

ABSTRACT

This dissertation sought to analyze the present situation of capital market in Bangladesh. It is also aimed at understanding an assessment of weakness and the possibilities of capital market in Bangladesh. The findings will give some ideas for investors to obtain some core knowledge before investing into capital market where the outcome can be much more realistic and reasonable. the results of this study will be of great interest to academics, policy makers and investors both at home and abroad.

The researchers was obtain a clear view knowledge about capital market which covers its summary of capital market in Bangladesh, its history and the growth, regulatory framework, participant of share market, market capitalization, the exchange structure, the importance and the process of security analysis from the investor point of view, the problem and prospects of the stock market, practical orientation about capital market and practical knowledge about capital market as the primary survey of investor who are regular maintain the transaction with the capital market in Bangladesh.

One of the major problem statement is based on primary data and their analysis, this study concludes with considering the key variable as high price volatility is a matter of grave concern to investors. Genuine investors are suffering from harassments because of multiple BO accounts held by unscrupulous investors.

Other problems include the poor financial knowledge of the investors and lacking on proper management of the government where big players taking the advantages and general investors remain unsuccessful.

The approach to find the problem was to select the people who have invested into capital market and some students who are studying at university in business management who are willing to invest in capital market. The researcher had a personal visit to Bangladesh

for three weeks to obtain the information and took interviews of some people in this industry to order to finalize the outcome of the report. The questions are related to what they think are the major problems and if applying proper solutions how they react on those solutions. The questions are also set to understand based on their opinions, how much factual knowledge they obtain in the financial market.

The findings came out real interesting. Surprisingly, most of the answers prove that the general investors in stock market have lack of financial education and do not do a proper market study before investing/ buying a company stocks. Different people also showed different opinions while asking them to resolve the issues. Most of them are very much biased and investing by the referrals of their friends and families with poor market knowledge.

The researcher also recommends some workable solutions to gain from capital market investment which includes:

- a) Proper maintain on market violation.
- b) Better operation of primary market.
- c) Stop having multiple BO accounts to give fair chances to everyone.
- d) Assuring the fair value of the shares.
- e) Proper incentives for the issuers.
- f) Qualifies regulatory board and well management
- g) Extend brokerage houses to other cities.
- h) Issuing mutual funds and bonds.
- i) Knowledge based trading.