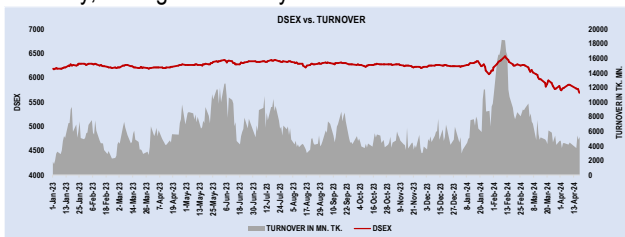


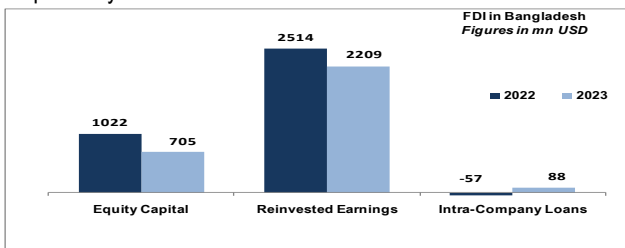
### Dhaka stocks keep falling

The stock market is passing a painful and apparently hopeless time, suffering deterioration in all indicators. Bear-run and volatility infested the stock market sentiments since the gradual withdrawal of the floor price restriction from 21 January 2024. DSEX, the key index of the Dhaka Stock Exchange (DSE), dropped by 96.50 points or 1.52% on the day to settle at 6,240.25 points on 21 January 2024. At the end of January this year, DSEX closed at 6,153.34 points, plummeting by 113.72 points or 1.82% compared to last day of January 2023. DSEX lost 1,087.77 points or 17.16% (Y-o-Y) to close at 5,251.96 points on 30 May 2024 against 6,339.74 points on 31 May 2023, including 987.84 points lost in the last five months. Turnover, dropped to Tk3.74b in the last trading day of May 2024, down from Tk11.99b recorded on 31 May 2023. The key index hit below 5,300 points mark on 26 May 2024 for the first time after 2021. Daily turnover sank below Tk3b at Tk2.92b on 03 January, the lowest in the current year. The turnover was Tk18.58b on 08 February, the highest in this year.



### FDI drops in 2023

Net Foreign Direct Investment (FDI) in Bangladesh fell by 13.68% to US\$3b in year 2023 amid countless economic challenges. According to the reports published by Bangladesh Bank (BB) such investment was US\$3.48b in 2022. In 2023, the highest amount of net FDI inflow of around US\$614m was from the United Kingdom while the Netherlands was in the second position with US\$367m. The manufacturing sector was the highest FDI receiver with US\$1.26b while the power, gas and petroleum sector was in second position with US\$581.27m. Reinvestment of earnings dropped by 12.13% to US\$2.21b (Y-o-Y). At the same time, equity capital and intra-company loans dropped by 31.02% to US\$705m and 254.39% to US\$88m respectively.



### Interest spread at 9-years high

Interest rate spread in the banking sector widened to 5.19% in March 2024, being highest in 9 years, according to Bangladesh Bank. The earlier highest was recorded at 5.04% in February 2015. The weighted average interest rate on deposits stood at 5.17% in March 2024, up from 5.01% a month back. Meanwhile, the weighted average lending rate stood at 10.36% in March 2024, which in the earlier month was 10.05%. Compared with March 2023, the spread was 2.96%, when the interest rate on deposits and lending were 4.35% and 7.31%, respectively.

### Fitch rates Bangladesh 'B+'

The global rating agency Fitch has downgraded its outlook on Bangladesh's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'B+' from 'BB-' owing to the lingering weakening of the external buffers. However, the rating agency in its latest assessment released on 27 May 2024 kept the economic outlook stable. Fitch Ratings said that policy actions have been insufficient to stem the fall in Forex exchange (forex) reserves and resolve domestic Dollar tightness. The recent shift to a crawling peg exchange rate system aims to increase exchange rate flexibility. Whether this will fully address lingering forex market distortions and support significant reserve build-up remains unclear, according to the report. Notably, at the end of 2022, the policy rate was 5.75% but the Bangladesh Bank since then continuously hiked the policy rate in an effort to manage inflation. Inflation has persisted above 9% since March 2023. The latest adjustment took place in May 2024 when the policy rate was raised by 50 basis points to 8.50%. Similarly, the forex reserves are down substantially due to continued interventions, capital outflows and the persistent use of informal channels for remittances. Fitch expects high inflation to persist due to domestic supply shortages, import restrictions and a weaker exchange rate. The removal of interest rate caps could bode well for the transmission of monetary policy, the rating agency said. The impact on the current account is expected to be modest, as remittances through formal channels should also accelerate with a better alignment between the official and parallel market exchange rates. Earlier in December 2023 the Moody's Investor Services placed Bangladesh at "B1" from the previous "Ba3" category. It indicates that heightened external vulnerability and liquidity risks are persistent, and that, together with institutional weaknesses uncovered during the ongoing crisis, the decline in forex reserves indicate sustained pressures on external position.

### Revenue collection falls short despite growth

According to the latest figures from the National Board of Revenue (NBR), revenue collection for the July-April period of FY2023-24 totaled Tk2,893.77b, which is roughly 70% of the revised target. The initial target was Tk4,300b, which was later revised down to Tk4,100b. Meanwhile, revenue collection went up by 15.61% (Y-o-Y) during July-April period of the current fiscal year. Despite achieving a double-digit growth, all the three wings of the revenue board missed their respective targets. Income tax collection lagged by Tk544.55b, Value-Added Tax (VAT) by Tk379.90b and customs revenue by Tk281.78b. The VAT wing led with Tk1,137.09b, up by 16.01% (Y-o-Y). Income tax receipts reached Tk931.45b, a 19.33% increase (Y-o-Y), while customs revenue collection grew 11.18% (Y-o-Y) to Tk825.22b. In FY2022-23, NBR collected Tk3.25-trillion in revenue, marking a 7.84% growth against 15.26% in the previous fiscal year.

### Imports drop

Imports dropped by 11.36% (Y-o-Y) to US\$55.31b in the first ten months of FY2023-24, compared to US\$62.40b in the same period a year earlier amid a volatile foreign exchange situation. According to latest Bangladesh Bank (BB) figures, overall import orders also decreased to US\$56.19b against US\$56.36b in the same period of the last fiscal year. There has been a severe shortage of the greenbacks and the foreign exchange reserves dropped to US\$19.97b at the end of April 2023. The central bank restricted imports of non-essential items to limit the free fall of the reserves.

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %
S&P 500	↓ 5,277.51	5,304.72	-0.51
FTSE 100	↓ 8,275.38	8,317.59	-0.51
Nikkei 225	↓ 38,487.90	38,646.11	-0.41
SENSEX	↓ 73,961.31	75,410.39	-1.92
KSE 100	↓ 75,881.88	76,007.97	-0.17

### DSE Indicators

	This Week	Last Week	+/- %
DSE Broad Index	↓ 5,251.96	5,312.40	-1.14
Total Turnover, Tk	↓ 19,507.45	20,700.29	-5.76
Market Capital, Tk	↓ 3,456,643,284,617	3,501,897,180,778	-1.29
No of Issue Gain	115	28	
No of Issue Loss	248	338	
No of Unchanged Issues	27	20	

### Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
BIFC	8.20	12.00	46.34	42.45
GHCL	23.20	31.40	35.34	24.77
Khulna Printing	18.70	23.40	25.13	93.46
Hami Industries	131.20	154.40	17.68	31.49
CAPM BDBL M.F.	7.00	8.20	17.14	12.71
First Finance	3.70	4.30	16.22	1.83
Sonargaon Textiles	24.90	28.30	13.65	36.39
Rupali Life Insurance	139.20	155.40	11.64	353.99
Matin Spinning Mills	43.00	47.80	11.16	16.37
Tung Hai Knitting	3.60	4.00	11.11	2.55

### Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (in BDTmn)
	Last Week	This Week	Change %	
Pioneer Insurance	60.40	48.60	-19.54	9.40
Jamuna Bank	20.80	17.20	-17.31	20.04
Pragati Insurance	56.60	48.50	-14.31	4.30
EGeneration	45.80	39.60	-13.54	354.17
Asiatic Laboratories	63.10	54.80	-13.15	396.66
KBPPWBIL	187.70	163.40	-12.95	1.22
Salvo Chemical	54.90	48.30	-12.02	86.12
Social Islami Bank	8.40	7.40	-11.90	4.31
Premier Bank	11.50	10.20	-11.30	24.34
National Life Insurance	112.60	100.10	-11.10	25.15

### Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	407.50	414.39	-1.66	1,469.33	1,087.44	35.12
Cement	298.58	298.79	-0.07	129.73	203.59	-36.28
Ceramic	564.85	565.07	-0.04	271.15	332.48	-18.45
Engineering	3,916.28	4,032.61	-2.88	1,317.55	1,186.51	11.04
Food & Al.	3,635.18	3,646.78	-0.32	2,181.52	2,116.90	3.05
Fuel & Pow.	2,743.27	5,523.98	-50.34	620.62	292.31	112.32
Insurance	2,003.58	2,077.93	-3.58	1,333.20	1,508.34	-11.61
IT	516.21	541.61	-4.69	917.54	960.90	-4.51
Jute	1,209.57	1,343.62	-9.98	99.74	161.76	-38.34
Misc.	2,508.30	2,550.54	-1.66	295.52	389.09	-24.05
Mutual Fund	387.68	386.16	0.39	1,303.66	1,046.88	24.53
NBFI	675.79	702.26	-3.77	250.72	173.71	44.33
Paper	8,969.78	9,288.16	-3.43	275.21	220.35	24.90
Pharma	1,314.01	1,336.80	-1.70	3,336.22	4,322.08	-22.81
Service	1,412.28	1,431.30	-1.33	215.78	192.28	12.22
Tannery	844.56	866.66	-2.55	249.79	184.09	35.69
Telecom	2,870.31	2,879.47	-0.32	236.00	185.88	26.96
Textile	1,424.15	1,441.20	-1.18	2,187.14	2,007.70	8.94
Travel & Leis.	1,473.58	1,478.89	-0.36	571.24	739.38	-22.74

## Technical Talk

Dhaka stocks extended the losing streak for the third straight week as the market remained bearish for long amid the ongoing economic worries. In the last one month, DSEX lost a total of 332.69 points. Among the major sectors, IT decreased by 4.69% followed by NBFI 3.77%, Insurance 3.58%, Engineering 2.88% and Pharma by 1.70%.

DSE Broad Index (DSEX) stood at 5,251.96 points after decreasing by 60.44 points or 1.14% from the previous week. Total turnover reached at Tk19507.45m, which was 5.76% lower than the previous week. Market capitalization decreased by 1.29% and stood at Tk3456.64b (US\$29.32b) at the weekend against Tk3501.90b. DSE 30 decreased by 32.86 points or 1.72% and closed at 1,874.84 points against 1,907.70 points. Last week's weighted average Market PE was 9.78 which was 9.93 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 21.73.

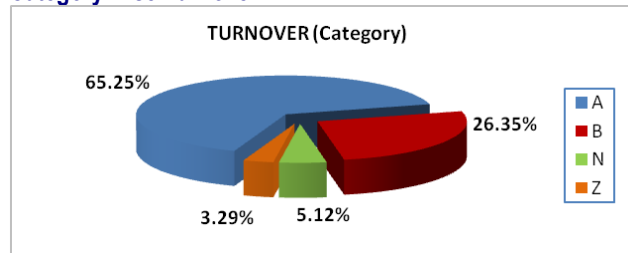
### Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Orion Pharma	9,368,050	686.72	3.52
Alif Industries	4,067,776	540.24	2.77
Taufika Foods	5,871,815	511.42	2.62
Reliance Insurane M.F.	22,739,233	467.11	2.39
Unilever	200,395	437.79	2.24
Orion Infusion	784,605	436.84	2.24

### Top 10 Market Capital

Company	Value (BDT mn)	% of total
GP	301,792	103,842
Square Pharma	184,825	Berger paint 77,446
BATBC	177,552	United Power 73,389
Walton Hi-Tech	155,796	Reneta 72,741
Robi	116,806	LafargeHolcim 68,056

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t.oz.)	2,347.70	2,335.20	0.54
Silver (USD/t.oz.)	30.56	30.54	0.05
Brent Crude Oil (USD/bbl.)	81.31	82.16	-1.03

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	117.90	117.95	117.80	117.85	0.08	0.08
EUR	133.67	133.73	134.19	134.25	-0.39	-0.39
GBP	157.18	157.25	157.63	157.70	-0.29	-0.29
AUD	78.31	78.34	78.48	78.51	-0.22	-0.22
JPY	0.76	0.76	0.76	0.76	0.00	0.00
CAD	86.36	86.39	86.66	86.70	-0.35	-0.36
SAR	31.59	31.60	31.57	31.58	0.06	0.06

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