MTB bets on digitalization, retail, SME banking amid challenging economy

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Dhaka : Bangladesh's banking sector is navigating turbulent waters as investment slows, non-performing loans (NPLs) rise, and investor confidence weakens. Against this backdrop, Mutual Trust Bank (MTB) is doubling down on its governance-driven approach while betting on retail, SME, and digitalization to drive future growth.

In an exclusive interview with The Bangladesh Monitor, Syed Mahbubur Rahman, Managing Director and CEO of MTB, painted a sobering picture of the macroeconomic climate while outlining MTB's strategic priorities.

Economic challenges clouding market

"The market is going through a difficult time," Rahman said candidly. "Private sector credit has come down, GDP growth has slowed, and overall investment climate is not conducive. Imports have dropped significantly, and with little capital injection, we are seeing employment and production shrink. Gradually, NPLs are rising, and FDIs are not happening."

He also pointed to weak law and order, increasing mob-based activities, and a lack of investor confidence under the interim government. "Investors are waiting for the upcoming election. Once certainty returns, we can expect improvement," Rahman noted.

The only silver lining at present, he observed, is the positive movement in the capital market.

Governance as pillar of strength

Despite the uncertainty, Rahman emphasized MTB's strong governance structure as its key strength.


Syed Mahbubur Rahman, Managing Director and CEO, MTB

"We believe policy drives execution. Our board provides clear guidelines, holds us accountable, and follows up. This ensures discipline in how we run the bank," he said.

The wholesale banking market, he argued, has become oversaturated and is partly responsible for the surge in NPLs. Instead, MTB is sharpening its focus on retail and SME segments.

Pushing retail, SME banking

In retail, MTB is aggressively pursuing home loans, which Rahman described as "secured and collateralized." The bank is also forming partnerships with fintech companies to expand SME lending efficiently.

"SMEs are critical, but building infrastructure and manpower to serve them directly will take time. By working with fintech, who already have customer data and reach, we can scale faster," Rahman explained.

Customer-centric transformation

MTB has undergone a rebranding exercise, adopting a more vibrant, youthful image to attract Gen Z customers. The bank's vision, Rahman said, is to become the most preferred service provider for everyday banking needs-from pay orders and cheque books to credit cards and customer service.

As part of its CSR commitment, MTB is working with UCEP Bangladesh on skill development initiatives and is establishing a training center in Mymensingh to help create employment opportunities. The bank has also received Bangladesh Bank's Sustainability Awards for three consecutive years, recognizing its green financing and sustainable lending practices.

Digital banking leadership

Rahman highlighted digitalization as MTB's most powerful differentiator.


MTB Air Lounge at Hazrat Shahjalal International Airport in the capital

The bank's flagship platform, MTB Neo, is a super financial app that integrates nearly every banking service into one seamless interface. Customers can:

• Transfer money between MTB and other banks, or to MFS

• Pay utility bills, tuition fees, insurance premiums, and OTT subscriptions

• Create DPS and FDR accounts instantly from anywhere

• Access cheque services, download certificates, transfer funds from credit cards, and manage foreign e-commerce transactions

"No other bank offers the breadth of features MTB Neo does," Rahman claimed. "We are also working on voice banking and video banking. Our AI-powered call centers and in-house developed MTB Bot provide instant service, while our avatar answers customer queries interactively. This innovation is why Euromoney has awarded us Best Digital Bank for the last two years."

MTB Air Lounges redefining travel banking

Banking meets lifestyle in MTB's Air Lounge network, which Rahman called "the first and largest airport lounge network in Bangladesh."

Since opening its first lounge in 2017 at Hazrat Shahjalal International Airport, MTB has expanded to eight lounges across six airports-including Dhaka, Chattogram, Sylhet, Saidpur, Jashore, and Cox's Bazar.

"Our lounges provide travelers with comfort, convenience, and exclusive banking services. Privilege clients and premium cardholders enjoy access, while our officers greet and serve guests personally," Rahman said.

However, MTB goes beyond lounges. The bank offers end-to-end travel services unmatched by competitors:

- Home pick-up and airport transfers
- Meet-and-greet at the airport
- Foreign exchange booths at departure and arrival
- Lounge access at home and abroad
- Same seamless return journey services

"Our vision is to be not just a bank, but a trusted travel partner," Rahman added.

Credit cards, lifestyle partnerships

MTB is also expanding its credit card offerings, connecting with popular lifestyle platforms such as Pathao Wallet and Sheba.xyz. Abroad, customers can endorse dollars for international usage, making the cards versatile for global travelers.

Looking ahead

He believes that once political certainty returns after the election, investor confidence will follow, and the banking sector will rebound.

"Our mission is simple: make MTB the most trusted, most preferred, and most modern bank in Bangladesh. We are working every day to make that vision real," Rahman concluded.