

Monthly Report
on
Capital Market Analysis in Bangladesh



May, 2026

Research Department
(Special Studies and Fiscal Affairs Wing)

This report is prepared by the team under Special Studies and Fiscal Affairs Wing. Comments on any aspect of this report are highly welcomed and can be sent to the e-mail address: shamim.mondal@bb.org.bd and nurnabi.miah@bb.org.bd

Monthly Report on Capital Market Analysis in Bangladesh May, 2026

Editorial Committee

Chief Editor

Dr. Md. Sakhawat Hossain,
Executive Director (Research)

Editor

Anwar Aftab Ahmed, Director (Research)

Contributors

Md. Shamim Mondal, Additional Director (Research)
Puja Bhattacharjee, Deputy Director (Research)
Md. Nurnabi Miah, Deputy Director (Research)
Mohua Akter, Assistant Director (Research)

Key Highlights of Capital Market Analysis: May 2026

- In May 2026, the broad index of DSE and all share price index of CSE increased by 0.93 percent and 0.70 percent, respectively, than that of the previous month.
- In May 2026, the total turnover value of traded securities of DSE and CSE decreased by 17.39 percent and 44.16 percent, respectively, than that of the previous month. The fall in turnover was mainly due to weaker market participation during the month.
- At the end of May 2026, the market capitalization of DSE and CSE was 0.10 percent and 64.12 percent lower, respectively, than that of the preceding month. The decline in market capitalization was due to fall in stock prices of some major sectors.
- Turnover velocity ratio (TVR)¹, a key measure of market liquidity, decreased in DSE to 24.91 percent at the end of May 2026 from 30.12 percent at the end of April 2026 but increased as compared to 13.02 percent at the end of May 2025. The fall in turnover velocity results from reduced trading activity and cautious investor sentiment.
- The P/E ratio of all securities of DSE and CSE decreased to 8.72 and 10.50, respectively, at the end of May 2026 from 9.22 and 10.85 at the end of the previous month. On the other hand, the yield of all securities of DSE and CSE increased to 5.17 and 4.80, respectively, at the end of May 2026 from 5.11 and 4.67 at the end of the previous month. The simultaneous increase in yields and decrease in P/E ratios reflect declining stock prices and a more risk-averse market sentiment.

¹TVR = $\frac{\text{Total Values of Shares traded in a month} \times 12}{\text{Month -end Market Capitalization}} \times 100$

Capital Market Analysis in Bangladesh

May, 2026

Bangladesh Securities and Exchange Commission (BSEC) regulates country's two stock exchanges, the Dhaka Stock Exchange PLC (DSE) and the Chittagong Stock Exchange PLC (CSE), to ensure smooth functioning of the country's capital market. This report gives some insights into overall activities of capital market in Bangladesh for the month of May 2026.

In May 2026, the broad index of DSE and all share price index of CSE increased slightly by 0.93 percent and 0.70 percent, respectively, than that of the previous month. The total turnover value of traded securities of DSE and CSE decreased by 17.39 percent and 44.16 percent, respectively, than that of the previous month. The fall in turnover was mainly due to weaker market participation during the month.

The trend of some of the important indicators of DSE and CSE for the months from May 2025 to onwards is shown in Table-1, while the number of listed securities, major indices, P/E ratio and yield are shown in Table-A in Annexure-1.

Table-1: Status of Some Important Indicators of DSE & CSE

End of Month	Issued capital (Billion BDT)		Total Market Capitalization ² (Billion BDT)		Total Turnover (Billion BDT)	
	DSE	CSE	DSE	CSE	DSE	CSE
May-25	4651.46	4743.00	6469.85	6743.99	70.18	2.08
Jun-25	4675.78	4787.49	6622.71	6911.93	53.63	3.48
Jul-25	4710.80	4783.00	7122.23	7260.24	154.30	3.06
Aug-25	4698.90	4771.12	7280.49	7342.53	186.53	4.05
Sep-25	4715.92	4753.14	7250.63	7204.21	192.28	3.58
Oct-25	4674.30	4711.87	6991.34	6987.04	103.22	3.02
Nov-25	4724.61	4703.63	6850.94	6940.55	93.00	3.50
Dec-25	4733.17	4712.29	6781.83	6847.86	76.86	2.26
Jan-26	4694.31	4673.45	6950.82	7014.67	104.18	2.12
Feb-26	4692.31	6593.10	7183.65	9154.30	134.96	2.33
Mar-26	4644.69	6635.48	6888.33	8965.59	102.15	4.88
Apr-26	4620.00	6739.60	6851.19	9097.02	171.98	7.36
May -26	4599.81	6839.19	6844.33	3264.19	142.08	4.11

Source: Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC

²Total market capitalization of DSE includes companies, mutual funds, corporate bonds, govt. treasury bonds and debentures whereas total market capitalization of CSE does not include debentures.

Dhaka Stock Exchange PLC (DSE): May 2026

The total number of listed securities in DSE declined to 643 at the end of May 2026 from 645 at the end of April 2026. Among the listed securities, there were 360 companies, 36 mutual funds, 223 government bonds, 8 debentures and 16 corporate bonds. Among companies, there were 36 banks, 23 finance companies, 58 insurance companies and 243 other companies.

The market capitalization of DSE stood at BDT 6844.33 billion at the end of May 2026 which was 0.10 percent lower than that of the preceding month but 5.79 percent higher than that of the same month of the previous year.

The ratio of market capitalization of DSE to GDP (at current market prices) stood at 11.18 percent at the end of May 2026 which was 11.19 percent at the end of the preceding month and 10.57 percent at the end of the same month of the previous year (Table-2).

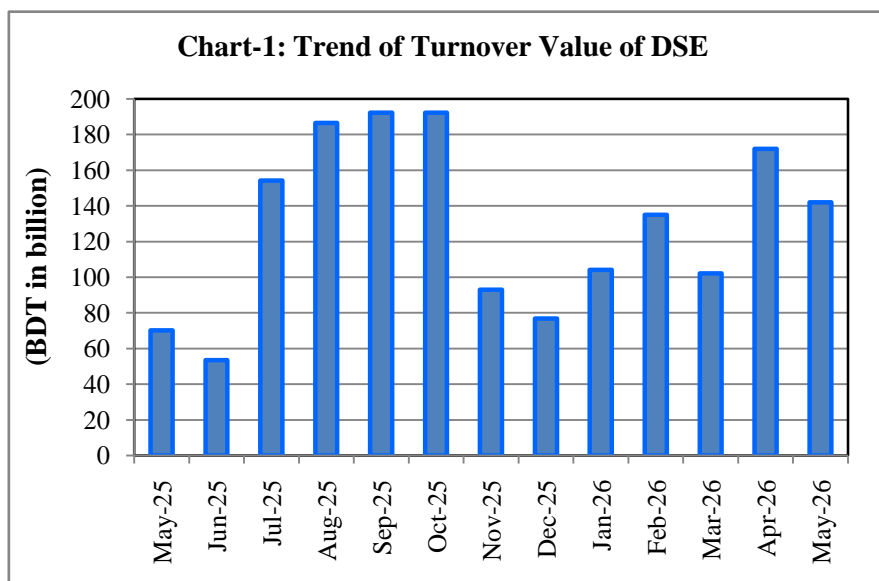
Table-2: Ratio of Market Capitalization to GDP³

End of Period	Ratio of Market Capitalization to GDP
May-2025	10.57
June-2025	10.82
July-2025	11.64
August-2025	11.90
September-2025	11.85
October-2025	11.42
November-2025	11.19
December-2025	11.08
January-2026	11.36
February-2026	11.74
March-2026	11.26
April -2026	11.19
May -2026	11.18

Source: Own calculation by the officials of RD, BB

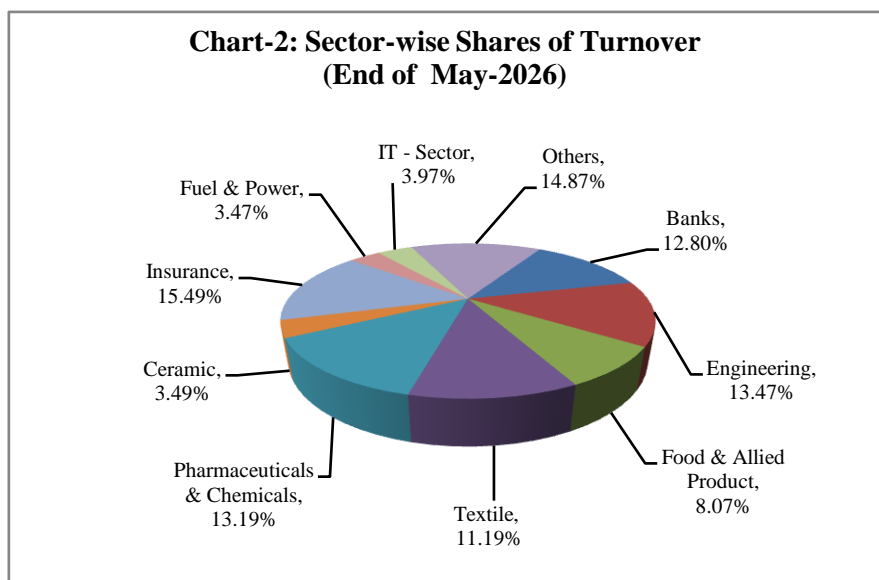
During May 2026, the value of total turnover of the traded securities of DSE stood at BDT 142.08 billion which was 17.39 percent lower than that of the preceding month but 102.45 percent higher than that of the same month of the previous year. The fall in turnover was due to weaker market participation. The trend of total turnover in DSE is shown in Chart-1.

³The ratio of market capitalization to GDP is calculated as market capitalization divided by provisional GDP of FY26 at current market prices multiplied by 100 [Example: $(6844.33/61202.09) \times 100 = 11.18$ for May 2026]. It may be noted that the provisional GDP of FY26 has been taken from National Accounts Statistics published recently by BBS.



Source: Dhaka Stock Exchange PLC

Among different sectors, insurance dominated the market during May 2026 in terms of turnover which recorded 15.49 percent of the total turnover followed by engineering 13.47 percent, pharmaceuticals & chemicals 13.19 percent, banks 12.80 percent, textile 11.19 percent, food & allied product 8.07 percent, IT sector 3.97 percent, ceramic 3.49 percent, fuel & power 3.47 percent, and others 14.87 percent. The sector-wise share of turnover is shown in Chart-2.



Source: Dhaka Stock Exchange PLC

Turnover velocity ratio is the ratio of the traded turnover to market capitalization which measures the breath and liquidity in the stock market. It indicates how frequently shares are traded relative to the total market capitalization. The turnover velocity ratio of DSE decreased to 24.91 percent at the end of May 2026 from 30.12 percent at the end of April

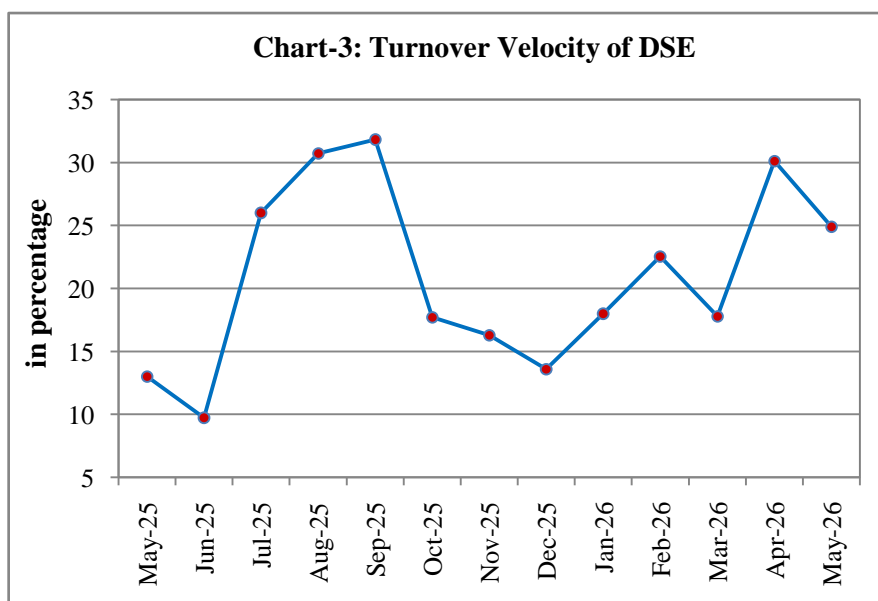
2026 but increased as compared to 13.02 percent at the end of May 2025. Table-3 presents the turnover velocity ratio of DSE for the period of May 2025 to May 2026.

Table-3: Turnover Velocity Ratio (TVR)

End of Period	Turnover Velocity Ratio
May-2025	13.02
June-2025	9.72
July-2025	26.00
August-2025	30.74
September-2025	31.82
October-2025	17.72
November-2025	16.29
December-2025	13.60
January-2026	17.99
February-2026	22.54
March-2026	17.80
April -2026	30.12
May -2026	24.91

Source: Own calculation by the officials of RD, BB

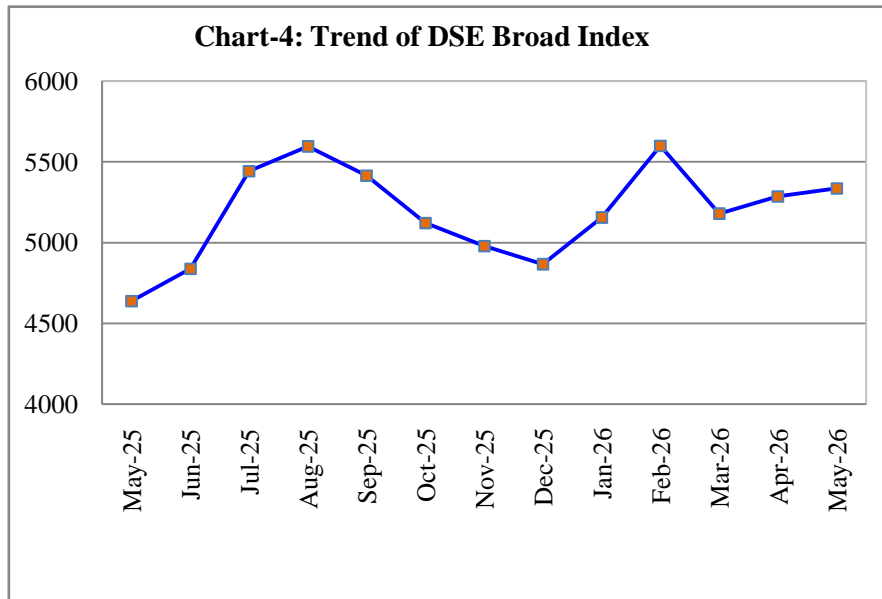
The fall in turnover velocity results from reduced trading activity and cautious investor sentiment. The trend of the turnover velocity ratio of DSE is shown in Chart-3.



Source: Dhaka Stock Exchange PLC

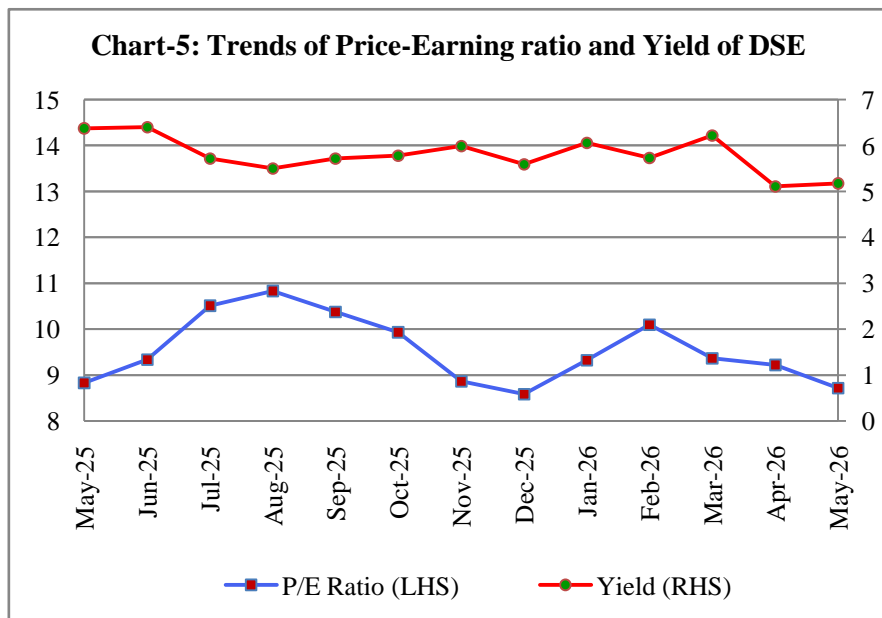
At the end of May 2026, DSE broad index (DSEX)⁴ stood at 5335.87 which was 0.93 percent and 15.05 percent higher, respectively, than that of the previous month and the same month of the preceding year. The trend of the DSE broad index (DSEX) is shown in Chart-4.

⁴Includes all stocks listed in the DSE



Source: Dhaka Stock Exchange PLC

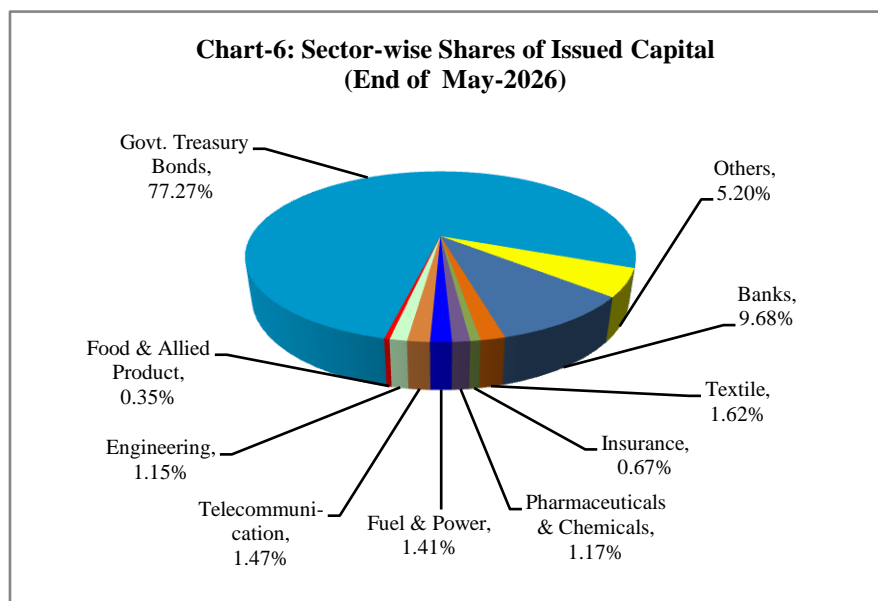
The price-earning (P/E) ratio indicates the shifting of investors’ sentiment and market dynamics. The P/E ratio of all securities of DSE decreased to 8.72 at the end of May 2026 from 9.22 at the end of April 2026 and 8.83 at the end of May 2025. On the contrary, the yield of all securities of DSE increased to 5.17 at the end of May 2026 from 5.11 at the end of April 2026 but decreased as compared to 6.37 at the end of May 2025. The simultaneous increase in yields and decrease in P/E ratios reflect declining stock prices and a more risk-averse market sentiment. The trends of price-earnings ratio and yield of DSE are shown in Chart-5.



Source: Dhaka Stock Exchange PLC

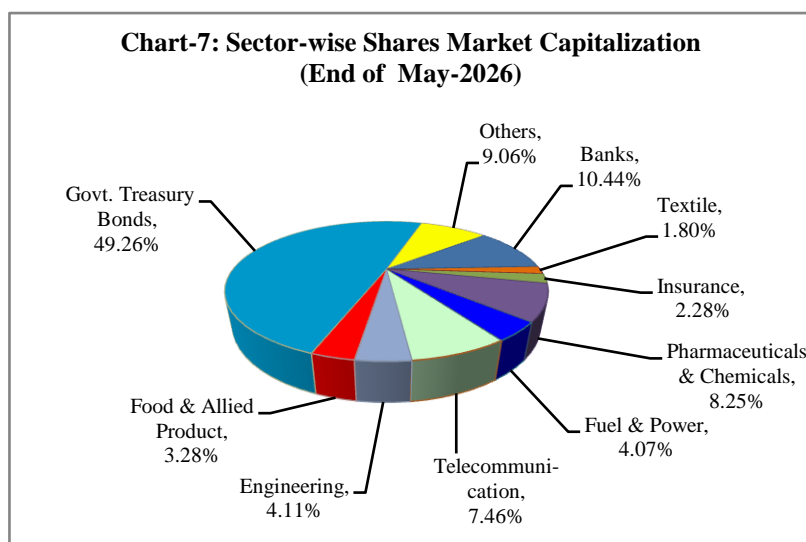
Sector-wise Shares of Issued Capital and Market Capitalization of DSE

The total amount of issued capital of DSE slightly decreased to BDT 4599.81 billion at the end of May 2026 from BDT 4620.00 billion at the end of April 2026 and BDT 4651.46 billion at the end of May 2025. Among different sectors, Bangladesh Govt. Treasury Bonds (BGTBs) dominated, as usual, in terms of issued capital at the end of May 2026 which alone occupied around 77.27 percent of the issued capital. Of the remaining sectors, 9.68 percent was issued by banks, 1.62 percent by textile, 1.47 percent by telecommunication, 1.41 percent by fuel & power, 1.17 percent by pharmaceuticals & chemicals, 1.15 percent by engineering, 0.67 percent by insurance, 0.35 percent by food & allied product and 5.20 percent by others. The sector-wise share of issued capital is shown in Chart-6.



Source: Dhaka Stock Exchange PLC

The market capitalization varies mainly with the changes in prices of shares. The total amount of market capitalization of DSE decreased slightly to BDT 6844.33 billion at the end of May 2026 from BDT 6851.19 billion at the end of April 2026 but increased as compared to BDT 6469.85 billion at the end of May 2025. Among different sectors, Bangladesh Govt. Treasury Bonds (BGTBs) alone recorded the highest contribution, accounting for 49.26 percent of market capitalization, followed by banks 10.44 percent, pharmaceuticals & chemicals 8.25 percent, telecommunication 7.46 percent, fuel & power 4.07 percent, engineering 4.11 percent, food & allied product 3.28 percent, insurance 2.28 percent, textile 1.80 percent and others 9.06 percent. It may be noted that debentures are not included in the sector-wise market capitalization of all listed securities because these products are not currently being traded in the market. The sector-wise distribution of market capitalization is presented in Chart-7.



Source: Dhaka Stock Exchange PLC

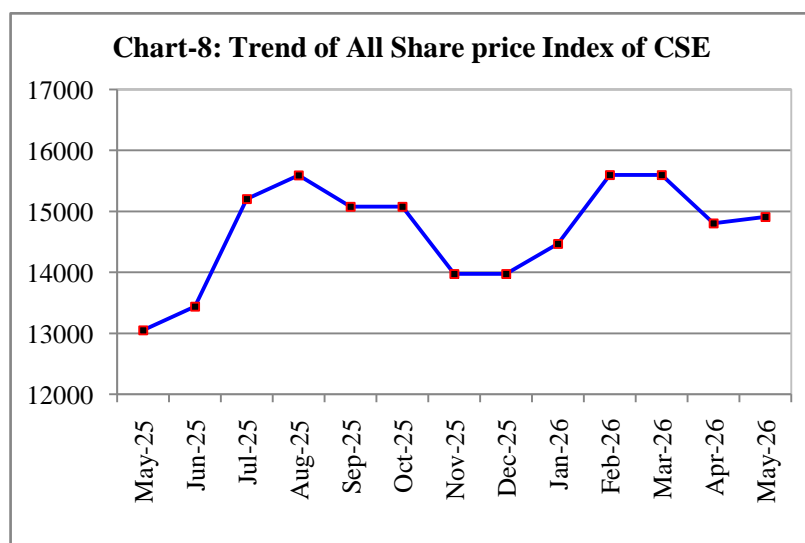
Chittagong Stock Exchange PLC (CSE): May 2026

The total number of listed securities of CSE decreased to 601 at the end of May 2026 from 603 at the end of the previous month. The total amount of issued capital increased to BDT 6839.19 billion at the end of May 2026 from BDT 6739.60 billion at the end of the preceding month and BDT 4743 billion at the end of the same month of the previous year.

The market capitalization of CSE stood at BDT 3264.19 billion at the end of May 2026 which was 64.12 percent and 51.60 percent lower, respectively, than that of the preceding month and the same month of the previous year.

At the end of May 2026, CSE all share price index (CASPI) stood at 14909.73 which was 0.70 percent and 14.24 percent higher, respectively, than that of the preceding month and the same month of the previous year.

The trend of CSE all share price index (CASPI) is shown in Chart-8.



Source: Chittagong Stock Exchange PLC

The value of total turnover of traded securities of CSE decreased to BDT 4.11 billion during May 2026 from BDT 7.36 billion at the end of the preceding month but increased as compared to BDT 2.08 billion at the end of the same month of the previous year.

Price-earnings (P/E) ratio of all securities of CSE stood at 10.50 at the end of May 2026 which was lower than 10.85 at the end of April 2026 but higher than 8.15 at the end of May 2025. The yield stood at 4.80 at the end of May 2026 which was higher than 4.67 at the end of April 2026 but lower than 5.87 at the end of May 2025.

Recent Steps for Developing Capital Market

- Bangladesh Bank issued guidelines on 11 April 2026 allowing banks extending loan facilities against Treasury Bonds held under lien. Bangladesh Bank has allowed borrowers to take loans by keeping government bonds or Treasury Bonds as collateral. As per the guidelines, before sanctioning overdraft or term loans against Treasury Bonds, the bond must be marked as 'lien' in the Financial Market Infrastructure (FMI) system. Banks may provide overdraft or term loan facilities up to a maximum of 75 percent of the face value of the bond. However, the total outstanding loan, including interest and applicable charges must not exceed the bond's face value. The tenure of such loan facilities must not exceed the maturity period of the underlying bond and no loan facility shall be provided for the purpose of purchasing bonds (the detailed information is given on the web link: <https://intranet.bb.org.bd/openpdf.php>).
- Bangladesh Securities and Exchange Commission (BSEC) amended the Bangladesh Securities and Exchange Commission (Debt Securities) Rules, 2021 on 5 May 2026 to establish a comprehensive framework for sustainable finance and SME financing. The amendments formally introduced and regulated specialized debt instruments such as green, social, sustainable, sustainability-linked, gender, and orange bonds, while imposing requirements for project eligibility assessment, external reviews, escrow-based management of proceeds, and enhanced disclosure and reporting. The rules also provide regulatory incentives for SME issuers, including reduced paid-up capital requirements, lower fees, and relaxed credit-rating conditions, alongside detailed classifications of eligible green and social projects (the detailed information is given on the web link: [https://sec.gov.bd/slaws/Amendment_to_the_BSEC_\(Debt_Securities\)_Rules,_2021.pdf](https://sec.gov.bd/slaws/Amendment_to_the_BSEC_(Debt_Securities)_Rules,_2021.pdf)).
- Bangladesh Securities and Exchange Commission (BSEC) issued an official directive on 13 May 2026, establishing an amendment to its previous directives, dated 14 January 2021 and 13 July 2025, concerning dividend accounts. Under this updated framework, a new proviso is inserted which specifically permits any "A" category bank that is listed with any stock exchange to maintain its dedicated dividend account directly within its own banking institution. This regulatory amendment took immediate effect upon its publication by order of the commission. (the detailed information is given on the web link: https://sec.gov.bd/slaws/Directive_13.05.2026.pdf).

- Bangladesh Securities and Exchange Commission (BSEC) revised investor eligibility requirements for the Small Capital Platform (SME Platform) to strengthen investor protection and market integrity through a directive on 19 May 2026. The directive requires investors to maintain a minimum stock portfolio of BDT 3 million to trade SME securities, while foreign investors with local custodians are permitted to participate. For Qualified Investor Offers (QIOs), minimum portfolio thresholds were set at BDT 3 million for institutional investors and BDT 1 million for individual investors. The directive also introduced automatic investor registration through quarterly data sharing by Central Depository Bangladesh Limited (CDBL) and restricted investors falling below the threshold to selling existing SME holdings only, replacing all previous SME eligibility orders with immediate effect (the detailed information is given on the web link: https://sec.gov.bd/slaws/Directive_19.05.2026.pdf).

- Bangladesh Securities and Exchange Commission (BSEC) formally issued a Gazette of order on 24 May 2026, creating a formal mechanism for the conversion of closed-end mutual funds into open-end mutual funds. The process may be initiated by the asset manager or trustee and requires approval by at least three-fourths of unit holders at a special general meeting. The framework mandates suspension of trading during the voting process, independent valuation and auditing, BSEC oversight, and strict limits on conversion-related expenses (maximum 1% of fund size, with asset manager fees capped at 0.50%). If approval is not obtained, the fund must be liquidated. The conversion must be completed before the fund's maturity date, and all new units must be issued in dematerialized form (the detailed information is given on the web link: https://sec.gov.bd/slaws/Order_07.05.2026.pdf).

Table-A: Status of Some Other Important Indicators of DSE & CSE

End of Month	Number of listed Securities		Major Indices				Price/Earning Ratio		Yield	
	DSE	CSE	DSE		CSE		DSE	CSE	DSE	CSE
			Broad Index	Shariah index	All Share Price Index	Shariah index				
May-25	656	619	4637.92	1011.36	13051.80	846.06	8.33	8.15	6.37	5.87
Jun-25	656	620	4838.39	1060.76	13438.38	864.66	9.34	8.40	6.40	5.94
Jul-25	656	619	5443.42	1170.61	15202.38	948.19	10.51	9.31	5.72	4.32
Aug-25	656	619	5594.39	1227.71	15589.69	983.16	10.83	9.85	5.50	4.20
Sep-25	656	619	5415.79	1171.98	15079.99	955.21	10.38	9.63	5.72	4.38
Oct-25	654	617	5122.22	1082.63	14286.05	898.92	9.93	9.34	5.78	4.36
Nov-25	654	612	4978.77	1045.30	13976.39	878.18	8.87	11.65	5.99	4.41
Dec-25	653	611	4865.34	1000.72	13610.82	850.89	8.59	9.58	5.59	4.62
Jan-26	651	609	5154.31	1034.49	14469.37	880.46	9.33	10.19	6.06	4.37
Feb-26	650	608	5600.27	1116.19	15597.14	933.85	10.10	10.75	5.73	4.12
Mar-26	647	605	5178.31	1053.20	14578.75	890.51	9.37	9.96	6.22	4.42
Apr-26	645	603	5286.87	1052.79	14805.97	888.69	9.22	10.85	5.11	4.67
May-26	643	601	5335.87	1082.39	14909.73	909.51	8.72	10.50	5.17	4.80

Source: Dhaka Stock Exchange PLC and Chittagong Stock Exchange PLC