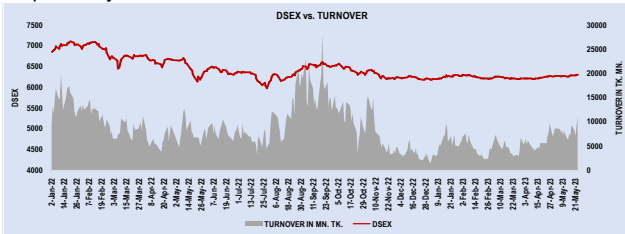


**DSEX exceeds 6,300 mark**

The key index of Dhaka Stock Exchange (DSE) crossed the 6,300-mark for the first time this year. The benchmark index, DSEX closed at 6,306.18 points on 23 May 2023. Apart from the broad index, the two other indices - the DS30 index, a group of 30 prominent companies, and the DSE Shariah Index (DSES) - followed suit to close high at 2,195.81 and 1,371.16 points after gaining 5.21 points and 4.68 points respectively. DSE launched the DSEX index under a Standard and Poor's-developed free-float methodology on 28 January 2013 with a view to replacing the then key index of the bourse, DGEN. Opening value of the DSEX was 4,055.91. The DGEN was at 4,171.41 points when the DSEX was launched in January 2013. The DSE launched the DS30 index on 27 January 2013 with a base point of 1,460.30, while the DSE Shariah Index was introduced on 20 January 2014 with a base point of 941.27. The turnover on the bourse increased to Tk9.20b on 23 May, which was Tk7.07b a day earlier on 22 May 2023. Turnover rose 20% a day after from the previous day to hit Tk11.09b on 24 May 2023, surpassing the previous high of Tk14.95b recorded on 08 November 2022. However, the DSEX, edged down 0.28 points, to close at 6,305.90 points on 24 May 2023. At the end of the session last week on 25 May 2023, DSEX, DSES and DS30 closed at 6,325.73 points, 1,370.78 points and 2,198.50 points respectively.



**New guidelines on provisioning**

The Bangladesh Bank (BB) has clarified and reiterated the instructions on maintaining provision requirement against both investments in listed and non-listed securities. The central bank issued a circular in this regard on 24 May 2023 under which banks must keep provisions against investment in shares, bonds, debentures, perpetual instrument, and mutual funds. In the case of investments in listed securities, banks have been asked to set aside provisions if the last trading price of a stock, bond, debenture, perpetual instrument, and mutual fund unit slips below the cost price. For open-end mutual fund, banks will have to keep provision based on the differences between surrender price and the purchase price when the surrender price drops below the purchase price. For non-convertible cumulative preference shares, if they do not receive interest or dividend from their investments, banks should keep provision equivalent to 25% of the investments in the first year. Another 25% provision will have to be kept in the second year and it would go up to 100% in the third year if the interest or dividends remain unrealized. The same provision rates will be applied if the profit or coupon payments remain due in case of non-convertible bonds and debentures. Banks should also provide for any decreased values of non-listed securities. In cases where the company no longer exists, banks should provision an amount equivalent to the total investment. Banks must maintain the provision on a quarterly basis, the circular added. These provision rates will come into effect from 30 June 2023.

**Deposit interest rate at 25-month high**

The weighted average interest rate on deposits stood at 4.38% in April 2023, being the highest in 25 months. Earlier the highest rate was 4.40% in March 2021, according to Bangladesh Bank (BB). Some banks are collecting deposits at higher rates which is the key reason behind the surge in the weighted average interest rate on deposits. Meanwhile, the weighted average lending rate stood at 7.29% in April 2023 from 7.31% a month earlier. Despite the rise in weighted average interest rate, the interest rate spread fell to 2.91% in April from 2.96% a month earlier. The spread, however, has been below 3% for the last six months. The central bank on 15 January 2023 raised the lending rate cap for consumer loans up to 12%. Banks have been following a 9% cap on lending since April 2020. It also levied the minimum deposit rate in August 2021. BB has also withdrawn the floor on the deposit rate. Earlier on 08 August 2021, BB set a floor on deposit interest rates and instructed the banks not to fix the rate for deposits below the last published three months inflation rate.

Particulars	Weighted Average Interest Rate		Spread
	Deposits	Advances	
January'22	4.01%	7.13%	3.12%
February'22	4.02%	7.10%	3.08%
March'22	4.01%	7.11%	3.10%
April'22	4.02%	7.09%	3.07%
May'22	4.02%	7.08%	3.06%
Jun'22	3.97%	7.09%	3.12%
July'22	4.04%	7.09%	3.05%
August'22	4.07%	7.11%	3.04%
September'22	4.09%	7.12%	3.03%
October'22	4.13%	7.15%	3.02%
November'22	4.22%	7.18%	2.96%
December'22	4.23%	7.22%	2.99%
January'23	4.29%	7.24%	2.95%
February'23	4.31%	7.27%	2.96%
March'23	4.35%	7.31%	2.96%
April'23	4.38%	7.29%	2.91%

Source: Bangladesh Bank

**Investment to GDP ratio keeps falling**

Private investment scenario of the country is not very satisfying owing to a lower confidence among investors amid the persisting Dollar crisis and global uncertainty, continuing structural weaknesses, higher inflation and a fall in demand for goods in international markets. As per the report published by the Bangladesh Bureau of Statistics (BBS), private investment-to-Gross Domestic Product (GDP) ratio declined by 0.88 percentage points to 23.64% in FY2021-22. In FY2020-21, the private investment-to-GDP ratio declined to 23.85%, the BBS revealed. This is the lowest ratio since FY2007-08. The overall investment-to-GDP ratio was 29.92% in FY2020-21, the lowest in five years. Economists anticipate that the reduction in private investment will have a negative impact on GDP growth in FY2022-23. The government has revised down the economic growth projection for the current fiscal year to 6.3% from the previous estimate of 7.2%. Experts, however, believe that 6.3% GDP growth is still an ambitious target as the country is facing the blow of global phenomena of Russia-Ukraine war while trying to recover from the prolonged pandemic shocks.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	4,205.45	4,191.98	0.32
FTSE 100	7,627.20	7,756.87	-1.67
Nikkei 225	30,916.31	30,808.35	0.35
SENSEX	62,501.69	61,729.68	1.25
KSE 100	41,002.60	41,614.87	-1.47

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,325.73	6,290.20	0.56
Total Turnover, Tk	45,858,661,848	36,796,824,638	24.63
Market Capital, Tk	4,495,974,212,624	4,472,210,701,188	0.53
No of Issue Gain	69	109	
No of Issue Loss	202	74	
No of Unchanged Issues	13	205	

### Top Gainers

Company	Last Week	This Week	Change %	Turnover (Tk)
Trust Islami Life Ins.	17.60	28.10	59.66	75,000
National Tea Co.	273.20	415.40	52.05	40,830,000
Rupali Life Insurance	118.90	165.30	39.02	1,274,673,000
Legacy Footwear	79.30	100.50	26.73	644,694,000
Northern Jute	199.70	250.40	25.39	53,540,000
Navana Pharma	82.80	100.90	21.86	1,089,529,000
CAPMIBBLMF	10.60	12.90	21.70	77,661,000
Sonali Life Insurance	70.40	85.40	21.31	546,639,000
Shurwid Industries	18.40	21.60	17.39	320,915,000
Islami Commercial Ins	36.90	42.90	16.26	499,671,000

### Top Losers

Company	Last Week	This Week	Change %	Turnover (Tk)
Premier Bank	14.10	12.80	-9.22	104,862,000
First Security Bank	9.80	8.90	-9.18	2,042,000
Far Chemical Industries	11.70	10.70	-8.55	158,670,000
Jamuna Bank	22.70	20.90	-7.93	13,572,000
BD Monospool Paper	334.20	309.60	-7.36	290,887,000
Mutual Trust Bank	16.70	15.50	-7.19	5,026,000
Apex Foods	456.00	424.20	-6.97	491,401,000
Olympic Industries	167.00	156.00	-6.59	465,976,000
Monno Agro	1010.8	944.40	-6.57	184,673,000
Zaheen Spinning	10.50	10.00	-4.76	85,156,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	452.78	454.24	-0.32	833.20	855.64	-2.62
Cement	351.97	345.82	1.78	1,214.59	917.39	32.40
Ceramic	804.57	808.08	-0.43	584.91	346.91	68.61
Engineering	6,652.78	6,652.80	0.00	2,346.79	1,821.91	28.81
Food & Al.	4,920.54	4,903.17	0.35	4,153.43	3,880.03	7.05
Fuel & Pow.	3,913.48	3,914.83	-0.03	2,484.66	2,424.99	2.46
Insurance	2,676.83	2,542.22	5.29	11,085.91	7,985.79	38.82
IT	684.69	685.24	-0.08	2,850.57	3,234.44	-11.87
Jute	2,116.01	1,916.55	10.41	301.55	320.50	-5.91
Misc.	2,505.04	2,505.92	-0.04	3,830.60	2,739.94	39.81
Mutual Fund	447.64	445.71	0.43	123.76	21.42	477.71
NBFI	1,193.30	1,193.21	0.01	62.28	37.89	64.36
Paper	14,614.52	14,602.24	0.08	1,428.51	1,733.21	-17.58
Pharma	1,632.11	1,625.86	0.38	3,612.18	1,990.89	81.44
Service	1,877.80	1,869.07	0.47	1,639.65	1,043.78	57.09
Tannery	1,235.87	1,229.69	0.50	1,002.08	572.42	75.06
Telecom	3,822.47	3,822.47	0.00	6.79	12.87	-47.26
Textile	1,887.23	1,893.15	-0.31	2,698.03	3,040.53	-11.26
Travel & Leis.	1,258.18	1,175.30	7.05	1,524.37	1,869.17	-18.45

## Technical Talk

Dhaka stocks advanced for the third straight week. DSE witnessed six-month high turnover on 24 May at over Tk11b as buoyant investors injected fresh funds into selective stocks for quick gains. Out of its five trading sessions, three sessions closed higher while two saw moderate corrections. Among the major sectors, Insurance increased by 5.29% followed by Mutual Fund 0.43% and Pharma by 0.38%.

DSE Broad Index (DSEX) stood at 6,325.73 points after increasing by 35.53 points or 0.56% from the previous week. Total turnover reached at Tk45858.66m, which was 24.63% lower than the previous week. Market capitalization increased by 0.53% and stood at Tk4495.97b (\$41.42b) at the weekend against Tk4472.21b. DSE 30 decreased by 3.21 points or 0.15% and closed at 2,198.50 points against 2,195.29 points. Last week's weighted average Market PE was 14.55 which was 14.53 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 51.16.

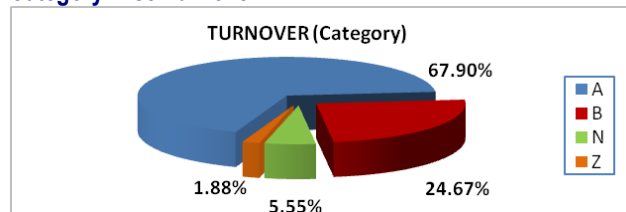
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
BSC	16,873,409	2,293,440,000	5.00
Intraco RefuelingStation	37,952,411	1,512,296,000	3.30
Eastern Housing	12,221,132	1,290,989,000	2.82
Rupali Life Insurance	9,338,053	1,274,673,000	2.78
Navana Pharma	11,746,522	1,089,529,000	2.38
Orion Infusion	2,831,343	1,069,736,000	2.33

### 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	103,571
Square Pharma	185,977	Berger Paint	82,502
Robi	157,138	LafargeHolcim BD	77,928

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/ft.oz)	1,964.90	1,979.90	-0.76
Silver (USD/ft.oz)	23.45	24.02	-2.39
Brent Crude Oil (USD/bbl)	77.23	75.81	1.87

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	108.54	108.54	108.67	108.67	-0.12	-0.12
EUR	118.75	118.75	119.78	119.78	-0.86	-0.86
GBP	136.68	136.68	137.98	137.98	-0.94	-0.94
AUD	71.10	71.10	72.65	72.65	-2.13	-2.13
JPY	0.78	0.78	0.80	0.80	-2.50	-2.50
CAD	80.13	80.13	80.91	80.91	-0.96	-0.96
SAR	29.09	29.09	29.12	29.12	-0.10	-0.10

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)
-	-	-	-