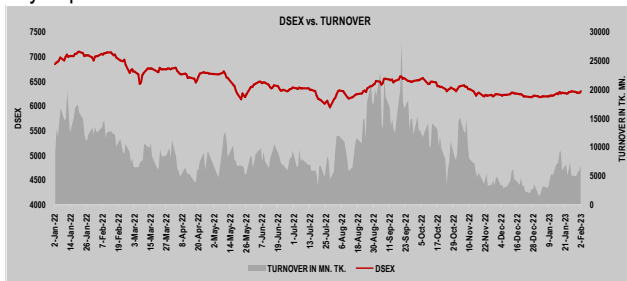


New Year brings little joy for investors

The stock market endured an upsetting year in 2022, suffering deterioration in all indicators. DSEX, the key market index of Dhaka Stock Exchange (DSE), plummeted by 549.84 points or 8.14% (Y-o-Y) to close at 6,206.81 points on 29 December 2022 as against 6,756.66 points on 30 December 2021. Average daily turnover also plunged by 34.9% (Y-o-Y) to Tk9.60b in 2022 from Tk14.75b of the previous year. In the first trading session of the year on 01 January 2023, turnover declined by 48.4% at Tk1.78b as against Tk3.46b in the previous session. DSEX lost 11.44 points or 0.18% to settle at 6,195.37 points as against 6,206.81 points in the previous trading session. Later on 02 January 2023, DSEX lost 17.49 points or 0.28% from the previous trading session settling at 6,177.87 points. Turnover declined by 17.9% and stood at Tk1.46b on that day as against the previous session. It was the lowest after 07 July 2020 when the turnover stood at Tk1.38b. The bear-run and volatility infested the overall market sentiment. The Bangladesh Securities and Exchange Commission (BSEC) set the floor prices for all listed securities through issuing an Order on 28 July 2022 to prevent free-fall of stock prices. BSEC removed the floor prices of 169 listed securities on 21 December 2022, but the move failed to assert any impact on the market.



The turnover tumbled to a 29-month low at Tk2.27b on 22 December 2022 even though the securities regulator partially relaxed the floor prices. It had been the lowest single-day transaction since 16 July 2020 when it was recorded at Tk2.26b. Stocks started to return in the green zone as a section of investors injected fresh funds hoping that the macroeconomic pressure would ease in the coming days. Turnover stood at Tk9.34b on 18 January 2023. It was the highest single-day transaction since 09 November 2022 when the turnover hit a record of Tk10.18b. Along with the high turnover, DSEX also rose 35.68 points to settle at 6,258.17, more than two months high, after losing 4.43 points the day before. At the end of the week on 02 February 2023, DSEX closed at 6,294.73. Turnover rose to Tk6.78b, up from the previous day's Tk5.81b.

Trade deficit widen in first four months

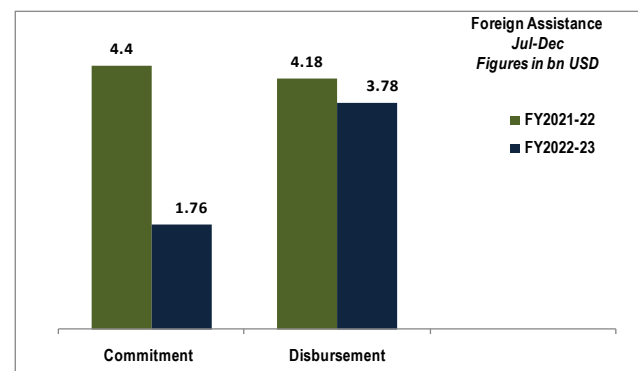
Trade deficit in the first four months of the current fiscal year widened by US\$421m to US\$9.58b from that of US\$9.16b in the same period of the previous fiscal year, due to massive increase in import payments. Although both import and export grew substantially, the growth in imports were higher than the export earnings that kept the trade deficit high. As per Bangladesh Bank (BB) figures, in the first four months of FY2022-23, import payments rose by 6.73% to US\$25.51b from US\$23.9b in the same period of the immediate past year. On the other hand, exports increased by 8% to US\$15.91b from US\$14.73b in the same July-October period of FY2021-22. Trade deficit rose to US\$33.25b in FY2021-22 from US\$23.78b a year before.

Loan write-off and recovery declined

As per the Bangladesh Bank (BB) figures, loan write-off declined at the end of September 2022 despite the upward trend of default loans. Write-off of classified bad loans stood at Tk11.48b at the end of September last year while the scheduled banks took down/ a total Tk20.1b from the balance sheet at the end of September 2021. Banks every year have been witnessing rise in the volume of written-off loans which have low possibility to be recovered. The banks must keep 100% provision against the written-off loans. On the other side, loan recovery also dropped by 53.95% to Tk17.76b at the end of September 2022 from Tk41.95b in the same period of 2021. The recovery of bad loans is still weak despite offering relaxed repayment policies for three consecutive years to 2022. The central bank had a complete relaxation in loan repayments in 2020 due to the Covid-19 pandemic. In the next two years, borrowers continued to enjoy some of the relaxed facilities. Meanwhile, default loans in the banking sector rose by Tk91.39b as on 30 September 2022, despite enjoying policy support from the central bank with relaxed and suspended loan classification and provisioning requirements. According to BB reports, the volume of Non-Performing Loans (NPLs) rose to Tk1343.96b at the end of September 2022 from Tk1252.57b at the end of June 2022. On 30 September 2021 NPLs of the banking sector was Tk1011.50b which was Tk1032.74b at the end of December 2021.

Foreign aid disbursement and commitment drop in H1

In the first half of the current fiscal year, both foreign aid disbursement and commitments decreased primarily due to the lack of spending capacity of government agencies. As per reports from the Economic Relations Division (ERD), foreign development partners, including the World Bank (WB), Asian Development Bank (ADB), Islamic Development Bank (IDB) as well as Japan, disbursed US\$4.18b during the period, which was US\$3.78b in the corresponding period of the last year. Commitments also reduced to US\$4.4b in July-December this year, which was US\$1.76b in the same period of the last fiscal year. The ERD also revealed that the government repaid US\$1.05b in interest and principal against the total outstanding loans during the July-December period of FY2022-23. The amount was US\$1.04b during the corresponding period of the last year. The government has set a target to secure US\$12b in foreign assistance in the current fiscal year. In the last fiscal year foreign assistance went up by 25.63% to US\$10b compared to the FY2020-21, mostly riding on the pandemic related budget assistance released by the development partners.



Stock Market Movement



Global Markets

		This Week	Last Week	+/- %
S&P 500	↑	4,136.48	4,070.56	1.62
FTSE 100	↑	7,901.80	7,765.15	1.76
Nikkei 225	↑	27,509.46	27,382.56	0.46
SENSEX	↑	60,841.88	59,330.90	2.55
KSE 100	↑	40,471.16	40,450.53	0.05

DSE Indicators

		This Week	Last Week	+/- %
DSE Broad Index	↓	6,294.73	6,296.26	-0.02
Total Turnover, Tk	↓	28,395,510,143	30,501,947,615	-6.91
Market Capital, Tk	↑	4,447,316,934,342	4,446,261,688,387	0.02
No of Issue Gain		53	63	
No of Issue Loss		124	119	
No of Unchanged Issues		208	205	

Top Gainers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Olympic Industries	126.30	143.90	13.94	1,007,553,000
Orion Infusion	329.00	364.60	10.82	361,764,000
Gemini Sea Food	401.30	444.10	10.67	621,532,000
BD Monospool Paper	253.10	277.70	9.72	217,000,000
Summit Alliance Port	31.10	34.10	9.65	622,025,000
Shinepukur Ceramic	47.50	51.50	8.42	977,532,000
Eastern Lubricants	1493.60	1612.70	7.97	34,291,000
Genex Infosys	101.40	109.40	7.89	3,000,923,000
Eastern Housing	101.90	108.20	6.18	1,484,811,000
Hwa Well Textiles	45.30	48.10	6.18	15,466,000

Top Losers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Aamra technologies	40.50	36.30	-10.37	202,714,000
Pragati Life Insurance	166.50	149.60	-10.15	304,150,000
eGeneration	57.60	51.90	-9.90	83,055,000
Metro Spinning	47.50	43.90	-7.58	241,807,000
Bashundhara Paper Mill	95.20	88.40	-7.14	1,692,147,000
Fareast Islami Life Ins.	85.70	80.40	-6.18	213,823,000
National Housing Fin.	48.70	46.00	-5.54	186,841,000
Sandhani Life Ins.	30.90	29.30	-5.18	76,956,000
Beacon Pharma	324.30	308.20	-4.96	261,750,000
Meghna Life Insurance	93.70	89.10	-4.91	561,143,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	455.54	454.66	0.19	291.87	434.75	-32.86
Cement	325.14	323.90	0.38	223.14	429.52	-48.05
Ceramic	835.68	819.57	1.97	1,156.09	799.66	44.57
Engineering	6,595.02	6,600.44	-0.08	478.07	664.14	-28.02
Food & Al.	4,891.34	4,842.22	1.01	2,073.39	1,182.62	75.32
Fuel & Pow.	3,877.34	3,867.90	0.24	953.13	908.90	4.87
Insurance	2,533.25	2,588.39	-2.13	3,192.41	7,708.03	-58.58
IT	708.33	703.08	0.75	5,887.72	5,027.72	17.11
Jute	1,665.07	1,652.40	0.77	76.15	20.62	269.33
Misc.	2,487.44	2,488.15	-0.03	1,917.27	2,090.02	-8.27
Mutual Fund	459.87	460.76	-0.19	20.66	14.42	43.29
NBFI	1,183.77	1,186.63	-0.24	197.36	464.36	-57.50
Paper	14,832.78	15,255.44	-2.77	1,969.05	1,484.63	32.63
Pharma	1,651.91	1,656.35	-0.27	2,383.16	2,440.99	-2.37
Service	1,937.48	1,852.75	4.57	2,120.72	1,116.59	89.93
Tannery	1,145.95	1,146.23	-0.02	58.69	13.41	337.78
Telecom	3,822.47	3,822.47	0.00	9.73	6.52	49.18
Textile	1,847.67	1,855.77	-0.44	512.93	1,033.65	-50.38
Travel & Leis.	1,319.19	1,316.36	0.21	1,519.97	1,673.68	-9.18

Technical Talk

Dhaka stocks closed in red trajectory in the last week after a gain in the previous three weeks amid dismal participation from investors. Of the five trading days last week, the first three sessions suffered losses while the last two sessions managed to edge higher. Among the major sectors, Insurance decreased by 2.13% followed by textile 0.44%, Pharma 0.27% and NBFI 0.24%.

DSE Broad Index (DSEX) stood at 6,294.73 points after decreasing by 1.53 points or 0.02% from the previous week. Total turnover reached at Tk28395.51m, which was 6.91% lower than the previous week. Market capitalization increased by 0.02% and stood at Tk4447.32b (\$42.25b) at the weekend against Tk4446.26b. DSE 30 increased by 0.03 points or 0.001% and closed at 2,230.73 points against 2,230.70 points. Last week's weighted average Market PE was 14.45 which was 14.21 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 47.48.

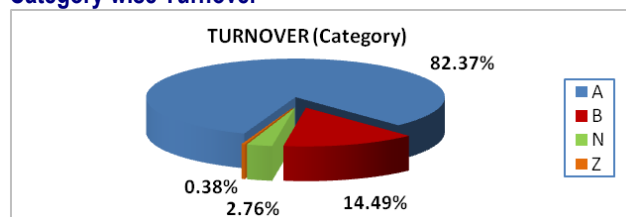
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Genex Infosys	28,649,234	3,000,923,000	10.57
Bashundhara Paper	18,796,818	1,692,147,000	5.96
Eastern Housing	13,783,314	1,484,811,000	5.23
Aamra networks	20,106,972	1,394,623,000	4.91
BSC	10,282,767	1,325,583,000	4.67
Orion Pharma	12,557,972	1,103,537,000	3.89

Top 10 Market Capital

Company	Volume	Value (Tk)	% of total
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	76,070

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,877.70	1,943.90	-3.41
Silver (USD/t oz.)	22.40	23.73	-5.61
Brent Crude Oil (USD/bbl.)	79.76	86.07	-7.33

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	105.25	105.25	106.21	106.21	-0.90	-0.90
EUR	115.91	115.91	117.77	117.77	-1.58	-1.58
GBP	129.44	129.44	134.35	134.35	-3.65	-3.65
AUD	73.25	73.25	75.84	75.84	-3.42	-3.42
JPY	0.81	0.81	0.83	0.83	-2.41	-2.41
CAD	78.96	78.96	80.20	80.20	-1.55	-1.55
SAR	28.19	28.19	28.44	28.44	-0.88	-0.88

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)
Grameen Bank-AIMS	22 Jan-07 Mar, 2023	10	362
First Unit Fund			