

MTBiz

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মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড
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MTB ENTERS EMV ERA



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

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



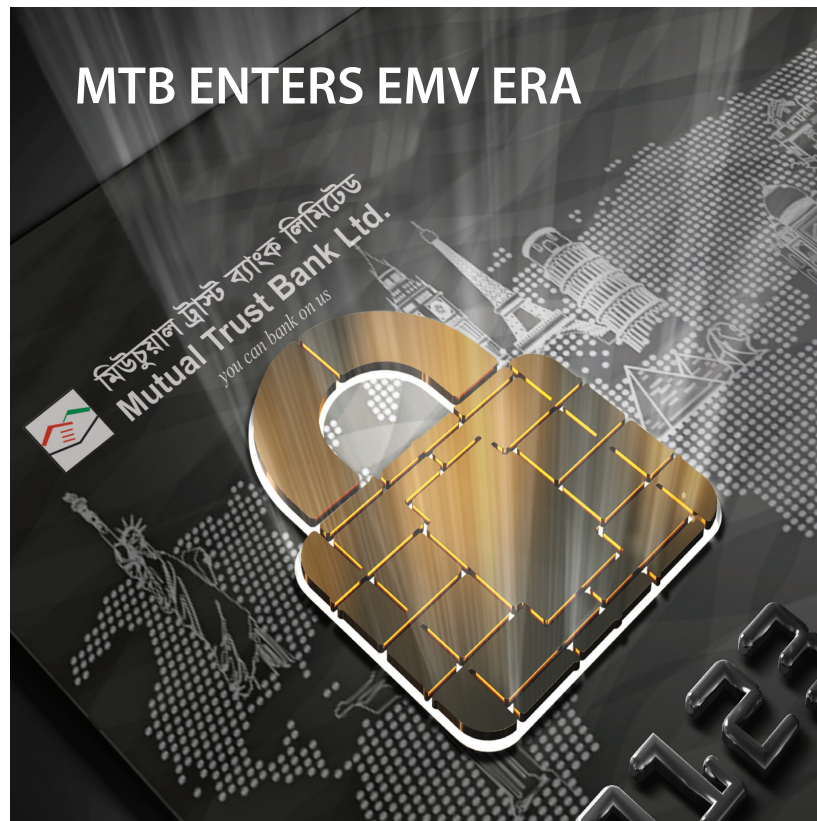
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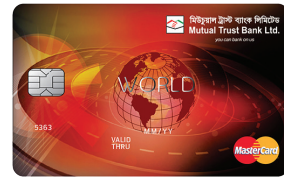
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MTB ENTERS EMV ERA

Mutual Trust Bank Limited (MTB) has recently updated its card operations software and at the same time updated to EMV chip enabled card services. EMV cards are more secured than conventional magnetic strip cards. MTB will use EMV technology for all its debit and credit cards. The new cards will come in EMV and the existing cards with magnetic strips will gradually be converted to EMV.



MTB EMV cards have Online PIN, the latest security technology that enables a shield against card frauds and data skimming. Online PIN is more secured as it requires cardholders to input his/her PIN number while prompted during a POS transaction. With this cutting edge technology and added layer of security, MTB plastic cards will ameliorate the user experience with taste of novelty and elegance.

Why Use EMV Cards

Plastic cards industry, across the globe, has been shifting towards an upgraded technology – EMV cards – what comes up with a solution to make the security system stronger by removing the technical loopholes and thus, making the financial frauds tougher. The rate of adoption of this technology, now-a-days, by banks and financial institutes have been climbing high in the wake of cyber security frauds all over the world. Many countries adopted it since the advent of this technology while others started following the same sooner or later, as and when felt required, with/without having potential security threats in experience. At this point of time, the adoption rate has gone even higher as security questions have become a core issue that service providers have to answer quite more convincingly.

This article would elucidate how EMV is a better shield against card frauds with its unique technological solutions. It would, further, portray the current status of EMV adoption in both global and Bangladesh contexts.

EMV Technology

EMV chip technology is becoming the global standard for credit card and debit card payments. Named after its original developers (Europay, MasterCard® and Visa®), this technology features payment instruments (cards, mobile phones, etc.) with embedded

microprocessor chips that store and protect cardholder data. This standard has many names worldwide and may also be referred to as: chip and PIN or chip and signature.¹

EMV is a global standard for cards equipped with computer chips and the technology used to authenticate chip-card transactions. In the wake of numerous large-scale data breaches and increasing rates of counterfeit card fraud, card issuers are migrating to this new technology to protect consumers.

The EMV standard serves as the backbone for future payment technologies by enabling safer, smarter and more secure transactions across cards, contactless, mobile and remote payment channels. As Julie Conroy, Research Director for retail banking at Aite Group, a financial industry research company articulates, these new and improved cards are being deployed to improve payment security, making it more difficult for fraudsters to successfully counterfeit cards.²

EMV cards vs. Magnetic stripe cards

Payment data is more secure on a chip-enabled payment card than on a magnetic stripe card, as the former supports dynamic authentication, while the latter does not (the data is static). Consequently, data from a traditional magnetic stripe card can be easily copied (skimmed) with a simple and inexpensive card reading device – enabling fraudsters to reproduce counterfeit cards for use in both the retail and the Card Not Present (CNP) environment.

Unlike magnetic-stripe cards, every time an EMV card is used for payment, the card chip creates a unique transaction code that cannot be used again. If a hacker stole the chip information from one specific point of sale, typical card duplication would never work because the stolen transaction number created in that instance wouldn't be usable again and the card would just get denied. EMV technology will not prevent data breaches from occurring, but it will make it much harder for criminals to successfully profit from what they steal.

Unique Selling Proposition (USP) of EMV

EMV provides interoperability with the global payments infrastructure – consumers with EMV chip payment cards can use their card on any EMV-compatible payment terminal. EMV technology also supports enhanced cardholder verification methods.

No Swiping – EMV bankcards contain smart card technology. Smart cards use a computer and software with hundreds of built-in security features.

No Skimming – Each card has a unique identifier and a digital seal that cannot be copied and successfully cloned onto another card; the banks will know that it is a fake, and will refuse authorization.

Card-Present Security – Because the chip in the card is an active part of the transaction, as compared to magnetic stripe which is passive, EMV provides unparalleled security at the point-of-sale.

Global Interoperability – EMV chip payment cards are already accepted in more than 80 countries.

Core Technology – EMV is the only security standard that can guarantee interoperability between payment technologies, and serves as the core for future payment channels, including Mobile EMV.

Multiple Deployment Options – EMV allows an issuer to choose the secure payment technology they wish to deploy: Contact EMV, Contactless EMV, Mobile EMV, or even all three to maximize customer satisfaction by meeting the diverse payment needs of their client base.³

Global coverage of EMV adoption

Financial institutions in Europe, Latin America, Asia/Pacific, Canada and the United States issued contact or dual-interface EMV chip cards for credit and debit payment or migrating to EMV issuance and acceptance. Issuers around the world are including chips in bank cards and merchants are moving to EMV-compliant point-of-sale (POS) terminals to increase security and reduce card-present fraud resulting from counterfeit, lost and stolen cards.

EMVCo, an international alliance for payment standard by six card networks: Visa, MasterCard, American Express, Japan JCB, Discover, and China UnionPay, publishes global statistics on EMV issuance and acceptance where, as reported, over 3.4 billion EMV cards were in circulation globally at the end of 2014. EMVCo also reports that one in three of all card-present transactions undertaken globally between June 2014 and June 2015 used EMV chip technology. As of the end of 2015, the EMV Migration Forum estimates that approximately 400 million EMV chip cards have been issued in the U.S., with 675,000 merchant locations accepting EMV chip transactions.⁴

Impact of EMV adoption on payment card frauds UK

Countries implementing EMV chip payments have reported a decrease in card fraud. As an example of the impact of EMV, the UK Cards Association has reported a dramatic reduction in fraud since the introduction of EMV cards. Fraud on lost and stolen cards is now at its lowest level for two decades and counterfeit card fraud losses have also fallen and are at their lowest level since 1999. Losses at U.K. retailers have fallen by 67% since 2004; lost and stolen card fraud fell by 58% between 2004 and 2009; and mail non-receipt fraud has fallen by 91% since 2004.

Canada

The national roll-out of EMV in Canada in 2008 had a dramatic impact on fraud (see Table 1). Losses from debit card skimming in Canada fell from CAD\$ 142 million in 2009 to CAD\$ 38.5 million in 2012, according

Table 1: INTERAC debit card fraud losses (as a result of skimming) Losses to Financial Institutions

Year	Dollars (CAD\$) lost to INTERAC debit card fraud (in million)	Cardholders Reimbursed
2015	11.8	24,795
2014	16.2	32,560
2013	29.5	72,220
2012	38.5	93,800
2011	70.0	154,170
2010	119.0	205,200
2009	142.3	238,000
2008	104.5	148,000

Source: <http://www.interac.ca/en/fraud.html>

to the Interac Association. Interac debit card fraud losses as a result of skimming hit a record low in 2013, decreasing to CAD\$ 29.5 million.

Global status of EMV

According to EMVCo, EMV chip adoption rate in Europe Zone 1 region (83.5%) topped the table in 2014 like it did in 2013. The Canada, Latin America, and the Caribbean region (59.5%) followed them with a positive progress. For Asia, this adoption rate is 25.4% and 17.4% in 2014 and 2013 respectively (see Table 2).

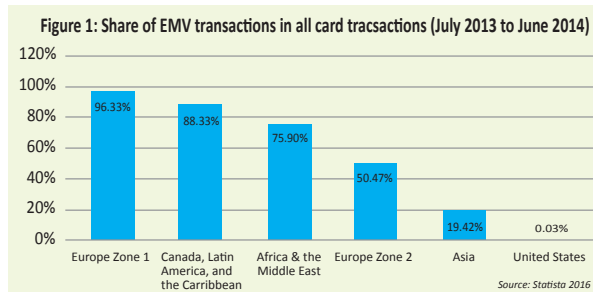


Table 2: Worldwide EMV Chip Card Deployment and Adoption*

Regions	2013		2014	
	EMV Cards (in million)	Adoption Rate	EMV Cards (in million)	Adoption Rate
Canada, Latin America, and the Caribbean	471	54.2%	544	59.5%
Asia Pacific	942	17.4%	1,676	25.4%
Africa & the Middle East	77	38.9%	116	50.5%
Europe Zone 1	794	81.6%	833	83.5%
Europe Zone 2	84	24.4%	153	40.4%
United States	-	-	101	7.3%

* Figures reported in Q4 2013 and Q4 2014, respectively, and represent the latest statistics from American Express, Discover, JCB, MasterCard, UnionPay, and Visa, as reported by their member institutions globally. Source: EMVCo

The statistic presents (in Figure 1) the penetration of EMV transactions in selected regions worldwide from July 2013 to June 2014. In that period, the EMV transactions constituted 19.42% of all credit card transactions in Asia.⁵



EMV adoption in banks: Bangladesh Perspective

The first-ever EMV use by any bank of Bangladesh started in 2008. Since then, keeping the financial safety and security in mind and being responsive to the recent scam occurred in the industry, commercial banks of the country have been introducing EMV technology gradually in operation. In recent times, the rate of adoption of EMV is much higher than what it was few years back. Started with Dutch-Bangla Bank, a number of banks (including but not limited to NRB Bank, Premier Bank, BRAC Bank, National Bank, Eastern Bank, Islami Bank Bangladesh etc. and few non-bank financial institutions) have introduced this technology in Bangladesh.

- https://www.chasepaymentech.com/faq_emv_chip_card_technology.html
- <http://www.smartcardalliance.org/publications-emv-faq/#q1>
- http://movetochip.com/downloads/EMV_Infographic_-_Digital.pdf
- <http://www.emv-connection.com/emv-faq/>
- <http://www.statista.com/statistics/419437/penetration-of-emv-transactions-worldwide-by-region/>

MTB Credit Rating Improves to

AAA

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

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



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NATIONAL NEWS

BB to maintain consistent monetary policy



Bangladesh Bank (BB) will not make any major changes to its policy focus while announcing the new monetary policy statement (MPS) at the end of next July. Instead, the central bank will stick to its cautionary stance in the MPS, which will be constant to the previous policy directives, said BB sources. The central bank recently held a meeting on preparation of the MPS for the first half of the next 2016-17 financial year (FY17). The meeting discussed the current situation and the future challenges of both the country's and the global economy to identify the policy directions and the implementation strategies. The MPS, however, will be finalised on the basis of the next national budget and the fiscal policy directions, which will be placed in the parliament early next month, BB Chief Economist Biru Paksha Paul told. The central bank on January 14 this year unveiled the MPS for the second half of the outgoing 2015-16 (FY16) financial year.

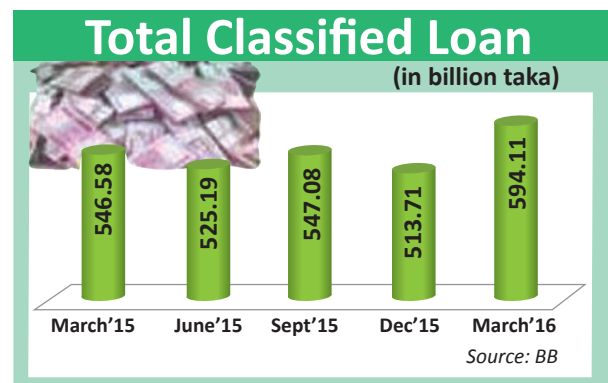
Like the previous MPS, the current one also focused on attaining higher growth with lower inflation. The central bank projected GDP (gross domestic product) growth rate at 6.8 to 6.9 per cent and inflation at 6.2 per cent for FY16, ending in June, adding that the growth could be 7.0 per cent if political stability continues. According to Bangladesh Bureau of Statistics (BBS), the GDP would be 7.05 per cent at the end the current financial year, which would be above the fiscal target of 7.0 per cent and significantly higher than 6.6 per cent economic growth achieved in the past 2014-15 fiscal year (FY15). The overall point-to-point inflation also fell at 5.61 per cent in April, which was not only lower than the rate of inflation targeted in the current national budget and the MPS, but also the lowest in the past 42 months. The inflation target is 6.2 per cent for this financial year, ending on June 30 next. The credit to private sector also marked a significant rise in the past eight months of the FY16, reaching 15.11 per cent and showing another success of the central bank's policy direction. The credit growth, which refers to financial resources given to the private sector by financial corporations, exceeded the target set in the current monetary policy at 14.8 per cent.

Dy Governor urges banks to revisit IT system



Bangladesh Bank Deputy Governor Abu Hena Md Razeen Hasan said the recent incident in Bangladesh Bank's reserve heist was a wake-up call for the financial sector in the country. It is not only a wake-up call for financial institutions in Bangladesh. And central banks and financial institutions took lessons from the incident and are strengthening their security, he said. The Deputy Governor called upon the banking institutions to revisit their IT system to protect them from the potential threat. He was speaking at a seminar titled "Cyber security, perspective of financial services", organised by Rahman and Rahman Huq (KPMG Bangladesh) at a city hotel. Mr Hasan stressed that every financial organisation takes necessary steps, urging them to be "very serious about the matter," in order to the preserve interest of the depositors and stakeholders of the bank. He said with the help of ICT ministry, the government is preparing a security manual for ensuring cyber security. The deputy governor said Bangladesh Bank is doing a gap analysis to scrutinise security measures in the financial institutions. Adeb H Khan, Senior Partner of KPMG Bangladesh, welcomed the guests to the event.

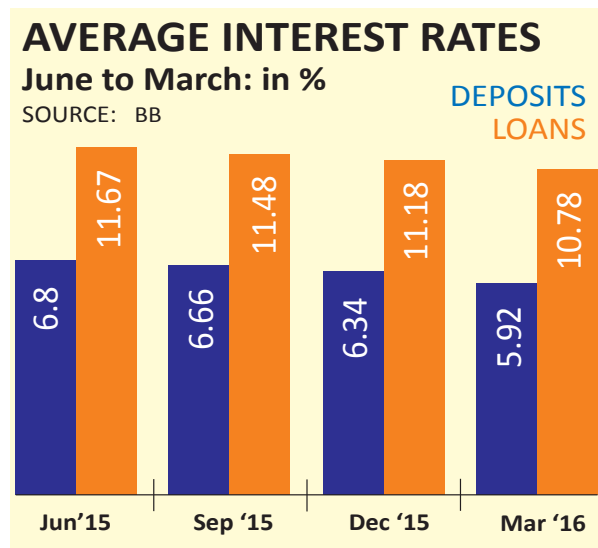
Banks' NPLs rise 15pc in Q1



Country's banking system gasps under an over 15 per cent rise in their non-performing loans (NPLs) in the first quarter (Q1) of this year, belying the central bank surveillance. The volume of the dud loans rose to BDT 594.11 billion during the January-March period of this

calendar year from BDT 513.71 billion in the preceding quarter, according to the central bank's latest statistics. Banks' NPLs rise 15pc in Q1. The share of NPLs in the lending operations of the banks rose to 9.92 per cent during the period under review from 8.79 per cent three months back. The volume of NPLs normally rises slightly during Q1 and Q3 of each year, Shubhankar Saha, executive director of the Bangladesh Bank (BB), also expects the amount of classified loans to go down in the second quarter (Q2) of the year. The classified loans cover substandard, doubtful and bad/loss of total outstanding credits. These altogether stood at BDT 5986.48 billion as on March 31 last, the BB data showed. During the January-March 2016 period, the total amount of NPLs with six state-owned commercial banks (SoCBs) rose to BDT 272.89 billion from BDT 237.45 billion in the previous quarter. On the other hand, the volume of classified loans with 39 private commercial banks (PCBs) reached BDT 253.31 billion in the Q1 from BDT 207.60 billion three months ago. The NPLs with nine foreign commercial banks (FCBs) came down to BDT 18.22 billion during the period under review from BDT 18.97 billion of the previous quarter. The classified loans with two development-finance institutions (DFIs) remained unchanged at BDT 49.69 billion in the Q1, the BB data showed.

Private sector credit growth beats target



Private sector credit growth has surpassed the target set in the central bank's monetary policy, three months ahead of the end of the fiscal year. The growth was 15.16 percent in March, which is 0.16 percentage point higher than the target, according to central bank statistics. The BB in its Monetary Policy Statement (MPS) set the private sector credit growth at 15 percent year-on-year by June 30 this year. The credit growth also rose over the same period last year; on March 15 last year, the credit growth was 13.6 percent. The central bank said the credit growth was below 14

percent last fiscal year, while the country's economic growth was 6.5 percent. "A provision of 14.8 percent private credit growth appears to be adequate to support close to 7 percent output growth for the current fiscal year," the central bank said in the MPS. The growth in gross domestic product would be 7.05 percent this fiscal year, according to provisional estimates by Bangladesh Bureau of Statistics.

The central bank in the MPS also cut the policy rate by 50 basis points and gave the banks a signal to lower the rate of interest and increase the amount of investment. "Based on commendable macro-stability, it is the high time to stimulate investment and thus growth where political calm beckons to use improved condition in the market confidence," the MPS said. The average interest rate on loans was 10.78 percent in March, down from 11.93 percent during the same month last fiscal year. Salam said auctions of the government's treasury bills and bonds are taking place less frequently, which compelled banks to use their excess liquidity for giving higher amounts of loans.

Nurul Amin, Managing Director of Meghna Bank, said credit growth rose mainly due to the progress in work of mega projects, including the Padma bridge, as contractor firms are taking more loans. Besides, operators in the services sector such as hotels, restaurants and transport companies are taking loans, though the scenario in large industries is not so encouraging. Salam of Janata Bank said, "We have shifted our focus in giving loans. We are now putting emphasis on farm and SME loans." He said they are going to divert 25 percent of their loanable funds to small initiatives in rural areas. Agriculture loan disbursement during July-March of the current fiscal year increased 14.34 percent against last fiscal year's growth of 1.38 percent, according to BB data. Non-farm rural credit rose 18.76 percent in the first nine months of the current year, which dropped 30.16 percent during the same period last year. In the first six months of the current fiscal year, large-scale industrial loans fell 5.46 percent. However, term loans for small and cottage industries increased 63 percent during the same period.

FDI increases by 21 pc in 10 months

Net inflow of foreign direct investment (FDI) increased by 20.93 per cent in the first 10 months of the current fiscal year (FY16). Statistics available with Bangladesh Bank revealed that net inflow of FDI stood at USD 1.82 billion during July-April period of the current fiscal year. The amount was USD 1.50 billion in the same period of the previous fiscal year. Annual inflow of FDI was USD 1.83 billion in FY15 while the amount was USD 1.48 billion in FY14. If the current trend continues, annual inflow of FDI will cross USD 2 billion level in the current fiscal year.

NATIONAL NEWS

Many listed banks report sound earnings in Q1

Quarterly Earnings



Many of the banks listed with the stock market have reported better earnings in the January-March period of this year compared to last year's corresponding quarter. According to information from Dhaka Stock Exchange (DSE), out of 30 listed banks, 12 have so far published their quarterly financial statements (un-audited) for the first quarter (Q1) of the calendar year. Of the dozen that revealed their financial health, the earning per share (EPS) of 8 rose while the EPS of the remaining four banks declined. The banks whose EPS showed upturn are AB Bank, Al-Arafa Islami Bank, Dhaka Bank, Eastern Bank Limited (EBL), Mutual Trust Bank (MTB), Shahjalal Islami Bank, Standard Bank and Trust Bank. According to DSE, the consolidated EPS of MTB rose to BDT 0.73 for January-March 2016 from BDT 0.56 for January-March 2015. The consolidated NOCFPS was BDT 5.82 and BDT (1.55) respectively.

The consolidated EPS of AB Bank for the January-March 2016 period was BDT 1.08 as against BDT 0.96 for January-March 2015. The company's consolidated net operating cash flow per share (NOCFPS) was BDT 12.98 for January-March 2016 as against BDT 4.05 for January-March 2015. The consolidated EPS of Bank Asia was BDT 0.22 for this January-March quarter as against BDT 0.36 for the same period last year. The company reported its consolidated NOCFPS at BDT (9.89) as against BDT 2.97 for the respective periods of the two years. Dhaka Bank showed its consolidated EPS of BDT 0.47 as against BDT 0.42. The consolidated NOCFPS was BDT (2.16) for January-March 2016 as against BDT (0.50) for January-March 2015. The consolidated EPS of EBL was BDT 1.41 this time as against BDT 1.04 for January-March 2015. The company's consolidated NOCFPS was BDT (4.50) and BDT (7.41) for the respective periods. Standard Bank's consolidated EPS was BDT 0.25 and BDT 0.23 respectively for the first quarters of the two years and the company's negative consolidated NOCFPS was BDT (4.46) for January-March 2016 as against negative value of BDT (8.01) for January-March 2015. Trust Bank showed consolidated EPS for January-March 2016 at BDT 1.10 as against BDT 1.06 for January-March 2015.

Spread in bank interest rates widens further

The existing spread between interest rates in the country's banking sector widened further as the commercial banks cut interests on public deposits far deeper than on lending, bankers said. Such imbalance in rate adjustments, according to economists, is meant for keeping banks' profit margins higher. The weighted average spread between lending and deposit rates offered by the commercial banks rose to 4.86 per cent in March 2016 from 4.81 per cent in the previous month, according to the central bank's latest statistics. The spread was 4.84 per cent in January 2016. On the other hand, the weighted average rates on deposits came down to 5.92 per cent in March from 6.10 per cent in the previous month while interest rates on lending dropped to 10.78 per cent from 10.91 per cent.

Banks giving low-cost loans to manufacturers

RECIPIENTS OF FUNDS

Names of Banks	Names of Firms	Amount of Loans (in millions of \$)
EBL	Premiaflex Plastics	3.5
EBL	Flamingo Fashion	6.5
EBL	Mahmuda Attires	3.85
UCBL	Sohagpur Textile	6.1
EXIM	PN Composite	10.51

SOURCE: BB

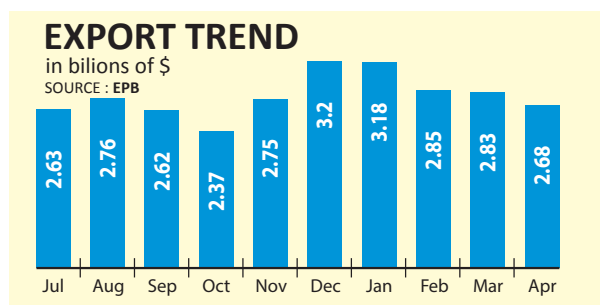
Banks are providing industrial loans at a maximum cost of 6.5 percent which is almost half the going interest rates from a fund provided by the World Bank, a development that will put a smile on the faces of businesses. At present, the rate of interest on industrial loans is 11 to 12 percent, which businessmen say reins in their investment. The WB last year provided USD 291 million to Bangladesh to extend long-term foreign currency credit to private sector firms. Subsequently, the government created a fund using the WB loan for disbursement through a select few commercial banks. As of now, a total of 30 credit proposals have been received by the Bangladesh Bank, of which five have been sanctioned. The highest rate of interest on the loans is 6.5 percent, according to bank officials. The conditions put up by the WB address environmental sustainability, which, the official said, might be difficult for many businessmen to fulfill. For instance, to get the loans, the industrial units must have effluent treatment plant (ETP) and water treatment plant. The borrower's rate of interest is linked to the financial health of the bank. The WB will top up the fund in future if it is managed well.

BTRC to take BDT 430cr from Sonali Bank to start satellite project

ABOUT THE SATELLITE	
Possible launch date:	Dec 16, 2017
Deal Signed:	Nov 11, 2015
Project costs:	Tk 2,967.96cr
Govt to bear:	Tk 1,314.56cr
Foreign loan:	Tk 1,653.40cr
The satellite can also serve Middle East, South and Southeast Asian Countries	
French company Thales Alenia Space will build and launch it.	

The telecom regulator will take a BDT 430 crore loan from Sonali Bank to finance the launch of the country's first satellite Bangabandhu-1 in 2017. Local loans are being sought to meet the deadline for the project, said Tarana Halim, state minister for telecom. On November 11 last year, Bangladesh Telecommunication Regulatory Commission signed a USD 248-million deal with France-based Thales Alenia Space for the manufacture and launch of the satellite. It was also mentioned in the project document that it will be a bidder-financed project, where the winning bidder will arrange the foreign loan. Satellite Project Director Md Golam Razzaque had also mentioned that the total cost of the project will run into BDT 2,967.95 crore, with about 56 percent of the amount coming from foreign loans. The government would pay the rest.

Exports beat target, narrowly



Export earnings rose 11.82 percent year-on-year to USD 2.68 billion in April on the back of higher shipments of garment, leather and leather goods, jute and jute goods and engineering products. April's receipts, which narrowly beat the month's target of USD 2.67 billion, were a decline when compared with the previous month's. The export target for the July-April period was USD 27.11 billion. Bangladesh earned USD 31.2 billion in exports last fiscal year, and is chasing a USD 33.5 billion figure in fiscal 2015-16. Garment, which typically accounts for 80 percent of the country's export receipts, brought home USD 2.23 billion last month, up 14.95 percent year-on-year. Jute and jute goods exports are seeing a revival on the back of new demand of natural fibres worldwide and for return of business-friendly environment in some Middle East countries.

IDLC signs deal with IFC



IDLC Finance Limited signed an agreement with Partnership for Cleaner Textile (PaCT) programme of International Finance Corporation (IFC) with an aim to develop a concise action based business development strategy. Arif Khan, Chief Executive Officer and Managing Director, IDLC Finance Limited and Wendy Werner, IFC Bangladesh Country Manager, signed the agreement on behalf of their respective sides. The signing ceremony was held through a workshop titled 'Solar PV & LED Lighting', organised by the Textile Technology Business Center (TTBC) under the PaCT program of IFC at a hotel in Dhaka. IDLC will provide financial solution to the PaCT partners for adopting resource efficiency technology across the industry thus enhancing its share towards sustainability.

Singer's turnover rises 27.7pc in Q1

SINGER

Turnover of Singer Bangladesh rose 27.7 percent year-on-year to BDT 140 crore in the first quarter of 2016, thanks to stable trading conditions, additional marketing initiatives and new products. The company's gross margin also increased to 30.4 percent in the quarter that ended on March 31, from 25.6 percent in the previous year. Singer has also focused on managing operating expenses, which came down to 22.6 percent of turnover, down from 24.1 percent in the previous year, while net interest costs were lower at BDT 1.45 crore compared to BDT 2.15 crore in 2015. The company's profit after tax reached BDT 6.14 crore, which is a significant improvement compared to last year. Moreover, Singer's associate company International Appliances Ltd also began production of refrigerators during the quarter, which will come to the market later in the year. The company has also expanded air conditioner assembly operations and will expand the LED assembly operations and furniture manufacturing by this year.

NATIONAL NEWS

Electricity production starts at Summit's Barisal plant



Summit Barisal Power Ltd started commercial production of electricity in April, two months before the schedule. Summit started the BDT 575-crore project to produce 120MW of power in the first private power plant in Barisal in March last year, said Muhammed Aziz Khan, chairman of Summit Power Ltd. The plant will supply 110MW of electricity to the national grid, he said. The main power generation machinery of the plant was imported from Wartsila Finland, said SM Ali Ahsan, plant manager of Summit Barisal Power Ltd. The plant will help reduce outages, said Abdul Wadud, managing director of Summit Power Ltd.

ICCB highlights Bangladesh investment opportunities



Bangladesh offers enormous investment opportunities for all investors, including those from Vietnam, ICCB President Mahbubur Rahman said. Rahman spoke at the inaugural of a three-day workshop on international trade finance, alternate dispute resolution, logistics and business development jointly organised by the International Chamber of Commerce, Bangladesh, and the Vietnam Chamber of Commerce and Industry (VCCI) in Hanoi, Vietnam. Bangladesh offers export processing zones to foreign investors and special economic zones to various countries interested to invest, he said. Vietnam's exports to Bangladesh amounted to USD 570 million, against Bangladesh's exports of about USD 33 million in 2015, he said. International payments and logistics services play critical roles in global economic integration to reduce the risk of international commerce, said Hoang Quang

Phong, vice chairman of VCCI. The trade framework must be improved to help co-operation between the two countries, especially with an advantageous sea line for logistics services, which is expected to boost two-way trade to reach USD 1 billion this year, said Vu Quand Minh, director of the Economic Department of Vietnam's Ministry of Foreign Affairs.

Reliance wins approval for Bangladesh power plant

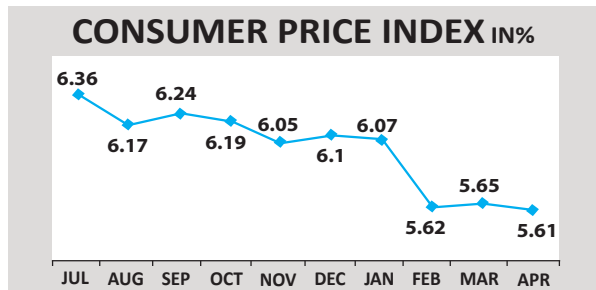


India's Reliance Power has won the approval to set up a 750-megawatt LNG-based power plant and an LNG terminal in Bangladesh, paving the way for USD 1.3 billion in potential investment in the country. Bangladesh has in principle approved the first phase of Reliance Power's 3,000MW power project. The 750MW power plant will be set up on a government-owned land at Meghnaghat in Narayanganj, said Mohammad Hossain, director general of Power Cell. The floating LNG terminal to be built on Maheshkhali Island in Cox's Bazar will have the capacity to re-gasify and store two million tonnes of gas a year, which will be supplied to Reliance's plant with the surplus offered to Petrobangla. Reliance Power, India's leading private power generator, signed a preliminary agreement with Bangladesh to develop 3,000MW of capacity in phases during Indian Prime Minister Narendra Modi's visit last June.

ADB awards best performing project teams

The Asian Development Bank has awarded three of its best performing project teams for the year 2015 in Bangladesh to promote efficient project implementation. Oleg Tonkonojenkov, deputy country director of the ADB's Bangladesh Resident Mission, presented the awards to the winning teams at a ceremony in Dhaka. The winning projects are Secondary Education Sector Investment Programme (SESIP) (tranches 1 and 2), executed by Directorate of Secondary and Higher Education; Second and Third Urban Governance and Infrastructure Improvement Projects, executed by the Local Government Engineering Department; and Power System Expansion and Efficiency Improvement Investment Programme (tranche 1), executed by the North West Power Generation Company, the ADB said. The best project team recognition programme was initiated in 2001, and has been a regular annual exercise by ADB to promote development effectiveness of ADB-assisted projects in Bangladesh.

Inflation edges down on lower commodity prices



Inflation declined 4 basis points to 5.61 percent in April on the back of the lower rice and vegetable prices at home and the slump in commodity prices in the international market. Last month, food inflation dropped 5 basis points to 3.84 percent and non-food inflation 2 basis points to 8.34 percent, according to data from the Bangladesh Bureau of Statistics. Planning Minister AHM Mustafa Kamal, said food inflation fell as the prices of rice and vegetables were low. Non-food inflation also fell as global commodity prices were low. The slump in fuel price in the international market, continued growth in agriculture sector and satisfactory food stock, favourable money supply and the stable political situation contributed to it. Meanwhile, the World Bank, in the latest edition of its Bangladesh Development Update, said the non-food inflation, which has perpetually remained above 8 percent, is high. Bangladesh's current inflation target of 6.1 percent is higher than its trading partners. India, for instance, has set a target of 4 percent, with a band of plus or minus 2-percentage points.

Bangladesh signs deal for welfare of migrant workers



Bangladesh recently signed a deal as part of a project to ensure decent work for migrant workers abroad. The project, known as the Application of Migration Policy for Decent Work for Migrant Workers, is to be executed by the International Labour Organisation and funded by the Swiss Agency for Development and Cooperation. The project, which will cost around USD 7.25 million, will run until March 2018 and can be extended to 2021, the ILO said. In 2015, some 555,881 Bangladeshi workers migrated, of whom 103,718 or 18.65 percent were women, the ILO said. Remittance received through legal channels totaled USD 15.28 billion in fiscal 2014-15, accounting for about 8 percent of the country's gross domestic products.

Germany to bankroll Bangladesh's power transmission upgrade



Germany is providing 139.5 million euros in loans and grants to Bangladesh to improve its power transmission system. Bangladesh and KfW Development Bank of Germany signed two agreements in Germany to support the improvement of power transmission. Mohammad Mejbahuddin, senior secretary of the Economic Relations Division, and Claudia Arce, KfW's director for South Asia, signed the deals in the German Embassy in Dhaka. The ceremony was attended by Finance Minister AMA Muhith and Hans-Joachim Fuchtel, parliamentary state secretary of the German federal ministry for economic cooperation and development. The financing package consists of a concessional loan of 137.5 million euros and a grant of 2 million euros. It is the single biggest project that is being supported financially by the German government for Bangladesh.

Rahimafrooz, Robi sign corporate agreement



Rahimafrooz recently subscribed to Robi's mobile telecommunication services under a tripartite agreement signed with Fair Distribution Limited (FDL), the distributor of Samsung Mobile as the device partner. Robi's Executive Vice President, Enterprise Business, Md. Adil Hossain Noble, Rahimafrooz's Head of Business Development, Faraaz A. Rahim and FDL's Director Sales, Mohammed Mesbahuddin signed the agreement on behalf of their respective organisations at Rahimafrooz's head office. Under the agreement, Rahimafrooz will enjoy special mobile based enterprise solutions, call rate, call conferencing, close user group facility and many more value added services including internet.

MTB RECEIVES LETTER OF APPRECIATION FROM BANGLADESH BANK

Mutual Trust Bank Ltd. (MTB) has been appreciated by Bangladesh Bank for outstanding contribution to the Agriculture sector by exceeding the target for Agricultural and Rural Credit, for the financial year 2014-2015 by a significant margin.

Syed Rafiqul Haq, Deputy Managing Director & Chief Business Officer, MTB, is seen receiving the letter of appreciation from S. K. Sur Chowdhury, Deputy Governor, Bangladesh Bank at a ceremony recently held at Bangladesh Bank, Dhaka. Tarek Reaz Khan, Head of SME & Retail Banking Division, MTB and other senior officials of both the organizations were present at the occasion.



Date: May 11, 2016
Venue: Bangladesh Bank, Dhaka 1000

MTB SIGNS MOU TO COLLECT NID FEES ONLINE AT ANY BRANCH



Date: May 15, 2016
Venue: National ID Wing (NIDW), Agargaon, Dhaka 1207

MTB has recently signed a Memorandum of Understanding (MoU) with National Identity (NID) Registration Wing of Election Commission (EC) Secretariat for collecting NID Fees online. Under this MoU, NID holders would be able to pay their NID fees at any of the 106 MTB branches countrywide.

Md. Anwar Hossain, Director (Admin & Finance), NID Wing, EC and Tarek Reaz Khan, Head of SME & Retail Banking Division, MTB signed the MoU on behalf of their respective organizations. Md. Elias Bhuiyan, Director (Admin & Finance), IDEA Project, EC, Mohammad Mahmud Gony, Senior Vice President, MTB and other senior officials of both the organizations were also present at the occasion.

MTB SIGNS AGREEMENT TO COLLECT BTCL BILLS ONLINE

MTB has recently signed an agreement with Bangladesh Telecommunication Company Limited (BTCL) at MTB Tower, Dhaka for collecting its telephone bills online. Under this agreement, BTCL subscribers will enjoy the privilege of paying all their telephone related bills and payments through any of the 106 MTB branches.

Managing Director, BTCL, Mohammed Kabir Hossain Bhuiyan and Additional Managing Director & Chief Operating Officer, MTB, Md. Hashem Chowdhury signed the agreement on behalf of their respective organizations. Senior officials from both the organizations were present at the agreement signing ceremony.



Date: June 06, 2016
Venue: MTB Tower, 111 Kazi Nazrul Islam Avenue, Dhaka 1000

MTB LAUNCHES COMPLETE RANGE OF MasterCard DEBIT & CREDIT CARDS



Date: June 05, 2016

Venue: Pan Pacific Sonargaon, Kazi Nazrul Islam Avenue, Dhaka 1215

MTB has recently launched the complete range of MasterCard debit & credit cards - World, Titanium, Gold and Classic in Bangladesh. The new range of credit and debit cards will introduce an array of features and benefits for the bank's customers nationwide.

State Minister of the Ministry of Finance, MA Mannan launched the cards as the Chief Guest, at a ceremony held at the Pan Pacific Sonargaon Hotel in the capital. MTB Founding Chairman, Syed Manzur Elahi, Vice Chairman, Md. Hedayetullah, MTB Directors, Rashed Ahmed Chowdhury, Khwaja Nargis Hossain, Md. Wakiluddin, Independent Director Anwarul Amin, MTB Managing Director & CEO, Anis A. Khan, Additional Managing Director & Chief Operating Officer, Md. Hashem Chowdhury, Country Manager, MasterCard Bangladesh, Syed Mohammed Kamal, and Vice President, Gitanka D. Datta, Managing Director, Compass Plus (Asia Pacific), Alexander Bespaly, Account Manager, Compass Plus, Igor Simonov along with customers, well-wishers of the bank and other senior officials from both the organizations attended the gala launching ceremony. MTB and MasterCard will jointly offer an array of privileges and discounts through MasterCard's extensive local and global networks.

MTB World MasterCard cardholders will enjoy promotional offers like BOGO (Buy-1-Get-1) at leading hotels and resorts in Cox's Bazar and Sylhet, in addition to exclusive offers at over 1,200 partner merchants in the country and over 1,300 traveling, dining and golfing partners worldwide.

MTB MasterCard cardholders will get complimentary access to Balaka Lounge at Hazrat Shahjalal International Airport Dhaka, along with 900 airport lounges in 100 countries. Additionally, customers will be eligible for 4 supplementary cards with limited lost card liability facility and health protection plan.

Launching the MTB MasterCard, the State Minister said, "It is heartening to see partnerships such as this, which brings Bangladesh closer to the use of modern banking products and services and safe and secured delivery platforms."

Syed Mohammad Kamal, Country Manager, MasterCard Bangladesh said, "With the introduction of the new range of products, MasterCard and MTB will be working together to provide a safe and secured environment in the payments space with a shared vision of a world beyond cash."

MTB OPENS AGENT BANKING CENTRE AT MURADNAGAR, COMILLA



Date: June 06, 2016
Venue: Jahapur Bazar, Muradnagar, Comilla 3540

MTB has recently opened its first Agent Banking centre at Jahapur Bazar, Muradnagar, Comilla to operate Agent Banking service for its clients.

MTB Managing Director & CEO, Anis A. Khan inaugurated the centre at a simple ceremony held at Jahapur Bazar. MTB Deputy Managing Director & Chief Business Officer, Syed Rafiqul Haq, Head of Agent Banking Division, Madan Mahan Karmoker, along with managers of nearby MTB branches, other senior officials of MTB, dignitaries, members of local business associations, existing and prospective customers and people from different strata were present during the inauguration program.

INAUGURATION OF MTB 24/7 ATM AT FENI DIABETIC HOSPITAL



Date: May 08, 2016
Venue: Feni Diabetic Hospital, Mizan Road, Feni 3900

MTB has recently launched an ATM at Feni Diabetic Hospital with the latest cutting-edge technology, which will allow the bank to offer superior quality services as part of its value-addition strategy.

MTB Additional Managing Director & Chief Operating Officer, Md. Hashem Chowdhury inaugurated the ATM as a Chief Guest. Kamran Chowdhury, renowned industrialist of Feni, Avocate Akramuzzaman Chowdhury, President, Feni Diabetic Hospital, Shusen Chandra Shill, Secretary, Feni Diabetic Hospital, Abdur Rahman B.Com, Chairman, Feni Upazilla, Md. Khurshed UI Alam, Head of MTB Chittagong Division Branches, Giash Uddin Ahmed, Manager, MTB Feni Branch, along with MTB senior officials, dignitaries, members of local business associations, existing and prospective customers and people from different strata were also present during the inauguration ceremony.

MTB INKS MOU WITH PRAN-RFL

MTB has signed a Memorandum of Understanding (MoU) with Pran-RFL Group for installing MTB 24/7 ATMs. Under the MoU, dedicated ATMs will be installed for the employees of Multi-Line Industries, a sister concern of Pran-RFL Group, located at Danga Industrial Park, Polash, Narsingdi.

Additional Managing Director & Chief Operating Officer of MTB, Md. Hashem Chowdhury, and Director (Finance) of Pran-RFL Group, Uzma Chowdhury signed the MoU on behalf of their respective organizations. Among others, MTB Managing Director & CEO, Anis A Khan, Deputy Managing Director & Chief Risk Officer, Md. Zakir Hussain and Deputy Managing Director & Chief Business Officer, Syed Rafiqul Haq were present at the MoU signing ceremony at MTB Centre, Dhaka.



Date: May 03, 2016

Venue: MTB Centre, 26 Gulshan Avenue, Dhaka 1212

MTB SIGNS MOU WITH DHL EXPRESS BANGLADESH



Date: May 10, 2016

Venue: MTB Centre, 26 Gulshan Avenue, Dhaka 1212

MTB has recently signed a Memorandum of Understanding (MoU) with DHL Express Bangladesh at a simple ceremony held at MTB Centre, Dhaka. Under this agreement, DHL will provide air express solutions and other services to the bank and its customers at a very attractive rate.

Md. Hashem Chowdhury, Additional Managing Director & Chief Operating Officer, MTB and ASM Shakil, Director Commercial, DHL Express Bangladesh signed the MoU on behalf of their respective organizations. Desmond Quiah, Country Manager, DHL Express, Bangladesh along with Md. Bakhteyer Hossain, Executive Vice President, MTB and other senior officials of both the organizations were also present at the occasion.

MTB PARTNERS WITH BizCare TO SUPPORT “THE MANGROVE CHILDREN”

MTB has recently signed a partnership with BizCare, a CSR research & consultancy firm in Bangladesh, to support “The Mangrove Children” project. In this regard, a signing ceremony was held at MTB Centre, Dhaka.

Mohiuddin Babar, Chief Executive, BizCare and Rashed A. Chowdhury, Former Chairman and current Director of MTB, exchanged the signed documents on behalf of their respective organizations. Khondoker Riazul Haque, Head of Communications, BizCare, Anis A. Khan, Managing Director & CEO, Md. Hashem Chowdhury, Additional Managing Director and Chief Operating Officer, MTB and other senior officials of both the organizations were also present at the occasion.



Date: May 29, 2016

Venue: MTB Centre, 26 Gulshan Avenue, Dhaka 1212

NATIONAL NEWS

Prime Bank reelects Chairman



Azam J Chowdhury has been unanimously re-elected Chairman of the board of directors of Prime Bank. Mr. Chowdhury is the Chairman of East Coast Group (ECG). He is also the Chairman of The Consolidated Tea & Lands Company Bangladesh Limited (formerly, James Finlay Limited) and Bangladesh Trade Syndicate Limited, an associate of TNT Global Express Company. Mr. Chowdhury is the Managing Director of MJL Bangladesh, a listed company and an affiliate of Exxon Mobil Corporation, USA. He is the director of Omera Petroleum Ltd. (OPL), Omera Cylinders and Omera Fuels. He is the president of Bangladesh Energy Companies Association (BECA) and a member of Advisory Council of the Government's Power, Energy & Mineral Resources.

Jamuna Bank elects Chairman



Gazi Golam Murtoza has recently been elected as the Chairman of Jamuna Bank. Mr. Murtoza is the Director of the country's renowned business conglomerate, "Gazi Group" and also involved in various businesses. He made his mark in IT development in the country. He is the key person of Gazi Networks Ltd. as its Managing Director. He is the Director of Bangladesh Cricket Board (BCB), the Chairman of Cricket Committee of Dhaka Metropolis (CCDM) and also President of Gazi Group Cricketers. He served as Vice Chairman of the Board of Directors of the Bank from April 27, 2010 to April 26, 2011.

Marico appoints Independent Director



Ashraf Hadi has been appointed as an Independent Director of Marico Bangladesh for three years, effective from April 25. He is the third Independent Director on the company's seven-member board. Hadi is a barrister of the Supreme Court of Bangladesh, and is a partner at Dr Kamal Hossain and Associates, with more than 15 years of experience as a lawyer both at home and abroad, in telecom, admiralty, infrastructure, IT, commercial disputes, banking, stockmarket and taxation.

New MD of Uttara Bank



Mohammed Rabiul Hossain, a career banker assumed the office of 'Managing Director & CEO' of Uttara Bank Limited. Prior to the new promotion he was the Deputy Managing Director of same bank. He started his banking career as Probationary Officer with Uttara Bank Limited in 1987. His hands-on approach has resulted in capturing numerous successes for expanding the business of the bank.

RAKUB gets new Managing Director



Muhammad Awal Khan joined Rajshahi Krishi Unnayan Bank (RAKUB) as its new Managing Director (MD). Prior to his new assignment, Awal Khan was Deputy Managing Director of Agrani Bank Limited. Mr Khan started his banking carrier as probationary officer in Bangladesh Krishi Bank in 1982. During his long carrier he holds various capacities like branch and regional managers, divisional head and general manager in different banks like, Sonali Bank Limited, RAKUB and BKB.

Manjur Ahmed BDBL new Managing Director



Manjur Ahmed has recently joined Bangladesh Development Bank Limited (BDBL) as Managing Director (MD). Prior to his new assignment, he was MD of Rajshahi Krishi Unnayan Bank (RAKUB). The banker started his career by joining Bangladesh Krishi Bank (BKB) as Principal Officer in 1983. During his over 32 years of banking career, he performed as Deputy Managing Director in BKB as well as General Manager in the same bank, RAKUB and Bangladesh House Building Finance Corporation. Mr Ahmed also served as Branch manager, Regional Head and Departmental Head at different departments. During his long banking career, the banker took part in many workshops, symposiums and seminars at home and abroad.



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INTERNATIONAL NEWS

Eurozone economy finally reaches pre-crisis levels



The eurozone's economy grew far beyond expectations in the first quarter of 2016, finally surpassing pre-crisis levels after eight years, as cheap oil and credit made itself felt. Inflation in Europe however remained very low and a source of concern with the threat of long term damage caused by falling prices weighing on the economy. The Eurostat statistics agency said growth in the eurozone accelerated in January to March, to 0.6 percent. This expansion beat expectations for 0.4 percent growth and was double the level posted in the two previous quarters, putting the eurozone on course to grow by 1.6 percent year-on-year. The recovery in the 19-nation single currency area, for years mired in a debt crisis and low growth, contrasts with disappointing figures in the United States, which disappointed analysts with an annual rate of growth of just 0.5 percent in the first quarter of this year. Analysts said the jump in eurozone growth meant the benefits of cheap oil and low borrowing rates were finally making their way to consumers. In further positive news, eurozone unemployment in March fell to 10.2 percent, its lowest level since 2011, Eurostat said.

World Bank raises crude oil price forecast

Amid improving market sentiment and a weakening dollar, the World Bank has raised its crude oil price forecast for 2016 citing a receding oversupply in the market. In its latest Commodity Markets Outlook, it projected the price at USD 41 from USD 37 per barrel. The World Bank had slashed its oil price forecast to USD 37 a barrel in January this year. The crude oil market rebounded from a low of USD 25 per barrel in mid-January to USD 40 per barrel in April following production disruptions in Iraq and Nigeria and a decline in non-OPEC output production, mainly US shale. A proposed production freeze by major producers failed to materialise at a meeting in mid-April. The outlook expects energy prices, including oil, natural gas and coal, to fall 19.3 per cent in 2016 from the previous

year, a more gradual drop than the 24.7 per cent slide forecast in January. Non-energy commodities, such as



The World Bank

metals and minerals, agriculture, and fertilisers, are due to decline 5.1 per cent this year, a downward revision from the 3.7 per cent drop forecast in January. With oil and metals prices 50 per cent to 70 per cent lower than their early 2011 peaks, natural resource development projects have already been put on hold or delayed in several emerging and developing countries, it added.

World food prices rise slightly in April: FAO



World food prices rose slightly in April, as gains in vegetable oil and cereals prices more than offset declines in dairy and sugar prices, the United Nations food agency said recently. The Food and Agriculture

Organization's (FAO) food price index, which measures monthly changes for a basket of cereals, oilseeds, dairy products, meat and sugar, averaged 151.8 points in April against a revised 149.5 points the month before. The small increase in April is the third month of gradual rises on the index after four consecutive annual declines. FAO forecast world cereals output in 2016-17 would be 2.526 billion tonnes, almost unchanged from the previous year and fractionally above the forecast it gave the previous month. World wheat output is due to hit 716.9 million tonnes in 2016-17, FAO said, raising its previous forecast. Food prices on international markets in April were almost 10 percent lower than a year ago, FAO said.

INTERNATIONAL NEWS

Alibaba's quarterly revenue leaps 39pc

Chinese e-commerce giant Alibaba's revenue surged 39 percent year-on-year in the first three months of 2016, the company said recently, its fastest growth in the last four quarters. Revenue hit 24.18 billion yuan (\$3.75 billion) for the three months to March, it said in its quarterly results announcement, defying both China's economic slowdown and increasing competition in the world's biggest e-commerce market. The quarterly revenue figure beat analysts' average estimates of a 33 percent rise. Alibaba is China's dominant player in online commerce with its Taobao platform estimated to hold more than 90 percent of the consumer-to-consumer market, and its Tmall platform is believed to have over half of business-to-consumer transactions. The company is considered a proxy for the Chinese economy, which expanded at its slowest rate in seven years during the first quarter of this year, rising an annual 6.7 percent. But Alibaba's net income attributable to shareholders rose 85 percent year-on-year in the quarter ended in March to \$832 million, the company said. For the full financial year ended in March, net income rocketed 196 percent to \$11.08 billion.

Toshiba hires new chief

Toshiba recently appointed a new president to steer its reputation. Company veteran Satoshi Tsunakawa, 60, a senior vice president who joined Toshiba in 1979, will replace incumbent chief Masashi Muromachi in June, Toshiba said. The company also named a new chairman, saying that new leadership was crucial as

Toshiba restructures its business. "The decision was made on the basis that a series of business restructuring initiatives is on track, and that the company should move forward to focus on growth with a new management team," it said. A once proud pillar of corporate Japan, Toshiba has been besieged by problems, most notably a profit-padding scandal in which bosses for years systematically pushed subordinates to cover-up weak financial results.

Wal-Mart profit beats expectations

Wal-Mart Stores Inc reported a higher-than-expected quarterly profit as sales in the US market rose, an improvement the retailer attributed in part to its increasing wages, and its shares jumped nearly 8 percent. Excluding special items, earnings per share came to 98 cents in the first quarter ended on April 29, exceeding the analysts' average estimate of 88 cents. Wal-Mart said sales at US stores open at least a year rose 1.0 percent, excluding fuel price fluctuations. That marked the seventh straight quarterly rise and was stronger than market expectations for an increase of 0.5 percent, according to research firm Consensus Metrix. The company's performance bucked a string of weak results by competitors. Rival Target Corp gave a cautious outlook and reported a lower-than-expected rise in quarterly sales due to unseasonable weather and soft demand. The relatively upbeat results suggest Wal-Mart may be benefiting from its USD 2.7 billion investment to increase entry-level wages and in training of its workforce. It said customer service scores were improving and that store visits rose 1.5 percent in the quarter. Quarterly revenue rose 0.9 percent to USD 115.9 billion despite a USD 3.5 billion hit from a stronger dollar, which reduces the value of overseas sales. Operating income dropped 7.1 percent to USD 5.3 billion, reflecting the impact of boosting the company's minimum wage to USD 10 an hour and investing in automated warehouses dedicated to filling online orders.

INTERNATIONAL NEWS

Australia's economic growth stronger than expected



Australia's economy grew at a better-than-expected 1.1 percent in the first quarter of 2016, compared to the previous quarter, boosted by exports and a rise in household spending. Forecasts were for quarterly growth of around 0.8 percent. On an annual basis the economy expanded 3.1 percent in the three months to March. Service-based industries also contributed to the first quarter growth, along with finance and retail trade industries. The economy has been struggling for growth since the mining boom tapered off, mainly due to slowdown in demand from one of its largest trading partner, China. The Australian dollar shot up by nearly half a US cent following the Gross Domestic Product (GDP) data, which took many by surprise. Economists say the latest growth figures should reduce the need for further interest rate cuts. Last month, the country's central bank - the Reserve Bank of Australia (RBA) - cut its benchmark interest rate to a historic low of 1.75 percent. The RBA cited lower-than-expected inflationary pressures for the reduction from the previous rate of 2 percent. Australians will go to the polls on 2 July after one of the longest election campaigns in the country's history. Prime Minister Malcolm Turnbull has called the election several months early after the country's upper house repeatedly blocked legislation.

South African economy not headed for a recession: S&P

Ratings firm S&P Global Ratings said it does not see South Africa's economy slipping into a recession soon but warned that economic reforms had to be implemented to avoid a downgrade in December. S&P affirmed the investment grade rating of Africa's most industrialized country, keeping at BBB- with a negative outlook, but lowered its economic growth estimate to 0.6 percent from 1.6 percent. South Africa expanded by only 1.3 percent in 2015 and has seen major industries contract as a weak currency, low consumer demand

and rising inflation weigh. The agency also said it was concerned that political upheavals could derail the



economy and that it expected tensions to intensify ahead of local government elections on August 3.

China approves plan to clean up online finance industry



China's government has approved a plan to clean up the country's online financial sector, according to people with direct knowledge of the matter, including rules to limit the activities of P2P lending firms. The plan, drafted by China's central bank, follows a mid-April video-conference with 14 ministries and regulators organised by the State Council, the country's cabinet. It outlines stricter rules for peer-to-peer (P2P) platforms, where lending quadrupled last year to 440 billion yuan (USD 67 billion), according to Citigroup research, forbidding them from holding clients' capital in-house. Instead, client funds must be deposited with a qualified third-party banking institution and kept separate from a P2P platform's own corporate funds. Firms must also set up "firewalls" to manage transactions with affiliates. "The online finance sector has entered a tough period this year," Wang Zhijian, CEO of FuYin, a Shanghai-based P2P platform, said at a financial forum. "Good platforms welcome government regulation for a simple reason: without good rules, bad players push out good players," said Wang, adding a lack of regulation forced all platforms into unfair competition.

INTERNATIONAL NEWS

F5 Networks hires Goldman to field takeover interest

F5 Networks Inc (FFIV.O), a U.S. computer networking company whose technology helps speed up data center traffic, has hired investment bank Goldman Sachs Group Inc (GS.N) following takeover approaches, people familiar with the matter said. The approaches come as F5 seeks to roll out products with new security features and revitalize its growth, as smaller rivals that take advantage of advances in cloud computing make the networking services market ever more competitive. F5 is working with Goldman Sachs to field expressions of interest in an acquisition and decide on its next steps, the people said this week, without identifying the parties that approached the company. F5 has attracted takeover interest in previous years, and there is no certainty that the latest approaches will lead to any deal, the people cautioned. Based in Seattle, Washington, F5 develops products aimed at boosting the security, performance and availability of data centers, applications and servers.

Vodafone picks BofA, Kotak, UBS, other banks for India IPO

British telecoms operator Vodafone has picked Bank of America Merrill Lynch (BofA), Kotak Investment Banking and UBS as joint global coordinators of its Indian unit's IPO, people familiar with the matter said, kicking off its long-awaited listing plan. The IPO is expected to raise between USD 2 billion–USD 2.5 billion, Reuters previously reported, which, at the upper end, would make it India's biggest stock market listing since

state-owned Coal India Ltd raised USD 3.5 billion in 2010. Deutsche Bank, HSBC and ICICI Securities have won joint book-runner roles. The deal offers a rare opportunity for international banks in a market where equity capital raisings worth more than USD 1 billion are uncommon and where stock underwriting fees are amongst the lowest in the world. Vodafone said in November it had started preparations for floating its Indian subsidiary. Vodafone entered India in 2007, when it acquired a majority stake in Hutchison Essar and since 2014 has wholly owned Vodafone India, which operates in a market that has over a billion mobile subscribers – the second-biggest market in the world behind China.

Bank of England unveils first polymer note

Bank of England Governor Mark Carney has unveiled the design of the new £5 polymer note, as part of the central bank's move to shift from paper notes to plastic. The bank will start issuing the new five from 13 September 2016 and it will feature Sir Winston Churchill. The central bank said that the introduction of polymer banknotes allows for a new generation of security features which make it even harder to counterfeit. It said that the polymer note is also resistant to dirt and moisture and so remains in much better condition for longer. It is expected to last for 5 years even after being folded into wallets and scrunched up in pockets. BoE governor Carney said: The New Fiver, the first of the Bank's polymer notes, is cleaner, safer and stronger. The polymer is also harder wearing, as well as resistant to dirt and moisture, so we expect it to last for at least 2.5 times longer." Some of the features in the new note include a see through window featuring the Queen's portrait, with the border of the window changes from purple to green; a hologram which contains the word 'Five' and changes to 'Pounds' when the note is tilted; and a green foil hologram of the maze at Blenheim Palace, Churchill's birthplace and ancestral home. A decision to replace paper notes currently in use with polymer notes was made by the BoE in 2013 following a public consultation.



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

Eligibility:

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Maximum 60 years



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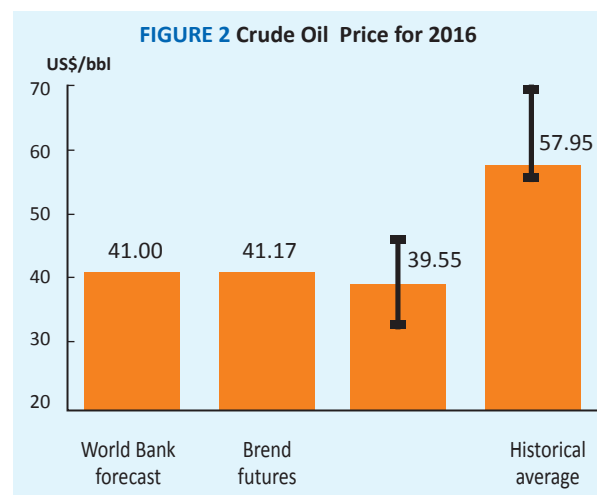
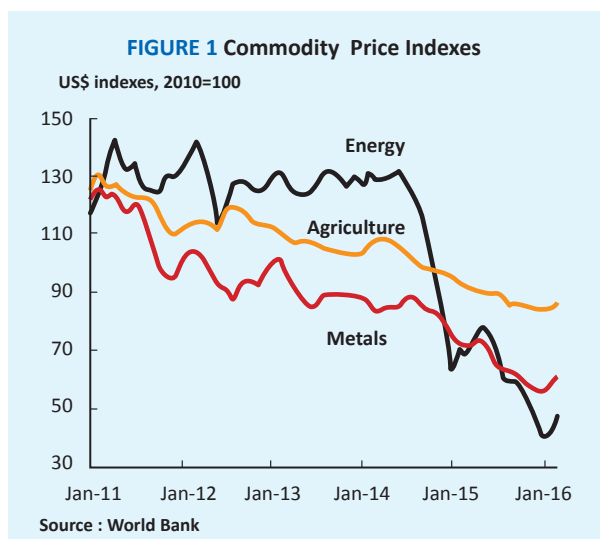
INTERNATIONAL NEWS

Commodity Market Outlook_WB

Most commodity price indexes rebounded in February-March from their January lows on improved market sentiment and a weakening dollar. Still, average prices for the first quarter fell compared to the last quarter of 2015, with energy prices down 21 percent and non-energy prices lower by 2 percent. Given the recent rebound in oil prices and expected supply tightening in the second half of the year, the crude oil price forecast for 2016 has been raised to USD 41 per barrel (bbl), up from USD 37/bbl in the January assessment (and represents a drop of 19 percent from 2015.) Metals prices are projected to decline 8 percent, a slightly smaller drop than anticipated in January due to supply reductions. Agricultural prices have been revised marginally lower on signs of adequate harvests in major producers, and are expected to register a decline of 4 percent from last year. Looking to 2017, a modest price recovery is projected for most commodities as demand strengthens. Crude oil is projected to rise to USD 50/bbl as the market moves

from USD 25/bbl in mid-January to more than USD 40/bbl in mid-April due a number of supply issues, notably outages in Iraq and Nigeria. In addition, oil production in the U.S. fell in December, the first year-on-year drop in several years, and there are indications that output declines may accelerate during 2016. A proposal by key OPEC and non-OPEC producers to freeze production at January levels failed to materialize at the Doha meeting on April 17.

Non-energy commodity prices fell 2 percent in the first quarter on persistently large inventories and ample supplies. Metal prices declined on weakening growth prospects in China and increasing supplies. Cost reductions, largely stemming from lower energy prices, have delayed closures of higher-cost mines. On early indications of favorable harvests in major producers, agricultural commodity prices fell 1 percent, marking the eighth consecutive quarterly decline, though prices of some agricultural commodities reversed the downward trend in March/April. El Niño related problems reduced production of a few commodities (for example, rice and palm oil), but the reductions



into balance. This issue of the Commodity Markets Outlook examines the implications of resource development in an era of lower commodity prices and concludes that ambitious improvements in governance and sounder macroeconomic policies are required to mitigate delays and risks.

Trends: Energy prices fell 21 percent in the first quarter of 2016 (Figure 1). Oil prices led the decline by dropping 22 percent owing to resilient non-OPEC oil production, expanding supplies from Iran, and weak seasonal demand. Natural gas and coal prices are down 15 and 3 percent, respectively, due to oversupply. Oil prices rose

were not large enough to materially affect the agricultural price index. Fertilizer prices fell 12 percent amid surplus production capacity and slower seasonal demand. Precious metals prices rose 6 percent in the quarter (the only index with a sizeable increase), on stronger investment demand amid growing concerns about global growth prospects.

Outlook and risks: All main commodity price indexes are expected to decline in 2016 due to persistently abundant supplies and, in the case of industrial commodities, weak growth prospects in emerging market and developing economies (EMDE). Energy prices are expected to fall 19 percent, with average oil prices projected at USD 41/bbl in 2016 (compared with

USD 37/bbl in the January 2016 Commodity Markets Outlook). This implies marginally higher prices for the rest of the year as the oversupply in the oil market diminishes. The rebound in oil prices from the January lows will be weaker than previous recoveries (Figure 2). Downside risks to the energy price forecast include higher-than-expected output from OPEC producers and weaker global growth. On the other hand, higher oil prices could result because of supply disruptions among key OPEC producers, stronger-than-expected demand, or an agreement by major oil producers to curtail supplies.

Non-energy prices are expected to fall 5 percent in 2016, 1 percentage point lower than the January 2016 Commodity Markets Outlook forecast (Table 1). Metals prices are projected to decline 8 percent following last year's 21 percent drop, due to weak demand prospects and new capacity coming on line. Downside price risks include a further slowdown in China, larger than-expected production, and depreciation of currencies of key suppliers.

Agricultural prices have been revised lower, and are projected to decline 4 percent in 2016 with prices falling in most commodity groups. This agricultural price outlook reflects adequate supplies in anticipation of another favorable crop year for most grain and oilseed commodities. Agricultural commodity markets are also aided by lower energy costs and plateauing demand for biofuels. The largest price drop is for grains and beverages (-5 percent each) and oils and meals (-3 percent). Other food items and agricultural raw materi-

al prices are expected to fall as well.

Upside risks to agricultural price forecasts include the likely development of La Niña (unusually cold weather in the equatorial Eastern Central Pacific Ocean). Its overall impact on commodity markets—if it materializes—will be less than the impact of El Niño. Downside risks reflect policies favoring support to agricultural commodity producers. Fertilizer prices could retreat as much as 13 percent in 2016 due to surplus capacity and weak demand. Precious metal prices are projected to fall 2 percent.

Special Focus on resource development in an era of low commodity prices. During the commodities super cycle that began in the early 2000s, many resource-rich countries benefitted from surging exploration, investment, and production activities, which transformed growth prospects. In 2016, with oil and metals prices 50-70 percent below their early-2011 peaks, these patterns have been reversed, adversely affecting many commodity-exporting countries. Project development has already been put on hold or delayed in several emerging and developing countries. It would take ambitious governance improvements in EMDEs (e.g., to the levels prevailing in advanced markets) to mitigate the delays in ongoing development of large mines resulting from falling metals prices (up to four years for some of the largest mines in EMDEs). Governments seeking to newly develop natural resources may consider delaying new initiatives until the price outlook turns more favorable.

TABLE: Nominal Price Indexes (actual and forecasts) and Forecast Revisions

	Price indexes (2010=100)						Change(%)		Revision ²	
	2012	2013	2014	2015	2016F ¹	2017F ¹	2015-16	2016-17	2016F	2017F
Energy	128	127	118	65	52	63	-19.3	20.0	3.5	1.3
Non-Energy ³	110	102	97	82	78	80	-5.1	2.3	-1.1	-1.0
Agriculture	114	105	103	89	86	88	-3.5	1.8	-1.9	-1.7
Beverages	93	83	102	94	89	89	-4.6	-0.5	-3.5	-3.1
Food	124	116	107	91	88	90	-3.4	2.1	-1.5	-1.4
Oils and meals	126	116	109	85	82	85	-3.4	3.0	-1.1	-1.0
Grains	141	128	104	89	84	86	-5.3	2.8	-1.6	-1.5
Other food	107	104	108	100	98	99	-1.9	0.5	-2.0	-1.8
Raw Materials	101	95	92	83	81	83	-2.9	2.4	-2.0	-1.8
Fertilizers	138	114	100	95	83	84	-13.2	1.4	-8.9	-8.0
Metals and Minerals	96	91	85	67	61	64	-8.2	3.7	1.4	1.1
Precious Metals ³	138	115	101	91	89	88	-1.7	-1.0	5.7	5.0

Source: World Bank

Notes: (1) "F" denotes forecasts. (2) "Revision" denotes change to the forecast from the January 2016 report (expressed in percentage points for the price indexes, \$/bbl for crude oil, and \$/toz for gold). (3) The non-energy price index excludes precious metals.

INTERNATIONAL NEWS



U.S. Overview

Growth with Only Three of Six Cylinders Working

Real final sales, led by consumer spending, residential investment and government spending, continue to drive growth as the weak first quarter performance gives way to a more trend-like 2 percent plus pace for the rest of this year. Meanwhile, inflation continues to inch upward. This combination of better growth and continued moderate inflation provides the Fed a basis for raising the fed funds rate but without any sense of urgency. Given the modest inflation pace and global uncertainties, the yield curve remains relatively flat. Finally, modest nominal GDP growth, in the face of rising unit labor costs, has resulted in a negative path for profits.

In 2016 annual report from December 2015, Wells Fargo emphasized the theme of the great divide. Consumer spending remains the largest contributor to growth, yet equipment spending has settled into a slower pace of improvement. Net exports remain a drag on economic growth. Continued low inflation and low short-term interest rates remains a divide from the past. Wells Fargo began the year with below consensus calls on both growth and the 10-year Treasury rate, and both of these calls continue to work. Finally, a less aggressive fed funds rate trajectory than implied in the FOMC's dot-plot has also come to pass, and Wells Fargo suspects that the path forward will remain that of a lower funds rate. Structural changes in the economy since 2008 continue to set the tone for this cyclical expansion.

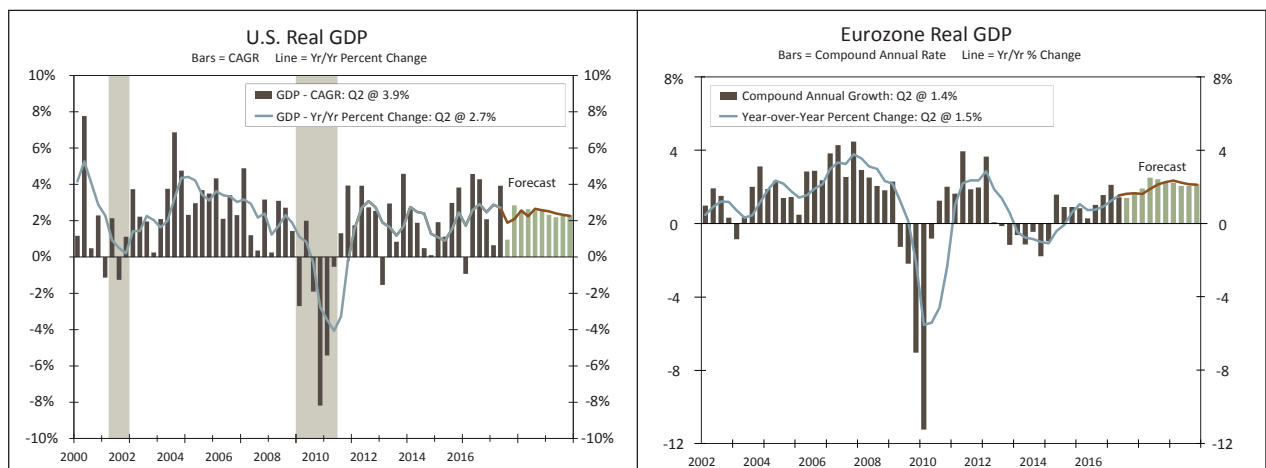
International Overview

International Outlook Less Negative

On balance, the outlook for the global economy in 2016 is somewhat brighter than last month forecast. Owing to an improved outlook for the U.S. economy as well as a run of better-than-expected economic indicators in other foreign economies, Wells Fargo are now forecasting headline global GDP growth of 2.9 percent in the current year compared to just 2.8 percent previously. The 2017 global GDP growth forecast is more or less unchanged at 3.1 percent.

Perhaps the biggest policy change since the May Monthly Outlook was in Japan, where Prime Minister Shinzo Abe postponed plans for another increase in the consumption tax, which would have lifted the unpopular tax to 10 percent from 8 percent currently in April 2017. Bank of Japan Governor Kuroda has long been reluctant to postpone or cancel the consumption tax, citing a need to raise government revenues and bring needed stability to Japan's increasingly untenable long-term fiscal imbalances.

Those legitimate concerns aside for now, the absence of the tax increase in 2017 diminishes the risk of a big disruption to consumption like Wells Fargo saw in 2014. The move also increased speculation that the Abe administration might deliver on a long-awaited fiscal stimulus plan to augment the QQE and negative interest rates currently being implement by the BoJ.



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

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

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

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



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Mutual Trust Bank Ltd.

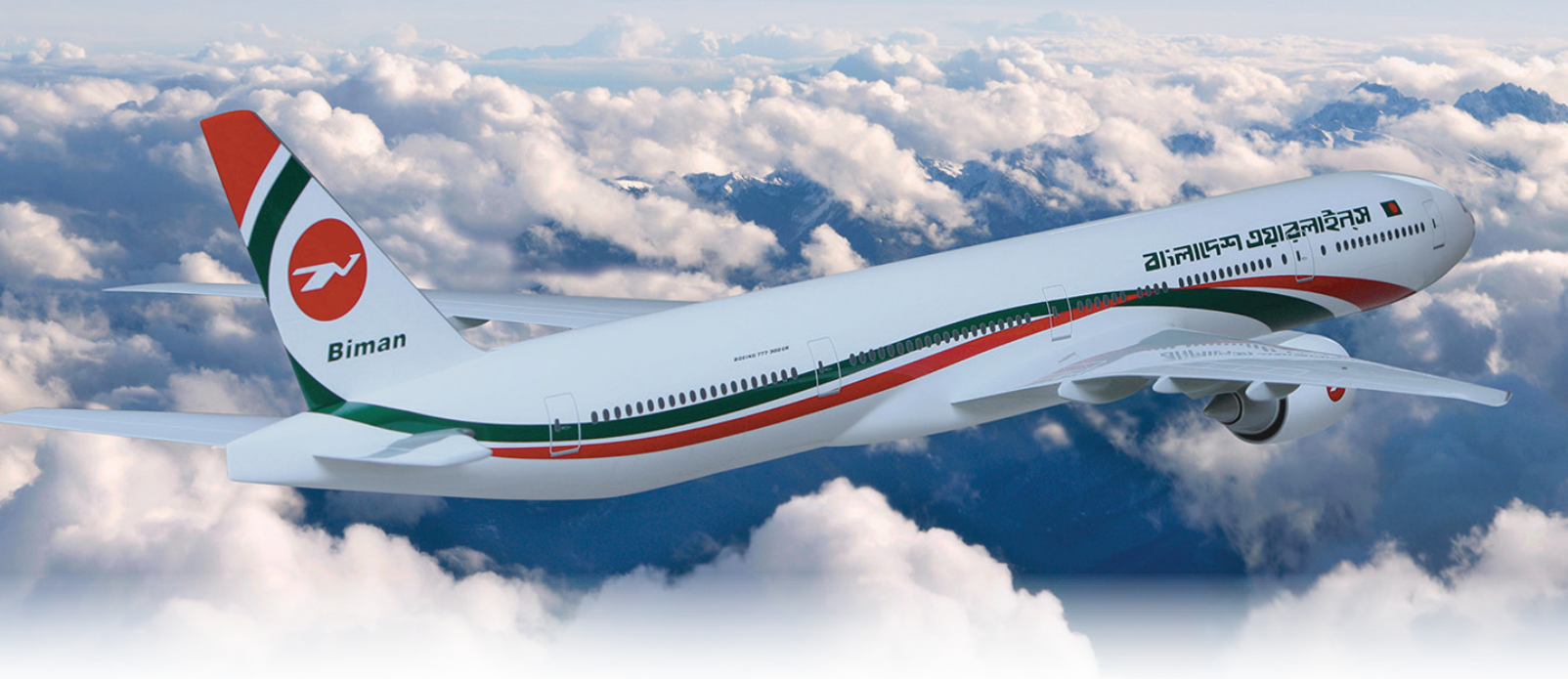
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