

USDBDT Exchange Rate

Bangladesh recorded a strong rebound year-on-year among the major Asian apparel exporters in August this year, as shipments to the key market increased despite a weaker cumulative performance during the Jan-Aug period. Bangladesh exported \$734.6 million worth of apparel to the US in Aug 26, compared with \$660.9 million in Aug 25(OTEXA). Bangladesh received USD513mn in workers' remittances during October 1-5, 2026, marking a 21.4% increase from USD422mn received during the corresponding period of 2025. The country received USD109mn in remittances on October 5 alone, according to Bangladesh Bank data. Bangladesh's merchandise exports rose 8.54% year-on-year to \$3.94 billion in September, driven by stronger shipments of ready-made garments (RMG) and several major non-RMG products, according to the latest data from the Export Promotion Bureau (EPB).

Bangladesh's trade deficit widened 29% year-on-year to USD3.82bn in the first two months of the current fiscal 2026-27 as import payments rose faster than export earnings. The trade deficit was USD2.96bn in July-August of the previous fiscal year. Fuel imports were the dominant driver of the rising import bill. Weaker foreign financing pushed the country's overall balance of payments deficit to USD694mn offsetting strong rise in remittances, raising fresh pressure on its external position.

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

Global Currencies

Currency Pair	Weekly Change	Current Level	Expected Weekly Trend
EURUSD	-0.63%	1.1186	Bearish
GBPUSD	-0.08%	1.3231	Neutral
AUDUSD	0.32%	0.6970	Bullish
USDJPY	0.34%	158.26	Bullish
USDCNY	-0.18%	6.6918	Bearish

Market Overview:

- USD rose, supported by expectations of further Fed tightening and elevated Treasury yields. Softer US consumer sentiment limited gains toward Friday's closing.
- EUR fell, pressured by French fiscal uncertainty, rising yields and concerns over eurozone energy costs. The eur extended its losing streak against the dollar.
- GBP remains unchanged, as a late week dollar pullback offset concerns over UK borrowing costs and elevated yields.
- USD/JPY rose to 158.26 as higher US yields and the US-Japan interest rate differential weighed on the yen despite Japanese intervention warnings.

Money Market

Item	Avg. Vol. (Cr.)	% Δ (Vol.)	WAR	% Δ (WAR)
Call	3415.11	27.26%	7.97%	-0.53%
Repo	5465.34	34.44%	8.05%	-0.43%
Term	26.00	-45.64%	9.06%	-0.14%

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

Point-to-point inflation rose by 8 bps in September 2026 to 8.34%, from 8.26% in August, mainly driven by a 20 bps increase in food inflation. The government's sharp BDT 20 per liter fuel price hike remains a key inflationary driver, creating significant pressure across production and distribution channels. As diesel accounts for around 65% of Bangladesh's total fuel consumption and is widely used in agricultural irrigation, public transport, and freight logistics, the higher fuel cost is directly raising operating expenses and food production and distribution costs, indicating sustained near-term inflationary pressure.

Meanwhile, government borrowing costs eased significantly, with short-term Treasury bill yields falling below 8% in October. Surplus bank liquidity rose 45% year-on-year to over BDT 4 lakh crore, pushing yields on 91-day, 182-day, and 364-day bills down to 7.65%, 7.75%, and 7.89%, respectively. Private sector credit growth also remained below 5% for six consecutive months, prompting banks to channel excess liquidity into safer government securities. Additionally, the government repurchased BDT 1,716 crore of two-year Treasury bonds on 8 October, injecting further liquidity into commercial banks.

Outlook: With excess liquidity remaining high and credit demand historically weak, short-term Treasury rates are likely to remain suppressed or face further downward pressure in the near term.

Capital Market

- BSEC has decided to accelerate stock market surveillance by allowing relevant units to investigate abnormal transactions and unusual price movements without prior commission approval.
- In a major policy shift, the government has lifted the 16-year ban on direct listing, allowing public, private, and multinational companies to list directly on stock exchanges, with the aim of supporting sustainable capital market growth.
- BSEC has decided to enforce strict legal action against listed companies failing to deposit declared final cash dividends into separate bank accounts prior to their Annual General Meetings (AGMs)

Market Synopsis

Reference Rate	Overnight	1M	3M	6M	12M
USD SOFR	3.87000	3.92465	4.04249	4.20140	4.48795
ESTR/EURIBOR	2.43900	2.44400	2.63200	2.89200	3.17700
GBP SONIA	3.73230	3.78890	3.95430	4.14830	4.48190

Treasury Bill & Bond Yields

Tenor	Latest Yield	Previous Yield
91 Days	8.13%	8.28%
182 Days	8.37%	8.55%
364 Days	8.59%	8.94%
2 Years	8.18%	8.75%
5 Years	8.53%	9.15%
10 Years	8.39%	9.42%
15 Years	9.33%	9.10%
20 Years	9.35%	9.13%

Commodities

Commodity (unit)	Latest Price	Weekly Change
Brent Crude Oil (BBL)	106.65	6.03%
Gold (OZS)	4,171.10	0.18%
ICE-US Cotton (LBS)	80.60	4.03%
Soybean (BSH)	1,287.75	-1.17%
Wheat (BSH)	672.25	-4.54%
Sugar (LBS)	20.85	0.14%
Palm Oil (Tonne)	1,136.24	1.71%
Steel (Tonne)	1,274.00	-0.16%

Released Economic Data (South Asia & China)

Indicator	India	Pakistan	China	Bangladesh
CPI (YoY)	4.45%	11.10%	0.50%	8.32%
GDP Annual Growth Rate	7.80%	4.00%	4.30%	4.14%
Policy Repo Rate	5.25%	11.50%	3.00%	9.50%
Government Bond 10Y	7.17%	12.80%	1.68%	8.39%

Released Economic Data (G8 Countries)

Indicator	USA	UK	Eurozone	Japan
CPI (YoY)	3.40%	2.90%	3.30%	1.90%
GDP Growth Rate	1.50%	0.40%	0.40%	0.30%
Unemployment Rate	4.10%	4.90%	6.40%	2.40%
Base Rate	3.75%	3.75%	2.40%	1.00%
Government Bond 10Y	5.21%	5.36%	3.64%*	3.09%

*10-Year Eurozone Central Government Bond Par Yield Curve

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