Report On

Assessing the Impact of US Tariff Policies on Bangladesh's Textile Sector: A Dhaka Stock Exchange Perspective

By

Mohammad Miftahul Islam Mia
21204166

An internship report submitted to the BRAC Business School in partial fulfillment of the requirements for the degree of
Bachelor of Business Administration (BBA)

BRAC University
Brac University
September, 2025

Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

Student's Full Name & Signature:

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Mohammad Miftahul Islam Mia

21204166

Supervisor's Full Name & Signature:

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Dr. Mohammad Mujibul Haque

Professor and Dean, BRAC Business School

Letter of Transmittal

September 17, 2025

Dr. Mohammad Mujibul Haque

Professor and Dean,

BRAC Business School

BRAC University

Level: 5, Room: 5A17, Kha-224 Merul Badda, Dhaka 1212

Subject: Submission of Internship Report

Dear Sir,

With due respect, it is an honor to inform that I, Mohammad Miftahul Islam Mia, ID: 21204166 have completed my report titled, “Assessing the Impact of US Tariff Policies on Bangladesh’s Textile Sector: A Dhaka Stock Exchange Perspective”. I have incorporated the relevant information and knowledge that I gained throughout my internship at BRAC EPL Stock Brokerage Ltd into this report, alongside the knowledge that I have gained in the last four years during my time as an undergraduate student.

I hope this report is able to fulfill the requirements of the BUS490 course offered by BRAC Business School, BRAC University. Thank you for your guidance in completing the report.

Sincerely yours,

____

Mohammad Miftahul Islam Mia

21204166

BRAC Business School

BRAC University

Date: September 17th, 2025

Acknowledgement

Firstly, during the making of this report, I have received immense support and guidance from my honorable supervisor, Dr. Mohammad Mujibul Haque, Professor and Dean of BRAC Business School, BRAC University. His guidance had allowed me to write a report that is able to meet the high standards set by the university.

Secondly, I would also like to thank my on-site supervisor, Mr. Salim Afzal Shawon, CFA, Assistant Director & Head of Research at BRAC EPL Stock Brokerage Ltd for being supportive while also teaching us about how the world of the capital markets in Bangladesh works.

Finally, I am also truly grateful to the rest of the Research Team for making my 12 weeks at the firm a great learning experience.

Executive Summary

The following report outlines the details of my internship experience at BRAC EPL Stock Brokerage Ltd (BESL). BESL is one of the leading brokerage houses in the country. I had the privilege of working as a Research Intern for 12 weeks. Based on my 12- week journey, I came up with a project titled, “Assessing the Impact of US Tariff Policies on Bangladesh’s Textile Sector: A Dhaka Stock Exchange Perspective”. The paper is divided into 3 papers.

Firstly, Chapter 1 covers my overall experience at the firm. This chapter outlines details about my on-site supervisor, my job responsibilities and duties, the difficulties that I had faced during my tenure, and finally, some recommendations that might help the company on improving the experience of future interns.

Secondly, Chapter 2 covers an analysis about BESL. It covers about several departments of the company and how it functions, at the same time, the mission, vision, values and achievements are also outlined in this chapter. Also, an industry and competitive analysis is carried out on BESL as well an assessment of its financial performance over the past 5 years.

Thirdly, Chapter 3 covers the project. For this project, data has been collected from DSE. For the analysis, the RMG sector was analyzed in terms of its market cap; large, medium and small. On the basis of the market cap, an event study methodology was adopted to understand how the stocks reacted to the tariff. A before announcement, after announcement, and after tariff reduction announcement analysis was done. Also, an abnormal return analysis was also carried out.

Finally, I conclude, that the medium cap firms were negatively impacted after the tariffs were announced over the small and large cap as they had more customers based in the US. Based on the analysis in the project, recommendations have been provided aiming to improve performance of medium cap textile firms.

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List of Acronyms

BESL	BRAC EPL Stock Brokerage Limited
BBS	Brac Business School
DSE	Dhaka Stock Exchange
CSE	Chittagong Stock Exchange
KSE	Karachi Stock Exchange
S&P 500	Standard and Poor's 500
FTSE 100	Financial Times-Stock Exchange 100
BSE Sensex 30	S&P Bombay Stock Exchange Sensitive Index
BB	Bangladesh Bank
BSEC	Bangladesh Securities and Exchange Commission
BO	Beneficiary Owners Account
TBS	The Business Standard
TFE	The Financial Express
TDS	The Daily Star
USD	United States Dollar
EUR	Euro
INR	Indian Rupees
GBP	Great British Pound
BDT	Bangladeshi Taka
CFA	Chartered Financial Analyst

CHAPTER 01: Overview Of Internship

At

BRAC EPL Stock Brokerage Ltd

1.1 Student Information

Student Name: Mohammad Miftahul Islam Mia

Student ID: 21204166

Program: Bachelor of Business Administration (BBA)

Department/School: BRAC Business School

Major/ Specialization: Finance

1.2 Internship Information

1.2.1 Company Information

Period: 12 Weeks (May 25 – August 25)

Company Name: BRAC EPL Stock Brokerage Ltd

Department: Research

Address: Symphony (3rd Floor) SE (F) -9, Road No. -142, Gulshan Avenue, Dhaka

1.2.2 Internship Supervisor Information

Name: Salim Afzal Shawon, CFA

Position: Assistant Director & Head of Research

Email: salim@bracepl.com

Phone: 01708805221

1.2.3 Job Scope

Job Duties/Responsibilities:

- Preparing Daily News, Daily Market Update, and Weekly Market Update.
- Maintain Corporate Events Database, and Update Listed Company Financials.
- Assisting Research Analysts and Associates in collecting data for company valuation.
- Create One Pager's for Non-Covered companies.
- Work in other projects when required.

1.3 Internship Outcomes

1.3.1 Student's Contribution to the Company

During my stay at BESL for 12 weeks, I have contributed towards the following tasks for the company.

- **Creating and Maintaining Databases:** As a Research Intern at BESL, one of the primary tasks for us to collect data that Research Associates and Analysts would use to perform valuation on companies. These data involved collecting 10 years' worth of data from the Income Statement, Balance Sheet, Cash Flow Statement, and Notes. During my tenure, I collected the data for over 10 companies and have provided to the team. Secondly, I was responsible for maintaining the Corporate Events Database. This database consisted information about Dividend Declaration, Earnings Update, and Board Meeting Schedules. On a regular basis, I had to update this database to keep the information up-to-date.

- **Daily News Preparation:** One of the regular tasks at BESL was to prepare the Daily News file. Here, I would collect news related to international, macro, sector & industry, and stocks from TBS, TDS, and TFE. After collecting the news, I would accumulate them in a file and make necessary adjustments. Not only do I have to collect news, I also need to update various indexes and currency rates. These included updating the indexes of DSEX, KSE, CSE, BSE Sensex 30, S&P 500, and FTSE 100. The currencies that I had to update where the USD, EUR, GBP, and INR rates against the BDT. After finishing preparing the news, I would also do an impact analysis on the news to find out whether the news would have any positive, negative, or no effect in the DSE and CSE.

- **Prepare One-Pagers:** In one-pagers, I would be given a listed company, and I needed to give a series of information related to that company. These included Business Background, Market Share, Competitive Situation, Recent Developments, and Financial Performance. I had completed 22 one-pagers during my stay at BESL.

- **Daily Market Updates:** Here, I was tasked to update an excel file consisting of information pertaining to the DSE. After the market closes, I would update the file with the latest information and publish the Daily Market Update, which is uploaded to BESL's website by the end of each day. Since the excel file is quite a complex formulated file, it automatically calculates and presents the daily movements and trends happening throughout the market.

- **Weekly Market Update:** This is similar to daily market updates, except it is done at the end of each week. Here, I would collect the news from the Daily News File that BESL had uploaded throughout the week, and compile them in a file. After that, I would update a sheet present in the Daily Market Update excel file called "Weekly" with the market performance at the end of each day of the week. I would then make a PDF for that sheet, which would then be uploaded to BESL's website.

1.3.2 Benefits of the Student

I had experienced immense growth during my tenure. Not only did I understand how the capital market in Bangladesh functions but also got to enhance my technical skills.

- I learned how the capital market works in Bangladesh. I got to learn what influences the overall market and how big of an impact might a news bring.

- My technical skills at Excel had improved drastically. From using functions like VLOOKUP and XLOOKUP on a regular basis, to learning multiple shortcuts to fasten up my work, the team at BESL taught me how to work efficiently and effectively at Excel.

1.3.3 Difficulties Faced During the Internship Period

I did not face any significant issue at my workplace whatsoever, but one problem that I had throughout the internship was commute. Since I live in Uttara, it was quite difficult to come to the face everyday in time, especially during times when I could not find any transport. At the same time, whenever my time had come to prepare the Daily News, I needed to reach office early morning by 8 A.M. Living far from the office did make the commute quite hectic, especially considering the immense traffic of Dhaka city.

1.3.4 Recommendations

I would have some suggestions which might improve certain problems that many future interns might face.

- Provide work from home facilities to interns at least twice a week, as commute is quite hectic, especially for those who do not leave near Gulshan.

- Provide transport facilities so that interns. These would help alleviate the struggle to find transportation that most interns who live far from office face.

CHAPTER 02:

Organization Part

2.1 Introduction

BESL is a subsidiary of BRAC Bank Limited. It is considered to be one of the best brokerage houses in the country as it not only serves local clients and institutions but as also foreign institutions and Non-Residential Citizens of Bangladesh (NRBs). Not only does it have an excellent presence in the eyes of foreign investors, it is also houses one of the best Equity Research Teams in the country.

The research team of the company is its pride as the team has won numerous international accolades. The research team consists of analysts who have either partially completed the CFA or have already obtained the designation. In 2019, the team was honored as the Best Research House by International Finance, a prominent and prestigious business and finance magazine publisher in the UK. Not only, during the same year, BESL had also received the award for the Best Brokerage House in Bangladesh. The primary role of the research team at BESL is to provide industry specific analysis, equity notes, and research reports of companies with a recommendation for the investor. It provides these services to both local and international clients.

In this chapter, I will dive into the organizational aspect of BESL. I will do so by initially going through an overview of the company, followed by its management and marketing practices, and finally, an overview of the company's financial performance over the past 5 years alongside an industry and competitive analysis on the company.

2.1.1 Objectives of the Study

The primary objective for this chapter is to understand how the company functions, and it will do so by doing a thorough analysis on its management and marketing practices, operations strategies alongside how well the company is doing financially. Based on the analysis, a series of recommendations would be provided in an attempt to solve any found issues.

2.1.2 Scope of the Study

The scope of this study is limited to BESL, and its focus lies on the following areas.

- **Organization Overview:** This area will outline the mission, vision, values and achievements of BESL.
- **Management Practices:** Here, the leadership style, HR policies, recruitment, training and compensation system of BESL is covered.
- **Marketing Practices:** A thorough analysis and study is done on the marketing strategies, digital engagement strategies, and the branding strategies of BESL.
- **Financial Performance:** The performance of BESL is evaluated via an analysis on its profitability, liquidity, and solvency ratios. Alongside that, what accounting standards are followed by BESL is also covered.

- **Industry Analysis:** Here, a SWOT analysis is carried out on BESL to understand how well it is performing, alongside a Porter's Five Forces model to understand how competitive is the environment in which BESL is operating.

The study does not cover the entirety of the capital market present in Bangladesh, but it rather provides an in-depth overview of one of the key players operating in the market, which is BESL.

2.1.3 Methodology

The methodology that was adopted for this study are as follows:

1. **Primary Data:** Primary data for this study was collected via personal observations during my 12-week stay at BESL. More data was collected through discussions with my supervisor and with employees from other departments.
2. **Secondary Data:** Secondary data was collected from official publications and reports from BESL's website. Also, data was collected from the annual reports of the company as well news articles such as The Daily Star, The Financial Express, etc.
3. **Analytical Tools:** A SWOT analysis was used to evaluate BESL's performance and a Porter's Five Forces analysis was carried out to understand the competitiveness of the stock brokerage industry. Alongside that, a ratio analysis was carried out to evaluate the financial performance of BESL.

2.1.4 Significance of the Study

This study is valuable to multiple stakeholders.

- **Students:** This study provides practical exposure to BESL's actual organizational operations, which gives students to learn something beyond classroom theory.
- **BESL:** By highlighting its strengths and identifying gaps present in their current management, marketing and operational practices, the company can make adjustments and improve their overall efficiency.
- **Academia:** This report can serve as a case study that can serve as a link that connects business theories with real-world applications in the financial sector.

By connecting the academic knowledge with practical experiences, this report can add value to the understand of how brokerage firms like BESL operate in frontier markets like Bangladesh.

2.1.5 Limitations

While conducting the study, there were several limitations.

- **Confidentiality:** Some strategic information about the company was confidential, therefore, it was not accessible.
- **Limited Exposure:** The scope of the observation was limited to the research department at BESL, therefore areas such as Management Practices are not comparatively less detailed.

- **Resource Availability:** Although primary data was used, the amount of secondary used is significantly much more, therefore, there may be inherent limitations in the accuracy in the some of the information present in this report.

2.2 Overview of the Company

2.2.1 History

BESL started its journey in the year 2000 as Equity Partners Securities Limited (EPSL). On 31st July 2009, 51% of the company was brought by BRAC Bank Limited and later, in 2011, the bank bought an additional 39% shares. In the foreign portfolio investment, which is BESL's specialty, the organizational holds approximately 60% of the market share.

BESL is a member of both DSE and CSE. Currently, the firm has 8 branches in 5 cities and serves more than 21,000 domestic clients and 60 foreign clients.

2.2.2 Mission

The mission statement of BESL as per its website is as follows:

"We strive to develop a sustainable growth model that will guide us to market leadership through advanced technology and superior client service. We aim to create a highly visible brand by developing a diverse talent pool and synergy within the group."

2.2.3 Vision

The mission statement of BESL as per its website is as follows:

"To be trusted broker of choice for all investors by offering unrivalled level of investment expertise and customer service."

2.2.4 Values

The values of BESL as per its website are as follows:

- Customer Focus
- Innovation
- Integrity
- Team Work

2.2.5 Achievements

The achievements of BESL as per its website are as follows:

- Arranged roadshows in the United Kingdom titled 'NRB Investment Summit 2015' in collaboration with BRAC Sajaan. The summit was held for three days at London, Birmingham and Manchester.
- No.1 in Corporate Access in Bangladesh – highest number of roadshows and reverse

roadshows arranged in the country.

- Frequent recipient of Soft Dollar payments for quality and unbiased research reports.
- Pioneer and leader in facilitating foreign portfolio investment in DSE.
- One of the leading stockbrokers of the country with an overall rank of 3 amongst 250 brokers in 2018
- Awarded as Best Brokerage House & Best Research House Bangladesh 2019 by International Finance Publication.
- Arranged 40+ reverse roadshows in the last 5 years.
- BESL arranged the country's first ever roadshow in USA, Singapore and Hong Kong.

2.3 Management

2.3.1 Leadership Style

From my 3-month tenure at BESL, the company seems to follow a democratic style of leadership. The team members are allowed to share their opinions and thoughts regarding any issue that they are combating in order to find an efficient and effective way of solving the issue. For example, junior research associates and sometimes, even interns, are invited to share their insights in a research discussion. This shows that they believe in promoting inclusiveness.

Through the democratic style of leadership, innovation and creativity alongside employee engagement is always encouraged. By giving employee the opportunity to express their opinions and allowing collaboration, BESL tries to ensure that their employees feel valued, which helps in improving their job satisfaction and also plays a pivotal role in keeping them motivated. As the capital market of Bangladesh is quite fast paced, where many decisions are often data-driven and have to be very timely, this form of leadership helps to not only foster accountability but also encourage teamwork.

Although in the research team, democratic form of leadership is present, it cannot be said for other departments. In departments such as trading operations and settlements, an autocratic form of leadership is adopted. Here, there are strict regulatory standards for which it creates little room for deviation.

As a result of this balanced leadership approach, BESL is able to maintain flexibility in not only in developing its strategies, but also have discipline in executing those strategies.

Therefore, I believe both forms of leadership has helped BESL to achieve its goal in fostering innovation and research excellence, however, in terms of democratic leadership, it sometimes slows down the decision making process, especially during times when a quick response is required, on the other hand, in terms of autocratic leadership, it creates little room for employees to showcase their own creativity, as a result, in departments such as settlements and trading operations, the primary task that they have is to listen to their seniors and execute their decisions via their instructions. While both leadership forms have their own advantages and have benefited

BESL, it needs to come up with a balanced approach where decisions are made quickly when needed, and creativity and freedom of thought is allowed when new ideas are required.

2.3.2 Human Resource Planning Process

In order to make sure that the company runs smoothly, the human resources play a fundamental role. Although the number of employees in this department is quite few, they play a pivotal role in the hiring and selection of the skilled employees.

2.3.2.a Recruitment & Selection

At BESL, each department has its unique way of hiring eligible candidates. However, the research department in which I was assigned had a 3-step recruitment process.

- **Initial Screening:** A vacancy post is initially shared online via social media platforms. The company than collects the CVs from this post.

- **Written assessment:** After the initial screening, eligible candidates are invited for a written assessment, where they will be tested on skills and knowledge required for that particular post. These tests are than evaluated, those who have passed the test are invited for an interview.

- **Final Interview:** After the written assessment, candidates who have passed the exam are called for an interview, where the entire research team, including the CEO is present to assess the person who will be best suited for the position.

2.3.2.b Compensation System

BESL provides compensation as per the industry standard. Though they do maintain the industry standard, but the salary for entry to mid-level positions are quite low. As a result, BESL struggles to hire or retain good employees. Other than the basic salary, employees are also provided with the following perks.

- Provident Fund
- Gratuity
- Insurance
- Festival Allowances

2.3.2.c Management Team of BESL

The management team at BESL is presented through the following chart.

Figure 1: The Management Team of BESL (Source: BESL Website)

2.3.2.d Training & Development

The firm understands the importance of upskilling its employees in order to improve efficiency. Hence, it organizes several training sessions and workshops that allow the employees to gain new skills. Members of the research team in particular are encouraged to pursue CFA to improve their skills in financial analysis, and BESL also provides some form of funding to help them pursue this degree, although the amount is quite low. Also, the HR department fully funds any online courses that is relevant towards improving their skillset, this includes courses from Udemy and Coursera. Finally, in-house training is also conducted so that employees are updated on compliance rules and market regulations.

2.3.2.e Performance Appraisal

BESL uses an annual appraisal system, here, the employees are evaluated based on 3 key factors; contribution, teamwork, and their ability to meet deadlines. These performance reviews are conducted by department heads, and is later on, finalized by the HR. Although the appraisal system is formal, some employees, especially from the research team, feel that the recognition and rewards that they receive are not always proportionate to the efforts that they give.

Overall, the HR system at BESL is able to maintain a competent workforce, but the company must address retention challenges. Increasing salary competitiveness, expanding training programs, and offering clearer career progression pathways could help BESL reduce turnover and maintain employee satisfaction.

2.4 Marketing Practices

Although marketing is not usually the strongest function of brokerage houses, BRAC EPL Stock Brokerage has a committed marketing team that delivers significantly to brand visibility and customer acquisition. Given the increase in digital platforms, BESL has escalated its marketing strategies to remain competitive.

2.4.1 Marketing Strategy

The marketing strategy of BESL can be analyzed via the 4P model.

- **Product:** BESL offers an extensive range of financial products and services, including brokerage services for equities and bonds, online trading platforms, research reports, investment advisory and services tailored for Non-Resident Bangladeshis (NRBs). A major competitive advantage is its award-winning research division, which presents daily market updates, one-pagers, and in-depth equity reports that help clients make insightful investment decisions.
- **Price:** The company adheres to a competitive pricing strategy by charging brokerage commissions in accordance with industry standards set by regulators. While BESL does not compete vigorously on price (like some discount brokers), it appoints itself as a premium service provider, justifying its fees through high-quality research and customer support. For institutional clients, customized fee structures and value-added services help sustain long-term relationships.
- **Place:** BESL operates through 8 branches in 5 cities, which enables immediate access to clients. At the same time, most transactions are now done digitally through the company's robust online trading platform. For foreign investors and NRBs, BESL acts as a doorway to the Bangladesh capital market, executing roadshows and international events to bring in clients globally. Thus, BESL has a hybrid distribution framework combining physical presence with strong digital channels.
- **Promotion:** The company publicizes itself essentially through digital and traditional channels. On social media platforms like Facebook and LinkedIn, they share market updates, educational content, and investor engagement activities. BESL also uses print advertisements in financial newspapers, conducts investment summits, and organises branding campaigns showcasing its global recognition and awards. In addition, investor education initiatives, such as webinars and training programs, are used to enhance and strengthen client relationships.

2.4.2 Target Customers, Targeting & Positioning Strategy

BESL caters to three main customer groups:

- **Local Retail Investors:** Individuals trading in stocks and bonds.
- **Institutional Clients:** Domestic financial institutions searching for portfolio management and brokerage services.
- **Foreign Investors & NRBs**: A division where BESL has built an image acting as a doorway to the Bangladesh capital market.

The company establishes itself as a premium brokerage house, characterized by research-driven advice and a global outlook, instead of competing on price alone.

2.4.3 Marketing Channels

BESL uses both offline and online channels to reach clients:

- **Digital Platforms:** Facebook, LinkedIn, and the company website for regular updates, reports, and announcements.
- **Print Media:** Financial newspapers and magazines to publish insights.
- **Events**: Roadshows, investment summits, and seminars to bring in institutional investors.
- **Branch Network:** BESL's 8 branches in 5 cities act as direct contact points for customers.

2.4.4 Product/New Product Development & Competitive Practices

While BESL does not manufacture physical products, it continuously develops new financial services such as:

- Online trading platforms with real-time execution such as BRAC EPL Trade.
- Research-driven investment recommendations.
- Specialized advisory services for NRBs.

Competitively, BESL distinguishes itself by utilising its award-winning research team, which primarily one of the best ways to gain of customer trust.

2.4.5 Branding Activities

BESL emphasizes brand credibility through the following manner.

- **Reputation through Research Excellence:** The award- winning research division is one of the core elements of BESL's brand. The consistent publication of equity research reports, daily market updates, and one-pagers strengthens the perspective that BESL is a knowledge leader in Bangladesh's capital market and not just a brokerage. Clients trust the company's research as authentic and reliable guide for investment decisions, which adds substantial credibility to its brand.
- **Association with BRAC Group:** As a subsidiary of BRAC Bank and part of the larger BRAC ecosystem, BESL benefits from the brand equity of BRAC, which is one of the most respected names in Bangladesh. This connection builds embedded trust and goodwill, since the BRAC name is associated with credibility, societal; accountability, and strong regulatory framework. This affiliation gives BESL a competitive advantage over those of smaller competitors who lack such backing.
- **International Recognition:** BESL's has an advantage of having a strong international footprint which assists in strengthening its branding. The recognitions earned such as "Best Brokerage House" and "Best Research House" in 2019 by International Finance

Publication reveals its excellence on an international platform. Its brand image is escalated through its multiple roadshows and summits held in UK, USA, Singapore and Hong Kong, as it gives foreign investors seeking opportunities in Bangladesh, a doorway.

- **Digital Branding:** In recent years, BESL has invested in digital branding to remain in contact with its audience. Through regular posts on platforms like Facebook, LinkedIn, and other social media, the company publishes content like "Weekly Digest," "Daily Market Updates," and festive greetings. These posts not only offer valuable insights but also create a sense of involvement and trustworthiness. The visual identity is professional, focusing on themes of trust, advancement, modernization and client-focused service. However, the brand is still stand strong amongst institutional and foreign investors than among those of local retail clients, signaling a gap that needs attention.

2.4.6 Advertising & Promotion Strategies

BESL does its advertisements and carries outs its promotion strategies in the following manner:

- **Digital Marketing & Social-Media:** Digital marketing is one of the main tools used by them for their promotion. The company intensively uses social media platforms like Facebook and LinkedIn to convey market updates, insights, and participative content like infographics and quizzes. These digital actions help BESL get involved with tech literate young investors who are rapidly participating in the stock market through online trading.
- **Events & Roadshows:** BESL consistently organizes both domestic and international events in the framework of its promotional strategy. BESL acts as an intermediary between international capital and Bangladeshi market through the international roadshows targeting foreign investors and non-Bangladeshi residents. Regionally, BESL organizes investment summits, awareness programs, and client meetings, which is not only limited to serving for promotional purposes but also strengthen long-term client relationships.
- **Investor Education Programs:** Focusing on investor education is one of BESL's unique feature of its promotion strategy. The company regularly organizes webinars, workshops, and training sessions targeting in improving clients' understanding of the stock market. By focusing on financial literacy, BESL builds credibility and loyalty, as clients view the company not just as a service provider but as a partner in their financial journey.
- **Promotional Campaigns:** BESL is also involved in promotional campaigns aligned with national and cultural events like Independence Day, Eid, and New Year. These campaigns help create sentimental link with clients and position BESL as a brand that respects and honor's cultural identity and client relationships beyond business.

Although BESL has taken major initiatives in advertising and promotion, its efforts are still constrained compared to its competitors like Shanta Securities, who executes more proactive campaigns. BESL's promotional content remains heavily dependent on research output rather than highlighting customer-friendly benefits like ease of accessibility, mobile trading convenience, or personalized services. Scaling up digital storytelling, joint campaigns with influencers, and targeted campaigns could assist BESL broaden its reach among retail investors.

2.4.7 Critical Marketing Issues & Gaps

From my experience, while BESL has many excellent marketing and promotion strategies, it lacks in some areas.

- **Weak Penetration in the Retail Market:** Even though BESL is well known amongst institutional and foreign investors, its market reach in the domestic retail investor segment remains restricted. Competitors like Shanta Securities and UCB Stock Brokerage have pursued more proactive strategies to attract local retail clients via branch expansion and mass-level campaigns. This means BESL's retail presence is weaker, which leads to a long-term growth obstacle since retail investors make up a significant portion of daily market activity in Bangladesh.
- **Limited Marketing Team Size:** Another problem is that BESL's marketing department is undersized. With insufficient number of workers in a team, the company neither can carry out large-scale promotional campaigns nor continuous brand engagement activities at the same pace like that of its competitors. This restriction directly puts impact on the consistently and visibility of its marketing initiatives in a highly competitive brokerage setting.
- **Low Brand Visibility Beyond Dhaka:** Majority of BESL's marketing activities and client reach are centralized in Dhaka even though the firm does operate branches in five cities, leading to a relatively low brand recognition. Many prospective investors in other regions remain uninformed of BESL's services, creating opportunities for competitors to dominate these untapped markets.
- **Heavy Reliance on Research Reputation:** BESL's marketing strategy significantly relies on its image as a research powerhouse. Even though it is effective for bringing in sophisticated and institutional clients, it fails to connect effectively with the everyday retail investor who is more intrigued in user-friendly platforms, simple trading processes, and fast customer service benefits. This instability creates a discrepancy in how BESL communicates its value proposition to various customer groups.
- **Insufficient Digital Storytelling:** Most of BESL's content is still factual and report-based, even with its advances in digital marketing. Unlike some of its competitors that use interactive advertising, influencer marketing, and narrative to attract younger investors, BESL's online presence lacks originality and emotional appeal. If the company's digital marketing isn't modified to take into account changing consumer behavior, it could become outdated in the eyes of the next generation of retail traders.

Overall, BESL's marketing practices are strong in terms of credibility and global recognition, but the gaps in retail penetration, regional outreach, and digital storytelling need urgent attention.

Addressing these issues will allow the firm to broaden its client base, strengthen its brand among local investors, and remain competitive against more aggressive rivals in the industry.

2.5 Financial Performance and Accounting Practices

Financial ratios help to assess the overall financial performance of a company. To analyze the performance of BESL, profitability, solvency, liquidity, and other ratios will be calculated to find out about whether the company is running efficiently. Ratios for 5-years will be analyzed and compared. Through this analysis, stakeholders can make critical and crucial decisions regarding the company.

2.5.1 Liquidity

- **Current Ratio:** The company saw an increase in its current ratio from 1.67 in 2020 to 2.97 in 2022. However, this had dropped from 2023 to 2.33 and had also faced a further decrease in 2024 to 2,13. This drop in current ratio shows that the amount current assets available to pay off current liabilities, however, it is still more than 1, which means that the company still has good liquidity.

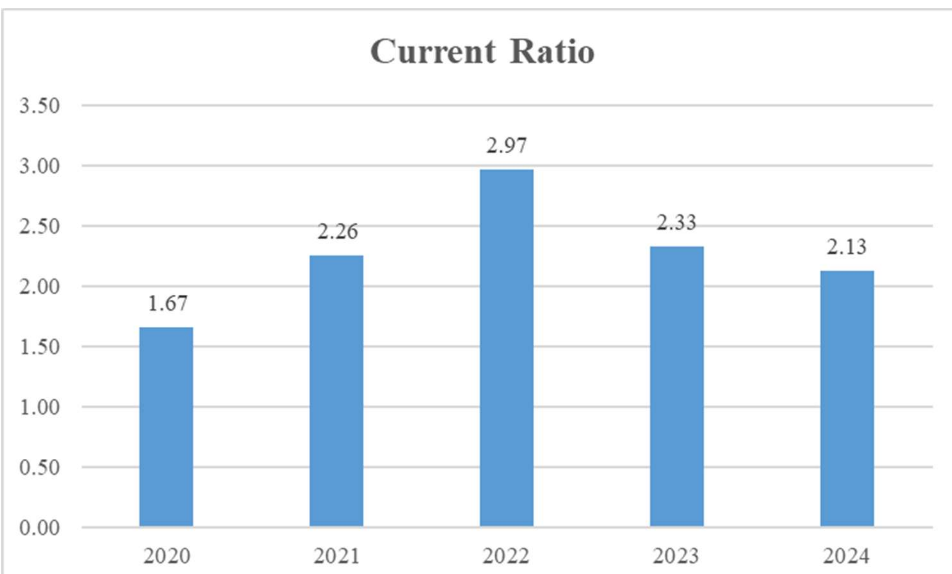

Figure 2: Current Ratio (Source: BESL Audit Report)

- **Cash Ratio:** In 2020, the cash ratio was 0.74, indicating that there was liquidity issue as the company didn't have enough cash to pay every BDT 1 of current liability. However, from 2021, the cash ratio improved to 1.48, however, it did see a fall in 2023 to 1.22, but liquidity was still well, as it more than enough cash to pay for its current liabilities.

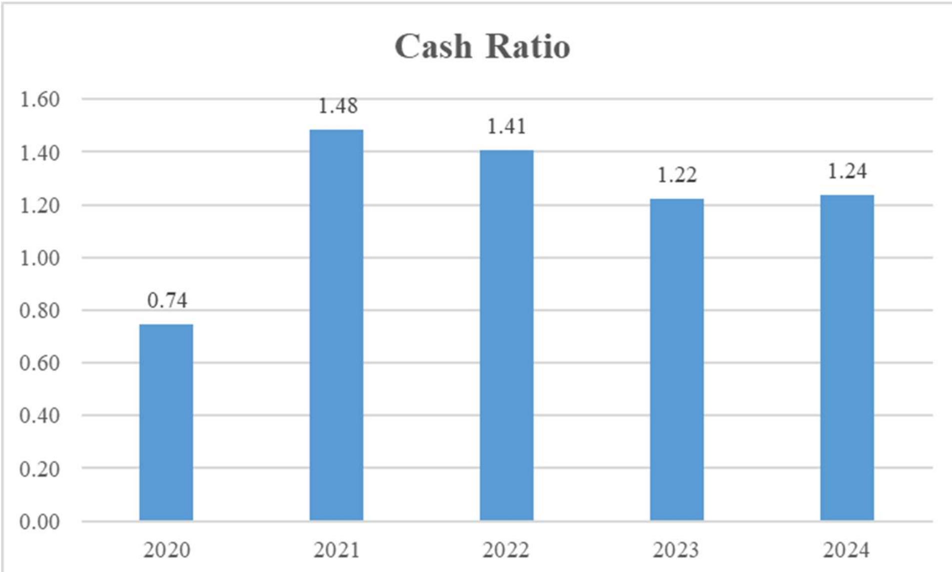

Figure 3: Cash Ratio (Source: BESL Audit Report)

- **Receivable Turnover:** The company's receivable turnover shows that its collection efficiency has been inconsistent over the years. In 2020, the turnover was just 1.10, indicating very slow collections, and it improved significantly to 2.16 in 2021. However, the ratio declined in 2022 and 2023 to 0.96 and 0.89, respectively, showing that receivables were taking longer to convert into cash. In 2024, the turnover recovered to 1.80, reflecting better management of collections. Overall, the fluctuations suggest that the company's ability to collect money from clients has varied, but recent improvement indicates a stronger focus on cash flow and receivables management.

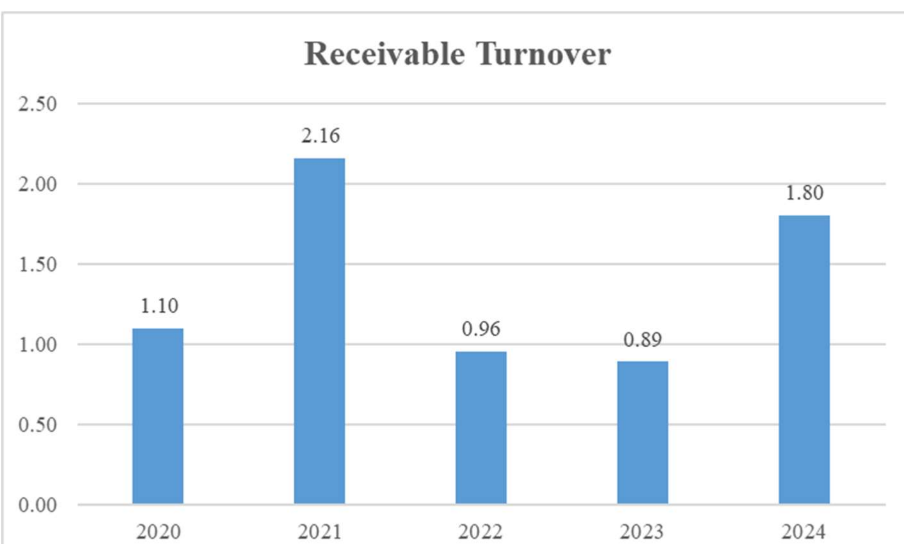

Figure 4: Receivable Turnover (Source: BESL Audit Report)

2.5.2 Solvency

- **Debt-to-Equity Ratio (D/E):** The company is not highly levered, as seen from the ratio. In 2020, the D/E ratio was just 2%, and although he had increased to 6% in 2022, the amount is still quite low. In 2024, the ratio experienced a drop to 2%. With such low D/E, it can be said that the company relies more on equity, and not on debt, which means the company is less prone to any financial risk.

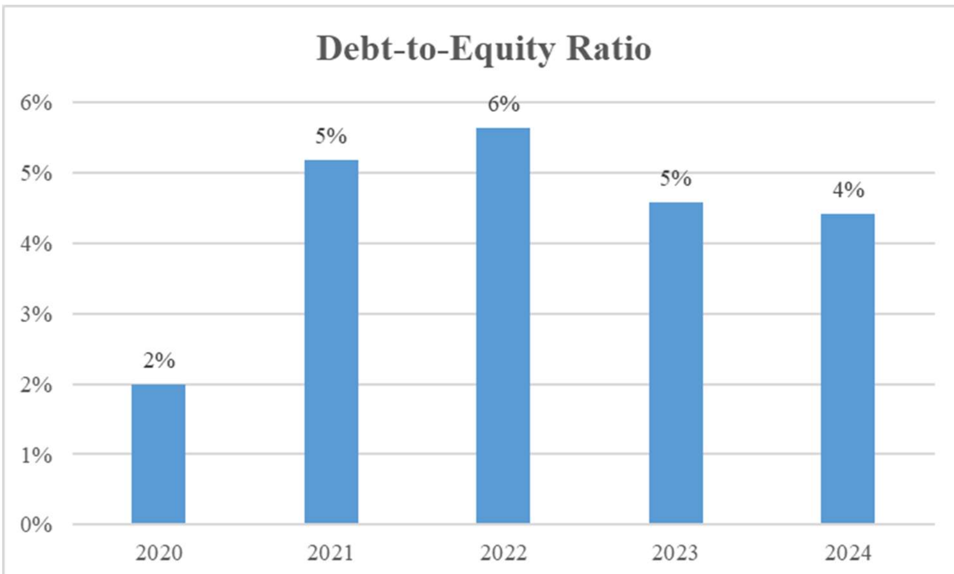

Figure 5: Debt-to-Equity Ratio (Source: BESL Audit Report)

- **Debt Ratio:** In 2020, the company's debt ratio was only 0.9%, which means that only 0.9% debt was used to fund assets. Also, the number, although did increase in 2021, to 2.9%, it is still relatively low. BESL still has a low debt ratio, with only 2.5% in 2024, this shows that the company has less risk of insolvency

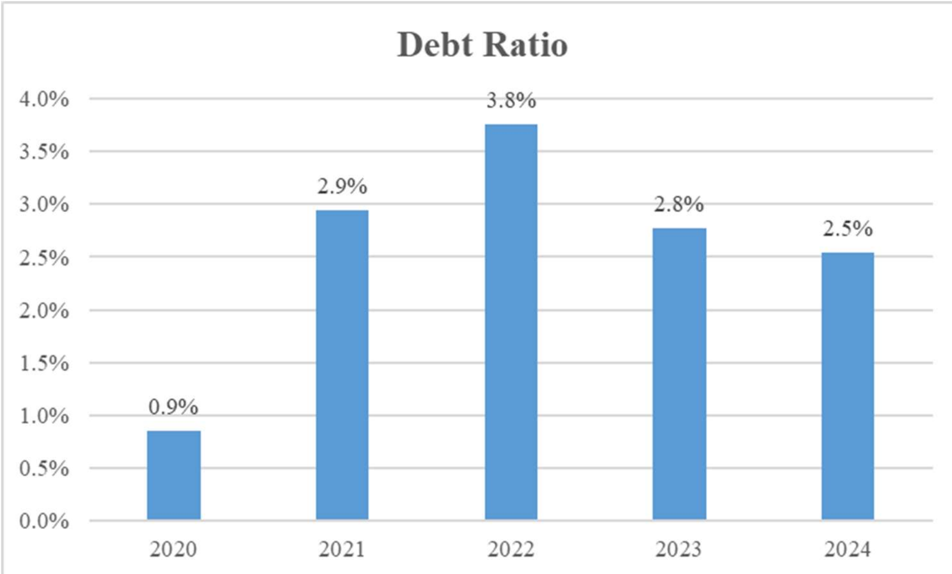

Figure 6: Debt Ratio (Source: BESL Audit Report)

- **Interest Coverage Ratio:** In 2020, the company's interest coverage ratio was a massive amount of 23.46, which means that the company was 23.46 times its interest expense in the EBIT level. It had jumped further to 48.86 in 2021. However, it kept on falling from 2022 onwards, with the numbers dropping to as low as 1.59. This has resulted due to lower operating profits, yet the EBIT was high to enough to cover the interest expense.

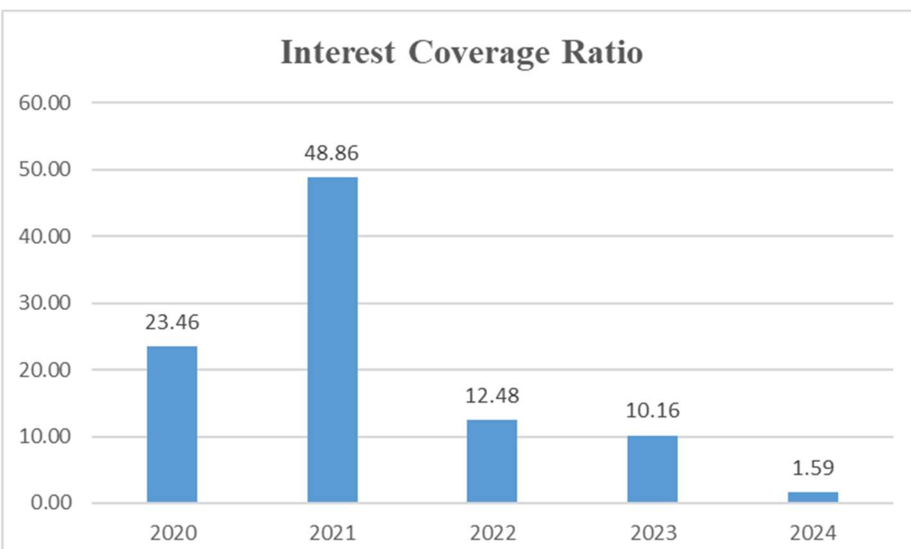

Figure 7: Interest Coverage Ratio (Source: BESL Audit Report)

- **Margin Loan Receivable to Equity Ratio:** The company's Margin Loan Receivable to Equity ratio increased steadily from 14.5% in 2020 to 29.5% in 2022, showing a more aggressive lending approach that could boost profitability but also raised exposure to credit and market risks. In 2023, the ratio fell slightly to 26.4%, indicating some caution, and by

2024 it dropped sharply to 9.3%, reflecting a major shift toward a more conservative strategy. With this lower ratio, the company relies less on margin lending relative to its equity, improving financial stability and reducing risk, though it may also limit earnings from margin interest.

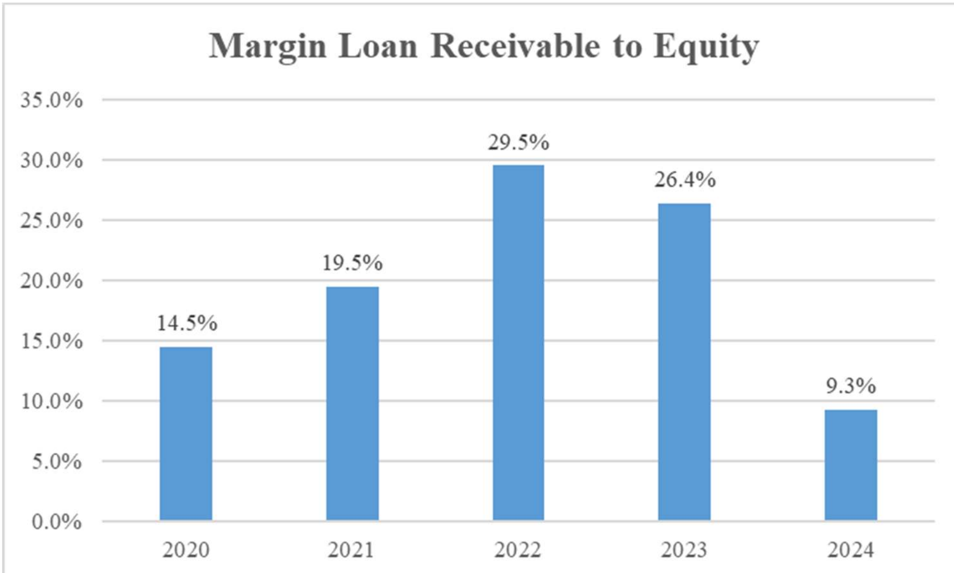

Figure 8: Margin Loan Receivable to Equity Ratio (Source: BESL Audit Report)

2.5.3 Profitability

- **Return on Assets (ROA):** The ROA for the company had increased significantly from 6.2% in 2020 to 10.6% in 2021, which means that the company was using its assets properly to generate profits. However, from 2022 onwards, the ROA kept on decreasing, in fact, in 2024, ROA was -1.6%, this is because they made a large loss that year. Overall, it can be said that firm is not properly utilizing its assets to generate profits.

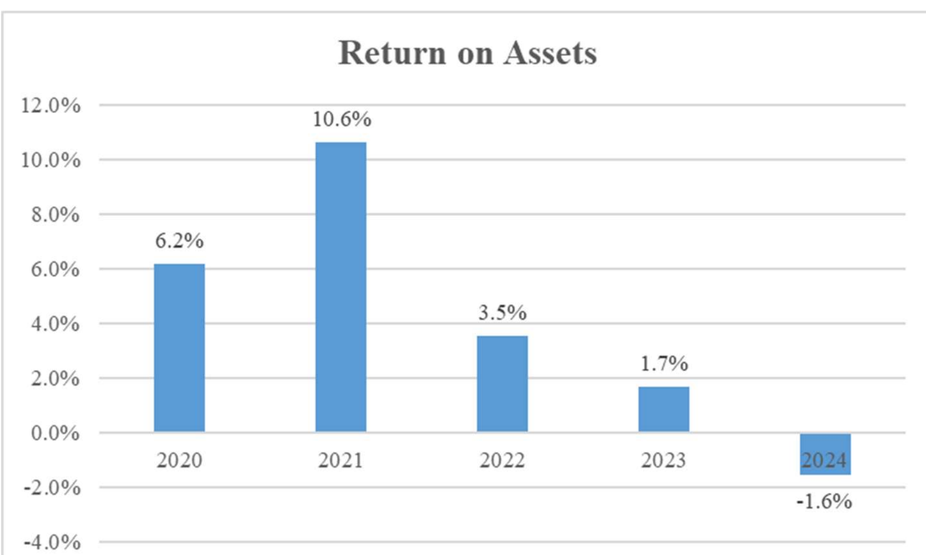

Figure 9: Return on Assets (ROA) (Source: BESL Audit Report)

- **Return on Equity (ROE):** The ROE for the company had increased significantly from 14.4% in 2020 to 18.7% in 2021, which means that the company was generating more profits per BDT 1 amount of equity. However, from 2022 onwards, the ROE kept on decreasing, in fact, in 2024, ROE was -2.7%, this is because they made a large loss that year. Overall, it can be said that firm is not generating enough profits per BDT 1 of equity.

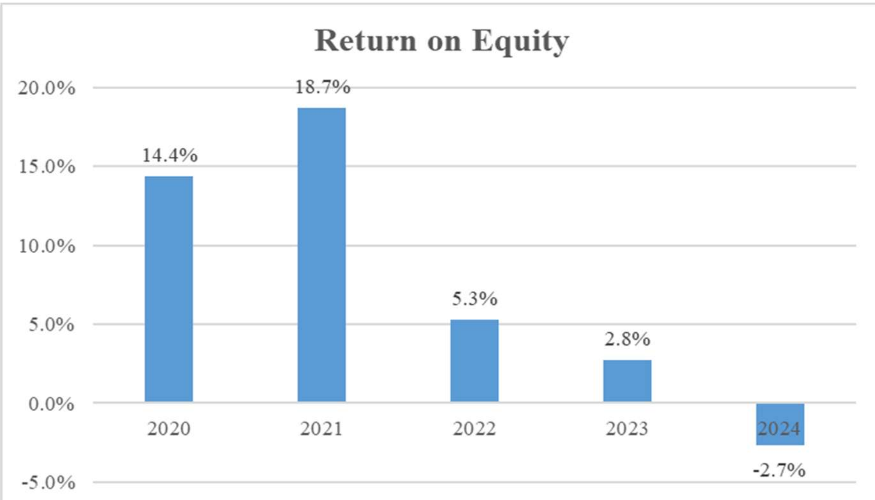

Figure 10: Return on Equity (ROE) (Source: BESL Audit Report)

- **Gross Profit Margin (GP Margin):** The gross profit margin for the company had remained steady hovering above 70% over the past 5-years, although it had experienced a drop in 2024. Yet, it still remained above 70%, showcasing proper management of direct expenses.

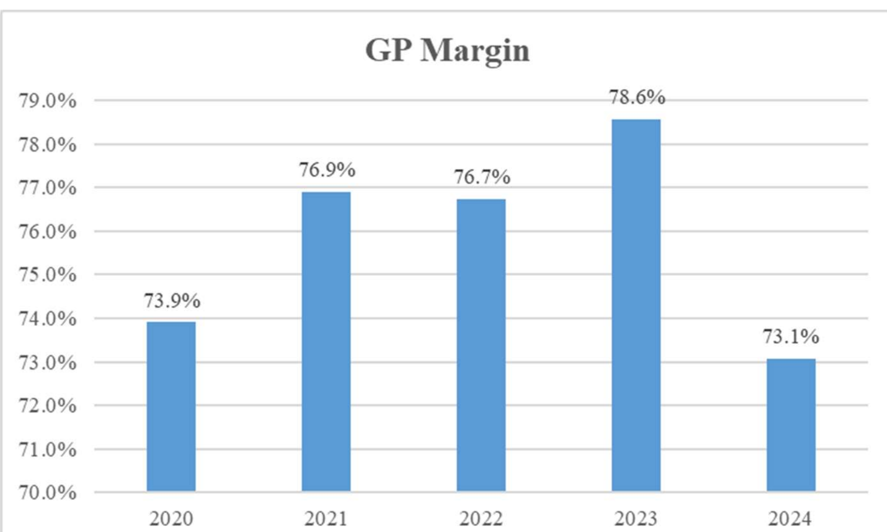

Figure 11: Gross Profit Margin (GP Margin) (Source: BESL Audit Report)

- **Operating Profit Margin (OP Margin):** The OP Margin of BESL had decreased significantly over the past 5 years. In 2020, it stood at a healthy 54.1%, but it started to decrease drastically from 2022 onwards. In 2022, it was 27.7%, and in 2024, it was only 4.5%. This shows that the firm is struggling to manage its operating expenses.

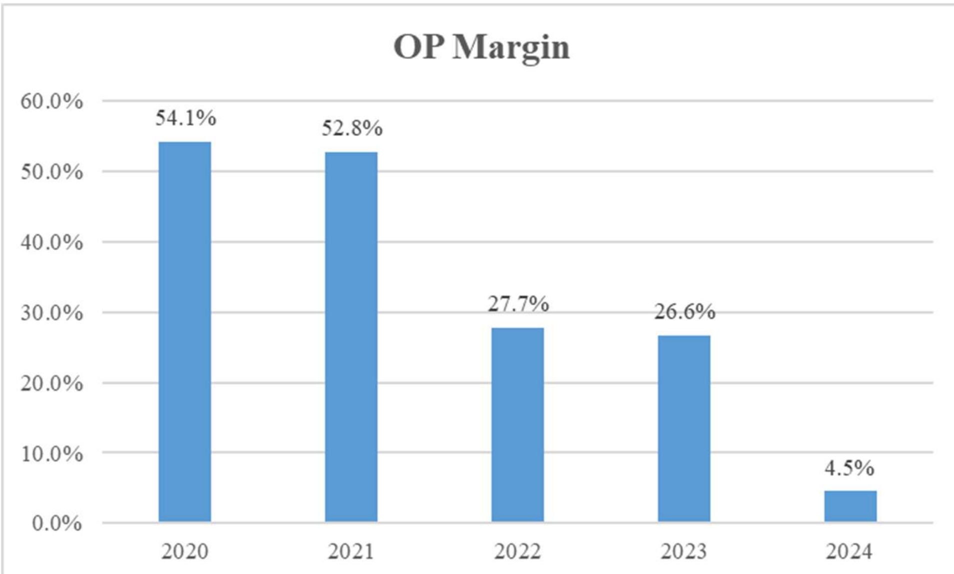

Figure 12: Operating Profit Margin (OP Margin) (Source: BESL Audit Report)

- **Net Profit Margin (NP Margin):** The NP Margin of BESL had decreased significantly over the past 5 years. In 2020, it stood at a healthy 40.6%, but it started to decrease drastically from 2022 onwards. In 2022, it was 14.8%, and in 2024, it was a major drop to -8.6%. This shows that the firm is struggling to generate profits and is not able to maintain the margins it used to maintain.

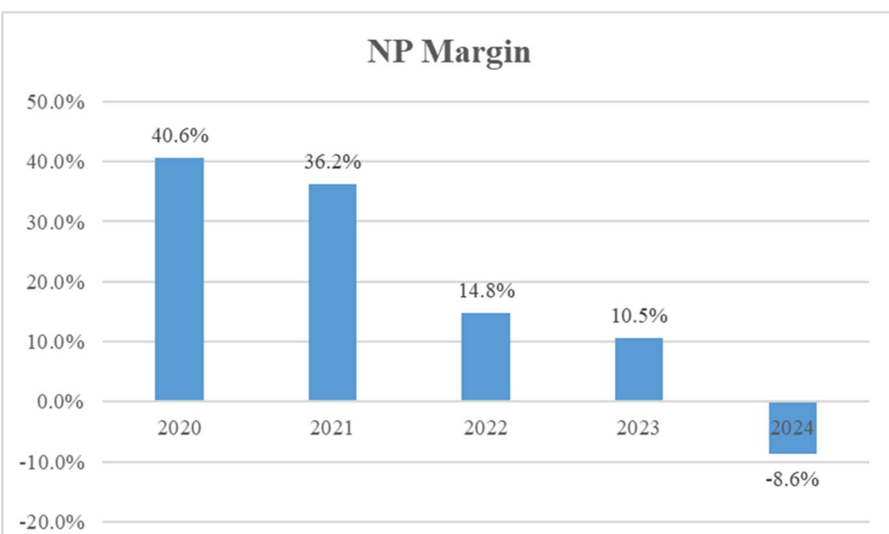

Figure 13: Net Profit Margin (NP Margin) (Source: BESL Audit Report)

2.5.4 DuPont Analysis

Details	**2020**	**2021**	**2022**	**2023**	**2024**
Net Profit Margin	40.6%	36.2%	14.8%	10.5%	-8.6%
Asset Turnover	0.15	0.29	0.24	0.16	0.18
Equity Multiplier	2.33	1.76	1.50	1.65	1.74
DuPont ROE	14%	19%	5%	3%	-3%

Figure 14: DuPont ROE (Source: BESL Audit Report)

From the analysis, we can see that ROE picked in 2021 with 19%, however, it experienced a sharp drop in 2024 with ROE being -3%, the company went from having strong profitability to making net losses. In terms of Net Profit Margin, it had also experienced a massive drop from 40.6% in 2020 to -8.6% in 2024. As a result of this, this acts as the main driver for the declining ROE, which shows that the company is facing high costs. As for the asset turnover, it was quite low to begin with in 2020 with 0.15, and has not increased a lot over the next 4 years, with 0.18 in 2024. This indicates that the company is not using its assets efficiently to generate enough revenue. Finally, in terms of its Equity Multiplier, it had decreased from 2.33 in 2020, which means for every BDT 1 of equity, the company has BDT 2.33 in assets, showcasing high form of debt, however, that number had decreased over the years to 1.74 in 2024. This means that the company has relatively low levels of debt.

Overall, I can say that in terms of profitability, BESL is not doing well, and is now making losses. The firm needs to improve its operational costs in order to become positive on OP and NP Margin. In terms of liquidity, the company is stable but it could do better. In terms of solvency, the firm is doing great as it is not much dependent on debt. Hence, it can be said that the profitability of the company is eroding, in terms of efficiency, it is quite inconsistent, and due to low debts reducing leverage, fostering a healthy ROE has become quite difficult for the company.

2.5.5 Accounting Practices

By studying the audit report, I found that BESL prepares its financial statements following International Financial Reporting Standards (IFRS) and Bangladeshi regulations. Firstly, it follows the accrual basis of accounting. This means BESL records its expenses and incomes when it is earned or incurred, and not when cash is received or paid. In terms of revenue, it is recognized under IFRS rules in the following manner; brokerage commissions are recognized when trades are executed, interest on margins loans are recognized on an accrual basis, and dividends are recognized when it is received. Secondly, it follows the full accounting cycle when preparing all the major financial statements with detailed notes and disclosures. Thirdly, as for depreciation, it uses a straight-line method and has different rates for different assets. For example, 20% depreciation for vehicles and 25% depreciation for computers. Software is treated as an intangible asset; therefore, it is amortized on a straight-line basis, on the other hand, leased assets are also depreciated using the straight-line method under IFRS 16. Fourthly, investments, shares, and mutual funds are measured in fair value, therefore, gains and losses are adjusted with the profit or loss. Finally, the company also makes provisions for taxes, deferred tax, and employee benefits such as provident fund and gratuity. Overall, the audit reports of BESL confirm that the firm keeps proper books for its accounts, and has made required disclosures when necessary, and has following the accounting principles.

2.6 Operations Management and Information System

2.6.1 Operations Management

BESL has 8 branches in 5 cities. Each of these branches run their daily business functions and trading activities independently. Each branch also has its own accounts, where the deposits and payments of the clients are taken care off. As for the International Trade and Foreign Trade, it is exclusively handled by the corporate branch. Almost all of the branches at BESL have their own finance, settlement, and IT teams.

2.6.2 Information System

Amongst all the roles, I believe that the IT department plays the most crucial role in all of the branches of BESL. Without the existence of this department, the trading activity of the company cannot be possible, which is the main driver of revenue for the company. All the trading activities are done automatically via software. The department is responsible to make that this software runs properly without any glitches. As for data storage, each department has its own way of storing data, for example, the research department stored its data on OneDrive.

2.7 Industry and Competitive Analysis

2.7.1 SWOT Analysis

SWOT stands for Strengths, Weaknesses, Opportunities, and Threats. This is used to analyze the internal and external factors of a business in order to formulate strategies in accordance to those factors. The SWOT analysis for BESL is as follows:

Strengths

- The company is constantly keeping itself up to date, it was one of the few brokerage firms who is integrating Artificial Intelligence (AI) into its day-to-day operations.
- BESL has one of the best research teams in the country and it also received several national and international recognitions.

Weaknesses

- Although hosting a good marketing team, BESL is still not able to capture significant market share in local retail market, which shows that its marketing efforts need improvement.

- The company provides poor financial incentives to entry and mid-level employees, causing them to have high employee turnover rates. This may hinder firm performance.
- Number of branches is insufficient considering they are leaving behind a significant portion of the population.

Opportunities

- Can take advantage of the opening of the commodity exchange in Bangladesh by being one of the first brokers present in the exchange, therefore getting a head start.

Threats

- A major and common threat for BESL would be social and economic unrest. During economic turmoil, investors tend to shift their money to less risky asset classes, causing capital markets to have a downfall. This downfall also impacts BESL has trading activity decreases.
- Since barrier to entry into the market, many firms are entering the market. Many of these firms have smoother and better online services, which may cause BESL to lose some of its clients.

2.7.2 Porter's Five Forces

Porter's Five Forces measures how attractive and competitive an industry. This tool can be used to analyze the current competitive situation of BESL and devise strategies that can help the firm exceed in the industry. The Porter's Five Forces for BESL are as follows:

- **Power of Buyers (High):** The customer buyer power here is quite high as customers can easily change brokers with little switching costs, and many brokerage houses often offer very similar and identical services.
- **Power of Suppliers (Low):** In the brokerage industry, DSE and CSE can be considered suppliers. Here, the role of the supplier is very limited, as its only job is to make sure market is performing effectively. Suppliers have little to no influence in how well a brokerage house will perform.
- **Threat of Substitutes (Moderate):** It is moderate because number of substitutes available in Bangladesh is low. This includes T-bonds and bills, and some corporate bonds.
- **Threat of New Entrants (Moderate):** The only entry barrier that firms may face may stem from regulatory requirements. However, one does not need much capital to enter into this market.
- **Competitive Rivalry (High):** The amount of brokerage houses present in Bangladesh is increasing drastically, and firms like UCB Stock Brokerage, and Shanta Securities are gaining significant market share.

2.8 Summary and Conclusion

Due to solid relationship with BRAC Bank and outstanding reputation for research, BRAC EPL Stock Brokerage Ltd. (BESL) is one of Bangladesh's top brokerage houses. The company's global recognition and innovative use of technology has helped establish a significant presence among institutional and overseas investors while also preserving its credibility.

BESL's research team has organized HR practices and a democratic leadership style, which is advantages BESL from the organizational perspective. However, the company still has trouble keeping employees because of the low compensation. Its marketing efforts focus on research-driven branding and digital engagement, but its retail presence and awareness outside of Dhaka are still low.

Even though liquidity and solvency indicators suggest stability, profitability has sharply declined over the last three years, primarily due to rising operational costs and declining efficiency. Despite these setbacks, BESL's strong research team, global network, and innovation efforts help it maintain its competitive advantages. If BESL can address its marketing and financial shortcomings, it could strengthen its position as the country's top brokerage house and move closer to reaching that status.

2.9 Recommendation

Based on the analysis BESL can improve its operational performance and long-term competitiveness over its competitors in the following ways:

1. **Strengthen Retail Presence**: Broaden outreach to local retail investors by the means of regional campaigns, branch expansion, and digital platforms that focuses on user-friendly services.
2. **Enhance Employee Retention**: Review remuneration structures and deliver clearer career growth opportunities to lower employee turnover, specifically among skilled analysts and associates.
3. **Expand Digital Branding**: Expand beyond research centric communication and adopt storytelling, joint influencer campaigns and interactive campaigns to attract younger and retail investors.
4. **Improve Operational Efficiency**: Evaluate cost frameworks and streamline operations to revive profitability, specifically by managing operating expenses more efficiently.
5. **Leverage Innovation**: Sustain investing in technology, including AI-driven tools and sophisticated trading platforms, to distinguish BESL from competitors and enhance client services.

By emphasizing on these areas, BESL can develop its existing strengths, confront current challenges, and assure itself a sustainable growth in a rapidly competitive brokerage industry.

CHAPTER 03:

Project Part

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3.1 Introduction

A well-performing stock market is very crucial for a functioning modern economy to thrive. The stock market allows investors to add value to the economy by enabling money to move forward between investors and companies. Being a fundamental part of the economy, the stock market is highly sensitive to news and policy changes. And recently, the entire world was taken by storm as the US government decided to introduce a "Reciprocating Tariffs" as a policy to improve their trade deficit, a move that threatens the textile industry of Bangladesh.

3.1.1 Background

The Bangladesh Textile Industry is a very important contributor to the economy. This industry alone is responsible for 84% of the exports earning of the country (Ficci, n.d.). Moreover, it is also responsible for 13% of the country's GDP. Therefore, due to the severe scale of the export contributed by this industry, the Reciprocal Tariffs are a significant threat that is affecting the industry and the sentiment of the investors for this industry. Making the situation work is the huge dependence of this industry on the US market.

The imposition of this tax is creating uncertainty, which is reflected in the stock market, and this change in the stock market is a great representation of the performance of the industry resulting from this policy. Also, due to the sudden implication along with the short time for preparation, the investors and policymakers are uncertain about the depth of the impact this particular policy will have. Moreover, since the policy is fairly new, there is a lack of studies done on the topic that attempt to find out the correlation and impact of the US tariff on the textile industry performance in the stock market.

3.1.2 Objective

This project is intended to assess the impact of the Reciprocal Tariffs on the textile sector of the stock market. This was to identify the depth at which it impacts the stock market. The textile industry is one of the greatest contributors to the export industry, and the revenue tax is a huge threat to the textile sector, which will have an impact on the stock market. Now, understanding the depth of the effect will allow the financial market to create a benchmark to expect something similar to happen in the future.

To examine the pre- and post-effects of the tariff policy on the stock market performance for the textile industry, we collected information about the stock of nine different companies. The information allows us to measure the exact volatility and investors' sentiment caused by the implication of the US tariff policies. The object is not just to find the impact on the textile industry but also to do a deeper dive and find out the impact it had on different sizes.

3.1.3 Scope of the Study

This research is limited to the textile industry of Bangladesh and its impact on the Dhaka stock market. Therefore, it only accounts for the listed companies, and the impact of the non-listed companies cannot be assessed. The data used here is from 20th March till 18th August 2025, which covers all the data necessary for the period before the introduction of the tariff and after the introduction of the tariff, which is a very small- time frame, and the frequency of fluctuations could make the outcome blurry. Moreover, the companies selected here do not reflect the entirety of the stock market; as such, any abnormality in the return of the selected companies could lead to a result that is not a proper reflection of the textile industry.

3.2 Literature Review

The textile industry is one of the key sectors of the Bangladesh economy, leading the export side of Bangladesh with 84% contribution. In 1983, the apparel industry contributed to just 4% of the exports, but over the decades it became the heart of the export basket of Bangladesh (Siddiqi, 2025). Therefore, this sector is responsible for bringing in foreign earnings, which is a crucial function for an import-dependent country like Bangladesh. Furthermore, based on the export values of 2024, Bangladesh is ranked second after China (Siddiqi, 2025). The textile industry is expected to grow at a CAGR of 5.81 % from $20.15 billion in 2025 to $26.72 billion in 2030 (Mordor Intelligence, 2024).

The unfolding of the Reciprocal tariff came as a shock and put the whole textile industry at a huge risk, as the US market is the biggest export destination of Bangladeshi textiles. The tariff, as the name suggests, came as a retaliation for the percentage of tariff that is charged by Bangladesh for importing US goods. The US, claiming Bangladesh charges a 74% tariff on goods based on the US, the US had responded with a discounted reciprocal tariff of 37% which is among some of the highest penalized countries (The Daily Star, 2025). The policy, which was introduced to reduce unfair trade agreements, soon became detrimental as it impacts the textile industry of Bangladesh, whose competitive edge is affected do to this. Later in 7th July, a new tariff rate was fixed at a slightly reduced rate of 35% which is said to be effective in action from 1st August 2025. Making the situation even worse for Bangladesh was the new imposition of the 40% local value addition (LVA), which implies that for a product to be labeled as made in Bangladesh will require a minimum of 40% from local sources. Garment experts believe the LVA to be too high and require revision, or Bangladesh will face a huge crisis (Uddin, 2025).

Upon the declaration of the tariff in July, unrest began to be seen in the textile industry. Orders from Walmart were put on hold due to the declarations of the high interest rate. Many garment owners were worried that the high tariff had cost them their competitive edge, and as a result, many are considering diverting to European countries for clients, even if they have to cut down their prices. (The Daily Star, 2025).

On July 31st, a ray of hope emerged for the Bangladesh textile industry as the tariff was revised from 35% to 20%, just one day before the tariffs was effective. This was great news for Bangladesh as this put them back in line with their competitors like India and Vietnam (Mirdha, 2025).

From January to June 2025, despite the unrest arising from the reciprocate tariff, the apparel industry of Bangladesh has grown by 25% compared to just 6.76% in the same period in 2024. This is due to the tax imposed on the Chinese, which is allowing Bangladesh to gain the business lost by the Chinese. China and the US trade war has resulted in a position where China is beginning to lose its business dominance, and this allows countries like Bangladesh to take advantage of this situation. Garment experts believe that this is favorable news for Bangladesh as they believe that in the upcoming Bangladesh textile company is likely to gain more orders, and as the recently revised tariff rates put the Bangladeshi textile industry at a favorable competitive position.

3.3 Methodology

3.3.1 Event Study Model

For the analysis of this study, the event study model was used. Here, stock returns of large-cap, medium-cap, and small-cap textile firms were measured before the announcement of tariff, after the announcement of tariff, and after the announcement of the tariff reduction. Furthermore, the abnormal returns have been calculated for each stock to get a hint of what the performance would be like in the future. On 2nd April 2025, the tariffs were announced, till 31st July tariffs remained at 35%, initially it was 37%, but it was slightly reduced by 2% on July 7th 2025. On 31st July, tariffs were reduced to 20%.

Three models were used to calculate expected returns. Each of the expected returns calculated from these models were used to find different abnormal returns. These models are as follows:

- **Constant Return Model:** Here, the daily return of the stock is equal to the expected return.
- **Market Adjusted Model:** Here, daily market return is equal to the expected return.
- **CAPM Model:** Here, the Capital Asset Pricing Model is used to calculate the expected return.

By using these models, the abnormal returns are calculated. For the abnormal return calculation, firstly, there is an estimation window, which is the time before the announcement of the tariff. In this case, the estimation window is 5 days (Starting from March 20th 2025 till April 2nd 2025; excludes Eid Holidays). In this estimation window, all the expected returns from each model are calculated. After which, abnormal returns during the event window, which is from 2nd April 2025 till 10th April 2025, is calculated using the three models. Each model will give different abnormal returns, and after the abnormal returns are calculated, a cumulative abnormal return is also calculated (See Appendix 1 for Formulae).

3.3.2 Data Collection

Secondary data of stock-related information of Square Textile Ltd., Paramount Textile Limited, Envoy Textiles Limited, Malek Spinning Mills Ltd., Sharp Industries PLC, Matin Spinning Mills Ltd., Aman Cotton Fibrous Limited, Queen South Textile Mills Limited, and Rahim Textile Mills Ltd. were collected from Investing.com. The companies were selected in such a manner that they cover large-cap, medium-cap, and small-cap companies, giving us a clearer picture of the impact and how the impact was felt by textile companies of different sizes.

3.3.3 Stock Selection

As for the stock selection, 3 stocks were selected for each cap. This selection was done primarily on the basis of their category and market cap. Firstly, the stocks selected are from A and B category only, which comprises 56% of the listed textile stocks. The Z category stocks were removed because these companies are underperforming in all market conditions, regardless whether there are any tariffs or not. Further filtration was made based on market capitalization. For categorizing the companies, we considered companies with a market cap of less than BDT 2000 million as a small cap company, a company with a market cap between BDT 2000-7000 million as a medium cap, and a company with more than BDT 7000 million as a large cap company. As a result, the largest 3 listed textile stocks, PTL, SQUARETEXT, and ENVOYTEX fall under the large cap, the medium cap comprises of MALEKSPIN, MARTINSPINN, and SHARPIND, and under the small cap, the companies are RAHIMTEXT, ACFL, and QUEENSOUTH. Out of these 9 companies, 7 of them fall under "A" category, and 2 fall under "B" Category. Under the small and medium cap categories, each of these categories have 1 "B" category stock. The reason behind not selecting another A category for these caps as the remainders do not have much market cap, therefore may not be an appropriate measure to find the performance for each of those caps. Also, for the medium and small market cap, the stocks selected the kept close to the maximum range, for example, a selected company in a small cap has a market cap very close to BDT 2000 million, and for a selected company in a medium cap, they have a market cap also close to BDT 7000 million (See Appendix 14 for formulae, time period, and dates). Finally, through separate cap analysis, we can figure out which stocks present in which cap would perform better.

- **Large Cap:** Most of these companies do have substantial revenue coming from USA, it is rather a mix of both European and US buyers.
- **Medium Cap:** Buyers are mainly from the US.
- **Small Cap:** Mix of both USA and Europe, and also wholesale local customers in BD.

3.3.4 Method of Performance Evaluation

After the data collection and categorization, we found the average return based on the company's market capitalization, which was used to generalize the data to ease comparison. Also, to get a proper result of the events, we compared the return of the companies with the market in 3 different phases to find out the performance of the textile industry compared to the capital market. The fluctuations and the directions of the stock prices were used as indicators of the impact of the policy, along with information from secondary sources like the Daily Star.

3.3.5 Hypothesis Testing

For this study, I have used the t-test to evaluate whether the null hypothesis, which is that event had no effect on the stock is true or not. To do so, I have calculated the cumulative abnormal returns (CAR) from each model and arranged it in categories of groups based on market cap (large, medium, and small). I have done so by taking the average CAR of the 3 companies under each model and for each cap (See Appendix 14 for formulae, time period, and dates). After this calculation, the t-value was calculated. For this case, it is a 2-tailed test, at a 5% significance level.

3.3.6 Limitations

As for limitations, more advanced and more impactful tests could be conducted due to the limited time frame of the event, which does not provide sufficient information needed for conducting such tests. Also, for the abnormal return calculation, the timeline is too short to give a concrete overview of what the long-term performance of these companies might be.

3.4 Findings and Analysis

From the data collected, we can identify that the implications of the tariff have three main phases, which are important to assess the impact of the tariff. First of all, there is a time before the announcement was made public; for this, we used data from March 20th to April 2nd 2025. After that, we have the next phase that starts from 2nd April till 31st July 2025. And lastly, there is the phase after 31st July 2025, where the tariff rates were reduced significantly.

3.4.1 Before the Announcement

This phase contains the market before the announcement was made in the market, and the tariff was made public. Although even at this time, there were rumors floating about the introduction of the tariff.

Phases: Before Announcement (Before 2nd April 2025)	Market Return	Average Return of the Textile Industry	Market Difference
Large Cap	0.05%	-0.19%	-0.24%
Medium cap	0.05%	-0.22%	-0.27%
Small Cap	0.05%	-0.21%	-0.26%

Figure 15: Market Return and Textile Industry Average Return (Based on Market Cap) Before Tariff Announcement. (See Appendix 5,6,7,8,9,10,11,12,13, and 14 for calculation)

We start our analysis by looking at the expected market return and the average return earned by the textile industry based on its market capitalization. Within that small time frame, it seemed that the market was producing a very small but positive return; however, it was not the same for the textile industry, as all of the selected companies were contributing a negative return. Out of the three categories, medium-cap textile companies were performing the worst, with the small-cap performing better but to an almost negligible proportion; meanwhile, the large-cap companies were performing the best.

3.4.2 After the Announcement

In this phase, the announcement about the 37% reciprocal tariff had been made public. This created a high level of uncertainty in the market, which could be felt. Although the announcement was made, Bangladesh was keen on trying to negotiate a more favorable rate, and investors and the textile industry were clinging to the hope of better and more favorable tariff rates.

Phases: After Announcement (Between 2nd April & 10th April 2025)	Market Return	Average Return of the Textile Industry	Market Difference
Large Cap	-0.05%	-0.39%	-0.33%
Medium cap	-0.05%	-1.04%	-0.99%
Small Cap	-0.05%	-0.65%	-0.60%

Figure 16: Market Return and Textile Industry Average Return (Based on Market Cap) After Tariff Announcement (See Appendix 5,6,7,8,9,10,11,12,13, and 14 for calculation).

In this phase, the extremely high 37% tariff was announced, and its impact can be felt not only in the textile industry but also in the stock market as a whole. After the announcement, the expected market return was a negative 0.05% meaning the market as a whole was down, signaling that the investors' confidence was also down. The textile industry itself was also negative, suggesting that the tariffs did have an impact on the stock performance for all caps, with medium cap stocks having the highest negative return.

The events that could explain this outcome could be the fact that maybe the medium-sized companies were more heavily affected by the deals being suspended or cancelled by the foreign companies compared to the large-cap companies, as their major buyers were these foreign companies located in the USA.

3.4.3 After the Tariff Reduction

In this phase, the US government had decided to review the unfair tariff rate and significantly dropped it to a 20% tariff. This was very favorable news and positive news for the Bangladesh economy. Following this revised tariff, the textile industry was rejuvenated, along with a positive sentiment that could be felt throughout the whole market.

Phases: After Tariff Reduction (31st July 2025 Onwards)	Market Return	Average Return of the Textile Industry	Market Difference
Large Cap	-0.07%	0.15%	0.22%
Medium cap	-0.07%	0.59%	0.66%
Small Cap	-0.07%	0.58%	0.66%

Figure 17: Market Return and Textile Industry Average Return (Based on Market Cap) After Tariff Reduction. (See Appendix 5,6,7,8,9,10,11,12,13, and 14 for calculation).

In this period, the market was performing at a negative 0.07%. Moreover, the companies of the textile industry were also performing better as all-sized companies were making a profit and were outperforming the market. The best return within this period was generated by the medium-cap company; meanwhile, the least return was generated by the large-cap company.

In this phase, the textile industry was in a much favorable position, as the tariff reduction had finally put them in a position where they could still compete with their competitors. Moreover, as the tariff had weakened China's dominance in the global textile industry, Bangladesh was able to gain more customers, and all these positive outcomes allowed the textile industry to bounce back and generate a positive return in the market.

3.4.3 Abnormal Returns

3.4.3.a Cumulative Abnormal Return

Market Cap	Company Name	Expected Return During Estimation Period			Cumulative Abnormal Returns During Event Window Using Three Models			Average CAR for Each Model Based on Mkt Cap		
		CAPM	Constant Return	Market Adjusted	CAPM	Constant Return	Market Adjusted	CAPM	Constant Return	Market Adjusted
Large Cap	Square Textile Ltd.	19%	-0.04%	0.05%	-96.15%	-2.03%	-2.45%	-94.19%	-0.98%	-2.16%
	Paramount Textile Limited	19%	-0.82%	0.05%	-96.81%	3.02%	-1.31%			
	Envoy Textiles Limited	17%	0.29%	0.05%	-89.61%	-3.94%	-2.73%			
Medium Cap	Malek Spinning Mills Ltd.	26%	0.32%	0.05%	-132.01%	-4.61%	-3.25%	-124.78%	-3.07%	-5.44%
	Matin Spinning Mills Ltd.	19%	0.18%	0.05%	-95.19%	-2.64%	-1.96%			
	Sharp Industries PLC	27%	-1.17%	0.05%	-147.14%	-1.96%	-11.12%			
Small Cap	Rahim Textile Mills Ltd.	15%	0.26%	0.05%	-77.47%	-3.16%	-2.07%	-111.57%	-2.18%	-3.47%
	Aman Cotton Fibrous Limited	25%	-0.31%	0.05%	-129.76%	-1.17%	-2.96%			
	Queen South Textile Mills Limited	24%	-0.58%	0.05%	-127.49%	-2.22%	-5.37%			

Figure 18: Expected Return Calculation Using CAPM, Constant Return, and Market Adjusted Model; Cumulative Abnormal Returns During Event Window; Average CAR for Each Model Based on Market Cap (See Appendix 5,6,7,8,9,10,11,12,13, and 14 for calculation; Appendix 15 for beta and CAPM calculation).

From the figure, we can see that cumulative abnormal returns when calculated using the CAPM model is extremely high. This is because the risk-free rate, which is the 3-month T-bill rate of Bangladesh, is high. It is fueled by equity risk premium of 11.7%.

On the other hand, when using the Constant Return Model, the CAR remained fairly stable with some exceptions as this method uses the daily returns. The large cap sector showed high CAR with only Envoy Textiles have a negative CAR, with the small cap sector showcasing high CAR for all

3 stocks presents in its group. Finally, the medium sector cap was the poorest performing one, with 2 of the stocks having negative CAR.

In terms of the CAR using the Market Adjusted Model, the CAR was quite stable as well, with the medium cap having the highest negative CAR, whereas both large and small caps performed well, with only one negative CAR present in the small cap, however it's quite low.

Overall, the CAPM model for the use of the CAR calculation showcased the sensitivity to the estimation period window for the stocks presents in the study. In terms of Constant Return Model, all the caps had positive average CAR, and for the Market Adjusted Model, only the medium cap had a negative average CAR. Hence, from this analysis, we can see that the medium cap stocks performed slightly poorly than the other stocks present here.

3.4.3.b Buy and Hold Abnormal Return

Market Cap	Company Name	Buy and Hold Abnormal Return	Average Abnormal Return Per Cap
Large Cap	Square Textile Ltd.	-2.08%	-1.74%
	Paramount Textile Limited	-0.86%	
	Envoy Textiles Limited	-2.28%	
Medium Cap	Malek Spinning Mills Ltd.	-2.85%	-4.89%
	Matin Spinning Mills Ltd.	-1.52%	
	Sharp Industries PLC	-10.32%	
Small Cap	Rahim Textile Mills Ltd.	-1.64%	-3.04%
	Aman Cotton Fibrous Limited	-2.51%	
	Queen South Textile Mills Limited	-4.96%	

Figure 19: Buy and Hold Abnormal Return (BHAR) for Each Stock, and Average BHAR per cap (See Appendix 5,6,7,8,9,10,11,12,13, and 14 for calculation)

The BHAR was calculated by taking the product of daily compound returns for a stock and then deducting it from the product of daily compound returns of the market. Here, the window is from 2nd April 2025 till 10th April 2025. From the above figure, it can be seen that all companies had a negative BHAR, meaning that stocks underperformed the market during the holding period. The medium cap had also underperformed the most with a negative -4.89% BHAR. Overall, it can be seen that after the tariff announcement, there was a case of negative BHAR results, showcasing investor's drop in confidence on the textile sector.

3.4.4 Significance of the Study

3.4.3.a Cumulative Abnormal Return Hypothesis Testing

Si Here, the null hypothesis and alternative hypothesis are as follows:

- **Null hypothesis (H_0):** Event has no effect; CAR = 0
- **Alternative hypothesis (H_1):** Event does have an effect; CAR ≠ 0

This is a two-tailed test as the tariff event could either increase or decrease the CAR.

The significance level is assumed to be 5%, and the degrees of freedom (DF) for this test is 2, as there are three groups, and the DF is formulae is number of groups minus one. As a result of the DF and significance level, the critical t-value is ± 4.303. Here, the t-statistic is used for the hypothesis testing.

Finally, the following is done after the t-stat is calculated for each cap.

- If |t| > t-critical → reject null → CAR is significant
- If |t| ≤ t-critical → cannot reject null → CAR is not significant

Market Cap	Company Name	T- Stat Cumulative Abnormal Returns Based on Mkt Cap		
		CAPM	Constant Return	Market Adjusted
Large Cap	Square Textile Ltd.	-2.63	-0.22	-0.40
	Paramount Textile Limited			
	Envoy Textiles Limited			
Medium Cap	Malek Spinning Mills Ltd.	-2.71	-0.32	-0.36
	Matin Spinning Mills Ltd.			
	Sharp Industries PLC			
Small Cap	Rahim Textile Mills Ltd.	-2.75	-0.33	-0.44
	Aman Cotton Fibrous Limited			
	Queen South Textile Mills Limited			

Figure 20: T- Stat for CAR (See Appendix 14 for formulae)

In the case of the CAPM Model, all 3 caps have much lower t-stats than t-critical value of ± 4.303. We can say from the CAPM point of view, CAR is not quite significant and it does not have a significant effect, and hence, the null hypothesis is accepted here. Therefore, through the CAPM model, it can be said that the tariff event did not have a role in making an impact in abnormal returns.

In the case of both Constant and Market Adjusted Return Model, all the t-stat values are lower than 4.303, which means we can accept the null hypothesis. As a result, we can say that the tariff event did not have much impact either on the abnormal returns.

3.4.3.b Buy and Hold Abnormal Return Hypothesis Testing

A hypothesis test for BHAR is done to evaluate whether the announcement of the tariff had any significant effect or not. Here, the null hypothesis and alternative hypothesis are as follows:

- **Null hypothesis (H_0):** No Abnormal Return; BHAR = 0
- **Alternative hypothesis (H_1):** Abnormal Return Exists; BHAR ≠ 0

This is a two-tailed test as the tariff event could either increase or decrease the BHAR.

The significance level is assumed to be 5%, and the degrees of freedom (DF) for this test is 2, as there are three groups, and the DF is formulae is number of groups minus one. As a result of the DF and significance level, the critical t-value is ± 4.303. Here, the t-statistic is used for the hypothesis testing.

Finally, the following is done after the t-stat is calculated for each cap.

- If |t| > t-critical → reject null → BHAR is significant
- If |t| ≤ t-critical → cannot reject null → BHAR is not significant

Market Cap	Company Name	Buy and Hold Abnormal Return	Average Abnormal Return Per Cap	Standard Deviation of Abnormal Return Per Cap	T-Stat Per Cap
Large Cap	Square Textile Ltd.	-2.08%	-1.74%	0.77%	-0.20
	Paramount Textile Limited	-0.86%			
	Envoy Textiles Limited	-2.28%			
Medium Cap	Malek Spinning Mills Ltd.	-2.85%	-4.89%	4.74%	-0.22
	Matin Spinning Mills Ltd.	-1.52%			
	Sharp Industries PLC	-10.32%			
Small Cap	Rahim Textile Mills Ltd.	-1.64%	-3.04%	1.72%	-0.23
	Aman Cotton Fibrous Limited	-2.51%			
	Queen South Textile Mills Limited	-4.96%			

Figure 21: T- Stat for BHAR (See Appendix 14 for formulae).

In the case for all 3, the null hypothesis is accepted as the t-stat is less than the critical value of 4.303. Hence, it can be said that there are little to no abnormal returns resulting from the tariff event.

3.5 Summary and Conclusion

The analysis shows a transparent connection between the US reciprocal tariff policy and the performance of Bangladesh' s textile sector in the Dhaka Stock Exchange, with different patterns developing across the pre-announcement, post-announcement, and post-reduction phases. Prior to the April 2nd 2025 announcement, the textile industry showed negative average returns across all market cap categories (-0.19% for large-cap, -0.22% for medium-cap, and -0.21% for small-cap), differentiating with the market's decent positive return of 0.05%, in the middle of spreading rumors of upcoming tariffs. After the declaration of the 37% tariff (and subsequent adjustment to 35%), the atmosphere of the market did worsened, firm performance did not go well with all caps experience negative return (-0.39% for large-cap, -1.04% for medium-cap, -0.65% for small-cap) The decrease in tariff down to 20% on July 31, 2025, catalyzed a recovery, with the market coming back to being to positive territory at 0.30% and the textile sector surpassing across caps (0.15% large-cap, 0.59% medium-cap, and 0.58% small-cap), motivated by restored competition against peers like India and Vietnam, with opportunities from the US-China trade tensions.

This fluctuation is further spotlighted by abnormal returns. Cumulative Abnormal Returns (CAR) measured through the CAPM model, were markedly increased showing increased vulnerability to elevated risk-free rates and equity premiums in Bangladesh. The CAR through the CAPM model was negative for all caps, with medium caps having the highest negative CAR. The Constant Return and Market-Adjusted models also generated negative results like the CAPM model, which shows that the imposition of the tariff did have a negative impact on the returns for all caps. Buy and Hold Abnormal Returns (BHAR) were negative (averaging -1.74% large-cap, -4.89% medium-cap, and -3.04% small-cap), showcasing investors would have made less returns than the market during the holding period.

Observations are supported by hypothesis testing. For CAR, the CAPM model, the Constant Return and Market-Adjusted models were unable to reject the invalid hypothesis (t-stats below critical thresholds), recommending the event's impact were not consistently disruptive under simpler thresholds. Likewise, BHAR testing approved the null throughout caps indicating no major long-term abnormal returns from the tariff.

In conclusion, while the performance of textile stocks was transparently affected by the reciprocal tariff — most severely for medium-cap firms dependent on US markets—the sector's fast recovery post-reduction indicates adaptability and wider economic tailwinds, like profits from China's decreased dominance. This emphasizes the textile industry's significant role, serving 84% to exports and 13% to GDP, turning it into a barometer for policy shocks in Bangladesh's import-dependent economy. Events in the future, like LVA revisions, could increase threats, but strategic diversification may alleviate them. Ultimately, these findings provide a threshold for expecting policy-driven instability, focusing on the necessary strategies to protect investor sentiment and economic stability.

3.6 Recommendation

The findings emphasize that US tariff policies increasingly affect the performance of Bangladesh's textile firms in the stock market, with medium-cap companies being the most exposed to risks due to their higher reliance on US buyers. According to the analysis, the given recommendations can be useful:

For Policymakers:

1. **Diversify Export Markets:** By negotiating trade deals with Europe, the Middle East, and growing Asian markets, reliance on US will decrease.
2. **Strengthen Policy Support:** Give medium-sized textile companies that are more likely to be hurt by tariffs tax breaks, subsidies, or low-interest loans.
3. **Expand Export Basket:** To rely less on clothing for foreign exchange profits, encourage the growth of other export-oriented businesses, like IT, pharmaceuticals, and agro-processing.

For the Textile Industry:

1. **Enhance Supply Chain Resilience**: Invest in local backward links and raw material production to meet stricter local value addition (LVA) regulations.
2. **Explore Product Diversification:** Shift from low-cost basic apparel to more expensive apparel and technical textiles to remain competitive despite tariffs.
3. **Strengthen Investor Communication:** Talk frankly about resilience strategies and initiatives to win back investor trust during uncertain times.

For Investors and Market Participants:

1. **Monitor Policy Announcements Closely:** As the event study reveals, changes in policy have instant effects on returns, and proactive monitoring can safeguard portfolios.
2. **Diversify Investment Across Firm Sizes:** As large- operating companies have proven to be more resilient, investors may balance their portfolios by combining large-cap stability with selective exposure to medium- and small-cap growth prospects.
3. **Adopt Risk Hedging Strategies:** To lower the risk of concentration associated with large textile investments, diversifying investments across industries and financial products will be useful.

Bangladesh can improve its economic resilience; business can sustain their competitiveness in the international market and investors can make improved capital market judgements by implementing the above suggestions.

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Appendix

Appendix 1: Formulae for Return Calculation

$$Textile\ Industry\ Average\ Return = \frac{Sum\ of\ Average\ of\ Daily\ Stock\ Return\ of\ 3\ stocks}{Number\ of\ Days}$$

$$Average\ Market\ Return = \frac{Sum\ of\ Daily\ Market\ Returns}{Number\ of\ Days}$$

$$Market\ Difference = Textile\ Industry\ Average\ Return - Average\ Market\ Return$$

$$Abnormal\ Return\ = Actual\ Return - Expected\ Return$$

$$Expected\ Return\ (CAPM\ Model) = Risk\ Free\ Rate + Beta(Equity\ Risk\ Premium)$$

$$Expected\ Return\ (Constant\ Return\ Model) = Average\ of\ Daily\ Return\ of\ Stock$$

$$Expected\ Return\ (Market\ Adjusted\ Mode) = Average\ of\ Daily\ Market\ Return$$

Appendix 2: Small Cap and DSEX Daily Return

Date	C.DSEX	C.RAHIMTEXT	C.ACFL	C.QUEENSOUTH
3/20/2025	-0.11%	-0.35%	0.00%	-0.72%
3/23/2025	-0.35%	0.18%	-3.28%	-1.46%
3/24/2025	0.26%	1.14%	2.26%	0.74%
3/25/2025	0.33%	-0.26%	-1.10%	-0.74%
3/27/2025	0.10%	0.61%	0.56%	-0.74%
4/6/2025	-0.27%	-3.37%	-2.22%	-5.22%
4/7/2025	-0.16%	-0.98%	-1.70%	0.00%
4/8/2025	-0.21%	0.45%	1.16%	-2.36%
4/9/2025	0.20%	1.53%	-1.71%	-0.81%
4/10/2025	0.18%	0.53%	1.74%	3.25%
4/13/2025	-0.68%	0.18%	-0.57%	-3.15%
4/15/2025	-0.73%	0.79%	-2.30%	-1.63%
4/16/2025	-0.51%	-0.26%	1.18%	-0.83%
4/17/2025	-0.16%	-1.93%	-1.16%	0.00%
4/20/2025	-0.45%	-0.71%	-2.35%	-1.67%
4/21/2025	-0.58%	0.00%	-1.20%	0.00%
4/22/2025	-0.36%	-1.98%	-0.61%	0.00%
4/23/2025	-0.08%	-0.09%	-0.61%	0.00%
4/24/2025	-0.99%	-1.47%	-6.17%	-1.69%
4/27/2025	0.46%	1.68%	0.66%	1.72%
4/28/2025	-0.85%	-4.03%	0.65%	-1.69%
4/29/2025	-0.35%	-1.24%	3.90%	-2.59%
4/30/2025	-0.36%	0.19%	-0.63%	5.31%
5/4/2025	0.78%	2.41%	0.63%	3.36%
5/5/2025	0.17%	-2.45%	-1.88%	-1.63%
5/6/2025	-0.26%	0.48%	-3.82%	-2.48%
5/7/2025	-3.02%	-2.21%	-7.28%	-5.93%
5/8/2025	2.08%	3.05%	4.29%	3.60%
5/12/2025	0.39%	-2.00%	2.74%	-1.74%
5/13/2025	-0.95%	-1.75%	-1.33%	-3.54%
5/14/2025	-0.80%	1.49%	-0.68%	0.00%
5/15/2025	-1.13%	-0.88%	-0.68%	-0.92%
5/18/2025	-0.61%	1.48%	2.74%	0.93%
5/19/2025	-0.31%	0.87%	1.33%	3.67%
5/20/2025	0.39%	-2.41%	0.00%	-0.88%
5/21/2025	0.13%	0.89%	-1.32%	0.89%
5/22/2025	-0.34%	0.49%	-2.00%	1.77%
5/25/2025	-1.02%	-0.20%	-0.69%	2.68%
5/26/2025	-0.36%	1.20%	0.00%	-1.74%

5/27/2025	-0.87%	0.20%	0.69%	-0.88%
5/28/2025	-1.34%	0.79%	-1.38%	-2.68%
5/29/2025	0.49%	0.20%	1.40%	0.92%
6/1/2025	0.66%	3.62%	0.00%	0.91%
6/2/2025	0.45%	-3.12%	2.76%	1.80%
6/3/2025	-0.53%	0.10%	2.68%	0.00%
6/4/2025	0.95%	-1.66%	1.31%	0.00%
6/15/2025	0.32%	-0.20%	-3.23%	0.88%
6/16/2025	1.26%	1.98%	4.67%	2.63%
6/17/2025	-0.92%	0.19%	-2.55%	-2.56%
6/18/2025	0.78%	0.68%	3.27%	0.00%
6/19/2025	-0.47%	4.82%	0.63%	0.00%
6/22/2025	-1.62%	-4.88%	-1.26%	-1.75%
6/23/2025	0.37%	8.03%	-3.18%	2.68%
6/24/2025	0.48%	2.24%	3.95%	-0.87%
6/25/2025	1.06%	2.80%	-1.27%	2.63%
6/26/2025	1.37%	-0.43%	-0.64%	0.85%
6/29/2025	0.14%	-3.25%	-5.16%	1.69%
6/30/2025	-0.03%	-0.80%	3.40%	0.00%
7/2/2025	0.56%	-0.45%	2.63%	0.00%
7/3/2025	0.59%	0.36%	0.00%	-0.83%
7/7/2025	1.68%	9.99%	0.64%	1.68%
7/8/2025	0.11%	3.41%	-1.91%	-1.65%
7/9/2025	1.08%	9.96%	1.95%	1.68%
7/10/2025	0.65%	9.99%	1.91%	1.65%
7/13/2025	-0.03%	-2.46%	0.00%	-1.63%
7/14/2025	-0.09%	8.91%	0.00%	0.00%
7/15/2025	0.01%	3.66%	0.63%	4.13%
7/16/2025	1.08%	-5.59%	-0.62%	7.94%
7/17/2025	0.30%	1.25%	1.25%	-2.21%
7/20/2025	1.20%	-5.05%	6.79%	-1.50%
7/21/2025	0.49%	0.91%	-1.16%	-2.29%
7/22/2025	0.98%	-0.45%	-0.58%	-1.56%
7/23/2025	1.77%	-2.58%	1.76%	1.59%
7/24/2025	0.52%	0.66%	1.16%	0.00%
7/27/2025	-0.69%	-0.26%	1.14%	-2.34%
7/28/2025	-0.43%	0.33%	1.69%	3.20%
7/29/2025	-0.63%	0.33%	3.33%	0.00%
7/30/2025	1.01%	9.97%	2.69%	3.88%
7/31/2025	1.70%	-4.06%	1.05%	-1.49%
8/3/2025	1.70%	-0.75%	0.00%	0.76%
8/4/2025	-0.91%	0.31%	-1.55%	-1.50%
8/6/2025	-0.27%	2.69%	-2.11%	0.76%

8/7/2025	-1.15%	9.98%	0.00%	-0.76%
8/10/2025	-1.05%	9.96%	-2.15%	-0.76%
8/11/2025	-0.13%	1.26%	1.10%	-0.77%
8/12/2025	-0.54%	3.43%	-2.17%	-1.55%
8/13/2025	-0.02%	-5.33%	-0.56%	0.00%
8/14/2025	0.68%	4.97%	2.23%	0.00%
8/17/2025	0.96%	-2.61%	1.09%	1.57%

Appendix 3: Medium Cap and DSEX Daily Return

Date	C.DSEX	C.MALEKSPIN	C.MARTINSPINN	C.SHARPIND
3/20/2025	-0.11%	-0.39%	1.57%	-5.88%
3/23/2025	-0.35%	1.98%	0.22%	-1.44%
3/24/2025	0.26%	0.00%	-0.88%	0.00%
3/25/2025	0.33%	0.39%	-0.22%	1.95%
3/27/2025	0.10%	-0.39%	0.22%	-0.48%
4/6/2025	-0.27%	-3.88%	-3.33%	-2.40%
4/7/2025	-0.16%	-1.61%	0.69%	-2.96%
4/8/2025	-0.21%	0.41%	-0.46%	-1.02%
4/9/2025	0.20%	-0.82%	0.23%	-6.15%
4/10/2025	0.18%	2.88%	1.14%	1.64%
4/13/2025	-0.68%	5.20%	0.23%	-4.84%
4/15/2025	-0.73%	-3.42%	0.45%	-3.95%
4/16/2025	-0.51%	3.15%	0.67%	6.47%
4/17/2025	-0.16%	-0.76%	1.78%	-1.10%
4/20/2025	-0.45%	-1.15%	-2.63%	3.91%
4/21/2025	-0.58%	0.00%	1.12%	4.30%
4/22/2025	-0.36%	1.56%	-0.44%	0.00%
4/23/2025	-0.08%	-0.38%	-0.45%	-6.19%
4/24/2025	-0.99%	-0.77%	-0.67%	-3.85%
4/27/2025	0.46%	1.16%	0.68%	2.86%
4/28/2025	-0.85%	-1.53%	-1.12%	0.56%
4/29/2025	-0.35%	-3.50%	0.91%	3.31%
4/30/2025	-0.36%	0.81%	-0.90%	-2.67%
5/4/2025	0.78%	0.80%	0.45%	-0.55%
5/5/2025	0.17%	-0.79%	-0.23%	-1.10%
5/6/2025	-0.26%	-0.40%	-0.23%	-1.12%
5/7/2025	-3.02%	-6.02%	-2.27%	-9.60%
5/8/2025	2.08%	4.27%	2.09%	5.00%
5/12/2025	0.39%	-1.64%	-0.68%	2.38%
5/13/2025	-0.95%	-0.83%	-0.23%	-2.33%
5/14/2025	-0.80%	-2.10%	0.00%	-2.98%
5/15/2025	-1.13%	-1.29%	-1.38%	-2.45%
5/18/2025	-0.61%	0.43%	0.00%	0.63%
5/19/2025	-0.31%	1.30%	0.47%	8.12%
5/20/2025	0.39%	0.00%	1.39%	0.00%
5/21/2025	0.13%	0.43%	-0.23%	-3.47%
5/22/2025	-0.34%	-0.85%	-1.37%	1.80%
5/25/2025	-1.02%	-0.87%	-0.69%	-1.75%

5/26/2025	-0.36%	-0.88%	0.23%	2.98%
5/27/2025	-0.87%	-0.44%	-0.93%	-0.58%
5/28/2025	-1.34%	-2.22%	-1.17%	-2.33%
5/29/2025	0.49%	0.91%	1.66%	-1.79%
6/1/2025	0.66%	0.90%	0.93%	2.42%
6/2/2025	0.45%	4.02%	0.69%	-0.59%
6/3/2025	-0.53%	-1.72%	-0.92%	-1.19%
6/4/2025	0.95%	0.87%	1.16%	1.20%
6/15/2025	0.32%	-0.43%	-0.23%	-0.60%
6/16/2025	1.26%	1.30%	0.92%	2.40%
6/17/2025	-0.92%	-1.72%	-0.45%	-2.34%
6/18/2025	0.78%	0.87%	0.00%	1.20%
6/19/2025	-0.47%	-0.87%	0.00%	-1.18%
6/22/2025	-1.62%	-2.18%	-0.46%	-5.39%
6/23/2025	0.37%	0.45%	-0.23%	-0.63%
6/24/2025	0.48%	0.89%	0.92%	-3.18%
6/25/2025	1.06%	1.32%	2.05%	2.63%
6/26/2025	1.37%	1.30%	1.34%	2.56%
6/29/2025	0.14%	0.00%	-0.44%	0.00%
6/30/2025	-0.03%	-0.86%	0.22%	-0.63%
7/2/2025	0.56%	1.30%	0.44%	1.89%
7/3/2025	0.59%	3.42%	-0.88%	0.00%
7/7/2025	1.68%	0.83%	1.11%	0.62%
7/8/2025	0.11%	-1.64%	-0.88%	-0.61%
7/9/2025	1.08%	0.42%	-0.44%	9.88%
7/10/2025	0.65%	-0.83%	-1.33%	9.55%
7/13/2025	-0.03%	-2.09%	0.23%	-0.51%
7/14/2025	-0.09%	0.85%	0.45%	-2.58%
7/15/2025	0.01%	0.00%	0.00%	1.06%
7/16/2025	1.08%	1.27%	1.79%	-0.52%
7/17/2025	0.30%	-0.42%	1.10%	0.00%
7/20/2025	1.20%	2.52%	2.61%	-1.05%
7/21/2025	0.49%	-2.05%	0.00%	-0.53%
7/22/2025	0.98%	-0.84%	0.21%	-1.07%
7/23/2025	1.77%	0.42%	-0.21%	-1.62%
7/24/2025	0.52%	-0.42%	-1.06%	0.55%
7/27/2025	-0.69%	-0.84%	-1.07%	-4.92%
7/28/2025	-0.43%	1.70%	1.30%	1.15%
7/29/2025	-0.63%	4.18%	0.43%	-0.57%
7/30/2025	1.01%	4.02%	5.32%	5.14%
7/31/2025	1.70%	2.70%	2.42%	-2.17%
8/3/2025	1.70%	9.02%	1.78%	-1.11%
8/4/2025	-0.91%	-3.45%	-2.13%	0.00%

8/6/2025	-0.27%	8.57%	0.59%	-0.56%
8/7/2025	-1.15%	0.00%	0.39%	-1.69%
8/10/2025	-1.05%	3.62%	3.73%	1.15%
8/11/2025	-0.13%	-3.81%	-1.13%	0.00%
8/12/2025	-0.54%	-4.62%	-2.10%	1.70%
8/13/2025	-0.02%	3.81%	0.59%	-1.12%
8/14/2025	0.68%	-1.00%	0.19%	-1.69%
8/17/2025	0.96%	4.71%	1.74%	0.57%

Appendix 4: Large Cap and DSEX Daily Return

Date	C.DSEX	C.SQUARETEXT	C.PTL	C.ENVOY TEX
3/20/2025	-0.11%	-0.19%	0.64%	0.47%
3/23/2025	-0.35%	-0.20%	-1.48%	0.23%
3/24/2025	0.26%	-0.20%	-1.94%	0.00%
3/25/2025	0.33%	0.59%	-0.22%	2.33%
3/27/2025	0.10%	-0.19%	-1.10%	-1.59%
4/6/2025	-0.27%	-4.49%	-1.56%	-2.77%
4/7/2025	-0.16%	0.00%	-1.35%	-1.90%
4/8/2025	-0.21%	-1.02%	-0.69%	0.24%
4/9/2025	0.20%	0.62%	0.46%	1.45%
4/10/2025	0.18%	2.67%	2.06%	0.48%
4/13/2025	-0.68%	-0.80%	0.22%	0.00%
4/15/2025	-0.73%	0.40%	-0.45%	0.47%
4/16/2025	-0.51%	-0.40%	3.15%	-0.47%
4/17/2025	-0.16%	0.40%	-1.75%	0.95%
4/20/2025	-0.45%	0.20%	-2.67%	2.82%
4/21/2025	-0.58%	-1.20%	0.46%	-0.23%
4/22/2025	-0.36%	0.61%	0.23%	1.37%
4/23/2025	-0.08%	0.00%	4.08%	-1.35%
4/24/2025	-0.99%	-0.40%	0.22%	-0.46%
4/27/2025	0.46%	1.01%	0.22%	-1.38%
4/28/2025	-0.85%	-0.40%	-4.56%	-0.23%
4/29/2025	-0.35%	-0.20%	1.36%	-2.34%
4/30/2025	-0.36%	-1.01%	-2.24%	0.48%
5/4/2025	0.78%	0.20%	2.06%	0.71%
5/5/2025	0.17%	0.20%	-0.45%	-1.18%
5/6/2025	-0.26%	-0.61%	-0.68%	0.24%
5/7/2025	-3.02%	-2.04%	-1.59%	-2.15%
5/8/2025	2.08%	2.08%	1.39%	1.95%
5/12/2025	0.39%	-0.41%	-0.91%	-0.96%
5/13/2025	-0.95%	0.20%	0.00%	-0.24%
5/14/2025	-0.80%	-0.82%	-0.23%	-1.45%
5/15/2025	-1.13%	-0.82%	-0.69%	0.00%
5/18/2025	-0.61%	0.21%	1.86%	0.49%
5/19/2025	-0.31%	0.41%	-0.46%	0.24%
5/20/2025	0.39%	0.00%	0.46%	-0.24%
5/21/2025	0.13%	0.41%	0.00%	0.24%
5/22/2025	-0.34%	-1.44%	1.82%	0.73%
5/25/2025	-1.02%	-0.21%	-0.46%	-1.21%

5/26/2025	-0.36%	-0.84%	0.23%	-1.72%
5/27/2025	-0.87%	-1.69%	0.00%	-0.25%
5/28/2025	-1.34%	-0.21%	-2.98%	0.25%
5/29/2025	0.49%	-0.43%	-0.24%	0.00%
6/1/2025	0.66%	0.86%	0.47%	0.00%
6/2/2025	0.45%	-0.64%	-1.89%	1.00%
6/3/2025	-0.53%	-1.08%	-0.96%	-1.23%
6/4/2025	0.95%	0.44%	1.70%	0.50%
6/15/2025	0.32%	1.95%	-1.43%	0.25%
6/16/2025	1.26%	1.28%	0.73%	0.99%
6/17/2025	-0.92%	0.63%	-0.72%	-1.47%
6/18/2025	0.78%	0.00%	0.24%	0.00%
6/19/2025	-0.47%	0.21%	-0.97%	-0.50%
6/22/2025	-1.62%	-1.25%	-4.39%	-0.50%
6/23/2025	0.37%	0.84%	-2.30%	-1.26%
6/24/2025	0.48%	0.63%	2.87%	1.02%
6/25/2025	1.06%	1.46%	3.55%	1.01%
6/26/2025	1.37%	-0.20%	0.49%	1.75%
6/29/2025	0.14%	-1.03%	-0.24%	-0.25%
6/30/2025	-0.03%	1.45%	-0.98%	-1.48%
7/2/2025	0.56%	-0.61%	4.69%	0.25%
7/3/2025	0.59%	-0.21%	-2.59%	-0.25%
7/7/2025	1.68%	0.00%	0.97%	0.50%
7/8/2025	0.11%	-0.62%	1.92%	0.50%
7/9/2025	1.08%	0.21%	-0.24%	0.00%
7/10/2025	0.65%	1.66%	1.65%	-0.99%
7/13/2025	-0.03%	-0.81%	3.25%	0.75%
7/14/2025	-0.09%	0.21%	-2.25%	1.24%
7/15/2025	0.01%	0.41%	3.22%	0.74%
7/16/2025	1.08%	-0.20%	0.45%	0.49%
7/17/2025	0.30%	-0.41%	0.44%	-0.24%
7/20/2025	1.20%	1.44%	-1.32%	3.88%
7/21/2025	0.49%	-0.40%	0.00%	-0.93%
7/22/2025	0.98%	0.00%	0.89%	0.00%
7/23/2025	1.77%	0.20%	3.77%	0.47%
7/24/2025	0.52%	0.61%	0.21%	-0.47%
7/27/2025	-0.69%	1.81%	1.71%	-0.94%
7/28/2025	-0.43%	3.37%	1.89%	3.81%
7/29/2025	-0.63%	0.38%	0.62%	-0.23%
7/30/2025	1.01%	2.29%	0.61%	1.61%
7/31/2025	1.70%	-0.37%	-0.61%	2.26%
8/3/2025	1.70%	5.62%	0.61%	1.99%
8/4/2025	-0.91%	-2.48%	-2.03%	-3.47%

8/6/2025	-0.27%	0.18%	-0.41%	1.12%
8/7/2025	-1.15%	-2.00%	-0.42%	-0.44%
8/10/2025	-1.05%	0.93%	-1.88%	4.46%
8/11/2025	-0.13%	-0.18%	0.21%	-3.21%
8/12/2025	-0.54%	-2.39%	-2.77%	-0.66%
8/13/2025	-0.02%	-0.19%	0.66%	0.22%
8/14/2025	0.68%	-1.13%	0.22%	-0.89%
8/17/2025	0.96%	6.49%	1.08%	5.15%

Appendix 5: Small Cap Calculations for AR using all 3 models; CAPM, Constant Return, and Market Adjusted Return (Before tariff announcement)

Before (Estimation Window)

2-Apr-25

Date	C.DSEX	Compound Market Return
3/20/2025	-0.11%	99.89%
3/23/2025	-0.35%	99.65%
3/24/2025	0.26%	100.26%
3/25/2025	0.33%	100.33%
3/27/2025	0.10%	100.10%
Average	0.05%	
Highest	0.33%	
Lowest	-0.35%	
CAPM		
Expected Daily Stock Return		
Expected Daily Market Return	**0.05%**	
Standard Deviation of Abnormal Returns		
Standard Deviation of Cumulative Abnormal Returns		

Figure: DSEX

C.RAHIMTEXT	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
-0.35%	-17.49%	-0.61%	-0.40%
0.18%	-16.96%	-0.08%	0.13%
1.14%	-16.00%	0.88%	1.09%
-0.26%	-17.40%	-0.52%	-0.31%
0.61%	-16.53%	0.35%	0.56%
0.26%			
1.14%			
-0.35%			
0.171425622			
0.26%			
	0.62%	**0.62%**	**0.62%**
	5.35%	**5.35%**	**5.35%**

Figure: RAHIMTEXT

C.ACFL	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
0.00%	-66.65%	0.31%	-0.05%
-3.28%	-69.93%	-2.97%	-3.33%
2.26%	-64.39%	2.57%	2.21%
-1.10%	-67.75%	-0.79%	-1.15%
0.56%	-66.09%	0.87%	0.51%
-0.31%			
2.26%			
-3.28%			
0.66651663			
-0.31%			
	2.06%	**2.06%**	**2.06%**
	17.68%	**17.68%**	**17.68%**

Figure: ACFL

C.QUEENSOUTH	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
-0.72%	-33.40%	-0.14%	-0.77%
-1.46%	-34.14%	-0.88%	-1.51%
0.74%	-31.94%	1.32%	0.69%
-0.74%	-33.42%	-0.16%	-0.79%
-0.74%	-33.42%	-0.16%	-0.79%
-0.58%			
0.74%			
-1.46%			
0.326790107			
-0.58%			
	0.80%	**0.80%**	**0.80%**
	6.92%	**6.92%**	**6.92%**

Figure: QUEENSOUTH

Average Return Per Day of the 3 stocks	Average Return of the Textile Industry	Difference Between Market Return & Average Return
-0.36%	-0.21%	-0.41%
-1.52%		
1.38%		
-0.70%		
0.14%		

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return before announcement

Appendix 6: Small Cap Calculations for CAR and AR using all 3 models; CAPM, Constant Return, and Market Adjusted Return (After tariff announcement)

Between		
2-Apr-25	10-Apr-25	
Date	**C.DSEX**	**Compound Market Return**
4/6/2025	0%	99.73%
4/7/2025	0%	99.84%
4/8/2025	0%	99.79%
4/9/2025	0%	100.20%
4/10/2025	0%	100.18%
Average	-0.09%	
Highest	2.08%	
Lowest	-3.02%	
Product of Compound Returns	0%	
Buy and Hold Abnormal Return		

Figure: DSEX

C.RAHIMTEXT	Compound Return	Abnormal Return (Market Adjusted Return Model)	Cumulative Abnormal Return (Market Adjusted Return Mode)	Abnormal Return (Constant Return Model)	Cumulative Abnormal Return (Constant Return Model)	Abnormal Return (CAPM Model)	Cumulative Abnormal Return (CAPM Model)
-3%	96.63%	-3.42%	-3.42%	-3.63%	-3.63%	-18%	-18%
-1%	99.02%	-1.03%	-4.44%	-1.24%	-4.88%	-16%	-35%
0%	100.45%	0.40%	-4.04%	0.19%	-4.69%	-15%	-49%
2%	101.53%	1.48%	-2.55%	1.27%	-3.43%	-14%	-63%
1%	100.53%	0.48%	-2.07%	0.27%	-3.16%	-15%	-77%
0.25%							

9.99%							
-4.88%							
	-2%						
	-2%						

Figure: RAHIMTEXT

C.ACFL	Compound Return	Abnormal Return (Market Adjusted Return Model)	Cumulative Abnormal Return (Market Adjusted Return Mode)	Abnormal Return (Constant Return Model)	Cumulative Abnormal Return (Constant Return Model)	Abnormal Return (CAPM Model)	Cumulative Abnormal Return (CAPM Model)
-2%	97.78%	-2.27%	-2.27%	-1.91%	-1.91%	-28%	-28%
-2%	98.30%	-1.75%	-4.01%	-1.39%	-3.30%	-27%	-55%
1%	101.16%	1.11%	-2.90%	1.47%	-1.82%	-24%	-79%
-2%	98.29%	-1.76%	-4.65%	-1.40%	-3.22%	-27%	-106%
2%	101.74%	1.69%	-2.96%	2.05%	-1.17%	-24%	-130%
-0.22%							
4.67%							
-7.28%							
	-3%						
	-3%						

Figure: ACFL

C.QUEENSOUTH	Compound Return	Abnormal Return (Market Adjuste	Cumulative Abnormal Return (Market	Abnormal Return (Constant	Cumulative Abnormal Return (Constan	Abnormal Return (CAPM Model)	Cumulative Abnormal Return

		d Return Model)	Adjusted Return Mode)	Return Model)	t Return Model)		(CAPM Model)
-5%	94.78%	-5.27%	-5.27%	-4.64%	-4.64%	-30%	-30%
0%	100.00%	-0.05%	-5.31%	0.58%	-4.05%	-24%	-54%
-2%	97.64%	-2.41%	-7.72%	-1.78%	-5.83%	-27%	-81%
-1%	99.19%	-0.86%	-8.57%	-0.23%	-6.05%	-25%	-106%
3%	103.25%	3.20%	-5.37%	3.83%	-2.22%	-21%	-127%
-0.14%							
5.31%							
-5.93%							
	-5%						
	-5%						

Figure: QUEENSOUTH

Average Return Per Day of the 3 stocks	Market Return	Average Return of Textile Industry	Difference Between Market Return & Average Return
-4%	-0.05%	-0.65%	-0.60%
-1%			
0%			
0%			
2%			

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return after tariff announcement

Appendix 7: Small Cap Calculations (After tariff reduction)

After
31-Jul-25

Date	C.DSEX	Compound Market Return	C.RAHIMTEXT	Compound Return	C.ACFL	Compound Return	C.QUEENSOUTH	Compound Return	Average Return Per Day of the 3 stocks	Market Return	Average Return of Textile Industry	Difference Between Market Return & Average Return
8/3/2025	2%	101.70%	-1%	99.25%	0%	100.00%	1%	100.76%	0%	-0.07%	0.58%	-0.66%
8/4/2025	-1%	99.09%	0%	100.31%	-2%	98.45%	-2%	98.50%	-1%			
8/6/2025	0%	99.73%	3%	102.69%	-2%	97.89%	1%	100.76%	0%			
8/7/2025	-1%	98.85%	10%	109.98%	0%	100.00%	-1%	99.24%	3%			
8/10/2025	-1%	98.95%	10%	109.96%	-2%	97.85%	-1%	99.24%	2%			
8/11/2025	0%	99.87%	1%	101.26%	1%	101.10%	-1%	99.23%	1%			
8/12/2025	-1%	99.46%	3%	103.43%	-2%	97.83%	-2%	98.45%	0%			
8/13/2025	0%	99.98%	-5%	94.67%	-1%	99.44%	0%	100.00%	-2%			
8/14/2025	1%	100.68%	5%	104.97%	2%	102.23%	0%	100.00%	2%			
8/17/2025	1%	100.96%	-3%	97.39%	1%	101.09%	2%	101.57%	0%			

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return after tariff reduction announcement

Appendix 8: Medium Cap Calculations for AR using all 3 models; CAPM, Constant Return, and Market Adjusted Return (Before tariff announcement)

Before (Estimation Window)
2-Apr-25

Date	C.DSEX	Compound Market Return
3/20/2025	-0.11%	99.89%
3/23/2025	-0.35%	99.65%
3/24/2025	0.26%	100.26%
3/25/2025	0.33%	100.33%
3/27/2025	0.10%	100.10%
Average	0.05%	
Highest	0.33%	
Lowest	-0.35%	
CAPM		
Expected Daily Stock Return		
Expected Daily Market Return	**0.05%**	
Standard Deviation of Abnormal Returns		
Standard Deviation of Cumulative Abnormal Returns		

Figure: DSEX

C.MALEKSPIN	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
-0.39%	13.36%	-0.71%	-0.44%
1.98%	15.73%	1.66%	1.93%
0.00%	13.75%	-0.32%	-0.05%
0.39%	14.14%	0.07%	0.34%
-0.39%	13.36%	-0.71%	-0.44%
0.32%			
1.98%			
-0.39%			
-0.137509842			
0.32%			
	0.98%	**0.98%**	**0.98%**
	8.46%	**8.46%**	**8.46%**

Figure: MALEKSPIN

C.MARTINSPINN	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
1.57%	12.96%	1.39%	1.52%
0.22%	11.61%	0.04%	0.17%
-0.88%	10.51%	-1.06%	-0.93%
-0.22%	11.17%	-0.40%	-0.27%
0.22%	11.61%	0.04%	0.17%
0.18%			
1.57%			
-0.88%			
-0.113930491			
0.18%			
	0.90%	**0.90%**	**0.90%**
	7.72%	**7.72%**	**7.72%**

Figure: MARTINSPINN

C.SHARPIND	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
-5.88%	-91.94%	-4.71%	-5.93%
-1.44%	-87.50%	-0.27%	-1.49%
0.00%	-86.06%	1.17%	-0.05%
1.95%	-84.11%	3.12%	1.90%
-0.48%	-86.54%	0.69%	-0.53%
-1.17%			
1.95%			
-5.88%			
0.860577174			
-1.17%			
	2.91%	**2.91%**	**2.91%**
	25.02%	**25.02%**	**25.02%**

Figure: SHARPIND

Average Return Per Day of the 3 stocks	Average Return of the Textile Industry	Difference Between Market Return & Average Return
-1.57%	-0.22%	-4.36%
0.25%		
-0.29%		
0.71%		
-0.22%		

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return before announcement

Appendix 9: Medium Cap Calculations for CAR and AR using all 3 models; CAPM, Constant Return, and Market Adjusted Return (After tariff announcement)

Date	C.DSEX	Compound Market Return
4/6/2025	0%	99.73%
4/7/2025	0%	99.84%
4/8/2025	0%	99.79%
4/9/2025	0%	100.20%
4/10/2025	0%	100.18%
Average	-0.09%	
Highest	2.08%	
Lowest	-3.02%	
Product of Compound Returns	-0.26%	
Buy and Hold Abnormal Return		

Figure: DSEX

C.MALEKSPIN	Compound Return	Abnormal Return (Market Adjusted Return Model)	Cumulative Abnormal Return (Market Adjusted Return Mode)	Abnormal Return (Constant Return Model)	Cumulative Abnormal Return (Constant Return Model)	Abnormal Return (CAPM Model)	Cumulative Abnormal Return (CAPM Model)
-4%	96.12%	-3.93%	-3.93%	-4.20%	-4.20%	-30%	-30%
-2%	98.39%	-1.66%	-5.58%	-1.93%	-6.13%	-27%	-57%
0%	100.41%	0.36%	-5.22%	0.09%	-6.03%	-25%	-82%

-1%	99.18%	-0.87%	-6.08%	-1.14%	-7.17%	-27%	-109%
3%	102.88%	2.83%	-3.25%	2.56%	-4.61%	-23%	-132%
-0.08%							
5.20%							
-6.02%							
	-3.11%						
	-2.85%						

Figure: MALEKSPIN

C.MARTINSPINN	**Compound Return**	**Abnormal Return (Market Adjusted Return Model)**	**Cumulative Abnormal Return (Market Adjusted Return Mode)**	**Abnormal Return (Constant Return Model)**	**Cumulative Abnormal Return (Constant Return Model)**	**Abnormal Return (CAPM Model)**	**Cumulative Abnormal Return (CAPM Model)**
-3%	96.67%	-3.38%	-3.38%	-3.51%	-3.51%	-22%	-22%
1%	100.69%	0.64%	-2.73%	0.51%	-3.00%	-18%	-40%
0%	99.54%	-0.51%	-3.24%	-0.64%	-3.65%	-19%	-59%
0%	100.23%	0.18%	-3.05%	0.05%	-3.60%	-18%	-78%
1%	101.14%	1.09%	-1.96%	0.96%	-2.64%	-18%	-95%
0.00%							
2.09%							
-3.33%							
	-1.78%						
	-1.52%						

Figure: MARTINSPINN

C.SHARPIND	**Compound Return**	**Abnormal Return (Market Adjuste**	**Cumulative Abnormal Return (Market**	**Abnormal Return (Constant**	**Cumulative Abnormal Return (Constant**	**Abnormal Return (CAPM Model)**	**Cumulative Abnormal Return**

		d Return Model)	Adjusted Return Mode)	Return Model)	Return Model)		(CAPM Model)
-2%	97.60%	-2.45%	-2.45%	-1.23%	-1.23%	-30%	-30%
-3%	97.04%	-3.01%	-5.45%	-1.79%	-3.02%	-30%	-60%
-1%	98.98%	-1.07%	-6.52%	0.15%	-2.87%	-28%	-88%
-6%	93.85%	-6.20%	-12.71%	-4.98%	-7.85%	-33%	-122%
2%	101.64%	1.59%	-11.12%	2.81%	-5.04%	-26%	-147%
-0.40%							
8.12%							
-9.60%							
	-10.58%						
	-10.32%						

Figure: SHARPIND

Average Return Per Day of the 3 stocks	Market Return	Average Return of Textile Industry	Difference Between Market Return & Average Return
-3.20%	-0.05%	-1.04%	-0.99%
-1.29%			
-0.36%			
-2.25%			
1.89%			

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return after tariff announcement.

Appendix 10: Medium Cap Calculations (After tariff reduction)

After
31-Jul-25

Date	C.DSEX	Compound Market Return	C.MALEKSPIN	Compound Return	C.MARTINSPINN	Compound Return	C.SHARPIND	Compound Return	Average Return Per Day of the 3 stocks	Market Return	Average Return of Textile Industry	Difference Between Market Return & Average Return
8/3/2025	2%	101.70%	9%	109.02%	2%	101.78%	-1%	98.89%	3%	-0.07%	0.59%	-0.66%
8/4/2025	-1%	99.09%	-3%	96.55%	-2%	97.87%	0%	100.00%	-2%			
8/6/2025	0%	99.73%	9%	108.57%	1%	100.59%	-1%	99.44%	3%			
8/7/2025	-1%	98.85%	0%	100.00%	0%	100.39%	-2%	98.31%	0%			
8/10/2025	-1%	98.95%	4%	103.62%	4%	103.73%	1%	101.15%	3%			
8/11/2025	0%	99.87%	-4%	96.19%	-1%	98.87%	0%	100.00%	-2%			
8/12/2025	-1%	99.46%	-5%	95.38%	-2%	97.90%	2%	101.70%	-2%			
8/13/2025	0%	99.98%	4%	103.81%	1%	100.59%	-1%	98.88%	1%			
8/14/2025	1%	100.68%	-1%	99.00%	0%	100.19%	-2%	98.31%	-1%			
8/17/2025	1%	100.96%	5%	104.71%	2%	101.74%	1%	100.57%	2%			

Figure: Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return after tariff reduction announcement.

Appendix 11: Large Cap Calculations for AR using all 3 models; CAPM, Constant Return, and Market Adjusted Return (Before tariff announcement)

Before (Estimation Window)

2-Apr-25

Date	C.DSEX	Compound Market Return
3/20/2025	-0.11%	99.89%
3/23/2025	-0.35%	99.65%
3/24/2025	0.26%	100.26%
3/25/2025	0.33%	100.33%
3/27/2025	0.10%	100.10%
Average	0.05%	
Highest	0.33%	
Lowest	-0.35%	
CAPM		
Expected Daily Stock Return		
Expected Daily Market Return	**0.05%**	
Standard Deviation of Abnormal Returns		
Standard Deviation of Cumulative Abnormal Returns		

Figure: DSEX

C.SQUARETEXT	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
-0.19%	-18.73%	-0.15%	-0.24%
-0.20%	-18.74%	-0.16%	-0.25%
-0.20%	-18.74%	-0.16%	-0.25%
0.59%	-17.95%	0.63%	0.54%
-0.19%	-18.73%	-0.15%	-0.24%
-0.04%			
0.59%			
-0.20%			
0.185351681			
-0.04%			
	0.35%	**0.35%**	**0.35%**
	3.02%	**3.02%**	**3.02%**

Figure: SQUARETEXT

C.PTL	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
0.64%	-7.57%	1.46%	0.59%
-1.48%	-9.69%	-0.66%	-1.53%
-1.94%	-10.15%	-1.12%	-1.99%
-0.22%	-8.43%	0.60%	-0.27%
-1.10%	-9.31%	-0.28%	-1.15%
-0.82%			
0.64%			
-1.94%			
0.082059204			
-0.82%			
	1.03%	**1.03%**	**1.03%**
	8.88%	**8.88%**	**8.88%**

Figure: PTL

C.ENVOY TEX	Abnormal Return (CAPM)	Abnormal Return (Constant Return)	Abnormal Return (Market Adjusted Return)
0.47%	-25.15%	0.18%	0.42%
0.23%	-25.39%	-0.06%	0.18%
0.00%	-25.62%	-0.29%	-0.05%
2.33%	-23.29%	2.04%	2.28%
-1.59%	-27.21%	-1.88%	-1.64%
0.29%			
2.33%			
-1.59%			
0.256232913			
0.29%			
	1.40%	**1.40%**	**1.40%**
	12.02%	**12.02%**	**12.02%**

Figure: ENVOYTEX

Average Return Per Day of the 3 stocks	Average Return of the Textile Industry	Difference Between Market Return & Average Return
0.31%	-0.19%	0.12%
-0.48%		
-0.71%		
0.90%		
-0.96%		

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return before tariff announcement.

Appendix 12: Large Cap Calculations for CAR and AR using all 3 models; CAPM, Constant Return, and Market Adjusted Return (After tariff announcement)

Date	C.DSEX	Compound Market Return
4/6/2025	0%	99.73%
4/7/2025	0%	99.84%
4/8/2025	0%	99.79%
4/9/2025	0%	100.20%
4/10/2025	0%	100.18%
Average	-0.09%	
Highest	2.08%	
Lowest	-3.02%	
Product of Compound Returns	**-0.26%**	
Buy and Hold Abnormal Return		

Figure: DSEX

C.SQUARETEXT	Compound Return	Abnormal Return (Market Adjusted Return Model)	Cumulative Abnormal Return (Market Adjusted Return Mode)	Abnormal Return (Constant Return Model)	Cumulative Abnormal Return (Constant Return Model)	Abnormal Return (CAPM Model)	Cumulative Abnormal Return (CAPM Model)
-4%	95.51%	-4.54%	-4.54%	-4.45%	-4.45%	-23%	-23%
0%	100.00%	-0.05%	-4.58%	0.04%	-4.41%	-19%	-42%
-1%	98.98%	-1.07%	-5.65%	-0.98%	-5.40%	-20%	-62%
1%	100.62%	0.57%	-5.07%	0.66%	-4.74%	-18%	-80%
3%	102.67%	2.62%	-2.45%	2.71%	-2.03%	-16%	-96%
-0.10%							
2.67%							
-4.49%							

	-2.34%						
	-2.08%						

Figure: SQUARETEXT

C.PTL	Compound Return	Abnormal Return (Market Adjusted Return Model)	Cumulative Abnormal Return (Market Adjusted Return Mode)	Abnormal Return (Constant Return Model)	Cumulative Abnormal Return (Constant Return Model)	Abnormal Return (CAPM Model)	Cumulative Abnormal Return (CAPM Model)
-2%	98.44%	-1.61%	-1.61%	-0.74%	-0.74%	-21%	-21%
-1%	98.65%	-1.40%	-3.00%	-0.53%	-1.27%	-20%	-41%
-1%	99.31%	-0.74%	-3.74%	0.13%	-1.14%	-20%	-61%
0%	100.46%	0.41%	-3.32%	1.28%	0.14%	-19%	-80%
2%	102.06%	2.01%	-1.31%	2.88%	3.02%	-17%	-97%
	-1.12%						
	-0.86%						

Figure: PTL

C.ENVOY TEX	Compound Return	Abnormal Return (Market Adjusted Return Model)	Cumulative Abnormal Return (Market Adjusted Return Mode)	Abnormal Return (Constant Return Model)	Cumulative Abnormal Return (Constant Return Model)	Abnormal Return (CAPM Model)	Cumulative Abnormal Return (CAPM Model)
-3%	97.23%	-2.82%	-2.82%	-3.06%	-3.06%	-20%	-20%
-2%	98.10%	-1.95%	-4.76%	-2.19%	-5.25%	-19%	-40%
0%	100.24%	0.19%	-4.57%	-0.05%	-5.29%	-17%	-57%
1%	101.45%	1.40%	-3.16%	1.16%	-4.13%	-16%	-73%
0%	100.48%	0.43%	-2.73%	0.19%	-3.94%	-17%	-90%

	-2.54%						
	-2.28%						

Figure: ENVOYTEX

Average Return Per Day of the 3 stocks	**Market Return**	**Average Return of Textile Industry**	**Difference Between Market Return & Average Return**
-3%	-0.05%	-0.387%	-0.33%
-1%			
0%			
1%			
2%			

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return after tariff announcement.

Appendix 13: Large Cap Calculations (After tariff reduction)

After
31-Jul-25

Date	C.DSEX	Compound Market Return	C.SQUARETEXT	Compound Return	C.PTL	Compound Return	C.ENVOY TEX	Compound Return	Average Return Per Day of the 3 stocks	Market Return	Average Return of Textile Industry	Difference Between Market Return & Average Return
Date												
8/3/2025	1.70%	101.70%	5.62%	105.62%	0.61%	100.61%	1.99%	101.99%	2.74%	-0.07%	0.15%	-0.22%
8/4/2025	-0.91%	99.09%	-2.48%	97.52%	-2.03%	97.97%	-3.47%	96.53%	-2.66%			
8/6/2025	-0.27%	99.73%	0.18%	100.18%	-0.41%	99.59%	1.12%	101.12%	0.30%			
8/7/2025	-1.15%	98.85%	-2.00%	98.00%	-0.42%	99.58%	-0.44%	99.56%	-0.95%			
8/10/2025	-1.05%	98.95%	0.93%	100.93%	-1.88%	98.12%	4.46%	104.46%	1.17%			
8/11/2025	-0.13%	99.87%	-0.18%	99.82%	0.21%	100.21%	-3.21%	96.79%	-1.06%			
8/12/2025	-0.54%	99.46%	-2.39%	97.61%	-2.77%	97.23%	-0.66%	99.34%	-1.94%			
8/13/2025	-0.02%	99.98%	-0.19%	99.81%	0.66%	100.66%	0.22%	100.22%	0.23%			
8/14/2025	0.68%	100.68%	-1.13%	98.87%	0.22%	100.22%	-0.89%	99.11%	-0.60%			
8/17/2025	0.96%	100.96%	6.49%	106.49%	1.08%	101.08%	5.15%	105.15%	4.24%			

Figure: Average Return Per Day of the 3 stock, average return of the textile industry and difference between market return & average return after tariff reduction announcement.

Appendix 14: Formulae, Time Period, and Dates

Formulas Used	
CAPM (Capital Asset Pricing Model)	Rf+(β*Rp)
β	Covariance (Stock Returns, Market Returns) / Variance (Market Returns)
Rp (Equity Risk Premium; Based on Aswath Damodaran's Equity Premium Calculation	11.7%
Risk Free Rate (Rf); (Based on 3 Month Treasury Biill)	10.12%
Market Return	Average Daily Market Return (DSEX)
Abnormal Return	Actual Return - Expected Return
Time Period	March 3 - August 17 (2025); 88 days
Buy and Hold Abnormal Return	Compound Daily Stock Return -Compound Daily Market Return
Constant Return Model	Expected Return = Average Daily Return ; Abnormal Return = Actual Return - Expected Return
CAPM Return Model	Expected Return = CAPM ; Abnormal Return = Actual Return - Expected Return
Market Adjusted Return Model	Expected Return = Average Daily Market Return ; Abnormal Return = Actual Return - Expected Return
Standard Deviation of Cumulative Abnormal Returns (CAR) during Estimation Period	Standard Deviation of Daily Abnormal Returns for a Model * (Number of Days in Event Window) ^(1/2)
T-Test for CAR	CAR from Event Window / Standard Deviation of CAR from Estimation Period
T-Test for CAR Based on Mkt Cap	Average CAR from Event Window / (Standard Deviation of CAR from Estimation Period)^ (1/number of stocks in each group)
Degrees of Freedom for T-Test both BHAR and CAR	n-1; n = number of stocks present in a group ; 3-1 = 2
Critical T-Value ; 2 Tailed at N = 2, at 5% significance level for both BHAR and CAR	±4.303
Null hypothesis (H_0) ; CAR	The event had no effect on the stock; CAR = 0
Alternative hypothesis (H_1) : CAR	The event had an effect ; CAR ≠ 0
Significance	|t|> t critical; if true, reject null hypothesis, and vice versa
T-Test for BHAR	Mean BHAR for Each Cap/ (Standard Deviation of Each Cap/(n)^(1/2) ; n = number of market caps, 3 in this case
Null hypothesis (H_0) ; BHAR	Mean BHAR of the group = 0 ; No abnormal return
Alternative hypothesis (H_1) : CAR	Mean BHAR ≠ 0 ; Abnormal return exists
Significance BHAR	|t| > t-critical ; reject Null Hypo, otherwise accept if less than or equal to.

Time Periods	
Before Annoucement (Estimation Period)	5
After Annoucement (Event Window)	5
After Tariff Reduction	9
Total (Excluding After Tariff Reduction)	10

Dates	
Tariff Annoucement Date	2nd April 2025
Before Annoucement Time Period Take (From 20th March 2025 till April 4th 2025; Market was close from 28th March till April 5th due to Eid Holidays in BD)	5 days
After Annoucement Time Period	2nd April till 31st July
After Tariff Reduction (Tariff was reduced from 35% to 20%, tariff is effective from 1st August 2025)	31st July Onwards

Appendix 15: Summary (CAR & CAR Standard Deviation)

Market Cap	Company Name	Expected Return During Estimation Period			Cumulative Abnormal Returns During Event Window Using Three Models			Average CAR for Each Model Based on Mkt Cap		
		CAPM	Constant Return	Market Adjusted	CAPM	Constant Return	Market Adjusted	CAPM	Constant Return	Market Adjusted
	Square Textile Ltd.	19%	-0.04%	0.05%	-96.15%	-2.03%	-2.45%	-94.19%	-0.98%	-2.16%
	Paramount Textile Limited	19%	-0.82%	0.05%	-96.81%	3.02%	-1.31%			
Large Cap	Envoy Textiles Limited	17%	0.29%	0.05%	-89.61%	-3.94%	-2.73%			
	Malek Spinning Mills Ltd.	26%	0.32%	0.05%	-132.01%	-4.61%	-3.25%	-124.78%	-3.07%	-5.44%
	Matin Spinning Mills Ltd.	19%	0.18%	0.05%	-95.19%	-2.64%	-1.96%			
Medium Cap	Sharp Industries PLC	27%	-1.17%	0.05%	-147.14%	-1.96%	-11.12%			
	Rahim Textile Mills Ltd.	15%	0.26%	0.05%	-77.47%	-3.16%	-2.07%	-111.57%	-2.18%	-3.47%
	Aman Cotton Fibrous Limited	25%	-0.31%	0.05%	-129.76%	-1.17%	-2.96%			
Small Cap	Queen South Textile Mills Limited	24%	-0.58%	0.05%	-127.49%	-2.22%	-5.37%			

Figure: CAR

Market Cap	Company Name	Expected Return During Estimation Period			Cumulative Abnormal Returns During Event Window Using Three Models			Average CAR for Each Model Based on Mkt Cap			Standard Deviation of Cumulative Abnormal Returns During Estimation Period Using Three Models		
		CAPM	Constant Return	Market Adjusted	CAPM	Constant Return	Market Adjusted	CAPM	Constant Return	Market Adjusted	CAPM	Constant Return	Market Adjusted
	Square Textile Ltd.	19%	-0.04%	0.05%	-96.15%	-2.03%	-2.45%	-94.19%	-0.98%	-2.16%	0.79%	0.79%	0.79%
	Paramount Textile Limited	19%	-0.82%	0.05%	-96.81%	3.02%	-1.31%				2.31%	2.31%	2.31%
Large Cap	Envoy Textiles Limited	17%	0.29%	0.05%	-89.61%	-3.94%	-2.73%				3.13%	3.13%	3.13%
	Malek Spinning Mills Ltd.	26%	0.32%	0.05%	-132.01%	-4.61%	-3.25%	-124.78%	-3.07%	-5.44%	2.20%	2.20%	2.20%
	Matin Spinning Mills Ltd.	19%	0.18%	0.05%	-95.19%	-2.64%	-1.96%				2.01%	2.01%	2.01%
Medium Cap	Sharp Industries PLC	27%	-1.17%	0.05%	-147.14%	-1.96%	-11.12%				6.50%	6.50%	6.50%
	Rahim Textile Mills Ltd.	15%	0.26%	0.05%	-77.47%	-3.16%	-2.07%	-111.57%	-2.18%	-3.47%	1.39%	1.39%	1.39%
	Aman Cotton Fibrous Limited	25%	-0.31%	0.05%	-129.76%	-1.17%	-2.96%				4.60%	4.60%	4.60%
Small Cap	Queen South Textile Mills Limited	24%	-0.58%	0.05%	-127.49%	-2.22%	-5.37%				1.80%	1.80%	1.80%

Figure: CAR Standard Deviation

Appendix 16: CAPM & Beta Calculation

	COVARIANCE	Market Variance	Beta	CAPM
ACFL	9.33167E-05	7.1428E-05	1.306445467	25.4%
ENVOYTEX	4.45802E-05	7.1428E-05	0.624128353	17.4%
MALEKSPIN	9.57111E-05	7.1428E-05	1.339966724	25.8%
MATINSPINN	5.23353E-05	7.1428E-05	0.732700308	18.7%
PTL	5.51089E-05	7.1428E-05	0.771531313	19.1%
QUEENSOUTH	8.7609E-05	7.1428E-05	1.226536574	24.5%
RAHIMTEXT	3.05556E-05	7.1428E-05	0.42778143	15.1%
SHARPIND	0.000104576	7.1428E-05	1.464076683	27.2%
SQUARETEXT	5.28995E-05	7.1428E-05	0.740599471	18.8%
Risk- Free Rate	10.12%			
Equity Risk Premium	11.70%			

Appendix 17: Internship Proposal

Problem Statement

Considered as the cornerstone and the breadwinner of the Bangladesh economy, the textile and RMG Sector is the primary contributor towards the export earnings of the country. However, it does save it from the highly sensitive external market conditions, especially to US trade policies. As a significant chunk of exports go to the US, any shift in the tariff structure between the two countries can have adverse effects on the stock market performance of the listed textile firms. Despite its severity, a research gap exists in our understanding of how such macroeconomic policy changes affect stocks in frontier markets like Bangladesh.

Research Questions

To address the research gap, the following set of questions are asked.

1. How has the imposition of US tariffs affected the price of textile stocks in the Dhaka Stock Exchange?
2. Has there been any observable abnormal returns or changes in the trading volume after the announcement of the US tariff policies?
3. Which firms in the textile sector showcased the highest sensitivity to these trade policy shocks?

Objectives

1. To analyze what impact does the US tariffs have on textile stocks using event study methodology.

2. To examine how investors react to key announcement dates through volatility and volume analysis.
3. To provide recommendations on a policy and investor level based on the findings.

Background Information / Preliminary Literature Review

Over 80% of the total exports of Bangladesh come from the RMG sector, with one of the biggest buyers being the US. Global trade policies revolving around tariffs can have a direct effect on export volume, firm profitability, and investor confidence, at the same time, tariffs can indicate trade uncertainty leading to short term volatility, especially in frontier markets.

This paper aims to focus on what impacts would the tariffs on the DSE listed textile stocks and evaluate how international political-economic events influence the behavior of local investors and firm valuation in the textile sector.

Preliminary Methodology

1. **Event Study Approach:** Analyze stock returns before and after key US tariff announcement dates.
2. **Data Sources:** DSE Daily Price and Volume Data, Historical News Reports (Example: Bloomberg, The Financial Express, The Business Standard, and The Daily Star).
3. **Steps:** Firstly, key US tariff-related events will be identified (Example: announcement dates, implementation dates). Secondly, a trading window would be defined on the basis of the announcement and implementation dates of the tariffs (Example: 10 trading days). Finally, the abnormal returns will be calculated from the textile stocks in DSE.

Significance of the Issue

It is crucial to understand the linkage between international trade policies and how it affects the capital markets in Bangladesh. Through this research, firstly, investors will be able to assess how much risk they are exposed to from geopolitical trade tensions, and finally, this research will help textile firms to develop risk mitigation and strategic planning frameworks.

Timeline of the Report Work

Week 1	Finalizing topic, background research
Week 2	Literature review and event selection
Week 3	Data collection from DSE and news sources
Week 4	Stock return calculations, result analysis and interpretation
Week 5	Drafting and finalizing the report