

Bangladesh market snapshot

	Last closing
DSEX Index	6,311.29
% change	0.18%
DS30 Index	2,140.84
% change	-0.13%
DSES Index	1,362.81
% change	-0.75%
Turnover (BDT mn)	8,676.97
Turnover (USD mn)	79.24
% change	60.66%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	34,986.00
% change	1.06%
S&P 500	4,506.50
% change	1.26%
Nikkei 225	33,533.09
% change	1.10%
FTSE 100	7,711.38
% change	0.50%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	110.00	110.00
EUR	118.00	118.03
GBP	137.36	137.41
INR	1.32	1.32

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
17-Sep-23	6.00-7.75	6.44
14-Sep-23	5.50-7.75	6.34

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	94.49	0.60%
Gold Spot, USD/t oz.	1,928.36	0.23%
Cotton, USD/lb.	87.23	0.91%

Source: Bloomberg

International Economy

Fed unlikely to pause rate hikes

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. After falling sharply over the last year, inflation has ticked up again in recent months due to a spike in energy costs, keeping up the pressure on the Fed.

<https://www.thedailystar.net/business/global-economy/news/fed-unlikely-pause-rate-hikes-3421396>

Bangladesh Economy

High LC confirmation fees make imports costlier

amid a dollar crunch for over a year in the domestic market, Bangladeshi importers are experiencing significantly higher costs because of escalating LC (letter of credit) confirmation fees charged by foreign banks, primarily driven by deteriorating health of the banking sector. The burden of these rising costs is being transferred directly to consumers, precipitating an unwelcome surge in inflation. According to bankers and businesses, importers are now burdened with confirmation fees of 3.5% of their import value on LCs per year, a substantial increase from 1.7%-2% charged in June last year.

<https://www.tbsnews.net/economy/banking/high-lc-confirmation-fees-make-imports-costlier-702242>

Curtailing high-powered money mulled to contain inflation

Curtailing high-powered money supply in the economy now comes under government consideration as a means to contain inflation as consumer woes compound amid steep commodity prices, according to sources. Bangladesh Bank has switched over its policy on injection of high-powered or print money into government accounts to rein in growing inflationary pressure.

<https://today.thefinancialexpress.com.bd/first-page/curtailing-high-powered-money-mulled-to-contain-inflation-1694974259>

Foreign loan repayment gets costlier with weaker taka

Bangladesh's foreign debt repayment in July of the current fiscal year increased by 41.38% against the same month last fiscal, according to the Economic Relations Division. The increase jumps to 63.77% (Tk1074.76 crore) when calculated in taka, due to the sharp devaluation of local currency against the US dollar. According to the ERD data, the government cleared \$253.09 million in interest and principal payments for development assistance in the first month of the current fiscal.

<https://www.tbsnews.net/economy/foreign-loan-repayment-gets-costlier-weaker-taka-702238>

Oil arrears rebuild to \$250m, supply suspension warned

Uncertainty hovers over clearing oil-import bills to foreign suppliers over again within a couple of months of the previous payment hiccup amid persistent dollar dearth facing Bangladesh petroleum corporation, according to sources. Most of the petroleum-oil suppliers to Bangladesh have become upset again over payment arrears and requested clearing the dues immediately.

<https://today.thefinancialexpress.com.bd/first-page/oil-arrears-rebuild-to-250m-supply-suspension-warned-1694974461>

Mutual Fund Industry

Mutual funds will continue to perform well

The country's mutual fund sector is performing well and will continue to maintain the momentum in the coming days, according to Bangladesh Securities and Exchange Commission (BSEC) Chairman Professor Shibli Rubayat-Ul-Islam. The commission remains alert to protect the interests of the capital market investors amid the ongoing challenging market situation.

<https://www.thedailystar.net/business/economy/stock/news/mutual-funds-will-continue-perform-well-3421451>

Capital Market

Stocks open week upbeat, turnover hits two-month high

Dhaka stocks gained on Sunday as cautious investors took the opportunity to buy shares following sell-offs in the previous trading session, market operators said. DSEX, the key index of the Dhaka Stock Exchange, advanced by 9.25 points, or 0.14 per cent, and settled at 6,311.29 points on Sunday after losing 2.85 points on September 14.

<https://www.newagebd.net/article/212449/stocks-open-week-upbeat-turnover-hits-two-month-high>