

**Monthly Report On
Government Domestic Borrowing¹**



February, 2025

**Research Department
Money and Banking Wing
Bangladesh Bank**

¹This report is prepared by the Money and Banking Wing, Research Department, Bangladesh Bank, Head Office.
Feedbacks are welcome and may be sent through E-mail (golzare.nabi@bb.org.bd).

Highlights of Government Domestic Borrowing, February 2025

- **Government Domestic Borrowing** has been reset at Tk. 117000.0 crore in the revised budgetary position for FY 2024-25. Of which:
 - **Borrowing from the banking system** has been set at Tk. 99000.0 crore.
 - **Borrowing from non-banking sources** has been set at Tk. 18000.0 crore (including Tk. 14000.00 crore through net sales of National Savings Schemes).
- Government net borrowing from the **banking system** was Tk. 23784.1 crore (24.0 percent of the revised budget target) during July-February of FY25. Conversely, net borrowing was Tk. 24969.6 crore during the same period of the previous fiscal year.
- Government net borrowing from the **non-banking sources** increased by Tk. 25503.4 crore during July-February of FY25. However, it was only Tk. 11207.0 crore during July-February a year ago.
- Therefore, government **total net domestic borrowing** (both from banking and from non-banking sources) stood at Tk. **49287.4** crore during July-February of FY25 (42.1 percent of the revised budget target). On the other hand, the same was only Tk. 36176.5 crore during the corresponding period of FY24.
- During July-February of FY25, net sale of the national savings schemes was negative and stood at Tk. 8771.6 crore. In the same tone, Tk. 8891.8 crore was repaid (net) to national savings schemes during July-February of FY24.

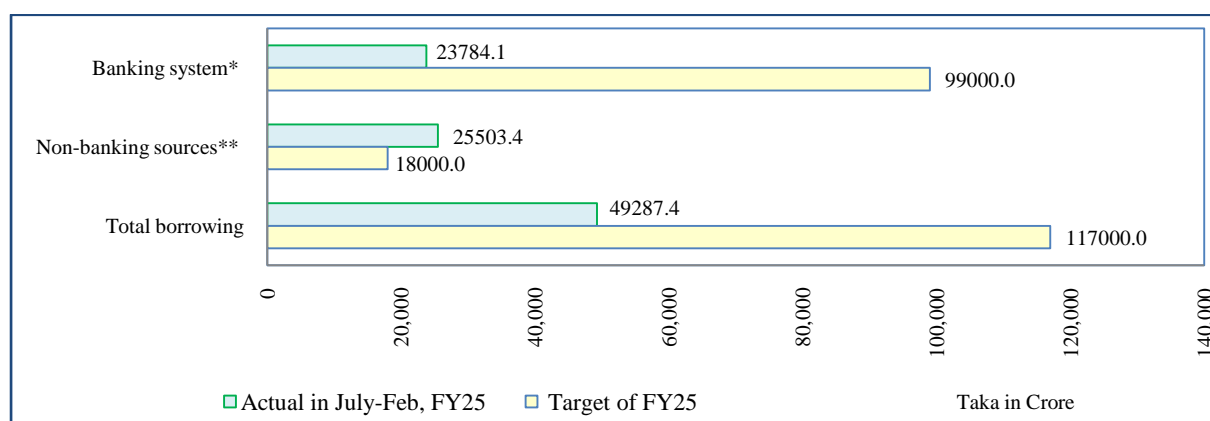
Government Domestic Borrowing, February 2025

Government borrows to finance for the budget implementation mainly from two domestic sources: banking system and non-banking sources. Government borrowing from the banking system consists of borrowing from Bangladesh Bank and scheduled banks. Borrowing from banking system includes mainly through ways and means advances, overdraft, and issuance of treasury bills (T-bills) and bonds (T-bonds). However, balances of government deposits and other funds are net out from the banking system borrowing. On the other hand, government borrowing from non-banking domestic sources incorporates savings schemes introduced by the Directorate of National Savings (NSD) and government T-bills and T-bonds held by non-bank financial institutions, insurance companies, individual investors, etc.

1. Government Domestic Borrowing Target for FY25

In the revised budgetary position², the target of total domestic borrowing has been reset at Tk. 117000.0 crore for FY25, of which Tk. 99000.0 crore is planned to borrow from the banking system and Tk. 18000.0 crore from non-banking sources. As per the latest available data, domestic borrowing (net) stood at Tk. 49287.4 crore in the period of July-February of FY25 (Chart-1).

Chart-1: Target and Actual Government Domestic Borrowing (net), July-February of FY25



Notes: *=Banking system includes Bangladesh Bank and Scheduled banks,

**= domestic non-banking sources include national savings schemes and T-bills & Bonds held by other than banks.

Sources: Debt Management Department, Statistics Department, Bangladesh Bank; Directorate of National Savings; and Ministry of Finance (MoF).

2. Borrowing from Banking System

During July-February of FY25, government borrowing (net) from banking system stood at Tk. 23784.1 crore (24.0 percent of the revised target), whereas the same was Tk. 24969.6 crore during the corresponding period of FY24.

3. Borrowing from Non-banking sources

In the period of July-February of FY25, government borrowed Tk. 34274.9 crore from different institutions and individuals other than banks by issuance of T-bills and T-bonds. Moreover, sale and principal repayment of national savings schemes stood at Tk. 44023.0

² Medium Term Macroeconomic Framework (MTMF) for 2024-25 to 2027-28

crore and Tk. 52794.6 crore respectively in the same period of FY25, resulting in repayment (net) through national savings schemes stood at Tk. 8771.6 crore. Accordingly, borrowing (net) from the non-banking sources was Tk. 25503.4 crore during the period under review.

4. Total Domestic Borrowing

Government borrowed Tk. 49287.4 crore (net) from domestic sources during July-February of FY25. Source and instrument-wise outstanding and flow of net government domestic borrowings are shown in Table-1 and Chart-2 respectively.

Table 1: Source-wise Outstanding and Flow of net Government Domestic Borrowings

(Taka in Crore)

Sources	FY25		FY24		% Changes [@] (Feb'25 over June'24 [#])	% Changes [@] (Feb'24 over June'23 ^{##})
	Outstanding at end February'25	July-Feb of FY25	Outstanding at end February'24	July-Feb of FY24		
Banks *	492705.7	23784.1	411282.6	24969.6	5.1	6.5
Non-banking sources **	458945.2	25503.3	432516.8	11207.0	5.9	2.7
Total	951650.9	49287.4	843799.4	36176.5	5.5	4.5

Notes: *=Banks includes Bangladesh Bank and scheduled banks, **=Domestic non-banking sources include net sale of savings instruments and T-bills & T-bonds held by non-bank financial institutions (NBFIs), insurance companies, individuals etc.,

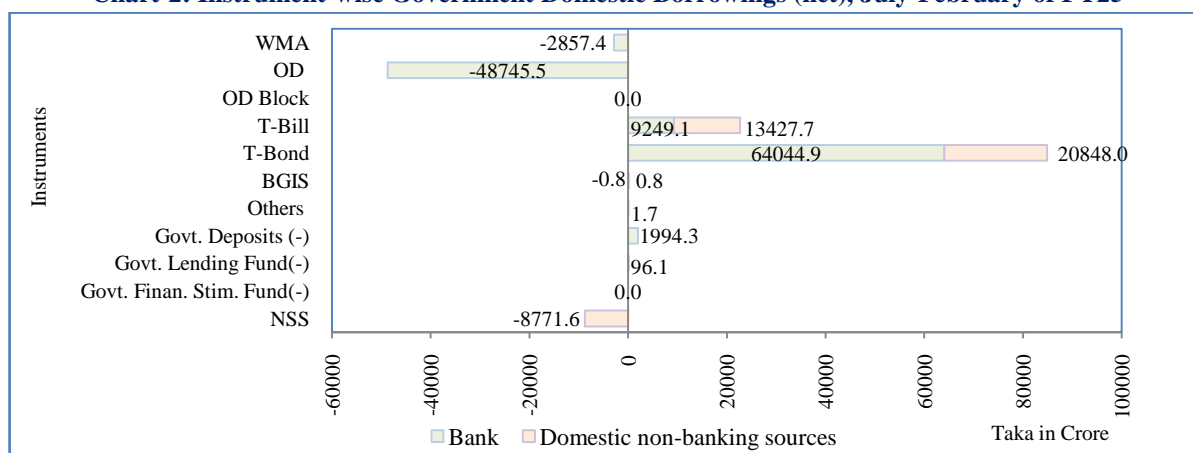
[@] = percentage change has been calculated based on Outstanding data,

[#] = In June 2024, outstanding net government domestic borrowing was Tk. 902363.5 crore,

^{##} = In June 2023, outstanding net government domestic borrowing was Tk. 807622.8 crore,

Sources: Debt Management Department, Statistics Department, Bangladesh Bank; and Directorate of National Savings.

Chart-2: Instrument-wise Government Domestic Borrowings (net), July-February of FY25



Notes: WMA=Ways and Means Advances, OD=Overdraft, BGIS=Bangladesh Govt. Investment Sukuk (Ijarah Sukuk), NSS=National Savings Schemes, Others include government currency liabilities, advances to food & other ministries, advances to auto & semi autonomous bodies etc.

Sources: Debt Management Department, Statistics Department, Bangladesh Bank; Directorate of National Savings.

5. Government Islamic Securities

i) Bangladesh Government Islamic Investment Bond (BGIIB)³

Shariah-based Islamic banks and windows which are not participants in the conventional money market, Bangladesh Government Islamic Investment Bond (BGIIB) was initiated in

³ BGIIB is a pool of funds formed by the Islamic banks and individuals where government provides guarantee against this fund

2004 to meet their liquidity need. During July-February of FY25, investments to BGIIB fund by Islamic banks⁴ increased by Tk. 3429.8 crore and amount borrowed from that fund also raised to Tk. 1152.5 crore. Thus, Islamic banks' net balances of BGIIB fund enhanced by Tk. 2277.3 crore in the period of July-February of FY25.

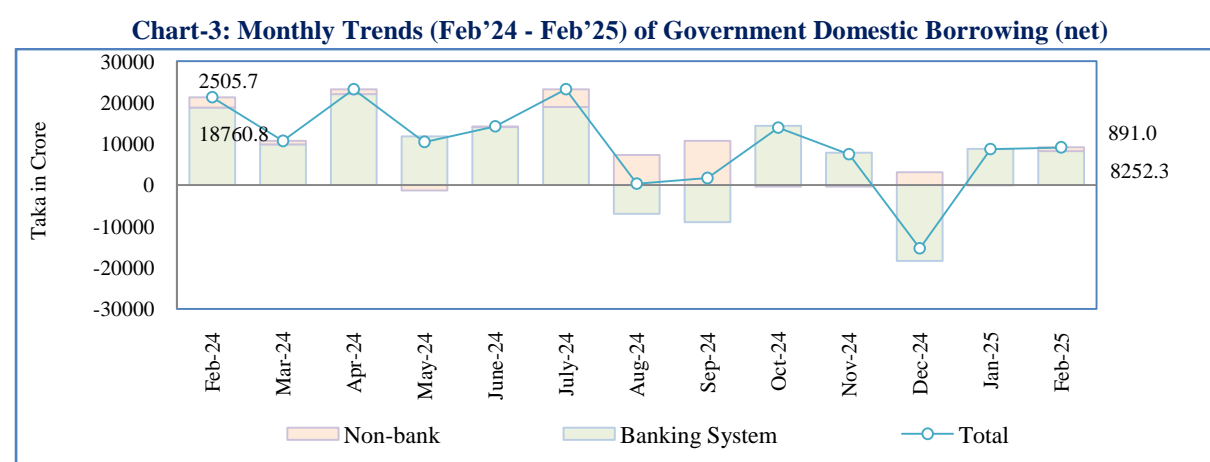
ii) Bangladesh Government Investment Sukuk (BGIS) Bond

To support *Shariah*-based development finances, Bangladesh Government Investment *Sukuk* (BGIS) Bond was introduced in December 2020. So far, government issued four *Sukuk* (BGIS) bonds under *Ijarah* and *Istisna'a* mode. The outstanding amount of *Sukuk* (BGIS) remained unchanged at Tk. 19,000.0 crore as of end February, 2025.

6. Monthly Movements of Domestic Borrowing (February, 2025)

In February 2025, government borrowed Tk. 17296.0 crore and repaid Tk. 9043.6 crore to banking system, resulting in a net borrowing of Tk. 8252.3 crore. Similarly, in February 2024, net borrowing from the same source amounted to Tk. 18760.8 crore, due to higher borrowing of Tk. 21964.8 crore compared to repay amount of Tk. 3204.0 crore (Chart-3).

On the other hand, in February 2025, borrowing (net) from non-banking sources stood at Tk. 891.0 crore, since borrowing amount Tk. 11272.2 crore exceeded repayment of Tk. 10381.2 crore. Similarly, government in February 2024, borrowed Tk. 10738.9 crore and repaid Tk. 8233.2 crore, leading to net borrowing of Tk. 2505.7 crore (Chart-3).



Sources: Debt Management Department and Statistics Department, Bangladesh Bank; Directorate of National Savings.

7. Concluding Remarks

Government domestic borrowing from the banking system during July-February of FY25 showed slower growth compared to the same period of FY24, owing to larger repayment of the previous debt. However, non-bank borrowing (net) for the same period under review showed a significant rise relative to the corresponding period of FY24, primarily due to substantial holdings of government securities by different institutions and individuals other than banks.

⁴ Including Islamic branches and windows of the conventional banks

Table I : Government Domestic Borrowing from the Banking System in July-February, FY25

Annex-1
(Taka in Crore)

Sl. No.	Particulars	Issue & Maturity date	Objectives	Outstanding as on 30 June 2024	Outstanding as on 31 January 25	Outstanding as on 28 February 25	Changes	
							February 25 8=(7-6)	July-Feb 25 9=(7-5)
1	2	3	4	5	6	7		
A. Bangladesh Bank								
1.	Ways and Means Advances		To increase Government cash balance	8000.0	10626.8	5142.6	-5484.2	-2857.4
2.	Overdraft			48745.5	0.0	0.0	0.0	-48745.5
3.	Overdraft Block			0.0	0.0	0.0	0.0	0.0
4.	Devolverment			84869.7	76566.0	77629.1	1063.1	-7240.6
	a) Treasury Bills			404.9	0.0	0.0	0.0	-404.9
	b) Treasury Bonds			84464.8	76566.0	76566.0	0.0	-7898.8
	c) Other Bonds/BGIS			0.0	0.0	1063.1	1063.1	1063.1
5.	Government Currency Liabilities			2026.3	2026.3	2026.3	0.0	0.0
6.	Advances to Govt. against RFI from IMF			12501.6	11469.9	11469.9	0.0	-1031.7
7.	Advances to Autonomous and Semi-autonomous Bodies			0.0	0.0	0.0	0.0	0.0
8.	Accrued Interest			1589.9	829.7	1596.1	766.4	6.2
9.	Government Deposits ^{6/} (-)			-94.9	-75.1	-57.2	17.9	37.7
10.	Balances of GHB Fund in BB (-)			-478.1	-3045.0	-3512.9	-467.9	-3034.8
11.	Govt. Lending Fund(-)			-8006.4	-8731.9	-7822.3	909.6	184.1
A. Total : (1 +...+ 11)				149153.6	89666.7	86471.6	-3195.1	-62682.0
B. Scheduled Banks (SBs)								
1.	Government Treasury Bills			113515.1	122062.1	123169.1	1107.1	9654.0
	i) Treasury Bills (Less than 1 year)		To increase Government cash balance	113515.1	122062.1	123169.1	1107.1	9654.0
2.	Bangladesh Govt. Treasury Bonds (BGTB)			250858.8	298474.4	310977.3	12502.9	60118.5
	i) 2-years Bangladesh Govt. Treasury Bonds			32383.8	47841.4	51637.5	3796.0	19253.7
	ii) 3-years(FRTB) Bangladesh Govt. Treasury Bonds			0.0	1598.6	2094.7	496.1	2094.7
	iii) 5-years Bangladesh Govt. Treasury Bonds		To increase long-term investment of different Banks, NBFIs and employees GF of different companies	64243.4	73049.0	75719.2	2670.2	11475.8
	iv) 10-years Bangladesh Govt. Treasury Bonds			70316.6	82429.3	85114.1	2684.8	14797.5
	v) 15-years Bangladesh Govt. Treasury Bonds			41846.3	45197.0	46590.0	1393.0	4743.7
	vi) 20-years Bangladesh Govt. Treasury Bonds			42068.7	48359.1	49821.8	1462.7	7753.2
3.	Others Treasury Bonds			39299.9	51125.1	51125.1	0.0	11825.2
	a) 1 Year and above but less than 5 years (Specialized Bonds)			4.2	4.2	4.2	0.0	0.0
	i) 3-years interest free SPTB BKB-2023	Issued 29 Nov-2022 and maturity 29 Nov-2025	To repay the loan of Cold Storage	4.2	4.2	4.2	0.0	0.0
	b) 5 Years and above (Specialized Bonds)			39295.6	51120.9	51120.9	0.0	11825.2
	i) 13-years BJMC Treasury Bond bearing 5.0 percent interest ^{1/}	Issued 23 Oct-2011 and maturity 23 October 2024	To repay the loan of BJMC	716.8	0.0	0.0	0.0	-716.8
	ii) 07-years SPTB-2026 Hanif Flyover (Janata, Sonali, Agrami, Rupali, ICB, SIBL) bearing 5.0 percent interest	Issued 30 Sep-2019 and maturity 30 Sep-2026	To repay the loan of Hanif Flyover	1438.5	1438.5	1438.5	0.0	0.0
	iii) Fertilizer ^{2/}		Funds to be used to clear dues to fertiliser importers	16453.1	23432.2	23432.2	0.0	6979.1
	iv) Electricity ^{3/}		Funds to be used to clear dues to Power producers	20133.2	25696.1	25696.1	0.0	5563.0
	v) 07-years SPTB-2026 Hanif Flyover (interest free) (Janata, Sonali, Agrami, Rupali, ICB, SIBL)	Issued 30 Sep-2019 and maturity 30 Sep-2026	To repay the loan of Hanif Flyover	554.0	554.0	554.0	0.0	0.0
4.	Bangladesh Govt. Investment Sukuk (BGIS) ^{4/}			18743.7	17681.5	17681.4	-0.1	-1062.3
	05 Years Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)	Issued 29 Dec-2020, 06 June-2021 and maturity 29 Dec-2025, and issued 30 Dec-2021 and maturity 30 Dec-2026	Safe Water Supply to the Whole Country', 'Need Based Infrastructure Development of Government Primary Schools Project(1st Phase)',					
		Issued 20 Apr-2022 and maturity 20 Apr-2027, issued 06 June-2024 and maturity 06 June-2029	Important Rural Infrastructure Development Project on Priority Basis-3 (IRIDP-3), 'Chattogram Division Upazila & Union Road Widening & Strengthening Project (CDWSP)	18743.7	17681.5	17681.4	-0.1	-1062.3
5. Sub-Total : (1+2+3+4)				422417.4	489343.1	502952.9	13609.8	80535.5
6.	Prize Bond			39.80	17.20	46.90	29.7	7.1
7.	Advances to Food Ministry			940.60	723.30	679.00	-44.3	-261.6
8.	Advances to Other Ministries			519.00	465.00	461.80	-3.2	-57.2
9.	Advances to Auto./Semi-Autonomous Bodies			14712.20	16100.30	15440.10	-660.2	727.9
10.	Accrued Interest			4136.60	4938.80	5505.10	566.3	1368.5
11.	Deposits of Ministries and Departments (-)			-46680.50	-39214.0	-40713.4	-1499.4	5967.1
12.	Deposits of Auto./Semi-Autonomous Bodies (-)			-73467.30	-76602.8	-77477.8	-875.0	-4010.5
13.	SBs's Balances of GHB Fund (i+ii)			-262.5	1681.8	2014.8	333.0	2277.3
	i) Investment to GHB Fund			12318.3	15516.1	15748.1	232.0	3429.8
	ii) Borrowing from GHB Fund (-)			-12580.8	-13834.3	-13733.3	101.0	-1152.5
14.	Borrowing from Govt. on Lending(-)			-2587.3	-2666.0	-2675.3	-9.3	-88.0
15.	Borrowing from Govt. Financial Stimulus Fund(-)			0.0	0.0	0.0	0.0	0.0
B. Total : (5+...+15)^{5/}				319768.0	394786.7	406234.1	11447.4	86466.1
Grand Total : (A+B)^{6/}				468921.6	484453.3	492705.7	8252.3	23784.1

Source: Debt Management Department, Statistics Department, Bangladesh Bank.

Notes:

^{6/} Including other deposits.^{8/} Bangladesh Govt. Investment Sukuk -BGIS (Ijarah Sukuk) was introduced in Dec-2020. So far, four Sukuk (BGIS) bonds has been issued under Ijarah and Istisna'a mode.^{8/} Excluding other securities of Govt.^{1/} An amount of Tk. 716.8 crore was paid in October, 2024 against the outstanding of Tk. 716.8 crore in June, 2024.^{2/} An amount of Tk. 6979.1 crore was issued in August, 2024.^{3/} An amount of Tk. 5563.0 crore was issued in November, 2024.^{*} Including offer value(T-Bills) & face value(BGTBs), GHB Fund, Govt. Lending Fund and Govt. Financial Stimulus Fund.

Table-II: Government Domestic Borrowing from Other than Bank in July-February, FY25

Annex-2

(Taka in Crores)

Sl. No.	Particulars	Sale (July-Feb, FY24)	Repayment (July-Feb, FY24)		NSS Net Sale (July-Feb, FY24)	Sale (July-Feb, FY25)	Repayment (July-Feb, FY25)		NSS Net Sale (July-Feb, FY25)
			Principal	Interest			Principal	Interest	
1	2	3	4	5	6 = (3-4)	7	8	9	10 = (7-8)
	National Savings Schemes (NSS):								
1.	Defence Savings Certificate	0.0	0.6	0.9	-0.6	0.0	0.4	0.1	-0.4
2.	5-year Bangladesh Savings Certificate	2160.2	6083.9	3012.2	-3923.7	1493.0	4548.5	919.2	-3055.5
3.	3-year Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.	Bonus Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5.	6-month interest bearing Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.2	0.0	-0.2
6.	Family Savings Certificate	24871.8	19515.6	13412.2	5356.2	18752.2	19182.9	2323.9	-430.7
7.	3-month interest bearing Savings Certificate	19794.3	21868.3	5921.4	-2074.0	15840.8	17692.7	913.6	-1851.9
8.	Jamanat Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9.	Pensioner Savings Certificate	4769.2	3702.7	2416.8	1066.6	4623.8	4108.4	344.0	515.4
10.	Post Office Savings Bank	3411.0	11452.5	4310.7	-8041.6	2325.9	4677.7	1770.8	-2351.7
	a) General Account	349.9	619.5	199.0	-269.6	249.5	356.0	95.1	-106.5
	b) Fixed Account	3061.1	10833.1	4111.7	-7772.0	2076.4	4321.7	1675.7	-2245.3
	c) Bonus Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.	Postal Life Insurance	90.7	79.1	18.9	11.6	100.1	81.4	14.2	18.7
12.	Prize Bond	80.9	38.8	38.6	42.1	73.9	45.7	19.6	28.2
13.	Wage Earners' Development Bond	496.4	1484.9	1093.9	-988.5	621.5	2174.4	1566.4	-1552.9
14.	3-year National Investment Bond	0.0	0.0	0.0	0.0	0.0	0.1	0.0	-0.1
15.	US \$ Premium Bond	31.4	96.3	21.5	-65.0	48.7	44.6	13.0	4.1
16.	US \$ Investment Bond	240.4	515.3	98.3	-274.9	143.1	237.5	71.8	-94.4
17.	Flow total of NSS : (1+...+16)	55946.2	64838.0	30345.3	-8891.8	44023.0	52794.6	7956.6	-8771.6
18.	Outstanding total of NSS:	Outstanding as on June'23	Outstanding as on Feb'24			Outstanding as on June'24	Outstanding as on Feb'25		
		362275.6	353383.8			341151.2	332379.6		
	Govt. Treasury Bills/Bonds/BGIS:	Outstanding as on June'23	Outstanding as on Feb'24		Net Changes (July-Feb, FY24)	Outstanding as on June'24	Outstanding as on Feb'25		Net Changes (July-Feb, FY25)
19.	T-Bills/Bonds/BGIS[®]	59034.2	79133.0		20098.7	92290.7	126565.6		34274.9
	i) Government Treasury Bills		13019.1		9709.9		32953.6		13427.7
	ii) Bangladesh Govt. Treasury Bonds (BGTBs)		65907.5		10388.8		93356.5		20848.0
	a) 2-year Bangladesh Government Treasury Bonds		4134.0		1617.3		11045.6		4424.1
	b) 3-year(FRTB) Bangladesh Government Treasury Bonds		0.0		0.0		23.5		23.5
	c) 5-year Bangladesh Government Treasury Bonds		16337.1		4802.7		23218.4		6392.9
	d) 10-year Bangladesh Government Treasury Bonds		23494.2		3007.8		29946.5		3959.4
	e) 15-year Bangladesh Government Treasury Bonds		9322.8		334.4		12654.4		2751.3
	f) 20-year Bangladesh Government Treasury Bonds		12619.4		626.6		16468.2		3296.8
	iii) Bangladesh Government Investment Sukuk (BGIS) [#]		206.3		0.00		255.5		-0.82
	a) 05 Years Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)		206.3		0.00		255.5		-0.82
20.	Flow total Non-bank Govt. Borrowing : (17 + 19)				11206.9				25503.4
21.	Outstanding of Non-bank Govt. Borrowing : (18 + 19)	Outstanding as on June'23	Outstanding as on Feb'24			Outstanding as on June'24	Outstanding as on Feb'25		
		421309.8	432516.8			433441.9	458945.2		

Sources : Directorate of National Savings; Debt Management Department, Bangladesh Bank.

Notes:

[#] Bangladesh Govt. Investment Sukuk -BGIS (Ijarah Sukuk) was introduced in Dec-2020. So far, four Sukuk (BGIS) bonds has been issued under Ijarah and Istisna'a mode.[®] Including offer value(T-Bills) & face value(BGTBs).