

Bangladesh market snapshot

	Last closing
DSEX Index	6,282.77
% change	0.03%
DS30 Index	2,135.31
% change	-0.07%
DSES Index	1,359.32
% change	0.05%
Turnover (BDT mn)	5,007.41
Turnover (USD mn)	45.73
% change	0.00%
Source: Dhaka Stock Exchange	

International market snapshot

	Last closing
Dow Jones Industrial Average	34,172.00
% change	-0.41%
S&P 500	4,363.75
% change	-0.22%
Nikkei 225	32,364.48
% change	-1.07%
FTSE 100	7,623.99
% change	-0.78%
Source: Bloomberg	

Exchange rate

	Low (BDT)	High (BDT)
USD	110.00	110.00
EUR	117.17	117.21
GBP	134.61	134.66
INR	1.32	1.32

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
25-Sep-23	6.00 - 7.75	6.55
24-Sep-23	6.00 - 7.75	6.54

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	92.85	-0.77%
Gold Spot, USD/t oz.	1,913.58	-0.52%
Cotton, USD/lb.	87.25	1.02%

Source: Bloomberg

International Economy

Fed official calls for more rate hikes

The US Federal Reserve has more work to do to tackle high inflation despite making "considerable" progress in the last 18 months, a senior bank official said Friday. Earlier this week, Fed officials unanimously voted to hold interest rates at a 22-year high while indicating they expect another hike will be needed to bring inflation down to the US central bank's long-term target of two percent. The decision postponed additional pain for millions of Americans already struggling with the impact of the Fed's existing hikes on mortgages and other loans.

<https://www.thedailystar.net/business/global-economy/news/fed-official-calls-more-rate-hikes-3427236>

Bangladesh Economy

Fitch now rates Bangladesh's foreign debt outlook negative

Fitch Ratings has reassessed Bangladesh's ability to fulfill its foreign-currency debt obligations, shifting its outlook from "stable" to "negative." However, Fitch has upheld Bangladesh's long-term foreign-currency Issuer Default Rating (IDR) at 'BB-', an investment-grade rating, albeit with a negative outlook. This change in outlook suggests that Fitch Ratings has some concerns about the country's economic situation, which may impact its ability to meet its foreign-currency debt obligations in the future.

<https://www.tbsnews.net/economy/fitch-revises-outlook-bangladesh-negative-stable-affirms-bb-707070>

Taka weakens even further

The Bangladesh Bank increased the exchange rate of the dollars from reserves by Tk0.50 to Tk110.50 on Monday. Since the beginning of July, the central bank has not announced the dollar price separately. In selling dollars from reserves, the central bank is following the dollar rate in the interbank market. The taka depreciated to the highest value of Tk2.85 in the first week of July. Since then, the central bank has been increasing the selling price of dollars from the reserves according to the interbank dollar rate. As a result, the reserves' dollar rate stood at Tk108.85 in early July.

<https://www.tbsnews.net/economy/banking/taka-weakens-even-further-707166>

US imposes restrictions on ACU payment

An oncoming problem on trade front is feared from a reported US restrictions on processing payments linked to the Asian Clearing Union (ACU) through which Bangladesh also settles deferred import payments. According to Indian media report, the US Office of Foreign Assets Control (OFAC) under the US Department of The Treasury asked banks there to refrain from processing payments linked to the ACU mechanism.

<https://today.thefinancialexpress.com.bd/first-page/us-imposes-restrictions-on-acu-payment-1695662280>

Bangladesh Bank introduces dollar booking policy for max 1 year

Bangladesh Bank has introduced a US dollar booking policy for maximum 1 year, at a higher rate, to meet future requirements. According to the new rules, after one year, the bank will be able to charge a maximum of 5 percent more than the current dollar price with a 'SMART' rate. Under the new rules, dollars can be kept with bookings for up to one year. For this, the buyer has to pay extra. It will be determined by the method with which loan interest rate is determined now.

<https://www.daily-sun.com/post/714510/Bangladesh-Bank-introduces-dollar-booking-policy-for-max-1-year>

12pc additional growth in exports possible if US allows GSP: study

Bangladesh could gain 12 per cent additional earnings from the United States by exporting apparel if the US provides duty-free market access to products made of US cotton, according to a local research organisation. The US Generalised System of Preferences with cotton rules of origin could also trigger an additional \$3 billion import of cotton by Bangladesh from the US over the next 5-7 years, according to the assessment of Research and Policy Integration for Development Bangladesh.

<https://www.newagebd.net/article/213347/12pc-additional-growth-in-exports-possible-if-us-allows-gsp-study>

After ExxonMobil, Chevron also intends to explore deep offshore

After ExxonMobil's unsolicited offer, another US firm, Chevron, has also expressed interest to explore Bangladesh's deep offshore blocks that have so far remained unexplored despite having high potential to discover hydrocarbon resources. Sources said the US oil super-major ExxonMobil earlier submitted a similar proposal to explore all the 15 deepwater blocks of the energy-hungry country.

<https://today.thefinancialexpress.com.bd/first-page/after-exxonmobil-chevron-also-intends-to-explore-deep-offshore-1695662424>

Capital Market

Stocks flat, turnover dips to 10-day low

Equity indices at the Dhaka Stock Exchange (DSE) exhibited mixed performance on Monday, with the daily turnover hitting the lowest in the last ten days. Dhaka bourse's broad-based index DSEX and Shariah index DSES inched up to 6,283 and 1,359 points respectively, while the blue-chip index DS30 slipped to 2,135. The bourse witnessed a significant decline in market participation as investors shied away amid concerns regarding various macroeconomic and political issues, particularly the recent restrictions on US visas of Bangladeshi individuals.

<https://www.tbsnews.net/economy/stocks/dse-turnover-dips-10-day-low-706798>