EDITORIAL

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Tapash Chandra Paul, PhD
Chief Financial Officer
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In the history of the world 1st May has to be one of the most significant date. History has not been the same after May 1, 1886. An 8 hour workday was established thanks to this day. Since then May 1st is being observed as the ‘International Workers’ Day’, also known as ‘Labor Day’ in some countries. We salute the spirit of the May day and thus the month of May becomes more significant.

The rare confluence of geopolitical, economic, and technological forces now confronting the world may reverberate for generations. The war in Ukraine is thrusting us into a fraught period of geopolitical realignment, supply disruptions, food and energy insecurity, and more volatile financial markets. Inflation has emerged as one of the issues in the recent past. Inflation is on the increase around the world, with food and energy prices hitting record highs. The rise has been driven in large part by pent-up consumer demand after the pandemic and the Russian invasion of Ukraine.

In Bangladesh also the inflation has increased quite a bit. According to latest data of Bangladesh bank, the point to point inflation stands at 6.29% whereas at the same time last year this was 5.56%. This is growing at a brisk rate and Government is trying to put a leash on it. Although this will be quite challenging, but it can be expected that this will come down once the worldwide inflation comes down. The Prime minister of Bangladesh has asked us to be thrifty in spending. The depreciation of Taka against the US dollar has also become a cause for concern. That is why export is being encouraged more as import got quite high during recent months leading to the depreciation of Taka.

So, in spite of everything, the outlook may not be all that gloomy for our country. But, we need to be circumspect in spending. This applies to the people of the country as well as the Banking sector. ‘MBL spectrum' as always will project the progress of the Banking industry in terms of various indicators and data while also incorporating the economic scenarios.

Tapash Chandra Paul, PhD
Chief Financial Officer
Email: tapchpaul@gmail.com
### MBL PERFORMANCE MAY 2022

#### Deposits

<table>
<thead>
<tr>
<th></th>
<th>BDT in Crore</th>
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<tbody>
<tr>
<td>YTD Dec 2021</td>
<td>27,490.56</td>
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<tr>
<td>YTD May 2022</td>
<td>28,720.17</td>
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#### Advances

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<th>BDT in Crore</th>
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<tr>
<td>YTD Dec 2021</td>
<td>26,670.71</td>
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<td>YTD May 2022</td>
<td>27,826.94</td>
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#### Import

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<tr>
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<tr>
<td>YTD May 2021</td>
<td>9,163.43</td>
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<tr>
<td>YTD May 2022</td>
<td>11,667.14</td>
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#### Export

<table>
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<tr>
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<th>BDT in Crore</th>
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<td>YTD May 2021</td>
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<td>YTD May 2022</td>
<td>8,190.74</td>
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#### Inward Remittance

<table>
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<th>BDT in Crore</th>
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<tr>
<td>YTD May 2021</td>
<td>1,816.78</td>
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<td>YTD May 2022</td>
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#### Cost of Deposit

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<th>Month</th>
<th>5.00%</th>
<th>4.93%</th>
<th>4.81%</th>
<th>4.76%</th>
<th>4.58%</th>
<th>4.62%</th>
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<tr>
<td>May-21</td>
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<td>June-21</td>
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<td>Dec-21</td>
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<td>Mar-22</td>
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<td>May-22</td>
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#### Yield on Advances

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<tr>
<th>Month</th>
<th>7.29%</th>
<th>7.37%</th>
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<td>Mar-22</td>
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<td>May-22</td>
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#### Spread

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<th>Month</th>
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<th>2.44%</th>
<th>2.55%</th>
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GLOBAL ECONOMY

Asia’s war on inflation targets supply, not consumers

From export bans to price controls, governments in Asia are taking a much more targeted approach than their Western counterparts in curbing global inflationary pressure, a strategy that appears to be working at least for now. While inflation remains a serious economic challenge in Asia, the measures have in many countries helped shield the public from some of the price rises and meant most central banks in the region have not had to raise interest rates as quickly as they have elsewhere.

(Ref: https://thefinancialexpress.com.bd)
Ukraine war slowing global remittances growth: World Bank

The war in Ukraine will help slow the growth of officially recorded remittance flows to low- and middle-income countries to an estimated 4.2 per cent this year from a strong 8.6 per cent rebound in 2021, the World Bank said. The World Bank said in its latest Migration and Development Brief that it expects remittances to Ukraine, the largest recipient in Europe and Central Asia, to rise by over 20 per cent in 2022, but remittance flows to many Central Asian countries, will likely fall dramatically, reports Reuters. Russia, hit with crippling sanctions by Western countries over its invasion of Ukraine, is the main source of remittances to Central Asia.

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

UK inflation hits 40-year high

Britain’s inflation rate rose to the highest level in 40 years in April as Russia’s war in Ukraine fueled further increases in food and fuel prices. Consumer price inflation accelerated to 9% in the 12 months through April, from 7% the previous month. That is the highest rate since sometime in 1982, when inflation reached 11%. Millions of households across Britain were hit with a 54% jump in gas and electricity bills last month after regulators boosted the energy price cap to reflect previous increases in wholesale prices. Russia’s invasion of Ukraine has put further pressure on food and energy prices.

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

WB to disburse $700m to Sri Lanka

Sri Lanka is facing a severe foreign currency shortage which has created problems in importing essential items. The World Bank will disburse approximately USD 700 million to Sri Lanka within the next few months, Sri Lanka’s foreign minister announced. This pledge was made when the World Bank’s Country Manager in Colombo Chiyo Kanda talked to Sri Lankan Minister of Foreign Affairs GL Peiris, reports Xinhua.

(Ref: https://thefinancialexpress.com.bd)
Prices push value of G20 merchandise trade to new high in Q1 2022, while services growth slows

Following six quarters of sustained growth, the value of international merchandise trade for the G20 reached a new high in Q1 2022. Exports and imports increased by 3.6% and 5.8%, as compared to Q4 2021 and measured in current US dollars. The increase is largely explained by rising commodity prices, as the war in Ukraine and COVID-19 containment measures in East Asia placed further pressure on the prices of traded goods and on already strained supply chains.

Growth in exports and imports of services for the G20 are estimated at around 2.0% and 1.1% in Q1 2022, respectively, compared to the previous quarter and measured in current US dollars. The preliminary estimates are well below the rates of 6.2% and 3.1% recorded in Q4 2021 for exports and imports, reflecting weaker trade in the transport sector in East Asia and a general slowdown in services trade across most of the G20 economies for which data are available.

(Ref: https://www.oecd.org)

Australia reports 48-year-low jobless rate

Australia’s unemployment rate stood at its lowest in almost 50 years in April as firms took on more full-time workers, a tightening in the labour market that will ratchet up pressure for further hikes in interest rates. Figures from the Australian Bureau of Statistics showed the jobless rate held at 3.9 per cent in April, from a downwardly revised 3.9 per cent in March, matching market forecasts. Employment missed forecast with a rise of just 4,000, though that reflected a large 92,400 gain in full-time jobs being offset by a 88,400 drop in part-time work.

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

Sri Lanka hikes fuel prices to record high

Cash-strapped Sri Lanka sharply hiked fuel prices to a record high, causing further pain to the country’s 22 million people in its worst crisis since independence. Energy Minister Kanchana Wijesekera said a newly appointed “economic war cabinet” approved the new rates to stem huge losses at the state-run Ceylon Petroleum Corp. An acute foreign exchange shortage has also led to widespread scarcity of food and medicines, with the public suffering lengthy electricity blackouts and high inflation.

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

China’s zero-Covid policy dashes global recovery hopes

A sharp slowdown in China’s economy caused by its strict zero-Covid rules and Beijing’s shift away from a traditional reliance on external demand have cast doubts over how much the country will contribute to future global trade and investment.

Monetary Fund projections show China’s expected average annual contribution to global economic growth through to 2027 at about 29 per cent. While that’s a considerable addition, it contrasts with the years following the 2008 global financial crisis when that averaged closer to 40 per cent.

(Ref: https://www.thedailystar.net)
US deficit to drop to $1t in 2022

The US government deficit will fall dramatically this year to $1 trillion, down from levels not seen since World War II hit during the pandemic, the Congressional Budget Office said. The budget shortfall in the current fiscal year will shrink significantly from the prior year, when it reached nearly $2.8 trillion due to the massive spending pumped out to keep the US economy afloat amid the Covid-19 downturn, which caused massive layoffs and business closures.

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

ADB approves policy-based lending to $18b for 2022–24

The Asian Development Bank (ADB) has approved a ceiling of up to $18 billion in policy-based lending (PBL) between 2022 and 2024 and enhanced its crisis-response instruments to support its developing member countries (DMCs) as they pursue a green, resilient, and inclusive recovery. Expanded PBL commitments will support DMCs to undertake critical policy reforms and to address gaps in governments’ development financing requirements. To better support DMCs facing economic shocks, ADB has enhanced its Countercyclical Support Facility, which provides fast-disbursing emergency budget support during crises.

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

Indian home prices to accelerate again

Indian house prices are set to accelerate this year to a pace not seen in half a decade, according to a Reuters poll of property analysts who also warned that higher interest rates will crimp affordability, especially for first-time buyers. But the release of pent-up demand in India, as most employees return to workplaces amid improving vaccination rates and fewer Covid-19 cases, has stirred the Asian country’s housing market along with a return of large institutional investors. Home prices were expected to increase 7.5 per cent nationally this year, the fastest growth in five years.

(Ref: https://thefinancialexpress.com.bd)
Pakistan bans import of luxury goods as rupee hits new lows

Pakistan has imposed a complete ban on the import of more than three dozen non-essential luxury items as part of an emergency economic plan to stabilise the economy. Pakistan will have to reduce its dependency on imports to put the country on the path of economic stability and progress. Pakistan will have to reduce its dependency on imports to put the country on the path of economic stability and progress, she said, adding that the government has been working to introduce an export-oriented policy, which will benefit local industry and producers, and generate employment, reports Xinhua.

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

BoE hikes interest rate to 13-year peak as inflation soars

Central banks worldwide are raising interest rates with inflation sitting at the highest levels in decades. The Bank of England raised its main interest rate by a quarter point to one per cent to tackle runaway UK inflation that is causing a cost-of-living crisis. It was the fourth straight rate rise by the BoE, which added that British annual inflation would top 10 per cent this year, fuelled by energy prices. The British pound plunged more than two per cent to $1.2362 after the BoE decision.

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

30 days price and exchange rate information

Brent Crude Oil ($/barrel)

West Texas Intermediate Crude Oil Price ($/barrel)

Gold Price

USD BDT Historical Charts
Bangladesh’s per capita income surges to $2,824

The country’s per capita income increased by US$ 233 to US$ 2,824 during FY22, as per a provisional estimate by the Bangladesh Bureau of Statistics (BBS). According to the estimation of BBS, the country’s GDP would increase to $465 billion (Tk 39,76,500 crore) after the end of the 2021-22 fiscal. The amount was $416 billion (Tk 35,30,200 crore) in the 2020-21 fiscal. The GDP growth rate would reach 7.25 per cent at the end of FY22, which was 6.94 per cent in the last fiscal year, said the minister citing BBS. Among the three major sectors, the growth rates are 2.20 per cent in the agriculture sector, 10.44 per cent in the industrial sector, and 6.31 per cent in the service sector.

(https://thefinancialexpress.com.bd)
Bangladesh has received $18.97 billion from June 1 to May 26 of FY22. The ministry of finance is expecting the growth of inward remittance by 16 per cent in the fiscal year FY23. In 26 days of May, Bangladesh has received inward remittance of US$1.65 billion. The ministry in a report said that over 550,000 workers went abroad during the post Covid-19 period from the country.

The trend of manpower export will continue as many countries of the Middle East and Europe are hiring more workers to meet the huge non-skill and semi-skilled manpower. Qatar’s football World Cup preparations have also created huge job demand in the service sector in the Middle East, reports UNB.

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

Outward FDI sees big jump in 2021

The outflow of foreign direct investment (FDI) from Bangladesh recorded a big jump in the last calendar year of 2021. According to the statistics, the net amount of outward FDI reached US$91.71 million in 2021, posting some 209 per cent growth over the amount in 2020. In 2020, the net outflow of FDI from the country was only $11.60 million. It also showed that the gross amount of outward FDI stood at $94.69 million last year against $31.06 million in 2020.

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

Sovereign debt set to soar to Tk 16.30 trillion in FY 2022-23

The government’s debt, that is the country’s sovereign debt, is projected to reach Tk 16,306.5 billion in the next 2022-23 fiscal, before growing to Tk 18,732.30 billion in 2023-24. The sovereign debt is Tk 13,919.5 billion for the running 2021-22 fiscal. In the 2023-24 fiscal, the government will get Tk 11,568 billion from domestic sources while Tk 7,164.30 billion from external sources. In the 2022-23 fiscal, the government will get Tk 10,021.70 billion from domestic sources while Tk 6,284.80 billion from external sources.

(Ref: https://thefinancialexpress.com.bd)
Inflation in Bangladesh has increased because of volatility on the global market, especially for the war in Ukraine and domestic supply-chain disruptions. Bangladesh Bureau of Statistics (BBS), Bangladesh's budget as a percentage of national income has been falling consistently for the last four years although the economy has grown, reflecting its inability to generate enough revenue and spend enough on social sectors.

In the outgoing fiscal year of 2021-22, government expenditure as a percentage of gross domestic product (GDP) stood at 17.5 per cent, down from 17.9 per cent the previous year, according to the budget documents of the finance ministry.

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

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**Inflation erodes yields for savers**

<table>
<thead>
<tr>
<th>CPI 6.3pc in April, 2022</th>
<th>Food index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest accrued from savings maximum 6.0pc</td>
<td>340.3 in April 2022</td>
</tr>
<tr>
<td>Sanchaypatra yield above 9.0pc</td>
<td>320.3 in April 2021</td>
</tr>
</tbody>
</table>

Inflation in Bangladesh has increased because of volatility on the global market, especially for the war in Ukraine and domestic supply-chain disruptions. Bangladesh Bureau of Statistics (BBS), also showed costly edible oils, wheat, and some vegetables, including brinjals/eggplants, as the most significant drivers behind the rise in annual inflation between May and April. Savers are losing out as high inflation makes inroads on yields from the savings instruments this section of people have invested in as their last resort.

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

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**Budget as percentage of GDP falling**

Bangladesh’s budget as a percentage of national income has been falling consistently for the last four years although the economy has grown, reflecting its inability to generate enough revenue and spend enough on social sectors.

In the outgoing fiscal year of 2021-22, government expenditure as a percentage of gross domestic product (GDP) stood at 17.5 per cent, down from 17.9 per cent the previous year, according to the budget documents of the finance ministry.

(Ref: https://www.thedailystar.net)
The finance ministry has projected that export growth will drop to 20% in FY23 because surging inflation in Bangladesh’s major trade destinations, such as the United States and European Union, is likely to rein in the hot streak that the country’s export sector has been experiencing following the release of the pent-up demand once global economies reopened.

The falling exports will also cause imports of raw materials to come down to 12% from 30% estimated in the revised budget of the ongoing fiscal year, as predicted by officials at the Finance Division.

However, Finance Division officials expect a 16% growth in remittance inflows, which has registered a negative growth throughout the current fiscal year, riding on exports of more than 5.5 lakh workers to different countries in post-Covid times.

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

(Ref: https://thefinancialexpress.com.bd/)
External debt to GDP ratio reaches 21.8pc

The ratio of the country’s external debt to Gross Domestic Product (GDP) increased to 21.8 per cent in the last calendar year or 2021, according to the updated statistics of the central bank. The ratio was 19.5 per cent in 2020. Central bank statistics also showed that the external debt to Gross National Income (GNI) reached at 24.10 per cent at the end of 2021 which was 21.50 per cent in 2020. Total outstanding stock of the external debt reached at US$90.79 billion at the end of the last calendar year, recording 24.50 per cent growth over the same period of previous year or 2020.

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

NBR bags 62pc revenue target in July-March

The revenue authority collected Tk 2.04 trillion or 62 per cent of the total tax revenue target for the entire fiscal year (FY) 2021-22 until March. In Q4, the National Board of Revenue (NBR) will have to collect more than Tk 1.25 trillion in the forms of income tax, VAT and customs duty to fulfill its target. The government set a tax revenue collection target worth Tk 3.30 trillion for FY 22. The NBR has to collect Tk 1.05 trillion income tax, Tk 1.28 trillion VAT, and Tk 956.52 billion customs revenue.

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

NSC sales drop by 50.29pc in 9 months

The net sales of national savings certificates dropped by 50.29 per cent or Tk 16,698.52 crore year-on-year in July-March of the fiscal year 2021-2022 as the government has tightened the NSC sale rules to contain people’s buying spree of the savings instruments.

According to Bangladesh Bank data, the net sales of NSCs dropped to Tk 16,504.13 crore in the first nine months of the fiscal year 2021-2022 against Tk 33,202.65 crore in the same period of the previous fiscal year. For FY22, the government’s budgetary target was to borrow Tk 32,000 crore through NSCs. The net sales dropped to Tk 1,814.72 crore in March 2022 from Tk 3,891.28 crore in the corresponding month of 2021.

(https://www.newagebd.net)
Minimum value addition for cash incentive eased for textile mills

Textile sector receives cash incentive at the rate of 4 per cent against export of their products. The Bangladesh Bank eased the value addition requirements for the textile mills to achieve cash incentive facility. On the basis of the government’s latest decision, the textile sector would be eligible to receive cash incentive upon ensuring value addition of at least 20 per cent. As per the BB circular of September 20, 2021 the textile sector was supposed to ensure value addition of at least 30 per cent to claim cash incentive from the government.

(Ref: https://www.newagebd.net)
BB forms Tk 2,000cr refinance scheme

Bangladesh Bank (BB) has formed a Taka 2,000 crore refinance scheme to develop the country’s shipbuilding industry. Under the scheme, a customer can get a loan with 4.5 per cent interest rate, said a BB circular. Customers can take loans as per their needs, based on the bank-customer relationship. However, the maximum limit of the loan was not mentioned in the BB circular. The loan application deadline is set for June 30, 2024. The circular also said that depending on the needs of a customer, term loan could be taken for 12 years, of which the grace period would be 3 years.

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

CHECKING MONEY LAUNDERING: Import shipment tracking made a must for banks

The Bangladesh Bank made the tracking of import shipments a must for the country’s banks to prevent import-based money laundering. The step of the central bank came at a time when the country’s import payments reached a record high of $61.52 billion. The surge in import payments prompted the BB to slap a high margin on import letters of credit of luxurious items and non-essential items. Amid a surge in the country’s import payments in the current fiscal year 2021-2022, checking trade-based money laundering has become a major concern for the authorities.

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

Convert export proceeds into taka fast: Bangladesh Bank to banks

Bangladesh Bank has asked banks to convert major export earnings of businesses into taka immediately as it looks to increase the supply of US dollars in the economy. The rule will be applicable for the value-added portion of export earnings. The value-added portion refers to the export proceeds that are available to exporters after their import bills for back-to-back letters of credit have been met.

The latest measure from the BB came after the foreign currency reserves fell to $42.29 billion on May 25 in contrast to $46.15 billion in December, driven by higher imports against moderate exports and lower remittance flows.

(Ref: https://www.thedailystar.net)
Call money rate on the rise as Banks push to maintain more liquidity

An interbank call money market is a short-term money market that allows large financial institutions, such as banks, to borrow and lend money at interbank rates. Banks have been facing a crisis of foreign currencies due to an increase in imports. Consequently, the banks’ effort to raise foreign currencies caused a liquidity crisis, which in turn has driven up the interbank call money rate recently. 
(Ref: https://www.tbsnews.net)

Call Money rate rises for-

- Import payment rose by $46.23 billion from July to January period
- Remittance earning fell from $17.76 billion to 15.3 billion in July-March.
- BB withdrew money from banks by selling $3.73 billion
(Source: Bangladesh Bank)

Banks to give more 4% interest loans for import substitution crops

The Bangladesh Bank has instructed banks to increase their credit disbursements at 4% interest under a subsidy facility for crops such as lentils, oilseeds, spices, and maize. In a circular, the central bank said a large amount of foreign exchange is required every year to import such products and an instruction has been issued to reduce these import costs.
(Ref: https://www.tbsnews.net)

Bank officials can travel abroad for Hajj, treatment, foreign-funded workshop: BB

The central bank’s latest guideline in this regard has allowed bank officials’ travel abroad for Hajj-Umrah, treatment and other emergency purposes at his own cost. Besides, foreign nationals working in the bank can go to their home country and officials working in the Bangladesh branch of the foreign banks can go to the head office. They will also be able to participate in training, meetings, seminars, workshops and study tours funded by foreign organisations.
(Ref: https://www.tbsnews.net)
Preserve all loan documents until repayment: Bangladesh Bank to NBFIs

The Bangladesh Bank directed non-bank financial institutions (NBFIs) to preserve all documents, either physically or digitally, related to loans, leases or investments until the repayment is complete. It aims to enable NBFIs to run legal actions if any complexity arises in loan repayment. The documents may be necessary to investigate any allegation on loan disbursement.

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

Banks’ excess liquidity drops below Tk 2 lakh crore

Excess liquidity in the country’s banking sector dropped below Tk 2 lakh crore after a year amid a poor deposit growth against a gradual increase in credit demand. Bangladesh Bank data showed that the amount of excess liquidity in the country’s banking sector decreased to Tk 1,98,115.64 crore at the end of March 2022. The amount of excess liquidity in the country’s banking sector reached a record high of Tk 2,31,463 crore in June 2021 from Tk 1,03,358.12 crore in January 2020.

(Ref: https://www.newagebd.net)
Inauguration of 151st Branch at Mollar Hat in Shariatpur

Mercantile Bank Limited opened its 151st Branch at Mollar Hat in Shariatpur on May 26, 2022. Morshed Alam M.P., Chairman of the Bank inaugurated the Branch virtually as the chief guest. Bank’s Managing Director & CEO Md. Quamrul Islam Chowdhury delivered his welcome speech on the opening ceremony. M A Khan Belal and Mohammad Abdul Awal, Directors of the bank spoke on the occasion as special guests. AMD, DMDs, CFO along with other senior officials were present during the inauguration.

Participation Agreement Signing Ceremony of ‘Supporting Post Covid-19 Small Scale Employment Creation Project (SPCSSECP)’ with Bangladesh Bank

Mercantile Bank Limited signed Participation Agreement with Bangladesh Bank to avail Refinance Fund under ‘Supporting Post Covid-19 Small Scale Employment Creation Project (SPCSSECP)’ on May 25, 2022. Abu Farah Md. Nasser, Deputy Governor, Bangladesh Bank was the Chief Guest and Dong Dong Zhang, Principal Financial Sector Specialist, ADB was the special guest at the signing ceremony. Nurun Nahar, Executive Director of Bangladesh Bank and Md. Quamrul Islam Chowdhury, Managing Director and CEO of Mercantile Bank Limited signed the agreement on behalf of their respective organizations. GM, DGM of Bangladesh Bank and DMD, CFO of MBL along with other senior officials of both organizations were present in the ceremony.
Foundation Training Program for TAO

Mercantile Bank Training Institute started two week long Foundation Training for its Trainee Assistant Officers (TAO) on 16 May. A total number of 47 officers participated in the training. Md. Quamrul Islam Chowdhury, MD & CEO 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 and be proactive in providing excellent service to the customers of the bank.
Shabab Azfar Ahmed, Executive Officer, Digital Banking & Innovation Dept. of Mercantile Bank Limited has successfully completed Certified Expert in E-Banking with by securing 1st position in the merit. The program comprised 3 months on-campus training on the year 2021 by the Bangladesh Institute of Bank Management (BIBM). MBL is proud for Shabab Azfar Ahmed and congratulates him.

Muhammad Hossen Gazi, FAVP, Treasury Back Office, Head Office, Mercantile Bank Limited has passed Certificate in Documentary Credit Specialist (CDCS), MBL is proud for Muhammad Hossen Gazi and congratulates him.
SELF-EFFICACY IMPROVES TRAINING QUALITY

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Human behavior is largely motivated and regulated by the exercise of self-influence. Among the mechanisms of self-influence, none is more important than belief in self-efficacy. Self-efficacy signifies confidence in the ability to exercise control over one's own behavior, motivation, and also workplace environment. To deal with all the difficulties in workplace, employees self-belief as ‘can do’ mode can prevent undesirable effects. While other factors can act as guides and motivators, they all stem from a fundamental belief that a person is capable of producing desired outcomes. Belief in one’s abilities is an important personal resource for improving one’s own skills. To improve employee efficiency and qualification of employees, most organizations give credit for training; alone United States contributed $70 billion for human resource training. The average per-employee spending on learning and development (L&D) worldwide increased steadily between 2008 and 2019. As of 2019, employers worldwide spent on average 1,308 U.S. dollars per worker on learning and development. The sheer volume of money and effort shows that corporations believe training is important. What do they know about training that justifies such an investment?

Training plays an important role in developing a productive workforce and refining processes to increase profits. Training also helps people and organizations manage change. Because organizations are constantly changing techniques, goals, equipment, people, and places, all members of the workforce need training to support these changes. What is training and why is it necessary?

First, training in organizations is often needed due to change. In today’s society, there is a lot of changes occur; either continuous or rapid. For instance, in today’s organizations, there is a constant shift associated with the digital workplace, the aging of the workforce, and the rise of remote and flexible working. To embrace with such job environment, the training process shapes the employee’s mindset and leads to the quality of the employee’s performance.

Second, training is important for the development and success of the organization. It is fruitful for both employers and employees of the organization. Well-trained employees will be more efficient and productive. Training provides the following benefits:

- **Enhance employee morale**: Job security and job satisfaction comes with training. Training contributes to organizational success and decreases employee turnover.
- **Employee needs minimum supervision**: Through training employee gets acquainted with necessary knowledge and skills of the assigned task. Thus less supervision is needed.
- **Fewer mistakes**: Mistakes occur due to insufficient knowledge and skills required for doing a particular task. Trained employee becomes more proficient in discharging their assigned responsibilities.
- **Increase chances for up gradation/promotion**: Training ensures to acquire skills and efficiency. Employee becomes more eligible for up gradation or promotion. They become an asset for the organization.
- **Employee Productivity increases**: Training improves efficiency and productivity of employees. Well trained employees show both quantity and quality performance. There is less wastage of time, money and resources if employees are properly trained.
In this connection, it is obvious, organizations are much concern on improving employee self-efficacy through effective training. Training is generally imparted in two ways:

**On the job:** On the job training are given on everyday working of a concern. It is a simple and cost-effective training method. The employees are trained in actual working environment. The slogan of such training is learning by doing. Instances of such on-job training methods are job-rotation, coaching, etc.

**Off the job:** Off the job training methods are provided generally for new employees. Foundation courses, workshops, seminars, conferences are part of off the job training.

In spite of a decrease in 2020 because of the COVID-19 pandemic, the global market size of the workplace training industry increased considerably since 2009. Various scholars agreed learning and development (L&D), a vital area of human resource management, is a process aimed at improving an employee’s skills, knowledge, and competency, in order to achieve better performances in the workplace. Most companies, entities and establishments prepare their yearly budget for employee training and development. Employees need to be productive, efficient, and adaptable and improve skills in several areas including communication, critical thinking, and problem solving. These cognitive factors gradually help to improve employee self-efficacy. Employee motivation to learn and capacity to transfer their knowledge into their workplace is the key factors of training success. Hence, self-efficacy can be one of the powerful factors to enhance employee motivation to learn. Thus, the more employees are trained to believe in their ability to learn, the more they are willing to gain knowledge and the more they will master on their job.
BANGLADESH BANK CIRCULAR DURING MAY 2022

ACD (Agricultural Credit Department) Circular
- ACD Circular No. 02, Date: 22.05.2022, Subject: Regarding emphasizing on disbursement of agricultural credit at 4% concessional interest rate for cultivating import substitute crops (pulses, oilseeds, spices and maize)

BRPD (Banking Regulation and Policy Department) Circular
- BRPD Circular No. 08, Date: 18.05.2022, Subject: Refinance Scheme for Pre-Shipment Credit to Mitigate the Crisis due to Novel Corona Virus
- BRPD Circular No. 09, Date: 26.05.2022, Subject: Refinance Scheme for Ship Building Industry
- BRPD Circular Letter No. 13, Date: 08.05.2022, Subject: Refinance Scheme to Support Cinema Hall Owners
- BRPD Circular Letter No. 14, Date: 10.05.2022, Subject: L/C Margin on Import Financing
- BRPD Circular Letter No. 15, Date: 11.05.2022, Subject: Restrictions for ensuring discipline in bank-company management
- BRPD Circular Letter No. 16, Date: 22.05.2022, Subject: Limitation on Ex-Bangladesh travel of bank officials and employees
- BRPD Circular Letter No. 17, Date: 23.05.2022, Subject: Limitation on Ex-Bangladesh travel of bank officials and employees
- BRPD Circular Letter No. 18, Date: 24.05.2022, Subject: Policy on Interest Waiver

FEPD (Foreign Exchange Policy Department) Circular
- FEPD Circular No. 08, Date: 09.05.2022, Subject: Local value addition requirement for export incentive/cash subsidy in RMG/textile sector.
- FEPD Circular No. 09, Date: 17.05.2022, Subject: Screening of underlying import shipments through vessel/container tracking
- FEPD Letter No 101, Date: 16.05.2022, Subject: Outward remittances from balances held in foreign currency accounts maintained by non-resident Bangladeshis/persons residing abroad
- FEPD Circular Letter No. 13, Date: 16.05.2022, Subject: Retention of inward remittances in foreign currency
- FEPD Circular Letter No. 14, Date: 22.05.2022, Subject: Remittance on account of attending training, seminar, workshop abroad.
- FEPD Circular Letter No. 15, Date: 23.05.2022, Subject: Easing disbursement of cash incentive against wage earners’ remittance through legal channel
- FEPD Circular Letter No. 16, Date: 26.05.2022, Subject: Performing Hajj 1443 Hizri/2022 under Government and Private Management
- FEPD Circular Letter No. 17, Date: 29.05.2022, Subject: Encashment of value added portion of repatriated export proceeds
- FEPD Circular Letter No. 18, Date: 29.05.2022, Subject: Transfer of export proceeds to Authorized Dealers designated for export transactions
FEPD Circular Letter No. 19, Date: 29.05.2022, Subject: Regarding Additional Expenses for Performing Hajj 1443 Hizri/2022 under Government and Private Management

FEPD Circular Letter No. 20, Date: 29.05.2022, Subject: Remittance for all type of expenses of hajj pilgrims in Saudi Arabia under private management for the Hijri year 1443

DFIM (Department of Financial Institutions and Markets) Circular

DFIM Circular Letter No. 06, Date: 29.05.2022, Subject: Limitation on Ex-Bangladesh travel of NBFI’s officials and employees

DFIM Circular No. 07, Date: 12.05.2022, Subject: Restrictions for ensuring discipline in NBFI’s management

DFIM Circular No. 08, Date: 29.05.2022, Subject: Preservation of records and files relating to loan/lease/investment of NBFI’s

DOS (Department of Off-Site Supervision) Circular

DOS Circular Letter No. 15, Date: 17.05.2022, Subject: Keeping Hajj activities related scheduled bank branches open on 21 May 2022.

DOS Circular Letter No. 16, Date: 28.05.2022, Subject: Keeping Hajj activities related bank branches open on 28 May 2022

ISMD (Integrated Supervision Management Department) Circular

ISMD Circular Letter No. 01, Date: 26.05.2022, Subject: Regarding Submission of Data to Integrated Supervision System (ISS).

MPD (Monetary Policy Department) Circular

MPD Circular No. 01, Date: 29.05.2022, Subject: Re-fixation of Repo interest rate of Bangladesh Bank

PSD (Payment Systems Department) Circular

PSD Circular No. 08, Date: 10.05.2022, Subject: Inclusion of NBFI’s in BD-RTGS System

SD (Statistics Department) Circular

SD Circular Letter No. 04, Date: 19.05.2022, Subject: Regarding Update of District Code for Remittance Reporting Input Template
MBL CIRCULARS DURING MAY 2022

Instruction Circular

1. Circular No. 2832, Date: 31.05.2022, Subject: Launching of New Islamic Deposit Product "Taqwa Mudaraba Hajj Sanchaya Prokolpo"


3. Circular No. 2830, Date: 31.05.2022, Subject: Collection of Hajj Revenue from Biman Bangladesh Airlines Limited's Dhaka, Chattogram & Sylhet Office through Uttara, O.R. Nizam Road & Subidbazar Branch.

4. Circular No. 2829, Date: 30.05.2022, Subject: Regarding Refinance Facility under “Supporting Post COVID-19 Small Scale Employment Creation Project (SPCSSECP)” to Support Cottage, Micro and Small Enterprise (CMSEs).

5. Circular No. 2828, Date: 30.05.2022, Subject: Time Extension for Replacement of Non-Government Pilgrim.

6. Circular No. 2827, Date: 29.05.2022, Subject: “মার্কেটিঙ ব্যাংকিং সিমিটেড এর ২৩তম প্রতিষ্ঠানাধিকী উদযাপন”

7. Circular No. 2826, Date: 29.05.2022, Subject: Transferring of Haj Registration Fees from Negotiating Agency’s Bank Account to Lead Agency’s Bank Account for 1443 Hijri/2022 Christian Era.


9. Circular No. 2824, Date: 29.05.2022, Subject: Employees attendance - Bank’s including outsourced.

10. Circular No. 2823, Date:26.05.2022, Subject: "আমদানী বিক্রয় ফলস্ক (ডার, লেন্দরিজ, মসলা জাতীয় ফলস ও কুঁড়া) চার্চ ভূক্তি বৃদ্ধির আদায় এতে তে কৃষি অন্তর্ভুক্ত কার্যের জেনারেরক প্রস্তুতি।

11. Circular No. 2822, Date: 24.05.2022, Subject: "জ্যাম্পারের কারণে পৃষ্ঠ সংস্করণ মোকালের প্র-শিপমেষ্ট ক্রেদিট (Pre-Shipment Credit) ছাড়ে পুনঃনির্মাণ শ্রমিক ছাড়ে।

12. Circular No. 2821, Date: 24.05.2022, Subject: Amendment of "MBL Home Loan PPG"

13. Circular No.2820, Date:; Subject: 23.05.2022 Renewal of Enlistment of Express Insurance Limited as Approved Insurer of our Bank for the Year’2022.

14. Circular No.2819,Date:23.05.2022,Subject:Extension of Credit Card Acquisition Campaign-2022 (1st Phase) for Executives and Officers.


16. Circular No. 2817, Date: 22.05.2022, Subject: Replacement of Non-Government Haj Pilgrim for 1443 Hijri/2022 Christian Era.

17. Circular No. 2816, Date: 22.05.2022, Subject: Selection of ‘Haj Package’ and Completion of ‘Registration Transfer Activities’ of Non-Government Haj Pilgrim for 1443 Hijri/2022 Christian Era.
18. Circular No. 2815, Date: 22.05.2022, Subject: ইংরেজি ফরমে বাঙালি দোষা প্রদানের পর সার্কুলার ঝাড়াকরণ ও মূল ধর্মতত্ত্বের তথ্যসূত্র অনুযায়ী বিদিয় না করার প্রস্তুত।


20. Circular No. 2812, Date: 18.05.2022, Subject: Maintenance of Prize Bond & collection of Prize Money by the branch.


22. Circular No. 2810, Date: 16.05.2022, Subject: Notice on Registration of Pilgrims under Government and Non-Government for 2022 Christian Era/1443 Hijri.

23. Circular No., Date: 2809, Subject: 11.05.2022 Revised Interest Rate on Car Loan for the Executives of the Bank.

24. Circular No. 2808, Date: 11.05.2022, Subject: Regarding Collection of IPO of BD Paints Ltd. from the Qualified Investors (QI) through Electronic Subscription System (ESS) of Dhaka Stock Exchange Limited.

25. Circular No. 2807, Date: 09.05.2022, Subject: All Deposit Campaign -2022 for 3 Months.

26. Circular No. 2806, Date: 09.05.2022, Subject: মুদ্রার বিপরীতে আরোপিত অনারোপিততা সকল প্রকার সুন্দর মানুষের সাহায্যে নীতিমালা প্রস্তুত।

Information Circular

1. Circular No. 1832, Date: 30.05.2022, Subject: মার্কিটেইল ব্যাঙ্কে লিমিটেড-এর ১৫১তম মৌসুমের হুট শাখা, শরীয়তপুর (পূর্ব শাখা)-এর কড উদ্যোগ প্রস্তুত।


3. Circular No. 2828, Date: 23.05.2022, Subject: ব্যাঙ্কের পরিচালনা পর্যালো, এককিউটিটেড কমিটি, এডিট কমিটি এবং রিক্স ম্যানেজমেন্ট কমিটের মার্কিটেইল ব্যাঙ্কে ফাউন্ডেশন ও মার্কিটেইল একচেট হাউস (ইউকে) লিমিটেড এর পর্দাভঙ্গ প্রস্তুত।

4. Circular No. 2827, Date: 22.05.2022, Subject: Published of Approved Haj Agencies List (5th Phase) for 1443 Hijri/2022 Christian Era.

5. Circular No. 1825, Date: 18.05.2022, Subject: Published of Approved Haj Agencies List (4th phase) for 1443 Hijri/2022 Christian Era.

6. Circular No.1824, Date: 17.05.2022, Subject: Information Regarding Changes of BTCL Telephone Number of MBL Bhola Branch, Bhola.

7. Circular No.1823, Date: 17.05.2022, Subject: Information Regarding Changes of BTCL Telephone Number and Fax Number of MBL Beanibazar Branch, Sylhet.

8. Circular No. 1822, Date: 17.05.2022, Subject: Published of Approved Haj Agencies List (3rd phase) for 1443 hijri/2022 Christian Era.


10. Circular No. 1820, Date: 11.05.2022, Subject: Relocation of MBL Contact Center

11. Circular No. 1819, Date: 11.05.2022, Subject: Published of Approved Haj Agencies List (2nd Phase) for 1443 Hijri/2022 Christian Era.

12. Circular No. 1817, Date: 09.05.2022, Subject: Published of Approved Haj Agencies List (1st Phase) for 1443 Hijri/2022 Christian Era.

13. Circular No. 1816, Date: 09.05.2022, Subject: List of defaulted Borrowers of Midland Bank Limited.
ID Circular

1. Circular No. 42, Date: 30.05.2022, Subject: Transfer of export proceeds to Authorized Dealers designated for export transactions.

2. Circular No. 41, Date: 30.05.2022, Subject: Encashment of value added portion repatriated export proceeds.

3. Circular No. 40, Date: 31.05.2022, Subject: SWIFT TRANSACTIONS MONITORING

4. Circular No. 39, Date: 25.05.2022, Subject: বৈদুয়াল উপায়ে রেমিটেন্স বন্দোবস্তের বিপরীতে ওমননা/নৈহদ সহাযতা প্রদান প্রচেষ্টা সাহায্যকরণ প্রদান

5. Circular No. 38, Date: 23.05.2022, Subject: Remittance on account of attending training, seminar, workshop abroad.

6. Circular No. 37, Date: 22.05.2022, Subject: ফাইনান্স ডিপার্টমেন্টের জন্য জনপ্রিয় ও সমাজসেবিত রেমিটেন্স এর Input Template (T_MW_D_REMITTANCE) এর জেলা কোড আপডেট প্রদান

7. Circular No. 36, Date: 19.05.2022, Subject: Screening of underlying import shipments through vessel/container tracking.

8. Circular No. 35, Date: 17.05.2022, Subject: Retention of inward remittances in foreign currency.

9. Circular No. 34, Date: 17.05.2022, Subject: একাডেমি/অনুষদের বার্ষিক মেমরির নামে পরিচালিত ফরাসি ফ্লাইঃ হিসেবে বিদেশে ফ্লাইঃ হিসেবে স্থানান্তর প্রদান.

10. Circular No. 33, Date: 11.05.2022, Subject: আদালাম ব্যাঙ্গল স্থানের স্থানে স্থান মার্কিন সংশ্লেষণ

11. Circular No. 32, Date: 11.05.2022, Subject: দেশীয় ব্যবসায়ীর বংশানো ওমননা/নৈহদ সহায়তা প্রদানের ক্ষেত্রে স্থানীয় মূল্য সাধারণের হার পুনর্নির্দেশ প্রদান.

12. Circular No. 31, Date: 09.05.2022, Subject: Bangladesh Bank’s instruction regarding monthly Foreign Exchange returns Submission.

13. Circular No. 30, Date: Subject: Insurance coverage against financing to exporters.

Invitation for Contents

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@mblbd.com

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