



AT CAPITAL DAILY MARKET UPDATE – October 29, 2017

Overview:

The DSEX closed at 5,995.4 points, down by 22.8 points. Total turnover was worth BDT 6.41 bn. Prices of 82 issues were increased whereas that of 226 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,995.4	(0.4%)	(1.6%)	+19.0%
DSES	1,305.9	(0.8%)	(2.2%)	+9.6%
DS30	2,156.6	(0.8%)	(0.9%)	+19.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,449,268.1	3,473,176.8	(0.7%)
	USD MM	42,604.6	42,899.9	(0.7%)
TURNOVER	BDT MM	6,408.6	6,630.0	(3.3%)
	USD MM	79.2	81.9	(3.3%)
VOLUME	MM SHARES	176.6	147.6	+19.6%

Market commentary:

Market passed another red session today. DSEX, the broad index, remained volatile during the first trading hour, rotating the direction several times during this time. DSEX slid sharply since then, declining 40 points effectively. Market closed the session at 5,995.4, down by 22.8 points.

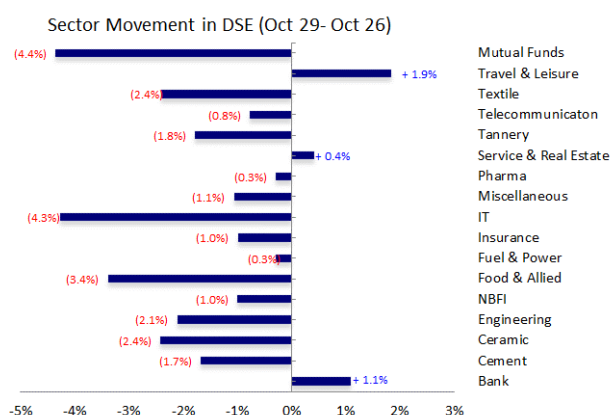
Losers were dominant today - Losers to Gainers ratio was 2.8 to 1.

Turnover decreased by 3.3% to BDT 6.41 bn. Bank sector dominated the turnover chart - the sector accounted for 31.0% of total turnover, followed by NBFI (10.8%) and, Pharma (10.2%) sector. Turnover of Bank surged 31.5% whereas both NBFI's and Pharma's fell 10.7% each.

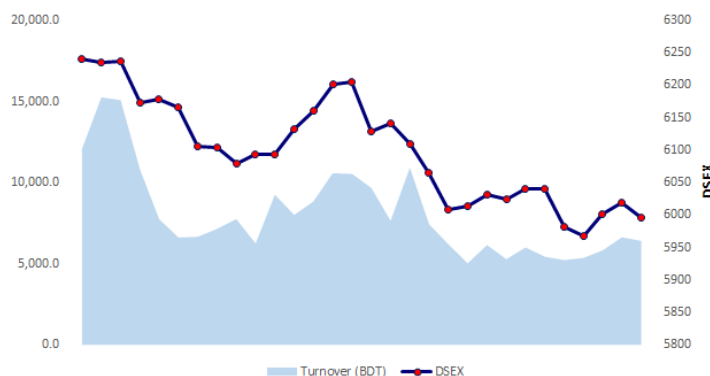
Most of the prominent sectors, except Bank, Fuel & power, and Pharma, underperformed the market today.

Saif Power Tec topped the turnover chart today with the turnover of BDT 282mn - the stock gained 3%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
BAYLEASING	27.0	+3.1%	FAREASTFIN	11.9	(2.5%)
ICB	190.8	+2.5%	BDFINANCE	20.0	(2.0%)
IDLC	86.5	+2.1%	IPDC	42.8	(1.8%)
PREMIERLEA	18.4	+1.1%	UNIONCAP	17.7	(1.7%)
GSPFINANCE	29.9	+1.0%	ILFSL	22.1	(1.3%)
BIFC	11	+0.9%	PHOENIXFIN	36.7	(1.1%)
PRIMEFIN	12.2	+0.8%	ISLAMICFIN	21.3	(0.5%)
PLFSL	13.9	+0.7%	LANKABAFIN	64.1	(0.5%)
FASFIN	18.9	+0.5%	UNITEDFIN	22.9	(0.4%)
NHFIL	46.3	+0.4%	UTTARAFIN	76.4	(0.4%)



Last 1 Month DSEX





News:

Industry experts contest BBS survey result on telecom

About 92.50 percent of the people in Bangladesh are using mobile phones, indicating the breakneck speed at which the country is nearing the Digital Bangladesh goals. Some 95.90 percent of the people in urban areas are using mobile phones and 91.20 percent in rural areas, according to the Household Income and Expenditure Survey 2016, which was published last week by the Bangladesh Bureau of Statistics. However, only 7.74 percent of Bangladesh's 16.3 crore-strong population have email accounts -- the most basic way of exchanging messages between people digitally. The figures have drawn the ire of experts and policymakers, who say the statistics do not reflect the reality given the digital transformation that took place in the country over the last few years. "Some figures from this bunch are not acceptable," said Zunaid Ahmed Palak, state minister for ICT, citing the internet and Facebook users' numbers to disprove the email account figure. At present, there are about eight crore internet users and more than 2.5 crore people use Facebook in Bangladesh. "This is an authentic number. So, there is no chance that only 7.74 percent of the population have email accounts," said Palak. Previously, Facebook asked for an email address to open an account but in recent years it has allowed registration with just mobile numbers. The state minister said the BBS had published a similar report last year with misleading figures. For instance, in that report the BBS said only 4.8 percent of the households had access to internet as of 2013. "This kind of survey can damage the industry," Palak added. Mustafa Jabbar, president of the Bangladesh Association of Software and Information Services, echoed the same. "This survey is not acceptable and is a misrepresentation of the digitisation process." "If the industry cannot depend on the BBS, which is the state agency, for the correct information, then the investors will be puzzled." Jabbar, also a former president of the Bangladesh Computer Samity, said computer usage has increased but the growth is not too high. Only 3.04 percent of the population use computer, according to the HIES 2016. It was 3.01 percent in 2010. In urban areas, computer usage declined from 8.58 percent in 2010 to 7.29 percent in 2016. Rezwanul Hoque, immediate past general secretary of the Bangladesh Mobile Phone Importers Association, said the survey results seem highly optimistic. "If 90 percent of the population are using mobile phones, it indicates more than 15.30 crore people. But there are nine crore handsets in the country," he added.

<http://www.thedailystar.net/business/industry-experts-contest-bbs-survey-result-telecom-1483288>

Sales of savings tools rising fast

Net sales of savings certificates increased 8.91 percent year-on-year to Tk 12,694 crore in the first quarter of the fiscal year as people continue to park their funds in the instrument to enjoy high returns. Banks are offering hardly 7 percent interest rate on fixed deposits nowadays whereas the rates offered by the national savings certificates are between 11.04 percent and 11.76 percent. Net sales of savings tools in fiscal 2016-17 hit an all-time high of Tk 52,327 crore -- more than 2.5 times higher than the government's target of Tk 19,610 crore. The trend would continue this year if the government does not slash the rates on savings certificates, said a senior Bangladesh Bank official. Higher borrowing through the savings instruments are pushing the government's interest liability up. If the government borrows from the banking system, it would cost them between 2.98 percent and 8.07 percent only. Yet, the government's net borrowing from the banking sector was in negative in the first quarter of the fiscal year. Between the months of July and September, the government borrowed Tk 2,132.30 crore from banks and repaid Tk 5,270.20 crore to take its net borrowing from the channel to Tk 3,137.90 crore in the negative. Under the circumstances, the majority of the banks are flush with liquidity, the BB official said. "The banks will get a respite if the government started borrowing full-fledged from them," he added. The sales of savings tools might cross Tk 70,000 crore this fiscal year if the government does not recalibrate the interest rate on them, said Ahsan H Mansur, executive director of the Policy Research Institute. "I have recently analysed the savings tools of different countries in details. Many countries including India and Pakistan set the rate calculating their interest rate on treasury bills and bonds meaning that the rate is highly floating." For example, Pakistan resets the rate on its savings tools every three months by calculating the average rate of the country's three-month T-bill, he said.

<http://www.thedailystar.net/business/sales-savings-tools-rising-fast-1483285>