

Star BUSINESS



Taka weakens vs dollar for fifth day

STAR BUSINESS REPORT

The taka weakened further yesterday as concerns grew over exports and remittance inflows, amid the ongoing war in Iran, which has driven up oil prices and raised fears of an energy crisis.

The dollar rose by up to Tk 0.8, reaching Tk 122.63 in the spot market, compared with a high of Tk 122.55 the day before.

In the interbank market, the weighted average rate of the dollar climbed to Tk 122.58 from Tk 122.49. This marks the fifth consecutive day of gains for the dollar after remaining stable at Tk 122.30 per US dollar for over a month, according to Bangladesh Bank data.

Globally, the US dollar strengthened as turmoil in the Middle East intensified, pushing investors toward the currency amid rising oil prices caused by the US-Israel war on Iran.

Local bankers said the recent rise in the dollar is partly due to the Bangladesh Bank's decision to avoid intervening in the market.

Since the start of fiscal year 2025-26 (FY26), the central bank has purchased over \$5 billion from the foreign exchange market to rebuild reserves, which had fallen below \$20 billion after earlier sales aimed at preventing a sharp fall in the taka's value.

Between FY21 and FY25, the Bangladesh Bank sold more than \$25 billion from its reserves to help the government pay for fuel, fertiliser, and food imports.

As of 8 March 2026, Bangladesh's gross forex reserves stood at \$34 billion, while readily usable reserves, calculated using an IMF formula, were \$29.38 billion.

Prioritise energy security as war fallout weighs on economy

Says CPD, urging govt to use next budget to strengthen power and fuel stability for ensuring macroeconomic growth



NATIONAL BUDGET FOR FY27

CPD'S RECOMMENDATIONS FOR NEXT BUDGET

- Prioritise macroeconomic stabilisation
- Improve investment climate
- Control inflation
- Set realistic budget targets
- Secure deficit financing cautiously

Renegotiate trade deal with US

Create a dedicated fund for smooth LDC graduation



From left, Prof Mustafizur Rahman, a distinguished fellow of the CPD, and Fahmida Khatun, executive director, attend a media briefing. PHOTO: CPD

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The country's heavy reliance on imported energy from the Middle East, especially liquefied natural gas (LNG) and crude oil, has left the economy exposed to global price shocks and supply disruptions as the US-Israel war on Iran intensifies, according to the Centre for Policy Dialogue (CPD).

The think tank said the next national budget by the new government is being developed under these economic challenges. It urged the government to prioritise energy security in the new budget and gradually move towards greater domestic self-sufficiency.

Speaking at a media

briefing at its Dhaka office on recommendations for the national budget for fiscal year 2026-2027, CPD urged policymakers to focus on restoring macroeconomic stability, stimulating investment and strengthening revenue mobilisation.

"The economy faces multiple pressures, including high inflation, low revenue collection, slow budget execution, a heavy debt burden, low investment, declining employment, a weak financial sector and declining export growth," said Fahmida Khatun, executive director of CPD.

While presenting the paper, she said that rising global energy prices driven by instability in the Middle

East are clouding Bangladesh's inflation outlook further. Higher fuel costs are also pushing up prices of essential commodities such as edible oil, wheat and sugar.

Prof Mustafizur Rahman, a distinguished fellow of CPD, pointed to another vulnerability. He said Bangladesh does not have permanent strategic reserves of fuel oil, unlike several neighbouring countries.

Rahman urged the government to develop such reserves under a medium-term plan to reassure markets and prevent panic buying during periods of global volatility.

At the programme, CPD also highlighted deep financial strain in

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BSEC fined manipulators Tk 1,488cr in last 1.5 years

AHSAN HABIB

Bangladesh Securities and Exchange Commission (BSEC) fined individuals, intermediaries and firms a total of Tk 1,488 crore for their involvement in stock market manipulation during the interim government's tenure. So far, the commission has received Tk 5.23 crore of the total fine amount.

Recovery of the fines remains slow as the entities have taken the matter to court, and it remains stuck in the legal process.

The commission recently disclosed this information to the finance ministry in its performance evaluation of the last 1.5 years.

The fine includes the amount that a manipulator gained from their manipulation, after deducting 10 percent for tax, according to the regulator.

In the last one and a half years, the regulator ran 12 investigations by an external investigation committee and 114 investigations by its own team.

Considering the extent of the offence, 16 corruption cases were sent to the Anti-Corruption Commission and other government agencies for taking steps.

"What a commission can do at most is set a financial penalty to punish manipulators, which it did successfully," said Professor Al-Amin of the Accounting Department at Dhaka University.

"Whether the fines will get paid or the fined entities will get a clean sheet from the court is not the BSEC's concern," he said, pointing out that due process was followed in setting the penalties.

Although some investors accused the regulator's penal decision of impacting the market, this line of thinking is not logical. Moreover, the fine was necessary to keep manipulators at bay, and it will benefit the capital market in the long run, Professor Al-Amin added.

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Efforts to recover laundered assets to continue: governor

STAR BUSINESS REPORT

The laundered assets recovery process, launched during the interim government's tenure, will continue, said Md Mostaqur Rahman, governor of Bangladesh Bank (BB).

He made the statement during a meeting between representatives of the Association of Bankers, Bangladesh (ABB) and the central bank yesterday at the BB headquarters.

The meeting was called to discuss the ongoing initiative to recover assets illicitly transferred abroad. The governor presided over the meeting where managing directors and focal officers of the concerned

banks were present.

Representatives from 37 banks attended the meeting.

The BB governor said the recovery of laundered money would not stop due to any political pressure, officials of the central bank who attended the meeting told The Daily Star.

The governor asked banks to speed up the process and sign non-disclosure agreements (NDAs) with global litigation firms as soon as possible, they added.

He also asked banks to provide data to the global litigation firms to accelerate the process.

After the meeting, Mashrur Arefin, chairman of the ABB and managing director of The City Bank,

told journalists that banks accused of facilitating money laundering had already hired eight to ten international law firms to pursue cases in foreign courts.

According to legal experts, it typically takes three to five years to recover laundered funds due to the lengthy legal procedures involved, he said.

"However, ABB remains hopeful that the funds can be brought back through proper legal processes," Arefin added.

Farhanul Gani Choudhury, consultant to the asset recovery task force, presented a progress report on the laundered asset recovery process at the meeting. READ MORE ON B2

Net FDI outflows soar as local firms eye global markets

JAGARAN CHAKMA

Bangladeshi companies are increasingly investing abroad, with net foreign direct investment (FDI) outflows soaring more than ninefold in the July-September quarter of 2025 compared with the same period the year before.

According to Bangladesh Bank data, net outflows reached \$15.80 million during the quarter, up from \$1.70 million a year earlier, reflecting a growing outward-looking investment trend.

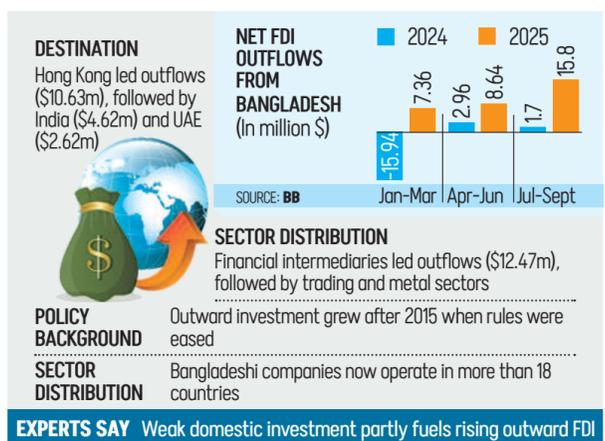
Total outward flows (or gross outward flows) rose to \$31.99 million in the quarter, compared with \$17.11 million a year earlier.

Meanwhile, inflows increased slightly to \$16.20 million from \$15.41 million, widening the overall net outflow.

Between July and September 2025, Bangladeshi companies sent more money abroad than they received. Equity capital -- ownership stakes in foreign companies -- saw a net outflow of \$2.23 million.

Reinvested profits also posted a net outflow of \$4.12 million, while intra-company loans -- funds moved between parent firms and subsidiaries -- accounted for a net outflow of \$9.45 million.

By contrast, the same period in 2024 saw only \$1.19 million leave



as equity, while \$9.23 million in reinvested profits and \$8.72 million in intra-company loans came into the country.

Country-wise, Hong Kong SAR of China received the largest share of net outflows at \$10.63 million. India followed with \$4.62 million, and the United Arab Emirates received \$2.62 million.

Smaller amounts went to Singapore, Kenya, South Africa, Ireland, Italy, and the Maldives, while other countries recorded a net

outflow of \$3.68 million. By sector, financial intermediaries sent the most money abroad with \$12.47 million in net outflows, followed by trading (\$3.53 million) and metal and machinery products (\$0.21 million).

Mining and quarrying, and chemicals and pharmaceuticals each had tiny outflows of \$0.01 million, textiles and clothing \$0.11 million, and other manufacturing \$0.27 million.

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