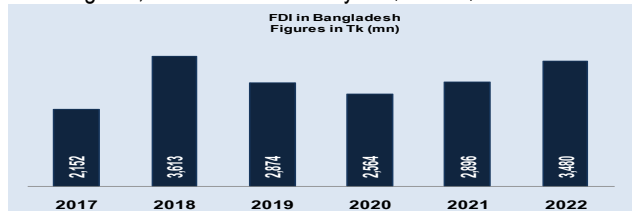


Forex reserves at US\$23.56b as per IMF definition

The foreign currency reserves of Bangladesh stood at US\$23.56b on 12 July 2023 as per the definition of the International Monetary Fund (IMF). The amount is equal to import bills for four months. It comes after the Bangladesh Bank (BB) agreed to compile and report the Gross International Reserves (GIR) as per the balance of payments and international investment position manual (BPM6) of the IMF which refers to a country's total holding of foreign exchange assets that are readily available for use in international transactions. The reserves, however, would be US\$29.97b if the previous calculation method is followed. The IMF has urged to report the actual reserves by deducting funds allocated under different schemes. The excluded elements include foreign currency loans to local banks – the Export Development Fund (EDF), deposits with state-owned local banks, deposits with the IDB Group, fixed-income securities below investment grade, a loan to Sri Lanka, and other foreign currency assets in non-convertible currencies. The net foreign reserve, excluding one-year liabilities to non-resident Bangladeshis, however, could be significantly lower than the GIR amount. But the BB would not disclose the net reserve position.

FDI up by 20.17% last year

Foreign Direct Investment (FDI) in Bangladesh rose by 20.17% to US\$3.48b in 2022, according to the 'World Investment Report 2023' of the United Nations Conference on Trade and Development (UNCTAD) published on 05 July 2023. Out of the South Asian nations, Bangladesh received the highest FDI after India. Although Bangladesh has created high expectations of outstanding growth of FDI as a fast-growing economy, it is lagging other competing countries like Vietnam, in terms of attracting FDI, which receive fiscally US\$8b-US\$10b as FDI.



Government bank borrowing surges in FY2022-23

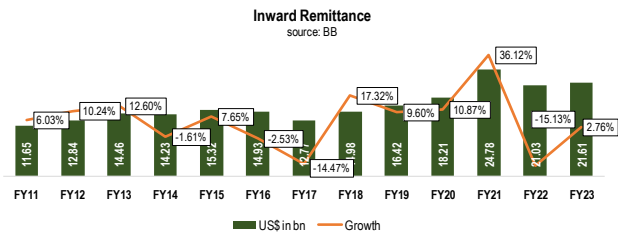
Net bank borrowing by the government surged behind a drastic fall in net sales of national savings certificates. In the FY2022-23, the government borrowed Tk1241.22b from the banking system against Tk686.52b a year ago. Of the total amount, Tk988.26b was borrowed from central bank and remaining Tk252.96b from the commercial banks. Initially, the target for borrowing from the banking system in FY2022-23 was set at Tk1063.44b, which was later revised to Tk1154.25b. For FY2023-24 the government has set a target of borrowing Tk1.32-trillion from the banking system.

Private sector credit growth 15-month low

Credit disbursement to the private sector slowed further and hit a 15-month low in May 2023 due to weak credit demand amid the current economic slowdown. It is feared that a downtrend in private credit growth would cause further slowdown in the economic activities. Disbursement decreased to 11.10% in May 2023 from 11.23% a month back, as per Bangladesh Bank (BB) reports. The growth rate in May 2023 was the lowest after 10.87% recorded in February 2022. Growth has been declining since November last year when it was recorded at 13.97%. BB has fixed the private sector credit growth ceiling at 11% for the FY2023-24 against 14.01% for FY2022-23.

Remittance up in FY2022-23

The inward remittance to Bangladesh from expatriate workers increased to US\$21.61b in the immediate past fiscal year from US\$21.03b in the previous year, according to Bangladesh Bank (BB) figures. Earlier in FY2020-21 remittance hit a record high of US\$24.78b from US\$18.21b in FY2019-20. In June 2023, the money sent by Bangladeshi migrant workers amounted to US\$2.19m, which is the highest since July 2020 when US\$2.59b was received. In FY2022-23, state-owned banks received US\$3.4b in inward remittance, specialised banks received US\$22m and private commercial banks received US\$17.61b, while foreign commercial banks received US\$77.18m.

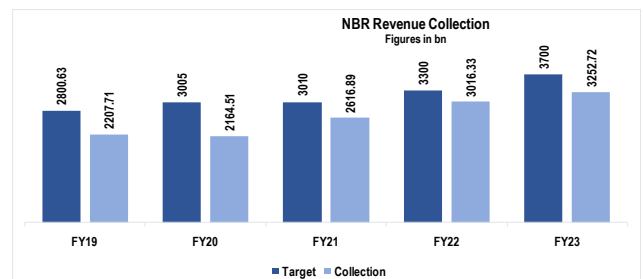


Default loan recovery decline

As per latest Bangladesh Bank (BB) statistics, loan recovery dropped 37.21% (Q-o-Q) to Tk33.14b in the first quarter of 2023 from Tk52.78b in the October-December quarter of 2022, when the amount of defaulted loans is increasing. The recovery of bad loans is still weak despite offering relaxed repayment policies for four consecutive years to 2023. The central bank had a complete relaxation in loan repayments in 2020 due to the Covid-19 pandemic. In the next three years, borrowers continued to enjoy some of the relaxed facilities. Meanwhile, the volume of Non-Performing Loans (NPL) rose significantly to Tk1316.21b at the end of March 2023 from Tk1206.56b at the end of December 2022. It also represents a quite substantial increase from the Tk1032.74b in December 2021 and Tk887.34b in December 2020. The latest NPL figure is the second highest in the history of the local banking sector and is just behind the Tk1343.96b reported in the September quarter of 2022. Given the trend, the outlook also does not appear promising.

NBR misses FY2022-23 target

The National Board of Revenue (NBR) collected Tk3252.72b in revenue during the FY2022-23, registering a 7.84% growth against 15.26% in the previous fiscal year. However, total tax receipts fell short of target set for the period by Tk447.27b. Among the three wings of the NBR, the Value-Added Tax (VAT) wing collected Tk1206.33b, the income tax wing collected Tk1129.21b and the customs wing got Tk917.17b, according to the NBR reports. Meanwhile, the total revenue earnings have been estimated at Tk5-trillion for the FY2023-24. Of this, NBR will collect Tk4.30-trillion and another Tk700b will be collected from other sources.



Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	4,505.42	4,398.95	2.42
FTSE 100	7,434.57	7,256.94	2.45
Nikkei 225	32,391.26	32,388.42	0.01
SENSEX	66,060.90	65,280.45	1.20
KSE 100	45,071.94	44,284.92	1.78

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,341.10	6,334.79	0.10
Total Turnover, Tk	42,572,227,027	35,857,482,155	18.73
Market Capital, Tk	4,499,378,383,920	4,496,458,608,102	0.06
No of Issue Gain	70	90	
No of Issue Loss	23	23	
No of Unchanged Issues	194	185	

Top Gainers

Company	Last Week	This Week	Change %	Turnover (Tk)
Fu Wang Food	32.00	42.90	34.06	3,246,612,000
Central Pharma	11.80	15.30	29.66	381,716,000
WMSHIPYARD	11.00	13.30	20.91	297,325,000
Rupali Bank	29.40	34.40	17.01	175,193,000
Fu-Wang Ceramic	18.40	21.20	15.22	827,112,000
Yeakin Polymer	24.70	27.90	12.96	724,071,000
GENNEXT Fashions	7.30	8.20	12.33	968,845,000
Khulna Printing	12.20	13.60	11.48	191,291,000
Orion Infusion	314.20	348.10	10.79	462,199,000
Far Chemical	11.00	12.10	10.00	273,454,000

Top Losers

Company	Last Week	This Week	Change %	Turnover (Tk)
Progressive Life Ins.	99.10	83.70	-15.54	92,171,000
Sonali Life Insurance	90.30	77.00	-14.73	242,802,000
Trust Islami Life Ins.	70.30	62.00	-11.81	230,574,000
Rupali Life Insurance	244.00	215.20	-11.80	911,704,000
Prime Islami life Ins.	78.50	69.50	-11.46	219,254,000
Meghna Life Insurance	96.00	85.40	-11.04	560,103,000
Chartered Life Ins.	74.50	67.40	-9.53	128,907,000
Popular Life Insurance	76.30	69.60	-8.78	95,552,000
Pragati Life Insurance	123.80	113.90	-8.00	113,484,000
Crystal Insurance	44.60	41.20	-7.62	39,689,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	462.01	459.11	0.63	639.37	383.00	66.94
Cement	360.81	358.31	0.70	877.75	411.92	113.09
Ceramic	814.29	803.83	1.30	938.30	776.46	20.84
Engineering	6,669.05	6,668.42	0.01	3,739.08	2,996.81	24.77
Food & Al.	5,167.23	5,155.74	0.22	6,332.33	4,851.85	30.51
Fuel & Pow.	3,913.83	3,907.73	0.16	4,105.88	1,559.72	163.24
Insurance	2,573.56	2,629.16	-2.12	5,488.87	4,718.98	16.31
IT	678.12	684.09	-0.87	1,932.70	1,441.88	34.04
Jute	2,072.85	1,984.26	4.46	146.52	110.54	32.55
Misc.	2,487.58	2,492.48	-0.20	2,123.28	2,455.05	-13.51
Mutual Fund	449.89	448.72	0.26	158.59	101.45	56.32
NBFI	1,198.88	1,198.49	0.03	638.40	566.07	12.78
Paper	14,602.58	14,608.91	-0.04	981.48	929.61	5.58
Pharma	1,638.03	1,631.40	0.41	3,172.36	1,740.35	82.28
Service	1,792.05	1,811.15	-1.05	441.80	435.46	1.46
Tannery	1,242.20	1,247.96	-0.46	461.22	474.92	-2.89
Telecom	3,822.47	3,822.47	0.00	7.21	4.87	48.19
Textile	1,913.99	1,919.13	-0.27	4,565.27	6,631.67	-31.16
Travel & Leis.	1,183.48	1,163.02	1.76	1,461.87	1,424.96	2.59

Technical Talk

Dhaka stocks advanced slightly in the previous week as some investors went for buying shares while many others maintained a cautious approach. Out of its five trading sessions, four sessions ended higher while one suffered losses. Among the major sectors, Bank increased by 0.63% followed by Pharmaceuticals & Chemicals 0.41% and Mutual Fund 0.26%.

DSE Broad Index (DSEX) stood at 6,341.10 points after increasing by 6.31 points or 0.10% from the previous week. Total turnover reached at Tk42572.23m, which was 18.73% higher than the previous week. Market capitalization increased by 0.06% and stood at Tk4499.38b (\$41.28b) at the weekend against Tk4496.46b. DSE 30 increased by 5.57 points or 0.25% and closed at 2,197.03 points against 2,191.46 points. Last week's weighted average Market PE was 14.31 which was same as 14.31 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 55.34.

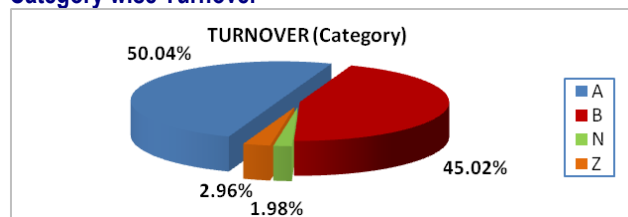
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Fu Wang Food	86,519,184	3,246,612,000	7.63
Lub-rref (Bangladesh)	46,076,721	1,724,926,000	4.05
Delta Life Insurance	8,805,482	1,413,201,000	3.32
Associated Oxygen	32,523,530	1,212,929,000	2.85
Sea Pearl Resort	4,800,880	1,097,357,000	2.58
Generation Next	121,359,788	968,845,000	2.28

Top 10 Market Capital

Company	Volume	Value (Tk)	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	186,509	Berger Paint	81,259
Robi	157,138	LafargeHolcim BD	80,599

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,959.30	1,930.50	1.49
Silver (USD/t oz.)	25.16	23.29	8.05
Brent Crude Oil (USD/bbl.)	79.68	78.29	1.78

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	109.00	109.00	109.00	109.00	0.00	0.00
EUR	124.87	124.87	121.98	121.98	2.37	2.37
GBP	145.56	145.56	142.75	142.75	1.97	1.97
AUD	74.93	74.93	73.28	73.28	2.25	2.25
JPY	0.79	0.79	0.77	0.77	2.60	2.60
CAD	82.89	82.89	82.54	82.54	0.42	0.42
SAR	29.20	29.20	29.20	29.20	0.00	0.00

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)
-	-	-	-