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# Daily News Snippet

**October 02, 2024**

| Bangladesh Market | |
|---|---|
| **Major Indices** | **Last closing** |
| DSEX Index | 5,586.29 |
| % change | -0.68% |
| DS30 Index | 2,039.35 |
| % change | -0.68% |
| DSES Index | 1,252.22 |
| % change | -0.91% |
| Turnover (BDT mn) | 3,894.78 |
| Turnover (USD mn) | 32.46 |
| % change | -22.71% |
| ***Source: Dhaka Stock Exchange*** | |

| International Market | |
|---|---|
| **Major Indices** | **Last closing** |
| Dow Jones Industrial Average | 42,156.97 |
| % change | -0.41% |
| S&P 500 | 5,708.75 |
| % change | -0.93% |
| Nikkei 225 | 38,650.50 |
| % change | 1.93% |
| FTSE 100 | 8,276.65 |
| % change | 0.48% |
| ***Source: Bloomberg*** | |

| Exchange rate | | |
|---|---|---|
| **Major Currencies** | **Low (BDT)** | **High (BDT)** |
| USD | 120.00 | 120.00 |
| EUR | 133.61 | 133.62 |
| GBP | 160.44 | 160.55 |
| INR | 1.43 | 1.43 |
| ***Source: BB*** | | |

| Money market | | |
|---|---|---|
| **Date** | **Call Money Rate Range (%)** | **Weighted Average** |
| 01-Oct-24 | 9.50 - 10.50 | 9.57 |
| 30-Sep-24 | 9.50 - 10.50 | 9.55 |
| ***Source: BB*** | | |

| Commodities | | |
|---|---|---|
| **Major Commodities** | **Price** | **% Change** |
| Brent Crude (Oil), USD/bbl. | 74.46 | 3.85% |
| Gold Spot, USD/t oz. | 2,662.82 | 1.08% |
| Cotton, USD/lb. | 73.09 | -0.71% |
| ***Source: Bloomberg*** | | |

## Market Summary

## Bangladesh Market

- The leading bourse of the country, DSEX lost 0.68% in the last trading day, closing at 5,586.29 points.
- The daily turnover decreased 22.71% in the last trading day.

## Global Market

- Majority of the leading global indices posted mixed returns as Dow Jones posted 0.41% loss, S&P 500 posted 0.93% loss and FTSE 100 posted 0.48% gain.
- One of the leading Asian market indices, NIKKEI posted 1.93% gain yesterday.

## 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 9.57% with a high rate of 10.50% and low rate of 9.50%.
- The oil price increased 3.85% in the last trading day.

## Bangladesh Macro Update

# Remittance rebound brings in record $2.40b in Sept

- A rebound in remittance brought Bangladesh USD 2.40 billion in September, accounting for a hope-raising second-highest monthly inflow in 39 months.
- The upturn in remittance earnings provides much-needed respite for the economy facing multiple macroeconomic strains in recent times amid a persistent foreign-exchange (forex) shortage, according to officials and analysts.
- Bangladeshi expatriates working abroad sent USD 2.40 billion in the just-concluded month, according to data of Bangladesh Bank.
- This September receipt got enhanced by over 80% year on year from USD 1.33 billion recorded in September 2023.
- Compared with the remittance earnings in August 2024 worth USD 2.22 billion, the September figure is around USD 200-million higher.

**News Source:**

https://today.thefinancialexpress.com.bd/first-page/remittance-rebound-brings-in-record-240b-in-sept-1727806465

# Steel sales slump by about 50% as govt projects come to a halt

- The demand for steel in Bangladesh has almost halved over the past two months as most construction works have been halted following the recent political changeover, according to industry people.
- The combined sales of steel makers in the country have come down to less than 2.5 lakh tonnes per month since July while it was more than 5 lakh tonnes per month previously.
- Sumon Chowdhury, secretary general of the Bangladesh Steel Manufacturers Association, said that many public projects are on hold as contractors fled after the Sheikh Hasina-led Awami League government was ousted by a mass uprising.
- Project implementation under the Annual Development Programme (ADP) was slow at the start of this year, according to Implementation Monitoring and Evaluation Division data.
- The ADP implementation rate was 1.05% in July compared to 1.27% during the same month last year.

**News Source:**

https://www.thedailystar.net/business/economy/news/steel-sales-slump-about-50-govt-projects-come-halt-3717431

# AIIB to provide Bangladesh with $700m budget support

- The Asian Infrastructure Investment Bank (AIIB) will provide Bangladesh with USD 700 million in budget support in the current fiscal year, according to Economic Relations Division (ERD) officials.
- Bangladesh sought budget support during a sideline meeting with the president of the AIIB at the organisation's annual meeting in Samarkand, Uzbekistan on 23-26 September.
- The president of the organisation gave preliminary assurances about the support.

- The AIIB is expected to provide USD 300 million on the condition of certain reform programmes related to climate change and the environment and USD 400 million for emergency support on natural disaster management.
- In light of the current economic situation, the government has already requested budget support from various development partners.

**News Source:**

https://www.tbsnews.net/economy/aiib-provide-bangladesh-700m-budget-support-955891

## Germany may provide £600m in dev assistance

- Germany plans to provide 600 million euros to Bangladesh in development aid under its agenda on climate development, according to German Ambassador Achim Tröster.
- This forthcoming amount will be in addition to the present programme for which Germany allocated 409 million euros.
- The envoy mentioned that the conclusion of the current project will pave the way for Bangladesh to get 600 million euros.
- About the German stance on providing the GSP-plus facilities to Bangladesh, he said that he had a lot of discussions and meetings with entrepreneurs from Bangladesh over the issue.
- Since Bangladesh economy heavily relies on export sector, any kind of facilities with regard to reduction in customs and any trade barriers will be of huge benefit for Bangladesh.

**News Source:**

https://today.thefinancialexpress.com.bd/first-page/germany-may-provide-600m-in-dev-assistance-1727806590

### Sectoral Update

### Banks, NBFIs, and Insurance

## Cenbank server tech glitch disrupts inter-bank cheque clearing

- A technical glitch in the Bangladesh Bank server has caused disruption in inter-bank transactions, affecting the settlement of all clearing cheques on Monday.
- Bangladesh Bank Executive Director and spokesperson, Husneara Shikha, confirmed the disruption, saying that there was a problem with cheque clearing on Monday due to a technical error in the central bank's server.
- As a result, the cheques that arrived yesterday could not be processed.
- The central bank's technical team is currently working to address the issue, and Shikha expressed optimism, saying that they hope the problem will be resolved very soon.
- However, no exact timeline has been provided.

**News Source:**

https://www.tbsnews.net/bangladesh/cenbank-server-tech-glitch-disrupts-inter-bank-cheque-clearing-955606

### Apparel and Textile

## Labour situation improves in BD

- The overall labour situation in Ashulia and Gazipur industrial belts improved on Tuesday as most of garment factories, except a few, reopened with workers joining the workplace.
- Workers of some factories, however, blocked two highways due to non-payment of wages and allowances the same day.
- A long tailback of traffic formed in and around Dhaka-Mymensingh highway following a daylong blockade at Chandana crossing in Gazipur to press home their demand for salary arrears.
- Several hundred workers of APL Apparels staged demonstrations on the highway around 8:30 am that ended at 6:30 pm after the factory cleared dues.
- Agitated workers said that they had been out on strike on the highway finding no other way as the factory management continued to break their promise to pay arrears several times.

**News Source:**

https://today.thefinancialexpress.com.bd/first-page/labour-situation-improves-in-bd-1727806549

## Vietnam, India outpace Bangladesh in high-value apparel exports to US: Report

- In the competition to capture a larger share of the US apparel market, which China is gradually losing, Vietnam and India are surpassing Bangladesh, particularly in high-value garment exports, according to a report by the United States International Trade Commission.
- Exports of the two countries are rising due to their growing focus on high-value apparel exports, better infrastructure, and increased foreign investment.
- As China's dominance wanes, other countries, including Bangladesh, Vietnam, and India, have expanded their presence in the world's largest apparel market.
- China's share of US apparel imports by dollar value fell from 37.7% in 2013 to 21.3% in 2023.
- In contrast, Vietnam's share increased from 10.0% to 17.8%, while Bangladesh's rose from 6% to 9%.

**News Source:**

https://www.tbsnews.net/economy/vietnam-india-outpace-bangladesh-high-value-apparel-exports-us-report-955751

### Energy

## Systems equipment to arrive at plant site soon

- The equipment for radiation monitoring systems of Rooppur Nuclear Power Plant (RNPP) will arrive at the plant site soon.
- The equipment for automated process control systems (APCS) for unit-1 and unit-2 of the plant have been shipped from Russia, according to a statement issued by Rosatom's PR agency in Bangladesh.
- Specialized Scientific Research Institute for Instrumentation Engineering (SNIIP), a sister concern of Rosatom State Atomic Energy Corporation, has manufactured the equipment.

- The shipped cargo includes 15 units of radiation monitoring systems (ARMS) for the unit-1 and 8 units for the unit-2.
- These were developed specifically for the RNPP to meet the specific project requirements.

**News Source:**

https://today.thefinancialexpress.com.bd/last-page/systems-equipment-to-arrive-at-plant-site-soon-1727806793

### Capital Market

## Stocks plunge, DSE turnover hits 45-day low

- The major index DSEX of the Dhaka Stock Exchange (DSE) slipped yesterday, while the daily turnover fell below BDT 400 crore for the first time in the last 45-day.
- On the day, the DSEX fell by 0.67% to close at 5,586, hitting a 37-day low, while the blue-chip index DS30 dropped 14 points to settle at 2,039.
- The declining trend extended for two consecutive sessions, while the market cap dropped by BDT 5,500 crore.
- On 24 July, the DSE recorded the lowest turnover at BDT 159 crore this year.
- During the session, 105 issues advanced, while 244 declined and 48 remained unchanged.

**News Source:**

https://www.tbsnews.net/economy/stocks/stocks-slip-dse-turnover-hits-45-day-low-955191

## Nine persons, firms hit with Tk 4.28b penalty for Beximco share price manipulation

- The securities regulator has imposed an aggregate penalty of BDT 4.28 billion on five companies and four individuals for manipulating the share price of Beximco in violation of regulations.
- Most of the offenders have been fined twice for manipulating the company's share price in both 2021 and 2022.
- This marks the first time the regulator has imposed penalties higher than the amount the manipulators gained through unfair practices.
- Bangladesh Securities and Exchange Commission (BSEC) made the decision to impose such a huge penalty, based on an investigation report from the Dhaka Stock Exchange (DSE).
- All individuals and companies fined by the regulator are connected to the Beximco Group, according to BSEC officials.

**News Source:**

https://today.thefinancialexpress.com.bd/stock-corporate/nine-persons-firms-hit-with-tk-428b-penalty-for-beximco-share-price-manipulation-1727805535