



AT CAPITAL DAILY MARKET UPDATE – May 24, 2017

Overview:

DSEX was closed at 5412.7, up by 17.9 points. Total turnover was worth BDT 5.44 bn. Prices of 129 issues were increased whereas that of 143 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,412.7	+0.3%	(2.0%)	+7.5%
DSES	1,263.6	+0.4%	(0.9%)	+6.0%
DS30	2,009.3	+0.6%	(1.1%)	+11.0%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,081,660.4	3,072,679.2	+0.3%
	USD MM	39,306.9	39,192.3	+0.3%
TURNOVER	BDT MM	5,444.4	5,946.4	(8.4%)
	USD MM	69.4	75.8	(8.4%)
VOLUME	MM SHARES	164.1	157.9	+3.9%

Market commentary:

Market momentum remained upward, extending the momentum for the third consecutive session. DSEX, the broad index, jumped straightway as soon as the session commenced, resulting in a gain of ~27.0 points. Since then, DSEX experienced a sideways movement till the end of the session. Market closed the session at 5,412.7, up by 17.9 points.

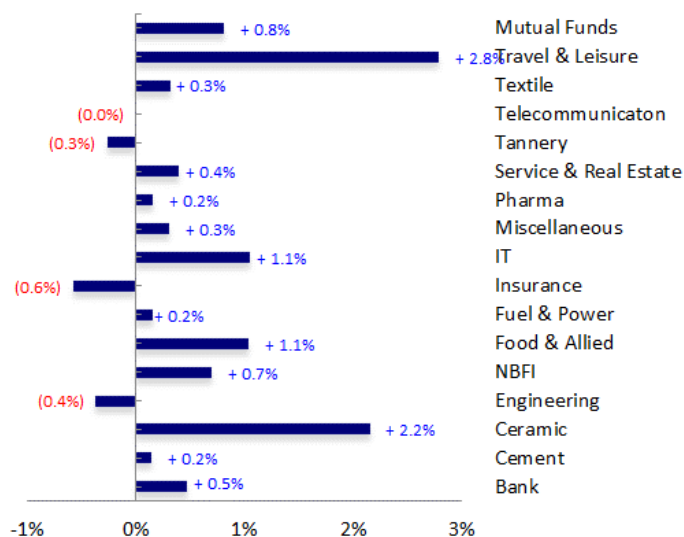
Turnover decreased by 8.4% to BDT 5.44 bn. Fuel & Power sector dominated the turnover chart - the sector accounted for 15.1% of total turnover, followed by Textile (14.1%) and, Engineering sector (10.6%).

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

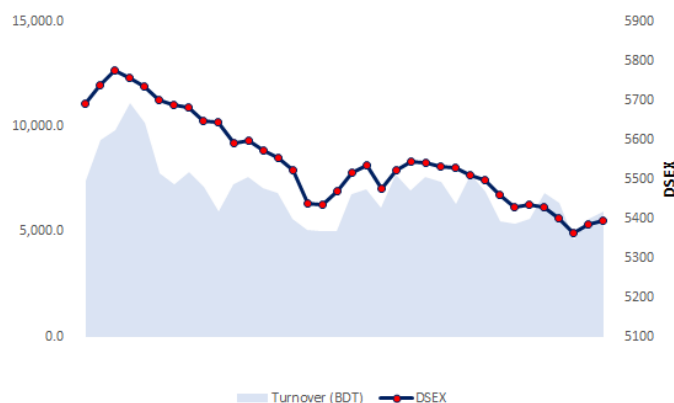
IFAD Autos topped the turnover chart today with the turnover of BDT 263mn - the stock lost 2.0%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
PENINSULA	26.1	+9.7%	PHENIXINS	24.8	(5.0%)
UNITEDAIR	5.9	+9.3%	NORTHERN	495.1	(4.9%)
ISLAMIINS	24.7	+9.1%	PRAGATILIF	100.0	(4.9%)
SHURWID	9.5	+5.6%	PROVATIINS	17.3	(4.5%)
ICB3RDNRB	7.8	+5.4%	MERCINS	18.3	(3.7%)
PTL	34.8	+5.1%	PRIMELIFE	54.6	(3.5%)
GHAIL	45.2	+5.1%	DBH1STMF	8.6	(3.4%)
PARAMOUNT	20	+4.7%	AGRANINS	17.8	(3.3%)
EMERALDOIL	24.1	+4.3%	PROGRESLIF	60.0	(3.2%)
BARKAPOWER	44.5	+4.2%	EASTLAND	21.3	(3.2%)

Sector Movement in DSE (May 24 - May 23)



Last 1 Month DSEX





News:

Islami Bank's remittance proceeds fall 13pc

Remittance receipts of Islami Bank Bangladesh fell 13 percent in 2016 compared to the previous year. The bank received remittance worth Tk 27,998 crore last year, down from Tk 32,106 crore in the previous year, according to the bank's latest annual report. The bank's market share in terms of remittance receipts fell to 26 percent last year from 26.57 percent in 2015. The bank's business was affected by the recent downtrend in remittance inflow as remittance is a major source of income for the bank, said a senior official. In 2016, Bangladesh's remittance income stood at \$13.61 billion -- the lowest in five years, according to central bank statistics. The receipt was \$15.32 billion in 2015. The bank is also going through a period of transition amid a major reshuffle in its board. Foreign investors are intending to take away their investment from the bank, which had a negative impact on the bank's share price. The bank declared 10 percent cash dividends for 2016, which was one of the lowest in the recent past; the low dividend also took a toll on its share prices. The bank made a net profit of Tk 446 crore in 2016.

<http://www.thedailystar.net/business/islami-banks-remittance-proceeds-fall-13pc-1410064>

VAT collection target to be 40pc higher

The government is likely to gun for VAT collection 40 percent higher than current fiscal year's revised target in fiscal 2017-18 by way of implementation of the new VAT law that commands a uniform 15 percent VAT for most goods and services. Revenue collectors may be given the task of collecting Tk 91,000 crore next fiscal year, up from current year's revised collection goal of Tk 65,000 crore, said a senior official of the finance ministry. Word on the increased revenue target comes at a time when the policymakers are mulling over a 3-percentage point cut in VAT rate under the new law to bring it to 12 percent. In addition, the government is considering increasing the VAT-free turnover ceiling to Tk 36 lakh and hiking the highest threshold of turnover tax to Tk 1.5 crore annually to make businesses happy, the official said. Policymakers said although the rate cut may cause a loss of revenue, the end of VAT collection at reduced rates applicable for 65 products and 22 services under the existing VAT law will increase receipts. The government scheme to install 50,000 electronic cash registers at the retail level is also expected to curb tax evasion and increase collection. The new VAT law will take effect from July 1. Also, the increase in supplementary duty rates for some key revenue-generating products and services such as tobacco and mobile will make up for the loss in revenue receipts from the slash in uniform rate to 12 percent. The government is also considering impose SDs on the import of 700-800 products in the upcoming fiscal year from existing 170 items. Insiders said the hike in the list of items to face SDs is planned in the face of demands from businesses for protection to local industries from competition with imported products and safeguard the interest of export-oriented industries. The government is expected to fix the total revenue collection goal for the National Board of Revenue at Tk 248,000 crore, which 34 percent higher than the revised target for fiscal 2016-17. VAT is the biggest source of revenue collection for the government, followed by income tax and import duty, according to the NBR.

<http://www.thedailystar.net/business/vat-collection-target-be-40pc-higher-1410061>