Treasury Weekly

BRAC BANK

আস্থা অবিচল

Issue # 10-2025 | Date:03 Nov 2025

Currency Outlook

USDBDT Exchange Rate

Capital-machinery import rebounds into positive trajectory from a slump, indicating some acceleration in the economy after months of sluggishness Bangladesh had witnessed following disruptions. In sync with the upturn in import of capital machinery, the country sees a sharp growth in the overall import orders in recent times on the back of some pivots. The import of capital machinery grew by 0.72% in the first two months (July-August) of the current fiscal year (FY'26). Orders for the import of capital machinery amounted to US$264 million during July-August. Because of the steady rise in forex reserves, the commercial banks are not showing any reluctance to open LCs for the import of all goods on demand. opening of fresh LCs, generally known as import orders, increased over 13% to US$6.22 billion in September from the August count of $5.38 billion.

Remittance inflow through banking channels surpassed $2.0 billion in the first 25 days of October, maintaining the upward trend in remittance inflow. On a daily basis, an average of $81.3 million arrived in the country this month, compared with an average daily remittance of $77.2 million in October 2024. The rising remittance inflow has also boosted Bangladesh's foreign exchange reserves. As of Oct 30, gross reserves stood at $32.14 billion, while under the IMF's BPM6 calculation method, the figure was $27.354billion. Bangladesh earned $2.3 billion from exports to the US in the first quarter of FY26, up from $2.1 billion in the same period a year earlier, according to the Export Promotion Bureau (EPB). Of this, ready-made garments accounted for $2.12 billion, compared with $1.87 billion last year.

Outlook: BDT is expected to gradually depreciate against USD considering higher demand for the greenback due to increased import payments.

Global Currencies

EURUSD -0.76% weekly change ↓

EUR is consolidating in the upper 1.15s. The EUR's technical undertone is soft but spot has found steady support on dips to the low/ mid 1.15s in October and it may take a clear push under 1.1525 to signal more downside risk in the EUR in the short run.

GBPUSD -1.20% weekly change ↓

Cable continues to lean quite hard on key support at 1.3140/45. A decisive break lower has not yet been established on the daily chart but a soft close on the week for the GBP may signal greater risk of more, near-term downside movement, potentially to the 1.2950/1.3050 range.

AUDUSD 0.51% weekly change ↑

There is scope for Australian Dollar (AUD) to test 0.6530; the major support at 0.6505 is not expected to come under threat. In the longer run, AUD is likely to trade in a range between 0.6505 and 0.6610.

USDJPY 0.74% weekly change ↑

US Dollar (USD) could test 154.50 before a pullback can be expected. In the longer run, sharp increase in upward momentum could lead to further USD advance toward 154.90.

USDCNY -0.06% weekly change ↓

USD/CNY holds up, stable near Thurs close, last 7.1092. While nearly unchanged, chart still displays bearish bias. SSEC -0.6%, amid profit-taking after US trade truce. China Oct manufacturing PMI missed, shrank 7th month.

Money

Money Market

Item	Avg. Vol. (Cr.)	% Δ (Vol.)	WAR	% Δ (WAR)
Call	5909.48	-4.92%	9.77%	0.02%
Repo	2587.94	-36.45%	9.73%	-0.22%
Term	115.28	64.51%	10.80%	0.12%

Excess reserve (Excess CRR: un-invested cash) in banking system increased to BDT 128.97 bio by end of Jun25 from BDT 67.19 bio as of end of May'25. Total liquid asset (excess of min required asset) including excess investment in government treasury securities increased to BDT 5.86 trio at the end of Jun'25 from 5.27 trio at end of May'25.

Interest Rate

Government net repayment to the banking system (including BB) stood BDT 25.16 bln on Jul 01-Aug 31'FY26, whereas net repayment to scheduled bank was BDT 31.05 bln during the same period. Government borrowing from the non-banking system stood BDT 117.27 bln Jul-Aug'FY26. Net sales of NSC was BDT 19.45 bln during Jul-Sep'FY26, with a 52% Y-o-Y degrowth. Tax revenue collection on Jul-Aug'25 was BDT 544.23 bln, showing 20.9% Y-o-Y growth. Inflation picked up slightly to 8.36 % at the end of Sep, 25 [8.29% on Aug'25] with food inflation of 7.64% and Non-food inflation eased to 8.98%. M-o-M inflation slowed down 1.05% from 2.36% M-o-M growth in Sep'25, indicative pace-off. Bangladesh September Purchasing Manager Index (PMI) recorded a bit expansion to 59.1, depicting still cautionary approach in services, manufacturing and agricultural sector. ADP implementation edged up slightly to 5% Jul-Sep'FY26. In Jul-Sep, a total of Tk 121.58 billion has been spent from the development budget, compared with Tk 132.15 billion during the same period in FY2025. Reserve money growth was 3.4% and Broad Money growth was 8.14% on Sep,FY26. Private sector credit growth dropped further to 6.29% on the same period. Central bank stopped buying foreign currency from the banking system. BB Governor reiterated that we may see policy rate cut no sooner than Jan'26 if inflation falls below 7.00%. Driven by minor cyclical tighter liquidity and higher rate expectations, all the GSEC yield showed slight upward movement recent times.

Outlook: We expect interest rates to become stable at current levels for time being, with further downward movement after monetary policy easing, once inflation is within targeted range.

Capital Market

- The securities regulator has formed a Shariah advisory council to facilitate the issuance of Shariah-compliant securities and promote the development of an Islamic capital market. Md Abul Kalam, BSEC director and spokesperson, said there is a substantial demand for Shariah-compliant securities, but the supply has remained limited. The council comprises nine members—five Shariah scholars and four experts from different industries.
- DSE is set to introduce a faster and more digitized IPO process, enabling companies to get listed within six months, said Acting Managing Director and COO Mohammad Asadur Rahman.
- With some stocks trading around BDT 1 per share, the prime bourse has reduced the smallest allowable price deviation in each transaction for such securities to BDT 0.01 from the existing BDT 0.10; aimed at ensuring smoother price discovery and improved market efficiency.

Market Synopsis

Treasury Bill & Bond Yields

Latest Issue Date	Tenor	Latest Yield	Previous Yield
03-Nov-25	91 Days	10.24%	9.53%
03-Nov-25	182 Days	9.99%	9.98%
03-Nov-25	364 Days	9.99%	9.99%
08-Oct-25	2 Years	9.46%	10.17%
15-Oct-25	5 Years	9.35%	10.03%
22-Oct-25	10 Years	9.97%	9.90%
29-Oct-25	15 Years	10.09%	9.67%
29-Oct-25	20 Years	10.31%	9.70%

Capital Market

Index	Value
DSEX	5,061.01
FTSE 100	9,739.68
Nikkei 225	52,411.34
Dow Jones IA	47,562.87
S&P 500	6,840.20

USD SOFR

Tenor	SOFR
Overnight	4.04000
1M	3.99963
3M	3.88927
6M	3.78944
1Y	3.61201
Source	Refinitiv, CME Term SOFR

Commodities

Commodity (unit)	Latest Price	Weekly Change
Brent Crude Oil (BBL)	65.07	-1.32%
Gold (OZS)	4,001.78	-2.67%
ICE-US Cotton (LBS)	65.54	2.09%
Soybean (BSH)	1,099.75	5.57%
Wheat (BSH)	534.00	4.20%
Sugar (LBS)	14.43	-3.61%
Palm Oil (Tonne)	1,005.50	-4.04%
Steel (Tonne)	851.00	4.67%

Released Economic Data (South Asia & China)

Indicator	India	Pakistan	China	Bangladesh
CPI (YoY)	2.07%	5.60%	-0.03%	8.36%
GDP Annual Growth Rate	7.80%	2.40%	5.20%	3.97%
Policy Repo Rate	5.50%	11.00%	3.00%	10.00%
Government Bond 10Y	6.54%	11.90%	1.74%	9.97%

Released Economic Data (G8 Countries)

Indicator	USA	UK	Eurozone	Japan
CPI (YoY)	3.00%	3.80%	2.20%	2.70%
GDP Growth Rate	3.80%	0.30%	0.10%	0.50%
Unemployment Rate	4.30%	4.80%	6.30%	2.60%
Base Rate	4.00%	4.00%	2.15%	0.50%
Government Bond 10Y	4.08%	4.41%	3.09%*	1.66%

**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