



AT CAPITAL DAILY MARKET UPDATE – July 09, 2017

Overview:

The DSEX closed at 5,774.3 points, up by 24.6 points. Total turnover was worth BDT 11.60 bn. Prices of 188 issues were increased whereas that of 100 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	13.1	+ 7.4%	PLFSL	10.5	(-2.8%)
GSPFINANCE	31.7	+ 3.9%	LANKABAFIN	56.1	(-1.6%)
PRIMEFIN	13.2	+ 3.1%	ICB	194.0	(-0.6%)
FIRSTFIN	11.3	+ 2.7%	DBH	116.2	(-0.5%)
Premierlea	19	+ 2.2%	BDFINANCE	21.1	(-0.5%)
UNITEDFIN	22.7	+ 1.8%	ILFSL	17.0	+ 0.0%
UNIONCAP	26.2	+ 1.6%	MIDASFIN	30.0	+ 0.0%
PHOENIXFIN	28.2	+ 1.4%	UTTARAFIN	59.1	+ 0.0%
BAYLEASING	26.7	+ 1.1%	FASFIN	17.5	+ 0.0%
BIFC	10.1	+ 1.0%	NHFIL	55.7	+ 0.2%

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,774.3	+ 0.4%	+ 2.1%	+ 14.7%
DSES	1,314.1	+ 0.5%	+ 1.3%	+ 10.3%
DS30	2,108.3	+ 0.2%	+ 1.2%	+ 16.4%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,249,967.8	3,243,816.6	+ 0.2%
	USD MM	40,624.6	40,547.7	+ 0.2%
TURNOVER	BDT MM	11,604.2	10,054.6	+ 15.4%
	USD MM	145.1	125.7	+ 15.4%
VOLUME	MM SHARES	398.0	317.5	+ 25.3%

Market commentary:

Market rebounded strongly today after experiencing severe correction in the last session. DSEX, the broad index, started the session on upward trajectory, gaining ~20.0 points. DSEX remained sideways before spiking again which resulted in another gain of ~18.0 points. Market closed the session at 5,774.3, up by 24.6 points.

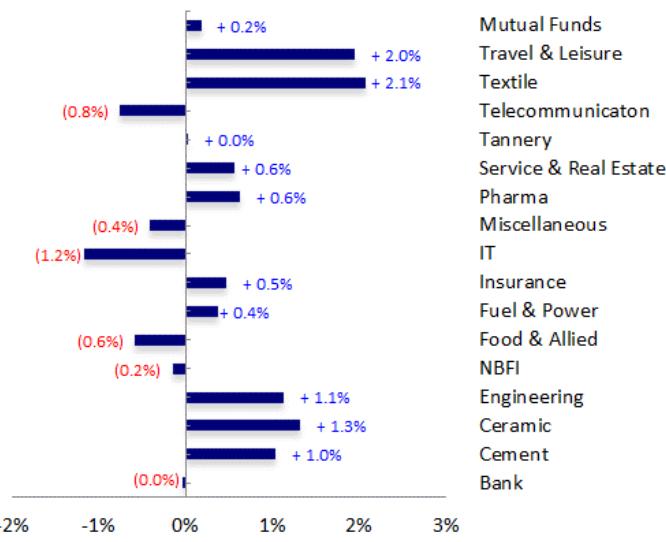
Gainers came back strongly today – gainers to losers ratio stood at 2 to 1.

Turnover increased by 15.4% to BDT 11.60 bn. Textile sector dominated the turnover chart - the sector accounted for 22.7% of total turnover, followed by Pharma (15.5%) and, Fuel & Power sector (10.4%).

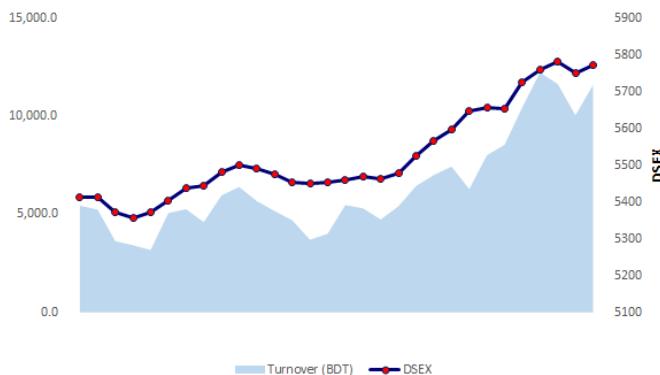
Among prominent sectors, Cement, Engineering, Textiles, and Pharma sectors outperformed the market whereas Bank, Fuel & Power, NBFI, and Food & Allied sectors underperformed the market today.

Keya Cosmetics topped the turnover chart today with the turnover of BDT 781mn - the stock gained 8.5%.

Sector Movement in DSE (July 09- July 06)



Last 1 Month DSEX





News:

Policy drafted to discourage tobacco farming

The government has drafted a tobacco cultivation control policy that seeks to bar companies from encouraging farmers to grow the health hazardous crop. The Tobacco Cultivation Control Policy 2017 drafted by the health and family welfare ministry also wants to restrict companies to provide tobacco growers with subsidies, loans or other supports. It aims to bar cultivation of tobacco on public lands, particularly the leased-out lands. "Tobacco cultivation does not contribute to the national development," said the draft policy. The government aims to rein in tobacco production as it wreaks havoc on public health and the economy. Smoking kills nearly one lakh people every year in Bangladesh. It alone causes an estimated economic loss of Tk 16,000 crore per year, equivalent to about 1.4 percent of gross domestic product, according to the World Health Organization. "We want to finalize the policy as soon as possible," said a senior official of the health ministry. The draft policy stresses restriction on plantation and processing of tobacco products within 500 yards of homesteads, and its cultivation within 150 yards of the slopes of rivers, canals and lakes. The use of wood to process tobacco will also be restricted to prevent environmental degradation. The policy also aim to increase production of food crops by freeing farmlands from tobacco cultivation, which rose to a 29-year high of 1.27 lakh acres in 2014-15. Tobacco was cultivated on 1.15 lakh acres of land in 2015-16, according to Bangladesh Bureau of Statistics. According to the draft policy, farmers will be provided with easy loans and special incentives for fertilizer, seeds and other farm inputs and equipment to help them switch from tobacco cultivation to other crops. Farmers will also be extended support to market their food crops so they can get fair prices for their produce. The government also plans to establish cold storages at upazila levels. The policy said through various measures, the tobacco cultivation area will be brought down by half between 2017 and 2026. Production of other crops will be increased on the same land. Facilities would be developed in hilly areas to store crops such as ginger, turmeric, chili, banana, mango and pineapple, according to the draft policy. The draft also stated a previous verdict of the appellate division of the Supreme Court that directed the government to take steps in phases to stop the production of tobacco leaves by way of giving subsidies to farmers, if possible. It said various local and multinational companies are encouraging farmers to grow tobacco by supplying seeds, fertilizer and pesticides to them and also making promises to buy the leaves after the harvest.

<http://www.thedailystar.net/business/policy-drafted-discourage-tobacco-farming-1430332>

Govt to cut source tax on RMG exports

The government is set to reduce the tax at source on export of readymade garment following demands of apparel exporters, said finance ministry officials. They said that the government high-ups had already agreed to a proposal of RMG sector leaders to lower the rate to 0.70 per cent from the existing rate of 1 per cent. The National Board of Revenue is likely to issue in next few days a statutory regulatory order in this regard. A high official of NBR said that they were now working on reducing the source tax and a summary would soon be sent to the finance ministry for approval. The government increased the tax rate to 1 per cent in the budget for the current fiscal year 2017-2018 from the last year's 0.70 per cent. Corporate income tax rate for garment factory owners was cut to 12 per cent in the budget from the previous year's 20 per cent. The rate of corporate tax, however, was reduced to 10 per cent for green factories. Leaders of the apparel sector said that they placed their demand before Prime Minister Sheikh Hasina for cutting the export tax at the post-budget dinner of finance ministry on June 29. She instructed finance minister Abul Maal Abdul Muhith to take steps to reduce the tax rate, they said. Exporters Association of Bangladesh president Abdus Salam Murshed on Saturday told New Age that they were hopeful that a SRO would be issued by this month after completion of all legal procedures. NBR initially set the source tax rate at 1 per cent for garment export in FY 2016-2017 but later cut the rate to 0.7 per cent for the year following exporters demand.

<http://www.newagebd.net/article/19313/govt-to-cut-source-tax-on-rmg-exports>