

Asian Bankers Association

Newsletter

June 2022

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ABA Chairman Meets with Secretariat on Preparations for Upcoming Events



ABA Chairman Mr. Eugene Acevedo, President and CEO of Rizal Commercial Banking Corporation (RCBC) from the Philippines, met on June 16 with officers and staff of the ABA Secretariat led by Mr. David Hsu and Mr. Ernest Lin to discuss the status of preparations for the 38th ABA Conference in early November and of

the August 3 meeting of the ABA Policy Advocacy Committee. Also In attendance was ABA Policy Advocacy Committee Meeting Chairman Ms. Chrissy Alvarez from RCBC. Among others, the meeting reviewed the latest agenda of the two events, particularly the topics to be covered as well as the suggested line-up of speakers. Also discussed was the preparation of the promotional flyers to help in the marketing of the events. It was agreed by the participants to meet again on July 19.

Invitation to Join the Online Meeting of the ABA Policy Advocacy Committee on August 3, 2022

The Asian Bankers Association (ABA) is pleased to invite members, associates and friends to participate in the online meeting of the ABA Policy Advocacy Committee to be held on August 3, 2022, from 02:30 PM to 04:30 PM, Taipei time.



The meeting – the second to be held by the Committee this year – will discuss and finalize policy papers on issues of current interest to members. Representatives from ABA member banks have been invited to prepare and present papers during the meeting on the following issues:

a. Hatton National Bank (HNB) from Sri Lanka will provide updates on its continuing efforts to enhance your cyber security system, its cooperation with financial institutions and technical bodies to strengthen cybersecurity, as well as its experience in protecting the organization from customer fraud

b. Bank of Maldives (BML) will introduce the measures it has implemented over the past year on its digital transformation journey, on the challenges it has met in driving change (including the people aspect) and how it overcame them, on its digital banking infrastructure and solutions, and on its Fintech collaboration, if any

c. Rizal Commercial Banking Corporation (RCBC) from the Philippines will report on its recent activities implementing the regulatory framework for Sustainable Finance and how it is addressing new and emerging challenges in achieving the UN Sustainability Development Goals (SDGs).

The ABA will provide more information on papers for presentation and registration link etc. in due course.

ABA and Asian Council for Small Business Philippines Explore Possible Partnership



Officers of the Asian Council for Small Business (ACSB) Philippines met virtually with ABA Secretariat staff led by Secretary-Treasurer Mr. David Hsu on May 19 to exchange

views on possible areas of cooperation.

ACSB Philippines President Ms. Arlene Martinez and Founding Trustee Ms. Yayu Javier made an introduction on their organization, including its function, operation and strategic goals, though a PowerPoint presentation. They reported that ACSB Philippines is part of the Asian Council for Small Business which, in turn, is a member of the International Council for Small Business (ICSB), which is the global platform established in support of SMEs.

In its presentation, ACSB Philippines also shared that it has established partnerships with different private organizations and government agencies, including The Department of Trade

ABA Announcements

and Industry of the Philippines (DTI). Since its launch in 2021, ACSB Philippines has aimed to help the 900,000 SMEs in the Philippines explore the access to ASEAN and global markets, as well as up skill them through technology, science-based and data-driven strategies, and business continuity management.

In response, ABA Secretary-Treasurer Mr. David Hsu expressed the interest of ABA in working with ACSB Philippines, adding that ABA is open all possibilities of cooperation. Appreciating the opportunity, ACSB Philippines replied that they have touched base with several organizations, such as ADFIAP and ABA, to explore opportunities of cooperation, adding that in particular, ACSB Philippines would like to explore “access to financial capabilities” with ABA.

Taking the opportunity, the ABA Secretariat informed

ACSB Philippines that other than ABA, the Secretariat also handles the operation of the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI), the umbrella organization of ABA, pointing out that under CACCI, there are Product & Service Councils of different industry sectors which may be of interest to ACSB Philippines to join. In addition, there are CACCI Awards programs for outstanding SMEs, young entrepreneurs, and women entrepreneurs in Asia-Pacific. Should members of ACSB Philippines be interested in joining the programs, they may approach Philippine Chamber of Commerce and Industry (PCCI) for assistance when the nomination opens, the ABA Secretariat informed the ACSB Philippine officers.

To sum up, the two sides recognized the success of this meeting and looked forward to more cooperation in the future.

Training and Education

“Fraud & Financial Crime Asia 2022” to be held on July 13-14, 2022



Asia on July 13-14, 2022 both virtually and in Singapore.

With the ABA as Supporting Organization, the two-day conference is aimed at helping fraud and financial crime practitioners obtain a comprehensive view of the regulatory landscape, the latest tactics used by illicit actors, and how the industry is addressing financial crime risk. It will feature over 45 speakers on topics covering fraud risk, sanctions, AML practices, shell company abuse, crypto-related crime, environmental crime, corruption, and bribery, and TBML.

More information on the conference can be found [here](#).

The Asian Bankers Association (ABA) is inviting members, associates and friends to the “Fraud & Financial Crime Asia 2022” Conference to be organized by Regulation

ABA invites members to “ATMIA Asia Conference 2022” on July 27-28 in Singapore

The Asian Bankers Association (ABA) would like to invite members to join “ATMIA Asia Conference 2022” to be held on July 27-28 in Singapore.

The two-day Conference, of which ABA is a Media Sponsor, will open with a keynote address by DBS on applying new technologies to provide compelling new experiences for customers, including through the use of technologies such as facial recognition, robots and 5G enabled ATMs.

By attending the Conference, participants will be able to get a further understanding on:



- Future-proofing ATMs through Next Gen;
- Trends in cash use, cash logistics and cash management;
- Digital innovations;
- Improving the ATM customer experience through mobile apps;
- Innovating the cash cycle;
- Crypto and the role of ATMs, and Central Banks;
- All aspects of ATM security; and
- Improving uptime and reducing operation cost

For on-line registration and more information on the event, interested parties may wish to check the following link: [Asia Conference \(atmia.com\)](http://atmia.com).

ADB to hold Asian Impact Webinar: Recent Technological Advances in ASEAN+3 Financial Market Infrastructure on June 23, 2022



The ADB would like to invite members, associates and friends to the “Asian Impact Webinar: Recent Technological Advances in ASEAN+3 Financial Market Infrastructure”. Financial markets in East and Southeast Asia have become increasingly sophisticated and interlinked over the last

two decades. The webinar aims to address the questions, among others: How must they evolve further in the digital age?

Interested parties are welcome to register here: <https://asianimpact.adb.org>. A confirmation email containing the webinar link and password will be sent once you have successfully registered.

News Updates

Connecting CBDC Hype with Reality - What Does the Future Hold for Asian Cross Border Payments?

Central banks across Asia are swiftly signing a slew of cross border payments agreements to integrate their real-time and quick response (QR) payment systems. Singapore’s PayNow is set to link with Thailand’s PromptPay, Malaysia’s DuitNow, India’s Unified Payment Interface (UPI) and Philippines’ InstaPay in its latest initiative.

Strategic partnerships between eWallet providers such as Ant Group’s “AlipayHK”, Malaysia’s “Touch ‘n Go”, Thailand’s “TrueMoney” and Singapore’s “Nets” are also forming a flourishing ecosystem of mobile wallets region-wide. Within existing payment networks, Visa B2B Connect offers a non-card based payment network enabling seamless bank-to-bank cross border business transactions while SWIFT’s global payment initiative (gpi) provides an instant service connecting high-speed cross-border rails with real-time domestic infrastructure.

Resurgent cross border payments innovation and collaboration is a welcome development by major industry stakeholders and arguably is a move that is long overdue.

With the pandemic induced consumer behavioural shift towards eCommerce now firmly embedded, what more can be done by key financial services players to set the stage for safe, simple, cost-effective and real-time cross border payments?

Will central bank digital currencies (CBDCs), a digital version of fiat currencies, emerge as the missing piece in the puzzle that has prevented wider scale adoption of international money transfer innovation until now?

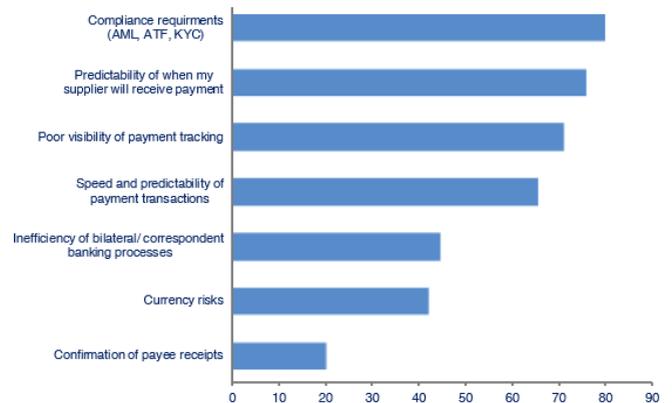
Proprietary East & Partners research provides a snapshot of key cross border pain points routinely experienced by CFOs and corporate treasurers, along with their view on CBDCs.

Enormous Scope for Cross Border Payments Innovation

These issues are not new, but any efforts from providers to help corporates achieve these – simplifying compliance management, increasing predictability of payment transactions and enhancing payments visibility – would address the concerns

of more than half of the large corporate market at the top of town.

Major Cross Border Payments Pain Points Experienced by Top 1,000 Asia Corporates
% of Total



Source: East & Partners Asian Transaction Banking Markets Program – November 2021 (N: 934)

The key question is are corporates prepared to incur a premium for these functions and at what rate?

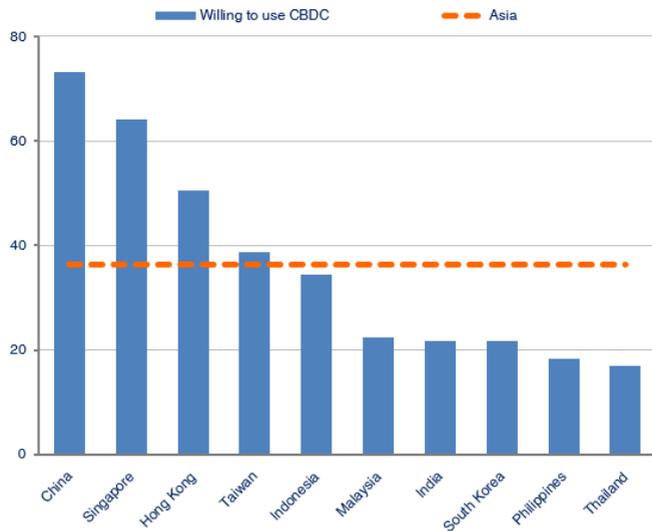
Positive Receptiveness Towards CBDCs

Adoption sentiment is a crucial factor in determining whether CBDCs will become a reality, along with other considerations including regulations and uptake of cryptocurrencies. With one in three (36.3 percent) corporates in Asia expressing interest in using CBDCs as a mode of cross-border payment, the technology appears to appeal more to these corporates in contrast to the muted response cryptocurrencies garnered. This is partly driven by the possibility of CBDCs solving many cross border payment pain points currently faced.

Willingness to use CBDCs for Cross Border Payments if

News Updates

Available
% of Total



Source: East & Partners Asian Transaction Banking Markets Program – November 2021 (N: 934)

Perhaps unsurprisingly, corporates in China, Singapore and Hong Kong are more receptive to CBDCs, reflecting the current pace of innovation and development in each market. How will this change in the next six months? What is holding

back exceedingly wary corporates in India, South Korea, the Philippines and Thailand?

Own the CBDC Industry Narrative

Lack of familiarity appears to be the underlying motivation behind why Asian corporates are shunning wider scale adoption of CBDCs. This, coupled with the fact that one in three CFOs approached for direct interview as part of East & Partners long running [Asia Transaction Banking Markets Program](#) hold no immediate thoughts on CBDC generally (32.4 percent), suggests that there is an immense “learning curve” and CBDC market education opportunity. At a broader level, there is a distinct chance for banks to own the industry narrative around CBDCs.

CBDC Familiarity

% of Total Not Planning to Use CBDCs



82% of corporates say they are unfamiliar with CBDCs

18% of corporates say they are familiar with CBDCs

Source: East & Partners Asian Transaction Banking Markets Program – November 2021 (N: 292)

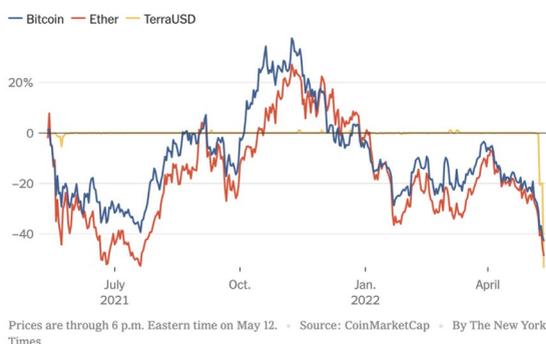
The impending risks of a newly launched CBDC is becoming too big to ignore. Should banks be worried about potential disintermediaries or losing its retail deposits?

East & Partners

Special Features

Are We in a Crypto Winter?

Crypto Experiences a Broad Collapse
1-year change in the value of cryptocurrencies



Prices are through 6 p.m. Eastern time on May 12. Source: CoinMarketCap - By The New York Times

Digital currencies took a nosedive in May, with the price of Bitcoin dropping 20% across just five days in

economic instability related to the Russia-Ukraine conflict contributed to this value plunge — but so did [TerraUSD](#).

May. In the first five months of the year, its price dropped 60%, to \$26K. Coinbase’s stock price was down 82% compared to April 2021. And Ether lost more than 30% of its value, according to [The New York Times](#).

The combination of rising interest rates, inflation, and

TerraUSD is a “stablecoin” — supposedly backed by stable assets. In reality, it was linked algorithmically to another digital currency, Luna, which lost nearly all of its value and implicated TerraUSD’s value.

Though slow, the market is showing signs of recovery. In a piece for Forbes, Alkesh Shah, head of digital assets strategy for Bank of America, says that although “the media is writing as if it’s the end of the sector,” as of early June, “[the market has corrected about 40% to 45%.](#)” Similarly, the NYT notes that “Any panic might be overblown” as “the average Bitcoin owner on Coinbase would not lose money until the digital currency’s price sank below \$21,000.”

Brink News

Stagflation Risk Rises Amid Sharp Slowdown in Growth



Compounding the damage from the COVID-19 pandemic, the Russian invasion of Ukraine has magnified the slowdown in the global economy, which is entering what could become a protracted period of feeble growth and elevated inflation, according to the World Bank's latest *Global Economic Prospects* report. This raises the risk of stagflation, with potentially harmful consequences for middle- and low-income economies alike.

Global growth is expected to slump from 5.7 percent in 2021 to 2.9 percent in 2022—significantly lower than 4.1 percent that was anticipated in January. It is expected to hover around that pace over 2023-24, as the war in Ukraine disrupts activity, investment, and trade in the near term, pent-up demand fades, and fiscal and monetary policy accommodation is withdrawn. As a result of the damage from the pandemic and the war, the level of per capita income in developing economies this year will be nearly 5 percent below its pre-pandemic trend.

“The war in Ukraine, lockdowns in China, supply-chain disruptions, and the risk of stagflation are hammering growth. For many countries, recession will be hard to avoid,” said World Bank President **David Malpass**. *“Markets look forward, so it is urgent to encourage production and avoid trade restrictions. Changes in fiscal, monetary, climate and debt policy are needed to counter capital misallocation and inequality.”*

The June *Global Economic Prospects* report offers the first systematic assessment of how current global economic conditions compare with the stagflation of the 1970s—with a particular emphasis on how stagflation could affect emerging market and developing economies. The recovery from the stagflation of the 1970s required steep increases in interest rates in major advanced economies, which played a prominent role in triggering a string of financial crises in emerging market and developing economies.

“Developing economies will have to balance the need to ensure fiscal sustainability with the need to mitigate the effects of today’s overlapping crises on their poorest citizens,” said **Ayhan Kose**, Director of the World Bank’s Prospects Group. *“Communicating monetary policy decisions clearly, leveraging credible monetary policy frameworks, and protecting central bank independence can effectively anchor inflation expectations and reduce the amount of policy tightening required to achieve the desired effects on inflation and activity.”*

The current juncture resembles the 1970s in three key aspects: persistent supply-side disturbances fueling inflation, preceded by a protracted period of highly accommodative monetary policy in major advanced economies, prospects for weakening growth, and vulnerabilities that emerging market and developing economies face with respect to the monetary policy tightening that will be needed to rein in inflation.

However, the ongoing episode also differs from the 1970s in multiple dimensions: the dollar is strong, a sharp contrast with its severe weakness in the 1970s; the percentage increases in commodity prices are smaller; and the balance sheets of major financial institutions are generally strong. More importantly, unlike the 1970s, central banks in advanced economies and many developing economies now have clear mandates for price stability, and, over the past three decades, they have established a credible track record of achieving their inflation targets.

Global inflation is expected to moderate next year but it will likely remain above inflation targets in many economies. The report notes that if inflation remains elevated, a repeat of the resolution of the earlier stagflation episode could translate into a sharp global downturn along with financial crises in some emerging market and developing economies.

The report also offers fresh insights on how the war’s effects on energy markets are clouding the global growth outlook. The war in Ukraine has led to a surge in prices across a wide range of energy-related commodities. Higher energy prices will lower real incomes, raise production costs, tighten financial conditions, and constrain macroeconomic policy especially in energy-importing countries.

Growth in advanced economies is projected to sharply decelerate from 5.1 percent in 2021 to 2.6 percent in 2022—1.2 percentage point below projections in January. Growth is expected to further moderate to 2.2 percent in 2023, largely reflecting the further unwinding of the fiscal and monetary policy support provided during the pandemic.

Among emerging market and developing economies, growth is also projected to fall from 6.6 percent in 2021 to 3.4 percent in 2022—well below the annual average of 4.8 percent over 2011-2019. The negative spillovers from the war will more than offset any near-term boost to some commodity exporters from higher energy prices. Forecasts for 2022 growth have been revised down in nearly 70 percent of EMDEs, including most commodity importing countries as well as four-fifths of low-income countries.

The report highlights the need for decisive global and national policy action to avert the worst consequences of the war in Ukraine for the global economy. This will involve global efforts to limit the harm to those affected by the war, to cushion the blow from surging oil and food prices, to speed up debt relief, and to expand vaccinations in low-income countries. It will also involve vigorous supply responses at the national level while keeping global commodity markets functioning well.

Policymakers, moreover, should refrain from distortionary policies such as price controls, subsidies, and export bans, which could worsen the recent increase in commodity prices. Against the challenging backdrop of higher inflation, weaker growth, tighter financial conditions, and limited fiscal policy space, governments will need to reprioritize spending toward targeted relief for vulnerable populations.

The World Bank

Member Personalities



EN Bank appoints Mr. Majid Shakerdorabad as the new Director General for International Affairs

EN Bank has appointed Mr.

Majid Shaerdorabad as the new Director General for International Affairs. Mr. Shaerdorabad has more than 30 years of experience in banking industry.



SMBC Change of representative in the ABA Board of Director

On April 2022, Mr. Tetsuro Imaeda was appointed Senior

Managing Executive Officer, Co-Head of Global Banking Unit (Head Office Departments (Global Banking Unit), The Asia Pacific Division, East Asia Division at SMBC; as well as Senior Managing Executive Officer, Co-Head of Global Business Unit (Head Office Departments (Global Business Unit), Asia Pacific Division, East Asia Division) at SMFG after more than 36 years of professional experience in banking in this prominent Japanese banking institution.

Mr. Imaeda started his career at The Sumitomo Bank, Ltd. in 1986 and gradually climbed through the ranks

achieving his first prominent assignment in 2009 as General Manager in the Corporate Banking Department, Americas Division of Sumitomo Mitsui Banking Corporation.

By 2014, Mr. Imaeda was working in Singapore as Executive Officer and General Manager of the Singapore branch and in 2016 he was appointed Managing Executive Officer and Head of Europe, Middle East and Africa Division; and CEO of Sumitomo Mitsui Banking Corporation Europe Limited.

In 2017 Mr. Imaeda took the position of Managing Executive Officer and Head of Europe, Middle East and Africa Division, SMBC; CEO of SMBC Europe Limited; and Managing Executive Officer and Head of Europe, Middle East and Africa Division at the Sumitomo Mitsui Financial Group, Inc. (SMFG) until 2019, which also included the responsibility of being the General

Manager of the SMBC London branch in 2018.

In April 2020, Mr. Imaeda was further promoted as Senior Managing Executive Officer and Head of Europe, Middle East and Africa Division, SMBC; CEO of SMBC Europe Limited; and Senior Managing Executive Officer and Head of Europe, Middle East and Africa Division at the Sumitomo Mitsui Financial Group, Inc. (SMFG).

In May 2020, he was also appointed Director and Senior Managing Executive Officer, Compliance Department at SMBC; and Senior Managing Executive Officer at the Group CCO Compliance Department at SMFG where he worked for two more years until he was appointed to his current position in April 2022.

Mr. Tetsuro Imaeda graduated from the University of Tokyo in 1986 with a Bachelor of Law.



Yooshau Saeed re-appointed as Chairperson of Bank of Maldives

Bank of Maldives is pleased to announce that Mr. Yooshau Saeed,

H. Sandy Beach, has been re-appointed as the Chairperson of its Board of Directors. Yooshau was initially appointed as Chairperson following the Bank's Annual General Meeting (AGM) held in July 2021.

Yooshau is currently serving as the General Manager of SIMDI Pvt Ltd. He has held various leadership roles in the past including Chairperson of Thilafushi Corporation Ltd, National Project Manager to the NCSA Project of Energy and Water, the Corporate Affairs and Finance Manager at Maldives National

Shipping Ltd and for 10 years, served in various positions at the Audit Office of the Maldives. Prior to his appointment as the Chairperson of the Bank of Maldives, Yooshau was a Board Member of SME Development Finance Corporate (SDFC) for over two years.

The Bank held its Annual General Meeting (AGM) where all members of the Board of Directors were re-appointed.

The Directors nominated by the Government and appointed to the Board are:

1. Mr. Yooshau Saeed, H. Sandy Beach, K. Male'
2. Mr. Timothy Sawyer (Chief Executive Officer and Managing Director)
3. Ms. Aishath Noordeen, M. Thaangedhoshuge, K. Male'
4. Ms. Juwairiya Saeed, Ma.

Kosheege, K. Male'

5. Mr. Abdulla Hassan, Naseemaa Manzil, R. Alifushi
6. Mr. Abdulla Husam Shareef, Dhiguvaandu, Savaa, Gn. Fuvahmulah
7. Mr. Mohamed Sharah, Kothange, GDh. Fiyoaree
8. Ms. Aishath Sajny, Tharividhaage, S. Hithadhoo

The three Directors elected by public shareholders are:

1. Mr. Ibrahim Mohamed, Nelum, N. Holhudhoo
2. Mr. Ahmed Mohamed, G. Ufaa, K. Male'
3. Mr. Abdulla Naseem, Karankaa Villa, HA. Filladhoo

Among Member Banks

BEA Issues ESG Report for 2021



The Bank of East Asia, Limited (“BEA”) has issued its Environmental, Social, and Governance (“ESG”) Report for the year ended 31st December, 2021. The report highlights BEA’s key ESG achievements during the year, as well as the ESG strategies the Bank has adopted to reach its goal of being the sustainability leader among financial institutions in Greater China and beyond.

Mr. Adrian Li and Mr. Brian Li, Co-Chief Executives of BEA, said: “At BEA, the phrase ‘the new norm’ increasingly refers not just to the new ways of working during the pandemic, but also involves the application of an ESG lens to all that we do. We are pleased with the progress the Bank made over 2021. We have shown ourselves to be adept at maturing our ways of operating to ensure our Bank is future fit. These achievements are a testament to the strengths of our internal transformation process and the skills of our people, which stand us in good stead.”

With the approval of its new ESG strategy framework by the Board-level ESG Committee in 2021, BEA has adopted a three-pillar structure for the report comprising Responsible Business, Responsible Operations, and Responsible Citizen. BEA’s key achievements in 2021 under these three pillars include:

Responsible Business:

- Recorded a five-fold increase in approved green loans from approximately HK\$4 billion in 2020 to HK\$22 billion in 2021
- Participated in the pilot climate risk stress test exercise of the Hong Kong Monetary Authority (“HKMA”) to assess climate resilience and facilitate building BEA’s capability with respect to climate risk management
- Achieved inclusion in the Hang Seng Corporate Sustainability Benchmark Index

Responsible Operations:

- Named Carbon Neutrality Partner by the Environment Bureau
- Reduced Group emissions by 15.3% compared with our baseline year of 2019
- Reduced paper consumption by 31% in Hong Kong year-on-year
- Introduced the Future Leader Accelerated Programme in Hong Kong and the Great Leader, Great Banker Programme on the Mainland for high-potential staff
- Provided 40+ hours of training on average per employee

Responsible Citizen:

- Donated more than HK\$12 million, including HK\$3.6 million by BEA China, in support of flood

relief efforts in Henan province

- Recorded over 7,800 hours of staff volunteering
- Celebrated 10 years of dedication to developing palliative care in Hong Kong
- Opened three new Firefly Centres on the Mainland, which provide students of under-resourced rural schools with access to computers and other learning educational tools
- Joined hands with the Shanghai Charity Foundation and donated nearly HK\$2.9 million (CNY2.5 million) to establish a new charity fund and combat COVID-19

BEA’s 2021 ESG Report is available as both a summary and a full report here.

The ESG Report presents the Bank Group’s financial and non-financial performance in accordance with the Global Reporting Initiative (“GRI”) Standards and the ESG Reporting Guide of the Hong Kong Stock Exchange.

In its 2021 ESG Report, BEA also discloses for the first time in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (“TCFD”). Going forward, BEA will continue to strengthen disclosure to ensure alignment with the TCFD framework no later than 2025, as requested by the HKMA.

Bank of East Asia News

State Bank of India hikes deposit, lending rates



India’s largest lender State Bank of India (SBI) has raised its deposit and lending rates following the Reserve Bank’s repo rate hike in early June.

SBI said interest rates have been raised by 0.20 per cent on domestic term deposits of below Rs 2 crore for select tenors.

The revised interest rates on retail domestic term deposits (below Rs 2 crore) come into effect from June 14, 2022, State Bank of India (SBI) said on its website.

For deposits of 211 days to less than 1 year, the lender will offer interest rate at 4.60 per cent, as against 4.40 per cent earlier. Senior citizens will be offered an interest of 5.10 per cent as against 4.90 per cent earlier.

Likewise, for domestic term deposits of 1 year to less than 2 years, customers can earn interest of 5.30 per cent, up by 0.20 per cent. For senior citizens, the interest rate will be higher by similar margin at 5.80 per cent.

On tenor of 2 years to less than 3 years, SBI has raised the interest rate to 5.35 per cent from 5.20 per cent, while senior citizens can earn 5.85 per cent as against 5.70 per cent earlier.

The lender has also revised the interest rates on domestic bulk term deposits of Rs 2 crore and above for select tenors by up to 0.75 per cent.

For tenors of 1 year to less than 2 years, customers having bulk deposits will earn interest at 4.75 per cent from 4 per cent earlier, with effect from June 14, 2022. For senior citizens, the new rate will be 5.25 per cent as against 4.50 per cent.

Among Member Banks

"Premature penalty for bulk term deposits for all tenors will be 1 per cent. It will be applicable for all new deposits including renewals. The revised rates of interest shall be made applicable to fresh deposits and renewals of maturing deposits," SBI said.

SBI has also revised by up to 0.20 per cent the marginal cost of fund based lending rates (MCLR) with effect from June 15, 2022.

The benchmark one-year MCLR has been revised upwards to 7.40 per cent from the existing rate of 7.20 per cent. Most of the consumer loans such as auto, home and personal loans are linked to MCLR.

The overnight to three-year tenor MCLR has been raised to 7.05-7.70 per cent.

SBI has also raised the repo linked lending rate (RLLR) with effect from June 15, 2022, according to its website.

The revised RLLR will be 7.15 per cent plus credit risk premium (CRP), as against the existing 6.65 per cent plus CRP.

The MCLR system came into effect from April 1, 2016, shifting from the older framework, for better transmission of interest rates to customers.

From October 1, 2019, all banks have to lend only at an interest rate linked to an external benchmark such as RBI's repo rate or treasury bill yield. As a result, monetary policy transmission by banks has gained traction.

A number of banks have raised rates following RBI's repo rate revision on June 8.

BusinessToday.In

Bank Pasargad named as Islamic Bank of the Year in Iran

For the seventh year, Bank Pasargad was named as the Islamic Bank of the Year in Iran for the Year 2022 by The Banker magazine.

Iran's premier private bank was once again recognized by The Banker for its continued innovation, product development and service excellence in Sharia compliant banking. During the past year,



Bank Pasargad's Sharia Assets grew by 59.1% and Tier 1 Capital showed a growth of 90.9% as compared to the previous year.

In year 2021 Bank Pasargad introduced many innovative Sharia Compliant products including an Electronic Wallet, Murabaha Credit Cards and a wide variety of financial services. Additionally, the bank continued to support small and medium size companies in Iran, assisted the needy during the Covid-19 pandemic and participated in many charitable and benevolent events as part of its Corporate & Social Responsibility (CSR) program.

MUFG to Invest in PowerX, Inc.

MUFG Bank today announced that it has decided to invest in PowerX, Inc. ("PowerX") with the main objectives of fostering next-generation industries, strengthening the global competitiveness of Japan's economy, and solving environmental and social issues.

PowerX, established in March 2021, develops new businesses aimed at popularizing renewable energy, supporting the evolution of energy storage and transmission technologies. The company promotes two core businesses, the manufacture and sale of storage batteries (Project MAX) and the development and manufacture of power transfer vessels (Project ARK).

MUFG Bank has long provided stable support to venture companies that play an important role in next-generation industries through providing loans and business matching services. In addition, we support venture companies that are engaged in novel and original initiatives over the medium- to long-term through means including business support



programs. This investment in PowerX will contribute to the development of next-generation industries that will strengthen the competitiveness of the Japanese economy and will use PowerX's innovative approach to deliver new options for the popularization of both renewable energy and storage batteries among customers, promoting carbon neutrality initiatives.

MUFG has identified 10 priority issues to address for the realization of a sustainable environment and society, starting with its own purpose of "Committed to empowering a brighter future," and also positioning "Supporting industrial development & innovation" and "Climate change measures & environmental protection" as priority areas. MUFG will continue to work as one Group to support the sustainable growth of our customers and to contribute to the resolution of medium- to long-term environmental and social issues and the further development and expansion of Japanese industries.

MUFG News

Among Member Banks

Mizuho Bank arranges project financing for the floating offshore windfarm project in France



Mizuho Bank, Ltd. has arranged a project finance deal to build, maintain, and operate the Eoliennes Flottantes du Golfe du Lion Project (the "Project"), the floating offshore windfarm project in France, which is jointly financed by Mizuho Bank, other commercial banks, and the European Investment Bank as Mandated Lead Arrangers with EKF Denmark's Export Credit Agency as the guarantor.

For this project, Ocean Winds1, and Banque des Territoires (groupe Caisse des Dépôts) formed a Special Purpose Company (SPC), Les Eoliennes Flottantes du Golfe du Lion, were awarded as a developer in November 2016 and has been developing the project since then. The Project will install three wind turbines with semi-sub floater off the coast of Leucate in Mediterranean Sea and sell the electricity under French FiT regime. The capacity of the windfarm is approximately 30MW.

The Project has been financed via an innovative project finance structure to pre-commercial floating offshore wind,

developing a first of its kind non-recourse financing to be noted as the precedent in coming years.

The global offshore wind sector has experienced very rapid growth over the past five years. By the end of 2020, installed capacity of global offshore wind had risen to 35 GW and is expected to grow to 270 GW by 2030.

In particular, floating offshore wind is important for Japan since there are few shallow water and floating offshore wind is more suitable for deeper sea. Global floating offshore wind is still at early stage with total installed capacity at 73MW and this project will contribute to future market growth as a pioneer.

Mizuho will utilize our extensive power industry know-how and our track record in the field of project finance to support technological innovation and the development of renewable energy around the world, thus promoting action to address climate change and supporting the transition to a low-carbon society.

Mizuho News

Japan's SMFG plans to buy 10% stake in SBI worth over \$443 million



Japan's Sumitomo Mitsui Financial Group (SMFG) Inc is in final talks to acquire 10% of online financial giant SBI Holdings Inc in a deal likely worth over 60 billion yen (\$443 million), the Nikkei business daily reported on June 21.

The deal, which aims to reinforce the pair's securities businesses domestically, will see SBI issue new shares, Nikkei reported without stating where it obtained the information. The newspaper also said SBI may also take a small stake in SMFG.

SBI said in a Tokyo bourse filing on June 22 it was true it was exploring opportunities to partner SMFG, including through a capital tie-up as reported by some media.

Sumitomo Mitsui said in a statement it was exploring opportunities with SBI, but that nothing has been decided.

A new share issuance would beef up SBI's financial standing which has been stretched since its \$1 billion bid in 2021 for midsize lender Shinsei Bank Ltd.

Shares of SBI traded up around 4% in early June 22 trade after rising as much as 6.9%. Shares of SMFG were almost flat.

The partnership could see SMFG introduce SBI's online securities business to its retail banking customers.

The two have already teamed up to create a digital stock exchange to provide a trading platform alternative to the Tokyo Stock Exchange.

SMFG, Japan's second-largest lender by assets after Mitsubishi UFJ Financial Group Inc, has its own brokerage unit, SMBC Nikko Securities Inc, which has been under investigation

following the arrest of some of its executives over alleged market manipulation. SMBC Nikko said it was conducting its own investigation into the matter.

SBI aims to become Japan's fourth-largest banking group after Mizuho Financial Group Inc. It already owns the country's largest online brokerage, an online bank and an asset manager.

Hoping to create a nationwide network, it has been taking stakes in Japanese regional lenders and raised its stake in Shinsei Bank to 48% through a tender offer in 2021.

Reuters

38th ABA Annual
Conference will be held
virtually on November 1 - 4,
2022

Among Member Banks

Maybank expands digital bank offering with Malaysia's first-ever contactless ATM cash withdrawal service

Maybank has added yet another pioneering service in its digital bank offering with the introduction of the first ever contactless ATM cash withdrawal service in Malaysia.

The new service is now available via the MAE app at selected ATMs nationwide, and aims to enhance convenience for more than 12 million Maybank ATM cardholders as they continue to adjust their lifestyles in the new norm and enjoy more digitally-enabled access to traditional banking services. Customers can use this service at some 1,000 ATMs, which will indicate the availability of the contactless cash withdrawal service at the machine. Eventually, this service will be made available at all Maybank-owned ATMs.

Maybank Group President & CEO, Dato' Khairussaleh Ramli said that Maybank has been at the forefront in digital banking over the years, bringing to the market numerous innovative solutions for customers' convenience. This had been initially driven by its Maybank2020 Plan which included the Group's aspiration to become a Digital Bank of Choice in the region.

"We have now progressed into our next phase of digital development guided by our latest five-year M25 Plan, and anchored by our mission to humanise financial services. Under this Plan, we have a dedicated strategic priority, Pervasively Digital, to ensure we continue to leverage technology to bring meaningful digital solutions to serve our stakeholders from all our business segments and communities across the region."

"The new contactless cash withdrawal service is another step in our holistic offering of digital banking services which we have been pioneering over the years," added Dato'



Khairussaleh. "It also comes on the heels of many other groundbreaking services we have recently introduced as part of our digital bank offerings. Rest assured, there will be more to come in the months ahead."

Meanwhile, Group CEO of Community Financial Services Dato' John Chong said that the Group's focus in building its digital capabilities has enabled it to stay ahead of the curve, and continue serving customers and the underserved segments of the community, especially during the outbreak of the pandemic.

"The new service reaffirms our strength as a digital bank, in addition to our role as a traditional bank. We have been able to design our own lifestyle applications, introduce digital financing solutions in Malaysia cutting across retail and non-retail segments for products such as mortgage, personal and SME financing, and allowed for KYC processes to be undertaken digitally in Singapore, Indonesia and the Philippines, amongst others," he explained.

Dato' John said that the cashless ATM withdrawal would not only enhance convenience for customers but also ensure that they are able to enjoy a comprehensive range of digital solutions via a single app, MAE. "To undertake a cash withdrawal, all a user needs to do is scan the quick response code (QR) on selected Maybank ATM screens using the MAE app, enter the amount, provide a PIN or biometric authentication in the app, and receive the cash from the ATM."

He added that the introduction of the contactless withdrawal service is also driven by the Bank's efforts to keep its customers safe, seeing as customers are not required to touch any external surfaces physically, with the exception of receiving cash dispensed from the ATM.

Maybank News

Bank of Maldives is at its strongest position – CEO



BANK OF MALDIVES

Following a year

which saw record-breaking performance for Bank of Maldives, CEO and Managing Director Tim Sawyer says the Bank is in the "strongest position it has ever been in." Speaking to shareholders at the 39th Annual General Meeting, Tim highlighted the successful trajectory of the Bank over the past three years during a turbulent time globally.

"We survived Covid. We were able to continue lending, continue providing key services and continue to provide substantial debt relief to keep the country going. When the Maldives was at its most troubled, BML stood firm and ensured the economic survival of the country."

At the same time, Tim noted the Bank's strong financial performance over the last year. "Despite price reductions on key lending products, profits increased with a substantial rise of over 470% to 1.9 billion Rufiyaa after tax, which means the Government, as our biggest shareholder, benefits with more than MVR 543 million in tax and MVR 131 million as dividend.

"We now have a set of new strategic pillars – Financial Stability, Operational Excellence and Customer Experience – and goals that we have committed to achieve in the next three years. Attention to customer service is of course, not new. Despite Covid, improving customer service has been a key priority with the expansion of our nationwide footprint, digitization of our back-end-operations and introduction of new services such as the wallet feature on our App. We have also increased resources to expand our capacity and ensure business continuity. Much more remains to be done but customer surveys show that we are starting to succeed."

Speaking about the team at the Bank, Tim recognized the growing talent saying "It has been pleasing over the last 3 years to see new Maldivians coming onto the Executive management team, be it through promotion or through recruitment. Today, the Bank is operating with 99% Maldivians and the next generation of leaders are starting to make their mark too which means it will remain Maldivian led in the future. It is something we should be proud of."

Bank of Maldives News

Among Member Banks

Sanima Bank introduced Green PIN



Sanima Bank introduced Green PIN (Personal Identification Number) to its valuable customers.

Green PIN is a paperless PIN generated for Debit/Credit card. Customer can change PIN of their Debit/Credit card through ATM using One Time Password (OTP) which is

received in customer's registered mobile number provided to the Bank. Customer will have to visit nearest Sanima Bank's ATM within 24 Hrs. in order to change their card's PIN code.

The main motive of introducing Green PIN is to discourage paper PIN and to make digital banking more easy, secure and convenient to the customer.

Sanima Bank News

RCBC sees faster home, auto loans growth

RIZAL Commercial Banking Corp. (RCBC) sees faster growth rates in its housing and auto loans in the latter part of 2022.



RCBC said in a statement on June 7 that Ramil de Villa, the head of its Consumer Lending Group, stressed the lender's strong pipeline for home loans, while vehicle loans typically increase in the fourth quarter of the year.

"For mortgage, we have a growing pipeline. For the next two quarters, mortgage will see a steady growth to reach its target," he was quoted as saying.

De Villa said good industry growth for housing loans, which stood at 9 percent in 2021, is supporting this.

"For auto, there will not be significant increase in sales within the third quarter, but fourth quarter is usually where the trend in high sales happens," he noted.

De Villa said the bank "exceeded its performance" in the first quarter of the year when it came to consumer loans, with sales of P1.3 billion in mortgages and P1 billion in vehicle loans, respectively.

RCBC said auto and home loans account for 20 percent of its total loan portfolio as of March 2022.

In total, its net income increased by 36 percent to P2.1 billion from P1.58 billion in 2021, while total assets saw an uptick of 20 percent to P962 billion, with loans and receivables accounting for 56 percent and investment securities for 29 percent, respectively. RCBC said it has been a market player for both auto and home loans.

With the projected expansion of the auto loans business, de Villa also revealed that the bank was able to reduce its nonperforming assets in terms of repossessed cars by 60 to 70 percent from December 2021 to April 2022.

"There is no more swelling in the yards — one of the best indicators that we are doing it right in auto lending. We will continue to be a relevant market player in auto, but we will do it cautiously," he said.

"We manage to generate income while cautiously growing auto loans through better operations and stronger collections. If you have stronger defense, you can protect your existing portfolio," de Villa added.

The Manila Times

DBS completes first live transaction on SGTraDex to drive digitalisation of bunker trade ecosystem



DBS announced that it has completed its first live transaction on the Singapore Trade Data Exchange (SGTraDex) — a digital data exchange that facilitates trusted and secure sharing of data between supply chain ecosystem partners. The transaction was done by way of an electronic bunker delivery note (BDN).

The maiden transaction was completed with leading bunker player Kenoil Marine Services (Kenoil), in collaboration with mass flow meter data logger service provider Brightree. By digitalising the bunker delivery note, DBS, Kenoil and its counterparties are able to ascertain the trade data at source to validate the transaction details in a timely manner. This fosters greater trust and transparency across the trade ecosystem.

The objective is to provide bunker players faster access to working capital and enhance their cash flow management, while providing a trusted and secure environment for banks and participants operating in the ecosystem.

Sriram Muthukrishnan, Group Head of Product Management of Global Transaction Services, DBS, said, "Access to secure, trusted and real-time data will support the long-term growth of trade and trade finance. With the digitalisation of the bunker delivery note, financing and payment for the underlying

trade can be completed efficiently and on a near immediate basis. Furthermore, the risk of fraudulent manipulation is mitigated as banks and fellow industry partners are now able to ascertain the trade data at source. This helps provide greater transparency and comfort regarding the genuineness of trade. With the successful completion of the first live transaction, we look forward to partnering SGTraDex to support more businesses to digitalise their workflows to enhance supply chain efficiency and transparency, and reinforce Singapore's position as a global trade hub."

DBS played a crucial role in the conceptualisation of SGTraDex as the Technology Lead on the Alliance for Action on Supply Chain Digitalisation. DBS was the sole financial institution that laid the cornerstone for the use case aimed at digitalising and optimising bunker delivery.

The bank was also a key player in a second use case focused on enabling the digital-physical twinning of supply chains, leveraging digital data at source to detect trade fraud and reduce the risk of duplicate trade financing. This is where DBS' leading role in Singapore's Trade Finance Registry proof-of-concept contributed valuable insights in the development journey of SGTraDex, to create a solution that enables trade flows be screened more efficiently and thoroughly to enhance the security of trade financing transactions.

DBS News

Among Member Banks

UOB assisting all bunker finance clients to go digital with SGTraDex

UOB aims to bring all its bunker finance clients onto the Singapore Trade Data Exchange (SGTraDex) digital platform by June 2023, so that these companies can enhance their efficiency and data security.

The bank started onboarding its bunker finance clients after SGTraDex's soft launch on 29 April 2022. With 'live' operations starting today, trades are being processed digitally and more clients will be onboarded in the coming months.

UOB is the largest financier of local bunker suppliers and it provides more than 50 per cent of the financing required by these companies. The bank is a founding member of SGTraDex, which is an open, secure and interoperable digital data exchange set up by the public and private sectors. SGTraDex allows for the digitalisation and rapid transmission of documents in the bunker supply chain to multiple parties, thus enhancing security



and efficiency for bunker suppliers, bunker buyers, and banks.

Ms So Lay Hua, Head of Group Transaction Banking, UOB, said: "We are pleased to be the financing partner of choice for our local bunker suppliers to drive the digitalisation of their trade fulfilment and financing. This is key to enabling and supporting the development of Singapore as a more process-efficient and deal-transparent bunkering hub."

Ms So added that SGTraDex allows clients and service providers to interact with UOB through a single data highway, which facilitates the compilation of trade documents and ensures secure submission to the bank. In addition, the bank can verify the authenticity of underlying transactions through digital Bunker Delivery Notes.

Bunker suppliers who have been onboarded to SGTraDex say they are benefitting from increased efficiency, cost and time savings, and improved data security.

UOB News

HNB honored by Asian Banker as Best Retail Bank in Sri Lanka for 2022

HNB PLC sealed its reputation as Sri Lanka's undisputed leader in retail banking, having been crowned as the Best Retail Bank in Sri Lanka for the 12th occasion at the prestigious International Excellence in Retail Financial Services Awards 2022 hosted by the Asian Banker Magazine.

Considered among the most rigorous, prestigious and transparent awards programmes for consumer financial services in the world, the awards are designed to showcase regional institutions that establish new benchmarks in stability, innovation, digital enablement and process re-engineering towards unleashing rapid, sustainable growth.

Commenting on the landmark achievement, HNB Managing Director/CEO, Jonathan Alles said: "HNB was founded on the principle that true partnerships built on integrity and service can only lead to progress. Over 134 years, we have carried this legacy forward with an equal sense of pride and responsibility to build upon the progress of generations. These values have led the bank to constantly transform its capabilities, and evolve with the times, in order to be of service to as many Sri Lankans as possible in good times and bad.

To be recognized for the 12th occasion as Sri Lanka's Best Retail Bank, is of course an incredible validation of this legacy, and the dedicated efforts of our entire team. Looking ahead, we face unprecedented challenges but within these issues, are also the seeds of a better future. The entire HNB team



remains steadfast in our commitment to serve the people of Sri Lanka as a true partner in progress."

Retail banking is a flagship segment for HNB, which caters to the needs of over 2.5 million Sri Lankans island-wide. In addition to the bank's extensive customer service network of 255 branches and 795 Self Service Machines, HNB has also been a pioneer in leveraging digital banking products, services and channels to provide customers with convenient, comprehensive and secured options to transact remotely.

Moving forward, HNB is aiming to further consolidate its leadership in digital banking through the implementation of a multipurpose Digital Layer that allows the bank to launch Digital Banking products swiftly to the market. This has enabled the bank to work closely with Fintechs for rapid roll out of new tech-enabled products and services.

"With the commencement of our state-of-the-art back-end transformation, HNB is rapidly gearing up for the expansion of our service capabilities. This will also bolster the bank's ability to support the revival and rejuvenation of the national economy, in turn empowering our customers to pursue their dreams. The investments we have committed towards technology, and building the expertise of our people, are laying the foundation for a drastically more reliable, responsive, remotely accessible banking experience that fulfills our promise to deliver seamless banking solutions to our customers wherever they are," HNB DGM – Retail and SME Banking, Sanjay Wijemanne said.

Hatton National Bank News

Among Member Banks

Cathay expects better returns on bond investments

Cathay Financial Holding Co on June 17 said it expects rate hikes by the US Federal Reserve and Taiwan's central bank would boost returns on bond investments by its life insurance arm.

The Fed on June 15 raised its benchmark interest rate by three quarters of a percentage point, the largest increase since 1994, after hiking it by 25 basis points in March and 50 basis points last month.

"With the Fed's rate hikes, we have seen the yields of bonds — US 10-year Treasury, 30-year Treasury, or investment-grade corporate bonds — rise by 150 to 200 basis points, which should boost our interest income," Cathay Life executive vice president Lin Chao-ting told an annual shareholders' meeting in Taipei.

As Cathay Life has increased its investment in US



bonds, it forecast that interest income would grow by NT\$3.3 billion (US\$111.04 million) in 2022 from 2021, and the recurring yield would surpass 3.1 percent, Lin said.

If the trend of rising interest rates continues, Cathay Life could see its interest income increase by NT\$80 billion in the next five years, Lin added.

Although local and global stock markets have tumbled of late, Cathay Life has bought on dips, targeting companies with advanced technology and rosy prospects, and expects the stocks to provide good returns, the insurer said.

With Taiwan's central bank raising banks' required reserve ratio by 25 basis points, Cathay United Bank said that while this would lead to a decrease in funds available for lending, its loan business would not be affected, as its loan-to-deposit ratio remains at a comparatively low level, spokesman Daniel Teng said.

Taipei Times

CTBC Bank Philippines Donates Ambulance to Philippine General Hospital (PGH)



CTBC Bank Philippines has once again come forward to help its country's government hospital in their COVID-19 response efforts through a donation of an Advance Life Support Ambulance. The brand new ambulance is for the use of the Department of Emergency Medicine of the Philippine General Hospital (PGH) to help in the transport of critically ill patients and provide emergency first response care for them while enroute to the emergency room.

"The Bank's philanthropic efforts have always been focused on finding ways to uplift the lives of the various communities that it serves, and provides support and assistance to other meaningful causes," said Oliver Jimeno, CTBC Bank

Philippines' President and Chief Executive Officer. "During these extraordinarily trying times of the pandemic, we recognize the importance of providing first-line medical treatment, and speedy and safe transportation of patients who are in need of advanced lifesaving equipment," Jimeno added.

The PGH has been chosen by the Bank as the beneficiary of the ambulance given that it is the biggest COVID-19 referral hospital in the country, serving more than 600,000 patients annually, 98% of whom are indigent.

As in the previous year, the Bank has also supported two government hospitals, namely: The Philippine Children's Medical Center and the National Children's Hospital through donations of personal protective equipment (PPE) and disinfection supplies for use of hospital workers.

CTBCPH

E.SUN Commercial Bank Limited establishes Representative Office in Ho Chi Minh City

Director of State Bank of Vietnam branch. Ho Chi Minh City approved for E.SUN Commercial Bank Limited to set up a Representative Office in Ho Chi Minh City.



On March 29, 2022, the Director of the State Bank of Vietnam, Ho Chi Minh City branch, granted License No. 130/GP-HCM on the establishment of a representative office of E.SUN Commercial Bank in the city. Ho Chi Minh City with the following contents:

- Allowing E.SUN Commercial Bank, Ltd., Taiwanese nationality (China), headquartered in Taipei City, Taiwan (China) to establish a Representative Office in Ho Chi Minh City. Ho Chi Minh;
- Full name in Vietnamese: Representative Office of E.SUN Commercial Bank in Ho Chi Minh City;

Full name in English: Representative Office of E.SUN Commercial Bank, Ltd in Ho Chi Minh City.

- Content of activities: Function as liaison office; Market research; Promoting investment projects of E.SUN Commercial Bank in Vietnam; Promote and monitor the implementation of contracts and agreements signed between E.SUN Commercial Bank Limited and credit institutions and enterprises in Vietnam, projects sponsored by E.SUN Commercial Bank Limited in Vietnam; Other activities in accordance with the provisions of Vietnamese law.
- During the operation, the Representative Office of E.SUN Commercial Bank in Ho Chi Minh City must comply with the laws of Vietnam.

The representative office is expected to open on June 29, 2022.

Bao Tin Tuc

Among Member Banks

Taiwan State-run banks hike rates

Several major lenders are to raise interest rates for depositors today, after the central bank increased its benchmark rediscount rate from 1.375 percent to 1.5 percent on June 16.

After major lenders raise their time deposit rates by 12.5 basis points, depositors who own NT\$1 million (US\$33,647) in time deposit accounts are to receive an additional NT\$3,750 in interest annually.

State-owned Bank of Taiwan, the nation's biggest lender, is to increase its floating rate for one-year time savings deposits by 0.125 percentage points to 1.215 percent to fully reflect the central bank's rate adjustments.

As a result, depositors who have NT\$1 million in one-year time savings accounts with the bank are to receive NT\$12,150 in interest annually, it said.

The bank is also to raise its two-year time savings deposit floating rate by 0.125 percentage points to 1.25 percent, while its three-year time savings deposit floating rate is to rise 13 basis points, higher than the central bank's hike, to 1.285



percent, it said.

State-run Land Bank of Taiwan is to raise the floating and fixed rates for all of its time savings deposit accounts by 0.125 percentage points, with the floating rate for the one-year time savings deposit account reaching 1.215 percent.

Government investment lender First Commercial Bank is to raise its one-year, two-year and three-year savings deposit floating rates by 0.125 percentage points to 1.215 percent, 1.395 percent and 1.395 percent respectively, effective on June 20.

It is also to raise the fixed rates by no less than 0.145 percentage points to 1.235 percent, 1.26 percent and 1.27 percent for its one-year, two-year and three-year time savings deposits accounts respectively.

State-run Taiwan Cooperative Bank is to increase its floating rates for one-year to three-year time savings deposits and the fixed rates for its one-year to three-year time savings deposits by 0.125 percentage points.

While deposit rates are to rise in line with the central bank's rate hikes, market observers said the banking sector would raise mortgage rates by more than 12.5 basis points soon to have a higher interest spread, which is expected to improve banks' profitability.

Taipei Times

Bangkok Bank appoints Meliza Rusli President Director of Indonesian subsidiary PermataBank

Mrs. Meliza Rusli, will draw on her deep experience in digital strategy of Indonesian financial sectors to help deliver PermataBank's strategy to become Indonesia's leading deposit and wealth franchise. She will also focus on driving best-in-class innovation and technology development and strengthening collaboration between PermataBank, one of Indonesia's 10 largest banks, and Bangkok Bank, said Mr Chatsiri Sophonpanich, President of Bangkok Bank and President Commissioner of PermataBank.

"Bangkok Bank and PermataBank's Board of Commissioners welcomes the appointment of Meliza Rusli as President Director," said Mr Sophonpanich. "Under her leadership, PermataBank will strengthen its position in Indonesia and help create sustainable value for customers by supporting them as a trusted partner and reliable close friend. This will help build Bangkok Bank's position as a leading regional bank with a domestic footprint in Southeast Asia's two largest economies, Indonesia and Thailand."

Mrs Meliza Rusli, President Director PermataBank said, "I am honored to be given this opportunity to lead PermataBank. We will focus on serving our customers and ecosystem partners by helping them achieve sustainable growth as the economy starts to recover in the post pandemic environment. We will also focus on helping Indonesia companies seek growth opportunities across ASEAN and beyond supported by Bangkok Bank's knowledge, connections, long history in Indonesia and robust international network. These synergies with Bangkok Bank will also help us build connections with Thai and other regional



businesses looking to invest in Indonesia."

Bangkok Bank has a long history in Indonesia having opened its first branch in Jakarta in 1968. Since Bangkok Bank completed its historic \$2.3 billion (Baht 73,722 million) acquisition of and integration with PermataBank, which was the largest intra-ASEAN bank acquisition, the two banks have been working to synergise their operations, strengths and customer base. In 2021, PermataBank's total assets grew by 18.5%, deposits increased by 23.5% and trade volume increased by 60%.

PermataBank also successfully executed its first cross-border trade finance transaction between Indonesia and Thailand using blockchain technology. This was supported by the collaboration between PermataBank and Bangkok Bank. Mrs Rusli has extensive experience in the Indonesian and global financial industry and has served in senior leadership roles in global financial firms, including Goldman Sachs and Accenture, as well as Chief of Group Digital Strategy at PT Astra International Tbk and President Director of Astra Pay. Her appointment as President Director was approved by shareholders at PermataBank's Annual General Meeting of Shareholders on 20 May 2022. Her position has also been approved by the OJK.

Bangkok Bank acquired PermataBank in 2020 and currently holds a 98.71% stake in the subsidiary. The investment was driven by Bangkok Bank's regional expansion strategy to strengthen its position as Thailand's most international bank and as a leading diversified regional bank. Synergies between Bangkok Bank and PermataBank will also help support investment and trade between the two countries as well as the broader development of financial connectivity and integration across ASEAN.

Bangkok Bank News

Among Member Banks

Vietcombank is in the Top 50 best listed companies for the 10th year in a row



Vietcombank continues to be named in the "List of 50 best listed companies" in 2022 announced by Forbes Vietnam with total assets of more than 1.4 million billion VND and the highest capitalization value among credit institutions, listed on the Vietnamese stock market.

The COVID-19 pandemic has made its mark in the 10th Forbes Vietnam List of 50 Best Listed Companies. Due to social distancing, a number of industries benefited dramatically last year, these colors were reflected. on the list when nine companies appeared for the first time.

The listed companies are listed on the Ho Chi Minh City Stock Exchange. Ho Chi Minh City Stock Exchange (HSX) and Hanoi Stock Exchange (HNX) have the best business results and growth in 2021 and 2016-2020. Most of the companies on

the list are industry leaders or have established a competitive advantage in their field of operation.

Topping the top 10 list of the Top 50 prestigious and effective public companies in 2022 are Vinhomes Joint Stock Company, Hoa Phat Group Joint Stock Company, Masan Group Joint Stock Company, World Investment Joint Stock Company. Mobile, International Commercial Joint Stock Bank (VIB), Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank), Duc Giang Chemical Group Joint Stock Company, Vietnam Technological and Commercial Joint Stock Bank (Techcombank), Military Commercial Joint Stock Bank (Vietcombank) MB), Asia Commercial Joint Stock Bank (ACB).

The announcement ceremony of Top 50 prestigious and effective public companies in 2022 is expected to be held in August 2022 in Ho Chi Minh City. Ho Chi Minh.

Bnews.vn

VietinBank launches 'Digital Financial Assistant' for businesses on a new platform



On May 31, 2022, VietinBank officially held the launching ceremony of VietinBank eFAST on the new platform.

In response to a strong wave of digital transformation, over the years VietinBank has increased investment in digital banking development, providing users with a complete experience and an extremely diverse ecosystem. VietinBank has supported customers to perform banking transactions anytime, anywhere via the internet on the customer's website or smartphone (Smart Mobile).

Since 2008, VietinBank has been the first bank to provide VietinBank eFAST service for corporate customers (DN). Over the past 14 years, VietinBank eFAST has done well its role of becoming a mobile digital bank serving customers anytime, anywhere, on any device quickly, conveniently, and saving time for businesses.

Introducing the "Digital Financial Assistant", Mr. Le

Duy Hai - Deputy General Director of VietinBank affirmed: This is the biggest change in the past 10 years of eFAST, bringing VietinBank eFAST from a digital bank to becoming a digital bank. Professional, understanding, dedicated, friendly and completely free "digital financial assistant" of businesses.

With the launching event of VietinBank eFAST on a new platform, VietinBank has made a strong breakthrough in the financial - banking industry and has received enthusiastic reception from the business community.

"In the coming time, VietinBank will continue to devote the best resources and policies, making VietinBank eFAST a leading digital bank, a reliable partner accompanying businesses in the digital transformation process and completing the business goals. We would like to express our gratitude to our customers for their trust, sharing and companionship and look forward to continuing to receive their trust and support in the future", said Mr. Le Thanh Tung, Member of the Board of Directors of VietinBank. emphasize.

Bao Thanh Nien

Agribank is allocated 2,500 billion VND to support interest rates for businesses, cooperatives, and business households



The Bank for Agriculture and Rural Development of Vietnam (Agribank) has been approved by the State Bank of Vietnam for a 2%/year interest rate support limit of VND 2,500 billion in 2022 for the beneficiaries, interest subsidy.

Decree 31/2022/ND-CP and Circular 03/2022/TT-NHNN issued on May 20, 2022 stipulating the interest rate support from the State Budget for loans denominated in Vietnam dong generated from lending activities of commercial banks to customers who are enterprises, cooperatives, and business households.

The 2% interest rate support program from the State budget is a solution to create favorable conditions for people and businesses in industries and fields that are heavily affected by the COVID-19 pandemic in accessing capital sources at low cost, taking advantage of opportunities to develop production and business activities in the new situation, contributing to stimulating both supply and demand sides, creating a foundation for strong economic recovery and growth.

Immediately after the Decree and Circular were issued, Agribank actively prepared all conditions to well implement the interest rate support program. Right from the beginning of April 2022, the General Director of Agribank established a Team to develop regulations on interest rate support, and at the same time held conferences to discuss and disseminate the draft

Among Member Banks

regulation on interest rate support with the participation of all nearly 1,000 branches in 63 provinces and cities nationwide. Thereby thoroughly grasping and emphasizing the importance of effectively implementing the interest rate support program to all units in the system.

Since the time customers received interest rate support, Agribank has disbursed nearly VND 100,000 billion for beneficiaries of this interest rate support period.

Enterprises, cooperatives and business households

eligible for interest rate support must have the purpose of using loan capital in one of the registered business sectors specified in the Prime Minister's Decision No. 27/2018/QĐ-TTg Prime Minister including: aviation, transportation, warehousing, tourism, accommodation services, catering, education and training, agriculture, forestry and fisheries, processing industry, manufacturing, publishing software.

Bnews.vn

Banking and Finance Newsbriefs

Bhutan

Bhutanese economy should move from resource-driven to productivity-driven: UNDES

With only hydropower dictating the economy of the country, Bhutanese economy is facing the risk of becoming a mono-line economy, according to United Nations Department of Economic and Social Affairs' chief of Global Economic Monitoring, Hamid Rashid.

"Productivity-led growth is a good hedge against volatile economic growth," said the chief who was a panellist

at the Bhutan Democracy Forum which discussed "Equitable prosperity through inclusivity".

The pandemic has adversely affected the economy, impacting all aspects of societal equality and the national debt of the country stands at 130.9 percent at Nu 247.68 billion of its gross domestic product (GDP) in first quarter of 2022.

Hamid Rashid said that a resource-driven economy dictated by one or few resources tends to be volatile and vulnerable. "The productivity-led growth is more resilient, inclusive, and equitable which Bhutan needs to prioritise and pursue."

He claimed that productive growth can be stimulated by adding

labour, capital, and more efficiency to the economy. Hamid Rashid said Bhutan should have policy and discussions to identify productivity-led sectors to achieve and sustain steady economic growth.

He said that Bhutan saw economic growth of 6 percent on average over the last 30 years which is slow compared to countries of similar economic structure and size. "Bhutan's economic growth is volatile because having a standard deviation of growth over average growth, the volatility of 0.76 is significantly higher than other countries of the same economy size. "The swaying growth for a small economy is not a very stable economic growth."

Kuensel Online

India

Non-banks not allowed to load credit lines on prepaid wallets, cards: RBI

In a move that could impact a number of fintech players, the Reserve Bank of India (RBI) has asked non-bank prepaid payment instruments (PPIs) issuers to not load their PPI instruments through credit lines.

In a circular addressed to the non-bank PPI issuers, the RBI said, "The PPI- master direction does not permit

loading of PPIs from credit lines. Such practice, if followed, should be stopped immediately. Any non-compliance in this regard may attract penal action under provisions contained in the Payment and Settlement Systems Act, 2007".

PPIs are instruments that facilitate purchase of goods and services, conduct of financial services, enable remittance facilities, etc., against the value stored therein. According to RBI, there are over 35 non-bank PPI issuers in the country, including the likes of Amazon Pay, Bajaj Finance, Ola Financial Services, PayU Payments Pvt Ltd, Phone Pe Pvt Ltd, among others.

This circular by the RBI is likely

to impact those fintech players who offer credit lines to customers via their wallets in association with non-banking finance players. It may also affect fintechs who are issuing prepaid cards in association with a banking partner or a non-banking partner.

As per the master directions, PPIs are permitted to be loaded/ reloaded by cash, debit to a bank account, credit and debit cards, PPIs, and other payment instruments issued by regulated entities in India. However, the guidelines do not permit credit lines to top up these instruments.

Business Standard

Japan

Japan government hopes Bank of Japan takes ‘necessary’ action on yen, inflation

Japan’s government hopes the central bank takes “necessary measures appropriately” in light of the yen’s recent sharp falls and rising cost of living, Chief Cabinet Secretary Hirokazu Matsuno said on June 15.

The top government spokesperson also reiterated Tokyo’s

readiness to take appropriate action in the currency market, when asked about the yen’s decline to a fresh 24-year low.

“We hope the Bank of Japan (BOJ) continues to coordinate closely with the government, and take necessary measures appropriately,” Matsuno told a regular news conference.

The remark comes ahead of the BOJ’s two-day policy meeting that ends on June 10.

While the BOJ is widely expected to keep its ultra-low interest rate targets unchanged, the central bank is facing heat for the dovish policy that is driving down the yen, and boosting the

cost of raw material imports.

“Excess volatility and disorderly market moves have negative effects on the economy,” Matsuno said, adding that Japan will respond as needed while closely communicating with its G-7 counterparts. He declined to comment on whether Tokyo will intervene in the currency market to stem further yen falls.

Expectations of aggressive US interest rate hikes have heightened prospects of widening US-Japan yield differentials, pushing down the yen to a fresh 24-year low of 135.58 per dollar on June 15.

The Business Times

S. Korea

S. Korea faces heightened risk of stagflation in late 2022, report warns

The South Korean economy faces an increased risk of stagflation during the second half of the year as it faces simultaneous rises in prices, interest rates, and the exchange rate, analysts are predicting.

The Hyundai Research Institute published a report on economic issues it expects Korea may face in the second half of 2022. In it, the authors observed, “With the Bank of Korea hinting at additional hikes in the benchmark interest rate as rising raw material prices increase the upward pressure on prices, [South Korea] is facing a triple threat with the high exchange rate [weak performance of the won] amid the US’ intensive austerity measures.”

Accordingly, they predicted a

risk of stagflation — rising prices amid conditions of economic stagnation — or “slowflation,” in which prices rise amid conditions of low growth rather than economic recession.

South Korea has faced this kind of “triple high” situation twice since 2000, in the years 2001 and 2008–2009, and suffered an economic slowdown both times.

The institute predicted a strong possibility that the same combination of simultaneous pressures could cause the economic growth rate to fall during the second half of 2022. The reasons stem from the negative effects on domestic demand as high prices and interest rates translate into reduced consumption and a larger interest burden for households and companies.

While high exchange rates have a positive aspect in terms of boosting export competitiveness, they can also hurt the current account balance when rising prices of raw materials and other imports lead to increased inflation pressures and reduced trade.

China’s lockdown measures based on its “zero-COVID” policy approach are also expected to add to the upward pressures on import prices for South Korea, which is heavily reliant on trade with China.

With signs pointing to the Shanghai lockdown dragging on into the longer term, the possibility of Beijing and other major cities also going into lockdown has raised the risk of inflation stemming from supply chain shocks.

In terms of individual livelihoods, another danger is that the persistent “triple high” situation could deepen the polarization among households as it leads to rising prices for essential goods and a growing interest repayment burden.

In its report, the institute predicted that the damages would be “focused on vulnerable segments such as low earners and self-employed small business operators who face high interest repayment burdens and spend a high proportion of their earnings on essential living expenses.”

The Hankyoreh

Malaysia

Malaysia's Bank Negara steps up collaborations with banks, law enforcement agencies to curb fraud risk

All licensed banks are required to adopt high standards of security, particularly for internet and mobile banking services, which includes routine security reviews and advisories issued by Bank Negara Malaysia (BNM) to financial institutions.

The advisories include the need to enhance existing controls and ensure adequate protection against latest threats, while maintaining efficient services for customers, it said.

"Fraud risk is constantly evolving, as scammers continue to devise

more sophisticated means of defrauding the public.

"This includes new approaches of tricking bank account holders into revealing their banking details or installing malware on their devices," the central bank said in a statement today.

The financial industry and authorities, therefore, continue to remain vigilant against new modus operandi. BNM has been collaborating with the police, the Malaysian Communications and Multimedia Commission and the financial industry to coordinate efforts in combating financial fraud and scam, and create greater public awareness on new fraud tactics.

In addition to ensuring more effective preventive measures by financial institutions, these efforts will also support the recovery of embezzled funds as well as timely and effective investigations by the relevant law enforcement agencies.

The public is advised to be extra vigilant in safeguarding their personal information and downloading files or applications from unverified sources onto mobile devices.

Users of financial services also have an important role to keep themselves informed of emerging threats through advisories issued by financial institutions, BNM and other authorities, and take precautions to protect themselves.

Information on the latest threats and measures that individuals can take to protect themselves against evolving threats can be obtained from the [Amaran Scam Facebook page](#).

Appropriate supervisory and enforcement actions will also be taken by BNM in cases where banks have not taken adequate steps to protect their customers or failed to comply with the relevant regulations.

The Star

Maldives

Maldives' Finance Minister assures no chance for reserve exhaustion

The Minister of Finance Mr. Ibrahim Ameer has denied the recent rumors of a possible reserve exhaustion.

While explaining the country's recovering economy, the minister via a tweet affirmed that with the expanding US Dollar income to the Maldives, the reserve will be maintained similar to pre-Covid levels.

Mr. Ameer claimed that the island nation is not shorthanded in repaying its debts.

He assured that the Maldivian state had the capability of settling all state debts on or before due.

Mr. Ameer had further scrutinized the rumors regarding the state's health and the country's economy. Moreover, he stressed on the negative impact such rumors will have on attracting prospective foreign investors.

According to the minister, such baseless rumors will without doubt pave way for the island nation's economic conditions being questioned by international stakeholders.

In addition to his assurance towards the country's reserve, Mr. Ameer further attested that both the Gross and Net Reserves of Maldives were at healthy levels; which is maintained through proper cash in-flow and out-flow of

foreign currencies.

The minister assured that the Maldivian economy will be able to achieve pre-Covid conditions by the end of 2022, which he attributed to proper crisis management and effective conduct of local entrepreneurs.

Regardless, the minister had also warned that the international market changes and price inflation on products will be reflected in the Maldivian consumer market as well.

In order to combat the price hikes in the global market, especially the surge in oil prices leading towards fuel subsidy increment, the government has increased the ITFC trade finance limit to MVR175 million in a bid to offset the reserve impact.

The Edition

Mongolia

Hapless Mongolia struggles with a shortage of dollars

The Mongolian tughrig has since late January been steadily losing value against the dollar, while inflation has been mounting. There are several reasons for this, including increases in the prices of Russian gas, energy and wheat due to effects of the war in Ukraine.

Furthermore, Mongolia's dollar income is down, as a result of a decline in exports caused by China's "zero-Covid" policy and consequent border closures. These have also interfered with imports from China, driving up the prices of most finished goods and value-added products in Mongolia, affecting everything

from toothpaste to cleaning supplies. Additionally, the lack of foreign tourists and the decrease in exports over the past two years has caused fewer dollars to be available.

Dollars enter Mongolia via imports, loans, remittances, tourism and aid. Most of these dollars wind up in the central bank, the Bank of Mongolia (BOM). The BOM determines how many dollars they wish to add to their foreign currency reserves. The remainder are auctioned off to commercial banks, twice a week. The commercial banks bid on the dollars based on demand and expected demand from their clients.

Several money changers in Ulaanbaatar have reported that, just before Russia's invasion of Ukraine in late February, a number of Russians came to Mongolia, buying up dollars, further driving down supply. When asked why

money changers and bankers would have sold off all their dollars, knowing what was happening in Ukraine, a data scientist who tracks economic phenomena in Mongolia said that the bankers and money changers sell at the market rate, according to supply and demand. "They aren't concerned with macroeconomic factors," he explained.

A commercial banker provided a very similar answer, saying that the BOM is concerned with regulating the price of the tughrig, or MNT, but bankers and money changers are just businesspeople who perform services for their clients. Additionally, they are effectively bound to sell at the market rate, irrespective of their personal prognoses. Bankers and money changers generally wait for geopolitical events to reflect in prices, rather than altering prices or ceasing trading in a particular currency of their own accord.

Bne IntelliNews

Nepal

Nepal expects 5.8% economic growth as COVID cases fall

Nepal's economy is expected to expand by 5.8% in the current financial year ending mid-July, helped by a pick-up in economic activity following a fall in COVID-19 cases, the finance minister said.

The growth estimates were higher than 4.3% year-on-year growth in the previous year, but lower than earlier projection of 7% growth for the current fiscal year, as the rising energy and food prices have hit consumer spending and firms' investments.

Nepal has ended almost all

pandemic-related restrictions, imposed to curb the spread of the novel coronavirus and took several steps to revive the economy hit by the pandemic.

"As the impact of COVID-19 is minimal, the economic and social life is becoming normal," Finance Minister Janardan Sharma said, presenting the annual budget in the parliament for the new financial year beginning mid-July.

He said economic indicators except those relating to external sector, were "satisfactory".

Ishwari Prasad Bhandari, a director at the government's Central Bureau of Statistics (CIS) said the good economic growth was due to a rise in hydroelectric power generation, growth in construction as well as the wholesale and retail trade.

Nepal has seen a surge in food and energy prices as annual retail inflation

accelerated to a five-year high of 7.3%, amid the risk of social unrest as imports of goods like fuel, coal and edible oil become costlier.

Sharma said the government would soon reduce fuel prices which were increased by up to 12.5% last week saying global prices had spiked in the wake of Russia's invasion on Ukraine but gave no details.

The government has banned luxury goods imports until mid-July amid dwindling forex reserves, which fell 18.2% to \$9.61 billion on mid-April from mid-July, according to the central Nepal Rastra Bank (NRB) data.

Officials said the pandemic would not have much impact on economic activities by mid-July when the current financial year ends.

Reuters

Philippines

BSP urges public to deposit savings in formal accounts, warns of artificial shortage

The Bangko Sentral ng Pilipinas (BSP) on June 15 called on the public to deposit their savings in formal accounts, as keeping banknotes at home could cause an artificial shortage.

According to BSP Governor Benjamin Diokno, storing savings in containers at home would impact the circulation of currency and could drive the central bank to circulate more banknotes and coins, bringing production costs higher.

The central bank has since urged

the public to deposit savings in formal accounts with regulated institutions including banks, e-money issuers, microfinance institutions, cooperatives, and non-stock savings and loan associations.

“The unnecessary accumulation of banknotes and coins prevents Philippine currency from being recirculated and used as payment instruments,” he said in an emailed statement.

“The BSP could mint fewer coins if they are efficiently circulating. The reduced production costs would allow the central bank to remit more dividends to the national government, which would help fund pandemic-response measures and social services,” he added.

Latest data released by the BSP show that domestic liquidity or M3 — the broadest measure of money in the

financial system — stood at P15.253 trillion in April, slightly higher than the P15.262 trillion in March.

Only an estimated 41.0 million or 53% of the Philippine adult population of 77.2 million had a bank account as of the second quarter of 2021, up from 20.9 million in 2019.

Some 84.5% of the cities and municipalities had banking presence while 15.5% had no presence as of the same quarter, with 4.4% having no access point at all.

“Account ownership serves as a gateway to financial inclusion. It enables people to participate in the benefits and opportunities of the formal financial system, empowering them to build a better financial future,” Diokno said.

GMA Network



Singapore

Singapore’s MAS Launches Digital-Asset Initiative

The Monetary Authority of Singapore (MAS) and finance industry has announced they are testing the feasibility of applications in asset tokenization and decentralized finance (DeFi) while working to manage risks to financial stability and integrity.

Singapore has commenced an official project to investigate potential uses of asset tokenization as the major financial hub seeks to establish itself as the preeminent destination for decentralized finance after several key crypto players withdrew. The project aims to develop and pilot use cases in areas such as open, interoperable networks, trust anchors and institutional-grade DeFi protocols. The first pilot in the project will explore

potential DeFi applications in wholesale funding markets led by DBS, JPMorgan and Marketnode involves the creation of a permissioned liquidity pool comprising tokenized bonds and deposits.

“Through practical experimentation with the financial industry and the broader ecosystem, we seek to sharpen our understanding in

this rapidly transforming digital assets ecosystem. The learnings from Project Guardian will serve to inform policy markets on the regulatory guardrails that are needed to harness the benefits of DeFi, while mitigating its risks” stated MAS Chief Fintech Officer, Sopenendu Mohanty.

East & Partners

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Sri Lanka

IMF holds talks in Sri Lanka as cabinet moves to cut president's powers

An International Monetary Fund (IMF) team began bailout talks in Sri Lanka on June 20, as the country's cabinet cleared a constitutional amendment to dilute presidential powers that could assuage protesters amid rising tensions.

Economic mismanagement and the COVID-19 pandemic have left Sri Lanka battling its worst financial problems in seven decades, and a lack of foreign exchange has stalled imports of essentials including fuel, food and medicines.

The island nation of 22 million people is scrambling to get fuel shipments in the next three days, the energy minister told Reuters, as public disaffection grows

because of a persistent shortage of diesel and petrol.

Sri Lanka's cabinet on June 20 approved an amendment to the constitution that could reduce presidential powers, in a move to appease protesters calling for President Gotabaya Rajapaksa to quit. "The 21 amendment was tabled and passed in cabinet today," Tourism Minister Harin Fernando said in a tweet, adding that the proposal will now be sent to the country's parliament.

Many protesters accuse Rajapaksa and his influential family of mishandling the economy.

Sri Lanka suspended payment on \$12 billion of foreign debt in April and is seeking up to \$3 billion from the IMF to put its public finances on track and access bridge financing.

A nine-member IMF team, which arrived in the commercial capital Colombo on June 20, held talks with

Prime Minister Ranil Wickremesinghe on how to structure what will be Sri Lanka's 17th loan programme with the global lender.

"The prime minister commenced discussions with the IMF team," Wickremesinghe's office said in a statement.

Bondholders expect the IMF visit to give clarity on how much debt Sri Lanka can repay and what reduction in asset value investors may face, analysts said.

"Even if a staff-level agreement is reached, final programme approval will be contingent upon assurances that official creditors, including China, are willing to provide adequate debt relief," said Patrick Curran, senior economist at U.S. investment research firm Tellimer.

"All considered, the restructuring is likely to be a protracted process."

Reuters

Taiwan

Taiwan's Central Bank cautions public about investing in NFTs

Taiwan's Central Bank has warned about the risk of NFTs (nonfungible tokens) as investment vehicles for the general public.

In a report cited by [Yahoo News](#) on June 20, the NFT market was described as full of fake transactions. Citing a survey, the article suggested only 28.5% of individuals make a profit when they sell on an NFT, and one-third of NFTs produced don't sell at all.

It pointed out that most NFTs are nearly 80% part of the Ethereum blockchain. This means it's essentially a cryptocurrency, like Bitcoin or Dogecoin, with a blockchain that tracks who is holding and trading the asset.

It also suggested that it is doubtful whether an NFT can really recognize ownership of an asset, since anyone can produce an NFT and it can be used to steal data. Furthermore, it doesn't prevent people from copying or claiming ownership, or just selling a GIF or video as an NFT — such as in the case of YouTube celebrity Logan Paul, who photoshopped stock images for his [Cryptozoo](#) cryptocurrency project.

NFTs hit the mainstream when

marketing genius and artist Beeple sold his painting "Everydays - The First 5000 Days" for US\$69 million (NT\$2 billion) in March last year. While the number of NTF buyers numbered just 75,000 in 2020, it flew up to 2.3 million by 2021, according to [Pymnts.com](#).

The publication also noted the value of the NFT market soared by 21,000% over the same period, from US\$82 million to US\$17 billion. However, the NFT market has imploded, according to some observers, with blockchain analytics company [Chainalysis](#) saying in May that about 1 million accounts were buying or selling NFTs at the start of 2022, with just 491,000 trading now.

Taiwan News

Banking and Finance Newsbriefs

Thailand

Thailand's central bank shuns talk of special rate hike meeting

Thailand's central bank said on June 17 its scheduled six annual interest rate meetings were sufficient for considering monetary policy, in a response to market speculation that it would call a special meeting about a rate hike.

The Bank of Thailand (BOT) said last week's policy review had

clearly communicated its future policy implementation, while there was no new information that would change its outlook for the economy and financial conditions.

The comment came in a text message response to a question from media about whether there would be a special meeting about raising the key rate.

Some economists have predicted the BOT would hold such a meeting to raise the key rate before the next scheduled review on Aug. 10, driven by the Federal Reserve's more aggressive policy tightening and a weakening baht at more than five-year lows against the dollar.

The BOT in its text message on Friday said special meetings can occur only in exceptional circumstances, with unexpected economic and financial developments that could significantly affect monetary policy targets, like for the economy and financial and price stability, it said.

The last such meeting took place in March 2020, when the rate was cut as Covid-19 started to spread globally.

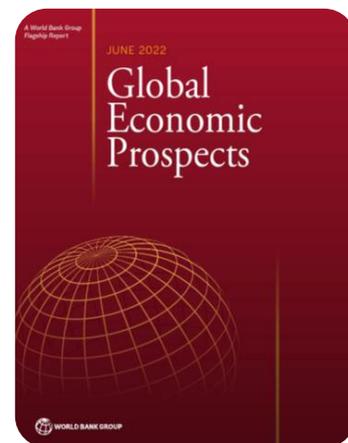
The BOT's committee voted 4-3 to hold the key rate at a record low of 0.50%. Three dissenters favoured a quarter-point hike.

Reuters

Publications

World Bank East Asia and Pacific Economic Update - Spring 2022

The world economy continues to suffer from a series of destabilizing shocks. After more than two years of pandemic, the Russian Federation's invasion of Ukraine and its global effects on commodity markets, supply chains, inflation, and financial conditions have steepened the slowdown in global growth. In particular, the war in Ukraine is leading to soaring prices and volatility in energy markets, with improvements in activity in energy exporters more than offset by headwinds to activity in most other economies. The invasion of Ukraine has also led to a significant increase in agricultural commodity prices, which is exacerbating food insecurity and extreme poverty in many emerging market and developing economies. Numerous risks could further derail what is now a precarious recovery. Among them is, in particular, the possibility of stubbornly high global inflation accompanied by tepid growth, reminiscent of the stagflation of the 1970s. This could eventually result in a sharp tightening of monetary policy in advanced economies to rein in inflation, lead to surging borrowing costs, and possibly culminate in financial stress in some emerging market and developing economies. A forceful and wide-ranging policy response is required by policy makers in these economies and the global community to boost growth, bolster macroeconomic



frameworks, reduce financial vulnerabilities, provide support to vulnerable population groups, and attenuate the long-term impacts of the global shocks of recent years.

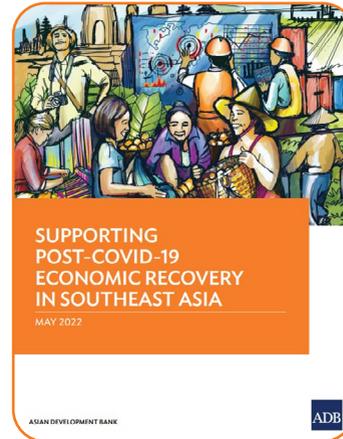
Details: [The World Bank Group Publication](#)

Publications

Supporting Post-COVID-19 Economic Recovery in Southeast Asia

The first in a four-part series, the ADB report looks at the pandemic's impact on Cambodia, Thailand, Indonesia, Myanmar, and the Philippines relative to the need for multistakeholder taskforces that can help core industries recover and grow. It shows why policymakers need a sector-based approach and highlights strong medium-term opportunities. The report underscores how deepening regional cooperation can help countries recover from the pandemic and build more resilient economies and societies.

Details: [ADB Publications](#)



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About ABA

The ABA aims to provide a forum for advancing the cause of the banking and finance industry in the region and promoting regional economic cooperation. Its primary objectives include the following:

- To provide a venue for an exchange of views and information on banking opportunities in the Asia-Pacific region;
- To facilitate the meeting of bankers in the region in an atmosphere of fellowship and friendship;
- To encourage joint activities that would enhance the role of its members in servicing the financial needs of their respective economies and in promoting regional development; and
- To undertake projects that will encourage trade, industrial, and investment cooperation in the Asia-Pacific region.

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