

Volume 20 | Issue 12 | December 2024

IDLC MONTHLY

# BUSINESS REVIEW

**Tourism Industry in Bangladesh:  
Unlocking Untapped Potential  
Amid Challenges**





Proud to Achieve  
**Bangladesh's Highest ESG Score**  
in Sustainability by **Bloomberg**

Our commitment to sustainability reflects our belief  
that doing good today secures a better tomorrow

# contents



03

Economy at a Glance

---

04

Month in Brief

---

05

For the Record

---

06

World Economic  
Indicator

---

07

Banking Data Corner

---

08-10

Spotlight on Startup  
Homefectionery



11-16

Cover Story

**Tourism Industry in  
Bangladesh: Unlocking  
Untapped Potential Amid  
Challenges**

Bangladesh, a country endowed with beautiful natural surroundings, enriched culture, and a burgeoning tourism industry, stands on the verge of a transformation. Once thought to be a minor industry, tourism is now steadily becoming a major catalyst in Bangladesh's economic expansion. Due to many government initiatives, developing infrastructure, people's increasing disposable income and interest, the country is slowly becoming more well-known on the international tourism map.



17-22

Expert Opinion on  
Cover Story

**Dr. Santus Kumar Deb**  
Ex-Chairman and Professor,  
Department of Tourism and  
Hospitality Management, University  
of Dhaka

---

23-26

Exclusive Feature

**Aviation Industry in Bangladesh:  
Flying towards New Horizons**

---

27-31

Womentrepreneur

**Krishi Shwapno**

---

32-36

Capital Market Review



### Tourism Industry in Bangladesh: Unlocking Untapped Potential Amid Challenges

Bangladesh's tourism sector is gradually emerging as a key contributor to economic growth. With a projected cumulative annual growth rate of more than 4.8% from 2024 to 2034, Bangladesh is steadily gaining recognition with regard to tourism. The country's rich natural beauty, vibrant culture, and growing industries have attracted increasing numbers of local and foreign tourists, creating significant opportunities. Currently, about five million people are employed in the sector, with another two million jobs expected by 2030, according to UNDP projections.

However, the industry faces numerous challenges. Bangladesh ranked 109th out of 119 economies in the Travel and Tourism Development Index 2024, reflecting underdevelopment. Issues such as poor infrastructure, inadequate funding, weak preservation systems, and insufficient marketing hinder progress. Security concerns, lack of recreational facilities, and resource constraints further limit growth. Additionally, religious conservatism and a lack of coherent strategies stifle innovation in the sector.

Despite these challenges, the potential for growth remains immense. With strategic public-private collaboration, enhanced infrastructure, and robust marketing, Bangladesh can transform into a global tourist hotspot. Strengthening safety measures and enforcing laws will ensure sustainable growth. Addressing these gaps can unlock the full potential of the tourism sector, positioning Bangladesh as a must-visit destination on the world map.

**Md. Shah Jalal**

Editor

IDLC Monthly Business Review

---

## INDUSTRY & EQUITY ANALYSIS TEAM

**ASIF SAAD BIN SHAMS**

Email: shams@idlc.com

**MD. ARIFUR RAHMAN**

Email: rarifur@idlc.com

**MD. SHAH JALAL**

Email: mjalal@idlc.com

**AKHLAQUR RAHMAN SACHEE**

Email: akhlaqur@idlc.com

**SUMAIYA TARANNUM SUJANA**

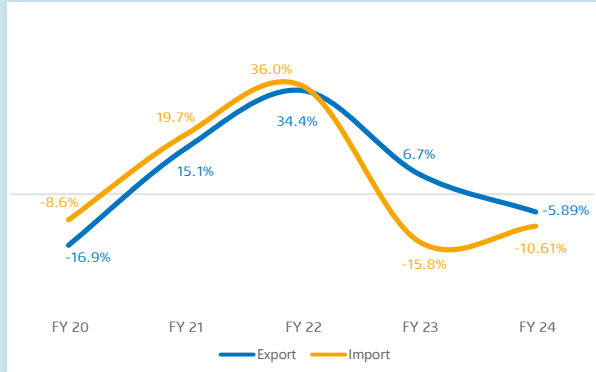
Email: sujana@idlc.com



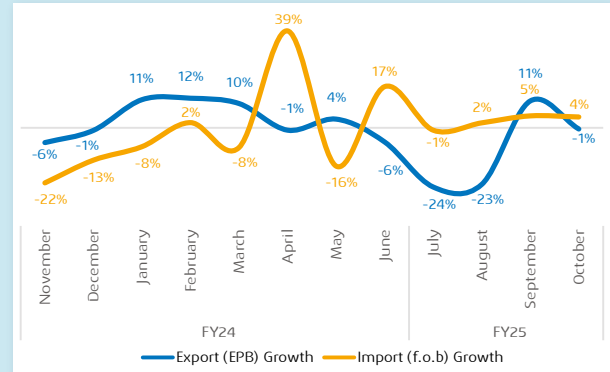
# ECONOMY AT A GLANCE

## EXPORT-IMPORT

Growth in Export-Import Trade (Last 5 Years)

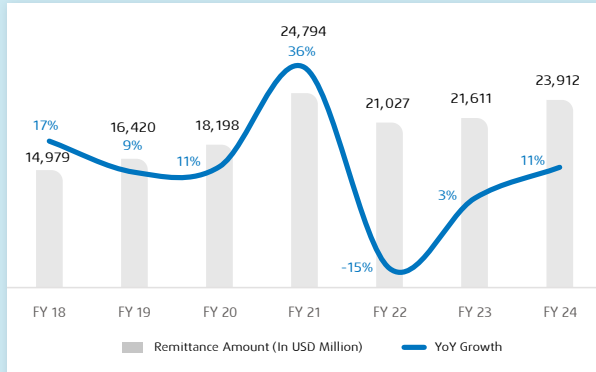


Export and Import Growth (Last 12 Months)

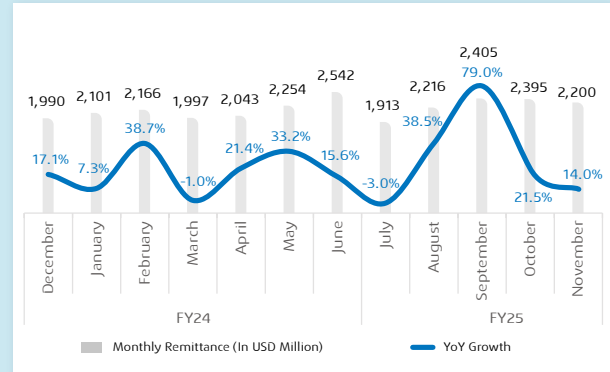


## REMITTANCE

Remittance Amount (In USD Million and YoY Growth)

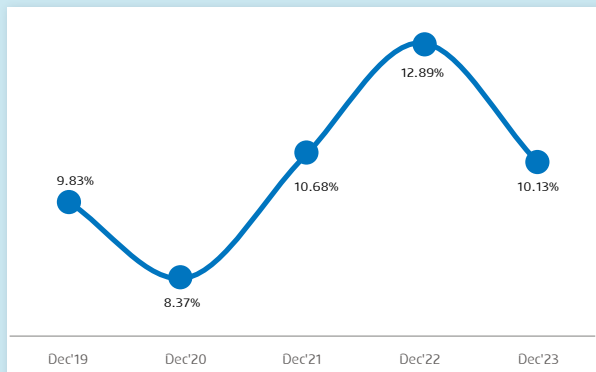


Monthly Remittances (In USD Million and YoY Growth)

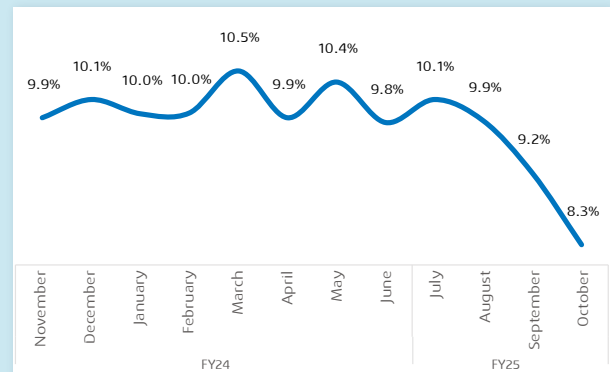


## PRIVATE SECTOR CREDIT GROWTH

Private Sector Credit Growth (Last 5 Years)



Private Sector Credit Growth (Last 12 Months)



Source: Bangladesh Bank



## ■ MONTH IN BRIEF

---

● As per a notification issued by the Bangladesh Bank on October 31, 2024, the spread of the two-way price quoting of primary dealer (PD) banks has been lowered to **a maximum of 80 basis points on all tenors of the government securities from the previous 120 basis points approximately.**

● **The interest rate cap on Resident Foreign Currency Deposit (RFCD) accounts has been lifted, enabling banks** to determine their own rates, according to the central bank's notification issued on October 31, 2024.

● According to the Bangladesh Bank's Agent Banking Statistics for April-June 2024, the number of women in Bangladesh who use **agent banks for loans and deposits increased by 17.31% and 16.58%, respectively, by the end of June 2024 from June 2023.**

● **As per a press release by the Internal Resources Division on November 03, 2024, the government has eliminated the highest investment limit of the wage earner bond to encourage non-resident Bangladeshis to send more foreign currencies to Bangladesh.**

● In September 2024, non-performing loans in the banking sector, which make up around **17% of total outstanding loans, reached a record high of BDT 284,977 crore, as per the central bank data.**

● **The long-term rating of Bangladesh has been downgraded from 'stable' to 'negative' by Moody's Ratings on November 18, 2024.**

● Every year, Bangladesh is losing **USD 355 million in taxes due to outward profit shifting by the corporates, notably by MNCs, and abuses by wealthy people, primarily in tax havens.**

● In a report published by the **SME Foundation, 57% of the SMEs surveyed said that the primary barrier to conducting business legally was the current tax structure.**



THE CURRENT ACCOUNT BALANCE HAS ALREADY TURNED POSITIVE AND WE HOPE THAT THE FINANCIAL ACCOUNT WILL ALSO BE IN THE POSITIVE TERRITORY IN THE COMING MONTHS.

Mirza Elias Uddin Ahmed, Managing Director and CEO, Jamuna Bank, on the impact of rising remittance inflow on Bangladesh's foreign exchange reserves. (November 4, 2024. The Daily Star.)

Now is the time to examine the tax exemption and scrutinise it to raise the tax-GDP ratio. But the tax authority has taken the opposite stand. The government could keep the rate unchanged.

MA Razzaque, Research Director, Policy Research Institute of Bangladesh, on NBR's decision to lower the tax rate on the capital gains over BDT 50 lakhs to 15% from previous tax rate of 30%. (November 5, 2024. The Daily Star.)

As the disbursement has increased, we have revised the limit to assist the government to meet the SDGs and Nationally Determined Contribution targets.

Chowdhury Liakat Ali, Director, Sustainable Finance Department, Bangladesh Bank, on Bangladesh Bank's decision to revise lending target of banks to 40% of their net outstanding loans to eco-friendly sectors from 2025. (November 7, 2024. The Daily Star.)

If the conventional banks are allowed to do Islamic banking, then there will not be a level playing field as the Islamic banks do not have the opportunity to do conventional banking.

Mohammad Shahriar Siddiqui, Head of the Committee drafting "Islami Bank Company Act-2024", on the decision to separate Islamic banking and conventional banking. (November 10, 2024. The Daily Star.)

We analysed many countries, including the UK, the USA and Thailand. No country has decreased inflation in less than 12 months. We need at least eight more months to bring it down to 5-6 percent.

Dr. Ahsan H Mansur, Governor, Bangladesh Bank, on the decision to tighten monetary policy for reducing inflationary pressures. (November 12, 2024. The Daily Star.)

After a prolonged period of suffering since the pandemic, the leather footwear sector has started to regain its pre-pandemic export trend as new orders are coming from the USA and Japan

Nasir Khan, Chairman and Managing Director, Jennys Shoes, on Bangladesh's leather footwear exports hitting a 5-year record high in Jul-Oct 2024. (November 18, 2024. The Daily Star.)

Fifteen years ago, the energy sectors of our competitor nations were similar to ours. Today, they are far ahead, leaving us struggling to catch up. We've lost significant ground.

Selim Raihan, Executive Director, South Asian Network on Economic Modeling, on fluctuating fuel prices posing threat to the macroeconomic stability of Bangladesh. (November 24, 2024. The Business Standard.)

In 2016-17, China controlled about 98% of the global toy market, but now they are gradually exiting this industry. If we adopt the right policies, Bangladesh could potentially export \$10 billion from this sector.

Dr Mashrur Reaz, Founder and Chairman, Policy Exchange of Bangladesh, on toy market's potential to become Bangladesh's second-largest foreign currency earner after RMG sector. (November 28, 2024. The Business Standard.)

The tight loan classification may increase the default loan rate to 25% in the coming months, but it will expose the real scenario of the financial sector's health.

Ahsan H Mansur, Governor, Bangladesh Bank, on Bangladesh Bank's decision to strengthen the loan classification rule in line with international best practices. (November 30, 2024. The Business Standard.)



## WORLD ECONOMIC INDICATOR

Country	Nominal GDP: 2023 (In USD Billion)	Real GDP Growth: 2023 (Yearly % Change)	Inflation Point to Point (%)		Current Account Balance: (% of GDP)	Interest Rates (%), Ten Years Treasury Bond	Currency Units (per USD)
Frontier Markets							
Sri Lanka	74.85	-7.82	-2.10	Nov-24	-0.99	12.20	289.69
Vietnam	433.70	5.05	2.77	Nov-24	5.12	2.96	25,405.02
Kenya	108.92	5.51	2.80	Nov-24	-3.94	14.56	129.02
Nigeria	374.95	2.86	33.88	Oct-24	0.32	21.21	1,544.70
Bangladesh	446.35	6.03	11.38	Nov-24	-0.75	12.57	120.00
Emerging Markets							
Brazil	2,173.67	2.91	4.87	Nov-24	-1.32	13.86	6.04
Saudi Arabia	1,067.58	-0.76	1.90	Oct-24	3.94	N/A	3.76
India	3,572.08	7.83	5.48	Nov-24	-1.21	6.73	84.81
Indonesia	1,371.17	5.05	1.55	Nov-24	-0.11	7.04	16,032.45
Malaysia	415.57	3.68	1.90	Oct-24	1.20	3.82	4.45
Philippines	436.62	5.57	2.50	Nov-24	-2.57	5.86	58.64
Turkey	1,108.45	4.52	47.09	Nov-24	-4.07	28.33	34.95
Thailand	514.95	1.87	0.95	Nov-24	1.28	2.30	34.14
China	17,662.04	5.24	0.20	Nov-24	1.50	1.78	7.28
Russia	1,997.03	3.59	8.90	Nov-24	2.53	15.12	103.26
Developed Markets							
France	3,031.78	0.87	1.30	Nov-24	-0.75	3.03	0.95
Germany	4,457.37	-0.31	2.20	Nov-24	6.80	2.25	0.95
Italy	2,255.50	0.92	1.40	Nov-24	0.16	3.39	0.95
Spain	1,581.15	2.50	2.40	Nov-24	2.60	2.92	0.95
Hong Kong	376.97	3.22	1.40	Oct-24	9.40	3.41	7.78
Singapore	501.43	1.08	1.40	Oct-24	19.77	2.75	1.35
United States	27,357.83	2.53	2.70	Nov-24	-2.97	4.40	1.00
Denmark	405.20	1.81	1.60	Nov-24	10.90	1.94	7.10
Netherlands	1,117.10	0.09	4.00	Nov-24	10.17	2.47	0.95
Australia	1,741.88	2.06	2.80	Sep-24	1.22	4.31	1.57
Switzerland	885.14	0.76	0.70	Nov-24	7.64	0.23	0.89
United Kingdom	3,344.74	0.15	2.30	Oct-24	-2.20	4.41	0.79

**Bangladesh Data:** Interest Rate of 10 Years Treasury Bond As Per November 2024, Inflation As Per November 2024, and Currency Unit (Per USD) As Per 11th December 2024 are sourced from Bangladesh Bank.

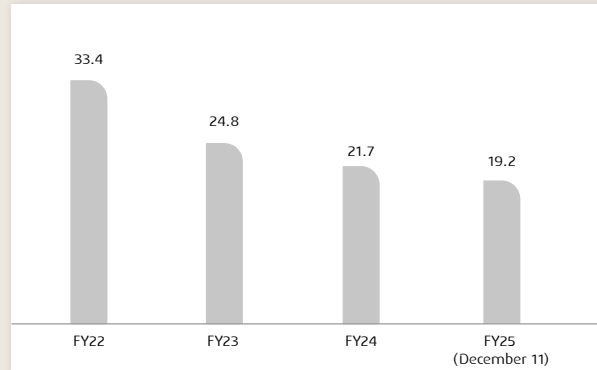
**Nominal GDP, Real GDP Growth, and Current Account Balance:** Data of all countries are sourced from the IMF World Economic Outlook April 2024.

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

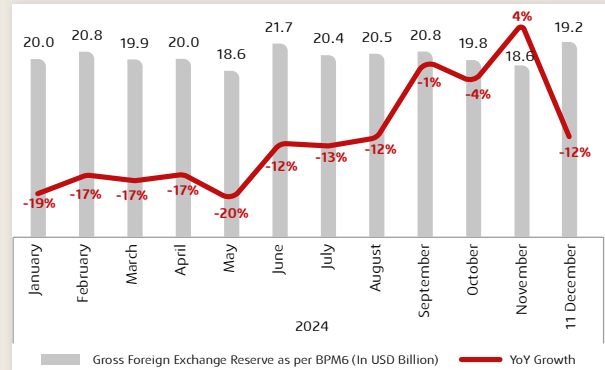
**Interest Rate of 10 Years Treasury Bond and Currency Unit:** Data of all countries apart from Bangladesh are sourced from investing.com.

# BANKING DATA CORNER

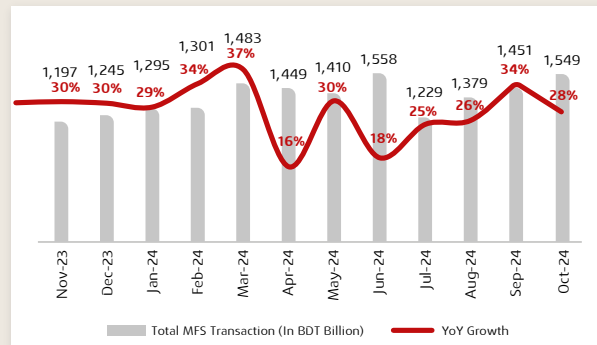
**Gross Foreign Exchange Reserve as per BPM6**  
(In USD Billion and Last 2 Years)



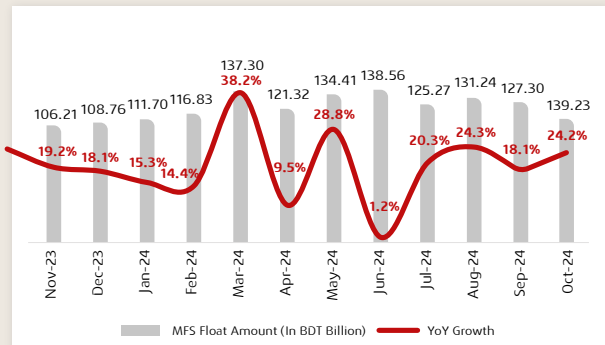
**Gross Foreign Exchange Reserve as per BPM6**  
(In USD Billion and Last 12 Months Trend)



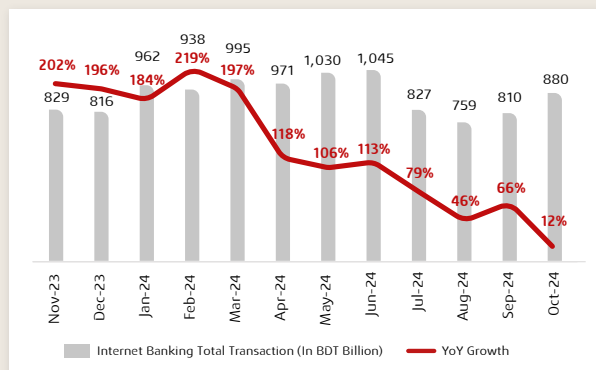
**MFS Total Transaction Value**  
(In BDT Billion and YoY Growth)



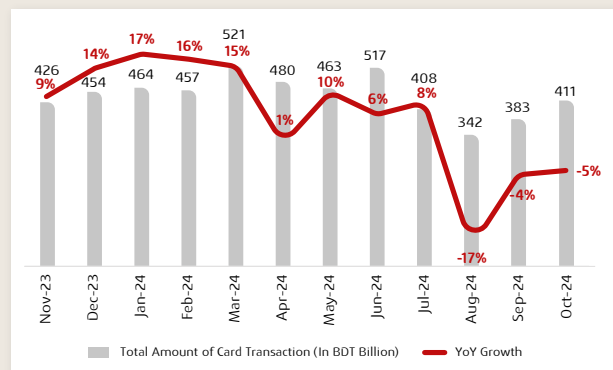
**MFS Float Amount**  
(In BDT Billion and YoY Growth)



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



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



Source: Bangladesh Bank



# Homefectionery



## Md. Umayer Islam

Founder and CEO, Homefectionery

Interviewed By

Sumaiya Tarannum Sujana, Team MBR

*Homefectionery is a startup that promises both quality and affordability in the office lunch market, where it can be difficult to find options that fulfil both. Officegoers can sign up for inexpensive, healthy lunches prepared by Homefectionery chefs. In their private kitchens, the startup prepares diversified meal options to replace the monotonous lunch menus. Currently, they deliver meals under different categories such as standard, diet, premium, etc., to all the major office areas. Team MBR was in a conversation with the founder and CEO of Homefectionery, Mr. Umayer Islam, and had the opportunity to learn about his motivations behind forming the startup and his ambitions surrounding Homefectionery.*

**Sumaiya Tarannum Sujana: Homefectionery, the largest subscription network for office lunches in Bangladesh, has distinguished itself as a unique startup by offering both affordable and quality lunch options to the officegoers. Would you kindly share with us what inspired you to form Homefectionery?**

**Md. Umayer Islam:** Homefectionery is a company that was born to solve the country's unemployment problem. Puzzled?

I started this journey to solve the unemployment problem and then built the office lunch subscription model. This was designed during the breakout of the COVID-19 pandemic while breadwinners lost jobs in the blink of an eye.

Then I went back to the whiteboard to figure out a few questions.

- What business can empower a large population without displacing them from their roots?
- What do people need every day?
- What existing skill set does manpower have as a preset?
- What service has organic demand as a mass?

These questions slowly turned towards 'office-lunch-subscription,' and the journey has taken us where we are today.

**Sumaiya Tarannum Sujana: In the areas where most of the corporate offices are located, there are other daily and monthly subscription-based lunch delivery services. May we know how Homefectionery has distinguished itself from others?**

**Md. Umayer Islam:** From the very beginning, Homefectionery started solving individual lunch problems with zero long-term commitments. If you look at the existing service providers, they only serve you once you are a team of 5-10 people with monthly commitments!

Imagine you are someone working in a team like this and do not like existing service or do not have the luxury of bringing a home-cooked lunch box while walking into the office early in the morning. We remained focused on individual customers, which slowly turned small teams into switching existing services, and now we are already serving major corporates in our delivery area. In addition, now we serve non-repetitive menus throughout the month and multiple lunch box options, including diet and fusion boxes, which themselves are a unique proposition in terms of office lunch subscriptions.

**Sumaiya Tarannum Sujana:** Homefectionery crafts its menu keeping in mind the preferences and the budgets of its target customers. Would you please share with us the various options you offer for lunch at different price points and the strategies you follow in crafting the menu?

**Md. Umayer Islam:** The moment someone walks into the office, they need to solve tonnes of problems. We have taken out the 'lunch box' problem from the list! How?

We design each plate in a way so that the consumer has balanced food in each box, including vegetables and protein. On any given day, we offer 9 different menus to pick from. Everyone has something to fill in their lunch need. We serve four different categories every day: standard, diet, fusion, and premium lunch box. Price ranges from BDT 120 to BDT 350, plus all foods are inclusive of a free delivery service. In addition, corporate lunch deals have additional lunch menus to choose from.

**Sumaiya Tarannum Sujana:** Since Homefectionery delivers lunches to the officegoers at their doorsteps, logistics support is essential to its operations. Would you please explain to us how Homefectionery handles this aspect of the business?

**Md. Umayer Islam:** While we were solving this problem as a whole, 'logistics' was one critical point to succeed as a business. Our community-centric approach helped us solve this early stage. We offered free lunch plus some cash for riders who barely had any work during lunch hours. They started to drop food for us in exchange for a lunch box for themselves. This went viral through word of mouth among the rider community. Now we have built a pool of riders who earn decent returns for 90 minutes of lunch-hour food dropping for us, plus a free lunch box to have at least one decent meal every day.

**Sumaiya Tarannum Sujana:** B2B agreements with corporate houses for providing lunches to their employees can be a good addition to your business verticals. May we know if you have explored this area or have any plan to do so?

**Md. Umayer Islam:** We already serve major corporate houses in our delivery range. Even though we started with individual servings, our current data shows that 55% of our daily drops are for corporate offices with long-term commitments.

**Sumaiya Tarannum Sujana:** With a projected compound annual growth rate of 17.32% from 2024 to 2029, the food delivery services in Bangladesh are all set to boom in the near future. May we know about your future plans regarding the diversification of the offerings, expansion of geographical coverage, etc., to expand your business?

**Md. Umayer Islam:** We are excited about the growth prospects in the food delivery sector and have several plans to expand our business.

হোমফেকশনারী



We aim to diversify our offerings by introducing new meal plans, including breakfast and dinner options, as well as catering services for events.

Right now, our service is limited to a few areas in the city. From January 2025, we are expanding to Dhanmondi and Uttara. By mid-2025, our service will be available throughout Dhaka city through franchise kitchens. In addition, we are eyeing major expansion to cities outside Dhaka by early next year. Our plan is to drop 100,000 lunch boxes daily by the end of 2025, which is still a tiny dot in the large lunch space.

**Sumaiya Tarannum Sujana: Building a business, specifically in the food niche, often comes with hurdles—from sourcing ingredients to delivering to the consumers successfully. Would you please share with us the challenges you have faced and how you have navigated such challenges?**

**Md. Umayer Islam:** We are the first company in office lunch space in Bangladesh with a standard customer support unit, where you can reach back and simply say, 'I need more salt in my curry!'. This might sound silly, but this is the reality. There is no second service provider where you have access to a support team round the clock to dial back, share your suggestion, and then see that single input changing the service just the next morning.

We publicly admit that we are new to this, but we are desperate listeners and always a message away from our customers. We listen, learn, plan, and then prepare a better dish the next day to see happy faces. This one single approach helped us grow from a storyboard to the country's largest lunch subscription platform.

**Sumaiya Tarannum Sujana: To scale up your business, you may need the support of the investors at some point in time, though you have grown Homefectionery with your own money mostly. May we know if you have any plan regarding fundraising in the near future?**

**Md. Umayer Islam:** Homefectionery is a venture-backed business. We raised our pre-seed round from Iterative, USA, last year. Right now, we are an EBITDA-positive business. For expansion, we are raising another small round early next year; most of it has already been promised by international ventures. If everything runs as planned, we are on a growth track to hit a USD 50m valuation by the end of 2025.

The reality is that big players are eyeing Bangladesh's food market space, but they want a stable vassal to step in. We are working closely with our local and international advisors to build a sustainable business to open the door for future startups stepping into this space.



# TOURISM INDUSTRY IN BANGLADESH:

## UNLOCKING UNTAPPED POTENTIAL AMID CHALLENGES



---

Written By  
**Sumaiya Tarannum Sujana**

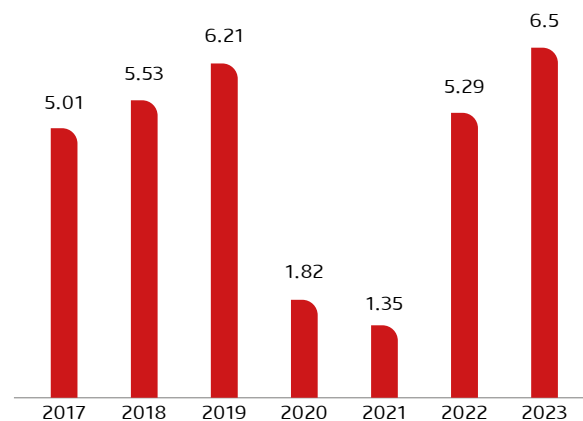


Bangladesh, a country endowed with beautiful natural surroundings, enriched culture, and a burgeoning tourism industry, stands on the verge of a transformation. Once thought to be a minor industry, tourism is now steadily becoming a major catalyst in Bangladesh's economic expansion. Due to many government initiatives, developing infrastructure, people's increasing disposable income and interest, the country is slowly becoming more well-known on the international tourism map. Nevertheless, our tourism industry continues to receive little government attention, even though its GDP contribution is increasing. In 2023, the tourist industry's share in the nation's GDP increased by an astounding 10.6% from the previous year, according to WTTC. Despite this rising potential, the allocated budget to tourism for FY 2024-25 is about BDT 655 crore less than the previous year's allocated budget. Considering the contribution of tourism, this sector definitely deserves more budget allocation and attention from all the stakeholders.

### Landscape of Tourism Industry in Bangladesh

Bangladesh's tourist spots are no longer a hidden gem. Both domestic and foreign visitor arrivals have steadily increased in the country during the past few years. Travel has changed in frequency and volume as a societal phenomenon. According to data, there were more than 2 crore domestic visitors to Bangladesh in 2022 as opposed to just 1 crore in 2021. In addition, the number of international tourists to Bangladesh in 2023 increased by 23% over 2022 and surpassed the pre-Covid figure. As per Bangladesh Bank, the export revenues for travel-related services increased by 66.20% to BDT 3,079 crore in FY22 from BDT 1,853 core in FY21. The Bangladesh Tourism Board (BTB) has reported that in 2023, the nation welcomed about 6.5 lakh foreign passport holders.

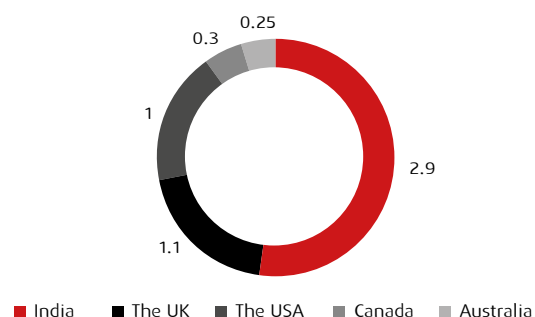
**Figure 1: Number of Inbound Tourists in Bangladesh (in lakh)**



Source: Bangladesh Tourism Board

Among all the inbound tourists who have visited Bangladesh in the last year, the lion share of the tourists came from India.

**Figure 2: Proportion of Inbound Tourists of Top 5 Source Countries (in lakh)**



Source: Bangladesh Tourism Board

Bangladesh is home to a variety of natural beauties, including Sundarbans, the world's biggest mangrove forest; tranquil beaches of Cox's Bazar, the world's longest sea beach; and the charming hill tracts in the Chittagong Hill Districts. St. Martins Island, beaches like Kuakata and Patenga, natural tourism destinations like Jajlong, Ratargul, and Sreemangal, historical sites like Lalbagh Fort, Lalmai, Mainamati, and Ahsan Manzil, and more can all be found in Bangladesh.

The nation's rich cultural heritage, which includes folk music, art, dance, and food, enhances its allure for tourists.

Figure 3: Some of the Famous Tourist Spots in Bangladesh



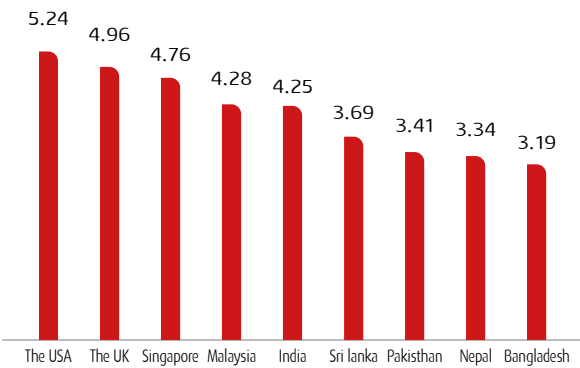
However, from a global perspective, our tourism industry is still very much underdeveloped. Due to issues like poor infrastructure, insufficient marketing, safety concerns etc., Bangladesh is surpassed by its regional neighbors when it comes to tourism rankings. In contrast to its South Asian competitors, such as India, Nepal, and Sri Lanka, Bangladesh's tourism sector is still undervalued despite its encouraging potentials. Bangladesh came in bottom place among the 19 Asia-Pacific nations evaluated in a World Economic Forum travel and tourism study, ranking 109th out of 119 economies in the Travel and Tourism Development Index 2024. Bangladesh had the lowest score (3.19 out of 7) of the five South-Asian nations evaluated in the rating. This depicts Bangladesh lagging behind most of the countries in the context of tourism industry.

Table 1: Contribution of Tourism in Different Aspects

	2019	2023	2024 (Expected)	2034 (Forecasted)
GDP Contribution	USD 8.1 Billion (2.4%)	USD 9.5 Billion (2.3%)	USD 10.2 Billion (2.3%)	USD 16.7 Billion (2.4%)
Employment Opportunities	1.74 Million (2.6%)	2.14 Million (3%)	2.18 Million (3%)	2.50 Million (3.1%)
Foreign Visitor Spending	USD 326.8 Million	USD 401.5 Million	USD 414 Million	USD 612.5 Million
Domestic Visitor Spending	USD 6.9 Billion	USD 7.9 Billion	USD 8.6 Billion	USD 14.1 Billion

Source: World Travel and Tourism Council

Figure 4: Travel & Tourism Development Index 2024



Source: Bangladesh Tourism Board

Despite these obstacles, significant government investment and private sector zeal have been laying the groundwork for a growing tourism industry in Bangladesh.

Economic Offerings of Tourism

Bangladesh's tourism industry is contributing more to the country's GDP each year, albeit slowly. With a compound annual growth rate (CAGR) of about 5.5%, the global tourism market is expected to reach a value of approximately USD 18.44 trillion by 2032, up from USD 11.39 trillion in 2023. In Bangladesh, the tourism industry is expected to grow at a CAGR of above 4.8% between 2024 and 2034. If we compare the present performance of our tourism industry with that of the pre-pandemic period, we can see improvements in various aspects, like- GDP contribution, employment creation, tourist expenditures etc.



Here, it can be seen that although tourism holds a small fraction of contribution in Bangladesh's GDP, the industry's contribution in GDP, creation of employment opportunities, and tourism-related expenditures are enhancing with time. With proper initiatives, the industry definitely has the potential to flourish as a major contributor to our GDP. Promoting tourism will aid in the value creation of several of its supporting industries too. A 2020 study by the Bangladesh Bureau of Statistics (BBS) has revealed the proportion of direct gross value addition in several sectors by tourism.

**Table 2: Tourism Direct Gross Value Added (TDGVA)**

Services/Products	GVA Percentage Share (%)
Accommodation Services	7
Food & beverage	3.5
Railway Transport	0.5
Road Passenger Transport Services	22.4
Water Passenger Transport Services	0.8
Air Passenger Transport Services	1.4
Transport Equipment Rental Services	1.4
Travel Agencies & Other Reservation Services	2.3
Cultural Services	1.8
Sports & Recreational Services	8.9
Health-related Services	13
RMG & Footwear	12.1
Processed Food	2.8
Tobacco Products	0.2
Non-specific Products	13.3
Others	8.7

**Source: BBS**

From the data, it can be noticed that road transport services, non-specific products and RMG & footwear avail comparatively more gross value from tourism. Thus, tourism industry as a whole can facilitate the overall value addition in our economy.

### Prospects for Tourism in Bangladesh

The tourism industry in Bangladesh has extremely promising prospects. There are numerous opportunities to capitalize on the potential of tourism in Bangladesh.

**Figure 5: Potential Growth Drivers of Tourism in Bangladesh**



**Source: Author's Design**

### Splendid Natural Beauty

The natural beauty of Bangladesh is one of its biggest perks. Cox's Bazar is the most well-known of these natural beauties. With a total length of 120 kilometers, it has enormous potential to lead in coastal tourism. The Sundarbans, a UNESCO World Heritage Site renowned for its biodiversity and the Royal Bengal tigers that wander its mangrove forests, is another noteworthy spot. Sundarbans has a lot of promise for tourism, particularly in light of the growing demand for sustainable tourism worldwide. Sylhet, Bandarban, Rangamati etc. can also develop into popular destinations for hiking, camping, ecotourism, and cultural immersion.

### Diverse Culture

Bangladesh is well-known for its rich cultural traditions, which include folk music, dance, fairs, festivals, and a wide variety of cuisine. The nation hosts a number of festivals all year long, including Pahela Boishakh, Pahela Falgun, Eid, Durga Puja etc., which can be a promoting point for tourism.

### Development of Economic Zones

Developing the proposed three tourism parks at Cox's Bazar can provide a greater boost to our

tourism. These facilities are expected to raise Bangladesh's position on the tourism index to 99th position.

### Rising Businesses

With the rising number of MNCs, investments and businesses set up in Bangladesh by foreigners, the potential for attracting more inbound tourists is rising. The estimate of foreigners working here is around 0.5 to 1 million.

### MICE & Medical Tourism

MICE (Meetings, Incentives, Conferences, and Exhibitions) tourism has a lot of potential in Bangladesh as Dhaka is becoming more popular as a MICE destination in South-East Asia. In Bangladesh, government agencies, trade associations, and well-known international organizers host different MICE events, which usually draw thousands of foreign visitors. Bangladesh has the potential to draw medical tourists from neighboring nations as well because of its reasonably priced healthcare, quality facilities, and increasing number of specialized hospitals.

### Expanding Domestic Aviation

With a CAGR of 8.5% between 2019 and 2024, Bangladesh's expanding aviation sector presents significant tourism prospects.

### Growing Number of OTAs

Increasing number of Online Travel Agencies (OTAs) in Bangladesh is not only enhancing the tourism experience but also they are catalyzing the growth of the tourism industry. According to industry insiders, in the upcoming years, approximately one-third of Bangladesh's \$7 billion travel market would be made online. At the moment, the percentage is somewhere between 10%-35%.

### Challenges Faced by the Industry

Despite the promising scenario, numerous challenges have been obstructing the growth of Bangladesh's tourism industry.

**Figure 6: Challenges Faced by Tourism Industry in Bangladesh**



Source: Author's Design

Inadequate infrastructure is the biggest issue facing Bangladesh's tourism industry. Despite tremendous urban development in Dhaka and other major cities, the infrastructure needed to handle a surge of foreign visitors is still insufficient. It can be challenging for travelers to reach more remote tourist spots like- Bandarban, Sylhet etc. because many roads are frequently clogged and badly maintained. Bangladesh's airports are also having trouble keeping up with the growing volume of both local and foreign travelers. The road, rail, water, and airport transportation systems are still far from meeting worldwide standards. Hence, the ease of accessibility continues to be a major obstacle for visitors. Low budget allocation is another major challenge. The Ministry of Civil Aviation and Tourism has been provided BDT 5,695 crore in the FY 2024–25 budget, which is BDT 655 crore less than the budget for FY 2023–2024. Also, there are very limited amusement facilities for foreign tourists, like- luxury hotels, resorts, parks, theatres, zoos, bars, clubs etc. in Bangladesh which is a major barrier. In 2022, almost 97.5% of the total tourists in Bangladesh were domestic and only 2.5% tourists were foreigners.

Insufficient security is also a major obstacle in our tourism industry. Due to safety concerns, locals

let alone foreign tourists, especially females, fear to roam freely everywhere. According to a study, women only make up 14.06% of the tourist sector in Bangladesh, compared to 68.7% in Vietnam, 60.3% in Nepal, and 35.5% in Sri Lanka.

Another challenge facing our tourism sector is the absence of branding and marketing initiatives. There are very few promotional activities for our tourism sector. The need for improved tourism destination preservation is another urgent issue. Increasing number of tourists frequently causes environmental damage, and a lack of sustainable waste management techniques makes it much harder to maintain the area's natural beauty. Alongside, lack of reliable information sources and insufficient skilled labor in the hospitality sector of Bangladesh bestow more burden upon this sector. Another growth obstacle in this industry is religious conservatism of some people, due to which foreign tourists are often barred from accessing facilities like- clubs, pubs, alcohol or more liberal clothing.

## Way Forward

Currently, our tourism industry is at a turning point. Even while it has many obstacles to overcome, there are enormous potentials too. According to the UNDP, there are currently about 5 million people working directly or indirectly in Bangladesh's tourism industry, and another 2 million will be added over time by 2030. Bangladesh can unleash the boundless potential of its tourism industry and establish itself as a must-visit location on the world map with the correct combination of government assistance, private investment, and community engagement. In order to be successful, the country needs to improve its safety protocols, boost marketing initiatives, and fix its infrastructure shortcomings. By addressing these issues, the country can create a more sustainable tourism industry that will create more employment opportunities, support economic expansion, and other initiatives. For a better future, it is the shared responsibility of all the stakeholders to unlock all the untapped potentials.





### Dr. Santus Kumar Deb

Professor and Ex-Chairman,  
Department of Tourism and Hospitality Management,  
University of Dhaka

#### Interviewed By

Sumaiya Tarannum Sujana, Team MBR

*Dr. Santus Kumar Deb is a professor and ex-chairman of the Department of Tourism and Hospitality Management, Faculty of Business Studies, University of Dhaka. He is currently serving as a research fellow at INTI International University, Malaysia. He is also serving as the Head of Research at the Center for Tourism Studies (CTS). Dr. Deb has served as a member of the Bangladesh Tourism Board (BTB) too. He is an Erasmus Mundus scholar. He possesses expertise in tourism and hospitality management as a pioneer in the area of tourism study in Bangladesh. Team MBR was in a conversation with Dr. Deb and was fortunate enough to receive his take on the tourism industry in Bangladesh.*

**Sumaiya Tarannum Sujana:** A report by the World Travel and Tourism Council has stated that Bangladesh's tourism industry is expected to expand at a compound annual growth rate of more than 5% between 2024 and 2034. Would you kindly share with us the factors that are expected to fuel this projected growth of the tourism industry?

**Dr. Santus Kumar Deb:** The World Travel and Tourism Council's projection of a compound annual growth rate of over 5% for Bangladesh's tourism industry between 2024 and 2034 can be attributed to several key factors, including economic, infrastructural, and demographic trends. Mentionable factors expected to fuel tourism growth are:

- Consistent GDP growth in Bangladesh is increasing disposable income, especially

for the middle class, which allows more people to spend on leisure and travel. Additionally, rising FDI rates are supporting the building of tourism infrastructure.

- The third terminal extension at Hazrat Shahjalal International Airport, the Padma Bridge, and Metro Rail are strengthening connectivity, cutting down on travel time, and increasing visitor accessibility daily.
- The government is working to improve facilities and experiences to further tap into this market, as domestic travellers currently account for 97% of Bangladesh's tourism. Despite this, Bangladesh remains a cost-effective destination when compared to international competitors, providing reasonably priced lodging, transportation, and activities.



- The global trend of ecotourism, heritage tourism, and adventure tourism aligns with Bangladesh's unique offerings such as the Sundarbans, Cox's Bazar, Chittagong Hill Tracts, and archaeological sites like Shat Gambuj Mosque, Mahasthangarh, Paharpur, etc.
- Increasing use of digital platforms for reservations, virtual tours, and marketing will attract tech-savvy tourists. Alongside cross-border tourism through regional collaborations, package tours, and simplified visa processes, including e-visas and visa-on-arrival options, will make Bangladesh more accessible.

The tourism industry in Bangladesh is expected to grow at the anticipated rate over the next decade if these variables are leveraged and issues like marketing, sustainability, and infrastructure deficiencies are resolved.

**Sumaiya Tarannum Sujana:** Apart from some advancements, the tourism industry has not been able to unlock its full potential yet due to issues including inadequate infrastructure, lack of marketing initiatives, etc. May we know what the primary challenges are that Bangladesh is facing in making its tourism industry flourish?

**Dr. Santus Kumar Deb:** The tourism industry of Bangladesh has immense potential with rich cultural heritage, historical landmarks, and natural beauty, including the Sundarbans, Cox's Bazar, Kuakata, and archaeological sites. Challenges that hinder its full potential are:

- Inadequate infrastructure development and few high-quality accommodations in remote tourist areas, which discourage both domestic and international travellers.
- Lack of standard marketing and promotion of tourism destinations in domestic and international markets, as well as lack of a strong branding strategy to position itself as an attractive travel destination.

- Limited awareness programs among locals about the importance of tourism lead to the need for maintenance of cultural and historical sites.
- Lack of robust government policies and funding dedicated to the expansion of the tourism sector.
- Lack of efficient management of natural resources and unregulated tourism in sensitive areas, such as the Sundarbans and Hill Tracts.
- The hospitality sector suffers from a shortage of trained professionals, including tour guides, hotel staff, and travel consultants, resulting in below-average service standards.
- International flight connections/transits and reasonable airfare are essential for accessibility for regional and global tourists, especially from neighbouring countries like Nepal, Bhutan, and Thailand.

Addressing these challenges requires a coordinated effort from the government, private sector, and local communities to invest in infrastructure, build a skilled workforce, implement sustainable tourism practices, and market Bangladesh as an internationally lucrative tourism destination effectively to the world.

**Sumaiya Tarannum Sujana:** As per the Bangladesh Outbound Tour Operators Forum, 80% of the revenue of the tour operators comes from tourists travelling overseas. Would you kindly share with us why our local tourists are more interested in travelling abroad while Bangladesh has got multiple attractive tourist destinations?

**Dr. Santus Kumar Deb:** Even though Bangladesh has many beautiful places to visit, tourists frequently choose to go overseas because of a number of reasons, including

the country's poor infrastructure, the cost and quality of services, and the allure of foreign experiences. Additionally, many Bangladeshi tourist destinations lack contemporary conveniences, making travel difficult. That is why Bangladeshi tourists like to travel abroad because international tourist destinations are full of more advanced amenities, such as Thailand or Malaysia, which provide more seamless experiences.

International destinations provide a wider range of experiences, from luxury cruises to vibrant nightlife. Also, sharing international trips on social media adds to the appeal of visiting foreign destinations. Most of the tourists consider foreign destinations more 'exotic' or 'sophisticated' compared to the domestic locations.

It is notable that travelling to neighbouring countries like Sri Lanka, Singapore, India, Nepal, Bhutan, Maldives, and Thailand is relatively affordable due to competitive tour packages and inexpensive airfares. Hence, Bangladeshi tourists prefer travelling overseas. We need to train our hospitality workers to provide world-class services and improve tourist safety with better regulations and security systems. Our domestic destinations are not promoted effectively. They have a very limited digital presence. Additionally, storytelling affordable packages appeal to foreign destinations more.

**Sumaiya Tarannum Sujana: According to a 2019 report of the World Economic Forum, 97% of the tourists in Bangladesh are local in nature, making it an unpopular tourist destination among foreigners. Would you kindly share your thoughts regarding the reasons why foreign tourists are not interested in Bangladesh? What are the measures that should be taken to attract more foreign tourists?**

**Dr. Santus Kumar Deb:** Reasons behind foreign tourists not being interested in Bangladesh as a tourism destination are:

- Bangladesh's tourism potential is not effectively marketed and branded internationally. That is why many global tourists are unaware of its unique attractions, such as the mangrove forest Sundarbans, the daughter of the sea, Kuakata, the world's longest unbroken sandy sea beach, Cox's Bazar, and historic archaeological sites like Shat Gambuj Mosque, Mahasthangarh, etc.
- International visitors frequently look for a variety of experiences, which are underdeveloped in Bangladesh, like luxury cruises, adventure tourism, and cultural events.
- Although several countries offer visa-on-arrival, the entire procedure in Bangladesh can be difficult in comparison to other Asian travel destinations such as Thailand, Nepal, and the Maldives. Bangladesh is up against fierce competition from well-known travel destinations with more advanced services and a wider range of attractions, such as Sri Lanka, Bhutan, Nepal, and Thailand.

Attracting foreign tourists to Bangladesh requires addressing key challenges, enhancing infrastructure, and creating a global image of the country as an exciting and safe destination. Below are specific steps to make Bangladesh more appealing to international travellers:

- Boosting tourism infrastructure by constructing high-end hotels, eco-lodges, and resorts that adhere to international standards, especially close to popular destinations like the Chittagong Hill Tracts, Kuakata, the Sundarbans, Sylhet, and Cox's Bazar.
- Using digital technology to streamline visa applications and expand visa-on-arrival services to additional nations.
- Promoting Bangladesh abroad by launching international advertising campaigns that highlight distinctive places like the Sundarbans, Cox's Bazar, and historic sites

like Paharpur. Social media marketing is crucial for establishing a destination's reputation. Additionally, taking part in travel fairs to promote Bangladesh as a travel destination.

- Promoting St. Martin's Island, Kuakata, Ratargul Swamp Forest, and the Sundarbans as top ecotourism attractions. Promoting adventure tourism by encouraging river sailing, trekking in the Chittagong Hill Tracts, and other activities. Additionally, encouraging cultural tourism.
- To draw in tourists on a tight budget, affordable trip packages need to be designed that include lodging, transportation, and guided excursions.
- Establishing top-notch facilities, entertainment alternatives, and environmentally friendly amenities in places like Cox's Bazar, Kuakata, and the Sundarbans.
- Leveraging digital platforms through interactive websites and apps and virtual tours for major attractions to inspire foreign tourists to visit.
- Focusing on unique selling points of tourism destinations, like promoting Cox's Bazar as the world's longest unbroken sandy sea beach globally.

By implementing these strategies and creating a strong brand image for Bangladesh as a welcoming, affordable, and diverse destination, the country can significantly increase its foreign tourist arrivals and generate substantial economic benefits.

**Sumaiya Tarannum Sujana: Coastal tourism is the world's largest market segment in the tourism sector, according to the United Nations Development Programme. Despite having the longest sea beach in the world, may we know your opinion on the areas where Bangladesh is lacking in promoting coastal tourism?**

**Dr. Santus Kumar Deb:** Promoting coastal tourism in Bangladesh has immense potential, given the country's rich coastal resources, including the world's longest unbroken sea beach, Cox's Bazar, the pristine beaches of Kuakata, and the ecologically significant Sundarbans. To maximise this potential, targeted strategies are essential. Suggestions related to the promotion of coastal tourism in Bangladesh are:

- Developing coastal infrastructure with new resorts and hotels to attract both local and foreign tourists, building eco-friendly and luxury resorts along the coastline. Also, improving roads, airports, and public transportation to make coastal areas more accessible.
- Coastal tourist facilities should include cruise terminals, water sports centres, and recreational activities in the Bay of Bengal. Also, promoting Cox's Bazar as the world's longest sea beach and Kuakata as the 'Daughter of the Sea.'
- Leveraging social media platforms (Facebook, Instagram, YouTube, etc.), travel blogs, and influencers to showcase the scenic beauty and recreational opportunities in coastal areas.
- Expanding coastal tourism offerings with adventure tourism, which includes water sports such as jet skiing, parasailing, scuba diving, and surfing. Developing short and premium cruise packages as well as environmentally friendly infrastructure. Using sustainable building materials and implementing waste management systems to protect the coastal environment and biodiversity. Engaging local communities in ecotourism and conservation projects to secure their participation and biodiversity.
- Developing special Coastal Tourism Zones (CTZs) in the designated specific coastal areas, such as Saint Martin's Island and

Moheshkhali, as special tourism zones with world-class facilities, entertainment options, and eco-friendly policies, as well as forming partnerships with neighbouring countries such as Nepal, Maldives, India, and Sri Lanka to create multi-destination coastal tourism.

- Educating residents about the value of tourism and its economic benefits to assure their participation in maintaining the coastal environment. Launching efforts to promote domestic coastal tourism and encourage residents to discover the beauty of Bangladesh's beaches.

By investing in infrastructure, sustainable practices, and targeted marketing, Bangladesh can transform its coastal regions into globally recognised tourist destinations, benefiting the economy and local communities.

**Sumaiya Tarannum Sujana: Utilising digital platforms for reservations, virtual tours, and advertising can draw the attention of tech-savvy tourists and enhance the overall experience of the tours. Would you kindly share your thoughts regarding the extent of technological adoption in the tourism sector in Bangladesh in comparison to global standards?**

**Dr. Santus Kumar Deb:** Technology is crucial in modernising the tourism industry, improving visitor experiences, and streamlining operations. While worldwide tourist businesses are embracing modern technologies, the adoption of such innovations in Bangladesh's tourism sector is still in its early stages. In comparison to global standards of technological adoption, the current scenario demonstrates a lack of technological presence, since many tourism operators, hotels, and airlines have digital platforms that are underutilised, poorly maintained, or lack user-friendly interfaces. There are some international chain hotels and airlines in Bangladesh that provide online booking services. However, smaller

tourism service providers still rely heavily on manual processes. Few tourism operators and destinations use social media platforms like Facebook and Instagram for promotions, but the scope remains underexplored.

Digital storytelling and influencer marketing are limited in Bangladesh in comparison to global standards. There are few mobile apps for travel planning in Bangladesh, such as transportation apps and rudimentary hotel booking apps, but they lack complete capabilities like virtual tours and travel plans. In addition, mobile financial services such as bKash and Nagad are widely used, providing convenience for online transactions. However, connection with worldwide payment systems, such as PayPal, remains inadequate. There is limited adoption of virtual reality (VR) and augmented reality (AR)-based virtual tours for major tourist attractions like the Sundarbans, Cox's Bazar, and Paharpur to attract tech-savvy tourists and usage of Internet of Things (IoT) technologies for crowd management at busy destinations. Like developed countries, we need to adopt artificial intelligence (AI) to recommend travel plans, accommodations, and itineraries.

**Sumaiya Tarannum Sujana: Bangladesh has set an ambitious target of generating foreign exchange of about USD 4.77 billion by 2041 through tourism. Would you please share with us what policy support should be in place to achieve this target?**

**Dr. Santus Kumar Deb:** Bangladesh's tourism business is forecasted to increase by USD 4.77 billion by 2041, driven by a number of major factors. The following factors are required to properly leverage which can transform Bangladesh into a globally recognised tourism destination:

- Promoting and branding the Sundarbans, the world's longest uninterrupted sea beach, Cox's Bazar, the scenic beauty of Chittagong Hill Tracts, and Kuakata, the



daughter of the sea, all of which offer unparalleled natural beauty.

- Promoting archaeological historical monuments such as Mahasthangarh, Paharpur, and the Lalbagh Fort, combined with rich cultural festivals and traditions to attract niche tourism markets.
- Bangladesh's growing middle class, with increasing disposable income, is projected to support domestic tourism and create a solid foundation for the industry.
- Improved connectivity through road infrastructure development and enhanced air travel options will make accessing

tourist destinations easier for both domestic and international travellers.

To reach the goal and to extend the GDP contribution, enhance the standard of living, and create employment opportunities through the promotion of nature-based tourism destinations, archaeological heritage sites, adventure tourism, cultural tourism, and sustainable tourism practices as per the plan of the Tourism Master Plan, we need to promote and brand tourism destinations through social media. Public-Private Partnerships (PPPs) and Private-Public-Community Partnerships (PPCPs) need to be formed intending to build world-class tourism attractions in Bangladesh, generating major economic benefits.



# AVIATION INDUSTRY IN BANGLADESH: FLYING TOWARDS NEW HORIZONS

---

Written By  
**Syeda Atia Aysha**





A country's communication and transportation systems are essential to its social and economic development. These networks facilitate the flow of products and services, which in turn promote economic activities. It improves economic growth by attracting investors, creating new job possibilities, and expanding access to resources. By increasing the efficiency of the transportation sector in Bangladesh, the aviation industry has contributed to Bangladesh's economic growth to a great extent. As per State Minister for Civil Aviation and Tourism, Bangladesh's aviation sector has grown by double over the last ten years and is expected to triple over the next fifteen. According to a report, this market is anticipated to increase at a compound annual growth rate of 8.5% between 2019 and 2024, reaching a size of USD 7.27 billion.

### Portrayal of the Aviation Industry in Bangladesh

The aviation industry in Bangladesh has grown significantly since its inception during the British colonial era. The sector advanced sharply after independence in 1971. Following independence in 1971, Biman Bangladesh Airlines was established as the national carrier in 1972, marking a significant step forward for the sector. From that time, at least 32 airlines have registered in Bangladesh. Many of them have already begun operations, many have never flown, and some have plans to start flights in a while. However, there are currently 53 fleets operating in Bangladesh, including 21 fleets of Biman Bangladesh, 23 fleets of US-Bangla Airlines, 4 fleets of Air Astra, and 5 fleets of Novoair. The sector currently has a mix of state-owned and privately owned airlines. US-Bangla Airlines is the largest private airline in Bangladesh by fleet size. The country has three international airports in service, and Cox's Bazar will soon emerge with it.

Bangladesh's aviation industry is now growing steadily. Alongside, our domestic airports are also getting developed with time. Runways and other facilities too are getting upgraded and expanded in domestic airports. They have also enhanced their navigation



systems and modernised the terminals. As a result, many private organisations are now interested in investing in the aviation industry of Bangladesh. On the other hand, Bangladesh Biman is the only public airline in our aviation industry.

### State-owned Airlines

Table 1: Bangladesh Biman's Fleet Details

Aircraft	In Service
Boeing 737	6
Boeing 777-300 ER	4
Boeing 787-8	4
Boeing 787-9	2
Dash 8-400	5

Source: Biman Bangladesh Airlines

On the contrary, there are three private airlines in Bangladesh.

Figure 1: Private Airlines in Bangladesh



US-Bangla Airlines is the largest private aviation company in Bangladesh right now. It has commenced its operation since 2014.

Table 2: US-Bangla's Fleet Details

Aircraft	In service
Airbus A330-300	1
ATR 72-600	10
Boeing 737-800	9
Dash 8-Q400	3

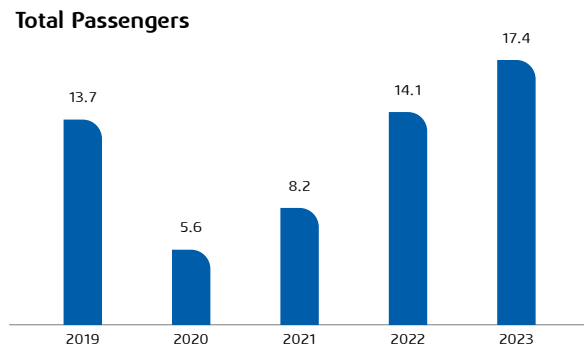
Source: US-Bangla Airlines

Novoair is another known aviation company in Bangladesh right now. It has commenced its operations from 2007. It has five aircraft. Additionally, Air Astra is the newest aviation company in the aviation industry. They have

started their operations from 2022. Currently, they have 4 aircraft of the ATR 72-600 model.

The number of passengers flying from Bangladesh is also increasing over time. According to the Civil Aviation Authority of Bangladesh (CAAB), Hazrat Shahjalal International Airport made the highest revenue in FY23, approximately BDT 2,388 crore, as the country's airports handled a record 17.4 million passengers in 2023, a nearly 23.4% increase from 2022.

**Figure 2: Total Air Passengers in Bangladesh (In Million)**



**Source: Civil Aviation Authority of Bangladesh**

Bangladesh is located at the crossroads of Southeast Asia, which makes it a hub for connecting flights. There is a massive demand for international flights in Bangladesh. More than 10 million Bangladeshi expatriates, mostly in the Middle East, Europe and South East Asia, generate consistent demand for international flights. On top of that, the geographical location of Bangladesh gives it a competitive edge in the aviation sector.

### **Economic Impact of the Aviation Industry**

Domestic airlines are becoming more and more important in Bangladesh's economy and society. Due to new airlines entering the market and expanding their service area, Bangladesh's domestic airline industry is going up steadily.

A study on "Contribution of Air Transport Industry to Bangladesh Economy" has stated that the global airline industry, which generated an impressive USD 838 billion in revenue in 2019, experienced a sharp 55% decline in 2020 due to the COVID-19 pandemic, bringing its value down to USD 372 billion. However, 2021 has shown

clear signs of recovery for global air transport. In 2018, a study found that the world's airlines collectively carry over 400 crore passengers in a year. As a result, the global aviation industry adds USD 961.3 billion directly to GDP.

According to an article by Emerging Credit Rating Ltd., the direct contribution of the aviation industry to Bangladesh's GDP in 2020 was USD 769 million with USD 320 million from foreign tourists. By 2024, the travel industry in Bangladesh is expected to be worth USD 1.48 billion as per Statista. With an estimated market volume of USD 2.30 billion by 2029, this trend is expected to continue at an annual growth rate of 9.22% between 2024 and 2029. This will surely contribute to the growth of the aviation section. Including cargo, Bangladesh's commercial airlines currently fly with a number of more than 50 aircraft. Besides that, there are a few flying clubs and helicopter operators. Now, 35 airlines in total operate flights to and from Bangladesh, including 4 Bangladeshi and 31 international airlines. It can be said that the air transport industry makes an important contribution to the economy of Bangladesh, as it is a vital way to connect Bangladesh with the global economy.

### **Employment through Aviation**

Over the past ten years, Bangladesh's aviation sector has expanded dramatically, making a substantial contribution to both the country's economy and the trade market. The International Air Transport Association (IATA) estimates that this sector has directly generated 17,000 jobs. Additionally, it indirectly supports 129,000 jobs, including 65,000 in the tourism industry and 30,000 in the supply chain. For instance, about 6,532 people work for Bangladesh Airlines, the country's flag carrier, with 2,563 being casual employees and 3,969 being permanent employees. Each year, the airline spends close to BDT 600 crore on employee salaries and benefits. Together, private airlines such as US-Bangla Airlines, Novoair and Air Astra have 3,500 employees. Moreover, above 10,000 people are employed by these four airlines combined. In order to reach IATA's estimate of 17,000 direct jobs, the industry also includes other sectors such as cargo services, training facilities, airport authorities, and helicopter operators. By facilitating tourism



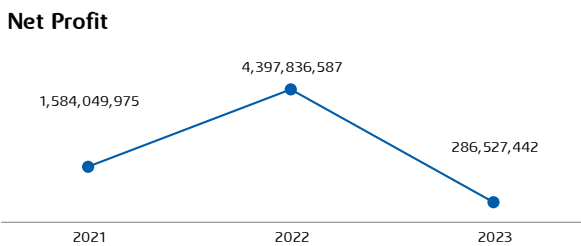
and involving Bangladesh in the international market, this sector not only generates jobs but also helps the economy grow.

**Financial Performance of the Aviation Industry**

As Bangladesh’s aviation industry is growing, many private investors are interested in investing in this industry. But, there are lots of issues involved. Major issues of Bangladesh’s aviation industry are its high operational costs, rising competition, lack of infrastructure, etc. Due to these issues, the country’s aviation industry has been confronting losses in recent years.

Having a look at Biman Bangladesh’s financial performance in the last three years can help to comprehend the financial performance of the industry.

**Figure 3: Trend of Net Profit of Biman Bangladesh in the Last 3 Years**



Source: Biman Bangladesh Airlines

Despite strong profitability in 2022 with a net profit of BDT 439 crore, profits plummeted to BDT 28 crore in 2023 as expense growth outpaced revenue growth, highlighting efficiency and cost-management challenges. The overall industry has been facing almost the same scenario.

**Challenges and Way Forward**

The major challenge in our aviation industry is its high operating costs because of rising fuel, labor, and maintenance expenses. Fuel costs in Bangladesh are increasing day by day. As a result, the ticket prices are also rising. Moreover, the limitation of infrastructure makes it more difficult to sustain airline ventures in Bangladesh. Also, the number of qualified pilots is inadequate. The aviation industry in Bangladesh also faces different traffic management challenges that actually need innovative solutions. Nevertheless, Bangladesh’s aviation industry is well-positioned to fly towards new horizons, connecting the nation to the rest of the world and creating new opportunities for business, tourism, and international collaboration. However, strategic focus should be on infrastructure development, competitive pricing, and cost management.



# Krishi Shwapno



## Tasmia Habiba

Co-Founder and Chief Strategy Officer,  
Krishi Shwapno

### Interviewed By

Sumaiya Tarannum Sujana, Team MBR

*Krishi Shwapno, established in 2019, is Bangladesh's first technology- and circular economy-based, data-driven, integrated agri-supply chain and agri-commodity trading platform. Krishi Shwapno leverages technology to create direct linkages between farmers, consumers, and markets, improving the entire value chain. The startup aims to solve critical challenges in the sector, such as fair pricing, market access, and supply chain inefficiencies, thereby contributing to economic growth, food security, and the well-being of farmers across Bangladesh. Team MBR was in a conversation with the co-founder and chief strategy officer of Krishi Shwapno, Ms. Tasmia Habiba, and had the opportunity to learn about her motivations behind forming the venture and her future plans surrounding Krishi Shwapno.*

**Sumaiya Tarannum Sujana:** Krishi Shwapno, an agritech startup in Bangladesh, has been facilitating agri-supply chain processes since its establishment in 2019. May we know what led you to come up with the idea to form Krishi Shwapno?

**Tasmia Habiba:** Growing up in a village, I had firsthand experience with the challenges faced by farmers and witnessed the immense untapped potential within Bangladesh's agricultural sector. Despite agriculture being the backbone of the country's economy, I noticed that many young

professionals of my generation overlooked its opportunities, often viewing it as an outdated or unappealing career choice.

However, my perspective was different. From an early age, I developed a deep appreciation for the farming community and recognised the transformative role agriculture could play in improving lives and driving sustainable economic growth. Determined to make a meaningful impact, I decided to pursue higher education in agricultural sciences at Sher-e-Bangla Agricultural University, one of the most esteemed institutions

in the field. My academic journey further deepened my understanding of the sector's systemic challenges, such as inefficient supply chains, post-harvest losses, and the lack of fair pricing for farmers. Fuelled by these insights and a strong desire to bring about change, I co-founded Krishi Shwapno in 2019. The platform was born from a vision to modernise agriculture through technology, promote sustainability, and empower farmers while fostering greater youth and women participation in this vital industry.

**Sumaiya Tarannum Sujana: Krishi Shwapno has been striving to create viable agribusinesses for the farmers. Would you please give us a brief rundown of your company and the solutions it provides?**

**Tasmia Habiba:** Krishi Shwapno has transformed agriculture in Bangladesh by connecting 17,000 farmers, including 12,000 youth farmers and 8,000 young women, fostering inclusive growth. It has trained 11,200 farmers in sustainable practices across regions like Lalmonirhat, Kurigram, Barishal, and Manikganj. Operating in 15 regions, Krishi Shwapno has expanded its marketplace to 30+ locations, ensuring better market access. Additionally, it has empowered 200+ micro agro-entrepreneurs, strengthening local economies and promoting sustainability.

The platform drives transformation with a five-pillar approach, empowering farmers and fostering sustainability:

- **Direct Market Linkage:** By bypassing intermediaries, Krishi Shwapno ensures fair pricing and market access for farmers through its digital platform. Direct connections with bulk buyers enhance profitability and reduce exploitation, creating a fairer agribusiness ecosystem.
- **Tech-Enabled Logistics:** The platform uses data-driven insights to optimise transportation, offering real-time notifications and efficient delivery systems. This minimises post-harvest losses, ensuring fresh produce reaches marketplaces and consumers swiftly.

- **Need-Based Training:** Farmers receive targeted training in climate-resilient farming, financial literacy, and agropreneurship. This equips them with modern agricultural techniques and business skills, fostering young leaders and entrepreneurs in agriculture.
- **Circular Economy and Waste Reduction:** By connecting farmers directly with buyers, Krishi Shwapno minimises food waste and post-harvest losses. It promotes resource optimisation and eco-friendly farming practices to reduce environmental impact.

Krishi Shwapno's holistic approach ensures higher farmer incomes, environmental stewardship, and sustainable agricultural development, revolutionising the agricultural landscape in Bangladesh.

**Sumaiya Tarannum Sujana: Krishi Shwapno makes the agri products available on marketplaces and to traders so that the end consumers can purchase those from there. In your opinion, why do you think consumers will go for such online platforms where they have access to much easier options for buying agri products firsthand?**

**Tasmia Habiba:** Consumers will choose platforms like Krishi Shwapno for several compelling reasons, even when easier options for buying agricultural products firsthand are available:

- **Transparency and Trust:** Krishi Shwapno ensures food traceability, allowing consumers to know the origin of their products, the farmers who grew them, and the sustainable practices used. This builds trust and appeals to conscious buyers who prioritise safe, ethical, and high-quality food.
- **Quality Assurance:** Products sourced through Krishi Shwapno often undergo rigorous quality checks. This assures consumers of freshness, authenticity, and safety—advantages that may not always be guaranteed with other options.





- **Support for Farmers:** Many consumers are drawn to the idea of supporting farmers directly, especially when they know the platform ensures fair pricing and eliminates exploitative intermediaries. This socially responsible purchasing adds value to their choices.
- **Sustainability:** By minimising food waste and promoting eco-friendly practices, Krishi Shwapno aligns with the values of environmentally conscious consumers who prefer sustainable options.
- **Convenience and Variety:** While the platform connects farmers to traders and marketplaces, it also makes it easier for consumers to find diverse, high-quality products in one place, eliminating the hassle of sourcing from multiple vendors.

This combination of ethical values, quality, and convenience positions Krishi Shwapno as a preferred choice for discerning consumers.

**Sumaiya Tarannum Sujana:** Due to a number of issues, including the formation of syndicates, our farmers do not get fair prices, and the end consumers do not find the agri products at the right prices. May we know how Krishi Shwapno is playing its role to mitigate this specific issue?

**Tasmia Habiba:** At Krishi Shwapno, we are actively working to mitigate the issue of unfair pricing caused by syndicates and middlemen, which significantly impact both farmers and consumers. Here is how we are playing a key role in solving this problem:

- **Direct Market Linkage:** Krishi Shwapno cuts out the middlemen by directly linking farmers with buyers, ensuring fair transactions and better prices for both. Through our platform, farmers can sell their products directly to consumers or bulk buyers, allowing them to receive fair compensation for their hard work without exploitation.
- **Fair Pricing through Technology:** We leverage advanced technology to monitor market trends and forecast demand, ensuring

that the prices set for the produce are fair and competitive. Our platform uses data-driven insights to ensure farmers receive appropriate compensation while keeping prices reasonable for consumers.

- **Aggregator Model for Cost Efficiency:** Krishi Shwapno operates as an aggregator, collecting farm produce directly from the fields. This eliminates the need for farmers to pay for transportation, reducing additional costs. By accurately forecasting market demand, we ensure that products are delivered to the right markets where they are needed, minimising unsold stock and reducing post-harvest losses.
- **Transparency in Pricing:** Transparency is central to our operations. We provide clear price breakdowns, so both farmers and consumers can see exactly how prices are determined. This builds trust in the system and ensures that pricing remains transparent and equitable.

By addressing these issues at multiple levels, Krishi Shwapno is working towards creating a more equitable agricultural market that benefits both farmers and consumers.

**Sumaiya Tarannum Sujana:** Krishi Shwapno is an advocate of the circular economy and promotes the concept through its operations. May we know how successful the startup has been in leveraging the model?

**Tasmia Habiba:** Krishi Shwapno has made remarkable progress in leveraging the circular economy model, achieving significant success in transforming agricultural practices while promoting sustainability.

- **Waste Reduction and Post-Harvest Loss Mitigation:** Our initiatives have successfully reduced post-harvest losses by optimising logistics and storage solutions. Through better forecasting and real-time data, we ensure that farmers' produce reaches the market quickly, minimising spoilage and maximising their profitability. This approach has directly contributed to a decrease in food waste, ensuring that more produce is available for consumers.

- **Resource Optimisation:** Farmers are increasingly adopting resource-efficient practices such as crop rotation and eco-friendly farming, thanks to the training and support provided by Krishi Shwapno. These practices not only boost soil health and improve yields but also reduce dependency on chemical fertilisers and water-intensive irrigation systems. As a result, we are seeing both economic and environmental benefits in the communities we work with.
- **Recycling and Agricultural Waste Utilisation:** Our partnerships with local organisations to recycle agricultural waste have been very successful. For instance, organic waste is being repurposed for composting and biogas production, significantly reducing environmental impact. This circular approach has helped farmers manage waste effectively while creating new sources of income.
- **Sustainable Packaging Adoption:** Krishi Shwapno's promotion of sustainable packaging has had a tangible impact. Over time, farmers and suppliers have shifted towards biodegradable and recyclable options, reducing plastic waste. This change supports our broader goal of minimising the environmental footprint of the agricultural sector.

Overall, Krishi Shwapno has not only implemented but also successfully scaled circular economy practices, driving both environmental sustainability and economic growth for farmers. The model's success is evident in improved farmer incomes, resource conservation, and reduced waste, all while fostering a more resilient agricultural ecosystem.

**Sumaiya Tarannum Sujana:** Considering the literacy level of the farmers in our country, it may be difficult for them to reap the full benefits of tech-enabled platforms. May we know how Krishi Shwapno trains up the farmers so that it is easy for them to figure out the technical aspects of the Krishi Shwapno platform?

**Tasmia Habiba:** While the adoption of technology can be challenging for farmers with limited digital

literacy, Krishi Shwapno has developed a farmer-centric approach to ensure they can easily navigate and benefit from its tech-enabled platforms.

- **Practical and Hands-On Training:** Krishi Shwapno conducts regular community-level workshops where farmers receive step-by-step demonstrations on using its digital dashboard and other tools. These sessions simplify complex concepts, ensuring even first-time users feel confident.
- **Mobile-Friendly and Intuitive Design:** Our platform is designed to be mobile-friendly with an intuitive interface that minimises the need for technical expertise. Farmers can easily access features such as market forecasts, commodity bookings, and training resources on their phones.
- **Peer-to-Peer Learning Networks:** We empower local leaders and early adopters to act as peer trainers, creating a trusted network of support. These leaders help their communities learn the platform through relatable, real-life applications.
- **Helpline and Digital Resources:** To address challenges in real-time, we provide a dedicated helpline for technical support. Additionally, farmers have access to video tutorials, FAQs, and audio-based e-learning materials that guide them step by step.
- **Advanced Tech Products:** Krishi Shwapno introduces farmers to tools like data-driven agricultural commodity trading platforms, audiobooks, and e-learning apps, gradually building their familiarity with technology.

By combining user-friendly technology with robust training and support systems, Krishi Shwapno ensures that farmers, regardless of their literacy level, can fully harness the benefits of modern agriculture. This inclusive approach fosters empowerment and bridges the digital divide in rural farming communities.

**Sumaiya Tarannum Sujana:** Different areas in our country are known for different crops, vegetables, etc. Would you kindly share with

## us the current geographical coverage of Krishi Shwapno's operations?

**Tasmia Habiba:** Krishi Shwapno currently operates in several regions across Bangladesh, focusing on key agricultural areas. Our operations span regions known for a variety of crops and farming practices. The primary regions of operation include:

- **Manikganj:** Known for rice and vegetables.
- **Lalmonirhat:** Specialising in winter vegetables like cabbage, cauliflower, bottle gourd, brinjal, etc.
- **Kurigram:** Focused on high-value crops and rice.
- **Barishal:** Known for rice and vegetables.
- **Patuakhali:** Specialising in vegetables and aquatic farming.
- **Bhola:** Known for rice, vegetables, and aquatic farming.

These regions highlight our commitment to supporting diverse agricultural practices and ensuring better market access for farmers across the country.

## Sumaiya Tarannum Sujana: Your journey with Krishi Shwapno is inspiring for female entrepreneurs to go for agribusinesses. What suggestions would you give to those females who want to be an agri-entrepreneur like you?

**Tasmia Habiba:** For female entrepreneurs aspiring to enter the agribusiness sector, my advice is to focus on creating sustainable, innovative solutions that directly address the challenges faced by farmers. Agriculture offers immense potential for positive impact, especially with the growing role of technology. Key tips include:

- **Leverage Technology:** Use tech tools to improve farm management, market access, and sustainability, as we have done with Krishi Shwapno. Technology can revolutionise agriculture by offering better solutions for market linkage and logistics.
- **Understand Your Market:** Take time to understand the needs of both farmers and consumers. The real opportunities lie in solving these challenges as we focus on fair pricing and reducing post-harvest losses.
- **Networking and Mentorship:** Seek mentorship from industry experts and connect with other female entrepreneurs. Building a supportive network will give you insights and motivation.
- **Resilience and Adaptability:** Agribusiness requires persistence and adaptability. Challenges are inevitable, but if you are committed to making a difference, your business will thrive.
- **Emphasise Your Business Narrative:** Women entrepreneurs should highlight their unique story, engage in mentorship, and collaborate with similar organizations. By advocating for their business and supporting gender equality, they can gain recognition and pave the way for success.

By combining passion, tech-driven innovation, a problem-solving mindset, and the power of collaboration, female entrepreneurs can create impactful, sustainable agribusinesses, driving positive change in the sector and promoting gender equality.

## CAPITAL MARKET REVIEW

## Performance of Equity Markets of Bangladesh and Peer Countries

Table 1: Equity market performance of Bangladesh and peer countries

Indices	Index Points, November 2024	Return*					
		1M	3M	YTD	12M	3Y	5Y
Bangladesh							
DSEX	5,192.6	-0.1%	-10.5%	-16.9%	-16.6%	-22.5%	9.7%
DS30	1,916.2	-0.5%	-9.8%	-8.5%	-9.1%	-23.8%	16.3%
DSES	1,166.9	1.9%	-6.0%	-14.5%	-13.8%	-17.0%	7.8%
Peer Countries							
Pakistan (KSE100)	101,357.3	13.9%	30.1%	62.3%	67.5%	124.9%	158.0%
Sri Lanka (CSE - All Share)	13,187.9	3.1%	8.6%	23.8%	24.3%	15.3%	112.3%
Vietnam (VNI)	1,250.5	-1.1%	-0.9%	10.7%	14.3%	-15.4%	28.8%
MSCI Frontier Markets Index	816.1	0.0%	0.6%	9.1%	12.0%	-7.0%	10.5%

\*All returns are Holding Period Return

Source: Investing.com, MSCI, DSE

## Liquidity Condition in Equity Market of Bangladesh

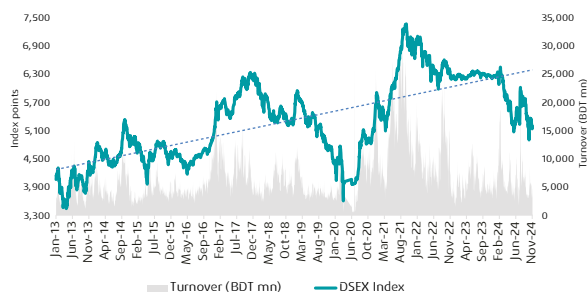
Table 2: Market capitalization and turnover statistics

Particulars	30-Nov-24	31-Oct-24	%change
Total market capitalization (BDT mn)	6,643,564	6,653,321	-0.1%
Total equity market capitalization (BDT mn)	3,565,777	3,570,992	-0.1%
Total free float market capitalization (BDT mn)	1,447,472	1,466,186	-1.3%
Daily Avg. Turnover (BDT mn)	5,017	3,648	37.5%
Turnover Velocity~	18.1%	13.8%	N/A

~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

Figure 1: DSEX since inception along with market turnover

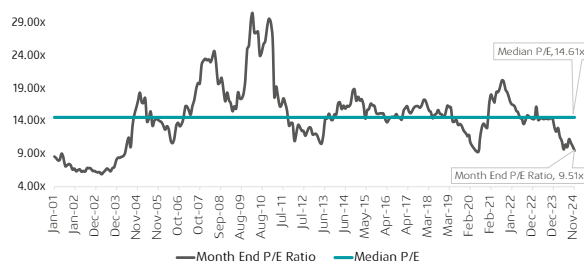


Source: DSE

## Market Valuation Level - P/E Ratio

Figure 2: Historical market P/E\* and it's median

## Current Market P/E in Context of History



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

Source: CEIC, DSE



## Sector Performance

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	552,267	270,321	1.8%	-4.7%	-19.8%	-19.4%	-15.8%	27.2%	11.2	2.4	3.1%
Bank	686,227	427,530	-2.5%	-8.6%	2.9%	3.6%	-1.4%	41.5%	6.5	0.7	4.8%
Telecommunication	588,190	61,403	0.8%	-4.8%	14.3%	14.3%	0.4%	36.0%	12.6	6.1	3.9%
Engineering	284,061	110,502	-0.5%	-22.5%	-43.3%	-43.2%	-43.2%	6.0%	17.0	1.4	5.2%
Fuel & Power	305,508	87,710	6.2%	-10.0%	-25.6%	-25.1%	-20.8%	-9.6%	5.5	1.0	5.1%
Food & Allied	307,387	96,533	-1.9%	-13.6%	-20.9%	-21.2%	-24.6%	31.5%	13.9	6.9	0.4%
Miscellaneous	233,495	100,584	-0.1%	1.6%	0.0%	2.5%	-8.4%	128.4%	16.9	2.5	1.3%
NBFI	124,053	36,644	2.3%	-8.5%	-32.9%	-32.7%	-41.9%	-16.0%	570.8	1.3	1.7%
Textile	112,391	62,172	4.5%	-13.5%	-29.1%	-28.7%	-23.7%	-0.2%	11.7	0.7	3.0%
Cement	95,134	37,761	-0.8%	-20.0%	-15.6%	-14.6%	-16.2%	45.1%	14.3	2.5	3.1%
Non-Life Insurance	81,076	44,685	6.1%	-9.9%	-18.6%	-17.0%	-31.0%	60.0%	13.9	1.6	3.5%
Life Insurance	51,769	29,453	5.8%	-16.1%	-29.7%	-28.0%	-32.8%	-16.3%	36.0	5.1	2.7%
Tannery	21,873	10,192	1.2%	-9.9%	-29.4%	-27.8%	-25.5%	14.2%	35.6	2.0	2.5%
IT	27,413	16,957	-0.8%	-15.8%	-26.4%	-25.2%	-1.0%	40.5%	19.1	2.2	1.8%
Ceramics	16,345	6,768	4.7%	-24.7%	-48.0%	-48.0%	-43.7%	-25.6%	(38.0)	1.1	3.0%
Travel & Leisure	40,857	17,489	-4.1%	-21.8%	-36.4%	-49.3%	-17.7%	-0.4%	650.7	0.8	1.4%
Paper & Printing	18,651	7,770	2.7%	-27.2%	-62.8%	-63.6%	-49.6%	-18.4%	46.5	1.3	1.2%
Services & Real Estate	17,662	8,802	11.7%	-10.8%	-27.1%	-27.3%	-16.1%	42.9%	10.5	1.0	3.3%
Jute	27,995	14,195	-8.3%	-2.8%	-48.7%	-52.9%	10.5%	-26.6%	77.9	82.7	0.4%
<b>Market</b>	<b>3,565,777</b>	<b>1,447,472</b>	<b>-0.1%</b>	<b>-10.5%</b>	<b>-16.9%</b>	<b>-16.6%</b>	<b>-22.5%</b>	<b>9.7%</b>	<b>9.5</b>	<b>1.4</b>	<b>3.4%</b>

\*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

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	≥10000	79.4%	0.6%	-7.2%	-7.3%	-6.9%	-11.7%	58.5%	9.1	1.4	4.1%
Mid	3001-9999	10.1%	3.8%	-14.1%	-33.9%	-34.9%	-31.1%	-50.1%	14.6	1.0	3.3%
Small	1001-3000	6.9%	3.6%	-18.5%	-32.5%	-31.1%	-28.7%	35.1%	17.8	0.7	2.8%
Micro	<1000	3.6%	4.6%	-6.7%	-33.0%	-33.0%	-9.2%	-83.8%	44.3	1.0	1.3%
<b>Market</b>		<b>100.0%</b>	<b>-0.1%</b>	<b>-10.5%</b>	<b>-16.9%</b>	<b>-16.6%</b>	<b>-22.5%</b>	<b>9.7%</b>	<b>9.5</b>	<b>1.4</b>	<b>3.4%</b>

\*All returns are Holding Period Return

## Mutual Funds Performance

**Table 5: Selected open-end funds based on fund type**

Fund Category	Name	Asset Management Company	Fund Size (BDT mn) <sup>^</sup>	NAV Return		
				YTD	2023	2021-23 <sup>**</sup>
Fixed Income	EDGE High Quality Income Fund	Edge	654.9	8.0%	4.8%	5.2%
Fixed Income	IDLC Income Fund	IDLC	704.3	8.2%	6.5%	7.2%
Fixed Income	Shanta Fixed Income Fund	Shanta	947.8	9.1%	3.7%	2.7%
Fixed Income	UCB Income Plus Fund	UCB	1,873.9	9.3%	3.5%	N/A
Equity	Grameen Bank-Aims First Unit Fund	AIMS	1,479.6	3.7%	7.6%	N/A
Equity	IDLC Growth Fund	IDLC	766.8	1.2%	3.3%	6.0%
Equity	LankaBangla 1st Balanced Unit Fund	LankaBangla	412.4	-3.5%	2.6%	6.4%
Equity	Shanta First Income Unit Fund	Shanta	706.4	-20.8%	1.4%	9.1%
Equity	VIPB SEBL 1st Unit Fund	VIPB	930.5	3.0%	2.8%	N/A
Equity	VIPB NLI 1st Unit Fund	VIPB	593.3	2.6%	1.9%	N/A
Shariah	EDGE Al-Amin Shariah Consumer Fund	Edge	140.6	0.8%	1.2%	N/A
Shariah	IDLC AM Shariah Fund	IDLC	617.4	-3.4%	2.7%	0.5%
Shariah	Shanta Amanah Shariah Fund	Shanta	464.5	-17.2%	4.0%	6.1%
Shariah	UCB Taqwa Growth Fund	UCB	366.1	1.6%	2.7%	N/A
<b>Market (Broad Index) Return (%)</b>				<b>-16.9%</b>	<b>0.6%</b>	<b>5.0%</b>

<sup>^</sup>Fund size as of September 2024

<sup>\*</sup>NAV as on November 28, 2024 and index value as on November 28, 2024.

<sup>\*\*</sup>CAGR computed for 2021-2023, 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.

**Table 6: Top ten close end funds based on 3Y return (CAGR) performance**

DSE Code	Fund Size (BDT mn)	Fund Size (USD mn)	Price <sup>1</sup> (BDT)	NAV <sup>1</sup> (BDT)	Price/ NAV	Dividend Yield <sup>2</sup> (%)	NAV Return <sup>3</sup>			Redemption Year <sup>4</sup>
							YTD	2023	2021-23	
ICBEPMF1S1	565.5	565.5	5.5	7.5	72.9%	0.0%	-19.6%	4.5%	13.3%	2030
1STPRIMFMF	174.4	174.4	39.3	8.7	450.7%	2.5%	-28.5%	3.7%	13.0%	2029
PF1STMF	439.2	439.2	5.5	7.3	75.1%	0.0%	-23.2%	6.7%	12.6%	2030
ICBAMCL2ND	407.5	407.5	6.4	8.2	78.5%	0.0%	-20.0%	4.4%	12.1%	2029
ICB3RDNRB	747.0	747.0	4.6	7.5	61.6%	0.0%	-17.4%	4.2%	12.0%	2030
PRIME1ICBA	790.0	790.0	4.8	7.9	60.8%	0.0%	-18.1%	3.0%	11.0%	2030
ICBSONALI1	845.0	845.0	6.1	8.5	72.2%	0.0%	-16.5%	5.2%	9.6%	2033
IFILISLMF1	695.0	695.0	4.8	7.0	69.1%	0.0%	-25.7%	4.7%	9.4%	2030
CAPMBDBLMF	426.1	426.1	5.9	8.5	69.4%	0.0%	-22.6%	-4.1%	9.2%	2027
ICBAGRANI1	892.2	892.2	6.9	9.1	75.9%	0.0%	-13.2%	4.7%	9.2%	2027
<b>Market</b>							<b>-16.9%</b>	<b>0.6%</b>	<b>5.0%</b>	

<sup>1</sup>Price and index value as on November 28, 2024.

<sup>2</sup>Cash dividend declared on 2024.

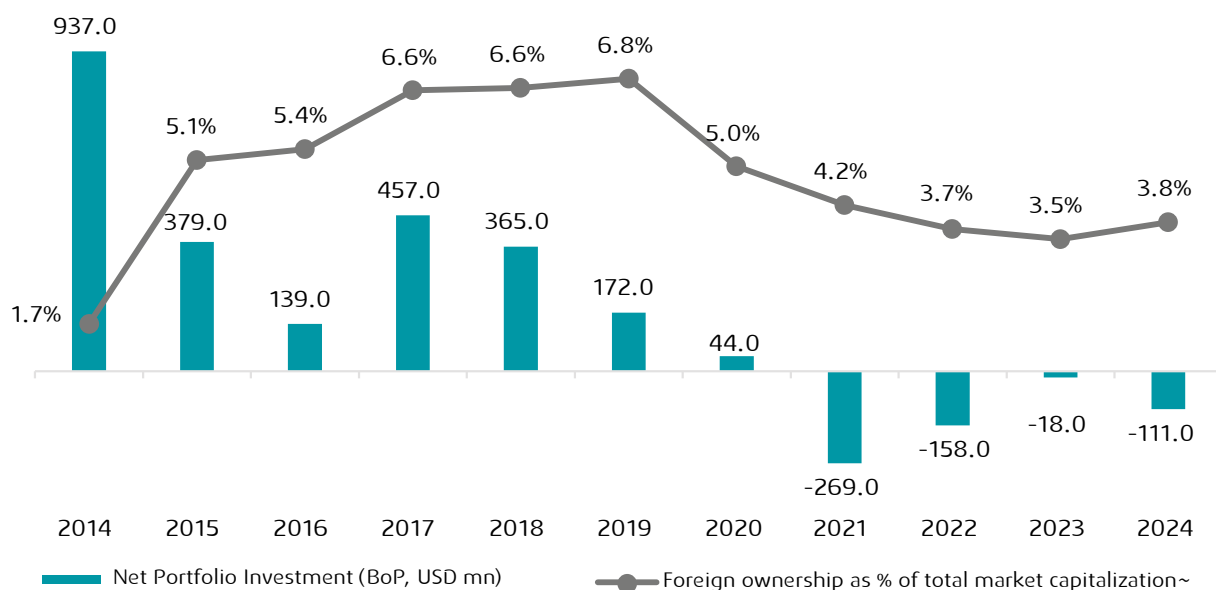
<sup>3</sup>CAGR computed for 2021-2023, adjusted for dividend. YTD returns of funds debuting within the year represent return generated since debut, hence is not directly comparable with return of funds that operated throughout the year.

<sup>4</sup>In reference to BSEC Press Release বিএসইসি/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

In November 2024, Bangladesh's equity market witnessed a slight increase in foreign investment. As of November 2024, total foreign ownership stood at 3.8% of the total equity market capitalization, which was only 1.7% in February 2014.

Figure 3: Net foreign portfolio investment and foreign ownership as % of total equity market capitalization



Source: DSE and Bangladesh Bank

Note:

1. % of foreign ownership of equity market capitalization as of November 2024 and net portfolio investment as of June of the respective years.
2. Net portfolio investment of FY'24 includes Jul-May, 2024.

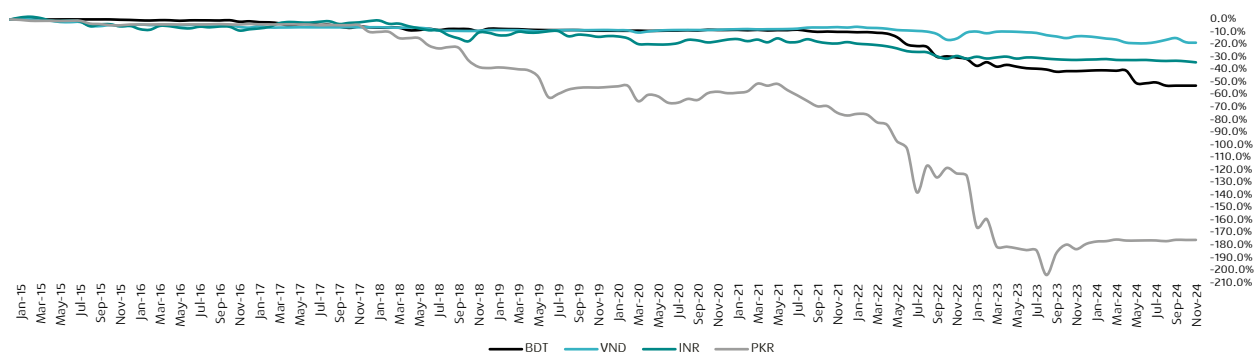
Table 7: Top ten companies with highest foreign shareholding as of November 2024

Ticker	Sector	Foreign Shareholding*
OLYMPIC	Food & Allied	34.3%
BRACBANK	Bank	31.9%
BXPHERMA	Pharmaceuticals & Chemicals	27.0%
RENATA	Pharmaceuticals & Chemicals	21.3%
NAVANAPHAR	Pharmaceuticals & Chemicals	19.6%
ISLAMIBANK	Bank	17.9%
BSRMLTD	Engineering	17.1%
SQURPHARMA	Pharmaceuticals & Chemicals	15.5%
UTTARAFIN	NBFI	7.8%
SHEPHERD	Textile	7.1%

Source: DSE

## Performance of BDT and Currencies of Peer Countries against USD

Figure 4: Nine year's relative performance of BDT and peer currencies



Source: Investing.com

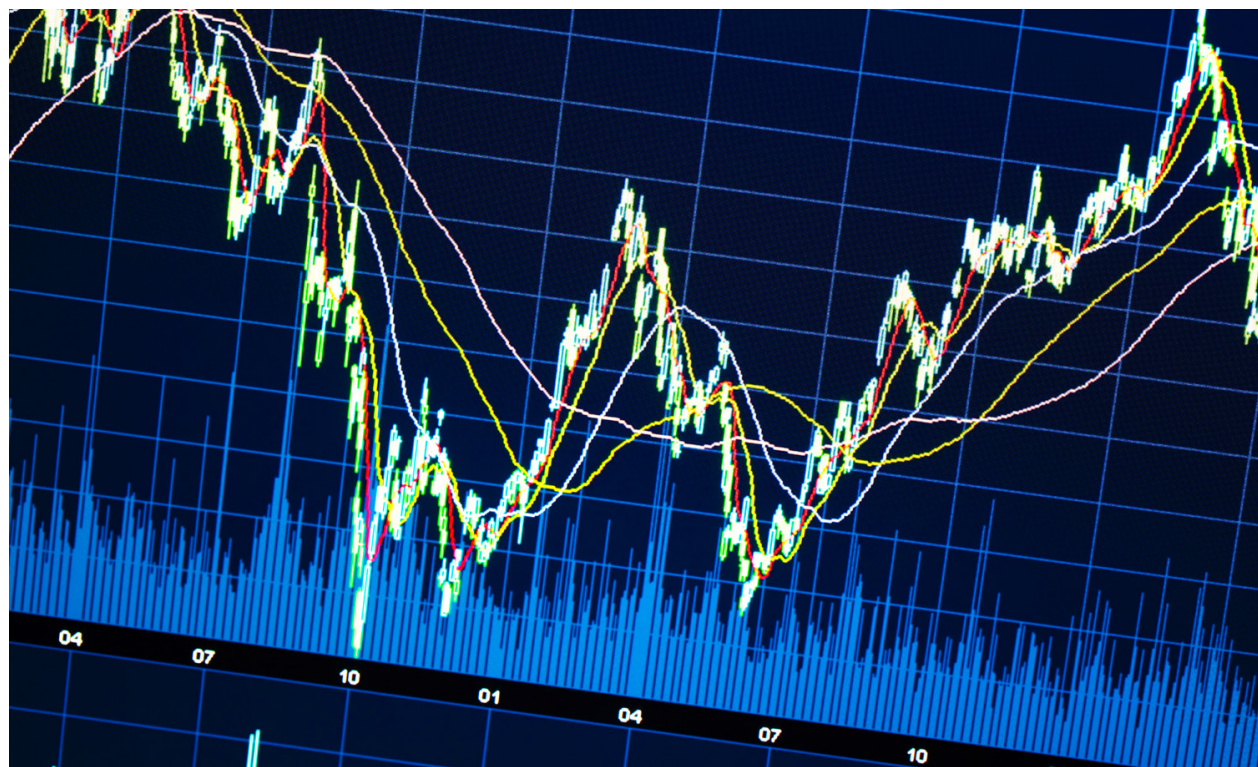
## Major Commodity Price Movement

Table 8: Major Commodity Price Movement

Particulars	Price Change					
	1M	3M	YTD	12M	3Y	5Y
Crude oil (Average)	-2.3%	-7.5%	-4.5%	-11.1%	-9.5%	19.7%
Wheat (US HRW)	-7.0%	1.2%	-12.8%	-10.5%	-33.1%	24.9%
Cotton (A Index)	-2.5%	2.0%	-9.9%	-9.9%	-35.6%	8.9%
Aluminum	-0.5%	10.2%	18.3%	17.3%	-2.1%	45.5%

Source: World Bank Pink Sheet

\*Average of Crude oil (Brent), Crude oil (Dubai), Crude oil (WTI)

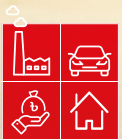





## কাঙ্ক্ষিত লক্ষ্যে পৌঁছাতে দরকার হয় একটু নির্ভরতার!

আপনিও আস্থা রাখুন আইডিএলসি'র চার দশকের দক্ষতা ও অভিজ্ঞতায়

আপনার দুরন্ত স্বপ্নগুলোকে ডানা মেলার শক্তি দিতে চাই দূরদর্শিতা, দীর্ঘ অভিজ্ঞতা ও দক্ষতা। দীর্ঘমেয়াদী পরিকল্পনা, সুশাসন, স্বচ্ছতা ও আন্তরিক সেবা নিয়ে দেশের সর্ববৃহৎ আর্থিক প্রতিষ্ঠান আইডিএলসি লাখ লাখ মানুষের পাশে আছে আস্থা ও ভরসা নিয়ে।



চার দশক ধরে  
আপনার ফাইন্যান্সিয়াল  
পার্টনার

16409   
[www.idlc.com](http://www.idlc.com) 