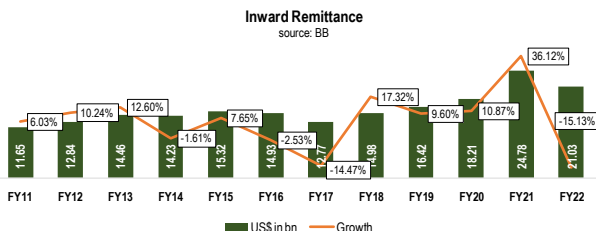


**BB ask six banks to show-cause**

Bangladesh Bank (BB) has sought explanation from banks for alleged involvement in taking advantage of the volatility in the foreign exchange market. BB sent show-cause letters to six scheduled banks on 17 August 2022 in this regard with instructions to reply within seven working days. The banks are-Brac Bank, Dutch-Bangla Bank, The City Bank, Southeast Bank, Prime Bank and Standard Chartered Bank. Besides, twelve other banks have been brought under investigation on the same allegation. Earlier, the central bank moved for stern action against the mentioned six banks by ordering them to remove their treasury heads for their alleged involvement in irregularities while trading US Dollars. Recently the central bank also detected anomalies in the money exchanges. So far BB has conducted inspections in more than 100 exchange houses and issued show-cause notices to 44 houses and suspended licenses of five. BB limited money exchange houses dollar purchase-sale spread to Tk1.5 and for the banks it set the difference at Tk1. Due to the BB initiatives, the dollar price on the *kerb* market reduced to Tk110 recently. The exchange rate for the USD in the informal or *kerb* market crossed Tk119 for the first time ever on 10 August 2022 from Tk115 a day earlier. Currently, Bangladeshi Taka (BDT) is maintaining a depreciating mode against the US Dollar due to higher demand for the greenback to settle import payments. The local currency lost its value by Tk9.20 or more than 10% since January 2022. The Dollar traded at Tk85.80 on 08 January last. At present, the interbank exchange rate is Tk95 per USD which was set on 08 August 2022.

**Inward remittance exceeds US\$2b in July**

Inward remittance from overseas to Bangladesh by the expatriate workforce increased by 11.76% to US\$2.09b in July this year compared with that of US\$1.87b in July 2021 as the diasporas sent higher amount of money ahead of the Eid-ul-Azha festival. The July inflow was the highest after May 2021 when the expatriates sent US\$2.17b. In FY2021-22 remittance decreased by US\$3.75b to US\$21.03b from US\$24.78b in FY2020-21, according to Bangladesh Bank (BB) figures. Inward remittance hit a record high with over 36% growth despite the Covid-19 pandemic in the FY21. During the pandemic period, the expatriates wired their earnings by preferring the formal channels over the illegal '*hundi*' conduit due to the worldwide movement restrictions. Fund transfers through informal channels have made a comeback with the resumption of normal economic activities. Money transfers through informal channels rose due mainly to a gap between official exchange rate of the US dollar and *kerb* market rates. Addressing the declining trend of remittance, the government has raised the cash incentive on remittance by 0.5-percentage points to 2.5% and at the same time relaxed the requirements for availing 2.5% cash incentive for inward remittances worth US\$5,000 or above in a bid to discourage the sending of remittance through unofficial channels.



**Export earnings rise by 14.7% in July**

Export earnings traversed an upward trajectory with a 14.7% (Y-o-Y) growth in the first month of the current fiscal year, as usual riding on the promising performance of Readymade Garments (RMG). According to the recent release from the Export Promotion Bureau (EPB), exporters fetched US\$3.98b in July of FY23 against US\$3.47b in the corresponding period of the last fiscal year. Export receipts surpassed the US\$3.92b target set for the month of July. Out of the total US\$3.98b export earnings in July 2022, the RMG sector fetched US\$3.36b. Export earnings from knitwear increased by 12.12% to US\$1.85b from US\$1.65b. Earnings from woven garments export grew by 22.76% to US\$1.51b from US\$1.23b in the same month of FY22. Export earnings hit a new record in FY2021-22 with the highest-ever single month receipt in June on the back of buoyancy in the apparel shipments. In addition, some other sectors such as home textile, leather and leather goods, jute and jute goods also made a significant contribution in earning foreign currency and each raked in more than US\$1b. As per the EPB statistics, exporters earned US\$52.08b in FY22 against US\$38.75b in the previous fiscal year. This marked the first time in history that export earnings crossed the milestone of US\$50b, comfortably overshooting the target of US\$43.5b set for FY22.

Export Earnings					
				Source: EPB	
Year	US\$ in bn	Growth (Y-o-Y)	Year	US\$ in bn	Growth (Y-o-Y)
FY11	22.93	41.49%	FY17	34.66	1.16%
FY12	24.30	5.99%	FY18	36.67	5.81%
FY13	27.03	11.22%	FY19	40.54	10.55%
FY14	30.19	11.69%	FY20	33.67	-16.93%
FY15	31.21	3.39%	FY21	38.75	15.07%
FY16	34.26	9.77%	FY22	52.02	34.25%

**Interest spread widens**

Interest rate spread in the banking sector widened to 3.12% in June 2022 from 3.06% a month earlier, as the average lending rate grew slightly in recent months with gradual reopening of economic activities while the deposit rates dropped. As per the recent Bangladesh Bank (BB) report, the weighted average interest rate on lending rose to 7.09% in June 2022 from 7.08% a month earlier. Meanwhile, such rate on deposit products stood at 3.97% in June 2022 from 4.02% in May this year even though the central bank directed the scheduled banks not to set the deposit rate below the prevailing inflation rate. Earlier on August 08, 2021 BB has set a floor on deposit interest rates and instructed the banks not to fix the rate for deposits below the inflation rate published three months before.

Particulars	Weighted Average Interest Rate		Spread
	Deposits	Advances	
July'21	4.11%	7.30%	3.19%
August'21	4.05%	7.24%	3.19%
September'21	4.08%	7.24%	3.16%
October'21	4.01%	7.15%	3.14%
November'21	3.99%	7.15%	3.16%
December'21	3.99%	7.18%	3.19%
January'22	4.01%	7.13%	3.12%
February'22	4.02%	7.10%	3.08%
March'22	4.01%	7.11%	3.10%
April'22	4.02%	7.09%	3.07%
May'22	4.02%	7.08%	3.06%
Jun'22	3.97%	7.09%	3.12%

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	↓ 4,057.66	4,228.48	-4.04
FTSE 100	↓ 7,427.31	7,550.37	-1.63
Nikkei 225	↓ 28,641.38	28,930.33	-1.00
SENSEX	↓ 58,833.87	59,646.15	-1.36
KSE 100	↓ 42,591.51	43,270.65	-1.57

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	↑ 6,355.07	6,241.44	1.82
Total Turnover, Tk	↑ 69,339,342,312	28,387,084,138	144.26
Market Capital, Tk	↑ 4,457,699,007,254	4,406,146,762,364	1.17
No of Issue Gain	191	257	
No of Issue Loss	114	42	
No of Unchanged Issues	84	89	

### Top Gainers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
Orion Infusion	145.80	220.00	50.89	1,114,864,000
Metro Spinning	25.80	38.80	50.39	1,021,103,000
Paper Processing	206.70	272.00	31.59	741,435,000
Union Capital	10.50	13.50	28.57	325,690,000
BDMonospool Paper	173.40	217.60	25.49	283,806,000
RSRMSTEEL	17.00	21.10	24.12	93,514,000
Summit Alliance Port	29.60	36.60	23.65	732,218,000
IPDC	61.90	76.20	23.10	1,535,248,000
Apex Foods	178.20	218.00	22.33	163,869,000
Far East Knitting	18.90	23.10	22.22	582,807,000

### Top Losers

#### Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (Tk)
BIFC	11.90	9.90	-16.81	17,958,000
BD Thai Food	41.80	37.30	-10.77	148,817,000
Prime Textile Spinning	45.00	41.30	-8.22	416,622,000
Sonargaon Textiles	77.60	71.50	-7.86	314,123,000
KDS Accessories	89.20	82.30	-7.74	591,411,000
Hwa Well Textiles	55.90	51.90	-7.16	58,655,000
Jute Spinners	201.40	187.10	-7.10	20,637,000
Shurwid Industries	21.20	19.70	-7.08	212,259,000
Emerald Oil Industries	38.90	36.70	-5.66	66,705,000
C & A Textiles	11.00	10.40	-5.45	64,766,000

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	451.78	451.61	0.04	1,534.27	692.65	121.51
Cement	377.45	374.59	0.76	1,961.07	868.52	125.79
Ceramic	838.72	835.81	0.35	1,327.08	460.52	188.17
Engineering	6,717.76	6,688.15	0.44	6,344.73	2,363.78	168.41
Food & Al.	4,918.22	4,877.52	0.83	4,973.17	1,853.68	168.29
Fuel & Pow.	3,950.21	3,909.06	1.05	2,899.41	1,208.41	139.94
Insurance	2,342.96	2,296.75	2.01	4,179.28	1,205.21	246.77
IT	510.02	499.06	2.20	2,245.31	995.46	125.55
Jute	1,131.51	1,116.89	1.31	73.62	34.60	112.80
Misc.	2,605.52	2,610.11	-0.18	8,411.24	3,619.56	132.38
Mutual Fund	480.47	481.54	-0.22	606.64	520.57	16.53
NBFI	1,289.26	1,215.38	6.08	4,003.50	1,498.01	167.26
Paper	13,087.37	12,539.44	4.37	1,872.00	1,139.62	64.26
Pharma	1,655.67	1,617.98	2.33	8,942.46	2,422.80	269.10
Service	1,866.95	1,679.57	11.16	2,761.25	628.11	339.61
Tannery	1,101.46	1,080.40	1.95	1,610.68	918.38	75.38
Telecom	3,832.87	3,825.98	0.18	705.84	354.57	99.07
Textile	1,967.37	1,955.12	0.63	11,179.87	5,378.50	107.86
Travel & Leis.	652.86	645.81	1.09	765.99	585.86	30.75

## Technical Talk

Dhaka stocks advanced in the last week as investors continued buying shares amid expectations of further gains. Trading hours have been brought forward by 30 minutes in order to reduce the pressure on energy consumption. Out of the five trading days, four sessions closed higher. Among the major sectors, NBFI increased by 6.08% followed by Pharma 2.33%, Insurance 2.01% and Fuel & Power by 1.05%.

DSE Broad Index (DSEX) stood at 6,355.07 points after increasing by 113.63 points or 1.82% from the previous week. Total turnover reached at Tk69339.34m, which was 144.26% higher than the previous week. Market capitalization increased by 1.17% and stood at Tk4457.7b (\$46.92b) at the weekend against Tk4406.15b. DSE 30 increased by 47.30 points or 2.13% and closed at 2,267.35 points against 2,220.05 points. Last week's weighted average Market PE was 14.13 which was 13.96 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 47.13.

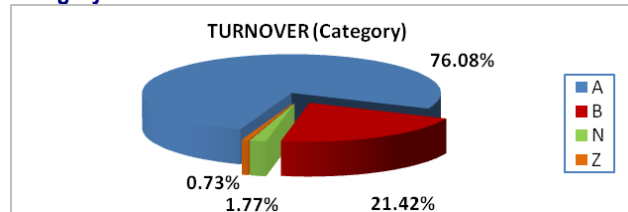
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
BEXIMCO	39,438,666	4,771,143,000	6.88
Orion Pharma	33,989,591	3,456,941,000	4.99
BSC	14,813,731	1,836,478,000	2.65
LafargeHolcim	23,800,087	1,791,736,000	2.58
Delta Life Insurance	11,569,698	1,683,781,000	2.43
IPDC	22,186,085	1,535,248,000	2.11

### Top 10 Market Capital

Company	Market Cap (in million)
GP	387,536
United Power	139,243
Walton Hi-Tech	317,711
RENATA	127,004
BATBC	280,476
Beximco	104,370
Square Pharma	187,928
LafargeHolcim	86,987
Robi	157,138
Berger Paint	81,644

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/oz.)	1,750.80	1,760.30	-0.54
Silver (USD/oz.)	18.78	18.97	-1.03
Brent Crude Oil (USD/bbl.)	98.84	95.76	3.22

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	95.00	95.05	95.00	95.05	0.00	0.00
EUR	96.56	96.61	97.27	97.32	-0.73	-0.73
GBP	113.87	113.93	114.64	114.71	-0.67	-0.68
AUD	65.80	65.84	65.65	65.68	0.23	0.24
JPY	0.70	0.70	0.70	0.70	0.00	0.00
CAD	73.26	73.29	73.48	73.52	-0.30	-0.31
SAR	25.42	25.43	25.42	25.84	0.00	-1.59

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)
Navana Pharma	13 Sep – 19 Sep, 2022	24	750