

An Investigation, Measurement, and Evaluation on the Stock Market Crisis, Performances and their Initiatives: A Study on the Investors' Perceptions

Md. Mohiuddin¹, Md. Zainal Abedin² and Mohammad Naymur Rahman³

1

Received: 8 December 2015 Accepted: 1 January 2016 Published: 15 January 2016

Abstract

Capital market (Dhaka Stock Exchange and Chittagong Stock Exchange) have multiple and significant roles in the development of nation's economy. They provide avenues for investment and capital acquisition and can provide an indication of overall economic condition (Stock Market Crisis: Hasan; The Financial Express, 12 July 2012). The stock market is the engine of growth for an economy, and performs a critical role in acting as an intermediary between savers and companies seeking additional financing for business expansion. Vibrant capital is likely to support a robust economy. While lending by commercial banks provides valuable initial support for corporate growth, a developed stock-market is an important prerequisite for moving into a more mature growth phase with more sophisticated conglomerates

Index terms— BSEC, DSE, CSE, IPO, BB, capital market, DEC-mobile, DSEX, NASDAQ, demutualization.

1 I.

2 Objectives of the Study

3 Broad objective

The main objectives of the study are to investigate, measure, and evaluate the stock market Crisis, performances, activities, and initiatives from the reflection light of secondary data and investors' perceptions.

4 Specific Objectives

5 ?

To investigate the reasons for the stock market crisis and the impact of it on investors.

6 ?

To sort out the reasons for the crisis.

7 ?

To find out the investors knowledge on capital market.

8 ?

To motivate the investors doing analysis rather than running after rumor.

9 II.

10 Methodology of the Study a) Research Approach

? This is a quantitative research, in some cases qualitative approach has been applied. ? At first phase an exploratory research has been conducted to understand the nature of problem and its subcomponents.

11 b) Sources of Data

To meet the research objectives both primary and secondary sources of data have been used.

12 Primary Source

i. A model questionnaire has been developed to elicit essential data. The Questionnaire is structured in nature and is based on Likert Scale method. Population: All investors in share market and some selective investors. Sampling technique: Convenience sampling technique was used to select investors. Sample Size: Total 100 investors. Survey area: Dhaka and Chittagong ii. Informal interviews with industry experts and managers of BSEC, DSE and CSE. iii. Observation of investors while investing in capital market.

13 Secondary Sources

? Books and articles on stock markets and financial institutions ? Website of BSEC, DSE, CSE and others.
? Newspapers, Magazines and government's source.

14 Data Analysis Techniques

? Excel and SPSS software has been used to analyze data ? Various statistical methods and formulae have been used. ? Different Graphs, Tables, Charts and others instruments are used to make presentable the research results (Findings).

III.

15 Literature Review of the Study

Before going for the topic selection, and to gain insight of that problem, it becomes necessary to review the already published work on that particular area. Since the functions on a stock market is tend to be specialized and not is understood by common people, this review part will give some basic knowledge and review of stock market crash, history of the stock market crash and defined reasons for the crash.

Bangladesh is a rising market with two stock exchanges, Dhaka Stock Exchange Ltd. (DSE) and Chittagong Stock Exchange Ltd. (CSE). DSE is the larger of the two. Dhaka Stock Exchange (Generally known as DSE) is located in Motijheel Commercial Area which is situated in the heart of the Dhaka city. It was incorporated in 1954. Chittagong Stock Exchange (Generally known as CSE) is located in SK Mujib Road, Agrabad Chittagong. It was incorporated in 1995.

16 a) Stock trader and investors

There are especially two types of investors in our country: institutional investor and small investor. Institutional investors include Mutual fund, Merchant Banks, Provident Fund Companies, Insurance Company and Investment corporations. They have the right to invest in the share market. But their buying natures are restricted by the rules and regulations. They take part in the placement of shares. Retail investors are those who invest in the market with a view to earning profit. Their capital is not defined or confined by any laws or means. They are invited by the companies to participate in the IPO. After the IPO, the shares enter into the secondary market for transaction. In the recent collapse of share market, the retail investors are the main victims. The institutional investors are being accused of taking part in destroying the market (MOF, 2011). ICB has more than thirty thousand accounts to facilitate the institutional investors, whereas more than three hundred thousand people are involved in the share market. That means there are more than 30 lakh small investors in our country.

17 b) Stock Market Collapses in 1996 & 2011

Most of the countries' stock markets have confronted the taste of collapse at least once. In 2000, London Stock Exchange and American Stock Exchange encountered the collapse. Economic recession all over the world caused the share market collapse in America and Europe. But Bangladesh protected itself from this scenario due to very little foreign investment in this country.

After 1996 collapse in the share market, a neutral Inspection Committee was formed with a view to investigating the reasons behind the market collapse. Munir Uddin, an FCA, was the chief of that committee. He opined that the collapse of 1996 was the result of the activities of a group of people. Main accused at that collapse were outsiders to Bangladesh. Some of the leading businessmen along with the foreigners committed the crime. They were sued at that time but lack of evidence closed the files of the alleged persons. According to that Investigation Committee, more than 500 crore was transferred outside the country. But for that failure, the government and

the SEC were accused. The controlling and the monitoring activities were weak. As a whole, it can be said that paper based share certificate, lack of knowledge of the retail investors, manipulation, inside trading and greed are some of the main reasons of the collapse (MOF, 2011). The main catalysts for that collapse were the shrewd manipulators from both home and abroad (Mohiuddin, 2010).

After 14 years, SEC and the two share markets again experienced the taste of collapse. But this time the reasons were different. The paper based share certificates are no more in existence. As per the report of Ibrahim Khaled, various reasons led towards this disaster. Institutional investors played a major role in that case. For instance, each merchant bank has the right to invest in the market 10% of the deposit money collected from the clients. But they didn't comply with these rules.

They invested more than ascribed amount that violated the rules. Another reason was that ICB has more than thirty thousand omnibus account. With this accounts many company speculated and manipulated the total market. The free entrance of the black money caused collapse of the share market. More than 30 lakh B/O accounts are now in Bangladesh. But there is no legal restriction about opening the B/O account. It has been revealed in the report that a single person has more than 20 accounts to conduct share transaction. Lack of surveillance activities led toward this collapse (MOF, 2011). It was said by the expert an economist that more than 30 thousand core taka was taken away by the share market gamblers. These gamblers speculated the shares and increased the price, which attracted the retail investors. They entered in the market without having sufficient knowledge about share market. Lack of knowledge on the part of the small investors is also indicated as the reason of market collapse. Since the collapse of the share market, a number of measures were initiated by the government, of which the most important one was forming a competent probe committee to investigate the activities in the market during the run up to the boom and bust, identify malpractices and manipulations and come up with policy suggestions to address the attendant problems. The report published by Bangladesh Finance Ministry specifying the reasons for share market collapse helped to get an overview regarding the reasons of market collapse. Before describing the reasons behind share market collapse, a citation of the Waran Buffet may be considered which is important for the small investors-the market like the Lord, helps those who help themselves. But unlike the Lord, the market doesn't help those who do not know what they do and what they shouldn't do. It has been said in the report that recently market has experienced a sheer increase of investors and the volume of trade in the share market is one of the keys of economic development. The indomitable increasing market was to experience a collapse (opined by many market experts before the market crash). It has been opined by a giant investor that 3 million new B/O accounts have been opened newly in the last four years. The demand supply factor played a vital role in this collapse. Huge amount of money entered into the secondary market. The demand for the shares was created by opening many branches of brokerage houses. But the supply of the shares didn't increase. Such kind of pressure on the limited shares increased the price of the shares, and thereby, led towards the crash. Every merchant bank invests a huge amount of money in the share market and makes huge profit out of it. But in December, 2010, the Bangladesh Bank gave order to the merchant banks to limit their investment in the share market and also increased the cash reserve ratio (CRR). As a result, all the merchant banks had to withdraw the excess amount of money from the share market for withdrawal from the extra investment as well as maintaining high CRR fixed by the Bangladesh Bank. Such kind of situation caused the decrease of liquidity in the share market which also was one of the reasons for market crash. Market manipulators controlled the market by spreading various rumors regarding the shares through media, newspaper, broker houses etc. Such kind of misleading information attracted the small investors to invest and thereby the market became overvalued. Lack of IPOs in the share market and the wrong placement of IPOs created the situation. Most of the IPOs went in the hand of big companies' owners. As a result, people got a few shares to buy. It became easy to manipulate the market by those big persons. Commercial banks are to invest 10% of their total amount collected from the clients as deposits (Banking Act 26 (2)). But it was found that they invested a huge amount of money that overvalued the market. Broad money and foreign remittance entered into the share market that created such situation. Not only these but also the loans taken by the people for business purpose, housing loan and industrial loan received were invested in the share market. Such situation overvalued the market. The source of the investment was not justified or scrutinized. Therefore, the black money entered easily into the market and the market was overvalued. Strict supervision and excessive intervention by the government created the crash. It was to be iteratively stated by the media that the current higher index could lead the situation like 1996 crash. It is assumed that such news warned the gambler and induced them to withdraw huge amount of money from the market. If the supervision and intervention had been more flexible, the nation would not have confronted the situation like this. The Managing Director of BDBL opined that the excess entrance of liquidity, the split of shares of Tk. 100 into 10 shares of Tk. 10 each, illogical right and preference shares issue, increase of IPOs' price by applying wrong book building method and the misstatement of net asset value of the company were also responsible for the collapse of the share market. The CEO of IIDFC Capital limited opined that merchant bank should act as professional investment advisor to the small and other institutional investors. But Bangladesh Bank restrained the merchant banks from this investment advisory by formulating relevant laws. It is one of the reasons for market collapse. Other reasons like the insider trading by the dishonest broker, dealer and the related parties, wrong procedure in determining the face value of the shares, wrong information spread by the media, poor surveillance activities of SEC, DSE & CSE etc. led towards this disastrous situation in the Bangladesh share market. (Source: ASA University Review, Vol. 7 No. 1, January-June, 2013)

There have been some researches reports about stock market bubble not crash. Islam and Haque (2005) analyzed on the predictability of the share price in DSE prior to the boom in 1996 and found evidence in favor of short-term predictability of share prices. Mobarek and Mollah (2005) suggested that there are some factors (beta, size, the ratio of price-to-book value, volume of shares traded, earnings yield, cash flow yield, dividend yield and leverage) that influence share returns on the DSE. Akhter et al. (2005) identified a number of problems being encouraged by the market. They recommended that the SEC, as a watchdog of the market, should play prominent role in reactivating markets, which is essential for accelerating the speed of country's industrialization. Capital market is recognized as a vehicle for rapid economic development through mobilization of available resources in a country (Ahmed S, 2005). The capital market in Bangladesh received significant boost in last year. All share price indexes, turn over as well as market capitalization, improved substantially. However, the market lacks reflection of company fundamentals and the possibility of price manipulation in the market through insider trading cannot be ruled out. Some most important issues regarding crash-? The nature of stock market bubble ? Formation of bubble ? Possible reasons behind the crash Previous findings have reported mostly results that are based on purely the details of stock market bubble and its impact. Given the circumstances, the present study takes the initiative to conduct an historical investigation based on a new approach that evaluates the reasons of crashes of Bangladesh stock market respectively in 1996 and 2011. The findings from this study are valuable in guiding professionals and policymakers to further formulate effective compliance of Bangladesh stock market.

Due to political unrest of Bangladesh state of emergency was declared and military took power of the country in 2007. During military-backed regime investment in real sectors as well as FDI decreased but the inflow of foreign remittance increased. Investors tried to find alternative investment sector to invest their savings and found stock market as an attractive alternative. According to CPD (2011), the total number of BO Account holders on 20th December, 2010 reached to 3.21 million though the number was 1.25 million in December 2009. Most of these new investors don't have enough knowledge about the stock market but invest their most or all savings in the market. 238 brokerage houses opened 590 branches at 32 districts. As CPD (2011) found, internet-based trading operation, opening branches of brokerage houses across the country, easy access to the market information, arranging a countrywide 'share mela (fair)' are the factors for increasing investors. But supplies of new securities through IPOs were not enough to chase huge capital of too many investors in the market. Banks & other financial institutions of Bangladesh had a lot of excess liquidity due to less business opportunities in the recession period of 2009-10. To minimize the cost of bearing excess liquidity and as a great opportunity, these financial institutions & its officials as well as other people took loan and invest in the share market. This made a huge influx of liquidity in the share market. It was seen that the daily transaction in the share market was on an average from Taka 20,000 to 30,000 million in 2010 and the figure was double comparing to 2009. (Raisa, 2011). To grow Bangladesh's economy by 7-8% per year Bangladesh Bank adopted accommodative monetary policy during the high inflation periods to support investment. Bangladesh Bank has pegged Taka against dollar to support exports. As Taka has been undervalued it has made excess growth in money supply. Last couple of years broad money made excess liquidity and the main motive behind it was Bangladesh Bank's ex-change rate policy. A big portion of this excess liquidity had gone to the stock market but there were very few shares in the market. The policy that was adopted by BB to grow economy by increased exports & investment eventually misguided and ended up blowing the mother of all bubbles. Then government again fuelled the bubble after permitting whitening of black money through tax breaks and schemes (Rahman, 2011)

18 d) Causes and Effect of the Crash

Market insiders blamed the recent fall on the central bank's measures to control the liquidity flow in the banking system. In an effort to contain inflation, the central bank had to increase the Cash Reserve Ratio (CRR) by 50 basis points to 6 %. It was also aimed at stopping credit-flow to non-productive sectors such as giving loans to buy apartments, cars, luxurious items etc. Bank and non-banking financial institution's investment on the stock market depends on the paid up capital. The central bank also issued another directive asking financial institutions to adjust their stock investment exposure by December 2010. From January 2011, no institution will be allowed to invest more than 10 percent of its total liabilities in the stock market, and the exposure will be calculated based on market price, not cost price. Moreover government proposed gain tax on capital gain though this decision was postponed but it affected the investors. Introducing OTC market made the junk share of around 25 companies to be traded there resulting in increase in demand of the remaining share. Companies' asset revaluation opportunities are given. Companies raised their asset value thus in turn increasing the NAV per share of the company. It made the investor to invest in those share. Change of face value of the share and it was a great impact on booming market. As a consequence of changing the face value it ultimately increases that share price. The International Monetary Fund's prescription to Bangladesh Bank for addressing the overexposure of commercial banks to the stock market also propelled the unprecedented fall. The SEC increased the share credit ratio to 1:2 from 1:1.5. It means an investor will get a loan of Tk 2 against shares worth Tk 1. This induced the investors to take loan at the time when the market was good, thus after the crash it takes away all the belongings of the investors. Beside this poor monitoring on big investors or speculators by DSE and SEC and also lack of coordination between stock exchange and SEC is responsible for this crash.

19 IV.

Analysis and Findings based on Primary Data Interpretation: Among the respondents 18% of them have their investment in the stock market for more than 6 years while 32% have made their investment between 5-6 years and 45% of the investors have mentioned they are in the market for last 3-4 years. Only 5% investors entered into the market during the crisis period (less than 1-2 years.) 02. How much is your total exposure to the stock market? Interpretation: It is observed that 30% of the investors have their investment more than 2,000,000. Only 16% of them have investment less than 500,000, meanwhile 34% of the respondents have investment between 1000000-2000000 and 20% of investors ranges between 500,000-1000,000. It is evident that all the investors have more than 5lac worth of investment in the market.

20 5% 45% 32% 18%

Less than 1-2 years 3-4 years 5-6 years more than 6 years 16% 34% 20% 30% Less Than 500,000 500,000-1,000,000 1,000,000-2,000,000 More than 2,000,000 03. What is the source of your investment fund? Interpretation: Investors have accumulated their investment from different sources. 34% of the respondents made their investments from own savings, 26% of the respondents collected from their relatives, 8% of the investors borrowed from banks and 32% of them accumulated from other sources. 04. How do you know about the stock market? Interpretation: 52% of the investors told us they first learnt about the stock market from their friends and family, 24% of them mentioned Media and Newspapers as their source of information on stock market. 15% investors learnt from their self-studies and 9% mentioned other reasoning.

21 I know the fundamentals of the stock I intend to invest.

Interpretation: 57% of the respondents agreed that they know the fundamentals P/E ratio, EPS, NAV etc.) of the stock before making any investment decision on any particular stock. 27% of the investors do not know the fundamentals of the stock they intend to invest. 6% of them strongly agreed and 7% respondents remained neutral on the fundamental aspects of the stock they intend to invest. 3% respondents strongly disagree on this issue.

22 I know the technical analysis of stock price?

Interpretation: (A technical analysis of securities/stocks is a study of past price and volume trends to Judge the direction of future price movements of stocks.) 54% of the respondents are not acquainted with the technical analysis of stock price. 34% of the respondents invest based on the technical analysis of the stock price. 4% of investors strongly agreed on their expertise on technical analysis of stock prices. Interpretation: 56% of the respondents agreed with the statement that technical and fundamental analysis do not affect the stock market. 34% of the respondents disagreed with the issue.

23 Technical and fundamental analyses do

08. What has attracted /prompted you to make investment decision in stock market?

Interpretation: Among the respondents, 32% of the investors made their investment for short term quick capital gain, 26% were attracted towards market because they believe there were no alternative investment choices. 30% of them came into the market for making excessive return. 12% of the investors were driven by low return from savings instruments.

09. I invest in the stock market for dividend only?

Interpretation: 97% of the investors invest in the stock market not for dividend only but for other financial benefits too.

10. I invest in the stock market for capital gain only?

Interpretation: 7% of the respondents invest in the stock market for capital gain only.

11. I invest in the stock market for both dividend and capital gain?

Interpretation: 98% of the respondents invest in the stock market for both dividend and capital gain. These conclude that investors are keener to invest in banking sector than any other sectors. So, any mishap in this sector will have an adverse effect on the investors and thereby affecting the overall market.

13. What kind of returns expectations do you expect from your investment portfolio account?

Interpretation: After the market crash investors are compelled to revise their market returns expectation which is not as extreme before when investors wanted to earn more than 100% return from the market. 54% of the investors are quite happy to have return between 36%-45% per annum, 34% of them eager to have a minimum return of 26% to a maximum of 35% per annum. None of the investors are happy with a maximum with a maximum of 15%. It is evident that investors expectation has minimized by many fold after the crash.

14. Do you think market manipulation had a significant impact on the stock market crisis?

Interpretation: 86% of the respondents believe (48% strongly agree & 38% agree) that market manipulation had a significant impact on the recent market crisis. 10% of the investors disagree with statement.

15. Do you think spreading of rumor also exaggerated the stock market?

Interpretation: 70% of the investors agreed that spreading of rumor has also exaggerated the stock market. 24% of the respondents enforced strong reaction on this statement.

16. What is responsible for the recent stock market crisis?

Interpretation: 36% of the investors believe that stock prices were overvalued and 34% of the investors blamed the financial institutions for their quick investment withdrawn which led the market in a severe down fall. 14% of the investors indicated on the liquidity crisis in the market. Meanwhile, 16% of the investors believe that it is lack of knowledge of the investors on the part of their investment decision which can also be considered as a strong reason for the recent market crisis. Interpretation: 10% of the investors firmly believe that DSE is responsible for the market crisis. 24% of investors mentioned that SEC has failed to regulate the market properly. 32% of the investors put their allegation against BB for allowing the banks to invest in the capital market beyond their stipulated limit (bank can only invest 10% of their total liability). 34% of the investors blamed the government for market crisis.

18. Do you think the market was overvalued?

Interpretation: 98% of the investors firmly believe that the market was overvalued.

19. Market was overvalued for following reasons:

Interpretation: 6% of the investors mentioned that change of face value of the stock made the market overvalued, 2% of the respondents believe that there were no other investment opportunities to invest elsewhere which ultimately drag large number of investors to the market. 12% of the respondents believe it is because of the extensive and aggressive publicity by DSE which pulled lot of investors into the stock market. 34% of them said about the inefficiency of SEC to regulate and control the market. 46% of the investors could not stick to a particular reason and hence agreed with all the issue.

24 What measures can be taken to stabilize the market?

Interpretation: 18% of the investors suggested that all the participants of the capital market must have accountability and transparency. 8% of the respondents believe that investors should acquire proper knowledge and increase their awareness regarding different aspects and matter of stock market and 30% respondents believe there should be a balance between demand and supply of stocks in the market. 44% of the investors also suggested that the concerned authorities of the capital market need to act accordingly.

25 Summary of Findings Based on Primary and Secondary Data

? Investors have minimum of 5 lac TK investment. ? They mostly prefer banking sector as safe investment. ? They are more interested to have capital gain rather than dividend. ? Investors tried to find alternative investment sector to invest their savings and found stock market as an attractive alternative source of investment. ? Change of face value and it was a great impact on booming market. ? Poor monitoring by DSE and SEC on the market manipulation is the cause of spreading of rumor. ? Quick investments withdrawn by financial institutions from the market. ? Lack of coordination between stock exchanges (DSE and CSE) and BSEC. ? The stock market crisis has restricted the new entrant in the capital market thus hampering the demand and supply of stocks. ? Banking sector is the most preferred among the investors, so implementation of CRR and SLR affected much in the capital market. ? BSEC increases the margin loan facilities from 1.5 % to 2%. As a result, a sizeable number of investors used maximum credit facilities to magnify their profit from the market. ? Introducing OTC market made the junk share of around 25 companies to be traded there resulting in increase in demand of the remaining share in the main stock exchange. ? Investors didn't have idea about financial report of listed securities thus unfair audit report are published. ? Over exposure of banks and financial institutions in terms of investment in the stock market. ? Majority of general investors in Bangladesh stock market don't have enough knowledge about the stock market. So, they fail to make good investment decision. That's why they buy shares depending on rumor and artificial financial report of companies. ? It was found that some illiterate investors even don't know about the company and its business operation when they buy share of the listed companies. ? Investors have to remember all the time, the gain or loss whichever comes from the investment, it belongs to them only.

26 Initiatives taken

? Investors should not pay any heed to rumors at the time of trading shares.

? SEC should constantly monitor, regulate and control different aspects and matters of capital market effectively.

? Investors must make investment decisions based on company fundamentals, technical analysis, price level and disclosed information.

? BSEC should increase consciousness for the newcomer in the capital market "invest from your own savings not from borrowings" organization into a profit oriented organization, and also turning a mutual organization owned by members into a company that is owned by shareholders. The company could be either a listed or unlisted entity that may be closely held or publicly held. Demutualization divides a member's rights into two segments—ownership rights and trading rights. In addition to the trading rights, a member acquires the ownership rights, which have a market value. So, demutualization converts a mutually—owned organization into a company, which is owned by shareholders. The main differences between a mutually—owned organization and a demutualized company are the functions of ownership, management and trading. In a mutual exchange these functions are

handled by a single group, but in a demutualized exchange these three functions are separated and managed by different bodies. Demutualization transforms the legal structure of a mutual exchange into a business entity.

27 b) Conclusion

The study was carried out to find out the major reasons for the recent stock market crisis of Bangladesh up to 2016 and its impact on the investors. The market faces crisis broadly because of the speculative attack and extensive investment by banking sectors. Bangladesh Bank forces the banks to go for massive selling of their shares that they are holding thus making an increase in excess supply of shares in the market resulting in a fall in the price of share. A number of reasons for the stock market crisis have been identified in this study. Though many causes were identified, few factors emerged stronger in the recent stock market crisis as those are pointed by majority of respondents.

The causes includes over exposure of banks and financial institutions, poor monitoring of regulators, margin loan, insider trading, lack of general investor's knowledge, imbalance of share and intervention of Bangladesh Bank. The crisis made changes in the investor's perception now they reduce their investment in risky securities and also to have less expected return on their investment. The regulators and government have developed role and functions to minimize crisis. But they need to develop more and introduce new tools, strategies, directives, rules and regulations for market development and to prevent this kind of stock market crisis in future. Providing education on the stock market to the general investors and taking strict actions against manipulators can improve the situation and prevent this kind of crisis in the future.

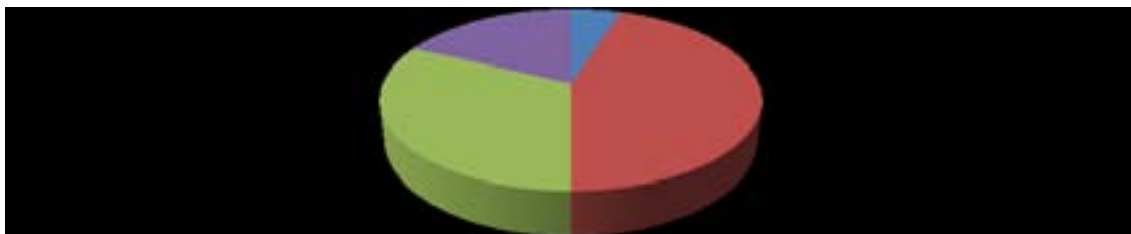


Figure 1:

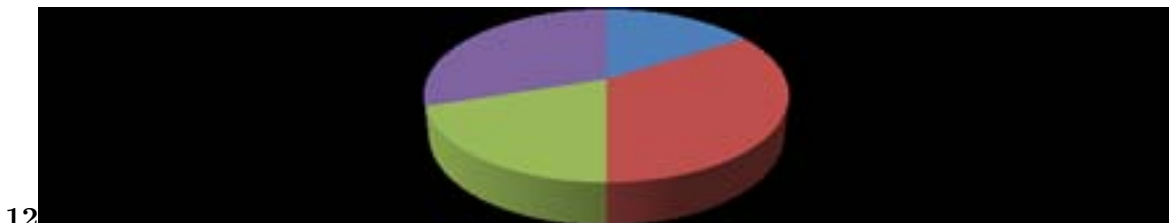


Figure 2: 12 .

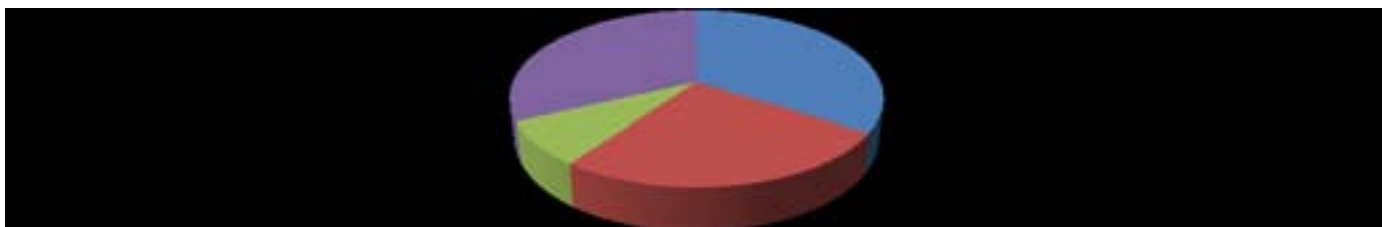


Figure 3: C

¹©20 16 Global Journals Inc. (US)

²© 2016 Global Journals Inc. (US) 1

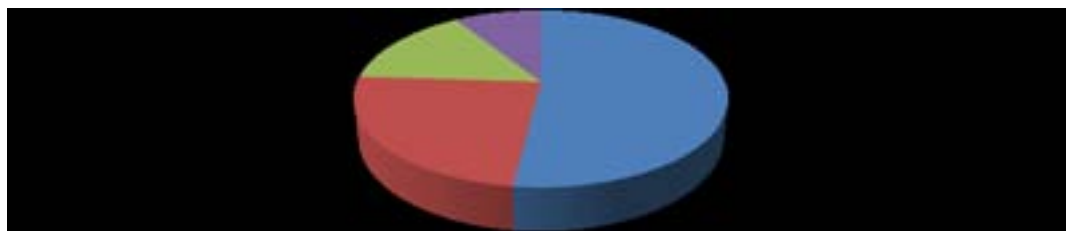


Figure 4:

. Moreover Security & Exchange Commissions was not capable to monitor the market conditions properly. Due to the poor monitoring &

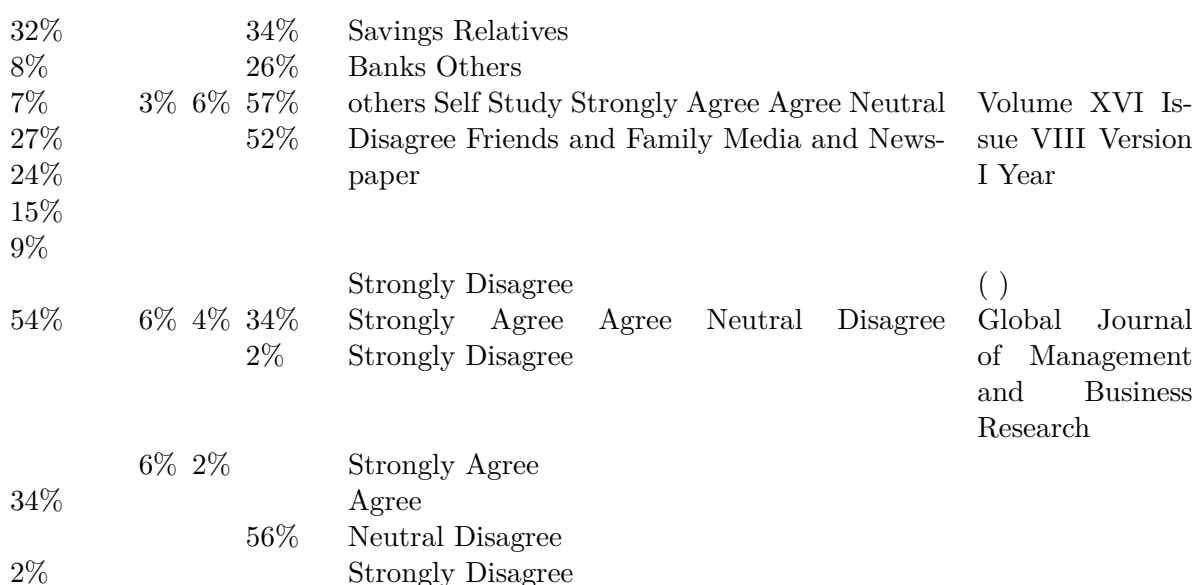
Year
Volume
XVI
Is-
sue
VIII
Ver-
sion
I

market surveillance share prices of Z Category Companies and small companies increased

dramatically. Moreover, some initiatives taken by SEC were not effective and changed directives frequen

[Note: 2016C]

Figure 5:



[Note: 2016 C An Investigation, Measurement, and Evaluation on the Stock Market Crisis, Performances and their Initiatives: A Study on the Investors' Perceptions]

Figure 6:

traditional
demutualized ones. Normally demutualization
means turning a nonprofit

mutualstock exchangesinto

Figure 7: ?

-
- [Carlson ()] *A Brief History of the 1987 Stock Market Crash with a Discussion of the Federal Reserve Response*, M Carlson . 2006.
- [Soenen and Hennigar ()] ‘an Analysis of Exchange Rates and Stock Prices: The U.S. Experience between 1980 and 1986’. L A Soenen , E S Hennigar . *Akron Business and Economic Review* 1988. p. .
- [RaisaA ()] *Behind the Scenes the Stock Market Saga*, RaisaA . 2011.
- [Smyth and Nandha ()] *Bivariate causality between exchange rates and stock prices in South Asia*, R Smyth , M Nandha . 2003. Taylor and Francis Journals. 10 p. .
- [Bloomfield et al. ()] ‘Confidence and the welfare of less-informed investors’. R Bloomfield , R Libby , M W Nelson . *Accounting Organizations & Society* 1999. 24 (8) p. .
- [Chowdhury ()] *Demutualization: Current Trend of Stock Exchange Reform. Portfolio, 10th Foundation Anniversary of Chittagong Stock Exchange*, A K M Chowdhury . 2005. p. .
- [Robert et al. ()] ‘Economic model: its special features’. H Robert , Harold T Rasche , F R Shapiro ; The , B.-MI . *American Economic review* 1968. 2 p. . (LVIII)
- [Burton and Malkeil ()] ‘Equity yields, growth, and the structure of share prices’. G Burton , Malkeil . *American Economic review* 1963. 5 p. . (LIII)
- [Aggarwal ()] ‘Exchange Rates and Stock Prices: A Study of U.S. Capital Market under Floating Exchange Rates’. R Aggarwal . *Akron Business and Economic Review* 1981. p. .
- [Feldstein ()] ‘Inflation and the stock market’. M Feldstein . *The American Economic Review* 1980. 70 (5) p. 839847.
- [Modigliani and Cohn] ‘Inflation, Rational valuation, and the market, Finan’. F Modigliani , R Cohn . *Analysis J* 197 p. .
- [Baker and Hashlem ()] ‘Information Needs of individual investors’. H Baker , J A Hashlem . *Journal of accountancy* 1973. 136 (5) .
- [Mohiuddin (2010)] *Inquiry to Share Market*, M Mohiuddin . August 2010. Shaikat Publication. p. .
- [Khaled ()] *Investigation report of Probe Committee*, K I Khaled . 2011.
- [Alam et al. (2007)] ‘Market Depth and Risk Return Analysis of Dhaka Stock Exchange: An Empirical Test of Market Efficiency’. M M Alam , K A Alam , S Uddin . *ASA Business Review* 2007. July-December. 1 (1) p. .
- [Hassan et al. ()] *Market Efficiency, Time-Varying Volatility and Equity Returns in Bangladesh Stock Market*, M Hassan , M A Kabir , S A Islam , Basher . 1999. 2002-06. York University, Department of Economics, revised Jun 2002. International
- [Lewellen et al. ()] ‘Patterns of investment strategy and behavior among individual investors’. W G Lewellen , R C Lease , G G Schlarbaum . *Journal of Business* 1977. 50 p. .
- [Islam (2011)] ‘Problems and Prospects of Stock Market in Bangladesh’. M N Islam . *Economic Research* 2011. May 2011. 12 p. 67.
- [Akkas (2011)] ‘Review of Bangladesh Capital Market Instability from National Macroeconomic Management Perspective under the global Policy Regimes of Post-Recession Recovery’. S M A Akkas . *Economic Research* 2011. May. 12 p. 81.
- [Review of Bangladesh’s Development (IRBD): Centre for Policy Dialogue] *Review of Bangladesh’s Development (IRBD): Centre for Policy Dialogue*,
- [Rashid and Nishat ()] ‘Satisfaction of Retail Investors on the Structural Efficiency of the Market: Evidence from a Developing Country Context’. M Rashid , M A Nishat . *Asian Academy of Management Journal* 2009. 14 (2) p. .
- [Rahman (2011)] *Share Market Bubble -the Big Picture*, J Rahman . <<http://dpwriters.wordpress.com/2011/02/04/share-market-bubble-the-big-picture/>> 2011. Accessed September 25. 2012.
- [Share Market Inquiry Report ()] *Share Market Inquiry Report*, (Bangladesh) 2011. 2011. (Ministry of Finance)
- [Bhattacharya Dr ()] *State of the Bangladesh Economy in FY 2006 And Outlook for FY 2007, Independent Review of Bangladesh’s Development (IRBD), Second Reading*, . D Bhattacharya Dr . 2006. p. .
- [Smith ()] ‘Stock Market and the Exchange Rate: A Multi-country Approach’. C Smith . *Journal of Macroeconomics* 1992. 14 p. .
- [Choudhury (2013)] ‘Stock Market Crash in 2010: An Empirical Study on Retail Investor’s Perception in Bangladesh’. M A H Choudhury . *ASA University Review* 2013. January-June. 7 (1) .
- [Franck and Young ()] ‘Stock price Reaction of Multinational Firms to Exchange Realignment’. P Franck , A Young . *Financial Management* 1972. 1 p. .
- [Muhammad and Rasheed ()] ‘Stock Prices and Exchange Rates: Are they Related? Evidence from South Asian Countries’. N Muhammad , A Rasheed . *Applied Economics Research Center* 2001.

27 B) CONCLUSION

- 399 [Rashid ()] *The potential of the Bangladesh Capital Market*, M Rashid . <[http://www.thedailystar.net/](http://www.thedailystar.net/forum/2008/may/potential.htm)
400 [forum/2008/may/potential.htm](http://www.thedailystar.net/forum/2008/may/potential.htm)> 2008. 3. (Accessed August 16 2016)
- 401 [Homa Dwight and Jaffee ()] 'The supply of money and common stock prices'. Kenneth E Homa & Dwight , M
402 Jaffee . *Journal of finance* 1971. 26 p. .
- 403 [Solnik ()] 'Using Financial Prices to Test Exchange Rate Models: A Note'. B Solnik . *Journal of Finance* 1987.
404 42 p. .