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ম্যার্কেন্টেলি ব্যাংক

মার্কেন্টেলি ব্যাংক পিএলসি.
Mercantile Bank PLC.
দক্ষতাই আমাদের শক্তি

CONTENTS



EDITORIAL

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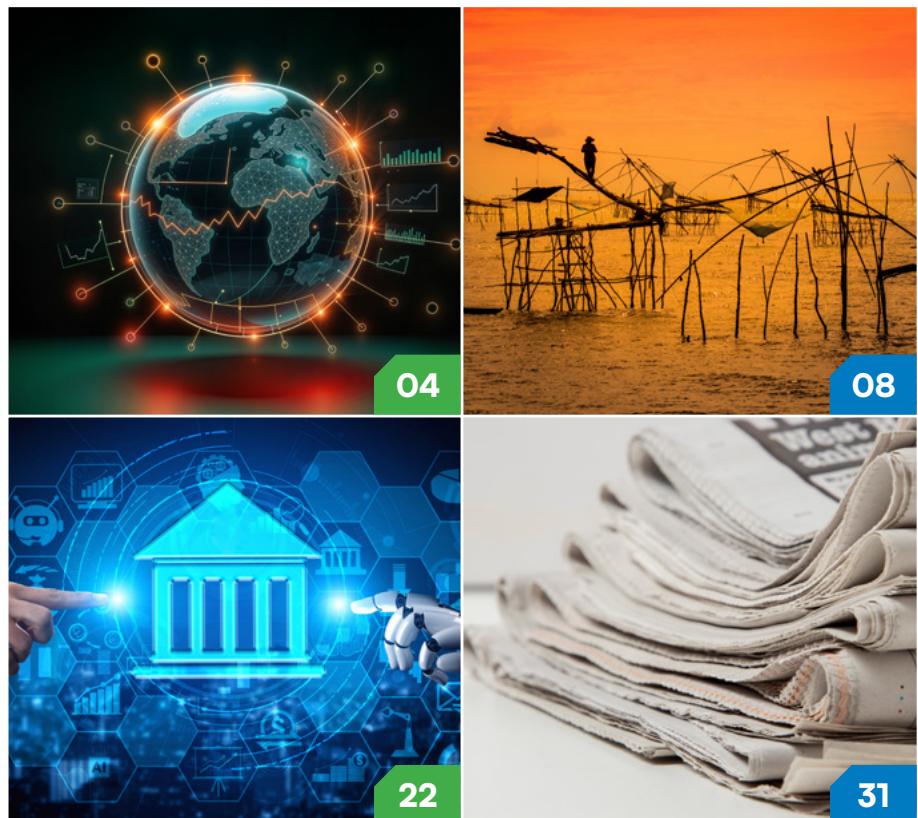
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Tapash Chandra Paul, PhD
Chief Financial Officer



- 02** Editorial Note
- 03** MBPLC Key Business Performance June 2025
- 04** Global Economy
- 08** Bangladesh Economy

- 22** Banking Industry
- 30** MBPLC News
- 33** Bangladesh Bank Circular June 2025
- 34** MBPLC Circular June 2025

EDITORIAL NOTE

June arrives each year as a month of immense national importance, marked by the unveiling of the national budget which charts our economic course for the year ahead. It is a time of reflection and forward-planning, where aspirations are weighed against realities. This June of 2025 is no different, presenting a complex picture of promising indicators, persistent challenges, and pivotal policy shifts.

Globally, the economic landscape remains fraught with uncertainty. The latest updates signal a slowdown in global growth to 2.4%, hampered by lingering trade tensions and policy unpredictability. While major economies like the US and the EU navigate their own challenges, this subdued international environment underscores the need for domestic resilience and strategic foresight. For commodity-dependent and export-oriented nations, the path forward requires careful navigation.

Against this challenging global backdrop, Bangladesh's economy has demonstrated encouraging signs of stabilization. The month saw the announcement of an ambitious Tk. 7.9 trillion budget for FY2026, a clear statement of intent to balance the twin priorities of taming inflation and reviving growth. We are buoyed by positive momentum on several fronts: inflation has cooled to a recent low of 9.05%, exports have shown a remarkable rebound, and remittance inflows have surged to a historic high for the fiscal year, crossing the \$31 billion mark and providing a much-needed cushion for our foreign exchange reserves. Furthermore, the timely approval of \$1.54 billion in loans from the World Bank and Asian Development Bank will provide crucial support for key reforms and energy security.

On a more positive note for the financial sector, the new budget brings welcome relief for small savers by proposing to waive excise duty on deposits up to Tk. 300,000. The sector is also adapting to the current economic climate with a strategic pivot towards stability; banks are increasingly investing in high-yield, risk-free government bonds, which has significantly bolstered their income. While challenges such as the volume of non-performing loans and the resulting liquidity pressures persist and require diligent management, the focus on securing stable returns and the support for reform from international partners signal a clear path towards strengthening the sector's foundation.

As we close out the fiscal year, June 2025 is evidence of our nation's resilience. The path to sustained growth is clear, but it is not without obstacles. The positive macroeconomic signals are heartening, but they must be matched by decisive action to strengthen our banking sector, enhance governance, and continue the drive toward structural reforms. At Mercantile Bank, we remain committed to being part of the solution, embracing innovation and digital transformation to build a more robust financial future for all.

Tapash Chandra Paul, PhD

Chief Financial Officer

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MBPLC KEY BUSINESS PERFORMANCE JUNE 2025

MBPLC. KEY BUSINESS PERFORMANCE

Deposits BDT in Crore



Loans & Advances BDT in Crore



Net Profit BDT in Crore



Import BDT in Crore



Export BDT in Crore



Inward Remittance BDT in Crore



Cost of Deposit



Yield on Advances



Spread





GLOBAL ECONOMY

Global macroeconomic outlook



According to the latest World Economic Situation and Prospects (WESP) update the global economic outlook as of June-2025 has deteriorated notably. Global growth is currently forecasted 2.4 per

cent which is down from 2.9 per cent in 2024. This downward revision primarily reflects heightened trade tensions and intensified policy uncertainty. Besides fueling financial market volatility, these are expected

to strain global supply chains, increase production costs, and suppress critical investment decisions. According to UN DESA estimates, the effective tariff rate of the United States stood at about 14 per cent in mid-May, up from 2.5 per cent in early 2025, after factoring in the temporary agreement between the United States and China to significantly ease recent tariff hike weakening private investment, trade tensions, and ongoing policy uncertainty. The European Union economy is projected to grow by 1.0 per cent in 2025, which is unchanged from 2024 but 0.3 percentage points below from earlier forecasts. In this regard, the

key challenges include: higher trade barriers, elevated policy uncertainty and slow growth in the United States and China. Developed economies such as Germany are forecasted to grow at 1.3 percent in 2025, which is down from 1.8 per cent in 2024. On the other hand, service-oriented economies such as Croatia, Portugal, Greece and

Spain are showing greater resilience which is driven by robust consumer spending and a sustained recovery in tourism and hospitality management. In the Developed Asia and the Pacific, global trade tensions and slowing external demand are dampening growth prospects for 2025. As subdued consumption continues to weigh on the

economy, Japan's economy is forecasted to grow by 0.7 per cent. Driven by monetary easing from the Reserve Bank of Australia, Australia is projected to rebound. Despite ongoing monetary easing efforts, the Republic of Korea is continuing to face a sluggish recovery in domestic demand.

Monetary and fiscal policy

Different central banks have cut policy rates around the world which was raised in early 2025. The escalation in trade tensions is complicating further moves. Awaiting more information on inflation and growth trajectories, the United States Federal Reserve has been holding its policy rates steady. Apart from this, the European Central Bank has lowered rates amid easing inflation and stagnant growth. As inflation moderates, many central banks in developing economies are gradually easing monetary policies. However, to address persistent inflation, Brazil has raised policy rates. On the other hand, fiscal policy is increasingly constrained for many countries though the extent varies widely.

The United States continues to run a large fiscal deficit which was projected to remain above 6 per cent of gross domestic product (GDP) in 2025. Meanwhile, several European Union Member States are making use of eased fiscal rules to accommodate higher defense spending. On the contrary, China is expanding fiscal



stimulus to support growth. It has been found that most of the developing countries are struggling with high debt and limited fiscal space for counter-cyclical spending. With the median burden in developing countries, Government interest payments of most developing countries have increased significantly which is four percentage points above the pre-pandemic average.

The ongoing trade conflict, rising uncertainty and deteriorating global economic conditions are likely to intensify debt challenges for developing countries. These

will be constraining their capacity to reinvigorate economic growth further. The escalation in global trade tensions and the accompanying uncertainty are compounding development challenges. As Governments struggle to mobilize resources for development and climate action, the progress towards the Sustainable Development Goals is increasingly off track. Slower growth and weak investment risk in the economy are deepening inequalities, disproportionately burdening low-income households and vulnerable populations.

International trade and investment



Global trade is projected to experience a sharp slowdown. Following a temporary surge driven by front-loaded shipments ahead of anticipated tariffs, growth in trade volume is projected to reach just 1.6 per cent in 2025 which is down from 3.3 per cent in 2024. Falling prices for key commodities, including industrial metals, oil and minerals reflect subdued global demand. These incidents are posing additional challenges for resource-dependent economies. The continuing erosion of the multilateral trading system risks further marginalizing small and vulnerable countries amid escalating protectionism and persistent policy uncertainty. On the contrary, services trade remains resilient. Basically, services trade is being

buoyed by the rapid expansion of digitally deliverable services which now account for 14 per cent of global exports.

Some of the sectors such as education, finance, and healthcare have been benefited from the widespread adoption of artificial intelligence. The weakening of trade flows is also taking a toll on investment. Heightened uncertainty, elevated costs, and the potential reconfiguration of supply chains are expected to prompt businesses to delay or reduce capital expenditures, particularly in trade-dependent sectors like electronics, machinery, and automotive manufacturing. The elevated volatility prevailing in the financial markets further compounds these challenges.

Major equity indices have experienced sharp fluctuations particularly in the United States. This incident is reflecting investor anxiety about the global economic environment. The United States dollar has weakened significantly against other major currencies driven by concerns over fiscal sustainability and the impact of trade tensions. In addition, the portfolio flows to emerging markets has turned into negative in March 2025, reversing previous trends as investors moved away from riskier assets. A further tightening of global financial conditions could add additional pressure on the economies which are already grappling with weak investment and debt challenges.

Inflation



The global inflation is projected to become moderate from 4.0 per cent in 2024 to 3.6 per cent in 2025. However, the trend masks divergent regional dynamics. In the developed

economies, inflation is projected to stay on average 2.8 per cent which is slightly above the 2.7 per cent recorded in 2024 facing risks of renewed upward pressures in the United States

owing to tariffs on intermediate and final goods. On the contrary, as exporters redirect products away from the United States market, prices of the goods in Europe may face downward pressure. The developing economies are projected to face inflation fall to 4.7 per cent. But three quarters of these economies may still experience rates above pre-pandemic levels. Especially in developing countries, food inflation remains high where conflict and climate shocks continue to disrupt supply chains.

Labor markets

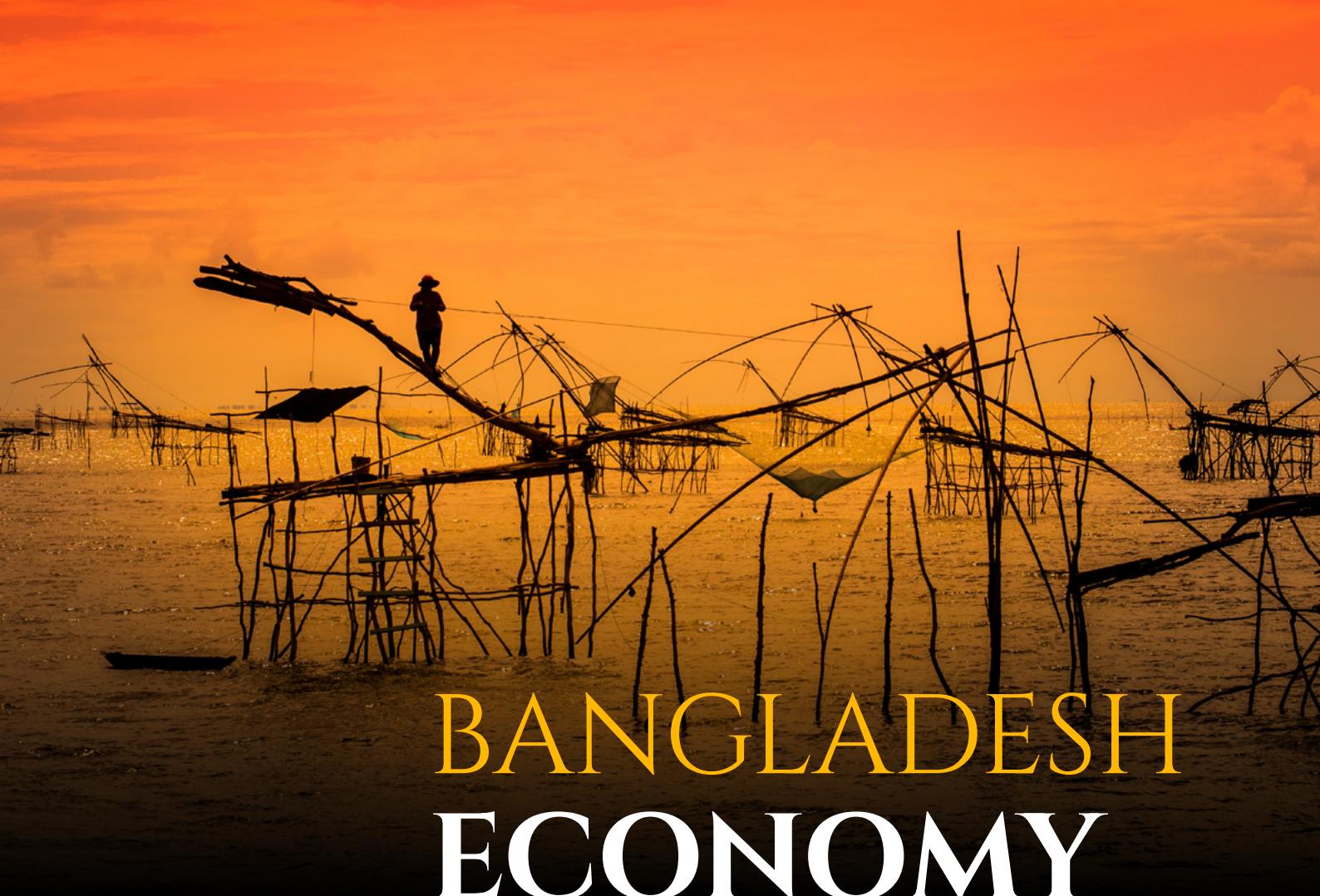


Up to June 2025, labor markets remain relatively robust in spite of facing increasing risks amid rising economic policy uncertainty, downgraded growth prospects, and sluggish investment. The global unemployment rate has remained stable at 5 per cent but forward-looking indicators

point to a possible deterioration. In the United States, the unemployment rate rose slightly to 4.1 per cent in early 2025. The European Union has maintained low unemployment amid robust employment growth in service sectors. For many developing countries, the deteriorating

economic outlook is expected to weigh on employment prospects and wage growth. The rapid adoption of generative artificial intelligence may bring further disruptions with significant implications for employment structures across industries.

(Source: World bank, S&P global, OCED Economic Outlook, June 03, 2025)



BANGLADESH ECONOMY

Bangladesh Economic Analysis Report: June 2025

Overview

Despite persistent structural challenges, Bangladesh's economy has begun to show early signs of stabilization. A sustained decline in headline inflation, coupled with a strong rebound

in export earnings in June, points to gradual improvements in key macroeconomic indicators. Notably, Bangladesh has emerged as the fastest-growing apparel exporter to the United

States, recording a 29.34% year-on-year growth — the highest among its major peers. However, underlying vulnerabilities remain, particularly in the external sector and overall price stability.

Inflation: Lowest in Recent Periods

Following sharp post-pandemic and war-induced surges, inflation eased to 9.05%, the lowest level in recent times. This moderation was primarily driven by a decline in food prices, supported by both demand- and supply-side measures from the government. Relative stability in the foreign exchange

market also contributed to this trend.

Food inflation, though still elevated, has softened. Rice remains the largest contributor (approximately 40%), followed by fish (28%) and fruits (11.93%). Medium rice alone accounted for 20.46% of food inflation. While higher Boro paddy yields were

expected to lower rice prices, the impact has yet to be fully realized. Price declines in staples such as potatoes and poultry have offered partial relief.

However, inflationary pressures persist in several non-food categories, with housing costs rising by 12.5%, clothing by 10.4%, and transportation by 6.9%.

External Sector: Sharp Export Recovery

Bangladesh's external sector, which faced volatility earlier in the fiscal year, has demonstrated resilience. Exports surged to

USD 4.74 billion in May — the highest monthly figure in the fiscal year. Despite ongoing global uncertainties, this rebound

underscores the adaptability of the export sector and the persistence of external demand.

Remittances: Strengthening Foreign Exchange Reserves

Annual inward remittance inflows reached a record USD 31 billion, marking the highest in the country's

history. Amid a foreign exchange shortage, these robust inflows have played a crucial role in supporting

reserves and providing temporary relief to an economy navigating multiple macroeconomic strains.

Exchange Rate: Depreciation with Signs of Stabilization

The Bangladeshi Taka has depreciated significantly against the US dollar over the past two years, from BDT 108.96 in July 2023 to BDT 122 in May 2025. Nonetheless, the exchange rate

stabilized in mid-June, suggesting managed interventions by the authorities.

The Nominal Effective Exchange Rate (NEER) fell from 76.54 to 68.23, indicating a relative

weakening against trading partners, while the Real Effective Exchange Rate (REER) remained between 98 and 105, reflecting some retained competitiveness due to inflation differentials.

Fiscal Policy: A Measured Budget

The national budget for FY25–26, totaling BDT 7.90 trillion, is smaller than that of the previous year and adopts

a conservative stance focused on stabilization and resilience. Key features include tax relief measures, targeted allocations

and incentives for priority sectors, and higher taxation on harmful activities.

Outlook: Cautious Optimism amid Persistent Risks

While inflationary pressures appear to be moderating and the external sector is regaining momentum, policymakers remain vigilant. Continued focus

on inflation control, sustained remittance inflows, and robust export performance provide a pathway toward recovery. However, the implementation

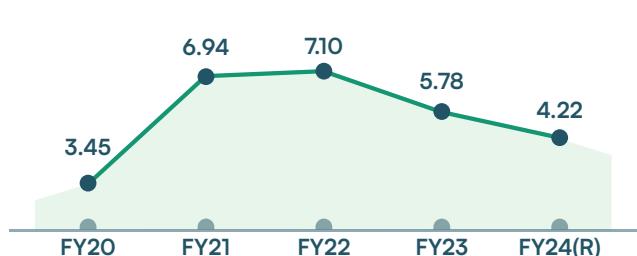
of structural reforms and the maintenance of healthy foreign exchange reserves remain critical for ensuring long-term macroeconomic stability

Major Indicators of Economy

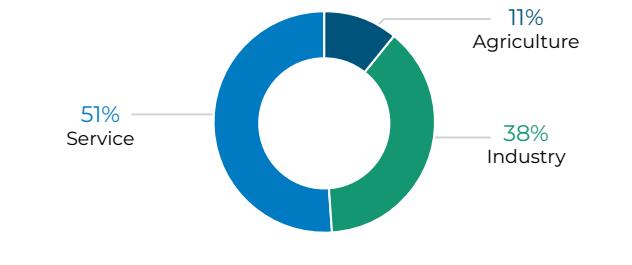
Current national income aggregates

Items	2023-24	Percentage Change over previous year
GDP at current prices, in million Taka	5,04,80,274	12.41%
Per Capita GDP at current prices, in Taka	294,191	11.92%
GNI at current prices, in million Taka	5,25,31,332	12.48%
Per Capita GNI at current prices, in Taka	306,144	11.99%

Real GDP Growth Rate (%)



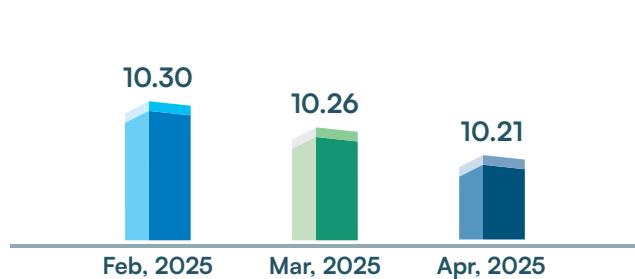
Sectoral Share of GDP (2023-2024)



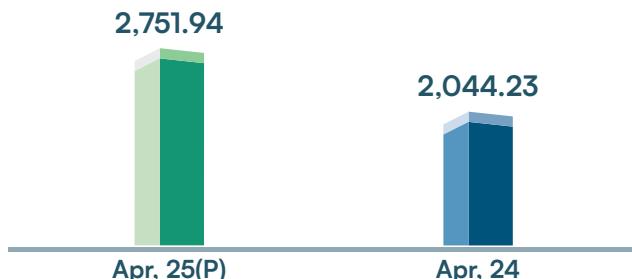
Reserve Money and Broad Money (BDT in Crore)

Items	Apr'24	Apr'25 (p)	Percentage Change April'25 over April'24
Reserve Money	356,710.20	380,645.50	6.71 %
Broad Money	1,946,832.00	2,097,983.20	7.76 %

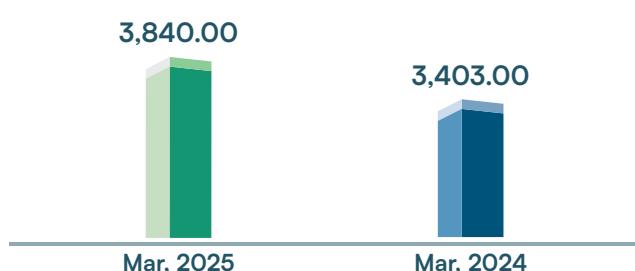
Inflation Rate (Annual Average)



Wage Earners' Remittances (In Million US\$)



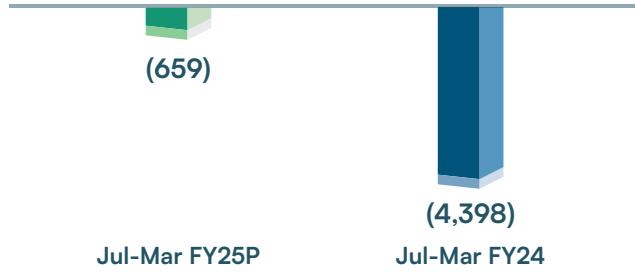
Export (EPB) (in Million US\$)



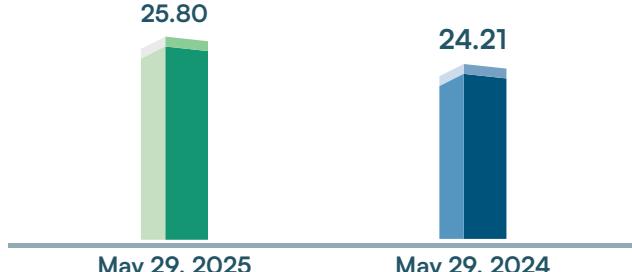
Import (FOB) (in Million US\$)



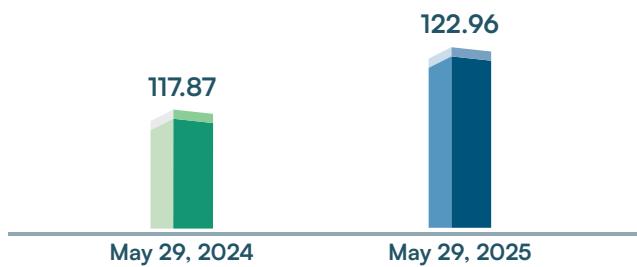
Current Account Balance (In Million US\$)



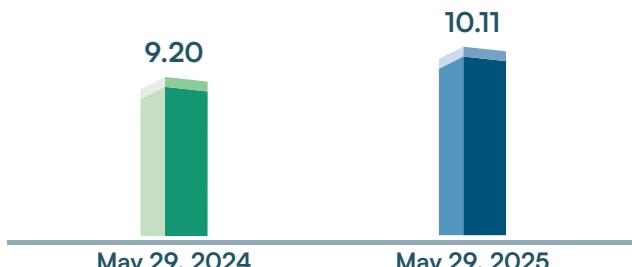
Foreign Exchange Reserve (In billion US\$)



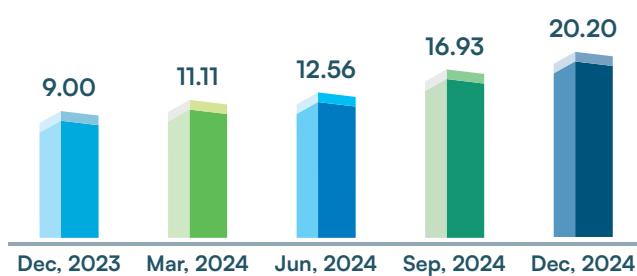
Interbank TK.-USD Exchange Rate



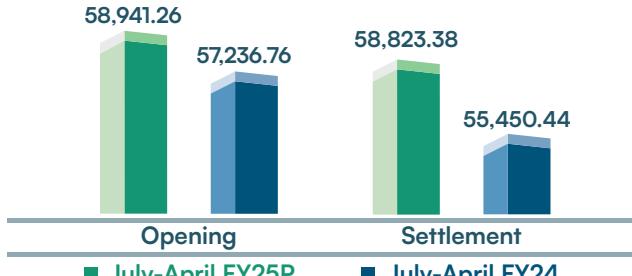
Call Money Rate (Weighted Average)



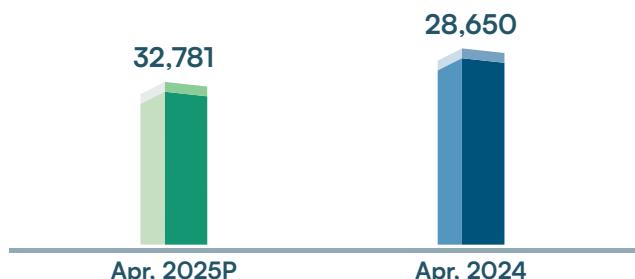
Classified Loan (%)



L/C Opening and Settlement (million US\$)



Tax Revenue (NBR) (BDT in crore)

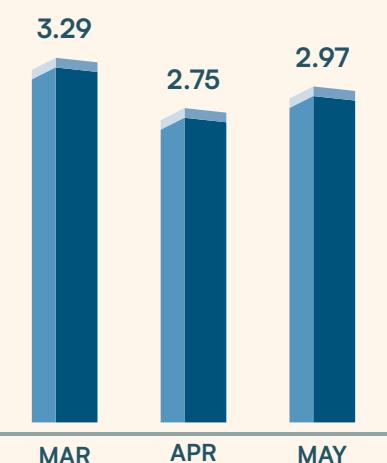


Source: Bangladesh Bank Website

NEWS COVERAGE

May sees second-highest remittance flow of \$2.97b

Remittance Flow (In billion US dollar)



In May 2025, Bangladesh recorded the second-highest monthly remittance inflow in its history, amounting to US \$2.97 billion. This surge provided much-needed relief to an economy grappling with multiple challenges, including a persistent shortage of foreign exchange. According to data released by Bangladesh Bank (BB), the inflow represented a 31.71 percent year-on-year increase compared to the US \$2.26 billion received in May 2024. During the first 11 months of the current fiscal

year, remittance earnings totaled US \$27.51 billion—an increase of 28.69 percent from the US \$21.37 billion recorded during the same period in the previous fiscal year. The report attributes this notable growth in expatriate earnings primarily to increased inflows ahead of the Eid festival. The continued rise in remittance inflows is expected to strengthen the country's foreign exchange reserves, offering further support to macroeconomic stability.

Source: *The Financial Express*- June 02, 2025

Reform in customs clearance, visa regime a must to boost FDI

South Korea's Ambassador, Park Young-sik, stated at a seminar on Korea-Bangladesh Economic Cooperation that reforms in the customs clearance process and visa regime are essential to enhancing the inflow of foreign direct investment (FDI) into Bangladesh. He underscored the urgent need

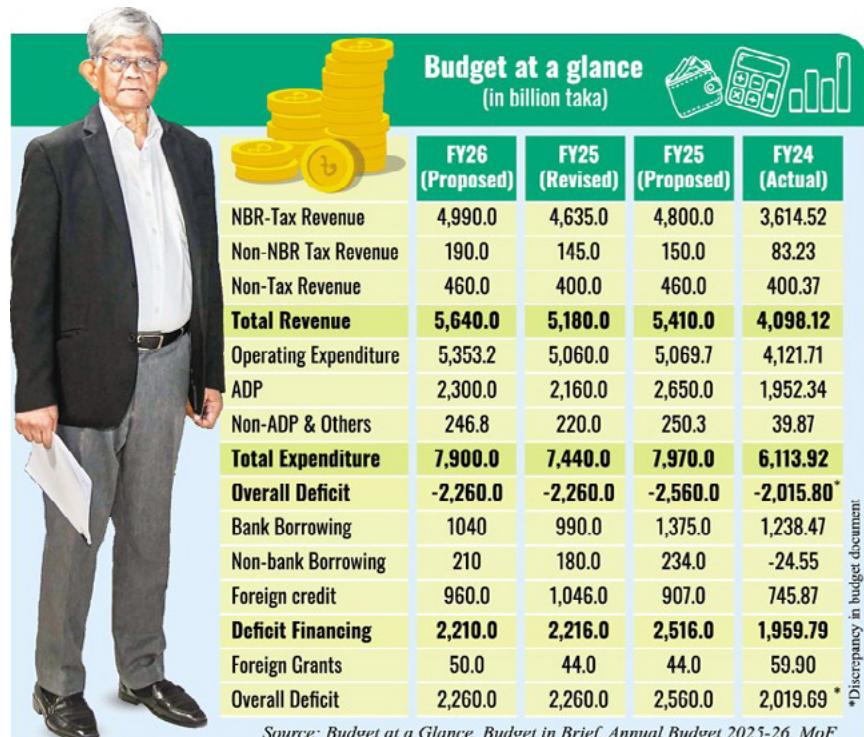
for the country to implement comprehensive economic and policy reforms to attract greater volumes of FDI, particularly in light of Bangladesh's planned graduation from least-developed country (LDC) status in 2026. Highlighting the barriers to FDI, the Ambassador stressed that the visa issuance process

for foreign investors requires significant improvement. He further noted that many international investors have identified customs clearance procedures as one of the most significant challenges to investing in Bangladesh.

Source: *The Financial Express*- June 02, 2025

Balancing economic revival, inflation prime promise

Nearly ten months after assuming responsibility for a faltering economy—characterized by institutional fragility, depleted banking liquidity, rapidly declining foreign exchange reserves, and persistently high inflation—the interim government unveiled its maiden budget on 2 June 2025, crafted with due consideration of prevailing ground realities. During this period, the administration has managed to restore a measure of stability in both economic sentiment and governance. However, fundamental challenges persist: elevated unemployment, stubbornly high inflation, sluggish private investment, and disruptions within the revenue authority that threaten effective resource mobilization. Presenting the Tk. 7.9 trillion national budget for the 2025–26 fiscal year, the



Finance Adviser acknowledged the considerable risks inherent in the path toward stability and economic recovery. The budget reflects a delicate balancing

act—stimulating economic revival while containing persistently high inflation.

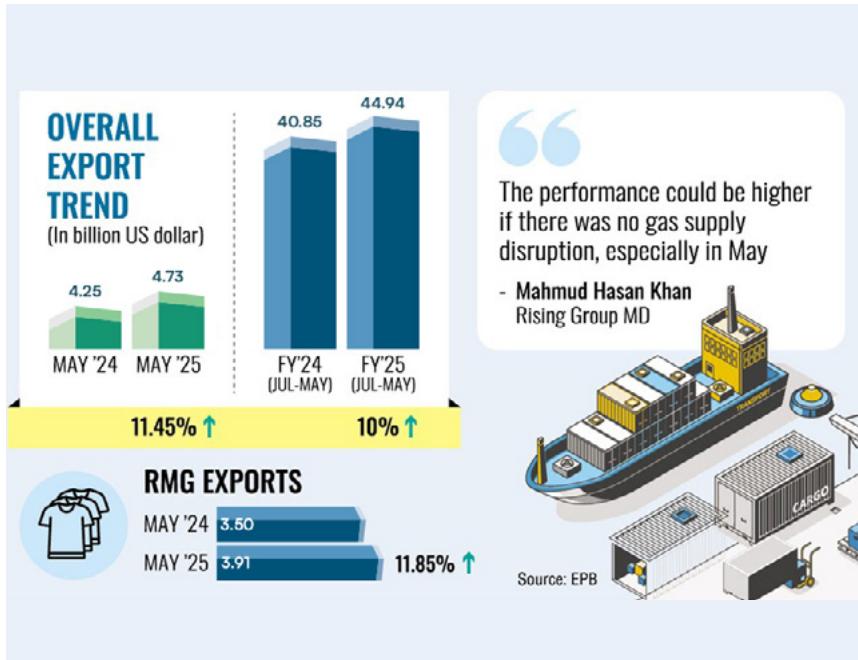
Source: *The Financial Express*- June 03, 2025

Merchandise export earnings see double-digit growth in May

Bangladesh's single-month merchandise export earnings in May 2025 recorded a robust year-on-year growth of 11.45 per cent, reaching US\$4.73 billion,

driven primarily by the sustained performance of the ready-made garment (RMG) sector. According to data from the Export Promotion Bureau (EPB), the

country earned US\$4.25 billion in May 2024. Earnings from RMG exports in May 2025 stood at US\$3.91 billion, compared to US\$3.50 billion in May 2024.



marking a monthly growth of 11.85 per cent. During the July—May period of FY2024–25, total export earnings amounted to US\$44.94 billion, reflecting a 10.0 per cent year-on-year increase from US\$40.85 billion in the corresponding period of the previous fiscal year. The RMG sector continued to dominate as the country's largest export earner, contributing US\$36.55 billion during the period—an increase of 10.20 per cent compared to the same period last fiscal year.

Source: *The Financial Express*- June 04, 2025

Why SMEs need urgent policy reform

WHERE BANGLADESH LAGS BEHIND IN SME DEVELOPMENT?

	BANGLADESH	INDIA	PAKISTAN
SME Act	No dedicated act	MSMED Act 2006	No act, but SME Policy 2007
Access to Finance	No SME dedicated bank	SIDBI	SME Bank Ltd
Government Procurement Quota	No	20%	No
SME Data Collection	Inconsistent, merged with other categories	Clear MSME category, regularly updated	Broad but consistent categories
Days to get electricity (medium firms)	52.8	34	25
Days to get licenses (medium firms)	58.5	24	30
SME-friendly registration	Manual or semi-digital	1 page digital registration	Paper-based, with advisory support from SMEDA
Training Network	Moderate – SCITI, BSCIC	Extensive nationwide institutes	Weak and scattered

Source: Enterprise Surveys Program, World Bank

Across South Asia and beyond, small and medium enterprises (SMEs) are widely recognized as vital engines of economic growth.

However, in Bangladesh, the narrative is more complex. For instance, India has established a dedicated Ministry of Micro,

Small and Medium Enterprises, which actively safeguards and promotes the growth of small businesses. Since 1990, the

Small Industries Development Bank of India (SIDBI) has been delivering specialized financial services to the sector. Similarly, despite facing significant economic challenges and lacking a full-fledged ministry, Pakistan operates a dedicated SME Bank to address the sector's financing needs. By

contrast, Bangladesh relies on the SME Foundation (SMEF), a non-profit organization under the Ministry of Industries. While well-intentioned, the SMEF lacks the legal mandate, adequate resources, and institutional capacity required to drive large-scale, sustained sectoral growth. The SME

sector in Bangladesh holds immense untapped potential. With the right infrastructure, targeted financing, and robust policy support, it could become a major driver of employment, boost export competitiveness, and make a substantial contribution to national GDP.

Source: *The Financial Express*- June 04, 2025

Chinese firm to recycle Savar tannery solid waste, produce gelatine, industrial protein powder

Bangladesh JW Animal Protein Co. Ltd. has established a manufacturing facility in Savar to produce gelatin and is planning to expand its operations to include the production of both gelatin and industrial protein powder derived from tannery waste. The company is owned by China's Wenzhou Yuanfei and Pingyang, and aims to export approximately 5,000 tonnes of these products annually to China and Russia. According to company officials, the industrial protein powder will primarily be used in the softening process of finished leather, while



gelatin is used in the coating of pharmaceutical capsules—products that are currently imported by domestic industries. Established in 2023, it is the first and only foreign-invested

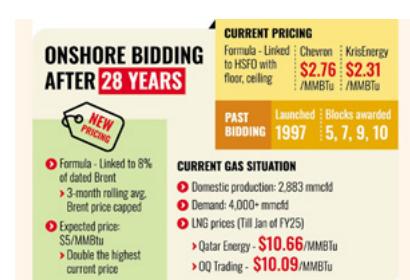
enterprise in Bangladesh engaged in the production of these two high-value products from leather waste.

Source: *The Business Standard*- June 06, 2025

Energy ministry assessing model PSC for onshore blocks

The Ministry of Power, Energy and Mineral Resources (MPEMR) is currently reviewing a draft Model Production Sharing Contract (MPSC) with a view to launching an onshore bidding round for the first time in 28 years. The draft, prepared by state-run Petrobangla, has been submitted to the Energy and Mineral Resources Division (EMRD) for approval, according to Petrobangla Chairman Md Rezanur Rahman. According to

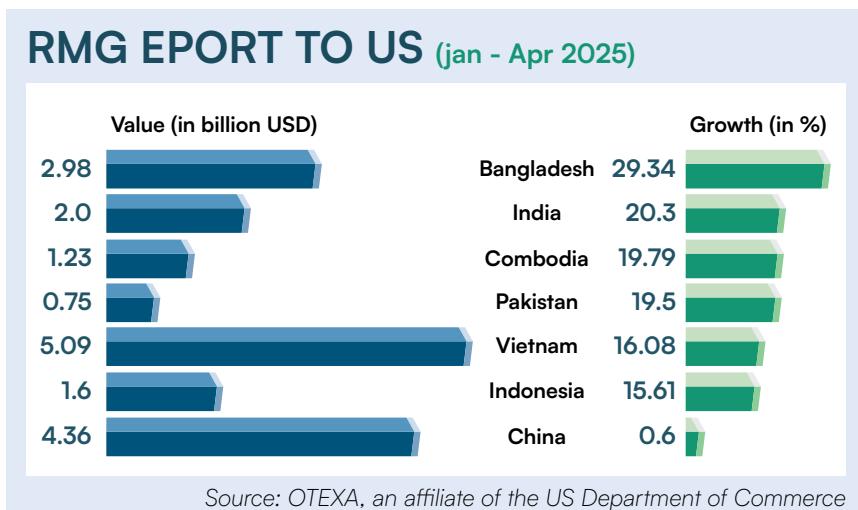
industry sources, Petrobangla is advancing plans to initiate the onshore bidding round after nearly three decades in order to accelerate hydrocarbon exploration, particularly in hilly regions, as part of efforts to meet the country's growing natural gas demand in industries, power generation facilities, and other major consumers. The company is also working to minimise disparities in exploration incentives with the



aim of attracting international oil companies (IOCs) to participate in the upcoming onshore bidding round.

Source: *The Financial Express*- June 11, 2025

BD becomes fastest-growing apparel exporter to US



Bangladesh emerged as the fastest-growing apparel exporter to the United States with the highest 29.34-percent

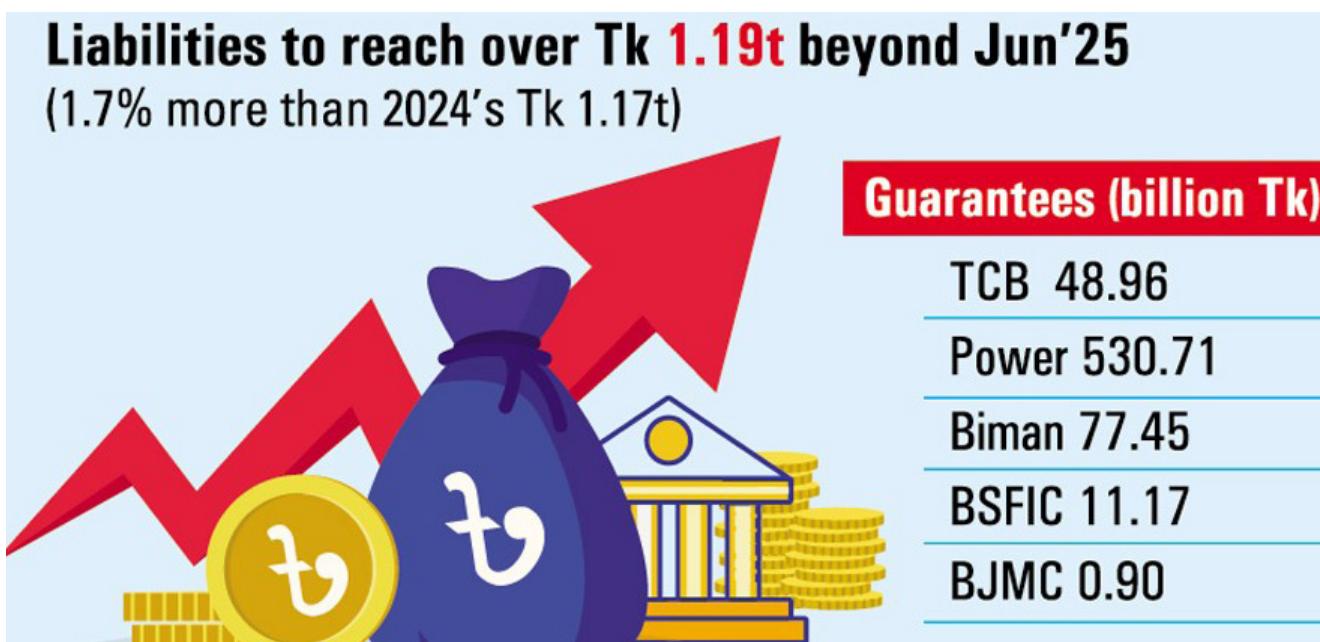
year-on-year growth among its major peers during the first four months of 2025.

The export of readymade garments from Bangladesh during the January- April period fetched US\$2.98 billion, against US\$2.31 billion in the same period of 2024, according to the data released on June 05 by OTEXA, an affiliate of the US Department of Commerce.

The growth rate also surpassed the global average growth of 10.67 per cent, placing Bangladesh ahead of main competitors like Vietnam, India and Cambodia on the US market.

Source: The Financial Express- June 11, 2025

Govt liabilities from underwriting SOE loans rising



Official statistics reveal a significant increase in government liabilities arising from loan guarantees to state-owned enterprises (SOEs). These guarantees, which underwrite loans from both domestic and international lenders, have surpassed Tk. 1.19 trillion since June, marking a 1.7% increase

from the previous year's figure of Tk. 1.17094 trillion. According to new budget documents, the government extends these guarantees and counter-guarantees for loans secured by various state-owned financial and non-financial entities. These enterprises utilize the funds to implement public policies and

programs. This rise in guaranteed debt is noteworthy as it presents a substantial fiscal risk. Should an SOE default on its loan obligations, the government is mandated to assume the liability, which could place a considerable burden on the national budget.

Source: The Financial Express- June 12, 2025

Govt. adopts data-driven strategy to boost jobs for marginalised groups

A data-driven labor market strategy has been adopted by the interim government aimed at improving employment outcomes for vulnerable and marginalized groups, marking a notable shift in Bangladesh's social protection priorities. According to the proposed national budget for FY 2025-26, an allocation of Tk. 41.71 billion has been earmarked for 19 labor market programs, while the broader Social Security Programs (SSP) received Tk. 1167.31 billion. The reallocation within labor programs reflects a clear policy shift. The budget share for entrepreneurship

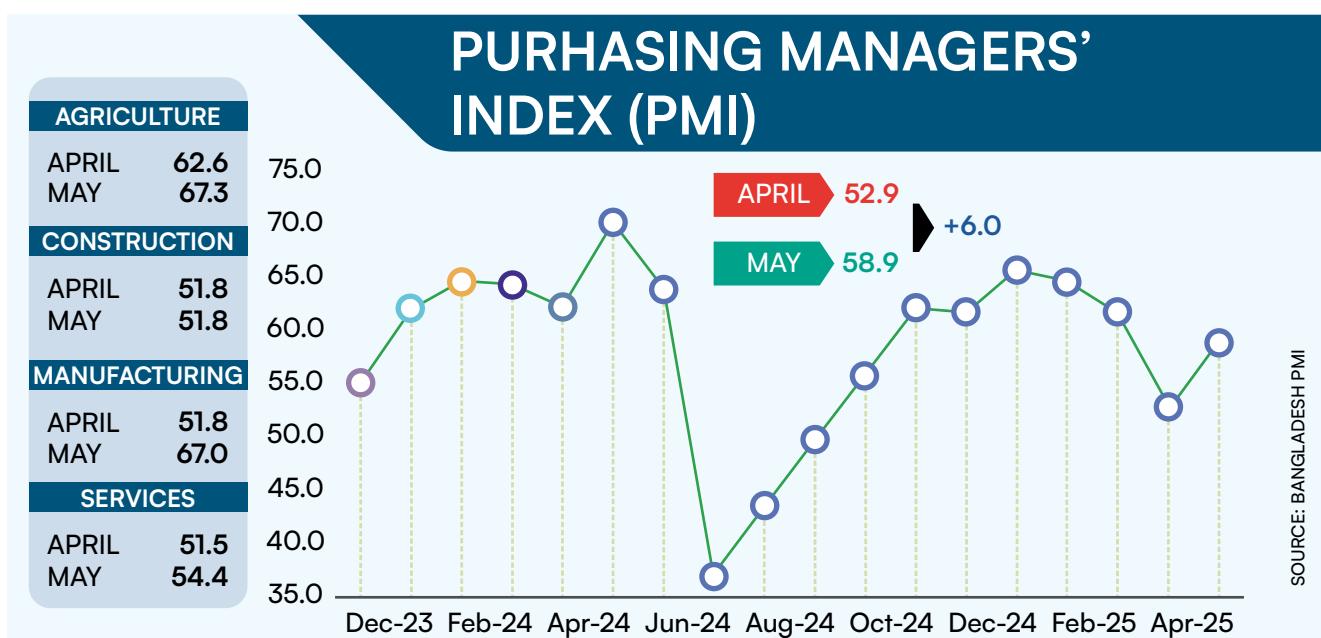


support has increased dramatically -- from 10.76 per cent in FY 2023-24 to 21.90 per cent in FY 2024-25, and now to 36.83 per cent for FY 2025-26. This trend underscores a

move towards self-employment and enterprise development, especially for unemployed youth and marginalized populations.

Source: The Financial Express- June 13 e, 2025

Economy poised on higher trajectory of pickup



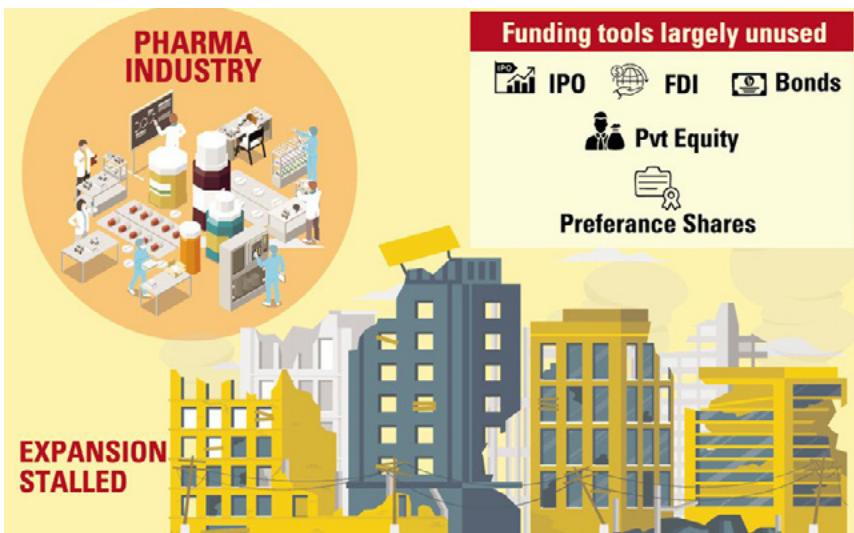
By official count, Bangladesh's economy recorded a stronger performance in May as the country's purchasing managers' index (PMI) climbed to 58.9-up six points from April. The PMI rise indicates a faster pace of economic expansion across key sectors. As per latest data

agriculture, manufacturing, and services sectors all posted robust gains. But the construction sector stagnated with no month-on-month change in overall expansion. May figures reflect a robust momentum ahead of the Eid season and improving external demand,

particularly for manufacturing exports. However, risks remain, particularly in the construction sector, which has struggled to maintain consistent growth.

Source: The Financial Express- June 16, 2025

Drug makers' growth hinges on whether they can raise money



With the rising income and aged population and expansion of export markets, the country's pharmaceutical industry has great potential to grow further but it has not yet built capacity

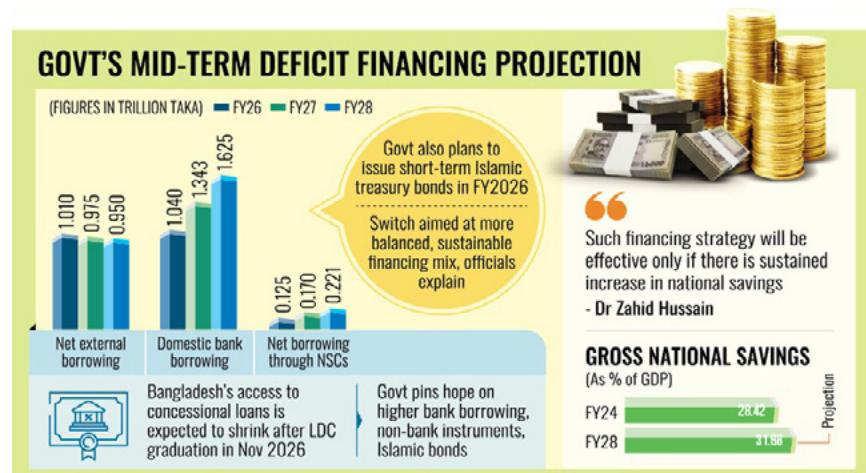
to explore fund-raising options, including IPO. Of as many as 200 local companies, only 19 firms of the industry have been listed in the equity market. While fund collection by

issuing shares to the public has remained insignificant, other instruments for capital such as corporate bonds, preference shares, private equity, and foreign direct investment (FDI) too have remained largely unused. According to the Bangladesh Investment Development Authority the industry was projected to be worth \$6 billion by the end of this year having already grown to meet almost 98 per cent of the local demand. But presently its market size is \$3.5 billion according to Bangladesh Association of Pharmaceutical Industries (BAPI).

Source: *The Financial Express*- June 16, 2025

Bangladesh pivots to domestic finance to cut costly foreign funds

Bangladesh plans gradually reducing reliance on external borrowing to finance budget deficits as cost of foreign loans are rising making the government inward-bound for pooling higher domestic funds. The pivot towards ramped-up domestic borrowing -- particularly from the banking system -- is distinct in new budgetary plans. The budget documents for financial year 2025-26 draws an outlook of higher internal-resource mobilization through FY2028. The exchequer will be drawing in higher volumes from bank borrowing,



nonbank instruments, and the introduction of short-term Islamic bond called Sukuk as outlined in the strategic pivot in deficit financing. Bangladesh

traditionally prefers concessional loans-those with low interest rates, long grace periods, and extended repayment terms.

Source: *The Financial Express*- June 19, 2025

ADB, WB approve \$1.5b in loans to support reforms, energy security



Two leading international financial institutions have approved a total of \$1.54 billion in loans to support Bangladesh's economic development, climate resilience, and energy security, as well as to facilitate crucial banking-sector reforms. The Asian Development Bank (ADB) will contribute \$900 million, while the World Bank (WB) will provide the remaining \$640 million. This funding is particularly critical as Bangladesh faces a pressing need for foreign currency to finance its international trade and various development projects. A significant portion of this aid, a

\$500 million policy-based loan from the ADB, is specifically earmarked to stabilize and reform the country's banking sector. Known as the Stabilizing and Reforming the Banking Sector Program, Subprogram-1, this initiative will focus on strengthening regulatory supervision, improving corporate governance and asset quality, and enhancing overall financial stability. The program's measures are designed to help the country's banking sector align with international standards.

Source: *The Financial Express*- June 20, 2025

FDI inflows to Bangladesh decline for fourth consecutive year

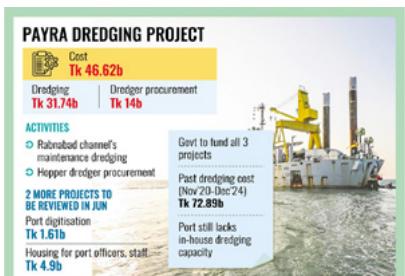
Stock of FDI in the country stood at \$18.30b at the end of 2024 against \$17.83b at the end of 2023

According to the 2025 World Investment Report by the UN Trade and Development (UNCTAD), the net inflow of foreign direct investment (FDI) into Bangladesh experienced a decline of 13.20 per cent, falling to \$1.27 billion in 2024 from \$1.47 billion in 2023. This represents

the fourth consecutive year of decline in FDI inflows for the country since 2021. In contrast, global FDI also saw a decrease of 11 per cent last year, marking its second consecutive annual drop.

Source: *The Financial Express*- June 20, 2025

Project worth Tk 46.62b up for ECNEC approval



The Ministry of Shipping has proposed a project titled 'Maintenance Dredging of

Rabnabad Channel of Payra Port and Procurement of Hopper Dredger' to address persistent navigability challenges along the 75-kilometer channel, which is located a significant distance from the sea estuary. This initiative involves a total investment of Tk. 46.62 billion. Of this amount, Tk.

31.74 billion will be allocated for maintenance dredging over the next two years. The remaining Tk. 14.0 billion is earmarked for the procurement of two hopper dredgers, which are essential for long-term, regular maintenance to ensure the seaport's continuous operational viability.

Source: *The Financial Express*- June 21, 2025

Increase in turnover tax for CMSMEs sparks backlash

ANOTHER BLOW TO BUSINESSES

Turnover tax rate (%)

For CMSMEs

- Current – 0.25
- New – 1

For other companies

- Current – 0.60
- New – 1

Exemptions

- Mobile phone operators
- Tobacco manufacturers
- Carbonated beverage producers



Entities to bear the brunt

- LPG operators
- SMEs
- Start-ups

Trade bodies' proposal

- Link rate to net profit margins
- Reinstate 0.6% minimum tax on gross receipts

year. The turnover tax rate will be raised from 0.25% to 1.0%. This measure, according to sources at the National Board of Revenue (NBR), is in line with recommendations from the International Monetary Fund (IMF) aimed at improving the country's tax-to-gross domestic product (GDP) ratio. The new policy mandates that taxpayers' gross revenue will be subject to taxation regardless of business profitability. In response, several business associations have proposed alternative tax structures, suggesting either linking the tax rate to net profit margins or reinstating the previous minimum tax rate of 0.60% on gross receipts.

Source: *The Financial Express*- June 21, 2025

The interim government has decided to implement a substantial increase in the turnover tax for individual

taxpayers within the cottage, micro, small, and medium enterprise (CMSME) sectors, effective from the next fiscal

BD prepares for Chinese FDI surge, export spurt



MAJOR CHALLENGES

- Unpredictability of tax policies
- Bureaucratic red tape
- Political instability and changing foreign relations

POTENTIAL SECTORS

- Manmade fibre
- Toys and plastic products
- Renewable Energy
- Fintech, semiconductor and electronic components

Bangladesh is strategically positioning itself to attract increased foreign direct investment (FDI) from China. This initiative is a core component of the nation's broader strategy to enhance trade competitiveness, particularly as it navigates the challenges of graduating from least-developed country (LDC) status and managing

foreign exchange constraints. The government is acting on intelligence that a significant influx of Chinese FDI could be transformative for several key sectors. As the world's second-largest exporter of ready-made garments, Bangladesh is well-positioned to absorb apparel manufacturing operations that are relocating from China due

to rising labor costs and evolving global trade dynamics. Currently, Bangladesh's share of total Chinese imports is only 0.04%. A potential increase to just 1% could boost Bangladesh's annual export earnings from China to approximately \$26 billion.

Source: *The Financial Express*- June 22, 2025

Zero-rated tax on 152 imports goes

- 2.0 pc AIT from July 1
- Adjustable with actual payable taxes during return filing

Items include

Rice, wheat, onions, edible oils, aircraft engine, Haemodialyser (Artificial Kidney), double decker bus, aeroplane, hemo dialysis machine, baby incubator, baby warmer, capital machinery

As of July 1, with the implementation of the new budget, significant changes have been made to fiscal measures, including the removal of the zero-rated tax benefit on 152 essential items, such as rice, wheat, onions, and edible oils. Consequently, importers will now be required to pay a 2.0% Advance Income Tax (AIT) at the import stage. This measure, incorporated into the Finance Ordinance 2025, which was promulgated on June 2, 2025,

allows the AIT to be adjusted against the actual payable taxes when importers and traders submit their tax returns. However, there is a potential for an increase in the prices of these essential goods. This is largely because a significant number of traders of these products often do not file tax returns, thereby forfeiting the opportunity for reimbursement of the AIT.

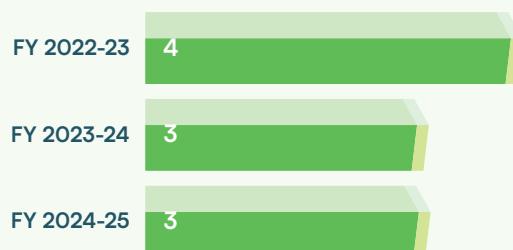
Source: *The Financial Express*- June 23, 2025)

OPC model stalls, hinders FDI

NUMBER OF OPCs REGISTERED WITH RJSC



FOREIGN OPCs REGISTERED WITH RJSC



Source: RJSC

Despite recent regulatory reforms designed to foster a more business-friendly environment, the slow adoption of One Person Companies (OPCs) is proving to be a bottleneck for Foreign Direct Investment (FDI) in Bangladesh. Although introduced to streamline business registration and attract individual investors,

including foreigners, the concept has yet to gain significant traction. Official data from the Office of the Registrar of Joint Stock Companies and Firms (RJSC) reveals a sluggish adoption rate, with only 626 OPCs registered over the past four years. The number of new OPCs remained low in recent fiscal years, with 124

in FY 2021-22, 140 in FY 2022-23, and 139 in FY 2023-24. While the current fiscal year has shown a slight improvement, with 223 OPCs registered by May, the overall trend remains well below expectations, failing to fully realize the policy's intended goals.

Source: *The Financial Express*- June 26, 2025)

Record annual remittance fetches \$31.31b



In the outgoing fiscal year, Bangladesh has achieved a historic milestone in its yearly remittance receipts, with the total volume of foreign currency surpassing \$31 billion for the first time. This record inflow of remittances is crucial for bolstering the nation's foreign-exchange reserves, providing a

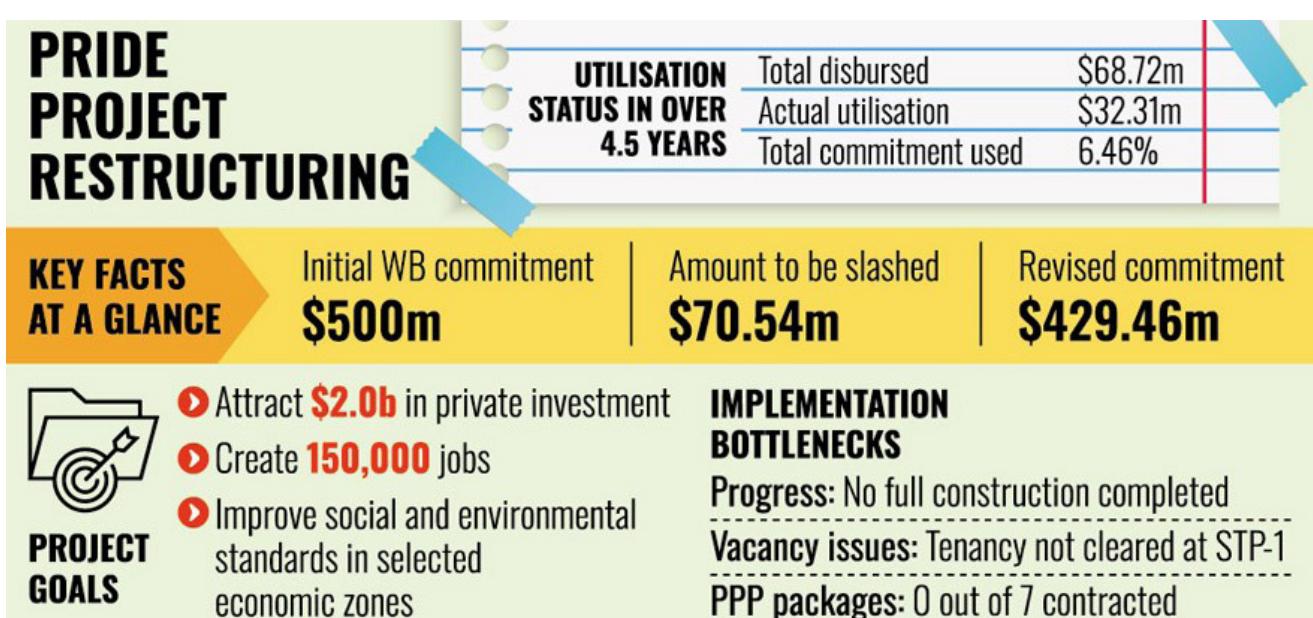


significant boost to the economy amidst a prevailing forex shortage and multi-pronged macroeconomic challenges. According to the latest data from the Bangladesh Bank, the country received \$2.54 billion in remittances during the first 28 days of this month, a 7.1 percent increase over the same

period in the previous fiscal year. With this latest figure, total remittances for the current fiscal year have reached \$30.05 billion as of June 28, exceeding the previous record of \$24.77 billion, registered in FY'21, by \$5.28 billion.

Source: *The Financial Express*- June 30, 2025

World Bank to slash \$70.54m from PRIDE Project loan



With a proposed two-year extension, the World Bank is set to cut \$70.54 million from its \$500 million loan commitment to the Private Investment and Digital Entrepreneurship (PRIDE) Project. The move follows 4.5 years of sluggish implementation, during which the Bangladesh Economic

Zones Authority (BEZA) and the Bangladesh Hi-Tech Park Authority (BHTPA) have managed to utilize only 6.46 per cent of the total loan commitment. The World Bank approved the loan in June 2020 to support the development of the Mirsarai Economic Zone, renovation of

the Janata Software Technology Park (STP) in Karwan Bazar, and establishment of a new STP adjacent to the existing one. The project was originally scheduled to conclude by this year.

Source: *The Financial Express*- June 30, 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%

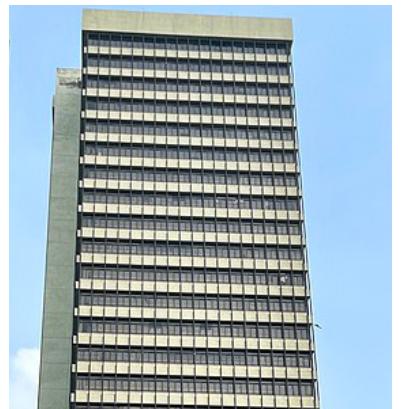


Photo: Bangladesh Bank

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)

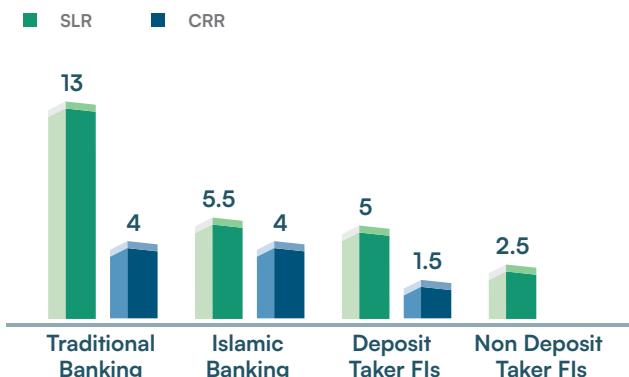
Items	May, 2025	May, 2024	Percentage Changes May, 2025 over May, 2024
Deposits held in DMBs	18,320,652	17,006,084	7.73%
Bank Credit	22,849,631	20,567,805	11.09%

Policy Rates and Reserve Ratios

Policy Rates (%)

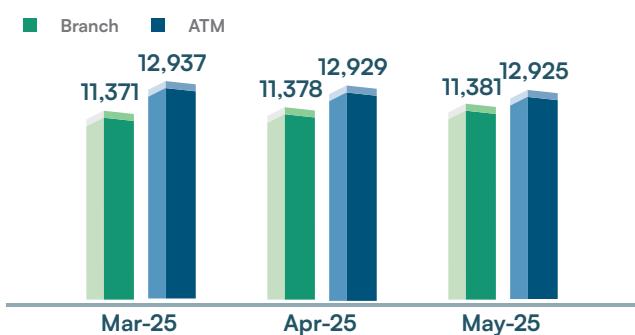


Reserve Ratios (%)

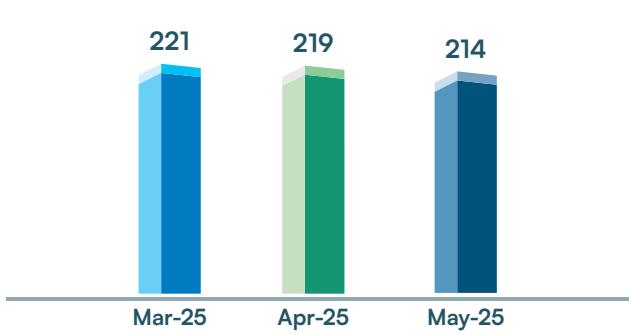


Branches, ATM, POS, CDM and CRM

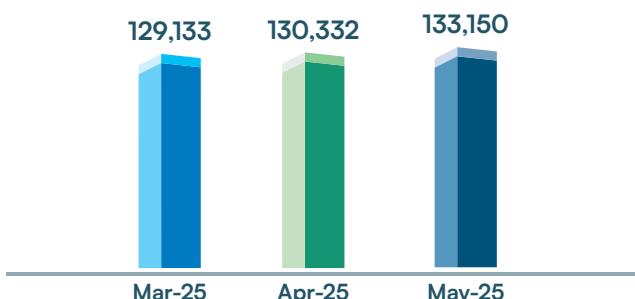
Branch & ATM



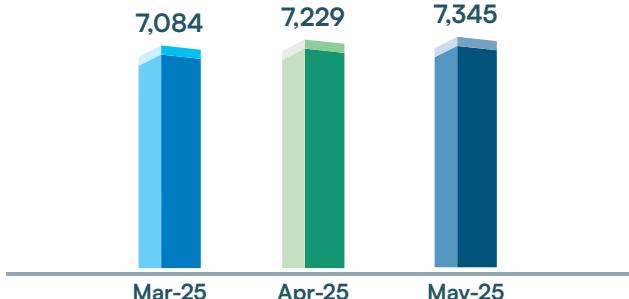
CDM



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)

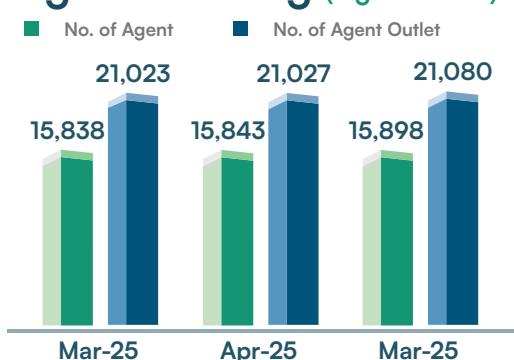
Period	MFS Agent	MFS A/C	Transaction Number	Transaction Amount (TK)	Remittance through MFS (TK)
Mar — 2025	1.42	143.63	638.37	1,780,430.49	21,076.17
April — 2025	1.42	144.17	554.30	1,250,357.01	13,649.41
May — 2025	1.43	145.00	613.27	1,548,527.39	16,467.04

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)

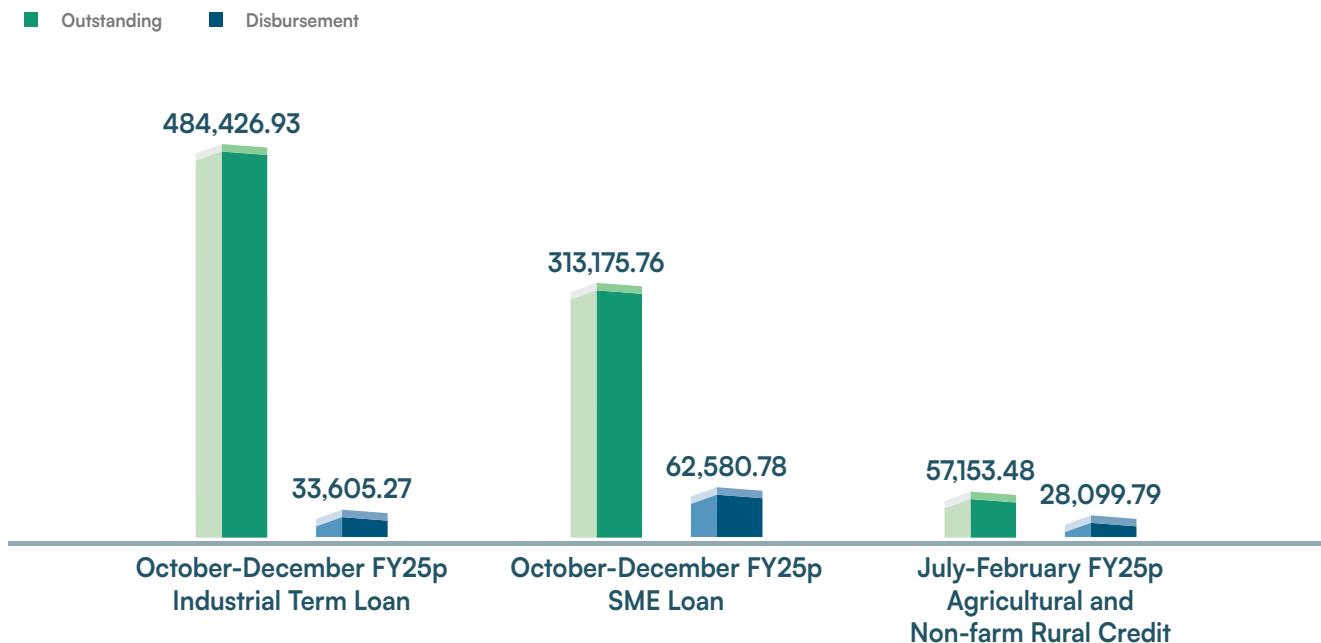
Period	School Banking A/C	Deposit Balance (in TK)
Mar — 2025	4.43	20,060.32
April — 2025	4.45	19,746.41
May — 2025	4.48	19,643.78

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)



Ref: <https://www.bb.org.bd/>

Mercantile Bank aims to be among top 10 digital banks in three years

Mercantile Bank aspires to be among the top 10 digital commercial banks in the country in the next three years to serve the fast-growing tech-savvy population in the industry. By keeping the future banking demand of the Gen-Z population in mind, the commercial lender intensifies its focus on bringing cutting-edge technology to provide banking services in a way the targeted clients love to have. Apart from that, the bank enhanced its efforts on cash recovery to take the non-performing loan (NPL) buildup



below 7.0 per cent within the next three years. Ahead of its 26th anniversary celebration, The Managing Director of the

bank Mati Ul Hasan shared his future plans of action in an exclusive interview recently.

Source: *The Financial Express*- June 02, 2025

No excise duty on bank deposits up to Tk 300,000

In the proposed budget for fiscal year 2025-26, Finance Adviser Salehuddin Ahmed has announced a significant relaxation of the excise duty on bank deposits. This measure, aimed at providing relief to low and middle-income account

holders amidst a high inflation environment, proposes a waiver of the annual excise duty for deposits up to Tk. 300,000. Under the current regulations, an annual excise duty is levied on any bank account with a balance of Tk. 100,000 or

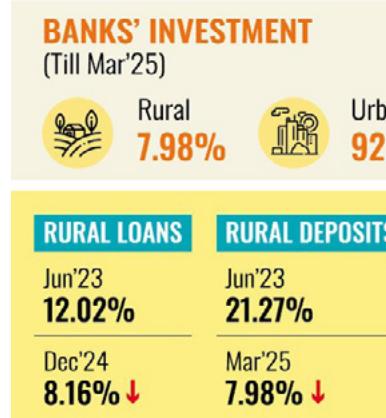
more, while accounts below this threshold are exempt. The new proposal will significantly increase this duty-free limit, benefiting a large segment of the population.

Source: *The Financial Express*: June 03, 2025

Bank loans, deposits in rural areas shrink

Formal credit disbursement and deposit collection by commercial banks in rural Bangladesh have been declining, while the number of bank branches in these areas has stagnated. This trend is hindering the development of the local economy. Several factors have been identified by officials and bankers as contributing to this decline. These include the rising cost of funds and production, exacerbated by high interest and inflation rates. This economic environment has significantly reduced the demand for credit in rural areas, particularly in the aftermath of the Covid-19 pandemic.

URBAN FOCUS, RURAL NEGLECT



- Number of rural bank branches static at **5,260** for several months
- Banks reduce rural outlets, serve clients through agent banking

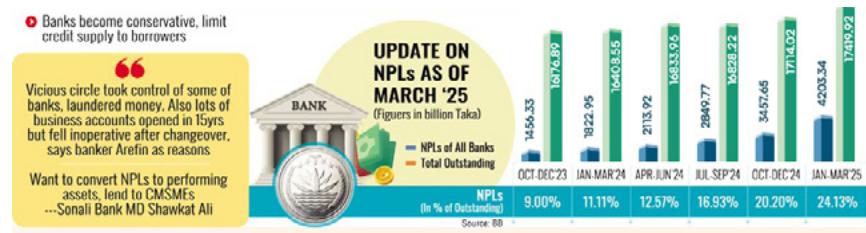
Consequently, the flow of new credit disbursements to rural communities has consistently decreased in recent months. As part of their cost-cutting measures, banks are reducing their physical presence in rural areas and increasingly relying

on agent banking to serve their clients. Data from the central bank indicates that the number of rural bank branches has remained static at 5,260 for several months.

Source: *The Financial Express*- June 14, 2025

Classified bank loans balloon fast to a record high

Classified loans in Bangladesh's banking sector have surged to a record high, reaching approximately Tk. 4.20 trillion by the end of March, sparking significant sector-wide concern. This represents a dramatic increase of around Tk. 750 billion in



just three months. The non-performing loans (NPLs) now

constitute 24.13% of the total loan portfolio, which stands

at Tk. 17.42 trillion across the country's 61 commercial banks. This record volume of non-performing assets has a dual impact on the banking industry. Firstly, it has compelled banks to adopt more conservative lending practices, thereby

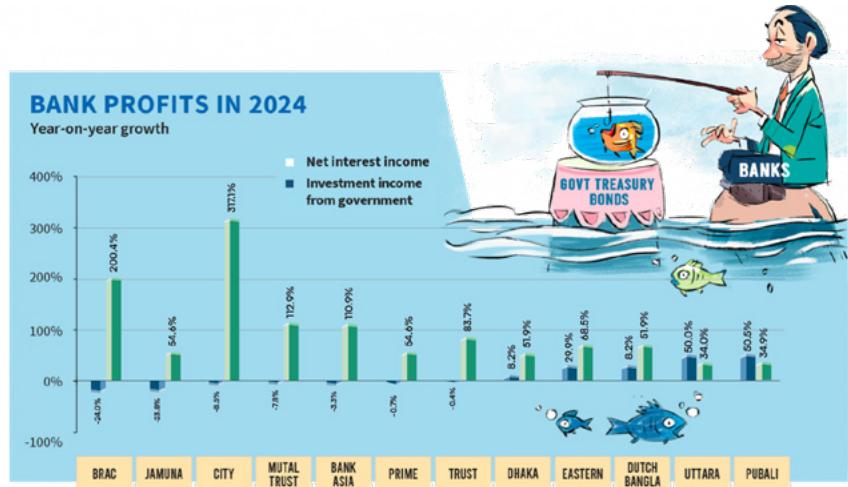
limiting credit supply. Secondly, the need to maintain a portion of funds for NPL provisioning has negatively affected banks' profitability. The Bangladesh Bank (BB) anticipates that this upward trajectory in NPLs will persist in the coming quarters.

This is primarily attributed to a revision in the overdue-status-counting system for term lending, which has been shortened from nine months to six months, leading to a more rapid classification of loans.

Source: *The Financial Express*- June 14, 2025

How banks made record profits in a depressed year

In 2024, the profitability of most listed banks in Bangladesh was challenged, with only a limited number of institutions reporting positive earnings. The primary driver of these profits was not traditional interest income from core banking operations, but rather a strategic shift towards high-yield government securities. This trend, identified from stock market data, shows that for nine of the profitable banks, earnings surged due to increased investments in these instruments. This growing reliance on risk-free government securities raises



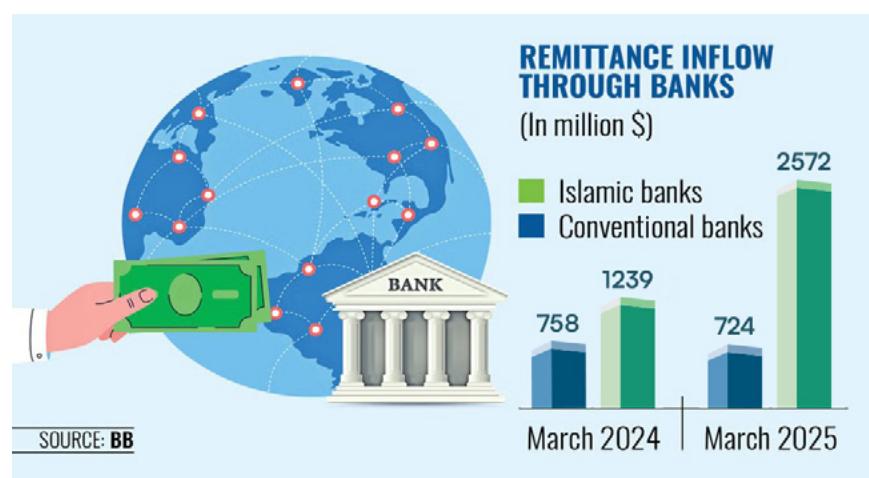
concerns about the potential reduction in credit availability for the private sector, which could hinder economic growth. This shift signals a broader

systemic issue regarding the health of the banking sector and its role in financing private enterprise.

Source: *The Business Standard*- June 28, 2025

Islamic banks fall behind in remittance race

In the twelve months leading up to March of this year, remittances from Bangladeshi expatriates increased compared to the same period last year. However, a significant number of these individuals opted to bypass Shariah-based banks, which had historically been key channels for these funds. This shift is attributed to



the institutions' precarious financial health, a severe liquidity crisis, and widespread media reports of significant lending irregularities and mismanagement. As a result, conventional banks, which had a greater demand for US dollars and could offer more

competitive remittance rates, experienced a steady increase in fund inflows. According to Bangladesh Bank's Islamic Banking and Finance Statistics, Shariah-compliant institutions handled only 22 percent of total remittances in March 2025, a notable

decrease from 38 percent in early 2024. The central bank's data further indicates that despite occasional upticks, remittance flows through Islamic banks have remained largely stagnant.

Source: *The Daily Star*-June 29, 2025

Home loan growth slows in FY24, reaches Tk 1.28t



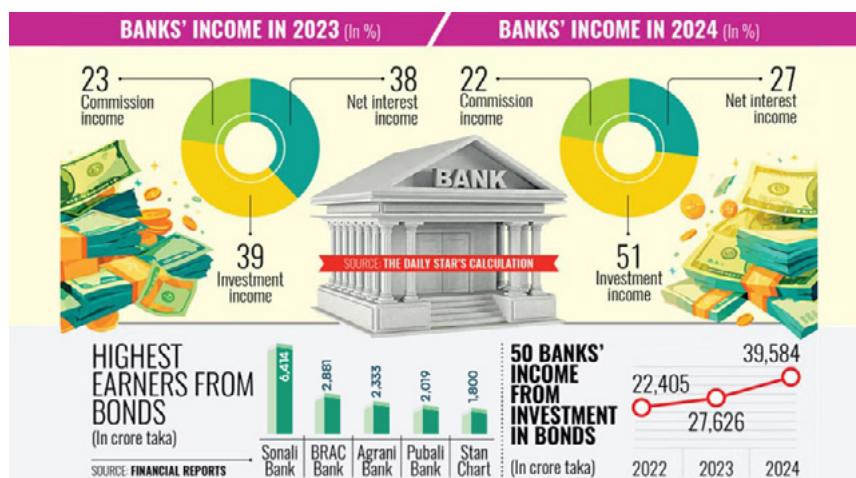
According to data from Bangladesh Bank, the growth rate of outstanding housing loans in Bangladesh decreased to 7.51% in Fiscal Year (FY) 2024, a notable drop from

12.61% in the preceding fiscal year, indicating a slowdown in credit expansion. Despite this deceleration in growth, the total volume of housing loans reached Tk. 1.283 trillion in FY24. This market is dominated by Private Commercial Banks (PCBs), whose outstanding housing loans grew from Tk. 681.5 billion in FY23 to Tk. 734.2 billion in FY24. While

this steady growth reflects increasing demand for home ownership, particularly in urban and semi-urban areas, industry stakeholders note that housing credit still constitutes a relatively small portion of total private sector lending, suggesting significant potential for future expansion.

Source: *The Daily Star*-June 29, 2025

Bond boom contributes half of bank income



An analysis of the audited financial statements of fifty banks reveals a significant shift in investment strategy and income growth. In 2024, these banks collectively saw their

income from treasury bonds surge by 45 percent, reaching Tk. 39,958 crore, a substantial increase from Tk. 27,626 crore in the previous year. This rise, which amounts to Tk. 12,332

crore, indicates a move towards risk-free, high-yield investments as banks scale back on core lending in response to economic headwinds. While treasury bonds have become a mainstay in their portfolios, most banks reported zero income from stock market investments in 2024. In fact, many were required to set aside provisions to cover unrealized losses from a sluggish equity market, which suppressed overall investment income.

Source: *The Daily Star*- June 30, 2025

MBPLC NEWS

Mercantile Bank celebrates 26th Founding Anniversary



Mercantile Bank PLC celebrates 26th anniversary at its Head Office on 02 June

2025. Bank's Chairman Md. Anwarul Haque, inaugurated the program by cutting cake

as Chief Guest with Directors and Senior Executives of the Bank. Al-Haj Akram Hossain

(Humayun) & Md. Abdul Hannan, Vice Chairmen, M. A. Khan Belal, Chairman, Executive Committee, Mohammad Abdul Awal, Chairman, Risk Management Committee, Al-Haj Mosharref Hossain, Director and Mati Ul Hasan, Managing Director were present on the occasion.

Deputy Managing Directors Md. Zakir Hossain, Shamim Ahmed, Ashim Kumar Saha & Dr. Md. Jahid Hossain, CFO Tapash Chandra Paul, PhD, Senior Executive Vice Presidents Shah Md. Sohel Khurshid, Mohammad Iqbal Rezwan & Md. Abdul Halim and other senior officials of the Bank were

also present in the ceremony. On the eve of 26th Anniversary, all the divisions of head office cut cake in a festive manner. At same time all the MBPLC branches and Sub-branches across the country cut cake and entertained the customers with sweets and snacks.

Mercantile Bank Inaugurates 3 ATM Booths at Metro Rail Stations



Mercantile Bank inaugurated 3 ATM Booths at Metro Rail Stations located at Motijheel, Dhaka University and Farmgate on 02 June, 2025. Mati Ul Hasan, Managing Director of the bank, officially launched the booths. The launch event were attended by senior

executives, including DMDs Md. Zakir Hossain, Shamim Ahmed, Ashim Kumar Saha & Dr. Md. Zahid Hossain, SEVP Shah Md. Sohel Khurshid, EVP & CTO Muhammad Mahmud Hasan and SVP & Head of Card Division Mostafizur Rahman and Executives and

Officers from concern division of the bank. Passengers of Metro Rail can withdraw cash, mobile recharge, credit and prepaid card payments, bKash cash out, PIN changes and mini statements through these ATM Booths.

Mercantile Bank PLC successfully Executes PoC of Blockchain-Based Inland Green LC



Mercantile Bank PLC has successfully participated in the Proof of Concept (PoC) for the "Green LC," executing the bank's first Inland LC on a locally developed blockchain-based Digital Trade platform. This milestone marks a significant step forward in the bank's digital transformation journey, enabling a secure, paperless, and fully digital trade ecosystem. One Bank PLC participated in the transaction as the beneficiary bank. The PoC was conducted

in collaboration with Spectrum Software and Consulting Ltd. (SSCL).

The initiative is in line with Bangladesh Bank's directive (FE Circular No. 06, dated January 14, 2025), which encourages the adoption of electronic solutions across all stages of LC processing — including transmission, advising, presentation, acceptance, and related communications. This successful execution reaffirms Mercantile Bank

PLC's commitment to trade digitization.

Mati Ul Hasan, Managing Director of Mercantile Bank PLC launched the PoC ceremony at the Head Office on 25 June. Shamim Ahmed, DMD & CAMLCO, Ashim Kumar Saha, DMD & Head of ICCD, Dr. Md. Zahid Hossain, DMD & CBO and other senior officials from Mercantile Bank PLC and Farhanur Rahman, Director, Enterprise Sales from SSCL were present at the ceremony.

BANGLADESH BANK CIRCULAR JUNE 2025

ACD Circular

- ABD Circular No. 01, Date: 03/06/2025; Subject: ISO 20022 Standard Migration on SWIFT System.

BRPD Circular

- BRPD Circular No. 6: Date: 25/06/2025; Subject: Instructions to be followed in Case of Continuous Loan Renewal.
- BRPD Circular No. 5: Date: 25/06/2025; Subject: Master Circular: Loan Classification and Provisioning.

DMD Circular

- DMD Circular Letter No. 10, Date: 19/06/2025; Subject: Checklist and undertaking for submitting report for white listing and disposal of exemption applications of institutional investment on savings certificates.

DFIM Circular

- DFIM Circular Letter No. 14, Date: 16/06/2025; Subject: Name change of GSP Finance Company (Bangladesh) Limited to GSP Finance Company (Bangladesh) PLC.
- DFIM Circular Letter No. 13, Date: 03/06/2025; Subject: Rescheduling/restructuring of housing loan/investment.

DOS Circular

- DOS Circular Letter No. 12, Date: 30/06/2025; Subject: Time extension of transaction hours on 30 June 2025.
- DOS Circular Letter No. 11, Date: 19/06/2025; Subject: Time Extension for Submission of Annual Audit Report of Islami Bank Bangladesh PLC.
- DOS Circular Letter No. 10, Date: 04/06/2025; Subject: Conducting Banking Services in Limited Scale during Mango season in related areas.

FEOD Circular

- FEOD Circular Letter No. 02, Date: 19/06/2025; Subject: Issuance of Proceed Realisation Certificate (PRC) from Online Import Monitoring System (OIMS) of Bangladesh Bank against Deemed Export.

FEPD Circular

- FEPD Circular No. 24, Date: 25/06/2025; Subject: Extending the purview of offshore banking operations
- FEPD Circular Letter No. 24, Date: 24/06/2025; Subject: Service payments by subsidiaries of foreign companies
- FEPD Circular Letter No. 23, Date: 24/06/2025; Subject: Usance import under purchases/sales contracts
- FEPD Circular No. 23, Date: 19/06/2025; Subject: Remittances against current account transactions
- FEPD Circular Letter No. 22, Date: 19/06/2025; Subject: Export under open account credit terms against payment undertaking/payment risk coverage with option of early payment arrangement on non-recourse basis
- FEPD Circular No. 22, Date: 18/06/2025; Subject: Outward remittances on account of project related expenses
- FEPD Circular Letter No. 21, Date: 18/06/2025; Subject: Declaration of export value on EXP Form
- FEPD Circular No. 21, Date: 17/06/2025; Subject: Release of foreign exchange against cost of advertisement

PSD Circular

- PSD Circular No. 10, Date: 04/06/2025; Subject: Issuance of PSO-WLMA license to 'SSL Commerz Limited'.
- PSD Circular No. 09, Date: 02/06/2025; Subject: Regarding PSP license of Shamadhan Services Limited.

SFD Circular

- STD Circular Letter No. 04, Date: 04/06/2025; Subject: Regarding the reporting of loans and advances distributed in the Cottage, Micro, Small, and Medium Enterprises (CMSME) sector in the quarterly SBS-3 statement.

MBPLC CIRCULAR JUNE 2025

INSTRUCTION CIRCULAR

- Circular No. 3591, Date: 30.06.2025, Subject: ১) ব্যাংক কর্তৃক আদালত মামলা দায়েরকৃত ব্যাংকের অনুকূলে বন্ধকী ও দায়বদ্ধ (Hypothecated) যে সমস্ত সম্পত্তি ভাড়া ও আয়ের উপযোগী সে সম্পত্তিতে রিসিভার নিরোগ প্রসঙ্গে। ২) খেলাপী ঋণ গ্রহীতা/ গ্যারান্টির/ বন্ধকদাতা/পরিচালক-দের বিদেশ ভ্রমণে নিষেধাজ্ঞা প্রসঙ্গে।
- Circular No. 3590, Date: 30.06.2025, Subject: ৩০ জুন ২০২৫ ব্যাংকিং লেনদেন এর সময় বৃদ্ধি প্রসঙ্গে।
- Circular No. 3589, Date: 29.06.2025, Subject: চলমান ঋণ নবায়নের ক্ষেত্রে পরিপালনীয় নির্দেশনা প্রসঙ্গে।
- Circular No. 3588, Date: 26.06.2025, Subject: Further Amendment of Instruction Circular # 3370 dated August 14, 2024 for Supervision and monitoring of the Corporate & SME customers availing different Credit Facilities under Work/Supply Order Financing (Contractor) from our Bank.
- Circular No. 3587, Date: 24.06.2025, Subject: Introduction of web based Shipping Documents Inward Register & Discontinuation of existing manual register.
- Circular No. 3586, Date: 17.06.2025, Subject: Cancellation of Authorized Signature.
- Circular No. 3585, Date: 17.06.2025, Subject: Special Deposit Campaign (1st Phase): 17 June 2025 to 17 September 2025.
- Circular No. 3584, Date: 04.06.2025, Subject: আমের মৌসুমে ব্যাংকের সংশ্লিষ্ট শাখাসমূহ সাম্প্রতিক ছুটির দিন (শনিবার) সীমিত পরিসরে খোলা রাখা প্রসঙ্গে।
- Circular No. 3583, Date: 04.06.2025, Subject: Deployment of MT700 Inward SWIFT Messages and Automation of LC Advising and Transferring.

- Circular No. 3582, Date: 03.06.2025, Subject: Digital Greeting Cards of Eid ul Adha 2025.
- Circular No. 3581, Date: 02.06.2025, Subject: HALF YEARLY CLOSING OF ACCOUNTS AS ON JUNE 30, 2025.
- Circular No. 3580, Date: 02.06.2025, Subject: কোর ব্যাংকিং সিস্টেম আপগ্রেডেশন এর উদ্দেশ্যে ইউনাইটেড কমার্শিয়াল ব্যাংক পিএলসি এর সকল ব্যাংকিং কার্যক্রম সাময়িক বিরত রাখা প্রসঙ্গে।
- Circular No. 3579, Date: 02.06.2025, Subject: অনলাইন জুয়া সংক্রান্ত কার্যক্রম প্রসঙ্গে।
- Circular No. 3578, Date: 01.06.2025, Subject: Target of issuing 1000 Mastercard Credit Cards within July 2025.
- Circular No. 3577, Date: 01.06.2025, Subject: Transferring of the balance of Revenue and VAT of electricity bill of BPDB to their Central Bank Branch.

INFORMATION CIRCULAR

- Circular No. 2299, Date: 30.06.2025, Subject: ব্যাংকের পক্ষে বিজ্ঞ প্যানেল আইনজীবী কর্তৃক মামলা পরিচালনা প্রসঙ্গে।
- Circular No. 2298, Date: 26.06.2025, Subject: Loss of Instruments.
- Circular No. 2297, Date: 26.06.2025, Subject: Loss of Instruments.
- Circular No. 2296, Date: 23.06.2025, Subject: Loss of Instruments.
- Circular No. 2295, Date: 19.06.2025, Subject: Loss of Instruments.
- Circular No. 2294, Date: 17.06.2025, Subject: Loss of Instruments.
- Circular No. 2293, Date: 02.06.2025, Subject: Renewal of Enlistment of 02 (Two) Insurance Companies as Approved Insurers of our Bank for the Year 2025.

- Circular No. 2292, Date: 01.06.2025, Subject: Loss of Instruments.

ID CIRCULAR

- Circular No. 58, Date: 23.06.2025, Subject: Remittances against current account transactions.
- Circular No. 57, Date: 23.06.2025, Subject: Issuance of Proceed Realization Certificate (PRC) from Online Import Monitoring System (OIMS) of Bangladesh Bank against Deemed Export.
- Circular No. 56, Date: 23.06.2025, Subject: Export under open account credit terms against payment undertaking/payment risk coverage with option of early payment arrangement on non-recourse basis.

- Circular No. 55, Date: 23.06.2025, Subject: Outward remittances on account of project related expenses.
- Circular No. 54, Date: 23.06.2025, Subject: Declaration of export value on EXP Form.
- Circular No. 53, Date: 19.06.2025, Subject: Release of foreign exchange against cost of advertisement.
- Circular No. 52, Date: 04.06.2025, Subject: সুইফট সিস্টেমে ISO 20022 Standard মাইগ্রেশন প্রসঙ্গে।
- Circular No. 51, Date: 01.06.2025, Subject: Temporary suspension of export conditions for raw hides and wet blue.
- Circular No. 50, Date: 01.06.2025, Subject: Guarantees favoring local project authorities on behalf of residents.



INVITATION FOR CONTENTS

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