



AT CAPITAL DAILY MARKET UPDATE – November 16 2017

Overview:

The DSEX closed at 6,282.1 points, up by 46.4 points. Total turnover was worth BDT 7.38 bn. Prices of 172 issues were increased whereas that of 90 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	6,282.1	+0.7%	+3.5%	+24.7%
DSES	1,375.4	+0.5%	+4.1%	+15.4%
DS30	2,279.6	+0.4%	+4.1%	+25.9%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,602,768.5	3,582,981.5	+0.6%
	USD MM	44,500.6	44,256.2	+0.6%
TURNOVER	BDT MM	7,379.8	8,832.3	(16.4%)
	USD MM	91.2	109.1	(16.4%)
VOLUME	MM SHARES	192.5	201.3	(4.4%)

Market commentary:

Despite the impact of GP's negative news, market returned to positive territory today. Even though DSEX, the broad index, experienced few minor volatilities driven by GP's speculative movement, the broad index ridon the upward track, ending the session with the all-time high. Market closed the session at 6,282.1, up by 46.4 points.

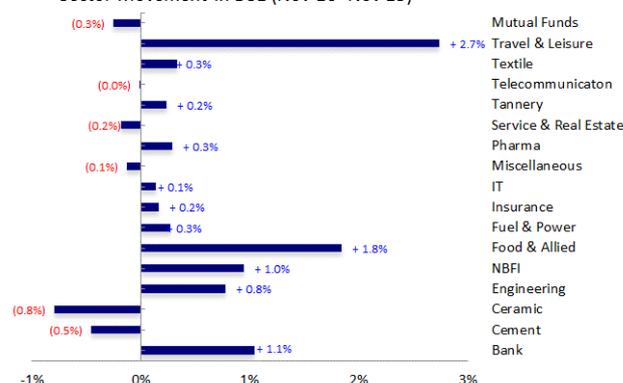
Losers were weak today - losers to Gainers ratio was 0.6 to 1.

Turnover decreased by 16.4% to BDT 7.38 bn. Bank sector dominated the turnover chart - the sector accounted for 33.9% of total turnover, followed by NBFI (10.8%) and, Pharma sector (10.3%). Turnover of Bank improved 1.0% whereas both NBFI's and Pharma's slid 40.5% and 25.3% respectively.

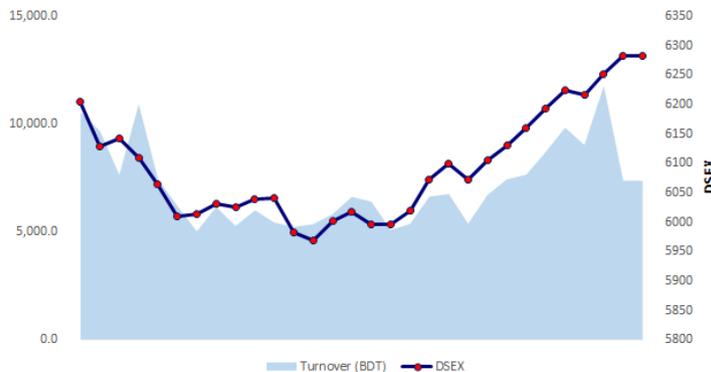
Brac Bank topped the turnover chart today with the turnover of BDT 537mn - the stock gained 0.4%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
NHFIL	49.3	+3.4%	FIRSTFIN	12.0	(2.4%)
PHOENIXFIN	35.5	+3.2%	ILFSL	22.5	(0.4%)
FAREASTFIN	10.8	+2.9%	UTTARAFIN	75.3	(0.3%)
PRIMEFIN	11.8	+2.6%	BDFINANCE	21.1	+0.0%
UNIONCAP	17.3	+2.4%	ISLAMICFIN	21.2	+0.0%
GSPFINANCE	31.7	+1.6%	BIFC	10.2	+0.0%
PLFSL	14.4	+1.4%	IDLC	92.2	+0.1%
UNITEDFIN	23.8	+1.3%	LANKABAFIN	64.1	+0.3%
IPDC	48.4	+1.3%	FASFIN	21.8	+0.5%
BAYLEASING	26.7	+1.1%	ICB	175.6	+0.6%

Sector Movement in DSE (Nov 16- Nov 15)



Last 1 Month DSEX





News:

Take steps against GP over VAT claims

The Large Taxpayers Unit has requested the capital market regulator to take legal measures against Grameenphone for not keeping provision in its accounts against state's VAT claim of Tk 2,015 crore. The move comes at a time when Grameenphone's stock has been on an upward trajectory and even hit an all-time high of Tk 500 on Tuesday. The field office of the National Board of Revenue sent a letter to the Bangladesh Securities and Exchange Commission on November 14, citing eight VAT-related cases pending at different courts between the government and the largest mobile phone operator. The cases include Tk 1,023 crore VAT claims by the NBR related to the issuance of SIMs. The LTU VAT earlier said the country's largest mobile operator had sold SIMs to new customers between July 2007 and December 2011 under the guise of issuing replacement SIMs to customers with the view to evading tax on SIMs. The NBR's field office has also claimed VAT from other operators as unpaid tax on SIM issuance. The operators, including Grameenphone, appealed to the High Court against LTU's claims after losing battle at the VAT Appellate Tribunal in June this year. The LTU, in its letter, said the High Court earlier gave judgment in favour of the government following a writ petition filed by Grameenphone against the VAT claims on SIM replacement. There is another case of VAT evasion of Tk 378.95 crore related to issuance of replaced SIMs between July 2012 and June 2015. The LTU has issued primary demand citing that the Appellate Tribunal gave verdict in favour of the government. The mobile phone operator also has a dispute of Tk 19 crore involving VAT on space and establishment rents. The NBR's field office got judgment in favour of the government from the Appellate Tribunal on VAT on this case as well. The LTU said Grameenphone appealed to the High Court challenging the Tribunal's verdict.

<http://www.thedailystar.net/business/take-steps-against-gp-over-vat-claims-1491979>

Smartphone sales tepid

Smartphone sales failed to hit expectations in the first nine months of the year, because of a rise in import duty, recurrent floods and heavy rains. In the period, 64.55 lakh units of smartphones were imported -- almost equivalent to that in the same period last year, according to Bangladesh Mobile Phone Importers Association (BMPIA). A total of 82 lakh units were imported in 2016, up 45.72 percent from the previous year, thanks to the fast expansion of 3G services across the country. In the last two years, importers had received very good response from the market and saw huge growth but this year the sector may lose momentum, industry insiders said. "The natural disasters affected our business as sales of smartphones in rural areas have dropped drastically," said Jakaria Shahid, managing director of Edison Group, the parent company of mobile handset brand Symphony. "The rural area is a big market for us. At the same time, the business in cities has also been affected." The market has been going through a bad patch for the last two months as many customers in the flood-hit areas have put on hold the purchase of mobile phones, said Shahid, who is also the general secretary of the BMPIA. The increase in customs duty on handset imports in the current budget might have acted as a disincentive, he said. Symphony marketed 20 lakh units of smartphones from January to September, which gave it a market share of more than 30 percent, according to the association. In June, the government raised customs duty by 5 percentage points to around 31 percent on handset imports to give a boost to local manufacturing. Some local firms have also taken initiatives to set up handsets assembly plants in Bangladesh, but it will take time to reap benefits from the move, said a senior executive of a reputed handset company. Ruhul Alam Al Mahbub Manik, president of BMPIA, said the customers' experience of 3G services is not satisfactory also, which has hampered the overall business as well.

<http://www.thedailystar.net/business/smartphone-sales-tepid-1491973>