

Stocks continue rally

STAR BUSINESS REPORT
Dhaka stocks continued to gain for a third week, with the investors' defying the warning of the bourses that the market may face a catastrophe any time.

Week-on-week, the benchmark index of the Dhaka Stock Exchange, DSE General Index (DGEN), rose 12 points, or 0.17 percent, to 7,492.

The market opened the week with the steepest fall of 187 points since July 25 this year, reacting to the bourses' warning of a possible catastrophe in the market.

The Securities and Exchange Commission's win over a NAV-based calculation for loan margin ratio also weighed down the market.

The Supreme Court on October 10 vacated a High Court stay order on a SEC directive regarding NAV-based margin calculation.

Earlier on October 9, the Dhaka and Chittagong stock exchanges jointly warned of a disaster in the stockmarket, and sought the prime minister's intervention in offloading government shares as a short-term measure to cool down the market.

But, the market recovered decently on the following day, with the DGEN gaining more than 100 points.

Then on Tuesday and Wednesday, the DGEN increased, crossing the 7,500 mark for the first time.

However, on Thursday, the last trading day of the week, the market lost slightly on profit-taking pressure.

Although the market witnessed the biggest fall in two months, indicating a price correction, it moved back quickly, as the investors defied the warning of the exchange authorities, said a stockbroker.

Last week, most major sectors advanced. Among those, banks, non-banking financial institutions and mutual funds were the notable gainers.

However, life insurance, pharmaceuticals, cement, services and real estate, and tannery sectors were in the negative territory.

Losers beat advanced 150 to 96, with two securities remaining unchanged on the premier bourse, which traded more than 52.52 crore shares and mutual fund units.

The total and daily average turnovers also declined by 19.44 percent to Tk 9,958 crore and Tk 1,991 crore respectively.

Summit Power topped the list of the turnover leaders followed by Premier Bank, One Bank and United Commercial Bank.

Sonargaon Textiles was the largest gainer after Takaful Islami Insurance, ICB, National Tea and Apex Spinning.

Chittagong stocks also rose last week, with the CSE Selective Categories Index increasing 2.62 percent to 14,067.

More than 6.16 crore shares and mutual fund units were traded on the Chittagong Stock Exchange on a value of Tk 905 crore.

Gainers beat losers 126 to 72, with four securities remaining unchanged on the port city bourse.

United Commercial Bank topped the list of the turnover leaders, followed by Summit Power, Premier Bank, United Airways and NCC Bank.

Sonargaon Textiles was the largest gainer after Apex Weaving, Chittagong Vegetable, Takful Insurance and Standard Ceramic.

DBW was the biggest loser followed by Aziz Pipe, Monno Fabrics, Safko Spinning Mills and Bata Shoe.



Michael S Potter, fourth from right, chief executive officer of Apollo Hospitals Dhaka, exchanges documents after signing a corporate agreement with Kazi Anwar Ahmed, BSRM Group general manager, in Dhaka recently. The hospital will provide corporate benefits and medical services to BSRM Group's employees and their dependants.

Oil up

AFP, Singapore

Oil prices rose past \$83 in Asian trade as a freefalling greenback and bleak US employment numbers further raised expectations of intervention by the Federal Reserve, analysts said.

New York's main contracts, light sweet crude for November delivery, advanced 38 cents to \$83.07 a barrel.

Brent North Sea crude for December rose 13 cents to \$84.33 a barrel on its first day of trade.

Oil prices were boosted by a plunge in the value of the greenback, said Victor Sham, senior principal of Purvin and Gertz energy consultants in Singapore.

Google shares surge

AFP, New York

Google shares surged on Wall Street on Friday after the Internet search giant reported strong quarterly earnings.

Google shares were up 10.01 percent to 595.10 dollars minutes after the opening bell.

The Mountain View, California-based Google on Thursday reported a 32-percent leap in net profit to 2.17 billion dollars and a 23-percent surge in revenue to 7.29 billion dollars, beating the expectations of Wall Street analysts.

In a bid to manage customer pain can generate revenue from something other than search advertising, Google for the first time on Thursday released revenue figures for its online display and mobile ad businesses.

Google is on track this year to take in 2.5 billion dollars from ads on mobile devices, according to senior vice president of product management Jonathan Rosenberg.

Weekly Currency Roundup

October 10-14, 2010

International Markets: The US dollar index hit the year's low on Thursday while the Australian dollar flirted with parity after Singapore widened its currency's trading band, piling more pressure on the struggling greenback.

The Australian dollar, which boasts the highest yield among major currencies, soared to a 28-year peak at \$0.9994 as investors continued to dump the US dollar on expectations the Federal Reserve will again start printing money next month.

With interest rates at record lows in developed markets, high-hungry investors are piling cash into emerging markets.

The tide of money is rising ahead of an anticipated second round of quantitative easing by the Fed.

The dollar index, which tumbled 1 percent to its weakest since December at 76.259, is on course for a test of trend line support at 75.95, with its November low of 74.17 then not far away.

The 75.95 target is the trendline from two major lows in July 2008 and in November 2009.

The euro, which surged to an eight-month high above \$1.4100 in European dealing, faces resistance at \$1.4195, the Jan. 25 high.

With key levels having broken in most major currency pairs, investors focused on the Australian dollar's assault on parity.

The dollar also hit the latest in a succession of record lows against the Swiss franc and slid below parity with the Canadian dollar, a level not seen since April.

Commodities rallied as the dollar fell, with gold hitting a record high and silver climbing to its priciest in 30 years.

Local Money Market: The call money rates were stable this week mostly trading around 4.5-5%.

Local Market FX: USD/BDT fell sharply this week. The taka clawed back the losses of the previous weeks to finish stronger against the greenback.

- Standard Chartered Bank

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Weekly Market Highlights

Table with 2 columns: Index Name and Value. Includes DSE All Share Index, DSE General Index, DSE-20 Index, CSE All Share Index, CSE-20 Index, and CSE Selected Index.

Indicators

Table with 3 columns: Indicator Name, DSE, and CSE. Includes Total Turnover, Number of Contract, Total Traded Issues, etc.

Weekly Turnover Leaders

Table with 4 columns: Company, Turnover (Vol.), Turnover (M.Tk.), and Closing Av. Pr. Lists top performing companies like Summit Power and Premier Bank.

Weekly Capital Gainers/Losers

Table with 4 columns: Company, Price Chn. (%), Close Price, and Turnover M.Tk. Lists companies like Delta Fisheries and Delha Brac.

Weekly News Highlights from Trade Servers

Table with 4 columns: Company, Price Chn. (%), Close Price, and Turnover M.Tk. Lists companies like Delta Fisheries, Delha Brac, and various pharmaceuticals.

Weekly TRADED ISSUES October 10 - 14, 10

Large table listing various traded issues across multiple categories: BANK, FUEL & POWER, PHARMACEUTICAL & CHEMICAL, IT INDUSTRIES, GENERAL INSURANCE, PAPER & PACKAGING, SERVICE, CERAMIC, MISCELLANEOUS, and BOND. Each entry includes company name, price change, and other market data.

S/Note: Capital Gain/Loss Figures are prepared on the basis of the close price change of the traded issues. EPS-Earnings per Share, BV-Book Value per Share, ...