

## Economy

Securities & Exchange Commission has approved the Draft Margin Rules 1999, which will regulate the credit, popularly known as margin, offered by the brokers to the secondary market investors. The equity of the investors in the margin account must not be less than 150% of credit offered. The broker can keep securities as mortgage, pledge or hypothecation against the credit. If the equity falls below 125% of the credit, the broker can liquidate the margin account without notice. During the dramatic turmoil of the stock market in 1996, many investors ordered to buy stocks but later disowned those orders as the market collapsed resulting to significant losses to the brokers, but there was no recourse.

Amid the continuous fall in the troubled capital market and failure of the stock exchanges, as self-regulatory bodies, to restore confidence of the general investors, the Securities and Exchange Commission has reportedly been actively considering few control measures including administering the Exchanges directly. The Dhaka Stock Exchange earlier put few suggestions, including :

- Revoking daily netting-off system in settlement.
- Allowing listed companies to buy back their own shares.
- Strengthening market intermediaries like merchant banks and mutual funds.

The SEC accepted the proposition of strengthening the market intermediaries while rejected the other two suggestions on the ground of not being effective in the long term. It is, therefore, expected that the floatation of mutual funds under private initiative would be facilitated.

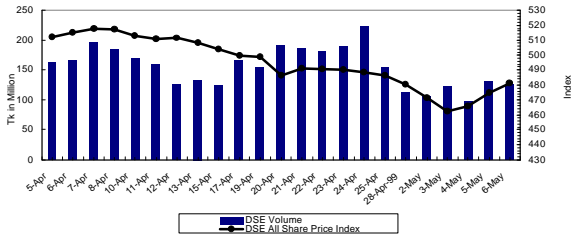
There has been a rise in the value of LCs opened for import of food grains and capital machinery, by 14.40% in dollar terms in the first eight months of the current fiscal over the last corresponding period. This indicates further deterioration of the foreign exchange reserves during the remaining months. The reserve has been under pressure due to slower growth during the year. The foreign exchange reserves stand at US\$1.92 billion, equivalents to only three months' import requirement.

## Economic Indicators

Exchange Rate	1 US\$	= Tk 48.7
Bank Rate	8%	
Inflation Rate*	9.27%	Oct 1998, Bangladesh Bank
International Reserve	Tk 86.30 b	Nov 1998, Bangladesh Bank
Export Receipt	(\$1.78 b)	
Import Payment	\$ 5.125 b	(1997-8E)
	\$ 7.614 b	(1997-8E)

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

## Stock Market Movement



	DSE ↓			CSE ↓		
	This Week	Last Week	Change %	This Week	Last Week	Change %
Index	481.13	480.55	0.12	206.00	206.56	-0.27
Average Daily Turnover (TkM)	116.91	215.08	-45.64	29.94	35.36	-15.32
Market Capital (TkM)	43815	43762	0.12	37350	37450	-0.27

## Market Commentary

The market fall continued during the week with a slower pace in the last two days. The DSE All Share Price Index stood at 481.13. The week was troubled by the demonstrations of investors outside the DSE premises protesting continuous fall.

## Top 7 Gainers

Company	Average Price (Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Tamijuddin Textile	59.0	45.0	31.11	4820.0
Rupon Oil	24.0	19.0	26.32	37283.33
Dynamic Textile	56.0	49.0	14.29	9710886.67
Anlima Yarn	92.0	81.0	13.58	197050.0
Chittagong Cement	491.0	433.0	13.39	1279729.17
6th ICB M.F.	137.0	122.0	12.3	13321.67
Rahman Chemicals	47.0	42.0	11.9	83255.0

## Top 7 Losers

Company	Average Price (Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Rupon Oil	19.0	30.0	-36.67	58760.0
Bengal Biscuits Ltd	90.0	115.0	-21.74	5221920.0
Samorita Hospital	149.0	190.0	-21.58	18112391.67
BEMCO	40.0	50.0	-20.0	3663.33
Pharma Aids	80.0	98.0	-18.37	3643.33
Monno Jutex	1013.0	1238.0	-18.17	6760.83
Therapeutice	40.0	48.0	-16.67	573.33
Tallu Spinning	60.0	71.0	-15.49	12293.33

## Top 7 Turnover Companies

Company	Average Price (Tk)			Avg. Daily Turnover, Tk
	This Week	Last Week	Change %	
Samorita Hospital	190.0	147.0	29.25	32000770.0
Samorita Hospital	149.0	190.0	-21.58	18112391.67
Delta Millers	66.0	76.0	-13.16	15084683.33
Dynamic Textile Ind	56.0	49.0	14.29	9710886.67
Meghna Shrimp	99.0	105.0	-5.71	7514090.0
Bengal Biscuits Ltd	90.0	115.0	-21.74	5221920.0
Imam Button	111.0	126.0	-11.9	4744766.67
Gulf Food	149.0	167.0	-10.78	4081075.0