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Consumption of Chemicals in the Age of Growth: Bangladesh Perspective



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Consumption of Chemicals in the Age of Growth: Bangladesh Perspective

Demand for chemicals and homologous raw materials, which in Bangladesh is rising steadily for decades, has prominent growth prospect by 2030 propelled by the country's economic growth engine.

Industrial sector's contribution into the country's GDP is growing. Expansion of industry grossly implies an increase in import of capital machineries and chemical raw materials.

Study on chemical raw materials used in Bangladesh has been hardly seen. This article is an initiative to explore import of chemical raw materials by the country.

Nature of commodity and foreign trade

As academicians suggest, there are few fundamental features of commodity¹. First, commodities can be stored, implying a trader can buy today and pay the costs (of financing that purchase and storage) and sell in the future. Second, prices can be very non-linear, also evident even in aggregate price indices. Third, commodities do seem susceptible to price and investment booms, followed by crashes, then supply slowly re-adjusts. Countries heading towards industrial development should be conscious about the global trade and trend of commodity prices. For developing countries, foreign trade may play major roles in economic development. As researches indicated², imports have a significant impact on productivity growth and import liberalization can make a positive and significant contribution to development. It has also impact on the relationship between exports and economic growth. The importance of import and export efficiency in economic development is a key issue and could be leading factors to economic development.

Economic impact of chemicals

Chemical sector is of strategic importance to the sustainable development of national economies and plays a vital role in the economic development of any country. Chemicals, a significant catalyst of economic growth, acts upon different sectors of economy in multifaceted way. It is often maneuvered as a direct raw materials to production units; it is, sometimes, used as an input for preparing raw materials. In agriculture, chemicals is used to prepare pesticides and fertilizers which are essential for growing crops. Fertilizers, insecticides, fungicides, and pesticides are all used to protect crops. Chemical companies contribute to the development of sustainable crops by producing slow-release fertilizers which plants can use more efficiently. In this way, it contributes to agriculture and self-sufficiency in food for every country. The study of

pharmacology, determines how substances (typically pharmaceuticals) interact with living organisms to produce a change in function.

The global production of chemicals has increased from 1 million tonnes in 1930 to several hundreds of million tonnes today. The chemical industry converts raw materials, such as oil, natural gas, air, water, metals, and minerals into thousands of different products. In 2011, the EU had the world's second largest chemical industry after China³.

Chemicals contributes, directly or indirectly, to almost every sector of every economy. Chemicals is used to produce the fibers and dyes which are used in textile industries. It plays imperative role in pharmaceutical industry, health care industry and leather industry by providing the essential chemical components. In addition, plastic requirement of packaging industry and artificial rubber requirement of the automobile industry are also met by the very same industries⁴.

Major sectors and subsectors of chemicals⁵

Fundamentally, the chemicals industry can be divided into two sectors: commodity/basic chemicals and specialty chemicals. Commodity chemicals are manufactured by many different companies however the end product is generally the same with very little variations. Specialty chemicals are typically made to suit the needs of a specific customer, and are generally only available from a few suppliers. These chemicals are often protected by patents.

Basic/Commodity Chemicals are typically inexpensive and include polymers, bulk petrochemicals, basic industrial chemicals, inorganic chemicals, and fertilizers. Polymers make up the largest segment of this sector. Commodity chemicals are generally made in large volumes.

Specialty Chemicals are also called fine chemicals include industrial gases, adhesives, sealants, industrial cleaning chemicals, coatings, and electronic chemicals. A Specialty Chemical is a chemical produced for a specialized use. They are produced in lower volume than bulk chemicals, of which petrochemicals, made from oil feedstock, are the most common

Organic chemicals industry is one of the most significant sectors of the chemical industry. It plays a vital developmental role by providing chemicals and intermediates as inputs to other sectors of the industry like paints, adhesives, pharmaceuticals, dye stuffs and intermediates, leather chemicals, pesticides etc. Methanol, acetic acid, formaldehyde, pyridines, phenol, alkyl amines, ethyl acetate and acetic

anhydride are the major organic chemicals produced. Global production of organic chemicals was around 400 million tons during 2010-11. Major producers of organic chemicals are USA, Germany, U.K, Japan, China and India. Few Latin American countries, for example Brazil and Chile are increasing their presence in global organic chemicals market.

Inorganic chemicals industry manufactures a variety of basic inorganic chemicals. Inorganic chemicals are generally mineral-based. Most organic chemicals, on the other hand, are carbon-based. Inorganic chemicals are used as inputs in a number of manufacturing and industrial processes. Key identifiable industry segments include chlor-alkali and carbon black products. Major industry products are Chlorine, Caustic soda, Potassium, sodium and other alkali compounds, Chemical catalysts, Inorganic acids, Carbon black and Other inorganic chemicals.

Fertilizer manufacturing industry primarily manufactures fertilizer products. These products contain a different mixture of the three vital nutrients essential for plant growth: nitrogen, phosphorous and potassium. The products are distributed via wholesale arrangements with third parties or, in the case of vertically integrated operations, by the manufacturer. Major industry products are phosphate fertilizers, nitrogenous fertilizers and mixed fertilizers.

Pesticide manufacturing industry formulates and prepares agricultural and household pest control chemicals. Key products include pesticides (herbicides, insecticides and fungicides) and agricultural chemical products (insect repellents, sheep dips, fly sprays and flea powders). Key markets for this industry include the agricultural sector, households and various commercial and industrial users.

Soap & cleaning compound manufacturing industry produces substances that loosen and remove soil from a surface for personal hygiene, sanitization or cleaning clothes, linens and furnishings. The industry does not include manufacturers of synthetic glycerin, industrial bleaches or shampoos. Major industry products include household soaps and detergents, commercial soaps and detergents, polishes and other sanitation goods and surface active agents.

Chemical product manufacturing industry manufactures a diverse range of chemical products. Key product groups include custom compounding plastic resins and manufacturing toners, toner cartridges, photographic chemicals and sensitized photographic film, paper and plates.

Dye & pigment manufacturing industry manufactures synthetic organic and inorganic dyes and pigments, such as lakes and toners (other than, electrostatic and photographic). As such, the industry produces various

pigments and dyes, including color, lead, chrome, metallic and zinc-based pigments as well as disperse, vat and direct dyes. A chemical intermediate product, these pigment and dyes are used to impart color to numerous products. Major industry products include inorganic dyes and pigments and synthetic organic dyes and pigments.

Generic pharmaceutical manufacturing industry develops prescription and over-the-counter drug products that are used to prevent or treat illnesses in humans or animals. The industry does not include manufacturers of nutritional supplements or cosmetic beauty products. Major products include pharmaceutical preparations for metabolic drugs, cardiovascular drugs, central nervous system drugs, psychotherapeutic drugs and other drugs. It includes medicinal and botanical products, in-vitro diagnostic substance products and biological products (other than, diagnostic).

Import of products of chemicals or allied industries in Bangladesh

Annual Import Payments reports (FY 2011-12 to FY 2014-15) of Bangladesh Bank show that the average import of chemicals takes 8.46% of the total import

HS Code	Product Particulars	Average Import payment* (BDT in Thousand)	Import Pie (%)
060000	Products of the chemical or allied industries	250669053.00	100.00%
063100	Fertilizers	95241041.00	37.99%
062900	Organic chemicals	40343991.00	16.09%
063200	Tanning or dyeing extracts; their derivatives etc.	36655142.00	14.62%
063800	Miscellaneous chemical products	27548736.00	10.99%
062800	Inorganic chemicals; organic or inorganic compounds etc.	21217722.00	8.46%

* This analysis calculates the import payments of Bangladesh from FY 2011-12 to FY 2014-15
Source: Statistics Department, Bangladesh Bank

share of the country. Over last four fiscal years (FY 2011-12 to FY 2014-15), this import share moved around 8 - 9% and showed a positive import growth.

This study analyses that top five products (showed in the Table 1) comprise the 88.17% of the total chemical import while top two (Fertilizers and Organic chemicals) comprise more than 50% of the total pie of chemical imports. Pharmaceutical products is another slice in the import pie that comes in consideration for their perceived potential of future growth.

Import analytics: Major chemical imports in Bangladesh

Fertilizers

This study analyses the major subcategories of chemical imports and their source countries. As the study finds, among the major categories of fertilizers import, mineral or chemical fertilizers, nitrogenous

Table 2: Top three source countries and imported chemical products of fertilizers

Category chemical products	Top Three Source Countries (FY 2013-14 & FY 2014-15)			Combined share (%)
Mineral or chemical fertilizers, nitrogenous	Qatar	China	Saudi Arabia	80.46
Mineral or chemical fertilizers, phosphatic	Tunisia	Morocco	Lebanon	94.76
Mineral or chemical fertilizers cont. nitr, phos, potaas	China	Morocco	Australia	74.67

Source: Statistics Department, Bangladesh Bank

possesses the top most share (35.85%), mineral or chemical fertilizers, phosphatic possesses second largest share (22.28%) and mineral or chemical fertilizers cont. nitr, phos, potaas possesses the third largest share (21.64%). These top three products comprise the 80% of the total share of fertilizers import.

Organic chemicals

Table 3: Top three source countries and imported chemical products of organic chemicals

Category chemical products	Top Three Source Countries (FY 2013-14 & FY 2014-15)			Combined share (%)
Heterocyclic comp w/nitrogen	India	China	Switzerland	87.8
Antibiotics	India	China	Austria	86.83
Saturated acyclice, monocarboxylic acid etc.	India	Singapore	Malaysia	52.16

Source: Statistics Department, Bangladesh Bank

Among organic chemicals, top three categories comprise the 40% share where heterocyclic comp w/nitrogen possesses the highest share (16.09%), antibiotics possesses the second highest (14.50%) and saturated acyclice, monocarboxylic acid etc. possesses the third highest share (9.11%) of this category.

Tanning or dyeing extracts; their derivatives etc.

Table 4: Top three source countries and imported chemical products of tanning or dyeing

Category chemical products	Top Three Source Countries (FY 2013-14 & FY 2014-15)			Combined share (%)
Synthetic organic colouring matter	China	India	Singapore	62.46
Printing ink, writing draw/other ink	India	Switzerland	Germany	75.33
Other colouring matter;	India	China	Germany	49.74

Source: Statistics Department, Bangladesh Bank

Top three products of this category comprise the 77% share where synthetic organic colouring matter takes the largest pie (58.25%), printing ink, writing draw/other ink takes the second largest pie (10.48%) and other colouring matter takes the third highest pie (8.04%).

Inorganic chemicals; organic or inorganic compounds etc.

58% share of this category is possessed by the top three products. Among them, carbonates; peroxocarbonates possesses the largest share (27.95%), sulphate alums, peroxosulphate possesses the second highest share

Table 5: Top three source countries and imported chemical products of inorganic chemicals

Category chemical products	Top Three Source Countries (FY 2013-14 & FY 2014-15)			Combined share (%)
Carbonates; peroxocarbonates	China	India	Viet Nam	77.47
Sulphate alums, peroxosulphate	China	Germany	Taiwan	82.35
Diphosphorus pentaoxide; phosphoric acid	Morocco	South Africa	Japan	72.2

Source: Statistics Department, Bangladesh Bank

(20.34%) and diphosphorus pentaoxide; phosphoric acid possesses the third highest share (9.92%).

Pharmaceutical products

Table 6: Top three source countries and imported chemical products of pharmaceutical products

Category chemical products	Top Three Source Countries (FY 2013-14 & FY 2014-15)			Combined share (%)
Medicament consist. mixed/unmixed, for therapeutic use	Denmark	Switzerland	Germany	48.94
Humn & animal blood	Germany	Netherlands	India	41.52
Pharmaceutical goods	Netherlands	Ireland	India	81.74

Source: Statistics Department, Bangladesh Bank

Top two pharmaceutical products the take 88% share of this category where medicament consist. mixed/unmixed, for therapeutic use is the top most product (51.09%), humn & animal blood is the second (36.49%) and Pharmaceutical goods is the third (6.25%) leading products.

Miscellaneous chemical products

Table 7: Top three source countries and imported chemical products of miscellaneous chemical products

Category chemical products	Top Three Source Countries (FY 2013-14 & FY 2014-15)			Combined share (%)
Insecticides, rodenticides etc.	China	India	France	73.21
Finishing agents, dye carriers etc.	China	Taiwan	Germany	46.18
Prepared binders for foundry moulds	India	Singapore	Viet Nam	48.32

Source: Statistics Department, Bangladesh Bank

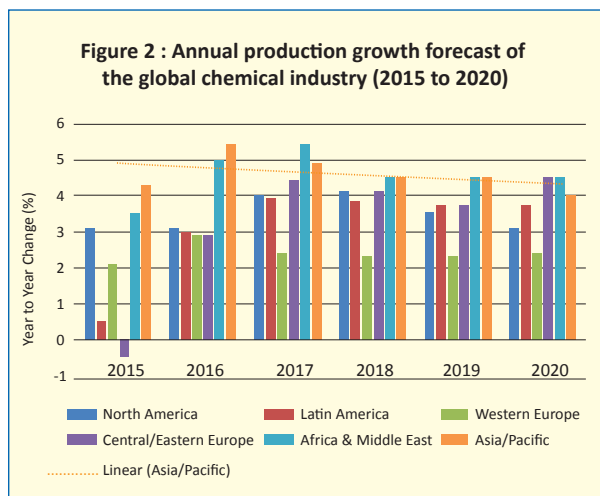
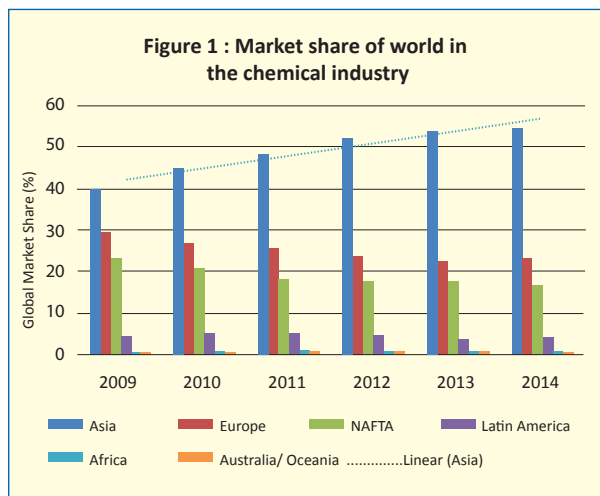
Top three miscellaneous products of chemical import comprise 72% share of this category where insecticides, rodenticides etc. leads (35.43%) the table, finishing agents, dye carriers etc. is the second (28.62%) and prepared binders for foundry moulds is the third highest (8.30%) product.

Global market share of world in the chemical industry

The graph (Figure 1) shows the global market share of world regions in the chemical industry (based on revenue) from 2009 to 2014. In 2009, the NAFTA countries had a share of 23% in the global chemicals market. Asia possessed 54.6%, Europe possessed 22.9%, NAFTA countries possessed 16.9%, Latin America possessed 4.3%, Africa possessed 0.8% and Australia/Oceania possessed 0.6% global market share in 2014. Between 2009 to 2014, Asia showed 33%

growth in global market share of chemical industry⁶.

As the statistic of the annual production growth in the chemical industry worldwide from 2015 to 2020 forecasts (Figure 2), the production volume of the chemical industry in Asia/Pacific expects 4%, Africa & Middle East expects 4.5%, Central/Eastern Europe expects 4.5%, Western Europe expects 2.3%, Latin America expects 3.7%, and North America expects 3.1% growth in 2020. As data suggests, Asia/Pacific is expected to be positively consistent in annual production growth while Latin America and Central/Eastern Europe are expected to show a larger growth between 2015 and 2020⁷.



Conclusion

Bangladesh is heading towards a massive development phase of its economy started in recent past and has been planning to continue it in next 10-15 years to take the country’s economic base above a standard it sets in the line with upper middle income country’s development status. In so doing, expansion of existing economic units, development and growth of new and existing industries, and growth of consumer industries would play a pivotal role where import of raw materials would be a vital question. From now on, Bangladesh has to explore the market, search the alternatives source countries, projects the future stocks of raw materials and identify the local capacities to support the industry in next 10-20 years.

Igniting imports of raw materials for fueling exports would be one of the efficient ways of increasing national income. RMG export and agriculture are two big players for increasing GDP of the country. These two sectors have a considerable amount of dependency on chemicals for ensuring their productivity. On the other hand, as contribution of industry in GDP has been gradually growing significantly, demand for chemicals would be heightened in future. Therefore, Bangladesh has to think about import of chemicals and its future, exploring the global trends and market leaders of chemicals. Bangladesh must explore its future demand of chemicals and plan its import trends keeping in mind both the local demand and global trends of supply. As global market share of Asia in chemical industry and annual production growth have been increasing, Bangladesh has to plan its foreign trade and import policy in the line with potential local demand and global supply for a sustainable economic expansion.

Import of chemical raw materials for RMG, for agriculture, for pharmaceuticals, for leather industry and for consumer product industries has to be checked out to plan a greater growth in future. Now is the time for thinking and planning the economic schedule of Bangladesh for next 20 years. Great economic growth requires great economic planning. Bangladesh should take its import analytics of chemicals under serious consideration to back its growing and potential industries that contribute largely in growth of GDP and national income.

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NATIONAL NEWS

BB finds macroeconomic outlook impressive



The central bank sees country's macroeconomic outlook for this fiscal year (FY) "impressive" for some major boosters. Increased domestic demand, prospective food production and a stable political situation helped a great deal in the turnaround. If this trend continues, 7.0 per cent economic growth and 6.20 per cent inflation seem quite achievable, the Bangladesh Bank (BB) said in its latest quarterly report. According to the BB Quarterly (BBQ) for October-December 2015, the economy has gained such momentum despite a moderate pace of global economic recovery. The BB had estimated the GDP growth based on the available data during the first six months of the ongoing FY (2015-16). The country's economic growth is set to break the 'six per cent trap', as a 7.05 per cent growth rate has finally been estimated for this FY, driven by industrial and service sectors, according to the Bangladesh Bureau of Statistics (BBS) data. The latest BBQ says economic activities which expanded during the second quarter (Q2) of the FY16 have been reflected in various macroeconomic indicators.

School students' deposits in banks total BDT 844cr

The total deposit in the 10.34 lakh banking accounts owned by school students in the country stood at BDT 844.19 crore as on December 31, 2015. The average deposit amount was around BDT 8,500 per student, according to the Bangladesh Bank data. The total deposit in the accounts maintained by the scheduled banks under the school banking programme also marked a 10.35 per cent increase over the September-December quarter from BDT 764.99 crore to BDT 844.19 crore, while the number of the accounts rose from 10.03 lakh to 10.35 lakh over the period. Fifty-five of the country's 56 scheduled banks are now implementing the programme. As on December 31 last year, the total deposit in these accounts maintained with the state-owned banks stood at BDT 83.39 crore,

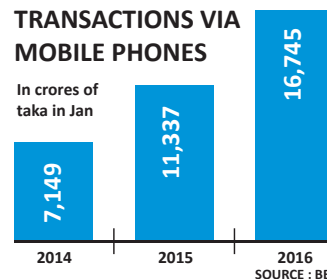
the specialized banks at BDT 12.92 crore, the private commercial banks at BDT 743.95 crore, and the foreign commercial banks at BDT 2.81 crore.

Women entrepreneurs to get Jica funds



Women entrepreneurs will be entitled to get funding from JICA-backed project styled "Financial Sector Project for the Development of Small and Medium Enterprises (FSPDSME)". Bangladesh Bank has brought some necessary amendments in the operating guidelines of the project fund in favour of the women entrepreneurs by providing medium and long-term financial support. The steering committee of the project came up with the decision on January 6 this year to include women entrepreneurs under the re-financing fund. Women entrepreneurs will enjoy 100% refinancing facilities at a bank rate of 5%. Though the FSPDSME project ended on March 31 this year, financing activities will continue from the revolving funds through the banks and financial institutions, who have signed the contract with the project.

Mobile cash jumps 47pc in January



Transactions through mobile phones rose 47.7 percent year-on-year to BDT 16,745.27 crore in January, according to Bangladesh Bank data. The amounts were BDT 11,337 crore in January last year and BDT 7,149 crore in the same month of 2014. Average transaction per active account stood at BDT 12,282 in January this year, up from BDT 10,257 in the same month last year. In January, cash-in transaction volume was BDT 6,969 crore, about 41.62 percent of the total transactions, while cash-out transactions were BDT 6,128 crore or 36.6 percent of the total. In 2015, cash-in transactions accounted for 41.83 percent of the total volume, while cash-out transactions were 36.82 percent. As of January, around 1.36 crore mobile banking accounts are active, out of the 3.31 crore registered.

Malaysian co to build 1320mw power plant at Maheshkhali



The government gave the go-ahead to a Malaysian company for setting up a coal-fired power plant with the generation capacity of 1320 megawatts on Maheshkhali island. They will now sign for contract with government on fifty-fifty basis, Finance Minister AMA Muhith told journalists at his secretariat office after a meeting with a Malaysian group of entrepreneurs. Investors from both Japan and China are eyeing power plants with 3000MW capacity at Maheshkhali with plans to utilise the potential of the Bay island, he said and also pointed out Japan's involvement with the port development. With the signing of a new agreement on about USD 2.0 billion LoC (line of credit) very recently, the total amount of credits in the pipeline amounted to three billion Indian rupees.

B'desh gets South Asia's first trade portal



The government launched recently Bangladesh Trade Portal (BTP) website to provide necessary information related to imports and exports. The new website, first of its kind in South Asia, is expected to ease foreign trade, while also helping businessmen get a one-stop point of information. Commerce Minister Tofail Ahmed launched the website at a city hotel. The Ministry of Commerce (MoC) developed the website, the address of which is WWW.BANGLADESHTRADEPORTAL.GOV.BD. The first-ever business website developed by the Ministry of Commerce (MoC), which eight months to develop, will provide business information to the exporters and importers both in Bangla and English. The Ministry of Commerce and the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) will sign a memorandum of understanding (MoU) to update the portal.

Overseas jobs climb 75pc in Q1 as ME boosts hiring



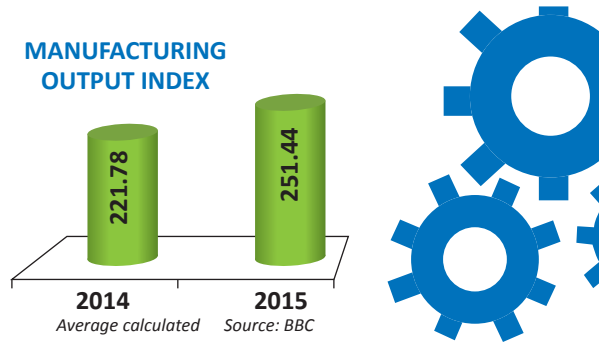
Overseas employment rose by more than 75 per cent in the three months to March helped by higher recruitment by Arab countries. A total of 190,868 Bangladeshis travelled abroad with jobs in January-March period of the year, up by 82,159 to 108,709 in the same period of 2015, the state-run Bureau of Manpower, Employment and Training (BMET) statistics showed. In the first three months of this year, Oman, Qatar and Saudi Arabia enhanced their manpower hiring from Bangladesh. The highest number of Bangladeshi secured jobs to Oman with 50,110 followed by Qatar 35,265 and Saudi Arabia 30,720. Some 23,954 workers and professionals also were recruited by Malaysian employers, while 14,937 migrants by Singaporean employers. Overseas jobs for female workers also increased during the period. Some 35,579 women found jobs overseas in the three months rising from 22,560 in the matching period of the last year. The country recruited 20,036 workers from Bangladesh during the period.

AG Motors to bring Peugeot cars to Bangladesh



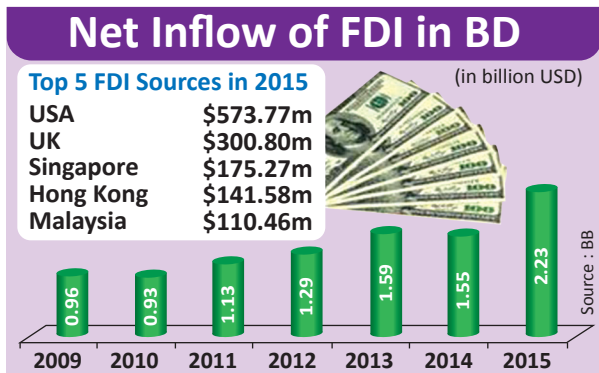
AG Motors, a concern of Anwar Group, has teamed up with French automobile brand Peugeot to bring Peugeot cars to Bangladesh. The local company will initially bring four models of Peugeot cars priced at over BDT 30 lakh to Bangladesh by September. Hossain Khaled, managing director of AG Motors, and Didier Richard, director and head of sales and marketing for India and Pacific region of PSA Peugeot Citroen, signed a dealership agreement at the Westin Dhaka. Sophie Aubert, French ambassador, and Karl Bouche, coordinator for India and Pacific region of PSA Peugeot Citroen, attended the event.

Manufacturing output posts 13.4pc growth



Output of the country's large and medium-scale manufacturing industries registered a robust 13.4 per cent growth last year, revealed a latest data of Bangladesh Bureau of Statistics (BBS). BBS released the Quantum Index of Medium and Large-Scale Manufacturing Industry for last December. It showed that the average index of manufacturing output in 2015 stood at 251.44 while the index was 221.78 in 2014. Thus manufacturing output grew by 13.4 per cent in the year under review. According to the statistics, the average index in July-December period of FY16 stood at 255.28 while the index for the same period of FY15 was 230.13. Thus, on average, manufacturing sector grew by around 11 per cent in the first half of current fiscal year.

FDI crosses USD 2.0b level for first time in country



The annual inflow of foreign direct investment (FDI) crossed the USD 2.0 billion level for the first time in Bangladesh last year. Updated statistics on FDI, released by the central bank, showed that the net inflow of FDI stood at USD 2.23 billion in 2015. The amount was 44.10 per cent higher than the FDI worth USD 1.55 billion in 2014. The provisional estimation of FDI last month, however, showed that the net inflow of FDI was USD 1.89 billion in 2015. Bangladesh Bank now comes with revised statistics giving details of the annual FDI inflow. It also shows that gross inflow of FDI stood at USD 2.69 billion last year and the amount of disinvestment USD

463.66 million. Appreciating the increased inflow of FDI, Dr Mirza Azizul Islam, former finance and planning adviser to caretaker government, said, It is definitely a positive thing as the country is now attracting more foreign investment.

Inflation edges up

Inflation inched up to 5.65 percent in March from the previous month thanks to a rise in food prices. Food inflation, which dictates overall inflation in Bangladesh, rose to 3.89 percent in the third month of the year from 3.77 percent in February because of a rise in prices of meat and sugar, Planning Minister AHM Mustafa Kamal said. Although non-food inflation went down to 8.36 percent in March from 8.46 percent in February, it has remained high. Inflation in Bangladesh has been going downward on low commodity prices in international and local markets. As the exchange rates remained stable, the prices of imported goods did not go up which contributed to the fall in inflation. However, the International Monetary Fund in a recent report said inflation is expected to edge up in fiscal 2016 to fiscal 2018 on account of higher public sector wages and a one-off effect from the introduction of the new VAT law.

Linde starts construction of new plant



Linde Bangladesh, a pioneer in industrial gases, recently started construction of a new air-separation unit at Rugganj in Narayanganj, a move that will cost the German firm about BDT 120 crore. Once the new unit is completed in 2017, the Rugganj plant will produce around 100 tonnes of liquefied gases a day, making it the largest liquid gas producing air-separation unit in Bangladesh. It will provide a supply of liquefied gases and related solutions to the healthcare, food and beverage, fabrication, pharmaceuticals, shipbuilding and ship recycling industries, according to a press statement. The plant will more than double Linde's existing production capacity, strengthening its position as the leading player in Bangladesh. A high-tech cylinder filling site will also be built in Rugganj to provide a range of products to customers across all market segments.

Bangladesh's digital footprints growing

COUNTRY	RANK	SCORE
Vietnam	43	30
India	44	30
Bangladesh	49	23
Pakistan	50	21

Bangladesh has been included in a list of 50 countries for its growth in areas of smartphone uptake, mobile broadband and high-speed internet access in 2016. The country ranks 49th in Huawei's Global Connectivity Index 2016, one spot better than Pakistan, which was positioned last on the list. Neighbouring India came in at No. 44. The index, which is now in its third year, measures how the 50 countries, which account for 90 percent of the global gross domestic product and 78 percent of the global population, are progressing with digital transformation. About Bangladesh, the report said uptake in smartphone, mobile internet and broadband has seen some improvements in 2016 over 2015. The launch of 3G networks has boosted mobile internet. The growth in mobile customers in 2016 and 2017 is expected to be high, and 4G services are planned for 2017.

PRAN bags maiden cassava export order from NZ



PRAN, a food processor and agribusiness company, has bagged its maiden export order for cassava worth around USD 3 million from New Zealand. Kamruzzaman Kamal, director of marketing at PRAN-RFL Group said the cassava would be shipped off to the Southwestern Pacific Ocean country by this month through Chittagong port. Necessary preparations have already been taken for export, he further said. Sylvan Agriculture Ltd, a concern of PRAN inked a deal with the Auckland-based company recently. As per the deal, Khan's 2nd Generation Ltd, a company of Auckland, will take the tuber crop for the next two years. Rasedul Hasan, country business manager (Australia) at PRAN said the cassava would be shipped off in container consignments. In the last fiscal year, PRAN produces nearly 5,000 tons cassava. PRAN has targeted to expand cassava cultivation as it has got positive response from the contract farmers.

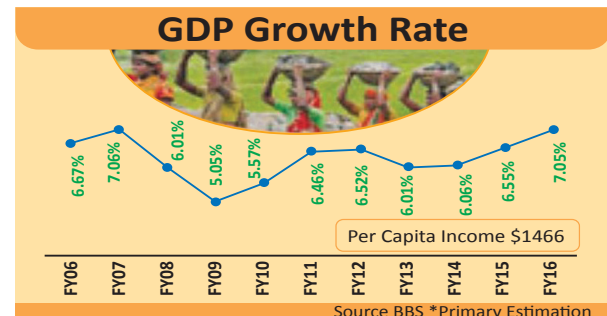
ADB provides USD 50m to improve rly system



The government and the Asian Development Bank (ADB) have signed a USD 50 million loan agreement for improving capacity

and safety of the railway system, reports BSS. Mohammad Mejbahuddin, Senior Secretary, Economic Relations Division (ERD), and Kazuhiko Higuchi, Country Director, Bangladesh Resident Mission of ADB, signed the agreement on behalf of their respective sides in the city. The assistance is the fourth tranche of the USD 430 million multi-tranche financing facility agreed between Bangladesh and ADB in 2006 to improve the railway system across the country through the Railway Sector Investment Programme. Under the programme, ADB has already provided USD 130 million, USD 150 million and USD 100 million as first, second and third tranches respectively for double-tracking the Tongi-Bhairab Bazar Railway section, purchasing of 150 new passenger carriages, implementing reforms, rehabilitating yards, extending loops and upgrading signalling. The fourth tranche of USD 50 million will help complete the double-tracking of the 64 km Tongi-Bhairab Bazar railway section, rehabilitating yards and extending loops at 11 stations in the Darsana-Ishurdi-Sirajganj Bazar section, and improving signalling in the 78km Darsana-Ishurdi section.

Economy to grow 7.05pc: BBS



The country's economic growth is set to break the 'six per cent trap', as a 7.05 per cent growth rate has been estimated for this fiscal year (FY), driven by industrial and service sectors, according to official data. The last caretaker government was the top performer in terms of achieving the higher growth during the last nine years, as the country's gross domestic product (GDP) had expanded at 7.06 per cent in FY 2006-07. The per capita income (gross national income - GNI) of a Bangladeshi citizen have risen to USD 1466 in the current FY, 2015-16, marking an 11.4 per cent rise from USD 1316 in the last FY, the Bangladesh Bureau of Statistics (BBS) provisional data said.

17TH MTB ANNUAL GENERAL MEETING (AGM 2016) HELD



The 17th Annual General Meeting (AGM) of Mutual Trust Bank Limited (MTB) was held on April 25, 2016 at the International Convention City, Bashundhara, at Dhaka 1229.

MTB Chairman M. A. Rouf, JP presided over the AGM. MTB Directors, Syed Manzur Elahi, Rashed A. Chowdhury, Dr. Arif Dowla, Md. Abdul Malek, Md. Wakiluddin, Khwaja Nargis Hossain, Anjan Chowdhury, Q. A. F. M. Serajul Islam, Independent Directors, Anwarul Amin, Dr. Sultan Hafeez Rahman, Managing Director & CEO, Anis A. Khan, Additional Managing Director, Md. Hashem Chowdhury, Deputy Managing Directors and a large number of shareholders attended the meeting. The shareholders attending, approved 20% stock dividend for 2015.

Date: April 25, 2016

Venue: International Convention City, Bashundhara, Dhaka 1229

MTB INKS DEAL WITH ADB FOR TRADE FINANCING



Date: March 31, 2016

Venue: Plot E-31, Sher-e-Bangla Nagar, Dhaka 1207

MTB has recently signed an agreement with Asian Development Bank (ADB) under its Trade Finance Programme (TFP) at its Bangladesh Resident Mission at Sher-e-Bangla Nagar, Dhaka. Head of ADB's Trade Finance Programme, Steven Beck and MTB Managing Director & CEO, Anis A. Khan, are seen exchanging documents. Oleg Tonkonojenkov, Deputy Country Director, ADB, Bangladesh Resident Mission and Syed Rafiqul Haq, Deputy Managing Director & Chief Business Officer, MTB along with senior officials of both the organizations were present at the signing ceremony.

"Under these agreements, ADB and our Bangladesh bank partners will provide loans and guarantees to support exporting and importing companies in Bangladesh, including small and medium-sized enterprises", said, ADB's Head of Trade Finance, Steven Beck.

AGREEMENT SIGNING CEREMONY BETWEEN MTB & RANGS INDUSTRIES

MTB has recently signed an agreement with Rangs Industries Limited at a simple ceremony held at MTB Centre, Dhaka. Under this agreement, MTB credit cardholders will enjoy FlexiPay installment facility from Rangs Industries Limited.

Under FlexiPay, customers can buy now and pay later, on installments, at no additional cost from selected vendors.

Iminder Singh Khurana, Chief Operating Officer (COO), Rangs Industries Limited and Syed Rafiqul Haq, Deputy Managing Director & Chief Business Officer (CBO), MTB signed the agreement on behalf of their respective organizations.



Date: March 10, 2016

Venue: MTB Centre, 26 Gulshan Avenue, Dhaka 1212

MTB OFFERS EXCLUSIVE AUTO LOAN FACILITIES TO MILLENNIUM CUSTOMERS



Date: March 21, 2016

Venue: 206/1-207/1 Bir Uttam Mir Shawkat Ali Road, Tejgaon, Dhaka 1208

MTB has recently signed an auto loan agreement with Millennium Companies. Under Millennium Companies, there are Pacific Motors Ltd., Hyundai Motors Bangladesh Ltd., Millennium Ssangyong Motors Ltd. and Millennium Motors Ltd., respectively, the authorized sole distributors of Nissan, Hyundai, SsangYong & Jaguar and Land Rover vehicles in Bangladesh.

Under this agreement, customers purchasing cars from Millennium Companies can avail MTB Auto Loan facilities at an attractive interest rate with a reduced processing fee.

Heads of Sales of Pacific Motors Ltd., Hyundai Motors Bangladesh Ltd., Millennium Ssangyong Motors Ltd. & Millennium Motors Ltd. and Syed Rafiqul Haq, Deputy Managing Director & Chief Business Officer of MTB signed the agreement on behalf of their respective organizations.

INAUGURATION OF RELOCATED MTBSL UTTARA OFFICE

MTB Securities Ltd. (MTBSL) has recently opened its relocated Uttara office at its new premises at Shareef Auckland Centre, Jasimuddin Avenue, Uttara, Dhaka. Deputy Managing Director and Chief Risk Officer of MTB, Md. Zakir Hussain inaugurated the office, at a simple ceremony held at the office premises.

Dignitaries, members of local business associations, existing and prospective customers, representatives from the media, managers of nearby MTB branches and people from different strata attended the program.



Date: March 13, 2016

Venue: Shareef Auckland Centre, Jasimuddin Avenue, Uttara, Dhaka 1230

CUSTOMER AWARENESS PROGRAM AT MTB CENTRE CORPORATE BRANCH

MTB Centre Corporate Branch has recently organized “Customer Awareness Program” on April 04, 2016 at its branch premises. Syed Rafiqul Haq, Deputy Managing Director and Chief Business Officer, MTB and Md. Anisur Rahman, Vice President & Manager of the branch are seen at the photo addressing the Bank’s customers.

Md. Hashem Chowdhury, Additional Managing Director & Chief Operating Officer, MTB, inaugurated the program. Speakers emphasized on awareness of customers regarding internet banking, ATM transactions and SMS banking.



Date: April 04, 2016
Venue: MTB Centre, 26 Gulshan Avenue, Dhaka 1212

FIRE FIGHTING AND EVACUATION DRILL HELD AT MTB PREMISES



MTB has recently held Fire Fighting and Evacuation Drill at MTB Centre, Gulshan, Dhaka. All MTBians (MTB employees) of MTB Centre have participated at this event with enthusiasm.

Date: April 04, 2016
Venue: MTB Centre, 26 Gulshan Avenue, Dhaka 1212



একজন গুণবতীর সফল উদ্যোক্তা হওয়ার পথে টাকা যেন বাধা না হয়

এমটিবি গুণবতী একটি স্বল্প সুদবিশিষ্ট ও সেবামূলক ঋণ সুবিধা, যা বিশেষভাবে নারী উদ্যোক্তাদের দ্বারা পরিচালিত উৎপাদনমুখী ব্যবসার উন্নয়নের জন্য করা হয়েছে। এটি সম্পূর্ণভাবে এসএমই ফাউন্ডেশন কর্তৃক প্রাক-অর্থায়নকৃত।

- ঋণের পরিমাণ ৫০ হাজার থেকে ১৫ লাখ টাকা পর্যন্ত
 - ঋণের সময়কাল ৩ বছর পর্যন্ত
 - বার্ষিক ইন্টারেস্ট রেট ৯%
 - সহজ পরিশোধ সময়সূচী
- কোন সার্ভিস চার্জ বা অজ্ঞাত চার্জ নেই
 - ঋণের ০.৫% প্রক্রিয়াকরণ ফি
- কমপক্ষে ১ বছরের ব্যবসায়িক অভিজ্ঞতা প্রয়োজ্য



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* শর্ত প্রযোজ্য

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ই-মেইল: mtbcc@mutualtrustbank.com

NATIONAL NEWS

Bank Asia re-elects chairman



Mr. A Rouf Chowdhury was re-elected Chairman of Bank Asia at a meeting of the Board of Directors of the Bank held recently. He is the main promoter of Bank Asia. Mr. Chowdhury is an eminent businessman and industrialist of the country. He is the Chairman of

Rangs Group and Sea Resources Group. He is also a Director of the Daily Star, the highest circulated English daily in the country. Mr. Chowdhury was the President of Basket Ball Association for four years. He has been a member of Executive Committee for Kurmitola Golf Club for over 20 years. Mr. Chowdhury has been actively associated with many social activities.

Chowdhury re-elected One Bank chairman



Sayeed Hossain Chowdhury has been re-elected chairman for another one-year term effective from March 31. The decision was made in a recent board meeting of the bank. Mr. Chowdhury is the Chairman of Media New Age Ltd. and Information Services Network

Ltd. He is also the President of Bangladesh Ocean Going Shipowners Association (BOGSOA). Chowdhury is the founder, chairman and CEO of blue chip conglomerate HRC. He is a member of the British Institute of Management. He is also the Chairman of the Editorial Board of the National Bengali Daily JAIJAIN.

HSBC appoints new deputy CEO



Md Mahbub-ur Rahman has recently been appointed as Deputy Chief Executive Officer and Country Head of Commercial Banking, HSBC Bangladesh. Bringing over 20 years of corporate banking experience to the task, latterly as the country

head of Commercial Banking for HSBC in Malaysia, Mahbub has a track record in driving Commercial Banking, Corporate Banking, Global Trade and Receivables Finance (GTRF) and Payments and Cash Management (PCM) businesses at HSBC. Mahbub previously headed Commercial Banking in HSBC Bangladesh from 2006 to 2014, leading the business through a period of transformational growth.

MA Sabur new UCB chairman



MA Sabur has been elected chairman of United Commercial Bank Limited. The decision was made in a board meeting of the bank held at its corporate head office in the capital. Sabur is one of the pioneers to fostering corporate governance in business

and industry sector and also a prominent business tycoon, entrepreneur, philanthropist, socialite. He is also the chairman of Masco and Maxim Group. He is a member of IBA Alumni Association, Dhaka University Alumni Association & also a golfer, being lifetime member of Kurmitola Golf Club, Dhaka and Bhatary Golf Club, Chittagong.

Shahidul Haque new MD of IFIL



A K M Shahidul Haque joined as Managing Director & CEO of Islamic Finance and Investment Limited (IFIL) recently. Prior to this assignment, he was the Independent Director and member of Executive Committee of IDLC Finance Ltd. and Chairman

of IDLC Securities Limited. Mr. AKM Shahidul Haque is the former Managing Director & CEO of Mercantile Bank Limited and Midland Bank Limited. Mr. Haque started his banking career as officer of Rupali Bank in 1977. He also served National Bank Ltd and Prime Bank Ltd in different capacities. He participated on many training program on banking at home and abroad.

Rafiqul Islam re-appointed CEO of SBAC Bank



Md. Rafiqul Islam, has recently been re-appointed as Managing Director and CEO of South Bangla Agriculture and Commerce (SBAC) Bank Limited for another term. He has so long been holding the post of SBAC Bank's MD since April 1, 2013. Before joining SBAC Bank,

he was Deputy Managing Director of Al-Arafa Islami Bank Ltd. He joined Pubali Bank Ltd as probationary officer recruited through Bankers Recruitment Committee (BRC) in 1977. In his 39 years of Banking career, Islam was Head of Branches and Divisions of Pubali Bank, Prime Bank, National Bank, Jamuna Bank and Al-Arafa Islami Bank Ltd.



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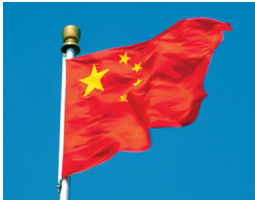
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INTERNATIONAL NEWS

China consumer inflation stable at 2.3pc in March



China's consumer inflation was steady at 2.3 percent year-on-year in March, official data showed recently, a sign of stabilisation for the world's second-largest economy. The rise in the

consumer price index (CPI) released by the National Bureau of Statistics was the same as February's 2.3 percent, and slightly below market forecasts of 2.4 percent in a survey by Bloomberg News. Moderate inflation can be a boon to consumption as it pushes buyers to act before prices go up, while falling prices encourage shoppers to delay purchases and companies to put off investment, both of which can hurt growth. The producer price index (PPI), which measures prices of goods at the factory gate, fell 4.3 percent year-on-year, its slowest rate of decline since January 2015. It increased 0.5 percent from February, its first month-on-month rise in two and a half years. "Deflation is our top macroeconomic concern and PPI offers signs of relief," said analysts with ANZ Research in a note.

Jaguar Land Rover launches tech venture



Jaguar Land Rover (JLR) recently launched a technology business which aims to create apps for services such as car-sharing, the latest automaker to explore ways of tapping demand for cheaper and greener ways of making short journeys. The InMotion venture will begin testing products including car-sharing in North America, Europe and Asia from next month before broader testing by the public. Automakers are trying to appeal to younger consumers in major global cities who are less likely to buy a car and have been attracted by new services such as car club Zipcar and ride-service Uber. Britain-based JLR, owned by India's Tata Motors, hopes the wholly-owned subsidiary will draw in new customers. "With the development of new apps and on-demand services, InMotion provides us with an opportunity to provide engaging and invaluable experiences to both new and existing customers globally," Group Strategy Director Adrian Hallmark said.

Marriott, Starwood Hotels stockholders approve deal

Starwood Hotels & Resorts Worldwide Inc and Marriott International Inc said recently the stockholders of the companies voted to approve Marriott's acquisition of Starwood to create the world's largest hotel company.



Holders of more than 97 percent of Marriott shares and over 95 percent of Starwood shares voted in favor of the cash-and-stock deal, which was valued at USD 12.41 billion. China's Anbang Insurance Group Co last week abandoned

its USD 14 billion offer for Starwood Hotels, clearing the way for Marriott to buy the owner of Sheraton and Westin hotel brands. Marriott raised the cash portion of its offer to USD 21 per share on March 21 from USD 2 per share, valuing the total bid at USD 73.42 per share. Marriott said the deal was on track to close mid-2016. The deal has cleared the pre-merger antitrust review in the United States and Canada and awaits approvals in the European Union and China.

Pivotal Payments licenses Lulus Payments' TANGO platform to process point-of-sale payments



Pivotal Payments has licensed Lulus Payments' TANGO platform to process point-of-sale (POS) payments. Pivotal Payments has been providing innovative merchant services for over a decade, and delivers efficiency and profitability to over 90,000 clients across a wide range of business verticals. Pivotal Payments is upgrading and enhancing its processing environment with TANGO, a highly advanced system for acquiring, routing, switching, authenticating, and authorizing transactions across multiple channels. Delivering unmatched scalability and transaction throughput performance, TANGO allows Pivotal to become more agile in offering new services for its expanding client base in the U.S. and Canada by providing an end-to-end authorization solution. This, along with several other transaction routing capabilities, ensures that Pivotal has the flexibility it needs to continue strengthening its business with new partnerships, portfolio acquisitions and organic merchant base growth.

World Bank to spend 28% of investments on climate change projects



The world's biggest provider of public finance to developing countries will refocus its financing efforts towards tackling climate change, group said. The World Bank has made a "fundamental shift" in its role of alleviating global poverty, by refocusing its financing efforts towards tackling climate change, the group said recently. The world's biggest provider of public finance to developing countries said it would spend 28% of its investments directly on climate change projects, and that all of its future spending would take account of global warming. At last year's landmark conference on climate change in Paris, the World Bank and its fellow development banks were made the linchpins of providing financial assistance to the poor world, to enable countries to cut greenhouse gas emissions and adapt to the effects of global warming. As part of the institution's new strategy, it will help to fund the construction of enough renewable energy to power 150m homes in developing countries, and build early warning systems of climate-related disasters – such as storms and floods – for 100 million people.

TransCanada receives approval notice for Keystone pipeline restart



TransCanada Corp said it received authorization from the Pipeline and Hazardous Materials Safety Administration to restart the 590,000 barrel per day Keystone crude pipeline at reduced pressure. The Canadian pipeline company said that regulator PHMSA has approved a return to service plan for a controlled start. It was not immediately clear when and if the pipeline had restarted. The pipeline, which delivers light and heavy crude from Hardisty, Alberta, to Cushing, Oklahoma, and Illinois, was shut after a potential leak was discovered in South Dakota.

Cuscal selects Fiserv for automated cash and ATM network management



Cuscal, a provider of end-to-end payments solutions in Australia, has selected Integrated Currency

Manager, Device Manager and Terminal Connect from Fiserv. The new solutions will enable Cuscal to extend its range of services to include more automated, integrated cash and ATM network management capabilities. Cuscal provides payments solutions to over 100 clients from a range of industries including financial services, airlines, fintech and retail. Its product range includes card and acquiring products, mobile payments, fraud prevention, EFT switching and direct entry. Cuscal also owns and operates the rediATM network (one of Australia's largest ATM networks) and provides switching and acquiring services for around one-third of Australia's ATMs. Fiserv will provide Cuscal with an integrated management solution for cash optimisation, incident management and remote management of their large ATM network. Integrated Currency Manager is a cash management solution that forecasts customer demand and automates processes to deliver high service levels for customers at the lowest cost for organizations. It utilizes complex forecasting based on artificial intelligence to recommend orders and shipments to minimize excess cash levels, reduce expensive transportation and handling costs, and streamline cash management.

Egypt, Saudi Arabia agree on USD 16b investment fund

Egyptian President Abdel Fattah al-Sisi and Saudi King Salman agreed to set up a USD 16-billion investment fund and settled a long-standing maritime dispute as the monarch continued his rare visit to the country. A day after Salman announced a plan to build a bridge over the Red Sea to Egypt, the heads of state met at the historic Abdeen Palace in Cairo to oversee the inking of a string of agreements Egypt hopes will help boost its battered economy. In one of the most high-profile announcements, Cairo said it had agreed to demarcate its maritime borders with Saudi Arabia, officially placing two islands in the Straits of Tiran in Saudi territory. The 80-year-old Saudi monarch's visit to Egypt has been seen as a clear show of support for Sisi, the former military chief who toppled his Islamist predecessor Mohamed Morsi in 2013. Since touching down, Salman and his delegation have announced a slew of investments in Egypt. The two nations agreed "to set up a Saudi-Egyptian investment fund with a capital of 60 billion Saudi riyals (USD 16 billion)," the announcer said, giving no further details.

Atom becomes UK’s first digital-only bank



Based in Durham, Atom Bank has become the first of a number of aspiring digital-only banks to start offering products. It has no branches or vast call centres. All contact is via an app, through which customers are able to talk to a 30-strong service team. Its first products are a one-year fixed saver offering an interest rate of 2% and a two-year savings product with a 2.2% rate, but if you want to put your money away you need to have signed up already. New customers will need to register and wait to sign up. Anthony Thomson, Atom’s chairman, says savings might not be the most obvious start for a bank likely to be aiming at young users, but he believes older people are also interested in digital banking. Current accounts, loans and mortgages should be launched by the end of the year and a service for Android users is also in development. Loans for small businesses are being provided through intermediaries for now. It is far from clear how quickly digital-only banking will take off. Thomson also launched Metro Bank, which was heralded as the first new high street bank for a century when it opened six years ago. Opening a bank with branches now though would be like BT installing phone boxes, he said.

Heritage Oaks Bank uses RLR Management Consulting for online banking platform evaluation and selection



HERITAGE OAKS BANK

RLRManagement Consulting (RLR) has completed its online banking platform evaluation and selection project for Paso Robles, Calif.-based Heritage Oaks Bank. Through the engagement, RLR met with Heritage Oaks Bank to define

internet banking requirements, identify appropriate vendors based on the specific needs of the bank and manage the RFP evaluation process. After narrowing the field of vendors, RLR developed a financial cost-benefits analysis of each system and, upon completion, selected Q2 Holdings, Inc. and its Q2Platform, while also assisting with contract negotiations between Heritage Oaks and Q2. RLR has assisted us with several key initiatives by providing project management services as well as subject matter expertise, said Simone Lagomarsino, CEO

of Heritage Oaks Bank. In addition to the online banking platform evaluation project, Heritage Oaks selected RLR in 2015 to manage key components of its enterprise data warehouse implementation during a brief restructuring phase. In this role, RLR facilitated the ongoing knowledge transfer between employees and management teams, assisted staff in developing policies and procedures, defined roles and responsibilities for data warehouse support and developed documentation for data validation and governance.

Unison Bank introduces PIN delivery service through SMS with Compass Plus support



Ukrainian Unison Bank has introduced a new remote PIN delivery service through SMS with support from Compass Plus. The move allows issuers to deliver a PIN code directly to the cardholder's mobile phone through SMS. Built on TranzWare products from

Compass Plus, the technology will allow the bank to lower operating costs by implementing a modern service. The new service will allow customers to request and receive their PIN code anytime, anywhere, eliminating the need of visiting a bank branch. Unison Bank is presently undergoing certification in MasterCard to issue EMV and contactless MasterCard PayPass cards. TranzWare Card Factory will be used to issue the cards. The bank aims to integrate its in-house web portal with TranzWare products, deploy e-commerce acquiring and support 3D Secure for issuers. Unison Bank head of card business development department Julia Morozova said: "The introduction of remote PIN delivery via SMS enables us to significantly reduce operational costs and be customer centric by offering a fast, convenient and accessible service.

Iran exporting 350,000 bpd oil to India

Iran is exporting around 350,000 barrels of crude oil a day to India and hopes to increase this number. Oil Minister Bijan Zanganeh was quoted as saying after meeting Indian counterpart Dharmendra Pradhan. The Shana news agency, linked to Iran’s oil ministry, quoted Zanganeh as saying Indian oil purchases from Iran were at 350,000 barrels a day, and hopes to increase this number. The two ministers signed a cooperation agreement covering oil exports, the petrochemical sector and the development of a gas field, though there were no reports of any final deals being signed. Pradhan said India was ready to invest USD 20 billion in the port of Chabahar port in southeastern Iran, according to Shana, adding that "Iran and India's energy ties are no longer limited to crude oil imports". Zanganeh said Indian companies were looking to invest in oil, gas and petrochemical projects in the Islamic Republic.



ANZ's Li-Gang Liu joins Citi in China role



Li-Gang Liu has joined Citi as Managing Director and Chief Economist for China after six years at ANZ, the US bank announced recently. At Citi, the veteran China observer specializing in macroeconomics, foreign exchange and capital markets reports to

Johanna Chua, the bank's Chief Economist for Asia. In his new role, he will lead the China research team, which covers both fundamental and macroeconomics issues. Liu succeeds Shen Minggao, who held the position from April 2010. Over a career spanning nearly two decades, Liu was most recently the chief economist for Greater China at ANZ in Hong Kong, where he had worked since 2009. Prior to that, Liu held a number of research roles at the Hong Kong Monetary Authority, the Asian Development Bank Institute in Tokyo, and the World Bank and Peterson Institute for International Economics, both in Washington D.C. Liu obtained his BA in economics from the University of Maryland, College Park, and holds a PhD in economics from Johns Hopkins University.

World Bank opens country office in Malaysia



The World Bank opened its office in Malaysia which will also serve as a global knowledge and research hub. World Bank said its new office will facilitate its partnership with Malaysia, in areas such as financial intermediation and inclusion, and to support the bank's twin goals of ending extreme poverty and boosting shared prosperity. World Bank chief economist Kaushik Basu expected the new office would help Malaysia share its experience in transforming itself from a poor, commodity-exporting nation to a modern, diversified economy. As an operational hub, the new office facilitates the sharing of Malaysia's development experiences with countries around the world, and provides Malaysia with access to global knowledge and expertise as it transitions into an advanced, high-income economy, the World Bank said.

MTB Credit Rating Improves to

AA

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

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



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- Easy documentation
- Quick processing
- Early settlement option

● Experience:

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

● Monthly income:

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

Eligibility:

- Age: Minimum 21 years
Maximum 60 years



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INTERNATIONAL NEWS

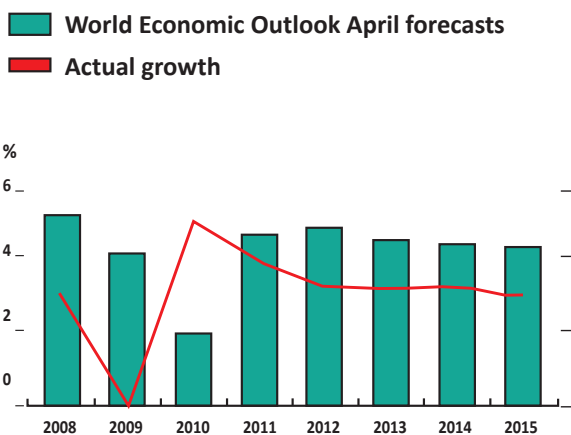
Rescuing growth in uncertain times: ADB

Growth in developing Asia is forecast to dip slightly.

Gross domestic product (GDP) in the region will expand by 5.7% in 2016 and 2017, decelerating from 5.9% in 2015 in a difficult and uncertain global environment. Solid growth in India and a pickup in aggregate growth in the Association of Southeast Asian Nations (ASEAN) will help balance continued growth moderation in the People's Republic of China (PRC). Despite the slight dip, the region will contribute around 60% of global growth in the next 2 years, close to its contribution in the past 5 years.

» **Growth in the industrial economies is unlikely to pick up this year.** Aggregate growth in the major industrial economies—the United States (US), the euro area, and Japan—will stay at 1.8% in 2016 before inching up to 1.9% in 2017. Japan's growth will improve slightly, helped by a pickup in private consumption this year in anticipation of a value-added tax increase next year.

Figure 01: World Growth and Forecast



Note: Data for 2015 actual growth is an estimate as of January 2016. The forecasts are from the previous year's April issue of the World Economic Outlook.

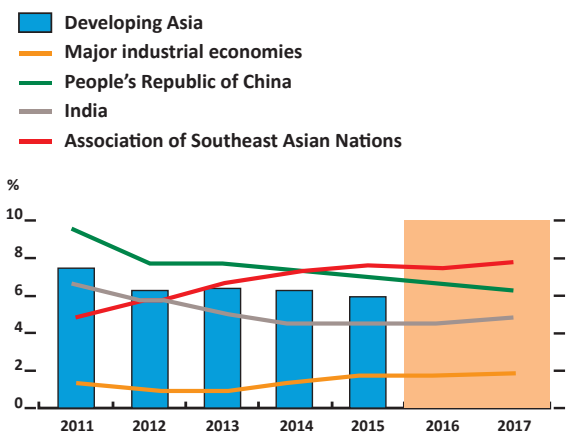
Source: International Monetary Fund, World Economic Outlook, April 2007-2014, October 2015, and January 2016.

» **Strong public investment boosted growth in India despite weak exports.** Reform geared to attract more foreign direct investment progressed, and the authorities worked to repair corporate and bank balance sheets. While macroeconomic fundamentals are strong, progress on major structural reform is expected to be gradual. Growth momentum will be sustained at 7.4% in 2016 before picking up to 7.8% in 2017 with measures to fund stalled projects and an uptick in bank credit.

» **The PRC continues to shift away from its reliance on investment and exports.** Growth slowed further last year as exports faltered, labor shortages began to bite, and the short-term adverse impact of supply-side reform took its toll. Reduced investment in industries with excess capacity will be another factor moderating growth still further to 6.5% (within the government's target range of 6.5%–7.0%) and to 6.3% next year.

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Figure 02: GDP Growth Outlook in Developing Asia



Note: The major industrial economies consist of the United States, the euro area, and Japan.

Sources: US Department of Commerce, Bureau of Economic Analysis, <http://www.bea.gov>; Eurostat, <http://ec.europa.eu/eurostat>; Economic and Social Research Institute of Japan, <http://www.esri.cao.go.jp>; Haver Analytics; Asian Development Outlook database; ADB estimates.

» **Stronger growth is seen for ASEAN.** Aggregate growth in the 10 ASEAN economies is forecast to accelerate steadily from 4.4% in 2015 to 4.5% in 2016 and 4.8% in 2017. Growth will be led by Indonesia as it ramps up investment in infrastructure and implements policy reform that spurs private investment. Solid consumption and investment will provide a lift to the Philippine economy. Thailand's recovery is expected to gather momentum, and Viet Nam will sustain vigorous expansion. In contrast, Malaysian growth will slip further with low oil prices and weak external demand.



» **Low commodity prices weigh on growth prospects in Central Asia and the Pacific.** Continued low oil prices are exerting pressure on fiscal spending in Azerbaijan, Kazakhstan, Papua New Guinea, and Timor-Leste, slowing subregional growth in Central Asia and the Pacific. While the expected pickup in oil prices will bring some relief in 2017, growth is expected to remain below the 5-year average pace to the forecast horizon.

Most Asian economies benefit from low international food and fuel prices. The large fall in oil and food prices tempered inflation. The regional rate eased from 3.0% in 2014 to 2.2% in 2015 as global oil prices fell by 47% and average food prices by 15%.

Regional inflation will revive to 2.5% in 2016 as domestic demand strengthens and rise further to 2.7% in 2017 as global commodity prices recover.

The regional current account surplus will narrow this year and next. Subdued demand for manufacturing exports and continued low commodity prices will trim developing Asia's current account surplus from the equivalent of 2.9% of regional GDP in 2015 to 2.6% in 2016 and further to 2.4% in 2017. Yet the region's increasing global economic weight means its surplus will widen slightly to 0.7% of world GDP in 2016, up 0.1 percentage points from last year.

GDP growth rate and inflation, % per year										
	Growth rate of GDP					Inflation				
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
Central Asia	6.6	5.3	2.9	2.1	2.8	5.8	5.7	6.2	10.8	5.9
East Asia	6.8	6.6	6.0	5.7	5.6	2.4	1.9	1.3	1.6	2.0
South Asia	6.2	6.7	7.0	6.9	7.3	9.3	6.8	5.0	5.2	5.7
Southeast Asia	5.0	4.5	4.4	4.5	4.8	4.2	4.1	2.7	2.6	2.9
The Pacific	3.8	9.4	7.0	3.8	3.1	4.9	3.5	3.4	4.5	4.7
Southeast Asia	5.0	4.5	4.4	4.5	4.8	4.2	4.1	2.7	2.6	2.9
Developing Asia	6.4	6.3	5.9	5.7	5.7	3.8	3.0	2.2	2.5	2.7

South Asia : GDP growth rate and inflation, % per year										
	Growth rate of GDP					Inflation				
	2013	2014	2015	2016	2017	2013	2014	2015	2016	2017
Afghanistan	3.2	1.3	1.5	2.0	3.0	7.4	4.6	-1.5	3.0	3.5
Bangladesh	6.0	6.1	6.6	6.7	6.9	6.8	7.3	6.4	6.2	6.5
Bhutan	3.6	3.8	5.9	6.4	6.1	8.8	9.6	6.6	4.0	5.0
India	6.6	7.2	7.6	7.4	7.8	9.8	6.7	5.0	5.4	5.8
Maldives	4.7	6.5	1.5	3.5	3.9	2.3	2.1	1.0	1.2	1.4
Nepal	3.8	5.1	3.0	1.5	4.8	9.8	9.1	7.2	10.5	8.2
Pakistan	3.7	4.0	4.2	4.5	4.8	7.4	8.6	4.5	3.2	4.5
Sri Lanka	3.4	4.9	4.8	5.3	5.8	6.9	3.2	3.8	4.5	5.0

Source : Asian Development Bank (ADB)

INTERNATIONAL NEWS



U.S. Overview

Another Challenging Start to the Year

With first quarter growth now in the books, expectations for growth for 2016 as a whole have been ratcheted down another notch. While the 0.5 percent annual rate reported for the advance first quarter real GDP print was close to its forecast, the softer April jobs report and continued declines in Chinese exports have added to fears that slower global growth will continue to weigh on the U.S. economy. Wells Fargo continues to see this slower start to the year as a first half risk and look for solid gains in consumer spending and homebuilding in the coming quarters to keep real GDP growth solidly in positive territory.

Slower global growth is most apparent in capital spending and net exports. Nonresidential fixed investment spending fell at a 5.9 percent annual rate during the first quarter. Spending on equipment and software has also been weak, reflecting reduced demand overseas and some knock-on effects from reduced energy production. Residential investment was the lone bright spot during the quarter, helped by milder winter weather.

Wells Fargo is looking for real GDP to grow at a 1.4 percent annual rate in the current quarter and 1.6 percent for the year as a whole. The slower start to 2016 has pushed out its expectations for the timing of the Fed's next move to September and Wells Fargo has also slightly scaled back expectations for the pace of rate hikes in 2017.

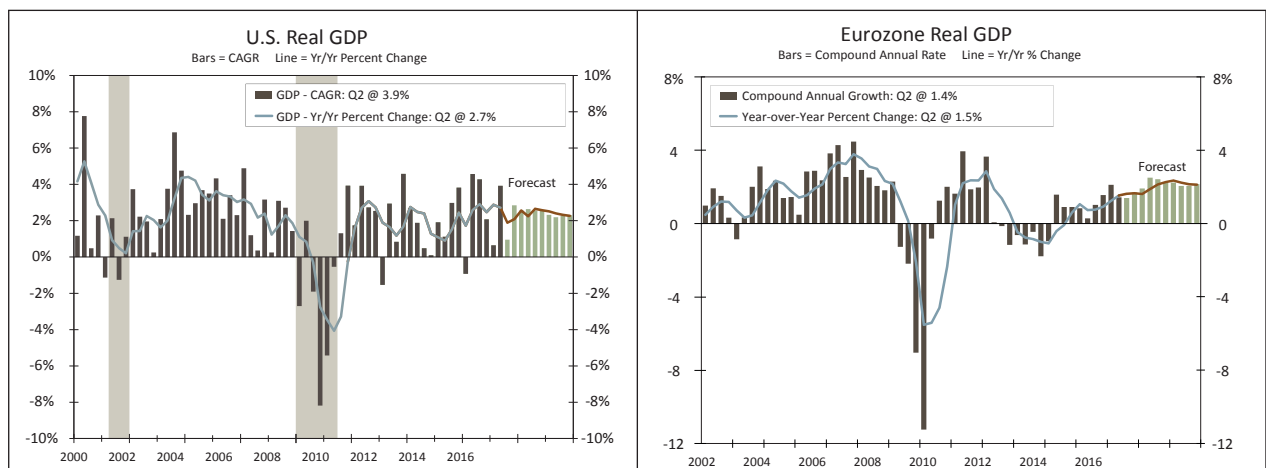
International Overview

Yet Another Year of Slow Global Growth

The environment of slow global economic growth that has characterized the past few years appears to have remained largely intact thus far in 2016. For starters, the underlying pace of real GDP growth in the Eurozone appears to be between 1.5 percent and 2.0 percent at present, clearly not a recession but hardly "robust" either. The Chinese economy has decelerated to a sub-7 percent pace in recent quarters, and Wells Fargo looks for further slowing going forward. Indeed, Wells Fargo is becoming increasingly concerned that China may eventually face a prolonged period of sluggish economic growth, if not outright stagnation, due to capital misallocation.

The Russian economy nosedived in 2015, but recent indicators suggest that economic activity in the country may be starting to stabilize. Although Brazil likely will experience another year of negative economic growth in 2016, the rate of contraction may be in the process of becoming less extreme. That said, a return to the supercharged growth rates that characterized many developing economies a few years ago does not look to be in the cards anytime soon.

In aggregate, Wells Fargo looks for global GDP to grow less than 3 percent in 2016. Slow global growth should mean that commodity prices remain low, that inflation in most countries stays benign and that interest rates remain abnormally low. Central banks in most foreign countries likely will refrain from tightening monetary policy in 2016 and arguably in 2017 as well.



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

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

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

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



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