

Monthly Report On Government Domestic Borrowing¹



January 2026

Research Department
Money and Banking Wing
Bangladesh Bank

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Highlights of Government Domestic Borrowing, January 2026

- **Government Domestic Borrowing** has been set at BDT 1,25,000.0 crore in the national budget for FY26. Of which:
 - **Borrowing from the banking system** has been set at BDT 1,04,000.0 crore.
 - **Borrowing from the non-banking sources** has been set at BDT 21,000.0 crore (including BDT 12,500.0 crore through net sales of National Savings Schemes).
- Government net borrowing from the **banking system** stood at BDT 64923.6 crore (62.4 percent of the budget target) during July- January of FY26, whereas it was BDT 15531.7 crore (15.7 percent of the budget target) in the same period of FY25.
- Government net borrowing from the **non-banking sources** increased by BDT 7723.9 crore in the period of July- January, FY26 compared to an increase of BDT 24612.3 crore during the same period a year ago.
- Therefore, government **total net domestic borrowing** (both from the banking and non-banking sources) stood at BDT 72647.6 crore (58.1 percent of the budget target) during July- January of FY26. On the other hand, total net domestic borrowing was BDT 40144.0 crore (34.3 percent of the budget target) in the same period of FY25.
- Net sale of the national savings schemes stood at BDT 609.9 crore during July- January, FY26, whereas, a net repayment to national savings schemes was BDT 7013.2 crore in the same period of FY25.

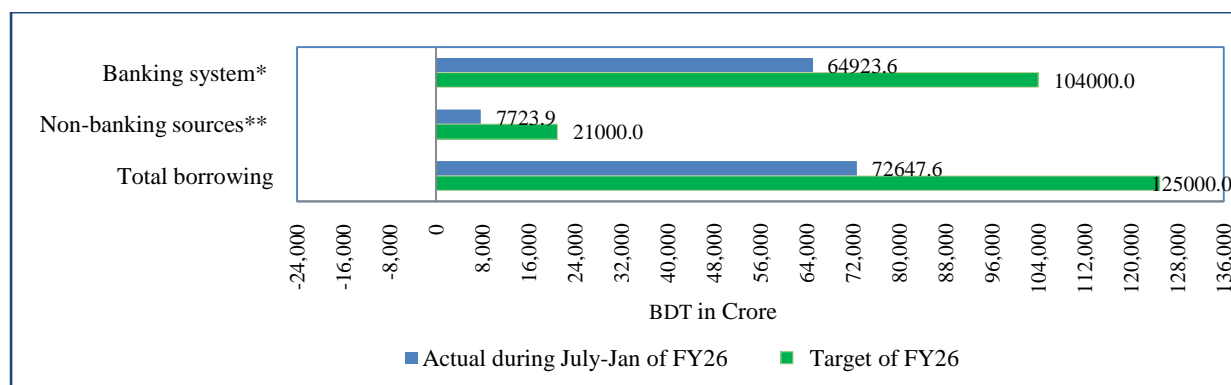
Government Domestic Borrowing, January 2025

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 BDT 1,25,000.0 crore for FY26, of which BDT 1,04,000.0 crore was planned to be borrowed from the banking system and the rest BDT 21,000.0 crore from the non-banking sources. As per the latest available data, government domestic borrowing (net) stood at BDT 72647.6 crore in July-January of FY26 (Chart-1).

Chart-1: Target and Actual Government Domestic Borrowing (net), July- January 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- January of FY26, government borrowing (net) from the banking system stood at BDT 64923.6 crore, compared to BDT 15531.7 crore during the same period of the preceding year, reflecting a sharp increase.

3. Borrowing from the Non-banking Sources

During July- January of FY26, government borrowed BDT 7114.0 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 BDT 54906.8

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

crore and BDT 54296.8 crore, respectively, in the same period of FY26, resulting in the net sale of national savings schemes of BDT 609.9 crore. Accordingly, domestic borrowing (net) from the non-banking sources was BDT 7723.9 crore during the same period.

4. Total Domestic Borrowing

Government borrowed BDT 72647.6 crore (net) from its domestic sources during July-January 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

Sources	FY26		FY25		% Changes [@] (January'26 Over June'25 [#])	% Changes [@] (January'25 over June'24 ^{##})
	Outstanding at the end of January 2026	July- January'FY26	Outstanding at the end of January 2025	July- January'FY25		
	Banks [*]	610953.3	64923.6	484453.3		
Non-banking sources ^{**}	483424.8	7723.9	458054.2	24612.3	1.6	5.7
Total	1094378.1	72647.6	942507.5	40144.0	7.1	4.4

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.,

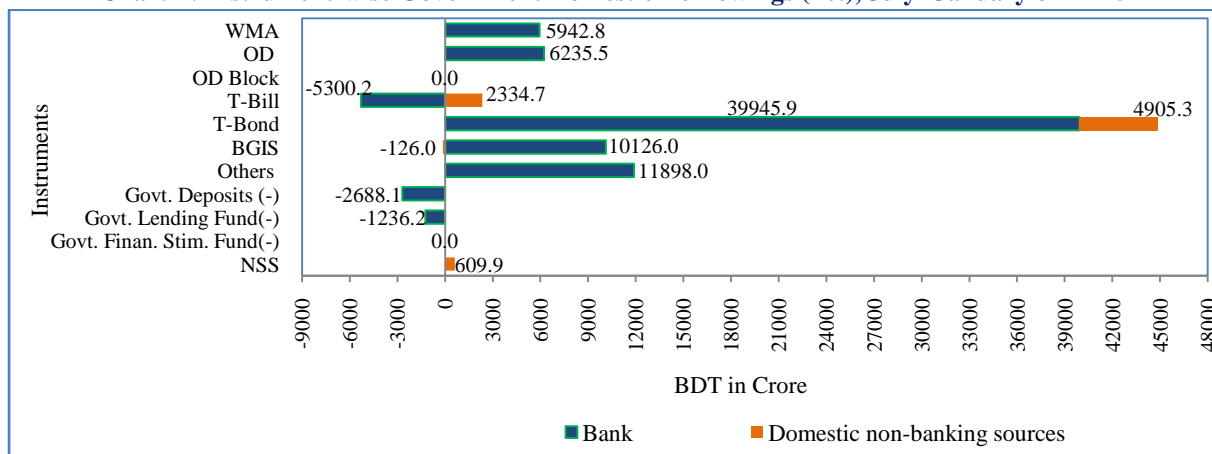
[@]percentage change has been calculated based on Outstanding data,

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

^{##}In June 2024, outstanding net government domestic borrowing was BDT 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- January 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- January of FY26, investments in BGIIB fund by Islamic banks⁴ increased to BDT 4715.9 crore and amount borrowed from the same fund increased to BDT 1370.0 crore. Thus, Islamic banks' net balances of BGIIB fund increased by BDT 6085.9 crore during the period of July- January of FY26.

ii) Bangladesh Government Investment Sukuk (BGIS) Bond

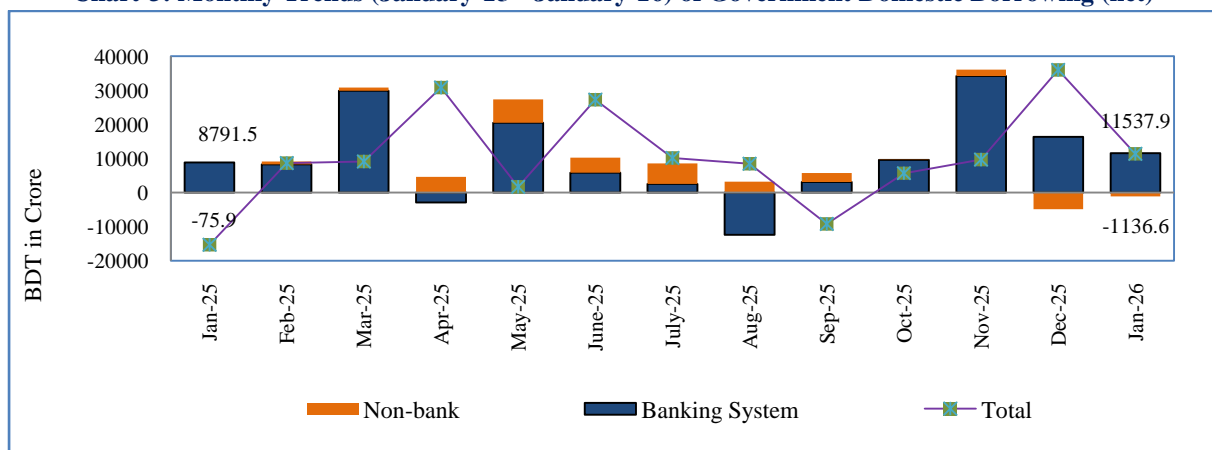
To support *Shariah*-based development finances, Bangladesh Government Investment *Sukuk* (BGIS) Bond was introduced in December 2020. So far, government issued six *Sukuk* (BGIS) bonds under *Ijarah* and *Istisna'a* mode. The outstanding amount of *Sukuk* (BGIS) increased to BDT 34,000.0 crore as of end January, 2026.

6. Monthly Movements of Domestic Borrowing (January, 2026)

In January 2026, the government borrowed BDT 22196.6 crore from the banking system and repaid BDT 10658.7 crore, resulting in a borrowing (net) of BDT 11537.9 crore. However, in January 2025, a net amount of BDT 8791.5 crore was borrowed from the banking system, where borrowing was BDT 13841.2 crore and repayment was BDT 5049.8 crore (Chart-3).

On the other hand, in January 2026, government repayment (net) to non-banking sources stood at BDT 1136.6 crore, of which borrowing amount was BDT 7977.5 crore and repayment amount was BDT 9114.1 crore. In January 2025, government borrowed BDT 11046.2 crore and repaid BDT 11122.1 crore, leading to repayment (net) of BDT 75.9 crore from the same sources (Chart-3).

Chart-3: Monthly Trends (January'25 - January'26) 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 during July- January of FY26 increased compared to the same period of FY25, owing to financing mainly through government securities. 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-January, FY26

Annex-1
(BDT in Crore)

Sl. No.	Particulars	Issue & Maturity date	Objectives	Outstanding as on 30 June 2025	Outstanding as on 31 Dec 25	Outstanding as on 31 Jan 26	Changes	
							Jan 26	July-Jan 26
1	2	3	4	5	6	7	8=(7-6)	9=(7-5)
A. Bangladesh Bank								
1.	Ways and Means Advances		To increase Government cash balance	6057.20	12000.00	12000.00	0.0	5942.8
2.	Overdraft			0.00	13527.60	6235.50	-7292.1	6235.5
3.	Overdraft Block			0.00	0.00	0.00	0.0	0.0
4.	Devolvement			72675.8	68627.2	68148.0	-479.2	-4527.9
	a) Treasury Bills			0.00	0.00	0.00	0.0	0.0
	b) Treasury Bonds			71612.75	67869.14	67389.94	-479.2	-4222.8
	c) Other Bonds/BGIS			1063.09	758.05	758.05	0.0	-305.0
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	1109.9	1207.1	97.2	-44.5
9.	Government Deposits ^{6/} (-)			-48.10	-51.5	-53.4	-1.9	-5.3
10.	Balances of GIB Fund in BB (-)			-3993.60	-9775.9	-10635.1	-859.2	-6641.5
11.	Govt. Lending Fund(-)			-7655.50	-9198.5	-8984.6	213.9	-1329.1
A.	Total : (1 +...+ 11)			87688.0	95639.4	87318.1	-8321.3	-370.0
B. Scheduled Banks (SBs)								
1.	Government Treasury Bills			136160.6	129625.7	130860.4	1234.7	-5300.2
	i) Treasury Bills (Less than 1 year)		To increase Government cash balance	136160.6	129625.68	130860.35	1234.7	-5300.2
2.	Bangladesh Govt. Treasury Bonds (BGTB)			345895.1	383142.3	390068.1	6925.8	44173.0
	i) 2-years Bangladesh Govt. Treasury Bonds			57585.2	64235.76	60603.88	-3631.9	3018.7
	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	6246.1	6651.8	405.7	2631.2
	iii) 5-years Bangladesh Govt. Treasury Bonds			84177.9	88597.3	91511.7	2914.4	7333.8
	iv) 10-years Bangladesh Govt. Treasury Bonds			96383.4	112997.3	114103.3	1106.1	17719.9
	v) 15-years Bangladesh Govt. Treasury Bonds			49644.1	53081.0	55278.6	2197.7	5634.5
	vi) 20-years Bangladesh Govt. Treasury Bonds			54083.9	57984.9	61918.8	3933.9	7834.9
3.	Others Treasury Bonds			51125.1	51120.9	51120.9	0.0	-4.2
	a) 1 Year and above but less than 5 years (Specialized Bonds)			4.2	0.0	0.0	0.0	-4.2
	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	0.0	0.0	0.0	-4.2
	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 ^{7/}	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) ^{4/}			22381.2	22910.4	32812.2	9901.8	10431.0
	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 (IRDP-3)',	22381.2	22910.4	22910.4	9901.8	10431.0
		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	586799.2	604861.4	18062.3	49299.5
6.	Prize Bond			49.4	54.0	24.4	-29.6	-25.0
7.	Advances to Food Ministry			1466.9	2711.3	2335.1	-376.2	868.2
8.	Advances to Other Ministries			448.8	427.4	424.6	-2.8	-24.2
9.	Advances to Auto./Semi-Autonomous Bodies			15100.1	24142.0	24754.3	612.3	9654.2
10.	Accrued Interest			5553.6	7187.8	7578.5	390.7	2024.9
11.	Deposits of Ministries and Departments (-)			-39647.4	-44217.8	-42240.6	1977.2	-2593.2
12.	Deposits of Auto./Semi-Autonomous Bodies (-)			-80605.1	-79102.6	-80694.7	-1592.1	-89.6
13.	SBs's Balances of GIB Fund (i+ii)			2914.9	8157.8	9000.8	843.0	6085.9
	i) Investment to GIB Fund			16948.2	21271.1	21664.1	393.0	4715.9
	ii) Borrowing from GIB Fund (-)			-14033.3	-13113.3	-12663.3	450.0	1370.0
14.	Borrowing from Govt. on Lending(-)			-2501.5	-2383.0	-2408.6	-25.6	92.9
15.	Borrowing from Govt. Financial Stimulus Fund(-)			0.0	0.0	0.0	0.0	0.0
B.	Total : (5+...+15)^{6/}			458341.6	503776.1	523635.2	19859.2	65293.6
Grand Total : (A+B)^{7/}				546029.7	599415.5	610953.3	11537.9	64923.6

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.^{4/} Including offer value(T-Bills) & face value(BGTBs), GIB Fund, Govt. Lending Fund and Govt. Financial Stimulus Fund.

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

Annex-2

(BDT in Crore)

Sl. No.	Particulars	Sale (July-January, FY25)	Repayment (July-January, FY25)		NSS Net Sale (July-January, FY25)	Sale (July-January, FY26)	Repayment (July-January, FY26)		NSS Net Sale (July-January, FY26)
			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	0.4	0.1	-0.4	0.0	0.1	0.1	-0.1
2.	5-year Bangladesh Savings Certificate	1213.3	3888.2	825.9	-2674.9	2086.7	7110.5	4163.3	-5023.8
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	15477.4	15523.7	2072.6	-46.4	27298.7	23671.4	13869.6	3627.4
7.	3-month interest bearing Savings Certificate	13184.8	14296.8	819.6	-1112.0	16924.4	14207.2	5166.9	2717.2
8.	Jamanat Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9.	Pensioner Savings Certificate	3731.2	3323.7	309.5	407.4	5675.6	4061.1	2547.1	1614.6
10.	Post Office Savings Bank	2040.6	4241.0	1597.3	-2200.4	2134.9	3401.9	992.3	-1267.0
	a) General Account	221.9	312.1	83.6	-90.1	221.7	292.2	36.4	-70.5
	b) Fixed Account	1818.7	3929.0	1513.7	-2110.3	1913.2	3109.7	955.9	-1196.5
	c) Bonus Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.	Postal Life Insurance	88.6	71.7	12.8	16.9	78.4	71.7	13.0	6.7
12.	Prize Bond	54.9	27.3	17.1	27.6	52.5	36.7	18.2	15.8
13.	Wage Earners' Development Bond	511.7	1855.6	1340.6	-1344.0	532.4	1417.4	1281.7	-885.0
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	39.6	42.9	12.4	-3.4	36.4	42.3	14.8	-5.9
16.	US \$ Investment Bond	121.1	204.7	62.3	-83.6	86.5	276.3	63.1	-189.8
17.	Flow total of NSS : (1+...+16)	36463.1	43476.3	7070.2	-7013.2	54906.8	54296.8	28130.2	609.9
18.	Outstanding total of NSS:	Outstanding as on June'24	Outstanding as January'25			Outstanding as on June'25	Outstanding as on January'26		
		341151.2	334137.9			335087.9	335697.8		
Govt. Treasury Bills/Bonds/BGIS:									
19.	T-Bills/Bonds/BGIS*	92290.7	123916.3		Net Changes (July-January, FY25)	Outstanding as on June'25	Outstanding as on January'26		Net Changes (July-January, FY26)
					31625.6	140612.9	147727.0		7114.0
	i) Government Treasury Bills		32138.4		12612.5		41305.3		2334.7
	ii) Bangladesh Govt. Treasury Bonds (BGTBs)		90459.4		17950.9		105991.9		4905.3
	a) 2-year Bangladesh Government Treasury Bonds		10341.6		3720.2		15161.7		2250.8
	b) 3-year(FRTB) Bangladesh Government Treasury Bonds		19.6		19.6		966.4		868.8
	c) 5-year Bangladesh Government Treasury Bonds		21888.6		5063.1		29015.2		4666.2
	d) 10-year Bangladesh Government Treasury Bonds		29131.4		3144.3		24578.8		-6541.2
	e) 15-year Bangladesh Government Treasury Bonds		12647.4		2744.3		15765.8		995.5
	f) 20-year Bangladesh Government Treasury Bonds		16430.9		3259.5		20504.1		2665.2
	iii) Bangladesh Government Investment Sukuk (BGIS)*		1318.5		1062.14		429.8		-126.0
	a) 05 Years Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)		1318.5		1062.14		429.8		-126.0
20.	Flow total Non-bank Govt. Borrowing : (17 + 19)				24612.3				7723.9
21.	Outstanding of Non-bank Govt. Borrowing : (18 + 19)	Outstanding as on June'24	Outstanding as January'25			Outstanding as on June'25	Outstanding as on January'26		
		433441.9	458054.2			475700.8	483424.8		

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).