

Bangladesh market snapshot

| | Last closing |
|--------------------------------|--------------|
| DSEX Index | 5,344.05 |
| % change | -0.13% |
| DS30 Index | 2,067.03 |
| % change | 0.02% |
| DSES Index | 1,162.08 |
| % change | -0.02% |
| Turnover (BDT mn) | 6,109 |
| Turnover (USD mn) | 50 |
| % change | -19.69% |
| Market Capitalization (BDT bn) | 7,118 |
| Market Capitalization (USD bn) | 58 |
| % change | -0.15% |

Source: Dhaka Stock Exchange

International market snapshot

| | Last closing |
|------------|--------------|
| S&P 500 | 6,373.45 |
| % change | -0.25% |
| Nikkei 225 | 42,849.67 |
| % change | 2.46% |
| FTSE 100 | 9,129.71 |
| % change | 0.37% |

Source: Bloomberg

Exchange rate

| | Low (BDT) | High (BDT) |
|-----|-----------|------------|
| USD | 121.38 | 121.43 |
| EUR | 141.27 | 141.36 |
| GBP | 163.24 | 163.35 |
| INR | 1.39 | 1.39 |

Source: BB

Money market

| Date | Call Money Rate Range (%) | Weighted Average (%) |
|-------------|---------------------------|----------------------|
| 11-Aug-2025 | 9.60-11.00 | 9.99 |
| 10-Aug-2025 | 9.60-11.00 | 9.98 |

Source: BB

Commodities

| | Price | % Change |
|-----------------------------|----------|----------|
| Brent Crude (Oil), USD/bbl. | 66.85 | 0.33% |
| Gold Spot, USD/t oz. | 3,350.63 | 0.25% |
| Cotton, USd/lb. | 66.85 | 0.13% |

Source: Bloomberg

Macro

Loan rescheduling facility for 300 firms draws mixed reactions from bankers, economists

The Bangladesh Bank (BB) has approved a loan rescheduling facility for around 300 companies, including some of the country's largest corporate defaulters. Under the plan, firms may be allowed to extend repayments for up to 15 years, with a low down payment and grace periods of up to three years. The move has drawn mixed reactions from bankers and economists. They note that while this gives commercial banks the option to reschedule loans, it will not necessarily improve their cash management.

<https://www.tbsnews.net/economy/banking/loan-rescheduling-facility-300-firms-draws-mixed-reactions-bankers-economists>

Banks

Bangladesh Bank readying Tk 20,000cr for bank overhaul

Bangladesh Bank is designing a Tk 20,000-crore plan to restructure troubled banks, backed by international audits and new legal powers to deal with failing lenders. "The first phase will start in a month or so, and some banks will be restructured by December," BB Governor Ahsan H Mansur told The Daily Star last week.

<https://www.thedailystar.net/news/bangladesh/news/bb-readying-tk-20000cr-bank-overhaul-3960641>

Textile

RMG raw material imports down 7.5pc in FY25 Q4

In the April-June quarter of FY25, Bangladesh's ready-made garment (RMG) sector saw a 7.5-percent decline in raw-material imports, standing at over \$3.94 billion from over \$4.25 billion in the preceding quarter. The fourth-quarter (Q4) figure was 43.22 per cent of the Q4 export receipts from RMG, according to the Bangladesh Bank (BB) data. Raw material imports include raw cotton, synthetic fibres, yarns, fabrics, and accessories. The import value of raw materials was \$4.03 billion in the October-December quarter of FY25, accounting for 38.96 per cent of the Q2 RMG export earnings.

<https://today.thefinancialexpress.com.bd/public/last-page/rmg-raw-material-imports-down-75pc-in-fy25-q4-1754937282>

Apparel exporters eye 'first sale' rule to boost competitiveness

Bangladeshi apparel exporters are exploring the 'First Sale' window of opportunity in the United States to help their buyers and retailers secure lower tariffs and thus enhance their export competitiveness on the high-duty US market. In the American customs law, the first-sale rule allows an importer to pay 15-to 20-percent lowered landed duty through declared lowered value of goods based on the manufacturer's price through a multi-tiered transaction -- such as manufacturer to middleman to US importer -- rather than the final price paid by the US buyer. Garment exporters in the know say this rule helps them avoid high tariffs. The rest of the price is paid as a research and development cost to the manufacturers, but this requires the involvement of another entity.

<https://today.thefinancialexpress.com.bd/public/first-page/apparel-exporters-eye-first-sale-rule-to-boost-competitiveness-1754936806>

Capital Market

CSE seeks BSEC approval to offload 35% shares, list on Dhaka bourse

The Chittagong Stock Exchange (CSE) has sought approval from the Bangladesh Securities and Exchange Commission (BSEC) to offload its remaining 35% blocked shares and list on the Dhaka Stock Exchange (DSE), aiming to complete the demutualisation process after more than a decade. In a letter to the regulator, the CSE stated that its board, at the 143rd meeting held on 13 July 2025, decided to proceed with the share offloading in compliance with the Exchanges Demutualisation Act 2013.

<https://www.tbsnews.net/economy/stocks/cse-seeks-bsec-approval-offload-35-shares-list-dhaka-bourse-1210026>

Stocks

Regulator rejects Daffodil Computers' loan conversion proposal

The securities regulator has rejected the proposal of Daffodil Computers to issue 46.7 million shares for the purpose of converting a loan into equity, taken from a concern of the common business group. The listed company disclosed the regulatory decision through a filing on Monday on the Dhaka Stock Exchange (DSE). Earlier in December last year, the company informed its board's decision to issue 46.7 million shares at a price of Tk 10 each to convert a loan received from Creative International, a concern of the Daffodil Family.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/regulator-rejects-daffodil-computers-loan-conversion-proposal-1754933262>

Disclaimer

For U.S. persons only: This research report is a product of UCB Stock Brokerage Ltd. ("UCB"), a company authorized to engage in securities activities in Bangladesh, under Marco Polo Securities 15a-6 chaperone service, which is the employer of the research analyst(s) who has prepared the research report. The research analyst(s) preparing the research report is/are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analyst(s) is/are not subject to supervision by a U.S. broker-dealer, and is/are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

Research reports are intended for distribution by only to "Major Institutional Investors" as defined by Rule 15a-6 (b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a-6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor. In reliance on the exemption from registration provided by Rule 15a-6 of the Exchange Act and interpretations thereof by the SEC in order to conduct certain business with Major Institutional Investors, UCB has entered into a chaperoning agreement with a U.S. registered broker-dealer, Marco Polo Securities Inc. ("Marco Polo"). Transactions in securities discussed in this research report should be affected through Marco Polo or another U.S. registered broker dealer.

Past performance is not necessarily a guide to future performance and no representation or warranty, express or implied, is made by UCB Stock Brokerage Limited (UCB) with respect to future performance. Income from investments may fluctuate. The price or value of the investments to which this research report relates, either directly or indirectly, may fall or rise against the interest of investors. Any recommendation or opinion contained in this research report may become outdated as a consequence of changes in the environment in which the issuer of the securities under analysis operates, in addition to changes in the estimates and forecasts, assumptions and valuation methodology used herein.

No part of the content of this research report may be copied, forwarded or duplicated in any form or by any means without the prior consent of UCB and UCB accepts no liability whatsoever for the actions of third parties in this respect.

EQUITY RECOMMENDATION STRUCTURE (ABSOLUTE RATINGS)

We calculate our target price by weighting DCF, DDM, SOTP, asset-based and other relative valuation methods, and applying appropriate premiums/ discounts and/or other relevant adjustments.

Expected absolute returns are calculated as the % of difference between our target price and latest close price. Stock recommendations are based on absolute upside (downside) and have a 12-month horizon. Please note that future price fluctuations could lead to a temporary mismatch between upside/downside for a stock and our recommendation.

| Recommendation Type | Holding period (if not otherwise mentioned) | Absolute Return Potential |
|---------------------|---|---------------------------|
| Buy | 12 Months | More than +15% |
| Neutral/ Hold | 12 Months | Between -5% and +15% |
| Underweight | 12 Months | Less than -5% |

ANALYST CERTIFICATION

Respective analyst(s) identified in this report certifies, with respect to the companies or securities that the individual analyses, that (1) the views expressed in this report reflect his or her personal views about all of the subject companies and securities and (2) no part of his or her compensation was, is or will be directly or indirectly dependent on the specific recommendations or views expressed in this report. The research analyst(s) named on this report are not registered / qualified as research analysts with FINRA.

It has not been determined in advance whether and in what intervals this document will be updated. Unless otherwise stated current prices refer to the most recent trading day's closing price.

Contact Us

Research Team

| | | | |
|------------------------------|-------------------------|--------------------------------|-------------------|
| Md. Hasib Reza, CFA | Head of Research | hasib.reza@ucbstock.com.bd | +880 1755 658 997 |
| Anik Mahmood Ibne Anwar, CFA | Deputy Head of Research | anik.mahmood@ucbstock.com.bd | +880 1701 205 074 |
| Fahmid Islam Sadhin | Research Associate | fahmid.islam@ucbstock.com.bd | +880 1325 086 738 |
| Nafis Zaki | Research Associate | nafis.zaki@ucbstock.com.bd | +880 1871 891 263 |
| Mahmudul Hasan Meraz | Research Associate | mahmudul.hasan@ucbstock.com.bd | +880 1324 719 456 |
| Numair M N Ahmmed | Research Associate | ahmmed.numair@ucbstock.com.bd | +880 1324 719 484 |

Investment Strategist

| | | | |
|----------------------|----------------------|-----------------------|-------------------|
| Syed Adnan Huda, CFA | First Vice President | adnan@ucbstock.com.bd | +880 1730 325 232 |
|----------------------|----------------------|-----------------------|-------------------|

Institutional & Foreign Trade

| | | | |
|-----------------|--------------------------------|---------------------------------|-------------------|
| Tahmidur Rahman | First Assistant Vice President | rahman.tahmidur@ucbstock.com.bd | +880 1726 995 520 |
|-----------------|--------------------------------|---------------------------------|-------------------|

Office Premises

Head Office

Gulshan

Bulus Center

+880 2955 8481

Extensions of Head Office

| | | | | |
|---|--|---------------------------------------|--------------------------------------|---|
| Dilkusha +880 1701 205 090 | Dilkusha (NIK Tower) +880 1701 205 000 | Dhanmondi +880 1713 205 703 | Nikunja +880 1701 205 013 | Mohammadpur +880 1324 243 212 |
| Bashundhara +880 1718 106 217 | Mirpur-1 +880 1713 205 723 | Mirpur-12 +880 1911 197 188 | Banasree +880 1701 205 075 | Uttara +880 1913 128 156 |

Branch Offices

| | |
|--|------------------------------------|
| Chattogram +880 1701 205 038 | Sylhet +880 1713 205 760 |
|--|------------------------------------|

Digital Booths

| | | | | |
|------------------------------------|---|--|--------------------------------------|-------------------------------------|
| Khulna +880 1717 411 466 | Barishal +880 1713 205 762 | Cumilla +880 1324 243 163 | Jashore +880 1324 243 203 | Gazipur +880 1324 243 165 |
| Feni +880 1324 243 210 | Khatungonj +880 1713 205 742 | Chawkbazar +880 1817 206 965 | Madhobdi +880 1324 243 156 | |
| | Narayangonj +880 1324 243 207 | Agrabad +880 1324 243 198 | | |