

### Lending rate hit 13.55%

Bangladesh Bank (BB) lowered the margin that banks use to set lending rates in a bid to contain the cost of borrowing. Banks will now be able to maintain a maximum margin of only 3% on top of the benchmark Six Months Moving Average Rate of Treasury Bill (SMART), which was 3.5% earlier. Despite adjustment of the interest rate corridor margin, the borrowing costs are set to rise even further due to a surge in the SMART rate in the meanwhile. The SMART currently stands at 10.55%, up from 9.61% in February and 8.68% in January. Given the current SMART rate, the highest limit for bank lending rate went up to 13.55% for April, up from 13.11% in March and 12.43% in February. The interest rate on consumer loans will be a maximum of 14.55%. By lifting the 9% lending rate ceiling, the cap was replaced in June 2023 by a market based but controlled corridor named SMART reference rate, calculated on the average rate of 182-day Treasury Bills with a 3% top up margin. In November 2023 the corridor margin was raised to 3.75% and later in February 2024, the margin was reduced by 25 basis points to 3.5%.

### Exports exceed US\$5b fourth straight month

The Export Promotion Bureau (EPB) revealed that export earnings surpassed the US\$5b mark for four consecutive months in the current fiscal year. Export earnings in March 2024 grew by 9.88% (Y-o-Y) to US\$5.10b compared with US\$4.64b in the same month of 2023. Besides, export earnings stood at US\$5.31b, US\$5.72b and US\$5.19b in December, January and February respectively. Bangladesh has recorded its highest single-month export receipts of US\$5.72b in January this year. Earlier, the monthly highest export earnings were recorded in December 2022 worth US\$5.36b. As per the figures from the EPB, out of the US\$5.10b earned in the past month, US\$4.34b came from Ready-made Garment (RMG) shipments, also 11.57% higher than the earnings in March last year. Knitwear generated US\$2.42b, growing by 16.47% last month while earnings from woven garments also increased by 6.63% to US\$1.93b. In the first nine months of the current fiscal year, overall export earnings rose by 4.39% to US\$43.55b compared with US\$41.72b in the corresponding period a year ago. The RMG sector bagged US\$37.20b, recording 5.53% growth from \$35.25b in the same period of FY2022-23. Among apparel products, knitwear export reached US\$21.01b, while export from woven items was US\$16.20b with 9.59% and 0.47% growth respectively, compared to FY2022-23. However, some potential sectors could not perform well. In July-March, the shipment of leather and leather goods dipped 13.65% to US\$794.19m and jute and jute goods export edged down 5.6% to US\$659.54m. Similarly, home textile exports plunged 25.98% to US\$636.53m. Another potential export sector, engineering product fetched a negative growth of 2.77% to US\$389.18m, down from US\$389.18m in the same period of last fiscal year. Earnings rose by 6.66% (Y-o-Y) in FY2022-23 to stand at US\$55.55b against US\$52.08b in FY2021-22.

Export Earnings					
Year	US\$ in bn	Growth (Y-o-Y)	Year	US\$ in bn	Growth (Y-o-Y)
FY12	24.30	5.99%	FY19	40.54	10.55%
FY13	27.03	11.22%	FY20	33.67	-16.93%
FY14	30.19	11.69%	FY21	38.75	15.07%
FY15	31.21	3.39%	FY22	52.08	34.25%
FY16	34.26	9.77%	FY23	55.55	6.66%
FY17	34.66	1.16%	FY24(Jul-Mar)	43.55	4.39%
FY18	36.67	5.81%			

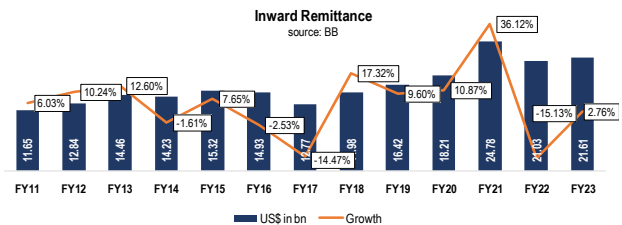
Source: EPB

### More concession on provisioning against unrealized losses

The Bangladesh Securities and Exchange Commission (BSEC) has extended the time limit for mandatory provisioning against unrealized losses in margin accounts due to the ongoing market free fall. Earlier, the Commission extended the time for provisioning until 31 December 2023 and then until 30 June 2024. After withdrawal of the floor price from 21 January 2024 that was imposed on 02 March 2023, the stock market has been going through a sell-off. The major index of the Dhaka Stock Exchange (DSE) lost a total of 540.63 points after the withdrawal. The key index dropped to a three-year low on 02 April 2024 when it slipped to 5,738.39 points, being the lowest since 5,724.36 points recorded on 11 May 2021.

### Inward remittance drops in March

Remittance inflow dropped in March 2024 amid the weakening of Dollar against the Taka. Expatriates now get Tk113-115 a Dollar although they had received Tk120-122 during the previous two months. Inward remittance in March dropped by 7.87% to US\$1.99b compared to February when the amount reached US\$2.16b. In March 2023, the amount was US\$2.02b. Inclusive of the latest March count, remittance inflow during the first nine months of the current fiscal year totaled US\$17.07b compared with that of US\$16b in the same period in FY2022-23. The inflow 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.



### Jul-Feb current account surplus US\$4.76b

The current account surplus under Balance of Payment (BoP) account stood at US\$4.76b in July-February of FY2023-24 compared to the US\$3.46b deficit recorded in the same period of the earlier fiscal year. Economists attributed the growing trend of the surplus in the current account balance to the contraction of the trade deficit arising from the fall in imports. According to the latest Bangladesh Bank reports, imports dropped by 15.36% (Y-o-Y) to US\$40.88b in the first eight months of FY2023-24 against US\$48.3b in the matching period of FY2022-23. Consequently, the trade deficit stood at US\$4.62b, that was US\$13.35b a year back. The deficit in the financial account stood at US\$8.36b against a deficit of US\$2.32b in the same period of FY2022-23.

### SCBs lag in loan recovery

State-owned Commercial Banks (SCBs) are struggling with challenges for recovering defaulted loans. The central bank instructed four SCBs - Sonali, Janata, Agrani and Rupali Bank to keep Non-Performing Loans (NPLs) within the limit they had agreed under the Bangladesh Bank's annual performance agreements. Janata Bank had a target for recovering NPLs at Tk15.15b but could recover only Tk2.25b. Agrani Bank recovered Tk3.89b of the target set at Tk15.35b. Sonali Bank had a recovery target of Tk10b, but it was able to recover Tk5.67b. Rupali Bank managed to recover Tk5.07b out of the Tk9.2b target. Meanwhile, the government had decided to merge the Bangladesh Development Bank with Sonali Bank.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	↓ 5,211.49	5,254.35	-0.82
FTSE 100	↑ 7,967.27	7,952.62	0.18
Nikkei 225	↓ 39,773.14	40,369.44	-1.48
SENSEX	↑ 74,355.56	73,651.35	0.96
KSE 100	↑ 68,369.94	67,094.63	1.90

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	↑ 5,796.12	5,778.33	0.31
Total Turnover, Tk	↑ 21,742.01	19,757.57	10.04
Market Capital, Tk	↓ 4,367,522,474	3,850,596,783,849	-99.89
No of Issue Gain	188	35	
No of Issue Loss	168	343	
No of Unchanged Issues	39	15	

### Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
Maksons Spinning	11.20	14.30	27.68	12.11
Metro Spinning	17.50	21.20	21.14	196.75
Kay & Que	244.80	280.10	14.42	5.33
Alif Industries	97.10	110.30	13.59	1,132.88
Taufika Foods	53.10	59.60	12.24	89.37
Dragon Sweater	11.50	12.90	12.17	31.95
Intech	23.50	26.30	11.91	21.22
KDS Accessories	43.70	48.70	11.44	975.05
Kattali Textile	15.90	17.70	11.32	245.13
VFS Thread Dyeing	15.50	17.20	10.97	597.95

### Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
Eastern Bank Ltd.	32.10	26.80	-16.51	14.14
Emerald Oil Industries	63.00	53.00	-15.87	10.05
IBBLPBOND	800.00	676.50	-15.44	3.64
Bd.Thai Aluminium	25.90	22.70	-12.36	403.09
Golden Son	22.20	19.50	-12.16	0.32
Asiatic Laboratories	48.20	43.00	-10.79	86.49
Central Pharma	29.70	26.70	-10.10	104.89
Golden Harvest Agro	18.30	16.50	-9.84	343.89
Deshbandhu Polymer	32.60	29.60	-9.20	8.16
ACME Pesticides	24.20	22.20	-8.26	50.13

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	453.78	457.88	-0.89	1,301.91	1,323.33	-1.62
Cement	339.73	343.88	-1.20	317.43	347.10	-8.55
Ceramic	690.58	665.88	3.71	1,719.26	1,364.58	25.99
Engineering	4,784.87	4,733.01	1.10	2,031.37	3,931.32	-48.33
Food & Al.	4,211.07	4,169.17	1.01	2,017.68	2,518.32	-19.88
Fuel & Pow.	2,945.15	2,935.44	0.33	346.34	667.88	-48.14
Insurance	2,224.86	2,244.99	-0.90	1,348.84	1,630.78	-17.29
IT	590.83	585.16	0.97	735.73	553.65	32.89
Jute	2,249.15	2,266.59	-0.77	47.83	38.28	24.95
Misc.	2,647.51	2,648.51	-0.04	293.92	667.37	-55.96
Mutual Fund	397.91	401.17	-0.81	259.35	347.37	-25.34
NBFI	794.72	791.40	0.42	400.92	286.06	40.15
Paper	11,910.38	11,882.81	0.23	235.45	254.04	-7.32
Pharma	1,447.15	1,438.26	0.62	3,793.99	3,172.42	19.59
Service	1,494.77	1,488.23	0.44	173.71	156.95	10.68
Tannery	975.21	971.78	0.35	442.70	681.03	-35.00
Telecom	3,212.68	3,189.93	0.71	441.68	312.95	41.13
Textile	1,589.11	1,518.11	4.68	3,311.44	2,702.55	22.53
Travel & Leis.	1,596.23	1,615.02	-1.16	567.62	637.02	-10.89

## Technical Talk

Dhaka stocks advanced slightly in the previous week. However, DSEX hit a three-year low on 02 April 2024 when it slipped to 5,738.39 points, being the lowest since 5,724.36 points on 11 May 2021. Among the major sectors, Textile increased by 4.68% followed by Engineering 1.68%, Food & Allied 1.01% and IT by 0.97%.

DSE Broad Index (DSEX) stood at 5,796.12 points after increasing by 17.79 points or 0.31% from the previous week. Total turnover reached at Tk21742.01m, which was 10.04% higher than the previous week. Market capitalization decreased by 99.89% and stood at Tk4367.52b (\$32.01b) at the weekend against Tk3850.6b. DSE 30 increased by 3.84 points or 0.19% and closed at 2,014.93 points against 2,011.09 points. Last week's weighted average Market PE was 11.67 which was 11.64 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 29.27.

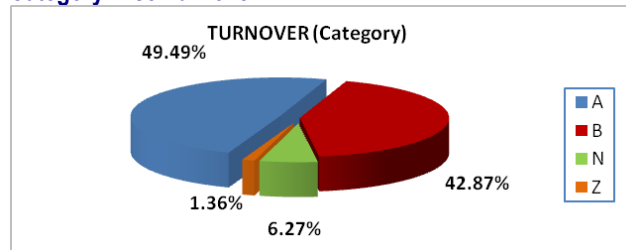
### Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Asiatic Laboratories	26,178,325	1,144.02	5.73
Central Pharma	7,423,992	760.19	4.94
Alif Industries	34,674,275	1,004.74	4.04
Best Holdings	26,450,402	986.52	3.71
Golden Son	16,809,570	750.81	3.22
Fu-Wang Ceramic	10,729,507	605.17	3.04

### Top 10 Market Capital

Company	Volume	Value (BDT mn)	% of total
GP	324,342	BEXIMCO	103,842
BATBC	217,296	RENETA	88,202
Walton Hi-Tech	204,325	United Power	83,998
Square Pharma	193,069	Berger Paint	82,553
ROBI	140,900	LafargeHolcim BD	78,973

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/oz.)	2,312.40	2,254.80	2.55
Silver (USD/oz.)	27.32	25.10	8.84
Brent Crude Oil (USD/bbl.)	89.32	86.97	2.70

### 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	125.23	125.23	124.71	124.71	0.42	0.42
GBP	146.12	146.12	145.84	145.84	0.19	0.19
AUD	72.73	72.73	72.11	72.11	0.86	0.86
JPY	0.73	0.73	0.73	0.73	0.00	0.00
CAD	81.79	81.79	81.67	81.67	0.15	0.15
SAR	29.48	29.48	29.48	29.48	0.00	0.00

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)
-	-	-	-