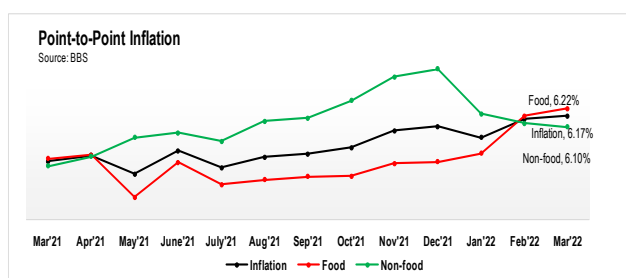


BSEC widens circuit breaker lower limit

The Bangladesh Securities and Exchange Commission (BSEC) again reset the regular circuit breaker on all listed securities. The regulator raised the downward circuit breaker limit to 5% from 2% which was made effective from April 21, 2022. The upper limit would, however, remain unchanged at 10%. On March 09, this year the BSEC cut the downward limit of the circuit breaker to 2% from 10% to arrest free-fall of the market. But lowering of circuit breaker turned the market illiquid and turnover at the exchanges dropped to its lowest level in last one year. The turnover at the Dhaka Stock Exchange (DSE) slumped to Tk3903.89m on April 18, 2022. Turnover of the last Monday was the lowest after April 05, 2021 when it was at Tk2366.07m. In response, the BSEC increased the lower limit. Meanwhile, the market index returned to positive territory with the reset as the DSEX increased 55.95 points or 0.85% to settle at 6,662.36 points on April 21, 2022. The turnover on DSE also increased to Tk7540.77m against Tk6059.72m in the previous session a day earlier.

Inflation hits 17-month high

The Point-to-Point (P-to-P) inflation has been maintaining an upward trend over the last few months. As per the recent release from the Bangladesh Bureau of Statistics (BBS), the point-to-point inflation stood at 6.22% in March this year from 6.17% in the preceding month. Inflation hit a 17-month high in March this year, after October 2020, fuelled by the escalating level of food inflation. Meanwhile, the Russian invasion of Ukraine also disrupted the global supply chain distribution that eventually intensified the inflationary pressures. In October 2020, the inflation rate was recorded at 6.44%. In March 2021, the point-to-point inflation was 5.47%. The last 12-months average inflation, which stood at 5.75%, exceeded the monetary target of 5.30% set for the fiscal year 2021-22. Food inflation was the main driver behind the hike, rising by 12 basis points from 6.22% in February to 6.34% in March. Although food inflation increased in the last month, non-food inflation witnessed a downward trend. According to BBS, non-food inflation went down to 6.04% in March from 6.10% in February, which may highlight that consumers have cut spending on non-essential items. Residents of both rural and urban areas faced the bite of this ballooning inflation as the point-to-point inflation rose to 6.52% and 5.69% in the rural and urban areas respectively from 6.49% and 5.59% only a month ago. Economists, however, questioned the BBS data as the real scenario of the inflationary pressure is missing in the statistics, since the low and middle-income population grappled with the pinch of abnormal price spiral, especially, of the essential commodity items. Moreover, the BBS data does not reflect the real market situation as the Consumer Price Index (CPI) was made on the 2005-06 base year data.



Money whitening receive poor response

The flow of undisclosed and/or illegal income into mainstream economy has dropped drastically as the opportunity of whitening hidden and untaxed money ended in the current financial year. According to the National Board of Revenue (NBR), only 2,313 person had availed the facility till February of the current fiscal year by paying Tk951.5m in income tax. Since 1971, different political governments have entertained calls for money whitening facilities in the annual budgets. In the last fiscal year, some 12,039 taxpayers legalized their black money by paying Tk19.80b in taxes, the highest since independence. Legalizing such black money in the budget is morally unacceptable as it creates discrimination between honest and dishonest taxpayers, conscious citizens claim.

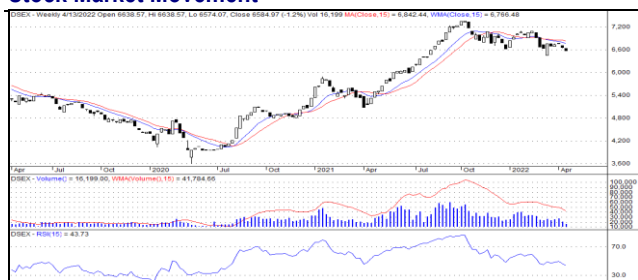
BB impose cap on NBF rates

The Bangladesh Bank (BB) has imposed interest rate cap on deposits and lending of Non-Bank Financial Institutions (NBFIs) in a bid to bring discipline to the market. The central bank has fixed the interest rate at minimum 7% on deposits and maximum 11% on lending by NBFIs. The instruction will come into effect from July 01 next, according to a central bank notice. The new interest rate ceiling will be applicable to the deposits which would be collected after the effective date. The difference in lending and deposit rate between banks and NBFIs had widened as some NBFIs are providing higher interest rates on deposits along with charging higher interest rates on lending. The imposition of a lending rate ceiling on the NBFIs would help lower the difference. Earlier on April 01, 2020, the central bank imposed 9% lending rate ceiling on banks. At the same time, on August 08, 2021, BB imposed a condition that the interest rate on term deposits should not be less than the average inflation rate as many of the banks were offering far lower interest against deposit products. Currently, there are 34 NBFIs operating in Bangladesh. Most of these institutions have been facing an image crisis due to a wide range of corruption and maladministration. A number of NBFIs are mired in fraud and financial problems. To get out of the fallout, some NBFIs are collecting deposits at high interest rates without following the existing market rate and trends. As a result, the cost of funds of the institutions is increasing unreasonably, which has resulted in disbursement of loans at high interest rates. Ceilings fixed by the central bank aim to bring a stop to such arbitrary practices.

7.5% GDP growth target set for FY23

Even though the country is facing the blow of recent global phenomena of European war while trying to recover from the prolonged pandemic shocks, the government has set an ambitious economic growth target of 7.5% for the next fiscal year 2022-23. The Gross Domestic Product (GDP) growth target is higher than similar projections made by the World Bank (WB), International Monetary Fund (IMF) and the Asian Development Bank (ADB). WB has expected the economy of Bangladesh to expand by 6.7% in the FY2022-23 while the ADB forecasted to grow by 7.1%. The IMF has predicted a 6.7% GDP growth for Bangladesh in FY23. The government estimated the size of the economy would stand at US\$512b, or Tk44,128.49b in FY2022-23, which was Tk38,954.83b in FY2021-22. However, the government did not slash the growth rate for the current fiscal year although the inflation outlook of the country has worsened. The GDP growth rate is maintained at its previous projection of 7.2% for the fiscal year 2021-22.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	4,271.78	4,392.59	-2.75
FTSE 100	7,521.68	7,616.38	-1.24
Nikkei 225	27,105.26	27,093.19	0.04
SENSEX	57,197.15	58,338.93	-1.96
KSE 100	45,553.02	46,601.54	-2.25

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,662.36	6,584.97	1.18
Total Turnover, Tk	27,442,640,212	22,636,770,906	21.23
Market Capital, Tk	4,685,316,456,375	4,619,236,565,018	1.43
No of Issue Gain	204	31	
No of Issue Loss	140	324	
No of Unchanged Issues	42	10	

Top Gainers

Company	Last Week	This Week	Change %	Turnover (Tk)
JHRML	51.40	74.50	44.94	1,755,967,000
BSC	105.30	117.90	11.97	889,113,000
IPDC	47.70	52.90	10.90	847,608,000
NRBC Bank	23.10	25.60	10.82	189,040,000
Taufika Foods	38.20	41.90	9.69	207,936,000
Crown Cement	66.50	72.50	9.02	14,272,000
Intech	28.40	30.90	8.80	13,012,000
Quasem Industries	51.90	56.00	7.90	75,942,000
Beacon Pharma	281.50	300.90	6.89	334,633,000
LankaBangla Fin.	30.00	32.00	6.67	134,612,000

Top Losers

Company	Last Week	This Week	Change %	Turnover (Tk)
Premier Bank	16.30	14.00	-14.11	188,652,000
Gemini Sea Food	518.30	472.00	-8.93	195,655,000
Takaful Islami Ins.	65.00	60.60	-6.77	13,536,000
Aramit	320.50	300.20	-6.33	20,041,000
Prime Bank	22.30	21.00	-5.83	73,313,000
Fareast Finance & Inv.	5.60	5.30	-5.36	478,000
Renwick Jaineswar	990.00	937.10	-5.34	2,424,000
BD Monospool Paper	231.00	219.20	-5.11	36,476,000
BD National Insurance	96.50	91.90	-4.77	10,422,000
ICBAMCL Second M. F.	8.80	8.40	-4.55	16,819,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	466.83	461.76	1.10	1,963.51	1,288.44	52.39
Cement	409.27	406.32	0.73	735.38	670.88	9.61
Ceramic	744.87	736.13	1.19	169.11	142.07	19.03
Engineering	7,017.07	6,963.49	0.77	2,526.58	2,324.48	8.69
Food & Al.	5,329.40	5,308.70	0.39	1,403.11	1,096.14	28.00
Fuel & Pow.	4,131.30	4,069.34	1.52	1,397.00	863.57	61.77
Insurance	2,575.50	2,600.27	-0.95	1,235.73	1,510.91	-18.21
IT	591.25	586.11	0.88	1,273.92	1,293.03	-1.48
Jute	1,075.59	1,098.01	-2.04	22.29	21.62	3.09
Misc.	2,858.61	2,782.31	2.74	4,979.40	1,860.14	167.69
Mutual Fund	486.71	483.37	0.69	235.84	203.84	15.70
NBFI	1,265.06	1,221.94	3.53	1,745.08	2,567.75	-32.04
Paper	14,439.50	14,408.30	0.22	1,089.39	993.04	9.70
Pharma	1,692.66	1,671.49	1.27	2,861.07	2,104.93	35.92
Service	1,701.47	1,650.00	3.12	343.51	194.45	76.66
Tannery	1,285.57	1,285.81	-0.02	673.58	742.62	-9.30
Telecom	4,270.01	4,162.52	2.58	642.56	258.55	148.52
Textile	1,819.84	1,805.50	0.79	2,298.49	1,740.49	32.06
Travel & Leis.	632.37	630.76	0.26	239.32	339.43	-29.49

Technical Talk

Dhaka stocks went up in the last week after a fall in the previous two week as some investors put fresh funds in lucrative stocks amid various regulatory steps. Out of its five trading sessions, the market witnessed massive sell-off in first two sessions while the last three ended higher. Among the major sectors, NBFI increased by 3.53%, followed by Telecom 2.58%, Fuel & Power 1.52%, Parma 1.27% and Ceramic 1.19%.

DSE Broad Index (DSEX) stood at 6,662.36 points after increasing by 77.39 points or 1.18% from the previous week. Total turnover reached at Tk27442.64m, which was 21.23% higher than the previous week. Market capitalization increased by 1.43% and stood at Tk4685.32b (\$54.35b) at the weekend against Tk4619.24b. DSE 30 increased by 37.63 points or 1.54% and closed at 2,478.08 points against 2,440.45 points. Last week's weighted average Market PE was 15.41 which was 15.20 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 46.85.

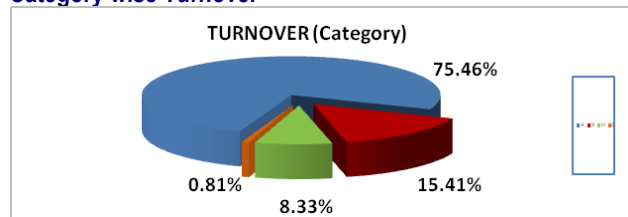
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
BEXIMCO	15,159,421	2,160,520,000	7.87
JMI Hospital Requisite	26,425,958	1,755,967,000	6.40
BSC	8,000,794	889,113,000	3.24
Sonali Paper	1,019,790	873,623,000	3.18
IPDC	17,424,343	847,608,000	3.09
LafargeHolcim BD	8,586,948	659,307,000	2.40

Top 10 Market Capital

			In million
GP	437,362	United Power	145,735
Walton Hi-Tech	333,615	RENATA	132,286
BATBC	313,146	Beximco	128,819
Square Pharma	199,629	LafargeHolcim	90,587
Robi	173,899	ICB	82,999

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,932.50	1,977.10	-2.26
Silver (USD/toz.)	24.19	25.86	-6.44
Brent Crude Oil (USD/bbl.)	106.13	111.60	-4.90

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	86.20	86.25	86.20	86.25	0.00	0.00
EUR	94.92	94.98	95.31	95.36	-0.41	-0.40
GBP	112.90	112.97	114.42	114.48	-1.33	-1.32
AUD	62.72	64.73	64.70	64.73	-3.06	0.00
JPY	0.68	0.68	0.69	0.69	-1.45	-1.45
CAD	68.16	68.20	68.68	68.72	-0.76	-0.76
SAR	23.09	23.11	23.10	23.12	-0.04	-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)
Meghna Insurance Co. Ltd.	11 - 18 May, 2022	10	160