

# Market Insights

Q2: April to June 2025



**Bangladesh Merchant  
Bankers Association**

[www.bmba.com.bd](http://www.bmba.com.bd)

# টিআইপিতে বিনিয়োগ করুন আপনার মম্পদকে মমৃদ্ধ করুন

## আমাদের সেবাসমূহ:

- বিনিয়োগ হিসাব ব্যবস্থাপনা
- মার্জিন ঋণ সুবিধা
- পোর্টফোলিও ব্যবস্থাপনা
- ইস্যু ব্যবস্থাপনা
- আইপিও-তে (শেয়ার, বন্ড) আডাররাইটিং
- অ্যারেঞ্জার সেবা
- রেজিস্ট্রার টু দি ইস্যু সেবা
- ট্রাস্টি ও কাউন্সিলিয়ান সেবা
- আর্থিক পুনর্গঠন/পুনঃবিন্যাস এবং কর্পোরেট অ্যাডভাইজরি সার্ভিস
- ব্যক্তি বিনিয়োগকারীগণকে বিনিয়োগ অ্যাডভাইজরি সার্ভিস
- প্লেসমেন্ট এবং ইকুইটি প্যাটিসিপেশনসহ শেয়ার ও ডিবেঞ্চার ক্রয় সেবা
- ইইএফ/ইএসএফ প্রকল্পের অ্যাপ্রাইজাল সার্ভিস
- মার্জার ও একুইজিশন
- পুঁজিবাজার সংশ্লিষ্ট অন্যান্য সেবা

## ডিজিটাল সেবা:

- অনলাইনে হিসাব খোলা
- ই-মেইল এ পোর্টফোলিও ও আর্থিক বিবরণী প্রদান
- ইলেকট্রনিক ফান্ড ট্রান্সফার
- অনলাইন ট্রেডিং সুবিধা
- তহবিল জমাদান ও উত্তোলন
- এসএমএস ও ই-মেইলের মাধ্যমে শেয়ার ক্রয়-বিক্রয়
- এমএমএস-এর মাধ্যমে তথ্য প্রদান
- ওয়াইফাই সুবিধা



## টিআইপিতে বিনিয়োগের সুবিধাসমূহ:

- মাসিক কিস্তি ন্যূনতম ১,০০০/- (এক হাজার) টাকা বা ১,০০০/- টাকার যে কোন গুণিতক
- ধাপে ধাপে বিনিয়োগ করা হয় ফলে বিনিয়োগ ঝুঁকি অনেক কম
- আকর্ষণীয় মুনাফা অর্জনের সম্ভাবনা
- সম্পূর্ণ ডিজিটাল সেবা
- বিনিয়োগের উপর আয়কর রেয়াত সুবিধা এবং
- ডকুমেন্টেশন চার্জ সম্পূর্ণ ফ্রি

টিআইপি বিনিয়োগ  
হিসাব খোলার জন্য  
স্ক্যান করুন:



টিআইপি সম্পর্কে  
বিস্তারিত জানতে:



## আইসিবি ক্যাপিটাল ম্যানেজমেন্ট লিমিটেড (আইসিবি'র একটি সাবসিডিয়ারি প্রতিষ্ঠান)

মার্চেন্ট ব্যাংকিং এ অগ্রদূত

গ্রীণ সিটি এজ (৬ষ্ঠ ও ৭ম তলা), ৮৯, কাকরাইল, ঢাকা-১০০০। ই-মেইল: ho\_investors@icml.com.bd, icmlbd@gmail.com  
টেলিফোন: ০২-৮৩০০৫৫৫, মোবাইল: ০১৭৬৬৭৯৭০০

www.icml.gov.bd

চট্টগ্রাম শাখা	রাঙ্গশাহী শাখা	বরিশাল শাখা
আইচিব ট্রেড সেন্টার (লেভেল-১০), ১২৬৯/বি, শেখ মুজিব রোড, আগ্রাবাদ সি/এ, চট্টগ্রাম। ই-মেইল: manager_ctg@icml.com.bd টেলিফোন: ০২-৩৩০৩০৯৭, ০২-৩৩০৩১৫৩৭ মোবাইল: ০১৭৩০-৮৫০৮৩৯	আশীর্বাদ টাওয়ার (৪ তলা), ৩২, গনক পাড়া বোয়ালিয়া, রাঙ্গশাহী। ই-মেইল: manager_ra@icml.com.bd, টেলিফোন: ০২-৪৭৮১২২২৫, মোবাইল: ০১৭৬৮-৮২০৭১৭	বরিশাল প্লাজা (২য় তলা), ৮৭-৮৮, হেমায়েত উদ্দিন রোড, বরিশাল। ই-মেইল: manager_barisal@icml.com.bd টেলিফোন: ০২-৪৭৮৮৬৪৫৭, ০২৪৮৮৬৪৫৭, মোবাইল: ০১৪৪০-০৭৩৩৩
খুলনা শাখা	বগড়া শাখা	সিলেট শাখা
বিভিবিএল ভবন (৩য় তলা), ২৫-২৬, কেডিএ সি/এ, আপার খশের রোড, খুলনা। ই-মেইল: manager_khulna@icml.com.bd টেলিফোন: ০২-৪৭৭৭২৮০৩৪, মোবাইল: ০১৯৪৯-২২৮২২৮	আফসার আলী কমপ্লেক্স (৩য় তলা), বড়গোলা, রাজা বাজার রোড, বগড়া। ই-মেইল: manager_gazipur@icml.com.bd টেলিফোন: ০২-৪৮৯৯০৫০১, ০২-৪৮৯৯০৫০৩ মোবাইল: ০১৭৮৫-১১৩২২	আনন্দ টাওয়ার (২য় তলা), ধোপা দিঘীর উত্তর পাড়, কেল রোড, সিলেট। ই-মেইল: manager_sylhet@icml.com.bd টেলিফোন: ০২-৯৯৬৬৩৫৪৩২, মোবাইল: ০১৭৭০-১২৪৮৩৪
উত্তরা শাখা	গাজীপুর শাখা	ফরিদপুর শাখা
প্লট # ১৩ (২য় তলা), রোড # ১৪/এ, সেক্টর # ৪, উত্তরা, ঢাকা- ১২৩০। ই-মেইল: manager_uttara@icml.com.bd টেলিফোন: ০২-৫৮৯৫৬৭৯৯, মোবাইল: ০১৭৮৩-৫৫২০৮১	রহমত টাওয়ার (৩য় তলা), চান্দা চৌরাস্তা, কয়লাবপুর, গাজীপুর-১৭০২। ই-মেইল: manager_gazipur@icml.com.bd টেলিফোন: ০২-৪৯২৬৩৪৩২, মোবাইল: ০১৭৮৬-৬২৯৭৬, ০১৭০৫-৫০৪৩৯	ড্রিম শপিং কমপ্লেক্স (৩য় তলা), গোলাপপুর, আশীপুর, ফরিদপুর। ই-মেইল: manager_faridpur@icml.com.bd মোবাইল: ০২৩৩১-৪৪১০৯৭

# Market Insights

Q2: April to June 2025



**Bangladesh Merchant  
Bankers Association**

[www.bmba.com.bd](http://www.bmba.com.bd)



## OVERVIEW OF BMBA

Bangladesh Merchant Bankers Association holds a unique position in terms of its affiliation and acceptability in the capital market of the country. Presently, almost all the established Merchant Banks are the members of this Association. Currently, it has 66 Members registered with the Association.

The beginning of BMBA can be traced back to around 1997 when an executive committee was established with Prof. Dr. Mohammad Musa appointed as the initial convenor of the association, in accordance with section 3(2)(d) of the Banijjo Songothon Odhayadesh of 1961. At that time only about 15 institutions were operating as Merchant Banks without even license from any authority to operate as such.

The owners and representatives of these institutions strongly felt that Merchant Bankers should be working from a common platform to enhance its clout with the regulatory authorities in shaping the regulatory environment in which they would be operating. Therefore, they agreed to form an Association.

Finally, the BMBA was formed under the companies Act 1994 and registered with the Registrar of Joint Stock Companies and Firms on 9th November 2004. The Association is run by an executive committee consisting of 11 members headed by the president.

Since inception, Bangladesh Merchant Bankers Association has been continuously working for the development of Capital Market and playing a pivotal role in consultative and advisory capacity and most importantly safeguarding the interest of the member Merchant Bankers. BMBA has got significant importance among the stakeholders and has gained considerable appreciation for its contribution to the Capital Market of Bangladesh.

# EXECUTIVE COMMITTEE



**Mrs. Mazeda Khatun**  
President



**Mr. Md. Riyad Matin, CMSA (Canada)**  
First Vice President



**Mr. Mohammad Obaydur Rahman, FCS, FCGA**  
Second Vice President



**Mr. Muhammad Nazrul Islam, FCMA, ACMA (UK), CGMA**  
Secretary General



**Mr. Iftekhar Alam**  
Treasurer



**Mr. Md. Mahbub H. Mazumdar, FCMA**  
Member



**Mr. Mir Mahfuz-Ur-Rahman**  
Member



**Mr. Khaled Saifullah**  
Member



**Mr. Sumit Podder**  
Member



**Mr. Asad Murshed Bin Sher Ali**  
Member



**Mr. Md. Rakib Sadi**  
Member



**Mr. Abu Syed Md. Nahid, FCS**  
Member

# MARKET INSIGHTS

## *Table of*

## CONTENTS

Overview of BMBA	■	02
Executive Committee	■	03
Executive Summary	■	05
Corporate Profile	■	07
Functions of Merchant Banks	■	08
Strategic Discussion With General Members	■	11
Write-ups	■	14
Latest Insights on the Capital Market	■	26
List of the Members	■	36



## *Executive Summary*

Muhammad Nazrul Islam FCMA  
EDITOR

The second quarter of 2025 was marked by a cautious and volatile phase for the capital market of Bangladesh. Investor confidence remained subdued due to ongoing macroeconomic challenges, regulatory adjustments, and slow earnings growth across major sectors.

- **DSEX**, the benchmark index of Dhaka Stock Exchange (DSE), exhibited fluctuations and ended the quarter with a **modest decline of around 1.2%**, reflecting overall market unease.
- **Daily average turnover** ranged between BDT 500–700 crore, showing a decline from Q1 due to waning retail interest and low institutional participation.
- A significant portion of trades remained concentrated in a few selective stocks, highlighting the lack of broad-based investor engagement.

Despite these constraints, the market witnessed several policy-level efforts to ensure future stability and attract long-term investments.

### **Regulatory and Policy Developments:**

The Bangladesh Securities and Exchange Commission (BSEC) took a number of initiatives during the quarter aimed at improving governance, transparency, and long-term sustainability of the market:

- **Provisioning for Unrealized Losses:** BSEC's directive on gradual provisioning against unrealized losses and negative equity in margin accounts has sparked considerable discussion among market participants. In response, the Bangladesh Merchant Bankers Association (BMBA) proposed a structured provisioning roadmap extending until 2030. Accordingly, BSEC instructed market intermediaries to submit a detailed plan, approved by their respective Boards, by 30 June 2025.

- **Strengthening Surveillance:** Surveillance measures were enhanced to detect abnormal trading patterns, ensuring market integrity.
- **Public Issue Rules:** BSEC has received recommendations from the Task Force Committee regarding amendments to the Public Issue Rules and Mutual Fund regulations. The Commission is currently working to incorporate these recommendations into formal rules.

#### **Institutional and Foreign Participation:**

- Institutional investors, including mutual funds and pension funds, adopted a wait-and-see approach amid economic policy tightening and global financial volatility.
- Foreign portfolio investors remained largely on the sidelines, citing currency depreciation risks, limited exit options, and liquidity concerns.
- BSEC and other stakeholders are continuing dialogues to encourage foreign investor confidence, including by streamlining repatriation procedures and improving corporate governance.

The capital market of Bangladesh, during April to June 2025, went through a **transitional phase**, balancing short-term uncertainties with long-term reform-driven optimism. While current market performance remains modest, the groundwork being laid by regulators and stakeholders is expected to contribute to a more resilient and inclusive capital market in the years ahead.



**Muhammad Nazrul Islam FCMA, ACMA (UK), CGMA**  
Secretary General  
Bangladesh Merchant Bankers Association

# CORPORATE PROFILE

**Name of Organization**

Bangladesh Merchant  
Bankers Association (BMBA)

---

**Type of Organization**

Not for Profit

---

**Registered Office**

Saiham Sky View Tower (5<sup>th</sup> Floor)  
45, Bijoy Nagar, Dhaka-1000

---

**Phone**

+88-02-8392158

---

**Email**

president@bmba.com.bd

---

**Website**

www.bmba.com.bd

---

**Obtaining of License**

10<sup>th</sup> July 2004  
Ministry of Commerce

---

**Date of Incorporation**

9<sup>th</sup> November 2004

---

**Formal Inauguration : 1997****Affiliation of FBCCI : 2012**

As 'A' Class Organization

---

**Number of Members**

66 (General Members)

**Number of EC Member**

12 (Elected by the General Members)

---

**President**

Mrs. Mazedra Khatun

---

**First Vice President**

Mr. Md. Riyad Matin, CMSA (Canada)

---

**Second Vice President**

Mr. Mohammad Obaydur Rahman, FCS, FCGA

---

**Secretary General**

Mr. Muhammad Nazrul Islam, FCMA, ACMA (UK),  
CGMA

---

**Treasurer**

Mr. Iftexhar Alam

---

**Statutory Auditor**

SKZ Islam & Co.  
Chartered Accountants  
DVC: 2502181394AS271095

# FUNCTIONS OF MERCHANT BANKS

## PUBLIC OFFERING AND LISTING:

### a) Initial Public Offering (IPO)

An Initial Public Offering (IPO) is the process by which a company raises capital for the first time by offering its shares to the general public and becomes listed on a stock exchange.

### b) Rights Offering

This is a capital-raising method where a listed company offers new shares to its existing shareholders, typically in proportion to their current shareholding. Known as a rights issue, it enables shareholders to maintain their ownership percentage while allowing the company to raise additional funds.

### c) Repeat Public Offering (RPO)

RPO is a further public offer of securities by an issuer that has already listed its securities on an exchange or has previously raised capital through a public offer. This is done to raise additional capital after the initial listing. It can also include the issuance of additional securities with conversion features into ordinary shares.

### d) Initial Qualified Investor Offer (IQIO)

Qualified Investor Offering (QIO) is a special type of public offering where shares are offered only to the Qualified Investors Group (like institutional investors, high-net-worth

individuals or entities approved by the regulator) rather than the general public.

### e) Direct Listing

Direct Listing is a method by which a company goes public without issuing new shares, allowing existing shareholders to sell their shares directly to the public through a stock exchange. Determining the fair valuation, ensuring regulatory compliance and coordinating with stakeholders.

### f) Listing of Debt Securities

Debt Securities those evidence the indebtedness of the issuer to the eligible investors in the form of bond or debt, or any other instrument of indebtedness, whether secured or not.

### g) Listing in the ATB Platform

The Alternative Trading Board (ATB) is a new platform launched by the Dhaka Stock Exchange (DSE) to facilitate the divestment and trading of non-listed securities. It provides a structured environment for companies that want to make their securities available for trading without going through the full main board listing requirements. It aims to offer convenient price discovery, sufficient liquidity, and attract both foreign and local investment for companies that might not meet the criteria for the main trading board.

## UNDERWRITING:

Underwriting is a core function of merchant bankers. When a company raises capital through equity or bond issuance, merchant bankers play a crucial role by committing to purchase any unsubscribed portion of the offer, as per the terms of their agreement with the issuer. The extent of underwriting is guided by the relevant regulatory framework applicable to the specific issue. Essentially, underwriters ensure the success of the fundraising process and facilitate the smooth execution of IPOs, QIOs, or bond offerings.

## PORTFOLIO MANAGEMENT:

### a) Discretionary Portfolio

In Discretionary Portfolio Management, the portfolio manager has full authority to make investment decisions on behalf of the client, without needing prior approval for each transaction.

### b) Non – Discretionary Portfolio

In Non-Discretionary Portfolio Management, the portfolio manager provides investment advice but the final decision rests with the client. No transaction is executed without the client's prior consent

## CORPORATE ADVISORY & RESTRUCTURING:

### a) Valuation Services

Determining the fair market value of a company for investment, sale or IPO purpose.

### b) Corporate Restructuring

Making significant changes to a company's structure (legal, operational, or financial) to improve performance, efficiency, or prepare for major events.

### c) Project Feasibility Analysis

Assessing the practicality and viability of a proposed project, considering technical, financial, market, and operational aspects.

### d) Corporate Governance Structuring

Designing and implementing the framework of rules, practices, and processes that guide a company's direction and control, ensuring accountability and transparency.

### e) Financial Reporting Advisory

Providing expert guidance on preparing, presenting, and interpreting financial statements to ensure accuracy, transparency, and compliance with accounting standards.

### f) Business Turnaround

Helping financially distressed or underperforming companies regain profitability and stability through strategic, operational, and financial interventions.

### g) Employee Stock Option Plan (ESOP) Designing

Structuring a plan that grants employees the right to purchase company shares, aiming to align employee interests with shareholder goals.

### h) IPO Feasibility

Evaluating if a company is suitable and ready for an Initial Public Offering, considering market conditions, financial health, and regulatory aspects.

### i) Post-IPO Services

Providing ongoing support to newly public companies to manage regulatory compliance, investor relations, and other challenges of being a listed entity.

## Mergers & Acquisitions:

### a) Mergers & Acquisitions Advisory

Providing expert guidance to companies throughout the entire process of combining with or acquiring other businesses, including strategy, target identification, due diligence, negotiation, and deal execution.

### b) Demerger

Splitting a large company into two or more smaller, independent companies, often to unlock shareholder value or streamline operations.

## Fund Management activities:

### a) Bond Issuance

The process by which a company or government sells debt securities (bonds) to investors to borrow money. The issuer promises to repay the principal amount at maturity and typically make regular interest payments (coupon payments) to the bondholders.

### b) Islamic Financing Solutions (Sukuk, Islamic Syndicated Loans)

Financial products structured to comply with Sharia (Islamic law), which prohibits interest, speculation and excessive uncertainty.

- **Sukuk:** Sharia-compliant certificates representing ownership in underlying tangible assets or projects, providing investors with a share of profits or rentals generated from these assets, rather than interest.

- **Islamic Syndicated Loans:** Large loans provided by a group of Islamic financial institutions to a single borrower, structured using Sharia-compliant contracts (e.g., Murabaha, Musharaka) to avoid interest and ensure risk-sharing.

### c) Preference Share Issuance

Issuing a type of stock that typically pays fixed dividends and has priority over common shares for dividends and asset distribution.

### d) Private Equity & Venture Capital

Private Equity (PE) and Venture Capital (VC) both involve investing in non-publicly traded companies, but they differ in the stage of the company's life cycle and the type of investment. VC typically funds early-stage, high-growth potential startups, while PE often invests in more established businesses, potentially including buyouts of mature companies.

# STRATEGIC DISCUSSION WITH GENERAL MEMBERS

The Bangladesh Merchant Bankers Association (BMBA) organized a discussion meeting with the participation of all merchant banks on Monday, May 12, 2025, at 5:00 PM at FARS Hotel and Resort, Dhaka.

The meeting addressed several pressing issues, including negative equity, unrealized losses, and the overall current state of the capital market. The session was chaired by the honorable President of BMBA, Mrs. Mazeda Khatun. Also in attendance were Mr. Muhammad Nazrul Islam, FCMA, Secretary General of BMBA; Mr. Iftekhar Alam, Treasurer; members of the Executive Committee, and representatives from all merchant banks.



With the President's permission, BMBA Secretary General Mr. Muhammad Nazrul Islam, FCMA, briefly outlined the agenda of the discussion meeting to ensure a smooth flow of the discussion and to keep the proceedings on the right track. He invited all members present to engage in detailed discussions and ask questions regarding the issues mentioned in the agenda.

In the open discussion of the meeting, attending members raised concerns about negative equity and unrealized losses. The meeting focused on the current state of the capital market, particularly issues such as negative equity, unrealized losses, and the overall investment environment.



Participants expressed the view that, under the current market conditions, negative equity has become a serious issue and a major challenge for merchant banks. They emphasized that stocks with high levels of negative equity and unrealized losses should be thoroughly analyzed, and appropriate decisions should be made based on that analysis. It was also suggested that, in such cases, a certain percentage of provisions should be made within a specified timeframe. They also discussed the tax rate of merchant banks, as well as the disparity in tax rates between listed and unlisted companies. The members noted that the 37.50% tax rate imposed on merchant banks is significantly higher than that of other market intermediaries and should be reduced.



They also emphasized the need to widen the gap in tax rates between listed and non-listed companies to encourage listing. The members called on the association to bring these issues to the attention of the concerned authorities and to propose necessary measures.

The members discussed the letter issued by the Bangladesh Securities and Exchange Commission (BSEC) on 24 April 2025 regarding a specific and acceptable action plan for the provisioning of provisions against negative equity and unrealized loss. They emphasized the need for clear guidelines on how the action plan mentioned in the letter will be implemented.

In response to members' queries, BMBA informed that it had voluntarily submitted a letter to BSEC on April 15, 2025, on behalf of all member institutions. The letter outlined a specific and acceptable action plan for provisioning against negative equity and unrealized losses. In particular, BMBA proposed a gradual provisioning strategy for unrealized losses related to negative equity on margin loans, with the goal of achieving full adjustment by 2030.

Following this, BSEC issued a letter on April 24, 2025, instructing all merchant banks to submit their respective Board-approved action plans for addressing negative equity and unrealized losses by June 30, 2025. All merchant banks unanimously agreed that 2030 should be set as the deadline for resolving these issues.

In conclusion, all members requested BMBA to provide a standardized format to help them prepare their respective plans in alignment with the association's overall direction and tone.

During the meeting, members also expressed concern over the continued downturn in the capital market, which is causing significant losses for both general and institutional investors. They emphasized that if timely and effective measures are not implemented, the situation could deteriorate further.



The meeting also discussed the letter issued by the Bangladesh Securities and Exchange Commission (BSEC) regarding donations to the BASM (Bangladesh Association of Securities Market) fund. The members present at the meeting stated that the amount allocated for merchant banks to contribute to the BASM fund is significantly higher compared to other market intermediaries. Given the current market conditions, merchant banks are already facing difficulties in managing their operational and associated expenses. In such a situation, providing the designated amount to the donation fund is highly challenging. Therefore, the members unanimously agreed to submit a formal request to the BSEC, seeking either a waiver of the donation amount or an extension of the payment deadline by several years to ease the burden on merchant banks during this critical period.



BMBA President Mrs. Mazeda Khatun delivered a brief speech on the topics discussed by the members during the meeting and emphasized the need to formulate an action plan accordingly. In her remarks, she raised the issue of the Capital Market Stabilization Fund for affected small investors. President informed the participants that ICB and various merchant banks have been mobilizing funds from this initiative to invest in the capital market with the aim of strengthening it. It was mentioned that a proposal would be made to increase the size of the fund from BDT 1,000 crore to BDT 3,000 crore.

At the conclusion of the discussion, the BMBA President Mrs. Mazeda Khatun and other leaders called upon the relevant authorities and the government to take urgent and effective measures to stabilize the capital market and make it more investment-friendly.



**Md. Iftekharul Alam Farazi**

Assistant Manager  
AAA Finance & Investment Ltd.  
iafarazi@gmail.com



**Raihanul Haque Bhuiyan**

Assistant Manager  
AAA Finance & Investment Ltd.  
raihan.hoque10@gmail.com

## Startups in Bangladesh: Building the Future with Innovation and Connecting Opportunities

Bangladesh is at the threshold of a new era, a future marked by economic resilience, technological advancement, and a thriving investment climate. As the country transitions toward becoming a trillion-dollar economy by 2030, it is capturing the attention of global investors seeking high returns, strategic market entry, and long-term growth potential. The country has maintained strong and consistent GDP growth, placing it among the fastest-growing economies in Asia. The transformation is fueled by a young, highly skilled workforce, competitive input costs, and one of the highest return-on-investment (ROI) potentials in the region.

The country's investment landscape stands out due to several compelling factors. The nation boasts a rapidly expanding consumer market, projected to become the ninth-largest globally by 2030. The rise of financial inclusion, fueled by a 238 Mn strong digital financial user base, has created a thriving fintech sector that continues to attract international investors. Meanwhile, capital market reforms and initiatives such as the Fund of Funds are structuring long-term investment channels, ensuring greater liquidity and market depth.

The startup ecosystem in Bangladesh has positioned itself as a high-potential investment

frontier in Asia, raising USD 1 Bn in total Investments across 479 deals till date. Global investors have accounted for over 90% of total investments, with Venture Capital firms emerging as the primary driver of startup funding. Comprising 76% of total investments raised, the average ticket size for VC investments has remained steady over the past decade, signaling sustained investor confidence. Interestingly, late stage investments have pooled in the highest investments, with Series B rounds alone staking approximately USD 519 Mn till date.

The financial services sector leads in capital attraction, securing over 60% of total startup investments, followed by logistics, e-commerce, software, and healthcare. Key challenges include capital repatriation restrictions, limited exit pathways, and the absence of SAFE notes for early-stage financing, but initiatives such as the Fund of Funds, National Startup Policy, and capital market reforms aim to expand financing options and strengthen investor confidence. With projections indicating USD 2.5 Bn in startup investments by 2030, Bangladesh's maturing ecosystem and progressive policy framework are positioning the country as Asia's next major startup investment destination.

## Bangladesh: At A Glance

A Resilient Economy on Track to Become a Trillion-Dollar Powerhouse

Strong vitals throughout the COVID-19 pandemic and global unrest show economic resilience.	Growing MAC population eager for innovative products and services across various sectors.	Increasing adoption of digital financial services signals growing financial inclusion across the country.
<b>Total GDP</b> ~USD 481Bn Second highest in South Asia IMF 2025	<b>Population</b> ~173 Mn 8th largest in the world IMF 2025	<b>Total MFS User (Customer+ Merchant)</b> ~238.7 Mn *Users may have multiple accounts Bangladesh Bank FY 2024 (December)
<b>GDP Growth Rate</b> ~5.8% Keeping pace with the average South Asian GDP Growth of 6.2% World Bank 2024	<b>Median Age</b> ~28 Years With 62% under the age of 35 UNESCAP 2023	<b>Monthly MFS Transactions</b> ~USD 13 Bn Bangladesh Bank FY 2024 (December)
<b>GDP Per Capita</b> ~ USD 2,650 Surpassing South Asia's average GDP per capita of USD 2,303 World Bank 2024	<b>Projected Consumer Market</b> ~ 9th Largest In The World by 2030 HSBC Global Research 2022	<b>Women's Awareness of Mobile Money Grew</b> ~72% (From 61% In 2022) GSMA 2023

## Entering a New Era of Investment-Driven Growth

Marking It as Asia's Next Premier Destination

Economy Size	Bangladesh is projected to be the <b>25th largest economy globally by 2035</b> , driven by its strategic geographic location, a large and young workforce, and robust economic growth
Consumer Market	The country is set to become the <b>9th largest consumer market by 2030</b> . As of 2023, the population of the country is <b>173 million</b> . This massive population and growing middle and affluent class holds immense potential for businesses
Telecom Industry	Bangladesh is on track to rank as the <b>5th largest telecom market</b> globally by 2030, supported by increasing digital inclusion and mobile penetration rates
Connectivity	Bangladesh's location positions it as a <b>strategic hub</b> connecting South Asia to a potential market of over <b>3 billion people</b> .



**Bangladesh Strategic location at the Heart of south Asia**

## Strategic Investments in Infrastructure & Connectivity

### Are Accelerating Trade, Innovation & Market Access



The expansion of Bangladesh's Hazrat Shahjalal International Airport in Dhaka includes a new third terminal. Once operational it is expected to handle an additional 20 Mn passengers annually. This project aims to modernize facilities, enhance the passenger experience, and support the country's economic growth and tourism.

The Padma Bridge is a multipurpose road-rail bridge over the Padma River, significantly improving connectivity between the southwestern region and the rest of the country. Spanning 6.15 kilometers, it is expected to boost trade and economic activities by reducing travel time and facilitating easier movement.

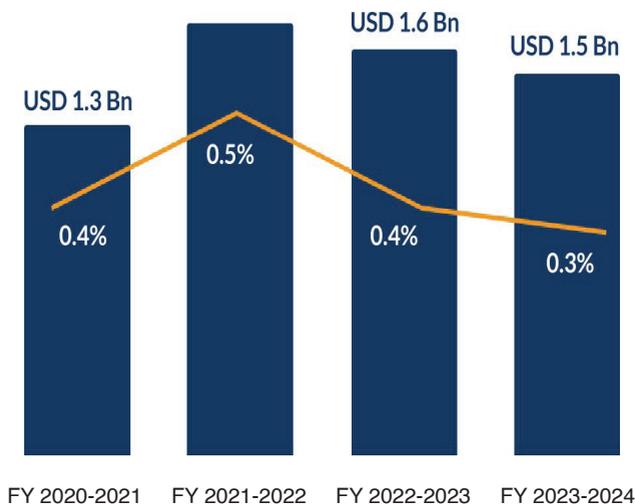
The Rooppur Nuclear Power Plant, Bangladesh's first nuclear energy project, will generate 2,400 MW of electricity, strengthening energy security and reducing reliance on fossil fuels. By providing stable, low-cost power, it will support industrial growth, attract investment, and enhance economic productivity, contributing to the country's long-term development.

The Dhaka Metro Rail, also known as MRT Line 6, is the first-ever metro rail system in Bangladesh. The project aims to ease traffic congestion in Dhaka by providing a fast, reliable, and efficient public transportation option. The initial phase covers a 20.1-kilometer stretch with 16 stations, and it is expected to significantly reduce commute times for residents.

## Foreign Direct Investment into High-Potential Sectors

### Positioning Bangladesh as a Key Destination for Global Capital

\*Net FDI (USD Bn) \* % of GDP



Bangladesh is solidifying its position as a key destination for global investment, with record-high Greenfield FDI announcements and expanding multinational presence. Targeted reforms in business processes, policy predictability, and investor support are attracting capital into high-growth sectors like advanced textiles, renewable energy, EV batteries, and semiconductors. This inflow of investment is also strengthening Bangladesh's startup ecosystem, unlocking capital, market access, and cross-border collaboration opportunities. With increased investor confidence and improved regulatory efficiency, startups are benefiting from greater funding availability, corporate partnerships, and integration into global value chains, further accelerating the country's innovation landscape.

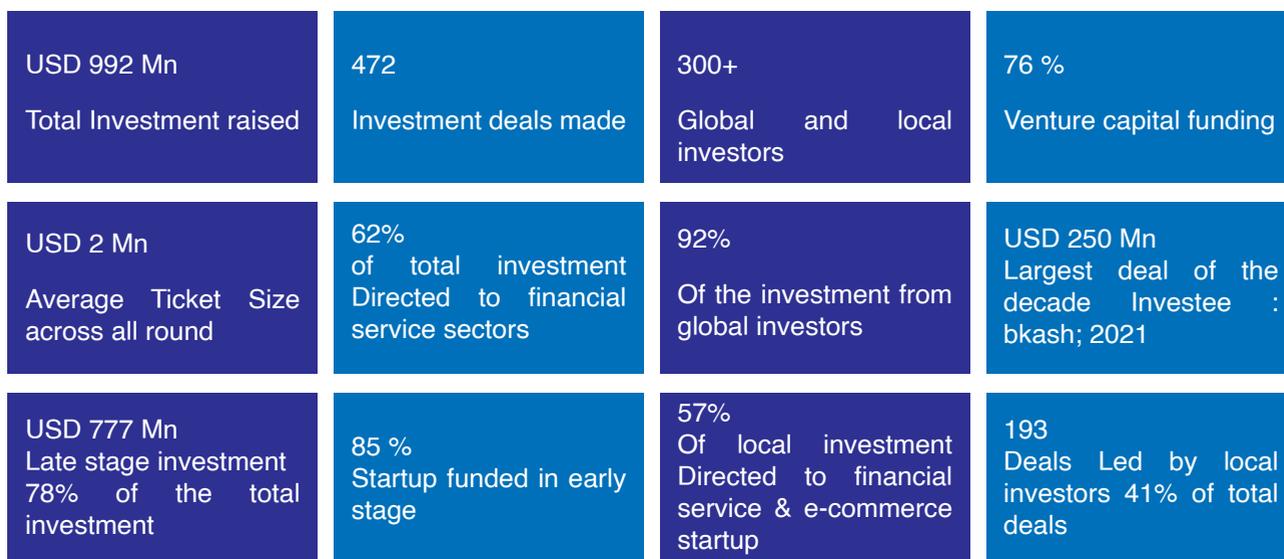
# Bangladesh's Startup Scene Holds Untapped Potential

## As It Keeps Pace with Regional Counterparts

Country	GDP 2024	GDP per capita 2024	Startup Investment (as a% of GDP) 2024	Startup investment per capita 2024	Investment raised 2024
Singapore	USD 531.0 Bn	USD89,370	0.76%	USD 682	USD 4.1 Bn
China	USD 18.3 Tn	USD 12,969	0.18%	USD 22.9	USD 32.3 Bn
India	USD 3.9 Tn	USD2,698	0.31%	USD 8.3	USD 12.0 Bn
Pakistan	USD 375.0 Bn	USD 1,588	0.01%	USD 0.2	USD42.5 Mn
<b>Bangladesh</b>	<b>USD 451.0Bn</b>	<b>USD2,625</b>	<b>0.01%</b>	<b>USD 0.2</b>	<b>USD 41.3 Mn</b>

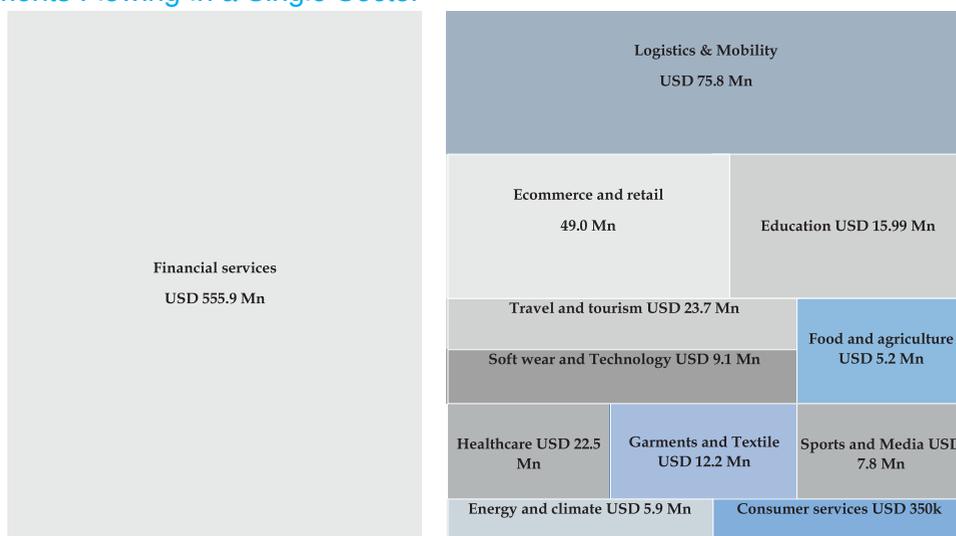
## Snapshot of Bangladesh Startup Ecosystem

### Emerging As the Investment Frontier



## Global VC Investments Concentrate on Key Sectors

### Total Investments Flowing In a Single Sector



Top Sector	Key startups	Funding amount
Financial Services		USD 555.9 Mn
Logistics and mobility		USD 75.8 Mn
E-commerce and retail		USD 49.0 Mn
Education		USD 16.0Mn
Travel and Tourism		USD 23.7Mn
Soft wear and Technology		USD 9.1 Mn
Food and agriculture		USD 5.2 Mn
Healthcare		USD 22.5 Mn
Garments and Textile		USD 12.2 Mn
Sports and Media		USD 7.8 Mn

## Strategic Interventions & Policy Enhancements

### Are Imperative For Long-Term Sustainability & Market Growth

Challenges	Mitigants	Way Forward	
Investors	<ul style="list-style-type: none"> <li>Mobilizing foreign capital and market access remains a significant challenge in Bangladesh due to regulatory constraints, capital repatriation issues, and limited global investor confidence.</li> </ul>	<ul style="list-style-type: none"> <li>By offering co-investment opportunities and matching fund structures, the Fund of Funds (FoF) can enhance investor confidence and facilitate easier capital inflows, addressing challenges related to capital repatriation and exit pathways.</li> </ul>	<ul style="list-style-type: none"> <li>Government should establish clear regulatory frameworks that facilitate capital mobility and ensure investor protection. Simplifying FDI requirements, Tax policies, and capital repatriation will enhance ease of doing business and investor confidence, while targeted incentives to family offices will boost local investments.</li> </ul>
	<ul style="list-style-type: none"> <li>Lack of exits in the startup ecosystem dampens investor appetite.</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing capital market reforms can establish structured exit routes through secondary share sales, mergers and acquisitions, and public listings.</li> </ul>	<ul style="list-style-type: none"> <li>Create public-private partnership models that integrate global investment best practices will attract reputable international VCs.</li> </ul>

## Strategic Interventions & Policy Enhancements

Are Imperative For Long-Term Sustainability & Market Growth

	Challenges	Mitigants	Way Forward
<b>Investors</b>	<ul style="list-style-type: none"> <li>Outdated regulations, restrictive tax policies are additional barriers to startup scalability and growth.</li> </ul>	<ul style="list-style-type: none"> <li>Proactive government policies, such as Bangladesh's National Startup Policy can streamline regulatory requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Enable regular policy reviews with input from the startup ecosystem, ensuring regulations align with sectorial advancements and market needs.</li> </ul>
<b>Entrepreneurs</b>	<ul style="list-style-type: none"> <li>Startups struggle with optimizing cost structures and achieving profitability, especially in fluctuating funding climates.</li> </ul>	<ul style="list-style-type: none"> <li>Startups should keep operations lean, reduce unnecessary costs, and prioritize cash flow management to survive in Tougher funding climates.</li> </ul>	<ul style="list-style-type: none"> <li>Diversify funding channels beyond traditional VC, leveraging angel investors, government-backed funds, domestic investors, and blended finance instruments.</li> </ul>
	<ul style="list-style-type: none"> <li>Startups face challenges in ensuring adequate cash flow and extending their financial runway, particularly as investor sentiment shifts.</li> </ul>	<ul style="list-style-type: none"> <li>Developing contingency plans and diversifying revenue streams can help maintain financial stability even during periods of reduced investor confidence.</li> </ul>	<ul style="list-style-type: none"> <li>Explore debt funding as an alternative to equity can also provide liquidity while maintaining ownership.</li> </ul>
	<ul style="list-style-type: none"> <li>Low levels of trust between investors and entrepreneurs further complicate capital mobilization.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthening corporate governance is essential for building trust with investors, as it demonstrates responsible financial management and accountability.</li> </ul>	<ul style="list-style-type: none"> <li>Develop governance frameworks that promote transparent financial disclosures and adherence to regulatory requirements.</li> </ul>

**Md. Adnan Ahmed**

Faculty Member

Bangladesh Institute of Capital Market

Email: adnan@bicm.ac.bd



## **Bridging the Knowledge Gap: Capital Market Education as a Catalyst for Bangladesh’s Economic Growth**

Capital markets are fundamental to a nation’s economic development. They enable the mobilization of long-term capital for businesses, offer investment opportunities for individuals, and provide a mechanism for pricing risk and facilitating liquidity. However, for capital markets to function effectively and inclusively, participants must possess a clear understanding of its instruments, operations, and risks. In Bangladesh, where capital market volatility and investor skepticism persist, education can act as a powerful tool to drive informed participation, stabilize the market, and foster sustainable economic growth. This writeup explores the vital role of capital market education in enhancing Bangladesh’s capital market, drawing on global experiences, local initiatives, and the potential path forward.

### **Why capital market education is important?**

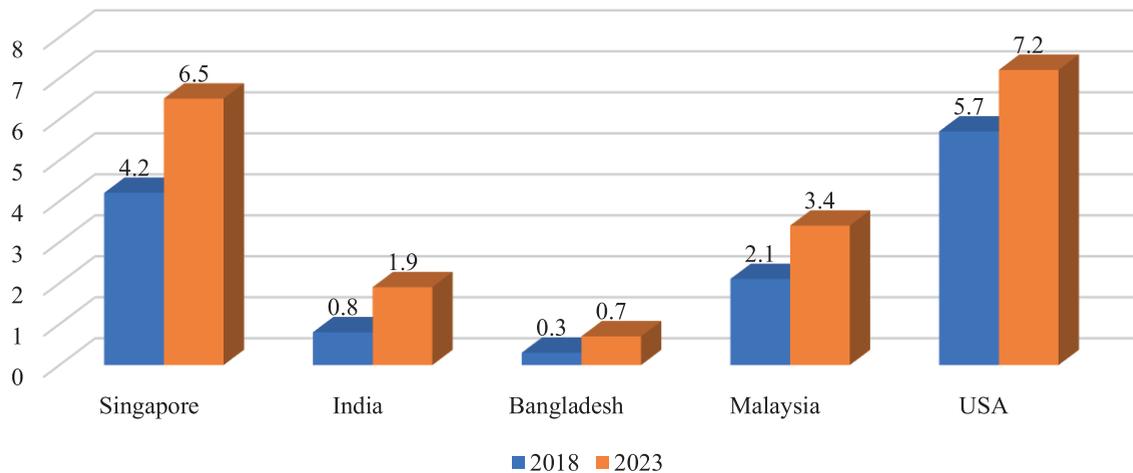
Financial literacy is the bedrock of a robust capital market. When investors understand financial instruments, corporate disclosures, risk-return tradeoffs, and market dynamics, they are better positioned to make rational investment decisions. Moreover, educated investors are less likely to fall prey to speculative bubbles or fraudulent schemes. Capital market education also empowers intermediaries, enhances regulatory compliance, and promotes transparency.

Globally, investor education has been shown to improve market efficiency and investor

confidence. For example, in developed economies like the United States, investor literacy programs have significantly contributed to widespread market participation. Conversely, emerging economies with low financial literacy often struggle with shallow markets and limited investor engagement.

Between 2018 and 2023, global per capita spending on capital market education increased significantly across countries, reflecting a growing recognition of the importance of financial literacy. Bangladesh saw a notable 133.3% rise in per capita spending—from USD 0.3 to USD 0.7—though it remains one of the lowest among the countries observed, highlighting the need for greater public investment. India experienced the highest growth at 137.5%, increasing from USD 0.8 to USD 1.9, driven by nationwide financial inclusion campaigns and digital outreach by SEBI. Malaysia and Singapore also showed strong growth, with increases of 61.9% and 54.8% respectively, reflecting their ongoing commitment to investor empowerment and financial education. The USA, despite already having a high baseline, increased its per capita spending from USD 5.7 to USD 7.2 (26.3%), reinforcing its leadership in structured financial literacy programs. These trends underline the global momentum toward enhancing capital market education, though Bangladesh must scale up both funding and strategic initiatives to remain competitive and ensure inclusive market development.

### Global Per Capita Education Spending USD (2018 vs 2023)



Source: World Bank Global Financial Development Database

### Global Benchmarks in Capital Market Education

Countries across the world have embraced investor education as a strategic priority.

**United States and Europe:** In the U.S., organizations like the Financial Industry Regulatory Authority (FINRA) and the Securities and Exchange Commission (SEC) operate extensive investor education programs. NASDAQ and NYSE also support education through simulation labs, trading competitions, and online courses.

In the European Union, the European Securities and Markets Authority (ESMA) recommends integrating financial literacy into school curricula. Financial institutions, in collaboration with regulators, offer online tools and advisory services for retail investors.

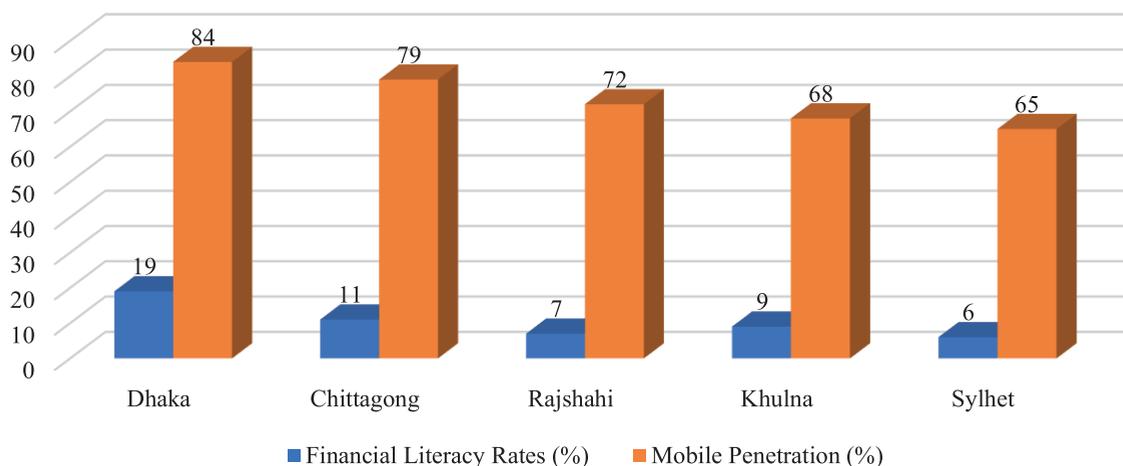
**Emerging Markets:** India has achieved significant progress through the Securities and Exchange Board of India (SEBI), which mandates education for new investors, certification for intermediaries, and public campaigns. China has leveraged EdTech platforms and partnerships with educational institutions to reach millions of retail investors.

**Role of EdTech:** Globally, EdTech investment has surged, with projected spending reaching \$404 billion by 2025. Digital tools, gamified learning platforms, and mobile apps are being used to teach investment basics, risk management, and portfolio strategies to young and underserved populations.

### Bangladesh: Current State of Capital Market Education

Bangladesh’s capital market is largely retail-driven, with over 90% of investors being individual participants. Despite this, financial literacy remains low. Many investors lack understanding of basic financial statements, investment risks, or the implications of market volatility. The graph compares financial literacy rates and mobile penetration across five Bangladeshi regions: Dhaka leads with the highest financial literacy (84%) and mobile penetration (79%), followed by Chittagong (71% and 72%), while Rajshahi (11% and 68%) and Khulna (7% and 65%) show low financial literacy despite moderate mobile penetration. Sylhet lags significantly in both metrics (9% and 6%). The data suggests a partial correlation between mobile access and financial literacy in urban centers like Dhaka and Chittagong, but this link weakens in other regions, highlighting disparities in financial education and digital access across Bangladesh.

### Region-wise Financial Literacy Rate and Mobile Penetration (%)



Source: BBS Household Survey 2023

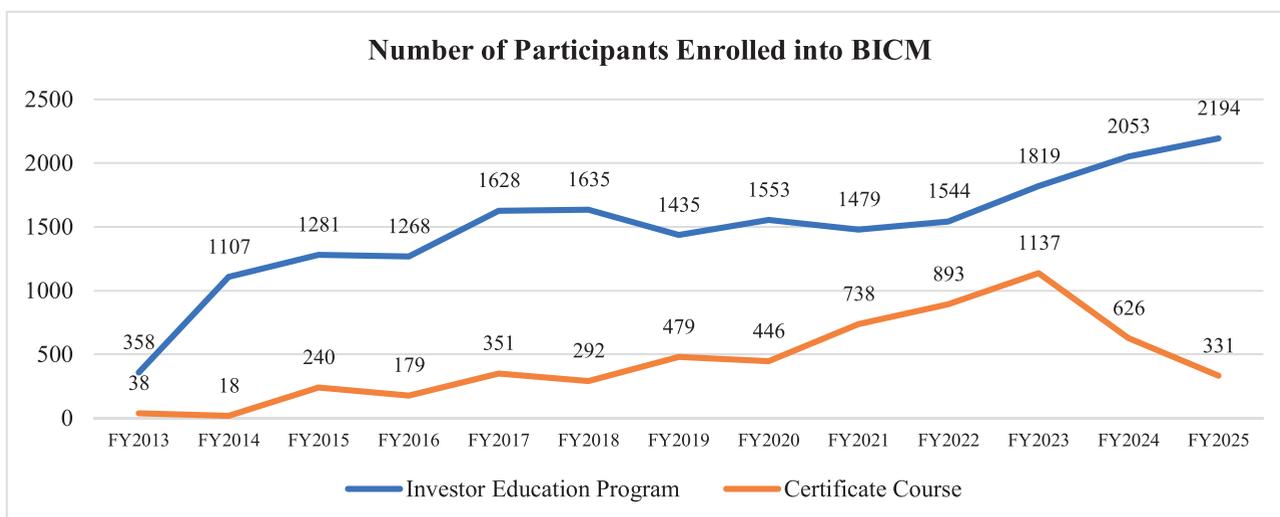
### Institutional Efforts

Several institutions in Bangladesh have taken steps to promote capital market education:

**Bangladesh Securities and Exchange Commission (BSEC):** BSEC has been at the forefront of investor protection and education. It operates a free Investor Education Program that spans multiple districts and targets both new and existing investors. The program includes workshops, webinars, and printed materials covering topics like capital market basics, understanding IPOs, identifying investment frauds, portfolio diversification, rights and responsibilities of investors, and mechanisms for grievance redress. The BSEC also collaborates with universities, trade bodies, and industry associations to enhance outreach and effectiveness.

**Bangladesh Institute of Capital Market (BICM):** BICM, functioning under the Ministry of

Finance, provides structured academic programs such as Master of Applied Finance and Capital Market, Postgraduate Diploma in Capital Market and professional certificate courses on topics like technical analysis, portfolio management, investment banking, and financial reporting. BICM also organizes public lectures, corporate training programs, and capital market campaigns to engage investors at various levels. Its collaboration with regulatory bodies and market participants ensures that its curriculum stays relevant and impactful. Moreover, the institution published a journal twice in a year titled by Journal of Financial Markets and Governance and a monthly newsletter titled by Financial Market Review. Besides spreading Education, the institution contributes to the research areas pertaining to the development of capital market as well as contemporary issues. The following graph highlights the participants number who enrolled into free Investor Education Program and Certificate Courses by BICM:



Source: BICM

Bangladesh Academy for Securities Markets (BASM): BASM offers a wide array of training modules tailored for different stakeholder groups, including teachers, journalists, students, and market professionals. Training topics range from behavioral finance, technical analysis, and mutual funds to ESG investing, sustainable finance, and fintech integration. BASM also runs train-the-trainer programs and rural investor outreach initiatives, ensuring that knowledge dissemination is both deep and wide.

## Challenges

Despite these efforts, capital market education in Bangladesh faces several challenges:

**Lack of integration into formal school curricula:** One of the most significant gaps is the absence of structured financial education within the national curriculum. Students graduate without exposure to fundamental financial concepts such as savings, investments, and capital markets. This systemic void perpetuates a cycle of financial ignorance, which is difficult to overcome in adulthood.

**Limited reach in rural and underprivileged regions:** Most educational initiatives are concentrated in urban centers, often excluding rural populations who may lack both internet access and physical proximity to educational institutions. As a result, a large segment of the

population remains unaware of capital market opportunities and continues to rely solely on traditional forms of savings.

**Shortage of qualified instructors and standard content:** Capital market education demands instructors with specialized knowledge in finance, economics, and regulatory frameworks. However, Bangladesh faces a scarcity of such professionals, particularly outside Dhaka. Moreover, there is a lack of standardized, up-to-date, and locally contextualized teaching materials, which further hampers consistent delivery.

**Low adoption of digital and mobile learning platforms:** Although digital technology can be a great equalizer, its use in capital market education remains underutilized. There is a lack of mobile apps, interactive websites, and virtual simulators tailored to Bengali-speaking audiences. Many existing platforms are either not localized or too complex for beginner-level users, which limits their impact.

## Benefits of Capital Market Education in Bangladesh

**Informed Investment Decisions:** Education helps investors understand financial instruments, assess risk, and make informed choices. By learning how to analyze balance sheets, income statements, and other financial indicators, investors become better equipped to differentiate

between high-risk and fundamentally strong companies. This reduces herd behavior and panic-driven decisions, which are often triggered by rumors or sudden market movements. Informed decision-making contributes to a more stable and predictable market environment.

**Fraud Prevention:** Educated investors are less susceptible to fraud, misinformation, and market manipulation. Understanding the red flags of pump-and-dump schemes, fake news, or unregistered investment products helps protect retail participants from falling victim to scams. Moreover, increased awareness of investor rights, legal protections, and grievance redress mechanisms contributes to a more transparent and trustworthy market. This can also reduce the regulatory burden by minimizing the number of disputes and complaints lodged with regulatory bodies.

**Market Deepening:** As more people understand the capital market, participation increases, resulting in a broader investor base. This greater participation leads to higher liquidity, which improves price discovery and reduces transaction costs. Deep markets are also better equipped to handle large volumes of trading without extreme volatility. Furthermore, increased investor diversity allows companies to raise long-term capital more efficiently through IPOs, bond issues, and other instruments. A deepened capital market supports infrastructure investment, entrepreneurship, and innovation.

**Economic Inclusion:** Targeted education programs can bring women, youth, and rural populations into the formal financial system, enhancing national economic inclusiveness. In a country like Bangladesh, where a large portion of the population remains unbanked or underbanked, capital market education can promote savings and investment culture among marginalized communities. Women investors, who have historically been underrepresented, can gain financial autonomy and play a greater role in household wealth creation. Similarly, rural populations exposed to investment opportunities can diversify income sources beyond agriculture. Inclusion also supports national goals of reducing inequality and achieving financial sustainability at

the grassroots level.

## Policy Recommendations

To further strengthen capital market education in Bangladesh, the following steps are recommended:

**Curriculum Integration:** Capital market education should be embedded into the national curriculum at both secondary and tertiary levels. Topics such as savings, investment principles, stock markets, mutual funds, and risk management can be introduced in economics or business studies syllabi. Practical exposure through school investment clubs, stock market simulations, and integration with university business programs can make financial concepts more relatable and actionable.

**Digital Platforms:** Developing Bengali-language mobile applications, YouTube learning channels, and online courses can democratize access to capital market knowledge. These platforms should be interactive, user-friendly, and segmented by proficiency levels—from beginner to advanced. Gamification features, quizzes, and certification modules can increase user engagement. Public service campaigns via social media can also spread awareness among young and tech-savvy users.

**Public-Private Partnerships:** Collaboration between regulatory bodies, financial institutions, brokerage firms, fintech startups, and academic institutions can pool resources, expertise, and networks to maximize outreach. For instance, brokerage houses can host webinars, fintech apps can embed learning modules, and universities can offer internship-based learning with real-world exposure. Such synergy ensures wide and sustainable impact without overburdening the public sector.

**Incentivize Certification:** Offering scholarships, fee waivers, government subsidies, or even tax rebates for those obtaining capital market certifications (such as from BICM or international bodies like CFA, CMT, etc.) can increase motivation among students and professionals. Companies could be encouraged to prioritize

certified employees in recruitment for financial roles, reinforcing the value of formal training.

**Monitor Impact:** Establishing measurable Key Performance Indicators (KPIs) such as the number of trained individuals, increase in investor account openings, or improvement in financial literacy test scores can help evaluate the effectiveness of education programs. Feedback loops, annual impact reports, and stakeholder consultations should be institutionalized to continuously refine strategies.

**Focus on Inclusion:** Tailored programs should be developed for underrepresented groups such as women, small business owners, low-income households, and rural communities. This may include localized content in regional dialects, flexible scheduling (evening/weekend classes), and community-based learning hubs. Collaborations with NGOs and microfinance institutions can help penetrate grassroots segments and bridge the urban-rural literacy gap.

### Bio of Md. Adnan Ahmed

Md. Adnan Ahmed is currently serving as a Lecturer at the Bangladesh Institute of Capital Market. He holds both a Master of Business Administration (MBA) and a Bachelor of Business Administration (BBA) in Banking from the Department of Banking and Insurance at the University of Dhaka. In recognition of his outstanding academic performance, he was awarded the prestigious Dean's Honor Award by the University. As a Lecturer, he is currently teaching Financial Statement Analysis, Trading and Technical Analysis, and Investment Banking. His role has provided him with the opportunity to develop an in-depth understanding of various facets of the capital market, including equity and debt markets, initial public offerings (IPOs), bonds, derivatives, and investment banking. He has contributed to the field through several research publications in both national and international journals. Additionally, his prior experience in the money market has further enhanced his comprehensive understanding of the financial system of the country. He firmly upholds the principle that there are no shortcuts to success and that diligence and perseverance are always rewarded.

These strategic steps, when implemented holistically, can foster a generation of informed, confident, and responsible investors, ultimately enhancing the depth, resilience, and inclusiveness of Bangladesh's capital market.

Capital market education is essential for the sustainable development of Bangladesh's financial system. With increasing investor participation, the need for robust, accessible, and relevant education is more pressing than ever. Institutions like BSEC, BICM, and BASM are paving the way, but their efforts must be scaled and integrated into the broader education and policy framework. By leveraging global best practices, embracing technology, and fostering inclusion, Bangladesh can build a resilient capital market that supports long-term economic growth. As the capital market matures, education will remain its strongest pillar—empowering investors, strengthening institutions, and ultimately enhancing national prosperity.

# LATEST INSIGHTS ON THE CAPITAL MARKET

## DSE MAIN BOARD, MAY 2025

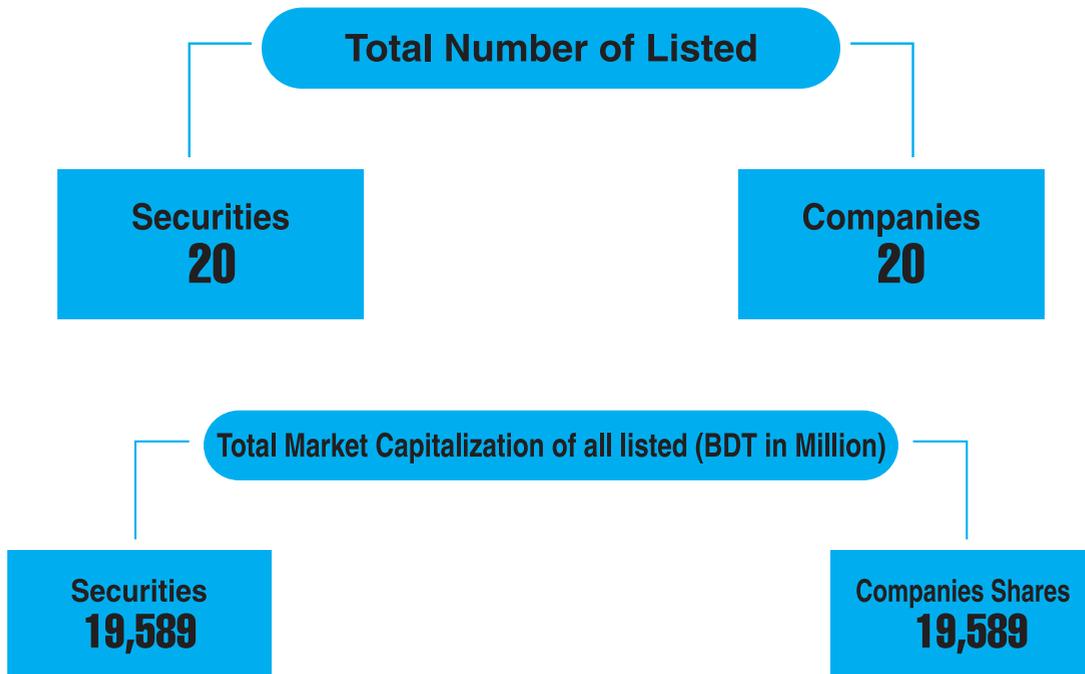
Total Number of Listed



Total Market Capitalization of all Listed (BDT in Million)



## DSE SME BOARD, MAY 2025



**Farhan Hasan**  
Research Analyst  
Bangladesh Merchant Bankers Association (BMBA)  
farhan.hasan.official@gmail.com



## Market Highlights

### Analyst's View

In the second quarter of 2025, the overall situation in the Bangladesh stock market was mostly negative. Several local policy changes and international political tensions caused investors to become more cautious.

### Main Index Performance:

- The DSEX (main index) fell by 7.29% and ended at 4,838 points.
- The DS30 (top 30 companies) dropped by 5.12%.
- The DSES (Shariah-compliant index) went down by 9.18%.
- Only the SME index showed growth, increasing by 4.62%.

### Trading Activity:

Average daily turnover (total money traded daily) fell by 15.4%, showing that investors were less active.

### Sectoral Performance:

- Out of 19 sectors, 18 sectors lost value.
- The worst-performing sector was Paper & Printing, which dropped by 14.95%.
- Only the Cement sector gained slightly, up by 1.03%.

### Top Gainer, Loser & Turnover Leader:

- MIDLANDBNK gained around 65%, the highest in the quarter.
- BEACHHATCH lost about 52%, the worst performer.
- Interestingly, BEACHHATCH also had the highest trading volume, contributing 4% of the total turnover.

### Dividends:

LINDEBD gave the highest dividend yield (around 50%) due to a special one-time payment after selling part of its business.

### Valuations:

- JAMUNABANK had the lowest Price-to-Earnings (P/E) ratio of 2.13, meaning it might be undervalued.
- APEXFOOT had the lowest Price-to-Book (P/B) value of 0.43, also showing it could be cheap compared to its asset value.

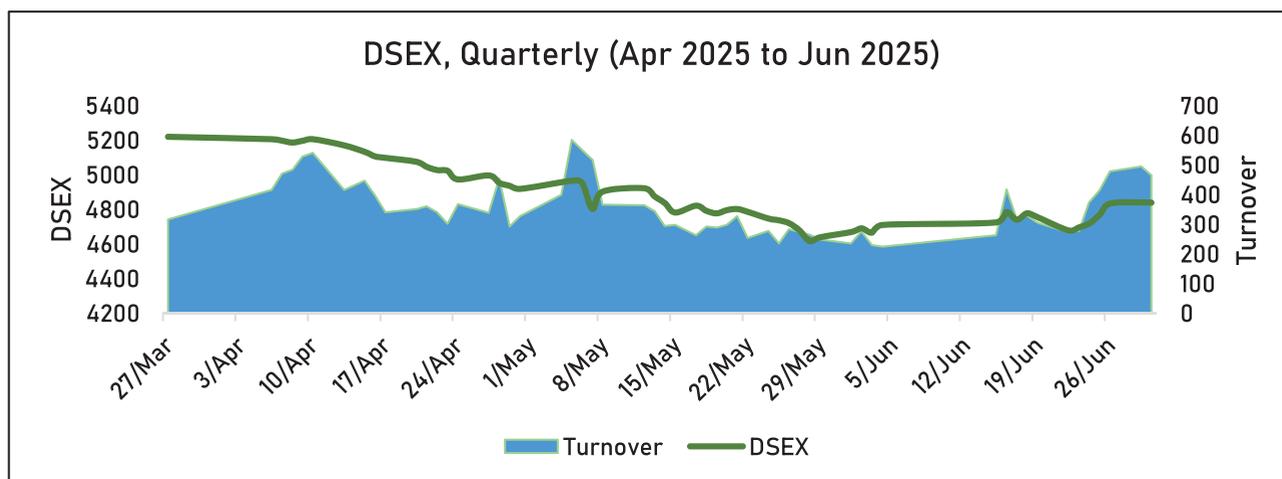
## Market Capitalization:

- The total market value of listed companies fell by BDT 11,246 crore or 1.67% to BDT 662,620 crore.
- As a result, the market cap-to-GDP ratio dropped to 11.93%, which is quite low.

## What Caused These Changes?

- April: A sudden increase in tariffs and a 33% gas price hike by BERC caused panic selling.
- May: Investors were worried about bank dividend restrictions and international political tensions.
- June: The market got some relief thanks to budget incentives and positive news about a Middle East ceasefire, helping it recover 4.8% from its lowest point in the quarter.

## Index Scenario



## Key Figures

Particulars	Jun 30 2025	Mar 27 2025	Change	% Change
DSE Broad Index (DSEX)	4838	5219	-381	-7.29%
DSE 30 Index (DS30)	1816	1914	-98	-5.12%
DSEX Shariah Index (DSES)	1061	1168	-107	-9.18%
DSE SME Index (DSMEX)	1036	990	46	4.62%
Market Capitalization (BDT Crore)*	662,620	673,866	-11,246	-1.67%
Average Daily Turnover (BDT Crore)*	308	364	-56	-15.40%
Market P/E (Annualized)	10.64	11.34	-0.70	-
Market Cap to GDP	11.93%	12.14%	-0.20%	-
Dividend Yield*	4.94%	4.30%	0.64%	-
No. of Listed Companies (Only Main Board Equities)	360	360	0	-

N.B: \* = Considering only the Main Board Scrips.

## Market Commentary

The broad index DSEX has decreased by 7.29% QoQ. The market showed signs of a downward movement in the starting of April after Eid-ul Fitr, as it failed to break the resistance level at 5200 to 5240 level in the beginning week due to concerns of imposition of tariffs on global trade by the US. The index slightly recovered as the tariffs were later on postponed for 90 days. Afterwards, the market began to go down from April 13<sup>th</sup> with consecutive downward movement up to April 24<sup>th</sup> as Bangladesh Energy Regulatory Commission (BERC) increased gas prices by 33% for industry and captive power plants raising concerns of further fueling of inflationary pressure. The market underwent fluctuations in the following week but went into bearish mode on May 7<sup>th</sup> registering a fall of 149 points in a single day owing to geopolitical tensions in the neighboring countries, India and Pakistan. The market tried to rebound in the following trading days as anticipation grew with meeting held with the Chief Adviser but the index failed to rebound and succumbed to further bearish pressure caused by concerns of unfavorable dividend declaration of some listed banks due to central bank's regulatory policy which made the index reach its lowest point of the quarter on May 28<sup>th</sup>. This caused the index to decrease by around 600 points (11.56%) in April and May.

The start of June was identified by increased bullish pressure owing to the overall proposed initiatives for the capital market in the budget. In mid-June, the index showed volatility due to geopolitical tensions in the Middle East. However, at the end of June, the index went bullish as ceasefire was announced and investors resumed buying pressure for availing tax rebates for the assessment year 2025-26. This caused the index to recover around 220 points (4.83%) from the May 28<sup>th</sup> level to close out the quarter.

The blue-chip index and the shariah index also fell significantly in this quarter by 5.12% and 9.18% QoQ respectively. On the contrary, the SME index recovered by 4.62% QoQ compared to fall of 9.26% QoQ in the previous quarter.

Considering the market valuation, the overall market capitalization fell by more than BDT 10,000 Crore settling the market cap to GDP ratio at 11.93%.

The annualized market price to earnings ratio came out to be 10.64 as compared to 11.34 in the previous quarter while the dividend yield came out to be 4.94% as compared to 4.30% in the previous quarter.

The number of listed companies in the bourse remained 360.

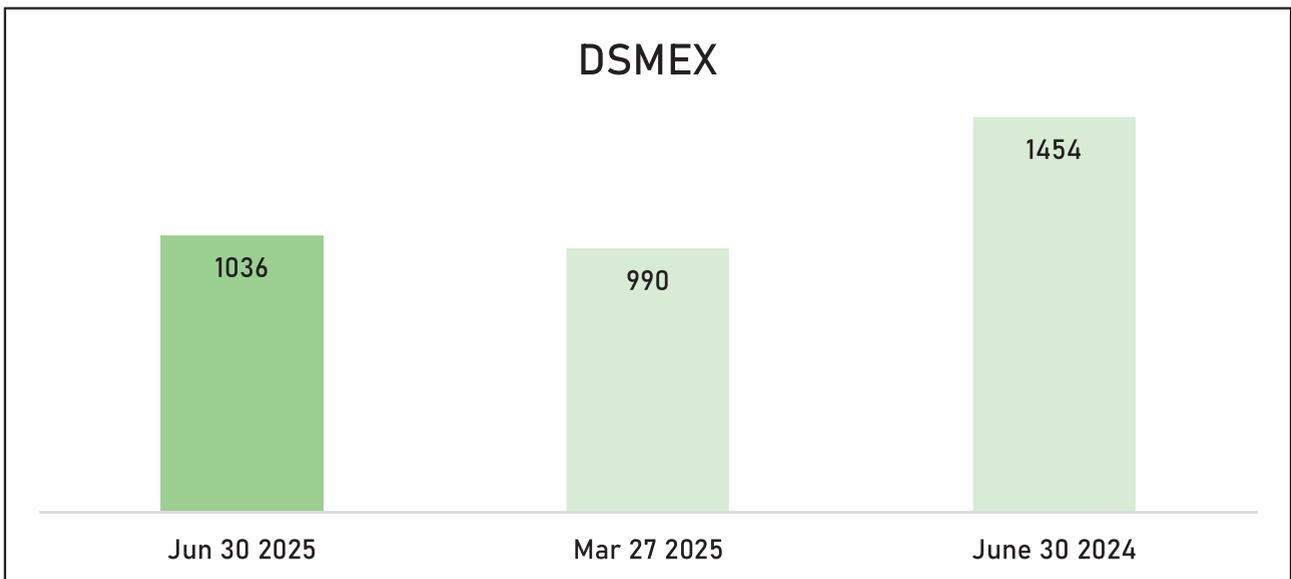
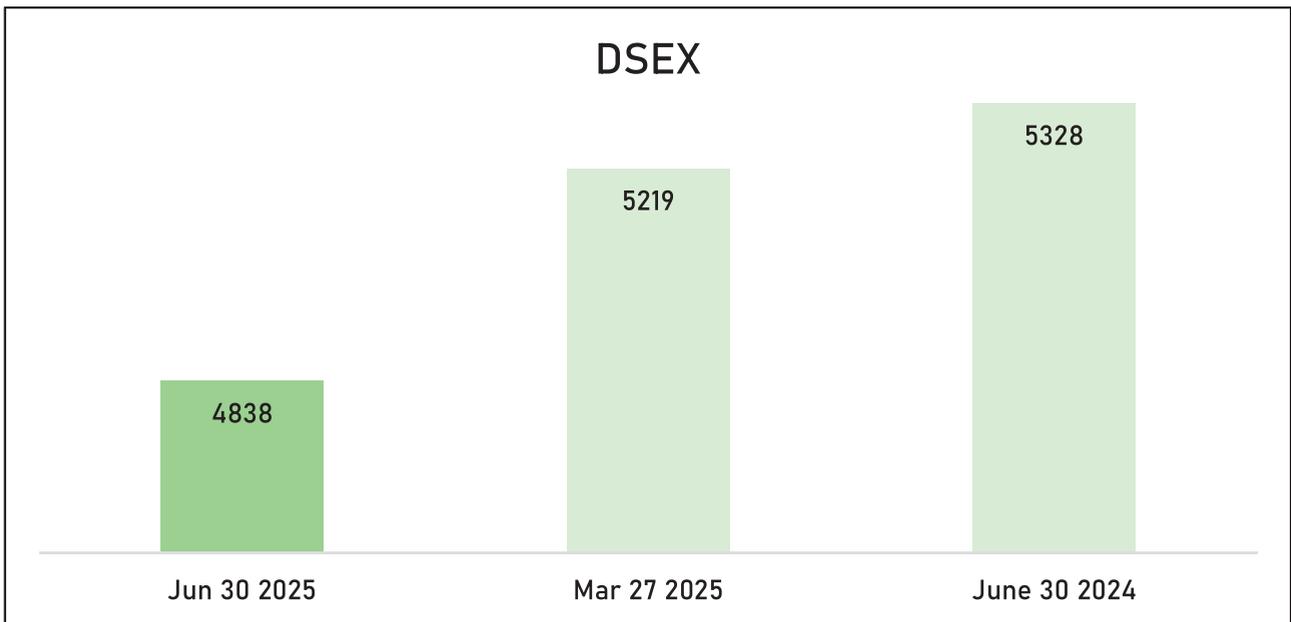
## Market Technical Scenario

Indicator	Jun 30 2025
Moving Average (14 Day)	4751.5
Moving Average (50 Day)	4844.4
Moving Average (100 Day)	5018.4
Moving Average Convergence Divergence (MACD)	-6.2
Relative Strength Index (RSI) (14 Day)	57.0
Money Flow Index (MFI) (14 Day)	68.1
Volume Oscillator	11.4%
Standard Deviation	48.9
Average True Range (ATR) (14 Day)	51.4
Average Directional Index (ADX)	36.5

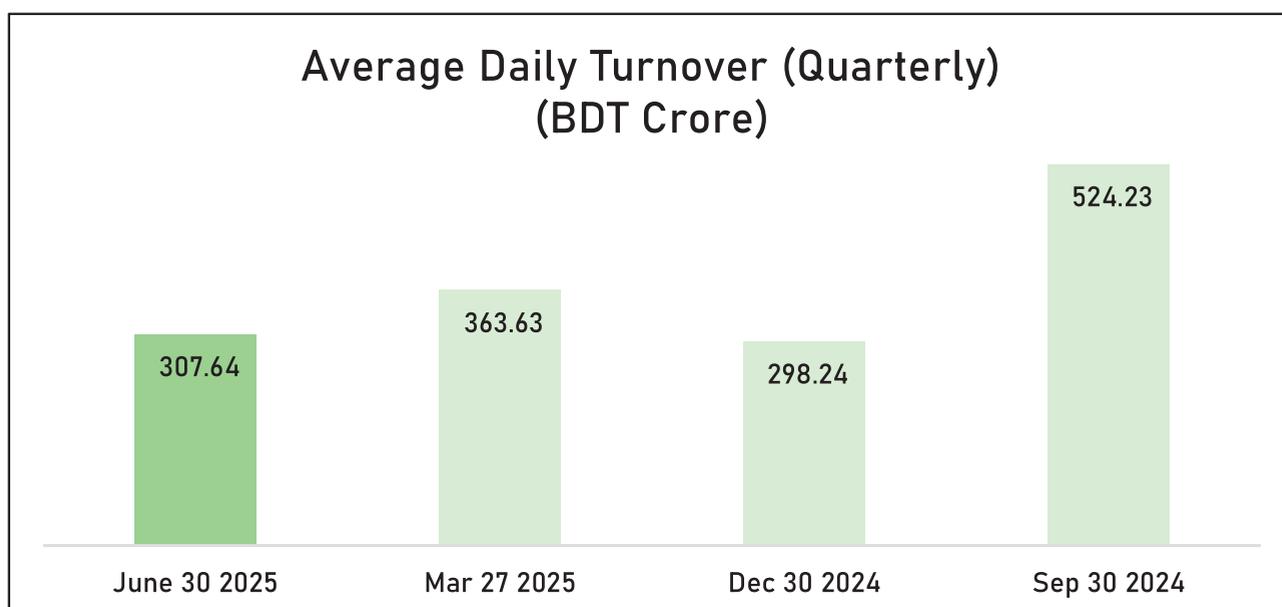
DSEX stands at 4838 as on June 30, 2025 which is higher than the short term moving average (14 Day) but lower than the mid term and long term moving averages (50 Day and 100 Day). As the DSEX is just below the MA (50 Day), it may be interpreted that the index may test MA (50 Day) level which will determine the index movement going forward.

Considering the MACD value, and considering the MACD is above the signal line, this indicates that the index may be in a short term bullish momentum as the values are in the negative territory. The RSI shows that the market is in a neutral zone while the MFI shows that the market is approaching overbought condition. The volume oscillator along with the standard deviation and ATR shows increased volume pressure with increased volatility. Finally, as the ADX is above 25, it shows that the current short term bullish trend is strong going into July.

### Market Activity Snapshot



## Average Daily Turnover (Quarterly) (BDT Crore)



### Macroeconomic and Money Market Highlights

Particulars	Amount/Rate/Yield	Latest Update
Nominal GDP (USD Bn.) [@ USD 1 = BDT 122.8333]	452.06	2024-25 (P)
Real GDP Growth	3.97%	2024-25 (P)
Forex. Reserve (USD Bn.) [As Per BPM6]	25.51	26-Jun-25
Inflation Rate (Point to Point)	8.48%	Jun-25
Inflation Rate (Monthly Average)	10.03%	Jun-25
Call Money Rate	10.05%	30-Jun-25
Policy Rate	10.00%	27-Oct-24
Yield of 2 Year Treasury Bond	12.29%	04-Jun-25
Yield of 5 Year Treasury Bond	12.40%	18-Jun-25
Yield of 10 Year Treasury Bond	12.35%	25-Jun-25
Yield of 15 Year Treasury Bond	12.59%	18-Jun-25
Yield of 20 Year Treasury Bond	12.49%	25-Jun-25

The Nominal GDP for the fiscal year 2024-25 is provisionally estimated to be USD 452 Billion with Real GDP growth rate of 3.97% aligning with forecasts from ADB, IMF and slightly higher than forecast from World Bank. The Forex Reserve rose to USD 25.51 Billion as per BPM6 driven primarily by increase of Remittance of 27% YoY, increase of Exports of 8.60% YoY and Imports of 4.62% YoY.

Inflation came down to 8.48% in June from 9.05% in May which is a positive sign for the economy of Bangladesh. The call money rate remained above 10% due to liquidity issues in the banking industry which also stems from the fact that the treasury rates have increased after a brief decrease, signifying the fact that the Govt. looked to finance the budget deficit from banks further crowding out private borrowers amidst liquidity concerns.

## Major Regulatory Decisions

BSEC took the following major initiatives in the quarter of Apr to Jun 2025:

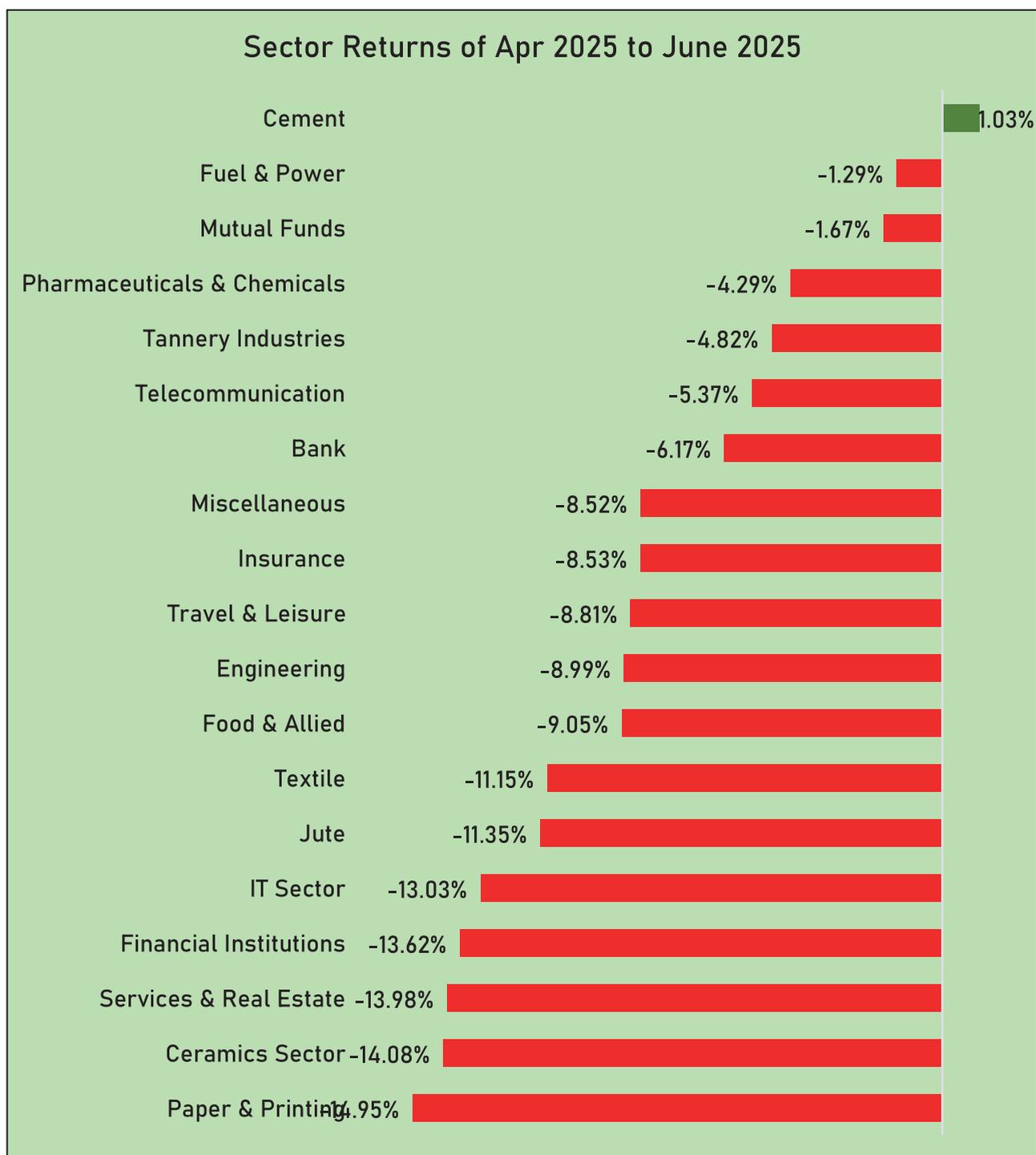
- Approval of two open-end mutual funds, LankaBangla Fixed Income Fund and Ventura AMCL Balanced Fund.
- Decided to notify ACC regarding IPO fund embezzlement of Kattali Textile Ltd.
- Fined Shahjahan Securities Ltd. and Dynasty Securities Ltd. on account of violation of securities laws.
- Exempting single investment cap limit of 5% on “A” Category Securities for Investment Corporation of Bangladesh.
- Extension of deadline of provisioning against negative equity for stock brokers and merchant banks to December 31, 2025.
- Approval of “Chittagong Stock Exchange (Commodity Derivatives) Regulations, 2025”.
- Allowing the stock brokers to use 75% of the interest availed in the Consolidated Customer Account (CCA) after depositing 25% of the interest to the stock exchange’s investors protection fund.
- Reducing the annual maintenance fee of Beneficiary Owners (BO) Account from BDT 450 to BDT 150.
- Approval of BDT 302.82 Crore worth of Rights Offering of Berger Paints Bangladesh Ltd. @ 1R:1 with a per share price of BDT 1,110.00 (including BDT 1,100.00 as premium).
- Rejection of BDT 241.94 Crore worth of Rights Offering of GPH Ispat Ltd.
- Enforcing Corporate Governance Code 2018 to appoint independent directors in “Z” category companies and those companies wherein the cumulative shareholding of sponsors and directors are below 30%.
- Approval of formal legal proceeding regarding final proposals of Mutual Fund Rules and Public Issue Rules by the Capital Market reform Taskforce.

## Capital Raisings Approved

Particulars	Amounts in BDT Crore		
	Jun-25	May-25	Apr-25
Initial Public Offering	-	-	-
Repeat Public Offering	-	-	-
Qualified Investor Offering	-	-	-
Rights Offering	-	302.82	-
Preference Share	-	-	-
Bond	-	-	-
Sukuk	-	-	-
Mutual Fund	-	-	50.00
Exchange Traded Fund	-	-	-
<b>Total</b>	-	<b>302.82</b>	<b>50.00</b>

Two open-end mutual funds having initial fund size of BDT 25 Crore each were approved in April, while a Rights Offering worth BDT 302.82 Crore of Berger Paints Bangladesh Ltd. was approved in May.

## Sectoral Performance



All sectors except the Cement sector were negative in the quarter. The Cement sector posted a positive return of 1.03% while the Paper & Printing sector registered the highest fall of 14.95%.

## The Top 10

Gainers		Losers		Turnover Leaders	
Security	% Change	Security	% Change	Security	% Share
MIDLANDBNK	64.94%	BEACHHATCH	-51.60%	BEACHHATCH	3.92%
DSHGARME	46.85%	PROGRESLIF	-38.11%	BRACBANK	2.57%
SEMLLECMF	42.68%	KPPL	-37.17%	BSC	2.49%
SEAPEARL	38.62%	SAIFPOWER	-36.84%	LOVELLO	2.44%
BPPL	37.38%	UTTARAFIN	-33.56%	MIDLANDBNK	2.22%
CITYGENINS	31.96%	BDFINANCE	-33.33%	SPCERAMICS	1.92%
EASTRNLUB	26.37%	SALAMCRST	-32.76%	SQURPHARMA	1.85%
FINEFOODS	23.72%	MIDASFIN	-32.65%	ORIONINFU	1.62%
SAMATALETH	21.30%	BAYLEASING	-31.75%	BXPHARMA	1.61%
LOVELLO	20.98%	GSPFINANCE	-31.67%	NRBBANK	1.47%

Highest Dividend Yield		Lowest Price to Earnings		Lowest Price to Book Value	
Security	Yield %	Security	P/E	Security	P/B
LINDEBD	49.98%	JAMUNABANK	2.13	APEXFOOT	0.43
MARICO	15.85%	MERCANBANK	2.32	DHAKABANK	0.46
NCCBANK	13.13%	PREMIERBAN	2.51	DOREENPWR	0.47
MATINSPINN	11.04%	BANKASIA	2.80	BSRMLTD	0.50
GP	10.89%	MALEKSPIN	3.00	ACMELAB	0.61
BATBC	10.70%	DHAKABANK	3.07	DUTCHBANGL	0.61
JAMUNABANK	10.06%	PRIMEBANK	3.08	BANKASIA	0.63
RECKITTBEN	9.97%	MTB	3.13	CITYBANK	0.63
UNITEDFIN	9.01%	PADMAOIL	3.41	ARGONDENIM	0.66
FEKDIL	8.92%	UTTARABANK	3.63	CONFIDCEM	0.67

## Performance around the World

In the quarter, DSEX performed the worst amongst the other major stock indices. Among the above, the Colombo Stock Exchange grew by 13.51% followed by the S&P 500 index growing by 8.80%.

The second quarter of 2025, Bangladesh's stock market faced a tough time. New government policies increased the risk of higher business costs, and global problems added more pressure. Most of the main stock indexes fell, but the smaller SME market managed to grow a little. Toward the end of the quarter, the market improved slightly thanks to some budget benefits and reduced global tensions. However, trading remained low as investors stayed cautious. Looking ahead, clearer government policies, better company profits, and stable global conditions will be important to rebuild trust and help the market grow steadily.



## Disclaimer

This document has been prepared for information purposes only and does not solicit any action based on the material contained herein. Therefore, this document should not be considered as an offer to buy or sell or subscribe to any security. Neither Bangladesh Merchant Bankers Association nor the preparer of this report nor any other related party can be held accountable for any actions based on this report. Bangladesh Merchant Bankers Association or the preparer of this report or any other related party does not guarantee the accuracy or correctness of the data presented herein. However, reasonable care has been ensured in collecting and analyzing the data contained in this report.

## Data Sources

Dhaka Stock Exchange PLC. (<https://www.dsebd.org/index.php>)

Bangladesh Securities and Exchange Commission. (<https://sec.gov.bd/home>)

LankaBangla Financial Portal. (<https://lankabd.com/>)

Trading Economics. (<https://tradingeconomics.com/>)

## Report Available at

Bangladesh Merchant Bankers Association (Research Tab) (<http://www.bmba.com.bd/research/>)

## Securities Laws, Order, Notification, Directive, Guideline issued by BSEC (April to June 2025)

June 04, 2025	Sharia'h Advisory Council (SAC) এর সদস্য নির্বাচনের জন্য গঠিত মনোনয়ন/বাছাই কমিটি সংক্রান্ত আদেশ
June 01, 2025	Repeal of directive regarding "distribution of interest income earned from the Consolidated Customers Account (CCA) among the customers."
May 29, 2025	Order regarding repealing the Commission's Order No. BSEC/CMRRC/2009-193/60 dated May 28, 2023 to reconstitute the Shari'ah Advisory Council (SAC).
May 29, 2025	শরীয়াহ অ্যাডভাইজরি কাউন্সিল এর সদস্য নির্বাচন সংক্রান্ত মনোনয়ন কমিটি বাতিল আদেশ।

# List of the Members

Sl.	Name of Merchant Bank	Mailing Address
1.	AAA Finance & Investment Limited	Green Trade Point (11th Floor) 7, Mohakhali C/A, Bir Uttam AK Khandakar Road, Dhaka-1212
2.	AB Investment Ltd.	WW Tower (7th Floor), 68, Motijheel C/A Dhaka-1000
3.	Abaci Investments Limited	Plot#31, Road-02, Sector-5, Uttara, Dhaka
4.	Agrani Equity & Investment Ltd.	Swantex Bhaban (4th floor) 9/l, Motijheel, Dhaka-1000
5.	AIBL Capital Management Ltd.	People Insurance Bhaban ( level-04), 36 Dilkusha, Dhaka-1000
6.	Alliance Financial Services Limited	Rahman Chamber (9th floor), 12-13 Motijheel C/A., Dhaka-1000
7.	Alpha Capital Management Ltd.	EasternArzooComplex(7thFloor),197SayedNazrulIslamShoroni, 61 Bijoy Nagar, Dhaka-1000
8.	BD Finance Capital Holdings Ltd.	64, Motijheel C/A, 2nd floor, Dhaka-1000
9.	Bengal Investments Ltd.	Flat-1C, House-313, Road-4, Mirpur DOHS, Dhaka
10.	BLI Capital Limited	Rupayan Trade Centre (10th Floor),114, Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000
11.	BMSL Investment Ltd.	PFI Tower (2nd Floor), 56-57 Dilkusha C/A, Dhaka-1000.
12.	BRAC EPL Investments Limited	Medona Tower, Level-13, 28 Mohakhali, Dhaka-1213, Bangladesh.
13.	CAL Investments Limited	Navana FS Cosmo, Plot-8B, Level-4, Road-94, Gulshan-2, Dhaka-1212
14.	CAPM Advisory Ltd.	Rahman's Regnum Centre, (Level-13), 191/1 Tejgaon Gulshan Link Road, Tejgaon C/A, Dhaka- 1208
15.	CBC Capital & Equity Management Ltd.	Police Plaza Concord (Level-06, Tower-1), Plot 2, Road 144, Gulshan 1, Dhaka 1212
16.	Citizen Securities & Investment Ltd.	31 Park Plaza (Level-11), Road-17, Banani C/A, Dhaka-1213
17.	City Bank Capital Resources Ltd.	Shanta Western Tower, Leve-6, Office Space-604, Bir Uttam Mir Shawkat Road, 186 Tejgaon I/A
18.	Community Bank Investment Ltd.	Police Plaza Concord (Level-10, Tower-2), Plot 2, Road 144, Gulshan 1, Dhaka 1212
19.	Cosmopolitan Finance Ltd.	Summit Centre (6th Floor), 18 Kawran Bazar C/A, Dhaka-1215
20.	Dhaka Bank Investments Ltd.	Head Office: 71, Purana Paltan Lane, Level-5, VIP Road, Dhaka-1000
21.	EBL Investments Ltd.	BSC Tower (4th floor), Rajuk Avenue, Plot No- 2 & 3, Dhaka-1000
22.	EC Securities Ltd.	Kazi Tower (5th Floor), 86, Naya Palton, Dhaka-1000
23.	EXIM Islami Investment Ltd.	Printers Building (5th floor), 5 Rajuk Avenue, Motijheel C/A, Dhaka-1000

Sl.	Name of Merchant Bank	Mailing Address
24.	FAS Capital Management Ltd.	Suvastu Imam Square (4th floor) 65, Gulshan Avenue Gulshan-1, Dhaka-1212
25.	First Security Islami Capital & Investment Ltd.	Al-Amin Center (12th Floor), 25/A Dilkusha C/A, Dhaka-1000
26.	Grameen Capital Management Ltd.	Telecom Bhaban, Level-4, 53/1, Telecom Bhaban, Box Nagar Zoo Road, Dhaka 1216
27.	Green Delta Capital Ltd.	Green Delta AIMS Tower 51-52, Mohakhali C/A, Dhaka-1212
28.	GSP Investments Limited	1 Paribagh, Mymensingh Road, Ramna, Dhaka-1000
29.	ICB Capital Management Ltd.	Green City Edge Tower (5th & 6th floor) 89 Kakrail, Dhaka
30.	IDLC Investments Ltd.	DR Tower (4th Floor) 65/2/2, Bir Protik Gazi Golam Dostogir Road (Box Culvert Road), Purana Paltan, Dhaka-1000
31.	IFIC Investments Limited	IFIC Tower (Level-14), 61, Purana Paltan, Dhaka-1000
32.	IIDFC Capital Ltd.	PFI Tower (Level-3), 56-57 Dilkusha C/A, Dhaka-1000.
33.	IL Capital Ltd.	Hossain Tower (2nd floor), 116, Birprotik Gazi Golam Dastogir Road (Culvert road), Purana palton, Dhaka-1000
34.	Imperial Capital Limited	Saiham Sky View Tower, (3rd Floor), 45, Bijoy Nagar Dhaka-1000.
35.	Islami Bank Capital Management Limited	Miah Aman Ullah Bhaban (5th Floor), 63 Dilkusha, C/A, Dhaka-1000.
36.	Jamuna Bank Capital Management Ltd.	Hadi Mansion (3rd Floor), 2 Dilkusha C/A, Dhaka-1000
37.	Janata Capital and Investment Limited	48, Motijheel (3rd floor) C/A, Dhaka-1000
38.	Lanka Bangla Investments Ltd.	Assurance Nazir Tower, Level-08, 65/B, Kemel Ataturk Avenue, Banani, Dhaka-1213
39.	Meghna Capital Management Ltd.	WW Tower (Level-15) 68, Motijheel C/A, Dhaka-1000
40.	MIDAS Investment Limited	House No# 5, (6th floor), Road No # 16 (New) Dhanmondi, Dhaka
41.	MTB Capital Ltd.	Chandrashila Suvastu Tower, (2nd floor) 69/1 Panthapath, Dhaka-1205
42.	NDB Capital Ltd.	Uday Tower, 6th floor (south-westside), 57 & 57/A, Gulshan Avenue, Circle-1, Dhaka-1212
43.	NBL Capital and Equity Management Ltd.	Printers Building (8th Floor), 5 Rajuk Avenue, Dhaka
44.	North Star Investments (BD) Limited	Kazi Heritage (3rd floor), Banani-11 House# 49, Block#H, Dhaka-1213
45.	NRB Equity Management Ltd.	Al Raji Complex (7th floor), Suite#802-803, 165-167 Bijoy Nagar, Purana Paltan, Dhaka-1000
46.	PLFS Investments Ltd.	Paramount Heights (10th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
47.	Prime Bank Investment Ltd.	Tajwar Center (5th Floor), House: 34 Road No: 19/A, Banani, Dhaka – 1213

Sl.	Name of Merchant Bank	Mailing Address
48.	Prime Finance Capital Management Ltd.	PFI Tower (7th Floor) 56-57 Dilkusha C/A Dhaka-1000
49.	Race Portfolio & Issue Management Ltd.	House-80 (Flat # B-3), Road-7, Block-H, Banani, Dhaka-1213
50.	Riverstone Capital Limited	House 10, Road-6, Block-C, Banani, Dhaka-1213
51.	Roots Investment Ltd.	Diganta Tower, Level-1, 12/1 R.K. Mission road, Dhaka-1203
52.	Rupali Investment Ltd.	Shadharan Bima Tower (7th floor), 37/A Dilkusha C/A, Dhaka-1000
53.	Sandhani Life Finance Ltd.	16 Motijheel C/A, 2nd & 3rd floor, Dhaka-1000
54.	SBL Capital Management Ltd.	Miah Amanullah Bhaban (3rd floor), 63 Dilkusha C/A Dhaka-1000.
55.	Shahjalal Equity Management Limited	Al Razi Complex, Suite-901, 166-167 Shaheed Syed Nazrul Islam Sarani, Dhaka - 1000
56.	Shanta Equity Limited	Corporate Office: The Glass House, Level 04 S. E (B)-2, 38 Gulshan Avenue, Dhaka 1212
57.	SIM Capital Ltd.	Motahar Lodge (4th floor), 4 Purana Paltan, Dhaka-1000
58.	Sonali Investment Ltd.	Borak Biz Center (1st and 2nd floor) 70, Dilkusha C/A, Dhaka-1000
59.	Sonar Bangla Capital Management Ltd.	Paramount Heights (8th Floor), 65/2/1, Box Culvert Road, Purana Paltan, Dhaka-1000
60.	Southeast Bank Capital Services Ltd.	Rupayan Trade Centre (10th Floor), 114, Kazi Nazrul Islam Avenue, Banglamotor, Dhaka-1000
61.	Strategic Finance Limited	22/A Finance Square (8th Floor), Road-102 & 103, Block-CEN(D), Gulshan-2, Dhaka
62.	Swadesh Investment Management Ltd.	Unique Trade Center (UTC), Level 11, Suite 10, 8 Panthapath, Karwan Bazar, Dhaka-1215
63.	Trust Bank Investment Limited	People Insurance Bhaban (12th Floor), 36 Dilkusha, Dhaka-1000
64.	UCB Investment Limited	Plot-CWS(A)-1, Road No-34, Gulshan, Dhaka-1212
65.	UniCap Investments Limited	Noor Tower (4th Floor), 73 Sonargaon Road, Dhaka-1205
66.	Uttara Finance Capital Management Ltd.	JBC Tower (6th Floor), 10 Dilkusha C.A., Dhaka-1000



“Invest by knowing and understanding the capital market &  
build reliable, dynamic, and sustainable capital markets”



# Bangladesh Merchant Bankers Association

Saiham Sky View Tower (5th Floor)  
45 Bijoy Nagar, Dhaka-1000  
Tel: 88-02-8392158, Fax: 88-02-8392159