

### Thumbprints mandatory for taking loans

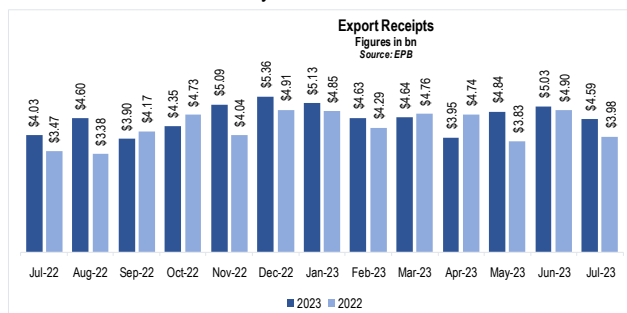
Bangladesh Bank (BB) through a circular issued on 02 August 2023 made it compulsory for banks to take thumbprints and signatures of borrower and guarantors in relevant loan documents to ensure proper recovery of depositors' money. Banks will need to accept the thumb impressions by verifying those with national identification number database, the circular said. Moreover, to mitigate the emerging legal complexities in loan recovery, the subject matter in the received or required documents must be ensured to be read and heard by relevant third parties, including the loan recipient and the guarantor. The new directive will significantly expedite the loan recovery process and reduce legal disputes related to loan defaulters; experts opined. The volume of Non-Performing Loans (NPL) rose significantly to Tk1316.21b at the end of March 2023 from Tk1206.56b at the end of December 2022. The latest NPL figure is the second highest in the history of the local banking sector and is just behind the Tk1343.96b reported in the September quarter of 2022.

### Deposit in banks rises

Even though the nation has long been dealing with an economic crisis and inflationary pressure, the amount of bank deposits climbed by Tk311.81b in June this year, the second highest in the history of the banking sector. The previous highest ever growth of deposits was Tk341.32b, which was recorded in January 2021. The growth in deposits during 2022 was much lower than in recent times, with rates of 5.67% in December 2022. In January 2023, deposits decreased by Tk13.98b. However, since then, it has been increasing every month. In April, deposits increased by more than Tk249.02b and by Tk158.81b in May this year.

### Export earnings rise by 15.33% in July

Export earnings traversed an upward trajectory with 15.33% (Y-on-Y) growth in the first month of the current fiscal year, as usual riding on the promising performance of Readymade Garments (RMG). According to a recent release from the Export Promotion Bureau (EPB), exporters earned US\$4.59b in July of FY2023-24 against US\$3.98b in the corresponding period of the last fiscal year. Export receipts surpassed the US\$4.48b target set for the month of July. Earnings from the RMG sector grew by 17.56% to US\$3.95b from US\$3.36b in the same month of 2022. Export earnings from knitwear increased by 22.16% to US\$2.26b from US\$1.85b. Earnings from woven garments export grew by 11.26% to US\$1.68b from US\$1.51b in the same month of FY2022-23. Export earnings hit a new record in FY2022-23 with US\$55.55b recorded against US\$52.08b in the previous fiscal year. The earnings crossed the milestone of US\$50b for the second consecutive fiscal year.

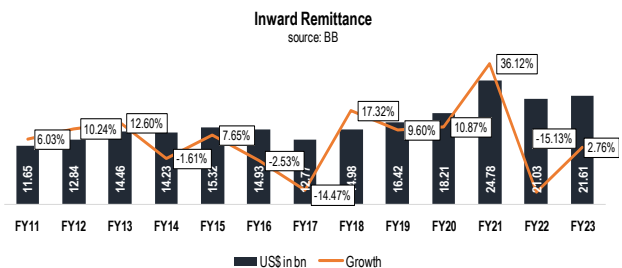


### Negative net sale of NSCs in FY2022-23

The net sales of National Savings Certificates (NSCs) turned negative for the first time in FY2022-23 due to various factors, such as imposition of tighter investment rules, reduction of interest rate on the certificates and rising inflationary pressure. As per the latest statistics from the National Savings Directorate (NSD), the net sales of NSCs were Tk32.95b in the negative in FY2022-23, which was Tk199.16b positive in the FY2021-22 and Tk419.59b in FY2020-21. In FY2022-23, the government borrowed Tk808.58b against repayment of Tk841.54b during the period. Meanwhile, net bank borrowing by the government has surged behind a drastic fall in net sales of NSCs. In FY2022-23, the government borrowed Tk1241.22b from the banking system against Tk686.52b a year ago. Of the total amount, Tk988.26b was borrowed from the central bank and remaining Tk252.96b from commercial banks. Initially, the target for borrowing from the banking system in FY2022-23 was set at Tk1063.44b, which was later revised to Tk1154.25b. For FY2023-24 the government has set a target of borrowing Tk1.32-trillion from the banking system. Nevertheless, initial target of borrowing from NSCs were set at Tk350b in FY2022-23 but the target was later reduced to Tk200b. The scope for investment in saving certificates has been squeezed further and set at Tk180b for FY2023-24.

### Remittances drop 5.74% in July

The remittance inflow during the first month of the current fiscal year fell 5.74% (Y-on-Y) to US\$1.97b, according to Bangladesh Bank (BB) reports. It was US\$2.09b in the same month of the previous fiscal year. The declining inward remittance dragged the foreign exchange reserves down. The reserve fell to around US\$23.30b on 26 July 2023 from US\$41.82b on 30 June 2022. The inward remittance increased to US\$21.61b in FY2022-23 from US\$21.03b in the previous year. Earlier in FY2020-21 remittance hit a record high of US\$24.78b, up from US\$18.21b in FY2019-20.



### Taka devalued again

The Bangladeshi Taka (BDT) depreciated further against the US Dollar as the central bank sold greenbacks to commercial banks at Tk109.50 on 02 August 2023 which is Tk0.50 more than the previous rate. The local currency lost its value by Tk15.05 or more than 15% from Tk94.45 per Dollar a year ago. The central bank sold record US\$13.58b to banks grappling with a severe Dollar crisis in FY2022-23, whereas in FY2021-22 it sold US\$7.62b from the reserves for the same purposes. On 01 June 2022, the central bank sold the Dollar at a rate of Tk89. Within a year, the price jumped to Tk109.50. In the first month of FY2023-24, US\$1.15b has been sold from the reserves. Bangladesh faced its steepest currency devaluation in the history on 03 July 2023 as the central bank sold the Dollar to commercial banks at Tk108.85 which is Tk2.85 more than the previous rate.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	4,478.03	4,582.23	-2.27
FTSE 100	7,564.37	7,694.27	-1.69
Nikkei 225	32,192.75	32,759.23	-1.73
SENSEX	65,721.25	66,160.20	-0.66
KSE 100	48,588.99	47,139.06	3.08

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,329.86	6,339.51	-0.15
Total Turnover, Tk	29,638.69	32,566.89	-8.99
Market Capital, Tk	4,496,282,797.703	4,498,498,252.371	-0.05
No of Issue Gain	76	50	
No of Issue Loss	96	135	
No of Unchanged Issues	216	203	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Libra Infusions	707.40	820.00	15.92	134.12
Deshbandhu Polymer	28.70	32.20	12.20	389.63
Metro Spinning	39.70	44.30	11.59	646.91
Sinobangla Ind.	68.30	76.00	11.27	305.99
Continental Ins.	43.60	48.40	11.01	704.71
Sonali Life Insurance	83.60	90.80	8.61	343.17
Navana Pharma	98.60	106.90	8.42	330.04
JMI Hospital Requisite	77.50	83.60	7.87	1,053.33
Pragati Life Ins.	128.90	139.00	7.84	367.11
Reliance Insurance	68.80	73.90	7.41	199.61

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Meghna Insurance	56.60	48.10	-15.02	332.94
Chartered Life Ins.	67.20	59.00	-12.20	113.28
Rupali Bank	36.10	32.10	-11.08	295.19
Islami Commercial Ins.	37.00	33.40	-9.73	84.94
Fu Wang Food	38.10	34.40	-9.71	1,409.86
Delta Life Insurance	159.00	144.30	-9.25	828.38
Asia Insurance	57.90	53.00	-8.46	399.32
Eastern Insurance	56.80	52.00	-8.45	37.46
CAPM IBBL Islamic M. F.	14.40	13.20	-8.33	18.93
Central Pharma	13.20	12.10	-8.33	64.62

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	464.69	465.17	-0.10	660.79	801.78	-17.58
Cement	357.38	360.29	-0.81	469.89	1,035.21	-54.61
Ceramic	798.91	798.97	-0.01	246.52	292.89	-15.83
Engineering	6,658.61	6,668.44	-0.15	1,611.61	2,493.20	-35.36
Food & Al.	5,134.49	5,129.90	0.09	4,098.82	4,689.21	-12.59
Fuel & Pow.	3,902.77	3,902.15	0.02	639.49	1,051.81	-39.20
Insurance	2,667.96	2,723.23	-2.03	9,481.15	9,364.96	1.24
IT	670.71	663.70	1.06	1,370.95	1,579.94	-13.23
Jute	2,188.59	2,217.44	-1.30	123.06	289.84	-57.54
Misc.	2,529.38	2,490.16	1.57	3,639.42	2,142.75	69.85
Mutual Fund	448.09	448.98	-0.20	28.80	57.10	-49.55
NBFI	1,196.74	1,196.98	-0.02	40.01	87.34	-54.18
Paper	14,416.18	14,369.30	0.33	444.19	562.08	-20.97
Pharma	1,632.93	1,630.71	0.14	1,232.87	1,723.58	-28.47
Service	1,748.96	1,739.10	0.57	324.47	246.39	31.69
Tannery	1,236.64	1,247.37	-0.86	682.11	857.17	-20.42
Telecom	3,822.47	3,822.47	0.00	3.81	7.68	-50.38
Textile	1,912.35	1,908.87	0.18	2,258.46	2,410.05	-6.29
Travel & Leis.	1,133.51	1,139.07	-0.49	1,340.48	1,446.74	-7.34

## Technical Talk

Dhaka stocks prolonged the losing streak for the second straight week amid dismal participation from investors. Floor price restriction made it difficult for investors to sell their shares. The market saw losses in most of the sessions. Among the major sectors, Insurance decreased by 2.03% followed by Mutual Fund 0.20%, Engineering 0.15% and Bank by 0.10%.

DSE Broad Index (DSEX) stood at 6,329.86 points after decreasing by 8.99 points or 0.15% from the previous week. Total turnover reached at Tk29638.69m, which was 8.99% lower than the previous week. Market capitalization decreased by 0.05% and stood at Tk4496.28b (\$41.06b) at the weekend against Tk4498.50b. DSE 30 decreased by 7.35 points or 0.34% and closed at 2,152.52 points against 2,159.87 points. Last week's weighted average Market PE was 14.44 which was 14.42 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 53.08.

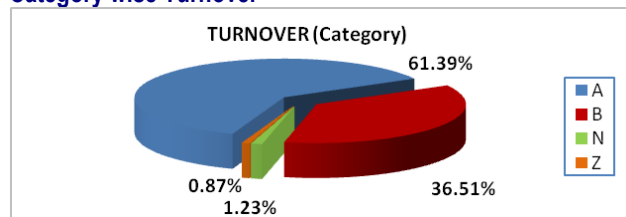
### Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Fu Wang Food	38,575,295	1,409.86	4.76
Sea Pearl Resort	5,027,973	1,087.77	3.67
JMI Hospital Requisite	12,491,465	1,053.33	3.55
BSC	7,917,505	972.13	3.28
Delta Life Insurance	5,291,012	828.38	2.79
KBPPWBIL	24,235,905	792.56	2.67

### Top 10 Market Capital

Company	Value (BDT mn)	Value (USD mn)
GP	386,996	139,689
Walton Hi-Tech	317,378	135,475
BATBC	280,098	103,571
Square Pharma	186,066	83,935
Robi	157,138	79,206

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz.)	1,978.20	1,998.20	-1.00
Silver (USD/t.oz.)	23.73	24.48	-3.06
Brent Crude Oil (USD/bbl.)	86.07	84.50	1.86

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	109.50	109.50	109.00	109.00	0.46	0.46
EUR	122.99	122.99	122.49	122.49	0.41	0.41
GBP	142.43	142.43	142.89	142.89	-0.32	-0.32
AUD	72.32	72.32	72.86	72.86	-0.74	-0.74
JPY	0.78	0.78	0.78	0.78	0.00	0.00
CAD	82.29	82.29	82.66	82.66	-0.45	-0.45
SAR	29.34	29.34	29.21	29.21	0.45	0.45

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)
-	-	-	-