



AT CAPITAL DAILY MARKET UPDATE – June 11, 2017

Overview:

The DSEX closed at 5,455.2 points, down by 20.6 points. Total turnover was worth BDT 4.69 bn. Prices of 87 issues were increased whereas that of 193 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,455.2	(0.4%)	(0.4%)	+8.3%
DSES	1,264.0	(0.3%)	(0.3%)	+6.0%
DS30	2,032.3	(0.2%)	(0.2%)	+12.2%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,096,003.4	3,109,937.4	(0.4%)
	USD MM	39,489.8	39,667.6	(0.4%)
TURNOVER	BDT MM	4,690.1	5,171.2	(9.3%)
	USD MM	59.8	66.0	(9.3%)
VOLUME	MM SHARES	126.0	140.3	(10.2%)

Market commentary:

Market remained bearish for another session. DSEX, the broad index, fell steadily today after being remained sideways during the first 30 minutes of the session, mainly driven by upcoming Eid festival. Market closed the session at 5,455.2, down by 20.6 points.

Losers' cemented the strong foothold today relative to its counterpart – the ratio was 2.2:1.

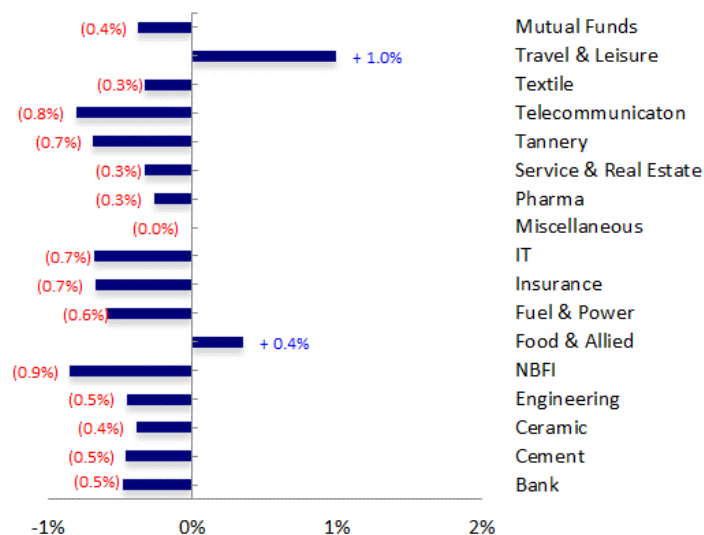
Turnover decreased by 9.3% to BDT 4.69 bn. Textile sector dominated the turnover chart - the sector accounted for 22.3% of total turnover, followed by Pharma (16.7%) and, Fuel & Power sector (12.5%).

Most of the prominent sectors, except Food and allied, and Telecommunication sector, underperformed the market today.

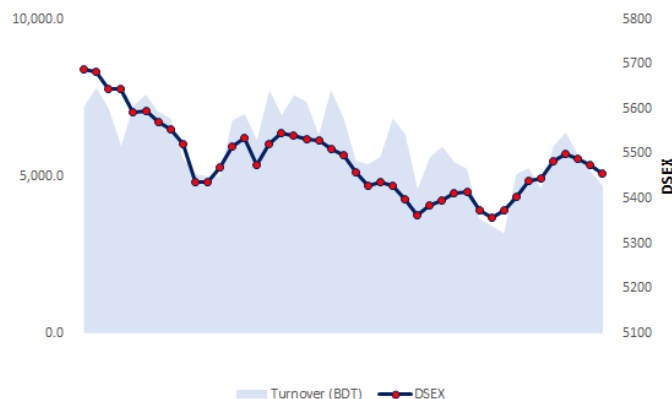
Paramount Textiles topped the turnover chart today with the turnover of BDT 254mn - the stock gained 0.6%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
FASFIN	18.1	+1.1%	BIFC	9.5	(3.1%)
PLFSL	9.6	+1.1%	ISLAMICFIN	22.4	(1.8%)
UNITEDFIN	21	+1.0%	BAYLEASING	24.1	(1.6%)
PRIMEFIN	11	+0.9%	IPDC	41.9	(1.4%)
MIDASFIN	26.3	+0.8%	UTTARAFIN	56.9	(1.4%)
ILFSL	14	+0.7%	ICB	176.7	(1.2%)
BDFINANCE	21.5	+0.5%	IDLC	70.9	(1.2%)
DBH	112.3	+0.1%	GSPFINANCE	28.2	(1.1%)
UNIONCAP	24.9	+0.0%	FAREASTFIN	9.8	(1.0%)
PREMIERLEA	18	+0.0%	FIRSTFIN	11.8	(0.8%)

Sector Movement in DSE (June 11- June 08)



Last 1 Month DSEX





News:

Phase out savings certificates

The International Monetary Fund (IMF) has advised the government to reduce its borrowing costs by cutting reliance on national savings certificates. The IMF called for phasing out the savings instruments and increasing the issuance of treasury bonds and bills as an alternative to the tools. An IMF mission recently reviewed the country's latest economic situation and submitted a report to its executive board; the report was made public last week. The report presented various drawbacks, pointing out that the interest paid has amounted to about 1 percent of the country's gross domestic product. It said the certificates' interest rates are significantly higher than that of any other savings schemes in the market. Outstanding stocks already raised the total cost of budget borrowing by an estimated 0.25 to 0.5 percent of the GDP annually and these costs continue to rise, said the IMF. The IMF said lowering the certificates' interest could dampen household demand for it while a mechanism could be considered that automatically links the certificates' rates to market rates. It said more targeted and less costly alternatives could be considered such as expanding the social safety net and reflecting the costs on budget that achieve the government's social policy goals without distorting financial markets, hindering monetary policy and impeding capital market development. The report quoted the government as saying that the certificates are playing an important social role by providing support to vulnerable segments of the population in the absence of unemployment insurance and wide pension coverage, and eliminating the certificates outright would not be a viable option now.

<http://www.thedailystar.net/business/phase-out-savings-certificates-1418425>

Coal import from Meghalaya remains suspended

Prices of coal have been on the rise after imports from the Indian state of Meghalaya through the Land Customs stations of Sylhet region have remained suspended since June 1. A tonne coal is now selling at Tk 8,000-Tk 8,500, up from Tk 6,000-Tk 6,500 two weeks ago. It would rise further if import was not resumed immediately, people familiar with the development said. National Green Tribunal of India imposed restrictions on the unplanned coal mining in Meghalaya on environmental grounds in 2014. But later it was lifted temporarily after appeals from the exporters. On September 21, 2017, the court suspended the restrictions until 31 May, 2017. Accordingly, imports through the five LC stations of Sylhet region have remained suspended since June 1. The environmental activists in Meghalaya had long been protesting the unplanned coal mining there. On the other hand, it has already caused huge trouble for the bordering villages in Sunamganj district's Tahirpur upazila, on the foot of the Meghalaya hills. Sediments along with the mine effluent had already covered more than five villages, damaging crop lands as well as dwelling houses there. A number of importers said the brick manufacturers are the main buyers of coal. Although the brick manufacturers keep their factories shut during the monsoon, the demand is not that high now. They said if the import remained suspended for an indefinite period they would suffer much and it had rendered more than 20,000 labourers on the LC stations jobless. President of Sylhet Coal Importers Group Emdad Hossain said they were trying to resume import of the item soon. The exporters were also trying to get required permissions, he added. Normally, 70 per cent of 3.0 million (30 lakh) tonnes of the annual coal import from Meghalaya was exported through the five LC stations of Sylhet region.

<http://print.thefinancialexpress-bd.com/2017/06/11/175010>