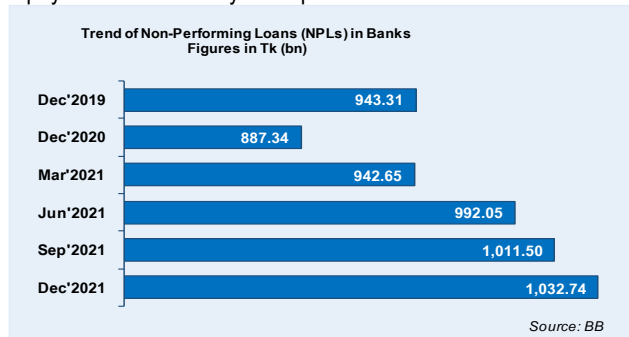


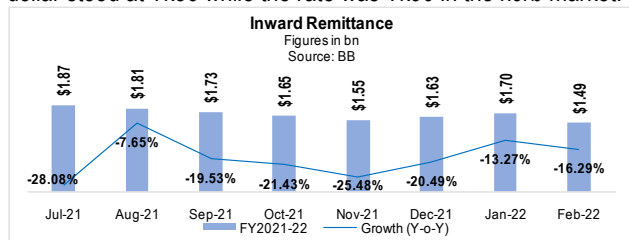
Toxic loan up in 2021

Default loans in the banking sector rose by Tk145.4b as on December 31, 2021, despite enjoying policy support from the central bank with relaxed and suspended loan classification and provisioning requirements. According to Bangladesh Bank (BB) reports, the volume of Non-Performing Loans (NPLs) stood at Tk1032.74b at the end of December 2021 from Tk887.34b a year ago. The amount of classified loans is feared to balloon further if the amount of write-offs is included in the figure. The outstanding amount of written-off credits came to Tk436.09b on September last year. Of the total amount of defaulted loans, the amount in the private commercial banks increased by Tk116.05b to Tk515.21b in December 2021 from Tk399.16b in December 2020. In the state-owned banks, the defaulted loans increased by Tk27.03b to Tk449.77b in December 2021, from Tk422.74b a year ago. In the specialized banks and foreign commercial banks, the amount of defaulted loans stood at Tk39.91b and Tk27.85b respectively at the end of December 2021. The volume of NPLs may go up further in the first quarter of the current calendar year, it is feared, as the policy relaxation on loan repayments has already been phased out.



Inward remittance drop to 22-months low

The inward remittance from overseas to Bangladesh by the expatriate workforce plunged to a 22-month low in February 2022 even though the central bank raised the cash incentives on such inward remittance to 2.5% from 2% earlier. As per the latest statistics from Bangladesh Bank (BB), expatriate remitters sent US\$1.49b in the month, which was 16.29% (Y-o-Y) lower than the US\$1.78b in the same month of the last calendar year. During the July-February period of the FY2021-22, inward remittance slid 19.47% (Y-o-Y) to fall at US\$13.44b against the US\$16.69b in the corresponding period of the previous fiscal year. Although the central bank encourage overseas Bangladeshis to send money through the formal banking channel instead of the illegal and informal 'hundi' conduit, money transfers through informal channels rose due mainly to a gap between official exchange rate of the US dollar and *kerb* market rates. As of February 28, 2022 inter-bank exchange rate of US dollar stood at Tk86 while the rate was Tk90 in the *kerb* market.



Interest spread squeezes

The interest rate spread in the banking sector declined to 3.12% in January, 2022 from 3.19% a month earlier, as the banks had to increase their deposit rates, while lending rates dropped slightly. As per the recent Bangladesh Bank (BB) report, the weighted average deposit rate rose to 4.01% in January from 3.99% in the previous month while such rate on lending fell to 7.13% in January 2022 from 7.18% in the previous month. The interest spread in the state owned commercial banks, private commercial banks, foreign commercial banks and specialized banks stood at 2.35%, 3.19%, 5.25%, and 1.82% respectively at the end of January, as per BB reports. The central bank on August 08, 2021 directed the scheduled banks not to set the deposit rate below the prevailing inflation rate. Banks have to follow the rules for term-deposit of three months or above tenure as the BB deemed it prudent to protect the interest of the depositors and to maintain asset-liability balance of the banks. In the month of January, point-to-point inflation stood at 5.86% which was 6.05% in the previous month.

Particulars	Weighted Average Interest Rate		Spread
	Deposits	Advances	
January	4.51%	7.56%	3.05%
February	4.44%	7.48%	3.04%
March	4.40%	7.45%	3.05%
April	4.36%	7.40%	3.04%
May	4.14%	7.40%	3.26%
June	4.13%	7.33%	3.20%
July	4.11%	7.30%	3.19%
August	4.05%	7.24%	3.19%
September	4.08%	7.24%	3.16%
October	4.01%	7.15%	3.14%
November	3.99%	7.15%	3.16%
December	3.99%	7.18%	3.19%
January	4.01%	7.13%	3.12%

Source: Bangladesh Bank

Foreign aid disbursement and commitment rise

In the first seven months of the current fiscal year, foreign aid disbursement and commitments both increased mostly riding on the pandemic related budget assistance released by the development partners. According to the Economic Relations Division (ERD) reports, during the period foreign development partners, including the World Bank (WB), Asian Development Bank (ADB), Islamic Development Bank (IDB), as well as Japan and China disbursed US\$4.69b, which was US\$3.35b in the corresponding period of the last year. The development partners made an aid commitment of US\$4.7b in the July-January period of the current fiscal year, which was US\$2.46b in the same period of last fiscal year. ADB topped the fund disbursement list with US\$1.7b followed by Japan at US\$1b, China US\$497m and WB US\$461m. China made the highest commitment of US\$1.12b followed by the ADB with US\$822m and the WB with US\$795m. The ERD also revealed that the government repaid US\$1.22b in interest and principal against the total outstanding loans during the July-January period of FY22. The amount was US\$900m during the corresponding period of last year.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	4,328.87	4,384.65	-1.27
FTSE 100	6,987.14	7,489.46	-6.71
Nikkei 225	25,985.47	26,476.50	-1.85
SENSEX	54,333.81	55,858.52	-2.73
KSE 100	44,551.35	43,984.24	1.29

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,696.52	6,839.44	-2.09
Total Turnover, Tk	37,458,357,625	39,878,925,295	-6.07
Market Capital, Tk	4,714,811,353,494	4,831,339,791,192	-2.41
No of Issue Gain	55	73	
No of Issue Loss	319	297	
No of Unchanged Issues	12	17	

Top Gainers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Sunlife Insurance	35.60	40.90	14.89	80,353,000
Shurwid Industries	19.00	21.10	11.05	133,319,000
Takaful Islami Ins.	68.90	75.90	10.16	123,309,000
Fareast Life Ins.	88.50	95.20	7.57	346,575,000
BD Thai Food	36.00	38.50	6.94	159,770,000
MHSM	30.50	32.40	6.23	141,352,000
Evince Textiles	10.90	11.50	5.50	143,508,000
Sonali Paper	718.50	756.80	5.33	1,123,562,000
Prime Islami life Ins.	67.60	71.20	5.33	43,467,000
ACME Pesticides	33.10	34.80	5.14	148,090,000

Top Losers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
NCCBL Mutual Fund-1	8.90	7.40	-16.85	20,736,000
Crown Cement	74.60	64.20	-13.94	23,290,000
RAK Ceramics (BD)	51.20	45.60	-10.94	253,355,000
Aman Feed	51.30	45.70	-10.92	134,049,000
Hamid Fabrics	22.70	20.30	-10.57	75,679,000
IntracoRefueling Station	21.60	19.50	-9.72	32,782,000
Unilever ConsumerCare	3168.3	2875.9	-9.23	49,662,000
South Bangla Bank	14.40	13.20	-8.33	46,532,000
Associated Oxygen	43.70	40.20	-8.01	23,402,000
Saiham Textile Mills	22.70	20.90	-7.93	40,810,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	488.75	498.33	-1.92	3,197.68	2,145.93	49.01
Cement	372.77	395.50	-5.75	645.70	648.06	-0.36
Ceramic	777.36	847.60	-8.29	417.89	538.49	-22.40
Engineering	6,871.28	7,097.73	-3.19	3,433.77	4,294.24	-20.04
Food & Al.	5,599.09	5,704.67	-1.85	2,220.94	2,697.48	-17.67
Fuel & Pow.	4,146.16	4,237.68	-2.16	1,525.92	1,678.40	-9.08
Insurance	2,788.08	2,839.60	-1.81	3,033.10	2,979.04	1.81
IT	605.13	621.78	-2.68	866.70	1,398.04	-38.01
Jute	1,078.86	1,081.96	-0.29	37.43	95.42	-60.77
Misc.	2,820.51	2,821.46	-0.03	5,987.07	4,570.61	30.99
Mutual Fund	472.17	500.60	-5.68	247.07	189.25	30.56
NBFI	1,274.11	1,334.74	-4.54	1,176.12	1,382.04	-14.90
Paper	13,234.85	13,182.51	0.40	1,702.38	1,278.18	33.19
Pharma	1,664.32	1,692.87	-1.69	3,949.78	4,529.02	-12.79
Service	1,757.53	1,840.35	-4.50	678.40	726.51	-6.62
Tannery	1,297.18	1,318.72	-1.63	1,240.29	3,054.50	-59.39
Telecom	4,367.14	4,521.76	-3.42	414.27	354.16	16.97
Textile	1,851.48	1,901.17	-2.61	4,977.35	5,296.49	-6.03
Travel & Leis.	615.48	634.90	-3.06	318.64	346.88	-8.14

Technical Talk

Dhaka stocks plunged in the past week extending the losing streak for a third week, as investors decided to stay on the sidelines amid global economic uncertainty caused by Russian-Ukraine conflict. The DSEX lost 390 points in the last three weeks. Among the major sectors, Ceramic sector decreased by 8.29% followed by Cement 5.75%, Mutual Fund 5.68% and NBFI 4.54%.

DSE Broad Index (DSEX) stood at 6,696.52 points after decreasing by 142.92 points or 2.09% from the previous week. Total turnover reached at Tk37458.36m, which was 6.07% lower than the previous week. Market capitalization decreased by 2.41% and stood at Tk4714.81b (\$54.82b) at the weekend against Tk4831.34b. DSE 30 decreased by 52.04 points or 2.07% and closed at 2,462.94 points against 2,514.98 points. Last week's weighted average Market PE was 15.96 which was 16.34 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 plunged to 50.62.

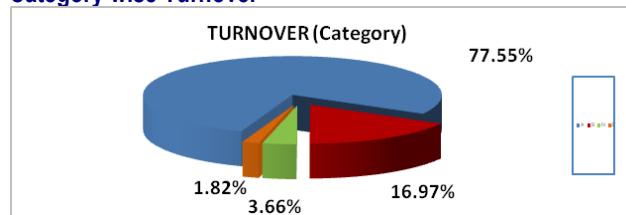
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
BEXIMCO	24,947,428	3,774,067,000	10.08
BSC	15,072,203	1,812,143,000	4.84
Sonali Paper	1,507,575	1,123,562,000	3.00
Fortune Shoes	8,165,239	999,097,000	2.67
Orion Pharma	8,971,664	916,766,000	2.45
BATBC	1,133,287	692,260,000	1.85

Top 10 Market Capital

			In million
GP	443,979	United Power	145,735
Walton Hi-Tech	330,642	BEXIMCO	133,551
BATBC	330,525	RENATA	132,344
Square Pharma	193,335	ICB	87,512
Robi	185,423	BXPBARMA	83,155

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,974.90	1,890.10	4.49
Silver (USD/t oz.)	25.89	24.33	6.41
Brent Crude Oil (USD/bbl.)	118.04	94.46	24.96

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	86.00	86.05	86.00	86.05	0.00	0.00
EUR	95.86	95.92	98.87	98.93	-3.04	-3.04
GBP	116.04	116.11	117.62	117.69	-1.34	-1.34
AUD	63.72	63.75	62.54	62.57	1.89	1.89
JPY	0.76	0.76	0.75	0.75	1.33	1.33
CAD	67.89	67.93	68.03	68.07	-0.21	-0.21
SAR	23.04	23.05	23.04	23.06	0.00	-0.04

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)
JMI Hospital Req. Mfg. Ltd.	27 Feb - 03 Mar, 2022	20.0	Tk750