



AT CAPITAL DAILY MARKET UPDATE – June 29, 2017

Overview:

The DSEX closed at 5,656.0 points, up by 9.8 points. Total turnover was worth BDT 8.01 bn. Prices of 154 issues were increased whereas that of 134 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
FAREASTFIN	10.3	+ 2.0%	GSPFINANCE	29.0	(3.3%)
ICB	174.7	+ 0.5%	ISLAMICFIN	24.5	(3.2%)
BAYLEASING	24.9	+ 0.4%	PREMIERLEA	19.1	(2.6%)
PRIMEFIN	11.8	+ 0.0%	BDFINANCE	21.4	(2.3%)
BIFC	9.9	+ 0.0%	LANKABAFIN	55.7	(2.3%)
NHFIL	46.9	(0.2%)	ILFSL	14.2	(2.1%)
DBH	114.1	(0.3%)	FIRSTFIN	10.6	(1.9%)
PHOENIXFIN	27	(0.4%)	IPDC	45.2	(1.7%)
UTTARAFIN	58.6	(0.7%)	UNIONCAP	25.4	(1.6%)
PLFSL	10.4	(1.0%)	UNITEDFIN	21.4	(1.4%)

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,656.0	+ 0.2%	+ 0.2%	+ 12.3%
DSES	1,296.7	+ 0.4%	+ 0.4%	+ 8.8%
DS30	2,083.8	(0.0%)	(0.0%)	+ 15.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,190,888.1	3,179,890.5	+ 0.3%
	USD MM	39,886.1	39,748.6	+ 0.3%
TURNOVER	BDT MM	8,011.9	6,280.9	+ 27.6%
	USD MM	100.1	78.5	+ 27.6%
VOLUME	MM SHARES	244.0	171.4	+ 42.3%

Market commentary:

Uptrend staggered today after 5-day bullish run. DSEX, the broad index, was headed upward just after the market was initiated, but, failed to retain the gain. The initial gain was slashed subsequently. Since then, DSEX grew steadily till the end of the session. Market closed the session at 5,656.0, up by 9.8 points.

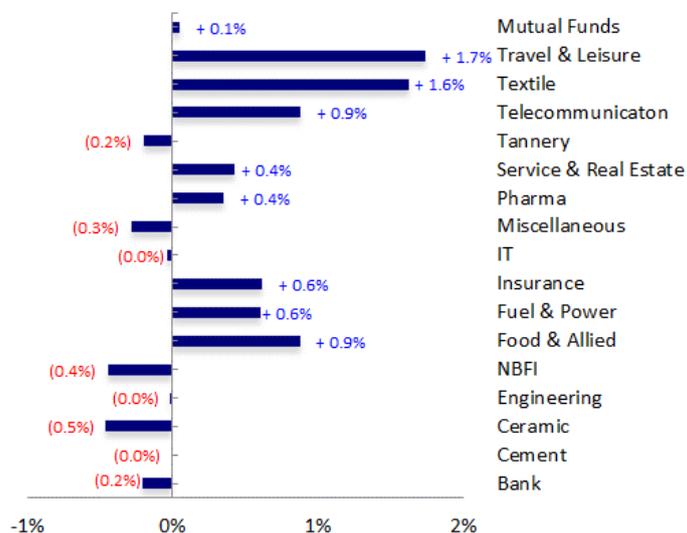
Both losers and gainers were equally dominant today – the ratio was almost 1 to 1.

Turnover increased by 27.6% to BDT 8.01 bn. Textile sector dominated the turnover chart - the sector accounted for 19.9% of total turnover, followed by Bank (14.5%) and, Fuel & Power sector (13.6%).

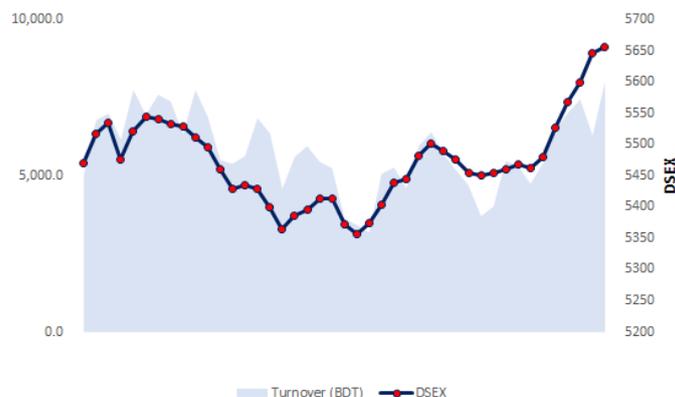
Among prominent sectors, Food & Allied, Fuel & Power, Pharma, Telecommunications, and Textile sectors outperformed the market whereas Cement, Bank, NBFI, and Engineering sectors underperformed the market today.

Doreen Power topped the turnover chart today with the turnover of BDT 337mn - the stock gained 4.7%.

Sector Movement in DSE (June 29- June 28)



Last 1 Month DSEX





News:

Govt reduces excise duty on small bank deposits

The government today reduced the excise duty on small size bank deposits amid much criticism but retained the proposed rates for big ticket account balances. Suggested by Prime Minister Sheikh Hasina in the parliament, Finance Minister AMA Muhith proposed the new excise duty that was passed unanimously in the House this evening. Muhith, however, maintained the excise duty exemption to deposits up to Tk 1 lakh for the new fiscal year starting July 1. Deposits with balance between Tk 1 lakh and Tk 5 lakh have been slapped with Tk 150 excise tax at any time of a year. Earlier, Muhith had proposed to raise it to Tk 800 from Tk 500. The excise duty for deposits of Tk 5 lakh to Tk 10 lakh has remained the same at Tk 500 as per the existing rates. However, Muhith had proposed to raise it to Tk 800. Meanwhile, the finance minister has retained the proposed rates for higher bank deposits. The duty on account balance of Tk 10 lakh to Tk 1 crore will be Tk 2,500 from the upcoming fiscal year, about 67 percent higher than the existing rate of Tk 1,500. The rate will be Tk 12,000 on deposits from Tk 1 crore to Tk 5 crore. It is now Tk 7,500. Deposits above Tk 5 crore will bear an annual excise duty of Tk 25,000, up from Tk 15,000 now. The proposal to hike excise duty move had drawn huge criticism as it was hiked at a time when average interest rates on deposits came down to below 5 percent. Savers, as well as ministers, economists and business leaders criticised the attempt to increase the excise duty. The government imposed the excise duty on bank deposits in 2002. All of the finance minister's proposals were approved by the lawmakers.

<http://www.thedailystar.net/business/govt-reduces-excise-duty-small-bank-deposits-1425604>

Banks asked to fund Tk 20,000cr to set up rental power plants

The government in an unusual move has asked local banks to fund approximately Tk 20,000 crore to facilitate private entrepreneurs to set up a number of rental power plants by March 2018. The government's plan includes installation of 17-18 quick rental power plants with 2,000MW combined capacity adding to existing 15 rental plants with 931MW capacity which have already raised power prices by more than 69 per cent since 2010, said power division officials. At a meeting held on June 21, state minister for power, energy and mineral resources Nasrul Hamid requested the local banks as well as the Bangladesh Bank to provide the funding to the private companies to be awarded contracts for installing 2,000MW power plant in next nine months, they said. The government plans to award a number of contracts to private companies within a month without bidding to increase the country's power generation capacity by 2,000MW in next seven to nine months, Power Cell director general Mohammad Hossain told New Age. The power plants will run on imported liquid fuel, he said. It would require approximately Tk 20,000 crore investments which is not feasible to source from foreign banking channels in a short time, said Mohammad Hossain. At the meeting, Mohammad Hossain presented a paper describing the funding requirements in power sector for short-term as well as for long-term. Top executives of local banks and representatives of the Bangladesh Bank and Economic Relations Division attended the meeting. Bank division secretary Md Eunusur Rahman told the meeting that the local banks were not interested in funding power sector as it required big amount of money for long-term investment although the schemes were attractive. He, however, said that the bank division would extend its support in this regard. When asked about the mode of contracts for new power plants, the Power Cell director general denied terming them 'rental' or 'quick rental' power plants and said that some contracts would be signed for three to five years and some other for 15 years. He, however, admitted that the rate of capacity payment would be higher than that of the long-term power plants to enable them to realize their investments in a short-term. Officials of state-run Power Development Board said that the terms and conditions and the method of awarding the proposed contracts would be similar to that of the quick rental power plants. Like the contracts awarded for quick rental power plants, the fresh ones would be awarded under the Speedy Supply of Power and Energy (Special Provisions) Act 2010 that indemnified officials concerned against prosecution for awarding contracts without tender. The power division and the state-run Power Development Board are now examining 15 proposals to set up seven barge-mounted and eight land-based power plants with a combined capacity to generate 1,800MW power, said officials. They also said that the government would allow a few more proposals before initiating negotiations with the companies. The government took the move after the power board had paid 20 rental power plants with 1,653MW capacity Tk 6,000 crore extra in capacity charge during their original contract period that exhausted between 2013 and 2015, the officials said.

<http://www.newagebd.net/article/18635/banks-asked-to-fund-tk-20000cr-to-set-up-rental-power-plants>

