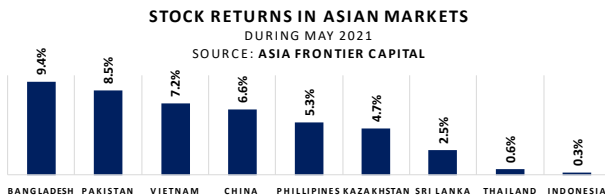


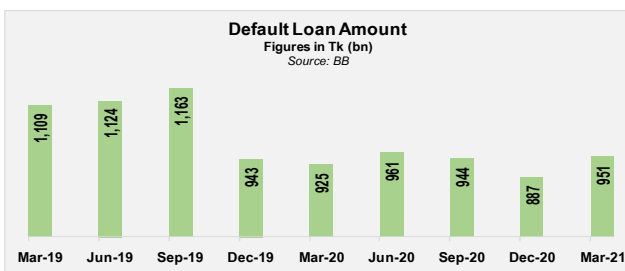
DSE tops Asian frontier markets in gains

According to Asia Frontier Capital, the Bangladeshi stock market was the lead-performer among the Asian frontier markets in May 2021. During the month, the benchmark index of the Dhaka Stock Exchange (DSE), DSEX, outperformed the key indices of the main bourses in Pakistan, Vietnam, China, Philippines, Kazakhstan, Sri Lanka, Thailand, and Indonesia in gains. AFC Asia Frontier Fund, which has an investment in Bangladeshi stocks, saw its net asset value rising by around 3%. However, some experts fear that the massive rise in the small-cap scripts at the both DSE and Chittagong Stock Exchange (CSE) within a month might be an outcome of exorbitant speculations.



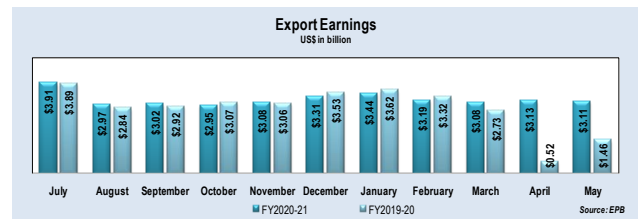
Toxic loan up in Jan-Mar period

Default loans in the banking sector rose by Tk63.51b during the first quarter of 2021 despite enjoying policy support from the central bank on matters of loan classification. The volume of Non-Performing Loans (NPLs) stood at Tk950.85b at the end of March 2021, which was 8.07% of the total outstanding loans of the sector, according to the Bangladesh Bank (BB) statistics. Bad loans were at Tk887.34b or 7.66% of the total outstanding loans only three month earlier. Default loans went down last year as the central bank offered a loan repayment moratorium facility on loan classification for all kinds of borrowers, considering the economic distress arising from Covid-19 pandemic. But in a new circular issued by BB on March 24, 2021, it has been mentioned that the loan moratorium facility would be offered for specific sectors on the basis of bank-customer relationships. Different type of facilities have been extended depending on the type of loans. Some banks did not extend the deferral facility for bad customers, which was one of the reasons for the increasing trend of NPLs. Private banks have been overburdened with defaulted loans and the amount of such loans in these banks is higher than that of state-owned banks at the end of Q1 of the current year. The BB data showed that the defaulted loans in the private commercial banks rose to Tk450.90b at the end of March from Tk399.16b in December 2020 while at state-owned banks it stood at Tk434.50b as on March 31, 2021 from Tk422.74b in December, 2020. Specialized and foreign commercial banks saw their defaulted loans increase to Tk40.86b and Tk24.58b respectively at the end of March from Tk40.62b and Tk20.38b during the preceding quarter.



Export receipt rise 13.64% in July-May

Overall export earnings stood at US\$35.18b during the first eleven months of the current fiscal year, marking a 13.64% growth compared to that of the corresponding period of last fiscal year, riding on moderate performance of Ready-made Garments (RMG). As per the recent statistics of Export Promotion Bureau (EPB), earnings from merchandise shipment in the single month May surged 112.88% (Y-o-Y) to US\$3.11b against that of US\$1.46b in the FY2019-20. RMG shipment, which contributes nearly 84% of the total national export, increased 11.1% (Y-o-Y) to US\$28.56b in the first eleven months of the current fiscal year. Of the total amount, US\$15.36b was fetched by knitwear and US\$13.19b by woven, keeping the growth rate to 20.55% and 1.8% respectively. During the period, apparel export to the largest destinations-United States and European Union registered almost double digit growth. Apart from RMG sector, export of jute and jute goods climbed 33.23% (Y-o-Y) to US\$1.08b while earnings from leather and leather goods export also grew by 14.43% (Y-o-Y) to US\$846.08m.



Excess liquidity led to lower deposit & lending rate

Liquidity glut in the banking sector increased further by 1.59% (Y-o-Y) in April against the backdrop of the declining credit demand in the wake of the depressed economic activities amid the second wave of Covid-19 spread. Besides, the buoyant inflow of remittance as well as the injection of stimulus fund to money market also contributed to the rise of this surplus fund. As per reports from Bangladesh Bank (BB), liquidity glut in the banking sector reached Tk2015.46b in April this year, up from Tk1984b a month ago. Of the total, Tk900.38b was in the state-owned banks, Tk899.55b in the private banks and the remaining Tk215.53b in the foreign banks. Scheduled banks are now compelled to offer their loan products at a very low rate in this situation. Consequently, the weighted average lending rate plunged to 7.40% at the end of April this year, which was 7.45% in last March, BB reports. Weighted average deposit rate also went down to 4.36% during the month from 4.40% a month ago. Meanwhile, weighted average lending rate of 18 banks dropped below 7% in April and the deposit rate of 19 banks fell below 4%.

Bangladesh progressed on SDG index

Bangladesh is among the countries that improved most on the Sustainable Development Goals (SDG) Index since 2015 until the outbreak of Covid-19 pandemic, reveals the Sustainable Development Report 2021. Bangladesh is ranked 109th among 165 countries on the index, above India, Pakistan and Afghanistan, but below Sri Lanka, Nepal and the Maldives in South Asia. Bangladesh features among the top three countries that have progressed most on the SDG Index. Out of 100 Bangladesh score has increased to 63.5, which was 59.01 in 2015. Finland tops the 2021 SDG Index, followed by Sweden and Denmark.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	4,166.45	4,247.44	-1.91
FTSE 100	7,017.47	7,134.06	-1.63
Nikkei 225	28,964.08	28,948.73	0.05
SENSEX	52,344.45	52,474.76	-0.25
KSE 100	48,238.67	48,304.72	-0.14

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,052.76	6,066.64	-0.23
Total Turnover, Tk	97,986,798,255	121,882,399,845	-19.61
Market Capital, Tk	4,482,645,474,239	4,500,568,763,415	-0.40
No of Issue Gain	148	211	
No of Issue Loss	210	142	
No of Unchanged Issues	17	18	

Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Safko Spinnings Mills	16.40	24.90	51.83	190,258,000
United Insurance	56.50	71.50	26.55	120,720,000
Reliance Insurance	96.30	121.60	26.27	668,108,000
Coppertech Ind.	29.90	36.50	22.07	512,070,000
Rupali Bank	30.70	37.10	20.85	265,080,000
Paramount Ins.	79.40	95.00	19.65	630,797,000
Alif Industries	31.10	36.60	17.68	383,103,000
Agrani Insurance	58.40	67.90	16.27	806,083,000
Standard Insurance	67.40	78.10	15.88	643,087,000
Republic Insurance	61.60	69.60	12.99	794,538,000

Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Alif Manufacturing Co.	12.00	10.70	-10.83	592,808,000
Sonar Bangla Insurance	114.40	102.60	-10.31	1,347,123,000
MH Spinning Mills	20.10	18.10	-9.95	180,972,000
Al-Arafah Islami Bank	23.80	21.50	-9.66	49,124,000
MONNOAGML	718.70	649.90	-9.57	5,223,000
Standard Ceramic Ind.	278.50	252.00	-9.52	2,411,000
Sonali Paper	247.00	223.50	-9.51	12,046,000
Samata Leather	96.80	87.70	-9.40	686,000
CVO Petrochemical	104.50	94.70	-9.38	3,118,000
Monno Ceramic	118.60	107.50	-9.36	95,018,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	442.35	449.18	-1.52	6,671.71	10,203.34	-34.61
Cement	359.16	355.62	0.99	1,818.57	2,547.33	-28.61
Ceramic	672.61	687.37	-2.15	874.77	1,088.86	-19.66
Engineering	7,623.96	7,745.44	-1.57	10,847.09	12,266.83	-11.57
Food & Al.	4,891.20	4,882.73	0.17	2,124.23	2,587.89	-17.92
Fuel & Pow.	3,946.99	3,880.22	1.72	6,247.52	5,555.38	12.46
Insurance	3,288.73	3,151.29	4.36	24,573.19	29,869.98	-17.73
IT	480.46	498.62	-3.64	1,415.09	2,220.20	-36.26
Jute	1,057.79	1,105.54	-4.32	61.10	93.14	-34.40
Misc.	2,218.26	2,190.66	1.26	11,842.86	14,198.10	-16.59
Mutual Fund	562.16	563.59	-0.25	2,228.67	1,910.34	16.66
NBFI	1,228.07	1,242.27	-1.14	4,207.83	7,924.49	-46.90
Paper	6,579.87	6,734.11	-2.29	226.61	262.56	-13.69
Pharma	1,389.63	1,384.42	0.38	6,937.54	6,618.35	4.82
Service	1,333.24	1,321.04	0.92	1,329.56	1,818.21	-26.88
Tannery	692.93	684.61	1.22	1,736.96	2,733.89	-36.47
Telecom	4,767.41	4,874.40	-2.20	1,331.29	2,059.86	-35.37
Textile	1,387.45	1,385.93	0.11	10,284.29	14,866.31	-30.82
Travel & Leis	482.60	500.20	-3.52	223.19	165.43	34.91

Technical Talk

Dhaka stocks closed in red trajectory in the last week ended on Thursday as investors liquidated shares to book some profit on quick-gaining stocks amid rising trend of Covid-19 cases. Despite a gain in three sessions out of five sessions in the week, the core index dropped in the past week. The Bangladesh Securities and Exchange Commission (BSEC) lifted the floor price for all listed companies effective from June 20, which impact some investors and they may took a conservative approach. Among the major sectors, Telecom faced the highest correction; losing 2.20% over the week followed by ceramic sector 2.15%, Engineering 1.57%, Bank 1.52% and NBFIs 1.14%.

DSE Broad Index (DSEX) stood at 6,052.76 points after decreasing by 13.88 points or 0.23% from the previous week. Total turnover reached at Tk97986.80m, which was 19.61% lower than the previous week. Market capitalization decreased by 0.40% and stood at Tk4482.65b (\$52.80b) at the weekend against Tk4500.57b. DSE 30 decreased by 8.04 points or 0.36% and closed at 2,197.06 points against 2,205.10 points. Last week's weighted average Market PE was 18.24 which was 18.48 previous week.

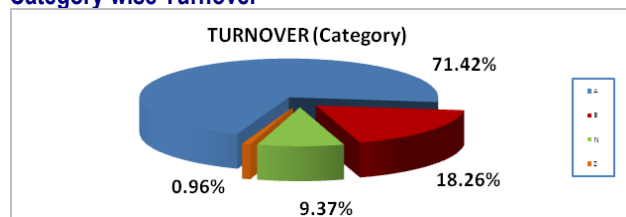
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Beximco	114,077,341	10,807,316,000	8.87
LankaBangla Finance	80,306,172	3,006,335,000	2.47
Pioneer Insurance	14,845,867	2,636,387,000	2.16
Fortune Shoes	79,355,220	2,583,724,000	2.12
National Feed Mill	47,941,853	1,727,062,000	1.42
Sandhani Life Ins.	38,818,776	1,699,643,000	1.39

Top 10 Market Capital

Company	Volume	Value (Tk)	% of total
GP	464,638	United Power	145,451
Walton Hi-Tech	406,106	RENATA	114,475
BATBC	287,874	BEXIMCO	85,704
ROBI	230,469	ICB	83,958
Square Pharma	180,498	Berger Paint	82,098

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/oz.)	1,763.90	1,879.50	-6.15
Silver (USD/oz.)	25.85	28.05	-7.84
Brent Crude Oil (USD/bbl.)	73.18	72.60	0.80

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	84.90	84.95	84.90	84.95	0.00	0.00
EUR	103.88	103.94	104.87	104.93	-0.94	-0.94
GBP	121.89	121.86	122.78	122.85	-0.72	-0.81
AUD	65.11	65.15	65.77	65.81	-1.00	-1.00
JPY	0.77	0.78	0.78	0.78	-1.28	0.00
CAD	69.71	69.55	70.21	70.25	-0.71	-1.00
SAR	22.75	22.77	22.75	22.77	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)
Sonali Life Ins. Co. Ltd.	May 30-Jun 03,2021	10	190
Baraka Patenga Power Ltd.	June 13- Jun 17, 2021	29	2250