MTBiz

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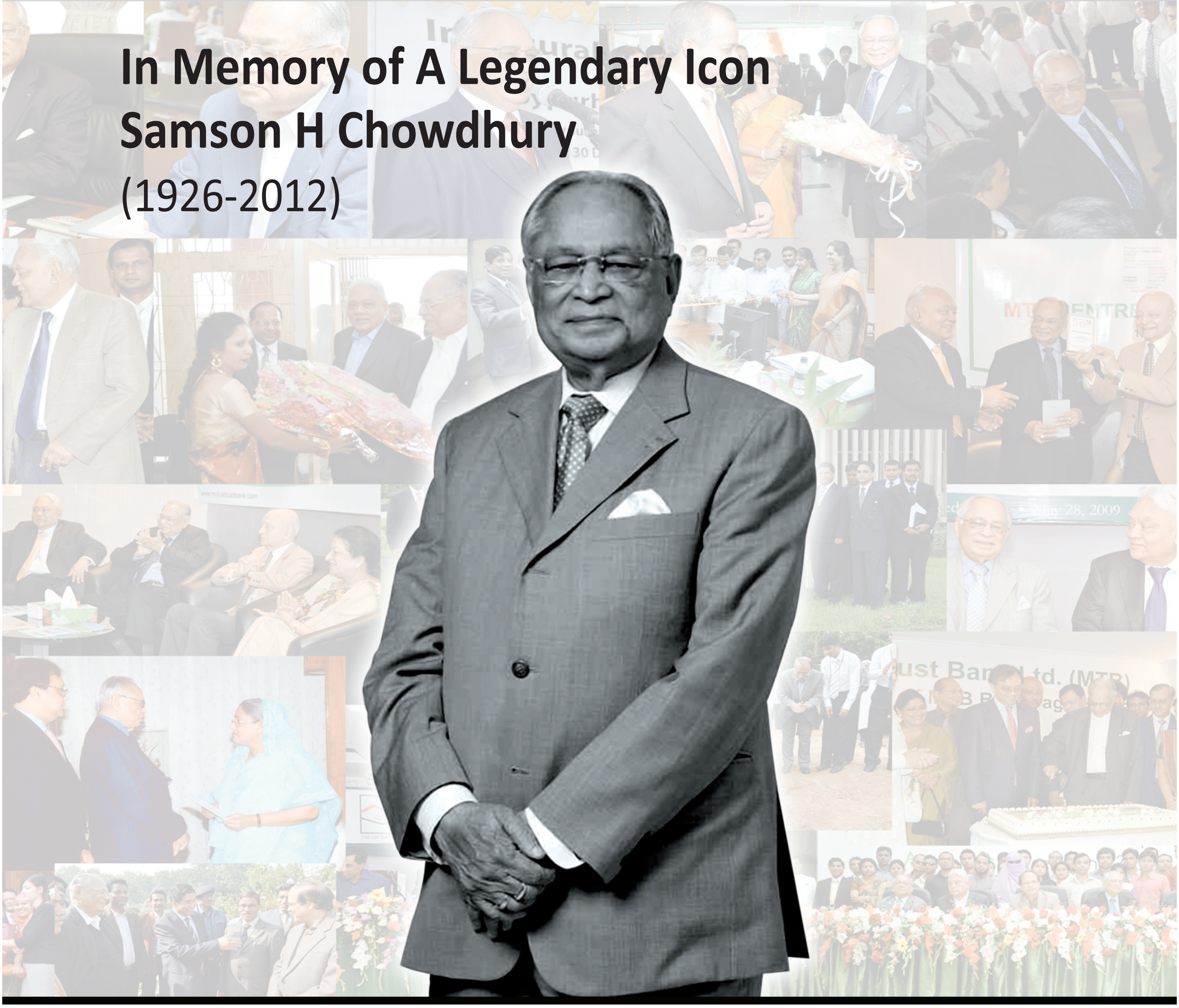
In Memory of A Legendary Icon Samson H Chowdhury

(1926-2012)



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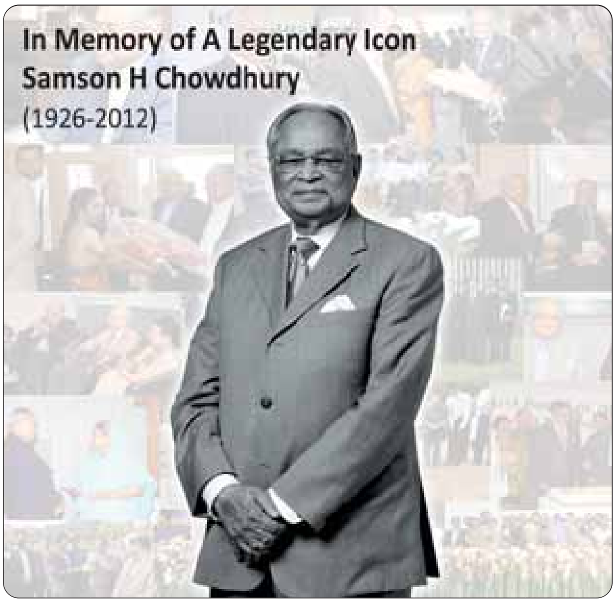

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In Memory of A Legendary Icon: Samson H Chowdhury (1926-2012)

January 05, 2012 - the day we lost the illustrious and legendary business icon of Bangladesh - Samson H Chowdhury, marks the end of an era, a remarkable one indeed. He was a giant of a man, whose - “Vision driven by Action”, helped transform the business and industrial firmament of the nation in a significant manner. Square and Samson H Chowdhury are integral to each other, and in an actual sense, the two names, eponymously, convey a single brand and image. Square is not only a brand name, it is a shining icon in the world of Bangladesh business and many other parts of the world.

Samson H Chowdhury has created a legacy of entrepreneurship and industrialization in our country, which others may find challenging and difficult to match in the manner he has. He built Square Group from scratch, and set an example of ethical business standards that is certain to inspire many others in generations to come. Four like-minded people with a paltry sum of BDT 80,000 in capital, each, started a tiny pharmaceutical company in 1958 at Pabna. Samson H Chowdhury - a most optimistic person, could visualize in 1958 that, the little pharmaceutical company, in 50 years of time would emerge as one of the leading conglomerates in the country and export its array of products to about 36 countries of the world. Where people saw a tiny dispensary at Ataikula in Pabna, this visionary leader saw the idea of manufacturing life-saving drugs, one day. He set off on the right track with sincerity, diligence, dedication, hard work and vigor for the people’s welfare, which has led the dispensary to today’s position.

He continues to exist in all spheres of our life more than his own. An ever-organized and forward looking person, he was a constant source of inspiration and encouragement to all Bangladeshi entrepreneurs, small and large. Today, SQUARE Group is one of the most diversified conglomerates in Bangladesh with an annual turnover of USD 781 million, with a portfolio of pharmaceuticals, textiles, readymade garments, toiletries, consumer goods and electronic media. The Group is well on its way, to hopefully becoming the first billion dollar company of Bangladesh in the foreseeable future. Samson H Chowdhury had the gift to envision the future clearly and worked relentlessly, to a plan. He effectively and efficiently gave leadership, encouragement, empowerment, motivation, guidance and mentoring, over a span of five decades. He was part of the unique and fading generation, who were born during the reign of the British Empire, then saw the independence of the sub-continent and finally the emergence of Bangladesh from colonial yoke. Considering the achievements and hindrances he faced in his mission, he arguably ranks amongst the greatest of the country’s corporate leaders-brave to take up challenges and talented enough to innovate and reach lofty heights of success.

Secret Recipe

The fact that Square Group is amongst the most respected of business institutions in Bangladesh, is attributable not just to its size, but predominantly to the conglomerate’s transparency in style and governance structure. Square is successful because of its adherence to good business principles and practices, such as producing quality products, cost-effectiveness, sound marketing, and efficient management. By blending core human values like Hope, Resilience, Ethics, Honesty, Hard Work and Imagination, Samson H Chowdhury created a simple but powerful recipe of founding and running a variety of businesses, which generations will cherish in eons to come. In a broader context, it is apparent from the governing style of Square, that long-term sustainability had always been paramount in his mind. His recipe for success relied on increasing the size of the market through strategies

Timeline

Born on February 25, 1926 in Pabna, as the eldest child of E H Chowdhury and Latika Chowdhury

Educated in Mymensingh, Kolkata and in the USA with a Diploma from Harvard University

Started a small pharmacy in Pabna’s Ataikula village in 1952

In 1958 ventured into a pharmaceutical company in partnership with three friends

Square Pharma became the market leader amongst all national and multinational companies in Bangladesh in 1985

Diversified portfolio – from textiles to consumer goods, banking and insurance, to agro-vet products, information technology, media and herbal medicine

Square Group has, at present, an annual turnover of USD 781 million (2009-10) or over BDT 6,000 crores that enhanced consumer demand. The profitability of Square Group is well known, and it has come from growth of market share as well as cost-efficiencies. However, penny-pinching was not Samson H Chowdhury's style. He was fond of quoting the well-known proverb, "Penny-wise, pound-foolish," especially when it came to making investment decisions. Invariably, he would choose to pay premium prices for high-quality equipment rather than opt for run-of-the-mill and ordinary ones. This approach, in hindsight, has served Square well. The investments, made a decade ago, have helped the group deliver tremendous growth in quality and volumes. Of course, the growth of the conglomerate lies in sheer hard-work and his vision, driven by action and leadership. He was the 'Manager of Managers', who thrived on being down-to-earth, getting down on his knees on the shop-floor and getting his fingernails dirty. In response to a query from Kaiser Kabir, CEO of Renata Limited, on how he handles the rigors of air travel, he pushed his seat back, pulled out an iPod, put on the earphones, closed his eyes, and with a satisfied smile said: "I love jazz."

Ecumenical

Samson H Chowdhury served the Baptist World Alliance (Baptists' Global Organization) as Vice-President for five years, since 1985. He was the President of National Christian Fellowship of Bangladesh (NCFB) and Chairman of Bangladesh Baptist Fellowship Medical Committee. He is the Founding Chairman of KOINONIA – a caring arm of NCFB and United Baptist Church Trust Association. He was a member of International Christian Chamber of Commerce and Life Member of Bangladesh Bible Society. A widely travelled man, he visited many countries in South Asia, South East Asia, Africa, Europe, North America, South America and Australia.

Honesty in Business Now!

In reply to a question related to 'entrepreneurial ethics', whether ethics is pretty expensive for surviving in a growing economy like Bangladesh, the then 84-year-old (2010), Samson H Chowdhury was loud and clear in his response. *'যদি তোর ডাক শুনে কেউ না আসে, তবে একলা চলো রে'* (even if no one comes forward in response to your call, move alone). He always remained unflappable, infallible and buoyant, when faced with any challenge throughout his lifetime. He authored an article, in which he shed light on part of his thought - *Ethics in Entrepreneurship,* "All of us know about integrity, promise keeping, commitment, and truthfulness. We learn these traits from childhood. An important question arises for us, personally - Do we practice integrity or do we have it imposed on us from an external source? The capital we use to build our business becomes consumed through production, but the capital of our character outlasts all material resources". This is a powerful quote, a dictum worthy of emulation and constant practice and is another powerful recipe for success.

Samson H Chowdhury has passed away, yet we wish he was still amongst us with his radiant smile. He may have left this mortal world, but is surely now resting in a special place, created by a force unimaginably more powerful than we can comprehend with our frail human brains. His own hard work and presence may be unavailable to us now, but his entrepreneurship and the seeds he planted will continue to serve millions of people, with the fruits of his Group's diverse products and services for a long time to come. We wish many more Samson H Chowdhurys emerge in this country, and lead the society, as well as the business world to its next level of success. The stories of his achievements, accomplishments and legacy will continue to inspire people for generations-how to build a business empire from scratch, to innovate and change the world for the better. Samson H Chowdhury set an example that "Made in Bangladesh" can also be something to be proud of. That is his best legacy and an effervescent gift to the people of Bangladesh.

The group employs over 33,000 people

A former president of Metropolitan Chamber of Commerce and Industry (MCCI)

He served as the Chairman of Transparency International Bangladesh in 2004-2007
He served as the Chairman of CDBL (Central Depository Bangladesh Ltd.)

He also served as Chairman, Mutual Trust Bank Limited (MTB); Chairman, Bangladesh Association of Public Listed, Companies from its inception to 2010; Vice President, International Chamber of Commerce, Bangladesh

Life Member, SAARC Chamber of Commerce; Director, Dhaka Stock Exchange Limited (DSE); Director, Credit Rating Agency of Bangladesh (CRAB); Chairman, Bangladesh Business Publications Limited (BBPL)

Business Executive of the Year in 1998 by The American Chamber of Commerce (AMCHAM)
The Business Person of the Year 2000 Award by The Daily Star and DHL

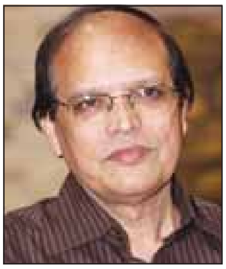
Received countless awards and recognition for his contributions to society.
Special mention: He received award from the National Board of Revenue for being the highest taxpayer

He left behind his spouse Anita Chowdhury, three sons, Samuel H Chowdhury; Tapan Chowdhury; and Anjan Chowdhury; daughter Ratna Patra and a very large number of admirers to mourn his demise

FINANCE AND ECONOMY

BANGLADESH AT 40: CHANGES AND CHALLENGES

Dr. Atiur Rahman



Labeled immediately after her birth in 1971 as a hopeless 'basket case' by many like Mr. Henry Kissinger, Bangladesh has come a long way today earning recognition as a steadily growing economy on a firm footing on the path of inclusive social and economic progress, with global recognition as an upcoming emerging economy. From the initial position as a primary goods producing small agrarian economy, Bangladesh has by now transformed into a globally integrated manufacturing economy, a leading apparels and textiles exporter gradually breaking grounds into newer areas like shipbuilding, light engineering, IT enabled services, and so forth. Bangladesh is also an acknowledged global pioneer in microfinance for self-employment based poverty reduction; spawning microfinance based large globally active socially responsible businesses like ones (e.g. Aarong handicrafts, dairy, poultry etc.) run by the BRAC. The social and economic progress attained since the birth of Bangladesh as a new nation will not be immediately obvious from reports and reviews in the country's print and electronic media freely voicing the views of our predominantly young, aspiring population mainly reflecting the gaps between the prevailing social and economic realities and their expectations; only rarely looking back on the path trodden behind. Let me recall here a few macro data, sketching the outlines of the picture of progress we attained in forty years. Our nominal gross domestic product (GDP) in US dollar terms has increased more than eighteen fold against population growth of about two fold. GDP growth trend in real terms has steadily gained pace, from 1.1 per cent and 3.2 per cent average annually in the 1970s and 1980s, rising to 5.8 per cent in the first decade of this century. In FY 11 Bangladesh economy grew 6.7 per cent in real terms, and the target for FY12 is 7.0 per cent. Trade openness has integrated Bangladesh with the global economy; with trade GDP ratio rising from around 20 per cent of the 1970s and 1980s to 40.7 per cent in FY11. Poverty has come down to about 30 per cent of the population now, from around 57 per cent in the 1990s. Bangladesh is ahead of most of the South Asian nations in progress in human development indicators. Rising emigration from our youthful population to labor markets abroad have been fetching steadily growing wage remittance inflows; bolstering our external sector viability and per capita gross national income (GNI), helping progress towards crossing the middle income country group income threshold by 2020. Despite some weaknesses, democratic governance and rule of law safeguarded by independent judiciary is a major achievement in the governance area, attained through decades of struggle and efforts of our broad masses. With sustained development dynamism powering our growth pace, we can reasonably aspire for joining the group of upper middle income countries by 2030 and mature developed economy-status by 2050. There are, of course, formidable challenges to overcome on the path forward, both in the near and longer terms. One looming near term challenge is the apprehended impact of the ongoing debt crisis in the EURO Zone, hurting prospects of our export, wage earners' remittance and investment inflows from the Euro Zone; weakened growth prospects of other countries outside the EURO Zone due to the crisis will also hurt prospects of commodity and manpower exports to those countries. Appropriate coping responses will need to include seeking strengthened trade and investment ties with near neighbours and other fast growing emerging economies, a course already adopted by us. The longer term challenges include the still prevalent extreme poverty of nearly twenty five million of our population, climate change threats, inadequacies in physical infrastructure, widespread use of corrupt practices in public life criminally enriching the powerful at the expense of the weak and the vulnerable. Bangladesh's perspective, five year and annual development plans outline comprehensive, well rounded approaches in addressing these challenges, pursuing inclusive socio economic growth and well-being for all. Bangladesh Bank's (BB's) financial inclusion drive is proactively supporting the government's growth pursuits while maintaining monetary and financial stability; interalia ensuring adequate credit flows to productive pursuits including agriculture, small and million (SMEs), and environment friendly projects like renewable energy generation. I look forward to these and the other challenges being deliberated at depth in the JU's (Jahangirnagor University) BSF-sponsored seminar sessions.

This is an edited version of the presentation made by the Governor of Bangladesh Bank, Dr Atiur Rahman, at the inaugural session on the three-day seminar, 'Bangladesh at 40: Changes and Challenges', organised by faculty of Business Administration, Jahangirnagor University.

(11 December, The Financial Express)

SMALL INVESTORS TO GET STIMULUS

- **6-member panel to compensate investors who lost money**
- **Bank's loans to subsidiaries won't be counted as stock exposure**
- **Exposure limit won't cover long-term equity investment of banks**
- **10% capital gain tax for foreign investors and NRBs goes**
- **SEC allows investment advisory service**
- **Banks get more time to adjust additional exposure to stocks**

Stock regulator unveils 21 steps to jack up market; analysts term it temporary relief The Securities and Exchange Commission (SEC) lately unveiled a 21 point market stabilization package, including a special scheme on compensating the retail investors who lost money to downswings. The stockmarket regulator disclosed the much talked about package with short, mid and long term steps a week after Prime Minister Sheikh Hasina had a talk with market policymakers and stakeholders to rejuvenate the falling market trend. In a press briefing, SEC Chairman Prof M Khairul Hossain said a six-member committee was formed to find ways to compensate the retail investors who traded with small investment or on credit. These steps will increase the capacity of banks, which are considered key institutional investors for injecting more funds into the market and have been facing a severe liquidity crisis for the last few months. The long-term measures include demutualization of stock exchanges by next year, adopting necessary steps to make the mutual fund sector stronger and more attractive, and intensifying the supervision activities of the capital market by establishing enhanced surveillance system so that the investors are not cheated. (24 November, The Daily Star)

Follow-up of 'Stimulus' Package

BB ISSUES CIRCULAR ON BANKS' HIGHER STOCK MKT EXPOSURE

The central bank issued a circular allowing the commercial banks to invest more in the stock market through relaxation of its relevant rules and regulations, officials said. After the relaxation, the capital that has been provided by the banks to their stock market subsidiaries will not be estimated as their 'exposure to stock market'. Besides, long-term strategic investment, generally known as equity investment, in any company will also be excluded while calculating the capital market exposure of banks. Through its directive issued, the central bank asked all 47 scheduled banks to follow the latest instructions about investment in the capital market. “We’ve taken the move in line with the measures announced under the stock market stabilisation package by the Securities and Exchange Commission (SEC),” Executive Director of the BB S K Sur Chowdhury told. He expressed the hope that the BB’s supportive steps would help stabilise the situation in the country’s stock market. Moreover, the BB has extended the timeframe for adjustment of ‘single borrower exposure limit’ of the commercial banks for financing the operations of their subsidiaries, brokerage houses and merchant banks by one more year. Under the changed provisions, the banks will now be facilitated to adjust the excess amount of their loans over their respective single borrower exposure limit of the clients of their subsidiaries by December 31, 2013, instead of December 31, 2012. (25 November, The Financial Express)

BB TO EXTEND ALL-OUT HELP TO YOUNG, TALENTED TECHNO-PRENUERS

Bangladesh Bank Governor Dr. Atiur Rahman said the central bank would extend all-out help to the country’s young and talented techno-prenuers. Bangladesh Bank Governor came up with such call at prize giving ceremony of 3rd Citi Financial IT Case Competition in a city hotel. Welcoming the initiative, the governor said, “I believe some of these macro solutions can change the country at levels of society. He said we need to look no further than the way the introduction of computers has made the banking industry so much more effective Dr. Atiur said as second and third generation of IT innovations emerge we are moving ahead with an online credit information bureau, with mobile phone banking and many other initiatives. He said Bangladesh needs to increasingly market our IT products overseas as the country has enormous possibilities in the sector. The sector is also contributing more and more to our exports and foreign exchange earnings and Bangladesh’s banking sector has been facilitating role in promoting software export, he said. He asked young generation to be proud of the country and to work for its betterment. (20 November, The Financial Express)

BB ALLOWS ONE MORE CREDIT RATING AGENCY

The central bank has allowed one more credit rating agency - ARGUS Credit Rating Services Limited (ACRSL) - as an External Credit Assessment Institution (ECAI) to assess credit risks in line with the Basel-II framework. “We’ve recognised the ACRSL as an eligible ECAI to meet additional demand for credit rating of the bank clients as well as to improve competition among the credit rating agencies,” a senior official of the Bangladesh Bank (BB) told. “All the scheduled banks operating in Bangladesh may nominate any or both the rating agency or agencies for their own and counterparty credit rating for the purpose of calculating RWA against credit risk as per guidelines on Risk Based Capital Adequacy (RBCA) for banks,” the central bank said in its circular. The central banker also said the central bank will calculate the RWA on the basis of reports of five rating agencies. “All public sector entities along with corporate houses will come under risk weighted calculation system in line with Basel-II standard to minimise credit risks,” another BB official said. The Basel-II accord came into force in Bangladesh from January 1, 2010 to consolidate capital base of the banks in line with the international standard. It has been prepared on the basis of three pillars: minimum capital requirement, supervisory review process and market discipline. Three types of risks - credit risk, market risk and operational risk - have to be considered under the minimum capital requirement. (18 November, The Financial Express)

BB CHIEF STRESSES HARMONISATION OF FINANCIAL REPORTING

Bangladesh Bank Governor Dr. Atiur Rahman emphasised the need for regional and international harmonisation and convergence of accounting, auditing and financial reporting standards to help flourish intra- and extra-regional investment and trade relationships. “Foreign investors will feel comfortable with joint venture and the lending relationships with their Bangladesh counterparts only when they’re satisfied about the completeness and transparency of financial statements and disclosures of the local partners,” he said. South Asian Federation of Accountants (SAFA), The Institute of Chartered Accountants of Bangladesh (ICAB) and International Accounting Standard Board (IASB) arranged the “Regional standard setters’ conference” at a conference in the city (Dhaka). Speaking as the chief guest, Rahman said intra- and extra-regional trade will expand in tandem with increasing openness in investment relationships. “Bangladesh Bank is gradually imposing more demanding financial reporting and the disclosure requirements for bank and financial institutions in closer convergence with international best practice standards,” he said. ICAB President Parveen Mahmud said the convergence of International Financial Reporting Standards is a major initiative for almost all professional accounting institutes in the world. (29 November, The Daily Star)

BB CHIEF SEES USD 70m FROM CARBON TRADING

Bangladesh has the prospects of earning USD 70 million a year from carbon trading in the global carbon credit market, the central bank governor said. “But we couldn’t attain the desired level of benefits from the clean development mechanism, due to lack of awareness,” Dr. Atiur Rahman said at a workshop at Sonargaon Hotel in Dhaka. The United Nations Development Programme and the Asian Development Bank co-organised the workshop on “Opportunities to expand energy efficient brick kilns in Bangladesh”. The existing brick kilns have emerged as the number one cause for ‘fine-particulate’ pollution in Dhaka, Rahman said. Bangladesh Bank extended a refinance scheme of BDT 200 crore in 2009 to establish Hybrid Hoffman Kiln technology in brick manufacturing to reduce carbon emissions. Experts say the emission could be halved if the kilns burn bricks by using the German-invented technology. (28 November, The Daily Star)

GDP GROWTH MAY STAND AT 6.3 pc IN FISCAL ’11-12: IMF

International Monetary Fund (IMF) has said the country’s GDP growth in the current fiscal 2011-12 may reach 6.3 percent compared to 6.75 percent in the last fiscal 2010-11. The growth was at 6.0 percent in2009-10. IMF made the disclosure today in a release circulated to the press. It further said inflation may stand at 10 percent with higher upside pressure from food and fuel prices coupled with a weaker taka. The balance of payment is deteriorating by around 3percentage points of GDP. Alone by FY2010-11 it deteriorated by slightly less than 1 (one) percent and the overall balance of payments (BoP) has stepped into net deficit for the first time in a decade last year. Reserves are fast declining at the central bank compared to import requirements, it said. The pressure on the balance of payment is emanating from the rising prices of oil and capital goods' imports and volatile commodity prices in the global market. The current account deficit may continue through the next few years, despite record high export performance Bangladesh has achieved during the last fiscal mainly from a bursting readymade garment exports and remittance inflow. (03 November, The New Nation)

WB, IMF PRESS GOVT FOR FURTHER OIL PRICE HIKE

The government is under serious pressure to again hike the prices of fuel oils in January to avail itself of budgetary assistance worth USD 600 million from the world's two multilateral lenders. The International Monetary Fund (IMF) and the World Bank (WB), two Washington-based international lenders, have each pledged to lend the government USD 300 million in the current fiscal year. They have, however, attached stiff conditions to the loan agreements which will have to be fulfilled before they disburse the funds this fiscal year, according to a document of the finance ministry prepared last month. The IMF and the WB want the government to keep the amount of subsidies for food, fuel and fertiliser within the budgetary projection. The finance ministry's document shows that BDT 175.77 billion has been kept aside in the budget for subsidising food, fuel and fertiliser. Finance minister AMA Muhith, before the latest price-hike of fuel oils, told reporters that he had directed the energy ministry to prepare a proposal for introducing an 'automatic formula' for setting fuel prices in line with global prices. He admitted that some macro-economic indicators, including the balance of payment, are under pressure. Besides, Muhith noted that the constantly increasing amount of subsidy as well as excessive bank borrowing has given rise to serious problems. The Centre for Policy Dialogue, an influential local think-tank, in a recent economic update warned the government about the balance of payment which is facing pressure due to high import costs and reduction in remittance flow. It suggested higher and more efficient utilisation of foreign aid to ease the pressure faced by the balance of payment. The CPD also suggested that the government should expedite negotiation with the IMF for the loan agreement on the Extended Credit Facility, and with the WB on the Poverty Reduction Support Credit. (13 November, The Independent)

ECONOMY IN GOOD SHAPE: MUHITH
Subsidy, BoP Challenges for Govt

Finance Minister AMA Muhith has claimed that the government is in full control of the economy. "Some economists and media are out to knock the economy down," he said, a day after Prime Minister Sheikh Hasina said the economy is 'doing good'. He made the remarks while talking to reporters after a meeting held

at the ministry of finance (MoF) to review matters concerning coordination of fiscal, monetary and currency exchange rate policies. According to Muhith, the economy has two challenges now. "One of them relates to the subsidies bill and the other concerns the balance of payment (BoP)." He criticised the economists, saying, "Sometimes, our economists say that the subsidies should be cut. Then, they criticise [the government] if oil price is raised. "I don't understand what they do really want." Asked whether subsidies should be done away with, the finance minister said, "Of course, subsidies will be removed. We have taken steps to gradually reduce subsidies. Subsidies in power sector are being reduced. It might not be possible in case of fuel oil. It'll have to be seen." He also said he has not retracted on his stance on the economic situation, obtaining in the country. "As for me, the economy of the country is in a good shape." In the current budget, the annual average inflation rate was set to be 7.5 percent. Point-to-point inflation crossed the budgetary target several months before and reached 11.42 percent in October this year, compared to 11.97 percent a month before, according to Bangladesh Bureau of Statistics (BBS). FE reporter adds: The meeting discussed the macro-economic situation and asked top finance officials to identify the major areas for immediate austerity measures to help rein in government's spending, the sources said. Mr. Muhith said right at this moment, the prices of petroleum would not be increased further. The finance minister declined to comment on a question whether the state of economic management had deteriorated. He rather asserted that economic situation "is very much under control". A top official said the meeting discussed the rising trend of government's bank borrowing and inflation, and made a review of the revenue collection picture. (21 November, The Financial Express)

ECONOMY HITS ROUGH PATCH: MCCI

The economy is going through some strains that may further deepen in the coming months, said a leading business body. In its economic review for July-September, the Metropolitan Chamber of Commerce and Industry (MCCI) has identified soaring inflation, growing subsidy needs, depreciation of the taka, stagnant investment, rising budget deficit and heavy bank borrowing as major challenges for the current fiscal year. MCCI found economic growth targeted at 7 percent and 8 percent for fiscal 2011-12 and 2012-13 respectively would depend on the government's success in addressing these challenges. The report incorporated an analysis on the first quarter's economic performance and forecast on the macro-economy, as well as trends in the financial markets. The analysis found though the overall performance of the economy was relatively better than many other countries it has recently been going through adverse situation, now evident in different economic indicators. “The challenges for the government will be to properly address these problems,” MCCI said. Its analysis also found high oil import because of the fuel requirement of rental power plants is posing a big challenge for the economy as this is drawing down the foreign exchange reserves. Bangladesh’s foreign exchange reserves went down to USD 9.7 billion from USD 11 billion last years. MCCI said the condition of physical infrastructure remains weak, which together with the crisis in the power and gas sectors, acts as a bottleneck to achieving the much-needed foreign investment. Declining remittance growth, deteriorating balance of payments, poor public investment and volatility in the capital market were also identified as challenges. Despite these challenges, MCCI found some encouraging factors in the economy. These are: good farm output, a rise in industrial term loans and import of capital machinery and raw materials. Nearly 23 percent growth in export in July-September period also indicates an increase in production in the manufacturing sector, according to the MCCI report. Small and medium industries that performed poorly in the previous quarters also did better in the quarter under review, MCCI said. “With the expansion of SME loans by banks, production of SMEs has also increased considerably,” the chamber said. (17 November, The Daily Star)

OVERSEAS RECRUITMENT CROSSES 50,000 IN SEPT
Year-On-Year Growth 83pc, Significant Boost for Flagging Foreign Exchange Reserve

More than 50,000 Bangladeshi workers found jobs abroad in September as overseas recruitment made a major turnaround in a timely boost to the country’s flagging foreign exchange reserve, officials said. Data released by a government agency showed 52,929 Bangladeshis were hired by foreign nations during the month, which is a 24-month high and is driven by a spike in recruitment in the United Arab Emirates, Oman and Singapore. September’s figure records a 83 percent growth over the same month last year when demand for Bangladesh workers nosedived due to a spill-over effect of the 2008-9 global economic meltdown. The government had earlier set a target to send some half a million workers to foreign job markets, but the latest migration data gives hope that the target will be surpassed by November. “It’s a very good job figure. It’s for the first time in around two years we’ve been able to send more than 50,000 workers abroad,” BMET Director General Khurshed Alam Chowdhury told the FE. Chowdhury said a “huge opportunity” has been created for local workers in the Gulf nation of Oman due to an exodus of thousands of Filipino and Indian labourers following political turmoil in the petro-rich Arab country. BMET officials said the UAE, where construction industry has witnessed a revival of fortune in recent months, alone accounted for half the recruitment in September and also in the nine months. The Persian Gulf Emirates recruited 23,559; Oman hired 15,563 and Singapore 5,079 from Bangladesh in September. Demand for Bangladeshi workers in South East Asia remained buoyant, especially in the city state of Singapore whose thriving shipbuilding industry has emerged as a key recruiter. BMET chief said Iraq is set to hire tens of thousands of workers as the reconstruction of the war-torn country gathers pace. Export-oriented Malaysia and oil-rich Saudi Arabia could also resume large-scale recruitment. According to the official figures, more than seven million Bangladeshis now work abroad, who sent home a record USD11.65 billion in the 2010-11 fiscal year ended in June. Migration from Bangladesh hit a record high in 2008 when 875,055 workers went abroad. The next year hirings declined by nearly 50 percent to 475,278 in the wake of the worst global recession in over six decades. (4 November, The Financial Express)

REVENUE SHOOTS PAST TARGET

Revenue earnings by the tax administrator increased by around 16 percent in the first four months of the current fiscal year, which is more than the target set for the period. However, the National Board of Revenue (NBR) is lagging in revenue collection compared to the growth target for the entire fiscal year at 21.52 percent, officials said. During the July-October period, the revenue earnings were recorded at BDT 24,740 crore against the target of BDT 24,672 crore. The revenue collection was BDT 21,376 crore in the same period last year. This year’s target is BDT 91,870 crore. An NBR official said, though the revenue collection growth was slow in the first four months of the current fiscal year, the earnings will cross the target at the end of the year. He said the growth during the four months was a bit slow compared to the entire year’s target mainly due to a fall in the collection of value added tax (VAT) at the domestic and import levels. During the four-month period, the revenue earnings growth was 12 percent at the import level, while VAT collection grew 14 percent at the local level. However, the growth in income tax was 25.3 percent. (23 November, The Daily Star)

BB Circulars/Circular Letters

Publish Date	Name of Department	Reference	Title
1-Nov-11	Banking Regulation and Policy Department	BRPD Circular No. 08	Bank account for small life insurance policy holders
2-Nov-11	Foreign Exchange Policy Department	FEPD Circular No. 20	Special cash incentives for textile related mills
14-Nov-11	Foreign Exchange Policy Department	FEPD Circular No. 21	Inclusion of Export Registration Certification (ERC) No. of direct/ deemed Exporter for loan from Export Development Fund (EDF)
16-Nov-11	Banking Regulation and Policy Department	BRPD Circular No. 09	“Mapping of External Credit Assessment Institutions (ECAIs) rating scales with Bangladesh Bank (BB) rating grade”
20-Nov-11	Foreign Exchange Policy Department	FEPD Circular No. 22	Providing new market exploration assistance
21-Nov-11	Department of Off-Site Supervision	DOS Circular Letter No. 21	Revised format for submission of weekly statement of position for banks
22-Nov-11	Department of Off-Site Supervision	DOS Circular Letter No. 22	Holidays during 2012
24-Nov-11	Department of Off-Site Supervision	DOS Circular No. 04	Holding of shares & capital market exposure for bank companies.
30-Nov-11	Banking Regulation and Policy Department	BRPD Circular No. 10	Guidelines for banking services at customer premises

FINANCE AND ECONOMY

OBAMA TO CHINA: BEHAVE LIKE A "GROWN UP"

US President Barack Obama served notice that the United States was fed up with China's trade and currency practices as he turned up the heat on America's biggest economic rival. "Enough's enough," Obama said bluntly at a closing news conference of the Asia-Pacific Economic Cooperation summit where he scored a significant breakthrough in his push to create a pan-Pacific free trade zone and promote green technologies. Using some of his toughest language yet against China, Obama, a day after face-to-face talks with President Hu Jintao, demanded that China stop "gaming" the international system and create a level playing field for US and other foreign businesses. "We're going to continue to be firm that China operates by the same rules as everyone else," Obama told reporters after hosting the 21-nation Apec summit in his native Honolulu. "We don't want them taking advantage of the United States." China shot back that it refused to abide by international economic rules that it had no part in writing. "First we have to know whose rules we are talking about," Pang Sen, a deputy director-general at China's Foreign Ministry said. "If the rules are made collectively through agreement and China is a part of it, then China will abide by them. If rules are decided by one or even several countries, China does not have the obligation to abide by that." Even as Obama issued the veiled threat of further punitive action against China, it was unclear how much of his tough rhetoric was, at least in part, political posturing aimed at economically weary US voters who will decide next November whether to give him a second term. Obama insisted that China allow its currency to rise faster in value, saying it was being kept artificially low and was hurting American companies and jobs. He said China, which often presents itself as a developing country, is now "grown up" and should act that way in global economic affairs. The sharp words between the US and China contrasted with the unified front that Asia-Pacific leaders sought to present with a pledge to bolster their economies and lower trade barriers in an effort to shield against the fallout from Europe's debt crisis. (15 November, The Daily Star)

ALL MAJOR ECONOMIES HEADED FOR SLOWDOWNS: OECD

OECD BETTER POLICIES FOR BETTER LIVES

None of the world's major economies will escape a slowdown, the Organization for Economic Co-operation and Development (OECD) said highlighting increasing signs that growth momentum is dwindling across the board. The Paris-based organisation's composite leading indicator (CLI) for its members fell for the seventh straight month to 100.4 in September, down from 100.9 in August and hitting the lowest reading since December 2009. The Group of Seven's CLI fell to 100.6 in September from 101.1 in August while the reading for the euro area dropped to 99.1 from 99.9, well below its long-term average of 100. Japan's CLI remained above its long-term average of 100 with a reading of 101.6, but it was still down from 102.0, suggesting an economic recovery after its March earthquake and tsunami disaster is losing steam. Economic momentum in the United States eased only slightly, according to the OECD's indicator, which fell to 101.2 from 101.5. The Chinese economy also showed only marginally weaker activity with a reading of 99.8, down from 99.9. Among other emerging market economies, Brazil's CLI fell to 94.0 from 95.1 while India's reading decreased to 93.8 from 94.4. In a report released at the end of last month, the OECD slashed its 2012 growth estimate for the United States to 1.8 percent from 3.1 percent. (15 November, The Financial Express)

WORLD ECONOMIC CLIMATE HIT FRESH LOWS: ICC

The world economic climate has worsened in the fourth quarter, as indicated by increasingly negative expectations from economic experts, according to the World Economic Survey (WES). The International Chamber of Commerce (ICC) and the Munich-based Institute for Economic Research published the report. The poll asked 1,119 economic experts from business and academic institutions to assess current and expected economic developments in their 119 countries this past October. Their answers were analysed to reach a quarterly figure representative of the current economic climate. Views on the world economic climate fell from a second quarter high of 107.7 points to 78.7 in the fourth quarter, marking the lowest point in the past two years, ICC said in a statement. The falling figures reflect the waning optimism of expert expectations for the future, recording consecutive drops from 110.5 in the first quarter to 71.9 in the fourth, the statement added. Expert assessment of the overall current economic situation fell from a second quarter high of 108.4 to a year low of 86.0. "These results demonstrate the fragile state of the financial sector, particularly in public finance, and underscore the threat that the still relatively strong real economies of many countries could slide into recession," said ICC Secretary General Jean-Guy Carrier. "However, it is not too late to avoid this destructive scenario if politicians worldwide, and particularly in the euro area, succeed in convincing markets that the right decisions are being made to keep the financial sector under control." In North America, the economic climate further deteriorated, with the current economic situation increasingly assessed as unfavorable. The expectations in the region for the next six months were less confident than in the third quarter but remained in positive territory, the report indicates. In Asia, the economic climate indicator has fallen further and is now below its long-term average. Expectations for the next six months continued to worsen in the region. And in Western Europe, a significantly more negative outlook was also brought on by a worsening economic climate. (17 November, The Daily Star)

OBAMA LAUNCHES TRADE DEAL IN ASIA PUSH

US President Barack Obama announced the framework for a vast free trade agreement spanning the Pacific as he sought a new era of American leadership in a fast-growing region. "Together we can boost exports and create more goods available for our consumers, create new jobs, compete, win in the markets of the future," Obama said, framing the Asia-Pacific as the key to restoring global economic growth. Leaders from nearly 20 nations, including China and Japan, gathered for weekend meetings in Hawaii, where sunbathers and surfers had to skirt beach barricades and traffic snarls frustrated the famously laid-back locals. Obama said nine countries had reached a "broad outline" on a free trade pact called the Trans-Pacific Partnership, or TPP, and hoped by next year to be working on the legal text of a full agreement. Japanese Prime Minister Yoshihiko Noda gave a major boost ahead of the summit as his nation became the 10th member of the TPP, meaning that it will cover more than one-third of the global economy and could develop into the world's biggest free trade zone, dwarfing the European Union. "I have been extremely impressed already with the boldness of his vision," Obama said after meeting the newly installed leader in Hawaii ahead of formal opening of the Asia-Pacific Economic Cooperation (APEC) forum. The TPP was signed in 2005 as an obscure agreement among Brunei, Chile, New Zealand and Singapore. Obama suddenly turned it into the cornerstone of US free trade drive, with Australia, Japan, Malaysia, Peru, the United States and Vietnam now also in the talks. In a joint statement, leaders of TPP nations said they shared a "strong interest" in expanding their membership. The major outlier of the TPP is China, the world's second largest economy. Obama, shortly before holding talks with Chinese President Hu Jintao, warned that Beijing must "play by the rules" in international trade and intellectual property protection. (14 November, The Financial Express)

EURO CRISIS SHOWS NEED FOR ASIA REFORM: AUSTRALIA

Asian economies needed to 'redouble their efforts' to boost domestic demand and restructure their economies following the European debt crisis, Australian Treasurer Wayne Swan said. Swan said there had been a 'pretty clear sense of frustration' about Europe's slow progress on a recovery plan at APEC finance ministers' talks in Honolulu, but urged Asia-Pacific nations to take lessons from the turmoil. 'The weaker and more uncertain global economic outlook means Asian economies need to redouble their efforts toward economic rebalancing and strengthening sources of growth,' Swan said in his weekly economic memo. 'Asia can no longer rely on demand far beyond its borders to keep fuelling the region's economies,' he added. 'Governments need to do more to lift domestic demand and put in place structural reforms, including shifting to more market-based exchange rates.' Swan said Asia's long-term prospects remained positive but the verdict from APEC was that 'every economy in our region is feeling the impact of events in Europe'. 'It's hitting the region's financial markets, unsettling businesses and consumers, and dampening trade,' he said. 'Obviously, this flows through to (Australian) government revenues, and will add to the Aus Dollar 130 (USD 134) billion in revenue write-downs we've seen since the global financial crisis first struck.' 'The sovereign debt crisis that's gripping Europe has shown there's a very high price to be paid for countries that put reform in the too-hard basket,' he said. 'Europe's sovereign debt crisis highlights the speed with which events can unfold when fundamental reforms are ignored. Markets can move quickly, leaving policymakers struggling to catch up,' added Swan. 'The lesson here is that governments can waste no time in implementing the necessary policies to keep their economies competitive.' (14 November, The New Age)

ASIA NOT IMMUNE TO EURO ZONE WOES: IMF CHIEF

Asia clearly continues to drive global economic recovery, but if strains in the euro zone worsen the region will be negatively affected via trade and financial sector links, International Monetary Fund (IMF) chief Christine Lagarde said. "We touched on the consequences that the euro zone crisis has and would have if it deteriorated further in the rest of the world, particularly in Asia," she said. "No country can be immune under the present circumstances no matter how developed or how emerging or how far away it is." Lagarde's comments followed the IMF's warning that advanced economies could fall back into recession unless policy-makers move with greater urgency to agree on policies to boost growth. The BRICS - the powerful emerging

market economies of Brazil, Russia, India, China and South Africa - have been reluctant to invest directly in Europe's rescue vehicle, preferring to provide financial help to Europe via the IMF. Asked if she had asked Japan for an additional bilateral loan, Lagarde said: "If I had, I wouldn't tell you, because it would be for him to say so ... current resources at the Fund are adequate at the moment." "I know equally that I can rely on my major shareholders, particularly Japan, the second largest shareholder, to be up to the task if the task was to increase resources at the IMF." European leaders are scrambling to avert a euro zone meltdown with Italy moving to approve austerity measures amid global calls for quick action to contain the spread of the debt crisis. Political clarity and credibility in Italy are two key factors needed in Italy which Lagarde said would have an impact on the way the Italian economy responds. Lagarde said she briefly discussed Japan's intervention with Azumi, and that she was aware that it was done to avoid disorder and excess volatility in the currency market which "is in the spirit of communiques and statements by the Group of Seven (G7)". "We take the view that concerted action is the most efficient way of intervening," she added. The dollar slid to 77.10 yen, near the lowest since Japan's massive yen-selling intervention on October 31, estimated at a record 7.7 trillion yen (USD 99 billion), raising risk of further intervention. (13 November, The Financial Express)

BoJ CHIEF WARNS JAPAN ECONOMIC OUTLOOK SEVERE

Bank of Japan governor Masaaki Shirakawa warned the country's economy will remain in a severe state for now as Europe's sovereign debt crisis and yen rises cloud the outlook, signaling the central bank's readiness to boost monetary stimulus further if risks to the recovery heighten. But he said Japan cannot escape deflation just by having the central bank print money, stressing that government and corporate efforts to boost productivity and nurture new industries were also necessary. Shirakawa stuck to the view that Japan's economy will eventually resume a moderate recovery backed by solid demand in emerging nations, but warned that Europe's debt woes were the predominant risk to this outlook. He also said Japan will continue to seek G7 and G20 understanding over its action to curb sharp yen rises, stressing that Tokyo's latest intervention was aimed at curbing excessive and disorderly currency moves. 'When uncertainty over the overseas economic outlook is high, as is the case now, yen rises may hurt Japan's economy by reducing exports and corporate profits as well as by worsening business sentiment. We need to be mindful of this,' he told business leaders in Nagoya in the central Japan prefecture of Aichi, home to automobile giant Toyota Motor Corp. 'Japan's economy will likely be in a severe state for the time being, especially with respect to exports,' he said. Japan intervened in the currency market and eased monetary policy in October to ease the pain on the export-reliant economy from sharp yen rises and slowing overseas growth. (29 November, The New Age)

CLIMATE CHANGE TO BRING MORE FLOODS: WB

Climate change will bring more floods and extreme weather to Southeast Asia, a World Bank official said on a visit to the region, where hundreds have died in severe inundation. 'What we are seeing is there are more floods, more extreme weather events, higher temperature, more variable rainfalls and we believe that is caused by climate change. And we should expect this

to increase, sadly,' Andrew Steer, the World Bank's special envoy for climate change, told reporters in the Vietnamese capital Hanoi. Thailand's worst floods in half a century have killed 533 people and damaged the homes and livelihoods of millions around the country. In neighboring Cambodia, the deadliest floods since 2000 have killed at least 247 people while more than 100 have died in Vietnam, mostly in the southern Mekong Delta. (03 November, The New Age)

IMF WARNS CHINA'S FINANCIAL SYSTEM VULNERABLE

China's financial system is at risk from bad loans, booming private lending and sharp falls in property prices, the International Monetary Fund (IMF) warned, as it called for sweeping reforms. In its first formal evaluation of China's financial system, the Washington- based lender blamed "heavy" government involvement in the country's banks and watchdogs for reducing market discipline and corporate governance. The fund also called on Beijing to relax its control of the yuan currency and allow the central bank more freedom over policy decisions. Rampant lending since the 2008 financial crisis has left many companies and local governments in China with huge debts, while a recent slowdown in economic growth and falling property prices have fuelled fears of an explosion in defaults. While China's financial sector was "robust overall", inefficient credit allocation and other weaknesses needed to be addressed, said Jonathan Fiechter, deputy director of the IMF Monetary and Capital Markets Department. "While the existing structure fosters high savings and high levels of liquidity, it also creates the risk of capital misallocation and the formation of bubbles, especially in real estate," said Fiechter. China is one of 25 "systemically important countries" that has agreed to mandatory evaluations at least once every five years, the IMF said, though Beijing has no obligation to implement the recommended reforms. The central bank said the IMF report made "objective and positive" overall assessments but some of the recommendations required "in-depth study", taking into account China's situation. In a list of 29 key recommendations on how Beijing can improve its financial system the IMF urged policymakers to allow state-owned banks to make lending decisions based on commercial risk rather than government policy. The People's Bank of China has raised interest rates five times since October 2010 but it has been reluctant to hike rates too aggressively for fear of triggering defaults. China has instead relied on several increases in the reserve requirement ratio-the portion of deposits banks must set aside to curb lending which Fiechter told reporters was a "pretty crude tool that may promote shadow banking". Local government debt has ballooned since Beijing ordered banks to boost lending to combat the 2008 global crisis, with official estimates putting the borrowings at 10.7 trillion yuan at the end of 2010 -- or about 27 percent of China's 2010 gross domestic product. But in the past 12 months, as authorities tried to stem the flow of credit to curb surging inflation and property prices, underground lending flourished and is worth an estimated four trillion yuan. (16 November, The Financial Express)

CHINA WANTS PROFIT, INFLUENCE FROM INVESTMENT

When China makes overseas investments, it aims to make profits and build influence, not just give away money, the general manager of China Investment Corp (CIC), the world's biggest sovereign wealth fund, said. His remarks come as China presses for its demand in exchange for offering financial assistance to Europe to help the region cope with the fiscal debt crisis. Diplomatic deadlock is curbing China's will to provide cash to help end the euro zone crisis after Europe spurned the simplest of Beijing's three key demands, two independent sources have told Reuters. China had offered help in return for European support to grant it either more influence at the International Monetary Fund, market economy status in the World Trade Organisation, or the lifting of a European arms embargo, said the sources. "In the process of investing overseas, we have to be rational and profitable," CIC's Gao Xiqing told the China Overseas Investment Summit in Hong Kong. (16 November, The Financial Express)

CHINA FACES SYSTEMIC RISKS BUT HARD LANDING UNLIKELY: BAML

Bank of America
Merrill Lynch

China faces systemic risks from a meltdown in the property market and rising bad bank loans, but the chances of a hard economic landing remain limited, Bank of America-Merrill Lynch (BAML) China strategist David Cui said. "China faces several systemic risks from the property market, underground banking and non-performing loans in the banking sector," Cui told the reporter in an interview. The cash-rich Chinese government was able to deal with such risks individually, but the path of addressing the issues could be bumpy, he added. Cui said a meltdown in the property market could be the biggest trigger for a hard landing in the world's second-largest economy, although such risks remained "modest". "Our central case is still a soft landing, but we cannot rule out the possibility of a hard landing," he said. A hard landing in China typically means a sudden slowdown of annual economic growth to 7-8 percent. China's average housing prices could fall by 5-10 percent in the next few months, but the government was likely to reverse its tightening campaign targeting the property sector, he said. "September or October could be a watershed for the property sector. The number of people not expecting housing prices to rise may have reached a critical mass," Cui said. "We are unlikely to see a U-turn in the government's tightening policy any time soon." China would "unswervingly" maintain property curbs for the rest of the year as it fine-tunes macroeconomic policy, China's cabinet said last. Property prices in key Chinese cities have risen ten-fold in the last 10 years, fuelling a speculative bubble and public discontent as prices have risen far beyond the reach of ordinary people. Following a slew of measures by Beijing's leaders since late 2009 to rein in prices, residential transaction volumes have dropped since September and some developers have slashed prices for new developments in cities such as Shanghai. A private survey earlier this week showed the average home price in China's 100 key cities fell 0.23 percent in October' 2011 from a month earlier. Cui said investors in China were seeing a sharp decline in returns from the vast manufacturing sector and that, along with negative real interest rates, had fuelled a boom in wealth management products and underground lending. (3 November, The Financial Express)

INDIA MAY CONSIDER EURO ZONE FINANCING

India could consider supporting extra financing for the euro zone if European policymakers make a credible assessment of its solvency problems, Finance Minister Pranab Mukherjee told reporters. "Our assessment of the situation is 'let them make a credible assessment of the solvency issue, try to sort out those problems, and thereafter supplementary financing could be considered," Mukherjee said. Mukherjee did not reply when asked if India would consider buying European Financial Stability Facility bonds for the first time. The host of this week's summit of Group of Twenty (G20) leaders in Cannes, French President Nicolas Sarkozy has been trying to coax big emerging nations such as China into throwing the euro zone a financial lifeline by investing in an expanding bailout fund. Before travelling for France for summit, Indian Prime Minister Manmohan Singh said much more needed to be done to restore confidence in the markets over Europe's debt crisis. "It is imperative that the difficult decisions needed to address the economic challenges in Europe and elsewhere are taken swiftly," Singh said in a statement. Greek Prime Minister George Papandreou fought off a barrage of criticism to win the backing of his cabinet to push ahead with a referendum the government said would take place as soon as possible on a European Union debt bailout deal. (3 November, The Financial Express)

INDIA IS VICTIM OF EUROZONE CRISIS: PRANAB

Indian Finance Minister Pranab Mukherjee said India is a victim of the Eurozone crisis which is hurting export growth. "We are not the makers of that (Eurozone debt) crisis... but we are a victim of that crisis," he said the ET Awards function. Talking about the domestic scenario, the Finance Minister said the economy is facing problems of inflation and rupee depreciation, among other issues. "We have problems of high inflation, rupee depreciation, we have problems because our growth may not be as projected, we have problems whether it would be possible for us to maintain the fiscal deficit target...," he said. Persistent high inflation, coupled with rupee depreciation in the recent times, could derail the government's fiscal deficit target of 4.6 percent of GDP this fiscal. Referring to India's exports growth, which slowed to 10.8 percent in October from 36.5 percent in the previous month, he said, "It is bound to happen despite diversification of destination and products." With demand slowdown in US and Europe-which account for India's 30 percent exports-the government is focusing more on Africa and Latin American markets. On the possibility of providing aid to debt-laden Eurozone economies, Mukherjee said let the members in the region first come out with some kind of package. "Let them (Eurozone nations) come out with a package by themselves and then the question of supplementary finance through international organisations could be thought of and we would also like to make our own contribution in that process," he said. (28 November, The Financial Express)

SONY FORECASTS FOURTH STRAIGHT ANNUAL LOSS

Japanese electronics giant Sony warned that it expected to slide to its fourth straight annual loss as it reels from the impact of a strong yen, weak sales and severe flooding in Thailand. Sony's projected annual net loss of 90 billion yen (USD 1.15 billion) reversed a forecast in July of a 60 billion yen net profit, after the company slumped into the red during the first-half. The Tokyo-based maker of PlayStation consoles and Bravia television sets has struggled under the weight of a strong yen, while wrestling with the aftermath of the March earthquake and now Thailand's floods that have hit production. In the second quarter alone, the firm slumped to a net loss of 27 billion yen compared with a 31.1 billion yen profit in the same period a year earlier. The company's television business has lost money for the past seven years and remains a burden amid fierce competition from rivals such as South Korea's Samsung Electronics and falling prices in the liquid crystal display market. (3 November, The Daily Star)

KINGFISHER AIRLINES POSTS WIDENING LOSSES

Indian airline Kingfisher said it had doubled its losses in the July-September quarter, as its billionaire chief Vijay Mallya was set to announce plans to keep the Indian company afloat. The country's second-largest airline by market share showed a net loss of 4.69 billion rupees (USD 93 million) for the second quarter, against a loss of 2.31 billion rupees in the same period a year earlier. The airline has cancelled more than 200 flights in the past week, raising fears it could go bankrupt. Kingfisher has been one of India's worst-hit airlines in an industry plagued by high jet fuel prices, fierce competition and inadequate airport infrastructure. The board of the struggling carrier has been in a series of closed-door meetings in the past few days to look for ways to slash debt and keep the carrier flying. Revenues for the quarter rose 10 percent to 15.28 billion rupees, Kingfisher said in a statement to the Bombay Stock Exchange. Aircraft fuel costs surged 70 percent to 8.17 billion rupees in the period. Shares in the airline were marginally up 0.20 rupees or 0.94 percent at 21.55 after the announcement. Kingfisher board members have met bankers to try to thrash out a way to tackle its debts, while the country's civil aviation ministry is reportedly also working on a relief package for the troubled sector as a whole. (16 November, The Financial Express)

TATA NAMES SUCCESSOR TO ICONIC BOSS

Cyrus P Mistry Ratan Tata

India's industrial giant Tata Group named a new chairman, bucking tradition by appointing a non-family member for the first time in its 143-year history. The announcement brings an end to a long search for a successor to veteran business icon Ratan Tata, the company said in a statement. Cyrus P Mistry, a 43-year-old existing Tata board member, was named as the deputy chairman of Tata Sons Group and will take over the reins of the USD 80 billion salt-to-steel conglomerate next year. Mistry will work with Ratan Tata over the next year and take over from him when Tata retires in December 2012. Mistry is also the managing director of the real estate-to-energy Shapoorji Pallonji Group which has an 18 percent stake in the Tata conglomerate. Ratan Tata, 73, is one of India's most powerful industrialists, who have propelled the group's global expansion. Tata Group was founded by Ratan Tata's great-great-grandfather Jamsetji Nusserwanji Tata in 1868. It comprises more than 100 companies operating in more than 80 countries and had total revenues of USD 83.3 billion in 2010-11. Some 58 percent of revenues came from business outside India. Its 31 publicly-listed firms have a combined market capitalization of about USD 77.44 billion as of mid-November and employ more than 425,000 people worldwide, it said. (24 November, The Daily Star)

In Memory of A Legendary Icon: Samson H Chowdhury (1926-2012)

MTB NEWS & EVENTS

14th EGM 2011 HELD

Date : November 16, 2011

Venue : Spectra Convention Centre
Gulshan – 1, Dhaka 1212

The 14th EGM of Mutual Trust Bank Ltd. (MTB) was held in the capital recently. MTB Vice Chairman Dr. Arif Dowla presided over the meeting. MTB Founding Chairman Syed Manzur Elahi; MTB Directors Rashed Ahmed Chowdhury, M A Rouf JP, Md. Abdul Malek and Mahboob Morshed Hassan; senior MTB officials and a large number of shareholders attended the EGM.

CHITTAGONG REGION BRANCH MANAGERS MEET MD & CEO

Date : November 14, 2011

Venue : MTB Regional Office
Agrabad, Chittagong 4000

DHAKA REGION BRANCH MANAGERS MEETING

Date : November 19, 2011

Venue : MTBTI (MTB Training Institute)
MTB Square, Tejgaon, Dhaka 1208

WORKSHOP ON "USD CLEARING AND SWIFT"

Date : November 14, 2011

Venue : MTBTI (MTB Training Institute)
MTB Square, Tejgaon, Dhaka 1208

Organized by :
JP Morgan Chase Bank, N.A., New York, USA

MTB NEWS & EVENTS

INAUGURATION OF MTB SHAHPARAN GATE BRANCH

Date : November 24, 2011

Venue : Shah Paran Gate, Khadim Nagar
Sylhet 3103

Chief Guest : Ashfaque Ahmed, Chairman
Sadar Upozila, Sylhet

INAUGURATION OF MTB THAKURGAON BRANCH

Date : November 14, 2011

Venue : IRS Tower, Bangabandhu Sarak
Chowrasta, Thakurgaon 5100

Inaugurated by : Md. Ahsan-uz Zaman, Additional Managing Director (AMD), MTB

Special Guests:
SM Moin, Mayor of Thakurgaon Municipality; ATM Shamsuzzaman, President, Thakurgaon Chamber of Commerce; Tofazzal Haque Manju, President, District Lawyers' Association and Akhter Hossain Raja, President, Thakurgaon Press Club.

INAUGURATION OF MTB SYEDPUR (SUNAMGANJ) SME/AGRI BRANCH

Date : November 24, 2011

Venue : Syedpur Sarpara, Jagannathpur
Sunamganj 3061

Chief Guest : Mukhtadir Ahmed, Chairman (in charge)
Jagannathpur Upazila, Sunamgonj

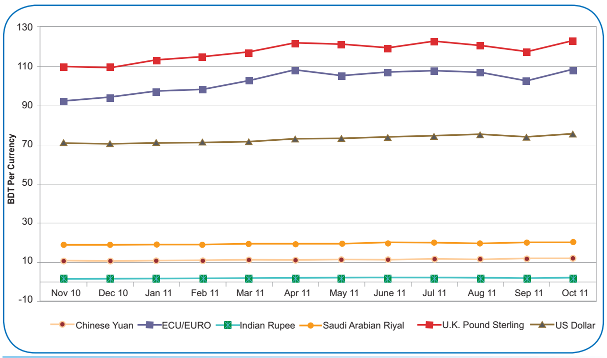
MTB PARTICIPATES AT IUB JOB FAIR 2011 IN CHAITTAGONG

Date : November 26, 2011

Venue : Independent University Bangladesh (IUB)
Chittagong Campus
Chittagong 4000

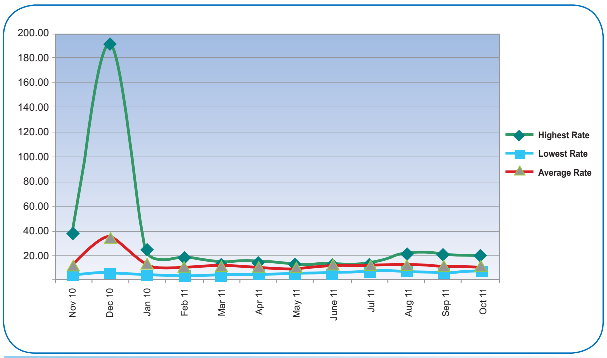
National Economic Indicators

Exchange Rate Movements



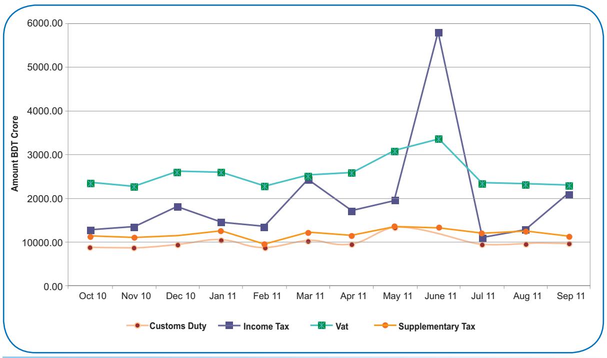
Source: Economic Trends, Bangladesh Bank

Monthly Average Call Money Rates (Weighted Average)



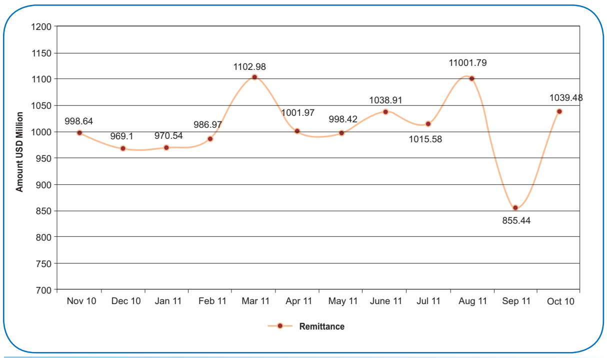
Source: Economic Trends, Bangladesh Bank

Major Tax Revenue Receipts (under NBR)



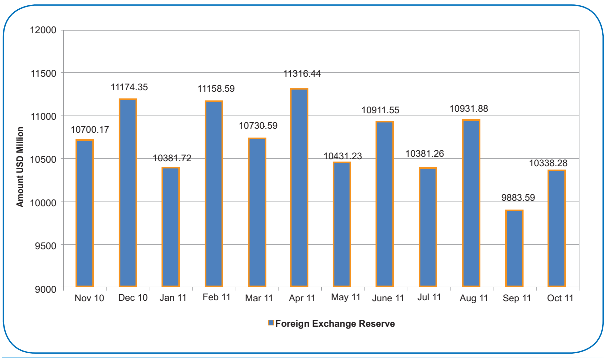
Source: Economic Trends, Bangladesh Bank

Remittance



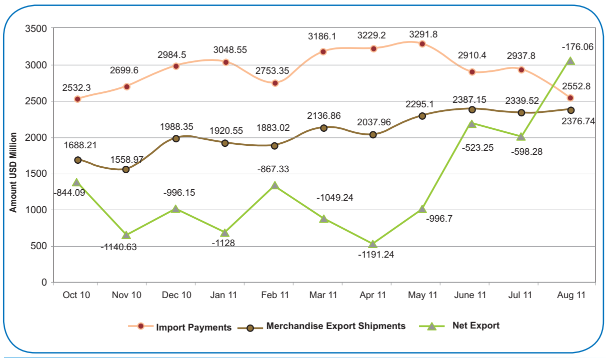
Source: Major Economic Indicators, Bangladesh Bank

Foreign Exchange Reserve



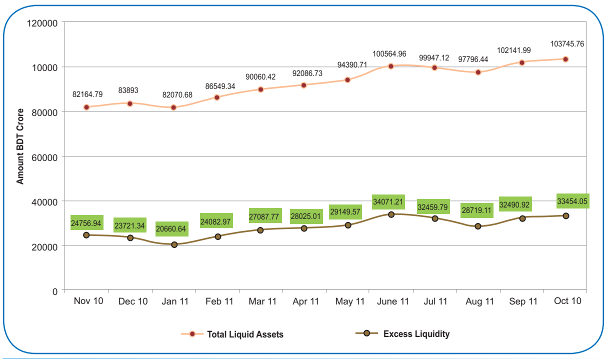
Source: Major Economic Indicators, Bangladesh Bank

Imports & Exports



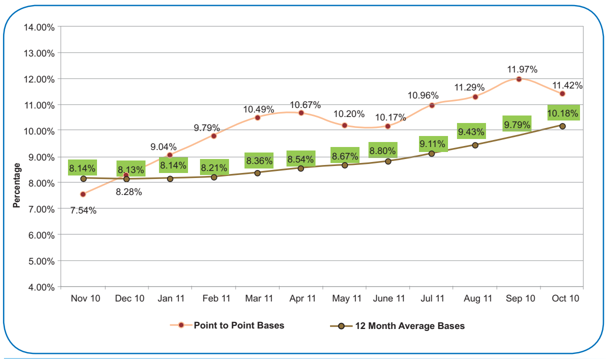
Source: Economic Trends, Bangladesh Bank

Liquidity Position of the Schedule Banks



Source: Major Economic Indicators, Bangladesh Bank

Rate of Inflation (Base: 1995-96, 100)



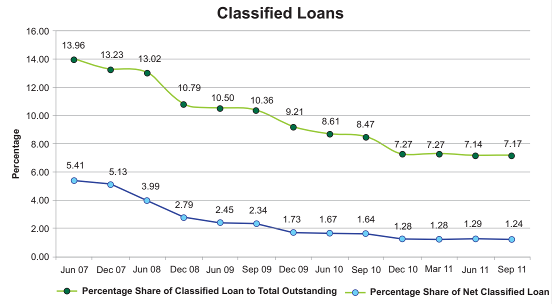
Source: Major Economic Indicators, Bangladesh Bank

Banking and Financial Indicators

Classified Loans	Dec 08	Jun 09	Sep 09	Dec 09	Jun 10	Sep 10	Dec 10	Mar 11	Jun 11	Sep 11
Percentage Share of Classified Loan to Total Outstanding	**10.79**	**10.50**	**10.36**	**9.21**	**8.67**	**8.47**	**7.27**	**7.27**	**7.14**	**7.17**
Percentage Share of Net Classified Loan	**2.79**	**2.45**	**2.34**	**1.73**	**1.67**	**1.64**	**1.28**	**1.26**	**1.29**	**1.24**

Monetary Survey				Percentage Change (%)	
	October, 2010	June, 2011	October, 2011P	Oct.11 over Oct.10	FY 2010-2011 P
Reserve Money (BDT crore)	81553.50	97500.90	100003.60	22.62%	21.09%
Broad Money (BDT crore)	385231.30	440,520.00	461,304.20	19.75%	21.34%
Net Credit to Government Sector (BDT crore)	54230.20	73436.10	87803.90	61.91%	34.89%
Credit to Other Public Sector (BDT crore)	16000.70	19377.10	17464.90	9.15%	28.72%
Credit to Private Sector (BDT crore)	293856.40	340712.70	356919.60	21.46%	25.84%
Total Domestic Credit (BDT crore)	364087.30	433525.90	462188.40	26.94%	27.41%

L/C Opening and Settlement Statement (USD million)					Percentage Change (%)	
	July-October, 2010-2011		July-October, 2011-12		Year over Year	
	Open	Sett.	Open	Sett.	Open	Sett.
Food Grains (Rice & Wheat)	811.25	481.81	249.42	428.1	-69.25%	-11.15%
Capital Machinery	1099.91	610.04	727.15	821.27	-33.89%	34.63%
Petroleum	771.36	924.42	1666.45	1687.31	116.04%	82.53%
Industrial Raw Materials	5084.58	3682.22	5061.02	4369.97	-0.46%	18.68%
Others	4733.65	3863.16	5262.30	4446.77	11.17%	15.11%
Total	12500.75	9561.65	12966.34	11753.42	3.72%	22.92%



Yearly Interest Rates

End of Period	Bank Rate	Call Money Market's Weighted Average Interest Rates on Borrowing	Call Money Market's Weighted Average Interest Rates on Lending	Scheduled Banks' Weighted Average Interest Rates on Deposits	Scheduled Banks' Weighted Average Interest Rates on Advances	Spread
2011*	5.00	9.77	10.41	….	….	….
2010	5.00	8.06	8.06	6.08	11.34	5.26
2009	5.00	4.39	4.39	6.29	11.51	5.22
2008	5.00	10.24	10.24	7.09	12.40	5.32
2007	5.00	7.37	7.37	6.84	12.78	5.95
2006	5.00	11.11	11.11	6.99	12.60	5.61
2005	5.00	9.57	9.57	5.9	11.25	5.35
2004	5.00	4.93	5.74	5.56	10.83	5.27
2003	5.00	6.88	8.17	6.25	12.36	6.11
2002	6.00	9.49	9.56	6.49	13.09	6.60

*: data upto month of October, 2011.

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	1-3 Day	1-3 Day			
2009-10												
January	2.33	3.55	4.61	7.8	…	8.74	….	4.50	2.50	4.83	12.43	7.06
February	…	3.56	4.62	7.82	8.75	8.74	9.11	4.50	2.50	4.51	12.33	7.14
March	…	3.54	4.63	7.85	8.76	8.75	9.15	4.50	2.50	3.51	12.41	7.13
April	2.34	3.42	4.15	7.85	8.77	8.77	9.17	4.50	2.50	4.36	12.37	7.20
May	2.37	3.52	4.20	….	8.77	8.77	9.19	4.50	2.50	5.18	12.30	7.13
June	2.42	3.51	4.24	7.87	8.78	8.80	9.15	4.50	2.50	6.46	12.37	7.40
2010-11 *r												
July	2.43	3.51	4.24	7.88	8.79	8.84	9.20	4.50	2.50	3.33	12.58	7.25
August	…	…	…	7.88	8.82	8.86	9.23	5.50	3.50	6.58	12.29	7.21
September	…	…	…	7.93	8.85	8.91	9.24	5.50	3.50	7.15	11.76	7.22
October	2.94	3.75	4.45	7.96	8.85	8.94	9.25	5.50	3.50	6.19	11.81	7.22
November	3.72	4.16	4.65	8.00	8.89	9.05	9.41	5.50	3.50	11.38	11.78	7.25
December	4.58	4.85	5.50	8.10	9.45	9.11	9.56	5.50	3.50	33.54	12.20	7.32
January	5.11	5.39	5.94	8.25	9.50	….	9.60	5.50	3.50	11.64	12.64	7.59
February	5.25	5.5	6.00	8.25	9.45	9.12	9.60	5.50	3.50	9.54	12.51	7.55
March	5.48	5.63	6.20	8.26	9.36	9.20	9.63	6.00	4.00	10.59	12.82	7.67
April	5.98	6.03	6.67	8.26	9.45	9.30	9.65	6.25	4.25	9.50	12.83	7.98
May	6.45	6.63	6.97	8.26	9.45	9.35	9.65	6.25	4.25	8.64	12.85	8.45
June	6.75	7.00	7.30	8.26	9.45	9.35	9.65	6.75	4.75	10.93	13.39	8.85
2011-12 *p												
July	7.04	7.28	7.60	8.26	9.45	….	10.00	6.75	4.75	11.21	13.74	9.09
August	7.40	7.65	7.90	8.30	9.50	9.65	10.25	6.75	4.75	12.02	13.61	9.33
September	7.73	8.30	8.65	8.35	9.53	10.30	10.85	7.75	5.25	10.41	13.71	9.45
October	8.12	8.40	8.65	8.50	9.55	10.99	11.50	7.25	5.25	9.77	13.94	9.35
November	8.73	8.90	9.13	8.50	9.55	11.00	11.50	7.75	5.25	12.70	….	….

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

CAPITAL MARKET – DSE
(For the weeks October 30 to December 01, 2011)

Weekly Summary Comparison

	Oct 30 - Nov 03	Nov 27 - Dec 01	% Change
Total Turnover			
in mn BDT	13,521	15,538	14.92
Daily Average			
Turnover in mn BDT	2,704	3,108	14.92

Category-Wise Turnover

Category	Oct 30 - Nov 03	Nov 27 - Dec 01	% Change
A	94.78%	91.22%	0.036
B	0.57%	0.39%	0.002
G	0.00%	0.00%	0.000
N	2.54%	4.18%	(0.016)
Z	2.11%	4.21%	(0.021)

Scrip Performance in the Week

	Oct 30 - Nov 03	Nov 27 - Dec 01	% Change
Advanced	42	49	16.67
Declined	219	214	(2.28)
Unchanged	3	4	33.33
Not Traded	7	5	(28.57)
Total No. of Issues	271	272	0.37

Top 10 Gainer Companies by Closing Prices, November, 2011

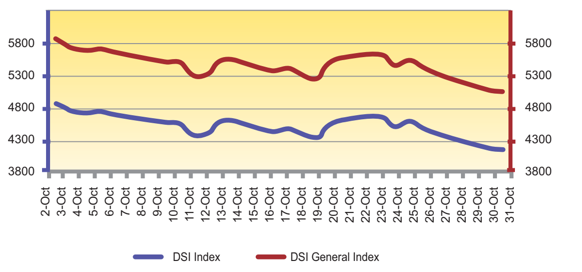
Sl	Names	Category	% of Change	Deviation % (High & Low)
1	Jamuna oil	A	6.96	19.94
2	Apex Spinning	A	6.30	14.97
3	Rahima Food	A	6.07	15.91
4	Meghna Petroleum Ltd.	A	4.62	18.86
5	Fu-Wang Ceramic	A	4.52	18.13
6	Islami Insurance BD. Ltd.	A	4.34	23.54
7	BSRM Steels Ltd.	A	4.28	12.43
8	Apex Tannery	A	4.18	15.60
9	3rd ICB M.F.	A	4.08	0.00
10	Sonarbangla Ins	A	3.74	23.98

Top 10 Loser Companies by Closing Prices, November, 2011

Sl	Names	Category	% of Change	Deviation % (High & Low)
1	BSC	A	(36.82)	98.68
2	Al-Haj Textile	Z	(23.91)	33.64
3	Meghna Condensed	B	(14.43)	23.40
4	Beacon Pharmaceuticals Ltd.	Z	(13.77)	21.46
5	Aims 1st M.F.	A	(12.19)	21.28
6	Samorita Hospital	A	(12.13)	9.56
7	Meghna PET	Z	(11.76)	16.07
8	8th ICB M.F.	A	(10.46)	6.90
9	Ambee Pharma	A	(10.29)	18.42
10	Shyampur Sugar Mills Ltd.	Z	(10.00)	12.50

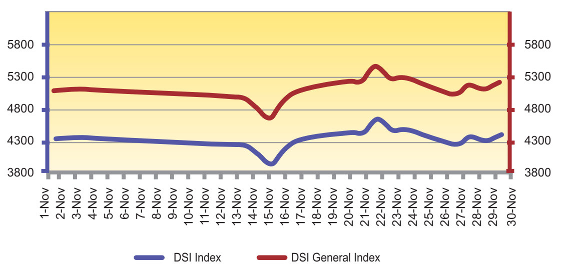
Average Monthly Trend

DSE Price Indices for October-2011



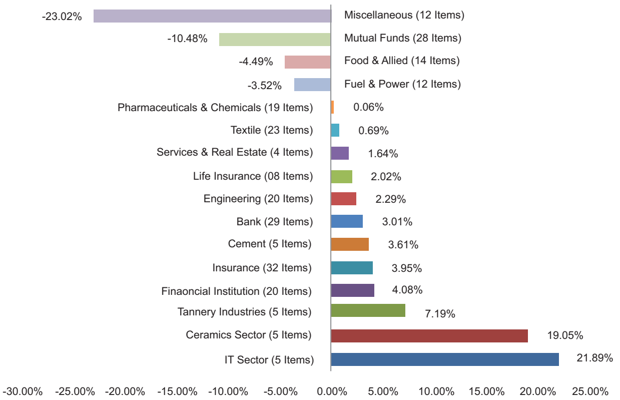
Average Monthly Trend

DSE Price Indices for November-2011



DSE SECTOR WISE MOVEMENT BY STOCK CLOSING PRICE (% CHANGE)

'November 2011



Share prices on the Dhaka Stock Exchange (DSE) retraced last week (Nov 27 – Dec 01, 2011) with low turnover value after gaining in the previous week (Nov 20 – Nov 24, 2011) following a government bailout package to rescue the ailing market. Turnover value on the premier bourse declined significantly due to low participation of institutional investors. Meanwhile, trading of shares and mutual fund units of 138 companies were suspended on Thursday as it was record date for their face value change from BDT 100 to BDT 10, significantly declining the day's turnover amount. The total turnover value in the last week also stood at BDT 15.53 billion against BDT 13.52 billion in the first week which was 14.92 percent more. The average daily turnover value also stood at BDT 3.10 billion, raise by 14 percent than the first week's BDT 2.7 billion. In the week (Nov 20 – Nov 24, 2011) before, the Securities and Exchange Commission in line with the prime minister's instructions, announced the 21-point stimulus package containing short-, mid- and long-term measures aimed at increasing participation of banks and financial institutions to stabilize the market. But market experts and other stakeholders said that despite having incentives, the banks would not be able to increase their participation soon because of their year-ending settlement. Out of the 272 issues traded in the week, 49 advanced, 214 declined and 4 remained unchanged.

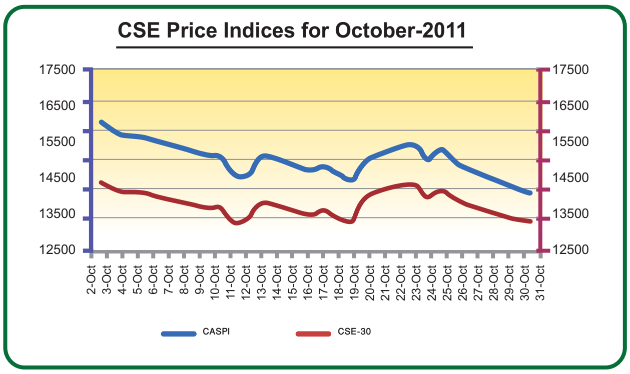
CAPITAL MARKET - CSE
(For the Month of November, 2011)

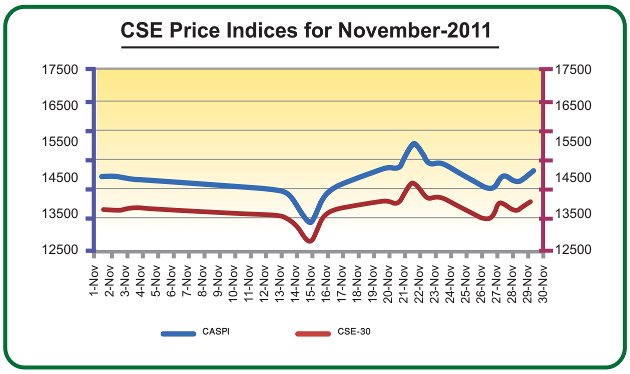
Top 10 Gainer Companies by Closing Price, November, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Aims First Guaranteed Mutual Fund	A	865.25	5.18	50.00	19,922,025.00
Rangpur Dairy & Food Products Ltd.	N	91.66	18.00	34.50	30,517,200.00
Zahintex Industries Ltd.	N	80.40	25.00	45.10	50,337,300.00
Meghna Petroleum Ltd.	A	14.91	137.40	157.90	1,508,875.00
Jamuna Oil Company Ltd.	A	14.72	203.10	233.00	4,778,810.00
Rangpur Foundry Ltd.	A	9.98	65.10	71.60	68,350.00
Federal Insurance	A	8.63	38.20	41.50	7,751,982.00
Square Textiles Ltd.	A	8.32	109.30	118.40	1,346,328.00
Peoples Insurance	A	8.31	36.10	39.10	2,710,765.00
City General Insurance Co.Ltd.	A	8.17	36.70	39.70	5,805,760.00

Top 10 Loser Companies by Closing Price, November, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Delta Brac Housing Finance Corporation Ltd.	A	-90.79	1,100.00	101.30	314,500.00
H.R. Textiles	A	-90.77	389.25	35.90	70,450.00
Power Grid Company of Bangladesh Ltd.	A	-90.75	727.00	67.20	286,662.50
Midas Financing Ltd.	A	-90.70	570.50	53.00	588,562.50
Standard Insurance Ltd.	A	-90.68	450.75	42.00	167,700.00
Anwar Galvanizing	Z	-90.59	234.00	22.00	44,500.00
Bangladesh Industrial Finance Company	A	-90.53	485.00	45.90	806,787.50
Provati Insurance Co. Ltd.	A	-90.35	445.00	42.90	135,015.00
Eastern Ins.	A	-90.27	555.25	54.00	21,905.00
National Life Ins.	A	-90.23	3,502.25	342.10	103,850.00





International Capital Markets

SELECTED GLOBAL INDICES

GLOBAL INDICES ROUND-UP

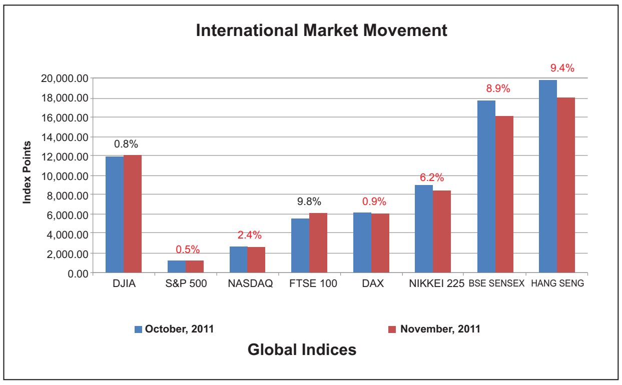
U.S. stocks ended a stellar month with a whimper on Friday (Dec 02, 2011), erasing the morning's big job-related gains as concerns about Europe's debt crisis took over in the afternoon. The Dow Jones industrial average (DJIA) and the S&P 500 (S&P 500) each lost a fraction of a percentage over the last month, while the Nasdaq (COMP) fell 2.4%. Earlier in the month, all three major indexes had been up more than 1%. Despite Friday's ho-hum finish, stocks logged robust gains for the last week. The Dow rallied 7%, its biggest weekly gain since July 2009, while the S&P 500 climbed 7.4%, its best weekly performance since March 2009. The Nasdaq rose 7.6%, delivering its second-best weekly rise this year. The mood on Wall Street was positive after the US government said employers boosted payrolls by 120,000 jobs in November, while the unemployment rate eased to 8.6% - its lowest level since March 2009. European stocks finished at high mote, especially FTSE 100 rose 9.8%, the DAX (DAX) in Germany lose fraction 0.9%. In November Asian markets also ended on a lower note. Maximum decrease was the Hang Seng in Hong Kong slid by 9.4%, The BSE Sensex slip down by 8.9% and among all Japan's Nikkei was the best performer which lose 6.2%.

INTERNATIONAL MARKET MOVEMENTS

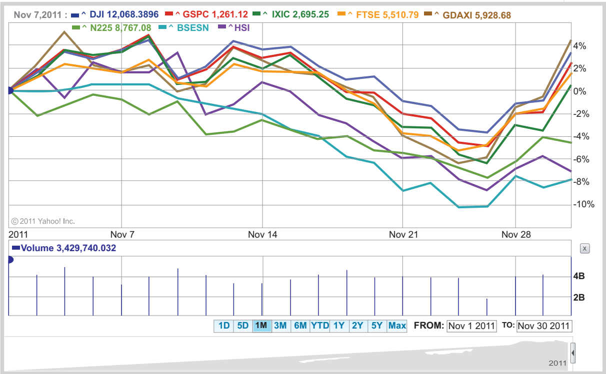
INDEX	VALUE (As of Nov 30, 2011)	VALUE (As of Oct 31, 2011)	CHANGE	% CHANGE
DJIA	12,045.68	11,955.01	90.67	0.8%
S&P 500	1,246.96	1,253.30	- 6.34	- 0.5%
NASDAQ	2,620.34	2,684.41	- 64.07	- 2.4%
FTSE 100	6,088.84	5,544.20	544.64	9.8%
DAX	6,088.84	6,141.34	- 52.5	- 0.9%
NIKKEI 225	8,434.61	8,988.39	- 553.78	- 6.2%
BSE SENSEX	16,123.46	17,705.01	- 1581.55	- 8.9%
HANG SENG	17,989.35	19,864.87	- 1875.52	- 9.4%
Arithmetic Mean				**- 2.2%**

DOUBLE VIEW

Month to Month Percentage (%) Change



November 2011



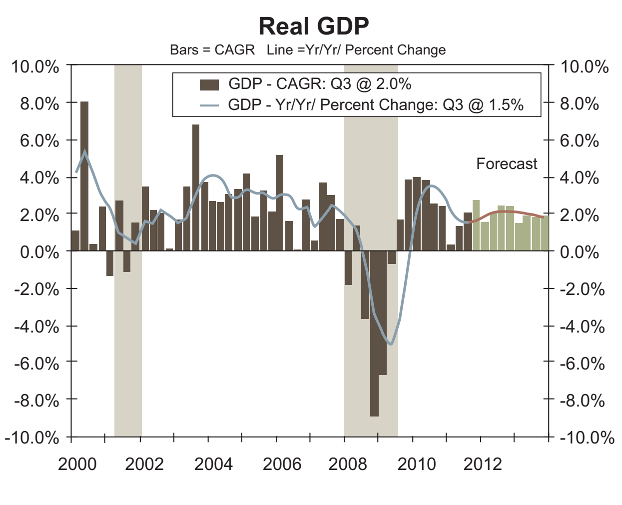
(Compiled from Yahoo! Finance)

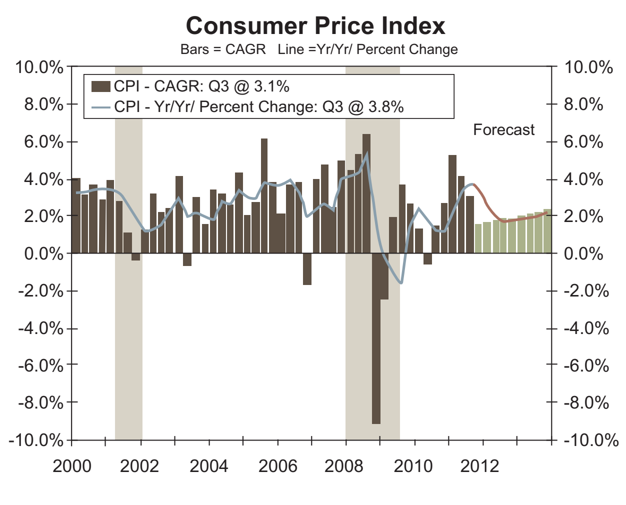
Economic Outlook 2012

THE GAME HAS CHANGED: TRANSITIONING TO A POST-LEVERAGED WORLD

Over the past year, we have often been greeted by friends and colleagues with the comment that "your job must be really interesting," or "you economists are very much in demand." Indeed, economics does give the appearance to be a countercyclical business where the more problems in the economy, the greater the demand for our views. However, after the polite greetings, the real story is that current economic difficulties call for a re-examination of the business and policy fundamentals that underlie the recovery is very uncomfortable to many. Therefore, when in doubt, call in the economists for this economic recovery has truly been an unhappy one, with the outward evidence of disappointing growth, high unemployment and a seemingly unending stagnation in the housing sector. We continue to view this economy as threading a thin needle between below-historical growth rates associated with the idealized economic recovery and the decline in growth associated with the non-idealized recession. There is no easy economic policy that will quickly resolve problems that have been developing for more than 40 years. Our key theme in the second half of this year was one of moderate, subpar economic growth accompanied by modest inflation pressures, and no change in the Federal Funds target rate. As we transition into 2012, our growth outlook reflects more of the same for the year ahead. We expect the economy to expand 2.0 percent for the year ahead, with small gains from many sectors of the economy as opposed to a major contribution from any one segment (Figure 1). We build our outlook upon the idea that consumer spending will continue to add to economic growth. However, the slow pace of job gains, marginal improvement in personal income and modest inflation pressures in the first half of the year will keep consumer spending in check. We expect approximately 1.5 million jobs to be added over next year. The disconnect between the skills among the American labor force and the skills in demand by firms remains the biggest challenge to stability in the labor market. The sluggish pace of job gains should result in only a marginal improvement in personal income. Inflation is likely to remain somewhat elevated in the first half of the year at 2.3 percent but should moderate in the second half of 2012 (Figure 2). The inflation environment in light of only marginal personal income gains will restrain personal consumption to 1.5 percent in the first half of the year before giving way to somewhat stronger growth in the second half of the year. Reiterating our view of "more of the same" in 2012, business fixed investment will remain a strong support to growth over the next year. The main driver of business investment over the past year—investments in capital equipment—should remain strong. The composition of business fixed investment should shift toward structures as stability in the commercial real estate market begins to slowly return. Short-term interest rates should remain low for most of the year, while longer-term borrowing rates should begin to rise in the latter half of 2012. State and local governments will continue the process of aligning spending with the slower pace of revenue growth. Local governments will likely continue to aggressively reduce spending over the next 12 months in light of falling property tax collections and fewer resources from the federal and state governments. At the federal level, the process of reigning in spending will begin as a result of the first USD 900 billion federal budget cuts from the Budget Control Act passed earlier this year. The first wave of cuts are spread out over the next 10 years, thus the impact will likely be minimal in the year ahead. However, the more aggressive USD 1.2 trillion in cuts set to begin in 2013 have the potential to weigh heavily on growth the following year. On the trade front, we expect to see the pace of export growth pull back slightly in light of a modest recession in Europe. However, exports to emerging market economies should continue to help support domestic global producers. Imports should begin to pick up in the latter part of 2012 as employment growth and consumer spending continues to improve. In the year ahead, we expect net exports to subtract a modest 0.1 percent from headline GDP growth as the trade balance begins to widen in the second half of the year.

Regarding policy risks, on the fiscal policy front, we expect unemployment benefits and the Social Security payroll tax reduction to be continued in 2012. However, the recent failure of the Deficit Reduction Committee in Congress reflects the underlying theme of policymakers' inability to make tough fiscal policy choices. There is a moderate risk that these policies will not be extended, which would put slight downward pressure on personal consumption and, in turn, headline GDP growth next year. Our outlook also calls for continued global growth in 2012, though at a below-average pace. Growth in Asia will likely remain intact as receding inflation has lowered the probability of excessive central bank tightening in the near term. Our base-case scenario assumes that the sovereign debt crisis in Europe does not "blow up" and that the Eurozone experiences only a mild recession through early 2012.





Source : US Department of Commerce, US Department of Labor and Wells Fargo Securities, LLC

Commodity Markets Trend

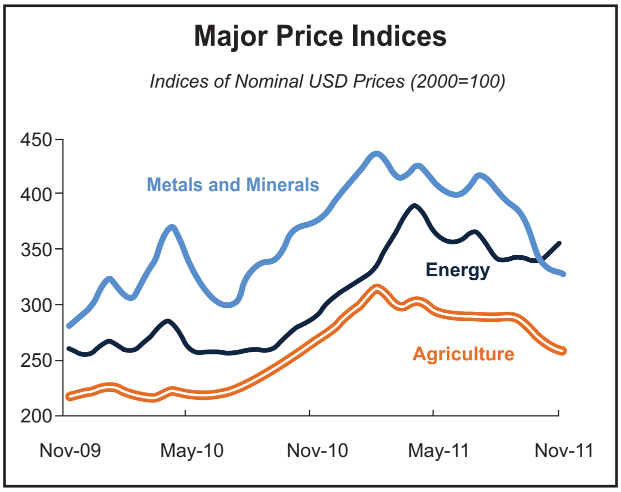
Non-energy commodity prices fell by 3.3 percent in November—a fourth straight monthly decrease—on continued concerns about global demand, and in part due to dollar appreciation (up 1.3 percent against the euro). Declines were heaviest for rubber and iron ore. Oil prices rose above USD 100/bbl, mainly due to recovering WTI prices following announcement of plans to help alleviate the transportation bottleneck in the US mid-continent. US natural gas and international coal prices fell on slowing demand and supply gains.

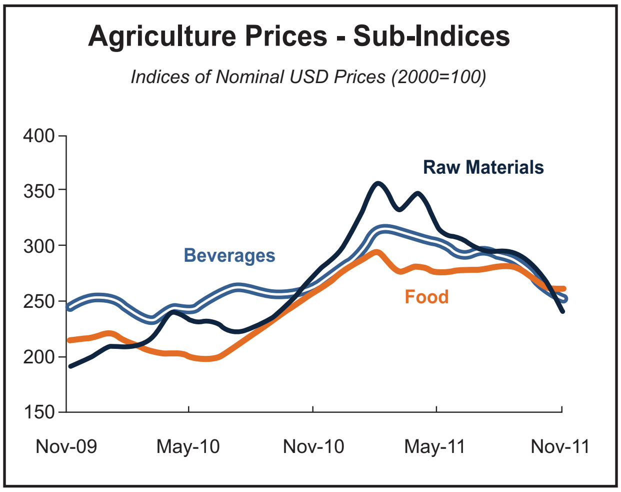
Crude oil prices (World Bank average) rose by 5.6 percent in November
to USD105.4/bbl. The increase was mainly the result of a sharp rise in WTI prices following announcement of a planned reversal of the Seaway pipeline that will help ease the transportation bottleneck in the US mid-continent. Consequently, the spread between Brent and WTI, which reached USD 30/bbl during September, fell to less than USD 10/bbl in early December. The price of the international marker, Brent, edged up over USD 110/bbl due to heightened geopolitical tensions over Iran's nuclear program, and anticipated higher seasonal demand to meet peak-winter needs. Downside pressures to prices remain, however, notably with concerns about the global economy and oil demand. Meanwhile Libyan oil production has recovered faster than expected to more than half of its pre-crisis 1.6 mb/d. Non-OPEC supplies are projected to rise by 1 mb/d in 2012, which may lead to OPEC production cuts. OPEC meets December 14 to discuss production targets, with some members calling for a realignment of quotas.

Natural gas prices in the United States dropped 9.1 percent in November
due to sluggish demand because of moderate temperatures and weak economic activity. Shale gas production continues to climb and storage levels began the heating season at relatively high levels. Coal prices fell 4.4 percent in November due to weak global demand, especially in Asia. Chinese buying has slowed sharply following strong import demand in 3Q11 that helped build up stocks at ports and power stations.

Agriculture prices fell by 3.9 percent in November
—the sixth decrease over the past seven months—on improving supply conditions and weak demand. The largest declines were for raw materials, down 11 percent. Rubber prices plunged 17 percent on concerns about slowing economic growth on tire demand, where most rubber is used. Timber prices fell 7 percent on slowing demand for construction and destocking in Japan, while cotton prices fell 5 percent on continuing weak demand from the textile industry and robust supply gains. Cocoa, sugar and soybeans prices also fell on rising supplies. A few commodities trended higher, notably coconut and palm kernel oils (close substitutes) due to weak copra supply in the Philippines. Palm oil prices were also higher on lower supplies. Beef prices rose 8 percent on an expected U.S. supply shortfall in 2012.

Metals and minerals prices fell 2.5 percent in November
on worries about global growth and slowing demand in China—the world's largest metal consumer. Iron ore prices fell 10 percent due to slowing imports and destocking in China and expected acceleration of supply in Australia. Nickel prices decreased 6 percent on lower demand from stainless steel producers and expected large growth of new nickel projects. Despite strong demand in China and significant volume of inventories still locked in warehouse financing arrangements, aluminum prices fell 5 percent as global supply hit new record highs. Zinc prices rose 3 percent on supply restraint in China, while gold and silver prices gained 4 percent on higher investment demand.





Prepared by Shane Streifel, John Baffes and Betty Dow, The World Bank

Enterprise of the Month

ENERGYPAC®

About Energypac

Engr. Rabiul Alam
Corporate Director, Energypac

Born in 1982, Energypac has pulled out all the stops to help boost power engineering business in Bangladesh. It eyes excellence in business to achieve techno-autarky of Bangladesh. Astoundingly, through relentless endeavor over the last two-plus decades, Energypac is now deemed as a top power engineering business dome. Besides its routine biz, it hunts indigenous talents across the country and inducts them aboard its teams. Products have been diversified for the clients' total power solutions including power generation, transmission, distribution, protection and control. Energypac is now spanning the globe across the borders. The Company is committed to provide world standard products and services in design, manufacturing, testing, etched the global export market. They are keen on flawlessness and fineness. They are bent upon inseparable cooperation with the clientele in every phase e.g. investment making decisions feasibility study, materials and equipments selection, machineries procurement, timely supply, installation and commissioning of equipments and permanent after-sales service. Their huge stock of spares suffices to feed the customers' immediate need. Not just the biz, Energypac's trust is cemented on a perennial relationship with the customers on mutual benefiter products are conducive to life and environmental dream of the power-autarky for Bangladesh, which will bloom into a home of peace and prosperity.

Vision

Energypac will be essential to the global technical community and to technical professionals everywhere and be universally recognized for the contributions of technology and of technical professionals improving global conditions.

Mission

Energypac's mission is to add value to the business they are involved. Their emphasis is on helping technology and to improve the quality of living of their employees and the communities they serve. Energypac aims to achieve this mission by not only providing quality products but also rendering the excellence in their services. Energypac core purpose is to foster technological innovations and excellence for the benefit of humanity.

The Group

In the next decade, Energypac will face some of its greatest ever challenges. They are constantly looking for new sources of energy, new ways to improve the environment and better ways of working. Bringing together some of energy's leading brands, Energypac created a major industry force spanning energy generation trading distribution and supply's are the country's largest power distribution business, covering major areas of the country, including Dhaka. The companies as the chronology of their inceptions can be named as follows:

- Energypac Engineering Limited
- Energypac Power Generation Limited
- TecAdvantage Limited
- Energypac Electronics Limited
- Energypac Agro Limited
- Energypac Fashions Limited
- Energypac Confidence Power venture Limited

Products

Energypac is now an integral part of the daily life of hundreds of thousands of families around Bangladesh, its services evolved in spheres for government, corporate business, and households. As the company took new heights, new ventures added value to its supply chain.

- Energypac Engineering Ltd. –Transformer, oil immersed CT & PT, Resin Cast CT & PT, VCB, Control, Metering and Relay Panels, Indoor Load Break Switch, LT Panels.
- Energypac Power Generation Limited— Gas & Diesel Generators, Low Voltage Electrical accessories, Oil & Gas Exploration, CNG Solution, Construction and Earth moving equipment, JAC Automobiles.
- TecAdvantage Limited – Wiring Accessories, Electrical Protection Device, Voltage Surge Protectors, Lighting System, Security System, Enclosures, Cable Reel, SDB, Cablofil and Circuit Breakers, EG Switch & Socket, EG Pumps & Motors, Commercial lighting.
- Energypac Electronics Limited— Compact Fluorescent Lamp (CLF), IPS, and Battery Charger.
- Energypac Agro Limited—Hybrid Agro seeds for field corps, Rice, Maize Vegetable and Fruits.
- Energypac Fashions Limited— Dress Pant, Chino, Casual and School pants.
- The business incorporates the best men & machines with the blend of technological innovation to ensure products and services fulfill the expectation of the client.

Market

'Energypac' is one of the largest Power Engineering Company in Bangladesh. Energypac Engineering Ltd commenced its voyage in 1982 with intervention in power engineering. Initially began as an importer and seller of Siemens distribution and transmission transformers. Till 1984, Energypac only sold and repaired transformers, in 1986 when the company set up a factory and started manufacturing these equipments. Energypac and its family of brands is a market leader in power engineering and uprights in Bangladesh. From the industry's early days till now, it is working relentlessly to hold on the top position in the market.

Achievements & Awards

Since its inception Energypac has, through its dedication and service, achieved distinction as the largest Power Engineering Company in Bangladesh. They have earned the respect and trust of globally renowned companies. They are also the unrivaled leader in the local market, having the biggest names in the corporate world, residential and commercial sectors at the top of their thousands of customers' list. Energypac has achieved ISO 9001:2008 and ISO 14000:2004 its Quality Management System and environmental concern which means Energypac's works procedure, documentations, and management system are as to international standard and care for mother nature. Throughout their journey till this point they have achieved both materialistic and abstractive recognition, certification, award and records that have only inspired them to achieve even bigger.

Contact

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Phone: +880-2- 9561883 (Auto Hunting),Fax: +880-2- 9563728
E-mail: info@energypac-bd.com. rabiul@energypac-bd.com
Web: www.energypac-bd.com

CSR & New Appointments

DBBL CONTRIBUTES TO BSD

Dutch-Bangla Bank Limited (DBBL) extended financial support to Bangladesh Society for Disabled (BSD) for printing Braille Quran for the visually impaired students. K.S. Tabrez, Managing Director of DBBL distributed 150 copies of a'mpara of Holy Quran in Braille form to visually impaired students at a simple ceremony held at the Bank's Training Centre in the city recently. (02 November, The Financial Express)

FSIBL STAND BESIDES STREET CHILDREN

AAM Zakaria, Managing Director of First Security Islami Bank Limited (FSIBL) handing over Mosquito Net to Bankers' Forum recently. FSIBL has distributed Insecticide Treated Mosquito Net among street children through Bankers' Forum as a part of corporate social responsibility programme. MA Khaleque, President, Bankers' Forum and many other prominent guests were present on the occasion. (03 November, The Financial Express)

BRAC BANK DONATES COMPUTERS TO PRESIDENCY UNIVERSITY

A cooperation program between Presidency University and BRAC Bank Ltd was held at the computer lab of the University. Vice Chancellor of the University Prof. Dr. Anwar Hossain presided over the program. BRAC Bank Managing Director and CEO Syed Mahbubur Rahman handed over two computers to the university as a part of its corporate social responsibility. Prof. Dr. Muhammad Mahboob Ali, Head of MH School of Business gave vote of thanks while a large number of students and faculties were present in the program. (16 November, The New Nation)

IBBL DONATES DENTAL CHAIR TO BIRDEM

Islami Bank Bangladesh Ltd (IBBL) has donated modern dental chair to BIRDEM for better treatment. Prof. Abu Nasser Muhammad Abduz Zaher, Chairman of the Bank handed over the chair to Prof. AK Azad Khan, President of Bangladesh Diabetic Association at the Association's Conference Hall. President of Diabetic Association Prof. AK Azad Khan said that the association remain grateful to Islami Bank for donating the chair and express his expectation upon continuing co-operation for the welfare of the people. (23 November, The New Nation)

MERCANTILE BANK DISTRIBUTES SCHOLARSHIP

Md. Abdul Jalil, MP, chairman of Mercantile Bank Limited distributed cheques and certificates among the meritorious students as part of the bank's Corporate Social Responsibility (CSR). Bank's Managing Director & CEO A K M Shahidul Haque also attended. (30 November, The Financial Express)

MRDI LAUNCHES EDUCATION PROGRAMME WITH RELIANCE

Management and Resources Development Initiative (MRDI) joined hands with Reliance Insurance to provide better education facilities to two schools in the remote offshore islands of Charfashion upazilla in Bhola. Officials termed it as an important step towards building partnership between corporate and civil society organisations for optimum utilisation of CSR funds in development. Headmasters of the two schools thanked Reliance for stepping into such an important programme aimed at solving an acute problem of the remote village children. (14 November, The Daily Star)

PUBALI DONATES FOR IRRI

Pubali Bank Limited (PBL) has donated BDT 6 lakh to International Rice Research Institute (IRRI) as a part of the bank's corporate social responsibility recently, says a press release. Helal Ahmed Chowdhury, managing director of the bank, said, "The bank has donated the amount to IRRI for development of research." Helal Ahmed Chowdhury handed over the donation cheque to Mohammed Zainul Abedin, IRRI representative for Bangladesh. (30 November, The Independent)

New Appointments During November, 2011

BANKS, FINANCIAL AND OTHER INSTITUTIONS				
Name	**Current Position**	**Current Organization**	**Previous Position**	**Previous Organization**
Faruq A. Choudhury	Chairman (re-elected)	Delta Brac Housing Finance Corporation Ltd. (DBH)	Chairman	DBH
Md Yeasin Ali	Chairman	Bangladesh House Building Finance Corporation (BHBFC)	N/A	N/A
Mohammed Shafi	Chairman	Central Insurance Company (CIC) Ltd.	N/A	N/A
Syed Ershad Ahmed	President	Foreign Investors' Chamber of Commerce & Industry (FICCI)	N/A	N/A
Pinak Chakraborty	Country Head	State Bank of India (BD)	Deputy General Manager	State Bank of India (Jharkhand)
Md. Tawhidul Islam	Managing Director (MD)	Hajj Finance Company Limited (HFCL)	Deputy Managing Director (DMD)	HFCL
Syed Sajid Husain	Chief Executive Officer (CEO)	Chittagong Stock Exchange (CSE)	CEO (Acting)	CSE
Faruq Moinuddin	Additional Managing Director (AMD)	The City Bank Ltd.	DMD	Mercantile Bank Ltd.

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*শর্ত প্রযোজ্য

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- Panthapath Branch
- Principal Branch
- Progati Sarani Branch
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- Shah Mokhdum Avenue Branch
- Shanir Akhra Branch
- Sonargaon Branch
- Sreenagar Branch
- Tejgaon Branch
- Tongi Branch
- Uttara Model Town Branch

MTB Securities Ltd.
- Corporate Head Office
- Extension Office-Motijheel
- Extension Office-Fulbaria
- Extension Office-Fakirapul
- Extension Office-Dilkusha
- Banani Office
- Dhanmondi Office
- Gulshan Office
- Narayangonj Office
- Pallabi Office
- Progati Sarani Office
- Uttara Office

SME/Agri Branch
- Dhanbari
- Gafor Gaon
- Hasnabad
- Kaliganj
- Noria
- Sharulia Bazar

MTB Booth
- Hazrat Shahjalal Intl. Airport

MTB Rangpur
- Rangpur Branch
- Thakurgaon Branch

MTB Securities Ltd.
- Rangpur Office

MTB Barisal
- Gournadi Branch

MTB Khulna
- Jessore Branch
- Kushtia

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- Corporate Head Office

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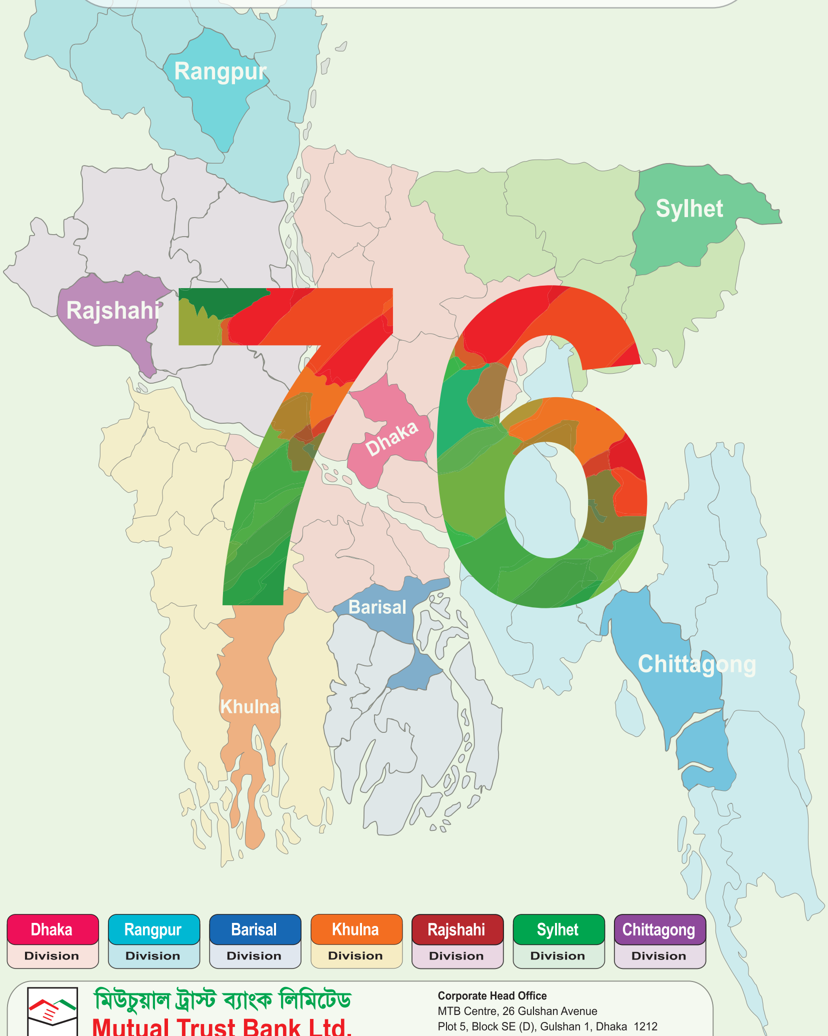

Dhaka	Rangpur	Barisal	Khulna	Rajshahi	Sylhet	Chittagong
Division	Division	Division	Division	Division	Division	Division

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- Comilla Branch
- Cox's Bazar Branch
- Dhorkora Bazar Branch
- Feni Branch
- Jubilee Road Branch
- Karnaphuli EPZ Branch
- Kerani Hat Branch
- Khatungonj Branch
- Nazirhat Branch
- Oxygen Mor Branch
- Raipur Branch

SME/Agri Branch
- Dagon Bhuiyan
- Haidergonj
- Laksham
- Nazumeah Hat
- Ramchandrapur Bazar

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- Alankar Mor Office
- CDA Avenue Office

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