Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,727.02
% change	0.61%
DS30 Index	2,046.81
% change	0.66%
DSES Index	1,261.50
% change	0.84%
Turnover (BDT mn)	10,956.46
Turnover (USD mn)	99.60
% change	33.98%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	38,852.27
% change	0.46%
S&P 500	5,180.74
% change	1.03%
Nikkei 225	38,236.07
% change	0.00%
FTSE 100	8,213.49
% change	0.00%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	110.00	110.00
EUR	118.34	118.38
GBP	137.98	138.04
INR	1.32	1.32
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
6-May-24	8.00 - 9.50	8.81
5-May-24	8.00 - 9.50	8.90
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	83.33	0.45%
Gold Spot, USD/t oz.	2,323.97	0.97%
Cotton, USD/lb.	77.06	-1.28%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX gained 0.61% in the last trading day, closing at 5,727.02 points.
- The daily turnover increased 33.98% in the last trading day.

Global Market

- Majority of the leading global indices posted positive returns as Dow Jones posted 0.46% gain, S&P 500 posted 1.03% gain, and FTSE 100 remained unchanged due to public holiday.
- One of the leading Asian market indices, NIKKEI 225 also remained unchanged due to public holiday.

Key macro indicators

- All the major currencies rose against BDT yesterday.
- The average overnight rate is falling in the past week.
- The current weighted average overnight rate stood at 8.81% with a high rate of 9.50% and low rate of 8.00%.
- The oil price increased 0.45% in the last trading day.

Bangladesh Macro Update

IMF's third instalment of loan confirmed

- The International Monetary Fund has finally given Bangladesh the green signal for USD 681 million as the third instalment of the lender's USD 4.7 billion loan package.
- The visiting delegation of the lender has confirmed that the instalment will be released in June.
- Various aspects of an agreement for securing the third instalment were finalised in a series of meetings with the IMF and different wings of the finance ministry yesterday.
- The lender is likely to reduce the requirement for June's net foreign exchange reserve from USD 20.10 billion to USD 17USD 18 billion, they added.
- An official from the finance division told TBS that despite current reserves now around USD 15 billion, receiving the third instalment is assured even if this condition is not met.

News Source:

https://www.tbsnews.net/economy/imfs-third-instalment-loan-confirmed-844821

Pandemic's new poor unable to recover: study

- People who fell into poverty due to the Covid-19 pandemic remain unable to recover to their previous economic status amid the financial crises induced by the Russia-Ukraine war and high inflation, according to a recent study.
- Besides, these "new poor" are vulnerable to further deterioration of their financial health as they lack strong networks with employers, access to loans and social safety net programmes.
- The study also found that inflation has become a big burden on their recovery efforts.
- These findings were revealed in a paper titled "Being New Poor in Bangladesh: Coping Strategies, Constraints, and Trajectories".
- The study was conducted by a group of researchers comprising officials of the Institute of Development Studies and the BRAC Institute of Governance and Development (BIGD).

News Source:

https://www.thedailystar.net/business/economy/news/pandemics-new-poor-unable-recover-study-3603571

Industries created more jobs amid slowdown. Economists find it puzzling

- Bangladesh's industrial sector witnessed a growth in employment in the first quarter of 2024 while the farming and service sectors shed jobs during the period, according to the latest Quarterly Labour Force Survey (QLFS) data.
- However, the findings raised questions among economists, who were puzzled by the growth at a time when the economy had been facing a slowdown due to high inflation, a downtrend in export growth, and falling imports.
- During the January-March period of this year, the country had 1.27 crore employed people in the industrial sector, representing a 4% year-on-year increase.
- On the other hand, employment in the agricultural sector, which accounts for the largest share of jobs, dropped 0.34% year-on-year to 3.18 crore in the quarter.

- The service sector, the second-highest employer, recorded a 1.22% year-on-year decline in employment in the quarter, illustrated data from the QLFS, published yesterday by the Bangladesh Bureau of Statistics (BBS).

News Source:

https://www.thedailystar.net/business/economy/news/industries-created-more-jobs-amid-slowdown-economists-find-it-puzzling-3603526

Private sector credit crosses BB target in March

- Private sector credit growth surged to 10.49% in March, marking its highest level in the last nine months and exceeding the central bank's target for the month.
- The growth also marks a 0.53 basis point increase from February's 9.96%, according to Bangladesh Bank data.
- The central bank aimed for a 10% credit growth for the January-June period of the current fiscal 2023-24. While the first two months failed to meet the target, credit growth exceeded it in March.
- Bankers said the growth was driven by an increase in imports and business transactions on the occasion of Ramadan and Eid-ul-Fitr.
- Emranul Huq, managing director of Dhaka Bank said, March saw higher imports of food products due to Ramadan, along with increased consumer loans for Ramadan and Eid expenses, contributing to the rise in private sector lending in March..

News Source:

https://www.tbsnews.net/economy/private-sector-credit-crosses-bb-target-march-844006

IMF dissatisfied with BPC's Tk22,000cr dues to NBR

- A visiting team from the International Monetary Fund (IMF) has expressed dissatisfaction over the long-standing overdue amount of around BDT 22,000 crore owed by the Bangladesh Petroleum Corporation (BPC) to the National Board of Revenue (NBR).
- Additionally, the team disagreed with the NBR's collection strategy, sources say.
- During a meeting with NBR officials at its Agargaon headquarters today (5 May), the IMF team asked for a clear roadmap for collecting the significant overdue amount, as per NBR sources present at the meeting.
- Besides, the IMF team thinks the customs wing might not reach its import tax goals for the current and the upcoming fiscal years.
- The team expressed concern about the timing of the NBR's collection of the overdue amount [from the BPC], emphasising that it should have been collected much earlier

News Source:

https://www.tbsnews.net/economy/imf-dissatisfied-bpcs-tk22000cr-dues-nbr-843921

Sectoral Update

Banks, NBFIs, and Insurance

Market-based interest rate soon, governor signals

- The interest rate will move to a fully market-based system "very shortly", Bangladesh Bank Governor Abdur Rouf Talukder has signalled – apparently in line with the IMF prescription over a USD 4.7 billion loan package.
- So, there will be no more restrictions on the interest rate and banks will be at liberty to fix the interest rate based on supply and demand.
- Abdur Rouf's comment comes at a time when a review mission of the International Monetary Fund has been visiting Bangladesh.
- Implementing a market-based interest rate, adopting a crawling peg system for the exchange rate, and maintaining foreign exchange reserves at a certain level are the topmost conditions to receive the third instalment of the loan.

News Source:

https://www.tbsnews.net/economy/banking/market-based-interest-rate-soon-governor-signals-843976

Power & Energy

$60b investment in power, energy tech needed in 5yrs

- State Minister for Power, Energy and Mineral Resources, Nasrul Hamid on Monday said the increasing use of technology has created immense investment opportunities in the country's power and energy sector.
- Bangladesh will need an investment of USD 50 to USD 60 billion in the power and energy technology in the next 5 years, he told Singapore's non-resident High Commissioner to Bangladesh, Derek Loh, when the latter met him at his ministry office in the secretariat.
- Welcoming the Singapore envoy, Nasrul Hamid said the power and energy sector has been moving towards automation.
- The high commissioner expressed interest in renewable energy in Bangladesh while discussing use of technology in Singapore.
- They had discussions on various issues including development of nuclear power, wind power, solar power, clean energy, price of solar power, smart grid, data centre, LPG and LNG terminal, storage system, refinery, automation, electricity import and export.

News Source:

https://businesspostbd.com/power-energy/60b-in-power-energy-tech-needed-in-5yrs

Apparel and Textile

Denim exports await a rebound as orders peak

- International denim retailers and brands are keen on sourcing more from Bangladesh due to product quality and sustainable production processes, which indicates bright prospects for denim manufacturers after a short break in growth.

- Exporters and their suppliers have said the global denim supply chain has been rebounding from the severe impacts of the Covid-19 pandemic and the Russia-Ukraine war.
- To capitalise on these business opportunities, some manufacturers are increasing their capacity, and many of their suppliers are also expanding their operations by establishing new offices in Bangladesh.
- These observations were made by exporters, as well as their chemical, accessory, and fabric suppliers, during discussions with The Business Standard at the Bangladesh Denim Expo held at the International Convention City, Bangladesh (ICC-B) in Dhaka on Monday.

News Source:

https://www.tbsnews.net/economy/rmg/denim-exports-await-rebound-orders-peak-844831

Capital Market

DSEX crosses 5,700 points, turnover hits 3-month high

- The DSEX benchmark index of the Dhaka Stock Exchange (DSE) surged past 5,700 points today (6 May after an 11-day interval, accompanied by a turnover reaching a three-month peak at BDT 1,000 crore.
- By the end of the day's trading session, the DSEX soared by 34 points, reaching a total of 5,727, while the blue-chip index DS30 experienced a gain of 13 points, reaching 2,046.
- Furthermore, market participation saw a steady rise, with total turnover surging by 34% to BDT 1,096 crore, compared to BDT 818 crore in the preceding session.
- Reappointment of the regulatory body chief and announcement of corporate earnings have helped investors make their mind regarding fresh bets in stocks, the market insiders said.

News Source:

https://www.tbsnews.net/economy/stocks/dsex-crosses-5700-mark-after-11-days-844126

Stock's turnover crosses Tk 1,000 crore after three months

- Turnover at the Dhaka Stock Exchange (DSE) crossed the BDT 1,000 crore-mark today after around three months as investors continued their buying spree.
- On 6th May, the turnover hit BDT 1,095 crore, up by 34% from the previous day.
- The turnover touched BDT 1,074.7 crore for the last time on February 15.
- Among the sectors, pharmaceuticals dominated the turnover chart covering 20.68% of the total market turnover.
- The DSEX, the benchmark index of the DSE, extended the winning streak for the fifth consecutive day as it increased 34.95 points, or 0.61%, to close the day at 5,727.02.

News Source:

https://www.thedailystar.net/business/news/stocks-turnover-crosses-tk-1000-crore-after-three-months-3603286