



# AT CAPITAL DAILY MARKET UPDATE – August 21, 2017

## Overview:

The DSEX closed at 5,844.1 points, up by 24.8 points. Total turnover was worth BDT 7.59 bn. Prices of 160 issues were increased whereas that of 129 issues were declined, and the price of the rests were remained unchanged.

## Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,844.1	+0.4%	(0.5%)	+16.0%
DSES	1,302.3	+0.1%	(1.1%)	+9.3%
DS30	2,097.9	(0.0%)	(1.8%)	+15.8%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,341,288.7	3,338,969.4	+0.1%
	USD MM	41,766.1	41,737.1	+0.1%
TURNOVER	BDT MM	7,586.8	7,689.3	(1.3%)
	USD MM	94.8	96.1	(1.3%)
VOLUME	MM SHARES	232.6	213.1	+9.1%

## Market commentary:

Market remained volatile today. DSEX, the broad index, changed the direction several times during the trading session. However, DSEX was traded within a tight range of 20.0 points till the mid-session. Since then, DSEX was headed upward till the end of the session. Market closed the session at 5,844.1, up by 24.8 points.

Both losers and gainers have equal strength today – losers to gainers ratio were almost 1 to 1.

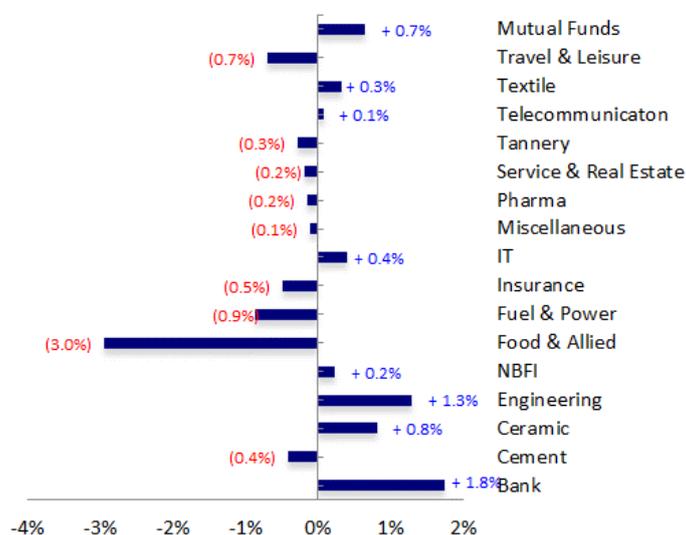
Turnover decreased by 1.3% to BDT 7.59 bn. Bank sector dominated the turnover chart - the sector accounted for 19.9% of total turnover, followed by Engineering (19.7%) and, Pharma sector (13.8%). Banking sector's turnover grew by 2.3% whereas both Pharma and Engineering sector's turnover fell by 25.9% and 6.7% respectively.

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

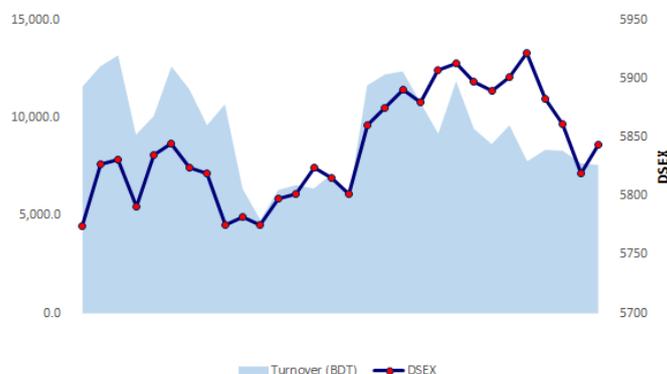
BBSCABLES topped the turnover chart today with the turnover of BDT 488mn - the stock gained 10.0%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
LANKABAFIN	55.0	+0.7%	DBH	119.0	(4.3%)
UNITEDFIN	22.1	+0.5%	BAYLEASING	27.3	(3.2%)
FIRSTFIN	14.3	+0.0%	UTTARAFIN	68.3	(2.7%)
PLFSL	12.4	+0.0%	PHOENIXFIN	29.8	(2.6%)
BDFINANCE	18.9	+0.0%	UNIONCAP	20.4	(2.4%)
IDLC	78.1	+0.0%	GSPFINANCE	29.1	(2.3%)
MIDASFIN	29.7	+0.0%	NHFIL	50.6	(2.3%)
IPDC	47	(0.2%)	BIFC	10.6	(1.9%)
ILFSL	15.8	(0.6%)	FAREASTFIN	11.4	(1.7%)
PRIMEFIN	13.1	(0.8%)	FASFIN	15.5	(1.3%)

## Sector Movement in DSE (August 21 - August 20)



## Last 1 Month DSEX





## News:

### **Trade deficit hits six-year high**

Trade deficit hit \$9.47 billion in fiscal 2016-17 -- the highest in six years -- with the central bank projecting it to cross the \$11 billion mark this year. Since fiscal 2012-13, trade deficit has been hovering around \$6 billion, but in fiscal 2016-17, it made a 47 percent year-on-year jump on the back of a wide mismatch between export and import growth. Last fiscal year, exports grew only 1.73 percent and imports 9 percent, according to data from the central bank. With the widening trade deficit and declining remittance, the current account balance dipped into the negative territory. The deficit reached \$1.48 billion last fiscal year in contrast to a surplus of \$4.26 billion a year earlier. The central bank's latest monetary policy statement has forecasted that the deficit may nearly double to \$2.72 billion in fiscal 2017-18 as imports continue to surge. The current account balance set foot in the negative territory for the first time in four years in the first quarter of fiscal 2016-17, when the deficit stood at \$504 million. It has been expanding since then. The last time the current account was in the deficit was way back in fiscal 2011-12. The overall surplus shrank to \$3.17 billion last fiscal year, which was \$5.03 billion a year earlier. "Foreign currency reserves are still growing and now stand at a satisfactory level," said a central bank off

<http://www.thedailystar.net/business/trade-deficit-hits-six-year-high-1451551icial>.

### **BB makes credit card operations cheaper for banks**

The central bank has cut the banks' cost for loans for credit card usage with a view to encouraging digital transaction in the economy. Bangladesh Bank in a notice yesterday said the banks will now need to maintain 2 percent general provisioning against all unclassified credit card loans under consumer financing, down from 5 percent previously. The move was taken to promote cashless secured transaction and bring down the cost of operation of the credit card business. Provision means keeping aside a certain amount from the bank's income for mitigating risk. The bank cannot consider the amount as profit. Normally, 1 percent general provision has to be kept against unclassified loans. But in case of consumer financing, which included credit card usage, it was 5 percent. "We have been soft to some extent as the central bank wants the digital transactions to increase," said Subhankar Saha, executive director of the BB. The need for 5 percent provisioning for consumer loans is too much, he said. The central bank recently set some new guidelines to make credit card use more consumer-friendly. In May, the central bank directed commercial banks not to charge more than 5 percent on top of the highest interest rate of a consumer loan for credit card use.

<http://www.thedailystar.net/business/banking/bb-makes-credit-card-operations-cheaper-banks-1451545>