

Bangladesh market snapshot

	Last closing
DSEX Index	6,261.72
% change	-0.02%
DS30 Index	2,137.65
% change	0.11%
DSES Index	1,355.81
% change	-0.02%
Turnover (BDT mn)	3,896.79
Turnover (USD mn)	35.59
% change	-13.59%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	33,407.58
% change	0.23%
S&P 500	4,308.50
% change	0.21%
Nikkei 225	30,994.67
% change	0.11%
FTSE 100	7,494.58
% change	1.11%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	110.50	110.50
EUR	116.05	116.10
GBP	134.01	134.05
INR	1.32	1.32

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
5-Oct-23	6.50 - 8.50	7.23
4-Oct-23	6.00 - 7.75	6.56

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	84.58	-2.14%
Gold Spot, USD/t oz.	1,833.01	0.25%
Cotton, USD/lb.	87.14	-0.38%

Source: Bloomberg

International Economy

Oil up after OPEC+ maintains output cuts but shaky demand caps gains

Oil prices inched up on Thursday, clawing back some of the previous session's big losses after an OPEC+ panel maintained oil output cuts to keep supply tight, though an uncertain demand outlook capped gains. Brent crude oil futures rose 55 cents to \$86.36 a barrel at 0640 GMT, while US West Texas Intermediate crude climbed 55 cents to \$84.77. Oil settled down more than \$5 on Wednesday as a bleaker macroeconomic outlook and fuel demand destruction came into focus following a meeting of an OPEC+ panel, grouping the Organization of the Petroleum Exporting Countries and allies led by Russia.

<https://www.thedailystar.net/business/global-economy/news/oil-after-opec-maintains-output-cuts-shaky-demand-caps-gains-3435376>

Bangladesh Economy

Bangladesh's debt-to-GDP ratio to climb to 35.6% this year: Fitch

Bangladesh's debt-to-GDP ratio is expected to reach 35.6% this year, up from 33.2% in 2022, according to the American credit rating agency Fitch Ratings. Besides, the ratio will continue increasing to 36.4% next year and 37.2% in the following, which, however, would still be the lowest in the Asia Pacific emerging markets, Fitch revealed in an article published on Friday. Fitch's latest forecast is close to the estimates published by the Bangladesh finance ministry in its medium-term macroeconomic policy statement for FY24 to FY26.

<https://www.tbsnews.net/economy/bangladeshs-debt-gdp-ratio-climb-356-year-fitch-713322>

Dollar sells at Tk 120 in kerb market, as money changers go dry

Public dependency on the open market for US dollars has increased, where per dollar is being sold at Tk 120-121, according to UNB. The dollar crisis in the kerb market became more acute after Bangladesh Bank and law enforcers raided money changers who allegedly selling dollars at higher rates. Taking advantage of situation, a number of individuals are selling dollars, through their networks, at Tk 120-121 per dollar. They are becoming the lone source of dollars for those who are travelling abroad for treatment, education, and other emergencies, according to sources.

<https://today.thefinancialexpress.com.bd/last-page/dollar-sells-at-tk-120-in-kerb-market-as-money-changers-go-dry-1696699049>

93% sour loans in 3 months belong to 11 banks

Only 11 banks accounted for 93% of the staggering Tk24,419 crore in loans defaulted in the three months through June. The high level of default loans left the Bangladesh Bank worried about meeting the IMF's conditions to avail a loan package. In a report last week, the Bangladesh Bank said it is concerned that defaulted loans are increasing at an unusual rate.

<https://www.tbsnews.net/economy/banking/93-sour-loans-3-months-belong-11-banks-714222>

Apparel exports to US fall 21.77% in Jan-Aug

Bangladesh's apparel exports to the US shrank 21.74% in the first eight months of 2023 as the key market is going through an overall slowdown in demand for garment products. The country's apparel shipments to the US were valued at \$5.18 billion in the first eight months of this year against \$6.62 billion in the corresponding period of last year, according to the US Department of Commerce's Office of Textiles and Apparel (OTEXA). Meanwhile, remittance earnings from the US also dropped 48.8% to \$511.69 million in the first quarter (July-September) of the 2023-24 fiscal from \$999.77 million in the same period of the previous fiscal, according to the Bangladesh Bank.

<https://www.tbsnews.net/economy/rmg/apparel-exports-us-fall-2177-jan-aug-714230>

Private coal power plants to avail tax exemption till 2039

The National Board of Revenue (NBR) has relaxed rules to extend the income tax exemption facility to private coal-fired power producers by 15 years if they start electricity generation by June 30 next year. Earlier, the NBR offered the exemption to the producers that could begin producing electricity by June 30 this year. The extension comes following recommendations from the power, energy and mineral resources ministry as most of the power plants failed to go into production by the deadline, according to a senior official of the NBR.

<https://www.thedailystar.net/business/economy/news/private-coal-power-plants-avail-tax-exemption-till-2039-3435646>

Mutual Fund Industry

Exchanges to begin trading in open-ended MFs this year

Open-ended mutual funds will become tradeable on the stock exchanges by the end of this year, which is expected to ease liquidation of assets as well as provide the market with liquidity support. Regulatory bodies have been dwelling on if transactions in MF units should be allowed on the exchange's main boards or alternative trading boards (ATB). The Dhaka Stock Exchange (DSE) has already geared up for trading in the MFs on its ATB, while the Chittagong Stock Exchange (CSE) has completed preparation for the launching of ATB shortly.

<https://today.thefinancialexpress.com.bd/stock-corporate/exchanges-to-begin-trading-in-open-ended-mfs-this-year-1696695507>

Capital Market

Stocks tumble as investors worry over economic uncertainty

Indices of both the stock exchanges tumbled in the outgoing week as cautious investors preferred to liquidate their holdings and stay on the sidelines with shaky confidence stemming from intensifying macroeconomic concerns and rising political uncertainties ahead of the national election. Market insiders said investors might be spooked following the US State Department's announcement of visa restrictions on Bangladeshis who will be found hampering a free and fair national election.

here. Besides, the Bangladesh Bank on Wednesday increased its key policy rate, also known as the repo rate, by 75 basis points to 7.25%, the highest in the last decade.

<https://www.tbsnews.net/economy/stocks/stocks-tumble-investors-worry-over-economic-uncertainty-714154>

Insurance Association chief calls for mandatory motor ins

Motor insurance should be made mandatory immediately as there was no economy where vehicles run without insurance coverage, according to the president of Bangladesh Insurance Association (BIA). Previously, at least third-party motor insurance was made mandatory for running vehicles on the streets. But this provision was withdrawn after the enactment of the Motor Act 2018. Instead, a fund has been constituted to compensate liabilities for affected persons and goods in any accident.

<https://today.thefinancialexpress.com.bd/stock-corporate/insurance-association-chief-calls-for-mandatory-motor-ins-1696695626>