

MTBiz



Monthly Business Review, Volume: 03, Issue: 04, April 2011

BIAC - Set to Speed up
Business Disputes
Resolution



Launch of MTB Capital
Limited (MTBCL)

MTB ATM Takes Off



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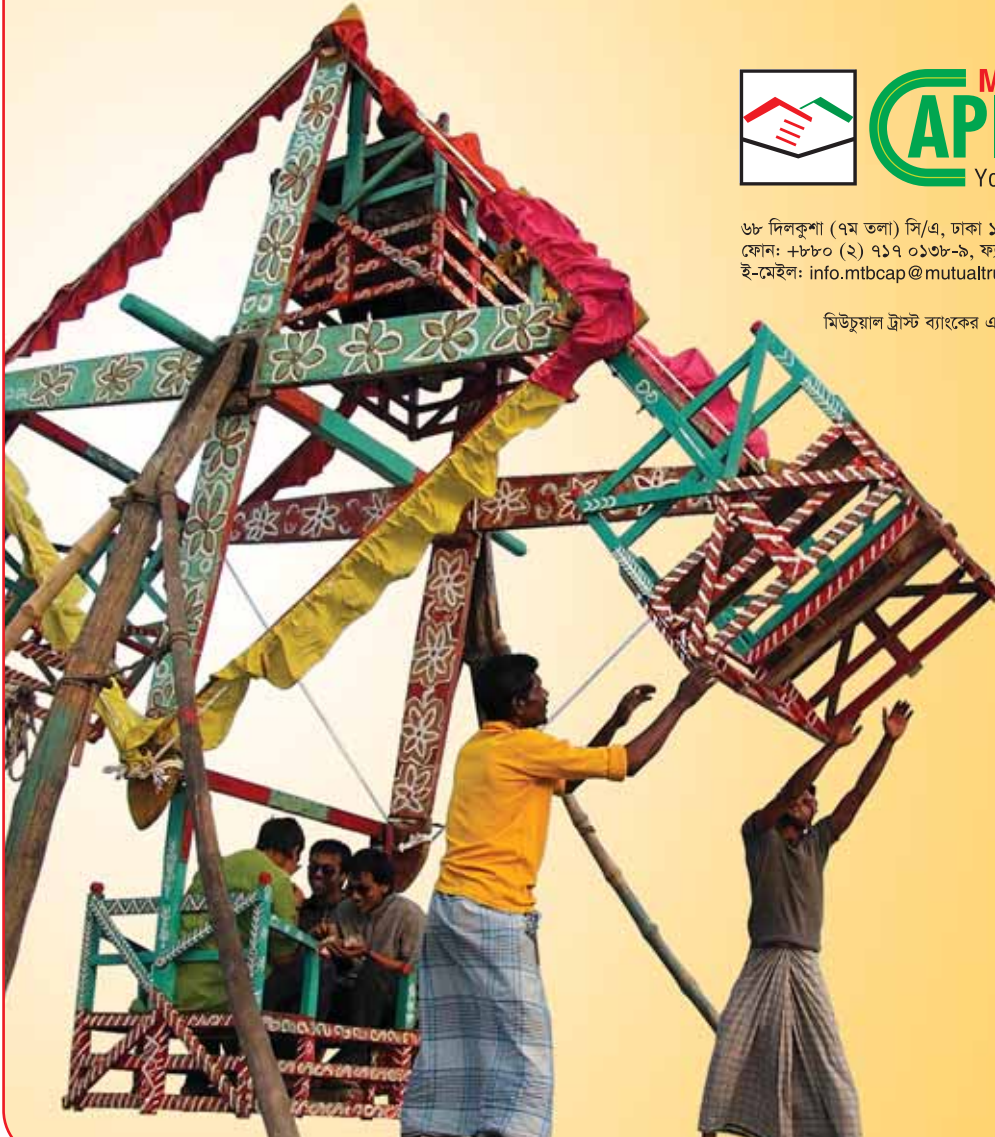
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Developed and Published by
MTB R&D Department
Please Send Feedback to: mtbiz@mutualtrustbank.com

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Design & Printing: Preview

Article of the Month

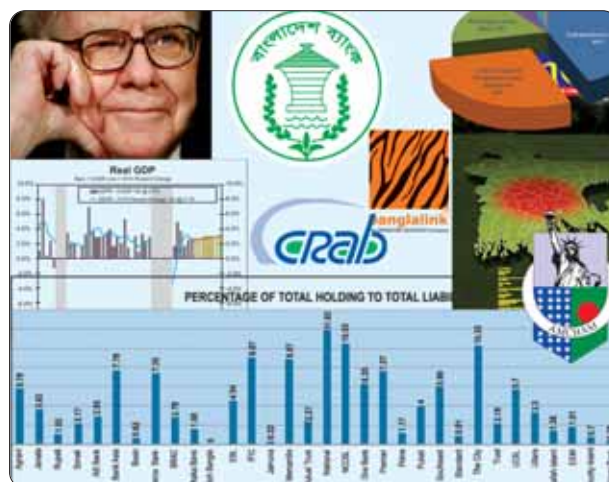
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ARTICLE OF THE MONTH

BIAC - Set to Speed up Business Disputes Resolution

The country's first arbitration body -- Bangladesh International Arbitration Centre (BIAC) -- was launched on Saturday in the city aiming at the speediest settlement of business disputes as an alternative dispute resolution (ADR). International Chamber of Commerce, Bangladesh (ICC,B) is the lead player in implementing the country's first-ever such ADR system.



From left, Nihad Kabir, Vice president of MCCI; Shafique Ahmed, Law Minister; Mahbubur Rahman, Chairman of BIAC; Mashiur Rahman, Adviser to the Prime Minister; Asif Ibrahim, President of DCCI; and Paramita Dasgupta, representative of IFC, are seen at the inauguration of the BIAC in Dhaka.

Metropolitan Chamber of Commerce and Industry (MCCI) and Dhaka Chamber of Commerce and Industry (DCCI) are two other sponsors of the BIAC. The Bangladesh International Arbitration Centre (BIAC) yesterday (April 09) began journey with a promise to help settle commercial disputes in a quick, transparent and cost-effective manner.

Law and Parliamentary Affairs Minister Shafique Ahmed inaugurated the centre for arbitration, the first of its kind in Bangladesh. The International Chamber of Commerce -- Bangladesh (ICC-B), Dhaka Chamber of Commerce and Industry (DCCI) and Metropolitan Chamber of Commerce and Industry (MCCI), Dhaka, have set up the centre for alternative disputes resolution, with support from Bangladesh Investment Climate Fund that is managed by International Finance Corporation.

BIAC is a registered, not-for-profit organisation to provide an environment where clients can meet their arbitration needs effectively and efficiently. Its work revolves around the best ways to adapt arbitration to the fundamental changes in the economy. Speaking as the Chief Guest, Law Minister Shafique Ahmed said cases are piling up each year in the courts, resulting in a situation where people get frustrated. "Something needs to be done to resolve the cases out of the court. In this case, arbitration has a very important role to play." The minister

said the arbitration process could still end up in courts, if any aggrieved party does not accept a verdict in the end and prefers going to the court for a decree. "Here mediation can be the best course," he said adding that 97 percent of cases in Canada are settled through mediation. The minister urged the BIAC authority so that rules of the arbitration centre do not contradict the Arbitration Act 2001. "We'll identify the sections of relevant laws which delay the settlement of cases and amend those so that none can intentionally delay the settlement processes. The law minister said they would place a bill in parliament in next session to amend procedural laws in this regard.

Later, at another ceremony Mashiur Rahman, adviser to the Prime Minister on economic affairs, said, "We are involved in a complex situation. So, we need an efficient system to settle disputes, which should not at all be cumbersome. The arbitration process widens opportunity to reach goals for which contracts have been signed. It also reduces cost in settling disputes,"

DCCI President Asif Ibrahim said with the progress in globalisation and acceleration of foreign trade, foreign businessmen and investors are exposed to new partners in new countries in different cultural settings and established trade practices. "We hope BIAC will help bring in more transparency and reliability in the arbitration process and provide a more cost-effective, quick and efficient solution for companies, which otherwise would have to go overseas to settle disputes." Paramita Dasgupta, representative of International Finance Corporation (IFC) to Bangladesh, said BIAC would add a new paradigm in settling commercial disputes in the country.

Mahbubur Rahman, Chairman of BIAC as well as President of ICC,B said the countries which have long history of such arbitration center now undertake research and analysis and other essential services are required for making the process successful. He said the business community has long felt the need for proper arbitration facilities in the country. "In selective cases, they have undertaken mediation and conciliation," Mr Mahbubur Rahman said. He further added in the East, successful centers are operating in Singapore, Malaysia, Hong Kong and so on adding: "We are late in establishing our centre, but I am hopeful of steady progress." The chairman of BIAC, further added that Bangladesh is already over-burdened with thousands of existing cases pending with courts. "As a result, business suffers." He said arbitration is the most formal system in the ADR regime. Nihad Kabir, vice president of MCCI, said with Bangladesh's increasing involvement with international trade, the country needed a cost-effective ADR facility. Diplomats, former judges, leaders of various associations and chambers, were present on the occasion. (10, April, The Daily Star)



NATIONAL NEWS

FINANCE AND ECONOMY

BB OFFERS ONLINE FUND TRANSFER

Employees of different organizations and firms now can draw their salaries from their bank accounts under an Electronic Fund Transfer (EFT) network of 40 banks that the central bank introduced yesterday (Feb 28). Bangladesh Bank (BB) Governor Dr. Atiur Rahman formally inaugurated the paperless system at the central bank premises after the introduction of an automated cheque processing system last year. The new system will enable any corporate customer to pay salaries to its employees through accounts in different banks. The central bank governor said the step is a milestone in making the banking sector of Bangladesh more technology-dependent, automated and customer friendly. Rahman said, with the introduction of Bangladesh Electronic Fund Transfer Network (BEFTN), the customers will be able to do various transactions including electronic process payment of salary, overseas and local remittance and utilities' bill payment and government tax payment through the 40 banks. (1 March, The Daily Star)

BB GOVERNOR URGES PCBs NOT TO DO AGGRESSIVE BANKING



The governor of Bangladesh Bank (BB) Dr. Atiur Rahman urged the local Private Commercial Banks (PCBs) not to do aggressive banking and advised them to shun competition for making excessive profit. He said the central Bank will extend support to the PCBs if they work to safeguard their interest of the ordinary clients as banks' deposits come from them. The governor also said the BB has already taken up a

good number of initiatives for improving the health of the country's financial sector. The banks should not only make profit but also need to work for the welfare of the needy through social welfare, he added. (1 March, The Financial Express)

BB DISBURSES BDT 38.1cr AMONG MARGINAL FARMERS

Six state-owned banks have disbursed BDT 38.1 crore to hundreds of marginal farmers across the country as special credits at an interest rate of 2 percent. The banks -- Sonali, Janata, Agrani, Rupali, Bangladesh Krishi Bank (BKB) and Rajshahi Krishi Unnayan Bank (Rakub) – disbursed the loan in the past eight months under a special credit programme of Bangladesh Bank. BB Governor Dr. Atiur Rahman told a conference of the marginal farmers this month in Bandarban that they would get continuous support from the banking system to make the country self-reliant for spices and pulses as well as for major food grains. (1 March, The Daily Star)

BB ASSURES SCBs OF FOREX SUPPORT TO IMPORT ESSENTIALS

The central bank (BB) Monday (Mar 7) assured the state-owned commercial banks (SCBs) of providing adequate foreign currency support for importing essential items, as the country's overall import marked a significantly fall in February. BB also said its latest move would also help increase foreign currency supply in the market. The BB has asked the Chief Executive Officers (CEOs) of the SCBs not to avoid opening of fresh letters of credit (LCs) for essential commodities by importers. "The imports through the SCBs may increase in March, if the central bank continues providing foreign currency support to them," a PCB official said. He also said most of the PCBs are rather reluctant to

finance in 'imports' to align their credit and deposit growth within the BB-set timeframe. (8 March, The Financial Express)

BB CONTINUES TO SUPPORT BANKS FOR FOREX DEALINGS



The central bank has continued to provide support to the commercial banks through selling of the US dollar in the Foreign Exchange (forex) market to facilitate settlement of import bills, officials said. "We've sold USUSD3.0 million more at market rate to a private commercial bank directly to meet the growing demand for the US currency," a senior official of the Bangladesh Bank (BB) told the FE. The BB official also said the central bank's foreign currency support to the private commercial banks is mainly purported to settling import payment bills for food grains. As part of the intervention, the BB has so far sold USD 642 million to the commercial banks to meet the growing demand for the greenback, he added. (2 March, The Financial Express)

BB ASKS BANKS TO DISPLAY INFO ON CREDIT SERVICES

The Bangladesh Bank has directed the commercial banks to display information on their credit services at visible places of head offices or branches to make the credit information available to their clients, officials said. The central bank on Wednesday issued a circular in this connection and asked the chief executives and managing directors of all scheduled banks to follow the instruction properly. The BB fresh move came against the backdrop of non-compliance of the existing guideline to help credit information available to the entrepreneurs. (10 March, The Daily Sun)

BB UPS POLICY INTEREST RATES TO CURB INFLATION

The central bank has increased its policy interest rates by fifty basis points after nearly eight months to curb inflationary pressures on economy, officials said Thursday (Mar 10). The interest rate on repurchase agreement (repo) was re-fixed at 6.0 percent Thursday from 5.50 percent while the reverse repo rate was increased to 4.0 percent from 3.50 percent. "We've increased the policy interest rates aiming to curb the inflationary pressure on the economy," General Manager of the Monetary Policy Department of Bangladesh Bank (BB) Begum Sultana Razia told the FE. (11 March, The Financial Express)

BB GOVERNOR CALLS ON BANKS, FIs TO SUPPORT RETURNEES FROM LIBYA



Bangladesh Bank governor Dr. Atiur Rahman on Wednesday (Mar 23) urged the banks and financial institutes to support the Bangladeshi expatriates returning from war-torn Libya. Banks that have been benefited by the expatriates should stand beside them when they are passing



a critical time. He said the banks could help them from their Corporate Social Responsibility (CSR) fund as they had done for the cold wave-affected poor in last winter. The banks also can provide small and medium enterprise loans to those returnees who want to set up business enterprises and offer agricultural loans for farming at 2 percent interest, Dr. Atiur added. He also called on the development partners to lend a helping hand to the Bangladeshis back from Libya. (24 March, The New Age)

BB CHIEF STRESSES SHIFT IN GROWTH STRATEGY

Bangladesh needs to pursue a balanced development strategy to become a middle-income country by focusing on domestic demand creation and export augmentation, said the central bank chief yesterday (Mar 24). Dr. Atiur Rahman, the Governor of Bangladesh Bank (BB), spoke at a roundtable on organized by Bangladesh Institute of International and Strategic Studies (BISS). "The post-global economic crisis warrants some shift of emphasis in growth strategy for Bangladesh, from export-led to domestic demand-driven growth," he added. (25 March, The Daily Star)

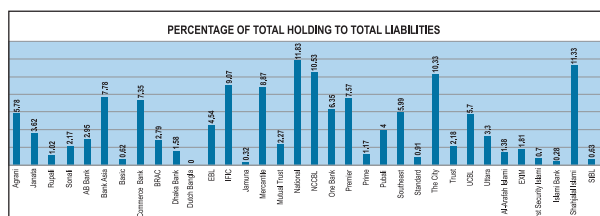
BB LOOKS FOR GLOBAL COLLABORATION IN STRENGTHENING FINANCIAL STABILITY

Bangladesh Bank (BB) is actively looking for establishing global collaboration in strengthening financial stability in Bangladesh. BB Governor Dr. Atiur Rahman on Saturday (Mar 27) told a seminar that the central bank is looking forward to interactive relationship with international organizations and initiatives to make its own tool more efficient in protecting financial sector. The central bank in association with International Asia Pacific Regional Committee (APRC) of Switzerland-based International Association of Deposit Insurers (IADI) organized a seminar at a city hotel. Explaining the necessity of the scheme, the BB governor said the scheme is a prerequisite for safeguarding the depositors in the event of deposit-taking bank going into liquidation. Dr. Atiur, however, said the central bank team needs to be more active in various pursuits of the APRC while the scheme in Bangladesh requires further review with reference to the core principles for effective deposit insurance system developed by IADI. (28 March, The Daily Sun)

LIQUIDITY CRISIS ON THE WANE: BB

Liquidity crisis is on the decline, the Bangladesh Bank (BB) has said. The central bank, in an email sent to media houses, said there was no liquidity crunch in the country. The BB explained that it was aimed at countering some negative reports on the issue, recently published in various national newspapers. It also assured the banks to provide the required amount of foreign currency needed to meet import costs. The email pointed out that recently, the reserves, maintained by the scheduled banks with the Bangladesh Bank, had improved. At the end of February, the reserves stood at BDT 170 billion. (15 March, The Financial Express)

BANKS' STOCK MARKET EXPOSURE DECLINES



The commercial banks' exposure to the capital market has declined in recent months following continuous monitoring by the central bank. The average investment in stocks of all 47 scheduled banks came down to 3.7 percent in February, from 5.0 percent of the previous month, according to the Bangladesh Bank (BB) statistics. Under the existing act, banks are not allowed to

invest more than 10 percent of their total liabilities in the capital market. Currently, at least five Private Commercial Banks (PCBs) have investment in stocks worth more than 10 percent of their respective liabilities, violating the permissible limit, central bank officials said. "It is good news that the banks have been gradually reducing their investments in the country's capital market without disturbing the market," another BB official said. (20 March, The Financial Express)

BANKING COMPANIES ACT TO BE FINALIZED BY JUNE

Bangladesh Bank (BB) will finalize the draft amendment to the Banking Companies Act by June, a central bank official told BSS. Finance Minister Abul Maal Abdul Muhith earlier told media that the Banking Companies Act would be amended by June this year to ensure more transparency in the financial sector. Chairman of the Parliamentary Standing Committee on Finance AMH Mostafa Kamal said the committee was reviewing the pros and cons of the amendment process to ensure a better legal framework for the country's financial sector. Referring to the government's commitment to update the legal framework, BB Executive Director Jahangir Alam told BSS that a committee of the central bank would finalize the draft and submit it to the finance ministry by June. He said the draft would have some major reform proposals to establish more transparency and accountability, removing the room for all sorts of conflict of interests in the financial sector. (30 March, The New Nation)

BATTLE FOR DEPOSITS EASES

A battle for deposits, which erupted a few months ago, is easing following the central bank's strict order to bring down the loan-deposit ratio within 85 percent by June, top bankers said. Still some private banks are embarking on aggressive campaigns to offer higher interest rates on deposits to gather more resources to reduce their loan exposure in line with the regulatory order. The private banks are offering a 12-13.5 percent interest rate on deposits in recent months. A few banks were reported to offer as high as 14 percent. "The deposit crisis has slowed, but still there are challenges," Ali Reza Iftekhar, managing director and CEO of Eastern Bank told The Daily Star. Shahjahan Bhuiyan, managing director of United Commercial Bank, Helal Ahmed Chowdhury, managing director of Pubali Bank, and Anis A Khan, managing director and CEO of Mutual Trust Bank, also echoed Iftekhar's view on the situation in the deposit market. "Things are improving gradually," said Anis A Khan of Mutual Trust Bank. The bank's loan-deposit ratio is at 81 percent, well below the ceiling of 85 percent. Khan hopes the situation will improve further for taking another measure relating to the participation of primary dealers (PD) into the treasury auctions. Now, only PD banks are allowed in the treasury auctions, he said, quoting a recent central bank decision. Earlier non-PD banks could also participate in the bidding. "This is a very positive step; it will boost banks' liquidity," said Khan. (29 March, The Daily Star)

PROBE INTO BANKS' FOREX DEALINGS BEGINS

The central bank started special inspections to verify holding and utilization of foreign exchange by commercial banks, officials said. The Bangladesh Bank (BB) took the move against the backdrop of allegations that some commercial banks have been concealing the actual amount of foreign exchange they were holding. "We'll take drastic action against the defaulting banks after receiving the inspection report," a BB senior official told the FE, adding that the inspection team has started investigation to check foreign exchange deals including the latest position of their foreign exchange accounts. "The central bank will investigate at least 10 commercial banks to know their actual inflow and outflow of foreign exchange in recent months," the BB official said, adding that the central bank is now monitoring the overall forex market situation closely. (1 March, The Financial Express)



LENDING RATE CAP GOES

On April 19, 2009 the central bank asked the commercial banks to



enforce the ceiling on lending rate in five specific areas at 13 percent to help mitigate the impact of the then global economic meltdown. The central bank has withdrawn the cap on lending rate in all sectors barring two -

agriculture and industrial term loan, officials said. Such a capping was enforced by it nearly two years back, officials said. The central bank, issued a circular in this connection. The Bangladesh Bank (BB) through the circular instructed the chief executives of all commercial banks to follow properly the latest directive on lending rate ceiling in specific areas. Bankers welcomed the BB's latest move, saying the lending rate ceiling "created distortions in the financial market." The Chief Executive Officer and Managing Director of the Mutual Trust Bank, Anis A. Khan said: "It will help the banks to come back again on track." (10 March, The Financial Express)

REMITTANCE HELPS BANGLADESH OVERCOME GLOBAL CRISIS: DR. ATIUR

Bangladesh Bank Governor Dr. Atiur Rahman said each of the currency remitted is a brick in the pillar of success of the country that helps the economy gain resilience in fight against global economic crisis. The inflow of remittance to Bangladesh has grown significantly during last two decades and has generated considerable boost in recent years, he said. The Governor was addressing as chief guest a workshop on disseminating new and innovative remittance products and improving the existing infrastructure at a city hotel. Bangladesh Bank, through Remittance and Payments Challenge Fund (RPCF) of Remittance and Payments Partnership (RPP) Project, has been taking a number of steps to ensure a country-wide safe and efficient payment systems to expedite faster delivery of remittances across the country and also on simplifying the procedure of sending remittances both domestically and internationally, he said. BB has set strategies for establishing a modern payment and settlement system infrastructure to deliver remittance to the remotest parts of the country - in the hand of that semi-illiterate beneficiary safely, securely and in a hassle-free manner, Dr. Atiur informed the workshop. The Governor also thanked UKAID for their consistent supports towards the development of Bangladesh. (24 March, The Daily Sun)

REMITTANCE FLASHES 17pc GROWTH IN FEB



Bangladesh received USD 974.46 million remittances in February compared to USD 827.46 million in the same period a year ago, recording a 17.69 percent growth. The total remittance received in first eight months of the current fiscal year stood at USD 7.5 billion against USD 7.31 billion in the same

period a year earlier, marking a rather stability and slight growth in remittance inflow into the country. An official of Bangladesh Bank (BB) said the remittance sent by the migrant workers were channeled through four State-owned Commercial Banks (SCBs), two specialized banks, 30 private commercial banks and nine foreign commercial banks. Islami Bank Ltd channeled the highest amount of remittance worth USD 238.49 million among the participating banks. State-owned Sonali Bank secured the second

position in channeling wage earners' remittance of USD 100.73 million in February. Kingdom of Saudi Arabia (KSA), United Arab Emirates (UAE), Kuwait, United States and the United Kingdom were the largest remittance sending nations to Bangladesh. The top six remittance sending countries contributed 83.76 percent of the total remittance to Bangladesh in the fiscal. Over 6 million Bangladeshi migrants are currently working in different countries, mostly in Saudi Arabia, United Arab Emirates, Kuwait, Oman, Qatar, Bahrain, Malaysia, Singapore and Libya. (6 March, The Daily Sun)

ADB TO LAUNCH REMITTANCE INVESTMENT PROJECT

The Asian Development Bank (ADB) with financial support from Japan will launch a remittance investment project to provide safe, affordable remittance services to thousands of Bangladeshi workers working abroad and their families. The ADB Board of Directors approved a two million US dollar grant for poverty reduction, which will be used to fund technology linking microfinance institutions and banks in Bangladesh. Ministry of Finance is the executing agency for the project, first of its kind, which will run for three years till 2013, according to an ADB release. It will give at least 20,000 rural migrant workers' access to formal remittance services for the first time. Along with the ADB-administered grant, the government of Bangladesh will contribute USD 29,000 with banks and microfinance institutions nearly USD 386,000, for a total cost of over USD 2.4 million. (26 March, The Independent)

NBR TO LIFT BARRIERS TO PLASTIC GOODS EXPORTS



The government has decided to remove all the existing barriers that the exporters of local plastic goods face, to salvage the BDT 12 billion export industry. The NBR is going to withdraw the mandatory system of using label and

providing cent percent bank guarantee for a plastic goods exporter, enjoying bonded warehouse facilities for import of basic raw materials. Finance Minister A M A Muhith recently approved a proposal of the National Board of Revenue (NBR) on removal of the barriers, said a senior tax official. The plastic goods exporters will enjoy the same privileges like the other ones under the bonded facilities, he added. The mandatory rules on providing cent percent bank guarantees to unload raw plastic materials, imported under bonded facilities, will be withdrawn. The NBR will also withdraw the provision about marking the label - "Imported under bond, not for sale" -- on the bags of plastic raw materials. The moves came following the closure of nearly 100 companies, exporting plastic goods, during the last two years due to imposition of those new rules to check tax evasion. (6 March, The Financial Express)

NBR WON'T GIVE INFORMATION ABOUT TAXPAYERS TO ACC

The National Board of Revenue (NBR) will no longer provide any information, in any written form, to the Anti-Corruption Commission (ACC) for the latter's investigation into charges of graft against alleged corrupt individuals, in order to protect taxpayers' right. The existing provisions of income tax law do not permit the NBR to provide tax-payers' information to any of the government or private entities at the stage of investigation, said a top income tax official. The members of the NBR have taken the decision in a recent internal meeting of its Board. NBR Chairman Nasiruddin Ahmed recently conveyed the decision to the



Chairman of the ACC, Golam Rahman. Income tax law only allows taxmen to disclose taxpayers' information at the prosecution stage after filing of a criminal case at the close of investigation conducted by ACC, the official said. (19 March, The Financial Express)

BD CAN EMERGE AS REGIONAL INVESTMENT HUB: EU ENVOY

Newly-appointed European Union (EU) envoy to Dhaka, William Hanna, said Bangladesh can emerge as a regional investment hub but it should improve energy situation and combat corruption in an effort to woo investors to the country. The envoy hoped Bangladesh would become a regional investment hub with businessmen of neighboring nations investing in the country to get access to the EU market. But he stressed Dhaka should make efforts to curb corruption. "The EU is against corruption. Corruption raises the cost of doing business and hampers development," he said. The ambassador said the government must also improve the country's "critical" energy situation - a key pre-condition to lure industrialists to invest in any country. He was speaking to the newsmen a day after he formally presented his credentials to President Zillur Rahman. The ambassador said the 27-nation EU, the world's largest economic bloc, is eager to import more quality products from Bangladesh at a low cost. (4 March, The Financial Express)

ECONOMY UNDER STRESS: IMF



The International Monetary Fund (IMF) has said the macroeconomic and financial pressure on Bangladesh economy has intensified since December last year. The organisation said it has recommended some steps including a hike in petroleum prices to reduce subsidy burden. The IMF also criticized Bangladesh Bank's intervention in exchange rate and said the BB had violated an article of the IMF agreement. An IMF mission after a discussion on USD 1 billion credit concluded its 10-day visit to Bangladesh last week and presented their observation to the government in a report. The IMF said the BB should allow greater exchange rate flexibility, facilitate inter-bank market development, and intervene only to smooth short-term volatility in the exchange rate. The monetary policy should be further tightened to slow credit growth and reduce inflation pressures, with increased interest rate flexibility, it said. (22 March, The Daily Star)

WB TO HELP DEVELOP PRIVATE SECTOR

World Bank approved a USD 120 million concessional IDA credit for Bangladesh Private Sector Development Support Project, said a statement. The credit from the International Development Association (IDA), the World Bank's concessional lending arm, has 40-year maturity, including a 10-year grace period and it carries a service charge of 0.75 percent. The project will facilitate investment in growth centers in the emerging manufacturing and services sectors of the economy with an aim of generating employment. The project seeks to address key constraints to growth, including access to serviced land, cumbersome procedures, access to skilled labor, and access to finance. The project will increase the capacity of government institutions in the development of economic zones and provide financing for necessary infrastructure in economic zones starting with the Kaliakoir Hi-Tech Park and will invest in up to two more economic zones. (3 March, The Daily Star)

SME FINANCING FAIR HELD IN CTG

The SME Foundation (SMEF) in association with Bangladesh Bank organised "SME Financing Fair" in Chittagong on February 15-16, 2011 at "The Engineers Institute Chittagong", says a press release. A number of Banks and Non Bank Financial Institutions

including IDLC Finance Ltd took part in the fair. During the launching ceremony, Governor of Bangladesh Bank Dr. Atiur Rahman handed over a loan sanction letter of BDT 2.0 million to a client Md. Faruk, proprietor of Abser & Brother. A souvenir was also published in this occasion. (1 March, The Independent)

ECONOMY SHOWS SUPER PERFORMANCE: AMA MUHITH



Finance Minister AMA Muhith, reviewing the performance of the overall economy, expressed his bold optimism, noting the GDP growth rate in the current fiscal will be, at least, 6.7 percent, despite the deficiencies in power

and energy supplies. "The investors have been investing a large amount of money believing that they will get adequate supplies of power and energy by the end of 2011," the finance minister said. He said the level of investment in the current fiscal will be over 24 percent of GDP. "The performance of the country's economy in the last two years was almost super," he stated. (9 March, The Financial Express)

FOOTWEAR SECTOR WITNESSES ROBUST GROWTH



The country's footwear sector has witnessed a handsome growth in the last couple of years as both foreign and local entrepreneurs invested big amount of funds to avail more shares in the

global market. According to the Board of Investment (BoI) statistics, some 16 foreign entrepreneurs signed deals with it to invest USD 15.122 million in footwear units in Bangladesh, USA, Canada, Germany, Italy, France, Sweden, and Japan are the main importers of local footwear products. Besides, South Korea, Taiwan and some other countries are also importing footwear from the country nowadays. World's renowned importers like Macy's, Sears, JC Penney-USA, Deichmann-Germany, Bata-Italy, Bata-Check Slovakia, Aldo-Canada and ABC Mart-Japan are buying footwear from Bangladesh. Export of leather footwear increased by about 70 percent during the first eight months of the current fiscal year, compared to the same period of last fiscal. Country's total export volume of leather footwear up to February of current fiscal 2010-2011 is USD131.37 million while it was USD146.47 million in 2009-2010 fiscal, USD142.68 million in 2008-2009, USD125.02 million in 2007-2008 and USD98.39 million in 2006-2007 fiscal, EPB statistics said. (13 March, The Financial Express)

COUNTRY'S PHARMA MARKET SIZE REACHES BDT 68b

The size of Bangladesh's pharmaceutical market has reached BDT 68 billion in 2010. Square Pharma is retaining the top position in the market, followed by Incepta and Beximco, according to IMS Health retail audit report, released recently. The report said Square Pharmaceutical achieved the total retail sales of BDT 13.05 billion during 2010, grabbing 19.19 percent share of the market. The retail sales of Incepta Pharmaceutical stood at BDT 6.11 billion, with 8.98 percent market share. Beximco market share stood, with its aggregate sales valued at BDT 5.68 billion, the IMS audit report said. (13 March, The Financial Express)



PM OPENS SHRIMP RESEARCH CENTRE AT BAGERHAT



The only shrimp research centre of the country at Bagerhat constructed at a cost of BDT 230 million is going to be inaugurated by the Prime Minister Sheikh Hasina. Source said that after inauguration of the research centre the shrimp cultivators of south western region will be highly benefited in this sector. The shrimp farmers expressed satisfaction over the inauguration of this researches centre. Country's second highest foreign currency earner, a total of 80-90 percent frozen foods and fisheries are produced in Khulna, Bagerhat, SaBDThira and Jessore districts. Under this project an office building, an auditorium, seminar room, a training centre with one hundred seats, 4 laboratories, 9 research ponds, one hatchery and a staff dormitory and manpower of 28 are functioning in the project initially. Meanwhile, about 4500 shrimp farmers have been provided training through this project. (15 March, The Financial Express)

JUTE EXPORTS FETCH BDT 18.60b IN JULY-JAN



Bangladesh fetched BDT 18.60 billion by exporting 233,333 tonnes of jute products during the first eight months (July 2010 - February 2011) of this fiscal. The amount is 9.5 percent higher than that of the corresponding period of the previous fiscal. During that

period the country earned BDT 16.99 billion, from 253,570 tonnes of jute products. "The income from jute products has increased due to price hike in the international market. However, export of jute yarn declined by eight percent in the same period," said Ahmed Hossain, the outgoing president of Bangladesh Jute Spinners Association (BJSA). He told the FE: "Bangladesh exports more than 80 percent of the 4, 20,000 tonnes of total demand for jute yarn across the globe, while India exports less than 20 percent." Explaining the reasons behind the reduction of jute yarn export, Mr. Ahmed said jute yarn is used for carpet manufacturing, and the demand of carpet in the international market fell last year. According to the statistics of BJSA, the country earned BDT 50.96 billion by exporting 5, 98,000 tonnes of jute products and raw jute in fiscal 2009-10. "We hope the production of jute would be better within the next few years, as its genome sequence has been decoded. The better production will take the sector to its golden age again," he said. Ahmed mentioned that the local spinning mills are producing about 500,000 tonnes of jute yarn each year despite having the total production capacity of 700,000 tonnes. He expressed the opinion that the gap between production capacity and total production would turn the industries into sick industries. The outgoing president of BJSA also urged the government to take necessary steps immediately to save the sector. The 32nd annual meeting of BJSA was told that there were 187 jute mills in the country. Of them, 90 mills are members of Bangladesh Jute Mills Association (BJMA), 70 mills are members of BJSA, and 27 mills are under Bangladesh Jute Mills Corporation (BJMC). In the FY 2009-10, the BJSA affiliated mills exported 380,375 tonnes of jute

yarn, and earned about BDT 25.48 billion. Besides, the BJMC affiliated mills exported 1, 04,000 tonnes of jute products, except jute yarn, and earned about BDT 7.46 billion. The BJMA affiliated jute mills exported 1, 13,000 tonnes of jute products, worth about BDT 11.30 billion. (16 March, The Financial Express)

BANGLADESH SECOND BEST CHOICE OF DANISH BUSINESSES: AMBASSADOR

Bangladesh has come out as the second best choice of Danish entrepreneurs as businessmen from Denmark showed their maximum interest in overseas business here after Chinese trade hub Shanghai throughout the year 2010. 'End of every year, we conduct an internal survey among all Danish missions abroad to know intention about our entrepreneurs, intending to business overseas, and last year we found Bangladesh was made the second choice after Shanghai,' Danish ambassador to Bangladesh Svend Olling told the BSS in an exclusive interview in Dhaka. The Danish envoy said it's the clear indication of the fast growing business potentiality of Bangladesh to the foreign entrepreneurs. Noting that the growth of business potentials of Bangladesh to the Danish entrepreneurs remain immense in last two years, The Danish ambassador said, 'We increase our commercial strength in this country four times last year and once in last two months of this year to fulfill the queries of our businessmen back home,' he said. The commercial section of the Royal Danish embassy here provides business consultancy charging certain amount of service charge to the Danish companies, who want to explore and work with or in Bangladesh. 'Last year, the commercial section achieved 400 percent more revenue of their targeted amount,' the ambassador said. (17 March, The New Age)

BB Circulars/Circular Letters

Publish Date	Name of Department	Reference	Title
3-Mar-11	Department of Off-Site Supervision	DOS Circular Letter No. 05	Scheduled banks under concerned area to remain open on the occasion of Union Parishad Election
8-Mar-11	Department of Off-Site Supervision	DOS Circular Letter No. 06	March 14, 2011 been declared Public Holiday only in Chittagong City
9-Mar-11	Department of Financial Institutions and Markets	DFIM Circular Letter No. 07	Holiday only in Chittagong City
9-Mar-11	Banking Regulation and Policy Department	BRPD Circular No. 03	Rate of Interest on Lending
9-Mar-11	Banking Regulation and Policy Department	BRPD Circular Letter No. 05	Disclosure of Information on Loan Services of Banks
10-Mar-11	Monetary Policy Department	MPD Circular No. 01	Refixation of Repo and Reverse Repo Rate of Bangladesh Bank
13-Mar-11	Banking Regulation and Policy Department	BRPD Circular Letter No. 06	Enlistment of Insurance Company by Bank
15-Mar-11	Department of Financial Institutions and Markets	DFIM Circular Letter No. 08	Population and House census
15-Mar-11	Banking Regulation and Policy Department	BRPD Circular Letter No. 07	Corrigendum: Circular Letter No-06, dated- 13/03/2011 about "Enlistment of insurance company by Bank "
16-Mar-11	Debt Management Department	DMD Circular Letter No. 01	Submission of Bids through Primary Dealers
23-Mar-11	Foreign Exchange Policy Department	FEPD Circular No. 02	Foreign Exchange Policy Department at Bangladesh Bank, Rangpur Office
28-Mar-11	Department of Currency Management and Payment System	DCMPS Circular No. 02	E-Commerce Activities
29-Mar-11	Department of Off-Site Supervision	DOS Circular No. 02	Regarding Submission of Liquidity Profile



FINANCE AND ECONOMY

CHINA RAISES BANK RESERVES TO COOL LENDING



China ordered its banks to raise the amount of money they hold in reserves in another move to curb lending and cool a spike in inflation. The People's Bank of China said banks must raise reserves by 0.5 percent of deposits. This is the third such move this year by the central bank and follows six reserve increases in 2010. Reserves vary by institution but are about 20 percent for China's biggest state-owned lenders. Beijing is using a series of repeated, gradual hikes in interest rates and reserve levels to stanch a flood of lending that helped China rebound quickly from the global crisis but now is fueling pressure for prices to rise. Inflation is politically dangerous for China's communist leaders because it erodes economic gains on which they base their claim to power. Poor families are hit hardest in a society where some spend up to half their incomes on food and millions have seen little benefit from three decades of economic reform. Chinese prices rose 4.9 percent in February, driven by an 11-percent jump in politically sensitive food costs despite government efforts to increase supplies and curb a bank lending boom that analysts say is partly to blame. But the measures appear to be starting to work. Earlier this month, China's central bank said bank lending fell in sharply February, indicating the measures are finally reining in the credit boom that is pushing up real estate and stock prices. The bank said February lending fell 26 percent from the same month last year to 535.6 billion yuan (USD 81.5 billion). Beijing has raised interest rates three times since October, but economists say more rate hikes are needed and it will be months before the effect is seen. Chinese savings rates are so high that rises in reserve levels still allow the total amount of money available for lending to grow. Instead, they are seen instead as a signal to banks to slow lending or face more drastic controls. China's banks lent just over 1 trillion yuan (USD 153 million) in January. That was after their 2010 lending rose to nearly 8 trillion yuan (USD 1.2 trillion), overshooting the official target of 7.5 trillion yuan. Analysts say Chinese leaders acted too slowly in heading off inflation after they deflected the 2008 crisis and growth quickly returned to normal levels. The government has set a 4-percent inflation target this year but private sector analysts say consumer prices could rise by up to 6 percent. (19 March, The Financial Express)

WARREN BUFFETT EYES INDIA FOR INVESTMENT



US billionaire investor Warren Buffett, on his maiden visit to India, said he was looking at investing in the fast-growing South Asian nation. The chairman of investment firm Berkshire Hathaway, which last week bought US lubricant maker Lubrizol for USD 9 billion, said "we need to make large commitments so India is a very logical place to look". The 80-year-old Buffett, known as the "Oracle of Omaha" for his investment savvy, added that he did not consider India with its USD 1.3 trillion economy "as an emerging market, I consider India a very big market." "We hope to spend some money here," said Buffett, whose company -- which has much of its investments in North America -- was sitting on a USD 38 billion cash pile at the end of 2010. Buffett, who said he was looking at India's consumer goods and financial services sector, was speaking in the country's high-tech hub of Bangalore. Berkshire Hathaway recently made a foray into India, teaming up with Bajaj Allianz General in the insurance sector. Buffett arrived

in India to join Microsoft co-founder Bill Gates in seeking to persuade India's super-rich to part with some of their wealth as part of "The Giving Pledge" campaign started by the two tycoons last year. Gates and Buffett, who wined and dined Chinese billionaires on a similar mission to Beijing, last September, are to meet wealthy Indians in the capital New Delhi. Buffett, who has an estimated net worth of USD 50 billion, said the pair planned to talk to business leaders "about what we have done." "If it doesn't, they will have gotten a free dinner," he joked. Gates, who has an estimated net worth of USD 56 billion and has put much of his money into the Gates Foundation, and Buffett have teamed up to persuade rich Americans to give away at least half of their wealth. So far 59 have signed up to "The Giving Pledge." Buffett, who has pledged 99 percent of his wealth to charity, said he had never given away a dollar "that has changed my life. I have never gone to a movie or taken my family on a vacation." (24 March, The Daily Star)

INDIAN PM COMMITS TO ECONOMIC REFORMS

India's prime minister has reaffirmed his Congress-led government's commitment to economic reforms as the administration battles a host of corruption scandals. The new thrust on reforms is seen by analysts as an attempt by the government to re-energise its legislative programme and take away the focus from the corruption storm. "I confirm our commitment to new wave of reforms," Singh, widely credited with opening up India's economy in 1991 while finance minister, said in a speech. He added that he welcomed the "national focus on corruption because it will, as it already has to an extent, generate public pressure in favour of more reform". The government has been hit by a slew of corruption scandals, ranging from a cash-for-votes controversy and the cut-price sale of telecoms licences to graft surrounding last year's Commonwealth Games. Singh's own "Mr Clean" reputation has been tainted by the scandals, with the 78-year-old prime minister being portrayed by critics as a weak leader who turned a blind eye to corruption in his administration. Singh said the battle against corruption is a "relentless one" requiring "eternal vigilance". Economic liberalisation had "ended old opportunities for corruption and favouritism... but human ingenuity and the desire to make a quick buck are such that the greedy are able to tap into new sources of corruption", Singh said. India's economic reform programme has been stalled by the scandals that have paralysed parliament and been a factor in discouraging foreign capital flows, analysts say. "What India needs is a political consensus (on reform)", Singh said. Singh said the government was committed to carrying forward reforms in the financial sector to sustain India's high growth—expected to be nine percent in the fiscal year starting April 1 -- and ease high inflation. Putting into effect of India's proposed national Goods and Service Tax (GST) is long overdue, he said, adding that "we are committed to implementing it" from 2012. India's government earlier in the week introduced legislation to pave the way for the passage of the far-reaching reform aimed at simplifying tax on goods and services. The long-delayed GST seeks to harmonise the tax structure among India's 29 states and create a uniform levy system. It is one of the government's most important proposed reforms. But it faces major hurdles to become law. It must be approved by two-thirds of parliament and half of the country's states, meaning the coalition will have to rely on rivals to see it passed. Some states, fearing loss of revenue and autonomy in setting taxes, and the main national opposition Bharatiya Janata Party (BJP) are opposed to the changes. The government is also aiming to overhaul financing regulations to make it easier to fund vitally needed projects to overhaul India's dilapidated infrastructure. (27 March, The Daily Sun)

EUROPEAN INFLATION QUICKENS, INCREASING PRESSURE ON ECB

European inflation accelerated in February, increasing pressure on the European Central Bank (ECB) to raise interest rates later this year (2011). Inflation in the 17-nation euro region quickened



to 2.4 percent from 2.3 percent in January, the European Union's statistics office in Luxembourg said in a preliminary estimate. That's the fastest since October 2008 and the third straight month inflation has exceeded the ECB's 2 percent limit. Economists expected a reading of 2.4 percent, according to the median of 31 estimates in a Bloomberg News survey. ECB officials

have toughened their inflation-fighting rhetoric over the past two weeks, indicating they're moving closer to raising rates from a record low even as Europe grapples with a sovereign debt crisis. Policy makers are concerned companies will raise prices and workers will demand higher wages to compensate for surging oil and food costs, entrenching faster inflation. "The ECB is getting really worried about inflation now," said Nick Matthews, senior European economist at Royal Bank of Scotland Group Plc in London. "The policy rate is extremely low, price pressures are building and the economy is doing a lot better." Investors are betting the ECB will raise its benchmark rate from 1 percent, where it has been since May 2009, in September, EONIA forward contracts show. Policy makers next meet to discuss rates on March 3, when the central bank will also publish new inflation and growth forecasts. The ECB may raise its 2011 inflation forecast to more than 2 percent from 1.8 percent and say risks to the outlook now lie to the "upside," council member Yves Mersch said in an interview published on Feb. 22. It may also indicate that the economic outlook has improved, he said. Euro-area unemployment fell to 9.9 percent in January from 10 percent in December, the statistics office said in a separate report. The European Commission raised its growth and inflation estimates for 2011. It expects the economy to expand 1.6 percent this year, up from 1.5 percent previously, and said higher oil and commodity prices will see inflation average 2.2 percent. That's up from a November projection of 1.8 percent. "Risks to inflation seem somewhat tilted to the upside, on account of ongoing geopolitical tensions," the commission said. As the economy gathers strength and prices increase, workers are demanding higher wages to compensate. German train drivers are already holding warning strikes to push through a demand for a 5 percent pay increase. Volkswagen AG, Germany's biggest automotive employer, agreed this month to boost workers' compensation in the western part of the country by 3.2 percent to avert strikes as orders surge. Germany's chemical workers union has demanded up to 7 percent more pay and construction workers are seeking 5.9 percent more. ECB Executive Board member Juergen Stark said last week that the ECB is "prepared to act decisively and immediately if needed" to maintain price stability, and fellow board member Lorenzo Bini Smaghi said the bank may need to reassess its policy stance. Euro-area core inflation, which excludes volatile costs such as energy prices, held at 1.1 percent in January, the statistics office said. A breakdown of February consumer prices will be released later this month. (2 March, The Financial Express)

INVESTORS PULL OUT BILLIONS FROM EMERGING MARKETS

Investors disillusioned by the implosion of Wall Street titans, economic anemia in Japan, and a debt debacle in Europe have found abundant opportunities to grow wealth in industrialising economies like China and India. But now, as angry populations roil one Middle Eastern regime after the next, and discontent over escalating food prices and lagging living standards is heard

elsewhere in the developing world, investors are moving staggering piles of cash out of emerging markets - and back into what they hope are the relatively stable havens of the US, Europe and Japan. That represents a major shift in sentiment since the financial crisis in 2008 upended conventional wisdom as to what is risky and what is safe as the US model of freewheeling capitalism teetered on the brink of collapse. Strenuous efforts by Europe to contain its debts, the ability of Japan's crucial export sector to weather a strengthening yen and strong corporate earnings in the US have played a big part in convincing investors that the outlook is pretty promising for advanced economies in 2011. According to fund tracker EPFR Global, fund managers and other investors yanked USD 5.45 billion from emerging markets funds in China, India, Brazil and elsewhere in the second week of February and placed it in equity funds of advanced economies - their biggest weekly inflow in more than 30 months. Developed market funds recorded their seventh straight week of inflows in mid-February - with European equity fund flows hitting 41-week highs. So far this year, investors have committed USD 47 billion to US, European, Japanese and global equity funds - USD 29 billion of it into the US alone. Meanwhile, investors have pulled out over 20 percent of the USD 95 billion they parked in emerging markets during 2010 since mid-January, EPFR said. Since the beginning of the year, outflows totalled USD 1 billion from mainland Chinese equity markets alone. "Investors are, for the first time since 2007, seeing more opportunity in developed market equities than in emerging markets," said EPFR managing director Brad Durham. "The underperformance of developed markets last year, which has made valuations more appealing, and expectations of a return to faster paced growth in the US, Europe and Japan are the main drivers of this shift." The shift from emerging markets and into developed ones has been keenly felt in some key stock markets since the beginning of the year. The Dow Jones industrial average is up 4.1 percent, Japan's Nikkei 225 is up 5.1 percent, and Germany's DAX rose about 4.5 percent. France's CAC-40 is up a whopping 6.9 percent, while Britain's FTSE 100, a relative laggard, was up slightly under 1 percent. Meanwhile, India's Sensex has slid 10 percent, and Brazil's Bovespa is down 4.4 percent. Indonesia's SE Composite Index has dropped 5.1 percent. Vietnam's Ho Chi Minh index is down 3.8 percent - wiping out some small investors hoping to strike it rich. (2 March, The Financial Express)

OIL PRICE SHOCK COULD RE-RANK EMERGING MARKETS



If oil prices stay where they are - or go even higher, depending on events in the Middle East -- current short-term emerging market portfolio realignments could lead to a wholesale reassessment of investor risk. Some clear winners and losers in emerging markets have

already been thrown up by the spike in oil prices caused by unrest in the region, which has distracted investors from relative yields and valuations. Oil-rich Russia, Kazakhstan and Venezuela are all attracting investor interest and strongly increased fund flows, while oil-poor Turkey and Chile are suffering. "Anyone that's got more oil is looking better at the moment, so oil exporters would benefit, and oil importers would not," said Allan Conway, head of emerging equities at fund manager Schroders. "That's one of the reasons Turkey is going down." Conflict in Libya and unrest in Bahrain and Saudi Arabia have driven oil above USD 100 a barrel to its highest since the collapse of U.S. investment bank Lehman in Sept 2008. "It takes a while for many investors to move...we are due for a further reassessment," said one emerging fixed income fund manager, who declined to be named. BNP Paribas Investment Partners says it is overweight commodity exporters such as Russia in currencies and sovereign bonds, and underweight importers like Turkey. Turkey imports 95



percent its total energy needs and if oil prices continue at current levels, Turkey could face an additional USD 10 billion bill for oil imports this year, finance minister Mehmet Simsek said last week. In contrast, oil and gas accounted for 48 percent of budget revenues last year in Russia, the world's top oil producer. Turkey has until recently been a favourite of emerging market investors, due to its deft handling domestically of the global financial crisis. But with the standard yardstick that a USD 10 rise in the oil price cuts 0.5 percent from global growth, Turkey's growth trajectory is under pressure from rising import costs. Oil has raised USD 20 so far this year and a sustained price of USD 110 a barrel in 2011 would cut Turkish growth to 4 percent from expectations of 5.5 percent, according to Renaissance Capital. Russia would grow at 5.5 percent instead of 4.9 percent and Nigeria at 9.6 percent instead of 7.6 percent, Renaissance added. Turkish stocks have fallen 8 percent so far this year, while Russian stocks are up 12 percent. Russian equity funds have absorbed fresh money for 14 weeks in a row, according to fund tracker EPFR, their longest inflow since the first quarter of 2008, at a time when global emerging market equity funds have suffered their longest outflow streak since Q3 2008. The currencies of Russia and Kazakhstan have also been reaping the benefits, with both countries becoming increasingly flexible over trading bands in recent weeks, allowing their currencies to soar. "Given the events in the Middle East, the possible appreciation in oil and the macro story, long rouble has been a consensus trade," said Luis Costa, director, emerging markets FX strategy at Citi. In Latin America, "the Venezuelan government is probably the biggest winner, the region's biggest losers are consumers in Chile and Peru," said analysts at Capital Economics in a client note, calculating Venezuela's energy trade surplus at 20 percent of GDP, compared with an energy deficit in Chile of 6 percent. Meanwhile, energy importer Israel is also under pressure from concern about a tougher peace-negotiating environment going forward, with the country's debt insurance costs spiking to their highest in nearly two years following the fall of Egyptian President Hosni Mubarak. "Israel is going to suffer the most from this change in the region," Turker Hamzaoglu, MENA economist at BoA-ML, told a conference call. "There is geopolitical risk...for the Arab-Israeli peace treaties." The problem is that it is hard to see what happens from here, investors say. If there are peaceful resolutions to many of the region's conflicts, oil could fall, reversing current favoured positions. Credit Suisse, for example, last week went overweight in Turkish stocks in an emerging Europe, Middle East and Africa portfolio, saying valuations had become attractive. But with Facebook calls for protests in the world's top oil exporter Saudi Arabia on March 11, oil could also rise extremely quickly, punching a hole in the global growth outlook. "If you started to see pictures on your screens of unrest in Saudi, then for oil, name your price -- USD 150, USD 200?" said Conway. "Then the idea about which country you invest in -- forget about it, you don't want to be in the markets at all." (9, March The Daily Star)

JAPAN ECONOMY SHUDDERS AFTERSHOCKS, BOJ PUMPS USD 182B

Japan's central bank rushed to bolster markets in the wake of the country's worst disaster since World War Two and although the authorities said it was too early to put a figure on the damage, critics said a stronger initial response had been needed. Markets swooned at the shock of an 8.9 magnitude earthquake and a tsunami that may have killed more than 10,000 and has left millions of people without power, water or homes. The Nikkei average closed 6.18 percent lower. At the same time, engineers were battling to prevent a nuclear meltdown at the Fukushima Daiichi complex owned by Tokyo Electric Power Co (TEPCO), where three reactors threatened to overheat in the worst atomic power accident since Chernobyl in 1986. Investment bank Credit Suisse put economic losses from the quake at no less than USD 171 billion, although Finance Minister Yoshihiko Noda said it was too early to put together a firm figure to compile a supplementary budget. Japan's central bank doubled its asset buying scheme to 10 trillion yen (USD 122 billion) and held interest rates at 0-0.1 percent after it earlier said it would pump a record 15 trillion yen



(USD 182 billion) into the banking system, though some economists said it could have done more. A swathe of high profile Japanese manufacturers, including Sony Corp, Toyota Motor Co and Panasonic has shuttered production lines,

with restart efforts hampered by quake aftershocks. About a fifth of the country's nuclear power generation capacity has been shut down by the disaster. Thermal plants also shut down, forcing the world's third-biggest economy to instigate rolling blackouts to conserve energy. "The tremors will likely continue for one to two months, experts say, and are continuing now, so there's an immense amount of uncertainty and unclear points," said Masayuki Kubota, a senior fund manager at Daiwa SB Investments. Economists said that the triple blow of quake, tsunami and nuclear accident is set to damage the already struggling economy harder and longer than initially expected. Analysts have grown increasingly cautious about forecasting a quick economic rebound similar to that after the Kobe earthquake in 1995, thanks in part to Japan's indebtedness which at twice the size of gross domestic product means the government has less room for maneuver. Some say a recession is possible. "Power supply is a critical factor," said Michala Marcussen, head of global economics at Societe Generale. "If power production output is damaged in a sustainable fashion that could have a durable impact on the economy, TEPCO, the biggest power company in Japan, said rolling blackouts would affect 3 million customers, including large factories and buildings. It aims to end the blackouts by the end of April. Policymakers face a monumental task reviving the economy, not only because of the scale of the disaster but because of their limited options. After the Kobe earthquake, the government adopted an extra budget worth around 3 trillion yen. "This time, the government can't afford to spend as much as after the 1995 quake given Japan's dire fiscal situation," said Takuji Okubo, chief economist at Societe General in Tokyo, who reckons a more realistic figure to expect is 1 trillion yen. The Bank of Japan (BOJ) had little room to move on rates, thanks to the legacy of the global financial crisis and years of economic stagnation, in stark contrast to New Zealand, where the central bank last week slashed interest rates by half a percentage point to 2.5 percent to support an economy hit by a 6.3 magnitude earthquake on February 22. "My initial impression is that the BOJ could have done more. Its traditionally reserved stance on policy easing remains in place even after the massive earthquake," said Masamichi Adachi, senior economist at JPMorgan Securities Japan. "The BOJ also kept its economic assessment unchanged. The bank thus seems to be not fully taking account of strong uncertainty shrouding Japan." (15 March, The Daily Star)

2011 BANK STRESS TESTS TO BE TOUGHER THAN 2010: EU

Upcoming stress tests on banks will be harsher than last year's, the European Union's bank regulator said, although important elements of the exercise deemed crucial to the region's crisis strategy remain undecided. Last year's tests were widely considered a failure after some banks passed, only to require bailouts weeks later. The new test will see how banks fare with an extreme deterioration in financial markets and economic activity in order to gauge where the weak links in Europe's financial system are. The European Banking Authority said that the simulation will assume EU economic output will shrink 0.4 percent in 2011 and will show no growth in 2012 — a 4 percentage point difference from current forecasts. That compares with a 3 percentage point drop assumed in the 2010 stress tests. However, even though the tests' results are due to be published in June, some important elements are still up in the air. Crucially, the bar



that banks would have to jump to pass the tests — namely the minimum capital ratio they have to maintain despite the shocks — was still missing from the scenarios published. The so-called core Tier-1 capital ratio currently varies from country to country and the EBA said it was still in the process of defining the one to be used for the tests. It also wasn't clear how many banks would be tested this year. The EBA only said that the tests would cover a 'broadly similar group of banks' as last year, when 91 banks were included, and that the banks would represent more than 65 percent of EU banking assets. In recently leaked documents the EBA said 88 banks would be tested but the number was not included in the release. The EBA faces the challenge of asserting its credibility against 27 national banking supervisors, many of whom are eager to protect the banks under their own watch. The discovery of huge capital holes in one country's banking system could not only become expensive to the national government but also make those banks vulnerable to takeovers. The EBA has come under fire for not setting stricter shock scenarios for banks, with critics saying a partial default of a highly indebted country like Greece cannot be ruled out. However, banks will have to disclose all relevant exposure to sovereign bonds — including those of non-EU countries like the US and Japan — which would allow analysts to run their own calculations. Sony Kapoor, the managing director of Re-Define, a think tank that lobbies for financial market reform, said the economic shock scenario didn't go far enough. 'The worst case scenario of a 2 percent dip in growth hardly qualifies as a 'what-if' stress situation,' Kapoor said in a statement. In 2009 alone, the economy of the eurozone contracted 4.1 percent. However, he said the EBA could still make the stress tests more credible if the capital ratio required to pass is sufficiently high. Another problem with the stress test scenarios is that they are based on rather predictable risks, which may already have been overtaken by recent developments in Japan and North Africa and their effects on the global economy and oil prices. 'These scenarios focus on the occurrence of known problems; they don't consider what kind of new problems could still come up,' said Mechthild Schrooten, economics professor at the University of Applied Sciences in Bremen. Schrooten pointed to the sharp rise in the Japanese yen following the earthquake and tsunami in Japan as an unexpected risk that could hit European banks. 'We have reactions here that are entirely beyond our imagination,' she said. The bank stress tests are seen as a central part of Europe's efforts to find its way out of a debt crisis that has already forced Greece and Ireland into international bailouts. Huge problems in Irish banks were the main reason that Ireland had to seek international help. Analysts are also concerned about the health of banks in stronger countries like Germany and France, which are very exposed to Europe's troubled economies. EU stress tests conducted last year were widely seen as a whitewash when only seven of 91 tested banks failed, and two Irish banks that passed the tests had to be rescued soon after. This year's scenario is based on three elements set out with the help of the European Central Bank, the EBA said: A set of shocks within the EU mostly related to the debt crisis, a negative demand shock caused by problems in the United States, and a drop in the value of the dollar. These developments would trigger increased unemployment and decline in house prices, which would both hurt banks' chances of getting loans repaid. For the eurozone, the shock scenarios foresee an average increase in long-term government bond yields of about 0.75 percentage points, with the interest rate for German bonds remaining stable. On top of that, stock prices would drop 15 percent under the scenario. Kyohei Morita, chief economist at Barclays Capital Japan, estimates disaster losses of about 15 trillion yen (USD 186 billion) based on currently available information. That represents about 3 percent of Japan's gross domestic product. "The latest earthquake is expected to inflict more human and physical damage" than the Kobe quake in 1995, Morita said in a report. The hardest hit prefectures (states) - Iwate, Miyagi, Fukushima and Ibaraki - represent about 7 percent of Japan's economy. The region is home to steel plants, oil refineries, nuclear power plants and factories making parts for cars and electronics. Roads and other transport networks are crippled, while power supplies are constrained. "The local automotive industry is facing acute and unprecedented problems relating to component and power supply shortages," said Tim Urquhart, an analyst with IHS Global Insight. Around the country, people queued for fuel and emptied supermarket shelves of food and other necessities. As far away as Hong Kong, shoppers were buying up Japanese milk powder, fearing future supplies could be contaminated by radiation. The head of Japan's biggest

business lobby, the Nippon Keidanren, called on the government to establish a strong command center to ensure swift relief and recovery. "I ask the government for leadership," he said. "I hope both the ruling and opposition parties will work together to implement appropriate and swift measures." (20 March, The New Age)

APPLE TO UNVEIL NEW IPAD



More than a year after igniting the tablet computing craze, Apple Inc. prepares to unveil the second version of its blockbuster iPad -- possibly minus lead showman Steve Jobs. Plenty has changed over the course of the year. The iPad became a bona fide smash, essentially creating the tablet category and triggering a wave of me-too products that are just starting to hit the market. Now, as rivals Motorola and Research in Motion race to catch up, Apple itself is going

through a transformation. There is as much speculation about whether iconic Chief Executive Jobs will take the stage at event in San Francisco as there is about the new device. (3 March, The Daily Star)

TOYOTA, HONDA EXTEND JAPAN AUTO SHUTDOWN

Toyota Motor Corp. and Honda Motor Co. are extending their shutdown of auto production in Japan amid a shortage of parts following a colossal earthquake and tsunami earlier this month. Japanese automakers are struggling with power cuts and a dwindling supply of components as a result of the March 11 disaster that devastated northeastern Japan. Toyota, the world's No. 1 car maker, said in a statement that its shutdown of 11 factories would be extended because of difficulty securing components, including rubber parts and electronics. The automaker has lost production of about 140,000 vehicles since March 14. Toyota, the maker of the Prius hybrid and Lexus luxury models, resumed repair parts production last week. It said that production was continuing. Honda said its production halt would continue. The extended shutdown affects finished vehicle production at its Saitama and Suzuka factories and motorcycles at its Kumamoto factory. It had previously announced the shutdown. (23 March, The Daily Star)

CUBA TO CARRY OUT ECONOMIC REFORMS KEEPING SOCIALISM



The upcoming congress of the Cuban Communist Party in April will introduce several economic reforms while the country retains socialism, Cuban leader Raul Castro said. Castro said Cuba needs to "correct some mistakes committed in the past five decades of socialism." But he made it clear that Cuba "will not return to capitalism and neo-colonialism" and the updated model for Cuba will primarily be based on a planned economy rather than a market economy." The new economic policy will conform to the principle that only socialism can overcome the difficulties and preserve the conquests of the Revolution," Castro said. "The future of the nation is at stake," he said, adding that it is necessary to defend the "permanent discrepancy of the ideas because that's where the best solutions come from." Meanwhile, Homero Acosta, secretary of the Cuban State Council, said the penal system also needs to be updated along with the economic model. "The new economic changes will impact every aspect of social life, so it also requires us to modify the criminal law according to the new circumstances," said Acosta. "It is possible that the typical imprisonment will be replaced by other sanctions like freedom limitation, or correctional labor without confinement, for penalties of up to five years in prison," he said. Justice Minister Maria Esther Reus said the country needs an updated policy and a legislative development according to the new national reality. The draft document to be discussed at the party congress in April includes a wide range of topics such as discharging half a million people from over-employed state companies, eliminating excessive social benefits, building a flexible housing market, opening private businesses and implementing a new tax system. Earlier this week, former Cuban leader Fidel Castro talked about the party structure for the first time since handing over power to his brother Raul in 2006, saying the Cuba leader should at the same time be the first secretary of the party. (27 March, The Daily Sun)



MTB NEWS & EVENTS

MUTUAL TRUST BANK (MTB) LAUNCHES PRIVILEGE BANKING

Date : March 13, 2011
Venue : MTB Centre, Dhaka



Chief Guest : Syed Manzur Elahi
MTB Founding Chairman

Privilege Banking is a dedicated service for the top notch customers of MTB. It provides exclusive banking services and benefits as part of its value strategy to its Privilege Customers.



MTB LAUNCHES STUDENT BANKING

Date : March 9, 2011
Venue : Central Auditorium,
Bangladesh University of Engineering
& Technology (BUET), Dhaka



Chief Guest : Dilip Barua, Minister of Industries,
Bangladesh
Special Guests : Professor Dr. S.M. Nazrul Islam,
Vice-Chancellor,
BUET & Advocate Salma Islam M.P.
& the Editor of The Daily Jugantor.



MTB LAUNCHES ITS OWN ATM

Date : March 27, 2011
Venue : MTB Centre &
Baridhara Branch,
Dhaka



Inaugurated by : Samson H. Chowdhury
Chairman, MTB
M. A. Rouf JP, Director MTB



FIRST BOARD MEETING OF MTB CAPITAL LIMITED (MTBCL)

Date : March 21, 2011
Venue : The Sun Floor
MTB Centre, Dhaka





13th EGM AND 12th AGM OF MTB HELD

Date : March 28, 2011
Venue : Bangabandhu International
Conference Centre
Dhaka



MTB MADE YEARLY CONTRIBUTION TO TWO FAMILIES AFFECTED BY BDR CARNAGE

Date : February 27, 2011
Venue : Gono Bhaban, Dhaka
To : Sheikh Hasina
Hon'ble Prime Minister of the
People's Republic of Bangladesh

MTB has disbursed this year's contribution, as part of its CSR commitment to provide with financial support for two families affected by BDR carnage of 2009.



MTB DISTRIBUTES WINTER CLOTHES TO ORPHANS

Date : March 06, 2011
Venue : Motijheel, Dhaka
By : Md. Hashem Chowdhury,
Deputy Managing Director, MTB

MTB distributed winter clothes amongst the underprivileged orphans of an orphanage in Dhaka.



MTB BUETDC (DEBATING CLUB) CHAMPIONSHIP 2011

Date : March 20, 2011
Venue : Central Auditorium, BUET, Dhaka
Chief Guest : Professor Dr. S.M. Nazrul Islam,
Vice-Chancellor, BUET





NATIONAL ECONOMIC INDICATORS

Total Tax Revenue

Total tax revenue collection in December, 2010 increased by BDT 1798.01 crore or 35.83 percent to BDT 6816.82 crore, against BDT 5018.81 crore in December, 2009. The NBR and Non-NBR tax revenue collection in December, 2010 were BDT 6555.70 crore and BDT 261.12 crore respectively, against BDT 4827.68 crore and BDT 191.13 crore respectively in December, 2009. NBR tax revenue collection during July-February, 2010-11 increased by BDT 10051.07 crore or 28.12 percent to BDT 45794.43 crore against collection of BDT 35743.36 crore during July-February, 2009-10. Target for NBR tax revenue collection for FY 2010-11 is fixed at BDT 72590.00 crore.

Liquidity Position of the Scheduled Banks

Total liquid assets of the scheduled banks stood lower at BDT 86549.34 crore as of end February, 2011, against BDT 87196.61 crore as of end June, 2010. Excess liquidity of the scheduled banks also stood lower at BDT 24082.97 crore as of end February, 2011, against BDT 34498.73 crore as of end June, 2010. Scheduled banks holding of liquid assets as of February, 2011 in the form of cash in tills & balances with Sonali bank, balances with Bangladesh Bank and unencumbered approved securities are 6.53 percent, 33.79 percent and 59.67 percent respectively of total liquid assets.

Investments in National Savings Certificates

Sales of NSD certificates in February, 2011 stood lower at BDT 1142.26 crore against BDT 2147.56 crore in February, 2010. Repayment of NSD certificates in February, 2011 also stood lower at BDT 827.93 crore against BDT 1166.09 crore in February, 2010. Net borrowing of the government through NSD certificates in February, 2011 was lower at BDT 314.33 crore against BDT 981.47 crore in February, 2010. Outstanding borrowing of the government through NSD certificates as of end February, 2011 stood at BDT 63994.31 crore, recording an increase of BDT 6805.89 crore or 11.90 percent against BDT 57188.42 crore as of end February, 2010.

Imports

Import payments in February, 2011 stood lower by USD 295.20 million or 9.69 percent to USD 2752.20 million, against USD 3047.40 million in January, 2011. However, this was higher by USD 933.60 million or 51.34 percent than USD 1818.60 million in

February, 2010. Of the total import payments during July-February, 2010-11 imports under Cash and for EPZ stood at USD 20191.80 million, import under Loans/Grants USD 41.30 million, import under direct investment USD 85.90 million and short term loan by BPC USD 718.70 million.

Exports

Merchandise export shipments in March, 2011 stood higher by USD 250.84 million or 13.30 percent at USD 2136.86 million compared to USD 1886.02 million in February, 2011 according to EPB data. This was also higher than USD 1520.24 million of March, 2010. The year-on-year growth stood at 40.56 percent in March, 2011.

Remittances

Remittances in March, 2011 stood higher at USD 1090.49 million against USD 986.97 million of February, 2011. This was also higher by USD 134.00 million against USD 956.49 million of March, 2010. Total remittances receipts during July-March, 2010-11 increased by USD 328.49 million or 3.97 percent to USD 8598.53 million against USD 8270.04 million during July-March, 2009-10.

Foreign Exchange Reserve (Gross)

The gross foreign exchange reserves of the BB stood lower at USD 10730.59 million (with ACU liability of USD 615.82 million) as of end March, 2011, against USD 11158.59 million (with ACU liability of USD 993.60 million) by end February, 2011. The gross foreign exchange reserves, without ACU liability is equivalent to import payments of 4.05 months according to imports of USD 2494.88 million per month based on the previous 12 months average (March-February, 2010-11). The gross foreign exchange balances held abroad by commercial banks stood higher at USD 831.96 million by end March, 2011 against USD 565.10 million by end February, 2011. This was also higher than the balance of USD 581.65 million by end March, 2010.

Exchange Rate Movements

Exchange rate of Taka per USD increased to BDT 71.30 at the end of February, 2011 from BDT 69.45 at the end of June, 2010. Taka depreciated by 2.60 percent as of end February, 2011 over end June, 2010.

(Source: Major Economic Indicators: Monthly Update, March 2011)

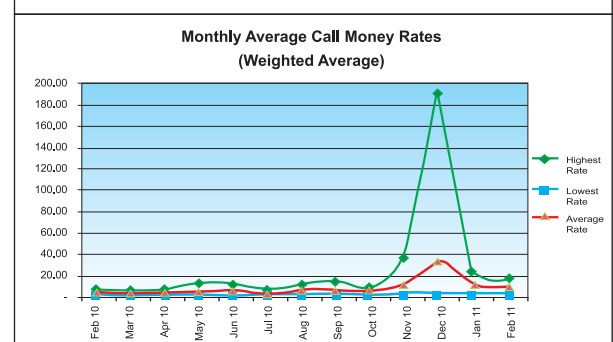
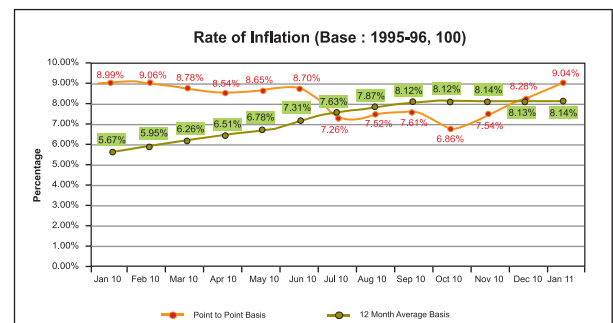
Bank Group	June 2010 (BDT in Crore)		As on end February, 2010	
	Total Liquid Asset	Excess Liquidity	Total Liquid Asset	Excess Liquidity
State Owned Banks	31088.88	15268.40	28684.86	10210.11
Private Banks	35855.58	9820.39	39418.37	8119.84
Private Islamic Banks	9634.59	4286.13	9164.98	2260.71
Foreign Banks	9247.73	4516.52	8185.82	3361.31
Specialized Banks	1369.83	607.29	1095.31	131.00
Total	87196.61	34498.73	86549.34	24082.97

Rate of Inflation on CPI for National (Base:1995-96,100)	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11
Point to Point Basis	8.99%	9.06%	8.78%	8.54%	8.65%	8.70%	7.26%	7.52%	7.61%	6.86%	7.54%	8.28%	9.04%
12 Month Average Basis	5.67%	5.95%	6.26%	6.51%	6.78%	7.31%	7.63%	7.87%	8.12%	8.12%	8.14%	8.13%	8.14%

Source: Major Economic Indicators

Monthly Average Call Money Market Rates (wt avg)	Feb 10	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	Feb 11
Highest Rate	7.75	6.50	7.65	13.50	12.50	7.50	12.00	15.00	9.50	37.00	190.00	24.00	18.00
Lowest Rate	2.00	2.00	2.15	2.45	2.00	2.50	2.50	3.50	2.00	3.50	5.00	3.75	3.00
Average Rate	4.51	3.51	4.35	5.07	6.62	3.33	6.36	6.97	6.19	11.38	33.54	11.64	9.54

Source: Economic Trends Table XVIII (Call Money)



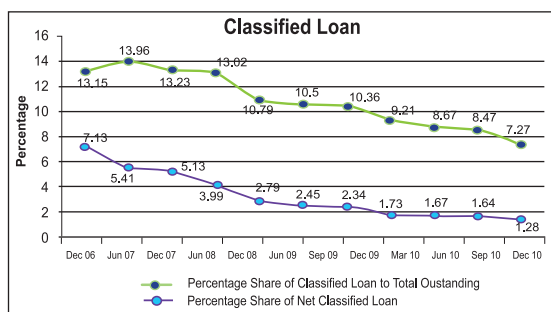
BANKING AND FINANCIAL INDICATORS



Classified Loans	Dec 06	Jun 07	Dec 07	Jun 08	Dec 08	Jun 09	Sep 09	Dec 09	Jun 10	Sep 10	Dec 10
Percentage Share of Classified Loan to Total Outstanding	13.15	13.96	13.23	13.02	10.79	10.5	10.36	9.21	8.67	8.47	7.27
Percentage Share of Net Classified Loan	7.13	5.41	5.13	3.99	2.79	2.45	2.34	1.73	1.67	1.64	1.28

Monetary Survey	January, 2010	June, 2010	January, 2011 ^p	Jul-Janu.'10-11	Percentage Change (%)	Jul-Janu.'09-10	FY 2009-10
Reserve Money (BDT crore)	70,793.00	80510.30	84052.20		4.40%		16.03%
Broad Money (BDT crore)	327,991.00	363,031.20	401,840.50		10.69%		22.44%
Net Credit to Government Sector (BDT crore)	48,549.50	54392.30	54809.80		0.77%		-6.52%
Credit to Other Public Sector (BDT crore)	14,260.90	15060.70	19866.80		31.91%		21.07%
Credit to Private Sector (BDT crore)	246,103.40	270760.80	315165.10		16.40%		24.24%
Total Domestic Credit (BDT crore)	308,913.80	340213.80	389841.70		14.59%		17.90%

	L/C Opening and Settlement Statement (USD million)				Percentage Change (%)	
	July-Feb 2009-10		July-Feb 2010-11		Year over Year	
	Open	Sett.	Open	Sett.	Open	Sett.
Food Grains (Rice & Wheat)	811.61	514.62	1,875.39	1114.4	131.07%	116.55%
Capital Machinery	1,155.63	949.23	1,984.05	1324.4	71.69%	39.52%
Petroleum	1,543.18	1,336.41	1,699.12	2004.57	10.11%	50.00%
Industrial Raw Materials	6,233.16	5,294.40	10,517.96	8195.11	68.74%	54.79%
Others	7,812.63	6,177.66	10,073.16	7965.98	28.93%	28.95%
Total	17,556.21	14,272.32	26,149.68	20,604.46	48.95%	44.37%



Yearly Interest Rates								
End of Period	Bank Rate	Call Money Market's Weighted Average Interest Rates on				Scheduled Banks' Weighted Average Interest Rates on		Spread
		Borrowing		Lending		Deposits	Advances	
2010	5.00	6.62	6.62					
2009	5.00	5.04	5.04		6.35	11.49	5.14	
2008	5.00	10.27	10.27		7.31	12.31	5.00	
2008	5.00	9.31	9.31		6.77	12.75	5.98	
2007	5.00	7.17	7.17		6.98	12.99	6.00	
2006	5.00	8.41	8.41		5.90	11.25	6.01	
2005	5.00	4.93	5.74		5.56	10.83	5.27	
2004	5.00	6.88	8.17		6.25	12.36	6.11	
2003	6.00	9.49	9.56		6.49	13.09	6.60	
2002	7.00	8.26	8.57		6.75	13.42	6.67	
2001	7.00	6.82	7.21		7.08	13.75	6.67	

Interest Rate Development *1/												
Period	Treasury Bills			BGTB				Repo	Rev. Repo	Call Rate	Lending Rate	Deposit Rate
	91-Day	182-Day	364-Day	5-Year	10-Year	15-Year	20-Year	1-2 Day	1-2 Day			
2008-09 *r												
April	6.53	7.48	8.31	9.97	11.68	11.79	11.48	....	....	1.95	13.53	8.17
May	3.97	5.43	6.16	10.01	10.22	10.57	11.09	....	....	3.28	13.77	8.27
June	3.54	4.24	5.96	9.21	10.05	10.09	10.07	....	....	1.79	13.46	8.26
2009-10 *r												
July	1.86	3.75	5.01	8.2	9.42	9.39	8.97	....	....	1.08	13.61	7.93
August	....	....	....	7.47	8.55	8.59	8.59	....	....	0.72	13.26	7.57
September	2.05	3.5	4.33	7.49	8.43	8.8	....	8.5	....	4.39	13.13	7.45
October	2.14	3.51	4.57	7.8	8.75	8.69	9.1	....	2.5	2.82	13.07	7.39
November	2.3	....	4.6	7.8	....	....	....	4.5	2.5	4.43	12.87	7.33
December	2.3	3.54	4.6	7.8	8.75	8.69	9.1	4.5	2.5	5.05	12.80	7.33
January	2.33	3.55	4.61	7.8	....	8.74	....	4.5	2.5	4.83	12.43	7.06
February	....	3.56	4.62	7.82	8.75	8.74	9.11	4.5	2.5	4.51	12.33	7.14
March	....	3.54	4.63	7.85	8.76	8.75	9.15	4.5	2.5	3.51	12.41	7.13
April	2.34	3.42	4.15	7.85	8.77	8.77	9.17	4.5	2.5	4.36	12.37	7.20
May	2.37	3.52	4.2	....	8.77	8.77	9.19	4.5	2.5	5.18	12.30	7.13
June	2.42	3.51	4.24	7.87	8.78	8.8	9.15	4.5	2.5	6.46	12.37	7.40
2010-11 *p												
July	2.43	3.51	4.24	7.88	8.79	8.84	9.2	4.5	2.5	3.33	12.58	7.25
August	....	....	....	7.88	8.82	8.86	9.23	5.5	3.5	6.58	12.29	7.21
September	....	....	....	7.93	8.85	8.91	9.24	5.5	3.5	7.15	11.76	7.22
October	2.94	3.75	4.45	7.96	8.85	8.94	9.25	5.5	3.5	6.2	11.81	7.22
November	3.72	4.16	4.65	8.00	8.89	9.05	9.41	5.5	3.5	11.38	11.78	7.25
December	4.58	4.85	5.50	8.10	9.45	9.11	9.56	5.5	3.5	33.54	12.20	7.32
January	5.11	5.39	5.94	8.25	9.5	....	9.6	5.5	3.5	11.64	12.64	7.59
February	5.25	5.5	6.00	8.25	9.45	9.12	9.6	5.5	3.5	9.54	12.51	7.55
March	5.48	5.63	6.2	8.26	9.36	9.2	9.63	6	4	10.59	....	....

Source : MRP, DMD, Statistics Dept., Bangladesh Bank, *1/ Weighted Average Rate, *p Provisional, *r Revised, Data Unavailable



DOMESTIC CAPITAL MARKETS REVIEW

CAPITAL MARKET - DSE (For the Month of March, 2011)

Weekly Summary Comparison

	March 27 - March 31	March 06 - March 10	% Change
Total Turnover			
in mn BDT	41,622	50,878	(18.19)%
Daily Average			
Turnover in mn BDT	8,324	10,176	(18.19)%

Category-Wise Turnover

Category	March 27 - March 31	March 06 - March 10	% Change
A	94.64%	94.64%	0.000%
B	2.27%	3.03%	(0.008)%
G	0.00%	0.00%	0.000%
N	2.31%	1.76%	0.006%
Z	1.08%	0.55%	0.005%

Scrp Performance in the Week

	March 27 - March 31	March 06 - March 10	% Change
Advanced	211	249	(15.26)%
Declined	49	14	250.00%
Unchanged	40	0	-
Not Traded	1	2	(50.00)%
Total No. of Issues	265	265	0.00%

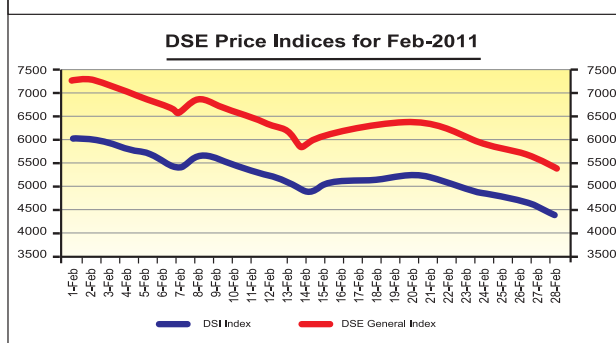
Top 10 Gainer Companies by Closing Prices, March, 2011

SI	Names	Category	% of Change	Deviation % (High & Low)
1	Apex Foods	A	36.52	81.57
2	BD.Autocars	B	35.28	110.05
3	Reckitt Benckiser (BD) Ltd.	A	29.07	61.55
4	Bangas	A	28.84	167.68
5	Pharma Aids	A	27.61	145.21
6	Gemini Sea Food	A	27.57	94.76
7	Libra Infusions Ltd.	A	27.20	53.70
8	National Polymer	A	26.86	78.15
9	Chittagong Vegetable	A	26.83	155.35
10	Jute Spinners	A	26.34	93.13

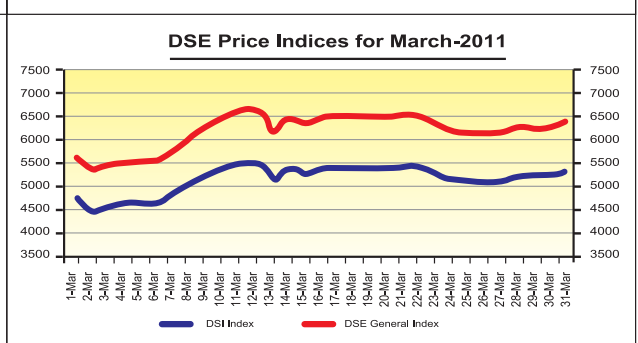
Top 10 Loser Companies by Closing Prices, March, 2011

SI	Names	Category	% of Change	Deviation % (High & Low)
1	Singer Bangladesh	A	-42.46	122.22
2	Social Islamic Bank Ltd.	A	-36.44	86.35
3	NCCBL	A	-26.92	74.93
4	Uttara Bank Ltd.	A	-22.10	98.57
5	R. N. Spinning Mills Ltd.	A	-17.71	87.30
6	Sonargaon Textiles	A	-17.13	123.64
7	Peoples Insurance	A	-14.44	87.23
8	1st Lease Finance & Investment Ltd.	A	-14.19	83.94
9	City Bank Ltd.	A	-7.27	52.29
10	AB Bank Ltd.	A	-6.44	56.52

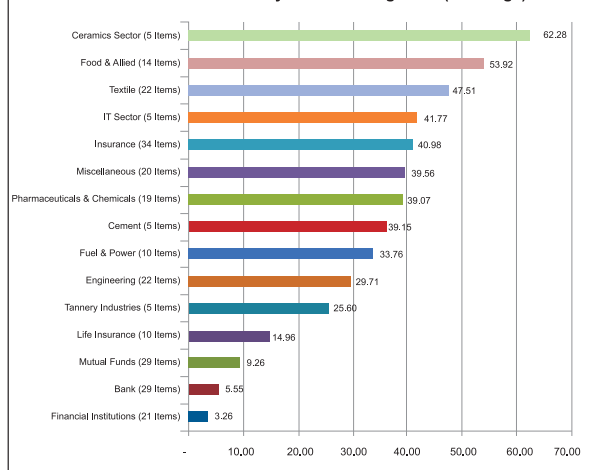
Average Monthly Trend



Average Monthly Trend



DSE Sector Movement by Stock Closing Price (%Change)



After the record thirteen months' low DGEN (5,203) last month Dhaka Stock Exchange's (DSE) showed a bullish trend and DGEN closed at 6,352 points at month end. DGEN rose by 1,149 points or 22.08% during the month of March 2011. The highest peak was recorded on March 30 and it rose to 6,639 points. Average daily turnover declined by 18.19% in the month compared to the first week at DSE.

According to Capital market experts, the market closed positive as some clarification came up over the IMF's recent comments on formation of proposed Bangladesh Fund. The investors, who were confused and get panicked in the last few days of trading over the IMF comments on share market and formation of BDT 50 billion Bangladesh Fund, now they have realized that the IMF would not make any recommendation which may affect the stock market.

On the other hand, the declaration of the governor of Bangladesh Bank about the stability of the banking sector assured the investors most. As Dr. Atiur Rahman said that the banking sector has overcome the liquidity crisis and there is nothing to be worried.

DOMESTIC CAPITAL MARKETS REVIEW



CAPITAL MARKET - CSE (For the Month of March, 2011)

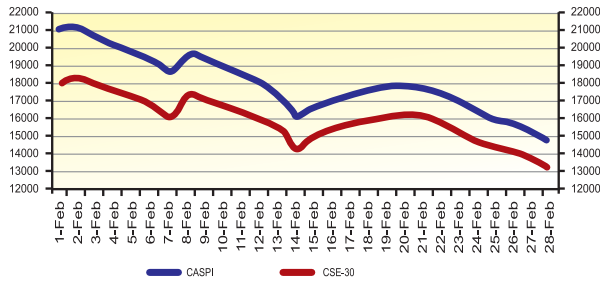
Top 10 Gainer Companies by Closing Price, March, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Alltex IND.	Z	34.18	186.50	250.25	20,819,237.50
Legacy Footwear Ltd.	Z	33.23	35.50	47.30	2,059,550.00
Sonargaon Textile	A	32.44	592.50	784.75	3,222,237.50
Tallu Spinning Mills Ltd.	A	26.43	621.25	785.50	1,524,987.50
H.r. Textiles	A	25.94	520.25	655.25	9,500,637.50
Rahima Food Corp. Ltd.	A	25.80	451.50	568.00	16,018,937.50
Reckit Benckiser (BD) Ltd.	A	25.37	1,010.30	1,266.70	2,437,215.00
Apex Food	A	25.20	938.25	1,174.75	1,416,561.25
Imam Button	A	25.06	371.00	464.00	2,805,262.50
Anlima Yarn	A	24.22	395.25	491.00	3,921,362.50

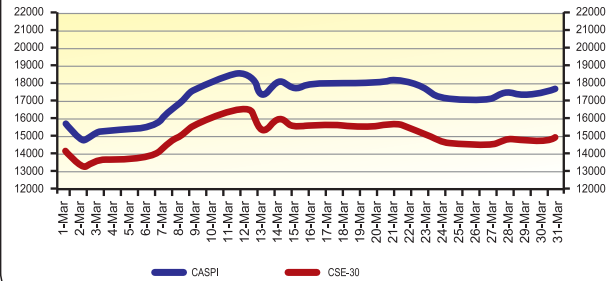
Top 10 Loser Companies by Closing Price, March, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Singer Bangladesh Ltd.	A	-42.10	6,982.75	4,042.75	34,000,882.50
R. N. Spinning Mills Ltd.	A	-18.37	108.30	88.40	90,896,575.00
First Lease Finance & Investment Ltd.	A	-16.59	962.75	803.00	9,780,075.00
Peoples Insurance	A	-12.51	70.30	61.50	15,092,370.00
Phoenix Finance and Investments	A	-5.75	1,612.75	1,520.00	2,755,050.00
City Bank Ltd.	A	-4.85	623.25	593.00	29,499,083.75
Apex Adelchi Footwear Ltd.	A	-4.15	3,078.00	2,950.00	59,000.00
ICB AMCL Second Mutual Fund	A	-4.03	130.00	124.75	258,525.00
Islamic Finance and Investment Ltd.	A	-3.51	660.75	637.50	22,654,012.50
AB Bank Ltd.	A	-3.28	1,026.50	992.75	104,839,029.00

CSE Price Indices for Feb-2011



CSE Price Indices for March-2011



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মিউচুয়াল ট্রাস্ট ব্যাংক দিয়ে এলো



- ১৮ বছরের কম বয়সী যেকোন ছাত্র/ছাত্রীর জন্য এই লেভিৎস্ অ্যাকাউন্টে রয়েছে:
- আকর্ষণীয় ইন্টারেস্ট রেট
 - ফ্রি ডেবিট কার্ড
 - ফ্রি ইন্টারনেট ব্যাংকিং
 - অ্যাকাউন্ট নেইনটেনেল একদম ফ্রি
 - অভিভাবকপাণের মাধ্যমে অ্যাকাউন্ট পরিচালনা

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
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স্বাগত।
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ফ্যাক্স: ০২১ ৮১৯ ৫০২৯
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আর তাই
মিউচুয়াল ট্রাস্ট ব্যাংক
দিয়ে এলো



- ১৮ বছর বা তার বেশি যেকোন ছাত্র/ছাত্রীর জন্য এই লেভিৎস্ অ্যাকাউন্টে রয়েছে:
- আকর্ষণীয় ইন্টারেস্ট রেট
 - প্রতিদিনের ইন্টারেস্ট মাস শেষে জমা
 - ফ্রি ডেবিট কার্ড
 - ফ্রি ইন্টারনেট ব্যাংকিং
 - অ্যাকাউন্ট নেইনটেনেল একদম ফ্রি

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ফ্যাক্স: ০২১ ৮১৯ ৫০২৯
ইমেইল: info@mutualtrustbank.com



INTERNATIONAL CAPITAL MARKETS

SELECTED GLOBAL INDICES

Global Indices Round-up

Despite the ongoing trouble in the Middle East and Japan, Investors remain bullish heading into April. Especially the Dow has risen nearly 7% in the past three months. A better-than-expected jobs report helped to boost the Dow Jones Industrial Average (DJIA), sending it up 0.8% for the month. The gains came a day after the Dow's best first-quarter performance since 1999. At the monthly close, the S&P 500 lost 1.39 points, or 0.1%, to 1325.83; and the NASDAQ dropped slight 1.2

points, to 2781.07. Fund managers expect U.S. stocks will hold steady as investors hold out for the start of earnings season later this month.

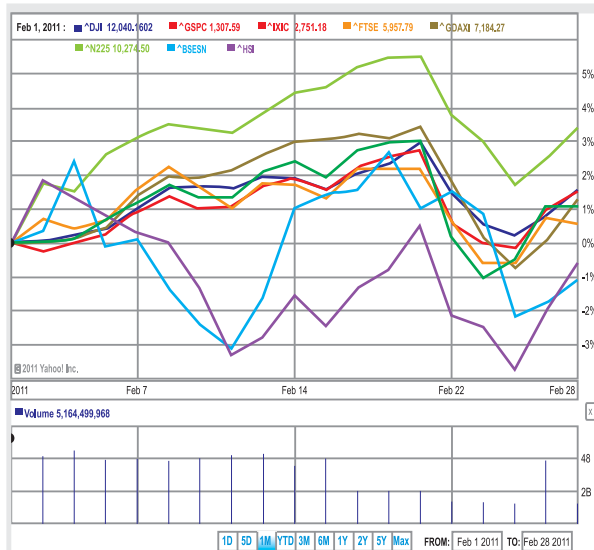
After the Nuclear crisis in Japan the Asian markets ended mixed. As Japan's Nikkei dropped to 9755.1 points, or by 8.2%. Also a report showed auto sales in the nation plunged 37% in March. On the other hand India's BSE SENSEX posted a solid gain of 9.1%. The HANG SENG in Hong Kong added 0.8%, and Britain's FTSE 100 dropped by 1.4%.

INTERNATIONAL MARKET MOVEMENTS

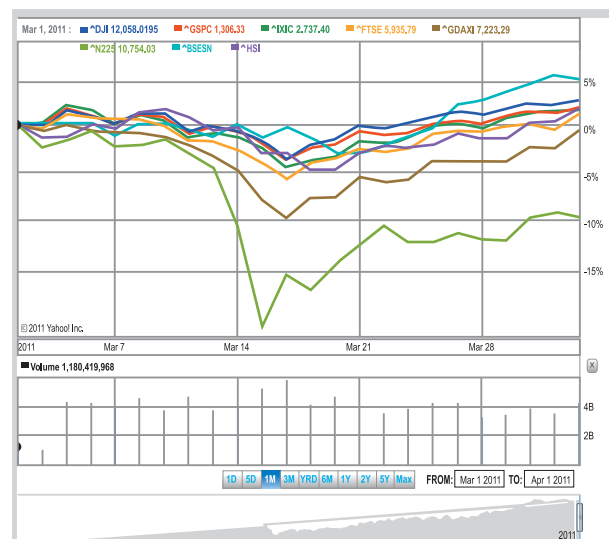
INDEX	VALUE (As of March 31, 2011)	VALUE (As of Feb 28, 2011)	CHANGE	% CHANGE
DJIA	12,319.73	12,226.34	93.39	0.8%
S&P 500	1,325.83	1,327.22	-1.39	-0.1%
NASDAQ	2,781.07	2,782.27	-1.2	0.0%
FTSE 100	5,908.80	5,994.00	-85.2	-1.4%
DAX	7,041.31	7,272.32	-231.01	-3.2%
NIKKEI 225	9,755.10	10,624.09	-868.99	-8.2%
BSE SENSEX	19,445.22	17,823.40	1621.82	9.1%
HANG SENG	23,527.52	23,338.02	189.5	0.8%
Arithmetic Mean				-0.3%

DOUBLE VIEW

February 2011



March 2011



(Compiled from Yahoo! Finance)

INTERNATIONAL ECONOMIC FORECASTS



WELLS FARGO SECURITIES ECONOMICS GROUP™ REPORT



U.S. OVERVIEW

Hopes and Concerns Equally Increase

Good news on the employment front has been tempered somewhat by the increased uncertainty emanating out of the Middle East and North Africa and the recent spike in oil prices. Declining weekly first-time unemployment claims have finally been matched by increased hiring. The magnitude and breadth of the increase combined with improvement in a whole host of leading indicators suggests the healthier hiring trend will continue, helping to generate a self-reinforcing expansion.

While it is encouraging to see hiring finally pick up, it is not a surprise. The recent gains in employment merely match our earlier expectations. Our first-quarter GDP forecast has been reduced slightly. Most of the reduction is due to the downward revision to fourth-quarter growth, which included a substantial cut to state and local government outlays. We have also raised our forecast for oil prices and reduced our outlook for after-tax income and consumer spending. Business fixed investment should remain strong, but we have scaled back our outlook slightly due to some recent softness in capital goods orders. Exports have also been slightly reduced, as higher oil prices are expected to curb growth in several key markets.

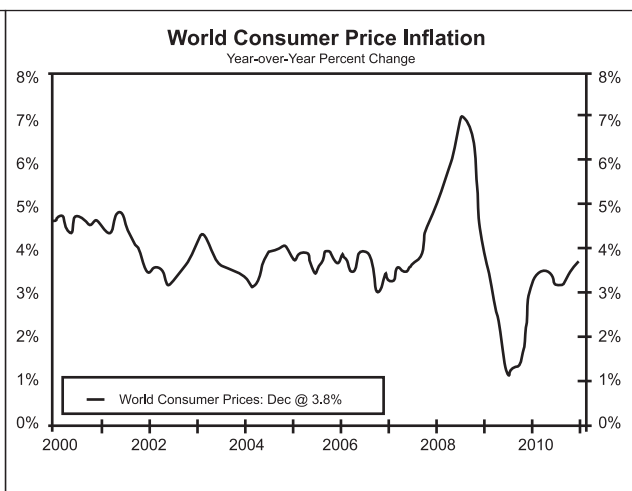
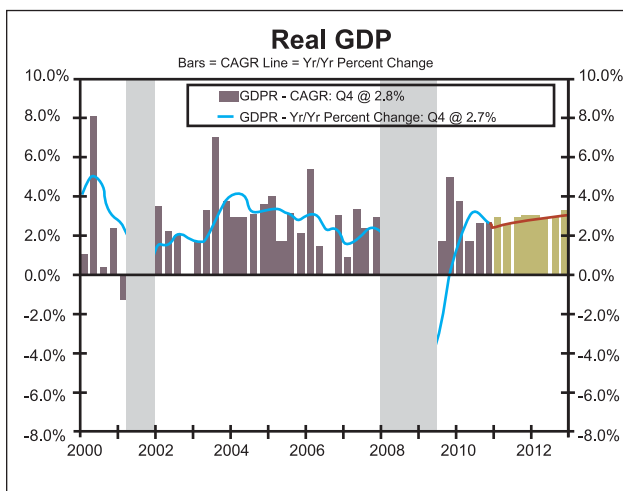
We are now expecting real GDP to grow 2.7 percent in 2011 and 3.0 percent in 2012. Inflation is expected to run slightly higher, with the overall CPI rising 2.7 percent this year, and core CPI rising 1.3 percent. We still expect the Fed to complete its second round of quantitative easing in June and expect the first rate hike to occur in early spring 2012.

INTERNATIONAL OVERVIEW

Will the Rise in Oil Prices Cause a Global Recession?

What effect will the recent sharp rise in petroleum prices have on the global economy? Much will depend on what happens from here. If the unrest dies down and oil prices retreat to their pre-Libya levels, then there obviously should be very little lasting effects on the global economy. Even at current levels, oil prices probably have not risen enough, at least not yet, to lead to a global recession. Oil prices doubled following the supply shocks of the late 1970s and in 1990. In the current episode, they are up only 20 percent or so over the past few weeks. To double, the price of West Texas Intermediate would need to rise to roughly USD150/barrel. At present, the price of WTI is less than USD110/barrel.

Our sense is that a sustained increase in oil prices would not be as inflationary in the advanced economies as it would be in developing economies. The former generally suffered deeper downturns than the latter, and their recoveries have been lackluster. Consequently, developed economies have more spare capacity than their developing counterparts. Therefore, producers in developing economies probably will find it easier to raise their own prices in response to the oil price shock. Conversely, higher petroleum prices probably would have more of an adverse effect on economic growth in the advanced economies, at least initially. Because the recoveries that have taken hold in the developed world remain very fragile, further increases in petroleum prices from their already elevated levels would certainly cloud the global economic outlook. Stay tuned.



Source: U.S. Department of Commerce, IHS Global Insight and Wells Fargo Securities, LLC



Together we'll go far



COMMODITY MARKETS



April 12, 2011

DECPG, THE WORLD BANK

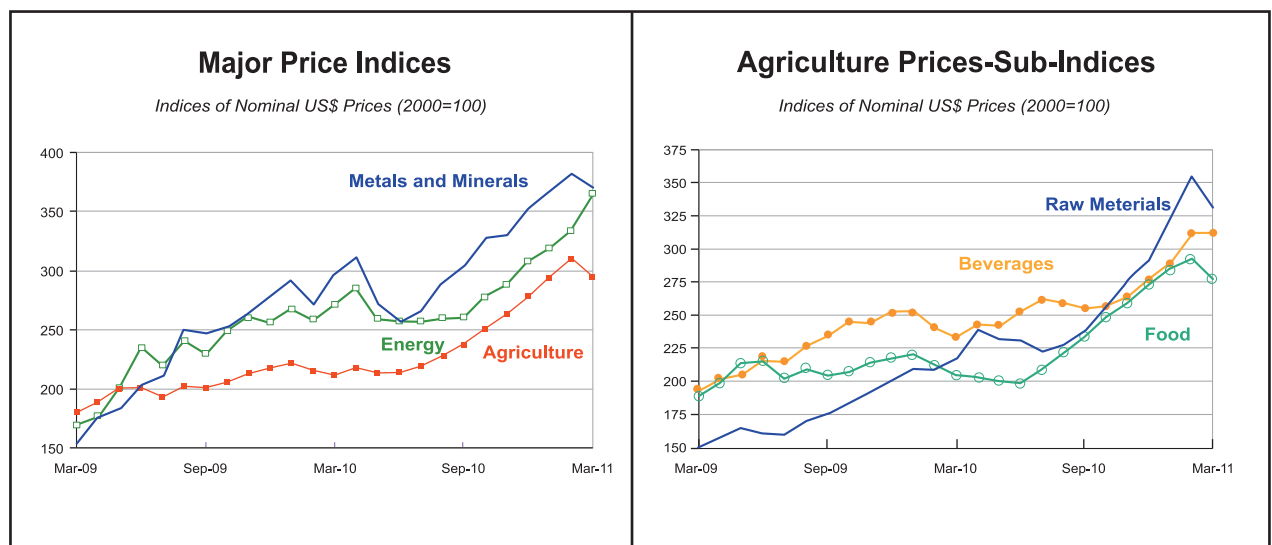
Non-energy commodity prices fell in March for the first time in nine months, down 4.8 percent, despite depreciation of the dollar—down 2.7 percent versus the euro. There were large declines in nearly all main indices.

Crude oil prices surged 11.0 percent in March, up for an eighth straight month, averaging USD 108.6/bbl. Prices rose even higher in early April, reaching USD 119/bbl (with Brent at USD 127/bbl) due to the near total-loss of Libya's 1.6 mb/d in oil production and continued political unrest in North Africa and the Middle East. About 0.1 mb/d was shut in March from unrest and strikes in Yemen, Oman, Gabon and Côte d'Ivoire, but market anxiety attaches the possibility of larger disruptions in major oil-producing countries, including Nigeria in the run-up to elections later this month (about 1.0 mb/d was disrupted during the 2007 election campaign).

The response from other OPEC producers to the supply losses has been limited, in part because of the difficulty replacing Libya's light, sweet, and distillate-rich crude. On the other hand, demand has weakened due to the seasonal fall in refining runs and damage to refineries in Japan. However, refinery output is ramping up to meet summer demand, and the focus will be on tightening distillate markets and light/sweet crude supplies, as Libya's oil production and exports are expected to be out for some time.

Agriculture prices dropped 4.9 percent in March, the first decline in ten months, with large decreases in all main indices except beverages and timber. The largest declines were in coconut and palmkernel oil prices, down 14-15 percent, on reduced import demand. Rubber prices declined 13 percent due to concerns of weakening demand in Japan, while sugar prices fell 11 percent on improved supply availability. Wheat prices fell 9 percent on higher planting intentions in the U.S. Partly offsetting these gains was an 8 percent increase in robusta coffee prices due to continued supply tightness in Vietnam from dry weather. Cotton prices rose by 8 percent on low stocks and supply shortfalls.

Metals and minerals prices fell 4.8 percent in March, following seven months of gains, on various macro-economic concerns, higher oil prices, and policy tightening in China. The largest decline was in iron ore, down 10 percent, due to weak Chinese demand, while most other metals fell 3-5 percent. Silver and gold prices continued to climb on strong investment demand. Following the earthquake in Japan March 11th, metals prices rebounded strongly on expectations that reconstruction efforts will boost metal demand in the medium term. Lead prices have jumped 20 percent on expected strong demand for lead batteries in Japan for back-up power generators for infrastructure, utilities and businesses.



Prepared in the Development Economics Prospects Group (DECPG) by Shane Streifel, John Baffes and Betty Dow.

Source: The World Bank



CRAB Credit Rating Agency of Bangladesh Ltd. (CRAB)

Introduction

CRAB was established in 2003 at the initiative of some leading personalities in private sector and institutions of the country with the commitment to contribute to the development of the capital market by providing quality ratings and comprehensive research services. CRAB was incorporated as a public limited company in 2003 and received its Certificate for Commencement of Business in the same year.



M. Syeduzzaman
Chairman, CRAB

In 2004, CRAB was granted license by the Securities & Exchange Commission (SEC) of Bangladesh (under the Credit Rating Companies Rules 1996) for operating as a Credit Rating Company. In 2009 CRAB has been accredited as an External Credit Assessment Institution (ECAI) by Bangladesh Bank, to provide rating of Bank Clients under Basel II regime. CRAB has established its reputation as a reliable source of independent opinion on risks based on systematic and standardized analysis done by professionals.

Mission

Effect significant contribution towards qualitative development of the money, capital markets, enhancement of transparency of financial information and credibility of the corporate sector in Bangladesh.

Objectives

- To undertake analysis and to provide information on investment proposals for raising resources through equity or debt, on credit risk of clients of financial institutions etc. for guidance of entrepreneurs, investors and creditors.
- To assist clients in making judgment about the prospects of raising resources from financial and capital markets.
- To provide a basis for judgment by the regulatory authorities.
- To help and promote transparency in the investment environment and in the financial market for healthy growth of investment.
- To provide access to international standards of analysis and information flow for institutional and individual investors, creditors and regulatory authorities.

CRAB Services

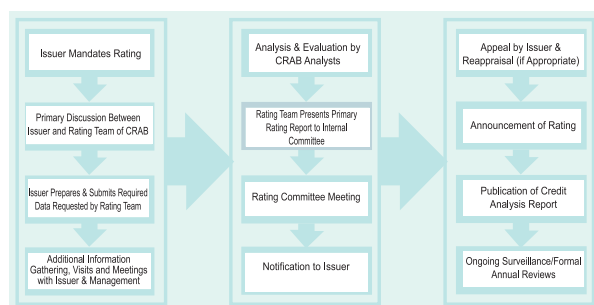
A. Rating Service

- Entity / Issuer Rating:
 - Banks and Financial Institutions
 - Insurance Companies (General & Life)
 - Corporate (Public & Private)
- Instruments Rating:
 - Debt Instruments (Bonds, Debentures, Pref. Shares etc.)
 - Structured Finance / Securitizations
 - Project Loans / Syndicated Loan
 - Lines of Credit
 - Equity Instruments (IPO, Rights)
 - Mutual Funds
 - Other Instruments
- Client Rating for Banks / Financial Institutions
- State Owned Entities

- Micro Finance Institutions
 - Small & Medium Enterprises (SME)
 - Other Organizations / Entities
- Grading Service
 - Advisory Service
 - Information Service

Rating Process

CRAB's Rating process is initiated on receipt of a formal request (or mandate) from the Client. A Rating team consisting of Financial Analysts is engaged for conducting Rating assignment. Analysts collect information from the client through documents, data, meeting, site visits etc. CRAB also draws on secondary sources of information, including its own research division.



As part of a mandatory surveillance process, CRAB monitors the accepted Ratings over the tenure of the contract period. The Ratings generally reviewed once every year, unless the circumstances of the case warrant an earlier review. The Rating outstanding may be retained or revised (that is, upgraded or downgraded) on surveillance.

Rating Methodology

CRAB has developed highly standardized rating methodologies for different instruments and entities. The methodologies have been developed considering all the relevant factors affecting the future cash generation capacity of the issuers. These factors include industry characteristics, competitive position of the issuer, operational efficiency, management quality, commitment to new projects and other associate companies, and future funding policies of the issuer.

A detailed analysis of the past financial statements is made to assess the actual business performance. Analysis considers the estimated future earnings under various sensitivity scenarios are drawn up and evaluated against the future obligations that require servicing over the tenure of the instrument being rated. CRAB rating methodology intends to assess the relative comfort level of the issuers to service the obligations and this is reflected in the rating of a debt instrument. In case of equity instruments, the rating reflects the future earning capabilities with reference to the resilience to perform in adverse situations.

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Web: www.crab.com.bd



ENTERPRISE OF THE MONTH



Orascom Telecom Bangladesh Limited ("Banglalink")

About Banglalink



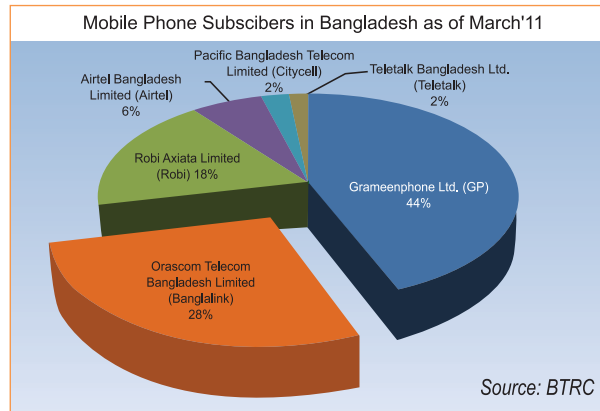
Ahmed Abou Doma
MD & CEO

Orascom Telecom BD Ltd.

Orascom Telecom Bangladesh Limited (former Sheba Telecom (Pvt.) Limited) is a limited liability public company, duly incorporated under the Companies Act, 1994 of Bangladesh. Orascom Telecom Bangladesh limited ("Banglalink") is a 100% owned subsidiary of Orascom Telecom Holding s.a.e., Egypt, ("OTH") in Bangladesh. It was acquired by OTH in 2004, and after a complete overhaul and the deployment of a new GSM network, its telecommunication services were re-launched under the brand name Banglalink. When Banglalink began

operations in Bangladesh in February 2005, its impact was felt immediately, overnight mobile telephony became an affordable option for customers across a wide range of market segments.

Banglalink attained 1 million subscribers by December 2005 and 3 million subscribers in October 2006. In less than two years which is by December 2007, Banglalink overtook Aktel (currently Robi) to become the second largest operator in Bangladesh with more than 7.1 million customers. Banglalink currently has 20.126 million subscribers as of March 2011, representing a market share of 28%.



Growth over the last years have been fuelled with innovative products and services targeting different market segments, aggressive improvement of network quality and dedicated customer care, creating an extensive distribution network across the country, and establishing a strong brand that emotionally connected customers with Banglalink.

Mission

Banglalink understands customer needs best and will create and deliver appropriate communication services to improve people's lives and make them easier.

Values

All employees of Banglalink demonstrate the following values in their day-to-day activities to ensure "making a difference" in every area of operations:

- **Straightforward** - We say what we do & we do what we say
- **Reliable** - A promise made is a promise kept
- **Innovative** - Whatever we do will be useful and useable
- **Passionate** - We always deliver with honesty and passion

Brand Promise

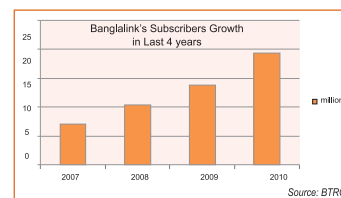
This positive change in telecom brought by Banglalink, quite rightly attributed to its brand promise, and has since become its corporate positioning, which is reflected in the slogan, "making a difference" or "din bodol". Making a difference is the central theme that resonates through everything that they do, be it through their products, services, CSR, or other activities.

Product & Services

Banglalink's wireless mobile voice communications services include basic local and international wireless voice services, as well as voice portal, voice chat, call waiting, caller identification, call block, and caller ring-back tone. They have already established a nationwide EDGE/GPRS network, and such connectivity is also available to their roaming customers through 250 operators across 95 countries.

Their wireless data communications services also includes mobile productivity applications (such as internet access, messaging and email services), location-based capabilities (such as field force locator and vehicle tracking), mobile entertainment applications (such as music station, song dedication and friend finder), call-center based applications (such as advisory services regarding agriculture & business queries) and utility BillPay feature. They have recently launched their much acclaimed 'Icon', is the premium telecom brand of the country. It's a complete solution for all one's mobile telephony needs, but also adds premium values to his/her lifestyle.

Milestones Achieved in the Past Years



At Banglalink, success spurred from a simple strategy: "Bringing mobile telephony to the masses". They transformed the mobile phone from a luxury item for a privileged few to an essential commodity for all walks of

life. They have touched the lives of their customers in diverse ways – enhancing the quality of life economically, socially and emotionally - and have earned a place in the hearts of millions.

Corporate Responsibility

At Banglalink, they readily recognize that their reputation does not stem from their performance in the marketplace alone. Rather, it is also reflected in the promises that they make and keep their impact on the environment, the spirit of their employees, and standing in the community.

Banglalink strive not only to make mobile telephony widely available to the masses, but also to use their leadership to create new solutions to the big problems facing our society. Even in these difficult global economic times and amidst fierce corporate battles, they remain steadfastly committed to using their resources to help create a better quality of life in the communities they live in and the people they serve. Therefore, Banglalink use the phrase "Corporate Responsibility" to describe their progressive approach to balancing business objectives with environmental, social and economic responsibilities.

Contact

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Web: www.banglalinkgsm.com

KNOW YOUR CHAMBER



The American Chamber of Commerce in Bangladesh

History

The American Chamber of Commerce in Bangladesh (AmCham) was formally established in 1996 having been duly registered with the Joint Stock Companies of Bangladesh to promote the economic relationships between Bangladesh and the United States. Earlier, AmCham used to operate as American Bangladesh Economic Forum (ABEF) since 1988. AmCham holds the full Membership of the Asia Pacific Council of American Chambers of Commerce (APCAC). AmCham Bangladesh has also been accredited as a member of the U.S. Chamber of Commerce.



Aftab ul Islam
President, AmCham

produced goods and services; and non-profit organizations of United States origin.

Committee

AmCham is run by a 7-member Executive Committee, elected by the members as per AmCham Memorandum and Articles of Association. The Committee consists of one President, one Vice President, one Treasurer and four Members. AmCham operations are carried out by an Executive Director who is responsible for the implementation of policies and decisions of the Executive Committee.

Objectives

- To promote economic cooperation between the United States of America and the People's Republic of Bangladesh, particularly in the private sector.
- To promote exchange of information between the US and Bangladesh with a view to stimulating greater understanding about each other's economic potentials and opportunities.
- To promote and support measures calculated to benefit and protect the interests of the members.
- To present the views of the AmCham members to the Government of Bangladesh.
- To work through the Asia Pacific Council of American Chambers of Commerce (APCAC) and the U.S. Chamber of Commerce, in order to present the views of US business community in Bangladesh to the United States Government.

Regular Programs

- Periodic Breakfast/Luncheon/Dinner meetings for members to hear prominent local or visiting speakers, high government officials, ministers etc. and discuss issues of commerce, investment and economics.
- Sponsoring seminars on vital issues of finance, trade and commerce.
- Establishing contact between the American business community and the established business and government organizations of Bangladesh.
- Support US investment in Bangladesh.
- Work as contact point for US business in Bangladesh.
- Undertake research on vital issues of economic interest with a



- view to identify the problems, opportunities and recommend action and policies to overcome the snags on the way to progress.
- Organizing US Trade Show in Bangladesh on annual basis with the cooperation of the United States Embassy.
- Periodic news bulletins & other publications.
- Library and reference facilities for member use.
- Participation in key events and services of the Asia Pacific Council of American Chambers of Commerce (APCAC) and the U.S. Chamber of Commerce.

Membership Types

- **Ordinary Membership:** Ordinary Membership may be extended to any legal entity in Bangladesh having at least 50% of its shares, or ownership control, lodged with a U.S. based business, U.S. citizens or U.S. institutions and in the business of manufacturing goods or supplying services in Bangladesh.
- **Associate Membership:** Associate Membership may be extended to any legal entity in Bangladesh having not less than 10% of its shares lodged with a U.S. based business, U.S. citizens or U.S. institution and in the business of manufacturing goods or supplying services in Bangladesh.
- **Affiliate Membership:** Affiliate Membership may be extended to an individual or organization engaged in a business, educational, cultural or social service activity in Bangladesh; which activity promotes the establishment of a productive relationship between Bangladesh and the United States of America.
- **Individual Membership:** Individual Membership may be extended to any United States Citizen holding a valid Bangladesh resident visa and/or work permit or who is on official assignment under an embassy, international organization or foreign aid program.

Publication



AmCham publishes a regular quarterly magazine to update its industry stakeholders. This publication consists of news and views for management executives and members of the AmCham in Bangladesh.

Contact

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E-mail: amcham@amchamdbd.org
Web: www.amchamdbd.org



CSR ACTIVITIES

DIFFERENT SCHEDULED BANKS CONTRIBUTE, IN CONTINUATION OF THEIR FINANCIAL SUPPORT FOR FAMILIES AFFECTED BY BDR CARNAGE OF 2009

Prime Minister Sheikh Hasina handed over the cheques on behalf of different banks (for the third year), to martyred army officers' families at Gono Bhaban, Dhaka on Sunday (Feb. 27, 2011). As declared by the banks, they will provide financial support for 10 years to the family members of army officers killed in the Pilkhona carnage.

Islami Bank Bangladesh Ltd. (IBBL) donates BDT 19.20 lacs for the third year, out of BDT 1.92 crores, to four martyred army officers' families declared by the bank. Engr Mustafa Anwar, acting Chairman of board of Directors of IBBL was present on the occasion. (2 March, The Daily Star)



Prime Bank Ltd. (PBL) donates BDT 9.60 lacs to martyred Army officers' family, the Chairman of PBL, Azam J Chowdhury was also present on the occasion. (9 March, The Financial Express)



Mercantile Bank Ltd. (MBL) donates BDT 9.60 lacs to martyred Army officers' family, while Vice Chairman of MBL, M Amanullah was present on the occasion. (3 March, The Financial Express)



Bank Asia Ltd. donates BDT 4.80 lacs to martyred Army officers' family, while Bank Asia Chairman A Rouf Chowdhury was present on the occasion. (2 March, The Daily Star)



Pubali Bank Ltd. (PBL) donates BDT 4.80 lacs to martyred Army officers' family; Chairman, Board of Directors of PBL, Hafiz Ahmed Mazumder MP was also present on the occasion. (2 March, The Daily Sun)



Dhaka Bank Ltd. (DBL) donates BDT 4.80 lacs to martyred Army officers' family; Director of DBL Abdullah Al Ahsan was also present on the occasion. (3 March, The Financial Express)



United Commercial Bank Ltd. (UCB) donates BDT 4.80 lacs to martyred Army officers' family; Chairman of UCBL, M A Hashem was also present on the occasion. (3 March, The Financial Express)



IFIC BANK DISTRIBUTED BOOKS ON INTERNATIONAL MOTHER LANGUAGE DAY

In observing the International Mother Language Day in befitting manner IFIC Bank Ltd. distributed Books among 07 Schools, 01 Madrasa & 04 Colleges



located at Setabgonj, Dinajpur District & Poradah, Kushtia District on 21st February, 2011 as part of the Corporate Social Responsibility (CSR) of the bank. (3 March, www.hawker.com)

BANK ASIA AWARDS SCHOLARSHIPS TO CTG STUDENTS

As a part of corporate social responsibility, Bank Asia has given higher studies scholarships to 5 (five) meritorious students of Bhatiary Upazila in Chittagong recently. It may be mentioned that a total of 214 students have so far received Bank Asia Higher Studies Scholarship who are pursuing higher studies in MBBS, Engineering, Agriculture, Business Administration, Economics, Physics, Chemistry, Mathematics, Computer Science, Genetic Engineering and other core subjects in reputed educational institutions of the country. (15 March, The Financial Express)

FSIBL DONATES BDT 500,000 TO OGSB HOSPITAL

First Security Islami Bank Limited (FSIBL) donated BDT 500,000 to OGSB Hospital and Institute of Reproductive and Child Health for construction of a 150-bed hospital. AAM Zakaria, managing director, First Security Islami Bank Limited handed over the cheque to Prof. Shahla Khatun, Chairman, OGSB Hospital in a simple ceremony recently, said a press release. (20 March, The Daily Sun)



BRAC BANK APPOINTS ACID SURVIVORS

Brac bank appointed two acid survivors on the occasion of International Women Day. Journalist Anisul Hoque and actress Sara Zaker formally handed over the appointment letters to Tahura Khatun of Lalmonirhat and Manika Halder of Barisal at a programme in the bank's head office in the city recently. Mamdudur Rashid, Deputy Managing Director of the bank, was present on the occasion. (16 March, The Daily Star)

SEVEN BANKS AWARDED FOR CSR

Bankers' Forum has recognized the social activities of seven commercial banks awarding them 'Performance and CSR Awards 2009-2010'. Seasoned lawyer Barrister Rafuque-Ul-Huq handed over the trophy among the executive heads of the respective banks at a function at the city's CIRDAP auditorium.

The awarded banks are Pubali Bank Ltd, Islami Bank Ltd, Standard Chartered, Social Islami Bank Ltd, Dhaka Bank Ltd, Shahjaalal Islami Bank Ltd and Commercial Bank of Ceylon. Barrister Rafique said banks have a huge contribution to country's development since a long. He also mentioned the history of CSR activities of the country. "It's not a charity but a social obligation," Rafique said. And he made an appeal to bankers for extending their CSR activities to country's health and education sectors. The function was chaired by MA Khaleque, president, Bankers' Forum. (6 March, The Daily Sun)

NEW APPOINTMENTS DURING MARCH, 2011

BANKS, FINANCIAL AND OTHER INSTITUTIONS

Name	Current Position	Current Organization	Previous Position	Previous Organization
M Syeduzzaman	Chairman (Re-elected)	Credit Rating Agency of Bangladesh Limited (CRAB)	Chairman	CRAB
Abdul Matlub Ahmed	Chairman (Re-elected)	Nitol Insurance Company Ltd.	Chairman	Nitol Insurance Company Ltd.
Md. Lutfar Rahman Khan	Chairman	Sonali Investment Ltd. (SIL)	N/A	N/A
Shafiqul Islam Mohiuddin	President	Bangladesh Garment Manufacturers and Exporters Association (BGMEA)	N/A	N/A
Shakil Rizvi	President (Re-elected)	Dhaka Stock Exchange (DSE)	President	DSE
MA Momen	President (Re-elected)	Bangladesh Thai Chamber of Commerce and Industry (BTCCI)	President	BTCCI
Salman F Rahman	President (Re-elected)	Bangladesh Association of Pharmaceutical Industry (BAPI)	President	BAPI
Rashed Maqsood	Country Officer	Citi Bank Bangladesh	Country Business Manager	Citi Bank Bangladesh
Dr. Mohammed Haider Ali Miah	Additional Managing Director (AMD)	EXIM Bank Ltd.	Deputy Managing Director (DMD)	EXIM Bank Ltd.

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Bashundhara City Branch
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Chandra Branch
06822-51968

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Dhanmondi Branch
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Fulbaria Branch
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Gazipur Branch
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Madaripur Branch
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Mohammadpur Branch
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Mymensingh Branch
091-63909

Narayanganj Branch
02-7648209

Pallabi Branch
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Panthapath Branch
02-8613807, 02-8629887

Principal Branch
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Savar Branch
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Shanir Akhra Branch
02-7551169, 02-7551195

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Sreenagar Branch
038942-88222

Tongi Branch
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Uttara Model Town Branch
02-8924379, 02-8951474

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Gafor Gaon
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01719 398493

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Rajshahi Branch
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Ishwardi
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Moulvi Bazar Branch
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Sylhet Branch
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031-2772619, 031-2772620

Aman Bazar Branch
031-681022, 01713-106375

CDA Avenue Branch
031-255567-9, 031-2555575

Chokoria Branch
03422-56502

Comilla Branch
01730080284, 081-76543

Cox's Bazar Branch
0341-52257

Dhorkora Bazar Branch
01730-080633

Feni Branch
0331-61984

Jubilee Road Branch
031-624922, 627533

Kerani Hat Branch
01819 311 582

Khatungonj Branch
031-612254, 031-626966

Nazirhat Branch
0821-4483498, 0443-4483498

Oxygen Mor Branch
031-2583957

Raipur Branch
0382-256495

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Haidergonj
01716-224206

Laksham
01713304669

Nazumeah Hat
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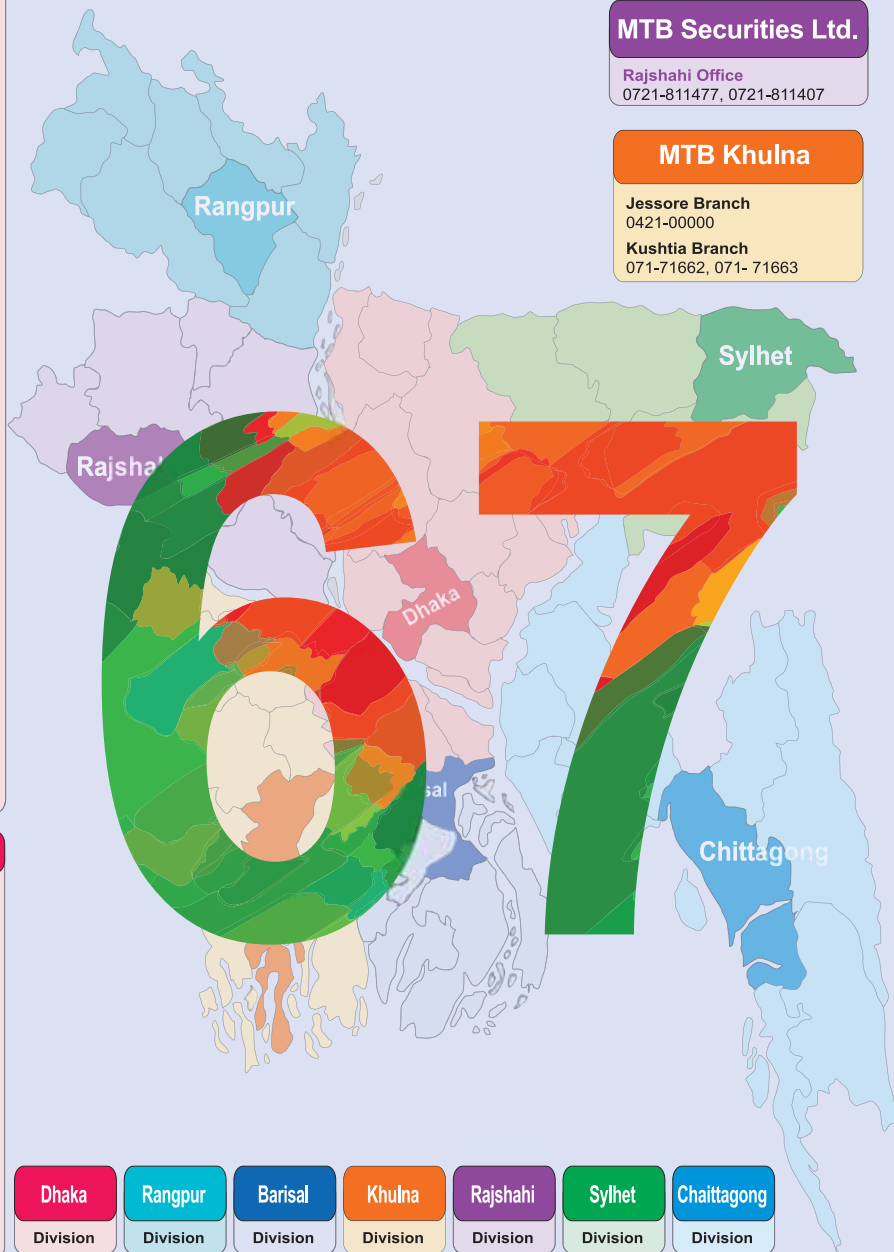
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