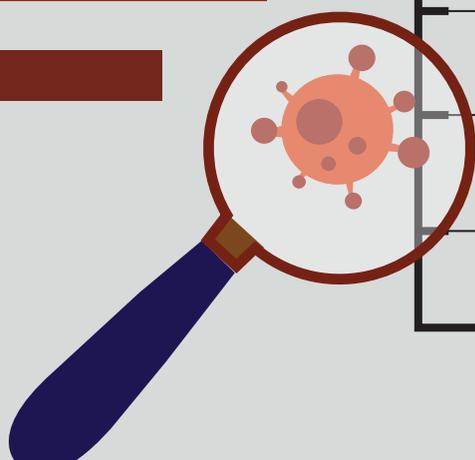


Impacts of COVID-19 on the Bangladesh Economy



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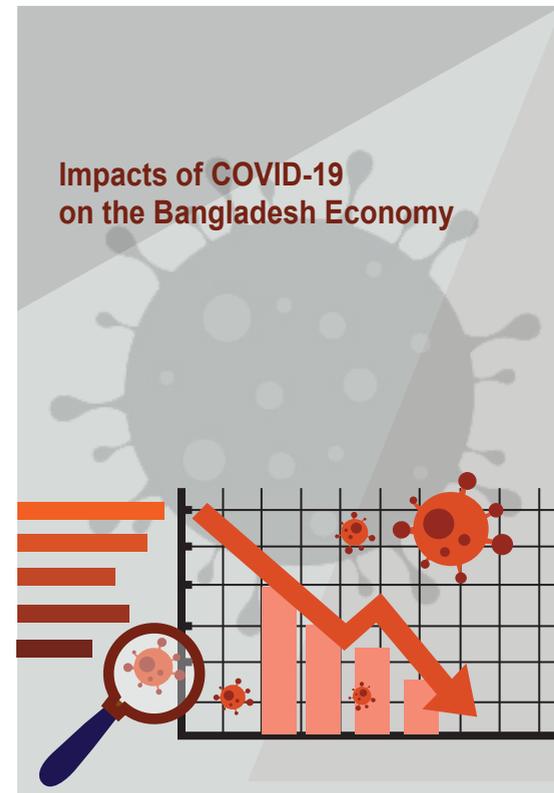
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Contents

Article of the month	02
National News	
The Central Bank	06
Business & Economy	08
MTB News & Events	12
Industry Appointments	16
International	
Economic Forecast	19
Future Products	23
Financial Glossary	24



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Impacts of COVID-19 on the Bangladesh Economy

The novel coronavirus has already caused deadly havoc in the world, affecting more than 208 countries and the spread is still on the rise, significantly affecting the global economy. Bangladesh being forced through lockdown until end of May has seen a crippling effect on workers and businesses across the country. The economy almost came to a standstill and debilitating effects are being observed in almost all sectors.

Around 34 million people, or 20.5 percent of the population, live below the poverty line in Bangladesh, according to Bangladesh Bureau of Statistics (BBS) data. An analysis by Dhaka-based South Asian Network on Economic Modelling (SANEM) shows that this number would rise by 36 million if the income level for poverty line is raised by 1.25 percent. Many of them are likely to fall into poverty trap due to the pandemic.

There are differing opinions on possible impacts of Covid-19 on the Bangladesh economy. Both the World Bank and the International Monetary Fund (IMF) have expressed apprehensions about the economic growth that may slide down to just over 2.0 percent during the current fiscal year. The government still remains optimistic about growth prospects. The Asian Development Bank (ADB), forecasts that Bangladesh's economic recovery from the coronavirus-induced downturn would be V-shaped. In its Asian Development Outlook Supplement, unveiled on June 18, ADB said that the country would grow at 7.5 percent next fiscal year that begins on July 1, helped by strong manufacturing.

Bangladesh's GDP growth, which has averaged around 8 percent during the past few years, has been disrupted by the outbreak of Covid-19. The reported number of unemployed people now ranges from 10 million to 15 million, compared to 2.7 million in 2017. Economic growth in Bangladesh, until the beginning of the pandemic, has been helped largely by four major drivers of growth—export earnings, especially from the ready-made garments (RMG) industry, remittances sent by migrant workers, growth in the agricultural sector, and expansion in cottage, micro, small and medium enterprises (CMSMEs).

However, damages to the Bangladesh economy will depend largely on duration and pervasiveness of Covid-19, as well as effectiveness of government measures to tackle the pandemic.

Bangladesh's Apparel Industry

The performance of the RMG sector is more critical for an economy like Bangladesh, since apparel contributes 84% of the country's export, employing close to 3.5 million people.

The apparel sector exported merely around USD 360 million during April. A stark comparison, as at the same time last year, Bangladesh exported around USD 2.42 billion. Bangladesh Garment Manufacturers and Exporters Association (BGMEA) revealed this recently analyzing the data of the National Board of Revenue (NBR).



BGMEA said a huge amount of orders are canceled or on hold due to the global Coronavirus outbreak. The apparel export from Bangladesh has been witnessing a decline since March. And in April it witnessed the biggest fall in its history. As per the latest data of BGMEA, 1150 garment factories lost 98 million pieces of garments order which is equivalent to USD 3.18 billion.

Bangladesh's single-month shipments in May declined by about 62 percent to USD 1.4 billion as Covid-19 outbreak has disrupted the global supply chain severely. Export earnings during July-May of the FY 2019-20 declined by 18 percent to USD 30.95 billion, which was USD 37.75 billion a year ago, according to the data of Export Promotion Bureau (EPB).

SME Sector of Bangladesh

SMEs are the bloodline of Bangladesh's economy creating employment for 7.8 million people directly and providing a livelihood for 31.2 million in total. One of the hardest hit by COVID-19 pandemic is the already vulnerable SMEs due to dependence on a shorter cash cycle, supply chain disruption, and loss of sales.

The contribution of the SMEs to the GDP is 20.25 percent in Bangladesh. The sector accounts for 35.49

HOW CAN THE GOVERNMENT HELP THE ECONOMY?

The government can take four measures roughly to procure the required fund to address the current issues of Bangladesh Economy

- The government can procure a fund of **\$1.5BN** of the global fund of **\$50BN** formed by world organizations for fighting the global pandemic
- The government can ask for soft loans at easy terms from the **World Bank, ADB, IMF, IDB**
- The government may impose wealth tax on the High Net Worth Individuals/Businesses and procure a handful of fund
- The government may take urgent steps of bringing funds from the Foreign Banks of the Bangladeshi nationals who have looted from different banks/financial institutions and deposited the fund in different countries including Canada, USA, Malaysia, Switzerland, Australia, Singapore and many other countries

percent of the total employment in Bangladesh, according to a study conducted by the International Cooperation Organization for Small and Medium Enterprises in Asia (ICOSA), Japan.

Therefore, the SMEs cannot be avoided if the government seeks

to meet the targets of the sustainable development goals, in terms of employment and contribution to the GDP. The true potentials of Bangladesh lie in SMEs and therefore the sector should get more emphasis for the sustainable growth and development of the country.

Banking sector

While all business activities were in a standstill in April amid a countrywide coronavirus shutdown, the banking sector saw an improvement in private sector credit growth after a six-month downward trend. In April, credit growth increased to 8.82 percent from a historic low of 8.20 percent in the previous month, according to Bangladesh Bank (BB) data. Government borrowing jumped to 79 percent in April from 44.60 percent in the previous month, according to BB data.

In April, export and import fell drastically and businessmen were unable to make their payments for LC. Export earnings saw a steep 83 percent fall year-on-year in April when imports fell by 62 percent. The total loan to the private sector stood at BDT 10,75,110 crore at the end of April.

In April, the banks' excess liquidity surged by BDT 24,000 crore and reached a whopping BDT 1,13,000 crore. The Bangladesh Bank, too, for the first time in its history, created new money worth BDT 70,794 crore within a short time after the outbreak of Covid-19 in March to provide liquidity support to the banks. The liquidity position of the banks stood at 6.5 percent of GDP. While the banking sector is sitting over so much surplus cash, credit flow to the private sector hit the lowest growth at 8 percent in the last two months – March and April. However, the government is on a borrowing spree from banks during this period. Its borrowing has already crossed the fiscal target in April. In the 10 months of the current fiscal year, the government borrowed around BDT 54,000 crore against the fiscal target of BDT 47,850 crore.

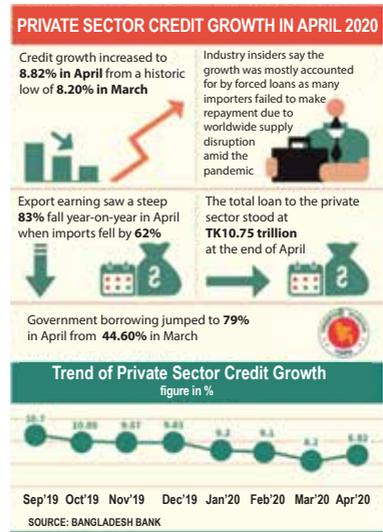
All major economic segments of the country will face deep trouble this year due to the ongoing economic fallout brought on by the coronavirus pandemic, according to a recent central bank report. "Undoubtedly, the year 2020 would be critical and challenging for all of us. The stimulus packages alone may not suffice to address all sorts of damages made by COVID-19 on our economy," said Fazle Kabir, governor of the central bank, at the central bank's annual "Financial Stability Report" for 2019, released on June 30. He added, despite the recent improvement, proper monitoring of

rescheduled loans amid the pandemic will be a critical challenge for the banking industry. The ongoing economic meltdown could severely affect the debt-servicing capacity of the borrowers and the performance of the rescheduled as well as regular loans might be hampered. The

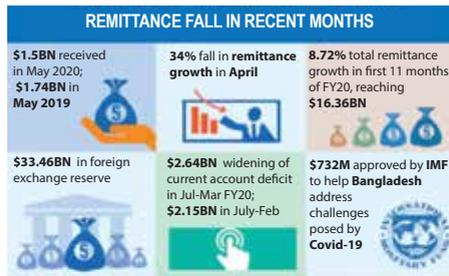
deposit growth in the banking sector, however, might decline soon due to the impact of the coronavirus outbreak. This might happen due to weaker economic activities accompanied by lower demand for labour in the remittance-originating countries. Besides, demand for holding excess cash may also increase due to uncertainty associated with the pandemic.

Forex reserves cross USD 34 billion for the first time

The country's foreign exchange reserves crossed the USD 34-billion mark for the first time. Amid coronavirus pandemic, foreign trade became slower and the aid of developing partners started to arrive, so the foreign exchange reserves piled up. According to the central bank, country's foreign exchange reserves rose to USD 34.23 billion on June 3. Earlier, the previous highest reserves were recorded on September 5 in 2017- the amount was USD 33.68 billion. Remittance is the key driver to raise the reserve to this highest point. From July 1, 2019 to June 2 this year, total remittance stood at USD 16.5 billion, which was 10 percent higher than the amount of same period of the previous fiscal year.



Remittance



Remittance inflow saw a 14 percent fall in May compared to the same month last year (2019)

as many migrant workers lost their jobs to the global economic crisis caused by Covid-19. However, in 2018-19 fiscal, the country received 16.42 billion dollars in remittance. Compared to 2018-19, remittance increased by 10.86 percent in 2019-20 fiscal year. Month-wise, the highest remittance in the country's history arrived in June (2020) which was 1,833 million dollar. The second highest 1,748 million dollar remittance came in June, 2019. International Organisation for Migration (IOM) Bangladesh in a recent statement said, "Due to the economic and labour crisis created by the Covid-19 pandemic, hundreds of thousands of migrant workers are expected to return by the end of the year."

Pharma Sector

There are 273 listed Pharmaceuticals companies in the country. Of them, 217 are in operation right now. In 2019, sales of medicines in the local market were BDT 22 thousand crore. After meeting domestic demand, medicines amounting to BDT 1,108 crore were exported to different countries. The pharmaceutical industry's annual growth is 15 percent. There are 1.25 lakh registered, and around 18 thousand unregistered, pharmacies in the country. Although all the drug stores are open following the government's directive, sales of most shops have declined at this time of coronavirus shutdown. The supply of drugs also dropped during the time.

Mobile Handsets & Active Subscribers

The sale of feature phones and smartphones was almost zero in April due to the countrywide shutdown since March 26. As per the latest data of the Bangladesh Telecommunication Regulatory Commission (BTRC), in 2019 the number of locally assembled smartphones increased to 20 lakh, from 7 lakh the previous year. In contrast, the number of smartphone import fell to 9.67 lakh last year, from 24.44 lakh the previous year. Mobile phone operators are struggling to retain their active subscribers. More than 46 lakh active users, or 2.77 percent of the total

subscriber base, left the mobile networks in March-May, which the sector people term a rare phenomenon. As of May, there are 16.15 crore active connections of all four carriers, which was 16.61 crore at the end of February, according to the latest report of the Bangladesh Telecommunication Regulatory Commission (BTRC) published. Industry insiders estimate that active connections might have gone down further to 16 crore in June. Though the number of active SIMs has fallen, internet connections have increased both in mobile and broadband segments during the pandemic. At the beginning of March, active internet connections were a few thousand less than 10 crore and at the end of May, the number crossed 10.21 crore.

e-Commerce

e-commerce businesses are anticipating a silver lining from the Covid-19 shutdown as a significant number of customers are now more inclined towards ordering online than ever before, which might boost the industry in the post-pandemic period. According to industry sources, the sales of products through digital platforms – such as apps and Facebook pages – increased manifold. Health-related items – such as hand sanitizer or masks – witnessed about 200% increase in sales in the last few weeks, and the demand is greater outside Dhaka, industry insiders added. According to the E-Commerce Association of Bangladesh (E-CAB), about 100 e-commerce businesses – mostly with product lines of essential commodities, groceries and medicine – are witnessing a jump in business as people are bound to order online due to the shutdown. While according to a recent survey by the E-CAB, the e-commerce industry could face around BDT 3,480 crore operational and inventory losses amid the novel coronavirus shutdown. The study, titled "Impact of Covid-19 on E-commerce Industry of Bangladesh," showed that, financially, 82 percent of the e-commerce firms have been severely impacted by the shutdown.

ICT Sector

ICT sector earned USD 1 billion by exporting software and ICT products last year. But this year, 70%-80% of global work orders were canceled due to the pandemic and the subsequent countrywide shutdown. Around USD 800 million equivalent of international work orders, as well as USD 500 million worth of domestic work orders were canceled. Recently, due to work-from-home (WFH) policy adopted by some of the corporate business houses, there is a rise in the use of online meetings. Further, many businesses are focusing to shift to cloud computing.

Coronavirus bites into VAT collection

As economic activities came to a grinding halt amid the coronavirus outbreak, VAT collection fell by a staggering BDT 6,500 crore in April, the National Board of Revenue (NBR) said. Because of the pandemic, and subsequent fall in trade, about 28,000 businesses and organisations failed to file VAT returns within the stipulated May 15 deadline. According to NBR, about 70,000 organisations submit VAT returns in normal times but only 42,600 returns were filed by the May deadline. This also caused a drastic fall in VAT.

Government Stimulus Packages in COVID-19

The Covid-19 pandemic has forced the economic activities of the world to come at a halt. To save the world from a devastating recession, different countries are announcing stimulus packages for various sectors. As of April 15th, the Government of Bangladesh has introduced stimulus packages of a total of BDT 1,000 billion which is 3.3% of the total GDP.

Understanding The Stimulus Packages of Bangladesh

The major packages have been discussed in the table below.

Package Number	Amount (BDT crores)	Beneficiary	Fund Sourcing	Cost of Fund
1	30,000	Industries and Service-sectors as working capital loans	As loans from commercial banks	4.5% by the beneficiary and 4.5% by the government as subsidy
2	20,000	Cottage, micro, small and medium enterprises (CMSMEs) as working capital loans	As loans from commercial banks	4% by the beneficiary and 5% by the government as subsidy
3	12,750	To facilitate raw material imports under back-to-back LCs	Bangladesh Bank Export Development Fund	2%
4	5,000	Pre-shipment Credit Refinance Scheme for local products alongside the export sector	Bangladesh Bank	7%

Source: The Business Standard

Apart from these there have been announcements of insurance schemes for healthcare workers and ration cards for vulnerable families.

Financing of the Stimulus Packages

It is evident from these packages that their main purpose is to assist in different industries so that they are not devastated by the Covid-19 lockdowns. It can be seen that the fund is being financed jointly by commercial banks and the Bangladesh Bank. Bangladesh Bank reduced the repo rate to 5.75% from 6%. The Bangladesh Bank also cut the Cash Reserve Ratio (CRR) to 5% which injected about BDT 64 billion to the economy. However, the Association of Bankers deemed this to not be enough to obtain the necessary liquidity and asked the Bangladesh Bank to reduce the repo rate to 5%, the Cash Reserve Ratio to 4.25 and the Statutory Liquidity Ratio (SLR) to 11% from 13%.

World Bank proposes USD 300 million for credit guarantee scheme

The World Bank has proposed USD 300 million to the Bangladesh Bank as support for forming a credit guarantee scheme to speed up lending by banks in high-risk sectors, especially to SMEs, during the pandemic. According to the initial implementation plan, the credit guarantee will not be given on individual loans, rather it will be given on a bank's portfolio based on risk measurement. Small, micro and cottage industries will mainly be entitled to get credit guarantee support. Banks will have to pay a price for availing such guarantee schemes similar to insurance premiums. The demand for a credit guarantee scheme came from bankers after the government announced two stimulus packages – one for the industrial and service sector worth BDT 30,000 crore and another for SMEs worth BDT 20,000 crore – to support affected businesses.

Way to recovery

Damages to the economy of Bangladesh will depend largely on the duration and pervasiveness of Covid-19, as well as the effectiveness of government measures to tackle the pandemic. Next, the assumptions behind a V-shaped recovery are, quick recovery in domestic consumption in the US and Europe, the two main destinations of major Bangladeshi exports, consistency, and growth of Bangladeshi migrant workers' employment, an upward pull of oil price in Arab countries, among the external factors while, rise in steady domestic consumption, quick recovery of CMSMEs and informal sectors are the major domestic factors. In line with the above, a set of dynamic fiscal and monetary policy will be required from the government's side to provide an environment conducive to recovery.

NATIONAL NEWS

BB almost doubles funding for SMEs' refinance schemes



The central bank has almost doubled the volume of funding of three refinance schemes for small and medium

enterprises (SMEs) in order to protect the marginal entrepreneurs from the ongoing economic fallout from the coronavirus pandemic. The interest rate on the schemes was also decreased by 2 percent both for banks and borrowers, according to a central bank circular sent out to all lenders. Under the latest programme, the refinance scheme for small enterprises now stands at BDT 1,500 crore, up from BDT 850 crore. The other two schemes, which provide fund to set up agro-based product processing industries in rural areas and for new entrepreneurs in cottage, micro and small enterprises, have been increased to BDT 1,400 crore and BDT 100 crore from BDT 700 crore and BDT 50 crore. Lenders will get the fund from the central bank at 3 percent interest rate, but they will be allowed to disburse the loans at seven percent interest rate to borrowers. Under the refinance scheme, banks at first disburse loans to clients, after which the central bank reimburses the fund to them.

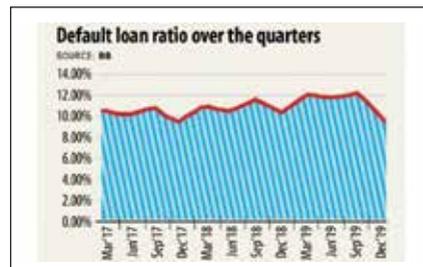
Nagad gets BB permission for mobile banking



After more than one year of operation as a digital wing of the Bangladesh Post Office, Nagad has received

permission to operate as a full-fledged mobile financial services (MFS) provider like bKash and Rocket. Bangladesh Bank has issued Nagad a licence for an interim period of six months, said a senior official at the payment systems department of the central bank. Nagad has 150,000 outlets and a strong presence at 10,000 post office branches across the country. On April 6, the central bank asked banks to open MFS accounts for the workers and labourers who have no accounts, by April 20, so that they can receive their wages and allowances during the countrywide shutdown to curb the novel coronavirus spread.

Pandemic to cause an economic whiplash: BB



"Undoubtedly, the year 2020 would be critical and challenging for all of us. The stimulus packages alone

may not suffice to address all sorts of damages made by COVID-19 on our economy," said Fazle Kabir, governor of the central bank. All major economic segments of the country will face deep trouble this year due to the ongoing economic fallout brought on by the coronavirus pandemic, according to a central bank report. Although the government had set a GDP growth target of 8.20 per cent for this fiscal year citing a V-shaped recovery, the central bank's projections have given an indication the economy may face deep trouble in the days ahead. The government has so far announced several stimulus packages worth BDT 103,117 crore, which is nearly 3.7 percent of the country's gross domestic product, to cushion the possible economic shocks from the global coronavirus pandemic. The economic whiplash by the rogue virus across the globe is likely to affect the domestic economy considerably in the coming days.

Non-bank entities to provide ATM service



The BB has allowed non-bank entities to operate automated teller machines (ATMs) across the country with a focus on increasing the

banking network in rural areas at an affordable cost. To this end, the central bank's payment systems department, issued Guidelines for White Label ATM and Merchant Acquiring Services. ATMs set up, owned and operated by non-bank entities are called White Label ATMs. To bring unbanked people under financial services, the Bangladesh Bank issued this guidelines. A White Label ATM and Merchant Acquiring Services licensee will have to install three ATMs in rural areas if it installs one ATM booth in an urban area.

NATIONAL NEWS

Private sector credit growth marks historic 8.2% low in March



Private sector credit growth, which has been slowing down since the beginning of the current fiscal year amid pressure

of interest rate capping, dropped to a historic low at 8.20 percent year-on-year in March, posing huge risks for employment and economic growth. Despite having huge amounts of excess liquidity, banks were reluctant to lend amid the pressure of implementing single digit lending rate, which came into effect from April 1, said industry insiders. There was a lack of demand from genuine businessmen due to a slowdown in the export and import business amid the global economic crisis. The credit growth in March was far below the monetary target of 14.8 percent set for the fiscal year 2019-20 by the Bangladesh Bank. In a recent report placed to the International Monetary Fund (IMF), the Bangladesh Bank expected private sector credit growth to end up at 8.5 percent by the end of the fiscal year.

BB introduces payment guarantee for exporters

Bangladesh Bank has introduced international factoring, a development that can be viewed as a mode of accelerating the country's exports and reduce exporters' risk of collecting their products' worth. The country's exporters currently have to undertake sales contracts without payment guarantees from foreign importers. As a result, exporters face the risk of payment defaults by importers. From now on, banks dedicatedly running foreign exchange related businesses will be allowed to let exporters ship goods on sales contracts under open account credit terms within the statutory period, if otherwise not extended, from the date of shipment. This means exports will be executed against payment undertaking or payment risk coverage by international factoring companies or foreign banks for settlement of export bills. The policy is a simplified version of financing under factoring and supply chain to exporters against their export with external payment undertaking. The costs by exporters against payment undertaking or payment risk coverage and interest with relevant charges for early payment shall not exceed a 6-month London Interbank Offer Rate (LIBOR) plus 3.50 per cent annually, the notice said.

BB sells USD 822m to banks in FY20



In the fiscal year 2019-20, from July 1 to May 20, the Bangladesh Bank sold USD 822 million to banks from its foreign currency

reserve. It sold USD 10 million to some state-owned banks to make letter of credit (LC) payments on behalf of the Bangladesh Petroleum Corporation for importing liquified natural gas. After selling USD 10 million, the reserve of the Bangladesh Bank stood at USD 33.19 billion as the Asian Development Bank's budgetary support of USD 250 million added to the reserve.

Forex reserves hit USD 35 billion for the first time



The country's foreign exchange reserves have set a new record, hitting USD 35 billion for the first time in its history. "The aid from developing partners and remittances have added up to raise the foreign exchange reserve to USD 35.09 billion," said Md Serajul Islam, Bangladesh Bank Executive Director and spokesperson. "The money provided by IMF and loans for various projects from the World Bank, ADB, and JICA is also the key factors behind the rise of the reserves to a new record," he added. Policy Research Institute executive director Ahsan H Mansur, said: "The amount of money that the Bangladeshi expatriates have sent during this pandemic, is not of their recent income. "A good number of migrant workers will lose their jobs and return to Bangladesh owing to the worldwide crisis created by the Covid-19 pandemic in the coming days," he added. The inflow of remittance declined by 14.01% year on year to USD 1.50 billion in May as the coronavirus pandemic took a toll, as per central bank data. Former lead economist of World Bank, Bangladesh, Zahid Hussain said that the aids from our development partners and the decreasing trend of import growth are the factors behind the new record in our reserves but it is so difficult to sustain it.

NATIONAL NEWS

Budget passed amid pandemic



The Jatiya Sangsad has passed the BDT 568,000-crore national budget for fiscal 2020-21, with the theme "Economic Transition and Pathway to Progress," which, according to experts, may prove difficult to implement amid the coronavirus pandemic. Earlier on June 11, Finance Minister AHM Mustafa Kamal placed the budget in the House with an ambitious GDP growth target of 8.2 percent, focusing on health sector development and economic recovery amid Covid-19 pandemic. The government has allocated BDT 103,117 crore for 19 stimulus packages to put the economy back on track amid daunting challenges posed by coronavirus pandemic. The combined support accounts for 3.7 percent of the country's GDP. Of the amount, BDT 5,000 crore went to the export industry, BDT 20,000 crore to the micro, small and medium enterprises, BDT 30,000 crore to large industries and services, and BDT 5,000 crore to the agriculture sector. The overall budget deficit will be BDT 190,000 crore, which is 6 percent of the GDP.

Jute mills under BJMC to be shut from July 01



The state-owned jute mills under Bangladesh Jute Mills Corporation (BJMC) would be shut from July 01 and reopened under public-private partnership (PPP) within next six months. Some 25,000 permanent workers of BJMC jute mills will be given 'golden handshake' while dues and other retirement benefits of around 9,000 workers who already retired would also be paid by September. Textile and Jute Minister Golam Dastagir Gazi made the disclosure at a virtual press briefing held recently. The minister said, "The BJMC jute mills have been incurring losses over the last four decades except four years.

DSE turnover crosses BDT 25b-mark on huge block trade of GSK shares

Market Stat		Today	Last Day	% Change
Mcap	Mn BDT	3,111,250.5	3,108,347.8	
	Mn USD	36,620.2	36,586.0	0.1%
Turnover	Mn BDT	25,432.6	683.6	
	Mn USD	299.3	8.0	3620.5%
Volume	Mn Shares	61.2	31.1	96.9%
	Trade	18,993	14,686	29.3%

Source: BRAC EPL

Daily trade turnover on Dhaka Stock Exchange (DSE) crossed BDT 25 billion-mark after nine and a half

years. Turnover, a crucial indicator of the market, stood at BDT 25.43 billion on the country's premier bourse which was BDT 683 million in the previous session. It happens to be the biggest single-day transaction in the past nine and a half years since December 6, 2010, when the turnover totalled a record BDT 27.10 billion. Market operators said the sudden jump in turnover came as a surprise for capital market investors amid the prolonged bearish trend in the market. "Sales of entire shares of SETFIRST Ltd, one of the corporate directors of the GSK Bangladesh, to Unilever Overseas Holdings B.V on block market at BDT 2,046.30 each, was the main reason behind the sudden jump in turnover on DSE," said a merchant banker. The GSK Bangladesh accounted for 87.9 per cent to the day's total turnover as 10.87 million shares of the company worth BDT 22.25 billion changing hands in the block market.

"As per the earlier disclosure, shares transaction of GSK Bangladesh executed on the block market through City Brokerage, maintaining all rules and regulations," said a high official of the GSK Bangladesh. As per the disclosure, Unilever Overseas Holdings B.V. purchased the entire holding of SETFIRST Ltd, which is more than 9.87 million or 81.98 per cent shares of the total number of shares of GSK Bangladesh. The GSK Bangladesh's shares traded between BDT 2,046.30 and BDT 2,148.60, before closing at BDT 2,084.10.

The GSK, one of the worlds's leading research-based pharmaceutical and healthcare companies, shut its medicine manufacturing unit in Bangladesh in 2018 after six decades of operation, since listed on the Dhaka bourse in 1976, due to incurring huge losses. The UK-based multinational company continued with its consumer healthcare unit that produces Horlicks, Sensodyne and Glaxose-D in Bangladesh as the company makes a healthy profit from this segment.

NATIONAL NEWS

ADB boosts support for Bangladesh's private sector



The Asian Development Bank (ADB) has expanded the Trade Finance Programme (TFP) to support the private sector in Bangladesh by raising

its financing limit to USD 755 million from USD 518 million at the end of last year. The TFP works with 12 partner banks in Bangladesh to mobilise private sector capital and fill market gaps by providing guarantees and loans to support trade, according to an ADB press release. Country Director Manmohan Parkash said, "Given the impact of Covid-19 on the economy – particularly availability of credit for the private sector in Bangladesh – enhancement of the TFP will increase liquidity, help boost businesses, raise exports and imports, increase jobs, plus contribute to economic growth and development." Noting Bangladesh is one of the most active TFP countries, he said, "The programme has so far supported USD 814.6 million in trade, with 70.7 percent co-financing by the private sector and over 1,367 transactions, as of 31 December 2019." As trade transactions typically start and end within 180 days, the USD 755 million can bankroll and support over USD 1 billion in Bangladesh trade year-over-year.

IMF approves USD 732m to BD to address Covid-19 pandemic



The International Monetary Fund (IMF) has approved a disbursement of about USD 732 million to Bangladesh for addressing the

challenges posed by Covid-19 pandemic. The Executive Board of the IMF approved USD 244 million under the Rapid Credit Facility (RCF) and about USD 488 million under the Rapid Financing Instrument (RFI) to the country on May 29 in a response to the 60th request for emergency financial assistance to help its member countries. The allocation will help finance the health, social protection and macroeconomic stabilization measures, meet the urgent balance-of-payments and fiscal needs arising from the Covid-19 outbreak. It will also catalyze additional support from the international community.

Trade ties with China to enter new stage, says Chinese ambassador



Chinese Ambassador to Bangladesh Li Jiming said, with the implementation of 97% zero tariff treatment, Bangladesh-China economic and trade cooperation will definitely enter a significant new stage. Bangladesh can benefit hugely from the vast Chinese market as China's imports will exceed USD 30 trillion in next 15 years, says its ambassador Li Jiming in the capital recently. "It will be a win-win cooperation for China and Bangladesh to fully explore China's import capability, catch up with the demand of the Chinese market, and strengthen bilateral trade," he added. "It is estimated that in the next 15 years, China's imports will exceed USD 30 trillion. China's import will continue to maintain great potential, providing a strong guarantee for China's economic development and a huge market for high-quality products of Bangladesh," said the ambassador.

Beximco exports 6.5 million PPE gowns to USA

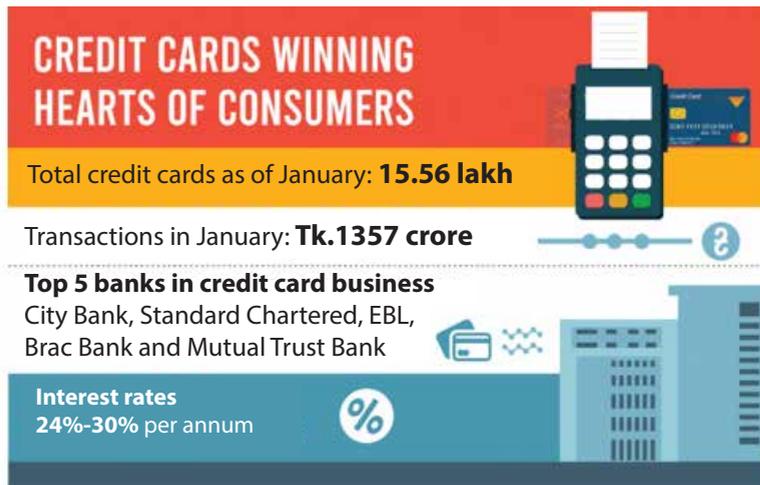


Beximco Group, a Bangladeshi corporate giant, has exported 6.5 million Personal Protective Equipment (PPE) gowns to the USA.

With this, Bangladesh joined the select group of countries that manufacture world-class, large-scale PPE to US brand Hanes for ultimate delivery to Federal Emergency Management Agency (FEMA). Bangladesh was well-positioned to become a new hub for PPE manufacturing. This would help keep people safe and secure worldwide while helping Bangladesh's economy and ensuring that the large workforce of 4.1 million in the garment sector can still make a good livelihood. With a goal of becoming a major global player in this sector in the next three years, the company has set up a new PPE Industrial Park, just a 10-minute walk from Beximco Industrial Park.

NATIONAL NEWS

Credit card users hassled during Covid-19



Credit card users thought they would benefit greatly from Bangladesh Bank's order not to charge compound interest on bills payable till the end of this month, but that was not the case. After the circular was issued on April 15, many users stopped paying their credit card bills as they thought their interest would be waived. However, they woke up to calls from their banks for payments to avoid a hefty interest burden of 24 percent to 30 percent per year – regardless of the impact of the Covid-19 pandemic on them. According to bankers, the central bank took the decision without consulting the banks. Moreover, the banking

regulation and policy department of the central bank issued the circular – instead of the payments systems department, which knows how banks operate credit card business. The central bank had earlier asked banks not to charge late payment fees on credit cards until May 31. According to the central bank data, as of January, 59 banks have issued 15.56 lakh credit cards and the transactions in January stand at BDT 1,357 crore.

Next fiscal's export: EPB estimates below current target

Against the target for FY20, in 11 months (July-May) Bangladesh earned USD 30.96 billion, down by 18% from a year earlier. The Export Promotion Bureau (EPB) has proposed the commerce ministry to set the merchandise export target at USD 37.44 billion for the next fiscal year 2020-2021. It, however, has estimated USD 32.99 billion export earnings for the FY20 against a government set export target of USD 44.5 billion from goods. Against the target for FY20, in 11 months (July-May) Bangladesh earned USD 30.96 billion, down by 18% from a year earlier. The EPB's target for FY 2020-2021 is 13.45% higher than estimated earnings for the current fiscal year. For the



garment sector, the bureau estimated USD 27.27 billion. During the July-May period of the current FY20, the sector earned USD 25.90 billion. "The EPB has proposed less than current year's export target as the export earnings is going through sharp decline due to covid pandemic," seeking anonymity a high official of the EPP said. According to the World Trade Organization (WTO) data, world trade is expected to fall by between 13% and 32% in 2020 as the COVID-19 pandemic disrupts normal economic activities and lives around the world.

NATIONAL NEWS

Beximco, Indian Oil team up to grab a slice of fast-growing LPG pie



Beximco LPG, a subsidiary of Beximco Group, has teamed up with the Indian state-owned Indian Oil Corporation (IOC) to profit off Bangladesh's fast-growing Liquefied Petroleum Gas (LPG) market and supply the cooking gas to northeast

India. The new venture is a 50-50 partnership between Dubai-based IOC Middle East FZE, a wholly-owned subsidiary of the India's largest refiner and marketer of petroleum products, IOC and the Beximco Group. The LPG market in Bangladesh has seen a five-fold growth in the past five years and is expected to grow at a compound annual growth rate of 12-13 per cent, according to Sanjiv Singh, Chairman of Indian Oil. As per the business plan, the JV will begin functioning by acquiring Beximco's existing LPG assets. It aims to set up a large LPG terminal at a deep-water port in Bangladesh, which would facilitate receipt of LPG in very large gas carriers, leading to a reduction in the cost of imports, Singh said. The agreement is a major milestone in the annals of India-Bangladesh cooperation, he said, while presiding over the signing ceremony recently.

Omera gets USD 20m from IFC to meet funding needs



The International Finance Corporation (IFC) will lend USD 20 million to Omera Petroleum in order to help the Bangladeshi company meet funding requirements to face the challenges posed by the coronavirus pandemic. The funding will help Omera, a subsidiary of Mobil Jamuna Bangladesh, enhance storage and filling capacity and overcome challenges resulting from the ongoing limited access to foreign currency. The loan's tenure is four years and it will be paid back on a quarterly basis by Omera, which has been engaged in import, storage, bottling and distribution of liquefied petroleum gas (LPG) since 2015. It is the second loan from the IFC, the private sector lending arm of the World Bank, disbursed through its Covid-19 fast-track financing support package. In 2018, the IFC invested USD 20 million as a long-term loan for 5 years in Omera Petroleum to help the company double its capacity and increase the availability of LPG, especially in rural areas. The Omera has a plan to raise BDT 238.43 crore from the stock market as well to expand its LPG business.

RMG export earning plummets by 18.45pc in FY 2019-20



The country's earnings from garment export in the outgoing 2019-20 fiscal year declined to USD 27.83 billion – an 18.45 percent decline compared to the previous fiscal year. The sharp dip in the export earnings from RMG sector has been largely attributed to the ongoing COVID-19 pandemic. The export earning target was 38.20 billion USD for the immediate past fiscal year. Bangladesh exported USD 34.13 billion worth of RMG products in the 2018-19 fiscal. RMG exports, which typically contributes to 84 percent of the national export, was lower in the last fiscal year as many factories were shut down in April due to the pandemic. In June, the country earned USD 2.12 billion from garment exports, according to data from Bangladesh Garment

Manufacturers and Exporters Association (BGMEA). In May the earnings from apparel export was 1.23 billion USD and in April the amount was 0.37 billion USD, the data added.

MTB DONATES BDT 50 MILLION TO THE PRIME MINISTER RELIEF & WELFARE FUND

Mutual Trust Bank Ltd. (MTB) has donated BDT 50 million to the Prime Minister's Relief and Welfare Fund to help fight the outbreak of coronavirus.

The bank handed over the cheque through Bangladesh Association of Banks (BAB).



MTBIANS DONATE ONE-DAY SALARY

Employees of MTB have donated their one-day salary for the people in need, who have been suffering during the nationwide shutdown due to the coronavirus pandemic and to help fight the coronavirus outbreak in the country. 'The country and its people have given us many successes and now, this is our duty to stand beside our country and its people during their time in distress', Syed Mahbubur Rahman, MTB Managing Director & CEO, said. He also expressed heartfelt gratitude to all MTBIans for their support towards the noble cause for the nation.

MTB PRESENTS DISINFECTANT CHAMBER TO KUWAIT-MOITREE GOVERNMENT HOSPITAL AND KURMITOLA GENERAL HOSPITAL

MTB, as part of its Corporate Social Responsibility (CSR) initiatives, has recently presented two units of disinfectant chamber to Kuwait-Moitree Government Hospital and Kurmitola General Hospital for their doctors and healthcare staff with a view to curbing the outbreak of the COVID-19 pandemic in the capital. The initiative was implemented with the support of JAJABOR BUET 97 has developed this customized chamber for instant support to combat against Covid 19.



MTB FOUNDATION SUPPORTS LEKHAPARA TRUST



MTB Foundation, in its effort to align its CSR initiatives with the Sustainable Development Goals (SDGs), recently extended support to LEKHAPARA Trust for the underprivileged and physically challenged children of 'Koltapara Anondo Pathshala' school at Sonargaon, Narayanganj. Syed Mahbubur Rahman, Managing Director & CEO, MTB, handed over the cheque to Dr. Shahida Akhter, Chairperson, LEKHAPARA Trust, at a simple ceremony held at the bank's Corporate Head Office, MTB Centre, 26 Gulshan Avenue, Dhaka 1212. Shabbir Ahmed Osmany, Trustee of LEKHAPARA Trust and Azam Khan, Group Chief

Communications Officer and Samia Chowdhury, Deputy Head, Group Communications of MTB along with other officials of the bank were also present at the occasion.

MTB INTRODUCES MTB EXTREME, SAVINGS ACCOUNT SERVICE WITH FREE COVID-19 INSURANCE COVERAGE



MTB in partnership with Guardian Life Insurance Limited has recently launched MTB Extreme, the country's first ever savings account service with free COVID – 19 insurance coverage. Syed Mahbubur Rahman, Managing Director & CEO, MTB announced the launch of the new MTB service through a virtual launching ceremony while M M Monirul Alam, Managing Director & CEO, Guardian Life Insurance Limited joined the event.

New MTB savings account holders will be able to claim dual benefit - interest on the savings amount and the covid-19 life insurance coverage.

Syed Rafiqul Haq, Additional Managing Director & Chief Businesses Officer, Towfiqul Alam Chowdhury, Head of Business, Retail Banking Division and Azam Khan, Group Chief Communications Officer, MTB were also virtually present at the launching ceremony.

MTB INTRODUCES MTB SHIELD, FIXED DEPOSIT WITH COVID – 19 INSURANCE COVERAGE

MTB in partnership with Guardian Life Insurance Limited has recently launched MTB Shield, the country's first ever fixed deposit with COVID – 19 along with life insurance coverage. Syed Mahbubur Rahman, Managing Director & CEO, MTB announces the launch of the new MTB deposit product through a virtual launching ceremony while M M Monirul Alam, Managing Director & CEO, Guardian Life Insurance Limited joined the ceremony.

New MTB fixed deposit holders, with a minimum investment of BDT 100,000, will be able to claim dual benefit – interest on the fixed deposit amount and the covid-19 life insurance coverage.

Syed Rafiqul Haq, Additional Managing Director and Chief Business Officer, Md. Towfiqul Alam Chowdhury, Head of Business, Retail Banking Division and Azam Khan, Group Chief Communications Officer, MTB along with other senior officials were also present virtually at the launching ceremony.



MTB INTRODUCES GREEN PIN SERVICE FOR MTB CARDHOLDERS



MTB with a view to enhancing Green Banking and Sustainable Development, launches Green PIN for all MTB Cardholders. Green PIN is a Contact Centre IVR based, instant and secure PIN generation service for all types of cards issued by MTB. This paperless service will facilitate MTB Cardholders to set their new card PIN, change the old PIN as well as reset the old PIN instantly just by calling MTB 24/7 Contact Centre at 16219 from their registered phone numbers. They no longer need to visit MTB Branches or wait for long to receive the new PIN or change the existing PIN.

MTB FOUNDATION DISTRIBUTES STAPLE FOOD ITEMS AMONGST THE AFFECTED PEOPLE DURING COVID-19 PANDEMIC

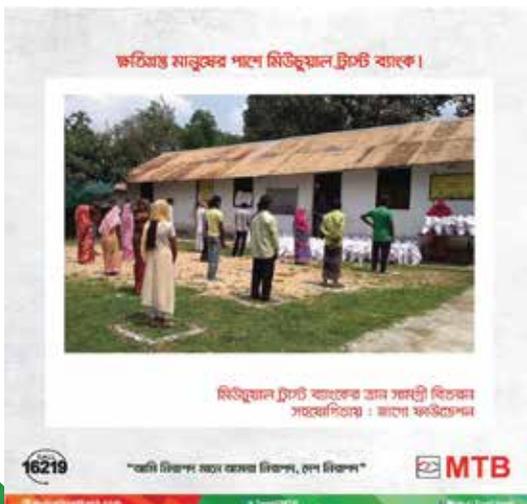
MTB Foundation (MTBF), as part of its Corporate Social Responsibility (CSR) initiatives and to help fight the coronavirus outbreak in the country, has distributed essential groceries such as rice, lentils, oil, potato, salt, sugar, flattened rice, flour and soap amongst 900 families who have been suffering during the nationwide shutdown due to the coronavirus pandemic in Syedpur, Thakurgaon and Panchagar. Its Humanity Foundation (IHF) has organized the distribution programme.

MTB FOUNDATION DISTRIBUTES CASH AMONGST THE AFFECTED PEOPLE DURING COVID-19 PANDEMIC

MTB Foundation (MTBF), as part of its Corporate Social Responsibility (CSR) initiatives, made cash donation amongst 500 affected families during Covid-19 pandemic to meet their essential expenses in Char Patila, Char Fasson, Bhola. Each family received BDT 2,000. Management and Resources Development Initiative (MRDI) has distributed the cash via Mobile Financial Services (MFS) through Unnayan Dhara Trust (UDT).



MTB FOUNDATION DISTRIBUTES ESSENTIAL GROCERIES AMONGST THE AFFECTED PEOPLE DURING COVID-19 PANDEMIC



MTB Foundation (MTBF), as part of its Corporate Social Responsibility (CSR) initiatives, distributed essential groceries such as rice, lentils, oil, potato, salt, sugar, flattened rice, flour and soap amongst vulnerable families who had been suffering during the nationwide shutdown due to the coronavirus pandemic in Madaripur, Habiganj, Gaibandha, Rajshahi, Chattogram, Cox's Bazar, Teknaf and Rayerbazar, Dhaka. JAAGO Foundation organized the distribution programme.

MTB SIGNS MOU WITH AG MOTORS



MTB has signed a MoU with AG Motors at a simple ceremony held at the bank's Corporate Head Office, MTB Centre, 26 Gulshan Avenue, Dhaka 1212. Under this agreement, the clients of AG Motors will be able to avail Auto Loan with a low processing fee and discounted interest rate from MTB. MTB clients, likewise, will be entitled to buy vehicle with a special discounted offer from AG Motors.

Yousuf Aman, Director (Operations), AG Motors and Syed Rafiqul Haq, Additional Managing Director & Chief Business Officer, MTB signed the MoU

on behalf of their respective organizations. Shihab UI Alam, Assistant Manager, Sales and Md. Majharul Islam, Executive, Brand from AG Motors and Md. Towfiqul Alam Chowdhury, Head of Business, Retail Banking Division, Mohammad Anwar Hossain, Head of Cards and Azam Khan, Group Chief Communications Officer from MTB along with other senior officials from both the organizations were also present at the signing ceremony.

MTB ORGANIZES SCHOOL BANKING CONFERENCE 2020 AT COX'S BAZAR

MTB has organized "School Banking Conference 2020" at Cox's Bazar as the Lead Bank. S. M. Moniruzzaman, Deputy Governor, Bangladesh Bank attended the program as the Chief Guest.

Syed Rafiqul Haq, Additional Managing Director & Chief Business Officer, Md. Towfiqul Alam Chowdhury, Head of Business, Retail Banking Division, Azam Khan, Group Chief Communications Officer, Nafeesa Chowdhury, Vice President, Retail Banking Division and Mohammad Bashirussamad, Manager, Cox's Bazar Branch, MTB along with senior officials from MTB, as well as all scheduled banks operating in Cox's Bazar, dignitaries and leaders of local business associations, representatives from different strata also attended the event.



The main objective of the conference was to build awareness among the students about the importance of savings and its contribution in the economy.

NATIONAL NEWS

Ahsanul elected Union Bank Chairman



Ahsanul Alam has been elected Chairman of Union Bank at the 66th board meeting of the bank. His family owns the S Alam Group of Industries and he has been serving as Chief Executive of S Alam and Company since 2004. He is

the Proprietor of Genesis Enterprise and Chairman of Hasan Abasan (Pvt) Limited. He is also the Managing Director of Genesis Textiles Accessories and Apparels Limited and Western Designers Limited.

Kamal becomes Meghna Bank Vice-Chairman



Md Kamal Uddin has been elected Vice-Chairman of Meghna Bank Limited at its 99th board meeting held recently. Kamal is an entrepreneur in the readymade garment sector and a director of the Bangladesh Garment

Manufacturers and Exporters Association (BGMEA). He is also the Managing Director of Diganta Packaging and Accessories Ltd.

Bank Alfalah gets new Country Head



Adil Islam has been appointed as Country Head of Bank Alfalah. Prior to this appointment, he held the position of Managing Director & CEO of Meghna Bank Limited. He has more than 29 years of banking and business leadership

experience, gained through working in various international banks and financial institutions in South & Southeast Asia and the Middle East. He has held business and functional head positions both in Bangladesh and in overseas locations, working for renowned banks like HSBC, ANZ, American Express, Mashreq Bank, Bank Saudi Al Fransi (Credit Agricole) and other international organizations.

Professor Shibli Rubayat new BSEC Chairman



Professor Shibli Rubayat UI Islam, Dean of the Faculty of Business Studies at Dhaka University (DU), has been appointed Chairman of the Bangladesh Securities and Exchange Commission (BSEC) for the next four years. Shibli Rubayat UI Islam, also

Chairman of the Department of Banking & Insurance, DU, is additionally serving the state-run general insurer Sadharan Bima Corporation as its Board Chairman.

Tariqul appointed MD & CEO of SBAC Bank



Tariqul Islam Chowdhury has been appointed as Managing Director and Chief Executive Officer of South Bangla Agriculture and Commerce Bank (SBAC) Limited. Prior to the appointment, he served as the acting Additional Managing Director of the

bank. He joined the bank in 2018 as Deputy Managing Director (DMD). Before joining SBAC Bank, Tariqul was the DMD of state-owned Sonali Bank Limited. With over three decades of banking experience in diversified fields, he started his career with Sonali Bank as a financial analyst in 1984.

Pubali Bank gets new AMD



Mohammad Ali has recently been promoted as Additional Managing Director and Chief Operating Officer of Pubali Bank. Prior to the promotion, he held the position of Deputy Managing Director of the bank. Ali joined the bank

as general manager and chief technical officer in 2008. He completed his graduation and post-graduation in Computer Science and Engineering from the Bangladesh University of Engineering and Technology, and obtained a master's degree in Development Studies from Dhaka University.



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INTERNATIONAL NEWS

Global Economic Prospects 2020: World Bank

Lasting Scars of the COVID-19 Pandemic

The COVID-19 pandemic has struck a devastating blow to an already-fragile global economy. Lockdowns and other restrictions needed to address the public health crisis, together with spontaneous reductions in economic activity by many consumers and producers, constitute an unprecedented combination of adverse shocks that is causing deep recessions in many advanced economies and emerging market and developing economies (EMDEs). Those EMDEs that have weak health systems; those that rely heavily on global trade, tourism, or remittances from abroad; and those that depend on commodity exports will be particularly hard-hit. Beyond its short-term impact, deep recessions triggered by the pandemic are likely to leave lasting scars through multiple channels, including lower investment; erosion of the human capital of the unemployed; and a retreat from global trade and supply linkages. These effects may well lower potential growth and labor productivity in the longer term.

On March 11, the World Health Organization declared COVID-19 a pandemic—the first such declaration since the swine flu in 2009. As infections and deaths soared, governments around the world have taken unprecedented measures— including lockdowns and quarantines, school and business closures, and travel restrictions—to stem the spread of the pandemic. These measures, together with the spontaneous reactions of consumers, workers and businesses, have caused severe disruptions to activity in many sectors and a sharp global economic downturn. This has been accompanied by record capital outflows from emerging market and developing economies (EMDEs), a collapse in global trade, and a plunge in oil demand.

Main findings

- Evolution of the pandemic: While outbreaks in most advanced economies appear to be abating, the pandemic is rapidly spreading across EMDEs, including low-income countries (LICs), where health care systems have very limited capacity. Severe short-term impact. The pandemic, the widespread restrictions put in place to stem it, and the spontaneous reactions of many consumers and producers have already caused a deep

Global financial conditions global recession. Along with the public health crisis, EMDEs are facing tighter financing conditions, plunging oil and other commodity prices, sharp declines in remittances, and collapsing international trade.

- Magnifying short-term weakness. Many EMDEs entered this global recession less well-prepared, and with larger vulnerabilities, than when they were hit by the last global recession in 2009. EMDEs that are most vulnerable to the impact of the pandemic include those that have weak health systems that rely heavily on global trade or tourism, that are vulnerable to financial disruptions, and that depend on oil and other commodity exports. The recession will prolong a decade of disappointing growth for EMDEs.
- Persistent damage in the long run. COVID-19 and the resulting recessions engulfing vast swaths of the developing world will leave lasting scars, eroding productivity and potential output for extended periods. The long-term damage will be particularly severe in economies that suffer financial crises, and in energy exporters because of plunging oil prices. In the average EMDE, over a five-year horizon, a recession combined with a financial crisis could lower potential output by almost 8 percent while, in the average EMDE energy exporter, a recession combined with an oil price plunge could lower potential output by 11 percent. The pandemic is expected to exacerbate the weakness in productivity growth and private investment that were features of the past decade.
- Aggravating long-term challenges. Recessions associated with the pandemic will likely have an even larger impact on long-term growth prospects because of pre-existing vulnerabilities, fading demographic dividends and structural bottlenecks, and permanent changes in behavioural patterns, including consumption habits, and human capital formation. In most years during the past decade, EMDE growth fell short of its long term average. This was reflected in repeated downgrades to long-term growth projections for EMDEs. The pandemic is expected to exacerbate the multi-decade trend slowdown in potential output growth and productivity growth.

- **Policies.** While the immediate priorities of policymakers are to address the health crisis and moderate the short-term economic losses, the likely long-term consequences of the pandemic highlight the need to forcefully undertake comprehensive reform programs to improve the fundamental drivers of economic growth.

The economics of the pandemic: Shocks and spillovers

COVID-19 is the most adverse peacetime shock to the global economy in a century. Demand for goods and services has been severely curtailed, while at the same time supply has fallen sharply, as the number of people working has declined and the cost of doing business has risen. The shock has caused unprecedented disruptions to global trade, travel, and tourism; stress in global financial markets; and sharp declines in commodity prices.

Demand shortfalls: While the measures taken by governments, consumers, and firms to reduce social interaction have been critical to slow the spread of the virus, they have entailed significant disruptions to economic activity. A substantial share of private consumption requiring social interaction was lost in the first half of the year.

Reduced consumption of goods and services has been one of the main drivers of lost output in a range of model-based estimates of the effects of pandemics. Investment has also been curtailed, not only by difficulties in maintaining production and construction but also by sharply weaker growth prospects, rising financing costs, eroding confidence, and increased uncertainty.

Supply disruptions: Air travel, schools and universities, restaurants, theaters, sports venues, and other facilities servicing masses of people have been largely closed down. Labor supply has declined, because of restrictions on movement and human interaction, illness of workers and family members, and school closures (Keogh-Brown et al. 2010; Kilbourne 2004). Workers able to work at home have in many countries been encouraged or instructed to do so, but fewer jobs can be undertaken remotely in EMDEs than in advanced economies, partly because of more limited internet connectivity (ILO 2020). In some advanced economies, such restrictions as quarantine requirements on the entry of temporary foreign workers have been

threatening agricultural production. Delays in input deliveries and limited access to financing, which have been exacerbated by the increased reliance on global value chains, have been causing operational challenges for firms. Over the longer term, workplace closures and quarantines can limit the diffusion of new technologies and knowledge, with lasting damage to productivity.

Global spillovers to EMDEs: These adverse demand and supply shocks have resulted in cross border spillovers to EMDEs through multiple channels—real channels, including disruptions in global trade, supply chains, travel, and tourism; and financial channels, including sharp declines in remittance flows and large capital outflows amid a flight to safety in March. Commodity prices have been depressed by the sharp decline in demand and, with oil the most affected. These cross-border spillovers have been amplified by plunging confidence and rising uncertainty.

Initial impact: Economic activity, financial and commodity markets Consistent with the gravity of the shocks and spillovers discussed above, recent data point to substantial disruptions in global activity and trade, a sharp tightening of financial conditions, and a severe decline in commodity prices.

Global activity and trade:

Data released in the first half of 2020 point to a severe global recession. The global composite PMI—a gauge of worldwide manufacturing and services activity—sank deep into contractionary territory to a record low of 26.5 in April (Figure 01). Along with the implied sharp drop in output, global trade has also contracted significantly. The new export orders PMI stood at 35.3 in April, deep in recessionary terrain. Its 11-point fall from March was the steepest on record and considerably steeper than at the onset of the global financial crisis, during the Euro Area crisis (2010-13), or during the recent period of trade tensions (2018-19).

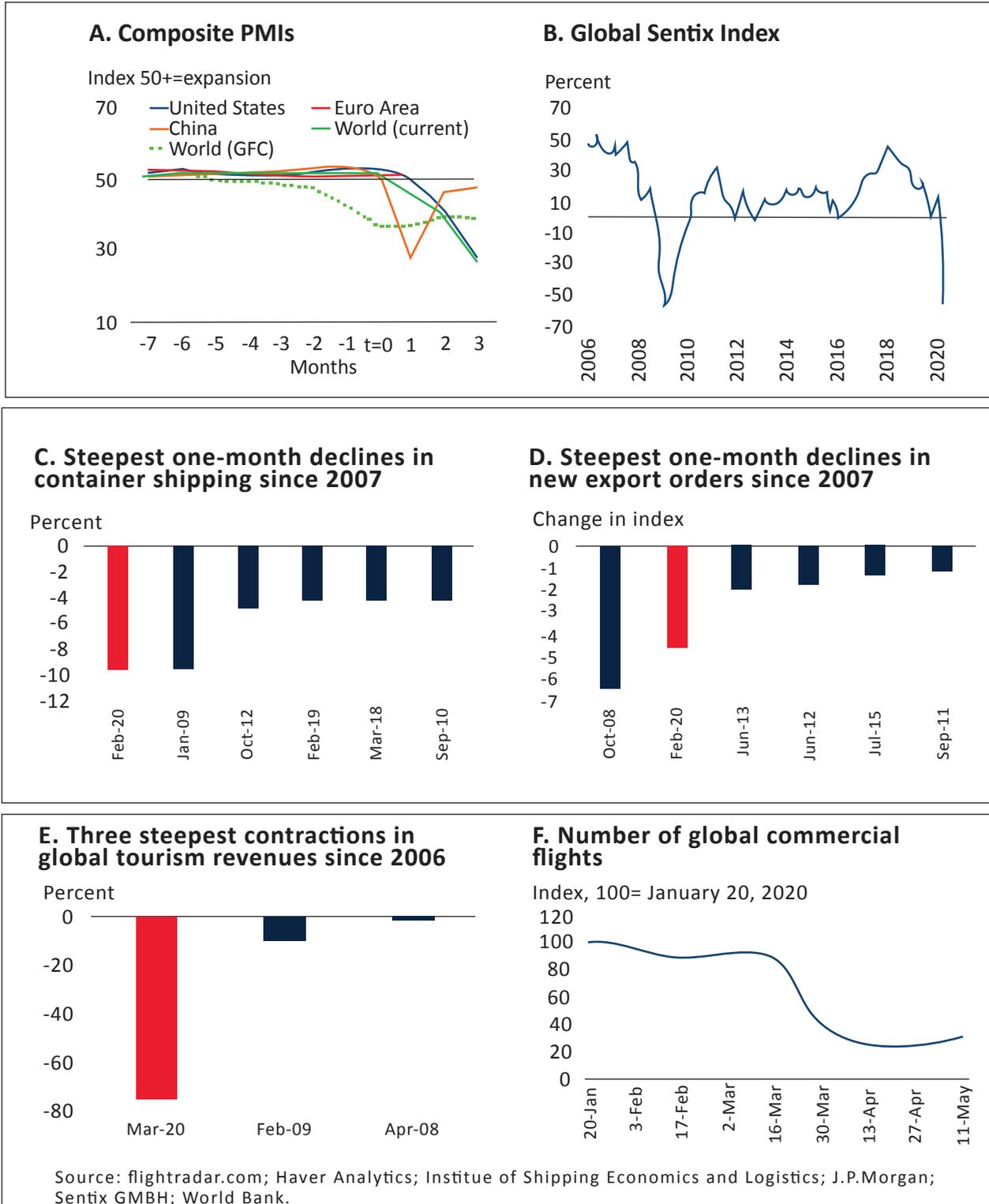
With international travel restricted and internal travel discouraged in most countries, global tourism and travel have been severely curtailed. So far this year, tourist arrivals declined by nearly 100 percent among reporting countries. Globally, the number of commercial flights is down about 70 percent since the beginning of the year.

Disruptions to production and international transport have increased the risk that critical inputs will be

unavailable, potentially leading to cascading production shortfalls in global value chains. Manufacturers' stocks of purchases have fallen, while suppliers' delivery times have lengthened. Industries reliant on "just-in-time" inputs from global value chains and lean inventories

have been particularly affected. In the automobile sector, a collapse in demand, combined with production and delivery challenges, has led to a precipitous plunge in sales worldwide.

FIGURE 01 Indicators of economic activity and international trade



Global financial conditions

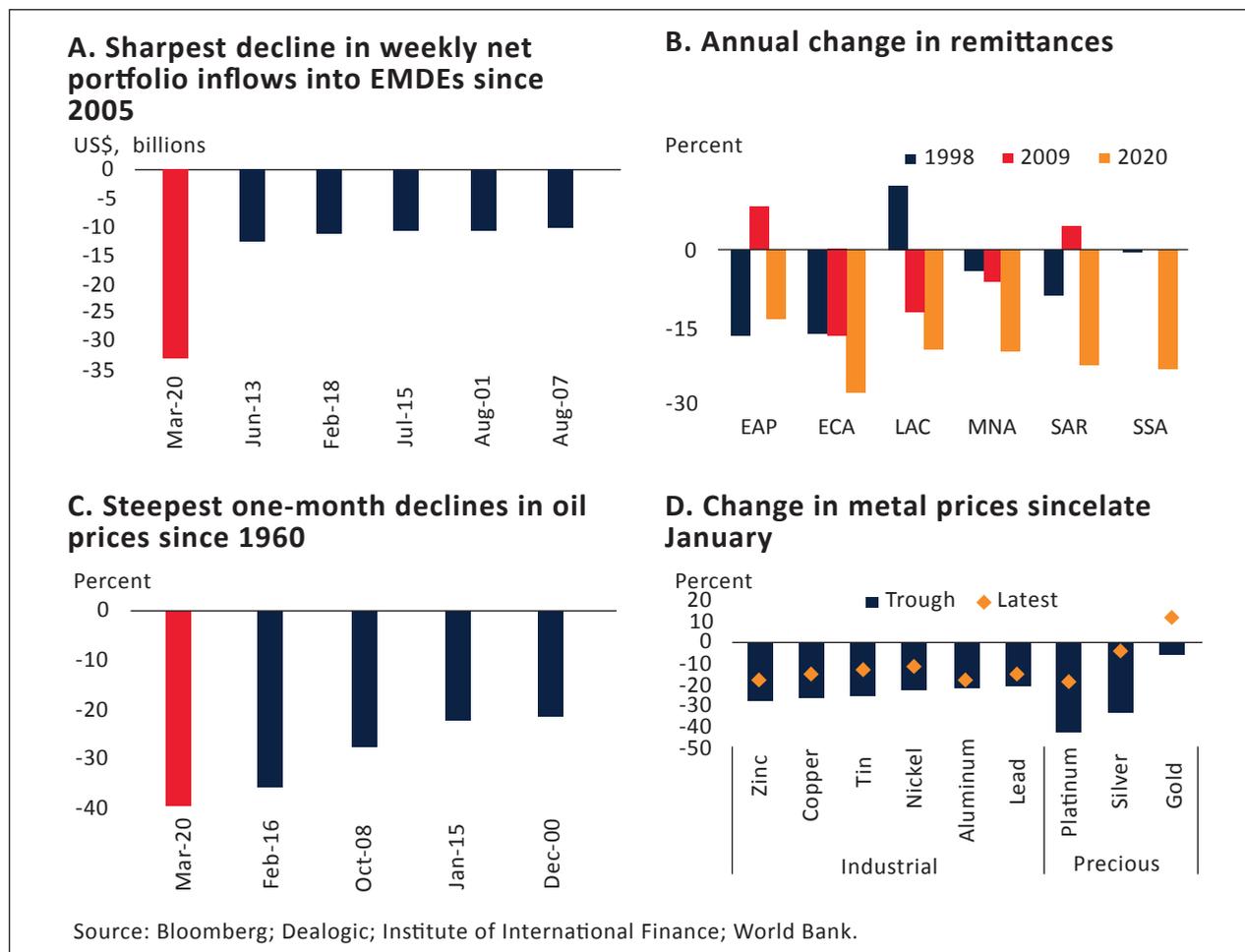
Global equity markets fell sharply as the pandemic spread across the world. Within a week of reaching an all-time high in mid-February, the S&P 500 index in the United States experienced its fastest decline since October 1987, and stock markets in other major economies experienced declines of similar magnitude. The VIX volatility index more than quadrupled in March before settling at about double its February value in mid-May.

Net portfolio outflows from EMDEs were the largest on record in March. Across all EMDE regions, remittances in 2020 are expected to suffer larger declines than during the global financial crisis or the Asian financial crisis. Most commodity prices have fallen since January, with oil prices in March experiencing their largest one-month fall since at least 1960. Flight to safety resulted in a sharp tightening of EMDE financing conditions. Net portfolio outflows from EMDEs during each of the last three weeks of March were the three

largest on record (Figure 02). More recently, global risk sentiment improved in May amid large-scale liquidity injections by major central banks and a gradual relaxation of lockdown measures in some countries. Capital outflows from EMDEs have subsided and equity market valuations have retraced a share of their earlier losses. Nonetheless, financial conditions remain fragile for many EMDEs. Remittance inflows to EMDEs are expected to collapse in 2020 across EMDE regions (World Bank 2020). Foreign aid flows may also shrink in 2020 as donors focus on supporting their own economies (UNCTAD 2020).

Immediate policy measures should support health care systems and moderate the short-term impact of the pandemic on activity and employment. In addition, a comprehensive reform drive is needed to reduce the adverse impact of the pandemic on long-term growth prospects by improving governance and business environments, and expanding investment in education and public health.

FIGURE 02 Financial and commodity market conditions



"Immutouch" Vibrating Bracelet



In the age of coronavirus, we all have to resist the urge to touch our faces. It's how the virus can travel from doorknobs or other objects to your mucus membranes and get you sick. Luckily, a startup called Slightly Robot had already developed a wristband to stop another type of harmful touching — trichotillomania, a disorder that compels people to pull out their hair. "People touch their face 23 times per hour. It's an unconscious behavior that just happens," Seattle-based inventor Justin Ith said. The bracelet can be calibrated to sense when someone is reaching for their nose, mouth or eyes to then vibrate when it feels the wearer reaching for their face. The vibration is meant to alert the person to their unconscious action, and reduce the risk of the coronavirus.

Hygienehook



Touching a door handle is such an ubiquitous part of life that most could not count how many times they have done it throughout the day. However, with most surfaces now regarded as potential health hazards, door handles pose an unavoidable problem. British furniture designer Steve Brooks sought to fix the dilemma, with a simple device that looks like the top of a coat hanger that extends to a base designed to be gripped. The hook is then used to push, pull or turn a door handle. Brooks said his idea was to make the lives of health care workers easier.

JBL Reflect Flow



Though smart technology is not a new concept, it is being repurposed to detect possible virus symptoms in public spaces. Police forces in Dubai have recently deployed a thermal imaging smart helmet, designed to detect people running a high temperature — a common symptom of COVID-19. Some places in the U.S. are using similar thermal imaging technology in stores, to detect if customers walking in are potentially running a fever. N901 Thermal imaging helmet has been specifically conceived to prevent the spread of the coronavirus outbreak. It is the ideal system for epidemic prevention in hospitals, Office buildings, transport hubs, factories, pedestrian zone in trading area, scenic spots and parks, and with traffic police.

Apple Wearables



Apple wearables have been designed to 'inspire a healthier life all-round' helping to keep track of your breathing, sleep patterns, heart rate, and noise levels. The Apple Watch Series 5 has been referred to as the 'ECG on your wrist, Anytime, Anywhere' allowing you to integrate it with the ECG app making it capable of generating an ECG similar to a single-lead electrocardiogram. Using finger recognition, the electrodes built into the Digital Crown work together with the ECG app to read your heart's electrical signals in just 30 seconds. It can even indicate whether your heart rhythm shows signs of atrial fibrillation – a serious form of irregular heart rhythm. The Apple wearables series also provide an app called The Breathe app to help practice mindfulness and relaxation techniques in the home. It does this through a series of calming breaths to help reduce stress levels and improve overall health. This makes the Apple Watch Series the perfect tracking device and app for someone looking to monitor their general health and wellbeing during the lockdown.

Awair Wireless Air Monitor



COVID-19 has recently got many of us thinking about the quality of the air that we breathe, especially seeing as the disease is known to be transmitted via air particles. The Awair Wireless Air Monitor can be directly connected to any iOS or Android application using Bluetooth to configure the device, view historical data, set alarms, and sensor reading frequencies. It uses the most precise Nondispersive infrared (NDIR) sensor technology for accurate CO2 measurements, temperature levels, and atmospheric pressure monitoring. Considering the majority of the population is now remote working, or spending large amounts of time indoors, it is more important than ever to ensure that our surroundings are safe and that we are breathing in clean air. These can also be used for offices which we here at Coderus have experience of using and have seen huge benefits on monitoring the air quality for staff and employees.

G L O S S A R Y

Earnings at risk (EAR): The quantity by which net income is projected to decline in the event of an adverse change in prevailing interest rates. One measure of an institution's exposure to adverse consequences from changes in prevailing interest rates. See value at risk (VAR) for an alternative measure.

Gains trading: The practice of purchasing securities and then selling those that subsequently appreciate in value while retaining as investment portfolio assets those that cannot be sold at a profit. Accounting and banking regulators have repeatedly and strongly criticized this practice. Rules related to the transfer of securities from trading portfolios to available-for-sale (AFS) or held-to-maturity (HTM) portfolios are specifically designed to prohibit gains trading.

Rate: The cost of debt service paid by a borrower or issuer to a lender or investor. The rate is expressed as an annual percentage of the amount borrowed. For some notes and bonds that pay interest semiannually, the semiannual interest due to the investor used to be evidenced by a coupon that could be detached and sent for collection. Thus the cost to the issuer for notes and bonds paying semiannual interest is often called the coupon rate. Lenders or investors may receive a yield that is higher or lower than the rate.

Earnings retention rate: The percent of current period earnings retained by the firm as opposed to being paid out as dividends or partners' withdrawals. The after-tax net income minus dividends then divided by the after-tax net income. Not to be confused with retained earnings, a name for the quantity on the balance sheet that includes the accumulated total of earnings retained.

Earnings credit rate: An interest rate applied to investable account balances to determine how much expense for bank services used by a depositor is offset by the deposits maintained by that depositor. The same calculation can work in the opposite way by applying the earnings credit rate to the actual service charges to determine how much deposit balance is needed to pay for the charges. The earnings credit rate is always expressed as an annual rate even though the calculations are usually done monthly.

S corporation: Legal entity that is a special kind of Corporation. An S corporation offers shareholders the same limitations on personal liability that are available to corporate stockholders. At the same time, S corporations are taxed similarly to partnerships, that is, the income or loss incurred by the S corporation is allocated to the stockholders for tax purposes.





এমটিবি নিউ
আধাপাকা বাড়ির ঋণ সুবিধা

বাড়ি থেকে বাড়তি আয়

নিজের জমিতে আধাপাকা বাড়ি
বানানোর জন্য ঋণ সুবিধা

- ঋণের পরিমাণ: আকর্ষণীয় সুদে সর্বনিম্ন ৩ লাখ থেকে সর্বোচ্চ ৪০ লাখ টাকা পর্যন্ত
- ঋণের সময়সীমা: সর্বনিম্ন ২ বছর থেকে সর্বোচ্চ ১৫ বছর

*শর্ত প্রযোজ্য

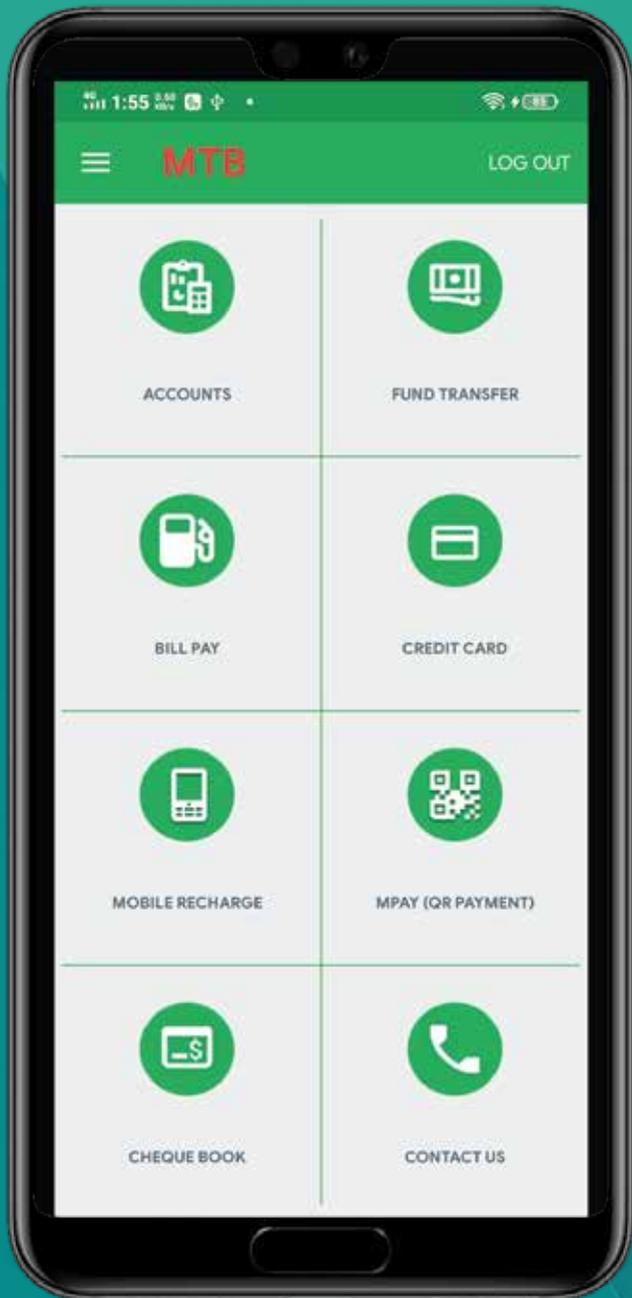


নিজের জমি থাকলেই আধাপাকা বাড়ি তৈরি, বাড়ির সংস্কার ও বর্ধনের জন্য এই ঋণ সুবিধা।
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