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Chief Financial Officer
The first month of the third quarter for the year 2023, July came to a conclusion. For the world economy, this month was a mixed bag. Bangladesh’s month has been the same as well. Country’s ongoing digitalization efforts are still bringing the country closer to its 2041 goal. Bangladesh Bank has also already issued a number of directives encouraging the adoption of digital banking.

Due to the uncertainty of the world economy and the conflict in the Ukraine and Russia, Bangladesh is currently dealing with a variety of economic issues, including rising inflation and balance of payments pressures. Point-to-point inflation in Bangladesh increased dramatically when compared to June 2022, reaching 9.74%. People’s ability to purchase goods and rates of saving are decreasing as a result of growing inflation. In significant part, the banking industry is under pressure. During this time, Standard & Poor’s Global Ratings altered Bangladesh’s long-term credit outlook from stable, sitting liquidity risks to negative. Since national elections are also expected for Bangladesh in January 2024, political unpredictability may have an impact on market sentiment.

Bangladesh, however, has an extensive track record of development and expansion during times of rising global unpredictability. Our Country has, consequently, up till now kept its level unchanged. The country’s population currently earns $2,793 per year, which is still more than the amount of debt incurred per person.

The aforementioned national and international issues are covered in this volume along with notable MBL news.

Tapash Chandra Paul, PhD
Chief Financial Officer
Email: Tapchpaul@gmail.com
MBL PERFORMANCE
JUNE 2023

Deposit

<table>
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Yield on Advances

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<th>Dec-22</th>
<th>Mar-23</th>
<th>June-23</th>
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<tbody>
<tr>
<td>Rate</td>
<td>7.00%</td>
<td>6.94%</td>
<td>6.97%</td>
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Spread

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<tr>
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<th>Mar-23</th>
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<tbody>
<tr>
<td>Rate</td>
<td>2.37%</td>
<td>2.29%</td>
<td>2.29%</td>
<td>1.72%</td>
<td>1.48%</td>
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Economic growth shows near term resilience amid persistent challenges

The global economy continues to gradually recover from the pandemic and Russia’s invasion of Ukraine. In the near term, the signs of progress are undeniable. The COVID-19 health crisis is officially over, and supply-chain disruptions have returned to pre-pandemic levels. Economic activity in the first quarter of the year proved resilient, despite the challenging environment, amid surprisingly strong labor markets. Energy and food prices have come down sharply from their war-induced peaks, allowing global inflation pressures to ease faster than expected. And financial instability following the March banking turmoil remains contained thanks to forceful action by the US and Swiss authorities.

The global tightening of monetary policy has brought policy rates into contractionary territory. This has started to weigh on activity, slowing the growth of credit to the non-financial sector, increasing households’ and firms’ interest payments, and putting pressure on real estate markets.

Core inflation, which excludes energy and food prices, remains well above central banks’ targets, and is expected to decline gradually from 6 percent this year to 4.7 percent in 2024, a 0.4 percentage points upward revision. More worrisome, core inflation in advanced economies is expected to remain unchanged at a 5.1 percent annual average rate this year, before declining to 3.1 percent in 2024. Clearly, the battle against inflation is not yet won.

Labor markets remain a particularly bright spot, with unemployment rates below, and employment levels above, their pre-COVID levels in many economies. Overall wage inflation has increased but remains behind price inflation in most countries. The reason is simple and has little to do with so-called “greedflation”: prices adjust upward faster than wages when nominal demand far exceeds what the economy can produce. As a result, real wages have declined, by about 3.8 percent between the first quarter of 2022 and 2023 for advanced and large emerging market economies.
World Economic Outlook Growth Projections

PROJECTIONS
(Real GDP, annual percent change) 2022 2023 2024
World Output 3.5 3.0 3.0
Advanced Economies 2.7 1.5 1.4
United States 2.1 1.8 1.0
Euro Area 3.5 0.9 1.5
Germany 1.8 -0.3 1.3
France 2.5 0.8 1.3
Italy 3.7 1.1 0.9
Spain 5.5 2.5 2.0
Japan 1.0 1.4 1.0
United Kingdom 4.1 0.4 1.0
Canada 3.4 1.7 1.4
Other Advanced Economies 2.7 2.0 2.3
Emerging Market and Developing Economies 4.0 4.0 4.1
Emerging and Developing Asia 4.5 5.3 5.0
China 3.0 5.2 4.5
India 7.2 6.1 6.3
Emerging and Developing Europe 0.8 1.8 2.2
Russia -2.1 15.1 13.0
Latin America and the Caribbean 3.9 1.9 2.2
Brazil 2.9 2.1 1.2
Mexico 3.0 2.6 1.5
Middle East and Central Asia 5.4 2.5 3.2
Saudi Arabia 8.7 1.9 2.8
Sub-Saharan Africa 3.9 3.5 4.1
Nigeria 3.3 3.2 3.0
South Africa 1.9 0.3 1.7
Memorandum Emerging Market and Middle-Income Economies 3.9 3.9 3.9
Low-Income Developing Countries 5.0 4.5 5.2

Financial markets appear sanguine

Since the April 2023 Global Financial Stability Report, central banks have communicated that they could need to tighten monetary policy further. Even as yield curves remain inverted and recession concerns are prominent, financial conditions have mostly eased. A rally in the technology sector and higher equity prices, undoing some of the disinflationary impulses from tighter monetary policy, has supported this easing. In such circumstances, upside surprises to inflation could cause a sudden, sharp repricing of financial assets.

Headline inflation
Inflation is coming down, but the pace of disinflation is slowing.
(world project year-on-year)

Slowing Convergence
The outlook for income per capita growth has dimmed most for middle- and low-income economies in recent years.

Five-year ahead per capita GDP growth
(PPP-GDP weighted averages; percentage points)

Financial Condition Index (Standard Deviations from the Mean)

Sources: Bloomberg Finance L.P., Haver Analytics, National Data Sources and IMF Staff Calculations
Concerns about the banking sector have eased

Immediate concerns about the banking sector have eased, but growth in bank loans in advanced economies has slowed, and high interest rates will likely lead to tighter credit conditions. The shift of deposits in the United States from regional to large banks and money market funds has subsided, but a tighter monetary environment continues to challenge banks and nonbank financial intermediaries.

In the euro area, mandatory repayments of loans from targeted longer-term refinancing operations are confronting banks that had relied on this source of funding, whereas in the United States, ongoing quantitative tightening and issuance of large amounts of Treasury bills after the recent debt ceiling episode could lead to further outflows from the banking system.

The quality of business borrowers’ credit is weakening as higher rates are starting to bite, raising credit costs, further curtailing bank lending, and slowing corporate debt issuance. Moreover, falling prices for commercial real estate—particularly office space—and residential property in many jurisdictions could add to pressures on indebted households and firms and weaken nonbank financial institutions exposed to vulnerable sectors.

(Ref: IMF, Global Financial Stability Update, July 2023)

Fed lifts rates to highest since 2001

The US Federal Reserve raised its benchmark lending rate to the highest level since 2001 to tackle above-target inflation, and signaled it could hike again later this year amid improving economic prospects. “Policy has not been restrictive enough for long enough to have its full desired effects,” Fed Chair Jerome Powell told reporters after the decision to lift interest rates by a quarter percentage-point was announced. The increase, after a brief pause in June, brings the Fed’s key lending rate to a range between 5.25 per cent and 5.5 percent.

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

Vietnamese apparel sector urged towards green production

Vietnamese textile and garment companies have been urged to shift to green production amid decreasing global orders. The shift towards green production chains is necessary for local firms to achieve sustainable development goals and counter the gradual loss of Vietnam’s cost advantage. In recent years, many local textile and garment enterprises have transformed to green production to meet the requirements of European importers. Despite slow progress, it is the best time for local enterprises to accelerate the transformation, Vu Duc Giang, chairman of the Vietnam Textile and Apparel Association said.

(Ref: https://thefinancialexpress.com.bd/)
Crisis-hit Sri Lanka invites Japan to resume investment

Sri Lanka invited Japan to resume investment in projects including power, roads and ports as the Japanese foreign minister wrapped up the first high-level visit to the crisis-hit country in nearly four years. The South Asian island nation is working to restructure its massive debt to continue a $2.9 billion bailout from the International Monetary Fund, after its worst financial crisis in more than seven decades last year triggered default and the resignation of its president.

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

Bolivia is latest South American nation to use yuan for trade

Bolivia is now using the yuan to pay for imports and exports, becoming the latest country in South America to regularly use the Chinese currency in a small but growing challenge to the hegemony of the U.S. dollar for international financial transactions in the region. Between May and July of this year, Bolivia conducted financial operations amounting to 278 million Chinese yuan ($38.7 million), which accounts for 10% of its foreign trade during that period, Economy Minister Marcelo Montenegro.

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

India’s forex reserves top $600b

India’s foreign exchange reserves rose for a third straight week to total $609.02 billion as of Jul 14, the highest in nearly 15 months, data from the central bank showed, reports Reuters. A major portion of the week-on-week jump in forex reserves is driven by revaluation gains due to dollar weakness and reduction in US Treasury yields. The changes in foreign currency assets, expressed in dollar terms, include the effects of appreciation or depreciation of other currencies held in the Reserve Bank of India’s (RBI) reserves. The current level of forex reserves, along with the RBI’s forward foreign exchange book of $19.3 billion, is enough to cover over 11 months of imports, Reuters’ calculations showed.

(Ref: https://thefinancialexpress.com.bd/)
Prospects for medium-term global growth weak, says IMF chief

Global economic activity is slowing, especially in the manufacturing sector, and medium-term growth prospects remain weak, the chief of the International Monetary Fund told financial leaders of the Group of 20 nations. IMF chief Kristalina Georgieva, speaking to G20 finance ministers and central bank governors in the western Indian state of Gujarat, said divergence in countries’ economic fortunes was a persistent concern. Inflation was finally trending downward, she said, though “headline inflation is still too high and core inflation remains sticky despite the significant monetary policy tightening.”

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

World factory activity shrinks

Global factory activity took a further turn for the worse in July, private surveys showed, a sign slowing growth and weakness in China were taking a toll on the world economy. The downturn highlights the dilemma for policymakers who embarked on aggressive tightening cycles in a battle to keep inflation at bay and yet also need to try and forestall potential recessions. A Purchasing Managers’ Index (PMI) covering the euro zone as a whole showed manufacturing activity contracted in July at the fastest pace since Covid was cementing its grip on the world as demand slumped despite factories cutting their prices sharply. There was considerable weakness in Germany, Europe’s largest economy, while France and Italy, the second- and third-largest euro zone economies, also recorded marked deteriorations since June.

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

China’s pitch to foreign investors falls flat

China is struggling to revive foreign investment in its financially battered cities and provinces as foreign firms remain wary of political risks and new incentives fall far short of sweeteners once used to attract overseas money. With their coffers depleted after an economically bruising pandemic and property crisis, local authorities have been racing to find new revenue sources, with foreign investment particularly coveted. However, foreign industry executives and lobbyists say the incentives many local governments now offer are far less attractive than they were a decade ago, when companies could easily win subsidies or free land use and the regulatory environment seemed more predictable.

(Ref: https://www.thedailystar.net/)
Australia appoints first female head of its central bank

Australia has appointed the first female head of its central bank, passing over the current governor to elevate his deputy to the high-profile job amid a public backlash over steeply rising interest rate. Australian Treasurer Jim Chalmers and Prime Minister Anthony Albanese announced Michele Bullock would head the Reserve Bank of Australia (RBA) for the next seven years, having chosen not to reappoint Governor Philip Lowe for a second term, reports Reuters. “This is a history-making appointment,” Chalmers told reporters. “Michele Bullock will become the first woman to ever lead the Reserve Bank in this country.”

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

Japan inflation accelerates to 3.3% in June

Japan’s consumer prices rose 3.3 per cent year-on-year in June, with the pace of inflation accelerating from the 3.2 per cent recorded in May. Stripping out fresh food and energy, Japan’s prices rose 4.2 per cent, data published by the internal affairs ministry showed. “The current strong reading of CPI doesn’t mean the BoJ will make major policy changes,” Masamichi Adachi, economist at UBS Securities, told Bloomberg.

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

One in four UK single-parent households unable to afford food

More than a quarter of Britain’s single parent households have recently run out of food and been unable to afford more, according to a survey from the country’s statistics agency which highlights the impact of surging inflation. Out of nearly 15,000 households surveyed between Feb 8 and May 1, 5 per cent said they had run out of food in the previous two weeks and been unable to buy more, rising to 28 per cent for households with a single parent and at least one child, reports Reuters. Consumer price inflation hit a 41-year peak of 11.1 per cent in October 2022, and food price inflation reached its highest since 1977 in March at more than 19 per cent.

(Ref: https://thefinancialexpress.com.bd/)
Ukraine war, pandemic, cost-of-living crisis push extra 165m people into poverty: UN

A United Nations agency urged global finance ministers to give poor countries debt repayment breaks, estimating the COVID-19 pandemic and subsequent surge in inflation and borrowing costs had pushed an extra 165 million people into poverty. The UN Development Programme said the jump meant more than 20 per cent of the world’s population - around 1.65 billion people - were now living on less than $3.65 a day and struggling to put food on the table, reports Reuters.

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

United Nations Development Programme (UNDP) Administrator Achim Steiner

Sources:
2. https://goldprice.org/
Bangladesh economy now faces two critical challenges stemming from rising inflation and exchange-rate pressure. The country’s economy raises hope to maintain growth momentum in a pandemic-free environment on grounds of stabilized global commodity prices. Bangladesh Bank has introduced several key measures to stabilize prices and exchange rates. These include implementing an interest-rate-corridor system, withdrawing lending rate caps, and adopting a market-driven single exchange-rate regime. In response to the demand-supply gap on the foreign-exchange market, Bangladesh Bank addressed the situation by selling foreign currencies and allowing depreciation, resulting in a decline in foreign-exchange reserves to $31.14 billion in March 2023.

(Ref: https://thefinancialexpress.com.bd/)
Bangladesh’s per capita debt Tk95,019: BB

Bangladesh’s domestic and external debt stands at around Tk16.14 lakh crore, according to the report of Bangladesh Bank (BB), as a result of which, the per capita debt of people stands at Tk95,019. But income is still higher than per capita debt. The current annual per capita income of the people of the country is $2,793, which is around Tk3.3 lakh in Bangladeshi currency. Though Bangladesh is still in a good position in terms of debt-GDP ratio compared to many countries in the world, a big portion of the national budget is spent on loan interest payments.

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

Merchandise export highest, yet misses annual target

Bangladesh bagged a record-high US$55.55-billion earning from merchandise export in the just-past fiscal year, riding on a double-digit growth for readymade garments, in a little relief amid forex crunch. Yet, the export growth of 6.67 per cent missed the annualized target by 4.21 per cent. The FY2022-23 target was $58 billion. In the fiscal 2021-22, the country earned US$52.08 billion, according to Export Promotion Bureau (EPB) data. According to the EPB data, single-month earnings in June 2023 stood at US$5.03 billion in a 2.51-percent growth over June 2022. In June 2022, export earnings were US$4.90 billion.

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

Export target for FY24

The government sets sights high on US$ 72 billion in export earnings in the current fiscal in an 11.52-percent annual growth, despite global financial jitters. Of the total turnover, merchandise export has been set at US$62 billion, 11.59-percent higher than immediate-past financial year’s achieved earnings worth US 55.56 billion. Some US$10 billion is eyed from services export in the current FY2023-24 on the back of an 11.11-percent growth over the achieved earnings of US$9.0 billion in the last fiscal.

(Ref: https://thefinancialexpress.com.bd/)
June remittance rises to $2.2b

Foreign-exchange inflows from expatriate Bangladeshis through formal channel amounted to about US$2.2 billion in June, as per official data, in a rise on the back of a festival binge. The remittance amount in a single month, ahead of the Eid-ul-Azha, is the highest in 35 months. Higher remittance receipt is a priority task of the government for repletion of the country’s stressed foreign-exchange reserves that hover around $30 billion by official count.

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

Workers’ outflow to Malaysia gets momentum

The outflow of workers to Malaysia has picked up in recent months amid allegations of charging much higher migration costs than the officially-fixed rate. Bangladesh sent 228,097 workers to the Southeast Asian country in the fiscal year (FY) 2022-23. Of the total, 178,086 workers went during the second half of the last fiscal. Bangladeshis working in Malaysia sent remittances worth US$1.12 billion home in the FY 2022-23 and $1.02 billion in the FY 2021-22, Bangladesh Bank statistics showed.

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

Non-traditional products that are driving exports alongside RMG

Apart from garment items, some non-traditional products played a vital role in gaining export earnings for Bangladesh even amid the global economic slowdown in the previous fiscal year. In fiscal 2022-23, Bangladesh earned $55.55 billion from merchandise shipments, registering year-on-year growth of 6.67 per cent, according to the Export Promotion Bureau (EPB). Some non-traditional items displayed strong performances in the same period.

(Ref: https://thedailystar.net/)
Apparel exports to EU, UK jump big in FY23

Bangladesh apparel exports saw a big jump in European markets in the fiscal 2022-23 despite the economic slowdown driven by the Russia-Ukraine war. Apparel exports grew by 9.93% year-on-year in the European Union countries to about $23.52 billion, while the earning was $21.40 billion in FY22, according to the Export Promotion Bureau (EPB). Besides, the UK market also saw 11.78% year-on-year growth to over $5 billion in FY23, while the earning was $4.50 billion in the previous fiscal. Exporters mentioned that the growth is due to an increase in exports of some high-value products and the high cost of raw materials and freight and forwarding.

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

Bangladesh-India trade thru local currencies opens

Cross-border trade between Bangladesh and India in their local currencies has been launched to skip the overheated US dollar amid reserves depletion. The bilateral move has a precedent as China has long before mooted cross-border interbank payment system (CIPS) in what is coined as ‘de-dollarization’ in economic parlance in the wake of the global trading-currency crunch. Under such an arrangement, local exporters will get local-currency taka and the Indian exporters get rupee or INR.

(Ref: https://today.thefinancialexpress.com.bd/)

### Bangladesh’s RMG Exports to Major Destinations

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**Growth**

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<tr>
<td>Spain</td>
<td>6.68%</td>
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<tr>
<td>France</td>
<td>2.39%</td>
<td>2.94%</td>
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<td>USA</td>
<td>9.01%</td>
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**Non-Traditional Markets**

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<td>Germany</td>
<td>11.0%</td>
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</tr>
<tr>
<td>Spain</td>
<td>1.60%</td>
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<tr>
<td>USA</td>
<td>0.72%</td>
<td>0.72%</td>
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<tr>
<td>India</td>
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**Bilateral Trade in FY ’22**

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<tr>
<th>(BILLION US$)</th>
<th>Bangladesh’s Imports</th>
<th>Bangladesh’s Exports</th>
<th>Trade Deficit</th>
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<tbody>
<tr>
<td>Total Volume</td>
<td>15.69</td>
<td>13.69</td>
<td>2.00</td>
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</table>
| BDT-INR exchange rate to be market-based with USD as a reference rate

Businesses are expected to save 1.0% in exchange rate.
Information technology exports from Bangladesh grew in the July-April period of the just-concluded fiscal year on the bank of higher demand for IT-enabled services from global clients. Local IT companies saw their earnings jump by 24.60 per cent year-on-year to $460 million in the first 10 months of 2022-23, according to the Export Promotion Bureau (EPB). The higher earnings were driven by ITESs, which include graphic design, image editing and business process outsourcing. Receipts from ITES shipments surged 37.57 per cent to $382.31 million.

In fiscal 2012-13, Bangladesh received US$27.02 billion, and out of the amount, RMG’s share was 79.61 per cent or US$21.51 billion while share of non-RMG goods was 20.39 per cent or US$5.51 billion.

Readymade garment industry accounted for an overwhelming 84.59 per cent of the country’s total export earnings worth US$55.55 billion in the just-concluded fiscal year of 2022-23. On the other hand, contribution from non-RMG sectors, including leather and leather goods, jute and jute goods, agricultural products, frozen and live fishes and engineering products, plastic, pharmaceuticals, specialized textiles and home textiles, stood at a peanut 15.41 per cent in the last fiscal. Out of the $55.55 billion worth of export earnings, RMG earned US$46.99 billion and non-RMG sectors US$8.56 billion.

The number of unemployed people in Bangladesh decreased by 3.47 percent or 90,000 in the April-June quarter compared to the previous quarter this year, according to data of the Bangladesh Bureau of Statistics (BBS). Bangladesh had 25.9 lakh unemployed people in the January-March quarter of 2023, which came down to 25 lakh in the April-June quarter. Moreover, the April-June quarter’s number is also 2.34 percent lower than the same period of the previous year’s 25.6 lakh, according to the second quarterly Labour Force Survey 2023 of BBS. The number of unemployed men decreased by 2.34 percent to 16.7 lakh in the April-June quarter of 2023 compared to the previous three months. At the same time, the number of unemployed female decreased by 5.68 percent to 8.3 lakh.
The Consumers Association of Bangladesh (CAB) said that faulty bank interest policy is the key factor behind the skyrocketing inflation in the country, which is weighing heavily on ordinary people. The observations were made at a press conference titled “Skyrocketing Trend of Essential Commodities and Remedies,” organised by the CAB at the National Press Club in Dhaka. The paper said that inflation has declined to a two-year low of 4.7 per cent in neighbouring India, while it is 6.1 per cent in the eurozone, 2.43 per cent in Vietnam, 4.3 per cent in Indonesia and 3.4 per cent in Malaysia in the same period.

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

Apparel exports of Bangladesh to America recorded a notable fall during the first five months of 2023, as global economic slowdown, inflation and US rate rises continued to dampen demand. Bangladesh’s readymade garment exports fetched $3.30 billion during the past January-May from the single-largest export destination, marking a 19.16-percent fall, according to the data released on July 06 by OTEXA, an affiliate of the US Department of Commerce.

(Ref: https://thefinancialexpress.com.bd/)
Five developed nations have continued to account for more than half of Bangladesh’s export earnings, highlighting the country’s narrow market base and the vulnerability it faces. The five countries -- the United States, Germany, the United Kingdom, Spain and France -- sourced products worth $29 billion in the last fiscal year of 2022-23, making up more than 52 percent of Bangladesh’s annual receipts of $55.56 billion, data from the Export Promotion Bureau showed. The five countries have been the top export destinations for Bangladesh for at least one decade, with their purchases making up about 50 per cent of the country’s export receipts on average.

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

The government – in a bid to meet the budget deficit – borrowed a record Tk 1,24,123 crore from the banking sector during the just concluded fiscal year. Of the amount, it borrowed 80 percent form the central bank and the rest 20 percent from commercial banks, as the latter have been facing a tight liquidity situation. The government had borrowed Tk 98,826 crore from the Bangladesh Bank and rest Tk 25,296 crore from commercial banks. A central bank senior official said, “The government borrowed higher amounts from the central bank as commercial banks have been facing a severe liquidity crisis due mainly to the volatility in the foreign exchange market.”

(Ref: https://businesspostbd.com/)

Govt bank borrowing hits record Tk1,24,123cr

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>34,587</td>
<td>72,246</td>
<td>68,652</td>
<td>26,078</td>
<td>1,24,123</td>
</tr>
</tbody>
</table>

Source: BB

Broad money up 10.48pc in June

The broad money (M2) in Bangladesh has recorded a 10.48-percent growth (y-o-y) at the end of June 2023 over the same period a year back. This type of money, defined as the sum of currency outside banks and demand deposits plus time deposits accepted by other deposit corporations, was 9.46 per cent at the end of May last of this year.

- This rise is due to an increase in the net domestic asset (NDA) following sale of dollars to banks.
- The net foreign asset (NFA) of Bangladesh has dropped, as it has sold dollars to the market.
- Reserve money, which is also called high-powered money, has been expanding - leading to surge in broad money.
- Reserve money has been rising against the backdrop of the government’s borrowing from the BB.

<table>
<thead>
<tr>
<th>Items (Tk. in crore)</th>
<th>June, 2021</th>
<th>June, 2022</th>
<th>June, 2023</th>
<th>Percentage change FY2022-23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserve Money (RM)</td>
<td>348,071.80</td>
<td>347,162.10</td>
<td>383,585.20</td>
<td>10.49</td>
</tr>
<tr>
<td>Broad Money (M2)</td>
<td>15,60,895.20</td>
<td>17,08,122.50</td>
<td>18,87,174.00</td>
<td>10.48</td>
</tr>
</tbody>
</table>

Source: BB, July 2023

(Ref: https://thefinancialexpress.com.bd)
# Bangladesh Economy

## At a Glance

<table>
<thead>
<tr>
<th>Population (In million)</th>
<th>Total Labor Force (Crore)</th>
<th>Literacy Rate (7+ years)</th>
<th>Incidence of Poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>169.83 (Census, 2022)</td>
<td>7.34 (Labor Force Survey, 2022)</td>
<td>76.4% (2021)</td>
<td>18.7% (2022)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>GDP at Current Price</th>
<th>GDP Growth Rate</th>
<th>Per Capita National Income (In US$)</th>
<th>Inflation Rate (12 Month Average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>44,39,273 (2022-23P)</td>
<td>6.03% (FY2022-23)</td>
<td>2,765 (2022-23P)</td>
<td>9.02% (June, 2022)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2,199.01 (June, 2023P)</td>
<td>6,332.52 (26 July, 2023)</td>
<td>18,710.32 (26 July, 2023)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Foreign Exchange Reserve (In million US$)</th>
<th>Tax Revenue (NBR) (Tk in Crore)</th>
<th>Reserve Money (RM) (Tk in Crore)</th>
<th>Broad Money (M2) (Tk in Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>29,685.36 (26 July, 2023)</td>
<td>25,164.17 (April, 2023)</td>
<td>383,585.20 (June, 2023)</td>
<td>18,87,174.00 (June, 2023)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Import (f.o.b) (In million US$)</th>
<th>Export (EPB) (In million US$)</th>
<th>Current Account Balance (In million US$)</th>
<th>Domestic Credit (Tk in Crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,984 (May, 2023)</td>
<td>5,031.53 (June, 2023)</td>
<td>-4,508.0 (July-May, FY23)</td>
<td>19,26,750.40 (June, 2023)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gross External Debt</th>
<th>LC Opening and Settlement (In Million USD)</th>
<th>Classified Loan (%)</th>
<th>Call Money Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>95,712.78 (Mar, 2023)</td>
<td>62,401.71 and 67,365.54 (Jul-May, FY23)</td>
<td>8.80 (March 2023)</td>
<td>6.33 (26 July, 2023)</td>
</tr>
</tbody>
</table>
Bank chairmen can now serve on both banks’ foundations, foreign entities

Chairmen of banks’ boards of directors and subsidiary committees can now serve on the boards of directors of bank-owned foreign exchange houses, money transfer operators and finance companies abroad as well as bank-financed foundations within the country, the Bangladesh Bank said in a circular. Earlier in May 2022, a central bank directive stated that the chairman of a bank’s executive committee, audit committee, or risk management committee, if they are the chairman or board member of the bank, could not be the director of any company or foundation formed and managed by the bank.

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

Bangladesh Bank introduces ‘market-based’ dollar exchange rate

Bangladesh Bank (BB) has introduced a ‘market-based’ US dollar exchange rate, setting a cap on the maximum rate for the first half of the new fiscal year 2023-24. The central bank is selling dollars to commercial banks at Tk 108.85 per dollar, increasing Tk2.85 from the previous rate, reports UNB. The price of dollars in interbank transactions has also been fixed at a maximum of Tk 109.

However, the foreign exchange market is still volatile and banks are selling US dollars at different rates to clients on July 4, 2023. Importers paid Tk 112 per dollar for LCs, which is against the competitive exchange rate formula.

(Ref: https://thefinancialexpress.com.bd/)
Bangladesh Bank to remove damaged, torn notes from market

The clean note policy has been formulated to quickly retrieve and destroy such notes from the market and replace them with new ones to increase security, acceptability and improve the overall condition of notes in circulation. According to Section-28 of the Bangladesh Bank Order, 1972, circulation of clean notes in the market is one of the responsibilities of the bank. The section states that the bank shall not reissue torn, mutilated or excessively soiled notes. To achieve this objective, the Bangladesh Bank formulates various policies or procedures from time to time. As per such policy and procedure, the old, perishable and ineligible notes in circulation are duly destroyed and replaced with new notes.

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

Banks can now reschedule default loans of cold storages

Banks would be able to reschedule default loans of cold storages that preserve perishable crops, mainly potatoes, Bangladesh Bank (BB) said. In a circular, the banking regulator said banks can allow cold storages to repay default loans in a maximum of 10 years with a year of grace period, a move that comes following demands from cold storages’ association. The BB said the interest will be charged on the principal amount as per the rule and the borrowers will have to clear an instalment in every six months. The central bank has directed the borrowers to realise the principal amount after the end of the one-year grace period and later the interest kept in the blocked accounts.

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

BB eases diploma requirements for bankers’ promotion

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

BB can now initiate forced merger of banks

The banking regulator has been vested with the power in the newly amended Bank Company Act 2023, according to a gazette notification published by the central bank. The Bangladesh Bank will be able to initiate forced mergers of any bank if the board of directors and management are found to be involved in activities that go against the depositors’ interest.

In the amended act, the central bank has also been endowed with the authority to reconstruct the board of state-owned banks and inspect bank transactions of public organisations. Besides, any subsidiaries and other organisations formed with bank money have been brought under the direct control and monitoring power of Bangladesh Bank, according to the published gazette.

(Ref: https://www.tbsnews.net)
Financial Intelligence Unit warns banks against buying remittance dollars at higher rates

The Bangladesh Financial Intelligence Unit has issued a warning to all banks, cautioning them against collecting remittances at rates higher than the prescribed rate. The prescribed rate for banks to collect remittances is determined by the Bangladesh Foreign Exchange Dealers’ Association (Bafeda) and the Association of Bankers, Bangladesh (ABB). According to the latest decision, banks are required to collect remittances at a maximum rate of Tk108.50. The central bank has repeatedly emphasised that all banks must adhere to this rate. Furthermore, Bafeda and the ABB have set a rule that no more than Tk109 can be charged for selling dollars.

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

MFS transactions exceed Tk1 lakh crore for 3rd consecutive month

For the first time since mobile financial services (MFS) were launched in the country in 2011, monthly transactions through these services have crossed Tk1 Lakh crore for three consecutive months – from March to May this year. Currently, there are 13 banks offering mobile financial services in the country such as bKash, Rocket, UKash, MyCash and SureCash. According to the central bank data, transactions involving Tk1.08 lakh crore were made using mobile financial services in May this year. Around Tk76,000 crore were traded through these service providers in May last year, around 42% lower compared to the same month of this year.

(Ref: https://www.tbsnews.net/)
Overdue farm credit rises 10.75% in April

Overdue agricultural credit stood at Tk6,950 crore at the end of April this year, up by 10.75% from Tk6,274 crore at the end of April 2022. The credit as a percentage of outstanding balance was 13.45% at the end of April 2023 and 12.74% at the end of April 2022, according to Bangladesh Bank data. However, the outstanding balance of agricultural credit increased by nearly 5% to nearly Tk2,400 crore in just a year, till April. The data said that at the end of April 2023, the outstanding balance of agricultural credit including interest stood at Tk51,660 crore.

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

LC opening slumped 26% in FY23

Bangladesh’s imports fell sharply in the immediate past fiscal year as reflected by the slide in the opening of letters of credit (LCs) driven by a shortage of US dollars and restrictions on the purchase of non-essential items from external sources. Private and public entities opened LCs of $69.36 billion in 2022-23, down 26 percent year-on-year. The LC opening for the import of industrial raw materials slumped 30 percent to $21.17 billion. The ratio of decline was 24 per cent for intermediate goods. Overall, businesses opened 18 percent lower LCs at $7.14 billion in July-May.

(Ref: https://www.thedailystar.net/)
The interest cost of short-term foreign debt in the private sector has reached an unprecedented level due to a surge in international interest rates and mounting pressure from businessmen. The interest cost of short-term foreign debt in the private sector has reached an unprecedented level due to a surge in international interest rates and mounting pressure from businessmen. According to data from the central bank, between January and May this year, principal and interest payments amounted to $14.15 billion. Out of this, the principal payment accounted for $13.84 billion, while the interest payment stood at $308 million.

According to the central bank’s regulations, foreign loans require the payment of the maximum Secured Overnight Financing Rate (SOFR) plus 3% interest. Currently, SOFR stands at over 5%, while it was below 1% at one point. Consequently, the international market’s interest rates have risen significantly, resulting in increased interest payments.

(Ref: https://www.tbsnews.net)
Savers withdraw Tk3,296cr more than they invested in savings tools in FY23

In fiscal 2022-23, savers took out Tk3,296 crore more from savings certificates than they invested, indicating a declining interest in these instruments due to changes in government policies and the impact of soaring inflation. Data from the central bank revealed that customers purchased new savings certificates worth Tk80,859 crore during the just concluded fiscal year, while the government had to disburse Tk84,155 crore as the principal amount for savings certificates sold to customers.

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

### Banking Statistics Summary May 2023

#### Current Bank Deposit and Credit

<table>
<thead>
<tr>
<th>Items</th>
<th>May, 2023</th>
<th>May, 2022</th>
<th>Percentage Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits held in DMBs</td>
<td>1,56,34,997</td>
<td>1,43,69,448</td>
<td>8.81</td>
</tr>
<tr>
<td>Bank Credit</td>
<td>1,83,86,662</td>
<td>1,68,38,300</td>
<td>9.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Branch</th>
<th>ATM</th>
<th>POS</th>
<th>CDM</th>
<th>CRM</th>
</tr>
</thead>
<tbody>
<tr>
<td>11,182</td>
<td>13,658</td>
<td>106,816</td>
<td>683</td>
<td>3,211</td>
</tr>
</tbody>
</table>

#### Debit, Credit and Prepaid Cards

<table>
<thead>
<tr>
<th>Debit Cards</th>
<th>Credit Cards</th>
<th>Prepaid Cards</th>
<th>No. of Card Transaction</th>
<th>Card Transactions Amount (in TK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.72 Million</td>
<td>2.22 Million</td>
<td>4.04 Million</td>
<td>45.96 Million</td>
<td>421,212.88</td>
</tr>
</tbody>
</table>

#### Mobile Financial Services

<table>
<thead>
<tr>
<th>MFS Agent</th>
<th>MFS A/C No.</th>
<th>MFS A/C Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.57 Million</td>
<td>89.91</td>
<td>501.92</td>
</tr>
</tbody>
</table>

#### Agent Banking

<table>
<thead>
<tr>
<th>Agent Banking Agent</th>
<th>Agent Banking Outlet</th>
<th>Total No. of A/C</th>
<th>Deposit Balance</th>
<th>Agent Banking Transaction Number</th>
<th>Amount of Agent Banking Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,473</td>
<td>15,473</td>
<td>19.64 Million</td>
<td>TK324,065.25 Million</td>
<td>15.28 Million</td>
<td>TK726,788.47 Million</td>
</tr>
</tbody>
</table>

#### School Banking

<table>
<thead>
<tr>
<th>3.86 Million</th>
<th>TK22,288.45 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Banking A/C</td>
<td>Deposit Balance</td>
</tr>
</tbody>
</table>
## MICR, Non-MICR and RTGS Transaction Number

<table>
<thead>
<tr>
<th>Category</th>
<th>MICR+Non-MICR Cheque</th>
<th>EFT</th>
<th>RTGS</th>
<th>Internet Banking</th>
<th>e-commerce</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.9077 Million</td>
<td>18.7560 Million</td>
<td>0.9192 Million</td>
<td>7.3766 Million</td>
<td>4.3121 Million</td>
</tr>
</tbody>
</table>

## No-frill Accounts

<table>
<thead>
<tr>
<th>Category</th>
<th>Period</th>
<th>Disbursement</th>
<th>Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Special A/C</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Farmers 10 Tk A/C</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hard core Poor A/C</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social Safety Net A/C</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others A/C</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance</td>
<td></td>
<td></td>
<td>TK51,417.79 Million</td>
</tr>
<tr>
<td></td>
<td>26.83 Million</td>
<td>9.55 Million</td>
<td>2.57 Million</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10.76 Million</td>
<td>3.94 Million</td>
</tr>
</tbody>
</table>

## Loan and Advances

<table>
<thead>
<tr>
<th>Category</th>
<th>Period</th>
<th>Disbursement</th>
<th>Outstanding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural and Non-farm Rural Credit</td>
<td>July-May, FY23P</td>
<td>29,297.80</td>
<td>51,063.85</td>
</tr>
<tr>
<td>SME Loan</td>
<td>Jan-Mar, 22-23P</td>
<td>49,068.40</td>
<td>283,236.32</td>
</tr>
<tr>
<td>Industrial Term Loan</td>
<td>Oct-Dec, 22-23P</td>
<td>29,574.55</td>
<td>360,051.14</td>
</tr>
</tbody>
</table>

Source: Bangladesh Bank, July 2023
Mercantile Bank Donates Agricultural machineries at Sindurpur in Feni

Mercantile Bank Limited donated agricultural machineries at Sindurpur in Feni. Five power tillers had been given to five farmers on July 29, 2023 from the special CSR fund of the bank. Hasne Alam, Deputy Managing Director & CBO of MBL handed over the power tillers to the farmers as the chief guest. Nur Nabi, Chairman of Sindurpur Union Parishad was present as the special guest. Farid Uddin Ahmed Bhuiyan, Head of Cumilla-Noakhali Region and SVP, Mohammad Shafruzzaman Khan, FVP & Head of Agriculture Credit Division of MBL, incharge of MBL Sindurpur Upashakha and farmers were also present on the occasion. Md. Fardous, Azad Mia, Nizam Uddin, Abul Kashem and Md. Shahjalal were the farmers who were awarded the power tillers.
Mercantile Bank Donates Agricultural machineries at Gopalpur in Begumganj

Mercantile Bank Limited donated agricultural machineries at Gopalpur in Begumganj of Noakhali. Five power tillers had been given to four farmers’ Samabay Samiti and a farmer on July 29, 2023 from the special CSR fund of the bank. Hasne Alam, Deputy Managing Director & CBO of MBL handed over the power tillers to the farmers as the chief guest. Farid Uddin Ahmed Bhuiyan, Head of Cumilla-Noakhali Region and SVP, Mohammad Shafruzzaman Khan, FVP & Head of Agriculture Credit Division of MBL, incharge of MBL Gopalpur Upashakha and farmers were also present on the occasion. Md. Shahid Ullah on behalf of Gopalpur Krishi Samabay Samiti, Fazlul Haq Fazlu of Grameen Krishi Prakalpa, Khairul Bashar Babul of Baroichatal krishi Samabay Samiti, Mizanur Rahman of Prantik Samabay Samiti and Nurul Islam were the farmers who were awarded the power tillers.

Mercantile Bank starts Foundation Training for TAO

Mercantile Bank Training Institute started two week long Foundation Training for its Trainee Assistant Officers (TAO) recently. A total number of 38 officers participated in the training. Mati Ul Hasan, Additional Managing Director & CRO of the bank inaugurated the training and delivered his speech highlighting the importance of Foundation Training and advised participating officers to be strictly compliant with the banking ethics and guidelines of the central bank and be proactive in providing excellent service to the customers of the bank. Tapash Chandra Paul PhD, CFO of the bank delivered opening remarks at the inaugural program and conducted a session for the participating officers. Javed Tariq, Principal of MBTI, along with other faculty members of the institution also present in the program.
Mercantile Bank recently organized a virtual training titled “Internal Credit Risk Rating System with Highlights on CIB Online Reporting” at its training institute in Dhaka. A total of 78 Credit desk officials from various Divisions of Head Office and Branches across the country participated in the training. Mati Ul Hasan, Additional Managing Director & CRO of the Bank inaugurated the training. In his speech Mr. Hasan advised the participants to meticulously follow the guidelines of core risk areas and comprehend with the lecture sessions. The virtual training program was held in two phases covering both the theoretical and practical aspects. Shamim Ahmed, SVP & Head of CRMD and Ratan Kumar Basak, AVP of the bank conducted the sessions. Javed Tariq, Principal of MBTI moderated the program.

A day long training on “Prevention of Money Laundering & Combating The Financing of Terrorism” was held on July 22 at Padma Riverview Hotel & Resort in Manikganj. The officials of different Scheduled Banks operating at Manikgonj district participated the training. Mercantile Bank Limited arranged the training as Lead Bank under the guidance of Bangladesh Financial Intelligence Unit (BFIU). Md. Rafiquil Islam, Director of BFIU was present as Chief Guest while Shamim Ahmed DMD & CAMLCO of MBL presided over the training. Sajjad Hossain Additional Director, Md. Ikramul Hasan, Joint Director and Md. Mosharraf Hossain, Joint Director of BFIU were present as resource persons. Md. Moshaddeque Hossain, Head ofAML & CFT Division and DCAMLCO of MBL was also present. Md. Mukitul Kabir, Head of MBL Corporate Affairs Division moderated the training.
**Training on Investment Mechanism under Islamic Banking**

Mercantile Bank Limited organized a virtual training on ‘Investment Mechanism under Islamic Banking’ recently. A total number of 78 officials from various branches of the bank attended the three day online program. Hasne Alam, DMD and CBO of Mercantile Bank inaugurated the training. In his address Hasne Alam advised participating officers to be conversant with the framework of Islamic banking investment mechanism and operations in discharging their assigned responsibilities. Md. Mijanur Rahman Sharker, Head of Islamic Banking Division of MBL along with other officials from Islamic Banking Division conducted various sessions. Javed Tariq, Principal of MBTI moderated the program.

**Inauguration of month long Training on Entrepreneurship Development at Khulna**

Mercantile Bank Limited inaugurated a month-long training course at Khulna recently for developing entrepreneurs and making new entrepreneurs for the second batch under the Skills for Employment Investment Program (SEIP) tranche-3 Project of Bangladesh Bank. Twenty six participants attended the training. S M Hasan Reza, Executive Director of Bangladesh Bank Khulna Office inaugurated the training as the chief guest while Hasne Alam, DMD & CBO of Mercantile Bank presided over the ceremony. Shamima Sultana Shilu, President of Bangladesh Women Chamber of Commerce and Industries, Khulna Division was present as the special guest. Md. Nazrul Islam, Additional Director & Mohammad Zahid Iqbal, Joint Director from Bangladesh Bank along with Mohammad Faruque Ahmmed, Head of SME, Md. Abdul Matin, Head of Khulna Branch, Mohammad Nazrul Islam, FVP and Md. Rezaul Islam, FAVP from Mercantile Bank were also present on the occasion.
Month-long Training on Entrepreneurship Development at Khulna ended

Mercantile Bank Limited concluded a month-long training course for the second batch at Khulna for developing entrepreneurship and making new entrepreneurs under the Skills for Employment Investment Program (SEIP) of Bangladesh Bank. After successful completion of the training 26 participants have been awarded certificates. Adil Raihan, Deputy Managing Director & CSBO of Mercantile Bank presided over the ceremony while S M Hasan Reza, Executive Director of Bangladesh Bank Khulna Office was the chief guest and Shamima Sultana Shilu, Khulna Divisional Head of Women Chamber of Commerce & Industries, was the special guest. Md Nazrul Islam, Additional Director of BB, Mohammad Zahid Iqbal, Joint Director of BB, Mohammad Faruque Ahmmed, Head of SME & SVP of MBL, Ainul Haq, Chairman of Salam Sea Food and Tariqul Islam Jahir, Managing Director of Asia Sea Food were also present. Md. Abdul Matin, VP & Head of MBL Khulna Branch, Md Nazrul Islam, FVP and Md. Rezaul Islam, FAVP of MBL were also present on the occasion.
BANGLADESH BANK
CIRCULAR JULY 2023

BRPD CIRCULAR

- BRPD Circular Letter No. 28, Date: 31/07/23, Subject: Name change of Islami Bank Bangladesh Limited to Islami Bank Bangladesh PLC.
- BRPD Circular Letter No. 27, Date: 27/07/23, Subject: Interest/Profit Rate of Loan/Investment.
- BRPD Circular Letter No. 26, Date: 27/07/23, Subject: Restrictions for ensuring discipline in bank-company management.
- BRPD Circular Letter No. 24, Date: 23/07/23, Subject: Inclusion of Passing Banking Professional Exam (Former Banking Diploma Examination) in the Promotion Policy of Officers as Mandatory Requirement.
- BRPD Circular No. 13, Date: 13/07/23, Subject: Regarding Loan Rescheduling of Cold Storage Industry.
- BRPD Circular Letter No. 22, Date: 03/07/23, Subject: Name change of Uttara Bank Limited to Uttara Bank PLC.

DCM CIRCULAR

- DCM Circular No. 3, Date: 24/07/23, Subject: Clean Note Policy of Bangladesh Bank

DOS CIRCULAR

- DOS Circular Letter No. 21, Date: 27/07/23, Subject: Keeping scheduled bank branches closed in the election area on 30th July 2023 Sunday for Election of 287 Chattogram-10 of National Parliament.
- DOS Circular Letter No. 20, Date: 24/07/23, Subject: Modification of Basel III related Rationalized Input Template (RIT) regarding Capital Adequacy

DFIM CIRCULAR

- DFIM Circular Letter No. 17, Date: 27/07/23, Subject: Keeping NBFI branches closed in the election area on 30th July 2023 Sunday for Election of 287 Chattogram-10 of National Parliament
- DFIM Circular Letter No. 16, Date: 26/07/23, Subject: Inclusion of Passing Banking Professional Exam (Former Banking Diploma Examination) in the Promotion Policy of Officers as Mandatory Requirement.
- DFIM Circular Letter No. 14, Date: 16/07/23, Subject: Keeping FIs branches closed in the Related Election areas on 17th & 19th July 2023.
- DFIM Circular No. 08, Date: 13/07/23, Subject: Guideline on ICT Security, Version 4.0.
FEPD CIRCULAR

- FEPD Circular Letter No. 07, Date: 23/07/23, Subject: Export incentive against export in CMT basis in RMG/Textile sector.
- FEPD Circular Letter No. 06, Date: 13/07/23, Subject: Export subsidy against export of Software, ITES and Hardware
- FEPD Circular No. 12, Date: 16/07/23, Subject: Discount claims against export trade

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- SMESPD Circular Letter No. 07, Date: 26/07/23, Subject: Incentive facility for loans & advances provided to women entrepreneurs on CMSME sector

PSD CIRCULAR

- PSD Circular No. 07, Date: 16/07/23, Subject: Keeping MFS, PSO and PSP offices closed in the related Election Areas on 17th July, 2023.

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- FSSSPD Circular No. 01, Date: 16/07/23, Subject: Bangladesh Bank - Long Term Financing Facility (BB-LTFF)

FID CIRCULAR

- FID Circular Letter No. 01, Date: 16/07/23, Subject: Enhancement of Fund under Refinance Scheme for Digital Nano Loan
• Circular No. 3094, Date: 30.07.2023, Subject: Providing of Data/ information under the jurisdiction of our respective Division/ Department/ Cell/Unit regarding financial inclusion.

• Circular No. 3093, Date: 30.07.2023, Subject: Re-fixation of interest rate(s) on all unclassified Loans & Advances.

• Circular No. 3092, Date: 30.07.2023, Subject: Monetary & Financial Stability

• Circular No. 3091, Date: 27.07.2023, Subject: Circular No. 3090, Date: 26.07.2023, Subject: Bank Branch Department

• Circular No. 3089, Date: 23.07.2023, Subject: Providing of Data/ information under the jurisdiction of our respective Division/ Department/ Cell/Unit regarding financial inclusion.

• Circular No. 3088, Date: 20.07.2023, Subject: CASA Deposit Campaign-2023

• Circular No. 3087, Date: 19.07.2023, Subject: Formation of “Financial Unit” under IT Business Team of the Bank to oversee the financial position of Branches/ Uposhakhas/ Business Units on Monthly/ Quarterly/ Half-Yearly/Yearly closing.

• Circular No. 3086, Date: 13.07.2023, Subject: Creation of Group ID and Sister Concern ID for Existing and New Customers.

• Circular No. 3085, Date: 12.07.2023, Subject: Head of Branches and Uposhakha In-charges to stay in the posting area along with their families.

• Circular No. 3084, Date: 11.07.2023, Subject: Deposit (Other than CASA) Net Growth Campaign-2023 (July-October).

• Circular No. 3083, Date: 07.07.2023, Subject: Re-fixation of Profit/Rent Rate on all types of Investment products under MBL-Taqwa Islamic Banking (Islami Shari‘ah Based Banking) for the month of July-23 based on SMART (Six month Moving Average Rate of Treasury Bill) declared by Bangladesh Bank.

• Circular No. 3082, Date: 05.07.2023, Subject: Implementation of the decisions of the Risk Management Committee of the Board of Directors in its 48 th meeting held on 21.06.2023 of the Bank.

• Circular No. 3081, Date: 02.07.2023, Subject: Re-fixation of interest rate(s) on all unclassified Loans & Advances.
INFORMATION CIRCULAR

- Circular No. 2015, Date: 31.07.2023, Subject: বাংলাদেশ পরিদর্শন পর্দা, এক্সকিউটিভ কমিটি, অফিস কমিটি, বিভাগ ম্যানেজমেন্ট কমিটি, মার্কিটিং লাইনে প্রাক্তন, মার্কিটিং কার্যক্রম ব্যাঙ্কে (ইউকে) দিমিত্রের এর পর্দা বাংলাদেশ পরিদর্শন যাত্রার শুরুর কমিটি প্রস্তুত হবে.
- Circular No. 2014, Date: 31.07.2023, Subject: Loss of Instrument
- Circular No. 2013, Date: 27.07.2023, Subject: Loss of Instrument
- Circular No. 2010, Date: 23.07.2023, Subject: সিভিলটি ডাটাবেজে প্রনামী (বাড়ি/ হস্তাক্ষরের) এর তথ্য হালনাগাদকরণ করণে।
- Circular No. 2009, Date: 23.07.2023, Subject: Precaution while paying Inward Foreign Remittance at our Branches.
- Circular No. 2008, Date: 19.07.2023, Subject: Information Regarding Relocation of head Office address of Strategic Finance & Investments Limited (SFIL)
- Circular No. 2007, Date: 19.07.2023, Subject: কৃতিত্বিক হিমাগার শিল্পর ঝড় প্রনায়কগুলিকে বিশেষ সুবিধা প্রদান করার বিবাদার্থ সরকারি সাবসিডি সরকারি সংস্থা ২০১৩.১০.০৭.২০২৩ হব্বে।
- Circular No. 2006, Date: 18.07.2023, Subject: Loss of Instrument
- Circular No. 2005, Date: 16.07.2023, Subject: Loss of Instrument
- Circular No. 2004, Date: 09.07.2023, Subject: Loss of Instrument
- Circular No. 2003, Date: 04.07.2023, Subject: Revised payment schedule of the Professional Fees and Law Charges for the Panel Lawyers of the Bank.

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- Circular No. 31, Date: 30.07.2023, Subject: কাঁটাতে সিমিট (Cut, Make and Trim) প্রক্ষিপ্ততে রক্ষা করাতে রক্ষা অপসারন/ নিলাম সাজাতা এডান এলাকায়।
- Circular No. 30, Date: 18.07.2023, Subject: Discount claims against export trade
- Circular No. 29, Date: 18.07.2023, Subject: বাংলাদেশ হতে সফটওয়্যার, এইটেক্সটেক সিস্টেমসের ইনফরমেশন টেকনোলজি এন্টারপ্রাইজ সালামি এর কার্যক্রম ব্যাঙ্কে তথ্য প্রদান করার জন্য প্রনায়ক এডান এলাকায়।
- Circular No. 28, Date: 03.07.2023, Subject: Extension of usance period against imports of industrial raw materials.
- Circular No. 27, Date: 02.07.2023, Subject: Maintenance of foreign currency (FC) accounts for foreign investment.

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You are cordially invited for any insightful write up which will be published in next volumes of MBL Spectrum subject to discretion of editorial board. In this regard, please contact Research & Planning Division, Head Office, Mercantile Bank Limited or send email hod_rpd@mblbk.com

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