EPS YTD	EPS Growth	NAV Per Share	GEM Score	Total Shares (Cr.)	ROE	52 Week High	52 Week Low
0.52	x	22.75	??	111.04	9.38%	13.30	13.30

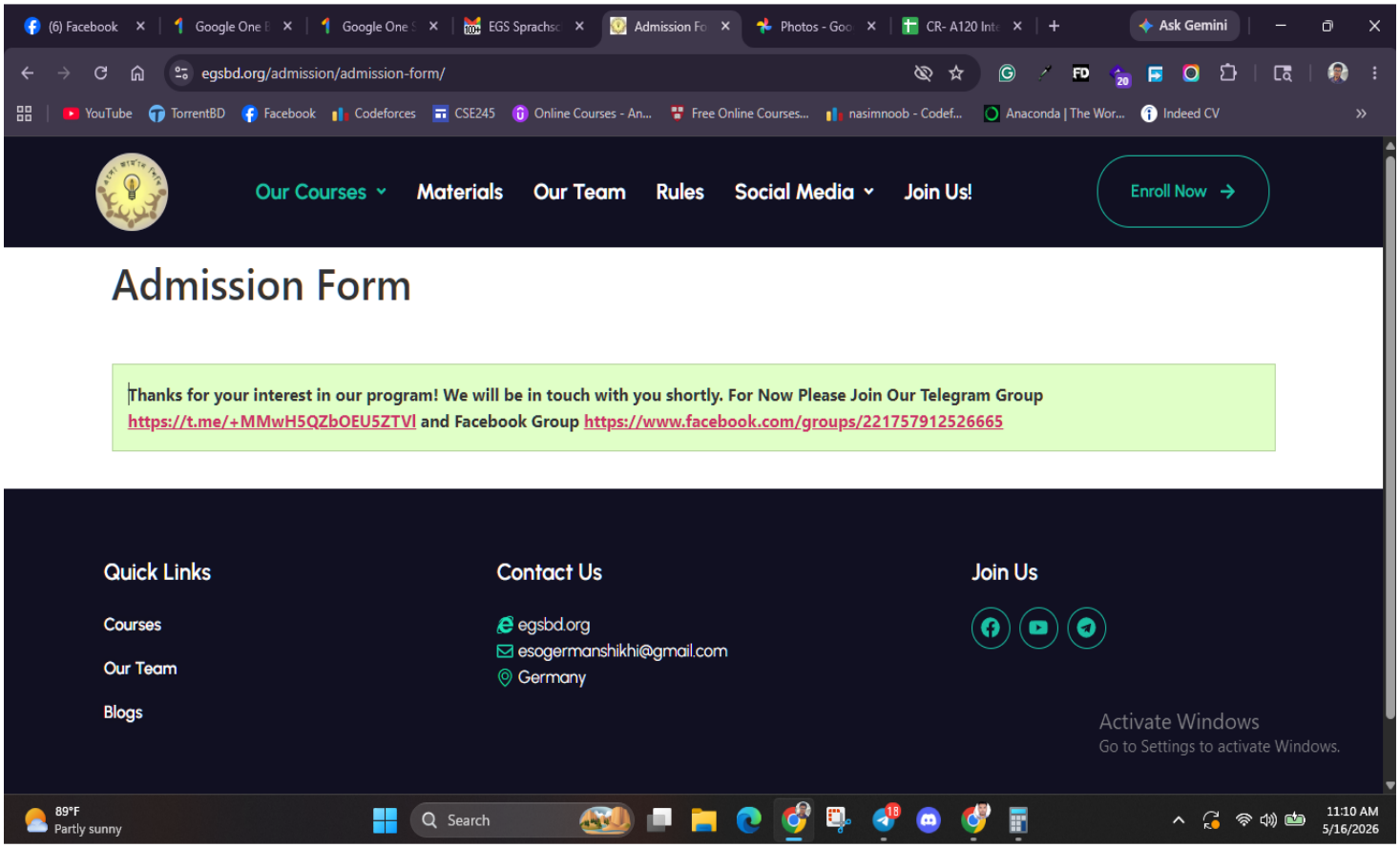
[#0]__**Company Outlook**__[#]
As of 2025, **NCC Bank** has demonstrated mixed financial performance amid a challenging banking environment. **The deposit base expanded by 8% to BDT 27,747 crore**, reflecting solid depositor confidence. The bank also **increased its investment in government securities by 20% to BDT 9,218 crore**, prioritizing low-risk assets over aggressive lending. **The lending portfolio grew only marginally**, indicating a cautious stance in credit disbursement.
Despite a stable balance sheet, **profit declined by around 20%** due to a sharp **77% rise in provisioning expenses**, as loans previously classified as "standard" turned non-performing following the **government change in August 2024**. Consequently, **annualized ROE dropped below 10%**, reflecting weak profitability. The **NPL ratio rose to 6.4%**, still within a manageable range compared to sector peers.

The spike in provisioning reflects a **sector-wide cleanup** as banks recognize long-hidden loan issues. For NCC, **NPLs surged 47% post-government change**, representing a major one-off adjustment. If this phase marks the end of the NPL recognition cycle, **earnings could rebound from 2026 onward**. While some residual deterioration may occur, the majority of bad assets appear to have been accounted for.
Looking ahead, **declining interest rates could allow** NCC to **realize capital gains from its government bond portfolio**, supporting profitability recovery. Combined with its **strong deposit base and prudent balance sheet management**, the bank is positioned for gradual improvement once credit quality stabilizes.

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Price Performance	1 Month	3 Month	6 Month
NCC Bank	7.33%	-3.30%	18.18%
DSEX	-2.64%	-12.96%	3.75%
Relative Return	9.97%	9.66%	14.43%

EPS YTD	EPS Growth	NAV Per Share	GEM Score	Total Shares (Cr.)	ROE	52 Week High	52 Week Low
0.52	X	22.75	??	111.04	9.38%	13.30	9.60



→ 1-Year Fundamental Outlook: Neutral to Moderately Bullish

→ Key Drivers: Lower provisioning, capital gains from bond portfolio

→ Key Risk: Further deterioration in asset quality

Deposits grew 8% to BDT 27,747 crore, showing depositor confidence. Investments in government securities rose 20% to BDT 9,218 crore, reflecting a low-risk approach. NPL ratio at 6.4% is manageable, and potential capital gains from bonds support recovery.

Profit fell ~20% due to a 77% rise in provisioning after NPLs surged 47% post-government change. ROE dropped below 10%, and lending remains limited, keeping near-term earnings uncertain.

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→ 1-Year Price Outlook: Neutral to Bullish

→ Buy Zone: Around Tk 10

→ Investment Theme: Dividend-backed recovery play with improvingfundamentals