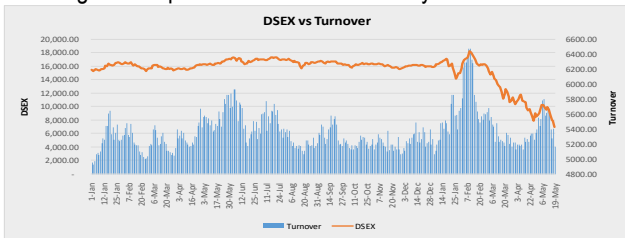


### DSEX sinks 3-year low

The key index of Dhaka Stock Exchange (DSE) dropped to a three-year low of 5,312.39 points on 23 May 2024, being the lowest since 5,310.19 points recorded on 15 April 2021. The blue-chip index DS30, representing 30 leading companies also dropped over 66 points to 1,907.70 points since last week. The stock market has been going through a bear run since the gradual withdrawal of the floor price restriction from 21 January 2024. The major index of the DSE lost a total of 1024.36 points after the withdrawal of the artificial price restriction mechanism, including 354.36 points in the last seven days.



### New guidelines on 'Z' category

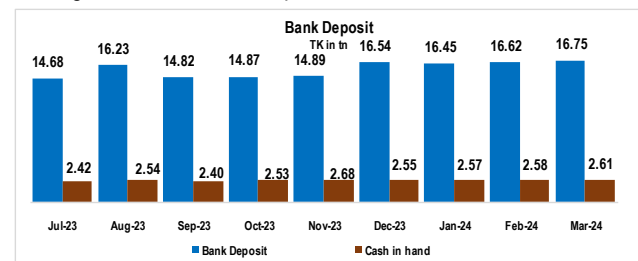
Since September 2020, the Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) was made to require regulatory permission to change the categories of companies that failed to meet securities rules and regulatory directives. Earlier they could do this themselves. However, effective from 02 July 2024 the bourses can now downgrade any listed security to Z-category without prior approval of the Bangladesh Securities and Exchange Commission (BSEC). The capital market regulator issued a Directive in this regard on 20 May 2024. The latest Directive closely resembles an earlier Order issued on 15 February 2024 in this regard with some revised criteria for the downgrading. As per the new Directive, if any listed company fails to pay off or disburse at least 80% of the declared or approved dividend within the stipulated time frame it will be shifted to the lowest category. A listed company shall be shifted to the Z-category also if it fails to declare any dividend for two consecutive years from the date of declaration of the last dividend or date of listing with the stock exchanges. If any company fails to hold the Annual General Meeting (AGM) within the stipulated timeframe it will be sent to the lowest category. However, in the case of not holding an AGM due to any writ petition or any legal process pending before any court, a maximum of two years may be considered for such an action. A company will be treated as junk if it is not in operation or exploration for a minimum of six months excluding periods for renovations or in the event of unforeseeable circumstances. If any negative balance of retained earnings exceeds its paid-up capital, the company will be sent to the lowest category. Any listed company shall be placed in the Z-category for any non-compliance with any provision of the securities Laws, Rules, Regulations, Notifications, Orders and Directives. On the other hand, if any company can provide interim dividends on the basis of audited financial reports, it may be upgraded from the Z-category. No sponsor or director of Z-category companies, excluding bank, insurance companies and non-bank financial institutions shall be allowed to transact any shares on any platform of the stock exchanges or outside the stock exchanges without prior approval of the Commission. The settlement cycle of Z-category stocks shall be T+3. Currently there are 56 companies in the Z- category.

### Share trading rules relaxed on ATB

The Bangladesh Securities and Exchange Commission (BSEC) has issued new guidelines on 20 May 2024 for trading on the Alternative Trading Board (ATB). As per the new Directive, for the first trading day, circuit breaker shall be 5% based on the fair value calculation. However, if no trade or transaction is executed within six months from the first trading day, the stockbroker shall initiate the offer for sale as determined by the seller. From the second trading day onwards, the regular circuit breaker will be 5%, calculated on the previous day's closing price or the opening adjusted price provided that the price of the equity securities shall not be varied by more than 30% of their calculated fair value. Settlement of transactions for all equity securities traded on the ATB platform shall be on T+4 basis. The issuer of unlisted securities shall not be eligible to be listed at ATB if such company raises its paid-up capital except issuance of bonus shares utilizing retained earnings within the preceding two years from the date of application to the stock exchanges. The financial statements of the issuer company before and after listing in ATB shall be audited by the panel of auditors from time to time. ATB was launched on 04 January 2023 to facilitate share transactions of non-listed securities. ATB started its trading with shares of Lanka Bangla Securities Limited and unsecured guaranteed bond of Pran Agro Limited. The Bangladesh Securities and Exchange Commission (BSEC) approved the Alternative Trading Board Rules 2019 on 03 December 2019, keeping provision of trading in all type of non-listed securities, corporate bonds, open-ended mutual fund and alternative investment funds.

### Bank deposits rise by 9.99% (Y-o-Y)

Deposits growth rate in the banking sector experienced (Y-o-Y) growth of 9.99% in March this year, reaching Tk16.75-trillion compared to Tk15.23-trillion in March 2023. According to Bangladesh Bank (BB) figures, deposit growth in December 2023 was 10.5%, which in 2022 was only 5.7%, being the slowest in 11 years. It was 10% in 2021 and 13.6% in 2020. The overall deposit growth was 7.53% and 6.86% in March and February 2023. Deposit may rise further since the market-based lending rate has been attempted to be reinstated.



### Debt-to-GDP ratio may rise further

The debt-to-Gross Domestic Product (GDP) ratio of Bangladesh is expected to cross 40% in the current fiscal year as the government continues to borrow to bankroll its expenditures amid lower collections of revenues. It was 39.8% in the FY2022-23 and is forecasted to be 41.41% at the end of FY2023-24, according to a fiscal monitoring report of the International Monetary Fund (IMF). In the last decade, the debt-to-GDP ratio rose by 13 percentage points. The IMF forecasts that the ratio will reach 43.5% in FY2028-29. The revenue-to-GDP ratio has ranged between 8% and 9% over the last one decade. The IMF forecasts that it would be 8.8% in FY2023-24 and increase to 10.2% in FY2028-29.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	5,304.72	5,303.27	0.03
FTSE 100	8,317.59	8,420.26	-1.22
Nikkei 225	38,646.11	38,787.38	-0.36
SENSEX	75,410.39	74,005.94	1.90
KSE 100	76,007.97	75,325.87	0.91

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	5,312.40	5,517.42	-3.72
Total Turnover, Tk	20,700.29	38,214.15	-45.83
Market Capital, Tk	3,501,897,180,778	4,007,305,326,041	-12.61
No of Issue Gain	28	85	
No of Issue Loss	338	290	
No of Unchanged Issues	20	17	

### Top Gainers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Mithun Knitting	24.70	31.80	28.74	110.84
BIFC	6.40	8.20	28.13	4.86
Yeakin Polymer	18.30	22.40	22.40	79.01
Active Fine Chemical	13.30	15.20	14.29	74.81
Shepherd Industries	13.90	15.60	12.23	33.64
Alltex Industries	15.50	17.00	9.68	18.08
Simtex Industries	22.90	24.90	8.73	155.91
Orion Pharma	69.90	76.00	8.73	1,227.83
Dulamia Cotton	64.30	69.60	8.24	0.01
Golden Jubilee M. F.	17.30	18.60	7.51	182.97

### Top Losers

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

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Sonali Aansh Industries	600.20	301.80	-49.72	160.36
Apex Foods	251.90	223.30	-11.35	12.09
Bangladesh Lamps	126.00	111.80	-11.27	6.65
Asiatic Laboratories	71.10	63.10	-11.25	446.60
EGeneration	51.60	45.80	-11.24	458.40
Legacy Footwear	78.30	69.50	-11.24	61.43
Sonali Life Insurance	92.10	81.80	-11.18	65.21
Aramit	279.40	248.20	-11.17	28.27
Wata Chemicals	126.40	112.30	-11.16	3.48
H.R. Textile	52.00	46.20	-11.15	12.95

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	414.39	427.23	-3.01	1,087.44	1,796.31	-39.46
Cement	298.79	316.28	-5.53	203.59	379.59	-46.37
Ceramic	565.07	610.13	-7.38	332.48	976.72	-65.96
Engineering	4,032.61	4,301.64	-6.25	1,186.51	3,315.40	-64.21
Food & Al.	3,646.78	3,857.62	-5.47	2,116.90	3,368.34	-37.15
Fuel & Pow.	5,523.98	5,789.39	-4.58	292.31	767.70	-61.92
Insurance	2,077.93	2,217.47	-6.29	1,508.34	3,350.22	-54.98
IT	541.61	583.64	-7.20	960.90	2,931.40	-67.22
Jute	1,343.62	2,230.54	-39.76	161.76	511.55	-68.38
Misc.	2,550.54	2,604.61	-2.08	389.09	1,070.60	-63.66
Mutual Fund	386.16	394.90	-2.21	1,046.88	1,237.48	-15.40
NBFI	702.26	766.10	-8.33	173.71	297.67	-41.64
Paper	9,288.16	9,962.32	-6.77	220.35	366.14	-39.82
Pharma	1,336.80	1,391.53	-3.93	4,322.08	8,204.21	-47.32
Service	1,431.30	1,563.51	-8.46	192.28	551.72	-65.15
Tannery	866.66	914.72	-5.25	184.09	670.51	-72.54
Telecom	2,879.47	2,999.72	-4.01	185.88	226.80	-18.04
Textile	1,441.20	1,518.72	-5.10	2,007.70	4,618.46	-56.53
Travel & Leis.	1,478.89	1,570.88	-5.86	739.38	1,610.81	-54.10

## Technical Talk

Dhaka stocks extended the losing streak for the second straight week as investors liquidated shares to protect their investments from further erosion. In the past ten days, DSEX lost a total of 378.39 points. Among the major sectors, NBFI decreased by 8.33% followed by IT 7.20%, Insurance 6.29% and Engineering by 6.25%.

DSE Broad Index (DSEX) stood at 5,312.40 points after decreasing by 205.02 points or 3.72% from the previous week. Total turnover reached at Tk20700.29m, which was 45.83% lower than the previous week. Market capitalization decreased by 12.61% and stood at Tk3501.90b (US\$29.73b) at the weekend against Tk4007.31b. DSE 30 decreased by 66.29 points or 3.36% and closed at 1,907.70 points against 1,973.99 points. Last week's weighted average Market PE was 9.93 which was 10.87 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 26.52.

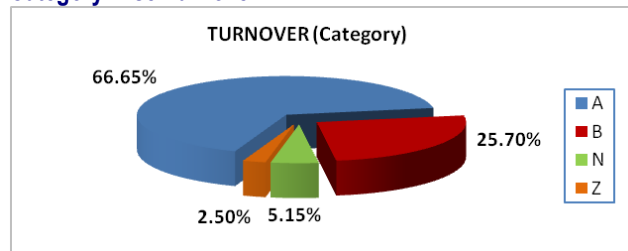
### Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Orion Pharma	16,363,220	1,227.83	5.93
Taufika Foods	8,110,734	699.11	3.38
Beach Hatchery	7,067,934	534.90	2.58
Orion Infusion	854,112	513.88	2.48
EGeneration	9,293,455	458.40	2.21
Asiatic Laboratories	6,685,595	446.60	2.16

### Top 10 Market Capital

Company	Volume	Value (BDT mn)	% of total
GP	303,682	BEXIMCO	103,842
Square Pharma	182,432	Berger paint	78,931
BATBC	175,554	Renata	74,633
Walton Hi-Tech	162,794	United Power	72,810
Robi	115,235	LafargeHolcim	68,056

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/oz)	2,335.20	2,419.80	-3.50
Silver (USD/oz)	30.54	31.78	-3.89
Brent Crude Oil (USD/bbl)	82.16	83.96	-2.14

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	117.80	117.85	117.55	117.60	0.21	0.21
EUR	134.19	134.25	134.22	134.27	-0.02	-0.01
GBP	157.63	157.70	156.79	156.86	0.54	0.54
AUD	78.48	78.51	79.08	79.12	-0.76	-0.77
JPY	0.76	0.76	0.76	0.76	0.00	0.00
CAD	86.66	86.70	86.81	86.85	-0.17	-0.17
SAR	31.57	31.58	31.50	31.51	0.22	0.22

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)
Techno Drugs Ltd.	09 Jun-13 Jun, 2024	24	1,000