



AT CAPITAL DAILY MARKET UPDATE – August 13, 2017

Overview:

The DSEX closed at 5,921.6 points, up by 19.8 points. Total turnover was worth BDT 7.78 bn. Prices of 102 issues were increased whereas that of 197 issues were declined, and the price of the rests were remained unchanged.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
UTTARAFIN	73.2	+ 4.7%	PRIMEFIN	13.5	(2.2%)
FIRSTFIN	14.2	+ 2.9%	ICB	185.6	(1.4%)
BIFC	11	+ 2.8%	ILFSL	16.0	(1.2%)
PLFSL	13	+ 0.8%	NHFIL	51.5	(1.2%)
FASFIN	16.5	+ 0.6%	BDFINANCE	19.2	(1.0%)
LANKABAFIN	56	+ 0.5%	GSPFINANCE	29.7	(1.0%)
UNITEDFIN	22.3	+ 0.5%	UNIONCAP	21.2	(0.9%)
BAYLEASING	26.9	+ 0.4%	FAREASTFIN	11.9	(0.8%)
PHOENIXFIN	28.7	+ 0.3%	MIDASFIN	29.0	(0.7%)
DBH	114.4	+ 0.1%	IPDC	48.1	(0.6%)

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,921.6	+ 0.3%	+ 0.8%	+ 17.6%
DSES	1,311.4	(0.2%)	(0.4%)	+ 10.0%
DS30	2,126.0	+ 0.0%	(0.5%)	+ 17.4%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,365,297.7	3,358,816.9	+ 0.2%
	USD MM	42,066.2	41,985.2	+ 0.2%
TURNOVER	BDT MM	7,779.1	9,619.3	(19.1%)
	USD MM	97.2	120.2	(19.1%)
VOLUME	MM SHARES	258.1	317.7	(18.7%)

Market commentary:

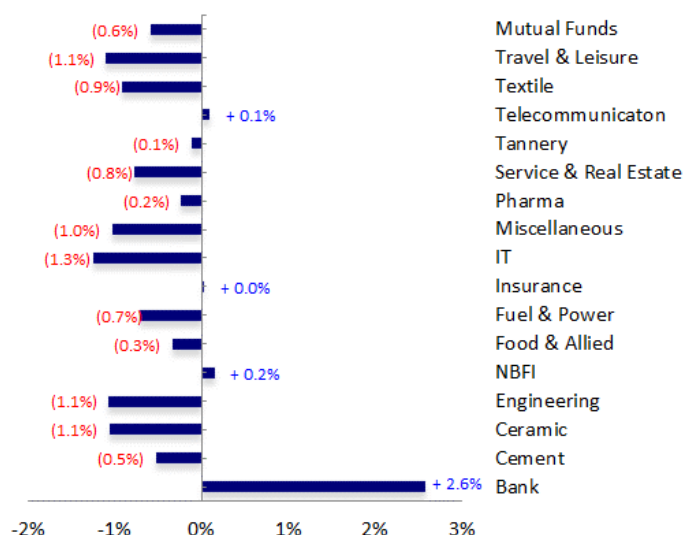
Market remained in the indecisive direction. DSEX, the broad index, rose sharply as soon as the opening bell. But, following last session's trade, DSEX failed to sustain the initial gain. DSEX fell steadily from the second trading hour which lasted till the end of the session. Market closed the session in the green trajectory at 5,921.6, up by 19.8 points, only attributable to extended banking sector's rally.

Turnover decreased by 19.1% to BDT 7.78 bn. Bank sector dominated the turnover chart - the sector accounted for 36.4% of total turnover, followed by Engineering (13.8%) and, Textile sector (11.7%). Only Banking sector's turnover soaked sharply by 72.1 whereas both Engineering's and Textiles' fell by 16.6% and 46.4% respectively.

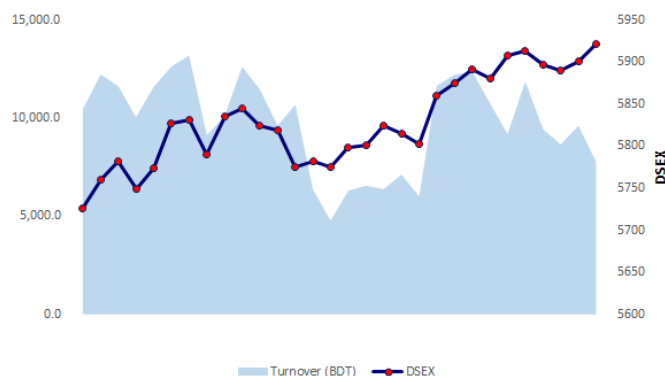
All of the prominent sectors, except Bank, underperformed the market today.

BBS Cables topped the turnover chart today with the turnover of BDT 334mn - the stock gained 5.0%.

Sector Movement in DSE (August 13 - August 10)



Last 1 Month DSEX





News:

Another LNG floating terminal on cards

The government is set to build another floating liquefied natural gas terminal as it makes an earnest push towards addressing Bangladesh's gas scarcity. The cabinet committee on economic affairs last week approved the draft agreement for awarding the job to a consortium of local Hong Kong Shanghai Manjara Power Limited and Malaysia's Global LNG and Petronas for setting up the terminal on Kutubdia Island in Cox's Bazar. According to the company's website, HSMP was founded in the 1970s by Kazi Zafarullah, a member of Awami League's presidium, the highest policymaking body of the party. This would be the third company -- after US-based Excelerate Energy and local Summit Group -- to be setting up an LNG floating terminal. All three floating terminals would have daily generation capacities of 500 million cubic feet (MMCFD), for which the government will pay each of them about \$1.56 billion a year. Setting up the terminals will cost \$500 million each, and the government is giving them the jobs on a build-own-operate and transfer basis. The tenure of the agreement will be 15 years, after which the terminal will have to be handed over to Petrobangla without any cost, according to an energy ministry official. The government can use the terminal for another 15 years. India's largest importer of LNG, Petronet is also set to make a formal proposal to Petrobangla this month to build another floating terminal on Kutubdia Island, according to Economic Times. A preliminary agreement on this front has already been signed during Prime Minister Sheikh Hasina's visit to India in April. Kutubdia Island has a natural harbour with good draft and a natural backwater, ideal for setting up an LNG terminal. Bangladesh is looking outside to alleviate its energy shortage, largely caused by depletion of domestic reserves and rising demand. At present, gas supply stands at about 2,700 million cubic feet per day against the demand for 3,300 MMCFD. The shortage of gas has affected power generation as well as industries and households. HSMP has proposed to build the floating terminal 10 kilometres off Kutubdia Island and 15 km from the national gridline.

<http://www.thedailystar.net/business/another-lng-floating-terminal-cards-1447720>

Consumer credit jumps 31pc

The banking sector posted a significant jump in consumer lending last year riding on growing purchasing power of the middle class. Consumer credit rose 31.29 percent year-on-year to Tk 29,500 crore in 2016 from Tk 22,460 crore a year ago, according to Bangladesh Bank data. The segment accounted for 4.37 percent of the total outstanding loan in the economy. "Consumer credit has been rising for several years as the purchasing power of the people has increased," said MA Halim Chowdhury, managing director of Pubali Bank. He said the middle class is expanding with improving living standard, which is pushing demand higher. The salary hike of government employees also accounted for the growing consumption habit, he added. Consumer financing is now more affordable as the lending rate is lower than the average interest rate, said a senior executive of a private bank. The weighted average interest rate on consumer financing was 9.46 percent in July whereas the average lending rate for other loans was 9.56 percent, according to the BB. Of the total consumer lending, the highest 44.5 percent or Tk 13,130 crore, was used for personal purposes. In April this year, the central bank increased the personal loan limit to Tk 5 lakh without any securities, from Tk 3 lakh earlier to support the rising consumer demand. Banks may lend more if the loan is backed by liquid securities. But the loan cannot exceed Tk 20 lakh under any circumstances, according to the central bank. The loan to credit cards, another component of consumer financing, stood at Tk 3,440 crore in 2016. In April, the credit card limit was increased to Tk 10 lakh from Tk 5 lakh earlier to support the spending habit among consumers. Banks can provide an additional Tk 10 lakh limit but cannot exceed Tk 25 lakh. The excess debt will have to be backed by liquid securities such as fixed deposits and foreign currency accounts maintained with the respective bank. The rising demand for credit cards prompted the central bank to issue a guideline on the payment method in May this year and put a cap on the lending rate to protect customers. As a result, the interest rate on outstanding amount of credit card will not exceed 5 percent of the highest interest rate charged for any debts by a bank, according to a central bank guideline. The average lending rate came down to 30 percent on credit card loans in July from highest 36 percent in May. Outstanding credit for home and car loans, two other important areas for consumer financing, stood at Tk 10,900 crore and Tk 2,000 crore respectively last year. Despite the growth in consumer spending, the number of non-performing loans in the personal credit was lower compared to the industry average.

<http://www.thedailystar.net/business/consumer-credit-jumps-31pc-1447726>