Half-Yearly Market Wrap

January-June 2026

Presented By
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Broad Market Performance Snapshot

Election Optimism to Reform-Led Recovery

The DSEX advanced by 19.11% or 924.44 points YoY to settle at 5,762.83, while average daily turnover surged by 108.49% YoY to BDT 8,003.18 Mn. The market breadth also improved to 2.69x, reflecting broad-based accumulation amid stronger trading activity.

The market performance was shaped by election-related optimism, the Middle East crisis, regulatory leadership transition uncertainty, regulatory reform expectations, and post-budget optimism. The market witnessed strong buying pressure earlier in the period, supported by optimism surrounding the transition toward an elected government, which reduced political uncertainty and lifted the DSEX to reach 5,600.66 points along with a rise in daily turnover to BDT 12,750.98 Mn. However, investors preferred to lock in gains amid regulatory uncertainty following the political transition, which was converted into panic-driven selling pressure following the escalation of Iran-Israel-US conflict, dragging the DSEX by 580.56 points to 5,009.00 points. Despite the easing of geopolitical tensions with beginning of the peace negotiations, the DSEX entered a consolidation phase as investors awaited greater clarity on the regulatory leadership transition, trading within the range of 5,112.27-5,368.40. Buying pressure resurfaced toward the end of the period, stimulated by expectations of regulatory reforms with the appointment of the new BSEC Chairman and the introduction of several market-supportive measures under the proposed National Budget 2027 and Finance Bill 2026. Tax rebate-driven investments ahead of the eligibility deadline further garnered the buying pressure, enabling the DSEX to close the period at its highest level over in nearly two years with daily turnover reaching BDT 14,561.24 Mn

Looking ahead, investors will likely assess whether the buying momentum can sustain to break the resistance zone of 5,878.00 points. Investors near-term sentiment is expected to remain influenced by the implementation of proposed regulatory reforms, the upcoming corporate earnings season, the revival of the primary market.

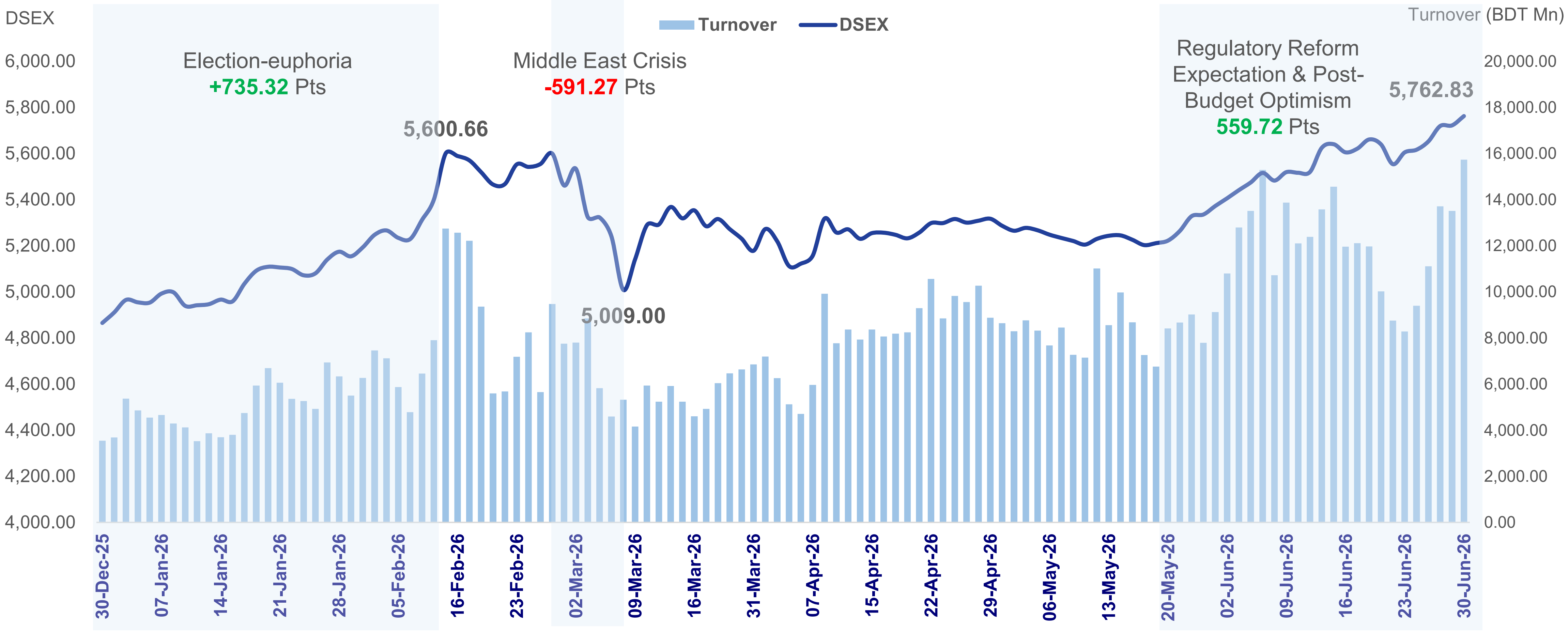
DSE Performance Summary

Indices	H1-26	H1-25	YoY (+/-)	YoY (%)
DSEX Index	5,762.83	4,838.39	▲924.44	▲19.11%
DS30 Index	2,178.38	1,815.96	▲362.42	▲19.96%
DSES Index	1,168.13	1,060.76	▲107.37	▲10.12%
Liquidity	**H1-26**	**H1-25**	**YoY (+/-)**	**YoY (%)**
Average Turnover (BDT Mn)	8,003.18	3,838.72	▲4,164.46	▲108.49%
Average Volume (Shares Mn)	281.02	157.23	▲123.79	▲78.74%
Average Trade (Shares)	209,367	128,021	▲81,346	▲63.54%
Breadth	**Advanced**	**Declined**	**Unchanged**	**A/D Ratio**
No of Issues	▲277	▼103	— 4	2.69x
Valuation	**H1-26**	**H1-25**	**YoY (+/-)**	**YoY (%)**
Market Cap (BDT Bn)	6,986.92	6,622.71	▲364.21	▲5.50%
Forward P/E	9.42x	n/a	n/a	n/a
Trailing P/E	9.43x	n/a	n/a	n/a

Broad Market Performance Snapshot

Election Optimism to Reform-Led Recovery

DSEX H1-26 Movement



Sectoral Performance Snapshot

Service & Real Estate Outperformance Lead Sectoral Gain

Sectoral performance was broadly positive, with Service & Real Estate emerging as the best outperformer (71.39%), followed by Insurance (62.99%) and IT (49.43%). Turnover remained concentrated in Insurance (16.43%), followed by Engineering(12.26%) and Pharmaceuticals & Chemicals (11.84%).

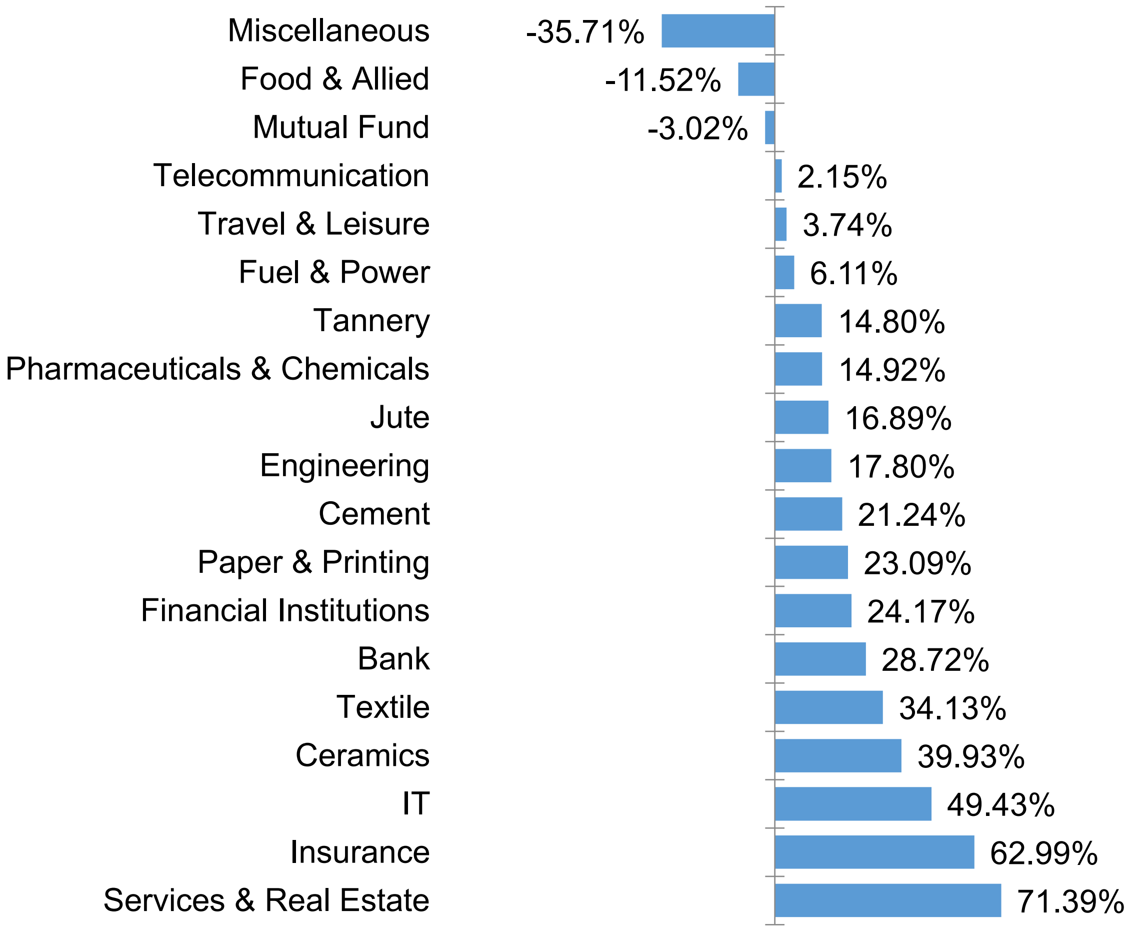
DSE Sectoral Summary

Sector	Market Cap (BDT Mn)	YoY (%)	Market Cap Share (%)	Average Turnover (BDT Mn)	YoY (%)	Turnover Share (%)	Index Impact (+/-)	A/D Ratio (x)	Forward P/E (x)	Trailing P/E (x)
Bank	791,158.20	▲28.72%	21.63%	1,189.37	▲154.15%	13.06%	▲332.91	1.21x	5.64x	5.53x
Cement	100,806.68	▲21.24%	2.76%	153.94	▲343.25%	0.97%	▲28.69	1.33x	14.23x	13.50x
Ceramics	22,482.51	▲39.93%	0.61%	229.59	▲130.61%	2.78%	▲8.71	n/a	416.23x	n/a
Engineering	310,720.66	▲17.80%	8.49%	1,411.98	▲324.75%	9.28%	▲87.50	3.33x	10.74x	9.20x
Financial Institutions	110,949.21	▲24.17%	3.03%	492.52	▲576.48%	2.03%	▲42.77	1.56x	13.63x	12.73x
Food & Allied	232,713.11	-11.52%	6.36%	663.98	▲76.79%	10.49%	▼-16.75	1.50x	17.76x	26.12x
Fuel & Power	303,646.22	▲6.11%	8.30%	412.20	▲69.56%	6.79%	▲21.09	3.40x	6.25x	7.05x
Insurance	176,244.74	▲62.99%	4.82%	1,891.45	▲658.72%	6.96%	▲135.61	13.50x	16.80x	19.20x
IT	33,808.92	▲49.43%	0.92%	642.44	▲382.85%	3.71%	▲26.30	10.00x	24.54x	29.23x
Jute	2,748.08	▲16.89%	0.08%	12.56	▼-28.43%	0.49%	▲0.83	n/a	25.94x	21.18x
Miscellaneous	142,255.68	▼-35.71%	3.89%	602.51	▲246.97%	4.85%	▼-188.50	3.67x	14.86x	14.76x
Mutual Fund	26,967.55	▼-3.02%	0.74%	148.13	▲0.87%	4.10%	▬0.00	0.57x	9.64x	15.05x
Paper & Printing	22,467.76	▲23.09%	0.61%	178.74	▲46.40%	3.41%	▲6.87	2.00x	30.48x	36.90x
Pharmaceuticals & Chemicals	603,318.32	▲14.92%	16.49%	1,362.76	▲177.62%	13.70%	▲146.27	3.00x	10.14x	10.57x
Services & Real Estate	27,007.47	▲71.39%	0.74%	383.83	▲851.40%	1.13%	▲18.30	n/a	16.20x	16.33x
Tannery	24,595.38	▲14.80%	0.67%	105.01	▲259.85%	0.81%	▲6.50	n/a	11.79x	97.29x
Telecommunication	550,753.12	▲2.15%	15.06%	207.28	▲106.23%	2.81%	▲7.39	2.00x	14.29x	12.88x
Textile	139,846.88	▲34.13%	3.82%	1,333.81	▲235.64%	11.09%	▲56.70	4.09x	15.15x	13.96x
Travel & Leisure	35,765.05	▲3.74%	0.98%	92.14	▲67.67%	1.53%	▲1.67	1.00x	18.56x	14.56x

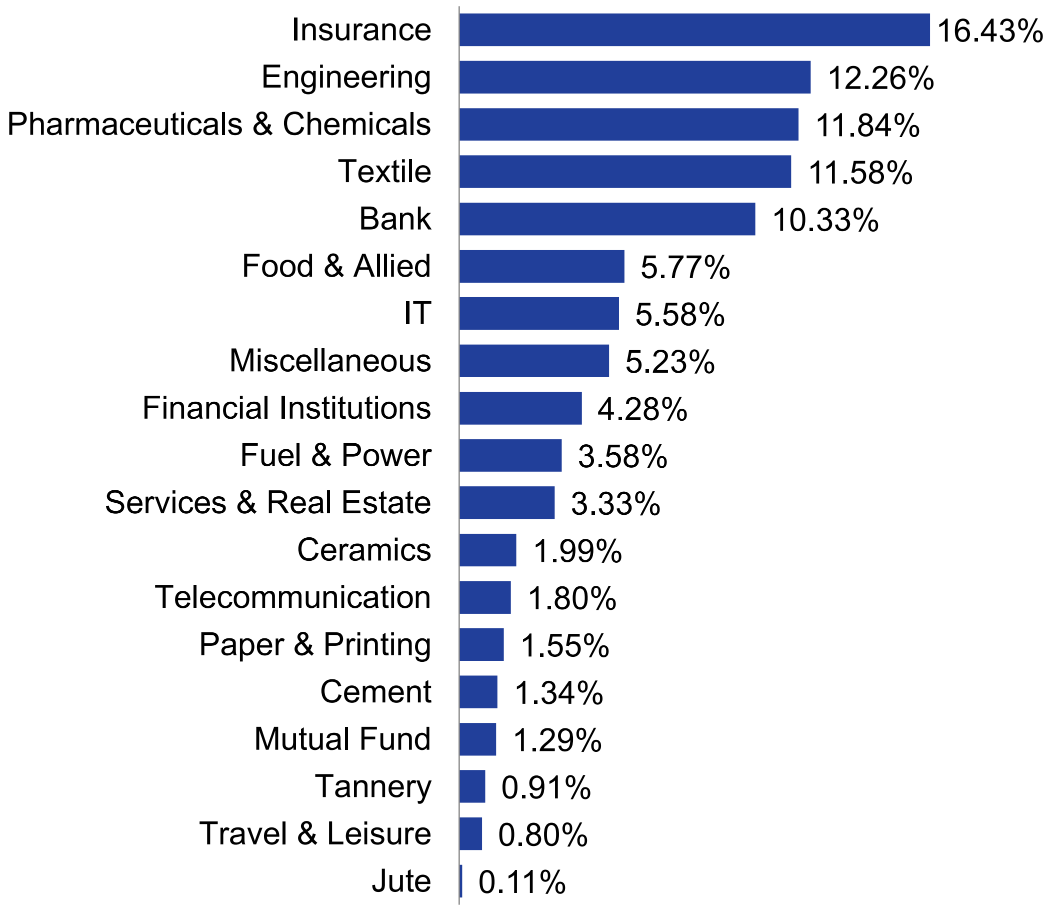
Sectoral Performance Snapshot

Service & Real Estate Outperformance Lead Sectoral Gain

Sectoral Return Distribution



Sectoral Turnover Composition



Stock-wise Performance Snapshot

DOMINAGE Lead Top Gainers

DOMINAGE led the gainers on optimism over its proposed acquisition by Akij Resources, whereas BEXIMCO led the losers due to price adjustments following the removal of its floor price.

Monthly Top Gainers

Ticker	Close Price (BDT)	YoY (%)	Average Turnover (BDT Mn)	YoY (%)	Forward P/E (x)	Trailing P/E (x)
DOMINAGE (B)	79.70	▲659.05%	182.95	▲1286.95%	n/a	n/a
APEXSPINN (A)	399.40	▲347.26%	82.04	▲8642.35%	109.54x	119.08x
GQBALLPEN (B)	622.30	▲266.92%	59.33	▲340.41%	n/a	n/a
MEGHNAPET (Z)	80.60	▲230.33%	20.06	▲4675.53%	n/a	n/a
BNICL (A)	120.60	▲229.51%	79.88	▲3587.48%	18.66x	22.43x
ASIATICLAB (A)	127.50	▲228.61%	128.66	▲273.22%	23.27x	28.32x
DAFODILCOM (B)	157.80	▲192.76%	61.64	▲4095.28%	453.60x	3024.00x
DULAMIACOT (Z)	204.30	▲189.79%	11.86	▲2297.26%	761.63x	967.14x
SONARGAON (B)	96.70	▲163.49%	86.93	▲282.45%	n/a	n/a
SIPLC (A)	108.40	▲156.87%	47.43	▲1550.03%	14.35x	20.67x

Monthly DSEX Pullers

Ticker	Close Price (BDT)	YoY (%)	Index Weight (%)	Index Impact (+)
BRACBANK (A)	65.50	▲53.76%	4.10%	▲106.56
CITYBANK (A)	32.00	▲105.13%	1.48%	▲75.42
PUBALIBANK (A)	36.90	▲79.13%	1.71%	▲65.48
BXPHARMA (A)	140.60	▲63.30%	2.09%	▲64.14
PRIMEBANK (A)	30.00	▲56.25%	1.14%	▲31.04
SQURPHARMA (A)	224.00	▲7.23%	8.07%	▲28.22
ASIATICLAB (A)	127.50	▲228.61%	0.22%	▲24.30
EBL (A)	24.90	▲26.40%	1.73%	▲22.12
JAMUNABANK (A)	24.00	▲65.52%	0.67%	▲21.23
NCCBANK (A)	16.00	▲105.13%	0.41%	▲20.70

Monthly Top Losers

Ticker	Close Price (BDT)	YoY (%)	Average Turnover (BDT Mn)	YoY (%)	Forward P/E (x)	Trailing P/E (x)
BEXIMCO (B)	29.30	▼-73.39%	112.35	▲388247.5%	n/a	n/a
FAREASTFIN (Z)	1.20	▼-67.57%	0.88	▼-47.78%	n/a	n/a
KBPPWBIL (B)	40.90	▼-63.05%	91.55	▲63.67%	53.55x	58.99x
ILFSL (Z)	1.20	▼-60.00%	1.20	▲189.43%	n/a	n/a
FASFIN (Z)	1.40	▼-50.00%	1.12	▲86.83%	n/a	n/a
NRBBANK (A)	6.10	▼-40.20%	1.52	▼-96.50%	12.50x	23.08x
RELIANCE1 (A)	10.80	▼-38.29%	6.23	▼-73.50%	20.58x	n/a
PLFSL (Z)	1.20	▼-36.84%	2.20	▲292.85%	n/a	n/a
EIL (B)	30.80	▼-35.43%	29.34	▲170.02%	22.65x	25.04x
PREMIERBAN (A)	4.40	▼-35.29%	3.05	▲1.17%	n/a	n/a

Monthly DSEX Draggers

Ticker	Close Price (BDT)	YoY (%)	Index Weight (%)	Index Impact (-)
BEXIMCO (B)	29.30	▼-73.39%	5.42%	▼-192.47
ISLAMIBANK (A)	31.80	▼-21.48%	5.08%	▼-52.79
BATBC (A)	219.60	▼-20.86%	3.09%	▼-31.22
KBPPWBIL (B)	40.90	▼-63.05%	0.59%	▼-18.06
GP (A)	259.60	▼-11.28%	3.08%	▼-16.82
PREMIERBAN (A)	4.40	▼-35.29%	0.49%	▼-8.36
LOVELLO (A)	70.90	▼-28.09%	0.51%	▼-7.00
RENATA (A)	456.00	▼-6.63%	2.13%	▼-6.83
ALARABANK (A)	15.50	▼-9.36%	1.30%	▼-5.91
STANDBANKL (B)	4.70	▼-26.56%	0.37%	▼-4.79

Stock-wise Performance Snapshot

Selective Blue-chip Stocks Dominate Turnover, Led By BXPHARMA

BXPHARMA attracted strong buying interest amid expectations surrounding its pending earnings and dividend declaration.

Turnover Leaders

Ticker	Average Turnover (BDT Mn)	YoY (%)	Turnover Share (%)	Block Turnover (BDT Mn)	Close Price (BDT)	YoY (%)
BXPHARMA (A)	302.53	▲538.54%	2.63%	72.25	140.60	▲63.30%
SAPORTL (A)	298.75	▲2870.24%	2.59%	419.97	52.80	▲145.58%
NCCBANK (A)	277.75	▲5538.16%	2.41%	720.18	16.00	▲105.13%
IPDC (A)	276.03	▲3413.04%	2.40%	221.38	32.90	▲153.08%
BRACBANK (A)	224.43	▲217.67%	1.95%	3,957.82	65.50	▲53.76%
DOMINAGE (B)	182.95	▲1286.95%	1.59%	1,975.90	79.70	▲659.05%
BDTHAI (B)	156.31	▲625.60%	1.36%	148.47	20.50	▲54.14%
CITYBANK (A)	147.61	▲237.95%	1.28%	190.78	32.00	▲105.13%
GENEXIL (B)	137.88	▲1405.91%	1.20%	23.56	35.40	▲60.18%
ROBI (A)	134.26	▲178.92%	1.17%	54.08	32.60	▲41.43%

Block Turnover Leaders

Ticker	Maximum Price (BDT)	Minimum Price (BDT)	Turnover (BDT Mn)	Volume (Shares Mn)
BRACBANK (A)	89.20	58.80	3,957.82	54.26
CITYGENINS (A)	116.00	75.00	3,541.33	35.62
FINEFOODS (A)	601.60	347.30	2,811.31	6.17
APEXSPINN (A)	435.10	175.00	2,339.76	7.99
ASIATICLAB (A)	142.50	46.00	2,218.29	24.02
GQBALLPEN (B)	729.50	414.00	2,131.90	3.82
DOMINAGE (B)	88.70	25.50	1,975.90	33.43
ORIONINFU (A)	410.00	282.00	1,583.84	4.48
OLYMPIC (A)	170.70	140.00	1,430.02	10.07
LOVELLO (A)	93.80	63.50	1,339.47	18.09

Regional Peer Market Performance Comparison

DSEX Outperforms Most Regional Peers

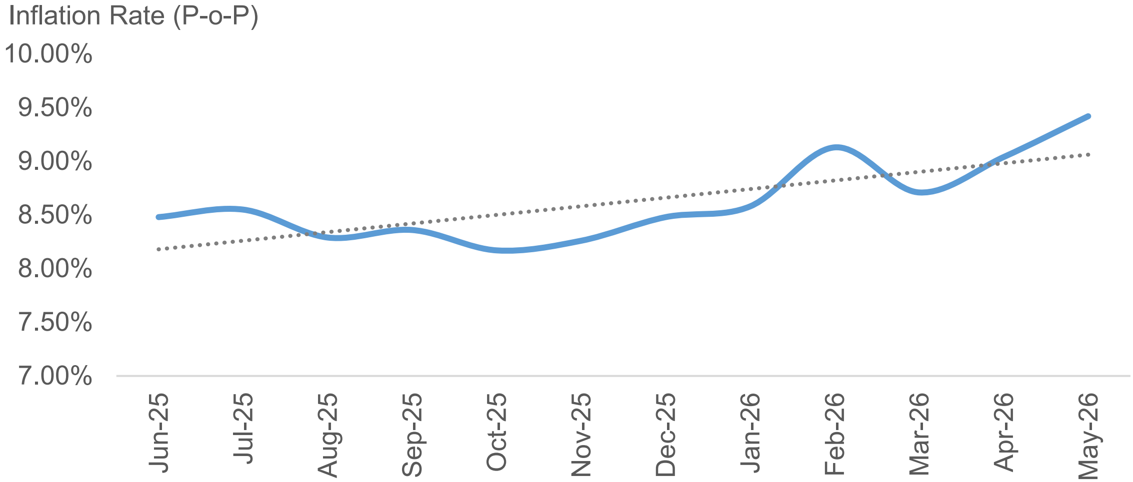
DSEX outperformed most regional peers in H1-26, demonstrating the resilience of its broad-based recovery despite the heightened geopolitical tension

Regional Peer Market Indices Performance Comparison					
Indices	**Country**	**H1-26**	**H1-25**	**YoY (+/-)**	**YoY (%)**
S&P BSE SENSEX	India	76,478.67	83,606.46	▼-7,127.79	▼-8.53%
KSE 100	Pakistan	180,301.70	125,627.31	▲54,674.39	▲43.52%
ASPI	Sri Lanka	22,263.28	18,148.34	▲4,114.94	▲22.67%
FTSE Bursa Malaysia KLCI	Malaysia	1,664.06	1,532.96	▲131.10	▲8.55%
IDX COMPOSITE	Indonesia	5,643.19	6,927.68	▼-1,284.49	▼-18.54%
SET Index	Thailand	1,591.24	1,089.56	▲501.68	▲46.04%
VN-Index	Vietnam	1,860.01	1,376.07	▲483.94	▲35.17%
DSEX	**Bangladesh**	**5,762.83**	**4,838.39**	**▲924.44**	**▲19.11%**

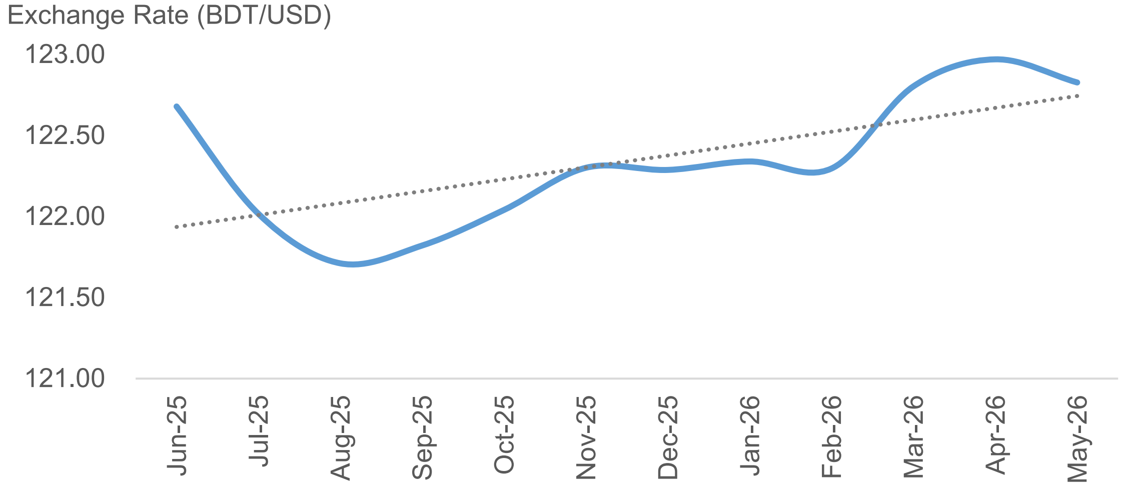
Macro-Economic Snapshot

Elevated Inflation and Weak Credit Demand Continue to Constrain Growth

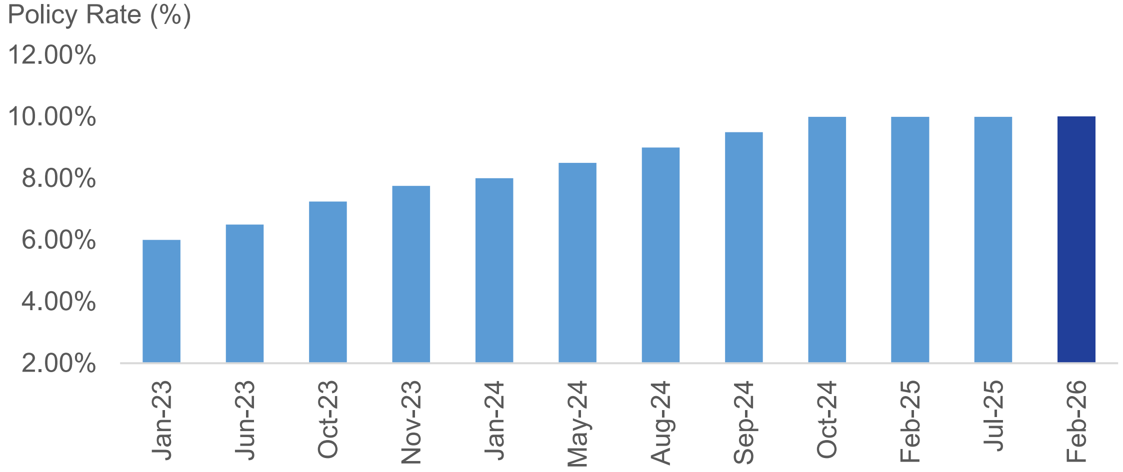
Election Centric Spending & Middle East Crisis Hiked Inflation



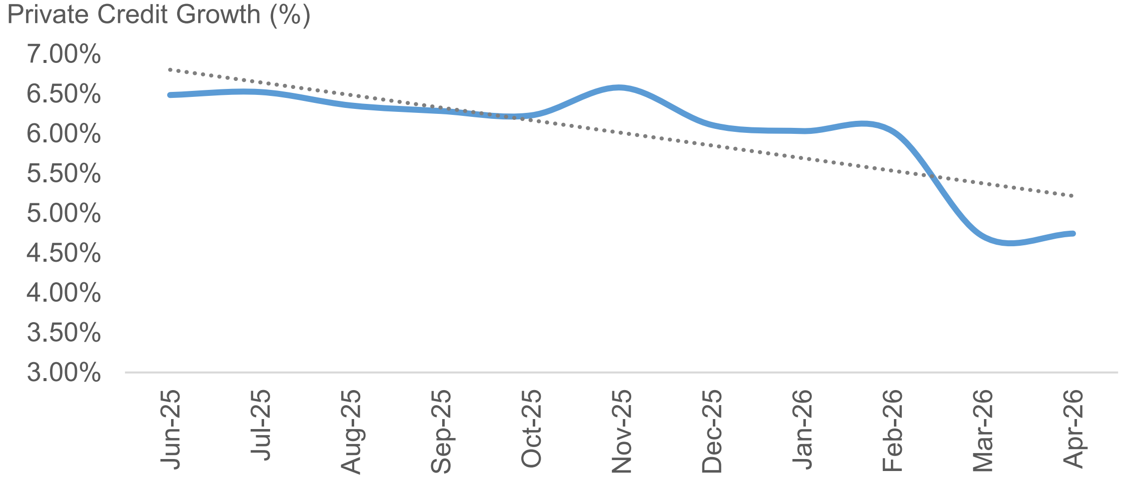
Import-driven Dollar Demand And Weaker Remittance Inflows Pressured The BDT/USD Exchange Rate.



Policy Rate Kept Unchanged to Contain Inflation



Private Credit Growth Declined Amid Weaker Business Confidence

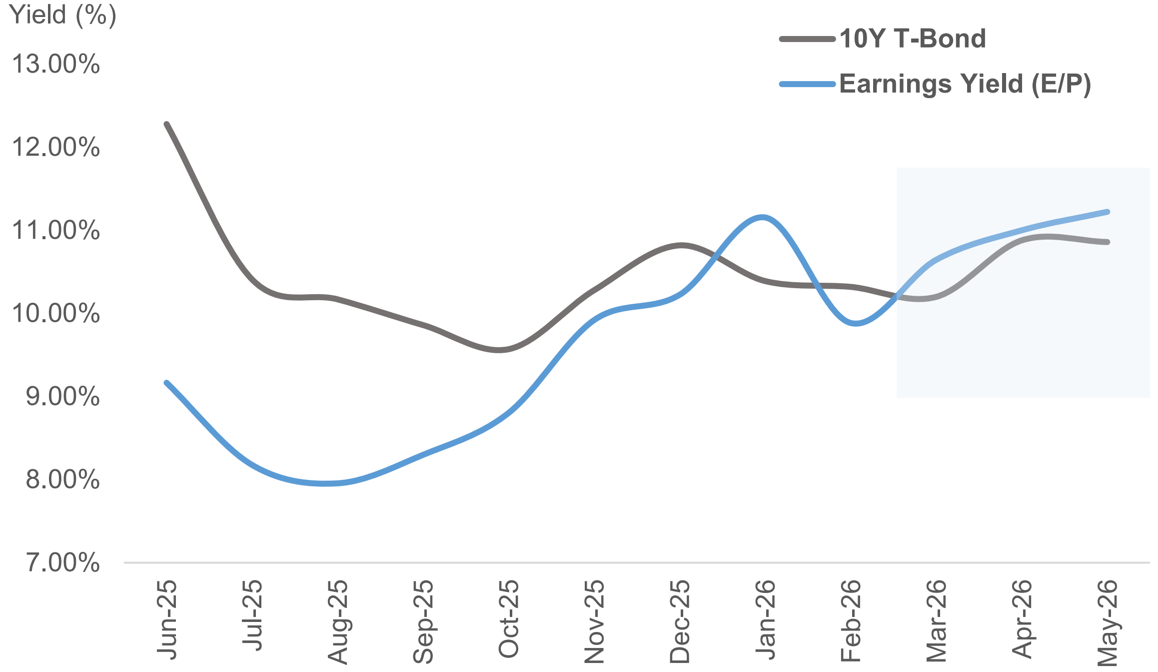


Relative Asset Class Valuation Comparison

Relative Equity Valuation Improved Against Government Bonds

The relative valuation of DSE improved materially during H1-26, with the earnings yield gradually surpassing the 10-Year Treasury Bond yield, signaling a shift in favor of equities. During H2-25, elevated government bond yields amid the central bank's restrictive monetary policy kept government fixed-income securities relatively more attractive, weighing on equity valuations. Despite the policy rate remaining unchanged throughout H1-26, the DSE earnings yield moved above the 10Y T-Bond yield from Mar-26 onward, reflecting an improvement in the market's relative valuation. However, the latest Jan–Mar 2026 earnings season indicates that this improvement was driven more by attractive market valuations than by broad-based earnings growth, as companies reporting earnings declines slightly outnumbered those reporting earnings increases. Nevertheless, the positive earnings yield spread suggests that equities are offering a premium over risk-free assets, supporting their relative attractiveness. A sustained market re-rating, however, will likely depend on broader earnings recovery alongside supportive macroeconomic conditions.

Earnings Yield Vs 10Y T-Bond Yield

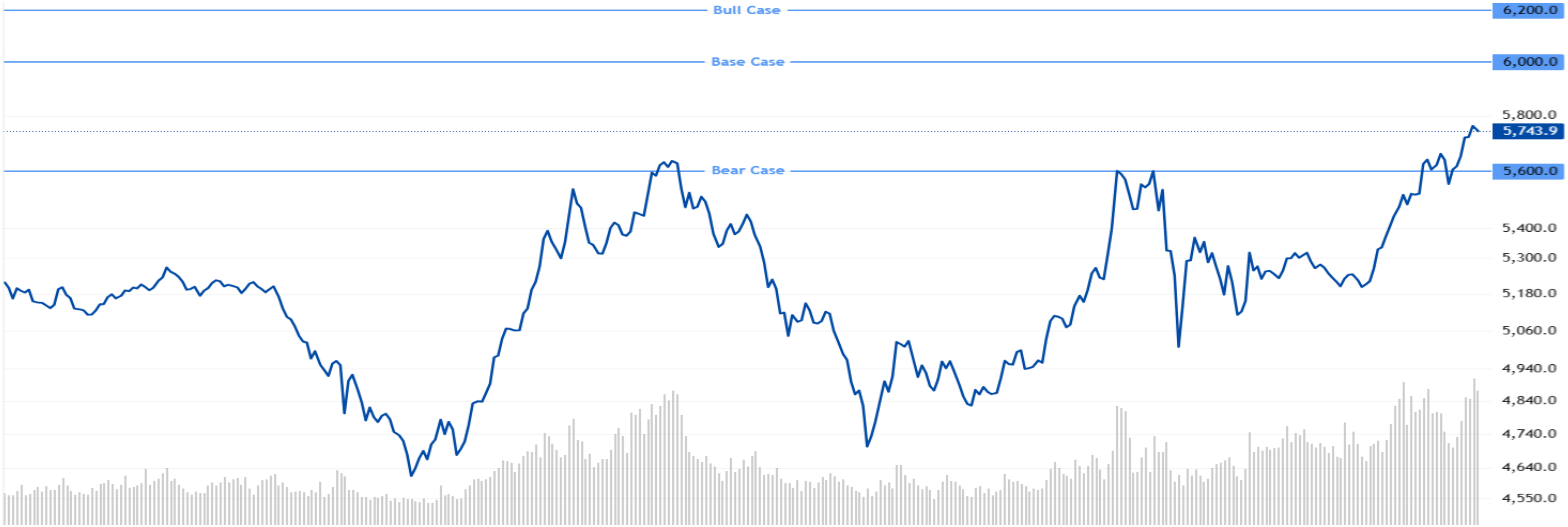


Index Prediction

Optimism To Reach 6,000 Mark By H2-26

We expect the DSEX to extend its recovery momentum in H2-26, with a base-case target of 6,000 points, supported by attractive valuations, earnings recovery, regulatory reforms and revival of primary market. While near-term volatility may persist, improving macroeconomic stability and rebounding investors positive sentiment should provide further upside to the market.

DSEX H2-26 Movement Prediction



Key Themes to Drive the Market: H2-26

Policy Reforms, Earnings Recovery and IPO Revival Support Market Turnaround

Earnings Recovery

Earnings of listed companies, particularly companies in cyclical sectors, are expected to recover, driven by improving macroeconomic conditions amid domestic political stability and easing geopolitical conditions

Regulatory Reform

The equity market is expected to benefit from regulatory reform measures following the leadership transition, which are anticipated to improve investor sentiment. Political commitment to capital market development has also become more evident through the finance minister's recent statements. Recent key reform initiatives include withdrawing eligible investment cap of BDT 0.5 Mn for tax rebate by mutual funds, introducing a final tax rate of 15.0% on dividends for individuals, allowing open-ended mutual funds to reinvest profits instead of mandatorily distributing dividends, which are expected to improve investor participation

IPO Market Revival

IPOs are expected to resume, enhancing the market depth and improving investors participation. Regulatory efforts to strengthen the primary market have also become more evident through proposals to reduce excessive dependence on bank financing, introduce digital & time-bound IPO process and increase the tax incentive on capital market listing. Reflecting the improving listing environment, several companies including BRB Cabales, Parkway Packaging and Printing PLC, Thanbee Print World Limited and Shoeniverse Footwear Limited have already expressed interest in listing on the capital market

Attractive Valuation

P/E multiple of DSE stood significantly below its 5-year median of ≈15.0x and remained the most discounted across regional peer markets.

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