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Bangladesh stocks jump as ceasefire hopes boost sentiment

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Dhaka stocks surged yesterday amid renewed optimism among investors about the economy after US President Donald Trump announced a two-week ceasefire with Iran, subject to the immediate and safe reopening of the Strait of Hormuz.

Oil prices plunged below \$100 per barrel, and stocks and bonds surged in global markets yesterday, on hopes for a resumption of oil and gas flows through the Strait of Hormuz, through which one-fifth of the world's oil and gas and 30 percent of global fertiliser are transported.

Bangladesh's stocks have gained in line with the global markets. The DSEX, the benchmark index of the key bourse, the Dhaka Stock Exchange (DSE), climbed 161.08 points, or 3.12 percent, to close at 5,317.96.

This marks the highest point for the premier bourse after March 16, when the index finished at 5,353.94.

The benchmark index of Dhaka Stock Exchange climbed 161.08 points, or 3.12 percent, to close at 5,317.96

"Market sentiment shifted from caution to optimism overnight as easing Middle East tensions and falling oil prices ignited a wave of relief and bargain-hunting for beaten-down stocks," said SM Galibur Rahman, head of research and strategic planning at Shanta Securities.

Market participation saw a boost, with turnover reaching Tk 991.59 crore, representing a 66 percent spike from the previous session, according to the DSE.

"DSEX jumps as ceasefire news boosts market sentiment," said Shanta Securities Research in its daily market review.

The surge was mirrored across other indices. The DSES, representing shariah-compliant companies, advanced 30.16 points, or 2.88 percent, to 1,075.97. Similarly, the DS30, which tracks blue-chip stocks, also gained.

Of the traded issues, 367 advanced, 15 declined, and 11 remained unchanged.

Shanta Securities Research said market movement was driven by positive

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Dead firms, rising shares

Twenty-nine shuttered companies post sharp gains after DSE names non-operational entities



DSE published list of 30 non-operational firms in Sept 2025

THEY HAVE:

- Factories closed for years
- No production
- No dividend
- No revival plan

After DSE disclosure, 29 firms saw share prices surge

WHY

- Penny stock speculation
- Low free-float manipulation
- Rumour-driven trading
- High-risk "gambling" investors

AHSAN HABIB

In a rare step in September last year, the Dhaka bourse published a list of 30 companies that had long been out of production. The move was meant to inject transparency into the market, check rumour-driven trading and warn investors chasing whispers rather than market fundamentals.

Instead, it had the opposite effect. After the disclosure, share prices of 29 of those zombie firms, whose factories are padlocked, machines are gathering dust, and workers have long since left, surged. Some doubled. Others tripled.

Market analysts say allowing companies with no operational heartbeat to trade freely undermines confidence. For the sake of ordinary investors and the long-term health of the market, the regulator should move quickly to clean house.

The Dhaka Stock Exchange (DSE) says it is now preparing to delist companies with no realistic prospect of revival in phases.

But the obvious question is, why did the shares race ahead even though production has been halted for years?

Saiful Islam, president of the DSE Brokers Association of Bangladesh (DBA), said the answer lies in speculation. "Globally, there are always some investors

who prefer to invest in penny stocks," he said, referring to low-priced and highly speculative shares of small companies.

"There is a class of traders who are heavy risk takers and essentially enjoy gambling," said Islam.

"They believe that if prices start to rise for any reason, the relatively low number of shares in these companies makes it easier to play in their favour," he added.

DISCLOSURE TRIGGERS SURGE

After the disclosure by the DSE, shares of Familytex BD, Appollo Ispat and Tung Hai Knitting have more than tripled in the past three months, even though operations have been shut for years.

Other dormant firms have also seen sharp gains.

Hamid Fabrics, New Line Clothing, Nurani Dyeing and Shurwid Industries have more than doubled. Prime Textile rose 83 percent, while Meghna Pet Industries and Northern Jute climbed 69 percent each.

Meghna Pet Industries has been out of operation for 24 years. Its rally has left many analysts baffled.

"Why did this company's stock rise to that extent?" asked Al Amin, an accounting professor at Dhaka University and a market analyst.

"Why did the company remain in the stock market for two decades despite

having no operation, no dividend, nothing?" he questioned.

"These are surging absolutely due to manipulation and rumours by a vested interest group," he added.

"By allowing trading of closed companies, the DSE and the BSEC [Bangladesh Securities and Exchange Commission] are basically allowing investors to burn their hands," he further said.

Among the 30 companies, only GBB Power reported positive news, announcing that it had signed a power purchase contract with the Bangladesh Power Development Board (BPDB) for the installation of an 18 MW solar power plant.

Of the other dormant firms, Zaheen Spinning Mills rose 63 percent, Emerald Oil gained 55 percent and Regent Textile advanced 52 percent.

Prof Al Amin said the DSE cannot avoid its responsibility simply by publishing the status of the companies, especially when the securities regulator operates surveillance software.

In his view, both DSE and the Bangladesh Securities and Exchange Commission (BSEC) should dig deeper and suspend trading in such shares.

When asked whether suspension would hurt small investors, he said those

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Taka gains as dollar demand softens on US-Iran truce

STAR BUSINESS REPORT

The taka edged up against the US dollar yesterday, buoyed by a two-week ceasefire between the United States and Iran that eased pressure on the foreign exchange market.

The weighted average exchange rate stood at Tk 122.75 per dollar, down from Tk 122.84 the previous day, according to Bangladesh Bank (BB) data.

A senior treasury official at a private commercial bank said the market turned volatile in recent weeks as importers rushed to buy dollars amid fears of a prolonged war. That anxiety appears to have subsided following the ceasefire.

When importers scramble for forward buying, rates tend to climb. As tensions cool, demand for forward trading of US dollars is expected to ease, he said.

Forward buying means agreeing today to purchase dollars at a fixed rate on a future date. Forward trading refers to buying or selling dollars now at a pre-agreed rate for delivery later, usually to hedge against exchange rate swings.

In its Bangladesh Bank Quarterly published yesterday, the central bank, however, cautioned that the economy remains exposed to external oil price shocks and currency depreciation.

"A sharp increase in global oil prices, particularly when combined with exchange rate depreciation, could exert significant upward pressure on inflation and lead to a decline in foreign exchange reserves," it said.

The BB report said that allowing some exchange rate flexibility could help ease pressure on reserves. At the same time, balancing fiscal costs and inflationary pressures may require a partial adjustment to global oil prices.

"Rising geopolitical tensions — particularly the Iran-Israel-USA conflict — have already disrupted global energy and food supply chains and may exert additional pressure on both the external balance and domestic inflation. These developments pose near-term risks to price stability, export demand, and import costs," said the report.

Mirza Elias Uddin Ahmed, managing director of Jamuna Bank, told The Daily Star

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Scanner glitch stalls 500 containers at Ctg port

STAFF CORRESPONDENT, Ctg

A malfunctioning scanner at the Patenga Container Terminal (PCT) of Chattogram Port has disrupted import and export operations, leaving more than 500 containers stuck without clearance since Monday (April 6).

Importers have been unable to receive delivery of goods, affecting the supply of raw materials to various industries, including the readymade garment sector.

Port insiders said the disruption has not only stalled import clearance from the port but also hindered the transfer of depot-bound containers, creating congestion at the jetties and adding pressure to the supply chain.

"We have to suspend production at some lines of our plastic factory, which makes bottles for fruit juices and drinks," said Kamrumzaman Kamal, director of marketing at PRAN RFL, one of the leading food and plastic processors and exporters of the country.

The PRAN RFL Group alone owns 360 out of the 500 containers stuck at the terminal, carrying raw materials for food and plastic.

Sharif Mohammad Al Amin, assistant commissioner at Chattogram Custom House, told The Daily Star that a technical fault developed in the scanner two days ago.

"A team of experts is working to fix the issue, and the scanner is expected to be operational soon. As a temporary measure, a special order is being issued to allow physical inspection of the containers that could not be scanned," he added.

As per National Board of Revenue data, scanners were installed at various gates of Chattogram Port in 2009 to curb smuggling, security risks, and the import and export of goods through false declarations. Currently, scanners

are operational at six out of the port's 12 gates.

Only goods from selected industrial units, including the readymade garment sector, are directly released from the port, provided that the containers undergo scanning. This process helps avoid lengthy physical inspection and significantly reduces clearance time, customs sources said.

C&F agents, who clear goods from the port on behalf of importers, claimed that the glitch at PCT has significantly delayed cargo clearance. The issue affects exporters as well.

Ziaur Rahman, a C&F agent working for SB Traders, noted that at least six containers belonging to two exporters at the Chattogram EPZ have remained



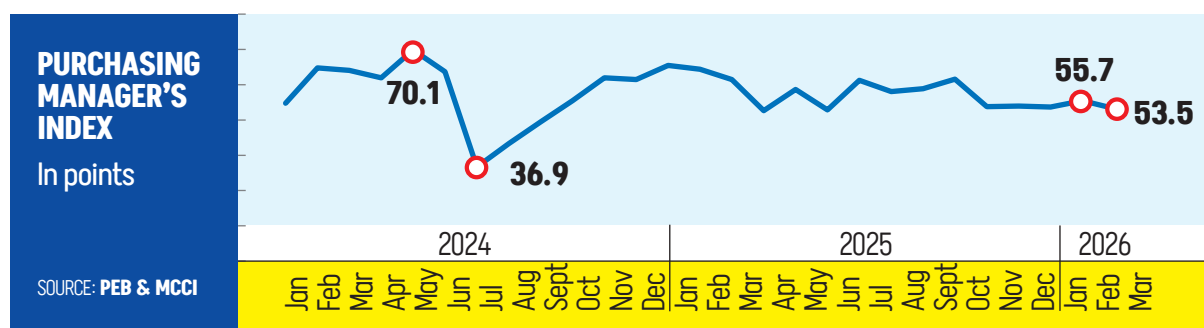
PHOTO: STAR/FILE

uncleared over the past two days at PCT. "Delays in clearance could lead to missed delivery deadlines and additional port charges," he added.

He also said similar issues arise at other gates from time to time, suggesting that authorities could install alternative scanners to avoid such disruptions in the future.

Economy saw sluggish growth in March: PMI

Manufacturing contracted after 18 straight months, services maintained momentum



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Bangladesh's economy may have expanded at a slower pace in March, primarily driven by the manufacturing sector's first contraction after 18 consecutive months of growth, according to the latest Purchasing Managers' Index (PMI).

Bangladesh's PMI declined by 2.2 points to 52.5 in March compared to the previous month, according to the report issued yesterday by the Metropolitan Chamber of Commerce and Industry, Dhaka (MCCI) and Policy Exchange Bangladesh (PEB).

The PMI is a forward-looking indicator used globally to gauge economic direction. A reading above 50 indicates expansion, while a reading below 50 indicates contraction.

"The March PMI readings point to moderate economic growth, largely driven by a manufacturing sector

slowdown due to extended holidays and global demand uncertainties stemming from the Middle East crisis," said M Masrur Reaz, chairman and CEO of PEB.

He added that the US-Israeli war on Iran has weakened economic momentum through heightened inflationary pressures and risks of supply disruptions, increasing the economy's vulnerability.

A decline in new orders, exports, finished goods, imports, and employment fuelled the downturn in the manufacturing sector. However, factory output and input purchases continued to expand, and order backlogs returned to growth.

The construction sector remained in the downtrend for the second consecutive month, while the agriculture sector saw its seventh month of expansion, albeit at a slower pace.

Agriculture reported slower expansion in business activity and

input costs. While order backlogs grew, the sector faced tightening in new business and employment.

Construction continued its decline, with new business and activity levels falling. While employment and order backlogs in the sector rebounded, input costs rose at a faster pace.

The services sector continued its momentum, recording its 18th consecutive month of expansion with slightly accelerated growth across new business, employment, and business activity.

Looking ahead, the future business index signals continued expansion across all key sectors, agriculture, manufacturing, construction, and services, reflecting sustained business optimism, the report said.

The MCCI and PEB began publishing the PMI in January last year. Initiated by the UK government, the index covers over 500 private sector firms.

Internet may slow for 4 days from today

STAR BUSINESS REPORT

Internet services in Bangladesh may experience slower speeds or partial disruptions for four days from today due to scheduled maintenance work on the country's second submarine cable system, SEA-ME-WE 5.

According to a press release issued by Bangladesh Submarine Cables PLC, the SEA-ME-WE-5 (SMW5) consortium has undertaken maintenance work.

The work will begin at 10:00pm (Bangladesh time) today and continue until 6:00am on April 13.

During this period, maintenance is expected to affect traffic, particularly circuits connected to Singapore through the SMW5 submarine cable. As a result, users may face slower internet speeds or intermittent service disruptions.

However, the company noted that services will continue through the country's first submarine cable, SEA-ME-WE-4, which will help maintain connectivity during the maintenance period.

The authorities said they will coordinate closely with the consortium to complete the work within the scheduled timeframe

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