Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,333.94
% change	1.01%
DS30 Index	1,900.85
% change	0.78%
DSES Index	1,165.38
% change	0.99%
Turnover (BDT mn)	5,527.55
Turnover (USD mn)	46.84
% change	17.46%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	39,737.26
% change	-1.51%
S&P 500	5,346.56
% change	-1.84%
Nikkei 225	35,909.70
% change	-5.81%
FTSE 100	8,174.71
% change	-1.31%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	118.00	118.00
EUR	127.74	127.75
GBP	151.70	151.71
INR	1.41	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
1-Aug-24	8.50 - 10.00	8.73
31-Jul-24	8.50 - 10.00	8.78
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	76.81	-3.41%
Gold Spot, USD/t oz.	2,443.24	-0.12%
Cotton, USD/lb.	68.25	0.25%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX gained 1.01% in the last trading day, closing at 5,333.94 points.
- The daily turnover increased 17.46% in the last trading day.

Global Market

- Majority of the leading global indices posted negative returns as Dow Jones posted 1.51% loss, S&P 500 posted 1.84% loss and FTSE 100 posted 1.31% loss.
- One of the leading Asian market indices, NIKKEI posted 5.81% loss yesterday.

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 8.73% with a high rate of 10.00% and low rate of 8.50%.
- The oil price decreased 3.41% in the last trading day.

Bangladesh Macro Update

Bangladesh ranks 29 in World Bank's B-Ready index

- Bangladesh ranks 29th among 50 countries in the World Bank's Business Ready report, which is set to replace the global lender's flagship Ease of Doing Business report that has ceased to be published since 2021.
- Bangladesh stands behind Nepal and Indonesia but fares better than Pakistan, which is placed 37th in the chart, according to the first draft of the B-Ready 2024 report.
- Estonia and Singapore are the top two scorers, each achieving above 70 in all three pillars.
- Bangladesh is among the top scorers in operational efficiency (above 70), scores moderately in the regulatory framework (between 50 and 70), and ranks low in public services (below 50).
- Vietnam, one of Bangladesh's key competitors in the global apparel market, has been placed in category 'B' due to the country's better public services.

News Source:

https://www.tbsnews.net/economy/bangladesh-ranks-29-world-banks-b-ready-index-909331

Container backlog at Ctg port not easing as rail transport of goods, oil stalls

- Chattogram Port, the country's main trade gateway, continues to face container backlogs as rail transport disruptions stall the movement of imported goods and oil to Dhaka and other parts of the country.
- Additionally, export containers from Dhaka could not be transported to the port via train either, causing financial losses to exporters and importers alike, according to traders and shipping agents.
- Around 3% of containers from the port are transported by rail to the state-run Kamalapur inland container depot (ICD) in Dhaka, with fuel oil also distributed by rail across the country, according to Chittagong Goods Port Yard sources.
- However, rail transport of goods from the port was halted on 18 July due to the ongoing quota reform protest, clashes and curfew.
- Chittagong Port officials, shipping agents and C&F agents said that the yard can store 825 Twenty-foot equivalent (TEU) containers which are bound for Dhaka ICD via trains.

News Source:

https://www.tbsnews.net/economy/container-backlog-ctg-port-not-easing-rail-transport-goods-oil-stalls-909341

Businesses see low customer turnout despite curfew relaxation

- Despite the relaxation of the curfew, shopping malls in the capital remain devoid of customers, with sellers idly waiting for the buyers.
- This trend is mirrored in hotels, restaurants, entertainment centres, and grocery markets, creating significant uncertainty among business owners.
- A visit to several shopping malls, grocery markets, and hotels and restaurants in the capital on Friday revealed this situation.

- Businessmen attributed this to people's fear of unrest.

News Source:

https://www.tbsnews.net/economy/businesses-see-low-customer-turnout-despite-curfew-relaxation-908656

Export-import, business sectors face uphill battle to normalcy

- The country's import-export trade and other commercial activities remain muted, even a week after internet services were restored and daytime curfews were relaxed.
- Despite the reopening of markets and shops, sales remain low due to the ongoing protests that keep people indoors unless absolutely necessary, according to traders.
- During the third week of July, the country's businesses and trade ground to a halt amid violent clashes related to the student movement against discrimination, which led to a nationwide internet blackout and curfew.
- The ongoing movement, after a week of calm, reignited yesterday in Dhaka, Chattogram, and several other districts, with students, parents, teachers and diverse groups demanding justice for those killed in recent clashes.

News Source:

https://www.tbsnews.net/economy/export-import-business-sectors-face-uphill-battle-normalcy-908631

Forex reserves decline by $1.30 billion in July

- Bangladesh's foreign exchange reserves have declined by USD 1.30 billion to USD 20.49 billion in July as per the International Monetary Fund's (IMF) BPM-6 method.
- The net reserve has decreased to USD 15.47 billion in the recently concluded month, according to Bangladesh Bank data published on 1 August.
- The central bank used to publish its reserves data every week previously, but the latest data was published after a one-month interval.
- The forex reserves stood at USD 21.79 billion at the end of June as per the BPM-6 method.
- Meanwhile, Inward remittance inflow has dropped to the lowest point in 10 months at USD 1.91 billion in July.

News Source:

https://www.tbsnews.net/economy/forex-reserves-decline-130-billion-july-908001

Sectoral Update

Banks, NBFIs and Insurance

BB plans contingency network for banking during internet blackout

- In light of the recent nationwide internet shutdown, the Bangladesh Bank is planning to create a contingency network or a backup networking system to ensure uninterrupted banking and financial services in case of future internet outages.
- Bangladesh Bank Governor Abdur Rouf Talukder met with managing directors of several banks on Thursday to discuss how to maintain banking activities nationwide during an internet outage.

- The banking sector needs to reduce its reliance on the internet for managing operations and we now require contingency or alternative solutions, according to Selim RF Hussain, chairman of the Association of Bankers Bangladesh (ABB).
- The central bank is considering launching an intra-network and if implemented, it will allow all internal bank transactions to be conducted without the Internet, although international transactions would still require connectivity.

News Source:

https://www.tbsnews.net/bangladesh/bb-develop-networking-app-capable-running-inter-bank-operations-during-internet-outage

Dollar elusive at money changers, price jumps to Tk125 in kerb market

- Amid the instability over quota reform protests, the dollar rate in the open market surged by BDT 6 to reach BDT 125.
- Dollar trading remained low at several money changers in Dhaka today (1 August), including those in Gulshan and Motijheel.
- This comes despite the Money Changers Association of Bangladesh (MCAB) issuing a directive yesterday to set a fixed dollar rate of BDT 119.
- However, this rate was not followed in the market.
- Nadir Hossain, a dollar seller, attributed the rising dollar price to a decline in remittance inflows due to ongoing unrest in the country since 16 July.

News Source:

https://www.tbsnews.net/economy/banking/dollar-elusive-money-changers-price-jumps-tk125-kerb-market-908011

Apparel and Textile

RMG owners seek labour leaders' cooperation for uninterrupted production

- Apparel exporters have sought cooperation from labour leaders to keep production in their factories uninterrupted amid the ongoing student movement in the country.
- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) made the request on Saturday during a meeting with regional labour leaders from major industrial zones.
- The leaders urged workers not to pay heed to rumours and to continue working in their respective factories for the greater interest of the industry and the workers.
- The meeting was held at the Uttara head office of the trade body, with over 150 field-level labour representatives in attendance.

News Source:

https://www.tbsnews.net/economy/rmg/rmg-owners-seek-labour-leaders-cooperation-uninterrupted-production-909276

RMG exporters race against time amid sea, air freight congestions, fare hike

- Bangladeshi apparel exporters are grappling with multiple challenges in dispatching their products, even by costly air freights, as their lead times are dwindling due to disruptions in production and shipments caused by the internet blackout and curfew.
- Both air and sea transport are facing similar challenges due to excessive container congestion, and businesses are unable to meet lead times despite some buyers extending deadlines by up to seven days.
- Industry insiders also said that airfreight costs per kilogramme of cargo from Dhaka to Europe have risen to USD 6, an increase from USD 2 just five months ago.
- Similarly, airfreight expenses for shipments to the US have surged to USD 7.50 USD 8 per kilogram, compared to the USD 3 rate recorded in December.
- Dhaka airport is already overloaded due to massive cargo volumes, with some goods having to be stored outside the cargo area because of a lack of available cargo flights.

News Source:

https://www.tbsnews.net/economy/rmg/rmg-exporters-race-against-time-amid-sea-air-freight-congestions-fare-hike-908146

Capital Market

Stocks end bearish week amid uncertainty

- Stocks continued their downward trend for three consecutive sessions last week due to investor concerns over ongoing nationwide student protests and broader economic uncertainty.
- Turnover at the Dhaka Stock Exchange (DSE) also dropped significantly.
- At the end of last week, the prime index DSEX decreased by 1.47% to 5,334 points, the blue-chip index DS30 dropped by 1.65% to 1,901, the Shariah-compliant stocks index DSES fell by 1.52% to 1,165, and the DSE SME Index declined by 0.13% to 1,521.
- The weekly average turnover dropped by 13.73% to BDT 478.92 crore compared to the previous week, with the total turnover standing at BDT 2,395 crore, down from BDT 2,775 crore the week before.
- The market capitalisation fell by 0.67% to BDT 6,533,681 crore from BDT 6,577,506 crore compared to the previous week.

News Source:

https://www.tbsnews.net/economy/stocks/stocks-end-bearish-week-amid-uncertainty-909366

Inflation, forex crisis, gas shortage bite multinational firms in Apr-Jun

- Multinational companies (MNCs) engaged in the country's manufacturing sector bore the brunt in the April-June quarter of this year due to high inflation, a forex crisis, taka devaluation, and gas shortages.
- Out of 13 listed MNCs, 11 — nine from the manufacturing sector and two from the telecom sector — have published their unaudited financial statements for the second quarter of this year.

- BAT Bangladesh and Berger Paints Bangladesh are yet to publish the financial statements for the June quarter.
- Among the nine MNCs, Bata, Heidelberg Materials, RAK Ceramics, Unilever Consumer Care and LafargeHolcim Bangladesh witnessed a fall in revenue during the quarter compared to the same period the previous year.
- Additionally, Bata, Heidelberg Materials, Reckitt Benckiser, Singer, and LafargeHolcim faced a decline in profit.

News Source:

https://www.tbsnews.net/economy/stocks/inflation-forex-crisis-gas-shortage-bite-multinational-firms-apr-jun-909361