



AT CAPITAL DAILY MARKET UPDATE – July 06, 2017

Overview:

The DSEX closed at 5,749.7 points, down by 33 points. Total turnover was worth BDT 10.05 bn. Prices of 91 issues were increased whereas that of 193 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,749.7	(0.6%)	+1.7%	+14.2%
DSES	1,307.0	(0.8%)	+0.8%	+9.7%
DS30	2,103.6	(0.8%)	+0.9%	+16.2%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,243,816.6	3,272,596.8	(0.9%)
	USD MM	40,547.7	40,907.5	(0.9%)
TURNOVER	BDT MM	10,054.6	11,649.2	(13.7%)
	USD MM	125.7	145.6	(13.7%)
VOLUME	MM SHARES	317.5	366.4	(13.3%)

Market commentary:

After 10 day long rally, DSEX, the broad index, experienced sever correction, driven by the correction in blue chip stocks, particularly Grameen Phone. DSEX dived deep into the sea right after the trading was initiated. In the mid-session, DSEX tried to bounce back. Market, however, slid again sharply, fueled by severe correction of Grameen Phone, on the back of news of verdict of SIM replacement tax published today on a leading newspaper. Market closed the session at 5,749.7, down by 33 points.

Losers cleared gainers out of the field today – the ratio was more than double.

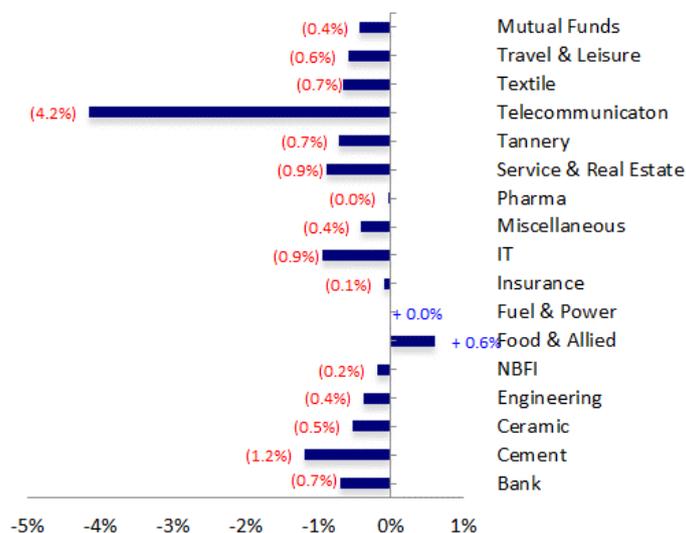
Turnover decreased by 13.7% to BDT 10.05 bn. Textile sector dominated the turnover chart - the sector accounted for 16.9% of total turnover, followed by Pharma (15.2%) and, Fuel & Power (12.2%).

Among prominent sectors, Engineering, Fuel and Power, Pharma, NBFI, and Food & Allied sectors outperformed the market whereas Cement, Bank, Textiles, and Telecommunication sectors underperformed the market today.

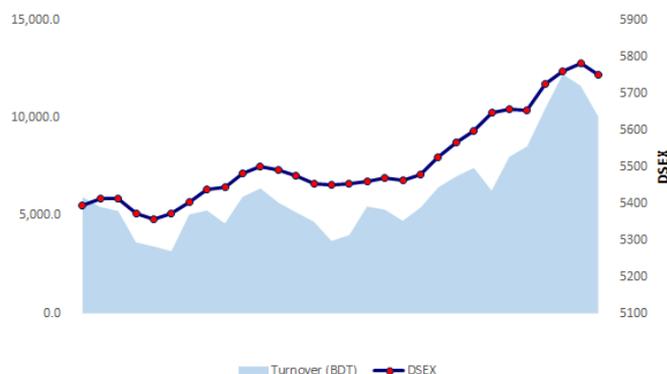
Keya Cosmetics topped the turnover chart today with the turnover of BDT 455mn - the stock gained 1.2%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
NHFIL	55.8	+9.8%	ICB	194.8	(1.5%)
ILFSL	16.8	+6.3%	PREMIERLEA	19.1	(1.0%)
BAYLEASING	26.4	+3.9%	UTTARAFIN	58.7	(0.7%)
UNITEDFIN	22.3	+3.2%	ISLAMICFIN	24.7	(0.4%)
FASFIN	17.6	+2.3%	BDFINANCE	21.6	+0.0%
PLFSL	11.1	+1.8%	PRIMEFIN	12.8	+0.0%
PHOENIXFIN	28	+1.8%	FIRSTFIN	11.2	+0.0%
FAREASTFIN	12	+1.7%	BIFC	10.0	+0.0%
IDLC	72.4	+1.7%	UNIONCAP	26.0	+0.4%
MIDASFIN	29.9	+1.4%	LANKABAFIN	57.9	+0.5%

Sector Movement in DSE (July 06- July 05)



Last 1 Month DSEX





News:

Dispute over SIM tax crops up again

The Large Taxpayers Unit of the National Board of Revenue has asked four mobile phone operators to furnish Tk 883 crore to the state coffer as tax on SIM issuance, said officials yesterday. Between July 2012 and June 2015, with the view to evading the SIM tax, the four operators -- Grameenphone, Robi, Banglalink and Airtel -- issued SIMs to new customers under the guise of issuing replacement SIMs, according to the LTU. Subsequently, the LTU has demanded Tk 378.95 crore from Grameenphone, Tk 285.20 crore from Robi, Tk 168.91 crore from Banglalink and Tk 50.26 crore from Airtel. "We have asked them to pay the money within 15 days," said a senior official of the LTU. The LTU, which collects average 55 percent of the total VAT in a year, issued the letter on June 29, he said. The four operators acknowledged the receipt of the letter and also expressed their frustration over the matter. The letter comes at a time when the four operators are deep in their preparation for the roll-out of 4G services. "Certainly investors will lose confidence on the regulator after this incident and new investments will also fall into uncertainty," said TIM Nurul Kabir, secretary general of the Association of Mobile Telecom Operators of Bangladesh. The NBR's field office claimed the tax after examining data submitted by the operators. A tripartite committee was formed in March to check the authenticity of the replaced SIMs. The committee gave the four operators until July 10 to present their case. But, before the operators could respond the notice from the NBR arrive. "This is a violation of the gentleman's agreement that we have," said a top official of one of the operators. The mobile operators said the NBR took a similar step just before the 3G spectrum auction in 2013, demanding Tk 3,061.16 crore from them as SIM tax between July 2007 and December 2011. Due to the dispute the auction had to be rescheduled quite few times. "The same thing will happen this time as well," said an official of another mobile operator. The operators refused to participate in the 3G auction, which prompted the NBR to revise down its claim to Tk 251.21 crore. "We were ready to pay that amount, but suddenly after the 3G spectrum auction was over the tax authority cheated us," he said, adding that the NBR revised the amount upwards to Tk 2,048 crore. The operators challenged the LTU's claim at the High Court, which, in turn, asked the operators to follow process as per the tax law. Based on the directive, the operators went to Customs, Excise and VAT Appellate Tribunal with their grievance.

<http://www.thedailystar.net/business/dispute-over-sim-tax-crops-again-1429006>

Govt inks deal with Qatar today for LNG import

The government inks an agreement with Qatar today (Thursday) to import 1.8 million tonnes of liquefied natural gas a year from next year to meet the growing demand, officials said. "The energy division is scheduled to hold a meeting with Qatar's state-run RasGas Company Limited (RasGas) for price negotiations at Petrocenter tomorrow," an energy official said. He said a RasGas delegation would arrive in the city on Thursday and hold the meeting for the import of LNG, which will begin from April or May next year, reports BSS. The government is expected to import 500 mmcf/d LNG a day. Earlier, State Minister for Power, Energy and Mineral Resources Nasrul Hamid told the news agency the government would soon sign a contract with Qatar for LNG import. He said that the government would also keep some other sources open for LNG import to mitigate the gas crisis. According to the ministry, the government signed a memorandum of understanding (MoU) with Qatar in January 2011 to import approximately 4.0 million tonnes of LNG annually. Now, Petrobangla, the state-run oil, gas and mineral resources corporation, supplies approximately 2,750 million cubic feet of natural gas a day from domestic gas fields against a demand for at least 3,500 million cubic feet gas, said the ministry. Meanwhile, Petrobangla signed two contracts with a foreign and a local company to facilitate increasing the daily gas supply by 1,000 million cubic feet from imported LNG by their floating terminals and re-gasification units to be set up near Maheskhali Island in Cox's Bazar. On January 3, 2017, Petrobangla signed a deal with Summit LNG Terminal Company Private Limited, a subsidiary of Summit Group, for LNG re-gasification service from its facilities to be built in 18 months.

<http://print.thefinancialexpress-bd.com/2017/07/06/177007>