



AT CAPITAL DAILY MARKET UPDATE – October 17, 2017

Overview:

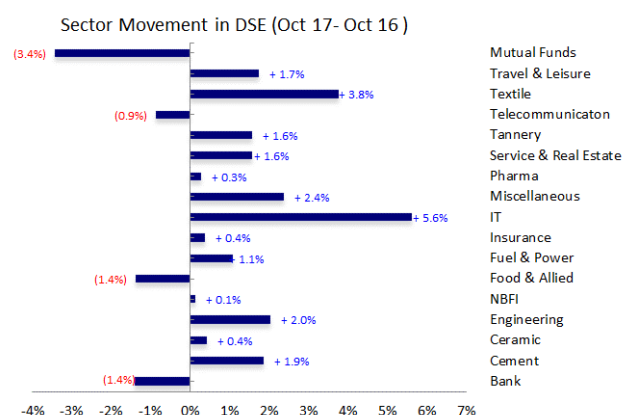
The DSEX closed at 6,031.7 points, up by 17.9 points. Total turnover was worth BDT 6.16 bn. Prices of 223 issues were increased whereas that of 84 issues were declined, and the price of the rests were remained unchanged.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
ILFSL	22.1	+4.7%	GSPFINANCE	28.8	(1.0%)
BDFINANCE	20.7	+2.5%	BIFC	10.9	(0.9%)
FASFIN	17.9	+2.3%	IPDC	43.8	(0.7%)
FAREASTFIN	12.4	+1.6%	PHOENIXFIN	35.2	(0.6%)
PRIMEFIN	12.7	+1.6%	IDLC	85.0	(0.5%)
UTTARAFIN	72.3	+1.4%	BAYLEASING	26.1	(0.4%)
ISLAMICFIN	22.8	+0.9%	DBH	124.9	(0.2%)
FIRSTFIN	14	+0.7%	NHFIL	46.0	(0.2%)
MIDASFIN	38.1	+0.5%	PLFSL	14.4	+0.0%
UNITEDFIN	22.8	+0.4%	PREMIERLEA	16.6	+0.0%

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	6,031.7	+0.3%	(1.0%)	+19.8%
DSES	1,325.7	+0.5%	(0.7%)	+11.2%
DS30	2,181.9	(0.3%)	+0.2%	+20.5%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,438,008.6	3,435,384.5	+0.1%
	USD MM	42,465.5	42,433.1	+0.1%
TURNOVER	BDT MM	6,156.8	5,029.6	+22.4%
	USD MM	76.0	62.1	+22.4%
VOLUME	MM SHARES	165.1	140.9	+17.2%



Market commentary:

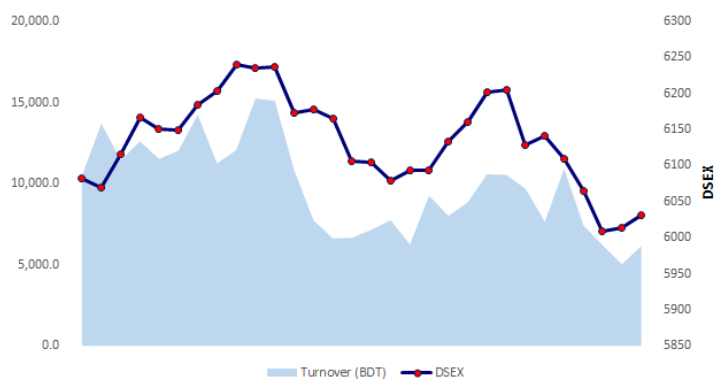
Market returned to positive after three consecutive negative sessions, embarking on a positive corporate declarations of large cap companies. After rising mildly, DSEX, the broad index, slump to the day's low of ~6,000 mark. All these happened till the mid-session. In the second half of the session, DSEX surged to end in the green zone. Market closed the session at 6,031.7, up by 17.9 points.

Turnover increased by 22.4% to BDT 6.16 bn. Bank sector dominated the turnover chart - the sector accounted for 34.0% of total turnover, followed by Engineering (13.4%) and, Textile (9.3%) sector.

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

IFADAUTOS topped the turnover chart today with the turnover of BDT 337mn - the stock gained 2.9%

Last 1 Month DSEX





News:

Rules relaxed for duty drawback

The revenue authority has eased the provision of physical inspection for export consignments until June 2018 to clear a backlog of 2,300 applications submitted mainly by jute and leather exporters for duty drawback of raw materials. In an order, the National Board of Revenue recently said the applications for duty draw back could be settled upon confirmation of exports based on documents such as proceed realisation certificates and without physical inspection report. "We welcome the step. This will be helpful for us to get duty drawback," said Md Shaheen Ahamed, chairman of Bangladesh Tanners Association (BTA). Revenue officials and exporters said the move would be beneficial for exporters who have been waiting for several years to get refund of duty and taxes which they have to pay for import of raw materials to process goods for exports in absence of duty free import benefit given under bonded warehouse scheme. Ahamed said the issue had been pending since November last year. He said they did not get duty drawback in the last one year because of the rule of submission of inspection report online by customs officials for export consignments. Customs officials and exporters said the problem of settling applications for duty refund began after the NBR in March 2011 slapped the rule of giving entry of physical inspection report of export consignments in the information box of the computerised customs management system, Asycuda World, to generate inspection report. As the Asycuda World System is yet to come about in all customs houses and customs stations, all the customs offices are not submitting physical inspection reports, officially known as inspection act, creating difficulty for the exporters to get refund of duty from the Duty Exemption and Drawback Office (DEDO) under the NBR. And a large number of applications for duty drawback by jute goods, leather and ceramic exporters got stuck in absence of the physical inspection report in the Asycuda World System, said officials. The number of applications rose to 4,000 at one time and it began to decline after the revenue authority relaxed rules of physical inspection for jute goods exporters until June 2016, according to officials.

<http://www.thedailystar.net/business/rules-relaxed-duty-drawback-1477615>

Spinners rely too much on Indian cotton

The overdependence on Indian cotton is becoming a cause of concern for local spinners as India itself is turning into a major cotton consumer with an increase in its export of apparel items, industry insiders said. Currently, Bangladesh imports more than 60 percent of its required cotton from India, the single largest source of the raw material for the country. "The overdependence on Indian cotton is a cause of concern for us. We should think of alternatives," said A Matin Chowdhury, managing director of Malek Spinning Mills Ltd, one of the major local cotton importers in Bangladesh. Bangladeshi spinners import cotton from India because of shorter lead-time, which is very necessary for the garment business in the present context of fierce global competition, Chowdhury said. The prices of Indian cotton are almost the same as those of other countries, he said. The cotton supply from India is not always stable as New Delhi sometimes imposes ban on export when domestic consumption of the raw material goes up. "In such cases, Bangladeshi spinners have to face a dearth of cotton," said Chowdhury. Backed by a massive stimulus package, India's garment export grew 15 percent year-on-year to \$17 billion last fiscal year, which indicates that the country will consume a lot of cotton in the near future. Recently Gujarat Chief Minister Vijay Rupani has announced a new garment and apparel policy that aims to attract investments worth Rs 20,000 crore. According to the plan, 16 new industrial estates would be set up to use cotton grown in the state, boosting the textile value chain from farm to fibre, fabric, fashion and foreign exports. Gujarat is the largest cotton producer as well as the biggest supplier of the raw material to other states. It is time to encourage local entrepreneurs to invest in garmenting, Mumbai-based media outlet Textile Excellence quoted Rupani as saying. Chowdhury said dependency of 35 and 40 percent on a single market is a wise percentage. The US, Australia and African countries can be good sources for cotton for Bangladesh. Since many international clothing brands and retailers have placed restriction on Uzbekistan's cotton for alleged use of child labour, other central Asian countries can also be good sources, he said. Bangladesh is the largest cotton importer worldwide. It overtook China after the latter stopped sourcing for having ample stocks of its own. In 2016-17, some 7 million bales are expected to be imported. One bale equals 218 kg and the cotton year begins on August 1 and ends on July 31. Bangladesh's cotton import will creep up to 7.1 million bales in 2017-18, further consolidating its position as the world's largest importer of the fibre, according to the recent reports of the United States Department of Agriculture.

<http://www.thedailystar.net/business/spinners-rely-too-much-indian-cotton-1477609>