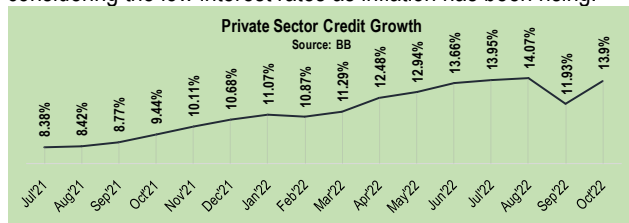


**BSEC withdraw floor prices for 169 companies**

The Bangladesh Securities and Exchange Commission (BSEC) removed the floor prices of 169 listed securities through issuing an Order on 21 December 2022. Downward price change limit shall be at 1% based on the previous day's closing price. The upward price change limit will remain unchanged at 10%. The capital market regulator earlier introduced the unique mechanism to prevent free-fall of market centering the pandemic fear. Earlier, on 19 March 2020, the BSEC fixed the floor price of the stocks to prevent a similar massive fall of the index at the onset of the coronavirus pandemic. The Order that was issued prior to the imposition of the first countrywide lockdown, restricted the price movement of all the listed securities to as low as the average closing prices of immediate preceding five trading sessions till its effective date on 19 March 2020. The provision was highly criticized by market experts as it hampered the free price movement in the market, affecting the flow of liquidity. However, the Commission continued with the system for one year as the general investors were in confidence crisis fearing that the market might crash if the floor prices were lifted. BSEC initially lifted the floor prices of 66 listed companies on 07 April 2021 that resulted in sharp loss of 82.56 points or 1.55% of the benchmark index of DSE on the following session. Observing the reaction, the Commission set the downward limit of the daily circuit breaker to 2%. BSEC then removed the floor prices of 30 more listed stocks on 03 June 2021 in another phase. On 17 June 2021, BSEC removed the floor prices for all listed securities, resuming the regular price change limit applicable to all the listed securities. Later on 28 July 2022 BSEC set the floor prices again for all listed securities. According to that Order, opening price of any listed security shall be set at the average of the closing price of 28 July 2022 and closing price of immediate preceding four trading days and this average price calculated for each security shall be considered as the floor price and lowest limit of the circuit breaker. In case of stock dividend and right share issuance, the floor price would be adjusted on immediate prior record date price of the stock and declared corporate actions. Floor price for the newly listed security shall be reference price for the closing price of the first trading day, the Order said. Meanwhile, the market index returned to positive territory snapping six straight days falling streak with the reset as the DSEX gained 3.39 points or 0.05% to settle at 6,202.21 points at the end of the week on 22 December, 2022, although trade volume dipped to over a 2 year low on the day.

**Private sector credit flow rises in October**

Credit disbursement to the private sector increased to 13.9% in October this year from 11.93% a month back, as per Bangladesh Bank reports. Growth slowed slightly to 10.87% in February this year and then continued to increase until August, despite several measures from the central bank aimed at curbing import bills. August growth rate surpassed the monetary target set at 14.1% for the FY2022-23. However, the rate is still very high considering the low interest rates as inflation has been rising.



**Banks get more time to adjust exposure limit**

The time for adjusting overexposure in stock investments by the banks have been extended once again up to 31 December 2023. As per a circular issued on 19 December 2022, the central bank has asked that banks making excess investment in the capital market till August 2022 would get time until December 2023 to bring down and adjust those to the permissible level. Earlier on 04 August 2022 the Bangladesh Bank through issuing a circular stated that banks can calculate their stock market exposure on cost price basis instead of on market value of the securities. The decision came after a longstanding demand from stock market intermediaries, stock exchanges and the securities regulator. As per that circular, the purchasing price of shares of companies, mutual funds, debentures, and corporate bond would be considered while counting the highest exposure limit of the banks. As per the Banking Companies Act 1991, a bank's investment in the capital market is limited to 25% of its capital, which includes paid-up capital, share premium, statutory reserve, and retained earnings. The banks now get one more year to streamline additional investments in the capital market as investments of several banks have been found overexposed.

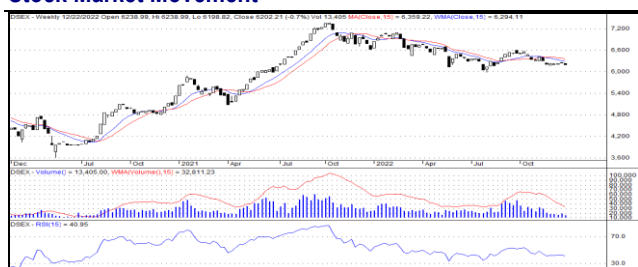
**Loan rescheduling relaxed further**

Bangladesh Bank (BB) has once again substantially relaxed policy for rescheduling defaulted loans, citing the old justification of maintaining stability in the financial sector and proper management of classified loans. The central bank issued a circular in this regard on 18 December 2022. As per the new circular, loans cannot be classified if 50% of installments are paid by December 2022. As per the previous instructions, borrowers were required to pay 75% of a loan installment to avert being declared classified. The loan repayment rules were relaxed at a time when most banks are suffering from a liquidity crisis. As per the central bank statistics, liquidity glut in the banking system further fell to Tk1695.86b at the end of October from Tk1741.77b a month earlier. It is to be noted that despite the undue benefits, the amount of defaulted loans has not decreased. On the contrary, the volume of non-performing loans stood at Tk1343.96b at the end of September 2022, up from Tk1252.57b at the end of June 2022. On 30 September 2021 NPLs of the banking sector were Tk1011.50b, which was Tk1032.74b at the end of December 2021.

**GDP growth target revised down**

The government has revised down the economic growth projection for the current fiscal year to 6.5% from the previous estimate of 7.5%. Experts, however, say that 6.5% Gross Domestic Product (GDP) growth is still an ambitious target as the country is facing the blow of global phenomena of European war while trying to recover from the prolonged pandemic shocks. The government estimated the size of the economy would stand at US\$512b, or Tk44,128.49b in the current FY2022-23, which was Tk38,954.83b in FY2021-22. Earlier in October 2022, the World Bank (WB) revised down its economic growth projection for the FY2022-23 of Bangladesh to 6.1% from the previous estimate of 6.7%. The International Monetary Fund (IMF) has also lowered its GDP growth projection for the country to 6% from 6.7% as was projected earlier in April this year. The Manila-based Asian Development Bank (ADB) in its Asian Development Outlook (ADO) 2022 also revised down the GDP growth projection to 6.6% for FY2022-23 which was earlier projected to be 7.1% in the April outlook.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	↓ 3,844.82	3,852.36	-0.20
FTSE 100	↑ 7,473.01	7,332.12	1.92
Nikkei 225	↓ 26,392.48	27,527.12	-4.12
SENSEX	↓ 60,364.82	61,337.81	-1.59
KSE 100	↓ 40,349.12	41,301.48	-2.31

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	↓ 6,202.21	6,256.83	-0.87
Total Turnover, Tk	↓ 16,812,007,652	24,556,437,797	-31.54
Market Capital, Tk	↓ 4,391,896,575,838	4,417,072,383,338	-0.57
No of Issue Gain	19	64	
No of Issue Loss	147	30	
No of Unchanged Issues	215	297	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
Sea Pearl Resort	169.80	190.70	12.31	311,885,000
BD Autocars	136.20	149.70	9.91	217,300,000
Union Capital	7.80	8.40	7.69	8,858,000
BGIC	55.50	59.00	6.31	50,480,000
Aziz Pipes	95.70	101.40	5.96	61,768,000
Purabi Gen. Ins.	26.60	27.50	3.38	39,018,000
Pragati Life Ins.	113.10	116.40	2.92	168,831,000
ADN Telecom	110.50	112.90	2.17	116,498,000
Monno Agro	836.80	850.00	1.58	530,968,000
Bata Shoe	930.00	942.10	1.30	4,828,000

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
Orion Infusion	720.30	528.30	-26.66	407,519,000
Kohinoor Chemicals	515.40	412.50	-19.97	63,509,000
Advent Pharma	28.10	24.10	-14.23	376,344,000
Aamra networks	57.40	49.40	-13.94	265,356,000
BD Monospool Paper	332.20	288.70	-13.09	251,293,000
Gemini Sea Food	423.80	372.20	-12.18	313,325,000
Paper Processing	229.00	201.60	-11.97	190,314,000
Aamra technologies	43.00	38.10	-11.40	116,660,000
Sonali Aansh	526.00	468.00	-11.03	128,832,000
Genex Infosys	88.80	79.10	-10.92	498,560,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	452.86	454.12	-0.28	169.91	185.42	-8.37
Cement	322.05	322.70	-0.20	46.03	231.42	-80.11
Ceramic	829.56	836.73	-0.86	1,444.34	990.70	45.79
Engineering	6,558.42	6,549.61	0.13	1,495.65	1,540.17	-2.89
Food & Al.	4,856.41	4,884.48	-0.57	1,185.26	1,651.68	-28.24
Fuel & Pow.	3,875.15	3,876.29	-0.03	1,032.59	1,792.43	-42.39
Insurance	2,364.32	2,378.37	-0.59	758.71	1,475.03	-48.56
IT	561.01	594.05	-5.56	1,414.20	3,172.81	-55.43
Jute	1,266.52	1,373.21	-7.77	210.72	301.27	-30.06
Misc.	2,426.69	2,446.04	-0.79	615.23	1,294.04	-52.46
Mutual Fund	460.43	460.68	-0.05	5.74	4.68	22.71
NBFI	1,150.42	1,147.08	0.29	22.00	86.17	-74.47
Paper	13,928.27	14,679.73	-5.12	1,105.07	1,767.39	-37.47
Pharma	1,638.24	1,640.07	-0.11	1,806.67	4,690.36	-61.48
Service	1,680.98	1,758.66	-4.42	395.45	844.18	-53.16
Tannery	1,158.74	1,185.12	-2.23	136.94	82.48	66.03
Telecom	3,822.47	3,822.47	0.00	3.35	5.99	-44.16
Textile	1,892.28	1,892.61	-0.02	235.85	198.92	18.57
Travel & Leis.	998.82	952.40	4.87	370.97	324.68	14.25

## Technical Talk

Dhaka stocks dropped in the past week after a single-week break as investors were in a crisis of confidence in the midst of economic uncertainties. The Bangladesh Securities and Exchange Commission (BSEC) removed the floor prices of 169 listed securities on 21 December 2022. Still, investors stayed away from the market. Among the major sectors, IT decreased by 5.56% followed by Tannery 2.23%, Insurance by 0.59% and Food and Allied by 0.57%.

DSE Broad Index (DSEX) stood at 6,202.21 points after decreasing by 54.62 points or 0.87% from the previous week. Total turnover reached at Tk16812.01m, which was 31.54% lower than the previous week. Market capitalization decreased by 0.57% and stood at Tk4391.89b (\$41.15b) at the weekend against Tk4417.07b. DSE 30 decreased by 13.97 points or 0.63% and closed at 2,194.51 points against 2,208.48 points. Last week's weighted average Market PE was 14.34 which was 14.43 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 40.95.

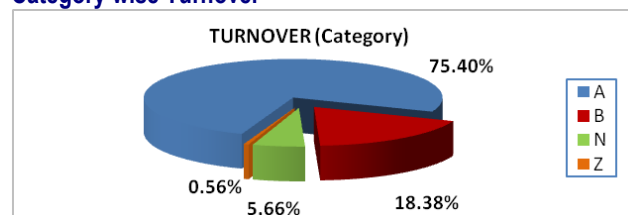
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Monno Ceramic	10,161,117	1,389,344,000	8.26
Intraco Refueling	19,100,000	846,517,000	5.04
Bashundhara Paper	7,511,292	584,764,000	3.48
Monno Agro	646,414	530,968,000	3.16
Genex Infosys	5,927,874	498,560,000	2.97
Orion Infusion	651,384	407,519,000	2.42

### Top 10 Market Capital

			In million
GP	386,996	RENETA	139,689
Walton Hi-Tech	317,378	United Power	135,475
BATBC	280,098	BEXIMCO	101,302
Square Pharma	185,977	MARICO	76,277
Robi	157,138	LafargeHolcim	75,257

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/oz.)	1,806.00	1,803.00	0.17
Silver (USD/oz.)	23.92	23.41	2.18
Brent Crude Oil (USD/bbl.)	84.12	79.24	6.16

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	106.73	106.73	106.67	106.67	0.06	0.06
EUR	115.46	115.46	115.18	115.18	0.24	0.24
GBP	132.60	132.60	132.14	132.14	0.35	0.35
AUD	72.02	72.02	71.68	71.68	0.47	0.47
JPY	0.79	0.79	0.79	0.79	0.00	0.00
CAD	78.51	78.51	78.25	78.25	0.33	0.33
SAR	28.52	28.52	28.51	28.51	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)
-	-	-	-