

Bangladesh Market Snapshot

Source: Dhaka Stock Exchange

| DSEX | DSES | DS30 | Turnover (BDT mn) | Market Cap (BDT bn) |
|----------|----------|----------|-------------------|---------------------|
| 5,406.20 | 1,089.28 | 2,049.80 | 10,804 | 6,881 |
| +0.62% | +0.26% | +0.25% | +0.06% | +0.06% |

Bangladesh Macro Snapshot

Source: Bangladesh Bank

| Treasury Bill Yield | Call Money Rate | Inflation rate | GDP Growth Rate | Reserve (BPM-6) |
|----------------------|------------------|-----------------|-----------------------|------------------|
| 10.50% | 9.94% | 9.04% | 3.03% | 30.11bn USD |
| Maturity: 23-05-2027 | Date: 02-06-2026 | Period: 2026-04 | Period: Oct'25-Dec'25 | Date: 01-06-2026 |

Exchange Rate

Source: Bloomberg

| USD | EUR | INR | CNH | GBP |
|--------|--------|--------|--------|--------|
| 122.51 | 142.58 | 1.29 | 18.10 | 165.55 |
| +0.00% | -0.01% | -0.01% | +0.07% | +0.01% |

International Market

Source: Bloomberg

| MSCI Frontier | S&P 500 | SSE Comp | Nikkei 225 | FTSE 100 |
|---------------|----------|----------|------------|-----------|
| 805.42 | 7,609.78 | 4,088.62 | 68,452.45 | 10,373.50 |
| -0.79% | +0.13% | +0.30% | +2.67% | +0.33% |

Commodities (USD)

Source: Bloomberg

| Gold (Troy ounce) | Brent (Barrel) | Cotton (Pound) | Silver (Troy ounce) | Wheat (Bushel) |
|-------------------|----------------|----------------|---------------------|----------------|
| 4,510.90 | 96.82 | 78.10 | 75.31 | 632.75 |
| -0.39% | +2.59% | +1.97% | -0.28% | -1.44% |

Macroeconomy

Bangladesh's LDC graduation likely to be deferred

Bangladesh's LDC graduation is poised to be deferred as the UN body concerned endorses government's request for a delay for three more years until November 24, 2029 amid local and global adversities. Official sources say that, taking into consideration Bangladesh government's request for delay in graduation from the least-developed country (LDC) category, the United Nations Committee for Development Policy (CDP) has expressed a positive view.

<https://today.thefinancialexpress.com.bd/public/first-page/bangladeshs-ldc-graduation-likely-to-be-deferred-1780423960>

Govt to unveil full-tenure tax roadmap

The government is likely to unveil its full-term tax plan on June 11, outlining income tax-free limits and tax rates for individual taxpayers up to the fiscal year 2030-31 (FY31), the final year of its tenure. Under the plan, the tax-free income threshold is expected to gradually rise to Tk 4.5 lakh by FY31 in an effort to ease pressure on taxpayers amid persistently high inflation. At present, individuals can earn up to Tk 3.5 lakh a year without paying income tax. This limit is set to increase to Tk 3.75 lakh in FY28 under the interim government's earlier two-year tax framework.

<https://www.thedailystar.net/business/economy/news/govt-unveil-full-tenure-tax-roadmap-4189161>

Foreign-funded projects see massive cost spikes

The cost of foreign-funded projects is rising sharply as the depreciation of the taka drives up repayment obligations and forces repeated revisions to project budgets. Planning Commission officials have been receiving a growing number of proposals seeking higher project costs, with implementing agencies citing the weaker exchange rate against the US dollar. The trend is increasing both the overall cost of development projects and the government's external debt burden.

<https://tob.news/foreign-funded-projects-see-massive-cost-spikes/>

Govt to charge 0.25% fee on sovereign loan guarantees

The government has decided to introduce a 0.25% fee on guarantees issued against loans taken by state-owned, autonomous, and government-controlled entities. In a circular issued by the Ministry of Finance today (2 June), it stated that the fee will apply to both local and foreign loans backed by state guarantees.

<https://www.tbsnews.net/economy/govt-charge-025-fee-sovereign-loan-guarantees-1452811>

Free raw material import, 3-year bond licence for non-RMG sectors likely

The government is considering a package of fresh facilities for non-RMG export sectors in the upcoming budget as part of efforts to diversify exports and reduce dependence on the garment industry. One of the key measures under consideration is transferring the authority to issue utility declarations (UDs) – which determine exporters' raw material entitlement – from customs bond offices to relevant trade associations. Initially, this authority may be granted to associations representing terry towel and home textile exporters, as well as leather goods exporters.

<https://www.tbsnews.net/economy/budget/free-raw-material-import-3-year-bond-licence-non-rmg-sectors-likely-1452871>

Banks

NPLs jump by Tk31,000cr in three months

Non-performing loans in the country's banking sector rose by more than Tk31,000 crore in the three months to March, reaching Tk5.89 lakh crore amid weak credit growth, slower recovery and reclassification of stressed assets, according to Bangladesh Bank data. Non-performing loans accounted for 32.26% of total outstanding credit, which stood at Tk18,24,668 crore. This reflects a sharp escalation from the preceding October-December quarter, which closed with default loans at Tk5,57,216 crore, representing 30.60% of total disbursements.

<https://www.tbsnews.net/economy/banking/npls-surge-tk31000cr-3-months-climb-tk589-lakh-crore-1452366>

Fuel & Power

Power tariffs set for fresh hike today

Electricity consumers across Bangladesh are likely to pay higher power bills as the energy regulator is set to announce new bulk and retail tariffs. The Bangladesh Energy Regulatory Commission (BERC) is scheduled to announce the revised tariffs at a press conference at its headquarters in the capital this afternoon (Wednesday). The new tariff may take retrospective effect from June 1.

<https://today.thefinancialexpress.com.bd/public/first-page/power-tariffs-set-for-fresh-hike-today-1780423888>

Telecom

Mobile SIM replacement tax may be scrapped

The existing value-added tax (VAT) on mobile phone SIM replacement may be withdrawn. According to sources at the finance ministry, the tax on IoT SIM replacements may also be removed. At present, a Tk200 tax is charged for each SIM replacement. Officials at the National Board of Revenue (NBR) said the SIM replacement tax may indeed be withdrawn. Speaking to The Business Standard on condition of anonymity, a senior NBR official said removing the tax could result in around Tk130 crore in forgone revenue.

<https://www.tbsnews.net/nbr/mobile-sim-replacement-tax-may-be-scrapped-1452041>

BTRC to auction more lower-band spectrum

The telecom regulator has decided to allocate additional lower-band spectrum to mobile operators through an auction process, aiming to improve network coverage, indoor connectivity and rural service quality. The Bangladesh Telecommunication Regulatory Commission (BTRC) made the decision at a recent meeting following recommendations from a technical committee tasked with comparing spectrum bands, setting prices and identifying cross-border interference issues, regulatory officials said. "The additional lower-band spectrum could help operators strengthen network coverage in both urban and rural areas," said Major General (retd) Md Emdad-UI-Bari, chairman of the BTRC.

<https://www.thedailystar.net/business/telecom/news/btrc-auction-more-lower-band-spectrum-4189151>

Insurance

Auditors flag financial breaches at non-life insurers

Auditors have exposed a series of financial reporting irregularities, regulatory breaches, and governance weaknesses at several listed general insurers, raising fresh concerns over transparency and compliance standards in the country's insurance sector. They revealed issues ranging from potentially impaired bank deposits and overstated investment values to excessive management expenses, unverified balances, and non-compliance with international accounting standards. The audit observations, involving at least 18 listed insurance companies and their 2025 financial statements, were published on Tuesday.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/auditors-flag-financial-breaches-at-non-life-insurers-1780419378>

Capital Market

Finance minister promises professional, politics-free securities commission

The entire commission of the securities regulator will be replaced within two weeks by non-political professionals with adequate knowledge of the capital market, the finance minister said. The changes in the regulatory body, along with legal reforms, will help make the market vibrant, he said on Tuesday at a seminar organised by the Economic Reporters' Forum (ERF) at its office in the capital. "We are completely reorganising the Securities and Exchange Commission (SEC) with professionals rather than politicians - people who understand the market," said Finance Minister Amir Khosru Mahmud Chowdhury.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/finance-minister-promises-professional-politics-free-securities-commission-1780419329>

Stocks

GP appoints Andreas Høgberg as CSTO

Grameenphone has appointed Andreas Høgberg as its Chief Strategy and Transformation Officer (CSTO), reports BSS. In the new role, Høgberg will lead the company's strategic transformation agenda and oversee the execution of its five-year strategy, said a press release today. His responsibilities include driving innovation, setting strategic priorities, and steering organizational transformation to ensure sustainable growth and future readiness.

<https://today.thefinancialexpress.com.bd/public/stock-corporate/gp-appoints-andreas-hogberg-as-csto-1780419455>

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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% |

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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

| | |
|--|------------------------------------|
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Digital Booths

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| Feni +880 1324 243 210 | Khatungonj +880 1713 205 742 | Chawkbazar +880 1817 206 965 | Madhobdi +880 1324 243 156 | |
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