



AT CAPITAL DAILY MARKET UPDATE – November 8 2017

Overview:

The DSEX closed at 6,159.1 points, up by 29.4 points. Total turnover was worth BDT 7.66 bn. Prices of 117 issues were increased whereas that of 163 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	6,159.1	+0.5%	+1.4%	+22.3%
DSES	1,336.9	+0.6%	+1.2%	+12.2%
DS30	2,229.9	+0.9%	+1.9%	+23.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,535,338.3	3,507,714.4	+0.8%
	USD MM	43,667.7	43,326.5	+0.8%
TURNOVER	BDT MM	7,656.0	7,445.0	+2.8%
	USD MM	94.6	92.0	+2.8%
VOLUME	MM SHARES	215.7	204.8	+5.3%

Market commentary:

Blue chip-led rally facilitated the market to land on the green trajectory. DSEX, the broad index, spiked initially to gain marginal gain before sliding immediately to mopping out the entire gain, subsequently, blue chip stocks directed the market towards the rally. DSEX directed the market in the later half. Market closed the session at 6,159.1, up by 29.4 points.

Losers remained the dominant part today - Losers to Gainers ratio was 1.4:1

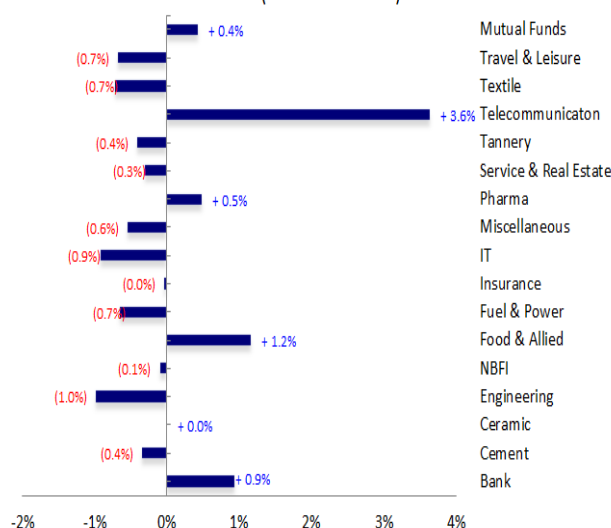
Turnover increased by 2.8% to BDT 7.66 bn. Bank sector dominated the turnover chart - the sector accounted for 41.5% of total turnover, followed by Engineering (14.2%) and, Pharma sector (8.3%).

Most of the prominent sectors, except Bank, Telecommunication, Food & Allied sectors, underperformed the market.

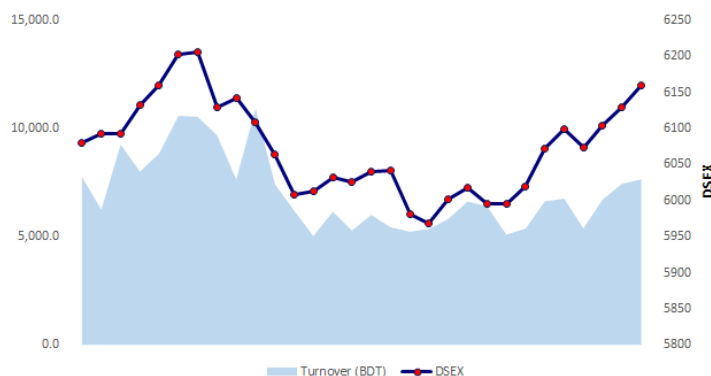
City Bank topped the turnover chart today with the turnover of BDT 384mn - the stock gained 2.7%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
FIRSTFIN	12.4	+4.2%	PREMIERLEA	18.0	(1.6%)
DBH	137	+3.6%	ILFSL	22.1	(1.3%)
ISLAMICFIN	21.5	+1.4%	UNIONCAP	17.0	(1.2%)
UNITEDFIN	23.4	+1.3%	ICB	182.0	(1.1%)
IDLC	89.5	+1.1%	UTTARAFIN	76.6	(0.5%)
BIFC	10.5	+1.0%	BDFINANCE	21.1	(0.5%)
FAREASTFIN	10.8	+0.9%	IPDC	42.5	(0.5%)
PLFSL	13.7	+0.7%	BAYLEASING	26.8	(0.4%)
GSPFINANCE	31.5	+0.6%	PRIMEFIN	11.4	+0.0%
NHFIL	46.8	+0.4%	FASFIN	20.8	+0.0%

Sector Movement in DSE (Nov 07- Nov 07)



Last 1 Month DSEX





News:

Foreign investment in stocks doubles in Jan-Oct

Foreign investment in stocks doubled year-on-year in the first 10 months of 2017 as overseas investors continue to show their trust in the market. Net position of foreign portfolio with the Dhaka Stock Exchange (DSE) stood at Tk 1,623.43 crore in January-October, compared to Tk 800.47 crore in the same period a year ago. The steadily growing economy and matured market behaviour after the demutualisation of bourses encouraged foreign investors to put their money in stocks, said a senior executive of the DSE. Many foreign individuals and institutions are now showing interest to invest in Bangladesh's stockmarket, said M Khairul Hossain, chairman of Bangladesh Securities and Exchange Commission, at a seminar in Dhaka recently. He said the government's continuous efforts to strengthen the stockmarket have made the country a popular destination for foreign investors. In the first 10 months, foreign investors bought shares worth Tk 5,346 crore and sold shares of Tk 3,723 crore. However, a recent move of the central bank made foreign investors cautious along with their local peers. In October, the Bangladesh Bank took action against overexposed banks, which put pressure on the market. The central bank fined seven banks for violating stock rule by way of over-exposure. The move prompted sales pressure as the overexposed banks also had to get rid of shares to adjust their investment in line with the regulatory limit. As a result, foreign investors were careful about injecting funds into stocks. They sold shares to book profit in October taking their net position into the negative territory. In fact, both the local and foreign investors booked profit amid the downward market last month, said the DSE executive. However, there was no unusual movement in price indices, which reflected the matured behaviour of the bourse, he said. In October, overseas investors sold shares worth Tk 396.86 crore and bought shares of Tk 245.13 crore, creating a negative monthly net investment position of Tk 151.72 crore, DSE data shows. Monthly turnover in the foreign portfolio fell 32 percent to Tk 642 crore in October from Tk 946.55 crore in the previous month. Foreign investors will continue to invest more in stocks in the coming days in anticipation of steady economic growth, according to the DSE official.

<http://www.thedailystar.net/business/foreign-investment-stocks-doubles-jan-oct-1487896>

BB rejects proposals for two new banks

The central bank has turned down proposals for setting up two new commercial banks on the grounds that the deteriorating financial health of many banks, especially the nine that were last set up, does not warrant any new addition to the landscape. The Bangladesh Bank has communicated its decision in September to Finance Minister AMA Muhith, who had asked the central bank to scrutinise the proposals. One of the proposed banks is Bengal Bank, initiated by Bengal Group of Industries, a local manufacturer of plastic products. Morshed Alam, a ruling party lawmaker, is the chairman of the group. The other bank is Peoples Islami Bank, proposed by MA Kashem, a Chittagong-based businessman. The financial health of many banks would have deteriorated further had the central bank not extended different policy support, said the BB letter. As of December last year, the total default loans in the sector stood at 9.2 percent and the capital adequacy ratio 10.8 percent of risk-weighted assets. Total stressed advances (defaulted and rescheduled loans) rose to 17.2 percent, up from 16.1 percent a year earlier. "The indicators show that the banking sector's asset quality is not at a satisfactory level," the letter said. The health of the nine new banks also deteriorated in recent times, with the default loans of one bank hitting 5.93 percent in March -- alarming for a new bank as the default rate of many of the older banks is less than 5 percent. The capital adequacy ratio of four new banks was less than 12 percent in March, which indicated that their capital base is not as good. The central bank had set a number of conditions for the new banks when giving them the licences in 2013, but they failed to implement them. The BB had asked the fourth-generation banks to disburse at least 5 percent of their total loans as agriculture credit in a year and spend at least 10 percent of their net profit in the interest of underprivileged people under their corporate social responsibility programs.

<http://www.thedailystar.net/business/bb-rejects-proposals-two-new-banks-1487914>