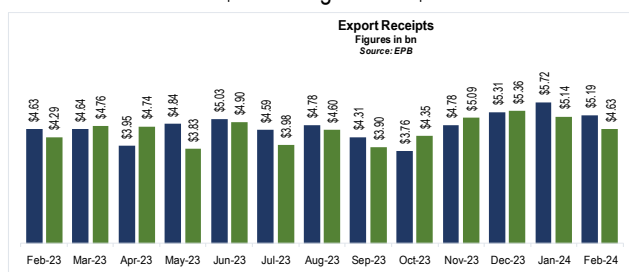


Six more companies thrown to 'Z' category

The Dhaka Stock Exchange (DSE) downgraded 6 more companies to Z-category from 04 March 2024 after 22 other companies were downgraded to the same category on 18 February 2024. The six companies - Active Fine Chemicals, AFC Agro Biotech, Fareast Life Insurance, New Line Clothing, Prime Finance and Investment and Prime Textile Spinning Mills has been degraded for not holding Annual General Meeting (AGM) on time. The Bangladesh Securities and Exchange Commission (BSEC) issued an Order on 15 February 2024 on category-wise placement. A listed company shall be shifted to the Z-category if it fails to declare any dividend for two consecutive years from the date of declaration of the last dividend or date of listing with the stock exchanges. Also if any company fails to hold their AGM within the stipulated timeframe it will be sent to the lowest category, the Order said. However, in the case of not holding an AGM due to any writ petition or any legal process pending before any court, a maximum of two years may be considered for such an action. A company will be treated as junk if it is not in operation for a minimum of six months excluding periods for renovations or in the event of unforeseeable circumstances. The settlement cycle of Z-category stocks shall be T+3. With the latest downgrading, currently there are 55 companies in the Z-category.

Export grew by 12.04% in February

The Export Promotion Bureau (EPB) revealed that export earnings surpassed the US\$5b mark for three consecutive months in the current fiscal year. Export earnings in February 2024 grew by 12.04% (Y-o-Y) to US\$5.19b compared with those of US\$4.63b in the same month of 2023. Bangladesh has recorded its highest single-month export receipts of US\$5.72b in January this year. Earlier, the monthly highest export earnings were recorded in December 2022 with exports worth US\$5.36b. As per the statistics from the EPB, out of the US\$5.19b earned in the past month, US\$4.48b came from Ready-made Garment (RMG) shipments, also 13.92% higher than the earnings in February last year. Knitwear generated US\$2.4b, growing by 14.29% last month while earnings from woven garments also increased by 13.04% to US\$2.08. Earnings rose by 1.9% (Y-o-Y) in 2023 to stand at US\$5.74b against US\$4.70b in 2022.



Remittance hits 8-month high

The remittance inflow in February 2024 increased to US\$2.16b, being highest in eight months, according to Bangladesh Bank (BB) reports. Remittance figures last month was highest after June 2022, when the inflow was US\$2.19b. In February 2023, the inflow was US\$1.56b. Including the figures of February, remittance grew 7.57% to US\$15.07b in the July-February period of FY2023-24. In FY2022-23, Bangladeshis working abroad sent home a total of US\$21.61b which was US\$21.03b in the earlier year. Earlier in FY2020-21 remittance hit a record high of US\$24.78b, up from US\$18.21b in FY2019-20.

Deposit and lending rates of NBFIs reset

The Bangladesh Bank (BB) has re-fixed the interest rates for deposits and loans of the Non-Banking Financial Institutions (NBFIs) through a circular on 05 March 2024. The highest interest rate on deposits offered by NBFIs will now be SMART (Six Months Moving Average Rate of Treasury Bills) + 2.50%, down from 2.75% since November 2023. The lending rate will be SMART+ 5.5%, which was 5.75% earlier. Nevertheless, even with a 25-basis-point cut in the interest rate margins, funds would get costlier owing to a significant hike in the benchmark rate SMART. The current SMART is 9.61%, which was only 7.72% in November 2023. Consequently, the deposit rate will now be a maximum of 12.11% against 10.47% since November. Similarly, the highest lending rate will be 15.11%, an increase from 13.47% earlier. The re-fixed rates will be applicable for new deposit and loan disbursements, the circular said. Currently, there are 35 NBFIs operating in Bangladesh. Most of these institutions have been facing an image crisis due to a wide range of corruption and maladministration. As per the central bank stress test report, out of 35 NBFIs, 10 were in the red zone. Of the total Tk216.58b bad loans in the sector at the end of September 2023, the amount of defaulted loans of the 10 NBFIs stood at Tk146.16b.

Inflation eases in February

Inflation fell 0.19 percentage points in February 2024 from the previous month, due to decline in both food and non-food prices, but it is still as high as 9.67%. According to the Bangladesh Bureau of Statistics (BBS), food inflation slipped 0.12 percentage points to 9.44%. It was 9.56% in the previous month. Similarly, non-food inflation declined 0.9 percentage points to 9.33% from 9.42%. The overall inflation has been above 9% since March 2023. Food inflation surged 12.54% in August, the highest in the last 12 years. In 2023 the 12-months average inflation rose significantly to 9.47%. Average inflation in FY2022-23 stood at 9.02%, also the highest in 12 years. The 12-months average inflation exceeded the revised target of 7.5% set for FY2022-23.

Month	Inflation	Food	Non-food	Month	Inflation	Food	Non-food
July'22	7.48%	8.19%	6.26%	May'23	9.94%	9.24%	9.96%
Aug'22	9.52%	9.94%	6.10%	June'23	9.74%	9.73%	9.60%
Sep'22	9.10%	9.08%	6.04%	July'23	9.69%	9.76%	9.47%
Oct'22	8.91%	8.50%	6.39%	Aug'23	9.92%	12.54%	7.95%
Nov'22	8.85%	8.14%	6.08%	Sep'23	9.63%	12.37%	7.82%
Dec'22	8.71%	7.91%	6.33%	Oct'23	9.93%	12.56%	8.30%
Jan'23	8.57%	7.76%	6.39%	Nov'23	9.49%	10.76%	8.16%
Feb'23	8.78%	8.13%	9.82%	Dec'23	9.41%	9.58%	8.52%
Mar'23	9.33%	9.09%	9.72%	Jan'24	9.86%	9.56%	9.42%
Apr'23	9.24%	8.84%	9.72%	Feb'24	9.67%	9.44%	9.33%

Source: BBS

Dismal recovery by SCBs

Overall condition of the State-owned Commercial Banks (SCBs) has been deteriorating overtime. The central bank instructed four SCBs - Sonali, Janata, Agrani and Rupali Bank to keep Non-Performing Loans (NPLs) within the limit they had agreed under the Bangladesh Bank's annual performance agreements. Janata Bank had a target for recovering NPLs at Tk15.15b but could recover only Tk2.25b. Agrani Bank recovered Tk3.89b of the target set at Tk15.35b. Sonali Bank had a recovery target of Tk10b, but it was able to recover Tk5.67b. Rupali Bank managed to recover Tk5.07b out of the Tk9.2b target.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	5,123.69	5,137.08	-0.26
FTSE 100	7,659.74	7,682.50	-0.30
Nikkei 225	39,688.94	39,910.82	-0.56
SENSEX	74,119.39	73,806.15	0.42
KSE 100	65,836.34	65,486.46	0.53

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,112.76	6,254.54	-2.27
Total Turnover, Tk	40,530.58	35,083.86	15.52
Market Capital, Tk	4,112,697,683,966	4,254,011,356,055	-3.32
No of Issue Gain	59	136	
No of Issue Loss	320	232	
No of Unchanged Issues	22	31	

Top Gainers

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Sunlife Insurance	49.40	58.30	18.02	271.64
GQ Ball Pen	110.30	128.30	16.32	237.35
Golden Son	16.50	19.10	15.76	355.95
Fine Foods	159.10	180.00	13.14	315.84
Fu-Wang Ceramic	27.80	30.60	10.07	2,088.49
Aftab Automobiles	52.40	56.40	7.63	891.69
Paramount Ins.	54.60	58.30	6.78	67.03
Beacon Pharma	236.40	248.80	5.25	540.23
IBBLPBOND	838.50	881.00	5.07	0.71
Al-Haj Textile Mills	156.10	162.30	3.97	62.11

Top Losers

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Central Pharma	33.30	26.80	-19.52	1,896.55
APSCLBOND	4904.5	3996.00	-18.52	0.04
AFC Agro Biotech	21.30	17.70	-16.90	127.09
Fareast Islami Life Ins.	59.20	49.50	-16.39	52.25
Bd.Thai Aluminium	32.00	27.20	-15.00	873.79
Mithun Knitting	22.80	19.40	-14.91	20.25
Prime Textile	24.40	21.10	-13.52	35.64
Monno Fabrics	31.90	27.70	-13.17	936.96
Active Fine Chemicals	19.60	17.10	-12.76	449.88
BATBC	518.70	452.90	-12.69	725.05

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	471.31	476.41	-1.07	2,513.37	2,649.59	-5.14
Cement	365.80	375.77	-2.65	925.48	608.61	52.06
Ceramic	722.91	741.48	-2.50	2,295.32	1,516.54	51.35
Engineering	5,144.33	5,255.89	-2.12	4,818.28	3,590.98	34.18
Food & Al.	4,639.33	5,096.77	-8.98	4,053.43	3,121.83	29.84
Fuel & Pow.	3,104.66	3,181.79	-2.42	945.62	854.18	10.71
Insurance	2,470.07	2,548.54	-3.08	3,506.36	2,896.49	21.06
IT	635.52	639.79	-0.67	1,284.37	1,021.36	25.75
Jute	2,361.89	2,349.15	0.54	79.24	101.76	-22.13
Misc.	2,687.34	2,719.06	-1.17	1,088.78	811.11	34.23
Mutual Fund	428.64	438.88	-2.33	613.58	557.64	10.03
NBFI	866.48	913.37	-5.13	550.06	449.48	22.38
Paper	13,368.77	13,587.46	-1.61	605.55	963.93	-37.18
Pharma	1,544.14	1,561.60	-1.12	6,529.82	5,834.03	11.93
Service	1,599.03	1,679.38	-4.78	316.32	436.84	-27.59
Tannery	1,063.74	1,059.85	0.37	961.77	904.83	6.29
Telecom	3,451.76	3,748.27	-7.91	834.83	449.13	85.88
Textile	1,644.69	1,699.34	-3.22	5,021.79	4,512.03	11.30
Travel & Leis.	1,669.30	1,695.46	-1.54	1,097.54	1,809.61	-39.35

Technical Talk

Dhaka stocks saw a massive fall last week, prolonged the losing streak for the fourth straight week. Risk-averse investors maintained sell-off on major sector issues. Out of its five trading days, market gained only one day. Among the major sectors, NBFI decreased by 5.13% followed by Textile 3.22%, Insurance 3.08% and Fuel & Power by 2.42%.

DSE Broad Index (DSEX) stood at 6,112.76 points after decreasing by 141.78 points or 2.27% from the previous week. Total turnover reached at Tk40530.58m, which was 15.52% higher than the previous week. Market capitalization decreased by 3.32% and stood at Tk4112.7b (\$37.39b) at the weekend against Tk4254.01b. DSE 30 decreased by 32.46 points or 1.53% and closed at 2,094.34 points against 2,126.80 points. Last week's weighted average Market PE was 12.59 which was 12.98 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 41.27.

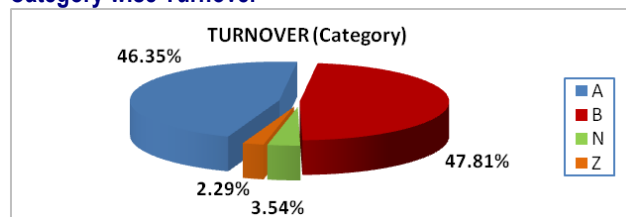
Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Fu-Wang Ceramic	69,555,792	2,088.49	5.15
Central Pharma	61,254,099	1,896.55	4.68
Monno Fabrics	29,911,011	936.96	2.31
Aftab Automobiles	15,449,717	891.69	2.20
Fortune Shoes	15,986,311	890.09	2.20
Bd.Thai Aluminium	27,558,930	873.79	2.16

Top 10 Market Capital

Company	Value (in million)
GP	105,922
BATBC	103,842
Walton Hi-Tech	92,519
Square Pharma	85,129
ROBI	85,038
RENETA	105,922
BEXIMCO	103,842
United Power	92,519
LafargeHolcim BD	85,129
Berger Paint	85,038

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz.)	2,186.20	2,091.60	4.52
Silver (USD/t.oz.)	24.53	23.35	5.05
Brent Crude Oil (USD/bbl.)	81.89	83.37	-1.78

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	110.00	110.00	110.00	110.00	0.00	0.00
EUR	126.37	126.37	125.21	125.21	0.93	0.93
GBP	148.54	148.54	146.15	146.15	1.64	1.64
AUD	73.28	73.28	72.12	72.12	1.61	1.61
JPY	0.76	0.76	0.74	0.74	2.70	2.70
CAD	82.02	82.02	81.54	81.54	0.59	0.59
SAR	29.48	29.48	29.48	29.48	0.00	0.00

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)
-	-	-	-