



**Bangladesh Merchant  
Bankers Association**

# *Yearly Market Report*

*For The Year 2022*

## *Contents*

- 1. Market Highlights*
- 2. Major Market Policies*
- 3. Capital Raisings Approved in 2022*
- 4. Sectoral Performance*
- 5. Winners, Losers and Turnover Leaders*
- 6. Closed End Mutual Fund Scenario*
- 7. Historical Overview*
- 8. Performance around the World*



## **01. Market Highlights**

<b>Particulars</b>	<b>Dec 29, 2022</b>	<b>Dec 30, 2021</b>	<b>Change</b>	<b>% Change</b>
DSEX	6206.81	6756.66	-549.85	-8.14%
DS30	2195.30	2532.58	-337.28	-13.32%
DSES	1358.84	1431.12	-72.28	-5.05%
DSMEX	1315.90	619.60	696.30	112.38%
Market Cap (BDT Crore)	760,937	542,196	218,741	40.34%
Market Cap [Except T- Bonds] (BDT Crore)	510,437	542,196	-31,759	-5.86%
Market P/E	16.22	15.84	0.38	2.40%
Market Cap to GDP	19.14%	15.56%	3.58%	-
Market Cap to GDP [Except T- Bonds]	12.84%	15.56%	-2.72%	-
Dividend Yield	3.38%	3.06%	0.32%	-
Capital Raised	1,109.21	1,279.00	-169.79	-13.28%
No. of Listed Companies (Only Main Board Equities)	354	345	9	-

Source: LBSL Yearly Capital Market Review 2022 (<https://rb.gy/wqh0kd>)

The broad index has fallen by over 8% in 2022 and the blue-chip index has fallen by even more amounting to a decrease of 13.32%. The SME index has risen by a staggering 112.38%.

The market capitalization of the market has risen by more than 40% which is due to the addition of market cap of 250 treasury bonds. As a result, Market Cap to GDP has increased accordingly. However, without the addition of BDT 250,500 Crore market value of treasury bonds, the market capitalization has decreased by about BDT 31,759 Crore. The market P/E has reached 16.22, while the dividend yield has increased up to 3.38%.

The capital raised in this year has decreased by 13.28% and the number of listed companies in the main board has increased to 354.



## **02. Major Market Policies**

There were some crucial decisions taken by market regulators for the betterment of the market. Some of the major ones are as follows,

- ❖ Introduction of trading of Treasury Bonds in the secondary market.
- ❖ CSE will set up country's first ever commodity exchange in the next year. As a result, CSE have taken ABG Ltd. as a strategic investor by selling 25% of its stake.
- ❖ DSE to start trading of non-listed securities under Alternative Trading Board in the first week of next year.
- ❖ BSEC is in the process of drafting rules of Real Estate Investment Trusts (REITs).
- ❖ BSEC introduced Exchange Traded Fund (ETF) in the country for the first time ever.
- ❖ BSEC is in the process of shortening trading and settlement cycle of securities to T+1.
- ❖ BSEC raised the minimum investment limit for both Eligible Investors and General Public for availing eligibility in IPO subscription.

<b>Investor Category</b>	<b>New Investment Limit</b>	<b>Previous Investment Limit</b>
EIs other than Approved Pension Funds, Recognized Provident Funds and Gratuity Funds	<b>BDT 3 Crore</b>	BDT 1 Crore
Approved Pension Funds, Recognized Provident Funds and Gratuity Funds	<b>BDT 1.5 Crore</b>	BDT 50 Lakhs
GP other than NRBs	<b>BDT 50 Thousand</b>	BDT 20 Thousand
GP (NRB)	<b>BDT 1 Lakh</b>	BDT 20 Thousand

- ❖ BSEC raised the minimum investment for determining Qualified Investors for IPO subscription and trading in the SME board. The new investment limit has been raised to BDT 30 Lakhs from BDT 20 Lakhs.



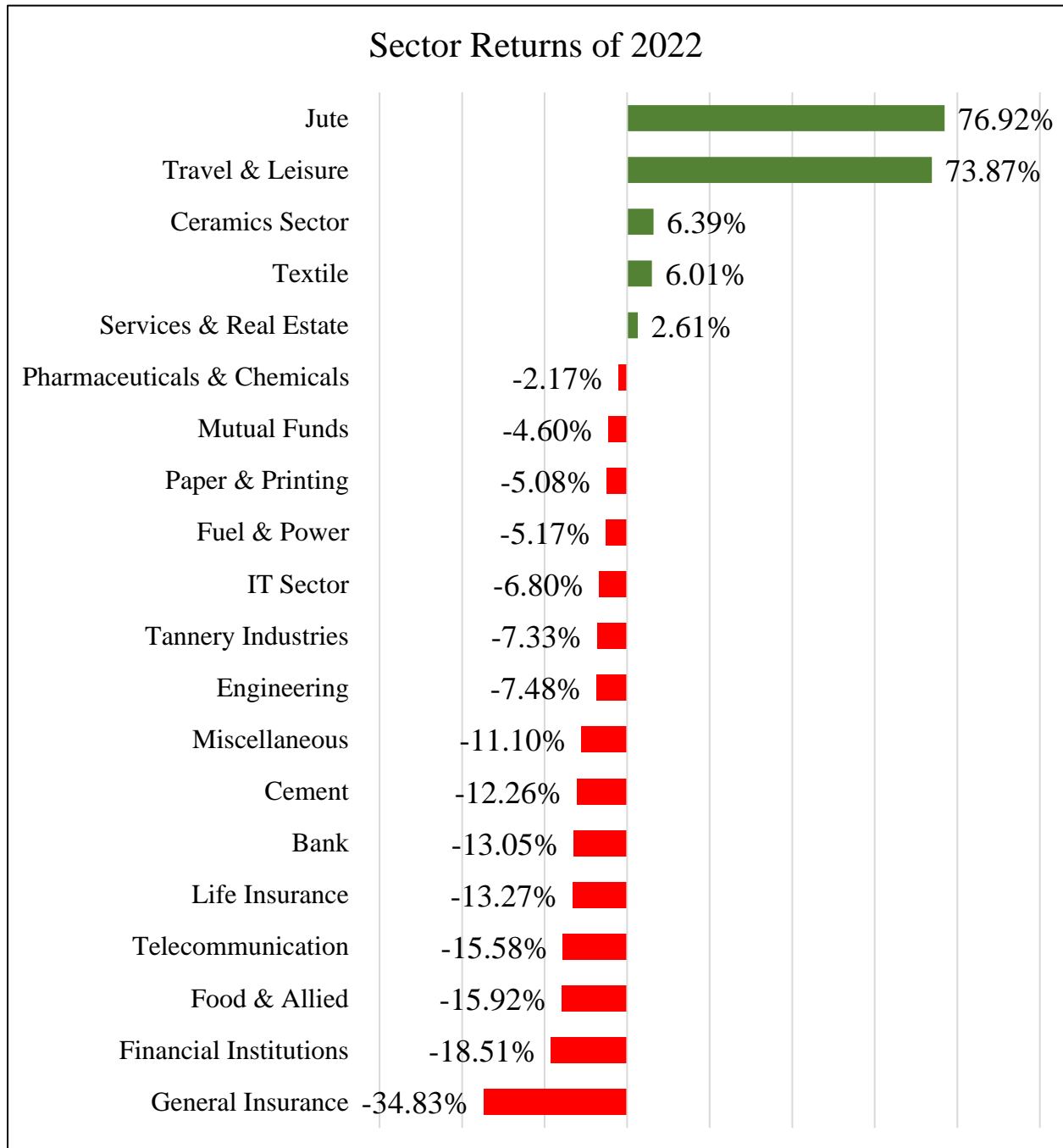
### **03. Capital Raisings Approved in 2022**

<b>Capital Raising Approved</b>	<b>Amount (BDT Crore)</b>	<b>% Share</b>
Initial Public Offering	716.26	5.81%
Rights Offering	10.98	0.09%
Qualified Investor Offer	43.60	0.35%
Preference Share	547.75	4.44%
Bond	10,042.68	81.46%
Sukuk	300.00	2.43%
Mutual Fund	517.50	4.20%
Exchange Traded Fund	150.00	1.22%
<b>Total</b>	<b>12,328.77</b>	<b>-</b>

Source: BSEC Press Releases of 2022 (<https://sec.gov.bd/home/press>)

Of the capital raisings approved in 2022, more than 80% was for Bonds, amounting to a staggering BDT 10,042.68 Crore. IPO approvals amounted for the second highest share of 5.81% amounting to BDT 716.26 Crore.

## 04. Sectoral Performance



Source: LBSL Yearly Capital Market Review 2022 (<https://rb.gy/wqh0kd>)

In 2022, Jute and Travel & Leisure sector performed incredibly well, generating over 70% return. On the other hand, General Insurance sector performed the worst, losing by about 35%.



**05. Winners, Losers and Turnover Leaders**

Gainers		Losers		Turnover Leaders	
<i>Security</i>	<i>% Change</i>	<i>Security</i>	<i>% Change</i>	<i>Security</i>	<i>% Share</i>
Orion Infusion Ltd.	567.60%	Asia Insurance Ltd.	-57.50%	Bangladesh Export Import Company Ltd.	7.52%
Imam Button Industries Ltd.	400.40%	Bangladesh National Insurance Company Ltd.	-57.40%	Orion Pharma Ltd.	4.39%
Sea Pearl Beach Resort & Spa Ltd.	316.70%	Eastern Insurance Company Ltd.	-57.30%	Bangladesh Shipping Corporation	3.18%
Meghna Condensed Milk Industries Ltd.	183.30%	Genex Infosys Ltd.	-51.00%	Fortune Shoes Ltd.	2.17%
Jute Spinners Ltd.	174.00%	Provati Insurance Company Ltd.	-44.10%	LafargeHolcim Bangladesh Ltd.	1.86%
Sonargaon Textiles Ltd.	173.60%	GBB Power Ltd.	-43.40%	Genex Infosys Ltd.	1.75%
ADN Telecom Ltd.	117.70%	Global Insurance Ltd.	-42.50%	Eastern Housing Ltd.	1.63%
H. R. Textile Mills Ltd.	113.80%	Rupali Insurance Company Ltd.	-40.70%	Sonali Paper & Board Mills Ltd.	1.56%
Meghna Pet Industries Ltd.	113.60%	Janata Insurance Company Ltd.	-40.00%	IPDC Finance Ltd.	1.35%
Intraco Refueling Station Ltd.	108.80%	Peoples Insurance Company Ltd.	-39.70%	Delta Life Insurance Company Ltd.	1.33%

Source: LBSL Yearly Capital Market Review 2022 (<https://rb.gy/wqh0kd>)

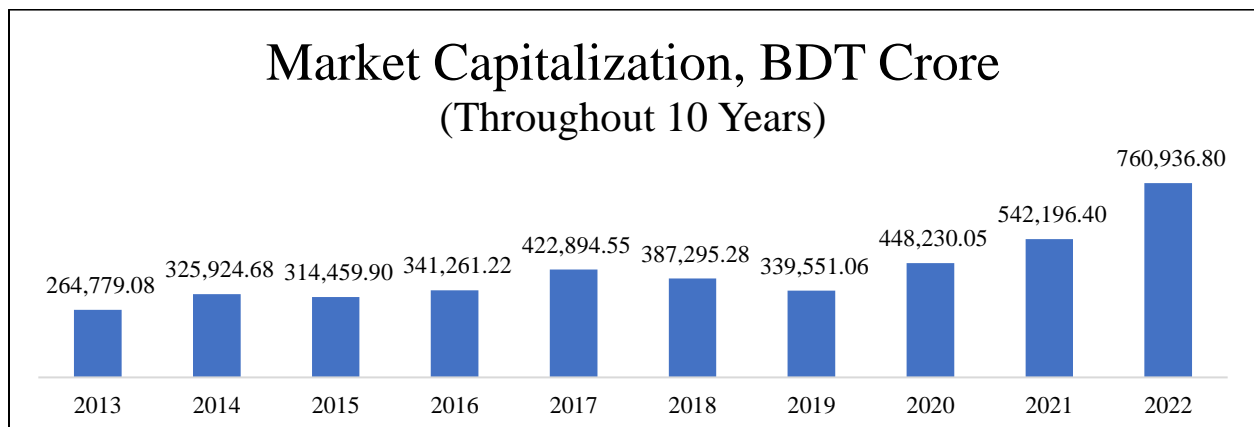
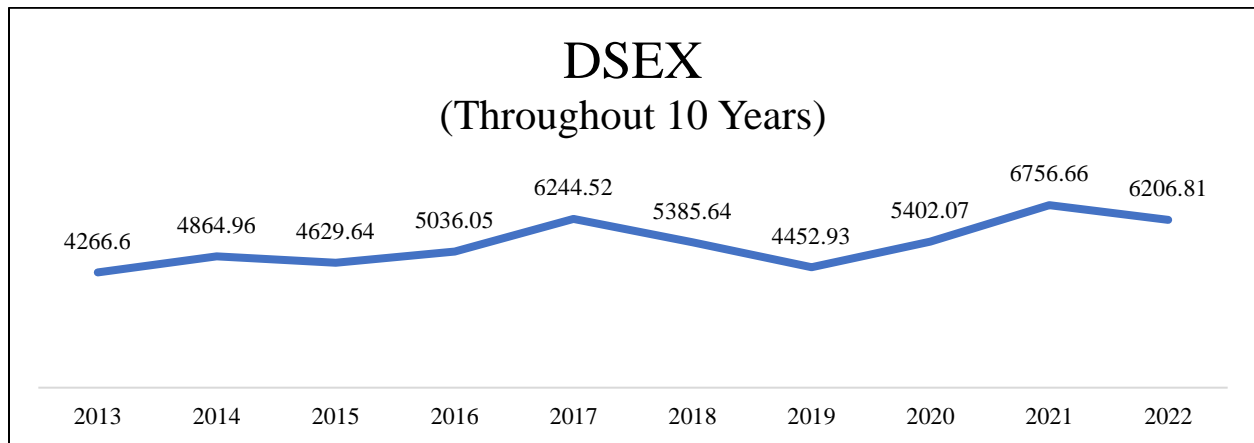
**06. Closed End Mutual Fund Scenario**

Particulars	Dec 29, 2022	Dec 30, 2021	Change	% Change
Net Asset Value (BDT Crore)	5736.60	6254.11	-517.51	-8.27%
Market Capitalization (BDT Crore)	3754.20	3939.86	-185.66	-4.71%
Price to NAV	0.65	0.63	0.02	3.17%

Source: LBSL Yearly Capital Market Review 2022 (<https://rb.gy/wqh0kd>)

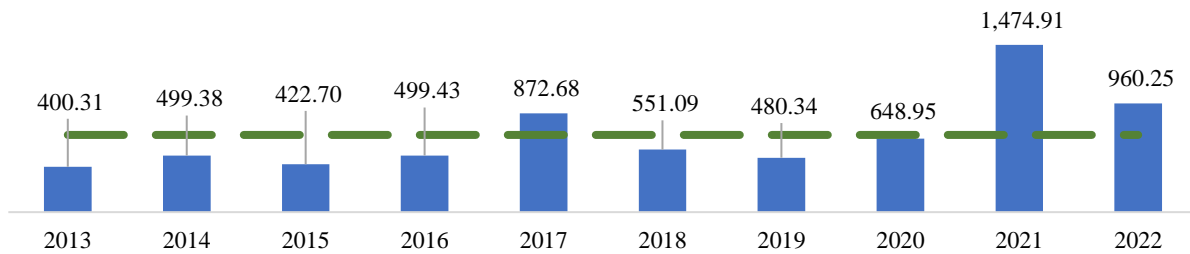
In 2022, Closed End Mutual Funds lost about 8% of their NAV, while they lost more than 4% of market capitalization. As a result, the Price to NAV have reached 0.65.

**07. Historical Overview**

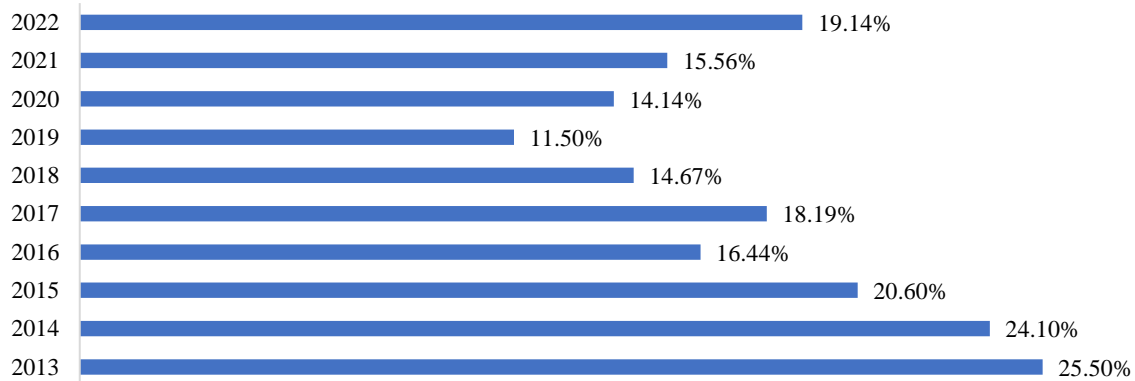




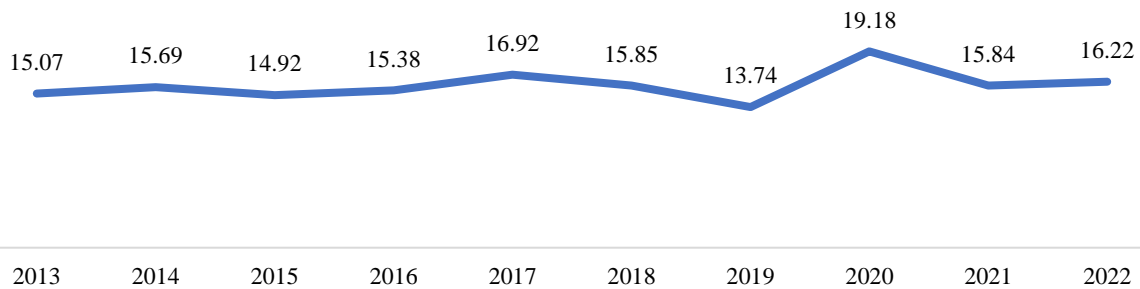
## Average Daily Turnover, BDT Crore (Throughout 10 Years)



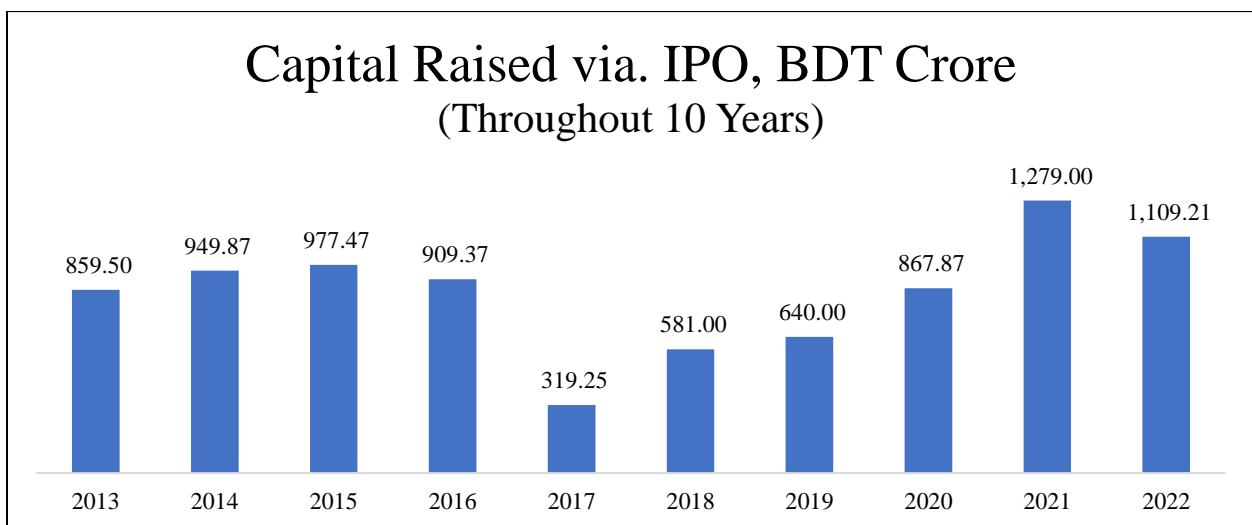
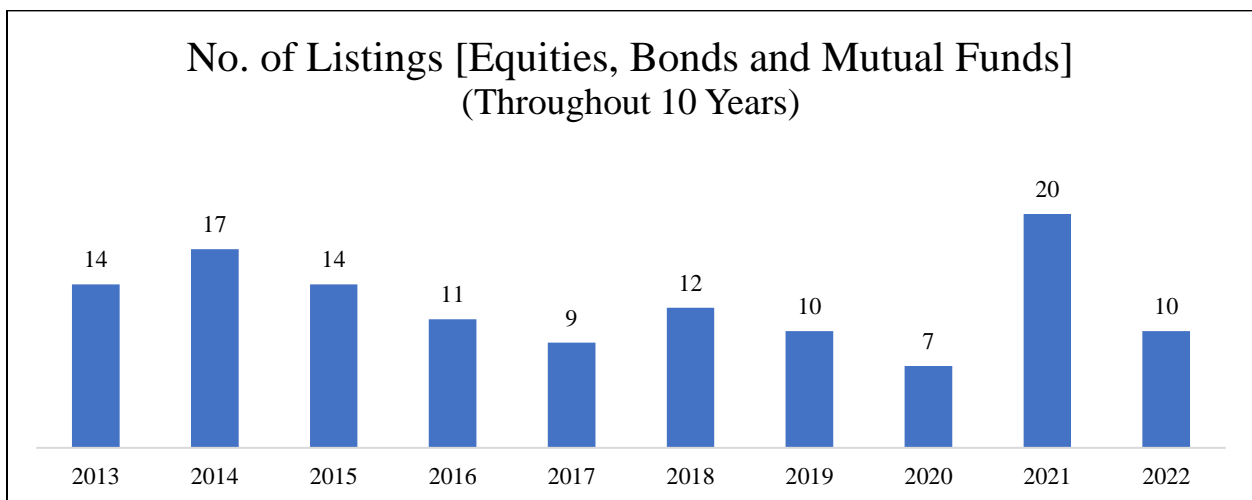
## Market Cap to GDP (%) (Throughout 10 Years)



## Market PE (Throughout 10 Years)

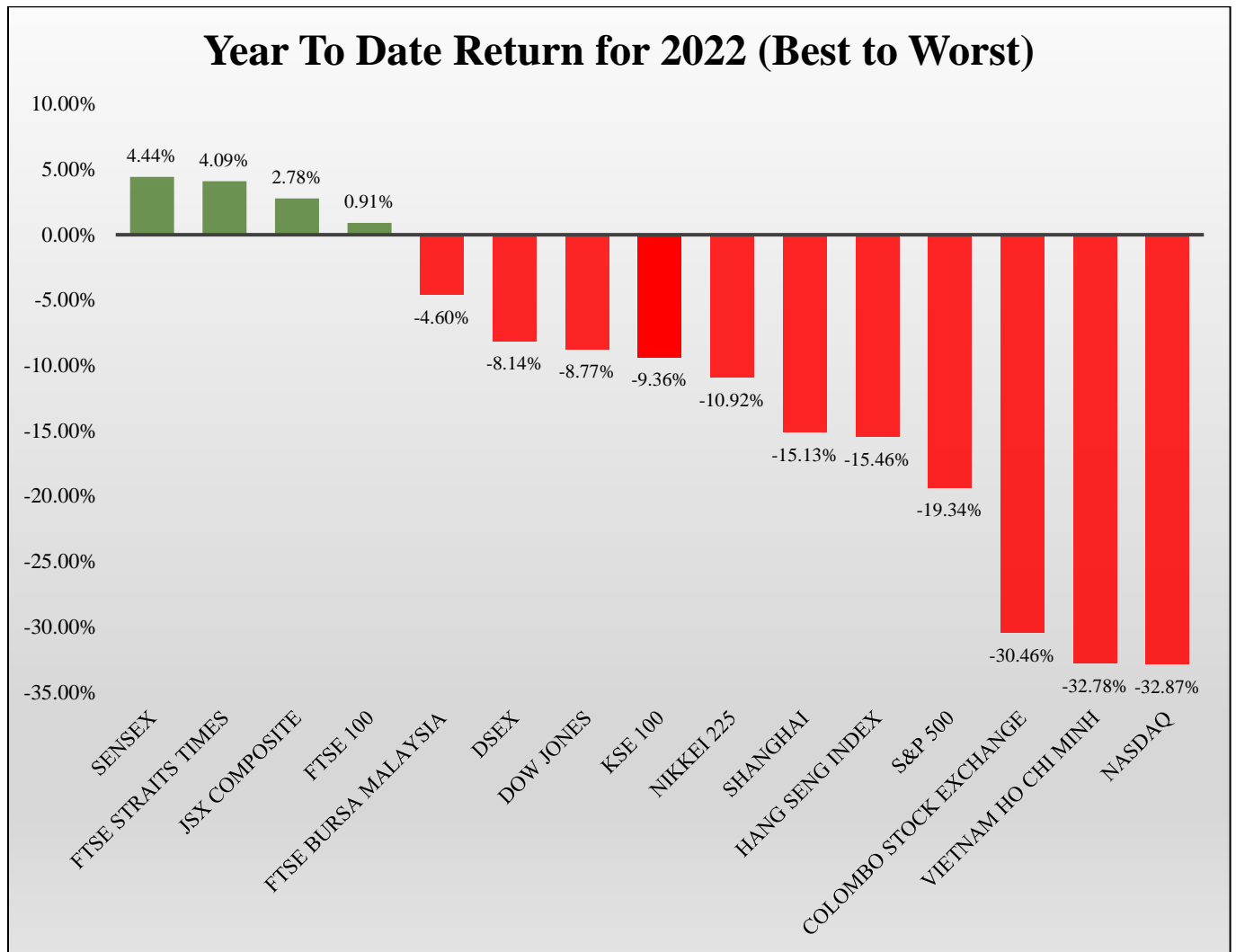






Source: LBSL Yearly Capital Market Review 2022 (<https://rb.gy/wqh0kd>)

**08. Performance around the World**



Source: Trading Economics (<https://tradingeconomics.com/stocks>)

In 2022, the 8.14% fall of DSEX, in comparison with other major stock indices was the second least performing one. The worst index to suffer in 2022 was NASDAQ which was down 32.87% year to date. On the other hand, India's SENSEX has generated a positive return of 4.44% in 2022.



## ***Disclaimer***

This document has been prepared for information purposes only and does not solicit any action based on the material contained herein. Therefore, this document should not be considered as an offer to buy or sell or subscribe to any security. Neither Bangladesh Merchant Bankers Association nor the preparer of this report nor any other related party can be held accountable for any actions based on this report. Bangladesh Merchant Bankers Association or the preparer of this report or any other related party does not guarantee the accuracy or correctness of the data presented herein. However, reasonable care has been ensured in collecting and analyzing the data contained in this report.

## ***Report Prepared By***

**Farhan Hasan**

Research Analyst (Part-Time)

*farhan.hasan.official@gmail.com*

## ***Data Sources***

Dhaka Stock Exchange. (<https://www.dsebd.org/index.php>)

Bangladesh Securities and Exchange Commission. (<https://sec.gov.bd/home>)

LankaBangla Financial Portal. (<https://lankabd.com/>)

Trading Economics. (<https://tradingeconomics.com/>)

## ***Report Available at***

Bangladesh Merchant Bankers Association (Research Tab) (<http://www.bmba.com.bd/research/>)



**Bangladesh Merchant Bankers Association**

Saiham Sky View Tower (5<sup>th</sup> Floor), 45 Bijoyagar, Dhaka-1000

Tel: 88-02-8392158, Fax: 88-02-8392159

Email: [president.bmba@yahoo.com](mailto:president.bmba@yahoo.com)

Web: [www.bmba.com.bd](http://www.bmba.com.bd)