

## Bangladesh market snapshot

|                   | Last closing |
|-------------------|--------------|
| DSEX Index        | 6,302.03     |
| % change          | -0.05%       |
| DS30 Index        | 2,134.57     |
| % change          | -0.14%       |
| DSES Index        | 1,360.58     |
| % change          | -0.21%       |
| Turnover (BDT mn) | 6,970.87     |
| Turnover (USD mn) | 63.66        |
| % change          | 5.21%        |

Source: Dhaka Stock Exchange

## International market snapshot

|                                     | Last closing |
|-------------------------------------|--------------|
| <b>Dow Jones Industrial Average</b> | 34,618.24    |
| % change                            | 0.12%        |
| <b>S&amp;P 500</b>                  | 4,450.32     |
| % change                            | -0.38%       |
| <b>Nikkei 225</b>                   | 33,533.09    |
| % change                            | 1.06%        |
| <b>FTSE 100</b>                     | 7,711.38     |
| % change                            | 2.46%        |

Source: Bloomberg

## Exchange rate

|     | Low (BDT) | High (BDT) |
|-----|-----------|------------|
| USD | 110.00    | 110.00     |
| EUR | 118.00    | 118.03     |
| GBP | 137.37    | 137.41     |
| INR | 1.32      | 1.32       |

Source: BB

## Money market

| Date      | Call Money Rate Range (%) | Weighted Average |
|-----------|---------------------------|------------------|
| 14-Sep-23 | 6.00 - 7.75               | 6.44             |
| 13-Sep-23 | 5.70 - 7.75               | 6.34             |

Source: BB

## Commodities

|                             | Price    | % Change |
|-----------------------------|----------|----------|
| Brent Crude (Oil), USD/bbl. | 93.93    | 1.77%    |
| Gold Spot, USD/t oz.        | 1,923.91 | 0.76%    |
| Cotton, USD/lb.             | 86.44    | -1.03%   |

Source: Bloomberg

## International Economy

### Gold price rises 1%

Gold jumped 1 percent on Friday, helped by a weaker dollar and safe-haven buying after United Auto Workers union kicked off strikes at three automakers in Detroit, while hopes around a likely pause in US interest-rate hikes lent further support. Spot gold was up 0.7 percent at \$1,924.27 per ounce. Bullion has risen 0.3 percent so far this week. The dollar slipped 0.2 percent against its rivals following US data earlier in the day, making gold less expensive for other currency holders.

<https://www.thedailystar.net/business/global-economy/news/gold-price-rises-1-3420591>

### US Fed likely to pause rate hikes despite higher inflation

The US Federal Reserve is widely expected to hold interest rates steady on Wednesday after a summer of mixed economic data, while leaving the door open to another hike if needed. The Fed has raised interest rates 11 times over the last 18 months, lifting its key lending rate to a level not seen for 22 years as it tackles inflation still stubbornly above its long-term target of two percent.

<https://www.tbsnews.net/world/global-economy/us-fed-likely-pause-rate-hikes-despite-higher-inflation-701782>

## Bangladesh Economy

### Growing debt servicing now puts pressure on forex reserves

The cost of debt servicing has risen significantly amid a higher flow of loans from development partners and an elevated level of interest payments, compounding pressure on the foreign currency reserve of Bangladesh, official figures showed. Owing to higher import bills and lower-than-expected remittance and export earnings, the reserve has been falling since July 2022.

<https://www.thedailystar.net/business/economy/news/growing-debt-servicing-now-puts-pressure-forex-reserves-3420561>

### Country begins fiscal year with rising loan payback

Hefty debt servicing weighs on the country's already-depleting foreign-exchange reserves as Bangladesh began the fiscal year with rising loan payback, according to sources. The government repaid a record-high amount of US\$253.09 million in a month to the lenders in July, officials said Friday, to start a payback process in the new fiscal year (FY) 2023-24 against foreign borrowings.

<https://today.thefinancialexpress.com.bd/public/last-page/country-begins-fiscal-year-with-rising-loan-payback-1694799468>

### Internet banking doubles to Tk 462.43b in July

Internet banking doubled to Tk 462.43 billion in July in a year-on-year growth with fin-tech transforming cash finance and payments system rapidly going online globally. Sources say the volume of internet-banking transactions is growing fast as huge people, particularly tech-savvy young generation, are using the digital platform to carry out financial activities. According to statistics available with Bangladesh Bank (BB), the volume of transactions through internet banking was Tk 235.48 billion in July 2022 and it continued rising to reach Tk 275.59 billion in December.

<https://today.thefinancialexpress.com.bd/public/first-page/internet-banking-doubles-to-tk-46243b-in-july-1694799044>

### **Pharma exports up 15% in Jul-Aug**

Pharmaceutical exports from Bangladesh grew nearly 15 percent year-on-year in the first two months of the current fiscal year as drug-makers secured international tenders, according to industry people. The manufacturers also said to have set a target to ship products by this month against the orders placed for the year in order to avoid disruptions stemming from any possible political unrest centring the upcoming general elections. Buyers have also started to place higher orders as economies gradually recover from the impacts of global economic crises brought on by the Russia-Ukraine war.

<https://www.thedailystar.net/business/economy/news/pharma-exports-15-jul-aug-3420546>

### **Cotton import likely to drop**

Bangladesh's cotton imports are likely to drop in the marketing year 2023-24 beginning from August because of lower consumption, said the US Department of Agriculture (USDA) last week. Cotton imports by mills may decline to 77 lakh bales in the current marketing year, down by nearly 4 percent from last month's forecast of 80 lakh bales, said the agency in its latest report on world markets and trade of cotton. The reduced consumption of cotton by Bangladesh, the second largest garment exporter after China, is forecasted to cause a decline in global trade.

<https://www.thedailystar.net/business/economy/news/cotton-import-likely-drop-3420551>

### **Capital Market**

#### **Insurance-led market lost points last week**

The key index of the Dhaka bourse lost its rally after three consecutive weeks amid investors' continued chase after general insurance shares in anticipation of short-term gains, resulting in nine out of the top ten weekly gainers being insurers. DSEX, the benchmark index of the Dhaka Stocks Exchange (DSE), corrected by 5.05 points to 6,302, after gaining more than 52 points in the past three consecutive weeks.

<https://www.tbsnews.net/economy/stocks/insurance-led-market-lost-points-last-week-701686>

#### **LafargeHolcim wins int'l arbitration against Jalalabad Gas**

Jalalabad Gas Transmission and Distribution System Limited has to pay back Tk266 crore to LafargeHolcim Bangladesh Limited, collected additionally as gas bill, as per Singapore-based International Arbitration Tribunal order. The tribunal also declared the validity of the gas sales agreement's (GSA) ceiling price provision and absolved the cement manufacturer from paying invoices exceeding this price. The International Arbitration Tribunal passed the order in favour of the cement manufacturer on 15 September.

<https://www.tbsnews.net/economy/stocks/lafargeholcim-wins-intl-arbitration-against-jalalabad-gas-701678>