



Bangladesh Government Securities Quarterly Bulletin

January-March Quarter FY 2025-2026

Debt Management Department
Bangladesh Bank

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Preface

The publication of this Bangladesh Government Securities Quarterly Bulletin is a key initiative undertaken to emphasize the need for regular, timely, and transparent dissemination of market information. As part of Bangladesh Bank's commitment to strengthening the domestic bond market, this bulletin provides a consolidated overview of the performance and developments in the tradable segment of government securities.

For the purpose of this report, 'government securities' refer exclusively to tradable instruments such as Treasury Bills, Treasury Bonds, Special Purpose Treasury Bonds (SPTBs), and Sukuk. All data and information presented in this bulletin are sourced from the Debt Management Department of Bangladesh Bank, based on internal records, auction outcomes, and market transaction statistics. The department has prepared this publication with the aim of providing stakeholders including policymakers, market participants, researchers, and the general public with a clear and comprehensive understanding of recent trends and developments in the government securities market.

Bangladesh Bank will continue its efforts to enhance transparency and market confidence by ensuring that this bulletin is published on a quarterly basis, contributing to the broader objective of deepening the local currency bond market.

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List of Acronyms

| Acronym | Elaboration |
|----------------|--|
| BB | Bangladesh Bank |
| BDT | Bangladeshi Taka |
| BGTB | Bangladesh Government Treasury Bond |
| BGIS | Bangladesh Government Investment Sukuk |
| CSE | Chittagong Stock Exchange |
| DSE | Dhaka Stock Exchange |
| FMI | Financial Market Infrastructure |
| FRTB | Floating Rate Treasury Bond |
| FY | Fiscal Year |
| G-Sec | Government Securities |
| GSOM | Government Securities Order-Matching |
| LCBM | Local Currency Bond Market |
| OTC | Over-the-Counter |
| PLC | Public Limited Company |
| Q1 | First Quarter |
| Q2 | Second Quarter |
| Q3 | Third Quarter |
| Q4 | Fourth Quarter |
| SLR | Statutory Liquidity Requirement |
| SPTBs | Special Purpose Treasury Bonds |
| T-bills | Treasury Bills |
| T-bonds | Treasury Bonds |

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A. Executive Summary

During the 3rd quarter of FY 2025–26 (January–March 2026), Bangladesh’s government securities (G-Sec) market experienced a relatively stable yield environment, in contrast to the fluctuations observed in previous quarters. While the cut-off yields for Treasury Bills increased marginally, those for Treasury Bonds adjusted slightly across different maturities, reflecting evolving liquidity conditions and shifts in market expectations, which contributed to a smoother yield curve.

Average yields for the 91-day, 182-day, and 364-day Treasury Bills increased to 10.08%, 10.20%, and 10.23% respectively in January–March 2026, from 10.05%, 10.16%, and 10.17% in the October–December 2025 quarter. Meanwhile, yields on Treasury Bonds showed a measured adjustment across maturities, with short- to long-term tenors reflecting a gradual normalization of the yield curve.

To support fiscal operations, the government issued a gross of BDT 31,500.00 crore in Treasury Bonds and BDT 90,282.78 crore in Treasury Bills during the quarter. In comparison, gross issuance in the corresponding quarter of the previous fiscal year amounted to BDT 46,888.36 crore in Treasury Bonds and BDT 80,286.74 crore in Treasury Bills respectively.

Secondary market activity remained strong during the quarter, supported by steady investor participation and adequate market liquidity. Overall, the G-Sec market in Q3 of FY 2025-26 demonstrated orderly yield movements, balanced issuance dynamics, and sustained trading activity, which indicates a stable and well-functioning market environment amid evolving macro-financial conditions.

| Key Indicators of Government Securities | | | |
|--|-------------------------------------|--|-------------------------------------|
| Tk in Crore | | | |
| Particulars | January-March (FY 24-25) | October-December (FY 25-26) | January-March (FY 25-26) |
| Outstanding Balance of G-Sec | 717,770.51 | 802,438.89 | 839,756.17 |
| T-Bills | 153,845.68 | 170,212.85 | 175,085.41 |
| T-Bonds | 490,799.74 | 557,105.18 | 577,049.90 |
| SPTB | 51,125.09 | 51,120.86 | 51,120.86 |
| Sukuk | 22,000.00 | 24,000.00 | 36,500.00 |
| Net Issuance | 30,657.94 | 32,077.02 | 37,317.28 |
| T-Bills | -2,930.42 | 4,294.90 | 4,872.57 |
| T-Bonds | 30,588.36 | 27,786.35 | 19,944.72 |
| SPTB | 0.00 | -4.23 | 0.00 |
| Sukuk | 3,000.00 | 0.00 | 12,500.00 |
| Outright Transactions in G-Sec | 60,569.94 | 228,984.30 | 182,949.30 |
| Average yields of G-Sec | | | |
| 91-day T-Bills | 10.80% | 10.05% | 10.08% |
| 182-day T-Bills | 10.99% | 10.16% | 10.20% |
| 364-day T-Bills | 11.10% | 10.17% | 10.23% |
| 02-year T-Bonds | 11.43% | 10.09% | 10.21% |
| 05-year T-Bonds | 11.35% | 10.22% | 10.28% |
| 10-year T-Bonds | 11.47% | 10.42% | 10.38% |
| 15-year T-Bonds | 11.72% | 10.57% | 10.46% |
| 20-year T-Bonds | 12.08% | 10.67% | 10.57% |
| Primary Market Bid Coverage Ratio | 2.97 | 2.66 | 1.48 |
| Secondary Market Turnover Ratio | 0.09 | 0.31 | 0.24 |

B. Government Securities Market in Bangladesh

In Bangladesh, the government securities (G-Sec) segment dominates the fixed-income securities market due to the limited development of the corporate bond market. To address budget deficits, the government mainly relies on issuing Treasury Bills, Treasury Bonds, Sukuk & SPTBs. The tradable government securities instruments in Bangladesh are as follows:

Treasury Bills (T-bills): Treasury Bills are short-term, risk-free money-market securities issued by the Government to meet its short-term funding requirements. They are issued in scripless form and typically sold at a discount. At maturity, the original face value is redeemed. They are tradable in the secondary market. In Bangladesh, the commonly issued tenors of T-bills are 14-day, 91-day, 182-day, and 364-day.

Treasury Bonds (T-bonds): Treasury Bonds are standard fixed-income securities with periodic coupon payments (semi-annual) and redemption of principal at maturity. They are likewise issued in scripless form and are tradable on the secondary market. In Bangladesh, the government currently issues bonds with maturities of 2-year, 3-year (floating-rate), 5-year, 10-year, 15-year, and 20-year.

Special-Purpose Treasury Bonds (SPTBs): Occasionally the government issues Special-Purpose Treasury Bonds, targeting specific fiscal or development needs. Historically, these were typically non-tradable. However, SPTBs issued from FY 2023-24 against fertilizer and electricity have been made eligible for trading in the secondary market and maintaining SLR.

Bangladesh Government Investment Sukuk (BGIS): The Bangladesh Government Investment Sukuk (BGIS) is a Shariah-compliant government security introduced in FY 2019-20 to mobilize Islamic liquidity for development financing. It is issued under the Bangladesh Government Investment Sukuk Guidelines 2020, where Bangladesh Bank acts as the Special Purpose Vehicle (SPV) and Trustee, and the Finance Division serves as the originator. These instruments provide Shariah-based banks and investors with a non-interest-bearing investment alternative. As of March 2026, the government had issued seven (07) BGIS tranches linked to specific development projects. Besides these, there was one (01) Bangladesh Government Special Sukuk outstanding.

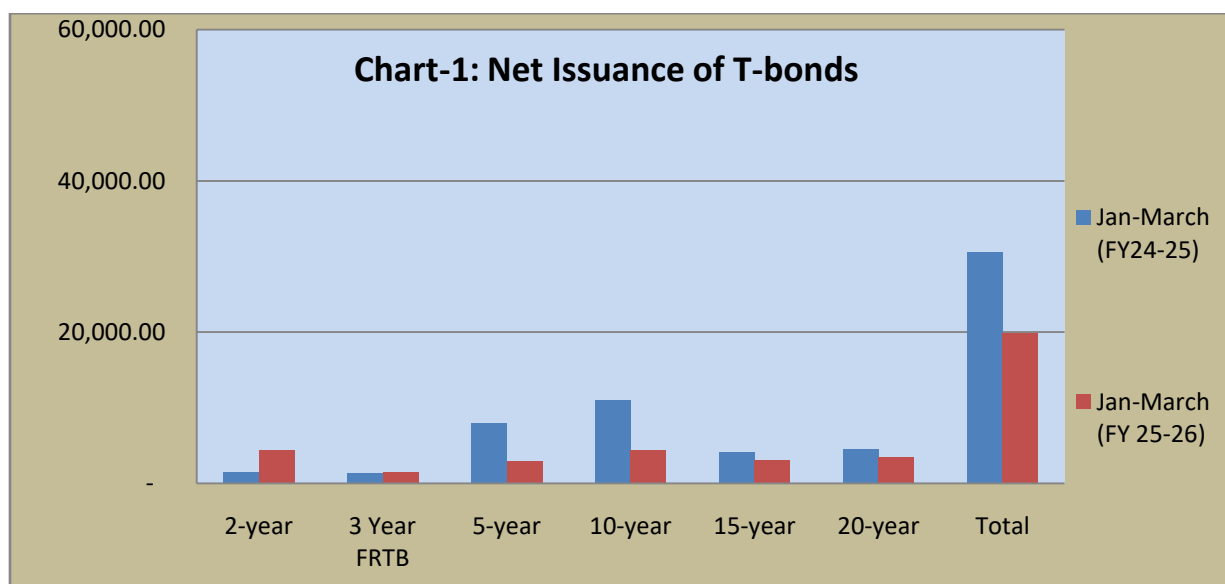
C. Primary Market Operation

1. Net Issuance of T-bonds

In the 3rd quarter of FY 2025-26, total issuance of T-bonds amounted to BDT 31,500.00 crore and total amount of repayment was BDT 11,555.28 crore. During this quarter, the net issuance of T-bonds was BDT 19,944.72 crore that was 30,588.36 crore in the 3rd quarter of FY 2024-25. The details of Treasury Bonds quarterly issuance are outlined below:

| Table 1: Net Issuance of T-bonds | | | | | | | |
|----------------------------------|--------------------------|------------------|------------------|--------------------------|------------------|------------------|----------------------------|
| Face Value in Crore Tk | | | | | | | |
| Instruments | January-March (FY 24-25) | | | January-March (FY 25-26) | | | |
| | Issuance | Maturity | Net Issuance | Issuance | Maturity | Net Issuance | Net Issuance Increase in % |
| 2-year | 13,500.00 | 12,000.00 | 1,500.00 | 8,500.00 | 4,055.28 | 4,444.72 | 196% |
| 3-Year FRTB | 1,388.36 | - | 1,388.36 | 1,500.00 | - | 1,500.00 | 8% |
| 5-year | 12,000.00 | 4,000.00 | 8,000.00 | 7,500.00 | 4,500.00 | 3,000.00 | -63% |
| 10-year | 11,000.00 | - | 11,000.00 | 7,000.00 | 2,600.00 | 4,400.00 | -60% |
| 15-year | 4,500.00 | 300.00 | 4,200.00 | 3,500.00 | 400.00 | 3,100.00 | -26% |
| 20-year | 4,500.00 | - | 4,500.00 | 3,500.00 | - | 3,500.00 | -22% |
| Total | 46,888.36 | 16,300.00 | 30,588.36 | 31,500.00 | 11,555.28 | 19,944.72 | -35% |

The following charts present a comparative view of Treasury Bonds net issuance, highlighting the quarterly differences between the current quarter and the corresponding quarter of the previous year.

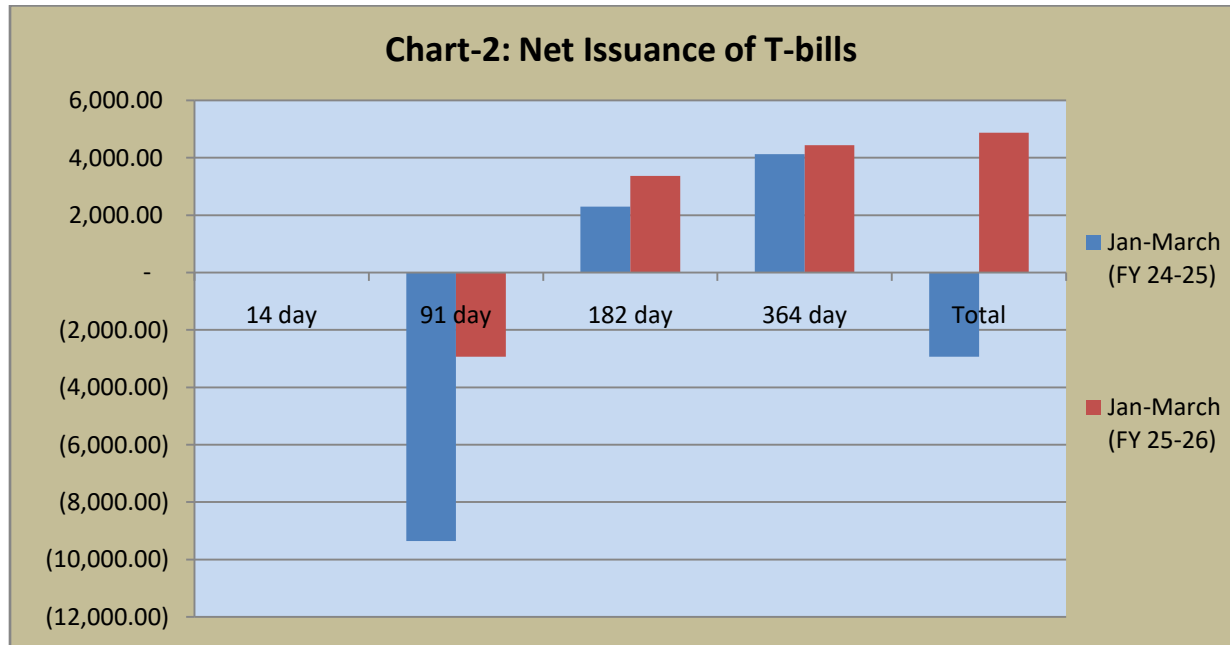


2. Net Issuance of T-bills

During the 3rd quarter of FY 2025–26, total Treasury Bills issuance amounted to BDT 90,282.78 crore, while total repayments were BDT 85,410.21 crore. Consequently, net issuance for the quarter was BDT 4,872.57 crore, compared to a negative net issuance of BDT 2,930.42 crore in the corresponding quarter of FY 2024–25. The details of Treasury Bills issuance are presented below:

| Settlement Value in Crore Tk | | | | | | | |
|------------------------------|--------------------------|------------------|-------------------|--------------------------|------------------|-----------------|----------------------------|
| Instruments | January-March (FY 24-25) | | | January-March (FY 25-26) | | | |
| | Issuance | Maturity | Net Issuance | Issuance | Maturity | Net Issuance | Net Issuance Increase in % |
| 14 day | - | - | - | - | - | - | N/A |
| 91 day | 40,514.22 | 49,865.76 | (9,351.54) | 40,977.13 | 43,906.61 | (2,929.49) | 69% |
| 182 day | 20,602.56 | 18,305.65 | 2,296.91 | 25,701.98 | 22,333.64 | 3,368.34 | 47% |
| 364 day | 19,169.97 | 15,045.74 | 4,124.22 | 23,603.67 | 19,169.97 | 4,433.71 | 8% |
| Total | 80,286.74 | 83,217.16 | (2,930.42) | 90,282.78 | 85,410.21 | 4,872.57 | 266% |

The chart-2 compares the net issuance across different Treasury Bills tenors during the 3rd quarter of FY 2024-25 and FY 2025-26, illustrating changes in issuance volumes across short-term maturities and highlighting shifts in the government’s short-term borrowing strategy between the two periods.



3. Net Issuance of SPTBs

The Government occasionally issues Special Purpose Treasury Bonds (SPTBs) to settle its own debts or liabilities arising from government guarantees. These bonds are issued at various interest rates. Previously, SPTBs issued before FY 2023-24 were non-tradable in the secondary market. However, SPTBs issued from FY 2023-24 onward for subsidy repayment related to electricity and fertilizer procurement have been made tradable and eligible for SLR.

During the 3rd quarter of FY 2025–26, no new Special Purpose Treasury Bonds (SPTBs) were issued, and no maturities were recorded, resulting in a net issuance of zero during the quarter. Similarly, in the corresponding quarter of FY 2024–25, there were no SPTB issuances or maturities, indicating a continued absence of activity in this segment.

4. Net Issuance of Sukuk

The Bangladesh Government Investment Sukuk (BGIS) is a Shariah-compliant government security issued by the Government of Bangladesh to raise funds for development projects. As of 31 March 2026, seven (07) BGIS tranches and one (01) Bangladesh Government Special Sukuk had been issued, bringing the total number of BGIS instruments to eight (08).

During the 3rd quarter of FY 2025–26, two (02) new Sukuk were issued. A Sukuk titled “Bangladesh Government Special Sukuk-1” amounting to BDT 10,000.00 crore was issued. In addition, another Sukuk titled “IRIDPNFL Socio-Economic Development Sukuk” amounting to BDT 2,500.00 crore was issued. There were no maturities during the quarter. Hence, net issuance for the quarter stood at BDT 12,500.00 crore.

D. Structure of Government Securities

1. Outstanding of Government Securities

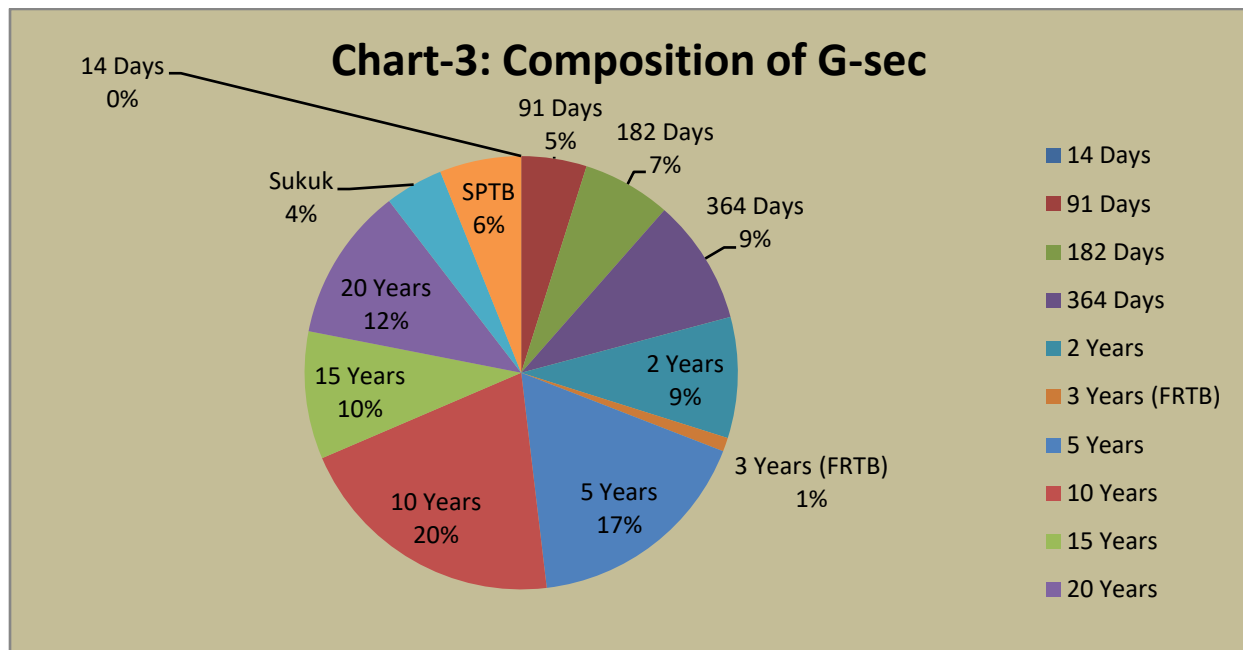
At the end of March 2026, the total outstanding stock of government securities stood at BDT 8,39,756.17 crore, compared to BDT 8,02,438.89 crore at the end of December 2025. This indicates that the government borrowed BDT 37,317.28 crore in the 3rd quarter of FY 2025-26. The comparative outstanding positions of government securities are presented in the following table:

| Instruments | Tk in Crore | | |
|------------------------------|---------------------|------------------------|---------------------|
| | As on 31 March 2025 | As on 31 December 2025 | As on 31 March 2026 |
| A. Treasury Bills | | | |
| 14-Day | - | - | - |
| 91-Day | 43,490.06 | 43,906.61 | 40,977.13 |
| 182-Day | 44,903.28 | 52,130.50 | 55,498.84 |
| 364-Day | 65,452.34 | 74,175.74 | 78,609.44 |
| Sub Total | 153,845.68 | 170,212.85 | 175,085.41 |
| B. Treasury Bonds | | | |
| 2-Year | 67,555.14 | 79,835.83 | 75,780.55 |
| 3-year FRTB | 2,618.12 | 7,118.12 | 8,618.12 |
| 5-Year | 128,629.49 | 140,578.67 | 144,578.67 |
| 10-Year | 148,665.01 | 167,207.76 | 171,607.76 |
| 15-Year | 68,976.86 | 77,876.86 | 79,976.86 |
| 20-Year | 74,355.12 | 84,487.94 | 96,487.94 |
| Sub Total | 490,799.74 | 557,105.18 | 577,049.90 |
| C. Sukuk | 22,000.00 | 24,000.00 | 36,500.00 |
| D. SPTB | 51,125.09 | 51,120.86 | 51,120.86 |
| Grand Total (A+B+C+D) | 717,770.51 | 802,438.89 | 839,756.17 |

* T-bonds, SPTBs, and Sukuk are reported at face value; T-bills are reported at settlement value.

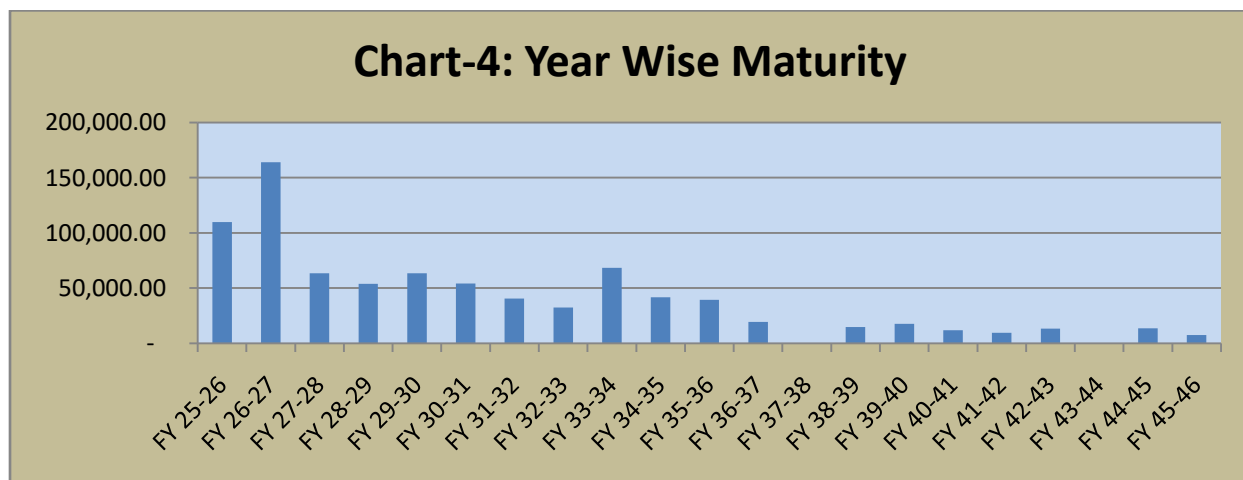
Currently, Treasury Bills represent about 21% of the total outstanding, while Treasury Bonds account for around 69%. Alongside these, SPTBs and Sukuk contribute smaller portions to the total.

The following chart illustrates the instrument-wise composition of outstanding government securities at the end of March 2026.



2. Year Wise Maturity of Government Securities

As of 31 March 2026, total maturities during the remaining period of FY 2025-26 amount to approximately BDT 109,937.49 crore. These maturities are largely driven by Treasury Bills, which account for over BDT 94,921.03 crore, alongside notable volumes of Treasury Bonds. In contrast, maturities in FY 2026-27 are estimated at around BDT 164,117.86 crore, primarily comprising Treasury Bonds and Treasury Bills. The graphical presentation (chart-4) of the maturity profile highlights an uneven distribution of redemption obligations, with a pronounced concentration in FY 2025-26 compared to subsequent fiscal years.



3. Maturity Pattern of Outstanding T-bonds

The maturity pattern of outstanding Treasury Bonds remains concentrated in the medium-term segment. As of end-March 2026, the 2–5 year and 5–10 year buckets accounted for the largest shares, at 29.66 percent and 27.96 percent respectively. Short-term maturities (less than 2 years) and longer-term maturities (above 10 years) represented relatively smaller portions. Overall, the distribution indicates a balanced maturity profile with a continued dominance of medium-term tenors.

| Table 4: Maturity Pattern of Outstanding T-Bonds | | | | | | |
|---|--------------------|---------------|-----------------------|---------------|--------------------|---------------|
| Face Value in Core Tk | | | | | | |
| Maturity Buckets | March, 2025 | | December, 2025 | | March, 2026 | |
| | Amount | (%) | Amount | (%) | Amount | (%) |
| < 1 Year | 61,065.09 | 12.44 | 58,608.67 | 10.52 | 68,477.80 | 11.87 |
| 1-2 Years | 69,677.80 | 14.20 | 75,694.27 | 13.59 | 65,308.22 | 11.32 |
| 2-5 Years | 130,736.06 | 26.64 | 167,255.88 | 30.02 | 171,177.52 | 29.66 |
| 5-10 Years | 145,724.42 | 29.69 | 151,817.17 | 27.25 | 161,357.17 | 27.96 |
| 10-15 Years | 48,892.76 | 9.96 | 58,892.76 | 10.57 | 62,392.76 | 10.81 |
| 15-20 Years | 34,703.61 | 7.07 | 44,836.43 | 8.05 | 48,336.43 | 8.38 |
| Total | 490,799.74 | 100.00 | 557,105.18 | 100.00 | 577,049.90 | 100.00 |

4. Ownership Pattern of Government Securities

4.1. Treasury Bills and Bonds

The ownership structure of government securities shows a significant concentration among a few key participants. Primary dealers hold the largest share of Treasury bills and bonds, accounting for around 40.19% of the total outstanding securities, followed by non-primary dealer banks at 31.46%. Bangladesh Bank itself holds about 8.96%, while provident fund, pension, trust, and gratuity funds collectively hold 6.44%. Other categories such as Insurance companies (3.91%), corporate bodies (4.73%), finance companies, mutual funds, investment companies, foreign investors, and individuals together make up the remaining share. Foreign investment in Treasury Bonds accounted for only 0.14%, which remains very low compared to the total outstanding amount. This distribution highlights the dominant role of primary and non-primary dealer banks in the market, while institutional investors like insurance companies and provident funds also contribute meaningfully to the overall holding structure.

Table 5: Ownership Pattern of Treasury Bills & Bonds

| Tk in Crore | | | | | |
|--------------------|--|-------------------|-------------------|-------------------|----------------|
| SL | Category Name | T-bills | T-bonds | Total | % of Total |
| 1 | Bangladesh Bank | - | 67,389.94 | 67,389.94 | 8.96% |
| 2 | Primary Dealers | 68,044.05 | 234,206.00 | 302,250.05 | 40.19% |
| 3 | Non-Primary Dealers | | | | |
| | i) Banks | 68,308.90 | 168,291.86 | 236,600.76 | 31.46% |
| | ii) Financial Institutions | 4,483.82 | 2,981.46 | 7,465.28 | 0.99% |
| 4 | Amanat Bima Trust Tahbil | 1,935.02 | 5,215.78 | 7,150.80 | 0.95% |
| 5 | General Insurance Companies | 542.14 | 2,999.95 | 3,542.09 | 0.47% |
| 6 | Life Insurance Companies | 415.09 | 25,465.64 | 25,880.73 | 3.44% |
| 7 | Corporate Bodies | 17,404.20 | 18,192.11 | 35,596.31 | 4.73% |
| 8 | Investment Companies | 295.89 | 2,170.97 | 2,466.86 | 0.33% |
| 9 | Provident/Pension/Trust/Gratuity Funds | 8,562.87 | 39,895.61 | 48,458.48 | 6.44% |
| 10 | Mutual Funds | 132.50 | 910.49 | 1,042.99 | 0.14% |
| 11 | Foreign Investor | - | 1,027.82 | 1,027.82 | 0.14% |
| 13 | Individual | 2,545.76 | 5,012.46 | 7,558.22 | 1.00% |
| 14 | Others | 2,415.16 | 3,289.81 | 5,704.97 | 0.76% |
| Total | | 175,085.41 | 577,049.90 | 752,135.31 | 100.00% |

* T-bonds are reported at face value; T-bills are reported at settlement value.

4.2. Bangladesh Government Investment Sukuk (BGIS)

The ownership structure of the Bangladesh Government Investment Sukuk (BGIS) reflects participation from a diverse group of investors. Shariah-based banks remain the primary holders of Sukuk, followed by Islamic banking branches and windows, conventional banks, and other eligible investors. This broad investor base underscores the increasing demand for Shariah-compliant instruments in the domestic market. The detailed ownership distribution of Sukuk is presented in the table below:

| Table 6: Ownership Pattern of Sukuk | | | | | | | |
|--|--|-----------------|------------|-----------------|------------|-----------------|------------|
| Face Value in Crore Tk | | | | | | | |
| SL No. | Category | March, 2025 | | December, 2025 | | March, 2026 | |
| | | Amount | % | Amount | % | Amount | % |
| 1 | Shariah Based Banks | 14438.45 | 65.63 | 16175.16 | 65.79 | 26638.16 | 72.98 |
| 2 | Islamic Branches and Windows of Conventional Banks | 3310.24 | 15.05 | 4913.34 | 15.74 | 6793.56 | 18.61 |
| 3 | Conventional Banks | 2811.84 | 12.78 | 1723.65 | 11.72 | 1680.00 | 4.60 |
| 4 | Individual & Others | 376.38 | 1.71 | 429.80 | 2.32 | 630.23 | 1.73 |
| 5 | Bangladesh Bank | 1063.09 | 4.83 | 758.05 | 4.43 | 758.05 | 2.08 |
| | Total | 22000.00 | 100 | 24000.00 | 100 | 36500.00 | 100 |

4.3. Special Purpose Treasury Bonds (SPTBs)

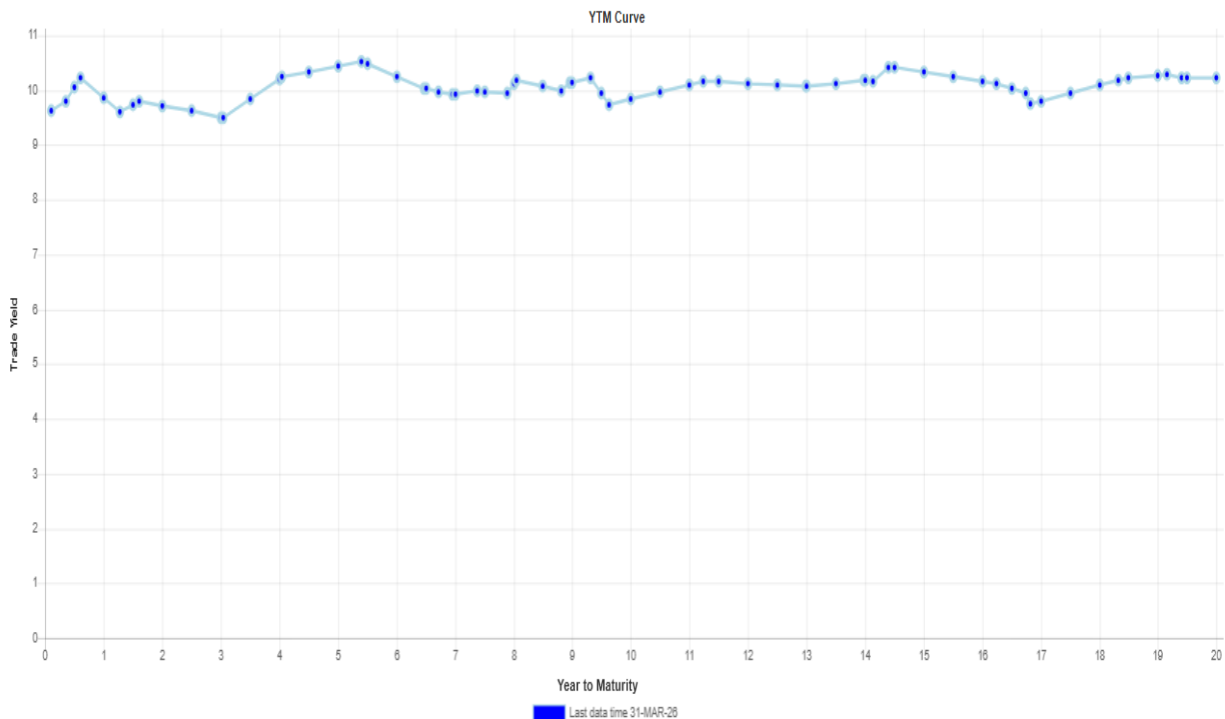
Special Purpose Treasury Bonds (SPTBs) are mainly held by banks and financial institutions, reflecting their primary role in managing government-guaranteed liabilities. As of the end of March 2026, the outstanding amount of SPTBs stood at BDT 51,120.86 crore (Face Value). Since SPTBs are issued primarily for specific settlement purposes, banks and financial institutions typically receive these bonds in exchange for their outstanding claims on the government.

E. Secondary Trading of Govt. Securities

Since June 2024, the Bangladesh Bank (BB) has been operating an updated Financial Market Infrastructure (FMI) system for the automated auction, secondary trading, and settlement of these securities. This system is the backbone of the interbank market for G-Sec. In a significant development to broaden market access, Treasury Bonds have also been traded on the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) platforms since October 2022.

1. Secondary Market Yield Curve

Bangladesh Bank publishes the secondary market yield curve for Treasury Bonds on a daily basis. This curve is derived from data obtained from multiple sources, including trades in the over-the-counter (OTC) market, the Government Securities Order-Matching (GSOM) platform, stock exchange transactions, and two-way price quotes from Primary Dealer banks. Since June 4, 2024, all banks in Bangladesh have been required to use this curve to determine the weekly valuation of their T-bonds held for trading purposes. In contrast, Treasury Bills continue to be valued using the primary market yield curve.



2. Secondary Trading Pattern of G-Sec

During Q3 of FY 2025-26, total secondary trading of government securities stood at BDT 182,949.30 crore, compared to BDT 228,984.30 crore in Q2 of FY 2025-26 and BDT 60,569.94 crore in Q3 of FY 2024-25. Although trading volume declined from the previous quarter, it remained substantially higher than the corresponding quarter of the previous fiscal year, indicating continued strong activity in the secondary market.

Overall, the secondary market for government securities continued to demonstrate strong liquidity and active investor participation during Q3 of FY 2025-26. The notable year-on-year growth in both OTC and order-matching transactions indicates the continued development and deepening of Bangladesh's G-Sec market. The table below presents the secondary trading scenario of government securities:

| Face Value in Crore Tk | | | | | | | |
|------------------------|------------|-----------|------------|----------------|---------|-----------|-------------|
| Period | OTC | | | Order Matching | | | Grand Total |
| | T-Bonds | T-Bills | Total | T-Bonds | T-Bills | Total | |
| Q3 (FY 2025-26) | 82,548.06 | 89,793.74 | 172,341.80 | 10,601.20 | 6.30 | 10,607.50 | 182,949.30 |
| Q2 (FY 2025-26) | 135,759.40 | 68,244.34 | 204,003.74 | 24,580.56 | 400.00 | 24,980.56 | 228,984.30 |
| Q3 (FY 2024-25) | 28,225.49 | 31,911.09 | 60,136.58 | 433.36 | - | 433.36 | 60,569.94 |

3. Maturity Pattern of Secondary Trading

The maturity-wise breakdown in Q3 of FY 2025-26 indicates continued dominance of short-term securities alongside notable activity in medium-term instruments. Transactions in the less than 1-year bucket increased significantly to BDT 97,265.84 crore from BDT 78,735.48 crore in Q2 of FY 2025-26 and BDT 39,456.06 crore in Q3 of FY 2024-25, reflecting strong short-term liquidity and active market participation.

Overall, the maturity distribution reflects continued strength in short-term securities and sustained investor participation across medium- and long-term maturities. The substantial year-on-year increase across most maturity buckets highlights the growing depth and liquidity of Bangladesh's government securities market. The table below presents the maturity distribution of T-bonds transactions:

| Table 8: Maturity Pattern of Secondary Trading | | | |
|---|------------------------|------------------------|------------------------|
| Face Value in Crore Tk | | | |
| Maturity Bucket | Q3 (FY 2024-25) | Q2 (FY 2025-26) | Q3 (FY 2025-26) |
| Less than 1 Year | 39,456.06 | 78,735.48 | 97,265.84 |
| 1-2 Year | 7,585.82 | 27,965.64 | 14,507.06 |
| 2-5 Year | 1,628.90 | 23,891.48 | 17,827.78 |
| 5-10 Year | 8,579.80 | 36,373.86 | 41,494.12 |
| 10-15 Year | 1,055.90 | 23,977.84 | 7,185.78 |
| 15-20 Year | 2,263.46 | 38,040.00 | 4,668.72 |
| Total | 60,569.94 | 228,984.30 | 182,949.30 |

4. Top Member Traders

During Q3 of FY 2025-26, secondary market activity was largely driven by a concentrated group of active member institutions. The top 10 traders collectively accounted for 69.23 percent of total secondary market transactions, underscoring their dominant role in providing market liquidity and shaping trading dynamics in the government securities market. Mutual Trust Bank PLC emerged as the leading participant, contributing 11.72 percent of total trades, closely followed by United Commercial Bank PLC with 9.97 percent. Eastern Bank PLC ranked third, accounting for 9.37 percent of total trading volume. Together, the top three institutions represented over 31.07 percent of total market activity, highlighting a high degree of concentration at the upper end of the market.

This distribution reflects the prominent role of a few large banks in the secondary trading of government securities, while also indicating active participation by other member institutions that collectively support overall market depth and liquidity.

| Table 9: Top 10 Member Traders | | |
|---------------------------------------|----------------------------|---|
| SL No. | Bank Name | % Of Total Trade Q3 (FY 2025-2026) |
| 1 | Mutual Trust Bank Plc | 11.72% |
| 2 | United Commercial Bank Plc | 9.97% |
| 3 | Eastern Bank Plc | 9.37% |
| 4 | BRAC Bank Plc | 7.67% |
| 5 | City Bank Plc | 7.56% |
| 6 | Jamuna Bank Plc | 6.74% |
| 7 | Mercantile Bank Plc | 5.33% |
| 8 | Standard Chartered Bank | 4.24% |
| 9 | Bank Asia Plc | 3.74% |
| 10 | Midland Bank Limited | 2.89% |

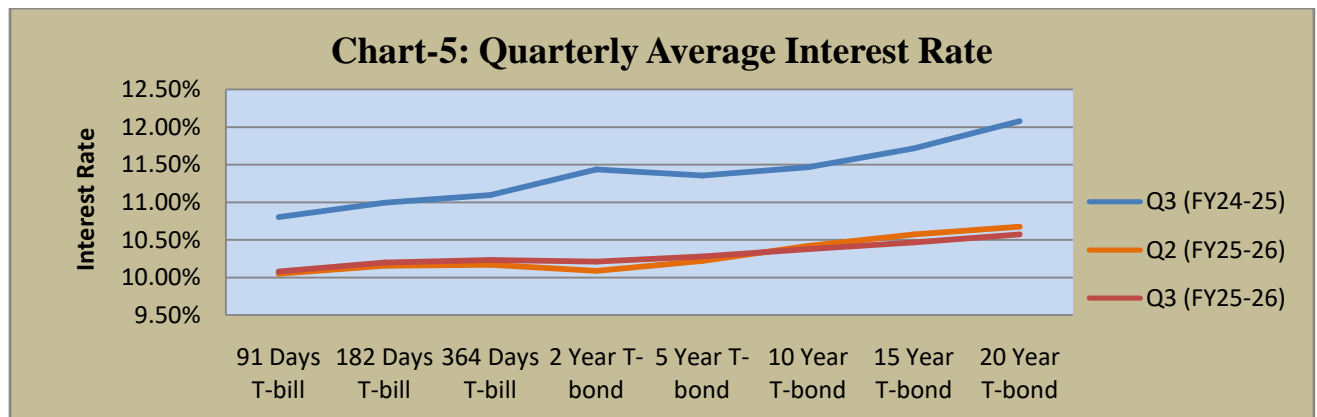
F. Market Trend

1. Primary Market Yield Trends

The month-wise average yields during this quarter exhibited a mixed movement compared to the previous quarter. While yields on Treasury Bills increased marginally, yields on Treasury Bonds showed a slight adjustment across different maturities, reflecting changes in liquidity conditions and evolving market expectations. After an initial easing, yields remained broadly stable over the remainder of the quarter as market conditions normalized. The month-wise yields of Treasury Bills and Bonds for this quarter and the corresponding quarter are presented in the table below.

| Period | Months | 91 Day T-bills | 182 Day T-bills | 364 Day T-bills | 2 Year T-bonds | 5 Year T-bonds | 10 Year T-bonds | 15 Year T-bonds | 20 Year T-bonds |
|----------------------|----------------|----------------|-----------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|
| Q3 (FY 25-26) | Jan-26 | 10.18% | 10.37% | 10.43% | 10.51% | 10.31% | 10.49% | 10.55% | 10.67% |
| | Feb-26 | 10.19% | 10.24% | 10.28% | 10.46% | 10.32% | 10.37% | 10.34% | 10.44% |
| | Mar-26 | 9.86% | 9.98% | 9.98% | 9.66% | 10.20% | 10.27% | 10.50% | 10.61% |
| | Average | 10.08% | 10.20% | 10.23% | 10.21% | 10.28% | 10.38% | 10.46% | 10.57% |
| Q2 (FY 25-26) | Oct-25 | 9.54% | 9.80% | 9.71% | 9.44% | 9.34% | 9.99% | 10.09% | 10.30% |
| | Nov-25 | 10.13% | 10.15% | 10.09% | 10.10% | 10.47% | 10.39% | 10.74% | 10.82% |
| | Dec-25 | 10.48% | 10.52% | 10.70% | 10.72% | 10.84% | 10.87% | 10.89% | 10.90% |
| | Average | 10.05% | 10.16% | 10.17% | 10.09% | 10.22% | 10.42% | 10.57% | 10.67% |
| Q3 (FY 24-25) | Jan-25 | 11.30% | 11.59% | 11.76% | 12.12% | 12.09% | 12.08% | 11.91% | 11.94% |
| | Feb-25 | 10.52% | 10.51% | 10.55% | 10.98% | 10.47% | 10.27% | 10.96% | 11.75% |
| | Mar-25 | 10.58% | 10.88% | 10.98% | 11.20% | 11.50% | 12.05% | 12.28% | 12.54% |
| | Average | 10.80% | 10.99% | 11.10% | 11.43% | 11.35% | 11.47% | 11.72% | 12.08% |

The following chart presents a comparison of quarterly average yields of Treasury Bills and Bonds between this quarter with the previous quarter and corresponding quarter of last Year.



2. Primary Market Bid Coverage Ratio

The primary market bid coverage ratio, an important indicator of market liquidity and investor demand for government securities, moderated further in Q3 of FY 2025-26. The average bid coverage ratio declined to 1.48, compared to 2.66 in Q2 of FY 2025-26 and 2.97 in Q3 of FY 2024-25.

Overall, the movement in the bid coverage ratio reflects a moderation in primary market demand during Q3 of FY 2025-26 following the strong participation observed in earlier periods. The table below presents the average bid coverage ratio in the primary market auctions of government securities:

| Period | Average Bid Coverage Ratio |
|-----------------|-----------------------------------|
| Q3 (FY 2025-26) | 1.48 |
| Q2 (FY 2025-26) | 2.66 |
| Q3 (FY 2024-25) | 2.97 |

3. Secondary Market Turnover Ratio

Secondary market activity in government securities weakened slightly in Q3 of FY 2025-26 compared to the previous quarter. During the quarter, secondary trading turnover decreased to BDT 182,949.30 crore from BDT 228,984.30 crore in Q2 of FY 2025-26. Yet the trading of this quarter is higher than the same quarter of the previous fiscal year.

Consequently, the turnover ratio reduced to 0.24 times in Q3 of FY 2025-26, from 0.31 times in the previous quarter. Overall, these figures indicate stability in secondary market liquidity and trading intensity, as reflected by the consistency in the turnover ratio over the times.

| Face Value in Crore Tk | | | |
|-------------------------------|--|-----------------------------------|-------------------------|
| Period | Outstanding Balance (T-Bill and T-Bond) | Secondary trading turnover | Turnover (Times) |
| Q3 (FY 2025-26) | 752,135.31 | 182,949.30 | 0.24 |
| Q2 (FY 2025-26) | 727,318.03 | 228,984.30 | 0.31 |
| Q3 (FY 2024-25) | 644,645.42 | 60,569.94 | 0.09 |

G. Summary of Major Policy or Operational Changes

Effective from January 2026, the revised re-issuance framework for Treasury Bonds has been implemented successfully. Under the revised framework, Treasury Bonds are re-issued based on their remaining maturity rather than their original tenor. In addition, the maximum outstanding limit per Treasury Bond has been increased to BDT 20,000 crore from the previous limit of BDT 9,000 crore. These measures are expected to support the development of benchmark securities, improve liquidity distribution across maturities, and strengthen yield curve formation in the government securities market.

Furthermore, the revised Primary Dealer (PD) Guidelines were issued on 28 January 2026 to strengthen the primary and secondary government securities market. Under the new guidelines, only PD banks are allowed to participate directly in primary auctions, while non-PD banks may submit non-competitive bids solely on behalf of their clients. In addition, the ceiling for non-competitive bids has been reduced to 15 percent from the previous 30 percent. These reforms are intended to enhance the role of PD banks, improve market-based price discovery, and promote greater liquidity and efficiency in the bond market.

Collectively, these policy and operational measures reflect the ongoing efforts of Bangladesh Bank and the government to strengthen the functioning of the government securities market, support sustainable debt management, and foster the development of a more resilient and liquid domestic bond market.

H. Conclusion

During the 3rd quarter of FY 2025-26, Bangladesh's government securities market remained broadly stable, supported by orderly yield movements, balanced borrowing operations, and sustained secondary market activity. Although yields on Treasury Bills increased marginally, Treasury Bonds yields adjusted moderately across maturities, indicating gradual normalization in market conditions and evolving investor expectations.

Primary market operations continued to support the government's financing requirements through measured issuance of Treasury Bills, Treasury Bonds, and Sukuk. At the same time, the secondary market maintained strong trading activity compared to the corresponding quarter of the previous fiscal year, reflecting continued investor participation and adequate market liquidity across different maturities.

Several important policy and operational reforms were also introduced during the quarter, including the implementation of the revised Treasury Bonds re-issuance framework and the issuance of updated Primary Dealer guidelines. These measures are expected to strengthen market-based price discovery, improve secondary market liquidity, and support the development of benchmark securities.

Overall, the developments during the quarter indicate continued progress toward building a deeper, more efficient, and resilient government securities market in Bangladesh, which will contribute positively to domestic debt market development and broader financial market stability.