

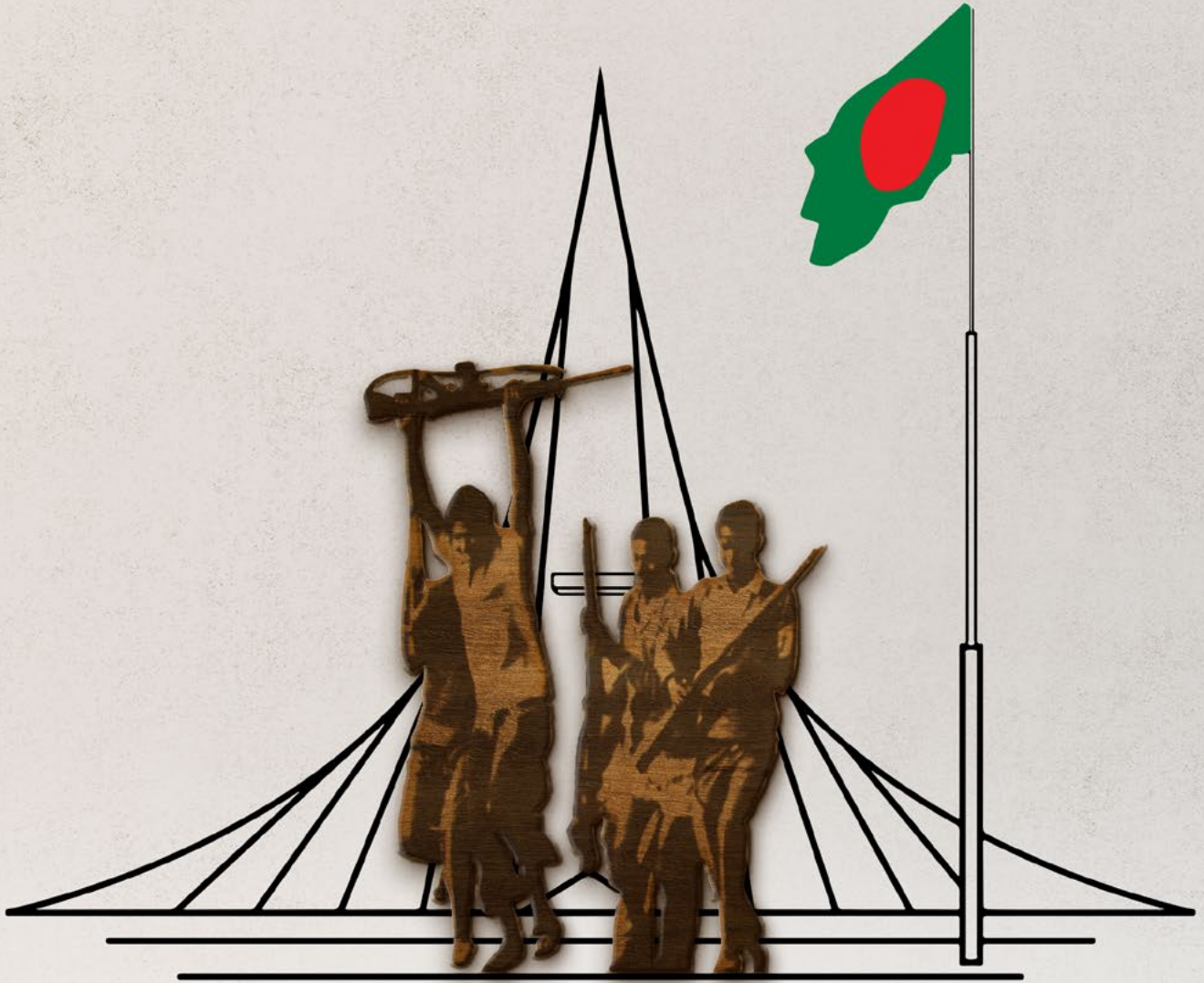
MBL

VOLUME – 19
MONTHLY ONLINE BULLETIN

RESEARCH AND PLANNING DIVISION
MERCANTILE BANK LIMITED
HEAD OFFICE, DHAKA.

DECEMBER 2022

SPECTRUM



বাণিজ্যিক ব্যাংক



মার্কেটাইল ব্যাংক লিমিটেড
Mercantile Bank Limited

দক্ষতাই আমাদের শক্তি

EDITORIAL

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MBL Circular
December 2022

ABSTRACT

December has been the most significant month in the history of Bangladesh; we achieved victory in 16th December, 1971. The country completed its 50 years journey last year. Now, in the month of December, 2022 we have been introduced with the era of Metro rail. The year 2022 was notable for Bangladesh, as the country witnessed the successful completion of two megaprojects: the Padma Multipurpose Bridge and Dhaka Metro Rail, indicating a massive development in the country's communications network. Bangladesh's GDP increased at an annual rate of 2.6% in the third quarter of 2022, according to the Bureau of Economic Analysis, and data from the Bangladesh Bureau of Statistics showed that the country's per capita income increased by 9%. These indicate a positive sign that people's purchasing power has increased sequentially. Behind all this success, the banking sector of Bangladesh has made a lot of contributions, including Mercantile Bank.

Although this year was very tough for Bangladesh due to elevated inflation, energy shortages, tightening monetary conditions, Russia-Ukraine hostilities, and a weakening global economic backdrop. The effects of all these things have severely dampened the economic growth of Bangladesh, such as the slowdown in remittance inflows, the reduction of Bangladesh's foreign exchange reserves, and skyrocketing inflation. As a result, organizations like the World Bank, the International Monetary Fund (IMF), and the Asian Development Bank (ADB) emphasize Bangladesh's economic growth forecast of 6%-6.6% for the year 2023, which is considerably below earlier estimates. Despite all the adversities, Bangladesh has had another successful year under the leadership of honorable Prime Minister Sheikh Hasina. As instructed by the prime minister, we are making progress toward "SMART BANGLADESH."

May this progress of Bangladesh with the vision of 2041 will continue in the new year as well and big projects like the 3.32 km Karnaphuli Tunnel, 127km Dohazari-Ghundum railway, Dhaka elevated expressway, and BRT from Airport to Gazipur are scheduled to be completed by 2023, in addition to projects in the energy sector, including Rampal and Matarbari power plants.

In light of the conditions, this edition will shed light on both the MBL's performance in 2022 and the state of the nation's economy as a whole as well as all of the crucial data pertaining to the bank through December 2022.

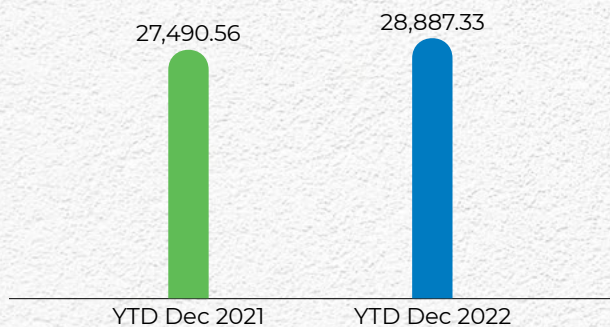
Eventually, I wish happy new year 2023!

Tapash Chandra Paul, PhD
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MBL PERFORMANCE DECEMBER 2022

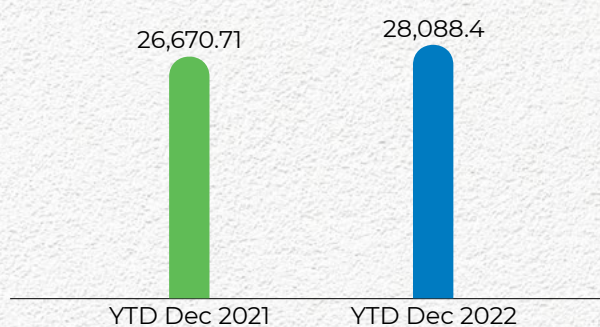
Deposits

BDT in Crore



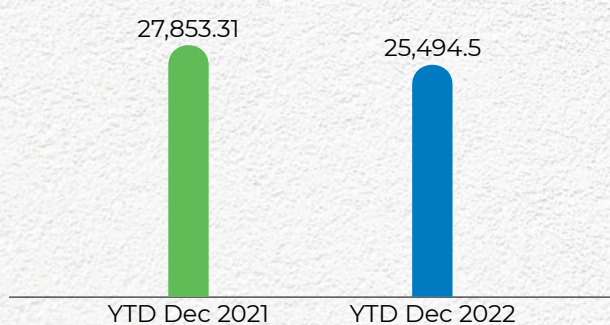
Loans & Advances

BDT in Crore



Import

BDT in Crore



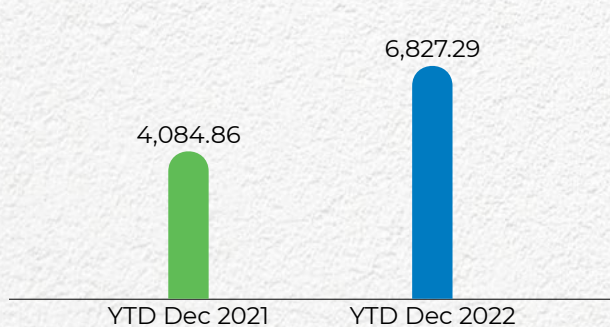
Export

BDT in Crore

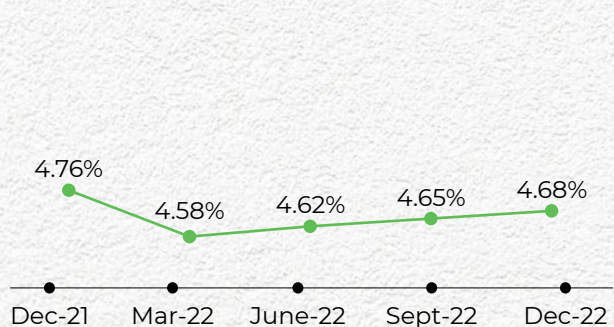


Inward Remittance

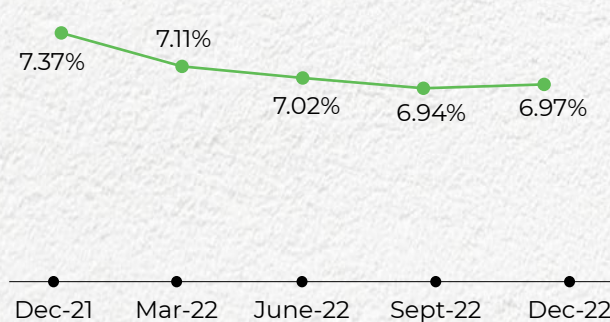
BDT in Crore



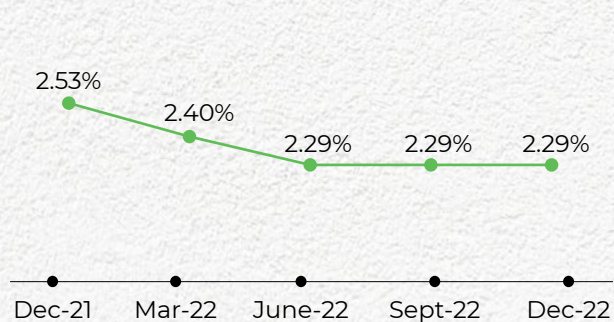
Cost of Deposit



Yield on Advances



Spread



GLOBAL ECONOMY

World economy faces more pain in 2023 after a gloomy year



This was supposed to be the comeback year for the world economy following the Covid pandemic. Instead, 2022 was marked by a new war, record inflation and climate-linked disasters. It was a “polycrisis” year, a term popularised by historian Adam Tooze.

After the Covid-induced economic crisis of 2020, consumer prices began to rise in 2021 as countries emerged from lockdowns and other restrictions. Central bankers insisted that high inflation would only be temporary as economies returned to normal. But Russia’s invasion of Ukraine in late February sent energy and food prices soaring. Many countries are now grappling with cost-of-living crises because wages are not keeping up with inflation, forcing households to make difficult choices in their spending.

(Ref: <https://www.thedailystar.net>)



Global central banks deliver historic rate hike blast



Major central banks ramped up interest rates at the fastest pace and biggest scale in at least two decades in 2022 as policy makers went all out in the battle to contain surging inflation.

Central banks overseeing the 10 most heavily traded currencies delivered 2,700 basis points (bps) of tightening in 54 rate hikes over the past 12 months, Reuters calculations show.

The US Federal Reserve, the European Central Bank, the Bank of England, the Reserve Bank of Australia, Norway's Norges Bank, the Bank of Canada and the Swiss National Bank all raised their benchmarks by a cumulative of 300 basis points. This compares to the monthly peak of 550 bps in September, though not all central banks meet on a monthly basis.

(Ref: <https://www.thedailystar.net>)

China readying \$143b for chip firms amid US curbs



The dollar touched a one-week high against the yen on 28 December 2022, boosted by a jump in Treasury yields and investor expectations for a rebound in Chinese growth as Covid-19 curbs loosen.

Meanwhile, the pound headed towards its largest one-day rise against the dollar in two weeks as UK markets reopened after a long weekend. The dollar rallied by as much as 0.67 percent to 134.40 in Asian trading,

the most since December 20, when the Bank of Japan sent the pair spiralling lower with an unexpected loosening of the 10-year Japanese government bond yield policy band.

That day the yen staged its biggest one-day rally against the dollar in 24 years, closing 3.8 percent higher, as traders speculated about an eventual unwinding of stimulus.

(Ref: <https://www.thedailystar.net>)

Canada's economy slows



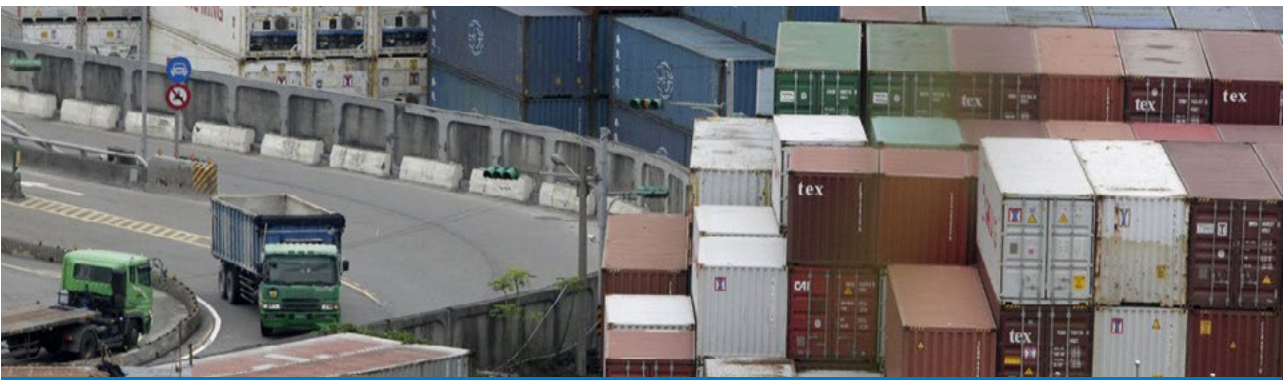
The Canadian economy grew by 0.1 percent in October and is expected to expand at the same pace in November, data showed on 23 December 2022, a sign that the full impact of seven consecutive interest rates hikes this year has yet to play out.

October growth slowed compared with September's 0.2 percent gain, which was an upward revision from a previously reported 0.1 percent increase, Statistics Canada said. October's increase was in line with a median of analysts' forecasts.

The Bank of Canada has hiked rates at a record pace of 400 basis points in nine months to 4.25 percent - a level last seen in January 2008 - to fight inflation that is far above its 2 percent target. Canada's annual inflation rate eased to 6.8 percent in November but was slightly higher than had been expected because of broad-based price pressures, according to data, leaving the door open for another rate increase in January.

(Ref: <https://www.thedailystar.net>)

Taiwan export orders plunge



November export orders from Taiwan saw their sharpest contraction since the height of the financial crisis, in a portend for the health of the global economy.

Taiwan is a global supplier of electronics, in particular state-of-the-art semiconductors, and the drop off in orders adds to evidence that demand for technology products is weakening across

the globe. Orders from overseas dropped 23 percent in November, according to data released by the Economics Ministry, the biggest fall since March 2009 when the world was being battered by the financial crisis. The plunge was much worse than the near 13 percent drop economists surveyed by Bloomberg News had forecast.

(Ref: <https://www.thedailystar.net>)

Japan OKs budget for FY 2023 with record high defence spending

The Japanese government adopted a record draft budget of 114.38 trillion yen (865 billion US dollars) for the fiscal year 2023 (April 2023-March 2024), with defence spending hitting a record high and social security costs on a rise.

The figure approved by the cabinet marked a rise of 6.3 percent from the initial budget for the current year. The draft budget will be submitted to the ordinary Diet session next year. The defence budget amounted to 6.82 trillion yen (51.4 billion US dollars), a



26.3-percent jump over the current budget of 5.4 trillion yen (40.7 billion US dollars) when defence outlays were limited to around 1.0 per cent of the country's gross domestic product.

(Ref: <https://thefinancialexpress.com.bd/>)

G7 commits to \$32 bn in budget support for Ukraine in 2023

The Group of Seven (G7) wealthy nations has mobilised up to \$32 billion in budget and economic support for Ukraine next year, their finance ministers said in a joint statement, adding that they are prepared to give more if needed, Reuters reports.

"We remain strongly committed to addressing Ukraine's urgent short-term financing needs," the ministers said, while encouraging other donors to up their contributions to the war-torn country. The G7's pledge of \$32 billion includes \$19 billion from the European Union, the



statement said. The full amount has now been disbursed or is in the process of being disbursed to Ukraine, according to the statement from the ministers of the United States, Canada, Japan, Germany, France, Italy and Britain.

(Ref: <https://thefinancialexpress.com.bd/>)

Iran central bank governor blames protests for currency's fall

Iran's central bank governor partly blamed recent anti-government unrest for the fall of the Iranian currency to record lows, while authorities detained a prominent actress who had voiced support for protesters, Reuters reports.

The unrest, which poses one of the biggest challenges to theocratic rule in Iran since the 1979 Islamic Revolution, also saw groups of oil workers holding protests to demand higher wages, according to reports on social media.



The wider unrest currently gripping Iran was triggered by the Sept. 16 death in detention of Mahsa Amini, a 22-year-old woman who was arrested for wearing "inappropriate attire" under Iran's strict Islamic dress code for women.

(Ref: <https://thefinancialexpress.com.bd/>)

Global trade growth turns negative after record year: UNCTAD

The UN trade facilitation agency has said global trade is set to hit a record high of \$32 trillion in 2022, but inflation has reversed some of the gains made in recent months.

The global growth turned negative during the second half of 2022, UNCTAD added. "Trade in goods and services is expected to reach \$25 trillion and \$7 trillion, respectively, by the end of the year. The downturn began in the third quarter of the year, with goods trading about one percent lower than from March to May," the UN agency said. Although services increased by 1.3 percent in the third quarter, both goods and services are expected to fall in value in the run-up to the end of the year, according to the latest global trade update of UNCTAD.

(Ref: <https://thefinancialexpress.com.bd/>)



Vietnam reports strong economic growth of 8%

Vietnam's economy grew by eight percent in 2022, driven by strong exports and retail sales, authorities said on 29 November, 2022.

Growth in the communist nation stuttered at around three percent for two consecutive years due to the pandemic. Before that, Vietnam was a success story among Asian economies, posting growth of seven percent in 2019. This year the economy grew by an estimated 8 percent, beating the government's target of 6-6.5 percent, the official statistics office said. However, growth slowed in the final quarter of the year as economies worldwide were hammered by the war in Ukraine and massive inflation.

Exports turnover in the fourth quarter experienced a year-on-year decline of 6.1 percent due to a lack of overseas orders, the statistics office said.

(Ref: <https://thefinancialexpress.com.bd/>)



Brent Crude Oil (\$/barrel)



West Texas Intermediate Crude Oil Price (\$/barrel)



Gold Price (USD/oz)



Natural Gas (p/therm)



Sources:
1. www.bbc.com
2. www.goldprice.org

Graph: Global Economy Scenario

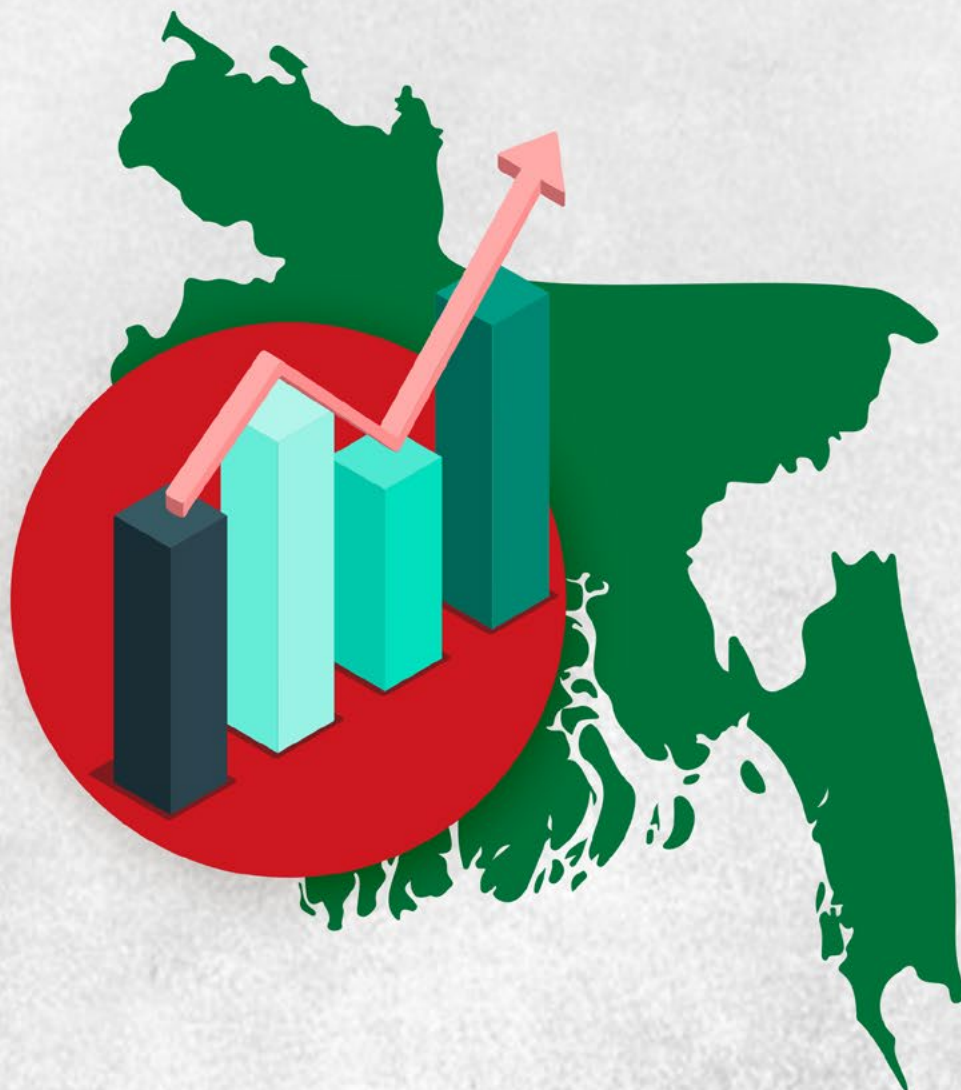
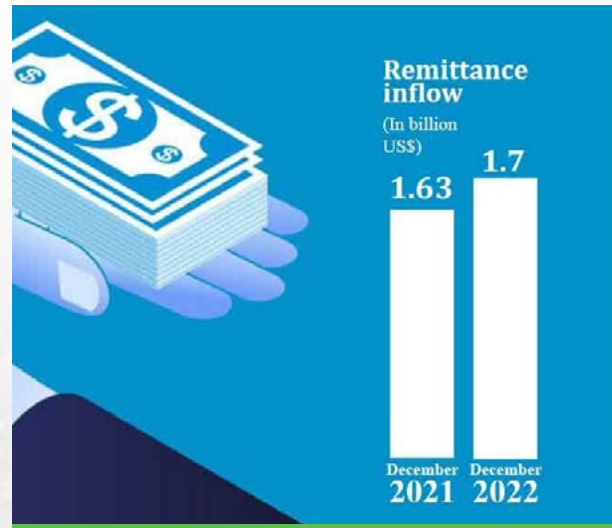


BANGLADESH ECONOMY

Remittance inflow increases by 4.23pc in December

Expatriate Bangladeshis sent US\$ 1.7 billion through the banking channel in December 2022, which was 4.23 per cent higher than the corresponding month of 2021, according to Bangladesh Bank data. The country received \$1.63 billion from overseas workers in December 2021. Besides, a 2.48 per cent year-on-year growth in remittance earnings was reported in the first six months of the current fiscal. The country received \$10.49 billion from July to December against \$10.24 billion for the same period of the previous fiscal.

(Ref: <https://thefinancialexpress.com.bd>)



PM opens country's first metro rail



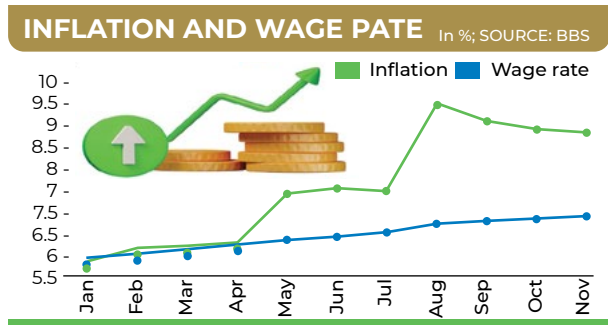
Prime Minister Sheikh Hasina has formally inaugurated the country's first metro rail on December 28, 2022. The PM said that there is a metro rail in Bangladesh is in itself an achievement. Another milestone is that the trains will be run by electricity, making the project an environment friendly one. The trains can be run remotely and that is a milestone

in the path towards a Smart Bangladesh. It will also mark the advent of high-speed trains in Bangladesh adding that the trains can reach a speed of 110 kilometres per hour. The introduction of metro rail will add another feather in the crown of technological advancement triumph for the people of our nation.

(Ref: <https://www.thedailystar.net>)

Wage growth below inflation for 10th month

Monthly wage growth of workers has remained below inflation for the 10th consecutive month. As a result real incomes and purchasing power of people are falling. They are being compelled to cut consumption. Despite nominal adjustments taking place, accelerating price inflation is quickly eroding the real value of minimum wages. Data from the Bangladesh Bureau of Statistics shows that in November 2022, wages of low and unskilled workers grew 6.98 per cent which was 1.87 percentage points below the average inflation rate of 8.85 per cent in



the same month. If the purchasing power of the lowest paid is not maintained, then income inequality and poverty will rise in the economy.

(Ref: <https://www.thedailystar.net>)

Year ends with average inflation of 7.70 pc

The year 2022 was marked by a higher rate of inflation of 7.70 per cent on average compared to 5.54 per cent in 2021. BBS data showed that inflation in the last month of 2022 came down to 8.71 per cent from the rate of 8.85 per cent in November. Inflation in December 2021

was 6.05 per cent. Food inflation cooled down to 7.91 per cent in December from 8.14 per cent in November. Non-food inflation was almost static at 9.96 per cent in December which was 9.98 per cent in November.

(Ref: <https://thefinancialexpress.com.bd>)

RMG export to EU witnesses 16.27pc growth during July-Nov

The export of RMG items to the European Union (EU) has witnessed 16.27 per cent growth during the July-November period of 2022 compared to the same period last year. As per the statistics of the Export Promotion Bureau (EPB), RMG export to the EU increased by 16.27 per cent, from US\$ 7.81 billion to \$9.07 billion in July-Nov 2022-23. Germany is the largest European market fetching \$ 2.71 billion with 1.88 per cent growth compared to the same period of the previous year, reports BSS.

Export to Spain and France also increased by 19.15 per cent and 38.87 per cent respectively. Export to other major EU countries such as Italy, Austria, Netherlands and Sweden



have shown growth by 50.95 per cent, 48.87 per cent, 34.39 per cent and 22.90 per cent respectively.

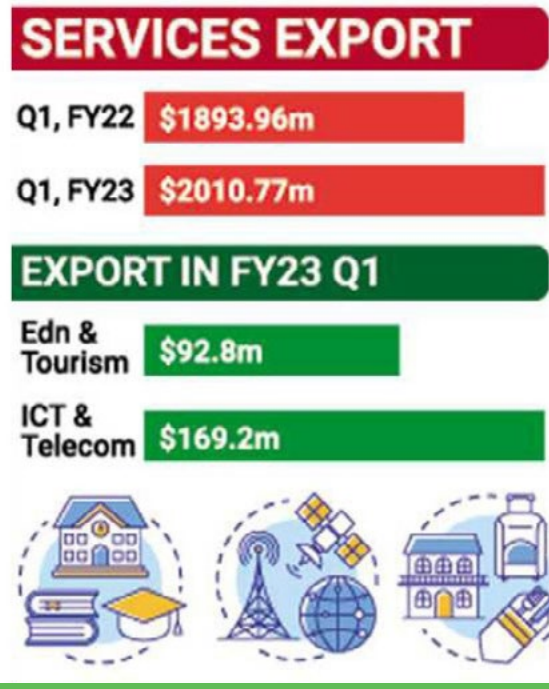
Bangladesh Garment Manufacturers and Exporters Association (BGMEA) Director Md Mohiuddin Rubel said, "Our exports to major countries have shown encouraging growth during July-November of FY2022-23."

(Ref: <https://thefinancialexpress.com.bd>)

Export of services earning substantial forex

Services sector of Bangladesh sustains increased export earnings even during this global economic crisis as it posted 6.12-percent growth in the first quarter of the current fiscal. The country received US\$2.01 billion from services export during the July-September period (Q1) of the current fiscal year (FY2023). In the same period (Jul-Sep) last FY2022, the earnings from the sector was \$1.89 billion. The earnings were worth \$92.88 million in the Jul-Sep period from personal travels (education and tourism) against \$57.34 million in the same period last FY2022. Some services sectors, including telecommunications and information services, travels, financial services and other business travels have pivoted the export earnings.

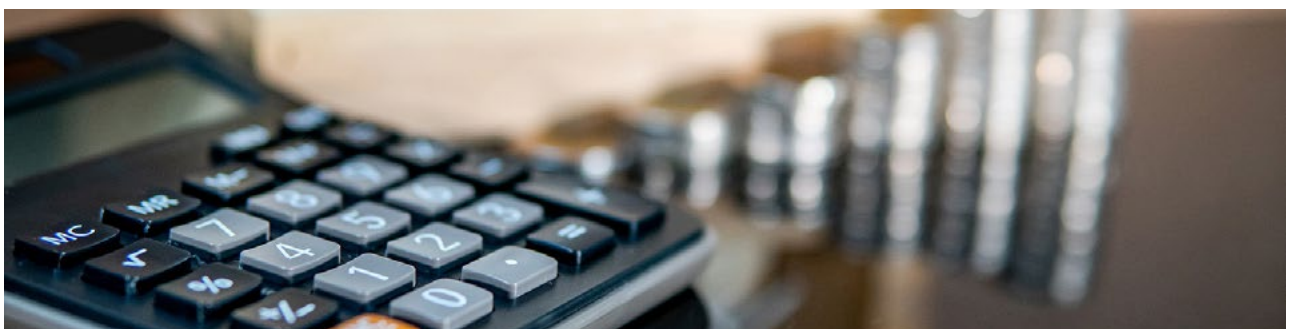
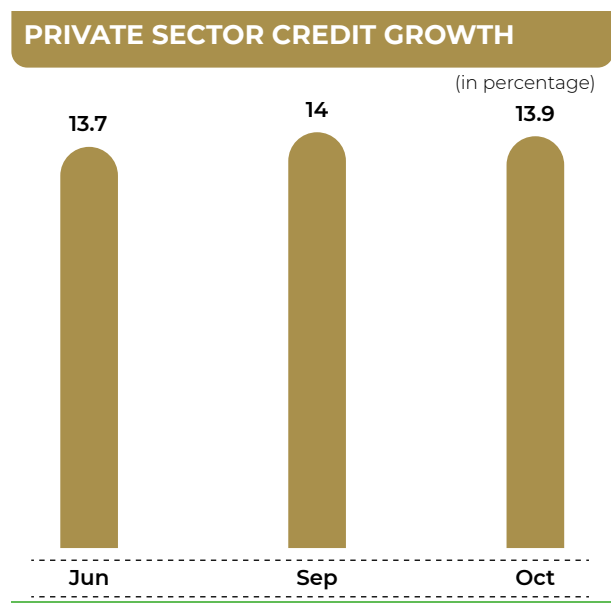
(Ref: <https://thefinancialexpress.com.bd>)



Costly dollar, inflation drive private sector credit flow

Phenomenal global price rises and local currency's exchange-rate depreciation drive up Bangladesh's private-sector credit flow. The export-import financing growth contributed significantly to the recent high private-sector-credit-growth phenomenon. The observed growth rates in the private-sector credits were 13.7, 14.0, and 13.9 per cent in June, September, and October 2022 respectively. But it can be much lower when exchange rate is adjusted. Then it may stand at 11.9, 10.9, and 10.8 per cent respectively. Therefore, the recent high-growth scenario reflects the result of significant exchange-rate depreciation.

(Ref: <https://thefinancialexpress.com.bd>)



Export stands out in turbulent year

Bangladesh's export sector showed its prowess in 2022 despite the devastating Russia-Ukraine war, unprecedented freight costs, energy crisis, record inflation and a risk of a recession that loomed throughout the outgoing year. The sector was off to a good start in January as the coronavirus situation improved in much of the world and the momentum continued until August even after the war broke out in February and escalated fuel prices, energy shortages and power outages pushed up the cost of production at home. Shipments, however, dipped in September and October before rebounding in November as international buyers began placing more orders. All in all, the export sector was

Monthly export earnings

In billion \$; Source: EPB



among a few bright spots for Bangladesh in a turbulent year. Bangladeshi exporters are resilient and they know how to survive in the stormy weather conditions. In 2022, Bangladesh retained its position as the second-largest apparel exporter globally after China.

(Ref: <https://www.thedailystar.net>)

Revenue collection grows 14pc

Domestic revenue mobilisation posted more than 14-percent growth in the outgoing year 2022 amid inflation-fuelled economic slowdown and erosion of real income. Despite disrupted supply chain for the Russia-Ukraine war, costly dollar and high commodity prices globally, the government's revenue-collection efforts paid off. The tax regime entered a new avenue in 2022 with the mandatory display of the proof of tax return submission at the time of availing major services. People,

irrespective of having taxable income, now require submitting PSR (proof of submission of tax return) to avail as many as 38 types of services. In the first quarter of the current fiscal, the NBR collected Tk 671.24 billion in tax revenue achieving 15.68-per cent growth over the same period last year. In FY2022 (July-June), the government collected revenue worth Tk 3.37 trillion.

(Ref: <https://thefinancialexpress.com.bd>)

Forex reserve now below \$34bn

The country's foreign exchange (forex) reserves dropped to \$33.7 billion on December 29, 2022 as the Bangladesh Bank continued selling dollars to banks. State-run banks in particular were taking dollar support for settling import payments of Bangladesh Petroleum Corporation, Bangladesh Agricultural Development Corporation and Bangladesh Chemical

Industries Corporation among other government agencies. Settling high import payments was the main reason for the depletion of the forex reserve. Imports were surging amid rising commodity prices, global supply chain disruptions and the Russia-Ukraine war.

(Ref: <https://www.dhakatribune.com>)

Garment exporters see moderate recovery in 2023

Local apparel suppliers are expecting moderate recovery in exports in the upcoming year as sales in the Western world are gradually gaining pace with a new normal arising from the Russia-Ukraine war and falling prices of petroleum products. This in turn is causing inflationary pressure in the Western world to subside gradually, effectively leaving more money in the pockets of the consumers, enabling them to start spending behind the purchase of clothing items. Christmas sales were also upbeat, with old stockpiles of clothing of



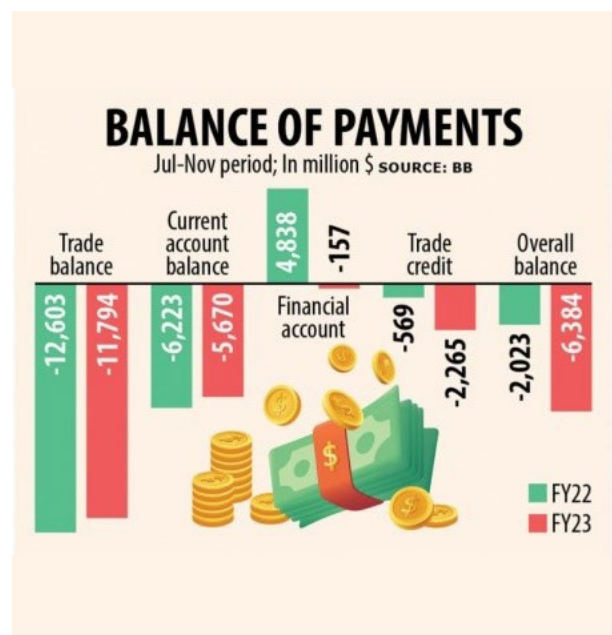
international retailers and brands worth billions of US dollars being sold off.

(Ref: <https://www.thedailystar.net>)

Balance of payments under stress

The financial account of the balance of payments (BoP) turned negative in the first five months of the current fiscal year, highlighting the challenges Bangladesh is facing in protecting its foreign currency reserves from depletion as funds outflows exceeded inflows. In July-November of the current fiscal year, the financial account deficit stood at \$157 million, way lower than a surplus of \$4.84 billion recorded in the identical period a year earlier. The current account deficit had widened owing mainly to higher import payments. Between July and November, imports rose to \$32 billion whereas exports stood at \$20.74 billion and remittances flows were \$8.79 billion.

(Ref: <https://www.thedailystar.net>)



BANKING INDUSTRY

RELAXED RULES FOR LOANS: Banks can show interest receivables as income

Banks can show interest receivables for 2022 as income on their books on the term loans that have been extended a relaxed repayment facility up to December, said the central bank. Interest receivable is the amount of interest that has been earned but has not yet been received in cash. On December 18, 2022, the Bangladesh Bank relaxed its loan repayment policy, saying the real income of borrowers has fallen due to the severe impacts of the prolonged Russia-Ukraine war. Now, borrowers can avoid being classified as a defaulter if they clear 50 per cent of their instalments

payable in the final quarter of 2022 instead of 75 per cent previously.

Bad loans hit a record Tk 134,396 crore in September, accounting for 9.36 per cent of the total outstanding loans of Tk 1,436,200 crore in the banking industry, BB data showed. A year earlier, the ratio was 8.12 per cent.

(Ref: <https://www.thedailystar.net>)



Undisbursed portion of farm, rural loans will be disbursed to farmers by BB

The Bangladesh Bank has decided to form a Bangladesh Bank Agricultural Development Common Fund to utilise the undisbursed portion of agriculture and rural loans for an acceleration of farm production. The Agriculture Credit Department of BB issued a circular in this regard with immediate effect. The circular stated that banks would deposit money equivalent to the undisbursed amount of farm and rural loans in the BBADCF, and BB would use the fund giving 2 per cent interest on the deposits. Then the money of the BBADCF would be distributed



among banks considering the capacity of the depositors' bank. The banks would pay back the loans to the BB, along with 2 per cent interest rate, within 18 months of the fund being released.

(Ref: <https://www.newagebd.net>)

Special liquidity facility launched for Islamic banks

Bangladesh Bank has come up with a new arrangement named "Islamic Bank Liquidity Facility", under which the country's shariah-based banks can now take short-term loan, a first of its kind in the banking sector. There are 10 shariah-based banks in Bangladesh, of which some lenders are now facing liquidity stress amid withdrawal pressure of deposits after the revelation

of financial scams in those institutes. Against the backdrop, the central bank has introduced the new system such that the cash-strapped lenders can tackle their liquidity stress. The repayment tenure of the short-term loan will be 14 days under the special arrangement for Islamic banks, according to a Bangladesh Bank notice.

(Ref: <https://www.thedailystar.net>)

BB creates 5,000C refinance scheme for green industries

Bangladesh Bank (BB) introduced a refinancing scheme worth Tk5,000 crore to promote eco-friendly industries, especially in export-oriented sectors. Under the scheme, the green entrepreneurs will be entitled to get loans at a 5% interest, according to a circular. The banks will have access to the fund at a rate of 1% and will be allowed to keep a margin of 4%. The duration of the revolving fund, financed from the BB, will be 5-10 years. The green refinancing will be provided in local currency. Bangladesh Bank has another similar scheme, Green



Transformation Fund, worth \$200 million and another €200 million to procure capital machinery and others meant for green industrialization.

(Ref: <https://www.dhakatribune.com>)

LC rules eased for lubricant, engine oil import

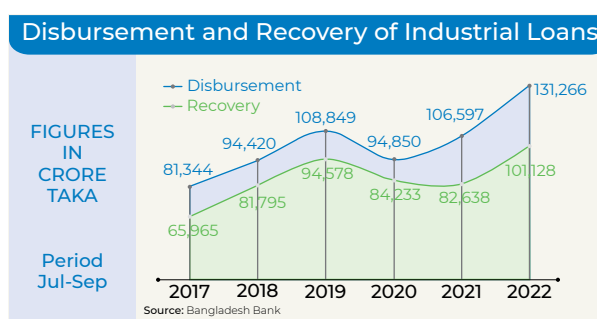
The Bangladesh Bank asked banks to take a minimum cash advance from importers while opening letters of credit (LCs) for lubricant and engine oil in order to run the operation of industries smoothly. The advance payment, also known as the cash LC margin, should be kept at the minimum level for the products depending on the bank-client relationship, Bangladesh Bank said in a notice. The importers of the raw materials of lubricant and engine oil will also enjoy the facility.

(Ref: <https://www.thedailystar.net>)



Industrial loans surge 23% in July-September

Industrial credit disbursement increased by 23% to Tk1.31 lakh crore year-on-year in the July-September quarter of this year, thanks to an increase in import costs of industrial raw materials and capital equipment and low lending rates. Bankers said import costs have increased in the industrial sector due to the increase in the price of goods in the global market. Meanwhile, the recovery of industrial loans also increased 22.3% over Tk1 lakh crore in the September quarter from Tk82,637 crore in the same period a year ago. According to central bank data, the

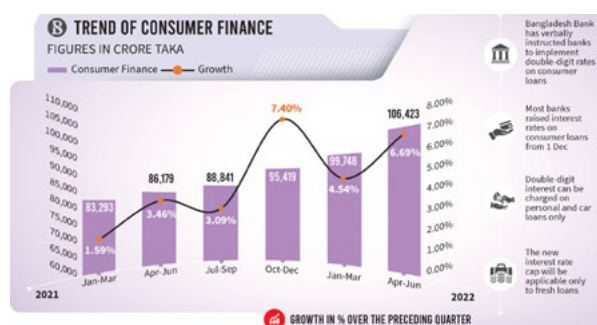


July-September import settlement of the current fiscal year 2022-23 has increased by 35% compared to the previous fiscal year.

(Ref: <https://www.tbsnews.net>)

Loans from banks become costlier

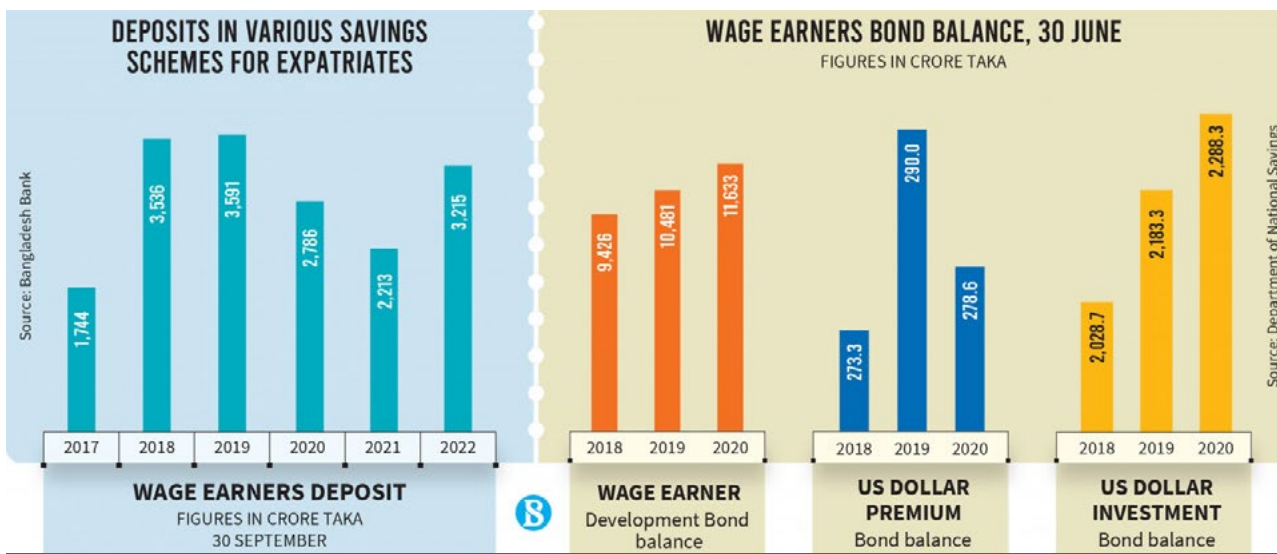
The Bangladesh Bank has raised the lending rate cap on consumer loans to 12% after two and a half years of setting the interest rate ceiling at 9% for all types of loans. At the same time, the central bank has lifted the floor on deposit rates that was capped above inflation in August last year to protect depositors' interest. The Bangladesh Bank eased the rate cap partially a month after agreeing with the International Monetary Fund (IMF) to lift the lending rate cap in compliance with the condition to get a



prospective \$4.5 billion in credit support from the IMF for Bangladesh.

(Ref: <https://www.tbsnews.net>)

Deposits in expat savings accounts rise, yet far behind expectations



Deposits by expatriate Bangladeshis in local banks picked up slightly in the last one year after remaining in a downward trend for two years despite several banks not introducing any separate savings schemes for expatriates following the Bangladesh

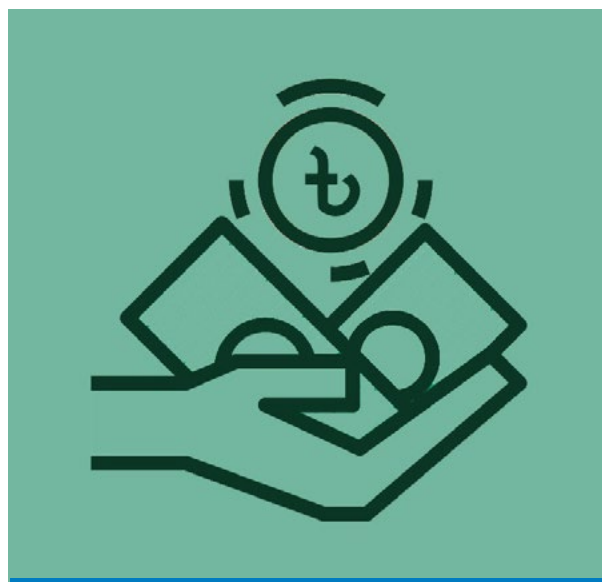
Bank's directive two years ago. According to the central bank, deposits in the savings accounts of expatriates have increased by about Tk1,000 crore in a year till this September.

(Ref: <https://www.tbsnews.net>)

Govt borrowing from BB crosses Tk 1 lakh crore

The government's borrowing from the Bangladesh Bank crossed record Tk 1 lakh crore as of December 15, which may raise inflationary pressure in the country. According to the latest Bangladesh Bank data, the government's borrowing from the central bank reached Tk 1,04,884.09 crore as of December 15 from that of Tk 17,810 crore as of December 15, 2021. The amount was Tk 86,403 crore on November 15, Tk 72,700 crore at the end of September and Tk 55,866 crore in June. The government's borrowing from the central bank was Tk 49,017 crore in July-December 15 of the financial year 2022-23.

The government's net borrowing from the country's banking system including the BB, however, was Tk 31,972 crore in the July-December 15 in 2022 as the government repaid loans to the scheduled banks rather than taking credits from them. The

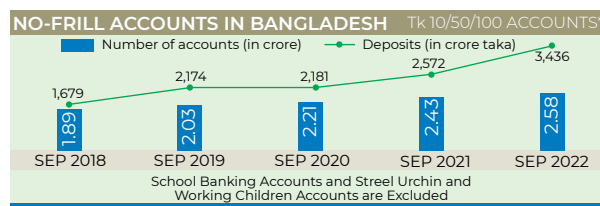


government's total outstanding borrowing from the bank sector increased to Tk 3.02 lakh crore on December 15, which was Tk 2.14 lakh crore on June 30.

(Ref: <https://www.newagebd.net>)

Deposits in no-frill accounts up by Tk864 crore YoY

The amount of deposits in no-frill bank accounts has gone up by Tk864 crore in a span of one year despite rising commodity prices. The no-frill account, which is a savings account that does not need any minimum balance month after month, is increasingly becoming popular in the country. According to the quarterly data (July-September) from the Bangladesh Bank, these NFA accounts have a total of Tk3,436 crore in deposits at the end of September, which stood at Tk2,572 crore at the same time of the previous year.



At the end of September, the total deposits in the farmers' accounts stood at Tk602 crore, which is 5.79% higher than that of the previous quarter (April-June) and 24.45% higher than that of the July-September quarter of 2021.

(Ref: <https://www.tbsnews.net>)

Bangladesh Bank creates fund to utilise undisbursed portion of farm loans

Bangladesh Bank (BB) has taken a decision to form a fund, titled Bangladesh Bank Agricultural Development Common Fund (BBADCF), for increasing farm production. Under the initiative, banks would deposit money equivalent to the un-disbursed amount of farm and rural loans in the fund and the BB would give 2 per cent interest on the deposits, as per a BB circular. The funds of the BBADCF would then be distributed among banks in proportion to their capacity. Banks would pay back the loans to the BB, along with 2 per cent interest, within 18 months of the fund release, says BSS citing the circular.



"Banks can charge 8 per cent interest on the loans given to farmers using the money from the BBADCF. The loans have to be disbursed using banks' own network, not through microfinance institutions," said the notice.

(Ref: <https://thefinancialexpress.com.bd>)

Forex transactions thru cards top Tk 600cr

Foreign currency transactions through cards crossed Tk 600 crore in October as travellers found it comfortable to use cards abroad amid a dollar shortage on the country's financial market. The transactions through cards soared to record Tk 605 crore in October from that of Tk 585.8 crore in November. The card-based foreign currency transactions hit Tk 2,152 crore in July-October of FY23 against Tk 696.3 crore in the same period of FY22, according to Bangladesh Bank data. The foreign currency transactions



through cards increased to Tk 358 crore in May, Tk 399.4 crore in June, Tk 440.9 crore in July, Tk 520.3 crore in August, Tk 585.8 crore in September.

(Ref: <https://www.newagebd.net>)

MBL NEWS

Mercantile Bank wins ICSB Silver Award



Mercantile Bank Limited has won the Silver Award in General Banking category of 9th ICSB National Award for Corporate Governance Excellence 2021. Salman F. Rahman, MP, Private Industry and Investment Adviser to the Honorable Prime Minister handed over the crest and certificate to Md. Quamrul Islam Chowdhury, Managing Director & CEO, Abu Asghar G. Haruni, Company Secretary and Md. Mahtab Uddin, FCS, Deputy Company Secretary

of Mercantile Bank. M. A. Mannan, MP, Planning Minister & Tapan Kanti Ghosh, Senior Secretary, Ministry of Commerce were present as the special guests at the ceremony which was arranged by Institute of Chartered Secretaries of Bangladesh (ICSB) held at Pan Pacific Sonargaon Hotel, Dhaka on December 12, 2022. Hasne Alam, Deputy Managing Director of MBL and others distinguished guests were also present in the ceremony.

Mercantile Bank held 'Business Review Meeting' of Cumilla-Noakhali Region

The Business Review Meeting of Cumilla-Noakhali Region of Mercantile Bank Limited was held at Hotel Best Inn in Feni on 2 December, 2022. Mati Ul Hasan, Additional Managing Director & CRO of the bank was present in the meeting as

the chief guest. In his speech, the AMD & CRO advised the Heads of Branches to ensure the best possible customer services with latest technology based banking to achieve the target in the 4th quarter of the current year. Furthermore,



he emphasized on the expansion of business around all the districts of the region, improve the quality of the loans and encourage the loans to SME & Agriculture sector. Bank's CFO Tapash Chandra Paul, PhD attended the meeting as the special guest and urged

the participants to be amicable in their duties. Farid Uddin Ahmed Bhuiyan, Zonal Head of Cumilla-Noakhali Zone presided over the meeting. 29 Head of Branches along with 5 Upashakha Incharges of the mentioned region participated the business review meeting.

Mercantile Bank opens 'Rajendrapur' Uposhakha in Dhaka



Mercantile Bank Limited inaugurated 'Rajendrapur Uposhakha' at South Keraniganj in Dhaka on December 8, 2022 to provide convenient banking services to the customers. Bank's Chairman Morshed Alam M.P., launched the uposhakha on virtual platform as the chief guest. Md. Quamrul Islam Chowdhury, Managing Director & CEO of the bank inaugurated the banking activities of the upashakha by cutting ribbon in a ceremony arranged at Bank's Head Office. M. Amanullah, Chairman, Risk Management Committee; M. A. Khan Belal, Chairman, Mercantile Bank Securities Ltd. and Mohammad Abdul Awal Director of the bank were present as the special guests.

Mati Ul Hasan, AMD, Adil Raihan, Shamim Ahmed, Hasne Alam, and Md. Mahmood Alam Chowdhury, DMDs, Ashim Kumar Saha & Mohammad Iqbal Rezwana, SEVPs and Abu Asghar G. Haruni, Company Secretary of the bank along with invited guests, valued customers, HOB of Abdullahpur branch, in-charge of Rajendrapur uposhakha and senior executives of the bank were connected virtually in the opening ceremony. The Zonal Heads, HOBs and In-charges of the upashakhas were also connected virtually. Rajendrapur Upashakha is located at, Sheikh Javed Ali Complex, Rajendrapur, Mouza-Noadda, Union-Tegharia, P.S.- South Keraniganj, District-Dhaka.

Visiting UAE to explore potentiality of remittance business



Mr. Tapash Chandra Paul PhD, Chief Financial Officer (right) and MD. Toriqul Islam, Vice President and Head of NRB Division (left) with Mr. Ali Alomrani, GM & Owner of Emirates India International Co., UAE (Middle).

Mr. Tapash Chandra Paul PhD, Chief Financial Officer and MD. Toriqul Islam, Vice President and Head of NRB Division of the bank visited UAE for operational issues and exploring remittance business aspects.

During staying in UAE, they shared their views with different stakeholders. They also met with high officials of different exchange house in UAE.

Visiting United Kingdom to explore business aspects of Mercantile Bank Exchange House (UK) Ltd.



Mr. Tapash Chandra Paul PhD, Chief Financial Officer and MD. Toriqul Islam, Vice President and Head of NRB Division of the bank have visited United Kingdom for operational issues and exploring remittance business aspects. In UK, they visited Mercantile Bank Exchange House (UK) Ltd. During staying in UK, they shared their views with different stakeholders. Mercantile Exchange House

(UK) Limited, a fully owned subsidiary of Mercantile Bank Limited has started its operation on December 6, 2011 with a view to render quality remittance services to the Bangladeshi Expatriates living and working in United Kingdom. Along with regular remittance services, the exchange house provides Bureau De Change services to the residents in London, United Kingdom.

Mercantile Bank held Virtual Training on Dealing of Cash Foreign Currencies



Mercantile Bank Limited organized a virtual training on 'Dealing of Cash Foreign Currencies by Non-AD Branch Officials' on December 20, 2022. A total number of 77 officials from 22 Non-AD branches of the bank attended the online program. Shamim Ahmed, DMD and CAMLCO of the bank inaugurated the virtual training. In his address Shamim Ahmed advised participating officers to be more diligent on

operational guidelines and procedures as per MBL Manual for Cash Foreign Currency Transactions by Non-AD Branches Licensed to Deal with Cash Foreign Currency by Non-AD branches. Muhammad Saiful Karim, Vice President & Manager Operation of Gulshan Branch of the bank acted as a resource person for the said virtual training. Javed Tariq, Principal of MBTI moderated the program.

Mercantile Bank Distributes winter clothes at Baufal in Patuakhali



Mercantile Bank distributed winter clothes among helpless cold-hit people of Baufal upzilla in Patuakhali. Bank's Vice Chairman A. S. M. Feroz Alam distributed winter clothes among helpless street and slum dwellers of the Baufal upazilla on three consecutive days from December 12, 2022 to January 01, 2023 at various Unions of the Upazilla. The winter clothes are distributed in Baufal, Kalaiya, Boga, Daspara, Nazirpur

and Madanpura Unions along with other neighboring areas of Banufal. Baufal Upazilla Chairman Abdul Motaleb Howladar, Baufal Union Chairman Md. Zahidul Islam, Daspara Union Chairman ANM Zahangir Hossain, Nazirpur Union Chairman SM Mohsin, Madampura Union Chairman Md. Golam Mostofa and renowned business person of Kalaiya Rezaul Kamal Poltu were present on winter clothes distribution program.

MBL School Banking Campaign



Silver Bells Kindergarten and Girls' High School at Halishahar, Chattogram organized by MBL Access Road Branch on November 14, 2022



Halishahar Begumjan High School at South Middle Halishahar, Bandar, Chattogram organized by MBL Chattogram EPZ Branch November 17, 2022



Wireless Jhautola Colony High School at Pahartoli, Khulshi, Chattogram organized by MBL Khulshi Branch on November 22, 2022



Noapara High School at Raozan, Chattogram organized by MBL Patherhat Branch on November 16, 2022



Shahid Abdul Ali Academy School at Reserve Bazar, Rangamati Sadar, Rangamati organized by MBL Rangamati Branch on November 21, 2022



Khan Shaheb Abdul Hakim High School at North Agrabad, Chattogram organized by MBL Sheik Mujib Road Branch on November 15, 2022

CHALLENGES AND PROSPECTS OF BANGLADESHI BANKING INDUSTRY IN THE YEAR 2023

Tapash Chandra Paul, PhD

Chief Financial Officer

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Just when the world was recovering from the Pandemic, Russian invasion of Ukraine has created more than a headache worldwide. Worldwide economy has slowed down quite a lot. All the developed and developing countries of the world have struggled with the rising inflation. Bangladesh has also not been spared. Thankfully, the country has been able to cope with the scenario better than most other countries under the leadership of Honorable Prime minister Sheikh Hasina. It is true that 2022 has been one of the toughest years for our country especially in the banking sector; but everyone is looking forward to 2023. Here are the summary of Challenges and prospects the Banking industry of Bangladesh are likely to face in the upcoming year.

Aspiring to be an upper middle-income country by 2031, Bangladesh is a spectacular success story of accelerated growth and development. Over the past decades of infrastructural improvement, ready-made garment exports, robust remittance inflows and resilient demographic dividend have created such unprecedented shifting to the economic development of the country. Bangladesh is ranked fifth out of 121 countries worldwide as per Nikkei's COVID-19 Recovery Index as of April 30, 2022, which is quite remarkable and shows how well the country has fared in this sector. It is clear

that recovery from COVID-19 continued in 2022. Bangladesh is experiencing a good comeback after pandemic alongside with current international uncertainty. Increase of external economic activities like export and import will open more investment opportunities. Economic resiliency of the last two years will be able to convince more foreign investment toward Bangladesh. Economy will boost further development.

The country is navigating some short-term tumults with rest of the world stemming largely from the global economic crisis as a result of the ongoing consequences of the COVID-19 pandemic, long lasting Russia-Ukraine war, international political power struggles and the volatility in the international energy market. Furthermore, until the 12th national parliamentary election, uncertainty among political group may arise. Despite the situation, this year might bring forth a lot of optimism for Bangladesh if it can grab all of the opportunities and utilize in the medium and long term prospect. In 2023, Stars will align for Bangladesh for a better year and the country may triumph over all challenges to bring the welfare of the people.

The world is expected to head for a recession. High inflation rate is likely to torment the lower and lower-middle

income population. They are going to lose a big segment of their savings due to less purchasing power. But fortunately, Bangladesh is in different situation from many facets. The readymade garment and textile sector of Bangladesh will see a year of possibilities in 2023. The external debt to gross domestic product (GDP) ratio for Bangladesh is not so high compared to other comparable economies. This is a positive indication for our economy.

Export of the Country has grown throughout 2022. The EPB data showed that in January to November 2022, total exports of Bangladesh grew 29.20% to \$41b. Soaring demand of ready-made garment items contribute export growth. In November 2022, export volume was more than \$5 billion which is the highest ever in a month.

First-ever metro rail was inaugurated in capital Dhaka on December 28, 2022 setting a milestone in the transportation history of Bangladesh. Prime Minister Sheikh Hasina said another feather was added to the crown of Bangladeshi pride and development with the opening of its first ever metro rail. New infrastructures bring new scope and opportunities and the country should take the advantage of it.

Covid pandemic has accelerated digital banking transformation that is taking place in the banking industry worldwide. It is an overall ecosystem, which includes digitalized ecosystem for augmentation in overall experience, speed, accuracy, and effortlessness for the front-end and back-end. Nowadays, service providing through the digital channels to all types of customers is much higher.

At the end of December 2022, some banks registered a 10-25% year-on-year increase in operating profits while some posted a decrease. Bank deposit in the country was increased by 6.68 percent in November 2022 over November 2021. On the other hand, bank credit was increased by 10.93 percent for the same period. To

enhance the banks' financial strength and shock absorbing capacity, recently the Bangladesh Bank has allowed banks to show the unrealized interests against the relaxed repayments of term loans in their profits.

According to the Financial Stability Report 2021, the banks and FIs of the country would remain moderately resilient to different shock scenarios. The statement shows that the stress test results indicate that loan concentration to top large borrowers and considerable level of NPLs in some banks could concern the overall financial stability. Proper corporate practice in following the guideline on large loan/single-borrower exposure would be helpful to reducing the risks on banks' exposure to large corporate or to speci-fic group, sector or region.

A full scale resumption of economy is positive indicator for banking industry to convey hope and opportunities for good business. However, the only uncertainty is how borrowers will behave in phasing out from the loan moratorium facility. But, Bangladesh Bank shows the glimmer of hope towards this industry through becoming supportive by relaxed monetary policy.

The Bangladesh economy has entered in 2023 with lot of macroeconomic challenges which are not encountered in recent decades. Depreciation of taka and softening of some commodity prices could improve terms of trade in the medium-term. Global ratings agency Moody's expects the energy crisis to exacerbate balance of payments and liquidity risks in the near-term. But we have our own internal assessments. The most important thing is to see the indications that the country is going to address its internal challenges and then move forward in order to achieve a higher sustained growth path. We need to be more strategic instead of worrying about the situations and choose to play the card wisely.

Political stability is an essential factor in economic development. The country set to hold general elections in January 2024, apprehensive investors will be cautious about making any moves at this time. To have a complete economic recovery, stable political situation should be ensured.

Exchange rates play a vital role in a country's level of trade, which is critical to most every free market economy in the world. Second half of 2022 has seen great volatility in the taka value against the US dollar, high informal market transactions and rates put 'Hundi' in command and resultantly, inward remittance dropped significantly. This year we expect govt. will take appropriate measures to keep foreign exchange market stable.

For the last few years, Bangladesh Bank's interest rates have been kept low to increase money flow towards the economy. But lower interest rate also exacerbates unhealthy competition among weak banks and financial institutions, further confusing the semi-educated depositors aspiring for inflation-adjusted earnings on savings tools. To attract the depositors, central bank should keep deposit interest rate in reasonable range.

Governance is something that is an issue in many countries across the board. For instance, in the financial system, it's important to make sure that there is legal predictability. Stable legal environment is essential to make sure the increase of both domestic and foreign investments inflow.

But any kind of crisis can be good, as it works like a wakeup call. Crises and deadlocks when they occur have at least this advantage that they force us to think. And crisis may also be an opportunity to resolve deep-seated issues, which under less difficult conditions may remain unsolved for a long time. Above all, Bangladesh has now the opportunity, in the context of both domestically and

internationally to move forward and advance on a number of things.

Bangladesh has a very significant opportunity to get more benefit from the international diversification of global supply chains due to cost advantages, location advantages and the US-China trade tensions and broader geopolitical issues in the region. The country ought to continue to diversify the economy and export sources and build important infrastructure, not only physical, but also digital. And in terms of the building of human capital, Bangladesh must address the short-term challenges of macroeconomic stabilization.

In order to moving forward the higher-income status, Bangladesh must keep improving the ease of doing business, employment creation, building a skilled labor force, strengthening economic governance, institutions and rule of law, continuing diversification of the economy and export sources and building both important physical and digital infrastructures and human capital. To achieve the vision, development priorities should include export diversification beyond the RMG sector, deepening the financial sector and strengthening public institutions to generate more domestic revenue.

For building resilience against future shocks, Bangladesh has to address its vulnerability to climate change and natural disasters. We have to achieve green growth to bring sustainable development for the next generation. We also require policy stability and for the government to continuously strive towards moving the entire ecosystem forward to create suitable business environment. Ultimately, it is the people who make the change by overcoming all obstacles and bring positive output. With all positive indicators, it is obvious that Bangladesh has the potential to become one of the stars in Asia.

BANGLADESH BANK CIRCULAR

DECEMBER 2022

ACD Circular

- ACD Circular No. 08, Date: 19.12.2022, Subject: Formulation of Bangladesh Bank Agricultural Development Common Fund (BBADCF)

BRPD Circular

- BRPD Circular Letter No. 54, Date: 22.12.2022, Subject: L/C Margin on Import Financing
- BRPD Circular Letter No. 53, Date: 22.12.2022, Subject: Transfer of interest to income account and maintaining provision against loans
- BRPD Circular Letter No. 52, Date: 21.12.2022, Subject: Regarding Loan Rescheduling and Restructuring
- BRPD Circular Letter No. 51, Date: 18.12.2022, Subject: Loan Classification
- BRPD Circular Letter No. 50, Date: 14.12.2022, Subject: L/C Margin for Import of Rice and Wheat
- BRPD Circular Letter No. 49, Date: 11.12.2022, Subject: L/C Margin on Import Financing
- BRPD Circular Letter No. 48, Date: 07.12.2022, Subject: Avoidance of High Expense for Luxurious Vehicles, Decoration and other Matters

DFIM Circular

- DFIM Circular Letter No. 27, Date: 21.12.2022, Subject: Loan/lease/investment classification of NBFIs
- DFIM Circular Letter No. 26, Date: 21.12.2022, Subject: Reduction of vehicle expenses and usage in NBFIs

DMD Circular

- DMD Circular No. 03, Date: 21.12.2022, Subject: Guidelines and Operating Procedures of Islamic Banks Liquidity Facility (IBLF)

DOS Circular

- DOS Circular Letter No. 40, Date: 27.12.2022, Subject: Instruction to take necessary measures to facilitate casting of vote by the voter employees of the related areas on 29th December 2022 for election of Union Parishads and Pourashavas.
- DOS Circular Letter No. 39, Date: 26.12.2022, Subject: Keeping scheduled bank branches closed in the election area on 27th December 2022 Tuesday for Election of Rangpur City Corporation.
- DOS Circular Letter No. 38, Date: 20.12.2022, Subject: Intermission of Banking Operations of Padma Bank Limited due to Migration to New Core Banking Software.
- DOS Circular Letter No. 37, Date: 19.12.2022, Subject: Time limit to bring down excess investment in Capital Market

FEPD Circular

- FEPD Circular Letter No. 47, Date: 29.12.2022, Subject: Regarding approved 'Open Position Limit'
- FEPD Circular Letter No. 46, Date: 26.12.2022, Subject: Power delegation to Bangladesh Bank under Section 23 of Sub-section (3) of Foreign Exchange Regulation Act, 1947 (Act No. VII of 1947)
- FEPD Circular No. 37, Date: 15.12.2022, Subject: Discount claims against export trade
- FEPD Circular No. 36, Date: 13.12.2022, Subject: Import transactions under usance terms
- FEPD Circular Letter No. 45, Date: 04.12.2022, Subject: Regarding Disbursement of Cash Incentive against Inward remittances earned by Armed Forces members from UN Mission

ISMD Circular

- ISMD Circular Letter No. 4, Date: 13.12.2022, Subject: Regarding Submission of Data to Integrated Supervision System (ISS).

PSD Circular

- PSD Circular No. 17, Date: 12.12.2022, Subject: Issuance of PSO (WLMA) License to

SFD Circular

- SFD Circular No. 07, Date: 07.12.2022, Subject: Green Transformation Fund (GTF) in Taka for export and manufacturing-oriented industries

SPA Circular

- SPA Circular Letter No. 02, Date: 12.12.2022, Subject: Purchase of fuel/oil in foreign exchange by Airlines/ Shipping lines or their agents in Bangladesh.

MBL CIRCULAR

DECEMBER 2022

Instruction Circular

- Circular No. 2977 , Date: 29.12.2022, Subject: Revised Interest/Profit rate of Super Munafa Amanat Prokalpa/Mudaraba Super Munafa Amanat Prokalpa.
- Circular No. 2976 , Date: 29.12.2022, Subject: Introducing new product in the name of MBL Kotipoti Monthly Savings Scheme.
- Circular No. 2975, Date: 29.12.2022, Subject: বৈদেশিক মুদ্রায় ডিমান্ড ড্রাফট (এফডিডি) ইস্যু বন্ধ করা প্রসঙ্গে।
- Circular No. 2974, Date: 28.12.2022, Subject: ২৯ ডিসেম্বর ২০২২ এ বিভিন্ন এলাকায় ইউনিয়ন পরিষদ ও পৌরসভার নির্বাচন উপলক্ষে সংশ্লিষ্ট নির্বাচনী এলাকায় ভোটকেন্দ্র হিসেবে ব্যবহৃতব্য স্থাপনায় অবস্থিত ব্যাংকের শাখা/উপশাখা বন্ধ রাখা এবং ভোটারদের ভোটাধিকার প্রয়োগের সুযোগ দানের প্রয়োজনীয় ব্যবস্থা গ্রহণ প্রসঙ্গে।
- Circular No. 2973, Date: 27.12.2022, Subject: ২৮ ডিসেম্বর ২০২২ তারিখ মেটোরেল উদ্বোধন অনুষ্ঠান নির্বিঘ্ন ও সুচারুভাবে সম্পাদনের লক্ষ্যে মেটোরেল সংলগ্ন দুই পাশে অবস্থিত ব্যাংক ও এটিএম বুথ বন্ধ রাখা প্রসঙ্গে।
- Circular No. 2972 , Date: 27.12.2022, Subject: Digital Greeting Card of “Happy New Year-2023”
- Circular No. 2971 , Date: 26.12.2022, Subject: বিআরপিডি সার্কুলার নং-১৪/২০২২ এবং বিআরপিডি সার্কুলার লেটার নং- ৫১/২০২২ এর আওতায় সুবিধাপ্রাপ্ত ঋণের উপর আরোপিত সুদ আয়খাতে স্থানান্তরকরণ এবং উক্ত ঋণের বিপরীতে প্রভিশন সংরক্ষণ প্রসঙ্গে।
- Circular No. 2970 , Date: 26.12.2022, Subject: রংপুর সিটি কর্পোরেশনের নির্বাচন উপলক্ষে ২৭ ডিসেম্বর ২০২২ তারিখ সাধারণ ছুটি প্রসঙ্গে।
- Circular No. 2969, Date: 22.12.2022, Subject: ঋণ শ্রেণিকরণ প্রসঙ্গে বিআরপিডি সার্কুলার লেটার নং-৫১ তারিখঃ ১৮ ডিসেম্বর ২০২২।
- Circular No. 2968 , Date: 22.12.2022, Subject: ঋণ পুনঃতফসিলিকরণ ও পুনঃগঠন সংক্রান্ত মাস্টার সার্কুলার বিআরপিডি সার্কুলার লেটার নং-৫২ তারিখ ২১.১২.২০২২ প্রসঙ্গে।
- Circular No. 2967, Date: 14.12.2022, Subject: Commencement of Remittance business with Al Fardan Exchange LLC, UAE
- Circular No. 2966 , Date: 11.12.2022, Subject: ব্যাংকের পরিচালনা পর্ষদ এর অডিট কমিটির ২১৬তম সভার সিদ্ধান্ত ও নির্দেশনা সমূহের পরিপালন ও বাস্তবায়ন প্রসঙ্গে।
- Circular No. 2965, Date:08.12.2022, Subject: Regarding reversal of Expired Bank Guarantee issued by different Branches of the Bank.
- Circular No. 2964, Date: 06.12.2022, Subject: হিসাব সংক্রান্ত সরবরাহ প্রসঙ্গে।
- Circular No. 2963, Date:05.12.2022, Subject: Circulation of “Money Laundering & Terrorist Financing Risk Management Policy (Revised) 2022” of our Bank for meticulous compliance
- Circular No.2962 , Date:03.12.2022, Subject: ANNUAL CLOSING OF ACCOUNTS AS ON 31ST DECEMBER, 2022
- Circular No. 2961, Date: 04.12.2022, Subject: MBL Staff Personal Loan
- Circular No. 2960, Date: 04.12.2022, Subject: Latest Instructions of BAFEDA and ABB regarding implementation of uniform USD/BDT exchange rates in foreign exchange dealings w.e.f. 04.12.2022

Information Circular

- Circular No. 1919 , Date: 29.12.2022, Subject: Extension of the validity for reduction of Fund Transfer & Cheque Processing fee from 1% to 0.75% for further 1 year; up to 31st December 2023
- Circular No. 1918, Date: 29.12.2022, Subject: Introducing Reward Points for Mercantile Bank Platinum & Signature Credit Cardholders
- Circular No. 1914 , Date: 20.12.2022, Subject: নতুন কোর ব্যাংকিং সফটওয়্যারে মাইগ্রেশন কার্য সম্পাদন করার উদ্দেশ্যে পদ্মা ব্যাংক লিমিটেড -এর ব্যাংকিং লেনদেনে সাময়িক বিরতি প্রসঙ্গে

- Circular No. 1913, Date: 20.12.2022, Subject: Credit Shield Insurance Program for Mercantile Bank Credit Cardholders.
- Circular No. 1910 , Date: 11.12.2022, Subject: Information Regarding Changes of Head Office address of Export Import Bank of Bangladesh Limited (EXIM Bank Limited).

International Division (ID) Circular

- Circular No. 126 , Date: 28.12.2022, Subject: Foreign Exchange Regulation Act, 1947 (Act No. VII of 1947) এর Section 23 এর Sub-section (3) এর অধীন বাংলাদেশ ব্যাংকের অনুকূলে কার্য নির্বাহের ক্ষমতা প্রদান প্রসঙ্গে।
- Circular No. 125, Date: 27.12.2022, Subject: আমদানি ঋণপত্র স্থাপনের ক্ষেত্রে নগদ মার্জিন সংরক্ষণ প্রসঙ্গে।
- Circular No. 124 , Date: 18.12.2022, Subject: Discount claims against export trade
- Circular No. 123, Date: 15.12.2022, Subject: চাল ও গম আমদানি ঋণপত্র স্থাপনের ক্ষেত্রে নগদ মার্জিন সংরক্ষণ প্রসঙ্গে
- Circular No. 122, Date: 13.12.2022, Subject: Import transactions under usance terms.
- Circular No. 121 , Date: 12.12.2022, Subject: জাতিসংঘ শান্তিরক্ষা মিশন হতে সশস্ত্র বাহিনী সদস্যদের অর্জিত র‍্যামিট্যান্স এর বিপরীতে নগদ সহায়তা প্রদান
- Circular No. 120, Date: 11.12.2022, Subject: আমদানি ঋণপত্র স্থাপনের ক্ষেত্রে নগদ মার্জিন সংরক্ষণ প্রসঙ্গে
- Circular No. 119, Date:07.12.2022, Subject: রপ্তানি নীতি ২০২১-২০২৪ এর পরিশিষ্ট-২ (শর্ত সাপেক্ষে রপ্তানি মূল্য তালিকা) হতে ক্রমিক নং ১১.১৭ এ বর্ণিত “কাঁচা পাট” খাত-কে অব্যাহতি প্রদান প্রসঙ্গে
- Circular No. 118, Date: 07.12.2022, Subject: Bangladesh Bank’s transaction with Authorized Dealers.
- Circular No. 117, Date:07.12.2022, Subject: অবৈধ মানিচেন্সার/ এক্সচেঞ্জ কার্যক্রম বন্ধকরণ প্রসঙ্গে।

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