

**Bangladesh Market Snapshot**
*Source: Dhaka Stock Exchange*

DSEX	DSES	DS30	Turnover (BDT mn)	Market Cap (BDT bn)
5,520.40	1,114.65	2,072.91	12,387	6,900
+0.06%	+0.05%	-0.35%	-0.07%	-0.07%

**Bangladesh Macro Snapshot**
*Source: Bangladesh Bank*

Treasury Bill Yield	Call Money Rate	Inflation rate	GDP Growth Rate	Reserve (BPM-6)
10.20%	9.89%	9.42%	4.14%	30.13bn USD
Maturity: 07-JUN-27	Date: 11-06-26	Period: 2026-05	Period: FY26	Date: 30-Jun-26

**Exchange Rate**
*Source: Bloomberg*

USD	EUR	INR	CNH	GBP
122.54	141.89	1.29	18.13	163.39
+0.00%	-0.10%	-0.68%	-0.04%	+0.13%

**International Market**
*Source: Bloomberg*

MSCI Frontier	S&P 500	SSE Comp	Nikkei 225	FTSE 100
795.15	7,431.46	4,031.51	66,020.04	10,471.70
+0.25%	+0.50%	+1.10%	+2.77%	+1.63%

**Commodities (USD)**
*Source: Bloomberg*

Gold (Troy ounce)	Brent (Barrel)	Cotton (Pound)	Silver (Troy ounce)	Wheat (Bushel)
4,215.00	87.33	72.94	67.86	634.50
-0.14%	-1.66%	-3.84%	+0.86%	-0.31%

**Macroeconomy**
**GDP growth to be 4.6pc in FY27: WB**

The World Bank has revised Bangladesh's growth prospect into down trajectory as it forecast the Gross Domestic Product (GDP) growth at 4.6 per cent in the upcoming fiscal year (FY) 2026-27. It has also downgraded Bangladesh's GDP growth projection for the outgoing FY2026 by 0.8 percentage point to 3.8 per cent from its 4.6 per cent forecasted in January 2026 report, the Global Economic Prospect (GEP) report, unveiled by the World Bank on Friday.

<https://www.thefinancialexpress.com.bd/economy/bangladesh/gdp-growth-to-be-46pc-in-fy27-wb>

**Govt plans to borrow Tk 1.12t from banks to offset revenue shortfall**

The government plans to borrow Tk 1.12 trillion from the banking system to meet the revenue shortfall in the coming financial year of 2026-2027. Out of its total domestic borrowing of Tk 1.27 trillion, Tk 1.12 trillion would be sourced from the banking system in FY'27. In the current fiscal year (FY) 2025-26, the amount was Tk 1.18 trillion. "That is, we have proposed to reduce borrowing from the banking system by Tk 60 billion in the upcoming fiscal year," the finance minister said while placing the proposed budget on Thursday.

<https://today.thefinancialexpress.com.bd/public/last-page/govt-plans-to-borrow-tk-112t-from-banks-to-offset-revenue-shortfall-1781203386>

**External debt interest payments to double in FY29**

External interest payments will continue to grow and will be almost double in the next three financial years, while the government is struggling to meet its overseas debt obligations due to both internal and external factors. Interest payments against overseas public borrowing are projected to increase significantly from Tk 22,000 crore in the outgoing financial year 2025-26 to Tk 40,300 crore in FY29, according to the Medium-Term Macroeconomic Policy Statement for FY 2026-27 to FY 2028-29.

<https://www.newagebd.net/post/country/302641/external-debt-interest-payments-to-double-in-fy29>

**Govt allocates Tk1.22 lakh crore for subsidies, incentives despite fiscal strain**

Despite pressure from weak revenue collection, rising debt-servicing costs and other economic challenges, the government has proposed allocating over Tk1.22 lakh crore for subsidies and incentives in the 2026-27 fiscal year budget. According to budget documents, Tk89,538 crore has been earmarked for subsidies and Tk32,955 crore for incentives. Economists say the spending is necessary to contain inflation, maintain energy supplies and support agricultural production. However, they warn that such a large allocation could put further pressure on public finances.

<https://www.tbsnews.net/economy/budget/govt-allocates-tk122-lakh-crore-subsidies-incentives-despite-fiscal-strain-1460836>

**Landowners face 15% capital gains tax on developer-built flats**

Landowners will soon have to pay a 15% capital gains tax on the value of apartments or any other financial benefits received from developers beyond the initial signing money, according to changes proposed in the new Finance Bill. The proposed measure, included in the income tax provisions of the bill presented by Finance Minister Amir Khosru Mahmud Chowdhury, seeks to broaden the capital gains tax base by treating apartments and other non-cash benefits received from developers as taxable gains.

<https://www.tbsnews.net/nbr/not-just-signing-money-landowners-face-15-capital-gains-tax-developer-built-flats-1461606>

**Govt plans to simplify share transfers, profit repatriation to boost foreign investor confidence**

The government is planning a series of measures aimed at boosting foreign investor confidence, improving the ease of doing business and accelerating banking services in the upcoming FY2026-27 budget. Under the proposed measures, the transfer of shares in unlisted companies and the repatriation of capital are set to be made easier. Investments of up to Tk1 crore would no longer require a valuation report, while profit repatriation for deals worth up to Tk100 crore could be allowed without prior approval from Bangladesh Bank.

<https://www.tbsnews.net/economy/budget/govt-plans-simplify-share-transfers-profit-repatriation-boost-foreign-investor>

**7-day licence approval system on the cards for businesses to boost investment**

The government is likely to reform the approval and licensing process for businesses in the FY2026-27 budget, aiming to complete the process within seven days. Officials believe the move would simplify business start-up procedures and help create a more investment-friendly environment. Under the proposed measures, the entire licensing process, from submitting an application online to the issuance of a licence, could be completed within a maximum of seven days.

<https://www.tbsnews.net/economy/budget/7-day-licence-approval-system-cards-businesses-boost-investment-1459691>

**Fuel & Power****Tk17,345 proposed for power, energy sectors amid push to cut subsidies, phase out inefficient plants**

Finance Minister Amir Khosru Mahmud Chowdhury has proposed a Tk17,345 crore allocation for the power and energy sector in the budget for FY2026-27, alongside a series of reforms aimed at reducing subsidy burdens, reviewing capacity payments and retiring inefficient power plants. The proposed allocation is Tk5,175 crore, or 22.98%, lower than the original FY26 allocation of Tk22,520 crore. However, it exceeds the revised allocation of Tk16,952 crore for the current fiscal year.

<https://www.tbsnews.net/bangladesh/power-energy-allocation-be-set-tk17045cr-amid-push-cut-subsidies-phase-out-inefficient>

## Pharmaceuticals

### Govt to withdraw import duty on 51 active pharmaceutical ingredients

The government has proposed the complete withdrawal of import duty on 51 new raw materials used in the manufacture of active pharmaceutical ingredients (APIs) to make medicines more affordable for consumers in the domestic market. Moreover, to make the domestic pharmaceutical industry more capable and self-reliant in producing affordable and economically viable anti-cancer medicines locally, the government has proposed amending the existing notification on concessional customs duty facilities by adding nine more raw materials for import.

<https://www.thedailystar.net/business/news/govt-withdraw-import-duty-51-active-pharmaceutical-ingredients-4196586>

## Telecom

### Govt proposes scrapping Tk 300 SIM tax, imposes 15pc VAT on SIM supply price

The government has proposed abolishing the longstanding Tk 300 tax on mobile SIM cards while introducing a 15 per cent value-added tax (VAT) on the supply price of SIMs and e-SIMs in the national budget for fiscal year 2026-27. Presenting the budget in parliament on Thursday, Finance Minister Amir Khosru Mahmud Chowdhury said the government was pursuing extensive reforms in taxation, VAT and licensing policies to support the information and communication technology (ICT) sector, which has been designated as a thrust sector for economic growth.

<https://today.thefinancialexpress.com.bd/budget-2026-27/govt-proposes-scrapping-tk-300-sim-tax-imposes-15pc-vat-on-sim-supply-price-1781199639>

## Construction

### Rod market turns volatile on proposed VAT hike

Bangladesh's steel rod market has turned volatile after manufacturers began raising prices in anticipation of a proposed increase in value-added tax (VAT) at the production stage of mild steel rods in the FY2026-27 national budget, triggering immediate cost pass-through across the supply chain, according to traders and industry officials in Chattogram. The adjustment followed Finance Minister Amir Khasru Mahmud Chowdhury's 11 June budget speech in Parliament, where he proposed a modest rise in the specific VAT on MS rod production, prompting manufacturers and dealers to revise prices upward amid concerns over rising production costs and weakening margins in the construction-linked steel sector.

<https://tob.news/rod-market-turns-volatile-on-proposed-vat-hike/>

## Automobile

### EV tax incentives set to reshape automotive landscape

The government has proposed an extensive package of tax and duty incentives in the FY2026-27 budget aimed at developing Bangladesh's electric vehicle (EV) industry, reducing dependence on fossil fuel-based transportation and encouraging local manufacturing. The proposed measures cover EV imports, domestic vehicle production, component manufacturing, charging infrastructure and plug-in hybrid vehicles, while simultaneously increasing taxes on certain categories of petrol and diesel-powered vehicles.

<https://tob.news/ev-tax-incentives-set-to-reshape-automotive-landscape/>

## Miscellaneous

### Resin duty hike poses new challenge for plastic industry

The hike in import duties on plastic resins in the proposed national budget for the fiscal year 2026-27 will create fresh challenges for Bangladesh's plastic industry, raising production costs and affecting a wide range of downstream sectors, industry insiders say. The government has proposed doubling the import duty on two key plastic raw materials – PVC (polyvinyl chloride) and PET (polyethylene terephthalate) resins – from 5 percent to 10 percent.

<https://www.thedailystar.net/business/economy/news/resin-duty-hike-poses-new-challenge-plastic-industry-4198001>

## Capital Market

### FY27 budget measures to boost capital market: DSE

The Dhaka Stock Exchange (DSE) has welcomed a series of initiatives proposed in the national budget for fiscal year 2026-27, saying the measures would help develop the country's capital market and create a more investment-friendly environment. Finance Minister Amir Khosru Mahmud Chowdhury on Thursday proposed several measures considered broadly positive for the capital market, including tax reliefs, market reforms and sector-specific incentives aimed at improving corporate profitability, strengthening cash flows and encouraging investment.

<https://www.thefinancialexpress.com.bd/stock/bangladesh/fy27-budget-measures-to-boost-capital-market-dse>

### NBR seeks to raise taxes on dividend income

The finance minister said in his budget speech that the government wants to make the capital market vibrant. But a number of proposed tax changes could push institutional and retail investors away from shares and into safer investments such as government securities. Under the proposed budget for fiscal year 2026-27, corporate investors would lose the preferential 20 percent tax rate on dividend income from shares and instead pay tax at their regular corporate rates. For banks, that could mean paying 37.5 percent tax on dividend income instead of 20 percent. The second proposed change affects individual investors. Retail investors currently receive a 15 percent tax rebate on stock market investments, but the budget proposes reducing that to 10 percent.

<https://www.thedailystar.net/business/economy/news/nbr-seeks-raise-taxes-dividend-income-4197956>

### Dhaka bourse on track to launch T+1 settlement cycle by December

The Dhaka bourse is set to shorten its trading settlement cycle from T+2 to T+1 by December this year, a move aimed at boosting trading volume. A committee comprising representatives of Bangladesh Bank (BB) and the Dhaka Stock Exchange (DSE) has already begun working to identify the changes needed for a smooth transition, said DSE Managing Director Nuzhat Anwar. The committee was formed after a DSE delegation met with the central bank's governor at his office. Bangladesh investment opportunities. The primary task in this transition will be to extend banking hours in alignment with the new settlement cycle.

<https://www.thefinancialexpress.com.bd/stock/bangladesh/dhaka-bourse-on-track-to-launch-t1-settlement-cycle-by-december>

**Budget ends nearly two-decade tax break for zero-coupon bond investors**

The tax exemption for individual investors on income from zero-coupon bonds has been scrapped, after the government removed the benefit in the proposed budget for FY2026–27. A zero-coupon bond is a debt instrument that does not pay periodic interest. Instead, it is issued at a deep discount to its face value, generating a return when the investor receives the full-face value at maturity. With the removal of the tax benefit, individual investors who earn income from zero-coupon bonds must now include such earnings when calculating their taxable income and pay taxes accordingly, capital market analysts and investors say.

<https://www.tbsnews.net/economy/stocks/budget-ends-nearly-two-decade-tax-break-zero-coupon-bond-investors-1462246>

**Stocks****Eastern Bank approves 28% dividend**

Eastern Bank PLC (EBL) has approved a 28 percent dividend, comprising a 25 percent cash dividend for the year ended December 31, 2025. The dividend was approved at the bank's 34th annual general meeting (AGM), held recently, according to a press release.

<https://www.thedailystar.net/business/economy/news/eastern-bank-approves-28-dividend-4198036>

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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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### Head Office

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<b>Feni</b> +880 1324 243 210	<b>Khatungonj</b> +880 1713 205 742	<b>Chawkbazar</b> +880 1817 206 965	<b>Madhobdi</b> +880 1324 243 156	
	<b>Narayangonj</b> +880 1324 243 207	<b>Agrabad</b> +880 1324 243 198		