

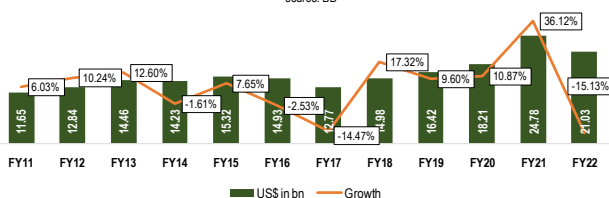
Repo rate hiked to rein in inflation

The Bangladesh Bank (BB) has re-fixed repurchase agreement (repo) rate upwards by 25 basis points than the earlier levels, in order to control inflation. The repo rate is the rate at which the BB lends money to commercial banks in the time of need. The newly fixed repo rate is 5.75% while reverse repo rate remain unchanged at which BB borrows from banks at 4%. The new rates came in to effect from 02 October 2022. Before that BB raised the repo rate by 50 basis points to 5.50% on 30 June 2022. It was raised by 25 basis points to 5% on 29 May 2022. Experts opine that the adjustment in policy rate hardly has any impact on the market as there is a cap on lending rate at 9%. In addition, private sector growth rose by 14.07% in August 2022 from 13.95% a month back. August growth rate surpassed the monetary target set at 14.1% for the FY2022-23. BB took the decision to hike policy rate after it had approved floating rate of dollars on 14 September 2022.

Inward remittance drop to 7-months low

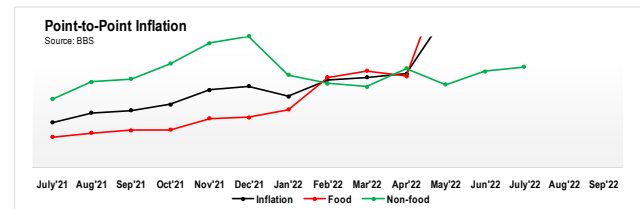
Inward remittance from overseas to Bangladesh by the expatriate workforce plunged to a 7-month low in September 2022 despite providing various facilities including incremental incentives. As per the latest statistics from Bangladesh Bank (BB), expatriate remitters sent US\$1.54b in the month which was US\$1.72b in the same month of the last year. The inflow of remittance in September was the lowest after February 2022 when it was at US\$1.49b. In the first quarter of the FY2022-23, total remittance was US\$5.67b, up from US\$5.41b in the same period last 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. 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. The central bank on 14 September this year approved floating rate of dollar that raised the ceiling for collecting remittance to Tk108. The benefits of the raising dollar rate could be seen in the coming months. In the FY2021-22 inward remittance saw a 15.13% decline. Remittance decreased by US\$3.75b to US\$21.03b in FY2021-22 from US\$24.78b in FY2020-21, according to BB figures. Inward remittance hit a record high with over 36% growth despite the ongoing Covid-19 pandemic in the FY21. The declining inward remittance as well as ballooning import payment dragged the foreign exchange reserves down. The reserve fell to around US\$36.44b on 28 September 2022 from US\$46.15b in December 2021, according to the central bank. Foreign exchange reserve rose to a record high of US\$48.06b in August 2021.

Inward Remittance
source: BB



Inflation hits 12-years high

The point-to-point inflation decreased to 9.1% in September this year from a 12-year high 9.8% in August 2022, claimed the Planning Minister, revealing August and September inflation data together. Bangladesh Bureau of Statistics (BBS) failed to release inflation data on time even the month of September has passed. Inflation hit a 9-year high at 7.56% in June this year due mainly to the price hike of both food and non-food items. Meanwhile, the Russia-Ukraine war that began in late February also disrupted the global supply chain that eventually intensified the inflationary pressure. The previous highest was recorded way back in July 2013, when the point-to-point inflation was recorded at a new peak of 7.85%. The rate of the point-to-point inflation in May 2022 was 7.42% which was also the highest in seven years, the BBS data shows. The point-to-point inflation was the highest at 11.97% in 2011 with the 1995-96 base year. Till July the monthly inflation rate on the basis of base-year 2005-06 continues to maintain its 7% trend from the 6% trajectory in the previous months of the year. The government targeted to leash inflation within 5.6% limit in the current FY2022-23. The average inflation rate in the last fiscal year was recorded at 6.15%, same as the previous FY2021, as per BBS reports. Economists have viewed that higher inflationary pressure may sustain in future following the move by the government to make an upward adjustment to the piped gas prices. Additionally, on 05 August 2022 a price hike of fuel oil by 40%-50% is also going to play the key role in mounting the inflationary pressure.



Export earnings negative after 13-months

Export earnings in September this year witnessed a fall after 13 months as demand for apparel products dropped on the global market due to an economic slowdown caused by the Russia-Ukraine war. According to the recent release from the Export Promotion Bureau (EPB), export earnings fell by 6.25% to US\$3.9b in September 2022 from US\$4.16b in the same month of 2021. Export receipts fell short by 7.14% from its target of US\$4.2b set for the period. Despite the fall, overall exports, however, rose 13.38% in the July-September quarter of the current fiscal year. Of the total US\$12.49b in earnings, the RMG sector fetched US\$10.27b, posting a 13.41% growth from US\$9.05b in the same period of the last fiscal year. 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

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%

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	3,683.28	3,585.62	2.72
FTSE 100	6,954.65	6,893.81	0.88
Nikkei 225	27,311.30	25,937.21	5.30
SENSEX	58,222.10	57,426.92	1.38
KSE 100	42,196.47	41,128.67	2.60

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,569.51	6,512.89	0.87
Total Turnover, Tk	52,781,780,498.00	73,061,767,164.00	-27.76
Market Capital, Tk	4,541,962,831,737.4	4,524,484,254,051.0	0.39
No of Issue Gain	101	61	
No of Issue Loss	94	173	
No of Unchanged Issues	192	152	

Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Orion Infusion	584.10	753.70	29.04	639,522,000
Beacon Pharma	315.70	380.80	20.62	500,716,000
BD Monospool Paper	230.00	267.20	16.17	422,441,000
BDCOM Online	61.30	71.20	16.15	678,853,000
Tamijuddin Textile	198.10	227.80	14.99	138,477,000
Apex Foods	222.30	254.60	14.53	160,130,000
Lub-rref BD	36.70	41.30	12.53	342,884,000
Aftab Automobiles	610.10	686.00	12.44	176,819,000
Kohinoor Chemicals	25.90	29.00	11.97	37,225,000
Keya Cosmetics	7.20	8.00	11.11	728,474,000

Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
BD Welding Electrodes	29.00	24.30	-16.21	45,146,000
Index Agro Industries	141.50	126.40	-10.67	352,722,000
BD Thai Food	49.60	44.40	-10.48	137,671,000
Fareast Islami Life Ins.	98.20	88.40	-9.98	305,328,000
Shahjibazar Power	93.80	85.80	-8.53	537,727,000
Aziz Pipes	135.20	126.10	-6.73	74,796,000
IPDC	66.50	62.10	-6.62	541,188,000
Desh General Ins.	40.60	38.00	-6.40	49,059,000
Mir Akhter Hossain	61.00	57.10	-6.39	137,500,000
IDLC	50.90	47.70	-6.29	58,970,000

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	453.16	452.86	0.06	541.70	937.63	-42.23
Cement	373.61	377.70	-1.08	692.85	951.52	-27.18
Ceramic	863.86	868.47	-0.53	1,713.91	2,506.24	-31.61
Engineering	6,771.63	6,726.90	0.67	8,883.20	7,440.14	19.40
Food & Al.	4,893.86	4,900.23	-0.13	1,373.34	2,041.89	-32.74
Fuel & Pow.	3,971.72	3,964.69	0.18	3,095.39	4,944.96	-37.40
Insurance	2,282.72	2,309.60	-1.16	1,158.48	2,475.25	-53.20
IT	564.81	561.49	0.59	2,226.65	5,113.91	-56.46
Jute	1,478.80	1,401.14	5.54	120.90	165.08	-26.76
Misc.	2,849.17	2,892.29	-1.49	7,470.47	12,466.45	-40.08
Mutual Fund	465.45	465.45	0.00	33.53	63.82	-47.47
NBFI	1,207.11	1,225.32	-1.49	1,677.06	1,968.27	-14.80
Paper	15,288.45	15,228.95	0.39	2,699.22	3,226.28	-16.34
Pharma	1,778.06	1,724.30	3.12	9,318.65	11,406.55	-18.30
Service	2,087.19	2,095.91	-0.42	3,470.79	4,537.39	-23.51
Tannery	1,102.65	1,109.73	-0.64	306.04	263.23	16.26
Telecom	3,824.75	3,830.40	-0.15	450.00	397.43	13.23
Textile	1,903.08	1,885.62	0.93	3,486.49	3,877.30	-10.08
Travel & Leis.	949.96	983.58	-3.42	1,380.54	3,935.37	-64.92

Technical Talk

Dhaka stocks rose marginally in the previous week as investors continued to inject fresh funds on selective issues amid recent rally in the market. Out of its four trading sessions, three sessions ended higher while one session suffered losses. Among the major sectors, Pharma increased by 3.12% followed by Textile 0.93%, Engineering 0.67% and IT by 0.59%.

DSE Broad Index (DSEX) stood at 6,569.51 points after increasing by 56.62 points or 0.87% from the previous week. Total turnover reached at Tk52781.78m, which was 27.76% lower than the previous week. Market capitalization increased by 0.39% and stood at Tk4541.96b (\$42.73b) at the weekend against Tk4524.48b. DSE 30 increased by 31.15 points or 1.34% and closed at 2,361.57 points against 2,330.42 points. Last week's weighted average Market PE was 14.98 which was 14.91 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 53.87.

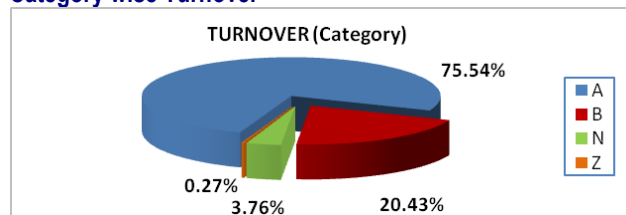
Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Orion Pharma	34,877,42	4,946,457,000	9.37
BEXIMCO	28,118,427	3,706,692,000	7.02
Eastern Housing	19,915,657	2,289,775,000	4.34
BD Building Systems	56,940,282	1,871,616,000	3.55
JMI Hospital Requisite	12,334,515	1,655,478,000	3.14
BBS Cables	26,015,198	1,602,276,000	3.04

Top 10 Market Capital

			In million
GP	386,996	RENATA	139,694
Walton Hi-Tech	317,378	United Power	136,054
BATBC	280,098	Beximco	115,061
Square Pharma	185,977	Beacon Pharma	87,965
Robi	157,138	LafargeHolcim	85,942

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,688.58	1,668.30	1.22
Silver (USD/t oz.)	19.45	19.02	2.26
Brent Crude Oil (USD/bbl.)	88.65	85.33	3.89

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	106.30	106.30	106.49	106.49	-0.18	-0.18
EUR	107.54	107.54	105.20	105.20	2.22	2.22
GBP	123.22	123.22	117.27	117.27	5.07	5.07
AUD	69.79	69.79	69.36	69.36	0.62	0.62
JPY	0.74	0.74	0.75	0.75	-1.33	-1.33
CAD	78.69	78.69	78.35	78.35	0.43	0.43
SAR	28.41	28.41	28.43	28.43	-0.07	-0.07

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
Chartered Life Insurance	25 Sep-29 Sep, 2022	10	150
Global Islami Bank	16 Oct-20 Oct, 2022	10	4250