



**IFIC BANK LIMITED
TRAINING & RESEARCH DIVISION
HEAD OFFICE, DHAKA**

01. Watchdog advocates urgent food import

A parliamentary watchdog has recommended immediate import of food grains in view of the poor response to the government's internal food procurement drive. The parliamentary panel feared that unless adequate supply was guaranteed, there could be a rise in food prices, hitting the poor and the vulnerable most. On May 1, the food ministry started food procurement drive from internal market at the rate of Tk 25 per kg. The drive will continue up to June 30 this year

Fin Exp: 01.06.2010

02. Minimum wages for re-rolling mill workers raised by 150pc

The government has raised minimum wages for workers of the re-rolling mills by more than 150 per cent on an average. The wages for the guarder man, a low grade job in the re-rolling mills, has now been fixed at Tk 4,200 against Tk 1,600 earlier. The Minimum Wages Board (MWB), a government body to fix salaries for different private and public sectors, has fixed the wages recently and has sent it to the Labour and Employment Ministry for necessary action. The MWB last fixed wages for the steel sector in 1994. As per the new wage rates, skilled turners and electricians will get minimum wages at Tk 7,600 at automatic re-rolling mills, Tk 7,000 at semi automatic mills and Tk 6,600 at manual mills. Bangladesh has around 300 re-rolling mills and steel mills employing more than 150,000 workers directly.

Fin. Exp:03.06.2010

03. World Bank loses decade-long legal battle

A Dhaka court has ordered the World Bank (WB) to reinstate one of its public relations staffer, in a ruling lawyers say could bring an end to the global lender's perceived immunity. District sessions judge Syed Mashfiqul Islam said in a ruling that the Washington-based agency has illegally and illegitimately terminated the services of Ismet Zerine Khan, its Dhaka office external affairs officer, in 2001.

Fin. Exp: 07.06.2010

04. DEPZ comes under partial automation

Dhaka Export Processing Zone (DEPZ) came under partial automation Monday putting three of its administrative areas online to reduce the lead time and cost of the investors. The DEPZ automation system, second of its kind after Chittagong EPZ, was launched at its Savar premises on 07.06.2010 by handing over the first online export order to Youngone, one of the leading Korean investors. BEPZA and IFC-BICF with the support DFID and EU organised ceremony

Fin. Exp: 08.06.2010

05. BAN ON PAPER SHARES TRADING

48 cos have to demat shares by Sept 30

Forty-eight companies listed with the Dhaka Stock Exchange have to convert their paper shares into electronic ones within September 30 to avoid trade suspension as no paper shares will be traded on the bourses from October 1. On 31.05.2010, the Securities and Exchange Commission directed the DSE that the paper securities would not be traded under 'B' category from July 1 and the securities with paper shares under the group would be downgraded to 'Z' category on the same day. The SEC also directed that no paper securities will be traded on the stock exchanges from October 1. As on May 25, the companies which have paper shares are Monno Jutex, Monno Stafflers, BD Autocars, Renwick Jajneswar, Anwar Galvanizing, Alpha Tobacco, BLTC, Yousuf Flour, Zeal Bangla Sugar, Chittagong Vegetable, Bangladesh Plantation and Hill Plantation Dhaka Fisheries, Shaympur Sugar, Rahima Food, Gulf Foods, Meghna Pet, Modern Industries, Northern Jute, Sonali Aansh, Quasem Silk, Modern Dyeing, Desh Garments, Prime Textile, Monno Fabrics, Alltex Ind, Anlima Yarn, HR Textile, CMC Kamal, Safko Spinnings, Bangla Process, Therapeutics, Kohinoor Chemicals, Libra Infusions Limited, Orion Infusion, Imam Button, Azadi Printers, Bangladesh Hotels, Bangladesh Services, Niloy Cement, Samata Leather, Legacy Footwear, Monno Ceramic, Standard Ceramic, The Engineers, Savar Refractories, Himadri, and Miracle Ind are also with paper shares. The 48 companies with a total market capitalisation of Tk 1,647.11 crore as on May 25 accounts for 0.82 per cent of the total market capitalisation of the DSE. Earlier on May 25, the SEC at a meeting decided that it would not allow trading of paper securities on the main boards of the stock exchanges from October to ensure a smooth and transparent trading system. The stock market regulatory body banned the trading of paper securities in 'A' category from January this year. The electronic trading system started in Bangladesh in January 2004 with the introduction of central depository system, an alternative to trading of paper securities.

New Age: 02.06.2010

06. ICB Islamic Bank under scanner

The stockmarket regulator has formed a committee to look into certain unusual trading in ICB Islamic Bank shares on the exchanges. The price of the bank's share soared around 50 percent during the last one month, according to the trade statistics available on the premier bourse's website. Its share prices were rising on 01.06.2010 too, and each share gained 2.74 percent to Tk 1,442.25, which was Tk 977 a month ago. The fundamentals of the bank do not support such a rise in its share prices. According to the unaudited accounts for the first quarter to March this year, the bank has made net loss of Tk 40.10 crore, and the accumulated loss of the bank was Tk 1,212.73 crore as of March. Switzerland-based ICB Financial Group Holdings AG owns the majority in ICB Islamic Bank, formerly known as Oriental Bank.

Daily Star: 02.06.2010

07. Remittance crosses \$10b in 11 months

Remittance for the first time has crossed the \$10 billion mark in the first 11 months of the current fiscal year, according to statistics released by Bangladesh Bank. The inflow was \$876.5 million in the same period (July 2009-May 2010) last year, meaning that remittance has increased by \$1.32 billion over the last 11 months. The central bank statistics said the volume of total remittance by the expatriates was \$9.7 billion during the previous fiscal 2008-09, while this year's first 11 months' inflow has clearly exceeded that of last year's total by a big margin.

The bank statistics showed the amounts of remittance during 2007-08 and 2006-07 were \$7.91 billion and \$4.80 billion respectively.

Daily Star: 04.062010

08. Leather exports to China shoot up

The July-April exports of finished and crushed leather have marked a 16 percent uptick, as local makers found a new destination for their products -- China. Export Promotion Bureau data show exporters earned around \$175 million during the period, up from \$151.22 million in the same period a year ago. Leather exports dropped significantly in the last 16 months, mainly because of a fall in demand amid global recession. However, exports went upward from February. The state-run promotional agency has pointed to the \$177.32 million leather exports in fiscal year 2008-09, while the figure was \$284 million in FY2007-08. The sector's trade body leader also pointed to the fact that many exporters opted to produce value added products, such as footwear and bags, as an alternative way in the face of global recession. Leather is an important export item for Bangladesh, as it fetches impressive amount of foreign currency. Some of the most common export leather items are shoes, bags and purses. Bangladesh has plenty of rawhide, as every year thousands of sacrificial cattle and goats are slaughtered to celebrate Eid-ul-Azha, a religious festival for the Muslims. Local tanners collected more than 29 lakh pieces of cowhide and 45 lakh pieces of goatskin during the last Eid-ul-Azha in November. Local tanners produce four types of leather -- rawhide, wet blue, crushed and finished leather. The country mainly exports crushed and finished leathers, the demand and sale of which has declined in international market. Of the total leather exports from Bangladesh, 80 percent is crushed leather and the rest is finished. The products are mainly sent to USA, Italy, Germany, Japan, Korea and China

Daily Star:10.06.2010

09. 2 more boutique hotels to open in Dhaka

Platinum Suites, a concern of Sheltech Ltd, will construct two more 'smart boutique hotels' in Dhaka with a total investment of Tk 132 crore, as its first such hotel opened last year was a success. The company will open a 26-room hotel in the city's Uttara area. The construction work of the six-storey building already began in January. The construction of the second one, a 15-storey building with 50 rooms, will start in Banani in September. Total costs for the two hotels will be around Tk 132 crore

Boutique hotels differentiate themselves from larger chain and branded hotels and motels by providing personalised accommodation and services. Typically boutique hotels are furnished in a themed and stylish manner. These usually are smaller than mainstream hotels, having 3-50 guest rooms. Sheltech Ltd, a leading construction firm, opened its first smart boutique hotel, the 24-room Platinum Suites, at Banani in July last year at a cost of Tk 30 crore. Chittagong is the next target for constructing such smart hotels as this business hub has good potential.

Daily Star:10.06.2010

10. Chartered secretaries law passed

The government passed the long-awaited Chartered Secretaries Act 2010 on 12.06.2010, recognising the profession in Bangladesh. The bill had been pending since 1998. With the passage of the law, chartered secretaries or company secretaries have come under a legal framework like chartered accountants and cost and management accountants. From now,

chartered secretaries will be able to practise independently. ICSMB was set up in 1997 by a group of working company secretary professionals.

Daily Star: 13.06.2010

11. Apparel Industry

Time for green garment

As international media made news of jerseys made of recycled plastic bottles for the football World Cup, a Bangladeshi company had the same job done for the Winter Olympics held six months ago in Vancouver, Canada. As rich economies are coming out of recession, green apparels made of recycled materials are getting a revival, even for the low-cost category items

Winners Creations Ltd, a Dhaka-based apparel sourcing company. When it sent its first batch of jackets made of fabric extracted from recycled plastic bottles, the order was for a piffling 8,000 pieces. Now they have bagged an order for 150,000 pieces of 'green' shorts and jogging suits. The company sees the prospect bright. It takes a little more than three one litre plastic bottles to make enough fabric for a fleece jacket. The bottles are crushed and turned into chips. The chips are melted into polymer to make yarn. The yarns are then textured, a process that gives the yarn strength and softness. In 2009, 200 billion litres of bottled water was consumed globally, generating 1.5 million tonnes of plastic waste. It took 170 million litres of oil to produce and transport the bottles

Daily Star:16.06.2010

12. Robi signs \$100m deal with Chinese bank

China Development Bank (CDB), the largest bank for international investment and financing in China, yesterday signed a \$100 million deal with Bangladesh's third largest mobile operator Robi and Chinese vendor Huawei. Under the terms of a memorandum of understanding, Robi will purchase telecom equipment from Huawei to expand its network and improve mobile services, says a press release. CDB has already provided loans worth \$260 million to telecom operators in Bangladesh. The deal will strengthen economic and financial cooperation between the two countries, and promote significant development of infrastructure in Bangladesh.

Daily Star: 15.06.2010

13. Jute genome decoded

Golden fibre to become healthy, high yielding, weather-tolerant; Hawaii-based Bangladeshi scientist leads team to landmark discovery

Bangladeshi researchers have successfully decoded the jute plant genome opening up a new vista in the development of variety of the world's most adorned biodegradable natural fibre. Experts said this gene sequencing would help improve the fibre length and quality, including colours and strength; and develop high yielding, saline soil- and pest-tolerant jute varieties through genetic engineering. With the successful sequencing of jute genome, Bangladesh becomes only the second country after Malaysia, among the developing nations, to achieve such a feat. Researchers from Dhaka University, Bangladesh Jute Research Institute and Software Company DataSoft in collaboration with Centre for Chemical Biology, University of Science, Malaysia and University of Hawaii, USA have decoded the genome. Bangladeshi scientist Maqsudul Alam, a professor of the University of Hawaii, who earlier decoded the genome of papaya in the US and rubber plant in Malaysia, led from the forefront in sequencing

the jute genome. Jute genome sequencing initiative began in February, 2008 when Maqsudul started exploring the possibilities with several Bangladeshi scientists and academics. The whole process was kicked off with many long conference calls between Maqsudul and plant molecular biologists, Prof Haseena Khan and Prof Zeba Seraj of the Department of Biochemistry and Molecular Biology of Dhaka University. Then the lead researcher had several meetings with Agriculture Minister Matia Chowdhury

Genome sequence represents a valuable shortcut, helping scientists find genes much more easily and quickly. A genome sequence allows scientists identify and understand how genes work together for the plant's different features like growth, development and maintenance as an entire organism. This allows them to manipulate the genes and enhance, reduce or add certain features of the plant. Jute is the second largest fibre crop in terms of cultivation next to cotton. Bangladesh is the world's second-largest producer of jute, after India, and the world's largest exporter of the fibre

Daily Star: 17.06.2010

14. Beximco invests Tk 160cr in Westin

Unique is also set to raise funds from stockmarket for expansion

Beximco Group, one of the largest business conglomerates, has entered the hospital sector by investing around Tk 160 crore in the Westin hotel. Beximco will own around 5 percent of equities in Unique Hotels and Resorts, the owning company of Westin Dhaka. Unique has also made its expansion plans and seeks to raise funds from stockmarket in July. Initially, Unique will raise 25-30 percent of the total cost of expansion, which stands at Tk 2,500 crore. Unique 16.06.2010 signed a deal with Beximco Group on the Tk 160 crore investment. The funds will be used to increase the hotel's capacity to 441 rooms from 241 now and build a banquet hall with a capacity to seat 2,000 people. Beximco had earlier invested in local airline GMG and took the lead. This move was in line with the company's vision to enter the hospitality and tourism industry. Beximco comprises five publicly listed companies and 16 other entities that are involved in pharmaceuticals, ceramics, textile and garments.

Daily Star: 17.06.2010

15. IDLC launches index

IDLC Finance Ltd 20.06.2010 launched an independent stock index, first of its kind in Bangladesh, in a bid to show the daily performances of 50 big cap companies with the Dhaka and Chittagong bourses. The multi-product financial institution created the index styled 'IDLC-50' in cooperation with Alif Assets Management Ltd, an asset management company. An index is a method of measuring the value and performance of a section of the stockmarket. It is used as an indicator of the market movement, and is created with a group of stocks that represent the whole market or a specific segment of the market. It also serves as a benchmark to measure the performances of professionally managed client portfolios.

The existing indices of the two bourses either comprise too many stocks or include a few scrips. Also, the bourses' general indexes comprise some stocks that are hardly tradable on the market. Besides, none of the existing indexes are float-adjusted, meaning the indices include the portion of shares of a company that are not traded in the market. IDLC-50 overcomes these limitations by updating the change of publicly traded portion of the company shares on daily

basis, arising from institutions' or directors' sale out of shares. The IDLC's index is based on the "Float Adjustment Market Optimisation Weighted" methodology, a modern technique that will be used for the first time in Bangladesh. While selecting the stocks to include in IDLC-50, a number of factors will be considered such as financial health of a company, regular trading in the market, investment risk, amount of investable shares, number of outstanding shares, price sensitiveness and price risk

Daily Star: 21.06.2010

16. Private sector loans fuel inflation: BB

An increase in loan flow to the private and unproductive sectors has led to a rise in inflation, according to a report by Bangladesh Bank (BB). The report said if the private sector loans go up by 10 percent, both the overall and food inflation increases by 2.4 percent. The central bank has prepared the report on the possible link between inflation and the increase in loan flow in the private sector, and how to contain inflation within 10 percent. The loans in the construction sector went up by 23.33 percent and consumer loans by 30.69 percent in fiscal 2008-09 compared to the previous year, according to the report. It contributed to a rise in inflation, the report said, adding that increased loans for the productive sectors can help tame inflation. The BB said the demand for commodities shot up recently because of the rising prices of lands and flats, a bullish trend in the stockmarket, and the government's stimulus package to revive the economy. Implementation of the new pay scale for public servants and an increase in wage for the workers, high inflow of remittance, and a rise in disposable income in rural area also fuelled inflation. In June last year point-to-point inflation came down to 2.25 percent but started increasing again in July, and in February this year it stood at 9.06 percent. However, it fell slightly to 8.78 percent in March.

Daily Star: 22.06.2010

17. BRAC Bank launches offshore banking

BRAC Bank opened its offshore banking unit at its Gulshan branch recently, the bank said in a statement 21.06.2010. Biman has recently received a syndicated financing of \$114 million, as pre-delivery payment financing to purchase two new Boeing 777-300ER aircraft where BRAC Bank provided \$16 million as one of the participating banks, the statement added.

An offshore banking unit allows a bank to accept deposits and provide loans in freely convertible foreign currencies

Daily Star: 22.06.2010

18. Cox's Bazar green hotel takes off in 2012

The country's first eco-friendly five-star hotel will start operations in Cox's Bazar in early 2012. Sea Pearl Beach and Spa, being built on seven acres at Inani, 20 kilometres away from Cox's Bazar, is based on the timesharing concept. The timesharing model allows members of a hotel to swap or exchange time with another affiliated hotel or resort anywhere in the world depending on availability.

The cost of the Seal Pearl project has been estimated at Tk 143 crore, with Prime Bank raising Tk 85 crore in syndicated funds. Shamim Enterprise that owns Sea Pearl will finance the rest. Sea Pearl will be the "real eco-friendly green resort" in the country, which will provide a pollution-free environment for visitors. Waste and water from the hotel will be recycled. And it will use solar power. The hotel has been affiliated with Interval International, a timeshare exchange company, based in Miami. Interval has been providing value-added services to its

clients worldwide for more than 30 years. Members of Sea Pearl will be able to use the facilities of Interval International-affiliated 2,500 hotels in 75 countries

A membership contract will be valid for 20 years. A member will be given seven days to spend in any Interval International-affiliated resort every year. The access fee, which is \$118 within Asia and \$159 in the rest of the world, will be charged. A timeshare is a form of ownership or right to the use of a property, or the term used to describe such properties. These properties are typically resort condominium units, in which multiple parties hold rights to use the property, and each sharer is allotted a period of time (typically one week, and almost always the same time every year) in which they may use the property. It is also known as holiday ownership that is the art of sharing one's ownership in the resort with other people. The hotel will generate over 300 employments in different categories and most of them will be recruited locally.

Daily Star: 27.06.2010

19. WB approves \$327m loan for Bangladesh

The World Bank approved \$327 million in loans to Bangladesh for three infrastructure projects, the bank said 26.06.2010. The World Bank's total concessionary lending to Bangladesh is now \$830 million in the fiscal year to end June 2010

Daily Star: 27.06.2010

20. International Business News

Goldman Sachs reclaims top spot in global M&A

Goldman Sachs reclaimed the top spot for mergers and acquisitions (M&A) advice in the first half of 2010, underlining the Wall Street giant's resilience even as it battles U.S. civil fraud charges. With global dealmaking still subdued, Goldman's advisory role on nearly \$190 billion of transactions allowed it to retake the M&A crown from Morgan Stanley, which last year bested its arch-rival for the first time since 1996. Preliminary data from Thomson Reuters, released on 25.06.2010, showed global announced M&A hit \$976 billion in the year to June 22, in line with last year's subdued levels. Goldman worked on five of the year's 10 largest deals, more than any rival except Morgan Stanley, advising American International Group Inc's American Life Insurance Co Inc, Coca-Cola Co, Schlumberger Ltd, Novartis AG, and Allegheny Energy Inc.

Daily Star: 27.06.2010

21. Tourism bill passed

The Bangladesh Protected Tourism Area and Special Tourism Zone Bill 2010 was passed in parliament 27.06.2010. The bill proposed special tourism zones and control and run the areas under initiatives of the government or non-government and autonomous organisations, statutory bodies or individuals. According to the bill, a proposal has also been made for undertaking investment activities for constructing and developing special tourist centres under public-private partnership. The bill also proposed punishment for the violators of rules.

Daily Star: 28.06.2010

22. Crocodile export begins

The Reptile Farm Ltd, country's lone crocodile farm, on 04.06.2010 made its maiden shipment of crocodile export to Germany five years after the farm began farming of the reptile. The country's first ever move to export crocodiles was delayed several times due to bureaucratic tangles over issuance of permits to the exporters. The farm, located on 15 acres of land at

Hatiber village under Bhaluka upazila in Mymensingh, has now 825 saltwater crocodiles. In the last breeding season (July-September), 411 baby crocodiles were born in their farm, and 240 were born in 2008 and 140 in 2007. The farm imported 75 crocodiles, ranging from 7 feet to 12 feet in length, from Malaysia for commercial breeding at a cost of Tk 1.25 crore. Of them, eight died on the way to the farm, which was established in October 2004

New Age: 05.06.2010

23. BRAC Bank, Momen Real Estate sign agreement

BRAC Bank 'Apon Ghar' customers now can enjoy special facilities when buying apartments from Momen Real Estate

New Age: 14.06.2010

24. Mutual Trust Bank opens solar energy-driven branch

Mutual Trust Bank on Monday opened the country's first ever solar energy-driven bank branch on Station Road under Ishwardi upazila in Pabna, said a news release

New Age: 15.06.2010

25. BB DIRECTIVE ON SHARE MARKET TRADING

Banks asked not to invest more than 10pc of deposits

Bangladesh Bank on 15.06.2010 directed the bank companies not to invest more than 10 per cent of their deposits in share trade with a view to restricting their growing investment in the stock market. The central bank issued a circular on the day after it found that investments by many banking companies had grown substantially which is contrary to the 'exposure' limit. Bangladesh Bank in its directive said that current market price of shares, debentures and bonds and mutual funds purchased by a bank would be considered for determining 10 per cent exposure limit. Besides, the central bank would consider the guarantee of loans given by any bank to brokerage houses engaged in stock market for determining the exposure limit, according to the directive. The Dhaka Stock Exchange has been on a record-breaking bull-run in last one year. In the past, the regulators tightened credit rules, reducing the amount banks can give as loans to investors buying shares, as part of its bid to keep a lid on the market's gains. However, those measures did not halt the record breaking run of the DSE which in a single day transaction clocked highest Tk 24.40 billion on last Monday, beating the previous all-time high of Tk 23.05 billion set on May 17 this year. The central bank also directed the bank companies to establish separate subsidiary companies to run merchant banking and stock market operations. However, the directive will be applicable from 1st October, 2010. It also directed the banks to submit their reports on share investments in a month by the first ten days of the following month. New Age: 16.06.2010

26. Housing loan limit raised

The central bank on 15.06.2010 issued a circular to all commercial banks asking them to provide their clients with up to Tk 1 crore in housing credit from House Building Fund. Commercial banks now provide Tk 70 lakh to Tk 75 lakh in housing credit for clients but many of the clients seek more allocations, a central bank official said. The demand for home loan is increasing against the backdrop of increase in the population of the Dhaka city where real estate is booming. Commercial banks are increasingly coming forward with home loans, which they feel are secure more than other forms of loans. The outstanding home loans of banks have doubled to Tk 12,360 crore in 2008-2009 financial year from Tk 6,400 crore in the 2005-2006 financial year. Private banks led the tally with Tk 7,490 crore outstanding loans in the housing

sector as of June 30, 2009, against Tk 3,510 crore three years ago. Lending of private banks to the sector increased by more than 113 per cent in three years till the 2009 financial year. Housing loans from four state-owned banks also rose by more than 42 per cent in the same period. Outstanding housing loans by the four banks were Tk 2,580 crore in the 2006 financial year which rose to Tk 3,670 crore at the end of the 2009 financial year.

New Age: 17.06.2010

27. Bangladesh pharmaceutical expo begins in Manila

Bangladesh Pharmaceutical Expo began at the SMX Convention Centre in the Philippines capital of Manila on 16.06.2010. The three-day fair, the first of this kind in the Philippines, will continue till 18.06.2010. Around 20 major pharmaceutical companies from Bangladesh are participating in this single country event, reported Bangladesh Sangbad Sangstha. Filipino health minister Esperanto Cabral inaugurated the event.

New Age: 18.06.2010

28. AB Bank, Citycell ink remittance agreement

AB Bank Ltd signed a remittance service agreement with Pacific Bangladesh Telecom Limited, a mobile communications company, recently. Under the agreement, Pacific Bangladesh Telecom Limited customer care points will serve as disbursement centres for inward remittances throughout the country particularly through their 512 CCPs in the course of time.

New Age: 18.06.2010

29. BB asked to stop cash credits to rice millers

The commerce ministry in a bid to rein in soaring price of rice in the open market has asked Bangladesh Bank for taking necessary measures for discontinuing cash credit facility for rice mill owners, official sources said. The commerce ministry on 28.06.2010 issued a letter to the central bank requesting to halt the cash credit facility to the rice mill owners extended by the commercial banks during harvest period. The decision to request for such measures was taken last week at a meeting of the inter-ministry task force to monitor the prices of essential commodities. Bangladesh Bank sources said that the commercial banks' cash credit facility is suitable for wholesale and retail trade and available against supply order or work order. The central bank last year had also issued a circular to the commercial banks reducing the repayment time for cash credit facility for the rice mill owners from three months to two months.

New Age: 29.06.2010

30. SEC raises annual BO account fee to Tk 500

The Securities and Exchange Commission at a meeting on Tuesday raised the annual charge for the maintenance of each beneficiary owner's account to Tk 500 from the existing charge of Tk 300. The government will earn extra Tk 125 crore revenue from the capital market once the charge is applied. Earlier, BO account maintenance charge was Tk 300. This is the first time the government imposed tax of Tk 200 on each BO account. According to the CDBL data, total number of BO accounts was 25.6 lakh as on April, 2010.

New Age: 30.06.2010

31. BB issues new guideline for bank expansion

Bangladesh Bank issued a new guideline for expansion of branches of banks and their booths and headquarters. A circular issued 28.06.2010 said all banks should keep the businesses of

their headquarters inside a single structure. In some special cases they can house some wings in other buildings, but not far from the headquarters and should not be located in more than two separate sites, the BB said. It said the IT backup, data centres, training institutions and warehouses can be located outside the head offices. The circular said the banks should open at least one branch outside Dhaka for getting approval of two branches in the capital city. At present, there is no such limit, though the central bank encourages opening of rural branches. The BB said it would discourage opening of bank booths for regular banking and would consider the business, profit and the prospect of the banks for allowing such booths. New Age: 30.06.2010

32. Southeast Bank holds workshop on employee performance

Southeast Bank Limited organized a workshop on enhancing employee performance through motivation at the bank's training institute at its head office in Dhaka on Saturday

New Age: 30.06.2010

33. Bangladesh bank Circulars during June, 2010

Publish Date	Title
28/06/2010	DFIM Circular No. 07 : Branch Opening Guideline
21/06/2010	DFIM Circular No. 06 : Updated Guideline on ICT Security for Banks and Financial Institutions
15/06/2010	DFIM Circular Letter No. 14 : Scheduled Bank close for Chittagong City Corporation Election 2010
09/06/2010	DFIM Circular Letter No. 13 : Amendment to the list of Holidays in 2010 for Financial Institutes
09/06/2010	ACD Circular No. 12 : Private and Foreign Banks' Representation in District Agricultural Credit Committee under the Lead Banks System.
09/06/2010	ACD Circular No. 13 : Strengthening the monitoring and coordination of Agri/Rural Credit Program by Banks in Partnership with Micro-Finance Institutions (MFIs) licensed by the Micro-credit Regulatory Authority.
07/06/2010	FEPD Circular No. 12 : Implementation of steps adopted in second stimulus package declared by the Government for the development of export sector.
01/06/2010	FEPD Circular No. 10 : Export subsidy against export of Crust Leather
01/06/2010	FEPD Circular No. 11 : Export subsidy against export of Ship
16/06/2010	BRPD Circular No. 23 : Prudential Regulations for Consumer Financing (Regulation for Hosing finance)
14/06/2010	BRPD Circular No. 22 : Master Circular - Single Borrower Exposure Limit
15/06/2010	DOS Circular No. 04 : Share holding and Capital Market Exposure limits for Bank-companies
14/06/2010	DOS Circular Letter No. 06: Holiday for Scheduled Bank Branches under Chittagong City Corporation
01/06/2010	DOS circular No 03: Procedure and Rate of Penal Interest and Penalty to be imposed for Shortfall in Maintaining Cash Reserve (CRR) by the Scheduled Banks

34. Information on Economy

	Amount	Previous month's Position
1. Foreign Trade:	Million US\$	Million US\$
a. Exports (2008-09)	15565.20	15565.20
b. Exports (February-2010)	1515.80	1315.10
c. Imports (2008-09)	22507.1	22507.1
d. Imports (February-2010)	2353.60	1818.60
2. Workers' Remittance (February-2010)	956.49	827.96
3. Inflation: point to point (January-2009)	8.78	9.06

Export = FOB Value, Import = CFR Value

Economic Trends: May, 2010

35. Banking Sector and Economic Information

	Amount (TK in Cr.)	Amount (TK in Cr.)
	March-2010	February-2010
1. Bank Deposit (excluding inter bank)	314735.10	311588.20
2. Bank Credit (excluding inter bank)	316184.50	312339.60
3. Money Supply		
a) Currency Outside Banks	41493.50	41602.40
b) Demand Deposit	35935.00	34195.40
c) Deposit with BB other than DMBs	150.60	138.90
d) Narrow Money (a+b+c)	77579.20	75936.70
e) Time Deposit	260000.10	258434.40
f) Broad money (d+e)	337579.20	334371.10
4. Excess Reserve (Liquidity)	7852.5	11061.30
5. Weighted average rate of Deposits of Schedule Banks(Quarterly)	6.35	6.35
6. Weighted average rate of Advances of Schedule Banks(Quarterly)	11.49	11.49
7. Ratio of DMBs Credit to Deposits (%)	100.46	100.24
8. DMBs Total Assets/Liabilities	788550.80	780891.20
9. F.E. Reserve (million \$US)	10142.00	10554.60
10. Cash Base of the Economy	69368.90	72801.30

- **Narrow Money (M1)** = Currency outside Banks+ Demand Deposits +Deposit with Bangladesh Bank
- **Broad Money (M2)**= M1 + Time Deposit
- **DMBs** = Deposit Money Banks
- **Cash Base of the Economy** = Currency in Circulation+ Balances with Bangladesh Bank

Monthly Economic Trends: May, 2010

Readers please: A customer approaches to you for a house building loan where he will live with his family in a duplex flat and rest of the floors will be used for rental purpose. Now which product of IFIC Bank would you like to offer him? Please give reasons concisely to support your answer.

Match our answer with yours: Knowledge Update: 134

Answer: DFID means Department for International Development. **DFID** is a United Kingdom government department. It was separated from the Foreign and Commonwealth Office in 1997. The goal of the department is "to promote sustainable development and eliminate world poverty".

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36. Academic Activities in June: 2010

- I. Workshop on Credit Administration: Requirement of Disbursement: IFIC Bank Ltd. conducted a day long workshop on Credit Administration: Requirement of Disbursement and (II) Law and Legal Affairs on June 07, 2010. The workshop was inaugurated by Mr. Wakar Hasan, E V P & Head of CRM at IFIC Bank Academy premises. It may be mentioned that, these were the 20th program of IFIC Bank Academy in the year 2010. 31 Officers working at different branches & Head Office have attended the program.
- II. Workshop on Law and Legal Affairs: IFIC Bank Ltd. conducted a day long workshop on Law and Legal Affairs on June 07, 2010. The workshop was inaugurated by Mr. Wakar Hasan, E V P & Head of CRM at IFIC Bank Academy premises. It was the 21th program of IFIC Bank Academy in the year 2010. 31 Officers working at different branches & Head Office have attended the program.
- III. Workshop on Risk Management in Bank: A day long workshop on Risk Management in Bank was conducted by IFIC Bank Ltd. on 12.06.2010 at academy premises. The workshop was inaugurated by Mr. Mohammad Abdullah, Deputy Managing Director. 30 officers working at different divisions of Head Office participated in the workshop. Mr. S K Sur Chowdhury, Executive Director and Mr. Arifuzzaman, Deputy Director of Bangladesh Bank were the guest speaker of this workshop. It was the 22nd programs of IFIC Bank Academy in the year 2010.
- IV. Workshop on CAMLCO & BAMLCO: On June 26, 2010 IFIC Bank organized workshop on CAMLCO & BAMLCO. he program was opened by Mr. S M Abdul Hamid, SEVP & Head of F&A. 34 Officers working at different branches & Head Office have attended the program. This was the 23rd program of IFIC Bank Academy in the year 2010.
- V. Workshop on Reporting of SBS- 1,2&3: On June 26, 2010 IFIC Bank organized two separate workshop on Reporting of SBS- 1,2&3. The program was opened by Mr. S M Abdul Hamid, SEVP & Head of F&A. 34 Officers working at different branches & Head Office have attended the program. This was the 24th program of IFIC Bank Academy in the year 2010.
- * Program of Eshna Consulting Team: From June 9, 2010 Eshna Consulting team conducted an employee evaluation program at the IFIC Academy premises, which continued throughout the whole M/O June'10. The program was inaugurated by Mr. Mosharrof Hossain, Managing Director, IFIC Bank Ltd.

Team Members

Ms. Zaitun Sayef, SEVP

Mr. A. K. Mojibur Rahman, FAVP

Mr. Md. Syfujjaman Milon, OG-I

Mr. Benjir Rahman, OG - I

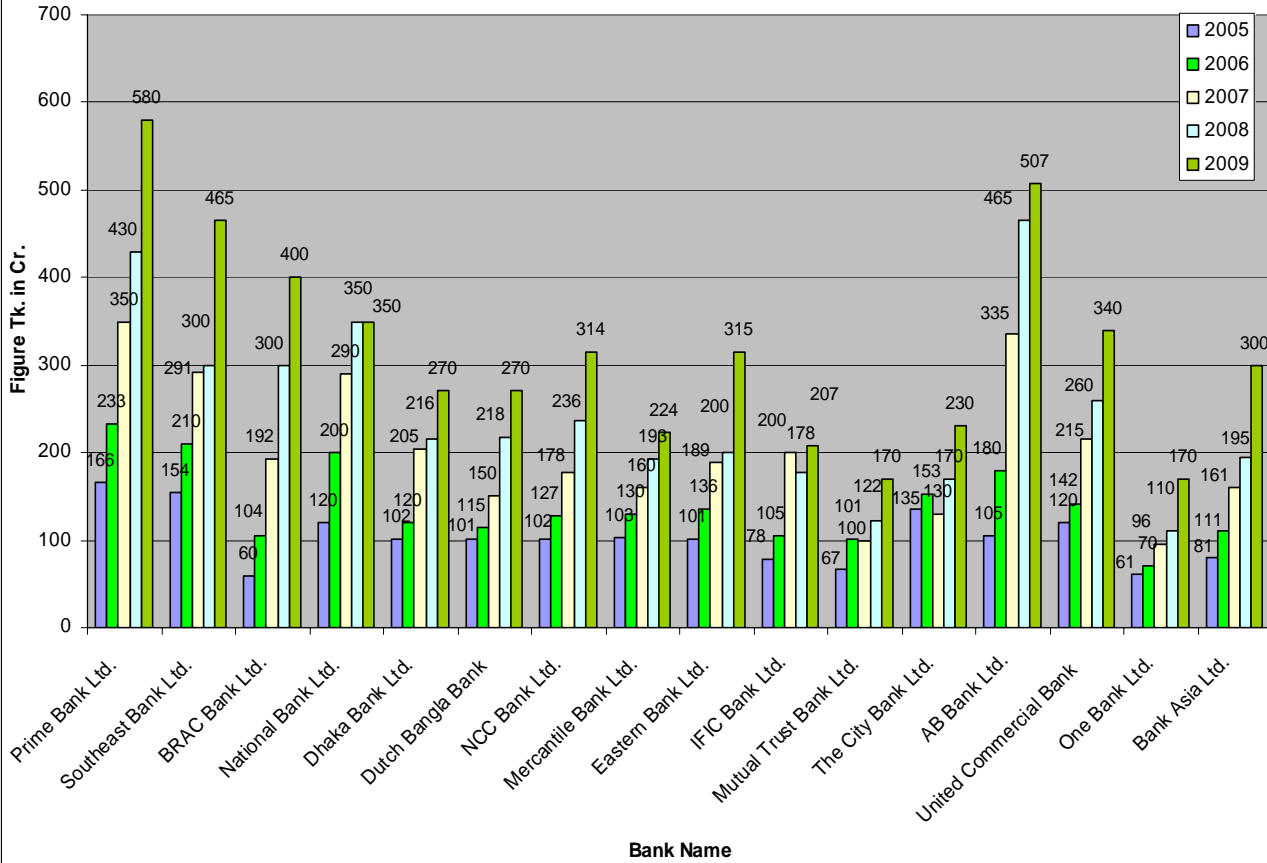
Revisiting Basics

5 Years Profit size of 16 PCBs, Year: 2005,2006,2007,2008,2009

S/N	Banks name	Profit [Figure TK. in Cr.]				
		Year				
		2005	2006	2007	2008	2009
1	Prime Bank Ltd.	166	233	350	430	580
2	Southeast Bank Ltd.	154	210	291	300	465
3	BRAC Bank Ltd.	60	104	192	300	400
4	National Bank Ltd.	120	200	290	350	350
5	Dhaka Bank Ltd.	102	120	205	216	270
6	Dutch Bangla Bank	101	115	150	218	270
7	NCC Bank Ltd.	102	127	178	236	314
8	Mercantile Bank Ltd.	103	130	160	193	224
9	Eastern Bank Ltd.	101	136	189	200	315
10	IFIC Bank Ltd.	78	105	200	178	207
11	Mutual Trust Bank Ltd.	67	101	100	122	170
12	The City Bank Ltd.	135	153	130	170	230
13	AB Bank Ltd.	105	180	335	465	507
14	United Commercial Bank	120	142	215	260	340
15	One Bank Ltd.	61	70	96	110	170
16	Bank Asia Ltd.	81	111	161	195	300

Source: The Financial Express , Dainik Prothom Alo: 01.01.2010 & Various Publications of MoF.

Profit Size of 16 PCBs, Year: 2005, 2006, 2007, 2008, 2009



Year to Year Profit Growth Rate of 16 PCBs from 2005-2009

SL. No.	Banks name	Growth Rate			
		2005-2006	2006 to 2007	2007 to 2008	2008 to 2009
1	Prime Bank Ltd.	40.36%	50.21%	22.86%	34.88%
2	Southeast Bank Ltd.	36.36%	38.57%	3.09%	55.00%
3	BRAC Bank Ltd.	73.33%	84.62%	56.25%	33.33%
4	National Bank Ltd.	66.67%	45.00%	20.69%	0.00%
5	Dhaka Bank Ltd.	17.65%	70.83%	5.37%	25.00%
6	Dutch Bangla Bank	13.86%	30.43%	45.33%	23.85%
7	NCC Bank Ltd.	24.51%	40.16%	32.58%	33.05%
8	Mercantile Bank Ltd.	26.21%	23.08%	20.63%	16.06%
9	Eastern Bank Ltd.	34.65%	38.97%	5.82%	57.50%
10	IFIC Bank Ltd.	34.62%	90.48%	-11.00%	16.29%
11	Mutual Trust Bank Ltd.	50.75%	-0.99%	22.00%	39.34%
12	The City Bank Ltd.	13.33%	-15.03%	30.77%	35.29%
13	AB Bank Ltd.	71.43%	86.11%	38.81%	9.03%
14	United Commercial Bank	18.33%	51.41%	20.93%	30.77%
15	One Bank Ltd.	14.75%	37.14%	14.58%	54.55%
16	Bank Asia Ltd.	37.04%	45.05%	21.12%	53.85%

Source: The Financial Express , Dainik Prothom Alo: 01.01.2010 & Various Publications of MoF

Year to Year Profit Growth Rate from 2005 to 2009

