

Monthly Report on  
**Capital Market Development in Bangladesh**



**April, 2022**

**Research Department**  
**(Special Studies and Fiscal Affairs Wing)**

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## Highlights in April 2022

- *Broad Index of DSE and All Share Price Index of CSE stood at 6655.67 and 19474.45 respectively at the end of April 2022, which were 6757.84 and 19748.83 respectively at the end of March 2022.*
- *DSEX Shariah Index (DSES) and CSE Shariah Index (CSES) stood at 1446.98 and 1218.27 respectively at the end of April 2022, which were 1468.11 and 1245.39 respectively at the end of March 2022.*
- *Total turnover value of traded securities of DSE and CSE stood at BDT 121.05 billion and BDT 4.56 billion respectively at the end of April 2022, which were BDT 185.43 billion and BDT 6.64 billion respectively at the end of March 2022.*
- *The market capitalization of DSE and CSE stood at BDT 5369.61 billion and BDT 4509.40 billion respectively at the end of April 2022, which were BDT 5394.15 billion and BDT 4546.00 billion respectively at the end of March 2022.*
- *The Price-Earning (P/E) ratio of DSE and CSE stood at 15.40 and 19.20 respectively at the end of April 2022 which were 15.63 and 16.80 respectively at the end of March 2022.*

## Capital Market Development in Bangladesh

April, 2022

Capital market acts as a bridge of long term financing for the industrial development of a country through the sale and purchase of shares, debentures, bonds, mutual funds, treasury bills, certificates etc. and the turnover of capital market contributes to the GDP of the country. Capital market in Bangladesh consists of two full-fledged stock exchanges- the Dhaka Stock Exchange (DSE) and the Chittagong Stock Exchange (CSE). Bangladesh Securities and Exchange Commission (BSEC), as watchdog, regulates the stock exchanges of the country.

### Capital Market Activities during the Month

At the end of April 2022, both DSE and CSE exhibited a downward trend in terms of index and turnover as compared to the end of March 2022. Broad Index of the DSE and all share price index of the CSE were 1.51 percent and 1.39 percent lower respectively than that of the previous month. At the same time, total turnover value of traded securities of DSE and CSE were 34.72 percent and 31.33 percent lower respectively than that of March 2022.

**Table-1: Monthly Trends in Important Indicators of DSE and CSE**

(BDT in billions)

End of Month	Enlisted issues (Incl. Mutual Funds/Deb.)		Issued capital and Debentures (Billion BDT)		Market Capitalization (Billion BDT)		Turnover during the month (Billion BDT)		Major Indices		Price/Earning Ratio <sup>2</sup>		Yield <sup>3</sup>	
	DSE	CSE	DSE	CSE	DSE <sup>1</sup>	CSE	DSE	CSE	DSE Broad Index (DSE Shariah index)	CSE All Share Price Index (CSE Shariah index)	DSE	CSE	DSE	CSE
Apr-22	623	363	1510.68	904.39	5369.61	4509.40	121.05	4.56	6655.67 (1446.98)	19474.45 (1218.27)	15.40	19.20	3.68	3.43
Mar-22	623	363	1506.79	896.80	5394.15	4546.00	185.43	6.64	6757.84 (1468.11)	19748.83 (1245.39)	15.63	16.80	3.77	3.43
Feb-22	622	361	1505.36	891.35	5437.19	4587.74	221.00	8.27	6739.45 (1453.48)	19641.26 (1225.85)	16.15	17.09	4.08	3.76
Jan-22	622	361	1505.10	891.12	5569.82	4745.74	312.61	9.41	6926.29 (1481.89)	20298.59 (1265.70)	16.58	17.66	3.97	3.63
Dec-21	617	356	1463.66	850.09	5421.96	4585.54	193.65	11.07	6756.66 (1431.12)	19666.07 (1211.44)	16.29	17.29	4.07	3.71
Nov-21	614	353	1458.53	847.86	5364.95	4552.33	266.83	9.56	6703.26 (1405.55)	19614.38 (1197.96)	17.79	18.01	3.93	3.51
Oct-21	612	351	1456.74	847.20	5595.79	4782.45	370.17	13.77	7000.95 (1470.50)	20480.31 (1266.48)	18.75	18.94	3.72	3.35
Sep-21	611	351	1411.06	847.04	5815.43	5037.43	507.06	18.42	7329.04 (1592.10)	21377.07 (1367.49)	20.12	19.97	3.49	3.16
Aug-21	611	351	1410.72	846.96	5579.72	4804.20	451.19	17.09	6869.25 (1490.30)	19997.45 (1277.18)	20.02	19.23	3.64	3.31
Jul-21	610	349	1400.36	837.15	5344.05	4576.75	233.03	9.05	6425.26 (1401.05)	18635.40 (1177.70)	19.17	18.32	3.79	3.88
Jun-21	609	348	1397.34	833.65	5142.82	4383.65	435.09	21.30	6150.48 (1314.76)	17795.0 (1091.85)	18.50	17.68	3.98	3.63
May-21	604	345	1392.44	827.92	5038.69	4288.28	310.10	15.46	5990.99 (1286.20)	17359.57 (1044.59)	18.31	17.40	4.06	3.70
Apr-21	604	345	1387.28	824.31	4707.13	3973.52	143.77	8.69	5479.62 (1249.82)	15844.80 (1003.67)	16.91	16.44	4.26	3.59

Source: Dhaka Stock Exchange (DSE) & Chittagong Stock Exchange (CSE)

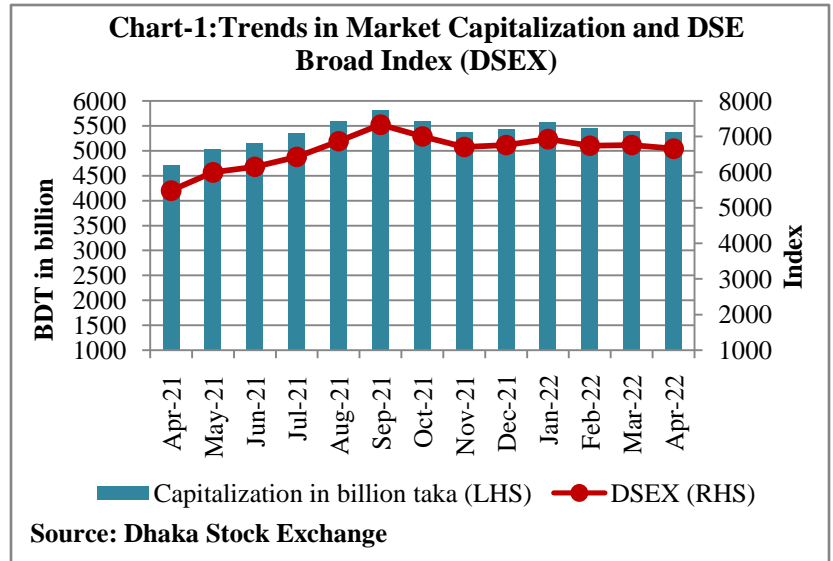
Note: BDT= Bangladeshi Currency (Taka)

<sup>1</sup>Total market capitalization of all listed securities includes companies, mutual funds, corporate bonds, treasury bonds and debentures.

<sup>2</sup> P/E =  $\frac{\text{closing price}}{\text{earning per share}}$ ; <sup>3</sup> Yield =  $\frac{\text{dividend per share}}{\text{closing price}} \times 100$

## Dhaka Stock Exchange (DSE)

The total number of listed securities stood at 623 at the end of April 2022. Among the listed securities, there were 349 companies, 36 mutual funds, 222 government bonds, 8 debentures, and 8 corporate bonds. The number of companies consists of 33 banks, 23 financial Institutions, 53 insurance companies, and 240 other companies.



DSE Broad Index (DSEX) stood at 6655.67 at the end of April 2022 which was 1.51 percent lower than that of March 2022 but 21.46 percent higher than that of the same month of the previous year. The market capitalization of DSE stood at BDT 5369.61 billion at the end of April 2022 which was 0.46 percent lower than that of March 2022 but 14.07 percent higher than that of the same month of the preceding year (Chart-1).

The ratio of market capitalization to GDP (at current market price) stood at 13.50 percent at the end of April 2022 which was 13.57 percent at the end of March 2022 and 16.83 percent in the corresponding month of the previous year (Table-2).

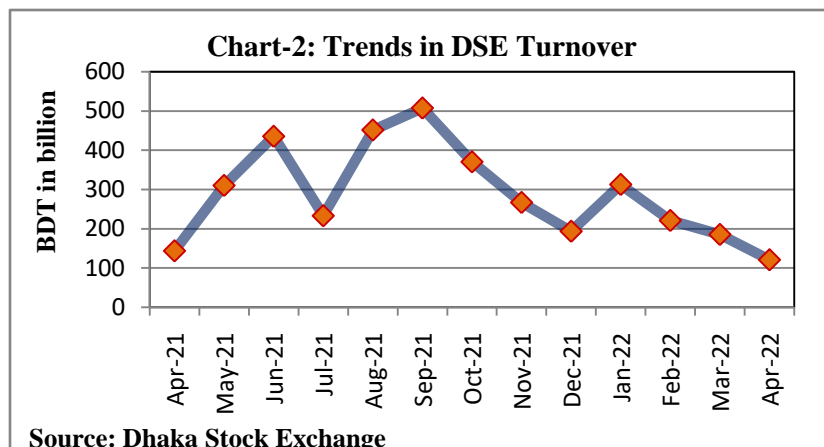
**Table-2: Market Capitalization to GDP ratio<sup>4</sup>**

Month	Market Capitalization to GDP ratio
April-2022	13.50
March-2022	13.57
February-2022	13.67
January-2022	14.01
December-2021	13.64
November-2021	13.44
October-2021	14.07
September-2021	14.62
August-2021	14.03
July-2021	13.44
June-2021	18.39
May-2021	18.02
April-2021	16.83

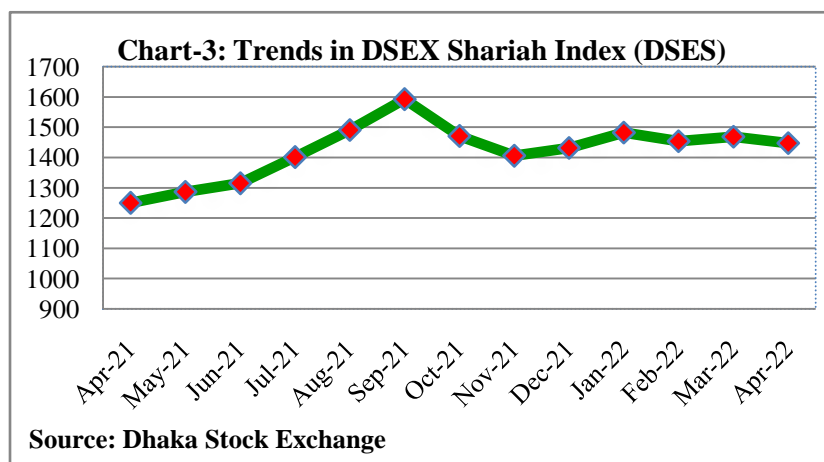
Source: Wing's own calculation

<sup>4</sup>The ratio of market capitalization to GDP for a particular month is calculated as total market capitalization of that month divided by the total GDP (at current market price) of the fiscal year in which this particular month belongs.

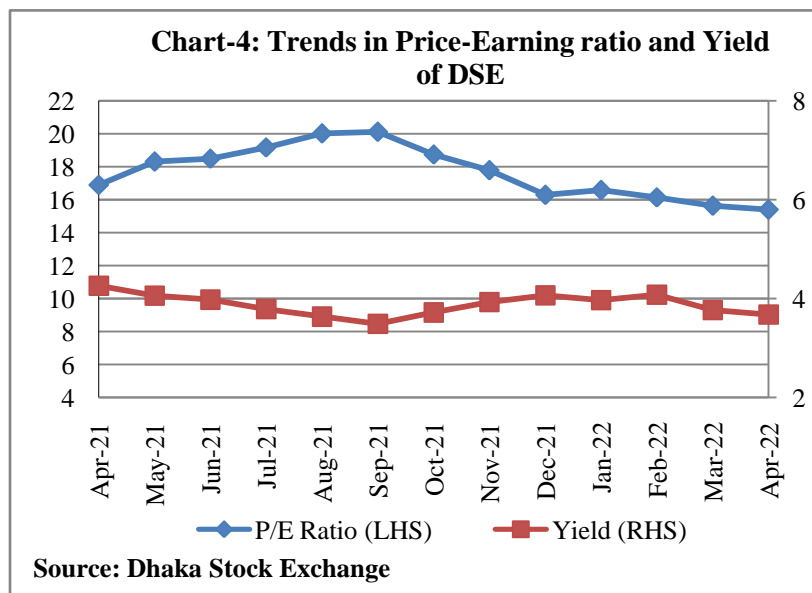
During April 2022, value of total turnover of the traded securities stood at BDT 121.05 billion which was 34.72 percent and 15.80 percent lower than that of March 2022 and the corresponding month of the previous year respectively. The trend of turnover in DSE is shown in chart-2.



At the end of April 2022, DSEX Shariah Index (DSES) stood at 1446.98 which was 1468.11 at the end of March 2022 and 1249.82 at the end of April 2021. The trend in DSEX Shariah index (DSES) is shown in chart-3.

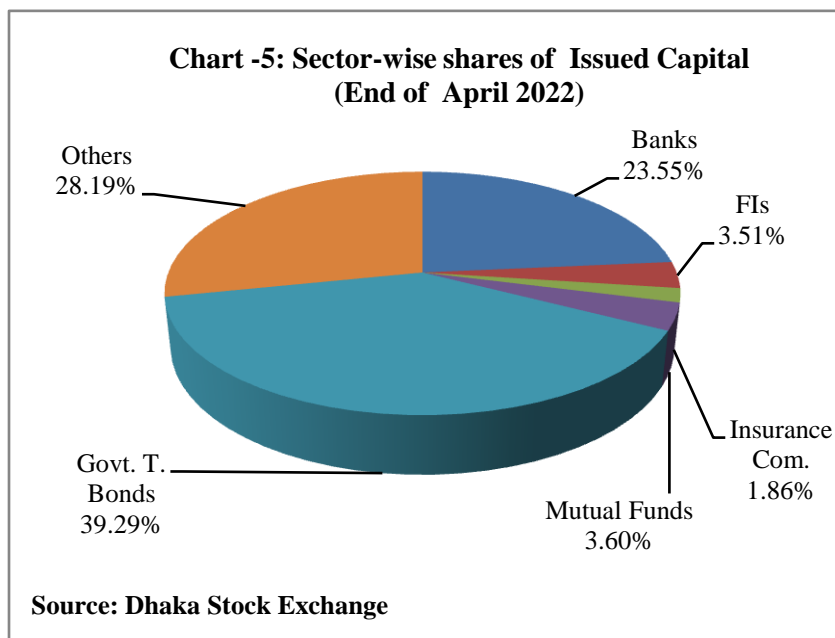


The Price-Earning (P/E) ratio of all securities stood at 15.40 at the end of April 2022 which was 15.63 at the end of March 2022. This ratio was 16.91 at the end of April 2021. The yield of all securities slightly decreased to 3.68 at the end of April 2022 which was 3.77 at the end of March 2022 and 4.26 at the end of April 2021. Trends of price-earnings ratio and yield are shown in the Chart-4.

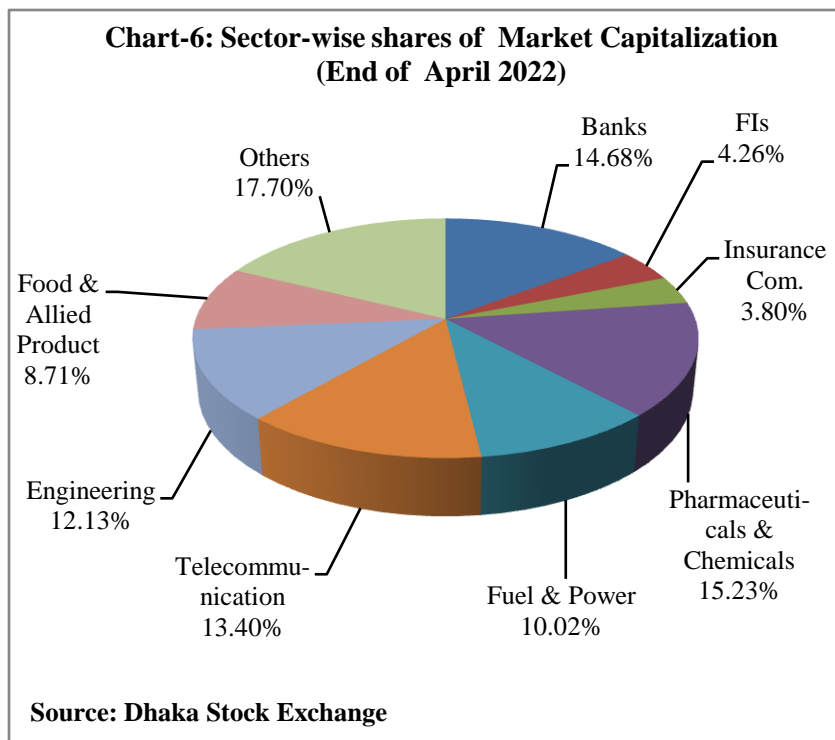


## Sector-wise Issued Capital and Market Capitalization of DSE

The total amount of issued capital stood at BDT 1510.68 billion at the end of April 2022, which were BDT 1506.79 billion at the end of March 2022 and BDT 1387.28 billion at the end of April 2021. Among different sectors, Bangladesh Govt. Treasury Bonds (BGTBs) dominated the market in terms of issued capital at the end of April 2022. This sector alone issued around 39.29 percent of the capital followed by Banks 23.55 percent, Mutual Funds 3.60 percent, Financial Institutions (FIs) 3.51 percent, Insurance Companies 1.86 percent and others 28.19 percent (Chart-5).



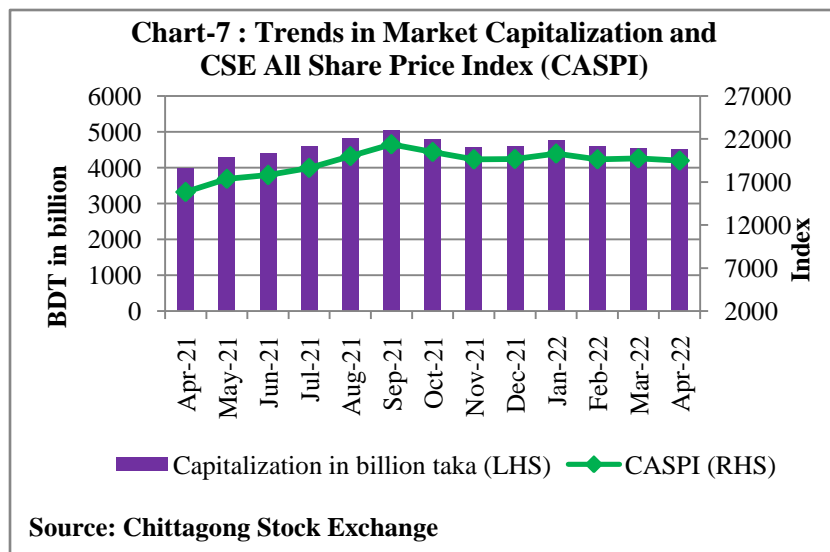
The total amount of market capitalization was BDT 5369.61 billion at the end of April 2022, which were BDT 5394.15 billion at the end of March 2022 and BDT 4707.13 billion at the end of April 2021. Among different sectors, Pharmaceuticals & Chemicals alone recorded as the highest contributor of market capitalization which was 15.23 percent followed by Banks 14.68 percent, Telecommunication 13.40 percent, Engineering 12.13 percent, Fuel & Power 10.02 percent, Food & Allied Product 8.71 percent, Financial Institutions 4.26 percent, Insurance Companies 3.80 percent and others 17.70 percent (Chart-6)<sup>5</sup>.



<sup>5</sup> Sector-wise market capitalization of all listed securities excludes that of Bangladesh Govt. Treasury Bonds (BGTBs) and debentures since these two types of products are not taking part in trading in the market.

## Chittagong Stock Exchange (CSE)

The total number of listed securities in the CSE stood at 363 at the end of April 2022. During April 2022, value of total turnover of traded securities stood at BDT 4.56 billion which was 31.33 percent and 47.53 percent lower than that of March 2022 and the same month of the previous year respectively. The market capitalization of the CSE stood at BDT 4509.40 billion at the end of April 2022 which was 0.81 percent lower than that of March 2022 but 13.49 percent higher than that of the same month of the previous year. All Share Price Index of CSE (CASPI) stood at 19474.45 at the end of April 2022 which was 1.39 percent lower than that of March 2022 but 22.91 percent higher than that of the same month of the previous year. The trend of market capitalization and all share price index of the CSE is shown at chart-7.



The trend of market capitalization and all share price index of the CSE is shown at chart-7.

CSE Shariah Index 'CSES' stood at 1218.27 at the end of April 2022 which was 1245.39 at the end of March 2022 and 1003.67 at the same month of the previous year. The total amount of issued capital stood at BDT 904.39 billion at the end of April 2022 which were BDT 896.80 billion at the end of March 2022 and BDT 824.31 billion at the end of the same month of the previous year. Price Earnings (P/E) ratio in CSE increased to 19.20 at the end of April 2022 which was 16.80 at the end of March 2022. The ratio was 16.44 at the end of April 2021. On the other hand, the yield stood at 3.43 at the end of April 2022 which was the same at the end of March 2022 but it was 3.59 at the end of April 2021.