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Money Market Dynamics



**Monetary Policy Department
Bangladesh Bank**

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Executive Summary

Call money

The turnover of call money was **BDT 87929.07 crore** in Mar'25 which was **10.46%** higher than that of the preceding month. In call money transaction about **84%** was overnight, around **14%** was short notice and around **2%** was term call money. The weighted average rate (WAR) of call money was **10.14%**.

Interbank Repo

The turnover of interbank repo was **BDT 27904.56 crore** in Mar'25 which was **9.65%** lower than that of the previous month. In case of interbank repo, 7 days maturity was highest which was **36 %** and the second highest was overnight maturity which was around **35%**. The WAR of interbank repo was **10.15%**.

Central Bank Repo

The turnover of central bank repo in Mar '25 was **BDT 83757.33 crore** of which around **72%** was 28 days maturity.

Standing Facilities

In case of standing lending facility, commercial bank got **BDT 5017.45 crore** of SLF and used **BDT 36364 crore** of SDF facilities. Banking system got **BDT 91540.38 crore** special required facilities in Mar'25 of which around **86%** was ALS for PD.

Bangladesh Bank Bills

Bangladesh Bank (BB) Bills have significant impact on the money market. Bangladesh Bank issued **BDT 200 crore** BB Bills (90 days) in Mar'25 at a WAR of **10.86%**.

Government Treasury Bills

The total amount of **BDT 26932.03 crore** of Govt. T.Bills was issued in Mar'25. The highest cut off rate of 91 days, 182 days and 364 days were **10.90%**, **11.25%** and **11.30 %** respectively.

Summary of Money Market Dynamics (Turnover), March 2025

Money Market	Amount						Retirement Amount	Net Position
	Total	Min.	Max.	Mean	CV			
A. Call Money Transaction	87929.07	2549.42	7244.84	4627.85	28.38%		85714.86	2214.21
1. Overnight	74253.82	2133.62	6304.84	3908.10	31.73%		75258.20	-1004.38
2. Short notice (2 to 14 days)	12337.4	146.00	1458.53	649.34	51.77%		10,018.16	2319.24
3. Term (15 days and above)	1337.85	10.00	429.70	102.91	115.08%		1429.50	-91.65
B. Interbank Repo Transaction	27904.56	393.40	2612.31	1468.66	47.69%		31371.35	-3466.79
1 day	9668.76	20.32	1284.50	508.88	74.23%		9536.80	131.97
2 days	3035.30	96.10	666.27	337.26	61.57%		2531.84	503.46
3 days	2249.96	41.02	1057.87	321.42	106.77%		3278.26	-1028.30
4 days	1878.77	103.07	982.00	375.75	93.36%		1447.85	430.93
5 days	354.12	39.25	195.80	118.04	66.32%		354.12	0.00
6 days	680.06	59.79	197.25	136.01	37.87%		1308.36	-628.30
7 days	10037.60	39.53	1601.47	557.64	81.33%		12914.13	-2876.54
C. Central Bank Repo	83757.33	782.92	26940.53	13959.56	75.99%		81158.30	2599.03
1. Over night	2408.88	782.92	1625.96	1204.44	49.49%		1910.95	497.92
2. 7 days	10260.23	1546.58	3390.77	2565.06	34.32%		10745.87	-485.64
3. 14 days	10426.10	1100.04	4511.53	2606.52	57.65%		15155.24	-4729.14
4. 28 days	60662.13	11669.90	21960.09	15165.53	31.92%		53346.24	7315.89
D. Standing Facility	41381.67							
1.SLF	5017.45	37.51	1734.37	295.14	162.32%		5019.34	-1.90
2. SDF	36364.22	50.00	5705.56	1913.91	99.65%		34360.99	2003.23
E. Special Liquidity Facilities	94216.38						85266.15	6274.23
1. ALS	78363.33	1638.05	13140.50	4124.39	80.35%		75674.15	2689.18
2. AR	3004.05	251.97	1976.91	1001.35	88.32%		605.79	9242.21
3. CM Repo	0.00	0.00	0.00	0.00			288.36	-288.36
4. LSR	0.00	0.00	0.00	0.00			0.00	325.00
5. IBLF	12524.00	14.00	2915.00	736.71	107.00		8697.85	-5693.80
6. MLS	325.00	325.00	325.00	325.00			0.00	0.00
7. SLS	0.00	0.00	0.00	0.00			0.00	0.00
F. Bangladesh Bank Bill (90 days)	200.00	100.00	100.00	100.00	0.00		2430.00	-2230.00
G. Government Treasury Bills	26932.03						34296.70	-7364.67
1. 91 days	14000.00	3500.00	3500.00	3500.00	0.00%		17560.56	-3560.56
2. 182 days	6932.03	932.03	2000.00	1733.01	30.81%		9379.15	-2447.12
3. 364 days	6000.00	1500.00	1500.00	1500.00	0.00%		7356.99	-1356.99

Note: SLF= Standing Lending Facility, SDF = Standing Deposit Facility, ALS = Assured Liquidity Support, 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 Dynamics (Interest Rates), March 2025

Money Market	Interest Rates			
	Min.	Max.	WAR	CV
A. Call Money Transaction	9.85	12.17	10.14	0.99%
1. Overnight	9.85	10.12	10.01	0.54%
2. Short notice (2 to 14 days)	10.11	11.43	10.80	3.41%
3. Term (15 days and above)	9.93	12.17	11.36	5.45%
B. Interbank Repo Transaction	9.61	10.86	10.15	1.91%
1 day	9.67	10.16	9.90	1.20%
2 days	9.62	10.35	10.01	2.36%
3 days	9.83	10.75	9.96	3.11%
4 days	9.94	10.31	10.20	1.60%
5 days	10.00	10.10	10.01	0.58%
6 days	10.04	10.50	10.25	1.95%
7 days	9.61	10.86	10.46	2.68%
C. Central Bank Repo	10.00	10.25		
1. Over night	10.00	10.00	10.00	-
2. 7 days	10.00	10.00	10.00	-
3. 14 days	10.00	10.00	10.00	-
4. 28 days	10.00	10.00	10.00	-
D. Standing Facility				
1. SLF	11.50	11.50	11.50	-
2. SDF	8.50	8.50	8.50	-
E. Special Liquidity Facilities				
1. ALS	10.00	10.00	10.00	-
2. AR	10.00	10.00	10.00	-
3. CM Repo	4.75	4.75	4.75	-
4. LSR				
5. IBLF				
6. MLS				
7. SLS				
F. Bangladesh Bank Bill (90 days)	10.50	11.23	10.86	4.75%
G. Government Treasury Bills				
1. 91 days	10.29	10.77	10.47	2.10%
2. 182 days	10.43	11.06	10.78	2.45%
3. 364 days	10.44	11.23	10.84	3.04%

Note: SLF= Standing Lending Facility, SDF = Standing Deposit Facility, ALS = Assured Liquidity Support, 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

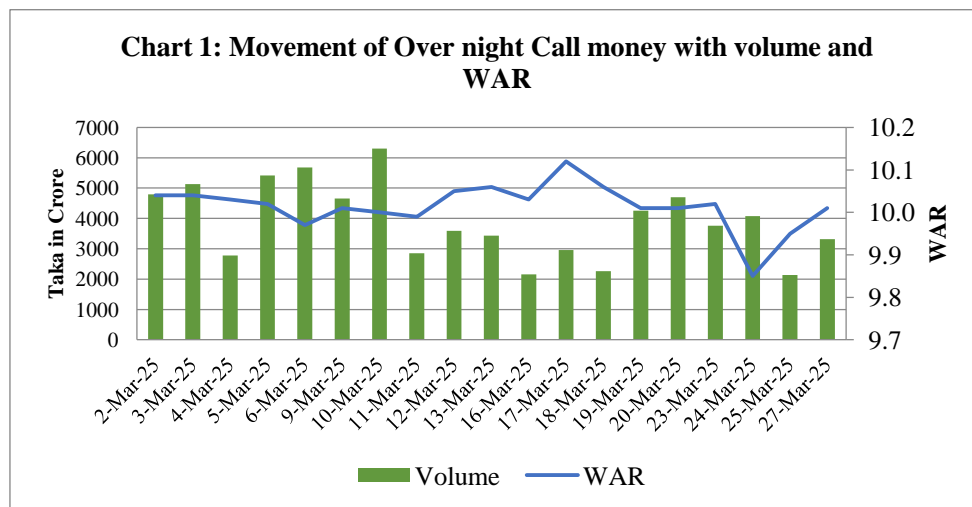
In any financial system money market plays an important role by facilitating the short-term liquidity requirement for financial institutions as well as government. A well developed money market not only useful for liquidity management but also it helps to implement the monetary policy, to provide safe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

A. Call Money

1. Overnight

- **Total Turnover:**

The total turnover of overnight call money was BDT 74253.82 crore in Mar'25, which was BDT 5418.60 core (7.87%) higher than previous month.



- **Interest rates:**

- Minimum interest rate: 9.85%
- Maximum interest rate: 10.12%
- Weighted Average Rate (WAR): 10.01%

All of these interest rates are little bit lower than those of the previous month.

- **Movement:**

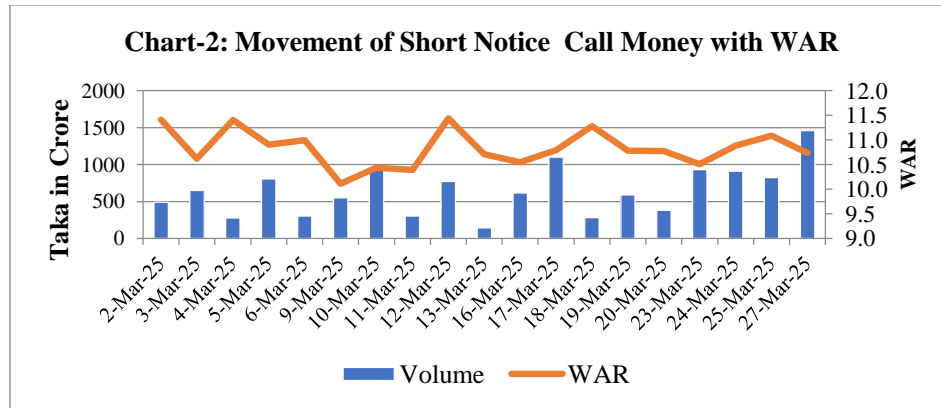
The overnight call money rate went up until March 10, and then slowly went down until March 20, and after that, it increased a little.

Table 1: Movement of the Overnight Call Money- FY25

Amount in Crore BDT									
	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Turnover	78949	60638	72051	72056	75644	88454	91687	68835	74254
WAR	8.86	8.78	9.14	9.66	9.99	10.07	10.08	10.04	10.01

2. 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 BDT. 12337.40 crore in Mar'25 which was BDT 2829.33 core (30.17%) higher than that of previous month.

- Interest Rates:**

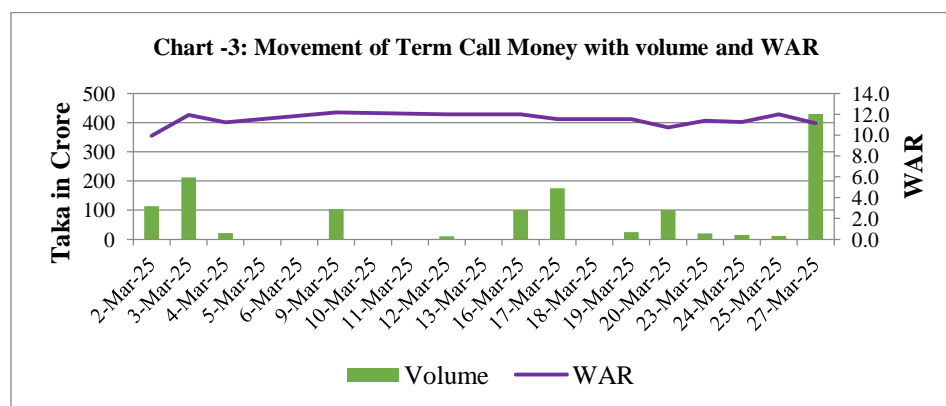
- Minimum interest rate: 10.11%
- Maximum interest rate: 11.43%
- Weighted Average Rate (WAR): 10.80 %

Table 2: Movement of the Short Notice Call Money- FY25

Amount in Crore BDT									
	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Turnover	9996	5736	6875	6541	7732	10446	13160	9478	12337
WAR	10.08	10.15	10.78	10.95	11.12	11.36	11.46	11.10	10.80

3. Term Call Money:

It includes 15 to 364 days duration call money.



- **Total Turnover:**

The turnover of term call money was BDT. 1337.85 crore in Mar'25 which was BDT 48.35 core higher than that of previous month

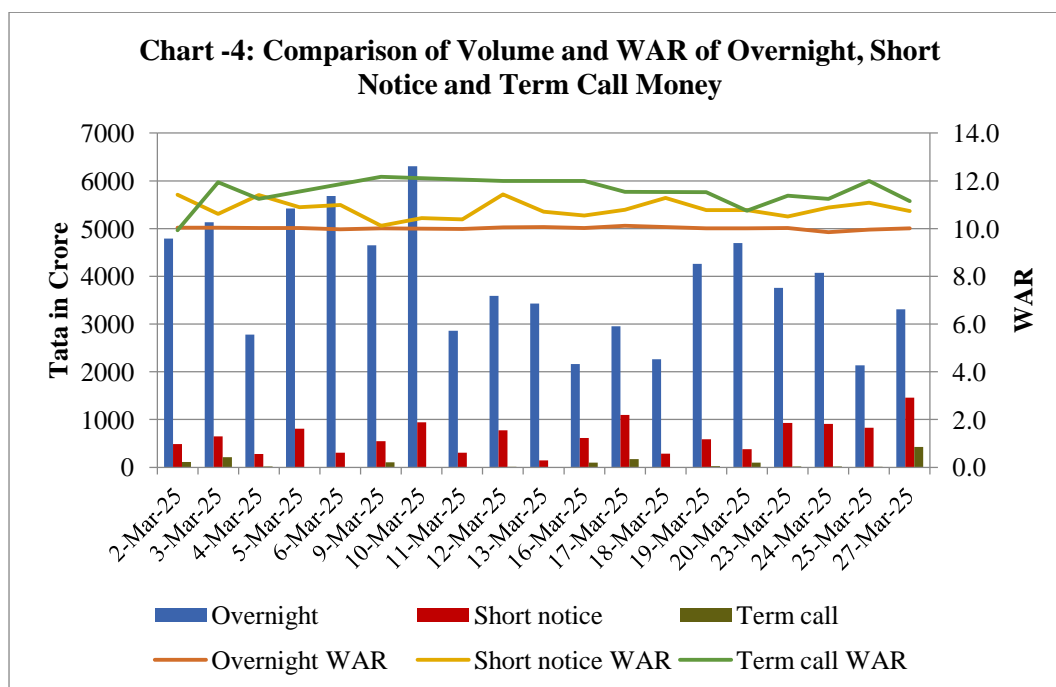
- **Interest Rates:**

- Minimum interest rate: 9.93%
- Maximum interest rate: 12.17%
- Weighted Average Rate (WAR): 11.36%

Table 3: Movement of the Term Call Money- FY25

	Amount in Crore BDT								
	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Turnover	854	807	973	1426	953	1958	1434	1290	1338
WAR	11.45	11.95	11.11	12.17	12.23	10.68	11.99	11.55	11.36

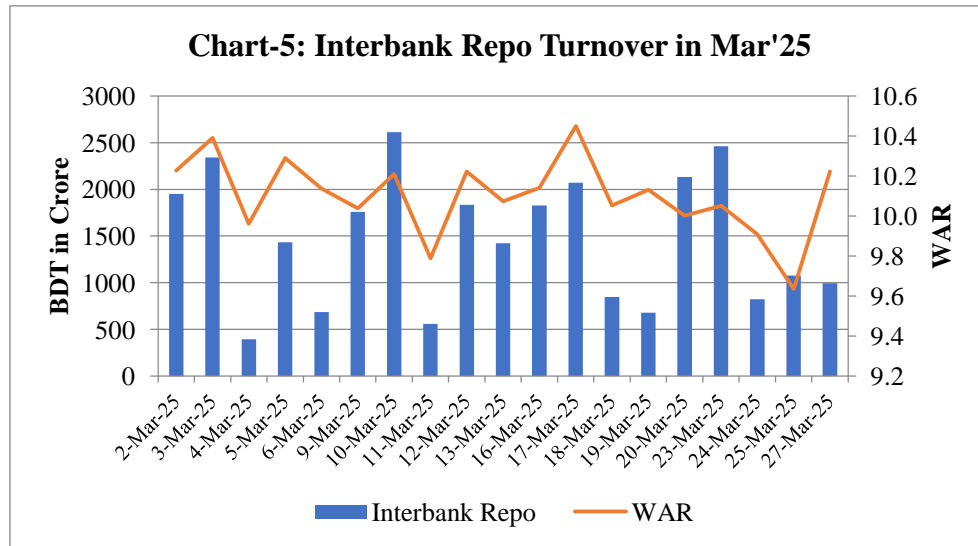
Comparison of all type of call money:



Overnight call money has the dominance in call money market. Regarding interest rates the coefficient of variation (CV) of overnight, short notice and term call were 31.73%, 51.77% and 115.08% respectively. So overnight call money rate had less volatility comparing to short notice and term call money rate in Mar'2025.

B. Interbank Repo

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



- Total Turnover**

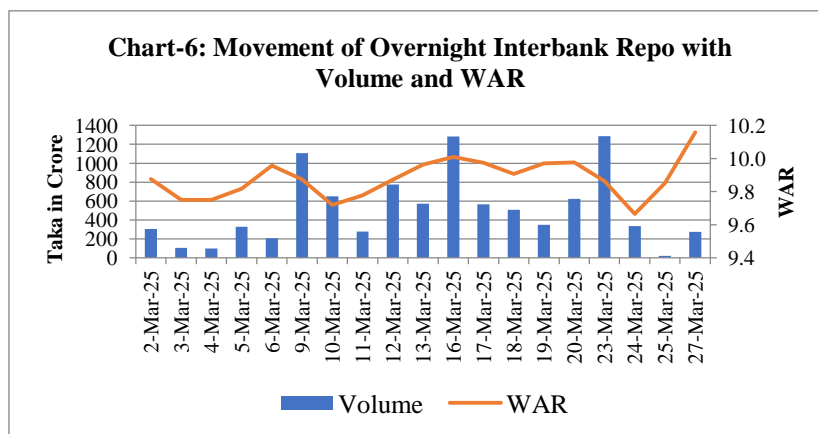
The total turnover of interbank Repo was BDT. 27904.56 crore in Mar'25 which was BDT 2979.07 crore (9.65%) higher than that of the previous month.

- Among it's total turnover, overnight and 7 days turnover had dominance over other tenure. Overnight repo was 35% and 7 days repo was 36%
- Interbank repo for two days was 11%, three days was 8%, four days was 7%, five days was 1% and six days was 2% only.

1. Interbank Repo (Overnight)

- Total Turnover:**

The overnight interbank repo turnover was BDT. 9668.76 crore which was BDT 2012.91 crore (26.29%) higher than that of previous month.



- Interest rates:**

- Minimum interest rate: 9.67%
- Maximum interest rate: 10.16% and

- Weighted Average Rate (WAR): 9.90 %

The minimum interest rate and WAR were little bit higher than those of the previous month but maximum interest rate was little bit lower than that of previous month.

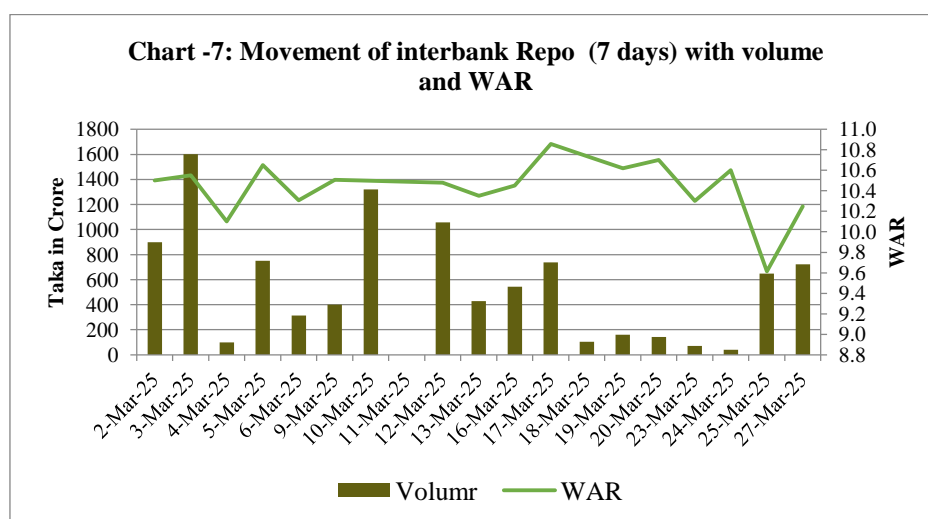
Table 4: Movement of the Overnight Interbank Repo- FY25

Amount in Crore BDT									
Categories	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Turnover	5686	7977	9212	2893	7251	11080	12349	7656	9669
WAR	8.86	8.77	9.07	9.51	9.87	10.23	9.90	9.88	9.90

2. Interbank repo (7 days):

- **Total turnover:**

The total turnover was BDT 10037.60 crore which was less than BDT 2965.54 crore (- 22.81%) than that of the preceding month.



- **Interest rates:**

- Minimum interest rate: 9.61%
- Maximum interest rate: 10.86%
- Weighted Average Rate (WAR): 10.46 %

All these interest rates were little bit lower than those of the precious month.

- **Interest rate volatility:**

Three days interbank repo was most volatile (highest SD which is 0.31). Between overnight and seven days interbank repo, interest of seven day was more volatile (SD of overnight was 0.12 which was 0.28 for seven days).

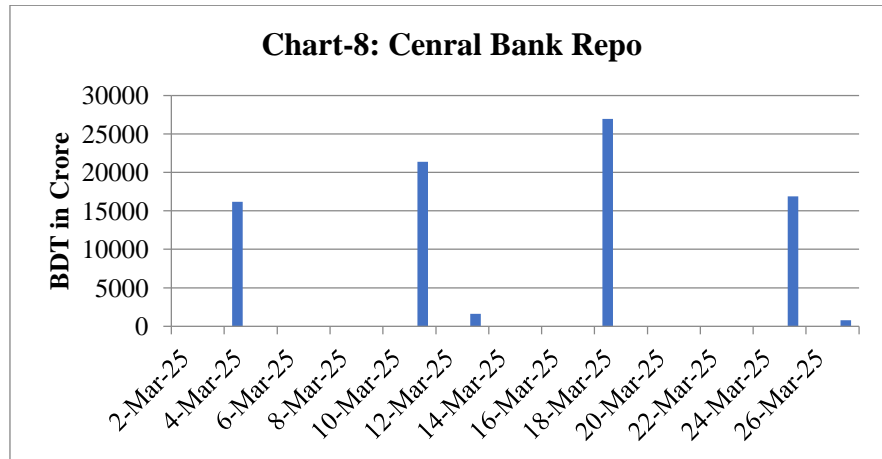
Table 5: Movement of the 7 days Interbank Repo- FY25

Amount in Crore BDT									
	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Turnover	585	4021	2725	2239	3189	9945	13852	13003	10038
WAR	8.95	8.79	9.37	10.00	10.45	10.67	10.55	10.55	10.46

C. Central Bank (CB) Repo:

- **Total turnover:**

Total amount of CB repo was BDT. 83757.33 crore of which BDT 2097.31 crore (2.57%) higher that of previous month.



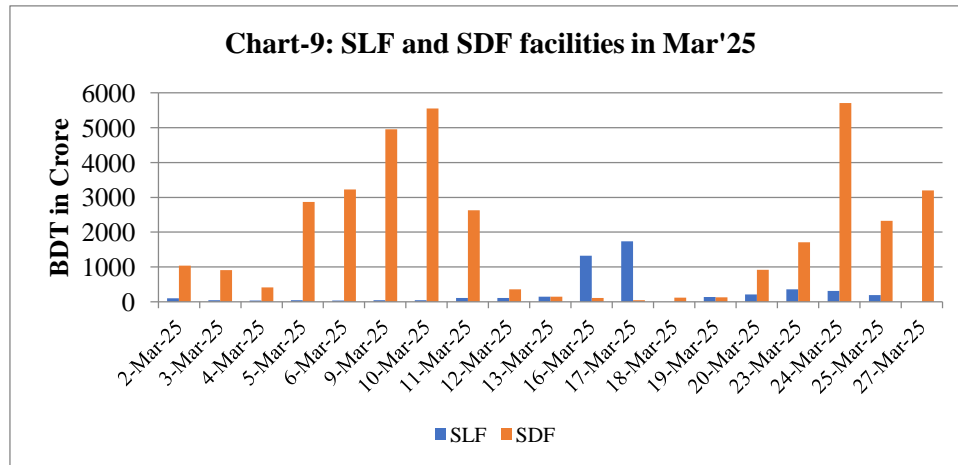
- Overnight: BDT 2408.88 crore (3%)
- 7 days: BDT 10260.23 crore (12%)
- 14 days: BDT 10426.10 crore (13%)
- 28 days: BDT 60662.13 (72%)

Table 6: Central Bank (CB) Repo- FY25

		Amount in Crore BDT								
	Tenure	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Turnover	1-Day	1651	2359	4897	5806	2721	1370	132	573	2409
	7-Days	23978	23080	16017	13517	12069	9902	11143	9837	10260
	14-Days	29165	12932	23786	12446	11423	13758	15913	18320	10426
	28-Days	41593	43297	50705	65181	42640	56177	52732	52930	60662

D. Standing Facility:

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



- Total turnover:**

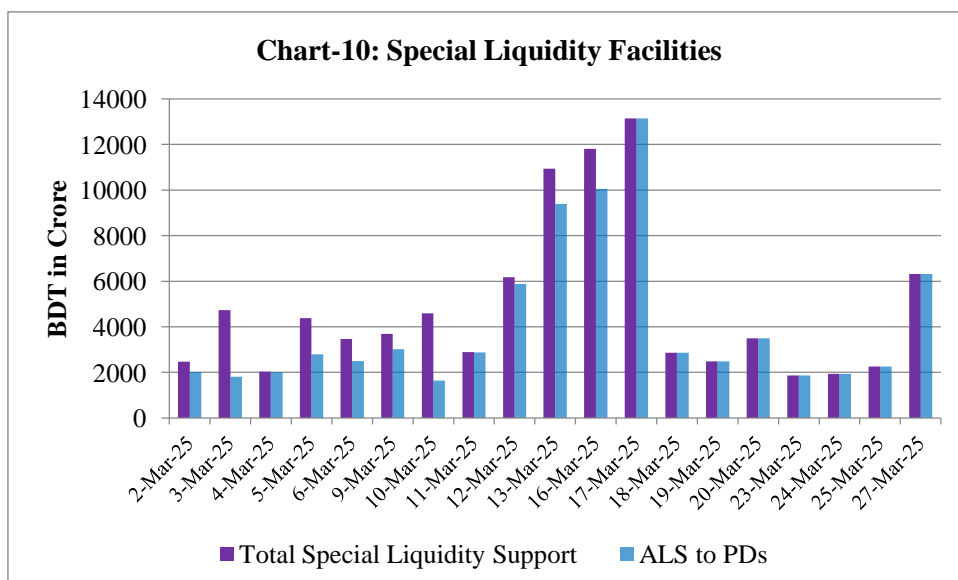
- Commercial banks got BDT. 5017.45 crore SLF in Mar'25 which was BDT 1213.46 crore less than that of previous month.
- Commercial banks used SDF facility for BDT. 36364.22 crore which was BDT 2827.47 crore higher than that of the previous month.

Table 7: Movement of the SLF & SDF- FY25

		Amount in Crore BDT							
Turnover	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
SLF	13528	10599	9679	8706	36600	3898	6363	6231	5017
SDF	9020	8567	19247	43657	20574	27279	71876	33492	36364

E. Special Liquidity Facilities

Bangladesh Bank also provides some special liquidity facilities to the banking system through ALS for primary dealer (PD), AR, CM Repo, LSR, IBLF, MLS, SLS.



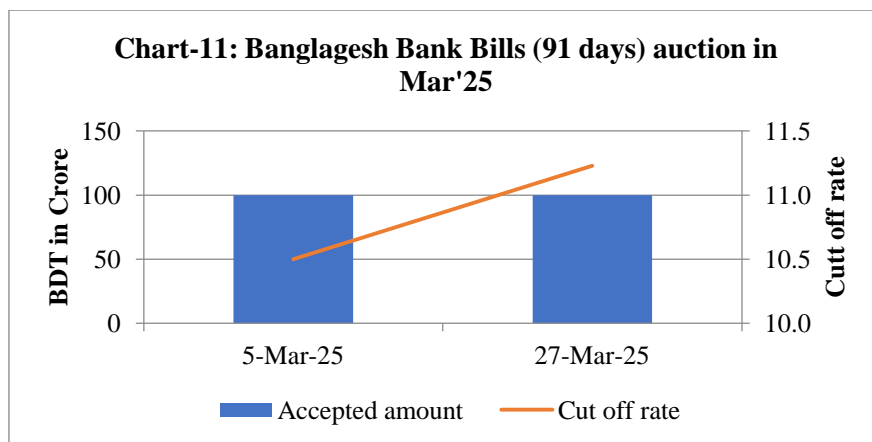
- The total amount of BDT 94216.38 crore was provided through ALS, IBLF, LSR and AR to the banking system.
- It was BDT 12854.73 crore (-12.01%) less than that of the previous month.
- Among the special liquidity facilities, the amount of ALS for PDs was BDT 78363.33 crore which was 83% of the total amount.

Table 8: Movement of the Special Liquidity Facilities- FY25

Amount in Crore BDT									
Turnover	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
Special Liquidity Support	93674	102866	110545	87978	114791	77326	75658	107071	94216
ALS	69955	75870	99286	70805	100557	64111	55391	85213	78363

F. Bangladesh Bank (BB) Bill:

Two auctions of BB Bills are held in March 2025 with 90 days maturities.



- Total accepted amount was BDT 200 crore.
- In the first auction the interest rate was 10.50% and in the second auction the rate was 11.23%.

Table 9: Movement of the BB Bills- FY25

Amount in Crore BDT									
Turnover	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25
30 Days BB Bill	0.00	0.00	0.00	0.00	953.80	0.00	0.00	650.00	0.00
90 Days BB Bill	0.00	0.00	0.00	0.00	0.00	1780.00	1025.00	0.00	200.00

G. Government Treasury Bills Auctions

- There were four auctions held in Mar'25, resulting in a total issuance of BDT 26932.03 crore.

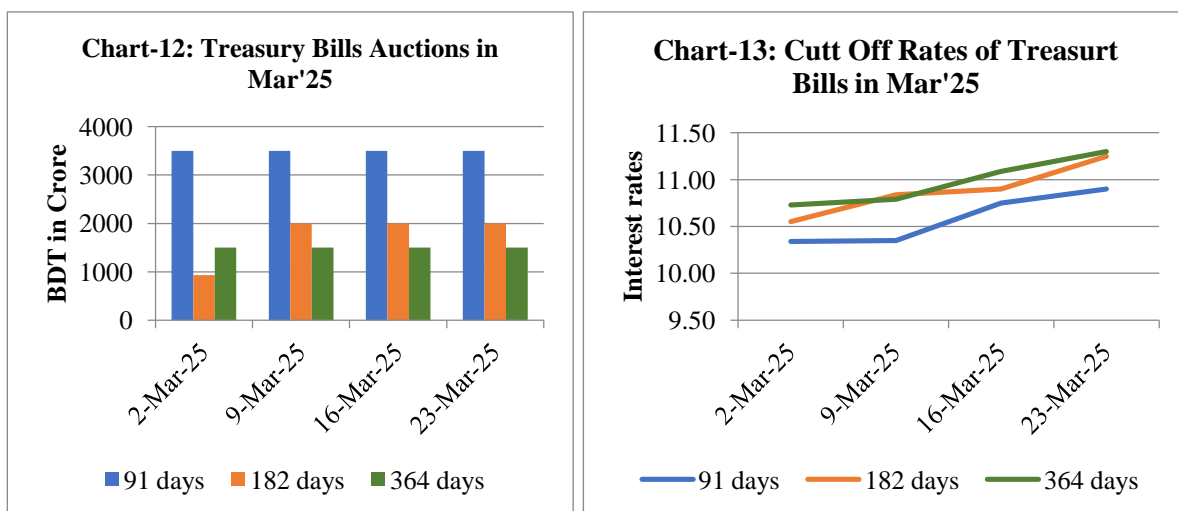


Table 10: Accepted Amount of Treasury Bills in Mar'25

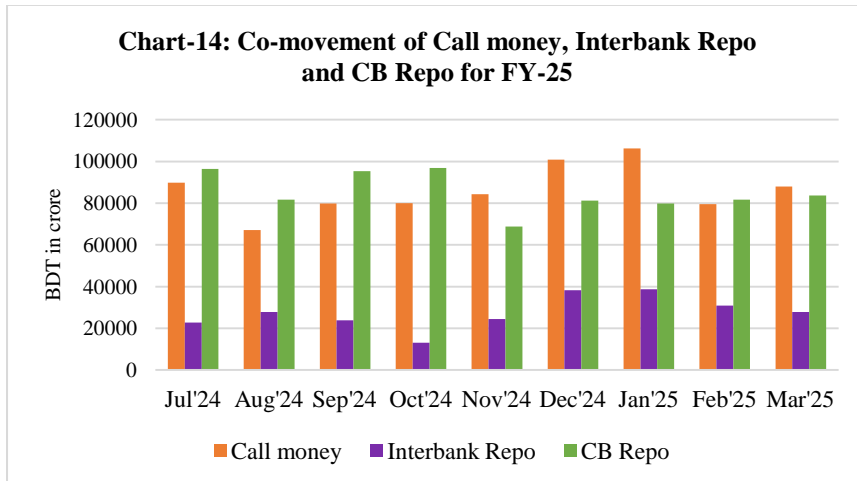
Types of T-Bills	BDT in crore				
	1st week	2nd week	3rd week	4th week	Total
91 days	3500.00	3500.00	3500.00	3500.00	14000
182 days	932.03	2000.00	2000.00	2000.00	6932.03
364 days	1500.00	1500.00	1500.00	1500.00	6000
Total	5932.03	7000	7000	7000	26932.03

Table 11: Cut off Rates of Treasury Bills in Mar'25

Types of T-Bills	1st week	2nd week	3rd week	4th week
91 days	10.34%	10.35%	10.75%	10.90%
182 days	10.55%	10.84%	10.90%	11.25%
364 days	10.73%	10.79%	11.09%	11.30%

Regarding interest rates the coefficient of variation (CV) of 91 days, 182 days and 364 days were 2.10%, 2.45% and 3.04% respectively. That means interest rate of 91 days treasury bills are less volatile than the other two types treasury bills.

Co-movement of Call money, Interbank Repo and CB Repo for FY-25



- Beginning of the FY-25, central bank liquidity support through CB repo was higher than call money transaction and it was continue until Oct'24.
- After that call money turnover exceeded the CB repo. Interbank repo was in increasing trend from Oct'24 and it is decreasing from Jan'25.