Foreign Exchange Activities
Of
The City Bank Limited
(New Market Branch)

UNITED INTERNATIONAL UNIVERSITY

REPORT

On

'Foreign Exchange Activities of The City Bank (New Market Branch)'

Submitted To

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Submitted By

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Submission Date

9th March, 2020

Letter of Transmittal

9th March, 2020
Nusrat Farzana
Assistant Professor
School of Business & Economics
United International University (UIU)

Subject: Submission of Report on the topic "Foreign Exchange Activities of The City Bank (New Market Branch)"

Dear Mam,

I would like to submit my internship report "**Foreign Exchange Activities of The City Bank**" which was assigned. It was a great opportunity for me to acquire practical knowledge and real experience. Now I need to take permission from you to submit my report.

Working on this report based on three months of internship in CBL was a great learning for me. I hope you will find the report to be objective, systematic and reliable. I tried my best to make this report following your given instructions. In these circumstances, I therefore request you; to give us permission to submit my internship report. It will be very thankful if you accept my report. I will always be ready to provide any further clarification that you may require.

I believe that you just will discover this paper condign of my hard work.

Sincerely yours,

____

Farzana Alam Khan

ID: 111 151 540

Acknowledgement

Practical experience is essential besides academic knowledge. Education involves not only reading books and doing excise but also acquiring knowledge through doing something practically. This report has designed only for considering that objective.

At first, I must show my gratitude to almighty Allah for giving me energy and capability to preparing this report. Then I would like to express our gratitude to the Placement Committee for arranging for us such a program of educated value. I hope, it will help me to move one step further to face the challenges. I must convey my sincere gratitude to my respected supervisor for providing me valuable guidance and suggestion in preparing this report. She gave me the courage and liberty for choosing the topic, which gave me momentum to work spontaneously.

I offer my earnest thanks to Masrur Arefin (Managing Director, CBL) to offer me the chance to continue on my internship in CityBank Limited. I additionally offer my heartiest thanks to Mrs Tanjila Haque (AM, Recruitment & MIS, HRM), Monowara Sultana (SCSM & ABM), Anika Tabassum (Foreign Exchange In Charge, New Market Branch) for their agreeable frame of mind and expanding help which make me ready to set up my temporary position report appropriately.

It will be ungrateful if I don't mention the name of Mr Abu Saleh Sarwar (SRM, New Market Branch)) and Mrs. Monowara Sultana (ABM & SCSM, New Market Branch) who helped me a lot while working in The City Bank Limited. My special thanks to other officers of The City Bank Limited for giving me their valuable time.

Contents

Executive Summery

To complete my Bachelor of Business Administration course I have finished 3 months of internship at CBL. I did my internship in New Market branch of CBL. In these three months I have gained a lot of real experience about the banking activities and their particular departments of the City Bank Limited New Market Branch. The joining date was 12th September 2019 and the ending date of my internship was 11th December 2019 that will help me to understand the banking environment which will help me in my future.

This report is mainly based on some specific activities of CBL. The topic of the report is the foreign exchange activities of CBL New Market Branch and the report is made on the base of their foreign exchange activities and analysis on that. The 2st part of this report is the basic information of the report as well as CBL.

The 3rd part of this report includes the historical background of the bank and the information about the bank. From the beginning how the bank started its journey and how it becomes one of the famous bank In Bangladesh. Their branches and their departments' activities they do. Their product and services they provide and the reason they are successful.

The topic of the report is foreign exchange activities of the CBL New Market Branch which is discussed in the fourth part of the report. The information how the foreign exchange department serve their customers in this department, what are the services, modes and regulations of foreign exchange department of CBL are discussed there.

The fourth part of the report is on the base of CBL data analysis which is mainly focused on the trend and regression analysis. The trend analysis on total expense and total income, Income Segmentation, Net income, Net export, total foreign remittance and based on these the implementation of each are presented with graphical representation. The regression analysis is done on the export, import and remittance with its return on asset.

In this report I have showed the findings of the study also the recommendation and suggestion based on the three months of the observation and collection of the data of the City Bank Limited New Market Branch.

Chapter 1

Introduction

1. Introduction

1.1 Introduction to the topic in hand

It is essential to acquire practical knowledge from the academic courses of study. This internship program plays a wonderful significance as it permits an understudy to insinuate with the down to earth activity. The understudy works in nature, drawing near with the individuals from the organization and finds out about the exercises of that organization.

1.2 A brief introduction of the organization

In this internship program I was devoted to the The City Bank Ltd. New Market Branch for three months. Throughout my internship period in the City Bank Limited, New Market Branch, I worked under General Banking and Foreign Exchange departments of the City bank. I worked under the direction of Mrs Monowara Sultana (AVP & SCSM Monowara Sultana) and her support and counsel in completing this report.

The topic of my report is "Foreign Exchange Activities and the City Bank Limited"

1.3 Objectives of the Study

Here are two types of objectives.

1.3.1 Primary Objectives:

The report is prepared to attain the primary objectives of the study is to complete the partial requirement to absolute the BBA degree under United International University. It is also necessary to observe the banking activities and dissecting outside settlement exercises of the city bank restricted. It is also a primary objective of doing this report.

1.3.2 Secondary Objectives:

The secondary objectives are many which are related with the gaining knowledge by observing and practicing activities of the bank. They are_

- How City bank do their work
- How to open a new account and what is the mandatory requirements
- How to communicate with the customers
- How the foreign department do their activities
- What do foreign exchange department do
- How to produce information about each department of CBL

Finally, to give feedback or outcome about the performance of the foreign exchange department of the CBL as well as the bank wholly.

1.4 Limitations of the study

a. This internship was based on only the City bank, New Market Branch, so the report cannot covey all branches' process of the City bank.
b. The major limitation was that document and data collection was too strenuous because of the confidentiality of the administration.
c. The annual reports and web sites are the prime way to collect secondary sources but there isn't enough information to cover this internship report.
d. It is an excess of difficult to discuss and guidance dependent on just the yearly report and a portion of the data gave by the bank.
e. Limitation in the excess to human resource policy. Top personnel are allowed.

1.5 Scopes of the report

In these 3 months of internship in The City Bank Limited New Market Branch I have learnt and did numerous works that likewise remembers for general banking and leant numerous exercises of foreign exchange. With the help of my supervisor Mrs Monowara Sultana (SCSM & ABM) and Mrs Anika Tabassum (SCSM & FRD) I have gained knowledge about the activities of the bank as well as foreign exchange activities.

1.6 Methodology of Data Collection

This is an observational type of study. All the data were collected during the time when I was assigned to work at the City Bank as an Intern. Both primary and secondary research was conducted and data were collected from primary and secondary sources.

1.6.1 Type of Data: Primary Vs secondary data

Primary Data

- Interviewing and interconnecting with the customers of the branch
- Observing different organizational activities.
- Collecting surveys from the waiting customers
- Discussion with the staffs of this branch
- Conversations with the members of foreign exchange department of the City Bank NM Branch.

Secondary data:

- The annual reports of the City bank.
- Numerous records of the bank,
- Several unpublished data.
- Different files, papers and brochures of the bank
- Assorted textbooks, journals, booklets and
- Official Web site of the City bank.

1.6.2 Data Collection Process

This internship report is made on the base of Primary and Secondary sources of data.

1.6.3 Sample Size

Almost 160 surveys have been completed to do a proper survey. The sample size was quite good as it is a primary source (including customers and employees). The surveys are taken from the loyal review of the customers.

1.6.4 Sampling Technique and Procedure

The sample is collected from the existing customers and the employees presented at the bank. The surveys are collected from the waiting customers (bearer and account holder). It is a transparent primary source of collecting data. Almost 160 surveys are collected from the customers during my internship. The surveys are collected from them during our conversation or while giving them the service. I collected the surveys 10 reviews per week during these 3 months of internship.

1.6.5 Scope

a) Area

Primary data are collected from the bank on spot during the internship period from its account holder and bearer customers. Other primary data are collected by doing survey from the customers. On the other hand it is not possible to get through the whole idea about a bank and it is also not possible to gather many necessary data about the bank without the existing and permanent employee of the bank. The secondary data are collected from the files and paper of the bank. On the other hand it is also not possible to do a report without the bank's annual report. I collected the annual report and many secondary data from their official website, annual report and other websites reviews.

***b)** Time*

The data are collected during the banking hour and after the banking hour. Samples are collected from the customers presented on the spot (bank) and the data collected from the employees in the bank after the banking hour by doing conversation with them.

Chapter 2

Organizational Background

2. Organizational Background

2.1 Historical Background of the organization

It was the enlivened merchandiser of twelve youthful businesspeople who set up with the huge capriciousness with grit and energy to put up Bangladesh's first private business bank in 1983. They are consistently in the recognition and they eagerly acclaim to the large advance they took toward impacting the world forever. They are Mr. Ibrahim Mia (Late), Mr. Monowar Ali, Mr. M.A. Hashem, Mr. Abdul Hadi (Late), Mr. A.K. Mehmood, Mr. Deen Mohammad, Mr. A.B.M. Feroz, Mr. Md. Ali Hossain, Mr. Azizul Haque Chowdhury, Abdul Barik Choudhury (Late), Mr. N.A. Chowdhury (Late) and Mr. Anwar Hossain.From 1983 till date, City Bank has been a contextual investigation in advancement, having changed after some time from a customary association to a widely praised multi-faceted establishment that grasps worldwide accepted procedures and decides to be at the bleeding edge of mechanical activities. In contrast to many, the Bank's criteria for progress are the primary concern numbers as well as the achievements set towards turning into the most complete bank in the nation.

2.2 Industry Scenario

The administrations surrounds wide variegate methods for business, exchange and industry which tweak to the individual requests of the customers and are separate by an abnormal degree of cause and individual consciousness. Throughout the year the Bank has spread the ranges of its item and administrations. The generous and regularly expanding national system offers and gives various sorts of administration to the doorsteps of thousands. The CBL has just settled a couple of new Products like ATM, double money Credit Cards and Online administrations which has made attractive quality to the clients. The Bank has set up SMS, constant Internet and Phone Banking frameworks with all most recent conveyance channels at an early date. For wonderful introduction, the bank has legitimized national and universal distinguishing proof.

The City Bank Limited Bangladesh has aggregate of 130 branches and furthermore 369 CDM and ATM all over in Bangladesh with just about 17, 00,000 clients. They have 7 need habitats and 2 Airport Lounges. Despite the fact that it began with 12 youthful businesses person however now in CBL there are in excess of 2800 perpetual workers. The directorate made up of 11 individuals and there are 17 individuals in the administration council. The administrative center (City Bank Center) is situated in 136, Gulshan Avenue, Gulshan-2 Dhaka-1212, Bangladesh.

2.3 Bank's information

Bank's Name	The City Bank
Bank's Head Office	City Bank Center,136, Gulshan Avenue, Gulshan-2, Dhaka-1212, Bangladesh
Present Chairman	Mr. Aziz Al Kaiser
Vice Chairman	Mr. Hossain Khaled
Managing Director	Mr. Mashrur Arefin
Bank's Slogan	Making sense of money
Total Branches	130
ATM and CDM	369
Total Customers	17,00,000
Total permanent employees	2,800
Total employees	3,880
Total POS Machine	24,000
Date of starting their 1st branch	27th March 1983
Call Center	16234
Website	https://www.thecitybank.com

2.4 Mission, Vision and Values

2.4.1 Vision of the City Bank Limited

Vision of CBL is 'The Financial Supermarket with a Winning Culture Offering Enjoyable Experiences.'

2.4.2 Mission of the City Bank Limited

Missions of the CBL are given below_

- Wide roomy assorted variety of administrations and items that modify and enliven all client sections
- Be the "Business of decision" by giving a situation where individuals stick out and pioneers are made
- Continually challenge exercises and standards to expand productivity and adequacy
- Encouraging insurgency and computerization to guaranteeing and strengthen predominance in administrations
- Secure regard for network, well administration and passive consent in all that they can do

2.4.3 Values of CBL

- Outcome Driven
- Valiant & Reverent
- Responsible & Understandable
- Active & Magnificent
- Attentive on Clients Satisfaction

The CBL believes that association with, and reaction from its clients helps it accomplishes its point of on condition world-class items and administrations. The City Bank Ltd also repeatedly observes its quality, and aspires to provide customers' specification. It repeatedly manages customer gratification observation and create instant arrangements and adaptation where needed. It also repeatedly observes its quality, and aspires to provide customers' specification.

About New Market Branch

The City Bank has 369 branches in Bangladesh. City Bank New Market Branch is located in Novera Square, House 5, Road 2, Dhanmondi R/A, Dhaka 1205. It is an active and busy branch. They are increasing new customers' everyday because of their good wills. New Market branch consists of General Banking, Retail Banking, Islami Banking, Corporate Banking, Loan Syndication, SME Banking, NRB Banking, foreign exchange, Investment Banking, Merchant Banking and Project Finance, foreign exchange and Money Transfer.

Products-Services of CBL

CBL provides variety types of products & services. (CBL Annual Report, 2012- 2018)

Retail Banking Services:

CBL offers each broad financial support of their customers through 200 eleven completely mechanized branches all over Bangladesh. It gives Current record and Savings represent withdrawal and reserve funds of cash as and when required. In incorporation it offers others administrations of exchange of cash by means of Demand draft, pay request and so on. As a result of change the most recent mechanization it's permitted to give quickest and most ideal exact administrations to the clients. As per the International set of accepted rules banks ought to keep up following advance with respect to their clients:

- CBL assist their clients to perceive how their accounts maintain and looking for to provide their customers a well transparent of banking services,

- CBL always should control their reliance in the privacy and probity of services of banking and payment services.

- CBL must behave honestly and fairly in all their agreements with their clients,

Deposit Schemes:

In inclusion to simple banking services CBL offers exceptional depositors with extended interest percentages. Those particular store plans dynamic with CBL are twofold Benefit Deposit conspire, Fixed Deposit Receipt account, Monthly Deposit plan and yearly store plot.

- Current Deposit Account
- Savings Deposit Account
- Foreign Currency Deposit
- Short Term Deposit Account
- Convertible Taka Account
- Non-Convertible Taka Account
- Exporter's FC Deposit (FBPAR)
- Resident Foreign Currency Deposit

Here n CBL Monthly Deposit Scheme is a different chance for limited earning members who can store their earnings for their coming times. In this scheme there are 2 options, the 1st one is Five years and Ten years of limitation. On the other hand the 2nd one is the choice to be created is for monthly storage. One has five options here, which is from Five hundred taka only between ten thousand taka. Profitable interest percentage is provided.

The individuals who are remaining abroad or at home can have a FDR account at The City Bank. The time confinement of a FDR may three, six, nine, twelve and three years. Here the interest percentage is kind of pleasing which carries with limitation. Lowest deposit needed for the scheme is 1 lakh Taka. 2x Benefit Deposit Scheme double your deposit within 8.5 year.

In inclusion to all above, The City Bank has come with other deposit schemes, named Special Notice Deposit. A 7 days' notification is required to pull back cash from this record. This plan offers an attractive enthusiasm too. Government and semi Government organizations and specific exchanges are grant to begin this plan in CBL.

Credit and Loan Services:

The City Bank issues credits in various plans like-, Personal credit, Building repair credits, Consumer loans and small-large trade credits. CBL opened new scheme called City Consumer Credit in 1998. In This plan it supplies financial support to the members who are looking for buying Car, Air conditioner, Television, Bike, Refrigerator, Desktop or laptop computer and much more clients' needs. In the scheme called Building repair credit, it is permitted for them who are willing to have homes of their own. On the other hand in personal credit it is only for officers who are salaried to fulfill their urgent requirements. It can be medical cost of own, marriage of own or being dependent or others educational disbursements. Here with affordable interest rate CBL gives loan who is a worthy applicant.

- Overdraft Capability
- Cash Credit (Hypothecation)
- Cash Credit (Pledge)
- Secured Overdraft Facilities
- Secured Overdraft (Work Order)
- Letter of Credit t (L/C)
- Back to Back Letter of Credit (BTB)
- Loan against Trust Receipt (L.T.R.)
- Loan against Imported Merchandise (L.I.M)
- Packing Cash Credit (P.C.C.)

This is the program which doesn't query for a certainty. The person who is doing a small business frequently endures from insufficiency of endowment. Almost they have little way to finance. Here CBL comes with abundant endowment for those customers.

Global Banking Services:

Any individual, organization or association gaining outside trade may open a remote trade account with The City Bank. Owner of the account is permitted to create remittance out of the country in foreign exchange money and regional remittance in Bangladesh Taka. Account is authorized to have interest on a few states. This is important for them to resolve some dealing problems or assist settlement payment for emigrant Bangladeshis. The City Bank operates its accounts with some well known reputed banks in some far eastern countries like Europe, Australia, America and others.

The City Bank Limited is targeting to secure their end to end products and services to their loyal customers who are engaged in doing trade. Specially the customers who are doing trade with the Hong Kong, City bank is trying to ensure them more flexibly and easier secure way to do their trade by opening a subsidiary of The City Bank Limited which will be Finance Company City Hong Kong Limited in the trade city Kowloon in Hong Kong for the regulatory authority of Hong Kong. Bangladesh Bank has already approved their application. The implementation is about to complete.

They have another subsidiary that is a private limited company which is incorporated under the laws of Malaysia and located in Malaysia. This is called CBL Money Transfer Sdn. Bhd and they started their journey in 4th April, 2013. They engaged in money service operations. The City Bank Limited Money Transfer has almost 11 branches in its networks including its head office.

In Bangladesh capital markets one of the most leading brokerages is City Brokerage Limited or CBL which is wholly subsidiary of The City Bank Limited. It offers full-grown international standardized brokerage to their customers including foreign clients in their institutional and retail services.

The City Bank Resources Limited is also a subsidiary of The City Bank Limited and it is also wholly-owned subsidiary public limited company by shares and it was started its journey in Bangladesh from 17th August 2009. It serves a wide range of services in large investment banking, merchant banking, portfolio management, corporate banking and many other activities.

Card Services:

Cards have made a person's life easier to lead their life more effortlessly. One can do their purchases using debit or credit cards. The City Bank introduces many cards to make their customer to get their services more comfortably using city banks cards including many special and attractive features. They provide many kinds of cards and using them customer lead smart way. They have various types of cards holding different special features and they introduced different services. The cards are-

American Express Platinum Credit Card
American Express Gold Credit Card
American Express Green Blue Credit Card
City Alo American Express Credit Card
Agora American Express Card
University of Dhaka American Express Credit Card
American Express Platinum Credit Card
The City Max American Express Credit Card
The Biman Bangladesh American Express Credit Card
Visa Platinum Card
Visa Debit Card
Master Card Platinum International Debit Card
Master Card Platinum International Debit Card
Master Card Manarah Islamic Debit Card
City Hajj Prepaid Card
Master Card Platinum Regular BDT Debit Card (Local)
American Express Corporate Card

Chapter 3

Foreign Exchange Activities of CBL

3. Foreign Exchange activities of CBL

Foreign exchange is the process by which fund is transfer from one country o another country. Being a committed bank, CBL is an authorized dealer that deals with foreign exchange trade. In CBL the foreign remittance department serves its' loyal customers the remittance services to remitting currency from one currency to another. Here CBL quote one for buying and one for selling. They convert one currency to another currency at a specific exchange rate by selling and buying foreign currency.

The CBL foreign exchange group meets up the need of their customers in fast and secure way to meet up their customer needs in transferring money from one country to another country transparently. Being a dedicated bank to its clients, they go every one of the lengths to transmit client's well deserved cash securely to their friends and family. They meet developing client requirements for quick, secure and pain free income moves to a broad scope of goals. With them, aside from a scope of high-class modem settlement arrangements, clients will get genuine feelings of serenity which they accept tallies to most.

The key foreign exchange markets are in New York City where numerous banks have private wires to every single outside nation. By this correspondence administration, these assets to be utilized to pay for imports or fares in the cash portray by the merchant of the products, these banks can purchase and sell for prompt or even future conveyance assets of remote nations. Foreign trade alludes to exchanging that includes remote monetary forms.

Benefits

The City Bank has a solid settlement coordinate with other significant banks of Bangladesh. The Bank has very nearly eighty three online branches the nation over in this manner, any place a client's record is, they can send clients cash immediately. A City Bank account holder can visit any of their branches. Their Remote settlement administration work force constantly prepared to support their customer. Then again a non account holder can open a record of his/her decision with them to get their settlement at most punctual accommodation.

The City Bank Ltd comprehends the estimation of their clients' valuable time. So, they have made the installment system basic and transparent. One can have the benefits of enchasing the transmitted cash right away from any of their branch counter without experiencing any issue. In other words, on the off chance that a client is a record holder of CBL, they can immediately credit the cash to clients' record or pay money to the collector.

Worldwide exchange requests a progression of products from merchant to purchaser and of installment from purchaser to dealer. Primarily exchanges with foreign nations in regard of import send out and outside settlement dealings are under the review of remote trade office. Outside trade office assumes noteworthy jobs through giving various administrations to the clients. Opening or giving letters of credit is one or the significant administrations gave by the banks. For this situation the bank assumes an indispensable job to connect between the purchaser and vender.

In the City Bank Limited foreign exchange department they have two characteristics:

1. Aiding in foreign exchange activity that implies import and fare utilizing remote monetary standards as a media of trade.
2. Exchanging of remote monetary forms.

The exercises can be plainly appeared in the accompanying below:

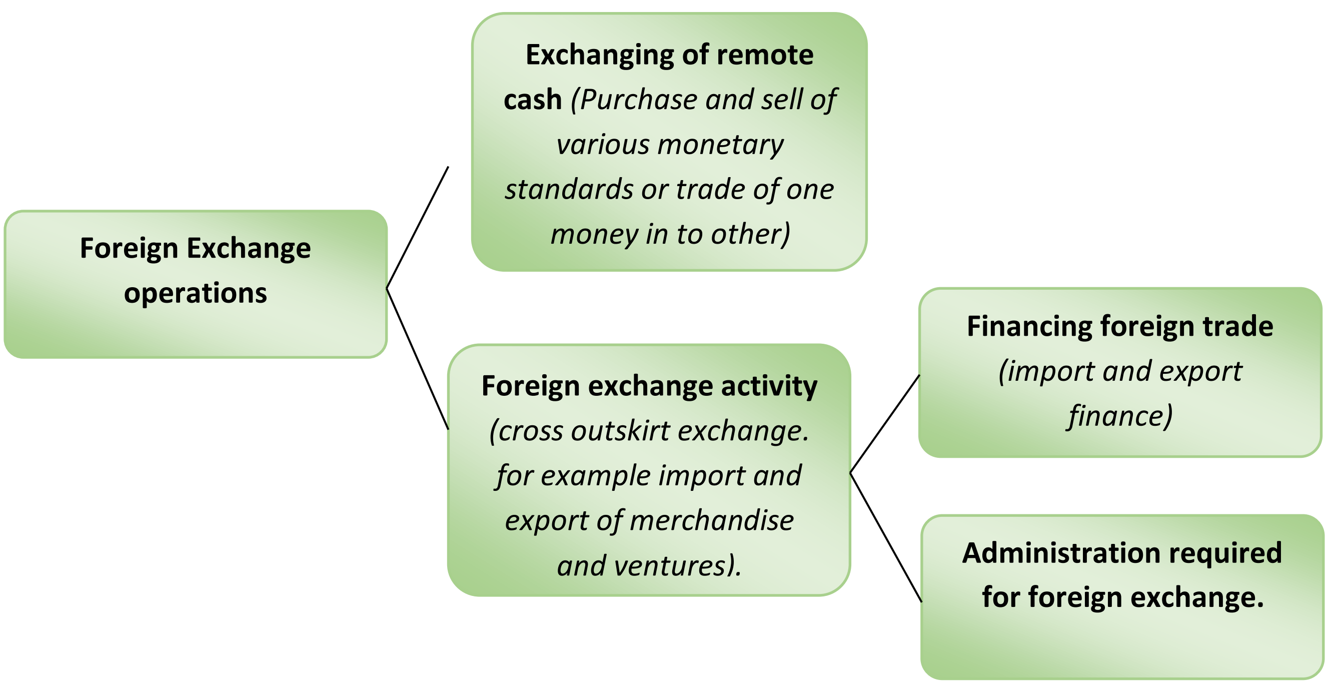


Fig 2: Foreign Exchange activities of CBL

3.1 Regulations for foreign exchange departments of CBL

Foreign exchange trades are being compelled by the going with rules and ways: Foreign Exchange Act 1947.

•Ministry of business issues charge and import approaches for key traditions for import and passage

• Bangladesh bank issues Foreign Exchange Circular from time to time to control the admission, import and settlement movement.

• Volumes of outside exchange rules are circulated by Bangladesh Bank in 1996. These include the all out headings to be trailed by the affirmed sellers in trades related to Foreign Exchange.

• CCI issues open notice for any kind of progress in foreign trade.

Bangladesh Bank (BB) isn't in the market on an ordinary reason, and endeavors USD purchase or arrangement trades with merchant banks at winning between bank exchanges rates simply differing to keep up conscious financial circumstance. Trade paces of Taka for among bank and customer trades are set by the merchant banks, taking into account premium stockpile correspondence.

3.2 Foreign exchange product and services

The bank essentially gives 3 expansive kinds of items and administrations under their remote trade the board as follows:

a) Import services

b) Export services

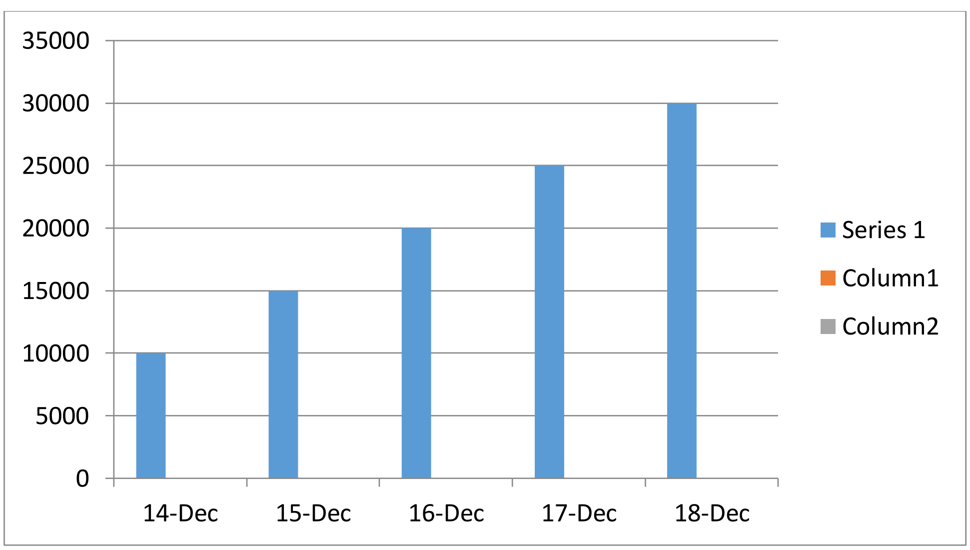
c) Remittance services

3.2.1 Import

The CBL trade finance includes import and exports of financing which is also called by Trade Financing. In the import section of the foreign exchange department of the City Bank Limited it includes many kinds of services –

- Letter of Credit
- Back-to-back letter of credit
- Deferred letter of credit
- Performance bonds and other guarantees
- Import bills for collection
- Shipping Guarantee
- Import Financing

The import business including local L/Cs of the bank increased to taka 32096 million in the year under review from taka 21363 million of the previous years. Increase in the in the import business is 50% compare to the previous year.



3.2.2 Exports

CBL gives various kinds of budgetary assistance dependent upon the possibility of the toll contract. Financing exchanges includes a noteworthy bit of a bank's activities. Exporters require money related organizations at four interesting periods of their admission movement. During all of these stages exporters need financing. The City Bank Limited foreign exchange export group services includes-

- Export letter of credit safekeeping
- Export letter of credit confirmation
- Pre-shipment export financing
- Letter of credit checking and negotiation
- Export bills for collection
- Export invoice financing
- Document preparation

i) Pre-shipment credit

Pre-shipment credit, as recommends, is basically here to fund the exercises of an exporter before the genuine shipment of the products for trade. CBL gives diverse sort of Pre-shipment credit to its commendable clients for the accompanying purposes:

- Port, customs and delivery specialist's expenses
- Cost of generation or buy
- Cost of uncommon assessment or tests required by the exporter
- Freight and protection charges if the agreement is either C&F contract or a CIF agreement and Export obligation or assessment and so on.
- Internal transport cost
- Packing including any exceptional pressing for send out

ii) Post Shipment Credit:

Before expanding such credit, it is significant for CBL to research carefully the cash related adequacy of exporters and buyers similarly as other noteworthy records related with the charge according to the standards and rules in power. This sort of credit suggests the credit workplaces loosened up to the exporters by the banks after shipment of the product against exchange reports. CBL gives following post shipment credit to the exporters through.

1. Advances against Export Bills gave up for assortment

CBL moreover recognize bills for variety of proceed with when they are not drawn under a L/C or when the reports, in spite of the way that drawn against a letter of credit contain a couple of blunders. The bank all around mastermind's bills drawn under L/C, with no irregularity in the reports, and the exporter gets the money from the bank immediately. Be that as it may, if the bill isn't qualified for arrangement, the exporter may acquire advance from CBL against the security of fare bill. Notwithstanding the fare charge the bank by and large requests insurance security like an assurance by an outsider and impartial/enrolled home loan of property.

2. Foreign Documentary Bill Purchase (FDBP)

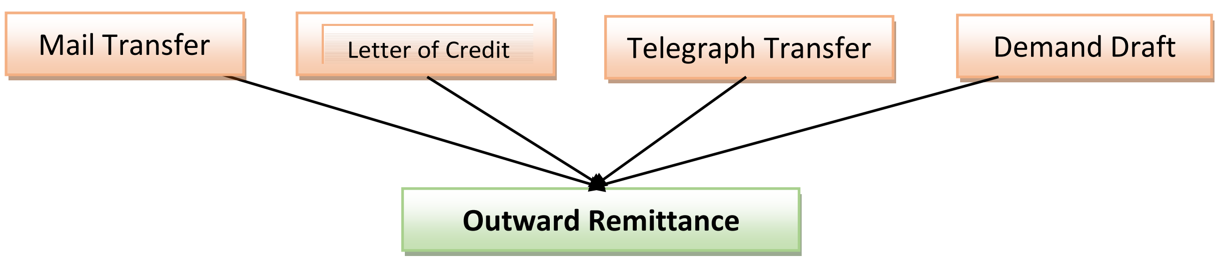
Taking everything into account, the bank purchases the bill and assembles the money from the exporter. The greater part of the client introduces the bill of fare to bank for collection and portion of the BTB L/C. The bank subtracts the proportion of bill for PC and BTB portion and surrenders the rest add to the client in genuine cash or by crediting his record or by the remuneration demand. Along these lines, CBL keeps up an alternate register named FDBP Register. This register contains the going with information: Date, Name of the cabinet, Reference number (FDBP), Conversion rate, Name of the social occasion bank, Bill whole both in figure and in Taka., Export L/C number ,Export structure number.

3.2.3 Remittance Services

The City Bank provides two remittance services_

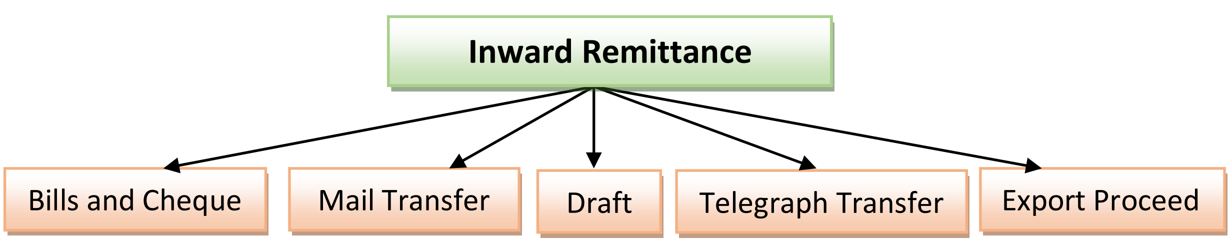
I) Outward settlement administration

Outward settlement spreads or Formal Channel or offers of outside Currency by Authorized Dealer through giving Traveler's Check, remote Telegraphic Transfer (T.T), Demand Drafts (D.D, etc similarly as sell of remote exchange under letter of credit and against Import Bills surrendered. Most outward settlement is supported by the endorsed vender to help Bangladesh Bank. The Authorized Dealers need to display most extraordinary alarm to ensure that outside money related guidelines dispatched or released by them are used exceptionally for the purposes behind which they are released.



ii) Inward remittance service

Inward remittance service provides acquisition of remote money as outside Demand Draft (DD), Export Bill, Bills and Travelers Cheque, Telegraphic Transfer (T.T) and so on sent from to another country supporting a recipient in our nation, acquisition of remote trade is to be represented to Exchange Control Department of Bangladesh Bank on from – letter of Credit (L/C). A close by bank in like manner gets indenting commission of neighborhood firm furthermore goes under space of inward settlement. Basically, these are the best possible channels of getting internal settlement.



Modes of foreign remittance

The City Bank Limited Remittance offices to its client is to empower them to dodge chance emerging from benefit or misfortune in real money conveying their cash to one spot to another or making installment to somebody in another spots. There are methods of dispatching cash starting with one spot then onto the next. Banks face this challenges transmit the store in the interest of the clients to save them from any uneven happening through the arrangement of their branches and assurance portion to the beneficiary consequently of a touch advantage known as commission. There are a few modes to transmitting cash-

Demand Draft (DD)

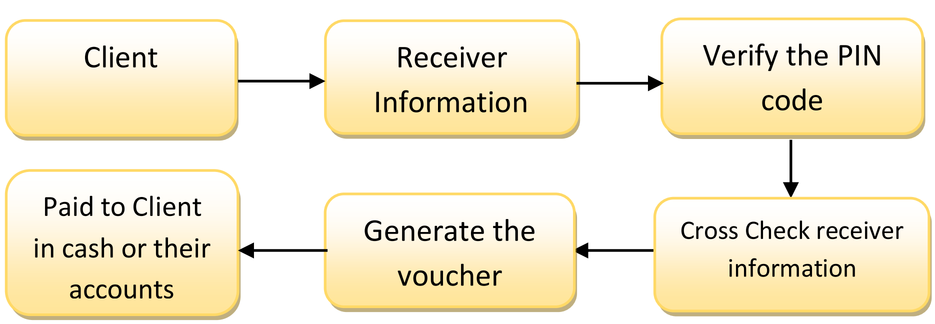
CBL gives demand draft to their customers, coordinating any branch of its or another banks to pay a specific total to the predefined person. It can likewise be contrasted with a Cheque. Customer can get the services through demand draft form.

Pay order (PO)

The concerned teller at that point issue pay order on its particular square. This square has 3 sections, one for bank and another two for customer. "A/C payee" crossing its fixed on all compensation requests gave by the bank. The teller by then records the name and address of the beneficiary on the essential bit of the Pay Order square. In other 2 section name and address of the client is composed.

Telegraphic Transfer (TT)

Here the sender's bank sends a SWIFT book to the recipient's bank. . A beneficiary must have a record to get the money. In the wake of getting message by the specific branches, the bank credited the beneficiary's record The SWIFT content got by the regulatory focus overall division then the authoritative focus trades the content to the different branches. It is very secure to use SWIFT in the transaction process. In this process there isn't any complexity and it is transparent and easy. Once the remittance is transferred, it is directly deposited to the receiver's account. This process is often used:



Mail Transfer

Mail Transfer is given from a dispatching bank to the paying bank educating recorded as a hard copy to make installment with respect to a specific add up to the particular beneficiary. In different words, Mail Transfer implies guidelines of installment gave by one Bank to other bank.

Electronic Fund Transfer

Electronic fund transfer or EFT is getting progressively famous in nowadays because of speed of its operation. Electronic support move alludes to the PC based frameworks used to perform budgetary exchanges electronically.

Inhabitant Forcing Currency Deposit

People conventionally occupant in Bangladesh may open and stay aware of CBL Resident Forcing Currency Deposit accounts with driving exchange got at the hour of their appearance from development abroad. Regardless, proceeds of admission of product or organizations in Bangladesh or commission rising up bankrupt deals in Bangladesh won't be credited to such records. Any sum got with affirmation to Custom experts in up to us $ 5000 acquired with no statement, can be credited to such records.

Payment of Traveler’s cheques:

Explorer's checks are paid at the counter of bank on introduction on getting mark on the T.C. The T.C. may likewise be saved in outside cash account. In the wake of checking the mark of the holder with the mark as of now on the T.C. the installment will be affected in neighborhood cash at the predominant transformation rate fixed by the rate board of trustees.

Money Gram

CBL is an individual from Money Gram and SWIFT systems. It is notice competent that The City Bank Ltd. is one of the Bangladeshi Bank, which has a support of Money Gram sort out. Using the organizations of these overall frameworks, other than Money Gram, they have furthermore strategy with remote money exchange associations. CBL is rendering remarkable organizations to its clients by sorting out such private repayment of money from outside countries to Bangladesh. Cash Gram and SWIFT system guarantee fully verified and snappiest conceivable method of cash moves from abroad visit nation and Bangladeshi cash beneficiaries are getting a charge out of these offices through them.

Chapter 4

Analysis

4. Analysis

4.1 Trend Analysis

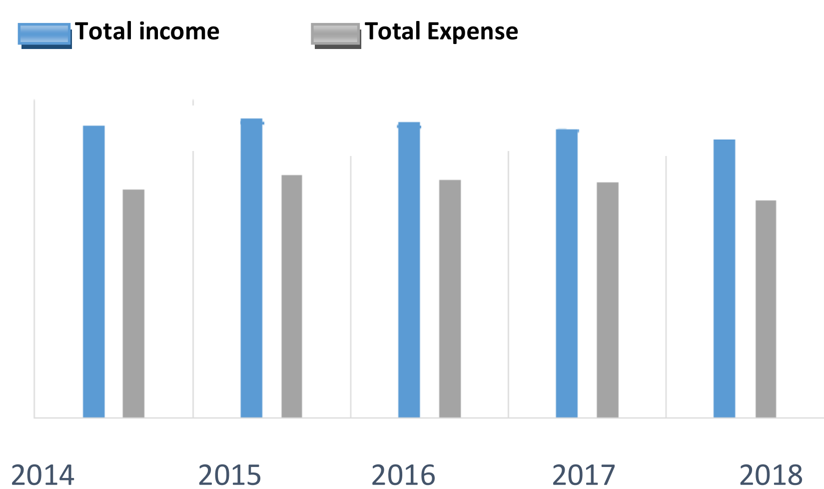
In accounting, the distinction in a financial report's things in excess of a couple of accounting periods may be shown together to recognize the creating designs in the association's exercises and results. The thing by-thing relationship of in any event at least 2 more that 2 practically identical different choices, structures, things, capacities, sets of data, systems, or something to that effect.

4.1.1 Trend analysis of Total Income and Total Expense:

Total income and total expense of CBL (2014-2018)

YEAR	2014	2015	2016	2017	2018
Total Income	61133.76	58765.22	58664.02	52678.98	51487.98
Total Expense	41854.35	46877.99	43759.21	44599.60	42322.59

Graphical representation



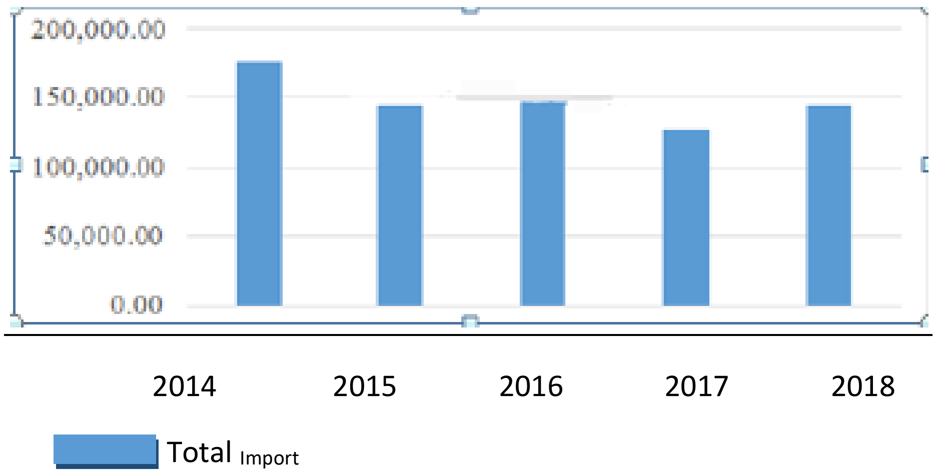
Interpretation: Here the total income is decreasing from 2015 which is lower in 2018 from 2017 but here the total expense is decreasing. So CBL overcome to gain net income of BDT 2862.50 million which is little higher than 2455.48 million in 2016.

4.1.2 Trend Analysis of Net Import *of CBL: (2014-2018)*

(In million BDT)

Year	2014	2015	2016	2017	2018
Total Import	188,987.21	143,766.99	145,232.83	128,765.09	142,847.11

Graphical representation



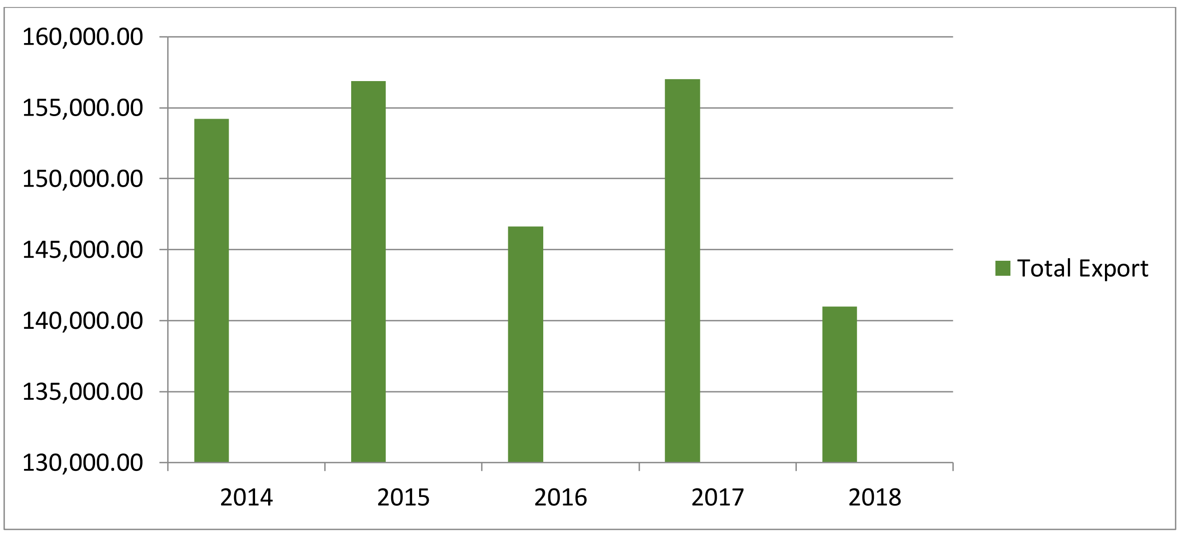
Interpretation- The total import in 2014 was USD 188,987.21 that was high because of greater amount of wheat import along with expands in other food grain for flood in 2018 where CBL failed to touch the market here. Here the number of import was higher in 2014 but after that it gradually enhancing by it took a upward flow in 2018.

4.1.3 Trend Analysis of Net export *of CBL: (2014-2018)*

(In million BDT)

Year	2014	2015	2016	2017	2018
Total Export	154,233.88	156,873.53	146,637.64	156,997.45	140,983.88

Graphical representation



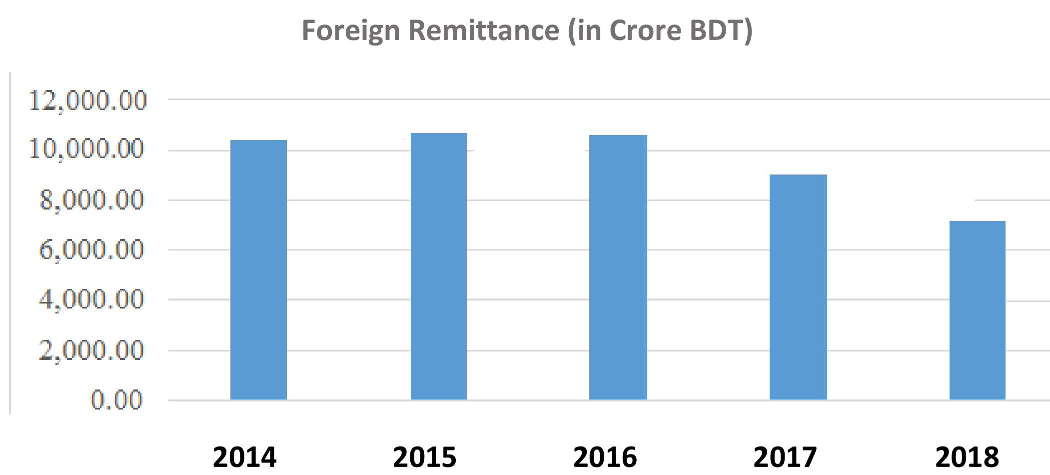
Interpretation - Bangladesh export has now topographically enhanced in excess of 200 nations around the globe. Here nearly, 55% of fares were bound for the EU alliance while 19.80 percent went into the NAFTA coalition. Fare additionally bound to OIC, SAARC, ASEAN and different nations. All out fare of Bangladesh expanded by marginally 2% yet again CBL flopped here to perform with advertise contender. Measure of fare pay took a plunge in 2018 from the excellent ascent in 2017. CBL needs to expand salary in this area.

4.1.4 Trend Analysis of foreign remittance *of CBL: (2014-2018)*

(In million BDT)

Year	2014	2015	2016	2017	2018
Foreign Remittance	11799	12668	11633	9158	8142

Graphical Representation



Implementation: Foreign Remittance execution isn't sufficient as it diminished from 2014 and since it has been diminishing slowly up to 2018. The shortage of settlement was for the most important part because of the diminishing of oil incomes and financial fixing in the GCC nations. Most elevated pay from settlement in history if CBL was from 2015. The remote settlement in Bangladesh enrolled a measure of USD 12668 million in that was 15% lower contrasted with USD 11633 million.

4.2 Regression Analysis

Regression analysis is a strong measurable strategy that permits one to analyze the connection between at least two factors of interest. Here the dependent variable is ROA and the independent variables are import and export of each year. I have collected 17 years of data (import, export and return on asset) from the annual reports 2002 to 2018 of the City Bank Limited.

This regression analysis allowed us to distinguish which factors have influence on a subject of interest. The way toward performing out a regression permits us to assuredly figure out how these components impact one another, which elements can be disregarded and which variables matter most.

After doing regression analysis based on their data the interpretation is done with R square, Significant F, Coefficient and P-value to evaluate their performance as well as their profitability on foreign exchange activities.

These are the values of their ROA, Import and Export from 2002-2018.

	ROA	Import	Export	Remittence
2018	0.70%	173,847	120,698	28,631
2017	1.40%	164,588	98,593	30,464
2016	1.70%	100,749	86,657	17,615
2015	1.90%	79,402	63,660	19,896
2014	1.40%	65,374	47,887	23,768
2013	0.68%	62,975	19,043	25,943
2012	0.60%	58,420	13,800	24,594
2011	2.00%	43,474	22,033	42,189
2010	2.20%	38,155	18,646	24,496
2009	1.20%	28,718	13,815	17,933
2008	0.80%	30,894	14,766	9,828
2007	0.71%	20,309	19,151	4,932
2006	0.58%	32,096	28,210	8,473
2005	1.75%	21,363	18,219	3,793
2004	1.12%	17,910	12,199	2,467
2003	0.88%	19,877	20,882	2,218
2002	0.68%	22,500	19,734	1,976

Regression analysis via Microsoft Excel _

SUMMARY OUTPUT								
Regression Statistics								
Multiple R	0.66316354							
R Square	0.43978588							
Adjusted R Square	0.3105057							
Standard Error	0.0045509							
Observations	17							
ANOVA								
	df	*SS*	*MS*	*F*	*Significance F*			
Regression	3	0.00021136	0.00007	3.4018	0.050340736			
Residual	13	0.00026924	0.00002					
Total	16	0.00048060						
	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	0.00816	0.00209	3.89966	0.00183	0.0036	0.01268	0.00364	0.01268
Import	-2.44423	9.29983	-2.62826	0.02086	-4.4533	-4.35131	-4.45334	-4.35131
Export	2.85588	1.16529	2.45078	0.0292	3.3842	5.37330	3.38417	5.37334
Remittance	4.20897	1.39201	3.02365	0.00978	1.2017	7.21624	1.20170	7.21624

From this regression analysis we can clearly evaluate and identify the R square, Significant F, Coefficient and P-value which are helpful to analyze and evaluate the performance of their foreign exchange activities.

R-square (R2) is a factual measure that presents to the extent of the change for a dependent variable that is clarified by an independent factor or factors in a regression model. In this way, if the R2 of a model is 0.50; at that point roughly 50% of the watched variety can be clarified by the model's sources of info. While correlation clarifies the quality of the relation between a dependent and independent variable, R-square also clarifies what degree the change of one variable clarifies the fluctuation of the another variable.

The R-Squared (in Microsoft Excel) or Multiple R-Squared (in R) demonstrates how well the model or relapse line "fits" the information. It shows the extent of change in the dependent variable- Return on Asset or ROA (Y) that is clarified by the independent variables- export and import (X). Here we have found the R Square is .44 or 44% which is low. In this regression analysis with little R2 has unique contribution that is more important than the one with enormous R2 without remarkable contribution which indicates that the independent variables (Import, Export and Remittance) are highly correlated with the dependant variable (Return on asset or ROA). So, it can be said that this 44% R-squared value clarifies the quality of the relation between ROA and the independent variables (Import, Export and Remittance).

The Significant F gives the probability that the model is wrong. The target of this significance F in regression model is to maintain the significant F probability of being wrong to be as small as possible. Commonly used significance levels are 1%, 5% or 10%.

Significance F
0.050340736

In this regression model the Significance F is very small in this regression model. Here main concern is to usually establish a significance level and use it as the cutoff point in evaluating the model. The value here is .0503 or 5% which indicates the model is good, acceptable and significant. So, this sound significance F value with .05 indicates the correlation between the dependent variable ROA and the independent variables import, export and remittance are considerably correlated. The smaller the significant F value the better the regression analysis.

Coefficients in Regression are a factual proportion of the normal practical connection between at least two factors. In regression model, one variable is considered as dependent and others as independent. Along these lines, it quantifies the level of reliance of one variable on the others. Here in this regression model MS Excel did all the difficult work off the scenes, and represented the outcome in a regression coefficients table_

	Coefficients
Intercept	0.00816
Import	-2.44423
Export	2.85588
Remittance	4.20897

Regression Statistics	
Multiple R	0.66316354

Here, the regression intercept or b_0 is .0082. The regression coefficient for (variable 1) Import or b_1 is -2.44, the regression coefficient for (variable 2) export or b_2 is 2.86 and the regression coefficient for (variable 3) remittance or b_3 is 4.02 which is stronger. Now the least-squares regression can be presented as_

$$\hat{y} = .0082 + (-2.44)\text{ import} + 2.86\text{ export} + 4.20$$

This is the main linear equation that fulfills a least-squares basis. That implies this equation fits the information from which it was made superior to some other linear equation.

P-value is used to make easier to take the decision concerning an indicated null hypothesis when it is less than the level of significant F .It is a large portion of the time=5% then it is rejected the invalid speculation.

Most or all P-values should be below 0.05. Here in this regression model we have found the p-values. (0.0183, 0.02086, 0.0293 and 0.00978)

	t Stat	*P-value*
Intercept	3.89966	0.00183
Import	-2.62826	0.02086
Export	2.45078	0.0292
Remittance	3.02365	0.00978

In this output above it is clear that among the independent variables of export and import are significant because both of them have the similar value that is .0208 and .0292. The variable remittance is .0097 which is also significant. They all are significant because the values are less than its alpha .05 or it can be said that $p<.05$ which is statistically significant.

Regression analysis permits a bank to set credit criteria for the overall population, and assemble a factual equation anticipating how new records will act later on, that is, their capacity to reimburse obligation, by examining an example of existing records.

4.3 Factors affecting export and import growth

Bangladesh market is confronting difficulties of remote cash installments because of the US dollar costs are going up. So to turn few of them break, Bangladesh Bank is now offering dollars that is constrained amount for business banks.

- From July 2017 to date, Bangladesh bank has released more than $1.5 billion in the market. Nevertheless, nothing gives off an impression of being prepared to adjust the temperamental dollar publicize in this way the vitality about the dollar against taka continues with unabated.

- As showed by promote data, on March 15 of a year back, the import settlement rate, or BC selling rate, of dollar was Tk80.65; on March 15 this year, the rate was Tk83.50, exhibiting a rising in swapping scale by 3.54% inside a period of just a single year.

- Export income and settlements have not kept pace with imports and this has brought about a deficiency of dollars. The LCs gave right now will be settled inside a couple of months which will make the deficiency strengthen.

- Remittances and fare income have not kept pace with imports and this has realized an absence of dollars. The LCs gave right currently will be settled inside a few months which will make the insufficiency increment.

- Investigators are of the supposition that banks are encountering dollar need as the estimation of import letters of credit (LC) outperforms the proportion of dollar available in the market.

- Banking seniors feel the condition will remain stable if Bangladesh Bank continues selling dollars according to ask for. Something different, the crisis will get revolting and increase our trade inadequacy, which may horribly impact the economy.

- Expert directions from Bangladesh Bank, that conversion scale of dollar ought not surpass Tk83, various banks are selling dollars over that level as well.

- Boosting exports and remittance will require broad market changes and different motivators. Conventional way of thinking says that modest neighborhood cash should assist with expanding trades and internal settlement, however that fundamental clarification never again does the trick in light of the fact that the circumstance is significantly more unpredictable.

Solution

- As a rising economy, our import and administration installments would continue expanding quicker than outside cash receipts, except if we effectively attempt to adjust it.
- Need to consciously consider other approach changes and motivating forces as well.
- Maintain protection level for import substitute producers and have neutral effect on the price level
- It isn't sensible to restrict imports unpredictably on the grounds that the extension and development of our economy urges us to import capital merchandise and certain crude materials, however maybe some type of import obligations could be demanded on extravagance and customer products.
- Simultaneously, we have to expand our remote money receipts through exports and imports.
- We ought to do all that we can to build up our household ventures so that in the long run we won't need to depend on import to such an extent, and our equalization of installments will turn out to be substantially more sensible.

Chapter 5

Findings of the Study

Findings of the Study

The City Bank Limited is one of the leading private banks in the country. Here we have some findings based on the report. They are given below_

- CBL considers customers as bank customer not branch customer.
- Our country is a developing country; CBL has taken cost initiative procedure to reach to the customer as a confided in accomplice.
- The City Bank Limited can't control appropriately the system of ATM corner.
- Foreign trade division additionally growing its administration step by step.
- There is still absence of labor in foreign trade division to give snappy assistance.
- Foreign trade division Contribute a lot of salary on the all out pay of the bank every year.
- Healthy Import and Export activity.
- To carefully adhered to the standards and guideline of Bangladesh Bank and UCP 569 in remote trade division.
- Record keeping framework is predated.
- Fixation of dollar rate is another issue of the bank.CBL took part in foreign transaction as one of the most leading bank.
- Foreign trade division work is very touchy.
- The branch is an over the top measure of reliable on head office for L/C opening support; from time to time it requires some venture and delivers disillusionments of customers.
- CBL utilizes online innovation; accordingly, the client can get the quickest help from the bank.

Chapter 6

Conclusion and Recommendations

Recommendations

Some recommendations are given below _

•CBL ought to quicken the pace of innovation selection, alongside putting resources into preparing bank workers in suitable utilization of innovation specifically, all bank representatives ought to be prepared on essential digital security insurances.

•SWIFT administration ought to be presented in every single part of the bank, which will assist with smoothening the outside trade activity of the bank.

•Charges ought to be increasingly straightforward, by giving subtleties separation of the charges stamp, postage, preparing expenses, and so on.

•Bank ought to give accentuation to make the documentation and recording procedure of remote trade activity easy to use.

•User interface of CBL site ought to be improved and it ought to be refreshed in everyday schedule.

•Attractive impetus bundles for the exporter will assist with expanding the fare and in like manner it will lessen the equalization of installment hole of CBL.

•International division of the bank ought to be engaged to make association with the prestigious outside banks.

•A productive Management and Information System is an unquestionable requirement for CBL. Bank can acquaint further developed MIS with prepare its everyday exercises. It will assist the representatives with doing their works all the more rapidly and simultaneously keeping up their nature of work.

•Mass web based financial assistance ought to be executed in the bank and the bank ought to go for mass on-line banking to satisfy the need of the following century.

•CBL ought to advance their administrations in nations where most our settlements are produced like center east nations.

•The board should give more accentuation on the commercial of the bank about their activities and for this reason the bank should set up inquiry work area/data stall for better client administrations.

Conclusion

The CBL is one of the most seasoned bank and mainstream bank in our nation. As indicated by this they give the better administrations to the clients and increase the fulfillment of the clients. The bank continually works for the consumers' loyalty. This bank consistently needs to realize that what their clients need is. CBL consistently attempt to offer better administrations and item for their clients The City Bank consistently give the one of a kind assistance and item like American Express and CDM offices to their clients. It constrained pursue increment their branch and number of ATM corner everywhere throughout the nation. In this way, this bank is one of the promising banks in our nation.CBL is building up its administrations to give a hard challenge to different banks. Bank is a significant and fundamental for money related progression in planning capital and various resources. CBL is furthermore adding to the movement of the monetary condition of the country. City Bank Ltd. has a set up or more each of the trustworthy remote exchange section. It fulfills the purchaser needs in essentially every case with its balance and regard. The association itself is proficient similarly as its authorities. To keep pace with the present market and solicitation, CBL is following a couple of frameworks and taking new exercises, offering new things and organizations to the customers. The bank should keep up efficient correspondence from upper level to cut down level. CBL have a strong circumstance in the genuine market. As the economy of Bangladesh is growing so is the remote trade and CBL reliably have expected its activity in guaranteeing that things go no problem at all. The bank is giving a valiant exertion to give well Import, Export and Remittance organizations to customers. Toll, Import is exhibiting positive examples a lot after the overall troubles that we are going up against today.

Chapter 7

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Chapter 8

Appendix

Some of the surveys on customer experiences are attached below which are collected during these three months of internship program at The City Bank LTD.

CITY BRANCH BANKING SURVEY — City Service Quality

Branch Name: New Market Date: 19-09-2019
Customer's Name: S. M. Abdul Wahab Contact No.: 01711260402

Respondent Type
☐ Customer
☑ Non-Customer

Service Area
☐ Cash Area / Teller Service
☑ Customer Service / Query
☐ Relationship Manger

Please Tick (√) your answers

1. Was the service as per your expectation?
☑ Yes ☐ No

2. How would you rate the overall service of this Branch?
☑ Good ☐ Average ☐ Poor

3. What do you think about the service speed?
☐ Good ☑ Average ☐ Poor

4. How would you rate the premises of this Branch?
☑ Good ☐ Average ☐ Poor

5. Which of our product/feature/service you like the most?
☐ CA/SA ☑ FDR ☐ Loan ☐ AMEX
☐ Others: ....

Your valuable comments / suggestions for further improvements :
No Comments

Signature

CITY BRANCH BANKING SURVEY

City Service Quality

Branch Name: New Market .... Date: 15.09.19

Customer's Name: Tanmia Taher .... Contact No.: 01880247359

Respondent Type

- ☑ Customer
- ☐ Non-Customer

Service Area:

- ☐ Cash Area / Teller Service
- ☑ Customer Service / Query
- ☐ Relationship Manger

Please Tick (√) your answers

1 Was the service as per your expectation?

☑ Yes ☐ No

2 How would you rate the overall service of this Branch?

☑ Good ☐ Average ☐ Poor

3 What do you think about the service speed?

☐ Good ☑ Average ☐ Poor

4 How would you rate the premises of this Branch?

☐ Good ☑ Average ☐ Poor

5 Which of our product/feature/service you like the most?

☐ CA/SA ☑ FDR ☐ Loan ☐ AMEX

☐ Others: ....

Your valuable comments / suggestions for further improvements :

Overall service is good, but I think the space in a little congested.

....

Signature

CITY BRANCH BANKING SURVEY

City Service Quality

Branch Name: New Market Date: 16.09.19
Customer's Name: Tazmim Farcha Contact No.: 01687760948

Respondent Type

- ☑ Customer
- ☐ Non-Customer

Service Area:

- ☑ Cash Area / Teller Service
- ☐ Customer Service / Query
- ☐ Relationship Manger

Please Tick (√) your answers

1 Was the service as per your expectation?
☑ Yes ☐ No

2 How would you rate the overall service of this Branch?
☑ Good ☐ Average ☐ Poor

3 What do you think about the service speed?
☐ Good ☑ Average ☐ Poor

4 How would you rate the premises of this Branch?
☑ Good ☐ Average ☐ Poor

5 Which of our product/feature/service you like the most?
☐ CA/SA ☐ FDR ☐ Loan ☐ AMEX
☑ Others: ....

Your valuable comments / suggestions for further improvements :

....

....

Tazmim Farcha
Signature