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Money Market Dynamics

Monetary Policy Department

Bangladesh Bank

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Bangladesh Bank

Suggestions/Comments for improvement in the contents of this publication would be highly appreciated. Users may kindly contact the following email address with their suggestions/comments and queries, if any: rafiqul.islam178@bb.org.bd

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Executive Summary

Call Money

The turnover of call money was **Taka 95,449.58 crore** in January 2026 which was **10.17%** lower than that of the preceding month. Within call money transactions **87.42%** was overnight, **11.51%** was short notice and **1.07%** was term call money. The weighted average rate (**WAR**) of **overnight** call money was **9.94%** which was same as the previous month. The **overall** call money weighted average rate (WAR) decreased by 6 basis point to **9.99%** in January 2026.

Interbank Repo

The turnover of interbank repo was T**aka 62,571.66 crore** in January 2026 which was **20.75%** lower than that of the previous month. In case of interbank repo, 1 day tenure has the highest share **(42.57%)** which was **58.52%** in the previous month. The second highest component was 7 days tenure with **28.72%** share. The WAR of interbank repo was **10.04%** in January 2026 which was 10 basis points lower compare to the previous month.

Central Bank Repo

The turnover of central bank repo in January 2026 was **Taka 82,752.56 crore** which was **23.24%** lower than that of the previous month. Among CB repo **76.43%** was 14 days maturity which was 18.81**%** lower than that of the previous month.

Standing Facilities

Commercial banks received **Taka 5,254.74 crore** of Standing Lending Facility which was **7.09%** lower than that of the previous month and utilized **Taka 92,793.50 crore** of Standing Deposit Facility which was **118.78%** higher than that of the previous month.

Special Liquidity Facilities

Central Bank provided **Taka 28,699.07 crore** as special liquidity facilities in January 2026 of which 57.23**%** were IBLF for Islami Banks.

Government Treasury Bills

The total amount of **Taka 32,000 crore** of Govt. T. Bills was issued in January 2026 which was **3.03%** lower than that of the preceding month. The monthly WAR of 91 days, 182 days and 364 days were **10.12%, 10.30%,** and **10.36 %** respectively.

Summary of Money Market Turnover in January 2026

Taka in Crore

Items	Total	Min.	Max.	Mean	CV	Retirement Amount	Net Position
Money Market **A. Call Money Transaction**	**95449.58**	**3059.44**	**6602.21**	**4545.22**	**17%**	**93649.06**	**1800.52**
1. Overnight	83437.80	2234.64	6162.88	3973.23	21%	80408.22	3029.58
2. Short notice (2 to 14 days)	10987.38	125.00	1350.89	523.21	66%	10884.64	102.74
3. Term (15 days and above)	1024.40	7.40	528.00	93.13	161%	2356.2	-1331.80
B. Interbank Repo Transaction	**62571.66**	**1134.54**	**4959.61**	**2979.60**	**40%**	**60266.97**	**2304.69**
1 days	26635.02	277.60	4082.29	1268.33	72%	26763.66	-128.64
2 days	3480.80	50.09	1379.07	386.76	114%	3959.31	-478.51
3 days	5500.45	106.76	1472.96	550.04	91%	5500.45	0.00
4 days	3288.18	60.27	621.43	328.82	58%	2646.62	641.57
5 days	2622.02	100.71	944.06	374.57	78%	3139.98	-517.96
6 days	3074.70	49.55	821.52	307.47	83%	3689.69	-614.99
7 days	17970.49	121.75	3166.72	855.74	90%	14567.26	3403.23
C. Central Bank Repo	**82752.56**	**2286.65**	**29101.98**	**13792.09**	**68%**	**94925.30**	**-12172.74**
1. Over night	9680.36	2286.65	7393.72	4840.18	75%	8403.86	1276.50
2. 7 days	9822.58	1032.48	5023.10	2455.65	73%	9877.46	-54.88
3. 14 days	63249.61	10662.59	24078.88	15812.40	39%	76643.98	-13394.37
D. Standing Facility	**98048.24**					**101055.58**	**-3007.34**
1.SLF	5254.74	294.83	1834.11	656.84	75%	5257.03	-2.29
2. SDF	92793.50	1106.00	8743.00	4418.74	63%	95798.55	-3005.05
E. Special Liquidity Facilities	**28699.07**					**28728.86**	**-29.79**
1. AR	9045.87	350.00	3347.96	1292.27	84%	9391.12	-345.25
2. CM Repo	0.00	-	-	-	-	283.28	-283.28
3. LSR	0.00	-	-	-	-	-	-
4. IBLF	16424.00	170.00	3787.00	912.44	93%	15825.27	598.73
5. MLS	0.00	-	-	-	-	-	-
6. SLS	3229.20	300.00	2482.18	1076.40	113%	3229.19	0.00
F. Bangladesh Bank Bill	-	-	-	-	-		-
G. Government Treasury Bills	**32000.00**					**30000.00**	**2000.00**
1. 14 days	0	-	-	-	-	-	-
2. 91 days	14000.00	3500.00	3500.00	3500.00	0%	14000.00	0.00
3. 182 days	9000.00	2250.00	2250.00	2250.00	0%	8000.00	1000.00
4. 364 days	9000.00	2250.00	2250.00	2250.00	0%	8000.00	1000.00

Sources: Bangladesh Bank

Note: SLF= Standing Lending Facility, SDF = Standing Deposit Facility, AR = Assured Repo, CMR = Capital Market Repo, LSR = Liquidity Support against claims of Remittance for Conventional Banks, IBLF Islami Banks Liquidity Facility, MLS = Mudaraba Liquidity Support, SLS = Special Liquidity Support

Summary of Money Market Interest Rates in January 2026

Money Market	Min.	Max.	WAR	CV
A. Call Money Transaction	**9.83**	**10.33**	**9.99**	**1.1%**
1. Overnight	9.81	10.26	9.94	1.1%
2. Short notice (2 to 14 days)	9.78	11.41	10.33	3.4%
3. Term (15 days and above)	9.25	12.75	10.73	8.4%
B. Interbank Repo Transaction	**9.85**	**10.67**	**10.04**	**1.8%**
1 days	9.77	10.65	10.04	1.9%
2 days	9.49	10.60	10.04	3.0%
3 days	9.70	10.10	9.96	1.2%
4 days	9.88	11.50	10.03	4.7%
5 days	9.80	10.13	9.99	1.1%
6 days	9.88	10.25	10.00	1.2%
7 days	9.87	10.71	10.08	1.9%
C. Central Bank Repo	**10.00**	**10.00**		
1. Over night	10.00	10.00	10.00	0.0%
2. 7 days	10.00	10.00	10.00	0.0%
3. 14 days	10.00	10.00	10.00	0.0%
D. Standing Facility				
1.SLF	11.50	11.50	11.50	0.0%
2. SDF	8.00	8.00	8.00	0.0%
E. Special Liquidity Facilities				
1. AR	10.00	10.00	10.00	0.0%
2. CM Repo	4.75	4.75	4.75	0.0%
3. LSR				
4. IBLF				
5. MLS				
6. SLS				
F. Bangladesh Bank Bill				
G. Government Treasury Bills				
1. 14 days				
2. 91 days	9.96	10.38	10.12	1.9%
3. 182 days	10.18	10.52	10.30	1.5%
4. 364 days	10.27	10.61	10.36	1.6%

Sources: Bangladesh Bank.

Note: SLF= Standing Lending Facility, SDF = Standing Deposit Facility, AR = Assured Repo, CMR = Capital Market Repo, LSR = Liquidity Support against claims of Remittance for Conventional Banks, IBLF Islami Banks Liquidity Facility, MLS = Mudaraba Liquidity Support, SLS = Special Liquidity Support

Money Market

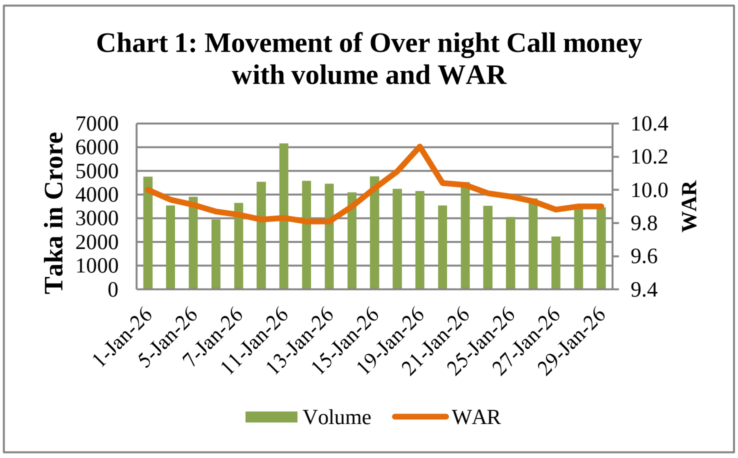
Money market plays an important role in any economy by facilitating the short-term liquidity to the financial institutions as well as government. A well-developed money market is not only useful for liquidity management, but also helps implement the monetary policy, provide safe investment opportunities and support banking system stability.

A. Call Money

i. Overnight

Total Turnover:

The total turnover of overnight call money was Taka 83,437.80 crore in January 2026, which was Taka 6,805.40 crore (7.54%) lower than that of previous month.

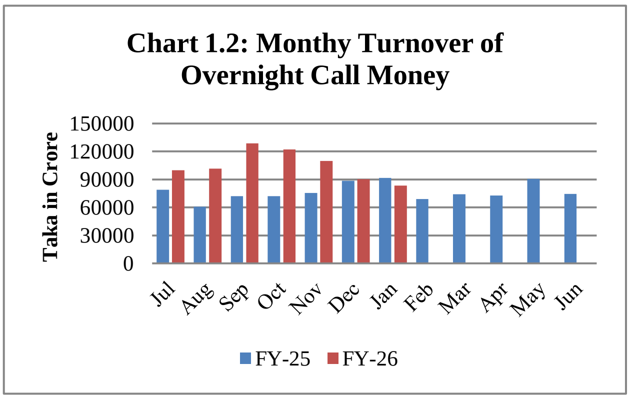


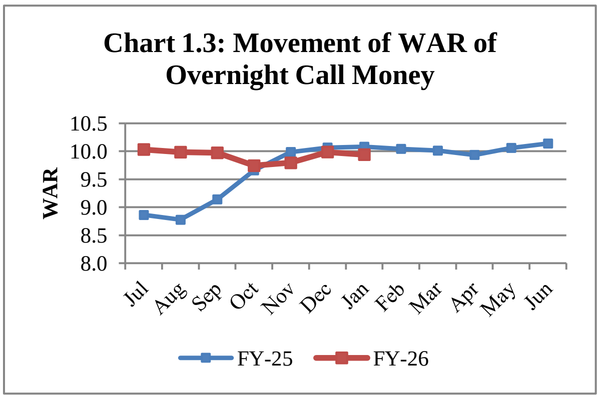
Interest Rates:

- Minimum interest rate: 9.81%
- Maximum interest rate: 10.26%
- Weighted Average Rate (WAR): 9.94%

The Weighted Average Rate (WAR) is little bit lower than that of the previous month.

The trend of turnover and WAR of overnight call money:





- Overnight call money turnover in January 2026 was 9% (Taka 8,249.18 crore) lower than that of the previous year.
- Regarding interest rate, the WAR of Overnight call money in January 2026 was 14 basis points lower than that of the same month of the previous year.

ii. Short Notice

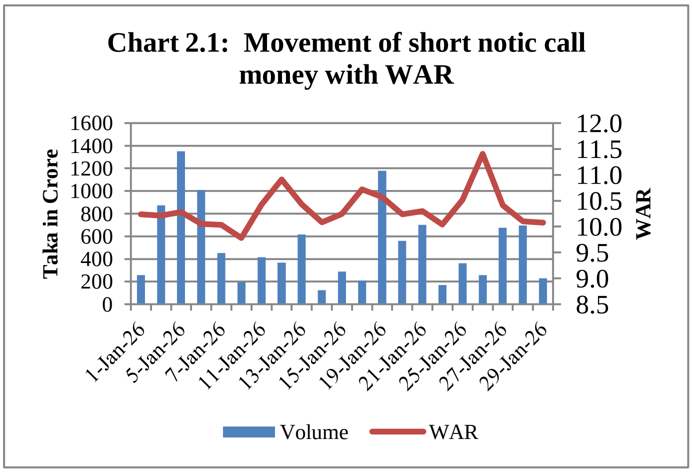
It includes 2 to 14 days maturities call money. The movement of short notice call money as follows:

Total Turnover:

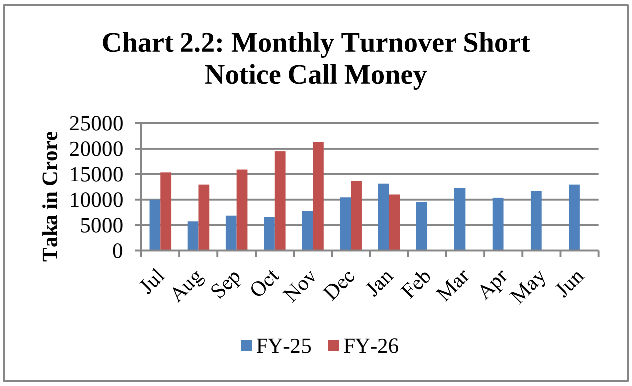
The turnover of short notice call money was Taka 10,987.38 crore in January 2026 which was Taka 2,718.94 crore (19.84%) lower than that of previous month.

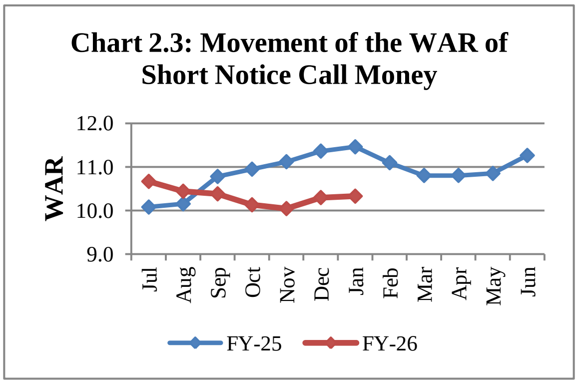
Interest Rates:

- Minimum interest rate: 9.78%
- Maximum interest rate: 11.41%
- Weighted Average Rate (WAR): 10.33 %



The trend of turnover and WAR of short notice call money over FY-25:





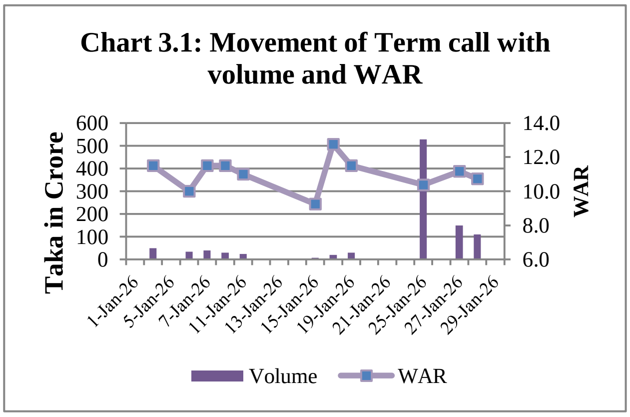
- The turnover of short notice call money was 16.51% (Taka 2,172.65 crore) lower than that of the same period of the previous year.
- Regarding interest rate, WAR in January 2026 was 113 basis points lower than that of the previous year.

iii. Term Call

It includes 15 to 364 days duration call money.

Total Turnover:

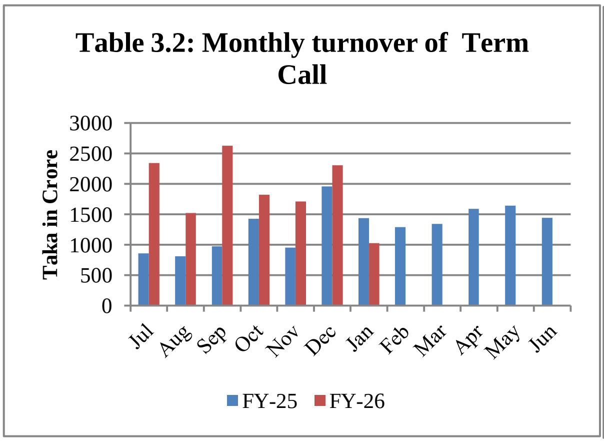
The turnover of term call money was Taka 1,024.40 crore in January 2026 which was Taka 1278.20 core (55.51%) lower than that of previous month.

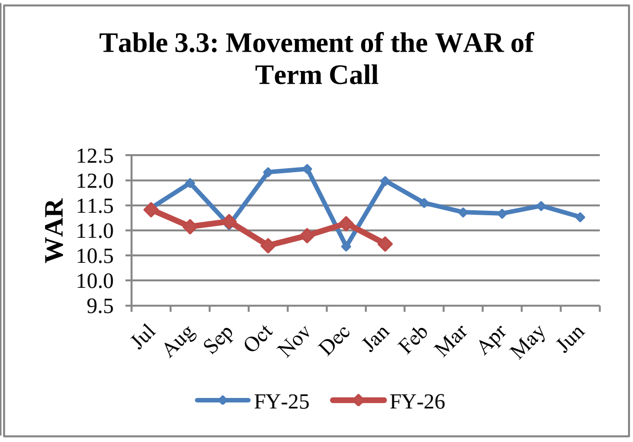


Interest Rates:

- Minimum interest rate: 9.25%
- Maximum interest rate: 12.75%
- Weighted Average Rate (WAR): 10.73%

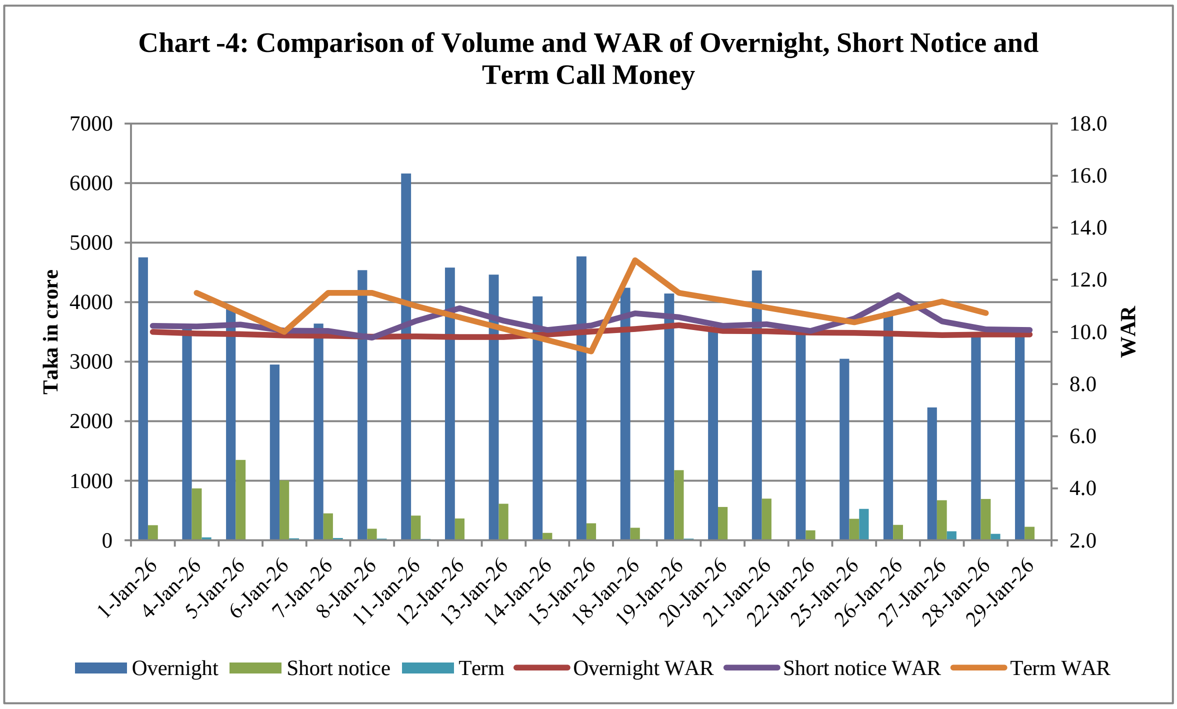
The trend of turnover and WAR of Term call:





- Total turnover of term call was 28.59% (Taka 410.05 crore) lower than that of the previous year.
- Regarding interest rate, WAR in January 2026 was 126 basis points lower than that of the same period of the previous year.

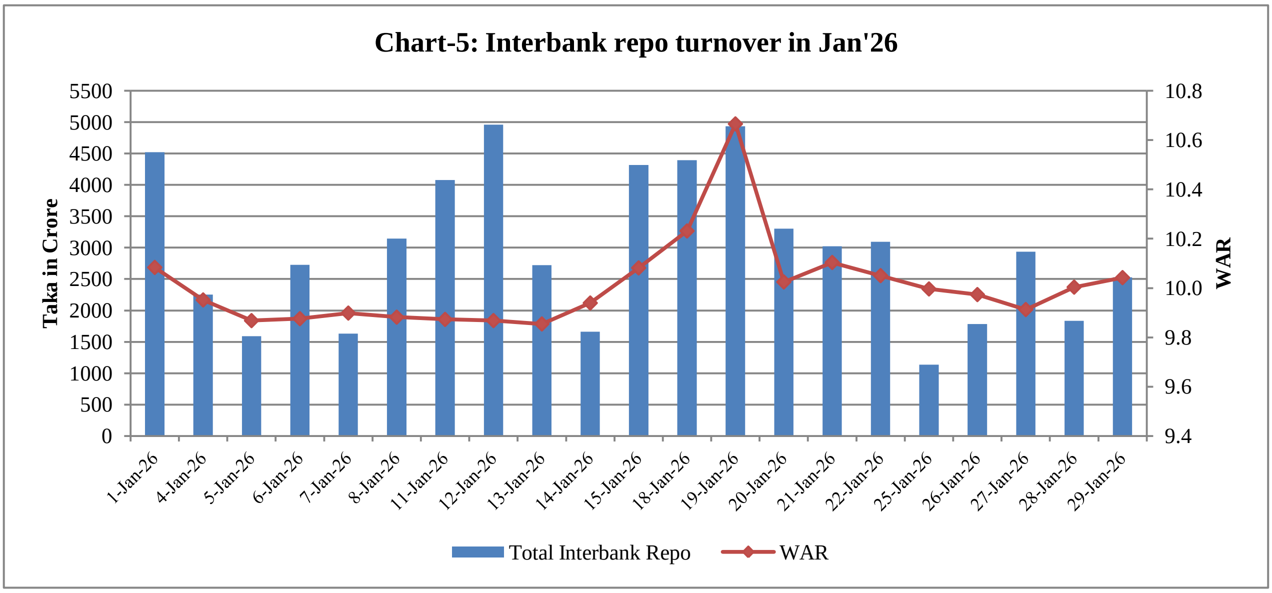
Comparison of all type of call money



Turnover of overnight call money has the dominance in call money market which was 87.42% of total call money transaction. Regarding interest rates the coefficient of variation (CV) of overnight, short notice and term call were 1.1%, 3.4% and 8.4% respectively. So overnight call money rate had less volatility comparing to short notice and term call money rate in Jan'2026.

B. Interbank Repo

It includes overnight to 7 days duration collateral borrowings of commercial banks.



- The total turnover of interbank Repo was Taka 62,571.66 crore in January 2026 which was Taka 16,378.29 crore (20.75%) lower than that of the previous month.
- Among its total turnover, overnight had dominance over other tenure. Overnight repo was 42.57%.
- Interbank repo for two days was 5.56%, three days was 8.79%, four days was 5.26%, five days was 4.19%, six days was 4.91% and seven days was 28.72%,

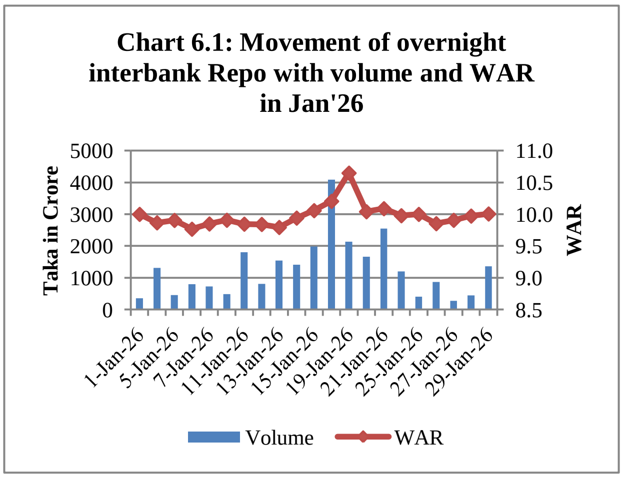
i. Interbank Repo (Overnight)

Total Turnover:

The overnight interbank repo turnover was Taka 26,635.02 crore which was Taka 19,564.34 crore (42.35%) lower than that of previous month.

Interest Rates:

- Minimum interest rate: 9.77%
- Maximum interest rate: 10.65% and
- Weighted Average Rate (WAR): 10.04 %



The trend of turnover and WAR of Overnight Interbank Repo:

Chart 6.2: Monthly turnover of 1 day Interbank Repo

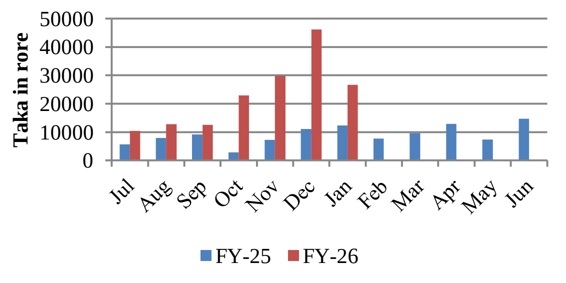
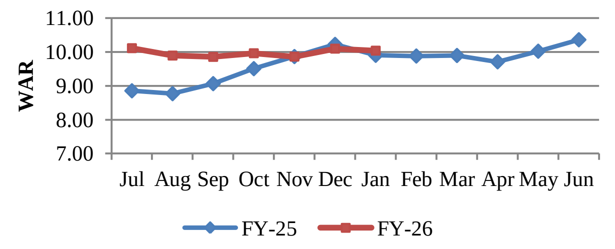


Chart 6.3: Movement of the WAR of 1 day Interbank Repo



- Total turnover of overnight interbank repo was 115.68% (Taka 14,285.55 crore) higher than that of the same period of the previous year.
- Regarding interest rate, the WAR of January 2026 was 14 basis points higher than that of the same period of the previous year.

ii. Interbank repo (7 days)

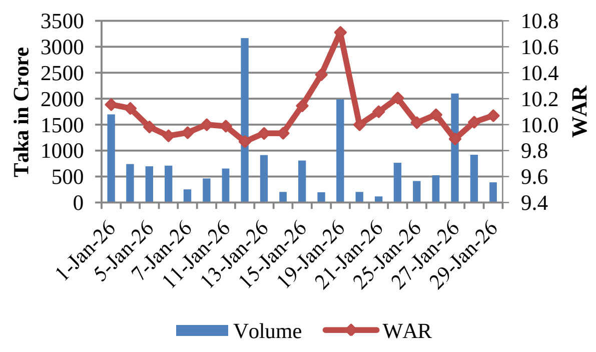
Total Turnover:

The total turnover was Taka 17,970.49 crore which was Taka 6122.52 crore (51.68%) higher than that of the preceding month.

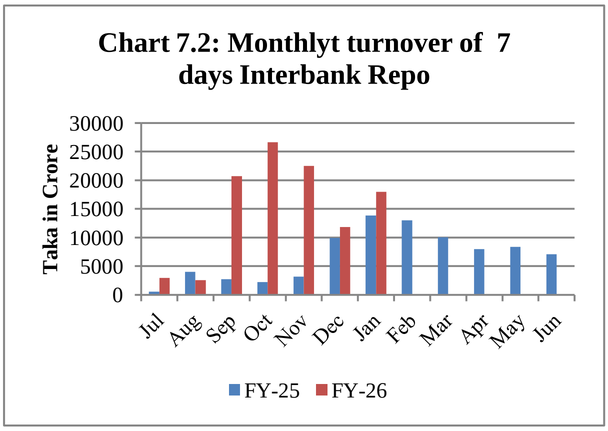
Interest Rates:

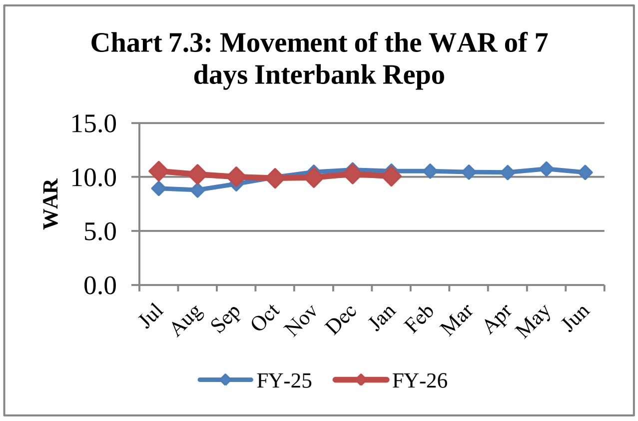
- Minimum interest rate: 9.87%
- Maximum interest rate: 10.71%
- Weighted Average Rate (WAR): 10.08 %

Chart 7.1: Movement of interbank Repo (7 days) with volume and WAR in Jan'26



The trend of turnover and WAR of 7 days Interbank Repo:





- Total turnover of seven days interbank repo was 29.73% (Taka 4118.51 crore) higher than that of the same period of the previous year.
- Regarding interest rate, the WAR of December 2025 was 47 basis points lower than that of the same period of the previous year.

Interest Rate Volatility:

Among overnight to seven days tenure interbank repo, five days tenure WAR were less volatile (CV- 1.1%) and four days WAR was highest volatile (CV-4.7%) in January 2026.

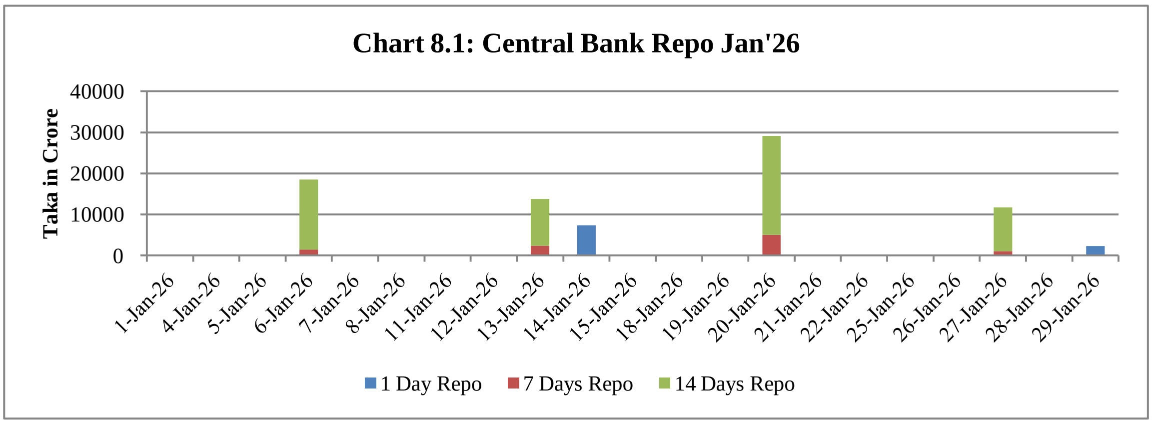
C. Central Bank (CB) Repo

Total Turnover:

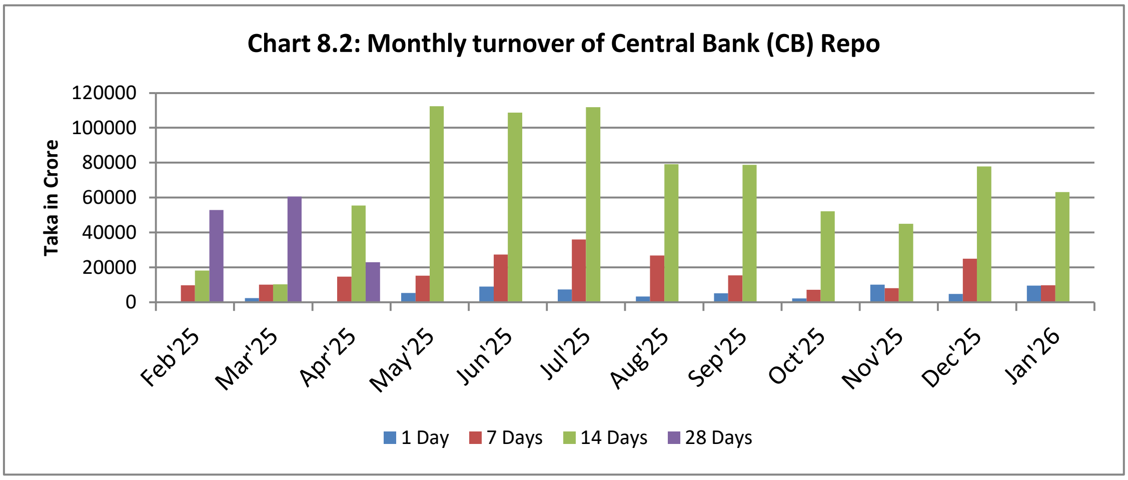
The total amount of central bank repos stood at Taka 82752.56 crore, reflecting a decrease of Taka 25059.09 crore (23.24%) compared to the previous month.

Turnover and proportion of tenure wise CB repo in January 2026:

- Overnight: BDT 9,680.36 crore (11.70%)
- 7 days: BDT 9,822.58 crore (11.87%)
- 14 days: BDT 63,249.68 crore (76.43%)



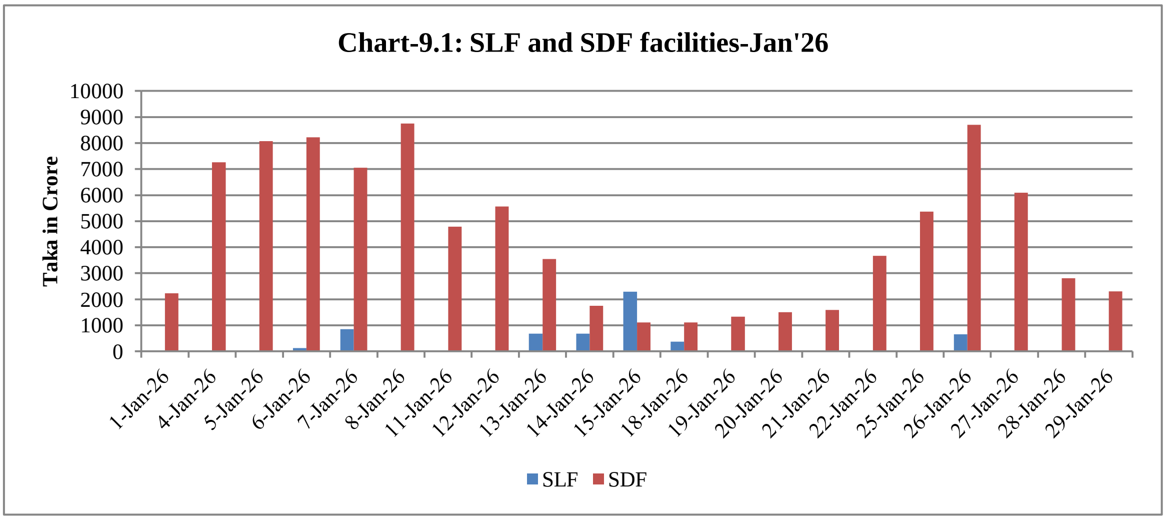
The trend of CB repo turnover:



Among CB repos, 14 days maturity had dominance over other tenure. Under the modernization of monetary policy framework, 28 days tenure CB repo has been suspended from 10th April 2025.

D. Standing Facilities

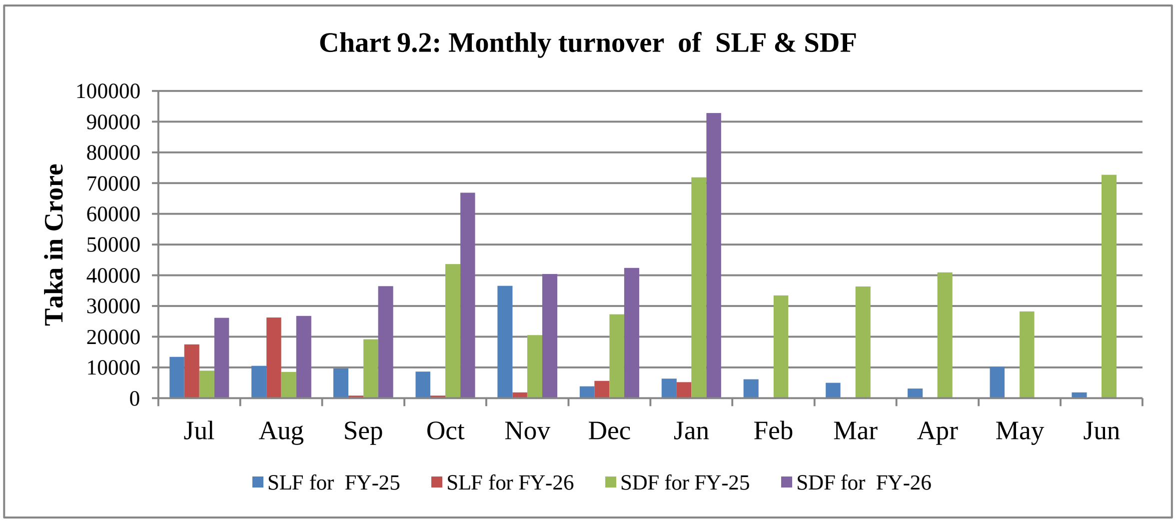
It includes standing lending facility (SLF) and standing deposit facility (SDF) with BB.



Total Turnover:

- Commercial banks got Taka 5254.74 crore SLF in January 2026 which was BDT 401.18 crore (7.09%) lower than that of previous month.
- Commercial banks used SDF facility for Taka 92793.50 crore which was Taka 50378.59 crore (118.78%) higher than that of the previous month.

The trend of using SLF and SDF by commercial banks:

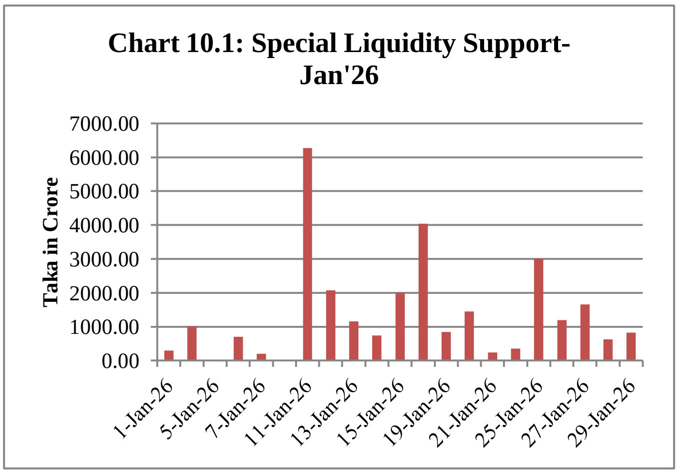


- Using of SLF facility by the commercial banks from the central bank was 17.41% lower than that of the same time in the previous year.
- In case of SDF commercial banks use this facility was 29.10% higher than that of the same time in the previous year.

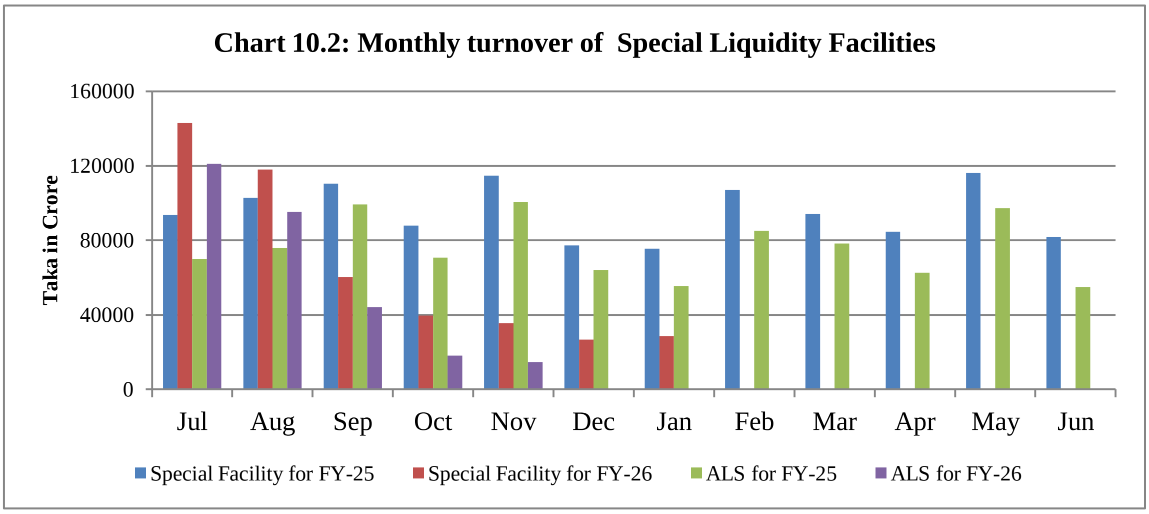
E. Special Liquidity Facilities

Bangladesh Bank also provides some special liquidity facilities to the banking system through AR, LSR, IBLF, MLS, and SLS.

The total amount of Taka 28699.07 crore was provided through AR, IBLF, SLS and CM repo to the banking system. It was Taka 2017.84 crore (7.56%) higher than that of the previous month.



The trend of special liquidity facilities and ALS turnover:



- Commercial banks use the special liquidity facilities from the central bank was 59.37% lower than that of the same period of the previous year.

- Under the modernization of monetary policy framework, ALS for PD, s has been suspended from 01 December 2025.

F. Bangladesh Bank (BB) Bill

There was no auction of Bangladesh Bank Bills in January 2026.

G. Government Treasury Bills

- There were four auctions held in January 2026, resulting in a total issuance of Taka 32,000 crore which was Taka 1000.00 crore (3.03%) lower than that of previous month.
- The cut-off rate of 91-day T. bills decreased sharply in early January 2026 and then gradually declined toward month-end.
- The cut-off rate of the 182-day T-bills decreased by 30 basis points in the second-week auction of January 2026**,** then increased somewhat and then decrease again in last auction.
- The cut-off rate of 364-day T-bill decreased sharply by 32 basis points in the second auction the remains stable in last two auctions.

Chart 12.1: T.Bills Auctions in Jan'26

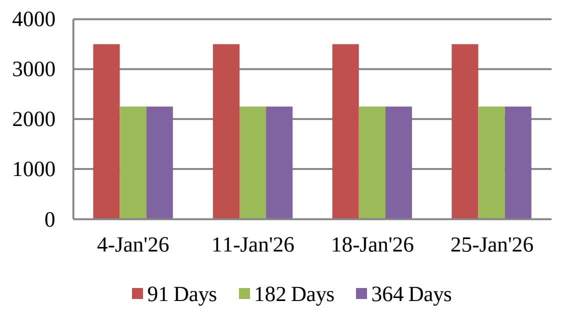
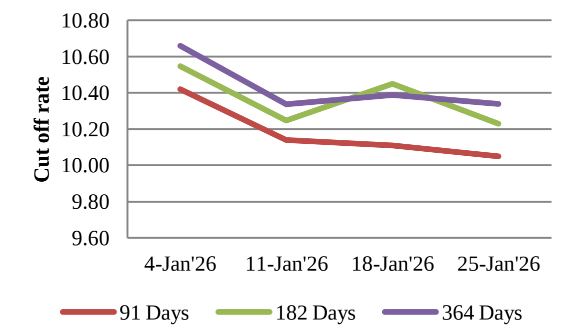


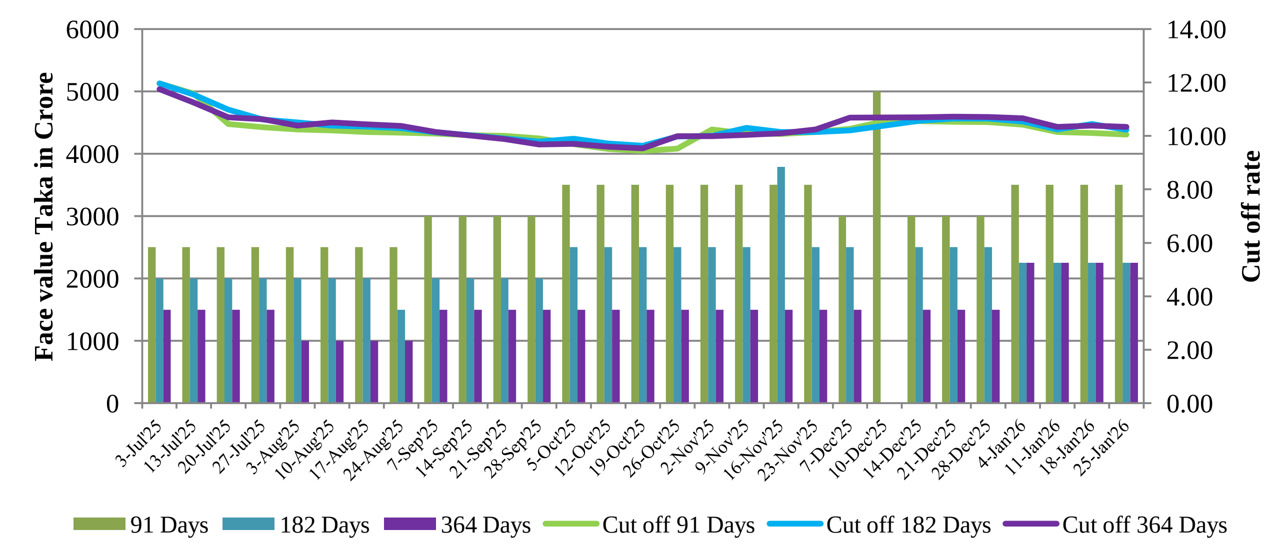
Chart 12.2: Cutt off rates of T.Bills in Jan'26



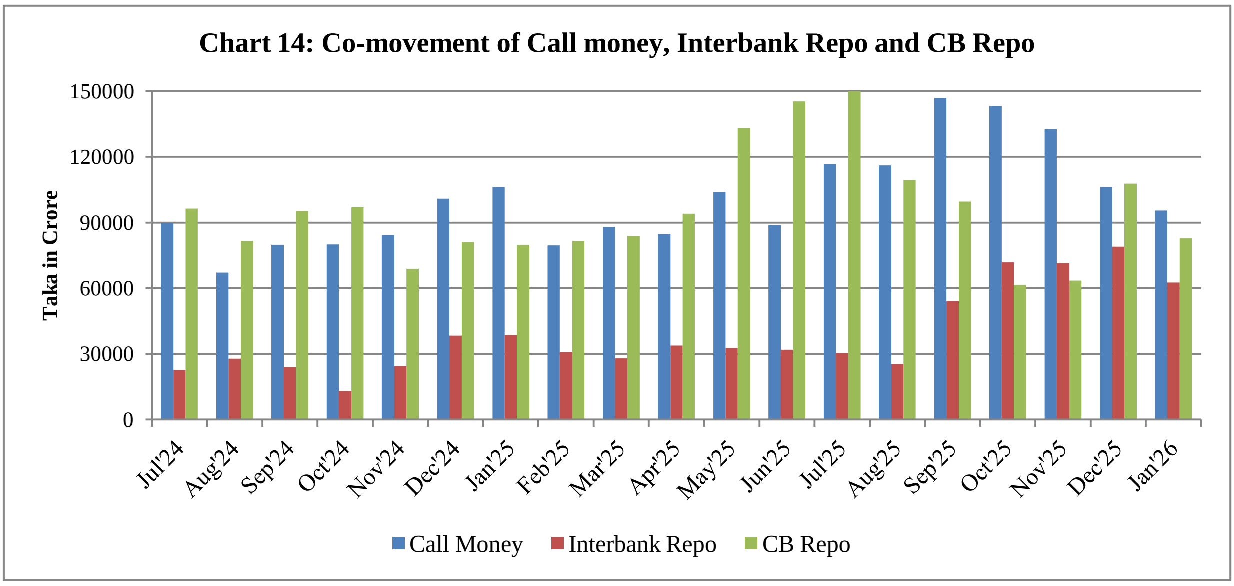
Volume and Cut-off Rates Government T. Bills:

Total auctioned amount and cut off rates of all kind of treasury bills were decreased comparing with the previous month.

Chart 12.3: Movement of Treasury Bills



H. Co-movement of Call money, Interbank Repo and CB Repo



- Beginning of the FY-26, Call money transactions show a rising trend, peaking around September 2025 then decrease gradually.
- Interbank repo turnover remained comparatively low and stable up to Aug'25 but then exhibit increasing trend.
- From June 2024 to early 2025, CB repo transactions fluctuated moderately; however, a sharp rise from March to June 2025 peaking around June–July 2025 and then volumes gradually declined up to November 2025 but sharply increased in December 2025.

Movements of Money Market Dynamics

Taka in Crore

Month	Call Money							Interbank Repo		CB Repo	Standing Facilities		Special Liquidity facilities	
	Overnight		Short Notice		Term Call		Total	Turnover	WAR		SLF	SDF	Total	ALS
	Turnover	WAR	Turnover	WAR	Turnover	WAR								
Jul-24	78949.41	8.86	9995.52	10.08	854.00	11.45	89798.93	22738.42	8.63	96387.00	13528.33	9020.00	93673.57	69954.81
Aug-24	60638.16	8.78	5736.35	10.15	806.63	11.95	67181.14	27877.71	8.62	81667.84	10598.92	8567.10	102865.59	75870.37
Sep-24	72051.14	9.14	6875.10	10.78	973.00	11.11	79899.24	23813.51	9.27	95405.45	9679.05	19246.54	110544.78	99285.86
Oct-24	72056.32	9.66	6540.81	10.95	1426.48	12.17	80023.61	13031.86	9.71	96949.55	8705.71	43656.54	87978.30	70804.57
Nov-24	75643.85	9.99	7731.50	11.12	952.56	12.23	84327.91	24414.83	10.18	68853.00	36600.20	20574.00	114790.95	100557.07
Dec-24	88454.21	10.07	10445.75	11.36	1958.34	10.68	100858.30	38307.43	10.36	81207.05	3898.12	27279.13	77326.37	64110.62
Jan-25	91686.98	10.08	13160.03	11.46	1434.45	11.99	106281.46	38673.42	10.15	79920.03	6362.76	71875.51	75657.63	55390.52
Feb-25	68835.22	10.04	9478.07	11.10	1289.50	11.55	79602.79	30883.63	10.21	81660.02	6230.90	33491.75	107071.11	85213.23
Mar-25	74253.82	10.01	12337.40	10.80	1338.00	11.36	87929.22	27904.56	10.15	83757.33	5017.45	36364.22	94216.38	78363.33
Apr-25	72891.38	9.93	10390.25	10.80	1590.08	11.34	84871.71	33828.22	9.95	93999.05	3213.41	40921.72	84636.70	62644.47
May-25	90662.42	10.06	11678.49	10.85	1641.29	11.49	103982.20	32839.27	10.39	133094.37	10266.64	28222.05	116180.17	97283.51
Jun-25	74395.00	10.14	12953.00	11.26	1442.00	11.27	88790.00	31941.00	10.37	145396.00	1890.00	72730.00	81745.00	54930.00
Jul-25	99173.88	10.03	15335.00	10.67	2343.25	11.42	116852.13	30332.71	10.27	155320.10	17565.51	26146.90	142988.51	121134.43
Aug-25	101693.40	9.98	12912.76	10.44	1518.85	11.08	116125.01	25324.96	10.01	109350.90	26331.76	26765.10	118010.15	95287.45
Sep-25	128498.90	9.97	15881.43	10.38	2626.65	11.18	147006.98	54131.77	9.94	99568.33	849.64	36532.84	60331.60	44040.01
Oct-25	121987.60	9.74	19463.31	10.13	1820.32	10.70	143271.23	71785.15	9.88	61577.95	850.10	66955.03	39605.56	18186.31
Nov-25	109706.02	9.79	21312.51	10.04	1711.39	10.90	132729.92	71433.69	9.89	63549.43	1903.54	40428.37	35472.51	14627.46
Dec-25	90243.20	9.99	13706.32	10.30	2302.60	11.14	106252.12	78949.95	10.14	107811.65	5655.92	42414.91	26681.23	0.00
Jan-26	83437.80	9.94	10987.38	10.33	1024.40	10.73	95449.58	62571.66	10.04	82752.56	5254.74	92793.50	28699.07	0.00

Sources: Bangladesh Bank