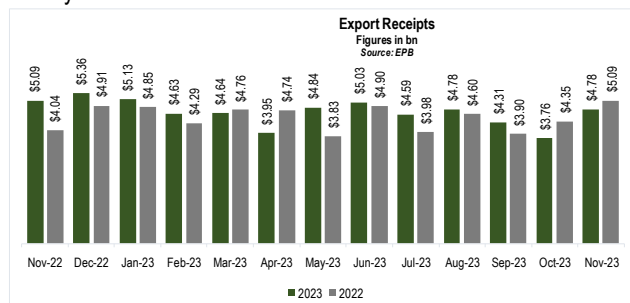


BSEC's new guidelines on 'Z' category

A good number of stocks are going to be downgraded to Z category, for failing to give dividends on a yearly basis, or unable to hold Annual General Meetings (AGM) on time and/or out of operation for more than six months. The Bangladesh Securities and Exchange Commission (BSEC) issued a Directive in this regard on 30 November 2023. The Directive points out that the relaxing of rules on the transfer of stocks to Z category, effected during the pandemic, would no longer be effective from 28 February 2023. Instead, the transfer of stocks would be determined based on the Settlement of Transactions Regulations 2013. The stock exchanges could not change the categories as per a BSEC Directive issued in September 2020 that barred bourses from taking such a decision. As per the newly issued Directive no sponsor or director of Z-category companies, excluding bank, insurance companies and Non-Bank Financial Institutions (NBFIs), shall be allowed to transact any shares on any platform of the stock exchanges or outside the stock exchanges without prior approval of the Commission. Moreover, the settlement cycle of Z-category stocks shall be T+3. Currently, there are 27 companies in the Z category.

Export earnings negative in November

Export earnings in November this year witnessed a fall for the second consecutive month as demand for apparel products dropped in the global market. According to the recent release from the Export Promotion Bureau (EPB), export earnings fell by 6.09% to US\$4.78b in November 2023 from US\$5.09b in the same month of 2022. Out of the US\$4.78b earned in the past month, US\$4.05b came from Ready-made Garment (RMG) shipments, also 7.53% lower than the earnings in November last year. Despite the fall, overall exports, however, rose by 1.37% to US\$22.22b in the July-November period of the current fiscal year compared to the US\$21.92b in the same period of FY2021-22. The single-month earnings in November fell short of the target by 8.94%. The overall July-November earnings also fell short of the target by 9.23%. Export earnings hit a new record in FY2022-23 with US\$55.55b recorded against US\$52.08b in the previous fiscal year.



Private sector credit growth slightly up in October

After months of downward trend, private-sector-credit growth went up marginally by 0.40 percentage points to 10.09% in October 2023, according to Bangladesh Bank (BB) reports. Private sector credit growth was 13.91% in October 2022. The credit flow had been on the upturn since early 2022, reaching 14.07% in August 2022. However, the trend reversed thereafter. Credit disbursement hit a 23-month low in September 2023 when it was recorded at 9.69%. The growth rate in September 2023 was the lowest after 9.44% recorded in October 2021. BB has fixed the private sector credit growth ceiling at 11% for FY2023-24 against that of 14.01% for FY2022-23.

Treasury yield surges to a decade high

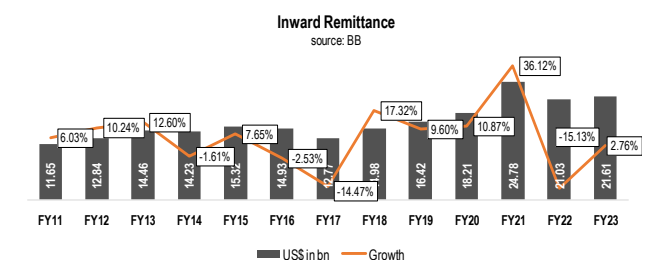
Yields on government treasury instruments have started rising and crossed 11% for the first time in more than a decade amid tightened liquidity situation in the financial sector. As per Bangladesh Bank (BB), on 03 December 2023, the government borrowed Tk42.18b at 10.8% interest rate for 91 days Treasury Bills, Tk5.01b at 11% rate for 182 days Treasury Bills and Tk4.22b at 11.20% rate for 364 days Treasury Bills. In January this year, the interest on all kinds of Treasury Bills ranged from 7.29% to 8.10%. The yields on long-term treasury instruments rose substantially as well. The cut-off yield on Treasury-Bonds with a maturity of two years and five years stood at 10.90% and 10.99% on 28 November 2023. The higher interest of treasury instruments will impact the lending rate of banks because the central bank introduced a new lending rate system linked with the debt instrument.

Foreign debt repayment pressure growing

Foreign debt repayment pressure mounts with the expiry of grace periods for some mega projects. According to the Economic Relations Division (ERD), at the end of October this fiscal year the principal loan repayment surpassed US\$2b. Projections indicate that this figure will escalate to US\$2.9b and US\$3.31b in the next two fiscal years. Thirteen years ago, in the fiscal FY2009-10, the total debt repayment amounted to only US\$876m, with US\$686m in principal repayment and US\$190m for interest. The foreign debt service burden is now set to increase by US\$1.19b in the current fiscal year, considering interest payments, followed by US\$1.31b and US\$1.41b in the subsequent two fiscal years. As per Economic Relations Division (ERD) revelation, in FY2021-22, US\$10b was released for foreign loan repayments, a figure that decreased to US\$9.26b in FY2022-23.

Inward remittance keeps falling

Inward remittance from overseas to Bangladesh by expatriate workforce declined slightly in November compared with that in the previous month, according to figures released by Bangladesh Bank (BB). Last November, migrant workers sent home US\$1.93b, down from US\$1.97b in October this year. The inflow was, however, US\$1.59b in November 2022. Remittance inflow was US\$1.34b in September 2023, dropping to a 41-month low. Before that the lowest inflow of remittance was US\$1.09b which was recorded in April 2020. With last month's collection, remittance inflow reached US\$8.81b in the July-November period of FY2023-24, 19.10% lower than US\$10.89b of the previous fiscal year. The inward remittance increased to US\$21.61b in FY2022-23 from US\$21.03b in the previous year. Earlier in FY2020-21 remittance hit a record high of US\$24.78b, up from US\$18.21b in FY2019-20. The foreign currency reserves stood at US\$19.4b at the end of November 2023 as per the method followed by the International Monetary Fund (IMF).



Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	4,604.37	4,594.63	0.21
FTSE 100	7,554.47	7,529.35	0.33
Nikkei 225	32,307.86	33,431.51	-3.36
SENSEX	69,825.60	67,481.19	3.47
KSE 100	66,238.07	61,779.73	7.22

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,252.56	6,223.03	0.47
Total Turnover, Tk	22,799.61	19,079.15	19.50
Market Capital, Tk	4,466,255,007,536	4,451,219,853,659	0.34
No of Issue Gain	130	63	
No of Issue Loss	31	62	
No of Unchanged Issues	218	222	

Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
1STPRIMFMF	15.10	20.90	38.41	195.77
Central Pharma	16.20	22.10	36.42	1,212.77
Standard Ceramic	131.20	172.80	31.71	208.53
Bd.Thai Aluminium	15.50	19.30	24.52	463.17
SK Trims & Ind.	28.00	34.60	23.57	529.29
CAPITECGBF	11.00	13.00	18.18	148.98
CAPMIBBLMF	10.20	11.90	16.67	48.34
Khulna Printing	27.00	31.20	15.56	1,008.32
Advent Pharma	22.60	25.70	13.72	406.76
ISN	49.40	56.10	13.56	145.49

Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
Eastern Lubricants	1743.8	1602.90	-8.08	58.29
Shyampur Sugar Mills	195.20	180.00	-7.79	26.62
GQ Ball Pen	173.00	160.30	-7.34	491.28
Zeal Bangla Sugar Mills	151.80	143.50	-5.47	7.59
Paper Processing	220.40	209.30	-5.04	132.85
Alif Industries Limited	80.10	76.20	-4.87	119.40
Monno Agro	604.30	580.40	-3.95	82.86
Samorita Hospital	97.70	94.00	-3.79	175.77
BD Monospool Paper	298.10	286.90	-3.76	185.58
Jute Spinners	323.60	311.50	-3.74	7.58

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	462.18	461.71	0.10	183.68	110.88	65.65
Cement	353.30	349.70	1.03	466.65	273.01	70.93
Ceramic	827.38	809.95	2.15	1,071.94	972.69	10.20
Engineering	6,668.21	6,640.69	0.41	3,447.20	3,139.51	9.80
Food & Al.	5,059.97	5,036.52	0.47	2,439.81	2,363.67	3.22
Fuel & Pow.	3,902.33	3,898.22	0.11	681.71	526.07	29.59
Insurance	2,522.19	2,492.34	1.20	1,959.28	1,426.89	37.31
IT	603.11	595.57	1.27	1,243.63	474.67	162.00
Jute	2,390.07	2,387.12	0.12	361.26	309.68	16.66
Misc.	2,519.57	2,485.48	1.37	2,087.70	1,016.29	105.42
Mutual Fund	473.48	466.10	1.58	578.81	86.90	566.09
NBFI	1,194.33	1,193.89	0.04	79.51	40.98	94.03
Paper	13,864.60	13,784.50	0.58	1,566.76	1,292.27	21.24
Pharma	1,634.15	1,630.40	0.23	2,655.46	1,967.68	34.95
Service	1,720.55	1,729.87	-0.54	330.24	330.06	0.06
Tannery	1,203.46	1,176.23	2.31	449.79	239.26	88.00
Telecom	3,822.47	3,822.47	0.00	1.72	1.98	-13.16
Textile	1,900.30	1,895.15	0.27	1,344.09	1,822.61	-26.25
Travel & Leis.	966.16	977.07	-1.12	643.22	775.43	-17.05

Technical Talk

Dhaka stocks ended three-week losing streak last week, riding on rumour-based stocks in anticipation of quick gain. All five trading sessions ended higher. Two other indices also ended higher. Among the major sectors, Mutual Fund increased by 1.58% followed by IT 1.27% and Insurance by 1.20%.

DSE Broad Index (DSEX) stood at 6,252.56 points after increasing by 29.53 points or 0.47% from the previous week. Total turnover reached at Tk22799.61m, which was 19.50% higher than the previous week. Market capitalization increased by 0.34% and stood at Tk4466.26b (\$40.51b) at the weekend against Tk4451.22b. DSE 30 increased by 6.94 points or 0.33% and closed at 2,115.27 points against 2,108.32 points. Last week's weighted average Market PE was 14.57 which was 14.39 in 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 45.88.

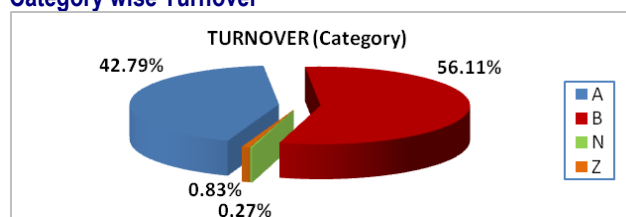
Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Khulna Printing	36,232,068	875.30	4.59
Central Pharma	46,419,119	827.40	4.34
Yeakin Polymer	22,834,391	699.31	3.67
Fu Wang Food	22,504,853	667.15	3.50
Sea Pearl Resort	3,635,093	661.98	3.47
Pacific Denims	47,615,798	644.00	3.38

Top 10 Market Capital

Company	Value (BDT mn)	In million
GP	386,996	139,689
Walton Hi-Tech	317,378	135,475
BATBC	280,098	103,571
Square Pharma	185,977	81,927
ROBI	157,138	80,948

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz)	2,020.80	2,091.70	-3.39
Silver (USD/t.oz)	23.29	25.90	-10.06
Brent Crude Oil (USD/bbl.)	75.95	79.10	-3.98

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	110.25	110.25	110.25	110.25	0.00	0.00
EUR	123.37	123.37	124.81	124.81	-1.15	-1.15
GBP	141.81	141.81	143.56	143.56	-1.22	-1.22
AUD	72.34	72.34	73.95	73.95	-2.18	-2.18
JPY	0.76	0.76	0.76	0.76	0.00	0.00
CAD	81.44	81.44	82.09	82.09	-0.79	-0.79
SAR	29.54	29.54	29.54	29.54	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)
Sikder Insurance	21 Dec-28 Dec, 2023	10	160