

## Economy

PetroBangla has invited nine foreign oil and gas companies to finalize Production Sharing Contracts (PSC) on oil and gas exploration. Earlier they were awarded five gas blocks under second round bidding as follows:

Companies	Blocks
Enron, Okland	3, 6
Shell, Cairn	5
Triton, Unocal and PTI	7
Pangea, CMV	8

Germany stresses specific reforms of the power sector – one of it is to create an autonomous body to look after the power plants at Ashuganj built under German assistance – as a precondition for further assistance in the sector. The power plants with a generation capacity of 450 MW need major rehabilitation work to be done by Germany. The country has also committed to finance 230 KV power transmission line between Comilla and Chittagong.

Only 40% of the demand for quality yarn is met by local production and the gap will remain substantial for several years even if new spinning units spring up within shortest possible time. This was revealed in a report of a task force constituted by the Ministry of Textiles. Currently only ten spinning units are capable of producing 33,757 million Kg knit yarn of international standard. Setting up backward linkage industries for feeding the highest exporting RMG sector is crucial as market concessions like quota and GSP in the US and EU will be withdrawn after 2005 under WTO regime exposing the local RMG products to free competition.

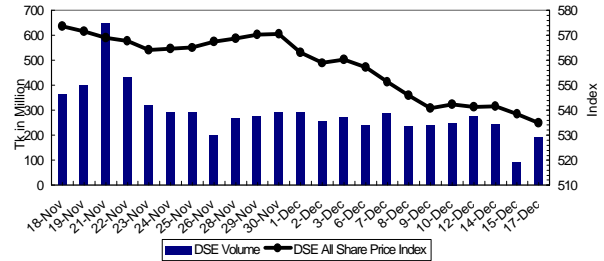
Jamdani (a sort of fine fabric) exporters are in trouble following suspension of 25% cash incentive from government. The suspension which is now applied to all the exporters, is due to a case of producing forged export documents to enjoy undue cash incentive. Unless the matter is resolved, Bangladesh can lose the hard-earned export market of India with Tk 800 million equivalent foreign currency this fiscal, says President of Jamdani Manufacturers and Exporters Association.

## Economic Indicators

Exchange Rate	1 US\$ = Tk 48.7
Bank Rate	8%
Inflation Rate	6% (Budget 1998-9)
Forex Reserve	\$ 1.830 billion (September 14, 1998)
Export Receipt	\$ 5.125 billion (1997-8E)
Import Payment	\$ 7.614 billion (1997-8E)

**Yawer Sayeed, Managing Director & CEO**  
**Shamsur Rahman, Manager, Research Group**  
**Mahmudul Bari, Manager, Fund Management Group**

## Stock Market Movement



	DSE ↓			CSE ↓		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Index	534.92	542.35	-1.36	233.28	236.01	-1.16
Average Daily Turnover (Tkm)	209.83	253.89	-17.35	62.67	71.10	-11.86
Market Capital (Tkbn)	48.61	49.29	-1.36	41.37	41.87	-1.19
Market PE, x	13.57	10.78	-	-	-	-

## Market Commentary

Declining trend has prevailed in the market with a significant decrease in daily turnover. The DSE All Share Price Index dropped by 1.36% to 534.92.

## Top 7 Gainers

Company	Average Price (Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Eastern Lub.	27	21	28.57	960
Reliance Insurance	290	245	18.37	17,190
Sreepur Textile	64	56	14.29	153,340
Saleh Carpet	10	9	11.11	10,573,040
Paragon Leather	91	83	9.64	32,636,040
I. C. B.	230	210	9.52	440
Samorita Hospital	120	110	9.09	73,280

## Top 7 Losers

Company	Average Price (Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Eagle Box & Cartoon	41	74	-44.59	18,616
Sajib Garments	107	161	-33.54	12,580
Rahman Chemicals	35	46	-23.91	43,468
Mona Food	117	152	-23.03	18,531,530
Mithun Knitting	59	70	-15.71	3,372
Gulf Food	123	145	-15.17	59,874,420
Bd Zipper	118	138	-14.49	4,948,868

## Top 7 Turnover Companies

Company	Average Price (Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Aramit	60	66	-9.09	71,559,773
Gulf Food	123	145	-15.17	59,874,420
Paragon Leather	91	83	9.64	32,636,040
Mona Food	117	152	-23.03	18,531,530
Tulip Dairy & Food	213	235	-9.36	11,224,924
Saleh Carpet	10	9	11.11	10,573,040
Nothern Jute	33	33	0.00	6,104,720