



AT CAPITAL DAILY MARKET UPDATE – October 31, 2017

Overview:

The DSEX closed at 6,019.6 points, up by 23.3 points. Total turnover was worth BDT 5.37 bn. Prices of 198 issues were increased whereas that of 93 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	6,019.6	+0.4%	(1.2%)	+19.5%
DSES	1,316.2	+0.3%	(1.4%)	+10.4%
DS30	2,168.0	+0.1%	(0.4%)	+19.7%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,460,375.6	3,449,140.7	+0.3%
	USD MM	42,741.8	42,603.0	+0.3%
TURNOVER	BDT MM	5,374.7	5,096.3	+5.5%
	USD MM	66.4	62.9	+5.5%
VOLUME	MM SHARES	157.8	146.7	+7.6%

Market commentary:

Market reverted today after two consecutive sessions. DSEX, the broad index, took-off slowly, remaining sideways till the mid-session. DSEX was flew strongly in the later half that continue till the end of the session. Market closed the session at 6,019.6, up by 23.3 points.

Gainers outnumbered losers today - Losers to Gainers ratio was 0.5 to 1.

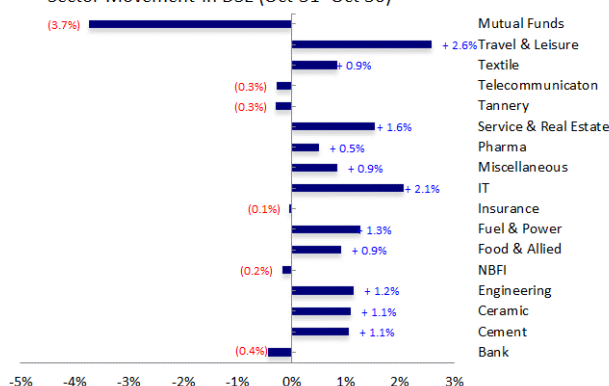
Turnover increased by 5.5% to BDT 5.37 bn. Bank sector dominated the turnover chart - the sector accounted for 25.2% of total turnover, followed by NBFI (12.2%) and, Engineering sector (11.2%). Turnover of Bank shed 25.9% whereas both NBFI's and Engineering's improved 25.2% and 30.1% respectively.

Most of the prominent sectors, except Bank, NBFI and Telecommunication, outperformed the market today.

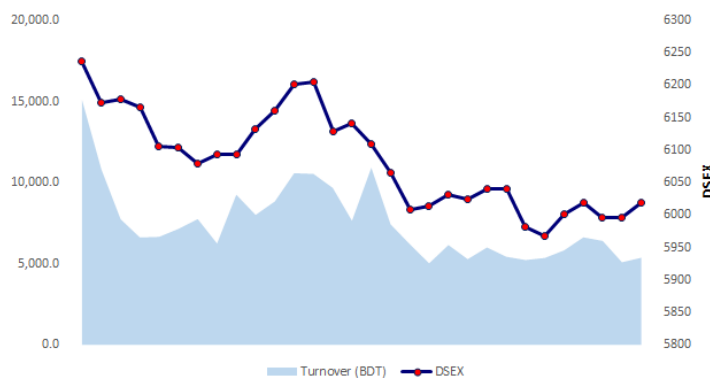
LankaBangla Finance topped the turnover chart today with the turnover of BDT 314mn - the stock gained 1.1%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
NHFIL	46.7	+2.2%	FAREASTFIN	10.4	(6.3%)
PLFSL	14.1	+2.2%	UNIONCAP	17.1	(2.8%)
PRIMEFIN	12.4	+0.8%	PREMIERLEA	17.8	(2.7%)
IPDC	41.9	+0.7%	FIRSTFIN	12.9	(2.3%)
ICB	187.6	+0.4%	BIFC	10.7	(1.8%)
UTTARAFIN	78.5	+0.4%	BAYLEASING	26.2	(1.5%)
MIDASFIN	38.3	+0.3%	UNITEDFIN	22.6	(1.3%)
DBH	125.1	+0.2%	LANKABAFIN	63.3	(1.1%)
FASFIN	18.8	+0.0%	PHOENIXFIN	37.0	(0.5%)
IDLC	86.7	(0.2%)	BDFINANCE	20.3	(0.5%)

Sector Movement in DSE (Oct 31- Oct 30)



Last 1 Month DSEX





News:

Change of guards raises eyebrows

Social Islami Bank Limited yesterday made dramatic changes in its board and top management in a move that can be viewed as strengthening the grip of Chittagong-based S Alam Group on the bank. The Group recently purchased about 50 percent stake in the Shariah-based bank through 19 companies, violating the Banking Company Act, 1991. As per a notice issued on October 25, the SIBL was supposed to hold a board meeting at its head office yesterday. But the meeting took place at the capital's Westin hotel amid tight security. Journalists, who rushed to the spot hearing that the bank would go for big changes, were not allowed even close to the meeting room. Some people not linked to the bank kept watch outside and soon forced the reporters to leave the premises. Surprisingly, Md Rezaul Haque, chairman of the board; Md Anisul Hoque, chairman of the executive committee; and Shahid Hossain, managing director, were not present at yesterday's board meeting, The Daily Star has learnt. S Alam Group Chairman Mohammed Saiful Alam was at the meeting. A new board chairman, new executive committee chairman and a new managing director were named there, confirmed sources including a participant of the closed-door meeting. Anwarul Azim Arif, a former vice-chancellor of Chittagong University, was made the new chairman. Belal Ahmed, vice-chairman of NRB Global Bank, became the new executive committee chairman. Belal is a son-in-law of S Alam Group Chairman Saiful. He will represent Unitex Steel Mills, which is also a concern of S Alam Group, on the bank's board. Quazi Osman Ali, additional managing director of First Security Islami Bank, was appointed the managing director of the SIBL. Saiful is the chairman of First Security Islami Bank. He and his family members are on the board of directors of First Security Islami Bank, Al-Arafah Islami Bank, Union Bank, NRB Global Bank and Bangladesh Commerce Bank. Talking to The Daily Star yesterday, Azim, the new chairman of SIBL, said he got a proposal for chairmanship of SIBL only two days ago. He said he will represent Hasan Abason Ltd, a concern of S Alam Group, on the bank's board. "After getting the proposal, I came to Dhaka and attended the board meeting yesterday," he added. S Alam Group has bought the shares of SIBL through 19 companies. Of those, 15 companies used the same office address: Al-Amin Centre, 12th floor, Dilkusha, Dhaka. The 15 companies are Global Trading Corporation, Lion Securities & Investment, Portman Cements, Modern Properties, Prasad Paradise Resorts, Unique Investment & Securities, Hasan Abason Ltd, Platinum Endeavours, Dynamic Ventures, Reliable Entrepreneurs, Paradise International, Leader Business Enterprise, Pusti Vegetable Ghee, Unitex Steel Mills, and Unitex Cement. The other four companies are Chittagong-based C&A Accessories, C&A Fabrics, Marine Empire Ltd and Shah Amanat Prakritik Gas Co Ltd. Of the companies, six have direct link with Saiful of S Alam Group and his family members, according to the Office of Registrar of Joint Stock Companies and Firms.

<http://www.thedailystar.net/frontpage/sibl-bank-change-guards-raises-eyebrows-1484233>

BB asks banks to tighten offshore lending

Bangladesh Bank has asked banks to tighten their lending in foreign currency through their offshore banking units with the view to stabilising the exchange rate. The instruction came at a meeting yesterday with the top executives of banks that have offshore banking units. The central bank is concerned about banks' offshore exposure as they are collecting foreign currency funds from local sources instead of foreign sources, putting pressure on the foreign exchange rate, said SK Sur Chowdhury, deputy governor of the BB. "An asset liabilities' mismatch has been created, which, in turn, is creating volatility in the exchange rates." Subsequently, the banks were instructed to abandon their aggressive approach to lending in foreign currency. "Banks have been asked to reduce onshore borrowing to strike a balance between the inflows and outflows of foreign currency," Chowdhury added. At present, the offshore units' total outstanding loans stand at \$6.4 billion, which is about Tk 51,200 crore. Of the total offshore exposure, 31.6 percent was borrowed from local source. The main function of the offshore units is to borrow from foreign sources and lend them to clients who have foreign earnings, said Syed Mahbubur Rahman, managing director of Dhaka Bank. But banks collect a major portion of their foreign currency funds from local sources, like their own treasury department or other local banks on a short-term, and lend at their offshore units for long-term. As a result, a tenure mismatch has been created, putting the banks at risk, Rahman said. Currently, 36 of the 57 banks in the country are running offshore units as per a directive issued by the Banking Control Department of the BB on December 17, 1985. The central bank is now working on issuing a fresh directive aiming to mitigate the risks of offshore operations in Bangladesh through strengthened monitoring and supervision.

<http://www.thedailystar.net/business/bb-asks-banks-tighten-offshore-lending-1484098>