

THE PRESENT STATE OF THE STOCK AND ECONOMIC GROWTH PERSPECTIVE FALLING MARKET BANGLADESH

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Abstract: The securities market performs distinct roles in the confederate economy. It acts as a confederate negotiator between the surplus alliance and deficit gadgets of the financial machine and helps economic financial savings into investments. as well with the aid of the use of providing liquidity of these investments, the securities market ensures the greatest allocation of resources. of these matters to do assemble it the engine for the increase of the economy. A vary of moves from the restrictive our bodies had been the predominant motive of shedding public self-assurance from the securities market. oft energizing the insurance and horrible response of institutional investors, bourgeois banks, and business corporation banks amongst the catastrophe volume assembles the market unstable. While getting geared up the term-paper, in the commencing the regular put collectively of stock markets, its contributors and mechanism of commerce in these markets has been created clear. After that, I even have delivered the two essential lifelines of the securities market of Bangladesh, capital of the united states of us and the port securities market. Moreover, I even have tried to purpose this USA of affairs of the stock markets of Bangladesh by using the use of picturizing the archives accumulated from “Bangladesh Capital Market Review 2016” by means of way of Lanka-Bangla Finance.

Keywords: Bangladesh’s GDP growth, Stock Market, Economic growth, Inventory market falling market investment, Crashes of a Stock Market, Stock Exchange

I. Introduction

The paper is geared up to fulfill the necessity in any case F-30 economic Markets and organizations at a minimize vicinity the tutorial route of our honorable route teacher, Jamal Uddin Ahmed, Professor, Department of Finance, University of the capital of the country. My difficulty relies on is “Present State of the Stock Markets in Bangladesh: Its troubles and Prospects” that I accustomed run the personality challenge count number with the useful resource of my revered route teacher for the completion of my theme. While getting geared up the term-paper, I tried to furnish my great effort to embody the theoretical and analytical elements of the topic. The document consists of the records on the assigned situation count gathered from absolutely all absolutely wonderful sources. Such as- Websites, definitely all

completely one-of-a-kind books, Newspapers, Articles, etc. An inventory market crash is frequently described as a sharp dip in share expenses of shares listed on the inventory exchanges. In parallel with a range of financial factors, a cause for inventory market crashes is additionally due to panic and investing public's loss of confidence. Often, inventory market crashes stop speculative monetary bubbles. There have been well-known inventory market crashes that have ended in the loss of billions of bucks and wealth destruction on a huge scale. In essence, the inventory market is a secondary market for shopping for and promoting shares (also regarded stocks) which symbolize claims on businesses. These shares can be of a public restricted enterprise as properly as non-public limited. This market represents a free community of monetary transactions, no longer a bodily facility which means to purchase and promote one does now not have to be existing in a particular place. Most of the international locations all over the world have their very own inventory market. The major market is the place new problems are first offered, with any subsequent buying and selling going on in the secondary market. Bangladesh is a rising market with two inventory exchanges, Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE) beneath the supervision of the Bangladesh Securities and Exchange Commission (BSEC). DSE is large in the two inventory exchanges.

2. Literature review and hypothesis development

The market started out 2016 positively as BB allowed some restructuring of Banks' capital market exposure. But the momentum shortly reversed as the market continued to journey promote stress with two mutual moneys being liquidated and the Banks' overexposure steadiness closing date looming in June. Market turnover moreover took a dip as the index fell. News emerged of a cyber-heist of USD 100mn in BB, in a similar way poor the investor sentiment. As a lot of the companies have been modified into June ending financial year, income season was once as soon as moreover delayed. BB eased capital market publicity requirements by using a way of enabling case-by-case consider of overexposed Banks' capital market holdings. Banks had been no longer under accountability to promote off shares and some banks even grew to end up successful to make bigger their market exposure. With immoderate more liquidity in the machine and declining activity rate climate, the capital market commenced its recovery. Earnings season arrived with June ending stocks' annual penalties had been rapidly accompanied by means of the ability of Jul-Sep quarterly numbers and helped keep the upward momentum. Average each and every day turnover moved over BDT 5bn in September. The market performed the year in a buoyant mood with accelerated fund waft in the market translating into the index accomplishing a two 12 months high. Turnover swelled as top as frequent day by way of day turnover transferring previous BDT 9bn in December.

Source: Bangladesh Capital Market Review 2016 by way of Lanka-Bangla Finance

Related Scenario of the Stock Markets in the Year 2016

Benchmark Index (DSEX) Advanced by way of 8.78%

Market Fact Sheet

Source: Bangladesh Capital Market Review 2016 by way of Lanka-Bangla Finance

Total Turnover Increased by 15.5%

Source: Bangladesh Capital Market Review 2016 through the use of Lanka-Bangla Finance

Market Cap Increased with the aid of the ability of 8.1%

Source: Bangladesh Capital Market Review 2016 by way of Lanka-Bangla Finance

11 new securities bought listed with supply dimension of BDT 9093.65 Million

11 new securities obtained listed with grant dimension of BDT 9093.65 million and 98% of the fund raised via IPO used to be as soon as used for expansion and exclusive activities. But Newly listed corporations carried out poorly in the market after opening high. Besides, 2016 seen a minimize volume of equity being raised by IPOs in distinction to 2015, as new e-book developing insurance policies acquired right here into effect. As part of the regulations, organizations searching for to bother shares with a pinnacle category has to go via a book-building process, which takes longer than the steady rate method. IPO shares gave minimal returns in 2016 in distinction to these of 2015 and 2014. The weighted frequent return in 2016 was once as soon as 70.4% which was once as soon as 78.1% in 2014 and 118.0% in 2014.

Source: Bangladesh Capital Market Review 2016 by means of way of Lanka-Bangla Finance

Most of the countries' stock markets have confronted the fashion of fall down at least once. In 2000, the London Stock Exchange and American Stock Exchange encountered the collapse. Economic recession all over the world delivered on the share market fall down in America and Europe. But Bangladesh blanketed itself from this scenario due to very little distant places funding in this country. After 1996 crumple in the share market, an unbiased Inspection Committee used to be as rapidly as common with a view to investigating the factors in the lower back of the market collapse. Munir Uddin, an FCA, used to be as rapidly as the chief of that committee. He opined that the provide way of 1996 used to be as rapidly as the give up stop give up end result of the matters to do of a crew of people. Main accused at that furnish way have been outsiders to Bangladesh. Some of the imperative businessmen alongside with the foreigners committed the crime. They had been sued at that time on the other hand lack of proof closed the archives of the alleged persons. According to that Investigation Committee, higher than 5 hundred crores used to be transferred outdoor the country. But for that failure, the authorities and the SEC have been accused. The controlling and the monitoring matters to do have been weak. As a whole, it can be referred to that paper specifically based totally genuinely certainly share certificate, lack of data of the retail investors, manipulation, internal buying for and merchandising and greed are some of the vital motives of the fall down (MOF, 2011). The quintessential catalysts for that crumple have been the good manipulators from each and every home and distant places area (Mohiuddin, 2010). Other factors like the insider buying for and merchandising via the usage of way of the dishonest broker, company and the related parties, incorrect approach in discovering out the face charge of the shares, wrong information unfold by using the media, horrible surveillance things to do of SEC, DSE & CSE etc. led in the course of this disastrous kingdom of affairs in the Bangladesh share market.

3. Research methodology

The methodology of this file is collective and the file used to be as quickly as rapidly as geared up through way of an extended process. The laptop of making geared up the file is given below:

1. At first, I held a discuss with my first-rate classmates about how I can work on the topic.
2. Then I geared up a record of things and assigned them to respective s of the time dimension paper.
3. After that, I searched for trendy archives and data all with the aid of the internet and the books and tried to pick out the archives and files which are really related with my assigned topic.

4. I experience that I used to be worthwhile to accumulate the statistics and archives which are definitely related with my assigned theme and to put collectively the report through the use of inspecting them.
5. I used the knowledge from our “Business English and Communication” route for the distinction and the exercise of the file and summarization of the data accrued from Journals, Articles, Websites, and Books.
6. The Document is geared up with the beneficial aid of MS Word and the Charts and Graphs are made via way of MS Excel.
7. At last, I checked for the errors for fairly a few cases and tried to furnish the file with a presentable shape.

Limitations of the Study

Analytical work is very a lousy lot comprehensive. It is an accumulation of every and each and every record and revolutionary thinking. It requires gorgeous efforts and prolonged sound planning to make it happen. It is genuine that I sold beneficial sources from many accountable participants, then as soon as more, on the different hand, confronted some regular restrictions for the measurement of the education of our report. While making geared up this file we have confronted these problems:

1. Lack of Experience:

As I am certainly new in inspecting this neighborhood technology, I felt a lack of day out in every and each and each stage of our work.

2. Difficulty to accumulate data:

As all facts is accrued from a vary of sources, it is hard for me to stumble on out the actual information. In many cases, get ideal entry to the facts was once as soon as quickly as rapidly as strictly prohibited.

3. Lack of Time:

As I am new in this type of analytical task, I face the time constraint.

Though this file has some limitations, I tried our satisfactory to put at the same time a preferred report. I have confronted a vary of challenges to put at the same time this report, however, we have succeeded to overcome it.

4. Results and discussions

Dhaka Stock Exchange (Generally recognized as DSE) is the predominant inventory change in Bangladesh. It is placed in Motijheel at the coronary heart of the Dhaka city. It was once included in 1954. Dhaka inventory trade is the first inventory trade of the country. As of eleventh May 2017, the Dhaka Stock Exchange had over 560 listed groups with a blended market capitalization of taka 3,412,441.49 million. The Dhaka Stock Exchange is open for buying and selling from 10:30 am to 030 pm from Sunday to Thursday with the exception of vacations declared via the Exchange in advance.

Some noteworthy information associated with Dhaka Stock Exchange:

1. Automated purchasing for and merchandising formally commenced on January 1, 2001
2. For security, the central depository machine used to be initiated on twenty-fourth January 2004
3. There are complete 22 industrial sectors in DSE
4. There are currently 560 listed companies

Mission:

The Chittagong Stock Exchange believes that a dynamic, automated, obvious inventory alternate is wished in Bangladesh. It works in the route of an effective, environment first-class and obvious market of world considerable to serve and make investments in Bangladesh in order to facilitate the outfitted entrepreneurs to carry up capital and speed up an industrial boom for frequent attain of the monetary gadget and hold tempo with the world advancements.

1. Develop a sturdy platform for entrepreneurs elevating capital;
2. Provide a thoroughly computerized purchasing for and advertising laptop with most modern choices
3. Undertake any enterprise organization referring to the Stock Exchange, such as a clearinghouse
4. Develop an expert company way of existence via obligatory business enterprise membership;
5. Provide a funding possibility for small and huge investors;
6. Attract non-resident Bangladeshis to make investments in Bangladesh inventory market;
7. Collect maintain and disseminate archives and statistics on inventory exchange;
8. Develop a seem to be up to mobile for inspecting recognition of the market and economy.

Legal Basis of CSE:

As a criminal entity, CSE is a not-for-profit public restrained company. All of its 129 individuals are employer bodies. It has a separate secretariat independent of the policymaking Board. The Board consists of brokers and non-brokers administrators with equal share to make positive the transparency. The Board constituted Committees to delegate such factors and authority as it may additionally moreover deem fit. There is an unbiased secretariat headed by means of the usage of a full-time Chief Executive Officer. CSE things to do are regulated by means of way of the utilization of its private tips and bye jail suggestions alongside the rules, orders, and notification of the BSEC.

Some Noteworthy Facts Regarding CSE:

1. 1 April 1995 CSE blanketed as a company.
2. 10 October Floor buying for and advertising started out in cry out system.
3. 4 November 1995 formally opened with the aid of the former PM Begum Khaleda Zia.
4. 30 May 2004 Internet-based totally absolutely clearly Trading system opened.
5. 8 July 2015 CSE launched a new producer logo.

Two Participants: Stock Trader and Investors

There are precise two types of retailers in our country: institutional investors and small investors.

1. Institutional retailers consist of Mutual fund, Merchant Banks, Provident Fund Companies, Insurance Company, and Investment corporations. They have the perfect to make investments in the share market. But their shopping for natures are restrained with the aid of the insurance plan insurance policies and regulations. They take a phase in the placement of shares.

2. Retail retailers are those who make investments in the market with a view to incomes profit. Their capital is no longer described or restrained with the resource of the utilization of any jail guidelines or means. They are invited via the corporations to take part in the IPO. After the IPO, the shares enter into the secondary market for transactions. In the cutting-edge crumple of the share market, the retail customers are the quintessential victims. Institutional retailers are being accused of taking the region in destroying the market (MOF, 2011). ICB has large than thirty thousand repayments to facilitate the institutional investors, whereas higher than three hundred thousand human beings are worried in the share market. That performance there are extra than 30 lakh small retailers in our country. The explanations at the returned of its crash were:

- Lack of Automated System: The shares sold and bought were under no record at all most of the time. As a result, the system failed to realize the bubble it was creating.
- Lack of Education: Most of the beneficiary owners did not have any proper knowledge about the share market, about how it works. Most of them entered the market believing there were many opportunities without any cost.
- Presence of Fraud: The fraud people took advantage of this condition and scammed many people through faulty mechanisms. The reasons that led to this wonderful and giant crash are

1. Incomplete accounts
2. Placement share
3. book establishing method
4. the most integral factor: rumors

According to M. Shamsul Haque, "Combination of fallacious facts to the investors, illegal participation of banks and businesses in the stock markets, prone accounting elements are at the core of the catastrophe that observed billions of Tk. wiped out".

The investigation document has diagnosed a group of manipulators which consist of key officials, auditors, issuers, issue-managers, brokers, man or girl shoppers, and some exclusive stakeholders.

Other Influencing Factors of the Crash:

1. The disparity of demand and supply of shares
2. The blindness of customers on the financial report
3. Unfair audit report
4. Buying shares particularly primarily based on rumor & without study
5. Majority of standard shoppers don't have expertise about capital market
6. The intervention of Bangladesh Bank (central bank)
7. Over expectation of everyday investor
8. Liquidity crisis

The Results from the Crash

1. Taka has misplaced charge in opposition to Dollar:
2. Investment has lengthy previous down thru a range of times
3. Economic extend rates are no longer moving
4. Default capital structure has been affected
5. Job shortage has taken an acute structure
6. Increasing inflation charge has increased the cost stage
7. Standard of living going down:
8. The investor's attraction fades away for the vulnerability
9. Money has been Captured thru Special Group of the society
10. Lack of liquidity is prevailing in the market:

Steps Taken with the aid of the capability of the way of Government

1. To increase the economic gadget Bangladesh Bank has taken an adaptive economic insurance plan in the path of the immoderate inflation intervals to recommended beneficial useful resource investment. As Taka has been undervalued, it has made a large amplify in the money supply. The last couple of years' remittances made increased liquidity and the predominant motive at the lower back of it used to be Bangladesh Bank's alternate cost policy. Massive trouble of this larger liquidity had extended prolonged lengthy previous to the stock market then once more there have been very few shares in the market. The insurance plan graph that used to be as short as adopted with the beneficial useful resource of Bangladesh Bank to make a greater monetary laptop with the aid of the utilization of accelerated exports & funding consequently inaccurate and ended up with an invitation of the stock market bubble.
2. The Market Stabilization Fund (MSF) used to be conceived with the resource of the use of the Bangladesh Association of Banks (BAB) in late October 2011 as a method to extend liquidity in the market and make greater share prices, except a doubt properly really worth BDT50 billion. Banks have reportedly saved purchasing for shares regardless of struggling from liquidity crises themselves, and now no longer merchandising any shares. However, share indices saved shedding all by way of the time period. However, fees rose with the beneficial aid of 7% in the extend of the Prime Minister's emergency meeting about the market.
3. Other measures are taken with the resource of the utilization of the government: used to be to furnish hazard to whiten the black money via the usage of way of investing in the stock market, Appointing new chairman and members in SEC and Establishment of legislation division.

Recommendations to Avoid Such Disaster

- ☐ Regulators wish to attribute their job in actuality and sincerely
- ☐ SEC pick out to provide publications and instructing programmers to enrich their understanding
- ☐ Adopt new utilized sciences like surveillance software program software utility to show off shopping
- ☐ Insider shopping for and advertising and marketing have to be prohibited
- ☐ The government have to announce incentives thru SEC to entice companies
- ☐ Actions have to be taken in opposition to these who have been involved in this stock market crash
- ☐ Improving protection reformatory guidelines and the penalty for breaking those

- ☐ Balancing of demand and furnish of shares
- ☐ Follow-up the market and protect closer to any difference of manipulation.
- ☐ Investors have to enrich their data about the market and the company.
- ☐ They pick out to now no longer hold in idea on rumor and select to analyze financial evaluations
- ☐ Moreover, investors select to now no longer be counted on margin private personal loans too.

Problems, Prospects, and Suggestions

The capital market is the engine of extending for an economy and performs a quintessential function in performing as an intermediary between savers and investors. Vibrant capital is in all opportunities to documents a robust economy. While lending by means of way of industrial banks offers treasured preliminary help for commercial enterprise organization growth, a developed stock-market is a necessary pre-requisite for transferring into a higher mature amplify part with accelerated contemporary day conglomerates. Today, with \$67 billion monetary machine and per capita earnings of roughly \$500, Bangladesh ought to really middle of interest on bettering governance and developing first-rate market products, such as derivatives, swaps, etc. Despite a hard-political environment and fantastic poverty, Bangladesh has achieved large milestones on the social enhancement side. With growth task 7 share in 2006, the economic machine has accelerated to a wonderful level. It is noteworthy that the vital world funding banks, Citi, Goldman Sachs, JP Morgan, and Merrill Lynch have all diagnosed Bangladesh as a key funding opportunity. The Dhaka Stock Exchange Index is at a 10-year high, however, the capital market in Bangladesh is even though underdeveloped, and its enhancement is crucial for full cognizance of the country's enhancement potential. It is encouraging to see that the capital market of Bangladesh is growing, albeit at a slower tempo than many would like, with market enchantment then as soon as extra at a nascent stage. The market has considered a lot of points due to the certainty of the inception of the Securities and Exchange Commission (SEC) in 1993. After the bubble burst of 1996, the capital market has attracted a lot of expanded attention, magnitude, and awareness, which has led to the infrastructure we have in the market today.

Problems of the Stock Markets

Although there are developing tendencies in all the indicators, DSE, CSE is no longer free from problems. The problems of DSE and CSE can also additionally be summarized as under:

1. Price Manipulation: It has been placed that the share values of some profitable companies have been extended fictitiously some devices that hamper the convenient operation of the Stock market.
2. Delays in Settlement: Financing procedures and transport of securities now and once more take a distinguished prolonged time for which the money is blocked from nothing.
3. Irregular Dividends: Some companies do no longer maintain Annual General Meeting(AGM) and ultimately declare dividends that pressured the shareholders about the economic positions of the company
4. Selection of Membership: Some contributors being the directors of listed corporations of DSE, CSE appears for their private hobby the use of their internal records of share market.
5. Improper Financial Statement: Many organizations do no longer middle of interest true feature of the employer as some audit groups incorporate in corruption while making prepared financial statements. As a result, the shareholders as correct as merchants do now no longer have any thought about the function of that company.
6. Others Problems:

- The thinking of the centralization of the securities market has no longer been carried out that happen technical troubles and political infighting.
- The intrinsic values for securities traded are once in a while estimated barring thinking about the current market fees of the securities.
- The absence of the entire jail and supervisory framework.
- Lack of expert manpower as suitable as economic and non-financial corporations involved in the securities market.
- The lack of suitable insurance framework that provides incentives and security to investors.
- The dominance of larger public quarters and borrowing of the public quarters as right as authorities structure the institutional sources rather than the market.

Major Future Prospects that will Change the Stock Market

- The Telecom Giants in Bangladesh are finalizing them provides for the IPO market.
- The power and electrical energy sectors' demand for capital are 5 to 10 billion bucks inside speedy time to meet the instantaneous desires of 5000 MW electrical strength demand.
- A deep-sea port requiring 1 billion bucks is going, to begin with, an insurance plan selection that will in addition be listed.
- The Pharmaceutical quarter and API taking segment in WTO achieve is growing sharply.
- The textile region as backward linkage to thriving export-oriented clothes industries is booming.
- Export-oriented meals processing enterprise needs large capital and technical capability to meet the developing requirements in the world market for marine food, fruits, and poultry.
- IT neighborhood with our knowledgeable developers, then again to reveal the massive potentials of software program software utility employer of the country.

And if your regulator goes on vacation, for that intent desire to you, whether or not or no longer or now no longer or now no longer or no longer or no longer or now no longer you determine out on it or not. And so, when you be counted range on about that March twenty-six, 2020, the Dhaka securities market Ltd., the forty fourth extraordinary stock alternate inside the world (by market capitalization) has remained closed due to the certainty the authorities have extended the ultimate tour seven times. In this pandemic, it is the stock exchanges of People's Republic of Bangladesh that have remained non-operational. No want quintessential stock exchanges indoors the world is closed. The DSE consists of a capitalization of \$33 billion, that contributes roughly to fourteen p.c of gross home product. the opposite securities market that used to be as swiftly as abruptly as closed for a month is that the Colombo securities market with a capitalization of \$14 billion. So, what's the have a have an effect on of this closure? The argument is generally created that the closure has ensured that no man or lady from the stock alternate regional will be contaminated and in and of itself lives will be saved. a sound argument then as rapidly as larger as time goes on, the globe is organizing to apprehend that this virus is no longer generally leaving on every suit shortly, till an immunizing agent (which underneath normal stipulations takes eighteen months to develop) is discovered. Keeping the stock exchanges closed for AN indefinite extent of your time can do a lot of damage than smart. While our stock alternate has had dismal performances, it is, in my opinion a quintessential monetary service. The stock alternate is all involving liquidity. that is its terribly essence. at some trouble of this pandemic, central banks from spherical the world, as first-rate as ours, have taken huge steps to make high-quality liquidity indoors the cash markets. Capitalist economies thrive on liquidity. With the stock alternate closed, I will argue, high-quality liquidity used to be embarked on the table. By closing count, there are a pair of.6 million BO account holders in each and every and each and the

exchanges. as a provide up furnish up end stop end result in all chance these BO account holders have some fluctuate of funding that ought to be barring extend reachable to them. And in a fantastically prolonged pandemic, several can moreover in addition in addition have to liquidate their shares to prolong money to furnish their bread and butter. affirmative it is constantly stimulated that one mustn't make investments indoors the stock alternate if the capitalist would perchance have to recoup his/her make the most a fast extent of your time. stock exchange funding ought to be for the grant up of the day. However, the handy challenge is, in Bangladesh, with mediocre tiers of financial education, we have a tendency to can now no longer most per risk be counted on retail "investors" to exhibit up at this showcase up at all the time. we have a tendency to constantly hope they are doing and thousands of consciousness programmers are carried out over the preceding ten years to drill this real principal. on the one-of-a-kind hand fact is range of in actuality different. Another drawing shut to hassle is that the case of margin loans. a large vary of clients can all at as soon as obtained to pay workout on loans taken useless set purchase stocks. commonly the activity on these loans fluctuate from twelve to eighteen p.c every and each and each and every 12 months and do now no longer fall into the modern People's Republic of Bangladesh Bank's 9 share activity cap directive or the two months' mission relinquishment. These retail outlets can get to acquire loans for stock holdings that might also moreover in addition in addition select to no longer attribute due to the reality the bourses are closed. this can be conjointly unfair. Imagine shedding a huge a segment of your equity thanks to a deadly ailment earnings event, unable to promote your shares and on immoderate of that, being compelled to pay exercising on AN plus it in fact is no longer allowed to perform. Brokers, businessperson banks and capital market intermediaries do now no longer fare pinnacle either. they pick out zero income returning immoderate incredible the month of Gregorian calendar month and will. Most of these organizations are taking part in poorly for the previous couple of years thanks to dismal stock alternate performance. And with two months of zero revenue, things can absolutely decline. several brokerages are unable to pay worker salaries. But the most fundamental injury of all is that the damage carried out on market confidence. As a market delivered as most liquid, ours grew to be illiquid all of an unexpected. The ripple penalties can per danger maintain it up for years. finance indoors the stock alternate already carried a horrible stigma for many clients and this latest episode can honestly decorate that. Those who questioning of finance can in contemporary day situations be compelled to moot. Imagine swing your cash into a monetary enterprise organization and now no longer having the general average overall performance to withdraw that every and each and every and each and every one of an unexpected. And it is no longer actually the retail outlets in People's Republic of Bangladesh, the globe is looking out at additionally. Many a long way off areas places customers have echoed frustration for now no longer having the manageable to possess get admission to the market to liquidate their holdings every and each and every and each and every time they decide. The funding Director of Aberdeen hooked up Investments, a world institutional capitalist, presently criticized the DSE and for this reason the BSEC for the prolonged closure of mercantilism on the stock exchange. He went so a pinnacle notch deal ample with this quote, queries are being requested with the beneficial aid of the use of the use of authorities in operational hazard administration on whether or not or now not or no longer or now not or no longer or now no longer or no longer the DSE ought to be rendered for top notch non-investable for distant places areas funds". there can also moreover in addition be conjointly the speculation that indoors the drawing shut to distinction MSCI, a worldwide market index, would possibly additionally in addition in addition in addition pick out to drop the DSEX altogether on account of the prolonged closure and incapacity to control.

5. Conclusion

Throughout the report, I tried to habits a small print search for about on the Stock Markets of Bangladesh, its present-day scenario, the two massive crashes confronted with the virtually useful recommended resource of it in its journey, its troubles and chances probabilities in future days. I tried in addition to making some suggestions to maintain away from such mess ups in the future and made some pointers to decorate the things to do of the stock markets so that it can make contributions to the frequent enhancement of the country. According to DSE source, the market in reality factors to bearish due to inactive participation of the institutions, which is, 60% of the whole trade; 20% of it comes from the extended way off areas stores and the enjoyment 20% comes from the retail purchasers as appropriate as the self-have self-assurance diploma of ordinary consumers are in addition decline. This is simply a very horrible signal for the inventory market of Bangladesh and we are in addition looking out to accelerated general, institutional and the long way off are as human beings to overcome this situation. One of the imperative explanations of why the market is going down can be recognized due to sustaining volatility in the cash market. Frequently altering insurance plan format design plan graph insurance plan diagram plan shape insurance plan sketch graph plan insurance plan diagram layout insurance plan design insurance plan insurance policies make the overheated. Individual retail outlets are shedding themselves have faith in the market. Some large telecom groups and some govt. non-public firms are in addition coming in the market indoors abruptly time, which will in the cease embellish the entire market capitalization.

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