



AT CAPITAL DAILY MARKET UPDATE – May 22, 2017

Overview:

The DSEX closed at 5,385.4 points, up by 21.6 points. Total turnover was worth BDT 5.6 bn. Prices of 169 issues increased whereas that of 112 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,385.4	+0.4%	(2.5%)	+6.9%
DSES	1,254.4	+0.5%	(1.6%)	+5.2%
DS30	1,993.8	+0.6%	(1.9%)	+10.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,065,469.0	3,049,689.2	+0.5%
	USD MM	39,100.4	38,899.1	+0.5%
TURNOVER	BDT MM	5,604.2	4,582.4	+22.3%
	USD MM	71.5	58.4	+22.3%
VOLUME	MM SHARES	160.2	145.1	+10.4%

Market commentary:

Market rebounded strongly today as investors started taking position after bearish trend since May 4. Index gained ~27 points in the first half hour of trading which kept falling for until the mid-hour. In the second half of the trading, the broad based index gradually gained its momentum and the upward trajectory continued till the end, closing the index at 5,385.4, up by 21.6 points.

Bulls remained more vigilant than the Bears- Gainers outnumbered Losers by 169 to 112.

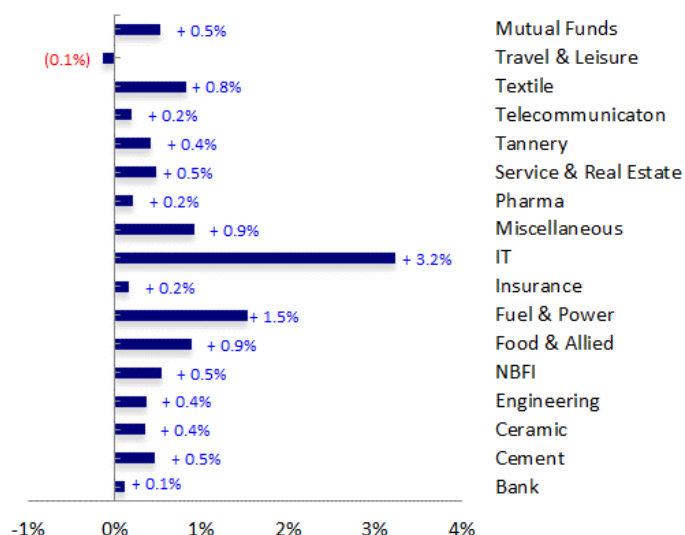
Turnover increased by 22.3% to BDT 5.6 bn. Fuel & Power sector dominated the turnover chart - the sector accounted for 16.1% of total turnover, followed by Engineering (13.2%) and Textile sector (12.9%).

All of the prominent sectors posted positive price return today; among which Bank, Telecommunication, Pharma and Insurance sectors underperformed the market today.

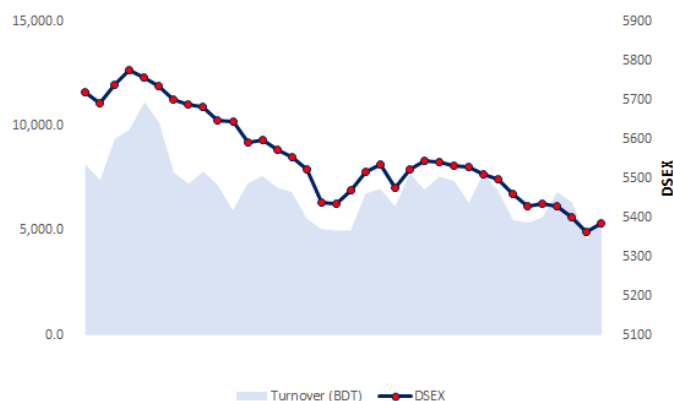
IFAD Autos topped the turnover chart today for the third consecutive session with the turnover of BDT 415mn - the stock gained 0.7%

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
AGNISYSL	27.2	+7.9%	RUPALIBANK	24.8	(13.3%)
SHURWID	8.9	+7.2%	RUPALIINS	17.5	(11.2%)
ZEALBANGLA	43.8	+7.1%	CENTRALINS	22.1	(7.1%)
UPGDCL	173.8	+5.9%	MONNOSTAF	526.7	(5.5%)
INTECH	18.3	+5.8%	AGRANINS	17.9	(4.8%)
CMCKAMAL	24.5	+5.6%	SONALIANSH	252.5	(4.0%)
REGENTTEX	28	+5.3%	MIRACLEIND	45.0	(3.8%)
MEGCONMILK	10.3	+5.1%	DULAMIACOT	8.1	(3.6%)
PURABIGEN	17.6	+4.8%	ARAMIT	375.3	(3.4%)
PADMALIFE	42.3	+4.2%	PRIMEBANK	20.3	(3.3%)

Sector Movement in DSE (May 22 - May 21)



Last 1 Month DSEX





News:

Interest rates on savings tools may go down

Finance Minister AMA Muhith yesterday hinted at lowering the interest rates on savings instruments as the returns from these tools are very high compared to other rates prevailing in the market.

Steps in this regard may be taken in the next budget session, he said after a meeting with the leaders of Dhaka Chamber of Commerce and Industry (DCCI) at his secretariat office.

At present, the commercial banks offer hardly 7 percent for deposits, whereas the rates for savings instruments are over 11 percent.

“This high difference in rates is not sustainable,” Muhith told reporters.

The high returns on savings tools are also pushing the government's interest liability up every year.

For example, the government set a target to raise Tk 19,000 crore from the sale of its savings schemes, but the sale was doubled to nearly Tk 38,000 crore in the first nine months till March this fiscal year.

The sale from these tools more than doubled to nearly Tk 34,000 crore against a target of Tk 15,000 crore last fiscal year.

The interest rate on the five-year family savings certificate is 11.52 percent and it 11.76 percent for the five-year pensioner savings schemes. The return on the three-year post office savings certificates stands at 11.28.

Economists and bankers said if the trend continues, money will flow out of bank deposits and end up in savings schemes, meaning the government's interest liability will go up further.

Finance Minister has also reaffirmed that there will be one flat rate for VAT and that it will be effective from July 1. Muhith spoke on the issue for the first time since a meeting with the prime minister earlier this month.

“I made a public statement earlier that the rate will be one,” he said.

<http://www.thedailystar.net/business/interest-rates-savings-tools-may-go-down-1408786?browserpush=true>

Aman Group opens second cement plant

Aman Group yesterday opened the second unit of its cement mills in Narayanganj to become one of the top construction material makers in Bangladesh.

The new plant, called Aman Cement Mills Unit-2, has a production capacity of 10,000 tonnes daily and 35 lakh tonnes annually, said the company in a statement.

The group said this is the single largest production factory in the country.

Commerce Minister Tofail Ahmed inaugurated the cement factory at a programme held at the International Convention Centre Bashundhara in Dhaka.

Speaking at the ceremony, Rafiqul Islam, chairman and managing director of Aman Group, said since its establishment in 1984, the group has been contributing to the national economy through diversified industries.

The cement factory has been set up using Germany's ultra-modern vertical roller mill technology, which is considered the most advanced technology in cement production procedure, according to Islam.

“The raw material for the factory is being brought from the best source in the world,” he said in the statement.

The factory is located in the group's economic zone in Sonargaon, Narayanganj.

With about three dozen cement manufacturers in Bangladesh, the country has an installed production capacity of 3.5 crore tonnes a year against the local demand for two crore tonnes.

<http://www.thedailystar.net/business/aman-group-opens-second-cement-plant-1408762>