

Bangladesh market snapshot

	Last closing
DSEX Index	6,311.07
% change	0.00%
DS30 Index	2,139.01
% change	0.02%
DSES Index	1,359.75
% change	-0.12%
Turnover (BDT mn)	7,346.17
Turnover (USD mn)	67.09
% change	0.00%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	34,778.00
% change	-0.42%
S&P 500	4,485.25
% change	-0.31%
Nikkei 225	33,051.55
% change	-0.48%
FTSE 100	7,660.2
% change	0.09%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	110.00	110.00
EUR	117.60	117.63
GBP	136.20	136.23
INR	1.32	1.32

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
19-Sep-23	6.00 - 7.75	6.49
18-Sep-23	6.00 - 7.75	6.47

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	93.32	-1.76%
Gold Spot, USD/t	1,930.65	-0.05%
Cotton, USD/lb.	86.98	-1.08%

Source: Bloomberg

International Economy

Fed to hold rates steady

The US Federal Reserve kicked off a two-day policy meeting on Tuesday with officials widely expected to keep interest rates on hold for now, but also flagging in new economic projections whether they feel rates still need to rise further before the end of the year. A new policy statement and interest rate decision will be released this Wednesday.

<https://www.thedailystar.net/business/global-economy/news/fed-hold-rates-steady-3422916>

Bangladesh Economy

Banks' lending slows for liquidity crunch

The banking sector's lending growth squeezed in the April to June quarter owing to a shortage of liquidity at most banks and their unwillingness to extend credits to borrowers already struggling to pay back, official figures showed. The lending of scheduled banks grew 2.92 percent to Tk 14,46,072 crore in the second quarter compared to the first quarter, according to the data of the central bank. In April-June of 2022, the lending rose 5 percent to Tk 12,98,659 crore.

<https://www.thedailystar.net/business/economy/banks/news/banks-lending-slows-liquidity-crunch-3423056>

Foreign loan utilisation slightly down

Utilisation of foreign assistance under the government's Annual Development Programme (ADP) by ministries and divisions has slightly declined year-on-year in the first two months of fiscal year 2023-24. Around Tk 3,367 crore was spent, which was a decrease of 5.87 percent, according to data from the Implementation Monitoring and Evaluation Division (IMED). Local government division (LGD) spent the most among the 15 ministries and divisions that receive the highest allocations.

<https://www.thedailystar.net/business/news/foreign-loan-utilisation-slightly-down-3423036>

Dollar Manipulation: BB asks 10 banks to explain

The Bangladesh Bank has asked 10 banks' managing directors why their treasury heads should not be penalised for their involvement in dollar rate manipulation this year. The letter, which was issued on Monday, comes after BB did not accept the banks' previous clarification on the allegation of charging more than the declared rate for the dollar.

<https://www.thedailystar.net/business/economy/banks/news/dollar-manipulation-bb-asks-10-banks-explain-3423076>

Payment service providers can bring remittance

Bangladesh Bank yesterday allowed licensed payment service providers (PSPs) to bring inward wage remittances with the aim to increase remittance inflow. The central bank took the decision at a time when

the country's foreign exchange reserves continue to go down due to slow forex earning against high demand for imports. Bangladesh Bank issued a notice saying that licensed PSPs will be allowed to repatriate wage earners' remittance in association with internationally recognised online payment gateway service providers, banks, digital wallets, card schemes and foreign PSPs.

<https://www.thedailystar.net/business/economy/news/payment-service-providers-can-bring-remittance-3423026>

Millionaire bank accountholders up by 3,362 in single quarter

Some remittance rebound and government handouts raised deposits in Bangladesh's banking system by 4.59 per cent to Tk 16.87 trillion in June over its previous quarter ending in March 2023. The latest official statistics of the central bank of Bangladesh portrayed the positive picture of the financial front that is turning the corner after volatility. The number of millionaire account-holders, having deposits between Tk 10 million-plus and Tk 500 million-plus, stands at 113,554, up by 3,362 from the March 2023 quarter.

<https://today.thefinancialexpress.com.bd/first-page/millionaire-bank-accountholders-up-by-3362-in-single-quarter-1695146671>

Amid dollar dearth comes taka trouble too

State energy-corporation Petrobangla gets in a two-pronged financial crunch as power plants and fertilizer factories have defaulted on payments in local currency. The corporation has been facing problems with oil imports because of dollar dearth in recent months. Power plants and fertilizer factories in public sector owe around Tk 100 billion, equivalent to US\$926 million, to Petrobangla against gas purchases.

<https://today.thefinancialexpress.com.bd/first-page/amid-dollar-dearth-comes-taka-trouble-too-1695146619>

Bangladesh to cut HSFO imports in September as utility demand eases

Bangladesh will trim imports of high sulfur fuel oil (HSFO) by a third in September due to reduced demand from the power generation sector as ongoing monsoonal rains have brought down peak summer temperatures, according to the president of Bangladesh Independent Power Producers' Association. The country is likely to import 250,000 mt of 180 CST HSFO with 3.5% sulfur content during September, down 33.3% compared with about 375,000 mt HSFO imported in August.

<https://www.tbsnews.net/bangladesh/energy/bangladesh-cut-hsfo-imports-september-utility-demand-eases-703590>

Cheaper scrap, low demand do little to bring down rod prices

Mild Steel (MS) rod prices saw a slight decrease in September after hitting an all-time high this March despite a sharp decline in raw material prices in the last few months and the low monsoon demand. Wholesale prices of these raw materials – scrap, plate and billet – have decreased by Tk15,000 to Tk19,000 per tonne over the past three months but top-grade MS rod prices are still hovering between

Tk93,000-95,000 per tonne, according to traders and shipbreaking yard owners.

<https://www.tbsnews.net/economy/industry/cheaper-scrap-low-demand-do-little-bring-down-rod-prices-703594>

Antibiotic resistance highest among people under 20

Antibiotic resistance is on the rise among children and youth in Bangladesh, posing a serious health concern, as people under 20 have been found to have the highest resistance to antibiotics. In a recent study by the Department of Microbiology at the National Institute of Laboratory Medicine and Referral Centre, 29.2% of these young people had multiple antibiotic resistance.

<https://www.tbsnews.net/bangladesh/health/antibiotic-resistance-highest-among-people-under-20-703550>

Capital Market

Stocks mixed, insurance rules gainers' list

Indices displayed mixed performance on Tuesday with the insurance sector once again dominating the top gainers' list. Nine out of the top ten gainers were insurance stocks on the day. Among them, Janata Insurance was the highest gainer of price with a 9.97% appreciation. The other insurance companies in the list were Asia Insurance, United Insurance, Trust Islami Life Insurance, Sandhani Life Insurance, Pioneer Insurance, Eastern Insurance, Agrani Insurance, and Phoenix Insurance. The general insurance sector, as a whole, posted the highest gain of 1.3% in market capitalisation, followed by life insurance gaining 1.2%.

<https://www.tbsnews.net/economy/stocks/stocks-open-positive-note-703074>