



MTBiz

MONTHLY BUSINESS REVIEW
VOLUME: 08 ISSUE: 01
JANUARY 2017



PHARMACEUTICAL INDUSTRY A Billion Dollar Market



MTB is the
DHL-The Daily Star
Bangladesh Business Award Winner
as the Best Financial Institution of 2014

MTB has been chosen for the award on account of its high standards of corporate governance, inspirational Board, strong leadership and management, exceptional innovation, diverse array of products and services, asset quality, financial performance and service to the community.

We are grateful to our much valued customers, regulators, shareholders, well-wishers and all citizens of the country. On this auspicious occasion, we reiterate our commitment to strive even harder to serve Bangladesh and our fellow citizens, in the exciting times ahead.



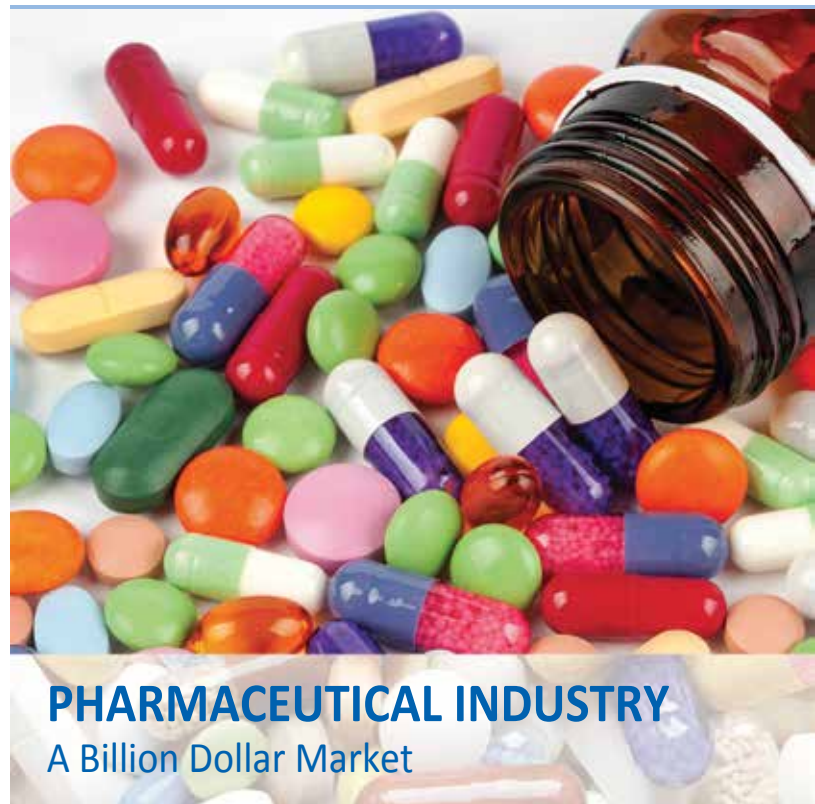
মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us



Contents

Article of the month	02
National News	
The Central Bank	05
Business & Economy	07
Industry Appointments	11
MTB News & Events	12
Financial Glossary	16
Dashboard	18
International News	
Economic Forecast	22
Wells Fargo Monthly Outlook	24



PHARMACEUTICAL INDUSTRY A Billion Dollar Market

Developed & Published by
MTB Group R&D

Please send feedback to:
rnd@mutualtrustbank.com

All rights reserved @ 2017

Design & Printing:
Preview

Disclaimer:

MTBiz is printed for non-commercial & selected individual-level distribution in order to sharing information among stakeholders only. MTB takes no responsibility for any individual investment decision based on the information at MTBiz. This review is for information purpose only and the comments and forecasts are intended to be of general nature and are current as of the date of publication. Information is obtained from secondary sources which are assumed to be reliable but their accuracy cannot be guaranteed. The name of the other companies, products and services are the properties of their respective owners and are protected by copyright, trademark and other intellectual property laws.

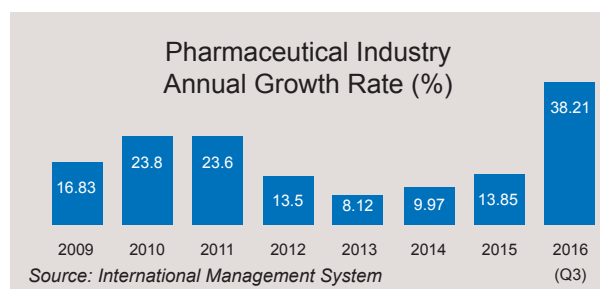


WE SUPPORT

Pharmaceutical Industry: A Billion Dollar Market



Pharmaceuticals is one of the most prominent as well as flourishing sectors of Bangladesh. It started booming with the promulgation of drug control ordinance (1982). Voluminous growth of last couple of years doubled the market in just less than five years while the retail market crossed USD 1 billion in 2011 and is projected to grow to USD 2.00 billion in 2016. The WTO trade-related aspects of intellectual property rights (TRIPS) agreement that permits Bangladesh to reverse-engineer patented generics till 2021 to sell locally and export to markets



around the world has led to the development of a strong manufacturing base, technical know-how and a supportive, liberal regulatory regime. Apart from generic markets, Bangladesh has recently started exporting to regulated markets of US and the European Union.

This article would look into the pharmaceutical industry in Bangladesh through the lens of growing domestic market, market capitalization, buoyant trend of exports, contribution of local companies in the international markets and ample opportunities for FDIs. It would further analyze the potential development of pharmaceutical market in Bangladesh.

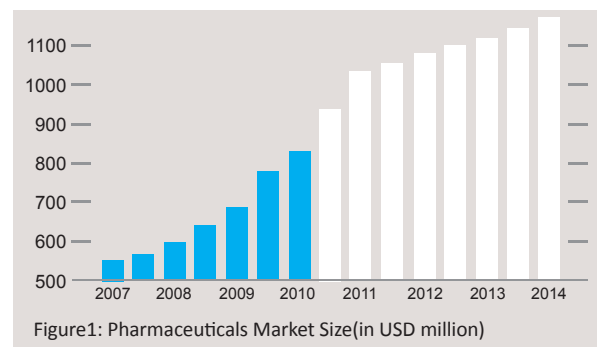
Pharmaceuticals: Industry at a Glance

Bangladesh manufactures almost all types of medicines and fulfills the demand of 160 million people. The country manufactures around 97% medicines domestically and imports the remaining 3.0%. The industry manufactures about 5,600 brands of medicines



in different dosage forms. There are 257 registered companies in Bangladesh, 194 of which are in operation. This industry caters to 97% of domestic demand.

By market share the top pharmaceutical companies are: Square, Incepta, Beximco, Opsonin, Renata, Eskayef, ACI, ACME, Aristopharma and Drug International. There are a number of pharmaceutical MNCs in Bangladesh, such as Sanofi Bangladesh, Novartis etc. But the



domestic companies now possess the top positions. The top 10 companies command two-thirds of the market share of the pharmaceutical industry.

According to BMI Research¹, in Q1 2017, Bangladesh's Risk/Reward Index (RRI) score stands at 41.8 out of 100. Bangladesh retains its ranking position in BMI's RRI

	2017f	2018f	2019f	2020f
Pharmaceuticals sales, USD bn	2.621	2.865	3.128	3.413
Pharmaceuticals sales, % of GDP	1.07	1.05	1.02	1.00
Pharmaceuticals sales, % of health expenditure	41.9	42.4	42.8	43.3
Health spending, USD bn	6.258	6.764	7.302	7.875

f=BMI forecast, Source: WHO, national sources, BMI

matrix, standing as the 15th most attractive market to pharmaceutical investors out of 19 markets² in the Asia Pacific region. Bangladesh's score is driven by a large pharmaceutical market² and rapid drug market expansion³.

Pharmaceuticals: Market Capitalization



According to market capitalization, Square pharmaceuticals Ltd, the largest pharmaceuticals company of the country, holds 39% of total capital of the sector while carries weight of 6% of the total market capitalization. Renata Ltd secures the second position holding 15% total capital of this sector and 2% of total market capitalization.

Beximco Pharmaceuticals Ltd secures the third position holding 8% of capital of the sector and 1% of total market capitalization.

Pharmaceuticals: Stock Market Statistics

Market position	2nd largest sector		
No. of pharmaceutical companies in the stock market	28		
Category of companies	Category A	Category B	Category Z
	24	2	2
Total market capital	BDT 460 billion		

Possessing 21.24 sector P/E ratio and weighing on an average 12-13% of total trade volume of the market, this sector fundamentally shows firm promises to boost up the investors' confidence and thereby attracting them to be tied up with this industry.

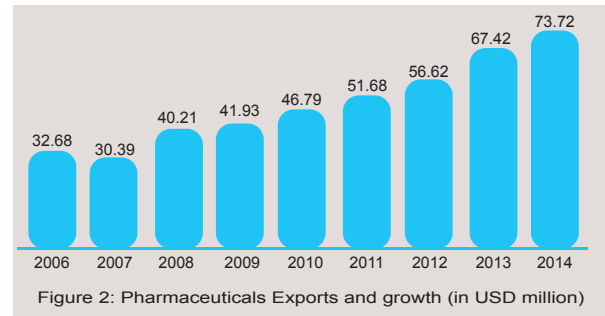
As the shareholding structure shows, on an average, 49% of the total shares of the sector is occupied by their own sponsors while 16% is occupied by different institutional investors. This sector could attract a sizeable amount of foreign investors. Beximco Pharmaceuticals⁴ takes the lead in attracting foreign investors (24%) followed by Renata (22%) and Square Pharmaceuticals (10%) respectively. The price range of this sector covers from BDT 8.10/per share to BDT 1,564.80/per share.

Pharmaceutical Exports



Due to recent development in this sector, the country is exporting medicines to global market including European countries. At present Bangladesh is exporting to more than 83 different countries of the world. Bangladesh's overall export earnings from pharmaceuticals reached USD 51.7 million for the calendar year 2011, recording a 10.5% growth over the previous year.

According to the Export Promotion Bureau (EPB), in the first half of the fiscal year 2015-16 Bangladesh earned USD 37.9 million (about BDT 3.0 billion) by exporting medicines.



Pharmaceutical export from Bangladesh has been recording 25.5% growth annually over the last seven years. Most of the top companies in Bangladesh have already received good manufacturing practice (GMP) clearance from a number of countries, including Turkey, Yemen, Kenya, Congo, Uganda, Sudan, Ethiopia, etc.

Presence in International market and overseas collaboration



Square Pharmaceuticals has decided to establish a pharmaceuticals manufacturing subsidiary company in Nairobi in Kenya. The project is expected to be completed by June 2019⁵. Beximco Pharmaceuticals Limited announced the creation of a joint venture with BioCare Manufacturing (M) Sdn Bhd ("BioCare") based in Malaysia, as the Company's first overseas manufacturing collaboration. Beximco Pharma will provide full technical support to BioCare for the establishment of manufacturing facilities in Seri Iskandar Pharmaceutical Park, Perak, Malaysia to produce specialised pharmaceutical products⁶.

Square Pharmaceuticals and Beximco Pharma got the approval of the Food and Drug Administration (FDA) of USA in June, 2015. Incepta Pharmaceuticals is expecting the same opportunity and has already established a separate plant with the intention of exporting medicines to the USA. Other top ranking companies are trying to get the chance to expand the country's export income several times. In October 2016, Beacon Pharma signed a deal with Karellac, a Turkish-based drugmaker. Under the deal, the Bangladesh pharmaceutical firm will export anti-cancer and biotechnology medicines to Turkey⁷.

A good number of companies have already gained and others are in the process of obtaining the approval of UK Medical and Health products Regulatory Agency (UK MHRA), Therapeutic Goods Administration (TGA Australia), and Gulf Central Committee for Drug Registration (GCC - DR).

Foreign Investment opportunities



Bangladesh offers the most liberal foreign direct investment (FDI) regime in South Asia. There is no limit on equity participation and repatriation of profits and income. Tax holidays and accelerated depreciation is also allowed. Businesses exporting at least 80% of goods or services qualify for duty free import of machineries and spares and bonded warehouse facility. Cash incentives for selected products. Equal treatment for local and foreign investors.

Foreign investment is protected from expropriation and nationalization by the 'Foreign Private Investment (Promotion & Protection) Act 1980'. Complete duty and quota free access to EU, Japan, Canada, Australia and



most other developed countries. Investors can repatriate dividend and capital at exit. Young and energetic work force, nearly 60% of the total population is economically active and almost a million graduates enter the workforce annually. Bangladesh is a signatory to ICSID, UNCITRAL, OPIC, MIGA, WAIPA, WIPO and WTO.

Conclusion



There are ample opportunities for pharmaceutical companies to invest in Bangladesh. Most of the pharmaceutical companies still buy raw materials from abroad to produce medicines which is a barrier on the path of self-reliance and the increasing growth rate of export. The government has undertaken a project to establish an Industrial Park to produce Active Pharmaceutical Ingredients (API) that will help the local manufacturers in reducing expenses, and increasing volume of production and sales.

¹BMI Research, a Fitch Group company, provides trusted, independent analysis and forecasts on countries, industries and financial markets.

²Market expenditure score of 10.0 out of 20

³Sector value growth score of 8.4 out of 12

⁴Beximco Pharmaceuticals secures the first position in attracting foreign investors among pharmaceutical companies listed in stock exchange while, overall, secures the second position in foreign investors holding among all the listed local companies of capital markets.

⁵<http://www.thefinancialexpress-bd.com/2017/01/09/58642/Square-Pharma-to-establish-subsiary-in-Kenya>

⁶<http://www.thefinancialexpress-bd.com/2017/01/24/60051/Beximco-Pharma-forms-JV-with-KL-based-co>

⁷<http://en.prothom-alo.com/corporate/news/123721/Another-Bangladeshi-co-to-export-drugs-to-Turkey>

NATIONAL NEWS

BB once again looks to reward good borrowers



Bangladesh Bank has once again urged commercial banks to reward their first-rate buyers with rebates on interest payment and various charges in an effort to foster a good credit culture. The directive came at recent Bankers' Committee meeting, which was attended by BB Governor Fazle Kabir and Chief Executives of all banks. The banks' Chief Executives said they have been offering various types of rebates to good borrowers over the last several years. The rebate for 2016 will be paid by March this year, they said. In response, the BB called for more discussions to explore the scope for increasing the benefits further. The Bankers' Committee, comprising chief executives of all commercial banks, meets periodically to discuss various problems. At the meeting, the central bank presents the government's priorities and the current picture of the economy. Save for remittance, all economic indicators are 'very good', Kabir said. Economic growth crossed the 7 percent mark last fiscal year and will most definitely be better in fiscal 2016-17. Inflation is low and the reserve level is satisfactory. About 70 percent of the ATM machines in the country have been fitted with anti-skimming devices and PIN code shields as of now. Kabir asked the bankers to complete the installation of the remaining 30 percent ATM machines soon. At the meeting, Anis A Khan, Chief Executive Officer of Mutual Trust Bank, suggested the central bank governor set up a credit bureau. If the bureau is established a good credit culture will flourish in Bangladesh. On the basis of the ratings of the credit bureau, borrowers will be able to take various types of loans at low interest rates. The BB governor welcomed the suggestion and said an initiative in this regard will be taken. A total of 41 banks issued BDT 1,314 crore non-funded loans against 2,342 bills to Hall-Mark Group through Sonali Bank. If the party does not repay the loans against the bills, the borrower's bank has to repay it to the other banks.

BB gets 66 proposals involving USD 403.63m for long-term financing



Bangladesh Bank has already got 66 project proposals involving USD 403.63 million through different private banks to facilitate long term financing under the World Bank funded Financial Sector Support Project. BB has already approved 19 proposals with USD 90.26 million, of which USD 12.02 million has been disbursed, rest of the approved amount is under the process of disbursement,' a senior BB official told. Out of the total approved, some companies have disbursed a portion and others are under process as the amount will be disbursed through opening Letter of Credit for importing machineries, he said. BB under the auspices of International Development Association of the World Bank would provide a total of USD 350 million under FSSP, which would play a pivotal role in meeting the growing demand for long-term financing for productive sectors in the country. BB has already signed separate Participating Financial Institutes agreement with 31 banks to distribute the long term finance among the country's export oriented industries. Of the total amount, World Bank will provide USD 300 million and rest of the amount will provide from BB's own fund. The tenure of the project is July 1, 2015 to March 31, 2021. Under the FSSP fund for long-term financing, the banks can lend money for ventures in the industrial productive sectors for tenure of 5 to 10 years, having that the banks would have to pay interest rate between 2.50 per cent to 3.50 including LIBOR (London Inter Bank Offered Rate) depending on the category of banks. The interest will be fixed considering the respective bank's CAMELS (Capital, Assets quality, Management, Earning, Liquidity, and Sensitivity) rating, a recognised international rating system that bank supervisory authorities use in order to rate financial institutions.



Manage MTB Internet Banking Services from your Smart Phone

Manage your account on the go from the convenience of your android device:

- Account summary
- Transfer fund to
 - Own account
 - Beneficiary account
- Internet bill payment
- Locate the nearest MTB Branches and ATMs
- Cheque book request
- Credit Card
 - Transaction summary
 - Card Bill payment

MTBinternet
banking

Now with Mobile Recharge



Prepaid Postpaid

MTB Gift Cheque

MTB Gift Cheque users have the unique opportunity to choose their gift whenever they wish. Purchasers save time and receivers have the option to buy something they require.

MTB GIFT CHEQUE can be exchanged for money anytime, at any MTB branch in Bangladesh.

Benefits:

- Purchasers do not have to be account-holders of MTB to purchase MTB Gift Cheque
- No document is required for purchase of MTB Gift Cheque
- No service charge is applicable
- Attractive rate of interest
- Other conditions may apply



MTBRETAIL
BANKING
pleasure in life

MTB CONTACT CENTRE
16219 or 09604016219



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

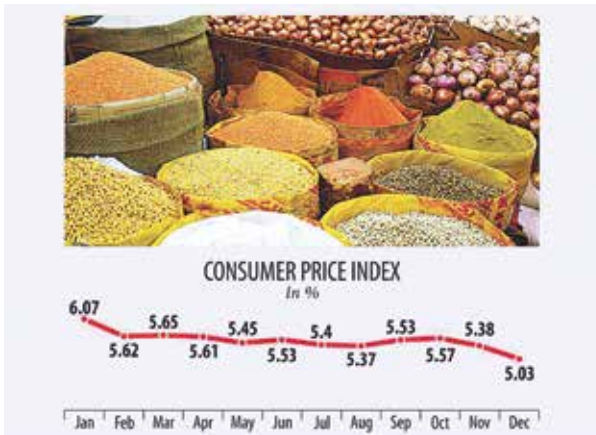
www.mutualtrustbank.com

www.facebook.com/Mutual.Trust.Bank



NATIONAL NEWS

Inflation lowest in 53 months



Inflation came down to 5.03 percent in December, the lowest in 53 months, helped by a steady decline in non-food prices since June as well as a lack of supply disruption thanks to a stable political environment. Political stability played a key role in reducing consumer prices, said Planning Minister AHM Mustafa Kamal as he disclosed the inflation figures at the Planning Commission in the capital. Overall, inflation went down 35 basis points in the last month of the year from November's 5.38 percent, according to official statistics. This was led by the fall in non-food inflation, which dropped to 4.49 percent in December, a decline of 88 basis points from 5.33 percent a month earlier. Food inflation fell slightly to 5.38 percent from 5.41 percent in November. The steady decline in non-food inflation since June 2016 through December 2016 has to do with the weakening of aggregate demand caused by a large decline in remittances, said Zahid Hussain, lead economist of the World Bank in Dhaka.

TeleTalk signs deal with Nokia, Alcatel for network expansion

TeleTalk Bangladesh Limited, the state-run mobile phone operator, has signed an agreement with Nokia and Alcatel for expanding its network countrywide. State Minister for Posts and Communications Tarana Halim disclosed while talking to reporters after the signing ceremony at the Ministry. Giasuddin Ahmed, managing director of TeleTalk and Nicolas Bouverot, Market unit Head of Asia South of Nokia and Roland Reynier, signed the agreement named 'Modernisation and Expansion of Teletalk 2G/3G network up to rural area project' on behalf of their respective sides at the Post and Telecommunications Department. The agreement was signed for establishing the 1700 2G BTS (base transceiver station), 305 old 2G BTS and 1500 Node-B (3G BTS) and core networks at a cost of USD 18.4 m and USD 14.7 m, she said.

Summit signs deal to build USD500m LNG terminal



Summit Group has signed an initial contract with Petrobangla to set up a liquefied natural gas terminal on Moheshkhali Island in Cox's Bazar at a cost of about USD 500 million. Summit LNG Terminal Company, a unit of Summit Group, will develop the floating facilities in 18 months after signing the final contract. Energy Secretary Nazimuddin Chowdhury, Petrobangla Chairman Abul Mansur Md Faizullah, Summit Group Chairman Muhammed Aziz Khan, Vice-Chairmen Md Latif Khan and Md Farid Khan and General Electric's Infrastructure Director Peter Mackey were present at the signing of the initial agreement at Petrobangla in Dhaka. The floating terminal will supply 500 million cubic feet of natural gas per day. The LNG will cost the government USD0.45 per 1,000 cubic feet of natural gas. Summit will transfer the facilities to Petrobangla after operating it for 15 years. Summit will implement the project jointly with US-based GE as equity investment partner, and plans to implement the LNG terminal project with its own funds.

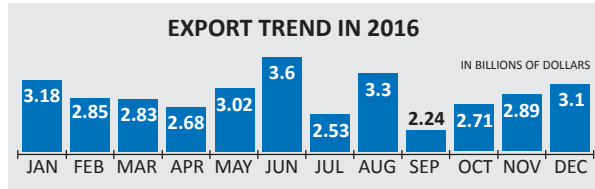
IPDC rebrands itself



The Industrial Promotion and Development Company of Bangladesh re-launched itself as IPDC Finance.

Finance Minister AMA Muhith attended the event as the chief guest at Radisson Hotel in Dhaka. Sir Fazle Hasan Abed, founder and chairperson of Brac, and Mominul Islam, CEO of IPDC Finance Ltd, were also present along with the high officials of Bangladesh Bank. "IPDC has made some major changes to ensure efficient organisational management and maximum risk management in its operations. IPDC has continuously been the major driving force behind the industrial development of Bangladesh since the establishment of the company in 1981, said Islam. In 2015, Brac, the world's top non-governmental organisation; Ayesha Abed Foundation, RSA Capital, Aga Khan Fund for Economic Development, RSA Capital, general public and the Bangladesh government became the major stakeholders of IPDC. IPDC Finance has created a long-term work plan to create a positive socio economic development, the company said.

H1 exports go up by 4.5pc



The country's overall export earnings grew by 4.44 per cent to USD 16.80 billion in the first-half (H1) of the current fiscal year. The growth rate, however, was less than expected as shipments of readymade garments products remained slow due to labour unrest, exporters claimed. The earnings during July-December period of 2016-17 fell 3.28 per cent short of the period's target of USD 17.37 billion, according to Export Promotion Bureau (EPB) statistics released recently. The export earnings during the corresponding period of last fiscal year were USD 16.08 billion. Officials said the negative growth in December had an impact on the overall earnings in H1. In December 2016; it fell by 3.03 per cent to USD 3.11 billion from USD 3.20 billion in December 2015. RMG exports faced a setback in December last mainly because of mass closure of manufacturing units in the industrial hub of Ashulia due to labour unrest over wage hike demand, Faruque Hassan, Senior Vice President of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). However, the overall earnings through RMG exports in the H1 increased by a marginal 4.37 per cent to USD 13.71 billion from USD 13.13 billion of the H1 last fiscal year. The export of woven items grew by 2.87 per cent to USD 6.90 billion during the period from USD 6.70 billion in the same period of the FY 2015-16 while knitwear exports increased by 5.93 per cent to USD 6.81 billion from USD 6.43 billion. Mr. Hassan stressed the need for policy supports, mainly devaluation of local currency against the US dollar, to boost exports in the coming months. The export earnings from leather and leather goods increased 11.93 per cent to USD 627.86 million in H1 while jute and jute goods rose by 11.52 per cent to USD 472.57 million.

Bangladesh on Social Progress Index: A top performer in nutrition, basic medicare

Bangladesh is one of the top performers in ensuring nutrition and basic medical care, and health and wellness, according to the Social Progress Index 2016 prepared on a study on 133 countries. Still, Bangladesh was grouped "low social country" as it was ranked 101st because of its weak performance in nine out of 12 components in the ranking, said the Social Progress Imperative, a US-based non-profit behind the rankings.

SOCIAL PROGRESS IMPERATIVE

The country's score is 52.73. Finland topped the list with a score of 90.09, followed by Canada, Denmark,

Australia, and Switzerland. The Index measures social progress in three broad areas: basic human needs, foundation of well-being and opportunity. There were 12 components under the broad areas: nutrition and basic medical care; water and sanitation; shelter; personal safety; access to basic knowledge; access to information and communications; health and wellness; and environmental quality; personal rights; personal freedom and choice; tolerance and inclusion; and access to advanced education. In health and wellness, Bangladesh is also one of the top-performing countries. The top performers here include Japan and Italy. The 2016 Social Progress Index covers 94 per cent of the world's population. In South Asia, India and Pakistan have also been grouped in the "low social progress" category and they were ranked 98th and 113rd.

Abdul Monem gets final licence for economic zone

Abdul Monem Economic Zone (AMEZ), an entity of Abdul Monem Ltd, received the final licence from the authority. With the licence, AMEZ will now allocate industrial plots to investors who want to set up factories in the economic zone. AMEZ is the second economic zone in the private sector that obtained the final nod from Bangladesh Economic Zones Authority or Beza. Paban Chowdhury, executive chairman of Beza, handed over the licence to ASM Mainuddin Monem, managing director of AMEZ, at a function in Dhaka. Many local entrepreneurs as well as foreign investors from countries like China, Japan and Hong Kong have expressed their intention to invest in the economic zone, he said, adding that the economic zones will help the government achieve its Vision 2041. AMEZ will create job opportunities for around 1 lakh people, he added. An entrepreneur can enjoy various benefits, including tax incentives, from the authorities by setting up an industrial unit in an economic zone. The zone is situated on 216 acres of land at Gazaria in Munshiganj, very close to the Dhaka-Chittagong highway and Meghna Ghat river port. However, the final licence was for 142 acres, and another licence will be awarded later for the rest of the land. The economic zone is suitable for industries like textile and garments, leather and footwear, pharmaceuticals, food processing, plastics and other consumer goods, machinery parts and light engineering, automobile and accessories.

UNCTAD projects 16 graduations during 2017-2024



Six Least Developed Countries (LDCs), including Bangladesh, are projected to graduate from their existing status by 2024, according to a latest report of the United Nations Conference on Trade and Development (UNCTAD). Seven more LDCs might also come out of the league by 2021, according to the Least Developed Countries Report 2016, prepared and published recently. Moreover, two African LDCs -- Equatorial Guinea and Angola -- are set to graduate from the category in 2017 and 2020 respectively. One Pacific LDC, Vanuatu, would also come out of the league in 2017. This year's report focused on the graduation of LDCs from this category. UNCTAD projected that Bangladesh's pre-eligibility for graduation will be completed in 2018 and, in 2021, the country will comply with all three criteria by becoming fully statistically eligible for graduation. "Finally, the graduation will take place in 2024." The criteria are per capita income, Human Asset Index (HAI) and Economic Vulnerability Index (EVI). According to the report: "Bangladesh is focusing primarily on the HAI criterion, as it has already fulfilled the EVI criterion and remains far below the graduation threshold for GNI." Five other countries will follow the similar path. These are Afghanistan, Djibouti, Lao PDR, Myanmar and Yemen.

Biman registers BDT 2.7b profit



Biman Bangladesh Airlines has continued its profit in the second consecutive fiscal, as the national carrier registered a profit of BDT 2.76 billion (276 crore) in fiscal 2015-16. In fiscal 2014-15, Biman had made a profit of BDT 3.24 billion. The annual general meeting (AGM) of the national flag carrier held this evening approved the financial calculation, Biman General Manager (public relations) Shakil Meraj said. Chairman of Biman Board of Directors Enamul Bari chaired the AGM held at Balaka Bhaban. In FY16, the state-run carrier has earned revenue of BDT 46.45 billion. During the period, Biman has ferried a total of 2.3 million passengers which was 2.0 million in fiscal 2014-15. Besides, Biman has shipped 40,911 tonnes of cargo, but the figure could not be inflated due to temporary ban on direct freight to London since January 8, said Shakil Meraj. During the fiscal, Biman has attained 69 percent on time performance, he added. Biman is now running its operation with 10 wide-body and 2 narrow-body aircraft to 15 international and 7 domestic destinations.

WB gives USD 360m to improve waterway connectivity



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

The government recently signed a USD360 million financing agreement with the World Bank to improve navigability of 900-kilometre inland waterways along the Chittagong-Dhaka-Ashuganj corridor

and connecting routes. The project will ensure year-round safe transport for passengers and cargo along the country's busiest waterways. The Bangladesh Regional Waterway Transport Project 1 will help reduce travel time and cost for cargo and passenger transport, and boost national and regional trade. The project will build one new general cargo terminal in Pangaon, and improve the existing cargo terminal in Ashuganj. It will also build new and rehabilitate existing passenger terminals in Sadarghat, Narayanganj, Chandpur and Barisal. To help the

poor population living in remote areas, the project will construct 14 landing ghats/stations in chars (shoals), where waterways are often the only mode of transportation. The agreement was signed by Qimiao Fan and Mohammad Mejbahuddin, senior secretary of the Economic Relations Division of the Bangladesh government, at ERD office. The credit from the World Bank's International Development Association, which provides grants or zero to low interest loans, has a 38-year term, including a six-year grace period, and a service charge of 0.75 percent.



NBR eyes 3.0m TIN holders this FY



National Board of Revenue, Bangladesh জাতীয় রাজস্ব বোর্ড, বাংলাদেশ

The National Board of Revenue (NBR) has expected that the number of registered taxpayers would cross 3.0 million in the current fiscal year (FY) as it found impressive growth in taxpayers identification number (TIN) holders. Some 25,59,081 taxpayers obtained electronic TIN until December 18. Of them, nearly 0.6 million obtained the registration in the first five months of the FY 2016-17. The NBR also received higher individual tax returns up by 3,50,000 or 40 per cent in the current FY compared to that of the same period last year. "It is a record in return submission in the history of NBR. The NBR Chairman Md Nojibur Rahman held a meeting, giving the taxmen 10-point instructions to achieve the revenue target for the current FY. The directives included strengthening the research cell at NBR, building capacities of three wings of the board, ensuring partnership with the stakeholders, holding dialogues on online VAT, conducting joint survey by the customs and income tax commissioners, and digitising the internal resources division and NBR.

PepsiCo awards Transcom Beverages as bottler of the year

Transcom Beverages Ltd, the franchisee of PepsiCo in Bangladesh, has been recognised as the "Bottler of the Year" for 2016 in PepsiCo annual conference for outstanding business results in 2016. This is the sixth time Transcom Beverages has received the award since taking over the bottling operation in 2000. Transcom Beverages has been leading the soft drinks market in Bangladesh for the last few years. Latifur Rahman, Chairman of Transcom Group, received the trophy from Samudra Bhattacharya, head of franchise operations of PepsiCo India region, at the function. Arshad Waliur Rahman and Simeen Hossain, directors of Transcom Group; Manish Muley, Country Manager of PepsiCo Bangladesh; Khurshid Irfan Chowdhury, Deputy Managing Director of Transcom Beverages; NK Bhowmik, General Manager, finance and human resource; Asrar Alam, general manager, sales; Anisur Rahman, national sales manager; and Arif Hossain, marketing manager, were present at the ceremony at Hotel Jaypee in Agra, India on December 19.

BSEC publishes newly-framed rules



The securities' regulator has published newly framed rules to bring all stakeholders of capital market and other institutions under a legal framework to conduct the nation-wide financial literacy programmes. The objective of conducting nation-wide financial literacy programme is to create awareness among investors in an effort to minimise risks. Prime Minister Sheikh Hasina is expected to inaugurate the nation-wide financial literacy programme on January 8 through an inaugural ceremony to be arranged by the securities' regulator in the capital. Under the rules titled 'Bangladesh Securities and Exchange Commission (Development of Investment Education and Training) Rules, 2016, the short-term, mid-term and long-term initiatives will be taken to spread investment related awareness across the country. A commissioner of the Bangladesh Securities and Exchange Commission (BSEC) said the involvement of other educational institutions and academies is also required along with stakeholders of the capital market to make the literacy programmes successful.

Eight brick kilns get BDT 3.64cr in carbon credit from IIDFC

Eight environment-friendly brick manufacturers have received BDT 3.64 crore as carbon revenue for 2014-15, as an award for using clean technology that reduces coal consumption by half. M Matiul Islam, chairman of the Industrial and Infrastructure Development Finance Company Ltd or IIDFC, handed over the cheques to the owners and representatives of the brick kilns at a programme at IIDFC's head office in Dhaka recently. Md Asaduzzaman Khan, managing director of the non-bank financial institution, was also present. The awardees include Kapita Auto Bricks Ltd, Eeta and Tiles Ltd, Banolata Refractory Ltd, Universal Bricks Ltd, Haair (Eco) Bricks Ltd and Bricks 2010 Ltd. The eight brick makers saved emissions of 53,069 tonnes of carbon dioxide by using the Hybrid Hoffman Kilns technology, which reduces coal consumption by about 40-45 percent compared to traditional brick kiln, it added. IIDFC has entered an agreement with the World Bank and the Danish government to trade the emission savings from these kilns.

NATIONAL NEWS

Aftab becomes BB director



Aftab ul Islam, has recently been appointed as a Director of Bangladesh Bank (BB) for three years. Islam started his career with USA-based multinational IT Company NCR Corporation and headed this company for a number of years. In 1992, he

launched his own business, IOE (Bangladesh) Ltd. With his spectacular achievement in the IT and office automation business he was elected President of the Bangladesh Computer Samity (BCS). He played the key role in setting up BCS Computer City at IDB Bhaban. He was elected president of the country's premier Chamber, Dhaka Chamber of Commerce and Industry (DCCI) in the year 2000. In 2001, Islam was elected president to lead the prestigious forum of American Chamber of Commerce in Bangladesh (AmCham). He was elected as Director, FBCCI (Federation of Bangladesh Chambers of Commerce and Industry) for the period 2005-2010. Islam was the Chairman of the SME (Small and Medium Enterprise) Foundation for two years from September 8, 2009 to September 2011. He is a member, Board of Directors, International Chamber of Commerce Bangladesh (ICC) and also a member, Board of Governors, Institute of Business Administration, (IBA), University of Dhaka. He is also a member of the Board of Advisers for BRAC Business School (BBS), BRAC University. He is the Chairman of Asia Pacific General Insurance Company Ltd. He also founded BD Venture Ltd., the first venture capital company of Bangladesh as chairman.

RAKUB gets new Managing Director



Kazi Sanaul Hoq joined Rajshahi Krishi Unnayan Bank (RAKUB) as Managing Director. Prior to his new assignment he was Deputy Managing Director of Agrani Bank Limited. He also worked as General Manger in Bangladesh

Development Bank Ltd (BDBL) and RAKUB. He held important positions in various departments of the bank and discharged duties in Central Accounts Department at ICB Head Office. He was the CEO of ICB Securities Trading Company Ltd. He started his career in 1984 as a Senior Officer at ICB.

Emranul new AMD of DBL



Dhaka Bank Limited recently promoted Emranul Huq to the rank of Additional Managing Director. Prior to this, he was serving the bank as Deputy Managing Director, Business Banking. He was also the Head of Corporate Banking of the

same bank. Huq, a career banker with three decades of professional banking experience both at home and abroad, started his career with Bank of Credit & Commerce International (BCCI), currently known as Eastern Bank Ltd. in Dhaka as Management Trainee in 1986. He also worked at Eastern Bank Limited and Credit Africa Bank Limited in Zambia. He is a 'Certified Corporate Banker' and a Fellow of the American Academy of Financial Management.

Hossain elected Vice Chairman of Standard Bank



S. A. M. Hossain has been elected as Vice-Chairman of Standard Bank Ltd. He started his business career in the field of electronics in 1980. Now he is the Chairman and Managing Director of Victor Group and proprietor of Victor

Electronics. He is also the Chairman of Hotel Victory Ltd., Link Up Steel Mills Ltd., and Eastern Metal Industry (Ctg) Ltd. He is the life Member of Army Golf Club, Dhaka and Permanent Member of Chittagong Club Limited. He is also the Associate Member of Chittagong Chamber Of Commerce & Industry.

IFIC Bank gets new DMD



Nurul Hasnat has been promoted to the rank of Deputy Managing Director (DMD) of IFIC Bank Limited recently. Prior to this position, he served the bank as Senior Executive Vice President and Head of Motijheel Branch. Hasnat started

his banking career in 1989 with former BCCI, now Eastern Bank Limited and continued till 2001. He worked for Trust Bank Limited from 2001 to 2013 in various positions. He visited India, Singapore, Hong Kong, Malaysia, and Indonesia.

A MTB MILESTONE - 200TH BOARD MEETING



Date : December 28, 2016
Venue : MTB Centre, Gulshan 1, Dhaka 1212

The 200th meeting of the Board of Directors of Mutual Trust Bank (MTB) was held at its Corporate Head Office, MTB Centre, Dhaka on Wednesday, December 28, 2016. M. A. Rouf JP, Chairman of the Board of Directors, MTB presided over the meeting. The members of the Board of Directors commemorated holding of the 200th Board meeting at a simple ceremony.

MTB Directors Rashed Ahmed Chowdhury, Md. Abdul Malek, Md. Wakiluddin, Q.A.F.M Serajul Islam, Independent Directors Anwarul Amin, Dr. Sultan Hafeez Rahman, Managing Director & CEO, Anis A. Khan, Additional Managing Director & Chief Operating Officer, Md. Hashem Chowdhury and Deputy Managing Directors Md. Zakir Hussain, Syed Rafiqul Haq and Goutam Prosad Das were present.

MTB ARRANGES BDT 935 MILLION PREFERENCE SHARES FOR STAR CERAMICS LTD



Date: January 4, 2017

Venue: The Westin, Gulshan-2, Dhaka 1212

The Closing Ceremony of Issuance of Redeemable Cumulative Preference Shares under syndication of BDT 935 Million for Star Ceramics Ltd. was held at a city hotel on Wednesday, January 4, 2017. MTB arranged the financing as the Lead Arranger and Agent. MTB Capital Ltd., a subsidiary of MTB, signed an agreement to act as the Issue Manager and Corporate Advisor. M. A. Rouf, JP, Chairman, MTB was the Chief Guest at the ceremony.

Syed A. K. Anwaruzzaman, Managing Director, Star Ceramics Ltd., Anis A. Khan, Managing Director & CEO, MTB, and on behalf of the subscribers, Yawer Sayeed, Managing Director & CEO, AIMS of Bangladesh Ltd., Mohammed Nurul Amin, Managing Director & CEO, Meghna Bank Ltd., Ashok Kumar Saha, Managing Director, NGS Group of Industries, Golam Hafiz Ahmed, Managing Director & CEO, National Credit and Commerce Bank Ltd., Md. Mehmood Husain, Managing Director & CEO, NRB Bank Ltd., Ahmed Kamal Khan Chowdhury, Managing Director, Prime Bank Ltd., Md. Rafiqul Islam, Chief Operating Officer (COO) & Acting Managing Director, Shimanto Bank Ltd., Md. Motaleb Hossain, Deputy Managing Director, Standard Bank Ltd., A.F.M Barkatullah, Deputy Managing Director & Head of Retail Business, IPDC Finance Ltd., Kaiser Tamiz Amin, Deputy Managing Director, United Finance Ltd. and Jashim Uddin, Company Secretary, Delta BRAC Housing Finance Corporation Ltd. were also present at the event.

MTB CUSTOMERS TO ENJOY UP TO 50% DISCOUNT AT WELL PARK RESIDENCE BOUTIQUE HOTEL & SUITES



Date : December 30, 2016
Venue : MTB Centre, Gulshan 1, Dhaka 1212

MTB recently signed an agreement with Well Park Residence Boutique Hotel & Suites. Under this agreement, MTB Privilege Customers, card holders and employees will enjoy up to 50% discount and other special facilities at Well Park Residence Boutique Hotel & Suites.

Syed Nurul Islam, Chief Executive Officer, Well Group and Syed Rafiqul Haq, Deputy Managing Director & Chief Business Officer, MTB signed the agreement on behalf of their respective organizations. Kamrun Naher Daisy, Chief Marketing Officer, Well Group, Mohammad Anwar Hossain, Head of Cards, MTB, along with other senior officials from both the organizations are seen in the photo.

MTB INAUGURATES ITS HEMAYETPUR BRANCH

MTB has recently opened its 110th branch at Lalon Tower, Tatuljhora, Hemayetpur Bus Stand, Savar. MTB Chairman M. A. Rouf, JP inaugurated the branch as the Chief Guest, at a ceremony held at the branch premises.

Anis A. Khan, Managing Director & CEO, MTB, local elite, leaders of local business associations, people from different strata, managers of nearby MTB branches and other senior officials of MTB also attended the program. A MTB 24/7 ATM was also opened at the branch premises.



Date : December 26, 2016
Venue : Lalon Tower & Shopping Complex, Tatuljhora, Hemayetpur, Savar, Dhaka 1349

INAUGURATION OF MTB 24/7 ATM AT SIEMENS BANGLADESH PREMISES



Date : December 07, 2016
Venue : Laila Tower, 8 Gulshan Avenue, Dhaka 1212

MTB has recently opened its 24/7 ATM Booth at the office of Siemens Bangladesh Ltd., Laila Tower, 8 Gulshan Avenue, Dhaka 1212.

Indranil Lahiri, Managing Director & CEO, Siemens Bangladesh inaugurated the new booth.

Md. Hashem Chowdhury, Additional Managing Director & Chief Operating Officer, MTB, Md. Bul Hassan, CFO & Company Secretary, Siemens Bangladesh along with other senior officials of both the organizations were also present at the event.

MTB 24/7 CONTACT CENTRE CELEBRATES ITS 5TH ANNIVERSARY



Date : December 27, 2016
Venue : MTB Tower, 111, Kazi Nazrul Islam Avenue,
Dhaka 1000

MTB 24/7 Contact Centre has celebrated its 5th Anniversary with a celebration at its premises, MTB Tower, 111, Kazi Nazrul Islam Avenue, Dhaka 1000 on December 27, 2016.

Md. Hashem Chowdhury, Additional Managing Director & Chief Operating Officer, MTB, graced the event as Chief Guest and inaugurated the ceremony by cutting a cake.

Md Nazrul Islam Mazumder, EVP & CEO, MTB Securities Ltd., Khairul Bashar Abu Taher Mohammed, EVP & MTB Capital Ltd., Mohammad Anwar Hossain, SVP & Head of ADC & Cards and other MTB officials were also present.

MTB SUPPORTS ASSISTANCE FOR BLIND CHILDREN (ABC)

MTB has recently presented a cheque to Assistance for Blind Children (ABC) as the annual educational expenses of ten blind children living in its dormitories. Anis A. Khan, Managing Director & CEO, MTB handed over the cheque to K M Zainul Abedin, Senior Vice President, ABC, at a simple ceremony held at MTB Centre on Wednesday, January 11, 2016.

Md. Akhterul Alam, General Secretary, Habibullah Khan, Treasurer, Munira Khan, Joint Treasurer, Raushan Ahmed, Executive Member, Sanjay Ranjan Kar, Executive Director, ABC, and Md. Hashem Chowdhury, Additional Managing Director & Chief Operating Officer, Md. Zakir Hussain, Deputy Managing Director, MTB were present at the ceremony.



Date : January 11, 2017
Venue : MTB Centre, Gulshan 1, Dhaka 1212

MTB
CARDS 
towards a cashless society



Capture Your Memorable Moments with **MTB Cards**

Enjoy up to 20% discount & up to 12 months FlexiPay facility

*Terms & Conditions apply



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

For Details: +88 019 7331 1177 or +88 019 7555 6633



G L O S S A R Y

Capacity utilization rate: The percentage of a company's, industry's or country's production capacity which is actually used, over some period of time. also called operating rate.

Clawback: 1. A financial or other benefit that is given, but is later taken back due to unique circumstances. A common example of this is when particular investments are purchased, they provide taxable benefits to the purchaser, but if the investments are sold before they mature, these benefits are required to be returned.

2. A decrease in the stock market that follows just after an increase in the stock market.

Satellite operation: A small project unit or department which is physically separated from its corporate headquarters.

Saturation: A stage in a product's life cycle in which everyone who might want the product already has it. If a company is in this stage, then it could indicate that the company is not innovative, or that competitors have been able to provide superior product offerings. Typically, the company will cut down on sales and advertising expenditure if it reaches this stage, and may focus on the development of new products.

Reverse mortgage: An arrangement in which a homeowner borrows against the equity in his/her home and receives regular monthly tax-free payments from the lender. Also called reverse-annuity mortgage or home equity conversion mortgage.

Salvage value: The estimated value of an asset at the end of its useful life.

Sandwich lease: A leasing arrangement in which an entity leases property from one party and leases that same property to another party. In this arrangement, the entity is both a lessee and a lessor, so it both pays and collects rent on the same property.

Sawbuck: Slang term for the U.S. ten dollar paper currency. The slang is derived from the Roman numeral for ten, "X". The "X" looks like the shape of a sawbuck, a device used to hold wood in place for sawing it into pieces.

Senior Debt: Senior debt is borrowed money that a company must repay first if it goes out of business. Each type of financing has a different priority level in being repaid if the company decides to liquidate. If a company goes bankrupt, senior debtholders, who are often bondholders or banks that have issued revolving credit lines, are most likely to be repaid, followed by junior debt holders, preferred stock holders and common stock holders, possibly by selling collateral held for debt repayment.

Greenmail: The holding of a large block of stock of a target company by an unfriendly company, with the object of forcing the target company to repurchase the stock at a substantial premium to prevent a takeover.

EXPLORE MYANMAR



3
Flights Weekly

Discover Amazing Yangon

TK 3,711
* 6 Months EMI Per Person



NOVOAIR

Winter Schedule till 31st March 2017

DHAKA - YANGON				YANGON - DHAKA			
FLIGHT	DEPARTURE	ARRIVAL	DAYS	FLIGHT	DEPARTURE	ARRIVAL	DAYS
VQ 711	11:30	13:45	FRI, SUN, TUE	VQ 712	14:45	16:00	FRI, SUN, TUE

MTB
CARDS 
towards a cashless society


FlexiPay

 **মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড**
Mutual Trust Bank Ltd.
you can bank on us

© 017 5565 6660-72



Privilege BANKING

Pleasure of Privilege

Privileged Benefits

- Reduced lending rates
- Waiver of fees on various products and services
- Higher ATM withdrawal limit
- Free internet banking
- Free debit card
- Discount on locker services
- Special debit card & cheque books
- Composite statements
- International credit card

Privileged Service

- Dedicated lounges
- Preferential and fast track service for loan application
- Dedicated relationship manager
- 24/7 contact centre

Privileged Lifestyle

Enjoy exclusive privileges at:

- Restaurants
- World class hotels
- Hospitals
- Jewellery shops
- Resorts
- Beauty salons
- Health clubs etc.

You can upgrade your existing account or open a new Privilege Account.

Just dial: 16219 or +88 096040 16219



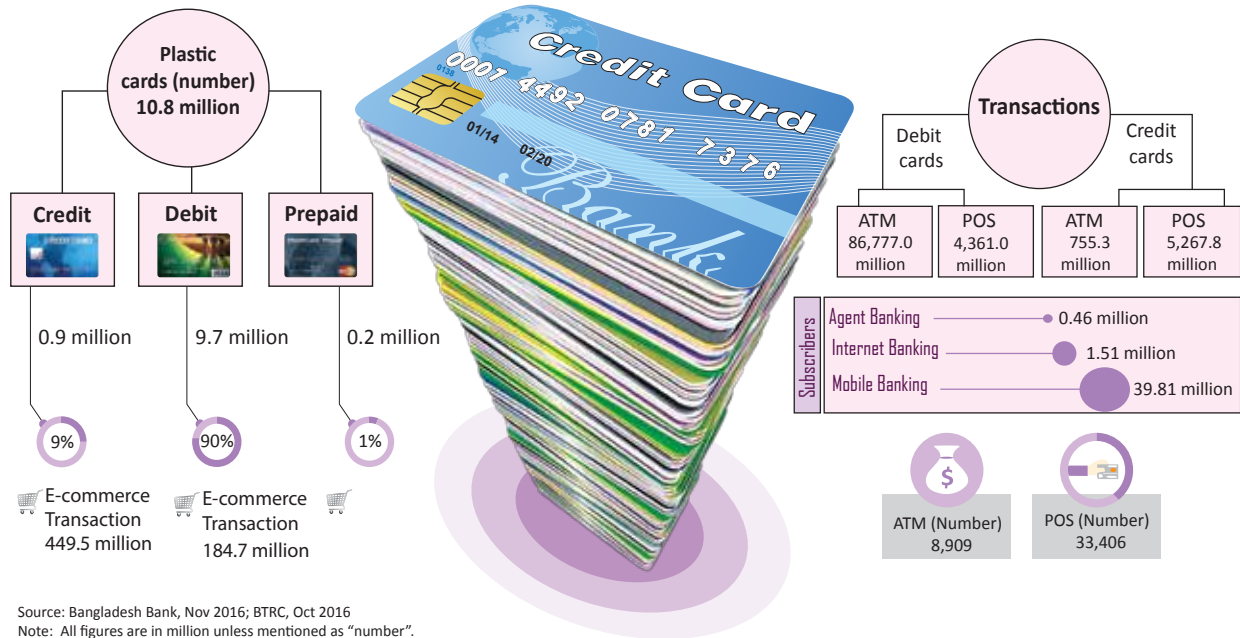
মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

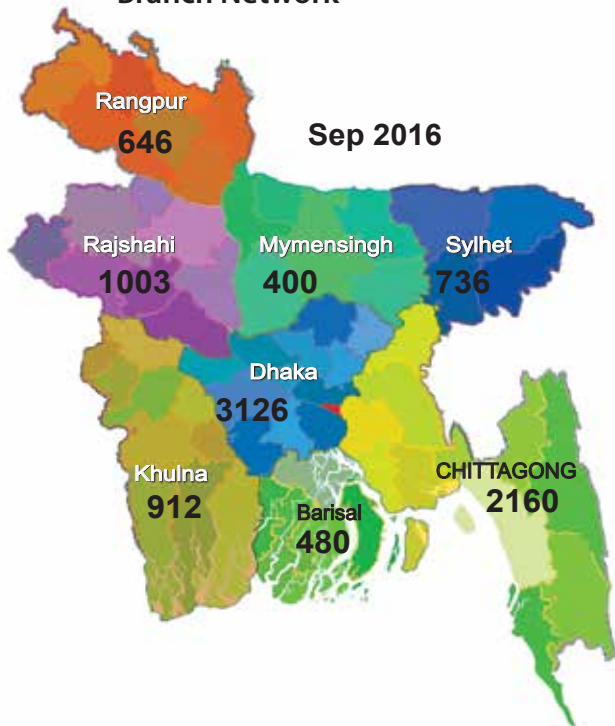
Gulshan Privilege Centre: 26 Gulshan Avenue, Gulshan 1, Dhaka 1212, Email: privilege@mutualtrustbank.com, www.mutualtrustbank.com/privilege



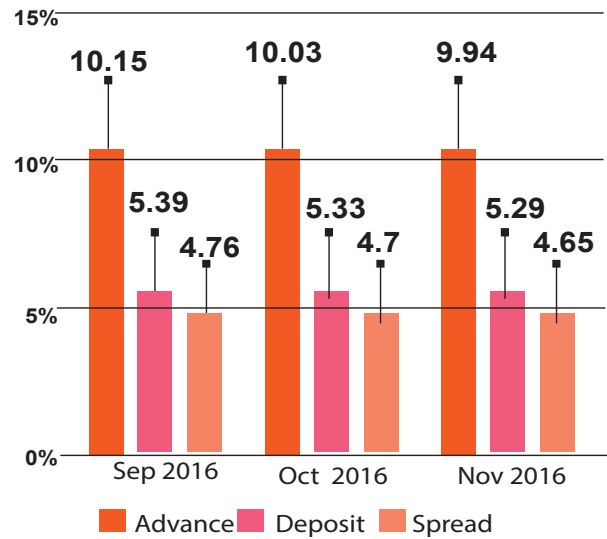
Digital Payments



Scheduled Banks Branch Network



Industry Rates Deposit - Advance - Spread



Source: Bangladesh Bank

Global

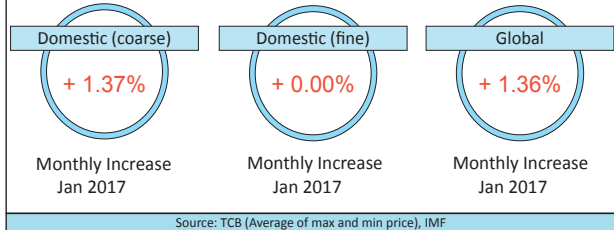
 Rice USD 372.55/ metric ton Jan 2017	 Palm Oil USD 726.49/ metric ton Jan 2017	 Sugar USD 29.01/ metric ton Jan 2017	 Soybean Oil USD 771.88/ metric ton Jan 2017
---	---	---	--

Source: IMF

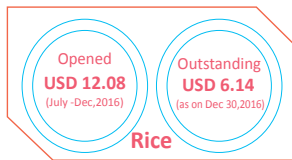
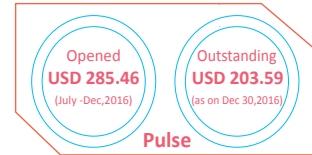
Weekly Rice BDT/KG

YEAR 2016	Feb 06	Feb 07	Feb 08	Feb 09	Feb 10	Feb 11	Feb 12
Rate (Avg.)	37	37	37	37	37	38	38.5






Monthly Price Change (%)



Import L/C Bangladesh



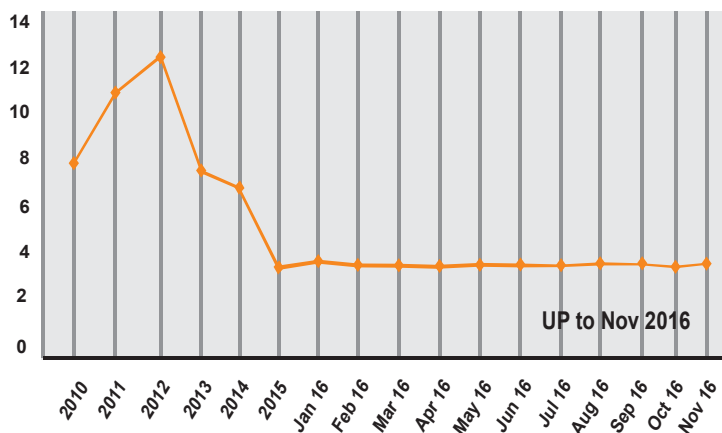
Domestic

 Rice (fine) BDT 50.00 per kg Jan 2017	 Palm Oil BDT 73.29 per kg Jan 2017	 Sugar BDT 67.05 per kg Jan 2017	 Rice (coarse) BDT 36.56 per kg Jan 2017	 Soybean Oil BDT 89.00 per kg Jan 2017
--	---	--	--	--

Source: TCB (Average of max and min price)

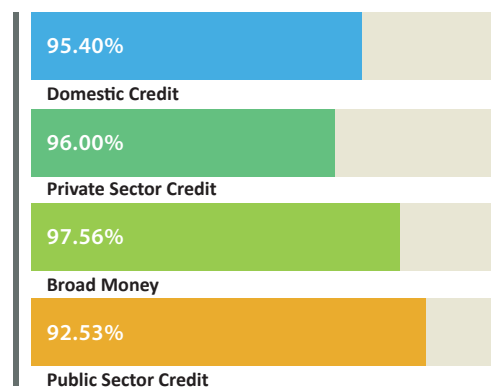
Call Money Market

W. Avg Interest Rate (%)



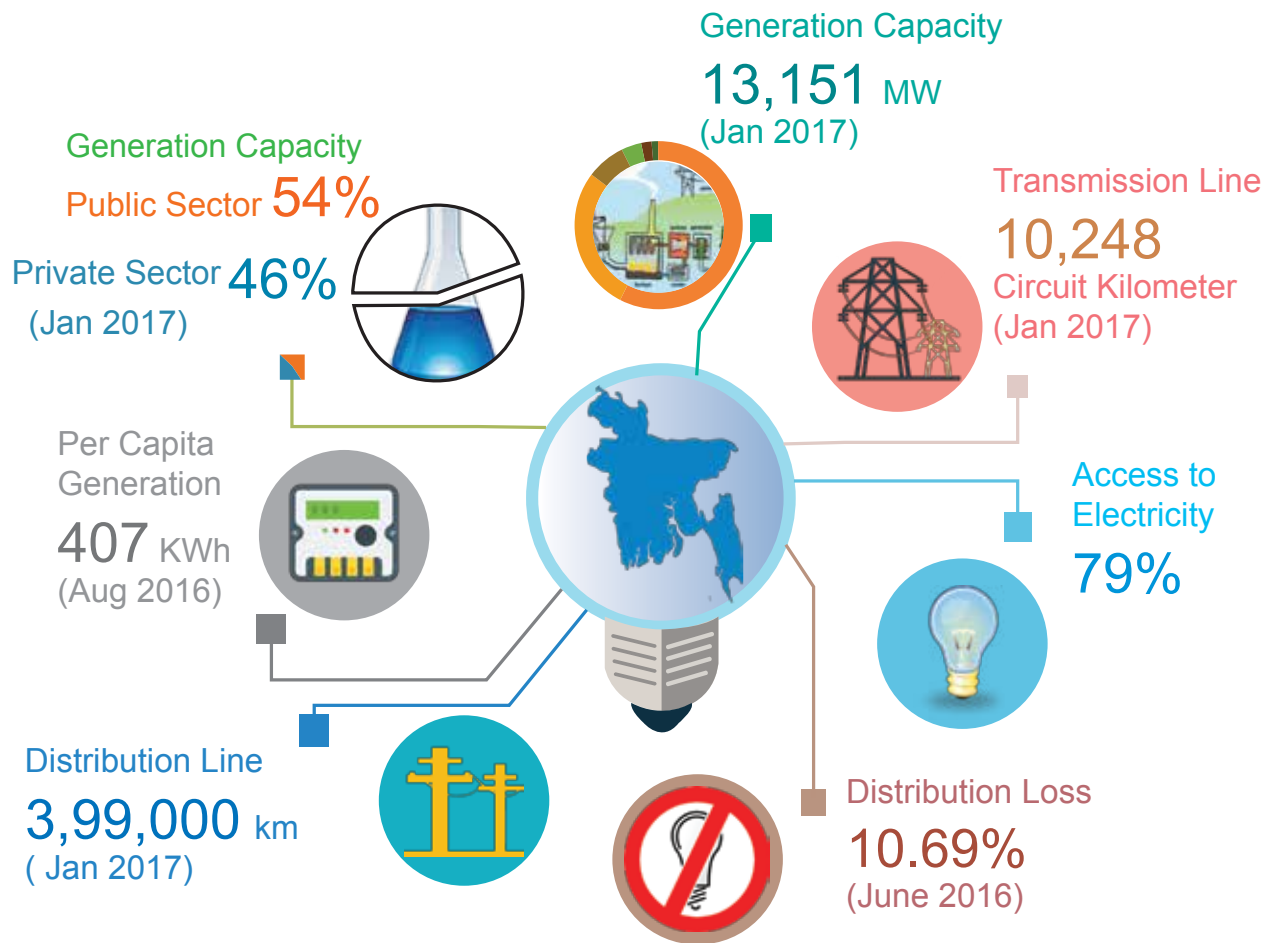
Source: Bangladesh Bank

Monetary Policy

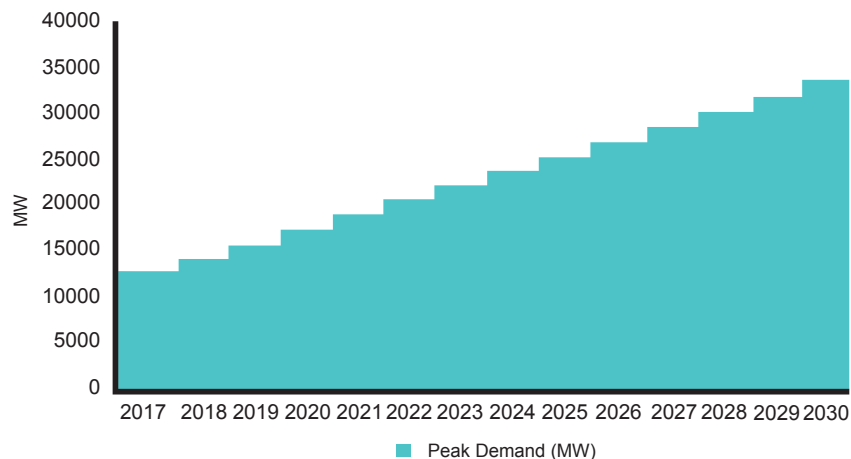


* Projected Fig (Dec 2016) Achieved (Up to Nov 2016)

POWER SECTOR OF BANGLADESH AT A GLANCE



BPDB'S DEMAND FORECAST (2017-2030)



Source:
Bangladesh Power Development Board (BPDB)
Power Cell



MTB AUTO LOAN

pleasure of car ownership

MTBRETAIL
BANKING
pleasure in life

With MTB Auto Loan, you can now drive the car of your dreams.

Features:

- Loan amounts from BDT 3,00,000 to BDT 40,00,000
- Flexible EMIs (12–60 months)
- No hidden charges
- Attractive interest rate
- Easy documentation
- Quick processing
- Early settlement option

● Experience:

- Salaried executive: Minimum 2 years
- Business/Self-employed personnel: Minimum 2 years

● Monthly income:

- Salaried executive: Minimum BDT 30,000
- Business/Self-employed personnel: Minimum BDT 40,000

Eligibility:

- Age: Minimum 21 years
Maximum 60 years



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

☎ **16219** or **09604016219**

www.mutualtrustbank.com



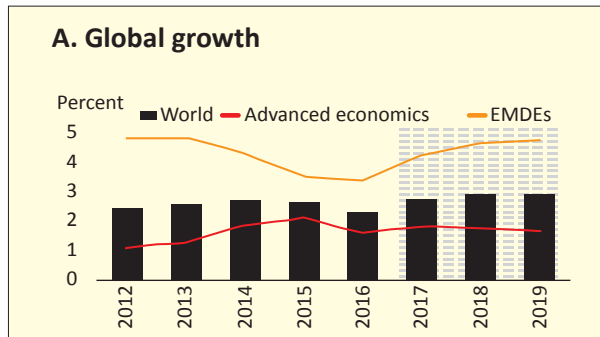
INTERNATIONAL NEWS

Global Economic Prospects: World Bank

Stagnant global trade, subdued investment, and heightened policy uncertainty marked another difficult year for the world economy. A moderate recovery is expected for 2017, with receding obstacles to activity in commodity exporters and solid domestic demand in commodity importers. Weak investment is weighing on medium-term prospects across many emerging markets and developing economies (EMDEs). Although fiscal stimulus in major economies, if implemented, may boost global growth above expectations, risks to growth forecasts remain tilted to the downside. Important downside risks stem from heightened policy uncertainty in major economies.

Global Outlook: Subdued Growth, Shifting Policies, Heightened Uncertainty. Stagnant global trade, subdued investment, and heightened policy uncertainty marked another difficult year for the world economy. Global growth in 2016 is estimated at a post-crisis low of 2.3 percent and is projected to rise to 2.7 percent in 2017. Growth in emerging market and

Figure 1: Global Prospects

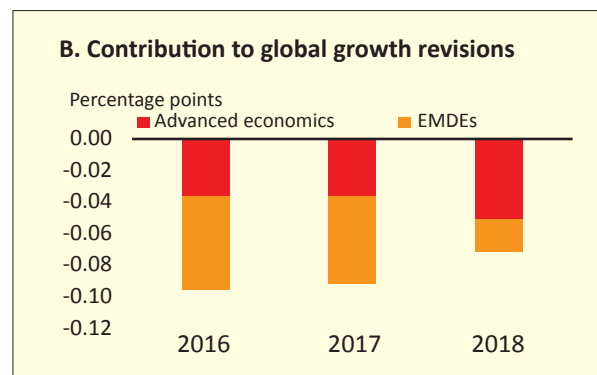


developing economies (EMDEs) is expected to pick up in 2017, reflecting receding obstacles to activity in commodity exporters and continued solid domestic demand in commodity importers. Weak investment and productivity growth are, however, weighing on medium-term prospects across many EMDEs. Downside risks to global growth include increasing policy uncertainty in major advanced economies and some EMDEs; Financial market disruptions; and weakening potential growth. However, fiscal stimulus and other growth enhancing policies in key major economies in particular, the United States could lead to stronger-than-expected activity and thus represent a substantial upside risk to the outlook. In view of limited room for macroeconomic policy to absorb further adverse shocks, as well as subdued growth prospects,

structural reforms that boost potential growth remain a priority. In EMDEs, investment in human and physical capital would help narrow unmet needs in skills and infrastructure and support growth for the long term. Rebuilding policy space, addressing vulnerabilities, and enhancing international integration by promoting trade and foreign direct investment would also boost resilience and improve growth prospects.

Regional Perspectives: EMDE regions with substantial numbers of commodity-importing economies East Asia and the Pacific and South Asia are projected to experience solid growth. In contrast, the outlook for EMDE regions with large numbers of commodity exporters is mixed. Growth in Latin America and the Caribbean and in Europe and Central Asia is expected to accelerate in 2017, mainly reflecting a bottoming out of

Figure 1: Global Prospects



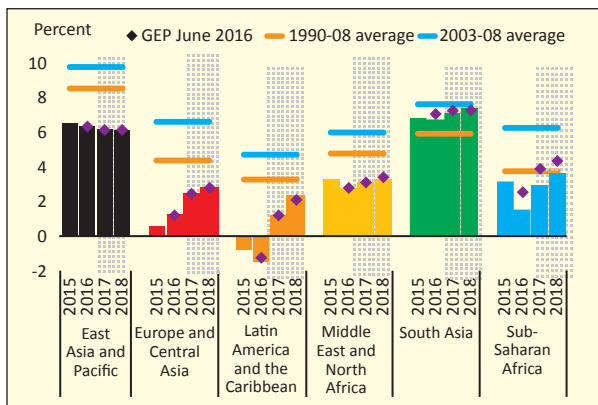
activity in Brazil and Russia. Growth in the Middle East and North Africa will pick up modestly, as oil prices recover. While growth should also rebound in Sub-Saharan Africa, the improvement is notably weaker than previously expected, as some commodity exporters struggle to adjust to low commodity prices.

Thematic pieces: Role of the U.S. Economy in the World; Weak Investment in EMDEs. This edition of Global Economic Prospects includes a special focus on the role of the U.S. economy in the world and a chapter on the causes, consequences and policy implications of recent investment weakness in EMDEs.

The U.S. Economy and the World: Developments in the U.S. economy, the world's largest, have effects far beyond its shores. A surge in U.S. growth whether due to expansionary Fiscal policies or other reasons could provide a significant boost to the global economy. Tightening U.S. financial conditions whether due to

faster-than-expected normalization of U.S. monetary policy or other reasons could reverberate across global financial markets, with adverse effects on some EMDEs that rely heavily on external financing. In addition, lingering uncertainty about the course of U.S. economic policy could have a significantly negative effect on global growth prospects. While the United States plays a critical role in the world economy, activity in the rest of the world is also important for the United States. The new U.S. administration's specific economic policies are still being shaped. By assessing the U.S. economy's role in the world, the objective of this Special Focus is to inform the analysis of potential global implications of such policies.

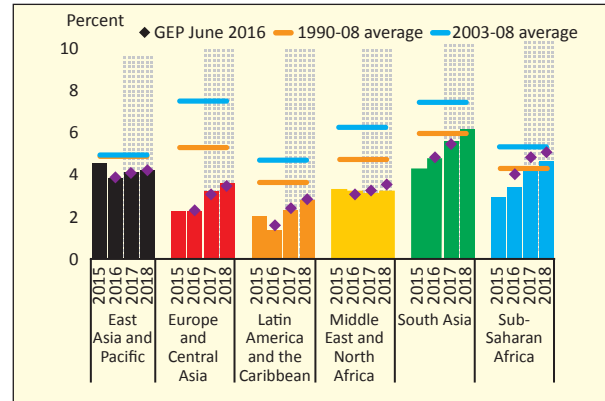
Figure 2: Regional perspectives (weighted average)



Weak Investment in Uncertain Times: Causes, Implications and Policy Responses. Investment growth in EMDEs has slowed sharply since 2010. This deceleration has been most pronounced in the largest emerging markets and commodity exporting EMDEs, but has now spread to the majority of these economies: investment growth is below its long-term average in the most EMDEs over the past quarter century except

during serious global downturns. These economies account for more than one-third of global GDP and about three-quarters of the world's population and the world's poor.

Figure 2: Regional perspectives (weighted average)



While slowing investment growth is partly a correction from high pre-crisis growth rates in some EMDEs, it also reflects a range of obstacles holding back investment: terms-of-trade shocks (for oil exporters), slowing foreign direct investment inflows (for commodity importers), as well as private debt burdens and political risk (for all EMDEs). Weak investment is a significant challenge for EMDEs in light of their sizable investment needs to make room for expanding economic activity, to accommodate rapid urbanization, and to achieve sustainable development goals. Sluggish investment also sets back future growth prospects by slowing the accumulation of capital and productivity growth. Although policy priorities depend on country circumstances, including the availability of policy space and economic slack, policymakers should be ready to employ the full range of cyclical and structural policies to accelerate investment growth.

MTB Credit Rating Improves to AA

	CURRENT RATING	PREVIOUS RATING
Long Term	AA	AA-
Short Term	ST-2	ST-2
Based on Financials	December 31, 2015	December 31, 2014
Date of Rating	May 17, 2016	May 17, 2015
Validity Date	May 16, 2017	May 16, 2016

AA : Indicating High Safety for Timely Repayment
 ST-2 : Indicating High Certainty of Timely Repayment
 Outlook : Stable

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.
you can bank on us

Rated by: Credit Rating Information and Services Limited (CRISL)

www.mutualtrustbank.com

INTERNATIONAL NEWS



U.S. Overview

Optimism May Be Running Ahead of Political Reality

While the geopolitical landscape has changed mightily, the post-election jumps in consumer confidence and business optimism may be a little overdone. Wells Fargo forecasts for U.S. economic growth is little changed from what Wells Fargo was looking for prior to the election. The risks are now more toward the upside, given that the Trump presidency is likely to push forward significant tax reform, reduced regulatory burdens for many businesses and some additional spending on defense and infrastructure. These changes will not occur immediately, however, and the eventual composition may look much different from the rhetoric expressed during the campaign.

The transfer of power is expected to produce only minimal impacts on the near-term economic outlook. Wells Fargo estimates that the economy grew at just a 1.2 percent pace during the fourth quarter, as the widening trade deficit subtracted 1.2 percentage points off that quarter's growth rate.

After growing just 1.6 percent in 2016, Wells Fargo looks for real GDP to rise 2.3 percent this year. Consumer spending is expected to rise solidly, benefitting from stronger wage gains. Business fixed investment is also expected to perk up, with a rebound in oil exploration helping drive equipment purchases. Homebuilding should also grind higher, although rising mortgage rates will limit the extent of any gains.

Wells Fargo looks for inflation to move modestly higher, which will keep the Fed in the hawkish camp. Wells Fargo looks for the Fed to raise the federal funds rate twice in 2017.

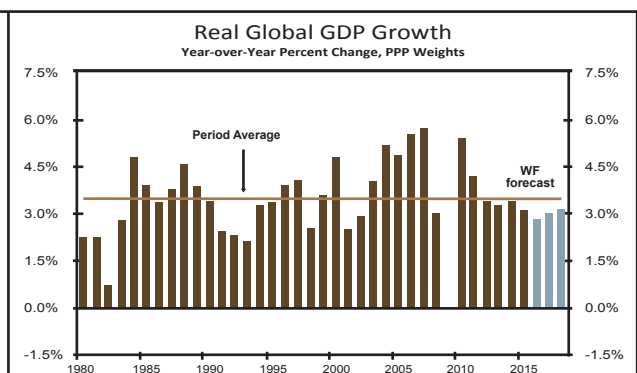
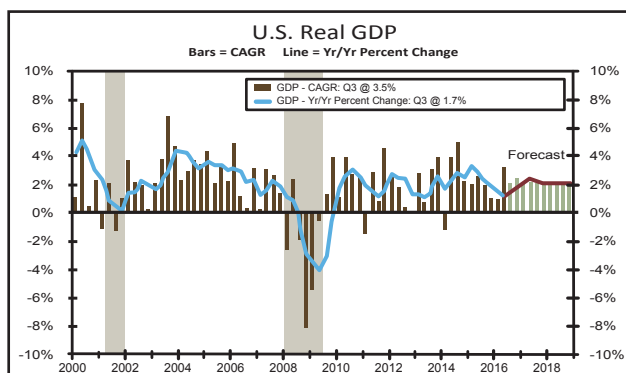
International Overview

Policy Uncertainty Hurting Growth Prospects

Although Wells Fargo has started to see some improvement in economic indicators across the global economy, the uncertainty surrounding the speed of future monetary policy changes by major central banks could keep global economic growth contained, at least in the near term. This is especially true as the Federal Reserve continues to normalize interest rates and the ECB grapples with its own monetary policy decisions in the face of increasing inflation. There also is uncertainty regarding the outlook for fiscal policy, especially in the United States, but many investors seem to expect that U.S. fiscal policy will become more expansionary over the next few years. Whether it actually will have yet to be determined.

Policy uncertainty is also affecting other countries' decisions before President-elect Trump takes office in the U.S. For example, Argentina is considering going to the international financial capital markets to issue debt before Jan. 20 to try to pre-empt any market reaction to the U.S. political transition and to try to get a lower interest rate on debt issuance.

Meanwhile, Mexico is experiencing serious social upheaval due to the government's decision to raise gasoline prices in January due to the effects the depreciation of the Mexican peso is having on the cost of imported gasoline and on the country's fiscal deficit. Each time President-elect Trump makes a comment regarding his policies toward Mexico, the peso weakens and, in some instances, the Mexican central bank has been pushed to intervene in the foreign exchange rate market.



Source: U.S. Department of Commerce, International Monetary fund and Wells Fargo Securities

Together we'll go far





SME Bank of the Year & Women Entrepreneurs' Friendly Bank of the Year

Mutual Trust Bank Ltd. (MTB) rejoices along with its customers, shareholders, stakeholders, regulators, patrons and well-wishers, on receiving the **SME Bank of the Year** and **Women Entrepreneurs' Friendly Bank of the Year** Awards.

The recognition was made at the '**SME Banking Award 2014**' ceremony jointly organized by Bangladesh Bank and the SME Foundation. With this achievement, MTB becomes the first-ever best SME bank of the year for its contribution to the development of small and medium enterprises (SMEs).



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us



MTB Home Equity Loan

pleasure of rediscovering your home

MTB 24/7 Contact Centre ☎ **16219** or **09604016219**

111
MTB BRANCHES

233
MTB 24/7 ATM



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
Mutual Trust Bank Ltd.

you can bank on us

13 MTB
পয়েন্ট
ব্যংকিং
হাতের কাছে সব সময়

2850
MTB POS

MTB
SECURITIES
you can grow with us

MTB EXCHANGE
UK LIMITED
you can remit with us

MTB
CAPITAL LTD.
You can invest with us