



# Director's Report

## Dear Shareholders

On behalf of the Board of Directors at Bay Leasing & Investment Limited, I am pleased to extend a warm welcome to the 29th Annual General Meeting of our esteemed Company. We are grateful for your patience to provide opportunity to present the Annual Report for the year 2024, featuring the audited financial statements and the auditor's report for the fiscal year ending December 31, 2024. These documents are now submitted for your esteemed consideration and approval, valued shareholders. The Board ratified these audited financial statements on June 28, 2025. This Annual Report adheres to the stipulations of the Companies Act 1994, the Financial Institutions Act 2023, and the guidelines established by the Securities and Exchange Commission, Bangladesh Bank, and other relevant regulatory authorities.

The year 2024 has been a profound period for the global economy marked by resilience, adaptation, and significant transformation in the face of ongoing challenges and emerging opportunities. As economies worldwide navigated the complexities of recovery from the COVID-19 pandemic, geopolitical tensions, technological advancements, and climate imperatives, the landscape of global finance and commerce underwent noteworthy shifts.

## Global Economy

The year 2024 witnessed a continuation of global economic headwinds from 2023, with inflationary pressures, geopolitical uncertainty, and monetary tightening impacting markets. While the IMF revised global growth estimates to around 3.1%, growth remained uneven. Advanced economies experienced slowing consumption, while major emerging markets like India and Southeast Asia remained resilient.

The global economy in 2024 continued to navigate **persistent headwinds**, carrying over many of the challenges from 2023. While there were signs of gradual stabilization in certain regions, overall economic momentum remained fragile and uneven across countries and sectors.

**Advanced Economies:** Growth in advanced economies remained subdued, led by a sharp deceleration in **consumer spending** and **business investment**. The United States and the Eurozone experienced **slower-than-expected recoveries** amid high interest rates and weakening labor market confidence. Inflation began to ease but remained above central bank targets, prompting continued cautious policy stances.

**Emerging Markets and Developing Economies (EMDEs):** Performance was mixed but generally stronger than advanced economies. **India, Indonesia, Vietnam, and the Philippines** demonstrated resilience, supported by strong domestic demand, structural reforms, and expanding digital and manufacturing sectors. In contrast, several low-income and heavily indebted countries faced pressure from tightening global financial conditions and currency depreciation.

## Key Global Economic Drivers

**Inflation and Monetary Policy:** While inflation showed signs of moderation globally, it remained **sticky** in many regions, especially due to elevated food and energy prices. **Central banks**, including the U.S. Federal Reserve, the European Central Bank (ECB), and the Bank of England, maintained **restrictive monetary policies**, although some began signaling a pause or gradual easing as inflation expectations improved.

**Geopolitical Risks:** The global economic outlook was weighed down by rising **geopolitical uncertainties**, including escalating conflicts, trade fragmentation, and rising protectionism. Supply chain disruptions and commodity market volatility—particularly in oil and grain—added further unpredictability.

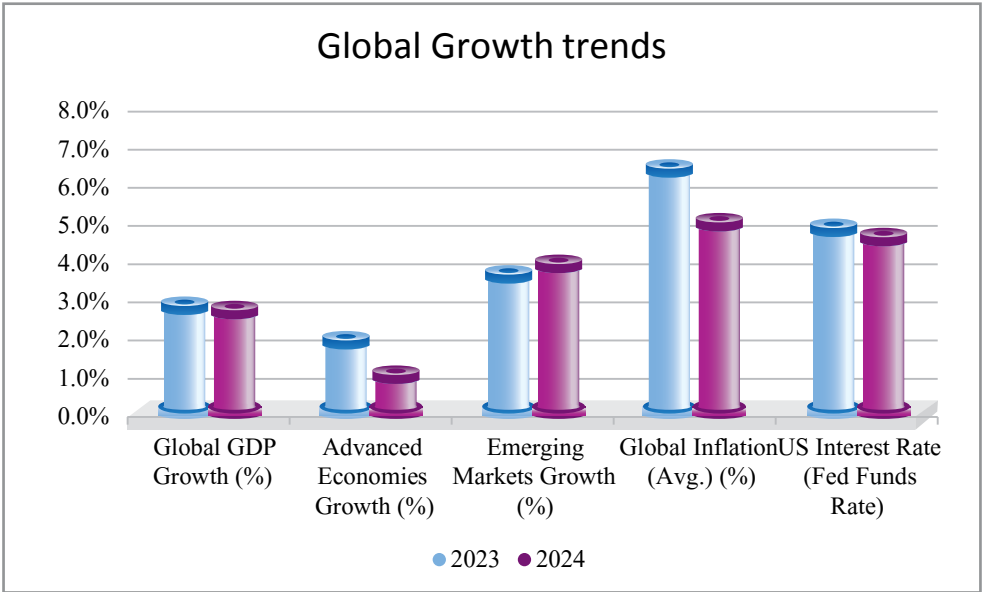
**Financial Markets:** Equity markets remained volatile, reacting sharply to interest rate signals and geopolitical news. Bond markets faced repricing risks as interest rates stayed high longer than initially anticipated. Capital flows to emerging markets were cautious, with investors focusing on fundamentals and sovereign risk exposure.

**Energy and Climate Transitions:** The energy market remained sensitive to geopolitical developments, though **green transition investments** increased globally. Many countries accelerated their climate finance commitments and infrastructure investments in renewables, creating opportunities for long-term structural growth.

**Global Economic Summary Table (2024)**

Indicator	2023	2024	Remarks
Global GDP Growth (%)	3.2%	3.1%	Slowed slightly due to monetary tightening and global risks
Advanced Economies Growth (%)	2.3%	1.4%	Dragged by weak consumption and investment
Emerging Markets Growth (%)	4.0%	4.3%	Driven by India, Vietnam, and other Asian EMDEs
Global Inflation (Avg.) (%)	6.8%	5.4%	Easing but still above targets in many regions
US Interest Rate (Fed Funds Rate)	5.25%	5.0%	Slightly moderated; cautious policy outlook
Oil Price (Brent, avg. per barrel)	\$83	\$78	Volatile due to geopolitical tensions
Capital Flows to EMs (USD trillion)	1.1	0.9	Cautious investor sentiment amid sovereign risk concerns
Green Investment (USD trillion)	1.7	2.1	Increase in climate transition-related infrastructure and finance projects

*(Source: International Monetary Fund (IMF))*



*(Source: IMF World Economic Outlook, 2023–2024)*

### Bangladesh Economy

In 2024, Bangladesh’s economy experienced **moderate growth**, with GDP expanding by an estimated **5.9%**, slightly lower than the previous year. This deceleration was primarily driven by global economic headwinds, including sluggish external demand, a slowdown in remittance inflows, and persistently **high inflation**, which affected domestic consumption and investment sentiment. Despite these challenges, the economy displayed **notable resilience** in key sectors:

**The Ready-Made Garment (RMG)** industry remained the backbone of exports, supported by increased compliance, market diversification, and a gradual rebound in global orders.

**The ICT sector** continued its upward trajectory, driven by digital transformation initiatives, export of software services, and growing freelancing and outsourcing opportunities.