

MTBiz



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International Chamber of Commerce



মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড

Mutual Trust Bank Ltd.

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Celebrating MTBiz First Publication Anniversary



Messages

I am delighted to see an initiative directed towards knowledge development of Mutual Trust Bank Limited. Our monthly magazine – MTBiz, is proudly celebrating its first anniversary, and in just a year, it has improved, each month, to reach its current stage, both in content, form, variety of information and presentation. As you may be aware, MTB is progressing with a dream to become the 'Bank of Choice', 'One of the Best Performing Banks' and 'A Truly World Class Bank', as encapsulated in our MTB3V, i.e., the bank's three visions. It was a challenging task, for us, to put all of these under the same umbrella and then take the initiative to communicate the philosophy to our stakeholders. I think, from this point of view, our magazine MTBiz is doing an excellent job for the bank. The magazine has become a widely appealing and common information platform plus a great source for knowledge and news on the financial industry.

I am especially encouraged by the core concept of this magazine, i.e., forming a vibrant medium for knowledge sharing among all the stakeholders of MTB. I hope that we will be able to set examples for other organizations with our sincere work. I reaffirm my personal commitment to this laudable initiative and full support on behalf of all at MTB. I wish success to the magazine and its future initiatives.

Samson H. Chowdhury
Chairman, MTB

It is truly exciting to learn that our own magazine MTBiz is celebrating its 1st anniversary this month. During this one year it has become an information tool for us, the employees, stakeholders and customers and brings cutting edge information on financial markets, both domestic and international, and our own organizational development.

It's my pleasure that this magazine is becoming a great marketing medium, a brand builder, and a tool to promote the MTB vision and philosophy, named MTB3V. I am confident that this magazine will act as a catalyst for our organization and enrich and strengthen the bonds between employees, consumers and clients.

I wish MTBiz and its future activities great success.

Syed Manzur Elahi
Founding Chairman, MTB

On this momentous occasion of celebrating MTBiz's first publication anniversary, I am delighted to congratulate the MTB R&D team, for their enduring efforts in creating an effective business and economic magazine and a pragmatic brand ambassador for the bank. The evolving nature of the magazine is very much like what the bank itself is experiencing, where new products and services are being launched with the aim of fulfilling our MTB3V Vision.

I hope all readers of our magazine are having an enjoyable MTBiz experience and appreciate the constant efforts being taken for its improvement. We welcome any suggestions to help us progress MTBiz to the next level(s).

Anis A. Khan
Managing Director and CEO



Messages

Congratulations MTBiz Team!

MTBiz started its humble journey just one year back. Now it's one year old. From the first issue till the last, it has focused on MTB3V, i.e. One of The Best Performing Banks in Bangladesh, The Bank of Choice and A Truly 'World Class' Bank. I am contented that MTBiz has completed its first year journey. I want to let the MTBiz team know that, this is not any target; it's a landmark only that you pass by. You have to take MTBiz a long way ahead in the future. May MTBiz live long.

Quamrul Islam Chowdhury
Deputy Managing Director

Let all of us join hand in hands to celebrate this gracious moment of MTBiz's 1st Anniversary. MTBiz is for insiders as well as for those who are out there at the market. It speaks for us, it upholds our Brands at the same time it reflects a monthly outlook of national and international economy.

I am confident, every reader for whom MTBiz is intended, do enjoy reading it while being benefited out of it. Also I am sure that our fellow MTB mates are proud of having such a wonderful magazine of our own. I express my joyous feeling for MTBiz team as well as the learned management patronizing it. MTBiz be always on an improving curve.

Md. Hashem Chowdhury
Deputy Managing Director

As we cross the twelve month mark of MTBiz, it is with a sense of accomplishment and pride that I wish our in-house magazine a glorious and well deserved Happy First Anniversary. It seemed only yesterday when we first set foot on this plan of publishing a regular monthly magazine. As we look back and reflect on the past events, we recall the countless times when we faced challenges but overcame them making the impossible possible. From a humble start, it is now a much talked about magazine, inside the bank and outside. I congratulate all who worked tirelessly to make it a success – they continue to toil to print it every month keeping all our employees and the banking community at large, informed, about local and international events.

MTBiz is the voice of MTB. I wish MTBiz continued success as we strive to bring excellence in everything we do, creating a good working environment for our employees, enhancing shareholder value while ultimately taking care of the needs of our clients and serving the nation.

Md. Ahsan-uz Zaman
Deputy Managing Director

Before I joined the R&D Department, this magazine had already travelled for almost a year. The R&D team members, who brought out the first issue, are not with the bank, today. However, this anniversary would not have seen the light of day without their path-blazing and tireless contributions. Apart from the R&D core team, contributors from other departments also share the credit for this accomplishment. Flowers do not blossom without nurturing and care. The MTB Board and senior management have played the role of mentors and guides to help us bring MTBiz up to this point. The support from all at MTB is the only reason that we are able to celebrate the first anniversary. We thank the startup R&D team, other contributors, the management and the Board, and last but not least, our readers, for whom we strive to publish this magazine. Our efforts will be rewarded and happiness accentuated, if they derive some modicum of benefit from MTBiz.

At this happy juncture, our joys know no bounds to be a part of history.

ANM Farukh
In Charge R&D Department, MTB



FINANCE AND ECONOMY

Investors Line Up Ahead of AgBank IPO

Agricultural Bank of China Ltd. has attracted about \$5.45 billion even before subscription for its potentially record-breaking initial public offering kicks off, people familiar with the matter said, signifying the importance global companies and investors attach to doing business with China.

The mega-offering for AgBank, as it's known, aims to raise between \$20 billion and \$30 billion in a dual listing on the Shanghai and Hong Kong stock exchanges, potentially making it the biggest initial public offering in history.

The list of foreign institutions agreeing to take cornerstone investments in the Hong Kong portion of a gigantic share offering includes sovereign-wealth funds, banks and corporations with business interests in China. In Hong Kong, cornerstone investors often take large portions of an offering in return for agreeing to hold the shares for up to a year.

Dutch financial-services firm Rabobank, one of the world's largest farm lenders, will invest about \$250 million and Singapore state investment company Temasek Holdings Pte. Ltd. will put in for about \$200 million, people familiar with the deal said.

Australia's Seven Group Holdings Ltd., a company controlled by billionaire Kerry Stokes with interests in media and heavy equipment, said it is seeking to invest up to \$250 million in the IPO. Archer Daniels Midland Co., the U.S. agribusiness group, Singapore's United Overseas Bank Ltd. and Hong Kong billionaire Li Ka-shing will each invest \$100 million in the IPO, the people said.

Meanwhile, Beijing's tourism monopoly China Travel Services Group is set to invest \$150 million and the state-run consumer group China Resources (Holdings) Co. is set to invest \$200 million, the people said. A China Travel Services spokesperson confirmed its plan to invest in the offering but not the amount.

As reported, two Middle Eastern funds have agreed to buy the largest share of the offering, with Qatar Investment Authority subscribing to \$2.8 billion of shares and Kuwait Investment Authority opting for \$800 million, people familiar with the deal said. U.K.-based Standard Chartered PLC will be the next biggest investor in AgBank's offering, agreeing to buy \$500 million of the Hong Kong-listed shares. (The Wall Street Journal)

Hyundai Motor India Introduces New Verna Transform



Automaker, Hyundai India might be getting ready to launch its Verna Transform on June 23 instead of the 2011 Hyundai

Verna that was unveiled at the Beijing Auto Show this year.

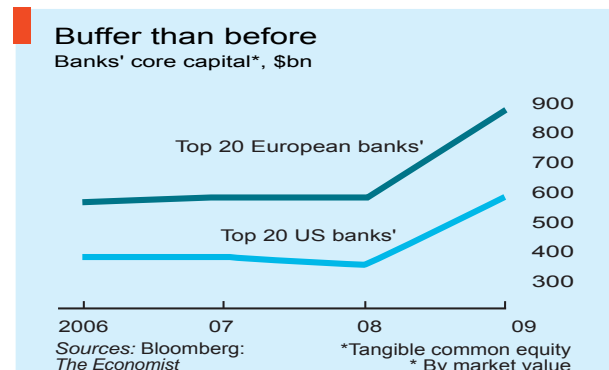
The improved version features a host of feature enhancements and significant improvements on the exterior of the car. The interior of the transformer also has some improvements over the earlier model.

The car is expected to be rolled out from the company facility near Chennai and is believed to be available in both petrol and diesel versions with improved fuel efficiency. The transformer is also expected to feature new radiator grill, bumper, Quadra-exhaust and headlamp.

The company will also offer the new eco lamp guiding drivers to drive in the most economical way possible. A green light glows when the driver is driving the vehicle efficiently and a red light glows when the car is being driven with high fuel consumption.

The Hyundai Verna Transform is to compete with the likes of City, Maruti Suzuki SX4 and Ford Fiesta and is expected to be priced in the range of Rs. 7-9 lakhs.

The Banks Battle Back



A behind-the-scenes brawls over new capital and liquidity rules. The world is now knee-deep in proposals to reform finance. From industry lobbies to global regulators, everyone is brimming with ideas. On May 26th the European Commission became the latest to propose a new bank levy, joining the IME and governments in Europe and America. On the same day America's Financial Accounting Standards Board unveiled proposals requiring banks to report the fair value of loans on their books.

As the proposals pile up, so does the estimated cost to the banks. In America analysts at Barclays Capital calculate that the hit from domestic legislation alone could amount to 16% of banks' profits in 2013. Analysts at Credit Suisse reckon European banks' profits in 2012 could fall by 37% because of proposed regulation.

That would be a shock almost as bad as the crisis itself, which is why in the real world policymakers will have to prioritize. The most important bit of reform is the international set of rules known as "Basel 3", which will govern the capital and liquidity buffers banks carry. It is here that the most vicious and least public skirmish between banks and their regulators is taking place.

The Basel club of bank supervisors put out proposals in December, which aim to boost capital and get banks to wean themselves off short-term funding. In the submissions they have made in response, banks have been critical. Although they claim to accept the objective of raising safety buffers, banks argue that any big changes will impede economic



they claim to accept the objective of raising safety buffers, banks argue that any big changes will impede economic growth. Many also say that the Basel club's timetable, which is to have the proposals finalized by this year and implemented by late 2012, is unrealistic. (The Economist)



Ford India exports petrol engines to Thailand

Leading carmaker Ford India has informed that the company has started exporting petrol engines. The Chennai unit of Ford will export these petrol engines to Thailand.

According to company officials, the company is looking forward to export them to the other regions of the world too.

The Asia-Pacific and African regions are the main focus of the firm, but it is also targeting to export its engine all across the globe. The company has exported its first batch of 1.4 litre and



1.6 litre high-compression petrol engines from its Indian facility to Thailand.

President and Managing Director of Ford India, Mr. Michael Boneham has informed that in this lot the company has exported 1,000 petrol engines to Thailand. This has been a momentous step for the firm towards its objective to produce and export its product to overseas market. The company is eyeing to export its engines to other Ford plants in the Asia-Pacific region as well. (TopNews.in)

Acer claims to be world leader in laptop sales by year end

It has been reported that the chairman of Acer Inc., predicted his Taiwan-based company would become the world's leading supplier of notebook computers this year.

Revenues in the coming third quarter were expected to increase 10 percent to 15 percent over the second quarter despite rising wages in China and Europe's economic turmoil, J. T. Wang told stockholders in Taipei.

Acer is currently the No. 2 notebook vendor behind Hewlett-Packard Co. and posted first quarter revenues of 162.1 New Taiwan dollars (USD 5.2 billion).

Acer had been able to ride out the global recession by introducing attractive new products and taking advantage of fairly steady world demand for both laptop and desktop PCs, The Wall Street Journal said.

Wang said, "We have responded faster than our competitors to the demand in the market. We are one of a very few that is

able to respond to the market when demand stabilized in the latter part of the second quarter because we were prepared."

Acer's plans for the immediate future included moving into the Android smart phone market and reducing the number of products based on Windows software. (TopNews.in)

Euro Zone Private-Sector Growth Slows in June

The euro zone's private sector expanded at the slowest pace in three months in June, but the increase still indicates that economic growth picked up in the second quarter from the first, a survey by financial information firm Markit showed Wednesday.

The flash composite purchasing managers' index (PMI) for the euro zone slipped to 56.0 in June from 56.4 in May. That decline was due to a slowdown in growth in both the manufacturing and services sectors, the Markit survey reported.

The manufacturing PMI for the euro zone dipped to 55.6 in June from 55.8 in May, while the services PMI also declined in June but by a larger degree, to 55.4 from May's 56.2. A level above 50 signals an expansion in activity, while a level below 50 signals a contraction.

"The flash PMI suggests that GDP growth will have accelerated in the euro zone in the second quarter, perhaps to a robust 0.6% to 0.7% pace," said Chris Williamson, chief economist at Markit. "Growth is led by manufacturing and, in particular, exports," he said.

The euro-zone PMIs are based on data from Germany, France, Italy, Spain, Ireland, Austria, Greece and the Netherlands. (The Wall Street Journal)

POLITICS

Australia may start Afghanistan pullout in 2 years

CANBERRA, Australia – Australia may start withdrawing troops from Afghanistan in two years if its mission to train Afghan soldiers goes as planned, the defense minister said. The timetable, while loose, was the most detailed yet given by Canberra for bringing troops home from an almost nine-year-old war that is increasingly unpopular among Australians. And it added pressure on a U.S. administration struggling to show progress against a stubborn insurgency, while losing key allies along the way.

Most of Australia's 1,550 troops in Afghanistan are in Uruzgan, a southern province with a significant Taliban presence, where they are training an Afghan National Army brigade to take over security and stability. The mission had been expected to take between three to five years. Defense Minister John Faulkner shortened that Wednesday, saying the latest advice from defense chiefs is it could be completed between two and four years.

"What that means is that at some time in that two-year to four-year timeframe we would see our training mission transition to an over-watch role, and that would obviously mean ... we would start to see a reduction in the number of troops in Afghanistan," Faulkner told reporters.

Faulkner's comments marked the first time an Australian official has offered a possible timetable on plans to begin pulling forces out of the war-torn country. Neil James, executive director of the independent security think tank Australian Defense Association, described the announcement as significant. "They're no longer talking about restoring security to the province. They're saying, 'once we've trained up the Afghans, that's it,'" James said.



Polls show public support for Australia's military involvement in Afghanistan is waning, raising pressure on Prime Minister Kevin Rudd to find an exit. That pressure was underscored by the deaths of five Australian soldiers in the past two weeks in Afghanistan, for a total of 16 since the war began in 2001 — the country's worst record of military deaths abroad since Vietnam. Other U.S. allies have even firmer plans to leave Afghanistan — the Netherlands is pulling out its 1,600 troops in August, and Canada plans to withdraw its 2,800 troops next year. Poland wants to scale back its 2,600 forces starting next year.

Britain's new government is reviewing its Afghanistan strategy, though Washington's staunchest ally says no reduction in troop numbers is being considered anytime soon.

Faulkner also said a U.S.-led multinational force will replace the Dutch troops in Uruzgan, where they have a leadership role. Observers had said Australia was well placed to increase its own troops and take over from the Dutch, but the Australian government ruled out sending more soldiers. Faulkner sidestepped questions on the controversy enveloping the Afghanistan war commander, U.S. Gen. Stanley McChrystal, over disparaging comments he made about President Barack Obama and his top aides.

Obama has summoned McChrystal to Washington for a rebuke. "I do believe that is matter for Gen. McChrystal and the U.S. administration, but ... I note that he acknowledged he shouldn't have said what he did say ... He's apologized for his error of judgment," Faulkner said. In a similar vein, New Zealand Prime Minister John Key said McChrystal's comments were an issue for Washington and made no difference to his country's commitment to Afghanistan. New Zealand has about 140 troops there. (Yahoo News)

Sri Lanka opposes UN human rights panel

COLOMBO, Sri Lanka – Sri Lanka on Wednesday strongly opposed as "unwarranted" the appointment of a United Nations panel to look into alleged human rights abuses committed during the final stages of the island nation's 25-year civil war. The three-member panel appointed by the U.N. chief on Tuesday is headed by former Indonesian Attorney-General Marzuki Darusman, also the U.N.'s special rights investigator for North Korea.

Its job is to advise U.N. Secretary-General Ban Ki-moon on alleged violations of international rights and humanitarian laws during the war's final stages. The panel aims to get cooperation from Sri Lankan officials and to complete its advisory work within four months. But Sri Lanka's foreign ministry called the panel "an unwarranted and unnecessary interference with a sovereign nation." It said in a statement Wednesday that Sri Lanka has "consistently promoted and protected human rights" and the U.N. move "has potential for exploitation by vested interests hostile to the process of reconciliation taking place in Sri Lanka."

Sri Lanka faces growing international criticism for not examining abuses allegedly committed during the final phase of the civil war that ended in May 2009, when government forces crushed the rebels who had fought for a separate state in the north for ethnic minority Tamils. Government spokesman and minister Keheliya Rambukwella on Wednesday said the government is investigating the civil war.

He called the appointment of the U.N. panel "regrettable" and said President Mahinda Rajapaksa had appointed a "Lessons Learned and Reconciliation Commission" to investigate alleged human rights abuses during the conflict. The U.N. says more than 7,000 civilians died in the last five months of the conflict. Rights groups say they have photographic and video evidence

and have called for war crime investigations. Sri Lankan officials have refused calls to establish an international tribunal.

The European Union on Tuesday warned Sri Lanka will lose preferential trade status unless it pledges to improve its human rights record within six months. The other two members of the U.N. panel are Yasmin Sooka, a South African former member of the commission that investigated apartheid atrocities, and Steven Ratner, an American lawyer and author of a book on the struggle among nations to hold people accountable for human rights abuses. (Yahoo News)

New British FM seeks deeper ties with Pakistan

ISLAMABAD (AFP) – British Foreign Secretary William Hague pledged on Wednesday to deepen strategic relations with Pakistan as he paid his first visit to Islamabad since the new government in London took power. "We are keen to deepen the UK-Pakistan strategic dialogue," the Conservative politician told a news conference without elaborating.



The previous Labour government said that 75 percent of extremist plots affecting Britain – which is home to an estimated one million people of Pakistani descent – have links to Pakistan. Hague paid tribute to the "enormous sacrifices" made by Pakistan in the widening fight against Islamist militants in the northwest near Afghanistan, where British troops are locked in a war against the Taliban.

"Many thousands of soldiers in Pakistan have lost their lives in battling against violent extremism, and so I think that this must be understood all over the world," he said. Hague met Prime Minister Yousuf Raza Gilani and Foreign Minister Shah Mehmood Qureshi, and is scheduled to hold talks with President Asif Ali Zardari and speak to business leaders. Britain has increased development aid to Pakistan to 665 million pounds (992 million dollars) over four years, including 50 million pounds to support stabilisation and reconstruction in conflict-hit areas, Hague said.

Britain is the second largest investor in Pakistan after the United States with two-way trade now worth more than one billion pounds, up 30 percent over the past five years, according to Pakistani data. (Yahoo News)

Russia Further Reduces Gas Supplies to Belarus

Russia Wednesday stepped up pressure on neighboring Belarus by cutting gas supplies by 60%, but said transit to Europe remains unaffected.

Natural gas deliveries were cut to 60% of normal volumes at 6 a.m. GMT, because Belarus still hadn't made any efforts to pay its gas bill, said Alexei Miller, chief executive of Russian state gas firm OAO Gazprom. Natural gas is still flowing unaffected through Belarus to European consumers, Mr. Miller said. Monday, Gazprom starting reducing gas deliveries to Belarus, because it says its ex-Soviet neighbor owes it \$195 million for gas.

Europe depends on Russia for around 25% of its gas needs, of which a quarter flows through Belarus. (Wall Street Journal)

International Markets Review



SELECTED GLOBAL INDICES



Global Indices Round-up

U.S. stocks ground higher in another lightly traded session on Friday, June 18, ending a nervous week with gains despite signs of economic weakness at home and worries about public debt in Europe. Major indexes rose for the second straight week even though housing and labor market data raised concern about the fragility of the recovery. The S&P 500 closed above its 200-day moving average for the third straight session, which suggests resilience. The Dow Jones Industrial Average gained 16.47 points, or 0.16 percent, to 10,450.64. The Standard & Poor's 500 Index rose 1.47 points, or 0.13 percent, to 1,117.51. The Nasdaq Composite Index added 2.64 points, or 0.11 percent, to 2,309.80 over the previous day. The FTSE 100 ended 3.05 points, or 0.1 percent lower, at 5,250.84, after it closed up 0.3 percent on Thursday. The index has gained 1.7 percent this week, and risk

appetite remains much stronger than in May when it fell 6.6 percent. The German index DAX gained 7 percent over last month, closing at 6,216.98. The benchmark average, which stayed within a sight of a one-month high hit earlier in the week, moved in and out of negative territory, with support holding near 9,800, its 25-day moving average. The benchmark Nikkei N225 gained 210.48 points to 9,995.02, a 2 percent increase. The BSE Sensex provisionally closed 0.4 percent lower on Friday, snapping a seven-session rally with Reliance Industries leading the decline as announcements at its shareholders' meeting fell short of expectations. The 30-share BSE index provisionally ended down 0.42 percent or 73.14 points at 17,543.55, with 18 components declining. The Hong Kong HANG SENG closed at 20,286.71, a 4 percent increase from last month. (Source: Compiled from Yahoo! Finance and Reuters)

INTERNATIONAL MARKET MOVEMENTS

INDEX	VALUE (As of Jun 18, 2010)	1 MONTH AGO (As of May 21, 2010)	CHANGE %	CHANGE
DJIA	10,450.64	10,193.39	257.25	3%
S&P 500	1,117.51	1,087.69	29.82	3%
NASDAQ	2,309.80	2,229.04	80.76	4%
FTSE 100	5,250.84	5,062.90	187.94	4%
DAX	6,216.98	5,829.25	387.73	7%
NIKKEI	225 9,995.02	9,784.54	210.48	2%
BSE SENSEX	17,570.82	16,445.61	1125.21	7%
HANG SENG	20,286.71	19,545.83	740.88	4%



MTB

Small Business Loan

ব্যবসা পরিচালনা ও সম্প্রসারণে গ্রাহকদের আর্থিক সহায়তা প্রদানে এই ঋণ কর্মসূচী প্রনয়ন করা হয়েছে। যে কোন ক্ষুদ্র ও মাঝারী ব্যবসায়ী (SME) তাদের বাড়তি মূলধনের প্রয়োজনে এই ঋণের জন্য আবেদন করতে পারেন।



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International Economic Forecasts

Wells Fargo Securities Economics Group Monthly Outlook (June, 2010)

U.S. OVERVIEW

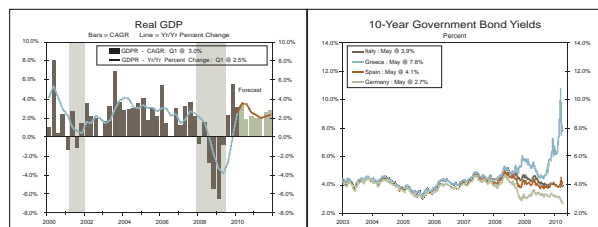
Second-Half Slowdown or Something More Sinister?

Our forecast continues to incorporate a significant slowdown during the second half of the year. After likely expanding at a 3.4 percent pace during the current quarter, real GDP is expected to slow to a mere 2 percent pace during the second half of 2010. Conditions over the past month have reinforced our view. Indeed, the financial markets are providing a clear signal that there is danger ahead on the road to recovery. The tragic Gulf oil spill and still mounting European financial crisis add significant downside risk to the outlook. The driving forces behind the slowdown continue to be the winding down of inventory restocking, which accounted for roughly half the rebound in economic growth over the past year, and the winding down of various stimulus programs, which have provided the bulk of the other half of the recovery. Final sales averaged just a 1.5 percent pace over the past three quarters. Unless demand picks up, real GDP growth will slide back to that pace once inventory rebuilding is completed. Demand appears more likely to ebb over the next few months than to accelerate. Many of the stimulus programs that propped up spending over the past year have either ended or are in the process of winding down. Moreover, the two unknowns that popped up over the past few weeks—the Gulf oil spill and European financial crisis—now look to be significant long-term drags on domestic economic activity. In this environment, inflation will be lower than previously thought and the Fed will keep policy on hold even longer.

INTERNATIONAL OVERVIEW

If Only It Weren't for Europe...

Most countries reported positive GDP growth in the first quarter, and recent monthly indicators suggest that global economic activity has continued to expand. Although China may be slowing from the super-charged pace of growth earlier this year, the Chinese economy still has plenty of momentum behind it. Moreover, recent monthly data from Japan, Korea and Taiwan indicate that the expansion in Asia, which began about a year ago, remains intact. Real GDP in Canada grew at its strongest rate in about 10 years in the first quarter, and we



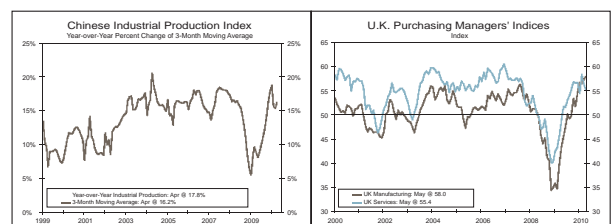
Source: IHS Global Insight, U.S. Department of Commerce and Wells Fargo Securities, LLC

expect the Canadian economy to register another solid growth rate in the second quarter. The recovery in the United Kingdom has been sluggish to date, but growth seems to have strengthened in the second quarter. That said, the fiscal tightening that likely will take place later this year should exert some headwinds on the British economy for the foreseeable future. Speaking of fiscal retrenchment, the recovery in the Euro-zone, which seems to have gathered a bit of steam in the second quarter, probably will remain fragile for some time. Indeed, our forecast calls for very sluggish growth in the overall euro area later this year and early next year, and the probability of a double-dip recession is not insignificant. If bank lending were to freeze up again, a la the autumn of 2008, the global economic outlook would darken considerably. Although

not our central view, we are mindful of the downside risks to the global economy from renewed financial tension.

A Second-Half Slowdown Looks More Certain

While our forecast remains well below the consensus, we believe events over the past few weeks make a second-half slowdown more likely. The primary reasons we expect growth to slow are the winding down in inventory rebuilding and various stimulus programs. The Gulf oil spill and the European financial crisis add considerable downside risk. So far, the financial markets have been the chief transmission mechanism. In coming months, the direct economic effects will become evident. One of the ways the crises are affecting the economy is through lower share prices. The S&P 500 has fallen nearly 13 percent since the Deepwater Horizon oil rig exploded and sank on April 20. Most of the drop occurred in May, as the debt crisis unfolded in Greece and spread to other parts of Europe. Lower stock prices remove one of the more covert sources of stimulus, the rebounding wealth effect. Consumer spending rose strongly during the first quarter, as higher stock prices and some stability in the housing sector made consumers somewhat more comfortable with their 401(k) and investment fund balances. Spending grew much faster than income, even though unemployment remained high and private sector hiring picked up ever so slowly. Much of the strength occurred at the end of the quarter, reflecting a sharp swing in weather conditions and an early Easter. Spending slowed in April and May but still looks like it will rise at a 3.2 percent pace during the second quarter. This time, however, the strength was at the start of the quarter, which means the third quarter will start in a bit of a hole. We look for consumer spending to rise just half as much in the third quarter before rebounding to a 2 percent pace later this year. Business fixed investment has been one of the lone true bright spots in the outlook. Spending for mobile internet technologies, including smart phones, tablet computers and handheld communication devices, has fueled strong growth in supporting industries. Alternative energy projects have been another bright spot. Core investment spending has been slower to recover but has benefited somewhat from the rebound in production to replenish inventories. With events still unfolding, it is difficult to make a complete account of the direct impacts of the Gulf oil spill and European financial crisis. One thing is certain, both events increase uncertainty. Whenever uncertainty increases, the required rate of return on any investment rises. This means there is less investment and hiring than there would be otherwise. We are also beginning to see some direct job loss



Source: Bloomberg LP, IHS Global Insight and Wells Fargo Securities, LLC

along the Gulf. Some of these losses appear to be permanent. While there have been some offsets in hiring to clean the beaches, many more jobs will be lost in energy exploration, tourism and fishing. Another byproduct of the European debt crisis is that many borrowing decisions now need to be rethought. Credit spreads have widened, even on high grade debt. Heavily indebted governments now need to think about what their tipping point is and what level of borrowing will give lenders pause. One of the immediate results is a renewed round of fiscal austerity in the most heavily indebted European

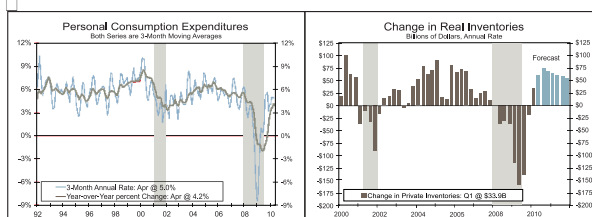


countries. Larger economies are also feeling the heat, however. Our forecast continues to have public outlays growing very modestly, reflecting cuts at the state and local level and more modest efforts at fiscal stimulus by the federal government. Business inventories are now projected to rise much more sharply in the current quarter and third quarter of 2010. Some of this build up will likely be unintentional, resulting in some pull back in the recent strength in industrial output. We have also reduced our inflation forecast, reflecting slower global economic growth and lower commodity prices. The combination of lower inflation and high unemployment means the Fed will likely remain on hold a little longer. We have tentatively pushed the first rate hike into next spring. □

Other than Europe, Global Economy Is Doing Well

Most countries reported positive GDP growth in the first quarter, and available monthly indicators suggest that global economic activity has continued to expand in the second quarter. Start with Asia where Chinese industrial production (IP) grew about 18 percent on a year-ago basis in April (bottom left). Although the outturn represents a slowdown from the 19.6 percent rate that was registered in the first quarter—and the decline in the PMI in May suggests that growth slowed a bit further in May—the double-digit growth rate in IP suggests that the Chinese economy still has plenty of momentum behind it. Moreover, IP increased on a sequential basis in April relative to the previous month in Japan, Korea and Taiwan. The bottom line is that economic growth in Asia remains solid, if not a bit slower than in the first quarter. Moving to Canada, there are not many data points yet about how the economy is performing in the second quarter, but the few we have suggest that economic activity has continued to expand at a solid rate. For example, Canadian payrolls in May were up 0.8 percent relative to the end of the first quarter. Real GDP shot up at an annualized rate of 6.1 percent in the first quarter, the strongest sequential growth rate in about 10 years, and we project that the Canadian economy has continued to expand at a solid clip in the second quarter. Real GDP growth in the United Kingdom, which printed at only 1.2 percent in the first quarter, looks to have strengthened in the second quarter. Industrial production came into the quarter with strong momentum due to the 1.9 percent rise in March relative to the previous month, the largest monthly increase since the economy exited from recession in 2002. Moreover, the manufacturing PMI, which rose to its highest level in April and May in about 10 years, suggests that production in the factory sector continued to expand in the second quarter (bottom right). We estimate that real GDP will grow roughly 3 percent at an annualized rate in the second quarter, which would be the strongest outturn since the economy tumbled into recession in early 2008. However, the overall pace of recovery likely will remain sluggish into next year due to the headwinds of fiscal tightening that is slated to begin later this year. Even growth in continental Europe appears to have strengthened recently. As with the United Kingdom, industrial production in the euro area entered the second quarter with strong momentum, and the behavior of the manufacturing PMI and some “hard” data suggest that factory output has continued to expand. For example, German factory orders, which shot up 5.1 percent in March relative to the previous month, rose another 2.8 percent in April. However, there are storm clouds gathering on the Euro-zone’s economic horizon in the form of the sovereign debt crisis. Some countries, namely, Greece, Ireland, Portugal and Spain face significant fiscal retrenchment in the years ahead. Germany and Italy have also announced some budget cutting plans for next year as well, although they are not as draconian as the measures announced in the crisis countries. At a minimum,

tighter fiscal policies in many countries will exert a powerful drag on growth for the foreseeable future. Our outlook calls for very sluggish growth later this year through early next year, but no outright recession. That said, the risk of a double-dip recession in the Euro-zone is not insignificant. There is a chance, however, that the storm clouds on the horizon could be the leading edge of a powerful hurricane. Banks have become a bit leery of lending to each other lately due to concerns about sovereign debt exposure. Although the current tension in interbank funding markets is nowhere near the strains that prevailed after Lehman Brothers’ collapse, the global economic outlook would darken considerably should banks curtail lending to each other again. □



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

Wells Fargo International Economic Forecast

(Year-over-Year Percent Change)

	GDP			CPI		
	2009	2010	2011	2009	2010	2011
Global (PPP weights)	-0.7%	4.6%	3.9%	2.8%	4.1%	3.9%
Global (Market Exchange Rates)	-2.0%	3.4%	2.7%	n/a	n/a	n/a
Advanced Economies¹	-3.4%	2.5%	2.0%	-0.3%	1.3%	1.0%
United States	-2.4%	3.0%	2.2%	-3.0%	1.5%	1.2%
Eurozone	-4.1%	0.9%	1.1%	0.3%	1.4%	0.9%
United Kingdom	-4.9%	1.2%	2.1%	2.2%	3.1%	1.9%
Japan	-5.2%	3.3%	1.6%	-1.3%	-0.8%	0.0%
Korea	0.2%	6.1%	3.7%	2.8%	2.8%	3.0%
Canada	-2.5%	3.6%	3.0%	0.3%	2.0%	2.3%
Developing Economies¹	2.5%	7.0%	6.2%	6.5%	7.5%	7.3%
China	8.5%	10.5%	9.0%	-0.7%	2.9%	3.6%
India	7.4%	8.5%	7.5%	11.4%	11.8%	7.8%
Mexico	-6.5%	4.2%	3.6%	5.3%	5.4%	5.4%
Brazil	-0.2%	5.9%	6.0%	4.9%	5.5%	6.5%
Russia	-8.3%	3.7%	4.1%	11.8%	6.2%	7.6%

Forecast as of: June 9, 2010 □

¹Aggregated Using PPP Weights

Wells Fargo International Interest Rate Forecast

(End of Quarter Rates)	3-Month LIBOR						10-Year Bond					
	2010			2011			2010			2011		
	Q2	Q3	Q4	Q1	Q2	Q3	Q2	Q3	Q4	Q1	Q2	Q3
U.S.	0.40%	0.40%	0.65%	1.40%	2.15%	2.65%	3.80%	3.80%	3.90%	4.00%	4.20%	4.30%
Japan	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	1.35%	1.35%	1.35%	1.45%	1.50%	1.60%
Euroland	0.65%	0.65%	0.80%	1.00%	1.40%	2.25%	2.45%	2.80%	3.00%	3.20%	3.40%	3.60%
U.K.	0.75%	0.75%	0.80%	0.80%	1.25%	2.00%	3.40%	3.70%	4.00%	4.20%	4.30%	4.40%
Canada	0.80%	1.00%	1.75%	2.75%	3.00%	3.95%	3.25%	3.95%	4.00%	4.10%	4.25%	4.30%

Forecast as of: June 9, 2010 □

Source: Wells Fargo Securities, LLC

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FINANCE AND ECONOMY

JUTE GENOME DECODED

Bangladeshi researchers have successfully decoded the jute plant genome opening up a new vista in the development of variety of the world's most adorned biodegradable natural fibre. Experts said this gene sequencing would help improve the fibre length and quality, including colours and strength; and develop high yielding, saline-soil and pest-tolerant jute varieties through genetic engineering. With the successful sequencing of jute genome, Bangladesh becomes only the second country after Malaysia, among the developing nations, to achieve such a feat. Researchers from Dhaka University, Bangladesh Jute Research Institute and Software Company DataSoft in collaboration with Centre for Chemical Biology, University of Science, Malaysia and University of Hawaii, USA have decoded the genome. Bangladeshi scientist Maqsudul Alam, a professor of the University of Hawaii, who earlier decoded the genome of papaya in the US and rubber plant in Malaysia, led from the forefront in sequencing the jute genome. Maqsudul told, "This is a great accomplishment not only for Bangladesh but for the whole world."

Genome sequence represents a valuable shortcut, helping scientists find genes much more easily and quickly. A genome sequence allows scientists identify and understand how genes work together for the plant's different features like growth, development and maintenance as an entire organism. This allows them to manipulate the genes and enhance, reduce or add certain features of the plant. Jute is the second largest fibre crop in terms of cultivation next to cotton. Bangladesh is the world's second-largest producer of jute, after India, and the world's largest exporter of the fibre. (Source: The Daily Star)

BUDGET UNVEILED

Finance Minister AMA Muhith unveiled a BDT 1.32m national budget for 2011 fiscal aimed at spurring higher economic growth, aided by increased spending on energy and power and also encouraging private investments. Laying out a record spending plan, the minister said the economy would chalk out a 6.7 percent growth in 2010-11 financial year, helped by global economic recovery, continued growth in agriculture, and sustained domestic demand. He said that the upward growth projection was influenced by enhanced flow of private investment and a competitive external sector such as foreign trade, aided by a stable exchange rate.

The economy has continued to slow down since 2007, with growth slumping to 5.5 percent in June, the lowest in seven years, as manufacturing and agriculture fared poorly. "Expected progress will be achieved by augmenting revenue

collection, crowding in private sector investment through ADP implementation," Mr. Muhith said in his budget speech.

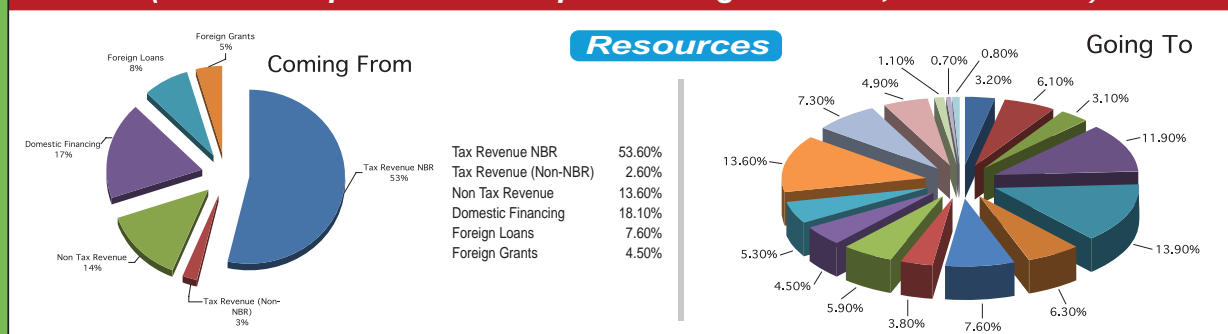
The economic planner designed spending as a way to draw more private investment in the infrastructure sector, particularly in energy and power. Private investors have almost shunned energy and electricity business for years, thanks to the low levels of public investment that has hovered at 4.0 percent for years. It now remains to be seen whether the National Board of Revenue's efforts would be effective to rope in half a million new taxpayers in view of its abortive past record. The finance minister wants to tax real estate developers, institutional investors in the capital market and the wealthy who are often blamed for evading taxes. The minister will ask for BDT 611 Billion for the energy and power sector given the severe energy and electricity crisis, which has not only mounted public sufferings, but also slowed down industrial output and sapped trade. In his budget document, he laid out a five-year roadmap to produce 9,425 megawatt of electricity by 2015 with furnace oil and diesel as new fuel sources apart from natural gas. (Source: The Financial Express)

SINGLE BORROWER LIMIT RELAXED FOR POWER SECTOR

The central bank has decided to waive the single borrower exposure limit in case of financing the power sector, officials said. According to a circular issued Monday, the single borrower exposure limit will not be applicable in case of financing in power generation, distribution and transmission. The Bangladesh Bank (BB) has taken the move against the backdrop of a greater need to make substantial investment to increase power generation.

"We've taken the move to facilitate the overall power sector to allow more investments with a view to generating more power," a BB senior official stated, adding that the banks would be able to invest more funds in the sector following the relaxation. The central bank issued a circular in this connection Monday and asked the chief executives and managing directors of all scheduled banks to follow the provision for sanctioning loans in the power sector. Senior bankers have welcomed the BB's latest move, saying the investment in power sector would increase in the near future, which would also help overcome the ongoing power crisis. Such relaxation will be applicable only for power generation, distribution and transmission projects, awarded by power division or state-owned enterprises like Bangladesh Power Development Board and Rural Electrification Board under the power division, according to the circular. The BB earlier re-fixed the limit on single borrower exposure by 15 percent of respective banks equity to improve risk management in the banking sector. The single borrower exposure limit on large loans has already

Aggregate Budget for Fiscal 2009-10 (Non-Development & Development Budget : Taka 1, 138.19 billion)





been reduced from 50 percent to 35 percent that includes 15 percent funding facilities. "Non-funded credit facilities like letter of credit (LC) can be provided to a single large borrower. But under no circumstances, the total amount of the funded and non-funded credit facilities shall exceed 35 percent of a bank's total capital," the BB said earlier in a circular. Under the existing provision, loan sanctioned to any individual or enterprise or any organisation of a group amounting to 10 percent or more of a bank's total capital will be considered as large loan. (Source: The Financial Express)

REGULATORY STEPS HURT STOCKS

Dhaka stocks got affected after the central bank and the market regulator took measures on liquidity. The market insiders said the impact of the moves from the regulatory bodies was evident in the share price drop, a consequence of the selling pressure. The share prices of 209 companies declined, while the prices of only 36 securities advanced. No change was seen in the share prices of six companies. The central bank on Tuesday set a stockmarket exposure for commercial banks, which will be allowed to invest no more than 10 percent of their total liabilities in the capital market. Bangladesh Bank set the new ceiling as some of the commercial banks were found investing heavily in the stock market. Securities and Exchange Commission also reset the margin loan criteria to cool down the stock market. In line with the modified criteria, investors will no longer get credit against an equity security with a PE (price-earnings) ratio that exceeds 40. The current ratio is set at 50. (Source: The Financial Express)

BANGLADESH REOPENS FACTORIES AFTER RIOTING

Hundreds of Bangladeshi garment factories reopened Wednesday under a heavy police presence, struggling to meet orders from key Western brands after riots by workers forced their closure. Tens of thousands of employees who stitch garments for the leading names in US and European retail had been on strike since Saturday to protest against low pay at a major industrial zone outside Dhaka. □

Violence and vandalism flared Tuesday, with police firing rubber bullets and tear gas after dozens of the estimated 700 factories in the area were attacked.

"It is very volatile. We can't predict if things will flare up again, but we have enough security to handle it today," police deputy inspector Ayub Khan, who was at one of the worst-affected factories, told AFP. "The workers have gone to their shifts on time, there were no problems," he said. Nearly a thousand riot police, armed with several water cannons, were in the area where as many as 80,000 people are employed by subcontractors working on behalf of global retailers such as Wal-Mart, Tesco and H&M. Factories reopened despite smashed windows and damaged sewing machines, desperate to stop the protests affecting orders from Western buyers, said garment manufacturer Envoy Group's director Sultan Noorani. □

"We are worried about late delivery – if you are late by one day, international buyers cut five percent off the order price," he said, adding that his factory was now late on an order of shorts for Wal-Mart. "We will be forced to use air cargo to deliver things, which is expensive. For the last week, we've had problems with this strike. We plan to raise wages as soon as the government makes a decision, but workers are impatient." The factory staff – most of whom are females – are demanding wages of at least BDT 5,000 (USD 70) per month. The current minimum wage, set in 2006, is BDT 1,662. Workers suspected of organising the protests have been sacked, said Jahan Alam, a sewing machine operator at the Scandex garment factory.

"This morning, when I came to work, the guards wouldn't let me in – I've been fired, but no compensation, nothing," he said. "I joined the protests as I can't live on the BDT 3,550 a month I earn, and I

worked 10 hours a day, six days a week and have no holiday allowance," Alam said. The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) on Tuesday closed all factories in the vast Ashulia industrial zone, 30 kilometres (20 miles) north of Dhaka. It said the decision to reopen followed a government pledge to ensure law and order. "We have been assured by the government that they would ensure adequate security to protect the factories from vandalism," BGMEA president Abdus Salam Murshedy told AFP. Unions accused the BGMEA of shutting down the factories in a bid to influence the government-led wage board that will meet next month.

"They were trying to pressure the government. Factory owners proposed a raise of BDT 327 on top of the existing BDT 1,662 minimum. This is absolutely not enough – we are demanding BDT 5,000 as a minimum wage," union leader Mosherefa Mishu said. Garments accounted for nearly 80 percent of Bangladesh's USD 15.56 billion of exports last year. The factories employ around 40 percent of the industrial workforce. (AFP)

MERCHANT BANKERS AGAINST SLAPPING CAPITAL GAINS TAX ON SHARE TRADING PROFIT

Merchant bankers urged the government to withdraw its proposal on slapping capital gains tax on profit of share trading and tax at source on brokerage commissions to retain the present growth of the market. They, however, said the proposed budget is capital market friendly apart from a few issues. They demanded to keep the tax rate, proposed at ten percent, on the income of the institutional investors within the range of five to three percent. "The proposed-budget is market-friendly if we take into account the overall budgetary measures. But the government should re-think about some taxes to maintain the present growth," said Arif Khan, president of Bangladesh Merchant Bankers Association (BMBA) at a post-budget briefing Monday.

"The proposed ten percent tax on the income of the institutional investors might have a negative impact on the market," he said. He said the government might impose three percent tax on capital gains of the institutional investors if they do not sell their shares within one year to encourage long-term investment and five percent might be imposed on their income if they make profit by selling their shares before the one-year period. Khan also said the government proposal to impose 0.1 percent tax at source on commissions collected by the stockbrokers from existing 0.025 percent will also affect trading. "The proposed tax on premium value of shares is inconsistent with the country's income tax laws, as the premium value is a part of capital of a company not revenue", he said. He also quoted: "Moreover, such tax imposition might discourage the companies with strong fundamentals to float shares in the market." BMBA leaders, however, appreciated for not making mentioning TIN mandatory while opening BO accounts and for not imposing tax on individuals' capitals gains. BMBA secretary general Abdur Rouf and member Ahsan Ullah were present at the press briefing. (Source: The Financial Express)

BANK COMPANIES ACT TO BE AMENDED BY FIRST HALF OF 2011

The government will amend Bank Companies Act by early next year as part of an ambitious plan to reform legal frameworks that regulate the country's corporate world, quoted the Finance Minister. "We realize the need for regulatory reforms in the corporate governance to bring more consistency and coherence between various legal frameworks governing the corporate bodies", AMA Muhith said. The minister said "the government is working to bring out necessary reforms in all existing corporate legal frameworks including the laws that regulate the country's banking system. At present, we are moving rapidly to amend the Bank Companies Act and hopefully the law will be up for modification by the first half of 2011", Muhith said. The Bank



Companies Act dates back to 1991, with some amendments being made twice in 1993 and 1995. The Act governs the country's 47 private and public banks. Muhith made the comments during the launching of the Corporate Governance Report on Standards and Codes (ROSC) in the city. He cautioned that majority of these age-old corporate regulatory frameworks may need more time to amend due to technical difficulties. "The Companies Act of 1994 and the laws regarding Securities and Exchange Commission would need longer time to amend due to longer paperwork", he said. "Much of these corporate legal frameworks are based on age-old British and Pakistan period legislations and would be much difficult to address", he added. Muhith was also critical of the absence of 'corporate governance culture' in the state-owned enterprises and lamented the "lack of active cooperation and understanding between the government and corporate bodies". "I doubt whether the culture of corporate governance exists at all in the state-owned enterprises", the minister said, adding, "This has affected performance and output of the SOEs drastically". At the same time, our private sector often tends to act with utmost independence and autonomy while expecting a spoon-fed assistance from the government. The Finance Minister called for a more active approach from the SOEs and private sector in the country. (Source: The Financial Express)

POLITICS

MANJUR NEW CTG MAYOR

Mohammad Manjur Alam was elected the next mayor of Chittagong City Corporation (CCC) yesterday, defeating ABM Mohiuddin Chowdhury by the largest ever margin in the corporation's history. Mohiuddin was the first elected mayor of the port city, who has been in the post for 17 years. BNP backed Manjur bagged 4, 79,145 votes defeating his main rival by 95,528. Returning Officer Jesmin Tuli announced the unofficial poll result declaring Manjur the mayor-elect, amid cheers and slogans from several thousand supporters. Expressing his joy over the win, Manjur told reporters that he will put his best efforts to solve the civic problems of the city, attaching topmost priority to getting rid of water logging. He thanked the city residents for choosing him as their mayor, and trusting him with the city's development. He also said he will run CCC in consultation with the former mayor. Tension ran high with Manjur's supporters setting fire to three motorcycles, and smashing empty ballot boxes and several makeshift shops, protesting delays in arrival of ballot boxes from polling stations, and the announcement of the result. They calmed down at the Election Commission's control room as late counts started showing Manjur leading in almost every centre. (Source: The Daily Star)

PM CALLS FOR POOR NATIONS' UNITY TO DEAL WITH CLIMATE CHANGE

Prime Minister Sheikh Hasina opened the Asia Conference of the Global Climate Change Alliance, calling upon the most vulnerable countries to forge greater unity to establish their rights in the international forums, reports UNB. Addressing the inaugural session at Hotel Sheraton in the morning, she urged the developed economies to provide adaptation fund and technical assistance for the climate-victim countries soon to tackle the climate calamities. High-level representatives including ministers and diplomats from Afghanistan, Bangladesh, Bhutan, Cambodia, Laos, Maldives, Myanmar, Nepal and Yemen are attending the two-day conference, arranged with an expectation to promote dialogue and exchanges to ensure practical cooperation on climate change. State Minister for Environment and Forest Dr. Hasan Mahmud, European Union (EU) Commissioner of Climate Action Connie Hedegaard, and Head of European Union Delegation to Bangladesh Stefan Frowein also addressed the function.

Chairman of Palli Karma-Sahayak Foundation (PKSF) Dr. Qazi Kholiquzzaman Ahmad presented the keynote paper at the opening session, chaired by Environment Secretary Dr. Mihir Kanti Mazumder. In many cases, small and most vulnerable countries (MVCs) have to accept proposals made by the developed, big and advanced countries. Though many of their proposals do not act as beneficial for us," Hasina said. "On many occasions, small and most vulnerable countries do not remain in favourable position in negotiation process. So, if we do not become more vocal about our rights and demands, the result of the negotiations may not come in our favour at the end," the Prime Minister expressed her concern. Now time has come to become more united and vocal to make the international community well convinced and realised about the fair demands of the small and most vulnerable countries regarding adaptation fund and technological assistance to face the climate wraths, she added. (Source: The Financial Express)

PETROBANGLA DECIDES TO FIGHT NIKO IN INTERNATIONAL TRIBUNAL

The government has decided to fight the Canadian Niko Resources in the International Centre for Settlement of Investment Disputes (ICSID) tribunal on payment against gas sales and compensation disputes, top government officials said. "We certainly are going to contest Niko in the ICSID on non-payment and compensation issues," state-owned Petrobangla chairman Dr. Hossain Monsur told the other day. Eminent lawyer Dr. Kamal Hossain, who helped Petrobangla win Chevron's case in Washington-based ICSID last week, might be appointed besides another lawyer as his deputy to fight Niko in ICSID, said the Petrobangla chairman. Niko has lodged an arbitration suit with the ICSID against Petrobangla about a month back and subsequently stopped supplying gas from its Feni field over the row of non-payments against gas sales. Petrobangla's landmark win over Chevron, having cumulative worth around USD 400m, has inspired the corporation to challenge Niko in the ICSID, said a Petrobangla official.

An ICSID tribunal last week turned down US Chevron's claim over payments for moving natural gas to Bangladesh's national grid. Chevron Bangladesh had lodged the suit with the ICSID against Bangladesh in June 2006 demanding refund of the wheeling charge claiming that Petrobangla had been illogically deducting 4.0 per cent of its total gas bills in the name of wheeling charge. Bangladesh moved to ICSID in July 2008, two years after filing of case by Chevron, challenging the US Company's claim saying the deduction was fair, logical and in line with gas purchase and sales agreement (GPSA). But this time there will be no delay to move to contest the Niko suit in the ICSID. Before stopping supply early this month, Niko had been supplying gas from Feni field since November 2004 also over pending gas bills.

Niko was supplying around 2.0m cubic feet per day (mmcf) of gas daily, down from 35 mmcf in the initial years of production. Officials said the seeds of the latest dispute were sown right at the beginning when the Canadian company began supplying gas from Feni field without signing any agreement with the government in November 2004. And the two consecutive gas field blowouts in the Niko-operated Chhatak field in northern Bangladesh, locally known as Tengratila, in January and June 2005 further complicated matters. Initially, Niko Resources wanted USD 2.35 per unit (1,000 cubic feet), but finally agreed to USD1.75 for gas extracted from the Feni field after the blowouts. Niko signed the gas sales and purchase agreement in December 2006 two years after starting production following disagreements with the government over gas price. After the blowouts the government took Niko to a local court demanding BDT 7.46 billion (USD110 million) as compensation against the Tengratila gas field blowouts. The case is still pending with the court.

Domestic Capital Markets Review



CAPITAL MARKETS - DSE (For the weeks June 06 to June 17, 2010)

Weekly Summary Comparison:

	June 13-June17	June 06-June10	% Change
Total Turnover (BDT mil.):	108,004.31	84,683.19	-27.54%
Volume of Share (Nos.):	316,011,891	252,942,647	24.93%
Weighted Avg. P/E Ratio	25.14	24.41	2.99%

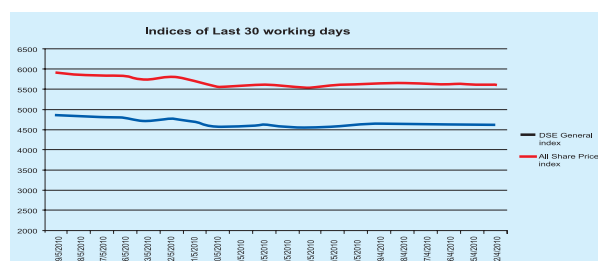
Total Number of Issues

	June 13-June17	June 06-June10	% Change
Advanced	81	105	-22.9%
Declined	175	149	17.4%
No Change	2	2	0.0%
Not Traded	13	13	0.0%
Total No. of Issues	271	269	0.7%

Top 10 Losers of the Last Week (by Closing Price of all Companies)

SI No.	Name	Category	% of Change	Turnover BDT (mil.)
1	Reckitt Benckiser BD Ltd.	A	-20.23	19.104
2	Modern Industries	Z	-14.13	0.023
3	CMC Kamal	Z	-13.9	9.141
4	Quasem Silk	Z	-11.9	0.315
5	Khulna Power Company Ltd	N	-10.52	824.517
6	S. Alam Cold Rolled Steels Ltd.	A	-10.51	1164.953
7	Ocean Containers Limited	A	-10.28	43.878
8	Modern Dyeing	B	-9.7	0.219
9	Meghna PET	Z	-9.64	3.051
10	Bd. Welding Electrodes	B	-9.4	74.57

Market passed a jumbled week amid extreme volatility and marked decline in turnover. General index tumbled after 6 weeks of steep gain. Historically, June is a volatile month due to fiscal and half year end adjustments of various market players. Moreover, new PE ratio for margin loan prompted both investors and traders to align their portfolio to low PE sector, specially banks. Bank was the lone green sector of the week advanced 1.68% and dominated 47% of the total turnover. Trade in market became dull, and turnover witnessed a steep fall. Average daily turnover came down to BDT 14b which was about 32% less than previous week. Low turnover in bourses can be attributed to increase of risk aversion. A section of participants opted to be on the side line in this unstable period. DSE General Index was 6189.85, fell by 109.89 points or 1.74% from the previous week. Total turnover reached BDT 73892.21m with 31.58% decrease from the last week's BDT 108004.31m. On the other



hand, market capital fell by 0.65% and stood at BDT 2287.09b (\$32.86b) at the weekend against BDT 2301.99b. DSE-20 has moved downward by 22.34 points (0.61%) and closed at 3646.37 points against 3668.72 points. Last week, weighted average Market PE was 24.63, which was 2.03% lower than previous week's 25.14. During the week, DSE General Price Index was below both 9 and 18-day moving average line. (AIMS, June 27, 2010)

Category-wise Turnover

Group	Turnover Value (BDT mil.)		% of Total
	June 13-June17	June 06-June10	
A	100,679.04	77,914.36	29.22%
B	712.78	1,011.34	-29.52%
N	4,904.26	4,047.26	21.17%
Z	1,708.23	1,710.22	-0.12%

Top 10 Gainers of the Last Week (by Closing Price of all Companies)

SI No.	Name	Category	% of Change	Turnover BDT (mil.)
1	Islami Bank	A	20.52	1608.982
2	IFIC Bank	A	20.41	1721.4
3	Singer Bangladesh	A	20.22	397.793
4	Trust Bank	A	17.22	1287.195
5	AB Bank	A	16.08	5748.395
6	Shahjalal Islami Bank	A	15.44	2904.696
7	BRAC Bank	A	14	2508.335
8	Peoples Leasing & Fin Services	A	13.86	1528.442
9	NBL	A	13.7265	0.99
10	ILFSL	A	12.31	524.988

Top 10 Companies by turnover for Last Week

SI No.	Names	Category	Turnover in million BDT.	Turnover in Vol.	% of change
1	Titas Gas	A	6282.69	6,433,500	0.64
2	AB Bank	A	5748.40	4,599,845	16.08
3	BEXIMCO	A	4711.62	14,410,200	0.43
4	Shahjalal Islami Bank	A	2904.70	6,204,500	15.44
5	Powergrid company Bangladesh Ltd	A	2806.01	2,657,750	-6.43
6	NBL	A	2650.99	3,816,180	13.7
7	Summit Power	A	2614.63	1,868,800	-9.21
8	BRAC Bank	A	2508.34	3,482,600	14
9	Lankabangla Finance Com	A	2459.19	5,497,000	-0.14
10	Pubali Bank	A	2389.43	2,988,665	4.7
Total			35,075.99	51,959,040	

Date	DSI Index	DSE General Index
23-Jun	5,128.92	6,187.50
22-Jun	5,146.00	6,207.56
21-Jun	5,061.52	6,101.15
20-Jun	5,151.27	6,217.27
17-Jun	5,210.36	6,299.74
16-Jun	5,164.77	6,249.91
15-Jun	5,226.96	6,332.21
14-Jun	5,213.59	6,324.97
13-Jun	5,218.26	6,332.69
10-Jun	5,159.57	6,259.70
9-Jun	5,106.23	6,194.84
8-Jun	5,092.88	6,176.49
7-Jun	5,001.07	6,067.43
6-Jun	5,102.34	6,194.91
3-Jun	5,107.39	6,202.67
2-Jun	5,056.56	6,140.21
1-Jun	5,067.41	6,152.39
31-May	5,030.05	6,107.81
30-May	5,027.63	6,108.50
26-May	4,995.81	6,073.92
25-May	4,927.22	5,988.94
24-May	4,929.69	5,993.04
23-May	5,010.25	6,096.88



CAPITAL MARKETS - CSE

(For the week June 06 to June 10, 2010)

Weekly Summary

Total Turnover (BDT mil.):	5,677.45
Volume of Share (Nos.):	26,240,270.00
Total Contact (Nos.)	121,435
Total Scrip Traded	212

Category-wise turnover

Group	Turnover Value (BDT mil.)	% of Total
A	4,950.74	87.15%
B	82.44	1.45%
N	510.04	8.98%
Z	134.23	2.36%

Script Performance in the Week

Advanced	98
Declined	107
No Change	7
Total Traded Issues	212

Top 10 Gainers of the Week (by Closing Price of all Companies)

Sl No.	Names	Category	Week Difference	Turnover BDT (million)
1	ARAMIT CEMENT LIMITED	Z	26.99	4,207,187.50
2	SAFKO SPINING MILLS LTD	Z	20.80	1,289,762.50
3	BANK ASIA LIMITED	A	16.21	40,002,955.00
4	ICB AMCL ISLAMIC MUTUAL FUND	A	15.62	277,950.00
5	SANDHANI LIFE INS.	A	14.73	925,902.00
6	NATIONAL LIFE INS.	A	13.83	233,315.00
7	MIDAS FINANCING LIMITED	A	13.65	31,178,865.00
8	PRAGATI LIFE INSURANCE LTD.	A	13.32	734,875.00
9	EASTERN INS	A	12.83	212,980.00
10	POWER GRID COMPANY OF BANGLA	A	12.34	150,550,362.50

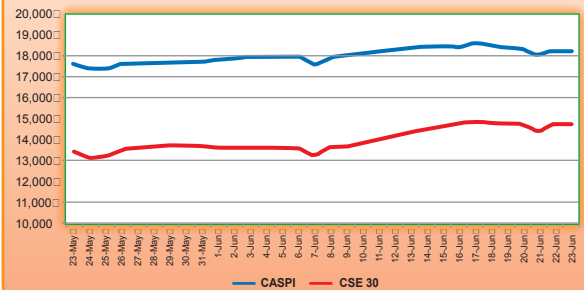
Top 10 Losers of the Week (by Closing Price of all Companies)

Sl No.	Names	Category	Week Difference	Turnover BDT (million)
1	B.S.C.	Z	-17.39	37,390.00
2	DHAKA FISHERIES	Z	-16.61	27,100.00
3	KHULNA POWER COMPANY LTD.	N	-10.59	247,174,060.00
4	BDCOM ONLINE LIMITED	A	-7.43	4,704,688.00
5	DAFFODIL COMPUTERS LIMITED	A	-7.35	11,658,560.00
6	ICB AMCL FIRST NRB MUTUAL FUND A	A	-7.25	411,500.00
7	INTECH ONLINE LIMITED	A	-6.45	5,919,200.00
8	INFORMATION SERVICES NETWORK	B	-6.00	2,018,950.00
9	CENTRAL INSURANCE	A	-5.65	4,837,500.00
10	SINOBANGLA INDUSTRIES LTD	B	-5.64	488,600.00

Top 10 Companies by Turnover for this Week

Sl No.	Names	Turnover BDT (million)	Volume
1	BEXIMCO	489,368,885.00	1,498,662
2	SUMMIT POWER LTD.	358,902,778.00	250,619
3	TITAS GAS TRANSMISSION AND DISTRIBUTION	264,963,200.00	278,450
4	AB BANK LTD.	260,730,254.75	238,576
5	KHULNA POWER COMPANY LTD.	247,174,060.00	1,378,100
6	PUBALI BANK	199,886,624.50	280,869
7	POWER GRID COMPANY OF BANGLADESH LTD	150,550,362.50	148,600
8	JAMUNA OIL COMPANY LIMITED	150,332,800.00	342,300
9	SOUTHEAST BANK LIMITED	136,167,849.25	270,482
10	NATIONAL CREDIT & COMMERC BANK LTD.	133,804,632.25	323,370

CSE Capital Market



MTB

Small Business Loan

ব্যবসা পরিচালনা ও সম্প্রসারণে গ্রাহকদের আর্থিক সহায়তা প্রদানে এই ঋণ কর্মসূচী প্রনয়ন করা হয়েছে। যে কোন ক্ষুদ্র ও মাঝারী ব্যবসায়ী (SME) তাদের বাড়তি মূলধনের প্রয়োজনে এই ঋণের জন্য আবেদন করতে পারেন।



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



National Economic Indicators

Foreign Exchange Reserve:

The Foreign Exchange Reserve as of June 15, 2010, was registered at USD 10,500.35 from USD 10,146.24 million, reported on May 31, 2010, a 3.49% increase. At the end of June 2009, the reserve was USD 7,470.96 million. The year-over-year increase on June 15, 2010 is a significant 49.76%, as the foreign exchange reserve last year, on the exact date was USD 7,011.62 million.

Exchange Rate Movements:

The average BDT-Dollar exchange rate of BDT 69.3436 reported on June 15, 2010, was a slight increase from the previous month's closing exchange rate of BDT 69.3212, as reported on May 31, 2010. On a year-over-year basis, the exchange rate has experienced an increase from the June 15, 2009 figure of BDT 69.0500 to the Dollar.

Wage Earner's Remittance:

Bangladesh received USD 885.12 million as inward foreign remittance in May 2010 registering a 1.14% decrease year-over-year. The remittance for the period of July-May 2009-10 stood at USD 10,077.32 million, a 14.90% increase, year-over-year.

Import:

Import figure in April 2010 was USD 2,197.80 million compared to USD 1,777.30 million in April 2009, a 23.66% increase, year-over-year. Imports for the period July-Apr 2009-10 stood at USD 19,388.80, a 0.83% increase year-over-year.

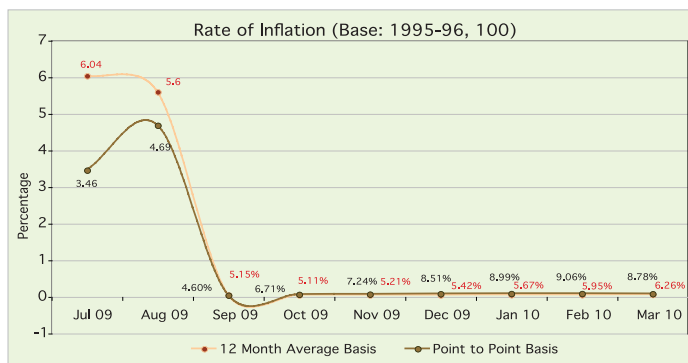
Export:

Export figure in April 2010 was USD 1,400.13 million, an increase of 19.03% from the previous year. Yet, the figure for the period July-April 2009-10 stood at USD 12,940.05, a 0.97% increase year-over-year.

Investments in National Savings Certificates

March 2010 figure of sales of National Savings Certificates was reported as BDT 1132.42 crore, a significant increase from March 2009 figure of BDT 116.82 million. The Total National Savings Certificates Outstanding for July-March 2009-10 was reported at BDT 58,320.84 million, a 20.86% increase from the figure reported in the previous year. □

Currency	Buying	Selling
Jun 20, 2010		
A. USD/BDT Rates (based on interbank transaction)		
USD	69.3400	69.3510
B. Cross Rate		
SGD	50.0072	50.0621
SEK	8.9644	8.9689
JPY	0.7642	0.7644
GBP	102.7896	102.8337
EUR	85.8152	85.8496
CAD	67.8872	67.9179
AUD	60.4575	60.5018





investment

that gives you

rewarding return

- BO account opening
- buy and sell securities
- telephonic buy-sell order execution
- margin facilities
- updated market information
- Demat/Remat of securities
- Pledge/unpledge of securities



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



Main Office MTB Brokerage
Ispahani Building, 14-15 Motikheel C/A
Dhaka 1000, Phone: (02) 957 0563, 956 8163

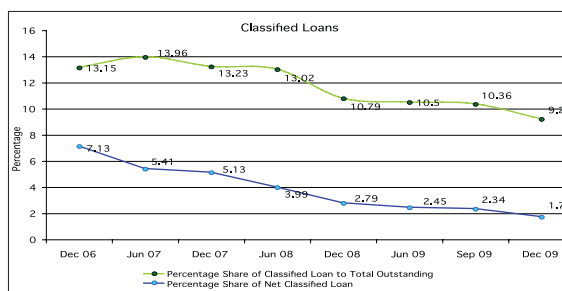


Banking And Financial Indicators

Classified Loans	Dec 06	Jun 07	Dec 07	Jun 08	Dec 08	Jun 09	Sep 09	Dec 09	Mar 10
Percentage Share of Classified Loan to Total Outstanding	13.15	13.96	13.23	13.02	10.79	10.5	10.36	9.21	9.41
Percentage Share of Net Classified Loan	7.13	5.41	5.13	3.99	2.79	2.45	2.34	1.73	2.09

	Percentage Change (%)					
	Apr 09	Jun 09	Apr 10	Jul-Apr 2009-10	Jul-Apr 2008-09	FY 08-09
Reserve Money (BDT crore)	61,882.50	69390.10	70545.90	1.67%	17.22%	31.45%
Broad Money (BDT crore)	281,901.90	296,499.80	343,040.80	15.70%	13.31%	19.17%
Net Credit to Government Sector (BDT crore)	55,075.80	58185.20	47777.10	-17.89%	17.41%	24.04%
Credit to Other Public Sector (BDT crore)	12,558.60	12439.70	15504.10	24.63%	7.96%	6.94%
Credit to Private Sector (BDT crore)	212,310.80	217927.50	256204.10	17.56%	11.66%	14.62%
Total Domestic Credit (BDT crore)	279,945.20	288552.40	319485.30	10.72%	12.57%	16.03%

L/C Opening and Settlement Statement (USD million)	Percentage Change (%)					
	Jul-Apr 08-09		Jul-Apr 09-10		Year over year	
	Open	Sett.	Open	Sett.	Open	Sett.
Food Grains (Rice & Wheat)	773.13	821.40	921.11	731.59	19.14%	-10.93%
Capital Machinery	980.38	1,174.56	1,509.69	1176.64	53.99%	0.18%
Petroleum	1,622.04	1,795.28	1,930.74	1807.2	19.03%	0.66%
Industrial Raw Materials	7,248.00	7,346.06	8,153.38	6764.09	12.49%	-7.92%
Others	7,624.45	7,169.73	10,270.91	8188.84	34.71%	14.21%
Total	18,248.00	18,307.03	22,785.83	18,668.36	24.87%	1.97%



YEARLY INTEREST RATES							
End of Period	Bank Rate	Call Money Market's Weighted Average Interest Rates on			Scheduled Banks' Weighted Average Interest Rates on		Spread
		Borrowing		Lending	Deposits	Advances	
2010	5.00	4.35		4.35			
2009	5.00	5.04		5.04			
2008	5.00	10.27		10.27	7.31	12.31	5.00
2008	5.00	9.31		9.31	6.77	12.75	5.98
2007	5.00	7.17		7.17	6.98	12.99	
2006	5.00	8.41		8.41	5.90	11.25	5.35
2005	5.00	4.93		5.74	5.56	10.83	5.27
2004	5.00	6.88		8.17	6.25	12.36	6.11
2003	6.00	9.49		9.56	6.49	13.09	6.60
2002	7.00	8.26		8.57	6.75	13.42	6.67
2001	7.00	6.82		7.21	7.08	13.75	6.67

INTEREST RATE DEVELOPMENT *A												
Period	Treasury Bills			BGTB				Repo	Rev. Repo	Call Rate	Lending Rate	Deposit Rate
	91-Day	182-Day	364-Day	5-Year	10-Year	15-Year	20-Year	1-2 Day	1-2 Day			
2008-09 *b												
July	7.78	8.01	8.51	10.6	11.72	12.14	13.06	8.5	6.5	8.27	....	....
August	....	....	....	10.6	11.72	12.14	13.07	8.5	6.5	9.88	....	....
September	7.81	8.06	8.53	10.6	11.72	12.14	13.07	8.75	6.5	9.89	12.34	7.71
October	7.87	8.08	8.56	10.6	11.72	12.14	13.04	8.75	6.5	7.64	....	....
November	7.91	8.12	8.57	10.6	11.72	12.14	13.04	8.75	6.75	7.56	....	....
December	7.91	8.16	8.58	10.6	11.72	12.14	13.02	8.75	6.75	10.42	12.31	7.31
January	7.93	8.16	8.59	10.6	11.72	12.14	13	8.75	6.75	9.82	....	....
February	....	8.16	8.6	10.6	11.72	12.14	12.99	8.75	6.75	9.25	....	....
March	....	8.16	8.6	10.6	11.72	12.14	12.98	8.5	6.5	8.31	12.34	7.52
April	6.53	7.48	8.31	9.97	11.68	11.79	11.48	....	....	1.95	....	....
May	3.97	5.43	6.16	10.01	10.22	10.57	11.09	....	....	3.28	....	....
June	3.54	4.24	5.96	9.21	10.05	10.09	10.07	....	....	1.79	11.87	7.01
2009-10 *c												
July	1.86	3.75	5.01	8.2	9.42	9.39	8.97	....	....	1.08	....	....
August	....	....	....	7.47	8.55	8.59	8.59	....	....	0.72	....	....
September	2.05	3.5	4.33	7.49	8.43	8.8	....	8.5	....	4.39	11.59	6.57
October	2.14	3.51	4.57	7.8	8.75	8.69	9.1	....	2.5	2.82	....	....
November	2.3	....	4.6	7.8	....	....	....	4.5	2.5	4.43	....	....
December	2.3	3.54	4.6	7.8	8.75	8.69	9.1	4.5	2.5	5.05	11.49	6.35
January	2.33	3.55	4.61	7.8	....	8.74	....	4.5	2.5	4.83	....	....
February	....	3.56	4.62	7.82	8.75	8.74	9.11	4.5	2.5	4.51	....	....
March	....	3.54	4.63	7.85	8.76	8.75	9.15	4.5	2.5	3.51	11.32	6.12
April	2.34	3.42	4.15	7.85	8.77	8.77	9.17	4.5	2.5	4.36	....	....
May	2.38	3.52	4.2	....	8.77	8.77	9.19	4.5	2.5	5.18	....	....
June	....	....	....	....	8.76	8.8	....	4.5	2.5	6.69	....	....

Source: MRP, DMD, Statistics Dept., Bangladesh Bank, *a Weighted Average Rate, *b Provisional, *c Revised, Data Unavailable



UTTARA FINANCE AND INVESTMENTS LIMITED

integrated business solutions ...



S M Shamsul Arefin
Managing Director

Total Assets:
BDT 12.61 billion

Total Equity:
BDT 02.07 billion

Net Profit after Tax:
BDT 50.00 million

Authorized Capital:
BDT 10.00 billion

Paid-up- Capital:
BDT 396.00 million

Earnings per Share:
BDT 156.39

*Financials as reported on
December 31, 2009 from DSE*

Company Profile

Uttara Finance and Investments Limited (UFIL) has been operating as a Financial Institution since 7th May 1995. The company extends lease, loans and asset management services. The company's clientele base range from SME to large corporate houses. The company also accepts Term Deposits from individuals and corporate bodies. To be specific, apart from lease, the following loan products are offered by UFIL:

Loan Products:

1. Working Capital Loan

UFIL extends this facility to manufacturing and processing concerns to meet cash shortfall and attain optimum output level.

2. Bridge Finance

In very special cases, UFIL may provide this facility to meet equity shortfall to implement a venture only for exclusive clients.

3. Personal Loan

UFIL extends this facility to individuals, usually service holders and professionals to meet personal obligations.

4. Home Loan

UFIL extends this facility to individuals to acquire apartments measuring 1,250 square feet or below subject to gross income within BDT 50,000 per month.

5. SME Loan

UFIL extends this facility to SMEs as defined by Bangladesh Bank from time to time.

Deposit Schemes:

UFIL offers competitive rate of interest to individuals for tenure of 12 months to 36 months and to corporate business houses for tenure of 6 months to 36 months.

Merchant Banking:

UFIL offers full range of asset management services like Underwriting; Portfolio management; Bridge Finance; Mutual Fund; Individual investor's accounts in capital market.

Apart from the above, UFIL provides services based on needs of the clientele.

Registered Office

JBC Tower (6th Floor), 10 Dilkusha C.A.
Dhaka-1000, Bangladesh.
Tel: +880-2-9568207(Hunting)
Fax: +880-2-9552461
Email: info@uttarafinance.com

Head Office (Extension)

Uttara Centre (11th Floor)
102, Shahid Tajuddin Ahmed Sarani
Tejgaon, Dhaka-1208, Bangladesh.
Tel: +880-2-8142680-3
Fax: +880-2-8142679



Enterprise of The Month

RAHIMAFROOZ



Board of Directors, RahimAfrooz Group: from left Niaz Rahim, Munawar Misbah Moin, Afroz Rahim (Chairman), Mudassir Murtaza Moin, Feroz Rahim (Group Managing Director) & Mohamed Ismail.

Company Profile

Over the last 55 years, Rahimafrooz Group has evolved into one of the leading corporate houses of Bangladesh. Established in 1954 by Late A.C. Abdur Rahim, Rahimafrooz acquired the distributorship of Lucas batteries for Bangladesh in 1959. Since then the Group has expanded and diversified significantly and at present operates in four broad segments – storage power, automotive and electronics, energy and retail.

Rahimafrooz's success has been largely due to its focus on five core values – Integrity, Excellence, Customer Delight, Innovation and Inspiring People. These values were laid down by the Founder and continue to be an integral part of the company's culture even today.

Presently, the Group is the largest lead-acid battery manufacturer in Bangladesh. It is also one of the leading regional players, with market leadership at home and export endeavours to more than 40 countries. It manufactures about 200 different varieties of batteries for automotive, motorcycle, IPS and other applications. The company maintains high standards of operations that are certified under both ISO 9001 and ISO 14001 standards. Furthermore, in order to ensure occupational health and safety of its employees, the company has implemented the occupational health and safety management system, OSHAS 18001. Lucas and Spark are the leading names in the local automotive battery market, while Volta, Optus and Delta have gained equity as international brands. In 2009, Rahimafrooz commenced operations of two new manufacturing facilities. One is dedicated to the production of industrial batteries. The Group aspires to be the leading industrial batteries manufacturer for Traction, Stationary, Solar and VRLA batteries in Southeast Asia. The second plant at the Ishwardi EPZ caters to the demands of the international market with maintenance free automotive batteries under the international brand name, Globatt. Rahimafrooz also has the country's largest distribution network for automotive batteries, tyres and lubricants. Its portfolio includes various international brands and it is the sole distributor of Dunlop tyres and Castrol lubricants in Bangladesh.

The Group has a significant presence in the renewable energy sector and offers Rahimafrooz Solar solutions for households, agriculture, healthcare, education, rural streets and marketplaces. As of 2010, the company has lit up more than 100,000 rural homes in Bangladesh and is endeavouring to do much more in the future. The company's efforts have been appreciated by Government of the People's Republic of Bangladesh as well. Rahimafrooz recently implemented solar powered solution at the Prime Minister's Office and also at the office of the Bangladesh Bank. Rahimafrooz is a major provider of standby, captive and distributed power solutions.

Additionally, Rahimafrooz Group introduced Agora, the first retail store chain in Bangladesh, which changed the lifestyle of its consumers by providing an alternative to the traditional grocery markets. Recently, the Group has entered the electronics business with the launch of its multi-brand electronic and electrical retail outlet, Ureka.

Rahimafrooz strongly believes in giving back to the community in which it operates and is involved in various social activities which contribute to improvements in education, poverty alleviation and environment. These activities are carried out through Rural Services Foundation (RSF), which is a not-for-profit concern of Rahimafrooz. The Foundation manages the Dhaka Project, which provides shelter and education for about 500 urban street children. It also operates the RSF Bogra Model School and College and RSF IT Centers which provide education for underprivileged children.

Rahimafrooz has been a partner in the development journey of this nation for more than fifty years. The Group is committed to maintaining the highest standards of responsible corporate behaviour and its passion for success is aligned with the development journey of Bangladesh.

Corporate Head Office:

1A Gulshan Avenue, Dhaka 1212, Bangladesh
Tel: (880 2) 989 9834, (880 2) 989 9216, (880 2) 989 9802, (880 2) 989 3442-3
Fax: (880 2) 882 7780
Email: raco@rahimafrooz.com

Rahimafrooz's initiatives are organized through following Strategic Business Units (SBUs):

- * Rahimafrooz (Bangladesh) Ltd. (Group Parent Company)
- * Rahimafrooz (Batteries) Ltd.
- * Rahimafrooz Distribution Ltd.
- * Rahimafrooz Energy Services Ltd.
- * Rahimafrooz Superstores Ltd.
- * Rahimafrooz CNG Ltd.
- * Rahimafrooz Accumulator Ltd.
- * Rahimafrooz Globatt Ltd.
- * Rahimafrooz Renewable Energy Ltd.
- * Excel Resources Ltd.
- * Metronet Bangladesh Ltd. (fibre optical network)
- * Greyfab and Asiatex
- * Rural Services Foundation (social development enterprise)

Top Logo Showcase





The Federation of Bangladesh Chambers of Commerce and Industry

Chamer Profile



A K Azad
President FBCCI
Managing Director of
Ha-Meem Group
Publisher of The Daily Shamakal

The panel of AK Azad has won the election of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) held on Thursday June 17, 2010 for the tenure of 2010-11 & 2011-12. Mr. Azad was elected president of FBCCI uncontested on June 21, 2010.

Year of establishment: 1973

Member of:

- International Chamber of Commerce (ICC)
- Islamic Chamber of Commerce and Industry
- Confederation of Asia-Pacific Chambers of Commerce and Industry and
- SAARC Chamber of Commerce and Industry.

Federation of Bangladesh Chambers of Commerce and Industries (FBCCI) is the premier umbrella organization for businessmen in Bangladesh. It was established in 1973 under the Trade Organizations Ordinance 1961 (amended in 1994) and companies act 1913 (amended in 1994). It is a member of the International Chamber of Commerce (ICC), the Islamic Chamber of Commerce and Industry, the Confederation of Asia-Pacific Chambers of Commerce and Industry and the SAARC Chamber of Commerce and Industry. The FBCCI has joint chamber/co-operation agreements with the national trade organisations of Australia, Belgium, Egypt, Finland, Germany, India, Indonesia, Iran, Italy, Japan, the Republic of Korea, Malaysia, Myanmar, Nepal, Pakistan, Philippines, Russia, Romania, Sri Lanka, Taiwan, Thailand, Turkey, Peru and Vietnam. The Federation has also collaboration agreements with the national chambers of 16 countries and the General Union of Chambers of Commerce and Industry and Agriculture of Arab countries.

Formation:

The Federation has two types of members, namely, the Chambers of Commerce and Industry and the Trade and Industrial Associations. At present, there are 234 members, of whom 67 belong to the former category and the remaining to the latter category. A 32-member executive committee or board of directors, elected for a term of 2 years by direct vote of members of both categories conducts the activities of FBCCI. The Chambers of Commerce and Industry elects the president and vice-president, as well as 15 members of the executive committee. The other 15 members are elected from the category of Trade and Industry Associations.

Functions:

The main objective of the FBCCI is to safeguard interests of private sector trade bodies and industry in Bangladesh through promoting the interests of its member units, both chambers and association bodies. FBCCI also deploys its efforts in developing agriculture, human resources and communication sectors of the country. FBCCI represents the private sector in 94 permanent committees of the government and autonomous bodies. It sends representatives to different committees and task forces on specific issues constituted by the government. FBCCI assists in the organization of chambers and associations throughout the country. It collects and disseminates statistical and other information for advancement of trade and industry. It organizes training, seminars and workshops on trade, commerce and industry, conducts research on major policy issues, and co-operates in settlement of trade disputes through conciliation, negotiation and arbitration. FBCCI consults and advises the government in formulating the commercial, industrial and fiscal policies of the country. It maintains close relations with overseas national chambers of commerce and other trade and industrial associations.

Address:

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)
60, Motijheel C/A, Dhaka, Bangladesh.
Tel: 88-02-9560102-3, 9560482
Mobile: 01819218602
Fax: 88-02-7176030
E-mail: fbcci@bol-online.com.
URL: www.fbcci-bd.org



Article of the Month

International Chamber of Commerce



International Chamber of Commerce™

The world business organization™



Jean Rozwadowski
Secretary General

Introduction:

ICC (International Chamber of Commerce) is the voice of world business championing the global economy as a force for economic growth, job creation and prosperity.

Because national economies are now so closely interwoven, government decisions have far stronger international repercussions than in the past.

ICC - the world's only truly global business organization responds by being more assertive in expressing business views.

ICC activities cover a broad spectrum, from arbitration and dispute resolution to making the case for open trade and the market economy system, business self-regulation, fighting corruption or combating commercial crime.

ICC has direct access to national governments all over the world through its national committees. The organization's Paris-based international secretariat feeds business views into intergovernmental organizations on issues that directly affect business operations.

ICC's Origin:

The International Chamber of Commerce was founded in 1919 with an overriding aim that remains unchanged: to serve world business by promoting trade and investment, open markets for goods and services, and the free flow of capital.

Much of ICC's initial impetus came from its first president, Etienne Clémentel, a former French minister of commerce. Under his influence, the organization's international secretariat was established in Paris and he was instrumental in creating the ICC International Court of Arbitration in 1923.

ICC has evolved beyond recognition since those early post-war days when business leaders from the allied nations met for the first time in Atlantic City. The original nucleus, representing the private sectors of Belgium, Britain, France, Italy and the United States, has expanded to become a world business organization with thousands of member companies and associations in around 130 countries. Members include many of the world's most influential companies and represent every major industrial and service sector.

ICC's Activities:

ICC activities cover a broad spectrum, from arbitration and dispute resolution to making the case for open trade and the market economy system, business self-regulation, fighting corruption or combating commercial crime.

ICC has direct access to national governments all over the world through its national committees. The organization's Paris-based international secretariat feeds business views into intergovernmental organizations on issues that directly affect business operations.

◆ Setting rules and standards

ICC's Uniform Customs and Practice for Documentary Credits (UCP 500) are the rules that banks apply to finance billions of dollars worth of world trade every year. ICC Incoterms are standard international trade definitions used every day in countless thousands of contracts. ICC model contracts make life easier for small companies that cannot afford big legal departments.

◆ Promoting growth and prosperity

ICC supports government efforts to make a success of the Doha trade round. ICC provides world business recommendations to the World Trade Organization. ICC speaks for world business when governments take up such issues as intellectual property rights, transport policy, trade law or the environment. Every year, the ICC Presidency meets with the leader of the G8 host country to provide business input to the summit. ICC is the main business partner of the United Nations and its agencies.



◆ Spreading business expertise

Together with the United Nations Conference on Trade and Development (UNCTAD), ICC helps some of the world's poorest countries to attract foreign direct investment. In partnership with UNCTAD, ICC has set up an Investment Advisory Council for the least-developed countries. At ICC World Congresses every two years, business executives tackle the most urgent international economic issues. The World Chambers Congress, also biennial, provides a global forum for chambers of commerce. Regular ICC regional conferences focus on the concerns of business in Africa, Asia, the Arab World and Latin America.

◆ Advocate for international business

ICC speaks for world business whenever governments make decisions that crucially affect corporate strategies and the bottom line. ICC's advocacy has never been more relevant to the interests of thousands of member companies and business associations in every part of the world. Equally vital is ICC's role in forging internationally agreed rules and standards that companies adopt voluntarily and can be incorporated in binding contracts.

ICC provides business input to the United Nations, the World Trade Organization, and many other intergovernmental bodies, both international and regional.

Divisions of ICC

- a. Dispute Resolution Services
- b. Publications & eBooks
- c. Policy & Rules
- d. Events
- e. Institute of World Business Law
- f. World Chambers Federation (WCF)
- g. Passport to World Trade
- h. Commercial Crime Service

Contacts:

General enquiries (Worldwide)

International Chamber of Commerce
38 cours Albert 1er
75008 Paris, France

Tel: +33 1 49 53 28 28
Fax: +33 1 49 53 28 59

Asia

Ms Kim Kit Ow

Director, ICC Arbitration & ADR, Asia
ICC International Court of Arbitration ICC Asia
32 Maxwell Road #02-11, Singapore 069115

Tel: + 65 6225-9081 / 82
Fax: +65 6225-9083





Csr Activities

Dutch-Bangla Bank donates BDT 9cr for DU re- search centre

Dutch-Bangla Bank Ltd (DBBL) decided to donate BDT 9.73 crore to Dhaka University (DU) for establishing a research centre on the university campus. It will be named as 'Dutch-Bangla Bank Centre for Advanced Research' in Arts and Social Sciences Bhaban. DBBL received an international award on CSR from Asian Institute of Management, Manila in the 3rd Annual Asian CSR Award ceremony.

Citi scholarship for young women launched

Citibank, N.A., Bangladesh in collaboration with Grameen Shikkha has launched a scholarship program budgeting USD 30,000 called 'Citi Scholarship for Young Women' targeting female university students of the country.

Under the programme, scholarships will be given to 35 female students from six public institutions including Dhaka Medical College, Dhaka University, Bangladesh University of Engineering and Tech-nology (BUET), Sir Salimullah Medical College, Jahangir Nagar University and Eden Girls College. This scholarship programme showcases our continuous thrust on women empowerment and female education.

BAT afforestation campaign steps into 30th year

British American Tobacco (BAT) Bangladesh launched its annual Nationwide Afforestation Campaign and Sapling Distribution event in the city as the company marked 30 years of its afforestation journey.

Afforestation is one of the prime areas of focus for BAT Bangladesh. The Company has so far distributed around 63.5 million saplings free of cost over the last 30 years. It is probably the largest afforestation effort by any private sector business entity in Bangladesh. BAT Bangladesh initiated its afforestation programme in 1980 when the Forest Department called on the private sector to support its endeavour to conserve the forests. This year the Company will distribute 4 million saplings across Bangladesh. The company has won National Awards for Afforestation Programme five times from the government.

Appreciating BAT Bangladesh's other CSR activities Dr Hasan Mahmud, State Minister for Environment and Forests, urged other corporate houses in the country to put emphasis on CSR initiatives.

YKK's tree plantation

As a part of corporate social responsibility (CSR), Japanese

world famous zipper manufacturing company YKK Bangladesh Pte Ltd arranged a tree plantation program Wednesday on their factory premises inside DEPZ, Savar, Dhaka, said a press release.

Though previously this kind of activity was done in several schools, those are outside of DEPZ now for the first time they arranged such type of event inside their factory. Hiroaki Nakamura, Managing Director and Yuji Yamase, Director of the company inaugurated the event. YKK planted 200 saplings of different trees, the release added.

Southeast Bank introduces scholarship for poor, meritorious students

Southeast Bank Foundation arranged a program recently at the city to distribute scholarship money amongst the poor meritorious students of different schools and colleges.

As a part of corporate social responsibility, Southeast Bank Foundation distributed scholarship among 490 students of which 230 are college students and 260 are school students.

Each college student received BDT 22000 and each school student received BDT 8500 as scholarship money in advance for the next one year. Total scholarship money amounted to BDT 67,49,500.

Donations for Nimtoli victims to PM's Relief Fund

Dhaka, June 6 (UNB)- Different banks, business groups, professional organizations, educational institutions and social outfits Sunday donated more than BDT 2,63,50,000 (two crore sixty-three lacs and fifty thousand) to the Prime Minister's Relief Fund, to help the affected families of the Nimtoli terrible fire. Among the donors, Janata Bank donated BDT one crore, National Bank BDT 50 lakh, Pubali Bank BDT 25 Lakh, Agrani Bank BDT 50 Lakh, AB Bank BDT 50 Lakh, IFIC Bank 30 Lakh, The City Bank, SIBL and IBL BDT 25 Lakh each, Premier Bank BDT 25 lakh. Further DBBL has decided to give each family BDT 1 lakh for their rehabilitation. Summit Group donated BDT 20 lakh, Bangladesh Private Medical College Association BDT 10 lakh, Destiny Group BDT 10 lakh, Bangladesh Muslim Center NY USD 3000, Sheikh Jamal Dhanmondi Club BDT 10 lakh, Sikder Medical College BDT 10 lakh, and Bangabandhu Sheikh Mujib Medical University over BDT 11 lakh and DCCI donates medical equipments to Burn and Plastic Surgery Unit of Dhaka Medical College Hospital for the treatment of Nimtoli fire victims.



MTB ভাগ্যবতী

নারী উদ্যোক্তাদের সহজ শর্তে অর্থায়নের উদ্দেশ্যে এই ঋণ কর্মসূচী গ্রনয়ন করা হয়েছে। শুধুমাত্র ক্ষুদ্র ও মাঝারী মহিলা উদ্যোক্তাগণ (SMEs) এই ঋণের জন্য আবেদন করতে পারবেন।



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Appointments

BANKS AND FINANCIAL INSTITUTIONS

Name	Position	Organization
Kazi Masihur Rahman	Managing Director (Re-appointed)	EXIM Bank Ltd.
M. Humayun Kabir	Managing Director	Sonali Bank Limited
Md. Aminul Haque	Chairman (Re-elected)	Prime Finance and Investment Limited
Md. Ezhar Hossain, ABAI	Managing Director	Prime Insurance Company Ltd.
Mizanur Rahman Shelley	Chairman (Re-elected)	Premier Leasing and Finance Ltd
Syed Mahbubur Rahman	Managing Director & CEO	BRAC Bank Ltd.
Yakub Ali Montu	Chairman (Re-elected)	National Credit & Commerce (NCC) Bank
Yussuf Abdullah Harun FCA	Chairman	Asia Insurance Ltd
Maj Gen Md Rafiqul Islam	Director General	Bangladesh Rifles (BDR)
Air Commodore Mahmud Hussain	Chairman	Civil Aviation Authority of Bangladesh

OTHER INSTITUTIONS

Name	Position	Organization
Thevakumar Kandiah	Country Director	The Asian Development Bank (ADB)
Abul Kalam Azad (Ha Meem Group)	President	Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)

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Financial Glossary

Calendar Effect

The theory that certain days of the week, weeks of the month, and months of the year are more likely to produce rises/falls in share prices than others. 'Sell in May and go away' is an example. One stock market commentator has claimed that the 6th June is the best trading day of the year, that 26th September is the worst, prices more often than not fall during the last week of October, and that the UK stock market usually rises in January in US presidential election years.

Cadbury Committee

A committee chaired by Adrian Cadbury which produced the first Code of Best Practice on corporate governance, in 1992. Its stated objective was "to help raise the standards of corporate governance and the level of confidence in financial reporting and auditing by setting out clearly what it sees as the respective responsibilities of those involved and what it believes is expected of them." It has since been followed by the Greenbury report on Directors' Remuneration (1995), the Hampel Committee on Corporate Governance (1998), which produced The Combined Code, and the Higgs Review of the Role and Effectiveness of Non-Executive Directors (2003), which led to further revisions.

The code lays down rules which the UK Listing Authority – part of the Financial Services Authority – requires companies to follow. The rules include the composition of the board, such as the ratio of non-executive to executive directors, board committees, the role of the chairman and the NEDs, directors' remuneration, relations with shareholders, and accountability and audit.

Gearing

The most common use of the term 'gearing' is to describe the level of a company's net debt (net of cash or cash equivalents) compared with its equity capital, and usually it is expressed as a percentage. So a company with gearing of 60 per cent has levels of debt that are 60 per cent of its equity capital. The gearing ratio shows how encumbered a company is with debt. Depending on the industry, a gearing ratio of 15% would be considered prudent while anything over 100% would be considered risky or 'highly geared'. 'Gearing' is also used in a related sense to refer to borrowings by an investment trust that boosts the return on capital and income via additional investment. When the trust is performing well shareholders enjoy an enhanced or 'geared profit'. However if the trust performs poorly then the loss is similarly exaggerated. Gearing can also refer to the ratio between a company's share price and its warrant price.

Random Walk

The theory espoused by French Mathematician Louis Bachelier in 1900 which posits that past share prices are of no use in predicting future prices.

According to the theory, share prices reflect reactions of the market to information being fed into the market completely randomly. Since the information is coming in randomly, the price movements they cause are no more predictable than the steps of a drunk.

Random walk theory is diametrically opposed to technical analysis. The theoretical underpinning of technical analysis is that markets react in a consistent way to share price movements. By looking at charts of past price movements, investors can identify patterns which have occurred before, and can anticipate future price movements because the market tends to react in the same way.

Vanilla

The term Vanilla derived from vanilla or plain ice cream Vanilla is applied to a bond or other security that has no unusual features, paying interest in a standard way and redeemable on maturity.

Scalper

A trader who buys and sells quickly to take advantage of small price fluctuations. Usually a scalper is ready to buy at the bid and sell at the asked price, providing liquidity to the market. The term 'scalper' is used because these traders attempt to 'scalp' a small amount on a trade.

Taper Relief

Taper relief was introduced into the UK taxation regime with effect from 6th April 1998. Its purpose is similar to indexation, in that it aims to reduce the amount of capital gains tax you have to pay when you sell shares, to account for the effect of inflation.

But there is a critical difference. Whereas indexation works by increasing the base cost of an asset, taper relief works by reducing the gain by a 5% a year for every year it was held regardless of the base cost. This is significant because if the base cost of an asset was zero, indexation does not help. Taper relief, on the other hand, does.

Source:

www.finance-glossary.com
<http://biz.yahoo.com>
www.bloomberg.com



MTB Micro Finance Loan



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MTB Network

Dhaka Division

- Principal Branch**
02-7113237, 7113238, 7119964, 7122049, 7122849
- Panthapath Branch**
02-8613807, 02-8629887
- Babu Bazar Branch**
02-7314821, 7314822
- Sonargaon Branch**
02-038959-88105, 06723-88105
- Uttara Branch**
02-8924379, 02-8951474
- Progati Sarani Branch**
02-8411804, 02-8410948
- Sreenagar Branch**
02-038942-88222
- Pallabi Branch**
02-9016273, 8055630
- Dilkusha Branch**
02-7171301, 7171002, 7170137
- Dhanmondi Branch**
02-8155607, 02-8158334
- Bashundhara City Branch**
02-9124021, 9120982, 9111440, 8121071, 8121732, 8122044
- Chandra Branch**
02-06822-51968, 06822-51969
- Gulshan Branch**
02-8837840, 8832343, 9882473
- Savari Branch**
02-741452, 02-7741453
- Fulbaria Branch**
02-9559842, 02-9559867
- Madaripur Branch**
02-0661-62483, 02-0661-62482
- Dholaikhal Branch**
02-7172542, 02-7172602
- Aganagar Branch**
02-7762226, 02-7762227
- Narayanganj Branch**
02-7648209
- Banani Branch**
02-9883831, 9883861
- Tongi Branch**
02-9816250, 02-9816251
- Shanir Akhra Branch**
02-7551169, 02-7551195
- Mohammadpur Branch**
02-9127887, 02-9128494
- Elephant Road Branch**
02-9611596

SME Service Centers

- Kaliganj Center**
Tel: 01718883140
- Gafor Gaon Center**
01711979700

Rajshahi Division

- Pabna Branch**
0731-51829, 0731-51830
- Joypurhat Branch**
0571-63584, 0571-63585
- Rajshahi Branch**
01716364366, 0721-776203
- Ishwardi SME/ Agri Branch**
01712651364
- Belkuchi SME/Agri Branch**
01717217877
- Rajshahi MTBSL Branch**
0721-811477 & 0721-811407

Rangpur Division

- Rangpur Branch**
0521-52325, 0521-52326
- Bogra Branch**
051-78109, 051-78108

Brokerage Houses

- Main Office**
02-9570563, 02-9568163
- Gulshan Office**
02-9895969, 066-62044390
- Pallabi Office**
02-9015919, 066-62607136
- Uttara Office**
044-76150106
- Narayanganj Office**
02-7648210
- Dhanmondi Office**
02-8913222
- Progati Sarani Office**
02-8840507

Sylhet Division

- Sylhet Branch**
0821-2830271, 0821-2830272
0821-716820
- Moulvi Bazar Branch**
0861-62840, 0861-62841

Brokerage Houses

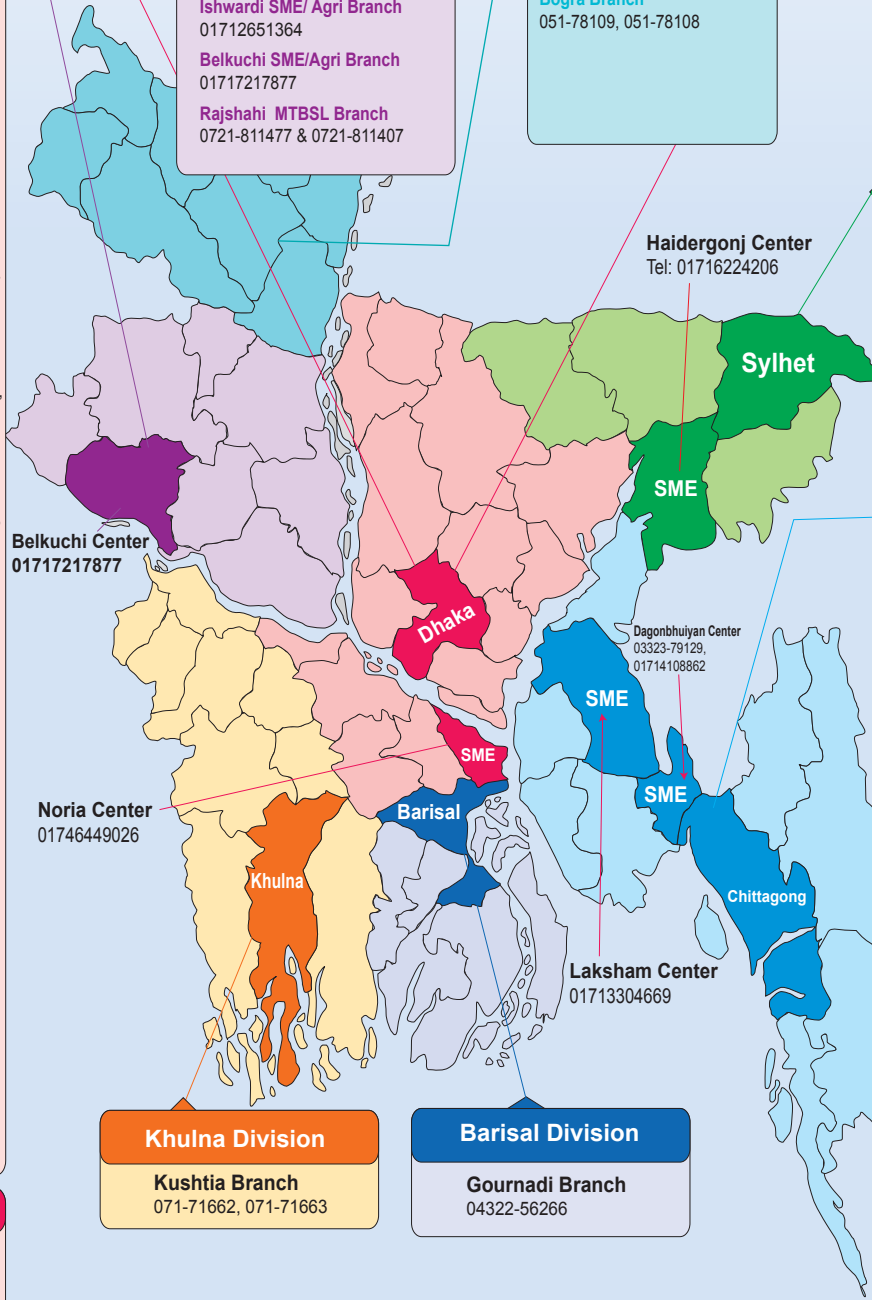
- Sylhet Office**
Tel: 081-2830319

Chittagong Division

- Office of the Head of Chittagong Br.**
031-2516681; Fax: 880-31-721091
- CDA Avenue Branch**
031-623559, 625336
- Khatungonj Branch**
031-612254, 626966
- Jubilee Road Branch**
031-624922, 031-627533
- Nazirhat Branch**
0821-4483498, 0443-4483498
- Chakoria Branch**
034-2256502
- Raipur Branch**
038-2256495
- Aman Bazar Branch**
031-681022, 01713106375
- Agrabad Branch**
031-2523287, 2524269, 2510754
- Alankar Mor Branch**
031-2772617, 2772619, 2772620
- Feni Branch**
033-161984, 033-161985
- Dhorkora Bazar Branch**
01911682484
- Ramchandrapur SME/Agri Branch**
01812673337
- Nazmumeah SME/Agri Branch**
01819644641, 031-2572841
031-2572842

Brokerage Houses

- Chittagong Office**
031-2514797, 037-31000768



Khulna Division

- Kushtia Branch**
071-71662, 071-71663

Barisal Division

- Gournadi Branch**
04322-56266



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Mutual Trust Bank Ltd.
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Corporate Head Office

68 Dilkusha C/A, Dhaka-1000, Bangladesh
PABX: 717-0138-40; Ext: 129, 266
Fax: 880-2-956 9762