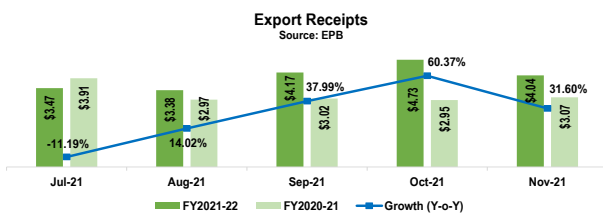


Government intensifies liquidity sourcing

The government accelerated bank borrowing against the backdrop of sudden surge in deficit of government account to nearly Tk45b on December 5, 2021 from Tk22.5b two days earlier. The recent liquidity shortfall of the government was largely attributed to the substantial disbursement for government salaries and T-bonds. On December 5, 2021, T-bonds worth around Tk45b were paid off at maturity. On the day, Bangladesh Bank (BB) issued 91-day and 364-day T-bills worth Tk66.81b while the pre-auction target was Tk25b. Previously on December 2, 2021, BB collected Tk38.88b through issuing T-bills against the pre-auction target of Tk25b. As per BB report, the government borrowed Tk177.97b from the scheduled banks through T-Bills and T-bonds and repaid Tk40.37b till November 25, 2021 leaving net borrowings from banks at Tk137.60b. During the period, the government also borrowed Tk10.15b from non-banking sources through T-bills/bonds. On the other hand, BB sold US Dollars equivalent to Tk160b to the banks during the August-November period of 2021 to prevent further depreciation of the Taka. Such an aggressive withdrawal of liquidity by BB has already hiked the money market interest rates. In the last auction, the 91-day and 364-day T-bills cost 2.4% and 3.49% respectively while the weighted average call money rate rose above 4% as the dearth of liquidity pressed the banks to resort to the inter-bank call money market. Money market experts have hinted that the government borrowing might continue to rise if financial assistances from overseas sources are not immediately available. Moreover, the experts have opined that the aggressive withdrawal of money from market may not contain the ongoing cost-push inflation.

Export earnings rise by 24.31% in Jul-Nov

Export receipts kept maintaining impressive growth during July to November period of the current fiscal year consequent to increasing global demand of apparels after the rebound from the severe fallout from the Covid-19 pandemic. Besides, nearly 20% apparel orders have been shifted to Bangladesh from the major competitors. As per the latest figures from the Export promotion Bureau (EPB), merchandise shipment rose by 24.31% (Y-o-Y) to US\$19.79b in the first five months of the FY2021-22 from US\$15.92b in the same period of the last fiscal year. Readymade Garments (RMG) export jumped to US\$15.85b during the period, posting 22.96% (Y-o-Y) growth against that of US\$12.89b in the previous fiscal year. Of the total RMG shipment, US\$8.98b came from knitwear and US\$6.87b from woven items, growing by 25.91% and 19.32% respectively.



Leather and leather goods shipments increased by 27.41% (Y-o-Y) to US\$456.85m followed by agricultural and vegetables exports 24.37% to US\$556.46m and frozen & live fish shipment 23.39% to US\$286.85m. However, export of jute and jute products dropped by 17.45% (Y-o-Y) in the period to stand at US\$456.83m, which was US\$553.43m a year earlier.

Import payment soars 51.33% in Jul-Oct

Payments against import bills saw a big surge during the July to October period of the current fiscal year, pushed by rising imports of industrial raw material and capital machineries in the midst of resumption in business activities. Alongside, the abrupt hike in fuel prices in the international markets also raised the import cost that eventually contributed to the surging overall import payment. As per the recent reports from Bangladesh Bank (BB), settlement of Letters of Credit (LCs) during the first four months (July-October) of FY2021-22 swelled by 51.33% (Y-o-Y) to US\$23.39b against US\$15.45b in the same period of the previous fiscal year. During the period, industrial raw materials import surged by 49.05% (Y-o-Y) to US\$8.6b from US\$5.77b a year ago. Meanwhile, import of intermediate goods soared by 66.87%, followed by capital machinery 25.69%, petroleum 82.45%, fuel 69.35%, and consumer goods 48.26% on a year-on-year basis, as per the BB figures.

Net sales of saving certificates plummet

Net sales of National Savings Certificates (NSCs) nosedived by 72.88% to Tk7.66b in October 2021 as against Tk28.25b in the previous month, according to the latest figures from the National Savings Directorate (NSD). The drastic fall is attributed to the recent reduction in yields on such borrowing tools of the government. The government slashed up to 2% of yields on almost all savings schemes in September 2021. The new rates of interest are applicable for both individual and institutional investors. However, the revised rates are only applicable for fresh investments while the existing certificate holders will continue to receive previous rates until the maturity of those instruments. Investments below Tk1.5m in the savings schemes will continue to enjoy the previous interest rates as well. If the investment amount is higher than Tk1.5m, the investors will get a lower interest rate. In the July-October period of FY2021-22, net sale of NSCs dropped by 40.39% (Y-o-Y) to 93.24b from the level in the corresponding period of the last fiscal year. For the current fiscal year, the borrowing target from the saving certificates was set at Tk303.02b. The NSD statistics showed the net sales of NSCs tools stood at Tk419.59b in the FY2020-21 against the target of Tk200b. Experts are of the view that the significant fall in the net sales of NSCs would impel the government to enhance its borrowing from banking channel.

Tax revenue from DSE falls further

The government revenue collection from the Dhaka Stock Exchange (DSE) dropped by 15.97% in November 2021 as against the previous month owing to the declining trade volume. According to the figures from the DSE, government earnings from the bourse stood at Tk342m in November against Tk407m in October. Of the total earnings, Tk267m came from the TREC holders' commission and Tk75m from the share sales by sponsor-directors and placement holders. However, tax receipts from the DSE swelled by 85.92% (Y-o-Y) to Tk2.06b in the first five months (July-November) of the FY2021-22. In November, daily average turnover on the premier bourse decreased by 34.49% to Tk12.12b as against the average turnover of Tk18.5b in the previous month. Moreover, the prime index of the Dhaka bourse also shed 297.69 points or 4.25% to close at 6,703.26 points in November 2021 against 7,000.95 points in October last.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	4,712.02	4,538.43	3.82
FTSE 100	7,291.78	7,122.32	2.38
Nikkei 225	28,437.77	28,029.57	1.46
SENSEX	58,786.67	57,696.46	1.89
KSE 100	43,395.78	43,232.83	0.38

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,984.74	6,936.20	0.70
Total Turnover, Tk	53,090,146,179	50,399,776,440	5.34
Market Capital, Tk	4,925,988,073,567	4,883,025,134,486	0.88
No of Issue Gain	278	176	
No of Issue Loss	79	168	
No of Unchanged Issues	23	36	

Top Gainers

Company	Last Week	This Week	Change %	Turnover (Tk)
CVO Petrochemical	157.40	204.00	29.61	255,361,000
Fine Foods Limited	40.00	51.70	29.25	57,833,000
Agricultural Mkt. Co.	209.30	269.00	28.52	92,302,000
Gemini Sea Food	221.10	283.80	28.36	183,938,000
Information Services	35.40	45.20	27.68	76,109,000
Fu Wang Food Ltd.	13.90	17.40	25.18	225,797,000
Metro Spinning Ltd.	19.90	24.80	24.62	176,689,000
Appollo Ispat	8.30	10.20	22.89	231,652,000
Shurwid Industries	15.30	18.60	21.57	133,323,000
Anlima Yarn Dyeing	36.30	44.10	21.49	73,975,000

Top Losers

Company	Last Week	This Week	Change %	Turnover (Tk)
ACME Pesticides	36.90	33.40	-9.49	560,594,000
Vanguard AML BD MF	8.90	8.10	-8.99	23,343,000
Aman Feed Limited	62.40	56.80	-8.97	262,726,000
First Security Islami	15.40	14.20	-7.79	1,343,704,000
Delta Life Insurance Co.	208.40	196.20	-5.85	1,153,565,000
Fortune Shoes Limited	94.50	89.60	-5.19	819,206,000
Mercantile Bank Ltd.	19.30	18.30	-5.18	557,226,000
Paramount Textile	98.10	93.30	-4.89	645,058,000
Bangladesh Submarine	196.60	187.10	-4.83	232,132,000
One Bank Limited	19.20	18.30	-4.69	2,134,383,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	512.59	518.39	-1.12	8,987.55	13,547.21	-33.66
Cement	410.59	407.48	0.76	770.12	657.17	17.19
Ceramic	816.40	791.62	3.13	441.34	215.42	104.88
Engineering	7,301.40	7,090.11	2.98	3,369.19	2,179.70	54.57
Food & Al.	5,850.81	5,643.10	3.68	2,057.24	1,349.56	52.44
Fuel & Pow.	4,240.94	4,249.38	-0.20	2,701.83	2,274.64	18.78
Insurance	2,909.01	2,875.12	1.18	4,233.75	3,012.78	40.53
IT	656.60	619.17	6.05	1,947.30	1,595.73	22.03
Jute	1,124.18	1,013.33	10.94	36.56	10.45	250.00
Misc.	2,848.14	2,882.87	-1.20	6,004.50	6,280.04	-4.39
Mutual Fund	524.77	524.11	0.13	394.36	359.85	9.59
NBFI	1,464.19	1,462.50	0.12	3,814.73	2,235.26	70.66
Paper	11,300.83	10,985.88	2.87	1,079.52	589.56	83.11
Pharma	1,676.53	1,667.61	0.54	6,250.74	6,276.86	-0.42
Service	1,756.69	1,726.96	1.72	660.56	683.56	-3.36
Tannery	1,100.33	1,097.19	0.29	914.83	917.77	-0.32
Telecom	4,741.73	4,743.27	-0.03	447.33	510.12	-12.31
Textile	1,810.72	1,710.10	5.88	5,389.34	4,172.66	29.16
Travel & Leis	582.76	575.54	1.26	504.76	385.98	30.77

Technical Talk

Dhaka Stocks closed at positive trajectory for the second consecutive week as investors put fresh bets on selective issues despite the inconclusive meeting between regulators on banks' investment in stocks. In line with the rise in the key index of DSE, DSE Shariah Index (DSES) inched up though DS30 slipped marginally. Among the major sectors, Textile increased by 5.88%, followed by Engineering 2.98%, Insurance 1.18%, Cement 0.76% and Pharma 0.54%.

DSE Broad Index (DSEX) stood at 6,984.74 points after increasing by 48.54 points or 0.70% from the previous week. Total turnover reached at Tk53090.15m, which was 5.34% higher than the previous week. Market capitalization increased by 0.88% and stood at Tk4925.99b (\$57.41b) at the weekend against Tk4883.03b. DSE 30 decreased by 3.75 points or 0.14% and closed at 2,632.19 points against 2,635.94 points. Last week's weighted average Market PE was 18.54 which was 18.41 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. Last week, RSI was at 59.51.

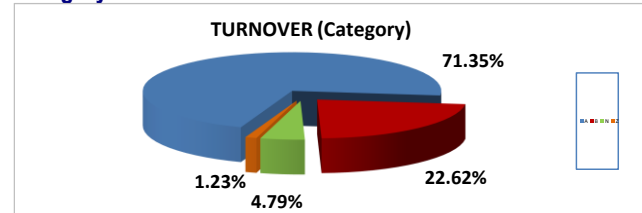
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Beximco	29,744,696	4,969,434,000	9.36
One Bank Limited	110,909,823	2,134,383,000	4.02
GSP Finance	51,900,154	1,371,578,000	2.58
First Security Is. Bank	91,125,050	1,343,704,000	2.53
IFIC Bank Ltd.	61,637,795	1,167,183,000	2.20
Delta Life Insurance	5,660,308	1,153,565,000	2.17

Top 10 Market Capital

Company	Market Capital (In million)
GP	148,982
Walton Hi-Tech	143,278
BATBC	128,466
ROBI	99,514
Square Pharma	91,944
United Power	148,982
Beximco Ltd.	143,278
RENATA	128,466
ICB	99,514
Beximco Pharma	91,944

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz.)	1,783.10	1,783.90	-0.04
Silver (USD/t.oz.)	22.22	22.57	-1.57
Brent Crude Oil (USD/bbl.)	71.96	69.93	2.90

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	85.80	85.85	85.80	85.85	0.00	0.00
EUR	100.32	100.32	99.05	99.11	1.28	1.22
GBP	116.82	116.82	115.83	115.89	0.86	0.81
AUD	61.53	61.54	60.39	60.42	1.88	1.86
JPY	0.78	0.78	0.77	0.77	1.66	1.66
CAD	67.80	67.82	67.15	67.19	0.97	0.94
SAR	22.92	22.92	22.99	23.00	-0.32	-0.37

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)
Union Insurance Co. Ltd.	15 Dec – 22 Dec, 2021	10	193.61
BD Thai Food & Bev. Ltd.	23 Dec – 29 Dec, 2021	10	150.00
Union Bank Limited	26 Dec – 30 Dec, 2021	10	4,280.00