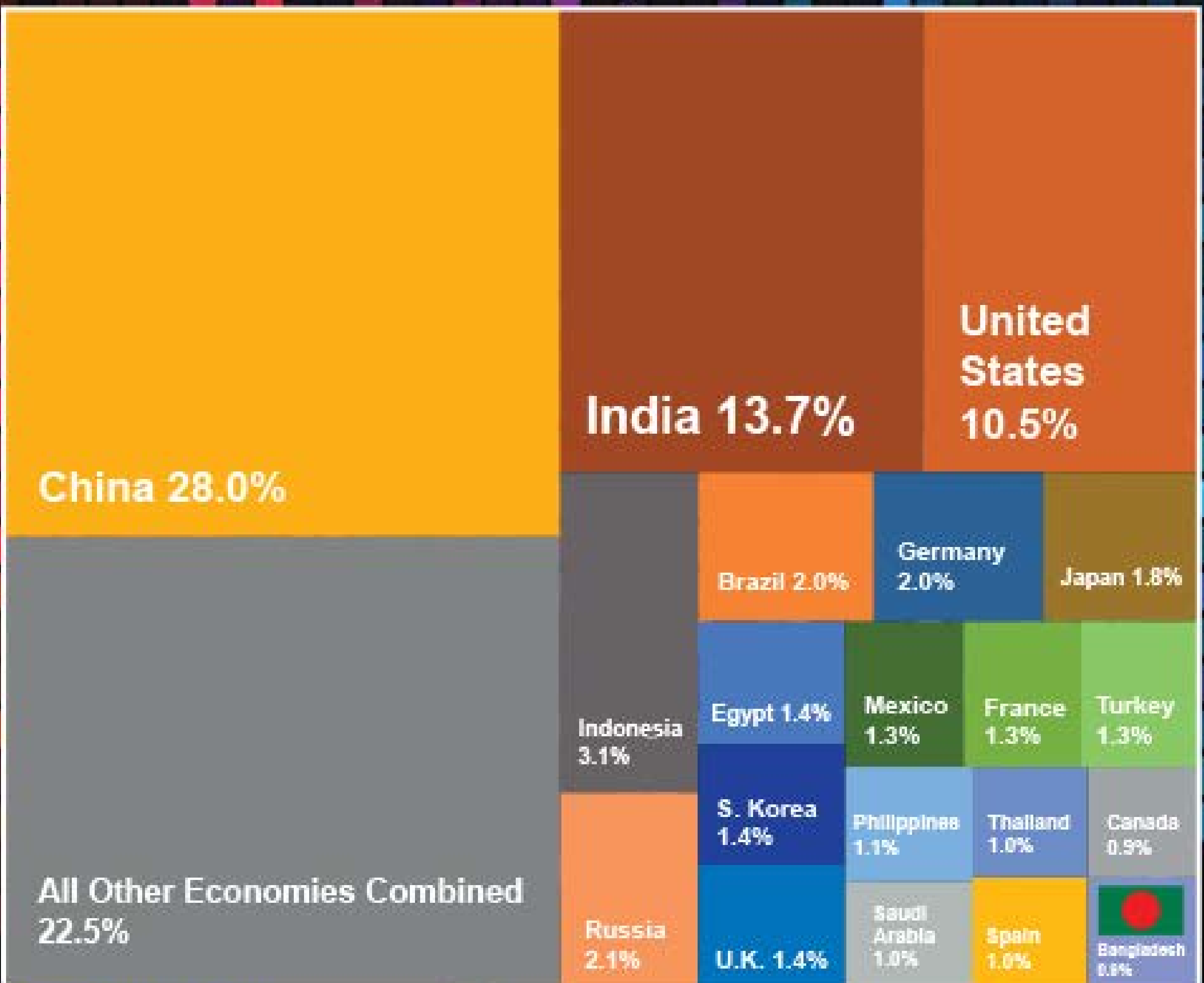
MTBiz

MONTHLY BUSINESS REVIEW
VOLUME: 10 ISSUE: 03
APRIL 2019

BANGLADESH ENTERS THE 7% CLUB

2019-2020 World Economy Growth Contribution



Source: IMF WEO April, 2019


ASIA'S
BEST EMPLOYER BRAND
AWARDS
DREAM COMPANY TO WORK FOR
Mutual Trust Bank Limited
ASIA'S
BEST EMPLOYER BRAND
AWARDS
AWARD FOR EXCELLENCE IN IMPROVING PERFORMANCE THROUGH LEADERSHIP
Mutual Trust Bank Limited

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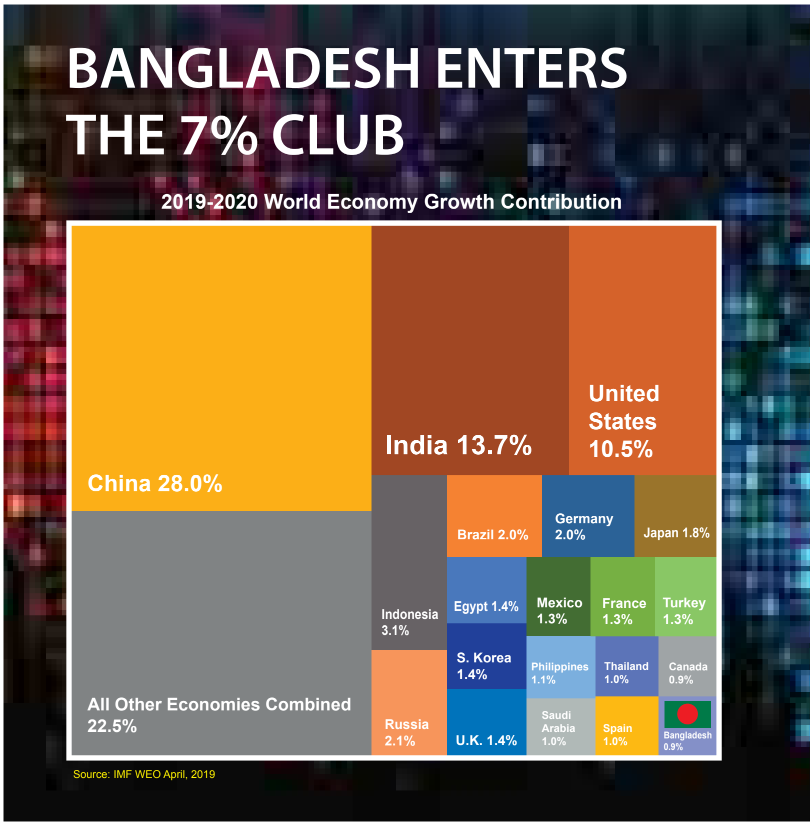

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UN GLOBAL COMPACT
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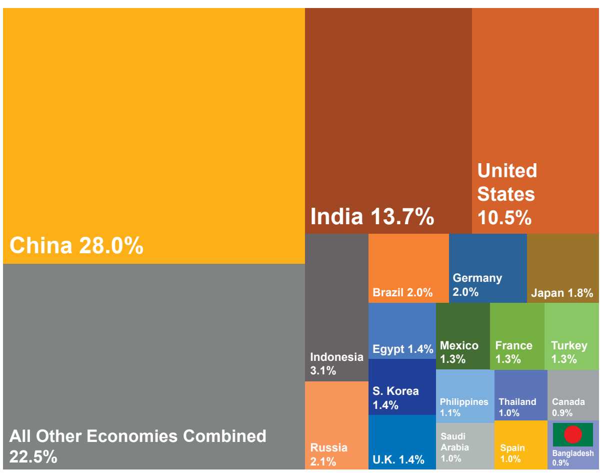
BANGLADESH ENTERS THE 7% CLUB

THE 7% CLUB

The 2020s are set to be the Asian decade, with the continent dominating an exclusive list of economies expected to sustain growth rates of around 7%, a Standard Chartered study says, in the midst when Bangladesh Finance Minister AHM Mustafa Kamal said the country will enter the list of top 20 contributors to the world GDP growth in the next five years when World Bank acting Country Director in Bangladesh and Bhutan, Dandan Chen met h im at the minister's office.

In the mid of April The World Bank Group (WB), published a report titled, The Bangladesh Development Update 2019 "Towards Regulatory Predictability". Driven by industry, Bangladesh's economy continues to grow at an impressive rate says the report. Bangladesh is among the five fastest growing economies of the world, in spite of insufficient private sector investment.

Not only will the country enter the list of top 20 contributors to the world GDP but also the country will



contribute 0.9 percent to the world economy, which would be the same as Canada, a developed country, as proclaimed by Finance Minister AHM Mustafa Kamal based on a Bloomberg report. Bloomberg used IMF projections, adjusted for purchasing power parity, to dissect where this growth will come from. Referring to the Bloomberg analysis, the minister said the highest contribution to the world economy will be from China at 28 percent, followed by India at 13.7 percent and the US at 10.5 percent, he added. Global growth will increasingly come from Asian emerging markets, according to Bloomberg. Russia will play a larger role in global growth than many Group of Seven countries including Germany, Japan, the UK, France, Spain or Italy.

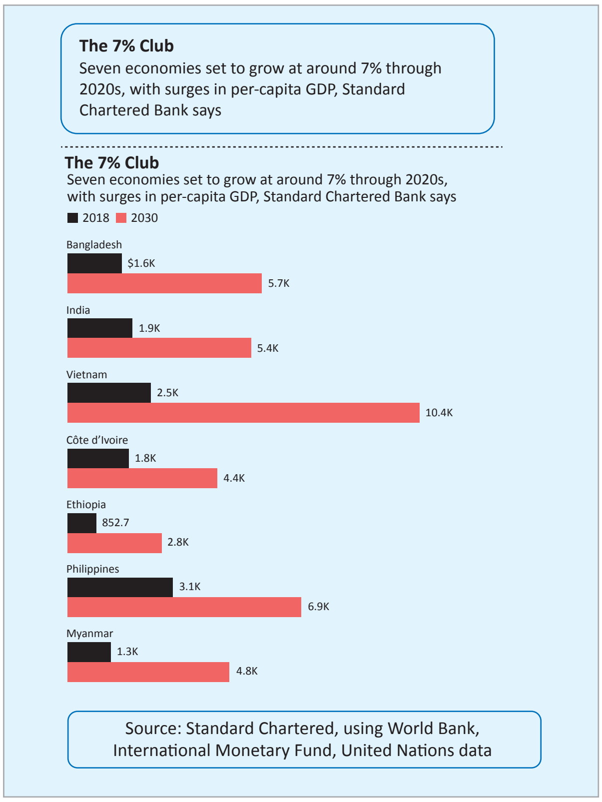
The WB report further mentions, Sound macroeconomic policies – such as keeping the budget deficit below 5 percent of GDP – and resilient domestic demand have led to growth in manufacturing and construction industries on the supply side. On the demand side, growth is led by private consumption and exports. After a modest performance last year, export earnings and remittances have bounced back helping the rural economy grow faster. In addition, the country has substantially improved its electricity generation and a bumper agricultural harvest has further stimulated growth. Beside such a bright outlook, WB report also warns about Non-performing loans (NPL) and says, NPLs are increasing despite these wholesale approvals of loan rescheduling. NPLs are not evenly distributed among banks with five banks accounting for almost half of the total NPLs.

HIGHLIGHTS

- *Bangladesh economy continues to be among the fastest growing economies in the world, thanks to stable macro and export-oriented industry-led growth*
- *But, private sector investments remain insufficient along with declines in Foreign Direct Investment (FDI)*
- *To sustain growth, the country needs continuity in priority reform areas: financial sector, fiscal, infrastructure, human capital and business regulation*

However, the WB report concludes, In order to become an upper middle-income country by 2031 and achieve high income country status by 2041, Bangladesh will require huge investments in physical capital, human capital, and innovation enabled by reforms in areas such as financial sector, business regulation, and addressing the infrastructure gap.

The Standard Chartered's recent report has spoken high of Bangladesh. It says, Bangladeshis set to be wealthier than Indians by 2030. India, Bangladesh, Vietnam, Myanmar and the Philippines should all meet that benchmark, according to a research note Sunday from Madhur Jha, Standard Chartered's India-based head of thematic research, and Global Chief Economist David Mann. Ethiopia and Côte d'Ivoire are also likely to reach the 7% growth pace, which typically means a doubling of gross domestic product every 10 years. That'll be a boon to per-capita incomes, with Vietnam's soaring to USD 10,400 in 2030 from about USD 2,500 last year, they estimate.



The South Asian members of the group should be GDP standouts as they'll together account for about one-fifth of the world's population by 2030, Standard Chartered reckons. The demographic dividend will be a boon for India, while Bangladesh's investments in health and education should juice productivity.

The Asian dominance of the list is a change from 2010, when the bank first started tracking the economies it expected to grow by around 7%. Back then, there were 10 members evenly split between Asia and Africa: China, India, Indonesia, Bangladesh, Vietnam, Nigeria, Ethiopia, Tanzania, Uganda, and Mozambique.

Routes to the 7% Club

1) Export- or supply-driven commodity boom
2) Recovery period after intense economic or political weakening
3) Overheating, including monetary expansion or a real-estate boom
4) Export-oriented industrialization, especially in manufacturing

Source: Standard Chartered Bank

While faster economic growth isn't a panacea -- think income inequality, crime, pollution -- it tends to come with a lot of positive knock-on effects, Jha and Mann wrote. "Faster growth not only helps to lift people more quickly out of absolute poverty, but is also usually accompanied by better health and education, as well as a wider range of -- and better access to -- goods and services," they say in the report. "Higher incomes resulting from faster growth also usually reduce socio-political instability and make it easier to introduce structural reforms, creating a virtuous cycle." In addition, 7% club members tend to have savings and investment rates of at least 20-25% of GDP, according to the report.

Bloomberg Source: https://www.bloomberg.com/news/articles/2019-05-12/asian-economies-set-to-dominate-7-growth-club-during-2020s

NATIONAL NEWS

Interest rate for trade financing in forex revised

Bangladesh Bank (BB) recently revised the interest rate on foreign currency loans to facilitate trade financing following demand from banks, said a BB circular. In February this year, banks at the 21st forum of authorised dealers requested the central bank to set the rate on foreign currency loans, which they issue against export and import bills, at 7 per cent inclusive of London Interbank Offered Rate (LIBOR). The central bank, however, in a circular, allowed banks to charge their customers up to LIBO plus 3.5 per cent. As per the central bank's instruction issued in 2013, the authorised dealers of banks are allowed to issue foreign currency loans against export and import bills also known as buyer's credit and supplier's credit at highest 6 per cent interest inclusive of LIBOR. For now, banks will get an additional 0.14 per cent interest advantage due to the revised rate.

Only cash-in, airtime buy up to BDT 500 before KYC verification

Bangladesh Bank recently said that new customers of mobile financial services could only conduct cash-in and airtime purchase (maximum BDT 500) activities before verification of know your client. BB issued a circular in this regard. The customers will not be allowed to conduct any other activities before KYC verification, the circular said. It said that if the KYC was not approved or registration was cancelled, the money that the customer deposited should be returned safely. BB directed that every MFS provider should have facilities in their own service centres so that the customers could cash out their funds. All the PSPs except the MFS providers should have facility so that they can return funds deposited by clients to the attached bank accounts, the circular said.

NBFIs also get extended loan write-off capacity

Bangladesh Bank has allowed non-bank financial institutions also to write off bad loans like banks without filing lawsuit for recovery. Financial institution and market department of the central bank recently issued a circular, allowing NBFIs to write off a loan worth below BDT 2 lakh without filing lawsuit. In the previous policy, the limit was BDT 50,000. According to the new policy, NBFIs will also have to write off bad loans after remaining classified under bad criteria for three consecutive years without any possibility of recovery in near future. The previous policy allowed NBFIs to write off loans which remained classified as bad for five years in a row. The central bank informed the decision to Managing Directors and Chief Executive Officers of all scheduled NBFIs in the country.

Transaction thru NPSB rises by 28pc

Interbank payment and fund transfer through National Payment Switch Bangladesh (NPSB) increased by 28.1 per cent or BDT 308.51 crore year-on-year in February despite stagnancy in transaction through point-of-sales. In February this year, 1,406.4 crore was transacted through the NPSB system while the figure was BDT 1,097.89 crore in February last year, BB data showed. Interbank transaction through NPSB, however, declined by 4.58 per cent or BDT 67.46 crore in February as the figure was BDT 1,473.86 crore in January this year. The transaction through NPSB includes payment through automated teller machines and point-of-sales and internet banking fund transfer. The central bank introduced the system in December 27, 2012 for ATM interoperability, cost interoperability, internet banking interoperability, mobile financial service interoperability and other functions as well. BB has initiated measures to bring mobile financial services under the NPSB system so that the MFS users would be able to transfer fund from one MFS operator's account to another.

NATIONAL NEWS

Deposits in school banking accounts exceed BDT 1,500cr

Students' deposits in their bank accounts crossed BDT 1,500 crore at the end of December 2018, according to a Bangladesh Bank report released. The BB data on financial inclusion, however, showed that the growth rate of deposits in the accounts, opened with just BDT 10 deposit, had slowed down to 10.81 per cent in the year 2018 against 33.52 per cent growth a year ago. With BDT 147.36 crore deposits in last year, the total deposits in such accounts reached BDT 1,510.32 crore with 18,18,413 school banking accounts with 56 scheduled banks as of December 31, 2018. In 2017, deposits grew by BDT 342.17 crore to BDT 1,362.96 crore with 14,53,936 school banking accounts. According to the report, the school banking service has gained more popularity in the cities than in the rural areas as 11,44,243 school banking accounts were opened in the cities against 6,74,170 accounts in the rural areas.

Banks asked to introduce online NSC system by June

Bangladesh Bank recently asked all the scheduled banks to introduce National Savings Scheme Online Management System by June this year. The central bank issued the instruction following a circular of the finance ministry where it asked the entities concerned to refrain from transacting savings scheme manually after June, 2019. The system has been introduced to check abuses in investment in the government saving tools. There are allegations that many high net worth individuals invest huge amount of money to get high interest, prompting the government to install the system. Huge investments by the high net worth individuals have created huge interest payment burden on the government as the total fund collection target for the fiscal year of 2018-2019 through the sales of national savings certificates exceeded by January. The finance ministry launched the system on February 3 this year on trial basis and instructed all the entities to install the system by June this year.

BB gives banks big breaks over defaulted loans

Bangladesh Bank has relaxed rules regarding defaulted loan classification by extending the time for treating overdue loans as doubtful and bad, giving further breaks to banks in this connection. To this end, the central bank recently issued a circular amending its earlier rules issued in 2012. Experts said the new rules would help banks clean their financial statements. Due to the new rules, banks' requirement to keep provision against defaulted loans would fall drastically and their capacity to issue fresh loans would increase with 'artificially' created space, they said. Further misuse of the policy relaxation would lead banks into more dangerous state, they warned. BB officials said that more benefits for loan defaulters were in the offing as the government had decided to relax loan rescheduling policy. As per the previous rules, banks were supposed to classify loans as sub-standard immediately after the loans became overdue for three months.

BB suggests BSEC to ensure governance, quality IPOs

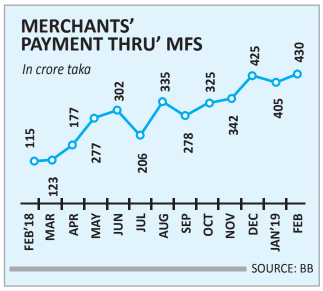
Bangladesh Bank has suggested that Bangladesh Securities and Exchange Commission (BSEC) should ensure good corporate governance in the country's capital market and bring good companies to the market to attract investments. The central bank made the suggestion in its recently published quarterly report titled 'Capital Market Developments in Bangladesh' for the October-December period last year. Mentioning the capital market's role in economic development as vital, the BB report said, 'BSEC may undertake some necessary pragmatic steps with appropriate regulatory support to create eagerness of the fund owners to make investments in the capital market.' 'To this end, BSEC may ensure good corporate governance, motivate good companies for floating shares or bonds and sukuk providing with more attractive incentives,' it said. The central bank made the suggestion as the country's capital market is yet to play its due role for economic development and attracting local and foreign investments at desired level.

NATIONAL NEWS

Banks, NBFIs given extended facility to get JICA-assisted fund

Bangladesh Bank recently extended refinancing facility for banks and non-bank financial institutions from the Japan International Cooperation Agency-assisted foreign direct investment promotion project. BB's foreign exchange investment department, also the FDIPP-implementation unit, issued a circular on the day with a view to enhancing fund disbursement from the JICA-assisted BDT 537 crore fund. As per the policy change, a participating bank or NBFI would be allowed to seek refinancing loans up to BDT 30 crore that the entity has already issued to one of its client. Earlier, the amount of refinancing loans from the JICA-assisted FDIPP was limited to BDT 70 lakh for a client. The bank or NBFI would also be allowed to seek pre-financing loans worth above BDT 15 crore from the project. Earlier, a bank or NBFI was allowed to apply for pre-financing loans worth above BDT 70 lakh for any of its clients.

Paying with MFS at retails gaining traction



Payments through the mobile financial service platform have trebled in the last one year, in a development that will bring cheer to the central bank as it strives to move towards a cashless society. In February, total MFS merchant payment stood at BDT 429.83 crore, in contrast to BDT 115.43 crore a year earlier, according to data from the central bank. At present, people are using MFS to pay for goods at both brick-and-mortar and e-commerce shops and also for rides, tuition fees and utility bills. Even salary disbursement and government payments are made through the platform. Currently, about 1 lakh merchants are connected with the platform, of which 80,000 accounts are registered with bKash alone. Cards account for about 32 percent of the payment, which is more or less the same as a year ago. Of SureCash's total transactions, 10 percent is merchant payment. From the service point of view, operators are trying to bring more and more services onboard, which will help the industry to grow.

NATIONAL NEWS

Bangladesh second fastest growing economy: IMF

FASTEST GROWING ECONOMIES

COUNTRY	PROJECTED GROWTH
RWANDA	7.8%
BANGLADESH	7.3%
INDIA	7.3%

SOURCE: IMF

Bangladesh is among the three fastest growing economies in the world, according to the International Monetary Fund (IMF) in yet another thumping endorsement of the country's extraordinary growth momentum. The economy will grow at 7.3 percent this year, which will be second highest in the world, as per the IMF report 'World Economic Outlook, April 2019: Growth Slowdown, Precarious Recovery' revealed recently. Neighbouring India will also grow at the same pace as Bangladesh but Rwanda will grow the fastest at 7.8 percent. The three countries would be the only ones in the world to log in more than 7 percent growth this year. The IMF's projection comes on the heels of the World Bank's and the Asian Development Bank's. The World Bank said, Bangladesh would be among the five fastest growing economies in the world this fiscal year with its 7.3 percent growth.

ADB betting big on Bangladesh

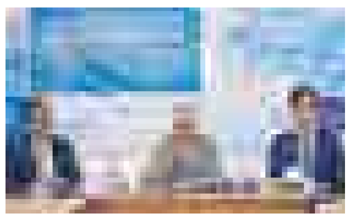
ADB
Asian Development Bank

Bangladesh was the third highest recipient of loans from the Asian Development Bank (ADB) last year, in further testament to the development partners' enhanced opinion of the country. Of the USD 21.58 billion pledged by the Manila-based multilateral lender, USD 2.20 billion went to Bangladesh, dwarfed only by the amounts received by India (USD 3.52 billion) and China (USD 2.62 billion), the two largest economies of the region. The amount is the highest yet for Bangladesh from the ADB, which typically commits in the neighbourhood of USD 1.5 billion every year, according to a presentation during its 52nd annual meeting, which wrapped up recently. The ADB also arranges co-financing with other bilateral or multilateral development partners and in 2018 it arranged USD 35.81 billion for the Asia-Pacific nations, of which USD 4.48 billion went to Bangladesh -- the highest. If an economy is growing at 7-8 percent the whole world will come and invest, said Hun Kim, ADB's director general for South Asia operations.

Bangladesh among top five growing economies: WB

A World Bank graph showing Bangladesh GDP growths from fiscal year 2012 to 2017. The World Bank in a report has put Bangladesh among the five fastest growing economies in the world. The outlook was reflected in the report titled 'The Bangladesh Development Update April 2019: Towards Regulatory Predictability'. The report attributed this astounding growth, despite insufficient private investment, to stable macro and export-oriented industry-focused growth. Overall, the economy is moving forward, growing at a decent pace by Bangladesh's own historical as well as international standards. Growth on the supply side in FY17 was driven by services and industry which accounted for 3.4 percentage point out of the officially estimated 7.3 percent GDP growth, the global lender said in the report. Even if a revamped system lowers GDP growth from 7.3 percent to say 6.8 percent or even 6 percent in the last two years, Bangladesh will still be among the fastest growing countries in the world.

ADB projects Bangladesh growth at 8pc



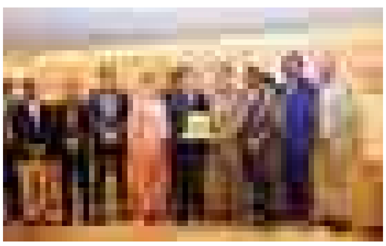
Bangladesh is on track to log in the fastest economic growth in the Asia-Pacific region in fiscal 2019-20, said the Asian Development Bank in its latest report -- in a resounding endorsement of the government's economic policymaking. The economy is expected to grow at 8 percent next fiscal year, which is the same as this year, said the Manila-based lender in the latest edition of its flagship publication, Asian Development Outlook 2019. Earlier in September last year, the ADB had forecasted that the GDP growth in 2018-19 would be 7.5 percent. But thanks to the robust private consumption, increased public investment, strong export performance and expansion in industries the ADB has revised upwards its growth forecast by 50 basis points. The higher forecast though is less than the government's own forecast of 8.13 percent. Bangladesh's economic outlook remains optimistic in the short-run. But to sustain this momentum in the medium- to long-term, there are several challenges we need to overcome.

NATIONAL NEWS

Puma enters Bangladesh

German sportswear giant Puma has set foot in Bangladesh, with its first store to open next week -- as the country's sizeable and upwardly mobile middle-class and youth population continues to catch the attention of global brands. Puma's first store will be at Banani 11, said MA Jabbar, the local franchisee of Puma. All the clothing items would be brought in from Germany as the country is not yet capable of manufacturing high-end stuff said Jabbar, also the managing director of DBL Group, which exported garment items worth USD 400 million last fiscal year. The economy has been growing at more than 7.5 percent over the last four years and it is expected to cross 8 percent this fiscal year. The domestic apparel market size is nearly USD 12 billion.

BD-China trade to hit USD 18b mark in two years

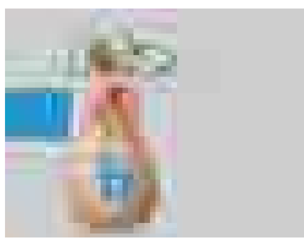


Bilateral trade between Bangladesh and China, which accounted to USD 12.40 billion in 2017-18, is expected to hit USD 18 billion mark by 2021, according to economists. President of Dhaka Chamber of Commerce & Industry (DCCI) Osama Taseer disclosed it recently when Ambassador of China to Bangladesh Zhang Zuo paid a visit at DCCI auditorium in the capital. Urging Chinese FDI in "RMG product diversification" and allied transfer of technology, Taseer said Bangladesh's ‘Look East’ Policy is essentially designed to open up new avenues of cooperation with China and the ASEAN region. He also urged the world’s second largest economy for quick implementation of duty free, quota free market access to Bangladesh. In 2017-18 China's FDI to Bangladesh increased and China has invested more in Bangladesh than any other countries, said he. China is one of the largest partners in mega infrastructure projects in Bangladesh, said Zao adding that about 200 large Chinese companies and 200 Chinese SMEs are in operation in Bangladesh.

Go for FTA deals with Europe, China

Bangladesh should move to ink free trade agreements with its major partners including China to cope with the possible loss of trade preferences in the post-LDC era, says a new UN report. The power-based nature of bilateral negotiations, however, makes this a much more challenging task than the multilateralism that has governed trade up to this point, warned the report titled "World Economic Situation and Prospects 2019." The United Nations Department of Economic and Social Affairs (UN/DESA and the United Nations Conference on Trade and Development (UNCTAD) along with five other United Nations regional commissions produced the report. The UN report comes a year after Bangladesh officially met the criteria for LDC (Least Developed Country) Graduation for the first time in 2018. In the current trend, Bangladesh is expected to meet those LDC Graduation criteria for a second time in 2021. In such case, the country would formally graduate from the LDC status by 2024.

Remittance inflow rises 10pc in Jul-Apr period



The flow of inward remittances grew by 10.01 per cent in the first 10 months of this fiscal year (FY) as the exchange rate of local currency maintained a depreciating mode against the US dollar. The Bangladeshi nationals working abroad sent home USD 13.03 billion during the July-April period of the FY 2018-19 from USD 12.09 billion in the same period of the previous FY, according to the central bank's latest statistics. The remittance inflow registered USD 1.43 billion in April last, down from USD 1.46 billion in the previous month. It was USD 1.33 billion in April 2018. The flow of overall inward remittance continues to maintain an upward trend due to the depreciation of Bangladesh Taka (BDT) against the US currency, the central banker explained. Meanwhile, The BDT depreciated by 55 poisha against the greenback in the inter-bank forex market from January 03 to April 29, mainly due to higher demand for the US currency.

Footwear makers must ensure full compliance: Local industry is threatened, says Manzur

"It's true synthetic products now compete with leather goods, but synthetics will disappear ultimately. It's not biodegradable."

-Syed Manzur Elahi
Chairman of Apex Group

Syed Manzur Elahi, also a former adviser to a caretaker government and Founding Chairman of Mutual Trust Bank Limited (MTB), said local industry is threatened as demand and prices of leather products have gone down globally. "We need to set a roadmap to overcome the situation and work on a priority basis to achieve our target," he told a study dissemination seminar in Dhaka recently. The Research and Policy Integration for Development (RAPID) and the Asia Foundation co-hosted the event styled 'Consultation on the study findings on leather sector after tannery industry relocation: Issues and challenges'. Manzur Elahi said completion of construction and making Central Effluent Treatment Plant (CETP) fully functional at Savar tannery estate should be the top priority for the sector now. To compete in international market, he said, the local industry needs a product development centre to bring variations in production to meet global fashion demand. Speaking as the guest of honour, he said synthetic products upset leather and leather goods not only in Bangladesh, but also the international market. "It's true synthetic products now compete with leather goods, but synthetics will disappear ultimately. It's not biodegradable," he commented. Mr. Elahi said social compliance in the sector has to be ensured today or tomorrow because of pressure from buyers. "We'd better ensure compliance on our own," he went on to say.

Mr. Elahi criticised the country's education system, especially in leather sector technical and vocational education, for lacking in suitability. "Something is very wrong, our education is not aligned with our industry," he said. Mr. Elahi said around 25,000 foreigners, the majority of them Indians and Sri Lankans, work at mid-level in the local manufacturing industry. "Foreign mid-level executives take away around USD 5.0 billion remittance from Bangladesh. There might be USD 2 to USD 3 billion more outflows illegally by them."

BSEC APPROVES NORFUND AS MTB'S 10PC STAKEHOLDER

Bangladesh Securities and Exchange Commission (BSEC) has accorded its consent for raising the paid up capital of Mutual Trust Bank Limited (MTB) by issuing shares in favor of Norfund - The Norwegian Investment Fund for Developing Countries, on April 30, 2019. The bank will use the subscription price for expanding its lending to SME, Green Projects and for export oriented companies in the country.

Earlier, at the 16th Extraordinary General Meeting (EGM) of the bank, held on November 01, 2018 at the Samson H. Chowdhury Auditorium, MTB Tower, 111 Kazi Nazrul Islam Avenue, Dhaka 1000, the shareholders of the bank have unanimously approved to issue fresh capital (Equity Shares) in favor of Norfund.

Norfund is a private equity company, established by the Norwegian Storting (supreme legislature of Norway) in 1997 and owned by the Norwegian Ministry of Foreign Affairs. Its priority sectors are: clean energy, financial institutions and food and agribusiness.

MTB DONATES BDT 10 MILLION TO THE PRIME MINISTER'S RELIEF FUND

MTB Managing Director & CEO, Anis A. Khan is seen handing over a cheque of BDT 10 million to the Honorable Prime Minister of Bangladesh, Sheikh Hasina for the Prime Minister's Relief and Welfare Fund as part of the bank's Corporate Social Responsibility (CSR) at a simple ceremony held at Gonobhaban, Dhaka 1207 on April 01, 2019.

MTB ORGANIZES SERVICE QUALITY WORKSHOP

MTB has organized its first ever Service Quality Workshop 2019 on April 27, at Lakeshore Hotels Gulshan, Dhaka 1212. MTB Independent Director, Nasreen Sattar and the bank's Managing Director & CEO, Anis A. Khan attended the workshop. Deputy Managing Directors, Syed Rafiqul Haq, Goutam Prosad Das and Tarek Reaz Khan, Divisional and Departmental Heads and Managers of different MTB branches were also present at the Workshop.

With a theme, *'Engaging Everyone to Create Excellence'*, the workshop was designed to engage everyone creating alignment and collaboration between the front offices and the back offices with a view to achieving **MTB 3V**!

MTB ORGANIZES BAMLCO CONFERENCE 2019

MTB has organized the BAMLCO Conference 2019, a day-long forum of the Branch Anti Money Laundering Compliance Officers (BAMLCOs) of the bank, on April 23, 2019 at a hotel in Dhaka. Senior executives and officials of concerned divisions along with 114 BAMLCOs of the bank participated in the conference. The bank's performance of 2018 in terms of compliance with Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT) was evaluated and AML & CFT strategy for 2019 was formulated at the conference.

Abu Hena Mohd. Razee Hassan, Head of Bangladesh Financial Intelligence Unit (BFIU), Bangladesh Bank (BB) graced the conference as the Chief Guest and highlighted the AML & CFT initiatives of the government, BFIU and international organizations and the responsibilities of the banks as a reporting organization at his speech. Special Guest, Md. Zakir Hossain Chowdhury, General Manager & Operational Head, Md. Khairul Anam and Syed Kamrul Islam, Joint Directors, BFIU, BB also attended the conference.

MTB Managing Director & CEO, Anis A. Khan advised the BAMLCOs to strive further to mitigate the risk of money laundering and financing terrorism through compliance with the regulatory instructions on AML & CFT. MTB Deputy Managing Directors, Syed Rafiqul Haq, Goutam Prosad Das and Tarek Reaz Khan and Chief Anti Money Laundering Compliance Officer (CAMLCO), Swapan Kumar Biswas also attended the day-long conference.

MTB PRESENTS ITS 8TH "BRAVERY & COURAGE" AWARD

MTB has recently handed over its 8th MTB "Bravery & Courage" Award for Late Sohel Rana, the firefighter who took part in the fire rescue operation during Banani's FR Tower fire incident on March 28, 2019, and subsequently succumbed to death.

A special crest and a cheque were handed over to his family at a simple ceremony at the bank's Corporate Head Office, MTB Centre, Gulshan 1, Dhaka 1212 in the presence of MTB Chairman, Md. Hedayetullah, Vice Chairman, Khwaja Nargis Hossain, Directors, Md. Abdul Malek, Md. Wakiluddin, Md. Manirul Islam and Anika Chowdhury, Independent Directors, Anwarul Amin and Nasreen Sattar and MTB Managing Director & CEO, Anis A. Khan and other senior bank officials. The MTB Chairman lauded the valiant act of Late Sohel Rana, and underscored the significance of such awards to inspire other organizations to come forward to recognize selfless acts of bravery and sacrifices by individuals.

The bank had introduced the MTB "Bravery and Courage" award in 2012 with a view to recognizing acts of bravery and rewarding selfless individuals and their families.

MTB INAUGURATES ITS 24/7 ATM BOOTH AT NEW MARKET, CHATTOGRAM

MTB has recently opened its 280th 24/7 ATM Booth at New Market, Chattogram. Abdus Salam, Chairman, Chattogram Development Authority (CDA) inaugurated the new MTB ATM Booth at a simple ceremony. Tarek Reaz Khan, Deputy Managing Director and Md. Khurshed Ul Alam, Head of Chattogram Division Branches, MTB along with other senior officials of the bank attended the ceremony.

MTB OPENS AGENT BANKING CENTRE AT DHAMIRHAT, BORMA, CHATTOGRAM

MTB has recently opened 104th Agent Banking Centre at Dhamirhat, Borma, Chattogram. Md. Khurshed Ul Alam, Senior Executive Vice President and Head of MTB Chattogram Division Branches, inaugurated the centre as the Chief Guest. Madan Mahan Karmoker, Head of Agent Banking, Mohammed Sanaullah, Sarkerhat branch manager, Ezharul Habib Chowdhury, Kerani Hat branch manager along with local elite, leaders of local business associations, people from different strata and other officials of the bank also attended the event.

MTB SIGNS AGREEMENT WITH NOVOAIR LIMITED

NOVOAIR

truly yours...

MTB has recently signed an agreement with NOVOAIR Limited (NOVOAIR) at MTB Tower, 111 Kazi Nazrul Islam Avenue, Bangla Motor, Dhaka 1000. Under this agreement, MTB credit & debit cardholders will enjoy 10% discount on base fare for all domestic & International routes by NOVOAIR.

Mes-bah-ul Islam, Head of Marketing & Sales, NOVOAIR and Mohammad Anwar Hossain, Head of Cards, MTB signed the agreement on behalf of their respective organizations. AKM Mahfuzul Alam, Sr. Manager Marketing & Sales, NOVOAIR and Azam Khan, Group Chief Communications Officer, MTB along with other senior officials from both the organizations were also present at the event.

MTB SIGNS AGREEMENT WITH CARNIVAL INTERNET

CARNIVAL

MTB has signed an agreement with Carnival Internet at a simple ceremony on April 09, 2019 held at MTB Centre, the bank's Corporate Head Office, Gulshan 1, Dhaka 1212. Under this agreement MTB Privilege customers will enjoy discount up to 100% while MTB cardholders, the MTB Management and employees will enjoy up a maximum of 50% discount from Carnival Internet.

Mohiuddin Rasti Morshed, Director, Finance, Carnival Internet and Md. Towfiqul Alam Chowdhury, Head of Retail Business Development, MTB signed the agreement on behalf of their respective organizations. Mohammad Nannu Mian, Head of Account & Finance, Carnival Internet and Azam Khan, Group Chief Communications Officer, MTB along with other senior officials from both the organizations were also present at the ceremony.

MTB

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Mutual Trust Bank Ltd.
you can bank on us

NATIONAL NEWS

Syed Manzur Elahi elected Chairperson of EWU Trustee Board

Syed Manzur Elahi has been elected as Chairperson of the Board of Trustees of East West University (EWU). He is also one of the founding members of EWU and a former adviser to caretaker government of Bangladesh. Elahi is also the Founding Chairman of the Board of Directors of Mutual Trust Bank Limited (MTB) and Pioneer Insurance Company Limited. He is currently serving as the Chairman of the Executive Committee, MTB. Elahi is the Chairman of Apex Group, a leading business conglomerate in Bangladesh. He is also Director of International Publications Limited, the parent company of The Financial Express, Director of Credit Rating Agency of Bangladesh Limited (CRAB), Director of Central Depository Bangladesh Ltd. (CDBL), member of the Board of Trustees of Centre for Policy Dialogue (CPD) and member of Trustee Board of Diabetic Association of Bangladesh.

Sheikh Fazle Fahim, new FBCCI President

Sheikh Fazle Fahim, Managing Director of Obsidian Bangladesh Limited, has been elected as the President of the Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) for 2019-2021. Fahim, who represented the Gopalganj Chamber of Commerce and Industry, is the 22nd president of the apex trade body of the country. Fahim has replaced Shafiul Islam Mohiuddin.

Shafiqur joins AIBL as DMD

Md. Shafiqur Rahman has joined Al-Arafah Islami Bank Limited (AIBL) as Deputy Managing Director. Prior to this position, he worked as the Senior Executive Vice President of Islami Bank Shafiqur started his banking career as a probationary officer at Islami Bank.

Rumee Ali becomes AB Bank Chairman

Muhammad A. (Rumee) Ali has been appointed as Chairman of AB Bank Limited. He started his career with ANZ Grindlays Bank (Bangladesh) in 1975. In 1997, he was the first Bangladeshi to be appointed as the CEO of the Bank's Bangladesh operations. After acquisition of the bank by Standard Chartered Group in 2000, he was selected to be the first CEO of the combined operations of the two merging banks as Standard Chartered Bank. In 2002, he joined Bangladesh Bank as a Deputy Governor. Rumee served as Managing Director, Enterprises and Investments at BRAC. He also served as the Chairman of BRAC Bank and founder Chairman of bKash, the first mobile financial banking in Bangladesh. Currently, Rumee is also the CEO of Bangladesh International Arbitration Centre.

Atiqur becomes Jamuna Bank Chairman

Md. Atiqur Rahman has become Chairman of Board of Directors of Jamuna Bank Limited. He earlier served as the Chairman of the same bank from April 27, 2003 to April 26, 2004. Atiqur is the Chairman of Standard Group. He was also a sponsor Shareholder Director of Standard Insurance Limited.

Shabbir joins AIBL as DMD

Shabbir Ahmed has joined Al-Arafah Islami Bank Limited (AIBL) as Deputy Managing Director recently. Prior to this position, he was Additional Deputy Managing Director of ONE Bank Limited. Shabbir Ahmed started his banking career in 1989 as a probationary officer in Bank of Small Industries and Commerce Bangladesh (BASIC). Later on, he served IFIC Bank Limited, Dutch-Bangla Bank Limited, American Express Bank Limited, The City Bank Limited and National Housing Finance & Investment.

Digital Payments

Plastic cards (number) 15.7 million

Credit	Debit	Prepaid
1.2 million	14.3 million	0.2 million
8%	91%	1%

E-commerce Transaction BDT 1,124.70 million

E-commerce Transaction BDT 513.8 million

Number of Subscribers

Mobile phone	158.44 million
Internet	92.06 million
Mobile Internet	86.27 million

Transactions (BDT in million)

Debit cards		Credit cards	
ATM	POS	ATM	POS
118,646.50	4,672.00	1,197.30	8,107.40

Subscribers

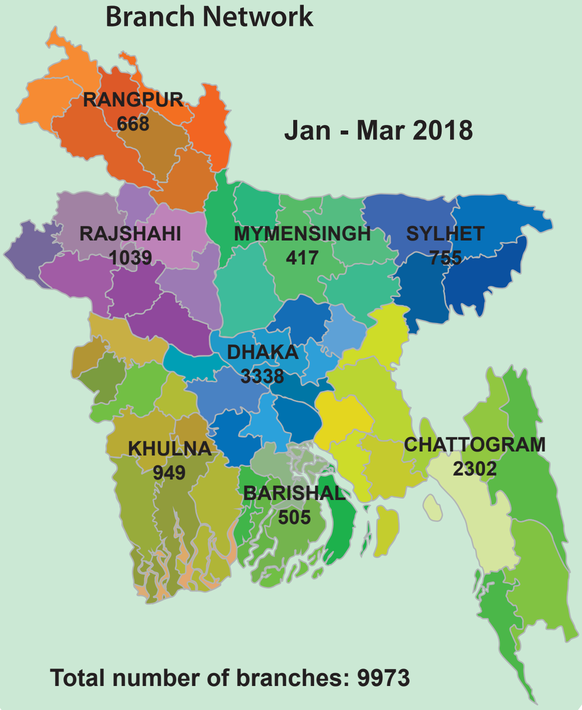
Agent Banking	2.46 million
Internet Banking	2.04 million
Mobile Banking	67.52 million

No. of ATM 10,355

No. of POS 45,896

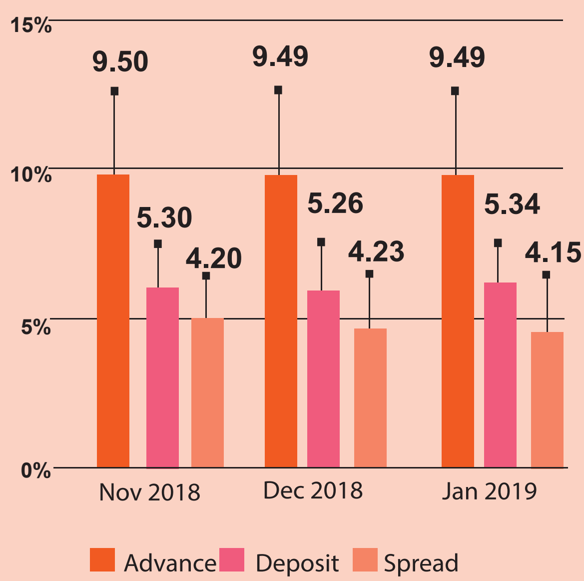
Source: Bangladesh Bank, December 2018; BTRC, February 2019

Scheduled Banks
Branch Network



Total number of branches: 9973

Industry Rates
Deposit - Advance - Spread

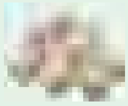


Source: Bangladesh Bank

Global

Rice
USD 408.00 / metric ton
Feb 2019

Palm Oil
USD 602.97 metric ton
Feb 2019



Sugar
USD 286.16 / metric ton
Feb 2019

Soybean Oil
USD 772.82 / metric ton
Feb 2019

Source: The World Bank

Weekly Rice BDT/KG

Year 2018	Mar 21	Mar 22	Mar 23	Mar 24	Mar 25	Mar 26	Mar 27
Rate (Avg.)	40.00	40.00	40.00	40.00	40.00	40.00	40.00

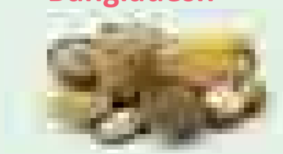
Monthly Price Change (%)

Domestic (coarse)	Domestic (fine)	Global
0.00%	0.00%	-0.49%
Monthly Increase Jan-Feb 19	Monthly Increase Jan-Feb 19	Monthly Increase Jan-Feb 19

Source: TCB (Average of max and min price), The World Bank

Import L/C (in million)

Bangladesh



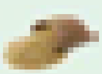
Pulse
Opened USD 198.55 during July 2018 Dec 2018
Outstanding USD 146.95 (as on Dec 31, 2018)

Rice
Opened USD 35.66 during July 2018 Dec 2018
Outstanding USD 219.32 (as on Dec 31, 2018)

Sugar
Opened USD 257.32 during July 2018 Dec 2018
Outstanding USD 298.07 (as on Dec 31, 2018)

Source: Bangladesh Bank

Domestic



Rice (fine)
BDT 59.00 per kg
February 2019

Palm Oil
BDT 63.00 per kg
February 2019

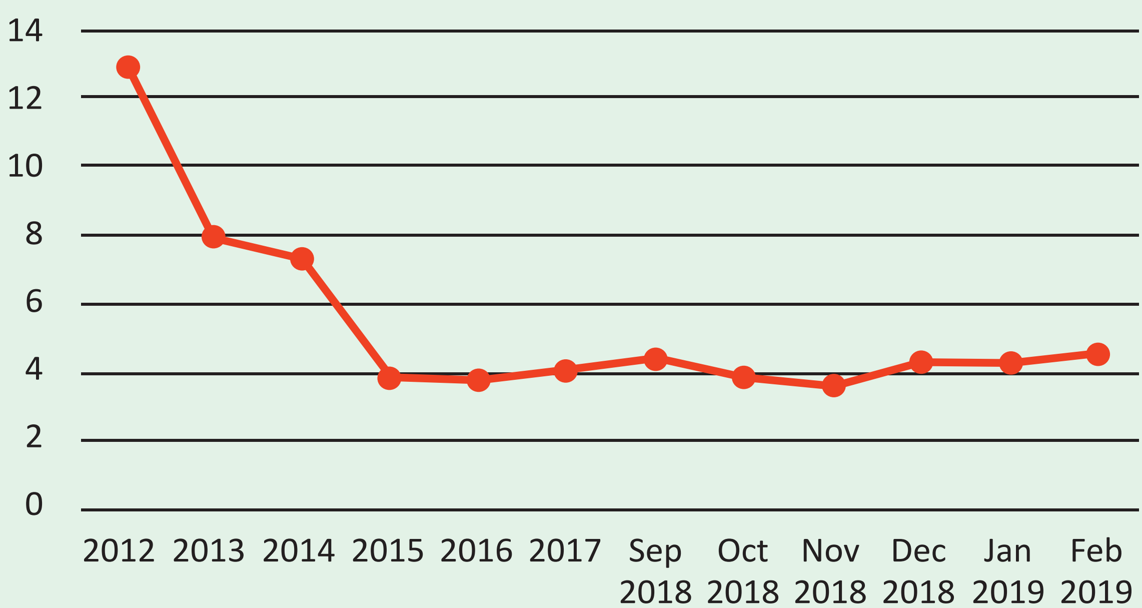
Sugar
BDT 52.50 per kg
February 2019

Rice (coarse)
BDT 40.00 per kg
February 2019

Soybean Oil
BDT 82.00 per kg
February 2019

Source: TCB (Average of max and min price)

Call Money Market



POWER SECTOR OF BANGLADESH

AT A GLANCE (March 2019)

Generation Capacity
Public Sector 52%
Private Sector 48%

Distribution Loss
9.60%
(June 2018)

Per Capita Generation
464 KWh

Distribution Line
5,02,000 km

Generation Capacity
21,169 MW

Access to Electricity
93%

Transmission Line
11,396
Circuit Kilometer

LPG

Metric Ton

Liquefied petroleum gas (LPG)	2016	2015	2014
LPG Production (BPC)	18000	18000	18000
LPG Production	18000	18000	18000
Production from Refineries	10000	11000	11000
Production from Plants	8000	7000	7000
Consumption by households	16000	17000	18000
Final Consumption	16000	17000	18000

Source: United Nations; Bangladesh Bank

Natural Gas Reserve & Production at a glance, December 2018

Bcf (Billion cubic feet)

Gas Initially in Place (GIIP)	35,796.19
Recoverable (2P)	28,685.40
Cumulative Production as of December 2018	16,459.09
Remaining Reserve upto December 2018	12,226.31

Gas Production in December 2018	80.66 Bcf
National Oil Company (NOC's) production	41%
International Oil Company (IOC's) production	59%

Source: Ministry of Energy and Mineral Resources

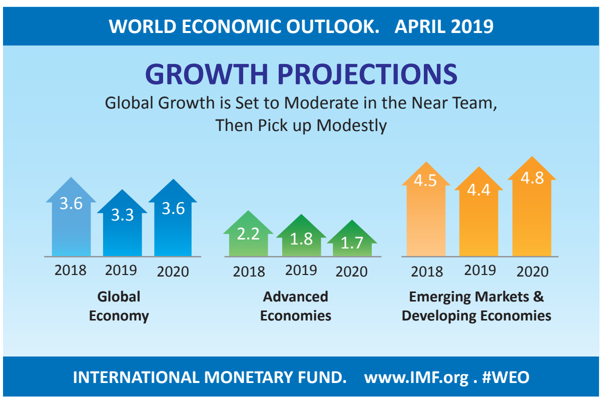
INTERNATIONAL NEWS

IMF World Economic Outlook: Growth Slowdown, Precarious Recovery

A Weakening Expansion

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, reflecting a confluence of factors affecting major economies. China's growth declined following a combination of needed regulatory tightening to rein in shadow banking and an increase in trade tensions with the United States. The euro area economy lost more momentum than expected as consumer and business confidence weakened and car production in Germany was disrupted by the introduction of new emission standards; investment dropped in Italy as sovereign spreads widened; and external demand, especially from emerging Asia, softened. Elsewhere, natural disasters hurt activity in Japan. Trade tensions increasingly took a toll on business confidence and, so, financial market sentiment worsened, with financial conditions tightening for vulnerable emerging markets in the spring of 2018 and then in advanced economies later in the year, weighing on global demand. Conditions have eased in 2019 as the US Federal Reserve signaled a more accommodative monetary policy stance and markets became more optimistic about a US–China trade deal, but they remain slightly more restrictive than in the fall.

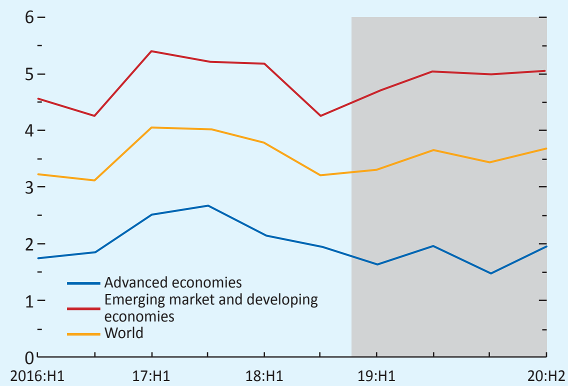
Global Growth is Set to Moderate in the Near Term, Then Pick up Modestly



As a result of these developments, global growth is now projected to slow from 3.6 percent in 2018 to 3.3 percent in 2019, before returning to 3.6 percent in 2020. Growth for 2018 was revised down by 0.1 percentage point relative to the October 2018 World Economic Outlook (WEO), reflecting weakness in the second half of the year, and the forecasts for 2019 and 2020 are now marked down by 0.4 percentage point and 0.1 percentage point, respectively. The current forecast envisages that global growth will level off in the first half of 2019 and firm up after that (Figure 1). The projected pickup in the second half of 2019 is predicated on an ongoing buildup of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies, including Argentina and Turkey. Improved momentum for emerging market and developing economies is projected to continue into 2020, primarily reflecting developments in economies currently experiencing macroeconomic distress—a forecast subject to notable uncertainty. By contrast, activity in advanced economies is projected to continue to slow gradually as the impact of US fiscal stimulus fades and growth tends toward the modest potential for the group.

Figure 1. Half-Yearly Growth Rates
(Annualized semiannual percent change)

Global growth is expected to level off in the first half of 2019 and firm up after that.



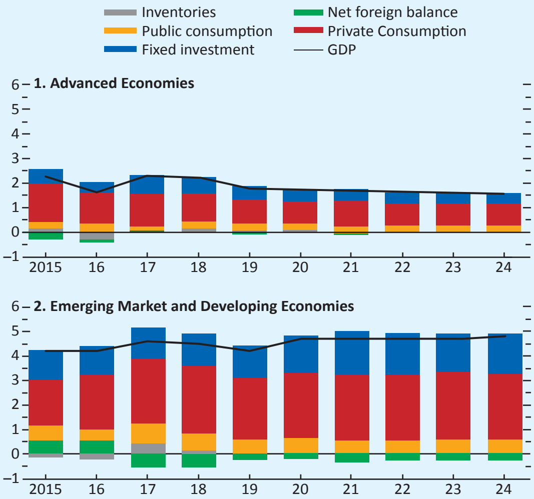
Source: IMF staff estimates.

Beyond 2020, global growth is set to plateau at about 3.6 percent over the medium term, sustained by the increase in the relative size of economies, such as those of China and India, which are projected to have robust growth by comparison to slower-growing advanced and emerging market economies (even though Chinese growth will eventually moderate). As noted in previous WEO reports, tepid labor productivity growth and slowing expansion of the labor force amid population aging will drag advanced economy growth lower over the projection horizon.

Growth across emerging market and developing economies is projected to stabilize slightly below 5 percent, though with variations by region and country. The baseline outlook for emerging Asia remains favorable, with China's growth projected to slow gradually toward sustainable levels and convergence in frontier economies toward higher income levels. For other regions, the outlook is complicated by a combination of structural bottlenecks, slower advanced economy growth and, in some cases, high debt and tighter financial conditions. These factors, alongside subdued commodity prices and civil strife or conflict in some cases, contribute to subdued medium-term prospects for Latin America; the Middle East, North Africa, and Pakistan region; and parts of sub-Saharan Africa. In particular, convergence prospects are bleak for some 41 emerging market and developing economies, accounting for close to 10 percent of global GDP in purchasing-power-parity terms and with total population close to 1 billion, where per capita incomes are projected to fall further behind those in advanced economies over the next five years.

Figure 2. Contributions to GDP Growth
(Percent)

Over The forecast horizon, investment growth in emerging market and developing economies is projected to account for more than one-third of their GDP growth rate.



Source: IMF staff estimates

Specifically, for advanced economies, growth is projected to slow to 1.6 percent by 2022 and remain at that level thereafter. The productivity slowdown that set in before the 2008–09 global financial crisis (Adler and others 2017) is projected to abate somewhat, with a slight pickup in productivity expected over the medium term. Despite the apparent proliferation of digitalization and automation, their cumulative impact on productivity is expected to be modest over the forecast horizon—likely benefiting consumer welfare to a larger extent than labor productivity.

The modest uptick expected in productivity is likely only partially to counteract the drag on potential output growth anticipated from slower labor force growth as the population ages. This is particularly relevant for Japan and southern Europe.

For emerging market and developing economies, growth is projected to stabilize at about 4.8 percent over the medium term. The combination of higher growth than in advanced economies and the group's rising weight in global GDP translates into a significant increase in emerging market and developing economies' share of global growth, from 76 percent in 2019 to about 85 percent in 2024.

The medium-term growth forecast incorporates continued strong investment growth in emerging market and developing economies, accounting for more than one-third of their GDP growth rate during the projection horizon (Figure 2). In turn, this robust investment path is predicated on a smooth trajectory for the drivers of capital spending; a gradual tightening in financial conditions (which is particularly relevant to the investment outlook in the emerging market and developing economy group.

The medium-term growth forecast for emerging market and developing economies reflects important differences across regions. In emerging Asia, growth is expected to remain above 6 percent through the forecast horizon. Central to this smooth growth profile is a gradual slowdown in China to 5.5 percent by 2024. Growth in India is expected to stabilize at just under 7¾ percent over the medium term, based on continued implementation of structural reforms and easing of infrastructure bottlenecks.

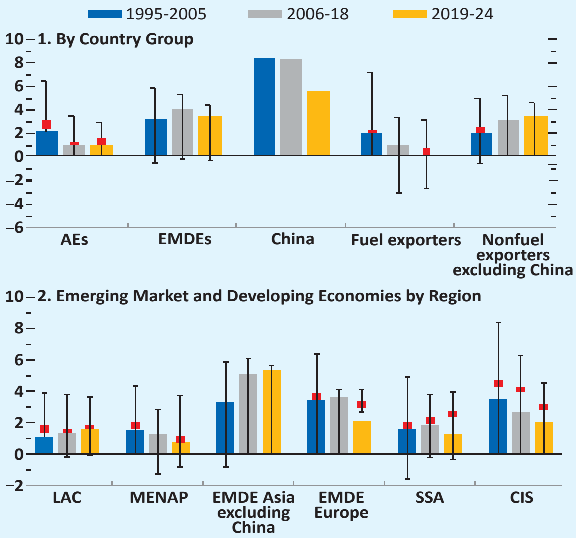
Activity in emerging Europe is projected to pick up from the current post-global-financial-crisis low, with the region expected to grow just above 3 percent over the medium term. This improvement reflects primarily the forecast for Turkey, where activity is projected to gradually strengthen after the economy returns to positive annual growth in 2020. Over the medium term, Turkey's growth is projected to pick up to 3.5 percent as domestic demand recovers from the current sharp contraction that is reducing macroeconomic and financial imbalances.

The outlook for the Commonwealth of Independent States is for growth to stabilize at 2.4 percent over the medium term. This largely reflects sluggish growth in Russia of about 1½ percent over the medium term, weighed down by the modest outlook for oil prices and structural headwinds.

Prospects vary across sub-Saharan Africa, region as a whole, growth is projected to increase from 3.7 percent in 2020 to about 4 percent in 2024 (although for close to two-fifths of economies, the average growth rate over the medium term is projected to exceed 5 percent).

Figure 3. Per Capita Real GDP Growth
(percent, unless noted other wise)

41 economies accounting for close to 10 percent of global GDP in purchasing-power-parity terms and close to 1 billion in population are projected to grow by less than advanced economies in per capital tems over the next five years. Some regions, such as sub-Saharan Africa, feature considerable heterogeneity in per capita growth rates.



Source: IMF staff estimates.

Note: AEs = advanced economies; CIS = Commonwealth of Independent states; EMDE = emerging market and developing economy; LAC = Latin America and the Caribbean; MENAP = Middle East, North Africa, Afghanistan, and Pakistan; PPP= purchasing power parity; SSA = sub-Saharan Africa. Bars denote PPP GDP-weighted averages, red markers indicate the medians, and black markers denote the top and bottom deciles of per capita GDP growth in the country groups. Date labels use International Organization for Standardization (ISO) country codes. The dashed line in panel 3 shows the weighted average per capita growth rate in SSA over 2019-24.

Growth prospects for commodity exporters are weighed down by the soft outlook for commodity prices, including for Nigeria and Angola, where growth is expected to reach about 2.6 percent and 3.9 percent, respectively, in the medium term. In South Africa, growth is projected stabilize at 1¾ percent over the medium term as structural bottlenecks continue to weigh on investment and productivity, and metal export prices are expected to remain subdued.

The medium-term outlook for the Middle East, North Africa, Afghanistan, and Pakistan region is largely shaped by the outlook for fuel prices, needed adjustment to correct macroeconomic imbalances in certain economies (Figure 3) and geopolitical tensions. Growth in Saudi Arabia is expected to stabilize at about 2¼–2½ percent over the medium term, as stronger non-oil growth is countered by the subdued outlook for oil prices and output.

Policy Priorities

Amid waning global growth momentum and limited policy space to combat downturns, avoiding policy missteps that could harm economic activity needs to be the main priority. Macroeconomic and financial policy should aim to prevent further deceleration where output could fall below potential and facilitate a soft landing where policy support needs to be withdrawn.

At the national level, this requires monetary policy to ensure that inflation remains on track toward the central bank's target (or if it is close to target, that it stabilizes there) and that inflation expectations remain anchored. If the current slowdown turns out to be more severe and protracted than expected in the baseline, macroeconomic policies should become more accommodative, particularly where output remains below potential and financial stability is not at risk. Across all economies, the imperative is to take actions that boost potential output growth, improve inclusiveness, and strengthen resilience. At the multilateral level, the main priority is for countries to resolve trade disagreements cooperatively, without raising distortionary barriers that would further destabilize a slowing global economy.

INTERNATIONAL NEWS

WELLS FARGO SECURITIES

U.S. Overview

The Economy Is Not Falling Apart

Monthly economic data from the just-completed quarter suggest that the economy lost even more momentum in Q1-2019, due in large part to lackluster growth in real consumer spending. Fortunately, the underlying fundamentals remain supportive of stronger growth in consumer spending in coming quarters. The labor market is strong, consumer confidence remains at high levels and household balance sheets are generally healthy. Moreover, the recent drop in mortgage rates has breathed new life into the housing market, investment spending continues to grind higher and growth in government spending should be robust in the next few quarters.

If Wells Fargo's GDP growth forecast comes to pass, then the Federal Open Market Committee (FOMC) probably will not feel compelled to cut rates anytime soon, as many investors currently expect. Absent some unforeseen shock, the conditions do not appear to be in place for recession in the foreseeable future. But the conditions for a rate hike this year may no longer be in place either, as Wells Fargo had thought until recently. Fed policymakers have universally said that they can be "patient" as they digest incoming economic data, indicating that a rate hike probably is not in the cards in the near term. Furthermore, the inflation data do not support a rate hike at this time. In short, Wells Fargo has removed the rate hike that Wells Fargo previously forecasted, and now believe that the FOMC will likely keep its target for the fed funds rate in its current range of 2.25% to 2.50% for the rest of the year.

International Overview

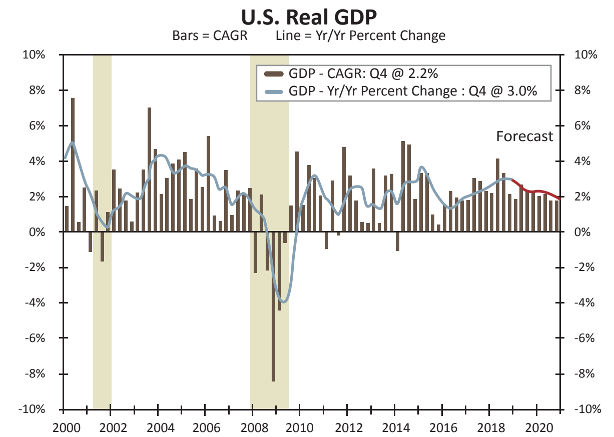
Policy Uncertainty Remains Elevated

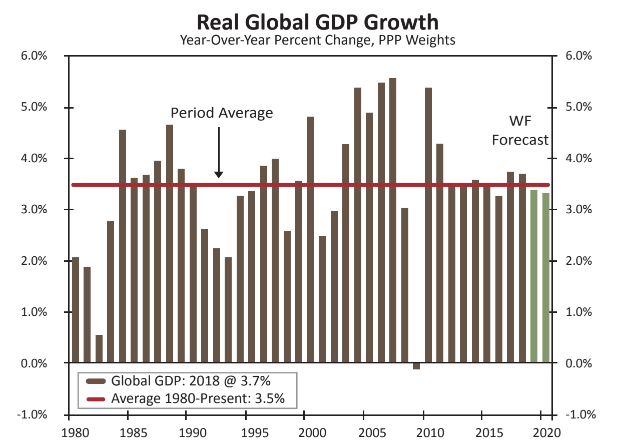
When this year began, two first quarter policy deadlines were front-and-center for the global economy and financial markets: the U.S.-China tariff deadline on March 1, and the United Kingdom's Brexit deadline on March 29.

Those dates have since come and gone, and neither of these issues have been fully resolved. Though it does appear there has been progress on a U.S.-China trade deal, the full details and a final agreement remain elusive. Meanwhile, the United Kingdom is seeking another extension of the deadline to leave the European Union, this time to June 30.

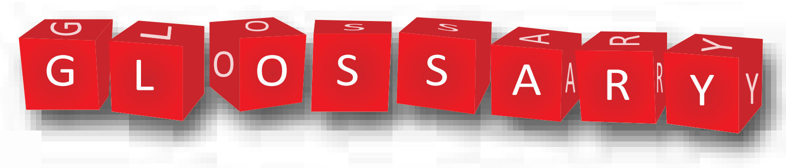
This continued policy uncertainty comes at an inopportune time, as the global economy in general and manufacturing output in particular have decelerated. Central banks have responded in-kind: The European Central Bank seems unlikely to tighten in 2019, Chinese policymakers are easing both monetary and fiscal policy, the Bank of England is on hold until after Brexit and even the Reserve Bank of India has cut rates despite some of the fastest GDP growth in the world.

Does that mean a global recession is imminent? In Wells Fargo's view, it does not. Just because global growth appears to be slowing from last year's strong pace does not mean that an outright economic contraction is right around the corner. More dovish central banks and Chinese fiscal stimulus should help cushion the slowdown, as would a resolution to the aforementioned trade and Brexit knots. Wells Fargo expects global growth to stabilize rather than deteriorate in the quarters ahead.





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



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

Random Walk: The theory espoused by French Mathematician Louis Bachelier in 1900 which posits that past share prices are of no use in predicting future prices. According to the theory, share prices reflect reactions of the market to information being fed into the market completely randomly. Since the information is coming in randomly, the price movements they cause are no more predictable than the steps of a drunk.

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

Calendar Spread: The sale (purchase) of a near month call option (put option) and the simultaneous purchase (sale) of a longer dated call option (put option) at the same exercise price.

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

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

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

Rally: An upturn in a share or a market's performance, following a fall or on breaking upwards out of a trading range.

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