

Bangladesh Market

Major Indices	Last closing
DSEX Index	6,224.47
% change	0.04%
DS30 Index	2,103.20
% change	-0.06%
DSES Index	1,350.59
% change	0.04%
Turnover (BDT mn)	4,095.85
Turnover (USD mn)	36.90
% change	18.58%

Source: Dhaka Stock Exchange

International Market

Major Indices	Last closing
Dow Jones Industrial Average	35,297.00
% change	0.36%
S&P 500	4,565.50
% change	0.34%
Nikkei 225	33,451.83
% change	0.29%
FTSE 100	7,469.51
% change	-0.17%

Source: Bloomberg

Exchange rate

Major Currencies	Low (BDT)	High (BDT)
USD	111.00	111.00
EUR	121.09	121.13
GBP	139.16	139.21
INR	1.33	1.33

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
22-Nov-23	7.25 - 8.75	8.16
21-Nov-23	7.25 - 8.50	8.07

Source: BB

Commodities

Major Commodities	Price	% Change
Brent Crude (Oil), USD/bbl.	80.89	-1.76%
Gold Spot, USD/t oz.	1,997.15	-0.02%
Cotton, USD/lb.	80.90	0.26%

Source: Bloomberg

Market Summary

Bangladesh Market

- ◆ The leading bourse of the country, DSEX gained 0.04% in the last trading day.
- ◆ The rising tension regarding the national polls, the unrest in the RMG sector, and the rising inflation are few of the major causes behind the fall in the market for the past four days.
- ◆ The turnover rose 18.58% after falling for four straight days.

Global Market

- ◆ Majority of the leading global indices posted negative returns with Dow Jones and S&P 500 posting 0.36%, 0.34%, respectively while FTSE 100 lost 0.17%.
- ◆ One of the leading Asian index NIKKEI 225 posted positive return of 0.29% in the last trading day.

Key macro indicators

- ◆ All of the major currencies are rising against BDT amid devaluation of BDT. The latest move of banks to devalue BDT further to 111.00 against USD led to a rise in BDT/USD rate while the other currencies have also moved up against BDT.
- ◆ The average overnight rate is rising steadily in the past few weeks as per the latest trend. The current weighted average overnight rate stood at 8.16% with a high rate of 8.75% and low rate of 7.25%.
- ◆ The oil price dropped 0.52% after rising for a few straight days as expectations of OPEC+ deepening supply cuts to shore up prices.

Bangladesh Macro Update

Dollar price cut by Tk0.50 after over a year of hikes

- ♦ The buying and selling rates of the dollar were decreased by BDT 0.50 after more than a year of hikes.
- ♦ The price for purchasing dollars for export proceeds and remittance fell to BDT 110, down from BDT 110.50 and the price of selling dollars for import settlements was set at Tk110.50 from BDT 111 earlier.
- ♦ According to the new rates, the banks will be able to pay a maximum rate of BDT 112.75 for remittances with incentives from their own funds.
- ♦ Customers will get BDT 115.5 with incentives announced by the government but banks will not be able to charge more than BDT 110.50 for the sale of these dollars.

News Source:

<https://www.tbsnews.net/economy/banking/taka-gains-50-paisa-against-dollar-first-time-over-year-744470>

Bangladesh close to another record year in manpower export

- ♦ Bangladesh has achieved a significant milestone in labour migration, surpassing the 1 million mark in labour exports for the second consecutive year.
- ♦ As of October 2023, approximately 10.99 lakh Bangladeshi workers have secured overseas jobs, building upon last year's record of 11.35 lakh jobs.
- ♦ Recruiters have said many workers who could not go abroad for two years due to the pandemic migrated in 2022 and 2023 as the reopening of businesses in the Middle East opened up the job market there.
- ♦ Besides, increasing the quota for Bangladeshi migrants in all Saudi firms to 40.0% from 25.0% has contributed to this record growth.

News Source:

<https://www.tbsnews.net/bangladesh/migration/bangladesh-close-another-record-year-manpower-export-744582>

Bangladesh trailing SA nations on inflation control

- ♦ Bangladesh still has the highest inflation rate among South Asian nations, excluding only Pakistan, making it evident that Bangladesh has not been achieving tangible success in tackling the issue.
- ♦ Although the Bangladesh Bank governor recently expressed optimism that inflation will be brought down to 8.0% by December, economists believe that the ongoing political unrest may make the target difficult to reach.
- ♦ An analysis of inflation data of the four major economies of South Asia – Bangladesh, India, Pakistan and Sri Lanka show that the highest inflation in October was 26.9% in Pakistan, the second highest was 9.93% in Bangladesh.

News Source:

<https://businesspostbd.com/economy/bangladesh-trailing-sa-nations-on-inflation-control>

ADB approves \$336.5m loan for vaccine production in Bangladesh

- ◆ The Asian Development Bank (ADB) on Wednesday approved a loan package of USD 336.5 million to establish domestic vaccine, therapeutics, and diagnostics manufacturing capacity and strengthen the national regulator to ensure vaccine supply security in Bangladesh.
- ◆ The project will establish a vaccine, therapeutic, and diagnostics manufacturing facility and warehousing unit in Essential Drugs Company Limited's (EDCL) existing location at Gopalganj, with a capacity to manufacture 58 million vials of vaccines per year.
- ◆ An in-house research and development center will be established to support the production of diagnostic kits and packaging of biosimilar therapeutics.
- ◆ It will also support the manufacture of at least two full-cycle vaccines by developing a seed bank, master cell bank, and working cell bank, in addition to at least five fill-and-finish vaccines.

News Source:

<https://businesspostbd.com/health/adb-approves-3365m-loan-for-vaccine-production-in-bangladesh>

Importers count losses as conflict in Myanmar halts trade

- ◆ Importers expressed grave concerns as bilateral trade between Bangladesh and Myanmar through the Teknaf land port has halted since November 14 due to the ongoing conflict between the Arakan Army (AA) and Myanmar's military junta in the Rakhine state.
- ◆ This suspension of trade is costing the government of Bangladesh around BDT 3 crore in revenue each day, with total accumulated losses reaching over BDT 15 crore, according to a revenue officer of Teknaf Customs.
- ◆ Bilateral trade occurs between the Teknaf port in Bangladesh and the Maungdaw port in Myanmar.
- ◆ The ports are situated at a distance of around five kilometres across the Naf river, which marks the border of southeastern Bangladesh and northwestern Myanmar.

News Source:

<https://www.thedailystar.net/business/news/importers-count-losses-conflict-myanmar-halts-trade-3476271>

Sectoral Update

Bank, NBFIs, & Insurance

Bank deposits rise in Sept

- ◆ Deposits in the country's commercial banks increased by 9.5% year-on-year in September due mainly to the government's substantial borrowing from the Bangladesh Bank.
- ◆ According to Bangladesh Bank data, bank deposits in the country rose to BDT 16,23,139 crore in September 2023, marking an increase from BDT 14,82,177 crore in September 2022.
- ◆ Term deposits surged from BDT 13.04 lakh crore in September 2022 to BDT 14.37 lakh crore in September 2023.
- ◆ Demand deposits also increased from BDT 1.77 lakh crore in September 2022 to BDT 1.85 lakh crore in September 2023.

News Source:

<https://www.newagebd.net/article/218373/bank-deposits-rise-in-sept>

9 banks see Tk28,853cr provision shortfall

- ◆ Nine banks, including three state-owned ones, witnessed a provision shortfall of Tk 28,854 crore at the end of July-September period (Q3) this year, indicating their worsening financial health caused by loan irregularities and lack of governance.
- ◆ According to the Bangladesh Bank, these are – Agrani Bank, BASIC Bank, Rupali Bank, National Bank, Dhaka Bank, Bangladesh Commerce Bank, Standard Bank, NCC Bank and Modhumoti Bank.
- ◆ Central bank sources say the three state-owned banks suffered a provision shortfall of Tk 12,688 crore, and the figure was Tk 16,166 crore for private banks.
- ◆ The number of banks facing provision shortfall was eight – including three state-owned banks –at the end of both Q1 and Q2 this year. These eight banks had a provision shortfall of Tk 20,159 crore at the end of January-March period.

News Source:

<https://businesspostbd.com/economy/9-banks-see-tk28853cr-provision-shortfall>

Apparel & Textile

Fresh owner-worker faceoff looms as both oppose govt-set pay

- ◆ A fresh owner-worker faceoff looms large as both parties reject Tk 12,500 as minimum wage for garment workers, fixed by the government amid labour unrest, as too high and too low respectively.
- ◆ Sources say factory owners in the multi-stakeholder export industry want the amount of minimum monthly wage cut to Tk 10,400 while the labour side sticks to their demand for raising it to Tk 23,000, thus reopening the tumultuous wage wrangles.
- ◆ Incidentally, the latest developments are taking place-after a lull over the recent flares-ups-in the wake of implicit warning of trade restrictions from the West in the event of 'intimidation' against labour action and labour-rights campaigners.

News Source:

<https://today.thefinancialexpress.com.bd/first-page/fresh-owner-worker-faceoff-looms-as-both-oppose-govt-set-pay-1700676826>

Fuel & Power

Power sale to industries declines

- ◆ The Power Development Board's sale of electricity out of its overall production to the industrial sector has reduced by 10.0% points over the incumbent government's 15-year tenure, indicating slower -than-expected economic growth.
- ◆ In 2023, the PDB data showed that 27.63% of the overall electricity produced—79,270 units—was sold to the industrial sector, down from 37.1% sold in 2019 out of 21,955 units produced.
- ◆ In fact, the PDB's sale of electricity has steadily declined over the past three decades since 1994, when sector-wise power consumption data was available, indicating industries' growing lack of confidence in the national grid for power.
- ◆ Energy experts have been rather depressed, particularly by the fact that the massive power sector investment of USD 39 billion has failed to create a power system meeting industries' demand.

News Source:

<https://www.newagebd.net/article/218388/power-sale-to-industries-declines>

Capital Market

Stocks inch up after 4-day fall

- ◆ Dhaka stocks inched up on Wednesday after a fall in the previous four sessions, as investors adopted a cautious approach amid the ongoing political tensions ahead of the national election.
- ◆ DSEX, the key index of the Dhaka Stock Exchange, added 2.73 points, or 0.04%, and settled at 6,224.47 points on Wednesday after losing 36.42 points in the previous four trading session.
- ◆ According to market operators, investors preferred a wait-and-see policy as the national election was approaching and investors feared political turmoil surrounding the election could affect the market badly.
- ◆ Therefore, a large number of investors were showing reluctance to be actively involved in the market

News Source:

<https://www.newagebd.net/article/218372/stocks-inch-up-after-4-day-fall>

Chittagong bourse's profit falls, on rising operating cost, low revenue

- ◆ The port city bourse experienced an 11.19% year-on-year decline in profit to BDT 345.33 million in FY23, as revenue earnings dwindled due to low market turnover.
- ◆ The finance income of the Chittagong Stock Exchange (CSE) rose significantly during the reporting period, from the year before. But higher operating costs eroded the operating profit.
- ◆ Meanwhile, the company's board of directors has recommended 5.0% cash dividend for FY23, and its annual general meeting (AGM) will be held today (Thursday) to get approval of the dividend and financial statements.
- ◆ The main income of the port city bourse is normally derived from investments in FDR (fixed deposit receipts) and bonds. The company has an investment worth BDT 5.36 billion in FDR and BDT 589 million in bonds.

News Source:

<https://today.thefinancialexpress.com.bd/stock-corporate/chittagong-bourses-profit-falls-on-rising-operating-cost-low-revenue-1700675287>