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Foreign Remittance that Bangladesh Earns

মিউচুয়াল ট্রাস্ট ব্যাংক লিমিটেড

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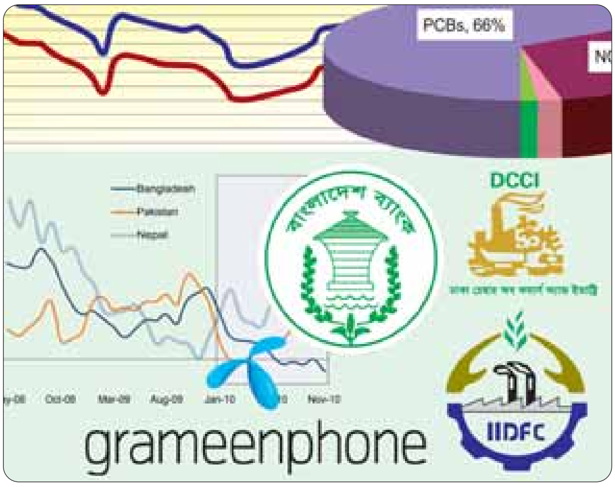

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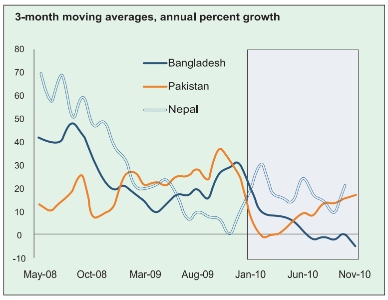
FOREIGN REMITTANCE THAT BANGLADESH EARNS

Migration & Remittances from Global Perspective

According to "Migration and Remittances Fact book 2011", more than 215 million people, or 3 percent of the world population, live outside their countries of birth. Current migration flows, relative to population, are weaker than those of the last decades of the nineteenth century. In 2010, worldwide remittance flows are estimated to have exceeded USD 440 billion. From that amount, developing countries received USD 325 billion, which represents an increase of 6 percent from the 2009 level. The true size, including unrecorded flows through formal and informal channels, is believed to be significantly larger. High-income countries are the main source of remittances. The United States is by fit, the largest, with USD 48 billion in recorded outward flows in 2009. Saudi Arabia ranks as the second largest, followed by Switzerland and Russia. Remittance flows to developing countries proved to be resilient during the recent global financial crisis—they fell only 5.5 percent in 2009 and registered a quick recovery in 2010. By contrast, there was a decline of 40 percent in FDI flows and a 46 percent decline in private debt and portfolio equity flows in 2009.

Foreign Remittances to South Asia



According to 'Global Economic Prospects — 2011' (Volume 2, January 2011), Remittances inflows to South Asia increased by an estimated 10.3 percent (in US-dollar value terms) in 2010, more than double the 4.5 percent growth rate in 2009—but well below the 19 percent average annual rate recorded between 1999 and 2009. However, because local currencies appreciated against the US-dollar, remittances inflows in real local currency-terms are estimated to have contracted in India (down 8.6 percent), Bangladesh (3.4 percent), Nepal (3.1 percent), Sri Lanka (1.7 percent) and Pakistan (1.4 percent). Remittances are a main source of foreign exchange for the region, and are an important driver of regional domestic demand. Official remittances inflows represent a significant share of GDP in Nepal (23 percent), Bangladesh (12 percent), Sri Lanka (9 percent), Pakistan (5.1 percent) and India (4 percent).

Foreign Remittance to Bangladesh

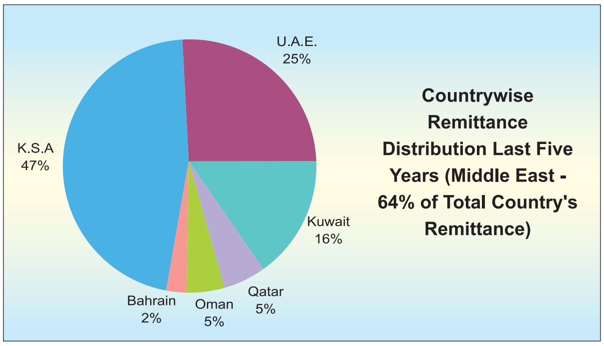
Bangladesh is a labor surplus country. Bangladesh has been considered as one of the labor supplying country in the international labor market. Every year a large number of professionals, skilled, semi-skilled and unskilled labor go abroad for short-term employment. Most of these temporary migrants go to Middle East, Malaysia, and Singapore for short-term employment. Besides, the cost of migration is less to migrate in these countries. The socioeconomic condition of these temporary labor migrants is not good and they come from middle class and lower class of the society.

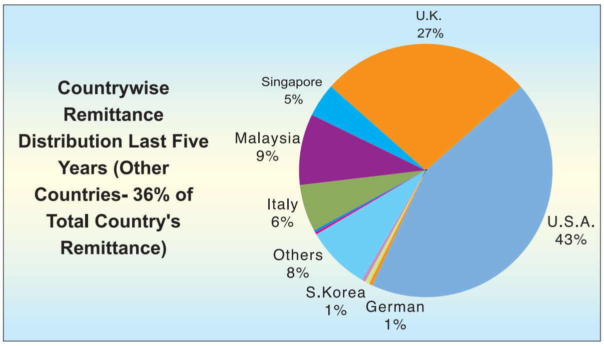
Overall Remittance Market Scenario

Bangladesh stands seventh (7^{th}) among the top remittance recipient countries in the world, according to World Bank's 'Migration and Remittances Factbook 2011'. Remittance inflow increased gradually over the years due to strong monitoring system of Bangladesh Bank, quicker services provided by the local banks and stable foreign exchange rates. Local banks, which have either opened exchange houses abroad or developed linkages with foreign banks, have quickened delivery of money at home, now taking maximum 72 hours to reach the recipients anywhere within the country. Remittance flows tend to be more stable than capital flows, and they also tend to be counter-cyclical—increasing during economic downturns or after a natural disaster in the migrants' home countries, when private capital flows tend to decrease. In countries affected by political conflict, they often provide an economic lifeline to the poor. Earlier the Nationalized Commercial Banks (NCBs) were the main official channels to transfer remittance. Now a day the private commercial banks (PCBs) have become more aggressive in remittance business providing quick and reliable services and attracting the Bangladeshi wage earners to send money home through banking channel.

Size and Growth Trend of the Remittance Market

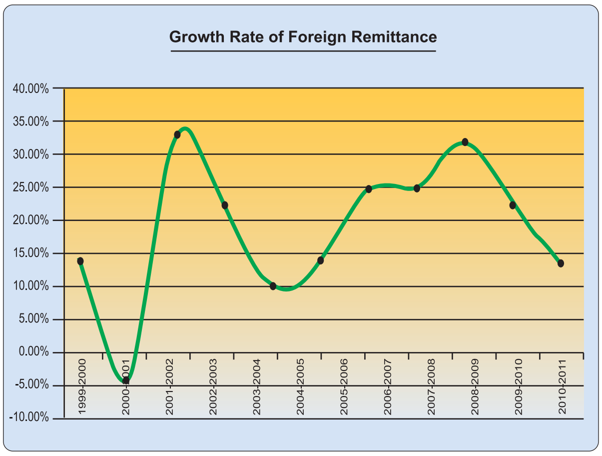
Bangladeshis working abroad sent home USD 6.5 billion in the first 7 months of 2010-2011, up merely 1% percent on the same period a year earlier (USD 6.48 billion). Remittance inflow from Bangladeshi people working abroad is one of the significant sources of earning foreign currency for the country. In last fiscal year, 2009-2010 total remittance inflow was seen as USD 10987.4 million. During 1990-1991 to 2009-2010 the average growth rate of remittance inflow was seen as 15.45% and the trend shows positive growth throughout the years. In recent years the year to year growth rate is having a significant upward trend, for example, compared to previous year's the growth was 31.95% in 2007-08, 22.42% in 2008-09 and 13.38% in 2009-2010. If we consider the country wise remittance inflow then the highest remittance producer country for Bangladesh in last five years was Saudi Arabia USD millions 11919.27 (30%) then respectively U.A.E. USD millions 6517.59 (16%), U.S.A. USD millions 6202.37 (15%), Kuwait USD millions 4039.1 (10%), U.K. USD millions 3852.32 (10%). Interestingly from the Middle East zone Bangladesh received USD millions 25740.1 (64%) of our total remittance in last five years.

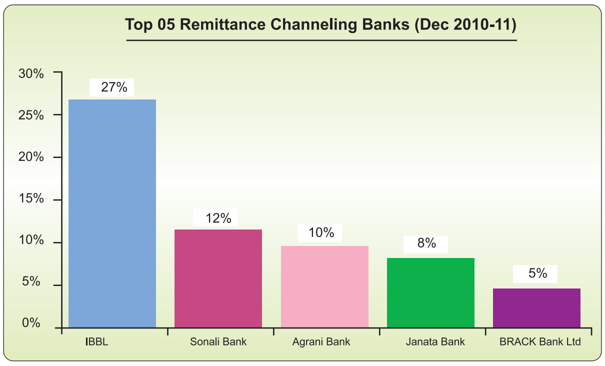




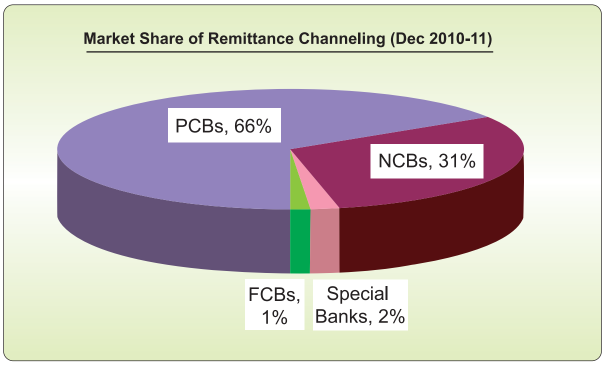
ARTICLE OF THE MONTH

Due to global economic depression and other political factors, foreign remittance inflow to Bangladesh, though increasing but does not show a steady growth rate. A year-to-year growth rate is shown in the chart below:





By type of banks, Private Commercial Banks (PCBs) altogether hold (66%) of the market share followed by NCBs (31%). PCBs include Islami Banks.



Market Share & Market Leaders

Based on the Bangladesh Bank data up to month of December of financial year 2010-2011, market share has been calculated. As par Bangladesh Bank, a total of 45 banks have facility of remittance inflow. Out of 45 banks only 05 banks (Sonali Bank, Agrani Bank, Janata Bank, BRAC Bank Ltd. & Islami Bank Bangladesh Ltd.) accumulate 62% of the total transaction. The market leader is Islami Bank Bangladesh Ltd. (IBBL) with a 27% share.

MTB Exchange (UK) Ltd. & Outlooks

Mutual Trust Bank Ltd. (MTB) has recently launched its fully owned subsidiary "MTB Exchange (UK) Ltd." in the United Kingdom. Syed Manzur Elahi, Former Advisor to the Caretaker Government of Bangladesh and Founding Chairman of Mutual Trust Bank Ltd., inaugurated the enterprise at a gala ceremony held on February 15, 2011 at Waterlily Business Centre, London. A K M Rahmatullah, MP, MTB Sponsor, M.A. Rouf, JP, MTB Director, Mr. Allama Siddiki, Deputy High Commissioner of Bangladesh in the United Kingdom, Iqbal Ahmed OBE, Chairman, British Bangladesh Chamber of Commerce & Industry, Bajloor Rashid, President, Bangladesh Caterers Association (BCA), Ahmed us Samad Chowdhury JP, Chairman, Channel S Television (UK), Ifty Islam, Managing Partner, Tiger Capital Partners spoke at the event as guests of honour. Mrs. Niloufer Manzur, MTB Managing Director & CEO Anis A. Khan graced the gala event.

MTB aspires to be one of the largest Bangladeshi financial services groups offering a diverse and wide array of products and services to its expanding clientele base and launching of MTB Exchange (UK) Ltd. is a manifestation of this endeavor" said MTB Founding Chairman Syed Manzur Elahi, in his address. The special guests welcomed MTB's move to set up remittance services in the UK and hoped that the standard of banking services will further improve. MTB Managing Director & CEO Anis A. Khan, in his speech said that "MTB is striving hard to deliver world-class services to its customers and MTB UK aspires to become a leading exchange and remittance hub in the UK for the Bangladeshi Diaspora."

NATIONAL NEWS

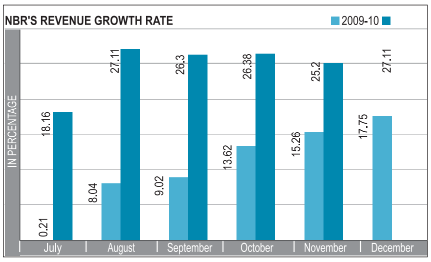
FINANCE AND ECONOMY

BB WON'T ALLOW INDISCIPLINE IN FINANCIAL SECTOR, SAYS GOVERNOR

Economists for strengthening its supervisory capacity

The country's leading economists suggested strengthening supervisory and monitoring capacity of the Bangladesh Bank (BB) to avert any financial crisis, saying that capital market needs to be reformed to check a bubble-like situation. The observations came at a dialogue on growth, inflation and monetary policy: challenges for Bangladesh in FY2011, organised by the Centre for Policy Dialogue (CPD), a private think tank, at CIRDAP auditorium in Dhaka. They also said there is a need to remain constantly vigilant regarding the exchange rates' movement considering the ongoing global developments. Chairman of the CPD Rehman Sobhan emphasised formulating Monetary Policy Statement by the BB's own capacity and without following any directive of any 'orthodox' international institution. The productive sector in the country is heavily under-utilised, especially in the agricultural sector, he said, adding that the scope is huge for increasing production of the major and minor crops. The CPD chairman observed that Bangladesh is facing inflationary situation because of the supply-driven phenomena. Bangladesh Bank Governor Dr. Atiur Rahman warned the central bank would not allow indiscipline in the financial sector, saying that none would be allowed to manipulate and cause indiscipline. "Undoubtedly, we are the owner of the monetary policy. The monetary policy is wholly domestic," the central bank chief said, while responding to the criticism of external influence on monetary policy formulation. He said that inclusive growth is now on the top of their agenda and expressed his intention to provide support to the productive sector. Underscoring the need for long-term reforms in the capital market and real estate sector, the BB governor said that they are trying to stabilise these two sectors. Former BB Governor Salehuddin Ahmed expressed concerned over the bubble in stock market, saying that any financial crises are preceded by bubbles. He also suggested the central bank to be more cautious on credit bubbles as well as allowing it to take independent decisions. (February 14, The Financial Express)

NBR BEATS TARGET FOR REVENUE RECEIPTS



The National Board of Revenue (NBR) has achieved a big success in revenue receipts, 27 percent or around BDT 3,000 crore more than the target, in the first six months of current fiscal year. If the trend continues, NBR will be able to realise more revenues than the target at the end of the current fiscal year, said NBR Chairman Nasiruddin Ahmed. During July-December, the revenue administrator collected BDT 33,550 crore in revenues, up from BDT 26,394 crore in the same period of the previous fiscal year. The body set a target to gather BDT 72,590 crore in revenues in fiscal 2010-11, which was fixed at BDT 30,720 crore for the first six months. Ahmed disclosed the information at a press meet at its conference room in Dhaka. (February 01, The Daily Star)

NEW MONETARY POLICY PRAGMATIC: SALEHUDDIN

Stresses on right implementation

Bangladesh Bank (BB) should strengthen its monitoring and supervision to ensure credit flow to the productive sectors for achieving maximum economic growth and help control inflation, former BB governor Salehuddin Ahmed said. "The central bank will have to check credit diversification from real sectors to other sectors through strengthening monitoring and supervision," Mr. Ahmed told the FE while expressing his reactions to the new monetary policy, announced by BB. He also said the central bank should stick to its financial rules and regulations to avoid any risk and ensure discipline in the financial sector. Terming the new policy a pragmatic one, the former BB boss said the central bank should give emphasis on implantation of the monetary policy properly. (February 01, The Financial Express)

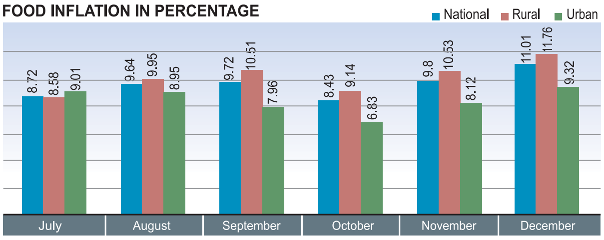
BB TAKES CORRECTIVE STEPS AGAINST LENDING LAPSES

The half-yearly Monetary Policy announced in Dhaka, detailed steps that the central Bangladesh Bank has taken in the field of banking sector. The statement said, BB has initiated necessary corrective and preventive supervisory steps against lending discipline lapses in banks leading to loan diversion into unauthorized uses, holding bank CEOs responsible for oversight on loan utilization (November 2010). In the backdrop of skyrocketing real estate prices, banks have been asked (in April 2010) not to extend loans for land purchase. Compliance surveillance on permitted ceiling of holding of capital market assets by banks was tightened in June 2010, with revised reporting instructions and supervisory arrangements. In October 2010, general provisioning requirement on bank loans against stocks and shares was doubled to two percent. In December 2010, fifty percent margin requirement was made mandatory on all consumers financing; and mandatory adjustment period of current overdrafts to rice traders was reduced to 30 days, to curtail tendency of speculative hoarding. Besides the above mentioned supervisory measures to influence sectoral composition of credit, monetary policy measures adopted to influence cost and volume of credit included i) half percentage point increases in CRR and SLR for scheduled banks from mid May, and once again from mid December 2010, and ii) one percentage point increase in BB's overnight repo and reverse repo interest rates from August 19, 2010. The impact started showing up clearly from December in H2 FY11, coupled with pressure on market liquidity caused by heavy outflows for imports and other external payments such as income surplus/profit/ dividend repatriation by foreign ventures repatriation of post tax income surpluses of foreign airlines, shipping lines and so forth. Repo liquidity infusion in the market from BB had to be increased substantially following the CRR increase in mid- December, to ease the strong outflow related strains mentioned above. The episode of pressure on liquidity brought to surface significant mismatches of Asset Liability Maturities in some banks, causing these to create unusually high spikes in overnight interbank interest rates. BB has since been intrusively monitoring the ALM management practices in these banks. (February 01, The Independent)

INDUSTRIAL OUTPUT RISES 15.31pc, SAYS BB

Country's industrial sector has started getting better with increasing output amidst energy crisis, but on supportive lending rate and rising demands on both domestic and global markets, reports BSS. According to Bangladesh Bank (BB) monthly economic update for January the general index of industrial production including medium and large scale manufacturing stood higher at USD 489.24 million in July 2010, recording an increase of 15.31 percent over July 2009 when the total output was USD 424.28 million. The significant year-on-year figures came on the back of double-digit growth in jute, cotton, knit apparel, leather, food, beverage, tobacco and basic metal product. Indices recording increase in July 2010 compared to the same month of the preceding year are: jute, cotton, knit apparel and leather 20.93 percent, food, beverage and tobacco 17.85 percent and basic metal product 12.20 percent. (February 06, The Financial Express)

FOOD INFLATION SOARS



Food inflation has reached its highest in three years on a point-to-point basis in December 2010 due to rising food prices on both local and international markets. According to Bangladesh Bureau of Statistics (BBS), food inflation increased by 1.2 percentage points to 11.01 percent in December, compared to the previous month, but non-food inflation decreased by 0.06 points to 3.27 percent. The country's poor rural population felt the heat most, as food inflation there reached 11.76 percent in December, which was 10.53 percent in November. Inflation increased to 8.28 percent on a point-to-point basis in December 2010, which was 7.54 percent in November. Bangladesh Bank (BB) said rising trends of global food prices, energy and industrial commodities will be the short-term external source impacting domestic inflation in the coming months. Severe food inflation in India and high international prices of food commodities mean there would be no calming influence on food prices from imports by private sectors -- another reason why local rice prices are high and rising even after a good aman harvest. (February 04, The Daily Star)

BB ISSUES FRESH LICENCE FOR FINANCIAL INSTITUTION

Bangladesh Bank has issued license to Agrani SME Financing Company Ltd, a subsidiary financial institution of Agrani Bank Ltd, to keep the 'Small Enterprises Development Project' functioning. The new financial institution was awarded license on January 31 this year under the section 4 (1) of the Financial Institution Act, 1993. About the rationale behind BB's move of awarding a fresh license amid a volatile financial sector, a BB official said it was only to facilitate SME activities of Small Enterprises Development Project. (February 07, The Daily Sun)

BB ISSUES SILVER COIN ON WC

Bangladesh Bank formally released a silver coin of BDT 10 denomination to mark the ICC Cricket World Cup 2011 hosted jointly by Bangladesh and other South Asian neighbours. Chairman of World Cup Cricket Organising Committee Finance Minister Abul Maal Abdul Muhith formally released the coin at a function at the meeting room of National Sports Council. The central bank decided to issue the commemorative coin to make the holding of World Cup Cricket 2011 memorable and showcase the country's cricket in the international arena. Presided over by Bangladesh Bank Governor Dr Atiur Rahman, the function was attended by State Minister for Youth and Sports M Ahad Ali Sarkar as the special guest. The price of each 30-gram coin, printed in Germany, has been fixed at BDT 3,000. It is now available at all branches of Bangladesh Bank and other scheduled banks. One side of the coin bears the logo beneath which 'ICC Cricket World Cup Bangladesh 2011' has been printed. The other side is inscribed with the picture of the trophy and 'Bangladesh Bank' in both English and Bengali. Chairman of Parliamentary Standing Committee on Finance Ministry AFM Mostafa Kamal, Chairman of Parliamentary Standing Committee on Youth and Sports Ministry M Jahid Hassan Russel and designer of the coin KG Mustafa were present at the function, among others. (February 09, The Daily Sun)

INTEREST RATE SPREAD DECLINES IN SEPT

Interest rate spread of commercial banks declined slightly in September last year due to rising deposit rates, according to the latest statistics by the central bank. The weighted average spread between lending and deposit rates in the country's banking sector came down to 5.18 percent on September 30, 2010 from 5.27 percent in June that year. The average spread of the state-owned four commercial banks, private commercial banks, foreign commercial banks, specialised banks were 3.63 percent, 5.42 percent, 9.06 percent and 2.11 percent respectively. (February 09, The Financial Express)

BB BOOSTS INTERVENTION IN FOREX MARKET

The central bank has strengthened its intervention in foreign exchange market through providing support to the commercial banks for settlement of import bills. "We've provided the foreign currency support to the commercial banks to settle import payment bills for essential items including food grains, petroleum products and power plant equipment," a senior official of the Bangladesh Bank (BB) told the FE. As part of the operation, the central bank sold USUSD 174.50 million directly to the commercial banks this month to meet the growing demand for the greenback. In January last, the central bank sold only USD 26 million to the banks on the same ground, the BB official confirmed. Besides, the BB has provided overdraft (OD) facilities for USD 230 million to the banks in the last two months for settlement of their food grains, petroleum products and power plant equipment import bills. (February 10, The Financial Express)

COUNTRY'S FOREX RESERVE NOW USD 10,381.72m

Finance Minister Abul Maal Abdul Muhith told the House that the country's foreign exchange reserve was USD 10,381.72 million till January 31 this year, USD 283 million up from January 31 in 2010. The finance minister said US Dollar Investment Bond, US Dollar Premium Bond and Wage Earners' Development Bond have been introduced for the expatriate Bangladeshis at an attractive interest rate. "A road show was arranged from Teknaf to Tentulia side by side with holding meetings with bankers in every district to encourage incoming remittances through banking channel," he said. (February 10, The Bangladesh Today)

DR. ATIUR SEES BANKS' LIQUIDITY BASES ADEQUATE

Bangladesh Bank Governor Dr Atiur Rahman said the banking sector of the country has set an example in maintaining its financial health even during the global economic meltdown when banks in the developed countries suffered a severe liquidity crisis. The banks in the country don't have liquidity crisis even now, although few may be in such crisis due to aggressive banking, which he said should be mended immediately. Talking about inflation, the central bank governor suggested that bank loans in unproductive private sectors be checked to prevent wastage and control inflation. BB governor also made a call to all banks of the country to expedite their efforts in providing loans for SME and agriculture sectors as well as initiate green banking programmes. (February 14, The Daily Sun)

BANKS TOLD TO KEEP LENDING RATE AT MAXIMUM 12pc

Import financing for nine items

The central bank has asked the commercial banks to keep the lending rate on import financing for nine essential food items at maximum 12 percent. "It has been observed that some banks are not complying with the existing directive in this connection properly," a senior official of the Bangladesh Bank (BB) told the FE. In May 2009, the central bank told the commercial banks to bring down the lending rate on import financing for nine essential food items to a maximum of 12 percent from 13 percent. The essentials are: edible oil, gram, pulses, peas, onion, spices, date, fruits and sugar. "We've taken the move to help ensure smooth supply of the essential items in the local market," the BB official said, adding that the consumers will get the benefit of the measure. The central bank issued a circular in this connection and asked the chief executives of all scheduled banks to strictly follow the instructions on fixing lending rate on import financing for the essential items. (February 15, The Financial Express)

ABNORMAL RISE IN PRICES OF 17 ESSENTIALS: BB

Prices of 17 essential commodities increased abnormally in January. The commodities were turmeric, garlic, atta (white), wheat, soyabean oil, rice and tea in January this year within a period of one year, a Bangladesh Bank (BB) report released in Dhaka said. The central bank report, titled "Movement of Prices of Consumer Goods in Dhaka City" also found that prices of 10 consumer goods, including rice, chilly, garlic, egg and soyabean oil have escalated further in January 2011 over the month of December 2010, while prices of 10 other consumer goods remained unchanged and five commodities marked a declining trend. The central bank report, which was based on monitoring of price movement of 25 major consumer goods, shows the declining trend in prices of five commodities which are potato, onion, ginger, turmeric and fish (Ruhi). According to the report, coarse rice price increased by 32.14 percent in January 2011 compared to the same period in 2010 while the average prices of medium quality rice increased by 27.78 percent. Price of coarse rice was BDT 29 per kilogram (kg) that rose to BDT 37 and medium rice price rose to BDT 46 a kg from BDT 38. Spanning from January 2010 to last January, prices of turmeric rose by 82.35 percent to BDT 310 per kg from BDT 170, soyabean oil rose by 38.67 percent to BDT 104 per litre (1000 ml) from BDT 75, atta (white) rose by 68.18 percent to BDT 37 per kg from BDT 22, wheat (imported) rose by 42.86 percent to BDT 30 one kg from BDT 21 and tea rose by 30 percent to BDT 260 per kg from BDT 200. (February 15, The Independent)

BANKS' LOAN DEFAULT RATES IN DECLINE

Default rates declined compared to outstanding loans last year, but showed a slight rise in volume, as some banks could not rein in their bad loans. According to Bangladesh Bank statistics, state banks succeeded in cutting their loan default rates, but private, foreign and specialised banks saw their bad loans shoot up. In the overall banking sector, the defaulted loan situation has improved because of continuous monitoring by the central bank, said a BB official. However, in some banks, defaulted loans went up, resulting in a little increase in volume. On December 31, 2010, the defaulted loans of the banks were BDT 22,709 crore or 7.27 percent of the outstanding loans. A year ago, it was BDT 22,482 crore or 9.21 percent of the outstanding loans. The volume of total defaulted loans increased by BDT 227 crore or 1 percent last year compared to the previous year. The central bank evaluates the loan default situation on a quarterly basis. The situation improved substantially on December 31, 2010 over the third quarter. In the third quarter, the defaulted loans reached BDT 24,088 crore but the banks brought down the figure by around BDT 2,000 crore at the end of the year. The amount of bad loans in the banking sector is still huge if the loans being written off are taken into account. A BB official said the central bank is going to take various reform programmes in the banks which will further improve the default loan scenario. A BB official said the defaulted loans of most of the banks went down, but the total bad loans increased as the amount of such loans was high in some banks. (February 15, The Daily Star)

SME VITAL FOR JOB GENERATION: DR. ATIUR

The small and medium enterprises (SME) sector that generates bulk of the employment in a developing country like Bangladesh plays a major part in alleviation of poverty, and the success story of the country will be authored by its small and medium entrepreneurs, said Bangladesh Bank (BB) governor Dr. Atiur Rahman. “This sector alone can generate huge employment opportunities and contribute a handsome amount to the country’s GDP,” said Rahman while addressing the inaugural ceremony of the first-ever SME Financing Fair 2011, held at the Institute of Engineers’ Bangladesh in the port city. Emphasizing the importance of the sector, the BB governor said it can play a significant role in establishing gender equality and bridge the widening the gap between rural and urban income. He also said BDT 53,454 crore in SME loans had been provided to entrepreneurs in 2010, while the amount was BDT 51,148 crore in 2009. “The collection was incredible, with only a deficit of BDT 18347 crore in two years,” he pointed out. Rahman further said the endeavor to encourage woman entrepreneurs proves successful as 19,194 woman entrepreneurs were provided with SME loans worth BDT 2,103 crore last year. (February 16, The Independent)

VAT ON EDIBLE OIL IMPORT REDUCED

The government has decided to reduce VAT on import of edible oil by 33 percent following instruction of the Prime Minister in a bid to keep the price of the food item stable in the local market amid volatile international prices. As per recent instruction of the PM, the National Board of Revenue (NBR) has cut 5.0 percent Value Added Tax (VAT) on import of the edible oil. From now on, edible oil importers will pay 10 percent VAT, instead of 15 percent. With the reduction of tax, the government will have to count BDT 4.0 billion revenue losses in a year, which is one-third of its estimated revenue in 2010-2011 from this sector, NBR sources said. (February 16, The Financial Express)

BB SETS BANKS DEADLINE TO CUT CREDIT-DEPOSIT RATIO

The central bank asked commercial banks to bring down their credit-deposit ratio by June 30. General banks will have to cut down the ratio to 85 percent, while Islamic banks to 90 percent, according to a Bangladesh Bank (BB) directive. At a meeting with Deputy Governor Nazrul Huda in the chair, the central bank issued a warning to the banks that they can no longer provide "any purpose loans". It also said no banks can collect deposits by offering aggressive interest rates. If any bank fails to abide by the rules, it will face legal action. BB held the meeting with 24 banks whose credit-deposit ratio was more than 85 percent till February 4. Of them, 18 are general commercial banks and the rest Islamic banks. The central bank said the directives will be sent to all the banks subsequently. BB told the meeting that in 2011 the prime objective of the banks will be to ensure stability, while profit earning will be a secondary priority. At the meeting, BB placed a report which showed that the average credit growth of the banks was 29 percent but the deposit growth was 22 percent, which pointed to flaws in the banks' fund management. A BB official said if any bank fails to bring down the ratio by the deadline, punitive action will be taken against the bank including non-issuance of new licence to open new branch and its CAMELS (capital adequacy, asset quality, management, earning, liquidity and sensitivity.) rating will also be poor. According to BB, in 2010 the credit-deposit ratio for private banks was 89 percent, which was 73 percent in state banks and 83 percent in foreign banks. The banks are allowed to lend up to 82 percent after maintaining a statutory liquidity requirement against deposits. If any bank wants to go for aggressive banking, it can raise the ratio to 85 percent by adding capital alongside deposits. (February 21, The Daily Star)

BOI RELAXES RULES FOR FOREIGN INVESTMENT

KEY POINTS

BANGLADESH

- Work permit validity is now two years instead of one
- BoI simplifies rules for foreign companies to open branches
- It's mandatory for foreigners to take work permits from BoI
- BoI recommends to Bangladesh missions abroad on potential recruits or investors.
- A data bank to store details of foreign investors

The investment board has relaxed rules to give work permits to foreigners in a bid to attract more foreign investment into public and private sectors. According to the revised guidelines that came into effect recently, the tenure of a work permit for a foreign worker is now two years instead of one. The Board of Investment (BoI) has also simplified the rules for foreign companies and organisations to open new branches and representative offices here. The new rules made it mandatory for every foreigner to take a work permit from the BoI before making new investment in Bangladesh. The foreign investors will also take tax identification number (TIN) and submit income tax clearance certificate to the BoI. The foreign investors can contact the BoI by email and apply online for work permits. (February 24, The Daily Star)

BB REVISES GUIDELINES ON STRESS TESTING FOR BANKS

The central bank has revised guidelines on stress testing for the commercial banks to make the testing more effective, officials said. Under the revised guidelines, the banks will have to submit their stress testing report to the concerned department of the Bangladesh Bank (BB) on a quarterly basis, instead of earlier half-yearly one. Stress testing is a risk management technique used to evaluate the potential effects on an institution's financial condition of specific event and /or movement in a set of financial variables. The idea behind the stress test is to check out financial strength of banks and financial institutions and see how or whether they will be on a proper footing to stay afloat in difficult times. The stress test has to measure what will happen with a bank if the economic situation worsens and the bank's difficulties increase. The revised guidelines are articulated with a number of fresh issues including sensitivity analysis for interest rate-based stress test, along with duration gap. Such provisions were not incorporated in the previous guidelines. (February 27, The Financial Express)

BB LAUNCHES ELECTRONIC FUND TRANSFER NETWORK

Bangladesh Bank (BB) launches the electronic fund transfer network. Governor Dr Atiur Rahman will inaugurate the system at the BB headquarters. The system, tagged as Bangladesh Electronic Fund Transfer Network (BFTN), will initially allow people make online money transactions, payment of utility bills through internet, transfer of funds (account to account), payment for goods and services, and facilitate online credit card payments in local currency. People can later transfer fund from their accounts to the recipients in the country irrespective of their banks, said a BB official. —BSS (February 28, The Financial Express)

PHARMA SECTOR'S GROWTH HIGHEST IN THE WORLD

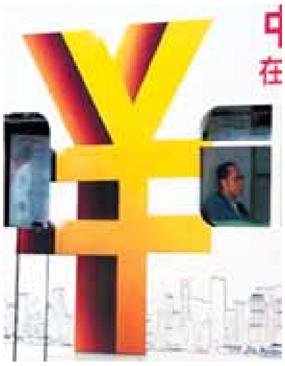
Bangladesh pharmaceutical sector has the highest rate of annual growth globally at 24.58 percent with Chittagong and Rajshahi at the top of the domestic market, said a recent report. According to Intercontinental Marketing Services (IMS), the global pharmaceutical market is growing at a rate of 6.7 percent with North America having 5.5, Europe 4.9, and Africa, Asia and Australian markets having 15.7, Japan 5.9 and Latin America 12.5 percent growth rates. Experts say there is going to be a significant expansion in the regional demand for healthcare spending, especially for more affordable essential drugs. Presently, local companies meet 97 percent of the demand of the local market that stood at BDT 70 billion in 2010, up from BDT 40 billion in the previous year, according to BAPI. (February 28, The Financial Express)

BB Circulars/Circular Letters

Publish Date	Name of Department	Reference	Title
3-Feb-11	Department of Financial Institutions and Markets	DFIM Circular Letter No. 02	Issuance of licence in favour of Agrani SME Financing company Limited as Financial Institution
10-Feb-11	Department of Financial Institutions and Markets	DFIM Circular Letter No. 04	Duration of Maternity Leave
14-Feb-11	Banking Regulation and Policy Department	BRPD Circular Letter No. 03	Re-fixing the time limit for repayment of the loans for the procurement of rice by mill owners and traders
14-Feb-11	Banking Regulation and Policy Department	BRPD Circular Letter No. 04	Fixing Rate of Interest on Import Financing
15-Feb-11	Department of Financial Institutions and Markets	DFIM Circular Letter No. 05	Banks in Dhaka City area to remain closed from 2.00 pm on the occasion of the opening ceremony of the ICC Cricket
23-Feb-11	Department of Financial Institutions and Markets	DFIM Circular Letter No. 06	Cancellation of FID Circular Letter No:06, Dated 07 July, 2002
23-Feb-11	Department of Off-Site Supervision	DOS Circular No. 01	Revised Guidelines on Stress Testing
27-Feb-11	Banking Regulation and Policy Department	BRPD Circular No. 02	Policy Guidelines for Green Banking

FINANCE AND ECONOMY

CHINA NOT CURRENCY MANIPULATOR: US



The Obama administration on declined to cite China for manipulating its currency to gain trade advantages against the United States. The Treasury Department noted that China last June said it would begin allowing its currency to rise against the dollar. The agency said the pace of revaluation has been too slow since and more rapid appreciation is needed. There was no immediate response from the Chinese government. Calls to the central bank and foreign ministry went unanswered. In refusing to cite China, Treasury said Chinese President Hu Jintao had assured President Barack Obama during a visit to Washington last month that China would intensify its efforts to "further enhance exchange rate stability." Treasury said that the pace of revaluation had accelerated in recent months and the movement was being aided by different rates of inflation in the two countries. The report said that the Chinese currency, the renminbi, had risen in value by 3.7 percent against the dollar since China announced in June that it would resume allowing the currency to appreciate. American manufacturers contend that China's currency is undervalued by as much as 40 percent against the dollar. That makes Chinese goods cheaper for US consumers and American products more expensive in China. The US deficit with China, the largest with any country, is on track to set an all-time annual high for 2010. Through November, the deficit with China was running at an annual rate of USD 275.3 billion, which would exceed the previous record of USD 268 billion set in 2008. (February 06, The Daily Star)

JOBLESSNESS, RISING PRICES COULD SPARK WAR WITHIN NATIONS: IMF CHIEF

The world economy is beset by problems such as high unemployment and rising prices which could fuel trade protectionism and even lead to war within nations, the head of the International Monetary Fund warned. Rising food and fuel prices in recent months have already hit poorer countries and are one of the factors behind massive anti-government protests in Egypt and in Tunisia, whose president was ousted last month. "As tensions between countries increase, we could see rising protectionism -- of trade and of finance. And as tensions within countries increase, we could see rising social and political instability within nations - even war," Dominique Strauss-Kahn said in a speech in Singapore. Strauss-Kahn noted two "dangerous" imbalances that he said could sow the seeds of the next crisis. The first was the unbalanced recovery across countries, as emerging nations grow much faster than developed economies and possibly overheat. The second was the social strains within countries with high unemployment and widening income gaps. Over the next decade, 400 million young people would join the global labour force, posing a daunting challenge for governments, Strauss-Kahn added. "We face the prospect of a 'lost generation' of young people, destined to suffer their whole lives from worse unemployment and social conditions. Creating jobs must be a top priority not only in the advanced economies, but also in many poorer countries." Unemployment stands at 9.4 percent in the United States while European countries are struggling to create jobs. Despite high joblessness in the wake of the 2008 global credit crisis, trade barriers have not reached levels feared by many analysts. Instead, a number of countries, most prominently China according to its critics, have sought to keep their currencies undervalued to keep exports humming. "The pre-crisis pattern of global imbalances is re-emerging," Strauss-Kahn said. "Growth in economies with large external deficits, like the US, is still being driven by domestic demand. And growth in economies with large external surpluses, like China and Germany, is still being powered by exports." "Food prices are rising too -- though here supply shocks are the main reason with potentially devastating consequences for low-income countries. Together, these price increases are beginning to feed into headline inflation," he said. The UN food agency said last month that global food prices hit a record high in December, above 2008 levels when riots broke out in countries as far afield as Egypt, Cameroon and Haiti. Strauss-Kahn added that foreign exchange rate adjustments had an important role to play in addressing global economic imbalances and should not be resisted. "Holding back such adjustment in one country also makes it harder, and more costly, for other countries to let their exchange rate adjust," he said. Chinese policymakers were moving in the right direction by taking steps to bolster domestic demand, he noted. The United States and many other Western countries continue to push Beijing to let its yuan currency appreciate faster. (Source: The Financial Times)

CHINA RAISES INTEREST RATES TO TAME INFLATION

China's central bank raised interest rates for the third time in four months, as authority ramp up efforts to tame inflation amid fears it could trigger social unrest. The People's Bank of China said in a brief statement that it would raise the one-year deposit and lending rates by 25 basis points each, taking the rates to 3.0 percent and 6.06 percent respectively. In October, policymakers raised rates for the first time in nearly three years as they try to restrain a flood of liquidity which has been fanning inflation and hiking property prices. They raised them again on Christmas Day. China's consumer price index (CPI), a key measure of inflation, rose 4.6 percent year-on-year in December, down from 5.1 percent in November, which was the fastest rate in more than two years. The full-year CPI was up 3.3 percent, exceeding Beijing's official target of three percent. The government has raised its CPI target to four percent for 2011, as it is forced to acknowledge its limits in constraining prices. Brian Jackson, senior strategist at the Royal Bank of Canada, said the latest rate hike highlighted the fact that inflation had become the government's key policy focus. "Price pressures are building, they're at uncomfortably high levels already and there's a good chance that they could go further in the next few months," he told AFP. "There is a greater sense of policy urgency now in Beijing to deal with that." Ever fearful of inflation's historical potential to spark social unrest, authorities have already pulled on a variety of levers to try and rein in consumer prices and tame the red-hot real estate sector. These include the three interest rate hikes and a number of bank reserve requirement ratio increases. But last month, Zhou Xiaochuan, the central bank's governor, warned that inflation was still higher than expected and said authorities had to remain vigilant, suggesting a rate hike could be on the horizon. Also last month at the World Economic Forum in Davos, business leaders raised concerns over China's property prices, with some worrying that if the bubble burst it could hurt growth. (February 10, The Daily Star)

IMF CHIEF URGES GLOBAL MONETARY REFORM

IMF chief Dominique Strauss-Kahn said the currencies of China and other emerging economies should play a greater role in global finance, as part of a bid to promote monetary stability. Strauss-Kahn, the managing director of the 187-nation International Monetary Fund, backed the inclusion of the yuan in a basket of currencies that makes up the IMF's Special Drawing Rights, a type of reserve currency. Strauss-Kahn also advocated an expanded role for the SDR to help to bolster the monetary system in the face of damaging volatility. Noting the only way the world survived the 2008 financial crisis was through extraordinary international policy cooperation, he warned: "Global imbalances are back." Issues that were worrisome before the crisis -- large and volatile capital flows, exchange rate pressures, rapidly growing excess reserves -- were "on the front burner once again," the managing director said at an IMF panel discussion on international monetary reform. If the problems were left unresolved, they "could even sow the seeds of the next crisis," he warned. Such reform would help address the root of those global imbalances and bolster the system's ability to prevent future crises. "When we worry about the deficiencies of the international monetary system, we are mostly worrying about volatility: a sense that money sometimes flows around the globe in too volatile a fashion, and that countries need a more stable, more predictable external environment in order to prosper," the former French Socialist finance minister said. Strauss-Kahn recalled that the IMF has been working to limit that volatility through several approaches: by strengthening coordination of economic and monetary policy, stepping up surveillance of capital flows and improving its financial safety net for member nations in need. (February 10, The Yahoo! News)

G20 URGED TO ACT ON FOOD PRICE INFLATION

The G20 is being urged to tackle the issue of price inflation affecting basic goods ahead of a two-day meeting which kicks off later, according to BBC online report. Finance ministers and central bankers from 20 of the world's biggest developed and developing nations will gather in Paris. Ahead of the meeting, the International Monetary Fund(IMF) warned food price rises have increased economic imbalances. Earlier this week, the World Bank said food prices were at "dangerous levels". Forty-four million people have been pushed into poverty since last June, it said. John Lipsky, first deputy managing director of the IMF, told the BBC that the G20 needed to work to remedy the instability: "There is great concern over the obvious high volatility of basic commodity prices especially food." French President Nicolas Sarkozy, who is currently the head of the G20, has argued that commodity speculators should be reined in in order to reduce food price spikes and volatility. Meanwhile, more than 100 European and international organisations led by the World Development Movement (WDM) have signed a statement warning the G20 of what they see as the dangers of unchecked speculation. Julian Oram of the WDM said: "By taking action now to curb excessive speculation on food, G20 leaders could save lives, reduce chronic hunger and prevent civil and political unrest." Rapid food price inflation in 2008 sparked riots in a number of countries. At that time, the World Bank estimated 125 million people were in extreme poverty. The World Bank also called on this week's G20 meeting to address the problem, saying in a report that rising food prices were an aggravating factor of the unrest in the Middle East, although not its primary cause. Some analysts have pointed to the difference between speculation, which can provide up-front money to a farmer to plant new crops, for example, and market manipulation, which is designed purely as a play on prices. Mr Lipsky said the market for food and other basic commodities was heavily burdened by controls and subsidies: "I think it would be very useful for the G20 to look at these markets in much better detail and see if they can be improved to better serve the global community and not be a source of instability and worry." (February 19, The Financial Express)

ECB ECONOMIST ISSUES NEW INFLATION WARNING

European Central Bank chief economist Juergen Stark sounded a warning on inflation and said the ECB would act quickly at any sign that people expected it to climb much higher. His comments suggested the central bank could raise its main interest rate from the current record low of 1.0 percent sooner than most analysts expect, possibly within a few months. Inflation across the 17-nation zone could increase from the present level of 2.4 percent, and is "likely to stay above two percent in 2011, before moderating again," Stark told an event at Frankfurt's Goethe University. His comments were also published on the ECB's website. The bank has a mandate to maintain price stability, which it defines as inflation that is below but close to 2.0 percent over the medium term, a period of roughly 18 months. Soaring commodity and oil prices stemming from strong demand in emerging economies and unrest in the Middle East have raised concern that the ECB's monetary policy geared towards heavily-indebted eurozone members could fuel inflation. "Risks to the medium-term outlook for price developments in the euro area as a whole could move to the upside," Stark acknowledged. (February 23, The Daily Star)

INDIA FACES UNEMPLOYMENT BOMB

Last week 100,000 jobseekers traveled to a small northern Indian town for a recruitment fair that ended in tragedy, revealing much about the limitations of the country's economic boom. The crowd of mostly young men converged on the town of 'Bareilly' in Uttar Pradesh crammed into all forms of transport, many of them traveling hours from states across the deeply impoverished plains of north India. On offer was the chance of joining the Indo-Tibetan Border Police (ITBP). A paltry 416 jobs were available as washermen, barbers, water carriers and other lowly positions with a starting salary of 5,200 rupees (USD 115) a month. This remarkable turnout for so few vacancies might have gone unreported except for violence when applicants grew frustrated with the registration process and a gruesome accident as the disappointed hordes headed home. The events in Bareilly send deeper signals about the Indian economy, social change and poverty and tell a different story from the 9.0 percent growth figures and hype about the country as a world economic power. "Right now, the problem of unemployment has not fully appeared, but it's a bomb in a dormant state," said J. Manohar Rao, an author on development and professor of economics at the University of Hyderabad. He describes a cocktail of steep food inflation of nearly 20 percent that is causing severe hardship in rural areas, a fast-growing young workforce and slow development of the industries that could generate mass employment. "These people at the jobs fair, they are not completely uneducated farm workers like before," he told AFP. "They are half-educated and they have a feeling of being educated. They have feelings of pride and they don't feel like working in the fields. "Their expectations are rising, their aspirations are increasing, but the jobs market is not providing." The unemployment rate for 2009-2010, according to the state Labor Bureau, was 9.4 percent nationwide, rising to 10.1 percent in rural areas, where two-thirds of the 1.2 billion populations live. "There is truly an economic boom, but it's a capital-intensive boom. None of the industries coming up are labor intensive," according to AFP. "The boom is through high-technology which creates skilled jobs. (February 07, The Daily Star)

OIL PRICE HITS USD 105 ON LIBYA VIOLENCE

Brent oil prices soared above USD 105 per barrel on Monday (Feb.21), striking a fresh two-year peak as deadly violence in Libya fuelled concerns over spreading unrest in Arab producer states, analysts said In late morning deals, Brent North Sea crude for delivery in April surged to USD 105.08 per barrel, the highest level since late September 2008, before pulling back slightly to USD 104.53, up USD 2.01 from Friday's (Feb.18) closing level. 'The tensions in the Middle East, specifically in Libya, sent Brent crude soaring above USD 105 per barrel,' said analyst Kathleen Brooks at foreign exchange website Forex.com. 'Political turmoil there is spooking commodity markets,' Brooks added. New York's main contract, light sweet crude for March, known as West Texas Intermediate, hit as high as USD 89.50. It later stood at USD 89.14, up USD 2.94 from Friday (Feb.18). ‘Violence in Libya is the main driver of the price rise,’ said Commerzbank analyst Carsten Fritsch. ‘An influential tribal leader has threatened to cease oil shipments to the West within 24 hours if the violence against protesters does not end. (February 22, The New Age)

EGYPT REVOLT TAKES TOLL ON ECONOMY

Egypt’s popular revolt has opened up new political perspectives for the biggest country in the Middle East but dealt the economy a serious blow, scaring off tourists and foreign investors. ‘The crisis is costing the economy at least USD 310 million daily,’ since it began on January 25, said a report from Credit Agricole, lowering a growth forecast for 2011 from 5.3 percent to 3.7 percent. Egypt, the Arab world’s most populous nation with 80 million people, was already struggling pre-revolt with major socio-economic challenges, including high unemployment and inflation. But the government has undertaken a vast economic reform and liberalization programme, with its public debt under control and growth bolstered by direct foreign investment and oil and gas exports. Banks and businesses mostly shut down for 10 days, leading to a six-percent drop in exports in January, the industry ministry said. The Cairo stock exchange is to reopen, more than two weeks after it closed after two frantic trading days saw losses of 70 billion Egyptian pounds, or USD 12 billion. Chaos, fear and attacks on foreigners in Cairo and Alexandria led tens of thousands of holidaymakers to flee Egypt, where tourism accounts for six percent of gross domestic product, at the height of the holiday season. ‘Prolonged political uncertainty and perceived violence could have a destructive impact on tourism earnings this year,’ said Credit Agricole in its report on Egypt. The sector brought in 13 billion dollars in 2010, with a record 15 million people taking their holidays in the Land of the Pharaohs. ‘Losing the winter season could mean more significant repercussions, especially if coupled with a possible summer downturn as customers, planning and booking trips now, are put off by news coverage,’ said World Travel and Tourism Council spokesman Elliott Frisby. ‘Despite this, there is much to remain positive about. While part of Egyptian tourism may be on its knees right now, many key tourist destinations are isolated and away from the cities where incidents have taken place.’ Some big companies have suspended their activities, including Danish oil and marine giant APMoeller-Maersk, cement makers such as France’s Lafarge and Italy’s Italcementi, and Japanese car maker Nissan. Companies such as France Telecom, Russian oil giant Lukoil, gas producer Novatek and German energy group RWE have evacuated some or all of their staff. The wider world would have major cause to worry if there was any risk of the closure of the Suez Canal, from which Egypt earned 4.7 billion dollars in the fiscal year ending June 2009. Fears of such a closure, which would also have a major impact on the world economy, caused the price of Brent oil last week to jump above the key 100-dollar mark for the first time in more than two years. (February 09, The New Age)

RUSSIA BEGINS PRIVATIZATION DRIVE WITH USD 3.2b BANK SALE

Russia sold 10 percent in state bank VTB to foreign and domestic investors, raising over USD 3.2 billion in the first major sale in an expected new wave of privatizations, the government said Monday. The government said that the offer was more than two times over-subscribed by domestic and foreign investors and as a result the sale has raised 95 billion rubles (USD 3.2 billion). It said the offering was the most "successful offering of share capital in the Russian market" since the financial crisis. The government did not identify the names of the biggest new shareholders in VTB but said that "many major US, European, Middle Eastern and Asian companies for the first time invested significant money in the Russian economy." Russia last year unveiled a huge five-year privatization drive in which it hopes to raise some $60 billion, a dramatic change in policy after a decade that saw the government increase control over key assets. (February 15, The Financial Express)

EXTRA SECURITY LAYER FOR PHONE BANKING

Credit card usage over phone will need an additional security layer from tomorrow, as the RBI has made it mandatory for customers to get a single-use password from their banks for every such transactions. Banks are required to comply with the new guidelines with effect from February 1, after which the customers would be declined any telephonic transaction for their credit cards without an additional One-Time Password (OTP). The Reserve Bank of India's directive was earlier scheduled to come into effect from January 1, but the deadline was extended by one month after some banks sought additional time to put the required changes in their systems in place. After consultations among its top officials, as also with the bank representatives, RBI gave banks time till February 1 for putting the new security measure in place. The OTP will now be required for all credit card transactions over phone, including payments and automated IVR (Interactive Voice Response) services. After the new security layer, the customers would need at least five sets of numbers to conduct a credit card transaction over phone -- the 16-digit card number, card expiry date, CVV (Card Verification Value, which is printed on the back of the card) number, mobile number and the OTP. The new step has been taken as a safeguard against credit card frauds. There has been an uptick in credit card frauds, where lost or stolen cards can be used by anyone. For transactions where cards are needed to be presented physically, the RBI has already made it mandatory for identity verification and the signature also needs to be matched with that on the card. (February 01, The Financial Express)

INDIA TO ISSUE SWISS FRANC-DENOMINATED BONDS

Indian state-run banks are issuing Swiss franc-denominated bonds for the first time since 1987 to meet the nation’s fast growing credit demand at more attractive rates as the costs of raising the more common dollar bonds has spiked in recent months. State Bank of India, the country’s biggest lender, has hired three foreign advisers to rise about SFr250m (USD 265m), Naresh Malhotra, the bank’s deputy general manager for overseas expansion, told the Financial Times. “Demand for credit is extremely high at the moment, but the cost of lending is very high in India and increasingly so in the dollar and euro currency,” said Mr Malhotra. “The Swiss franc is very attractive for us and, if the sale of the Swiss currency goes well, we’ll definitely issue more.” The yield on 5-year Swiss government bonds rose to 1.22 percent on Monday. Meanwhile, India’s yield on the most-traded bond due September 2022 raised 14 basis points this month to 8.17 percent, according to Bloomberg. SBI’s move comes two weeks after Union Bank, another state-controlled bank, issued SFr160m at a yield of 200 basis points above mid swaps – the European reference rate used to price bonds. Indian banks are being forced to seek funding outside India as basic lending rates have risen sharply in the last year as the Reserve Bank of India has been desperately trying to fight spiralling inflation. The RBI raised key interest rates for the seventh time in less than a year to 6.5 percent. Following the 2008 global credit crisis, SBI first raised foreign currency debt in 2009 when it sold USD 750m in five-year dollar bonds at a yield of 226bp over US Treasuries. However, as the US economy recovered, US Treasury yields have been pushed higher which, in turn, has pushed up the borrowing costs in dollars for Indian banks. Yields have climbed above 5 percent making dollar denominated issues for Indian banks less attractive, said Mr Malhotra. Although India’s economy is currently going through a correction phase due to high inflation and a drop in capital expenditure, in the long-term the nation’s gross domestic product is expected to grow at close to double digits, according to economists. Standard Chartered expects Indian banks to sell as much as USD 8bn worth of dollar bonds through 2011, compared with the nearly USD 6bn sold in 2010, according to Dealogic data. The bookrunners on the deal were UBS, BNP Paribas and Deutsche Bank. (Source: The Financial Times)

VISA AND MASTERCARD WARN CONSUMERS OVER FEES

Visa and MasterCard are spending tens of thousands of dollars on a soon-to-be-unveiled public awareness campaign designed to educate consumers on the perils of new debit card restrictions, according to people familiar with the plan. Working with major credit card issuers and smaller community banks, Visa and MasterCard are taking advantage of a rare opportunity potentially to delay the implementation of the new restrictions, which would limit the fees that banks charge merchants each time their debit card is swiped. Banks claim the changes could cost them USD 12bn a year in lost fees, while benefiting large retailers such as Walmart and Target. Several Congressmen recently signalled that they would be open to revisiting the rules, which became law last year as a last-minute amendment to the Dodd-Frank Wall Street reform act. Barney Frank, the Massachusetts Democrat who was one of the architects of the regulatory overhaul, said he would be willing to work with Republicans now controlling the House of Representatives on redesigning the restrictions. Spencer Bachus, who replaced Mr Frank as the chairman of the House Financial Services Committee following the midterm elections, has scheduled a tentative hearing for February 17. The Federal Reserve is currently accepting comments on a proposal to cap the fees at 12 cents per transaction, roughly a 70 percent reduction from current rates. If finalised, the restriction would be a victory for large merchants, which have long argued that banks overcharge them for processing debit card transactions. “A debit card is nothing more than a plastic cheque,” said J. Craig Shearman, the vice-president of governmental affairs for the National Retail Federation. “It draws money out of the same account as a paper cheque, yet paper cheques clear at face value.” Banks claim that debit cards carry additional costs, including fraud protection and an instant guarantee of payment. They have warned that the cap being proposed by the Fed would only cover one-fifth of those expenses. To make up for the shortfall, some banks say they could add monthly fees to debit cards or restrict their use – ultimately forcing consumers to pay more for everyday banking services. Other perks are also likely to disappear. JPMorgan Chase, for instance, is doing away with a programme that allowed customers to waive current account fees if they used their debit card five times a month. In addition to curtailing bank revenue, the rules would hurt Visa and MasterCard, which set the fees, by potentially opening the debit card networks they run to more competition. (Source: The Financial Times)

TELENOR CROSSES 100m MARK IN ASIA

Norway's Telenor Group now boasts over 100 million subscribers in Asia, achieving a milestone in business advancement in the region, said the world's front ranking mobile operator yesterday. Sigve Brekke, executive vice president of Telenor Group and head of its Asian Operations, made the announcement at GSMA World Congress 2011 in Barcelona. Telenor entered Asia in 1996 and has since emerged as a leading regional mobile operator. At the end of 2010, the group's five Asian operations generated 39 percent of the group's total revenues and obtained an operating cash flow above NOK 10 billion or BDT 12,260 crore. The group added more than 23 million subscribers in Asia in 2010. The telecom company controls mobile operations in five Asian markets with Grameenphone in Bangladesh, Uninor in India, DTAC in Thailand, DiGi in Malaysia and Telenor in Pakistan. “Demand for basic services will continue to be high, as penetration in some of our markets is still low, but the next big growth area in Asia will involve mobile data and access to internet services." He said the countries should establish investment friendly regulatory framework, secure a level playing field and stimulate continued development for a speedy adaptation of the internet services. The Telenor brand is currently the sixth largest mobile phone operator in the world with more than 203 million subscribers with operators in 11 countries. (February 18, The Daily Star)

By the numbers telenor

Telenor crosses **100** million subscribers in Asia

Group adds more than **23** million subscribers in Asia in 2010

39 percent of total revenues are generated by five Asian operations

NOKIA JOINS FORCES WITH MICROSOFT IN MOBILE PHONE WAR

Nokia, the world's largest mobile phone maker, said it was slashing jobs and joining forces with US giant Microsoft in a major strategy shake-up that left investors disappointed. In an effort to radically change course and fight off encroaching competition from RIM, Apple and Google, chief executive Stephen Elop said Windows Phone would now serve as Nokia's primary Smartphone platform. Canadian Elop -- a former Microsoft executive who in September became the first non-Finn to lead Nokia -- also announced changes to Nokia's executive board and "substantial" job cuts. "Nokia is at a critical juncture, where significant change is necessary and inevitable in our journey forward," Elop said. "There will be substantial reductions in employment in various locations around the world," he told a press briefing in London, without giving further details. The announcements were met with sharp disappointment on the stock market, with investors expecting more and with more details. Nokia's stock closed down 14.22 percent to 7.00 Euros (USD 9.48) on a Helsinki stock exchange down 0.70 percent. Speaking alongside Microsoft chief executive Steven Ballmer, Elop said the mobile phone market had changed from a battle of devices to "a war of ecosystems." That war has proved difficult for Nokia, which has over the past two years seen increasing competition in the lucrative Smartphone sector from Apple's iPhone, Research in Motion's (RIM) Blackberry and phones operated by Google's Android operating system. As part of its new partnership with Microsoft, Nokia Smartphones will be adopting Microsoft's phone platform. "I think there was recognition that for something to effectively compete and ultimately win against Android and iPhone, it would require some big muscle," Elop said. Even though Elop's history with Microsoft had sparked speculation of some kind of cooperation, observers had also said Nokia could join forces with Google to get its hands on the successful Android operating system, particularly as Microsoft's platform has also struggled against Android or the iPhone. (February 13, The Daily Star)

MTB NEWS & EVENTS

MTBSL BECOMES THE 4TH LARGEST BROKERAGE HOUSE IN DSE

Date : March 01, 2011

Congratulations to the 'Team MTBSL' for becoming the 4th most Active Member in February 2011 at DSE. This is yet another step towards achieving MTB3V !

MTB SECURITIES

MUTUAL TRUST BANK LTD. (MTBL) LAUNCHES "MTB RUBY" - SAVINGS ACCOUNT FOR WOMEN

Date : February 08, 2011
Venue : MTB Centre BOD Room

Chief Guest : Mrs. Yasmeen Haque, MTB Director
Special Guests : Syed Manzur Elahi, MTB Founding Chairman & MTB Directors

Invited Guest : Nazia Andaleeb Preema, Visual Artists

MTB LAUNCHES ITS FULLY OWNED REMITTANCE SUBSIDIARY "MTB EXCHANGE (UK) LTD."

Date : February 15, 2011
Venue : Waterlily Business Centre, London

Chief Guest : Syed Manzur Elahi
MTB Founding Chairman

MEETING WITH NEPALESE MICROFINANCE LEADERS

Date : February 27, 2011

Venue : The Sun Floor, MTB Centre

UIU-MTB INTER PRIVATE UNIVERSITY TABLE TENNIS TOURNAMENT 2011

Date : February 27, 2011

Venue : UIU (United International University) Auditorium

MTB News & Events

MTB DISTRIBUTES BLANKETS AMONG COLD HITS

Date : February 03 & 13, 2011
Venue : Jessore & Rampura, Dhaka

MTB distributed winter clothes including blankets, sweaters, shawls, sarees and lungis amongst the disadvantaged people of Jessore and underprivileged Madrasha students at Rampura, Dhaka.

MTB PARTICIPATES IN SME FINANCING FAIR 2011, CHITTAGONG

Date : February 15 -16, 2011
Venue : Engineers' Institute, Chittagong
Chief Guest : Dr. Atiur Rahman
Governor, Bangladesh Bank

MTB participated in the fair organized by SME Foundation in collaboration with Bangladesh Bank at Chittagong.

MTB SIGNS AGREEMENT WITH NEXT CAPITAL PARTNERS

Date : February 20, 2011
Venue : MTB Center

Next Capital Partners (NCPs) will provide Corporate Advisory Services for MTB Capital Ltd. (MTBCL) under the terms of the agreement. Quamrul Islam Chowdhury, DMD, MTB and Arif Khan, Managing Partner, NCPs signed the agreement for their respective organizations.

MTB DECLARES 20% STOCK DIVIDEND

The board of directors of MTB approved a 20 percent stock dividend for the year ended on December 31, 2010.

The board also decided to amend some clauses of articles of association of the bank in connection with categorization of share, rotation of directors and notice period for board meeting, subject to approval of Bangladesh Bank and shareholders in the Extraordinary General Meeting (EGM). The bank has also reported net profit after tax of BDT. 988.36 million with Earnings Per Share (EPS) of BDT. 46.63. The net asset value per share of the bank for the year stood at BDT 206.59, while the net operating cash flow per share at BDT 16.84.

Total Tax Revenue:

Total tax revenue collection in November, 2010 increased by BDT 1016.11 crore or 20.84 percent to BDT 5891.09 crore, against BDT 4874.98 crore in November, 2009. The NBR and Non-NBR tax revenue collection in November, 2010 were BDT 5654.57 crore and BDT 236.52 crore respectively, against BDT 4674.30 crore and BDT 200.68 crore respectively in November, 2009. NBR tax revenue collection during July-January, 2010-11 increased by BDT 8839.15 crore or 28.44 percent to BDT 39914.96 crore against collection of BDT 31075.81 crore during July-January, 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 lower at BDT 82070.68 crore as of end January, 2011, against BDT 87196.61 crore as of end June, 2010. Excess liquidity of the scheduled banks also stood lower at BDT 20660.64 crore as of end January, 2011, against BDT 34498.73 crore as of end June, 2010. Scheduled banks holding of liquid assets as of January, 2011 in the form of cash in tills & balances with Sonali bank, balances with Bangladesh Bank and unencumbered approved securities are 6.39 percent, 32.76 percent and 60.85 percent respectively of total liquid assets.

Investments in National Savings Certificates:

Sales of NSD certificates in December, 2010 stood lower at BDT 1407.92 crore against BDT 1667.22 crore in December, 2009. However, repayment of NSD certificates in December, 2010 stood higher at BDT 1506.59 crore against BDT 1141.86 crore in December, 2009. Net borrowing of the government through NSD certificates in December, 2010 was lower at BDT (-) 98.67 crore against BDT 525.36 crore in December, 2009. Outstanding borrowing of the government through NSD certificates as of end December, 2010 stood at BDT 63351.15 crore, recording an increase of BDT 8327.81 crore or 15.14 percent against BDT 55023.34 crore as of end December, 2009.

Imports:

Import payments in December, 2010 stood higher by USD 284.90 million or 10.55 percent to USD 2984.50 million, against USD 2699.60 million in November, 2010. This was also higher by USD 804.00 million or 36.87 percent than USD 2180.50 million in December, 2009. Of the total import payments during July-December, 2010 imports under Cash and for EPZ stood at USD 14686.80 million, import under Loans/Grants USD 37.80 million, import under direct investment USD 65.60 million and short term loan by BPC USD 448.00 million.

Exports:

Merchandise export shipments in January, 2011 stood lower by USD 67.80 million or 3.41 percent at USD 1920.55 million compared to USD 1988.35 million in December, 2010 according to EPB data. However, this was higher than USD 1429.74 million of January, 2010. The year-on-year growth stood at 34.33 percent in January, 2011.

Remittances:

Remittances in January, 2011 stood higher at USD 970.54 million against USD 969.10 million of December, 2010. However, this was also higher by USD 18.15 million against USD 952.39 million of January, 2010. Total remittances receipts during July-January, 2010-11 increased by USD 35.48 million or 0.55 percent to USD 6521.07 million against USD 6485.59 million during July-January, 2009-10.

Foreign Exchange Reserve (Gross):

The gross foreign exchange reserves of the BB stood lower at USD 10381.72 million (with ACU liability of USD 518.15 million) as of end January, 2011, against USD 11174.35 million (with ACU liability of USD 1077.06 million) by end December, 2010. The gross foreign exchange reserves, without ACU liability is equivalent to import payments of 4.25 months according to imports of USD 2318.23 million per month based on the previous 12 months average (January-December, 2010). The gross foreign exchange balances held abroad by commercial banks stood lower at USD 490.48 million by end January, 2011 against USD 538.07 million by end December, 2010. This was also lower than the balance of USD 513.95 million by end January, 2009.

Exchange Rate Movements:

Exchange rate of Taka per USD increased to BDT 71.15 at the end of January, 2011 from BDT 69.45 at the end of June, 2010. Taka depreciated by 2.40 percent as of end January, 2011 over end June, 2010.

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

Bank Group	June 2010 (BDT in Crore)		As on end January, 2010 P	
	Total Liquid Asset	Excess Liquidity	Total Liquid Asset	Excess Liquidity
State Owned Banks	31088.88	15268.40	26631.72	8480.37
Private Banks	35855.58	9820.39	38420.96	7736.41
Private Islamic Banks	9634.59	4286.13	8209.59	1416.04
Foreign Banks	9247.73	4516.52	7818.62	2954.58
Specialised Banks	1369.83	607.29	989.79	73.24
Total	**87196.61**	**34498.73**	**82070.68**	**20660.64**

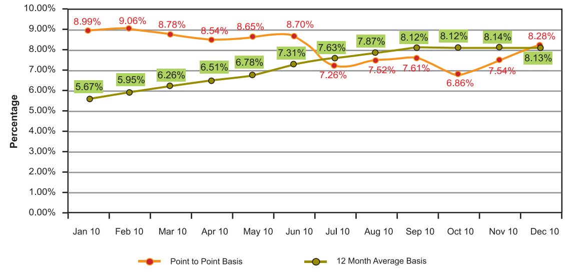
Rate of Inflation on CPI for National (Base:1995-96,100)	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun10	Jul10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10
Point to Point Basis	8.99%	9.06%	8.78%	8.54%	8.65%	8.70%	7.26%	7.52%	7.61%	6.86%	6.86%	6.86%
12 Month Average Basis	5.67%	5.95%	6.26%	6.51%	6.78%	7.31%	7.63%	7.87%	8.12%	8.12%	8.12%	8.12%

Source: Major Economic Indicators

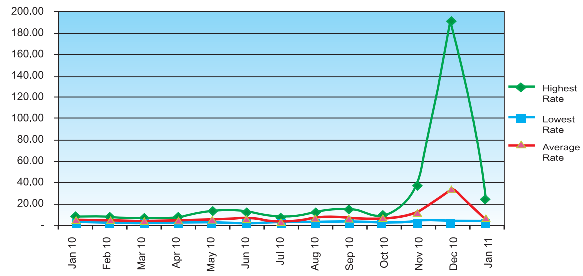
Monthly Average Call Money Market Rates (wt avg)	Jan 10	Feb 10	Mar 10	Apr 10	May 10	Jun10	Jul10	Aug 10	Sep 10	Oct 10	Nov 10	Dec 10	Jan 11
Highest Rate	8.25	7.75	6.50	7.65	13.50	12.50	7.50	12.00	15.00	9.50	37.00	190.00	24.00
Lowest Rate	2.50	2.00	2.00	2.15	2.45	2.00	2.50	2.50	3.50	2.00	3.50	5.00	3.75
Average Rate	4.83	4.51	3.51	4.35	5.07	6.62	3.33	6.36	6.97	6.19	11.38	33.54	11.64

Source: Economic Trends Table XVIII (Call Money)

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



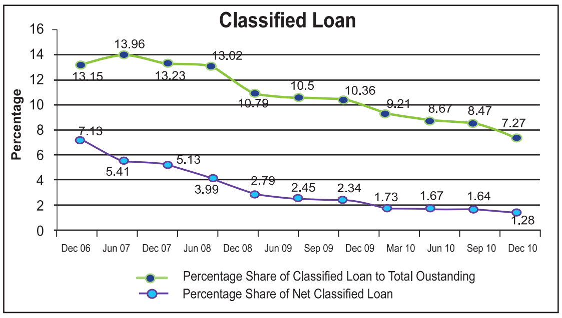
Monthly Average Call Money Rates (Weighted Average)



Classified Loans	Dec 06	Jun 07	Dec 07	Jun 08	Dec 08	Jun 09	Sep 09	Dec 09	Jun 10	Sep 10	Dec 10
Percentage Share of Classified Loan to Total Outstanding	13.15	13.96	13.23	13.02	10.79	10.5	10.36	9.21	8.67	8.47	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

Monetary Survey				Percentage Change (%)		
	December, 2009	June, 2010	December, 2010 P	Jul-Dec.'10-11	Jul-Dec.'09-10	FY 2009-10
Reserve Money (BDT crore)	70,566.40	80510.30	85903.30	6.70%	1.70%	16.03%
Broad Money (BDT crore)	328,192.20	363,031.20	399,279.00	9.98%	10.69%	22.44%
Net Credit to Government Sector (BDT crore)	48,800.20	54392.30	52459.30	-3.55%	-16.13%	-6.52%
Credit to Other Public Sector (BDT crore)	14,970.60	15060.70	18979.90	26.02%	20.35%	21.07%
Credit to Private Sector (BDT crore)	243,705.00	270760.80	310923.70	14.83%	11.83%	24.24%
Total Domestic Credit (BDT crore)	**307,475.80**	**340213.80**	**382362.90**	**12.39%**	**6.56%**	**17.90%**

L/C Opening and Settlement Statement (USD million)					Percentage Change (%)	
	July-Jan 2009-10		July-Jan 2010-11		Year over Year	
	Open	Sett.	Open	Sett.	Open	Sett.
Food Grains (Rice & Wheat)	729.71	474.36	1,816.51	882.68	148.94%	86.08%
Capital Machinery	1,002.23	834.08	1,826.16	1181.36	82.21%	41.64%
Petroleum	1,353.12	1,156.59	1,420.52	1804.19	4.98%	55.99%
Industrial Raw Materials	5,526.72	4,668.96	9,382.98	7179.25	69.77%	53.77%
Others	6,877.94	5,423.07	8,616.50	7010.85	25.28%	29.28%
Total	**15,489.72**	**12,557.06**	**23,062.67**	**18,058.33**	**48.89%**	**43.81%**



YEARLY INTEREST RATES

End of Period	Bank Rate	Call Money Market's Weighted Average Interest Rates on Borrowing	Call Money Market's Weighted Average Interest Rates on Lending	Scheduled Banks' Weighted Average Interest Rates on Deposits	Scheduled Banks' Weighted Average Interest Rates on Advances	Spread
2010	5.00	6.62	6.62			
2009	5.00	5.04	5.04	6.35	11.49	5.14
2008	5.00	10.27	10.27	7.31	12.31	5.00
2008	5.00	9.31	9.31	6.77	12.75	5.98
2007	5.00	7.17	7.17	6.98	12.99	6.00
2006	5.00	8.41	8.41	5.90	11.25	6.01
2005	5.00	4.93	5.74	5.56	10.83	5.27
2004	5.00	6.88	8.17	6.25	12.36	6.11
2003	6.00	9.49	9.56	6.49	13.09	6.60
2002	7.00	8.26	8.57	6.75	13.42	6.67
2001	7.00	6.82	7.21	7.08	13.75	6.67

Interest Rate Development *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												
February	….	8.16	8.6	10.6	11.72	12.14	12.99	8.75	6.75	9.25	13.47	8.16
March	….	8.16	8.6	10.6	11.72	12.14	12.98	8.5	6.5	8.31	13.62	7.91
April	6.53	7.48	8.31	9.97	11.68	11.79	11.48	….	….	1.95	13.53	8.17
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	8.8	….	8.5	….	4.39	13.13	7.45
October	2.14	3.51	4.57	7.8	8.75	8.69	9.1	….	2.5	2.82	13.07	7.39
November	2.3	….	4.6	7.8	….	….	….	4.5	2.5	4.43	12.87	7.33
December	2.3	3.54	4.6	7.8	8.75	8.69	9.1	4.5	2.5	5.05	12.80	7.33
January	2.33	3.55	4.61	7.8	…	8.74	….	4.5	2.5	4.83	12.43	7.06
February	…	3.56	4.62	7.82	8.75	8.74	9.11	4.5	2.5	4.51	12.33	7.14
March	…	3.54	4.63	7.85	8.76	8.75	9.15	4.5	2.5	3.51	12.41	7.13
April	2.34	3.42	4.15	7.85	8.77	8.77	9.17	4.5	2.5	4.36	12.37	7.20
May	2.37	3.52	4.2	….	8.77	8.77	9.19	4.5	2.5	5.18	12.30	7.13
June	2.42	3.51	4.24	7.87	8.78	8.8	9.15	4.5	2.5	6.46	12.37	7.40
2010-11 *p												
July	2.43	3.51	4.24	7.88	8.79	8.84	9.2	4.5	2.5	3.33	12.58	7.25
August	…	…	…	7.88	8.82	8.86	9.23	5.5	3.5	6.58	12.29	7.21
September	…	…	…	7.93	8.85	8.91	9.24	5.5	3.5	7.15	11.76	7.22
October	2.94	3.75	4.45	7.96	8.85	8.94	9.25	5.5	3.5	6.2	11.81	7.22
November	3.72	4.16	4.65	8.00	8.89	9.05	9.41	5.5	3.5	11.38	11.78	7.25
December	4.58	4.85	5.50	8.10	9.45	9.11	9.56	5.5	3.5	33.54	12.20	7.32
January	5.11	5.39	5.94	8.25	9.5	….	9.6	5.5	3.5	11.64	12.64	7.59

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 February 27 to March 03, 2011)

Weekly Summary Comparison

	Feb 27 - March 03	Feb 20 - Feb 24	% Change
Total Turnover			
in mn BDT	25,177	26,736	(5.83%)
Daily Average			
Turnover in mn BDT	5,035	6,684	(24.66%)

Category-Wise Turnover

Category	Feb 27 - March 03	Feb 20 - Feb 24	% Change
A	95.64%	96.33%	(0.007%)
B	2.36%	1.97%	0.004%
G	0.00%	0.00%	0.000%
N	1.38%	0.95%	0.004%
Z	0.61%	0.74%	(0.001%)

Scrip Performance in the Week

	Feb 27 - March 03	Feb 20 - Feb 24	% Change
Advanced	32	57	(43.86%)
Declined	228	202	12.87%
Unchanged	0	2	(100%)
Not Traded	5	4	25%
Total No. of Issues	265	265	0%

Top 10 Gainer Companies by Closing Prices, February, 2011

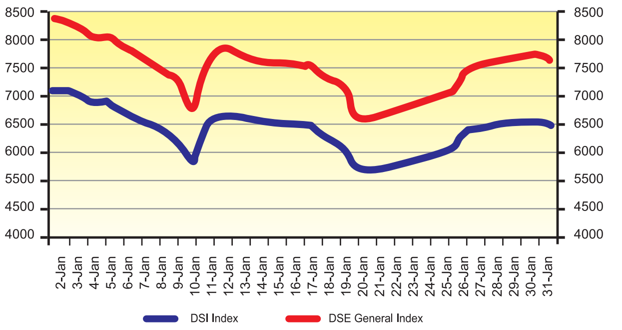
Sl	Names	Category	% of Change	Deviation % (High & Low)
1.	Asia Insurance Ltd.	A	16.99	22.68
2.	Meghna Petroleum Ltd.	A	9.89	15.67
3.	ICB AMCL 2nd M.F.	A	6.40	13.64
4.	Social Islamic Bank Ltd.	A	6.10	25.75
5.	Power Grid company Bangladesh Ltd.	A	5.41	14.78
6.	Sub 25% Convertible Bonds of Brac Bank Ltd.	N	3.48	8.79
7.	Summit Power	A	3.31	15.22
8.	BEXTEX Limited	A	3.06	15.23
9.	Bata Shoe	A	2.46	13.55
10.	Metro Spinning	A	2.14	23.54

Top 10 Loser Companies by Closing Prices, February, 2011

Sl	Names	Category	% of Change	Deviation % (High & Low)
1.	Eastern Bank Ltd.	A	-48.76	112.36
2.	ILFSL	A	-43.69	82.57
3.	Prime Insurance Ltd.	A	-37.06	70.65
4.	Dhaka Bank Ltd.	A	-30.10	50.00
5.	H.R.Textile	A	-25.00	26.67
6.	Chittagong Vegetable	A	-22.02	22.00
7.	Mutual Trust Bank Ltd.	A	-21.96	16.40
8.	Jute Spinners	A	-21.25	30.00
9.	Saiham Textile	A	-21.24	36.99
10.	Bd. Welding Electrodes	A	-20.54	32.53

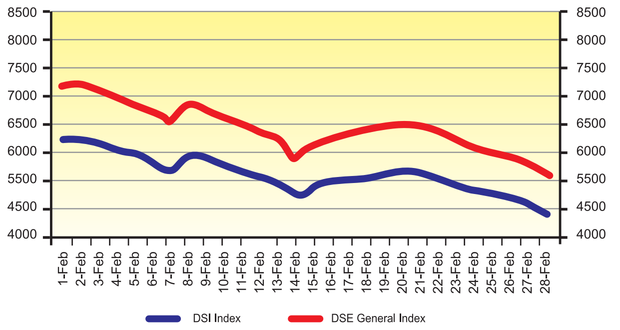
Average Monthly Trend

DSE Price Indices for Jan-2011



Average Monthly Trend

DSE Price Indices for Feb-2011



The Dhaka Stock Exchange's (DSE) bearish trend continued in February. DGEN closed at 5,203 at month end, which is thirteen months' low. DGEN fell by 2,281 points or 30.48% during the month. In total, it fell by 3,715.43 points or 41.66% from its peak of 8,918.51 points recorded on December 5, 2010. The slump in the market followed an announcement by the Securities and Exchange Commission that the government has decided to postpone a long-promised listing of 21 state-owned companies (SoEs). The Finance Minister AMA Muhith said that decision on offloading shares of the state-owned enterprises (SoEs) will be taken in March this year. Losses were recorded across the board, with banks, telecommunications and power shedding more than 7 percent each.

Buying support from Govt. institutions could not restore confidence among investors. Average daily turnover declined by BDT 2,590 mn or 27.71% from BDT 9,348 mn (January, 2011) to BDT 6,758.07 mn (February, 2011). Finance Minister AMA Muhith urged the investors to refrain themselves from panic selling.

Domestic Capital Markets Review

CAPITAL MARKET - CSE

(For the Weeks February 27 to March 03, 2011)

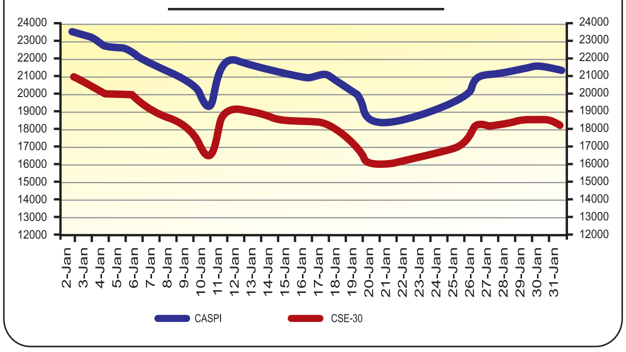
Top 10 Gainer Companies by Closing Price, February, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Asia Insurance Ltd.	A	14.60	75.30	86.30	13,122,950.00
Social Islami Bank Ltd.	A	14.46	39.40	45.10	83,941,444.50
R. N. Spinning mills ltd.	A	13.14	67.70	76.60	36,475,325.00
Subordinated 25% Convertible Bonds	N	11.27	825.00	918.00	31,320.00
ICB AMCL Second Mutual Fund	A	8.94	123.00	134.00	1,094,950.00
Rangpur Foundry Ltd.	A	8.78	74.00	80.50	1,351,450.00
Bextex Ltd.	A	7.90	53.10	57.30	265,217,860.00
Popular Life First Mutual Fund	A	7.69	7.80	8.40	3,434,000.00
Miracle Industries Ltd.	B	7.60	25.00	26.90	741,425.00
Information Services Network	A	7.49	26.70	28.70	813,700.00

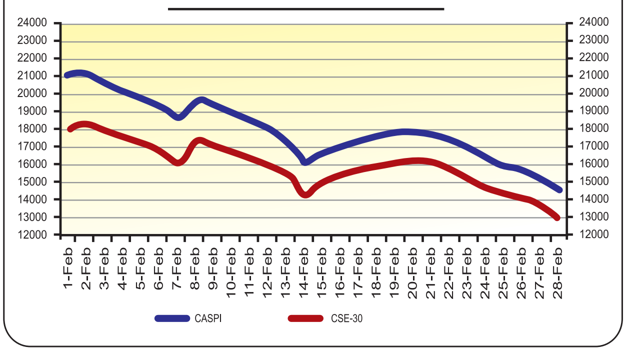
Top 10 Loser Companies by Closing Price, February, 2011

Names	Category	Week Difference	Opening	Closing	Turnover (BDT)
Eastern Bank Ltd.	A	-44.76	86.00	47.50	14,447,060.00
International Leasing and Financial Service	A	-41.09	2,153.75	1,268.75	11,908,475.00
Prime Insurance Company Ltd.	A	-34.22	97.30	64.00	124,200.00
Berger Paints Bangladesh Ltd.	A	-30.89	759.70	525.00	53,800.00
Tallu Spinning Mills Ltd.	A	-30.02	433.00	303.00	172,235.00
Dhaka Bank Ltd.	A	-26.78	57.50	42.10	13,459,610.00
Safko Spinning mills Ltd.	Z	-26.09	410.00	303.00	15,150.00
Sonargaon Textile Ltd.	A	-22.56	804.50	623.00	687,150.00
1st BSRS MF	A	-19.63	1,454.00	1,168.50	72,700.00
Rupali Life Insurance Company Ltd.	A	-17.94	2,356.00	1,933.25	503,662.50

CSE Price Indices for Jan-2011



CSE Price Indices for Feb-2011



International Capital Markets

SELECTED GLOBAL INDICES

Global Indices Round-up

Despite a slight step back, stocks closed out February on an upbeat note, posting their third straight month of gains. Overall, all three major indexes The Dow Jones, the S&P 500 and the Nasdaq were up nearly 3% during the month and have risen more than 5% since the beginning of the year. The stocks started February strong mainly owing to solid earnings reports, uprisings in the Middle East sent oil prices skyrocketing and stocks falling last week (22 to 28 Feb, 2011).

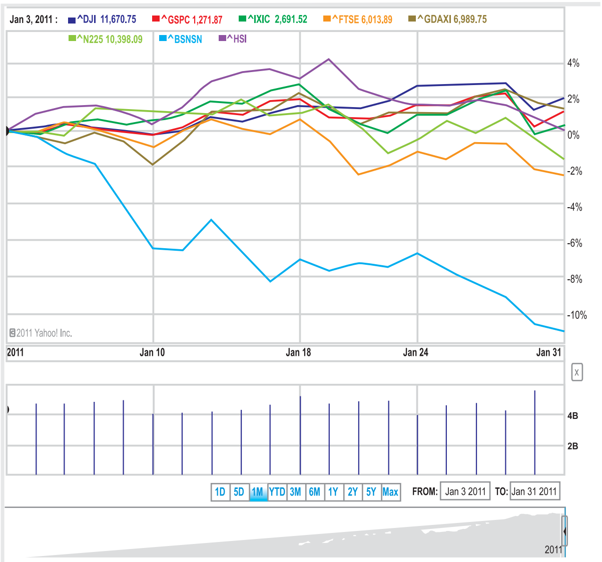
European stocks ended the month mixed. Britain's FTSE rose 2.2% and the DAX in Germany ticked up 2.8%. Asian markets ended the session lower. The Shanghai Hang Seng in Hong Kong decreased by .5% and The BSE Sensex had a fall of 2.8% but Japan's Nikkei rose by 3.8%.

INTERNATIONAL MARKET MOVEMENTS

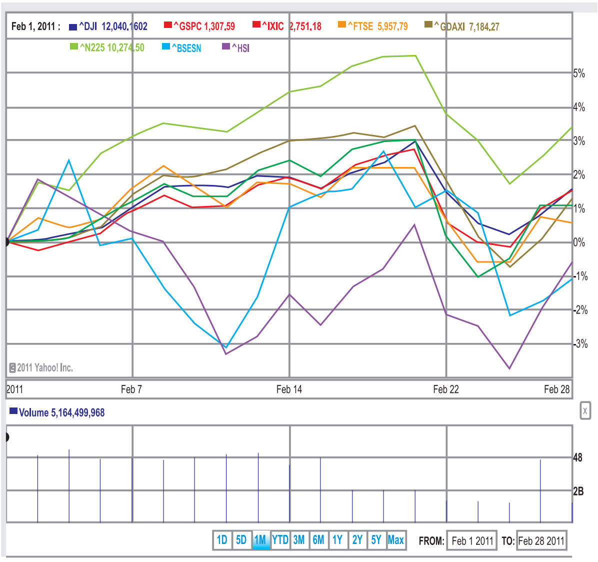
INDEX	VALUE (As of Feb 28, 2011)	VALUE (As of Jan 31, 2011)	CHANGE	% CHANGE
DJIA	12,226.34	11,891.93	334.41	2.8%
S&P 500	1,327.22	1,286.12	41.1	3.2%
NASDAQ	2,782.27	2,700.08	82.19	3.0%
FTSE 100	5,994.00	5,862.90	131.1	2.2%
DAX	7,272.32	7,077.48	194.84	2.8%
NIKKEI 225	10,624.09	10,237.92	386.17	3.8%
BSE SENSEX	17,823.40	18,327.76	-504.36	-2.8%
HANG SENG	23,338.02	23,447.34	-109.32	-0.5%
Arithmetic Mean				1.8%

DOUBLE VIEW

January 2011



February 2011



(Compiled from Yahoo! Finance)

WELLS FARGO SECURITIES ECONOMICS GROUP™ REPORT

U.S. OVERVIEW

Sustained Growth, but Not Without Some Risks

Domestic demand continues to flow from better consumer spending, solid equipment and software spending and a turnaround in nonresidential construction. This is our traditional cyclical recovery. What continues to distinguish this recovery is the weakness in residential construction and municipal government spending. These are our structural impediments. In this way, we can see how one could characterize this period as a period of economic recovery and expansion, while also recognizing that weakness still remains in certain sectors.

Meanwhile, inflation, while well within the Federal Reserve's comfort zone, is clearly rising. Short-term interest rates remain low, but longer-term interest rates have already risen in response to expectations of better economic growth and higher commodity prices. With moderate gains in consumer demand and rising commodity prices, we suspect producers will have to absorb at least some of these higher input costs, resulting in a moderation in corporate profit growth.

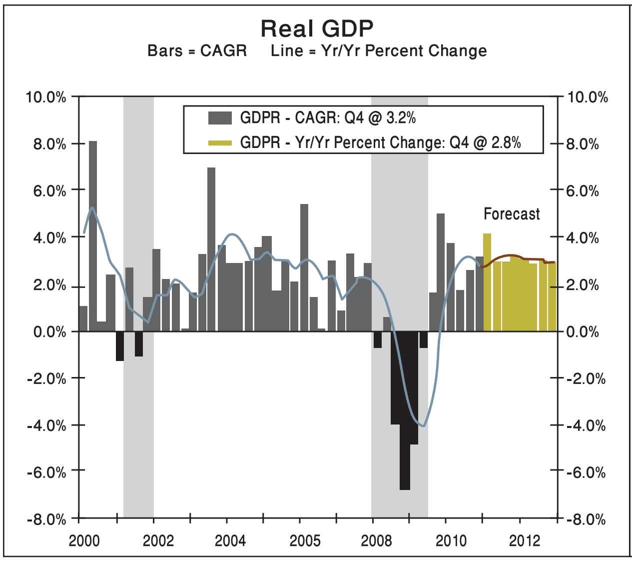
Two risks remain foremost in our view. First, inflation will rise sooner and faster than the consensus expectation embedded in current interest rates. In part, we have already witnessed some of this as producer prices and thereby 10-year Treasury rates are already up faster than many expected in just the first month of this year. Second, progress on addressing federal budget imbalances will stall in the face of political roadblocks.

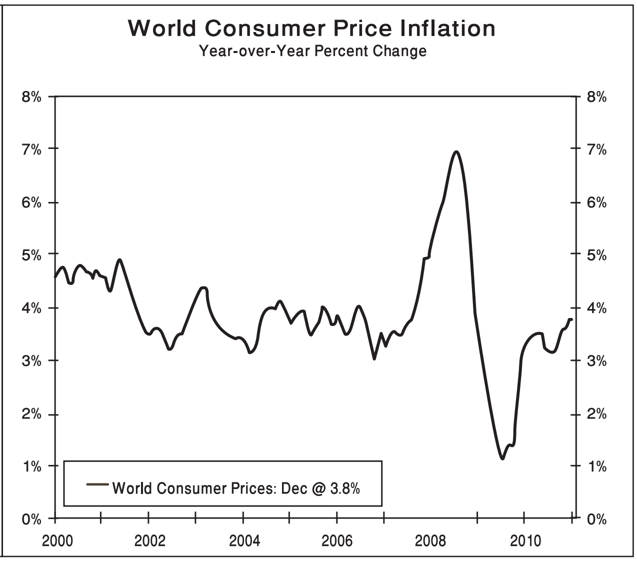
INTERNATIONAL OVERVIEW

Does the World Have an Inflation Problem?

Could sharp increases in food and energy prices recently lead to a global inflation problem? If inflation becomes a problem for anybody, it likely will be more of an issue for the developing countries, where economic growth has been strong, than for most advanced economies. For example, food accounts for one-third of the Chinese consumer price index, and double-digit increases in food prices recently have caused the overall rate of Chinese CPI inflation to jump. Excluding food, CPI inflation in China is more contained. That said, there is a significant risk that inflationary pressures in China could become more widely entrenched. Therefore, the Chinese central bank likely will tighten policy further in the months ahead to insure that inflation does not get out of hand.

Inflation rates in most advanced economies, which suffered very deep recessions, are generally much lower than in developing countries. Moreover, it is difficult to envision significant increases in core rates of inflation, which are generally below 2 percent at present, in most advanced economies due to elevated unemployment rates that will keep a lid on wage increases. Although the elevated rate of core CPI inflation in the United Kingdom could conceivably induce the Bank of England to jump the gun this spring, we suspect that most major central banks will refrain from hiking rates until later this year when economic expansions are more firmly established.





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

COMMODITY MARKETS

February 14, 2011 | **DECPG, THE WORLD BANK**

Non-energy commodity prices rose for a seventh straight month in January, up 4.3 percent, partly due to depreciation of the dollar—down 1.1 percent versus the euro. There were strong gains in nearly all main indices.

Crude oil prices increased 3.0 percent in January, up for a sixth month, averaging $92.7/bbl. However, there has been a large divergence between main marker crude prices. The price of internationally traded Brent topped $102/bbl in early February on concerns about supply disruptions emanating from political unrest in Egypt and contagion to other oil producing countries. Meanwhile, the price of WTI has fallen $15/bbl below Brent due to a build-up of inventories in the U.S. mid-continent resulting from increased crude flows from Canada. The situation is expected to persist until new pipeline capacity is available to move crude to the U.S. Gulf coast (2013). Globally, falling stocks and strong demand—in part due to cold weather—have underpinned crude prices.

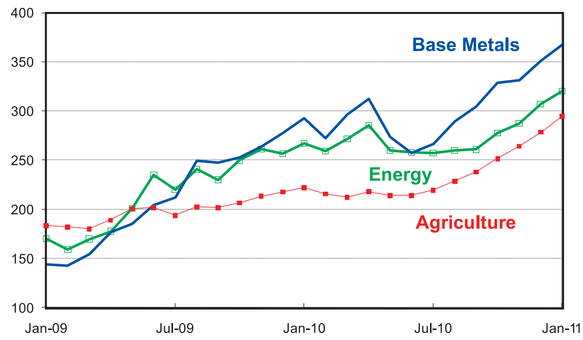
Coal prices soared 18.9 percent in January due to devastating floods in the Queensland state of Australia that disrupted mines, transport and ports, with further disruption likely from recent cyclones. Rain and adverse weather has affected supplies from other major producing countries (Colombia, Indonesia, Russia and South Africa), while demand in the northern hemisphere has been bolstered by cold weather.

Agriculture prices rose 5.8 percent in January, up for an eighth straight month. There were strong gains in all main indices, as adverse weather continued to impact many commodities. The largest increase was for raw materials, up 10 percent, with rubber and cotton hitting all-time highs due to rains in Malaysia and Thailand in the case of rubber, and low stocks, strong demand and supply constraints for cotton. The largest individual gains were for coconut oil and palmkernel oil (up 17-20 percent) due to lower output of the latter in South Asia and tight copra supplies in the Philippines. Sorghum and maize prices rose strongly because of tight supplies in the U.S. and reduced prospects in Argentina.

Base metal prices rose 4.6 percent in January, up for a seventh straight month, on expectations of strong global growth, although there is some concern of slowing in China. In early February, tin and copper prices surged to record nominal highs, as they are the two metals that are most supply-constrained in the near term. Lead prices rose 7.8 percent in January, despite rising stocks, on strong battery demand for replacement and new vehicles. Nickel prices increased 6.4 percent on strong stainless steeldemand and lower ore imports into China from Indonesia and Philippines. Tin prices were up 5.0 percent due to supply shortfalls from Indonesia, while copper prices rose 4.5 percent because of constrained mine supply growth.

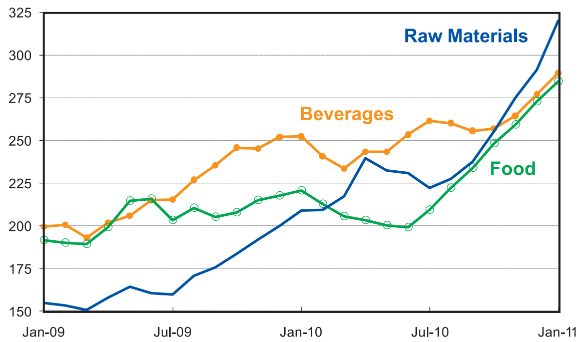
Major Price Indices

Indices of Normal USD Prices (2000=100)



Agriculture Prices - Sub-Indices

Indices of Normal USD Prices (2000=100)



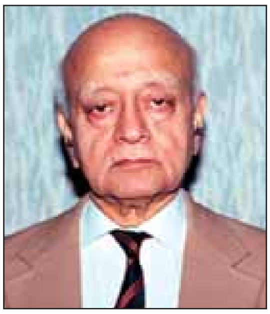
Prepared in the Development Economics Prospects Group (DECPG) by Shane Streifel, John Baffes and Betty Dow. Katherine Rollins is task assistant.

Source: The World Bank

Industrial and Infrastructure Development Finance Company Limited

Brief Outline of the Company

Industrial and Infrastructure Development Finance Company (IIDFC) Limited is a Financial Institution, promoted by ten commercial banks, from both the public and the private sector, three insurance companies and Investment Corporation of Bangladesh (ICB). The Founder Chairman of the company is Mr. Md. Matiul Islam who is also the Vice-Chairman of CRAB and Chairman of the Board of Trustee of Civil Service College. IIDFC has two subsidiaries-IIDFC Securities Ltd. (Brokerage Services) and IIDFC Capital Ltd. (Merchant Banking Services). IIDFC has a branch in Chittagong. IIDFC Securities Ltd. operates from 3 locations - Head Office at Eunoos Trade Centre in Dilkusha and Branch Offices in Uday Tower in Gulshan and C&F Tower in Chittagong. IIDFC Capital Ltd. operates from its Head Office in Eunoos Trade Centre.



Md. Matiul Islam
Chairman, IIDFC

Vision

IIDFC's Vision is a High-Growth, Prosperous and Digital Bangladesh.

Mission

- To make the impossible possible.
- To promote PPP concept for rapid infrastructure and industrial growth.
- To help promote better synergy and understanding between the public servants and private entrepreneurs.
- To mobilize private sector resources for promoting large scale projects.
- To participate in the privatization process of GOB-owned undertakings.
- To maintain high standard of integrity and ethics at all levels of management.

Commitment

IIDFC's Commitment to the Nation

- To contribute to the Country's economic growth in all possible ways.
- To accelerate the process of industrialization.
- To promote projects for removing infrastructure.
- To help banish power outage permanently.
- To promote SME as a major engine of growth.
- To promote employment and expand self employment opportunities.
- To promote low-cost housing projects for the urban middle class.
- To promote Bangladesh as a desired destination for foreign investors.

IIDFC's Commitment to Clients

- To provide superior and prompt customer service.
- To offer quality- rich and price-competitive finance solutions to the clients.
- To respond quickly to the needs of the entrepreneurs in an honest, creditable and timely manner.
- Promote and serve equipment leasing and finance industry through partnership with the clients.
- To maintain transparency, fairness, confidentiality and timeliness.
- To maintain dignity and high ethical standard at all levels of management.

IIDFC's Commitment to Shareholders

- To maximize shareholders' wealth; by following strict complying guidelines of the regulators.

IIDFC's Commitment to employees

- Help build and enhance core values of professional excellence.
- To provide a congenial and supportive work place for the employees with appropriate compensation package.

Corporate Information and Key Milestones

Name of the company	:	Industrial and Infrastructure Development Finance Company Limited
Legal Form	:	Public Limited Company under Companies Act, 1994
Incorporated on	:	December 19, 2000
Authorized Capital	:	BDT 1,000 million
Paid-up Capital	:	BDT 328.78 million (to be raised to BDT 600 million subject to approval of the SEC)
Commercial Operation	:	April 01, 2001

Principal Activities of the Company

Industrial and Infrastructure Development Finance Company Ltd (IIDFC) was promoted in the year 2001 by 10 (ten) banks from public and private sectors, 3 (three) insurance companies and Investment Corporation of Bangladesh (ICB). The services provided by IIDFC include:

- Lease Financing
- Term Lending
- Structure Finance
- Equity Finance
- Financial Package
- SME Finance
- Deposit Scheme
- Home Loan
- Advisory Services
- Carbon Finance

Financial Performance

Profit and Loss Account	2010*	2009	2008	2007	2006
Operational Revenue	1,814.19	1,213.71	1,028.12	772.07	427.18
Operational Expenses	1,125.00	1,030.31	875.81	629.70	317.58
Operating Profit	689.19	183.40	152.31	142.37	109.60
Profit after tax	475.19	83.95	83.90	84.44	72.53
Balance Sheet					
Total leases, loans & advances	10,167.48	8,336.16	6,262.74	4,984.77	3,055.84
Provision for investments	280.43	165.71	102.26	68.28	33.32
Lease Finance/Advances	2,807.58	3,570.53	4,506.01	3,303.43	2,235.40
Direct/Term finance	5,437.20	3,370.90	1,756.72	1,681.34	820.44
Margin Loan	1,922.70	1,394.73	-	-	-
Investment in Shares	168.34	0.03	0.03	0.03	5.03
Shareholders' equity	1,088.30	613.10	529.15	437.52	381.10
Reserve and Surplus	759.52	152.81	134.61	71.90	52.90
Paid-up Capital	328.78	328.78	328.78	256.85	233.50
Total Nos. of Shares					
(in quantity)	3,287,800	3,287,800	3,287,800	2,568,456	2,334,960
Ratios:					
Book Value per Share (BDT)	331.01	186.48	160.94	170.35	163.22
Earnings Per Share (BDT)	144.53	25.53	25.52	32.88	31.06
Dividend per Share(BDT)	N/A	20	20	25	22
Return on average equity (%)	55.86	14.70	17.36	20.63	21.03
Dividend Payout Ratio (%)	N/A	78.33	78.37	76.03	70.83

Contact

Registered Office

Chamber Building (6th & 7th Floor)
122-124, Motijheel C/A, Dhaka-1000, Bangladesh
Telephone: 9559311-12, 9553387, 9553254, 9553090
Fax: 880-2-9568987, Web: www.iidfc.com

Enterprise of The Month

grameenphone

Grameenphone Ltd. (GP) is the largest telecommunications service provider in Bangladesh with more than 30 million subscribers as of January 2011. GP was the first company to introduce GSM technology in Bangladesh when it launched its services in March 1997.

Tore Johnsen, CEO
Grameenphone Ltd.

Since its inception GP has built the largest cellular network in the country with over 13,000 base stations in more than 7000 locations. Presently, nearly 99 percent of the country's population is within the coverage area of the GP network. GP has always been a pioneer in introducing new products and services in the local market. GP was the first company to introduce GSM technology in Bangladesh when it launched its services in March 1997.

GP was also the first operator to introduce the pre-paid service in September 1999. It established the first 24-hour Call Center, introduced value-added services such as VMS, SMS, fax and data transmission services, international roaming service, WAP, SMS-based push-pull services, EDGE, personal ring back tone and many other products and services. The entire GP network is also EDGE/GPRS enabled, allowing access to high-speed Internet and data services from anywhere within the coverage area. There are currently nearly 2.6 million EDGE/GPRS users in the GP network.

Ownership Structure

It is a joint venture enterprise between Telenor (55.8%), the largest telecommunications service provider in Norway with mobile phone operations in 12 other countries, and Grameen Telecom Corporation (34.2%), a non-profit sister concern of the internationally acclaimed micro-credit pioneer Grameen Bank. The other 10% shares belong to general retail and institutional investors.

Grameenphone is a public limited company listed with the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited with an Authorized Capital of 40000 BDT mn and Paid-up Capital of 13503 BDT mn).

Grameenphone as Brand

GP serves as that correlating string that connects thousands of people across the country, across the world. It makes the daunting physicality of distance and time trivial. And thus it brings people together, holding their dreams and hopes, joys and sorrows, helping them stay close.

Mission

Leading the industry and exceed customer expectations by providing the best wireless services, making life and business easier

Vision

GP exists to help our customers get the full benefit of communications services in their daily lives. GP wants to make it easy for customers to get what they want, when they want it. They are here to help

Values

- Make It Easy
- Keep Promises
- Be Inspiring
- Be Respectful

Brand Promise

Stay Close

Business Performance in 2010

Grameenphone Ltd. reported BDT 7,473 crore revenues for the year 2010 with 14.4% increase from 2009. The growth was mainly from voice as well as interconnection revenues driven by subscription growth and revenues from sale of mobile devices. Data revenue also has contributed to this strong revenue growth for the year 2010 which increased by 64.0% from 2009. Total revenue for the fourth quarter of 2010 was BDT 1,959 crore, up by 17.0% from the fourth quarter of 2009.

During the year 2010, Grameenphone invested BDT 846 crores for network quality and data capacity enhancement and modernization while contributed BDT 3,715 crores to the National Exchequer. Grameenphone paid BDT 900 crores against corporate taxes in 2010, which was BDT 250 crore more compared to 2009.

The company has added 67 lacs new subscriptions during the year, holding on to the market leadership by serving about 44% of the mobile market. Grameenphone Ltd. has been also awarded the credit rating of AAA for long-term and ST-1 for short-term by The Credit Rating Agency of Bangladesh (CRAB).

Awards and Recognitions

- "GSM in the Community" Award by GSMA in 2000
- "Commonwealth Innovation Award" in 2003
- "Best Use of Mobile for Social & Economic Development" category in 3GSMA Global Mobile Award, 2007
- "Best Brand Award" by Brand Forum in 2007
- First "Telecom Asia Awards" 2008 "Asian Telecom Innovation of the year".
- "3GSMA Global Mobile Award", 2008 in the category of "Best Use of mobile for social and economic development"
- Grameenphone and Huawei for "Building a Greener Mobile Network"
- "Best Brand Communication for 2009

Corporate Social Responsibility (CSR)

Grameenphone believes CSR, is a 'complementary' combination of ethical and responsible corporate behavior, as well as a commitment towards generating greater good for the society by addressing the development needs of the country.

CR Vision

To be recognized as the most socially responsible mobile operator in Bangladesh and in the corporate sector.

CR Goals

- Create shared value for GP and society through its mobile technology
- Integrate responsible business practices in all operations

Contact

GPHOUSE
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Phone- +88-02-9882990, Fax- +88-02-9882970
Email- info@grameenphone.com, Web- www.grameenphone.com

DCCI

ঢাকা চেম্বার অব কমার্স অ্যান্ড ইন্ডাস্ট্রি

Dhaka Chamber of Commerce & Industry (DCCI)

Dhaka Chamber of Commerce & Industry (DCCI) the voice of SMEs serves as the first point of business contact for penetration into new market and a vibrant platform putting forward facts-based opinions, suggestions and recommendations for a brighter tomorrow in the sphere of trade, commerce and the overall economy. DCCI, the largest and most active Chamber of the country, established in 1958, was incorporated under the companies Act, V11 of 1913 as a limited company on March 10, 1959. It serves as a model of non-profit, service-oriented organization. It has rendered more than four decades of very useful services for the development of business and industry in Bangladesh.

Asif Ibrahim
President, DCCI

Mission and Vision
Part-I: Ongoing Services

DCCI helps its members to face the challenges of stiff competition in a globalize economy by providing various services:

- To create awareness amongst the members about the various policies, regulations, norms and practices concerning all sectors of economic activities of the country.
- To critically evaluate the fiscal and other measures and policies of government and recommend necessary changes to create an enabling and business-friendly environment.
- To ventilate the needs, problems and grievances of the business community and suggest suitable remedial and supportive measures while commenting on major economic issues and policies.
- To represent, uphold and focus on the interests of private sector in various Advisory & Consultative Committees.
- To disseminate information relating to problems & prospects of the trade & investment through the publication of research papers, circulars, manuals, survey reports, annual reports, news bulletins, tax guides, trade bulletins etc.
- To provide a forum for interaction and exchange of views among the members of the business community by way of holding Seminars, Symposia, Discussion Meetings and Representations.

Part- II: Mission & Vision of DCCI in Serving its Members Particularly SMEs

- To provide Counseling, Advisory and Consultancy Services
- To assist in: Business Matching services, Subcontracting and Franchising,
- Documentation Processing, etc.
- To conduct need-based training & orientation courses.
- To extend logistic services like Fax, Phone, Telex, E-mail, Photocopy,
- Internet fax, Conference facility, etc.
- To issue Certificate of Origin of export consignments.
- To undertake settlement of trade disputes by arbitration.

Functions of the DCCI
The basic functions of the DCCI relate to promotion and development of trade, commerce and industry. Some of these are:

- To give market oriented inputs for formulation and implementation of government policies in respect of import, export, industry, investment, banking, insurance, fiscal measures, annual budget etc. and brief materials for conferences relating to WTO, UNCTAD, SAPTA, SAFTA, BIMST-EC etc;
- To represent trade, commerce and industry on various advisory or consultative committees at different Ministries and Departments of the Governments;
- To give views and comments on legislative measures affecting trade, commerce and industry;
- To function as a forum for exchanging views on trade and economy among different Chamber members, Government agencies, DCCI members and local/foreign delegations;
- To issue Certificate of Origin (CO) and authenticate documents for promotion of exports;
- To disseminate business information to members by Electronic Communication, Fortnightly Trade Bulletin, DCCI Monthly Review, Circulars, Notifications, Statistical data etc;
- To organize training courses, seminars workshops/symposia, trade delegations, trade fairs to participle in them at home and abroad and to receive delegations from abroad;
- To undertake activities like survey, research etc. to suggest for favorable business related policies;
- To prepare Economic Policy Papers (EPPs) for conducting policy advocacy for the benefit of the business sector;
- To prepare position papers, fact sheet on different business issues to lobby with the Government;
- To sign Memorandum of Understandings (MOUs) with overseas Chambers of Commerce and Industries and other business organizations for promotion of bilateral trade and investment;
- To prepare, implement and evaluate projects for entrepreneurship development and other trade related matters and
- To develop business through internet/web page of its own.

Achievement of DCCI

DCCI is the premier Chamber of Bangladesh having more than 4500 members. They consist of different business sectors of the country represented by mostly SMEs. From the very inception DCCI has been rendering useful services for the development of private sector business and industry in Bangladesh.

Glimpse of DCCI's Success Story
DCCI Wins Prestigious 2007 World Chambers Competition Award, DCCI has reached an exalted position by achieving high-status "2007 World Chambers Competition" Award in the category of Best Skills Development Programme organized by World Chambers Federation-ICC's Specialized Division for Chamber Affairs co-organized with the Union of Chamber & Commodity Exchanges of Turkey (TOBB). DCCI also received “Certificate of Achievement” in the 2nd Local Chamber Awards (Large Chamber Category) as finalist by CACCI (Confederation of Asia Pacific Chamber of Commerce & Industry.

DCCI represents in about 70 government, semi-government and autonomous bodies for promotion and development of private sector of Bangladesh. DCCI introduced “DCCI Business Award” for encouraging women, young, new and innovative entrepreneurs. DCCI Business Institute (DBI) imparts Training for development of entrepreneurs and business executives. DCCI knowledge Centre, established in cooperation with South Asia Enterprise Development Facility (SEDF), provides internet based Internet training and service” to SMEs, students, NGOs and other services providers.

Contact
Dhaka Chamber of Commerce and Industry (DCCI)
65-66 Motijheel Commercial Area
Dhaka-1000, Bangladesh.
Phone: 880-2-9552562 (Hunting), Fax: 880-2-9560830
E-mail: secretary@dhakachamber.com, info@dhakachamber.com
Web: www.dhakachamber.com

CSR Activities

DBBL DECLARES BDT 1.0b SCHOLARSHIP PROJECT

Dutch Bangla Bank Ltd. (DBBL) has declared a BDT 1.0 billion scholarship project, which will cover 30,000 needy but meritorious students every year by 2016. The bank officials disclosed details of their recent corporate social responsibility (CSR) endeavour at a city hotel Saturday. DBBL Chairman Abedur Rashid Khan said, "Creating opportunities for the deprived ones, reducing discrimination in education sector, and establishing the rights of poor people are at the core of our spirit for launching this programme." DBBL has decided to award financial support to 5,000 SSC and HSC students this year. According to the official data revealed by Bangladesh Bank in 2009, DBBL spent more than BDT 159 million in various CSR activities, and stood just behind Islami Bank Bangladesh Ltd. in this regard. (February 13, The Financial Express)

MERCANTILE BANK DONATED BDT 1.0m TO SOCIETY FOR THE WELFARE OF AUTISTIC CHILDREN (SWAC)

Mercantile Bank Chairman Md Abdul Jalil, MP, handing over a cheque of BDT 1.0 million to Anowar Hossain, Chairman of SWAC at a function held in Dhaka. AKM Shahidul Haque, MD & CEO of the bank was also present on the occasion. (February 3, The Financial Express)

IBBL DONATES BDT 0.5 MILLION TO FBCCI

Islami Bank Bangladesh Ltd. (IBBL) donated BDT 500,000 to the Federation of Chambers of commerce and Industries (FBCCI) to distribute warm clothes among the cold-hit people. Mohd Shamsul Haque, deputy managing director of the bank, handed over a cheque in this regard to FBCCI President AK Azad. (February 15, The Daily Sun)

TRUST BANK DONATES BDT 0.5M TO CANTONMENT GIRLS PUBLIC SCHOOL AND COLLEGE

Trust Bank Limited has donated BDT 0.5 million to the Cantonment Girls Public School & College. In a humble ceremony at the bank's head office, Adjutant General of Bangladesh Army and Vice Chairman of Trust Bank Limited Major General Abu Belal Muhammad Shafiul Huq, ndc, psc handed over the cheque to the principal of the Cantonment Girls Public School and College Lt. Col. Zayedul Islam. (February 19, The Independent)

PRIME BANK LTD. (PBL) PROVIDED COMPUTERS TO CHITTAGONG UNIVERSITY (CU)

PBL handed over computers to CU through Hathazari Branch as part of CSR program. Hasina Khan, Vice Chairperson of the bank handed over the computers to Dr Md. Alauddin, VC (Current Charge), CU. Many other prominent guests were present from both sides in the ceremony. (February 4, The Financial Express)

TWO STUDENTS GET BANK ASIA SCHOLARSHIP IN SYLHET

Bank Asia has given higher studies scholarships-2010 to two students of Sylhet district, Vice chairman of the bank Md Safwan Choudhury handed over the scholarship money to the students at a programme arranged by the bank's Beanibazar Branch. (February 07, The Financial Express)

EBL DISTRIBUTES BLANKET

The Eastern Bank Ltd. (EBL) distributed blankets among cold heated people in the districts of Lalmonirhat, Nilphamari and Dinajpur, the northern region of Bangladesh recently. (February 08, The Daily Sun)

NCC BANK DISTRIBUTES BLANKETS AMONG POOR

Rangpur Branch of NCC Bank Limited distributed blankets among the distressed and poor people including women and children in Badarganj upazila. The occasion was held on the Shaheed Minar premises in Badarganj pourasabha town. (February 13, The Independent)

BRAC BANK INTRODUCES CSR DESK

BRAC Bank Limited has Introduced a Corporate Social Responsibility (CSR) Desk to further expand, expedite and consolidate its CSR activities, according to a press release. The CSR Desk has been introduced according to the Bangladesh Bank guidelines. The Desk will help the bank to put focus on its different CSR activities and ensure transparency. It will also help carry out CSR jobs in an organized way. General people will also get access to information about the bank's CSR programmes. (February 24, The Financial Express)

New Appointments During February, 2011

BANKS, FINANCIAL AND OTHER INSTITUTIONS				
Name	**Current Position**	**Current Organization**	**Previous Position**	**Previous Organization**
Jafar Ahmed Khan	Chairman	Expatriate Welfare Bank	Secretary	Expatriates Welfare and Overseas Employment
Zahir Uddin Ahmed	President	Institute of Cost and Management Accounts of Bangladesh (ICMAB)	N/A	N/A
Kazi Shahnewaz	President	Bangladesh Frozen Foods Exporters Association	N/A	N/A
Md Zillur Rahman	Managing Director	Bangladesh Development Bank Ltd. (BDBL)	Deputy Managing Director	Janata Bank Ltd.
Mohammed Nurul Amin	MD & CEO (Reappointed)	NCC Bank Ltd.	N/A	N/A
Pradip Kumar Dutta	Managing Director (Reappointed)	Rajshahi Krishi Unnayuan Bank (RAKUB)	N/A	N/A
Iqbal Karim	Bangladesh Representative	Islamic Development Bank (IDB)	-	World Bank
Sohail R K Hussain	Additional Managing Director	City Bank Ltd.	Deputy Managing Director	City Bank Ltd.
Ehsan Khasru	Additional Managing Director	City Bank Ltd.	Deputy Managing Director	City Bank Ltd.
Mashrur Arefin	Deputy Managing Director	City Bank Ltd.	Head of Retail Banking	City Bank Ltd.
Dewan Anwarul Latif	Deputy Managing Director	Premier Bank Ltd.	Senior Executive Vice-President (SEVP)	Premier Bank Ltd.
MM Haikal Hashmi	Deputy Managing Director	Trust Bank Ltd.	SEVP	Dhaka Bank Ltd.

MTB Network

MTB Dhaka

Aganagar Branch
02-7762226, 02-7762227
Babu Bazar Branch
02-731 4821-2
Banani Branch
02-988-3831,02-988-3861
Baridhara Branch
01715024452, 01712222795
Bashundhara City Branch
02-9124021,02-8121071
Chandra Branch
06822-51968
Chawk Moghaltuli Branch
0 1714 10 80 84
Dhanmondi Branch
815 5607, 8158334
Dholaikhal Branch
02-7172542, 02-7172602
Dilkusha Branch
02-7171 301- 2, 02-7170137
Elephant Road Branch
02-9611596, 02-9611597
Fulbaria Branch
02-9559842, 02-9559867
Gazipur Branch
0 1730 08 06 95
Gulshan Branch
02-8832343, 02-9882473
Madaripur Branch
0661-62483, 0661-62482
Mohammadpur Branch
02-9128494, 02-9127887
MTB Centre Corporate Branch
02-8818452,02-8818453
Mymensingh Branch
091-63909
Narayangonj Branch
02-7648209
Pallabi Branch
02-901 6273, 02-805 5630
Panthapath Branch
02-8613807, 02-8629887
Principal Branch
02-711 3237-38, 02-7119964
Progati Sarani Branch
02-8411804, 02-8410948
Savar Branch
02-741452, 02-7741453
Shanir Akhra Branch
02-7551169, 02-7551195
Sonargaon Branch
038959-88105, 06723-88105
Sreenagar Branch
038942-88222
Tongi Branch
02-9816250, 02-9816251
Uttara Model Town Branch
02-8924379, 02-8951474

MTB Securities Ltd.

Corporate Head Office
02-9570563, 02-9568163
Extension Office-Motijheel
02-9566181, 02-7125550
Banani Office
02-8814348
Dhanmondi Office
02-8191322
Fulbaria Office
02-7116965
Gulshan Office
02-9895969
Narayangonj Office
02-7648218
Pallabi Office
02-901 5919
Progati Sarani Office
028840507
Uttara Office
044-76150106

SME/Agri Branch

Dhanbari
01718883140
Gafor Gaon
01740-555438
Hasnabad
01719 398493
Kaliganj
01743-935788
Noria
01746-449026

MTB Booth

Hazrat Shahjalal Intl. Airport
01730-343782

MTB Rangpur

Rangpur Branch
0521-52325, 0521-52326

MTB Securities Ltd.

Rangpur Office
0521-54026

MTB Barisal

Gournadi Branch
04322-56266

MTB Rajshahi

Bogra Branch
051-78109, 051-78108
Joypurhat Branch
0571 63584, 0571 63585
Pabna Branch
0731-51829
Rajshahi Branch
0721-776203, 0721-776290

SME/Agri Branch

Belkuchi
07522-56353
Ishwardi
07326-64550, 07326-64551

MTB Securities Ltd.

Rajshahi Office
0721-811477, 0721-811407

MTB Khulna

Jessore Branch
0421-00000
Kushtia Branch
071-71662, 071- 71663

MTB Sylhet

Habigonj Branch
01732786417
Moulvi Bazar Branch
0861 62840, 62841
Sylhet Branch
0821-2830271, 0821-2830272

MTB Securities Ltd.

Sylhet Office
0821-2830319

MTB Chaittagong

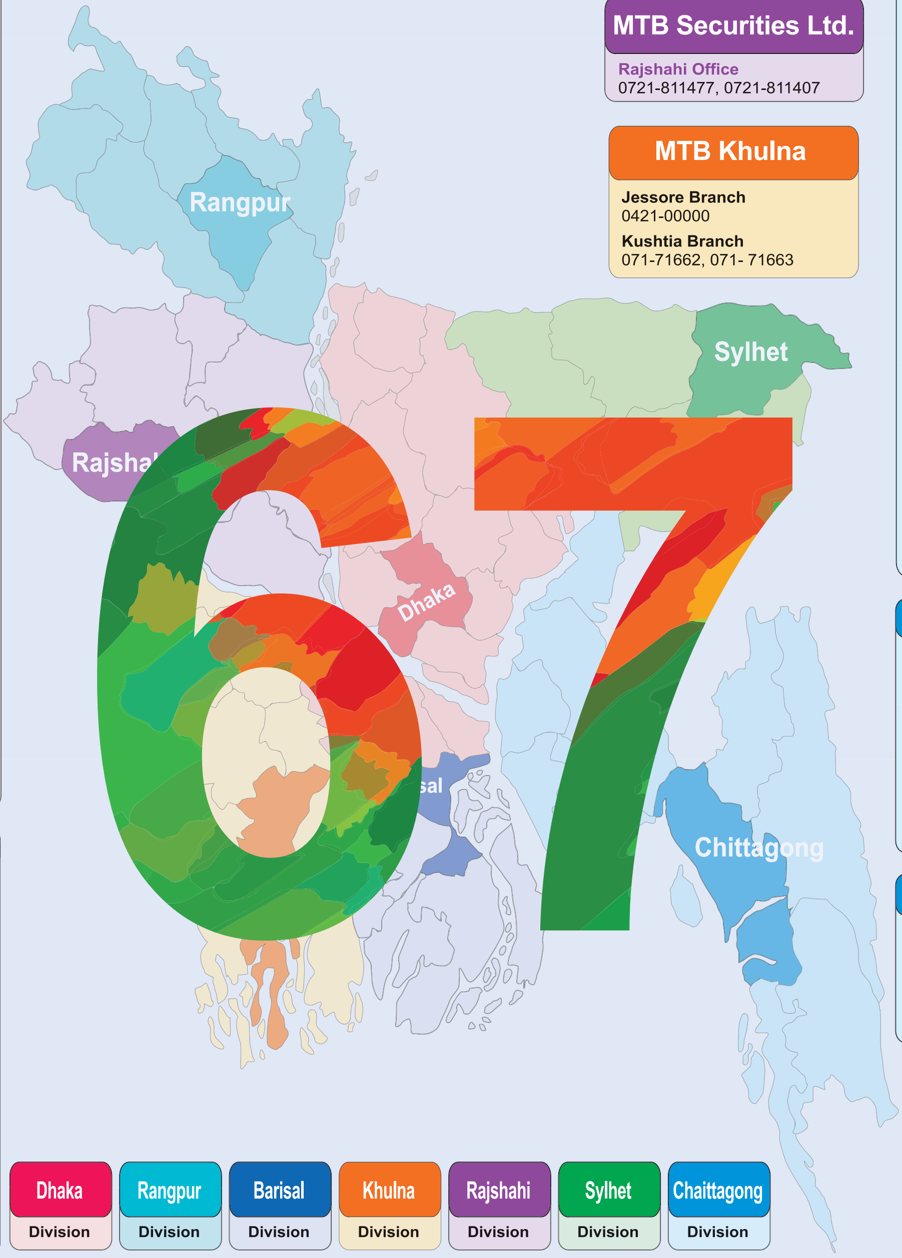
Agrabad Branch
031-2523287, 031-2524269
Alankar Mour Branch
031-2772619,031-2772620
Aman Bazar Branch
031-681022, 01713-106375
CDA Avenue Branch
031-255567-9, 031-2555575
Chokoria Branch
03422-56502
Comilla Branch
01730080284, 081-76543
Cox's Bazar Branch
0341-52257
Dhorkora Bazar Branch
01730-080633
Feni Branch
0331-61984
Jubilee Road Branch
031-624922,627533
Kerani Hat Branch
01819 311 582
Khatungonj Branch
031-612254, 031-626966
Nazirhat Branch
0821-4483498, 0443-4483498
Oxygen Mor Branch
031-2583957
Raipur Branch
0382-256495

SME/Agri Branch

Dagon Bhuiyan
03323-79129, 01714-108862
Haidergonj
01716-224206
Laksham
01713304669
Nazumeah Hat
031-2572841, 031-2572842
Ramchandrapur Bazar
01812-673337

MTB Securities Ltd.

Agrabad Office
031-251 4797
Alankar Mour Office
031-2772945, 031-2772946
CDA Avenue Office
031-2556728, 031-2556729



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

Corporate Head Office
MTB Centre, 26 Gulshan Avenue
Plot 5, Block SE (D), Gulshan 1, Dhaka 1212
Tel : 880 (2) 882 6966, 882 2429, Fax : 880 (2) 882 4303