Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,244.13
% change	1.60%
DS30 Index	1,875.48
% change	1.70%
DSES Index	1,146.06
% change	2.21%
Turnover (BDT mn)	4,529.43
Turnover (USD mn)	38.38
% change	83.79%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	39,150.33
% change	0.04%
S&P 500	5,464.62
% change	-0.16%
Nikkei 225	38,596.47
% change	-0.09%
FTSE 100	8,237.72
% change	-0.42%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	118.00	118.00
EUR	126.76	126.80
GBP	150.06	150.11
INR	1.41	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
20-Jun-24	8.50 - 10.00	9.13
19-Jun-24	8.50 - 10.00	9.17
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	85.24	-0.55%
Gold Spot, USD/t oz.	2,321.98	-1.61%
Cotton, USD/lb.	72.21	-0.56%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX gained 1.60% in the last trading day, closing at 5,244.13 points.
- The daily turnover increased 83.79% in the last trading day.

Global Market

- Majority of the leading global indices posted negative returns as Dow Jones posted 0.04% gain, S&P 500 posted 0.16% loss and FTSE 100 posted 0.42% loss.
- One of the leading Asian market indices, NIKKEI 225 posted 0.09% loss.

Key macro indicators

- All the major currencies rose against BDT yesterday except the INR.
- The average overnight rate is falling in the past week.
- The current weighted average overnight rate stood at 9.13% with a high rate of 10.00% and low rate of 8.50%.
- The oil price decreased 0.55% in the last trading day.

Bangladesh Macro Update

Measures in budget will help contain inflation

- The proposed budget for fiscal year 2024-25 has enough measures to rein in inflation which has been persistently rising, agricultural economists said at a post-budget seminar yesterday.
- Many economists termed the budget as traditional and said that it would not help to contain inflation.
- But it is not correct rather this is a bold and moderate budget, according to Prof Shamsul Alam, an agricultural economist and former state minister for planning.
- He made the comments while speaking as chief discussant at an event at Bangladesh Agricultural Research Council in the capital's Farmgate.
- Usually, the government proposes a big budget to keep people happy but the government did not do it, that's why it's a bold budget, Prof Alam added.

News Source:

https://www.thedailystar.net/business/economy/news/measures-budget-will-help-contain-inflation-3638011

WB, IMF loans to help Bangladesh rebuild reserves

- On the back of the credits from the World Bank and the International Monetary Fund, Bangladesh may meet for the first time the condition on net foreign exchange reserves attached to the USD 4.7 billion loan from the IMF and secure the next instalment.
- Yesterday, the board of the WB approved budget support worth USD 500 million.
- The fund will be disbursed by this month, said finance ministry officials.
- The IMF will discuss releasing USD 1.15 billion in the third tranche of its multi-year credit to Bangladesh during its board meeting tomorrow.
- The budget support and the loan will add USD 1.65 billion to the forex reserves of the country, handing it a much-needed boost as it has been struggling to overcome the US dollar supply crunch for the past two years.

News Source:

https://www.thedailystar.net/business/economy/news/wb-imf-loans-help-bangladesh-rebuild-reserves-3639256

NBR sets new rules for firms seeking customs privilege

- The National Board of Revenue (NBR) has revised rules, including raising the capital requirements, for businesses to be listed as authorised economic operators (AEO), a status an increasing number of firms are expressing interest in.
- An AEO can directly deliver cargo from ports to factories or warehouses through a green channel without having to get those through physical checks, thereby cutting time spent at port yards alongside costs and enhancing overall efficiency.
- Most importantly, if a country has relevant arrangements with other countries, its AEOs can enjoy similar benefits in those countries.

- A major share of the clearance time, that is around 72% to 78%, is spent on collecting and submitting import documents and thereby necessitates automation, according to a 2022 NBR study on release of goods from ports.
- World Customs Organization introduced the AEO system in 2007 to enhance international supply chains and facilitate faster trade.

News Source:

https://www.thedailystar.net/business/economy/news/nbr-sets-new-rules-firms-seeking-customs-privilege-3639246

Bangladeshi Nationals, Banks: 'Swiss banks not so lucrative now to park money'

- Bangladeshi nationals and banks kept 17.71 million Swiss francs (CHF) in deposits last year in the banks of Switzerland, the lowest on record, reflecting the fading attractiveness of the country among the wealthy to park money.
- This was a 68% decrease from the 55.2 million CHF Bangladeshi citizens and banks deposited in 2022, according to Swiss National Bank (SNB), the central bank of the western European nation.
- This is the second year in a row that deposits kept by Bangladeshis fell in Swiss banks.
- However, it does not mean that illicit outflows of capital from the country have come to an end, according to two analysts.
- Of course, illegal money siphoning out of the country has increased but Swiss banks are not a favourite destination anymore, according to Ahsan H Mansur, executive director at the Policy Research Institute of Bangladesh.

News Source:

https://www.thedailystar.net/business/economy/news/bangladeshi-nationals-banks-swiss-banks-not-so-lucrative-now-park-money-3638061

Forex reserves rise by $300 million in a week

- Bangladesh's foreign currency reserves went up by USD 318 million in the span of a week to hit USD 19.53 billion on June 19, according to central bank figures.
- It was USD 19.21 billion on June 12.
- The latest upward movement of the reserves will give much-needed relief to the US dollar supply, which has squeezed sharply in the last couple of years amid higher outflows against inflows.
- The rally might continue in the coming weeks as the country is set to receive USD 1.65 billion from the International Monetary Fund (IMF) and the World Bank before the end of this month.
- Since August 2021, forex reserves have fallen by USD 24 billion.

News Source:

https://www.thedailystar.net/business/news/forex-reserves-rise-300-million-week-3637576

Sectoral Update

Banking and Insurance

Dollar hits Tk 118 on interbank market, the highest ever

- Every US dollar went for BDT 118 on the interbank platform of Bangladesh yesterday, the highest since the central bank loosened its grip on the exchange rate by letting market dynamics determine the prices.
- Banks on the preceding day bought each US dollar for BDT 117.95, according to data from the Bangladesh Bank (BB).
- This reflects a shortage of the greenback in the market.
- But the positive development is that market demand and supply are determining the price, according to a top banker of a private bank.
- The central bank move aims to contain the volatility in the forex market amid declining reserves.

News Source:

https://www.thedailystar.net/business/economy/news/dollar-hits-tk-118-interbank-market-the-highest-ever-3638021

April transactions thru MFS up by 16pc

- Transactions through mobile financial services (MFS) increased by nearly 16% year on year in April last, implying people's growing trust in this digital platform.
- According to data from the central bank, a record high of BDT 1.45 trillion was transacted by using services mainly from bKash, Nagad and Rocket in April 2024.
- The transactions first crossed BDT 1.0 trillion in April 2023.
- The highest transaction was recorded in cashout, the most popular product of the MFS.
- Cashout transaction was BDT 470 billion in April last, up by more than 27% from its previous period a year earlier.

News Source:

https://today.thefinancialexpress.com.bd/first-page/april-transactions-thru-mfs-up-by-16pc-1719075889

Govt's special bonds for power, fertiliser boost banks' liquidity

- Excess liquidity in banks increased by nearly BDT 10,000 crore or 5.89% in April compared to March despite the country's banking sector experiencing its lowest deposit growth in ten months.
- One of the key reasons was that long-standing dues to banks for fertiliser and electricity have been repaid in bonds by the government after which the banks have reinvested this liquidity in treasury bills and bonds.
- Banks are required to maintain a certain amount of their deposits as Statutory Liquidity Ratio (SLR), and investments in various government and private securities count towards this requirement.
- But the recent increase in investments in these government securities has resulted in excess liquidity being counted beyond the SLR requirement.

News Source:

https://www.tbsnews.net/economy/banking/govts-special-bonds-power-fertiliser-boost-banks-liquidity-880721

Apparel and Textile

RMG exports to EU witness negative growth in Jan-Apr

- Bangladesh's ready-made garment (RMG) export to the European Union has sustained year-on-year negative growth during the first four months of this year.
- It fetched 6.01 billion euro from RMG exports to the EU during January-April period of 2024 compared to 6.67 billion euro during the corresponding period of last year, according to Eurostat data.
- RMG exporters said overall import to the EU fell during the period in question due to the global economic slowdown, while Bangladesh lagged behind its competitors due to energy shortage, long lead time and customs procedure.
- The EU's total apparel imports in the first four months of 2024 stood at 26.41 billion euro, which was 6.28% lower than that of 28.18 billion euro during the same period of 2023.
- China also fetched 6.54 billion euro during the January-April period of 2024 against 6.66 billion euro, marking a 1.81% negative growth.

News Source:

https://today.thefinancialexpress.com.bd/last-page/rmg-exports-to-eu-witness-negative-growth-in-jan-apr-1719076088

Power and Energy

Another renewable boost: Sirajganj 68MW solar plant set for June launch

- The 68-megawatt (MW) solar power plant in Soydabad, Sirajganj, is set to connect to Bangladesh's national grid by the end of June as construction nears completion, aiming to boost the country's renewable energy capacity and support a sustainable energy transition.
- 95% of the construction work has already been completed, with 27,000 pillars installed, on which 150,000 solar panels are being placed, according to project officials.
- The construction of the control building, officer dormitory, rest house, and security building is nearing completion.
- Occupying 214 acres of land along the banks of the Jamuna River, the new power plant has been established through a collaborative investment effort between China and Bangladesh and is operated by the Bangladesh-China Renewable Energy Company (Pvt) Limited (BCRECL).
- If everything goes well, electricity will be supplied to the national grid from this site within June.

News Source:

https://www.tbsnews.net/bangladesh/energy/another-renewable-boost-sirajganj-68mw-solar-plant-set-june-launch-880846

Bangladesh up two notches on Energy Transition Index

- Bangladesh has ranked 109th on the global Energy Transition Index (ETI) 2024, which has assessed the performance of 120 countries on their current energy systems and on their transition-readiness.

- According to the report titled "Fostering Effective Energy Transition" released by Geneva-based World Economic Forum (WEF) on 19 June, the country has gone up slightly from 111th on last year's index thanks to an improvement in System Performance score.
- Energy system performance measures countries' current energy systems, with a focus on balancing equity, environmental sustainability and energy security.
- In this category, Bangladesh scored 60.8, which is higher than last year's 59.8.
- India has ranked first among the South Asian countries at 63rd owing to its significantly higher transition readiness score, followed by Sri Lanka at 69th, Nepal at 100th.

News Source:

https://www.tbsnews.net/bangladesh/energy/bangladesh-two-notches-energy-transition-index-881981

Capital Market

Dhaka stocks rise for fourth consecutive day

- The benchmark index of the Dhaka Stock Exchange (DSE) continued its gaining momentum for the fourth consecutive day, as it rose 1.6% today from the previous day.
- The DSEX, the broad index of the country's prime bourse, edged up 82.75 points to close the day at 5,244.12.
- Similarly, the DSES, the index that comprises the Shariah-compliant companies, climbed 2.21% to 1,146.06 points.
- The DS30, the index that represents the best blue-chip firms, advanced 1.70% to 1,875.48.
- Turnover, which indicates the volume of shares traded during the session, stood at BDT 452 crore, an 83.79% rise from the previous day.

News Source:

https://www.thedailystar.net/business/news/dhaka-stocks-rise-fourth-consecutive-day-3637541

First-ever ETF on the back burner, awaiting investors' zeal

- Nearly nine months after getting the regulatory consent, Lanka Bangla Asset Management is yet to float the country's first-ever Exchange Traded Fund (ETF) namely LB Multi Asset Income ETF because of apathy among eligible investors.
- In October last year, the Bangladesh Securities and Exchange Commission (BSEC) approved the asset management company's (AMC) proposal to launch the ETF with an initial size of BDT 1 billion.
- The target was to raise BDT 700 million from eligible investors (EIs) through private placement while the sponsor would contribute BDT 100 million, the AMC BDT 20 million, and the remaining BDT 180 million was set to be pooled through an IPO.
- The fund could start its IPO subscription and complete the subsequent listing on the Dhaka bourse if it could at least gather BDT 500 million from the EIs.

News Source:

https://today.thefinancialexpress.com.bd/stock-corporate/first-ever-etf-on-the-back-burner-awaiting-investors-zeal-1719068653

Investors empty 1.02 lakh BOs, market cap falls by Tk1.37 lakh crore this year

- Around 1.02 lakh beneficiary owners' accounts (BOs) were emptied by 20 June this year, while market capitalisation dropped by BDT 1.37 lakh crore due to prolonged poor returns, frustrating investors and pushing them to leave the market.
- According to the Central Depository Bangladesh Limited (CDBL), in the six months up to 20 June, the total number of BOs with zero share balance increased by 34% to 3.98 lakh, while BOs with share balances decreased by 91,651 to 13.12 lakh.
- During this period, the benchmark index DSEX of the Dhaka Stock Exchange fell over 1,000 points to close at 5,244, while the blue-chip DS30 dropped 218 points to settle at 1,875.
- Stockbrokers and market experts say rising interest rates, imposition of taxes on individual investors' capital gains from listed securities and a serious confidence crisis due to the regulator's intervention are collectively hurting stock bulls.
- The capital market has struggled with economic uncertainty worsened by the Russia-Ukraine war since its onset.

News Source:

https://www.tbsnews.net/economy/stocks/investors-empty-102-lakh-bos-market-cap-falls-tk137-lakh-crore-year-881906