

Monthly Report On Government Domestic Borrowing¹



September 2025

Research Department
Money and Banking Wing
Bangladesh Bank

¹This report is prepared by Mohammad Masuduzzaman, Director; Nasrin Sultana, Additional Director; Saila Sarmin Rapti, Joint Director; Md. All Mahmud, Deputy Director and Hasmot Ali, Assistant Director of Research Department.

Feedbacks are welcome and may be sent through E-mail (mohammad.masud@bb.org.bd; n.sultana@bb.org.bd; saila.sarmin@bb.org.bd; all.mahmud@bb.org.bd; hasmot.ali@bb.org.bd).

Highlights of Government Domestic Borrowing, September 2025

- **Government Domestic Borrowing** has been set at Tk. 1,25,000.0 crore in the national budget for FY26. Of which:
 - **Borrowing from the banking system** has been set at Tk. 1,04,000.0 crore.
 - **Borrowing from the non-banking sources** has been set at Tk. 21,000.0 crore (including Tk. 12,500.0 crore through net sales of National Savings Schemes).
- Government net repayment to the **banking system** was Tk. 6648.7 crore during July-September of FY26. However, government net borrowing was Tk. 2975.7 crore in the same period of FY25.
- Government net borrowing from the **non-banking sources** increased by Tk. 11763.8 crore (56.0 percent of the budget target) in the period of July-September, FY26. However, it was Tk. 22320.5 crore (95.4 percent of the budget target) in the same period a year ago.
- Therefore, government **total net domestic borrowing** (both to the banking and non-banking sources) stood at Tk. 5115.1 crore during July-September of FY26. On the other hand, total net domestic borrowing was Tk. 25296.1 crore in the same period of FY25.
- Net sale of the national savings schemes stood at Tk. 1945.5 crore during July-September, FY26, whereas, net borrowing through national savings schemes was Tk. 8332.8 crore in the same period of FY25.

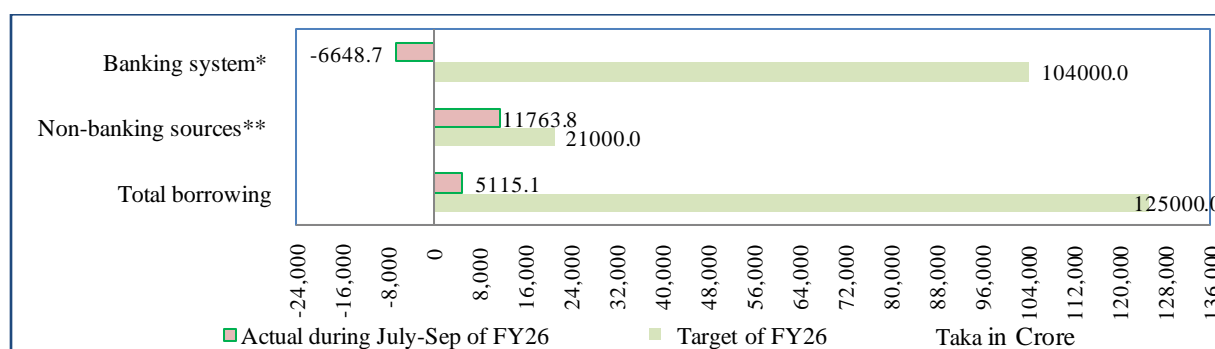
Government Domestic Borrowing, September 2025

Government borrows to finance its budget deficit mainly from two domestic sources: banking system and non-banking sources. Government borrowing from the banking system consists of borrowing from Bangladesh Bank and the scheduled banks. Borrowing from the 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 in the banking system are net out from borrowing. On the other hand, the components of government borrowing from the non-banking domestic sources are savings schemes introduced by the Department of National Savings (NSD) and T-bills and T-bonds held by non-bank finance companies, insurance companies, individual investors, etc.

1. Government Domestic Borrowing Target for FY26

In the national budget², the target of total domestic borrowing has been set at Tk. 1,25,000.0 crore for FY26, of which Tk. 1,04,000.0 crore was planned to be borrowed from the banking system and Tk. 21,000.0 crore from the non-banking sources. As per the latest available data, government domestic borrowing (net) stood at Tk. 5115.1 crore in July-September of FY26 (Chart-1).

Chart-1: Target and Actual Government Domestic Borrowing (net), July-September of FY26



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

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

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

2. Borrowing from the Banking System

During July-September of FY26, government repayment (net) to the banking system stood at Tk. 6648.7 crore, whereas government borrowing (net) was Tk. 2975.7 crore during the same period of the preceding year.

3. Borrowing from the Non-banking Sources

During July-September of FY26, government borrowed Tk. 9818.3 crore from different institutions and individuals other than banks through issuance of T-bills and T-bonds. Moreover, sale and principal repayment of national savings schemes stood at Tk. 24409.0 crore and Tk. 22463.5 crore, respectively, in the same period of FY26, resulting in the net sale

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

of national savings schemes of Tk. 1945.5 crore. Accordingly, domestic borrowing (net) from the non-banking sources was Tk. 11763.8 crore during the same period.

4. Total Domestic Borrowing

Government borrowed Tk. 5115.1 crore (net) from its domestic borrowing sources during July-September of FY26. 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	FY26		FY25		% Changes [@] (September'25 over June'25 [#])	% Changes [@] (September'24 over June'24 ^{##})
	Outstanding at the end of September 2025	July- September'FY26	Outstanding at the end of September 2024	July- September' FY25		
Banks*	539380.9	-6648.7	471897.3	2975.7	-1.2	0.6
Non-banking ** sources	487464.7	11763.8	455762.3	22320.5	2.5	5.1
Total	1026845.6	5115.1	927659.6	25296.1	0.5	2.8

Notes: *Banks include 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.,

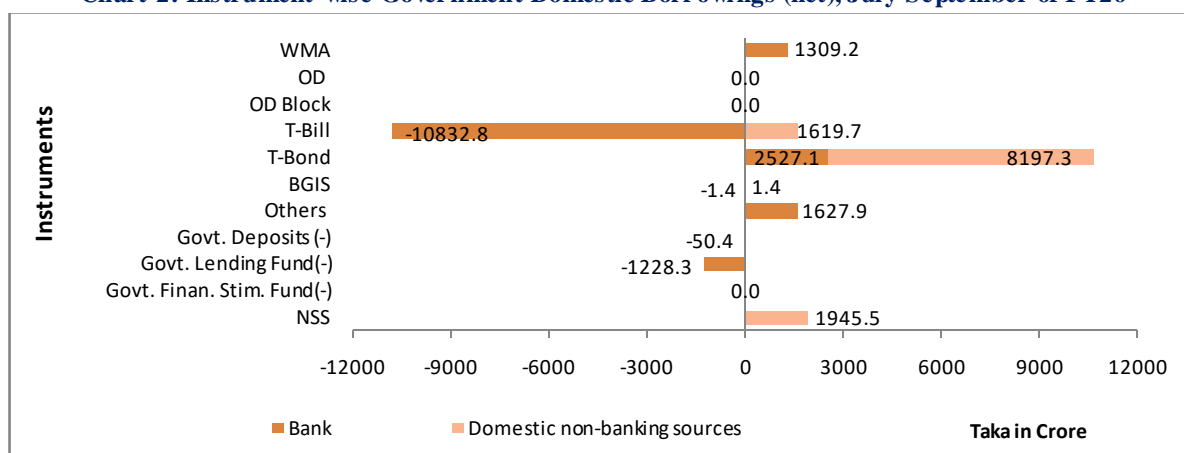
[@]percentage change has been calculated based on Outstanding data,

[#]In June 2025, outstanding net government domestic borrowing was Tk. 1021730.5 crore,

^{##}In June 2024, outstanding net government domestic borrowing was Tk. 902363.5 crore,

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

Chart-2: Instrument-wise Government Domestic Borrowings (net), July-September of FY26



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; Department of National Savings.

5. Government Islamic Securities

i) Bangladesh Government Islamic Investment Bond (BGIIB)³

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

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

initiated in 2004 to meet their liquidity needs. During July-September of FY26, investments in BGIIB fund by Islamic banks⁴ increased to Tk. 36.4 crore and amount borrowed from the same fund increased to Tk. 2250.0 crore. Thus, Islamic banks' net balances of BGIIB fund increased by Tk. 2286.4 crore during the period of July-September of FY26.

ii) Bangladesh Government Investment Sukuk (BGIS) Bond

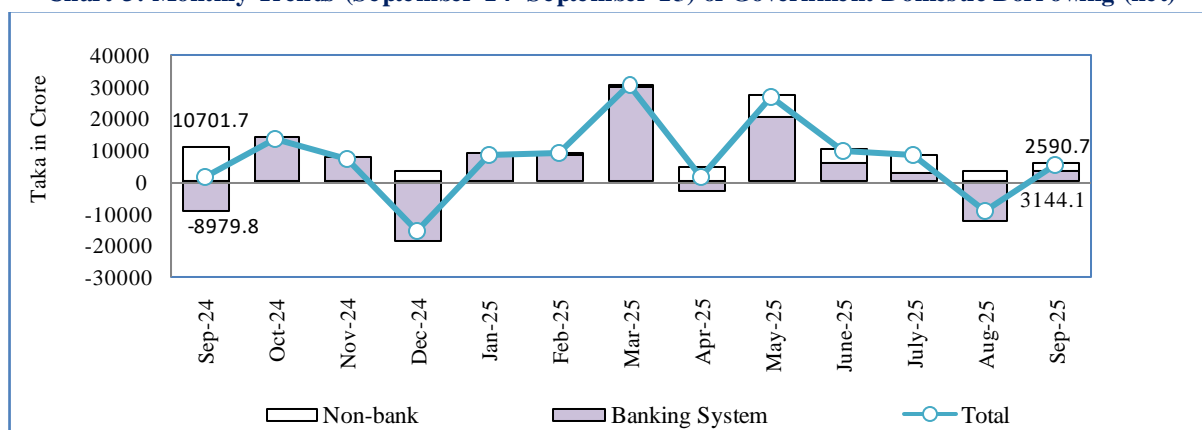
To support *Shariah*-based development finances, Bangladesh Government Investment *Sukuk* (BGIS) Bond was introduced in December 2020. So far, government issued six *Sukuk* (BGIS) bonds under *Ijarah* and *Istisna'a* mode. The outstanding amount of *Sukuk* (BGIS) increased to Tk. 24,000.0 crore as of end September, 2025.

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

In September 2025, government borrowed Tk. 11588.8 crore and repaid Tk. 8444.7 crore to the banking system, resulting in a borrowing (net) of Tk. 3144.1 crore. However, in September 2024, a repayment (net) of Tk. 8979.8 crore was observed in the banking system, due to a lower borrowing of Tk. 18648.6 crore compared to a higher repayment of Tk. 27628.4 crore (Chart-3).

On the other hand, in September 2025, government borrowing (net) from non-banking sources stood at Tk. 2590.7 crore, since government borrowed Tk. 11199.4 crore while repaid Tk. 8608.6 crore. Conversely, government borrowed Tk. 12560.5 crore and repaid Tk. 1858.8 crore, leading to borrowing (net) of Tk. 10701.7 crore in September 2024 from the same sources (Chart-3).

Chart-3: Monthly Trends (September '24 -September '25) of Government Domestic Borrowing (net)



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

7. Concluding Remarks

Government domestic borrowing from the banking system in the period of July-September, FY26 decreased compared to the same period of FY25, owing to repayment of the previous debt. However, non-bank borrowing (net) in the same period under review showed positive but slower growth compared to the same period of FY25.

⁴ Including Islamic branches and windows of the conventional banks

Table I : Government Domestic Borrowing from the Banking System in July-September, FY26

Annex-1
(Taka in Crore)

Sl. No.	Particulars	Issue & Maturity date	Objectives	Outstanding as on 30 June 2025	Outstanding as on 31 August 2025	Outstanding as on 30 Sep 25	Changes	
							30 Sep 25 8=(7-6)	July-Sep 25 9=(7-5)
A.	Bangladesh Bank							
1.	Ways and Means Advances		To increase Government cash balance	6057.20	513.60	7366.40	6852.80	1309.2
2.	Overdraft			0.00	0.00	0.00	0.00	0.00
3.	Overdraft Block			0.00	0.00	0.00	0.00	0.00
4.	Devolverment			72675.8	69032.2	69032.2	0.0	-3643.6
	a) Treasury Bills			0.00	0.00	0.00	0.00	0.00
	b) Treasury Bonds			71612.75	67969.14	67969.14	0.00	-3643.6
	c) Other Bonds/BGIS			1063.09	1063.09	1063.09	0.00	0.00
5.	Government Currency Liabilities			2026.3	2026.3	2026.3	0.0	0.0
6.	Advances to Govt. against RFI from IMF			17374.3	17374.3	17374.3	0.0	0.0
7.	Advances to Autonomous and Semi-autonomous Bodies			0.0	0.0	0.0	0.0	0.0
8.	Accrued Interest			1251.6	1449.1	1465.4	16.3	213.8
9.	Government Deposits ^{6/} (-)			-48.10	-59.70	-75.20	-15.50	-27.1
10.	Balances of GIBB Fund in BB (-)			-3993.60	-5183.50	-6618.90	-1435.40	-2625.3
11.	Govt. Lending Fund(-)			-7655.50	-7720.40	-8937.10	-1216.70	-1281.6
A.	Total : (1 +...+ 11)			87688.0	77431.9	81633.4	4201.5	-6054.6
B.	Scheduled Banks (SBs)							
1.	Government Treasury Bills			136160.6	129653.9	125327.7	-4326.1	-10832.8
	i) Treasury Bills (Less than 1 year)		To increase Government cash balance	136160.6	129653.9	125327.7	-4326.1	-10832.8
2.	Bangladesh Govt. Treasury Bonds (BGTB)			345895.1	351368.3	352065.8	697.5	6170.7
	i) 2-years Bangladesh Govt. Treasury Bonds			57585.2	59659.9	56491.7	-3168.2	-1093.5
	ii) 3-years(FRTB) Bangladesh Govt. Treasury Bonds		To increase long-term investment of different Banks, NBFIs and employees GF of different companies	4020.5	4956.2	5453.6	497.5	1433.1
	iii) 5-years Bangladesh Govt. Treasury Bonds			84177.9	83169.4	84174.1	1004.7	-3.9
	iv) 10-years Bangladesh Govt. Treasury Bonds			96383.4	97496.3	99327.0	1830.7	2943.6
	v) 15-years Bangladesh Govt. Treasury Bonds			49644.1	50826.0	50975.8	149.8	1331.7
	vi) 20-years Bangladesh Govt. Treasury Bonds			54083.9	55260.5	55643.6	383.1	1559.7
3.	Others Treasury Bonds			51125.1	51125.1	51125.1	0.0	0.0
	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-20223	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)			51120.9	51120.9	51120.9	0.0	0.0
	i) 13-years BJMC Treasury Bond bearing 5.0 percent interest ^{4/}	Issued 23 Oct-2011 and maturity 23 October 2024	To repay the loan of BJMC	0.0	0.0	0.0	0.0	0.0
	ii) 07-years SPTB-2026 Hanif Flyover (Janata, Sonali, Agrani, 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	23432.2	23432.2	23432.2	0.0	0.0
	iv) Electricity ^{3/}		Funds to be used to clear dues to Power producers	25696.1	25696.1	25696.1	0.0	0.0
	v) 07-years SPTB-2026 Hanif Flyover (interest free) (Janata, Sonali, Agrani, 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) ^{5/}			22381.2	22379.8	22379.8	0.0	-1.4
	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, issued 20 Apr-2022 and maturity 20 Apr-2027	Safe Water Supply to the Whole Country, 'Need Based Infrastructure Development of Government Primary Schools Project (1st Phase)', 'Important Rural Infrastructure Development Project on Priority Basis-3 (IRIDP-3)',	22381.2	22379.8	22379.8	0.0	-1.4
		Issued 06 June-2024 and maturity 06 June-2029, issued 13 Mar-2025 and maturity 13 Mar-2032, issued 20 May-2025 and maturity 20 May-2032	Chattogram Division Upazila & Union Road Widening & Strengthening Project (CDWSP), 'Construction of Important Bridges on Rural Roads (Phase-II) (CIBRR-2)', 'Rajshahi Division Important Upazila & Union Road Widening & Strengthening Project (RDIRWSP)'					
5.	Sub-Total : (1+2+3+4)			555561.9	554527.0	550898.4	-3628.6	-4663.5
6.	Prize Bond			49.4	48.8	46.2	-2.6	-3.2
7.	Advances to Food Ministry			1466.9	1721.8	665.1	-1056.7	-801.8
8.	Advances to Other Ministries			448.8	444.4	438.2	-6.2	-10.6
9.	Advances to Auto./Semi-Autonomous Bodies			15100.1	16315.1	16447.7	132.6	1347.6
10.	Accrued Interest			5553.6	6667.0	6774.6	107.6	1221.0
11.	Deposits of Ministries and Departments (-)			-39647.4	-40874.3	-41259.8	-385.5	-1612.4
12.	Deposits of Auto./Semi-Autonomous Bodies (-)			-80605.1	-81394.4	-79016.0	2378.4	1589.1
13.	SBs's Balances of GIBB Fund (i+ii)			2914.9	3839.6	5201.3	1361.7	2286.4
	i) Investment to GIBB Fund			16948.2	16262.9	16984.6	721.7	36.4
	ii) Borrowing from GIBB Fund (-)			-14033.3	-12423.3	-11783.3	640.0	2250.0
14.	Borrowing from Govt. on Lending(-)			-2501.5	-2490.1	-2448.2	41.9	53.3
15.	Borrowing from Govt. Financial Stimulus Fund(-)			0.0	0.0	0.0	0.0	0.0
B.	Total : (5+...+15)^{6/}			458341.6	458804.9	457747.5	-1057.4	-594.1
Grand Total : (A+B)^{7/}				546029.7	536236.8	539380.9	3144.1	-6648.7

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

Notes:

^{6/} Including other deposits.^{7/} Bangladesh Govt. Investment Sukuk-BGIS (Ijarah Sukuk) was introduced in Dec-2020. So far, six 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), GIBB Fund, Govt. Lending Fund and Govt. Financial Stimulus Fund.

Table-II: Government Domestic Borrowing from Other than Bank in July-September, FY26

Annex-2

(Taka in Crores)

Sl. No.	Particulars	Repayment (July-September, FY25)		NSS Net Sale (July-September, FY25)	Repayment (July-September, FY26)		NSS Net Sale (July-September, FY26)		
		Sale (July-September, FY25)	Principal		Interest	Sale (July-August, FY26)		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	0.3	0.0	-0.3	0.0	0.1	0.0	-0.1
2.	5-year Bangladesh Savings Certificate	524.2	516.5	388.7	7.6	798.9	2884.6	1657.7	-2085.7
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	0.2	0.0	-0.2	0.0	0.0	0.0	0.0
6.	Family Savings Certificate	6318.0	1886.8	921.1	4431.3	11942.4	9476.4	5966.9	2466.0
7.	3-month interest bearing Savings Certificate	5482.4	837.5	358.3	4644.9	7723.7	6119.1	2176.8	1604.6
8.	Jamanat Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9.	Pensioner Savings Certificate	1399.4	195.1	126.2	1204.4	2577.7	1644.9	1099.1	932.8
10.	Post Office Savings Bank	942.1	2390.6	842.8	-1448.5	997.0	1466.5	422.6	-469.5
	a) General Account	103.6	136.0	31.7	-32.4	105.5	126.6	17.5	-21.1
	b) Fixed Account	838.5	2254.6	811.2	-1416.1	891.5	1339.9	405.2	-448.4
	c) Bonus Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.	Postal Life Insurance	38.4	29.8	5.8	8.7	34.4	32.8	6.3	1.7
12.	Prize Bond	24.7	12.0	6.9	12.7	27.9	19.1	6.8	8.8
13.	Wage Earners' Development Bond	196.0	705.2	562.3	-509.2	246.1	643.9	577.2	-397.8
14.	3-year National Investment Bond	0.0	0.1	0.0	-0.1	0.0	0.1	0.0	-0.1
15.	US \$ Premium Bond	27.1	13.5	5.5	13.7	22.8	16.7	6.4	6.1
16.	US \$ Investment Bond	39.6	71.7	30.8	-32.1	38.1	159.2	26.8	-121.1
17.	Flow total of NSS : (1+...+16)	14992.0	6659.2	3248.5	8332.8	24409.0	22463.5	11946.8	1945.5
18.	Outstanding total of NSS:	Outstanding as on June'24	Outstanding as on September'24			Outstanding as on June'25	Outstanding as on September'25		
		341151.2	349484.0			335087.9	337033.4		
Govt. Treasury Bills/Bonds/BGIS:									
19.	T-Bills/Bonds/BGIS[®]	92290.7	106278.3		(July-September, FY25)	13987.7	140612.9	150431.2	(July-September, FY26)
	i) Government Treasury Bills		25271.1		5745.2		40590.2		9818.3
	ii) Bangladesh Govt. Treasury Bonds (BGTBs)		80750.9		8242.5		109283.9		8197.3
	a) 2-year Bangladesh Government Treasury Bonds		8377.2		1755.7		14992.8		2081.9
	b) 3-year(FRTB) Bangladesh Government Treasury Bonds		0.0		0.0		164.5		66.9
	c) 5-year Bangladesh Government Treasury Bonds		19859.8		3034.3		26852.9		2503.9
	d) 10-year Bangladesh Government Treasury Bonds		27204.9		1217.8		31975.9		856.0
	e) 15-year Bangladesh Government Treasury Bonds		10649.8		746.7		16018.7		1248.3
	f) 20-year Bangladesh Government Treasury Bonds		14659.3		1487.9		19279.2		1440.3
	iii) Bangladesh Government Investment Sukuk (BGIS) [#]		256.3		0.00		557.1		1.4
	a) 05 Years Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)		256.3		0.00		557.1		1.4
20.	Flow total Non-bank Govt. Borrowing : (17 + 19)				22320.5				11763.8
21.	Outstanding of Non-bank Govt. Borrowing : (18 + 19)	Outstanding as on June'24	Outstanding as on September'24			Outstanding as on June'25	Outstanding as on September'25		
		433441.9	455762.3			475700.8	487464.7		

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, six Sukuk (BGIS) bonds has been issued under Ijarah and Istisna'a mode.

[®] Including offer value(T-Bills) & face value(BGTBs).