

Bangladesh market snapshot

	Last closing
DSEX Index	6,289.00
% change	0.17%
DS30 Index	2,140.44
% change	0.06%
DSES Index	1,363.56
% change	0.08%
Turnover (BDT mn)	5,549.15
Turnover (USD mn)	50.68
% change	8.34%

Source: Dhaka Stock Exchange

International Economy

Oil falls as Israel embargo concerns fade, Venezuela sanctions to ease

Oil prices fell on Thursday, reversing gains in the previous session, after OPEC showed no signs of supporting Iran's call for an oil embargo on Israel and as the United States plans to ease Venezuela sanctions to allow more oil to flow globally. Brent futures for December fell 0.3 percent, or 29 cents, to \$91.21 a barrel. US West Texas Intermediate (WTI) futures for November, which expire on Friday, was nearly flat at \$88.34 per barrel, up 2 cents from its settlement price.

<https://www.thedailystar.net/business/global-economy/news/oil-falls-israel-embargo-concerns-fade-venezuela-sanctions-ease-3447466>

International market snapshot

	Last closing
Dow Jones Industrial Average	33,127.28
% change	-1.88%
S&P 500	4,224.16
% change	-2.57%
Nikkei 225	31,259.36
% change	-2.44%
FTSE 100	7,402.14
% change	-2.45%

Source: Bloomberg

Bangladesh Economy

High inflation to persist in Bangladesh: World Bank

Inflation is likely to remain elevated in the near term and pressure on the external sector is expected to persist in the Bangladesh economy in the 2023-24 fiscal year, depending on global conditions and domestic exchange rate, monetary and fiscal policies, according to a World Bank top official. The high inflation may gradually subside, as import prices stabilise over the medium term, he added.

<https://www.thedailystar.net/business/news/high-inflation-persist-bangladesh-world-bank-3447636>

Exchange rate

	Low (BDT)	High (BDT)
USD	110.50	110.50
EUR	116.41	116.45
GBP	134.14	134.16
INR	1.32	1.32

Source: BB

REER-induced inflation erodes competitiveness of exports

A stubbornly high inflation in Bangladesh is pushing up the real effective exchange rate or REER and thereby eroding fast the competitiveness of its export-earning sectors against peer countries, according to businesses. The REER index increased from 104.42 in August 2023 to 106.10 in September, going up from 100. The index upswing indicates some loss of competitiveness in international trade compared to the previous month, as local prices are higher relative to the price indices in trading partners, according to Bangladesh Bank's narrative.

<https://today.thefinancialexpress.com.bd/public/first-page/reer-induced-inflation-erodes-competitiveness-of-exports-1697822796>

Money market

Date	Call Money Rate Range (%)	Weighted Average
19/18/2023	7.00 - 8.50	7.70
18-Oct-23	6.75 - 8.50	7.72

Source: BB

Remitters to get Tk 115.5 per USD as banks introduce incentive

Remitters will receive as high as 2.50 percent in an additional incentive from banks apart from the government's existing cash support as banks have stepped up efforts to give a much-needed fillip to remittance earnings and meet the foreign exchange crisis. The Bangladesh Foreign Exchange Dealers' Association (Bafeda) and the Association of Bankers' Bangladesh (ABB) took the decision in a joint meeting. As a result, the beneficiaries of expatriates will get Tk 115.5 per dollar if remitters channel funds through banking channels.

<https://www.thedailystar.net/business/news/remitters-get-tk-1155-usd-banks-introduce-incentive-3449371>

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	92.16	1.21%
Gold Spot, USD/t oz.	1,981.40	1.75%
Cotton, USD/lb.	82.4	-1.59%

Source: Bloomberg

Shipments to non-traditional regions grows in first quarter

Bangladesh's higher export to non-traditional regions and blocs has ushered in a new hope of market diversification, according to analysts. Shipments to non-traditional markets, including Africa, Asia, ASEAN, CIS, IORA, Eurasian, East and the Eurozone, LDC, D-8, Oceania and OIC, have shown higher growth in the first quarter (Q1) of this fiscal year (FY), 2023-24. But exports to traditional markets like the European Union, the Eurozone, North and South America, BIMSTEC, the Middle East, North American and SAARC countries, have shown a downward trend, according to FE analysis.

<https://today.thefinancialexpress.com.bd/first-page/shipments-to-non-traditional-regions-grows-in-first-quarter-1697906551>

Capital Market

Stocks extend rally ahead of earnings disclosures

Stocks extended their winning streak for two consecutive weeks to Thursday as investors continued their chase after some specific shares in anticipation of quick gains surrounding the upcoming corporate declarations. The price surge of sector-specific stocks, such as Square Pharma, Kohinoor Chemicals, Khan Brother PP Woven Bag Industries, Olympic Industries, and Alif Industries helped the market to stay afloat.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/stocks-extend-rally-ahead-of-earnings-disclosures-1697818206>

Renata to raise Tk850cr thru bond, preference shares

Renata Limited, one of the country's leading pharmaceutical companies, has decided to raise Tk850 crore through a bond and preference shares to pay off debt to banks and non-bank financial institutions. At a board meeting on Saturday, the board of the company decided to issue non-convertible and non-participative preference shares for Tk350 crore and a zero-coupon bond for Tk500 crore for the next five years.

<https://www.tbsnews.net/economy/stocks/renata-raise-tk850cr-thru-bond-preference-shares-723894>