

Bangladesh market snapshot

	Last closing
DSEX Index	5,245.22
% change	0.03%
DS30 Index	1,981.67
% change	-0.45%
DSES Index	1,066.12
% change	0.08%
Turnover (BDT mn)	9,973
Turnover (USD mn)	81.0
% change	16.49%
Market Capitalization (BDT bn)	6,773
Market Capitalization (USD bn)	55
% change	0.21%

Source: Dhaka Stock Exchange

International market snapshot

	Last closing
S&P 500	7,408.50
% change	-1.24%
Nikkei 225	61,409.29
% change	-1.99%
FTSE 100	10,195.37
% change	-1.71%

Source: Bloomberg

Exchange rate

	Low (BDT)	High (BDT)
USD	122.75	122.75
EUR	143.74	143.75
GBP	165.98	166.01
INR	1.28	1.28

Source: BB

Money market

Date	Call Money Rate Range (%)	Weighted Average (%)
14-May-2026	9.80-11.00	9.99
13-May-2026	9.90-11.00	10.0

Source: BB

Commodities

	Price	% Change
Brent Crude (Oil), USD/bbl.	109.26	3.35%
Gold Spot, USD/t oz.	4,540.0	-2.41%
Cotton, USd/lb.	80.61	-3.97%

Source: Bloomberg

Macro

Govt releases Tk 15b cash incentives for exporters

The government has released Tk 15 billion in cash incentives for the country's exporters. It is the fourth tranche of export subsidy for the fiscal year (FY) 2025-26. The Ministry of Finance (MoF) recently issued an order on the disbursement of the export intensive, which was followed by issuance of a debit authority in favour of the central bank by the Office of the Controller General of Accounts.

<https://today.thefinancialexpress.com.bd/public/last-page/govt-releases-tk-15b-cash-incentives-for-exporters-1778866261>

FDI rose in 2025, but fresh equity stayed weak

Bangladesh's net foreign direct investment (FDI) inflows rose 39.36 percent year-on-year to \$1.77 billion in 2025, according to a press release issued by the Bangladesh Investment Development Authority (Bida) yesterday. However, the increase was driven mainly by higher reinvested earnings and intra-company loans, while fresh equity investment remained largely stagnant. Net FDI inflows stood at \$1.27 billion in 2024, according to the latest Bangladesh Bank data in the release.

<https://www.thedailystar.net/business/economy/news/fdi-rose-2025-fresh-equity-stayed-weak-4176096>

Govt weighs tax window to legalise undisclosed wealth

The government is considering introducing a special tax window in the FY27 budget to allow undisclosed domestic and foreign-held assets to be invested in selected sectors, as policymakers seek to revive sluggish private investment and mobilise idle capital. Officials at the National Board of Revenue (NBR) said the proposed measure would allow individuals to legalise undeclared wealth by paying tax at a special rate higher than the rates applicable to regular taxpayers.

<https://tob.news/govt-weighs-tax-window-to-legalise-undisclosed-wealth/>

Govt to roll out new pay scale for public servants in phases from July

The government has decided to begin phased implementation of a new pay structure for public sector employees from this July, according to officials familiar with the matter. The decision was taken by Prime Minister Tarique Rahman during a high-level meeting with senior officials of the Finance Ministry on the upcoming national budget held last Wednesday, sources told TBS.

<https://www.tbsnews.net/economy/govt-roll-out-new-pay-scale-public-servants-phases-july-1441026>

DCCI EPI flags economy-wide stress

Bangladesh's economy is showing widening stress across key sectors as weakening demand, persistent energy shortages, climate-related disruptions and subdued investment combine to slow growth, according to findings presented on Saturday at a seminar on the Economic Position Index (EPI) by the Dhaka Chamber of Commerce and Industry (DCCI). The event brought together policymakers, economists, development partners and private sector representatives in the capital to review short-term macroeconomic conditions using a new quarterly indicator.

<https://tob.news/dcci-epi-flags-economy-wide-stress/>

Banks

BB eases lending limits for big businesses

The government has approved a consolidation plan for five struggling Shariah-based banks, agreeing to provide budgetary support of about Tk 20,200 crore to carry out the merger. The total estimated injected capital, however, will be Tk 35,200 crore. Beside the government's Tk 20,200 crore, shares will be issued worth Tk 15,000 crore in favour of government-run institutions against their deposits held in these banks.

<https://www.thedailystar.net/business/economy/news/bb-eases-lending-limits-big-businesses-4176101>

Stocks

BAT's profit falls 34pc in Q1 due to weak sales

After reporting its lowest annual profit, British American Tobacco (BAT) Bangladesh posted a 34 per cent year-on-year decline in profit to Tk 2.10 billion in the first quarter this year, owing to lower sales and higher finance costs. The multinational tobacco manufacturer's earnings per share (EPS) fell sharply to Tk 3.88 in the January-March quarter from Tk 5.89 in the same quarter last year, according to a regulatory filing on Thursday. The company said both sales volume and revenue declined significantly during the quarter, while higher borrowing costs and an increased tax burden weighed on bottom-line growth.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/bats-profit-falls-34pc-in-q1-due-to-weak-sales-1778774911>

Bata returns to profit growth in Q1

After a significant drop in annual profit, Bata Shoe Company (Bangladesh) reported a marginal increase in first-quarter profit for 2026, supported by stronger Eid-season demand, although rising costs continued to weigh on margins. The multinational footwear manufacturer posted a net profit of Tk 371 million for January-March this year, up slightly from Tk 368 million in the same period last year. Earnings per share (EPS) edged up to Tk 27.14 from Tk 26.92, reflecting modest bottom-line growth.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/bata-returns-to-profit-growth-in-q1-1778775006>

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 Sathin	Research Associate	fahmid.islam@ucbstock.com.bd	+880 1325 086 738
Numair M N Ahmmed	Research Associate	ahmmed.numair@ucbstock.com.bd	+880 1324 719 484

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		