



AT CAPITAL DAILY MARKET UPDATE – December 18, 2016

Overview

The DSEX closed at 4,938.6 points, up by 12.9 points. The total transaction was worth BDT 9.5 bn.

Price of 146 issues appreciated whereas 135 issues declined and 43 others remained unchanged.

TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
NAVANACNG	66.1	+10.0%	CNATEX	8.8	(6.4%)
IDLC	52.1	+9.9%	ANLIMAYARN	28.6	(5.6%)
ZEALBANGLA	32.7	+9.7%	JAMUNAOIL	186.5	(5.0%)
FIRSTFIN	9.1	+9.6%	RNSPIN	21.9	(4.8%)
BIFC	9.1	+9.6%	LAFSURCEML	84.3	(4.2%)
SAPORTL	52.5	+9.6%	WMSHIPYARD	30.0	(4.2%)
HRTEX	33.5	+9.5%	RENWICKJA	635.6	(4.0%)
MIRACLEIND	61.2	+9.3%	SAIHAMCOT	14.3	(3.4%)
SHYAMPSUG	19.2	+7.9%	KPCL	62.9	(3.2%)
RSRMSTEEL	71	+7.4%	TALLUSPIN	9.0	(3.2%)

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	4,938.6	+0.3%	+2.9%	+6.7%
DSES	1,169.5	(0.2%)	+2.5%	+5.6%
DS30	1,803.0	(0.2%)	+1.6%	+3.0%

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	2,774,816.9	2,771,942.5	+0.1%
	USD MM	35,393.1	35,356.4	+0.1%
TURNOVER	BDT MM	9,750.2	10,230.5	(4.7%)
	USD MM	124.4	130.5	(4.7%)
VOLUME	MM SHARES	306.2	319.9	(4.3%)

Stocks climbed well off at the start of the week, triggered by Financial Sectors in the wake of bullish market sentiment.

Session started in mixed trend and touched the day's low at 4,918.1 points in 40 minutes time. Then in the remaining session index made strong comeback and recovered initial lost points helping to close in positive territory at 4938.6 points or 12.9 points up.

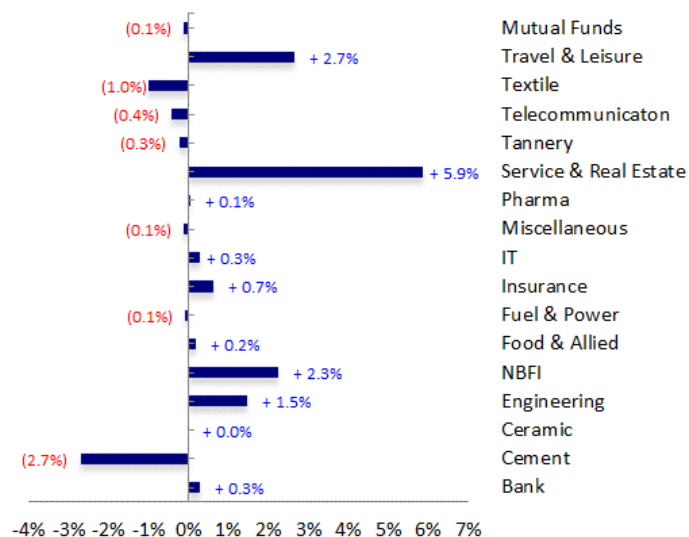
Gainers overtook the Losers by 146 to 135, indicative of bearish market sentiment.

Turnover slipped marginally by 4.7% down to 9.7 bn than the last trading session. Turnover concentrated on Engineering sector followed by Pharma, Textile, Cement sectors.

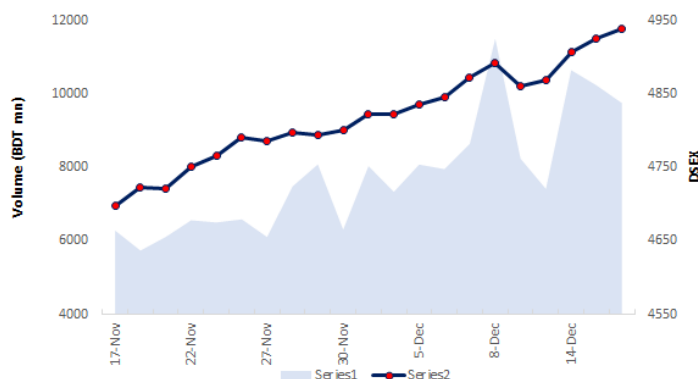
NBFI sector performed relatively well today (+4.0% price return); backed by surprising rally of IDLC Finance after adjustment of rights shares (1R:2). Among the other prominent sectors Engineering & Insurance outperformed the market while the rests underperformed.

Bangladesh Building Systems topped the turnover chart contributing 4.4% to the total turnover and also posted 5.4% price return.

Sector Movement in DSE (Dec 18 - Dec 15)



Last 1 Month DSEX





News:

Graduation from LDC status to cut into exports

Bangladesh's exports will fall between 5.5 percent and 7 percent if the country loses duty-free market access upon its graduation from the grouping of the least-developed countries, the Centre for Policy Dialogue said yesterday.

"Both product and market diversification will be critical to Bangladesh's smooth graduation," said the think-tank in its analysis on the United Nations Conference Exports will fall 6.5 percent to 7 percent if only Bangladesh graduates from the LDC status and loses duty benefits while the other nations retain their existing preferential treatment, said Towfiqul Islam Khan, research fellow of the CPD.

But the fall in exports will stand at 5.5 percent if all LDCs lose the duty-free market access together, he said while presenting the analysis at an event held at the Brac Centre Inn in Dhaka. Even if Bangladesh graduates from the LDCs in 2024, the country will still retain all the privileges it enjoys under the current arrangement until 2027 to facilitate a smooth transition.

<http://www.thedailystar.net/business/graduation-ldc-status-cut-exports-1331683>

IT boosts banks' profitability: study

Investment in information technology not only raises the efficiency of banks but also improves their profitability, according to a study of the Bangladesh Institute of Bank Management. If a Bangladeshi bank invests Tk 1 in its IT systems, it yields more than Tk 136 in output. On the other hand, a single taka of investment for the non-IT segment brings Tk 58 in output.

Every Tk 1 investment in IT can generate Tk 16.49 in income for banks, while non-IT investments can increase the income by Tk 14.24 per Tk 1, showed the BIBM study, which will be unveiled at a programme today.

A three-member team led by Md Mahbubur Rahman Alam, associate professor of BIBM, analysed banking sector data from 2000 to 2015 and interviewed 500 customers from 2013 to 2015 to arrive at the findings. IT investment in the financial sector can add efficiency that ultimately drives profitability.

<http://www.thedailystar.net/business/it-boosts-banks-profitability-study-1331680>

\$5b fund to be created for Bangladesh mega projects

Finance minister AMA Muhith on Thursday said the government will create a sovereign fund worth US\$ 5 billion from the Bangladesh Bank's forex reserves to issue sovereign bond for implementation of mega projects smoothly.

"We have surplus foreign currency reserves at about \$31 billion. If we can take money from the reserves instead of borrowing money from foreign sources, it will be good for the country. The size of the fund would be at least \$5 billion" he said.

Sovereign bond, a new idea for Bangladesh, Muhith said, must be used for implementing economically sound projects. Formulation of the fund will take time as a new law is likely to be made in this regard according to the report of the committee.

<http://en.prothom-alo.com/economy/news/132875/5b-fund-to-be-created-for-Bangladesh-mega>