EBL ASSET MANAGEMENT LTD.
(A fully owned subsidiary of Eastern Bank Ltd.)

Daily News Snippet
February 18, 2024

Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	6,336.25
% change	-0.55%
DS30 Index	2,157.06
% change	-0.70%
DSES Index	1,382.21
% change	-0.63%
Turnover (BDT mn)	10,747.33
Turnover (USD mn)	97.70
% change	-8.42%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	38,627.99
% change	-0.37%
S&P 500	5,005.57
% change	-0.48%
Nikkei 225	38,487.24
% change	0.86%
FTSE 100	7,711.71
% change	1.50%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	110.00	110.00
EUR	118.51	118.55
GBP	138.57	138.62
INR	1.32	1.32
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
15-Feb-24	8.00 - 9.50	9.25
14-Feb-24	8.00 - 9.50	9.24
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	83.47	0.74%
Gold Spot, USD/t oz.	2,013.59	0.46%
Cotton, USD/lb.	94.42	-0.93%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX lost 0.55% in the last trading day, closing at 6,336.80 points.
- The daily turnover fell 8.42% in the last trading day.

Global Market

- Majority of the leading global indices posted mixed returns as Dow Jones posted 0.37% loss, S&P 500 posted 0.48% loss, and FTSE 100 posted 1.50% gain.
- One of the leading Asian market indices, NIKKEI 225 posted 0.86% gain.

Key macro indicators

- All the major currencies rose 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 9.25% with a high rate of 9.50% and low rate of 8.00%.
- The oil price rose 0.74% in the last trading day.

Bangladesh Macro Update

GDP growth slows to 13-year low, excluding pandemic period

- Bangladesh's gross domestic product grew 5.78% in the last financial year, one of the slowest paces of expansion in 13 years, as consumption nosedived, according to the final figures published by the Bangladesh Bureau of Statistics (BBS).
- A provisional estimate released in May last year showed that the economy expanded by 6.03% in 2022-23, down from 7.1% in 2021-22.
- FY23's GDP growth was one of the slowest since 2011-12, with the 3.42% posted in 2019-20 being the lowest, driven by the devastating effect of the coronavirus pandemic when many countries, in fact, saw contraction.
- Compared to the provisional numbers, the growth rate in the agriculture and industrial sectors increased in the final estimate in FY23, while it decreased in the service sector.

News Source:

https://www.thedailystar.net/business/economy/news/gdp-growth-slows-13-year-low-excluding-pandemic-period-3546161

Respite from crunch comes with banks' forex repletion

- A much-needed respite to the economy from forex crunch is being felt with banks' stock of foreign currencies or net open position (NOP) improving, according to bankers.
- As the holding of foreign exchange continues rising significantly in recent days, Bangladesh Bank (BB) Thursday introduced currency-swap arrangement through which the commercial banks can sell and buy their foreign currencies for a certain period of time.
- The banking industry has been facing various problems like LC (letter of credit) opening because of the shortfall of the foreign currencies, particularly the American greenback, for months.
- Even starting from this calendar year, the NOP in the banking sector was found negative or short positioning.
- But things started improving from the middle of January and according to statistics available with Bangladesh Bank, the NOP was USD 40 million negative on January 1st, 2024.

News Source:

https://today.thefinancialexpress.com.bd/public/first-page/respite-from-crunch-comes-with-banks-forex-repletion-1708104606

Strong agriculture pivots growth, other pillars fail

- Robust agriculture growth pivots Bangladesh's economic growth from falling further as two other key sectors remained subdued largely following crisis-management austerity policies, in economists' view.
- In the last fiscal year (2022-23), the GDP growth of Bangladesh contracted to 5.78%, according to the final count by the BBS.
- The agricultural sector, consisting of crops, horticulture, pisciculture, animal farming, and forest, expanded 3.37%, up 0.32%, in the year under review.

- But the growth of the two other key sectors - manufacturing and services - was lower than that a year back.
- The manufacturing-sector growth was recorded at 8.37%, down by 1.5% in the year from the previous year', according to BBS data.

News Source:

https://today.thefinancialexpress.com.bd/first-page/strong-agriculture-pivots-growth-other-pillars-fail-1708188912

Sectoral Update

Fuel & Power

Power production from coal up, several oil plants shut

- Energy transition leads Bangladesh to plan substantial cut in import of petroleum products in 2024 as gasoil demand falls amid increasing switch to power production from coal-fired plants, according to sources.
- State-run Bangladesh Petroleum Corporation's (BPC) has projected import of around 6.51 million tonnes of refined petroleum products during January-to-December period this year, down 15.34% from the 2023 imports, according to sources.
- Bangladesh is currently going through an energy transition by way of reducing dependence on petroleum products of both diesel and furnace oil to generate electricity, which is trimming down its fuel consumption.
- The country has already shut down six privately owned gasoil-fired power plants having the total generation capacity of around 1,000 megawatts.

News Source:

https://today.thefinancialexpress.com.bd/last-page/power-production-from-coal-up-several-oil-plants-shut-1708189663

Capital Market

Stocks plunge in past week, turnover drops

- Dhaka stocks saw a negative trend in its key index for the most part of the trading sessions in the past week, as market participation decreased and sellers started showing dominance across the trading floor, according to market operators.
- The key index of the Dhaka Stock Exchange, DSEX, lost 37.10 points, or 0.58%, over the past week to close at 6,336.25 points on February 15 after gaining 159.36 points in the previous week.
- The market gained only on the first trading session of the week on February 11, in which bank stocks pulled the DSEX to a 16-month high. But after the first session, DSE saw a negative trend on four consecutive sessions.
- The market operators said that most of the sessions in the past week saw less participation in the market and were dominated by the sellers.

News Source:

https://www.newagebd.net/article/225748/stocks-plunge-in-past-week-turnover-drops