



AT CAPITAL DAILY MARKET UPDATE – July 11, 2017

Overview:

The DSEX closed at 5,830.8 points, up by 3.6 points. Total turnover was worth BDT 13.21 bn. Prices of 107 issues were increased whereas that of 195 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,830.8	+0.1%	+3.1%	+15.8%
DSES	1,321.9	+0.2%	+1.9%	+10.9%
DS30	2,126.6	+0.2%	+2.1%	+17.4%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,282,109.9	3,280,609.3	+0.0%
	USD MM	41,026.4	41,007.6	+0.0%
TURNOVER	BDT MM	13,206.9	12,644.3	+4.4%
	USD MM	165.1	158.1	+4.4%
VOLUME	MM SHARES	480.3	445.9	+7.7%

Market commentary:

Market experienced a volatile session today, reflecting investors' indecisive mindset. DSEX was sky rocketed since the opening bell, resulting in an immediate gain of more than 50.0 points. The sky rocketed opening, however, was ended in an abrupt correction, shedding the entire initial gain. In the latter half of the trading session, DSEX remained sideways, closing the session flat. Market closed the session at 5,830.8, up by 3.6 points.

Losers outnumbered the gainers today – the ratio was 1.8 to 1.

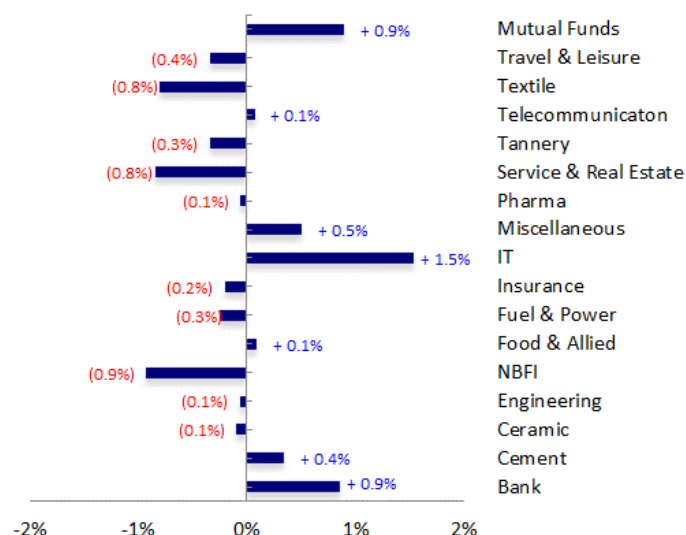
Turnover increased by 4.4% to BDT 13.21 bn. Bank sector dominated the turnover chart - the sector accounted for 21.7% of total turnover, followed by Textile (14.4%) and, Pharma sector (10.9%).

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

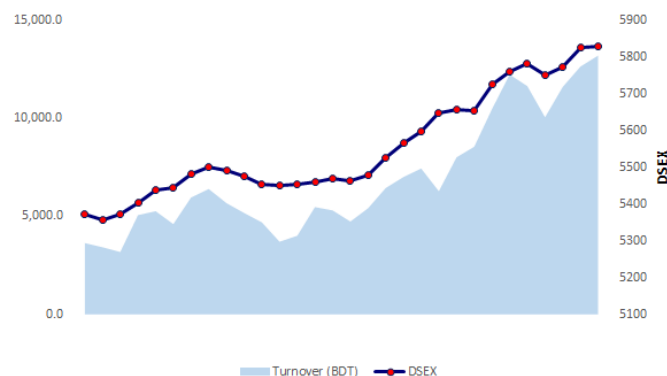
Beximco Limited topped the turnover chart today with the turnover of BDT 609mn - the stock gained 2.3%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
BIFC	11.0	+8.9%	NHFIL	53.8	(3.4%)
PRIMEFIN	13.9	+5.3%	ICB	192.0	(1.0%)
PLFSL	10.9	+3.8%	GSPFINANCE	31.4	(0.9%)
BDFINANCE	21.8	+3.3%	DBH	115.9	(0.3%)
FASFIN	17.9	+2.3%	IDLC	71.8	(0.1%)
BAYLEASING	27.3	+2.2%	IPDC	45.9	+0.0%
UTTARAFIN	60.3	+2.0%	UNITEDFIN	22.8	+0.4%
FIRSTFIN	11.5	+1.8%	ISLAMICFIN	24.7	+0.8%
ILFSL	17.3	+1.8%	LANKABAFIN	56.7	+1.1%
MIDASFIN	30.5	+1.7%	PHOENIXFIN	28.6	+1.4%

Sector Movement in DSE (July 11- July 10)



Last 1 Month DSEX





News:

No political will to clean up banking sector: CPD

Loan scam grips one bank after another and the overall financial sector mainly because of a lack of political will to address the problem, said the Centre for Policy Dialogue yesterday. Now the first generation banks have started to get affected by loan scandals after state-owned banks and the new ones. And the reason behind the repeated incidents is the absence of good governance and a lack of oversight on banks, said CPD Distinguished Fellow Debapriya Bhattacharya at a media briefing held at the Brac Centre Inn. The private think-tank organised the meet to share its observations on the budget for fiscal 2017-18. "Such incidents would not take place if there was a political will." The CPD once again called for a temporary financial sector commission to suggest and implement reforms. "The finance minister also mentioned the banking commission in his budget speech and on several occasions before. But we have seen that it losses steam somewhere," Bhattacharya said. People will be benefitted and satisfied if a reform commission is formed based on a transparent process ahead of the general election, he added. Citing the past trends for budget implementation, revenue collection and budget deficit, the CPD said Tk 360,266 crore out of the total outlay of Tk 400,266 crore can be spent, meaning 90 percent of the budget can be implemented. In the worst case scenario, Tk 340,266 crore of the budget would be implemented, said the CPD. The think-tank forecasted a revenue shortfall between Tk 43,000 crore and Tk 55,000 crore. The budgetary target for revenue collection is Tk 287,990 crore. "The possible revenue shortfall could be significant, but its extent will depend on the ability to deliver public expenditure plan. Nevertheless, the government will need to put utmost emphasis on mobilising resources from both NBR and non-NBR sources." The inability to implement the new VAT and SD Act for another two years will have serious consequences for fiscal framework, particularly for revenue mobilisation. The think-tank suggested continuation of digitisation of the VAT process and bringing in more businesses through the implementation of the VAT online project under the existing VAT Act 1991. The move would prepare a high number of firms to comply with the new law once it comes into effect. "The new VAT law has made a crash landing. So, schemes for automation of the VAT system through VAT online project should be continued to salvage it," Bhattacharya said. The implementation of the law has been deferred at the last moment as there was a lack of political, social and technical preparation, he said, adding that the CPD supports the new VAT law. The new law seeks a single and uniform VAT rate of 15 percent for most goods and services available in the country. The CPD said the lowering of the single VAT rate to 12 percent would reduce the worries of people. CPD Research Fellow Towfiqul Islam Khan suggested the revenue authority set a timeline to introduce electronically generated 9-digit Business Identification Number. The 9-digit e-BINs are issued under the new law.

<http://www.thedailystar.net/business/no-political-will-clean-banking-sector-cpd-1431448>

Export growth dips to 15-year low

A massive drop in shipment of garment items has caused Bangladesh's export growth to nosedive to a 15-year low in the just-concluded fiscal year. Exporters racked up \$34.83 billion in 2016-17, an increase of only 1.69 percent year-on-year, according to the Export Promotion Bureau (EPB). The earning is 5.85 percent less than the government's annual target of \$37 billion. June's export receipts fell by 15.27 percent to \$3.04 billion from the previous month, which is again 16.52 percent lower than the monthly target of \$3.64 billion. EPB Vice Chairman Bijoy Bhattacharjee said they are scrutinising reasons for the decline in exports to major markets. One reason might be the volatility of exchange rates, he said while making public the official export data at the EPB office in Dhaka. "We also need to find out whether the unit price of exportable items has declined," said Bhattacharjee. The taka appreciated nearly 8 percent against the US dollar. Annual growth of garment exports, which account for 82 percent of the national exports, was also the lowest in the past 15 years. Garment exports declined 0.20 percent year-on-year to \$28.14 billion, 7.34 percent below the target of \$30.37 billion. Knitwear accounted for \$13.75 billion while woven garment \$14.39 billion. Over the past 10 years, garment exports had been increasing at a year-on-year rate of over 13 percent. "We need to find out the reasons for the slowdown in garment exports," said Faruque Hassan, vice-president of the Bangladesh Garment Manufacturers and Exporters Association.

<http://www.thedailystar.net/business/export-growth-dips-15-year-low-1431430>