

Bangladesh market snapshot

	Last closing
DSEX Index	6,237.23
% change	-0.39%
DS30 Index	2,130.71
% change	-0.32%
DSES Index	1,351.25
% change	-0.34%
Turnover (BDT mn)	3,678.4
Turnover (USD mn)	33.59
% change	-5.60%
Source: Dhaka Stock Exchange	

International market snapshot

	Last closing
Dow Jones Industrial Average	33,407.58
% change	0.00%
S&P 500	4,308.50
% change	0.00%
Nikkei 225	30,994.67
% change	0.00%
FTSE 100	7,494.58
% change	0.00%
Source: Bloomberg	

Exchange rate

	Low (BDT)	High (BDT)
USD	110.50	110.50
EUR	116.97	117.00
GBP	135.22	135.27
INR	1.32	1.32

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
8-Oct-23	6.50 - 8.50	7.28
5-Oct-23	6.50 - 8.50	7.23

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	87.61	3.58%
Gold Spot, USD/t oz.	1,850.48	0.95%
Cotton, USD/lb.	88.2	1.22%

Source: Bloomberg

International Economy

Oil prices rise, but post biggest weekly decline since March

Oil prices rose on Friday but remained posted their steepest weekly losses since March, after another partial lifting of Russia's fuel export ban compounded demand fears due to macroeconomic headwinds. On Friday, Brent futures settled up 51 cents at \$84.58 per barrel. US West Texas Intermediate crude futures settled up 48 cents at \$82.79. For the week, Brent posted a decline of about 11% and WTI recorded an over 8% drop, on worries that persistently high interest rates will slow global growth and hammer fuel demand, even if supplies are depressed by Saudi Arabia and Russia, who said they will continue supply cuts to year end.

<https://www.thedailystar.net/business/global-economy/news/oil-prices-rise-post-biggest-weekly-decline-march-3437656>

Bangladesh Economy

Manpower export in September drops amid remittance worries

Amid mounting concerns over a recent decline in remittance inflows, Bangladesh's labour export figures took a significant hit in September, falling to 107,574 – the lowest figure in four months and a 22.42% drop from August, according to the Bureau of Manpower, Employment and Training (BMET). The previous lowest figure was in May when the country exported 101,558 labourers. This decline was attributed to a sharp reduction in labour exports to Malaysia, which fell from 46,105 in August to a mere 21,520 in September. Also, labour exports to Middle Eastern countries, which is the primary destination for Bangladeshi migrant workers, experienced a decline to four key nations – the UAE, Kuwait, Oman, and Qatar – while experiencing a slight increase to Saudi Arabia.

<https://www.tbsnews.net/economy/manpower-export-september-drops-amid-remittance-worries-714834>

Short-term foreign debt falls \$500m in Aug, mounting pressure on reserves

Short-term foreign debt to the private sector dropped by \$500 million in August alone due to hikes in international interest rates and increased repayment pressure, eventually mounting pressure on the country's forex reserves. According to data from the Bangladesh Bank, the short-term debt taken by the country's private sector from various foreign banks and institutions decreased by about \$3.58 billion over the span of eight months from \$16.42 billion at the end of December.

<https://www.tbsnews.net/economy/banking/short-term-foreign-debt-falls-500m-aug-mounting-pressure-reserves-714738>

NBFIs deposit, lending rates increased by 50 basis points

The Bangladesh Bank has raised the deposit and lending rates for non-bank financial institutions (NBFIs) by 50 basis points each. The

central bank's Department of Financial Institutions and Markets issued a circular in this regard on Sunday (8 October). The circular states that from now on, any NBFIs will be able to pay customers interest on deposits at a rate of six months moving average rate of Treasury bill (SMART) + 2.5%. Previously, it could pay SMART + 2%. For October, SMART has been set at 7.20%. That means NBFIs can now offer a maximum of 9.70% interest on deposits taken from customers.

<https://www.tbsnews.net/economy/banking/nbfis-deposit-lending-rates-increased-50-basis-points-714742>

Capital Shortfall in Q2: 15 banks fall short of Tk 33,744cr

A record 15 banks, including seven state-run lenders, faced capital shortfall in the second quarter of 2023, in yet another indication of the worrying state of the financial sector. Together, they logged in capital shortfall of Tk 33,744 crore in the quarter that ended on June 30, according to the latest data from Bangladesh Bank. This is the second-highest volume of capital shortfall seen by the banking sector. The highest one -- Tk 34,640 crore -- was recorded in the last quarter of 2021. As per Basel III, which is the international regulatory framework for banks, the minimum capital adequacy ratio (CAR) is 10.5 percent with an added 2.5 percent conservation buffer. The 15 banks failed to maintain the minimum CAR.

<https://www.thedailystar.net/business/news/capital-shortfall-q2-15-banks-fall-short-tk-33744cr-3438286>

Govt treasuries trade on higher bets

Government treasuries traded Sunday on higher bets as policy-rate hike as a measure to tame inflation is pushing up yields on these instruments. Economists think banks may now make a beeline for investing in T-bills and bonds, and the already-raised lending rates may also rise in a chain effect. The policy or repo rate was raised to 7.25 per cent from 6.5 per cent last week. The rate took immediate effect-to make funds costlier to rein in price rises.

<https://today.thefinancialexpress.com.bd/last-page/govt-treasuries-trade-on-higher-bets-1696788218>

Capital Market

Sell off continues, DSEX down to 53-day low

Sell pressure at both the bourses continued on Sunday as the recent tightening of monetary policy by the central bank added to the investors' woes amid the prevailing economic and political concerns. DSEX, the benchmark index of the Dhaka Stock Exchange (DSE), plummeted by 24.5 points on Sunday and settled at 6,237, which was the lowest since the last 53 days. The port-city bourse Chittagong Stock Exchange also settled in the red terrain. The selected indices (CSCX) and All Share Price Index (CASPI) declined by 32.8 and 54.3 points to close at 11,046 and 18,477 respectively.

<https://www.tbsnews.net/economy/stocks/sell-continues-dsex-down-53-day-low-714770>