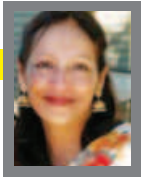


PENNY WISE**BY NASREEN SATTAR**Former CEO, Standard Chartered Bank,
Afghanistan

Managing finances the right way

A. FOREIGN CURRENCY ACCOUNT

It never ceases to amaze me when people still ask me whether we Bangladeshis are entitled to have foreign currency accounts. I was surprised at this question, since it has been many years since the Central Bank permitted all local citizens to open a Resident Foreign Currency Account, commonly known as RFCD. I have also written about this before, but decided to refresh everyone's memory.

The features of the account are:

- It can be in USD, GBP, or Euro, whichever you find convenient.
- You have to fulfil the usual formalities of opening this account.
- The account can only be in your name.
- Husband and wife have to have separate accounts.
- This account can be funded with foreign currency, which you are allowed to bring back while returning from a trip overseas.
- The deposit into this account has to be made within a time frame (check this with your Bank Manager) after returning from a trip.
- The maximum amount you can deposit at any one time is USD 5,000 (without declaration).

· You cannot receive any incoming remittance into this account, but you can make outgoing remittance to whomever you wish to living overseas.

· Remember, every time you come back from overseas, you can make a deposit into this account (not exceeding USD 5,000 or equivalent in other currencies). At the time of deposit, your bank will need to see the date of return on your passport and you will be required to fill up a form confirming the trip you have made and

the amount you have brought back.

· When travelling overseas, you can use your dual currency credit card against the fund in this account.

Over the years, I have found out how useful it is to have a RFCD account, especially if you have children studying overseas or living overseas etc.

As per Central Bank Guideline, Bangladeshi nationals are allowed to bring back USD 5,000 or equivalent (without declaration) every time they return from a trip. The same amount can be deposited into their RFCD account or encashed. Also, when they travel overseas, they can carry USD 5,000 (without declaration) over and above their travel quota.

Many of us are unaware of all these wonderful things we are entitled to. It is the responsibility of banks to educate their customers, not wait for customers to ask. It is they who receive updated circulars from the Central Bank, which we, the customers, are not privy to and therefore, relevant information must be shared. Front desk staff should be educated and know what each customer is entitled to and apprise him or her accordingly.

B. REVISION ON TRAVEL QUOTA

As per Foreign Exchange circular No: 30 dated 25 July, 2019, it has been decided to enhance private travel entitlement to USD 12,000 or equivalent per adult passenger, during a calendar year. Previously, the entitlement was USD 5,000 for SAARC countries, including Myanmar, and USD 7,000 for travel to all other countries. In accordance with the decision, the global limit of travel entitlement for an adult passenger stands at USD 12,000, during a calendar year, without limiting to regions or countries of travel. Out of this entitlement

Many of us are unaware of all these wonderful things we are entitled to. It is the responsibility of banks to educate their customers, not wait for customers to ask.

(as before), a maximum of USD 5,000 in currency notes may be carried per person.

For minors (below the age of 12 years), the applicable quota would be half the amount admissible to adults.

The above comes into force from January 2020.

C. TAX ON INTEREST EARNED FROM GOVERNMENT SAVING CERTIFICATES

Unfortunately, for all Bangladeshis, especially for retired people, the Government, in the 2019-2020 budget, decided to increase the tax at source on the profit on savings certificate to 10 percent from the previous 5 percent. This means that profit earners from savings certificates would now have to deal with 10 percent tax in total. This is actually quite a blow to many of us whose main source of earning was from the interest earned on the savings certificates. The upshot of this decision is that Savings Certificates are no longer the most competitive option for small savers.

CHECK IT OUT

Signing between Lotto Italian Brand and TVS Auto Bangladesh



Recently, Lotto announced an attractive offer for its customers to win TVS motorbikes by purchasing Lotto shoes. Before this announcement, a memorandum of understanding was signed between Lotto Italian Brand and TVS Auto Bangladesh.

Senior officials from both organisations were present on the occasion.

Under this agreement, buyers will get a chance to win a Striker motorcycle from TVS, including Apache 4V 160, through a raffle draw by purchasing any Lotto shoe priced at Tk 1,500 or higher. Also, 100 lucky winners will have the chance to win Lotto Sports Shoes.

TVS Motor Bikes are offering up to Tk 2,000 cashback on purchasing Lotto products of Tk 1,500 as part of the agreement. Besides these, there is a discount of up to 20 percent on Lotto for TVS bike buyers. This offer will continue till January 1, 2020.

For more information, visit www.facebook.com/LottoSport.Bangladesh

◆ HOROSCOPE ◆

**ARIES
(MAR 21-APR 20)**

Stabilise your financial situation through property investments. Travel will lead to knowledge. Look before you leap. Your lucky day this week is Saturday.

**TAURUS
(APR 21-MAY 21)**

Spend time with children. Invest in your ambitions. A second chance will result in good work. Your lucky day this week is Sunday, day this week is Saturday.

**GEMINI
(MAY 22-JUN 21)**

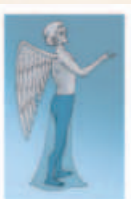
Avoid visiting relatives who get on your nerves. Things will be hectic at home. Real estate investments will pay off. Your lucky day this week is Friday.

**CANCER
(JUN 22-JUL 22)**

Get involved in physical activities. Legal matters will be alleviated through compromise. Don't forget family obligations. Your lucky day this week is Wednesday.

**LEO
(JUL 23-AUG 22)**

Carefully consider travel opportunities. Put in some overtime at work. You will be in the mood for entertainment. Your lucky day this week is Friday.

**VIRGO
(AUG 23-SEP 23)**

Keep your budget limited. Do the best you can. Your suggestions for social functions will be appreciated. Your lucky day this week is Sunday.

**LIBRA
(SEP 24-OCT 23)**

Your efforts won't go unnoticed. Travel will be rewarding. You may exaggerate your emotional situation. Your lucky day this week is Sunday.

**SCORPIO
(OCT 24-NOV 21)**

The talk you have will be eye-opening. Empty promises are evident. Try to keep an open mind. Your lucky day this week is Wednesday.

**SAGITTARIUS
(NOV 22-DEC 21)**

Spend time with those with more experience than you. Keep your weight in check. Learn to mellow out. Your lucky day this week is Wednesday.

**CAPRICORN
(DEC 22-JAN 20)**

Additional discipline will help. Trying to deal with your partner will be unproductive. Sudden good fortune will clear debts. lucky day Saturday.

**AQUARIUS
(JAN 21-FEB 19)**

Handle children tactfully. Accomplish the most at work. Dealing with foreigners will be enlightening. Your lucky day this week is Monday.

**PISCES
(FEB 20-MAR 20)**

Get out and socialise. Don't let your anger consume you. Do not let in-laws upset you. Your lucky day this week is Wednesday.