Bangladesh Market	
Major Indices	**Last closing**
DSEX Index	5,702.83
% change	1.30%
DS30 Index	2,114.74
% change	1.06%
DSES Index	1,235.35
% change	1.67%
Turnover (BDT mn)	5,627.23
Turnover (USD mn)	46.89
% change	-9.44%
Source: Dhaka Stock Exchange	

International Market	
Major Indices	**Last closing**
Dow Jones Industrial Average	40,736.96
% change	-0.23%
S&P 500	5,495.50
% change	0.45%
Nikkei 225	36,159.16
% change	-0.16%
FTSE 100	8,205.98
% change	-0.78%
Source: Bloomberg	

Exchange rate		
Major Currencies	**Low (BDT)**	**High (BDT)**
USD	120.00	120.00
EUR	132.41	132.42
GBP	156.86	156.90
INR	1.43	1.43
Source: BB		

Money market		
Date	**Call Money Rate Range (%)**	**Weighted Average**
10-Sep-24	8.50 - 10.50	9.03
09-Sep-24	8.50 - 10.50	9.00
Source: BB		

Commodities		
Major Commodities	**Price**	**% Change**
Brent Crude (Oil), USD/bbl.	69.55	0.52%
Gold Spot, USD/t oz.	2,519.68	0.14%
Cotton, USD/lb.	68.43	0.44%
Source: Bloomberg		

Market Summary

Bangladesh Market

- The leading bourse of the country, DSEX gained 1.30% in the last trading day, closing at 5,702.83 points.
- The daily turnover decreased 9.44% in the last trading day.

Global Market

- Majority of the leading global indices posted mixed returns as Dow Jones posted 0.23% loss, S&P 500 posted 0.45% gain and FTSE 100 posted 0.78% loss.
- One of the leading Asian market indices, NIKKEI posted 0.16% loss yesterday.

Key macro indicators

- All the major currencies fell against BDT yesterday except the INR.
- The average overnight rate is rising in the past week.
- The current weighted average overnight rate stood at 9.03% with a high rate of 10.50% and low rate of 8.50%.
- The oil price increased 0.52% in the last trading day.

Bangladesh Macro Update

Budget support to Bangladesh for power, energy sector likely within December: World Bank

- The World Bank is likely to provide budget support to Bangladesh's power and energy sector within the upcoming December.
- Discussions have been held with the Bangladesh Bank governor and the finance adviser regarding the budget support, according to World Bank's Bangladesh Country Director Gayle Martin during a meeting of the WB delegation with Power and Energy Adviser Muhammad Fouzul Kabir.
- In response to a request regarding budget support from the adviser at the meeting, Martin expressed optimism about providing the support for the energy and power sector by next December.
- He also said that the World Bank is keen to work sincerely with the interim government.

News Source:

https://www.tbsnews.net/economy/budget-support-bangladesh-power-energy-sector-likely-within-december-world-bank-938176

Indian LoC funding to continue, Pakistan interested in business

- Indian line of credit (LoC) funding for Bangladesh's development projects will continue while Pakistan is also interested in doing business here, according to envoys of the two rival neighbours during discussions with interim government's finance adviser.
- After the separate meetings in Dhaka on Tuesday, Finance and Commerce Adviser Dr Salehuddin Ahmed said that the present post-uprising government would continue economic and trade cooperation with both India and Pakistan as both the countries are close neighbours of Bangladesh.
- The adviser also said that the Indian LoC-supported projects would continue as those are large in size and important too.
- After another meeting with Pakistan High Commissioner Syed Ahmed Maroof, Mr Ahmed put emphasis on expediting the existing trade and commercial relations between Bangladesh and Pakistan which had long remained stagnant.
- The Pak diplomat expressed their willingness to import jute from Bangladesh and launch Dhaka-Karachi direct flight soon.

News Source:

https://today.thefinancialexpress.com.bd/first-page/indian-loc-funding-to-continue-pakistan-interested-in-business-1725989299

Sectoral Update

Banks, NBFIs and Insurance

Agent banking deposit growth surges 20pc YoY in June 2024

- Agent banking has emerged as a crucial formal channel of financial transactions in rural areas, reaching a large unbanked population and contributing significantly to both deposits and lending, according to a latest Bangladesh Bank report.

- Deposits with the rural agent banking units stood at BDT 326.03 billion, 81.36% of the overall deposits of BDT 400.73 billion by the end of June 2024.
- Deposit growth surged by nearly 20% year-on-year in June 2024.
- During the same period, rural customers borrowed BDT 121.28 billion, nearly 65% of the total loans of BDT 187.42 billion disbursed through the agent banking channel.
- The transaction data aligns with the agent banking core objective of improving the access to financial services of the rural population and financial inclusion.

News Source:

https://today.thefinancialexpress.com.bd/last-page/agent-banking-deposit-growth-surges-20pc-yoy-in-june-2024-1725989617

Govt to decide on how to recover Tk874cr climate funds from Padma Bank

- The interim government will explore ways to recover BDT 874 crore climate funds including both principal and accrued interest, withheld by Padma Bank.
- The bank, formerly known as Farmers Bank, has not paid any interest on the fixed deposit receipts (FDRs) opened by the Bangladesh Climate Change Trust for the past six years, according to the officials.
- Rafiqul Islam, managing director of the Bangladesh Climate Change Trust which is operated under the Ministry of Forest, Environment, and Climate Change, told that the issue will be discussed in the next Advisory Council meeting, which will decide on how to recover the funds from Padma Bank.
- In 2015, FDRs totalling BDT 508 crore were opened at the Gulshan, Motijheel, and Gulshan South Avenue branches of the then Farmers Bank for one year.
- Due to non-payment of interest, these FDRs were renewed until 2018.

News Source:

https://www.tbsnews.net/economy/banking/govt-decide-how-recover-tk874cr-climate-funds-padma-bank-938431

Loans taken for separate units must be reported under parent company

- Loans issued to any company registered with the Registrar of Joint Stock Companies and Firms (RJSC) or to its various units must be reported to the Credit Information Bureau (CIB) database of the Bangladesh Bank under the name of the parent company.
- Bankers said that these instructions are intended to enhance transparency in CIB reporting and ensure accurate data collection for loans of individual entities.
- On Tuesday, the central bank issued a circular asking the managing directors of all scheduled banks and non-bank financial institutions to adhere to this procedure.
- Bankers note that companies registered with the RJSC often take loans under the names of their various units, which can circumvent the single-borrower credit limits set by banking regulations.

News Source:

https://www.tbsnews.net/economy/banking/loans-taken-separate-units-must-be-reported-under-parent-company-938411

Apparel and Textile

Why discontent persistently plagues Bangladesh's RMG unlike other sectors

- Four decades ago, the garment industry accounted for less than 4% of Bangladesh's total exports.
- Today, that figure has surged to nearly 85%, marking a remarkable transformation of the sector into an export powerhouse.
- Despite this impressive growth, questions are being raised about its sustainability.
- Labour unrest, driven by demands for better wages and benefits, continues to disrupt the industry, with solutions often being addressed on an ad hoc basis.
- Manufacturers frequently point fingers at international buyers, claiming they do not pay enough to facilitate increased worker benefits.

News Source:

https://www.tbsnews.net/economy/rmg/why-discontent-persistently-plagues-bangladeshs-rmg-unlike-other-sectors-938466

Energy

Abrupt fuel cut to factories deepens crisis

- Industries on the capital's northern outskirts suffer as the supplier of Bhola gas to industrial consumers 'arbitrarily' snapped the supply, in time of fuel crunch, according to sources.
- Officials said that Intraco Refuelling Station shut the supply of compressed natural gas (CNG) to industries from Bhola island a couple of weeks back failing to provide bank guarantee worth around BDT 110 million to the government by the deadline.
- Before shutting operations, Intraco was supplying around 1.0-1.5 million cubic feet per day (mmcfd) of gas to consumers-only one-fourth of its committed supply of 5.0mmcfd to the factories, particularly in Gazipur and its adjoining areas, where piped-gas pressure remains low.
- Intraco was supposed to deposit the bank guarantee in favour of state-run Sundarban Gas Company Ltd (SGFL) by August 18th, 2024, according to the deal inked between Intraco and SGCL on supply of Bhola gas to fuel-hungry industries on mainland.
- Intraco had close relationship with high-ups of the deposed Sheikh Hasina government, which was the key to getting the project work, according to market-insiders.

News Source:

https://today.thefinancialexpress.com.bd/first-page/abrupt-fuel-cut-to-factories-deepens-crisis-1725989125

Rooppur Power Plant: Russia wants $630m interest paid by 15 Sep

- Russia has asked Bangladesh to pay USD 630 million in outstanding and current interests on a loan for the Rooppur Nuclear Power Plant by 15 September, according to a letter from the Russian authorities.
- The letter follows Bangladesh's June request for alternative transaction methods to settle overdue interests, commitment fees and late fines caused by US sanctions on Russian banks.

- The USD 12.65 billion loan carries a maximum interest rate of 4%, with an additional penalty interest rate of 2.4% for overdue payments.
- However, since the payment deadline of 15 September falls on a Sunday and 16 and 17 September are non-business days in China, the earliest possible payment date would be 18 September.
- Finance ministry sources said missing this deadline could result in additional penalties and further complications, including potential delays in negotiating a two-year extension of the loan disbursement term which is set to expire this coming December, that Bangladesh is currently pursuing.

News Source:

https://www.tbsnews.net/bangladesh/rooppur-power-plant-russia-wants-630m-interest-paid-15-sep-938446

Telecommunication

Citycell says its licence was cancelled illegally, it wants it back

- Pacific Bangladesh Telecom, the first mobile phone operator in the country, seeks to relaunch Citycell.
- The company has recently applied to the Bangladesh Telecommunication Regulatory Commission (BTRC) to reclaim its licence and spectrum.
- In 2016, the BTRC shut down Citycell's operations on the grounds of a decline in subscribers and failure to pay outstanding dues.
- Later, in October 2023, the regulatory body officially cancelled Citycell's licence and spectrum.
- However, in its recent review application letter, Pacific Bangladesh Telecom stated that BTRC's order to cancel Citycell's licence was illegal as Citycell was excluded from various technological upgrades, including spectrum allocation, due to political decisions by the then government.

News Source:

https://www.tbsnews.net/bangladesh/telecom/citycell-says-its-licence-was-cancelled-illegally-it-wants-it-back-938476

Capital Market

Stocks rebound breaking six days' losing streak

- Stocks rebounded breaking six days' losing streak as bargain hunters chose to take positions on some particular large-cap scrips.
- DSEX, the broad index of the Dhaka Stock Exchange, recovered 73 points and settled at 5,703 points.
- In the last six consecutive sessions, the DSEX fell around 200 points.
- While DS30, the blue-chip index, jumped by 1.06% or 22 points to 2,114 points and DSES increased by 1.66% or 20 points to 1,235 points.
- Although indices increased, turnover fell by 9.4% to BDT 562 crore as against BDT 621 crore in the previous session.

News Source:

https://www.tbsnews.net/economy/stocks/stocks-rebound-breaking-six-days-losing-streak-938346