UCB STOCK Brokerage Limited

News Summary - 21 July, 2026

Bangladesh Market Snapshot

Source: Dhaka Stock Exchange

DSEX	DSES	DS30	Turnover (BDT mn)	Market Cap (BDT bn)
5,858	1,1197	2,209	9,665	7,068
+0.03%	*-0.05%*	*-0.09%*	*-9.70%*	*-0.20%*

Bangladesh Macro Snapshot

Source: Bangladesh Bank

364 Day T-Bill Yield	Call Money Rate	Inflation rate	GDP Growth Rate	Reserve (BPM-6)
9.57%	9.74%	9.16%	4.14%	31.97bn USD
Maturity: 20-07-27	*Date: 20-07-26*	*Period: 2026-06*	*Period: FY26*	Date: 16-07-26

Exchange Rate

Source: Bloomberg

USD	EUR	INR	CNH	GBP
123.29	140.81	1.28	18.21	166.61
+0.00%	*-0.04%*	+0.00%	+0.01%	-0.06%

International Market

Source: Bloomberg

MSCI Frontier	S&P 500	SSE Comp	Nikkei 225	FTSE 100
806.25	7,443.28	3,815.34	65,255.68	10,524.80
-1.05%	-0.19%	+0.65%	+1.78%	-0.71%

Commodities (USD)

Source: Bloomberg

Gold (Troy ounce)	Brent (Barrel)	Cotton (Pound)	Silver (Troy ounce)	Wheat (Bushel)
4,043.60	88.53	78.88	57.92	725.00
+0.39%	-1.93%	-0.20%	+1.08%	-0.85%

Macroeconomy

GDP growth slows to 2.22% in Q3 of FY26

Bangladesh's GDP growth slowed to 2.22% year-on-year at constant prices in the third quarter (January-March) of FY2025-26, down from 4.53% in the corresponding quarter of the previous fiscal year. The Bangladesh Bureau of Statistics (BBS) released the third-quarter GDP estimates for FY26 today (20 July). According to the quarterly data, the economy grew by 4.96% and 3.03% in the first and second quarters of FY26, respectively, compared with 3.91% and 3.53% in the corresponding quarters of the previous fiscal year.

https://www.tbsnews.net/economy/bangladeshs-q3-gdp-growth-slows-222-fy26-1493291

Dollar rate is rising again

The US dollar has resumed its upward trend over the past three to four weeks, driven by higher import payment pressures, weaker remittance inflows, slower export earnings and changing market expectations following recent discussions between the Bangladesh Bank and the International Monetary Fund, according to bankers and central bank officials. Yesterday (20 July), several commercial banks purchased remittance dollars from exchange houses at Tk123.75 per dollar, about 10 paisa higher than in early July. Bangladesh Bank data also show the interbank exchange rate rose by 75 paisa over the past week to Tk123.60.

https://www.tbsnews.net/economy/banking/why-dollar-rate-rising-again-1493501

Industrial output shrinks for first time in 6 years

Bangladesh's industrial output fell in the January-March quarter of fiscal year 2025-26, the first such decline since the pandemic-hit fourth quarter of FY20, as gas and electricity shortages, weak export demand and high borrowing costs squeezed factories. Industrial production contracted 0.28 percent in the third quarter of FY26, reversing 3.33 percent growth in the same period a year earlier, provisional data published yesterday by the Bangladesh Bureau of Statistics (BBS) showed. Output had slumped 14.94 percent in the April-June quarter of FY20 during the nationwide Covid lockdown, then stayed positive through subsequent quarters until this latest contraction.

https://www.thedailystar.net/business/economy/news/industrial-output-shrinks-first-time-6-years-4228536

UK investment arm unveils five-year strategy for BD

British International Investment (BII), the UK's development- finance institution, has unveiled a new five-year strategy for Bangladesh, reaffirming its long-term commitment to supporting sustainable economic growth, private- sector development and climate-focused investment in one of South Asia's fastest-growing economies. The 2026-2031 strategy, launched on Monday, builds on more than four decades of investment in Bangladesh and signals Britain's intention to deepen its economic partnership with the country by supporting businesses that generate employment, improve resilience and accelerate the transition to a low-carbon economy. The BII, which has invested in Bangladesh since the early 1980s, currently manages more than US$270 million worth of portfolio in the country.

https://today.thefinancialexpress.com.bd/public/last-page/uk-investment-arm-unveils-five-year-strategy-for-bd-1784571266

Supermarket outlets double in just one year

Modern retail outlets are steadily expanding their footprint across Bangladesh's urban landscape as consumers increasingly prioritise convenience in shopping. The number of supermarket chain outlets more than doubled to over 1,500 in 2025 from more than 750 a year earlier. The number of small modern retail stores also increased to 1,500 from 1,000 during the same period, according to the US Department of Agriculture's (USDA) Exporter Guide Annual reports for 2025 and 2026. The expansion lifted the industry's annual turnover to an estimated $800 million in 2025, up 33 percent from $600 million the previous year, the reports said.

https://www.thedailystar.net/business/economy/news/supermarket-outlets-double-just-one-year-4228661

Construction

Construction sector loses steam

The country's construction sector is facing one of its worst slowdowns in years as weaker public development spending, slower private investment and high borrowing costs reduce demand for housing and construction materials. Once driven by mega infrastructure projects, rapid urbanisation and a booming housing market, the sector is now struggling with rising costs, financing constraints and policy uncertainty. Industry leaders said the downturn has affected not only construction companies but also around 269 related industries, including steel, cement, ceramics, bricks, electrical equipment, transport and furniture.

https://www.thedailystar.net/business/economy/news/construction-sector-loses-steam-4228541

Capital Market

BSEC allows giving more margin loans

The Bangladesh Securities and Exchange Commission has proposed allowing stockbrokers, merchant banks and portfolio managers to increase margin financing to five times their core capital or net worth, up from the current limit of three times. To expand investor participation, the regulator has also reduced minimum investment of Tk3 lakh from Tk 5 lakh to qualify for margin loans. The BSEC has sought public opinion on amendment to Bangladesh Securities and Exchange Commission (Margin) Rules, 2025 within August 3.

https://www.newagebd.net/post/stocks/306923/bsec-allows-giving-more-margin-loans

Stocks

GP auditor flags Tk 125.80b BTRC tax demand as 'unresolved risk'

The auditor of Grameenphone Ltd has issued an emphasis of matter in its report on the telecom operator's interim financial statements for the six months ended June 30, 2026, drawing attention to an unresolved Tk 125.80 billion demand notice from the Bangladesh Telecommunication Regulatory Commission, disclosure documents filed with the Dhaka Stock Exchange showed on Monday. The demand, issued on April 2, 2019, followed an information system audit by BTRC covering the period from Grameenphone's inception in 1997 to December 31, 2014. It includes Tk 40.86 billion attributable to the National Board of Revenue.

https://www.newagebd.net/post/telecom/306949/gp-auditor-flags-tk-12580b-btrc-tax-demand-as-unresolved-risk

Pragati Insurance posts 24% growth in Q2 earnings

Pragati Insurance has reported a 23.57% year-on-year increase in earnings per share (EPS) for the second quarter of 2026, driven by higher operating and other income. According to a disclosure published today (20 July), the listed non-life insurer's EPS rose to Tk1.52 for the April-June quarter, up from Tk1.23 in the corresponding period a year earlier. For the first six months of 2026, the company's EPS climbed 37.6% to Tk3.11, compared with Tk2.26 in the January-June period of 2025.

https://www.tbsnews.net/economy/stocks/pragati-insurance-posts-24-growth-q2-earnings-1493461

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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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