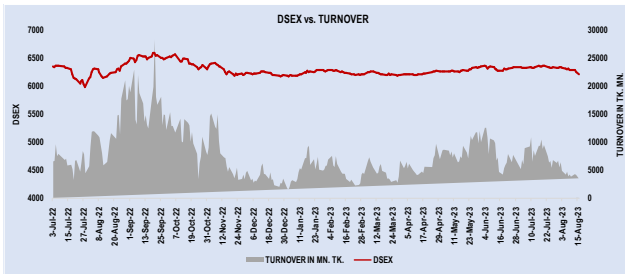


### DSEX sinks to 4-month low

The capital market has been in the doldrums for the past couple of months amid a crisis of confidence among investors. The market is stuck in a stagnant floor price trap. A significant portion of the investors have been showing increased apathy to be active. The Central Depository Bangladesh Limited (CDBL) reported the number of active Beneficiary Owners' (BO) account at 1.75m on 16 August 2023, down by 0.09m from 1.84m a year ago. DSEX, the key index of the Dhaka Stock Exchange (DSE), dropped to a four-month low on 16 August 2023 when it slipped to 6,220.80 points, being the lowest since 16 April 2023 when it was at 6,216.23 points. Apart from the broad index, the two other indices - the DS30 index, a group of 30 prominent companies, and the DSE Shariah Index (DSES) - followed suit to close at 2,108.66 and 1,350.63 points after losing 15.96 points and 7.32 points respectively. The turnover of the market decreased to Tk3.52b, which was Tk4.14b at the previous session of the week. Prior to Wednesday, the lowest turnover was Tk2.72b on 28 March 2023. At the end of the session last week on 17 August 2023, DSEX, DSES and DS30 closed at 6,254.82 points, 1,358.10 points and 2,121.67 points respectively. The turnover declined 14.79% to Tk2.99b from the previous session.



### Universal pension scheme introduced

A Universal Pension Scheme has been launched for the first time in Bangladesh on 17 August 2023. Depending on eligibility criteria, any Bangladeshi citizen over 18 years may avail one of four types of the pension scheme where monthly installments will be Tk5000 minimum and Tk10,000 maximum. The schemes are available in eight tenures spanning from 10 years to 42 years. Subscribers can also apply for loans of up to 50% of the deposit.

### Market intermediaries get another year

The deadline for investments in listed debt securities by stock market intermediaries, including merchant banks, portfolio managers, asset managers, mutual funds, and stock dealers has been extended up to 30 June 2024. The Bangladesh Securities and Exchange Commission (BSEC) had earlier extended the period till 30 June 2023. To diversify portfolio risk, the capital market regulator directed stock market intermediaries to invest at least 3% of their own portfolios in the listed debt securities by 30 June 2023.

### Fourteen NBFIs in the red zone

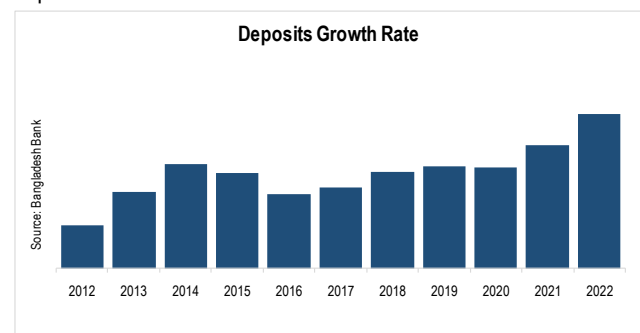
As per the Bangladesh Bank (BB) stress test report, out of 35 Non-Bank Financial Institutions (NBFIs) 14 were in the red zone last year. Most of these institutions are also facing an image crisis due to a wide range of corruption and maladministration. The number of weak financial institutions was 12 in 2021 and 13 in 2020. The volume of non-performing loans in the NBFIs rose to Tk178.55b at the end of March 2023 from Tk168.21b at the end of December 2022.

### Rescheduled loans hit Tk637.2b in 2022

The central bank extended the loan repayment moratorium facility several times to protect borrowers from economic shocks. Consequently, banks rescheduled a record high of Tk637.2b loans in 2022. The central bank had a complete relaxation in loan repayments in 2020 due to the Covid-19 pandemic. In the following three years, borrowers continued to enjoy some of the relaxed facilities. Meanwhile, the central bank revealed the current situation in its Financial Stability Report for 2022. The Bangladesh Bank (BB) disclosed the rescheduled sum to comply with the condition set by the International Monetary Fund (IMF) for its US\$4.7b budget support package. As per the report, the amount was 137% more than the Tk268.1b that was rescheduled in 2021. In 2020 and 2019, the total amount of rescheduled loans stood at Tk198.1b and Tk523.7b respectively. The volume of non-performing loans rose to Tk1316.21b at the end of March 2023 from Tk1206.56b at the end of December 2022. It represents a substantial increase from the Tk1032.74b in December 2021 and Tk887.34b in December 2020. According to the latest stability report, at the end of 2022 the private commercial banks held the highest amount of rescheduled loans with 71% share when state and specialized banks accounted for 28.4% and foreign banks had less than 1% share.

### Deposit growth rate fall

Deposits growth rate in the banking sector has decreased steadily due to various factors like rising inflationary pressure, economic crisis, low interest rates and loan irregularities. The growth in deposits during 2022 was by only 5.7%, being the slowest in 11 years. The deposit growth was 10% in 2021 and 13.6% in 2020. Nearly half of the total deposits were term deposits. The rate marginally dropped from 48.5% in 2021 to 45.9% in 2022. Current deposit shares were 22.2%, savings deposit shares 23.8% and other deposit shares were 8.2%. The top five banks had 32.7% of the total deposits while 46.4% of deposits were concentrated in ten banks.



### Taka depreciated 13.3% against US Dollar in 2022

A recent Bangladesh Bank (BB) report stated that the local currency lost its value by 13.3% against the US Dollar in 2022. The interbank exchange rate stood at Tk85.80 per US Dollar on 02 January 2022 whereas it was Tk105.40 on 01 December 2023. The Dollar was quoted at Tk109.50 in the interbank market on 13 August 2023. Despite the Taka depreciation, 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 only US\$7.62b from the reserves for the same purposes. Bangladesh faced its steepest currency devaluation in the history on 03 July 2023 as the central bank sold the greenbacks 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	4,369.71	4,464.05	-2.11
FTSE 100	7,262.43	7,524.16	-3.48
Nikkei 225	31,450.76	32,473.65	-3.15
SENSEX	64,948.66	65,322.65	-0.57
KSE 100	48,220.68	48,442.58	-0.46

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,254.83	6,297.25	-0.67
Total Turnover, Tk	14,903.37	20,714.18	-28.05
Market Capital, Tk	4,462,104,240,858	4,482,444,767,754	-0.45
No of Issue Gain	27	35	
No of Issue Loss	135	144	
No of Unchanged Issues	229	206	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Simtex Industries	22.80	25.70	12.72	156.04
Continental Ins.	41.90	45.00	7.40	149.63
Nitol Insurance	37.00	39.10	5.68	24.58
Asia Pacific G. Ins.	52.60	55.30	5.13	35.21
Marico	2443.60	2530.20	3.54	35.20
Desh G. Insurance	31.00	31.60	1.94	48.54
Rupali Insurance	28.50	29.00	1.75	26.78
Federal Insurance	25.00	25.40	1.60	11.51
Dacca Dyeing	13.30	13.50	1.50	15.23
Central Insurance	37.00	37.40	1.08	5.58

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Imam Button	130.10	108.40	-16.68	30.04
Gemini Sea Food	810.70	691.40	-14.72	400.71
Sea Pearl Beach Resort	211.00	182.40	-13.55	612.15
Legacy Footwear	127.80	111.10	-13.07	247.79
Trust Islami Life Ins.	56.30	49.20	-12.61	41.62
KBPPWBIL	28.90	25.70	-11.07	323.75
Emerald Oil	156.20	140.00	-10.37	297.38
Rupali Life Insurance	115.10	103.50	-10.08	332.54
Chartered Life Ins.	54.80	49.30	-10.04	36.71
Miracle Industries	33.20	29.90	-9.94	27.93

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	463.10	464.02	-0.20	328.71	414.59	-20.71
Cement	351.72	355.31	-1.01	484.40	414.58	16.84
Ceramic	793.71	794.79	-0.14	60.82	58.85	3.35
Engineering	6,626.61	6,635.59	-0.14	971.97	1,413.65	-31.24
Food & Al.	5,098.58	5,135.67	-0.72	2,579.14	3,116.27	-17.24
Fuel & Pow.	3,902.90	3,906.93	-0.10	434.72	469.59	-7.43
Insurance	2,515.55	2,557.10	-1.62	2,280.84	3,726.81	-38.80
IT	623.80	647.90	-3.72	653.38	813.00	-19.63
Jute	2,153.69	2,182.97	-1.34	215.89	149.95	43.97
Misc.	2,506.82	2,518.00	-0.44	1,234.40	2,343.08	-47.32
Mutual Fund	446.32	446.42	-0.02	41.22	29.60	39.23
NBFI	1,195.05	1,195.87	-0.07	21.52	35.52	-39.41
Paper	13,928.64	14,265.98	-2.36	740.30	1,132.08	-34.61
Pharma	1,636.11	1,637.34	-0.07	1,312.08	1,388.62	-5.51
Service	1,683.28	1,711.53	-1.65	117.82	166.07	-29.05
Tannery	1,229.62	1,241.86	-0.99	325.45	743.16	-56.21
Telecom	3,822.47	3,822.47	0.00	2.24	3.68	-39.09
Textile	1,888.89	1,900.13	-0.59	869.69	1,679.97	-48.23
Travel & Leis.	1,010.27	1,104.35	-8.52	707.88	803.55	-11.91

## Technical Talk

Dhaka stocks fell for the fourth consecutive week as worried investors dumped their holdings to protect their capital from further erosion in the declining market. The Bangladesh Securities and Exchange Commission (BSEC) held meetings on 17 August 2023 with leading brokerage firms, merchant bankers and Asset Management Companies to discuss market-strengthening tactics. Among the major sectors, IT decreased by 3.72% followed by Insurance 1.62% and Food & Allied by 0.72%.

DSE Broad Index (DSEX) stood at 6,254.83 points after decreasing by 42.42 points or 0.67% from the previous week. Total turnover reached at Tk14903.37m, which was 28.05% lower than the previous week. Market capitalization decreased by 0.45% and stood at Tk4462.10b (\$40.75b) at the weekend against Tk4482.44b. DSE 30 decreased by 21.27 points or 0.99% and closed at 2,121.67 points against 2,142.94 points. Last week's weighted average Market PE was 14.33 which was 14.41 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 44.13.

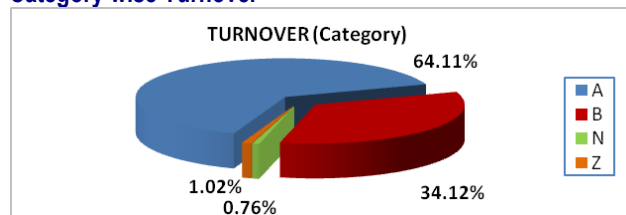
### Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Fu Wang Food	31,593,859	893.27	5.99
Sea Pearl Resort	3,418,166	612.15	4.11
Sonali Paper	754,298	487.38	3.27
Square Pharma	1,930,321	405.16	2.72
Gemini Sea Food	549,494	400.71	2.69
BSC	3,070,615	346.84	2.33

### Top 10 Market Capital

Company	Value (BDT mn)	In million
GP	386,996	139,689
Walton Hi-Tech	317,378	135,475
BATBC	280,098	103,571
Square Pharma	186,155	84,862
ROBI	157,138	79,701

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,918.40	1,945.70	-1.40
Silver (USD/t oz.)	22.80	22.75	0.24
Brent Crude Oil (USD/bbl.)	84.84	86.62	-2.05

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	109.50	109.50	109.50	109.50	0.00	0.00
EUR	121.46	121.46	122.28	122.28	-0.67	-0.67
GBP	142.28	142.28	141.82	141.82	0.32	0.32
AUD	70.49	70.49	71.53	71.53	-1.45	-1.45
JPY	0.76	0.76	0.76	0.76	0.00	0.00
CAD	81.24	81.24	81.89	81.89	-0.79	-0.79
SAR	29.35	29.35	29.33	29.33	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)
-	-	-	-