

### Slower export growth, unmet target

Export of the first five months of FY13 grew at a lower rate of 4.36% against 17.33% growth rate one year back, according to the records of Export Promotion Bureau (EPB). Persisting economic crisis in major export destinations is giving hard time to the Bangladeshi readymade garments exporters, especially engaged in knitwear exports. Earnings from knitwear grew by only 1.74% to \$4.07b in July-November with almost no growth in the United States market. Moreover decline in the prices of raw materials has pulled down prices of the export products. Bangladesh earned \$10.13b from export during this five month period, which is 4.84% lower than the target. In the same period of FY12 the country exported products worth \$9.71b. In fact, export earning of November 2012 also fell short of the target of \$1.99b as Bangladesh shipped \$1.76b worth merchandize. However, export earnings growth of the month of 10.93% was higher than 2.4% in November, 2011 when export earnings were \$1.55b.

Export of FY13 (\$ in Billion)	Target	Actual Earning	Earnings against Target	Growth (Y-o-Y)
July	2.35	2.44	3.83%	4.26%
August	2.41	1.95	-19.06%	-17.89%
September	1.88	1.90	1.33%	31.33%
October	2.02	2.08	2.72%	6.25%
November	1.99	1.77	-11.35%	11%
<b>Total</b>	<b>10.65</b>	<b>10.13</b>	<b>-4.84%</b>	<b>4%</b>

In the USA market Vietnam has emerged as a strong competitor of Bangladesh. The impact of recent fire at a garment factory is apprehended to effect in the earning figures. Moreover the global buyers are backing to bring safety standards at Bangladesh apparel factories, which will increase cost of the products. To address the intensified challenges of the export sector diversification of products and destinations is highly required. At the same time, full compliance is also essential for sustainability of the readymade garments sector growth.

### NBR survey found flight of huge fund

To evade tax a number of locally operating multi-national companies are manipulating their actual income and siphoning away \$1.8b or Tk147.6b each year on an average from Bangladesh in the name of capital transfer. Only due to capital transfer during 2005-07 these companies evaded some \$0.36b in taxes. They have also made transfer processing by overstating or understating the product price. Recently National Board of Revenue (NBR) carried a survey in this regard and is readying to enforce "transfer processing" law.

### Government to re-fix banks' exposure

The government finally has decided to set the stock market exposure limit of a commercial bank at 25% of the bank's total capital. It was one of the tagged conditions of the \$1b loan of International Monetary Fund (IMF). But due to pressure from some vested groups, the draft amendment to the Banking Companies Act recommended such limit at 40% of the banks' capital. In November last IMF deferred the release of second tranche of the loan over the unmet conditions.

### IPO summary of 2012

Even in the ongoing moribund atmosphere in the capital market of Bangladesh 14 companies and mutual funds were listed with the bourses in 2012 that mobilized near about Tk16b by offloading 1.05b shares and units, a media report revealed. But not all the scrips got considerable response. Especially all the 4 mutual funds and the companies that had offered with a premium price without enough fundamental ground got very poor response. Among the 10 newly listed companies only Generation Next Fashions and Padma Islami Life Insurance issued shares at face value. These two companies got the best response from the secondary market on the debut date. Conversely, prices of Aamra Technologies and Saiham Cotton Mills went below the offer price on the first day of trading day.

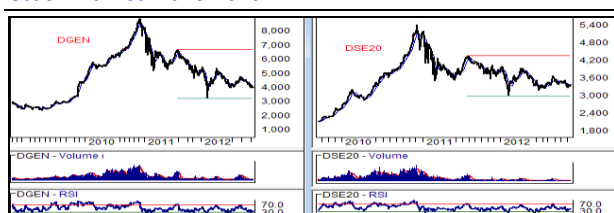
Name of the Scrip Tk in Billion	IPO size		Return on the first day	Trade volume of the first day
	At face value	With premium		
Aamra Technologies	216	518	-0.42%	82.59
AB Bank First Mutual Fund	1,500	1,500	1.00%	0.40
BSCCL	310	1,085	67.14%	544.10
Envoy Textiles	300	900	106.33%	501.62
1st BD Fixed Income Fund	5,000	5,000	1.00%	0.57
GBB Power	205	820	7.50%	128.27
Generation Next Fashions	300	300	335.00%	381.21
GPH Ispat	200	600	143.00%	516.89
GSP Finance Company	200	500	109.20%	303.29
NCCBL Mutual Fund-1	1,000	1,000	2.00%	1.04
NLI First Mutual Fund	457	457	4.00%	1.28
Padma Islami Life Insurance	120	120	1531.00%	469.35
Saiham Cotton Mills	475	950	-0.50%	115.72
Unique Hotel	260	1,950	4.00%	345.69

### Inflation surged

Bangladesh Bureau of Statistics (BBS) estimated that the point-to-point inflation calculated on new base year of 2005-06 has risen by 0.69 percentage point to 6.55% in November 2012 fuelled by the prices of food items. Food inflation has surged to 3.94% in November compared to 2.51% of the last month. However, non-food inflation, although still at the double digit level, has dropped by 0.6 percentage point to 10.68%. Inflation growth in the urban areas (1.15 percentage point) was more rapid than the rural areas (0.46 percentage point). On the other hand, considering the FY 1995-96 as the base year, inflation in November is 7.41% compared to 7.22% in October. The old basket based inflation moved upward after nine months of downtrend. Bangladesh Bank (BB) has recently slashed Assured Liquidity Support (ALS) for both primary dealer (PD) and non-PD banks to mop up excess fund from the market curbing inflationary pressure on the economy.

The week's data runs 06 Dec to 13 Dec 2012

## Stock Market Movement



### Global Markets

	This Week	Last Week	+/- %	PE
S&P 500	↓ 1413.58	1418.07	-0.32%	15.1
FTSE 100	↓ 5901.98	5914.40	-0.21%	12.5
Nikkei 225	↑ 9828.88	9527.39	3.16%	14.6
SENSEX	↑ 19249.85	19424.10	-0.90%	17.4
KSE 100	↑ 16845.09	16807.91	0.22%	11.8

### DSE Indicators

	This Week	Last Week	+/- %
DSE General Index	↑ 4088.62	4066.25	0.55
Total Turnover, Tk	↓ 9,603,252,253	11,512,764,000	-16.59
Market Capital, Tk	↑ 1,750,705,662,598	1,737,245,687,052	0.77
No of Issue Gain	84	23	
No of Issue Loss	184	256	
No of Unchanged Issues	14	1	

### Top Gainers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Prime Bank	34.60	30.10	14.95	80,757,000
City Bank	27.00	23.90	12.97	138,085,000
Jamuna Bank	21.90	19.70	11.17	69,891,000
Uttara Bank	37.20	33.50	11.04	73,061,000
Premier Bank	16.00	14.60	9.59	77,363,000
Libra Infusions	210.00	195.00	7.69	210,000
Dutch-Bangla Bank	113.20	105.30	7.50	77,728,000
UCBL	24.30	22.70	7.05	249,394,000
One Bank Limited	34.60	34.20	6.39	120,474,000
Standard Ceramic	23.30	21.90	6.38	25,000

### Top Losers

Company	Weighted avg. Closing Price (Tk)			Turnover (Tk)
	Last Week	This Week	Change %	
Jamuna oil	179.30	254.30	-29.49	234,616,000
Sonali Aansh	121.10	142.90	-15.26	7,586,000
Jute Spinners	66.00	74.90	-11.88	555,000
Mithun Knitting	79.30	89.90	-11.79	13,708,000
Aamra tech.	39.00	44.20	-11.76	123,095,000
Malek Spinning	24.80	27.70	-10.47	85,247,000
Tallu Spinning	26.40	29.40	-10.20	68,075,000
Saiham Textile	30.10	33.50	-10.15	104,105,000
Meghna PET	6.20	6.90	-10.14	113,000
Generation Next	38.60	42.70	-9.60	627,286,000

### Sectoral Index & Turnover

Sector	P/E	Sectoral Index			Turnover (Tk.M)		
		This Week	Last Week	Change %	This Week	Last Week	Change %
		Bank	7.45	411.45	390.42	5.39	2166.23
Cement	20.85	238.72	238.59	0.05	161.88	217.98	-25.74
Ceramic	17.38	534.51	544.37	-1.81	41.53	61.61	-32.59
Engineering	20.35	948.55	970.43	-2.25	320.22	581.78	-44.96
Food & Al.	26.99	887.19	879.91	0.83	115.37	209.00	-44.80
Fuel & Pow.	10.73	2,343.35	2,383.20	-1.67	788.00	1106.89	-28.81
Insurance	20.68	1,016.18	1,026.08	-0.96	221.41	239.22	-7.45
IT	18.81	187.69	196.04	-4.26	169.28	340.38	-50.27
Jute	25.89	294.20	340.36	-13.56	8.14	10.52	-22.58
Misc.	26.01	641.03	653.99	-1.98	150.43	265.07	-43.25
Mutual Fund	10.88	548.51	552.95	-0.80	496.63	597.65	-16.90
NBFI	13.68	1,053.39	1,057.20	-0.36	258.59	342.95	-24.60
Paper	29.69	210.44	210.44	0.00	0.02	0.15	-86.99
Pharma	16.75	533.33	536.78	-0.64	351.43	481.56	-27.02
Service	16.52	644.63	663.17	-2.79	24.64	37.44	-34.19
Tannery	11.73	417.28	439.70	-5.10	25.37	53.90	-52.93
Telecom	11.10	1,796.68	1,815.89	-1.06	429.79	763.24	-43.69
Textile	18.88	885.27	847.93	4.40	2567.68	2165.05	18.60
Travel & Leis.	23.65	1,033.93	1,065.46	-2.96	1221.06	2480.33	-50.77

## Technical Talk

Last week Dhaka stocks gained marginally powered by the large-cap banking sector. Eight banks took possession in the top ten weekly gainers board, while Prime Bank was on the top of the board. However investors' participation was quite low due to the ongoing political unrest. Two new-comers Envoy Textiles and Generation Next were the most popular stocks of the week, Envoy textiles made debut on December 09, 2012, closed at Tk51.7 against the offer price of Tk30. Its price remained within Tk50.4-Tk52.8 range on that day.

DSE General Index reached at 4088.62 points increased by 22.37 points or 0.55% from the previous week. Total turnover reached at Tk9603.25m with 16.59% decrease from the last week's Tk11512.76m. On the other hand, market capital increased by 0.77% and stood at Tk1750.70b (\$21.33b) at the weekend against Tk1737.25b. DSE-20 has moved upward by 82.79 points (2.49%) and closed at 3402.47 points against 3338.91. Last week's weighted average Market PE was 11.61 which was 0.09% lower than previous week's 11.60.

During the week, DSE General Price Index was below both 9 and 18-day moving average line.

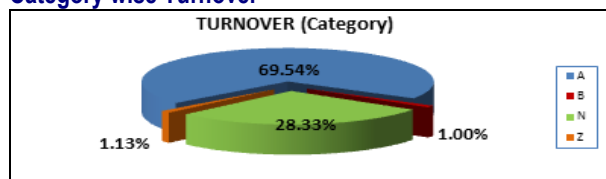
### Top Turnover Companies

Company	Volume	Value (Tk)	% of total
Envoy Textiles Limited	17,929,600	1,042,703,000	10.86
Generation Next	15,444,500	627,286,000	6.53
United Airways	29,274,400	611,623,000	6.37
Unique Hotel	4,776,700	609,436,000	6.35
BSCCL	2,070,300	286,920,000	2.99

### Top 10 Market Capital

Company	Volume	Value (Tk)	% of total
Grameenphone	224,825	BATBC	52,152
Titas Gas	64,003	Lafarge Surma	38,325
Square Pharma	62,252	Lafarge Surma	37,507
ICB	60,328	Prime Bank	32,378
Islami Bank	52,916	NBL	30,096

### Category wise Turnover



### Commodity Price

	This Week	Last Week	Change %
Gold (USD/t oz.)	1689.50	1715.00	-1.49
Silver (USD/t oz.)	32.11	33.42	-3.92
Brent Crude Oil (USD/bbl.)	107.74	111.15	-3.07

### Exchange Rate

	This Week		Last Week		Change %	
	TT	BC	TT	BC	TT	BC
USD	81.85	81.90	82.05	82.10	-0.24	-0.24
EUR	106.39	106.45	105.35	105.42	0.98	0.98
GBP	131.90	131.98	130.94	131.02	0.73	0.73
AUD	86.13	86.18	85.49	85.54	0.75	0.75
JPY	1.00	1.00	1.01	1.01	-0.85	-0.85
CAD	83.36	83.41	82.67	82.72	0.84	0.84
SAR	21.94	21.95	21.99	22.00	-0.24	-0.24

Based on Standard Chartered selling rates to public in Taka. 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	Sponsor (M.Tk)	IPO (M.Tk)	Private Placement (M.Tk)
Premier Cement Mills Limited	December 17-23, 2012	-	264	-
Golden Harvest Agro Industries	December 23-30, 2012	-	750	-
Orion Pharma Limited	January 06-10, 2013	-	2400	6750
Bengal Windsor Thermoplastic Limited	January 27-31, 2013	-	400	-