AT CAPITAL DAILY MARKET UPDATE – June 18, 2017

Overview:

The DSEX closed at 5,461.6 points, down by 6.7 points. Total turnover was worth BDT 4.73 bn. Prices of 101 issues were increased whereas that of 175 issues were declined, and the price of the rests were remained unchanged.

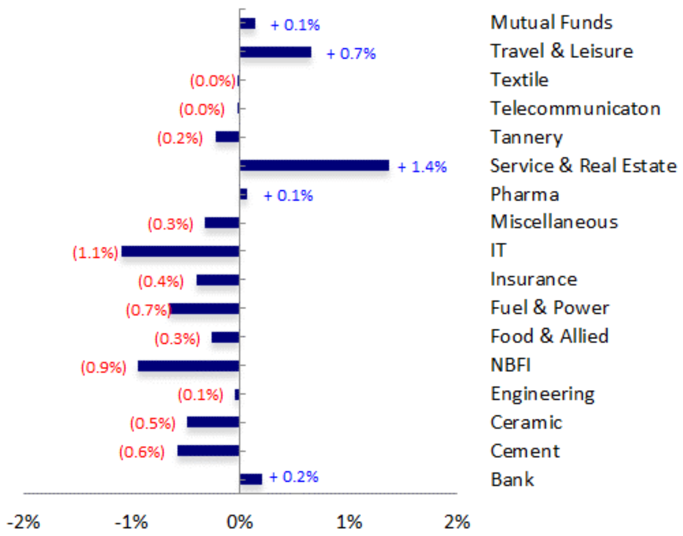
TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
MIDASFIN	28.0	+ 3.7%	FIRSTFIN	10.1	(5.6%)
PRIMEFIN	11.4	+ 1.8%	BIFC	9.3	(3.1%)
UTTARAFIN	56.1	+ 0.0%	FASFIN	17.0	(2.9%)
PLFSL	10.1	+ 0.0%	BDFINANCE	21.7	(2.7%)
IDLC	71.1	+ 0.0%	ISLAMICFIN	22.7	(1.7%)
GSPFINANCE	28.1	+ 0.0%	NHFIL	47.0	(1.7%)
UNITEDFIN	21	(0.5%)	PREMIERLEA	17.8	(1.7%)
PHOENIXFIN	25.3	(0.8%)	DBH	114.1	(1.5%)
FAREASTFIN	9.7	(1.0%)	ILFSL	13.5	(1.5%)
LANKABAFIN	51.8	(1.1%)	BAYLEASING	23.6	(1.3%)

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,461.6	(0.1%)	(0.1%)	+ 8.5%
DSES	1,260.6	(0.1%)	(0.1%)	+ 5.8%
DS30	2,031.0	(0.0%)	(0.0%)	+ 12.2%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,091,603.5	3,097,183.9	(0.2%)
	USD MM	39,433.7	39,504.9	(0.2%)
TURNOVER	BDT MM	4,734.0	5,301.6	(10.7%)
	USD MM	60.4	67.6	(10.7%)
VOLUME	MM SHARES	144.3	167.2	(13.7%)

Sector Movement in DSE (June 18- June 15)



Market commentary:

Market passed another red session today. DSEX, the broad index, fell steadily as the market progressed till the mid-session. DSEX remained sideways in the latter half of the session. Market closed the session at 5,461.6, down by 6.7 points.

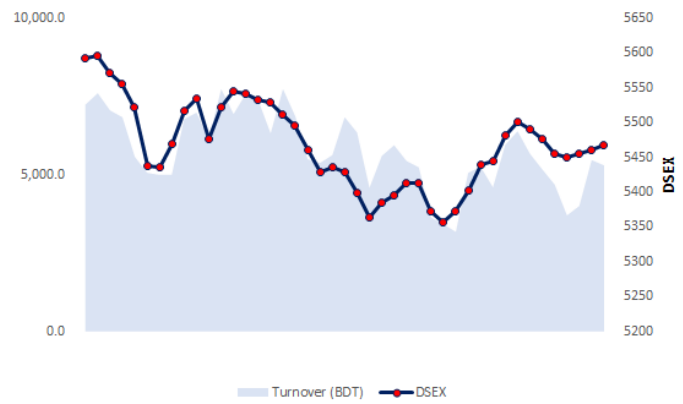
Losers outnumbered the gainers today – the ratio was 1.2 to 1.

Turnover decreased by 10.7% to BDT 4.73 bn. Textile sector dominated the turnover chart - the sector accounted for 27.2% of total turnover, followed by Pharma (11.8%) and, Bank sector (9.9%).

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

Paramount Textiles topped the turnover chart today with the turnover of BDT 232mn - the stock gained 3.5%

Last 1 Month DSEX



News:

People's interests ignored in tax proposals: CPD

Consumers' interest has been sacrificed while framing the various VAT and supplementary duty proposals for the upcoming fiscal year, said the Centre for Policy Dialogue yesterday. “Attempt to collect revenue from all low-hanging fruits is observed,” said Fahmida Khatun, executive director of the CPD, while presenting an analysis on the proposed budget for 2017-18. The event, which was held at the capital's Lakeshore Hotel, was attended by ministers, politicians, economists, businessmen, revenue officials and representatives of international development agencies. The think-tank's observation comes at a time when there is a palpable concern that the implementation of the unified 15 percent VAT would fuel the cost of living for many. VAT on major items such as electricity, spices and mustard, soap, pest and tooth-brush, branded garments, education at English medium schools, furniture, iron and steel products and restaurants is likely to lead to higher inflation once the new law becomes effective from July 1. The CPD, instead, has proposed lowering the unified VAT rate to 12 percent. Besides, it may be difficult for the National Board of Revenue to ensure proper implementation of the new law, Khatun said, adding that there is a need to ensure that all business entities come under the VAT net. The hike in excise duty on bank deposits would be a disincentive for accountholders and remitters using the banking channel at a time when the interest rate on savings is already falling. “Soft areas have been targeted to collect more revenue without having strong economic justification,” she said, while calling for the excise duty on account balances to be scraped completely. “The money is already taxed. Instead of collecting the excise duty, the tax net should be expanded.” The CPD raised questions about the sluggish trend of private investment and slowing job creation. Furthermore, the proposed taxes might fuel inflation and deal a blow to investment and economic growth. The country does not have employment policy although it has growth and investment policies, said Rehman Sobhan, chairman of the CPD. He also criticised the government move to earmark Tk 2,000 crore in the upcoming fiscal year's budget to bolster the state banks' capital base.

http://www.thedailystar.net/business/peoples-interests-ignored-tax-proposals-cpd-1421875

BD may slip into 'debt crisis' shortly

Bangladesh may face a "debt crisis" within three to five years if necessary discipline is not brought in debt financing. Such fear was aired by former finance adviser Dr Akbar Ali Khan at a post-budget discussion where he also described the unemployment situation in the country as "mega-depression". "I am afraid that Bangladesh may face a foreign-exchange crisis in next three to five years," Dr Khan said at a post-budget dialogue organised by the Centre for Policy Dialogue in the capital on Saturday. "The reason is that in recent years, we are signing a lot of agreements based on suppliers' credit, signing a lot of Public-Private Partnership agreements, buying a lot of big things from outside and also taking up a lot of foreign-funded projects," he added. "However, I have not seen any calculation which says how much are our foreign-exchange earnings and how much foreign debt we can finance," Dr Khan pointed out. Reflecting on the latest budget of the government, Dr Khan, the finance adviser of a past caretaker government, observed unusual emphasis on mega infrastructure projects while noting a lack of priority. "The budget allocation shows a lot of emphasis on mega-infrastructures. However, the way these large infrastructure projects are being taken up, I have not seen any priority," Dr Khan told the meet. "For example, the allocation for health sector and railway sector is the same in the upcoming budget. But it should be noted that while there can be alternatives to railways, there can be no alternatives to health," he added. "I would like to remind everyone of the debt crisis of the 1980s, and I would not be astonished if we faced a similar debt crisis unless there is a restoration of discipline in this sector." Dr Khan was also concerned about the decline in the flow of remittance and the fall in the growth of export in recent times. "Remittance has started to fall and the crisis in Qatar should make us concerned," said the former finance adviser. "At the same time, we are entering a new phase of globalisation under the new US Presidential regime and we may not experience continued expansion of our garment export in the near future," he further said about the causes of concern he aired. Dr Khan also warned about the country's growing overdependence on imported fuels in recent years. "Growingly, we are not able to supply gas from our own resources and we are becoming absolutely dependent on outside in this regard," he said, adding: "In the next three to five years time, depending on the global situation, that may also pose a serious problem."

http://print.thefinancialexpress-bd.com/2017/06/18/175694