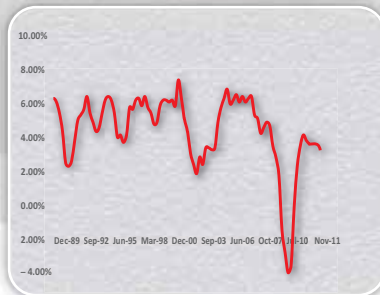


MTBiz

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Factors Underlying Market Turmoil

An excerpt from Financial Stability Forum's Report



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Article of the Month

02

Factors Underlying Market Turmoil

An excerpt from Financial Stability Forum's Report



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Article of The Month

Factors Underlying Market Turmoil

An excerpt from Financial Stability Forum's Report Background

The turmoil that broke out in the summer of 2007 followed an exceptional boom in credit growth and leverage in the financial system. Institutions responded, expanding the market for securitisation of credit risk and aggressively developing the originate-to-distribute model of financial intermediation. The system became increasingly dependent on originators' underwriting standards and the performance of credit rating agencies. Starting in the summer of 2007, accumulating losses on US subprime mortgages triggered widespread disruption to the global financial system. Large losses were sustained on complex structured securities. Institutions reduced leverage and increased demand for liquid assets. Many credit markets became illiquid, hindering credit extension. Eight months after the start of the market turmoil, the balance sheets of financial institutions are burdened by assets that have suffered major declines in value and vanishing market liquidity. To re-establish confidence in the soundness of markets and financial institutions, national authorities have taken exceptional steps with a view to facilitating adjustment and dampening the impact on the real economy. These have included monetary and fiscal stimulus, central bank liquidity operations, policies to promote asset market liquidity and actions to resolve problems at specific institutions. Financial institutions have taken steps to rebuild capital and liquidity cushions. Despite these measures, the financial system remains under stress. In October 2007, the G7 Ministers and Central Bank Governors asked the Financial Stability Forum (FSF) to undertake an analysis of the causes and weaknesses that have produced the turmoil and to set out recommendations for increasing the resilience of markets and institutions going forward. The FSF was asked to report to the G7 Ministers and Governors at their meeting in Washington in April 2008. FSF came with a report named as "Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience". This article is an excerpt of that report, which covers only the first chapter of the analysis of causes behind market turmoil.

Factors underlying the market turmoil

The turmoil in the most advanced financial markets that started in the summer of 2007 was the culmination of an exceptional boom in credit growth and leverage in the financial system. This boom was fed by a long period of benign economic and financial conditions, including historically low real interest rates and abundant liquidity, which increased the amount of risk and leverage that borrowers, investors and intermediaries were willing to take on, and by a wave of financial innovation, which expanded the system's capacity to generate credit assets and leverage but outpaced its capacity to manage the associated risks. As the global trend of low risk premia and low expectations of future volatility gathered pace from 2003, financial technology that produced the first collateralised debt obligations (CDOs) a decade earlier was extended on a dramatic scale. The pooling and tranching of credit assets generated complex structured products that appeared to meet the credit rating agencies' (CRAs) criteria for high ratings. Credit enhancements by financial guarantors contributed further to the perception of unlimited high-quality investment opportunities. The growth of the credit default swap market and related index markets made credit risk easier to trade and to hedge. This greatly increased the perceived liquidity of credit instruments. The easy availability of credit and rising asset prices contributed to low default rates, which reinforced the low level of credit risk premia. Banks and other financial institutions gave substantial impetus to this process by establishing off-balance sheet funding and investment vehicles, which in many cases invested in highly rated structured credit products, in turn often largely backed by mortgage-backed securities (MBSs). These vehicles, which benefited from regulatory and accounting incentives, operated without capital buffers, with significant liquidity and maturity mismatches and with asset compositions that were often misunderstood by investors in them. Both the banks themselves and those that rated the vehicles misjudged the liquidity and concentration risks that a deterioration in general economic conditions would pose. Banks also misjudged the risks that were created by their explicit and implicit commitments to these vehicles, including the reputational risks arising from the sponsorship of the vehicles. The demand for high-yielding assets and low default rates also encouraged a loosening of credit standards, most glaringly in the US subprime mortgage market, but more broadly in standards and terms of loans to households and businesses, including loans for buy-outs by private equity firms. Here too, banks, investors and CRAs misjudged the level of risks, particularly these instruments' common exposure to broad factors such as a weakening housing market or a fall in the market liquidity of high-yield corporate debt. Worsening underwriting standards for subprime mortgages and a weakening in the US housing market led to a steady rise in delinquencies and, from early 2007 onwards, sharply falling prices for indices based on subprime-related assets. This

produced losses and margin calls for leveraged holders of highly rated products backed by subprime mortgages. The problems in the subprime market provided the trigger for a broad reversal in market risk-taking. As CRAs made multiple-level downgrades of subprime-backed structured products, investors lost confidence in the ratings of a wider range of structured assets and, in August 2007, money-market investors in asset-backed commercial paper (ABCP) refused to roll over investments in bank-sponsored conduits and structured investment vehicles (SIVs) backed by structured products.

As sponsoring banks moved to fund liquidity commitments to ABCP conduits and SIVs, they sought to build up liquid resources and became unwilling to provide term liquidity to others. This led to a severe contraction of activity in the term interbank market and a substantial rise in term premia, especially in the US and Europe, and dysfunction in a number of related short-term financial markets. Just as low risk premia, low funding costs and ample leverage had fuelled the earlier increase in credit and liquidity, the sharp reduction of funding availability and leverage accentuated the subsequent contraction. Fears of fire sales reinforced upward pressures on credit spreads and generated valuation losses in broad asset classes across the quality spectrum in many countries. When primary and secondary market liquidity for structured credit products evaporated, major banks faced increasing challenges valuing their own holdings and became less confident in their assessments of the credit risk exposures and capital strength of others. The disruption to funding markets lasted longer than many banks' contingency plans had allowed for. As the turmoil spread, increased risk aversion, reduced liquidity, market uncertainty about the soundness of major financial institutions, questions about the quality of structured credit products, and uncertainty about the macroeconomic outlook fed on each other. New issuance in securitisation markets fell sharply. As large banks reabsorbed assets and sustained large valuation losses, their balance sheets swelled and their capital cushions shrank. This caused banks to tighten lending conditions. Both bank-based and capital-market channels of credit intermediation slowed. At present, eight months after the turmoil broke out, de-leveraging continues to pose significant challenges for large parts of the financial system in a number of countries. Although some financial institutions and guarantors have moved to replenish capital, the system is burdened by market uncertainties about the health of key financial institutions, about the large overhang of assets held by banks, SIVs, hedge funds and other leveraged entities, and about the quality of those assets. Financial system weaknesses have contributed to deteriorating prospects for the real economy, although to different degrees in different countries.

Underlying weaknesses

Given the maturing of the credit cycle and the weakening in the US housing market, a pullback in risk-taking of some kind was inevitable. However, because of accumulated weaknesses in risk management and underwriting standards, and the sheer scale of the adjustment required, attempts by individual institutions to contain their risk exposures have led to reinforcing dynamics in the system as a whole.

1. Poor underwriting standards

The benign macroeconomic conditions gave rise to complacency among many market participants and led to an erosion of sound practices in important financial market segments. In a range of credit market segments, business volume grew much more quickly than did investments in the supporting infrastructure of controls and documentation. Misaligned incentives were most conspicuous in the poor underwriting and in some cases fraudulent practices that proliferated in the US subprime mortgage sector, especially from late 2004. Many of the subprime loans underwritten during this time had multiple weaknesses: less creditworthy borrowers, high cumulative loan-to-value ratios, and limited or no verification of the borrower's income. The combination of weak incentives, an increasingly competitive environment, low interest rates and rapidly rising house prices led originators and mortgage brokers to lower underwriting standards and to offer products to borrowers who often could not afford them or could not bear the associated risks. Weak government oversight of these entities contributed to the rise in unsound underwriting practices, especially by mortgage companies not affiliated with banks. Another segment that saw rapid growth in volume accompanied by a decline in standards was the corporate leveraged loan market, where lenders agreed to weakened loan covenants to obtain the business of private equity funds.

2. Shortcomings in firms' risk management practices

Some of the standard risk management tools used by financial firms are not suited to estimating the scale of potential losses in the adverse



Article of The Month

tail of risk distributions for structured credit products. The absence of a history of returns and correlations, and the complexity in many of these products, created high uncertainty around value-at-risk and scenario-based estimates. Market participants severely underestimated default risks, concentration risks, market risks and liquidity risks, particularly for super-senior tranches of structured products. A number of banks had weak controls over balance sheet growth and over off-balance sheet risks, as well as inadequate communication and aggregation across business lines and functions. Some firms retained large exposures to super-senior tranches of CDOs that far exceeded the firms' understanding of the risks inherent in such instruments, and failed to take appropriate steps to control or mitigate those risks. When the turbulence started, firms and investors misjudged or were unable to rapidly assess their exposures, particularly as liquidity evaporated and markets became unavailable.

3. Poor investor due diligence

In parallel, many investors, including institutional ones with the capacity to undertake their own credit analysis, did not sufficiently examine the assets underlying structured investments. They overlooked leverage and tail risks and did not question the source of high promised yields on purportedly safe assets. These weak due diligence practices further fuelled the issuance of complex structured credit products. Many investors placed excessive reliance on credit ratings, neither questioning CRAs' methodologies nor fully understanding the information credit ratings do and do not transmit about the risk characteristics of rated products.

4. Poor performance by the CRAs in respect of structured credit products

The sources of concerns about CRAs' performance included: weaknesses in rating models and methodologies; inadequate due diligence of the quality of the collateral pools underlying rated securities; insufficient transparency about the assumptions, criteria and methodologies used in rating structured products; insufficient information provision about the meaning and risk characteristics of structured finance ratings; and insufficient attention to conflicts of interest in the rating process.

5. Incentive distortions

- The shortcomings in risk management, risk assessment and underwriting standards reflected a variety of incentive distortions:
- Originators, arrangers, distributors and managers in the originate-to-distribute (OTD) chain had insufficient incentives to generate and provide initial and ongoing information on the quality and performance of underlying assets. High demand by investors for securitised products weakened the incentives of underwriters and sponsors to maintain adequate underwriting standards.
- The pre-Basel II capital framework encouraged banks to securitise assets through instruments with low capital charges (such as 364-day liquidity facilities).
- Compensation schemes in financial institutions encouraged disproportionate risk-taking with insufficient regard to longer-term risks. This risk-taking was not always subject to adequate checks and balances in firms' risk management systems.

6. Weaknesses in disclosure

Weaknesses in public disclosures by financial institutions have damaged market confidence during the turmoil. Public disclosures that were required of financial institutions did not always make clear the type and magnitude of risks associated with their on- and off-balance sheet exposures. There were also shortcomings in the other information firms provided about market and credit risk exposures, particularly as these related to structured products. Where information was disclosed, it was often not done in an easily accessible or usable way.

7. Feedback effects between valuation and risk-taking

The turbulence revealed the potential for adverse interactions between high leverage, market liquidity, valuation losses and financial institutions' capital. For example, writedowns of assets for which markets were thin or buyers were lacking raised questions about the adequacy of capital buffers, leading to asset sales, deleveraging and further pressure on asset prices.

8. Weaknesses in regulatory frameworks and other policies

Public authorities recognised some of the underlying vulnerabilities in the financial sector but failed to take effective countervailing action, partly because they may have overestimated the strength and resilience of the financial system. Limitations in regulatory arrangements, such as those related to the pre-Basel II framework, contributed to the growth of unregulated exposures, excessive risk-taking and weak liquidity risk management.

Underpinnings of the originate-to-distribute (OTD) model

Although securitisation markets and the OTD model of intermediation have

functioned well over many years, recent innovations greatly increased leverage and complexity and, as noted above, were accompanied by a reduction in credit standards for some asset classes. When accompanied by adequate risk management and incentives, the OTD model offers a number of benefits to loan originators, investors and borrowers. Originators can benefit from greater capital efficiency, enhanced funding availability, and lower earnings volatility since the OTD model disperses credit and interest rate risks to the capital markets. Investors can benefit from a greater choice of investments, allowing them to diversify and to match their investment profile more closely to their risk preferences. Borrowers can benefit from expanded credit availability and product choice, as well as lower borrowing costs.

However, these features of the OTD model progressively weakened in the years preceding the outburst of the turmoil. Aside from weakened underwriting standards, in some cases, risks that had been expected to be broadly dispersed turned out to have been concentrated in entities unable to bear them. For example:

- Some assets went into conduits and SIVs with substantial leverage and significant maturity and liquidity risk, making them vulnerable to a classic type of run.
- Banks ended up with significant direct and indirect exposure to many of these vehicles to which risk had apparently been transferred, through contingent credit lines, reputational links, revenue risks and counterparty credit exposures.
- Financial institutions adopted a business model that assumed substantial ongoing access to funding liquidity and asset market liquidity to support the securitisation process.
- Firms that pursued a strategy of actively packaging and selling their originated credit exposures retained increasingly large pipelines of these exposures, without adequately measuring and managing the risks that materialised when they could not be sold.

Although all market participants involved in the OTD chain had weaknesses in risk management, and nearly all ultimately needed to write down their structured product portfolios substantially, some firms seem to have handled these challenges better than others. This suggests that it is not the OTD model or securitisation per se that are problematic. Rather, these problems, and the underlying weaknesses that gave rise to them, show that the underpinnings of the OTD model need to be strengthened.

Among the issues that need to be addressed are:

- Misaligned incentives along the securitisation chain. As described earlier, these existed at originators, arrangers, managers, distributors and CRAs, while investor oversight of these participants was weakened by complacency and the complexity of the instruments.
- Lack of transparency about the risks underlying securitised products, in particular including the quality and potential correlations of the underlying assets.
- Poor management of the risks associated with the securitisation business, such as market, liquidity, concentration and pipeline risks, including insufficient stress testing of these risks.
- The usefulness and transparency of credit ratings. Despite their central role in the OTD model, CRAs did not adequately review the data input underlying securitised transactions. This hindered investors in applying market discipline in the OTD model.

Areas for policy action

A striking aspect of the turmoil has been the extent of risk management weaknesses and failings at regulated and sophisticated firms. While it is the responsibility of firms' boards and senior management to manage the risk they bear, supervisors and regulators can give incentives to management so that risk control frameworks keep pace with the innovation and changes in business models. Supervisors must set capital and liquidity buffers at levels that take account of the potential for risk management failures to occur and that limit damage to markets and the financial system when they occur. Authorities should not pre-empt or hinder market-driven adjustments, but should monitor them and add discipline where needed. In many areas, financial institutions, investors and CRAs have strong incentives to address the market weaknesses that have come to light. Financial industry efforts are underway to improve market practices. However, authorities must decide where prescription is necessary, given collective action problems and other market failures. In several areas, corrective regulatory steps are underway: for example, US authorities are addressing regulatory gaps in the oversight of entities that originate and fund mortgages, and consumer protection issues in relation to mortgage lending.

Authorities must be proactive in strengthening the financial system. They must do all they can to identify emerging problems so as to be able to take prompt appropriate action to mitigate them. Given the difficulty in foreseeing and preventing specific threats to the financial system, a major focus of efforts must be to ensure that the core of the system is resilient when markets come under stress.



FINANCE AND ECONOMY

BB GOES FOR INCLUSIVE GROWTH

Two Years of Dr Atiur Rahman



Bangladesh Bank has been making efforts to have the people rational on inflation in the context of current global economic situation by preparing half yearly monetary policy report, said a central bank's statement. The statement presents an evaluation of the BB's activities and initiatives taken during the last two years since Dr Atiur Rahman took office as Governor in May 2009. Apart from conventional regulations, BB went for a

sustainable economic development through financial inclusion, poverty alleviation, human resources development along with stabilising the financial sector, it said in the evaluation. Standard and Poor's and Moody's, two internationally recognised credit rating agencies, has positively rated Bangladesh BB-and Ba3 respectively in two separate sovereign rating, highlighting world appraisal of country's economic resilience as well as opening up a horizon of possibility. The Central Bank's shifting includes policy level, legal and institutional activities to address the macro-economic challenges, since May 2009 when Dr Atiur Rahman took office as BB chief. Three key objectives were considered in formulating the monetary policy: reining in inflation, attaining inclusive and equitable economic growth and maintaining overall financial stability. On the new world economic threshold, BB is revealing half-yearly monetary policy statement for a more pragmatic one to cope with new challenges. Monetary and credit policies have been made more active to expand financial inclusion along with enhanced financing to agriculture and small and medium enterprises (SME). Agro sector witnessed both the quantitative and qualitative changes in last two years/since May 2009 A BDT five-billion re-financing scheme, for the first time, to made credit available for the millions of sharecroppers, who are usually left out of the facility. 1,26,686 marginal farmers received more than BDT 2.18 billion as agri-loan up to March 2011. Besides, farmers are provided with two-percent-interest loan to grow import substitute spices, which is also considered a great success for the regulator. In 2009-10 fiscal year banks achieved 97 percent of their agro loan disbursement target while they have fulfilled 73 percent of the target in first nine months of current fiscal year. A major move to financial inclusion is letting marginal farmers open bank accounts with only depositing BDT 10, giving an end to years of deprivation of government subsidies meant for them. Freedom fighters also got the same facility to receive their allowances hassle-free. 9.3 million farmers have so far opened such accounts to enjoy government subsidies and other banking facilities. From March 2009 to February this year, 764 new bank branches have been opened across the country to make people enjoy financial facility at their doorsteps. Moreover, a new bank- 'Expatriate Welfare Bank' has been opened targeting overseas jobseekers. SMEs got special priority as BB opened a dedicated department for SMEs. In 2010 it formulated an elaborated policy for SME credit. Solar energy, bio-gas, effluent treatment plant (ETP), non-polluting brick kilns-all drew special attention of BB under its green financing initiative of creating a BDT 2-billion revolving fund, of which, banks have managed to disburse only BDT 110 million. BB, meanwhile, issued green banking guidelines to banks and NBFIs to ensure green financing. A systematic reform in the BB run Equity and Entrepreneurship Fund (EEF) to make dynamic has led to financing of BDT 7.09 billion to 430 agro and 16 ICT projects. Spending Banks and financial institutions under the CSR activities rose to BDT 3.91 billion in 2010, from

BDT 550 million in 2009, because BB has made this mandatory for them. A five-year strategic plan has been chalked out for a more dynamic, efficient & resilient financial system, which strengthened BB's regulatory and surveillance structure. Basel-II implementation is underway in banks and financial institutions to make them more stress tolerant. Regular CAMEL rating and stress testing are also on. BB's strict monitoring and active role to keep balance between demand and supply of foreign currency have made the exchange rate stable, while remittance inflow and trade balance remain in favour of the country. In last two years BB was relentless in its efforts to establish a secure and modern automated payment and settlement system. Online banking, mobile banking, e-commerce, e-tendering, e-recruitment, automated clearing house, electronic fund transfer (EFT) and online CIB has already been introduced as part of a digital banking system. (3 May, The Daily Sun)

PLAY ROLE IN SOCIO-ECONOMIC UPLIFT, DR ATIUR TELLS BANKS



The central bank's governor, Dr Atiur Rahman, asked all the banks to carry out banking activities for socio-economic development of the country, through thinking beyond the idea of traditional banking. He said collecting deposit and remittances and disbursement of credit are not the lone duty of the banks. He said the role of the banks

should be constructive and innovative towards development and investment must go to building schools, hospitals and promote tourisms which involve both the employment and service. "We want a humane banking sector. The country is going through a transition period both economically and socially, and we now don't need a bank that would obtain profit only through traditional banking," said Dr Atiur Rahman, governor of Bangladesh Bank (BB) at a conference titled "Remittances for Community Development: Alternative Schemes and Best Practices" at BRAC centre in the city. He said more than 7 million Bangladeshi workers migrated to different countries in the world. He said they are helping the country by sending foreign currency. "Their extensive efforts have made Bangladesh one of the major remittance recipient countries in the world (ranked 7 in 2010)," he said. He said annual average growth in remittances has increased significantly from 14.8 percent in the 1980s to 19.4 percent in the 2000s. "Over the last 5 years (FY 2006-10), remittance inflows in Bangladesh have grown by more than 23.0 percent, compared to around 21.0 percent in India, 17.0 percent in Pakistan and 13.0 percent in Sri Lanka," he said. He said Bangladesh Bank along with the government is encouraging such remittance for community development and considered to introduce a policy guideline soon specifying the role of different government agencies. BASUG Netherlands, which is working in Bangladesh to improve the status of the Bangladeshi migrant workers, organised the conference in association with Triple L-The Netherlands and Bangladesh chapter of INAFI Asia. Bangladesh chapter chairman of BASUG Netherlands, Bikash Chowdhury Barua chaired the conference while BASUG Adviser Dr Ahmed Ziauddin and INAFI Asia representative Atiqun Nabi spoke, among others. Project Coordinator of Triple L-The Netherlands, Danielle de Winter has presented the keynote paper on the conference topics featuring best practices in utilising remittances for community development by different remittance recipient countries. (11 May, The Independent)

DR ATIUR ASKS BANKS TO HELP ATTRACT FDI

The central bank governor has urged all bank officials to help attract foreign direct investment (FDI). Last week Dr Atiur Rahman sent a letter to all commercial banks, citing various complaints, and saying branch officials of different banks do not take adequate initiatives to provide necessary information



and assistance to prospective investors. "Many times, to avoid hassles of extra work, they (the bank officials) discourage interested foreign investors describing to them procedural complexities," the Bangladesh Bank governor said. The exchange rate of the taka against the dollar is under pressure though the balance of payment still shows surplus. Rahman asked the banks to post experienced officials in the branches that deal with foreign trade and investment. He also urged them to provide necessary assistance to foreign investors, maintaining contact with the Board of Investment. A BB official said the issue will be discussed in the bankers' committee meeting next month. He said it will be a profitable business for the bank concerned if the FDI comes through the branches. (22 May, The Daily Star)

AUTOMATED CLEARING HOUSE STARTS IN BARISAL



The central bank launched automated clearing house in Barisal in order to ensure faster settlement of transactions and payment systems as part of its move to digitalise the country's banking system. Twenty six branches of commercial and scheduled banks in Barisal came under online system of Bangladesh Automated Clearing House (BACH) at Bangladesh Bank (BB). The system will significantly reduce settlement time – from three days to only two hours. "We moved one step ahead of many other countries by introducing this modern technology-based payment and transaction system," BB deputy governor Murshid Kuli Khan as chief guest told at the inauguration ceremony of the BACH in Barisal BB branch. The Department for International Development (DFID) of United Kingdom funded USD8.5 million to implement the Bangladesh Automated Clearing House (BACH). Deputy Governor in his speech stressed on green banking for this coastal and southern region. He also said that the main benefit of the new BACH system will go to the business firms and to the remittance earners as they will get their payments within a day instead of waiting for days. This will facilitate the online banking as well. BACH system is based on latest state-of-the-art technology. It's a most secured system,' he added. He also informed that the existing clearing system would also continue alongside the new one. He claimed one percent contribution of this system to our GDP through expediting the business transactions. (9 May, The Independent)

FIND ALTERNATIVE JOB MARKETS

MCCI Launches Study on Middle East, Japan Crises
The government should explore alternative job markets in Europe, East Asia and Africa to offset fallout from the ongoing crises in the Middle East, North Africa and Japan, said a study carried out by a leading chamber. The study said 35,000 workers returned from

Libya and export of manpower has been on the decline over the last few years. The political troubles in the Middle East and North Africa may further hamper manpower exports. The government should train workers to acclimatise them with the emerging market demands before sending them to new destinations in Europe or Latin America, said the study on the impact of Middle East, North Africa and Japan crises on Bangladesh economy. Mamun Rashid, professor and director of BRAC Business School, conducted the study on behalf of the MCCI. He presented the study report at a discussion titled "Middle East and Japan Crises: Possible Impact on Bangladesh Economy" organised by the MCCI in Dhaka. President of the chamber Amjad Khan Chowdhury moderated the discussion. "Recruiting agencies are mostly responsible for causing damage to Bangladesh's overseas labour market. The agencies charge excessive migration fees and sometimes cheat with workers," Rashid said. Mustafizur Rahman, executive director of Centre for Policy Dialogue (CPD), said 50 percent trades of Bangladesh is inter-linked worldwide through different channels. So, the economy may be hurt by any trouble in the Middle East, North Africa and Japan, he said. Shafiul Islam Mohiuddin, president of Bangladesh Garment Manufacturers and Exporters Association, said every year the garment sector needs 100,000 new workers. "So, we can absorb workers in the garment sector," he said. Ali Haider Chowdhury, secretary general of Bangladesh Association of International Recruiting Agencies, said some eight million people went to 110 countries during 1976-2011. Expatriate Welfare and Overseas Employment Minister Khandaker Mosharrar Hossain said, in the January-April period a total of 154,000 workers went abroad, compared to 134,000 during the same period last year. "Reducing the cost of migration is a must. The picture of manpower export and earning is not a gloomy one," he said, adding that a tender of BDT 1,000 crore has already been floated to build 36 training centres across the country for skill development of workers. (17 May, The Daily Star)



TARGET 500MW SOLAR PROJECT

Govt to Seek USD 2 Billion from ADB



The government plans to implement a mega project of setting up 500 megawatts solar panel-based power installations with financial support of the Asian Development Bank (ADB). As per initial estimate, such a project will require a huge amount of USD 2-3 billion, power ministry officials said. As the lead agency, the power division has laid out a plan involving nine other ministries to implement the highly ambitious plan. A delegation of the power ministry is scheduled to attend the ADB-sponsored Asia Solar Energy Forum in Bangkok from May 30-June 1 to negotiate



the fund with the multilateral donor agency. Official sources said the conference is part of the ADB's strategy to promote renewable energy in Asia implementing solar power systems totaling 3,000MW capacity in different countries of the region. According to experts' view, the total project of 3,000MW capacity solar systems will require a mega fund of USD 12-18 billion. Power ministry officials said that by participating in the Bangkok conference, Bangladesh would seek the required financial support for about 500MW capacity solar systems. "As per our estimation, the 500MW solar systems would require minimum USD 2 billion investment and the cost might go up to USD 3 billion even," a power ministry official told UNB. "But it's not clear whether the ADB will provide the fund as grant or as loan. If it is grant, then it would be a cost effective project. Otherwise, the project might not be financially viable for Bangladesh," he said. According to official sources, the nine ministries which would implement the plan in coordination with the power division include railway division of Communications Ministry, LGED of local government ministry, housing and public works ministry, health and family planning ministry, religious affairs ministry, education ministry, industries ministry, and agriculture ministry. (15 May, The Daily Star)

EXPORTS RISE BY 41pc IN 10 MONTHS



Bangladesh's exports increased to USD 18.24 billion during the first ten months of the current fiscal, thanks to GSP facilities and addition of new destinations. The figure marks a 41 percent hike over that of the corresponding period of the previous fiscal, when Bangladesh earned USD 12.94 billion, officials said. Besides, exports during the July-April period crossed the target by 23 percent. Shipments in April 2011 also raised to USD 2036.17 million, up from USD 1398.82 million in 2010, data from the Export Promotion Bureau (EPB) shows. The EPB officials said exports from Bangladesh increased following the addition of some new destinations and generalized system of preferences (GSP) facilities offered by the European Union (EU). "After ten months' performance we hope the country's overall shipment will cross USD 21.0 billion in this fiscal, as it has already reached the target of 2010-11," EPB vice chairman Jalal Ahmed told the FE. The export growth sustained over the last few months, and it is a positive sign for the overseas trade of the country, he added. The top export earners, like knitwear, woven, leather, footwear, jute and frozen fish, are showing good performance during the last few months. This trend helped to accelerate the overall growth, the EPB chief said. (10 May, The Financial Express)

BALANCE OF PAYMENTS UNDER STRESS

The country's external balance sheet is now under continuous pressure largely due to low growth in inward remittances and high import bills which have been putting extra pressure on the rising inflation. In the first nine months of the current fiscal year, the deficit in overall balance stood at USD 529 million, while it was USD 2.26 billion surplus in the same period last fiscal year. The World Bank

AT A GLANCE

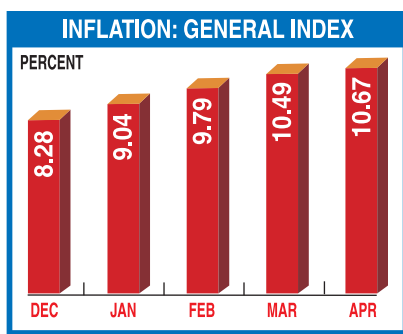
(IN MILLION OF DOLLARS)	July-Mar 2009-10	July-Mar 2010-11
Trade Balance	-3,917 ▼	-5,570 ▼
Current Account Balance	2,643 ▲	689 ▲
Overall Balance	2,267 ▲	-529 ▼

forecast the projected overall balance of payments deficit of about USD 1.2 billion is likely to be financed by drawing down reserves. In this situation, the BDT has been depreciated against the dollar, pushing up the prices of imported products further, which in turn create risks of inflation. Although foreign direct investment (FDI) and exports increased, the uneasy situation has been created mainly due to a fall in foreign aid and remittances. As a result, the current account balance surplus dropped by about three-fourths compared to a surplus in the same period of the previous fiscal year. In July-March of the current fiscal year, the surplus came down to USD 689 million from USD 2.64 billion surplus in the same period of the previous year. According to Bangladesh Bank data, exports increased by about 40.61 percent in the first nine months of the current fiscal year but imports went up by 41.01 percent. Traditionally, Bangladesh's imports tend to be much more in volume widening the trade deficit to USD 5.57 billion in the nine months from USD 3.91 billion in the same period of the previous year. On the other hand, remittance growth has been rather slim. It increased by only 4 percent in the first nine months. During the same period last fiscal year the growth was about 20 percent. Due to pressure on balance of payments, the average exchange rate of the BDT against the dollar was BDT 73.19 on May 10, which was BDT 69.28 a year back. To contain the depreciation, Bangladesh Bank intervened in the foreign exchange market and sold (net) USD 346 million between July 2010 and April 27, 2011. In foreign exchange reserve, a volatile situation has been prevailing. In May 10 last year, the foreign exchange reserve was USD 10.04 billion, down from USD 10.74 billion on June 30 the same year. It increased to USD 11.31 billion on April 28 this fiscal year. On May 10, it came down to USD 10.40 billion. The World Bank released Bangladesh Economic Update early this month. In the update, it said the foreign exchange reserves are under pressure with the import cover declining from 5.4 months in FY10 to 4.4 months in end-April of 2011. In recent times, inflation has been rising every month. In March, it increased to a double-digit level and stood at 10.49 percent on a point-to-point basis. The rise in inflation is mainly due to an increase in the price of food items. The price hike of dollar also had an impact on the rise in inflation. In the first nine months, food grain imports increased by 122 percent which fell by 12 percent during the same period last year. (19 May, The Daily Star)

FOOD INFLATION HITS RECORD HIGH

Study says Population Boom Fuels the Price Rise

Food inflation hit 15.38 percent in April in rural areas, hitting a record on a point-to-point basis in the last three years. The General Economic Division of the Planning Commission has sent a special note on inflation to government high-ups, identifying population as one of the causes for rising inflation. It said every year 5 lakh tonnes of additional food grains are required for population boom. According to Bangladesh Bureau of Statistics (BBS) data released, the overall inflation was 10.67 percent in April, up from 10.49 percent in March. Inflation data from three levels – national, rural and urban – shows that food inflation increased at every level. But non-food inflation has decreased in the rural areas, whereas it marked a rise in the urban areas. In April, non-food inflation in the rural areas was 3.90 percent, which was 4.39 percent in March. In the urban areas, non-food inflation was 4.18 percent in April, up from 4.13 percent in March. Food is mainly produced in the rural areas, where food inflation is also intense. In April, it was 15.38 percent, which



was 12.04 percent in the urban areas. However, General Economic Division has sent to the ministries concerned a study paper on why the inflation was rising and how it can be contained. In South Asia, the highest inflation was in Pakistan

followed by Bangladesh. In Pakistan, inflation was 13.04 percent in April when it was 10.67 percent in Bangladesh. But it was 8.82 percent in India and 5.60 percent in Sri Lanka. The study note said the main cause of inflation in Bangladesh is excessive money supply and price hike on the international market. It said Bangladesh has nothing to do regarding the price spiral on the world market. However, to keep the money supply in check the government has been asked to take some steps. The note said a major cause of the rise in money supply is remittances sent in by the expatriates. The government can introduce various projects so that the remittances are used in investment instead of buying consumer goods. However, a positive sign is that after harvesting of bumper boro crop, the rice prices have started coming down. According to Trading Corporation of Bangladesh, the prices of different qualities of rice fell by 5 to 7 percent in the last one month. In this regard, Member of General Economic Division Dr Shamsul Alam told The Daily Star that alongside bumper boro, the production of vegetables such as potato, wheat and maize was good which may contain inflation between 7 to 8 percent on an average. (24 May, The Daily Star)

A NEW ERA OF SCHOOL BANKING



The school banking programme has recently been launched in Bangladesh. The scheme not only plans to help students and parents with a sizeable amount of savings after a certain period, it also aims to instill the habit of savings from an early age into students. The scheme will teach kids money management skills that may be useful for the rest of their lives. Through the programme, kids can bank at school, with a hands-on banking experience in a simple way. In a major decision in November 2010, Bangladesh Bank (BB) asked all banks to open school banking branches. It said students need to be brought under banking services to help them contribute to economic activities through savings. School banking is not new in Bangladesh. Some banks, including Muslim Bank, had introduced a school banking programme in the 1960s, but it did not last long. It was some time before AB Bank (formerly Arab Bangladesh Bank) launched the service in Sunshine Grammar School in Chittagong in 2003. But, that too did not work. Finally, school banking got renewed

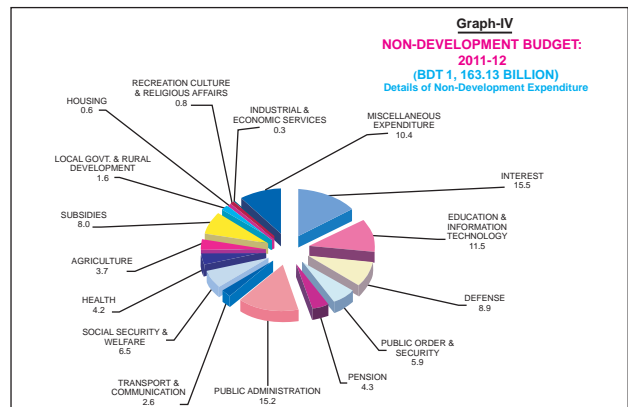
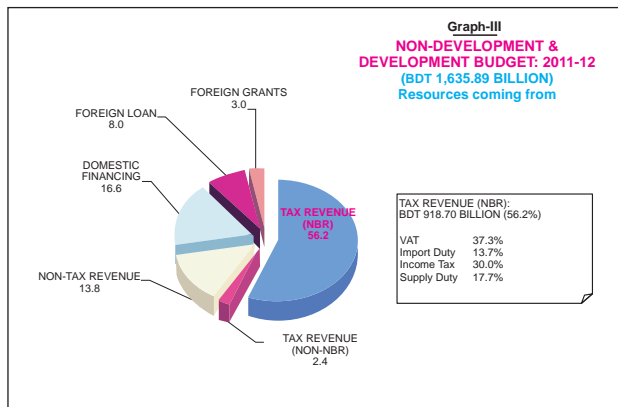
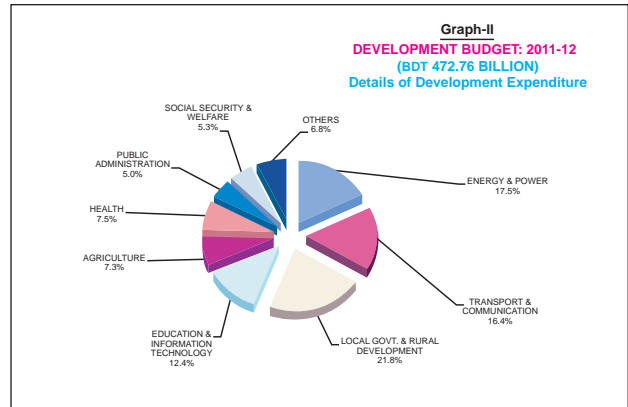
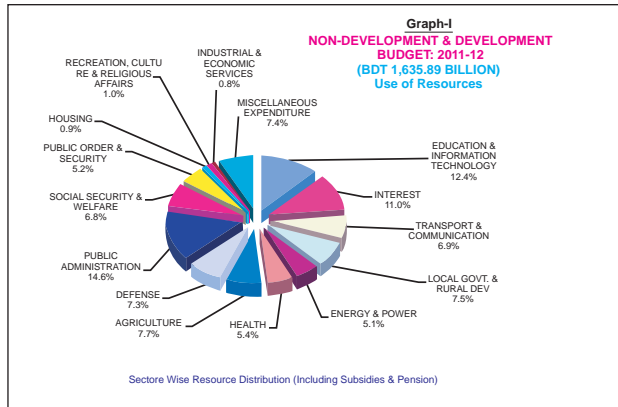
impetus when the central bank issued the formal circular in late 2010. Now, 17 banks have already introduced school banking, according to BB statistics. Another 24 is in the pipeline to open the scheme soon. There are some advantages of opening this account, such as waivers of fees and charges, free internet banking, a waiver of minimum balance requirement, debit card at lower costs, etc. Banking is not well accepted, particularly among average housewives in Bangladesh. Housewives have long been reluctant to accept banking services because of their poor standing on financial literacy. Shariah-based banks are also coming up with the service. Still, many banks are yet to launch school banking. The City Bank and the Prime Bank are two banks working to introduce the programme. Banks do not see school banking as a profit making business. But they are hope that many of these students would become their customers in future. (12 May, The Daily Star)

BB Circulars/Circular Letters			
Publish Date	Name of Department	Reference	Title
4-May-11	Foreign Exchange Policy Department	FEPD Circular No. 05	Cash incentive against export of leather and leather goods
26-May-11	Department of Off-Site Supervision	DOS Circular Letter No. 08	Adjustment of loan in excess of single borrower exposure limit extended to own subsidiary companies established for merchant banking and brokerage activities
16-May-11	Agricultural Credit Department	ACD Circular No. 01	Target setting of agri/rural credit & its implementation by the private and foreign banks
29-May-11	Department of Off-Site Supervision	DOS Circular Letter No. 09	Marking to market based revaluation of treasury bill and bond held by the banking company
30-May-11	Foreign Exchange Policy Department	FEPD Circular No. 06	Inward remittances for providing Business Process Outsourcing (BPO) services
30-May-11	Agricultural Credit Department	ACD Circular No. 02	Re-fixation of concessional interest rate at 4% from 2% on agricultural credit to be disbursed for the purpose of cultivation of pulses, oil seeds, spices and maize from 2011-2012 fiscal year
N/A	Credit Information Bureau	CIB Circular No. 02	Registration fee for CIB online services, imposition and realization of service charges for CIB reports generated through CIB online system, penalties imposed on banks and FIs failed to contribute batch monthly contribution in time and for disclosure of credit information contained in CIB reports and exaction of money as penalties for these from banks/FIs concerned.



Budget 2011 – 2012: At a Glance

Details of Non-Development and Development Budget (in Percentage)



The budget for the upcoming fiscal year proposes to maintain zero duty on rice, pulse, wheat, sugar, edible oil, onion, fertiliser, seeds, life saving drugs and cotton.



UP AND DOWN

- Cigarettes and chewing tobacco will be dearer as tax on them have been increased.



- Four-door double-cabin pick-up trucks have been slapped with tax between 30 percent and 500 per-

- People can get new mobile connections at low prices, as tax on SIM cards has been reduced to BDT 600 from BDT 800.



- Tax on several industrial raw materials for making containers for compressed or

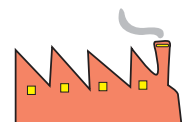
cent based or engine size while tax on four-stroke motorcycles has been increased to 45 percent from 30 percent.

- All fabrics and ready-made garments, energy drinks and furniture are going to be more expensive.



liquefied gas, LP gas cylinder, LED lamps, rechargeable LED lamps, solar lamps has been reduced.

- Tax on Effluent Treatment Plants has been reduced.



Source: Ministry of Finance & The Daily Star



FINANCE AND ECONOMY

WORLD BANK: EMERGING MARKETS RESHAPING LANDSCAPE



Growth in emerging-market countries is outpacing developed countries so greatly that the global economic landscape will be wholly altered over the next 15 years, a World Bank study predicted. "By 2025, six major emerging economies – Brazil, China, India, Indonesia, South Korea and Russia – will account for more than half of all global growth, and the

international monetary system will likely no longer be dominated by a single currency," the study said. Currently, the U.S. dollar serves as the world's reserve currency but the study said there has been "a slow decline in its role since the late 1990s" that was likely to continue. "The most likely global currency scenario in 2025 will be a multi-currency one centered around the dollar, the euro and the renminbi," the report's lead author, Mansoor Dailami, said at a press conference. The World Bank said it expects a sharp divergence in growth to continue between the emerging-market nations and old-line rich powers like the United States and other Group of Seven members: Britain, Canada, France, Germany, Italy and Japan. The study estimated that emerging economies will grow on average by 4.7 percent a year between 2011 and 2025, twice the 2.3 percent growth rate likely to occur in advanced countries. By 2025, the United States, the euro area and China will constitute the world's three major "growth poles," the World Bank said, providing stimulus to other countries through trade, finance and technological developments and thus creating global demand for all of their currencies, not just the dollar. The net result, the study concluded, should be greater stability to the international monetary regime than exists in the current dollar-centered system. A multi-currency regime would more broadly distribute lender-of-last-resort responsibility and make it easier to boost liquidity during times of market distress without as much disruption as is often the case now. Hans Timmer, the World Bank's director of development prospects, said the shift to a multi-currency regime would not diminish the dollar's importance and would not happen rapidly. (19 May, The Daily Star)

IMF WARNS EU DEBT CRISIS MAY STILL SPREAD TO CORE



Despite bailouts for Greece, Ireland and Portugal, Europe's debt crisis may yet spread to core euro zone countries and emerging Eastern Europe, the International Monetary Fund said.

The stark warning came as government sources in Athens said international inspectors checking on Greece's compliance with its EU/IMF rescue package had found problems and were pressing for deeper spending cuts to cover a likely revenue shortfall. 'Contagion to the core euro area, and then onward to emerging Europe, remains a tangible downside risk,' the global lender's latest economic report on Europe said. A Reuter's poll of investors and economists showed an overwhelmingly majority believe Greece will restructure its debt, possibly as soon as later this year. Most fund managers expect Athens to pay back less than half of what it owes. The IMF said it stood ready to provide more aid to Greece if requested, but the country that triggered Europe's sovereign debt crisis in 2009 still had plenty of untapped potential to raise extra cash itself through privatisations. Finance ministers of the 17-country single currency area are set to approve a 78 billion euro (USD 109 billion) rescue plan for Portugal after Finland's prime minister-in-waiting clinched a

deal to ensure parliamentary approval of the package. But markets are increasingly concerned that Greece will never be able to repay its 327 billion euro debt and will have to restructure, forcing losses on investors with severe consequences in the euro zone and beyond. Reuters polls showed that among 28 mainly sell-side economists and 15 fund managers only three said a restructuring could be avoided. Nearly 60 percent of fund managers expecting a restructuring said it would eventually mean a 'haircut,' in which bondholders are forced to take a loss. The median expectation was for a 55 percent cut in the face value of bonds. Among the economists – who for the most part do not have to make buy or sell decisions – nearly half expected an eventual haircut, but by a smaller 40 percent. Officials from Greece, the European Commission and ECB have repeatedly rejected any talk of debt restructuring. (14 May, The New Age)

GLOBAL ECONOMIC RECOVERY BECOMING SELF-SUSTAINING: G8 LEADERS



The world's current crises have forced their way on to the agenda of the Group of Eight (G8), whose importance has diminished with the rise of emerging economies like China and India. The G8 leaders noted in their communiqué, after having discussed nuclear safety and the global economy, that the recovery was becoming more "self-sustained," although higher commodity prices were hampering further growth. They renewed a pledge to wrap up talks this year on Russia's entry into the World Trade Organization (WTO) and said the long-stalled Doha round of negotiations on global trade was a matter of "great concern" and that they would explore all options to get things moving. The pace of world growth could affect the amount countries, many of which are implementing austerity measures at home to rein in budget deficits and trim public debt, are willing to stump up to help the Arab World's emerging democracies, the G8 leaders observed. The European Union (EU) executive said it had added just 1.24 billion euros of fresh grant funding to an existing program that aims to help its neighbors across the Mediterranean. The summit also backed the extension of the mandate of the European Bank for Reconstruction and Development (EBRD) into North Africa and the Middle East. The bank was created after the Cold War to help former Communist states become market economies. With aid to Arab states dominating, the G8 also issued a special declaration saying it stood side-by-side with Africa and would intensify its efforts to achieve peace and stability, economic development and growth, regional trade and investment. The G8 leaders promised USD20 billion in aid to Tunisia and Egypt and held out the prospect of billions more to foster the Arab Spring and the new democracies emerging from popular uprisings. In a report to G8 leaders, the International Monetary Fund said the external financing needs of oil-importing countries in the Middle East and North Africa would top USD 160 billion over the next three years. The IMF says it can provide around USD35 billion to help stabilize countries' economies but the bulk of financing will need to come from the international community. Throwing the rich world's weight behind the Arab Spring, the G8 world powers demanded that Libyan strongman Muammar Gaddafi should step down. They pledged billions for fledgling democracies. Whereas the statement agreed by G8 leaders did not put a figure on support for the Arab



world, Tunisia's new finance minister said the total package of aid and loans would amount to USD40 billion (28 billion euros). "Democracy lays the best path to peace, stability, prosperity, shared growth and development," the leaders declared, after meeting with prime ministers from post-revolutionary Tunisia and Egypt seeking support for reform. (28 May, The Financial Express)

CRISIS, STAGFLATION STALK GLOBAL RECOVERY: OECD



Crisis still stalks the global economy with stagflation lurking and Japan set for recession this year despite moderate overall recovery, the OECD said, warning against complacency. The

Organization for Economic Cooperation and Development held its 2011 global growth forecast steady at 4.2 percent in its latest semi-annual Economic Outlook report, but warned of negative uncertainty. 'The recovery is gaining strength but takes place at different paces,' the OECD's chief economist Pier Carlo Padoan told reporters, adding there was 'no room for complacency.' The OECD's secretary general Angel Gurría said: 'The crisis is not over yet, it has just changed its skin.' While forecasting that moderate economic recovery would continue, the OECD urged many of its members to undertake structural reforms to boost growth. Fiscal consolidation needs to continue in many countries to stabilize debt levels, let alone get them back down below pre-crisis levels, it said. 'The United States and Japan, for which such requirements are among the largest, have yet to produce credible medium-term plans while other countries need to bolster medium-term fiscal targets by specifying the measures that will be implemented to achieve them.' The easy money policies which have underpinned the recovery should be kept in place through 2012, the OECD said but also warned that interest rates should start move up to avoid bubbles and dent inflation expectations. 'The need to keep close-to-zero policy rates for risk management reasons has now faded and an early upward adjustment in policy rates to establish a visibly positive level, as in the euro area, is merited in the United States and the United Kingdom, but not yet in Japan,' the OECD advised. A rise in interest rates could also temper a rise in commodity prices, it suggested. It said one economic model had shown that a one percentage point drop in three-month US real interest rates added USD4 to the price of oil. The OECD found concerns that speculation had fuelled commodity price inflation to be misplaced. 'Recent commodity price increases have been broad-based, including in particular certain food commodities for which organized futures markets do not exist,' it commented. The OECD said that although increased oil prices could feed through to other goods, it also noted that rising incomes in emerging countries combined with greater use of biofuels made from food crops had pushed up demand. (26 May, The New Age)

ECONOMIC RISKS OF DISASTERS SOAR OVER USD 1.5 TRILLION: UN



More than USD1.5 trillion of the world's wealth is exposed to harm from natural disasters, as the economic risks soar despite signs that efforts to reduce the human toll are working, the UN said. A report for a biennial UN conference on disaster risk that opened here estimated that the amount of global GDP exposed to harm by disasters had nearly tripled from USD 525.7 billion 40 years ago to USD 1.58 trillion. Meanwhile, the risk of economic

losses in wealthy (OECD) countries due to floods has increased by 160 percent over the past 30 years, while for tropical cyclones the risk has grown by 262 percent, the report estimated. "The risk of losing wealth in disasters is actually increasing faster than that wealth is being created," said Andrew Maskrey, coordinator of the 2011 Global Assessment Report on Disaster Risk Reduction. "Losses from disasters are often at least as great as those a country is experiencing through high inflation or armed conflict for example," Maskrey told journalists. About 2,000 experts from around the world are attended the four-day conference. It includes a discussion spearheaded by UN Secretary General Ban Ki-moon on preparations for nuclear accidents, following the destruction wrought by the earthquake and tsunami in Japan on the Fukushima-Daiichi atomic plant. (11 May, The Daily Star)

BANK OF JAPAN CHIEF SEES SIGNS OF RECOVERY



Japan's central bank chief likened the economic slump following the March 11 earthquake to the crisis following the collapse of Lehman Brothers – but said there were already signs of recovery. An increasing number of plants are resuming production while

there are signs of improved sales at department stores, snapping a plunge in consumer spending immediately after the quake, Bank of Japan Governor Masaaki Shirakawa said. "Therefore, in the second half of fiscal 2011, the sense of recovery will be somewhat more noticeable, although it will fall short of a V-shaped recovery," he told an economic forum in Tokyo. The 9.0-magnitude earthquake and tsunami left around 25,000 dead or missing, and with a subsequent emergency at the Fukushima Daiichi nuclear plant it plunged Japan into its worst post-war crisis. Many of the country's biggest companies saw profits tumble in the quarter while the economy plunged back into recession in January-March, with a second consecutive quarter of contraction. Industrial output saw its biggest ever fall and spending plunged as consumer and business confidence took a tumble. Shirakawa said Japan's most pressing short-term challenge was to resolve supply constraints as early as possible. "The recent sharp and substantial economic plunge is similar to that following the failure of Lehman Brothers but different in terms of its mechanism: the recent downward pressure is caused by a supply-side shock," he said. Japan's economy contracted for four straight quarters during the global economic downturn following the collapse of Wall Street titan Lehman Brothers in 2008. But Shirakawa said the main difference was that while output was hit badly by the March 11 disaster, demand had not disappeared. "The destruction of factories led to disruptions in the supply chains of parts and materials, which affected production not only in disaster-stricken areas but also a wide range of non-affected areas," he added. Shirakawa said the BoJ was considering whether there is further room to expand its special lending facility to boost loans to growth sectors, in light of the damage done to the economy by the earthquake and tsunami. "It is necessary to regard reconstruction in the quake-affected areas as a starting point to strengthening growth potential," he said. Japan's central bank decided last week to keep the size of its asset-purchase program unchanged at 10 trillion yen and to maintain its unsecured overnight call loan rate target in the current zero to 0.1 percent range. (26 May, The Daily Star)

BANK OF ENGLAND WARNS THAT INFLATION COULD HIT 5.0pc

The Bank of England warned that British inflation could reach 5.0 percent this year because of soaring domestic energy costs, high oil prices and the government's sales tax rise. In a quarterly report, the central bank also lowered its forecast for British economic growth for the next two years, citing the impact of state austerity measures and stretched household budgets. "There is a good chance that inflation



will reach 5.0 percent later this year and it is more likely than not to remain above the 2.0 percent target throughout 2012, boosted by the increase in (sales tax) VAT, higher energy and import prices, and some

rebuilding of companies' margins," the BoE said. "The projection over that period is markedly higher than in February, mainly reflecting the recent increases in energy prices, including the likelihood that they will lead to higher utility bills." (12 May, The Daily Star)

HIGHER INVESTMENT TO RAISE OUTPUT, LIMIT ENVIRON DAMAGE STRESSED

More Demand to Strain Food Security by 2050



Global demand for major grains – maize, rice, and wheat, is projected to increase by nearly 48 percent from 2000-2025 and by 70 percent between 2000 and 2050. Per capita meat consumption will also increase in many developing regions of the world and it will more than double in Sub-Saharan Africa from 2000-2050, leading to a doubling of total meat consumption by 2050, an International Food Policy Research Institute (IFPRI) research report shows. The research report was presented by Mark Rosegrant, at the Ag Economic Forum held in St. Louis, USA on May 23-24. The growth in production of

staple foods is expected to decline significantly in most of the world if business continues as usual, the research shows, according to a message received. Climate change, high and volatile food and energy prices, population and income growth, changing diets, and increased urbanization will put intense pressure on land and water and challenge global food security as never before," said Rosegrant. "If agricultural production and policymaking continues down its present course, there could be severe consequences for many poor people in developing countries." Even without climate change, the prices of rice, maize, and wheat are projected to increase by 25 percent, 48 percent, and 75 percent, respectively, by 2050, in a business-as-usual scenario. Climate change will further slow productivity growth, increasing staple food prices and reducing progress on food security and childhood malnutrition. "Although the threats to food and nutrition security are very real, these outcomes are by no means inevitable," said Rosegrant. "The myriad challenges underscore the importance of agricultural research, better policies, new technologies, and social investments to feeding the world's burgeoning population while protecting critical natural resources." According to IFPRI's sophisticated computer model, developed by Rosegrant, with USD 7 billion of additional annual investments in research to improve crop and livestock productivity, nearly 25 million less children in developing countries would be malnourished in 2050 compared to a business-as-usual scenario. If projected business-as-usual investments in agricultural research are increased along with greater spending on irrigation, rural roads, safe drinking water, and girls' education, for a total additional increase of USD 22 billion per year, the number of malnourished children in the developing world - currently projected to be 103 million in 2050 - would drop substantially to 45 million. "Spending in these areas would particularly help farmers to boost their yields, improve their market access, increase their incomes, and improve the health and wellbeing of their families," added Rosegrant. "Greater crop productivity also means that more of the growing demand for food could be satisfied from existing land, limiting environmental damage and ensuring that progress in the fight against hunger and poverty is sustainable." (26 May, The New Nation)

AUSTRALIA VOWS TO BE WORLD'S FIRST BACK IN SURPLUS

Australia vowed to be the first advanced economy to return its budget to surplus after the global financial crisis, saying it will be "back in the black" within two years. Treasurer Wayne Swan is set to release an austere, belt-tightening budget to haul in a reported AUD 50 billion (USD 54 billion) deficit, in part created by stimulus spending during the worldwide slump. "Tonight's budget will get us back in the black," Swan told reporters, saying that forward estimates would show a return to surplus in 2012/13. "We will come back to surplus before any other major advanced economy." Resource-rich Australia, with its strong banking system and wealth of natural minerals, survived the crisis better than most and was the first advanced economy to lift interest rates in its wake. As it prepares for the next stage in the Asia-driven mining boom, interest rates are at 4.75 percent and unemployment at 4.9 percent. Despite the upside of the commodities boom, massive summer floods and a monster cyclone are weighing on expenditure and will force sharp cuts when the national accounts are released, Prime Minister Julia Gillard has said. As her centre-left Labor government flails in opinion polls, Gillard said the tough accounting could prove unpopular. "This budget won't be about buying your vote," she wrote in a commentary for The Australian newspaper. "The cutbacks will be clear." Gillard said the enduring effects of the global financial crisis and natural disasters had hurt government revenues, while business had suffered from consumer caution and the impact of the high Australian dollar. The Aussie, which reached parity with the greenback in October and has continued to climb since, is increasingly making life difficult for export industries such as manufacturing, tourism and education, she said. (11 May, The Daily Star)

GERMANY TO CLOSE ALL NUCLEAR PLANTS BY 2022



Germany became the first major industrialized power to agree an end to nuclear power in the wake of the disaster in Japan, with a phase-out due to be completed by 2022. Chancellor Angela Merkel said the

decision, hammered out by her centre-right coalition overnight, and marked the start of a "fundamental" rethink of energy policy. "We want the electricity of the future to be safer and at the same time reliable and affordable," Merkel told reporters as she accepted the findings of an expert commission on nuclear power she appointed in March in response to the crisis at Japan's Fukushima plant. "That means we must have a new approach to the supply network, energy efficiency, renewable energy and also long-term monitoring of the process," she said. The commission found that it would be viable within a decade for Germany to mothball all 17 of its nuclear reactors, eight of which are currently off the electricity grid. Environment Minister Norbert Roettgen announced the gradual shutdown after seven hours of negotiations at Merkel's offices between the ruling coalition partners. He said the decision was "irreversible". Seven of the plants already offline are the country's oldest reactors, which the federal government shut down for three months pending a safety probe after the Fukushima emergency. The eighth is the Krümmel plant, in northern Germany, which has been offline for years due to repeated technical problems. The decision made Germany the first major industrial power to announce plans to give up atomic energy entirely. But it also means that the country will have to find the 22 percent of its electricity needs currently covered by nuclear power from other sources. (31 May, The Daily Star)



MTB News & Events

MUTUAL TRUST BANK (MTB) LAUNCHES TWO ATM BOOTHS AT SQUARE HOSPITALS

Date : June 04, 2011
Venue : Square Hospitals Ltd., Dhaka-1205
Inaugurated By: Tapan Chowdhury
Managing Director, Square Hospitals Ltd.

In line with relentless endeavors to take banking services to the doorsteps of the customers, MTB has recently launched two more ATMs with the latest cutting-edge technology, which will allow MTB to offer superior quality services as part of their value-addition strategy.



MTB PARTICIPATES IN NATIONAL CAREER FAIR AT NORTH SOUTH UNIVERSITY (NSU)

Date : May 28, 2011
Venue : NSU Campus, Bashundhara R/A,
Dhaka-1229

It is the country's biggest career fair that offers an ample opportunity to identify and recruit the best talents that correspond to different organizational needs.



1st MTB MUTUAL FUND - SIGNING CEREMONY WITH AIMS & SANDHANI

Date : May 04, 2011
Venue : MTB Center, Dhaka- 1212
Fund Manager : AIMS Bangladesh Ltd.
Trustee : Sandhani Life Insurance Ltd.



WORKSHOP FOR MTBIANS ON FOREIGN REMITTANCE BY WESTERN UNION

Date : May 14, 2011
Venue : MTB Training Institute, Dhaka-1205





MTB TAKES PART IN SME ENTREPRENEURS & BANKER CONFERENCE

Date : May 18, 2011

Venue : Sylhet-3100

Chief Guest: Abul Maal Abdul Muhith
The Hon'ble Finance Minister

Bangladesh Bank and the SME Foundation jointly organized the 'SME Entrepreneur and Banker Conference' in Sylhet, to bring entrepreneurs and financiers under one umbrella.



MTB CHITTAGONG REGION MANAGERS' MEETING

Date : May 08, 2011

Venue : MTB Regional Office,
Chittagong-4100



MTB TRAINING PROGRAM ON "BOND MARKET OPERATIONS IN BANGLADESH"

Date : May 25, 2011

Venue : MTB Training Institute, Dhaka-1205



DOA MEHFIL ON MTB CAPITAL LAUNCHING

Date : May 11, 2011

Venue : MTB Capital Corporate Head Office
Dilkhusa C/A, Dhaka-1000





National Economic Indicators

Total Tax Revenue

Total tax revenue collection February, 2011 increased by BDT 1194.97 crore or 24.59 percent to BDT 6054.83 crore, against BDT 4859.86 crore in February, 2010. The NBR and Non-NBR tax revenue collection in February, 2011 were BDT 5846.82 crore and BDT 208.01 crore respectively, against BDT 4666.66 crore and BDT 193.20 crore respectively in February, 2010. NBR tax revenue collection during July-April, 2010-11 increased by BDT 12686.31 crore or 27.07 percent to BDT 59555.88 crore against collection of BDT 46869.57 crore during July-April, 2009-10. Target for NBR tax revenue collection for FY 2010-11 is fixed at BDT 72590.00 crore.

Liquidity Position of the Scheduled Banks

Total liquid assets of the scheduled banks stood higher at BDT 92086.73 crore as of end April, 2011, against BDT 87196.61 crore as of end June, 2010. However, excess liquidity of the scheduled banks stood lower at BDT 28025.01 crore as of end April, 2011, against BDT 34498.73 crore as of end June, 2010. Scheduled banks holding of liquid assets as of April, 2011 in the form of cash in tills & balances with Sonali bank, balances with Bangladesh Bank and unencumbered approved securities are 5.76 percent, 34.00 percent and 60.24 percent respectively of total liquid assets.

Investments in National Savings Certificates

Sales of NSD certificates in March, 2011 stood lower at BDT 1648.23 crore against BDT 2456.00 crore in March, 2010. However, repayment of NSD certificates in March, 2011 stood higher at BDT 1624.19 crore against BDT 1323.58 crore in March, 2010. Net borrowing of the government through NSD certificates in March, 2011 was lower at BDT 24.04 crore against BDT 1132.42 crore in March, 2010. Outstanding borrowing of the government through NSD certificates as of end March, 2011 stood at BDT 64018.35 crore, recording an increase of BDT 5697.51 crore or 9.77 percent against BDT 58320.84 crore as of end March, 2010.

Imports

Import payments in April, 2011 stood higher by USD 43.10 million or 1.35 percent to USD 3229.20 million, against USD 3186.10 million in March, 2011. This was also higher by USD 1009.00 million or 45.45 percent than USD 2220.20 million in April, 2010.

Of the total import payments during July-April, 2010-11 imports under Cash and for EPZ stood at USD 26218.10 million, import under Loans/Grants USD 41.90 million, import under direct investment USD 106.60 million and short term loan by BPC USD 1086.40 million.

Exports

Merchandise export shipments in April, 2011 stood lower by USD 100.69 million or 4.71 percent at USD 2036.17 million compared to USD 2136.86 million in March, 2011 according to EPB data. However, this was higher than USD 1398.82 million of April, 2010. The year-on-year growth stood at 45.56 percent in April, 2011.

Remittances

Remittances in April, 2011 stood lower at USD 1001.97 million against USD 1102.98 million of March, 2011. However, this was higher by USD 79.81 million against USD 922.16 million of April, 2010. Total remittances receipts during July-April, 2010-11 increased by USD 420.79 million or 4.58 percent to USD 9612.99 million against USD 9192.20 million during July-April, 2009-10.

Foreign Exchange Reserve (Gross)

The gross foreign exchange reserves of the BB stood higher at USD 11316.44 million (with ACU liability of USD 986.81 million) as of end April, 2011, against USD 10730.59 million (with ACU liability of USD 615.82 million) by end March, 2011. The gross foreign exchange reserves, without ACU liability is equivalent to import payments of 3.90 months according to imports of USD 2648.34 million per month based on the previous 12 months average (May-April, 2010-11). The gross foreign exchange balances held abroad by commercial banks stood higher at USD 943.01 million by end April, 2011 against USD 831.96 million by end March, 2011. This was also higher than the balance of USD 475.79 million by end April, 2010.

Exchange Rate Movements

Exchange rate of Taka per USD increased to BDT 72.90 at the end of April, 2011 from BDT 69.45 at the end of June, 2010. Taka depreciated by 4.74 percent as of end April, 2011 over end June, 2010.

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

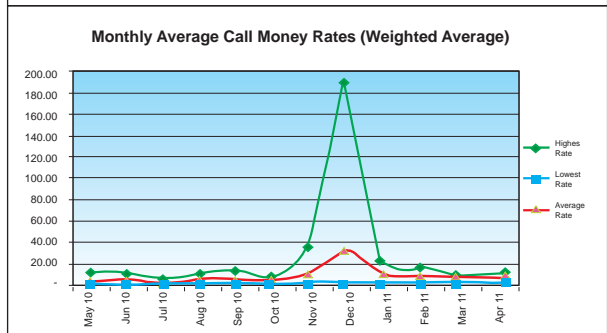
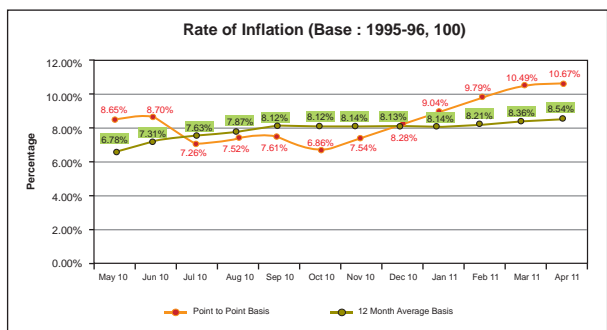
Bank Group	June 2010 (BDT in Crore)				As on end April, 2011			
	Total Liquid Asset	Excess Liquidity	Total Liquid Asset	Excess Liquidity	Total Liquid Asset	Excess Liquidity	Total Liquid Asset	Excess Liquidity
State Owned Banks	31088.88	15268.40	29689.96	11029.05				
Private Banks	35855.58	9820.39	43687.70	11185.46				
Private Islamic Banks	9634.59	4286.13	9036.72	1936.71				
Foreign Banks	9247.73	4516.52	8570.18	3695.78				
Specialized Banks	1369.83	607.29	1102.17	178.01				
Total	87196.61	34498.73	92086.73	28025.01				

Rate of Inflation on CPI for National (Base: 1995-96, 100)														
	Mar 10	Apr 10	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	Feb 11	Mar 11	Apr 11
Point to Point Basis	8.78%	8.54%	8.65%	8.70%	7.26%	7.52%	7.61%	6.86%	7.54%	8.28%	9.04%	9.79%	10.49%	10.67%
12 Month Average Basis	6.26%	6.51%	6.78%	7.31%	7.63%	7.87%	8.12%	8.12%	8.14%	8.13%	8.14%	8.21%	8.36%	8.54%

Source: Major Economic Indicators

Monthly Average Call Money Market Rates (wt. avg)													
	May 10	Jun 10	Jul 10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11	Feb 11	Mar 11	Apr 11	Apr 11
Highest Rate	13.50	12.50	7.50	12.00	15.00	9.50	3.50	190.00	3.75	18.00	3.00	14.00	
Lowest Rate	2.45	2.00	2.50	2.50	3.50	2.00	11.38	5.00	11.64	3.00	10.35	4.00	
Average Rate	5.07	6.62	3.33	6.36	6.97	6.19		33.54		9.54		9.50	

Source: Economic Trends Table XVIII (Call Money)



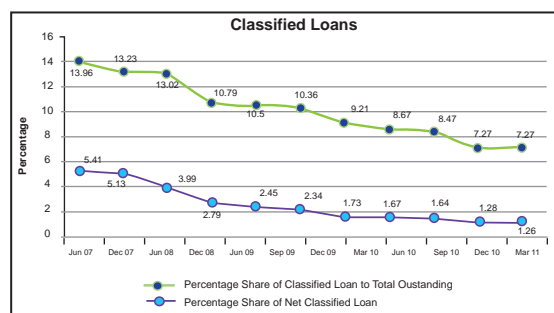
Banking and Financial Indicators



Classified Loans	Dec 06	Jun 07	Dec 07	Jun 08	Dec 08	Jun 09	Sep 09	Dec 09	Jun 10	Sep 10	Dec 10	Mar 11
Percentage Share of Classified Loan to Total Outstanding	13.15	13.96	13.23	13.02	10.79	10.5	10.36	9.21	8.67	8.47	7.27	7.27
Percentage Share of Net Classified Loan	7.13	5.41	5.13	3.99	2.79	2.45	2.34	1.73	1.67	1.64	1.28	1.26

Monetary Survey	April, 2010		June, 2010		April, 2011 ^p		Apr.11 over Apr.10		Percentage Change (%)		FY 2009-10
	Open	Sett.	Open	Sett.	Open	Sett.	Open	Sett.	Jul-Apr. '10-11		
Reserve Money (BDT crore)	70545.90	80510.30	89259.20		26.53%		10.87%		16.03%		
Broad Money (BDT crore)	343040.80	363,031.20	421461.60		22.86%		16.10%		22.44%		
Net Credit to Government Sector (BDT crore)	47777.10	54392.30	63737.30		33.41%		17.18%		-6.52%		
Credit to Other Public Sector (BDT crore)	15504.10	15060.70	18505.00		19.36%		22.87%		21.07%		
Credit to Private Sector (BDT crore)	256203.90	270760.80	330460.70		28.98%		22.05%		24.24%		
Total Domestic Credit (BDT crore)	319485.10	340213.80	412703.00		29.18%		21.31%		17.90%		

L/C Opening and Settlement Statement (USD million)	Percentage Change (%)					
	July-April 2009-10		July-April 2010-11		Year over Year	
	Open	Sett.	Open	Sett.	Open	Sett.
Food Grains (Rice & Wheat)	921.11	731.59	2337.70	1644.47	1.54	1.25
Capital Machinery	1509.69	1176.64	2421.44	1683.95	0.60	0.43
Petroleum	1930.74	1807.2	2519.70	2556.88	0.31	0.41
Industrial Raw Materials	8153.38	6764.09	12873.71	10130.29	0.58	0.50
Others	10270.91	8188.84	12489.39	10205.55	0.22	0.25
Total	22785.83	18668.36	32641.94	26221.14	0.43	0.40



Yearly Interest Rates

End of Period	Bank Rate	Call Money Market's Weighted Average Interest Rates on Borrowing	Scheduled Banks' Weighted Average Interest Rates on Lending	Scheduled Banks' Weighted Average Interest Rates on Deposits	Scheduled Banks' Weighted Average Interest Rates on Advances	Spread
2011*	5.00	9.50	9.50	....	....	....
2010	5.00	8.06	8.06	6.08	11.34	5.26
2009	5.00	4.39	4.39	6.29	11.51	5.22
2008	5.00	10.24	10.24	7.09	12.40	5.32
2007	5.00	7.37	7.37	6.84	12.78	5.95
2006	5.00	11.11	11.11	6.99	12.60	5.61
2005	5.00	9.57	9.57	5.9	11.25	5.35
2004	5.00	4.93	5.74	5.56	10.83	5.27
2003	5.00	6.88	8.17	6.25	12.36	6.11
2002	6.00	9.49	9.56	6.49	13.09	6.60

*: data upto month of April of year 2011.

Interest Rate Development *1/

Period	Treasury Bills			BGTB				Repo	Rev. Repo	Call Rate	Lending Rate	Deposit Rate
	91-Day	182-Day	364-Day	5-Year	10-Year	15-Year	20-Year	1-2 Day	1-2 Day			
2008-09 *r												
May	3.97	5.43	6.16	10.01	10.22	10.57	11.09	....	....	3.28	13.77	8.27
June	3.54	4.24	5.96	9.21	10.05	10.09	10.07	....	....	1.79	13.46	8.26
2009-10 *r												
July	1.86	3.75	5.01	8.2	9.42	9.39	8.97	....	....	1.08	13.61	7.93
August	....	....	....	7.47	8.55	8.59	8.59	....	....	0.72	13.26	7.57
September	2.05	3.5	4.33	7.49	8.43	8.80	....	8.50	....	4.39	13.13	7.45
October	2.14	3.51	4.57	7.8	8.75	8.69	9.10	....	2.50	2.82	13.07	7.39
November	2.30	....	4.60	7.8	....	....	....	4.50	2.50	4.43	12.87	7.33
December	2.30	3.54	4.60	7.8	8.75	8.69	9.10	4.50	2.50	5.05	12.80	7.33
January	2.33	3.55	4.61	7.8	....	8.74	....	4.50	2.50	4.83	12.43	7.06
February	....	3.56	4.62	7.82	8.75	8.74	9.11	4.50	2.50	4.51	12.33	7.14
March	....	3.54	4.63	7.85	8.76	8.75	9.15	4.50	2.50	3.51	12.41	7.13
April	2.34	3.42	4.15	7.85	8.77	8.77	9.17	4.50	2.50	4.36	12.37	7.20
May	2.37	3.52	4.20	....	8.77	8.77	9.19	4.50	2.50	5.18	12.30	7.13
June	2.42	3.51	4.24	7.87	8.78	8.80	9.15	4.50	2.50	6.46	12.37	7.40
2010-11 *p												
July	2.43	3.51	4.24	7.88	8.79	8.84	9.20	4.50	2.50	3.33	12.58	7.25
August	....	....	....	7.88	8.82	8.86	9.23	5.50	3.50	6.58	12.29	7.21
September	....	....	....	7.93	8.85	8.91	9.24	5.50	3.50	7.15	11.76	7.22
October	2.94	3.75	4.45	7.96	8.85	8.94	9.25	5.50	3.50	6.19	11.81	7.22
November	3.72	4.16	4.65	8.00	8.89	9.05	9.41	5.50	3.50	11.38	11.78	7.25
December	4.58	4.85	5.50	8.10	9.45	9.11	9.56	5.50	3.50	33.54	12.20	7.32
January	5.11	5.39	5.94	8.25	9.50	....	9.60	5.50	3.50	11.64	12.64	7.59
February	5.25	5.5	6.00	8.25	9.45	9.12	9.60	5.50	3.50	9.54	12.51	7.55
March	5.48	5.63	6.20	8.26	9.36	9.20	9.63	6.00	4.00	10.59	12.82	7.67
April	5.98	6.03	6.67	8.26	9.45	9.30	9.65	6.25	4.25	9.50	12.83	7.98
May	6.45	6.63	6.97	8.26	9.45	9.35	9.65	6.25	4.25	8.64	....	....

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



Domestic Capital Markets Review

CAPITAL MARKET - DSE (For the weeks May 02 to June 02, 2011)

Weekly Summary Comparison

	May 29 - June 02	May 02 - May 05	% Change
Total Turnover			
in mn BDT	25,120	18,756	33.93%
Daily Average			
Turnover in mn BDT	5,024	4,689	7.15%

Category-Wise Turnover

Category	May 29 - June 02	May 02 - May 05	% Change
A	86.56%	94.80%	(0.082)%
B	4.48%	2.41%	0.021%
G	0.00%	0.00%	0.000%
N	6.40%	1.94%	0.045%
Z	2.56%	0.86%	0.017%

Script Performance in the Week

	May 29 - June 02	May 02 - May 05	% Change
Advanced	239	39	512.82%
Declined	26	211	(87.68)%
Unchanged	1	8	(87.50)%
Not Traded	3	8	(62.50)%
Total No. of Issues	269	266	1.13%

Top 10 Gainer Companies by Closing Prices, May, 2011

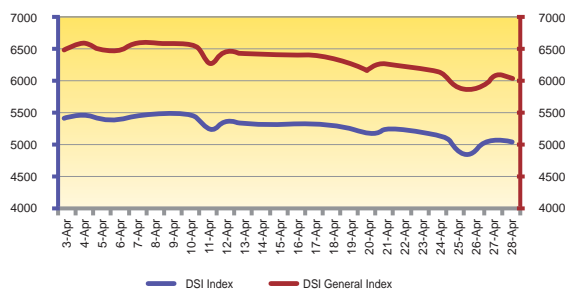
SI	Names	Category	% of Change	Deviation % (High & Low)
1	Eastern Housing	A	26.56	25.02
2	ILFSL	A	24.01	22.00
3	MIDAS Financing Ltd.	A	21.57	20.30
4	LankaBangla Finance Company	A	19.23	18.17
5	FAS Finance & Investment Ltd.	A	18.95	17.59
6	United Commercial Bank Ltd.	A	18.77	20.57
7	National Housing Finance and Investments Ltd.	A	18.67	16.82
8	Islamic Finance	A	17.69	18.73
9	IFIC Bank	A	16.07	16.78
10	Jamuna oil	A	15.92	18.03

Top 10 Loser Companies by Closing Prices, May, 2011

SI	Names	Category	% of Change	Deviation % (High & Low)
1	Anwar Galvanizing	Z	(39.01)	44.03
2	Alltex Industries Ltd.	Z	(25.47)	44.03
3	Dulamia Cotton	Z	(22.25)	31.02
4	National Tea	A	(18.52)	9.70
5	Legacy Footwear	Z	(17.00)	21.07
6	Janata Insurance	A	(8.80)	7.91
7	Provati Insurance Company Ltd.	Z	(7.18)	8.87
8	Phoenix Finance 1st Mutual Fund	A	(6.34)	12.03
9	Republic Insurance Company Ltd.	A	(4.73)	8.97
10	Mithun Knitting	A	(3.56)	11.54

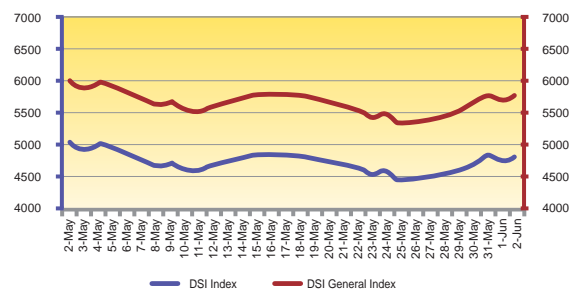
Average Monthly Trend

DSE Price Indices for April-2011

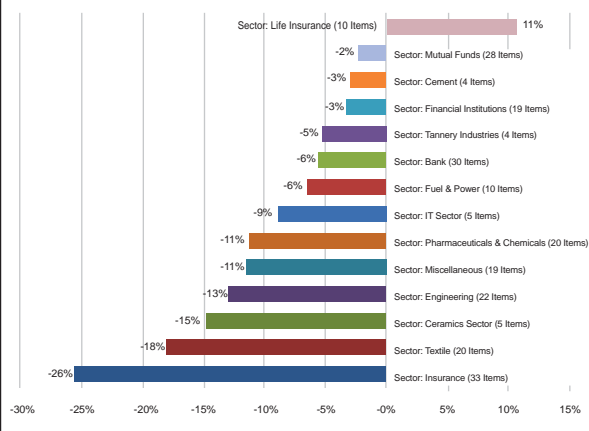


Average Monthly Trend

DSE Price Indices for May-2011



DSE Sector Movement by Closing Price (%Change)



Dhaka stocks end a hideous month on a high note as investors went for heavy buying, banking on a fresh rumor that the government might allow whitening of undisclosed money in the next national budget. Market operators said some of the investors went on a buying binge, hoping that the market would rise further as a rumor spread that the government would allow whitening of undisclosed money, especially for investment in the capital market, in the next national budget. According to expert, 'Some news reports on the government's move to allow whitening of undisclosed money boosted the investors as the market is going through a liquidity crunch.' Restructuring of the Securities and Exchange Commission also has boosted the investor's confidence. By the end of May DGEN closed at 5,758 points at month end, which is 293 points low compare to last month of May 2011. DGEN dropped by 5.10% during the month and the lowest peak 5292 was recorded on May 25. Meanwhile average daily turnover increased by 7.15% in the month compared to the first week with the last week at DSE. Most of the sectors lost over the month due to the cash crunch low confidence of investors. Among Insurance was the biggest loser in the month which fell by 26 % and on the other hand Life Insurance was highest gainer of the month which rose by 11% during May 2011.

Domestic Capital Markets Review



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

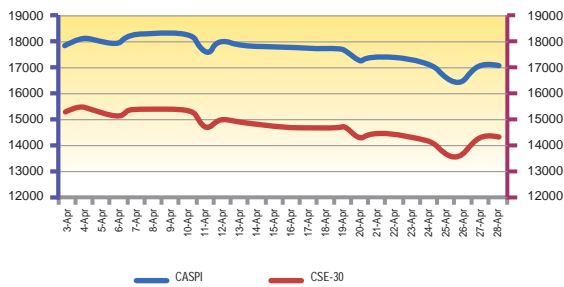
Top 10 Gainer Companies by Closing Price, May, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Eastern Housing	A	22.86	774.00	951.00	103,151,765.00
U.C.B.L.	A	17.00	39.40	46.10	205,550,605.00
International Leasing & Financial Services Ltd.	A	16.89	1,027.00	1,200.50	15,072,137.50
Salvo Chemical Industry Ltd.	N	16.07	44.80	52.00	78,443,400.00
Lanka Bangla Finance Ltd.	A	15.34	168.10	193.90	74,312,477.00
Phoenix Finance & Investments	A	15.00	838.25	964.00	5,491,600.00
National Housing Finance & Investment Ltd.	A	14.47	924.25	1,058.00	5,095,075.00
Islamic Finance & Investment Ltd.	A	14.42	419.50	480.00	8,493,235.00
Midas Financing Ltd.	A	13.93	933.00	1,063.00	1,684,740.00
IFIC Bank Ltd.	A	13.81	570.00	648.75	7,594,542.50

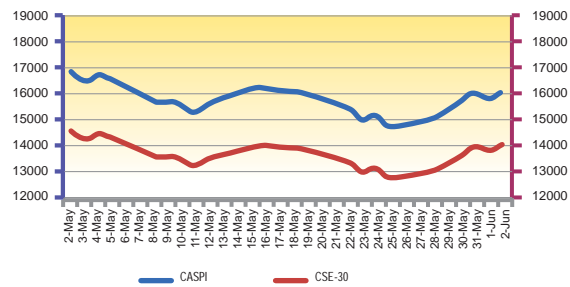
Top 10 Loser Companies by Closing Price, May, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Pioneer Insurance Company Ltd.	A	-22.40	1,345.50	1,044.00	402,450.00
Alltex Ind.	Z	-19.09	326.00	263.75	13,920,512.50
Anwar Galvanizing	Z	-18.53	435.75	355.00	473,400.00
Legacy Footwear Ltd.	Z	-9.97	48.10	43.30	3,061,000.00
Southeast Bank 1st Mutual Fund	A	-9.44	12.70	11.50	61,600.00
Janata Insurance	A	-7.74	726.25	670.00	2,708,695.00
Mithun Knitting & Dyeing Ltd.	A	-7.52	1,720.00	1,590.50	1,949,525.00
Subordinated 25% Convertible Bonds of Brac Bank Ltd.	A	-7.50	1,000.00	925.00	68,320.00
8TH ICB MF	A	-7.48	741.50	686.00	34,300.00
Phoenix Finance 1st Mutual Fund	A	-6.29	14.30	13.40	292,000.00

CSE Price Indices for April-2011



CSE Price Indices for May-2011



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- ট্রি স্টেটাস কার্ড
- ট্রি ই-ইউজনেট ব্যালেন্স
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International Capital Markets

SELECTED GLOBAL INDICES

GLOBAL INDICES ROUND-UP

Stocks end ugly month on a high note. The rally in U.S. stocks regained momentum lately, but the May 31's gains weren't enough to lift the market out of the red for the month. In fact, the market's performance in May was the worst since August 2010. The Dow tumbled nearly 2% for the month, while the S&P 500 and the Nasdaq lost 1.4%. May has been a rough month for the stock market as investors wrestle with signs of a slower recovery. On May 31, investors sifted through yet another batch of weak U.S. economic data that showed a decline in home prices, regional manufacturing activity and consumer confidence. But optimism about the possible bailout for Greece, sparked by a

Wall Street Journal article, gave stocks a boost. The Journal reported that Germany is shifting its stance to consider lending more money to debt-ridden Greece. Previously, German officials had said that private investors in Greece should share some of the burden in any new bailout, but according to the Journal, Germany is now considering lending additional assistance -- even without private bondholders getting involved.

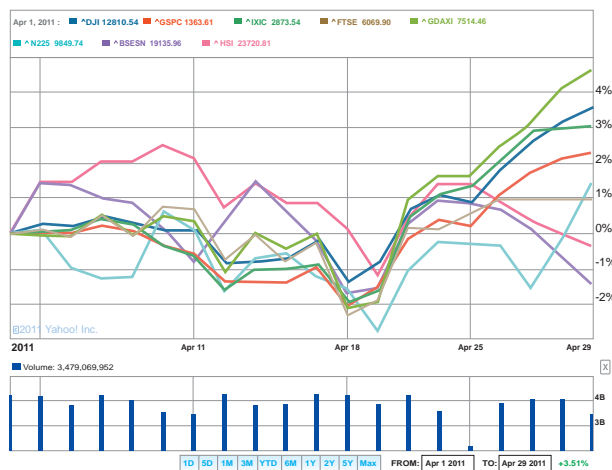
European stocks climbed lately but DAX in Germany lose 2.9% and Asian markets also ended sharply higher but though out the month Japan's Nikkei drop to 9,693.73 points or 2.9% from the month of April 2010, while the BSE SENSEX in India slipped 3.3%.

INTERNATIONAL MARKET MOVEMENTS

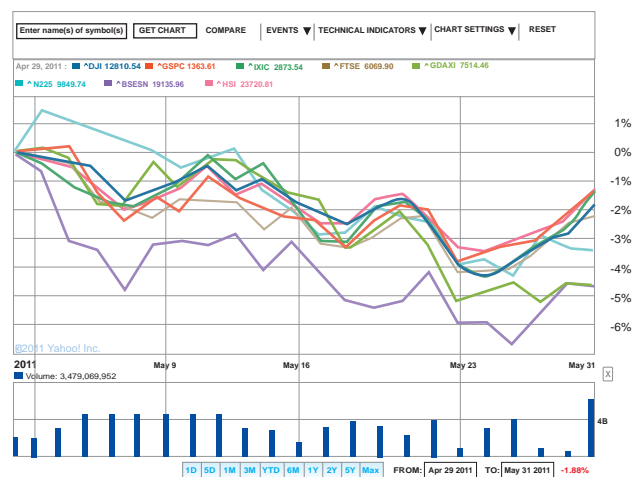
INDEX	VALUE (As of May 31, 2011)	VALUE (As of April 30, 2011)	CHANGE	% CHANGE
DJIA	12,569.79	12,810.54	-240.75	-1.9%
S&P 500	1,345.20	1,363.61	-18.41	-1.4%
NASDAQ	2,835.30	2,873.54	-38.24	-1.3%
FTSE 100	5,990.00	6,069.90	-79.9	-1.3%
DAX	7,293.69	7,514.46	-220.77	-2.9%
NIKKEI 225	9,693.73	9,849.74	-156.01	-1.6%
BSE SENSEX	18,503.28	19,135.96	-632.68	-3.3%
HANG SENG	23,684.13	23,720.81	-36.68	-0.2%
Arithmetic Mean				-1.7%

DOUBLE VIEW

April 2011



May 2011



(Compiled from Yahoo! Finance)

International Economic Forecasts



Wells Fargo Securities Economics Group™ Report



US OVERVIEW

Growth Disappoints in Q2, Better Q3

Higher gas prices, severe weather events and Japanese supply chain disruptions appear to have had a substantial negative impact on growth in the short run. Payroll growth has also moderated so far in the current period, while the unemployment rate has reversed course and ticked back up to more than 9 percent. Due to these concerns, consumer confidence and spending has also pulled back. Even the singular point of strength in this recovery, manufacturing, saw some slowing as the May ISM manufacturing index recorded its largest monthly decline since 1984. However, we expect a bounce back in Q3.

Our forecast calls for real GDP to rise at a 2 percent pace during the second quarter, which is only slightly above first quarter growth. The composition, however, should be markedly improved with real final sales strengthening from the first quarter's paltry 0.6 percent pace to a solid 3.3 percent pace in the second quarter and 2.5 percent in the second half of this year. One turnaround factor later this year is that the drag from government spending should also diminish as revenue growth slowly improves at the state and local level.

With GDP growth and inflation still below trend, ongoing debt concerns in Europe plus monetary and fiscal policy set to become neutral/restrictive, respectively, in the coming quarters, our below-trend outlook represents a continuing challenge for both private and public decision makers to maintain their goal to right size their organizations.

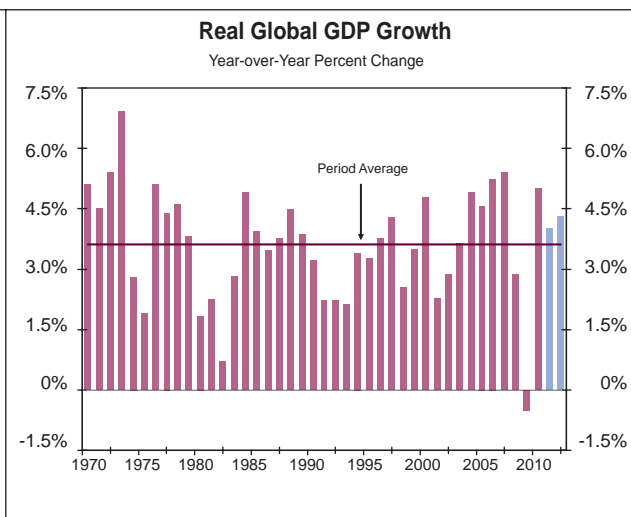
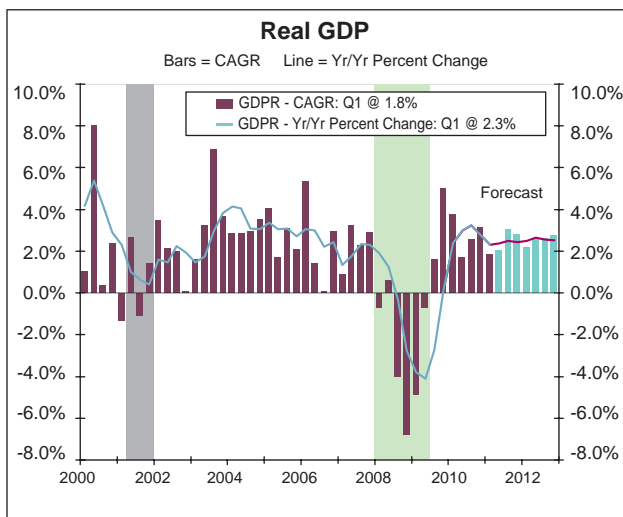
INTERNATIONAL OVERVIEW

Slower Global Growth, Slower Global Inflation

The recent weakness in economic indicators across the world has brought to the forefront the continuous fragility of the current economic environment. While some of the slowdown was expected and welcomed due to the recent acceleration in inflationary pressures, it comes at a very precarious stage in the global recovery as US economic growth has also weakened considerably since the end of last year.

While some of the recent numbers are temporary in nature and are related to the effects of the Japanese earthquake, tsunami and nuclear crisis, markets have started to second guess the strength of the global economy. Furthermore, the reemergence of the unsolved Greek fiscal and debt crisis and all of its potential consequences for the global economy is making markets even more nervous regarding the future of the global economy.

Although emerging market economies have also slowed down a bit following central banks' monetary tightening, they are still growing at a relatively strong pace and will continue to provide a life line for the rest of the world. Furthermore, this slowdown in economic activity has pushed down commodity prices, which will take some pressure off central banks to stay put during the next several months and avoid increasing interest rates further. Thus, we are still positive that the current slowdown in economic activity is temporary and that the global economy will continue to grow during the rest of the year.



Source: US Department of Commerce, International Monetary Fund and Wells Fargo Securities, LLC





Commodity Markets



Commodity Markets Review

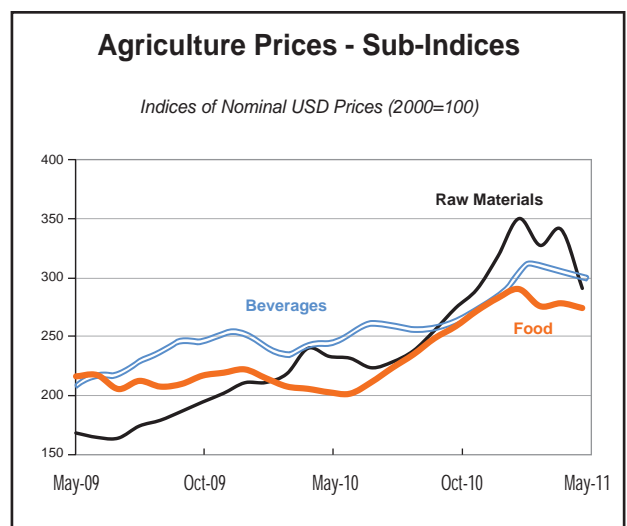
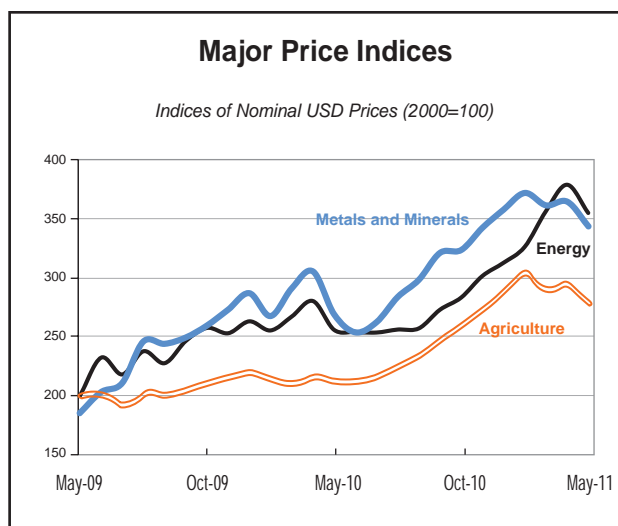
Non-energy commodity prices fell by 4.7 percent in May, in part due to dollar appreciation against major currencies early in the month. There were decreases in all main indices with the exception of fertilizers which rose 7 percent on reduced production in China because of power shortages. Agriculture prices generally declined on improved supply prospects, while the decrease in metal prices was tied to worries of slower economic growth, including in China. Crude oil prices fell 7 percent on concerns about global demand.

Crude oil prices dropped 7.0 percent in May, averaging USD 108.1/bbl. The selloff occurred at the beginning of the month on concerns about global economic growth and oil demand. Prices were fairly flat during the rest of the month, supported by expectations of tighter markets in the second half of the year, and continued supply concerns surrounding political unrest in North Africa and the Middle East. The loss of 1.3 mb/d of Libyan light- sweet crude has tightened markets, as OPEC has done little to replace these volumes—in part because of difficulty supplying light quality crude, but also weak demand due to seasonal refinery maintenance. Inventories have declined, especially for products, and crude stocks are only high in the United States, mainly in Cushing OK because of higher imports from Canada. Global oil demand is expected to be significantly higher in the second half of the year, and most analysts see the need for much higher OPEC production to prevent a substantial draw in inventories.

OPEC producers failed to agree on increases in production at their meeting June 8th. Saudi Arabia, Kuwait, Qatar and the UAE, proposed raising output by 1.5 mb/d from current levels, which would have resulted in substantive additional oil to the market. However, six countries—Algeria, Angola, Ecuador, Iran, Libya Venezuela—opposed the measure, and the meeting ended without consensus. The organization did not even try to realign quotas with production (they are more than 1.3 mb/d above quota) nor discuss the replacement of lost Libyan oil. OPEC's next scheduled meeting is December 14th.

Agriculture prices decreased 5.5 percent in May on improved supply prospects. Cotton prices plunged 24 percent on weak demand and an expected surplus for the 2011/12 season. Sorghum and maize prices fell 10 percent and 4 percent, respectively, on a higher than expected U.S. stocks report. However, supply risks remain because of wet spring weather and late plantings in the United States. Beef prices fell 5 percent on sluggish demand in Japan and improved supplies from Australia following flooding earlier this year. Coffee arabica prices fell 3 percent due to an expected large crop in Brazil. Partly offsetting these declines, logs (Malaysia) prices rose 12 percent due to increased demand from Japan to build temporary homes following the earthquake. Wheat prices gained 6 percent on supply concerns from drought conditions in Europe.

Metals and minerals prices fell 4.6 percent in May, on concerns about slowing demand and policy tightening in China. All base metal prices fell, accompanied by rising inventories in most cases. Tin prices dropped 11 percent due to a sharp increase in Indonesia's production where weather conditions improved. Lead prices fell 10 percent due to falling battery demand in China's electric bike sector. Zinc prices decreased 8 percent on high and rising inventories, while nickel prices fell on expectations of new mine supply in the second half of this year. The largest price decline was for the precious metal, silver (-13 percent), on investor liquidation following the large run-up in prices this year. The only metal to record an increase was gold on safe haven buying, in part due to investor switching from silver.



Prepared by Shane Streifel, John Baffes and Betty Dow



Delta Brac Housing Finance Corporation Ltd. (DBH)



Faruq A Choudhury
Chairman, DBH

Corporate Profile

Delta Brac Housing Finance Corporation Ltd. (DBH) is the pioneer, largest and specialist in Housing Finance institution in the private sector of the country. After commencing operation in the early 1997, the company has registered commendable growth in creating home ownership among more than 23,000 families in Dhaka and other major cities of the country. At the same time, the company has been playing an active role in promoting the real estate sector to the large cross sections of prospective clients who had but yet unfulfilled dream of owning a sweet home.

Among all Banks and Financial Institutions of Bangladesh only DBH has been rated the highest 'AAA' credit rating. The level of credit rating provides a very important indication of the financial safety, security and strength of the concerned Bank or Financial Institution and is particularly relevant to its depositors and other investors such as shareholders and lenders.

Core Purpose

To strengthen the society of the country by continually expanding home ownership

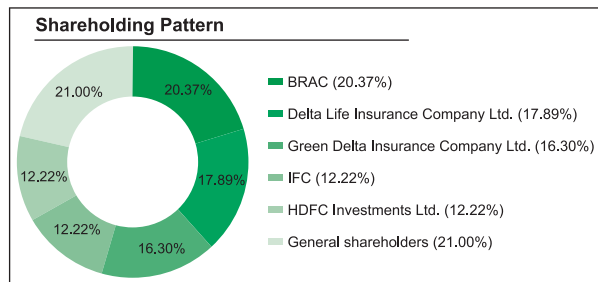
Core Values

- ▶ Outstanding service to the customer, above all else
- ▶ Honesty, integrity and ethics in all aspects of business
- ▶ Hard work and continuous self-improvement, never being satisfied
- ▶ Respect and concern for the individual employee
- ▶ Individual opportunity, responsibility and reward based on merit

Formation of DBH

DBH is an international joint venture organization promoted by five institutions: three local shareholder organizations and two international partners.

Currently, DBH floated its 5, 00,000 ordinary shares of BDT 100.00 each with a premium of BDT 110.00 to the General public through IPO. The local promoters are:



Product & Services

Home Loan

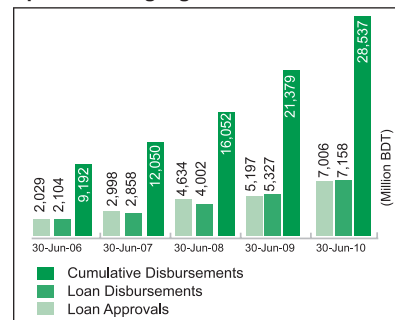
- ▶ Apartment Loan
- ▶ Home Construction Loan
- ▶ Housing Plot Loan
- ▶ Home Extension Loan
- ▶ Home Improvement Loan
- ▶ Home Owner's Loan
- ▶ Flexi Plus Home Loan

Deposits

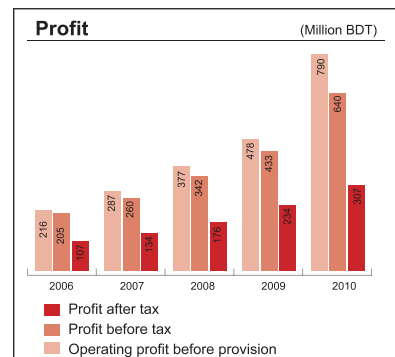
- ▶ Flexible Fixed Deposit
- ▶ Profit First Deposit
- ▶ Monthly Income Deposit
- ▶ Quarterly Income Deposit

- ▶ Annual Income Deposit
- ▶ Annual Plus Income
- ▶ Cumulative Deposit
- ▶ Children's Deposit
- ▶ Easy Way Deposit
- ▶ Easy Home Deposit
- ▶ Terms & Conditions

Operational Highlights



The increased profitability of the company can be seen in the growth of profit figures. At the close of June 30, 2010 profit before provision has grown by 65% over the previous year and reached BDT 790.73 million. Moreover, the profit before tax figure has grown by 48% and touched BDT 600 million marks. Operating revenue of the Company increased by 32% over the last year's figure of BDT 1,951.82 million to BDT 2,582.61 million in the twelve months of FY 2009-10. During the FY 2009-10 interest incomes has grown at the rate of 24% from the previous year. However the



income from investment has experienced a significant rise this year and contributed around 6% of the total operating revenue. Net interest income of the Company has exceeded the corresponding figure of last year at the rate of 36%. As a result, the net interest income stood at BDT 763.68 million compared to last year's figure of BDT 561.94 million.

Human Resources

DBH is using "talent management" approach to attract, develop and retain employees. As a financial institution Delta Brac Housing Finance Corporation Ltd. is committed to equal opportunity and unbiased treatment of all individuals based on job related qualifications. DBH ensures an environment where cooperation among employees is the key and that induces and encourages teamwork.

Corporate Social Responsibility

As part of its CSR effort, DBH patronizes number of programmes to have greater involvement with the local community. Employees of DBH took part in the volunteer sponsorship home building activities launched by Habitat for Humanity International Bangladesh (HFHIB) at Savar in Dhaka on Friday (05 February 2010).

Contact

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Fax: +88-02-9882110
E-Mail: dbh@deltabrac.com
Web: www.deltabrac.com



Enterprise of The Month

Bay Bay Developments Ltd.



Iftekhar A. Khan
Managing Director
Bay Developments Ltd.

Mission Statements

Building our future together with

- Innovative Planning & Design Solutions
- Leadership & Initiative
- Best Business Practices
- Environmental & Social Responsibility

Inception

Bay's beginnings can be traced back to 1990 when Iftekhar Khan, an architect trained in England and the United States, ventured into

real estate in Bangladesh. The vision then was to build quality apartments at a time when the market was not even sure if multi-family housing was needed. The company was incorporated in June 1995 with only a handful of professionals. Today brand Bay – backed by a team of several hundred – is considered the best in Dhaka's highly competitive and fast changing market.

Total Quality

Behind this success is Total Quality Management. At Bay, Kaizen is pursued vigorously on the never-ending road to TQM. Whether it is product development or construction methods, innovation is ever present. Bay even has its own testing facility – Bay Research and Testing Laboratory (BRTL) runs daily QC at all levels so that quality is assured.

Over the years, Bay has been responsible for breaking new grounds. Nearly all five-dozen or so product innovations in real estate, over the last two decades, have come with Bay's projects. From an early stage, clients have the luxury of customizing their dream homes with a surprising degree of freedom and personal touch. Highly acclaimed projects such as Gulfeshan, Westwood and Galleria have spawned copycats around the posh neighborhoods of Gulshan and Baridhara.

Interior Design and ID fit-out is a natural outcome of the pursuit for total quality. Another innovation is Bay's integrated maintenance service. The Facilities Management is an after sales service and maintenance team consisting of security, cleaning, engineering and management professionals.

Design Excellence

Bay's buildings are characterized by their avant-garde design with contemporary lines and that clean look. Stylish apartments combine the latest features with design innovations. Each new project seems to offer unique homes with that certain flair that has become their trademark. Each new project espouses new technologies for a greener product and for a more sustainable environment.

To consolidate this knowledge and to perpetuate this design ethos, Bay created InterStudio – their design and development team – a talented group of architects, engineers and design technologists. Bay takes pride in being the most innovative. This is a major reason why their unique homes have stood the test of time. Many of their introductions have, in course of time, become part of the National Building Code – clubhouse, fire escapes, and sizeable setbacks as mandatory green space are examples.

Building on the solid foundations of core design concerns – functionality, durability, comfort and safety – the company aims to reduce the environmental impact of construction. By providing healthy and safe environment Bay can help build a better future for all.

Sustainable Approach

Being Green means being responsible.

Yes, Bay's buildings are getting greener, faster. But, at the heart of it all is the process – an approach to running an enterprise that is socially responsible. This translates into Social Responsibility & Human Development – CSR at its best.

At Bay, a sense of fairness and equity is the guiding principle. It is an undeniable fact that urban workers have been marginalized, and cannot break free of the cycle of poverty, even when the sector is thriving. As a group, unskilled and semi-skilled personnel are most affected by the ever-increasing cost of urban life. Bay is crafting the concept of "living wages" over the generally practiced "market wage". Successive years of increments, well beyond the CPI, have resulted in this group earning more than double the market wages. The visible result is that they are able to live a meaningful life. Hopefully this will lead to a longer, more productive life.

Safety and security take on special meaning at Bay's construction sites. Training is an integral part of strict enforcement of Standard Operating Procedures (SOP). All site personnel, including transient workers, are given filtered water and hygienic living quarters. Regular health clinics are conducted by in-house doctor and qualified nutritionist.

Emphasis is given to human development at all levels. Indeed, Human Capital Management (HCM) is a very serious subject in this company. Attractive Provident Fund scheme, lunch facilities, medical benefits combine with a congenial work environment. Bay's internal values, a fair recruitment process, a transparent evaluation system, compliance with Labor Laws, and safety protocols are other examples of leveraging a loyal workforce for a sustainable future, for all. There is an open-ended career growth policy, cross training and development, and single point counseling. With these efforts, Bay's Human Resources department hopes to set yet another benchmark in society.

Philosophy and the Symbol of Symmetry

The Bay Philosophy is to innovate and to always strive for the best in everything it does. Professionalism in every task, however small, helps the company achieve the rest. Bay's logo is a take on the tetrahedron – the only perfectly symmetrical four-sided solid. It resembles a clean edged jewel – dynamic in its repose – firmly on the ground, yet desiring to rise, forever aspiring upwards. Thus, the logo combines and balances these innate qualities of strength, dynamism and aspiration – all reflected in the company's product line and service. Each project is the result of this inner strength – in pursuit of **The Art of Life**.

Contact

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Know Your Chamber



Bangladesh Women Chamber of Commerce and Industry (BWCCI)



Selima Ahmad
President, BWCCI

About BWCCI

Bangladesh Women Chamber of Commerce and Industry (BWCCI) is a non-profit, non-political organization established in June 2001 with an enlightened aim to encourage and strengthen women's participation in the private sector as entrepreneurs through promoting a women friendly business environment. BWCCI is the country's first chamber of commerce, which is exclusively working on women's

economic and social empowerment. It has been registered with the government under the Ministry of Commerce. It is also registered with Joint Stock Company of Bangladesh Government. It has also been affiliated as an "A" class chamber with the Federation of the Bangladesh Chambers of Commerce and Industry (FBCCI), the main umbrella organization of the trade bodies in Bangladesh, since 2007. The members of BWCCI are individual entrepreneurs of micro, small and medium enterprises that engage in promotion of women in business and economic sectors. No the number of members of BWCCI ground 2500 across the country. The members of BWCCI are from the entire range of socio-economic spectrum. The organization has 14 board members and 18 staffs. In addition to its office in Dhaka, there are six regional outreach offices run by active volunteers.

Vision

To build a prosperous Bangladesh through progress and economic empowerment of women.

Mission

Evolve as a national platform for urban and rural women entrepreneurs with an aim to enhance their contributions in all spheres of life through attaining sustainable financial strength, recognition in family, society, public life and economy.

Objectives

- Work as a strong platform for women entrepreneurship development in Bangladesh.
- Facilitate women entrepreneurs in marketing their products and services through development of a broad based business network at the local, the national and the international level.
- Help women entrepreneurs get access to finance and services provided by various public and private institutions.
Build the professional capacity of women entrepreneurs.
- Undertake initiatives to remove existing economic, social and cultural obstacles.
- Works as a catalyst to undertake policy measures by the government in order to create a gender friendly environment in business and industry sector.

Roles and Responsibilities

- Training program.
- Provide assistance for business related activities e-g-VAT/TAX filling /bank loan procedure.
- Participate at Regional, National & Int'l trade Fair.
- Organize Seminar/workshop/training/working group meeting / coalition meeting/advocacy meeting with different stakeholder.
- Strong community voice, lobbying for micro to macro women entrepreneurs to assists their growth and to improve their social and economic prospects.
- Promotion of a gender friendly business environment, private sector development and grassroots women participation in economic sectors.
- Advocacy in favor of women entrepreneurs.

Major Activities

- Training for capacity building of women entrepreneurs. Business counseling for solving business related problems.

- Communication and Information support through business center with the facilities of telephone, fax, internet, computer, photocopy, etc.
- Provide support to women entrepreneurs in marketing of their product and services at the local, the national and the international level.
- Support to participate in local, national and international trade fair
- Helpdesk and legal advice particularly for company registration, TIN and VAT registration, export and import procedures.
- Provide opportunity to use chamber's display center, conference room to promote product and services of women entrepreneurs.
- Facilitate women entrepreneurs to get access to finance, act as collateral free loan guarantor.
- Develop network and partnership with NGOs, community based organization, civil society organizations, business community, donor organization at the local, the national and the international level to promote women in business and industry.
- Advocacy for policy formulation and execution in favor women in business and industry.
- Research on women entrepreneurship development, impact of corruption on the women entrepreneurs etc.
- Relief and rehabilitation program (undertaken after devastating SIDR in 2007).
- Awareness and social mobilization program to combat corruption (new program).
- Publications.

Major Achievements

- BWCCI has given women entrepreneurs a platform to congregate, exchange views and ideas, and troubleshoot each others' problems. The chamber has also given them a voice in the sector specific trade bodies at national level, apex business associations and chambers.
- At the micro level it provides need-based client services and at the macro level it participates in various policy dialogues at the national and international forums with the objective of raising and resolving women's problems, particularly in the private sector.
- Some relevant experiences, contributions and achievements of BWCCI over the years are given below:
- Advocacy, policy research, awareness building and promotion of grassroots' participation Right after its inception, BWCCI rightly gave its prime focus on reformation in the policies to create an enabling environment for women across the country.
- With the active support from BWCCI, a number of pressure groups are now working in divisions and district level.
- Furthermore, It has regular contacts with the local government authorities; local MPs, city mayors, civil society organizations, NGOs, community based organizations and media and is working with them for addressing women development issues.
- BWCCI has played a vital role in the formulation of the Poverty Reduction Strategy Paper (PRSP) of the Bangladesh Government.
- BWCCI has been working on combating corruption in private sector and as well as promotion of socio-political empowerment of women in Bangladesh through various mobilization program and awareness building program.
- Training institute at Gazipur.
- Anti corruption Hot Line center at Khulna.

Contact

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Website: www.bwcci-bd.org



CSR Activities

DBBL LAUNCHES LARGEST EDN SCHOLARSHIP PROGRAMME



Bangladesh Bank (BB) Governor Dr. Atiur Rahman called upon the banks and other financial institutions to come forward to financing human resource development areas so that a skilled manpower can help Bangladesh become a middle-income country within the next few years. Addressing a scholarship awarding ceremony of Dutch-Bangla Bank Ltd. (DBBL) in the city, the BB Governor said, other banks should follow the DBBL which spends 5.0 per cent of its net profit every year to the development of education and other social segments of the country. As part of DBBL's BDT 1.02 billion scholarship package, the bank in its first stage distributed scholarship awarding letters to a total of 3021 students who passed SSC examinations in 2010. Education Minister Nurul Islam Nahid MP, DBBL EC chairman Sayem Ahmed, managing director K S Tabrez and deputy managing director AKM Shirin also addressed on the occasion. Nurul Islam Nahid MP in his address also sought financial support from private sector to bring a qualitative change in education sector. "The existing education system must be changed and we need a huge fund from the private sector to implement our vision," the education minister said. The BB Governor said he was impressed with the positive response of the banks in their enhanced activities in the corporate social responsibilities (CSR) during the last 2/3 years. "The banks invested BDT 550 million in CSR areas in 2009 but it rose to BDT 3.91 billion in 2010," the BB Governor disclosed. Praising the DBBL role in financing the quality education among the large community of poor but brilliant students, the BB Governor said the amount DBBL is spending annually in promoting education is more than one-fourth of the bank's paid-up capital. "It is a matter of courage and others should follow it," the BB Governor said. DBBL began this great job in 2001 and till 2010, a total of 2005 poor but meritorious students received a total of BDT 117.15 million as scholarship money from the Bank from higher secondary to post-doctoral level. (15 May, The Financial Express)

TRUST BANK HANDS MICROBUS TO PROYAS



Trust Bank Limited recently donated two microbuses to Proyas, an organisation working for the children with special needs, to its two branches in Jessore and Bogra. The bank

handed over the keys of the microbuses to Proyas presidents of Jessore and Bogra branches. Md Siddiqur Rahman, second vice-president of BGMEA, presided over the meeting at BGMEA office, said a press release. BGMEA is currently operating 12 free-of-cost health care centres in the RMG industrial zones in Dhaka and Chittagong. It also operates five schools across the country for the children of garment workers. (19 May, The Daily Sun)

NCC BANK ORGANISES BLOOD DONATION PROGRAMME



NCC Bank Ltd. in collaboration with Quantum Foundation, recently organised a blood donation programme in the city on the occasion of 18th anniversary of the bank as part of its social responsibility. Md Harunur Rashid MP, vice chairman of the bank inaugurated the programme as chief guest, said a

press release. More than 100 employees of the bank donated blood on this occasion. (23 May, The Daily Sun)

JAMUNA BANK INITIATES COMPUTER LAB AT BSMMU

Al-haj Nur Mohammad, chairman of Jamuna Bank inaugurated BSc nursing computer laboratory at Bangabandhu Sheikh Mujib Medical University (BSMMU) in the city recently. Prof Pran Gopal Datta, vice chancellor of BSMMU presided over the inaugural function. Among others, Pro-VC Prof Mohammad Shahidulla, treasurer Md Moyazzem Hossain, Prof Shahna Akter Rahman and the managing director of Jamuna Bank Md Motior Rahman were present on the occasion. (5 May, The Daily Sun)

New Appointments During MAY, 2011

BANKS, FINANCIAL AND OTHER INSTITUTIONS

Name	Current Position	Current Organization	Previous Position	Previous Organization
M Khairul Hossain	Chairman	Securities and Exchange Commission (SEC)	Chairman	Investment Corporation of Bangladesh (ICB)
Anwer Hossain Khan	Chairman	Shahjalal Islami Bank Ltd.	N/A	N/A
Akhtiaruzzaman Chowdhury	Chairman	United Commercial Bank Ltd. (UCBL)	N/A	N/A
Ayub Quadri	Chairman	BOC Bangladesh Ltd.	Director	BOC Bangladesh Ltd.
Azharul Islam	Chairman (re-elected)	Uttara Bank Ltd. (UBL)	Chairman	Uttara Bank Ltd. (UBL)
Prof Abu Nasser Muhammad Abdus Zaher	Chairman (re-elected)	Islami Bank Bangladesh Ltd. (IBBL)	Chairman	Islami Bank Bangladesh Ltd. (IBBL)
Yussuf Abdullah Harun	Chairman (re-elected)	Asia Insurance Ltd.	Chairman	Asia Insurance Ltd.
Kazi Faqurul Islam	Managing Director (MD)	BASIC Bank Ltd.	Managing Director	Bangladesh House Building Finance Corporation
Erphan Shehabul Matin	MD	BOC Bangladesh Ltd.	Business Director	BOC Bangladesh Ltd.
Md Abdur Rob	MD (re-elected)	National Housing Finance and Investments Ltd.(NHFIL)	MD	NHFIL
Kazi Sayedur Rahman	General Manager (GM)	Bangladesh Bank (BB)	Deputy General Manager (DGM)	Bangladesh Bank (BB)
Talukdar Noman Anwar	Head of Marketing and Communications	HSBC Bangladesh	Head of Marketing and Communications	Rahimafrooz Group



সবার জন্য সব কিছু নয়

তাহলে সবার জন্য একই
সেভিংস একাউন্ট কেন?

মিউচুয়াল ট্রাস্ট ব্যাংক নিয়ে এলো
আপনার প্রয়োজন অনুযায়ী **MTB Savings solutions**

MTB INSPIRE

সেভিংস একাউন্টের সুবর্ণ সুবিধা নিয়ে এমটিবি ইন্সপায়ার,
প্রাপ্ত বয়স্কদের জন্য

MTB RUBY

নারী তুমি তুলনাহীন। আর নারীদের জন্যই অতুলনীয় একটি
সেভিংস একাউন্ট এমটিবি রুবী

MTB SENIOR

গুরুজনদের সঞ্চয়ে সর্বোচ্চ সেবার নিশ্চয়তা নিয়ে
এমটিবি সিনিয়র- শুধু ষাটোর্ধ্বদের জন্য

MTB REGULAR SAVINGS

সঞ্চয়ের মূল সুবিধাগুলো নিয়ে একটি সেভিংস একাউন্ট

MTB Graduate

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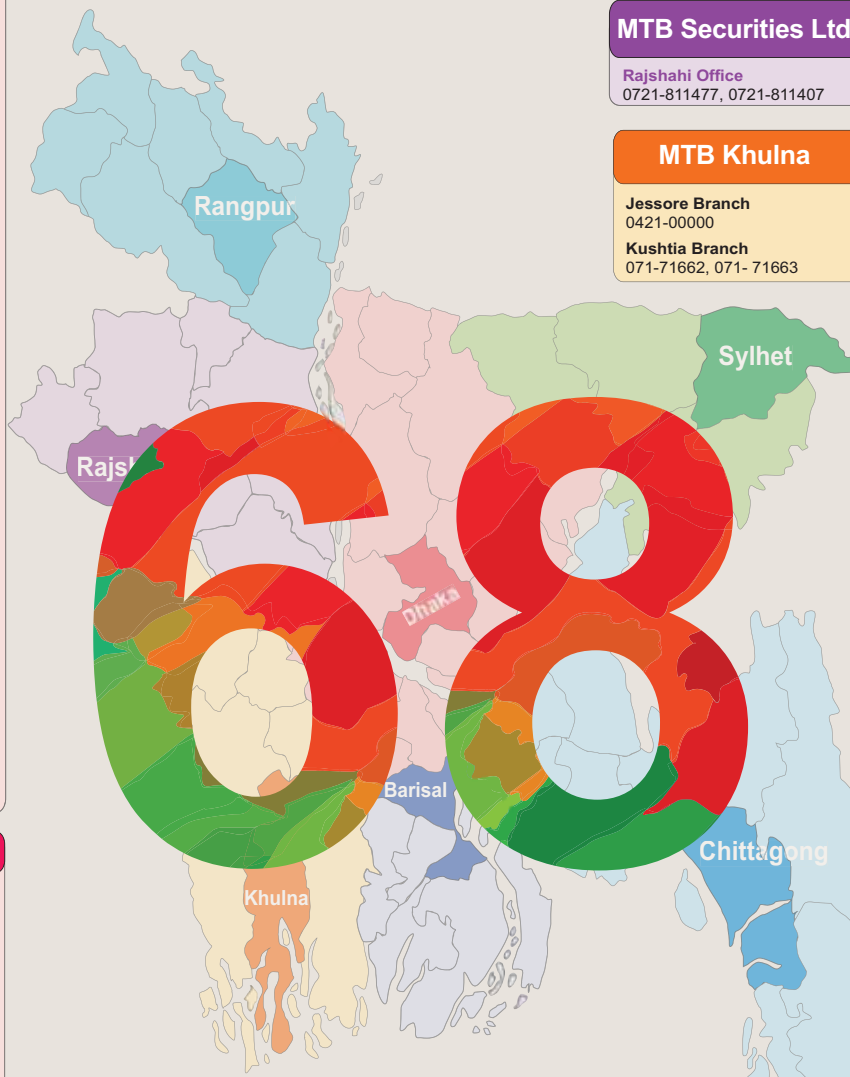
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