



AT CAPITAL DAILY MARKET UPDATE – July 13, 2017

Overview:

The DSEX closed at 5,834.9 points, up by 44.1 points. Total turnover was worth BDT 10.09 bn. Prices of 210 issues were increased whereas that of 70 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,834.9	+0.8%	+3.2%	+15.9%
DSES	1,327.0	+0.8%	+2.3%	+11.3%
DS30	2,131.2	+0.7%	+2.3%	+17.7%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,307,592.2	3,266,934.7	+1.2%
	USD MM	41,344.9	40,836.7	+1.2%
TURNOVER	BDT MM	10,093.3	9,142.9	+10.4%
	USD MM	126.2	114.3	+10.4%
VOLUME	MM SHARES	316.1	345.5	(8.5%)

Market commentary:

Market rebounded strongly today, led by the large cap scrips, particularly Grameen Phone. DSEX, the broad index, exhibited a mild swing at the onset of the market till the mid-session. Since then, DSEX was skyrocketed till the end of the session, paring last session's heavy sell-off, and recording another new high of the broad index. GP led today's bull-run on the back of robust growth of 57.8% YoY in 2Q2017. Market closed the session at 5,834.9, up by 44.1 points.

Gainers strongly came back today - gainers to loser's ratio was almost 2 to 1.

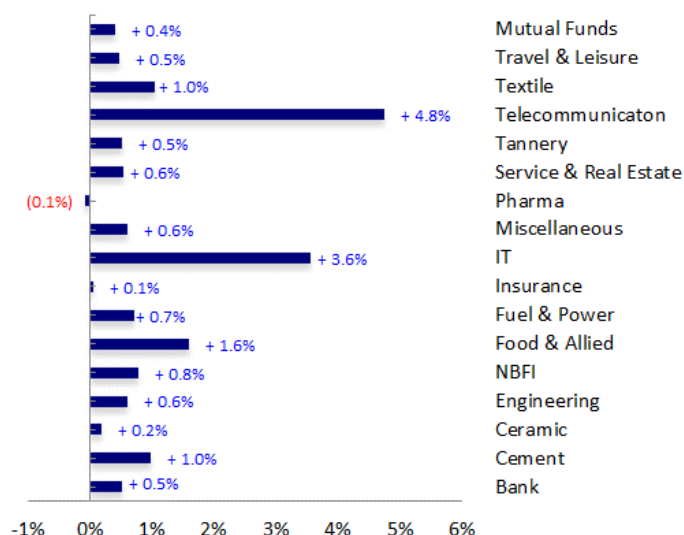
Turnover increased by 10.4% to BDT 10.09 bn. Textile sector dominated the turnover chart - the sector accounted for 17.8% of total turnover, followed by Pharma (12.7%) and, Engineering sector (11.2%).

Among prominent sectors, Food & Allied, Cement, Textiles, and Telecommunication sectors outperformed the market whereas Bank, NBFI, Fuel and power, Pharma, and Engineering sectors underperformed the market today.

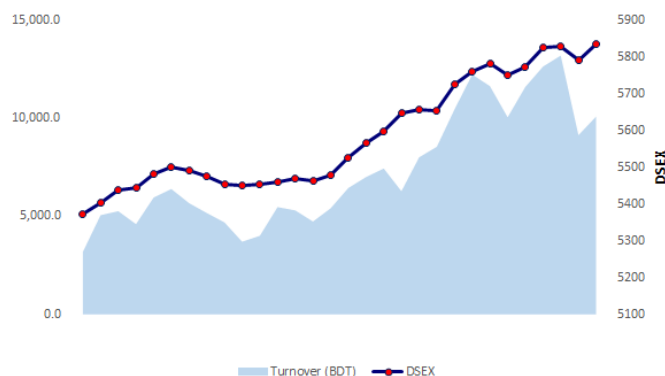
Grameen Phone topped the turnover chart today with the turnover of BDT 656mn - the stock gained 4.9%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
FIRSTFIN	12.3	+7.0%	MIDASFIN	29.4	(3.9%)
PLFSL	10.8	+1.9%	ILFSL	16.5	(3.5%)
BIFC	12.1	+0.8%	GSPFINANCE	30.6	(3.2%)
BAYLEASING	28.7	+0.3%	FAREASTFIN	12.7	(3.1%)
PREMIERLEA	18.8	+0.0%	UNIONCAP	25.5	(3.0%)
ICB	188.3	(0.3%)	FASFIN	17.0	(2.9%)
IDLC	71.8	(0.6%)	ISLAMICFIN	24.2	(2.4%)
PRIMEFIN	13.5	(0.7%)	PHOENIXFIN	28.1	(2.1%)
IPDC	45.1	(0.9%)	UNITEDFIN	22.2	(1.8%)
BDFINANCE	21.4	(0.9%)	NHFIL	51.4	(1.7%)

Sector Movement in DSE (July 13- July 12)



Last 1 Month DSEX





News:

Volatile euro, dollar to blame for flat exports

The volatile exchange rate of the euro and the US dollar has eaten up a substantial amount of export receipts of Bangladesh in the last fiscal year. The country logged in \$34.83 billion as export receipts for fiscal 2016-17, up 1.69 percent year-on-year, according to data from the Export Promotion Bureau. Had there been favourable exchange rates, the earnings could have been at least \$3 billion more as the volume of the shipments from the country increased, but the receipts belied it. Bangladesh's international trade is conducted in the US dollars. Although the country does not transact in euro directly, its shipments to the 28-nation euro bloc were worth about \$16 billion. Another \$3.4 billion came from shipments to the UK. The declining exchange trend of the US dollars against the euro continued throughout the fiscal year. In August last year, one euro was exchanged at 1.135 dollar, which came down to 1.045 in December. The trend continued until June this year, after which it reversed. In the first week of July, one euro was exchanged at 1.140 dollars. The local exporters have also been facing challenges for the appreciation of the taka against the US dollar for many years. The appreciation is particularly large vis-à-vis the euro, but also pretty large against the US dollar, said the Policy Research Institute in a study recently. The Bangladesh taka appreciated 34 percent against the US dollar between 2006 and 2016, according to the think-tank. "These substantial appreciations of the taka in real terms against the major global currencies that underlie Bangladesh exports and imports suggest a huge currency tax on exports and are a major factor why most exports have failed to fire after ignition," the PRI said. On the other hand, the exchange rates of currencies of some major garment exporting countries were devalued against the US dollars, which eventually improved their competitiveness in global trade.

<http://www.thedailystar.net/business/volatile-euro-dollar-blame-flat-exports-1432228>

Govt's net bank borrowing turns negative last fiscal

The government borrowing from the banking system turned negative in net terms during the just concluded fiscal year (FY17) as the repayments of loans were more than what it borrowed. Higher sales of savings instruments and slow implementation of development projects had helped the government refrain from borrowing much from the banks, according to officials. The government paid back Tk 180.29 billion to the banks in the FY 2016-17 as against its borrowing of Tk 48.07 billion in the FY 2015-16, according to provisional data of Bangladesh Bank obtained by the FE Tuesday. The government's borrowing from the banking system stood at Tk 906.60 billion at the end of June 30 this year, declining from Tk 1,086.89 billion on the same day of the previous year, showing a negative balance in net terms. Initially, the government's bank borrowing target was set at Tk 389.38 billion for the FY 17, but was later revised down to Tk 239.03 billion. The government's borrowing was, however, higher in the last month of FY 17 partly due to financing the budget deficit, a senior official familiar with the government debt-management told the FE Tuesday. In June last, the government's net bank borrowing stood at around Tk 170 billion, he said. Implementation of the development projects normally becomes faster during the last month of each fiscal year, he explained. The government ministries and agencies spent Tk 1.06 trillion out of total Annual Development Programme (ADP) of Tk 1.19 trillion worth of outlay in the FY 17, according to the official figures. On the other hand, net sales of national savings certificates jumped by more than 39 per cent to Tk 469.69 billion during the July-May period of the FY17 from Tk 336.89 billion in the same period of FY16. A senior official of the BB said the government has already availed of ways and means advances (WMAs) partly to finance the budget deficit. The government is now empowered to borrow up to Tk 40 billion from the central bank under the WMAs to meet its day-to-day expenditures without issuing any securities. The Ministry of Finance had set a bank-borrowing target of Tk 282.03 billion for the FY18 to finance the budget deficit. Under the proposed arrangement, Tk 208.87 billion will be borrowed from the banking system by issuing long-term Bangladesh Government Treasury Bonds (BGTBs) while the remaining Tk 73.16 billion through auctions of short-term treasury bills (T-bills).

<http://print.thefinancialexpress-bd.com/2017/07/13/177677>