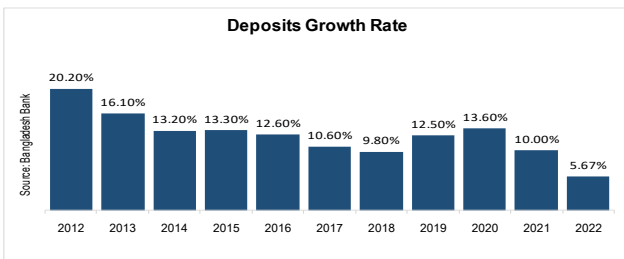


**Irregularities in two funds of Alliance Capital**

Due to irregularities and embezzlement in two mutual funds under the management of Alliance Capital Asset Management Limited, unitholders have allegedly suffered a capital loss of Tk551.6m. The issue has come to light through an investigation by the Bangladesh Securities and Exchange Commission (BSEC). According to the BSEC investigation report, funds were illegally transferred from the MTB Unit Fund and Alliance Sandhani Life Unit Fund to various banks from the commencement of the two funds till February 28 this year. Consequent to this embezzlement, the two funds have incurred substantial interest loss also. The investigation committee also found evidence of calculating the Net Asset Value (NAV) of the funds based on fake data. The AMC has charged an additional amount of Tk19.9m as management fee from the said two funds. The BSEC observed that the asset manager violated several rules and regulations. The AMC withdrew large sums of money from the two mutual funds and laundered it for personal gain. Alliance Capital Asset Management has consistently prepared and published financial statements containing false and misleading information. According to the BSEC report, the Managing Director and CEO has committed an offense under Section 2(5) and Section 4 of the Money Laundering Act 2012. The report revealed that the board of directors of the AMC and top officials are also liable for misconduct. Bangladesh General Insurance Company Limited, the trustee of two mutual funds, BRAC Bank Limited, the custodian and the auditors of the two funds ACNABIN, Huda Vasi Chowdhury & Company, Aziz Halim Khair Chowdhury and SF Ahmed & Company failed to report the misappropriation of unitholders' money. The BSEC investigation report recommended several disciplinary measures. Among those, it has been recommended to cancel the registration of the AMC and transfer the fund management function to other AMCs after conducting an independent audit of the financial positions.

**Deposit in banks rises**

The amount of bank deposits increased by more than Tk124.06b in July 2023 though the economy has long been dealing with multiple crises and sustained inflationary pressure. According to Bangladesh Bank (BB) figures, the deposit growth in June 2023 was 9.67%. The growth in deposits during 2022 was by only 5.7%, being the slowest in 11 years. It was 10% in 2021 and 13.6% in 2020. Nearly half of the total deposits were term deposits. The top five banks had 32.7% of the total deposits while 46.4% of deposits were concentrated in ten banks. At the same time the number of bank accounts with over Tk10m in deposits has continued to grow, with banks adding 3,362 such accounts in June 2023 from the March 2023 quarter. According to BB, the number of such accounts with over Tk10m in deposits stand at 1,13,554 at the end of June this year. Three months earlier, there were 1,10,192 such accounts and 1,09,946 at the end of December 2022.



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

Bangladesh Bank (BB) has sought explanation from ten banks for alleged involvement in taking advantage of the volatility in the foreign exchange market. BB sent show-cause letters to the banks on 19 September 2023 in this regard with instructions to reply within five working days. The banks are - Social Islami Bank, Al-Arafah Islami Bank, Mercantile Bank, Modhumoti Bank, Midland Bank, Brac Bank, Exim Bank, Premier Bank, Shahjalal Islami Bank and Trust Bank. However, this is not the first time the central bank has taken this position against banks on allegations of Dollar manipulation. Earlier in August 2022, the central bank sought explanation from twelve banks - Brac Bank, Dutch-Bangla Bank, The City Bank, Southeast Bank, Prime Bank, Standard Chartered Bank, United Commercial Bank, Bank Asia, Dhaka Bank, Mercantile Bank, Islami Bank Bangladesh and Shahjalal Islami Bank of making excessive profits from selling Dollars at high rates. The BB then asked - Brac Bank, Dutch-Bangla Bank, The City Bank, Southeast Bank, Prime Bank and Standard Chartered Bank to remove their treasury heads. Later BB backtracked from its earlier decision and allowed the banks to reinstate the treasury chiefs.

**ADB upgrades GDP growth forecast**

The Manila-based Asian Development Bank (ADB) in its "Asian Development Outlook (ADO) September 2023" has raised its projection for the economic growth of Bangladesh to 6.5% for FY2023-24, up from 6% it forecasted in July 2023. The projection remains higher than the World Bank's estimate of 6.2% and matches with the International Monetary Fund's (IMF) forecast of 6.5%. However, it falls short of the government's ambitious target of 7.5% growth set for the period. Inflation is projected to ease to 6.6% in the current fiscal year from 9.2% in FY2022-23. The ADO September 2023 states that moderate inflation and an increase in remittances will contribute to reviving private consumption, while the completion of several major government infrastructure projects will boost investment. ADB also highlighted the FY2023-24 budget as ambitious and belief that the monetary policy is expected to be tightened in the current fiscal year.

**Foreign aid disbursement drop in FY2022-23**

Inflow of foreign assistance decreased by 7.3% in the last fiscal year compared to FY2021-22, due to lack of spending capacity of government agencies. As per reports from the Economic Relations Division (ERD), during the period foreign development partners, including the World Bank (WB), Asian Development Bank (ADB), Islamic Development Bank (IDB) as well as Japan disbursed US\$9.27b. Earlier a record disbursement of US\$10b was made in FY2021-22, which was US\$7.96b in the FY2020-21 and US\$7.27b in FY2019-20. Meanwhile, the foreign-aid commitments increased to US\$8.798b in FY2022-23, up from US\$8.20b in the previous fiscal year, ERD data shows.

**Forex reserves at US\$21.71b**

The foreign currency reserves of Bangladesh stood at US\$21.71b on 18 September 2023 as per the definition of the International Monetary Fund (IMF). Foreign exchange reserves have kept falling since it surged to a record high of US\$48b in August 2021. Meanwhile, declining inward remittance dragged foreign reserves down. Remittance inflow declined to US\$1.59b in August 2023 from US\$2.03b in the same month of 2022, according to Bangladesh Bank (BB) reports.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	↓ 4,320.06	4,450.32	-2.93
FTSE 100	↓ 7,683.91	7,711.38	-0.36
Nikkei 225	↓ 32,402.41	33,533.09	-3.37
SENSEX	↓ 66,009.15	67,838.63	-2.70
KSE 100	↑ 46,436.41	45,796.77	1.40

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	↑ 6,309.75	6,302.03	0.12
Total Turnover, Tk	↑ 40,048.16	28,644.04	39.81
Market Capital, Tk	↑ 4,492,667,029,944	4,488,410,218,644	0.09
No of Issue Gain	92	66	
No of Issue Loss	73	99	
No of Unchanged Issues	216	204	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Crystal Insurance	99.30	132.50	33.43	771.63
Republic Insurance	41.10	53.40	29.93	860.36
Trust Islami Life Ins.	53.10	65.00	22.41	427.09
KBPPWBIL	21.00	24.50	16.67	385.95
Desh General Ins.	35.10	40.90	16.52	531.85
United Insurance	47.30	54.00	14.16	126.55
Sea Pearl Resort	169.90	190.10	11.89	731.28
BDCOM Online	34.70	38.60	11.24	162.93
Kamaphuli Insurance	35.10	38.50	9.69	779.13
Daffodil Computers	84.70	92.00	8.62	242.32

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Metro Spinning	35.40	27.20	-23.16	664.03
Standard Insurance	57.70	48.70	-15.60	270.33
Continental Insurance	53.80	46.00	-14.50	783.53
Asia Pacific Insurance	68.60	60.80	-11.37	415.78
Legacy Footwear	94.90	86.70	-8.64	379.20
Green Delta Insurance	82.20	75.80	-7.79	483.17
BGIC	61.00	56.50	-7.38	96.15
Simtex Industries	25.80	23.90	-7.36	111.26
Meghna Insurance	49.60	46.00	-7.26	263.01
Bangladesh National Ins	67.20	62.50	-6.99	504.15

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	462.91	463.42	-0.11	295.63	350.82	-15.73
Cement	356.38	356.00	0.11	534.46	369.40	44.68
Ceramic	792.11	792.11	0.00	3.36	4.02	-16.54
Engineering	6,619.68	6,616.27	0.05	804.52	924.82	-13.01
Food & Al.	5,128.56	5,111.32	0.34	4,004.34	3,898.46	2.72
Fuel & Pow.	3,900.32	3,904.80	-0.11	590.13	696.15	-15.23
Insurance	2,806.00	2,791.89	0.51	19,680.29	11,898.93	65.40
IT	667.86	641.52	4.11	1,373.55	777.15	76.74
Jute	2,091.45	2,104.31	-0.61	77.92	96.36	-19.13
Misc.	2,515.09	2,528.63	-0.54	1,858.40	1,866.49	-0.43
Mutual Fund	446.40	446.17	0.05	15.97	21.96	-27.29
NBFI	1,193.67	1,194.00	-0.03	21.76	38.60	-43.64
Paper	14,474.24	14,304.50	1.19	1,073.30	675.88	58.80
Pharma	1,635.76	1,634.31	0.09	1,609.31	1,285.34	25.20
Service	1,820.77	1,790.44	1.69	1,061.04	713.56	48.70
Tannery	1,222.27	1,226.79	-0.37	609.87	502.49	21.37
Telecom	3,822.47	3,822.47	0.00	3.09	1.96	57.64
Textile	1,877.99	1,888.89	-0.58	1,316.12	1,132.51	16.21
Travel & Leis.	1,081.58	1,035.08	4.49	1,756.36	1,239.34	41.72

## Technical Talk

Dhaka stocks gained in the past week after a single-week correction as a section of investors put fresh funds on insurance stocks in anticipation of short-term gains. Out of its five trading sessions, two sessions ended higher while three suffered losses. Among the major sectors, IT increased by 4.11% followed by Insurance 0.51%, and Food & Allied by 0.34%.

DSE Broad Index (DSEX) stood at 6,309.75 points after increasing by 7.72 points or 0.12% from the previous week. Total turnover reached at Tk40048.16m, which was 39.81% higher than the previous week. Market capitalization increased by 0.09% and stood at Tk4492.67b (\$40.84b) at the weekend against Tk4488.41b. DSE 30 increased by 11.53 points or 0.54% and closed at 2,146.10 points against 2,134.57 points. Last week's weighted average Market PE was 14.41 which was 14.39 in 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 51.05.

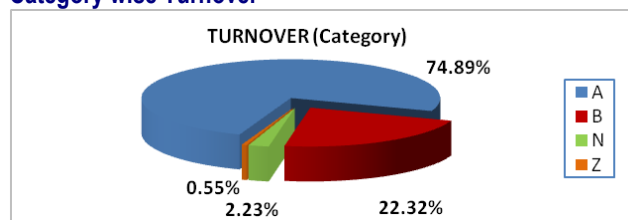
### Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Fu Wang Food	37,181,372	1,260.53	3.15
Provati Insurance	18,579,659	1,205.66	3.01
Paramount Insurance	14,316,179	1,072.24	2.68
Eastern Housing	10,121,872	1,031.19	2.57
Unique Hotel	14,423,439	1,025.05	2.56
Gemini Sea Food	1,234,636	1,014.56	2.53

### Top 10 Market Capital

Company	Market Capital (In million)
GP	386,996
Walton Hi-Tech	317,378
BATBC	280,098
Square Pharma	186,155
ROBI	157,138
RENETA	139,689
United Power	135,475
BEXIMCO	103,571
Berger Paint	85,076
LafargeHolcim BD	80,251

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz)	1,944.90	1,945.60	-0.04
Silver (USD/t.oz)	23.82	23.31	2.21
Brent Crude Oil (USD/bbl.)	93.56	94.28	-0.76

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	110.00	110.00	110.00	110.00	0.00	0.00
EUR	19.56	119.56	119.59	119.59	-83.64	-0.03
GBP	137.36	137.36	139.05	139.05	-1.22	-1.22
AUD	71.23	71.23	71.13	71.13	0.14	0.14
JPY	0.75	0.75	0.75	0.75	0.00	0.00
CAD	81.99	81.99	81.75	81.75	0.29	0.29
SAR	29.47	29.47	29.48	29.48	-0.03	-0.03

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)
Capitec Grameen Bank Growth Fund	24 Sep-01 Oct, 2023	10	2000