Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,446.50
% change	-0.67%
DS30 Index	1,953.27
% change	-0.41%
DSES Index	1,191.33
% change	-0.88%
Turnover (BDT mn)	3,715.23
Turnover (USD mn)	31.48
% change	-34.18%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	40,358.09
% change	-0.14%
S&P 500	5,555.74
% change	-0.16%
Nikkei 225	39,594.39
% change	-0.01%
FTSE 100	8,167.37
% change	-0.38%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	117.60	118.00
EUR	128.62	129.10
GBP	152.97	153.53
INR	1.41	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
18-Jul-24	8.50 - 10.00	8.78
16-Jul-24	8.50 - 10.00	8.88
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	81.17	0.20%
Gold Spot, USD/t oz.	2,417.45	0.32%
Cotton, USD/lb.	68.80	-0.98%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX lost 0.67% in the last trading day, closing at 5,446.50 points.
- The daily turnover decreased 34.18% in the last trading day.

Global Market

- Majority of the leading global indices posted negative returns as Dow Jones posted 0.14% loss, S&P 500 posted 0.16% loss and FTSE 100 posted 0.38% loss.
- One of the leading Asian market indices, NIKKEI posted 0.01% loss.

Key macro indicators

- All the major currencies rose against BDT yesterday except the USD.
- The average overnight rate is falling in the past week.
- The current weighted average overnight rate stood at 8.78% with a high rate of 10.00% and low rate of 8.50%.
- The oil price increased 0.20% in the last trading day.

Bangladesh Macro Update

Commercial lifeline clearing with import release, but exports still remain blocked

- Bangladesh's blocked commercial lifeline begins clearing with manual import release but digitally-handled export yet remains blocked to the dismay of exporters and buyers both.
- Customs authorities Tuesday restored some of its networks to release some key commodities and raw materials while the shipment of exportable goods remained mostly suspended at major ports.
- Imported perishables and food items are being released from Chittagong seaport and Benapole and Bhomra land-ports, but customs officials have yet to resume export of goods due to internet-network disruptions.
- Following the complexities, exporters are facing uncertainties about meeting lead time and searching alternative routes in case seaport cannot provide the services.
- Industry insiders fear losing work orders, which may divert to the competitors, as their export shipments are stuck in the port backlog.

News Source:

https://today.thefinancialexpress.com.bd/first-page/commercial-lifeline-clearing-with-import-release-but-exports-still-remain-blocked-1721758291

Development work nosedives amid unrest, shutdown

- Development works suffered setbacks, as did economic activity, for the ongoing stalemate stemming from countrywide job-quota protests and curfew-induced lockdown, according to insiders.
- Movement of construction and other types of materials, local and foreign consultants, project implementers, relevant personnel and workers have been hamstrung, resulting in the development-project work delays.
- Project-and relevant document-approval processes have also been affected in different levels due to the ongoing impasse.
- Bangladesh has witnessed massive mayhem in the backdrop of protests by students against the quotas in government jobs over the last one week which dealt a blow to people's normal life and business as well as the development works, including in some unfinished megaprojects.

News Source:

https://today.thefinancialexpress.com.bd/last-page/development-work-nosedives-amid-unrest-shutdown-1721759420

Joint trade body meet on BD-Thai FTA in August

- Bangladesh and Thailand look to hold negotiation talks on the proposed Free Trade Agreement (FTA) soon to finalise details of the agreement.
- To facilitate the talks, a Joint Trade Committee (JTC) meeting between the two countries is expected to be held in Dhaka next month.
- Besides, bilateral issues will be brought up in the upcoming formal sitting.

- This negotiation is part of various measures the commerce ministry has taken to increase the country's export earnings.
- Currently, Bangladesh's products have duty-free market access to 38 countries and of these countries, about 27 member-states of the European Union (EU) are giving duty-free market facilities to Bangladeshi products.

News Source:

https://today.thefinancialexpress.com.bd/last-page/joint-trade-body-meet-on-bd-thai-fta-in-august-1721759743

Sectoral Update

Banks, NBFIs and Insurance

Banks waive penalty for delayed loan repayment

- Some banks have decided not to impose any interest or fees on clients for delayed payment of loan instalments, including that against credit cards, amidst a nationwide curfew and internet blackout.
- A good number of banks are also on way to take the decision in the next one or two days.
- Four local private commercial banks, BRAC Bank, City Bank, Mutual Trust Bank and Pubali Bank, and foreign lender Standard Chartered Bangladesh have already taken the decision.
- The Association of Bankers Bangladesh (ABB), a forum of chief executive officers of private commercial banks, requested the Bangladesh Association of Banks (BAB), comprising owners of banks, to take the decision taking into consideration the unavoidable circumstances at present.
- ATM booths contain adequate cash but international transactions for export and import, remittance collections and all payments abroad are now suspended for the internet shutdown, according to Selim RF Hussain, the ABB chairman.

News Source:

https://www.thedailystar.net/business/economy/news/banks-waive-penalty-delayed-loan-repayment-3660326

BB continues tight monetary policy stance for first half of FY25; keeps policy rates, crawling peg unchanged

- The Bangladesh Bank has continued its tight monetary policy stance for the first half of the Fiscal Year 2025, keeping all policy rates and crawling peg exchange rates unchanged.
- The new monetary policy also announced to stop money printing for government spending, aimed at bringing down inflation at around 6.5% by FY25.
- The country's inflation stood at 9.72% year-on-year in June.
- For the first time in its history, the Bangladesh Bank published its monetary policy statement online instead of releasing it by holding press conferences.

News Source:

https://www.tbsnews.net/economy/bb-continues-tight-monetary-policy-stance-first-half-fy25-keeps-policy-rates-crawling-peg

Borrowers under pressure as lending rate hits 16% in July

- The interest rate on consumer loans hit a maximum of 16% in July, as banks drastically raised lending rates due to high inflationary risks, putting borrowers under severe repayment pressure.
- Borrowers experienced a rise in interest rate costs of up to 77.7% in the last one year after the lifting of the 9% lending rate cap in June 2023.
- A significant surge in loan costs over a short period has increased default risk, as fixed-income borrowers are facing difficulties in continuing debt servicing, according to industry insiders.
- The central bank's continuous contractionary monetary policy over the last two years to rein in inflation by raising policy rates has put some banks in a liquidity crunch, prompting them to slow down consumer lending by raising loan costs, industry insiders added.

News Source:

https://www.tbsnews.net/economy/banking/borrowers-under-pressure-lending-rate-hits-16-july-901226

Pharmaceuticals

Drug production, supply take a hit

- Production and distribution of medicine have been disrupted for the last four days due to violence since the beginning of the quota reform movement and associated curfew imposed by the government.
- The industry operators said that they were unable to receive imported raw materials from the Chattogram port and Hazrat Shahjalal International Airport as customs assessment and clearance was suspended for the ongoing internet blackout.
- This may subsequently affect drug exports too
- Production of lifesaving drugs remains suspended since last Friday, according to Md Mahbubul Karim, executive director (supply chain) at Incepta Pharmaceuticals.
- There are adequate stocks of all the pharmaceuticals now to meet market demand for around one week but if the deadlock persists any longer, healthcare services will be seriously affected, he added.

News Source:

https://www.thedailystar.net/business/news/drug-production-supply-take-hit-3660071

Apparel and Textile

RMG factories start to reopen gradually

- Garment and textile factories started to gradually reopen yesterday after being kept shut for four days with the expectation that all factories will reopen today.
- Nearly 30% of garment factories, including some in Dhaka, were opened yesterday and no untoward incident was reported.
- They were facing challenges in communicating with their foreign buyers due to an ongoing internet blackout, according to Mohammad Hatem, executive president of the Bangladesh Knitwear Manufacturers and Exporters Association.

- Local liaison offices of international clothing retailers and brands have also complained of being unable to contact their headquarters and place new work orders.
- Leaders of the garment and textile sectors have been lobbying the home minister and state minister for ICT over the last two days to ensure safety of workers and restore the internet.

News Source:

https://www.thedailystar.net/business/economy/news/rmg-factories-start-reopen-gradually-3660321

Capital Market

Stocks fall, turnover plunges

- Dhaka stocks dropped for the second day in volatile trading on Thursday amid the countrywide shutdown enforced by the quota reform protesters,according to market operators.
- DSEX, the key index of the Dhaka Stock Exchange, decreased by 36.64 points, or 0.66%, to close at 5,446.50 points on the day, after losing 1.82 points in the previous session, Tuesday.
- Trading on the bourse remained closed on Wednesday on the occasion of Ashura.
- The key index on Thursday started the session with a dive, and maintained the volatile trading till the end of the session, ultimately finishing in the negative trajectory.
- The total turnover of the Dhaka bourse decreased by almost BDT 200 crore, standing at BDT 371.52 crore, comparing with that of BDT 564.41 crore in the previous session.

News Source:

https://www.newagebd.net/post/stocks/240546/stocks-fall-turnover-plunges