

MTBiz

MONTHLY BUSINESS REVIEW VOLUME: 10 ISSUE: 08 AUGUST 2019

The Cotton Outlook & Bangladesh Market



10 *th year of*
MTBiz
2009-2019



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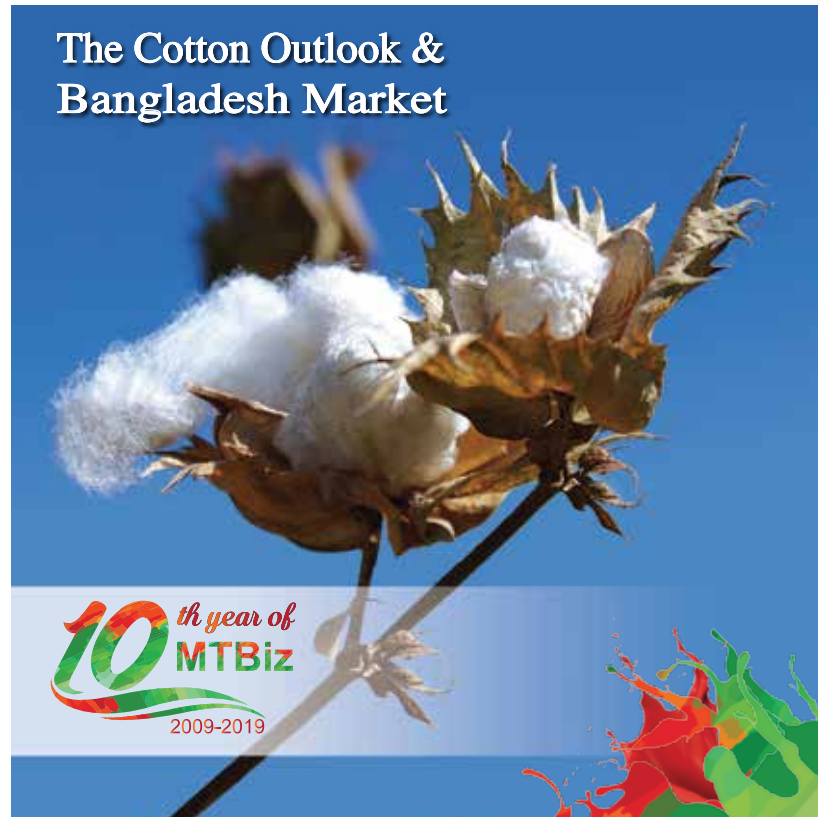
you can bank on us



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The Cotton Outlook & Bangladesh Market



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WE SUPPORT

MESSAGE FROM THE MTB CHAIRMAN



It is a pleasure to wish the MTBiz Team on the publication's completing ten years of uninterrupted existence in the financial and business firmament of the country. I am delighted that the monthly journal has grown from its tentative inception into a highly professionalized presence, and looked forward to by businesspersons and bankers alike.

Publishing the newsletter, each month with new and innovative content, is a challenging task, and thus, reaching the 10 year milestone is a manifestation of the high degree of dedication, focus and hard work by the team, and is appreciated and lauded!

You all deserve a big round of applause for all your hard work. Keep the contributions coming and go from strength to strength.

Congratulations galore!


Md. Medayetullah
Chairman



MESSAGE FROM THE FOUNDING CHAIRMAN



The MTBiz Team deserves kudos and plaudits on being able to smoothly reach the publication's tenth year of regular publication. This is a reflection of their diligence, enthusiasm and yearning to contribute to the image and brand-building of the bank in such a dedicated manner.

I see, this ten-year celebration of MTBiz as an opportunity to renew your commitment towards enhancing its quality and content in the future. Let me share with you that, only a bit more than one-third of businesses – between 34 percent and 36 percent – survive to their 10th year¹, according to the US Bureau of Labor Statistics. A big success of this magnitude is the result of orchestrated and constant team work. Therefore, let's celebrate the event in every way possible.

My best wishes go out to the MTBians behind the vision, and the enthusiasm and motivation they infused amongst the officials behind this publication.

At the same time, please remember that there's still a lot to learn and much to do. Strive to adapt, and remain open in your minds, given the increasing pace of innovation everywhere.

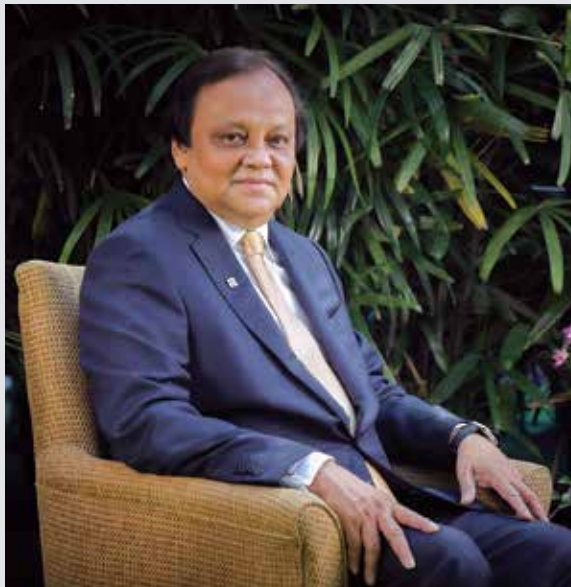
Thank you for creating a journal for the bank - MTBiz.

Syed Manzur Elahi
Founding Chairman



¹https://www.bls.gov/bdm/entrepreneurship/bdm_chart3.htm

MESSAGE FROM THE MTB MANAGING DIRECTOR & CEO



This is an exciting year for MTBiz as it marks its tenth year of uninterrupted publication. Upon my joining MTB, more than a decade ago in April 2009, we revitalized the discontinued monthly newsletter with the new name - MTBiz. Last month, MTBiz has completed the journey of its first decade by publishing the July 2019 issue. The 10th year celebration for MTBiz is a milestone that honours those creative minds who once worked on the publication, and those now carrying on the good work with diligence, innovation and focus. The inspiration and encouragement by the senior management and members of the MTB Board of Directors spurred the publication team to work harder to ensure high quality and content. The celebration of the 10th year of MTBiz is thus a pleasure for all of us.

MTBiz is our own news portal and hence its journey is the journey of MTB itself. At the time MTBiz was born, the bank had 36 branches and 5 SME service centers with no alternate delivery channels. The bank then embarked on its ambitious journey of expansion and diversification to successfully emerge as a leading

financial services group of four separate companies including one in the United Kingdom. The bank now has 114 branches, one booth and 114 Agent Banking Centers, as of date. With not a single MTB ATM and POS device until 2010, we now have about 300 ATMs and 3,250 POS devices all across the country. MTBiz, has in all these years, been a chronicler of the bank's transition and growth, and spread the news of our evolution to the nation. Small and big, all of the bank's achievements and success stories are well documented, published, distributed and digitally preserved in this newsletter. MTBiz has played its role quite well to share and disseminate the journey of the bank amongst our clients and others stakeholders.

I am happy to see that the newsletter has been enriched gradually in the last ten years with diversified content, analytical articles on the market, and the economy, and with attractive graphical presentations. MTBiz stands out amongst the monthly newsletters of our peers, most of which have been inconsistent in their publication over the period. In future, if you want to look into the bank's history, MTBiz is there as your ready reference. Whenever MTB has achieved any form of success, the pages of MTBiz have been shining in tandem.

Right now, we're on the verge of disrupting markets, when every process and piece of the business warrant constant upgrades, and it is a great opportunity for MTBiz to take advantage of the times and march towards digital channels that the bank uses for communication.

My sincere thanks to the incredible team behind MTBiz. I am proud to have been part of this decade long journey, and I shall be eagerly looking forward to what MTBiz has on offer for us in the exciting times ahead.

A handwritten signature in black ink, appearing to read 'Anis A. Khan'.

Anis A. Khan

Managing Director & CEO





The Cotton Outlook & Bangladesh Market

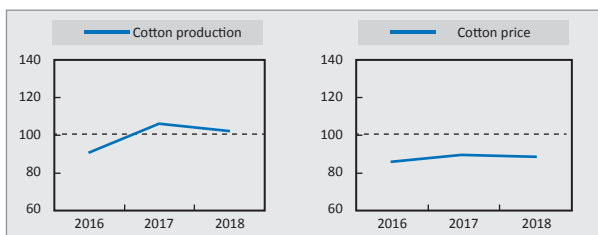
Bangladesh has been the second highest importer of cotton in the world for last couple of years, as calculated by International Trade Centre UNCTAD/WTO (ITC). About 80% of garments made in Bangladesh are sourced from cotton. Local spinners supply 90% of raw materials for knitwear and 40% for the woven garments sector, according to United States Department of Agriculture (USDA).

Share of Bangladesh in World Cotton Import	
Year	Global Import Share
2018	12.30%
2017	12.59%
2016	12.06%
2015	14.27%

Source: International Trade Centre UNCTAD/WTO (ITC)

Revising its previously set export target of USD 50 billion by 2021, Bangladesh RMG export is projected to earn about USD 35.62 billion and USD 38.73 billion in fiscal year 2019-20 and 2020-21 respectively, according to the Ministry of Textiles and Jute. Keeping the steady trend of RMG export (more than 80% of the total export) in consideration, global outlook for cotton is very significant for Bangladesh to watch out and apprehend the market movement, both local and global. Focus of this article is centered on the global cotton outlook and its plausible impact on RMG export of Bangladesh in respect to the other competition countries

Global Cotton Production and Price Indices



Note: graphs expressed as an index where the average of the past decade (2009-2018) is set to 100. Production refers to global production volumes. Price indices are weighted by the average global production value of the past decade as measured at real international prices.

Source: OECD/FAO (2019), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database)

World cotton consumption is expected to reach 123.6 million bales in 2018/19, to the highest level since 2007/08, according to Cotton Outlook by USDA. Consumption growth is forecasted in India, Bangladesh, and Vietnam. Within the top ten consuming countries, Vietnam and Bangladesh are expected to have the most robust growth at 10.6 and 6.7 percent respectively. Bangladesh and Vietnam are projected to be the leading importers over the next decade due to a strong growth predicted in RMG export. By 2028, both countries are expected to increase their imports by more than 50% and together they will account for over 40% of global cotton imports.

Cotton Outlook for Global Market

Global cotton production fell by 3% to 25.8 million metric tonnes (Mt) in the 2018 marketing year (Aug – Jul). Global cotton consumption increased by 2% to 27.3 Mt during 2018. China remained the largest raw cotton consumer, accounting for around one-third of total spinning mill use, followed by India. In recent years, strong growth of the spinning and textile industries has spurred the processing of raw cotton in Bangladesh, Turkey and Viet Nam, a trend which continued in 2018. Estimated global raw cotton ending stocks declined by 7% to 17.8 Mt. Global cotton exports grew 7% to 9.5 Mt, or 37% of global production.

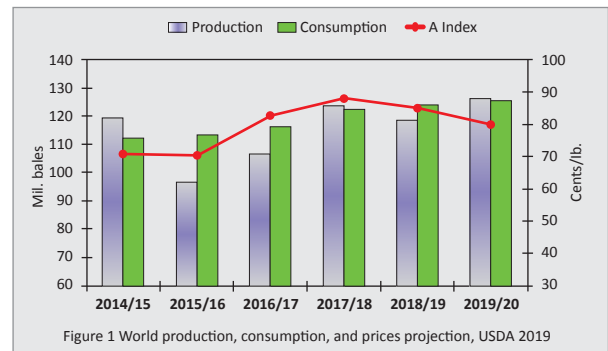


Figure 1 World production, consumption, and prices projection, USDA 2019

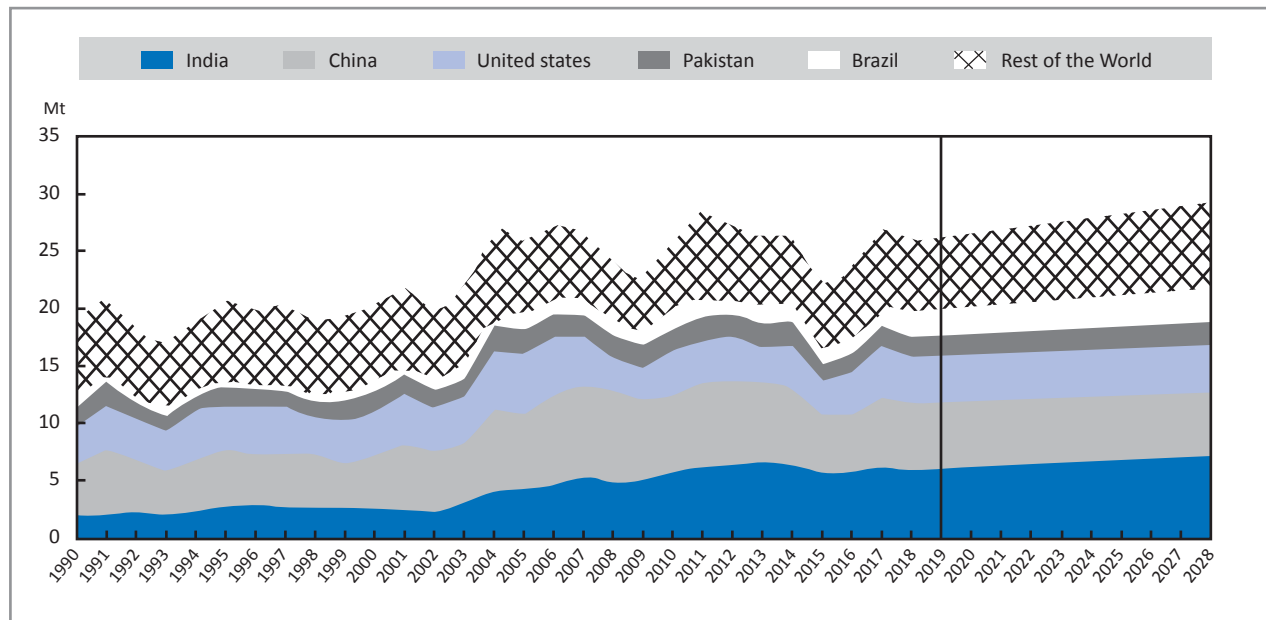
On the demand side, imports increased in China as well as in Viet Nam and Bangladesh; as neither of the latter two have much domestic cotton production, their growing cotton consumption is mirrored by growing imports.

The Cotlook A index (the main reference for international cotton prices) grew from USD 1750/t in August 2017 to almost USD 2200/t in August 2018.

Production

Cotton is grown in subtropical and seasonally dry tropical areas in both the northern and southern hemispheres. The main producing countries are India, China, United States, Brazil, and Pakistan. Together, these countries account for more than three-quarter of global production.

World cotton production



Source: OECD/FAO (2019), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database)

At a global level, the cotton area is projected to grow by 9% while yields are only projected to increase by 6%. In the last decade, global yields were stagnant because of stagnant yields in some major producers (USA, Pakistan, India, etc.) and because the cotton area declined in the United States and China while it expanded in India. These two factors are expected to continue to affect global yield trends in the coming decade, despite growth in both yields and cotton area in Brazil.

Production in India is projected to grow by around 1.8% p.a. over the coming decade due in large part to a growing demand for cotton to supply the domestic apparel industry. Chinese cotton producers currently achieve yields per hectare which are twice the world average and, even though yields are still below potential levels, further improvement may become more difficult. In Brazil, cotton is grown in part as a second crop in rotation with soybeans or maize.

Consumption

Cotton consumption statistics in this article refers to the use of cotton fibers by spinning mills for the production of yarn. The mill use depends on the global demand for textiles as well as on competition of substitutes such as polyester and other synthetic fibers. Over the past decades, global demand for textile fibers has grown strongly, but most of this demand has been met by chemical fibers.

Per capita consumption of non-cotton fibers overtook that of cotton in the early 1990s, and has continued to grow strongly. By contrast, global per capita

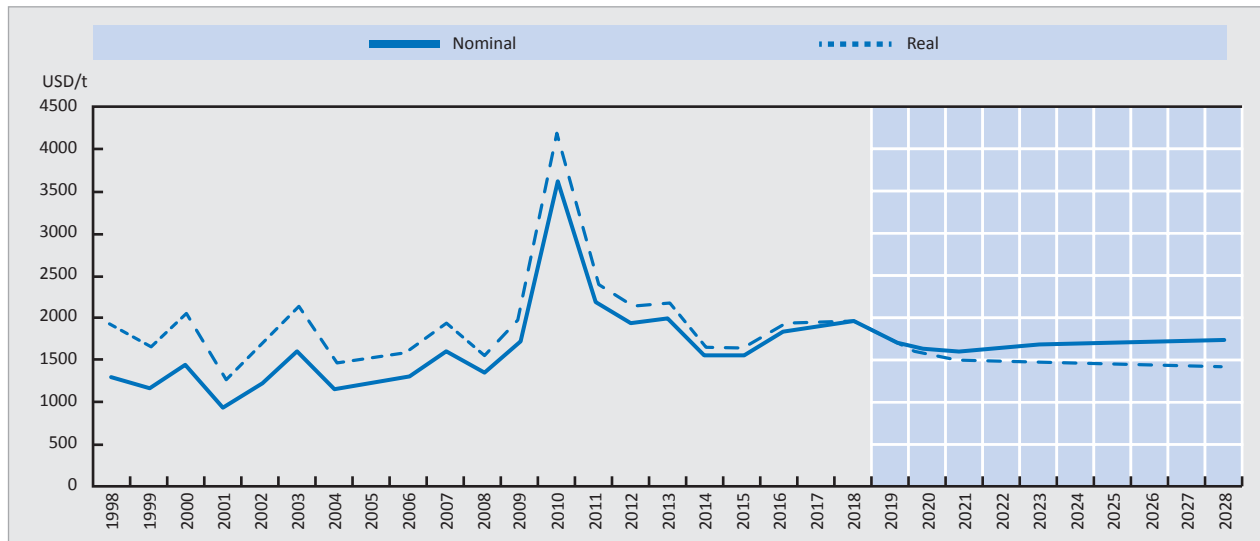
consumption of cotton fibers has not increased much over time and has even decreased in recent years. As a result, global cotton consumption peaked in 2007 at 27 Mt, but decreased to around 26 Mt in 2016-18.

Consumption in China peaked in 2007, and since has fallen by 20%. This decline was partly due to a decrease in government purchases of cotton. This decline also reflects a more structural change as higher labor costs and more stringent regulations stimulated a move of the industry to other Asian countries, notably Viet Nam and Bangladesh.

Prices

International cotton prices are expected to decrease in real terms throughout the projection period (2019-2027), as world cotton demand remains under pressure from synthetic fibers, notably polyester. Cotton prices have historically been sensitive to demand and supply shocks. The potential for demand or supply shocks to create volatility still exists, but a repeat of the 2009-10 price peak seems unlikely given higher global stocks outside China. However, decisions on destocking in China can affect the projections.

World cotton prices



Source: OECD/FAO (2019), "OECD-FAO Agricultural Outlook", OECD Agriculture statistics (database)

Trade

The global trade in raw cotton is expected to reach 12 Mt in 2028. Trade is expected to grow faster than overall consumption and production given demand growth in countries without much domestic cotton production, such as Bangladesh and Viet Nam, and declining domestic mill use in Brazil. The United States will remain the world's largest exporter throughout the outlook period, accounting for almost a third of global exports in 2028. Brazilian exports are expected to grow strongly over the next decade, as Brazil emerges as the second-largest exporter by 2028.

Supply and Demand

World trade in 2019-20 is projected at 45.0 million bales, up modestly from 2018-19. China's imports are projected higher, as are those for Vietnam and Bangladesh. With larger supplies outside of China, stocks outside of China are likely to increase again in 2019-20. The A Index is projected 5 cents below its expected 2018-19 average, at 80 cents per pound.

Table: World Cotton Supply and Demand

Particular	Unit	2018-19 estimated	2019-20 projected	Change
Beg. Stocks	Mil. Bales	81.1	75.5	-6.9%
Production	"	118.5	126.5	6.8%
Imports	"	42.3	45.0	4.6%
Total supply	"	199.5	202.0	1.2%
Consumption	"	123.6	125.5	1.5%
Exports	"	42.3	45.0	6.3%
Total use	"	124.0	125.5	1.2%
Ending stocks	"	75.5	76.5	1.3%
China stocks	"	32.4	28.0	-13.6%
Stocks-to-consumption	%	61.1	61.0	-0.2%

Source: USDA, 2019

Uncertainties

Economic growth and urbanization will affect the per capita demand for cotton textiles in developing and emerging economies. Any deviation from the per capita demand trend for the developing world could lead to important changes in global consumption, production and trade projections. In the short run, demand for textiles depends on economic conditions; a global recession could therefore lead to a drop in cotton demand.

Recycling by the textile industry is creating a steady secondary market, which competes to provide raw material to producers of lower-quality textiles and non-textile products. This trend could further reduce the demand for cotton and other fibers.

Policy measures can also affect consumption trends. Several East African countries are moving towards discouraging second-hand clothing imports, which could give a push to cotton consumption and encourage value addition in Africa.

Cotton Outlook for Bangladesh

Production

According to USDA, Marketing year (MY) 2019-20 (Aug-Jul) cotton area forecast is up to 45,000 hectares, due to farmers gaining interest to increase cotton area because of expected higher profit margins through contract growing and utilization of land in the hill tract region with joint technical support by the Government of Bangladesh and cotton spinning mills. In MY 2019-20, production is forecasted to rise to 139,000 bales assuming favorable weather and expanded area of high yielding varieties, while cultivation area forecast is revised down to 44,000 hectares and the production level is also revised down to 135,000 bales in MY 2018-19.

Consumption

MY 2019/20 raw cotton consumption is projected to rise to 8.6 million bales on the expectation of increased yarn and fabric use in the apparel industry due to further international demand as Bangladesh enjoys a competitive advantage. MY 2018/19 consumption is estimated to rise slightly to 8 million bales from increased yarn and fabric use to meet ready-made garments demand by non-traditional importers.

Import

According to Bangladesh Bank, Bangladesh imported cotton from 41 countries around the world in MY 2017-18. Among them, India (25%) and the U.S. (10%) take the largest share of volume, followed by Australia (9%), Mali (9%), Benin (8%), and others.

Top Source Countries for Raw Cotton Import in Bangladesh (BDT Billion)			
2017-18	Import	2016-17	Import
India	63.79	India	60.73
USA	24.95	Uzbekistan	32.46
Australia	21.64	USA	17.53
Mali	18.03	Mali	13.36
Benin	16.54	Australia	12.17

Source: Bangladesh Bank

Price

According to USDA, from July 2018, cotton prices started falling in the international market and Bangladesh imported a higher amount of cotton from September 2018 to January 2019 compared to the previous year. Although cotton prices in India rose within the first two weeks of March, 2019 due to lower production estimates, the country still targets China and Bangladesh as their main export markets.

Some textile millers are struggling with the lower price of yarn and fabric in the domestic market, but export opportunities continue to support cotton imports with strong demand. As a result of cheaper cotton and fabric, Bangladesh continues to receive increased orders for their finished garments from international partners.

Uncertainties

As one of the leading global importers of cotton, Bangladesh is likely to be affected by the global uncertainties. Global economic change and its Exchange rate play a vital role for both RMG and its backward linkages. Stress on the external sector, cotton gets expensive to domestic yarn manufacturers, which ultimately affects the price of RMG export in Bangladesh. Export trend of yarn from India is currently seen reducing, indicates possible yarn dumping. Yarn dumping, as seen in last two decades, put the backward linkage factories (spinning, weaving, and knitting) of Bangladesh at risk of incurring loss.

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NATIONAL NEWS

BB unveils monetary policy for FY20



The Bangladesh Bank (BB) announced the Monetary Policy Statement for the first half of FY20 cautioning on a couple of near-term domestic risk factors that may hamper

attainment of the monetary program objectives. If the monsoon flood now engulfing wide expanses of the country prolongs or recurs, agricultural output losses can be significant, BB Governor Fazle Kabir told. Ongoing global trade war and geopolitical tensions are uncertainties in the external front that may or may not impair attainment of BB's FY20 monetary program outcomes, the governor added. The Central Bank will be closely monitoring the risk factors to attainment of FY20 monetary program objectives and will address them if the need arises. The BB's FY20 monetary policy stance and monetary program will cautiously accommodate monetary and credit expansion needs of all productive pursuits for attaining the FY20 real GDP growth target of 8.2 percent. They will also keep the CPI inflation contained within the targeted ceiling of 5.5 percent.

Bangladesh Bank inks deals with 7 banks, NBFIs



Bangladesh Bank (BB) recently signed participation agreements with five banks and two non-bank financial institutions (NBFIs)

to strengthen economic sustainability of the readymade garment (RMG) sector. Under the agreements, the central bank has enlisted the banks and FIs as the Participating Financial Institutions (PFIs) under the 'Programme to Support Safety Retrofits and Environmental Upgrades in the Bangladeshi Ready-Made Garment (RMG) Sector Project (SREUP)'. The selected banks and FIs are: Mutual Trust Bank Limited, Southeast Bank Limited, One bank Limited, NCC Bank Limited, Bank Asia Limited, IDLC Finance Limited and IPDC Finance Limited. With the Euro 50 million credit and Euro 14.29 million grant facilities from AFD and other developing partners European Union (EU), KfW, GIZ and BB, this project is initiated to support the sustainability through providing financial and technical support for safety retrofits and environmental and social up gradation of the RMG sector.

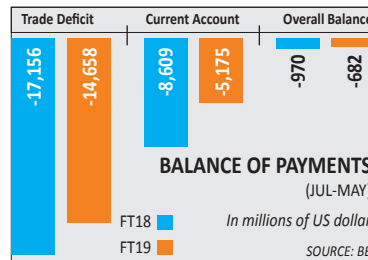
BB bent on 9-6pc interest rates

KEY POINTS
46 banks failed to maintain 9-6% rates for lending and deposit respectively
Liquidity crisis to worsen if the rates are followed, bankers say
In April, excess liquidity stood at BDT 66,760cr, down 8.23pc year-on-year
No govt entity shows interest in parking fund with banks at 6pc

The central bank is adamant about having 9 percent and 6 percent interest rates respectively for lending and deposits in the banking sector, slapping the 46 errant banks with warning letters recently. The higher rates are not acceptable

given the commitment made by the sponsors of private banks in August last year, the Bangladesh Bank (BB) said in the letter on July 8 to 46 banks whose interest rates are well above the specified rates. As of April, the excess liquidity in the banking sector stood at BDT 66,760 crore, down 12.60 percent from December last year and 8.23 percent a year earlier, according to data from the central bank. The interest rate of the national savings instrument ranges from 11.04 percent to 11.76 percent while banks offer a maximum of 7-8.50 percent. In June, the interest rates on both lending and deposit of 31 banks exceeded the 9-6 percent bounds, according to data from the central bank.

Current account deficit narrows 40pc



A massive decline in import and an inflow of record remittance have helped narrow the current account deficit by 40 percent in the first

11 months of the just concluded fiscal year, much to the relief of the Bangladesh Bank. At the end of May the current account deficit stood at USD 5.17 billion, according to data from the central bank. Between July last year and May this year, exports increased 11.45 percent year-on-year to USD 37.18 billion, while imports grew only 2.62 percent to USD 51.84 billion. This narrowed the trade deficit by 14.56 percent year-on-year to USD 14.65 billion. Despite attracting a record remittance last fiscal year, the inflow dropped 11.55 percent to USD 1.36 billion in June, he said, while urging the central bank and the government to focus on the issue on a priority basis. Any country must maintain foreign exchange reserves to make import payments for at least three months and Bangladesh's reserves now are good for at most 5.2 months, down from 5.3 months a month ago and 5.8 months a year ago.

NATIONAL NEWS

BB allows USD 10,000 for travel abroad on medical grounds



Bangladesh Bank (BB) now allows releasing USD 10,000 or an equivalent amount through authorised dealers for travel abroad on health grounds of Bangladeshi nationals against documentary

medical evidences. Such facility may also be usable through international cards (prepaid or debit or credit), subject to adherence to applicable instructions, according to a BB circular issued recently. To streamline card reporting procedure, the circular said, a new field named "Medical Quota" has been added under ENTITLEMNT menu in online international card monitoring system for reporting of foreign exchange released through international cards (prepaid or debit or credit) for travelling abroad on health grounds. In accordance with the above reporting procedure, authorised dealers (ADs) are advised to report foreign exchange transactions executed through international cards on account of health grounds.

BB devising strategy to check probable misuse



Bangladesh Bank is working to devise a strategy for prevention of possible misuse of the government-announced 2 per cent incentives against inward

remittance of the wage earners. As per the latest data, remittance inflow hit record USD 16.4 billion in the immediate past fiscal year (2018-2019). Considering the total remittance receipt in FY19, the government will have to spend around BDT 2,755.2 crore in each year for giving incentives against remittance. Implementation of the goal number 10.c of the sustainable development goals has prompted the government to give the incentives. Under the goal number 10.c of SDG, the government has mandate to bring down the cost of remittance sending to below 3 per cent on average and to ensure less than 5 per cent cost of sending money from any destination within 2030.

BB raises maximum limit of US dollar for travelers



The central bank has increased the maximum limit of cash US dollar for travelers' to USD 12,000 from the existing level of USD 5,000 and USD 7,000

for a calendar year. The revised limit of foreign exchange for private travel abroad will come into effect from January 2020, according to a notification, issued by the Bangladesh Bank (BB) recently. Currently, the banks are allowed to release foreign exchange to an adult Bangladeshi national residing in Bangladesh during a calendar year upto USD 5,000 or equivalent for travel to South Asian Association for Regional Cooperation (SAARC) member countries and Myanmar, and USD 7,000 or equivalent for travel to other counties. For minors (below 12 years in age) the applicable quota, as before, will be half the amount admissible for adults, according to the notification. As usual, release of foreign exchange in the form of USD notes shall not exceed USD 5,000 per person within the entitlement, it noted.

BB increases farm loan disbursement target by 10.66pc

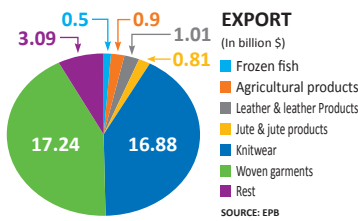


The central Bank has raised the agriculture and rural loan disbursement target by 10.66 per cent for the current fiscal year (FY2019-20), compared

to the immediate past fiscal year. The central bank set the target at BDT 241.24 billion for FY20, which was BDT 218.00 billion in the last fiscal. According to the new policy, state owned commercial and specialised banks will disburse BDT 103.75 billion while private and foreign commercial banks will disburse BDT 137.49 billion. In the previous fiscal FY19, agricultural and rural credit was disbursed among 38,83,424 person in total of which number of women borrower is 16,01,856 who have received BDT 71.91 billion as credit. In the previous year 29,89,237 small and marginal farmers have received around BDT 163.23 billion from different banks. Beside this BDT 316.10 million was disbursed among 9,950 farmers of char, haor and less developed area of the country.

NATIONAL NEWS

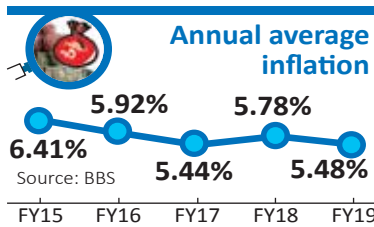
Double-digit export growth in FY19



The country's merchandise export earnings grew by 10.55 percent year-on-year to USD 40.53 billion in the immediate past

fiscal year riding on a high volume of garment shipment in a favourable external business environment. The earnings were 3.94 percent higher than the annual target of USD 39 billion in 2018-19. In 2017-18, Bangladesh exported goods worth USD 36.66 billion. However, June recorded one of the lowest export receipts at USD 2.78 billion, which is also 5.27 percent less than that of the corresponding month in the previous fiscal year, according to Export Promotion Bureau (EPB) data released recently. In June of 2017-18, Bangladesh's export earnings were USD 2.93 billion. June's receipts were also 22.65 percent lower than the monthly target of USD 3.60 billion set by the government. Garment export earnings, which accounted for over 84 percent of the national exports, amounted to USD 34.13 billion, registering an 11.49 percent year-on-year growth. Of the amount, USD 16.88 billion came from knitwear and USD 17.24 billion from woven garment products.

Inflation cools in FY'19 after steep increase



After a sharp rise, the average inflation rate fell to 5.48 per cent in the just-concluded fiscal year, the government said.

The inflation rate is 0.08 percentage points lower than the government's 5.6 per cent target in 2018-19 fiscal. But the average inflation rate in FY'18 was higher at 5.78 per cent. After the steep rise since January this year, the point-to-point inflation rate in June dropped to 5.52 per cent, according to the Bangladesh Bureau of Statistics (BBS) data released recently. In May, the point-to-point inflation rate was recorded at 5.63 per cent. The rate of inflation on point-to-point basis in June last year was, however, lower at 5.54 per cent. BBS data showed food inflation dropped slightly to 5.40 per cent in June from 5.49 per cent a month earlier. Besides, non-food inflation fell to 5.71 per cent from 5.84 per cent in May.

3 economic zones get USD 17.91b investment proposals



Businesses from home and abroad have come up with investment proposals worth USD 17.91 billion in Mirsarai, Sreehatta and Moheshkhali economic

zones, which are now under construction. Around USD 5.78 billion will come as foreign direct investment from companies in China, South Korea, Japan, India, Singapore, the UK, Australia, Malaysia and the US. Over 60 local companies will invest the rest USD 12.13 billion, according to data from Bangladesh Economic Zones Authority (Beza). BDT Group, Karmo Foam Industry, Mango Teleservices, BDCOM Online, Bashundhara Group, Siraj Cycle Industries Ltd, Abdul Monem Limited, Star Consortium and Ayesha Clothing Co Ltd are the major local investors. Among the foreign ones, the highest investment proposal worth USD 2.83 billion came for the power sector from two Chinese companies. South Korean entity Super Petrochemical showed interest to invest USD 2.38 billion in petrochemicals, the second biggest amount. A Singaporean company stood third in the list with a fund of USD 400 million for the food processing sector.

Agri exports fetch ever highest USD 909 million



Bangladesh received all-time high earnings from agricultural product exports in the just-passed fiscal year (FY), 2018-19, riding on processed food

shipments. Business insiders have attributed this to massive development in 'compliance issues' of the country which put a positive impact on export receipts. The country fetched USD 909 million, 35 per cent up from that of FY '18, by exporting processed items like vegetable, betel leaf, tea, dry food, tobacco, fruit and foliage. According to the Export Promotion Bureau (EPB), earnings from farm produce in FY '19 are also 28 per cent higher than the USD 711-million target. Dry and other processed food items fetched 77 per cent or USD 700 million of the total earnings. Vegetable sector showed a tremendous performance by pulling in USD 100 million followed by tobacco USD 63 million and spices USD 42 million.

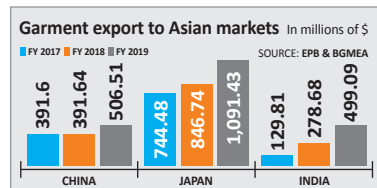
NATIONAL NEWS

Furniture export posts 18.5pc growth



The export earnings from the country's furniture industry witnessed an 18.53 per cent growth in the last fiscal year (FY19) totaling USD 74.89 million. This figure was also 7.0 per cent higher than the fiscal target of USD 70 million, according to the latest data of the Export Promotion Bureau (EPB). The country bagged USD 63.18 million from furniture exports in the FY18. Industry insiders said the Bangladeshi furniture is gradually becoming popular among the foreign buyers due to its qualitative standard, time befitting design while the furniture industry has moved much ahead over the last one decade due to modern designs and innovations. The demand of Bangladeshi furniture is high especially in the Middle Eastern countries side by side the export market of furniture is gradually expanding in the USA, the UK, Japan, Australia, Russia, and South East Asian countries. Bangladesh is moving fast in the competitive global furniture market. Bangladesh is now being considered as an alternative to China for furniture exports.

RMG exporters looking East



Three Asian nations India, China and Japan are fast emerging as major apparel export destinations

for Bangladesh after a jump in orders in the immediate past fiscal year. For instance, Japan became the first country in Asia to receive more than USD 1 billion of apparel shipments from Bangladesh last fiscal year. Bangladesh exported garment items worth USD 1.09 billion to Japan in fiscal 2018-19, up 28.90 percent year-on-year, according to data from the Export Promotion Bureau (EPB). The reasons for the continuous rise in garment exports to Japan a country with a USD 45 billion garment market are its "China plus one" strategy adopted in 2008 and its zero-duty benefit to Bangladesh as a least developed country. Currently, nearly 80 percent of the demand for apparel is met by Chinese manufacturers. Similarly, garment exports to India swelled 79.09 percent year-on-year to USD 499.09 million last fiscal year. Garment export from Bangladesh to China grew 29.33 percent year-on-year to USD 506.51 million last fiscal year.

Vivo to open mobile assembly plant in Bangladesh



Chinese smartphone manufacturer Vivo is all set to roll out the first mobile assembly plant in Bangladesh with full foreign direct investment, as international companies flock to the country to make the best use of the favourable tax regime. The plant in Rugganj of Narayanganj will put together at least one million smartphones every year. Currently, there is 57 percent tax on smartphone import and 32 percent on basic and feature phones. The tax for locally assembled and manufactured handsets is 18 percent and 13 percent respectively. Vivo's plant will be the seventh assembly unit in Bangladesh. Of them, six are already assembling handsets. Local brand Walton became the first company in Bangladesh to set up a mobile phone assembly plant in October 2017. Currently, six assemblers are meeting more than 40 percent handset demand in the country and it will reach 55 percent after Vivo's products hit the market. Samsung is assembling more than 1.5 lakh pieces of smartphones in its plant in Narsingdi.

Burgeoning economy lures Korean investors



BANGLADESH'S EXPORT TO S KOREA (*11 months to May 2019)	S KOREA'S EXPORT TO BANGLADESH
FY 09 :\$101m	FY 09 :\$865m
FY 13 :\$250m	FY 13 :\$1.26b
FY 18 :\$255m	FY 18 :\$1.2b
*FY 19 :\$348m	

In a heartening development, more and more South Korean companies are coming to Bangladesh with investment plans, attracted by the country's tremendous growth momentum. Super Petrochemical teamed up with SK Group of South Korea

last year to invest USD 2.5 billion for setting up a petrochemical complex and a liquefied petroleum gas terminal in Moheshkhali. More than 150 Korean companies have invested a total of USD 1.15 billion in Bangladesh, making the East Asian country the fifth highest investor. In the last six months about 20 big Korean companies showed their interest in Bangladesh as the investment climate is improving very fast. Bangladesh's export to South Korea is on the rise but the trade gap is still heavily tilted towards the Asian economic giant. In fiscal 2008-09, Bangladesh's exports to Korea stood at USD 101.28 million, which soared to USD 254.84 million a decade later, according to data from the Export Promotion Bureau. And in the first 11 months of the last fiscal year it stood at USD 348 million. In contrast, Korea's exports to Bangladesh in fiscal 2017-18 stood at USD 1.2 billion, up from USD 864.78 million a decade earlier.

NATIONAL NEWS

Pharma exports soar 26pc



Bangladesh's medicine exports soared 25.60 percent year-on-year to USD 130 million last fiscal year thanks to continuous improvement of product quality and government support. Local players dominate Bangladesh's pharmaceutical industry. Square Pharmaceuticals is the major player with 18.8 percent share, followed by Incepta at 10.2 percent, Beximco 8.5 percent, Opsonin 5.6 percent, Renata 5.1 percent and Eskayef 4.5 percent, according to the Bangladesh Association of Pharmaceuticals Industries (BAPA). Multinational companies Radiant, Sanofi and Novo Nordisk also have significant presence with their specialised products. According to BAPA, Bangladesh exports pharma products to 144 countries and caters to 97 percent of the domestic market. In 2017, the per capita consumption of medicine in Bangladesh was about USD 15.36. The market size of the sector is about BDT 22,000 crore. In 2012, the local market size stood at about BDT 9,390. In 2017, it stood at BDT 18,755.6 crore, according to IMS Health Care Report.

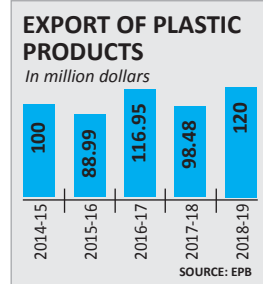
Import growth 6.0pc in July-May of FY '19



Country's imports grew by nearly 6.0 per cent in the first 11 months of fiscal year (FY) 2018-19, riding on higher

construction material imports. The actual import in terms of the settlement of letters of credit (LCs) rose to USD 50.57 billion during the July-May period from USD 47.79 billion in the same period of FY '18, according to the central bank's latest data. Meanwhile, the import of intermediate goods like coal, hard coke, clinker and scrap vessel jumped by more than 35 per cent to USD 5.23 billion during the period under review from USD 3.86 billion in the same period of FY '18. Higher imports of petroleum products like liquefied natural gas also raised overall import spending during the same period. Imports of petroleum products increased by 16.08 per cent to USD 3.44 billion in 11 months of FY '19 from USD 2.97 billion in the same period of FY '18.

Export of plastic products rises as new markets emerge



Shipments of plastic products rose 22 percent year-on-year to USD 120 million in fiscal 2018-19, something manufacturers and traders attribute to the emergence of new export destinations. In fiscal 2017-18, the export had seen a 16 percent year-on-year drop when China stopped importing PET (polyethylene terephthalate) bottle scrap, according to the Export Promotion Bureau. Currently there are around 100 plastic product manufacturers who also aid export earnings of almost USD 800 million per year through direct and indirect backward linkage supplies to different sectors, especially the apparel sector.

The association president said the plastics sector was quite dependent on raw material import, for which global competitiveness had an influence on their business. The sector's sales is growing by about 20 percent every year on the back of spiralling demand from domestic and export markets. Domestic market sales hit BDT 30,000 crore in fiscal 2018-19, up from BDT 25,000 crore in the previous year.

Govt drafts policy to curb FDI in tobacco industry



The government is planning to restrict foreign direct investments (FDI) in the tobacco sector so that the supply of the harmful elements can be curtailed. The draft National Tobacco

Control Policy, which was recently sent to the ministries and departments concerned seeking opinions, said controlling the supply chain is important alongside lowering the demand to contain tobacco consumption. In 2018 Bangladesh received USD 3.61 billion in FDI, of which USD 1.47 billion came from Japan to acquire local Akij Group's tobacco business. Foreign investment is substantial in several tobacco companies in Bangladesh, including the British American Tobacco, which is the top market player. The draft policy noted that to contain the tobacco supply in the market, steps will be taken to encourage farmers to cultivate other crops instead of tobacco. A separate policy will be formulated to control tobacco cultivation, it said. Farmers engaged in tobacco cultivation will be given permanent jobs in other sectors, according to the policy.

MTB Junior



Show your little ones the value of saving with MTB Junior - an exclusive savings account for school and college students that lets your youngsters enjoy the benefits of savings and secure their future.

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MTB SIGNS PFI AGREEMENT FOR UPGRADES IN BD RMG



Mutual Trust Bank Limited (MTB) has signed a participation agreement with Bangladesh Bank (BB) for utilization of funds under Supporting Safety Retrofits and Environmental Upgrades in the country’s RMG Sector Project (SREUP) sponsored by Alliance Française de Dhaka (AFD) with technical support from the European Union (EU), KfW and the GIZ on July 30, 2019 at Bangladesh Bank Head Office.

A total of four banks and two NBFIs under this project signed the agreement as Participating Financial

Institutions (PFIs). S. M. Moniruzzaman, Deputy Governor, Md. Abdul Mannan, General Manager & Project Director, SREUP, Kamrul Hasan Khan, Head of Wholesale Banking, MTB are seen in the picture.

MTB & DU LAUNCH CO-BRANDED CREDIT CARDS FOR DU TEACHERS AND OFFICIALS

MTB and The University of Dhaka (DU) have recently launched exclusive MTB-DU Visa Signature & Platinum Credit Cards for the teachers and officials of the University, at Dr. Abdullah Faruk Conference Hall on July 16, 2019 in the presence of Professor Shibli Rubayat Ul Islam, Dean, Business Studies Faculty as the Chief Guest and Professor Dr. Abul Hossain as the Special Guest.



MTB will offer top category Visa branded credit cards to the teachers and officials of the University with exclusive benefits like reduced cost, free access to MTB Air Lounges across the country, complimentary Priority Pass and insurance benefits and many more.

Professor Dr. Md. Mizanur Rahman, Chairman, Department of Marketing, Professor Dr. Md. Nizamul Hoque Bhuiyan, Professor Dr. Muhammad Abdul Moyeen, Department of Organization Strategy and Leadership and Syed Rafiqul Haq, Deputy Managing Director & Chief Business Officer, Goutam Prosad Das, Deputy Managing Director and other senior officials from MTB along with teachers & officials from DU were present at the ceremony.

MTB LAUNCHES CO-BRANDED CREDIT CARD FOR APEX REWARDS GOLD MEMBERS



MTB and Apex Footwear Limited have recently launched an exclusive MTB-Apex Rewards VISA Platinum credit card for Apex Rewards Gold members at the bank's Corporate Head Office, MTB Centre, 26 Gulshan Avenue Gulshan 1, Dhaka 1212 on July 30, 2019.

Syed Nasim Manzur, Managing Director, Apex Footwear Limited and Anis A. Khan, Managing Director & CEO, MTB signed the agreement on behalf of their respective organizations in the presence of Syed Manzur Elahi, Chairperson of Apex Footwear Limited and Founding Chairman of MTB. MTB will offer top category

Visa branded credit cards to the Apex Rewards Gold members with exclusive benefits like reduced cost, free access to MTB Air Lounges across the country and insurance benefits and many more.

Rajendran Chandran Pillai, CEO and Sudarshan Reddy, COO, Apex Footwear Limited and Syed Rafiqul Haq, Deputy Managing Director & Chief Business Officer, Goutam Prosad Das, Deputy Managing Director, Mohammad Anwar Hossain, Head of Cards and Azam Khan, Group Chief Communications Officer, MTB along with other senior officials from both the organizations were present during the occasion.



MTB BANKING BOOTH INAUGURATED AT KALIR BAZAR, CUMILLA

MTB has recently opened its first Banking Booth at Kalir Bazar, Cumilla 3500. Tarek Reaz Khan, Deputy Managing Director, MTB along with Md. Abdul Hai Bablu, Director, Ansar-VDP Unnayan Bank and Vice Chairman, Cumilla Sadar South Upazila inaugurated the Banking Booth at a simple inauguration ceremony held at the booth premises.

Alhajj Md. Sekandar Ali, Chairman, Kalir Bazar Union Parishad, Azam Khan, Group Chief Communications Officer, other MTB senior officials, managers of nearby MTB branches, local elite, leaders of local business associations, people from different strata also attended the inauguration ceremony.



MTB FOR GIRLS' RIGHTS TO EDUCATION BY SUPPORTING THE "HAPPY HOME" PROJECT OF ACTIONAID



MTB and ActionAid International Bangladesh (AAIB) recently signed a Memorandum of Understanding (MoU) to bear the expenses for education and vocational training of vulnerable girls residing in the "Happy Home" hostel supervised by AAIB.

Farah Kabir, Executive Director, AAIB and Azam Khan, Group Chief Communications Officer, MTB signed the MoU on behalf of the respective organizations at a simple ceremony held on July 04, 2019 at the office of ActionAid International Bangladesh, Gulshan 1, Dhaka 1212.

The education sector of the country has always been a priority for MTB's initiatives related to Corporate Social Responsibility (CSR).

MTB DISTRIBUTES SCHOLARSHIPS AMONGST STUDENTS IN KUSHTIA THROUGH MEDHA

MTB recently distributed scholarships of BDT 200,000 among the underprivileged meritorious students in Kushtia through MEDHA, as part of the bank's Corporate Social Responsibility (CSR) program.

Munshi Md. Moniruzzaman, CEO & Deputy Secretary, Kushtia Zilla Parishad was the Chief Guest at the scholarship distribution ceremony held at a local Convention Centre at Kushtia 7000 on July 29, 2019. MEDHA is a Kushtia based non-profit organization working in improving education in the area.



Engineer Khondker Salahuddin, President, MEDHA, Azam Khan, Group Chief Communications Officer, Mohammad Nasir Uddin, Manager, MTB Kushtia branch, teachers, students including their guardians, along with local elite, people from different strata were also present at the occasion. As part of its CSR activities, MTB has been distributing scholarship in Kushtia through MEDHA since 2015.

WORKSHOP ON “FOREIGN EXCHANGE TRANSACTIONS & ONLINE REPORTING TO BANGLADESH BANK”



MTB organized a daylong workshop on “Foreign Exchange Transactions & Online Reporting to Bangladesh Bank” at MTB Training Institute (MTBTI), MTB Square, 210/A/1 Tejgaon Industrial Area, Dhaka 1208 on July 14, 2019.

WORKSHOP ON “MONEY LAUNDERING AND TERRORIST FINANCING RISK MANAGEMENT”

MTB organized a daylong workshop on “Money Laundering & Terrorist Financing Risk Management” at MTBTI, MTB Square, 210/A/1 Tejgaon Industrial Area, Dhaka 1208 on July 08, 2019.



SCHOOL BANKING CAMPAIGN AT CUMILLA BRANCH



MTB Cumilla branch conducted a School Banking campaign amongst the students of Komolapur Girls’ High School at Kalir Bazar, Adarsha Sadar, Cumilla 3500 on July 07, 2019.

NATIONAL NEWS

ONE Bank re-elects Chairman



The Board of Directors of ONE Bank Limited has re-elected Sayeed H Chowdhury as Chairman of the bank. Sayeed is the Founder Chairman and CEO of HRC. He is a member of the British Institute of Management. Sayeed is the Chairman of Media New Age

Limited and Information Services Network Limited. He is also the honorary adviser of Bangladesh Ocean Going Ship owners' Association (BOGSOA).

Nesar elected RMC Chair of NRB Bank



Nesar Ahmed Choudhury has been elected as Risk Management Committee Chairman of NRB Bank Limited. He is the youngest President of BMA UK, ex-governor of Mersey Vale Primary School, Heaton Mersey, Stockport UK and Director of NA Choudhury Limited.

New MD for AB Bank



Tarique Afzal has recently been appointed as President and Managing Director of AB Bank Limited. Prior to this position, he was acting President and Managing Director of the same bank. He joined AB Bank as Deputy Managing Director. Starting his career in London in 1980, Afzal

served in Credit Union in Canada, ANZ Grindlays Bank and Standard Chartered Bank in Bangladesh and abroad. He also worked at BRAC Bank Limited and Bank Alfalah.

Exim Bank MD reappointed



Mohammed Haider Ali Miah has reappointed as Managing Director of Exim Bank Limited. Miah started his banking career in 1984 as a Probationary Officer. He joined EXIM Bank Limited in 2000 as Vice President. He was promoted as Deputy Managing Director in 2008

and Additional Managing Director in 2011.

New Vice Chairman for UCB



Bazal Ahmed has recently been elected as Vice Chairman of United Commercial Bank Limited (UCB). He is also a member of the bank's Executive Committee. Ahmed is the Managing Director of Taj Accessories (Pvt.) Limited and Saikat Textile and the

proprietor of Taj Trading.

Rafiqul joins BASIC Bank as MD



Md Rafiqul Alam joined as Managing Director of BASIC Bank Limited. Prior to this position, he was Managing Director of Rajshahi Krishi Unnayan Bank Limited (RAKUB). He also served as Deputy Managing Director of Agrani Bank Limited and Bangladesh Development

Bank Limited. Rafiqul started his banking career joining Agrani Bank limited as Senior Officer in 1983.

Bank Asia reappoints Arfan as MD



Md. Arfan Ali has been reappointed as President and Managing Director of Bank Asia Limited for a second term. Ali started his career with Arab Bangladesh Bank as a Probationary Officer in 1991. He joined Bank Asia in 1999 and acted as a key team player in the acquisition of the

operations of two foreign banks in Bangladesh, the Bank of Nova Scotia and Muslim Commercial Bank of Pakistan.

Mehmood Husain NRB Bank CEO



Md Mehmood Husain has been reappointed Managing Director and CEO, NRB Bank for a second term. Husain started his banking career as a Probationary Officer at National Bank in 1984. During his 35-year career, he served several banks as Additional Managing Director at Prime

Bank Limited and President and Managing Director at Bank Asia Limited.

INTERNATIONAL NEWS

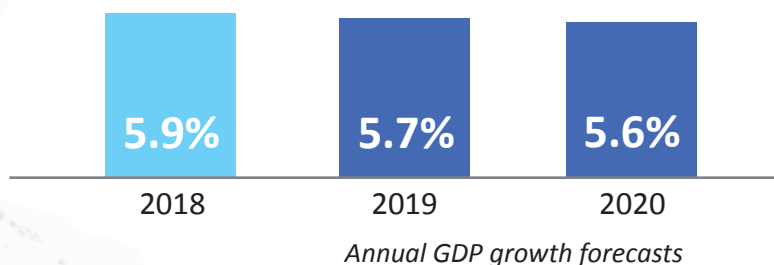
ASIAN DEVELOPMENT OUTLOOK SUPPLEMENT: OUTLOOK STEADY EVEN AS TRADE TENSIONS PERSIST

Growth outlook

Developing Asia is forecast to maintain strong but moderating growth in line with April forecasts in Asian Development Outlook 2019 (ADO 2019), even as trade conflict continues between the People's Republic of China (PRC) and the United States. The regional gross domestic product (GDP) is forecast to expand by 5.7% in 2019, as unexpectedly strong growth in Central Asia offsets small downgrades for East, South, and Southeast Asia in 2019, with growth slowing marginally to 5.6% in 2020. Excluding the newly industrialized

growth in the PRC is forecast to moderate from 6.3% in 2019 to 6.1% in 2020, unchanged from ADO 2019, as policy support offsets softening growth in domestic and external demand. Having moderated from 6.4% in the first quarter of 2019 to 6.2% in the second quarter, GDP growth stood at 6.3% in the first half of 2019.

Growth in Hong Kong, China slowed by half, from 1.2% year on year in Q4 of 2018 to 0.6% in Q1 of 2019, as the lackluster global economy undermined external demand, with knock-on challenges to domestic demand. Taipei, China grew by 1.7% year on year in Q1

**Developing Asia***

* Developing Asia refers to 45 members of the Asian Development Bank

economies of Hong Kong, China; the Republic of Korea (ROK); Singapore; and Taipei, China, the regional growth outlook is revised down slightly to 6.1% for 2019 and maintained at that rate for 2020 (Table 1).

Deepening trade tensions still constitute the main risk to the outlook. US–PRC negotiations broke down in May, prompting the US to raise the tariff rate on USD 200 billion worth of PRC imports from 10% to 25%, threaten tariffs on another USD 300 billion in PRC imports, and impose restrictions on doing business with the PRC telecommunications giant Huawei. The PRC retaliated by raising tariff rates on USD 60 billion worth of US imports.

East Asia

The growth outlook in East Asia is revised down slightly for 2019 from 5.7% to 5.6% on account of slower-than-expected expansion in the ROK. GDP there grew by only 1.7% year on year in Q1 of 2019, significantly slowing from 2.9% in Q4 of 2018 as investment and exports weakened. This Supplement thus revises down the April growth forecast for the ROK in 2019, from 2.5% to 2.4%, but retains the 2.5% projection for 2020. Growth forecasts for elsewhere in East Asia are retained. GDP

of 2019, nearly sustaining 1.8% growth in Q4 of the previous year but well below the 2.6% recorded in the whole of 2018. The forecast for 2019 remains unchanged at 2.2%, as does the 2.0% projection for 2020, but the outlook is vulnerable to spillover from the US–PRC trade conflict, especially if it escalates.

South Asia

The economic outlook for South Asia remains robust. Growth is projected at 6.6% in 2019 and 6.7% in 2020, albeit a tad lower than forecast in ADO 2019 in line with downgrades for India. GDP growth in India in Q4 of fiscal year 2018 (FY2018, ended 31 March 2019) declined to 5.8% year on year, down more sharply than expected from 6.6% in the prior quarter and the lowest in 5 years. The GDP growth forecast for FY2019 is revised down from the ADO 2019 forecast of 7.2% to 7.0%, mainly reflecting the unexpectedly weak FY2018 outturn. Growth is expected to inch up again to 7.2% in FY2020, helped by recent reforms to improve the business climate, strengthen banks, and relieve agrarian distress.

Elsewhere in South Asia, preliminary official estimates of GDP growth surpassed ADO 2019 forecasts for FY2019 in Bangladesh (ended 30 June 2019) and Nepal

Table 1: Gross domestic product growth (%)

	2018	2019		2020	
		ADO 2019	ADOS	ADO 2019	ADOS
Developing Asia	5.1	5.7	5.7	5.6	5.6
Developing Asia excluding the NIEs	6.4	6.2	6.1	6.1	6.1
Central Asia	4.3	4.2	4.3	4.2	4.2
Kazakhstan	4.1	3.5	3.6	3.3	3.3
East Asia	6.0	5.7	5.6	5.5	5.5
Hong Kong, China	3.0	2.5	2.5	2.5	2.5
Peoples' Republic of China	6.6	6.6	6.3	6.1	6.1
Republic of Korea	2.7	2.5	2.4	2.5	2.5
Taipei, China	2.6	2.2	2.2	2.0	2.0
South Asia	6.6	6.8	6.6	6.9	6.7
India	6.8	7.2	7.0	7.3	7.2
Southeast Asia	5.1	4.9	4.8	5.0	4.9
Indonesia	5.2	5.2	5.2	5.3	5.3
Malaysia	4.7	4.5	4.5	4.7	4.7
Philippines	6.2	6.4	6.2	6.4	6.4
Singapore	3.1	2.6	2.4	2.6	2.5
Thailand	4.1	3.9	3.5	3.7	3.6
Vietnam	7.1	6.8	6.8	6.7	6.7
The Pacific	1.0	3.5	3.5	3.2	3.2

ADO = Asian Development Outlook, ADOS = ADO Supplement, NIEs = newly industrialized economies (Hong Kong, China, Republic of Korea, Singapore; and Taipei, China).

(ended 16 July 2019). Growth in Bangladesh accelerated from 7.9% in FY2018 to 8.1% in FY2019 with faster growth in industry and services. Investment rose from 31.2% of GDP in FY2018 to 31.6% in FY2019. GDP growth in Nepal accelerated from an upwardly revised 6.7% in FY2018 to 7.1% in FY2019, substantially outperforming the ADO 2019 projection of 6.2% with stronger growth across all sectors.

Growth in Sri Lanka more than doubled from 1.8% year on year in Q4 of 2018 to 3.7% in Q1 of 2019. In Bhutan, electricity generation grew by 17.9% year on year in March 2019, and in the first 3 quarters of FY2019 (ended 30 June 2019) tourism continued to perform well on rising arrivals and revenue. Tourism excelled as well in Maldives, where arrivals in January–April 2019 grew by almost 20% year on year.

Southeast Asia

Data to the end of June 2019 show growth in Southeast Asia remaining robust, though slower than forecast. The sub region's more open economies faced the combined impacts of the trade conflict and a trough in the electronics cycle, which were partly offset by strong domestic demand. Indonesia sustained growth in Q1 of 2019 at 5.1% year on year. In 2019 and 2020, growth is forecast to continue at a healthy pace, boosted by robust domestic demand in line with the ADO 2019 forecast in April. Malaysia saw growth dip slightly in Q1 of 2019 to 4.5% year on year from 4.7% in 2018 and in

Q4 of that year. Malaysia's growth forecasts are retained at 4.5% for 2019 and 4.7% for 2020 as economic developments have been in line with expectations in ADO 2019.

Growth moderated in the Philippines from 6.3% year on year in Q4 of 2018 to 5.6% in Q1 of this year as the delayed passage of the national budget held back government spending. Public construction contracted by 8.6% while growth in government consumption eased from 12.6% year on year in Q4 of 2018 to 7.4% in Q1 of 2019. Singapore saw growth slow slightly from 1.3% in Q4 of 2018 to 1.2% in Q1 of 2019, brought on mainly by weak manufacturing and external trade. The growth forecast for 2020 is similarly adjusted down to 3.6%. Viet Nam has been the fastest-growing economy in Southeast Asia this year. Growth in the first half of 2019 is estimated at 6.8% year on year despite agriculture being hobbled by a prolonged drought and African swine fever. Growth in industry and especially manufacturing remained robust, though moderating from the first half of 2018. Growth projections remain at 6.8% for 2019 and 6.7% for 2020, in line with ADO 2019 forecasts.

Central Asia

The projected growth rate for Central Asia in 2019 is raised from 4.2% in ADO 2019 to 4.3%, mainly reflecting a slightly improved outlook for Kazakhstan, the sub region's largest economy. In the first 5 months of 2019, Kazakhstan grew by an estimated 4.0%, primarily thanks to a better outlook for global oil prices (see below). The 2019 growth projection for the country is thus raised from 3.5% in ADO 2019 to 3.6%. No change is made to 2019 growth projections for any other country in the sub region, and 2020 growth forecasts remain unchanged across the board.

The Pacific

Growth in the Pacific is still expected at 3.5% in 2019, unchanged from the ADO 2019 projection and reflecting an ongoing economic rebound in Papua New Guinea following last year's major earthquake. Tonga likewise posted stronger growth in its recently concluded fiscal year, supported by reconstruction in the aftermath of Cyclone Gita. The 2019 growth projection for Fiji is adjusted downward slightly in view of the completion of reconstruction following Cyclone Winston in 2016, which drove growth above expectations last year. In 2020, economic growth in the sub region is projected to ease to 3.2%, again mirroring trends in Papua New Guinea, where liquefied natural gas exports will likely stabilize.

Mate Item Finder



The one major drawback with cool tiny gadgets these days is that they can easily get lost. If one needs some help keeping tabs on the small stuff, Tile Mate

item finders are just the ticket. The keychain-sized Tile Mate is a diminutive 1.3 inches long and is just 0.2 inches thick. Simply attach a tracker to any item and you can use the Tile companion app to locate it virtually anywhere. Even without the app, one can still find nearby items by remotely making the Tile vibrate, flash, or ring.

Bellabeat Leaf health tracker



The Bellabeat Leaf health tracker is the fitness tracker that she'll actually want to wear. This fitness

accessory can be worn as a necklace or bracelet without looking bulky or obtrusive, and syncs with both iOS and Android to collect activity metrics via the companion app. The Bellabeat tracks steps taken, calories burned, sleep quality, stress levels, menstrual cycles, and more.

Lumen Metabolism Tracking Device



Make your nutrition easier to understand with the Lumen Metabolism Tracking Device. Connecting to an

app, this clever device takes all the guesswork out of your nutrition. Lumen works by analyzing your breath. With a single breath, Lumen can tell if you're burning carbs or fat. In addition, the app prompts you to continue your progress. It'll give you tips such as doing a boot camp workout, adding some extra sleep into your day, and more. Lumen helps you understand not only what to eat but when to eat with a daily meal plan. As a result, it can help you lose weight, get fit, and reach your goals. Incredibly, Lumen can even show you how past food choices can affect you the next day. Superbly compact yet powerful, you can easily use Lumen and the app anywhere you go.

Halo Sport headphones



The Halo Sport headphones are best for recovery after a big old slog on the treadmill. Halo Sport is a pair of headphones designed to improve your

brain's natural plasticity. By applying a mild electric field to the motor cortex, Halo's Neuropriming technology induces a state of "hyperplasticity". This is apparently because when you train in a hyperplastic state, the brain's normal fine-tuning process occurs more rapidly — meaning better results when you're training. Essentially, the headphones speed up a learning process or skill acquisition, improve movement efficiency (which decreases the 'cost' of exercise energetically and load wise), and therefore mean more efficient, less physically taxing training for better results. They are also a lot less painful to wear than they look.

MUAMA Enence Instant Translator



Numbers show that more than 95 percent of the world's 7500 million people speak only one language. Here language barrier has become one

of the greatest obstacles to people deciding to travel or having international business relations. Luckily, scientists have already tackled this universal problem and came up with a revolutionary invention — MUAMA Enence Instant Translator! This tiny portable device allows you to have a real time two-way communication with almost any person on this planet! Trying to get by in a new country? Going for shopping abroad? Meeting foreign business clients? MUAMA Enence Translator will meet any of your translation needs! Just press the button on the device and hold it until you finish your speech. The translator will recognize your message and speak out the translated result.

INTERNATIONAL NEWS



U.S. Overview

First Rate Cut since 2008 & a New Front in Trade War

August 2019 marks the 122nd month of uninterrupted economic expansion. Although that breaks the previous record, a number of warning lights highlight the vulnerabilities confronting the economy today.

Two developments since July monthly outlook have had a pronounced impact on financial markets: The Fed cut rates for the first time in over a decade and the trade war has expanded to include 10% tariffs on an additional USD 300 billion of goods coming in from China effective September 1.

Despite the hand-wringing these events have caused in financial markets, Wells Fargo makes the case here that the direct effects on economic growth are not terribly consequential. That said, turmoil in financial markets, should it continue, could sap consumer and business confidence. These “second order” effects on the economy could cause to be less sanguine.

Regular readers will note the sharp downward revision for full year growth for 2019 to 2.3% from 2.6% previously. This is largely a function of the annual revisions to the GDP numbers; the trend growth and underlying details of Wells Fargo forecasts for the rest of this year and 2020 are more incremental than the full-year growth estimates would otherwise suggest.

Wells Fargo suspects the Fed has at least one more rate cut in store and have pulled forward the timing of that cut to September. The new front in the trade war and market volatility suggest that if there is risk to call it would be even greater Fed easing.

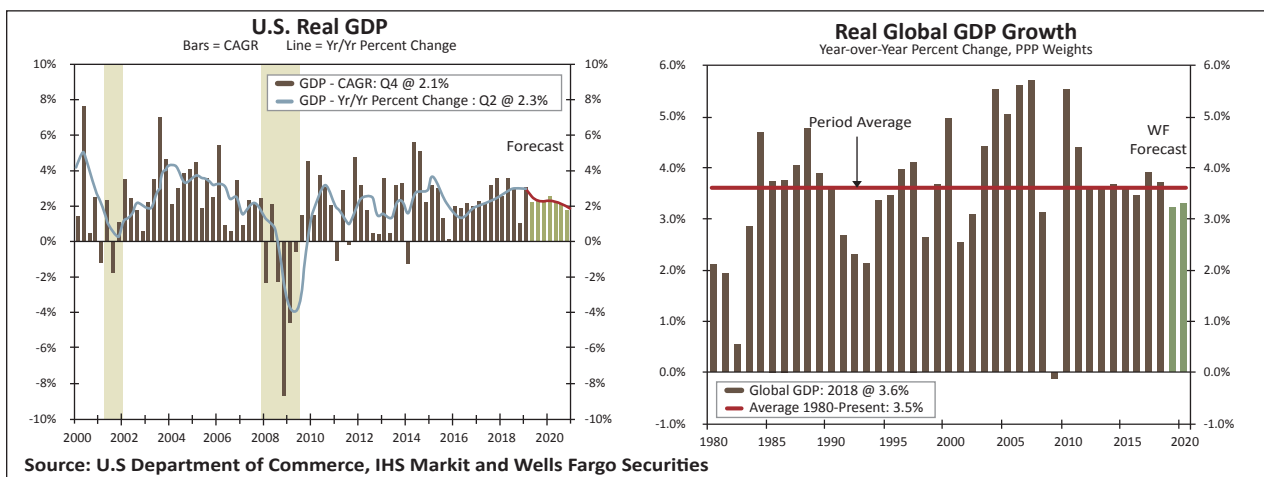
International Overview

Trade Tensions, Hard Brexit Fears Grow Worse

The past few weeks have been a tumultuous ride for the global economy, as the U.S.-China trade war unexpectedly escalated when President Donald Trump announced another round of tariffs, this time a 10% tariff on \$300 billion of Chinese imports that had thus far largely avoided becoming tangled up in the trade dispute. Assuming these tariffs go into effect as announced on September 1, nearly all U.S. imports from China would face a tariff of some sort. Meanwhile, new U.K. Prime Minister Boris Johnson’s hardline approach to leaving the European Union has boosted fears that a no-deal Brexit may very well occur on October 31.

Wells Fargo has spent this year highlighting that there were two divergent paths for the global economy. In one scenario, the policy uncertainties related to trade and Brexit would dissipate, allowing the global economy to get one firm foot on the ground. In the second, geopolitical tensions continue escalating, making it even harder for the deceleration in global GDP to reverse.

In light of these recent developments, Wells Fargo expects weaker real GDP growth in China in 2020, and Wells Fargo no longer expects the Bank of England to hike rates next year. Wells Fargo already expected the European Central Bank (ECB) to cut interest rates 10bps at its September meeting, but Wells Fargo now also expects the ECB to restart its quantitative easing program. And although Wells Fargo continue to expect the Bank of Japan (BoJ) and the Bank of Canada (BoC) to keep policy on hold for the foreseeable future, it seems unlikely either will be tightening policy anytime soon.



Together we'll go far



G L O S S A R Y

Dutch auction: Dutch auction, also known as descending price auction, uses a bidding process to find an optimal market price for the stock, the highest price at which an issuing company can sell all the available shares. An alternative to the traditional negotiated pricing process used by underwriters to set IPO prices, it was most recently employed by Google and is used for US Treasury auctions. Named after the famous auctions of Dutch tulip bulbs in the 17th century, it is based on a pricing system devised by Nobel prize winning economist William Vickrey.

Fixed income securities: A fixed-income security is an investment that provides a return in the form of fixed periodic payments and the eventual return of principal at maturity. Unlike a variable-income security, where payments change based on some underlying measure such as short-term interest rates, the payments of a fixed-income security are known in advance.

Blue Chip: A blue chip is a nationally recognized, well-established and financially sound company. Blue chips generally sell high-quality, widely accepted products and services. Blue chip companies are known to weather downturns and operate profitably in the face of adverse economic conditions, which help to contribute to their long record of stable and reliable growth.

Futures contract: A standardized, transferable, exchange-traded contract that requires delivery of a commodity, bond, currency, or stock index, at a specified price, on a specified future date. Unlike options, futures convey an obligation to buy. The risk to the holder is unlimited, and because the payoff pattern is symmetrical, the risk to the seller is unlimited as well. Dollars lost and gained by each party on a futures contract are equal and opposite. In other words, futures trading are a zero-sum game. Futures contracts are forward contracts, meaning they represent a pledge to make a certain transaction at a future date.

Tactical asset allocation: Portfolio strategy that allows portfolio managers to reallocate assets in various accounts to other accounts in order to capitalize on current market trends. This is typically a short-term strategy that is only used to achieve a quick profit. After the funds have been acquired, the portfolio manager will return back to a more strategic position.

Paid in Capital: Paid-in capital is the amount of capital "paid in" by investors during common or preferred stock issuances, including the par value of the shares themselves. Paid-in capital represents the funds raised by the business from equity, and not from ongoing operations.





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আধাপাকা বাড়ির ঋণ সুবিধা

বাড়ি থেকে বাড়তি আয়

নিজের জমিতে আধাপাকা বাড়ি
বানানোর জন্য ঋণ সুবিধা

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*শর্ত প্রযোজ্য



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