



# AT CAPITAL DAILY MARKET UPDATE – May 17, 2017

## Overview:

The DSEX closed at 5,429.7 points, down by 6 points. Total turnover was worth BDT 6.84 bn. Prices of 120 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	5,429.7	(0.1%)	(1.7%)	+7.8%
DSES	1,258.6	+0.0%	(1.3%)	+5.6%
DS30	2,002.1	+0.2%	(1.5%)	+10.6%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,083,295.7	3,084,284.8	(0.0%)
	USD MM	39,327.8	39,340.4	(0.0%)
TURNOVER	BDT MM	6,840.5	5,631.3	+21.5%
	USD MM	87.3	71.8	+21.5%
VOLUME	MM SHARES	180.2	159.3	+13.1%

## Market commentary:

Downtrend resumed just after appending for a sole session. After starting the session with a positive vibe following the last positive session, indices fell sharply by more than ~25.0 points, paring the initial gain which accrued from the initial spike. However, DSEX, the broad index, took more than one futile stab. As a result, market closed the session in red at 5,429.7, down by 6 points. Losers outnumbered the gainers - the ratio was 1.3:1.

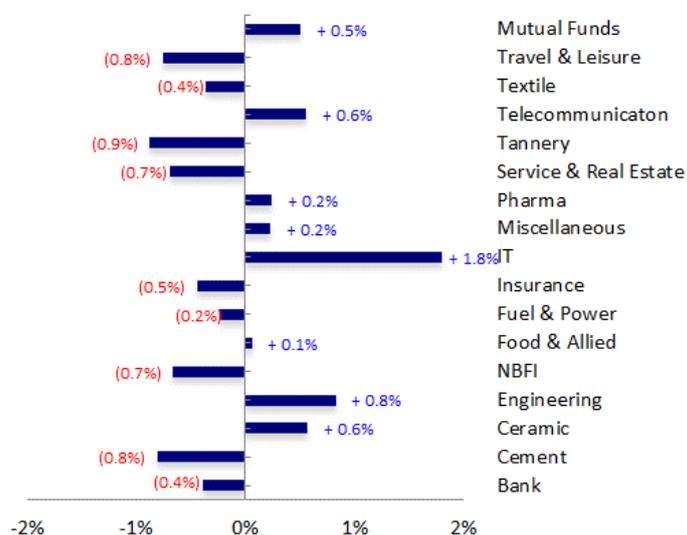
Turnover increased by 21.5% to BDT 6.84 bn. Engineering sector dominated the turnover chart - the sector accounted for 17.6% of total turnover, followed by Textile (15.6%) and, Fuel & Power sector (10.9%).

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

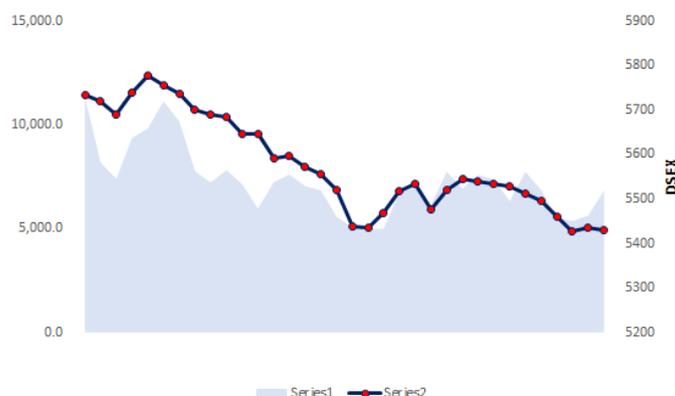
IFAD Autos Limited topped the turnover chart today with the turnover of BDT 761mn - the stock gained 7.4%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
JUTESPINN	66.4	+9.9%	FAREASTFIN	10.4	(7.1%)
BDAUTOCA	80.4	+9.1%	BDFINANCE	19.4	(6.3%)
LIBRAINFU	541.2	+8.3%	AGRANINS	18.6	(6.1%)
MONNOSTAF	553.2	+7.5%	FASFIN	17.7	(4.8%)
IFADAUTOS	135.2	+7.4%	GSPFINANCE	28.1	(4.7%)
BDCOM	38	+6.7%	PRAGATIINS	33.8	(4.2%)
KOHINOOR	422.7	+6.0%	FIRSTFIN	11.8	(4.1%)
KAY&QUE	56.6	+5.8%	PREMIERLEA	18.7	(3.6%)
AZIZPIPES	68.9	+5.4%	VAMLBDMF1	8.4	(3.4%)
SHYAMPSUG	21.7	+5.3%	UNITEDFIN	20.1	(3.4%)

Sector Movement in DSE (May 17 - May 16)



Last 1 Month DSEX





## News:

### **Default loans rise to 10.53pc**

The nonperforming loans in the banking sector increased by Tk 11,237 crore in the first three months of 2017 -- a development that has been attributed to seasonality by bankers. "It is a common trend that default loans soars in the first quarter of a year due to slower recovery drives by banks," said Nurul Amin, managing director of Meghna Bank. The reason being, the bankers expend all their energy in enhancing the end-of-year figures that they take it easy when the new year rolls in. At the end of March, the total NPL stood at Tk 73,409 crore or 10.53 percent of total outstanding loans. NPL was Tk 62,172 crore at the end of December last year. Private commercial banks accounted for the spike in NPL: their default loans rose Tk 6,670 crore in the first three months of the year. Many loans were de-classified by banks to show more profit at the year end, said a senior executive of the Bangladesh Bank. "But the BB identified those loans and re-classified them during the annual inspection. As a result, default loan soared during the first quarter." Besides, the central bank took a strict stance in allowing loan rescheduling, which also accelerated the default loan growth, the BB official added. The default loan of private banks stood at Tk 29,727 crore in the first quarter of the year, up 28.93 percent from the previous quarter.

<http://www.thedailystar.net/business/default-loans-rise-1053pc-1406344>

### **Food inflation almost doubles in 12 months**

Food inflation almost doubled in the month of March, spurred by rising prices of various essentials including rice, which went on to affect the poor and fixed-income groups, particularly in rural areas. In March, food inflation stood at 6.89 percent, up from 3.89 percent from a year earlier and 6.84 percent from February, according to data released by the Bangladesh Bureau of Statistics yesterday. "The rise in food inflation reflects the large increases in rice prices," said Zahid Hussain, lead economist of the World Bank's Dhaka office. The reasons for the rice price spiral were the increased tariff on rice imports, decline in public rice stock that limited the government's ability to counteract price gyrations through market-based interventions, and production losses due to early flash floods in haor areas. In fiscal 2016-17, the government hiked the import duty on rice from 10 percent to 25 percent. Rice stocks at public warehouses stood at 4.90 lakh tonnes at the end of March -- down 43.7 percent from a year earlier, according to data from the food ministry. However, overall inflation declined in March to 5.39 percent from 5.65 percent a year earlier because of a fall in non-food prices. The inflation data comes at a time when the prices of various essentials, mainly rice, have risen to new level, hitting the poor and fixed income groups. The monthly average retail prices of coarse rice, which was Tk 35.84 each kg in January in Dhaka this year, rose to Tk 37.50 per kg in March. In February, it was Tk 37, according to Food and Agriculture Organisation.

<http://www.thedailystar.net/business/food-inflation-almost-doubles-12-months-1406323>

### **BPC starts duty-free import of furnace oil**

The Bangladesh Petroleum Corporation (BPC), for the first time, has stopped paying duties and taxes on import of furnace oil from the international market following assurance from the revenue board, officials said. The state-run corporation recently imported a cargo carrying 20,000 tonnes of furnace oil from an overseas supplier and subsequently wrote to the National Board of Revenue (NBR) for issuing a formal letter over import duty waiver, BPC's director for operations and planning Sayed Mohammad Mozammel Haque told the FE Tuesday. "Although the letter is yet to be issued by the NBR, we did not pay import duties and taxes against the import of furnace oil," he said. He expressed the hope that the NBR would issue the letter shortly as the BPC sought duty and tax waiver attaching a letter from state-run Bangladesh Power Development Board (BPDB) that spelled out the furnace oil being imported would be used for electricity generation.

<http://print.thefinancialexpress-bd.com/2017/05/17/172656>