UCB STOCK Brokerage Limited

# News Summary - 02 July, 2026

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

| DSEX | DSES | DS30 | Turnover (BDT mn) | Market Cap (BDT bn) |
|---|---|---|---|---|
| *5,762.83* | *1,168.13* | *2,178.38* | *15,737* | *6,987* |
| +0.70% | +0.98% | +0.55% | +0.14% | +0.14% |

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

| Treasury Bill Yield | Call Money Rate | Inflation rate | GDP Growth Rate | Reserve (BPM-6) |
|---|---|---|---|---|
| 9.74% | 9.64% | 9.42% | 4.14% | 31.53bn USD |
| *Maturity: 28-06-27* | *Date: 30-06-26* | *Period: 2026-05* | *Period: FY26* | *Date: 28-06-26* |

**Exchange Rate** *Source: Bloomberg*

| USD | EUR | INR | CNH | GBP |
|---|---|---|---|---|
| 123.14 | 140.24 | 1.29 | 18.14 | 164.19 |
| *+0.00%* | *-0.00%* | *+0.00%* | *-0.04%* | *-0.01%* |

**International Market** *Source: Bloomberg*

| MSCI Frontier | S&P 500 | SSE Comp | Nikkei 225 | FTSE 100 |
|---|---|---|---|---|
| 818.36 | 7,483.23 | 4,079.75 | 69,591.75 | 10,478.30 |
| *+0.51%* | *-0.22%* | *-0.81%* | *-1.19%* | *-0.18%* |

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

| Gold (Troy ounce) | Brent (Barrel) | Cotton (Pound) | Silver (Troy ounce) | Wheat (Bushel) |
|---|---|---|---|---|
| 4,071.20 | 70.64 | 77.98 | 60.46 | 633.50 |
| *+1.96%* | *-3.55%* | *+1.62%* | *+3.79%* | *-0.16%* |

## Macroeconomy

### Bangladesh Bank projects 6.1% GDP growth for FY27, below govt's 6.5% target

Bangladesh Bank has projected the country's economy to grow by 6.1% in FY27, lower than the government's 6.5% target set in the national budget, while keeping key policy interest rates unchanged in an effort to rein in inflation. The forecast was unveiled in the central bank's Monetary Policy Statement (MPS) for the July-December period of FY27, released today (30 June). According to provisional estimates by the Bangladesh Bureau of Statistics (BBS), the economy grew by 4.14% in FY26, recovering from 3.49% in the previous fiscal year.

https://www.tbsnews.net/economy/banking/bangladesh-bank-projects-61-gdp-growth-fy27-below-governments-65-target-1476326

### Cenbank cuts private sector credit growth target to 6.8% for December

The Bangladesh Bank has lowered its private sector credit growth target to 6.8% for December under its Monetary Policy Statement for the first half of FY2026-27. The central bank unveiled the new monetary policy on its website today (30 June). Private sector credit growth stood at 5% in May, well below the 8.5% target set for the whole of FY2025-26. Despite the shortfall, the central bank expects lending to recover to 6.8% by December. The policy also sets the domestic credit growth target at 10.5%.

https://www.tbsnews.net/economy/bangladesh-bank-cuts-private-sector-credit-growth-target-68-dec-1476146

### Monetary policy alone can't tame inflation: Governor

Controlling inflation is not possible simply by raising interest rates, Bangladesh Bank Governor Mostaqur Rahman has said, emphasising the need for coordinated efforts involving market management, supply systems, and fiscal policy. Speaking during the question-and-answer session after announcing the monetary policy for the first half of the 2026-27 fiscal year on Tuesday, the governor said, "Monetary policy alone is not sufficient to tackle inflation or any kind of crisis. Other supportive policies must also work equally." He stressed the need to improve market management to prevent extortion, unjustified hoarding, and market manipulation through syndicates. At the same time, the central bank will continue to use its monetary policy tools to control inflation.

https://tob.news/monetary-policy-alone-cant-tame-inflation-governor/

### Remittances grow 17.6% to record $35.34b in FY26

Bangladesh's remittance inflows crossed the $35.34 billion mark in the concluding fiscal year FY2025-26, registering a 17.6% year-on-year increase, according to the latest data from Bangladesh Bank. The central bank's Foreign Exchange Policy Department said expatriate Bangladeshis sent $35.34 billion between July 2025 and 28 June 2026, compared with $30.04 billion during the same period in FY2024-25, reports UNB. In the first 28 days of June 2026 alone, the country received $2.58 billion in remittances, marking a 1.8% increase from $2.54 billion during the corresponding period in June 2025.

https://www.tbsnews.net/economy/remittances-grow-176-record-3534b-fy26-1475851

### JS passes Tk9.38 lakh crore FY27 budget amid high hopes, tough challenges

Parliament today (30 June) passed the Tk9.38 lakh crore national budget for FY27, approving the BNP government's first full-year spending plan despite lingering concerns over inflation, revenue mobilisation and implementation. The new fiscal plan takes effect today with the beginning of the new fiscal year. The budget received final approval after the House passed the Appropriation Bill, 2026. Finance Minister Amir Khosru Mahmud Chowdhury had unveiled the budget proposal on 11 June under the theme, "Journey Towards a Democratic, Humane and Inclusive Economy."

https://www.tbsnews.net/economy/budget/parliament-passes-tk938-lakh-crore-budget-fy27-1476256

### Revenue falls Tk88,000cr short of FY26 target despite sharp year-end surge

Despite a sharp increase in revenue collection during the final two months of the fiscal year, the National Board of Revenue (NBR) fell short of its FY2025-26 target by around Tk88,000 crore. Of the total shortfall, the Chattogram Custom House alone missed its target by nearly Tk21,000 crore. According to the NBR's preliminary estimates, it collected Tk4,15,000 crore in FY26 against a target of Tk5,03,000 crore. Although revenue fell well below target, collections still grew by more than 12% compared with FY25.

https://www.tbsnews.net/nbr/revenue-falls-tk88000cr-short-fy26-target-despite-sharp-year-end-surge-1477556

## Banks

### BB unveils NPL combat roadmap

The central bank has unveiled a medium-term roadmap to reduce mounting non-performing loans (NPLs) through stricter supervision, faster loan recovery, legal reforms and adoption of internationally practised expected credit-loss standards. "The level of NPLs remains a key focus area for the banking sector, affecting bank profitability, capital adequacy ratios, liquidity distribution, and the transmission efficiency of monetary policy," the central bank said in its latest Monetary Policy Statement (MPS) for July-December 2026 published on Tuesday. A key element of the Bangladesh Bank (BB) medium-term roadmap is adoption of the Expected Credit Loss (ECL) framework under IFRS (International Financial Reporting Standard) 9, replacing the existing rules-based provisioning system by 2027.

https://today.thefinancialexpress.com.bd/public/first-page/bb-unveils-npl-combat-roadmap-1782843219

## Financial Institutions

### Cenbank to liquidate five NBFIs, gives four others 3 months to recover

The Bangladesh Bank has decided to liquidate five troubled non-bank financial institutions (NBFIs) after determining that they are no longer financially viable, while granting four others a final three-month opportunity to restore their financial health under strict conditions. The decision was taken under the Bank Resolution Act, 2026 following a review of Financial Viability Reports on nine distressed NBFIs at a recent board meeting. The institutions slated for liquidation are People's Leasing and Financial Services Limited, International Leasing and Financial Services Limited, Aviva Finance Company Limited, FAS Finance and Investment Limited, and Far East Finance and Investment Limited.

https://www.tbsnews.net/bangladesh/bb-gives-4-finance-companies-3-months-implement-restructuring-plan-1477491

## Pharmaceuticals

### Govt reconstitutes 24-member National Drug Advisory Council

The government has reconstituted the 24-member National Drug Advisory Council under the Drugs and Cosmetics Act, 2023, with the Health and Family Welfare Minister as its chairman. According to a gazette notification issued by the Cabinet Division on Monday, the secretary of the Ministry of Health and Family Welfare will serve as the member secretary of the council. The notification said the earlier gazette issued on June 21 constituting a 22-member National Drug Advisory Council has been cancelled and the new order has come into effect immediately.

https://www.bssnews.net/news/401739

## Fuel & Power

### Govt keeps fuel prices unchanged, cuts furnace oil rate

The government has left retail prices of diesel, kerosene, petrol and octane unchanged for July, extending the rates fixed in May, while reducing furnace oil prices used in electricity generation by Tk4.44 per litre. According to a notification issued by the Energy and Mineral Resources Division on Tuesday, diesel and kerosene will continue to sell at Tk115 per litre, octane at Tk145 per litre and petrol at Tk140 per litre from 1 July. The prices, first fixed through a notification issued on 31 May, will remain in force throughout July with the approval of the competent authority.

https://tob.news/govt-keeps-fuel-prices-unchanged-cuts-furnace-oil-rate/

## Ceramics

### Tk19,000cr ceramics industry gears up for global leap

Bangladesh's ceramic industry has come a long way from the days when the country relied heavily on imported tiles, tableware and sanitaryware. Today, it has grown into one of the country's leading manufacturing sectors, supplying most of the domestic market while steadily expanding its footprint overseas. With total investment reaching nearly Tk19,247 crore, the industry has become an important source of employment, value addition and export earnings. According to the Bangladesh Ceramic Manufacturers & Exporters Association (BCMEA), the country now has 75 manufacturers across four segments—31 tile companies, 20 tableware producers, 20 sanitaryware manufacturers and four ceramic brick producers. Over the past decade alone, investment and production in the sector have grown by 150%, reflecting rising domestic demand and continuous expansion of manufacturing capacity.

https://www.tbsnews.net/supplement/tk19000cr-ceramics-industry-gears-global-leap-1475831

## Capital Market

### BSEC restores bourses' authority to set circuit breakers, trading rules

The Bangladesh Securities and Exchange Commission (BSEC) has restored the authority of the country's two stock exchanges to independently set circuit breakers and other key trading parameters, reversing a 2021 directive that centralised those powers under the regulator. The decision was taken at an emergency commission meeting chaired by BSEC Chairman Masud Khan today (1 July). Under the new directive, the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE) will be able to independently determine trading control measures, including circuit breakers, tick size, market lot, block size, order size, closing price calculations, market protection percentages and index calculation frequency.

https://www.thedailystar.net/business/economy/news/bourses-get-power-set-market-control-parameters-4213506

### BSEC allows open-ended funds to reinvest profits, hands market control back to bourses

The securities commission has decided to allow open-ended mutual funds (MFs) to reinvest profits instead of distributing dividends, subject to approval from trustees. The decision was taken at a meeting on Wednesday at the office of the Bangladesh Securities and Exchange Commission (BSEC). The reinvestment is not mandatory. If an asset manager proposes reinvesting profits in a pooled fund, it will need approval from the trustee. The trustee may give its consent considering the interest of unitholders and the capital market. The reinjection of cash will not involve the issuance of reinvestment units (RIU); rather, it will improve the fund's net asset value (NAV).

https://today.thefinancialexpress.com.bd/public/stock-corporate/bsec-allows-open-ended-funds-to-reinvest-profits-hands-market-control-back-to-bourses-1782925843

## Stocks

### Dominage Steel applies for regulatory approval to sell 30% shares to Akij

Listed engineering company Dominage Steel Building Systems Limited has applied to the Bangladesh Securities and Exchange Commission (BSEC) for approval to transfer 30.78 million shares, representing around 30% of the company's total shares, from its sponsor-directors to Akij Resources Limited, Sheikh Jasim Uddin, and Faria Hossain. The proposed transfer will be executed through an off-market negotiated transaction under CDBL Bye-Laws 11.6 via a matched transaction. The company's board of directors approved the proposed share sale at its meeting held on 25 April. However, the transaction remains subject to BSEC's final approval. Once the regulatory clearance is obtained and the transfer is completed, a new board of directors representing the incoming investors is expected to assume control of the company's management and operations.

https://www.tbsnews.net/economy/stocks/dominage-steel-applies-regulatory-approval-sell-30-shares-akij-1477426

### Best Holdings' profit plunges 80pc on shrinking revenue

Best Holdings, which owns luxury hotel Le Méridien Dhaka, reported an 80 per cent year-on-year decline in profit in FY25, citing a sharp fall in revenue amid the country's prolonged economic slowdown. According to a disclosure published on the Dhaka Stock Exchange (DSE) on Tuesday, the company's consolidated profit dropped to Tk 297 million in the year ended June 30, 2025, from around Tk 1.41 billion a year earlier. The company said the weaker earnings resulted from an unexpected decline in revenue as adverse macroeconomic conditions affected business operations and customer demand.

https://today.thefinancialexpress.com.bd/public/stock-corporate/best-holdings-profit-plunges-80pc-on-shrinking-revenue-1782838606

## GP's 15-year labour dispute enters high-stakes phase

Grameenphone's 15-year legal battle with thousands of former employees has intensified into a volatile phase of protests and arrests, involving a financial exposure that staff claim exceeds the company's separate $1 billion government audit dispute. The row centres on statutory interest on delayed Workers' Profit Participation Fund (WPPF) payments for 2010-2012. Former employees argue GP delayed principal payments for over a decade through litigation, allowing statutory interest under the Bangladesh Labour Act to accumulate into one of the nation's largest corporate employment claims.

https://tob.news/gps-15-year-labour-dispute-enters-high-stakes-phase/

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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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