EBL ASSET MANAGEMENT LTD.
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Daily News Snippet

March 06, 2024

Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	6,131.14
% change	-0.71%
DS30 Index	2,097.71
% change	-0.50%
DSES Index	1,340.36
% change	-0.32%
Turnover (BDT mn)	8,437.25
Turnover (USD mn)	76.70
% change	6.31%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	38,585.19
% change	-1.04%
S&P 500	5,078.65
% change	-1.02%
Nikkei 225	40,097.63
% change	-0.03%
FTSE 100	7,646.16
% change	0.08%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	110.00	110.00
EUR	119.39	119.43
GBP	139.59	139.63
INR	1.32	1.32
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
5-Mar-24	8.00 - 9.50	9.02
4-Mar-24	8.00 - 9.50	9.20
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	82.18	-0.50%
Gold Spot, USD/t oz.	2,125.83	0.47%
Cotton, USD/lb.	95.22	0.56%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX lost 0.71% in the last trading day, closing at 6,131.14 points.
- The daily turnover fell 6.31% in the last trading day.

Global Market

- Majority of the leading global indices posted mixed returns as Dow Jones posted 1.04% loss, S&P 500 posted 1.02% loss, and FTSE 100 posted 0.08% gain.
- One of the leading Asian market indices, NIKKEI 225 posted 0.03% loss.

Key macro indicators

- All the major currencies remained 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 9.02% with a high rate of 9.50% and low rate of 8.00%.
- The oil price lost 0.50% in the last trading day.

Sectoral Update

Banks, NBFIs, and Insurance

Cenbank to stop daily money supply to banks from July

- The Bangladesh Bank has decided to discontinue its daily repo lending starting next July.
- Instead, banks will have the option to borrow from the central bank on a weekly basis, a move that aims to compel banks to manage their liquidity more effectively.
- Several treasury officials told The Business Standard that they have been asked to follow international standards, such as open market operations (OMOs), by which different central banks buy and sell government securities (treasury bills and bonds).
- IMF also wants Bangladesh to follow OMOs as per international standards.

News Source:

https://www.tbsnews.net/economy/banking/cenbank-stop-daily-money-supply-banks-july-804082

SMART hike makes nonbank funds costlier too

- Non-bank financial institutions' funds also get costlier even after 25-basis-point cut in the interest-rate margins for the NBFIs by a latest central-bank order.
- The push for the rise in the lending and deposit rates basically comes from a significant hike in the benchmark rate called SMART, to 9.61% for this March from the February figure of 8.63%.
- The Bangladesh Bank (BB) in a circular issued Tuesday lowered the interest margins to 2.50% and 5.50% for deposits and loans respectively in addition to the SMART rate with "immediate effect".
- Earlier, the maximum margins were SMART-plus 2.75% for deposit and 5.75% for lending.
- With the latest direction, the maximum interest on deposit and loan for NBFIs now stands at 12.11% and 15.11%, respectively.

News Source:

https://today.thefinancialexpress.com.bd/first-page/smart-hike-makes-nonbank-funds-costlier-too-1709662133

BB now mulls merger of non-banks

- Bangladesh Bank is planning to initiate mergers and acquisitions among weak non-bank financial institutions (NBFIs) if a similar initiative in the banking industry sees success.
- The central bank recently introduced a Prompt Corrective Action framework for the banking industry, under which weak banks are being merged with or acquired by their stronger counterparts.
- As such, the Department of Financial Institutions and Markets of Bangladesh Bank has asked some weak NBFIs to discuss among themselves to decide on potential mergers and acquisitions.
- But if needed, the banking regulator will step in and initiate mergers or acquisitions among NBFIs to ensure their survival, according to Bangladesh Bank officials.

- They also informed that several NBFIs approached the central bank seeking advice on how to initiate potential mergers following the approval of Union Capital's merger with Prime Bank.

News Source:

https://www.thedailystar.net/business/economy/news/bb-now-mulls-merger-non-banks-3559706

Apparel & Textile

RMG export in February one of the highest

- Bangladesh exported garments worth USD 4.49 billion in February 2024, one of the highest for any single month, undergoing a year-on-year growth of 13.93%, according to data from the Export Promotion Bureau (EPB).
- Garment export had reached a record high for a single month in January with USD 4.97 billion.
- The garment export during the first two months of this year amounted to USD 9.47 billion, registering a 13.15% year-on-year growth.
- In terms of the fiscal year 2023-24, garment export in the July-February period reached USD 32.86 billion with a year-over-year growth of 4.77%.

News Source:

https://www.thedailystar.net/business/news/rmg-export-february-one-the-highest-3559716

Fuel & Power

Govt sets its sights on oil extraction from Sylhet

- Over 95 per cent of crude oil amounting to around 30 million barrels still exists in underground reservoirs in an abandoned oil field at Haripur in Sylhet, according to the survey data.
- In addition, the data has showed that there are about 90 million barrels of crude oil reserves in Kailashtila gas field in Sylhet.
- The Prime Minister's Office (PMO) has recently conducted the survey.
- During the survey, the second oil field of the country was discovered by state-owned Sylhet Gas Fields Limited (SGFL) in November last year.
- Researchers, however, said that the Sylhet basin has many small oil fields.

News Source:

https://businesspostbd.com/power-energy/govt-sets-its-sights-on-oil-extraction-from-sylhet

Capital Market

DSE loses Tk14,000cr market cap in five sessions

- The Dhaka Stock Exchange (DSE) witnessed a sharp fall in its key index yesterday, extending the losing streak for five consecutive sessions, resulting in a loss of BDT 14,000 crore in market capitalisation.
- The DSEX, the main index of the bourse, experienced a decline of 44 points, settling at 6,131 on the day.

- During the last five consecutive trading sessions, the DSEX experienced a loss of 141 points, marking its lowest point in a month.
- The recent bearish run on the Dhaka bourse to the significant decline in large-cap stocks, particularly the two largest stocks, Grameenphone and British American Tobacco Bangladesh, according to the market insiders.

News Source:

https://www.tbsnews.net/economy/stocks/dse-continues-downward-trend-five-straight-sessions-losing-total-141-points-803734