

**Eight banks in provision shortfall**

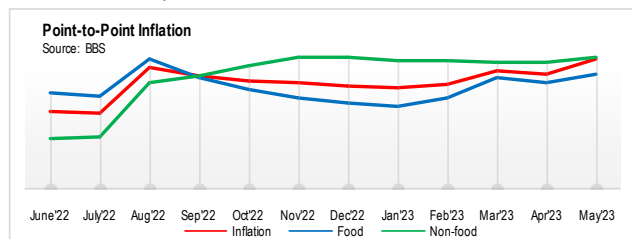
The amount of provision shortfall increased significantly mainly due to the rising trend of the volume of Non-Performing Loans (NPLs). According to Bangladesh Bank (BB) reports, the volume of NPLs rose to Tk1316.21b at the end of March 2023 from Tk1206.56b at the end of December 2022. It represents a substantial increase from the Tk1032.74b in December 2021 and Tk887.34b in December 2020. Meanwhile, eight scheduled banks failed to maintain required provisions against classified loans as of 31 March 2023. According to the latest figures from BB, four state-owned and four private banks reported a combined provisioning shortfall of Tk201.57b. The provisioning shortfall of the two state-owned commercial banks stood at Tk70.9b, two specialized bank Tk45.83b and four private banks had such deficit of Tk84.84b. National Bank recorded the highest shortfall at Tk74.68b followed by the three state-owned BASIC Bank, Agrani Bank and Rupali Bank. As per BB requirements, the scheduled banks must keep 0.50% to 5% provisions against the general category of loans, 20% against substandard category, 50% against doubtful loans and 100% against the bad or loss category loans.

Provisioning Shortfall as of March 2023			
Amount in Tk (bn)			
State-owned Banks	Amount	Private Commercial Banks	Amount
BASIC Bank	45.79	National Bank	74.68
Agrani Bank	40.1	Bangladesh Commerce Bank	3.60
Rupali Bank	30.8	Dhaka Bank	4.97
Bangladesh Krishi Bank	0.036	Standard Bank	1.59

*Source: BB*

**Inflation hits decade high**

The point-to-point inflation has been maintaining an upward trend over the last few months. As per the recent release from the Bangladesh Bureau of Statistics (BBS), inflation surged to a decade high of 9.94% in May and up from 9.24% in April, fuelled by the escalating level of food and non-food inflation. The previous highest was recorded way back in March 2012, when the point-to-point inflation was recorded at a new peak of 10.10%. The monthly inflation rate on the basis of base-year 2005-06 continues to maintain an upward trajectory for four months in a row. Meanwhile, considering the present financial situation and the International Monetary Fund (IMF) suggestions, BBS will calculate inflation using the base year 2021-22 from next July. As per BBS, the average inflation rate stood at 8.83% during the June-May period against the revised target of 7.5% set for the FY2022-23. The government has set a 6% inflation target for FY2023-24. Food inflation stood at 9.24% in May this year from 8.84% in the preceding month. Simultaneously, non-food inflation rose to 9.96% in May, up from 9.72% in the previous month. In urban areas, inflation increased to 9.97% last month from 9.68% in April. Inflation in rural areas stood at 8.85% from 8.92% in April.

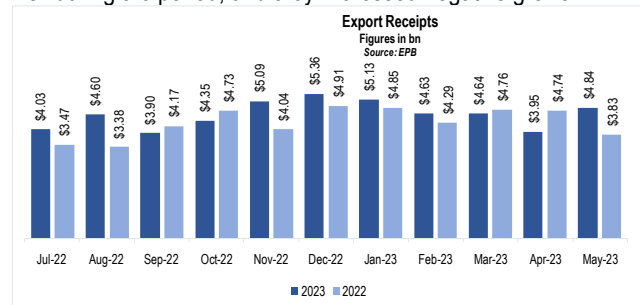


**General investors can buy Treasury Bonds**

The Bangladesh Securities and Exchange Commission (BSEC) has allowed general investors to purchase Treasury Bonds in a primary auction. This development opens up opportunities for ordinary investors to purchase Treasury Bonds through BO (beneficiary owner's) accounts worth Tk0.1m or multiples thereof in the auction. At present, there are about 250 Treasury Bonds available with tenure from 2 to 20 years.

**Export receipt rise by 7.11% in July-May**

After registering negative earnings growth of 2.52% and 16.67% in last March and April, exports in May witnessed a surge. Export earnings in May 2023 increased by 26.37% to US\$4.85b compared with US\$3.83b in the same month of 2022. The May earnings, however, fell short of the month's target by 5.29%. According to the latest statistics of the Export Promotion Bureau (EPB), total export earnings during the first eleven months of the FY2022-23 marked a modest growth of 7.11% to US\$50.52b compared with that of US\$47.17b in the same period of FY2021-22. The government had set a target of US\$52.43b for July-May of FY2022-23, according to EPB. Readymade Garment (RMG) exports during last July-May period increased by 10.67% to US\$42.63b compared with that of US\$38.52b in the same period of FY2021-22. Out of the total RMG shipments, US\$23.27b came from knitwear items with 10.92% (Y-o-Y) growth and the woven garment exports earned US\$19.35b with a 10.38% (Y-o-Y) growth. As per the EPB figures, exporters earned US\$52.08b in FY2021-22 against US\$38.75b in the previous fiscal year. However, major sectors like frozen and live fishes, agricultural products, chemicals including pharmaceuticals, home textiles, jute and jute goods and engineering products did not perform well during the period, and they witnessed negative growth.



**Net sale of NSCs positive in April**

As per the latest statistics from the National Savings Directorate (NSD), the net sales of National Savings Certificates (NSCs) reached Tk5.81b in April 2023, so far the highest in a month of FY2022-23. As per records, the net sales of NSCs turned negative at Tk6.52b in March 2023 which was Tk4.40b negative in February against Tk0.37b positive in January due to various factors, such as imposition of tighter investment rules, reduction of interest rate on the certificates and rising inflationary pressure. Meanwhile, net bank borrowing by the government has surged behind a drastic fall in the net sales of NSCs. In the first ten months of the current fiscal year, the government borrowed Tk820.57b from the banking system, as revealed by the latest figures from the Bangladesh Bank (BB). The government has set a target of borrowing Tk1.32-trillion from the banking system in FY2023-24. Besides, the government also planned to borrow Tk180b through savings certificates, the lowest in seven years. The previous lowest was Tk196.1b in FY1916-17.

## Stock Market Movement



### Global Markets

		This Week	Last Week	+/- %
S&P 500	↑	4,298.86	4,282.37	0.39
FTSE 100	↓	7,562.36	7,607.28	-0.59
Nikkei 225	↑	32,265.17	31,524.22	2.35
SENSEX	↑	62,625.63	62,547.11	0.13
KSE 100	↑	41,904.86	41,356.23	1.33

### DSE Indicators

		This Week	Last Week	+/- %
DSE Broad Index	↓	6,352.84	6,355.56	-0.04
Total Turnover, Tk	↓	54,445,619,784	55,216,410,580	-1.40
Market Capital, Tk	↓	4,508,002,070,242	4,514,276,858,382	-0.14
No of Issue Gain		69	108	
No of Issue Loss		114	81	
No of Unchanged Issues		208	203	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
Trust Islami Life Ins.	44.90	72.00	60.36	31,115,000
Meghna Life Ins.	93.80	130.90	39.55	2,376,752,000
SK Trims & Ind.	26.70	32.30	20.97	403,265,000
Progressive Life Ins.	88.60	107.00	20.77	271,649,000
Yeakin Polymer	20.60	24.30	17.96	361,482,000
GQ Ball Pen	93.50	109.60	17.22	95,030,000
Fine Foods	93.60	107.60	14.96	369,881,000
Rupali Life Insurance	208.60	239.50	14.81	1,593,069,000
Bangas	128.00	146.10	14.14	239,770,000
Sonali Life Insurance	98.70	111.50	12.97	827,640,000

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (Tk)
National Tea Company	532.40	447.40	-15.97	58,029,000
Meghna Pet Industries	48.00	40.70	-15.21	36,560,000
Meghna Condensed Milk	35.60	30.20	-15.17	27,547,000
Sea Pearl Beach Resort	226.70	198.30	-12.53	943,036,000
Crystal Insurance	53.00	46.80	-11.70	158,260,000
Paramount Insurance	58.30	51.60	-11.49	156,156,000
Northern Jute	327.50	291.70	-10.93	140,058,000
BD Welding Electrodes	26.70	23.80	-10.86	55,604,000
Meghna Insurance	55.70	49.90	-10.41	416,576,000
CAPMIBLIMF	15.70	14.10	-10.19	60,486,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	447.09	447.90	-0.18	374.09	625.82	-40.22
Cement	358.05	371.68	-3.67	1,515.67	2,346.70	-35.41
Ceramic	806.25	807.00	-0.09	206.65	295.86	-30.15
Engineering	6,668.67	6,655.40	0.20	3,407.17	2,718.15	25.35
Food & Al.	5,133.57	4,944.21	3.83	5,325.58	4,000.34	33.13
Fuel & Pow.	3,922.51	3,921.20	0.03	5,250.78	3,052.79	72.00
Insurance	2,844.60	2,732.09	4.12	14,190.05	15,066.84	-5.82
IT	704.64	709.09	-0.63	5,581.07	4,492.12	24.24
Jute	1,953.08	2,120.25	-7.88	342.76	358.68	-4.44
Misc.	2,502.99	2,508.81	-0.23	2,573.02	2,928.35	-12.13
Mutual Fund	448.62	450.60	-0.44	194.66	607.59	-67.96
NBFI	1,195.86	1,198.19	-0.19	212.56	583.53	-63.57
Paper	14,655.54	14,987.35	-2.21	1,346.83	2,124.21	-36.60
Pharma	1,633.28	1,632.76	0.03	3,078.76	3,643.87	-15.51
Service	1,836.93	1,870.69	-1.80	970.77	1,556.11	-37.62
Tannery	1,242.75	1,241.56	0.10	940.80	1,179.81	-20.26
Telecom	3,822.47	3,822.47	0.00	6.38	5.42	17.82
Textile	1,885.08	1,892.53	-0.39	2,641.52	2,424.99	8.93
Travel & Leis.	1,127.93	1,234.30	-8.62	1,698.83	2,458.88	-30.91

## Technical Talk

Dhaka stocks closed in red trajectory in the last week ended on Thursday as the national budget brought no cheer to investors.

Last week saw the biggest single-day fall in nearly seven months. DSEX was down 40.1 points or 0.6% to close at 6,316.19 points on 06 June 2023. Among the major sectors, IT decreased by 0.63% followed by Mutual Fund 0.44 and Textile by 0.39%.

DSE Broad Index (DSEX) stood at 6,352.84 points after decreasing by 2.72 points or 0.04% from the previous week. Total turnover reached at Tk54445.62m, which was 1.40% lower than the previous week. Market capitalization decreased by 0.14% and stood at Tk4508b (\$41.29b) at the weekend against Tk4514.28b. DSE 30 decreased by 8.44 points or 0.38% and closed at 2,192.89 points against 2,201.33 points. Last week's weighted average Market PE was 14.47 which was 14.52 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 57.89.

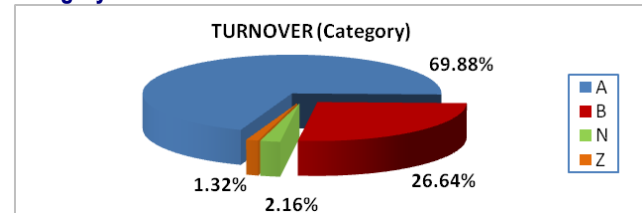
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Meghna Life Insurance	20,491,398	2,376,752,000	4.37
Intraco Refueling Station	46,285,092	2,339,950,000	4.30
Rupali Life Insurance	7,255,711	1,593,069,000	2.93
Rangpur Dairy & Food	26,921,769	1,395,592,000	2.56
Navana Pharma	11,049,029	1,164,915,000	2.14
Gemini Sea Food	1,201,846	1,037,261,000	1.91

### 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	103,571
Square Pharma	185,977	Berger Paint	82,896
Robi	157,138	LafargeHolcim BD	80,135

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/oz.)	1,975.70	1,964.30	0.58
Silver (USD/oz.)	24.40	23.70	2.95
Brent Crude Oil (USD/bbl.)	74.99	76.22	-1.61

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	109.17	109.17	108.62	108.62	0.51	0.51
EUR	119.72	119.72	118.44	118.44	1.08	1.08
GBP	139.99	139.99	137.84	137.84	1.56	1.56
AUD	73.96	73.96	71.09	71.09	4.04	4.04
JPY	0.79	0.79	0.79	0.79	0.00	0.00
CAD	82.24	82.24	80.48	80.48	2.19	2.19
SAR	29.25	29.25	29.10	29.10	0.52	0.52

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)
-	-	-	-