

# **EFFICIENCY OF THE STOCK MARKETS IN BANGLADESH: EVIDENCE FROM CSE AND DSE**

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## **Abstract**

The objective of this paper is to test the efficiency of two stock markets in Bangladesh. The objective is accomplished by applying the event study methodology. The empirical analysis reveals that both DSE and CSE are not efficient in *weak form*. Shareholders confusion, price exploitation, informational irregularity, audit firm's corruption in preparing financial statement, misleading and unreliable information provided by opportunist, insufficient skilled manpower may be some intuitive reasons for inefficiency of stock markets in Bangladesh.

**Keywords:** Stock Market, Efficiency, Event Study.

**JEL classification:** E44, G10.