Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,867.96
% change	-1.08%
DS30 Index	2,134.04
% change	-0.91%
DSES Index	1,255.36
% change	-1.22%
Turnover (BDT mn)	10,150.13
Turnover (USD mn)	86.02
% change	-11.20%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	39,765.64
% change	1.04%
S&P 500	5,434.43
% change	1.68%
Nikkei 225	36,232.51
% change	3.45%
FTSE 100	8,235.23
% change	0.30%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	118.00	118.00
EUR	128.99	129.00
GBP	150.62	150.65
INR	1.41	1.41
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
13-Aug-24	8.50 - 10.00	8.74
12-Aug-24	8.50 - 10.00	8.71
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	81.19	0.62%
Gold Spot, USD/t oz.	2,461.04	-0.17%
Cotton, USD/lb.	67.98	-0.01%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX lost 1.08% in the last trading day, closing at 5,867.96 points.
- The daily turnover decreased 11.20% in the last trading day.

Global Market

- Majority of the leading global indices posted positive returns as Dow Jones posted 1.04% gain, S&P 500 posted 1.68% gain and FTSE 100 posted 0.30% gain.
- One of the leading Asian market indices, NIKKEI posted 3.45% gain.

Key macro indicators

- All the major currencies rose against BDT yesterday.
- The average overnight rate is rising in the past week.
- The current weighted average overnight rate stood at 8.74% with a high rate of 10.00% and low rate of 8.50%.
- The oil price increased 0.62% in the last trading day.

Bangladesh Macro Update

ADP execution at 4-year low in FY24

- Underperformance by several vital sectors dragged to a four-year low the utilisation rate of development budget in the past fiscal year, attributing the slowdown to incompetence.
- The Annual Development Programme (ADP) implementation in the fiscal year (FY) 2023-24 was lowest in four years to 80.92% of the even pared-down budget.
- Even after a downward revision of the ADP in March, in view of a slow going, government ministries and agencies during the July 2023-June 2024 period utilised hardly 80.92% of the BDT 2.54-trillion revised outlay- which is 4.25% lower than the level in the previous FY2023.
- In the previous fiscal, the ADP-execution rate was recorded 85.17%.
- Meanwhile, the lowest ADP execution under the Sheikh Hasina government four years ago in FY2020 was 80.39%.

News Source:

https://today.thefinancialexpress.com.bd/first-page/adp-execution-at-4-year-low-in-fy24-1723572430

Development paradigm pivots from megaprojects to health, edn

- Development paradigm now pivots from megaprojects to vital sectors like health and education as Finance and Planning Adviser Dr Salehuddin Ahmed indicated Tuesday and cautioned against lavish spending of public money.
- He told development officials that the interim government would not invest in infrastructure development on a large scale further rather invest in health and education sectors.
- The interim government would also review the implementation period of the 9th five-year plan (FYP), to be prepared soon, and align it with the SDGs.
- The main agenda is to revive the economy and execute reforms in the financial sector.
- He asked the PC officials to ensure best use of public funds and quality of the development projects.

News Source:

https://today.thefinancialexpress.com.bd/first-page/development-paradigm-pivots-from-megaprojects-to-health-edn-1723572785

No data manipulation anymore: Salehuddin

- On Monday, when officials presented inflation data, they indicated that it was higher than expected.
- I made it clear that inflation should be reported as it truly is, according to Finance and Planning Adviser Dr Salehuddin Ahmed.
- He also assured that discrepancies in economic indicators will no longer occur.
- Economists and researchers have frequently raised concerns about the accuracy of Bangladesh's data regarding GDP growth, inflation, nonperforming loans, or exports.

News Source:

https://www.tbsnews.net/economy/no-data-manipulation-anymore-salehuddin-916076

Sectoral Update

Banks, NBFIs and Insurance

Private banks' association seeks extension on term loan repayment, not all members aligned

- The Bangladesh Association of Banks (BAB) has requested the Bangladesh Bank for an extension of six months for the repayment of term loans, citing the current economic challenges as the primary reason for their request.
- However, several members of the association opposed the request.
- The association of private bank owners and directors sent a letter to the central bank on 31 July in this regard.
- The association in the letter mentioned that under the previous regulations, overdue loans were recognised six months after the due date of repayment.
- However, the central bank recently amended this rule, stating that starting 30 September this year, loans would be considered overdue three months after the due date and from 31 March 2025, loans would be considered overdue the day after the due date.

News Source:

https://www.tbsnews.net/economy/banking/private-banks-association-seeks-extension-term-loan-repayment-not-all-members

Under Cenbank pressure, National Bank waived Tk2,310cr for S Alam Group

- Facing pressure from the Bangladesh Bank, the National Bank was forced to waive BDT 2,310 crore in interest on loans to S Alam Group.
- As a result, the Chattogram-based business group, known for its irregularities in the country's banking sector, managed to escape its loan burden by paying less than half the total loan amount and interest to the private sector lender.
- Eight companies of S Alam Group took 13 loans from National Bank at different times and for varying tenures.
- By the end of December 2021, the balance of these loans stood at BDT 4,619 crore.
- On 22 December 2021, the central bank wrote to the then managing director of National Bank, instructing him to waive the interest on loans taken by various companies of S Alam Group and to restructure the remaining loans.

News Source:

https://www.tbsnews.net/economy/banking/under-cenbank-pressure-national-bank-waived-tk2310cr-s-alam-group-916201

Cheques of Tk1cr or more from 9 banks blocked for clearance

- The Bangladesh Bank has blocked encashment of cheques of BDT 1 crore or more issued by nine banks, including six controlled by the S Alam Group, from respective banks or through any other banks.

- The nine banks are First Security Islami Bank, Islami Bank Bangladesh, Social Islami Bank, Union Bank, Global Islami, National Bank, Bangladesh Commerce Bank, Padma Bank, and ICB Bank.
- Previously, the central bank allowed cheque clearing through other banks even when there were no funds in these banks' current accounts.
- This facility led to the withdrawal of thousands of crores of taka through various shell companies.

News Source:

https://www.tbsnews.net/economy/banking/cheques-tk1cr-or-more-9-banks-blocked-clearance-916161

Energy

State-run power, energy cos set for major shakeup

- Half a dozen chairman and managing directors (MDs) of state-run power and energy companies, who have been appointed on contract, are likely to lose jobs due to their alleged involvement in backing 'unethical' practices of the immediate past government.
- A decision has already been taken recently to remove them from the companies under the Ministry of Power, Energy and Mineral Resources (MPEMR), according to a senior official of MoPEMR.
- Most of these MDs are currently serving following extensions of their contractual appointments twice.
- They are also allegedly involved with awarding power and energy contracts to different 'previously selected' companies under the Quick Enhancement of Electricity and Energy Supply (Special Provision) Act 2010 bypassing tender.

News Source:

https://today.thefinancialexpress.com.bd/last-page/state-run-power-energy-cos-set-for-major-shakeup-1723573119

Adani plant allowed to sell Bangladesh-bound power in India after rules amended

- An Adani Power, opens new tab coal-fired power plant under contract to sell all its output to Bangladesh can now supply the domestic market as the government has amended its power export rules.
- An internal federal power ministry memo, dated 12 August and seen by Reuters, amends 2018 guidelines governing generators supplying electricity "exclusively to a neighbouring country".
- Currently only one plant in India - Adani Power's 1,600 megawatt (MW) Godda plant in eastern Jharkhand state - is under contract to export 100% of its power to a neighbouring country.
- The memo says that the government of India may permit connection of such generating station to the Indian grid to facilitate sale of power within India in case of sustained non-scheduling of full or part capacity.
- The sale of power to the local grid might also be allowed if there is a delay in payments.

News Source:

https://www.tbsnews.net/bangladesh/energy/adani-plant-allowed-sell-bangladesh-bound-power-india-after-rules-amended-915946

Capital Market

Stocks slide but high turnover shows promise

- Stocks endured erosion for the second consecutive day on Tuesday as risk-averse investors preferred to bag profits on quick-gaining shares.
- The market opened sharply lower and the downturn persisted throughout the session as sellers continued their dominance to realize their recent gains in apprehension of a probable shift in market momentum.
- The DSEX, the prime index of the Dhaka Stock Exchange (DSE), finally went down more than 64 points or 1.08% to settle at 5,868.
- Market experts said that the correction was due to profit taking on stocks that saw significant appreciation in recent times.
- The market turnover stayed above BDT 10 billion for the last four trading days as investors were active on both sides of the trading fence.

News Source:

https://today.thefinancialexpress.com.bd/stock-corporate/stocks-slide-but-high-turnover-shows-promise-1723574503