	580.00	-5.00%
Sugar (LBS)	14.14	0.57%
Palm Oil (Tonne)	1,131.43	-1.13%
Steel (Tonne)	1,126.00	0.27%

Released Economic Data (South Asia & China)

Indicator	India	Pakistan	China	Bangladesh
CPI (YoY)	3.48%	11.70%	1.20%	9.42%
GDP Annual Growth Rate	7.80%	3.90%	5.00%	3.49%
Policy Repo Rate	5.25%	11.50%	3.00%	10.00%
Government Bond 10Y	6.93%	12.75%	1.74%	10.91%

Released Economic Data (G8 Countries)

Indicator	USA	UK	Eurozone	Japan
CPI (YoY)	3.80%	2.80%	3.20%	1.40%
GDP Growth Rate	1.60%	0.60%	0.20%	0.60%
Unemployment Rate	4.30%	5.00%	6.30%	2.50%
Base Rate	3.75%	3.75%	2.15%	0.75%
Government Bond 10Y	4.55%	4.94%	3.39%*	2.68%

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

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