

# MBPLC Spectrum

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বাংলা ব্যাংক



মার্কেন্টাইল ব্যাংক পিএলসি.  
Mercantile Bank PLC.

দক্ষতাই আমাদের শক্তি



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# EDITORIAL NOTE

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A new fiscal year started in the month of July which is a critical juncture for assessing our economic trajectory and recalibrating implemented strategies. The Bangladesh Bank releases a contractionary Monetary Policy Statement for July-Dec 2025 which reflects a clear roadmap for navigating the complexities of the current economic environment like high inflation, external sector pressure and banking fragility etc.

The current precarious trade environment has thrown lots of challenges towards world. Global inflation, trade barriers, high tariffs etc. are trying to shorten the periphery of the international trade and investment. There is a glimmer of cautious optimism as the growth forecast is slightly upgraded to 3.0%. However, this positive projection is tempered by persistent trade uncertainties and divergent monetary policies among the world's major economies. Amidst this volatility, the reaffirmation of Bangladesh's B+ sovereign credit rating by Moody's with a stable outlook is a welcome acknowledgment of the prudent policy measures being taken to stabilize our external position.

Domestically, the economic picture is one of resilience under strain. The external sector continues to be our anchor. The recently concluded fiscal year saw export earnings grow by a healthy 8.58% to reach \$48.28 billion, while remittance inflows shattered all previous records, surging to an unprecedented \$30.33 billion (Source: BB). This powerful momentum has carried into the new fiscal year, with remittances in July alone growing 32% year-on-year. However, these strengths are set against a backdrop of formidable challenges. A significant revenue shortfall in the past fiscal year, coupled with falling import LC openings and rising external debt service obligations, highlights the urgent need for fiscal consolidation and renewed efforts to boost private investment.

The banking and financial sector is at the heart of the national strategy to address these challenges. The central bank's new monetary policy maintains a firm, contractionary stance, keeping the policy rate at 10% to prioritize the fight against inflation, with a clear goal of bringing it below 7%. Simultaneously, proactive steps are being taken to enhance liquidity and support growth, including a reduction in the reverse repo rate and a significant expansion of the startup fund. M1 continues to grow modestly under the current tight monetary stance while M2 reflects restrained private sector credit growth as Bangladesh Bank prioritizes inflation control over expansion.

As we move forward into fiscal year 2026, the path is clear. The strong performance of our export and remittance sectors provides a vital buffer, but sustainable growth can only be secured through deep and decisive structural reforms. Strengthening our fiscal foundations, revitalizing the investment climate, and ensuring the health of our financial sector are paramount. Mercantile Bank PLC. is fully committed to support the businesses, communities and comply with the national agenda.

**Tapash Chandra Paul, PhD**

Chief Financial Officer

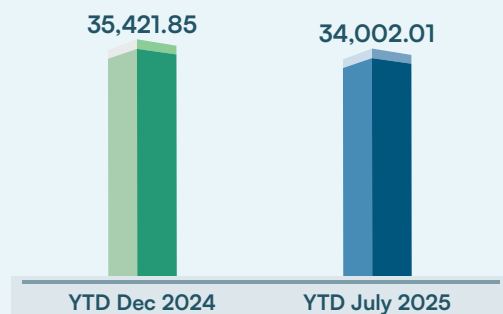
Email: tapchpaul@gmail.com



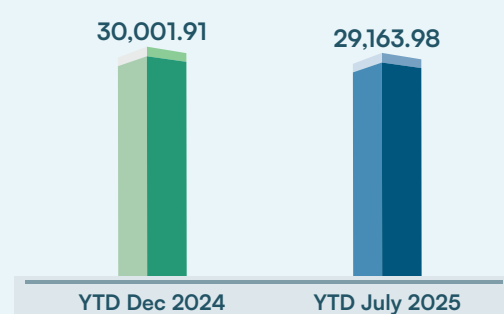
# MBPLC KEY BUSINESS PERFORMANCE JULY 2025

MBPLC KEY BUSINESS PERFORMANCE

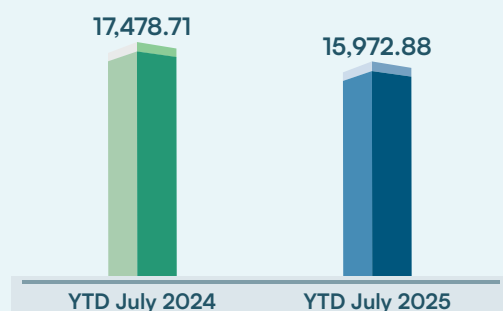
## Deposits BDT in Crore



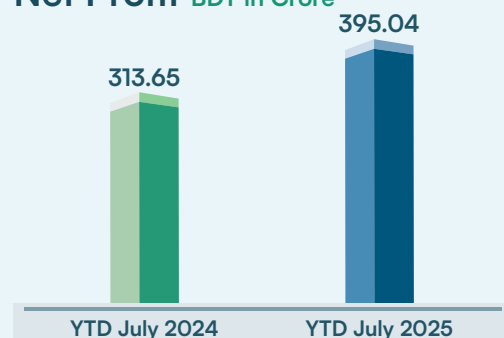
## Loans & Advances BDT in Crore



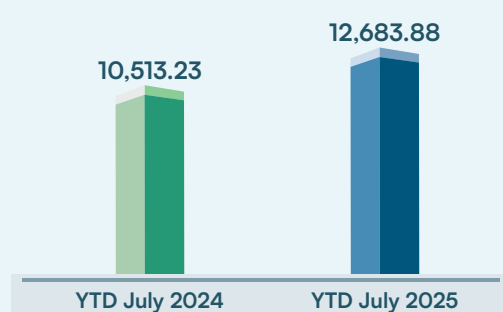
## Import BDT in Crore



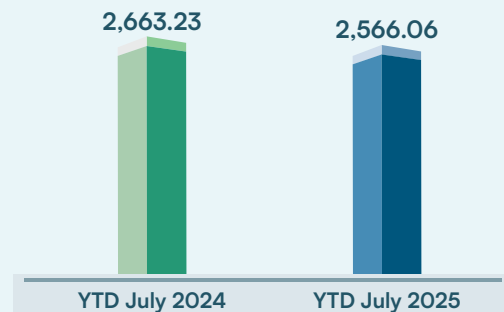
## Net Profit BDT in Crore



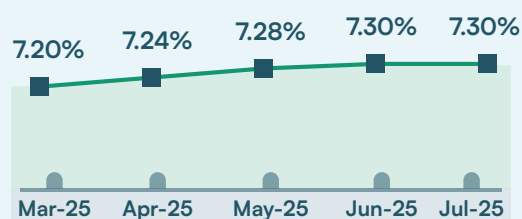
## Export BDT in Crore



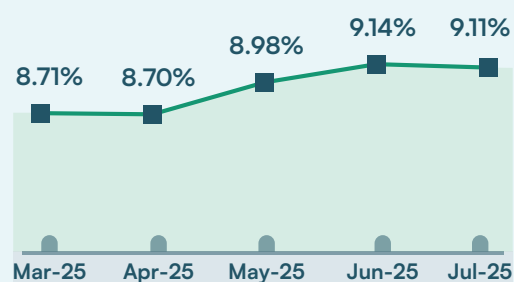
## Inward Remittance BDT in Crore



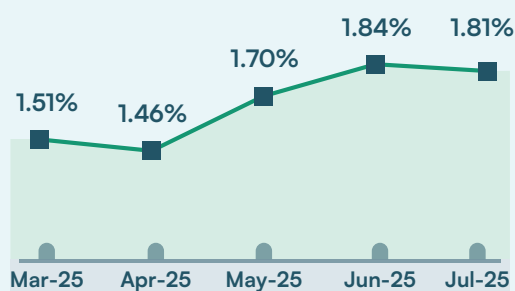
## Cost of Deposit



## Yield on Advances



## Spread







## Global Economic outlook

Mid-2025: Tenuous Resilience Amid Persistent Uncertainty

Projected Global Growth in 2025

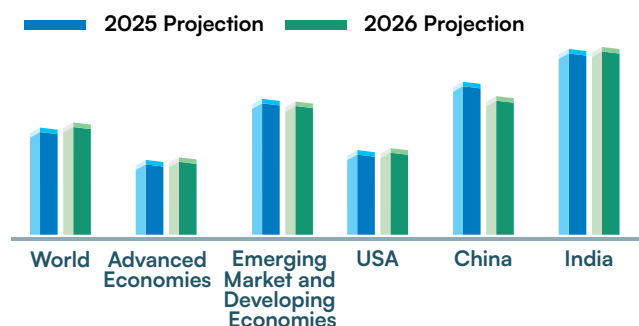
3.0%

Projected Global Inflation in 2025

4.3%

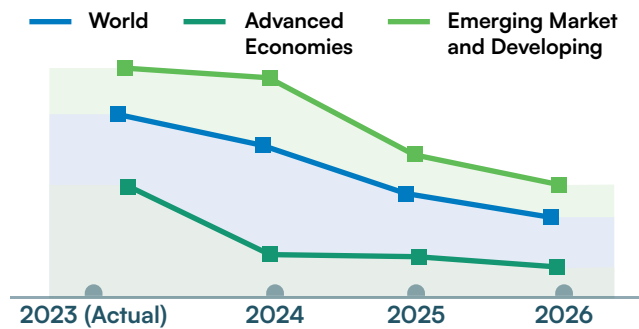
### World Economic Growth Projections

The global outlook shows a slight upgrade, but growth trajectories diverge significantly between advanced and emerging economies. While the world economy is holding steady, India and China continue to drive a large portion of the growth in emerging markets.



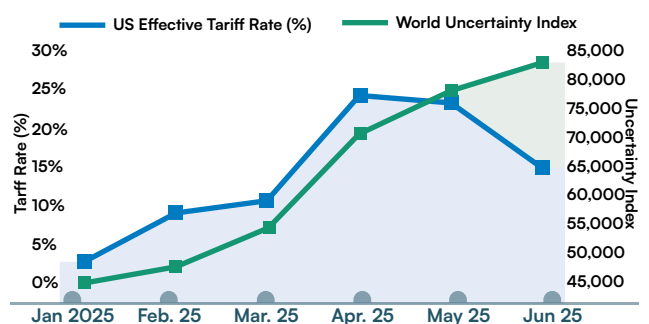
## The Global Disinflation Story

Inflationary pressures are easing globally, providing relief for consumers and central banks. The trend is more pronounced in emerging markets, which implemented proactive monetary policies, though advanced economies are also seeing inflation trend down towards target levels.



## Trade Tensions & Global Uncertainty

A primary risk to the global outlook remains trade policy. The data shows a strong correlation between rising US effective tariff rates and spikes in the World Uncertainty Index, highlighting how trade disputes can dampen economic sentiment and investment.



## Divergent Central Bank Policies

### Key Policy Actions (Mid-2025)



#### USA (Fed):

Holds rates due to persistent inflation concerns.



#### China (PBOC)

Eases policy by cutting LPR to combat deflation.



#### UK (BoE):

Cuts Bank Rate to stimulate a slowing economy.



#### India (RBI):

Holds repo rate amid strong growth.

## Focus on Asia: A Region of Contrasts

# 4.7%

Developing  
Asia Growth  
Forecast  
(2025)

# 4.6%

Developing  
Asia Growth  
Forecast  
2026

# 4.4%

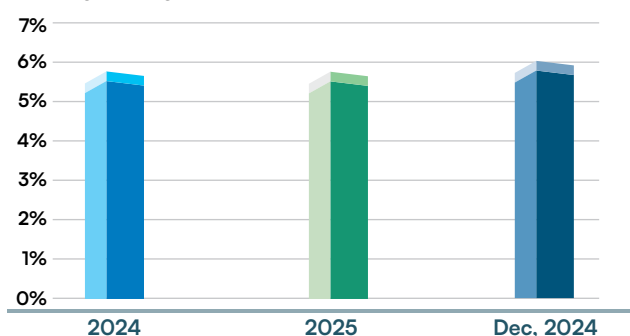
South Asia  
Inflation  
Forecast  
(2025)

# 4.5%

South Asia  
Inflation  
Forecast  
(2026)

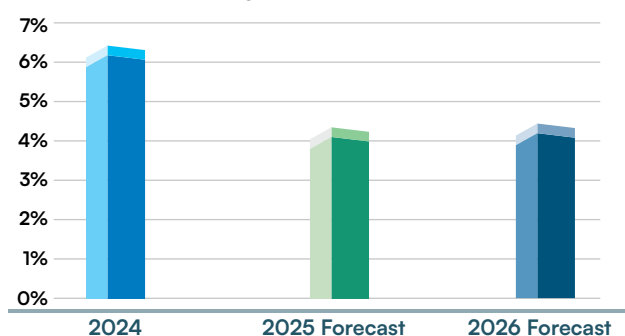
### South Asia: GDP Growth

Growth in South Asia is projected to remain robust, though slightly revised down, before picking up again in 2026.



### South Asia: Inflation

Inflation in the region is expected to ease significantly in 2025, aided by lower commodity prices and better agricultural output.



## Bangladesh Outlook: Resilience with Risks

### Strong Remittance Inflows

Remittances reached an all-time high of **\$30.32 billion** in FY2024-25. The country saw a **23.97% year-on-year growth** in the first 26 days of July 2025.

### Stable Credit Rating

S&P Global Ratings reaffirmed the sovereign credit rating at **B+/B** with a **stable outlook**. This was driven by improvements in foreign exchange reserves and a flexible exchange rate regime.

### Key Headwinds

The country's growth forecast was downgraded due to prolonged **political instability** and exposure to **elevated US tariffs** which could weaken trade performance.

## Conclusion

The global economy in mid-2025 is in a precarious balance. While growth projections have improved, the landscape remains volatile with persistent uncertainty from trade tensions, tariff risks, and geopolitical conflicts. Policymakers must focus on sustaining growth, maintaining disinflation, and restoring predictability to the global environment.

IMF World Economic Outlook (July 2025), Asian Development Outlook (July 2025), The Financial Express (July 2025), and Bangladesh Bank Monetary Policy Statement (July-December 2025).





# BANGLADESH ECONOMY

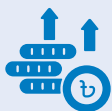


## Monetary Policy Statement

Highlights: July-December 2025 (H1FY26)

A comprehensive summary of Bangladesh's economic strategy for stability and growth

### Navigating Key Macroeconomic Challenges



#### High Inflation

Containing rising prices to ease the burden on citizens remains the top priority.



#### External Sector Pressure

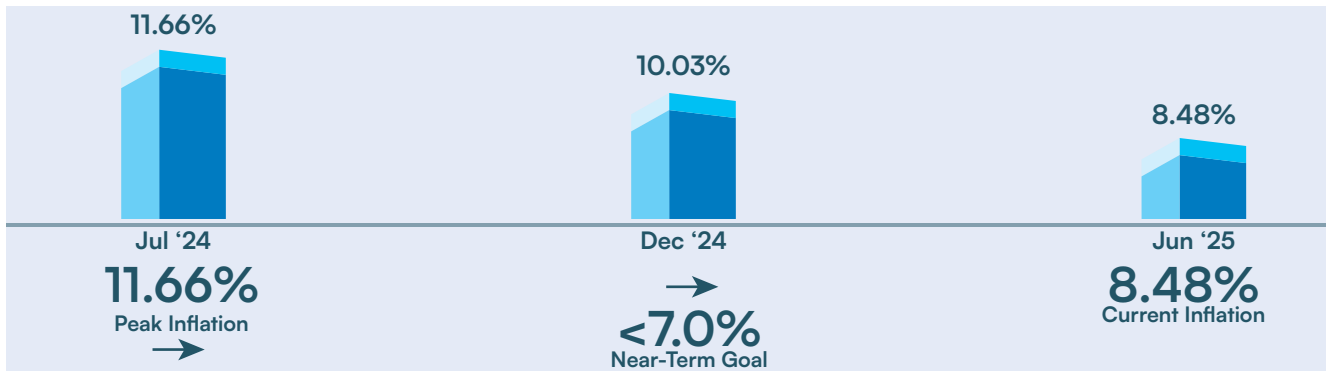
Addressing the depreciating Taka and rebuilding depleted foreign exchange reserves.



#### Banking Sector Fragility

Tackling elevated NPLs and restoring good governance

## Pillar 1: Taming Inflation



## Pillar 2: Stabilizing the External Sector



### Key Policy: Flexible Exchange Rate

The move to a market-driven exchange rate aims to ensure smoother adjustments, ease FX market pressure, and preserve foreign reserves.

## Pillar 3: Sweeping Banking Sector Reforms



### Asset Quality Review (AQR)

Independent assessments of 17 banks by international firms to identify risks and ensure financial health.



### Governance & Accountability

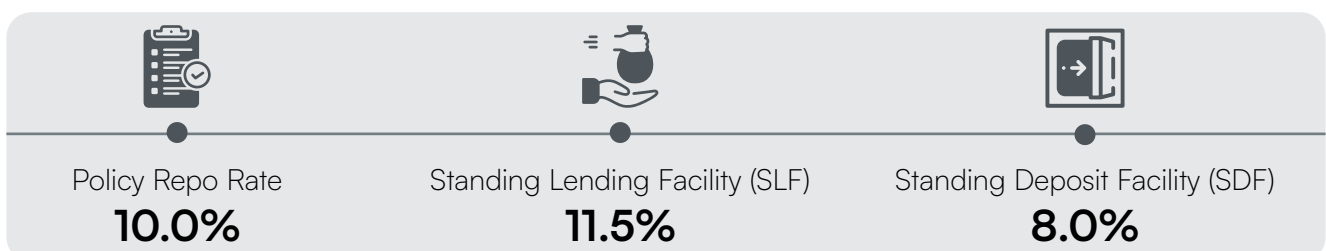
Restructuring boards of 15 banks, strengthening rules for transactions with bank-related persons, and forming task forces for asset recovery.



### Managing NPLs & Bank Resolution

New 'Bank Resolution Ordinance, 2025' provides tools like bridge banks and ball-ins. Roadmap to implement IFRS 9 for better loan provisioning by 2027.

## Monetary Policy Stance for H1FY26





### Forward Guidance

The policy rate may be adjusted downward if the inflation rate consistently decelerates and falls below 7%.

## Key Projections for FY26

Indicator	Projected Growth
Real GDP Growth	5.5%
Average Inflation (Ceiling)	6.5%
Private Sector Credit Growth	8.0%
Public Sector Credit Growth	18.1%
Broad Money (M2) Growth	8.5%

## The Path Forward

### Price Stability

Continue the fight against inflation to protect purchasing power

### Financial Health

Deepen banking reforms to build a robust and trustworthy financial system.

### Sustainable Growth

Support productive sectors to foster long-term economic expansion.

Source: Bangladesh Bank Monetary Policy Statement, July-December 2025.

# Bangladesh Economic Review: July 2025

## Introduction

The month of July 2025 marked the beginning of the new fiscal year for Bangladesh, offering a revealing snapshot of the economy's strengths, vulnerabilities, and structural challenges. While the country demonstrated resilience in exports

and remittance inflows, the overall economic outlook remained clouded by fiscal pressures, weak investment sentiment, agricultural inefficiencies, and mounting debt service obligations. This comprehensive analysis reviews the major developments across

agriculture, fiscal performance, external sector dynamics, industry, investment climate, financial sector transformation, and debt sustainability, with an outlook for the remainder of FY26.

## Agriculture and Food Security

Bangladesh's agriculture sector remains both a foundation of the economy and a source of policy concern. Although the country has achieved self-reliance in several crops, the July reports highlight that nearly 56% of farmland remains below optimal productivity levels, with only 1.2% reaching maximum yield potential. These structural inefficiencies stem from inadequate irrigation, fragmented landholdings, limited mechanization, and weak extension services.

Adding to the challenge, the Shahjalal Fertilizer Factory—built to strengthen domestic supply—has operated at half capacity for a decade, forcing the nation to depend on imports. In FY23 alone, Bangladesh imported 4.93 million metric tons of food grains, underscoring its persistent vulnerability to global supply shocks.

Food insecurity continues to affect households despite self-sufficiency claims. A recent survey revealed that 81% of

agro-households face mild food shortages, with inflationary pressures exacerbating the problem. Although headline inflation has eased somewhat, the price of rice—Bangladesh's staple—remains stubbornly high, raising concerns about the effectiveness of supply chain management, storage, and distribution policies. This structural issue remains a drag on rural welfare and a risk factor for food security in the coming years.



## Fiscal Performance and Revenue Challenges

Bangladesh's fiscal space remains under acute stress. The National Board of Revenue (NBR) reported a record Tk. 1 trillion shortfall in FY25, driven largely by Petrobangla's arrears, sluggish investment, and underperformance of development projects. Customs revenue growth has been especially weak, reflecting a contraction in imports and a slump in letters of credit (LCs), which hit a five-year low in June 2025.

In a bid to boost collections, the NBR imposed a 2% Advance Income Tax (AIT) on over 150 imported items, ranging from essential commodities to capital goods. While this move may yield short-term revenue gains, it risks fueling inflation and dampening industrial competitiveness. Business leaders have voiced concerns that such policies could further weaken investment appetite.

Despite the shortfall, there are signs of progress in compliance. FY25 saw a record 1.7 million taxpayers file returns online, signaling growing efficiency in tax administration and the digitalization of revenue systems. The government's medium-term strategy now hinges on broadening the tax net, strengthening enforcement, and modernizing the fiscal infrastructure.

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## External Sector: Exports, Imports, and Remittances

The external sector offered a blend of optimism and caution in July. Bangladesh's exports for FY25 totaled \$48.28 billion, posting 8.58% growth year-on-year despite global demand weakness. The readymade garments (RMG) sector remained the backbone, contributing 81.5% of total export earnings. The performance underscores Bangladesh's continued comparative advantage in labor-intensive manufacturing.

However, June's export earnings suffered a sharp decline due

to extended holidays and port disruptions, exposing the sector's vulnerability to non-economic shocks. Encouragingly, Export Processing Zones (EPZs) contributed 17% of total exports, reflecting increasing diversification within the industrial base.

The government has extended cash incentives for 43 sectors until December 2025, with up to 10% support for agro-processed products, halal meat, jute, and light engineering. These policies are designed to foster export diversification and build

resilience ahead of Bangladesh's graduation from Least Developed Country (LDC) status in 2026.

Meanwhile, remittances provided a robust cushion. In July alone, inflows surged 32% year-on-year to \$2.37 billion, pushing total FY25 remittances to a record \$30.33 billion, up 27% from FY24. This surge has helped offset weak foreign direct investment (FDI) inflows. Greenfield FDI fell 35% in 2024 to \$1.75 billion, leaving Bangladesh out of step with regional peers in South Asia, which saw rising investment momentum.

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## Industry and Investment Climate

Bangladesh's industrial landscape is navigating a difficult phase. The ship-breaking industry contracted 36% in the first half of 2025, pressured by stricter compliance requirements under the Hong Kong Convention. This decline has had knock-on effects on steel supply chains and employment in coastal regions.

The pharmaceutical industry, often hailed as a flagship export sector, faces critical challenges.

The industry imports \$1.3 billion in raw materials annually, leaving it vulnerable to supply chain disruptions and patent restrictions once LDC graduation occurs. Without greater investment in local active pharmaceutical ingredient (API) production, the sector risks losing its competitive edge.

Private investment remains subdued, as evidenced by falling LC openings and weak FDI. To address this,

the Bangladesh Investment Development Authority (BIDA) is set to launch a Unified Business Portal in September 2025, streamlining approvals and reducing bureaucratic red tape. Additionally, South Korea has pledged \$6 billion in financing for major projects, including infrastructure and renewable energy, signaling confidence in Bangladesh's long-term prospects.

## Financial Sector and Digital Transformation

The financial sector is undergoing rapid digital transformation, though traditional vulnerabilities persist. Banking sector inefficiencies and rising non-performing loans have contributed to declining investment and weak fiscal performance. At the same time, the shift toward digital transactions is accelerating.

Between 2019 and 2024, card-based transactions increased 228%,

while credit card usage rose 361%. These figures highlight growing consumer adoption of digital finance, driven by urbanization and e-commerce expansion. However, Bangladesh's vision of a cashless economy remains distant. QR code-based transactions and broader fintech penetration remain limited, reflecting structural reliance on cash and underdeveloped digital ecosystems.

Microfinance institutions (MFIs), long a cornerstone of financial inclusion, are also under review. With nearly 700 MFIs operating nationwide, borrowers face high service charges—currently capped at 24%. Policymakers are now considering rationalizing rates to ease borrower distress and enhance sector sustainability.

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## Debt, External Aid, and Credit Ratings

Bangladesh's external debt profile has emerged as a pressing concern. In FY25, foreign aid disbursements totaled \$8.11 billion, but nearly half was absorbed by loan repayments—the highest ever recorded. This trend is expected to intensify in FY27, when repayments for the \$11.38

billion Russian loan for the Rooppur Nuclear Power Plant begin.

Despite these challenges, international credit rating agencies have offered cautious reassurance. S&P Global Ratings reaffirmed Bangladesh's B+ rating, citing

improved foreign exchange reserves, stabilizing external liquidity, and contractionary monetary policy as supportive factors. Nonetheless, high tariffs imposed by the United States on key exports and domestic political uncertainty remain risks to the credit outlook.

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## Outlook: H1 FY26

Looking ahead, Bangladesh Bank projects GDP growth at 5.5% in FY26, below the country's long-term potential. Inflation is expected to remain around 6.5%, with the central bank holding its policy rate at 10% to curb price pressures.

However, subdued investment, rising debt service costs, and pre-election uncertainty will continue to weigh on economic performance.

Remittances and exports are likely to remain key stabilizers, while government initiatives on

fiscal digitalization, investment facilitation, and industrial incentives could support a gradual recovery. Yet, structural reforms in agriculture, energy, and financial governance remain critical for sustaining long-term growth momentum.

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## Conclusion

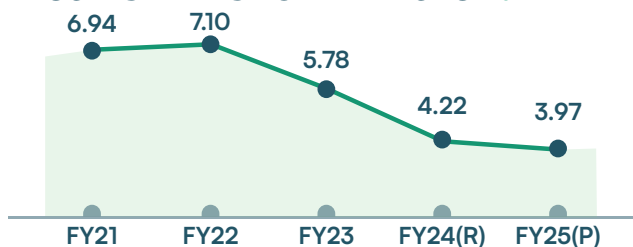
Bangladesh's July 2025 economic picture is one of resilience under strain. Strong remittances, export performance, and digital adoption reflect positive momentum, but fiscal pressures, weak private

investment, agricultural inefficiencies, and mounting external debt obligations pose significant challenges. With LDC graduation set for 2026, Bangladesh stands at a pivotal juncture. To secure sustainable growth, the government must

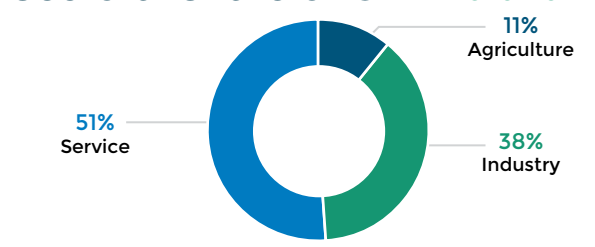
prioritize reforms in agricultural productivity, investment climate, energy security, and financial sector governance. The coming months will test the country's ability to balance immediate pressures with long-term structural transformation.

# Major Indicators of Economy

## Real GDP Growth Rate %



## Sectoral Share of GDP 2023-2024



## Current national income aggregates

Items	2024-25	Percentage Change over previous year
GDP at current prices, in million Taka	5,55,27,527	11.00%
Per Capita GDP at current prices, in Taka	321,254	10.19%
GNI at current prices, in million Taka	5,86,31,245	12.36%
Per Capita GNI at current prices, in Taka	339,111	11.55%

## Reserve Money and Broad Money (BDT in Crore)

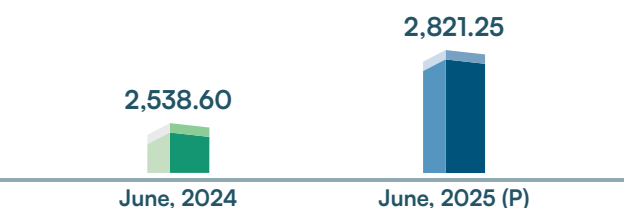
Items	May'24	May'25 (p)	Percentage Change May'25 over May'24
Reserve Money	360,751.70	398,848.50	10.56%
Broad Money	1,971,804.70	2,126,350.40	7.84%

## Inflation Rate Annual Average

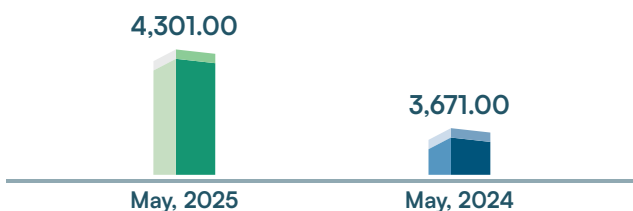
Inflation Rate (12 Month Average)



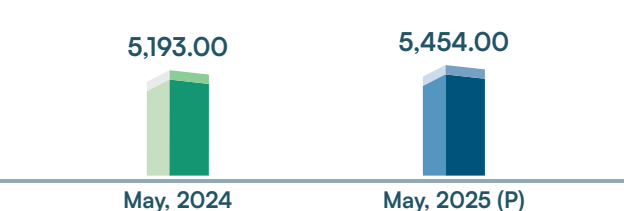
## Wage Earners Remittance in Million US\$



## Export (EPB) in Million US\$

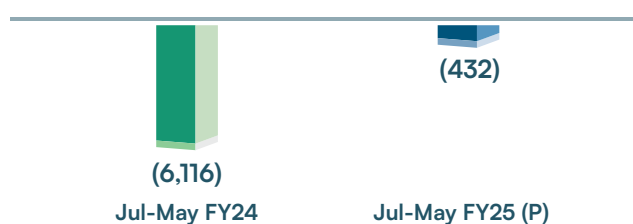


## Import (FOB) in Million US\$

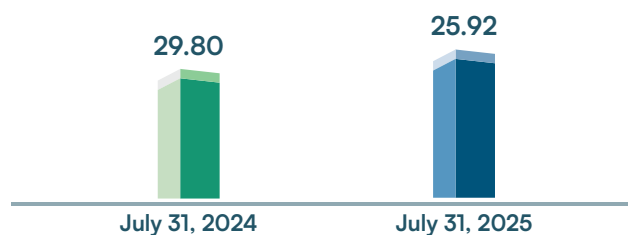




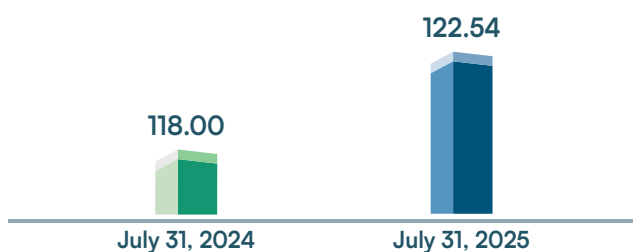
## Current Account Balance In Million US\$



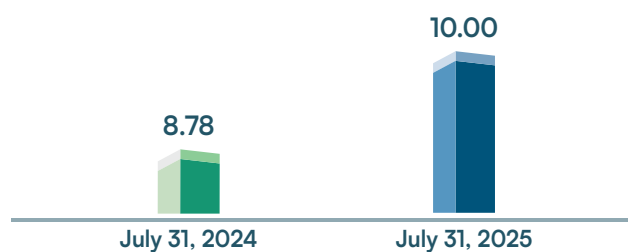
## Foreign Exchange Reserve In Billion US\$



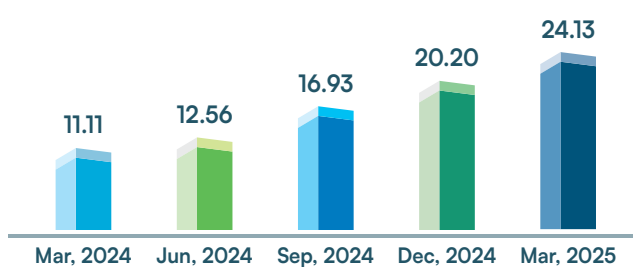
## Interbank TK.-USD Exchange Rate



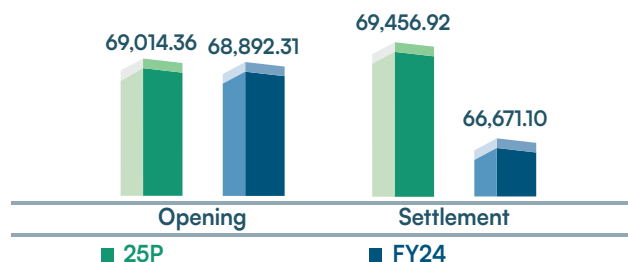
## Call Money Rate (%)



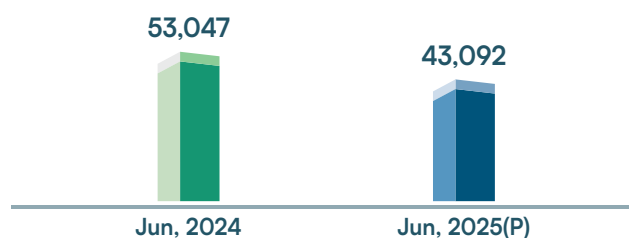
## Classified Loan (%)



## L/C Opening and Settlement In million US\$

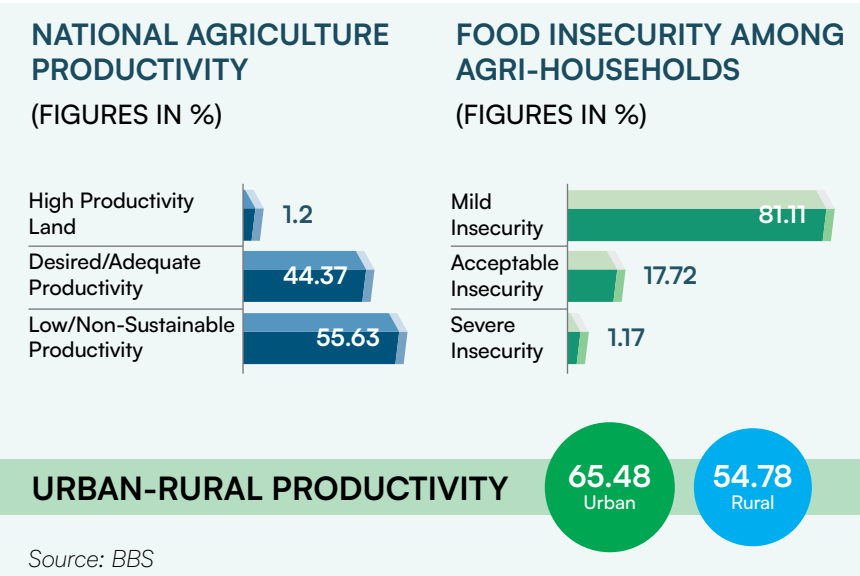


## Tax Revenue (NBR) Tk. In crore



Source: Bangladesh Bank Website

Most farmland far below optimal productivity



Although Bangladesh meets food deficit with imports, the country leaves 56% of agricultural land below productivity trajectory while only 1.2% catches up desired level

of production with the highest output. An official survey shows such stark paradox in farmland productivity and food insecurity in many agro-households across the country.

The country’s 44.37% of farmlands are at the desired and acceptable level of productivity while 55.63% are still under unsustainable level in terms of their annual output value per hectare. On the food-security scale- 81.11% per cent of agro-households have mild food insecurity, 17.72% have “acceptable food insecurity” and 1.17% are in severe food insecurity (BBS). The country had to import 4.93 million metric tons of food-grains under public and private sectors in the financial year 2022-23 to feed the people who do not have enough.

Source: The Financial Express- July 01, 2025

Revenue collection faces record shortfall in FY25 as Petrobangla arrears mount

Despite efforts to recover long-standing arrears from state-owned enterprises like Petrobangla, the National Board of Revenue (NBR) is heading towards a record tax shortfall of around Tk. 1.0 trillion in the FY 2024-25. In the face of economic headwinds, the NBR had initially hoped to collect at least Tk. 3.80 trillion this fiscal year. However, this figure could not be achieved due to several disruptions. Growth remained

sluggish at just 6.0 per cent up to May, a marked decline compared to the over 10 per cent growth recorded in the first nine months of the fiscal year. Among the NBR’s three major wings, the Value-Added Tax (VAT) department recorded the highest growth at 8.78% by collecting Tk. 1.27 trillion-though it still fell short of the target. The income tax wing posted 6.66% growth with Tk 1.07 trillion collected. The

customs department lagged furthest behind, registering just 1.71% growth. NBR insiders cite several contributing factors for the dismal performance, including the bifurcation ordinance, weak private-sector investment, sluggish development project execution, and volatility in the banking sector.

Source: The Financial Express- July 01, 2025

# Over 150 imports to be costlier with 2.0pc AIT

**Cotton included in updated list**

Measure feared to increase cost of imports for manufacturers, potentially impact supply chains

It's a ridiculous decision NBR has taken without consulting stakeholders, says BTMA chief

Even after AIT is imposed, consumer prices will not rise, claims NBR official

With a 2% advance income tax levied, over 150 imports including essentials and capital goods for industries are set to be costlier. As per the tax-deduction-at-source rules 2025, the National Board of Revenue (NBR) has imposed the AIT on the import of 150 items under nearly 200 HS (Harmonized System) codes. In June 2025, a gazette notification on the AIT was issued by the NBR. According to the notification, the major items on the list are cotton,

wheat, flours, maize, rice, soybeans, sunflower seeds, mustard seeds, linseed, sugar, bulbs, tubers, jet fuels, kerosene, diesel, furnace oil, LPG, natural gas, petroleum bitumen, iron oxides and zinc sulphate etc. This decision apparently is designed to boost revenue which may impact the business activities negatively.

Source: The Financial Express- July 02, 2025

## Record 1.7m taxpayers file returns online in FY25

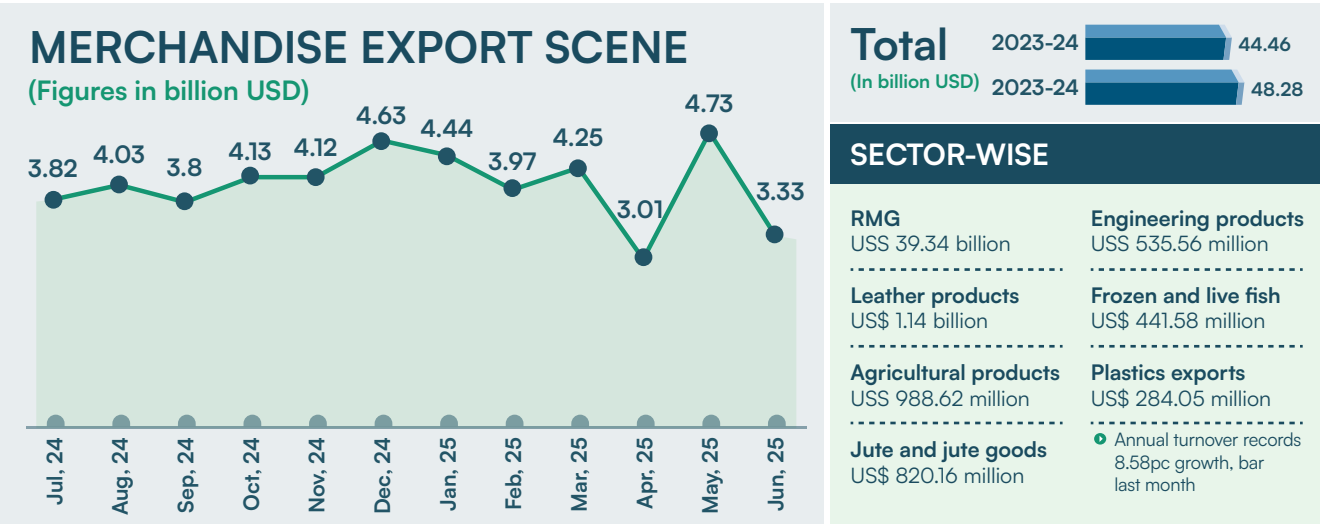
In a major leap towards digital tax compliance, more than 1.7 million taxpayers filed their income tax returns online in the fiscal year 2024-25. The record number marks a significant milestone in the National Board of Revenue's (NBR) drive to automate and simplify the tax process for citizens. While 2,165,321 individuals completed

e-return registrations during the fiscal year, a total of 1,712,492 taxpayers submitted their returns online (Source: NBR). The revenue authority hailed this as a "landmark step" in its broader digital transformation initiative which is designed to make tax services more accessible, efficient, and user-friendly. Under Section 180

of the Income Tax Act, 2023, taxpayers may submit revised returns online within 180 days of their original submission if any errors or omissions are detected. This facility can be accessed conveniently from home.

Source: The Financial Express- July 02, 2025

## Exports fetch \$48.28b in FY25





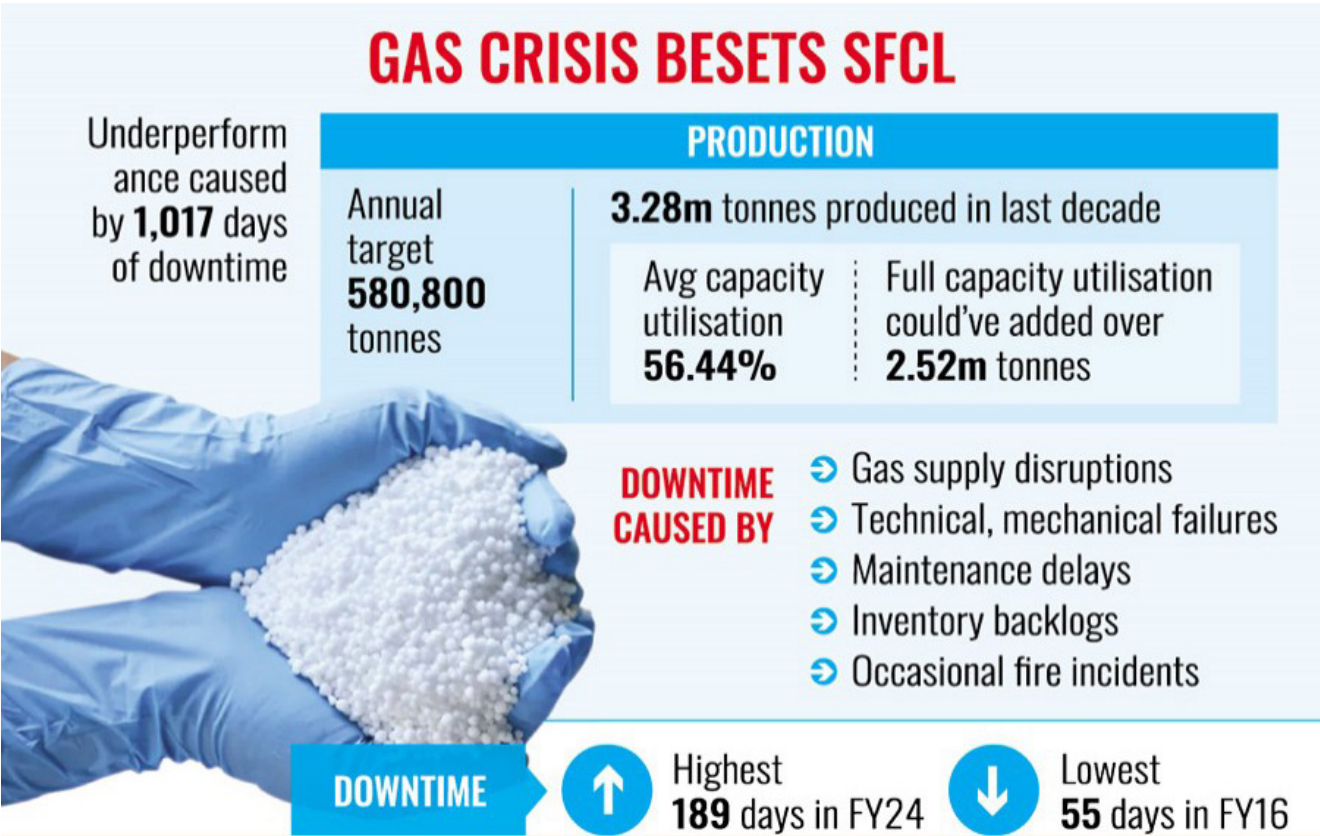
Merchandise exports earned Bangladesh US\$ 48.28 billion in the fiscal year 2024-25 in a steady growth. Official statistics showed 8.58% year-on-year growth in the exports. Despite the growth in annual performance in many sectors, the overall decline in June 2025 export earnings underscores the ongoing challenges in

global economic uncertainty, falling consumer demand in major markets, logistic issues and tough competition from other manufacturing hubs. The export decline in the last month is attributed to the long Eid-ul-Adha holiday and a two-day complete shutdown of ports amid turmoil in the National Board of Revenue (NBR). The

single-largest export sector, RMG, maintained its dominance as Bangladesh's export earner contributing 81.49% of the total earnings. Out of the total US\$48.28 billion, RMG fetched US\$39.34 billion which marks 8.84% growth (EPB data).

Source: The Financial Express- July 03, 2025

## Nearly half of production capacity remains unutilised in a decade



Nearly half of the production capacity at the Shahjalal Fertilizer Factory has remained unutilized even after ten years of operation which was expected to reduce import dependence by producing 580,800 tons of urea annually. The underperformance stems have been caused by gas supply disruptions, technical

and mechanical failures, maintenance delays, inventory backlogs and occasional fire incidents. Full-capacity utilization could have added over 2.52 million metric tons of fertilizer. It could significantly boost agricultural output saving foreign currency by cutting import dependence. As per report of BCIC-

operational improvements and better resource management contributed to the increased production but noted that full capacity utilization remains a challenge due to raw material shortages and maintenance issues.

Source: The Financial Express- July 09, 2025

## Export incentives for 43 sectors stay till Dec

For encouraging export trade, the government has decided to continue handing out incentives against exports from 43 sectors from July 1 to December 31 in the fiscal year 2025-26. A circular to this effect was issued by Bangladesh Bank (BB) on July 10, 2025. According to the regulatory fireman- the rates of export incentives and cash support for shipped goods from

July 1 to December 31 will range from 0.30 percent to a maximum of 10 percent depending on the product category. This facility was available to 43 sectors for the entire previous fiscal year. The circular states that the same incentives will continue to be provided for the first six months of the current fiscal year. The highest cash incentives of 10 per cent will be

provided for vegetables, fruits, and processed agricultural produce, diversified jute products, cent-percent halal meat and halal meat products, accumulator batteries, leather products, potato peels, and light- engineering products.

Source: The Financial Express- July 12, 2025

## Sharp 35pc fall in Greenfield FDI in 2024 puts Bangladesh at odds



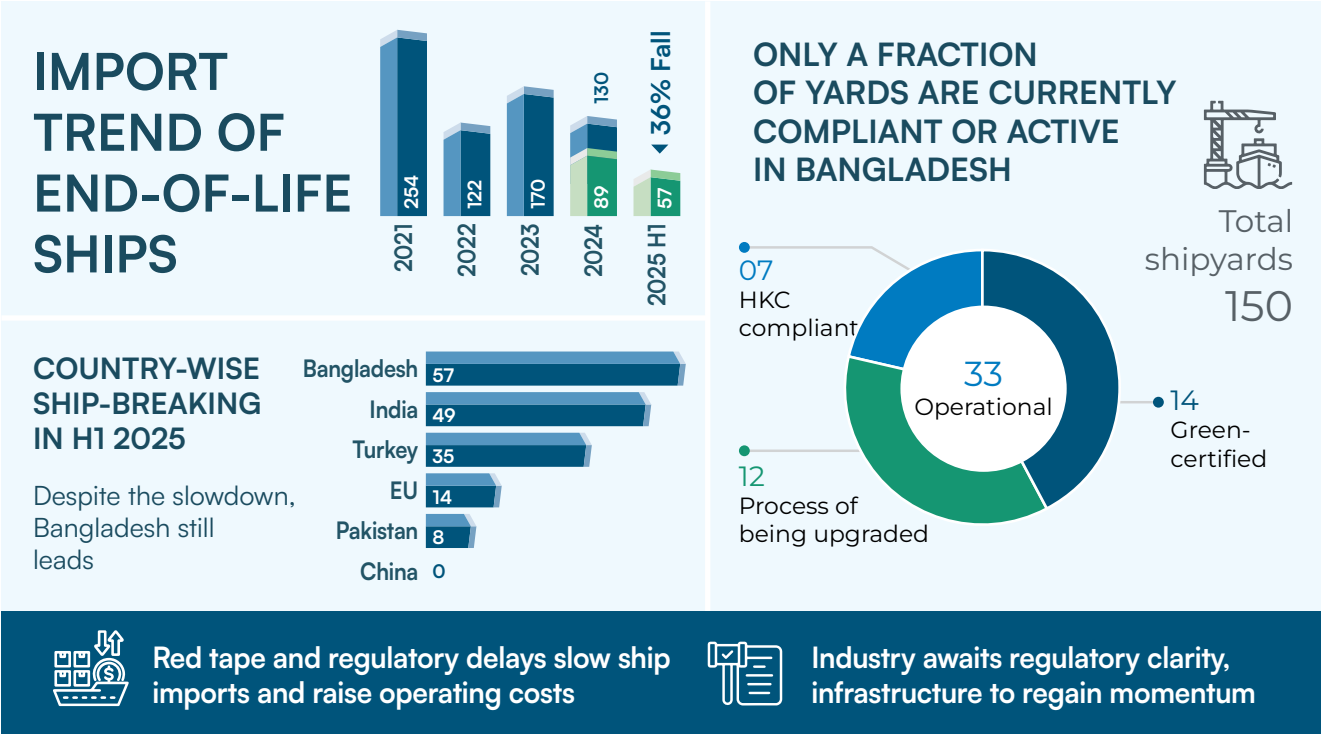
Greenfield foreign direct investment took a significant hit into Bangladesh in 2024, with announced project values plummeting to \$1.75 billion, according (World Investment Report by the UNCTAD). While South Asia recorded a 5.8% growth in greenfield investments during the same period, Bangladesh lagged behind which is a matter of serious concern.

In Greenfield investment a foreign investor builds new facilities or operations from the ground up. It has been widely considered as a catalyst for sustainable economic growth. These projects typically create new production units, distribution centers, corporate offices, and staff accommodation. These activities contribute to employment generation, industrial expansion, and

technology transfer. Globally, greenfield investment remained robust in 2024 (UNCTAD report) reaching \$1.3 trillion - the second-highest level on record. Much of this growth was driven by the boom in information and communication technology (ICT), particularly in data centres, cloud infrastructure, and digital services.

Source: The Financial Express- July 13, 2025

# Ship-breaking industry slows as regulatory hurdles mount



Bangladesh’s ship-breaking industry is facing significant headwinds, with imports of scrapped vessels plunging by 36 per cent in the first half of 2025. The setback is largely due to new regulatory requirements, delayed clearances, and procedural complications under a stricter global compliance framework.

The country imported a total of 57 end-of-life ships during the January-June period this year, down from 89 ships in the same period of 2024 (NGO Shipbreaking Platform). The downturn comes as Bangladesh’s transitions into compliance with the Hong Kong Convention (HKC) officially took effect on June

26, 2025. Ship-breaking remains a vital component of Bangladesh’s economy, supplying raw materials to the country’s steel and light-engineering sectors. Although there are about 150 shipyards in the country of which only 25 to 30 are currently operational.

Source: The Financial Express- July 23, 2025

# Most farmland far below optimal productivity



Bangladesh loses US\$16 billion annually through trade-based money laundering alone for policy leniency and lax regulation of trading operations, reveals an official outfit’s study and prescribes preventives. Bangladesh Institute of Bank Management (BIBM) reported that despite having strong policy frameworks to help combat trade-based money

laundering (TBML), the country remains significantly exposed to illicit financial outflows due to their inadequate enforcement and systemic challenges.

Over the period from 2009

to 2023, Bangladesh had lost an estimated amount of \$16 billion annually through TBML mostly in the sectors like textiles, consumer goods and petroleum imports. Such

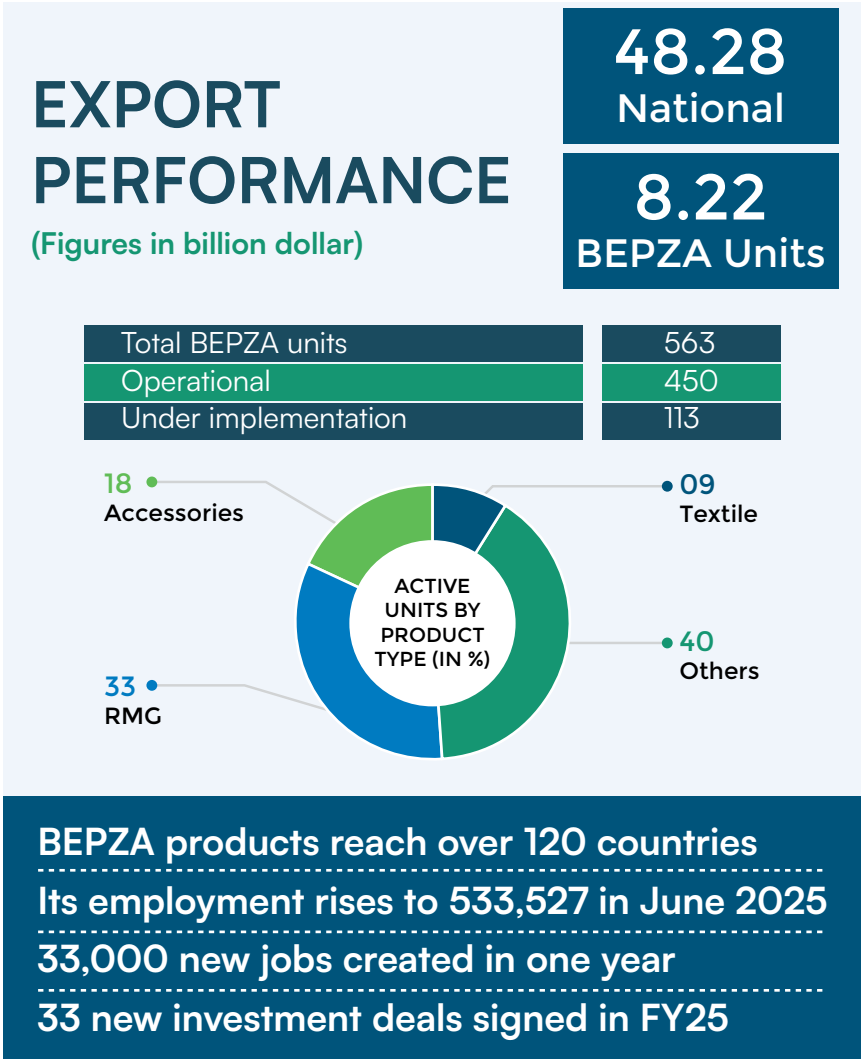
outflow of money is equivalent to 3.4 per cent of the country's GDP which surpasses even the annual public health budget.

Source: *The Financial Express*- July 23, 2025

## BEPZA units contribute 17pc to nat'l exports in FY25

In the fiscal year (FY) 2024-25, factories under the Bangladesh Export Processing Zones Authority (BEPZA) contributed US\$8.22 billion to the country's total export earnings accounting for 17.03 per cent of the national export volume (as per official data). As per statistics from the Export Promotion Bureau (EPB), the overall export earnings stood at \$48.28 billion during the period. BEPZA data show that exports from its eight Export Processing Zones (EPZs) and the BEPZA Economic Zone rose by 16.22 per cent in FY25, increasing from \$7.07 billion in the previous fiscal year. However, there was employment surge driven by the start of new industrial operations and the expansion of existing factories. Presently, BEPZA oversees 563 industrial units - 450 of which are operational, while 113 are under implementation.

Source: *The Daily Star*- July 24, 2025



## Private education sector's contribution to economy rises: BBS

According to the latest survey report of the Bangladesh Bureau of Statistics (BBS), the private education sector has

generated employment at a slow rate, yet its contribution to the economy has risen at a higher rate. Private educational

institutions are significant contributors to Bangladesh's education sector. Their presence both enriches overall



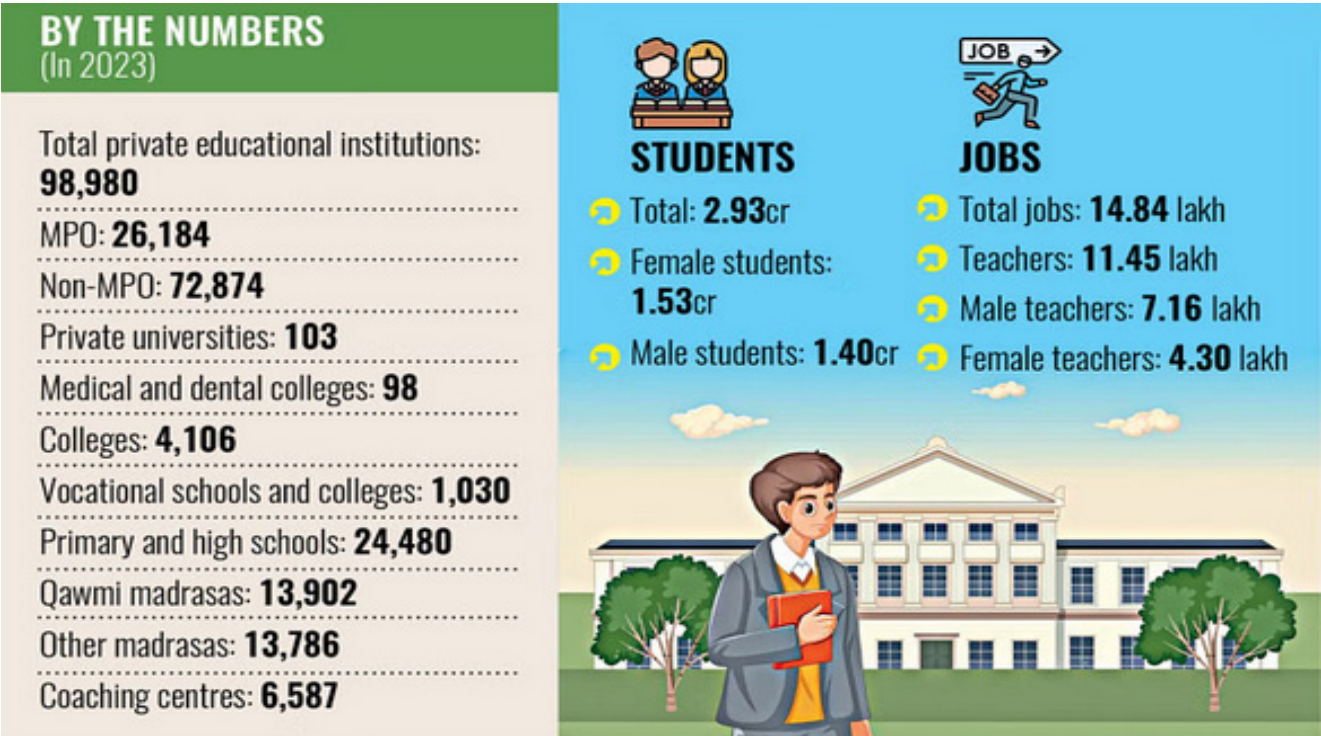
prospects for the delivery of education in the country and plays a vital role in fostering a more prosperous future.

As per BBS data, a total of 2.93 crore students availed themselves of education from private educational institutions

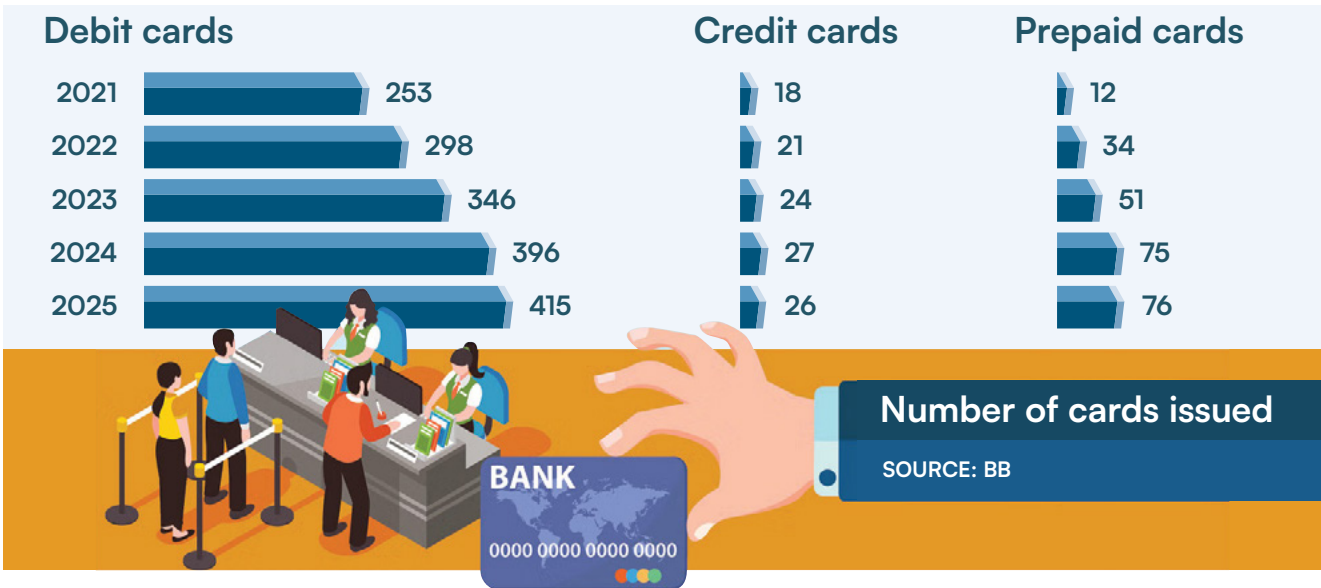
in 2023, which was 13 lakh higher than that in the previous year. Of the students, 1.40 crore were males while 1.53 crore were females. In both years, the percentage of female students was slightly higher than that of male students, demonstrating

an equitable gender distribution within the educational institutions as well as increasing societal acceptance and encouragement of women pursuing careers.

Source: The Daily Star- July 25, 2025



## Card-based transactions soar 228% in five years



Amid a growing shift towards the use of plastic money for

convenience, transactions in Bangladesh

grew by 228 percent over the last five years. According to

Bangladesh Bank (BB) data, transactions through cards surged to Tk 41,407 crore at the end of April this year compared to Tk 12,643 crore five years ago followed by establishing a cashless banking system.

The government and the BB have implemented a series of targeted policy measures and regulatory reforms to accelerate the adoption of electronic payment methods. In terms of transactions, credit cards were

in the lead by recording a 361 percent growth to Tk. 3,288 crore in April 2025 from that five years ago.

Source: The Daily Star- July 25, 2025

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## Cashless society still a distant dream

While Bangladesh has invested heavily in building the infrastructure for a cashless future, the journey has been anything but smooth. The central bank has launched platforms, set targets, and drafted visions. But in the humid stalls of rural markets

and even the street corners of Dhaka, cash still clings to life, not just as a habit, but as a necessity. The flagship initiatives—Binimoy, Bangla QR, and TakaPay—were meant to be the scaffolding of a digital revolution. Instead, they stand as cautionary tales.

Bangladeshi bank spends as much as Tk. 260 crore each year just to manage cash and there are no incentives to drive customers toward digital transactions.

Source: The Daily Star- July 26, 2025

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## S&P sees stable outlook for Bangladesh

S&P Global has kept its long-term credit ratings on Bangladesh's economy unchanged at B+ as the country works to rebuild external liquidity amid ongoing political uncertainty. The said Bangladesh's external liquidity is stabilising indicated by the recent steady improvement in its official foreign exchange

reserves. Macroeconomic policies enacted over the past 18 months -- such as transitioning to a more flexible exchange rate regime, allowing the taka to depreciate, and tightening monetary policy -- are helping to rebuild foreign exchange liquidity quoted by S&P. The agency added that gradual easing

of inflation should support a modest recovery in domestic demand conditions. However, Bangladesh faces heightened trade risk from relatively high US tariffs, which downgraded the country's ratings from BB- to B+.

Source: The Daily Star- July 26, 2025

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## Inflation continues to ease, but rice prices remain a major concern: Planning Commission



Bangladesh has seen a steady decline in both headline and food inflation bringing the overall inflation rate closer to the government's target of 7–8% set in the Monetary Policy Statement for January–June 2025. According to the Economic Update July 2025- released by the General Economics Division (GED) of

the Planning Commission, food inflation also fell to 7.39%, the lowest since January 2023- supported by a favourable supply environment, stable global commodity prices, prudent demand management,

and a balanced exchange rate market.

Despite the overall decline in food inflation, rice prices remain stubbornly high. Several factors are contributing to the persistent surge in rice prices.

The rising cost of inputs, post-harvest losses, transportation costs, uncertainty and price volatility are putting upward pressure on retail prices.

Source: The Business Standard- July 27, 2025

## Govt moves to review, cut microcredit service charge



The Microcredit Regulatory Authority was established under the Microcredit Regulatory Authority Act 2006 for regulating the microfinance sector and promote its sustainable development. As of the latest MRA data-693

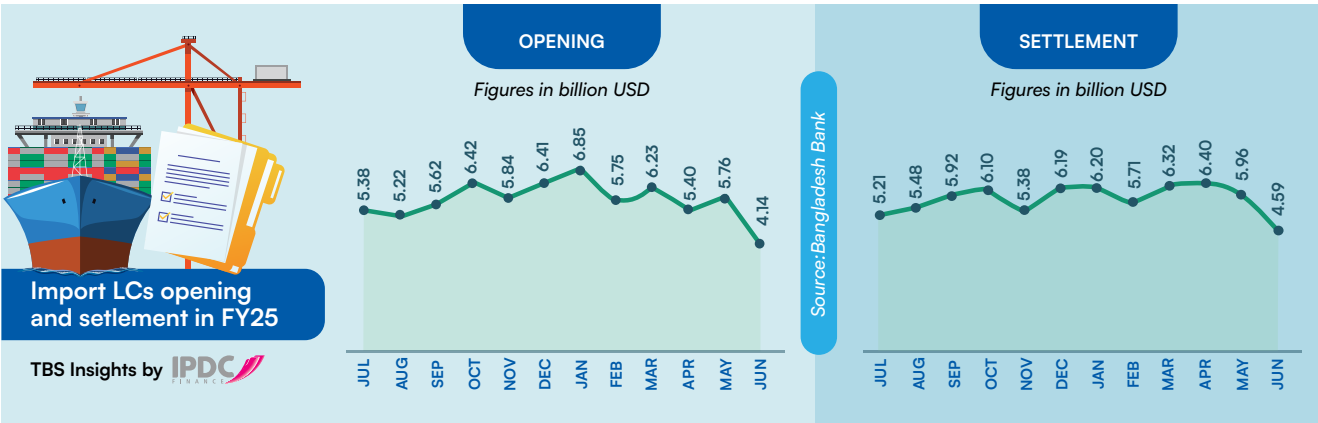
licensed MFIs are currently operating across the country. However, the existing rates “excessive” for poor borrowers which is undermining the very purpose of microfinance —stated by experts. It was added that without a fair and

transparent pricing mechanism, the poor will be remained trapped in a cycle of debt.

The government has recently initiated a move to reduce the current 24 per cent service charge applied by microfinance institutions (MFIs) in a bid to make microcredit more affordable for low-income borrowers especially those at the bottom of the economic pyramid. A high-powered nine-member committee, headed by Dhaka University professor M Jahangir Alam Chowdhury has been formed to prepare recommendations for a rationalised service charge.

Source: The Financial Express- July 28, 2025

## LC openings hit 5-year low in June amid falling investment, consumption





According to Bangladesh Bank data- our country has experienced its lowest monthly import Letter of Credit (LC) openings in 58 months this June- amid declining private investment, persistent inflation-wage growth mismatch, and overall weakening

consumption. Import LC settlements have also dropped significantly. June's LC opening volumes were even lower compared to than that of Covid-19 pandemic. It is a red flag for any import-dependent economy. According to Bangladesh Bank data, LC

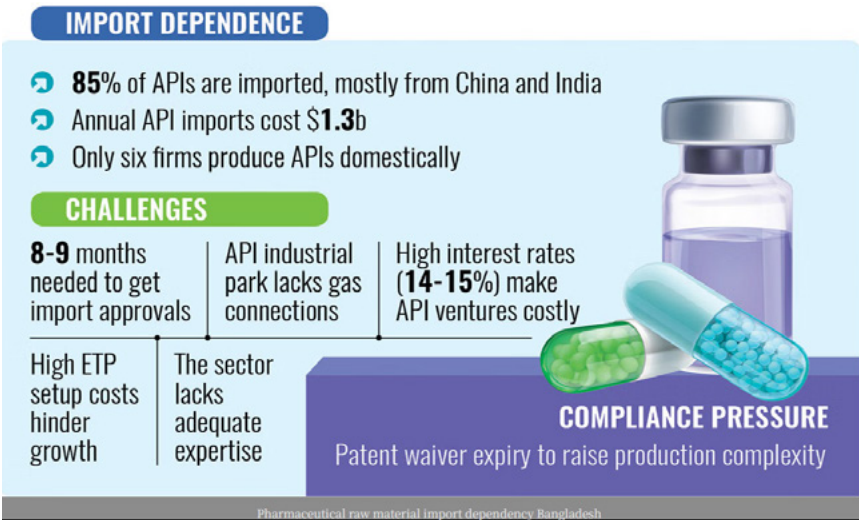
openings in June fell to \$4.14 billion which is down 24.42% from \$5.47 billion in the same month last fiscal year.

Source: The Business Standard- July 28, 2025

## Heavy import reliance leaves pharma industry vulnerable

Our Local medicine manufacturers can meet almost the entire domestic demand and export to as many as 160 countries, given that supplies of raw materials come from China and India. But without importing these ingredients, the 45-year-old pharmaceutical industry cannot even produce a basic as Esomeprazole—a commonly used tablet to treat heartburn. It is high time for Bangladesh to invest in the development of active pharmaceutical ingredients (APIs) to reduce its annual import bill of roughly \$1.3 billion, improve resilience, and ensure long-term growth.

Meanwhile, health economists added that delays in building



API capacity could lead to patent-related issues. At present, Bangladesh is enjoying a patent waiver as a least developed country but

that exemption will end with the graduation from the LDC club in November next year.

Source: The Daily Star-July 29, 202

## Repayment eats up half of FY25 foreign aid



Bangladesh has already spent almost half of its FY25 foreign-aid receipts on repaying its external loans. The Economic Relations Division (ERD) data showed that the government secured \$8.11 billion in loans and repaid \$4.087 billion in this period- the highest in Bangladesh's history. In the last fiscal year, the multilateral and bilateral donors including the World Bank (WB),

the Asian Development Bank (ADB), and Japan, disbursed a total of \$8.518 billion in aid, including \$8.11 billion in loans and \$404.56 million in grants. According to the ERD, the government repaid \$1.5 billion in interest and \$2.59 billion in

principal against the outstanding medium- to long-term loans in the last fiscal year. Repayments would jump again in FY27 when the grace period for the Russian \$11.38 billion loan would end -given for the Rooppur nuclear power plant. The economy








would face a huge debt burden from FY27 as repayments for several budgetary support credits would start.

Source: The Financial Express-July 29, 2025

## S Korea intends to begin with \$6.0b in fresh ventures

As the Asian country aspires to be a new financier of megaprojects in Bangladesh, it is expected that South Korean loans for nearly two dozen proposed development projects initially involves Tk. 816.70 billion. During a recent visit to Bangladesh, high officials of the lender-country evinced initial consent to loans worth over US\$6.0 billion. Since 1993, the South Korean government has invested in various development projects in Bangladesh through the Korea Exim Bank. Most of Korea's

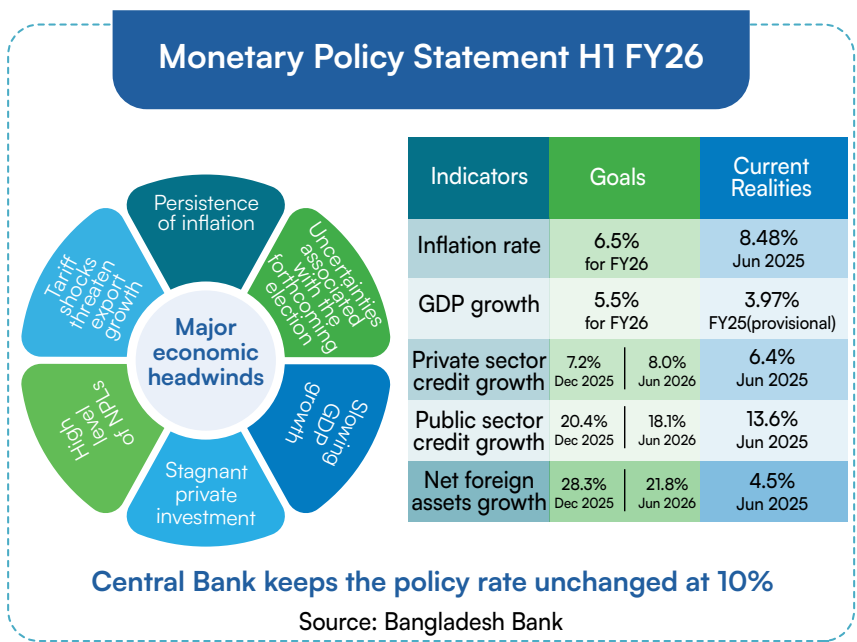
assistance has come in the form of concessional loans. The interest rate on the credits from the Korean Exim Bank would be determined commercially but the rate of Economic Development Cooperation Fund (EDCF) would remain within 1.0 per cent----- unchanged as in the framework agreement signed with Korea in 2022. While South Korea previously invested in small-scale projects, it is now showing interest in large initiatives such as Metro Rail Line-4, Metro Rail Line-5, rolling-stock supply for

MAJOR PROJECTS TO BE IMPLEMENTED THROUGH KOREAN LOAN		Projected
 Procurement of 90 meter-gauge diesel-electric locomotives for railway		Tk 56.66b
 Uttara Sanitation Improvement Project		Tk 56.62b
 Skilled manpower development for foreign employment		Tk 36.00b
 Wastewater drainage system for Fatehabad catchment, Chattogram		Tk 22.97b
 Madunaghat-Maheshkhali 765 KV Transmission Line Project		Tk 21.32b
 Strengthening Agricultural Tertiary Project		Tk 19.99b
 Procurement of 260 broad-gauge passenger coaches for BR		Tk 17.51b

the railway, and construction of power-transmission lines.

Source: The Financial Express-July 30, 2025

## Macroeconomic challenges likely to persist in H1 of FY26: BB



Bangladesh's economy is set to navigate a challenging landscape in the first half of Fiscal Year 2025-26 (July-December), with persistent inflation, pre-election uncertainties and a slowdown in key economic indicators casting shadows on the immediate outlook- added by Bangladesh Bank in its Monetary Policy Statement on 31 July, 2025. The central bank has acknowledged these significant domestic pressures alongside external threats such as the impact of potential tariff shocks on



export growth. Governor Ahsan H Mansur announced that the policy rate would remain unchanged at 10%, signaling a contractionary policy stance aimed at controlling the high

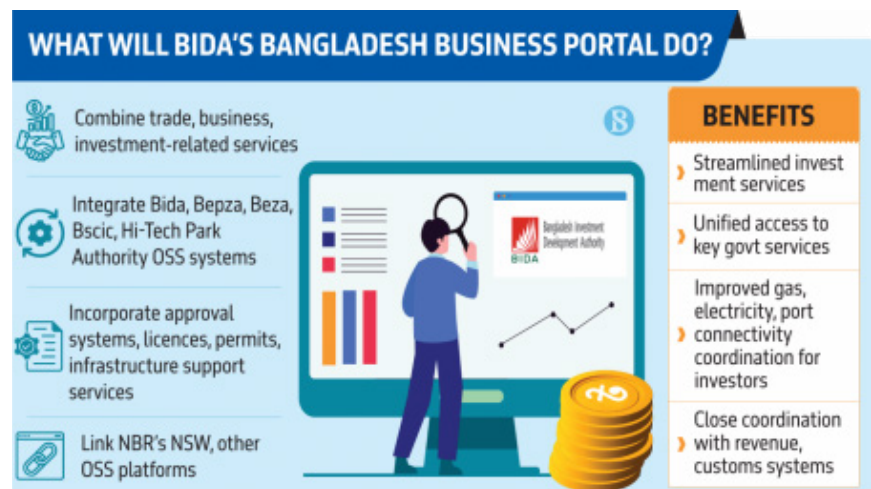
inflation. The MPS for H1 FY26 delineates a monetary policy aligned with the interim government's budgetary targets of achieving 5.5% GDP growth and containing inflation within

a 6.5% ceiling for FY26. The economy may continue to face macroeconomic challenges domestically.

Source: *The Business Standard*- July 31, 2025

## BIDA's unified business portal set for 30 Sep launch, aims to make investment easy

It has been decided to launch the Bangladesh Business Portal (BBP) by 30 September, 2025 to make the country's investment environment more accessible, service-oriented, and digitally integrated. The decision was finalized at the fourth meeting of the Investment Coordination Committee held on 9 July, 2025 chaired by Lutfey Siddiqi, special envoy to the chief adviser on international affairs. The initiative led by BIDA will serve as an integrated online platform aimed at providing all business, trade and investment-related services through a single landing page. Once launched, the investors will no longer have to visit multiple government

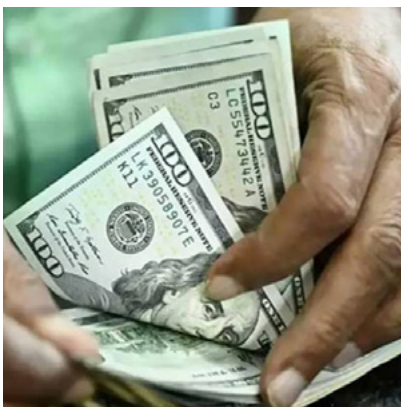


offices or websites to access services. At the investment coordination meeting, it was further stated that the portal will play a vital role in strategizing infrastructure support —

including gas, electricity, and port connectivity — particularly within the country's economic zones.

Source: *The Business Standard*- July 31, 2025

## Remittance inflow rises by 32pc in 30 days of July



According to the latest data of Bangladesh Bank (BB), inflow of remittances witnessed a remarkable year-on-year growth of 32 per cent, reaching at US\$2,368 million in the 30 days of July. During the same period last year, the country's remittance inflow was US\$1794 million (as per BSS). Expatriate Bangladeshis sent a record

\$30.33 billion in remittances in the fiscal year 2024-25 (FY25), marking the highest amount ever received in a single fiscal year in the country's history. This figure reflects a 26.80 percent increase compared to the \$23.91 billion received in the previous fiscal year (FY24).

Source: *The Financial Express*- July 31, 2025



# BANKING INDUSTRY

## Banking Industry at a glance

Scheduled Bank	61
State Owned Commercial Banks (SOCBs)	6
Specialized banks	3
Private commercial banks	43
Conventional PCBs	33
Islami Shariah based PCBs	10
Foreign Commercial Banks (FCBs)	9
Non-scheduled banks	5
Non Bank Financial Institutions (FIs)	35
Contribution of Banks in GDP (2023-24)	2.60%

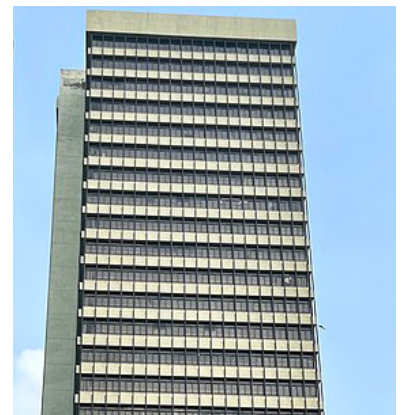


Photo: Bangladesh Bank

Bangladesh has fostered the development of its banking sector to support economic progress, leading to considerable expansion over the last thirty years. At the start, the sector included six nationalized commercial banks, three specialized state-owned banks, and nine foreign banks following

independence in 1971. The 1980s brought additional growth with the establishment of private banks. Presently, the banking sector consists of 62 scheduled banks and 5 non-scheduled banks, all governed by Bangladesh Bank under various laws and regulations. Furthermore, there are 35 non-

bank financial institutions that are also under the supervision of Bangladesh Bank. As of 2023-24, the banking sector contributes 2.60% to Bangladesh's GDP, emphasizing financial inclusion for rural and unbanked communities.

# Banking Statistics Summary

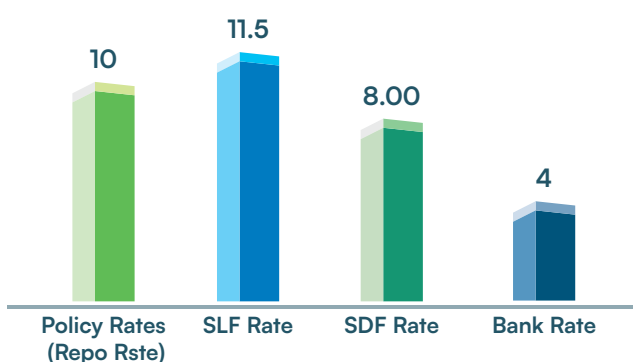
## Bank Deposit and Credit

(Fig in Million)

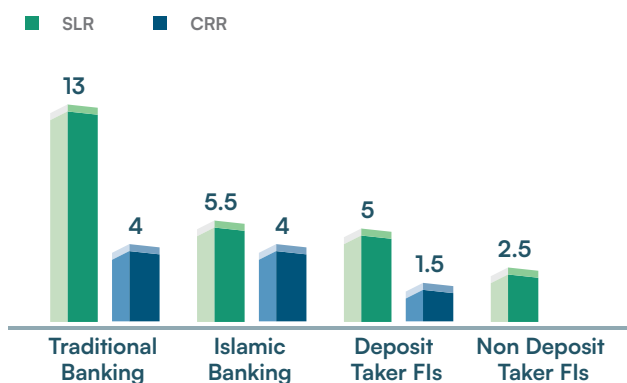
Items	May, 2025	May, 2024	Percentage Changes May, 2025 over May, 2024
Deposits held in DMBs	18,320,652	17,006,084	7.73%
Bank Credit	22,849,631	20,567,805	11.09%

## Policy Rates and Reserve Ratios

### Policy Rates (%)

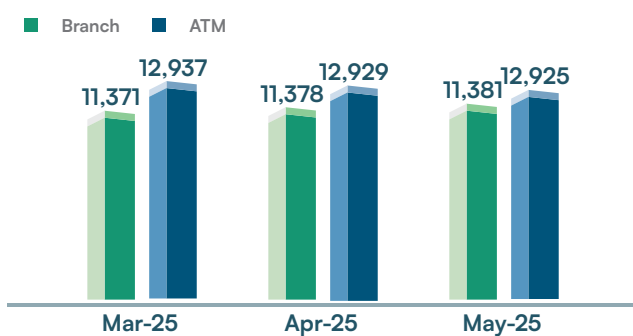


### Reserve Ratios (%)

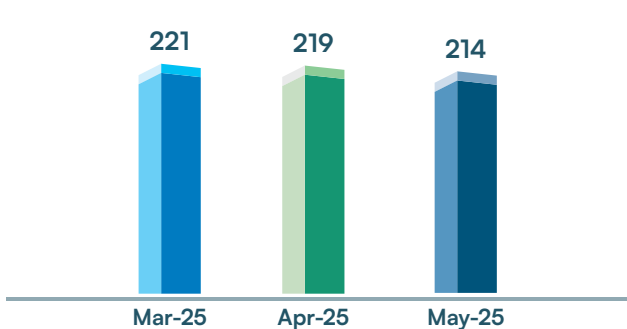


## Branches, ATM, POS, CDM and CRM

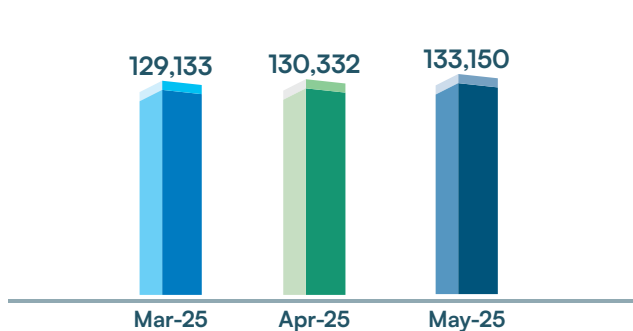
### Branch & ATM



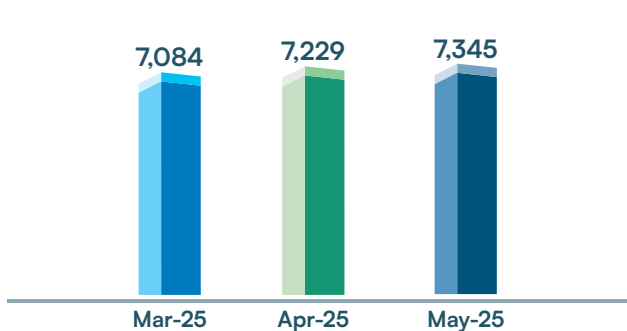
### CDM



### POS



### CRM



Scheduled Banks facilitate financial transactions by establishing Branches, ATM, POS, CDM and CRMs in urban and rural areas. The

number of scheduled bank branches has been increased by 3 in the reporting month. In perspective of the total population [172.85 million source: BBS] of Bangladesh,

on an average 15,188 people receive financial services from one branch and 13,373 people receive digital financial services from one ATM.

## Debit, Credit and Prepaid Cards

(Fig in Million)

Period	Debit Cards	Credit Cards	Prepaid Cards	Transaction Number	Transaction Amount (TK)
Mar — 2025	40.63	2.57	7.93	63.61	609,832.39
April — 2025	41.51	2.58	7.64	48.15	414,078.96
May — 2025	41.83	2.58	7.99	55.51	506,515.94

The number of issued Debit, Prepaid and Credit Cards in May, 2025 are 41.83, 7.99 and 2.58 million, respectively, which are 0.78%, 4.59% higher than

those of the previous month. Using these cards the number of local and foreign currency transactions is 55.51 million with an amount of TK. 506,515.94

million in May, 2025. The number and amount of transactions have been increased by 15.29% and 22.32% respectively, compared to the previous month.

## Mobile Financial Services (MFS)

(In Million)

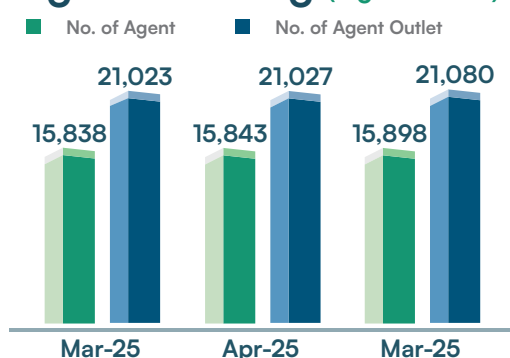
Period	MFS Agent	MFS A/C	Transaction Number	Transaction Amount (TK)	Remittance through MFS (TK)
Mar — 2025	1.42	143.63	638.37	1,780,430.49	21,076.17
April — 2025	1.42	144.17	554.30	1,250,357.01	13,649.41
May — 2025	1.43	145.00	613.27	1,548,527.39	16,467.04

Mobile Financial Services (MFS) are increasing remarkably. MFS Statistics are compiled considering MFS providers such as bKash, Rocket, Upay et cetera. According to Table-3 (MFS), the number of MFS

accounts is 145.00 million of which 69.02 million is in urban areas and 75.97 million is in rural areas in May, 2025. Among the services provided by the MFS operators, Government is providing cash incentives

in Inward Remittance. In May, 2025 Inward Remittance Tk. 16,467.04million is disbursed through MFS channel. The e-money balance in this month is Tk. 145,020.55million.

## Agent Banking (Fig in million)



## Agent Banking

(Fig in Million)

Period	Total No. of A/C (in Million)	Deposit Balance (TK in Million)	No. of Transaction (In Million)	Transaction Amount (TK in Million)
Mar - 2025	24.66	427,576.92	17.19	705,365.73
April - 2025	24.50	441,250.77	12.17	616,981.85
May - 2025	25.18	453,179.03	15.12	686,429.62

Currently, 31 scheduled banks are offering Agent Banking facilities to provide a safe alternative channel of banking service for the people of remote areas in Bangladesh. At the end of May, 2025 the number

of agent and outlet have been increased by 0.35 and 0.25 per cent, respectively compared to the previous month. Table-4 (Agent Banking) shows that the ratio of Agent Banking accounts in urban and rural

areas is approximately 14:86. In Agent Banking, total number of accounts is 25.18 million and deposit balance is TK. 453,179.03 million and a total of TK. 9,926.13 million is disbursed as loan in May, 2025.

### MICR and Non-MICR, EFT and Internet Banking

(Fig in Million)

Period	MICR & Non-MICR Cheque		EFT	
	Number	Amount (in TK)	Number	Amount (in TK)
Mar — 2025	1.7863	1,737,156.98	26.7042	818,030.14
April — 2025	1.4016	1,469,748.32	24.4483	712,506.89
May — 2025	1.6821	1,648,357.46	32.4667	852,851.43

Period	Internet Banking		e-Commerce	
	Number	Amount (in TK)	Number	Amount (in TK)
Mar — 2025	25.3089	1,313,269.77	6.5942	23,657.88
April — 2025	16.6170	994,651.92	6.2038	21,617.00
May — 2025	19.2880	996,181.95	6.7038	23,654.24

### No-frill Accounts

(Fig in Million)

Period	i) Farmers 10 Tk A/C	ii) Hardcore Poor A/C	iii) Social Safety Net A/C	iv) Others A/C	Total Special A/C
Mar — 2025	9.75	2.50	9.57	3.70	25.52
April — 2025	9.76	2.50	9.58	3.72	25.56
May — 2025	9.81	2.51	9.67	3.74	25.73

Underprivileged people receive government allowances through Special Accounts (Farmers 10 TK. Account, Hardcore Poor

Account, Social Safety Net Account et cetera.) of financial institutions. This initiative plays a significant role to include

people under financial activities. There are more accounts of rural people than urban people in case of Special Accounts.

### School Banking

(Fig in Million)

Period	School Banking A/C	Deposit Balance (in TK)
Mar — 2025	4.43	20,060.32
April — 2025	4.45	19,746.41
May — 2025	4.48	19,643.78

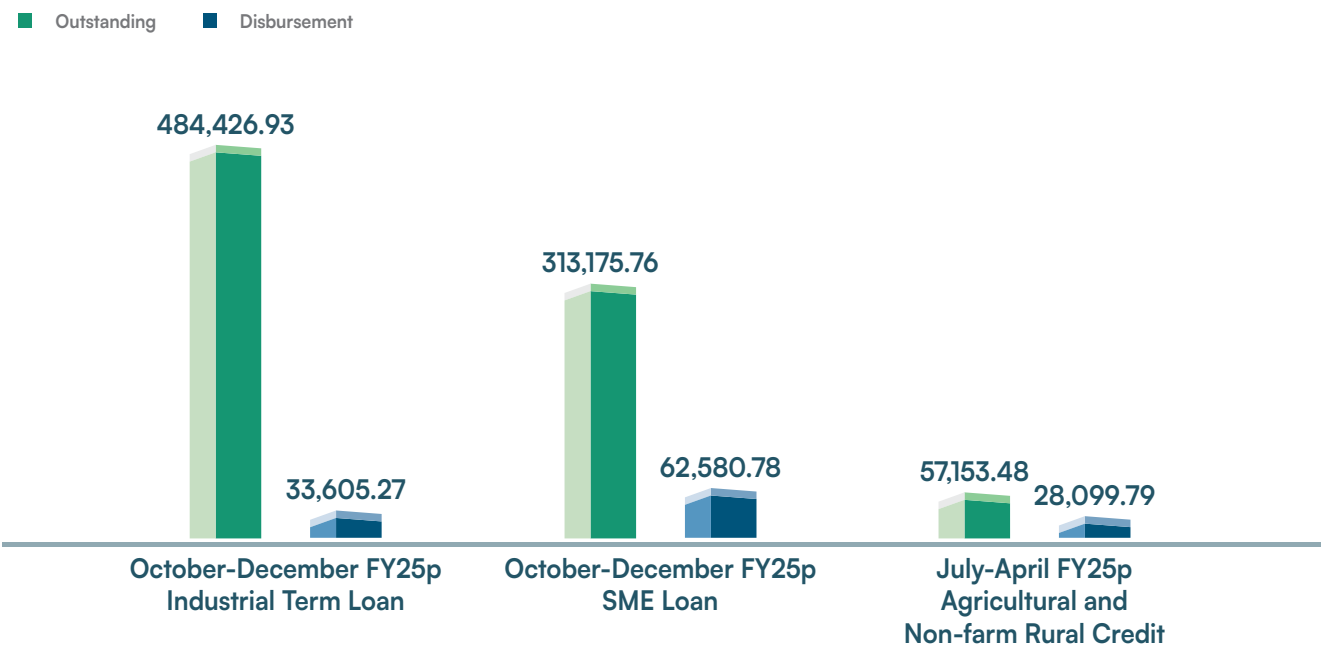
School Banking activities encourage students (below 18 years) to develop their savings

behavior. In May, 2025, there are considerably more male student accounts than female student

accounts and the total deposit balance of these accounts is TK. 19,643.78 million.



# Agricultural and Non-farm Rural Credit, SME Loan and Industrial Term Loan (TK in Cr)



Source: Bangladesh Bank

## Foreign currency in offshore banking units now eligible as collateral for taka loans

The Bangladesh Bank has permitted both individuals and companies in the country to secure taka-dominated loans using foreign currency deposits held in Offshore Banking Units as collateral. On 03 July, 2025 Foreign Exchange Policy Department issued a circular announcing

the decision. Expatriate Bangladeshis can also avail the loan. To support financing activities, the Offshore Banking Units may allow foreign currency deposits of non-resident account holders to be used by domestic banking units as collateral for loans to resident individuals, firms,

and companies. However, the facility comes with certain conditions. A specific request must be offered by the account holder and Offshore Banking Units must verify a genuine relationship between the account holder and the borrower.

Source: *The business Standard* -03 July, 2025

## Bank branches, hotels, gift shops can now obtain limited money changer licences

Scheduled bank branches, booths, hotels, or establishments like gift shops will be able to receive limited money changer licences under specific regulations.

In this regard, Bangladesh Bank issued a circular stating that such establishments can apply for limited money changer licences through authorised dealer (AD) banks

subject to meeting certain criteria. The application must be accompanied by necessary documents including an updated trade license, TIN, BIN certificate, business

registration, and rental or ownership documents. Licensed bank branches or booths will be permitted to carry out foreign currency buy-sell transactions, endorse

dollars in the passports of outbound travelers, encash foreign currencies, and perform other transactions specified in the issued licence. However, in the case of institutions

other than banks may accept foreign currency in cash only from foreign passport holders in exchange for the sale of its products/services.

Source: The Business Standard-03 July, 2025

## BB raises startup fund limit, drops upper age barrier



Bangladeshi citizens aged 21 or older will be eligible to receive startup loans from commercial banks with borrowers paying only 4% interest. The loan ceiling has also been increased to Tk. 8.00 crore from the Tk. 1.00 crore. Banks and financial institutions can

receive refinancing from the Bangladesh Bank's Tk. 500 crore "Startup Fund" against loans or investments disbursed in favor of startup entrepreneurs. Existing entities engaged in startup ventures will also be eligible for financing whose registration does not exceed 12

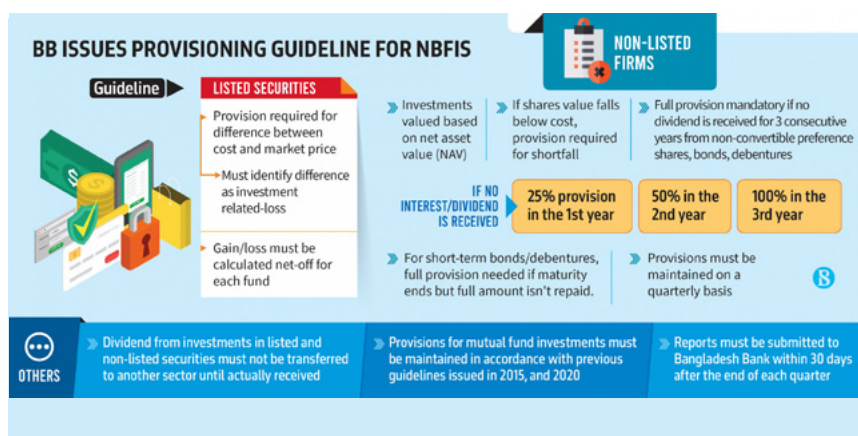
years. The ventures have been classified into several stages based on their operational age which limits loan range from Tk2 crore to Tk8 crore.

According to new circular-commercial banks may offer equity support to startups. Bangladesh Bank will initiate the formation of a venture capital company. Banks will invest the entirety of their Startup Fund in this venture as equity, which will be recorded in their financial statements as equity investment. The master circular aims to update and adapt startup financing guidelines to provide better support for the promising sectors.

Source: The business Standard-09 July, 2025

## Stricter provisioning on losses from share, bond, and subsidiary investments by financial institutions

By issuing a circular, Bangladesh Bank has imposed stricter conditions on provisioning against losses incurred by non-bank financial institutions (NBFIs) from investments in shares, equity, bonds and debentures, mutual funds, and commercial papers along with traditional loans. Depending on the category of investment,



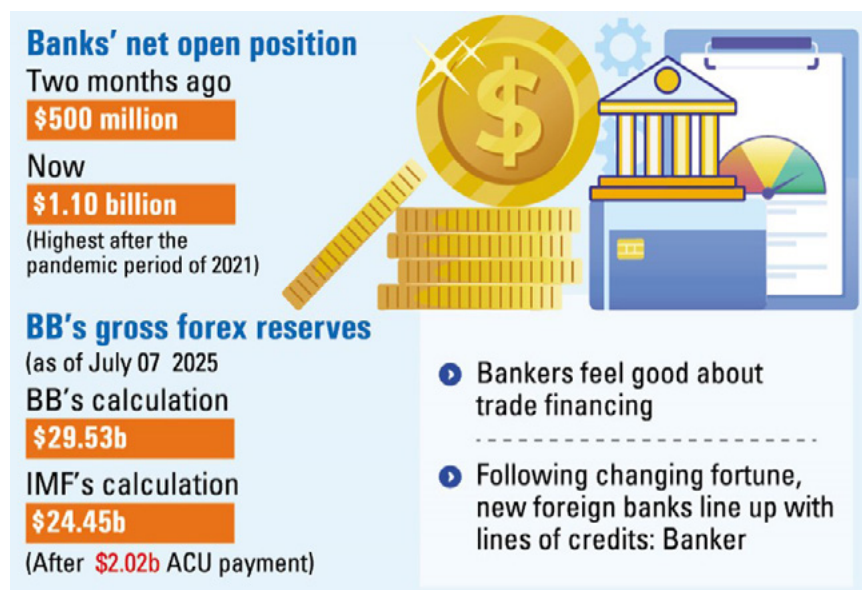
provisioning must be made ranging from 25% to 100% with quarterly reporting which will begin from the September quarter of this year. This new

initiative will reduce investment risks and strengthen the financial foundation of these institutions. These guidelines might be burdensome at first

but it will help restore discipline in this sector in the long run.

Source: *The business Standard-09 July, 2025*

## Foreign banks enhancing credit backup to BD counterparts



Banks are enjoying a feel-good ambiance in external trade financing as foreign counterparts open line-of-credit backup. After the changeover

in state power followed by July-August mass uprising, 2024 large international banks that typically act as correspondents for commercial banks

squeezed or suspended limit of their lines of funds for the Bangladeshi banks. It put the country's commercial lenders in serious trouble in dealing with international trade. As the country's macroeconomic health started improving from early this year following payment of overdue import bills amounting to around \$2.50 billion, foreign correspondent lenders began easing their line-of-credit support for their responding banks in February last. At present, majority of such overseas banks are opening their forex-backing supports for local banks.

Source: *The Financial Express-10 July, 2025*

## Bangladesh Bank cuts reverse repo rate by 50 basis points



Bangladesh Bank reduced the Standing Deposit Facility (SDF) rate (popularly known as the reverse repo rate) by 50 basis points to 8% with effect from 16 July, 2025. With this move, the central bank aims to encourage banks to lend more to businesses and consumers rather than park surplus funds with the central bank. The decision is expected to boost credit availability in the



economy and may lead to lower market interest rates. However, the overnight repo rate remains unchanged at 10%. The upper limit of this corridor-the Standing Lending Facility (SLF) also

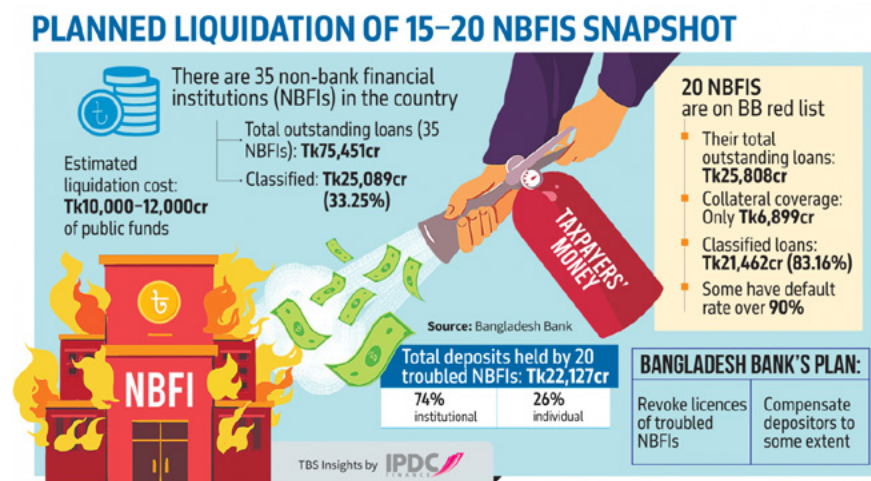
remain unchanged at 11.5%. By issuing a circular, the central bank stated that the move is aimed at enhancing liquidity management and stimulating activity in the interbank call

money market under the framework of the monetary policy's interest rate corridor.

Source: The Business Standard-15 July, 2025

## Liquidation of troubled NBFIs may cost govt Tk12,000cr in taxpayer money

The Bangladesh government is bracing for a substantial financial outlay which is potentially needing to spend up to Tk. 30,000 crore from public funds to address the widespread distress in the country's non-bank financial institutions (NBFIs) and troubled Islamic banks. This significant expenditure will largely be generated from the government's budget-confirmed by Bangladesh Bank Governor Ahsan H Mansur. The central bank plans to liquidate between 15 and 20 distressed NBFIs which is expected to cost the public purse at least



Tk. 10,000 crore to Tk. 12,000 crore. In addition to the NBFIs, the central bank's previously planned merger of five troubled Islamic banks could demand another Tk. 15,000

crore to Tk. 20,000 crore in its initial phase, bringing the total potential financial burden to Tk. 30,000 crore.

Source: The Business Standard-20 July, 2025

## BB continues tight monetary policy for H1 of FY26, keeping policy rate unchanged



Bangladesh Bank has unveiled its Monetary Policy Statement (MPS) for the first half (July-December) of FY2025-26- keeping the policy rate unchanged at 10% aiming at continuing a tight policy stance to control inflation. On 31 July, Governor Ahsan H Mansur unveiled the new MPS at a press conference at the central bank's headquarters situated at Motijheel, Dhaka. The bank also announced that the intervening

forex market will continue to curb the volatility of the exchange rate and rebuild reserves. It also aims to maintain a tight monetary policy until inflation comes below 7%. The governor added that they have aimed to bring inflation down between 3% and 5% but it will take some time. Hence, they we are continuing our contractionary stance.

Source: The Business Standard-31 July, 2025

# MBPLC NEWS

## Mercantile Bank holds 26 th AGM



The 26th Annual General Meeting (AGM) of Mercantile Bank PLC was held virtually from its Head Office on June

20, 2025. The Balance Sheet as on December 31, 2024 has been approved by the Shareholders. The meeting

was presided over by Md. Anwarul Haq Chairman of the Board of Directors of Mercantile Bank PLC. Bank's



Managing Director Mati Ul Hasan delivered his welcome speech at the AGM. Al-Haj Akram Hossain (Humayun), Vice Chairmen; M. A. Khan Belal, Chairman, Executive Committee; Mohammad Abdul Awal, Chairman, Risk Management Committee; Prof. Dr. Md. Rezaul Kabir, Chairman, Audit Committee & Independent Director; A. S. M. Feroz Alam, M. Amanullah, Al-Haj Mosharref Hossain, Directors and Dr. Mohammad Thoufiqul Islam, Independent Director were present on the AGM. Bank's CFO Tapash Chandra Paul, PhD, Company Secretary Mohammad Rezaul Karim, significant number of Shareholders & Sponsors were

also connected to the AGM virtually. The Chairman in his speech stated that, Mercantile Bank succeeded in 2024 by means of co-operation and support of its shareholders, clients, Bangladesh Bank and other regulatory bodies. He thanked the Board of Directors and the management for their collective effort towards the achievement of the Bank. Chairman expressed his firm belief that, Mercantile Bank PLC will be able to face the challenges of 21st century by developing the quality of its services and human resources and implementing use of latest technology and managing risks. Bank's Managing Director Mati Ul Hasan

informed the shareholders about the activities of the bank in the year 2024 and presented the future planning for the year 2025. The bank has also reported consolidated EPS of Tk.0.58, NAV per share (NAVPS) of Tk.23.75 and Net Operating Cash Flow per share (NOCFPS) of Tk.17.80 for the year ended on 31 December, 2024. Deputy Managing Directors Md. Zakir Hossain, Shamim Ahmed, Ashim Kumar Saha and Dr. Md. Zahid Hossain, SEVPs Shah Md. Sohel Khurshid, Mohammad Iqbal Rezwan and Md. Abdul Halim along with senior executives and officers were present on the occasion.

## Mercantile Bank inaugurates 'Malkhanagar Branch' at Shirajdikhan



Mercantile Bank inaugurated its 'Malkhanagar Branch' at Shirajdikhan, Munshigonj on 21 July, 2025 to provide easy and tech-savvy banking services to the customers. M A Khan

Belal, Chairman, Executive Committee inaugurated the Branch as the chief guest. Mati Ul Hasan, Managing Director delivered the welcome address on the event. Shamim Ahmed,

DMD of the Bank present on the occasion. Monjurul Alam, Headmaster, Malkhanagar High School; Shafiqul Islam Nannu Bhuiyan, Land owner of the Branch premises; Yasin

Shumon, Jubodol President, Shirajdikhan Thana; Taslim Uddin Shiekh, Businessman; Md. Zaman, Acting Chairman, Malkhanagar Union; Joynal Abedin Nilu, Md. Al Amin & Fazlul Haq Shwpan Matbar,

businessmen spokes on the occasion. Mohammad Hossain, VP & Head of Branches Division, Md. Mahmudul Hasan, Head of Malkhanagar Branch invited guests, valued customers along with officials

of the bank were present at the Malkhanagar Branch premises. The 153rd Malkhanagar located at Bhuiyan Complex, Taltola Bazar, Malkhanagar, Shirajdikhan, Munshiganj.

## Mercantile Bank inaugurates 'Alipur Uposhakha' at Patuakhali



Mercantile Bank inaugurated 'Alipur Upashakha' at Patuakhali on 17.07.2025 to provide easy and tech-savvy banking services to the customers. A.S.M. Feroz Alam, Sponsor Director of the Bank launched the Uposhakha virtually as the chief guest while Mati Ul Hasan, Managing Director of the Bank presided over the program. Md. Zakir Hossain, Shamim Ahmed, Ashim Kumar Saha & Dr. Md. Zahid Hossain DMDs; Dr.

Tapash Chandra Paul, CFO of the bank were present on the occasion. Mohiuddin Musolli Sultan and Selim Hawlader, Local Businessman spoke on the inaugural ceremony. SEVPs Shah Md. Sohel Khurshid & Mohammad Iqbal Rezwan and Head of HR Md. Salahuddin Khan were present in the Head Office on the occasion.

VP & Head of Branches Division Mohammad Hossain, AVP &

Head of Khepupara Branch Md. Faruk Shikder, in-charge of Alipur uposhakha Mohammad Imam Hossain, invited guests, valued customers along with officials of the bank were present at the Alipur Uposhakha premises. The 48th Alipur uposhaka (under control of Khepupara Branch) located at Khan Bhaban, Vill-Alipur Bandar, Alipur, Union-7 No. Latachapli, Thana-Mohipur, District-Patuakhali.



## Mercantile Bank PLC and National Pension Authority signed MoU



Mercantile Bank PLC. has signed a Memorandum of Understanding (MoU) with National Pension Authority on 13 July, 2025. The MoU signing ceremony was graced by the presence of Dr. Md. Khairuzzaman Mozumder, Honorable Secretary, Finance Division, Ministry of Finance, Government of the People's Republic of Bangladesh, as the Chief Guest. The MoU was signed by Honorable Managing

Director of the Bank Mati Ul Hasan and Honorable Executive Chairman of National Pension Authority Md. Mohiuddin Khan on behalf of their respective organization. As per the agreement, Mercantile Bank will facilitate the collection of installments of various schemes launched under the Universal Pension Scheme of the National Pension Authority through its Online Banking facility, Mobile Banking Service

“MyCash”, Digital Banking App MBL Rainbow, Agent Banking, Internet Banking and other Delivery Channels. Managing Directors of 17 Banks along with High Officials was present in the ceremony presided by the honorable Executive Chairman of the National Pension Authority at the Meeting Room of Department of Finance, Ministry of Finance, Bangladesh Secretariat, Dhaka.

## Agreement Signing Ceremony was held between Mercantile Bank PLC & Bangladesh Bridge Authority

Mercantile Bank PLC. has recently signed an agreement with Bangladesh Bridge Authority. The Honorable Secretary of Bridges Division

and Executive Director of Bangladesh Bridges Authority Mr. Mohammad Abdur Rouf was present in the agreement signing ceremony. The agreement was

signed by the Deputy Managing Director and CBO Dr. Md. Zahid Hossain of Mercantile Bank PLC & the Joint Secretary and Director (Finance & Accounts)



Mr. Khandaker Nurul Hoq on behalf of their respective organizations at the Conference Room, Bangladesh Bridge Authority, Setu Bhaban. As per the agreement, Mercantile Bank will collect Toll Money of the 6th Bangladesh China Friendship

Bridge (Mukterpur Bridge) through its Narayanganj Branch. The Sr. Vice President and Head of Narayanganj Branch Mr. Farid Uddin Ahmed Bhuiyan and Assistant Vice President and Head of Institutional Liability Marketing Division Mr. Tapon

James Rozario from Mercantile Bank PLC & other high Officials of Bangladesh Bridge Authority along with other officials from both organizations were also present in the ceremony.

## Mercantile Bank signed two different agreements with PRAN-RFL Group



Mercantile Bank PLC has signed two different agreements with PRAN-RFL Group on 17 July at Bank's Head Office, Dhaka. Uzma Chowdhury, CPA Director of PRAN-RFL Group and Dr. Md. Zahid Hossain, DMD & CBO of the Bank signed both agreements on behalf of their

respective organization. As per the agreements, Mercantile Bank will provide the credit facility to the suppliers and the distributors of PRAN-RFL Group for expansion of the business. Md. Zakir Hossain and Ashim Kumar Saha, DMDs and Mohammad Iqbal

Rezwan, SEVP of the Bank and Mohammad Mehadi Hasan and Quanz Fatima, Deputy Manager, PRAN-RFL Group and other senior officials of both the organizations were present on the occasion.



## Mercantile Bank organized School Banking Conference -2025 at Netrokona



Mercantile Bank PLC. has recently lead the School Banking Conference-2025 at Netrokona on 28 June. Mercantile Bank's Netrokona Branch with the cooperation of Institutional Liability Marketing Division of Head Office has been arranged the daylong conference at Public Hall Auditorium including the students of 24 number of Institutions. Md. Enamul Karim Khan, Director, Bangladesh

Bank, Mymensingh Office was present on the conference as Chief Guest while the program was presided by Md. Abdul Halim, SEVP & COO of Mercantile Bank PLC. Mohammad Shahjahan, Additional Director, Financial Inclusion Department, Bangladesh Bank; Mohammad Emdadul Haque, Assistant District Primary Education Officer and Dipak Chandra, AGM, Netrokona Corporate

Branch, Sonali Bank were present as Special Guests on the Conference.

Sunny Md. Shahriar Istiak, Deputy Director, Financial Inclusion Department, Bangladesh Bank; Tapon James Rozario, AVP & Head of IMLD of MBPLC, Md. Rabiul Karim, FAVP & Head of Netrokona Branch and senior officials, Teachers, Students and eminent personalities of the society also present at the occasion.

## Mercantile Bank Training Institute Organizes Foundation Training For Management Trainee Officer (MTO)



Mercantile Bank Training Institute organizes Foundation Training for 14th Batch Management Trainee Officer (MTO) at its premises. Mati Ul Hasan, Managing Director of the bank inaugurated the month long training program on July

13, 2025. A total number of twenty four officers participated at the training program. Mati Ul Hasan in his inaugural speech advised participating officers to be strictly compliant with the banking ethics and guidelines and be proactive in providing

excellent customer service to customers of the bank. The senior management team of the bank was also present at the inaugural program. The inaugural program was moderated by Javed Tariq, Principal of the training institute.





# BEYOND THE LEDGER

## Agro-Based Industries in Bangladesh: Strengthening the Backbone of the Rural Economy Mercantile Bank PLC Accelerating Agro-Finance for Inclusive Growth

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**Akash Basu**

Senior Executive Officer & Credit In-Charge, Thakurgaon Branch,  
Mercantile Bank PLC

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**A**gro-based industries are central to Bangladesh's rural economy and play a critical role in driving inclusive and sustainable growth. These industries—ranging from food and feed processing to jute, livestock, fisheries, and dairy—serve as a bridge between

rural livelihoods and national industrial development.

As per the Bangladesh Economic Review 2024, agro-industries contribute 4.3% to GDP and about 20–22% to manufacturing GDP, supporting over 20 million people. Rising

urbanization and changing consumption patterns are driving an 8–10% annual growth in demand for processed food, while agro-exports such as frozen fish, jute goods, and value-added food products generate USD 2.8 billion annually.





## Unlocking Potential Through Efficiency:

Despite this promise, inefficiencies persist. Around 25–30% of produce is lost post-harvest due to poor storage and outdated processing facilities. Only 15% of fruits and vegetables are stored in cold chains, and over 60% of agro-processing units still rely on obsolete equipment.

Reducing even half of this loss could save BDT 15,000–20,000 crore annually—redirectable toward food security and agro-export targets (USD 5 billion by 2030). Furthermore, investing in local innovation and post-harvest technology, such as solar-powered dryers, grading lines, and automated packaging, can substantially improve productivity and export readiness for rural enterprises.

## Bridging the Finance Gap:

With over 90% of agro-processing units categorized as SMEs, most struggle with access to finance. To address this, Bangladesh Bank introduced the Agro-Based Product Processing Refinance Scheme (SMESPD Circular No-10, 2023), promoting low-cost funding. This is supported by broader green finance and rural credit policies.

## Mercantile Bank PLC: Driving Agro-Industrial Transformation:

Mercantile Bank PLC is leading the way in inclusive, tech-enabled agro-finance. By December 2024, the Bank's loan portfolio stood at BDT 300,025.11 million, of which 6–7% (around BDT 20,000–23,000 million) was allocated

to agriculture and agro-based industries.

## Key Agro-Finance Areas Include:

- **SME Lending:** For rice mills, seed & jute processing, organic fertilizer, bio-pesticides
- **Seasonal Finance:** Supporting crop-aligned raw material purchase
- **Term Loans:** Machinery upgrades, cold storage expansion
- **Export Finance:** Credit and guarantees for agro-exporters
- **Green Finance:** Investments in solar cold storage, eco-packaging, biogas, etc.

## Reaching the Rural Economy:

With 153 branches, 48 sub-branches, and digital platform “MBL RAINBOW”, the Bank ensures easy access to finance in rural and climate-vulnerable zones. Its digital-first model enhances disbursement, monitoring, and customer service for agro-lending.

Through mobile on boarding and data-driven credit scoring, Mercantile Bank has reduced turnaround time for loan approval and delivery. This is particularly valuable during harvest and sowing seasons when liquidity is crucial.

## Risk Management & Strong Portfolio:

As of June 2024, Mercantile Bank's agro-loan default rate remained well below the industry average (11–13%), thanks to effective credit assessment and field-level engagement. Borrower



education, regular monitoring, and region-specific product design have strengthened the portfolio's resilience.

### **Sustainable & Sector-Wise Lending (as of Dec 2024):**

- **Sustainable Finance:** BDT 173,966.26 million
- **Green Finance:** BDT 33,657.70 million
- **CMSME Sustainable Finance:** BDT 12,363.55 million
- **Agri Loans:** BDT 5,748.22 million

Sector-wise, lending was focused on manufacturing (BDT 46,941.7 million), commodities (BDT 30,952.9 million), and food & allied industries (BDT 27,727.0 million). Additional financing supported the jute sector, chemical & fertilizer production, and agriculture.

### **Mercantile Bank PLC aims to expand its agro-finance with a focus on:**

- Climate-resilient Agri-lending
- Mobile-based loan onboarding
- Rural women & youth entrepreneurship
- Financing green agro-enterprises

These priorities align with the Bank's SME, sustainability, and CSR mandates. Additionally, the Bank is exploring partnerships with agri-tech firms and development agencies to co-create value chains and promote digital advisory for farmers and agro-enterprises.

With the right partnerships and policy support, Bangladesh is poised to become a USD 20 billion agro-industrial economy within the next decade—where Mercantile Bank stands ready as a catalyst for transformation.





# Anecdotes of a Banker

**Tanvir Ahmed Bhuiyan**

Assistant Vice President, Credit Administration Division,  
Mercantile Bank PLC

Banking is not just another profession—it is an art of dealing with Man and Money. Having spent more than a decade and a half in this field, I have fetched many stories along the way. Here, I share a few of them:

## Very Good Relation

While filling out an account opening form, in the section titled Relation with the Nominee, a customer confidently wrote: “Very good relation.” Sometimes, simplicity says it all.

## Trust in a Banker

Samvu Babu (not his real name) was an amicable Hindu businessman who often visited my desk to withdraw the interest from his FDRs. Over time, we built a genuine rapport.

One day he came for the same purpose, with an unlike sad face. While I was serving him, he revealed that doctors had found cancer symptoms in his throat and that he would soon travel to India for treatment.

Months later, he returned, this time accompanied by his wife, son, and daughter. By then, he had become pencil-thin and spoke with a frail voice. Standing before my desk, he introduced me to his family. Then, with a grave expression, he pronounced his doctors prediction that he had only six weeks left.

Suddenly, he grabbed my hand and requested to help his family to arrange his deposits in due

course after his death which was approaching fast. I could not hold my tears at Office.



## Bank Holidays

Many of my non-banker friends envy us for our Bank Holidays. What they do not know is that those days are for customers, not for bankers. They are reserved for voluminous closing and post-closing activities.

## The Pre-CIB Era

I heard this story from a veteran Banker. Before the introduction of the CIB report in 1992, bankers had to act like detectives to verify a borrower's liabilities, apart from gathering confidential reports from peer banks.

On one such occasion, a banker visited the home of a prospective borrower who claimed he had no loans elsewhere. But the banker noticed a calendar of another bank hanging in his drawing room. The next day, he inquired at that bank. The secret came out—the man had a loan there, and it was in default.

## Out of the Box

A young man once walked into the Branch asking for the foreign trade

department. Smartly dressed, he was speaking fluent English with a mix of Bangla. After a brief chitchat, he revealed his frustration: no bank was willing to help him export his unconventional product—cow tail hair, used to make shoe brushes in China.

Indeed, some business ideas truly lie out of the box.

## The Little Girl Grew Up

One morning, a customer arrived with his eight-year-old daughter. She walked straight to the front desk and said, "Uncle, open me a bank account."

Her father explained that she had been saving her Eid bokshish and wanted to deposit it. We opened a school banking account for her and handed her a deposit slip book with a brand-new account number. Carefully, she placed it inside her little red vanity bag. Her eyes sparkled with happiness as she whispered to her father: "Now I am also a grown-up person, Baba."

## Banking for All

Mercantile Bank always welcome people from all walks of life. Our Monthly Savings Scheme (now known as Masik Sanchaya Prokolpa) has been popular and affordable since the bank's inception.

While serving at my desk, one day I noticed a clumsy man stepping into the branch. With a faded gamcha on his shoulder, he slipped off his worn out slippers at the entrance before entering. Perhaps the shiny interior of the bank made him feel out of place.

I quickly approached him to assure him that it was unnecessary and assisted him in opening a Masik Sanchaya Prokolpa account. We later learned that he was a rickshaw puller and heard of our scheme from a friend.

He walked out smiling—not just with a new account, but with a new perception about banking.



# Reviving the Economy through Shariah-Based Compliance: A Value-Centric Approach to Sustainable Growth

Md. Tarek Hussain Prodhan

CSAA, CFRM, AIBB, PGDIFP, PGDHRM,  
Islamic Banking Professional  
Mercantile Bank PLC

## **P**ains of the Modern Economy: A Value-Based Perspective:

While running of economy treated as compliance involvement of all the factor of production like land, labor and capital with the driving force of positive entrepreneurship it would result in optimum level of output in generally. Compliance means national and international regulatory bodies' rules and standards, executed with the utmost morality and ethical consciousness. Furthermore, through matrix crosschecking different combinations of production factors, the highest possible output can be identified and achieved. To maximize these outcomes, several foundational conditions must be fulfilled:

1. **Ethical Mindset:** To set mind for holding the ethics

in delivering of input and production processes.

2. **Technical and Technological Expertise:**

Technical and technological knowledge with expertise in the relevant fields of each sector.

3. **Crisis Management Experience:**

Competence to navigate and mitigate unforeseen challenges.

4. **Human Capital Management:**

Placing the right individuals in the right positions and in right role to optimize human resource efficiency.

However, the economic cry begins when these factors of production fail to generate even the survival-level return. Specific symptoms include:

1. **Land** fails to generate rental income or productive value for its owners.

2. **Laborers** face unemployment or underemployment, losing their wage rights leading to social instability.

3. **Money capital** remained idle and having no recycling movement due to lack of investment opportunity and losing interest of the capital and finally

4. **Enthusiastic entrepreneurs** would not grow up due to the lack of proper and stable environment like national and international, internal and external infrastructure condition and therefore overall, all the constraints become unemployed and





losing entrepreneurial profit that direct falling downward impact on social economy.

According to the **World Bank**, Bangladesh's youth unemployment rate was **11.6%** in 2023, highlighting the structural inefficiencies in labor market absorption (World Bank Data).

### **Shariah Screening for Sustainable Economic Revival :**

Reversing this downward trend to find the real gain demands a strategic focus on deriving genuine value from input processes. The real opportunity lies in identifying need-based sectors to ensure sustainable

outcomes. Resource limitations should not be perceived as obstacles; rather, with a mindset rooted in faith and moral clarity, the world holds abundant resources sufficient enough for sustaining all forms of life equitably. Behind the issue, it indicates our learning opportunity. Proper education, knowledge application, and the pursuit of social equity can bridge existing gaps, fostering a more inclusive and resilient economy.

**Islamic teachings** argue for the concept of "Barakah" (divine blessing), where moral management leads to disproportionate positive outcomes. The Prophet

Muhammad (PBUH) emphasized fair trade and ethical transactions as foundational for socio-economic equality (Sahih Bukhari, Hadith 2072).

Proper utilization and allocation of economic constraint with the tested combination i.e: land, labor, capital produces maximum output which supported by Shariah screening strong morality from the religious view.

Limited resources bind with limited gain; management of limited resources is less challenge than unlimited resources. In a landscape of abundant resources, three primary challenges typically arise:



### 1. **Accurate Input Allocation:**

Proper distribution according to need and potential at the input stage.

### 2. **Output Targeting:** Setting clear, achievable targets based on societal and economic needs.

### 3. **Proper Utilization of Output:** Ensuring fair distribution and reinvestment for sustained societal benefits.

According to UNDP (2023), efficient resource management could lift over **750 million** people out of extreme poverty by 2030 if aligned with sustainable development goals (SDGs).

### **Beauty of Darkened Economy: A Value-Based Opportunity:**

The opportunity is the engagement of various unused or not properly used economic forces in achieving the tremendous dimension, expressing the real beauty of dynamic welfare economy.

In Bangladesh there are practicing traditionally conventional economy, the transition from conventional to Shariah-compliant banking offers a promising alternative to realign financial systems with ethical and sustainable goals. Islamic banking, by its nature, rejects the interest-based (riba) model of conventional banking, following the directives of the Holy Qur'an, Sunnah, Ijma', and Qiyas. Conventional banking system does not comply shariah. Actually, it is not like different product in a single shop as





both good, matter is one is Halal and others is Haram. Divine satisfaction of the work is the introduction of the work for the invention of beauty of darkened economy.

As (IFSB Report 2024), the global Islamic banking industry was valued at approximately \$2.2 trillion by the end of 2023 and growing at an average annual rate of 10% (IFSB Report 2024)—evidence of increasing trust in Shariah-based financial models.

Besides, Shariah-based practices having enormous opportunity through engaging in value-based, welfare-oriented economic activities by investing in sectors such as **Islamic Microfinance, Waqf Management, and Zakat Institutions**. Bangladesh can activate its latent potential, creating a more inclusive and sustainable economy.

Around **20.5%** of the population still lives below the national poverty line as of 2023 (BBS Poverty Data). Thus, value-based economic practices rooted in Shariah

principles could play a critical role in alleviating poverty and ensuring fair wealth distribution.

In concluding, the economic pains witnessed globally and locally can be addressed through a value-based approach that combines ethical compliance, efficient management of resources, and faith in divine stewardship. Shariah-based banking and economic practices provide a holistic solution that not only fosters growth but also ensures justice, sustainability, and social welfare.



# BANGLADESH BANK CIRCULAR

## JULY 2025

### BPD Circular

- BRD Circular No. 1: Date: 22/07/2025; Subject: Formation of Bank Resolution Department.

### DMD Circular

- DMD Circular Letter No. 12, Date: 31/07/2025; Subject: Regarding Proof of Submission of Tax Return (PSR) for investment in Sanchayapatra.
- DMD Circular Letter No. 11, Date: 01/07/2025; Subject: Regarding Profit Rate Refixation in National Savings Schemes.

### DFIM Circular

- DFIM Circular Letter No. 17, Date: 24/07/2025; Subject: Identification & finalization of willful defaulters and measures to be taken against them.
- DFIM Circular Letter No. 16, Date: 21/07/2025; Subject: On the occasion of 'July Mass Uprising Day' all finance companies will remain closed on August 5, 2025.
- DFIM Circular Letter No. 15, Date: 14/07/2025; Subject: Regarding fraudulent activities under the name of Anti-Corruption Commission.
- DFIM Circular Letter No. 03, Date: 07/07/2025; Subject: Provisioning Against Investments in Share & Equity, Bond & Debenture, Mutual Fund & Commercial Paper.

### DOS Circular

- DOS Circular Letter No. 15, Date: 17/07/2025; Subject: On the occasion of 'July Mass Uprising Day' all scheduled banks will remain closed on August 5, 2025.
- DOS Circular Letter No. 14, Date: 03/07/2025; Subject: Temporary Intermission of Banking Operations of National Credit and Commerce Bank PLC. for the purpose of Core Banking system upgradation.
- DOS Circular Letter No. 13, Date: 01/07/ 2025; Subject: Intermission of Banking Operations of Rupali Bank PLC due to Data Center Relocation.

### FEPD Circular

- FEPD Circular No. 31, Date: 31/07/2025; Subject: Foreign exchange regulations - export trade transactions.

- FEPD Circular Letter No. 30, Date: 27/07/2025; Subject: Export subsidy against export of Footwear and Bag made of Synthetic & Fabrics.
- FEPD Circular Letter No. 29, Date: 24/07/2025; Subject: Export subsidy with bond/duty drawback facility against export of Footwear and bag made of Synthetic & Fabrics.
- FEPD Circular Letter No. 26, Date: 13/07/2025; Subject: Application of 'Uniform Rules for Collections' for documentary collection
- FEPD Circular No. 28, Date: 10/07/2025; Subject: Export Subsidy/Cash Incentive from July 01, 2025 to December 31, 2025 for the financial year 2025-2026.
- FEPD Circular Letter No. 25, Date: 03/07/2025; Subject: Notification regarding government revenue fees for exporting raw jute and jute products abroad.
- FEPD Circular No. 27, Date: 03/07/2025; Subject: Access to finance against funds held in OBUs as collateral.
- FEPD Circular Letter No. 26, Date: 02/07/2025; Subject: Policy on the Issuance, Operation and Renewal of Limited Money Changers.
- FEPD Circular No. 25, Date: 02/07/2025; Subject: Term lending in Taka to foreign owned/controlled companies.

### MPD Circular

- MPD Circular No. 02, Date: 15/07/2025; Subject: Re-fixation of Interest Rate Corridor (IRC).

### SMEDP-2 Circular

- SMEDP-2 Circular No. 01, Date: 09/07/2025; Subject: Regarding the compliance with the guidelines of the master circular issued by SMESPD on March 17, 2025, concerning the refinancing from the revolving fund established under the SMEDP-2 project.

### SMESPD Circular

- SMESPD Circular No. 02, Date: 09/07/2025; Subject: Master Circular on Start-up Financing.



# MBPLC CIRCULAR

## JULY 2025

### INSTRUCTION CIRCULAR

- Circular No. 3619, Date: 31.07.2025, Subject: আভিভা ফাইন্যান্স লিমিটেড এর হিসাবসমূহ হতে উত্তোলনের সীমা নির্ধারণ প্রসঙ্গে।
- Circular No. 3618, Date: 30.07.2025, Subject: Business Review Meeting with Sub-Branches.
- Circular No. 3617, Date: 30.07.2025, Subject: Half-Yearly Business Performance Review Meeting (3rd Phase).
- Circular No. 3616, Date: 29.07.2025, Subject: Providing valuable opinions, recommendations or suggestions to contribute to review existing credit Policy 2023-2024 of the Bank.
- Circular No. 3615, Date: 29.07.2025, Subject: Implementation of Guidelines for Central Cash Management Cell (CCMC) Feeding Branch, Indenting Branch and Banking Services at Customer Premises.
- Circular No. 3614, Date: 29.07.2025, Subject: Roles & Responsibilities of Branch and Upashakha regarding maintenance of DPS/ MSS Accounts Opened through MBL Rainbow.
- Circular No. 3613, Date: 29.07.2025, Subject: Sharing Liability Break Up with the Borrower.
- Circular No. 3612, Date: 28.07.2025, Subject: Opening of Haj Agencies Accounts for collection of Haj Pr-registration, Registration Fees, Biman Fare, Fooding, Accommodation, etc with your Branch/Sub-branch/Agent Banking outlet, etc.
- Circular No. 3611, Date: 23.07.2025, Subject: Implementation of the Decisions of the Risk Management Committee of the Board of Directors of the Bank in its 71th meeting held on 15.07.2025.
- Circular No. 3610, Date: 24.07.2025, Subject: Signing of Memorandum of Undertaking (MoU) in between Mercantile Bank PLC and PRAN-RFL GROUP for financing to suppliers and Dealers/distributors of PRAN-RFL GROUP.
- Circular No. 3609, Date: 23.07.2025, Subject: Half Yearly Business Performance Review Meeting (2nd Phase).
- Circular No. 3608, Date: 23.07.2025, Subject: collection of installments of Universal Pension Scheme from Pension Holder through Bank's Different Channels, i.e online (Branch/Sub-branch), Mobile Financial Services MyCash, Agent Banking outlets, Digital Banking and Innovation Division, Internet Banking, etc. as per Memorandum of Understanding (MoU) between Mercantile Bank PLC and National Pension Authority.
- Circular No. 3607, Date: 21.07.2025, Subject: 05 আগস্ট 2025 তারিখ জুলাই গণঅভ্যুত্থান দিবস উপলক্ষ্যে তফসিলি ব্যাংক বন্ধ রাখা প্রসঙ্গে।
- Circular No. 3606, Date: 20.07.2025, Subject: ব্যাংকের পরিচালনা পর্ষদ এর অডিট কমিটি 240 তম সভার সিদ্ধান্ত ও নির্দেশনা সমূহের পরিপালন ও বাস্তবায়ন প্রসঙ্গে।
- Circular No. 3605, Date: 15.07.2025, Subject: Cancellation of enlistment of best Consulting & Survey Limited, an enlisted Surveyor of the Bank.
- Circular No. 3604, Date: 13.07.2025, Subject: অর্থ আইন 2025 অনুযায়ী উৎসে আয়কর ও মূল্য সংযোজন কর কর্তন প্রসঙ্গে।
- Circular No. 3603, Date: 13.07.2025, Subject: Deduction of Excise Duty as per Finance Act 2025.
- Circular No. 3602, Date: 13.07.2025, Subject: বিসিক (BSCIC) শিল্প/শিল্পপার্কসমূহে বরাদ্দকৃত পট বন্ধক (Mortgage) রেখে ঋণ প্রদান প্রসঙ্গে।
- Circular No. 3601, Date: 13.07.2025, Subject: Providing information regarding liability position (if any) on account of M/S B.K Trading along with its allied/Sister/related concern and proprietor within 15.07.2025.
- Circular No. 3600, Date: 10.07.2025, Subject: Cancellation of Authorized Signature.
- Circular No. 3599, Date: 10.07.2025, Subject: Half- Yearly Business Performance Review Meeting(1st Phase)
- Circular No. 3598, Date: 09.07.2025, Subject: Implementation of the Decision of the Risk Management Committee of the Board of Directors of the Bank in its 70th meeting held on 03.06.2025.
- Circular No. 3597, Date: 08.07.2025, Subject: সঞ্চয় ক্ষিমসমূহের মুনাফার হার পুনঃনির্ধারণ প্রসঙ্গে।
- Circular No. 3596, Date: 07.07.2025, Subject: Execution of Thematic Campaign for increasing awareness program on "Participation in the

Financial Sector, Woman's Right" in our Branch/Sub-branch/Agent Banking Outlets for expansion of financial literacy as per "Financial Literacy Guidelines for Banks and Financial Institutions" of Bangladesh Bank through the following Channels: 1) Conversation with Customers Physically 2) Publish Literacy Contents in Social Media/Web-Site in our Bank 3) Distribution of Brochure/Leaflet, etc. among Customers 4) Hanging Banner/Festoon/X-Banner, etc. in front of Branch/Sub-branch or inside of Branch/Sub-branch Premises 5) Displaying the Contents of Financial Literacy at our Common Desktop Wallpaper for all Users of our Bank

- Circular No. 3595, Date: 03.07.2025, Subject: Charge Handover-Takeover' Format between Incoming/Outgoing Head of Branch(HoB)/Upshakha In-Charge of our Bank.

## INFORMATION CIRCULAR

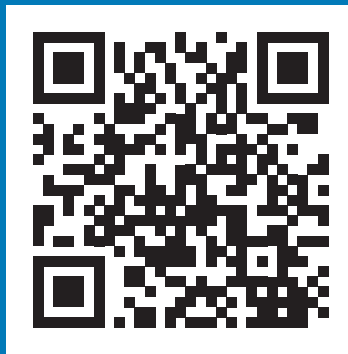
- Circular No. 2318 Date: 30.07.2025, Subject: Loss of Instruments.
- Circular No. 2317 Date: 29.07.2025, Subject: Naming of Corporation Liability and Cash Management Division, instead of Institutional Liability Marketing Division.
- Circular No. 2316 Date: 30.07.2025, Subject: Loss of Instruments.
- Circular No. 2315 Date: 29.07.2025, Subject: Published of Primarily Eligible Haj Agencies list (1st Phase) for 1447 Hijri/2026 Christian Era.
- Circular No. 2314 Date: 29.07.2025, Subject: Loss of Instruments.
- Circular No. 2313 Date: 27.07.2025, Subject: Loss of Instruments.
- Circular No. 2312 Date: 23.07.2025, Subject: Loss of Instruments.
- Circular No. 231 Date: 22.07.2025, Subject: মার্কেটাইল ব্যাংক পিএলসি এর মালখানগর শাখা, মুন্সীগঞ্জ (পল্লী) এর শুভ উদ্বোধন প্রসঙ্গে।
- Circular No. 2309 Date: 21.07.2025, Subject: Renewal of Enlistment of 04 (Four) Insurance Companies as approved insurers of our Bank for the Year-2025.
- Circular No. 2308 Date: 20.07.2025, Subject: মার্কেটাইল ব্যাংক পিএলসি এর খেপুপাড়া শাখা, পটুয়াখালী (পল্লী) এর নিয়ন্ত্রাধীন আলীপুর উপশাখা-পটুয়াখালী (পল্লী) এর শুভ উদ্বোধন প্রসঙ্গে।
- Circular No. 2307 Date: 16.07.2025, Subject: Loss of Instruments.
- Circular No. 2306, Date: 13.07.2025, Subject: Credit Rating Of Mercantile Bank PLC as on

December 31, 2024.

- Circular No. 2305, Date: 14.07.2025, Subject: Reformation of Sustainable Finance committee (SFC) and Sustainable Finance Unit (SFU).
- Circular No. 2304, Date: 14.07.2025, Subject: Loss of Instruments.
- Circular No. 2303, Date: 08.07.2025, Subject: Loss of Instruments.
- Circular No. 2302, Date: 03.07.2025, Subject: কোর ব্যাংকিং সিস্টেম আপগ্রেডেশন এর ইদ্দেশ্য ন্যাশনাল ক্রেডিট এন্ড কমার্স ব্যাংক পিএলসি এর সকল ব্যাংকিং কার্যক্রম সাময়িক বিরত রাখা প্রসঙ্গে।
- Circular No. 2301, Date: 07.07.2025, Subject: Loss of Instruments.
- Circular No. 2300, Date: 03.07.2025, Subject: ডাটা সেন্টার স্থানান্তর কার্যক্রম সুষ্ঠুভাবে সম্পাদনের উদ্দেশ্যে রূপালী ব্যাংক পিএলসি এর সকল ধরনের ব্যাংকিং কার্যক্রম ০৪ জুলাই ২০২৫ তারিখ হতে ০৮ জুলাই ২০২৫ তারিখ পর্যন্ত সাময়িক বন্ধ রাখা প্রসঙ্গে।

## ID CIRCULAR

- Circular No. 68, Date: 31.07.2025, Subject: Amendment of ID Circular No. 12/2018, Dated February 19, 2018 (Revision of Tenor of EDF interim Finance Loan account).
- Circular No. 67, Date: 31.07.2025, Subject: শুষ্ক বন্ড / ডিউটি -ড্র- ব্যাক সুবিধা গ্রহণ করে সিনথেটিক ও ফেরিক্স এর মিশ্রনে তৈরি পাদুকা ও ব্যাগ রপ্তানির বিপরীতে রপ্তানি প্রণোদনা / নগদ সহায়তা প্রদান।
- Circular No. 66, Date: 16.07.2025, Subject: 2025-2026 অর্থ বছরের 01 জুলাই 2025 থেকে 31 ডিসেম্বর 2025 তারিখ রপ্তানির বিপরীতে রপ্তানি প্রণোদনা/নগদ সহায়তা প্রদান
- Circular No. 65, Date: 16.07.2025, Subject: Application of Uniform Rules for Collections for documentary Collection.
- Circular No. 64, Date: 13.07.2025, Subject: বিদেশে কাঁচা পাট ও পাটজাত পণ্য রপ্তানির ক্ষেত্রে সরকারী রাজস্ব খাতের ফি সম্পর্কিত প্রজ্ঞাপন প্রসঙ্গে।
- Circular No. 63, Date: 13.07.2025, Subject: Access to Finance against funds held in OBUs as collateral.
- Circular No. 62, Date: 07.07.2025, Subject: Term Lending in Taka to Foreign owned / Controlled Companies.
- Circular No. 61, Date: 02.07.2025, Subject: Extending the Purview offshore Banking Operations.
- Circular No. 60, Date: 02.07.2025, Subject: Service payments by subsidiaries of foreign companies.



## INVITATION FOR CONTENTS

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