



# AT CAPITAL DAILY MARKET UPDATE – May 31, 2017

## Overview:

The DSEX closed at 5,403.1 points, up by 29.9 points. Total turnover was worth BDT 5.06 bn. Prices of 154 issues were increased whereas that of 113 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
RAHIMAFOOD	116.8	+10.0%	NCCBANK	12.3	(4.7%)
STANDARINS	17.1	+8.2%	SEMLIBLSF	9.4	(4.1%)
SONARGAON	12.1	+7.1%	DULAMIACOT	8.0	(3.6%)
ICBIBANK	5	+6.4%	TAKAFULINS	19.1	(3.0%)
ZEALBANGLA	46.4	+5.5%	EBLNRBMF	7.0	(2.8%)
BDCOM	40.3	+5.2%	SAMATALETH	26.3	(2.6%)
MODERNDYE	217.8	+5.2%	KPPL	8.5	(2.3%)
BDAUTOCA	82.9	+4.1%	VAMLRBBF	8.8	(2.2%)
BRACBANK	77.6	+3.9%	PARAMOUNT	18.6	(2.1%)
MERCINS	19.9	+3.6%	NORTHRNINS	23.3	(2.1%)

## Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,403.1	+0.6%	(2.1%)	+7.3%
DSES	1,251.4	+0.2%	(1.8%)	+5.0%
DS30	2,005.2	+0.7%	(1.3%)	+10.7%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,076,826.6	3,059,500.8	+0.6%
	USD MM	39,245.2	39,024.2	+0.6%
TURNOVER	BDT MM	5,062.0	3,178.9	+59.2%
	USD MM	64.6	40.5	+59.2%
VOLUME	MM SHARES	134.2	103.7	+29.4%

## Market commentary:

Market came back strongly today after three bearish sessions. DSEX, the broad index, gained ~13.0 points in the first 10 minutes before paring more than the initial gain in the next 20 minutes. DSEX rallied strongly since then to gain 35.0 points. Market closed the session at 5,403.1, up by 29.9 points.

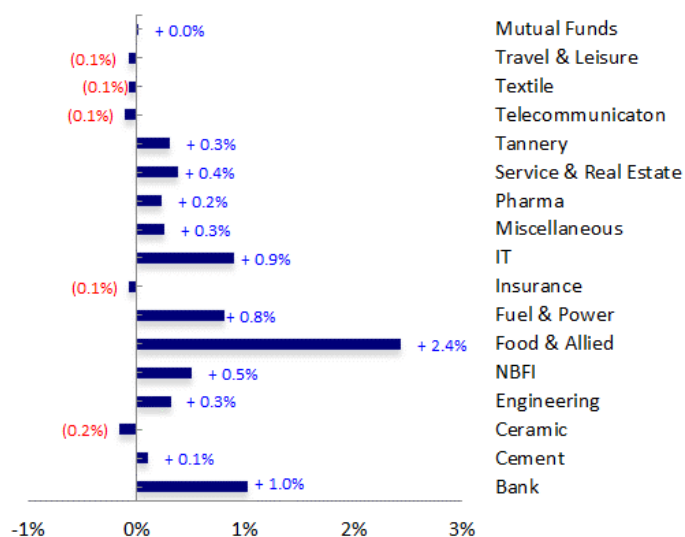
Gainers were stronger today – the ratio was 0.7 to 1.

Turnover increased significantly by 59.2% to BDT 5.06 bn. Bank sector dominated the turnover chart - the sector accounted for 16.9% of total turnover, followed by Textile (16.1%) and, Fuel & Power sector (15.1%).

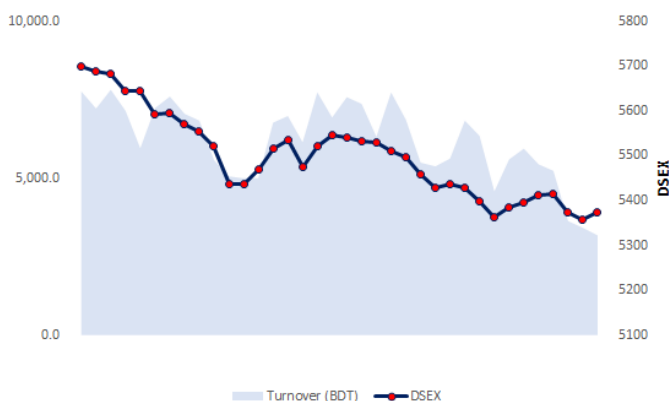
Most of the prominent sectors, except Bank, Food & Allied, and Fuel & Power sectors, underperform the market today.

Brac Bank topped the turnover chart today with the turnover of BDT 250mn - the stock gained 3.9%

## Sector Movement in DSE (May 31 - May 30)



## Last 1 Month DSEX





## News:

### Excise duty on bank accounts to double next fiscal year

The government is considering doubling the excise duty on bank accounts with large debit or credit balance in fiscal 2017-18 to boost revenue collection. Accounts with balance between Tk 1 lakh and Tk 10 lakh at any time of a year may be slapped with Tk 1,000 excise tax, up from existing Tk 500, as per the proposal of the Internal Resources Division. For accounts with balance between Tk 10 lakh and Tk 1 crore, the excise duty would be Tk 3,000. The excise duty would double to Tk 15,000 for balance between Tk 1 crore and Tk 5 crore and to Tk 30,000 for accounts that record over Tk 5 crore balance. Accounts that record up to Tk 1 lakh in balance, debit or credit, may be exempt from excise duty. At present, no excise duty is charged on balance of up to Tk 20,000. Finance Minister AMA Muhith is considering the proposal, said a senior official of the finance ministry. The move to increase the excise duty comes at a time when the number of bank accounts and the average balance on accounts are rising as more and more people come under the banking network thanks to expansion of branches and the government's push for financial inclusion. In 2016, the number of accounts increased 7 percent to 8.14 crore in 2016 and the average deposit per account 6 percent to Tk 110,457, according to data from the Bangladesh Bank.

<http://www.thedailystar.net/business/excise-duty-bank-accounts-double-next-fiscal-year-1413385>

### Telcos call for rational tax rates

The government should introduce a rational tax regime for the mobile operators and resolve disputes in the sector to help establish a 'digital Bangladesh', a senior official of Robi said. "We are expecting a positive signal from the government in the upcoming budget," Mahtab Uddin Ahmed, chief executive officer and managing director of Robi, told The Daily Star in an interview. The operator is watching out for the government's stance on SIM and corporate taxes in fiscal 2017-18's budget announcement tomorrow. "We believe that if our proposals are accepted the industry's contribution to the national development will increase manifold." In 2011, the SIM tax was Tk 600 and the industry's contribution to the economy then was 3.2 percent. The SIM tax was halved in 2013 and the operators' contribution rose to 4.9 percent. In 2015, the SIM tax was brought down to Tk 100 and the industry's contribution edged up to 6.2 percent. Therefore, there is a clear case for bringing down the tax," said Ahmed, the first local CEO of a foreign-owned mobile operator. The rate of corporate tax, which stands at 45 percent, also needs to be brought down to the minimum level and the tax on consumption also needs to be lower to incentivise people to spend more. Specifically, he said the value-added tax on internet usage must be removed to expedite the process of digital Bangladesh. The industry can contribute up to \$17 billion and create 8.20 lakh jobs, directly or indirectly, in 2020 if an enabling environment is created for mobile operators, Ahmed said referring to a report of GSM Association. Currently, 54 percent of the country's population use mobile phone and the number would be much higher if the government reduces taxes, he said. The Robi CEO also called for resolution of all outstanding disputes.

<http://www.thedailystar.net/business/telcos-call-rational-tax-rates-1413382>