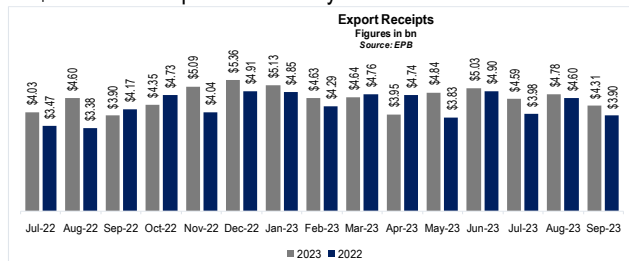


Eight banks in provision shortfall

The amount of provision shortfall in banks increased significantly mainly due to the rising trend of the volume of Non-Performing Loans (NPLs). According to Bangladesh Bank (BB) reports, the volume of NPLs rose to Tk1560.39b at the end of June 2023 from Tk1316.21b at the end of March 2023, which was Tk1206.56b at the end of December 2022. As per BB, three state-owned and five private banks reported a combined provisioning shortfall of Tk261.34b as of June 2023 from Tk201.59b as at March 2023. The eight are - Agrani Bank, BASIC Bank, Rupali Bank, Bangladesh Commerce Bank, National Bank, Dhaka Bank, Standard Bank and NCC Bank. The provisioning shortfall of the three state-owned commercial banks stood at Tk128.71b and five private banks had such deficit of Tk132.60b. As per BB requirements, the scheduled banks must keep 0.50% to 5% provisions against the general category of loans, 20% against substandard category, 50% against doubtful loans and 100% against the bad or loss category loans.

Export grew by 9.53% in Q1 of FY2023-24

With the usual riding on the performance of the Readymade Garments (RMG) sector, export earnings traversed an upward trajectory with 9.53% (Y-o-Y) growth in the first three months of the current fiscal year. According to a recent release from the Export Promotion Bureau (EPB), exporters earned US\$13.68b in July-September of FY2023-24 against US\$12.49b during the corresponding period of the last fiscal year. Earnings from the RMG sector grew by 13.05% to US\$11.61b from US\$10.27b in the same period of FY2022-23. Export earnings from knitwear increased by 19.65% to US\$6.76b from US\$5.65b and earnings from woven garments grew by 4.98% to US\$4.85b from US\$4.62b in the same period of FY2022-23. Apart from the RMG sector, most of the notable export sectors like leather, jute, home textiles, agricultural products and engineering saw negative growth in the first two months of FY2023-24. Export earnings hit a new record in FY2022-23 with US\$55.55b recorded against US\$52.08b in the previous fiscal year.



IMF downgrade GDP growth forecast

The Washington-based multilateral lender International Monetary Fund (IMF) in its latest World Economic Outlook (WEO) report has revised down the Gross Domestic Product (GDP) growth projection for Bangladesh to 6% for FY2023-24 from the previous estimate of 6.5%, as inflation remains steep, and reserves keep receding. The report also included the point of uncertainty ahead of the parliamentary election as a major risk to the economy. The revised growth forecast by the IMF comes a week after the World Bank (WB) lowered the GDP growth projection to 5.6% from the previous estimate of 6.2%. But the Asian Development Bank (ADB) raised its projection to 6.5% from 6% it forecasted earlier in July 2023. However, the assessments made by all the three multilateral development financiers falls well short of the ambitious target of 7.5% growth set by the government for the FY2023-24.

Fifteen banks face capital shortfall

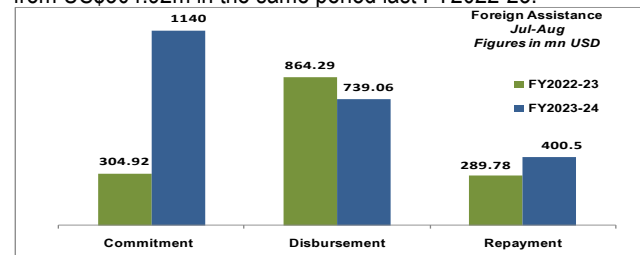
According to Bangladesh Bank (BB) reports, 15 banks out of 61 operating in the country faced capital shortfall of around Tk337.32b at the end of June 2023. Previously, capital shortfall in 11 banks was Tk335.74b at the end of March 2023. Five State-owned Commercial Banks (SCBs), six Private Commercial Banks (PCBs), two Specialized Banks and two Foreign Banks has been placed on the list of banks with insufficient capital. Bangladesh Krishi Bank had the highest amount of shortfall at Tk155.40b as of June 30 this year. Although these 15 banks have suffered capital shortfalls, the remaining 46 banks have managed to maintain adequate capital against their risk weighted assets.

Figures in Tk (bn)			
Private Banks	Amount	State-run Banks	Amount
ICB Islamic Bank	18.12	Agrani Bank	37.68
National Bank	13.79	Rupali Bank	22.28
Bangladesh Commerce Bank	13.14	Janata Bank	21.89
Padma Bank	4.97	Sonali Bank	0.10
Bengal Commercial Bank	0.87	BASIC Bank	23.52
Citizens Bank	0.96		
Specialised Bank	Amount	Foreign Banks	Amount
Bangladesh Krishi Bank	155.40	Habib Bank	0.35
Rajshahi Krishi Unnayan Bank	23.84	National Bank of Pakistan	0.41

Source: Bangladesh Bank

Foreign aid disbursement drops

Inflow of foreign assistance decreased by 14.49% in the first two months of the current fiscal year compared to the same period of FY2022-23, due to lack of spending capacity of the government agencies. As per reports from the Economic Relations Division (ERD), foreign development partners, including the World Bank (WB), Asian Development Bank (ADB), Islamic Development Bank (IDB) as well as Japan, disbursed US\$739.06m during the period, which was US\$864.29m in the same period of FY2022-23. However, foreign-aid commitments during the July-August period of FY2023-24 increased to US\$1,140m, substantially up from US\$304.92m in the same period last FY2022-23.



Net sale of NSCs positive in July-August

As per the latest statistics from the National Savings Directorate (NSD), the net sales of National Savings Certificates (NSCs) reached Tk55.62b in July-August of the current fiscal year in contrast to only Tk4.01b during the same period in FY2022-23. The net sales of NSCs were Tk32.95b in the negative in FY2022-23, which was Tk199.16b positive in the FY2021-22. 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. Initially, the target for borrowing from the banking system in FY2022-23 was set at Tk1,063.44b, which was later revised to Tk1,154.25b. 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 set at Tk180b for FY2023-24.

Stock Market Movement



Global Markets

	This Week	Last Week	+/- %
S&P 500	4,327.78	4,308.50	0.45
FTSE 100	7,599.60	7,494.58	1.40
Nikkei 225	32,315.99	30,994.67	4.26
SENSEX	66,282.74	65,995.63	0.44
KSE 100	49,517.54	47,508.67	4.23

DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	6,269.35	6,261.72	0.12
Total Turnover, Tk	20,150.46	23,357.08	-13.73
Market Capital, Tk	4,472,625,124,618	4,468,717,548,901	0.09
No of Issue Gain	56	37	
No of Issue Loss	91	120	
No of Unchanged Issues	219	205	

Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
Deshbandhu Polymer	29.80	36.40	22.15	603.72
Sonali Ansh	535.30	619.30	15.69	393.98
Emerald Oil	111.10	126.10	13.50	453.63
Union Insurance	62.00	69.00	11.29	464.77
National Tea	437.90	486.90	11.19	45.56
Central Pharma	11.10	12.30	10.81	123.24
National Feed Mill	13.50	14.80	9.63	28.64
Fu Wang Food	30.00	32.70	9.00	906.40
Oimex Electrode	20.30	22.10	8.87	99.70
Pragati Life Ins.	103.30	111.80	8.23	32.80

Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
Renwick Jaineswar	861.10	750.10	-12.89	27.80
Shyampur Sugar Mills	155.40	139.60	-10.17	81.17
Heidelberg Cement	256.80	235.10	-8.45	52.79
Meghna Pet Industries	36.20	33.50	-7.46	12.14
Daffodil Computers	98.30	91.00	-7.43	125.41
BGIC	61.10	57.10	-6.55	14.88
Asia Pacific G. Ins.	57.50	54.10	-5.91	80.01
Miracle Ind.	42.70	40.20	-5.85	304.38
BD National Ins.	63.40	60.20	-5.05	203.98
Zeal Bangla Sugar Mills	132.30	125.80	-4.91	5.79

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	462.40	462.30	0.02	186.50	216.09	-13.69
Cement	359.49	356.93	0.72	880.16	1,042.66	-15.58
Ceramic	792.11	792.11	0.00	0.54	0.53	2.08
Engineering	6,626.81	6,622.24	0.07	1,369.47	1,147.68	19.32
Food & Al.	5,107.36	5,092.53	0.29	2,995.78	2,930.82	2.22
Fuel & Pow.	3,893.14	3,895.53	-0.06	318.44	287.43	10.79
Insurance	2,637.47	2,645.32	-0.30	4,096.98	6,495.61	-36.93
IT	632.05	639.11	-1.10	864.91	1,028.76	-15.93
Jute	2,382.68	2,134.78	11.61	401.08	179.23	123.78
Misc.	2,483.17	2,475.13	0.32	1,311.92	1,715.26	-23.51
Mutual Fund	445.29	445.40	-0.02	6.32	15.83	-60.10
NBFI	1,193.56	1,193.56	0.00	1.55	4.72	-67.25
Paper	13,484.02	13,536.94	-0.39	266.32	1,449.28	-81.62
Pharma	1,632.12	1,633.54	-0.09	1,215.71	1,073.98	13.20
Service	1,745.25	1,751.47	-0.36	274.20	376.06	-27.09
Tannery	1,214.50	1,207.00	0.62	229.40	448.89	-48.90
Telecom	3,822.47	3,822.47	0.00	1.04	1.79	-42.14
Textile	1,866.02	1,868.48	-0.13	813.69	758.00	7.35
Travel & Leis.	1,093.33	1,066.18	2.55	1,426.23	1,147.12	24.33

Technical Talk

Dhaka stocks increased slightly in the past week after a fall in previous two weeks. Investors preferred to take positions in sector-specific issues. Out of its five trading sessions, market gained in three sessions while two closed marginally lower. Among the major sectors, Food & Allied increased by 1.72% followed by Engineering 0.75% and Bank by 0.65%.

DSE Broad Index (DSEX) stood at 6,269.35 points after increasing by 7.63 points or 0.12% from the previous week. Total turnover reached at Tk20150.46m, which was 13.73% lower than the previous week. Market capitalization increased by 0.09% and stood at Tk4472.63b (\$40.48b) at the weekend against Tk4468.72b. DSE 30 increased by 3.88 points or 0.18% and closed at 2,141.54 points against 2,137.66 points. Last week's weighted average Market PE was 14.33 which was 14.32 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 46.92.

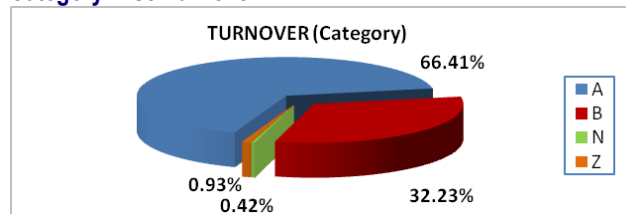
Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Sea Pearl Resort	5,904,404	1,202.72	5.97
Fu Wang Food	28,661,176	906.40	4.50
LafargeHolcim BD	10,882,713	772.03	3.83
Gemini Sea Food	767,877	621.98	3.09
Deshbandhu Polymer	18,037,159	603.72	3.00
BSC	4,461,379	514.06	2.55

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
LafargeHolcim BD	83,619
Berger Paint	82,321

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1,945.90	1,847.00	5.35
Silver (USD/t oz.)	22.90	21.77	5.19
Brent Crude Oil (USD/bbl.)	90.94	84.40	7.75

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	110.50	110.50	110.50	110.50	0.00	0.00
EUR	118.49	118.49	119.35	119.35	-0.72	-0.72
GBP	136.92	136.92	137.98	137.98	-0.77	-0.77
AUD	69.89	69.89	70.91	70.91	-1.44	-1.44
JPY	0.75	0.75	0.75	0.75	0.00	0.00
CAD	81.32	81.32	81.29	81.29	0.04	0.04
SAR	29.61	29.61	29.61	29.61	0.00	0.00

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)
-	-	-	-