



AT CAPITAL DAILY MARKET UPDATE – October 15, 2017

Overview:

The DSEX closed at 6,008.9 points, down by 55.5 points. Total turnover was worth BDT 6.20 bn. Prices of 62 issues were increased whereas that of 252 issues were declined, and the price of the rests were remained unchanged.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
ICB	187.3	+0.8%	IDLC	87.8	(2.7%)
LANKABAFIN	63.5	+0.3%	NHFIL	49.2	(2.6%)
FIRSTFIN	14.1	+0.0%	PREMIERLEA	17.1	(2.3%)
PHOENIXFIN	35.7	(0.3%)	BAYLEASING	26.4	(2.2%)
ILFSL	22.2	(0.4%)	UNITEDFIN	23.0	(2.1%)
PLFSL	14.8	(0.7%)	BIFC	11.2	(1.8%)
DBH	127.5	(0.8%)	ISLAMICFIN	22.6	(1.7%)
FAREASTFIN	12.7	(0.8%)	FASFIN	18.4	(1.6%)
IPDC	44.5	(0.9%)	PRIMEFIN	13.0	(1.5%)
UNIONCAP	20.7	(1.0%)	UTTARAFIN	72.1	(1.5%)

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	6,008.9	(0.9%)	(1.4%)	+19.3%
DSES	1,322.1	(0.9%)	(1.0%)	+10.9%
DS30	2,193.5	(0.2%)	+0.8%	+21.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,433,938.9	3,457,028.2	(0.7%)
	USD MM	42,415.3	42,700.4	(0.7%)
TURNOVER	BDT MM	6,201.3	7,432.9	(16.6%)
	USD MM	76.6	91.8	(16.6%)
VOLUME	MM SHARES	173.5	209.1	(17.0%)

Market commentary:

Market fell further today, breaking the 6,000 mark during the intra-day session. After gaining more than 30.0 points in the first 30 minutes, DSEX, the broad index, slid abruptly, moping more than double of the initial gain. Consequently, DSEX broke 6,000 mark for the first time in last 2 months. All these happened in between the first half of the trading session. DSEX remained sideways till the end of the session. Market closed the session at 6,008.9, down by 55.5 points.

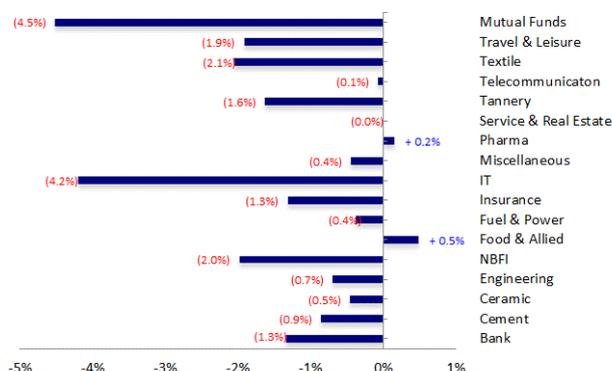
Losers were so dominant today - Losers to Gainers ratio was 4.0:1

Turnover decreased by 16.6% to BDT 6.20 bn. Bank sector dominated the turnover chart - the sector accounted for 42.2% of total turnover, followed by Engineering (10.4%) and, Pharma sector (10.3%). Turnover of Banks, Engineering, and Pharma fell 11.1%, 7.6%, and 4.1% respectively.

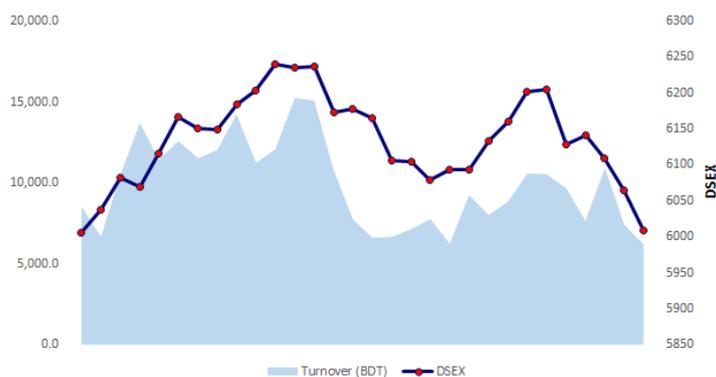
Most of the prominent sectors, except Bank, NBFI, and Textiles, outperformed the market today.

IFAD Autos topped the turnover chart today with the turnover of BDT 333mn - the stock gained 0.6%.

Sector Movement in DSE (Oct 15- Oct 12)



Last 1 Month DSEX





News:

BB rejects First Security's fund transfer appeal

First Security Islami Bank's plan to purchase floor space in Italy for its exchange house has collapsed after the central bank turned down its request to transfer funds. The bank applied to the Bangladesh Bank in May to purchase about 972 square feet floor space in Rome for €3.6 lakh (equivalent to Tk 3.20 crore). After assessing the proposal, the BB on September 20 in a letter told the 18-year-old bank that it would not be a good business move on its part as its income from sending in remittance is on the wane. In fiscal 2016-17, \$511 million of remittance flew in to the country from Italy, up 45.58 percent year-on-year, according to data from the central bank. First Security channelled only 6.80 percent of the sum, down 1.44 percentage points from a year earlier. As per its application to the BB, the bank has to count €24,552 as rent every year to operate its exchange house in the Italian capital. The rent would come down to €15,552 per year if it is able to purchase the floor space. But the central bank argued that the rent would not decline; rather, it would shoot up to €33,156 if the cost of fund is taken into account. First Security's cost of fund last year was 9.21 percent. The bank got the approval in 2009 to transfer €6 lakh (Tk 5.31 crore) in the form of capital to open the exchange house. The bank later transferred another €8 lakh in two phases. The exchange house is yet to step into the black. "There is no need to transfer capital further to Italy," said the BB letter. First Security is yet to take a call on whether to reapply to the BB for the fund transfer, said Moniruzzaman Chowdhury, an official of its public affairs and brand communication department. The BB has so far allowed banks to open 67 exchange houses overseas to facilitate remittance. Of them, 35 are now in operation, 10 closed and 22 did not set up shop at all. State-owned Agrani Bank closed its exchange house in Canada this year and in Australia last year.

<http://www.thedailystar.net/business/bb-rejects-first-securitys-fund-transfer-appeal-1476502>

Three-fourth deals with China show no progress

The deal signed between Beijing and Dhaka for setting up a dedicated economic zone in Chittagong during Chinese President Xi Jinping's visit to Bangladesh last year is yet to see any progress. Some 26 deals were signed during Xi's visit to Dhaka in October last year with a view to boosting trade and investment between the two countries. Of the deals, there has been movement on only one-fourth of them. The joint venture agreement for Chinese economic and industrial zone is one of the 13 deals that saw hardly any progress in the last one year. Prime Minister Sheikh Hasina had promised a dedicated economic zone for Chinese investors during her visit to China in 2014. Accordingly, 790 acres of land was acquired at Anwara in Chittagong. Then in June last year, a preliminary agreement was signed between the Bangladesh Economic Zones Authority (Beza) and the China Harbour Engineering Company. And during the Chinese president's visit, agreed terms were signed for development and operation of the zone. The next step was to form a special purpose company between Beza and China Harbour, which is yet to be done one year on. Bangladesh had sought soft loan of \$280 million for the development of the zone; the procedure to sign a loan agreement is expected to be finalised next month, according to Paban Chowdhury, executive chairman of Beza. However, the soft loan is not part of the agreements that would be signed this fiscal year, according to finance ministry officials. Another Beza official said, as the loan deal was not signed, China Harbour is not much interested in forming the special purpose company. To get the zone ready, much work will have to be done on building offsite infrastructure, which will start once the soft loan comes through, Chowdhury said. As of now the tow access road for entering the zone has been built, while the site office development work will be complete by December. Another deal that saw hardly any progress is the one on jointly promoting the Belt and Road Initiative of China. A high level meeting was held in Beijing in May for increasing cooperation for implementing the Belt and Road Initiative. Industries Minister Amir Hossain Amu and State Minister for Finance and Planning MA Mannan participated in the meeting. Mannan said he is not aware whether any step has been taken in this regard after the meeting in May. No bilateral step has been taken for implementing the concept, according to officials of foreign and finance ministries.

<http://www.thedailystar.net/business/three-fourth-deals-china-show-no-progress-1476493>