



AT CAPITAL DAILY MARKET UPDATE – February 05, 2017

Overview

The DSEX closed at 5,322.9 points, down by 42.3 points. The total transaction was worth BDT 6.78 bn.

Price of 80 issues appreciated whereas 227 issues declined and 21 others remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,322.9	(0.8%)	(2.7%)	+5.7%
DSES	1,249.4	(0.4%)	(1.5%)	+4.8%
DS30	1,952.4	(0.2%)	(2.0%)	+7.8%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	2,997,777.2	3,017,280.3	(0.6%)
	USD MM	38,237.0	38,485.7	(0.6%)
TURNOVER	BDT MM	6,779.7	7,459.9	(9.1%)
	USD MM	86.5	95.2	(9.1%)
VOLUME	MM SHARES	215.2	228.1	(5.6%)

Market observed lots of turbulence in the first one hour. In the next two hours, DSEX witnessed sharp correction without any sign of reversal and fell by 99 points. In the last hour, buying enthusiasm came into play and market recovered more than half of its loss and eventually Index closed at 5322.9 or 42 points lower than previous session.

Market started its recent correction from January 24 and in the last trading session it corrected around 7% from its recent peak of 5708. This correction was mainly driven by Bank and NBFi sector which were also the main driver of the previous sharp rally of the market.

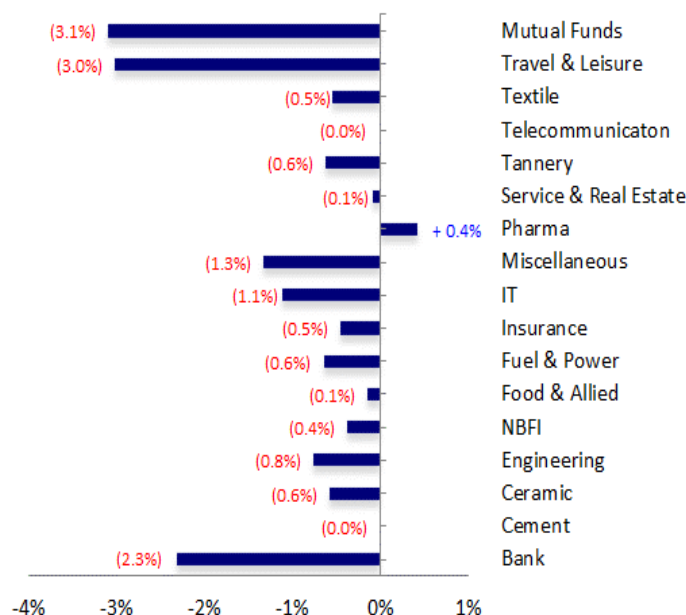
Losers were almost three times of gainers today which shows profit taking in across the board. Turnover stood at BDT 6.78bn, reduced by 9.1% from the last session and lowest since November 30, 2016.

Other than Pharmaceuticals all the sectors posted negative return today. Among the prominent sectors Pharma, Textile, Telecommunication, Insurance, Fuel & Power, Cement and NBFi outperformed the market while Bank and Mutual Fund sector underperformed.

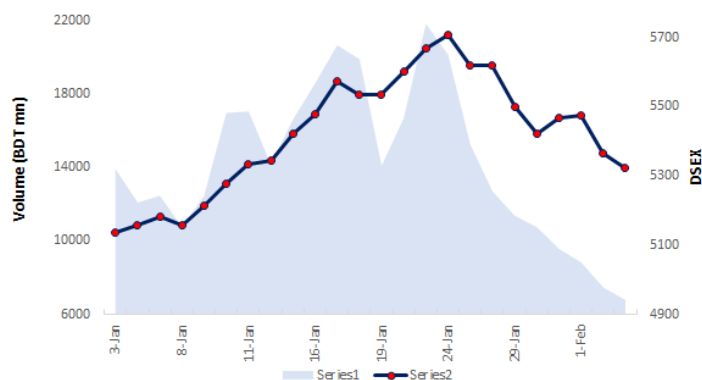
Saif Powertech was the turnover leader contributing 3.9% to the total turnover and posted 1.8% price return.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
LANKABAFIN	47.0	+8.5%	EBL1STMF	6.7	(8.2%)
RAHIMTEXT	310.9	+7.2%	EASTERNINS	29.1	(8.2%)
ACIFORMULA	187.3	+6.7%	PRIME1ICBA	6.4	(7.2%)
PROGRESLIF	57.4	+5.5%	EBLNRBMF	6.6	(7.0%)
SAMATALETH	29	+5.1%	1JANATAMF	6.7	(6.9%)
PEOPLESINS	23.7	+4.9%	GLOBALINS	18.0	(6.3%)
GEMINISEA	682.7	+4.3%	BXSYNTH	7.8	(6.0%)
DELTALIFE	111.5	+4.1%	ICB3RDNRB	6.3	(6.0%)
REPUBLIC	28.1	+3.7%	PHPMF1	6.3	(6.0%)
PHARMAID	288.3	+3.6%	RUPALIBANK	30.0	(6.0%)

Sector Movement in DSE (Feb 05 - Feb 02)



Last 1 Month DSEX





News:

Cash dollar import unlikely

The import of cash dollars, necessitated by a surge in demand, is unlikely after the National Board of Revenue has refused to provide the 29 percent duty waiver on the purchase. The country experienced a cash dollar crunch last month after the stock came down to \$7 million from \$17 million in March last year. Subsequently, Bangladesh Bank directed Standard Chartered Bank to bring in \$10 million in cash and asked the NBR last month to extend the tax waiver. Earlier in 2011, the BB imported \$15 million through StanChart.

The revenue authority is unwilling to give the tax waiver as it says the law does not permit it. Asked about the NBR's stance on the tax waiver, its Chairman Md Nojibur Rahman declined to comment. The NBR is treating the cash dollar as a commodity and levying the duty on the monetary value of the currency rather than the weight of the product, making it an expensive venture for StanChart. "We have applied to the NBR for the waiver and are awaiting their response," said Bitopi Das Chowdhury, StanChart's head of corporate affairs. If the NBR does not waive the tax, the bank will not be interested in importing the dollars as the cost will be high, said SK Sur Chowdhury, deputy governor of BB. The revenue authority instead suggested the central bank import the cash dollars by itself as it is exempted from any duties.

Meanwhile, there has been a piecemeal improvement in the situation, with \$11.7 million now available. Some businessmen who had cash dollars on them deposited the amount to banks soon after the BB's decision to import came to light, as it would have pushed the rate of dollar down. As of January 31, the gap in the dollar-taka exchange rate between the kerb market and the banks has come down to Tk 3 from more than Tk 4 a week earlier. The interbank exchange rate stood at Tk 79.12 and in the kerb market it was Tk 82. The gap is expected to narrow further as high-denomination notes are gradually becoming more widely available in India.

<http://www.thedailystar.net/business/cash-dollar-import-unlikely-1356262>

Investment in nat'l saving tools marches past Tk 23,000cr in H1

The net investment in the national savings certificates and bonds in the first half of the current financial year 2016-17 increased by 76.41 per cent to Tk 23,473.56 crore from Tk 13,305.59 crore during the same period a fiscal year ago. Economists and Bangladesh Bank officials say clients continue to invest heavily in the savings tools in the recent period due to a lower rate of interest on the banks' fixed deposit scheme. Lack of investment opportunities amid sluggish business is also forcing the clients to invest in the government tools, they say.

The huge net investment in the savings certificates and bonds has already created a risky situation for the country's macroeconomic situation as the government will have to face a budget mismatch, the experts observe. The monthly net investment in the national savings certificates and bonds also increased to Tk 3,154.02 crore in December 2016 from Tk 1,979.73 crore in the same month of 2015. Savings instruments worth Tk 33,743.28 crore were sold through banks, national savings bureaus and post offices in the July-December period of the FY17 against Tk 23,024.29 crore in the same period of the FY16.

The net investment in the NSCs surpassed its annual target of Tk 19,610 crore in the first five months of the FY17 as it (net investment) stood at Tk 20,319 crore during the July-November period. The net investment in the national savings tools hit a fresh record at Tk 33,688.60 crore in the FY16 against the government's NSC borrowing target of Tk 15,000 crore as the rate of interest on the tools is almost double than the rate of interest on banks' fixed deposit schemes.

<http://www.newagebd.net/article/8444/investment-in-natl-saving-tools-marches-past-tk-23000cr-in-h1#sthash.ESEbUhPy.dpuf>