



AT CAPITAL DAILY MARKET UPDATE – July 05, 2017

Overview:

The DSEX closed at 5,782.7 points, up by 22.2 points. Total turnover was worth BDT 11.65 bn. Prices of 148 issues were increased whereas that of 136 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,782.7	+0.4%	+2.2%	+14.8%
DSES	1,317.6	+0.3%	+1.6%	+10.6%
DS30	2,120.8	+0.3%	+1.8%	+17.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,272,596.8	3,263,860.6	+0.3%
	USD MM	40,907.5	40,798.3	+0.3%
TURNOVER	BDT MM	11,649.2	12,237.4	(4.8%)
	USD MM	145.6	153.0	(4.8%)
VOLUME	MM SHARES	366.4	401.8	(8.8%)

Market commentary:

Market recorded its all-time high today since the inception, ceding its previous high. On the onset, DSEX continued the last session's upward momentum, gaining 17.0 points. DSEX, however, dived to its today's bottom, paring the initial gain. From Market rose steadily till the end of the session. Market closed the session at 5,782.7, up by 22.2 points.

Although the market closed the session in green, both losers and gainers had identical strength - Losers to Gainers ratio was 0.9:1.

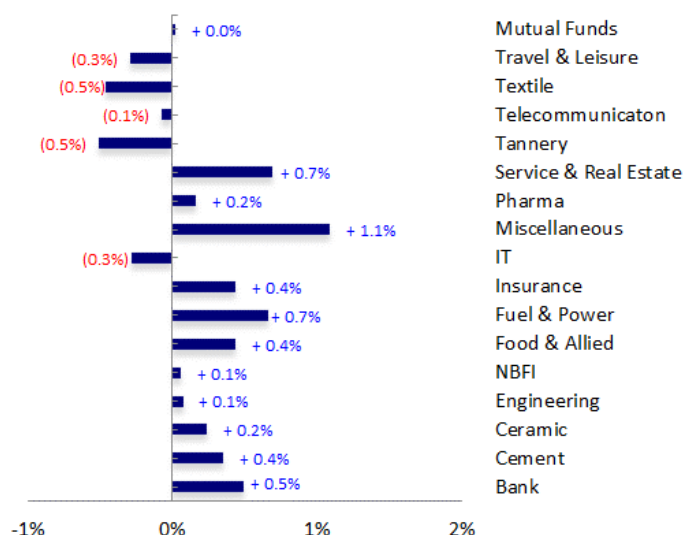
Turnover decreased by 4.8% to BDT 11.65 bn. Textile sector dominated the turnover chart - the sector accounted for 19.1% of total turnover, followed by Bank (14.4%) and, Fuel & Power sector (12.0%).

Most of the prominent sectors, except Bank, Food & Allied, and Fuel & Power sectors, underperformed the market today.

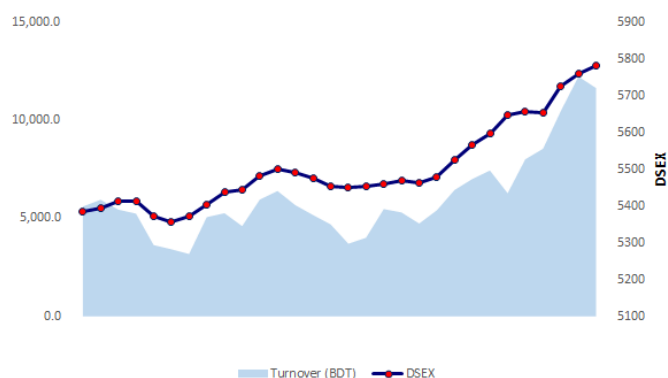
Barka Power topped the turnover chart today with the turnover of BDT 444mn - the stock gained 4.0%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
FAREASTFIN	11.8	+8.3%	IPDC	45.5	(0.9%)
NHFIL	50.8	+5.8%	UTTARAFIN	59.1	(0.2%)
ILFSL	15.8	+3.9%	IDLC	71.2	(0.1%)
PLFSL	10.9	+3.8%	ISLAMICFIN	24.8	+0.0%
GSPFINANCE	29.9	+3.1%	FASFIN	17.2	+0.0%
PRIMEFIN	12.8	+2.4%	BAYLEASING	25.4	+0.0%
UNIONCAP	25.9	+2.0%	BDFINANCE	21.6	+0.0%
FIRSTFIN	11.2	+1.8%	DBH	115.2	+0.0%
PREMIERLEA	19.3	+1.6%	UNITEDFIN	21.6	+0.5%
MIDASFIN	29.5	+1.4%	LANKABAFIN	57.6	+0.5%

Sector Movement in DSE (July 05- July 04)



Last 1 Month DSEX





News:

4G licence holders must float shares

The telecom regulator in a draft guideline proposed that the 4G licence holders float their shares on the stock market. However, it did not mention what percentage of shares must be floated. The Bangladesh Telecommunication Regulatory Commission had earlier proposed the same at the time of 2G licence renewal, but it was scrapped in the final version of the guideline. The draft guideline was posted on the telecom division website yesterday for obtaining feedback from stakeholders. Of the mobile operators, only Grameenphone is listed on the Dhaka Stock Exchange. The operator floated 10 percent of its shares by way of an initial public offering in 2009. Robi and Banglalink considered the option on several occasions but they never got round to doing it. The operators will also have to pay Tk 150 crore as bank performance guarantee, which has to be paid in two separate segments, as per the draft 4G licensing guideline. Of the amount, Tk 75 crore will be roll-out obligation that will be refunded once 4G services are launched within the BTRC-stipulated timeframe. The other Tk 75 crore will remain with the BTRC as security deposit that will be used to clear future dues, if any. As per the rollout obligation option, the operators will have to take their 4G services to all the divisional headquarters within the first nine months of getting the licence and to the district headquarters within 18 months. They will get a total of three years to roll out 4G services across the country. Upon successful completion of each rollout the operators would get Tk 25 crore back, said an official involved in the guideline formation process. The BTRC has also proposed Tk 5 lakh as application fees. In the draft there is scope for entry of a new player to the market; the entrant will have to purchase spectrum in the upcoming auction. All existing 3G licence holders can apply for 4G licences. The operators will have to share 5.5 percent of their revenues from 4G services with the BTRC and direct 1 percent of the 4G revenues to the social obligation fund. The government is planning to introduce 4G services by this year. The mobile operators have already tested their network for 4G compatibility and got a reasonable 50 to 100 Mbps of speed for both uploads and downloads.

<http://www.thedailystar.net/business/4g-licence-holders-must-float-shares-1428373>

NBR moves to soften blow of VAT law delay

The revenue authority is relying on cigarettes and tobacco products and a steady growth of economic activities to soften the blow of the postponement of the new VAT law by another two years. The finance division drafted a massive budget for this fiscal year banking on higher revenues from the implementation of the VAT and Supplementary Duty Act 2012 that prescribes a 15 percent VAT for most of the goods and services available in the country. At the eleventh hour the implementation of the new VAT law was shelved by another two years by lawmakers, leaving a gap in the finance division's books. However, the VAT collection target was not changed in light of the development. The last-minute nature of the change meant that the National Board of Revenue did not get enough time to make the requisite adjustments to its collection arrangements. Some new measures could be taken under the existing VAT law, which is forecasted to generate about Tk 17,000 crore of additional revenue this fiscal year, according to taxmen. But, it would be tough to achieve the VAT collection target of Tk 91,254 crore for the fiscal year, which is 33 percent higher than the outgoing year's receipts, they said. The revenue authority registered 20 percent growth in collections last fiscal year -- the highest since fiscal 2013-14, according to NBR data. We are preparing a work plan to achieve the target through administrative measures, including curbing evasion and realising arrears," said a senior VAT official. About Tk 11,000 crore of extra revenue would come for the steady economic growth, domestic demand and the price spiral of goods and services, he said. More revenue will come after the price slabs for cigarettes and tobacco products were re-worked. "We expect to get Tk 5,000 crore more revenue from cigarettes, bidi and other tobacco products." The NBR collected Tk 20,000 crore as VAT and supplementary duty from this category last fiscal year. The small and medium traders will continue to pay package VAT this fiscal year, but the NBR doubled the amounts. For instance, the package VAT for traders in Dhaka and Chittagong city corporation areas was raised to Tk 28,000 a year from Tk 14,000. The package VAT system brings the revenue authority less than Tk 20 crore a year. "The collection efforts will be intensified this time."

<http://www.thedailystar.net/business/nbr-moves-soften-blow-vat-law-delay-1428382>