



# AT CAPITAL DAILY MARKET UPDATE – March 19, 2017

## Overview

The DSEX closed at 5,695.5 points, down by 5.8 points. Total turnover was worth BDT 11.04 bn.

Prices of 133 issues were increased whereas that of 164 issues were declined, and the price of the rests were remained unchanged.

## Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	5,695.5	(0.1%)	+1.5%	+13.1%
DSES	1,307.8	(0.2%)	+0.2%	+9.7%
DS30	2,066.3	+0.3%	+2.0%	+14.1%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	3,160,991.0	3,166,172.6	(0.2%)
	USD MM	40,318.8	40,384.9	(0.2%)
TURNOVER	BDT MM	11,037.6	9,640.7	+14.5%
	USD MM	140.8	123.0	+14.5%
VOLUME	MM SHARES	359.1	301.8	+19.0%

## Market Commentary:

After three consecutive positive sessions, market experienced mild correction today. DSEX, the broad index, hit its session's high within the first 30 minutes of the session. However, the initial gain was shelved on the subsequent hour. DSEX continued to slide till the end of the session after getting a minor spike in the mid-session. Market closed the session below 5,700 level at 5,695.5, down by 5.8 points.

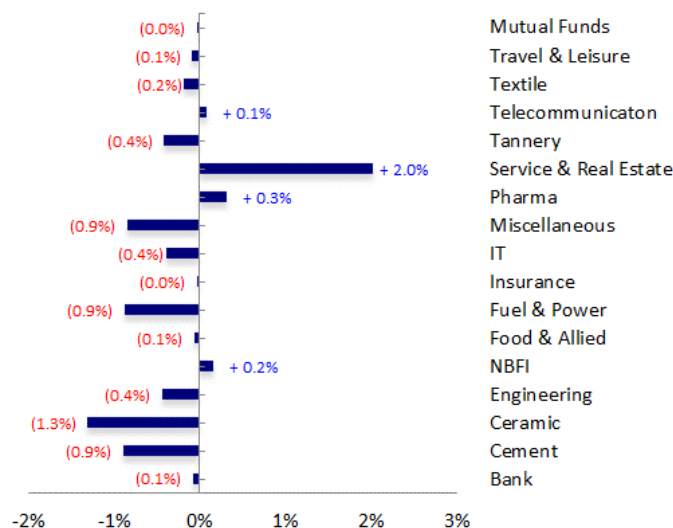
Turnover increased by 14.5% to BDT 11.04 bn. Bank sector dominated the turnover chart for five sessions in a row - the sector accounted for 20.1% of total turnover, followed by NBF (16.7%) and, Engineering sector (14.5%).

Most of the sectors underperformed the market today, except Pharma and NBF sector.

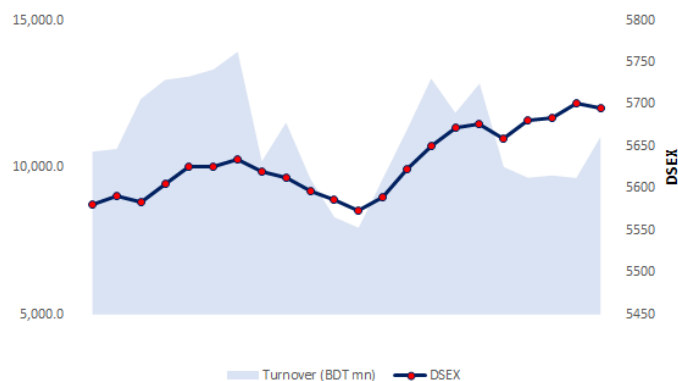
LankaBangla Finance topped the turnover chart today with the turnover of BDT 371mn - the stock closed marginally down.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
ICB1STNRB	23.9	+9.6%	MERCANBANK	17.1	(8.9%)
PREMIERLEA	19.5	+9.6%	JUTESPINN	50.0	(7.4%)
ILFSL	17.3	+6.8%	MERCINS	20.1	(4.7%)
PRAGATIINS	35.3	+5.7%	UTTARAFIN	66.1	(4.6%)
MAKSONSPIN	9.8	+5.4%	KAY&QUE	37.2	(4.6%)
MEGHNAPET	9.9	+5.3%	UNITEDAIR	7.6	(3.8%)
FASFIN	16.9	+5.0%	AL-HAJTEX	107.8	(3.7%)
PADMALIFE	43	+4.6%	IPDC	50.2	(3.3%)
SUNLIFEINS	25.1	+4.6%	SHEPHERD	46.5	(3.1%)
SAIFPOWER	49.9	+4.4%	RELIANCINS	50.2	(3.0%)

Sector Movement in DSE (Mar 19 - Mar 16)



Last 1 Month DSEX





## News:

### **Bangladesh overtakes China as top denim supplier to EU**

Bangladesh has overtaken China to become the largest denim supplier to the European Union -- a development that would give confidence to the country's garment sector as it looks to hit \$50 billion in exports by 2021. In the January-June period of 2016, Bangladesh exported €567.97 million worth of denim products to the 28-nation bloc -- enough to secure a 21.18 percent market share, the highest. The country has also become the third largest denim supplier -- after China and Mexico -- to the US.

It exported \$186.30 million worth of denim products to the US, registering a 12.03 percent market share, eclipsed only by China (26.04 percent) and Mexico (25.40 percent). The headway has been possible because of the millions of dollars that the local denim fabrics makers invested to set up state-of-the-art facilities in their plants. Currently, Bangladesh has 30 denim mills for which investment to the tune of \$1 billion was made, said Mostafiz Uddin, managing director of Denim Expert Ltd, a leading denim exporter. The collective production capacity of the mills is 435 million yards a year, he said.

For instance, Amber Denim invested heavily to acquire a modern denim laboratory for testing and certification, which helped in reducing the lead time, he said. In terms of denim sales, the US and the UK are two major markets of Bangladesh. Almost 70 percent of the population in the US wear denim products regularly, according to industry insiders. An average consumer owns seven denim products at any given time, they said. Over in the UK, one of the largest clothing markets in Europe, each consumer owns an average of 17 denim garments.

<http://www.thedailystar.net/business/bangladesh-overtakes-china-top-denim-supplier-eu-1378204>

### **Use of repo, reverse repo declines: Banking system has more than Tk 2.77t idle fund**

The reverse repo operation in the money market, a process where central bank borrows money from banks through bidding as a means of monetary tool, remains almost halted for quite some time. It has happened, as the Bangladesh Bank (BB) did not accept bids, signifying that the monetary instrument is 'losing its effectiveness.' On the other hand, the volume of money borrowed through repo operations, a process where banks borrow from the central bank, also declined significantly in the recent period.

The money market experts told the FE that through such reluctance to borrow from the commercial banks BB wants to give a signal that the market is in equilibrium and it requires no intervention. But in real sense there is adequate liquidity in the banking system.

BB latest statistics shows that the volume of idle money, which remains unused for long in the banking system, amounts to Tk 2.77 trillion or equivalent to nearly 16 per cent of the country's GDP, as of November 2016. They also told the FE that both the commercial banks and the central bank have adequate cash to meet their demands that has made both the tools almost 'inactive'.

<http://www.thefinancialexpress-bd.com/2017/03/17/64645/Use-of-repo,-reverse-repo-declines>