

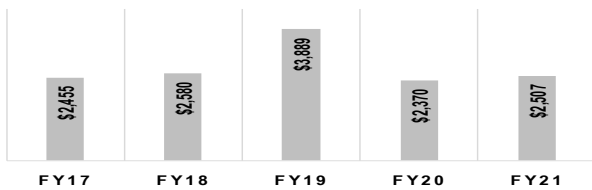
**IPO quota of inactive intermediaries to be suspended**

The Bangladesh Securities and Exchange Commission (BSEC) is set to suspend Initial Public Offering (IPO) quota facilities for merchant banks and asset management companies (AMCs) that failed to meet their licensing requirements for operating in the industry. The capital market regular found that 15 merchant banks out of 66 which did not submit any proposal to list a company on the stock exchanges. Meanwhile, a total of eight AMCs out of 51 have been identified by the regulator as not currently managing any mutual funds. Apparently these AMCs also will not enjoy any quota in the primary market.

**FDI drops in H1 of 2021**

Despite the global upward trend of net Foreign Direct Investment (FDI), the net inflow of FDI in Bangladesh dropped by 4.72% (Y-o-Y) or US\$56m to stand at US\$1,131m in the January-June period of 2021, which was US\$1,187m in the same period of the last calendar year, as per recent reports published by the Bangladesh Bank (BB). The global inflow of FDI reached an estimated US\$852b in the first half of this year, showing more than 70% recovery from US\$957b in 2020 due to the Covid-19 pandemic induced losses, as per United Nations Conference on Trade and Development (UNCTAD) report. Following the global economic recovery, net FDI inflow of Bangladesh rose to US\$2507.31m, registering a 5.77% (Y-o-Y) growth in the FY2020-21. Meanwhile, foreign equity capital investment and reinvestment of earnings registered a growth of 12.08% and 4.63% (Y-o-Y) to US\$816m and US\$1.58b respectively, as per BB figures. On the other side, FDI through intra-company loans dipped 92.05% (Y-o-Y) to US\$105m during the financial year. Although Bangladesh has created high expectations of outstanding growth of FDI as a fast growing economy, it is lagging behind other competing countries like Vietnam, in terms of attracting FDI, which receive fiscally US\$8b-US\$10b as FDI.

NET FDI INFLOW INTO BANGLADESH  
FIGURES IN MILLION  
SOURCE: BB



**Revenue collection up by 16.72% in Q1**

Revenue collection by the National Board of Revenue (NBR) grew by 16.72% (Y-o-Y) in the first quarter of the current fiscal year, indicating economic recovery after the Covid-induced lockdown. However, total tax receipts fell short of target by Tk63.43b set for the three month period. According to the latest statistics, taxmen managed to bag Tk583.51b against the quarterly target set at Tk646.95b. Of the total Q1 collections, customs duty, Value Added Tax (VAT) and income tax collection grew by 21%, 16.45% and 12.74% respectively. Among the three wings of the NBR, VAT wing fetched the highest revenue of Tk210.92b while collection from the two other wings, income tax and customs, stood at Tk179.49b and Tk193.09b during the period. However, the income tax wing suffered a collection shortfall of Tk19.78b, followed by VAT by Tk19.47b and customs wing by Tk24.17b, compared to their respective targets for the period.

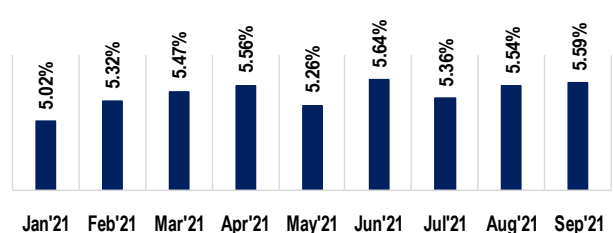
**Dollar gets expensive**

Bangladeshi Taka (BDT) depreciated against the US Dollar in spite of repeated intervention by the Bangladesh Bank (BB) due to higher demand for the greenback to settle import payments, a pickup in international travels, moderate exports and falling remittance. The exchange rate for the US dollar in the informal or *kerb* market has crossed Tk90 for the first time ever on October 25, 2021. Dollar was quoted at Tk85.65 in the interbank market on that day. However, the central bank had managed to keep the market stable by buying greenbacks continuously for the last one and a half years. In the FY2020-21, BB bought a total of US\$8b from the commercial banks, which is registered as a record purchase ever. Meanwhile, BB switched gears after August as the demand for foreign exchange grew in keeping with the trade and business recovery; till 19 October of the current fiscal year, it sold US\$1.68b as many banks are facing a shortage of USD. When the dollar price began to go up in July this year, the interbank exchange rate was Tk84.80, while the rate in the informal market was Tk87-Tk88. The continued rally of the greenback prompted the central bank to change course from buying to selling mode in order to help the forex market handle the sudden surge.

**Inflation on a steady rise in September**

Point-to-point inflation grew by 5-basis points to 5.59% in September this year from 5.54% in the preceding month on the backdrop of the steeper rise of the Consumer Price Index (CPI) resulting from global supply chain disruption. The inflation rate surpassed the budgetary target of 5.30% set for the fiscal year 2021-22. According to the recent statistics of Bangladesh Bureau of Statistics (BBS), food inflation rose by 5-basis points to 5.21% in September from 5.16% a month earlier while non-food inflation too surged by 6-basis points to 6.19% in September from 6.13% in August 2021. However, both the World Bank (WB) and Bangladesh Bank (BB) had forecasted a rise in global inflation due to the rise in commodity and food prices during the post-pandemic period, which might result in a pressure on domestic inflation in the near future. The inflation rate increased in urban and rural areas also. Inflation in rural and urban areas stood at 5.77% and 5.25% in September while in August it was 5.71% and 5.22% respectively. The food and non-food inflation in the rural areas were recorded at 5.74% and 5.84% respectively in September from 5.67% and 5.79% in August. The food inflation in the urban areas rose a little bit to 4.03% in September from 4.02% in the previous month along with the non-food items increasing to 6.65% last month from that of 6.59% in August.

Inflation  
Source: BBS



## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	4,605.38	4,544.90	1.33
FTSE 100	7,237.57	7,204.55	0.46
Nikkei 225	28,892.69	28,804.85	0.30
SENSEX	59,306.93	60,821.62	-2.49
KSE 100	46,218.93	45,578.36	1.41

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	7,062.36	7,076.23	-0.20
Total Turnover, Tk	75,501,325,653	60,430,333,935	24.94
Market Capital, Tk	4,987,728,804,083	5,051,313,755,560	-1.26
No of Issue Gain	205	31	
No of Issue Loss	115	338	
No of Unchanged Issues	18	9	

### Top Gainers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Hamid Fabrics	18.40	30.60	66.30	378,901,000
Asia Insurance	78.50	103.40	31.72	341,407,000
Malek Spinning Mills	29.50	36.50	23.73	840,828,000
Sonali Paper	550.60	679.40	23.39	1,145,191,000
Bay Leasing & Inv.	28.10	32.70	16.37	165,270,000
National Feed Mill	24.00	27.90	16.25	160,979,000
Fu-Wang Ceramic	17.90	20.60	15.08	216,914,000
AFC Agro Biotech	28.10	32.20	14.59	221,372,000
Shepherd Industries	30.20	34.60	14.57	322,502,000
Rangpur Dairy	44.80	50.60	12.95	129,858,000

### Top Losers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Heidelberg Cement	319.60	273.90	-14.30	38,926,000
Khulna Printing	13.30	11.40	-14.29	48,018,000
Sonargaon Textiles	21.30	18.40	-13.62	18,001,000
Meghna Pet Industries	23.20	20.20	-12.93	4,740,000
Oimex Electrode	22.80	20.00	-12.28	30,802,000
Aramit	383.90	337.40	-12.11	38,170,000
Mir Akhter Hossain	83.30	73.90	-11.28	133,193,000
Stylecraft	146.60	130.40	-11.05	45,764,000
Summit Power	46.20	41.20	-10.82	336,926,000
Salvo Chemical	51.10	45.60	-10.76	68,954,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	506.17	489.60	3.38	10,038.83	9,093.62	10.39
Cement	444.10	470.99	-5.71	2,166.43	2,913.82	-25.65
Ceramic	856.65	832.35	2.92	711.29	674.30	5.48
Engineering	7,426.08	7,630.18	-2.68	4,742.90	4,179.82	13.47
Food & Al.	5,830.27	6,287.33	-7.27	3,203.12	2,759.73	16.07
Fuel & Pow.	4,405.95	4,564.24	-3.47	4,420.73	3,985.31	10.93
Insurance	3,177.02	3,063.07	3.72	8,444.16	5,170.94	63.30
IT	618.41	618.69	-0.05	2,609.98	2,147.18	21.55
Jute	1,109.57	1,101.92	0.69	22.02	20.76	6.09
Misc.	2,846.71	2,776.42	2.53	9,085.96	5,475.28	65.95
Mutual Fund	547.87	547.10	0.14	665.94	518.61	28.41
NBFI	1,529.04	1,530.47	-0.09	3,772.61	2,654.61	42.12
Paper	6,713.79	6,684.85	0.43	1,305.07	863.17	51.20
Pharma	1,680.97	1,739.18	-3.35	9,749.14	7,672.30	27.07
Service	1,855.80	1,750.15	6.04	1,630.27	874.51	86.42
Tannery	1,212.88	1,123.39	7.97	2,470.68	2,963.39	-16.63
Telecom	4,749.00	4,852.09	-2.12	945.88	735.38	28.62
Textile	1,906.56	1,805.84	5.58	6,677.23	4,528.72	47.44
Travel & Leis	581.16	562.61	3.30	311.20	215.82	44.19

## Technical Talk

Dhaka stocks closed in negative trajectory for the third straight week as panic-driven investors continued their sell-offs amid to avoid further losses. In the week, two sessions saw sharp decline while the other three two ended higher which failed to offset the first two days big fall. All three indices ended sharply lower. Among the major sectors, Cement decreased by 5.71%, followed by Fuel & Power 3.47%, Engineering 2.68%, Telecom 2.12% and NBFI 0.09%.

DSE Broad Index (DSEX) stood at 7,062.36 points after decreasing by 13.87 points or 0.20% from the previous week. Total turnover reached at Tk75501.33m, which was 24.94% lower than the previous week. Market capitalization decreased by 1.26% and stood at Tk4987.73b (\$58.20b) at the weekend against Tk5051.31b. DSE 30 decreased by 60.43 points or 2.24% and closed at 2,638.91 points against 2,699.34 points. Last week's weighted average Market PE was 18.89 which was 19.51 previous week.

Based on the daily charts of DSE movement, which is used to track short-term trend, technical readings are as under:

### Relative Strength Index (RSI)

The RSI indicator illustrates if the change of price movements is in overbought or oversold territory. Last week, market observed marginal price correction keeping the RSI below 70 - the overbought territory.

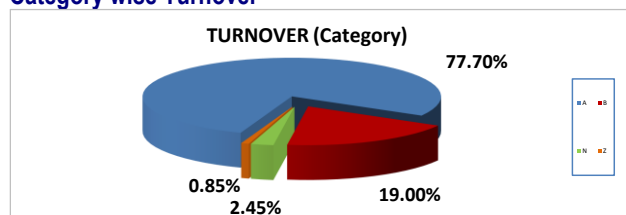
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Beximco	50,831,393	8,399,289,000	11.12
Delta Life Insurance	19,416,396	4,308,900,000	5.71
Orion Pharma	32,334,158	3,606,370,000	4.78
IFIC Bank	177,565,383	3,294,787,000	4.36
NRB Commercial Bank	78,133,684	2,831,210,000	3.75
BATBC	3,684,746	2,512,705,000	3.33

### Top 10 Market Capital

Company	Volume	Value (Tk)	% of total
GP	479,627	United Power	164,460
Walton Hi-Tech	358,395	Beximco Ltd.	143,804
BATBC	353,592	RENATA	140,920
ROBI	206,898	ICB	106,690
Square Pharma	192,980	LafargeHolcim BD	96,162

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,785.00	1,793.10	-0.45
Silver (USD/t oz.)	23.97	24.39	-1.72
Brent Crude Oil (USD/bbl.)	83.22	85.73	-2.93

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	85.70	85.75	85.65	85.70	0.06	0.06
EUR	101.09	101.15	101.77	101.85	-0.67	-0.69
GBP	119.63	119.70	120.24	120.31	-0.51	-0.51
AUD	64.89	64.83	64.27	64.30	0.96	0.82
JPY	0.76	0.76	0.76	0.76	0.00	0.00
CAD	69.50	69.54	69.65	69.69	-0.22	-0.22
SAR	22.96	22.98	22.95	22.96	0.04	0.09

Based on Standard Chartered selling rates to public in Taka. Notes: USD-US Dollar, GBP-Great Britain Pound, AUD-Australian Dollar, JPY- Japanese Yen, CAD-Canadian Dollar, SAR-Saudi Riyal.

### Last Public Offerings

Company	Subscription Period	Offer Price	IPO (M.Tk)
ACME Pesticides Ltd.	12 Oct - 18 Oct, 2021	10	300