Endeavour Education Excellence

FINANCIAL MARKET REVIEW

July 2026

Contents

Editor

Wajid Hasan Shah
Executive President
Bangladesh Institute of Capital Market

Associate Editor

Md. Adnan Ahmed
Lecturer, BICM

Team Members

Imran Mahmud
Lecturer, BICM

Faima Akter
Lecturer, BICM

Gourav Roy
Lecturer, BICM

The BICM Financial Market Review provides analytical insights about the performance of the financial market in Bangladesh on a monthly basis.

Economy of Bangladesh

“"Bangladesh’s FY2026–27 Budget: Massive Growth Amid Persistent Implementation Gaps"”

— Imran Mahmud [Lecturer, BICM] & Md. Adnan Ahmed [Lecturer, BICM]

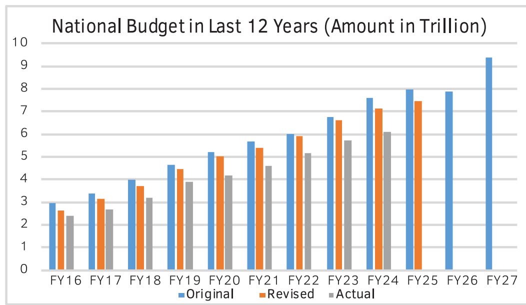


Figure-01 National Budget in Last 12 Years (Amount in Trillion)

Bangladesh’s national budget has experienced massive growth over the past 12 fiscal years, skyrocketing from BDT 2.95 trillion in FY2016 to Tk 9.38 trillion for 2026–27. While revised budgets have consistently remained below the original allocations, actual expenditures have also fallen short of revised estimates in every completed fiscal year. Actual budget implementation increased from BDT 2.38 trillion in FY2016 to BDT 6.11 trillion in FY2024, indicating gradual improvement in public spending despite persistent implementation gaps (Figure-01).

The proposed national budget for FY2026–27 amounts to BDT 9.38 trillion, compared with the original budget of BDT 7.90 trillion and revised budget of BDT 7.88 trillion in FY2025–26. The budget size is equivalent to 13.7% of GDP, up from 12.7% in FY2025–26. Total revenue is projected at BDT 6.95 trillion, including BDT 6.04 trillion from NBR taxes, while total expenditure is estimated at BDT 9.38 trillion, resulting in a budget deficit of BDT 2.43 trillion. The deficit is planned to be financed through BDT 1.27 trillion from domestic sources and BDT 1.16 trillion from external sources (Table-01).

Table-01 Budget Structure for FY 2026-27 (BDT Billion)

Particulars	FY'27	R FY'26	FY'26
Budget Size	9,380	7,880	7,900
% of GDP	13.70%	13.00%	12.70%
Revenue Earnings (A):	6,950	5,880	5,640
NBR Tax Revenue	6,040	5,030	4,990
Non-NBR Tax Revenue	250	200	190
Non-Tax Revenue	660	650	460
Public Expenditure (B):	9,380	7,880	7,900
Non-dev Expenditure	5,511	5,134	4,988
Dev. Expenditure	3,161	2,149	2,456
ADP	3,000	2,000	2,300
Others	161	149	156
Budget Deficit (B-A):	2,430	2,000	2,260
Financing:			
Domestic Sources	1,270	1,370	1,250
Bank Borrowing	1,120	1,180	1,040
Non-Bank	150	190	210
Ext. Sources	1,160	630	1,010

For FY2026–27, total revenue is targeted at BDT 6.95 trillion, of which VAT contributes BDT 2.289 trillion (32.94%), followed by income tax at BDT 2.198 trillion (31.63%). Supplementary tax is projected at BDT 823 billion (11.84%), import duties and other taxes at BDDT 730 billion (10.50%), non-tax revenue at BDT 660 billion (9.50%), and non-NBR taxes at BDT 250 billion (3.60%) (Figure-02).

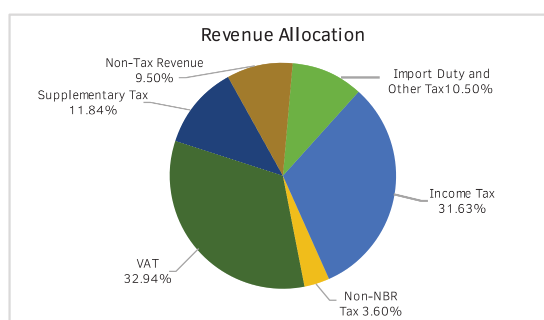


Figure-02 Revenue Allocation

A Visual Tour of the Key Statistics

Under the FY2026–27 budget, public services receive the largest allocation of BDT 2.639 trillion (28.1%), followed by interest payments of BDT 1.275 trillion (13.6%) and education at BDT 1.225 trillion (13.1%). Health and transport & communication each receive BDT 629 billion (6.7%), while social security and welfare account for BDT 624 billion (6.7%) and agriculture receives BDT 468 billion (5.0%) (Figure-03).

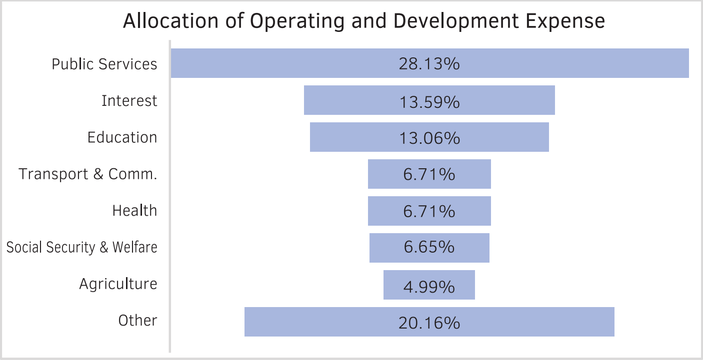


Figure-03 Allocation of Operating and Development Expense

Bangladesh Bank projects inflation at 8.9% in H1 FY27 and 8.6% in H2 FY27, compared with an estimated 8.63% in H2 FY26. Broad money growth is targeted at 11.5% in H1 FY27 and 13.0% in H2 FY27, while reserve money growth is projected at 7.5% and 11.0%, respectively. Private sector credit growth is targeted to increase from an estimated 5.5% in H2 FY26 to 6.8% in H1 FY27 and 8.0% in H2 FY27. (Table-02).

Table-02 Monetary Policy Highlights

Indicators	Target H2'26	Estimated H2'26	Target H1'27	Target H2'27
Inflation	7.00%	8.63%*	8.90%**	8.60%**
Broad Money Growth	11.50%	10.80%	11.50%	13.00%
Reserve Money Growth	8.00%	12.10%	7.50%	11.00%
Domestic Credit Growth	11.50%	10.20%	10.50%	10.40%
Private Credit Growth	8.50%	5.50%	6.80%	8.00%
Public Credit Growth	21.60%	25.90%	21.80%	17.20%
Notes: * Average CPI Inflation; **Projection from BB's quantitative forecasting models				

Compared to FY25, exports declined by 1.1% during FY26 (up to April 2026), while imports increased to grow by 5.9%. Remittance inflows continue to perform strongly, recording 19.5% growth, following 28.7% growth in FY25 (Figure-04).

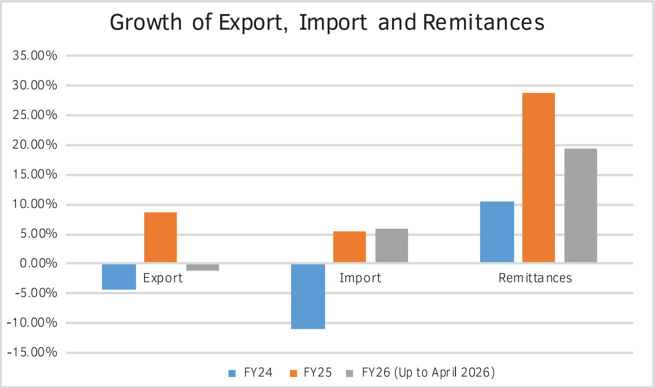


Figure-04 Growth of Export, Import and Remittances

Government security yields declined across all maturities in June 2026. The 91-day Treasury bill yield fell from 10.51% to 9.44%, while the 10-year Treasury bond yield declined from 10.96% to 10.24%. Similar declines were observed across medium- and long-term securities (Figure-05).

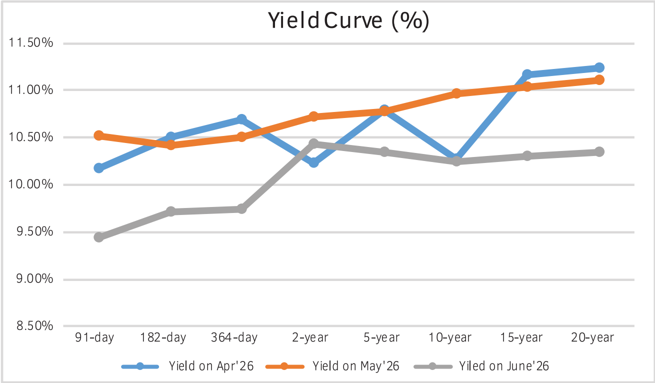


Figure-05 Yield Curve (%)

In June 2026, the call money rate declined to 9.64% from 9.95% in May, while the interbank repo rate remained unchanged at 10.00%. The 10-year Treasury bond yield also decreased to 10.24% from 10.96% in the previous month (Figure -06).

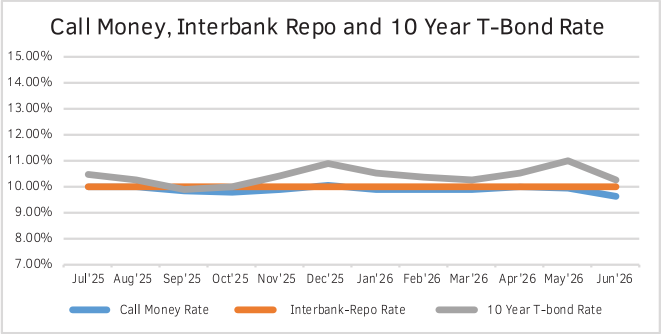


Figure-06 Call Money, Interbank Repo and 10 Year T-Bond Rate

Insights from Numbers

► The steady expansion of Bangladesh's national budget reflects the government's growing fiscal capacity and increasing development ambitions over the past decade. However, the persistent gap between original allocations, revised budgets, and actual expenditures highlights longstanding implementation challenges, including slower project execution, procurement delays, and revenue shortfalls. Although budget execution has improved in absolute terms, the inability to fully utilize allocated resources suggests that strengthening institutional capacity and improving expenditure efficiency remain as important as increasing the size of the budget.

► The FY2026–27 budget reflects a more expansionary fiscal stance, with a substantial increase in expenditure aimed at supporting economic recovery while maintaining a moderate fiscal deficit. Although the government has raised ambitious revenue targets, the success of the budget will depend heavily on strengthening tax administration and improving compliance rather than introducing major new tax measures.

► The revenue structure of the FY2026–27 budget indicates a continued dependence on domestic taxation, particularly VAT and income tax, which together account for nearly two-thirds of total government revenue. This composition reflects the government's strategy of broadening domestic resource mobilization while gradually reducing reliance on trade taxes. However, given recent challenges in revenue collection, achieving these ambitious targets will require stronger tax compliance, digitalization of tax administration, and expansion of the formal tax base.

► The expenditure pattern highlights the government's effort to balance development priorities with rising fiscal obligations. While education, health, infrastructure, and social protection continue to receive significant allocations, the growing share devoted to interest payments reflects the increasing fiscal burden associated with public debt servicing. The relatively large allocation to public services also suggests an emphasis on improving governance and public administration. Going forward, the efficiency and timely execution of development expenditure will be as important as the size of the allocations in supporting long-term economic growth.

► The monetary framework targets for H2 FY26 and FY27 signals a gradual transition from stabilization toward supporting economic recovery. While Bangladesh Bank continues to prioritize inflation control, the projected acceleration in private sector credit growth suggests expectations of improving investment activity over the coming year. At the same time, the moderation in domestic credit targets indicates that policymakers remain cautious about reigniting inflationary pressures. Overall, the targets point toward a calibrated monetary stance that seeks to balance price stability with a gradual revival in private-sector-led economic growth.

► While robust remittance growth continues to strengthen foreign exchange earnings and support external stability, weaker export performance highlights persistent challenges facing Bangladesh's export sector amid global economic uncertainty. Meanwhile, the recovery in imports suggests improving domestic demand and investment activity but also contributes to higher foreign exchange requirements.

► The broad decline in government security yields in June 2026 suggests easing financing conditions in the domestic debt market and improving investor confidence. Lower yields may reflect expectations of moderating inflation, improved liquidity conditions, and reduced immediate borrowing pressures following the announcement of the new fiscal framework. The downward shift across the yield curve also implies that investors anticipate a more stable macroeconomic environment, although sustained improvements will depend on effective budget implementation and continued progress in containing inflation.

► The decline in the call money rate alongside a stable repo rate indicates that short-term liquidity conditions have eased while Bangladesh Bank has maintained its policy stance. Together, these developments point to a financial market that is becoming more comfortable with the macroeconomic outlook, although policymakers are likely to remain cautious until inflation moves closer to its medium-term target.

Data Source: Bangladesh Bank & Finance Division, Ministry of Finance, Government of Bangladesh

"Strong Market Recovery Boosts Investor Confidence During June 2026 "

Capital market recorded a strong recovery in June 2026, driven by broad-based index gains and improved market liquidity

Faima Akter [Lecturer, BICM] &
Gourav Roy [Lecturer, BICM]

Capital Market

During June 2026, the Dhaka Stock Exchange recorded a strong upward movement across most major indices. The benchmark DSEX increased by 7.26%, closing at 5,762.83 points (Table-03). The DSES index posted the highest gain of 7.52%, indicating stronger performance among Shariah-compliant securities. The DS30 also advanced by 6.54%, reflecting positive momentum in blue-chip stocks. Similarly, the CDSET index rose by 6.00%, suggesting improved investor interest in companies with stronger governance and sustainability profiles. However, the DSMEX index declined by 0.93%, indicating weaker performance among SME-related securities despite the broader market recovery.

Table-03 Performance of Capital Market Indices in June, 2026

Index Name	1-Jun-26	30-Jun-26	Change	% Change
DSEX	5,372.63	5,762.83	390.2	7.26%
DSES	1,086.42	1,168.13	81.71	7.52%
DS30	2,044.59	2,178.38	133.79	6.54%
CDSET	1,083.66	1,148.64	64.98	6.00%
DSMEX	1,313.42	1,301.27	-12.15	-0.93%

The daily movement of DSEX and DSES in June 2026 shows a broadly positive but volatile market pattern. Both indices recorded frequent gains during the first half of the month, with the strongest upward movement on 14 June, when DSEX rose by 1.90% and DSES by 1.29%. However, the market faced a sharp correction on 22 June, as DSEX and DSES declined by 1.52% and 1.68%, respectively. Despite this temporary setback, both indices recovered strongly in the final week, indicating renewed investor confidence and sustained market momentum.

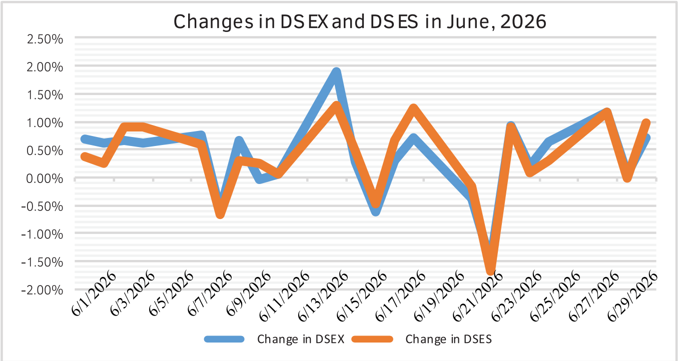


Figure-07 Changes in DSEX and DSES in June, 2026

In June 2026, both CASPI and CSE30 (Figure-08) exhibited a highly volatile pattern, fluctuating between intermittent gains and losses throughout the month. Despite several short-term corrections, investor sentiment remained resilient, leading to notable rebounds during the mid and latter parts of the month. Strong upward movements toward the end of the month helped both indices recover from earlier declines and close on a positive note. Consequently, the market reflected improved investor confidence and renewed trading activity despite ongoing volatility.

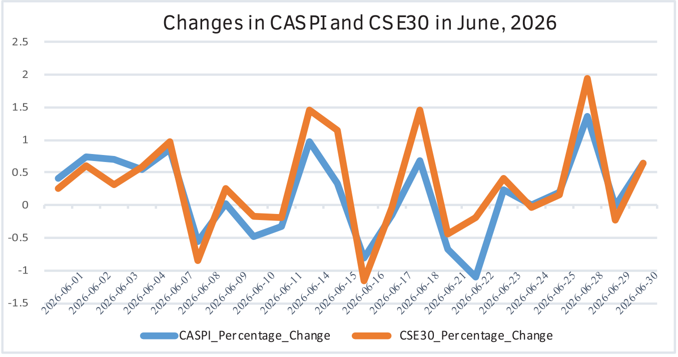


Figure-08 Percentage Changes in CASPI and CSE30 in June, 2026

The Advance to Decline (A/D) ratio in figure 9 indicates stronger market breadth in June 2026 compared with May. Advancing issues outnumbered declining securities on several trading days, with the ratio peaking at 5.07 on 23 June and 4.01 on 25 June. However, sharp weakness on 21–22 June reflected temporary broad-based selling pressure. Overall, the average position suggests improved investor participation and healthier market breadth.

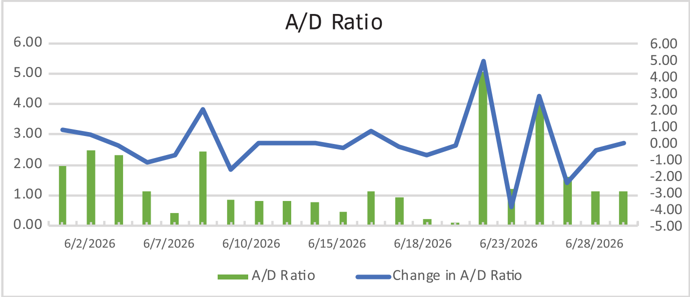


Figure-09 A/D Ratio in June, 2026

Market liquidity improved substantially in June 2026 compared to the previous month. Average traded value increased by 44.31% to Tk 12,061 million, while the average number of trades rose by 30.03%. Average trade volume also expanded significantly by 40.43%, reflecting heightened trading activity and stronger investor participation (Table-04). Additionally, average market capitalization increased by 1.96% to Tk 6.92 trillion, supported by the broad-based appreciation of listed securities. Overall, the notable improvement across all liquidity indicators suggests enhanced market confidence and a more active trading environment during the review period.

Table-04 Market Aggregates in June, 2026

Partculars	May-26	Jun-26	Change	% Change
Average Market Capital (TK Million)	6787566	6920671	133,104	1.96%
Average Traded Value (TK Million)	8358	12061	3,704	44.31%
Average Number of Trades	217321	282577	65,255	30.03%
Average Trade Volume	276535069	388335759	111,800,691	40.43%

In June 2026, trading activity was led by BXPHARMA, which recorded the highest turnover of Tk 593.78 million despite a 1.55% price decline. SAPORTL, IPDC, BRACBANK, and NFML also appeared among the top turnover stocks, indicating concentrated investor activity in selected securities. Among gainers, SHYAMPSUG posted the highest return of 23.53%, followed by SONARGAON and BNICL. In contrast, BEXIMCO recorded the sharpest decline of 40.34%, making it the worst-performing stock of the month. Overall, the data reflects strong stock-specific variation, with active trading concentrated in a limited number of securities.

Table-05 Top Turnover Leaders, Gainers and Losers

Turnover				Gainer			Loser		
Sl	Stock	Turn Over	Total (%)	Sl	Stock	Return (%)	Sl	Stock	Return (%)
1	BXPHARMA	593.78	-1.55%	1	SHYAMPSUG	23.53%	1	BEXIMCO	-40.34%
2	SAPORTL	313.3	-8.01%	2	SONARGAON	20.00%	2	ILFSL	-15.38%
3	IPDC	271.67	4.39%	3	BNICL	14.62%	3	USMANIAGL	-11.16%
4	BRACBANK	254.74	-0.91%	4	NFML	13.21%	4	APOLOISPAT	-10.81%
5	NFML	205.75	13.21%	5	PRAGATIINS	12.43%	5	KBPPWBIL	-8.21%

The sectoral Price to Earning (P/E) landscape (Figure-10) shows significant variation in valuation multiples relative to the market average P/E of 10.02. Tannery, Paper & Printing, and IT sectors are trading at substantially higher P/E levels, indicating strong growth expectations and elevated investor optimism. Miscellaneous and Food & Allied also remain well above the market average, reflecting favorable market sentiment toward these sectors. In contrast, Bank, Fuel & Power, and NBFI exhibit comparatively lower P/E ratios, suggesting more conservative valuations and modest earnings expectations. Overall, the wide dispersion in sectoral valuations highlights differing growth prospects and investor preferences across industries.

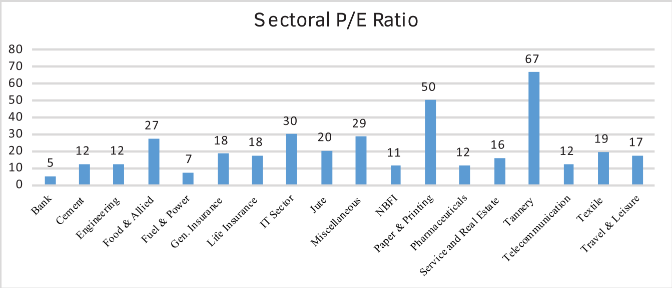


Figure-10 Sectoral P/E Ratios

The sector return profile (Figure-11) reflects broadly positive performance across most sectors during the month. Service & Real Estate, NBFI, General Insurance, Cement, and IT emerged as the top-performing sectors, indicating improved investor confidence and selective buying interest. Telecommunications and Textile also posted notable gains, contributing to the overall positive market sentiment. In contrast, Travel & Leisure recorded a sharp decline, while Miscellaneous and Bank remained marginally negative. Overall, the market exhibited a predominantly bullish sectoral trend, with gains spread across a wide range of industries.

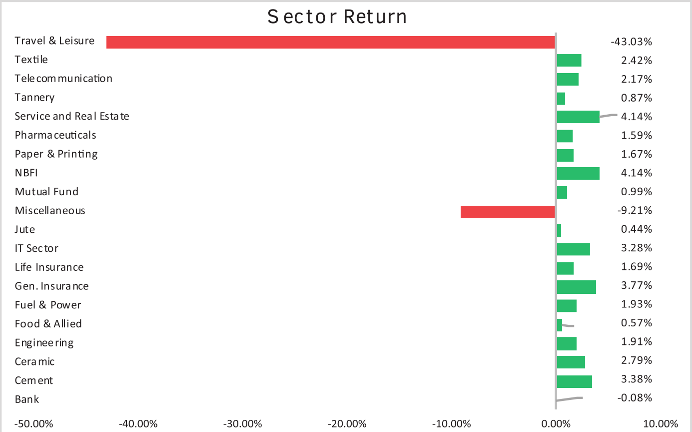


Figure-11 Sector Return

The turnover distribution (Figure-12) indicates that trading activity remained concentrated in a few key sectors, with Engineering and General Insurance jointly accounting for the largest share of total turnover, followed closely by Textile and Pharmaceuticals. Bank also maintained a notable contribution to overall market liquidity. In contrast, sectors such as Jute, Mutual Fund, Tannery, Cement, and Travel & Leisure recorded relatively low trading participation. Overall, market liquidity remained focused on a handful of actively traded sectors, reflecting selective investor engagement across industries.

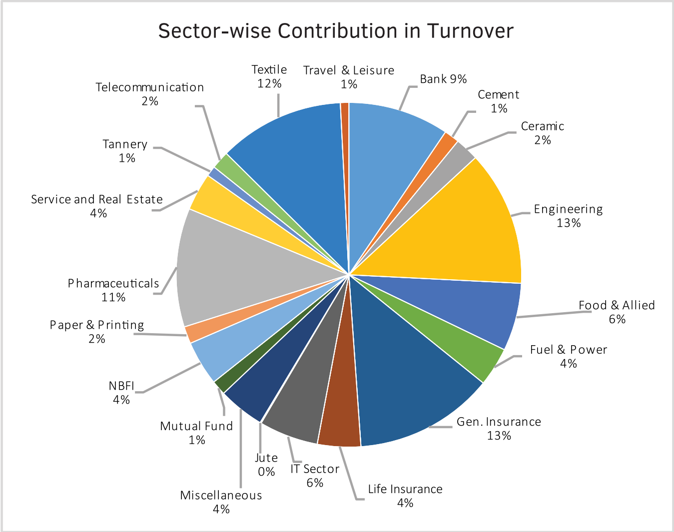


Figure-12 Sector-wise Contribution in Turnover

Among selected emerging markets, Bangladesh recorded the strongest performance in June 2026, with the DSEX gaining 7.26%. Turkey's BIST 100 followed with a 2.43% return, while India's BSE Sensex advanced by 1.17%. In contrast, Japan's Nikkei 225 declined by 1.76%, and China A50 fell by 4.22% (Table-06). The comparative performance indicates that Bangladesh's equity market significantly outperformed selected regional and emerging market peers during the review period.

Table-06 Performance Comparison of the World's Major Index in June, 2026

Performance Comparison of World's Emerging Index		
Country	Index Name	Return
India	BSESENSEX	1.17%
China	China A50	-4.22%
Japan	Nikkei 225	-1.76%
Turkey	BIST 100	2.43%
Bangladesh	DSEX	7.26%

Commodity futures recorded predominantly negative performance during June 2026 (Table-07). Sugar was the only commodity to post a notable gain, rising by 4.60%. In contrast, Crude Oil experienced the sharpest decline, falling by 29.12%, followed by Gold, which lost 8.30% amid weakening precious metal prices. Cotton, Soybean, and Natural Gas also registered declines of 3.92%, 1.91%, and 1.22%, respectively. Overall, the commodity market reflected broad-based weakness during the review period, led by significant corrections in the energy and precious metals segments.

Table-07 Performance Comparison of Commodity Futures in June 2026

Performance Comparison of Commodity Futures			
Commodity name	Return	Price (USD)	Parameter
SUGAR	4.60%	15.04	Lbs
NATURAL GAS	-1.22%	3.17	MMBtu
COTTON	-3.92%	77.36	Lbs
SOYBEAN	-1.91%	1131.23	Bu
GOLD	-8.30%	4066.88	t.oz
CRUDEOIL	-29.12%	68.00	Barrel

The macroeconomic environment remained supportive during the month, backed by continued policy efforts to strengthen economic activity and maintain macroeconomic stability. The FY2026–27 national budget, with its focus on development spending and fiscal reforms, alongside Bangladesh Bank's stimulus measures, reinforced expectations of gradual economic recovery. Meanwhile, stronger remittance inflows and improved foreign exchange conditions contributed to a more favorable investment climate.

On the regulatory front, the appointment of the new Commission of the Bangladesh Securities and Exchange Commission (BSEC) marked an important development for the capital market. Market participants anticipate renewed momentum in regulatory reforms, improved governance, and enhanced investor confidence under the new leadership. Alongside ongoing efforts to strengthen transparency, market oversight, and institutional participation, these developments signal a continued commitment to building a more resilient and efficient capital market.

Overall, the market demonstrated improved performance during the month, supported by broad-based sectoral gains and sustained trading activity. While global uncertainties and external risks persist, supportive macroeconomic developments and expectations surrounding the new BSEC Commission provide a constructive outlook for long-term market stability, investor confidence, and sustainable capital market development.

Data Source: DSE, CSE, Lanka Bangla Financial Portal, Investing.com and Trading Economics

Faima Akter
Lecturer
Bangladesh Institute of Capital Market

Bridging the Financial Knowledge Gap in Bangladesh

Implications for Financial Inclusion, Capital Market Development, and Sustainable Economic Growth

Insights

Bangladesh has made strong progress in expanding access to formal finance through mobile financial services, school banking, agent banking and capital market awareness initiatives. Yet access has not automatically translated into informed financial decision making. The country continues to face a significant financial knowledge gap. With financial literacy estimated at only 28 percent in 2025, a large portion of the population lacks an adequate understanding of basic financial concepts, creating challenges for both household financial well-being and financial market development (Financial Express, 2025).

Current State of Financial Knowledge and Inclusion

Formal and digital financial access have improved significantly, but financial understanding remains comparatively weak. Digital and mobile finance have expanded faster than traditional banking, but financial knowledge has not kept pace. This creates a policy challenge. A citizen may have an MFS wallet but may not understand transaction charges, fraud risks, savings options and how digital records can support future access to credit. Bangladesh continues to face a substantial financial knowledge gap. Recent estimates suggest that only approximately 28% of the population possesses adequate financial literacy, indicating that more than two-thirds of Bangladeshis lack sufficient understanding of essential financial concepts such as budgeting, savings, interest rates, inflation, risk diversification, and investment planning (Figure 01).

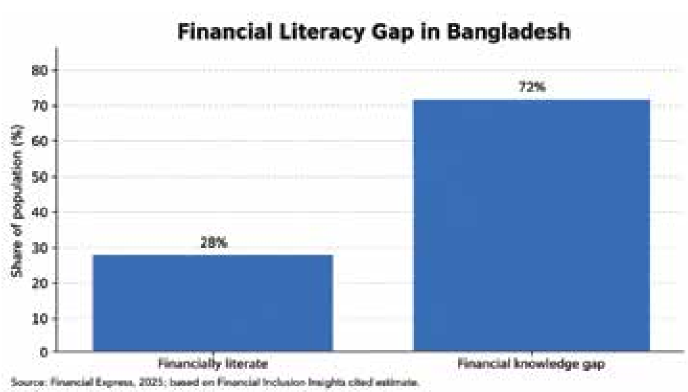


Figure-01 Financial Literacy Gap in Bangladesh

Financial inclusion has improved considerably, around 51.7% of adults now own an account with a bank, financial institution, or mobile financial service (MFS), while 47.8% use MFS accounts and 28.3% maintain traditional bank accounts (Figure 2). Furthermore, payment card coverage has increased to 30.11% of the population, reflecting rapid digital financial development. Nevertheless, the disparity between growing financial access and limited financial capability suggests that many individuals remain unable to effectively utilize formal financial products and investment opportunities. Closing this knowledge gap through comprehensive financial education is therefore essential for promoting informed financial decision-making, strengthening capital market participation, and fostering inclusive and sustainable economic growth.

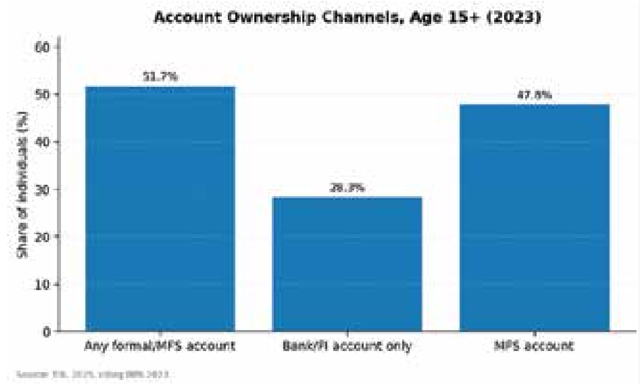


Figure-02 Account Ownership Channels Among Individuals Aged 15 and Above

Why the Knowledge Gap Matters for Financial Markets

The consequences of low financial literacy extend beyond personal finance. They affect the structure and quality of financial markets. A market becomes deeper and more stable when investors can understand risk-return trade-offs, evaluate financial products, diversify portfolios, and distinguish between information and rumor. Conversely, when investors lack financial knowledge, they may enter the market during bullish periods, follow herd behavior, trade based on tips, and exit during downturns. This weakens market confidence and reduces liquidity.

The capital market evidence is important. The Business Standard reported that total BO accounts stood at 16.39 lakh as of 24 December 2025, while 66,514 BO accounts were emptied of shareholdings during the year (Figure 3). It also reported that accounts with shares stood at 12.05 lakh and that regular active investors may be much lower than headline BO account numbers. This does not prove that financial illiteracy alone caused investor exit, but it indicates that investor confidence and sustained participation remain fragile.

For Bangladesh, this matters because a shallow investor base limits the potential of mutual funds, corporate bonds, sukuk and long-term savings vehicles. It also increases dependence on the banking system for corporate financing. Therefore, financial literacy should be viewed as a complementary reform for capital market development, not as a separate welfare activity.

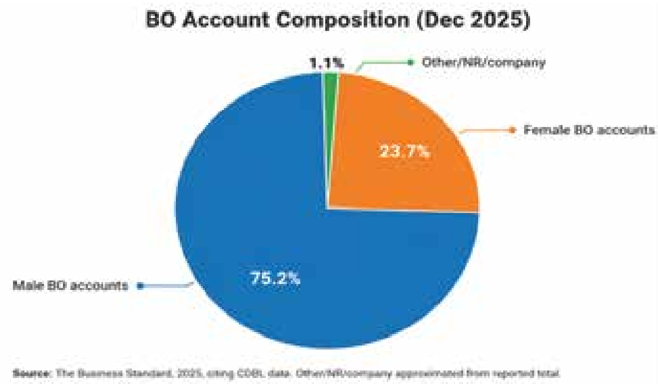


Figure-03 BO account composition by reported category, December 2025

Table 1 summarizes the major dimensions of the financial knowledge gap in Bangladesh, highlighting how deficiencies in savings, borrowing, investment, digital finance, and financial awareness among vulnerable groups can affect financial market development and inclusion, along with corresponding policy responses.

Table-01 Financial Knowledge Gaps and Market Consequences

Area	Knowledge gap	Market effect	Policy response
Savings	Limited emergency planning and goal-based saving	Low formal savings depth	Budgeting and school banking education
Borrowing	Weak understanding of interest and repayment burden	Household debt stress and informal borrowing	Responsible credit education
Investment	Low understanding of risk-return and diversification	Rumor-based trading and low product adoption	Investor education and suitability awareness
Digital finance	Limited awareness of fraud, PIN safety and fees	Consumer protection and trust risks	Digital financial literacy campaigns
Women and rural users	Lower exposure to financial products	Unequal inclusion and lower asset ownership	Targeted programs through community channels
Youth	High digital exposure but weak money skills	Speculation and vulnerability to misinformation	Curriculum-linked financial education

Women, Youth and the Digital Finance Dimension

The financial knowledge gap is not uniform. Women, youth, rural communities and low-income households are more exposed to capability constraints. In capital markets, women investors remain a smaller group than male investors; The Business Standard reported 12.33 lakh male BO accounts and 3.88 lakh female BO accounts as of 24 December 2025. Financial education targeted to women is therefore essential for inclusive wealth creation.

Youth financial literacy is equally important. The school banking program provides a ready-made platform for early financial education. The Daily Star reported that by February 2025, nearly five million active school banking accounts had been opened. Girls held 48.94 percent of these accounts, and rural students represented 53 percent of account holders. However, rural students accounted for only 29 percent of deposits, showing that access and meaningful financial capacity are not the same.

Digital financial literacy is now central to inclusion. TIB notes that MFS is increasingly used for social safety net allowances, education stipends and salary payments. Bangladesh Bank's Financial Literacy Guidelines also recognize digital financial literacy as the knowledge and competencies needed to use digitally delivered financial products safely and make informed decisions. This means Bangladesh needs to teach not only how to send money, but also how to compare costs, protect accounts, avoid fraud, save digitally and use transaction records productively.

Existing Policy Momentum

Bangladesh already has policy momentum. Bangladesh Bank issued Financial Literacy Guidelines to roll out financial literacy program through banks and financial institutions. The guidelines identify key objectives such as strengthening financial knowledge, improving digital financial services awareness, raising awareness against financial fraud, reducing the gender gap and creating sustainable financial literacy infrastructure.

The capital market regulator is also moving in the right direction. BSEC had engaged district and upazila administrations to expand investment literacy nationwide, including seminars, awareness campaigns and links to BSEC's financial literacy website and YouTube resources on district websites. As the country's sole national institute specializing in capital market education, Bangladesh Institute of Capital Market (BICM) has been playing a significant role since its inception in improving investor awareness, strengthening financial literacy, and fostering informed participation in the capital market. The institute has also undertaken several targeted initiatives for women, aiming to improve their financial awareness, investment capabilities, and inclusion in the capital market.

Policy Recommendations for Bangladesh

Based on the above analysis, several policy measures can be adopted to bridge the financial knowledge gap in Bangladesh and promote greater financial inclusion, investor awareness, and informed financial decision-making.

First, Bangladesh should move from an access-based approach toward a capability-based approach to financial inclusion. Performance indicators should measure not only account ownership but also active usage, financial knowledge, savings behavior, and digital security awareness.

Second, financial education should be integrated into school, college, and university curriculum. Topics should include budgeting, inflation, interest rates, savings, investment, insurance, consumer rights, and digital finance.

Third, regulators and market institutions should collaborate to establish a national investor education ecosystem. Organizations such as Bangladesh Bank, BSEC, BICM, DSE, CSE, CDBL, financial institutions, and educational institutions can play complementary roles.

Fourth, targeted programs should address the needs of women, rural populations, and young people. Tailored educational content can help reduce disparities in financial capability and promote inclusive growth.

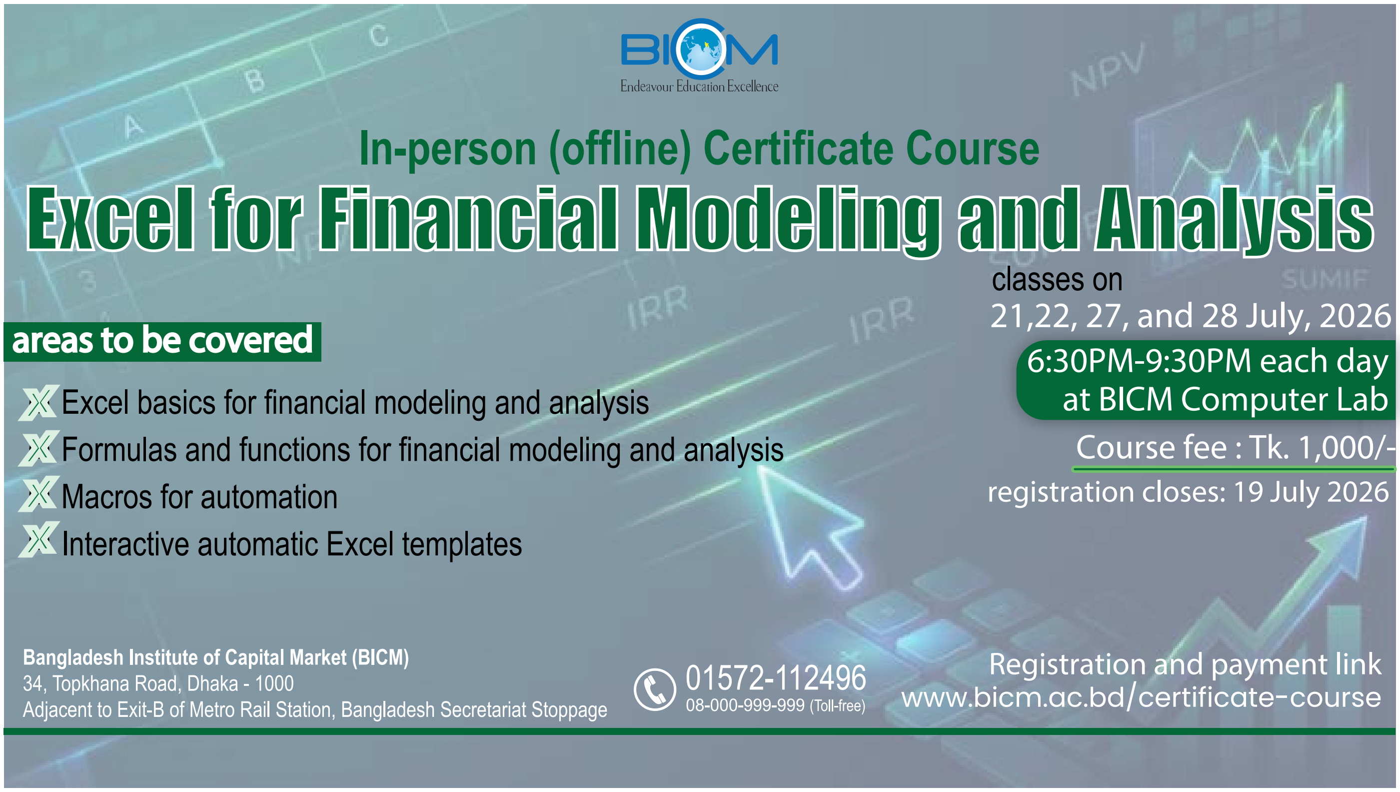
Fifth, digital financial literacy should become a national priority. Public awareness campaigns should emphasize fraud prevention, cybersecurity, responsible borrowing, and digital financial management.

Sixth, financial literacy initiatives should be linked with capital market development strategies. Investors require practical knowledge regarding diversification, risk management, long-term investing, and retirement planning.

Finally, financial literacy programs should be evaluated through measurable outcomes. Monitoring should focus on behavioral change, active account usage, investor retention, savings rates, and consumer protection outcomes rather than simply counting participants.

Many of these measures have already been initiated by the Government of Bangladesh through the National Financial Inclusion Strategy (NFIS), Bangladesh Bank, BSEC, and various investor education and financial literacy programs. However, greater coordination, wider outreach, and continuous evaluation are necessary to maximize their effectiveness and ensure long-term improvements in financial capability and market participation.

A financially literate population can make better savings decisions, use digital finance safely, invest more confidently, and support the development of a deeper and more resilient capital market. Bridging the financial knowledge gap should therefore be treated as a strategic priority for inclusive growth and sustainable financial market development.


BICM
Endeavour Education Excellence
In-person (offline) Certificate Course
Excel for Financial Modeling and Analysis
classes on
21,22, 27, and 28 July, 2026
6:30PM-9:30PM each day
at BICM Computer Lab
Course fee : Tk. 1,000/-
registration closes: 19 July 2026
areas to be covered
Excel basics for financial modeling and analysis
Formulas and functions for financial modeling and analysis
Macros for automation
Interactive automatic Excel templates
Bangladesh Institute of Capital Market (BICM)
34, Topkhana Road, Dhaka - 1000
Adjacent to Exit-B of Metro Rail Station, Bangladesh Secretariat Stoppage
01572-112496
08-000-999-999 (Toll-free)
Registration and payment link
www.bicm.ac.bd/certificate-course


Journal of Financial Markets and Governance
Call for Paper
About the Journal
Journal of Financial Markets and Governance focuses on facilitating the exchange of scholarly knowledge between academics, industry stakeholders and the regulators across the world in the fields of finance, accounting and governance studies.
The journal welcomes original research articles, reviews, and industry insights related to finance and investment, governance, financial institutions, money and capital markets, and the interlinks between financial markets and the economy at the country, regional, and world level.
JFMG is officially published and supported by the Bangladesh Institute of Capital Market – Bangladesh's only state-run specialized institute for offering academic degree programs, training and research in areas related to financial markets specially capital market.
JFMG is an "Open Access" Journal published both online and printed versions.
No Publication Fee
Submission Procedure
You can submit your article at https://jfmg.bicm.ac.bd/index.php/home/about/submissions
Or you can email us at ea@jfmg.bicm.ac.bd

Write to us

Submit your write-up on financial market of Bangladesh. Selected write-ups will be reviewed for publication in the next or appropriate issue of FMR.

Send your short paper to us at **fmr@bicm.ac.bd**

Contact

Coordinator, Financial Market Review
Bangladesh Institute of Capital Market
34, Topkhana Road, Dhaka-1000
Phone : +88-02-9588506, 9588507, Ext: 212
Mail: fmr@bicm.ac.bd

Design & Printing | Sohel Ahmed | PERFECTION | perfectionjahangir@yahoo.com | 01921099384