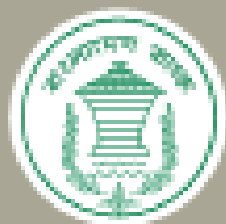


# Bangladesh Bank **Quarterly**

July- September, 2019  
Volume XVII, No. 1



Bangladesh Bank Quarterly

Editor: Asish Kumar Dasgupta  
Executive Director

Co-Editor: Dr. Md. Ezazul Islam  
General Manager  
Chief Economist's Unit

**Team Members**

Mahmud Salahuddin Naser  
Deputy General Manager

Md. Habibour Rahman  
Deputy General Manager

Mohammed Mahinur Alam  
Deputy General Manager

Syeda Ishrat Jahan  
Joint Director

Khan Md. Saidjada  
Joint Director

Mohammad Mizanur Rahman  
Joint Director

Md. Rashel Hasan  
Joint Director

Raju Ahmed  
Assistant Director

Md. Yousuf  
Assistant Director

Nasrin Akther Lubna  
Assistant Director

Abdullah Al Maruf  
Assistant Director

Povon Chandra Sutradar  
Assistant Director

**Desktop publishing, web-hosting and distribution**

Systems Manager, Information Systems Development and Support Department  
General Manager, Department of Communication and Publications

---

Bangladesh Bank welcomes suggestions and comments for improvement of the contents and form of the publication. Comments and suggestions may be sent to:

[ezazul.islam@bb.org.bd](mailto:ezazul.islam@bb.org.bd)

Website: [www.bangladeshbank.org.bd](http://www.bangladeshbank.org.bd)  
[www.bangladesh-bank.org](http://www.bangladesh-bank.org)

## Content

### Economic and Financial Developments

- Executive Summary
- I. Developments in the Real Economy
- II. Price Developments
- III. Money and Credit Market Developments
- IV. Fiscal Developments
- V. External Sector Developments
- VI. Banking Sector Performances
- VII. Capital Market Developments

### Charts

- I.1 Growth of Real GDP
- I.2 Production of Major Crops
- I.3 Growth Decomposition of Quantum Index of Industrial Production
- I.4 Heat Map for Large and Medium Scale Manufacturing Output Growth
- I.5 Cargo Handling by Chattogram Port
- II.1 Average CPI Inflation
- II.2 Decomposition of Inflation
- II.3 Point-to-point CPI Inflation
- II.4 Decomposition of Nonfood Inflation
- II.5 Inflation Heat Map
- II.6 Global Commodity Price Indices
- II.7 Inflation in South Asian Countries
- III.1 Growth of M2, NDA and NFA
- III.2 Growth of Credit to Public and Private Sectors
- III.3 Liquidity as a % of TDTL
- III.4 Movements in Policy and Money Market Rates
- III.5 Interest Rate Spread
- III.6 Interest Rate of Government Securities
- IV.1 Government Revenue
- IV.2 Government Expenditure
- IV.3 Sources of Financing of Budget Deficit
- V.1 Trends in Current Account and Overall Balance
- V.2 Trends in Export and Import
- V.3 Decomposition of Export Growth
- V.4 Decomposition of Import Growth
- V.5 International Reserve
- V.6 Effective Exchange Rate Indices
- V.7 Cross-Country Nominal Exchange Rate Indices
- VI.1 Ratio of Gross NPL s to Total Loans
- VI.2 Ratio of Gross NPLs and Net NPLs to Total Loans
- VI.3 Capital to Risk Weighted Asset Ratio (CRAR)
- VI.4 Advance Deposit Ratio
- VI.5 Excess of SLR as % of TDTL
- VII.1 Trends in DSEX Index and Turnover
- VII.2 Synchronization of DSE with Global Capital Market
- VII.3 Heat Map for Sectoral Price Earnings Ratio of DSE

- VII.4 Index of Major Sectors
- VII.5 Selected Countries: Stock Market Capitalization

## Policy Note

PN1902: Potential of Ceramics Industry in Bangladesh

## Tables

- I.1 Macroeconomic Framework: Key Economic Indicators
- I.2 Real GDP Growth by Sectors
- I.3 Nominal GDP by Sectors
- I.4 Crop-wise Agricultural Production
- I.5 Quantum Index of Medium and Large- scale Manufacturing Industries, Mining and Electricity
- I.6 Quantum Index of Medium and Large- scale Manufacturing Industries by Major Industries
- I.7 Cargo Handled by Chittagong Port
- I.8 Trends in Private Sector Credit
- I.9 Bank Advances (Private Sector) by Economic Purposes
- I.10 Trends in Agricultural Credit
- I.11 Micro-credit Operations of Grameen Bank and Large NGOs
- I.12 Industrial Term Lending by Banks and NBFIs
- II.1 Trends in Inflation
- II.2 Commodity Prices in the International Market
- II.3 Inflation in South Asia
- III.1 Movements in Reserve Money
- III.2 Movements in Broad Money
- III.3 Interest Rates Developments
- III.4 Outstanding Stocks of Treasury Bills, Bonds and NSD Certificates
- IV.1 Government Fiscal Operations
- V.1 Balance of Payments
- V.2 Trends in the Commodity Composition of Exports
- V.3 Major Destination-wise RMG Related Exports
- V.4 Export Performance for July-September, FY20
- V.5 Trends in the Commodity Composition of Imports
- V.6 Sector-wise Comparative Statement of the Opening and Settlement of Import LCs
- V.7 Country-wise Workers' Remittances
- V.8 Exchange Rate Movements
- V.9 Trends in Foreign Aid
- VI.1 Gross NPL Ratios by Type of Banks
- VI.2 Net NPL Ratios by Type of Banks
- VI.3 Capital to Risk Weighted Asset Ratios by Type of Banks
- VI.4 Profitability Ratios by Type of Banks
- VII.1 Indicators of Capital Market Developments
- VII.2 Group-wise Market Capitalization of Dhaka Stock Exchange

## Annexure

Chronology of Major Policy Announcements: July-September, 2019

# **Economic and Financial Developments**

## *Executive Summary*

*The first quarter of FY20 (Q1FY20) manifested a mixed trend of economic activities where strong government expenditure, higher LNG import, favorable electricity production and robust remittance inflows (16.5 percent growth in Q1FY20) helped boost domestic demand, while weak export and import performance (-2.7 percent and -2.6 percent growth, respectively) and an attenuated private credit growth (10.7 percent) pointed to some deceleration. On the supply side, the industry sector, the main driver of economic growth, remained subdued as reflected in the downturn of large and medium scale manufacturing output growth as well as a moderate expansion of credit to the industry sector. Although the agriculture sector activities maintained its recent growth trend, some indirect indicators and credit growth to the service sector related activities presented an uncertain performance in the service sector*

*Headline point to point CPI inflation remained broadly stable at around 5.5 percent in Q1FY20, while its food and non-food components followed a divergent path. In this period, the impetus to headline inflation came from non-food inflation, which crept up to 5.9 percent in September 2019 from 5.7 percent in June 2019. Although food inflation moderated to 5.3 percent in September 2019 from 5.4 percent in June 2019 with the falling rice and pulse prices, the possibility of the second-round effects arising from high prices of some food items, such as onion, fish, and vegetables warrants close attention. However, headline CPI (12-month average) inflation stood at 5.49 percent in Q1FY20.*

*Although current account deficit (CAB) narrowed to USD 765 million in Q1FY20 favored by hefty remittance inflows, the overall balance registered a deficit of USD 204 million due mainly to a significant fall in financial account surplus, particularly in other investment inflows. Amid negative growth of export and import (2.7 percent and 2.6 percent, respectively), trade balance deficit (USD 3,768 million) remained nearly stable during this period.*

*Among the money market indicators, broad money (M2) grew by 11.9 percent(y/y), in Q1FY20 slightly higher than the target of 11.3 percent for the first half of FY20, driven mainly by a significant rise in government borrowings from the banking system, although private credit growth languished at 10.7 percent on the back of slack in import demand partly because of slowdown in exports. On the other hand, net foreign asset (NFA) grew by 2.3 percent despite a 16.5 percent growth in remittance inflows.*

*Despite a significant rise in bank deposits (11.9 percent), rising government borrowings from the banks put some pressure on liquidity in the banking system during the quarter. Consequently, interbank money market rates, as well as interest rates on various government securities exerted some upward nudge during this period. Among other banking sector indicators, gross non-performing loans (NPL) increased to 11.99 percent in Q1FY20 from 11.70 percent in Q4FY19, led by private commercial banks.*

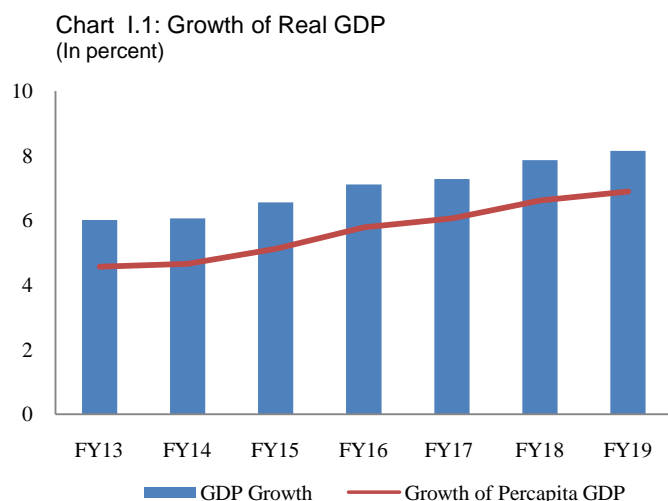
*Given the downturn in equity markets through the world, Dhaka Stock Exchange witnessed some dip with in Q1FY20, as reflected in its price indices, market capitalization, and turnover.*

*On the fiscal side, a faster government expenditure against a moderate revenue collection led larger budget deficit to BDT 376 billion in Q1FY20 compared to BDT 178 billion in Q1FY19. The government relied heavily on borrowing from the banking system (BDT 271 billion) during the period under review.*

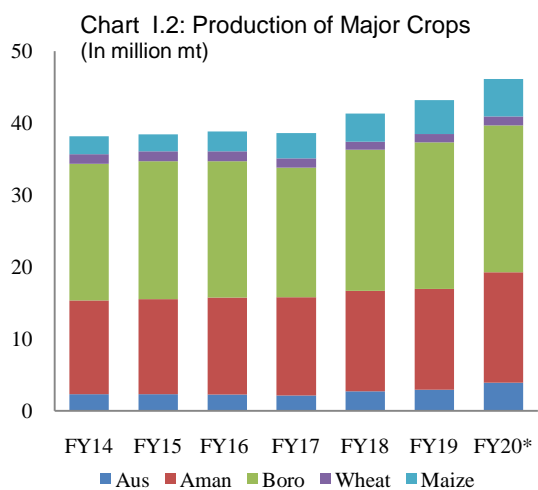
*Looking ahead, some headwind stemmed from slowed down export and import growth due to shrinking global economic growth may likely impact downsized risk for growth outlook in FY20, but strong remittance inflow can minimize some risk through buoyancy in domestic activities. To maintain stable growth and inflation, some stimulus monetary and fiscal policy mixes are required.*

## I. Developments in the Real Economy

1.1 In Q1FY20, economic activities witnessed a mixed trend compared to that of Q1FY19. Growth in export and import slowed down due to global economic shrinkage which pushed down some economic demand during the quarter under review, reflected partly in growth in moderate private sector credit. But, strong government development expenditure, higher LNG import, favorable electricity production and robust remittance inflows bolstered domestic activities in the quarter. On the supply side, the down-turn in the large and medium scale manufacturing output growth pointed to a subdued growth in the industry sector. Similarly, indirect indicators and credit growth to the service sector related activities depicted a mixed picture, while the agriculture sector activities maintained its recent growth trend.



Source: BB staff's calculation based on BBS data



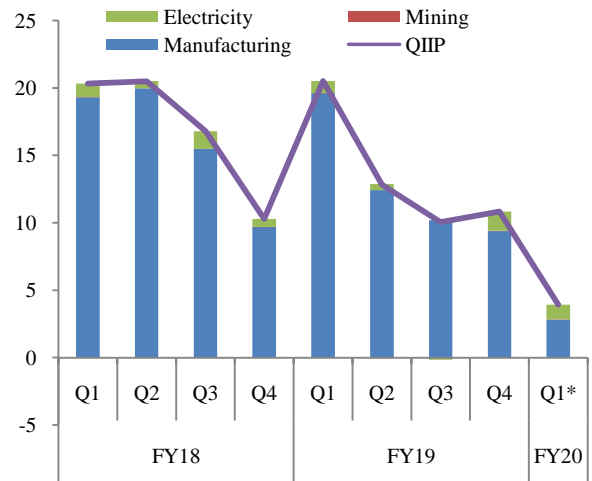
\* Target set by DAE, *Aus* indicates actual production for FY20

Source: Department of Agriculture Extension

1.2 The Department of Agriculture Extension (DAE) has set a target of 38.71 million metric ton (mmt) rice crop production for FY20 (3.71 percent higher than previous fiscal year) of which 2.9 mmt *Aus*, 15.4 mmt *Aman*, and 20.4 mmt *Boro*. Among other major crops, wheat and maize production targets have been set at 1.2 mmt and 5.2 mmt, indicating a 8.4 percent and a 10.8 percent higher than FY19, respectively. Aided by the availability of inputs and timely credit supply, the agriculture sector activities set to continue in line with the targets. According to DAE reports, an amount of 3.1 mmt *Aus* crop has been harvested in Q1 FY20, which is higher than the target. However, the target of *Aman* production may be declined, as some part of the *Aman* crop in the South-western part of the country was damaged by the recent cyclone '*Bulbul*'.

1.3 The industry sector, the main driver of GDP growth, remained subdued in Q1FY20 compared to that of Q1FY19, suggested by the sluggish growth of the large and medium scale manufacturing production and moderate credit growth to the industry sector. Available data (July- August, FY20) shows that large and medium scale manufacturing output growth dropped to 3.1 percent in Q1FY20, caused mainly by the negative growth of manufacturing of pharmaceuticals and medicinal chemical (-9.2 percent) and chemical and chemical products (-35.4 percent) and marginal growth of wearing apparel (0.1 percent) along with moderate growth of textile (16.9 percent), and leather and related product (4.9 percent). The moderate growth of credit to the industry sector (12.3 percent growth in Q1FY20 compared to 17.6 percent growth in Q1FY19) also vindicated the weaker performance of the industry sector. However, construction activities remained active during this period, reflected in sizeable increase in cement production and clinker import (13.5 percent and 9.1 percent, respectively) as well as 15.4 percent growth of credit to construction activities.

Chart I.3: Growth Decomposition of Quantum Index of Industrial Production (In percent)



Source: BB Staff's calculation based on BBS data  
 \* July- August , FY20.



Chart I.4: Heat Map for Large and Medium Scale Manufacturing Output Growth  
(In percent)

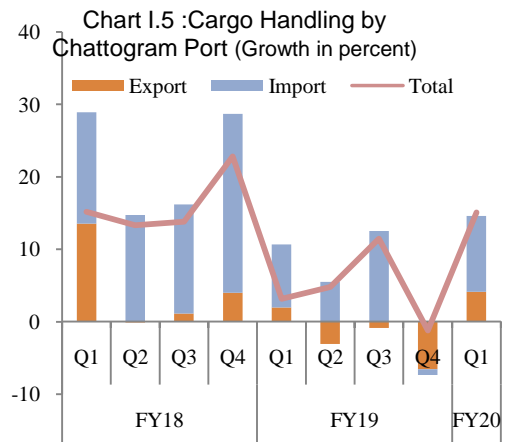
	Weight	FY18				FY19				FY20
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1*
General Index of Manufacturing	100	21.4	21.8	16.8	10.6	16.5	13.4	11.0	10.2	3.1
Food products	10.8	31	55	31	21	4	7	8	10	21
Beverage	0.3	10	-13	-9	-16	4	-16	3	54	3
Tobacco product	2.9	4	39	30	-2	0	-28	-26	0	5
Textile	14.1	36	13	14	8	2	-2	2	7	17
Wearing apparel	34.8	10	13	17	12	19	20	12	7	0
Leather and related product	4.4	80	71	45	24	19	40	14	6	5
Wood and product of wood and cork	0.3	5	4	4	4	4	5	6	6	7
Paper and paper products	0.3	1	1	1	1	1	1	1	1	1
Printing and recorded media	1.8	3	4	3	7	9	9	12	11	11
Coke and refined petroleum product	1.3	-42	-40	-40	-36	0	2	-1	-1	5
Chemical and chemical product	3.7	16	6	-13	-17	41	27	34	29	-35
Pharmaceuticals products	8.2	45	34	22	6	38	17	27	26	-9
Rubber and plastic products	1.6	7	20	16	16	12	6	6	6	8
Non-metallic mineral product	7.1	26	15	2	9	21	10	10	12	7
Basic metal	3.2	0	14	8	0	4	1	-1	-1	1
Fabricated metal product	2.3	18	18	7	4	10	7	8	9	10
Computer and electronic products	0.2	-18	-37	-42	-10	3	36	72	44	102
Electrical equipments	0.7	33	-16	-11	-5	-37	20	-11	34	7
Machinery and equipments	0.2	46	43	27	29	19	18	11	19	26
Motor vehicles and trailers	0.1	-72	-59	-27	9	237	215	119	-38	-31
Transport equipment	0.7	18	12	1	6	-1	-5	-2	1	13
Furniture	0.9	15	32	19	23	15	0	6	0	0

\* Based on August 2019



Source: BB staff's calculation based on BBS data

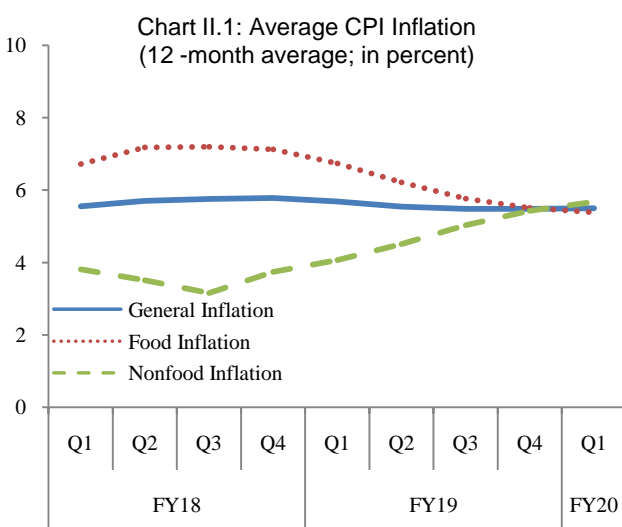
1.4 The service sector activities depicted a mixed trend, reflected in various indirect indicators. Cargo handled through port increased substantially by 15.1 percent in Q1FY20 compared to the same period of the previous fiscal year. However, bank credit to trade and commerce and transport grew by a moderate rate of 10.7 and 4.1 percent, respectively in the quarter under review.



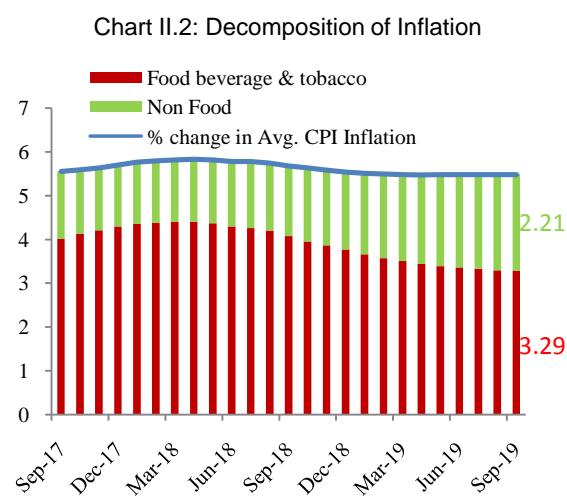
Source: Chattogram Port Authority

## II. Price Developments

2.1 Headline CPI inflation (12-month average) was stable around 5.49 percent in Q1FY20 compared to that in Q4FY19. Average food inflation declined to 5.38 percent in September 2019 from 5.51 percent in June 2019 whereas, average nonfood inflation lifted up continuously to 5.67 percent at the end of Q1FY20 from the bottom of 3.50 percent in December 2017 (Chart II.1). These upward movements in average nonfood inflation was offset by downward movements from food items inflation, reflected in almost stable average headline inflation during the first quarter FY20, which was close to yearly target of 5.5 percent for FY20.

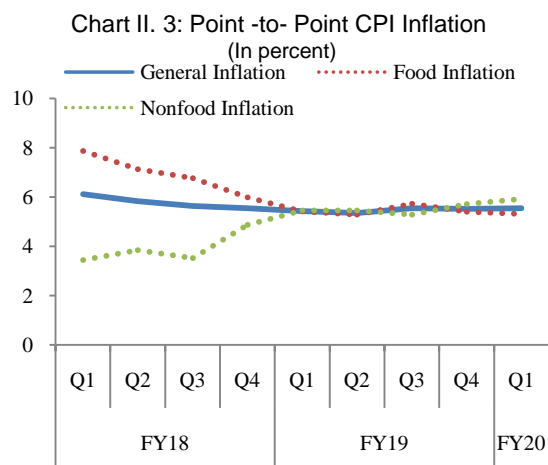


Source: Bangladesh Bureau of Statistics

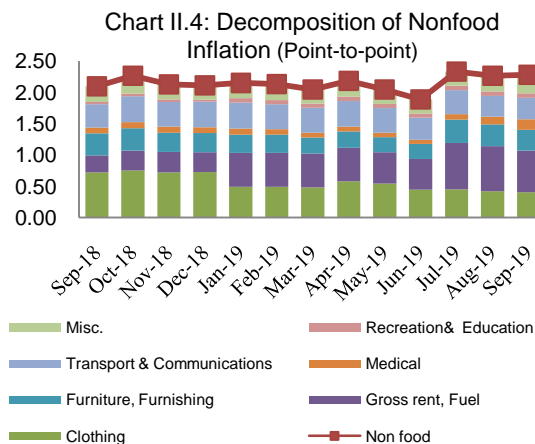


Source: BB staffs calculation based on BBS data

2.2 CPI inflation (point-to-point) edged up to 5.54 percent in Q1FY20 from 5.52 percent in Q4FY19, pushed by food items inflation which was still 59 percent contributor in total CPI inflation during the period under review. However, food inflation reduced to 5.30 percent in September 2019 from 5.42 percent in September 2018, driven by rice inflation, reflecting its large share in CPI basket. Moreover, fish, vegetable, fruit and spices specially onion inflation were the contributors to food inflation in September 2019. Besides, nonfood inflation crept up to 5.92 percent in September 2019 from 5.45 percent in September 2018. Rent and fuel were the dominant determinants of upward movements in nonfood inflation during the first quarter of FY20. Apart from this, food inflation in rural areas was more acute than that of urban areas since February 2019.



Source: Bangladesh Bureau of Statistics



Source: BB staffs calculation based on BBS data

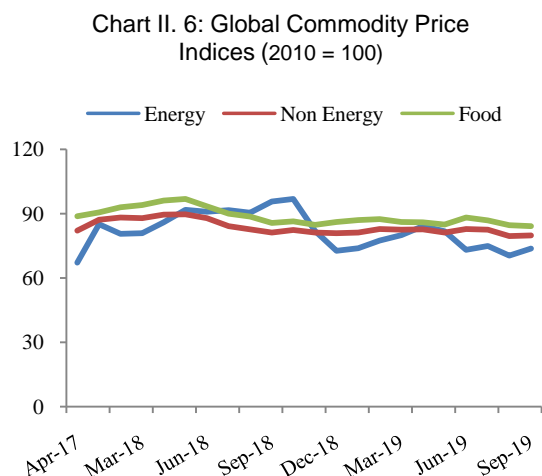
Chart II.5: Inflation Heat Map

(In percent)	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19
<b>General</b>	5.43	5.40	5.37	5.35	5.42	5.47	5.55	5.58	5.63	5.52	5.62	5.49	5.54
<b>Food, Beverage and Tobacco</b>	5.41	5.08	5.30	5.28	5.33	5.45	5.72	5.54	5.49	5.40	5.42	5.27	5.31
<b>1. Food</b>	4.18	3.81	4.07	3.99	4.11	5.22	5.78	5.58	5.19	5.05	5.09	4.77	4.88
(a) Cereals	-2.61	1.38	0.54	-2.81	0.73	-1.49	-3.71	-5.09	-1.32	5.52	-2.06	-2.97	-4.33
(i) Rice	-3.02	1.15	0.21	-3.24	0.52	-1.83	-4.14	-5.65	-1.76	5.53	-2.53	-3.46	-4.83
(ii) Other Cereals	4.88	5.41	6.17	4.63	4.62	4.67	4.24	5.32	0.11	5.45	5.62	5.35	4.24
(b) Pulses:	4.1	10.2	5.9	6.5	7.8	4.2	4.0	-5.2	-9.9	-8.7	-8.6	-8.4	-11.3
(c) Fish (fresh) & dry fish	20.7	21.7	24.0	26.6	27.1	24.9	23.3	20.9	35.0	14.5	14.7	13.0	12.6
(d) Eggs and Meat	3.1	3.7	3.0	3.7	3.1	4.4	5.9	6.3	5.8	5.6	3.7	3.1	5.8
(e) Vegetable	6.7	-5.4	0.9	10.9	-2.5	14.1	23.9	31.9	17.0	-6.4	12.4	14.4	10.4
(f) Fruits	24.2	18.8	21.8	20.8	18.8	14.7	15.2	14.6	16.8	8.8	7.8	17.7	15.7
(g) Spices	-0.2	-7.5	-12.5	-15.4	-14.2	-8.2	-1.3	-0.8	-2.3	0.5	9.6	6.5	16.0
(h) Edible oils & fats	2.2	2.1	2.8	3.0	4.2	4.1	3.6	3.5	3.6	4.3	4.2	4.2	4.1
(i) Milk and milk products	2.9	3.1	3.2	3.0	3.0	3.0	2.9	2.9	4.5	4.4	7.5	8.5	7.2
(j) Miscellaneous food items	5.9	7.0	7.6	8.1	8.2	8.8	8.1	8.2	8.6	9.0	9.2	11.0	12.4
<b>2. Beverage</b>	0.5	0.3	0.3	0.3	0.6	0.6	0.6	0.6	0.6	0.3	2.4	2.6	2.6
<b>3. Tobacco &amp; Products</b>	21.0	21.3	20.6	21.3	20.6	8.8	6.1	6.1	9.5	9.9	9.3	11.0	10.1
<b>Non-food</b>	5.4	5.9	5.5	5.4	5.6	5.5	5.3	5.6	5.8	5.7	5.9	5.8	5.9
I. Clothing and Footwear	10.4	10.9	10.3	10.4	6.9	6.8	6.7	8.1	9.6	5.9	6.1	5.7	5.6
II. Rent, Fuel & Lighting	2.2	2.7	2.7	2.6	4.5	4.5	4.5	4.5	4.2	4.8	6.1	6.1	5.7
III. Household Furniture, operations and repairing	7.5	7.5	6.4	6.4	6.1	6.1	5.3	5.3	5.1	7.7	7.7	7.2	6.9
IV. Medical Care & Health Expenses	3.1	3.3	3.2	3.0	3.3	3.1	2.7	2.7	2.4	2.9	2.9	4.1	5.8
V. Transport and Communication	7.2	8.1	7.7	7.9	8.1	7.7	7.7	8.0	8.7	7.5	7.4	6.4	6.5
VI. Recreation & Educational Expenses	1.2	1.3	1.2	0.9	2.2	2.1	2.1	2.3	2.2	2.2	2.2	2.2	2.3
VII. Miscellaneous Goods & Services	7.3	8.3	6.8	6.6	7.1	7.4	6.6	7.2	6.5	8.3	6.3	7.1	8.6

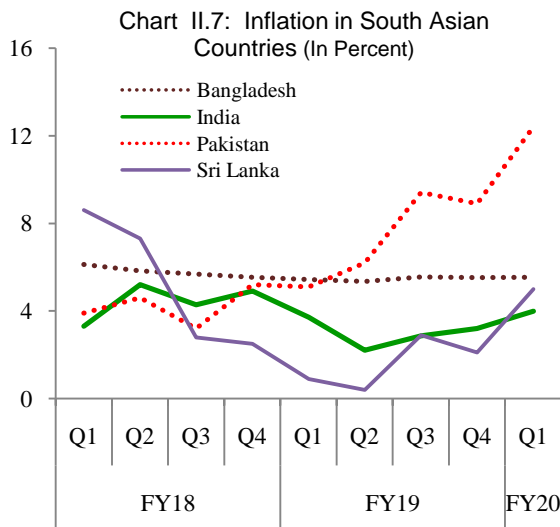
Source: BB staffs calculation based on BBS data



2.3 Global commodity prices in Q1 FY20 showed a downward movement compared to the same quarter of the previous year. Energy price led by oil price fell by almost 21 percent mostly because of weakness in demand and production cuts by OPEC countries as compared to a year ago. Supply bottlenecks, as well as trade tensions, put down non-energy prices by almost 2.6 percent (Chart II.6). Also, global food prices remain stable though exerted some downward pressure in some commodity prices such as rice, wheat due to multi-year-high stocks.



Source: World Bank



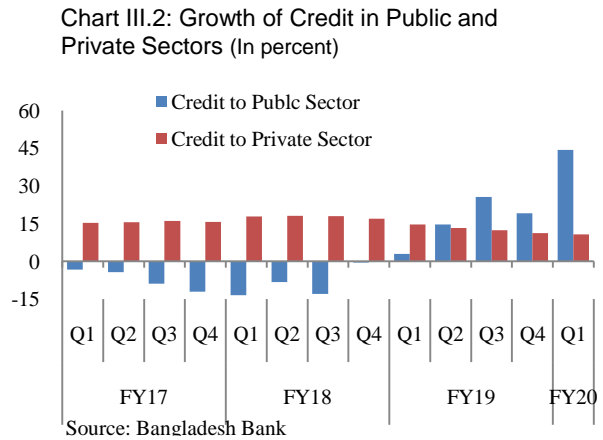
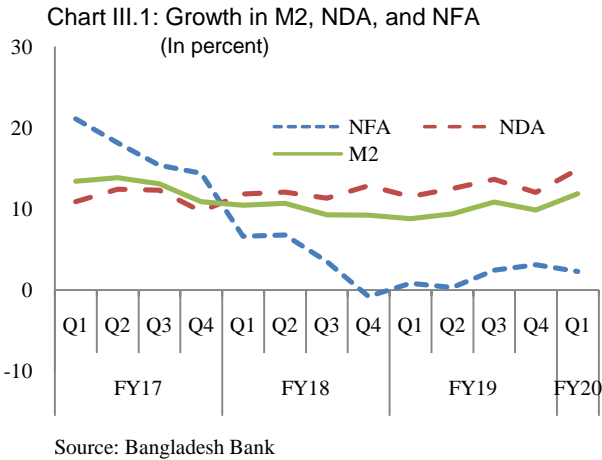
Source: Central Banks and Statistics Department of respective countries

2.4 Inflation in selected South Asian countries followed an upward trend in Q1FY20. Inflation in India and Sri Lanka increased to 4.0 percent and 5.0 percent in the first quarter of FY20 from 3.2 percent and 2.1percent respectively in the last quarter of FY19. Pakistan recorded a double- digit inflation of 12.4 percent in this quarter from 8.9 percent in the previous quarter (Chart II.7).

2.5 Looking ahead, headline inflation is likely to face upside risks in the near term arising from crop loss resulted from recent cyclone "Bulbul". At the same time, fish, vegetable, fruit and spices price hike especially of onion might put some second round effects on nonfood inflation, warranting continuous monitor to inflationary pressures. In addition, from global front, persistent trade tensions pose an upside risk on the price of some imported commodities. However, declining global energy prices is expected to reduce some inflation risks in near future.

### III. Money and Credit Market Developments

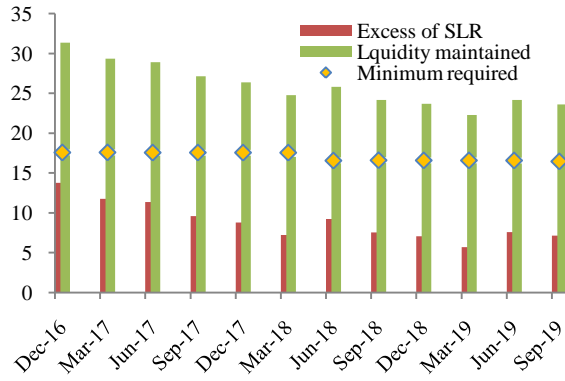
3.1 Broad money (M2) grew by 11.9 percent (y/y) in Q1FY20, slightly higher than the target of 11.3 percent for the first-half of FY20, driven mainly by a significant rise in government borrowings from the banking system. However, private credit growth continued to languish on the back of moderated import demand partly because of slow down of exports, and net foreign asset (NFA) maintained a lower positive growth despite a hefty inflow of remittances. Some respite on liquidity condition arising from growing bank deposits was cancelled out by the rising government borrowings from the banking sector, putting upward pressure on the interbank money market rates as well as interest rates on various government securities.



3.2 A rise in government credit from the banking system by 44.4 percent helped pick up M2 growth to 11.9 percent in Q1FY20, in line with the target of 11.3 percent for the H1FY20 and 12.5 percent for FY20, while private sector credit growth moderated to 10.7 percent partly in the slowdown of credit mainly to the industry sector in the face of decelerated exports and partly to the trade-related sectors. At the same time, NFA registered a moderate growth of 2.3 percent, amid 17 percent rise in remittance inflow and narrowing of trade deficit, mainly due to the fall in capital and financial account surplus. On the other hand, reserve money growth rose to 8.2 in percent Q1FY20 driven by NDA (68.08 percent, y/y) in the face of a sharp increase in government borrowings from the central bank (177 percent, y/y), albeit a timid growth of 1.1 percent in its NFA.

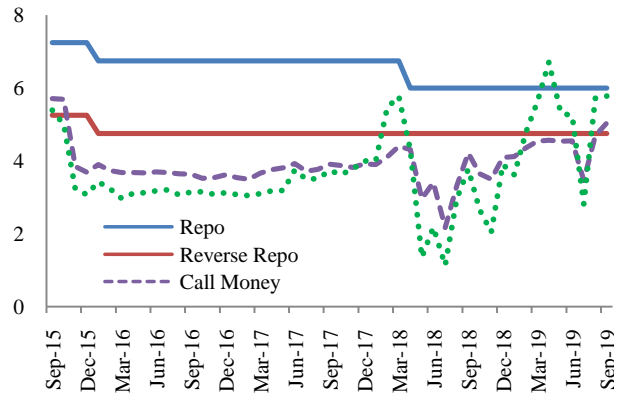
3.3 Mandatory online transactions and rise of source tax on the interest rates on national savings certificates (NSCs) siphoned bulk of the private savings to the banking system from NSCs. As a result, banks deposit growth picked up to 11.9 percent in Q1FY20 compared to 9.2 percent and 9.9 percent growth in Q1FY19 and Q4FY19, respectively. However, the rising government borrowings from the banking system offset the potential easing of liquidity condition emanated from strong deposit growth. Consequently, the ratio of liquid asset excess of SLR to total demand and time liabilities (TDTL) decreased to 7.2 in September 2019 from 7.6 percent in June 2019 (Chart III.3). Therefore, the interest rates in the call money market and interbank repo rates continued creeping up from 4.55 percent and 5.24 percent in June 2019 to 5.04 percent and 5.78 percent at the end Q1FY20, respectively. The retail market rates also followed similar directions, but with different speeds. The weighted-average interest rate on deposit increased to 5.65 percent in Q1FY20 from 5.43 percent in Q4FY19 against a marginal increase in the interest rate on lending to 9.56 percent in Q1FY20 from 9.58 percent in Q4FY19, pulling down the spread by 15 basis points to 3.91 percent.

Chart III. 3: Liquidity as a % of TDTL



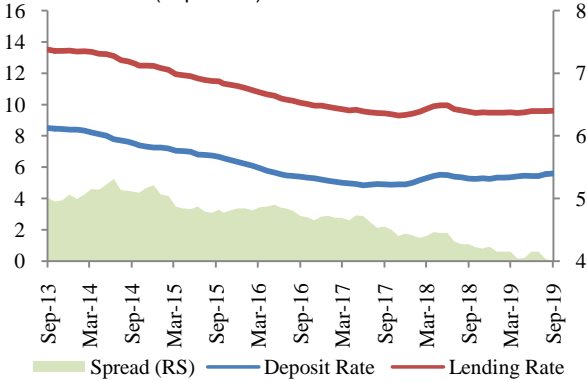
Source: Bangladesh Bank

Chart III.4: Movements in Policy and Money Market Rates (In percent)



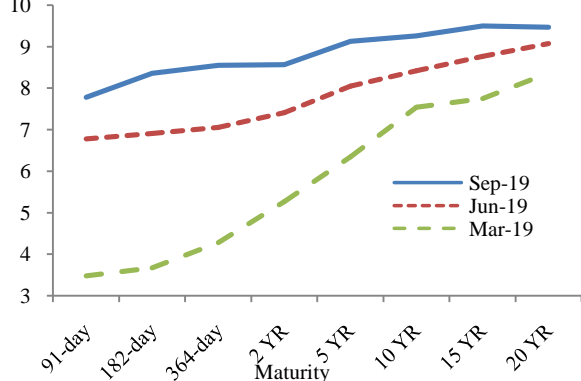
Source: Bangladesh Bank

Chart III.5: Interest Rate Spread (In percent)



Source: Bangladesh Bank

Chart III.6: Interest Rate of Government Securities (In percent)



Source: Bangladesh Bank

3.4 An acceleration in government borrowings led to a significant rise in the interest rates on treasury bills (T-bill) and bonds of different maturities. However, the rise in the interest rates on short term T-bills was higher than that of longer-term bill/ bonds because of the greater volume and frequency of short term T-bill auctions. The interest rates on 91-day, 182-day, and 364-day T-bill increased to 7.78, 8.36, and 8.55 percent in Q1FY20 from 6.78, 6.91, and 7.06 percent respectively, in Q4FY19 (Chart III.6).

## IV. Fiscal Sector Developments

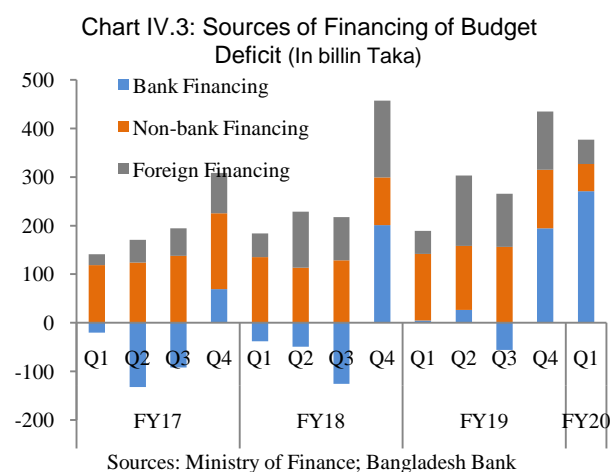
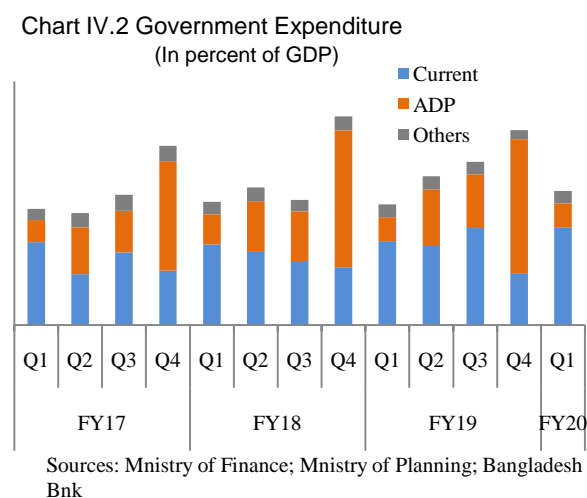
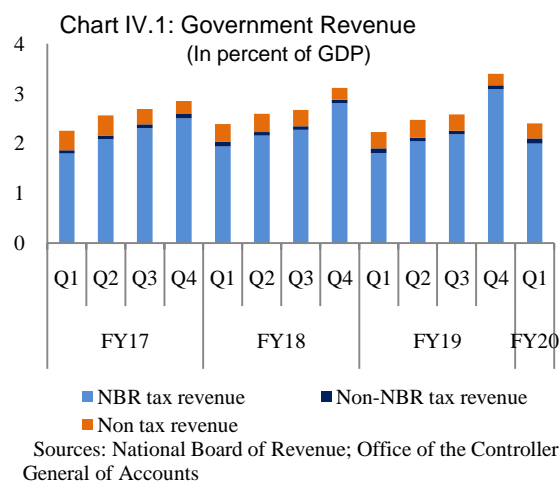
4.1 Budget deficit widened sharply in Q1FY20 compared with that in Q1FY19 owing to lower revenue collection and much higher expenditure. The deficit was predominantly financed from domestic sources (about 87 percent) and the rest from foreign sources.

4.2 Growth in revenue collection moderated to 3.6 percent in Q1FY20 compared with 4.1 Percent in Q1FY19. In Q1FY20, NBR tax collection, which is about 80 percent of total revenue rose marginally by 2.6 percent to BDT 473.9 billion from BDT 461.8 Billion in Q1FY19. The income tax (12.7 percent) and value added tax (8.2 percent) were the main drivers of NBR revenue collection. Total revenue collection stood at BDT 567.9 billion (2.0 percent of GDP) during the quarter met about 15.0 percent of the annual budget target BDT 3778.1 billion for FY20.

4.3 The higher growth in current expenditure led to a more rapid increase in total fiscal expenditure in Q1FY20, up 28.2 percent from level of Q1FY19 (Chart IV.2). Of the total expenditure, current expenditure rose by 33.8 percent to BDT 695.8 billion and ADP expenditure by 16.2 percent to BDT 173.4 billion. Total expenditure amounted to BDT 944.5 billion (3.3 percent of GDP) in Q1FY20, which was about 18.1 percent of the annual budget target of BDT 5231.9 billion for FY20.

4.4 The overall fiscal deficit widened in Q1FY20 leading to a lower pace of revenue collection compared with a higher growth in expenditure. The deficit reached BDT 376.7 billion (1.3 percent of GDP) in Q1FY20, an increase of 99.3 percent from the level of Q1FY19.

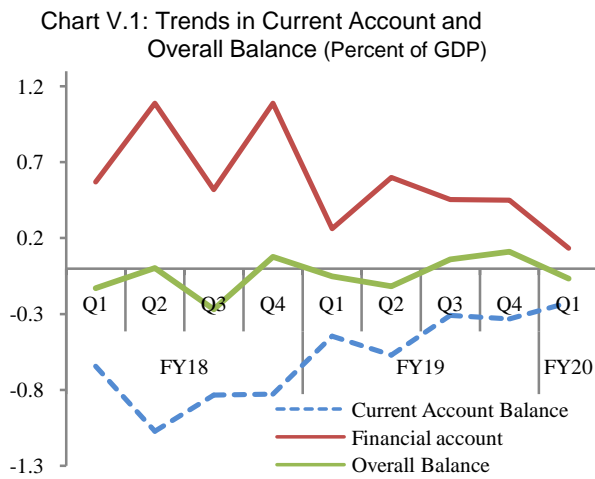
4.5 The increased budget deficit was financed with funds from domestic sources which was mostly met from banking system (Chart IV.3). The total domestic financing amounted to BDT 327.0 billion (1.1 percent of GDP) in Q1FY20 compared to BDT 141.6 billion (0.6 percent of GDP) in Q1FY19. Of the domestic sources, BDT 271.1 billion was met from banking system in Q1FY20 from BDT 5.0 billion in Q1FY19. However, the foreign financing amounted to BDT 49.7 billion (0.2 percent of GDP) in



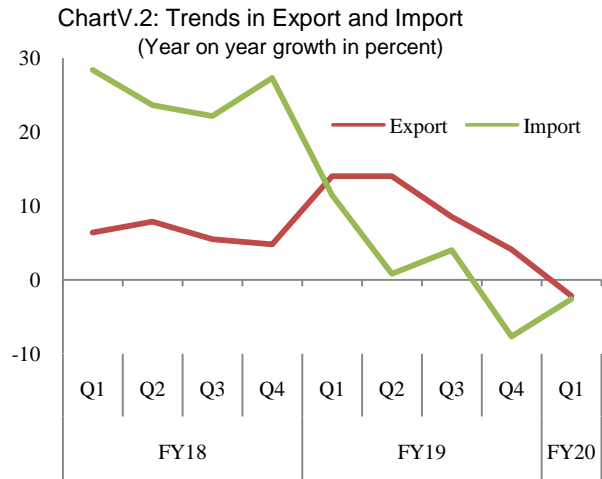
Q1FY20 which was slightly higher than Q1FY19.

## V. External Sector Developments

5.1 Current account deficit narrowed down to 0.21 percent of GDP in Q1FY20 from 0.45 percent of GDP in Q1FY19, the lowest in the last nine quarters, due to an upturn in remittance growth (about 17 percent) and slight improvement in primary income account. Despite improvement in current account deficit, overall balance turned in to negative territory in Q1FY20 because of lower inflow in capital and financial account, a 70.15 percent lower compared to that in Q1FY19.



Sources: Bangladesh Bank

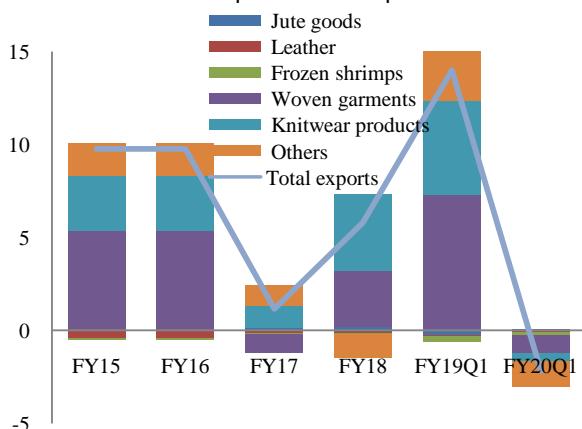


Sources: Bangladesh Bank

5.2 Deficit in trade balance widened at the end of Q1FY20 as compared to the last quarter of previous year due to faster falling in export earnings compared to lower growth in import payments. Import growth declined by 2.6 percent in Q1FY20 from 11.45 percent positive growth in Q1FY19, attributed to sharp decline in food item import along with slight slow growth in consumer and intermediate goods import. On the other hand, export fell by 2.2 percent in Q1FY20 compared to 14 percent positive growth in Q1FY19, mainly owing to decrease in leather and RMG related export (Chart V.3, 4).

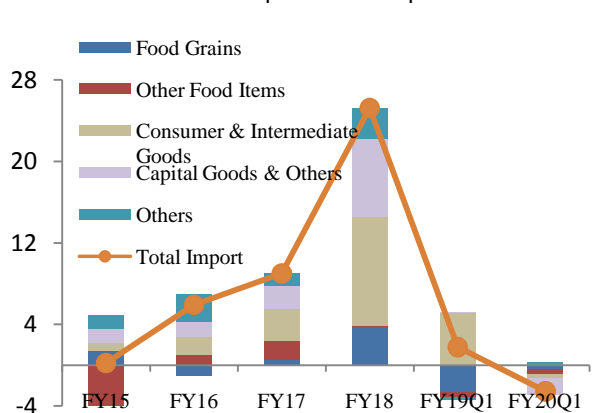


Chart V.3: Decomposition of Export Growth



Source: BB staff's calculations based on EPB data

Chart V.4: Decomposition of Import Growth



Source: BB staff's calculations based on NBR data

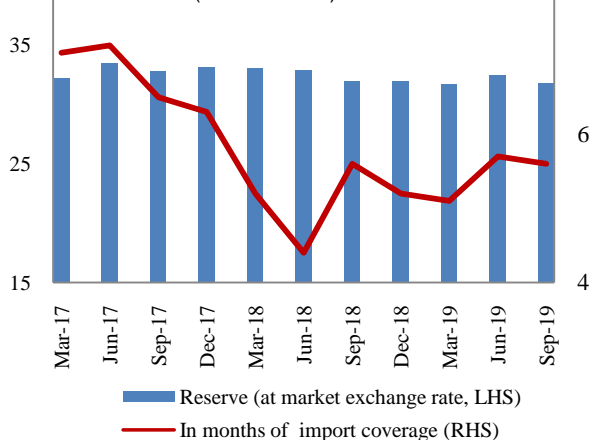
5.3 The inflows in capital and financial account slided by 70.15 percent in Q1FY20 from the level of Q1FY19 because of falling in foreign loan and net investment. Notably, about 60 percent of current account deficit was financed by the capital and financial account inflows in Q1FY20 and the rest are financed from reserve position.

5.4 Remittance inflows grew by 16.97 percent in Q1FY20 compared to the same quarter of previous fiscal year. Strong growth in remittance inflows was due to the government policy of 2 percent cash incentives on remittance inflows through formal channel. The remittance inflows from Gulf region constituted around 59 percent of total remittance inflows during the quarter under review, with highest remittance inflows coming from Saudi Arabia. On the other, remittance inflows from Euro Region and Asia Pacific region grew by 32.20 percent and 12.91 percent respectively during this quarter under review.

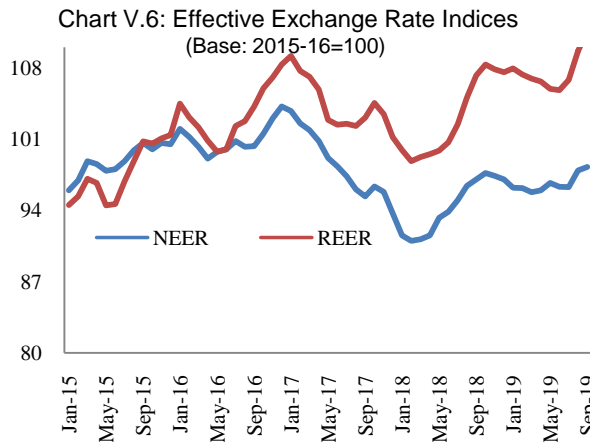
5.5 In line with the development of external sectors, exchange rate dynamics generally reflected some market forces to appreciate NEER and REER indices by 1.3 percent and 4.1 percent (y/y) at the end of September 2019. Though, nominal exchange rate in terms of Taka against USD remained broadly stable during Q1FY20

(only 0.89 percent depreciated, y/y), which resulted from a continuous intervention of Bangladesh Bank in the foreign exchange market to avoid excessive volatility by selling USD 59 million. Foreign exchange reserve slightly edged down at the end of Q1FY20 (USD 31.83 billion) and reserve coverage of potential import payments declined but remained at adequate level of 5.6 months (Chart V.5).

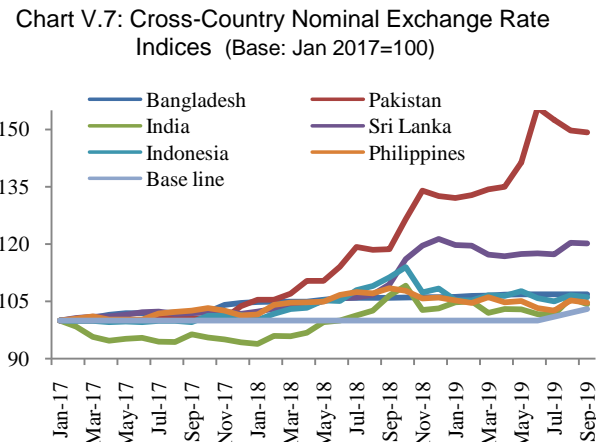
Chart V.5 : International Reserve (In billion USD)



Source: Bangladesh Bank



Source: Bangladesh Bank

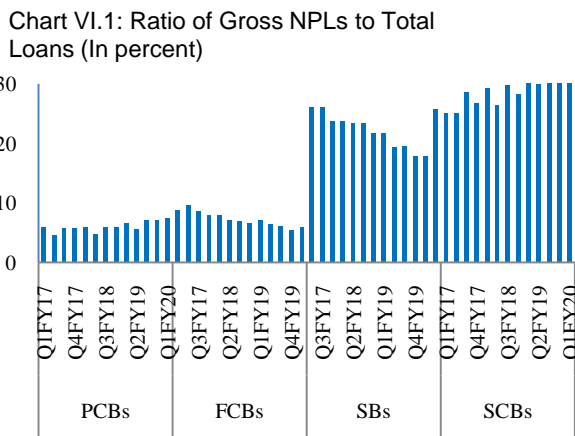


Source: IFS

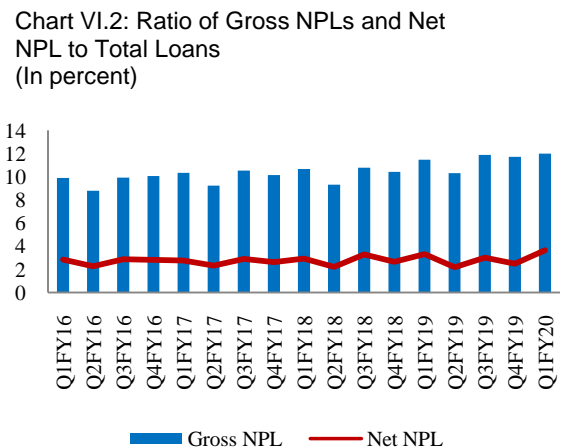
5.6 Looking ahead, the external sector faces a downsized risks due to a decreasing trend in export earnings, may continue in coming quarters. However; strong growth in remittance inflows will offset some risk in external sector developments in coming quarters.

## VI. Banking Sector Performance

6.1 Banking sector's indicators show a mixed performances during Q1FY20 compared to Q1FY19, reflected in rising non-performing loans (NPL), stable capital adequacy, rising liquidity condition and improving provision maintained. During Q1FY20, overall NPL and net NPL edge up driven mainly by increasing NPL of the private commercial banks (PCBs).



Source: Bangladesh Bank



Source: Bangladesh Bank

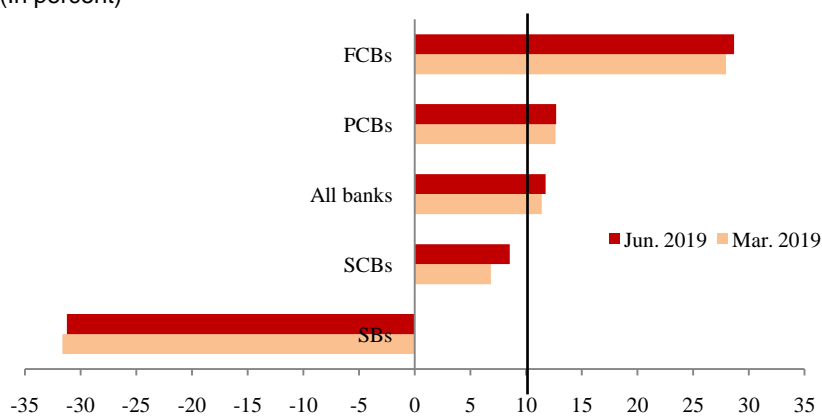
6.2 Overall NPL of the banking industry increased to 11.99 percent in Q1FY20 from 11.69 percent in Q4FY19. Gross NPL for PCBs increased from 7.13 percent in Q4FY19 to 7.43 percent in Q1FY20, witnessed weaker provisioning. However, gross NPL of State owned Commercial Banks (SCBs) moderated to 31.52 percent in Q1FY20 from 31.58 percent in Q4FY19 (Table 6.1, Table VI.1 and Chart VI.1). The system-wide net NPLs of the banking industry rose to 3.66 percent in Q1FY20 from 2.53 percent in Q4FY19 (Table VI.2 and Chart VI.2).

6.3 Overall capitalization of the banking system remained stable and CRAR reached at 11.7 percent in Q4FY19. Private commercial banks remained well capitalized with CRAR at 12.7 percent. Capital position of SCBs went up from 6.7 percent in Q3FY19 to 8.5 percent in Q4FY19, indicating improvement in capitalization (Chart VI.3 and Table VI.3).

**Table 6.1: Comparative Position of Classified Loan and Provision Maintained**

(In billion of BDT)						
Quarter	Items	SCBs	SBs	PCBs	FCBs	All Banks
Q2 FY19	Total classified loan	487	47.9	381.4	22.9	939.1
	Required provision	289.3	23.4	241.1	16.6	570.4
	Provision maintained	210.6	25.9	250.2	17.6	504.3
	Excess(+)/shortfall(-)	-78.6	2.5	9	1	-66.1
Q3 FY19	Total classified loan	538.8	48.9	499.5	22.6	1109.7
	Required provision	348.6	23.4	282.2	16.5	670.7
	Provision maintained	257.2	25.9	281.5	17.5	582.1
	Excess(+)/shortfall(-)	-91.4	2.5	-0.7	1	-88.6
Q4 FY19	Total classified loan	537.4	47	519.2	20.6	1124.3
	Required provision	353	22.3	321.2	15.8	712.4
	Provision maintained	284.5	25.4	293.1	17.3	620.2
	Excess(+)/shortfall(-)	-68.5	3.1	-28.1	1.4	-92.2
Q1 FY20	Total classified loan	549.2	47	545.7	20.9	1162.9
	Required provision	255.8	22.4	330.8	15.7	624.6
	Provision maintained	191.4	25.4	309.3	17.3	543.3
	Excess(+)/shortfall(-)	-64.4	3	-21.5	1.6	-81.3

**Chart VI.3: Capital to Risk Weighted Assets Ratio (CRAR)**  
(In percent)



Source: Bangladesh Bank

6.4 Deposit growth rose to 12.0 percent at the end of Q1FY20 from 10.2 percent at the end of Q1FY19. On the other hand, the growth of advances continued its downward trend and stood at 11.7 percent at the end of Q1FY20. At the end of first quarter of FY20, deposit growth has exceeded the growth of advances as a result of slowdown the subscription of national saving certificates. Thus overall advance deposit ratio declined by almost one percentage point to 76.6 percent in Q1FY20 (Chart VI.5 and Table 6.2).

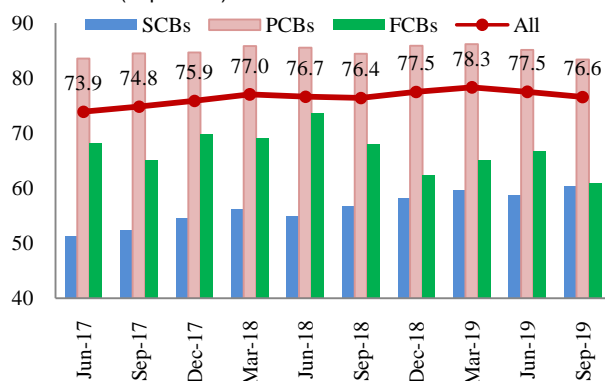
6.5 Overall liquidity condition in the banking system remained well-adequate and stable at the end of Q1FY20. Excess liquidity, the excess of CRR and SLR as percent of total demand and time liabilities (TDTL), narrowly moderated from 7.3 percent in Q4FY19 to 7.2 percent in Q1FY20. Excess liquidity (as percent of TDTL) declined almost three percentage point to 11.0 percent for SCBs and rose almost one percentage point to 5.1 percent for PCBs at the end of Q1FY20.

**Table 6.2: Deposit and Advance Position of Scheduled Banks (In percent)**

Bank groups	Year-on- year growth of deposit, % (excluding interbank)*		Year-on- year growth of advances, % (excluding interbank)		Advance Deposit Ratio (ADR)	
	Sep.19	Jun.19	Sep.19	Jun.19	Sep.19	Jun.19
SCBs	6.3	5.1	12.7	11.9	60.4	58.7
PCBs	14.2	13.6	12.0	12.8	83.4	85.1
FCBs	16.2	21.9	3.6	10.0	61.0	66.6
SBs	6.7	6.9	9.2	7.8	77.2	79.8
All	12.0	11.5	11.7	12.4	76.6	77.5

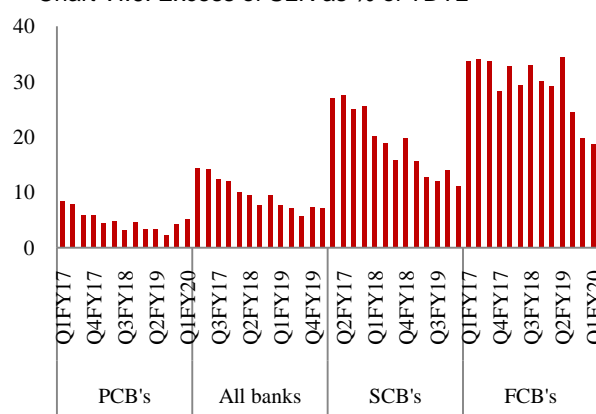
Source: Bangladesh Bank. \*Adjusted deposits growth for ADR

**Chart VI.5: Advance Deposit Ratio (In percent)**



Source: Bangladesh Bank

**Chart VI.6: Excess of SLR as % of TDTL**



Source: Bangladesh Bank, staff's calculation

**Table 6.3: Liquidity Position of the Scheduled Banks**

(In billion of BDT)

Bank groups	As per CRR			As per SLR		
	Required Reserves	Balance with BB in local currency	Excess(+)/shortfall (-) in reserve	Required Liquidity	SLR eligible liquid assets of banks**	Excess(+)/shortfall (-) in Liquidity
1	2	3	4=3-2	5	6	7=6-5
As of end-September, 2019						
SCBs	165.1	170.0	4.9	386.4	717.0	330.6
SBs*	16.6	15.9	-0.6	0.0	0.0	0.0
PCBs (other than Islamic)	313.5	319.6	6.1	741.7	1093.4	351.7
Private Banks (Islamic)	138.1	178.5	40.3	138.1	203.2	65.1
FCBs	42.0	42.6	0.6	78.2	220.4	142.2
All	675.2	726.5	51.2	1344.4	2234.0	889.5
As of end-June, 2019						
SCBs	159.2	212.4	53.2	372.2	776.7	404.5
SBs*	15.9	16.2	0.3	0.0	0.0	0.0
PCBs (other than Islamic)	294.2	316.0	21.9	695.3	951.4	256.1
Private Banks (Islamic)	131.0	167.1	36.1	131.0	198.4	67.4
FCBs	29.4	42.9	13.5	67.9	173.1	105.2
All	629.7	754.7	125.1	1266.4	2099.6	833.3

Source: Bangladesh Bank

\* SLR does not apply to specialized banks as exempted by the Government.

\*\*includes cash in tills, balance with BB in foreign currency, balance with Sonali Bank as an agent of BB, unencumbered approved securities and excess reserve (column 4)

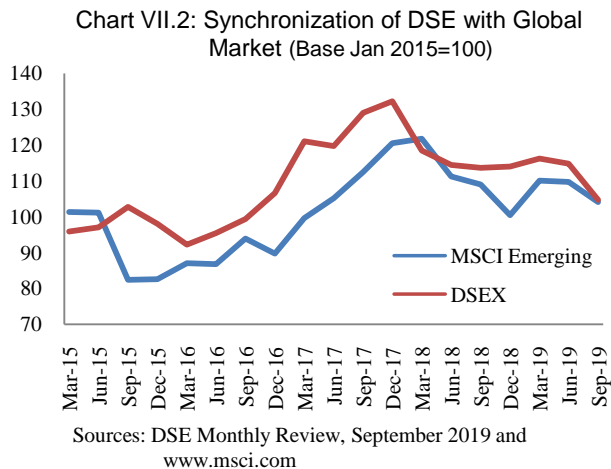
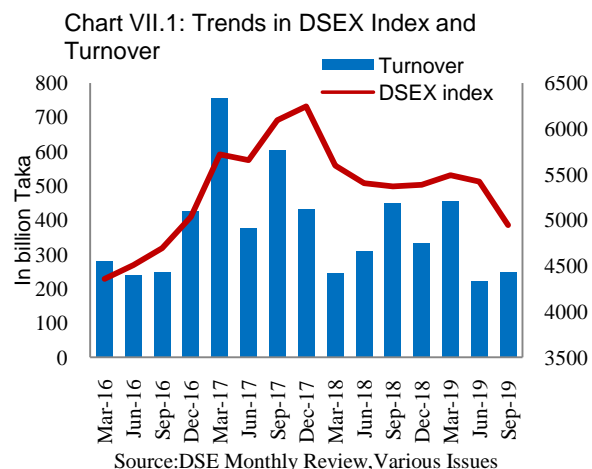
Note: According to the circular No-MPD-02, 2013 with effect from February 01, 2014 SLR has been calculated separately (excluded CRR) as 13% for conventional banks and 5.5% for Islamic banks of the total demand and time liabilities.

According to circular No. MPD-01, April 4, 2018, CRR revised to 5.5 percent from 6.5 percent effective from April 15, 2018

6.6 Reducing non performing loans and minimizing risk of credit default are the key concern for stability of the banking sector. Strengthening risk management, enhancing of effective micro prudential regulation, ensuring corporate governance, and accelerating loan recovery process are needed for maintaining stability.

## VII. Capital Market Developments

7.1 The capital market presents a mixed trend during Q1FY20, as reflected in price indices, market capitalization, issued capital, price earnings ratio and turnover. Total turnover and issued capital increased while movements of price indices moderated during the quarter under review. The movements in the stock indices show that price adjustments in both the domestic and the global equity markets were corrected during the first quarter of FY20. Market capitalization plummeted by 7.6 percent to BDT 3175.0 billion in Q1FY20 from Q4FY19 (Chart VII.1 and VII.2).



7.2 The key indicators of the capital market, DSE broad index (DSEX) and DSE-30 index, declined in Q1FY20 compared to Q4FY19. The DSEX index dropped by 8.7 percent in Q1FY20 from previous quarter and 7.8 percent declined from Q1FY19. The DSE-30 index also fell by 8.8 percent in Q1FY20 from previous quarter. (Chart VII.1 and Table VII.1). Sector-wise index<sup>1</sup> shows that Telecommunication sector reached the highest (3273) while Textile sector remained the lowest level (165) (Chart-VII.4).

7.3 The overall price-earnings (PE) ratio of the DSE edged down in Q1FY20. The average price earnings ratio declined to 13.36 in Q1FY20 from 14.25 in Q4FY19. Sector-wise PE data show that banking sector's PE score was the lowest position while that of the miscellaneous sector was the highest in Q1FY20 (Chart VII.3).

**Chart VII.3: Heat Map for Sectoral Price Earnings Ratio of DSE**

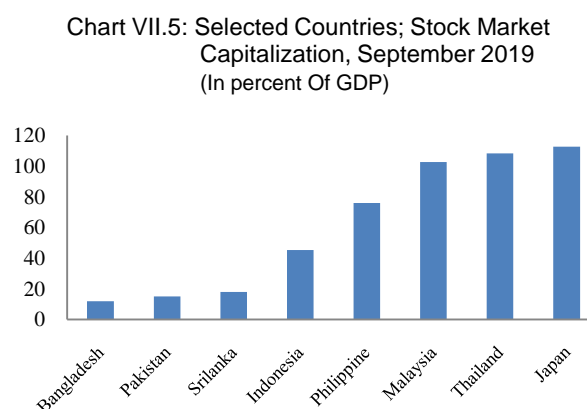
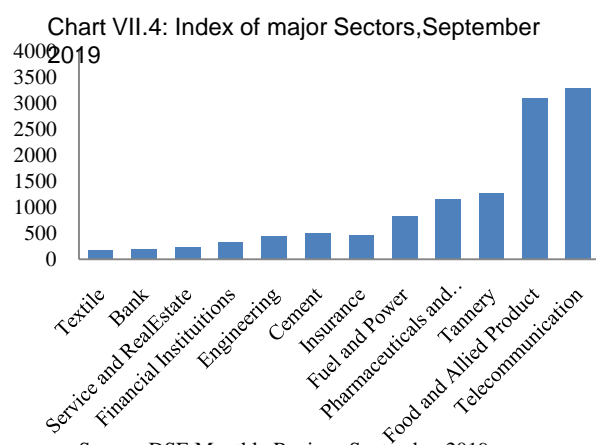
Sector	Share of Total M.cap september-19	Dec-15	Dec-16	Sep-17	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19
Bank	17.0	7.4	8.1	10.7	11.2	9.0	8.8	8.8	9.1	9.3	8.3	8.2
Financial Institutions	5.9	15.1	17.1	24.4	20.9	14.9	14.7	13.6	14.0	15.4	14.7	13.2
Engineering	6.1	29.5	23.0	20.7	18.7	16.5	16.8	17.9	15.5	14.4	14.6	12.8
Food & Allied	8.0	30.3	28.0	25.3	28.3	28.2	26.7	25.7	26.7	32.9	25.1	21.2
Fuel & Power	13.7	12.3	11.1	12.2	11.8	11.0	12.6	14.3	14.9	15.4	14.7	13.0
Textile	3.9	10.5	12.7	14.4	18.6	16.0	17.6	18.0	18.0	16.8	16.8	12.8
Pharmaceuticals	14.9	27.3	14.8	17.6	21.1	21.3	20.6	19.2	18.6	19.4	19.1	18.5
Service & Real Estate	0.6	34.7	29.2	31.3	20.6	17.1	16.7	16.7	15.6	15.6	15.4	13.2
Cement	3.5	27.2	26.5	21.5	25.0	21.4	34.6	33.7	35.9	35.5	28.6	24.9
IT	0.5	17.4	29.6	33.3	28.0	25.4	26.0	27.4	23.8	23.1	24.4	22.5
Tannery	0.8	24.1	24.2	21.6	18.1	17.4	15.8	17.0	19.0	19.0	20.3	17.2
Insurance	3.1	10.6	13.1	14.8	14.5	12.9	11.0	11.9	11.7	13.9	14.4	15.4
Telecommunication	15.6	18.0	20.3	25.6	28.6	28.0	19.5	18.5	18.6	21.0	14.6	14.1
Miscellaneous	3.2	32.7	27.8	21.3	21.3	20.5	16.9	27.8	25.8	30.7	27.1	25.1

Sources: DSE Monthly Review, Various Issues

Legend: ≤15 (Green) to ≥25 (Red)

<sup>1</sup> Sector wise index= (Sector wise market capitalization/ Sector wise paid-up capital)\*100

7.4 The increasing trend in turnover and issued capital in the DSE continued in Q1FY20, reflecting an improving liquidity condition. The value of issued equity and debt increased by 1.5 percent and two new companies were listed in the capital market in Q1FY20. Thus the number of listed securities rose to 365 at the end of Q1FY20. Total turnover value up by 11.2 percent in Q1FY20 compared to previous quarter (Chart VII.1). Market liquidity as measured by the Turnover Velocity Ratio (TVR)<sup>2</sup> increased to 31.3 percent in Q1FY20 from 26.0 percent in Q4FY19.



7.5 Net investment by foreign and non-resident Bangladeshi reduced during Q1FY20. In Q1FY20, investment by foreign and non-resident Bangladeshi investors edged down to BDT 7.4 billion from BDT 8.7 billion in Q4FY19 and total share sales decreased to BDT 10.7 billion from 11.0 billion from Q4FY19. Thus net investment of foreign and non-resident Bangladeshi decreased to BDT (-) 3.3 billion in Q1FY20 from BDT (-) 2.3 billion in Q4FY19.

Table 7.1: Selected Countries: Price Earnings Ratio and Dividend Yield as of September 2019

Country	Price Earnings Ratio	Dividend Yield
Bangladesh	13.35	4.29
India	23.97	1.30
Sri Lanka	10.18	3.37
Thailand	18.72	3.08
Hong Kong	10.63	-
China	14.10	-

Source: DSE monthly Review, September 2019

7.6 Cross-country data on price earnings (PE) ratios as of September 2019 show that Bangladesh has moderate PE ratio among the South and East Asian countries while dividend yield of Bangladesh is the highest position among these countries (Table 7.1). Market capitalization in Bangladesh remained low at around 20 percent of GDP compared to that of peer countries.

<sup>2</sup> TVR= (Turnover during the Quarter/Quarter-end Market capitalization)\*4.

## **Policy Note**

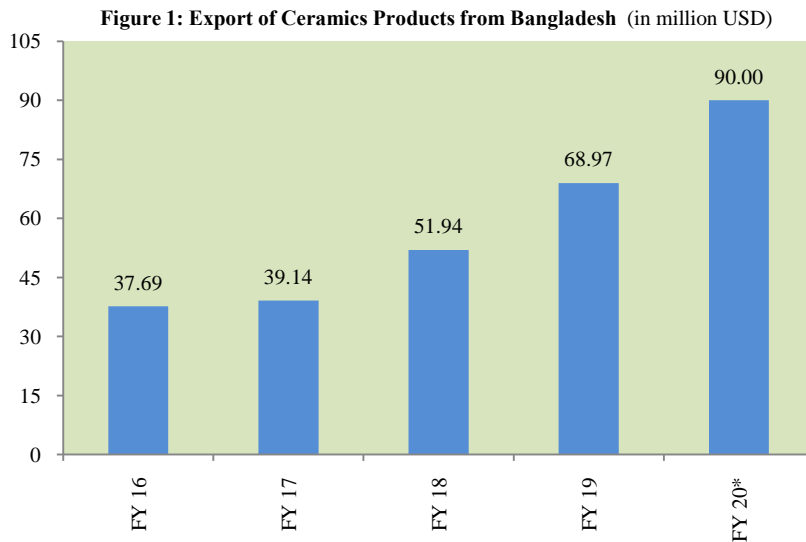


## **Policy Note: PN1902**

### **Potential of the Ceramics Industry in Bangladesh<sup>3</sup>**

The ceramic products are an indispensable part of a rapidly urbanizing and growing economy like Bangladesh. Although the ceramic industry in Bangladesh began in the late 1950s, the industry has been expanding rapidly in recent years, as reflected in production, export earnings and employment generation.

Currently, more than 70 ceramic companies are operating in Bangladesh and about 25 more are expected to start their operations. So far, local ceramic firms operating in Bangladesh mainly concentrated on producing traditional ceramic items such as tableware, sanitary ware, insulators and tiles, employing around 0.5 million workers, mainly women. In FY18, the industry produced over 25 crore pieces of tableware, nearly 20 crore square meters of tiles, and over 83 lac pieces of sanitary ware. It is expected that the number of companies will exceed 100 and create more job for young people in the coming years



FY 20\* indicates Proposed Export Target of the fiscal year 2020.

Figure-1 exhibits the export earnings from the FY16 to FY20. Export earnings demonstrate an upward trajectory and have been showing remarkable growth: from 3.8 percent in FY17 to 32.7 percent in FY18 and 32.8 percent in FY19 over the corresponding previous year. On the other hand, Table : 2 depicts import payments of the industry ranging from FY 16 to FY 19 which went up in the first couple of years and then declined in the rest of the period

<sup>3</sup> The policy note has been prepared by Povan Chandra Sutradar, Mohammed Mahinur Alam, Mahmud Salahuddin Naser, Dr. Md. Ezazul Islam of the Chief Economist's Unit of Bangladesh Bank. However, the views expressed in the note are those of the authors and do not reflect the position of Bangladesh Bank.

indicating the greater capacity of the sector in meeting domestic demand. Rapid urbanization in Bangladesh is creating new demands, particularly in both residential and commercial constructions in the district level.

**Table 1: Advantages & barriers for the growth of the Ceramics Industry in Bangladesh**

Advantages	Barriers
Availability of natural gas	Need for large investment, minimum Tk. 100 crore
Cheap labour	Dependence on import of 80% of raw materials
Duty-free access to Europe	Lack of skilled manpower
10% cash incentive on exports	Rise of gas price by 100% in the last 5 years
Strong domestic demand and brand image	Unfavorable customs processes and delay at the port

**Table 2: Export & Import of Ceramics in Bangladesh (In million USD)**

	FY 16	FY 17	FY 18	FY 19	FY 20*
Ceramic Export	37.69	39.14	51.94	68.97	90.00
Ceramic Import	64.70	71.70	71.60	61.20	---

FY 20\* indicates Proposed Export Target of the fiscal year 2020

The global market for ceramics is expected to reach around USD 135 billion by 2024. Export of Ceramic products from Bangladesh is only 0.97 percent of the global ceramic market compared to that of China's 61 percent global share. So, there is ample opportunity to tap the global market.

About 95 percent of the Bangladesh ceramics exports are tableware and obviously, there is more room to diversify to tap into innovative, advanced ceramic products market.. According to ceramics industry experts, ceramic products have expanded their domain from engineering ceramics to electro-ceramics, biomedical, aerospace and even encompassed nanotechnology.

Although Bangladesh is self-sufficient in ceramic products such as tableware and sanitary ware, the country has to import tiles since demand outstrips available domestic production. Presently, domestic demand for tiles is 26 crore square meters against the production capacity of 20 crore square meters.

Bangladesh has a number of advantages in ceramics production and exports which include the availability of natural gas, cheap labor, duty-free market access to Europe, GSP facility, no quota restriction and 10 percent cash incentive offered by Bangladesh government.

However, there are some barriers for ceramics industry to grow, such as the need for a large investment with minimum Tk. 100 crore, dependence on imports of 80 percent of the

raw materials, lack of skilled manpower, rise in gas price as high as 100 percent in the past five years, congestion and delay in clearing ceramic products at the port which create risk of failure to procure adequate raw materials from source countries.

Despite these weaknesses and challenges, production and export of ceramic products are likely to gain further momentum in the near future as the government has announced 10 percent cash incentive to ceramics exports and taken initiatives to reduce the lending rate to single digit from the existing double-digit rate and efforts to diversify the export basket in which ceramics may play an increasingly more significant role.

It is encouraging for the ceramic manufacturers that they received export orders worth \$5.5 million at the Ceramic Expo Bangladesh, 2019 which portrays a positive brand image as well as bright prospects for the industry.

The quantity of export, both in terms of volume and earnings, is likely to continue an upward trend in the coming years, buoyed by cheap labor, policy support and duty-free access to major markets. Apart from export, higher production of ceramic product may meet domestic demand and will reduce import of ceramics.



## Tables

**Table I.I: Macroeconomic Framework: Key Economic Indicators**  
(Growth in percent, unless otherwise indicated)

Indicators	FY15	FY16	FY17	FY18	FY19
Real GDP	6.6	7.1	7.3	7.9	8.2
GDP deflator	5.8	6.8	5.3	5.6	4.5
CPI Inflation (average)	6.4	5.5	5.9	5.8	5.5
CPI Inflation (point to point)	6.3	5.9	5.4	5.5	5.5
In percent of GDP					
Gross Domestic Savings	22.1	25.0	25.3	22.8	25.0
Gross domestic investment	28.9	29.7	30.5	31.2	31.6
Total revenue	10.9	10.5	10.5	10.8	10.1
Tax	9.0	9.0	8.8	9.2	8.8
Nontax	1.5	1.2	1.4	1.3	1.0
Total expenditure	13.8	13.9	13.4	14.7	14.6
Current expenditure	8.0	7.5	6.5	6.8	7.0
Annual Development Program	4.7	5.0	5.5	6.6	6.6
Other expenditure (residual)	1.1	1.4	1.4	1.3	1.1
Overall balance (excluding grants)	-2.9	-3.4	-2.9	-3.9	-4.5
Financing (net)	2.9	3.4	2.9	3.9	4.5
Domestic financing	1.8	2.2	1.9	2.1	2.8
Banking System	-0.5	0.2	-0.9	-0.1	0.7
Non-bank	2.3	2.0	2.7	2.1	2.1
Money and credit					
Private sector credit	13.2	16.6	15.7	17.0	11.3
Broad money (M2)	12.4	16.4	10.9	9.2	9.9
External Sector					
Exports, f.o.b.	3.1	8.9	1.7	6.4	10.1
Imports, f.o.b.	3.0	5.9	9.0	25.2	1.8
In percent of GDP					
Current account balance	1.8	1.9	-0.6	-3.6	-1.75
Overall balance	2.2	2.3	1.3	-0.3	0.004
In million USD					
Exports, f.o.b.	30,697	33,441	34,019	36,285	39,945
Imports, f.o.b.	37,662	39,901	43,491	54,463	55,439
Gross official reserves	25,021	30,176	33,407	32,944	32,550
In terms of month of imports	6.5	7.2	6.6	6.0	5.5
<b>Memorandum items:</b>					
<b>Nominal GDP (in billion Taka)</b>	<b>15,158</b>	<b>17,329</b>	<b>19,758</b>	<b>22,505</b>	<b>25,425</b>

Source: Bangladesh Bank; Ministry of Finance and Bangladesh Bureau of Statistics.

**Table I.2: Real GDP Growth by Sectors**  
(In percent)

Sectors	FY15	FY16	FY17	FY18	FY19
<b>Agriculture</b>	<b>3.3</b>	<b>2.8</b>	<b>3.0</b>	<b>4.2</b>	<b>3.9</b>
	(16.0)	(15.4)	(14.7)	(14.2)	(13.6)
a) Agriculture and forestry	2.5	1.8	2.0	3.5	3.2
i) Crops and horticulture	1.8	0.9	1.0	3.1	2.0
ii) Animal Farmings	3.1	3.2	3.3	3.4	3.5
iii) Forest and related services	5.1	5.1	5.6	5.5	8.3
b) Fishing	6.4	6.1	6.2	6.4	6.2
<b>Industry</b>	<b>9.7</b>	<b>11.1</b>	<b>10.2</b>	<b>12.1</b>	<b>12.7</b>
	(30.4)	(31.5)	(32.4)	(33.7)	(35.0)
a) Mining and quarrying	9.6	12.8	8.9	7.0	5.9
b) Manufacturing	10.3	11.7	11.0	13.4	14.2
i) Large & medium scale	10.7	12.3	11.2	14.3	14.9
ii) Small scale	8.5	9.1	9.8	9.3	11.0
c) Power, gas and water supply	6.2	13.3	8.5	9.2	9.6
d) Construction	8.6	8.6	8.8	9.9	10.3
<b>Service</b>	<b>5.8</b>	<b>6.3</b>	<b>6.7</b>	<b>6.3</b>	<b>6.8</b>
	(53.6)	(53.1)	(52.9)	(52.1)	(51.4)
a) Wholesale and retail trade	6.4	6.5	7.4	7.5	8.1
b) Hotel and restaurants	6.8	7.0	7.1	7.3	7.6
c) Transport , storage and communications	6.0	6.1	6.8	6.6	7.2
d) Financial intermediations	7.8	7.7	9.1	7.9	7.4
e) Real estate, renting and business activity	4.4	4.5	4.8	5.0	5.2
f) Public administration and defense	9.8	11.4	9.2	8.5	6.4
g) Education	8.0	11.7	11.4	7.0	7.7
h) Health and social works	5.2	7.5	7.6	7.0	11.8
i) Community , social and personal service	3.3	3.3	3.6	3.7	3.7
<b>GDP (at constant market price)</b>	<b>6.6</b>	<b>7.1</b>	<b>7.3</b>	<b>7.9</b>	<b>8.2</b>

Source: Bangladesh Bureau of Statistics

The parentheses indicate the percentage share of total producer price GDP at constant price

**Table I.3: Nominal GDP by Sectors**

(In billion Taka)

	FY15	FY16	FY17	FY18	FY19
<b>Agriculture</b>	<b>2,241</b>	<b>2,434</b>	<b>2,650</b>	<b>2,942</b>	<b>3,224</b>
a) Agriculture and forestry	1,765	1,903	2,054	2,274	2,481
i) Crops and horticulture	1,261	1,343	1,437	1,592	1,723
ii) Animal farming	299	332	360	396	432
iii) Forest and related services	205	228	257	286	326
b) Fishing	476	531	596	669	743
<b>Industry</b>	<b>4,067</b>	<b>4,739</b>	<b>5,483</b>	<b>6,422</b>	<b>7,538</b>
a) Mining and quarrying	239	286	341	389	440
b) Manufacturing	2,545	2,951	3,418	4,041	4,814
i) Large & medium scale	2,060	2,402	2,792	3,326	3,962
ii) Small scale	485	549	626	716	852
c) Power, gas and water supply	199	238	262	293	321
d) Construction	1,085	1,264	1,461	1,699	1,964
<b>Service</b>	<b>8,142</b>	<b>9,301</b>	<b>10,566</b>	<b>11,919</b>	<b>13,437</b>
a) Wholesale and retail trade	1,926	2,143	2,440	2,798	3,227
b) Hotel and restaurants	149	171	193	221	252
c) Transport , storage & communications	1,500	1,692	1,871	2,046	2,260
d) Financial intermediations	558	636	732	837	942
e) Real estate, renting and business activity	1,061	1,237	1,445	1,664	1,905
f) Public administration and defense	507	667	784	902	990
g) Education	376	465	569	645	731
h) Health and social works	301	348	390	441	520
i) Community , social and personal service	1,764	1,942	2,142	2,364	2,610
<b>Total GVA at current basic price</b>	<b>14,450</b>	<b>16,473</b>	<b>18,699</b>	<b>21,283</b>	<b>24,199</b>
Tax less subsidy	708	856	1,059	1,222	1,226
<b>GDP at current market price</b>	<b>15,158</b>	<b>17,329</b>	<b>19,758</b>	<b>22,505</b>	<b>25,425</b>

Source: Bangladesh Bureau of Statistics

**Table I.4 : Crop-wise Agricultural Production**

Crops	Actual for FY19		Actual / Target for FY 20	
	Area	Production	Area	Production
	(Lac Hectare)	(Lac M. Ton)	(Lac Hectare)	(Lac M. Ton)
Aus	11.5	29.2	11.3	30.904*
Aman	56.2	140.2	58.8	153.6
Boro	49.1	203.9	48.7	204.4
<b>Total Rice</b>	<b>116.8</b>	<b>373.3</b>	<b>119.0</b>	<b>387.1</b>
Wheat	3.3	11.5	3.5	12.5
Maize	5.1	47.0	5.6	52.1
<b>Total Cereal</b>	<b>125.1</b>	<b>431.8</b>	<b>128.1</b>	<b>451.7</b>
Jute	6.5	74.4	7.0	80.1
Potato	4.7	109.5	4.5	108.0
Vegetables	8.6	172.5	8.7	174.7
Moong	2.4	2.8	2.4	2.9
Mosur	1.9	2.5	2.1	2.9
Gram	0.1	0.1	0.1	0.2
Mustard	5.2	6.8	6.0	8.4
Onion	2.1	23.3	2.1	23.8

Sources: Bangladesh Bureau of Statistics and Department of Agriculture Extension, Ministry of Agriculture.

\* = Actual

**Table I.5 : Quantum Index of Medium and Large-scale Manufacturing Industries, Mining and Electricity (Base: 2005-06)**

	FY18					FY19					FY20
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q1*
Manufacturing	344.9	325.9	345.9	352.7	355.1	386.5	370.9	392.2	391.6	391.4	408.3
Mining	186.0	187.4	186.3	184.3	186.2	182.6	183.5	175.5	181.3	190.0	193.0
Electricity	270.9	291.7	243.7	259.4	288.9	289.8	298.4	261.3	254.2	345.0	372.8

Source : Bangladesh Bureau of Statistics, \*=up to August 2019



**Tables I.6 : Quantum Index of Medium and Large-scale Manufacturing Industries by Major Industries**  
(Base: 2005-06)

	FY18					FY19					FY20
	Weight	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q1*
General Index	100.0	325.9	345.9	352.7	355.1	388.6	379.6	392.2	391.6	391.2	408.3
Food products	10.8	481.1	526.5	491.5	505.0	536.1	498.8	562.3	529.3	553.8	576.2
Beverages	0.3	303.7	187.8	208.3	261.8	272.7	315.4	158.3	214.6	402.7	349.6
Tobacco products	2.9	134.1	193.3	189.1	141.0	138.6	134.2	139.0	140.3	140.9	140.5
Textile	14.1	179.7	204.9	196.7	199.5	199.7	183.1	201.4	201.3	212.8	211.6
Wearing apparel	34.8	357.4	384.9	411.3	400.8	443.0	424.9	461.1	459.0	427.2	446.3
Leather and related products	4.4	274.4	286.5	299.0	309.0	348.6	326.7	401.0	340.4	326.2	332.4
Wood and products of wood and cork	0.3	334.6	337.6	341.1	344.8	356.4	349.4	353.3	358.5	364.6	372.5
Paper and paper products	0.3	184.6	185.0	185.6	186.3	187.6	186.9	187.3	187.8	188.4	189.0
Printing and reproduction of recorded media	1.8	158.7	160.5	161.9	167.7	178.9	172.4	175.7	181.4	186.0	189.9
Coke and refined petroleum products	1.3	108.9	112.4	111.3	110.9	109.7	109.2	109.8	109.9	110.0	114.8
Chemicals and chemical products	3.7	109.1	106.7	97.4	90.0	133.8	153.4	135.5	130.4	115.7	102.2
Pharmaceuticals and medicinal chemical	8.2	544.0	497.7	513.0	558.2	670.4	749.8	580.1	650.8	701.0	823.5
Rubber and plastic products	1.6	388.9	413.7	420.1	425.0	442.1	434.3	438.1	445.4	450.7	465.6
Other non-metallic mineral products	7.1	342.8	381.5	395.4	407.7	431.9	413.5	421.0	435.7	457.6	444.2
Basic metal	3.2	179.5	185.9	187.8	187.9	187.0	187.5	187.2	186.8	186.7	188.6
Fabricated metal products	2.3	264.8	278.0	277.7	276.8	297.4	292.0	296.3	298.8	302.7	304.6
Computer, electronic and optical product	0.2	189.2	140.7	155.9	228.5	246.1	195.6	191.8	268.1	328.8	382.7
Electrical equipment	0.7	392.2	318.2	324.0	316.0	335.1	245.8	382.0	289.1	423.3	247.7
Machinery and equipment	0.2	503.4	528.7	575.8	586.9	641.0	599.2	624.4	641.3	699.0	743.9
Motor vehicles and trailers	0.1	202.4	281.3	254.0	536.3	614.1	682.2	886.6	556.7	330.9	388.3
Other transport equipment	0.7	565.7	616.9	624.3	610.9	593.7	559.4	584.4	612.3	618.7	621.0
Furniture	0.9	167.4	198.4	181.2	192.2	193.8	193.0	199.1	191.1	192.2	194.1

Source : Bangladesh Bureau of Statistics, \*= Up to August 2019

**Table I.7 : Cargo Handled by Chittagong Port**  
(In Thousands Metric Tons)

	FY18					FY19					FY20
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Quantity</b>											
Export	6,997	1,714	1,827	1,766	1,691	6,849	1,748	1,771	1,751	1,580	1,820
Import	78,050	16,702	20,323	20,425	20,600	83,021	18,154	21,442	22,984	20,440	20,052
<b>Total</b>	<b>85,048</b>	<b>18,416</b>	<b>22,150</b>	<b>22,191</b>	<b>22,291</b>	<b>88,969</b>	<b>19,002</b>	<b>23,213</b>	<b>24,735</b>	<b>22,020</b>	<b>21,872</b>
<b>Growth in percent<sup>1</sup></b>											
Export	4.3	13.5	-0.1	1.1	4.0	-2.1	2.0	-3.1	-0.9	-6.6	4.1
Import	17.4	15.4	14.7	15.1	24.7	6.4	8.7	5.5	12.5	-0.8	10.5
<b>Total</b>	<b>16.2</b>	<b>15.2</b>	<b>13.3</b>	<b>13.8</b>	<b>22.8</b>	<b>4.6</b>	<b>3.2</b>	<b>4.8</b>	<b>11.5</b>	<b>-1.2</b>	<b>15.1</b>

Source: Chittogram Port Authority.

1/ Quarterly growth rate refers to growth over the same quarter of previous year.

**Table I.8 : Trends in Private Sector Credit**  
(In billion Taka)

Institutions	FY18					FY19					FY20
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Outstanding</b>											
Banks	9,076	8,012	8,470	8,714	9,076	10,100	9,188	9,588	9,797	10,100	10,167
Non-banks	644	596	602	630	644	670	650	668	681	670	668
Microfinance institutions	570	466	556	569	570	636	573	603	624	636	640
<b>Total</b>	<b>10,290</b>	<b>9,074</b>	<b>9,628</b>	<b>9,913</b>	<b>10,290</b>	<b>11,406</b>	<b>10,410</b>	<b>10,859</b>	<b>11,102</b>	<b>11,406</b>	<b>11,474</b>
<b>Growth in percent<sup>1</sup></b>											
Banks	17.0	17.8	18.1	18.0	17.0	11.3	14.7	13.2	12.4	11.3	10.7
Non-banks	10.7	12.7	10.3	13.0	10.7	4.1	9.0	11.0	8.0	4.1	2.8
Microfinance institutions	23.1	23.5	36.7	30.5	23.1	11.4	23.0	8.5	9.8	11.4	11.7
<b>Total</b>	<b>16.9</b>	<b>17.7</b>	<b>18.5</b>	<b>18.3</b>	<b>16.9</b>	<b>10.8</b>	<b>14.7</b>	<b>12.8</b>	<b>12.0</b>	<b>10.8</b>	<b>10.2</b>

Source: Bangladesh Bank; Grameen Bank; BRAC; ASA ; Proshika

1/ Quarterly growth rate refers to growth over the same quarter of the previous year.

**Table I.9. : Bank Advances (Private Sector) by Economic Purposes**  
(In billion Taka)

Sectors	FY18					FY19					FY20
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Outstanding</b>											
a. Agriculture	404	361	385	391	404	438	387	392	410	428	421
<i>Crops</i>	378	335	357	364	378	403	354	357	376	393	385
<i>Others</i>	26	26	28	27	26	35	33	34	35	36	36
b. Industry	3,400	2,984	3,175	3,222	3,400	3,814	3,509	3,663	3,741	3,851	3,941
<i>Term Loan</i>	1,588	1,383	1,474	1,453	1,588	1,874	1,584	1,752	1,774	1,909	1,936
<i>Working capital financing</i>	1,812	1,601	1,701	1,768	1,812	1,940	1,924	1,911	1,968	1,942	2,005
c. Construction	778	665	693	733	778	912	799	850	855	901	922
d. Transport	69	57	58	66	69	73	71	67	72	72	74
e. Trade & Commerce	2,832	2,532	2,616	2,734	2,832	3,131	2,844	2,957	3,061	3,121	3,149
f. Other Institutional loan	209	174	179	203	209	256	215	250	261	260	260
g. Consumer finance	607	566	693	605	607	690	599	648	631	686	651
h. Miscellaneous	44	32	26	35	44	60	44	47	46	53	41
<b>Grand Total :</b>	<b>8,343</b>	<b>7,369</b>	<b>7,824</b>	<b>7,989</b>	<b>8,343</b>	<b>9,374</b>	<b>8,467</b>	<b>8,875</b>	<b>9,078</b>	<b>9,374</b>	<b>9,458</b>
	Growth in percent										
a. Agriculture	12.6	12.6	18.2	14.7	12.6	8.4	7.1	1.7	4.9	5.9	8.8
<i>Crops</i>	16.3	14.0	20.3	16.7	16.3	6.6	5.5	0.1	3.2	3.8	8.8
<i>Others</i>	-23.6	-3.4	-2.8	-7.6	-23.6	34.5	28.2	22.3	29.2	38.9	9.3
b. Industry	23.5	26.0	29.3	26.1	23.5	12.2	17.6	15.4	16.1	13.3	12.3
<i>Term Loan</i>	23.9	25.5	26.5	20.4	23.9	18.0	14.6	18.9	22.1	20.2	22.2
<i>Working capital financing</i>	23.2	26.4	31.7	31.1	23.2	7.1	20.2	12.4	11.3	7.2	4.2
c. Construction	19.8	18.3	11.5	17.7	19.8	17.1	20.1	22.6	16.6	15.8	15.4
d. Transport	35.4	20.3	14.2	26.6	35.4	5.9	25.3	16.3	9.2	4.2	4.1
e. Trade & Commerce	11.1	14.9	9.9	12.7	11.1	10.6	12.3	13.1	12.0	10.2	10.7
f. Other Institutional loan	28.6	36.5	24.7	41.5	28.6	22.3	23.8	40.0	28.3	24.3	21.1
g. Consumer finance	9.0	7.8	23.8	5.4	9.0	13.7	5.9	-6.5	4.3	13.0	8.6
h. Miscellaneous	-12.9	-36.7	-50.5	-35.6	-12.9	35.4	38.6	81.8	32.3	20.7	-5.9
<b>Grand Total :</b>	<b>17.0</b>	<b>18.8</b>	<b>18.7</b>	<b>18.0</b>	<b>17.0</b>	<b>12.4</b>	<b>14.9</b>	<b>13.4</b>	<b>13.6</b>	<b>12.4</b>	<b>11.7</b>

Source: Statistics department, Bangladesh Bank.

**Table I.10: Trends in Agricultural Credit**  
(In billion Taka)

	FY18					FY19					FY20
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Programme/Target (July-June)</b>	<b>204.0</b>	<b>204.0</b>	<b>204.0</b>	<b>204.0</b>	<b>204.0</b>	<b>218.0</b>	<b>218.0</b>	<b>218.0</b>	<b>218.0</b>	<b>218.0</b>	<b>241.2</b>
<b>Total disbursement</b>	<b>213.9</b>	<b>42.4</b>	<b>65.2</b>	<b>54.6</b>	<b>51.8</b>	<b>236.2</b>	<b>34.9</b>	<b>67.4</b>	<b>60.3</b>	73.5	35.5
Crop	103.4	18.9	33.9	26.0	24.4	118.8	16.9	36.8	30.0	35.1	16.9
Irrigation	1.5	0.3	0.5	0.5	0.3	1.6	0.2	0.5	0.5	0.3	0.1
Agricultural equipment	1.2	0.3	0.6	0.2	0.1	1.6	0.3	0.5	0.3	0.5	0.3
Live-stock	30.6	7.9	9.0	7.1	6.6	32.5	5.6	8.6	8.1	10.2	5.9
Fisheries	24.6	5.6	6.6	6.5	5.9	26.8	4.5	7.3	7.0	8.0	4.8
Grain storage & marketing	1.1	0.2	0.4	0.2	0.3	1.2	0.1	0.3	0.2	0.6	0.2
Poverty alleviation	21.5	2.4	5.8	8.2	5.0	19.5	2.6	5.2	6.5	5.1	3.0
Others	30.0	6.8	8.3	5.7	9.1	34.3	4.8	8.1	7.8	13.7	4.3
<b>Total recovery</b>	<b>213.9</b>	<b>45.6</b>	<b>55.7</b>	<b>52.6</b>	<b>60.0</b>	<b>237.3</b>	<b>45.1</b>	<b>68.9</b>	<b>56.2</b>	<b>67.2</b>	<b>43.7</b>
<b>Total overdue</b>	<b>72.1</b>	<b>65.0</b>	<b>65.3</b>	<b>68.1</b>	<b>72.1</b>	<b>66.9</b>	<b>72.4</b>	<b>66.8</b>	<b>63.7</b>	<b>66.9</b>	<b>67.0</b>
<b>Outstanding</b>	<b>406.0</b>	<b>389.5</b>	<b>401.5</b>	<b>404.2</b>	<b>406.0</b>	<b>429.7</b>	<b>396.2</b>	<b>401.1</b>	<b>409.2</b>	<b>429.7</b>	<b>422.3</b>
Overdue as percent of outstanding	17.8	16.7	16.3	16.9	17.8	15.6	18.3	16.7	15.6	15.6	15.9
	Growth in percent <sup>1</sup>										
Total disbursement	1.9	24.6	-0.2	-7.1	-0.2	10.4	-17.5	3.3	10.5	41.9	1.7
Total recovery	13.5	28.8	2.2	5.8	23.0	10.9	-1.2	23.7	6.8	12.0	-3.0

Source: Agricultural Credit Department, Bangladesh Bank.

<sup>1</sup> Quarterly growth rate refers to growth over the same quarter of the previous year.

**Table : I.11 Microcredit Operations of Grameen Bank and Large NGOs**  
(In billion Taka)

Institutions	FY18					FY19					FY20
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>1. Total disbursement</b>	<b>898.8</b>	<b>199.1</b>	<b>242.7</b>	<b>241.6</b>	<b>215.4</b>	<b>976.5</b>	<b>221.5</b>	<b>251.5</b>	<b>258.9</b>	<b>244.5</b>	<b>243.5</b>
i) Grameen Bank	243.3	54.4	66.8	65.6	56.5	251.4	58.5	66.2	65.721	60.9	60.4
ii) BRAC	316.6	68.3	82.6	84.6	81.1	396.1	86.5	102.2	105.0	102.5	103.6
iii) ASA	336.0	75.6	92.6	90.7	77.0	324.7	75.6	82.1	87.0	80.0	78.1
iv) Proshika	3.1	0.7	0.8	0.8	0.8	4.3	0.9	1.0	1.2	1.2	1.4
<b>2. Total recovery</b>	<b>879.7</b>	<b>200.1</b>	<b>225.9</b>	<b>228.7</b>	<b>225.0</b>	<b>964.7</b>	<b>229.4</b>	<b>244.1</b>	<b>245.1</b>	<b>246.0</b>	<b>260.5</b>
i) Grameen Bank	219.7	45.6	59.7	59.1	55.3	245.1	60.3	63.1	62.4	59.3	64.2
ii) BRAC	328.1	76.8	80.8	84.0	86.5	398.9	91.3	97.0	102.6	108.0	113.6
iii) ASA	329.0	76.9	84.7	84.9	82.5	316.4	76.9	83.0	79.0	77.5	81.2
iv) Proshika	3.2	0.8	0.8	0.8	0.8	4.2	0.9	1.0	1.1	1.2	1.4
<b>3. Loans outstanding</b>	<b>570.4</b>	<b>465.6</b>	<b>555.6</b>	<b>568.8</b>	<b>570.4</b>	<b>635.6</b>	<b>572.6</b>	<b>602.8</b>	<b>624.4</b>	<b>635.6</b>	<b>639.6</b>
<b>4. Loans overdue</b>	<b>30.9</b>	<b>8.0</b>	<b>25.7</b>	<b>28.2</b>	<b>30.9</b>	<b>11.7</b>	<b>8.9</b>	<b>11.1</b>	<b>11.5</b>	<b>11.7</b>	<b>12.2</b>
<b>5. Overdue as percent of outstanding</b>	<b>5.4</b>	<b>1.7</b>	<b>4.6</b>	<b>5.0</b>	<b>5.4</b>	<b>1.8</b>	<b>1.5</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.9</b>

Sources: Grameen Bank; BRAC; ASA ; Proshika.

**Table I.12 : Industrial Term Lending by Banks and NBFIs**  
( In billion Taka)

	FY18					FY19			
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>
<b>Disbursement</b>									
SOBs	26.3	10.1	5.5	7.4	3.4	7.0	6.8	6.7	6.6
PCBs	528.9	119.3	140.5	125.3	143.7	139.3	173.5	119.7	182.8
Foreign banks	21.2	2.2	6.0	8.3	4.7	5.1	5.6	5.3	11.6
Specialized banks	10.5	2.9	1.4	3.1	3.1	0.3	4.3	1.2	3.9
Non-bank financial institutions	120.8	23.2	25.4	25.8	46.4	39.4	52.3	19.6	17.4
<b>Total</b>	<b>707.7</b>	<b>157.7</b>	<b>178.8</b>	<b>169.8</b>	<b>201.4</b>	<b>191.1</b>	<b>242.6</b>	<b>152.5</b>	<b>222.3</b>
<b>Recovery</b>									0.0
SOBs	56.0	7.3	13.2	16.4	19.1	18.0	19.4	10.4	8.8
PCBs	551.6	126.0	148.4	127.2	149.9	120.8	132.2	153.6	200.2
Foreign banks	13.3	3.0	4.6	3.0	2.7	3.5	2.8	3.3	5.2
Specialized banks	12.0	2.3	2.3	5.8	1.6	0.3	2.0	1.6	3.3
Non-bank financial institutions	68.8	16.5	17.9	12.8	21.6	21.2	22.5	17.9	18.7
<b>Total</b>	<b>701.9</b>	<b>155.1</b>	<b>186.4</b>	<b>165.2</b>	<b>195.2</b>	<b>163.8</b>	<b>178.9</b>	<b>184.7</b>	<b>238.3</b>
<b>Outstanding</b>									
SOBs	411.5	343.5	364.1	371.2	411.5	437.2	414.7	301.2	473.2
PCBs	1,304.5	1,154.0	1,201.2	1,242.4	1,304.5	1,378.2	1454.2	1389.0	1583.8
Foreign banks	32.7	22.8	24.4	30.7	32.7	34.7	39.9	44.6	66.9
Specialized banks	12.6	15.9	15.2	12.6	12.6	12.7	15.2	15.2	16.2
Non-bank financial institutions	267.2	222.3	245.2	257.1	267.2	272.1	283.3	288.0	298.2
<b>Total :</b>	<b>2,028.4</b>	<b>1,758.5</b>	<b>1,850.2</b>	<b>1,913.9</b>	<b>2,028.4</b>	<b>2,134.9</b>	<b>2,207.4</b>	<b>2,037.9</b>	<b>2438.3</b>
	Growth in Percent <sup>1</sup>								
<b>Disbursement</b>									
SOBs	-31.6	46.7	-47.2	-55.4	-27.6	-30.9	24.7	-9.6	93.1
PCBs	13.7	24.3	-0.4	9.1	26.8	16.8	23.5	-4.5	27.2
Foreign banks	56.3	-42.1	16.1	212.9	136.5	139.0	-7.1	-36.1	144.9
Specialized banks	-2.6	3,037.2	-67.1	-15.2	14.0	-91.3	199.8	-59.8	25.8
Non-bank financial institutions	29.3	-2.2	-27.0	28.1	215.3	69.8	105.8	-23.9	-62.6
<b>All Banks and NBFIs</b>	<b>13.9</b>	<b>20.9</b>	<b>-8.7</b>	<b>7.6</b>	<b>46.5</b>	<b>21.2</b>	<b>35.6</b>	<b>-10.2</b>	<b>10.4</b>
<b>Recovery</b>									
SOBs	38.5	-12.8	33.5	87.7	42.3	144.7	47.6	-36.7	-53.8
PCBs	40.9	35.6	47.9	13.2	74.9	-4.1	-10.9	20.7	33.5
Foreign banks	13.7	35.5	20.6	-7.8	12.1	17.0	-39.9	9.7	94.3
Specialized banks	31.4	584.8	-3.5	12.6	23.9	-87.5	-13.2	-73.2	106.4
Non-bank financial institutions	0.8	-19.0	-12.4	-19.4	86.1	28.9	25.9	39.5	-13.5
<b>All Banks and NBFIs</b>	<b>34.7</b>	<b>24.9</b>	<b>36.3</b>	<b>13.6</b>	<b>70.6</b>	<b>5.6</b>	<b>-4.0</b>	<b>11.8</b>	<b>22.1</b>
<b>Outstanding</b>									
SOBs	24.3	9.1	33.0	34.3	24.3	27.3	13.9	-18.9	15.0
PCBs	16.2	24.2	22.8	20.1	16.2	19.4	21.1	11.8	21.4
Foreign banks	44.2	1.3	3.0	34.5	44.2	52.1	63.5	45.4	104.3
Specialized banks	-17.2	10.2	-78.6	-82.1	-17.2	-19.8	0.1	21.1	29.2
Non-bank financial institutions	22.3	13.0	18.0	23.4	22.3	22.4	15.6	12.0	11.6
<b>All Banks and NBFIs</b>	<b>18.6</b>	<b>19.0</b>	<b>19.0</b>	<b>18.7</b>	<b>18.6</b>	<b>21.4</b>	<b>19.3</b>	<b>6.5</b>	<b>20.2</b>

Source: SME & Special Programmes Department Bangladesh Bank.

1/ Quarterly growth rate refers to growth over the same quarter of the previous year.

**Table II.1 : Trend in Inflation**

(Base: 2005-06=100)

Period	12 Month point to point			12 Month Average		
	General	Food	Non-food	General	Food	Non-food
<b>2018</b>						
January	5.9	7.4	3.1	5.7	7.2	3.0
February	5.6	6.9	3.3	5.7	7.2	3.1
March	5.6	6.8	3.5	5.8	7.2	3.2
April	5.6	7.0	3.5	5.8	7.3	3.6
May	5.6	6.6	4.1	5.8	7.3	3.6
June	5.5	6.0	4.9	5.8	7.1	3.7
July	5.5	6.2	4.5	5.8	7.1	3.8
August	5.5	6.0	4.7	5.7	6.9	3.9
September	5.4	5.4	5.5	5.7	6.7	4.1
October	5.4	5.1	5.9	5.6	6.5	4.3
November	5.4	5.3	5.5	5.6	6.4	4.4
December	5.4	5.3	5.5	5.5	6.2	4.5
<b>2019</b>						
January	5.4	5.3	5.6	5.5	6.0	4.7
February	5.5	5.4	5.5	5.5	5.9	4.9
March	5.6	5.7	5.3	5.5	5.8	5.0
April	5.6	5.5	5.6	5.5	5.6	5.2
May	5.6	5.5	5.8	5.5	5.6	5.4
June	5.5	5.4	5.7	5.5	5.5	5.4
July	5.6	5.4	5.9	5.5	5.4	5.5
August	5.5	5.3	5.8	5.5	5.4	5.6
September	5.5	5.3	5.9	5.5	5.4	5.7

Source: Bangladesh Bureau of Statistics (BBS)

Note: Food includes food, beverage &amp; tobacco.

**Table II.2 : International Commodity Prices**

	FY18					FY19					FY20
	FY18*	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19*	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
Rice (US\$/M.T)	422.0	404.0	400.7	432.3	451.0	407.3	402.7	404.7	408.0	414.0	424.3
Thailand (Milled,5% broken)											
Wheat (US\$/M.T)	188.1	183.8	175.1	189.3	204.4	210.2	208.8	212.6	212.6	206.7	201.1
Soya bean oil (US\$/M.T)	846.3	857.3	871.3	846.7	810.0	749.7	765.4	736.5	757.0	740.0	773.5
Sugar (US cents/pound)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
World											
Crude Petroleum(Dubai) (US\$/Barrel)	61.2	50.6	59.2	64.0	71.0	67.8	74.0	66.8	63.4	67.0	60.9

Source: World Bank

\*Quarterly Average

**Table II.3 : Inflation in South Asia**

(Point-t-point)

Country	FY18					FY19					FY20
	FY18	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
Bangladesh	5.5	6.1	5.8	5.7	5.5	5.5	5.4	5.4	5.6	5.5	5.5
India(CPI NS)	4.9	3.3	5.2	4.3	4.9	3.2	3.7	2.2	2.9	3.2	4.0
Pakistan	5.2	3.9	4.6	3.2	5.2	8.9	5.1	6.2	9.4	8.9	12.4
Sri Lanka (NCPI)	6.3	8.6	7.3	2.8	2.5	2.1	0.9	0.4	2.9	2.1	5.0

Source: Central banks and Statistics Departments of respective countries.

Note: Quarterly data indicates end quarter data

**Table III.1 : Movements in Reserve Money**

(In billion Taka)

	FY18					FY19				FY20
	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Outstanding</b>										
1. Net foreign assets of BB	2,508	2,535	2,529	2,532	2,574	2,517	2,477	2,514	2,572	2,546
2. Net domestic assets of BB	-356	-365	-407	-195	-112	-232	-130	-263	-110	-74
a) Claims on public sector	89	114	123	249	336	128	234	141	336	314
i) Claims on govt. (net)	67	92	101	226	312	105	211	118	312	289
ii) Claims on other public sector	22	22	22	24	24	24	24	24	24	25
b) Claim on private sector	48	50	50	52	48	50	50	48	48	48
c) Claims on banks	53	49	51	56	52	50	59	69	54	63
d) Other items (net)	-545	-578	-630	-552	-547	-461	-473	-522	-548	-499
3. Currency issued	1,441	1,407	1,402	1,549	1,704	1,555	1,584	1,595	1,704	1,739
i) Currency outside banks	1,328	1,291	1,281	1,409	1,543	1,410	1,447	1,446	1,543	1,579
ii) Cash in tills	113	116	120	140	161	145	137	149	161	160
4. Deposits of banks with BB	711	763	721	788	758	730	763	656	758	732
5. Reserve money (RM)	2,153	2,170	2,123	2,337	2,462	2,285	2,347	2,251	2,462	2,472
6. Money multiplier (M2/RM)	5	5	5	5	5	5	5	5	5	5
Growth in percent										
1. Net foreign assets of BB	7.6	7.6	4.3	0.8	1.6	0.4	-2.3	-0.6	1.6	1.1
2. Net domestic assets of BB	17.8	17.1	18.3	26.9	42.7	34.6	64.3	35.3	43.6	68.1
a) Claims on public sector	196.0	67.6	653.4	64.8	34.6	44.7	105.6	14.9	34.6	145.0
i) Claims on govt. (net)	569.0	89.7	4,677.3	73.9	38.2	56.2	128.0	16.8	38.2	176.6
ii) Claims on other public sector	8.0	11.9	19.5	9.7	0.5	9.8	9.7	6.5	0.5	5.1
b) Claim on private sector	0.2	1.4	1.8	3.7	-7.3	3.3	-0.2	-2.9	-7.3	-3.7
c) Claims on Banks	1.0	0.6	-1.6	10.7	-6.9	-5.1	19.1	37.1	-3.8	25.7
3. Currency issued	12.4	14.0	12.6	2.4	10.0	7.9	12.6	13.8	10.0	11.8
4. Deposits of banks with BB	15.5	12.0	5.8	7.4	-3.8	2.6	0.0	-9.0	-3.8	0.4
5. Reserve money (RM)	13.4	13.3	10.2	4.0	5.3	6.1	8.1	6.0	5.3	8.2

Source: Statistics Department, Bangladesh Bank.

P= Provisional.



**Table III.2 : Movements in Broad Money**  
( In billion Taka)

	FY18					FY19				FY20
	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Outstanding</b>										
1. Net foreign assets	2,631	2,640	2,630	2,644	2,724	2,652	2,647	2,695	2,724	2,713
2. Net domestic assets	7,657	7,920	7,910	8,456	9,472	8,537	8,906	8,991	9,472	9,806
a) Domestic credit	9,133	9,525	9,642	10,217	11,469	10,341	10,803	10,963	11,469	11,832
Credit to public sector	1,121	1,055	928	1,141	1,366	1,153	1,215	1,166	1,366	1,665
Credit to govt. (net)	944	873	746	949	1,133	957	982	925	1,133	1,408
Credit to other public sector	177	183	182	192	234	196	233	241	234	257
Credit to private sector	8,012	8,470	8,714	9,076	10,103	9,188	9,588	9,797	10,103	10,167
b) Other items (net)	-1,477	-1,606	-1,732	-1,761	-1,997	-1,804	-1,897	-1,972	-1,997	-2,026
3. Narrow Money	2,313	2,338	2,253	2,549	2,733	2,449	2,555	2,517	2,733	2,708
a) Currency outside banks	1,328	1,291	1,281	1,409	1,543	1,410	1,447	1,446	1,543	1,579
b) Demand deposits	985	1,046	971	1,140	1,190	1,039	1,108	1,071	1,190	1,129
4. Time deposits	7,974	8,222	8,288	8,551	9,463	8,740	8,999	9,169	9,463	9,811
5. Broad money	10,287	10,560	10,541	11,100	12,196	11,189	11,553	11,686	12,196	12,519
<b>Growth in percent</b>										
1. Net foreign assets	6.6	6.8	3.5	-0.6	3.0	0.8	0.3	2.4	3.0	2.3
2. Net domestic assets	11.8	12.1	11.3	12.7	12.0	11.5	12.5	13.7	12.0	14.9
a) Domestic credit	12.8	14.5	14.1	14.7	12.3	13.2	13.4	13.7	12.3	14.4
Credit to public sector	-13.5	-8.3	-13.0	-0.5	19.8	2.9	15.1	25.7	19.8	44.4
Credit to govt. (net)	-16.9	-11.5	-17.4	-2.5	19.4	1.3	12.5	24.0	19.4	47.1
Credit to other public sector	11.1	11.4	11.7	11.2	21.6	11.0	27.6	32.2	21.6	31.2
Credit to private sector	17.8	18.1	18.0	17.0	11.3	14.7	13.2	12.4	11.3	10.7
3. Narrow money	14.9	14.3	11.2	6.2	7.2	5.9	9.3	11.7	7.2	12.3
4. Time deposits	9.2	9.7	8.7	10.2	10.7	9.6	9.4	10.6	10.7	12.3
5. Broad money	10.4	10.7	9.3	9.2	9.9	8.8	9.4	10.9	9.9	11.9

Source: Statistics Department, Bangladesh Bank.  
P= Provisional.

**Table III.3: Interest Rates Developments**

Instruments	Sep.17	Dec.17	Mar. 18	Jun.18	Sep.18	Dec.18	Mar.19	Jun.19	Sep.19
<b>T - Bills</b>									
14 - day	....	3.04	....	....	....	3.12	....	6.30	....
91 - day	3.85	3.38	3.23	3.67	2.23	2.18	3.48	6.78	7.78
182 - day	4.01	3.86	3.63	4.2	3.41	2.96	3.67	6.91	8.36
364 - day	4.25	4.35	4.0	4.27	3.54	3.40	4.28	7.06	8.55
<b>BGTB</b>									
2 - year	4.82	5.03	5.26	4.71	4.07	4.33	5.27	7.41	8.57
5 - year	5.68	5.90	5.82	5.98	5.34	5.35	6.35	8.05	9.13
10 - year	6.91	7.17	7.32	7.41	6.95	7.53	7.54	8.42	9.26
15-year	7.71	7.93	8.08	7.99	7.09	7.69	7.75	8.77	9.50
20-year	8.02	8.25	8.45	8.82	7.94	8.42	8.37	9.08	9.74
<b>Repo</b>									
1-3 day	6.75	6.75	6.75	6.00	6.00	6.00	6.00	6.00	6.00
<b>Reverse Repo</b>									
1-3 day	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75	4.75
<b>Bangladesh Banks Bills</b>									
07-Day	2.98	2.98	2.98	0.17	0.02	0.02	...	...	....
14-Day	2.98	2.98	2.98	0.17	...	0.02	...	...	....
30-Day	2.97	2.97	2.97	...	...	...	...	...	....
<b>Call Money Rate</b>	3.91	3.92	4.4	3.41	4.22	4.09	4.54	4.55	5.04
<b>Lending Rate</b>									
All Banks	9.45	9.35	9.7	9.95	9.54	9.49	9.50	9.58	9.56
SOBs	8.47	8.38	7.99	7.80	6.77	6.75	6.65	6.60	6.58
SPBs	8.69	8.72	8.85	8.91	8.96	7.56	7.54	7.68	7.58
PCBs	9.78	9.67	10.2	10.56	10.27	10.27	10.30	10.80	10.43
FCBs	7.99	8.19	8.66	9.12	9.08	8.90	8.92	9.37	8.61
<b>Deposits Rate</b>									
All Banks	4.90	4.91	5.3	5.50	5.27	5.26	5.35	5.43	5.65
SOBs	4.46	4.36	4.34	4.23	4.33	4.37	4.38	4.28	4.47
SPBs	5.95	5.90	5.55	5.67	5.67	5.77	5.70	5.70	5.76
PCBs	5.25	5.29	5.9	6.23	5.84	5.82	5.96	6.08	6.36
FCBs	1.66	1.67	1.92	2.05	2.26	2.30	2.23	2.46	2.39
<b>NSD Certificate</b>									
3 - year	11.04	11.04	11.04	11.04	11.04	11.04	11.04	11.04	11.04
5 - year	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76

Source: Monetary Policy Department and Statistics Department, Bangladesh Bank

... = No auction

**Table III.4: Outstanding Stocks of Bangladesh Bank Bills, Treasury Bills, Bonds and NSD Certificates**

(In billion Taka)

Instruments	Sep.17	Dec.17	Mar. 18	Jun. 18	Sep.18	Dec.18	Mar.19	Jun. 19	Sep.19
<b>Bangladesh Banks Bills</b>									
07-Day	109.7	92.7	125.5	80.5	4.5	0.0	0.0	0.0	0.0
14-Day	90.3	72.3	39.6	7.5	0	0.0	0.0	0.0	0.0
30-Day	12.1	11.0	20.4	0.0	0	0.0	0.0	0.0	0.0
<b>Sub Total</b>	<b>212.1</b>	<b>176.0</b>	<b>185.4</b>	<b>88.0</b>	<b>4.5</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>T - Bills</b>									
14 - day	0.0	0.0	0.0	0.0	0.0	30.0	0.0	20.0	0.0
91 - day	70.0	63.0	63.0	123.0	108.0	79.0	88.0	148	204.0
182 - day	89.0	57.0	57.0	71.0	98.0	63.0	54.0	112	189
364 - day	90.0	83.0	83.0	75.0	103.0	109.0	142.0	174	241
<b>Sub Total</b>	<b>249.0</b>	<b>203.0</b>	<b>203.0</b>	<b>269.0</b>	<b>309.0</b>	<b>251.0</b>	<b>284.0</b>	<b>454.0</b>	<b>634.0</b>
<b>BGTB</b>									
2 - year	88.0	88.0	92.5	100.5	115.0	130.0	120.0	145.0	177.0
5 - year	313.2	306.7	294.2	287.7	303.2	301.7	303.7	309.7	326.7
10 - year	506.5	512.5	507.5	518.5	519.5	527.6	530.6	557.6	579.1
15-year	213.7	221.7	224.7	238.7	244.7	258.7	266.7	282.7	298.7
20-year	186.9	192.9	195.9	208.9	214.9	228.9	236.9	252.9	268.9
<b>Sub Total</b>	<b>1,308.3</b>	<b>1,321.8</b>	<b>1,314.8</b>	<b>1,354.3</b>	<b>1,397.3</b>	<b>1,446.9</b>	<b>1,457.9</b>	<b>1,547.9</b>	<b>1,650.4</b>
NSD Certificate	2,039.3	2,150.6	2,279.5	2,377.7	2,511.8	2,627.6	2,775.0	2,877.1	2,924.0
<b>Total</b>	<b>3,808.7</b>	<b>3,851.4</b>	<b>3,982.7</b>	<b>4,089.0</b>	<b>4,222.6</b>	<b>4,325.5</b>	<b>4,516.9</b>	<b>4,879.0</b>	<b>5,208.4</b>

Sources: Monetary Policy Department, Bangladesh Bank; National Savings Directorates.

**Table IV.1 : Government Fiscal Operations**  
(In billion Taka)

	FY19 <sup>E</sup>					FY20	
	FY19 <sup>E</sup>	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Budget	Q <sub>1</sub>
<b>Revenue</b>	2,569	548	600	643	783	3778.1	567.9
a) NBR Tax revenue	2,239	462	518	555	704	3256	473.9
i) VAT	877	184	213	217	263	1230.67	199.1
ii) Customs duties	243	59	57	61	65	365.52	58.9
iii) Income tax	718	132	149	174	263	1139.12	148.9
iv) Others	401	87	98	102	114	520.69	67.0
b) Non- NBR tax revenue	67	17	13	23	20	145	18.4
c) Non- tax revenue	263	69	69	66	59	377.1	75.6
<b>Expenditure</b>	3,705	737	903	853	1,217	5231.9	944.5
a) Current	1,771	520	482	450	325	2779.34	695.8
b) ADP	1,667	149	347	338	833	2027.21	173.4
c) Others	267	68	73	66	60	425.35	75.3
<b>Budget Deficit</b>	-1,136	-189	-303	-210	-435	-1453.8	-376.7
<b>Financing</b>	1,136	189	303	210	435	1453.8	376.7
a) Domestic financing	715	142	158	101	315	773.64	327.0
i) Bank financing	171	5	27	-56	195	473.64	271.1
ii) Non-bank financing	545	137	132	156	120	300	55.8
b) Foreign financing*	421	47	145	109	120	680.16	49.7
In Percentage of GDP							
<b>Revenue</b>	10.1	2.2	2.4	2.5	3.1	13.1	2.0
a) NBR Tax revenue	8.8	1.8	2.0	2.2	2.8	11.3	1.6
i) VAT	3.5	0.7	0.8	0.9	1.0	4.3	0.7
ii) Customs duties	1.0	0.2	0.2	0.2	0.3	1.3	0.2
iii) Income tax	2.8	0.5	0.6	0.7	1.0	3.9	0.5
iv) Others	1.6	0.3	0.4	0.4	0.4	1.8	0.2
b) Non-NBR tax revenue	0.3	0.1	0.1	0.1	0.1	0.5	0.1
c) Non tax revenue	1.0	0.3	0.3	0.3	0.2	1.3	0.3
<b>Expenditure</b>	14.6	2.9	3.6	3.4	4.8	18.1	3.3
a) Current	7.0	2.1	1.9	1.8	1.3	9.6	2.4
b) ADP	6.6	0.6	1.4	1.3	3.3	7.0	0.6
c) Others	1.1	0.3	0.3	0.3	0.2	1.5	0.3
<b>Budget Deficit</b>	-4.5	-0.7	-1.2	-0.8	-1.7	-5.0	-1.3
<b>Financing</b>	4.5	0.7	1.2	0.8	1.7	5.0	1.3
a) Domestic financing	2.8	0.6	0.6	0.4	1.2	2.7	1.1
i) Bank financing	0.7	0.0	0.1	-0.2	0.8	1.6	0.9
ii) Non-bank financing	2.1	0.5	0.5	0.6	0.5	1.0	0.2
b) Foreign financing	1.7	0.2	0.6	0.4	0.5	2.4	0.2
<b>Memorandum item</b>							
<b>GDP at current market price</b>	<b>25,362</b>	<b>25361.8</b>	<b>25361.8</b>	<b>25361.8</b>	<b>25361.8</b>	<b>28858.7</b>	<b>28858.7</b>

Sources: Budget Summary , Ministry of Finance; NBR; Bangladesh Bank; BBS

\* = include grants, E=Estimates, R=Revised

**Table V.1: Balance of Payments**  
(In million USD)

	FY19 <sup>P</sup>					FY20
	FY19 <sup>P</sup>	Q <sub>1</sub> <sup>R</sup>	Q <sub>2</sub> <sup>R</sup>	Q <sub>3</sub> <sup>R</sup>	Q <sub>4</sub> <sup>P</sup>	Q <sub>1</sub> <sup>P</sup>
<b>Current Account Balance</b>	<b>-5,254</b>	<b>-1,316</b>	<b>-2,078</b>	<b>-948</b>	<b>-1,008</b>	<b>-765</b>
Trade balance	-	-3,852	-3,808	-4,267	-3,567	-3,768
	15,494					
Export f.o.b.	39,945	9,747	10,416	10,277	9,505	9,484
Import f.o.b.	55,439	13,599	14,224	14,544	13,072	13,252
Services	-3,715	-761	-920	-1,097	-1,024	-901
Credit	6,786	1,597	1,784	1,692	1,716	1,515
Debit	10,501	2,358	2,704	2,789	2,740	2,416
Primary Income	-2,930	-647	-1,137	-52	-1,104	-717
Credit	178	35	36	62	42	53
Debit	3,108	682	1,173	114	1,146	770
Secondary Income	16,885	3,944	3,787	4,468	4,687	4,621
Official Transfers	23	10	7	4	3	2
Private Transfers	16,862	3,934	3,780	4,464	4,684	4,619
Of which : workers' remittances	16,196	3,869	3,576	4,318	4,495	4,519
<b>Capital &amp; Financial Account</b>	<b>5,861</b>	<b>1,367</b>	<b>2,235</b>	<b>1,471</b>	<b>1,367</b>	<b>407</b>
Capital account	233	58	90	54	45	28
Capital transfers	233	58	90	54	45	28
Financial account	5,628	1,309	2,145	1,417	1,322	379
Foreign direct investment (Gross Inflows)	4,501	1,032	812	1,365	1,604	1,105
Of which: FDI net inflow*	2,540	599	580	429	1,201	642
Portfolio investment	172	29	43	75	25	36
Of which : workers' remittances	224	62	50	56	56	62
Other investment	2,916	681	1,522	913	96	-299
Medium and long-term (MLT) loans	5,954	928	1,807	1,579	1,640	901
MLT amortization payments	1,202	330	263	253	356	343
Other long term loans	666	284	682	278	-240	125
Other short term loans	209	638	480	58	-809	55
Trade credit	-2,903	-483	-998	-1,039	-583	-550
DMBs and NBDCs	192	-356	-186	290	444	-487
Assets	366	250	295	4	-183	224
Liabilities	558	-106	109	294	261	-263
Net Errors & Omissions	-595	-209	-512	-336	-21	154
<b>Overall Balance</b>	<b>12</b>	<b>-158</b>	<b>-355</b>	<b>187</b>	<b>338</b>	<b>-204</b>
<b>Reserve Assets</b>	<b>-12</b>	<b>158</b>	<b>355</b>	<b>-187</b>	<b>-338</b>	<b>204</b>
Bangladesh Bank	-12	158	355	-187	-338	204
Assets	-322	-896	221	-376	729	-760
Liabilities	-334	-738	576	-563	391	-556
<b>Memorandum Items</b>						
Gross official reserves	32,550	31,958	32,016	31,753	32,550	31,832
In months of imports of goods & services	5.9	6.0	5.7	5.5	6.2	6.1
In months of prospective imports	5.5	5.6	5.2	5.1	5.7	5.7
Export growth (in percent) <sup>1</sup>	10.1	14.0	14.0	8.5	4.1	-2.7
Import growth (in percent) <sup>1</sup>	1.8	11.5	0.8	4.0	-7.7	-2.6
Remittances growth (in percent) <sup>1</sup>	9.6	14.1	2.4	14.2	7.8	16.5

Source: Statistics Department, Bangladesh Bank.

R=Revised, P=Provisional.

1/ Quarterly growth rate refers growth over the same quarter of the previous year.

**Table V.2: Trends in the Commodity Composition of Exports**  
(In million USD)

Items	FY19				FY20	
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
1. Raw jute	112	33	33	30	17	33
2. Jute goods	704	184	171	177	171	188
3. Tea	3	1	1	1	1	1
4. Leather	165	41	56	37	30	31
5. Frozen shrimps and fish	425	125	133	92	75	111
6. Woven garments	17,245	3,985	4,447	4,718	4,094	3,887
7. Knitwear products	16,889	4,207	4,446	4,148	4,088	4,170
8. Fertilizer	0	0	0	0	0	0
9. Terry towels	51	13	17	12	8	11
10. Others	4,942	1,352	1,254	1,188	1,148	1,217
Total exports	40,535	9,941	10,559	10,403	9,632	9,648
Of which: exports from EPZ	6,030	1,445	1,515	1,523	1,546	1,427
Total exports (adjusted)	39,945	9,747	10,416	10,276	9,505	9,484

Source: Export Promotion Bureau, Bangladesh.

**Table V.3: Major Destination-wise RMG Related Exports**  
(In million USD)

	FY19					FY20
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Exports of RMG</b>	<b>34,133</b>	<b>8,192</b>	<b>8,893</b>	<b>8,867</b>	<b>8,182</b>	<b>8,058</b>
European Countries	22,008	5,284	5,677	5,780	5,267	5,097
USA	6,134	1,484	1,608	1,506	1,535	1,491
Other Countries	5,991	1,423	1,608	1,580	1,380	1,470
<b>Woven Garments</b>	<b>17,245</b>	<b>3,985</b>	<b>4,447</b>	<b>4,718</b>	<b>4,094</b>	<b>3,887</b>
European Countries	9,566	2,171	2,384	2,766	2,245	2,061
USA	4,619	1,097	1,217	1,162	1,143	1,085
Other Countries	3,060	717	847	790	705	742
<b>Knitwear Products</b>	<b>16,889</b>	<b>4,207</b>	<b>4,446</b>	<b>4,148</b>	<b>4,088</b>	<b>4,170</b>
European Countries	12,442	3,113	3,293	3,014	3,022	3,037
USA	1,515	387	392	344	392	406
Other Countries	2,931	706	761	790	674	728
Growth in percent						
<b>Exports of RMG</b>	<b>11.5</b>	<b>14.7</b>	<b>16.6</b>	<b>10.0</b>	<b>5.2</b>	<b>-1.6</b>
European Countries	9.9	11.2	9.0	7.2	12.9	-3.5
USA	14.6	13.6	24.3	13.3	7.9	0.5
Other Countries	14.2	31.3	42.5	18.0	-18.5	3.3
<b>Woven Garments</b>	<b>11.8</b>	<b>17.3</b>	<b>17.6</b>	<b>8.8</b>	<b>4.6</b>	<b>-2.4</b>
European Countries	8.1	11.6	5.9	5.5	10.5	-5.1
USA	16.1	16.8	28.9	12.5	7.6	-1.1
Other Countries	17.7	39.6	44.7	16.0	-13.8	3.4
<b>Knitwear Products</b>	<b>11.2</b>	<b>12.3</b>	<b>15.5</b>	<b>11.3</b>	<b>5.7</b>	<b>-0.9</b>
European Countries	11.4	10.8	11.4	8.7	14.8	-2.5
USA	10.2	5.3	11.9	16.0	8.7	4.8
Other Countries	10.8	23.8	40.2	20.1	-23.0	3.1

Source: Compiled by Statistics Department of Bangladesh Bank using the data of EPB

**Table V.4: Export Performance for July-September 2019-20**

(In million USD)

	Export target for 2019-20	Strategic Target for July-September 2019-20	Export Performance for July-September 2019-20	Export Performance for July-September 2018-19	% Change of export performance over Export target	% Change of export performance July-September 2019-20 Over July-September 2018-19
<b>All Products (A+B)</b>	<b>45,500</b>	<b>10,847</b>	<b>9,648</b>	<b>9,941</b>	-11	-3
<b>A. Primary Commodities:</b>	<b>1,640</b>	<b>391</b>	<b>388</b>	<b>430</b>	-1	-10
Frozen Food	520	124	125	138	1	-9
Agricultural Products	1,120	267	263	292	-2	-10
<b>B. Manufactured Commodities:</b>	<b>43,860</b>	<b>10,456</b>	<b>9,260</b>	<b>9,511</b>	-11	-3
Cement salt stone etc.	11	3	2	3	-5	-25
Ores, Slag and Ash	10	2	4	1	66	184
Petroleum bi Products	300	72	7	130	-90	-94
Chemical products	282	67	54	43	-20	26
Plastic, Melamine Products	150	36	32	27	-12	18
Rubber	30	7	7	5	-3	44
Leather & Leather products (including leather footwear)	1,093	261	254	268	-2	-5
Wood and Wood Products	4	1	0	1	-50	-33
Handicrafts	25	6	5	5	-11	7
Pulp	0	0	0	0	0	0
Paper and Paper Products	90	21	26	21	20	21
Printed Materials	1	0	0	0	-63	-44
Silk	0	0	0	0	400	0
Wool and woolen Products	1	0	0	0	-94	0
Cotton and Cotton Products	190	45	36	37	-20	-1
Jute and Jute Goods	824	196	221	217	12	2
Man Made Filaments and Staple Fibers	150	36	28	30	-22	-7
Carpet	22	5	6	6	10	5
Specialized Textiles	186	44	33	33	-25	1
Knitwear	18,850	4,494	4,170	4,207	-7	-1
Woven Garments	19,350	4,613	3,887	3,985	-16	-2
Home Textile	891	212	179	203	-16	-12
Other Footwear (excluding leather footwear)	320	76	82	67	8	23
Headgear/Cap	250	60	51	49	-14	5
Umbrella Waking Sticks	0	0	0	0	0	0
Wigs and Human Hair	38	9	6	6	-30	8
Building Materials	2	0	1	0	44	107
Ceramic Products	90	21	10	40	-55	-76
Glass and Glass ware	2	0	1	0	46	233
Engineering Products	369	88	93	75	6	23
Ships, boats & floating structures	5	1	0	0	-89	8
Other Manufactured Products	325	77	63	54	-18	18

Source: Export Promotion Bureau, Bangladesh.



**Table V.5 : Trends in the Commodity Composition of Imports**  
(In million USD )

Items	FY19				FY20	
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
<b>A. Food Grains</b>	<b>1,552</b>	<b>344</b>	<b>370</b>	<b>480</b>	<b>357</b>	<b>286</b>
1. Rice	115	43	27	32	13	3
2. Wheat	1,437	301	343	448	344	283
<b>B. Other Food Items</b>	<b>3,516</b>	<b>807</b>	<b>810</b>	<b>1,036</b>	<b>863</b>	<b>740</b>
3. Milk & cream	361	85	63	113	101	78
4. Spices	327	96	58	83	91	92
5. Edible oil	1,656	401	467	449	340	328
6. Pulses (all sorts)	470	69	74	155	172	116
7. Sugar	703	157	149	237	160	125
<b>C. Consumer &amp; Intermediate Goods</b>	<b>33,608</b>	<b>8,356</b>	<b>8,813</b>	<b>8,432</b>	<b>8,007</b>	<b>8,300</b>
8. Clinker	993	189	263	307	235	206
9. Crude petroleum	416	87	117	110	101	216
10. POL	4,562	1,146	1,098	1,103	1,215	1,160
11. Oil seeds	796	186	111	242	258	212
12. Chemicals	2,472	631	627	616	598	660
13. Pharmaceutical products	246	60	58	67	61	78
14. Fertilizer	1,301	308	604	302	87	349
15. Dyeing and tanning materials	779	206	192	184	197	189
16. Plastics and rubber articles thereof	2,757	708	709	647	694	722
17. Raw cotton	3,082	870	791	778	643	777
18. Yarn	2,445	658	590	625	572	460
19. Textile and articles thereof	7,284	1,741	1,987	1,759	1,798	1,569
20. Staple fibre	1,228	297	338	310	283	283
21. Iron, steel & other base metals	5,246	1,270	1,327	1,384	1,265	1,421
<b>D. Capital Goods &amp; Others</b>	<b>14,602</b>	<b>3,668</b>	<b>3,609</b>	<b>3,890</b>	<b>3,435</b>	<b>3,429</b>
22. Capital machinery	5,413	1,384	1,379	1,580	1,070	1,116
23. Others Capital goods	9,189	2,284	2,230	2,310	2,365	2,313
<b>E. Others n.i.e</b>	<b>6,637</b>	<b>1,523</b>	<b>1,770</b>	<b>1,879</b>	<b>1,464</b>	<b>1,570</b>
<b>Grand Total c.i.f.(A+B+C+D+E)</b>	<b>59,915</b>	<b>14,698</b>	<b>15,373</b>	<b>15,718</b>	<b>14,126</b>	<b>14,324</b>
Of which Import by EPZ	4,032	993	1,037	1,060	942	885
<b>Grand Total f.o.b.(adjusted)</b>	<b>55,439</b>	<b>13,599</b>	<b>14,224</b>	<b>14,544</b>	<b>13,072</b>	<b>13,252</b>

Source : Compiled by Statistics Department of Bangladesh Bank using the data of National Board of Revenue (NBR)

**Table V.6 Sector wise comparative statement of the Opening and Settlement of Import LCs**  
(In million USD)

	FY19								FY20	
	Q <sub>1</sub>		Q <sub>2</sub>		Q <sub>3</sub>		Q <sub>4</sub>		Q <sub>1</sub> *	
	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement
Consumer goods	1,392	1,237	1,436	1,433	1,742	1,523	1,417	1,828	1,041	1,113
Industrial raw materials	5,002	4,697	5,034	4,902	4,915	5,133	4,565	4,332	2,738	2,908
Intermediate goods	1,451	1,091	2,158	1,762	1,514	1,305	1,268	1,373	756	822
Petroleum and petroleum products	1,277	1,068	798	959	733	783	1,354	928	694	347
Capital machinery	1,216	1,243	1,170	1,163	1,367	1,206	920	1,058	700	689
Machinery for misc. industries	1,884	1,327	1,428	1,369	1,798	1,435	1,482	1,508	1,242	831
Others	2,534	2,170	2,541	2,899	2,876	2,513	2,482	2,395	1,855	1,757
<b>Total</b>	<b>14,755</b>	<b>12,832</b>	<b>14,566</b>	<b>14,488</b>	<b>14,945</b>	<b>13,899</b>	<b>13,488</b>	<b>13,423</b>	<b>9,026</b>	<b>8,467</b>
<i>of which back to back</i>	2,332	2,130	2,066	2,009	2,040	1,994	1,758	1,856	1,334	1,316
	Growth in percent									
Consumer goods	-51.4	-28.2	-24.7	-32.1	-12.7	-30.3	38.4	46.8	-25.2	-10.0
Industrial raw materials	13.5	11.4	3.3	9.7	-3.8	8.2	21.0	27.8	-45.3	-38.1
Intermediate goods	29.9	21.3	86.9	73.5	4.7	22.3	64.8	56.9	-47.9	-24.6
Petroleum and petroleum products	24.7	78.6	36.0	20.8	-29.7	-7.7	66.0	27.5	-45.7	-67.5
Capital machinery	-8.0	-3.4	-40.7	-6.6	-27.8	-17.2	-8.3	29.1	-42.4	-44.6
Machinery for misc. industries	7.6	8.8	-9.2	9.4	40.7	10.8	63.1	80.3	-34.1	-37.4
Others	14.0	14.9	-81.1	48.8	14.7	16.9	54.7	61.4	-26.8	-19.0
<b>Total</b>	<b>0.3</b>	<b>8.5</b>	<b>-42.9</b>	<b>12.9</b>	<b>-4.9</b>	<b>1.1</b>	<b>42.8</b>	<b>43.1</b>	<b>-38.8</b>	<b>-34.0</b>
<i>of which back to back</i>	15.4	13.9	-2.0	8.8	-11.9	-3.0	20.8	37.6	-42.8	-38.2

Source: Foreign Exchange Operation Department, Bangladesh Bank.

\*= Up to August

**Table V.7: Country-wise Workers' Remittances**  
(In million USD)

Countries	FY19 <sup>P</sup>					FY20
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub> <sup>P</sup>	Q <sub>4</sub>	Q <sub>1</sub>
<b>Gulf Region</b>	<b>9,674</b>	<b>2,287</b>	<b>2,119</b>	<b>2,579</b>	<b>2,690</b>	<b>2,670</b>
1. Saudi Arabia	3,110	727	696	818	869	947
2. UAE	2,540	607	544	714	675	624
3. Qatar	1,024	251	229	254	290	285
4. Oman	1,066	262	220	277	308	319
5. Kuwait	1,463	317	317	402	427	378
6. Bahrain	470	123	112	114	121	117
<b>Euro Region</b>	<b>1,236</b>	<b>266</b>	<b>263</b>	<b>364</b>	<b>344</b>	<b>352</b>
7. UK	1,176	255	249	345	327	338
8. Germany	61	11	14	18	17	14
<b>Asia Pacific Region</b>	<b>1,615</b>	<b>392</b>	<b>356</b>	<b>418</b>	<b>449</b>	<b>440</b>
9. Singapore	368	89	76	95	108	108
10. Japan	50	9	10	18	12	14
11. Malaysia	1,198	294	270	305	328	319
<b>Rest of the World</b>	<b>3,894</b>	<b>925</b>	<b>888</b>	<b>1,013</b>	<b>1,068</b>	<b>1,057</b>
12. USA	1,843	446	419	468	510	490
13. Others n.i.e.	2,051	478	469	545	558	567
<b>Total</b>	<b>16,420</b>	<b>3,869</b>	<b>3,627</b>	<b>4,374</b>	<b>4,551</b>	<b>4,519</b>

Source: Statistics Department, Bangladesh Bank.  
P= Provisional.

**Table V.8 Exchange Rate Movements (Taka per Currencies)**

Period	US Dollar		U.K. Pound Sterling		EURO		Japanese Yen	
	Period Average	End Period	Period Average	End Period	Period Average	End Period	Period Average	End Period
2017-18	82.10	83.73	110.61	109.50	97.99	96.86	0.74	0.76
July	80.63	80.66	104.80	105.95	92.83	94.79	0.72	0.73
August	80.69	80.70	104.69	104.31	95.37	95.90	0.73	0.73
September	80.74	80.80	107.21	108.17	96.14	94.90	0.73	0.72
October	80.82	80.86	106.82	106.82	95.10	94.21	0.72	0.71
November	81.26	82.30	107.45	110.35	95.33	97.50	0.72	0.74
December	82.55	82.70	110.59	111.76	97.69	99.22	0.73	0.73
January	82.82	82.90	114.21	117.27	100.81	102.81	0.75	0.76
February	82.92	82.96	115.89	115.39	102.40	101.48	0.77	0.77
March	82.96	82.96	115.87	116.79	102.32	102.11	0.78	0.78
April	82.97	82.98	116.81	114.35	101.97	100.65	0.77	0.76
May	83.38	83.70	112.28	111.25	98.51	97.62	0.76	0.77
June	83.70	83.73	111.30	109.50	97.79	96.86	0.76	0.76
2018-19								
July	83.75	83.75	110.40	109.99	97.90	98.04	0.75	0.75
August	83.75	83.75	107.86	109.10	96.74	98.05	0.75	0.75
September	83.75	83.75	109.22	109.13	97.58	97.23	0.75	0.74
October	83.82	83.85	109.23	106.54	96.33	95.12	0.74	0.74
November	83.87	83.90	108.22	107.35	95.34	95.59	0.74	0.74
December	83.90	83.90	106.36	106.61	95.33	95.96	0.75	0.76
January	83.94	83.95	108.17	110.11	95.89	96.36	0.77	0.77
February	84.04	84.15	109.26	111.51	95.43	95.83	0.76	0.76
March	84.21	84.25	111.12	109.80	95.27	94.51	0.76	0.76
April	84.33	84.45	109.91	109.26	94.77	94.47	0.76	0.76
May	84.49	84.50	108.67	106.70	94.52	94.06	0.77	0.77
June	84.50	84.50	107.05	107.27	95.3	96.08	0.78	0.78
2019-20								
July	84.50	84.50	105.49	102.68	94.82	94.26	0.78	0.78
August	84.50	84.50	102.76	103.18	94.03	93.6	0.79	0.80
September	84.50	84.50	104.3	103.84	93.03	92.43	0.79	0.78

Source: Statistics Department, Bangladesh Bank.

**Table V.9 Trends in Foreign Aid**  
(In million USD)

	FY19 <sup>P</sup>					FY20
	FY19 <sup>P</sup>	Q <sub>1</sub> <sup>R</sup>	Q <sub>2</sub> <sup>P</sup>	Q <sub>3</sub> <sup>P</sup>	Q <sub>4</sub> <sup>P</sup>	Q <sub>1</sub> <sup>P</sup>
a. Grants (i+ii)	256	69	97	58	48	31
i) Food Aid	6	6	0	0	0	0
ii) Project Aid	250	63	97	58	48	31
b. Loans (MLT)	5,954	928	1,807	1,579	1,640	900
A. Total (a+b)	6,210	997	1,903	1,637	1,689	931
B. Amortization(1+2)	1,565	443	348	464	353	495
1) Principal	1,178	330	279	330	279	352
2) Interest	387	114	70	135	74	144
C. Net Foreign Financing (A-1)	<b>5,032</b>	<b>667</b>	<b>1,625</b>	<b>1,307</b>	<b>1,410</b>	<b>579</b>

Source: ERD; MOF; Statistics Department, Bangladesh Bank  
R=Revised, P= Provisional.

**Table VI.1 : Gross NPL Ratios by Type of Banks**  
(In percent)

Type of Banks	2018				2019		
	Mar.	Jun.	Sep.	Dec.	Mar.	Jun	Sep
State Owned Commercial Banks	29.84	28.24	31.23	29.96	32.20	31.58	31.50
Specialized Banks	23.39	21.68	21.68	19.46	19.46	17.82	17.81
Private Commercial Banks	6.00	6.01	6.65	5.54	7.08	7.13	7.43
Foreign Commercial Banks	7.01	6.66	7.09	6.47	6.20	5.48	6.01
<b>All Banks</b>	<b>10.78</b>	<b>10.41</b>	<b>11.45</b>	<b>10.30</b>	<b>11.87</b>	<b>11.69</b>	<b>11.99</b>

Source: Banking Regulation and Policy Department, Bangladesh Bank.

**Table VI.2 : Net NPL Ratios by Type of Banks**  
(In percent)

Type of Banks	2018				2019		
	Mar.	Jun.	Sep.	Dec.	Mar.	Jun	Sep
State Owned Commercial Banks	14.38	11.69	14.29	11.30	11.16	8.67	15.18
Specialized Banks	9.06	7.39	7.39	5.72	5.72	4.57	4.58
Private Commercial Banks	0.99	0.79	1.13	0.36	1.50	1.45	1.45
Foreign Commercial Banks	0.82	0.84	1.10	0.68	0.62	0.12	0.22
<b>All Banks</b>	<b>3.31</b>	<b>2.66</b>	<b>3.33</b>	<b>2.18</b>	<b>3.02</b>	<b>2.53</b>	<b>3.66</b>

Source: Banking Regulation and Policy Department, Bangladesh Bank.

**Table VI.3: Capital to Risk Weighted Asset Ratios by Types of Banks**

(In percent)

Type of Banks	2018				2019	
	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.
State Owned Commercial Banks	2.9	2.0	6.1	1.9	6.9	8.5
Specialized banks	-33.7	-31.9	-14.0	-31.7	-31.7	-31.2
Private Commercial Banks	12.1	12.2	12.2	12.8	12.7	12.7
Foreign Commercial Banks	24.6	23.0	26.7	26.0	28.0	28.7
<b>All Banks</b>	<b>10.1</b>	<b>10.0</b>	<b>10.9</b>	<b>10.5</b>	<b>11.4</b>	<b>11.7</b>

Source: Department of Off- site supervision, Bangladesh Bank.

**Table VI.4 : Profitability Ratios by Type of Banks**

(In percent)

Type of Banks	Return on Asset (ROA)			Return on Equity (ROE)		
	2017	2018	2019*	2017	2018	2019*
State Owned Commercial Banks	0.2	-1.3	-0.8	3.5	-29.6	-16.6
Specialized Banks	-3.5	-2.8	-2.7	-17.2	-13.5	-14.2
Private Commercial Banks	0.9	0.8	0.7	12.0	11.0	9.5
Foreign Commercial Banks	2.2	2.2	2.6	11.3	12.4	13.4
<b>All Banks</b>	<b>0.7</b>	<b>0.3</b>	<b>0.3</b>	<b>9.6</b>	<b>3.9</b>	<b>4.7</b>

Source: Department of Off- site supervision, Bangladesh Bank.

\*Annualized data based on June

**Table VII.1 : Indicators of Capital Market Developments**

	FY19					FY20
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
Number of listed securities	363	354	357	360	363	365
Issued equity and debt (billion Taka)	720	680	694	699	720	731
Market capitalization (billion Taka)	3,437	3,299	3,321	3,565	3,437	3,175
Turnover (billion Taka)	1460	450	331	455	223	248
DSE broad index	5,422	5,369	5,386	5,492	5,422	4,948
DSE -30 index	1,929	1,890	1,881	1,967	1,929	1,760
Growth in percent						
Number of listed securities	3.4	3.2	2.6	3.2	3.4	3.1
Issued equity and debt	7.3	8.0	7.5	7.7	7.3	7.5
Market capitalization	5.3	-6.2	-9.5	5.9	5.3	-3.8
Turnover	-86.0	-25.6	-23.6	86.1	-27.4	-44.8
DSE broad index	0.3	-11.9	-13.8	-1.9	0.3	-7.8
DSE -30 index	-1.6	-13.2	-17.6	-6.6	-1.6	-6.9

Source: Dhaka Stock Exchange

**Table VII.2 Group-wise Market Capitalization of Dhaka Stock Exchange**

(In billion Taka )

Name of Group	FY19					FY20
	FY19	Q <sub>1</sub>	Q <sub>2</sub>	Q <sub>3</sub>	Q <sub>4</sub>	Q <sub>1</sub>
Banks	593.0	561.6	583.1	596.6	593.0	564.4
Financial Institutions	181.8	193.3	191.5	189.9	181.8	157.1
Mutual Funds	35.6	34.9	34.5	34.9	35.6	33.1
Engineering	202.6	201.4	190.7	190.3	202.6	180.5
Food & Allied Product	314.4	262.3	276.7	340.1	314.4	266.2
Fuel and Power	480.0	450.6	432.2	500.1	480.0	424.7
Jute Industry	4.0	1.5	4.7	4.4	4.0	3.4
Textile Industry	140.1	129.7	141.7	133.5	140.1	107.1
Pharmaceuticals and Chemicals	528.3	489.9	508.8	530.7	528.3	520.5
Paper and Printing	14.5	22.3	17.4	14.5	14.5	11.3
Services and Real Estate	17.8	19.2	18.0	18.1	17.8	15.3
Cement Industry	90.5	114.4	102.0	100.9	90.5	78.6
Insurance	109.2	100.8	103.1	10.1	109.2	112.9
Telecommunication	514.2	513.0	511.4	578.4	514.2	496.0
Miscellaneous	207.3	200.8	202.4	318.6	207.3	200.6
Corporate Bond	2.9	2.8	2.8	2.9	2.9	2.8
<b>Total Market Capitalization</b>	<b>3,436.2</b>	<b>3,299</b>	<b>3,320.8</b>	<b>3,564.1</b>	<b>3,436.2</b>	<b>3,174.5</b>

Source: Dhaka Stock Exchange.

# **ANNEXUR**



### Major Policy Announcements: July-September, 2019

<p>DMD Circular No. 03 July 01, 2019 To follow the Sanchoypatra rules 1977 properly for purchasing Sanchoy scheme by institutional fund</p>	<p>All the scheduled banks are asked to follow the “Sanchoypatra rules, 1977” properly while institutional funds are used to purchase sanchoy scheme through National Savings Scheme Online Management System.</p>
<p>FEPD Circular No. 28 July 11, 2019 Limit of Export Development Fund (EDF) to leather goods and footwear industrial sectors.</p>	<p>Authorized Dealer (Ads) have been allowed to borrow funds from EDF against their loans to manufacturer-exporters of leather goods and footwear industrial sectors for input procurements up to maximum single borrower limit of USD 20.00 million.</p>
<p>BRPD Circular No. 06 July 22, 2019 Monitoring of classified loan accounts amounting BDT 100 crore &amp; above by scheduled banks</p>	<p>All scheduled banks shall form a “Special Monitoring Cell” headed by concerned Deputy Managing Director to monitor Classified Loan Accounts of equal to or more than Tk 100 crore.</p>
<p>FEPD Circular No. 30 July 25, 2019 Release of foreign exchange for private travel abroad, revision of Private Title Entitlement.</p>	<p>Private travel entitlement has been enhanced to USD 12,000 or equivalent per adult passenger during a calendar year from USD 5,000 and USD 7,000 for travel to SAARC member countries and Myanmar, and for travel to other countries respectively. In accordance with the decision, global limit of travel entitlement for an adult passenger shall stand at USD 12,000 during a calendar year without limiting to regions or countries of travel. For minors (below 12 years in age) the applicable quota, as before, will be half the amount admissible for adults. As usual, release of foreign exchange in the form of USD notes shall not exceed USD 5,000 per person within the entitlement.</p>
<p>DFIM Circular Letter No. 12 August 05, 2019 Re-fixing the maximum limit of borrowing fund from the Call Money Market</p>	<p>Financial institutions have been allowed to borrow maximum 40 percent of their equity value from the call money market.</p>
<p>FEPD Circular No. 31 August 06, 2019 Guidelines regarding cash incentive to wage earners’ remittance</p>	<p>For any inward remittance from abroad, remittance collecting bank shall provide 2 (Two) percent cash incentive on the remitted amount converted into Taka by fulfilling proper regulation to the beneficiary or to be transferred to beneficiary’s bank account. But the repatriation of the remittance must take place through legal channel like-foreign exchange houses or banks which have agreement with Bangladesh Bank. An expatriate shall not require submitting any document to remit maximum \$1500 each time to avail the incentive. To get the incentive against receipt of more than \$1,500 or equivalent foreign currency, the beneficiaries shall have to submit legal documents like- copy of the remitter’s passport, appointment letter from the foreign employer or certification of BMET and copy of business license for businessperson to the remittance offering bank. If proven to have availed incentive violating the rules, the beneficiary shall not get this benefit in future and that money is refundable. Bangladesh Bank shall transfer three-month fund allocation conceived to be offered as cash incentive to the corresponding bank from the government allocation as Impress Advance, and adding 10% growth</p>

	<p>with the previous quarter for each subsequent quarter, based on the average monthly repatriation of remittance through the banks in the preceding year. If the allocated Impress fund exhausts in three months, scheduled banks shall continue giving the incentive from their own fund and shall adjust the amount later from the government's allocation. Punitive measures shall be taken against the officials concerned for any delay or harassment in providing incentive. To facilitate the purpose, remittance collecting bank shall maintain a separate Taka account. If the bank of beneficiary's account and remittance collecting bank are not homogenous, remittance collecting bank shall deposit 2 (Two) percent cash incentive to the beneficiary account through BEFTN, RTGS, NPSB or MFS.</p>
<p>FEPD Circular Letter No. 19 August 07, 2019 Discounting of direct and deemed export bills in foreign exchange.</p>	<p>Offshore banking operations have been allowed to discount/purchase accepted usance/deferred export bills against direct and deemed exports of products produced in Bangladesh</p>
<p>DOS Circular Letter No. 26 August 19, 2019 Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR)</p>	<p>Banks having Offshore Banking Operation (OBO) shall be required to maintain Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) for the liabilities arising from the operation. Banks have been allowed to maintain CRR and SLR only for the OBOs using both local and foreign currencies. In this regard, banks have been permitted to maintain entire CRR for both DBO and OBO in Bangladeshi Taka (BDT). If desired, they are also allowed to use, partly or fully for the whole bi-week, available credit balance from FC Clearing Account (equivalent to BDT at the rate published by BB) maintained with Bangladesh Bank (BB) to meet the daily minimum required cash reserve stemming from OBO only. In this case, to meet the average CRR for bi-week, the rest amount of cash reserve shall have to be met with BDT. The foreign currency to be used shall have to be unencumbered in every aspect. In maintaining SLR, along with the existing components for both DBO and OBO, banks are additionally allowed to use the credit balance of Nostro Accounts (equivalent to BDT at the rate published by BB; the recognized currencies are USD, GBP, EURO, YEN, CAD and CNY) maintained with correspondence banks to fulfill the SLR requirement stemming from OBO only. Moreover, banks are also allowed to use foreign currency (equivalent to BDT at the rate published by BB) from Foreign Currency Clearing Account maintained with BB for CRR (only to fulfill the requirement against OBO) and SLR purpose as long as there is credit balance in the account. However, no interest will be paid on the used portion of foreign currency.</p>
<p>BRPD Circular Letter No. 18 August 20, 2019 Avoidance of high expense for luxurious vehicles, decoration and other matters</p>	<p>Total amount (book value) of assumed immovable/permanent assets of banks shall not exceed 30 percent of their paid-up capital value. All scheduled banks have been asked not to purchase sedan cars with more than Tk 50 lakh and sport utility vehicle with more than Tk 1 crore. However, for the transportation of remittances th banks are allowed to purchase vehicles similar to those used by security agencies . No director except the chairman of a bank is allowed to use cars purchased with the funds of a bank company. The cars allocated for the chief executive and the chairmen for personal use must not be replaced before five years of use. In case of renting new space or relocating branches, banks are asked</p>

	<p>to limit it within 6,000 square feet in the urban areas and 3,000 square feet in the rural areas. Banks must keep per square feet expenses within Tk 1,850 per square feet for new branch' s interior decoration and Tk 1,250 per square feet for the relocation of a branch. Besides, banks are also instructed to avoid holding board meetings and other committee meetings outside Dhaka as much as possible. In case of holding such meetings, banks are directed to inform the Banking Regulations and Policy Department (BRPD), Bangladesh Bank 10 days prior to holding such meeting with details of the participants. The BB also asked banks to refrain from making excessive expenses in the name of business development, branding and advertisement.</p>
<p>FEPD Circular No. 32 August 22, 2019 Working capital loans from abroad by foreign owned/controlled companies</p>	<p>Foreign owned/controlled industrial enterprises engaged in manufacturing activities have been allowed to pay interest on short term working capital loans extended by parent companies/shareholders abroad in their home currency subject to the observance of the following instructions:</p> <ol style="list-style-type: none"> <li>a) Interest on Taka proceeds of short term loans shall be payable in Taka at prevailing 3-months interest rate for Taka term deposit applicable by AD on the date of encashment of loan received from parent companies/shareholders.</li> <li>b) Repayment of principal and accrued interest on the maturity shall be repatriable after conversion of payable Taka into currency of source country at prevailing exchange rate.</li> <li>c) Repayment of principal and accrued interest on the maturity is subject to deduction of applicable taxes/duties and payment thereof.</li> </ol> <p>Short term interest bearing loan facility from parent companies/shareholders abroad under the above authorization shall be admissible for maximum 3 years from the date of inception of manufacturing activities by the borrowing industrial enterprises. The short term loan so availed may be renewed/extended for further periods within the applicable period of 3 years.</p>
<p>DCM Circular No. 06 September 09, 2019 Regarding seal, signature, dates &amp; writings on fresh and re-issue notes and stapling note packet</p>	<p>While sorting and packing fresh and re-issuabl notes, scheduled banks have been prohibited from writing numbers, putting signature or seal or any sort of writing on the bank notes. Scheduled banks have also been disallowed to staple any bundle-packet of bank notes except that of Tk 1000 note.</p>
<p>FEPD Circular No. 33 September 09, 2019 Outward remittances on account of IT expenses through digital wallet.</p>	<p>ADs have been allowed to release IT expenses within permissible limit on behalf of individual developers/freelancers through their notional accounts (digital wallet) maintained with Online Payment Gateway Service Providers (OPGSPs). In this context, ADs shall observe the following instructions:</p> <ol style="list-style-type: none"> <li>(a) ADs shall arrange required amount in their nostro accounts for settlement of payment through notional accounts of OPGSPs on post-funding basis.</li> <li>(b) For execution of online instructions from individual developers/freelancers, ADs shall have secure and suitable online transaction platform, and arrangement for documentary formalities before disbursement of funds as per (a) above.</li> <li>(c) In case of refund due to cancellation of the relative transactions for</li> </ol>

	<p>valid reasons, ADs shall, on receipt of amount from OPGSPs, refund the same to remitters.</p> <p>(d) Usual formalities required for outward remittances need to be observed including usual reporting, deduction of applicable taxes and payment thereof.</p> <p>Irrespective of above limit, developers/freelancers are permitted to remit their bonafide business expenses out of balances held in ERQ accounts through digital wallet.</p> <p>ADs have, in addition to standing arrangement, also been allowed to maintain notional accounts with OPGSPs. ADs shall use the accounts to execute above transactions on behalf of individual developers/freelancers having no notional accounts with OPGSPs.</p>
<p>DMD Circular No. 04 September 11, 2019 To deduct source tax from interest of savings certificates (Sanchaypatra)</p>	<p>For any accumulated investment below Tk 5 (Five) lac in savings instruments, deduction of the source tax on the yield has been reduced to 5 percent instead of the existing 10 percent. For over 5 (Five) lac investment, 10 percent source tax shall be applied on the yield as before.</p>
<p>FEPD Circular No. 34 September 11, 2019 Repatriation of export proceeds through Online Payment Gateway Service Providers (IPGS)</p>	<p>The maximum limit to repatriate remittances against small value service exports in non-physical form has been enhanced per transaction to USD 10,000 from USD 5,000 through Online Payment Gateway Service Providers (OPGSPs).</p>
<p>DOS Circular No. 05 September 17, 2019 Regarding Advance-Deposit Ratio (ADR)/Investment-Deposit Ratio (IDR).</p>	<p>Conventional banks have been allowed to keep the Advance-Deposit Ratio (ADR)/Investment-Deposit Ratio (IDR) at 85 percent (81.5 percent + excess 3.5 percent based on the decision of the board of the bank considering overall economic indices) and Islami Shariah-based banks at 90 percent (89.0 percent + excess 1.0 percent based on the decision of the board of the bank considering overall economic indices).</p>
<p>DOS Circular No. 06 September 22, 2019 Temporary liquidity support for investment in capital market by the scheduled banks.</p>	<p>Scheduled banks have been allowed to invest both in SOLO and consolidated basis in the capital market from their excess liquidity. The upper limit of investment shall be less than 25 percent of bank's capital on SOLO basis and 50 percent on consolidated basis. Banks have hereby been permitted to invest in the capital market through their own portfolio in the form of direct investment and their subsidiaries in the form of lending for investment. Opening new BO account has been made mandatory for investing the liquid fund. The facility shall be availed in the form of REPO of treasury bond or bill from their excess liquidity. The liquidity support shall be provided after taking 5 percent margin of the REPO value of treasury bond or bill. Initial repayment tenure has been set at 28 days and the tenure shall be extended to six months on successful fund uses. Interest rate has been fixed at 6 percent.</p>
<p>FEPD Circular No. 37 September 29, 2019 Export subsidy against export of consumer electronics, electrical home and kitchen appliances</p>	<p>Producers-Exporters producing consumer electronics, electrical home and Kitchen appliances domestically for export shall enjoy 10 (Ten) percent export subsidy on net FOB value, not applicable for specialized zones (EPZ, EZ). In this regard, the rate of local value addition must be a minimum of 30 percent for these products.</p>