Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,901.12
% change	-0.68%
DS30 Index	2,051.05
% change	-0.32%
DSES Index	1,285.03
% change	-0.62%
Turnover (BDT mn)	5,803.36
Turnover (USD mn)	52.76
% change	-4.88%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	39,475.90
% change	0.00%
S&P 500	5,234.18
% change	0.00%
Nikkei 225	40,414.12
% change	-1.16%
FTSE 100	7,930.92
% change	0.00%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	110.00	110.00
EUR	118.85	118.89
GBP	138.61	138.65
INR	1.31	1.31
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
24-Mar-24	8.00 - 9.50	8.70
21-Mar-24	8.00 - 9.50	8.75
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	85.8	0.43%
Gold Spot, USD/t oz.	2,166.87	0.07%
Cotton, USD/lb.	91.64	0.12%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX lost 0.68% in the last trading day, closing at 5,901.12 points.
- The daily turnover fell -4.88% in the last trading day.

Global Market

- Majority of the leading global indices were closed due to public holiday.
- One of the leading Asian market indices, NIKKEI 225 posted 1.16% loss.

Key macro indicators

- All the major currencies fell against BDT yesterday.
- The average overnight rate is falling in the past week.
- The current weighted average overnight rate stood at 8.70% with a high rate of 9.50% and low rate of 8.00%.
- The oil price rose 0.43% in the last trading day.

Bangladesh Macro Update

Devalue taka for exchange rate stability

- Researchers and economists yesterday suggested that the local currency be devalued further by 10% to 15% against the US dollar to match unofficial exchange rates and restore market stability.
- The exchange rate was kept almost fixed artificially till 2022 and it did not follow the market trend.
- But as the foreign exchange reserves dwindled owing to higher US dollar outflows compared to inflows, the taka has lost its value by about 30% in the past two years.
- Strict enforcement of laws must be ensured against loan defaulters, money launderers and financial irregularities to boost the confidence of customers, according to a research director of the Bangladesh Institute of Development Studies (BIDS).

News Source:

https://www.thedailystar.net/business/economy/news/devalue-taka-exchange-rate-stability-3574166

Foreign debt repayment up 43%, surges past $2b in 8 months

- As per the Economic Relations Department (ERD) latest data, the government paid a staggering USD 2.03 billion in interest and principal payments to international lenders between July and February of FY24, up by 43% from USD 1.42 billion paid out during the equivalent period in the previous fiscal year.
- The significant escalation in debt servicing expenses is chiefly attributed to the substantial increase in interest payments, which skyrocketed to USD 806 million over the course of eight months – doubling from the previous year's figure of USD 403 million for the same timeframe.
- This trend is constraining the government's fiscal capacity, as a portion of these loans is being used for repayment, according to experts.

News Source:

https://www.tbsnews.net/economy/foreign-debt-repayment-43-surges-past-2b-8-months-815056

Sectoral Update

Banks, NBFIs, and Insurance

Offshore banking law to boost flow of foreign currency

- After getting final approval from the cabinet on 28 February, the Offshore Banking Act 2024 was passed in Parliament on 5 March.
- Foreign depositors and investors have already started responding after the offshore banking law was passed.
- As a result, savings from abroad will rise soon with increased flow of foreign currency in the country, according to Finance Minister.
- According to this law, the government will not charge any tax on the profits that foreigners make in the offshore banking units of Bangladeshi banks.

News Source:

https://www.tbsnews.net/economy/banking/offshore-banking-law-boost-flow-foreign-currency-finance-minister-814926

Cash dollar holdings swell in Bangladeshi banks

- Cash dollar holdings in banks have been steadily increasing, buoyed by initiatives such as allowing Bangladeshis to open and maintain foreign currency accounts and the enactment of offshore banking laws to encourage non-resident Bangladeshis and foreigners to deposit their dollars in exchange for favourable returns.
- According to Bangladesh Bank data as of 24 March, cash dollar holdings in banks have risen to USD 39.39 million, up from USD 32 million in February and USD 28 million in January.
- Banks are now offering up to 7% interest on dollars deposited as RFCDs (Resident Foreign Currency Deposit Account) by customers.
- Customers can now deposit up to USD 10,000 after travelling abroad without any hassle, making it a profitable option.

News Source:

https://www.tbsnews.net/economy/banking/cash-dollar-holdings-swell-bangladeshi-banks-815161

Apparel & Textile

One more RMG factory gets LEED gold certification

- APS Knit Composite Limited located at Kamargaon, Pubail in Gazipur achieved the gold LEED certification by USGBC with 71 points.
- This brings the total number of LEED-certified factories in Bangladesh to 214, with 80 achieving the platinum status and 120 attaining gold status.
- So far this year, some eight RMG factories earned the LEED certification, of which four are platinum and four are gold. The country has been receiving the certificate since 2001.
- The council honours factories based on several criteria such as transformation performance, energy, water and waste management.

News Source:

https://www.newagebd.net/article/228706/one-more-rmg-factory-gets-leed-gold-certification

Telecommunication

Govt drafts fresh telecom act

- The government has formulated the draft of a fresh telecommunications act, which would bring social media platforms, online platforms, and all internet protocol-based services under the purview of the law.
- The new act will replace the Bangladesh Telecommunication Act, 2001, which was amended twice - in 2006 and 2010.
- The aim of this law is to foster the application of modern technology, facilitate business opportunities, attract investment, and generate employment.
- In the original telecom law enacted in 2001, a fine of BDT 10 lakh or maximum imprisonment of 10 years was set if anyone without a licence established or operated a telecommunication system in Bangladesh or outside or undertook any construction work of such systems or any construction work for providing internet services or installed or operated any apparatus for such services.

- The new draft also includes a BDT 300 crore fine for such violations.

News Source:

https://www.thedailystar.net/business/economy/news/govt-drafts-fresh-telecom-act-3574146

Engineering

Steel industry on the brink as dollar, gas, power prices surge

- The Bangladesh Steel Manufacturers Association (BSMA) has said the country's steel industry is facing a severe crisis due to a surge in the dollar, gas, and electricity prices.
- Increased costs for raw materials, chemicals, components (85% import-dependent), interest rates (9% to 13.5%), fuel oil, electricity, gas, LC commissions, margins, discounting rates, and other charges have significantly raised working capital requirements.
- Electricity prices rose 15% last year, with another 10% this year and a further planned increase. Demand charges also rose by 20%.
- Gas prices nearly tripled, increasing production costs by BDT 3 per tonne.
- The leaders of the association urged the government to implement a turnover-based fee structure.

News Source:

https://www.tbsnews.net/economy/steel-industry-brink-dollar-gas-power-prices-surge-entrepreneurs-811766

Capital Market

DSE, CSE shares close in the red

- The benchmark index of the Dhaka Stock Exchange (DSE) fell yesterday, snapping a two-day winning streak.
- The DSEX was down 40.54 points, as it settled at 5,901.
- Turnover, which indicates the volume of shares traded during the session, slumped 4.88% to BDT 580 crore.
- Of the issues that traded on the DSE, 65 scrips gained, 304 declined, and 28 did not see any price fluctuation.
- Among the sectors, jute and life insurance closed in positive territory while services and real estate, IT and textile slipped.

News Source:

https://www.thedailystar.net/business/news/dse-cse-shares-close-the-red-3574041