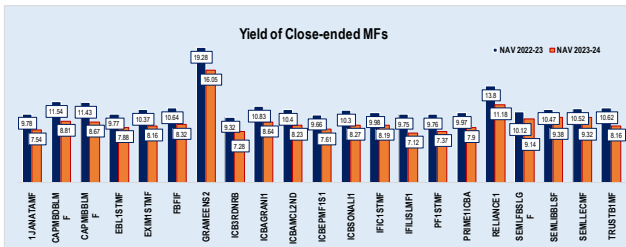


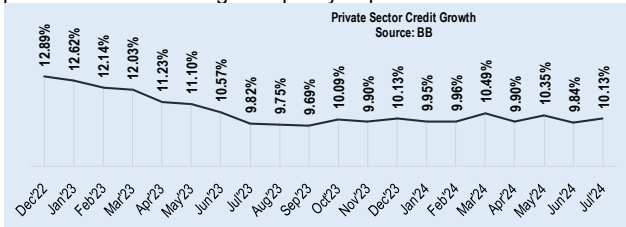
Dividend drought in close-end mutual funds

The mutual funds in Bangladesh is facing a challenging period as most close-end funds failed to declare dividends for FY2023-24, reflecting broader weaknesses. Key issues contributing to the underperformance include imposition of the floor price, price erosion following its removal and obligation of fund managers to provision for unrealized losses as well as malpractice by some. Asset managers, bound by rules to allocate at least 60% of their funds in equities, saw little opportunity for gains in the depressed secondary market. Having invested heavily in equities due to limited options in the money market, most asset managers were hit hard by the market downturn, particularly after the floor price was lifted in January 2024. Net Asset Values (NAV) of 20 out of 22 close-end funds that disclosed financial performance for FY2023-24, dipped below face value, leading to zero dividends, while Earnings Per Unit (EPU) were negative across the board. Notably, two funds managed by AIMS of Bangladesh Limited remain above face value, with Grameen One: Scheme Two and Reliance One, the first scheme of Reliance Insurance Mutual Fund declaring modest dividends. Significant losses, particularly in funds managed by the now under investigation RACE Asset Management exacerbated concerns. Six of their ten closed-end funds failed to declare dividends with collective losses reportedly surging to Tk3.53b. Unit prices for these funds are now trading well below their face value, hovering at less than Tk5 each. In June 2024, the Bangladesh Financial Intelligence Unit (BFIU) froze banking transactions for 12 RACE-managed funds, while the Bangladesh Securities and Exchange Commission (BSEC) blocked their BO accounts, further limiting capital gains realization. Allegations of regulatory violations, misuse of investors' funds and money laundering have surfaced against RACE's key figures, including Chowdhury Nafeez Sarafat and Hasan Imam.



Unexpected increase in private sector credit growth

Private sector credit growth surprisingly went up in July 2024 even though the overall economic activities were halted in July because of mass uprising that led to the fall of the autocratic regime on 05 August 2024. Some loan-related irregularities might have taken place in the banking sector in that crisis-hit month. Credit disbursement increased to 10.13% in July 2024 from 9.84% a month back, as per Bangladesh Bank (BB) reports. The central bank has set the private sector credit growth target at 9.80% for the first half of FY2024-25 citing rising inflationary pressures and focusing on liquidity to productive sectors.

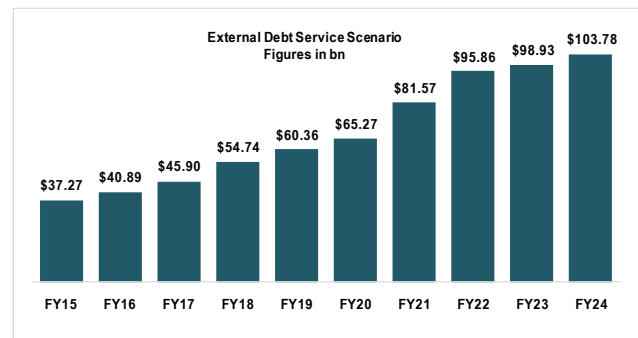


BSEC to investigate irregularities in SEML

The Bangladesh Securities and Exchange Commission (BSEC) has formed a three-member committee on 18 September 2024 to investigate alleged financial anomalies in Strategic Equity Management Limited (SEML), owned by one Chowdhury Nafeez Sarafat and his family members. The committee will investigate illicit trading and submit report within 60 days. The enquiry committee would examine whether the "Alternative Investment Fund of Bangladesh" managed by SEML complied with the investment parameters of the alternative investment rules. The committee will gather and examine valid evidence against all investment of the fund and the conflict of interests arising through investment in connection with the fund manager and the trustee. Among other issues, the committee will also collect all official bank statements of the fund from inception to the present date and confirm the balance at the end of accounting years. Any illicit payment that benefited the fund manager and other parties will also be investigated. The Alternative Investment Fund of Bangladesh, which is a Private Equity Fund, was registered in 22 November 2015. The trustee of the fund is Premier Bank. The SEML was incorporated in 2007 and got the asset management company license in 2013.

External debt soars by US\$80b in 15 years

The amount of government debt availed from overseas or external sources has increased significantly. External debts skyrocketed to a staggering US\$103.78b by June 2024, a huge leap from just US\$23.5b in 2009. It represents a 341% increase over the past 15 years, amounting to over US\$80b in new foreign loans. The biggest surge happened in the three years between FY1999-20 and FY2022-23, when foreign loans increased by 51.57%, from US\$65.27b to US\$98.93b, an alarming US\$33.66b in such a short period. Of the US\$103.78b in external debts in FY2023-24, share of public sector amounted US\$83.21b while the private sector accounted for US\$20.57b, according to the Bangladesh Bank reports. For the first time, external debt has crossed the US\$100b mark at the end of 2023 due to a rising trend in bilateral loans to fund infrastructural spending. By the end of FY2023-24, the per capita debt reached US\$605. External debt-to-GDP ratio hit 22.60% at the end of FY2023-24.



Interest spread highest in two decades

Interest rate spread in the banking sector widened to 6.03% at the end of June 2024, being highest in 22 years, according to Bangladesh Bank (BB). The earlier highest was recorded at 6.42% in 2002. The weighted average interest rate on deposits and lending rate stood at 5.49% and 11.52% in June 2024. The spread was 4.66% in December last year, significantly up from 2.93% in June 2023.

Stock Market Movement



Global Markets

		This Week	Last Week	+/- %
S&P 500	↑	5,702.55	5,626.02	1.36
FTSE 100	↓	8,229.99	8,273.09	-0.52
Nikkei 225	↑	37,723.91	36,581.76	3.12
SENSEX	↑	84,544.31	82,890.94	1.99
KSE 100	↑	82,027.27	79,400.60	3.31

DSE Indicators

		This Week	Last Week	+/- %
DSE Broad Index	↑	5,735.27	5,726.52	0.15
Total Turnover, Tk	↓	24,523.46	32,214.55	-23.87
Market Capital, Tk	↑	3,965,719,006,867	3,950,754,817,216	0.38
No of Issue Gain		142	107	
No of Issue Loss		213	271	
No of Unchanged Issues		42	18	

Top Gainers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Sea Pearl	46.70	55.10	17.99	634.47
Pragati Life Ins.	203.40	236.30	16.18	231.36
Sonali Paper	169.10	193.20	14.25	421.25
Dominage Steel	12.10	13.80	14.05	69.58
Sonali Aansh Ind.	296.70	333.40	12.37	1,051.10
SK Trims	17.00	19.00	11.76	88.50
Islami Bank	44.30	49.40	11.51	363.16
Global Heavy Chemical	28.30	31.30	10.60	128.88
Oimex Electrode	21.30	23.40	9.86	167.03
Emerald Oil	31.30	34.20	9.27	172.95

Top Losers

Weighted avg. Closing Price (Tk)

Company	Last Week	This Week	Change %	Turnover (in BDTmn)
Confidence Cement	76.30	84.00	10.09	535.93
Rupali Life Insurance	133.40	119.60	-10.34	203.97
Khulna Power	24.00	19.40	-19.17	69.04
Intraco Refueling Station	29.60	27.40	-7.43	143.70
Hami Industries	114.80	126.60	10.28	20.17
Golden Jubilee M.F.	10.80	10.90	0.93	55.51
Mithun Knitting	19.80	18.10	-8.59	8.29
CAPITECGBF	12.10	11.70	-3.31	84.36
Grameen Two	16.00	14.70	-8.13	31.13
Alltex Industries	14.90	14.90	0.00	9.96

Sectoral Index & Turnover

Sector	Sectoral Index			Turnover (Tk.M)		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Bank	501.86	500.02	0.37	2,942.94	5,329.19	-44.78
Cement	335.46	336.46	-0.30	297.88	869.83	-65.75
Ceramic	506.86	519.78	-2.49	189.18	233.30	-18.91
Engineering	4,453.86	4,495.50	-0.93	1,562.01	1,536.93	1.63
Food & Al.	4,431.24	4,452.32	-0.47	1,837.28	2,854.20	-35.63
Fuel & Pow.	2,932.02	2,952.71	-0.70	1,916.37	3,135.37	-38.88
Insurance	2,164.61	2,117.18	2.24	1,286.19	1,286.04	0.01
IT	516.41	512.51	0.76	764.56	1,342.33	-43.04
Jute	2,358.06	2,170.87	8.62	1,063.60	582.03	82.74
Misc.	2,556.81	2,557.41	-0.02	986.68	950.38	3.82
Mutual Fund	355.18	361.13	-1.65	358.08	470.26	-23.85
NBFI	842.33	832.43	1.19	417.78	504.81	-17.24
Paper	6,767.77	6,566.72	3.06	639.31	421.34	51.73
Pharma	1,381.42	1,396.98	-1.11	4,144.55	5,679.30	-27.02
Service	1,278.87	1,265.03	1.09	272.31	434.30	-37.30
Tannery	845.48	850.45	-0.58	218.86	239.48	-8.61
Telecom	4,226.79	4,088.27	3.39	1,179.48	1,479.14	-20.26
Textile	1,448.79	1,467.16	-1.25	1,804.29	2,227.55	-19.00
Travel & Leis.	1,173.45	1,130.46	3.80	1,118.14	789.63	41.60

Technical Talk

Dhaka stocks posted marginal gain amid high volatility, ending a two-week losing streak. The price appreciation of selective large cap stocks contributed to the recovery. Among the major sectors, Insurance increased by 2.24% followed by NBFI 1.19%, IT 0.76% and Bank 0.37%.

DSE Broad Index (DSEX) stood at 5,735.27 points after increasing by 8.75 points or 0.15% from the previous week. Total turnover reached at Tk24523.46m, which was 23.87% lower than the previous week. Market capitalization increased by 0.38% and stood at Tk3965.72b (US\$33.05b) at the weekend against Tk3950.75b. DSE 30 increased by 5.69 points or 0.27% and closed at 2,106.44 points against 2,100.75 points. Last week's weighted average Market PE was 10.91 which was 10.88 in previous week.

Based on the weekly chart of index movement, which is used to track short-term trend, technical readings are as under:

Relative Strength Index (RSI) & Money Flow Index (MFI)

The RSI illustrates if the change of price movements is in overbought or oversold territory. MFI also depicts the same however; it incorporates trade volume along with the price change. Both RSI and MFI stood at 51.80 and 64.24 respectively, indicating an upward trend.

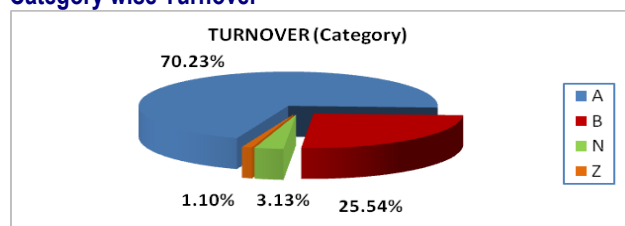
Top Turnover Companies

Company	Volume	Value (BDT mn)	% of total
Sonali Aansh	1,051.10	3,292,948.00	4.29
Linde Bangladesh	978.70	659,165.00	3.99
Grameenphone	720.68	2,159,029.00	2.94
Sea Pearl Resort	634.47	11,955,904.00	2.59
Orion Infusion	577.74	1,505,126.00	2.36
BRAC Bank	571.16	10,461,079.00	2.33

Top 10 Market Capital

Company	Volume	Value (BDT mn)	% of total
GP	463,693	BEXIMCO	103,842
BATBC	215,460	Brac Bank	97,157
Square Pharma	204,327	Renata	89,016
Walton Hi-Tech	192,784	United Power	83,186
Robi	150,852	Berger Paint	82,752

Category wise Turnover



Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	2,647.10	2,606.20	1.57
Silver (USD/t oz.)	31.50	31.07	1.38
Brent Crude Oil (USD/bbl.)	74.72	72.12	3.61

Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	120.00	120.00	120.00	120.00	0.00	0.00
EUR	140.65	140.65	139.57	139.57	0.77	0.77
GBP	167.87	167.87	165.38	165.38	1.51	1.51
AUD	82.09	82.09	80.85	80.85	1.53	1.53
JPY	0.84	0.84	0.87	0.87	-3.45	-3.45
CAD	88.88	88.88	88.77	88.77	0.12	0.12
SAR	32.14	32.14	32.14	32.14	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)
-	-	-	-