



AT CAPITAL DAILY MARKET UPDATE – April 12, 2017

Overview

The DSEX closed at 5,646.4 points, down by 37.1 points. Total turnover was worth BDT 7.15 bn.

Prices of 120 issues were increased whereas that of 170 issues were declined, and the price of the rests were remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,646.4	(0.7%)	(1.3%)	+12.1%
DSES	1,298.5	(0.1%)	(0.4%)	+9.0%
DS30	2,093.6	(0.7%)	+0.1%	+15.6%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,180,188.2	3,198,939.3	(0.6%)
	USD MM	40,563.6	40,802.8	(0.6%)
TURNOVER	BDT MM	7,148.4	7,826.2	(8.7%)
	USD MM	91.2	99.8	(8.7%)
VOLUME	MM SHARES	228.6	240.6	(5.0%)

Market commentary:

Market continued to experience correction for six consecutive sessions, shelving more than 100 points. DSEX, the broad index, fell steadily throughout the entire session with few minor spikes. DSEX lost 37 points today, the correction which was the highest one-day correction since February 2017. Market closed the session at 5,646.4, down by 37.1 points.

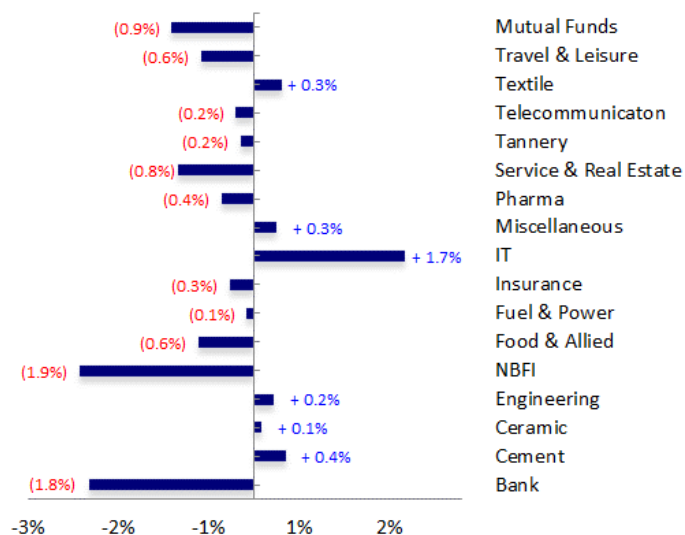
Turnover decreased by 8.7% to BDT 7.15 bn. Textile sector dominated the turnover chart - the sector accounted for 23.5% of total turnover, followed by Bank (18.4%) and, NBFI sector (11.6%).

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

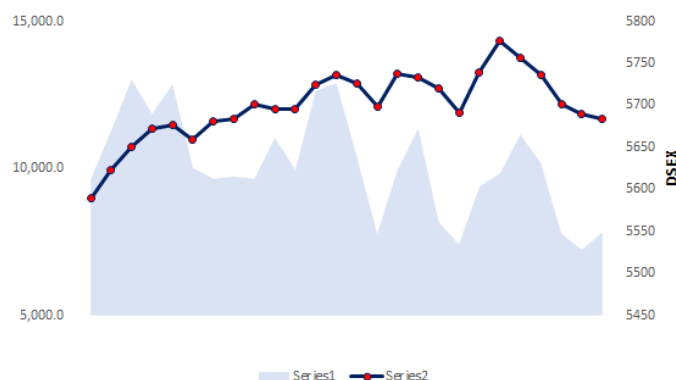
LankaBangla Finance topped the turnover chart today with the turnover of BDT 317mn - the stock lost 2.6%.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
SAVAREFR	69.8	+9.4%	EBL	30.4	(11.9%)
JUTESPINN	51.9	+8.1%	IFIC	26.0	(6.1%)
RAHIMTEXT	309.6	+7.6%	UNIONCAP	27.3	(4.5%)
SHYAMPSUG	18.9	+7.4%	PREMIERLEA	17.3	(4.4%)
PEOPLESINS	24.6	+5.1%	EBLNRBMF	6.7	(4.3%)
ECABLES	145.1	+5.1%	MATINSPINN	42.1	(4.1%)
REGENTTEX	31.4	+5.0%	SPCL	138.5	(3.2%)
DAFODILCOM	41.7	+4.3%	IDLC	74.0	(3.1%)
PTL	27.4	+4.2%	ISLAMICFIN	24.8	(3.1%)
AGNISYSL	24.3	+3.8%	RUPALIBANK	26.4	(2.9%)

Sector Movement in DSE (Apr 12 - Apr 11)



Last 1 Month DSEX





News:

Banks step up efforts to cut cost of funds

Private banks have now turned their focus on bringing down their cost of funds to get a competitive edge over peers in the saturated market, bankers said. Of the 39 private banks, most have taken different measures to increase the contribution from non-term deposits like current and savings account (CASA) to their deposits. A CASA, which combines savings and checking accounts into one, operates like a normal bank account in which funds may be utilised at any time. Because of the flexibility, a CASA has a lower interest rate than a term deposit as the bank does not have a guarantee all the funds are available to loan for a specific period of time. Typically, interest is accrued on monthly average balance and applied at each quarter-end on such accounts. And the interest rate tends to be between 2 percent and 4 percent. A higher CASA ratio indicates a lower cost of funds. If a large part of a bank's deposits comes from these funds, it means that the bank is getting those funds at a lower cost. In India, it is used as one of the metrics to assess profitability. Bangladesh Bank data shows fixed deposits, which are costlier than other types of deposit products, have been declining over time. The share of fixed deposits stood at 48.84 percent in the July-September period of last year, in contrast to 51.82 percent a year earlier. Fixed deposits accounted for over 70 percent of the banks' total funds four years ago. "CASA has become my passion," said Anis A Khan, managing director of Mutual Trust Bank, which has been doing well in attracting this low-cost fund in last several years.

<http://www.thedailystar.net/business/banks-step-efforts-cut-cost-funds-1389958>

Booming economy to help insurance bloom into \$1.5b sector by 2020: Metlife boss tells FE

Bangladesh's life insurance market is likely to expand US\$1.5 billion in the next three to four years, driven mostly by a growing economy, a senior MetLife executive has said. "Currently, Bangladesh's life insurance market is around \$1.0 billion a year and we expect it will expand at least 50 per cent in around 2020," Chris Townsend, the US-based insurer's Asia president, said. Bangladesh's economy has grown over 6.0 per cent in past decade and the life insurance has also advanced steadily, he said, drawing a close relationship between the GDP growth and the insurance sector. "Insurance growth outpaced the GDP rate," Mr Townsend, who had visited Dhaka in the past week, told the Financial Express in a recent interview in Dhaka, and called the industry "amazing." He has been president of MetLife's Asia region since 2012. He is also a member of the company's executive group. He oversees all of MetLife's businesses and operations across 12 markets in Asia including Bangladesh and he said that the country's market is one of the fastest growing in the continent.

[http://www.thefinancialexpress-bd.com/2017/04/10/66494/Booming-economy-to-help-insurance-bloom-into-\\$1.5b-sector-by-2020](http://www.thefinancialexpress-bd.com/2017/04/10/66494/Booming-economy-to-help-insurance-bloom-into-$1.5b-sector-by-2020)

Banks vulnerable to excess liquidity, NPL

The total outstanding amount of loans and advances of the banking and non-banking financial institutions, as they told, was Tk685,264 crore over the same period. Excess liquidity and non-performing loans (NPL) are posing threats to the improvement of banking sector, said speakers at a function in Dhaka on Tuesday expressing their concerns over the issues. While addressing a workshop on the progress and weakness of credit operations of banks in 2016, bankers and economists said the country's banking sector saw a moderate resilience in the current fiscal year and supported real economy to post around 7% growth rate throughout the year. The total outstanding amount of loans and advances of the banking and non-banking financial institutions, as they told, was Tk685,264 crore over the same period. The NPL ratio issue turned out to be a serious concern as it jumped to 10.1% at the end of June, 2016 up from 8.8% in 2015, he added.

<http://www.dhakatribune.com/business/2017/04/11/banks-vulnerable-excess-liquidity-npl/>