Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	6,280.73
% change	1.07%
DS30 Index	2,124.69
% change	0.37%
DSES Index	1,371.06
% change	0.60%
Turnover (BDT mn)	15,804.06
Turnover (USD mn)	143.67
% change	40.84%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	38,682.00
% change	-0.21%
S&P 500	4,969.00
% change	-0.23%
Nikkei 225	36,398.48
% change	0.67%
FTSE 100	7,615.54
% change	0.08%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	110.00	110.00
EUR	118.62	118.66
GBP	138.93	138.97
INR	1.32	1.32
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
4-Feb-24	8.00 - 9.50	9.41
1-Feb-24	8.00 - 9.50	9.40
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	77.85	0.67%
Gold Spot, USD/t oz.	2,031.55	-1.08%
Cotton, USD/lb.	86.82	-0.33%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX gained a whopping 1.07% in the last trading day, closing at 6,280.73 point.
- The daily turnover rose 40.84% in the last trading day.

Global Market

- Majority of the leading global indices posted positive returns as Dow Jones posted 0.21% loss, S&P 500 posted 0.23% loss, and FTSE 100 posted 0.08% gain.
- One of the leading Asian market indices, NIKKEI 225 posted 0.67% gain.

Key macro indicators

- All the major currencies were unchanged against BDT yesterday.
- 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 9.41% with a high rate of 9.50% and low rate of 8.00%.
- The oil price gained 0.67% in the last trading day.

International Macro Update

Oil edges higher as US attacks on Houthis ratchet up tensions in Red Sea

- Oil climbed as the US vowed more strikes against Iran's forces and proxies while the Houthis promised to retaliate against bombardments over the weekend.
- Brent crude pared an earlier advance of as much as 1.2% to trade near USD 78 a barrel, after losing 7.4% last week in its biggest weekly drop since October, while West Texas Intermediate was under USD 73.
- American forces launched attacks against the Houthis over the weekend, and earlier hit Iranian troops and militias in Syria and Iraq.
- Crude slumped last week — erasing almost all of this year's gains — amid talks to pause the four-month Israel-Hamas conflict, although US National Security Advisor Jake Sullivan said on Sunday that an agreement isn't imminent. There are also signs of robust supply as OPEC output remains above the collective limit and the US produces record amounts.

News Source:

https://www.tbsnews.net/bloomberg-special/oil-edges-higher-us-attacks-houthis-ratchet-tensions-787438

Bangladesh Macro Update

Exports hit record $5.7b in January

- The merchandise exports rebounded strongly in January as manufacturers shipped goods worth USD 5.72 billion, the highest in a single month, which, coupled with a rise in remittances and a fall in imports, could ease pressure on the economy.
- The previous single month high was recorded in December last year when exporters sold products to the tune of USD 5.30 billion, according to the data from the Export Promotion Bureau (EPB).
- In a positive development, the remittance flow rose to a seven-month high in the first month of the year. Imports fell 22.41% in November, according to the latest for which data from the central bank.
- Higher imports against lower-than-expected exports and remittances have been behind the current economic crisis of Bangladesh as foreign currency reserves have depleted, the taka has taken an unprecedented plunge and inflation has hovered around a record level.

News Source:

https://www.thedailystar.net/business/economy/news/exports-hit-record-57b-january-3536531

BB unveils roadmap to reduce NPL

- Bangladesh's banking sector is poised for a significant decline in nonperforming loans (NPL), projected to decrease by 2.76% over the next two years.
- This estimate comes in the wake of Bangladesh Bank's strategic move to streamline its bad loan management, reducing the write-off period from three years to two.
- The Bangladesh Bank disclosed this at a press conference yesterday after the board's approval of the new roadmap.

- Under this roadmap, the central bank has eased the loan write-off policy, empowering banks to expedite the process within a two-year timeframe instead of the previous three years.
- This policy adjustment is anticipated to contribute to a significant reduction of NPL by BDT 43,300 crore, equivalent to 2.76% by 30 June 2026.

News Source:

https://www.tbsnews.net/economy/banking/bb-unveils-roadmap-bring-down-default-loan-below-8-june-2026-787102

Sectoral Update

Fuel & Energy

LPG prices hiked by 2.86pc for Feb

- The Bangladesh Energy Regulatory Commission (BERC) on Sunday announced a 2.86% increase in the liquefied petroleum gas (LPG) price for February compared to the previous month.
- The new price for a 12kg cylinder now stands at BDT 1,474, up by BDT 41 from January's retail price of BDT 1,433.
- Citing the Saudi Aramco contract price (CP) for February 2024 as the primary benchmark, BERC Chairman Md Nurul Amin announced the monthly adjustments at a press briefing.
- The energy regulator also considered fluctuations in foreign exchange rates and changes in value-added tax (VAT).

News Source:

https://today.thefinancialexpress.com.bd/last-page/lpg-prices-hiked-by-286pc-for-feb-1707069391

IT

IT exports in the slow lane as demand falls

- Information technology exports from Bangladesh dropped 4.4% in the first five months of the current fiscal year as the demand for software developers and products has fallen due to the lingering global economic slowdown.
- According to the Export Promotion Bureau (EPB), earnings of domestic IT firms stood at USD 221.15 million in July-November of 2023-24, down from USD 231.34 million in the identical period a year earlier.
- The demand in major export destinations such as the United States, the United Kingdom and the European Union has either dipped or hasn't grown much in the last one year, forcing firms to put the expansion plan related to IT teams on hold, according to industry people.
- The drop in IT exports was mainly contributed by lower earnings from software sales, which decreased 31.63% year-on-year to USD 16.19 million in the five months to November.

News Source:

https://www.thedailystar.net/business/economy/industries/ict/news/it-exports-the-slow-lane-demand-falls-3536196

Capital Market

Buoyant investors drive up DSE turnover to 16-month high

- Turnover of the Dhaka bourse on Sunday hit a 16-month high, riding on investors' increased participation in stocks of the major sectors.
- On the day, investors' buying appetite was observed across the trading floor.
- The major sectors such as engineering, general insurance and pharmaceuticals & chemicals played a pivotal role in share transactions worth BDT 15.8 billion, 41% up from the previous session.
- Investors' participation in general insurance rose 85.0% on Sunday, compared to the previous session, while the turnover in the engineering sector increased 17.0%.

News Source:

https://today.thefinancialexpress.com.bd/stock-corporate/buoyant-investors-drive-up-dse-turnover-to-16-month-high-1707072318

Higher sales fail to cheer up drug makers in H1 FY24

- Revenue jumped in the first half of FY24, compared to FY23, but it was accompanied by higher cost of sales in the turbulent macroeconomic scenario, depriving drug makers of the pleasure of attaining the expected profit growth.
- Higher raw material prices, energy costs, and finance expenses pushed up the manufacturing cost, but prices of drugs are more regulated than other commodities since keeping them accessible for people of all strata in society is important.
- Hence, drug makers' profit margin was squeezed in the six months through December 2023, compared to the same period of the previous year.
- Of the seven major pharmaceutical companies, Navana sees the highest profit growth year-on-year at 57.0% in July-December 2023.
- The newly-listed company has been operating on a smaller scale than others and hence has room for growth.

News Source:

https://today.thefinancialexpress.com.bd/stock-corporate/higher-sales-fail-to-cheer-up-drug-makers-in-h1-fy24-1707072277