

Bangladesh market snapshot

	Last closing
DSEX Index	6,256.18
% change	0.14%
DS30 Index	2,141.39
% change	0.22%
DSSES Index	1,357.11
% change	0.29%
Turnover (BDT mn)	4,304.04
Turnover (USD mn)	39.31
% change	15.57%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
Dow Jones Industrial Average	34,061.00
% change	0.34%
S&P 500	4,422.50
% change	0.64%
Nikkei 225	31,936.51
% change	-0.21%
FTSE 100	7,620.03
% change	-0.11%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	110.50	110.50
EUR	117.16	117.20
GBP	135.74	135.78
INR	1.32	1.32

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average
9-Oct-23	6.75 - 8.50	7.38
8-Oct-23	6.75 - 8.50	7.34

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	85.58	-2.71%
Gold Spot, USD/t oz.	1,877.46	0.93%
Cotton, USD/lb.	85.00	-1.11%

Source: Bloomberg

International Economy

Oil ticks up on lingering worries about supply disruptions

Oil edged higher on Wednesday as investors grappled with the prospect of supply disruptions due to the Middle East turmoil. Brent crude rose 25 cents, or 0.3 percent, to \$87.90 a barrel by 0550 GMT. US West Texas Intermediate (WTI) crude rose 24 cents, also 0.3 percent, to \$86.21 a barrel. Brent and WTI surged more than \$3.50 on Monday as the military clashes raised fears that the conflict could spread beyond Gaza, but settled lower in Tuesday's session.

<https://www.thedailystar.net/business/global-economy/news/oil-ticks-lingering-worries-about-supply-disruptions-3440451>

Bangladesh Economy

Forex reserve \$7b short of IMF target

The Bangladesh Bank is \$7 billion short of the \$25.3 billion net reserve target set by the International Monetary Fund (IMF) for September – a performance criteria that must be met to get the second tranche of the \$4.7 billion loan package. As the central bank is far behind the target, the IMF may revise the condition for maintaining reserves, according to central bank sources.

<https://www.tbsnews.net/economy/forex-reserve-7b-short-imf-target-716898>

Lending, exchange rates still not market-driven: IMF

Bangladesh Bank introduced a new formula in June to determine the lending interest rate and brought about a single exchange rate recently but both are yet to be determined by the open market, according to International Monetary Fund (IMF). The exchange and interest rates are still being controlled, according to a visiting IMF delegation to senior central bank officials yesterday. The team suggested that the BB officials take policy measures for the rates to be determined by the free market.

<https://www.thedailystar.net/business/economy/news/lending-exchange-rates-still-not-market-driven-imf-3441161>

Wheat import surges

Wheat imports grew four times in the first quarter of this fiscal year as businesses showed an interest in tapping into reduced international prices of the second most-consumed grain in Bangladesh. Support from banks in opening Letters of Credits (LCs) for imports gave further impetus to the private sector to bring in an increased volume of wheat. Bangladesh has to depend largely on the global market to meet its domestic requirement for wheat for household and industrial use.

<https://www.thedailystar.net/business/economy/news/wheat-import-surges-3441166>

60MW wind power plant commences operation today

The country's largest 60-megawatt wind-based power plant in Cox's Bazar is all set to initiate commercial operation today. Located at Khurushkul near Cox's Bazar beach, the plant has already been synchronised with the national grid after test operation months ago. The Bangladesh Power Development Board (BPDB) will purchase electricity from the plant at 12 US cents per unit (1.0 kilowatt/hour) for 18 years from the start date of its operation.

<https://today.thefinancialexpress.com.bd/last-page/60mw-wind-power-plant-commences-operation-today-1697050160>

Seven liners started direct shipping, now only 3 remain

Direct shipping from the Chattogram port to major ports worldwide, including those in Europe, is coming to a halt as shipping lines are discontinuing their operations owing to reduced freight charges, export bookings and import orders. The promise that emerged in 2022, featuring at least seven international routes, offered fresh optimism for the country's exporters with prospects of significantly reducing transportation time and expenses. However, within just a year, four of these routes have been cancelled and the remaining three are on the brink of closure.

<https://www.tbsnews.net/bangladesh/transport/seven-liners-started-direct-shipping-now-only-3-remain-716834>

Motorcycles up to 375cc can now be registered

From now on, Bangladesh will allow registration of motorcycles up to 375 cc, according to a notification issued by the Road Transport and Highways Division. According to the notification, the permission for 375cc bikes was given keeping the development and expansion of the domestic industry in mind. Earlier in September, the government decided to permit up to 375cc motorcycles on the local roads if they are manufactured locally.

<https://www.tbsnews.net/bangladesh/transport/motorcycles-375cc-can-now-be-registered-716802>

Capital Market

Stocks stretch gains amid higher turnover

Stocks extended their gaining momentum on Wednesday as bargain-hunters continued to chase sector-specific scrips looking for short-term gain opportunities. DSEX, the broad-based index of the Dhaka Stock Exchange (DSE), inched up 0.14% to 6,256, compared to the previous trading session. Shariah index DSES and blue-chip DS30 also advanced by 0.29% and 0.22% to 1,357 and 2,141 respectively. The bourse saw an increase in investor participation on Wednesday as the DSE daily turnover went up by 15.6% to Tk430.4 crore, compared to the previous trading session.

<https://www.tbsnews.net/economy/stocks/stocks-stretch-gains-amid-higher-turnover-716782>

Square's Kenyan venture aims to triple revenue in 2024

Square Pharmaceuticals, which began commercial production at its Kenya plant this year, has set its sights on expanding its footprint in East Africa in the coming days. The Bangladeshi multinational company aims to achieve \$1.5 million in revenue from the plant in the first year, with a goal of at least tripling it next year, according to the executive director for Finance and Strategy at Square Pharma. In a pioneering move to manufacture abroad, the leading drugmaker in Bangladesh started setting up its East African plant at an export processing zone in Nairobi in 2018, and went into commercial production at the beginning of this year.

<https://www.tbsnews.net/bangladesh/squares-kenyan-venture-aims-triple-revenue-2024-716870>