Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,241.84
% change	0.41%
DS30 Index	1,877.94
% change	0.53%
DSES Index	1,149.56
% change	0.59%
Turnover (BDT mn)	5,245.66
Turnover (USD mn)	44.45
% change	9.31%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	39,112.16
% change	-0.76%
S&P 500	5,469.30
% change	0.39%
Nikkei 225	39,173.15
% change	0.95%
FTSE 100	8,247.79
% change	-0.41%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	117.95	118.00
EUR	126.58	126.68
GBP	149.55	149.66
INR	1.41	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
24-Jun-24	8.50 - 10.00	8.91
23-Jun-24	8.50 - 10.00	9.00
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	85.41	0.47%
Gold Spot, USD/t oz.	2,316.81	-0.12%
Cotton, USD/lb.	74.92	-0.20%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX gained 0.41% in the last trading day, closing at 5,241.84 points.
- The daily turnover increased 9.31% in the last trading day.

Global Market

- Majority of the leading global indices posted mixed returns as Dow Jones posted 0.76% loss, S&P 500 posted 0.39% gain and FTSE 100 posted 0.41% loss.
- One of the leading Asian market indices, NIKKEI 225 posted 0.95% gain.

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 8.91% with a high rate of 10.00% and low rate of 8.50%.
- The oil price increased 0.47% in the last trading day.

Bangladesh Macro Update

IMF sets 33 conditions for next two loan instalments

- Bangladesh will have to comply with 33 new conditions by June next year in order to receive the next two instalments under the International Monetary Fund's USD 4.7 billion loan programme.
- It came as the lender approved the third tranche of USD 1.15 billion yesterday in a boost to Bangladesh's foreign exchange reserves.
- The fresh conditions are aimed at helping Bangladesh overcome four persisting challenges: depleting foreign currency reserves, rising inflation rate, lower revenue earnings, and a lack of governance in the banking sector.
- Government would work to reduce financial sector vulnerabilities and develop capital markets, improve the investment climate and boost productivity, and establish an enabling environment to better adapt to climate change, according to Finance Minister Abul Hassan Mahmood Ali.

News Source:

https://www.thedailystar.net/business/news/imf-sets-33-conditions-next-two-loan-instalments-3641676

Amnesty to black money may continue despite criticism

- Despite widespread condemnation from economists, watchdogs, businesspeople and even multiple lawmakers, the government is expected to retain the amnesty allowing individuals and businesses to whiten black money without scrutiny by paying a 15% tax in the upcoming fiscal year.
- In a meeting with the National Board of Revenue (NBR) yesterday, government high-ups gave their consent to keep the provision in the Finance Bill 2024.
- If lawmakers raise no objection, the bill is likely to be passed in parliament on Thursday.
- Afterwards, individuals and businesses can enjoy the benefit from July 1 this year to June 30 next year.
- According to the new provision, no authority can raise any question if a taxpayer pays tax at fixed rates for immovable properties such as flats and land, and 15% tax on other assets, including cash, securities, bank deposits, and savings schemes.

News Source:

https://www.thedailystar.net/business/economy/news/amnesty-black-money-may-continue-despite-criticism-3641671

External debt dips

- Bangladesh's foreign debt decreased by USD 1.34 billion in the first three months of this year.
- The external debt crossed USD 100 billion for the first time in December last year.
- At the end of March this year, the private sector's total debt stood at USD 20.29 billion, 3% lower than USD 20.94 billion in December last year.
- Meanwhile, the government's foreign debt stood at USD 79 billion, down from USD 79.69 billion at the end of 2023.

News Source:

https://www.thedailystar.net/business/news/external-debt-dips-3641656

Sectoral Update

Banking and Insurance

Banks ordered not to raise industrial term loan instalment amount despite hike in interest rate

- The central bank has directed banks not to raise instalment amounts for industrial term loans and housing finance, even as the market-based interest rate has jumped recently due to market-based rate adjustments.
- The Bangladesh Bank issued a circular in this regard today (25 June), asking the managing directors of all scheduled banks to comply with the instructions.
- Customers who took industrial term loans and house finance loans before July 2023 will enjoy the facility, according to the circular.
- However, borrowers who have been identified as defaulters as of 31 March 2024 will not be eligible for the facility.
- It also does not apply to loans provided from incentive packages or special funds from the central bank or the government.

News Source:

https://www.tbsnews.net/economy/banking/banks-ordered-not-raise-industrial-term-loan-instalment-amount-despite-hike-interest

Banks asked not to offer over Tk118 for remittance dollar

- The Bangladesh Bank has instructed commercial banks not to offer a rate higher than BDT 118 for purchasing remittance dollars.
- A deputy governor of the central bank gave the directive in a meeting with the managing directors of 15 banks yesterday.
- Any bank buying remittance dollars at a rate higher than BDT 118 would be subject to penalties, the deputy governor added.
- Banks are now collecting remittance dollars at rates between BDT 117.80 and BDT 118.30.
- Although remittances from the European market can be collected at slightly lower rates, banks have to offer higher rates to buy remittances coming from the UAE and Qatar, according to the bankers.

News Source:

https://www.tbsnews.net/economy/banking/banks-asked-not-offer-over-tk118-remittance-dollar-884516

Apparel and Textile

Chinese company to invest $109m in Bepza Economic Zone

- Chinese company Alpen Banyan Garments BD Co Ltd will invest USD 108.99 million in the Bangladesh Export Processing Zones Authority (Bepza) Economic Zone.
- Under the deal, the company will set up a garment manufacturing factory in 90 thousand square metres of land where 43 million pieces of woven and knit garments will be produced annually.

- The company will create employment opportunities for 11,995 Bangladeshi nationals when it becomes fully operational.
- It would be the highest amount of proposed investment ever from a single company signed agreements to establish industries in the Bepza Economic Zone.
- The Bepza executive chairman thanked Alpen Banyan Garments for choosing Bepza Economic Zone as its investment destination.

News Source:

https://www.tbsnews.net/economy/chinese-company-invest-109m-bepza-economic-zone-884206

Power and Energy

PDB faces Tk4,404cr subsidy spike due to taka devaluation: Sanem

- The devaluation of the taka against the US dollar will drive up the subsidy burden of the Bangladesh Power Development Board by more than BDT 4,404 crore for the current fiscal year ending 30 June, according to the South Asian Network on Economic Modeling (Sanem).
- In a statement issued on Tuesday, the private think tank also voiced concern over reduced allocations for the power and energy sectors in the proposed budget for the fiscal 2024-25.
- Finance Minister AH Mahmood Ali's proposed budget of BDT 7,97,000 crore but allocates only 3.8% to this vital sector, down from 4.6% in the previous fiscal year, Sanem added.
- A devaluation of BDT 1 against the USD in FY24 could escalate subsidy payments by BDT 473.6 crore and thus the one-year (FY24) devaluation from BDT 107.7 per dollar to BDT 117 is projected to increase the subsidy burden by BDT 4,404.48 crore.

News Source:

https://www.tbsnews.net/bangladesh/energy/pdb-faces-tk4404cr-subsidy-spike-due-taka-devaluation-sanem-884301

Capital Market

Dhaka stocks rebound

- The broad index of Dhaka Stock Exchange (DSE) rebounded yesterday after plunging on the preceding day.
- The DSEX, the major index of the country's premier bourse, went up 21.65 points, or 0.41%, from that on the preceding day to close at 5,241.84.
- The DSES, which comprises Shariah-based firms, also gained 6.7 points, or 0.59%, to reach 1,149.55.
- The DS30, the index that represents the best blue-chip stocks, rose by 9.95 points, or 0.53%, to finally stand at 1,877.94.
- The total value of shares changing hands on a day, giving an indication of the amount of trading activity, increased by 9.31% to reach BDT 524 crore.

News Source:

https://www.thedailystar.net/business/news/dhaka-stocks-rebound-3641621

What stops good companies in Bangladesh from going public?

- The country's merchant bankers have identified several barriers that prevent good and fundamental companies, including multinational corporations, from going public to raise funds for business expansion through initial public offerings (IPOs).
- The Bangladesh Merchant Bankers Association (BMBA) has recently proposed several measures to the Dhaka Stock Exchange (DSE) to address these barriers for the development of the capital market.
- The merchant bankers, who specialise in managing IPOs, have also proposed significant changes to public issue rules and relevant notifications to attract quality IPOs to the capital market.
- The proposed changes include revising the code of conduct for eligible investors participating in bidding, altering the share distributions quota, relaxing the lock-in period for those other than the company owners, and ensuring that at least 50% of the raised funds are used for loan repayment.
- Additionally, they proposed to keep an opportunity that would allow private entities to offload shares through direct listing to attract reputable and large conglomerates as well as multinational companies.

News Source:

https://www.tbsnews.net/economy/stocks/what-stops-good-companies-bangladesh-going-public-884531