



AT CAPITAL DAILY MARKET UPDATE – May 30, 2016

Overview

The DSEX closed at 4,423.0 points, down by 3.8 points. The total transaction was worth BDT 4.6 bn.

Price of 107 issues appreciated whereas 157 issues declined and 53 others remained unchanged.

Index Movements:

INDEX	VALUE	DAY CH(%)	MTD(%)	YTD(%)
DSEX	4,423.0	(0.1%)	+5.4%	(4.5%)
DSES	1,089.7	(0.2%)	+6.3%	(1.6%)
DS30	1,733.8	(0.1%)	+7.5%	(1.0%)

MARKET STAT		TODAY	LAST DAY	CHANGE(%)
MARKET CAP (Equity)	BDT MM	2,528,394.4	2,528,008.7	+0.0%
	USD MM	32,249.9	32,245.0	+0.0%
TURNOVER	BDT MM	4,637.0	4,279.7	+8.3%
	USD MM	59.1	54.6	+8.3%
VOLUME	MILLION SHARES	148.8	149.4	(0.4%)

Market Commentary:

Market ended meagerly negative following choppy trading as investors profit taking mentality comes into play. Session started in uptrend mode & quickly gained 24 points in an hour which then turned into a downtrend & continued till the end of the session as seller dominated the trading. Eventually DSEX, the broad based index closed at 4423.0, 0.1% lower than the previous session. Turnover went up to BDT 4.6 bn which is 8.3% higher than the last trading session.

On the macroeconomic front, the renowned economists of the country have thrown caution in the wind regarding Govt. intention to implement new VAT rule that is due to come into effect from the upcoming fiscal year.

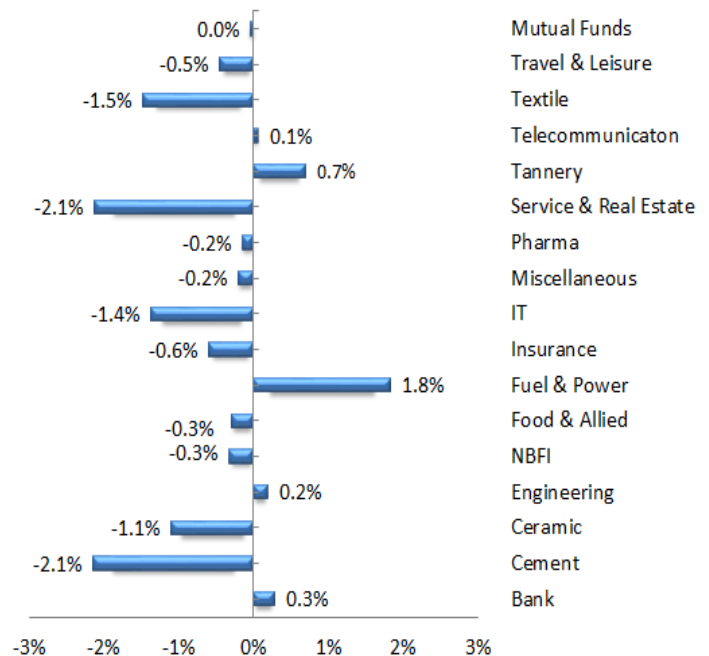
Among the prominent sectors Fuel & Power, Bank, Engineering and Telecommunication outperformed the market while the rest underperformed.

TITASGAS was the daily turnover leader contributing 7.3% to the total turnover and also posting 6.6% price return.

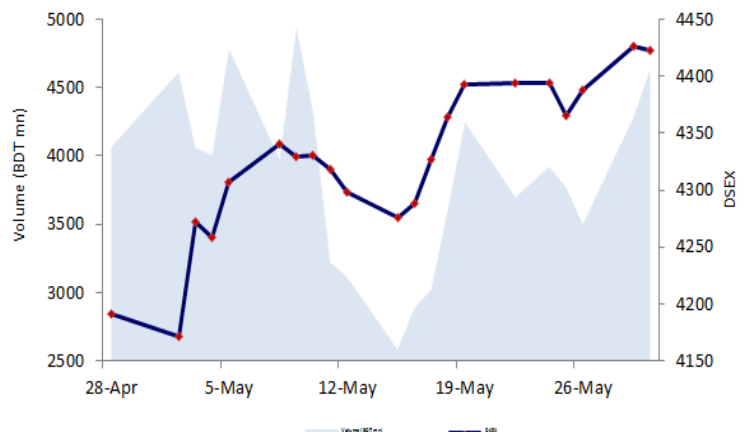
TOP 10 GAINERS			TOP 10 LOSERS		
TRADING CODE	CLOSEP	%CHANGE	TRADING CODE	CLOSEP	%CHANGE
MODERNDYE	113.3	+7.6%	SAIFPOWER	57.8	(8.0%)
ZEALBANGLA	9.3	+6.9%	TUNGHAI	10.4	(5.5%)
VAMLBDMF1	9.5	+6.7%	SAMATALETH	25.9	(4.8%)
TITASGAS	48.8	+6.6%	JANATAINS	10.0	(4.8%)
PARAMOUNT	11.5	+4.5%	SINOBANGLA	30.1	(4.7%)
NORTHERN	220.9	+4.3%	NATLIFEINS	180.8	(4.5%)
DESCO	51.2	+4.3%	NFML	19.2	(4.5%)
RAHIMAFOOD	49.9	+3.5%	FAMILYTEX	9.0	(4.3%)
GBBPOWER	15	+3.4%	CENTRALPHL	16.6	(4.0%)
IMAMBUTTON	9.7	+3.2%	NPOLYMAR	83.1	(4.0%)

** Top Loser List not adjusted for Right/Cash dividend post record

Sector Movement in DSE (May 30 - May 29)



Last 1 Month DSEX





News:

Nobody ready for VAT law yet: economists

Economists have thrown their weight behind the demand for implementing the new VAT law in phases and reducing rates as the businesses and the government are not fully ready to run with it from the upcoming fiscal year. "The law can be implemented in phases as there is a lack of readiness both from the supply and demand sides," said Mustafizur Rahman, executive director of the Centre for Policy Dialogue, a think-tank.

Even if the government goes ahead with its plan to implement the law from fiscal 2016-17, the VAT rate should be reduced to 10 percent from the planned 15 percent, said AB Mirza Azizul Islam, a former finance adviser to caretaker government.

<http://www.thedailystar.net/business/nobody-ready-vat-law-yet-economists-1231495>

Another budget without World Bank budget support

Bangladesh government is yet to succeed in getting the World Bank's Growth, Development Policy Credit (GDPS) Support due to lack of concrete reform actions in the policy matrix at major ministries.

The government has been trying to get the soft loan that could amount to \$500 million for over seven years now. The Economic Relations Division started negotiating with World Bank for the loan when this government came to power in 2009. But the global lender has not approved the loan, citing the government's failure to carry out prescribed reform.

Officials from the Finance Division, where the budget is prepared, said there were no possibilities of the World Bank allocating a budget support in the next fiscal.

<http://www.dhakatribune.com/bangladesh/2016/may/29/another-budget-without-world-bank-budget-support#sthash.2xFr5WDq.dpuf>

Joy-Safadi meeting: BNP calls on govt to act, AL blames Tarique

The ruling Awami League and opposition Bangladesh Nationalist Party traded blame on Sunday over an alleged 'meeting' of the prime minister's son Sajeeb Wazed Joy with Israeli politician Mendi N Safadi in Washington DC.

BNP wanted to see government action to this end, as a party joint secretary general Aslam Chowdhury was sent to jail, accused of sedition, for holding a meeting with Safadi in India for plotting to overthrow the Awami League government. Awami League stated Safadi's claim about a meeting with Joy as a 'drama' stage-managed by BNP to hide its conspiracy. Safadi reportedly claimed that he had a meeting with Joy in Washington DC in the United States last year.

Joy, however, denied holding any meeting with the Israeli Likud Party leader.

<http://newagebd.net/232603/joy-safadi-meeting/>