

Daily Markets Commentary

Bangladesh

BB Moves on BASEL II requirements!!!

Bank Sells			Bank Buys		
TT & OD	BC	Currency	TT Clean	OD Sight	OD Transfer
69.6110	69.6355	USD	68.6355	68.5443	68.4223
64.1600	64.1893	AUD	61.0559	61.0272	61.0129
68.1363	68.1912	CAD	65.7587	65.7227	65.7047
65.5958	65.6558	CHF	63.1457	63.1113	63.0940
96.3914	96.5215	EUR	92.4293	92.1728	92.1566
105.6216	105.7468	GBP	101.4886	101.2671	101.0471
9.1903	9.2013	HKD	8.6196	8.6123	8.6087
1.5530	1.5542	INR	1.4803	1.4790	1.4778
0.7932	0.7937	JPY	0.7551	0.7547	0.7542
50.4345	50.4654	SGD	47.9675	47.9364	47.9208
12.9341	13.0704	NOK	11.3245	11.2934	11.2778
18.9154	18.9630	AED	18.7292	18.6981	18.6825

Cash			Traveller's cheques		
	Bank Sells	Bank Buys		Bank Sells	Bank Buys
USD	70.0858	68.7393	USD	70.1500	68.2000
GBP	105.8857	101.2349	GBP	105.7216	101.1886
EUR	96.6323	92.0486	EUR	96.4914	91.9293

London Interbank Offer Rates (LIBOR)					
Currency	1 Month	2 Months	3 Months	6 Months	1 Year
USD	0.2300	0.2400	0.2556	0.3944	0.8575
GBP	0.5413	0.5725	0.6431	0.8694	1.3075
EUR	0.3775	0.4619	0.5956	0.9069	1.1963

Singapore Interbank Offer Rates (SIBOR)					
Currency	1 Month	2 Months	3 Months	6 Months	1 Year
USD	0.2370	0.2470	0.2580	0.3950	0.8570

Forward Buying Rates					
	30 Days	60 Days	90 Days	120 Days	180 Days
USD	68.6553	68.7010	68.7759	68.8542	69.0550
GBP	101.2594	101.2969	101.3613	101.4765	101.8272
EUR	92.1752	92.2176	92.2740	92.3828	92.7043
JPY	0.7562	0.7566	0.7570	0.7582	0.7617
CHF	63.3738	63.3004	63.2484	63.2488	63.3486

Forward Selling Rates					
	30 Days	60 Days	90 Days	120 Days	180 Days
USD	70.1659	70.6899	71.2708	71.8258	72.9793
GBP	106.6912	107.3801	108.1409	108.9282	110.6544
EUR	97.5354	98.1658	98.8507	99.5497	101.0543
JPY	0.8385	0.8436	0.8491	0.8551	0.8684
CHF	66.9302	67.2285	67.5751	67.9478	68.7924

Source: HSBC

Global Markets

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Above rates are prepared for indicative purposes only and are subject to change without notice due to movement in the market.

Domestic market

- ▶ US Dollar gained slightly versus Bangladesh Taka on Wednesday.
- ▶ Call rate slightly slipped and traded between 2.25-3.00%. On Wednesday, Bangladesh Bank accepted BDT6.2 bln worth of Reverse Repo bids at 2.50%.

International Market

- ▶ **Euro (EUR)** was supported from heavy EUR/JPY buying throughout the day pushing EUR/USD to the mid 1.3650 area. Overall the EUR/USD traded with a low of 1.3543 and a high of 1.3682 before closing at 1.3645. **The Sterling (GBP)** came under pressure in early Europe on weak economic data and struggled to rebound with the Euro later in the day. **The Australian Dollar (AUD)** shrugged off some weak housing finance data (-8% January) to test 0.9180 resistance before falling back ahead of today's Jobs data. Overall the AUD/USD traded with a low of 0.9125 and a high of 0.9195 before closing the US session at 0.9145. **Oil & Gold (XAU)** slumped over \$15 an ounce in the US session as Sovereign debt Credit default spreads continued to tighten. Overall trading with a low of USD\$1103 and high of USD\$1128 before ending the New York session at USD\$1108 an ounce. Crude Oil gained on strong inventory numbers.

[Source :<http://www.actionforex.com/>]

Corporate and Economic News

- ▶ **BB moves on Basel II requirements:** The central bank has directed all scheduled banks to implement capital adequacy ratio (CAR) and minimum capital requirement (MCR) in three phases that started from the first of January this year. The directive came in line with Basel II requirements. Bangladesh entered the Basel II regime, the latest version of risk-based capital standards set for banks worldwide, on January 1 this year. The scheduled banks will maintain CAR not less than eight percent between January 01, 2010 and June 30, said a Bangladesh Bank circular issued yesterday. The CAR will have to increase at least to nine percent between July 2010 and June 2011 and 10 percent in July 2011 to onwards. The MCR must be eight percent of a bank's risk weighted asset by June 30, 2010, nine percent by June 2011 and 10 percent from July 2011 to onwards. The circular also said the amount of MCR may be fixed by the Bangladesh Bank from time to time.

[Source: <http://www.thedailystar.net/newDesign/news-details.php?nid=129421&tails.php?nid=129250>]

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Market Snapshot

International Commodity Prices

Light Crude Oil (\$ per bbl)	81.63	↑
Natural Gas (\$ per mm btu)	4.57	↓
Gold (\$ per Troy oz)	1,108.20	↓
Corn (cents per bu)	365.50	↓
Soybeans (cents per bu)	958.00	↑

International Stock Market

FTSE 100 Index	5,640.57	↑
Nikkei 225 Index	10,658.16	↑
DowJones Industrial Average	10,544.00	↓

Local Stock Market

Dhaka Stock Exchange

DSI Index	4,522.98	↑
DSE General Index	5,519.67	↑

Chittagong Stock Exchange

CSE All Share Price Index (CASPI)	16,040.78	↑
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Source: Websites

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