



AT CAPITAL DAILY MARKET UPDATE – August 2, 2017

Overview:

The DSEX closed at 5,891.2 points, up by 16.4 points. Total turnover was worth BDT 12.39 bn. Prices of 132 issues were increased whereas that of 155 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,891.2	+0.3%	+0.3%	+17.0%
DSES	1,315.2	(0.1%)	(0.1%)	+10.3%
DS30	2,131.7	(0.2%)	(0.2%)	+17.7%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,352,829.5	3,349,383.4	+0.1%
	USD MM	41,910.4	41,867.3	+0.1%
TURNOVER	BDT MM	12,387.4	12,226.9	+1.3%
	USD MM	154.8	152.8	+1.3%
VOLUME	MM SHARES	430.5	424.8	+1.3%

Market commentary:

Market remained volatile for another session. DSEX, the broad index, started the session with high volatility, changing the direction twice within the first trading hour. DSEX headed upward after shedding ~15.0 points in the first swing, gaining ~30.0 points. However, DSEX remained unstable till the end of the session, continuing the swing.

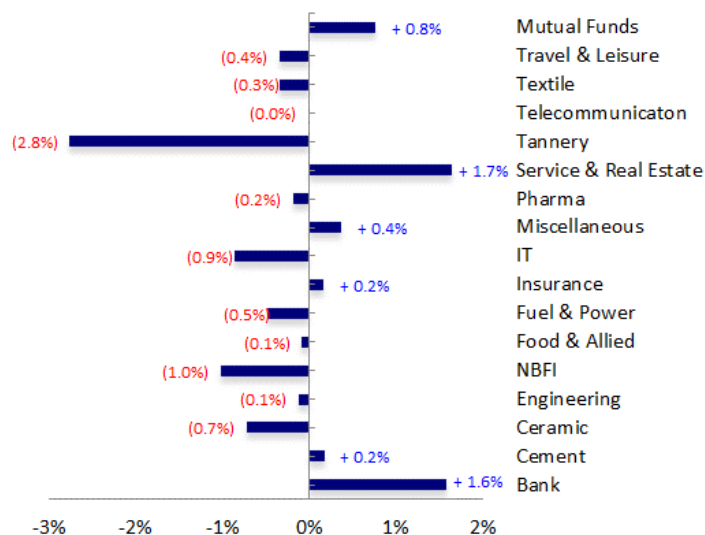
Turnover increased by 1.3% to BDT 12.39 bn. Bank sector dominated the turnover chart - the sector accounted for 26.0% of total turnover, followed by Textile (15.0%) and, NBFI sector (12.7%).

Most of the prominent sectors, except Bank, underperformed the market today.

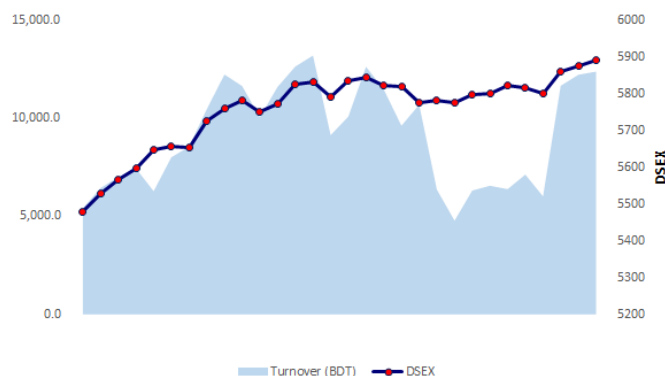
LankBangla Finance topped the turnover chart today with the turnover of BDT 915mn - the stock lost 3.6%

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
GSPFINANCE	31.1	+4.0%	BAYLEASING	27.2	(2.5%)
FAREASTFIN	12.2	+3.4%	ICB	189.5	(2.5%)
UNIONCAP	22.6	+2.3%	IPDC	47.5	(1.9%)
BIFC	11.1	+1.8%	IDLC	79.0	(1.7%)
PHOENIXFIN	28.7	+1.8%	PLFSL	13.3	(1.5%)
PRIMEFIN	13.6	+1.5%	PREMIERLEA	18.1	(1.1%)
NHFIL	52.5	+0.8%	BDFINANCE	19.1	(1.0%)
MIDASFIN	30	+0.7%	LANKABAFIN	58.4	(1.0%)
ILFSL	15.9	+0.6%	FASFIN	16.1	(0.6%)
FIRSTFIN	13.4	+0.0%	UNITEDFIN	21.4	(0.5%)

Sector Movement in DSE (August 2- August 1)



Last 1 Month DSEX





News:

Banks' investments in corporate bonds to be high-quality liquid asset

Commercial banks are likely to be allowed to include their investments in corporate bonds as high-quality liquid asset under liquidity-coverage ratio (LCR) of Basel-III framework. Bangladesh Bank (BB) made such observations Tuesday at a coordination meeting of major watchdog bodies, namely the Bangladesh Securities and Exchange Commission (BSEC), the Office of the Registrar of Joint Stock Companies and Firms, the Insurance Development and Regulatory Authority (IDRA), the Micro-credit Regulatory Authority (MRA), the Department of Cooperatives (DoC) and Bangladesh Telecommunication Regulatory Commission (BTRC). At the meeting, held at the BB headquarters, the BSEC requested the central bank to allow the banks to comply with the BB's statutory liquidity ratio (SLR) requirement with their investment in the corporate bonds, as a way of stimulating the capital market. The central bank failed to agree with the proposal, placed at the meeting, presided over by BB Governor Fazle Kabir. To justify the refusal, according to officials, the central bank said only the approved securities are eligible for meeting the SLR obligation to the BB. The approved securities are usually treasury bills (T-bills), bonds and other securities whose principal and interest are guaranteed by the government and also include BB's own securities. Rather, the BB expressed its willingness to consider such bonds as high-quality liquid asset but their eligibility will be positively examined by the departments concerned of the central bank, they added. "We may allow the corporate bonds as high-quality liquid asset under LCR of Basel-III framework after examining its different aspects," SK Sur Chowdhury, deputy governor of the BB, told the FE after the meeting.

<http://www.thefinancialexpress-bd.com/2017/08/02/78768/Banks%E2%80%99-investments-in-corporate-bonds-to-be-high-quality-liquid-asset>

BB advises BTRC to lower USSD, SMS prices for MFS

Bangladesh Bank on Tuesday requested Bangladesh Telecommunication Regulatory Commission to take initiative for bringing down the prices of unstructured supplementary service data (USSD) and short message service (SMS) to a logical level to facilitate banks' mobile financial services. The central bank made the request at a coordination meeting among financial market regulators held at the BB headquarters in the capital, Dhaka. BB governor Fazle Kabir presided over the meeting while representatives of Bangladesh Securities and Exchange Commission, Insurance Development and Regulatory Authority, Microcredit Regulatory Authority, Registrar of Joint Stock Companies and Firms and BTRC were present. BB deputy governor SK Sur Chowdhury after the meeting told reporters that the central bank had requested the telecom regulator to have a discussion with the mobile network operators in this regard so that the price cut issue could be resolved amicably. The central bank came up with the plea following allegations from some MFS providing banks that the rates for USSD and SMS were high. The banks alleged that the cost of USSD and SMS set by mobile network operators (MNOs) was high considering their earnings through operating the MFS. The banks are using the USSD to transfer the MFS-related transaction data to clients. Sur said the central bank also urged the BTRC to share mobile phone number-related server with the BB to detect fraudulent activities by individuals through mobile financial services. He said the BSEC's proposals to exclude banks' investment in open-end mutual funds from their capital market exposure and include banks' investment in corporate bond in statutory regulatory reserves were also discussed at the meeting. The central bank, however, denied accepting the proposals on policy ground, he said. Corporate bond cannot be included in banks' SLR as there is no government security against the instruments, he said. The BB, however, decided to scrutinise the BSEC proposal whether banks' corporate bond investment could be included in the entities' liquidity coverage ratio, Sur said. The BB and the BSEC at the meeting agreed to work jointly to connect the BB's MI-module with the stock exchanges with a view to increasing the treasury bonds and bills transaction. Before sharing the server with the bourses, the BB will check whether such connectivity would create any cyber security-related risk or not, the BB deputy governor said. The meeting also decided to expedite legal activities of the BB and the Department of Cooperatives with a view to vacating the writ petitions filed by Dhaka Mercantile

<http://www.newagebd.net/article/21035/bb-advises-btrc-to-lower-ussd-sms-prices-for-mfs>