



AT CAPITAL DAILY MARKET UPDATE – October 23, 2017

Overview:

The DSEX closed at 5,982.0 points, down by 59.3 points. Total turnover was worth BDT 5.23 bn. Prices of 68 issues were increased whereas that of 223 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,982.0	(1.0%)	(1.8%)	+18.8%
DSES	1,324.8	(0.6%)	(0.8%)	+11.2%
DS30	2,174.5	(0.7%)	(0.1%)	+20.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,439,464.2	3,459,324.1	(0.6%)
	USD MM	42,483.5	42,728.8	(0.6%)
TURNOVER	BDT MM	5,232.6	5,436.8	(3.8%)
	USD MM	64.6	67.2	(3.8%)
VOLUME	MM SHARES	133.5	130.4	+2.3%

Market commentary:

Market experienced a severe correction today. DSEX, the broad index, fell freely at the onset the opening bell, shedding more than 50.0 points. DSEX remained sideways till end of the session, recording one of the worst day of the market in last 6 months. Market closed the session at 5,982.0, down by 59.3 points.

Losers were convincingly outnumbered gainers today Losers to Gainers ratio was 3.4 to 1.

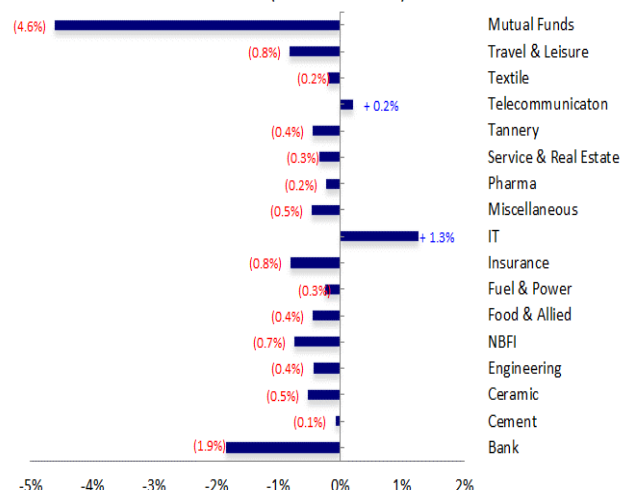
Turnover decreased by 3.8% to BDT 5.23 bn. Bank sector dominated the turnover chart - the sector accounted for 23.3% of total turnover, followed by Engineering (14.2%) and, NBFI sector (13.4%). Turnover of Bank, Engineering, and NBFI declined 8.8%, 11.1%, and 22.3% respectively.

Most of the prominent sectors, except Bank, outperformed the market.

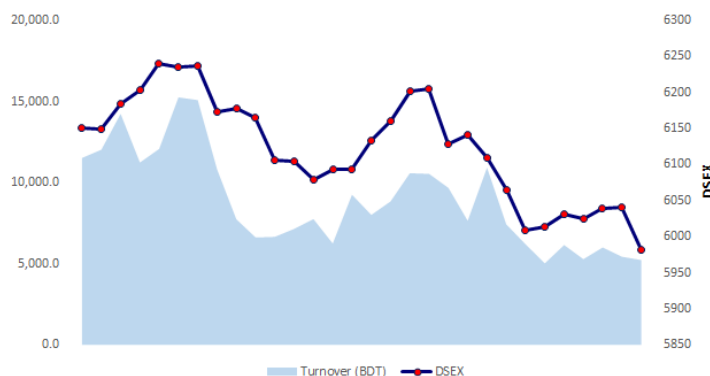
BBS Cables Limited topped the turnover chart today with the turnover of BDT 209mn - the stock lost 1.7%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
UTTARAFIN	76.5	+4.4%	UNITEDFIN	22.7	(2.6%)
PLFSL	15.1	+3.4%	ILFSL	22.9	(2.6%)
IDLC	87.9	+2.8%	FAREASTFIN	12.1	(2.4%)
IPDC	44.1	+2.3%	UNIONCAP	18.2	(2.2%)
NHFIL	47.9	+1.3%	ISLAMICFIN	22.6	(1.7%)
BIFC	11.2	+0.9%	FIRSTFIN	13.8	(1.4%)
PHOENIXFIN	37.4	+0.8%	BDFINANCE	21.4	(1.4%)
PRIMEFIN	12.9	+0.8%	FASFIN	18.9	(1.0%)
ICB	191.5	+0.6%	PREMIERLEA	17.4	(0.6%)
MIDASFIN	39	+0.3%	BAYLEASING	26.8	(0.4%)

Sector Movement in DSE (Oct 23- Oct 22)



Last 1 Month DSEX





News:

Islami Bank keeps investors on edge

Islami Bank's earnings per share (EPS) has been on the decline this year, making thousands of investors concerned about the goings-on of the country's largest private bank. The EPS is the portion of a company's profit allocated to each outstanding share of common stock and as a result is an indicator of the company's profitability. At the end of the third quarter of 2017, Islami Bank's EPS stood at Tk 0.31, down from Tk 1.18 in the second quarter and Tk 0.62 in the first quarter, according to a posting on the Dhaka Stock Exchange website. The bank earned Tk 2.11 per share during January-September period this year, down from Tk 2.61 a year earlier. Even though the operating profit surged, the EPS declined as the bank has to maintain huge provisioning against loans that are awaiting the nod from the central bank for rescheduling, said Arastoo Khan, its chairman. In the first nine months of 2017, Islami Bank's operating profits surged 29.24 percent to Tk 1,569 crore from a year earlier. Banks usually do not need to maintain provisioning against the loans that have been approved for rescheduling by the board and sent to the central bank for final approval, said a senior Bangladesh Bank official. But it is different in Islami Bank's case. The observer appointed at Islami Bank by the BB instructed the bank to maintain the provisioning until the approval comes through. "This caused the fall in EPS," said the Islami Bank chairman, adding that the EPS will bounce back as soon as the central bank gives the green light to the rescheduling proposals. Moreover, the bank had to maintain provisioning of Tk 143 crore against the loans that were awaiting court verdict during the past two years, he said. "We could have maintained the provisioning at the end of the year, but we did earlier for good measure," Khan said. The higher provisioning requirement means Islami Bank's net profit in the first nine months of the year came down to Tk 338 crore, down 19 percent from a year earlier. Islami Bank made headlines in January because of wholesale reshuffling of its management.

<http://www.thedailystar.net/business/islami-bank-keeps-investors-edge-1480405>

BB relaxes farm loan rules

Bangladesh Bank has brought down the amount of penalty for commercial banks that fail to meet farm loan disbursement targets. Private and foreign commercial banks will now have to deposit only 3 percent of their undisbursed agriculture credit, down from the previous 100 percent, in a blocked account with the BB. In a circular, the central bank said it would return the fund to the respective banks if they distribute the undisbursed amount with fresh targets for the next two fiscal years. The banking regulator does not return blocked funds if banks fail to disburse the amount within two fiscal years. The BB, however, exempted the specialised and state-owned commercial banks from the punitive measures. In July 2015, the BB took the initiative to block the entire fund of the undisbursed agriculture credit as punishment. Banks do not get interest on the amount. The central bank blocked undisbursed farm loan amounting to Tk 139.81 crore of four banks after they failed to achieve their targets in FY16. Farm loan disbursement rose 19 percent year-on-year to Tk 20,999 crore in 2016-17. It increased 23 percent year-on-year to Tk 4,235.74 crore in the first quarter of 2017-18, although seven banks did not distribute any farm loan during the period, according to the central bank data.

<http://www.thedailystar.net/business/bb-relaxes-farm-loan-rules-1480396>