

BUSINESS

REVIEW



Shades of Brilliance:
A Deep Dive into the

Paints & Coatings

Industry of Bangladesh

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Shades of Brilliance: A Deep Dive into the Paints and Coatings Industry of Bangladesh

As Bangladesh has experienced promising economic growth in recent years, the paints and coatings industry is playing an instrumental role in preserving and protecting important infrastructure in the country. The market size of the paints and coatings industry in Bangladesh was around USD 471 million in 2020, as per Coatings World, a global information source for the coatings industry, and has registered steady growth rates for most of the last decade. Its growth can be attributed to its widespread usage owing to significant industrialisation, urbanisation, and economic development. This industry is responsible for the enhancement of structural protection as well as the durability of structures.

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Capital Market Review



Shades of Brilliance: A Deep Dive into the Paints and Coatings Industry of Bangladesh

The paints and coatings industry has consistently registered an annual growth rate of 6% owing to significant industrialisation, urbanisation, and economic development in Bangladesh. Synonymous with the beautification of structures, it also plays a crucial role in increasing longevity as well as protecting important infrastructure. As reported by Statista, a leading statistics portal based in Germany, the global market size of the paints and coatings industry was estimated to be USD 160 billion in 2021, and it is forecasted to reach USD 235 billion by 2029.

Generating a yearly revenue of around BDT 7 billion for Bangladesh, the sector currently employs over 100,000 individuals. The industry is largely dominated by multinational companies, with the lion's share of the USD 471 million market size in Bangladesh, as per a global information source named Coatings World. An increase in per capita income

coupled with rising consumption patterns in both urban and rural areas has given this sector a thrust to build on its already promising growth.

Increasing prices of raw materials in international markets and the depreciation of local currency have recently impeded the industry's upward trajectory to a large extent. Despite the global economic turbulence, the industry can experience a sharp increase in the coming years through infrastructural development and the growing automotive and construction sectors. Certainly, economic recovery can help the industry rebound to its previous levels of growth and grow in stature in the future.

Md. Shah Jalal

Editor

IDLC Monthly Business Review

INDUSTRY & EQUITY ANALYSIS TEAM

ASIF SAAD BIN SHAMS

Email: shams@idlc.com

DEBAJIT DATTA

Email: debajit@idlc.com

MD. SHAH JALAL

Email: mjalal@idlc.com

AKHLAQR RAHMAN SACHEE

Email: akhlaqur@idlc.com

SYED MD. RAKEEN

Email: rakeen@idlc.com

MD. MUNTASIR SAKIB

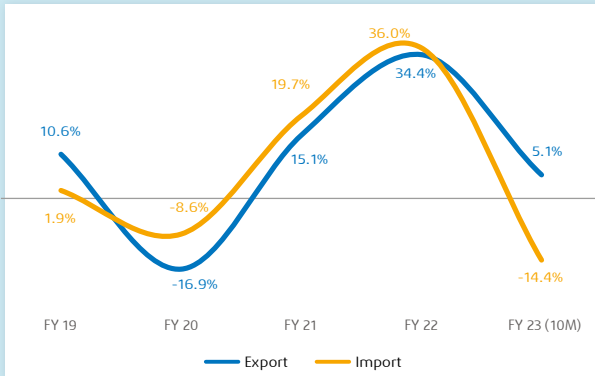
Email: smuntasir@idlc.com

ECONOMY AT A GLANCE

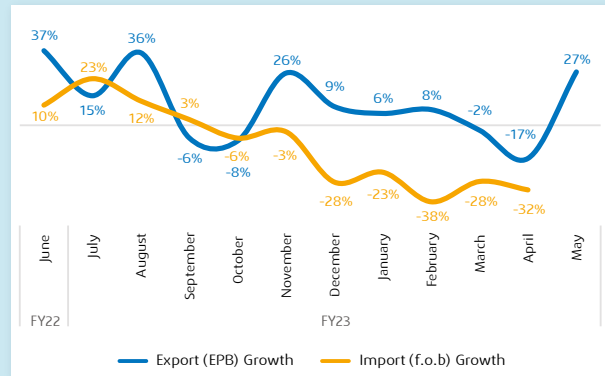
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EXPORT-IMPORT

Growth in Export-Import Trade (Last 5 Years)

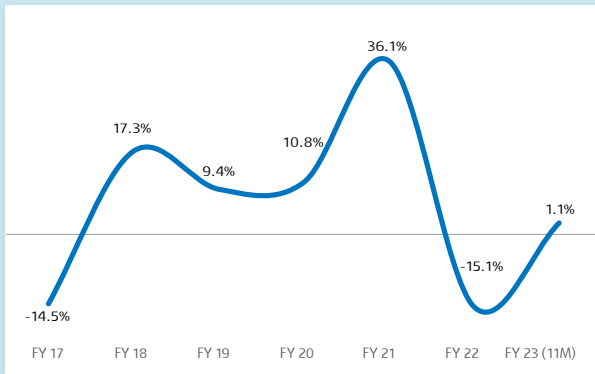


Export and Import Growth (Last 12 Months)

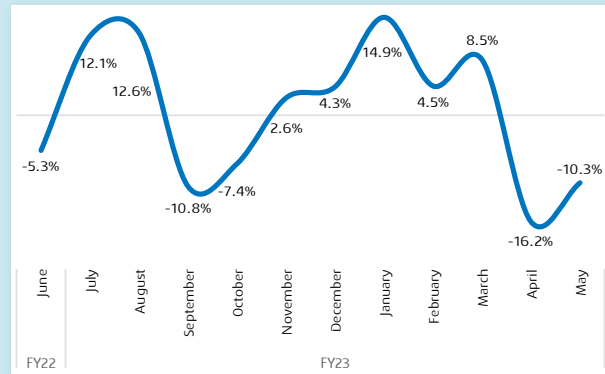


REMITTANCE

Remittance Growth (Last 7 Years)

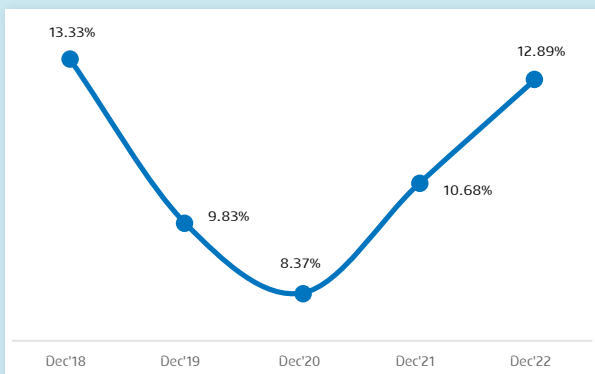


Remittance Growth (Last 12 Months)

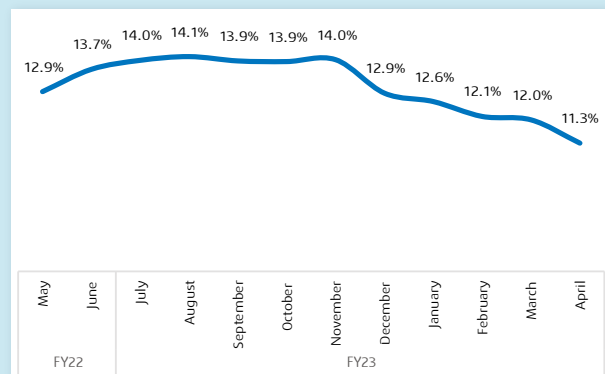


PRIVATE SECTOR CREDIT GROWTH

Private Sector Credit Growth (Last 5 Years)



Private Sector Credit Growth (Last 12 Months)



■ MONTH IN BRIEF

● The government of Bangladesh is expected to receive **USD 1.02 billion in the form of budget-support loans from three foreign lenders in the month of June 2023.**

● As per a report by the Bangladesh Bureau of Statistics (BBS), the monthly inflation rate reached a decade-high of **9.94% in May 2023** from **9.24% in April 2023**, leading to both rural and urban people paying exceedingly higher prices for both food and non-food goods.

● Grameen Bank has announced its plan to invest **BDT 200 crore in the stock market** through the formation of a mutual fund named Capitec Grameen Bank Growth Fund.

● Bangladesh is expected to receive **EUR 270 million from the Islamic Development Bank for the rural and peri-urban housing project.**

● Korea was the largest source of foreign direct investment in Bangladesh in 2022, **with a staggering amount of USD 662 million.**

● Bangladesh is set to implement comprehensive income-tax legislation after 39 years, starting in July 2023. The updated direct-tax system is expected to reduce the government's dependence on import taxes, which have been contributing to the higher cost of imported goods.

● Saudi Arabia expressed interest in investing significantly in multiple sectors of Bangladesh in a meeting with the prime minister held on **May 23, 2023**, citing the country's stability and commendable economic growth record.

● The country's shipbuilding sector has experienced a considerable upswing owing to orders received by three of its top companies to construct around **two dozen vessels for a total cost of about BDT 5,000 crore.**

● As per the Export Promotion Bureau, the readymade garments sector registered **USD 38.57 billion in exports from July 2022 to April 2023, demonstrating a 9.09% increase in comparison to the same timeframe in FY2021-22.**

● The United Kingdom and Bangladesh reached a major milestone in bilateral trade by racking up a massive increase in trade volume, **with the number hitting a record EUR 4.7 billion (USD 5.83 billion) in 2022.**

IF THE GOVERNMENT UTILISES THE FOREIGN AID AND BUDGET SUPPORT IN THE PIPELINE, IT WILL BE POSSIBLE TO GET FOREIGN FINANCING.

Zahid Hussain, Former Lead Economist of World Bank, on Revenue Growth Turning Negative. (May 30, 2023. The Business Standard.)

Bangladesh will need to improve its diplomatic efficiency to face economic challenges in the post-graduation period. To tackle the challenges from loss of preferential market access, from now we need to think about bilateral and multilateral trading arrangements including FTA, PTA, RCEP etc. with our potential trade partner countries.

Faruque Hassan, President of Bangladesh Garment Manufacturers and Exporters Association, on Areas to Focus on to Maintain Competitiveness in Post-LDC Era. (May 09, 2023. The Business Standard.)

Research indicates that agent banking is highly cost-effective compared to traditional branches, boasting lower fixed costs per transaction and greater profitability for transactional accounts with low balances and frequent transactions.

Dr Ahsan H Mansur, Executive Director of Policy Research Institute, on Success of Agent Banking in Providing Financial Services to Previously Underserved Rural Areas. (May 26, 2023. The Financial Express.)

Import-substitute industries can help Bangladesh go a long way in reducing the demand for imported items and saving the foreign currency reserves. And conditions should be conducive so that businesses can reap the benefit of any corporate tax cuts.

Md Sameer Sattar, President of Dhaka Chamber of Commerce and Industry, on the Necessity of Proper Coordination of Monetary and Fiscal Policies. (May 31, 2023. The Daily Star.)

Our long-term plan to provide inter-institution transaction facilities to our institutions has just been implemented. Once all institutions upgrade their technology, our campaign for Binimoy will be fully operational. We anticipate an average daily trade volume of around BDT 2,000 crore.

Majbaul Haque, Executive Director of Bangladesh Bank, on Binimoy and Bangla QR Code Driving Cashless Revolution for Small Traders. (May 30, 2023. The Business Standard.)

This is undoubtedly a good initiative. If shipping companies have their own warehouse, service quality and professionalism will increase. The overall export process will be accelerated.

Syed Mohammed Tanvir, Vice President of Chittagong Chamber of Commerce and Industry, on Shipping Companies Building Warehouses to Make Exports Faster. (May 27, 2023. The Business Standard.)

We have approved mobile financial services like bKash and Nagad, and we are encouraging banks to use mobile applications to facilitate easy remittance transfers.

Abdur Rouf Talukder, Governor of Bangladesh Bank, on Plans to Boost Forex Reserves. (May 19, 2023. The Financial Express.)

The confidence among foreign investors about the country's economy and stock market is increasing now. They are boosting investment in the hope of getting good returns.

Richard D' Rozario, President of DSE Brokers Association of Bangladesh, on Foreign Investment in Stocks Being on the Rise. (May 17, 2023. The Business Standard.)

Collection of property tax should increase keeping pace with the economic advancement of a country. The higher the income growth, the higher the property tax.

Debapriya Bhattacharya, Distinguished Fellow of Centre for Policy Dialogue, on Hiking Property Tax to Curb Accumulation of Wealth. (May 25, 2023. The Daily Star.)

Now, e-commerce companies are maturing; we have years of data, and I think efficiency drives will accelerate. Once the tipping point is reached, we will actually become a lower-cost distribution channel.

Waseem Alim, Co-founder and CEO of Chaldal, on E-commerce to Accelerate in Years Ahead. (May 29, 2023. The Daily Star.)

| Country | Nominal GDP: 2022 (USD in Billion) | Real GDP Growth: 2022 (Yearly % Change) | Inflation Point to Point (%) | | Current Account Balance: (% of GDP) | Interest Rates (%), Ten years Treasury Bond | Currency Units (Per USD) |
|--------------------------|------------------------------------|---|------------------------------|---------------|-------------------------------------|---|--------------------------|
| Frontier Market | | | | | | | |
| Sri Lanka | 75.30 | -8.66 | 25.20 | May-23 | -1.94 | 20.81 | 291.90 |
| Vietnam | 406.45 | 8.02 | 2.43 | May-23 | -0.88 | 3.14 | 23,486.50 |
| Kenya | 115.99 | 5.37 | 8.00 | May-23 | -4.72 | 14.98 | 139.20 |
| Nigeria | 477.38 | 3.25 | 22.22 | April-23 | -0.72 | 14.19 | 462.00 |
| Bangladesh | 460.20 | 7.10 | 9.94 | May-23 | -4.06 | 8.60 | 108.46 |
| Emerging Markets | | | | | | | |
| Brazil | 1,924.13 | 2.90 | 3.94 | May-23 | -2.91 | 11.14 | 4.92 |
| Saudi Arabia | 1,108.15 | 8.74 | 2.70 | April-23 | 13.79 | N/A | 3.75 |
| India | 3,386.40 | 6.83 | 4.70 | April-23 | -2.61 | 6.98 | 82.64 |
| Indonesia | 1,318.81 | 5.31 | 4.00 | May-23 | 1.00 | 6.42 | 14,880.15 |
| Malaysia | 407.92 | 8.69 | 3.30 | April-23 | 2.64 | 3.82 | 4.61 |
| Philippines | 404.26 | 7.60 | 6.10 | May-23 | -4.41 | 6.00 | 56.16 |
| Turkey | 905.53 | 5.57 | 39.59 | May-23 | -5.38 | 15.03 | 23.21 |
| Thailand | 536.16 | 2.64 | 0.53 | May-23 | -3.26 | 2.46 | 34.85 |
| China | 18,100.04 | 2.99 | 0.10 | April-23 | 2.31 | 2.72 | 7.13 |
| Russia | 2,215.29 | -2.05 | 2.30 | April-23 | 10.27 | 10.82 | 82.00 |
| Developed Markets | | | | | | | |
| France | 2,784.02 | 2.61 | 5.10 | May-23 | -1.71 | 3.02 | 0.93 |
| Germany | 4,075.40 | 1.78 | 6.10 | May-23 | 4.20 | 2.45 | 0.93 |
| Italy | 2,012.01 | 3.68 | 7.60 | May-23 | -0.73 | 4.28 | 0.93 |
| Spain | 1,400.52 | 5.48 | 3.20 | May-23 | 1.06 | 3.47 | 0.93 |
| Hong Kong | 360.98 | -3.51 | 2.10 | April-23 | 10.73 | 3.45 | 7.84 |
| Singapore | 466.79 | 3.65 | 5.70 | April-23 | 19.33 | 2.93 | 1.35 |
| United States | 25,464.48 | 2.07 | 4.90 | April-23 | -3.64 | 3.79 | 1.00 |
| Denmark | 390.68 | 3.62 | 5.30 | April-23 | 12.82 | 2.69 | 6.96 |
| Netherlands | 993.68 | 4.52 | 6.10 | May-23 | 5.49 | 2.81 | 0.93 |
| Australia | 1,701.89 | 3.66 | 7.00 | March-23 | 1.20 | 3.95 | 1.50 |
| Switzerland | 807.23 | 2.13 | 2.20 | May-23 | 9.84 | 0.98 | 0.91 |
| United Kingdom | 3,070.60 | 4.05 | 8.70 | April-23 | -5.55 | 4.30 | 0.80 |

Bangladesh Data: The new GDP size (FY22) and real GDP growth (FY22) are as per new base year. Calculation Method of CA balance (% of GDP) = CA balance of FY22 /GDP of FY22

Interest rate (%) 10 years TB as per May 2023, Inflation as per May 2023 and Currency Unit (per USD) as per 7th June are sourced from Bangladesh Bank "

Nominal GDP: Data of all countries apart from Bangladesh is sourced from IMF estimates of 2023 data (April, 2023 Outlook)

Real GDP Growth and Current Account Balance: Data of all countries apart from Bangladesh is sourced from IMF estimates of April, 2023 data (World Economic Outlook, April 2023)

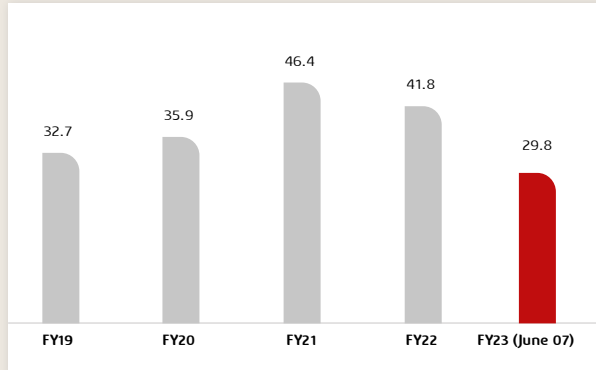
Inflation : Data of all countries apart from Bangladesh is sourced from tradingeconomics.com

Interest rates 10 years TB and Currency Unit: Data of all countries apart from Bangladesh is sourced from Investing.com

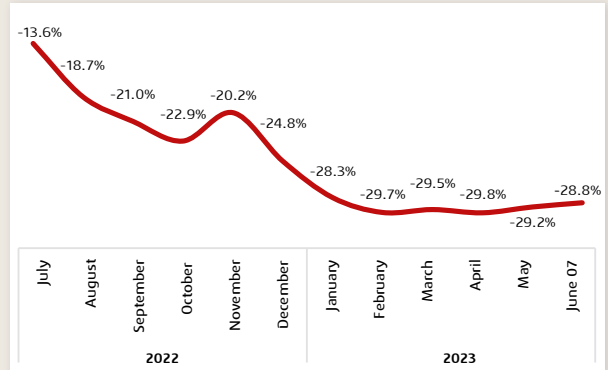
BANKING DATA CORNER

Prepared by IDLCSL Research Team

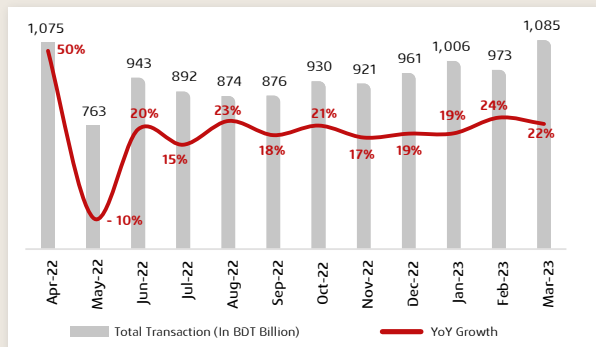
Foreign Exchange Reserve
(In USD Billion and Last 5 Years)



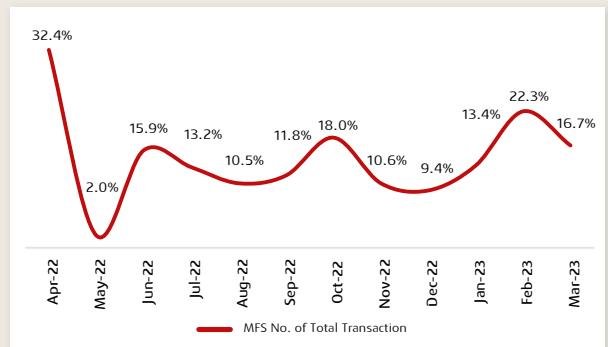
Foreign Exchange Reserve
(Last 12 Months Trend)



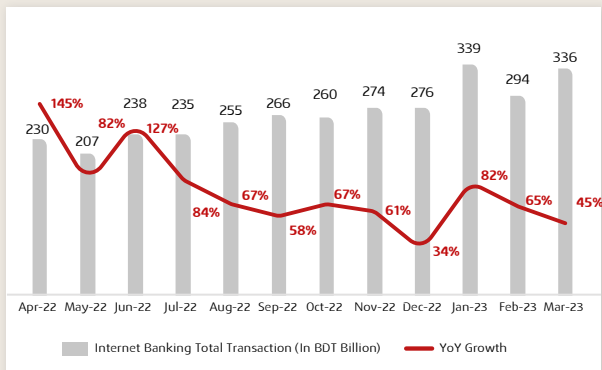
MFS Monthly Transaction
(BDT Billion and YoY Growth)



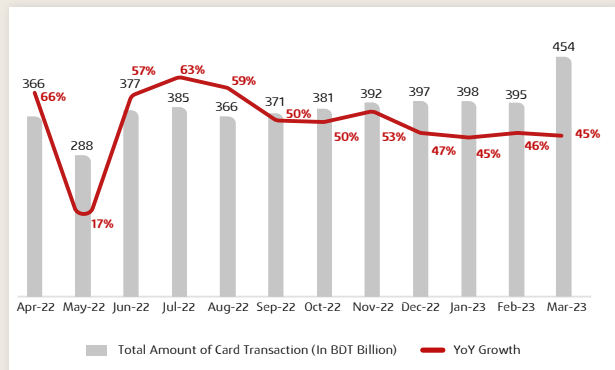
MFS No. of Total Transaction
(YoY Growth)



Total Amount of Internet Banking Transaction
(BDT Billion and YoY Growth)



Total Amount of Card Transaction
(BDT Billion and YoY Growth)



Source: Bangladesh Bank

Teknovus



Samiul Imran
CEO, Teknovus

Interviewed By
Syed Md. Rakeen, Team MBR

Teknovus brings Industrial IoT solutions to manufacturers that digitalise the factory from end to end and increase productivity to maximise profitability by harnessing the power of real-time data. They're known to craft premium technologies that facilitate the digital transformation of industries incorporated with smart embedded devices and versatile software platforms powered by artificial intelligence. It focuses on innovating customised solutions based on the Internet of Things, also known as IoT, empowering industries as a driving force for digital transformation for businesses to align with Industry 4.0. Team MBR was in conversation with Mr. Samiul Imran and was fortunate enough to receive his take on industrial automation and Industry 4.0.

Syed Md. Rakeen: Teknovus provides IoT solutions to industries by digitalising factories by collecting real-time shop floor data. Please share how Teknovus generates real-time insights from shop-floor data.

Samiul Imran: Our cutting-edge solution, TechRev 4.0: Smart Factory, a virtual navigation system for real-time decision making is designed specifically for RMG Industries in Bangladesh. This revolutionary system harnesses the power of IoT with our own Wi-Fi-enabled devices called SmartTrack Data Terminal. Positioned at each RMG workstation, these terminals allow workers to easily scan RFID TAGs attached to materials, instantly capturing crucial data on performance, progress, and state.



The collected data is seamlessly transmitted to the cloud server, where it undergoes analysis using advanced algorithms and AI. Real-time insights are then delivered to management through our intuitive dashboard and apps, ensuring they stay informed of the shop floor's real-time scenario. With instant alerts and notifications accessible on various devices, management gains invaluable insights directly from the heart of the operation.

Designed and developed entirely in-house by our skilled IoT team and proudly made in Bangladesh, these terminals provide tailored and efficient service for our local industries. We have meticulously designed and engineered this system from

scratch, guaranteeing optimal performance and integration with existing systems.

Syed Md. Rakeen: Manufacturing plants generally follow processes where different people are assigned to different roles. Do the solutions of Teknovus facilitate real-time collaboration between various teams on the shop floor?

Samiul Imran: In labour-intensive manufacturing plants like RMG Industries, seamless collaboration among different departments is crucial. Our solution facilitates real-time collaboration through a centralised platform, enabling teams to effortlessly share data with roles and permissions according to their responsibilities. Whenever there are changes in manpower, machines, or material status, relevant individuals or groups receive notifications on their laptops, tablets, or mobile devices.

With our intuitive data visualisation and analysis tools, teams can monitor key metrics, easily spot inefficiencies using traffic light systems, and make informed decisions together. This not only enhances operational efficiency but also fosters teamwork and streamlines shopfloor operations. Through our services, industries can experience the power of seamless collaboration and optimise their manufacturing processes with our cutting-edge technologies.

Syed Md. Rakeen: Collecting manufacturing data and preventing breaches of data privacy is crucial for manufacturing plants. How does Teknovus ensure data protection and compliance as per relevant regulations?

Samiul Imran: At our company, we prioritise the implementation of comprehensive organisational and technical measures to safeguard user data. We ensure the privacy, availability, and integrity of data, protecting it from unauthorised access, disclosure, modification, or destruction. With robust encryption and secure protocols, we store data and utilise the trusted AWS cloud server,

ensuring the protection of manufacturing data both during transit and at rest.

To maintain strict control over data access, we have implemented measures such as role-based access and multi-factor authentication. This ensures that only authorised personnel with appropriate permission levels can access sensitive manufacturing data. We adhere to the principle of data minimization, collecting and retaining only the necessary data, thereby reducing the potential impact of breaches.

Our organisation is fully committed to complying with all applicable data protection laws and regulations in Bangladesh, including the Bangladesh Personal Data Protection Act. Additionally, we are ready to assist our clients in fulfilling their own data protection obligations, as required by law. To promote a culture of data security, we provide training on data protection, security protocols, and data-handling procedures to ensure that all employees understand their responsibilities and actively contribute to data protection efforts.

Syed Md. Rakeen: The concept of shop-floor automation is at a nascent stage in Bangladesh, with the majority of manufacturing processes still being run manually. In your opinion, which steps are necessary to adopt full automation of the digital transformation of factories in Bangladesh?

Samiul Imran: The RMG industry in Bangladesh has long relied on the advantage of cheap labour for its competitiveness. However, productivity levels have lagged behind those of competitors. To address this challenge and unlock opportunities for improvement, implementing data automation systems is essential. These systems enable factories to optimise the utilisation of manpower, machinery, and materials.

By embracing data automation systems, factories can uncover valuable insights that pave the way for future advancements, such as robotic

manufacturing. These systems lay the foundation for full automation, enabling factories to enhance their efficiency and productivity. Additionally, with the integration of IoT-based data automation systems, factories in Bangladesh can embark on a digital transformation journey, further enhancing their overall competitiveness in the industry.

Syed Md. Rakeen: According to a study conducted by the Aspire to Innovate (a2i) programme, a special programme of the Government of Bangladesh, 5.5 million people will lose their jobs in the next 10 years in Bangladesh due to the 4th Industrial Revolution (4IR). Would you kindly share how people in Bangladesh can prepare for this impending wave of industrial automation?

Samiul Imran: It is critical for people, industries, and communities in Bangladesh to get ready for the effects of industrial automation and the Fourth Industrial Revolution (4IR). Emphasis should be placed on the value of skill development through reskilling and upskilling the workers and encouraging them to retrain and upgrade their skills. Offering training opportunities and incentives are one way that development organisations and government programmes may help.

Effective cooperation between the public and private sectors, as well as between academic institutions and civil society organisations, must create comprehensive plans for addressing the effects of automation. People in our country may improve their employability, adjust to changing employment requirements, and take advantage of new possibilities brought on by the Fourth Industrial Revolution by implementing these methods.

Syed Md. Rakeen: Generally, the manufacturing plants of large organisations can avail the financial resources to invest in industrial automation to increase production levels. Can these automation solutions be

availed of by both large-scale manufacturing plants and small-scale workshops?

Samiul Imran: We believe in technological inclusion. Our solutions can be availed of by both large-scale RMG and small-scale RMG. Automation solutions can vary in scale and complexity. While large-scale manufacturing plants might opt for extensive and integrated automation systems, small-scale factories can start with smaller-scale automation solutions that cater to their specific needs and budget.

We also offer “Automation as a Service” models, where businesses can lease or rent our solutions, including terminals, instead of making a large upfront investment. This allows small-scale garment manufacturers to access automation technology without significant capital expenditure and benefit from maintenance and support services.

Syed Md. Rakeen: The existing employees in manufacturing plants are expected to require time to get accustomed to the tools and processes of industrial automation. How does Teknovus ensure seamless integration of its product offerings with the current manufacturing systems of organisations?

Samiul Imran: At Teknovus, we prioritise close collaboration with organisations, taking the time to understand their unique management and manufacturing systems. This allows us to develop tailored solutions that address their specific needs. Through thorough consultation, pilot testing, and trial runs, we ensure the effectiveness of our products before implementation. This customization guarantees seamless integration with their existing manufacturing systems, leading to optimised efficiency and minimal disruptions.

Currently, RMG management dedicates a significant portion of their time to manually preparing numerous reports using spreadsheets. This laborious task involves hours of collecting

and organising data. However, with our TechRev 4.0: Smart Factory solution, we automate the entire reporting process for management. Our interactive dashboards and reporting tools provide real-time data insights, eliminating the need for manual report generation.

To ensure a successful transition, we provide comprehensive training and ongoing support. This empowers employees to adapt to the new tools and processes effectively, maximising the value and benefits of our solutions.

Syed Md. Rakeen: Manufacturing plants often come across unpredictable day-to-day problems, leading to operational inefficiencies and lengthy delays. Can Teknovus provide real-time alerts to its users if certain shop-floor parameters are crossed?

Samiul Imran: Our cutting-edge product, TechRev 4.0: Smart Factory, is tailored to meet the

specific needs of RMG industries in Bangladesh. It excels at efficiently collecting accurate data from multiple sources on the shop floor. Utilising advanced algorithms, it analyses this data in real-time to identify and flag any issues.

When a problem arises, such as a critical key performance indicator exceeding its permitted range, our system instantly notifies management. These notifications are delivered through various channels, including in-app notifications, SMS messages, and emails. By receiving immediate alerts, management can swiftly respond to the situation, taking proactive measures to address the issue before it escalates.

This rapid notification system ensures that potential disruptions are minimised, allowing for improved operational efficiency throughout the factory. With TechRev 4.0: Smart Factory, RMG industries can achieve timely problem resolution and optimise their overall performance.



Shades of Brilliance: A Deep Dive into the Paints and Coatings Industry of Bangladesh

Written By
Syed Md. Rakeen



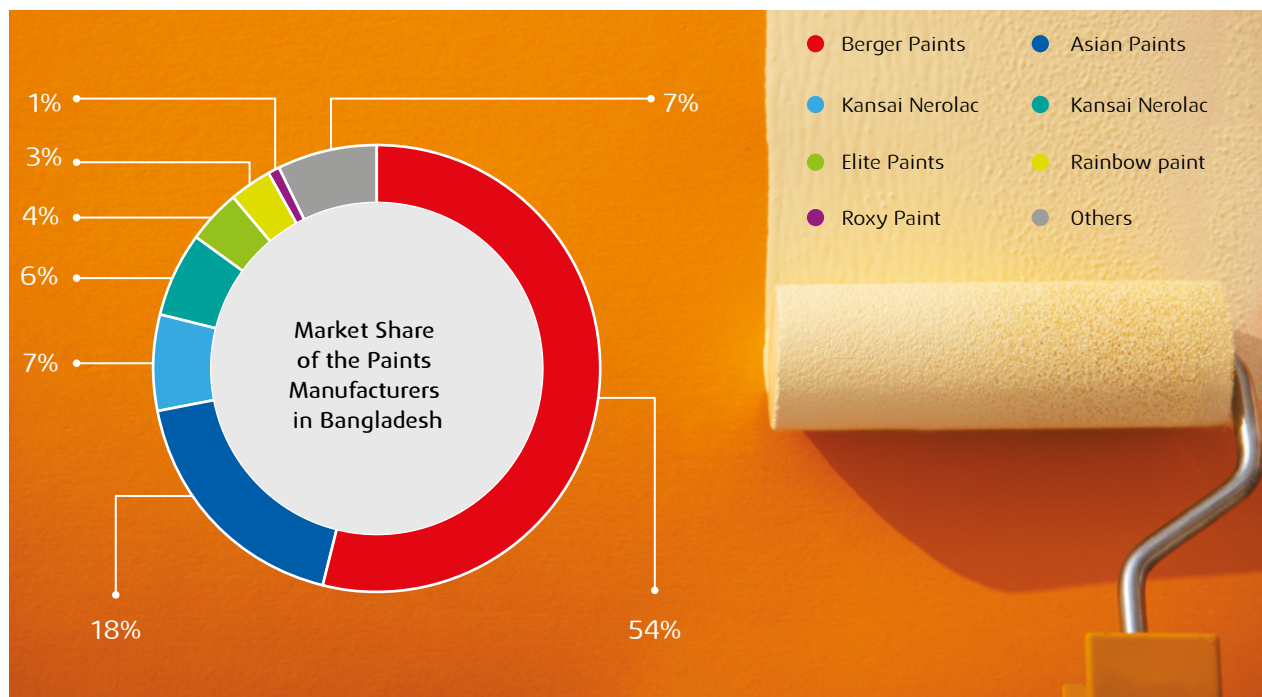
As Bangladesh has experienced promising economic growth in recent years, the paints and coatings industry is playing an instrumental role in preserving and protecting important infrastructure in the country. Its growth can be attributed to its widespread usage owing to significant industrialisation, urbanisation, and economic development. This industry is responsible for the enhancement of structural protection as well as the durability of structures. The paints and coatings industry is considered a segment of the chemical industry that serves the purposes of decoration and protection. Vehicles, ships, and houses are a few of the many examples where both paints and coatings aid in resisting corrosion as well as enhancing the visual outlook of structures. According to Statista, a leading statistics portal based in Germany, the global market size of the paints and coatings industry was approximately USD 160 billion in 2021, and it is forecasted to reach USD 235 billion by 2029. This increasing growth in market size can be attributed to the rising demand in the automotive, wood, railing, coil, general industrial, aerospace, railing, and packaging coating markets.

Market Share of Paints and Coatings Manufacturers in Bangladesh

Due to rapid urbanisation and diverse industrial usage, the paints and coatings industry is growing annually at a rate of 6%, as reported by The Financial Express, a leading daily news outlet. The market size of the paints and coatings industry in Bangladesh was around USD 471 million in 2020, as per Coatings World, a global information source for the coatings industry, and has registered steady growth rates for most of the last decade.

As of now, there are around 40 companies, including both local organisations and MNCs. The industry is significantly dominated by multinational companies, as shown in Figure 01, with Berger Paints dominating with a market share of a whopping 54%, followed by Asian Paints (18%), Kansai Nerolac (7%), Nippon (3%), and Roxy Paints (1%). Among the local companies, only Elite Paint and Rainbow Paints hold a somewhat notable market share, emphasising the struggles of local companies in this industry.

Figure 01: Market Share of the Paints Manufacturers in Bangladesh



Source: The Financial Express

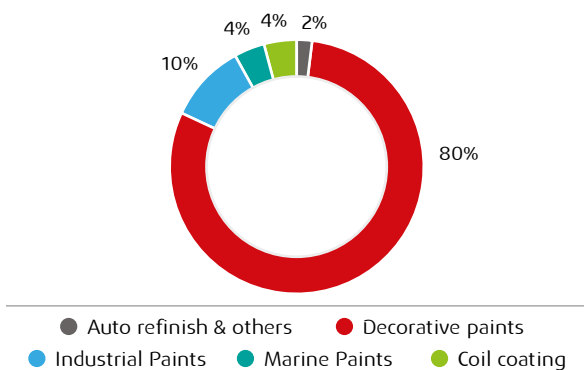
Global Market Overview

The global paints and coatings market largely belongs to Asian countries, with some developing countries such as Bangladesh playing a significant role due to increasing investment in infrastructure in recent years. The demand for this industry is gaining momentum in Asia, as evident by its 55% global consumption in terms of volume. Despite growing concerns about economic instability in countries such as Sri Lanka, its detrimental effects did not lead to a major decline in the growth of sub-regional areas, as it occupies only 2.75% of the South Asian market size for paints. China boasts the largest paints and coatings market in Southeast Asia. Southeast Asia is anticipated to experience remarkable growth owing to strong economic growth in Vietnam, Indonesia, the Philippines, and other countries in other regions. Infrastructures such as housing, construction, and transportation are generally strong indicators of a country's economic health. The coatings market in the United States, Japan, and Western Europe is more developed and stable, indicating its direct proportionality with strong economies.

Usage of Paints in Bangladesh

According to industry experts, there has been a notable increase in growth within the paint manufacturing sector over the past five to six years. A rise in per capita income along with an increase in consumption patterns in both urban and rural areas can account for the observed growth. The empirical data indicates that the yearly requirement for paint is approximately 200,000 metric tonnes, and this figure has demonstrated consistent levels of continuity during the preceding three years. As shown in Figure 02, a staggering 80% of the paints are used

Figure 02: Paint Usage Categories in Bangladesh



Source: Bangladesh Paint Manufacturer's Association

for decorative purposes, while industrial paints make up a measly 10% of the total paint usage.

Types of Coatings

Architectural Coatings

Architectural coatings are a class of materials that serve the purpose of safeguarding, conserving, and enhancing the aesthetic appeal of both indoor and outdoor surfaces of various structures, such as residential, commercial, and institutional buildings, including healthcare facilities, as well as industrial buildings and factories. The coatings have been formulated with the purpose of enhancing the longevity, ability to withstand harsh weather conditions, and visual attractiveness of both indoor and outdoor surfaces. The rapid urbanisation and construction boom in Bangladesh present significant potential for architectural coatings. The increasing number of residential and commercial buildings being erected has resulted in a surge in the need for coatings that can safeguard structures from severe weather conditions, including heavy precipitation, high humidity, and extreme temperatures.

Industrial Coatings

The application of industrial coatings in factory settings is essential for ensuring the optimal performance and durability of various industrial, transportation, and durable consumer products. These coatings offer functional properties that are critical to the overall functionality of these products. The application of coatings on various surfaces such as metal, concrete, and other materials is a widely accepted practice to impart resistance against corrosion, chemicals, abrasion, and weathering. Industrial coatings have been identified as having significant potential in Bangladesh. The ongoing process of rapid industrialisation and infrastructure development in the country has led to an increasing need for durable and dependable coating solutions. The application of industrial coatings is an effective method for safeguarding structures, machinery, and equipment against various environmental factors. This approach has been proven to prolong the lifespan of these assets while also minimising maintenance expenses.

Special Purpose Coatings

The category of special purpose coatings encompasses a variety of coatings that are

designed to fulfil a particular function. The common attribute among these coatings is their tendency to be applied in the field rather than in a controlled factory environment. The industry segment in question encompasses a variety of coatings, including marine paints, high-performance maintenance coatings, coatings specified for military use that provide blast mitigation in buildings such as embassies and defence installations, automotive refinish paints, traffic and highway markings, roof coatings, as well as multi-colour and metallic paints.

Exploring the Potential of Paints and Coatings

According to recent findings, there are significant untapped opportunities within the sector. Relatively, Bangladesh is lagging behind its Asian peers with a per capita paint consumption of only 1.1 kg. In comparison, neighbouring India boasts a per capita paint consumption of 4.2 kg, while China's per capita consumption is nearly 9.0 kg. These numbers can be boasted of in the coming years through infrastructural development and the growing automotive and construction sectors. According to the Bangladesh Paint Manufacturer's Association (BPMA), the sector has been making a significant contribution to the national economy. The annual revenue generated from this sector amounts to BDT 7.0 billion, which is paid to the public exchequer. Additionally, the industry has created employment opportunities for over 100,000 individuals, both directly and indirectly.

The growing demands of the paint industry have prompted Asian Paints Bangladesh to invest USD 20 million for its second factory in the Mirsarai Economic Zone, as reported by the Bangladesh Economic Zones Authority. Berger Paints Bangladesh is also planning to install a new factory in the same economic zone and has already invested around BDT 400 crore in creating a factory to further increase its market share in Bangladesh. A Norway-based company named Jotun Group, the ninth biggest paint company in the world had already started manufacturing in its factory in Meghna Industrial Economic Zone.

However, based on the data provided by paint manufacturers, the demand for decorative paints in the local market right now might not be very high. It is anticipated that the consumption of decorative paints will experience a positive

correlation with the current economic recovery, resulting in a favourable outlook for the industry.

Adopting a Culture of Environment-Friendly Paints

Companies operating in this space are currently offering antimicrobial paint that has been certified by reputable certifying bodies worldwide for its effectiveness in combating viruses and germs on non-porous surfaces.

Conventional paints commonly used in households can result in environmental toxicity due to the emission of various gases, which significantly contribute to indoor air pollution. As a result, it is of utmost importance to consider its impact on health risks, including but not limited to respiratory ailments and headaches. In light of environmental concerns, Berger Paints Bangladesh has taken measures to eliminate lead from its paint products. Additionally, the company has developed a line of eco-friendly paints known as the Breathe Easy Eco-Series, which is designed to promote a safer environment. The use of environmentally friendly paints is a favourable choice for promoting the health and safety of individuals within a household.

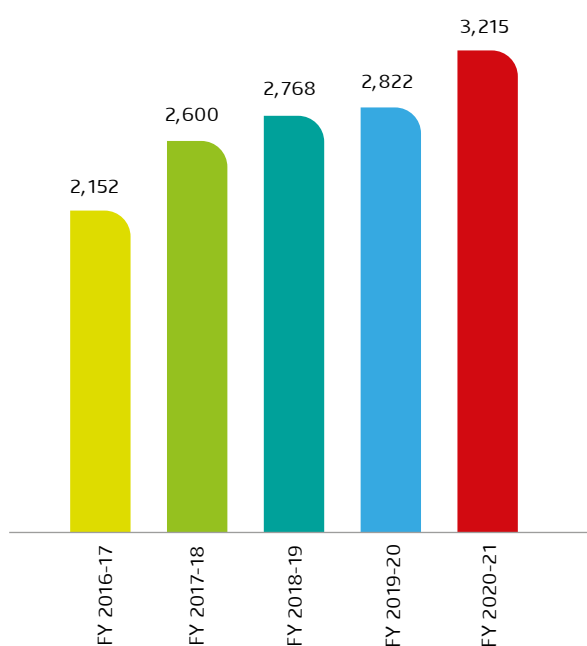
The paints belonging to this particular series exhibit a complete absence of odour, possess eco-friendly properties, and exhibit antibacterial characteristics. Consequently, the protective function of the substance is achieved without any observed adverse reactions to the walls. The product exhibits ultra-low levels of volatile organic compounds (VOCs) and is entirely devoid of lead.

Stumbling Blocks Amidst Economic Uncertainties

The current progress of the paint industry in Bangladesh is being impeded by the scarcity of US dollars. This has led to a challenging situation for manufacturers, who are facing difficulties in importing raw materials in accordance with their demands. The present phenomenon is a widely encountered challenge across diverse sectors within the nation. Approximately 99% of the raw materials used in the production of paint are imported, and the associated import duty and tax rates are substantial. The imports of paint are subject to a supplementary duty of 5% and a value-added tax of 15%. This is due to the classification

of paint as a luxury item. Despite the massive demands of the paints and coatings industry, Bangladesh still imports paints and varnishes, and the number has only gone up every year, as shown in Figure 03. Bangladesh's imports of paints and varnishes are incrementally going up, and with the recent dollar crisis, the figures are expected to experience a massive upturn relative to previous years.

Figure 03: Imports of Paints and Varnishes in Bangladesh (In BDT Crore)



Source: National Board of Revenue

Environmental regulations are increasingly becoming more rigorous worldwide, with the aim of restricting the release of volatile organic compounds and hazardous air pollutants. This trend is not limited to industrialised nations but also includes developing economies such as mainland China. The escalation of raw material expenses, along with the need for energy conservation, are significant factors that are contributing to the production costs of coatings. In fact, raw material costs alone make up approximately 50% to 60% of the total production expenses for coatings. The use of solvents is significant in the coatings industry, where they are predominantly sourced from petrochemical feedstocks and refinery operations. These materials are highly dependent on fluctuations in crude oil and gas prices. The coatings industry is also known to utilise a significant amount of non-

petrochemical feedstocks, including pigments and additives.

Chemical Hazards

The Environmental and Social Development Organization (ESDO) analysed 63 samples of colours from 39 domestic and foreign companies to determine the amount of lead in the decorative and industrial colours offered in Bangladesh. The samples consisted of 68% industrial and 32% ornamental colours. Tests revealed lead levels between 90 and 250 parts per million (ppm) in 30.8% of the ornamental colours, while the remaining 69.2% had levels below 90 ppm. But in 50% of the industrially used colours, lead was discovered in alarmingly high amounts. The colour orange contained the greatest concentration of lead (97,000 ppm). Companies operating in the paints and coatings industry are required to keep their lead limits below 90 ppm as per Bangladesh Standards and Testing Institution (BSTI).

The growth of the paints and coatings industry in Bangladesh is being fuelled by the development in the real estate sector, which is a result of increasing urbanisation and a gradual increase in consumer awareness regarding the importance of protecting houses. According to the Bangladesh Bureau of Statistics, a significant increase in the urban population has been noticed over the last twenty years, with the figures rising from 28.61 million to almost 42 million and the urbanisation rate reaching 38.95% by the year 2021. The observed trend provides compelling evidence for the projected expansion of this industry in the forthcoming years. The transportation sector, along with a flourishing riverboat industry, is anticipated to propel the market owing to the substantial utilisation of paints and coatings in this domain. According to market projections, the small ocean-faring vessel industry is anticipated to experience a surge in growth, reaching an estimated value of USD 400 billion by the year 2026. This expected expansion is expected to serve as a key driver for the paints and coatings market. However, the growth of this sector has been halted by a number of factors, including rising prices of raw materials in global markets, the depreciation of the local currency, and the imposition of new supplementary duties. Upon economic recovery, it is anticipated that the paints and coatings industry will experience a resurgence and return to its previous state of prosperity, with the potential for future growth.



Md Mohsin Habib Chowdhury

Chief Operating Officer, Berger Paints Bangladesh Limited

Interviewed By

Syed Md. Rakeen, Team MBR

Having joined Berger Paints Bangladesh Limited right after completing his Masters in Business Administration from IBA in 1995, Md Mohsin Habib Chowdhury has become a name synonymous with Berger Paints Bangladesh Limited. He has grown with the company over the years and became one of its core members in the process. His exceptional performances as a senior general manager of sales and marketing have recently earned him the designation of Chief Operating Officer at Berger Paints Bangladesh Limited. Team MBR was in a conversation with Mr. Md Mohsin Habib Chowdhury and was fortunate enough to receive his take on the paints and coatings industry in Bangladesh.

Syed Md. Rakeen: The market size of the paints and coatings industry in Bangladesh is around BDT 45 billion, as reported by The Financial Express, and has registered an annual growth rate of 6% in recent years. In your opinion, which key factors are driving this consistent growth in this sector?

Md Mohsin Habib Chowdhury: The paint industry in Bangladesh is a self-sufficient industry that fulfils the necessities of paint products and offers technology-driven and diversified import substitute products. The paint industry has maintained steady cumulative growth over the last two decades despite being affected by many national and international challenges, such as economic downturns, socio-political turmoil, natural calamities, the COVID-19 pandemic, etc. The size of the industry has reached around BDT 60 billion now. The stable growth of the paint industry can be attributed to several key factors:

- Bangladesh has experienced impressive economic growth over the past decade,

leading to an increase in disposable income and a rise in construction and infrastructure development projects. The growth of remittances, exports, the manufacturing sector, the service sector, microfinance, SME businesses, etc. has increased employment and consumer purchasing power in both urban and rural areas. The government of Bangladesh has been investing in large-scale infrastructure projects, such as highways, bridges, ports, and power plants. Rapid urbanisation, real estate growth, the construction of new buildings, and the renovation of existing structures all contribute to the growing market size of the industry.

- Consumer awareness is increasing about the importance of quality paints and coatings for durability, protection, aesthetic appeal, and safety for health and the environment. There is a shift towards higher-quality paints with augmented features.

- Paint manufacturers in Bangladesh have introduced manifold technological advancements to cater to various emerging industrial sectors. These include protective coatings for ocean-going marine vessels, vehicle refinish, wood coatings, powder coatings, floor coatings, fire-intumescent paints, fluorescent paints, and special primers and coatings to prevent corrosion in hazardous industrial settings. Such innovations open new avenues for portfolio expansion through import substitution.

All factors collectively contribute to the consistent growth of the paints and coatings industry in Bangladesh, fostering opportunities for local manufacturers, suppliers, and distributors within the market.

Syed Md. Rakeen: The paint industry has witnessed a gradual shift in customer preferences in terms of aesthetics over the years. Would you kindly share how the industry participants are incorporating the changing preferences in the paints and coatings industry?

Md Mohsin Habib Chowdhury: The paint industry has indeed experienced a shift in customer preferences in terms of aesthetics over the years. To meet these changing preferences, industry participants have been incorporating various strategies and offerings:

- Paint manufacturers have expanded colour ranges through tinting systems that offer thousands of shades in five minutes. The tinting systems are extensively distributed at dealer points across the country.
- Paint companies have introduced a range of speciality finishes and effects to cater to diverse customer preferences. These include metallic finishes, textured coatings, silk finishes, matte finishes, pearl finishes, and more. By offering a variety of finishes, customers can achieve unique and eye-catching effects on their walls, furniture, or other surfaces. Some companies are offering designer paints featuring unique patterns and textures that reflect a wide variety of ambiances and personalities.

- Paints with augmented features like superior washing and cleaning properties, sustainable and eco-friendly paint options like low VOC paint, waterproofing paints, and exterior paints with longer durability and protection against the weather.
- Consumers are now more interested in one-stop services for total painting solutions. Therefore, painting services are being extended across the country by top paint companies.
- Paint companies are providing services for custom colour matching. This personalised approach allows customers to achieve the exact colour they desire, providing a high level of customization. Paint companies often collaborate with interior designers, architects, and influencers to create curated collections or recommend colour palettes.
- Many paint companies have developed digital visualisation tools or mobile apps that allow customers to virtually experiment with different paint colours in their spaces before making a purchase. These tools use augmented reality or virtual reality technologies to simulate how a particular colour will look on walls or other surfaces.

By incorporating these strategies and offerings, the paint industry has been able to adapt to changing customer preferences and provide a wide range of options to suit different aesthetics, design trends, and environmental considerations.

Syed Md. Rakeen: Locally manufactured paints by multinational and domestic companies can meet 90% of the demands in Bangladesh. From your perspective, what are the export prospects of paints and coatings products manufactured in Bangladesh?

Md Mohsin Habib Chowdhury: We have yet to explore the export prospects of our paint products. Most of the raw materials for paint are imported, and high prices of raw materials, shipment costs, taxes, and duties on paint products make it challenging for us to become price competitive in international markets. However, there may be scope for export if some competitive advantages are created.

- Cost-competitive manufacturing may be ensured through the adoption of advanced technology, the sourcing of lower-cost raw materials, and the utilisation of low-cost labour.
- There may be opportunities for paint export in remote areas of some of our neighbouring countries or other emerging economies where the domestic paint supply is not sufficient.
- The export of emulsions (intermediary materials for paint production) may have a greater scope of export as taxes and duties are usually not imposed on such inputs or raw materials. However, special containers or ISO tanks may be necessary to transport emulsions.
- Bangladesh benefits from several trade agreements, such as the Generalised System of Preferences (GSP), with various countries. We may explore the scope of paint exports using lower tariff benefits under such agreements.

The success of Bangladesh's paints and coatings exports will depend on various factors, including product quality, marketing strategies, distribution networks, and competition from other global manufacturers. Local companies should invest in research and development, ensure consistent quality to meet international standards and regulations, and build strong relationships with potential buyers to maximise their export prospects. Government support through waivers of taxes and duties and the creation of conducive environments and policies to facilitate exports will be vital for the paint industry.

Syed Md. Rakeen: Berger Paints introduced lead-free, odourless, and eco-friendly paints in 2020 to ensure a safer environment. Would you kindly share the perspective of customers regarding environmentally friendly paints and how demand is evolving in the local market?

Md Mohsin Habib Chowdhury: Berger has made all its products lead-free since 2012 and launched the Berger Breathe Easy Eco Series. The introduction of low VOC (Volatile Organic Compounds), lead-free, odourless, and eco-

friendly paints by Berger Paints aligns with the growing demand for environmentally friendly products in the market. Customers are becoming more conscious of the potential health risks associated with traditional paints that contain high levels of volatile organic compounds and toxic substances like lead. They are now more interested in using paints that have a reduced carbon footprint, are derived from sustainable sources, and have a minimal environmental impact throughout their life cycle, from manufacturing to disposal. However, the usage of low-VOC paint is still relatively low due to its higher price. We are trying to build greater awareness among consumers regarding the benefits of low-VOC paints, highlighting that these paints contribute to better indoor air quality and reduce the risk of respiratory problems and allergies.

Syed Md. Rakeen: As reported by The Financial Express, per capita paint consumption in Bangladesh is only 1.1 kg, while India and China consume 4.2 kg and almost 9.0 kg, respectively. From your perspective, which challenges are holding back the paint industry from registering figures similar to those of other Asian countries?

Md Mohsin Habib Chowdhury: The industrialisation and economic growth of China and India started relatively earlier compared to that of Bangladesh. The magnitude of construction, infrastructural development, and industrialisation in China and India is far greater. Bangladesh is also experiencing significant economic growth and the development of infrastructure; however, we are yet to catch up with our foreign counterparts. This is reflected in the lower amount of per capita paint consumption in Bangladesh. Also, renovation and repainting take place at shorter intervals in more economically advanced countries, as they are more cautious about protecting their assets and are interested in spending more for variety and aesthetics. Awareness regarding the role of paint in the protection of assets and infrastructure against corrosion is not yet widespread in our country. To increase paint consumption, we must create greater awareness of the importance of paint and coatings in preserving our buildings, construction, machinery, furniture, equipment, and other assets. And we are willing to work with all stakeholders in this regard.

Syed Md. Rakeen: The paints and coatings industry has recently faced challenges due to higher duties, restrictions on L/C opening, and raw material imports. In your opinion, what are the necessary steps required to maintain the industry's growth amidst economic disturbances?

Md Mohsin Habib Chowdhury: In recent times, we have faced significant challenges due to regulatory restrictions and limitations on L/C. Maintaining growth in the paints and coatings industry amidst economic disturbances can be challenging, but some measures can help mitigate the impact and sustain the industry's growth.

The government has imposed 5% SD (Supplementary Duty) on paint products for the last few years. In this year's budget proposal, SD has been extended to primers as well. Ideally, SD is imposed on luxury and non-essential goods or socially undesirable goods. However, paint is a non-luxury item, as its major role is to protect the infrastructure against corrosion and erosion, not merely add aesthetic value. As the main purpose of paints and primers is the protection of fixed assets, they should be considered essential items, and SD should be removed or applied at a minimal rate.

To ensure a smooth supply of raw materials, it is crucial for companies in the industry to diversify their supply chains by developing alternative sources of raw materials, both domestically and internationally. Efficient L/C management through smaller consignments at higher frequencies may be necessary.

Companies should prioritise cost optimisation measures through efficient working capital management, lean manufacturing practises, formulation reengineering to accommodate alternative local raw materials, and implementing energy-saving initiatives. These efforts can help maintain competitiveness by offsetting increased duties and raw material costs.

Companies should actively participate in discussions, advocacy efforts, and policy-making initiatives to ensure their concerns are heard. Collaborative efforts can lead to policy reforms, tariff reductions, or other measures that support the growth of the industry.

Syed Md. Rakeen: According to the Asia-Europe Foundation, Bangladesh is a rapidly urbanising country, with 56% of its population expected to reside in urban areas by 2050. How do you envision the future of Bangladesh's paints and coatings industry in light of this fact?

Md Mohsin Habib Chowdhury: Given Bangladesh's rapid urbanisation and the projected increase in its urban population, the paints and coatings industry in the country is likely to experience significant growth and transformation. Urbanisation will lead to an increased need for residential buildings, commercial spaces, and public infrastructure projects, which will drive the demand for paints and coatings.

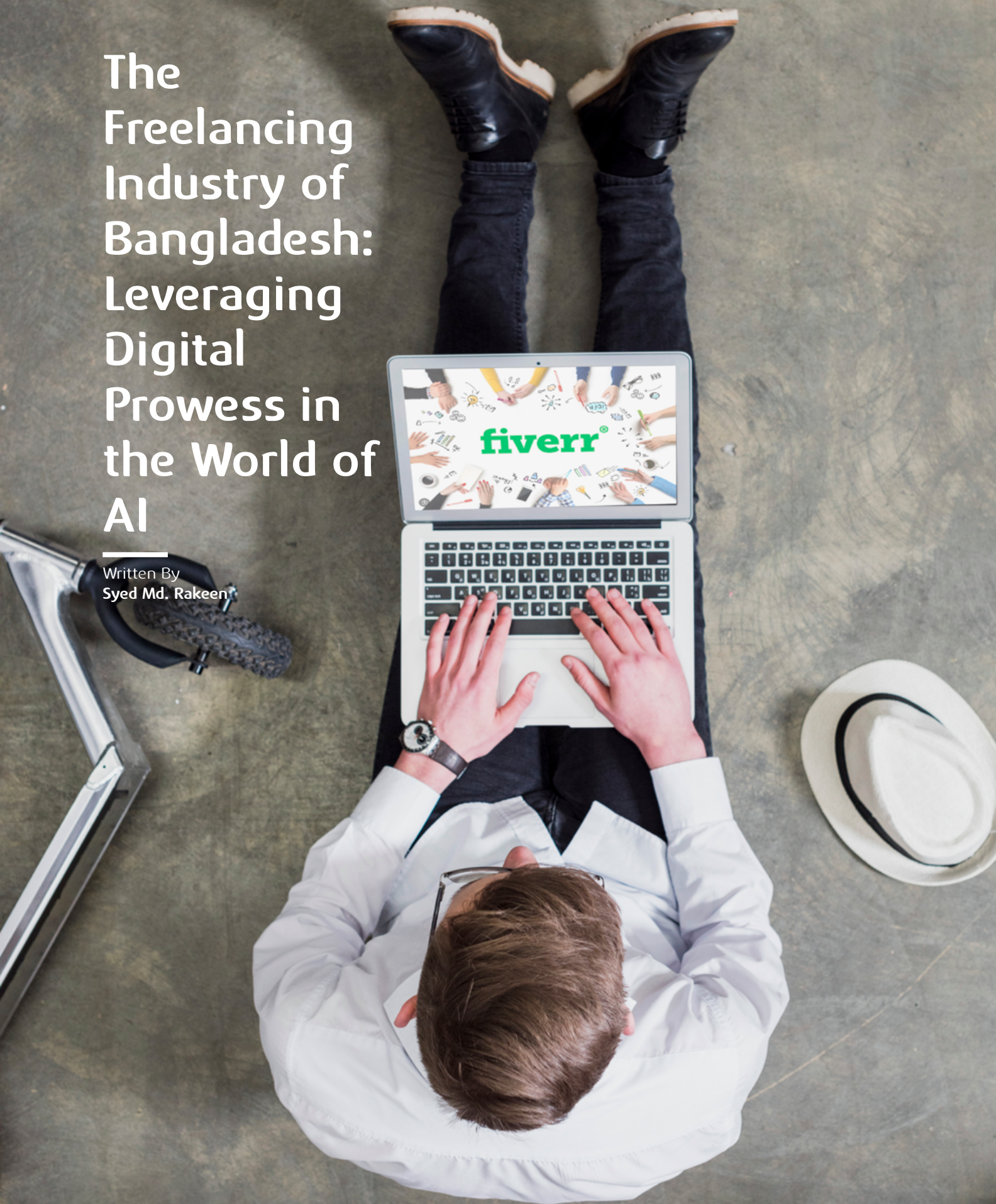
Paint manufacturers in Bangladesh will further invest in research and development to develop high-performance coatings with improved durability, weather resistance, and enhanced functionality. Additionally, advancements in digitalization and automation are expected to streamline production processes, improve quality control, and enhance efficiency in the industry. Urbanisation also creates an increased focus on aesthetics and design. Architects, designers, and consumers would look for greater ranges of colours, finishes, and textures in paints.

With growing concerns about environmental sustainability, there is an increasing demand for eco-friendly paints and green initiatives. Overall value chain improvement is also expected as consumers shift from economy paints to higher-quality coatings. In the near future, organised paint application services will thrive, and one-stop painting solutions will be widely utilised. Younger consumers will also be more interested in do-it-yourself painting, as the cost of labour and painters is likely to rise.

Overall, the future of Bangladesh's paints and coatings industry looks very promising, driven by the country's rapid urbanisation. The industry is likely to witness growth in demand, increased focus on sustainability, innovations, and collaboration with international partners, including technology transfer, joint ventures, and investment. These developments will contribute to the overall economic growth of the country and create opportunities for both local and international players in the industry.

The Freelancing Industry of Bangladesh: Leveraging Digital Prowess in the World of AI

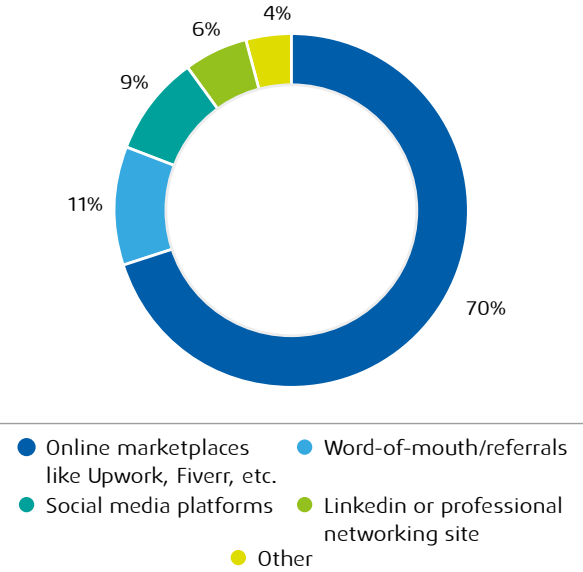
Written By
Syed Md. Rakeen



The concept of freelancing as a full-time profession has gained traction in Bangladesh in the last decade owing to rapid digitalisation coupled with a growing demand for outsourcing work in recent years. Various news outlets have already covered how freelancers have been earning more than an average-salaried individual while also bringing in massive remittances. Major enhancements in the freelancing sector have led the leading MFS provider, bKash, to create a payment gateway in collaboration with Payoneer, a global payment platform that facilitates cross-border transactions and online payments, for freelancers to receive their proceeds. The crucial role of freelancers in bringing in remittances has raised eyebrows in Bangladesh, as evidenced by their yearly revenue of USD 500 million from over 60,000 freelancers, as reported by the Financial Express in 2022.

The market’s expansion is attributable to established businesses’ increased use of freelancing platforms and providing freelancers with stable employment and compensation. Even when the advent of lockdown during COVID-19 spelt disaster as people lost jobs left and right, the freelancing industry received a significant boost, with many companies opting to hire freelancers for cost-cutting measures. Most freelancers

Figure 1: How Freelancers Connect with Their Clients



Source: A Payoneer Survey in 2023

looked towards popular online freelancing platforms such as Upwork and Fiverr to boost their chances of connecting with clients. The industry’s firmness during challenging times is a testament to its growth potential and is expected to flourish as the world progresses towards digitalisation.

Global Freelancing Overview

Freelancing is considered a sought-after profession, and many developed countries prefer outsourcing work due to their strong currencies coupled with access to global talents at a fraction of the cost compared to hiring native individuals. According to Growth Market Reports, a globally renowned market research company based in India, the market for freelancing platforms was worth USD 5.1 billion in 2022 and is projected to grow at a CAGR of 15.1% from 2023 to 2031 to reach USD 18.3 billion.

Key Global Insights

- A survey by Payoneer in 2023 states that 38% of the participants reported a surge in their hourly rates in the previous year, whereas only 15% observed a decline in their rates.
- Freelancers with diverse service offerings, i.e., hourly and project-based fees, tend to have a higher average rate than those who only stick to one method.
- Freelancing platforms were worth USD 5.1 billion in 2022 and are projected to grow at a CAGR of 15.1% from 2023 to 2031 to reach USD 18.3 billion.
- Over 60,000 freelancers bring in USD 500 million in revenues in Bangladesh.

A global survey in 2023 by Payoneer showed that the demand for freelance work has exhibited a high level of resilience despite concerns about an economic slowdown. A significant proportion

of the respondents, approximately 46%, have reported an increase in demand, while 29% have indicated that there has been no change. 38% of the participants reported a surge in their hourly rates in the previous year, whereas only 15% observed a decline in their rates. Freelancers who utilise a combination of hourly and project-based fees tend to have a higher average rate compared to those who exclusively rely on one of these methods. In light of the escalating cost of living, a majority of freelancers, specifically 55%, have opted to increase their workload. Additionally, 41% of freelancers have raised their rates, while 32% have broadened their client base to include new countries.

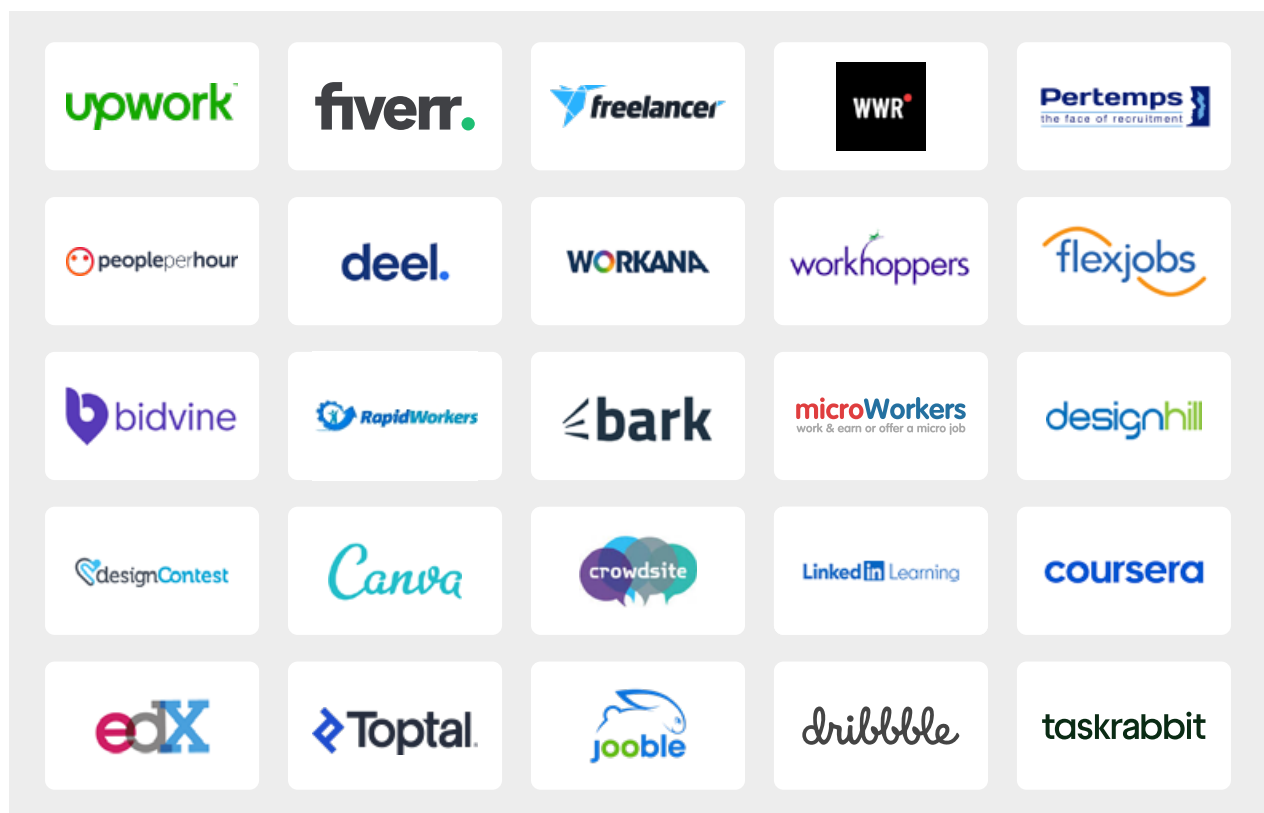
State of Freelancing in Bangladesh

The Global Gig-Economy Index 2019 places Bangladesh ninth in the fastest-growing freelancing market category, yet the pay for freelancers is only around USD 10 per hour—less than that of India and Pakistan. The government has established a goal to increase this income to USD 5.0 billion annually over the following four years. Currently, around 30% of all software and IT-related service exports can be attributed to freelancing, according

to the Bangladesh Association of Software and Information Services (BASIS). Among the freelancing platforms shown in Figure 1, Upwork and Fiverr are two of the most commonly used platforms globally, with both of them offering many freelancers possessing specific skills the opportunity to exhibit their work. Prospective buyers or employers may then avail themselves of the services provided by these individuals. In addition to these platforms, a considerable number of individuals exhibit their work on autonomous websites or social media platforms, through which diverse clients initiate contact.

A recent study by the Oxford Internet Institute (OII), a multidisciplinary research and teaching department of the University of Oxford, revealed that Bangladesh is ranked second in the list of countries with the highest numbers of freelancers engaged in freelancing platforms globally, with a share of 16% of the total freelance workers, second only to India, which takes up 24% of the total freelancers globally. Figure 2 displays the vast array of platforms available to freelancers to find gigs all over the world.

Figure 2: Freelancing Platforms at a Glance



AI Disruption of the Freelancing Industry

The field of artificial intelligence (AI) is currently experiencing rapid advancements and is expected to have a notable influence on the global job market. As technologies go through seismic shifts, an increasing number of freelancing gigs humans previously performed are expected to be replaced by automated systems and computer programmes globally. The artificial intelligence tool known as ChatGPT has already exercised its capabilities in generating scripts, content, and code for software development. Additionally, image-generating tools like DALL-E and Mid Journey have enabled individuals to create art from the comfort of their homes.

The current situation provides foresight that it is indeed possible that the incorporation of AI could change the dynamics of the freelancing sector in Bangladesh. As of now, freelancers provide various services, including content development, graphic design, software development, and digital marketing. However, the potential applications of AI can automate tasks such as data entry, basic analysis, customer service, and other similar functions, which make up some of the lowest-

earning yet majority of gigs. Artificial intelligence-based systems possess the potential to identify and mitigate fraudulent activities, conduct risk evaluations, and facilitate investment choices. The implementation of automation technology in financial institutions has the potential to enhance operational efficiency and reduce costs. This rapid development has the ability to threaten the freelancing market, including financial analysts and customer service representatives, as they may be replaced by artificial intelligence.

Upskilling and Reskilling Amidst AI Revolution

The rapidly developing world of AI has prompted a revolution, with many predicting that AI tools may replace freelancing gigs. As artificial intelligence technology progresses, specific skills will gain greater prominence, making certain existing jobs obsolete. The need for human labour in the freelancing industry is predicted to decline in the coming years as AI and automation technologies advance and replace work. Skills such as data analysis, programming, and digital literacy are expected to be highly sought-after in the coming years, as shown in Figure 3.

Figure 3: Sought-After Freelancing Skills Globally in 2023



Below are some steps through which Bangladesh can prepare its freelancers for the impending wave of AI:



Offering customised training courses concentrating on artificial intelligence (AI) abilities relevant to in-demand freelance skills. This can include training in artificial intelligence programming, data analysis, natural language processing, and machine learning.



Creating forums and fostering collaborative communities where freelancers from different demographics can interact and exchange information about developments, trends, and best practices in AI. Peer learning, networking, and remaining updated on the most recent advancements would prevent obsolescence.



Creating up-to-date training programmes as per recent trends in AI globally. This will ensure the relevance of the programmes as well as evolve the areas of expertise in the untapped gigs, which will also help freelancers seek new possibilities and adjust to shifting market demands.



Ensuring access to AI tools and resources would facilitate freelancers to use AI tools, libraries, and resources for their projects. This may entail giving away AI software licences or subscriptions, providing free or cheap access to cloud computing platforms, or compiling a library of AI learning resources.

As of now, allocating resources towards education and training initiatives could prove to be the first step in equipping freelancers with the necessary skill sets to excel in the forthcoming freelancing market. As the global demand for labour is set for a paradigm shift, Bangladesh will need to equip its remittance earners with adequate training to align their skills with the changing demands of their clients.

Reducing Skill Gaps in the Future

The challenges of pursuing a career as a freelancer are evident from the outset and persist throughout one's professional journey. A prevalent misconception exists within Bangladeshi society that engaging in computer-based work and deriving income from it is unjustified. The societal preference for traditional 9-to-5 employment has long posed a challenge for freelancers. Bangladesh's information technology sector has shown promise for growth in freelancing. However, there is still room for further development and the realisation of its full potential. The identified constraints include but are not limited to the complex procedures for accessing government-provided facilities, slow internet speed, and the high cost of broadband.

The role of the government in preparing for the future freelancing market is crucial to sustaining the growth of the industry. The implementation of policies that facilitate freelancers' keeping pace with the changing online freelance platforms can enhance the potential of maximising earnings from the freelancing industry. Besides,

investing in training platforms specialising in tomorrow's most in-demand skills could reduce unemployment while increasing foreign earnings for Bangladesh. This, in turn, can maximise Bangladesh's remittance earnings and the freelancing industry tremendously and propel Bangladesh towards achieving its vision of Smart Bangladesh by 2041.

Artificial intelligence has undoubtedly made its presence felt worldwide, prompting Bangladesh to react swiftly to changing times. As the demand for skills continues to change globally, freelancers in Bangladesh will have to upskill their existing skill sets to stay relevant. An important fact to consider is that AI in itself is not expected to replace humans; rather, humans with knowledge concerning AI applications are expected to significantly decrease the number of jobs available worldwide. Utilising AI platforms to facilitate human activities and enhance efficiency is more aligned with the purpose of global digitalisation. Additionally, AI systems require maintenance and oversight to ensure optimal functionality and minimise inaccuracies and biases. The perpetuity of AI implementation necessitates the presence of proficient human professionals who possess expertise in the field and are capable of effectively managing its utilisation. AI tools can be treated as co-pilots by freelancers to present better work to their clients while being efficient in their deliverables. Undoubtedly, freelancers should view the emergence of AI as a reason to upgrade their already vast array of skills to continue their upward trend in earnings.



Dr. Tanjiba Rahman

Chairman, Bangladesh Freelancer Development Society

Interviewed By

Syed Md. Rakeen, Team MBR

Dr. Tanjiba Rahman is the Chairman of the Bangladesh Freelancer Development Society (BFDS), a non-profit organisation concerned with promoting and supporting the growth of the freelancing industry in Bangladesh. A doctor by profession, she has experienced tremendous success in creating a community for freelancers and private school teachers. She has built multiple successful IT and healthcare-related businesses containing over 50 young individuals. Team MBR was in a conversation with Dr. Tanjiba Rahman and was fortunate enough to receive her take on the potential of the freelancing industry amidst the AI revolution.

Syed Md. Rakeen: According to the ICT Division, freelancers contribute over USD 100 million annually to the country's remittance inflows. In your opinion, which essential factors are driving this phenomenal contribution by the freelancing industry?

Dr. Tanjiba Rahman: The immense contribution of the freelancing industry to Bangladesh's remittance inflows can be attributed to several essential factors. For starters, Bangladesh boasts talented and skilled individuals who are actively participating in online freelancing. These individuals possess expertise in various fields such as software development, graphic design, digital marketing, content creation, and more. The availability of such an array of skills allows our freelancers to cater to a wide range of international clients, thereby increasing their earning potential. Additionally, the widespread availability of affordable internet connectivity and access to the necessary technological infrastructure have played a crucial role in working remotely and collaborating with clients all over the world. With the development of online freelancing platforms and marketplaces,

our freelancers can now conveniently showcase their skills and connect with potential clients.

Furthermore, government and various organisations have played a crucial role in creating a supportive environment. Initiatives such as training programmes, workshops, and seminars aimed at enhancing the skills of freelancers, as well as providing guidance on entrepreneurship and financial management, have played a significant role in driving the growth of the freelancing industry. The recognition of freelancers as valuable contributors to the economy and the provision of necessary infrastructure and policies have also been influential factors.

Syed Md. Rakeen: A survey by Payoneer stated that Bangladesh was the 8th largest exporter of online labour in 2019, indicating the country's favorability among employers in the freelancing space. Would you kindly share how Bangladesh is faring in the freelancing sector these days amidst the AI revolution?

Dr. Tanjiba Rahman: We have continued to make significant progress in the freelancing sector amidst

the AI revolution. Freelancers from our country possess a great deal of talent and skills, which makes them a lucrative choice among employers in the freelancing space. AI is transforming various industries and job roles globally, and it is creating new opportunities for freelancers in Bangladesh.

Freelancers can use AI as a supporting tool to improve their deliverables as well as their efficiency. They can utilise AI-powered solutions for tasks such as automating repetitive processes, data analysis, natural language processing, and more. By adopting AI tools, freelancers can streamline their workflow, deliver high-quality results, and offer innovative services to their clients.

Furthermore, freelancers can position themselves as AI specialists by acquiring knowledge and skills in areas such as machine learning, data science, and AI-driven technologies. This proactive approach will allow our freelancers to stay competitive in the market and take advantage of the evolving demands of clients who require AI-related expertise.

Syed Md. Rakeen: AI tools such as DALL•E, Midjourney, and ChatGPT are likely to replace lots of jobs globally. In your opinion, how can Bangladesh's freelancers better prepare for this wave of AI?

Dr. Tanjiba Rahman: The wave of AI does bring about potential job disruptions globally, but it also presents opportunities for our freelancers to adapt and thrive. To better prepare for this wave of AI, freelancers can focus on the following strategies:

1. **A Mindset for Continuous Learning:** It is essential for freelancers to stay updated with the latest developments in AI and related technologies. By engaging in continuous learning, attending workshops, and participating in online courses, freelancers can acquire new skills and stay relevant in the evolving landscape.

2. **Working on Specialisation:** Freelancers can consider specialising in areas where AI is less likely to replace human creativity and critical thinking. For example, creative fields such as graphic design, content creation, and user experience design require a human touch that AI may struggle to fully replicate.

3. **Using AI tools as a co-pilot:** Rather than perceiving AI as a threat, freelancers can embrace it as a tool to augment their capabilities. By integrating AI tools into their workflows, freelancers can leverage the power of automation and data analysis to enhance their productivity and deliver higher-quality outputs.

4. **Diversifying client base:** Freelancers can explore opportunities beyond traditional freelancing platforms and diversify their client base. They can seek collaborations with AI-driven startups, contribute to AI research projects, or participate in the development of AI applications within their respective domains.

Overall, by adopting a proactive mindset, continuously updating skills, and embracing AI as a supportive tool, our freelancers can position themselves well for the wave of AI.

Syed Md. Rakeen: Bangladesh earns approximately USD 1.4 billion from outsourcing, of which USD 100 million comes from the freelancing industry. From your perspective, which steps can help increase the contribution of the freelancing industry to outsourcing income?

Dr. Tanjiba Rahman: Well, the first step should entail enhancing the technological infrastructure. Governments & relevant stakeholders should work on improving internet connectivity, allowing access to cutting-edge software & hardware tools and offering adequate support services. Ensuring these can help our freelancers deliver high-quality work efficiently and attract more international clients. The next step should involve engaging in skill development initiatives aligned with the demands of the outsourcing market. Collaboration among freelancing organisations, industry experts and educational institutions can reduce the skill gap in our freelancers and prepare them to meet client's demands.

Establishing partnerships with international freelancing platforms can facilitate market access for freelancers. Creating dedicated platforms for showcasing our freelancers' skills and organising trade events and exhibitions can increase the visibility of freelancers and attract more clients. Additionally, policies should be in place to continue

the upward trend of freelancing industry. Tax incentives, simplified registration processes, and legal protection for freelancers and their clients, can create a conducive environment for growth.

Finally, if we can build a strong network among the freelancers and ensure collaboration, it can lead to shared knowledge, open resources and joint ventures, paving the way for our freelancers to work on bigger projects and expand their market reach. Focusing on the aforementioned steps can help us to harness the full potential of its freelancing industry and increase its contribution to outsourcing income.

SyedMd. Rakeen: The rapid growth of industrial automation and AI is likely to influence both public and private organisations to introduce training programmes on AI. How can Bangladesh plan its training programmes in a bid to increase freelancers' competitiveness in the market?

Dr. Tanjiba Rahman: As industrial automation and AI continue to grow at a breakneck speed, Bangladesh will have to plan its training programmes effectively to increase freelancers' competitiveness in the market. We'll need to analyse market demands and look for the AI-related skills which are in high demand. Currently, the areas include machine learning, data science, natural language processing, computer vision, and AI-driven application development. We'll have to consult industry experts and collaborate with them to design training programmes that align with industry needs. Collaborative partnerships can provide valuable insights into the skills required and help develop comprehensive training curricula.

A large emphasis will be required on the hands-on training and practical application of AI techniques. If freelancers can work on real-world projects, collaborate with mentors, and participate in AI-focused hackathons or competitions, their skills will grow over time. As AI is a rapidly evolving field, training programmes should promote a culture of continuous learning. We'll need to encourage freelancers to remain updated with the latest advancements of AI by offering them access to relevant resources, online courses, and workshops.

Alongside technical skills, focusing on developing soft skills such as problem-solving, critical thinking, communication, and creativity are valuable in conjunction with AI technologies and can set freelancers apart in the market. Freelancers will require training and guidance on entrepreneurship, business management, and client relationship building. If freelancers can build a business acumen and effectively market their AI-related services, their chances of success will sharply increase.

By planning training programmes that encompass all these aspects, Bangladesh can enhance its freelancers' competitiveness, enabling them to thrive in the evolving market spaces influenced by industrial automation and AI.

Syed Md. Rakeen: The online gigs available at popular freelancing platforms such as Upwork and Fiverr are likely to transform radically amidst the wave of AI. In your opinion, what particular skills should freelancers focus on to align their skills with the demands of their clients?

Dr. Tanjiba Rahman: Here are some particular skills freelancers should focus on:

1. **AI Integration:** Developing an understanding of how AI tools can be integrated into freelancing workflows can enhance efficiency and productivity. Familiarity with AI-driven automation tools, chatbots, recommendation systems, or other AI-powered applications can provide a competitive edge.
2. **Data Analysis:** Proficiency in data analysis, including skills in data cleaning, data visualisation, and statistical analysis, will be valuable. Clients often require insights from large datasets, and freelancers who can provide data-driven recommendations and strategies will be in demand.
3. **Human-Centric Skills:** As AI becomes more prevalent, emphasising human-centric skills that complement AI capabilities will be essential. These skills include creative problem-solving, critical thinking, empathy, and the ability to understand and meet clients' unique needs.
4. **Adaptability and Continuous Learning:** The ability to quickly adapt to new technologies and

learn emerging AI tools or frameworks is crucial. Freelancers should prioritise continuous learning and remain updated with advancements in AI to offer innovative solutions to their clients.

5. Domain Expertise: Developing deep expertise in specific domains that align with AI applications can be advantageous. For example, combining AI knowledge with domain expertise in healthcare, finance, e-commerce, or digital marketing allows freelancers to offer specialised and tailored services to clients.

By focusing on these skills, freelancers can position themselves as AI-savvy professionals who can provide unique value to their clients, even in the face of radical transformations brought about by AI.

Syed Md. Rakeen: About 10.5 lakh freelancers are bringing in remittances to the country and contributing to our foreign reserves. In your opinion, how do you envision the future of the freelancing industry in Bangladesh in light of AI adoption?

Dr. Tanjiba Rahman: With AI adoption on the rise, the future of the freelancing industry in Bangladesh will undoubtedly experience some changes. However, AI should be seen as an opportunity rather than a threat. AI can augment freelancers' capabilities, enhance productivity, and enable them to deliver more value to clients.

In the future, freelancers in Bangladesh can expect an increased emphasis on AI integration in their workflows. This may involve utilising AI tools for automation, data analysis, natural language processing, or providing AI-driven services such as chatbot development, machine learning algorithms, or AI-powered content creation.

Furthermore, as AI becomes more prevalent, freelancers can differentiate themselves by focusing on human-centric skills that AI may struggle to replicate fully. These skills include creativity, critical thinking, complex problem-solving, emotional intelligence, and the ability to provide personalised and tailored solutions to clients' needs.

Collaboration and partnerships between freelancers, educational institutions, industry

experts, and the government will play a vital role in ensuring freelancers are equipped to embrace AI advancements. Training programmes, knowledge-sharing platforms, and mentoring initiatives can support freelancers in adapting to the evolving AI landscape and help them seize opportunities created by AI adoption.

Syed Md. Rakeen: The government has set a target to export IT and IT-enabled services worth USD 5 billion by 2025. From your perspective, how big of a role can the freelancing industry play in achieving this target?

Dr. Tanjiba Rahman: The freelancing industry can play a significant role in helping Bangladesh achieve its target of exporting IT and IT-enabled services worth USD 5 billion by 2025. Here are some of the following ways:

1. Economic Contribution: By continuing to grow and expand, the freelancing industry can contribute significantly to the overall export earnings of the IT and IT-enabled services sector. As freelancers from Bangladesh secure more international clients and take on larger projects, the industry's contribution to export earnings will increase.

2. Job Creation: The freelancing industry has the potential to create a substantial number of jobs in Bangladesh. As more individuals are encouraged to participate in freelancing, either full-time or as a side gig, the industry can provide employment opportunities and contribute to reducing unemployment rates.

3. Skill Development: The freelancing industry necessitates the acquisition of specialised skills and knowledge. By focusing on skill development initiatives, training programmes, and educational partnerships, Bangladesh can produce a skilled workforce that meets the demands of the freelancing industry. This, in turn, will attract more clients and boost export earnings.

4. Branding Bangladesh: A thriving freelancing industry can enhance Bangladesh's image as a hub of talented and skilled professionals. Positive experiences and successful collaborations with freelancers from Bangladesh will strengthen the country's reputation, making it an attractive destination for outsourcing IT and IT-enabled services.

Turtle Venture Studio



Saraban Tahura Turin

Founder and CEO, Turtle Venture Studio

Interviewed By

Syed Md. Rakeen, Team MBR

Having been featured recently in the Forbes 30 Under 30 Asia list, Saraban Tahura Turin and Anowar Sayef Anik, co-founders of Turtle Venture Studio, are aiming to foster young startups by providing them with funding, mentorship, access to a global network, and strategic support. The studio has worked with over 90 entrepreneurs since 2018, helping them raise over USD 15 million in initial funding rounds. Turtle Venture Studio also runs accelerator programmes for women in technology and 'Young Turtle' programme for students to encourage entrepreneurship. Team MBR was in a conversation with Ms. Saraban Tahura Turin to learn about her vision and inspirations behind Turtle Venture Studio.

Syed Md. Rakeen: Turtle Venture Studio is the first of its kind in Bangladesh, creating a blend of venture capital and accelerator models to help early-stage startups gain access to funding, mentorship, and investors. Would you kindly explain a startup's journey, starting with getting on board with your company?

Saraban Tahura Turin: A startup's journey with our organisation begins with their acceptance, after which we continue a collaborative and comprehensive approach to assist them in succeeding. When a startup applies

to join our venture studio, we carefully review their application. We consider aspects such as the originality of their concept, their market potential, and the talents of their founding team. Through a rigorous selection process, we discover the most promising businesses that connect with our vision and aims.

Once a startup is selected, we provide them with personalised support that is targeted to their individual requirements. Our seasoned professionals and industry experts provide mentorship, direction, and tools to assist



startups in successfully navigating their journey.

We connect entrepreneurs with possible funding sources through our network of venture capital partners, angel investors, and strategic connections. We help them improve their pitch, make key contacts, and secure the financing they need to succeed. These mentors bring a plethora of knowledge and experience to the table, providing insights, guidance, and support to businesses based on their own entrepreneurial stories.

In addition, we organise workshops, events, forums, training sessions, and educational programmes to provide startups with the knowledge and skills they need. These projects include a wide range of topics, including business development, marketing tactics, product development, and legal considerations. Graduating startups gain access to a larger network of prospects and continue to receive help from Turtle Venture Studio even after the main programme is over. We believe in long-term collaborations with our startups and are committed to their long-term success.

Syed Md. Rakeen: You have a wealth of experience working for startups and have held various senior positions in them along the way. What inspired you to work closely with startups and help them achieve their vision?

Saraban Tahura Turin: Having founded several startups and encountered significant problems along the way, I personally understand the challenges that entrepreneurs face. One realisation that hit me was the lack of comprehensive support provided by typical accelerator and incubator programmes. These programmes frequently have pre-defined frameworks that may not adequately meet the particular needs of individual businesses, creating a chasm between ecosystem builders and the entrepreneurs they seek to promote.

This realisation acted as a stimulus for me and my fellow Turtle Venture co-founders. We recognised the need to bridge this gap and

provide entrepreneurs with the comprehensive support they require to grow. We set out to create a venture studio that would go beyond the traditional accelerator and incubator models based on our own experiences.

Our own experience as founders has also made us highly aware of the necessity of complete support. We recognise that companies require more than just capital or guidance. They require a holistic ecosystem that covers many facets of their growth, such as access to networks, strategic relationships, and resources.

Furthermore, our own experiences with the obstacles of developing and scaling firms have made us strong advocates for resilience and adaptation. We contribute to the growth and success of businesses in our ecosystem by building a strong sense of community and facilitating information sharing.

Syed Md. Rakeen: Generally, venture capitalist firms are more inclined to invest in high-performing startups, leaving behind early-stage startups devoid of funds. How is Turtle Venture Studio increasing the likelihood of early-stage startups getting access to funding opportunities?

Saraban Tahura Turin: Turtle Venture Studio recognises the importance of assisting entrepreneurs at their critical early stages when financial resources are required to bring their innovative ideas to reality. We have taken aggressive initiatives to boost the likelihood of early-stage entrepreneurs receiving investments. To begin with, we have raised a significant sum, USD 1 million, to assist these entrepreneurs. This fund has enabled us to provide direct finance to promising early-stage ventures, allowing them to expand and scale their businesses. By providing this initial influx of capital, we help startups overcome one of the most significant challenges they encounter in their early stages.

Furthermore, we draw on our vast network of venture capitalists willing to invest in startups with the potential to become long-term businesses. Bangladesh, with its untapped potential and a

plethora of smart young people, offers significant prospects for growth in a variety of areas. We boost entrepreneurs' chances of receiving funding from venture capitalists seeking high-potential ventures by equipping them with the required skills, expertise, and guidance. We boost the likelihood of these potential enterprises receiving investment by connecting them with the relevant venture capitalists who share their vision and industry emphasis.

Syed Md. Rakeen: Many successful startups, such as Dhaka Cast, Hello Task, Cookups, Markopolo, Wander Women, Bonton Connect, Edutechs, etc., have worked with Turtle Venture Studio's accelerator programme, while five of the affiliated startups raised above USD 180,000 over the years. In your opinion, which key general ingredients should exist within startups to succeed in Bangladesh?

Saraban Tahura Turin: Several crucial aspects, in my opinion, contribute to the success of companies in Bangladesh. While each business is unique, there are some common variables that play an important part in its success.

First, acceptance is essential. Startups in Bangladesh must accept the changing business landscape and be adaptable. They must be open to changing their plans, goods, and services in response to market needs and client feedback.

Secondly, the ability to stand out is crucial. Startups must distinguish themselves from the competition in a competitive market. This necessitates a willingness to experiment with new ideas and take measured risks. Startups may attract clients and investors by daring to think outside the box and offering new solutions.

In my opinion, the most significant key factor for startups in Bangladesh is consistency. A successful business requires time and work to build. Startups must be devoted to delivering value consistently, satisfying consumer expectations, developing strong networks and cooperation, engaging with industry experts, mentors, and possible partners, and optimising their processes.

Startups should place the utmost importance on client satisfaction, as understanding their target audience's wants, preferences, and pain areas can address real problems and provide actual advantages by conducting extensive market research and aggressively listening to clients' input.

Finally, resilience is a critical component of startup success in Bangladesh. The entrepreneurial road is frequently fraught with ups and downs, obstacles, and setbacks. Startups must be resilient and able to recover from failures, learn from them, and keep pushing forward. The ability to recognise and use their individual capabilities, paired with these general elements, can help entrepreneurs grow and make a big difference in Bangladesh's robust startup ecosystem.

Syed Md. Rakeen: Early-stage startups tend to pivot around their initial business idea by deviating from their initial line of business. From your experience, which factors generally contribute to startups struggling to sustain their initial business model?

Saraban Tahura Turin: According to my experience, enterprises frequently fail to retain their first business strategy due to a variety of triggers. One primary issue is a lack of market fit. It is critical for companies to define a target audience and successfully address their pain concerns. Sustaining the initial business model becomes difficult if the product or service fails to resonate with the target market or does not answer a substantial problem, resulting in negative impacts on revenue creation.

The competitive landscape can make it difficult for startups to differentiate themselves or keep up with the competition. Financial constraints can limit operations and growth, requiring startups to secure proper funding sources and manage funds effectively. Customer acquisition and retention are critical for long-term viability, and startups must continually develop their marketing techniques, create outstanding customer experiences, and react to changing customer needs. Scalability and operational efficiency are also important, as

inefficiencies in operations or difficulties scaling the product or service can be barriers to sustainability. External circumstances beyond a startup's control, such as regulation changes or economic conditions, can disrupt operations. Strong leadership and team relationships are critical for overcoming problems and ensuring sustainable growth. Successful entrepreneurs exhibit perseverance, adaptability, and a willingness to learn from setbacks, recognising the need for pivoting and continually improving operations. By addressing these contributing factors and exploring new options for development and sustainability, startups can navigate the complicated startup ecosystem more effectively.

Syed Md. Rakeen: Regulatory procedures and compliance requirements are absolute necessities for any startup. How does Turtle Venture Studio help startups navigate through legal procedures?

Saraban Tahura Turin: Turtle Venture Studio recognises the significance of regulatory procedures and compliance requirements for startups to operate within the legal framework. They provide entrepreneurs with the required knowledge and help to successfully traverse these procedures by leveraging their team, network of partners, and ongoing efforts to extend the ecosystem. The studio has established contacts with many participants in the startup ecosystem, including legal experts, consultants, and regulatory compliance professionals. These collaborations enable them to provide startups with resources and expertise to overcome any legal difficulties they may face.

Legal partners provide guidance on regulatory procedures, compliance needs, and legal frameworks particular to their industry or target market. They actively monitor the newest regulatory changes and developments that may have an influence on companies. This enables Turtle Venture Studio to provide startups with timely information and support, assist them in remaining compliant with changing rules, and guarantee their operations are compliant with regulatory frameworks.

Syed Md. Rakeen: Startups are required to share their equity with Turtle Venture Studio in exchange for guidance and mentorship. How does the valuation and equity allocation process work with the startups you work with?

Saraban Tahura Turin: Turtle Venture Studio's valuation and stock distribution procedures are intended to establish a fair and mutually beneficial partnership between Turtle Venture Studio and the businesses with which we work.

The valuation process starts with a detailed assessment of the startup's potential, which includes its business model, market opportunity, competitive environment, growth prospects, and team capabilities. This evaluation assists us in determining the startup's and its equity's fair value. Turtle Venture Studio and the startup founders work together to allocate equity through open communication and discussion. We understand that stock is a crucial asset for businesses and work hard to find a balance that aligns the interests of all parties involved.

Several variables are considered throughout the stock distribution process, including the startup's stage, growth potential, market conditions, and the specific support and resources that Turtle Venture Studio will provide. We want to make sure that the stock distribution represents the value we contribute to the startup in terms of mentoring, advising, network access, and other sorts of assistance.

Throughout the stock distribution process, transparency and clear communication are critical. We freely disclose the partnership's terms and conditions, share percentages, and expected outcomes. To ensure that entrepreneurs have a clear grasp of the agreement, we urge them to ask questions and seek clarification.

It is worth noting that our equity allocation isn't entirely dependent on monetary reasons. We also consider the impact of our advice, mentoring, and resources on the startup's growth trajectory. Our goal is to form a collaboration in which both sides share the risks and rewards of the startup's journey.

Syed Md. Rakeen: Recently, you and your co-founder, Anwar Sayef Anik, were featured in the Forbes 30 under 30 Asia list for your instrumental social impact, which resulted in assisting entrepreneurs to raise over USD 15 million during initial rounds of funding. How significant has this achievement been for Turtle Venture Studio and for Bangladesh in terms of branding?

Saraban Tahura Turin: Whatever amount they raised, it is only their credibility, honestly. I believe we were privileged enough to be the smallest part of their journey. Their participation in our accelerator and incubator programmes was our way to success too, as we both learned and helped each other in our growth.

Being named on the Forbes 30 Under 30 Asia list for our social impact has been a great achievement for us as Turtle Venture Studio founders. It not only recognises our hard work and passion for making a difference, but it also raises the branding and acceptance of our

venture in Bangladesh and around the world. It demonstrates our dedication to bringing about positive change and assisting entrepreneurs on their journey. The Forbes 30 Under 30 Asia list recognises our efforts to have a meaningful social impact and highlights our ability to make a long-term change in the startup ecosystem. Being included on such a renowned list has greatly improved and enhanced our brand's image, visibility, credibility, and reputation. This allowed us to engage with a larger audience and attract top-tier entrepreneurs, investors, and industry experts. The notoriety on a worldwide platform like Forbes has led to new opportunities and collaborations, allowing us to broaden our reach and influence.

This honour has provided us with a platform to inspire and empower others, to demonstrate the potential of Bangladeshi entrepreneurs, and to contribute to the broader growth and development of the entrepreneurial ecosystem.



CAPITAL MARKET REVIEW

Performance of Equity Markets of Bangladesh and Peer Countries

Bangladesh equity market closed the month of May in positive territory. During the month, the broad index DSEX increased by 1.2%. Blue chip index DS30 declined by -0.2%, whereas Shariah index DSES went up 1.3%, respectively in the month of May.

Among the regional peers, Vietnam reported the highest positive return of 2.5% followed by Pakistan (-0.6%) and Sri Lanka (-4.8%). MSCI Frontier Markets Index performance was negative by 0.3% in May. Over 5-year horizon, Sri Lanka (+33.7%) booked the most encouraging return.

Table 1: Equity market performance of Bangladesh and peer countries

| Indices | Index Points, April 2023 | Return* | | | | | |
|------------------------------------|--------------------------|--------------|--------------|-------------|--------------|-------------|--------------|
| | | 1M | 3M | YTD | 12M | 3Y | 5Y |
| Bangladesh | | | | | | | |
| DSEX | 6,339.7 | 1.2% | 2.0% | 2.1% | -0.8% | 56.1% | 18.6% |
| DS30 | 2,198.0 | -0.2% | -1.0% | 0.1% | -6.5% | 61.0% | 11.3% |
| DSES | 1,377.0 | 1.3% | 1.3% | 1.3% | -1.9% | 44.7% | N/A |
| Peer Countries | | | | | | | |
| Pakistan (KSE 100) | 41,337.8 | -0.6% | 1.6% | 2.3% | -4.0% | 21.8% | -3.5% |
| Sri Lanka (CSE - All Share) | 8,555.2 | -4.8% | 0.6% | 0.6% | 5.5% | 76.5% | 33.7% |
| Vietnam (VNI) | 1,075.2 | 2.5% | 2.6% | 6.8% | -16.8% | 24.4% | 10.7% |
| MSCI Frontier Markets Index | 682.4 | -0.3% | -1.4% | 1.4% | -9.7% | 8.1% | -8.4% |

*All returns are Holding Period Return.

Source: Investing.com, MSCI, DSE

Liquidity Condition in Equity Market of Bangladesh

During May, the total market capitalization escalated by 1.0%. The daily average turnover of May was BDT 8.8 bn (USD 81.8 mn), growing by 53.7% from that of the last month. Turnover velocity which represents overall liquidity of the market stood at 28.6% in May compared to 16.1% of last month. In 2022, turnover velocity of Bangladesh equity market was 30.7%, in comparison to 65.3% in 2021.

Table 2: Market capitalization and turnover statistics

| Particulars | 31-May-23 | 30-Apr-23 | % change |
|---|-----------|-----------|----------|
| Total market capitalization (USD* mn) | 71,409 | 70,668 | 1.0% |
| Total equity market capitalization (USD mn) | 41,607 | 41,086 | 1.3% |
| Total free float market capitalization (USD mn) | 16,294 | 16,080 | 1.3% |
| Daily Avg. Turnover (USD mn) | 81.1 | 52.8 | 53.7% |
| Turnover Velocity~ | 28.6% | 16.1% | N/A |

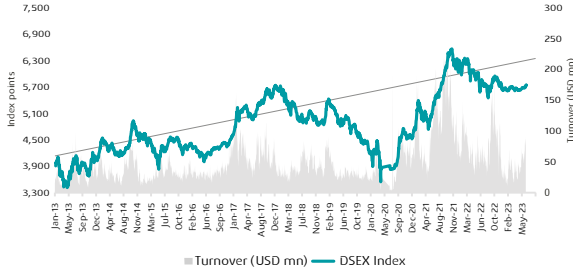
**All USD figures are converted using an exchange rate of 108.35 as of June 06, 2023 as per Bangladesh Bank website.

~-~Turnover velocity is calculated by dividing monthly total turnover with month-end market capitalization. The figures are annualized.

Historical Index Points and Market Participation Data

Since its inception on February 27, 2013, DSEX yielded a holding period return of 56.3% till May 2023. During this period, daily average turnover of the market amounted to BDT 6.8 bn (USD 62.9 mn) (Figure 1).

Figure 1: DSEX since inception along with market turnover



Source: DSE

Market Valuation Level - P/E Ratio

The market P/E increased to 14.52x in May compared to April's 14.36x. It is slightly lower than the 23 years' median market P/E of 15.07x (Figure 2).

Figure 2: Historical market P/E* and its median

Current Market P/E* in Context of History

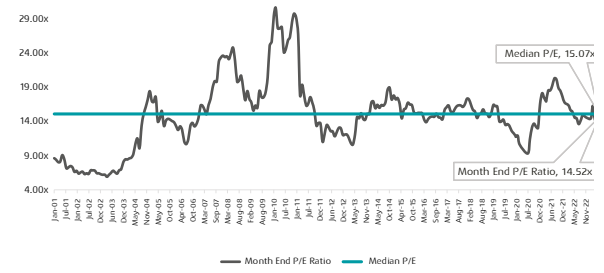


Table 3: Sector performance snapshot

| Sector | Market Capitalization (USD mn) | | Return* | | | | | | P/E (x)** | P/BV (x)^ | Dividend Yield~ |
|-----------------------------|--------------------------------|---------------|-------------|-------------|-------------|--------------|--------------|--------------|-------------|------------|-----------------|
| | Total | Free Float | 1M | 3M | YTD | 12M | 3Y | 5Y | | | |
| Pharmaceuticals & Chemicals | 6,730 | 3,624 | 0.4% | -1.2% | -1.6% | -0.5% | 61.6% | 51.9% | 17.6 | 3.2 | 2.4% |
| Bank | 6,282 | 3,413 | 2.3% | 5.4% | 4.3% | -0.4% | 65.3% | 33.6% | 7.6 | 0.7 | 4.1% |
| Telecommunication | 5,355 | 589 | 0.0% | 0.4% | 3.0% | -2.2% | 45.9% | 1.3% | 16.3 | 6.0 | 5.9% |
| Engineering | 4,883 | 1,064 | 0.7% | 0.5% | 0.9% | -1.9% | 119.6% | 49.9% | 63.7 | 2.5 | 1.6% |
| Fuel & Power | 4,155 | 1,201 | 4.7% | 1.4% | 1.3% | 1.3% | 33.2% | 31.3% | 13.6 | 1.4 | 4.9% |
| Food & Allied | 3,904 | 1,215 | 0.1% | 5.0% | 5.6% | 2.4% | 86.1% | 66.8% | 19.3 | 9.5 | 2.9% |
| Miscellaneous | 2,085 | 853 | 2.3% | 3.3% | 2.3% | -4.2% | 137.5% | 117.1% | 14.1 | 2.5 | 2.2% |
| NBFI | 1,735 | 617 | 1.0% | 2.6% | 1.1% | -3.1% | 52.0% | 6.0% | 52.0 | 2.0 | 1.6% |
| Textile | 1,569 | 900 | 1.3% | 3.8% | -1.7% | -0.4% | 59.0% | 17.6% | 21.2 | 1.1 | 2.4% |
| Cement | 1,154 | 452 | 3.4% | 15.9% | 15.3% | 3.2% | 87.4% | 19.0% | 13.5 | 3.3 | 4.8% |
| Non-life Insurance | 960 | 542 | 15.3% | 16.3% | 12.9% | 3.0% | 144.9% | 175.9% | 18.6 | 2.0 | 2.8% |
| Life Insurance | 751 | 444 | 11.4% | 12.6% | 15.2% | 20.6% | 50.9% | 62.5% | 95.2 | 8.1 | 1.6% |
| Tannery | 316 | 170 | 2.3% | 6.4% | 5.4% | -4.2% | 81.6% | 27.7% | 32.6 | 3.1 | 2.1% |
| IT | 414 | 260 | 3.4% | 9.3% | 13.4% | 39.1% | 136.0% | 113.8% | 25.2 | 3.6 | 1.0% |
| Ceramics | 295 | 119 | 0.9% | -0.5% | 0.2% | 2.7% | 73.7% | 36.7% | 42.1 | 2.1 | 1.7% |
| Travel & Leisure | 486 | 257 | -11.3% | -3.2% | 22.8% | 79.8% | 124.4% | 128.4% | 15.0 | 1.9 | 1.2% |
| Paper & Printing | 397 | 139 | 3.3% | 7.6% | 9.5% | 35.6% | 151.6% | 25.7% | 27.5 | 3.0 | 0.8% |
| Services & Real Estate | 277 | 143 | -5.0% | 7.2% | 13.1% | 26.8% | 140.0% | 77.5% | 24.7 | 1.7 | 3.1% |
| Jute | 36 | 20 | 5.8% | 24.9% | 8.2% | 107.4% | 120.3% | 129.3% | 115.9 | 11.6 | 0.0% |
| Market | 42,470 | 16,294 | 1.2% | 2.0% | 2.1% | -0.8% | 56.1% | 18.6% | 14.7 | 1.8 | 3.1% |

*All returns are Holding Period Return.

**Price Earnings (P/E) Ratio is calculated by dividing total market capitalization of all profit making listed companies with their annualized earnings.

^P/BV is calculated by dividing total market capitalization of listed companies with their respective total book values, excluding companies with negative book values.

~Dividend yield is calculated by dividing last year's declared cash dividend with market capitalization.

Cap Class Performance

During the month of May, all cap classes showed positive performance except Mid cap class (-0.3%). Micro class reported the highest positive return of 8.7% followed by Small class (+7.9%) and Large class (+1.3%), respectively. Large cap was the highest dividend yielding (3.9%) class.

Table 4: Performance of different market cap classes

| Cap Class | Definition based on market capitalization (USD mn) | % of total equity Mcap | Return* | | | | | | P/E (x) | P/BV (x) | Dividend Yield |
|---------------|--|------------------------|-------------|-------------|-------------|--------------|--------------|--------------|-------------|------------|----------------|
| | | | 1M | 3M | YTD | 12M | 3Y | 5Y | | | |
| Large | ≥94 | 76.6% | 1.3% | 2.2% | 2.9% | -1.0% | 95.8% | 62.4% | 14.0 | 1.8 | 3.9% |
| Mid | 28-93 | 12.2% | -0.3% | 0.9% | 3.3% | 6.6% | -13.8% | -26.2% | 20.8 | 1.6 | 2.4% |
| Small | 9-27 | 8.2% | 7.9% | 10.5% | 5.2% | 7.5% | 126.8% | 85.8% | 28.9 | 1.1 | 2.7% |
| Micro | <9 | 3.0% | 8.7% | 19.7% | 11.8% | 24.6% | -74.0% | -82.3% | 31.7 | 1.0 | 2.2% |
| Market | - | 100.0% | 1.2% | 2.0% | 2.1% | -0.8% | 56.1% | 18.6% | 14.7 | 1.8 | 3.1% |

*All returns are Holding Period Return

Performance of 20 Largest Listed Companies in Bangladesh

Among the 20 largest listed companies in terms of market capitalization, LHBL (+9.6%) advanced the most, followed by DUTCHBANGL (+4.3%), BERGERPBL (+3.7%), ISLAMIBANK (+2.4%), BRACBANK (+1.8%) and MARICO 1.2%). On the other hand, UNILEVERCL registered the highest negative return of 0.7% while others remained unchanged.

Majority of these companies yielded outstanding return over longer time horizon (5 years) such as BEACONPHARMA (+1308.7.0%), BEXIMCO (+401.7%), UNILEVERCL (+159.8%), MARICO (+153.5%), DUTCHBANGL (+108.6%) and BXPBARMA (+72.6%).

Among the scripts, GP, UPGDCL, LHBL, SQRPHARMA, BATBC, MARICO and ISLAMIBANK recorded higher dividend yield compared to that of market.

Table 5: Snapshot of 20 largest companies in terms of market capitalization

| DSE Code | Sector | Market Capitalization (USD mn) | | Daily Avg. Turnover (USD mn) | Return* | | | | | | P/E (x) | P/ BV (x) | Dividend Yield |
|------------------------|-----------------------------|--------------------------------|---------------|------------------------------|-------------|-------------|-------------|--------------|--------------|--------------|-------------|------------|----------------|
| | | Total | Free Float | | 1M | 3M | YTD | 12M | 3Y | 5Y | | | |
| GP | Telecommunication | 3,572 | 357 | 0.14 | 0.0% | 0.0% | 3.3% | -3.6% | 30.1% | -10.1% | 12.4 | 13.3 | 7.7% |
| WALTONHIL [^] | Engineering | 2,929 | 29 | 0.00 | 0.0% | 0.0% | 0.0% | -1.2% | N/A | N/A | 95.2 | 4.0 | 1.4% |
| BATBC | Food & Allied | 2,585 | 684 | 0.08 | 0.0% | 1.9% | 1.9% | -2.1% | 92.7% | 61.6% | 15.4 | 8.5 | 3.9% |
| SQURPHARMA | Pharmaceuticals & Chemicals | 1,716 | 1,121 | 0.36 | 0.0% | 0.0% | 0.0% | 1.7% | 27.7% | 1.1% | 9.4 | 2.6 | 4.8% |
| ROBI [^] | Telecommunication | 1,450 | 145 | 0.02 | 0.0% | 2.3% | 2.3% | 4.4% | N/A | N/A | 93.8 | 2.6 | 2.3% |
| RENATA | Pharmaceuticals & Chemicals | 1,379 | 672 | 0.03 | 0.0% | 0.0% | 0.0% | -1.4% | 52.7% | 72.3% | 39.1 | 7.6 | 1.1% |
| UPGDCL | Fuel & Power | 1,250 | 125 | 0.01 | 0.0% | 0.0% | 0.0% | -5.7% | 29.5% | 63.4% | 12.4 | 5.1 | 7.3% |
| BEXIMCO | Miscellaneous | 935 | 625 | 0.95 | 0.0% | 0.0% | 0.0% | -12.1% | 764.1% | 401.7% | 10.1 | 1.7 | 2.6% |
| BERGERPBL | Miscellaneous | 770 | 39 | 0.04 | 3.7% | 4.8% | 4.5% | 4.2% | 45.9% | 56.0% | 30.6 | 11.5 | 2.2% |
| LHBL | Cement | 761 | 273 | 2.01 | 9.6% | 12.1% | 12.1% | 2.7% | 124.0% | 51.7% | 10.8 | 5.3 | 6.8% |
| MARICO | Pharmaceuticals & Chemicals | 704 | 70 | 0.04 | 1.2% | 1.2% | 1.2% | 4.6% | 73.3% | 153.5% | 19.7 | 41.4 | 3.1% |
| ICB | NBFI | 684 | 75 | 0.00 | 0.0% | 0.0% | 0.0% | -8.5% | 44.1% | -5.5% | 113.3 | 7.8 | 0.5% |
| BXPBARMA | Pharmaceuticals & Chemicals | 602 | 421 | 0.10 | 0.0% | 0.0% | 0.0% | -11.6% | 147.3% | 72.6% | 13.5 | 2.1 | 2.4% |
| UNILEVERCL | Food & Allied | 587 | 82 | 0.04 | -0.7% | 16.7% | 16.7% | 17.6% | 67.5% | 159.8% | 78.9 | 56.3 | 0.7% |
| BRACBANK | Bank | 532 | 286 | 0.04 | 1.8% | 1.8% | 1.8% | -4.7% | 57.9% | -22.2% | 10.0 | 1.5 | 1.9% |
| BEACONPHAR | Pharmaceuticals & Chemicals | 522 | 366 | 0.08 | 0.0% | -18.2% | -14.3% | -14.3% | 309.7% | 1308.7% | 71.5 | 19.2 | 0.7% |
| ISLAMIBANK | Bank | 484 | 237 | 0.53 | 2.4% | 0.6% | 1.8% | 4.0% | 118.1% | 61.1% | 23.3 | 0.9 | 3.1% |
| DUTCHBANGL | Bank | 408 | 53 | 0.02 | 4.3% | 4.3% | 4.3% | -0.5% | 70.5% | 108.6% | 8.8 | 1.7 | 2.8% |
| TITASGAS | Fuel & Power | 373 | 93 | 0.00 | 0.0% | 0.0% | 0.0% | 10.0% | 58.4% | 40.5% | 383.4 | 0.6 | 2.4% |
| POWERGRID | Fuel & Power | 345 | 86 | 0.02 | 0.0% | 0.0% | 0.0% | -5.3% | 42.1% | 34.7% | (8.4) | 0.7 | 1.9% |
| Market | | 42,470 | 16,294 | 81.14 | 1.2% | 2.0% | 2.1% | -0.8% | 56.1% | 18.6% | 14.7 | 1.8 | 3.1% |

*All returns are Holding Period Return.

[^]WALTONHIL got listed on February 23, 2020. ROBI got listed on February 24, 2020.

Top Performing Mutual Funds

The top ten open end mutual funds based on 5Y year CAGR outperformed the market, during the same period. Among them, Zenith Annual Income Fund (+21.8%) yielded the highest return. On YTD basis, all these funds outperformed compared to market except Zenith Annual Income Fund, EDGE Bangladesh Mutual Fund, CAPM Unit Fund, Capitec Padma P.F. Shariah Unit Fund and HFAML-ACME Employees' Unit Fund.

Table 6: Top ten open end funds based on 5Y return (CAGR) performance

| Name | Asset Management Company | Fund Size (USD mn) | NAV Return | | |
|--|--------------------------|--------------------|-------------|--------------|--------------|
| | | | YTD 2023 | 2022 | 2018-22 |
| Zenith Annual Income Fund | ZENITH | 0.9 | 2.3% | -1.0% | 21.8% |
| Shanta First Income Unit Fund | SHANTA | 9.6 | 7.8% | -5.3% | 13.5% |
| Vanguard AML Growth Fund** | VANGUARD | 1.3 | 5.4% | -0.3% | 12.1% |
| CAPM Unit Fund | CAPM | 1.2 | -0.4% | 5.6% | 12.0% |
| Credence First Shariah Unit Fund | CREDENCE | 1.1 | 2.5% | 3.2% | 11.5% |
| HFAML-ACME Employees' Unit Fund | HFAML | 1.8 | -5.3% | -0.9% | 11.3% |
| Second ICB Unit Fund | ICB AMCL | 2.2 | 4.3% | -1.6% | 9.4% |
| IDLC Growth Fund | IDLC | 5.0 | 2.5% | -3.8% | 9.1% |
| EDGE Bangladesh Mutual Fund | EDGE | 2.5 | 1.7% | -4.2% | 9.0% |
| Capitec Padma P.F. Shariah Unit Fund | CAPITEC | 3.6 | -4.1% | 10.2% | 8.3% |
| Market (Broad Index) Return (%) | | | 2.4% | -8.1% | -0.1% |

*Based on published NAV and DSEX point of June 01, 2023

All the top ten closed end mutual funds on the basis of 5 years (2018-2022) outperformed the market during the same horizon. Among them 1STPRIMFMF (+8.8%) and CAPMIBBLMF (+8.8%) posted the highest return. On the YTD basis, PF1STMF (+6.0%), ICBEPMF1S1 (+4.6%) and ICBSONALI1 (+4.6%) were the top performers.

Table 7: Top ten close end funds based on 5Y return (CAGR) performance

| DSE Code | Fund Manager | Fund Size (USD mn) | Price ¹ (BDT) | NAV ¹ (BDT) | Price/NAV | Dividend Yield ² (%) | NAV Return ³ | | | | Redemption Year ⁴ |
|---------------|--------------|--------------------|--------------------------|------------------------|-----------|---------------------------------|-------------------------|--------------|--------------|--------------|------------------------------|
| | | | | | | | YTD 2023 | 2022 | 2020-22 | 2018-22 | |
| 1STPRIMFMF | 269.2 | 2.5 | 14.8 | 13.5 | 110.0% | 7.4% | 2.8% | 0.5% | 23.6% | 8.8% | 2029 |
| CAPMIBBLMF | 761.5 | 7.0 | 14.8 | 11.4 | 129.9% | 5.4% | -3.1% | -0.2% | 14.8% | 8.8% | 2027 |
| CAPMBDBLMF | 580.0 | 5.4 | 9.9 | 11.6 | 85.6% | 8.1% | -4.1% | 4.6% | 17.7% | 8.0% | 2027 |
| ICBEPMF1S1 | 726.8 | 6.7 | 7.1 | 9.7 | 73.3% | 7.0% | 4.6% | 0.8% | 25.0% | 7.8% | 2030 |
| PRIME1ICBA | 997.0 | 9.2 | 7.7 | 10.0 | 77.2% | 6.5% | 3.2% | -2.3% | 20.8% | 7.6% | 2030 |
| ICB3RDNRB | 933.0 | 8.6 | 6.5 | 9.3 | 69.7% | 7.7% | 4.1% | -1.1% | 22.7% | 7.0% | 2030 |
| PF1STMF | 585.6 | 5.4 | 10.0 | 9.8 | 102.5% | 5.0% | 6.0% | -4.1% | 21.4% | 6.6% | 2030 |
| ICBAMCL2ND | 521.5 | 4.8 | 8.7 | 10.4 | 83.4% | 6.9% | 3.8% | -0.8% | 22.2% | 6.4% | 2029 |
| ICBSONALI1 | 1,031.0 | 9.5 | 7.8 | 10.3 | 75.7% | 6.4% | 4.6% | -1.1% | 17.1% | 6.1% | 2023 |
| ICBAGRANI1 | 1,065.9 | 9.8 | 9.2 | 10.9 | 84.7% | 9.8% | 3.6% | -1.6% | 17.2% | 5.6% | 2027 |
| Market | | | | | | | 2.4% | -8.1% | 12.0% | -0.1% | |

1 Price as on June 04, 2023 and index value as on June 01, 2023.

2 On last cash dividend declared.

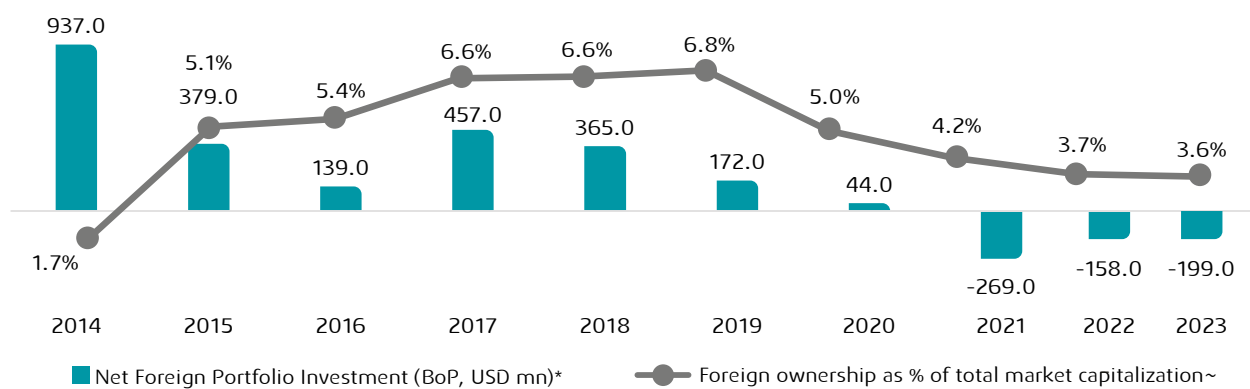
3 CAGR computed for respected periods, except for 2021 and 2022 YTD, adjusted for dividend. YTD returns of funds debuting within the year represent return generated since debut, hence is not directly comparable with return of funds that operated throughout the year.

4 In reference to BSEC Press Release বিএসইকস/মুখপত্র (৩য় খণ্ড)/২০১১/২৫ published on Sep 16, 2018, tenure of existing listed closed end mutual funds can be extended by another tenure equal to maximum 10 years, provided that the full tenure of the subject fund does not exceed 20 years in total. However, the mutual funds those are not willing to extend their tenure will still have the option to convert or wind up as per rules and regulations.

Foreign Participation in Equity Market of Bangladesh

Over last 5 years, Bangladesh equity market has seen a fall of foreign investment. As of April 2023, total foreign ownership stood at 3.6% of the total equity market capitalization, which was only 1.7% in February 2014.

Figure 4: Net foreign portfolio investment and foreign ownership as % of total equity market capitalization



Source: DSE and Bangladesh Bank

~% of foreign ownership of equity market capitalization data are as of December of the respective years.

Among all the companies with foreign ownership, BRACBANK had the highest foreign shareholding of 33.4% as of March 2023, followed by BXPHERMA with 28.9%.

Table 8: Top ten companies with highest foreign shareholding as of March 2023

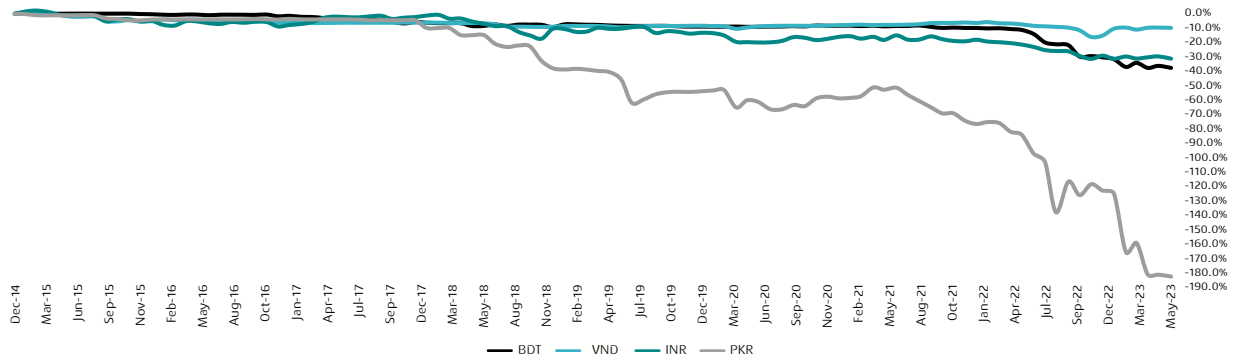
| Ticker | Sector | Foreign Shareholding* |
|------------|-----------------------------|-----------------------|
| BRACBANK | Bank | 33.4% |
| BXPHERMA | Pharmaceuticals & Chemicals | 29.0% |
| NAVANAPHAR | Pharmaceuticals & Chemicals | 27.7% |
| OLYMPIC | Food & Allied | 23.3% |
| RENATA | Pharmaceuticals & Chemicals | 22.7% |
| ISLAMIBANK | Bank | 20.2% |
| DBH | NBFI | 18.2% |
| BSRMLTD | Engineering | 17.3% |
| SQURPHARMA | Pharmaceuticals & Chemicals | 13.2% |
| SHEPHERD | Textile | 9.5% |

Source: DSE

Performance of BDT and Currencies of Peer Countries against USD

BDT depreciated by 37.6% against US Dollar, other currencies of neighbor countries like Vietnamese Dong (VND), Indian Rupee (INR) and Pakistani Rupee (PKR) lost 9.8%, 31.2% and 182.3%, respectively.

Figure 5: Five year's relative performance of BDT and peer currencies



Source: Investing.com

Major Commodity Price Movement

Among the major commodities, crude oil witnessed correction of 10.1% in May followed by aluminum (-3.2%), wheat (-2.8%) and cotton (-1.2%). Over last 5 years, wheat price hiked the most by 72.0% followed by crude oil (+0.9%), cotton (-0.5%) and aluminum (-1.4%).

Table 9: Major Commodity Price Movement

| | Price Change (%) | | | | | |
|-----------|------------------|-------|-------|--------|--------|-------|
| | 1M | 3M | YTD | 12M | 3Y | 5Y |
| Crude oil | -10.1% | -3.1% | -5.1% | -32.7% | 144.0% | 0.9% |
| Wheat | -2.8% | -0.6% | -4.8% | -29.6% | 78.7% | 72.0% |
| Cotton | -1.2% | -1.4% | -6.8% | -42.6% | 43.2% | -0.5% |
| Aluminum | -3.2% | -1.2% | -5.5% | -19.8% | 54.7% | -1.4% |

*Source: World Bank Pink Sheet





এখন যেকোনো প্রয়োজনে

টাকা জমবে, বাড়বে নিরাপদে

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বিস্তারিত: আইডিএলসি- কল ১৬৪০৯ বা ডিজিট idlc.com | বিকাশ- কল ১৬২৪৭ বা ডিজিট bkash.com