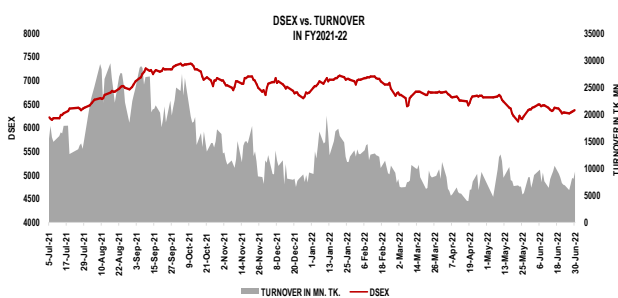


Stocks end FY22 with buoyancy

The local capital market concluded FY2021-22 with low intensity bullish momentum as DSEX, the key index of the Dhaka Stock Exchange (DSE), notched up by 3.68% (Y-o-Y) in an environment of economic worries. The market started the fiscal year with stagnancy keeping the index hovering around 6200-points mark. However, it started to rebound since August 2021 when the DSEX crossed the 6500-points level. All market indicators were upbeat and broke historical records multiple times during the first half of the year. The year bears special significance for a number of developments notwithstanding friction between the regulatory bodies-Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank (BB), centering some issues. Low return from the money market, some regulatory reforms to build a vibrant capital market, relaxation of margin loan requirement contributed to the substantial growth in market index and turnover. The regulatory initiatives to restore governance in the market and other reforms, including removal of floor price and re-listing of OTC companies impacted the market positively. Additionally, the improving pandemic situation, extended credit facility, gradual economic recovery and low interest rate on bank deposits inspired the investors to log their hope on the market. DSE commenced trading on the new Small & Medium Enterprises (SME) platform on September 30, 2021 aiming to create an opportunity for small-cap companies to get listed on the stock market. Targeting bond market development, the regulator has been approving different types of bonds after the incumbent Commission took charge in May 2020. However, the market has been in doldrums in the H2 of FY22 amid crisis of confidence among investors. Multiple factors such as Russia-Ukraine war, soaring inflation and volatile money market have together hurt investors' sentiment. DSEX sank to an 11-month low and touched 6,142.68 points on 22 May 2022.



The financial year 2021-22 had a total of 240 trading sessions. Turnover on the first day was Tk15515m while it was Tk9377m on the last day. The DSEX, the main index of DSE, increased by 226.46 points or 3.68% (Y-o-Y) to close at 6,376.94 points on the last trading session of FY2022. The DSEX hit a record high of 7,367.99 points on 10 October 2021 the highest since its inception in 2013. Market capitalization too reached its historical peak point of Tk5,863.19b on 09 September 2021 as well. Previously, all such records had been set in 2010 when thereafter the market suffered a bubble-bust. Average daily turnover during the fiscal year was Tk13.28b against Tk10.29b in the previous FY2020-21. The Shariah index (DSES) and Blue-Chip index (DS30) ended the FY22 with 1,386.78 points and 2,295.59 points respectively. Market capitalization closed the year at Tk5,177.82b, with a 0.68% surge from the previous year.

Fund raising through IPOs slip down in FY2021-22

Fund-raising through Initial Public Offerings (IPOs) plunged by 56.56% (Y-o-Y) in FY2021-22. In the first half of the just concluded fiscal year, the capital market remained vibrant with active participation from investors. However, the second half experienced visible lack of confidence from investors. In the last fiscal year, Bangladesh Securities and Exchange Commission (BSEC) allowed eight companies to raise Tk6.99b. According to the Dhaka Stock Exchange (DSE) reports, seven companies raised Tk6.24b under fixed price method while one company raised Tk750m under book building method during the period. Union Bank- a fourth generation private commercial bank raised Tk4.28b, which is the largest ever IPO in the banking sector till date. Total sixteen debutant companies got nod to raise capital through IPOs amounting Tk16.10b in FY2020-21, the highest amount in more than a decade. Experts have opined that vibrant secondary market is one of the key factors to create scopes for the new companies to raise funds through IPOs. However, they have also reiterated that only companies having good fundamentals and reputation should be allowed to be listed.

IPOs in FY2021-22 (Figures in Tk Mn)			
Fixed Price Method		Book Building Method	
Issuer	Amount	Issuer	Amount
South Bangla Agriculture & Commerce Bank	1,000	JMI Hospital Requisite Manufacturing	750
Sena Kalyan Insurance	160		
ACME Pesticides	300	Total	750
Union Insurance	194		
BD Thai Food and Beverage	150		
Union Bank	4,280		
Meghna Insurance	160		
Total	6,244		

Source: Dhaka Stock Exchange (DSE)

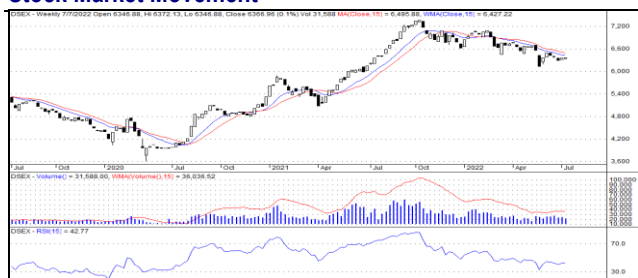
Govt bank borrowing surges in FY2021-22

Net bank borrowing by the government has surged behind a drastic fall in net sales of national savings certificates. In the FY2021-22, the government has borrowed Tk647.55b from the banking system which was Tk260.78b a year ago. For deficit financing, the government targeted to borrow Tk872.87b from the banking system in FY22 against the Tk797.49b revised target for FY21, according to the budget documents. For FY22, the borrowing target from saving certificates is Tk320b. As per the statistics from the National Savings Directorate (NSD), the net sales of National Savings Certificates (NSCs) dropped by 49.61% (Y-o-Y) to Tk181.57b in the first eleven months of the FY22 against Tk360.36b in the same period of the previous year. The government has set a target of borrowing Tk1.06-trillion from the banking system in FY2022-23. Besides, the government planned to borrow Tk350b through savings certificates.

Trade deficit soars to US\$30.81b in 11 months

Trade deficit during the first eleven months of the FY2021-22 surged by 48.84% over the corresponding period of the last fiscal year, as imports surpassed exports quite extensively. As per Bangladesh Bank (BB) figures, the trade deficit rose to US\$30.81b in July-May period of FY22 from US\$20.7b in the same period of FY21. The deficit in the first eleven months of FY22 surpassed the entire FY21 figure which was US\$22.80b. Import payments grew by 39% to US\$75.4b while exports increased by 33% to US\$44.58b in July-May of FY22. Meanwhile, the higher trade deficit along with lower inflow of remittances pushed up the current account deficit to a record high of US\$17.23b during the July-May period against a deficit of US\$2.78b in the same period of the last fiscal year. The previous widest deficit in the current account was US\$9.56b recorded in FY18.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	3,854.43	3,825.33	0.76
FTSE 100	7,196.59	7,168.65	0.39
Nikkei 225	26,297.24	25,935.62	1.39
SENSEX	54,175.22	52,907.93	2.40
KSE 100	41,344.01	41,630.35	-0.69

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,366.96	6,376.94	-0.16
Total Turnover, Tk	38,138,591,970	38,574,145,283	-1.13
Market Capital, Tk	4,512,134,878,154	4,501,375,274,895	0.24
No of Issue Gain	168	265	
No of Issue Loss	187	94	
No of Unchanged Issues	33	31	

Top Gainers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
INTRACO	25.00	31.30	25.20	1,329,723,000
Eastern Cables	143.60	178.90	24.58	164,577,000
Zaheen Spinning	11.10	13.70	23.42	213,864,000
Robi Axiata	30.10	35.70	18.60	1,060,057,000
Delta Life Insurance	125.20	148.00	18.21	878,561,000
Prime Textile	33.90	39.90	17.70	355,291,000
Khulna Power Co.	27.20	31.30	15.07	149,509,000
IPDC Finance	52.70	60.50	14.80	1,085,599,000
Sonali Paper	582.20	668.30	14.79	1,388,717,000
Zahintex Industries	8.00	9.10	13.75	42,648,000

Top Losers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Kattali Textile	29.10	26.60	-8.59	202,580,000
Yeakin Polymer	23.30	21.30	-8.58	21,979,000
Metro Spinning	27.70	25.60	-7.58	174,483,000
Sonar Bangla Insurance	55.90	52.30	-6.44	13,421,000
Crown Cement	78.10	73.30	-6.15	5,112,000
BRAC Bank	41.50	39.00	-6.02	210,030,000
Navana CNG	30.90	29.10	-5.83	12,025,000
Lub-rref (Bangladesh)	41.90	39.70	-5.25	113,854,000
Al-Arafah Islami Bank	25.60	24.30	-5.08	9,471,000
AsiaPacific General Ins.	51.30	48.70	-5.07	14,171,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	456.09	464.45	-1.80	1,368.29	1,930.25	-29.11
Cement	364.10	361.54	0.71	633.45	568.44	11.44
Ceramic	900.25	909.15	-0.98	1,428.05	2,368.89	-39.72
Engineering	6,876.69	6,912.71	-0.52	3,023.69	4,297.30	-29.64
Food & Al.	5,029.33	5,045.99	-0.33	2,256.45	2,879.50	-21.64
Fuel & Pow.	4,142.78	4,122.70	0.49	3,498.79	2,114.35	65.48
Insurance	2,390.93	2,375.41	0.65	2,630.24	2,010.81	30.80
IT	523.11	505.83	3.42	1,846.73	1,150.19	60.56
Jute	1,086.81	1,071.21	1.46	18.37	19.40	-5.29
Misc.	2,701.19	2,681.52	0.73	4,192.09	3,179.84	31.83
Mutual Fund	484.45	483.85	0.12	221.27	299.73	-26.18
NBFI	1,235.92	1,229.14	0.55	1,744.87	1,621.77	7.59
Paper	12,262.01	11,420.75	7.37	1,712.21	602.92	183.99
Pharma	1,617.41	1,628.25	-0.67	3,010.25	4,062.24	-25.90
Service	1,666.93	1,641.12	1.57	598.06	462.56	29.29
Tannery	1,113.76	1,149.52	-3.11	1,273.09	644.46	97.54
Telecom	4,038.95	3,892.85	3.75	1,789.19	544.90	228.35
Textile	1,865.32	1,849.19	0.87	4,858.19	5,967.00	-18.58
Travel & Leis.	639.06	640.03	-0.15	321.00	273.64	17.31

Technical Talk

Dhaka stocks declined slightly in the last week, the last week before Eid-ul-Azha. Investors went for selling major sector shares amid fears of further price erosion. Out of its five trading sessions, three sessions saw the stocks fall while two other sessions saw a modest gain. Among the major sectors, Bank decreased by 1.80% followed by Pharma 0.67%, Engineering 0.52% and Food and Allied 0.33%.

DSE Broad Index (DSEX) stood at 6,366.96 points after decreasing by 9.98 points or 0.16% from the previous week. Total turnover reached at Tk38138.59m, which was 1.13% lower than the previous week. Market capitalization decreased by 0.24% and stood at Tk4512.13b (\$48.28b) at the weekend against Tk4501.38b. DSE 30 decreased by 1.82 points or 0.08% and closed at 2,293.77 points against 2,295.59 points. Last week's weighted average Market PE was 14.45 which was 14.44 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. RSI stood at 42.77

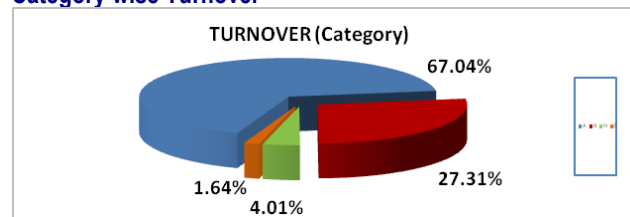
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
BEXIMCO	18,930,509	2,507,288,000	6.57
Sonali Paper	2,123,418	1,388,717,000	3.64
Intraco Refueling	46,671,482	1,329,723,000	3.49
IPDC	18,872,645	1,085,599,000	2.85
Fortune Shoes	11,957,802	1,080,746,000	2.83
Robi Axiata	28,902,081	1,060,057,000	2.78

Top 10 Market Capital

	In million		
GP	389,291	United Power	144,460
Walton Hi-Tech	328,556	RENATA	129,606
BATBC	292,356	Beximco	115,499
Square Pharma	190,676	LafargeHolcim	80,948
Robi	186,994	Berger paint	80,030

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/ft.oz.)	1,728.80	1,812.90	-4.64
Silver (USD/ft.oz.)	18.97	19.86	-4.48
Brent Crude Oil (USD/bbl.)	105.45	111.45	-5.38

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	93.45	93.50	93.45	93.50	0.00	0.00
EUR	97.26	97.32	99.42	99.47	-2.17	-2.16
GBP	113.87	113.93	115.32	115.38	-1.26	-1.26
AUD	64.03	64.06	64.01	64.05	0.03	0.02
JPY	0.70	0.70	0.70	0.70	0.00	0.00
CAD	72.14	72.18	72.90	72.94	-1.04	-1.04
SAR	25.02	25.03	25.03	25.04	-0.04	-0.04

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)
-	-	-	-