

Bangladesh Bank **Quarterly**

April-June, 2022
Volume XIX, No. 4



Bangladesh Bank Quarterly

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মুজিববর্ষের অঙ্গীকার
দেশী পণ্যের ব্যবহার

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Economic and Financial Developments

Executive Summary

The ongoing Russia-Ukraine crisis, along with the adverse impact of the COVID-19 pandemic, is having worldwide spillover effects on commodity and financial markets, trade flows, prices, and exchange rates. Global supply chain disruptions and commodity price hikes amid aggressive policy rate hikes by the US Fed are creating significant global uncertainties. The overrun effects of all these on the rest of the World, including Bangladesh, are to face multidimensional challenges. Of which the mounting inflationary and exchange rate pressures due to high import prices and subsequent balance of payments adversities are prominent. Bangladesh Bank is extending necessary policy measures to contain demand while supporting supply and production-enhancing activities in tackling the ongoing inflationary and exchange rate pressures.

Following the global trend, headline CPI inflation (point to point) increased to 7.56 percent in June 2022 from 6.22 percent in March 2022, with a faster rise in food inflation, driven mainly by the pass-through of global commodity prices and a notable depreciation of BDT. Consequently, twelve-month average CPI inflation increased to 6.15 percent in June 2022, remaining above the budgetary target of 5.3 percent for FY22. The rise in inflation, particularly food inflation, was much pronounced in rural areas, with a disproportionately higher impact on lower-income groups.

Elevated global commodity and energy prices created significant challenges to the external sector during FY22 by pushing import payments up, which outstripped the rise in export earnings. The growing trade deficit, in tandem with relatively moderate remittance inflows, resulted in a surge in the current account deficit to USD 18.7 billion in FY22, surpassing the surplus in the capital and financial account. The resulting large deficit in the balance of payments (BoP) exerted depreciation pressure on the foreign exchange market. To limit excessive exchange rate volatility, Bangladesh Bank (BB) intervened in the foreign exchange market with net sales of around USD 7.4 billion in FY22. As a result, the foreign exchange reserve declined to USD 41.8 billion at the end of FY22 from USD 46.4 billion at the end of FY21.

Despite a pickup in the growth of credit to the private sector, broad money (M2) growth moderated to 9.43 percent (year on year) at the end of FY22, remaining significantly lower than the target of 15.00 percent growth due mainly to a decline in net foreign assets in the face of a large deficit in the BoP. Liquidity in the banking system maintained mostly a downward trend throughout the fiscal year, mainly because of a partially sterilized intervention in the foreign exchange market coupled with a rising growth of private sector credit and a declining deposit growth. Consequently, interest rates in the interbank money market edged up to some extent. Among the indicators related to the performance of the banking sector, a rise in non-performing loans and provisioning shortfall on the one hand and advancement in profitability and maintaining adequate liquidity on the other reflected a mixed performance of the industry at the end of FY22.

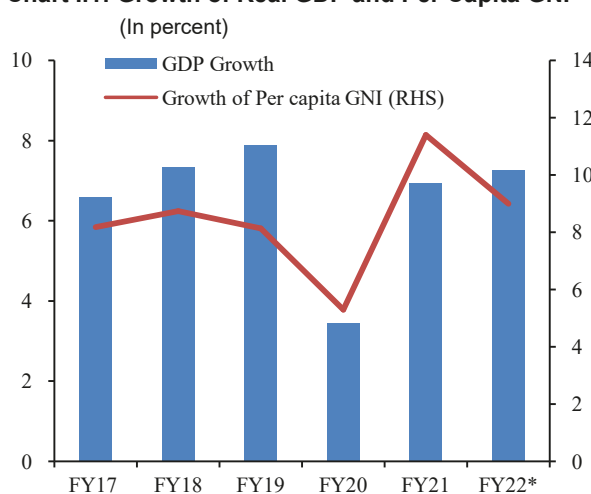
The capital market witnessed some volatility with a downward trend in Q4FY22, reflected in a downturn in price indices, market capitalization, and turnover. The weak performance can be attributed to a downturn in the share price index in emerging market economies, commodity prices instability in both global and domestic markets, sharp depreciation of BDT against USD, and financial tightening in advanced economies.

Looking ahead, headwinds to current growth momentum could emerge from unfavorable developments in global economies. Compounding adverse effects of elevated global commodity and energy prices, recent upward adjustment of petroleum and fertilizer prices in the domestic market, and a significant depreciation of BDT against USD could intensify the cost-push shocks to the economy. Moreover, several measures to limit unnecessary and luxury imports, rationing of power supply, and austerity policy of the government might provide some respites in terms of containing local demand. It is crucial that sustaining growth momentum, stabilizing the exchange rate, and curbing inflation warrant prudent and coordinated fiscal and monetary policy actions. The government and Bangladesh Bank continued their supportive measures, including stimulus packages and refinance schemes for the productive sectors of the economy in improving the supply side to maintain price stability while keeping the growth momentum going.

I. Real Economy

1.1 Global economic outlook is increasingly gloomy and uncertain, still reeling from COVID-19 pandemic and Russia-Ukraine war driven supply shocks. However, Bangladesh economy kept its growth momentum and attained 7.25 percent real GDP growth in FY22, reflecting strong performance in the industry and service sectors. The broad-based economic recovery started in FY21 which continued until FY22 mainly because of efficient management of the pandemic. Based on the latest available data, the targets for major crop production achieved broadly in FY22. The industry sector kept expanding, aided by conducive policy supports and business conditions. Besides, the service sector expanded, reflecting in growing commodity-producing sector and significant increase of imports. However, adverse consequences of global economic imbalances appeared to have started impairing Bangladesh economy since Q4FY22 (April-June 2022) following the global economic uncertainties.

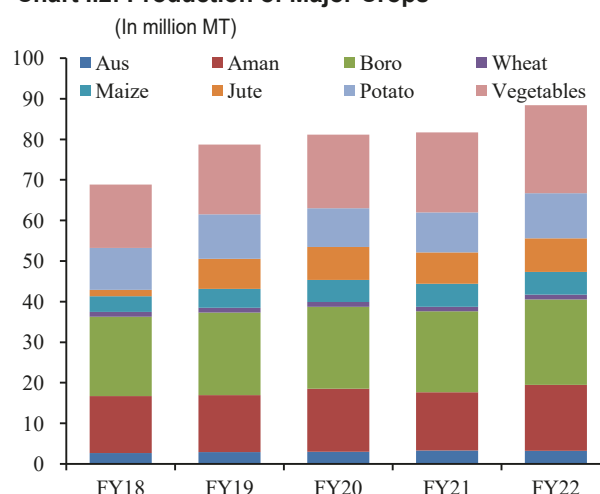
Chart I.1: Growth of Real GDP and Per Capita GNI



* provisional

Source: Bangladesh Bureau of Statistics (BBS).

Chart I.2: Production of Major Crops



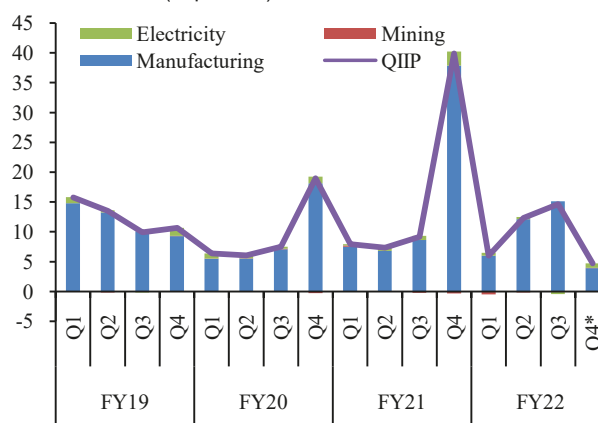
Source: Department of Agricultural Extension (DAE).

1.2 Although BBS projected a lower growth of 2.20 percent for the agriculture sector in FY22 considering a modest growth of crop and horticulture production, gradual decline in arable land in the face of growing urbanization, crop production maintained a healthy growth with the support of availability of inputs and credit facilities along with favorable weather conditions and higher crop prices. The biggest crop of the country, *Boro* rice, had been cultivated in higher than targeted acreage in FY22 and grew by 5.5 percent as compared to production of FY21, though experiencing a substantial crop loss caused by natural calamities, including the flash floods in haor areas due to heavy rain amid cyclone in May 2022. On the back of slight moderation of the *Aus* rice production, *Aman* rice observed healthy production by registering 12.7 percent growth during the same time. Among non-rice crops, the production of wheat, jute, potato, vegetables, and, onion grew by 7.6 percent, 7.1 percent, 11.9 percent, 9.9 percent, and, 8.3 percent, respectively, aided by favorable market prices, low cost finance, subsidies, mechanization of agriculture, and rising cropping intensity (Chart I.2). Notwithstanding, according to the new prediction by the US Department of Agriculture, Bangladesh may harvest less *Aus* rice in the forthcoming crop. The report also predicted

a probable stress over the grain market of Bangladesh due to rise of local prices for rice, wheat, and corn stemmed from the ongoing Russia-Ukraine war, and India's restriction on wheat exports¹

1.3 Industrial sector observed solid performance during July-March of FY22, according to the indicators gauging quarterly developments. Monthly release of Industrial Production Statistics (IPS) data of April 2022 for the index of medium and large scale industrial output registered 4.28 percent growth compared to the same month last year. On the other hand, electricity product grew by 10.21 percent, whereas mining observed positive growth (3.91 percent) after observing negative growth for the last eight quarters. The growth of manufacturing production was emanated from the growth in production of

Chart I.3: Growth Decomposition of Quantum Index of Industrial Production
(In percent)



*Based on data available for April, 2022

Source: BB Staff's calculation based on BBS data.

wearing apparel (30.04 percent), basic metal (14.39 percent), chemical and chemical product (11.92 percent), rubber and plastic products (31.28 percent), and motor vehicles and trailers (246.48 percent) (Chart I.4). This growth trend is expected to have continued hinging upon healthy growth of credit to private sector (13.66 percent) and higher growth of credit to different productive sub-sectors such as industry (11.93 percent), construction (10.02 percent) throughout Q4FY22.

Chart I.4: Heat Map for Large and Medium Scale Manufacturing Output Growth (In percent)

	Weight	FY20	FY21				FY22			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4*
General Index of Manufacturing	100	-16	8.3	7.3	14.2	46.8	14.4	13.3	11.4	4.3
Food products	10.8	5	-4	6	8	14	11	-14	-23	-15
Beverage	0.3	-50	11	13	71	160	52	89	52	65
Tobacco product	2.9	10	-11	-7	-9	-15	-9	-15	-14	-12
Textile	14.1	2	17	6	21	50	26	25	5	-11
Wearing apparel	34.8	-50	3	-4	3	106	17	42	48	30
Leather and related product	4.4	-1	63	35	78	116	47	-26	-37	-14
Wood and product of wood and cork	0.3	5	5	41	26	12	16	-15	-10	3
Paper and paper products	0.3	10	14	-7	17	-11	14	68	56	85
Printing and recorded media	1.8	14	11	16	10	3	-3	-11	-9	-4
Coke and refined petroleum product	1.3	-60	-6	83	103	171	14	-39	3	-17
Chemical and chemical product	3.7	-3	43	8	12	15	-24	-10	0	12
Pharmaceuticals products	8.2	32	14	14	21	19	12	18	10	-5
Rubber and plastic products	1.6	-14	-8	-8	-8	6	-7	-7	27	31
Non-metallic mineral product	7.1	-6	5	9	16	31	14	3	5	-9
Basic metal	3.2	-38	-15	2	-5	65	24	14	18	14
Fabricated metal product	2.3	-13	47	51	37	33	-22	-28	-30	-3
Computer and electronic products	0.2	-65	-11	-19	-1	143	-14	2	-4	-7
Electrical equipments	0.7	-21	121	249	254	92	-39	-56	-60	13
Machinery and equipments	0.2	7	3	2	0	3	-1	1	4	2
Motor vehicles and trailers	0.1	-57	-61	-64	-13	114	105	480	150	246
Transport equipment	0.7	-15	13	4	12	31	-1	-6	-3	-43
Furniture	0.9	-16	-16	-5	18	19	-13	-4	-21	-1
			<= -10	-10 - -5	-5 - 0	0 - 5	5 - 10	10 - 15	>= 15	

<= -10 -10 - -5 -5 - 0 0 - 5 5 - 10 10 - 15 >= 15

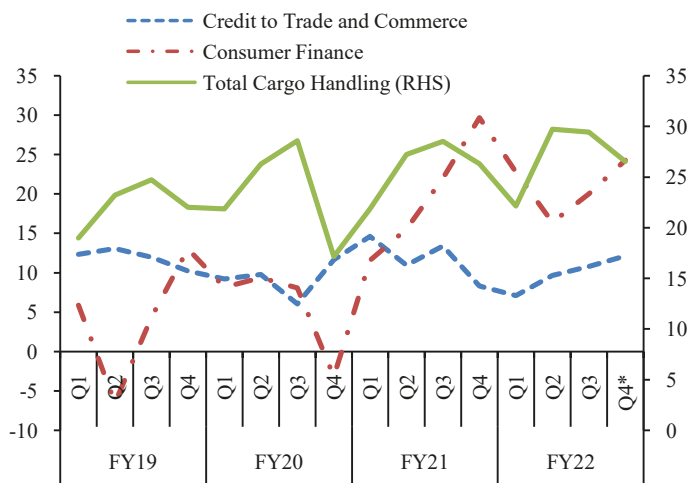
Source: BB staff's calculation based on BBS data.

Note: * indicates data based on available for April, 2022

¹ Bangladesh: Grain and Feed Update, July 25, 2022, BG2022-0024, United States Department of Agriculture (USDA).

I.4 Relying upon the development in the commodity producing sectors and international commerce, proxy indicators of the service sector related activities broadly observed uptrend during Q3FY22. Credit flows to consumer finance and trade and commerce grew by 24.28 percent and 12.13 percent (y-o-y) respectively in Q4FY22. On the other hand, total cargo handling through Chattogram port somewhat moderated mostly because of import restrictions and hike in cargo freights worldwide (Chart I.5). Overall, it is anticipated that improvements in adjacent industries like the industry sector and support from government policy will trickle down to the service sector's operations although the growing uncertainties across the globe might have non-trivial effects over the sector.

Chart I.5: Growth of Credit to Trade and Commerce and Consumer Finance (In percent) and Total Cargo Handled by Chattogram Port (In MMT)



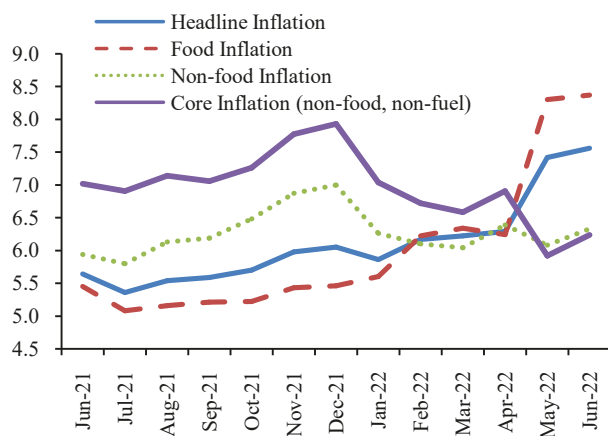
* Credit to Trade and Commerce and Consumer Finance data are Provisional
Source: Bangladesh Bank and Chattogram Port Authority

I.5 Looking ahead, Bangladesh economy is facing compounding adverse effects of soaring global commodity and energy prices. Recent upward adjustment of petroleum price in the domestic market and a notable depreciation of BDT against USD helped to contain import demand. However, government and Bangladesh Bank continued its supportive measures including stimulus packages and refinance schemes for COVID-19 affected and productive sectors for improving the supply side in order to maintain a sustained economic growth.

II. Price

2.1 The headline CPI inflation (point to point) continued its upward trend in Q4FY22 and reached 7.56 percent in June 2022 from 6.22 percent of March 2022. The uptick in headline inflation was mostly driven by food inflation which stemmed from lingering supply – demand mismatch, volatile exchange rates, rising domestic fuel price and rippling effects of Russia-Ukraine war. Moreover, non-food inflation went up to 6.33 percent in June 2022 from 6.04 percent of March 2022, mostly driven by recent fuel price hike and pass-through effect of soaring import related goods. Similar to non-food inflation, core inflation (p-t-p) moved upward in June 2022 from May 2022, although it showed a decline from April 2022 to May 2022. (Chart II.1). Accordingly, the 12-month average CPI inflation also continued to increase from 5.75 percent in March 2022 to 6.15 percent in June 2022 (Chart II.2).

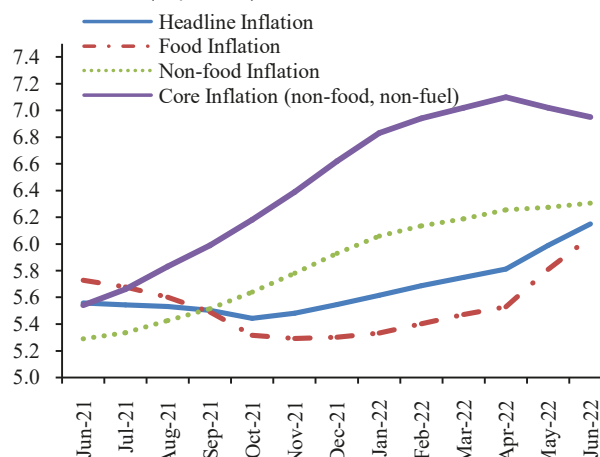
Chart II.1: Point-to-Point CPI Inflation
(In percent)



Source: Bangladesh Bureau of statistics.

*Core inflation is calculated by Research Department, BB using BBS data.

Chart II.2: 12-Month Average CPI Inflation
(In percent)



Source: Bangladesh Bureau of statistics.

*Core inflation is calculated by Research Department, BB using BBS data.

2.2 Point-to-point food inflation increased sharply to 8.37 percent in June 2022 from 6.34 percent of March 2022. The price pressure in the domestic food market mostly came through import channels as the import items of food globally faced high inflation. The price momentum in food group in Q4FY22 was attributed mainly to inflation in cereals, eggs and meats, vegetables and edible oils and fats. A sharp rise in cereal prices (both rice and other cereals) to 9.3 percent in June 2022 from 2.0 percent of March 2022 had significantly weighed on headline food inflation. Rice price increased by 10.0 percent on an average in the last two months of the current quarter. Moreover, eggs and meat prices went up notably to double digit at 11.4 percent in June 2022 from 4.9 percent of March 2022. Vegetable prices also remained high at double digit inflation during last five months except May 2022, reaching 13.0 percent in June 2022. Edible oil and fat prices kept on the rise throughout FY22 and further widened to 31.1 percent at the end of this quarter. Moreover, miscellaneous food items consisting of mostly imported items surged by 14.1 percent in this quarter (Chart II.3). Decomposition of food inflation data shows that prices of cereals especially rice price contributed significantly to overall food inflation development in Q4FY22. Moreover, eggs and meats, edible oils and fats also had a substantial

share to the food inflation momentum. On the other hand, share of fish (fresh) and dry fish and fruits prices to food inflation decelerated in the quarter under review (Chart II.4).

Chart II.3: Point-to-point Inflation Heat Map (In percent)

	WEIGHTS	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Headline	100.00	5.64	5.36	5.54	5.59	5.70	5.98	6.05	5.86	6.17	6.22	6.29	7.42	7.56
Food, Beverage and Tobacco	56.18	5.5	5.1	5.2	5.2	5.2	5.4	5.5	5.6	6.2	6.3	6.2	8.3	8.4
1. Food	52.17	5.9	5.3	5.2	4.3	3.4	3.6	3.6	3.6	4.9	4.7	4.6	7.7	8.2
(a) Cereals	21.62	14.7	15.3	15.1	14.4	11.1	10.7	8.6	4.8	3.5	2.0	1.7	11.0	9.3
(i) Rice	20.31	15.2	15.8	15.6	14.8	11.1	10.8	8.6	4.7	3.4	1.7	1.5	10.9	9.1
(ii) Other Cereals	1.30	6.4	5.8	6.8	7.2	10.7	8.3	8.8	5.1	6.0	7.8	6.2	12.5	14.3
(b) Pulses:	1.51	-2.8	-0.7	4.8	8.2	5.2	-0.3	2.0	4.1	2.1	0.8	2.0	3.1	5.1
(c) Fish (fresh) & dry fish	6.98	-6.5	-5.8	-2.7	-2.8	8.7	8.2	6.9	5.7	6.4	7.9	4.0	5.0	2.1
(d) Eggs and Meat	4.94	2.9	3.5	6.2	5.9	7.5	5.7	6.4	5.4	4.4	4.9	7.8	11.1	11.4
(e) Vegetable	4.78	12.5	8.5	-3.7	-11.5	-21.6	-19.3	-13.5	0.5	18.6	17.0	12.6	2.9	13.0
(f) Fruits	1.85	-10.7	-12.4	-6.7	-4.3	-2.0	-4.7	-6.2	-8.4	-11.5	-6.5	-2.3	-3.1	-7.8
(g) Spices	4.29	0.8	-5.4	-5.6	-6.7	-5.1	-4.8	-6.8	-3.8	-0.5	-2.4	1.4	-2.3	1.2
(h) Edible oils & fats	1.93	17.5	19.8	21.1	22.7	23.1	23.1	24.4	15.3	17.8	21.5	23.0	31.8	31.1
(i) Milk and milk products	2.05	2.9	2.1	2.3	7.8	7.5	4.2	3.0	2.9	1.8	4.7	3.9	1.8	3.7
(j) Miscellaneous food items	2.24	-1.6	-1.1	-0.7	1.3	5.4	14.6	14.1	9.6	7.6	8.4	9.2	11.5	14.1
2. Beverage	1.34	32.1	33.9	36.1	61.3	62.7	64.6	67.7	80.2	69.9	77.4	64.3	38.6	20.6
3. Tobacco & Products	2.67	-3.3	-1.7	-0.7	4.7	15.2	14.7	14.1	13.2	7.7	10.4	11.2	5.8	7.3
Non-food	43.82	5.9	5.8	6.1	6.2	6.5	6.9	7.0	6.3	6.1	6.0	6.4	6.1	6.3
I. Clothing and Footwear	6.84	4.8	5.1	6.2	7.3	7.5	8.2	9.3	6.8	7.1	7.1	7.9	8.0	8.2
II. Rent, Fuel & Lighting	14.88	-0.2	-0.2	0.2	1.2	1.6	1.7	1.7	1.5	1.9	2.0	2.3	2.5	3.9
III. Household Furniture, operations and repairing	4.73	7.7	7.4	7.0	8.0	8.0	7.7	7.8	7.8	7.5	6.9	6.9	7.3	7.1
IV. Medical Care & Health Expenses	3.47	4.9	4.9	4.9	2.6	2.6	2.6	2.4	1.8	1.1	1.1	1.2	1.4	1.5
V. Transport and Communication	5.80	17.4	16.9	17.3	15.6	16.5	18.7	18.4	17.4	16.6	16.0	16.2	16.4	9.3
VI. Recreation & Educational Expenses	4.28	2.9	3.2	3.4	4.0	4.1	4.3	4.6	4.6	4.4	4.6	5.4	5.9	7.0
VII. Miscellaneous Goods & Services	3.82	13.0	11.6	11.5	9.0	9.1	8.8	8.2	7.3	6.1	6.3	6.8	7.1	7.8

Source: BB staff's calculation based on BBS data.

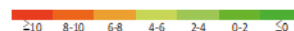
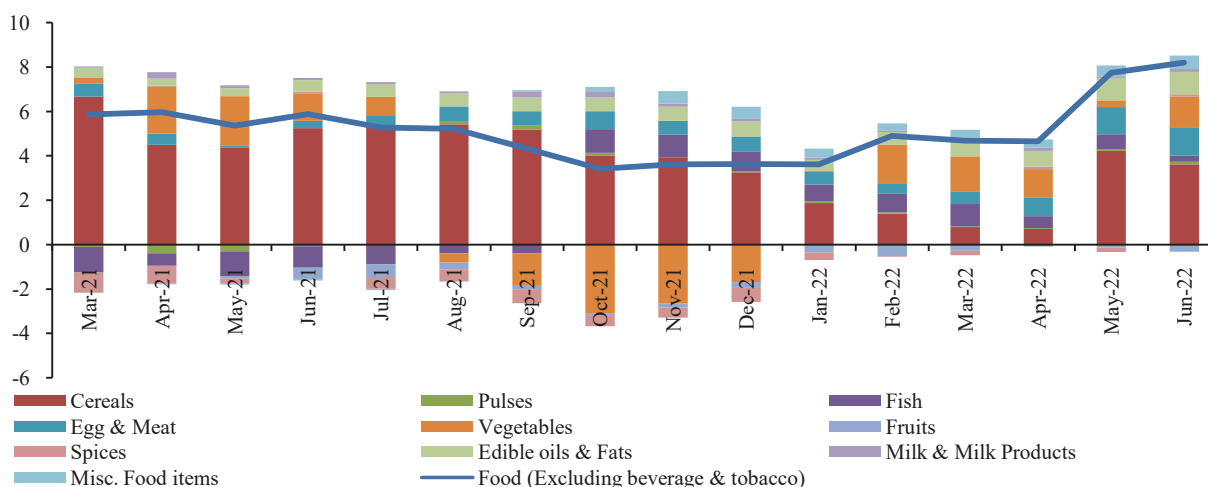


Chart II.4: Decomposition of CPI Food (excluding beverage and tobacco) Inflation (In percent)

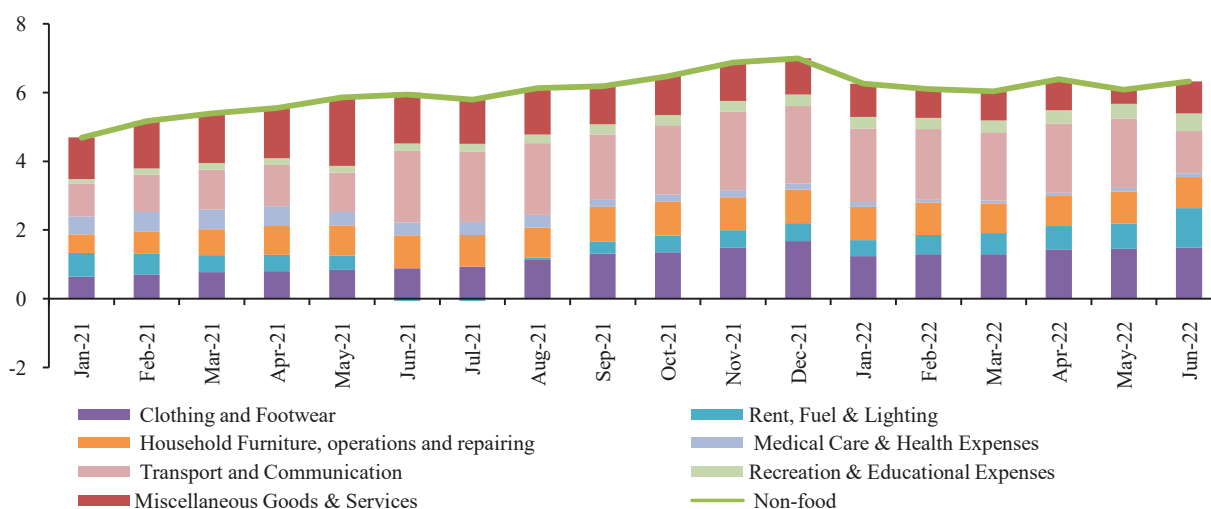


Source: BB staff's calculation based on BBS data

2.3 Non-food inflation crept up to 6.33 percent in June 2022 from 6.04 percent of March 2022, mostly attributed by price hike in clothing and footwear, rent, fuel and lighting, and recreation and educational expenses. Clothing and footwear prices, rent, fuel and lighting prices and recreation and educational expenses increased to 8.2 percent, 3.9 percent and 7.0 percent in

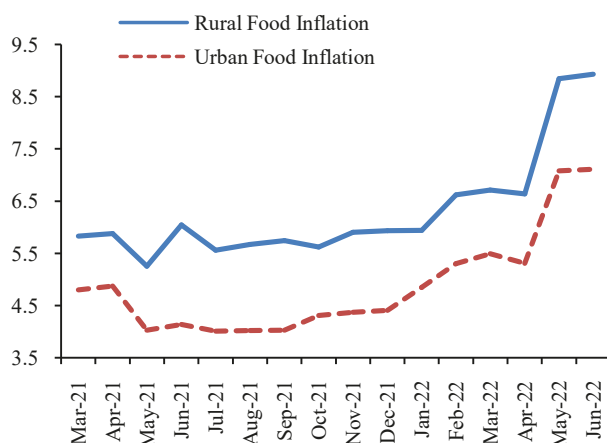
June 2022 from 7.1 percent, 2.0 percent and 4.62 percent of March 2022, respectively. Moreover, inflation of miscellaneous goods and services increased to 7.84 percent in June 2022 from 6.28 percent of March 2022. Transport and communication expenses remained high at 14.0 percent on average during this quarter. (Chart II.3). On the contribution side of overall non food inflation, the largest share came from clothing and footwear (1.49 percent) followed by transport and communication (1.23 percent) and rent, fuel and lighting inflation (1.14 percent) (Chart II.5).

Chart II.5: Decomposition of CPI Non-food Inflation (In percent)



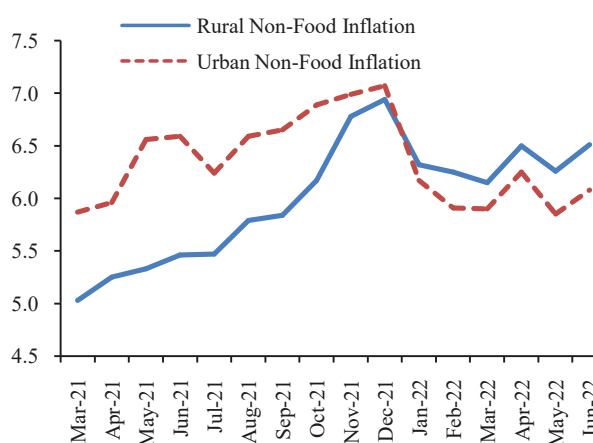
Source: BB staff's calculation based on BBS data

Chart II.6: Point-to-point CPI Food Inflation (In percent)



Source: Bangladesh Bureau of statistics.

Chart II.7: Point-to-point CPI Non-food Inflation (In percent)



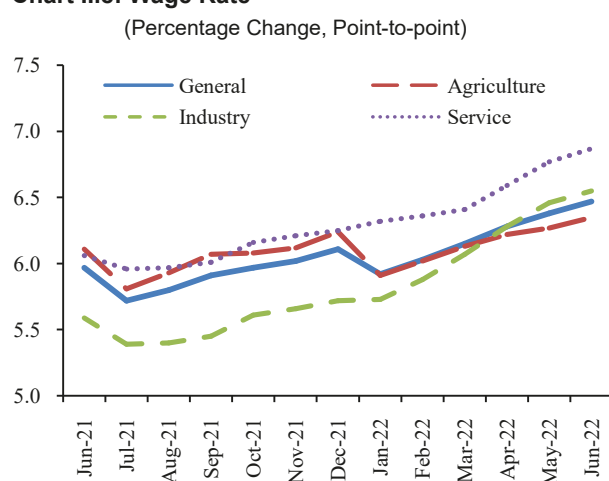
Source: Bangladesh Bureau of statistics.

2.4 Headline inflation in both rural and urban areas continued its upward trend during Q4FY22, although rural inflation is significantly higher than urban inflation stemming mostly from food inflation. Headline CPI inflation in rural and urban areas rose by 8.09 percent and 6.62 percent in June 2022 up from 6.52 percent and 5.69 percent of March 2022, respectively. Rising food prices made the largest upward contribution to the change in CPI inflation in both the areas. Rural food inflation increased to 8.93 percent in June 2022 from 6.71 percent of March 2022

while that of urban areas climbed up to 7.11 percent in June 2022 from 5.49 percent of March 2022 (Chart II.6). Relatively higher food inflation in rural areas than that of urban areas persisted in the current quarter reflecting the pass-through effect of global food price hike as rural areas are the end destination of imported goods. On the other hand, non-food inflation in both rural and urban areas increased to 6.51 percent and 6.08 percent in June 2022 from 6.15 percent and 5.90 percent of March 2022, respectively (Chart II.7).

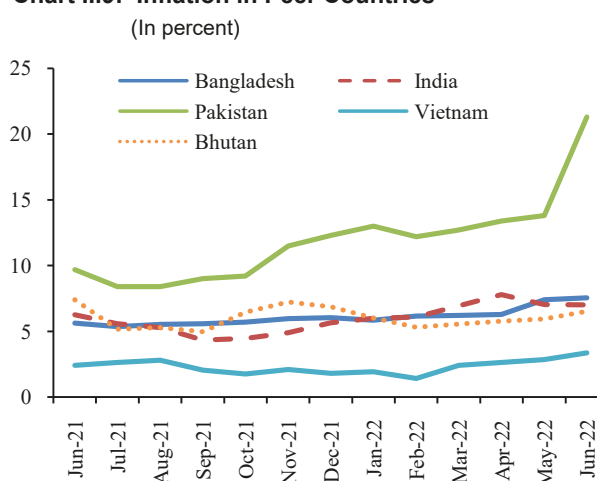
2.5 The nominal wage rate had continued to move upward from 6.15 percent of March 2022 to 6.47 percent in June 2022. Sector-wise wage rate development showed that wage rate in all three sectors increased gradually. In agriculture sector, wage rate increased from 6.15 percent in March 2022 to 6.47 percent in June whereas wage rate in industry sector grew by 6.35 percent in June 2022 from 6.13 percent of March 2022. Moreover, wage rate in the service sector observed an increase to 6.87 percent in this quarter from 6.41 percent in previous quarter (Chart II.8). The nominal wage growth was far less than CPI inflation in Q4FY22 which manifested the real wage decline and also loss of purchasing power of the workers.

Chart II.8: Wage Rate



Source: Bangladesh Bureau of statistics.

Chart II.9: Inflation in Peer Countries

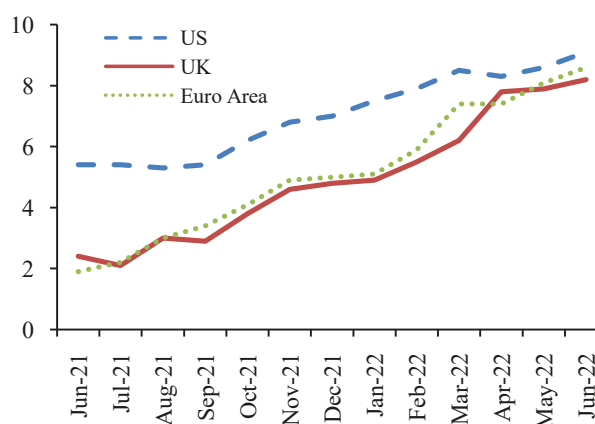


Sources: Central Banks and Statistics Department of respective Countries.

2.6 Inflation in all of the selected peer countries except India followed an upward trend during April-June 2022. On quarter to quarter, CPI inflation of India increased further to 7.01 percent in June 2022 from 6.95 percent of March 2022. Pakistan's CPI inflation registered further hike and reached 21.30 percent in June 2022. Inflation in Vietnam edged up to 3.37 percent in June 2022 from 2.41 percent of March 2022. Bhutan witnessed an increase in CPI inflation by 6.54 percent in June 2022 which was 5.57 percent in March 2022. Almost all peer countries inflation momentum was largely driven by food and fuel inflation stemmed from global phenomena (Chart II.9).

2.7 Global inflation momentum still remained in an unfavorable situation sparked from the COVID-19 pandemic followed by Russia-Ukraine war. Inflation in advanced economies such as US, UK and Euro area experienced a sharp pick-up in June 2022. The CPI headline inflation in the Euro area further surged to 8.6 percent in June 2022 which was 7.4 percent in March 2022. The CPI inflation in US and UK recorded 9.1 and 8.2 percent in June 2022 which were 8.5 and 6.2 percent respectively in March 2022 (Chart II.10). Emerging market and developing economies also suffered from the ongoing high inflation episodes.

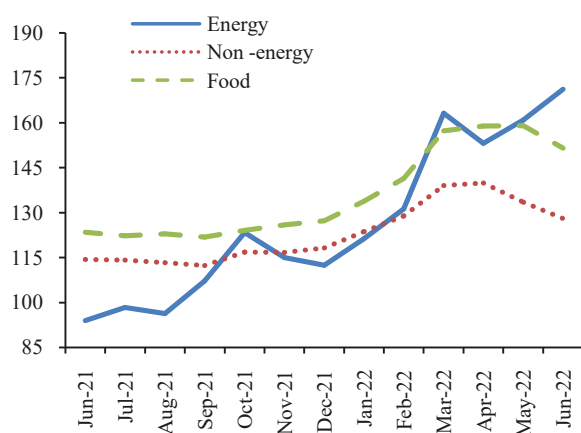
Chart II.10: Inflation in Advanced Economies
(In percent)



Sources: Respective Central Banks and Statistics Departments

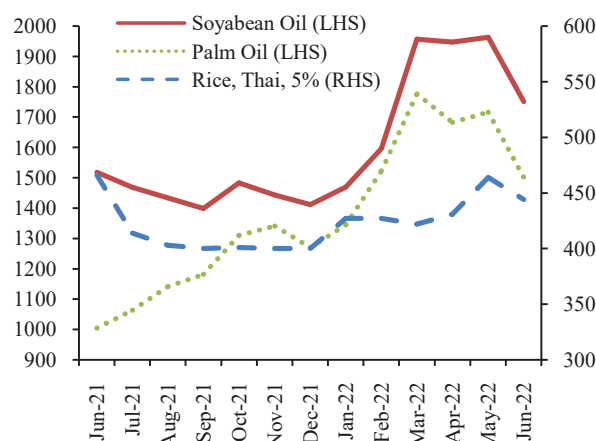
In advanced economies inflation is forecasted to reach 6.6 percent while in developing countries inflation is anticipated to be 9.5 percent in the year 2022².

Chart II.11: Global Commodity Price Indices
(2010=100)



Source: Commodity Market Outlook, World Bank.

Chart II.12: World Commodity Price (USD/M.T.)



Source: Commodity Market Outlook, World Bank.

2.8 Global energy price index experienced mixed trend during April – June 2022. Energy price index continued to rise while non-energy and food price index slowed down. Global energy price index increased by 4.62 percent in June 2022 than in March 2022 backed by the rise in crude oil price. Crude oil price increased to 115.73 USD a barrel in June 2022 from 113.11 USD a barrel of March 2022 as a consequence of the ongoing Russia-Ukraine war. However, non-energy and food index fell by 7.92 percent and 3.72 percent in June 2022 respectively than March 2022. On the other hand, non-energy price index fell because of softening agricultural commodity prices in June 2022 and food price index fell on the back of world rice and wheat

² <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>

price reduction, somewhat in reaction to the agreement reached between Ukraine and the Russian Federation to unblock Ukraine's main Black sea ports. Global vegetable oils- palm and soybean- prices dropped in June 2022 to 1751.76 and 1501.1 USD a metric ton from 1956.88 and 1776.96 USD a metric ton in March 2022 respectively, due primarily to prospects of ample export availabilities out of Indonesia, the world's leading palm oil exporter (Chart II.12).

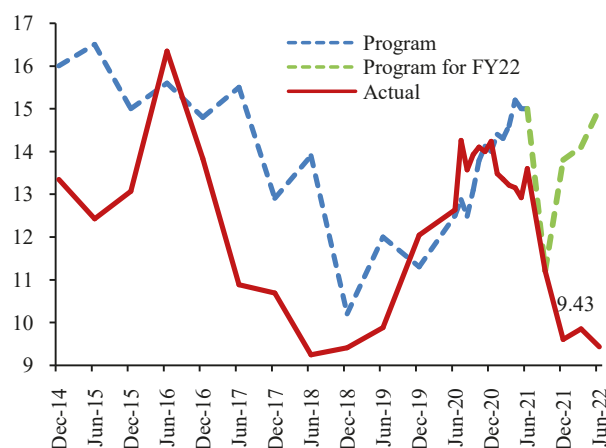
2.9 The inflation outlook still remained gloomy pointing towards increasingly broad- based price pressures from further negative spillover from supply-demand mismatch in the pace of rising demand, poor prospects of the ongoing Russia-Ukraine war, and tremendous pressure on global commodity markets. The tight market conditions for essential items including fuel price in the global front will likely to have lasting knock-on effects on domestic market. Moreover, the sharp rise in input prices - fuel and fertilizers – could lead to a reduction in food production which in turn will weigh on food quality and availability. Although much will depend on unfavorable weather conditions during Aman cultivation period, downward nudge of the world food and non-energy prices in June 2022 will likely to influence domestic food market in coming months. Notwithstanding, BB remains vigilant to the impact of price pressures on inflation outlook by taking containment of demand and improvement of actions such as increasing LC margin for luxury goods, increasing repo rates, introducing 4.0 percent concessional rate of interest for import alternative crops etc. Moreover, the government is cautious to control the inflation at a tolerable level by taking steps such as reducing import tax on necessary items. The government is also continuing its open market sales (OMS) to provide daily necessary goods at low costs, especially for the low-income segment all over the country.

III. Money and Credit Market

3.1 Bangladesh Bank (BB) followed expansionary and accommodative monetary policy in FY22 by setting a target of 15 percent for broad money (M2) growth. However, the divergent path of net foreign assets (NFA) growth in the face of unfavorable developments in the external sector caused by the war in Ukraine led to a lower growth of M2 at 9.43 percent for FY22 (Chart III.1)

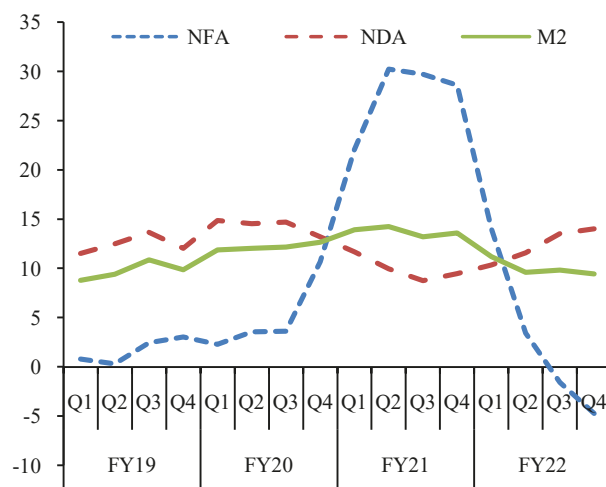
3.2 Broad money (M2) registered 9.43 percent growth (year on year) at the end of FY22, remaining significantly lower than the target of 15.00 percent growth (Chart III.1). This low growth of M2 was caused by the contraction of NFA which declined by 4.74 percent at the end of FY22 against the yearly target of 10.4 percent in the face of a growing deficit in the balance of payments (BoP) (Chart III.2). Ongoing price hike in international commodity markets, rising import demands of both primary and intermediate goods steamed from recovering domestic economy at faster rate and, slowing down remittance inflows resulted mainly in decrease of the NFA. On the other hand, the growth in net domestic asset (NDA) continued to increase during the quarters of FY22, reaching 14.03 percent at the end of June 2022 (Chart III.2). The NDA growth remained broadly in line with its annual target of 16.5 percent, driven mainly by a pickup in the growth of credit to private sector (Chart III.3).

Chart III.1: Broad Money (M2) Growth (In percent):
Program vs. Actual



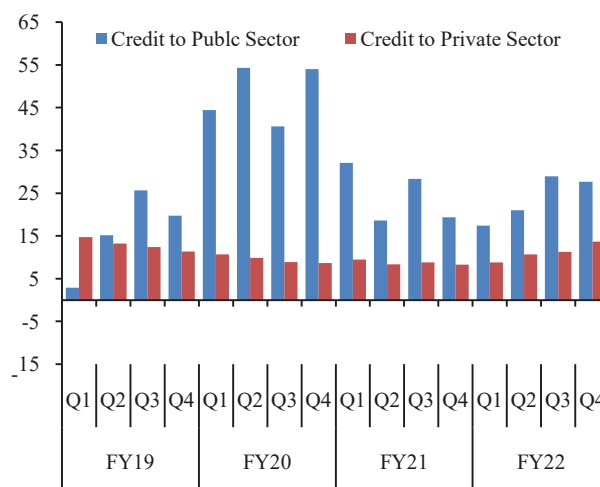
Source: Bangladesh Bank.

Chart III.2: Growth of M2, NDA, and NFA
(In percent)



Source: Bangladesh Bank.

Chart III.3: Growth of Credit to Public and Private Sector (In percent)

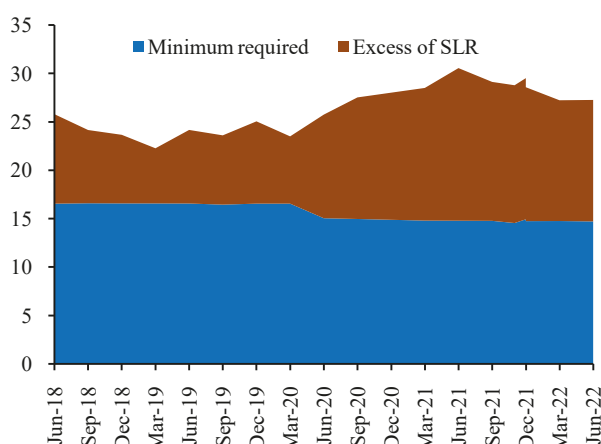


Source: Bangladesh Bank.

3.3 The growth of credit to private sector increased by 13.66 percent at the end of June 2022, against the yearly growth target of 14.8 percent. Credit to private sector was on the rise in FY22 due

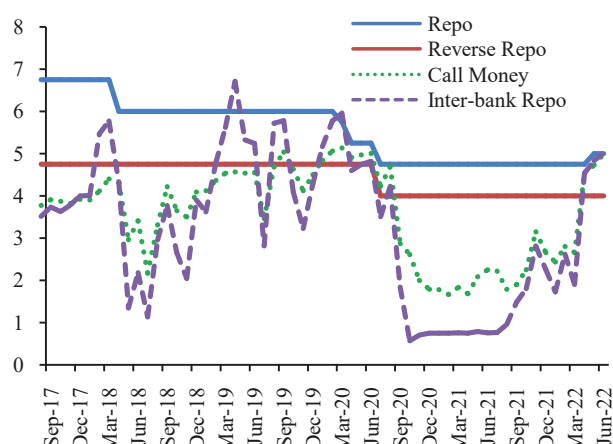
to expansionary monetary policy stance along with various policy supports including low-cost refinance schemes for priority and productive sectors. Credit to industry, construction, consumer finance grew by 11.93 percent, 10.02 percent, and 24.28 percent respectively in this period under review compared to that of last year, reflecting resumption of growth momentum in these sub-sectors to the pre-pandemic levels. At the same time, credit to trade and commerce sub-sector grew by 12.13 percent in Q4FY22, higher than the growth rates in previous quarters of FY22, aided by favorable policy supports. Credit to agriculture also posted highest growth (18.53 percent) in this quarter under observation during FY22. On the other hand, the growth of credit to public sector moderated to 27.67 percent at the end of June 2022 on the back of 20.1 percent growth in NBR tax-revenue collection during July-May of FY22.

Chart III.4: Liquidity as percent of TDTL



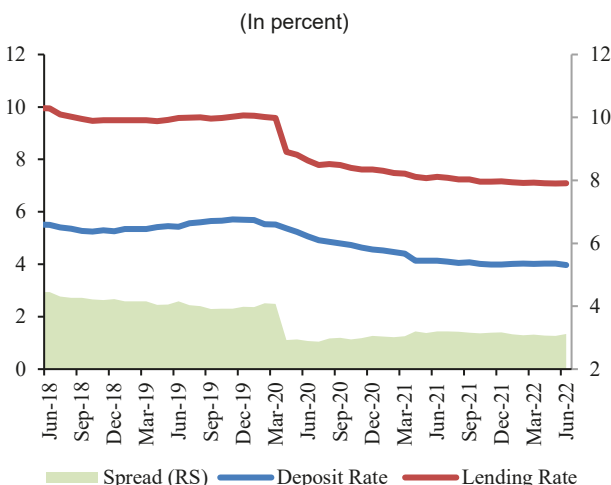
Source: Bangladesh Bank.

Chart III.5: Movements in Policy and Money Market Rates (In percent)

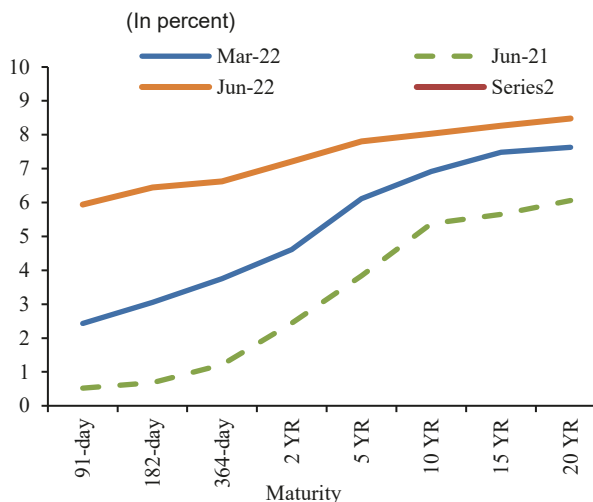


Source: Bangladesh Bank.

3.4 Although total liquid assets in the banking system edged slightly up in June 2022 compared to May 2022 on account of annual closing activities of banks, it maintained mostly a downward trend throughout the fiscal year mainly because of a partially sterilized sell of US dollar in the foreign exchange market in the face of growing deficit in the BoP coupled with a rising growth of private sector credit and a declining trend in deposit growth. Total liquid asset, as a percentage of total demand and time liabilities (TDTL), moderated to 27.26 percent at the end of June 2022 from 30.55 percent at the end of June 2021 (Chart III.4). Similarly, liquid asset excess of SLR to TDTL declined to 12.55 percent from 15.76 percent during the same period. In addition, BB raised its repo rate by 25 basis points to 5.0 percent in May 2022. Consequently, weighted-average interest rate in the inter-bank call money markets rose to 4.99 percent in June 2022 indicating liquidity mismatches in some banks. Nonetheless, interest rates in retail market continued declining, though at a slower rate. The weighted-average interest rate on lending declined slightly to 7.09 percent in June 2022 from 7.11 percent in March 2022 mainly because of a notable rise in low-cost credit to the priority sectors under refinance schemes. Similarly, the weighted-average interest rate on deposit declined to 3.97 percent from 4.01 percent during the same period (Chart III.6), reflecting presumably low growth of term deposit with higher interest rates.

Chart III.6: Interest Rate Spread

Source: Bangladesh Bank.

Chart III.7: Interest Rate of Government Securities

Source: Bangladesh Bank.

3.5 Given the liquidity situation, a rise in government's borrowing from the banking system pushed yields on government securities of various maturities up significantly in Q4FY22. The yields on short term government securities, 91-day, 182-day, and 364-day treasury bills increased to 5.94, 6.44, and 6.62 percent in June 2022 from 4.95, 5.38, and 5.98 percent respectively in March 2022. Similarly, yields on medium term government securities, 2-year and 5-year treasury bonds rose to 7.21 percent and 7.8 percent from 6.14 percent and 7.53 percent respectively at the same period of time. Besides, yields on long term government securities, 10-year, 15-year, and 20-year treasury bonds increased at a slower rate to 8.03, 8.27, and 8.48 percent from 8.0, 8.17, and 8.43 percent respectively at the same time (Chart III.7).

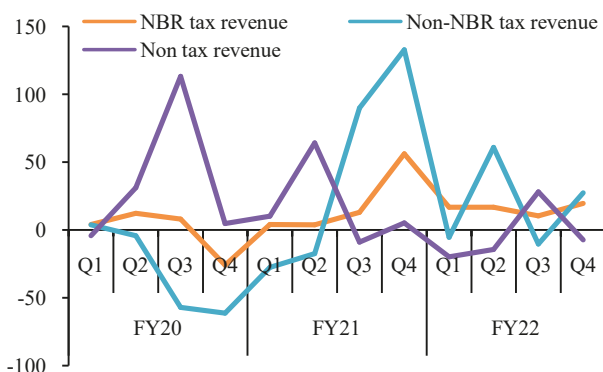
3.6 Going forward, given a deficit in the BoP, domestic credit growth will largely determine the future trajectory of M2 growth. In such a situation, intervention in the foreign market by BB to limit excessive depreciation of BDT deserves sterilization to maintain money market stability. Meanwhile, BB has already announced cautious monetary policy with a tightening bias for FY23 by setting M2 growth target 12.1 percent with a consideration that NFA growth could moderate further following an unfavorable external situations.

IV. Fiscal Sector

4.1 The overall fiscal activities maintained its faster pace in Q4FY22 as economy staged a strong recovery from the pandemic. Given a low growth in revenue collections, higher government expenditure following a strong economic recovery widened the budget deficit during the Q4FY22 compared to previous quarter. With the various reform initiatives to reinforce domestic resource mobilization, revenue has been growing slowly over FY22. In FY22, the total revenue mobilization as a percentage of GDP stood at 8.6 percent which was lower as compared to that of the neighboring countries. Besides, government expenditure-GDP ratio was 12.7 percent in FY22. As a result, budget deficit was 4.1 percent of the GDP which was within the sustainable target range of 5 percent of GDP. In FY22, almost 45 percent of budget deficits were financed by foreign sources which were 36.1 percent in FY21. While quarterly scenario was different as domestic sources contributed largely to the financing of the deficit compared to the foreign sources in Q4FY22.

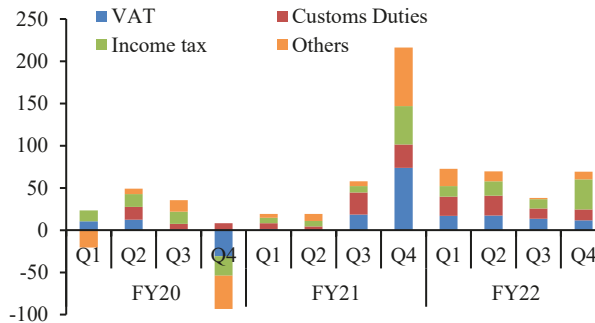
4.2 With a narrow tax base, revenue collection has been increasing slowly and steadily during the last couple of years indicating some room for creating fiscal space. Though quarterly revenue growth was slightly higher, domestic resource mobilizations grew at a slower pace in FY22. The total revenue collection increased by 16.4 percent to BDT 1070.7 billion in Q4FY22, supported by increased NBR tax collection. During the quarter, NBR tax revenue collection increased by 19.6 percent to BDT 976.5 billion, the improvement largely came from 11.7 percent increase in value added tax, 8.6 percent increase in customs duties and a 35.7 percent increase in income tax collection (Chart IV.2). Total revenue collection amounted to BDT 3427.8 billion with a yearly growth of 10.6 percent in FY22 and accounted for 88.1 percent of annual revised budget target of FY22.

Chart IV.1: Trends in Total Revenue
(year on year growth, in percent)



Sources: Ministry of Finance, National Board of Revenue.

Chart IV.2: Trends in NBR Tax Revenue
(year on year growth, in percent)

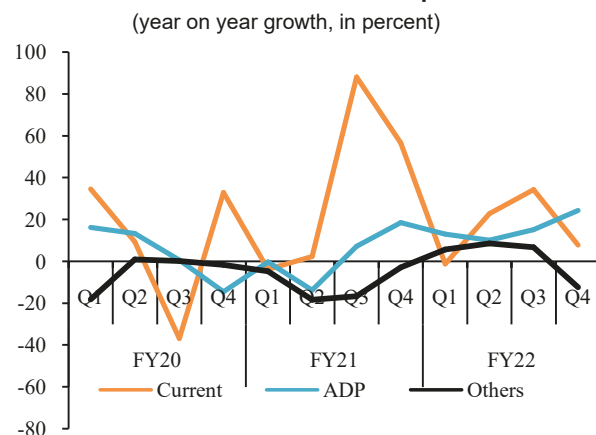


Source: National Board of Revenue.

4.3 Total government expenditure got momentum in Q4FY22 resulting from the resumption of economic activities after COVID-19 pandemic. With a sharp pickup in Annual Development Program (ADP) expenditure along with a moderate growth in current expenditure, the overall fiscal expenditure went up by 15.6 percent to BDT 1869.6 billion in Q4FY22. Current expenditure increased by 6.4 percent to BDT 754.7 billion and ADP expenditure increased by 24.3 percent to BDT 1048.5 billion in Q4FY22 (Chart IV.3). During FY22, total expenditure grew by 14.4 percent (y/y) to BDT 5045.8 billion which accounted for 85.02 percent of annual revised budget target

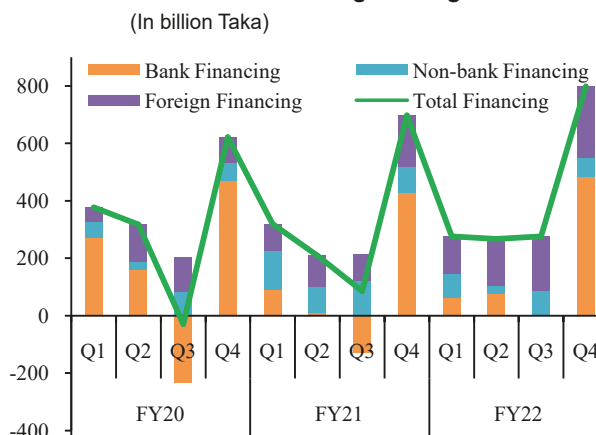
of FY22. On the other hand, the government implemented 97.05 percent of ADP expenditure target and 80.9 percent of current expenditure target in FY22.

Chart IV.3: Trends in Government Expenditure



Sources: Ministry of Finance; Ministry of Planning.

Chart IV.4: Sources of Financing of Budget Deficit



Sources: Bangladesh Bank; Ministry of Finance.

4.4 The fiscal deficit widened during the quarter under review compared to that of Q4FY21 due to higher expenditure over revenue collection and reached BDT 798.9 billion in Q4FY22 (4.1 percent of GDP) (Chart IV.4). Around 69 percent of budget deficit was financed from domestic sources while foreign sources contributed around 31 percent in Q4FY22. Domestic financing stood at BDT 550.9 billion comprised of BDT 482.2 billion borrowing from the banking sector and BDT 68.7 billion from non-banking sources in Q4FY22. Bank borrowing observed an increase of 12.7 percent while non-bank borrowing observed a decline of 23.4 percent in Q4FY22 as government adopted various conditions on selling savings certificate which is the main source of non-banking finance compared to that of Q4FY21 respectively. Around 87.5 percent of domestic financing was collected from banking sources while 12.5 percent from the non-banking channels in this quarter. However, budget financing by the foreign sources stood at BDT 248 billion, increased by 37.8 percent over the same quarter of the preceding year.

4.5 The overall macroeconomic performance of Bangladesh was quite satisfactory over the decade. While the world economy was making significant progress in its recovery from the COVID-19 pandemic, the war in Ukraine put that progress at risk. In addition, global commodity prices hike lingered by ongoing war-related supply shock might cause a slowdown in economic activities. Although economic growth faced new global headwinds caused by Russia-Ukraine war since the third quarter of FY22, the growth is likely to pick up in FY23 stemming from rising pent-up demand, recovery in investment and higher remittance inflows particularly from the Gulf countries. However, the pass-through of global energy price hike may create challenges for the domestic economy. Moreover, austerity measures of government in the face of strained foreign currency reserves and elevated inflation may reduce overall expenditure including ADP expenditure in FY23. On the other hand, the lower revenue-GDP ratio (8.6 percent in FY22) is expected to be increased slightly as the country is expected to be experience higher GDP growth in FY23 compared to that in FY22.

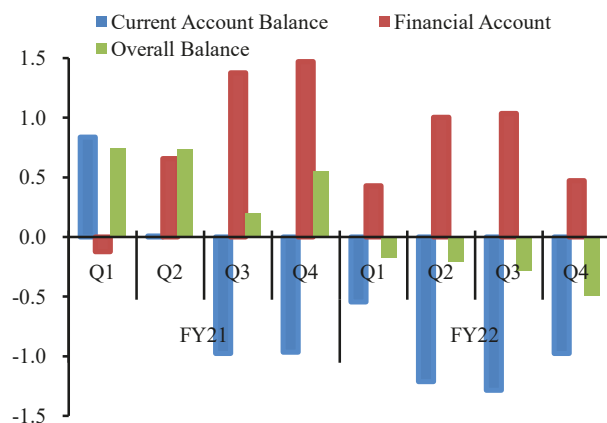
V. External Sector

5.1 Global economic imbalance stemming from Russia-Ukraine war followed by Covid-19 pandemic strained Bangladesh's external sector position during FY22, by creating supply-side disruptions. At the time of global recovery in third quarter of FY22, supply disruption became more acute triggered by further heightening of war. As a result, war-induced global commodity and energy price hike put some challenges to external sector during April-June 2022, by pushing import payments up which outstripped the rise in export earnings. The growing trade imbalance in tandem with decelerating remittance inflows caused the large deficit in current account balance during the period. However, current account deficit shrunk in Q4FY22 as compared to Q3FY22, mainly driven by decline in import payments with the support of various policy of Bangladesh Bank to discourage unnecessary imports. During Q4FY22, financial inflows squeezed mainly because of negative trade credit due to high deferred payments along with declining FDI. Consequently, the BoP recorded a higher deficit in Q4FY22 putting depreciation pressure on the exchange rate.

5.2 Although, current account deficit declined in Q4FY22 (USD 4.5 billion) from previous quarter (USD 6.0 billion), the deficit was widened from USD 4.0 billion in Q4FY21. As a result, the balance of payment (BoP) posted a deficit of USD 2.3 billion in Q4FY22 compared to a surplus of USD 2.3 billion in Q4FY21.

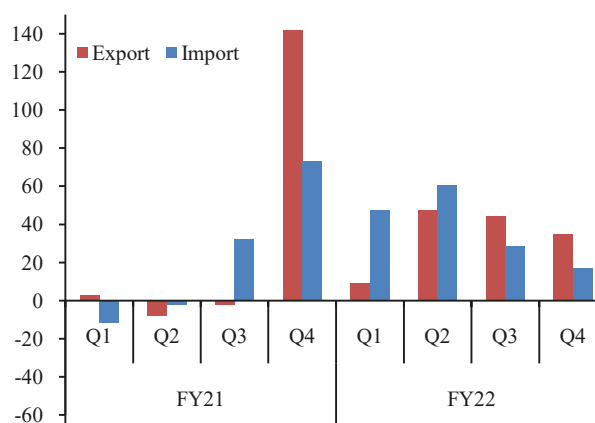
In FY22, the overall BoP recorded a deficit of USD 5.4 billion in contrast to a surplus of USD 9.3 billion in FY21, caused by a widening deficit in current account balance. This broadening current account (CA) deficit mainly came from higher imports growth (36 percent) altogether with 15.1 percent negative remittance inflows growth.

Chart V.1: Trends in Current Account and Overall Balance
(Percent of GDP)



Source: Bangladesh Bank.

Chart V.2: Trends in Export and Import Growth
(Year on year growth, in percent)

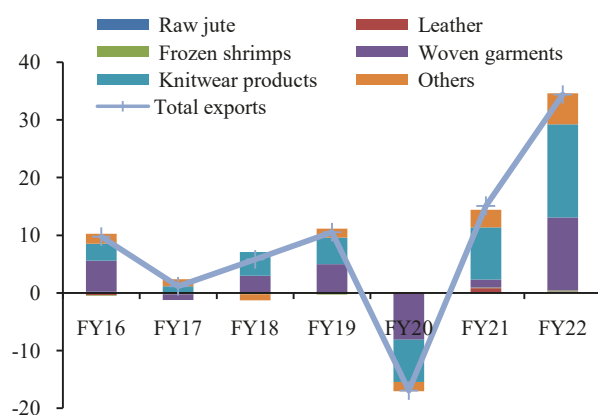


Source: Bangladesh Bank.

5.3 Although export earnings slightly declined in Q4FY22 from previous quarter; still it recorded a strong growth of 35.0 percent as compared to Q4FY21 and reached USD 12.6 billion. This increase was due to substantial growth in woven garments (39 percent) and knitwear product (41.5 percent) as well as raw jute (155 percent). The woven garments (37.8 percent) and knitwear products (45.2 percent) account for more than eighty percent of total export earnings. Strong demand in European countries and the United States contributed significantly to the growth of exports of woven garments and knitwear products.

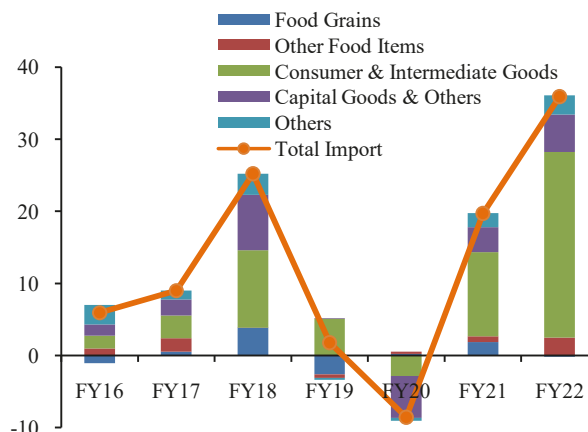
In FY22, export earnings increased by 34.38 percent to USD 52.1 billion, which was 19.73 percent above the Export Promotion Bureau's (EPB) target of USD 43.5 billion. The majority of exports this year consisted of knitwear and woven clothing. With the higher demand from the United States and Europe (51.57 percent and 32.23 percent, respectively), RMG exports increased by 35.47 percent to USD 42.6 billion in FY22, from USD 31.5 billion in FY21. With the exception of jute and jute products, the breakdown of exports for FY22 revealed that all major export categories contributed positively to the overall growth of export revenues (Chart V.3).

Chart V.3: Decomposition of Export Growth
(In percent)



Source: BB staff's calculation based on EPB data.

Chart V.4: Decomposition of Import Growth
(In percent)

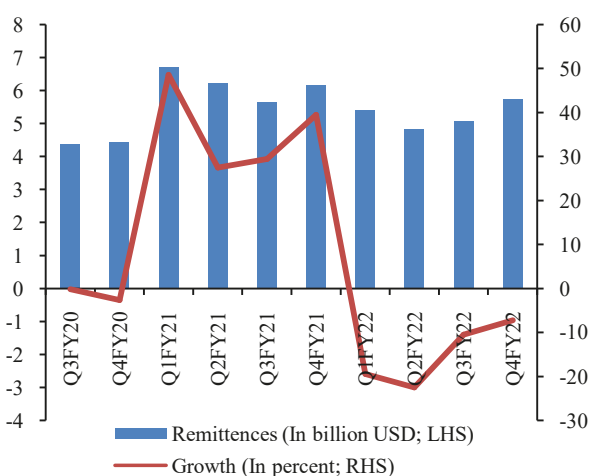


Source: BB staff's calculation based on NBR data.

5.4 With several measures of Bangladesh Bank to limit unnecessary imports, import payments went down by 7.0 percent in Q4FY22 compared to Q3FY22 and reached USD 21.0 billion. Although, imports decline in Q4FY22, strong economic activities along with global commodity prices hike triggered by Ukraine-Russia war pushed the import payments to an all-time high in FY22. Import payments went up by 35.95 percent, from USD 60.7 billion in FY21 to USD 82.5 billion in FY22. The highest amount of import payments came from intermediate goods (having a share of 61.9 percent), consumer goods (being a 6.48 percent share), and capital machineries (6.13 percent of total), all of which grew by 44.1, 39.1, and 42.9 percent respectively. With the growth of Textile and article thereof (51.6 percent) and Iron, steel, and other base metals (62.4 percent), about one-third (20.13 percent) of intermediate goods were imported.

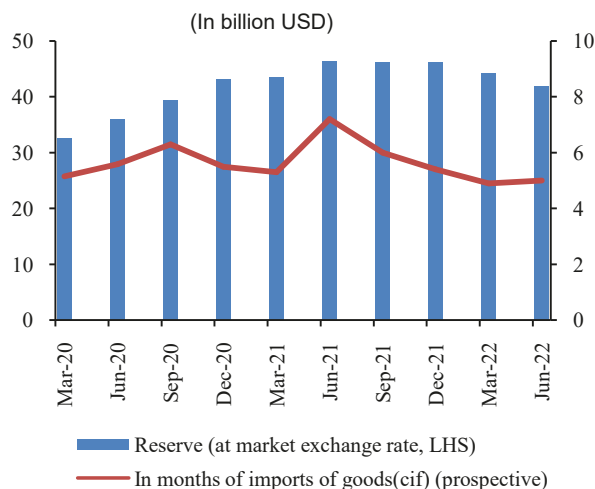
5.5 Quarterly growth in remittance started to increase since Q3FY22 supported by inflows from Gulf region. However, it was still lower than period a year ago. Though, remittance inflows grew by 13.3 percent compared to Q3FY22, it fell by 7.2 percent compared to a year ago and reached USD 5.7 billion in Q4FY22. More than half (52.5 percent) of all remittance inflows in this quarter came from the Gulf region of which 35.1 percent from Saudi Arabia. While the United States accounted for 16.1 percent and the Euro zone for 10.7 percent of the total remittances. In FY22, inflows from the Gulf and Asia-Pacific regions, in particular, fell by 18.3 and 45.5 percent respectively, contributing to a 15.1 percent decline in total remittances to USD 21.0 billion from USD 24.8 billion in FY21.

Chart V.5: Remittance Inflows



Source: Bangladesh Bank.

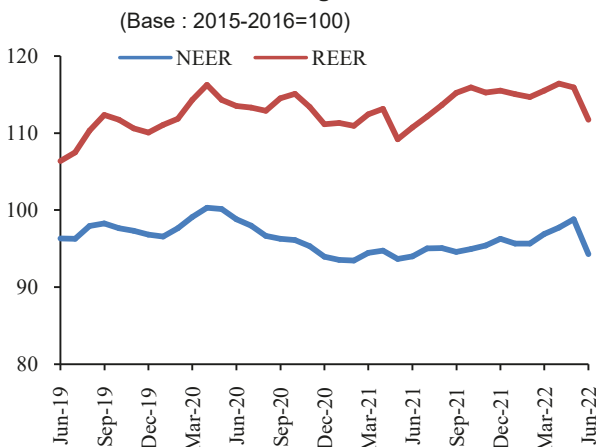
Chart V.6: International Reserve



Source: Bangladesh Bank.

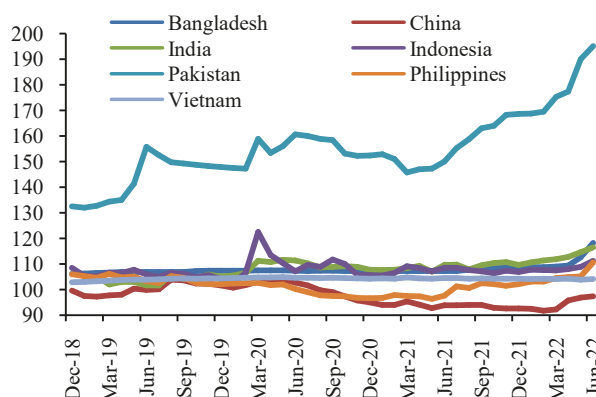
5.6 After rising two consecutive quarters, financial inflows dropped to USD 2.2 billion in Q4FY22 which was about three times lower than USD 6.1 billion in Q4FY21 because of a decline in portfolio (17.1 percent) and other investments (70.7 percent). In FY22, with a increase in net FDI and medium and long-term (MLT) loans (60.8 percent and 31.7 percent, respectively), financial inflows decreased slightly to USD 13.7 billion from USD 14.1 billion in FY21 because of a decline in net other long term loans as well as negative net trade credit. However, financial inflows could meet about three-fourths of current account deficit in FY22.

Chart V.7: Effective Exchange Rate Indices



Source: Bangladesh Bank.

Chart V.8: Cross-Country Nominal Exchange Rate Indices (Base: Jan 2017=100)



Source: International Financial Statistics, IMF.

5.7 With a broadening current account deficit, exchange rate in terms of Taka against USD has been sharply depreciating since the beginning of FY22 in the line with the market requirement. To meet the excess demand for USD, Bangladesh Bank sold (net) USD 7.4 billion during FY22. At the last quarter of FY22, exchange rate depreciated by 9.3 percent because of high demand for USD stemming from the persistence of global commodity price hike. As a result, at the end of June 2022, the foreign exchange reserve slipped to USD 41.8 billion from USD 46.4 billion at the end of June

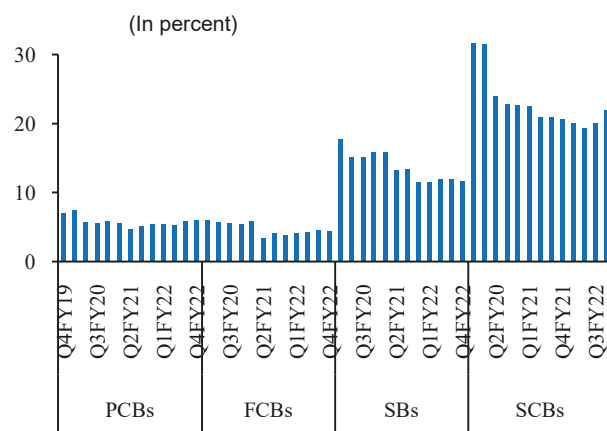
2021. Although, the current foreign exchange reserve was still enough to cover 5.1 months of potential import (Chart V.6). At the end of June 2022, the nominal exchange rates of China, India, Indonesia, Pakistan, and the Philippines also depreciated by a large amount (Chart V.8). The nominal effective exchange rate (NEER) in Bangladesh depreciated from 98.79 in May, 2022 to 94.26 in Jun, 2022 where as real effective exchange rate (REER) appreciated to 111.72 in June, 2022 from 115.91 in May, 2022 because of the fluctuations in trade partner's exchange rate along with higher foreign inflation (Chart V.7).

5.8 With a continuous fall in remittance inflows together with increasing imports surge caused by persistence of global commodity and fuel price hike, current account deficit is likely to be widened in near term. However, current account balance may improve if export earnings continue to rebound on the back of continued global economic recovery in the near future. In addition, government initiatives to attract remittance inflows along with faster growth in Gulf Cooperation Council (GCC) countries may help recovery in remittance inflows which in turn might be supportive to improve current account deficit in near future. Other hand restoring macroeconomic resilience might attract FDI inflows, which, in turn, will boost financial inflows. Higher financial inflows which increased continuously in last several quarters with some exceptions may increase further in the coming periods and will help somewhat to reduce the deficit of overall balance of payment (BOP). However, a further escalation of Russia - Ukraine war could pose downside risk through intensifying the global supply shocks which might in turn, hamper the trade situation.

VI. Banking Sector

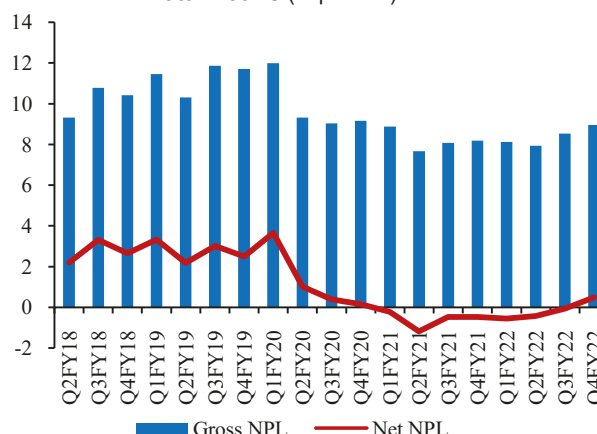
6.1 The overall banking sector exhibited a mixed performances at the end of Q4FY22 as reflected by rising the ratio of non-performing loans (NPLs) to total loans, a moderation in capital to risk-weighted asset ratio (CRAR), an upward trend in the growth of bank's advances, a fall in the growth of bank's deposit, a deterioration in provision maintained, an advancement in profitability, and maintaining adequate liquidity in the banking industry. The ratio of gross NPLs to total loans went up in Q4FY22 from Q3FY22, mostly driven by state-owned commercial banks (SCBs) and private commercial banks (PCBs).

Chart VI.1: Ratio of Gross NPLs to Total Loans



Source: Bangladesh Bank.

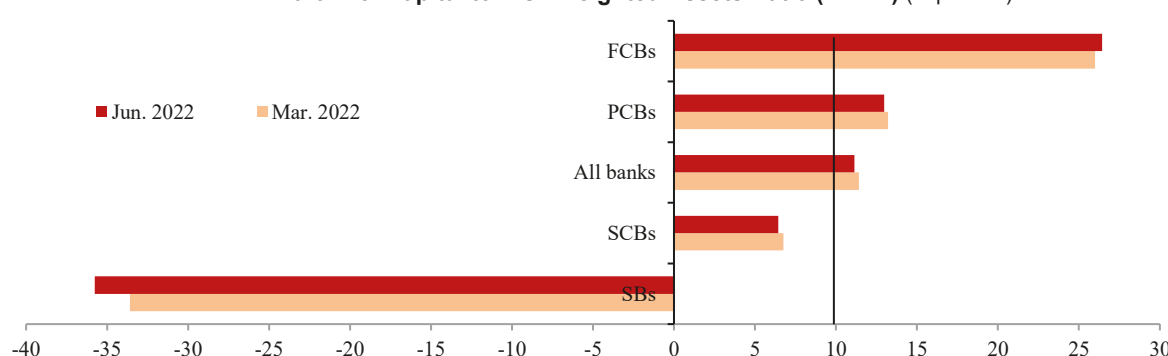
Chart VI.2: Ratio of Gross NPLs and Net NPLs to Total Loans (In percent)



Source: Bangladesh Bank.

6.2 The ratio of gross NPLs to total loans edged up and reached 8.96 percent at the end of Q4FY22 from 8.53 percent at the end of Q3FY22 and 8.18 percent at the end of Q4FY21, mostly driven by withdrawing relaxed loan classification policy and weaker loan repayment. The gross NPLs ratio in the SCBs and PCBs grew up to 21.93 and 6.01 percent respectively at the end of Q4FY22 from 20.01 percent and 5.84 percent respectively at the end of Q3 FY22. However, NPLs ratio of FCBs marginally improved to 4.40 percent at the end of Q4FY22 from 4.53 percent of the previous quarter (Table VI.2 and Chart VI.1- Chart VI.2). The ratio of net NPLs to total loans increased to 0.49 percent at the end of Q4FY22 from -0.07 percent at the end of Q3FY22, reflecting weaker provision maintained against classified loans (Table VI.1, Table VI.2 and Chart VI.2).

Chart VI.3: Capital to Risk Weighted Assets Ratio (CRAR) (In percent)



Source: Bangladesh Bank.

6.3 The overall capitalization of the banking system remained broadly stable as per Basel norm at the end of Q4FY22. The capital to risk-weighted assets ratio (CRAR) declined to 11.15 percent at the end of Q4FY22 from 11.41 percent at the end of Q3FY22, mostly driven by the weaker asset quality of the SCBs and PCBs. The CRAR of SCBs and PCBs went down to 6.43 percent and 12.97 percent at the end of Q4FY22 from 6.76 percent and 13.22 percent at the end of Q3FY22 respectively, indicating a weaker capital maintained (Table VI.3 and Chart VI.3).

Table 6.1: Comparative Position of Classified Loan and Provision Maintained (In billion BDT)

Quarters	Items	SCBs	SBs	PCBs	FCBs	All Banks
Q4FY21	Total classified loan	438.4	36.9	491.9	24.9	992.1
	Required provision	302.9	23.3	364.7	18.6	709.5
	Provision maintained	195.6	23.1	411.1	23.9	653.7
	Excess(+)/ shortfall(-)	-107.3	-0.2	46.4	5.3	-55.8
Q1FY22	Total classified loan	440.2	37.0	507.4	26.9	1011.5
	Required provision	303.1	23.3	377.3	19.7	723.5
	Provision maintained	199.4	23.1	413.2	25.8	661.4
	Excess(+)/ shortfall(-)	-103.8	-0.2	35.9	6.1	-62.0
Q2FY22	Total classified loan	449.8	39.9	515.2	27.9	1032.74
	Required provision	370.3	23.3	390.8	22.2	806.54
	Provision maintained	199.7	23.6	414.4	28.8	666.47
	Excess(+)/ shortfall(-)	-170.6	0.3	23.5	6.6	-140.07
Q3FY22	Total classified loan	487.4	40.2	578.0	28.8	1134.41
	Required provision	365.0	23.3	439.8	22.5	850.68
	Provision maintained	204.0	23.7	447.8	27.8	703.22
	Excess(+)/ shortfall(-)	-161.0	0.3	8.0	5.2	-147.46
Q4FY22	Total classified loan	554.3	41.9	626.8	29.6	1252.58
	Required provision	315.3	23.9	499.4	24.1	862.68
	Provision maintained	209.1	24.5	468.3	28.7	730.48
	Excess(+)/ shortfall(-)	-106.2	0.6	-31.1	4.5	-132.20

6.4 The Return on Assets (RoA) of the banking sector went up marginally to 0.52 percent in Q4FY22 from 0.50 percent in Q4FY21. Moreover, Return on Equity (RoE) edged up to 9.37 percent in Q4FY22 from 8.26 percent in Q4FY21. The RoA and RoE for SCBs increased to 0.21 percent and 5.43 percent in Q4FY22 from 0.13 percent and 2.94 percent in Q4FY21 respectively. Profitability of the FCBs also witnessed a modest rise, RoA and RoE increased to 2.57 percent and 16.03 percent in Q4FY22 from that of 1.48 percent and 9.26 percent in Q4FY21 respectively. However, profitability of the PCBs went down, RoA and RoE decreased to 0.59 percent and 9.38 percent in Q4FY22 from that of 0.68 percent and 10.12 percent at the end of Q4FY21 respectively. (Table VI.4).

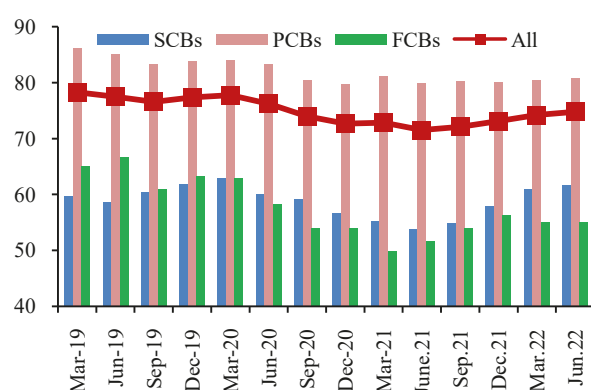
6.5 The growth of bank's advances continued to its upward trend for couple of quarters, reflecting the resumption of economic activities after the Covid-19. The growth momentum of bank's advances hit the highest compared to its recent past and stood 14.4 percent at end-June 2022 from 13.2 percent at end-March 2022. On the other hand, the growth of bank's deposit declined to 9.3 percent at the end of Q4FY22 from 10.2 percent at the end of Q3FY22. The lower growth of bank's deposit indicated less saving by the people, offsetting the higher cost of living originated from substantially high inflation. Consequently, the overall advance-deposit ratio (ADR) picked up to 74.8 percent at end-June 2022 from 74.2 percent at end-March 2022 and remained broadly stable (Table 6.2, Chart VI.4).

Table 6.2: Deposit and Advance Position of Scheduled Banks (In percent)

Bank groups	Year-on- year growth of deposit, % (excluding interbank)*		Year-on- year growth of advances, % (excluding interbank)		Advance Deposit Ratio (ADR)	
	Jun. 22	Mar. 22	Jun. 22	Mar. 22	Jun. 22	Mar. 22
SCBs	3.9	7.1	17.7	18.2	61.6	61.0
PCBs	11.4	11.5	13.7	12.1	80.7	80.4
FCBs	6.4	5.6	11.4	13.3	55.0	55.0
SBs	16.4	19.2	11.0	9.7	76.6	72.4
All	9.3	10.2	14.4	13.2	74.8	74.2

Source: Bangladesh Bank. *Adjusted deposits growth for ADR

Chart VI.4: Advance Deposit Ratio (In percent)



Source: Bangladesh Bank.

Chart VI.5: Excess of SLR as % of TDTL

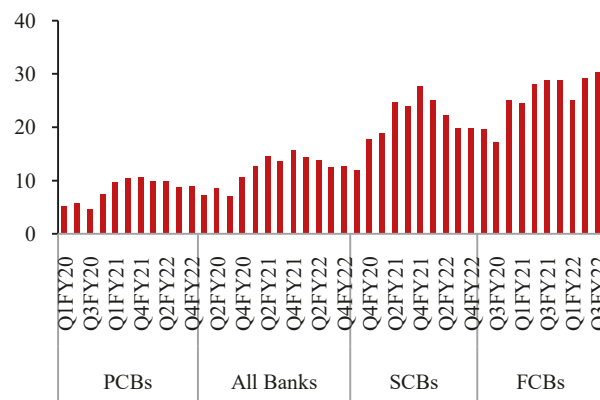


Table 6.3: Liquidity Position of the Scheduled Banks (In billion BDT)

Bank groups	Required Reserves	CRR		Required Liquidity	SLR	
		Balance with BB in local currency	Excess (+)/shortfall (-) in reserve		SLR eligible liquid assets of banks**	Excess (+)/shortfall (-) of SLR
1	2	3	4	5	6	7
As of end June, 2022						
SCBs	160.1	214.2	54.2	515.7	1309.7	794.0
SBs*	17.0	17.8	0.8	0.0	0.0	0.0
PCBs (other than Islamic)	273.9	306.5	32.6	900.6	1653.2	752.6
Private Banks (Islamic)	154.6	314.3	159.7	214.0	444.3	230.3
FCBs	31.6	50.3	18.7	115.1	372.5	257.4
All	637.2	903.1	265.9	1745.4	3779.8	2034.3
As of end March, 2022						
SCBs	161.7	162.2	0.5	521.3	1325.9	804.6
SBs*	16.6	16.8	0.2	0.0	0.0	0.0
PCBs (other than Islamic)	267.7	279.2	11.5	883.8	1518.5	634.6
Private Banks (Islamic)	151.8	371.3	219.5	209.8	502.3	292.5
FCBs	31.1	56.9	25.8	113.1	381.2	268.0
All	628.9	886.4	257.5	1728.1	3727.8	1999.7

Source: Bangladesh Bank.

* SLR does not apply to specialized banks as exempted by the Government.

**includes cash in tills, balance with BB in foreign currency, balance with Sonali Bank as an agent of BB, unencumbered approved securities and excess reserve (column 4)

Note: According to the circular No-MPD-02, 2013 with effect from February 01, 2014 SLR has been calculated separately (excluded CRR) as 13% for conventional banks and 5.5% for Islamic banks of the total demand and time liabilities.

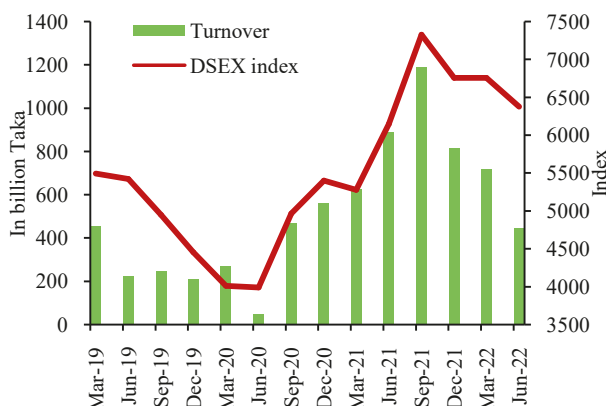
According to circular No. MPD-03, April 09, 2020, CRR revised to 4.0 percent from 5.0 percent effective from April 15, 2020

6.7 Although the upward trend in private sector credit growth indicating revival of economic activities to pre-pandemic level, the recent surge in inflation coupled with external sector volatility originated from Russia-Ukraine war may put greater challenges to the banking industry. Moreover, rising non-performing loans along with lower deposit growth may put further pressure in coming days. However, BB's policy initiatives to expand CMSMEs sector and refinance packages to allow loans to CMSMEs would play an important role to fetch economic vibrancy through banking industry. However, corporate governance, scaled up recovery of NPLs, increasing surveillance and constant monitoring would require for restoring financial discipline and sustained stability in the banking sector.

VII. Capital Market

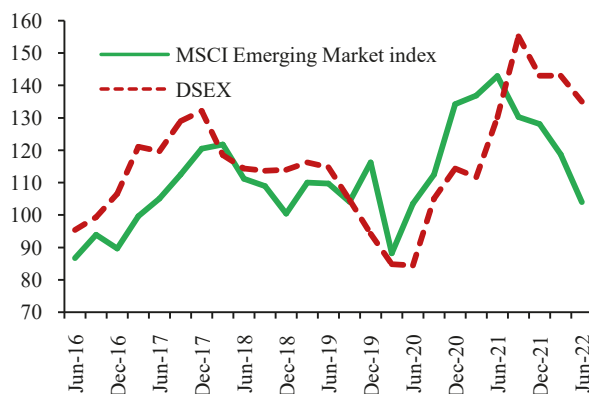
7.1 The capital market of Bangladesh continued to decline in Q4FY22. All major indicators of Dhaka stock exchange faced some fluctuations in Q4FY22 compared to Q3FY22 except issued equity and debt. In Q4FY22, the DSEX index and turnover dropped from their previous bullish trend mainly because of investors' cautious investment decision. The downward corrections of equity prices reflected in both domestic and external market during the quarter under review (Chart VII.2).

Chart VII.1: Trends in DSEX and Turnover



Source: DSE Monthly Review, Various Issues.

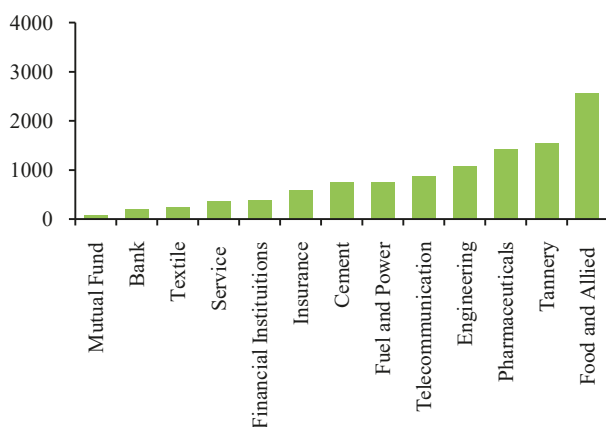
Chart VII.2: Synchronization of DSEX with Global Markets (Base: January 2015=100)



Sources: Dhaka Stock Exchange and www.msci.com.

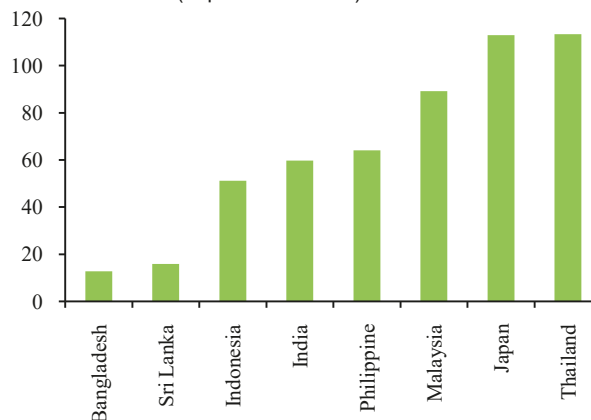
7.2 The DSE broad index (DSEX) and DSE-30 index slid into negative trajectory in Q4FY22. In Q4FY22, the DSEX index fell by 5.6 percent from Q3FY22 but 3.68 percent increased from Q4FY21 (Chart VII.1 and Table VII.1). The DSE-30 index was 7.2 percent lower from Q3FY22 but gained by 3.95 percent from Q4FY21 (Table VII.1). Sector-wise indices³ show that food and allied index reached the highest (2568.1), while mutual fund sector's index remained at the lowest level (72.0) in Q4FY22 (Chart VII.4).

Chart VII.3: Index of Major Sectors, June 2022



Source: DSE Monthly Review, June 2022

Chart VII.4: Selected Countries; Stock Market Capitalization, June 2022
(In percent of GDP)



Source: DSE Monthly Review, June 2022

³ Sector wise index= (Sector wise market capitalization/ Sector wise paid-up capital)X100

7.3 The market capitalization of DSE reduced by 4.7 percent to BDT 4565.8 billion at the end of Q4FY22 from BDT 4793.0 billion in Q3FY22. Among the all sectors, the pharmaceuticals and chemical sector hold the highest share (15.56 percent), while Jute sector hold the lowest share (0.04 percent) of total market capitalization (Table VII.2). Thus market capitalization as a percent of GDP decreased from 15.61 percent in Q3FY22 to 12.8 percent in Q4FY22 (Chart VII.4).

Chart VII.5: Heat Map for Sectoral Price Earnings Ratio of DSE

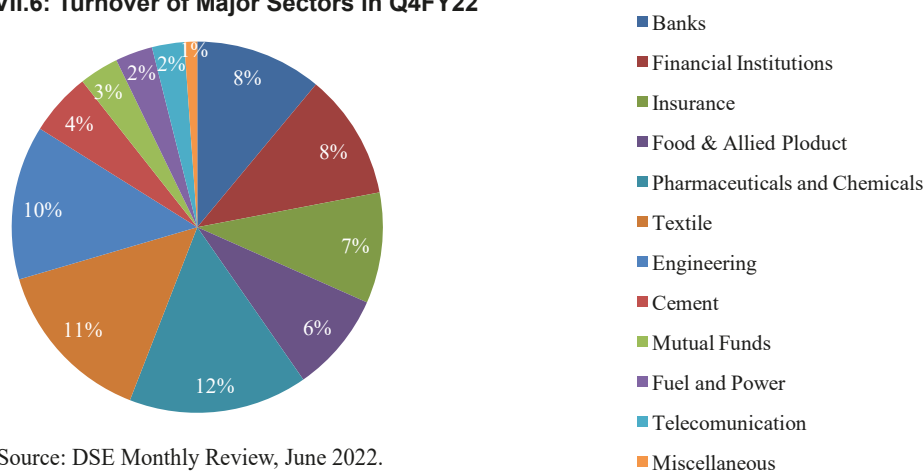
Sector	Share of Total M.cap Jun-22	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22
Bank	14.9	9.3	8.3	8.2	7.8	6.6	6.7	7.9	8.1	7.9	9.2	9.7	9.8	9.5	8.0
Financial Institutions	4.3	15.4	14.7	13.2	17.3	14.8	15.9	22.6	24.7	20.1	23.4	31.1	23.8	21.9	20.4
Engineering	12.1	14.4	14.6	12.8	11.3	10.2	10.1	14.5	35.3	36.2	42.5	26.9	17.6	17.1	17.1
Food & Allied	8.6	32.9	25.1	21.2	17.5	16.4	17.4	21.2	23.5	25.5	27.1	32.3	31.4	22.6	21.1
Fuel & Power	10.4	15.4	14.7	13.0	10.6	9.5	9.5	11.6	11.9	12.8	13.6	16.1	11.7	12.2	11.7
Textile	3.8	16.8	16.8	12.8	12.8	12.2	11.7	14.3	17.9	16.8	23.9	30.2	22.5	24.1	22.3
Pharmaceuticals	15.6	19.4	19.1	18.5	15.3	14.6	15.2	17.8	19.6	19.7	21.1	24.9	19.8	20.1	19.5
Service & Realestate	0.6	15.6	15.4	13.2	13.0	12.6	12.6	15.6	21.4	19.4	23.8	35.2	25.9	22.7	21.3
Cement	2.6	35.5	28.6	24.9	21.0	22.5	20.8	23.0	29.8	27.4	27.0	39.9	21.4	17.2	16.5
IT	0.7	23.1	24.4	22.5	22.6	19.2	19.2	23.6	25.1	21.6	28.4	37.5	34.6	35.0	28.4
Tannery	0.8	19.0	20.3	17.2	14.0	12.7	12.7	20.2	24.9	23.2	28.5	87.4	89.9	84.0	61.5
Insurance	3.6	13.9	14.4	15.4	15.2	12.1	12.2	21.5	26.0	19.2	31.6	28.0	28.1	24.0	19.5
Telecommunication	12.9	21.0	14.6	14.1	11.2	9.4	9.6	13.3	18.3	19.7	18.4	19.3	16.9	16.1	15.6
Miscellaneous	5.3	30.7	27.1	25.1	19.9	18.9	18.9	20.6	34.4	41.5	46.0	57.6	23.2	23.0	21.7

Sources: DSE Monthly Review, Various Issue



7.4 The overall price-earnings (P/E) ratio of the DSE edged down in Q4FY22 from the level of Q3FY22. The average price earnings ratios fell to 14.44 in Q4FY22 from 15.63 in Q3FY22. Sector-wise P/E data show that banking sector's P/E score was the lowest position while that of the tannery sector hold the highest position in Q4FY22 (Chart VII.5).

Chart VII.6: Turnover of Major Sectors in Q4FY22



Source: DSE Monthly Review, June 2022.

7.5 The issued capital in the DSE continued to expand but liquidity condition moderated in Q4FY22. The value of issued equity and debt increased by 1.6 percent in Q4FY22 from BDT 913.2 billion in Q3FY22 and two new companies were listed in the capital market during the quarter under review. Thus, the number of listed securities rose to 403 at the end of Q4FY22. Total turnover value

declined by 38.1 percent in Q4FY22 from BDT 719.0 billion in Q3FY22 (Chart VII.1). Sector-wise turnover data showed that the pharmaceuticals and chemicals sector scored the highest (12 percent) turnover in Q4FY22 (Chart VII.6). Market liquidity as measured by the Turnover Velocity Ratio (TVR) shrank to 39.0 percent in Q4FY22 from 60.0 percent in Q3FY22.

Table 7.1: Selected Countries: Price Earnings Ratio, Dividend Yield and Market Capitalization as of June 2022

	Price Earnings Ratio	Dividend Yield, %	M. Cap to GDP Ratio
Bangladesh	14.98	3.80	12.76
India	21.47	-	59.70
Sri Lanka	4.98	-	15.89
Thailand	18.46	2.74	113.37
Hong Kong	11.17	-	1306.59
China	13.73	-	34.69

Source: DSE Monthly Review, June 2022.

7.6 Cross-country data on price earnings (P/E) ratios as of June 2022 show that Bangladesh has a moderate P/E ratio among the South and East Asian selected countries (Table 7.1).

7.7 Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank took a number of initiatives to continue the investors' confidence in the capital market of Bangladesh. These initiatives include: (a) BSEC raised the investment ceiling for institutional investors as follows: (i) each eligible investor except for the pension fund, approved provident fund and gratuity fund will have to increase their investment to BDT 30 million from the existing BDT 10 million, (ii) each of approved pension fund, provident fund and gratuity fund needs to raise their investments to BDT 15 million from BDT 5 million; (b) A MoU was signed among BB, BSEC, DSE, and CDBL aiming to create a vibrant bond market through the trading of government securities on the stock exchanges; (c) BSEC has imposed standard downward price change limit (circuit breaker) based on the previous trading day's closing price; (d) BSEC has raised a threshold level of secondary market investment to subscribe primary share in IPOs as follows: (i) a general investor must invest at least BDT 50 thousand, which was BDT 20 thousand previously (ii) a Non-resident Bangladeshi (NRB) must invest BDT 1 lakh, which was BDT 20 thousand previously; (e) BSEC took initiatives to launch the countries first exchange traded fund (ETF) in the stock market.

Tables

Table I.1: Macroeconomic Framework: Key Economic Indicators
(Growth in percent, unless otherwise indicated)

Indicators	FY16	FY17	FY18	FY19	FY20	FY21 ^R	FY22 ^P
Real GDP (Base 2015-16)	-	6.59	7.32	7.88	3.45	6.94	7.25
GDP deflator	-	5.05	5.81	3.65	3.85	4.12	5.03
CPI Inflation (average)	5.50	5.94	5.78	5.47	5.65	5.56	6.15
CPI Inflation (point to point)	5.90	5.44	5.54	5.71	6.02	5.64	7.56
Money and credit							
Private sector credit	16.78	15.66	16.94	11.32	8.61	8.35	13.66
Broad money (M2)	16.35	10.88	9.24	9.88	12.64	13.60	9.43
External Sector							
Exports, f.o.b.	8.90	1.70	6.66	9.10	-18.89	14.89	33.45
Imports, f.o.b.	5.90	9.00	25.23	1.80	-8.57	19.71	35.95
In percent of GDP							
Gross Domestic Savings	27.27	27.07	26.45	26.88	27.08	25.34	21.56
Gross domestic investment	30.24	30.95	31.82	32.21	31.31	31.02	31.68
Total revenue	8.55	9.40	9.83	10.73	10.98	8.78	8.62
Tax	7.49	8.27	8.80	9.81	9.87	7.36	7.58
Nontax	1.06	1.13	1.03	0.92	1.10	1.28	0.88
Total expenditure	12.75	13.65	14.08	14.99	15.82	12.50	12.69
Current expenditure	7.24	8.30	7.98	9.04	9.31	6.96	6.94
Annual Development Program	4.38	4.99	5.82	5.66	6.08	4.87	5.12
Other expenditure (residual)	1.12	0.36	0.27	0.30	0.42	0.67	0.63
Overall balance (including grants)	-3.96	-4.04	-4.08	-4.14	-4.73	-3.72	-4.07
Financing (net) (a+b)	4.20	4.25	4.25	4.27	4.73	3.72	4.07
a. Domestic financing	2.99	3.01	2.50	2.67	3.07	2.38	2.24
Banking System	1.53	1.03	0.75	1.05	2.60	1.13	1.56
Non-bank	1.47	1.98	1.75	1.62	0.47	1.25	0.68
b. Foreign Financing	1.20	1.04	1.57	1.60	1.66	1.34	1.83
Current account balance	1.61	-0.45	-2.98	-1.45	-1.26	-0.91	-4.02
Overall balance	1.90	1.08	-0.27	0.05	0.85	2.23	-1.16
Broad Money (M2)	44.15	43.72	42.06	41.32	43.33	44.22	42.96
Broad Money (M3)	51.87	53.07	52.05	51.98	53.74	54.64	51.60
Deposit (DD+TD)	38.24	37.77	36.69	36.07	37.25	38.26	36.14
Private Sector Credit	32.33	33.39	34.39	34.23	34.61	33.68	33.98
In billion USD							
Exports, f.o.b.	33.44	34.02	36.29	39.60	32.12	36.90	49.25
Imports, f.o.b.	39.90	43.49	54.46	55.44	50.69	60.68	82.50
Gross official reserves	30.18	33.41	32.94	32.72	36.04	46.39	41.83
In terms of month of imports	7.2	6.6	6.0	6.0	6.1	6.2	5.1
Memorandum items:							
Nominal GDP (In billion Taka)	20,758	23,243	26,392	29,514	31,705	35,302	39,765
Nominal GDP (In billion USD)	265	294	321	351	374	416	465

Sources: Bangladesh Bank; Ministry of Finance and Bangladesh Bureau of Statistics; P = Provisional, R=Revised.

Table I.2: Real GDP Growth by Sectors : Base 2015-16
(In percent)

Sectors	FY17	FY18	FY19	FY20	FY21 ^R	FY22 ^P
Agriculture	3.20	3.54	3.26	3.42	3.17	2.20
	(13.62)	(13.14)	(12.56)	(12.52)	(12.07)	(11.50)
Agriculture, forestry and fishing	3.20	3.54	3.26	3.42	3.17	2.20
i) Crops and horticulture	2.22	2.75	2.07	2.50	2.29	1.06
ii) Animal farmings	2.77	2.90	3.01	3.19	2.94	3.10
iii) Forest and related services	5.00	5.08	5.13	5.34	4.98	5.08
iv) Fishing	4.73	4.93	4.99	4.40	4.11	2.08
Industry	8.27	10.2	11.63	3.61	10.29	10.44
	(32.98)	(33.85)	(34.99)	(34.94)	(36.01)	(37.07)
a) Mining and quarrying	17.29	9.55	11.31	3.16	6.49	-1.94
b) Manufacturing	7.09	10.45	12.33	1.68	11.59	12.31
i) Large Industry	4.63	11.08	12.79	0.41	10.61	12.87
ii) Small, Medium, and Micro Industry	10.06	11.10	10.61	2.69	13.89	11.71
iii) Cottage Industry	9.29	7.45	14.17	3.67	10.27	11.75
c) Electricity, gas, steam and air conditioning supply	7.07	8.27	8.24	0.67	9.54	5.96
d) Water supply, sewerage, and waste management	3.63	2.96	6.31	2.18	6.65	7.43
e) Construction	9.76	10.06	10.47	9.13	8.08	8.94
Service	6.37	6.55	6.88	3.93	5.73	6.31
	(53.40)	(53.01)	(52.45)	(52.54)	(51.92)	(51.44)
a) Wholesale and retail trade	8.22	8.74	8.85	3.21	7.64	8.72
b) Transportation and storage	6.13	6.74	7.01	1.73	4.04	5.70
c) Accommodation and food service activities	5.39	5.52	5.64	1.69	4.53	5.59
d) Information and communication	8.35	6.77	7.36	6.57	7.11	6.15
e) Financial and insurance activities	5.30	6.94	8.25	4.72	5.82	7.60
f) Real estates activities	3.33	3.48	3.61	3.68	3.42	3.66
g) Professional, scientific and technical activities	3.97	4.08	4.17	3.38	5.09	4.25
h) Administrative and support service activities	6.40	7.74	8.17	6.33	6.02	5.48
i) Public administrative and defence	11.23	8.67	6.49	5.49	6.05	4.02
j) Education	5.95	5.89	7.06	5.33	5.81	6.23
k) Human health and social work activities	10.33	9.20	12.20	10.70	10.6	9.78
l) Arts, entertainment and recreation	4.98	5.24	5.48	5.43	5.76	6.07
m) Others service activities	3.14	3.22	3.27	3.06	3.08	3.19
GDP (at constant market price)	6.59	7.32	7.88	3.45	6.94	7.25

Source: Bangladesh Bureau of Statistics; P = Provisional, R=Revised.

The parentheses indicate the percentage share of total producer price GDP at constant price.

Table I.3: Nominal GDP by Sectors: Base 2015-16

(In billion Taka)

Sectors	FY16	FY17	FY18	FY19	FY20	FY21 ^R	FY22 ^P
Agriculture	2,795	3,012	3,294	3,534	3,804	4,107	4,398
Agriculture, forestry, and fishing	2,795	3,012	3,294	3,534	3,804	4,107	4,398
i) Crops and horticulture	1,383	1,487	1,623	1,734	1,861	1,996	2,119
ii) Animal farmings	467	495	532	563	597	633	672
iii) Forest and related services	372	399	436	466	504	559	626
iv) Fishing	574	631	703	771	842	918	982
Industry	6,449	7,263	8,441	9,696	10,435	11,761	13,541
a) Mining and quarrying	331	400	443	526	552	591	582
b) Manufacturing	4,224	4,666	5,490	6,259	6,531	7,497	8,767
i) Large Industry	2,212	2,378	2,757	3,119	3,180	3,574	4,113
ii) Small, Medium, and Micro Industry	1,291	1,467	1,739	1,981	2,087	2,490	2,943
iii) Cottage Industry	721	821	995	1,160	1,263	1,433	1,711
c) Electricity, gas, steam and air conditioning supply	246	292	326	381	445	449	486
d) Water supply; sewerage, waste management	21	23	25	27	28	30	34
e) Construction	1,628	1,882	2,157	2,503	2,879	3,195	3,673
Service	10,630	11,943	13,431	15,008	16,332	18,110	20,235
a) Wholesale and retail trade	2,885	3,246	3,737	4,184	4,458	4,977	5,725
b) Transportation and storage	1,580	1,787	1,978	2,197	2,323	2,562	2,850
c) Accommodation and food service activities	239	267	301	335	360	399	443
d) Information and communication	248	273	295	322	351	384	418
e) Financial and insurance activities	651	722	817	933	1,032	1,153	1,305
f) Real estates activities	1,925	2,142	2,360	2,607	2,880	3,130	3,351
g) Professional, scientific and technical activities	39	43	47	52	57	63	69
h) Administrative and support service activities	142	157	173	200	230	271	308
i) Public administrative and defence	667	785	902	990	1,070	1,170	1,277
j) Education	545	609	682	770	856	956	1,076
k) Human health and social work activities	546	635	734	868	1,015	1,185	1,369
l) Arts, entertainment and recreation	30	34	38	42	48	53	60
m) Others service activities	1,132	1,244	1,368	1,507	1,652	1,807	1,984
Total GVA at current basic price	19,874	22,218	25,166	28,238	30,570	33,978	38,175
Tax less subsidy	884	1,025	1,226	1,276	1,134	1,324	1,590
GDP at current market price	20,758	23,243	26,392	29,514	31,705	35,302	39,765

Source: Bangladesh Bureau of Statistics; P = Provisional, R=Revised.

Table I.4: Crop-wise Agricultural Production

Crops	Actual for FY21		Target for FY22		Actual for FY22	
	Area	Production	Area	Production	Area	Production
	(Lac Hectare)	(Lac M. Ton)	(Lac Hectare)	(Lac M. Ton)	(Lac Hectare)	(Lac M. Ton)
Aus	13.05	32.85	13.30	34.84	11.63	32.45
Aman	56.26	144.38	58.30	150.47	59.04	162.70
Boro	47.87	198.85	48.73	209.51	49.63	209.77
Total Rice	117.18	376.08	120.33	394.81	120.30	404.91
Wheat	3.29	10.85	3.37	12.26	3.20	11.67
Maize	5.64	56.63	5.76	58.75	5.52	56.30
Total Cereal	126.11	443.56	129.45	465.83	129.02	472.88
Jute	6.82	77.25	7.50	86.11	7.45	82.77
Potato	4.69	98.87	4.87	106.52	4.77	110.58
Vegetables	9.36	197.19	9.48	200.19	10.34	216.70
Moong	2.63	2.52	2.66	3.37	2.32	2.83
Mosur	1.83	2.58	1.83	2.60	1.53	2.08
Gram	0.04	0.06	0.04	0.06	0.04	0.05
Mustard	5.90	7.87	5.95	8.22	6.11	8.24
Onion	2.53	33.62	2.60	35.04	2.59	36.41

Source: Bangladesh Bureau of Statistics and Department of Agriculture Extension, Ministry of Agriculture.

Table I.5: Quantum Index of Medium and Large-scale Manufacturing Industries, Mining and Electricity
(Base: 2005-06)

	FY21						FY22			
	FY21 ^R	FY22 [*]	Q ₁	Q ₂	Q ₃ ^R	Q ₄ ^R	Q ₁ ^R	Q ₂ ^R	Q ₃ ^R	Q ₄ ^{**P}
Manufacturing	454.6	502.0	435.9	450.2	461.1	471.2	464.9	509.2	536.2	489.7
Mining	180.6	163.3	206.3	181.0	168.5	166.6	159.7	162.8	164.7	170.9
Electricity	345.9	348.6	381.0	308.1	303.3	391.0	405.0	329.2	280.7	441.0
Growth in percent (y-o-y)										
Manufacturing	15.43	11.29	8.33	7.00	9.35	42.56	6.64	13.11	16.28	4.28
Mining	-3.16	-10.88	9.18	-1.14	-9.82	-10.95	-22.57	-10.08	-2.23	3.91
Electricity	13.06	3.21	2.89	9.63	12.71	28.99	6.32	6.83	-7.45	10.21

Source: Bangladesh Bureau of Statistics; P = Provisional, R=Revised.

Note: * = July-April, FY22; **=April 2022.

Tables I.6: Quantum Index of Medium and Large-scale Manufacturing Industries by Major Industries
(Base: 2005-06)

	Weight	FY21				FY22			
		Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ [*]
General Index	100.0	435.9	450.2	488.4	496.7	498.8	509.8	536.2	489.7
Food products	10.8	555.6	663.9	688.2	725.7	617.0	572.3	510.7	521.4
Beverages	0.3	371.1	258.0	433.3	528.0	562.4	487.4	658.2	884.5
Tobacco products	2.9	126.3	132.6	135.6	128.7	114.9	113.3	111.5	128.3
Textile	14.1	247.7	261.0	288.5	324.9	311.0	326.3	300.7	272.1
Wearing apparel	34.8	434.1	399.7	435.4	441.3	506.7	565.9	643.5	543.3
Leather and related products	4.4	545.5	518.4	683.1	850.8	799.2	386.0	388.3	381.4
Wood and products of wood and cork	0.3	391.9	538.5	532.0	427.8	452.8	455.4	425.8	449.9
Paper and paper products	0.3	215.6	187.2	180.2	203.5	245.4	315.2	358.8	263.7
Printing and reproduction of recorded media	1.8	211.4	234.9	238.0	229.3	206.1	208.6	207.4	201.8
Coke and refined petroleum products	1.3	108.2	119.2	109.4	116.5	122.9	72.7	112.1	95.5
Chemicals and chemical products	3.7	159.4	141.2	143.4	134.0	120.6	127.6	138.6	136.6
Pharmaceuticals and medicinal chemical	8.2	957.2	1002.0	1031.8	1037.8	1075.9	1180.8	1178.1	1162.4
Rubber and plastic products	1.6	424.1	428.3	422.2	415.9	395.7	399.2	532.3	530.2
Other non-metallic mineral products	7.1	481.9	544.5	632.9	554.0	551.0	561.8	669.2	593.9
Basic metal	3.2	161.2	197.9	185.5	189.6	200.3	225.2	220.0	220.4
Fabricated metal products	2.3	439.8	473.2	491.9	401.6	340.9	340.0	303.5	285.9
Computer, electronic and optical product	0.2	334.0	264.9	291.2	278.0	285.8	269.3	279.8	252.7
Electrical equipment	0.7	534.9	988.2	1246.1	950.7	327.9	438.9	379.7	418.9
Machinery and equipment	0.2	767.2	769.8	797.4	775.9	761.8	774.4	822.8	801.6
Motor vehicles and trailers	0.1	169.8	104.1	234.6	320.2	347.4	604.1	585.9	718.3
Other transport equipment	0.7	702.1	745.0	747.7	721.4	696.0	697.0	689.3	369.0
Furniture	0.9	163.3	182.9	241.8	210.1	142.5	176.0	175.5	175.0

Source: Bangladesh Bureau of Statistics; * = April 2022.

Table I.7: Cargo Handled by Chattogram Port
(In thousands Metric Tons)

	FY21					FY22				
	FY21	FY22	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Export	7,368	7,969	1,719	1,835	1,946	1,869	1,933	2,084	2,036	1,916
Import	96,588	99,903	20,160	25,399	26,590	24,439	20,223	27,648	27,411	24,621
Total	103,956	107,872	21,879	27,234	28,536	26,308	22,156	29,732	29,447	26,537
Growth in percent (y-o-y)										
Export	10.88	8.16	-5.54	1.77	6.56	56.16	12.47	13.58	4.65	2.53
Import	10.67	3.43	0.54	3.76	-0.71	53.09	0.31	8.85	3.09	0.74
Total	10.68	3.77	0.03	3.62	-0.25	53.31	1.27	9.17	3.19	0.87

Source: Chattogram Port Authority.

Table I.8: Trends in Private Sector Credit

(In billion Taka)

Institutions	FY21					FY22				
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Outstanding										
Banks ¹	11,889	13,512	11,131	11,413	11,604	11,889	12,107	12,633	12,914	13,512
Non-banks ²	572	587	667	675	571	572	567	576	592	587
Microfinance institutions ³	606	739	600	642	659	606	628	667	719	739
Total	13,067	14,838	12,398	12,731	12,834	13,067	13,302	13,876	14,225	14,838
Growth in percent (y-o-y)										
Banks	8.34	13.66	9.48	8.37	8.79	8.34	8.77	10.68	11.29	13.66
Non-banks	-15.01	2.57	-0.14	-0.30	-15.48	-15.01	-15.04	-14.70	3.58	2.57
Microfinance institutions	-1.22	21.89	-6.21	-5.44	57.00	-1.216	4.77	3.88	9.20	21.89
Total	6.58	13.56	8.05	7.08	9.12	6.58	7.30	9.00	10.84	13.56

Sources: ¹Monetary Policy Department; ²Department of Financial Institutions and Markets, Bangladesh Bank;³Grameen Bank, BRAC, ASA, Proshika.

Table I.9: Bank Advances (Private Sector) by Economic Purposes
(In billion Taka)

Sectors	FY21					FY22 ^P				
	FY21	FY22 ^P	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃ ^R	Q ₄ ^P
Outstanding										
a. Agriculture	511	606	459	477	488	511	509	541	556	606
Crops	462	554	418	432	441	462	462	492	509	554
Others	49	52	41	45	47	49	47	49	47	52
b. Industry	4,715	5,278	4,383	4,527	4,594	4,715	4,793	4,961	4,969	5,278
Term Loan	2,365	2,614	2,145	2,232	2,295	2,365	2,423	2,527	2,537	2,614
Working capital financing	2,351	2,664	2,238	2,295	2,299	2,351	2,370	2,435	2,432	2,664
c. Construction	943	1,037	920	928	932	943	988	1,003	1,029	1,037
d. Transport	76	66	85	82	78	76	75	70	68	66
e. Trade and Commerce	3,774	4,232	3,560	3,603	3,682	3,774	3,813	3,951	4,074	4,232
f. Other Institutional loan	254	288	268	278	272	254	244	282	293	288
g. Consumer finance	862	1,071	723	820	832	862	888	954	997	1,071
h. Miscellaneous	39	73	37	42	38	39	40	49	58	73
Grand Total	11,174	12,650	10,434	10,756	10,917	11,174	11,350	11,811	12,046	12,650
Growth in percent (y-o-y)										
a. Agriculture	11.19	18.53	10.49	13.14	13.31	11.19	11.06	13.25	13.90	18.53
Crops	9.26	19.88	9.98	12.23	12.38	9.26	10.65	13.81	15.48	19.88
Others	33.37	5.83	16.01	22.60	22.70	33.37	15.25	7.87	-0.76	5.83
b. Industry	8.48	11.93	9.88	9.08	6.48	8.48	9.34	9.59	8.17	11.93
Term Loan	9.78	10.52	10.77	10.93	8.23	9.78	12.93	13.20	10.54	10.52
Working capital financing	7.20	13.35	9.04	7.35	4.78	7.20	5.89	6.07	5.79	13.35
c. Construction	2.52	10.02	0.99	4.26	0.90	2.52	7.37	8.15	10.48	10.02
d. Transport	-13.31	-12.83	-1.54	-4.54	-1.85	-13.31	-12.19	-14.37	-12.61	-12.83
e. Trade & Commerce	8.31	12.13	14.60	10.97	13.37	8.31	7.12	9.65	10.65	12.13
f. Other Institutional loan	-13.36	13.35	0.15	-4.23	-4.18	-13.36	-8.98	1.49	7.66	13.35
g. Consumer finance	29.68	24.28	11.58	15.57	21.99	29.68	22.89	16.42	19.88	24.28
h. Miscellaneous	9.07	84.53	10.91	26.31	-4.52	9.07	9.29	17.72	51.64	84.53
Grand Total	8.57	13.21	10.34	9.46	9.14	8.57	8.78	9.81	10.34	13.21
Share in percent										
a. Agriculture	4.57	4.79	4.40	4.44	4.47	4.57	4.49	4.58	4.62	4.79
Crops	4.13	4.38	4.00	4.02	4.04	4.13	4.07	4.16	4.23	4.38
Others	0.44	0.41	0.39	0.42	0.43	0.44	0.42	0.41	0.39	0.41
b. Industry	42.20	41.72	42.01	42.09	42.09	42.20	42.22	42.00	41.25	41.72
Term Loan	21.16	20.66	20.56	20.75	21.03	21.16	21.34	21.39	21.06	20.66
Working capital financing	21.04	21.06	21.45	21.34	21.06	21.04	20.88	20.61	20.19	21.06
c. Construction	8.44	8.20	8.82	8.63	8.54	8.44	8.70	8.50	8.55	8.20
d. Transport	0.68	0.52	0.81	0.76	0.71	0.68	0.66	0.59	0.57	0.52
e. Trade & Commerce	33.77	33.45	34.11	33.50	33.73	33.77	33.60	33.45	33.82	33.45
f. Other Institutional loan	2.27	2.27	2.57	2.58	2.49	2.27	2.15	2.39	2.43	2.27
g. Consumer finance	7.71	8.47	6.93	7.62	7.62	7.71	7.83	8.08	8.28	8.47
h. Miscellaneous	0.35	0.58	0.35	0.39	0.35	0.35	0.35	0.42	0.48	0.58
Grand Total	100.0	100.00	100.0	100.0	100.0	100.0	100.0	100.0	100.00	100.00

Source: Statistics Department, Bangladesh Bank. R= Revised. P = Provisional.

Table I.9 (1): Performance Indicators of NBFIs

(In billion Taka)

Sectors	FY21						FY22 ^P			
	FY21	FY22 ^P	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂ ^R	Q ₃ ^R	Q ₄ ^P
NBFIs Advances (Outstanding)										
a. Agriculture	5.0	5.2	4.6	5.1	5.3	5.0	5.0	4.7	4.9	5.2
Crops	3.8	4.0	3.3	3.9	4.1	3.8	3.8	3.5	3.8	4.0
Others	1.2	1.1	1.3	1.2	1.2	1.2	1.2	1.2	1.1	1.1
b. Industry	267.5	272.0	252.6	264.4	262.2	267.5	264.8	268.1	274.8	272.0
Term Loan	213.2	213.5	205.0	209.0	208.6	213.2	206.4	207.8	215.9	213.5
Working capital financing	50.1	53.2	43.7	50.9	49.5	50.1	55.0	56.1	54.3	53.2
Factoring	4.2	5.3	3.9	4.5	4.1	4.2	3.4	4.2	4.6	5.3
c. Construction	91.0	96.4	91.7	91.8	91.9	91.0	91.2	93.6	96.2	96.4
d. Transport	12.1	16.2	13.4	15.4	15.1	12.1	13.9	14.9	15.9	16.2
e. Trade and Commerce	156.4	152.0	153.5	151.0	156.6	156.4	151.4	143.6	148.8	152.0
f. Other Institutional loan	38.5	39.8	38.6	41.2	40.2	38.5	39.6	38.7	39.4	39.8
g. Consumer finance	96.2	107.7	93.9	92.1	94.7	96.2	94.3	104.6	106.5	107.7
h. Miscellaneous	0.4	0.4	2.8	0.6	0.5	0.4	0.4	0.4	0.3	0.4
Total Advances	667.0	689.7	651.0	661.6	666.5	667.0	660.5	668.5	686.8	689.7
NBFIs Deposits by its type										
Fixed Deposits	419.5	407.5	426.3	427.9	423.0	419.5	421.4	415.7	413.0	407.5
Recurring Deposits	3.7	8.2	3.4	3.6	3.1	3.7	3.7	5.2	5.5	8.2
Special Purpose Deposits	2.7	4.5	2.5	2.6	2.8	2.7	2.6	3.9	4.1	4.5
Restricted (Blocked) Deposits	0.2	0.6	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.6
Total Deposits	426.0	420.8	432.4	434.2	429.0	426.0	427.9	425.0	422.7	420.8
Interest Rates of NBFIs										
Deposit Rate	7.82	7.49	9.22	8.69	8.28	7.82	7.51	7.62	7.36	7.49
Advances Rate	11.25	9.85	12.62	12.06	11.66	11.25	10.89	10.43	10.22	9.85
Spread	3.43	2.36	3.40	3.37	3.38	3.43	3.38	2.81	2.86	2.36
Growth in percent (y-o-y)										
NBFIs Advances										
a. Agriculture	-6.83	4.00	-10.92	-3.30	-3.26	-6.83	9.51	-8.94	-6.88	4.00
Crops	-3.69	6.85	-16.21	-2.97	-2.49	-3.69	15.44	-11.80	-7.04	6.85
Others	-15.45	-4.95	6.27	-4.32	-5.73	-15.45	-5.70	0.29	-6.32	-4.95
b. Industry	7.11	1.68	3.12	4.42	4.04	7.11	4.83	1.40	4.80	1.68
Term Loan	6.17	0.12	5.69	3.34	3.25	6.17	0.68	-0.53	3.47	0.12
Working capital financing	11.16	6.34	-4.85	7.70	7.98	11.16	25.79	10.14	9.86	6.34
Factoring	8.90	25.41	-23.24	21.46	-0.74	8.90	-12.47	-7.34	10.90	25.41
c. Construction	-1.28	5.92	6.55	4.31	-1.90	-1.28	-0.50	1.95	4.70	5.92
d. Transport	-7.45	33.47	-4.74	7.07	6.17	-7.45	3.10	-3.10	4.82	33.47
e. Trade & Commerce	-2.59	-2.80	-7.70	-3.65	1.46	-2.59	-1.31	-4.94	-5.03	-2.80
f. Other Institutional loan	-3.48	3.55	11.19	2.08	4.55	-3.48	2.49	-6.05	-1.80	3.55
g. Consumer finance	0.47	11.93	-6.43	-6.92	-5.99	0.47	0.40	13.52	12.48	11.93
h. Miscellaneous	-75.04	21.68	159.90	-55.88	-71.25	-75.04	-87.01	-34.50	-36.75	21.68
Total Advances	1.37	3.40	-0.25	0.51	0.89	1.37	1.45	1.04	3.05	3.40

Source: Statistics Department, Bangladesh Bank. R= Revised. P = Provisional.

Table I.10: Trends in Agricultural Credit
(In billion Taka)

	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Program/Target (July-June)	262.9	283.9	262.9	262.9	262.9	262.9	283.9	283.9	283.9	283.9
Total disbursement	255.1	288.3	46.8	73.9	64.4	70.0	52.1	92.9	70.1	73.3
Crop	128.9	128.3	24.8	41.8	31.6	30.7	23.0	44.5	32.0	28.9
Irrigation	2.5	2.4	0.5	0.8	0.6	0.7	0.4	0.5	0.7	0.8
Agricultural equipment	1.9	2.4	0.3	0.5	0.5	0.6	0.3	0.6	0.6	0.8
Live-stock	35.3	54.3	7.5	9.6	10.0	8.3	9.3	16.0	13.2	15.8
Fisheries	29.5	35.9	5.0	7.8	7.9	8.8	7.2	11.2	8.3	9.2
Grain storage & marketing	1.8	1.8	0.3	0.4	0.4	0.6	0.3	0.5	0.5	0.5
Poverty alleviation	20.4	21.1	3.7	4.5	4.5	7.7	3.5	8.1	5.2	4.4
Others	34.9	42.2	4.6	8.6	8.9	12.7	8.1	11.6	9.6	12.9
Total recovery	271.2	274.6	62.8	78.1	56.8	73.5	55.9	80.1	63.8	74.9
Total overdue	58.7	59.5	69.5	65.7	62.9	58.7	71.7	69.3	64.7	59.5
Outstanding	459.4	498.0	440.4	440.89	453.5	459.4	456.9	476.6	488.9	498.0
Overdue as percent of outstanding	12.77	11.95	15.79	14.91	13.86	12.77	15.69	14.55	13.24	11.95
Growth in percent ¹										
Total disbursement	12.14	13.03	31.80	2.03	5.13	20.09	11.24	25.60	8.89	4.74
Total recovery	27.67	1.25	43.53	9.64	4.43	70.82	-11.02	2.49	12.29	1.88

Source: Agricultural Credit Department, Bangladesh Bank.

¹ Quarterly growth rate refers to growth over the same quarter of the previous year.

Table I.11: Microcredit Operations of Grameen Bank and Large NGOs
(In billion Taka)

Institutions	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
1. Total disbursement	948.5	1157.1	218.3	296.3	281.3	152.5	176.5	337.1	328.6	314.9
i) Grameen Bank	196.8	206.6	52.5	58.3	61.0	25.0	30.0	54.8	63.1	58.6
ii) BRAC	419.1	491.0	92.5	144.9	116.2	65.4	82.9	155.7	130.2	122.2
iii) ASA	324.8	446.4	71.9	91.6	101.6	59.8	61.4	123.2	131.6	130.2
iv) Proshika	7.8	13.2	1.5	1.5	2.5	2.4	2.2	3.4	3.7	4.0
2. Total recovery	1011.1	1118.6	236.9	280.9	283.3	210.1	207.0	303.2	294.4	314.0
i) Grameen Bank	206.7	203.2	60.0	61.1	58.6	27.0	34.3	58.1	57.5	53.3
ii) BRAC	492.7	527.6	105.3	135.6	134.6	117.2	109.7	144.1	128.7	145.2
iii) ASA	304.0	375.0	69.9	82.6	87.7	63.7	60.8	97.8	104.7	111.7
iv) Proshika	7.7	12.8	1.7	1.6	2.3	2.2	2.3	3.1	3.5	3.9
3. Loans outstanding	606.2	738.9	599.9	642.3	658.5	606.2	628.5	667.2	719.1	738.9
4. Loans overdue	41.4	32.7	12.6	24.5	32.2	41.4	33.1	42.3	41.8	32.7
5. Overdue as percent of outstanding	6.80	4.43	2.10	3.81	4.90	6.80	5.27	6.34	5.81	4.43

Source : Grameen Bank, BRAC, ASA and Proshika.

Table I.12: Microcredit Operations of MFIs
(In billion Taka)

Indicators	FY20		FY21		FY22			
	FY21	FY22	July- Dec/19	Jan- Jun/20	July- Dec/20	Jan- Jun/21	July- Dec/21	Jan- Jun/22
Total disbursement	1512.09	1918.33	774.94	589.24	718.84	793.25	891.21	1027.12
Total recovery	1397.12	1652.69	794.92	536.56	766.38	729.75	724.53	928.16
Loans outstanding	949.85	1233.35	856.48	892.23	925.19	949.85	1073.81	1233.35
Loans overdue	78.95	101.47			33.66	78.95	78.95	101.47
Overdue as percent of outstanding	8.31	8.23			3.64	8.31	7.35	8.23

Source: Microcredit Regulatory Authority

Table I.13: Industrial Term Lending by Banks and NBFIs
(In billion Taka)

Institutions	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Disbursement										
SOBs	57.2	64.5	10.9	12.9	9.9	23.5	7.7	12.0	21.7	23.1
PCBs	545.5	547.3	127.6	134.5	133.7	149.7	122.8	150.6	121.4	152.5
Foreign banks	32.0	32.6	6.6	3.2	14.8	7.3	4.5	9.8	6.5	11.9
Specialized banks	8.1	10.3	1.7	2.1	1.7	2.5	2.1	0.01	3.63	4.50
Non-bank financial institutions	44.9	68.9	7.7	12.2	13.7	11.3	11.2	15.4	20.1	22.1
All Banks and NBFIs	687.7	723.6	154.6	165.0	173.8	194.3	148.3	187.7	173.4	214.1
Recovery										
SOBs	27.4	30.1	5.6	5.3	11.1	5.3	2.8	6.9	9.1	11.4
PCBs	450.7	502.6	80.4	124.2	131.9	114.2	101.2	147.9	125.6	127.9
Foreign banks	33.7	35.5	10.5	8.5	6.5	8.1	7.9	9.5	10.0	8.0
Specialized banks	9.9	12.5	0.5	0.7	4.5	4.3	4.1	2.0	3.3	3.1
Non-bank financial institutions	63.2	67.9	16.2	16.6	14.9	15.4	13.7	18.6	17.7	17.9
All Banks and NBFIs	584.9	648.6	113.2	155.4	168.9	147.3	129.8	184.8	165.7	168.3
Outstanding										
SOBs	752.5	633.8	497.9	471.1	705.6	752.5	601.2	590.5	603.3	633.8
PCBs	2,050.0	2152.5	1,874.8	1,942.1	1,931.5	2,050.0	2,065.5	2,099.0	2104.5	2152.5
Foreign banks	78.8	70.8	76.9	72.3	79.3	78.8	75.2	73.7	70.2	70.8
Specialized banks	17.5	24.1	18.7	21.1	18.8	17.5	18.9	31.9	32.2	24.1
Non-bank financial institutions	254.1	323.0	274.5	246.4	255.3	254.1	272.4	294.0	295.5	323.0
All Banks and NBFIs	3,152.9	3204.1	2,742.8	2,753.1	2,990.5	3,152.9	3,033.3	3,089.2	3105.7	3204.1
Growth in percent ¹										
Disbursement										
SOBs	-23.92	12.70	-62.63	-43.81	-2.53	82.10	-29.55	-7.38	118.83	-1.49
PCBs	-5.89	0.35	-24.43	-31.21	13.45	53.68	-3.71	11.92	-9.16	1.88
Foreign banks	-23.68	2.15	-11.54	-67.23	-13.83	-2.09	-31.96	207.80	-56.18	62.05
Specialized banks	208.66	26.43	349.64	961.36	532.69	42.34	21.46	-99.57	112.32	78.68
Non-bank financial institutions	3.83	53.38	-44.23	-10.24	-2.31	538.68	44.77	26.06	47.49	96.01
All Banks and NBFIs	-7.40	5.23	-29.65	-31.84	8.97	60.16	-4.02	13.78	-0.22	10.20
Recovery										
SOBs	-51.97	10.04	-67.60	-75.51	-3.59	-17.02	-49.78	28.27	-18.51	113.89
PCBs	-18.74	11.51	-50.89	-29.58	-2.03	42.91	25.86	19.02	-4.72	11.99
Foreign banks	57.76	5.31	40.22	95.74	27.76	85.11	-24.87	12.55	53.44	-1.80
Specialized banks	357.60	26.11	50.80	-2.77	437.58	1,269.45	804.36	181.00	-26.88	-26.28
Non-bank financial institutions	1.88	7.47	-14.76	-8.71	6.97	42.37	-15.33	11.56	18.77	16.10
All Banks and NBFIs	-16.11	10.90	-45.53	-29.84	1.75	44.63	14.64	18.91	-1.90	14.24
Outstanding										
SOBs	34.52	-15.78	8.33	-5.03	33.64	34.52	20.76	25.34	-14.50	-15.78
PCBs	13.12	5.00	15.60	13.02	10.97	13.12	10.17	8.08	8.96	5.00
Foreign banks	-6.38	-10.23	9.19	0.84	-1.78	-6.38	-2.18	1.99	-11.41	-10.23
Specialized banks	-2.90	37.20	15.87	24.93	12.04	-2.90	0.87	50.97	71.50	37.20
Non-bank financial institutions	-15.18	27.11	-10.09	-15.03	-15.19	-15.18	-0.76	19.31	15.75	27.11
All Banks and NBFIs	13.68	1.62	10.89	6.17	12.12	13.68	10.59	12.21	3.85	1.62

Source: SME & Special Programmes Department, Bangladesh Bank.

¹ Quarterly growth rate refers to growth over the same quarter of the previous year.

Table II.1: Trend in Inflation
(Base: 2005-06=100)

Period	General	Food	Non-food	General	Food	Non-food
Point-to-Point			12 Month Average			
2020						
January	5.57	5.12	6.30	5.60	5.54	5.70
February	5.46	4.97	6.23	5.60	5.50	5.77
March	5.48	4.87	6.45	5.60	5.43	5.86
April	5.96	5.91	6.04	5.63	5.46	5.90
May	5.35	5.09	5.75	5.61	5.43	5.89
June	6.02	6.54	5.22	5.65	5.52	5.85
July	5.53	5.70	5.28	5.64	5.54	5.79
August	5.68	6.08	5.05	5.65	5.61	5.72
September	5.97	6.50	5.12	5.69	5.71	5.66
October	6.44	7.34	5.00	5.77	5.87	5.62
November	5.52	5.73	5.19	5.73	5.82	5.59
December	5.29	5.34	5.21	5.69	5.77	5.56
2021						
January	5.02	5.23	4.69	5.64	5.78	5.43
February	5.32	5.42	5.17	5.63	5.82	5.34
March	5.47	5.51	5.39	5.63	5.87	5.26
April	5.56	5.57	5.55	5.60	5.84	5.22
May	5.26	4.87	5.86	5.59	5.82	5.23
June	5.64	5.45	5.94	5.56	5.73	5.29
July	5.36	5.08	5.80	5.54	5.68	5.33
August	5.54	5.16	6.13	5.53	5.60	5.43
September	5.59	5.21	6.19	5.50	5.49	5.52
October	5.70	5.22	6.48	5.44	5.32	5.64
November	5.98	5.43	6.87	5.48	5.29	5.78
December	6.05	5.46	7.00	5.54	5.30	5.93
2022						
January	5.86	5.60	6.26	5.62	5.33	6.06
February	6.17	6.22	6.10	5.69	5.40	6.13
March	6.22	6.34	6.04	5.75	5.47	6.19
April	6.29	6.24	6.39	5.81	5.53	6.26
May	7.42	8.30	6.08	5.99	5.81	6.27
June	7.56	8.37	6.33	6.15	6.05	6.31

Source: Bangladesh Bureau of Statistics (BBS).
Note: Food includes food, beverage & tobacco.

Table II.2: Commodity Prices in the International Markets

	FY21				FY22			
	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Rice (USD/MT)	497.3	493.3	542.3	484.7	405.7	400.3	425.3	446.3
Wheat (USD/MT)	213.8	248.1	275.2	272.0	264.8	331.2	370.4	415.2
Soybean oil (USD/MT)	864.6	971.6	1169.0	1493.1	1433.7	1445.9	1674.1	1887.4
Sugar (USD/kg)	0.28	0.31	0.35	0.37	0.42	0.42	0.41	0.43
Crude Petroleum (Dubai) (USD/Barrel)	42.5	43.9	59.5	66.4	71.4	77.9	96.5	108.9
Palm Oil (USD/MT)	750.2	917.8	1013.5	1073.0	1128.7	1307.0	1548.0	1633.6

Source: World Bank. Note: MT=Metric Ton

Table II.3: Inflation in South Asia
(Point-to-point)

Country	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Bangladesh	5.64	7.56	5.97	5.29	5.47	5.64	5.59	6.05	6.22	7.56
Bhutan	7.42	6.54	8.02	7.72	9.11	7.42	4.97	6.87	5.57	6.54
India (CPI NS)	6.26	7.01	6.69	4.59	5.52	6.26	4.35	5.66	6.95	7.01
Pakistan	9.70	21.30	9.00	8.00	9.10	9.70	9.00	12.30	12.70	21.30
Vietnam	2.41	3.37	2.98	0.19	1.16	2.41	2.06	1.81	2.41	3.37

Source: Central banks and Statistics Departments of respective countries.

Note: Quarterly data indicate end quarter.

Table III.1: Movements in Reserve Money
(In billion Taka)

	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Outstanding										
1. Net foreign assets of BB	3,669.2	3,476.8	3,136.1	3,411.8	3,468.4	3,669.2	3,617.3	3,546.1	3,447.6	3,476.8
2. Net domestic assets of BB	-188.5	-5.2	-327.9	-371.3	-431.8	-188.5	-384.0	-309.4	-236.0	-5.2
a) Claims on public sector	205.0	583.7	147.7	41.5	-65.4	205.0	105.8	86.1	162.9	583.7
i) Claims on govt. (net)	172.9	549.3	121.9	13.1	-98.0	172.9	72.7	54.6	128.0	549.3
ii) Claims on other public sector	32.2	34.4	25.8	28.3	32.6	32.2	33.0	31.5	34.9	34.4
b) Claim on private sector	58.4	59.4	50.4	53.3	54.6	58.4	58.3	57.0	57.8	59.4
c) Claims on banks	189.5	160.7	101.4	161.3	190.8	189.5	183.8	166.0	161.4	160.7
d) Other items (net)	-641.4	-809.0	-627.4	-627.4	-611.8	-641.4	-731.8	-618.5	-618.2	-809.0
3. Currency issued	2,268.9	2,561.8	2,055.8	2,030.7	2,018.8	2,268.9	2,276.7	2,294.9	2,319.2	2,561.8
i) Currency outside banks	2,095.2	2,364.5	1,892.0	1,874.6	1,842.2	2,095.2	2,096.2	2,107.2	2,126.9	2,364.5
ii) Cash in tills	173.7	197.3	163.8	156.1	176.6	173.7	180.5	187.7	192.4	197.3
4. Deposits of banks with BB	1,211.8	909.8	752.5	1,009.8	1,017.8	1,211.8	956.6	941.8	892.3	909.8
5. Reserve money (RM)	3,480.7	3,471.6	2,808.2	3,040.5	3,036.6	3,480.7	3,233.3	3,236.7	3,211.6	3,471.6
6. Money multiplier (M2/RM)	4.48	4.92	5.08	4.86	4.89	4.48	4.90	5.01	5.08	4.92
Growth in percent (y-o-y)										
1. Net foreign assets of BB	28.3	-5.2	23.2	31.7	31.8	28.3	15.3	3.9	-0.6	-5.2
2. Net domestic assets of BB	-1110.0	97.2	-342.0	-352.7	-540.5	-1110.0	-17.1	16.7	45.3	97.2
a) Claims on public sector	-54.1	184.7	-52.9	-88.8	-126.4	-54.1	-28.4	107.7	349.1	184.7
i) Claims on govt. (net)	-59.0	217.7	-57.8	-96.2	-144.1	-58.9	-40.3	315.7	230.6	217.7
ii) Claims on other public sector	26.1	6.7	4.2	9.3	26.5	26.2	27.7	11.2	7.1	6.7
b) Claim on private sector	9.3	1.6	4.6	9.5	11.7	9.3	15.7	7.0	5.9	1.6
c) Claims on Banks	37.7	-15.2	61.0	175.8	-48.7	37.7	81.3	2.9	-15.4	-15.2
3. Currency issued	9.0	12.9	18.2	18.1	5.2	9.0	10.7	13.0	14.9	12.9
4. Deposits of banks with BB	58.6	-24.9	2.7	27.9	25.6	58.6	27.1	-6.7	-12.3	-24.9
5. Reserve money (RM)	22.4	-0.3	13.6	21.2	11.3	22.4	15.1	6.5	5.8	-0.3

Source: Statistics Department, Bangladesh Bank.

Table III.2: Movements in Broad Money
(In billion Taka)

	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Outstanding										
1. Net foreign assets	3,823.4	3,642.3	3,311.6	3,569.8	3,622.0	3,823.4	3,775.9	3,691.6	3,564.0	3,642.3
2. Net domestic assets	11,785.6	13,439.0	10,950.5	11,217.1	11,216.0	11,785.6	12,082.3	12,514.8	12,735.0	13,439.0
a) Domestic credit	14,399.0	16,717.5	13,329.6	13,635.8	13,707.3	14,399.0	14,689.0	15,321.9	15,627.1	16,717.5
Credit to public sector	2,510.4	3,205.1	2,198.8	2,222.7	2,103.5	2,510.4	2,581.8	2,689.4	2,712.7	3,205.1
Credit to govt. (net)	2,210.3	2,833.1	1,905.0	1,912.8	1,789.1	2,210.3	2,275.4	2,345.4	2,354.9	2,833.1
Credit to other public sector	300.2	372.0	293.8	309.9	314.4	300.2	306.4	344.0	357.8	372.0
Credit to private sector	11,888.6	13,512.4	11,130.8	11,413.0	11,603.8	11,888.6	12,107.2	12,632.5	12,914.4	13,512.4
b) Other items (net)	-2,613.4	-3,278.5	-2,379.1	-2,418.7	-2,491.4	-2,613.4	-2,606.8	-2,807.1	-2,892.1	-3,278.5
3. Narrow Money	3,758.3	4,259.0	3,255.5	3,363.8	3,297.8	3,758.3	3,665.7	3,793.1	3,755.6	4,259.0
a) Currency outside banks	2,095.2	2,364.5	1,892.0	1,874.6	1,842.2	2,095.2	2,096.2	2,107.2	2,126.9	2,364.5
b) Demand deposits	1,663.1	1,894.6	1,363.5	1,489.2	1,455.6	1,663.1	1,569.5	1,685.9	1,628.7	1,894.6
4. Time deposits	11,850.7	12,822.2	11,006.6	11,423.0	11,540.2	11,850.7	12,192.5	12,413.2	12,543.5	12,822.2
5. Broad money	15,609.0	17,081.2	14,262.0	14,786.8	14,837.9	15,609.0	15,858.2	16,206.4	16,299.1	17,081.2
Growth in percent (y-o-y)										
1. Net foreign assets	28.59	-4.74	22.07	30.22	29.71	28.59	14.02	3.41	-1.60	-4.74
2. Net domestic assets	9.49	14.03	11.67	9.94	8.74	9.49	10.34	11.57	13.54	14.03
a) Domestic credit	10.11	16.10	12.65	9.91	11.40	10.11	10.20	12.37	14.01	16.10
Credit to public sector	19.33	27.67	32.04	18.58	28.34	19.33	17.42	21.00	28.96	27.67
Credit to govt. (net)	22.01	28.18	35.31	21.94	33.75	22.01	19.44	22.61	31.62	28.18
Credit to other public sector	2.75	23.93	14.10	1.32	4.31	2.75	4.30	11.00	13.80	23.93
Credit to private sector	8.35	13.66	9.48	8.37	8.79	8.35	8.77	10.68	11.29	13.66
3. Narrow money	14.49	13.32	20.21	21.91	13.34	14.49	12.60	12.76	13.88	13.32
4. Time deposits	13.35	8.20	12.19	12.16	13.17	13.35	10.77	8.67	8.69	8.20
5. Broad money	13.62	9.43	13.92	14.23	13.21	13.62	11.19	9.60	9.85	9.43

Source: Statistics Department, Bangladesh Bank.

Table III.3: Interest Rates Developments

Instruments	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21	Jun.21	Sep.21	Dec.21	Mar.22 ^R	Jun.21 ^P
T - Bills										
14 - day	...	...	...	...	...	...	...	...	...	...
91 - day	7.09	6.83	2.93	0.53	0.75	0.52	2.00	2.36	2.43	5.94
182 - day	7.47	6.91	3.71	1.12	0.99	0.68	2.50	3.19	3.05	6.44
364 - day	7.51	7.35	3.86	1.91	1.86	1.21	2.76	3.44	3.75	6.62
BGTB										
2 - year	7.79	7.75	4.61	3.28	3.13	2.44	...	4.68	4.61	7.21
5 - year	8.05	8.05	5.57	4.48	4.24	3.84	4.67	6.41	6.11	7.80
10 - year	8.47	8.62	6.48	5.68	...	5.38	6.19	7.38	6.92	8.03
15-year	8.69	8.69	6.70	6.58	...	5.65	6.19	7.77	7.48	8.27
20-year	8.99	8.90	6.98	7.01	...	6.06	6.31	7.87	7.63	8.48
Repo										
1-3 day	5.75	5.25	4.75	4.75	4.75	4.75	4.75	4.75	4.75	5.50
Reverse Repo										
1-3 day	4.75	4.75	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Bangladesh Banks Bills										
07-Day	...	...	...	...	...	...	1.28	...	0.00	0.00
14-Day	...	...	...	...	...	...	1.51	...	0.00	0.00
30-Day	...	...	...	...	...	...	1.89	...	0.00	0.00
Call Money Rate	5.14	5.01	2.87	1.79	1.82	2.25	1.90	2.66	2.66	4.88
Lending Rate										
All Banks	9.5	8.03	8.04	7.69	7.57	7.43	7.38	7.42	7.28	7.26
State Owned Banks	6.73	6.45	6.49	6.18	6.21	6.20	6.28	6.47	6.35	6.32
Private Banks	10.24	8.41	8.43	8.06	7.91	7.74	7.65	7.67	7.53	7.5
(a) Domestic	10.28	8.43	8.45	8.10	7.96	7.81	7.72	7.73	7.57	7.55
(b) Foreign	9.52	8.03	7.87	7.26	6.70	6.17	5.87	6.10	6.28	6.39
Specialized Banks	7.85	7.79	7.68	7.59	7.59	7.24	7.19	7.13	7.09	7.01
Islamic Banks	10.13	8.97	9.18	8.49	8.14	8.02	8.01	8.10	7.79	7.69
Deposits Rate										
All Banks	5.44	5.02	4.89	4.56	4.39	4.14	4.09	4.06	4.04	3.98
State Owned Banks	4.5	4.27	4.48	4.43	5.43	4.32	4.24	4.12	3.87	3.84
Private Banks	5.75	5.26	5.00	4.57	4.32	4.02	3.98	3.98	4.05	3.98
(a) Domestic	5.99	5.49	5.22	4.78	4.53	4.22	4.18	4.18	4.25	4.17
(b) Foreign	2.15	1.87	1.72	1.37	1.16	0.92	0.87	0.87	0.85	0.9
Specialized Banks	5.66	5.64	5.71	5.43	4.48	5.62	5.46	5.67	5.37	5.27
Islamic Banks	6.07	5.86	5.62	5.14	4.87	4.56	4.49	4.38	4.45	4.39
National Savings Certificate[@]										
5 - year Bangladesh Sanchayapatra ¹	11.28	11.28	11.28	11.28	11.28	11.28	11.28 ^a	11.28 ^a	11.28 ^a	11.28 ^a
3 - year Sanchayapatra (Tin Mas Antar Munafa Vittik) ²	11.04	11.04	11.04	11.04	11.04	11.04	11.04 ^b	11.04 ^b	11.04 ^b	11.04 ^b
5 - year Pensioner Sanchayapatra ³	11.76	11.76	11.76	11.76	11.76	11.76	11.76 ^c	11.76 ^c	11.76 ^c	11.76 ^c
5 - year Paribar Sanchayapatra ⁴	11.52	11.52	11.52	11.52	11.52	11.52	11.52 ^d	11.52 ^d	11.52 ^d	11.52 ^d

Sources: Monetary Policy Department and Statistics Department, Bangladesh Bank; Department of National Savings;

... = No auction; P = Provisional, R= Revised. Note: Revised interest rates for NSC were effective from 21 September 2021.

^a The interest rates are 11.28%, 10.30% & 9.30% for upto Tk 15 lac, 15+ lac to 30 lac, & above 30 lac respectively.

^b The interest rates are 11.04%, 10.0% & 9.0% for upto Tk 15 lac, 15+ lac to 30 lac, & above 30 lac respectively.

^c The interest rates are 11.76%, 10.75% & 9.75% for upto Tk 15 lac, 15+ lac to 30 lac & above 30 lac respectively.

^d The interest rates are 11.52%, 10.50% & 9.50% for upto Tk 15 lac, 15+ lac to 30 lac & above 30 lac respectively.

Table III.4: Outstanding Stocks of Bangladesh Bank Bills, Treasury Bills, Bonds and NSD Certificates
(In billion Taka)

Instruments	Mar.20	Jun.20	Sep.20	Dec.20	Mar.21	Jun.21	Sep.21	Dec.21	Mar.22	Jun.22
Bangladesh Banks Bills										
07-Day	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14-Day	0.0	0.0	0.0	0.0	0.0	0.0	7.0	0.0	0.0	0.0
30-Day	0.0	0.0	0.0	0.0	0.0	0.0	95.0	0.0	0.0	0.0
Sub Total	0.0	0.0	0.0	0.0	0.0	0.0	102.0	0.0	0.0	0.0
T - Bills										
14 - day	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
91 - day	122.0	122.0	165.0	156.0	127.0	112.5	142.9	196.0	102.8	302.8
182 - day	177.0	185.0	185.0	156.0	105.0	121.0	162.3	138.7	106.4	183.0
364 - day	362.0	355.0	332.0	279.0	248.5	287.5	272.5	286.8	284.6	305.1
Sub Total	661.0	662.0	682.0	591.0	480.5	521.0	577.6	621.5	493.7	790.9
BGTB										
2 - year	254.0	302.0	357.0	382.0	397.0	440.0	430.0	431.2	453.0	413.0
5 - year	387.0	461.5	510.0	558.5	573.5	566.5	597.0	637.6	651.6	711.6
10 - year	651.8	723.2	772.7	805.7	825.7	865.7	911.7	941.7	955.2	999.2
15-year	327.2	350.2	359.7	384.2	388.2	416.2	429.7	451.2	466.7	510.8
20-year	294.4	326.4	335.9	359.9	363.9	385.9	397.3	416.8	433.4	488.2
Sub Total	1914.3	2163.2	2335.2	2490.2	2548.2	2674.2	2765.6	2878.4	2959.8	3122.7
National Savings Certificate	2989.1	3021.3	3138.0	3226.2	3353.4	3440.9	3526.5	3536.8	3606.1	3640.1
Total (excluding BB bills)	5564.4	5846.5	6155.2	6307.4	6382.1	6636.1	6869.7	7036.7	7059.6	7553.8

Sources: Monetary Policy Department, Bangladesh Bank; National Savings Directorate.

Table IV.1: Government Fiscal Operations
(In billion Taka)

	FY21 ^R				FY22 ^P				
	Revised Budget	FY21 ^R	Budget	Revised Budget	FY21 ^P	Q1 ^P	Q2	Q3	Q4 ^P
Revenue	3,515	3,099	3,890	3,890	3,428	682	792	883	1,071
a) NBR Tax revenue	3,010	2,599	3,300	3,300	3,016	584	707	748	977
i) VAT	1,152	1,021	1,277	1,276	1,169	241	281	294	353
ii) Customs duties	372	305	380	381	353	77	85	93	98
iii) Income tax	960	849	1,050	1,053	1,029	179	215	237	398
iv) Others	526	425	593	590	465	87	127	124	127
b) Non- NBR tax revenue	150	49	160	160	64	9	16	25	14
c) Non- tax revenue*	355	451	430	430	348	90	68	110	80
Expenditure	5,390	4,412	6,037	5,935	5,046	958	1,058	1,160	1,870
a) Current*	3,025	2,456	3,288	3,406	2,758	707	619	678	755
b) ADP	1,976	1,721	2,253	2,100	2,038	196	374	420	1,048
c) Others*	388	236	495	430	250	56	65	62	66
Budget Deficit	-1874	-1313	-2147	-2045	-1618	-276	-267	-277	-799
Financing	1,874	1,313	2,147	2,045	1,618	276	267	277	799
a) Domestic financing	1,150	839	1,135	1,243	889	147	106	85	551
i) Bank financing	797	398	765	873	619	60	75	2	482
ii) Non-bank financing	353	441	370	370	269	87	31	83	69
b) Foreign financing**	724	474	1,012	802	729	129	161	191	248
In Percentage of GDP									
Revenue	9.96	8.78	9.78	9.78	8.62	1.72	1.99	2.22	2.69
a) NBR Tax revenue	8.53	7.36	8.30	8.30	7.58	1.47	1.78	1.88	2.46
i) VAT	3.26	2.89	3.21	3.21	2.94	0.61	0.71	0.74	0.89
ii) Customs duties	1.05	0.86	0.95	0.96	0.89	0.19	0.21	0.23	0.25
iii) Income tax	2.72	2.40	2.64	2.65	2.59	0.45	0.54	0.60	1.00
iv) Others	1.49	1.20	1.49	1.48	1.17	0.22	0.32	0.31	0.32
b) Non-NBR tax revenue	0.42	0.14	0.40	0.40	0.16	0.02	0.04	0.06	0.04
c) Non tax revenue	1.01	1.28	1.08	1.08	0.88	0.23	0.17	0.28	0.20
Expenditure	15.27	12.50	15.18	14.93	12.69	2.41	2.66	2.92	4.70
a) Current	8.57	6.96	8.27	8.56	6.94	1.78	1.56	1.70	1.90
b) ADP	5.60	4.87	5.67	5.28	5.12	0.49	0.94	1.06	2.64
c) Others	1.10	0.67	1.25	1.08	0.63	0.14	0.16	0.16	0.17
Budget Deficit	-5.31	-3.72	-5.40	-5.14	-4.07	-0.69	-0.67	-0.70	-2.01
Financing	5.31	3.72	5.40	5.14	4.07	0.69	0.67	0.70	2.01
a) Domestic financing	3.26	2.38	2.85	3.13	2.24	0.37	0.27	0.21	1.39
i) Bank financing	2.26	1.13	1.92	2.20	1.56	0.15	0.19	0.01	1.21
ii) Non-bank financing	1.00	1.25	0.93	0.93	0.68	0.22	0.08	0.21	0.17
b) Foreign financing	2.05	1.34	2.55	2.02	1.83	0.32	0.41	0.48	0.62
Memorandum item									
GDP at current market price	35302	35302	39765	39765	39765	39765	39765	39765	39765

Source: Budget Summary, Ministry of Finance; NBR; Bangladesh Bank; BBS.

Note : *=Estimated, **= Grants included; P = Provisional, R=Revised.

Table V.1: Balance of Payments
(In million USD)

	FY21 ^{RP}						FY22 ^P			
	FY21 ^{RP}	FY22 ^P	Q ₁	Q ₂	Q ₃	Q ₄ ^{RP}	Q ₁ ^P	Q ₂ ^P	Q ₃ ^{RP}	Q ₄ ^P
Current Account Balance	-4575	-18697	3481	34	-4070	-4020	-2539	-5641	-5975	-4542
Trade balance	-23778	-33249	-2040	-4833	-8345	-8560	-6730	-8887	-9290	-8342
Export f.o.b.	36903	49246	9696	8657	9196	9354	10591	12763	13263	12629
of which : Readymade garments	31457	42613	8126	7419	7942	7969	9059	10841	11528	11185
Import f.o.b.	60681	82495	11736	13490	17541	17914	17321	21650	22553	20971
Services	-3020	-3870	-532	-550	-910	-1028	-650	-1090	-1138	-992
Credit	7439	9982	1610	1977	1861	1991	2079	2518	2413	2972
Debit	10459	13852	2142	2527	2771	3019	2729	3608	3551	3964
Primary Income	-3172	-3299	-777	-1001	-613	-781	-726	-681	-751	-1141
Credit	217	350	33	32	70	82	95	171	-9	93
Debit	3389	3649	810	1033	683	863	821	852	742	1234
Secondary Income	25395	21721	6830	6418	5798	6349	5567	5017	5204	5933
Official Transfers	51	16	10	1	11	29	7	5	3	1
Private Transfers	25344	21705	6820	6417	5787	6320	5560	5012	5201	5932
Of which : workers' remittances	24778	21032	6713	6232	5654	6179	5408	4831	5059	5733
Capital & Financial Account	14525	13847	-460	2738	5797	6450	2064	4734	4835	2214
Capital account	458	181	50	9	66	333	68	70	28	15
Capital transfers	458	181	50	9	66	333	68	70	28	15
Financial account	14067	13666	-510	2729	5731	6117	1996	4664	4807	2199
Foreign direct investment(Gross Inflows)	3387	4708	777	1056	780	774	847	1053	1594	1214
Of which: FDI net liabilities	1355	2179	227	605	310	213	339	531	807	502
Portfolio investment	-269	-158	-154	-3	-71	-41	-61	-29	-20	-48
Of which : Investment by NRBs	209	114	70	64	40	35	32	28	26	28
Other investment	12981	11645	-583	2127	5492	5945	1718	4162	4020	1745
Net aid flows	6032	8284	1008	310	1848	2866	1439	1808	2199	2838
Medium and long-term (MLT) loans	7449	9811	1384	614	2235	3216	1863	2162	2591	3195
MLT amortization payments	1417	1527	376	304	387	350	424	354	392	357
Other long term loans	1684	1404	123	400	471	690	215	757	250	182
Other short term loans	2064	2333	-18	550	471	1061	194	1208	248	683
Trade credit	3749	-1561	-576	855	2606	864	-350	-100	622	-1733
DMBs and NBDCs	-548	1185	-1120	12	96	464	220	489	701	-225
Assets	391	791	417	-260	68	166	550	14	-445	672
Liabilities	-157	1976	-703	-248	164	630	770	503	256	447
Net Errors & Omissions	-676	-530	77	285	-892	-146	-335	-74	-166	45
Overall Balance	9274	-5380	3098	3057	835	2284	-810	-981	-1306	-2283
Reserve Assets	-9274	5380	-3098	-3057	-835	-2284	810	981	1306	2283
Bangladesh Bank	-9274	5380	-3098	-3057	-835	-2284	810	981	1306	2283
Assets	9924	-3711	3014	3606	435	2869	-29	-18	-1947	-1717
Liabilities	650	1669	-84	549	-400	585	781	963	-641	566
Memorandum Items										
Gross official reserves	46391	41827	39314	43167	43441	46391	46200	46154	44147	41827
In months of imports of goods & services	5.8	4.7	5.9	5.1	5.0	5.6	5.4	5.0	4.6	4.6
In months of prospective imports	6.2	5.1	6.3	5.5	5.3	7.2	6.0	5.4	4.9	5.0
Export growth (in percent)	14.89	33.45	2.96	-8.17	-2.25	141.77	9.23	47.43	44.23	35.01
Import growth (in percent)	19.71	35.95	-11.47	-2.32	32.26	72.92	47.59	60.49	28.57	17.06
Remittances growth (in percent)	36.11	-15.12	48.07	27.48	29.45	39.50	-19.80	-22.81	-10.53	-7.22

Source: Statistics Department, Bangladesh Bank. P=Provisional, R=Revised, RP=Revised but still provisional.

Table V.2: Trends in the Commodity Composition of Exports
(In million USD)

Items	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
1. Raw jute	138.2	216.2	41.2	43.8	30.1	23.1	39.5	80.3	37.6	58.8
2. Jute goods	1023.3	911.5	266.4	316.8	255.3	184.8	172.8	297.5	259.4	181.8
3. Tea	3.6	2.1	1.2	1.1	0.9	0.4	0.4	0.7	0.8	0.3
4. Leather	119.1	151.4	23.8	30.9	28.6	35.9	32.0	37.9	46.0	35.6
5. Frozen shrimps and fish	444.4	499.1	123.7	137.2	80.0	103.5	145.0	177.0	86.7	90.4
6. Woven garments	14,496.7	19,398.8	3,662.7	3,356.7	3,814.4	3,663.0	3,895.3	4,843.8	5,569.4	5,090.3
7. Knitwear products	16,960.0	23,214.3	4,463.7	4,062.5	4,128.0	4,305.9	5,164.2	5,997.5	5,958.3	6,094.4
8. Fertilizer	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9. Terry towels	34.8	46.0	8.9	10.1	9.7	6.1	12.0	12.4	10.8	10.8
10. Others	5,538.2	7,643.2	1,305.3	1,377.6	1,357.9	1,497.4	1,560.9	2,229.6	1,938.1	1,914.7
Total exports	38,758	52,083	9,897	9,337	9,705	9,820	11,022	13,677	13,907	13,477
Of which: exports from EPZ	5306	6899	1283	1271	1278	1474	1531	1676	1835	1857
Total exports (adjusted)	36,903	49,246	9,696	8,657	9,196	9,354	10,591	12,763	13,263	12,629

Source: Export Promotion Bureau, Bangladesh.

Table V.3: Major Destination-wise RMG Related Exports
(In million USD)

	FY21						FY22 ^P			
	FY21	FY22 ^P	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^P
Exports of RMG	31457	42613	8,126	7,419	7942	7969	9059	10841	11528	11185
European Countries	20297	26837	5,219	4,871	5149	5058	5604	6891	7368	6974
USA	5946	9013	1,580	1,320	1407	1639	1912	2319	2358	2423
Other Countries	5214	6763	1,328	1,228	1387	1272	1543	1631	1801	1787
Woven Garments	14497	19399	3,663	3,357	3814	3663	3895	4844	5569	5090
European Countries	8116	10364	1,967	1,883	2253	2014	2011	2575	3155	2623
USA	3888	5893	1,049	868	928	1044	1171	1511	1593	1617
Other Countries	2493	3142	647	607	634	605	713	758	821	850
Knitwear Products	16960	23214	4,464	4,063	4128	4306	5164	5997	5958	6094
European Countries	12181	16474	3,252	2,989	2896	3044	3593	4316	4214	4351
USA	2059	3120	532	452	480	595	741	808	765	806
Other Countries	2720	3620	680	622	752	666	830	873	980	937
Growth in percent (y-o-y)										
Exports of RMG	12.55	35.47	0.85	-6.87	-1.70	107.22	11.48	46.12	45.14	40.36
European Countries	13.45	32.23	2.39	-4.52	-1.88	106.96	7.39	41.46	43.10	37.89
USA	15.54	51.57	5.99	-11.31	0.72	112.78	21.03	75.71	67.60	47.82
Other Countries	6.13	29.71	-9.66	-10.79	-3.40	101.50	16.20	32.83	29.94	40.55
Woven Garments	3.24	33.82	-5.78	-14.61	-11.93	93.60	6.35	44.30	46.01	38.97
European Countries	4.94	27.70	-4.54	-9.96	-11.05	91.88	2.26	36.77	40.04	30.26
USA	3.04	51.58	-3.38	-21.41	-12.45	99.15	11.69	74.16	71.78	54.93
Other Countries	-1.64	26.03	-12.71	-17.62	-14.18	90.16	10.13	24.98	29.56	40.39
Knitwear Products	21.94	36.88	7.04	0.67	10.12	120.42	15.69	47.63	44.34	41.54
European Countries	19.93	35.24	7.09	-0.74	6.69	118.31	10.50	44.42	45.48	42.93
USA	49.88	51.56	31.05	17.70	42.06	141.81	39.45	78.68	59.53	35.35
Other Countries	14.41	33.08	-6.54	-2.93	8.00	112.99	21.98	40.49	30.26	40.69

Source: Compiled by Statistics Department of Bangladesh Bank using the data of EPB. P = Provisional.

Table V.4: Export Performance for FY22
(In million USD)

	Proposed Export target for FY22	Export Performance for FY22	Export Performance for FY21	% Change of export performance over Export Target	% Change of export performance for FY22 Over FY21
All Products (A+B)	43500.0	52082.7	38758.3	19.7	34.4
A. Primary Commodities:	1617.2	1695.2	1505.5	4.8	12.6
Frozen & Live Fish	508.0	532.9	477.4	4.9	11.6
Agricultural Products	1109.2	1162.3	1028.1	4.8	13.0
B. Manufactured Commodities:	41882.8	50387.5	37252.8	20.3	35.3
Cement salt stone etc.	8.0	9.6	7.3	19.6	31.8
Ores, Slag and Ash	35.9	46.8	29.3	30.4	59.7
Petroleum bi Products	25.7	33.5	23.3	30.5	43.7
Chemical products	302.9	364.1	280.6	20.2	29.8
Plastic, Melamine Products	127.0	166.3	115.3	30.9	44.2
Rubber	40.5	46.8	34.2	15.6	36.7
Leather & Leather products (including leather footwear)	1031.0	1245.2	941.7	20.8	32.2
Wood and Wood Products	5.4	5.2	4.3	-4.4	21.4
Handicrafts	39.0	42.8	34.0	9.8	26.1
Pulp	0.0	0.0	0.0	-100.0	-100.0
Paper and Paper Products	73.0	105.1	71.4	44.0	47.1
Printed Materials	1.1	2.4	0.9	108.8	153.2
Silk	1.0	1.0	0.6	1.0	77.2
Wool and woolen Products	0.4	0.2	0.3	-40.0	-19.2
Cotton and Cotton Products	175.0	244.9	154.3	40.0	58.7
Jute and Jute Goods	1420.0	1127.6	1161.5	-20.6	-2.9
Man Made Filaments and Staple Fibers	130.0	216.8	119.4	66.8	81.6
Carpet	45.0	36.8	33.5	-18.2	9.8
Specialized Textiles	150.0	314.8	130.9	109.9	140.5
Readymade Garments	35144.0	42613.2	31456.7	21.3	35.5
Knitwear	19515.0	23214.3	16960.0	19.0	36.9
Woven Garments	15629.0	19398.8	14496.7	24.1	33.8
Home Textile	1370.0	1621.9	1132.0	18.4	43.3
Other Footwear (excluding leather footwear)	400.0	449.2	344.5	12.3	30.4
Headgear/Cap	250.0	364.6	226.4	45.9	61.1
Umbrella Waking Sticks	0.01	0.23	0.02	2200.0	1050.0
Wigs and Human Hair	64.0	105.9	57.1	65.5	85.4
Building Materials	1.0	1.1	0.9	12.0	27.3
Ceramic Products	35.0	41.4	31.1	18.2	33.0
Glass and Glass ware	10.0	18.7	7.9	86.5	134.9
Engineering Products	644.8	795.6	529.0	23.4	50.4
Ships, boats & floating structures	0.2	0.2	0.2	20.0	20.0
Other Manufactured Products	353.0	365.6	324.2	3.6	12.8

Source: Export Promotion Bureau, Bangladesh.

Table V.5: Trends in the Commodity Composition of Imports
(In million USD)

	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
A. Food Grains	2,681	2,562	450	690	761	780	541	1,047	552	421
1. Rice	851	427	3	239	288	320	232	165	20	10
2. Wheat	1,830	2,135	447	451	472	460	309	882	533	411
B. Other Food Items	4,156	5,779	824	852	1,192	1,288	1,160	1,414	1,749	1,456
3. Milk & cream	344	419	73	63	112	97	112	62	118	127
4. Spices	404	363	138	85	89	92	87	73	92	111
5. Edible oil	1,926	2,893	325	414	505	682	576	806	732	779
6. Pulses (all sorts)	681	829	113	105	272	192	182	155	318	174
7. Sugar	800	1,276	175	186	213	226	203	319	489	264
C. Consumer & Intermediate Goods	38,307	55,192	7,423	7,909	11,557	11,418	11,481	14,003	15,026	14,682
8. Clinker	1,048	1,223	198	242	295	314	242	321	347	313
9. Crude petroleum	2,616	936	124	220	2,142	131	254	237	192	252
10. POL	6,369	7,057	1,386	1,023	1,724	2,237	1,361	1,877	1,685	2,135
11. Oil seeds	1,406	1,758	260	229	372	545	293	504	401	559
12. Chemicals	2,974	3,765	728	678	740	829	853	915	1,000	997
13. Pharmaceutical products	363	1,482	70	83	105	106	259	381	397	445
14. Fertilizer	1,360	4,391	207	444	433	276	762	1,263	1,363	1,004
15. Dyeing and tanning materials	855	1,065	188	201	226	240	236	269	280	281
16. Plastics and rubber articles thereof	3,168	4,316	621	658	895	994	950	1,052	1,142	1,173
17. Raw cotton	3,186	4,439	609	612	920	1,045	1,040	988	1,306	1,105
18. Yarn	2,436	5,245	521	443	559	914	1,254	1,224	1,496	1,271
19. Textile and articles thereof	6,553	9,937	1,361	1,655	1,486	2,051	2,000	2,676	2,727	2,535
20. Staple fibre	1,040	1,569	195	255	283	306	310	421	442	395
21. Iron, steel & other base metals	4,933	8,010	956	1,168	1,378	1,431	1,669	1,874	2,250	2,217
D. Capital Goods & Others	13,012	16,434	2,632	2,926	3,493	3,962	3,690	4,517	4,455	3,772
22. Capital machinery	3,825	5,463	811	715	1,105	1,194	1,167	1,597	1,470	1,230
23. Others Capital goods	9,187	10,971	1,821	2,211	2,388	2,767	2,524	2,920	2,985	2,542
E. Others	7,440	9,195	1,357	2,207	1,959	1,917	1,848	2,421	2,594	2,333
Grand Total c.i.f.(A+B+C+D+E)	65,595	89,162	12,687	14,583	18,961	19,365	18,720	23,402	24,376	22,664
Of which Import by EPZ	3,489	5,130	695	859	868	1,067	1,105	1,312	1,396	1,317
Grand Total f.o.b.(adjusted)	60,681	82,495	11,736	13,490	17,541	17,914	17,321	21,650	22,553	20,971

Source: Compiled by Statistics Department of Bangladesh Bank using the data of National Board of Revenue (NBR).

Table V.6: Sector wise comparative statement of the Opening and Settlement of Import LCs
(In million USD)

Items	FY22									
	FY22		Q ₁		Q ₂		Q ₃		Q ₄	
	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement
Consumer goods	9,638	8,667	2,565	1,999	2,267	2,532	2,676	2,322	2,130	1,813
Intermediate goods	7,795	7,172	1,758	1,518	2,148	1,872	2,407	1,959	1,481	1,823
Industrial raw materials	32,572	29,953	7,384	6,473	8,827	7,019	8,685	8,628	7,677	7,832
Capital machinery	5,667	5,988	1,395	935	1,886	1,752	1,254	1,129	1,131	2,171
Machinery for misc. industries	4,674	4,325	1,414	932	1,277	1,089	1,143	1,086	840	1,218
Petroleum and petroleum products	7,618	8,039	1,736	1,405	1,778	2,264	1,862	1,790	2,242	2,580
Others	20,819	19,280	4,167	3,788	5,472	4,810	5,705	5,244	5,475	5,437
Total	88,783	83,423	20,419	17,050	23,656	21,340	23,731	22,159	20,976	22,874
of which back to back	12,092	11,763	3,168	2,567	3,448	2,844	3,158	3,220	2,318	3,133
Growth in percent (y-o-y)										
Consumer goods	23.36	27.32	57.27	35.75	44.37	62.66	-2.60	28.45	14.25	-7.96
Intermediate goods	26.87	34.94	68.95	74.20	49.49	51.97	32.42	34.76	-19.87	3.71
Industrial raw materials	33.39	48.09	59.24	49.84	52.73	50.94	33.75	59.05	2.22	34.32
Capital machinery	-0.62	60.03	16.75	13.66	80.80	104.00	18.64	10.84	-53.00	108.52
Machinery for misc. industries	25.67	30.97	57.32	41.29	45.75	30.87	18.00	25.21	-13.90	29.13
Petroleum and petroleum products	72.83	87.40	144.69	78.27	70.72	136.68	48.91	52.62	59.39	88.04
Others	40.37	42.03	30.69	47.58	50.20	39.74	47.56	43.80	32.45	38.74
Total	32.44	45.70	53.52	48.24	53.70	57.73	30.39	43.96	4.12	35.88
of which back to back	34.36	56.73	66.16	45.76	75.48	59.87	31.58	73.19	-15.03	48.71

Source: Foreign Exchange Operation Department, Bangladesh Bank.

Table V.7: Country-wise Workers' Remittances
(In million USD)

Countries	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Gulf Region	13,611	11,114	3,824	3,403	3,044	3,341	2,976	2,547	2,583	3,008
1. Saudi Arabia	5,721	4,542	1,614	1,453	1,290	1,364	1,304	1,131	1,051	1,056
2. UAE	2,440	2,072	752	622	506	561	446	369	451	805
3. Qatar	1,450	1,346	347	328	342	434	356	328	329	332
4. Oman	1,536	897	486	384	301	365	292	189	201	216
5. Kuwait	1,887	1,690	466	473	472	475	442	398	396	453
6. Bahrain	578	567	160	144	132	142	136	131	154	146
Euro Region	2,091	2,123	531	521	513	525	471	445	595	611
7. UK	2,024	2,039	516	504	496	508	452	428	573	586
8. Germany	67	84	15	17	17	18	19	17	22	26
Asia Pacific Region	2,707	1,476	818	718	569	602	421	336	344	375
9. Singapore	625	385	189	156	137	143	112	89	91	93
10. Japan	80	69	21	23	18	18	18	16	17	18
11. Malaysia	2,002	1,022	607	540	414	441	291	231	236	265
Rest of the World	6,369	6,319	1,540	1,591	1,527	1,712	1,541	1,503	1,537	1,739
12. USA	3,462	3,438	815	831	843	973	858	834	824	923
13. Others	2,907	2,880	725	759	684	739	683	669	713	816
Total	24,778	21,032	6,713	6,232	5,654	6,179	5,408	4,831	5,059	5,733

Source: Statistics Department, Bangladesh Bank.

Table V.8: Exchange Rate Movements
(Taka per Currencies)

Period	US Dollar		U.K. Pound Sterling		EURO		Japanese Yen	
	Period	End	Period	End	Period	End	Period	End
	Average	Period	Average	Period	Average	Period	Average	Period
2020 -21								
July	84.81	84.80	107.26	110.21	97.05	100.00	0.79	0.81
August	84.84	84.83	111.29	113.26	100.29	100.98	0.80	0.81
September	84.80	84.84	110.07	109.13	100.01	99.64	0.80	0.80
October	84.80	84.80	110.13	110.09	99.87	99.60	0.81	0.81
November	84.80	84.80	111.89	112.92	100.27	101.45	0.81	0.81
December	84.80	84.80	113.86	115.54	103.09	104.28	0.82	0.82
January	84.80	84.80	115.64	116.21	103.27	102.92	0.82	0.81
February	84.80	84.80	117.48	118.16	102.55	102.41	0.81	0.80
March	84.80	84.80	117.59	116.53	101.08	99.35	0.78	0.77
April	84.80	84.80	117.32	118.16	101.35	102.82	0.78	0.78
May	84.80	84.80	119.28	120.32	102.93	103.38	0.78	0.77
June	84.81	84.81	119.03	117.36	102.27	100.90	0.77	0.77
2021 -22								
July	84.80	84.81	117.20	117.88	100.25	100.44	0.77	0.77
August	84.95	85.20	117.32	117.24	100.03	100.51	0.77	0.78
September	85.26	85.50	117.16	114.80	100.40	99.15	0.77	0.76
October	85.61	85.68	117.06	117.31	99.29	99.07	0.76	0.75
November	85.78	85.80	115.55	114.24	97.94	96.89	0.75	0.76
December	85.80	85.80	114.09	115.73	96.99	97.38	0.75	0.75
January	85.95	86.00	116.57	115.29	97.39	95.85	0.75	0.75
February	86.00	86.00	116.45	115.30	97.57	96.91	0.75	0.74
March	86.06	86.20	113.37	113.20	94.77	96.18	0.73	0.71
April	86.23	86.45	111.80	108.49	93.47	91.27	0.69	0.67
May	87.18	89.00	108.62	112.60	92.25	95.93	0.68	0.70
June	92.03	93.45	113.51	113.33	97.33	97.57	0.69	0.68

Source: Statistics Department, Bangladesh Bank.

Table V.9 : Trends in Foreign Aid
(In million USD)

	FY21						FY22			
	FY21 ^R	FY22 ^P	Q ₁	Q ₂	Q ₃	Q ₄ ^R	Q ₁ ^P	Q ₂ ^P	Q ₃ ^P	Q ₄ ^P
a. Grants (i+ii)	509	198	60	9	78	361	75	76	30	17
i) Food Aid	17	3	6	0	7	4	2	0	1	0
ii) Project Aid	492	195	54	9	71	358	73	76	29	17
b. Loans (MLT)	7,449	9,811	1,384	614	2,235	3,215	1,863	2,162	2,591	3,195
A. Total (a+b)	7,958	10,008	1,445	623	2,313	3,577	1,938	2,238	2,621	3,212
B. Amortization(1+2)	1,915	2,118	508	238	700	468	594	446	555	522
1) Principal	1,419	1,606	352	189	501	377	420	361	403	423
2) Interest	496	511	157	49	200	91	174	85	152	100
C. Net Foreign Financing (A - 1)	6,539	8,402	1,093	434	1,812	3,200	1,518	1,877	2,218	2,789

Source: ERD; MOF; Statistics Department, Bangladesh Bank.

Note : R=Revised, P= Provisional.

Table VI.1: Gross NPL Ratios by Type of Banks
(In percent)

Type of Banks	2020				2021				2022	
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
State Owned Commercial Banks	22.82	22.73	22.46	20.90	20.91	20.62	20.07	19.28	20.01	21.93
Specialized Banks	15.10	15.92	15.92	13.32	13.36	11.44	11.44	12.02	12.01	11.74
Private Commercial Banks	5.63	5.86	5.56	4.66	5.13	5.44	5.47	5.31	5.84	6.01
Foreign Commercial Banks	5.59	5.49	5.86	3.46	4.13	3.91	4.12	4.29	4.53	4.40
All Banks	9.03	9.16	8.88	7.66	8.07	8.18	8.12	7.93	8.53	8.96

Source: Banking Regulation and Policy Department, Bangladesh Bank.

Note: Data prior to December 2020 contains information without OBU.

Table VI.2: Net NPL Ratios by Type of Banks
(In percent)

Type of Banks	2020				2021				2022	
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
State Owned Commercial Banks	4.57	3.21	2.93	0.00	2.67	2.48	2.45	2.53	3.39	5.98
Specialized Banks	2.98	2.70	2.70	1.32	1.22	-0.61	-0.65	0.40	0.46	-0.14
Private Commercial Banks	-0.55	-0.52	-0.94	-1.54	-1.29	-1.17	-1.18	-1.07	-0.82	-0.61
Foreign Commercial Banks	-0.02	-0.41	-0.38	-0.56	-0.29	-0.38	-0.38	-0.73	-0.46	-0.49
All Banks	0.39	0.15	-0.22	-1.18	-0.48	-0.47	-0.55	-0.43	-0.07	0.49

Source : Banking Regulation and Policy Department, Bangladesh Bank.

Note: Data prior to December 2020 contains information without OBU.

Table VI.3: Capital to Risk Weighted Asset Ratios by Types of Banks
(In percent)

Type of Banks	2020				2021				2022	
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun
State Owned Commercial Banks	4.59	6.93	8.25	4.34	6.49	6.82	6.25	3.71	6.76	6.43
Specialized banks	-33.50	-36.54	-33.73	-32.92	-31.86	-32.16	-34.31	-33.62	-33.58	-35.77
Private Commercial Banks	13.49	13.31	13.29	13.96	13.44	13.26	13.09	13.72	13.22	12.97
Foreign Commercial Banks	24.66	24.35	25.59	28.24	28.04	28.46	27.10	25.45	26.00	26.44
All Banks	11.35	11.63	11.94	11.64	11.67	11.57	11.22	11.08	11.41	11.15

Source: Department of Off- site supervision, Bangladesh Bank.

Table VI.4: Profitability Ratios by Type of Banks
(In percent)

Type of Banks	Return on Asset (ROA)*					Return on Equity (ROE)*				
	2021		2022			2021		2022		
	Jun.	Sep.	Dec.	Mar.	Jun.	Jun.	Sep.	Dec.	Mar.	Jun.
State Owned Commercial Banks	0.13	-0.01	-0.68	0.16	0.21	2.94	-0.14	-21.61	4.00	5.43
Specialized Banks	-3.20	-3.47	-3.03	-3.69	-3.31	-14.41	-15.41	-13.21	-15.99	-13.68
Private Commercial Banks	0.68	0.66	0.62	0.54	0.59	10.12	10.01	9.34	8.23	9.38
Foreign Commercial Banks	1.48	1.31	1.17	2.41	2.57	9.26	8.40	7.59	15.15	16.03
All Banks	0.50	0.44	0.25	0.45	0.52	8.26	7.42	4.44	7.89	9.37

Source: Department of Off- site supervision, Bangladesh Bank;

*=All are annualized except the quarter of December.

Table VII.1: Indicators of Capital Market Developments

	FY21					FY22				
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Number of listed securities ¹	388	403	371	376	382	388	390	395	401	403
Issued equity and debt (billion Taka)	848.8	928.0	763.4	826.7	836.0	848.8	862.5	870.1	913.2	928.0
Market capitalization (billion Taka)	4588.4	4565.8	3467.7	3933.7	4031.0	4588.4	5266.8	4832.5	4793.0	4565.8
Turnover (billion Taka)	2547.0	3169.7	468.8	560.4	628.8	889.0	1191.3	814.3	719.0	445.1
DSE broad index	6150.5	6376.9	4963.3	5402.1	5278.2	6150.5	7329.0	6756.7	6757.8	6376.9
DSE -30 index	2208.4	2295.6	1696.0	1964.0	1994.4	2208.4	2710.5	2532.6	2474.0	2295.6
Growth in percent (y-o-y)										
Number of listed securities	5.43	3.87	1.64	2.70	3.80	5.43	5.12	5.05	4.97	3.87
Issued equity and debt	12.99	9.34	4.49	10.80	11.65	12.99	12.98	5.25	9.23	9.34
Market capitalization	78.10	-0.49	9.22	38.20	56.57	78.10	51.88	22.85	18.90	-0.49
Turnover	226.38	24.45	88.72	165.20	131.65	1,706.8	154.13	45.32	14.34	-49.93
DSE broad index	54.18	3.68	0.32	21.30	31.68	54.18	47.66	25.08	28.03	3.68
DSE -30 index	64.68	3.95	-3.63	29.90	49.86	64.68	59.82	28.95	24.05	3.95

Source: Dhaka Stock Exchange.

¹Include debenture but exclude govt. bond.

Table VII.2: Group-wise Market Capitalization of Dhaka Stock Exchange

(In billion Taka)

Name of Group	FY21						FY22			
	FY21	FY22	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Banks	679.6	680.0	552.4	572.9	562.8	679.6	725.3	727.0	711.3	680.0
Financial Institutions	212.0	197.3	181.1	190.3	168.0	212.0	285.4	228.4	200.9	197.3
Mutual Funds	46.2	39.1	40.2	41.9	36.3	46.2	45.3	40.5	40.0	39.1
Engineering	603.9	552.6	385.3	501.7	523.4	603.9	642.7	565.5	553.9	552.6
Food & Allied Product	385.7	392.3	254.9	305.5	375.0	385.7	460.9	445.6	419.8	392.3
Fuel and Power	465.9	475.0	446.9	430.9	442.6	465.9	561.0	469.4	482.2	475.0
Jute Industry	2.0	2.0	2.3	2.9	2.1	2.0	2.3	2.1	2.1	2.0
Textile Industry	147.4	173.0	117.8	111.8	103.7	147.4	185.4	165.9	176.0	173.0
Pharmaceuticals and Chemicals	638.3	710.5	564.5	608.6	591.2	638.3	764.4	716.2	730.0	710.5
Paper and Printing	15.1	27.5	15.3	15.6	14.7	15.1	23.4	34.4	36.2	27.5
Services and Real Estate	20.9	26.1	16.1	18.8	17.0	20.9	30.9	25.6	27.9	26.1
Cement Industry	119.4	118.9	79.6	88.9	90.8	119.4	166.8	127.0	131.0	118.9
Insurance	222.7	166.0	139.7	160.0	137.4	222.7	225.4	214.0	194.1	166.0
Telecommunication	730.6	590.9	467.1	652.2	702.6	730.6	765.2	687.8	655.1	590.9
Miscellaneous	298.3	380.1	200.1	241.0	261.8	298.3	380.6	377.1	399.6	380.1
Corporate Bond	4.1	34.4	3.9	4.1	4.0	4.1	4.1	6.2	33.0	34.4
Total Market Capitalization	4,592	4,566	3,463	3,947	4,033	4,588	5,269	4,832	4,793	4,566

Source: Dhaka Stock Exchange.

Annexure

Major Policy Announcements: April – June, 2022

<p>ACD Circular No. 02</p> <p>May 22, 2022</p> <p>Regarding emphasizing on disbursement of agricultural credit at 4% concessional interest rate for cultivating import substitute crops (pulses, oilseeds, spices and maize)</p>	<p>To give a boost to the production and cultivation of import substitute crops (pulses, oilseeds, spices and maize) in a bid to combat global price-hike resulted in higher import cost and loss in foreign currency, the following crops shall be facilitated with agricultural credit at 4% concessional interest rate at farmers' level under interest subsidy facility of the government:</p> <p>Pulse-type crops: Mung, red lentils, grass peas, chickpeas, peas, black gram, pigeon peas etc.</p> <p>Oilseed-type crops: Mustard seed, poppy seed, linseed, peanuts, sunflower, soybean etc.</p> <p>Spice-type crops: ginger, garlic, onion, chili pepper, turmeric, cumin etc.</p> <p>Maize.</p> <p>The maximum and minimum limit of loan per acre production cost, loan disbursement season etc. shall have to be fixed following the norms as prescribed in the Agricultural and Rural Credit Policy and Program of Bangladesh Bank.</p>
<p>BRPD Circular Letter No. 21</p> <p>June 02, 2022</p> <p>Single Borrower and Large Loan Exposure Limit.</p>	<p>No conversion factor shall be used while accounting large loan provided to single borrower or group against non-funded facility. That is, 100% of both funded and non-funded loan exposure shall be accounted. However, conversion factor shall be used while setting ceiling to large loan.</p>
<p>BRPD Circular No. 11</p> <p>June 02, 2022</p> <p>Formation of refinance scheme to provide "Digital Nano Loan" for financial inclusion and the improvement of standard of living of the marginal people</p>	<p>Bangladesh Bank introduced a refinance scheme titled Refinance Scheme to Provide "Digital Nano Loan" of BDT 1 billion; 0.5 billion to be disbursed in 1st phase and the remaining in 2nd phase on proper use of the fund of first phase, with its own fund for financial inclusion and the improvement of standard of living of the marginal people.</p> <p>"Digital Nano Loan" shall mean accessing to nano loan through scheduled banks using digital medium (internet banking, mobile apps, mobile financial services, e-wallet etc).</p> <p>The tenure of the fund is 3 years, revolving with the period and the tenure of the loan both at customer and bank level is maximum 6 months.</p>

	<p>The minimum ceiling of the loan is BDT 500 and maximum BDT 50 thousand.</p> <p>The maximum interest rate at customer level is 9%. Scheduled banks shall access the fund from BB at 1% against refinancing.</p>
<p>BRPD Circular Letter No. 16</p> <p>May 22, 2022</p> <p>Limitation on Ex-Bangladesh travel of bank officials and employees</p>	<p>With a view to strengthening the foreign exchange reserve of the country amid volatility in the global economy stemmed from the covid-19 pandemic and overseas war, overseas tour to participate in training/ meetings/ seminars/ workshops/ study tours, including private overseas tour, of bank officials and employees shall remain suspended until further notice.</p> <p>However, the following grounds shall remain beyond the purview of above restrictions.</p> <p>Foreign travelling for observing the holy Hajj of 1443 Hijri/2022 and for emergency treatment subject to recommendation of specialized doctor.</p> <p>Travelling to own country of the foreign citizens serving at bank and travelling to Head office of the officials serving at Bangladeshi branch of foreign bank.</p> <p>Participating in full-funded training/ meetings /seminars/ workshops/ study tours by the foreign organizer.</p>
<p>BRPD Circular Letter No. 14</p> <p>May 10, 2022</p> <p>L/C Cash Margin on Import Financing</p>	<p>Minimum 75 percent cash margin shall have to be maintained for opening LC against importing Motor car (Sedan car, SUV etc.) electrical and electronic products used as home appliances.</p> <p>Minimum 50 percent cash margin shall have to be maintained for setting LC against importing all other products except baby foods, essential food products, fuel, medical equipments including lifesaving drugs and equipments recognized by the Directorate of Health, directly imported capital equipments and raw materials for production oriented local industries and export oriented industries, products related to agri-sector and essential products imported for government thrust sectors.</p>
<p>BRPD Circular No. 07</p> <p>April 27, 2022</p> <p>Enhancement of Working Capital Limit</p>	<p>With a view to promoting continued production functions and maintaining the momentum of economic activities including imports and exports, schedule banks operating in Bangladesh are asked to enhance the limit of already-sanctioned working capital loan to the borrowers to a considerable level based on necessities during the interim</p>

	<p>period on banker-customer relationship after scrutiny of credit risk minimization and financial capacity of the borrower.</p>
<p>BRPD Circular Letter No. 12</p> <p>April 26, 2022</p> <p>Policy for Post Import Financing-PIF</p>	<p>All funded loans- LTR/LATR)/ Murabaha Trust Receipt (MTR)/ Murabaha Post Import (MPI) etc. whatever may be referred to- provided for the purpose of settling import liabilities of daily essential consumer products or trading goods, industrial raw materials etc. shall be deemed as Post Import Financing (PIF). But financing in EDF sector shall remain beyond the purview of PIF.</p> <p>The tenure of PIF shall be determined on the basis of banker-customer relationship considering the customer demand, nature of the corresponding product and production/ distribution cycle. But the tenure must not exceed 90 (ninety) days from the originating date of PIF for daily essential consumer goods (rice, pulses, onion, garlic, spices, edible oil etc.), 120 (one hundred twenty) days for trading goods other than daily essential consumer products, 180 (one hundred eighty) days for agro products (fertilizer, seeds, pesticides etc.) and agro equipments and machineries and fisheries products (nutrient ingredients of fishes and domestic animals, vaccine, medicine etc.) and 210 (two hundred ten) days for industrial raw materials.</p>
<p>BRPD Circular No. 06</p> <p>April 21, 2022</p> <p>Policy on Interest Waiver</p>	<p>Loan principal is not allowed to be waived. Interest of loans generated by forgery and loans of willful defaulter are not permitted to be waived. At the same time, interest cannot be waived by debiting income account of the state owned commercial and specialized banks.</p> <p>Interest waiver of the loans must be approved by the board of directors of the respective banks. However, managing authority is delegated to decide for that of loans upto 1 million.</p> <p>Banks must be ensured of the realization of fund cost for waiving interest. However, realization of fund cost may be relaxed for the following cases:</p> <p>If project is shut down for 3 years;</p> <p>If the sale of security, collateral, project property and private property of project entrepreneur do not prove sufficient enough to cover the fund cost;</p> <p>If the loan remains unpaid even after trying all required measures including legal measures</p>

	<p>If the borrower is unable to repay loans on logical grounds such as death of the borrower or affected by natural disaster, epidemic, pestilence, river erosion or such plights;</p> <p>For loans required preparing financial statements, banks must review the past 3 years' financial statements of the borrower before waiving interest. Banks shall also review the impacts of interest waiver on their financial health and shall apply due diligence taking into account of the indices like capital adequacy, profitability etc.</p> <p>Banks must take prior approval of BB before waiving interest of loans connected to the director and his family members or related to the interest of the director.</p>
<p>BRPD Circular No. 05</p> <p>April 19, 2022</p> <p>Rescheduling of Short-term Agricultural Credit</p>	<p>Short-term Agricultural Credits, including previously rescheduled Agricultural Credits, are allowed to be rescheduled for maximum 3 years including 6 months grace period from the date of rescheduling by relaxing the down payment condition, to some extent without down payment, on baker-customer relationship. New loans are also allowed to be sanctioned to the borrowers after rescheduling without any fresh deposit. Loans under certificate case are asked to be suspended/ settled through compromise before rescheduling.</p> <p>The directive comes with immediate effect and remains in force till 31 December 2022.</p>
<p>BRPD Circular Letter No. 09</p> <p>April 07, 2022</p> <p>Master Circular on Loan Rescheduling: Transfer of Interest charged on Rescheduled Loans to Income Account</p>	<p>Under no circumstances, interest charged on rescheduled loans is allowed to be transferred to income account unless authentically recovered.</p>
<p>DMD Circular Letter No. 03</p> <p>April 12, 2022</p> <p>Regarding Investment Limit and Rate Re-fixation of US Dollar Premium and Investment Bond</p>	<p>The rates of profit for 3-Year US Dollar Premium Bond are reduced to 4.5 percent for the 1st year, with 0.5 percentage point successive increase in each year for investment upto USD 0.1 million; 3.5 percent for the 1st year, with 0.5 percentage point successive increase in each year for investment above USD 0.1 million to 0.5 million and 2.5 percent for the 1st year, with 0.5 percentage point successive increase in each year for investment above USD 0.5 million.</p> <p>The rates of profit for 3-Year US Dollar Investment Bond are reduced to</p>

	<p>4.0 percent for the 1st year, with 0.5 percentage point successive increase in each year for investment upto USD 0.1 million; 3.0 percent for the 1st year, with 0.5 percentage point successive increase in each year for investment above USD 0.1 million to 0.5 million and 2.0 percent for the 1st year, with 0.5 percentage point successive increase in each year for investment above USD 0.5 million.</p> <p>The slab of these two schemes shall be in US dollar and there shall be no upper limit of investment for these two schemes.</p>
<p>DFIM Circular Letter No. 08</p> <p>June 07, 2022</p> <p>Loan/Lease/Investment Write-off Policy for Financial Institutions</p>	<p>Financial institutions shall initiate necessary legal action against fund diversions, loan created through fraud-forgery or in the name of fake entity. The loans/leases/investments so created are not allowed to be written-off before setting the legal issue.</p>
<p>DFIM Circular No. 06</p> <p>April 18, 2022</p> <p>Rationalization of Rate of Interest/Profit on Deposit and Loan/Lease/Investment.</p>	<p>The rate of interest/profit on deposits for the financial institutions is set at maximum 7% and for that of all loans/leases/investments 11% effective from 01 July 2022.</p>
<p>DOS Circular No. 22</p> <p>June 22, 2022</p> <p>Regarding Construction of a Refinance Scheme for the Development of Ship Building Industry</p>	<p>Bangladesh Bank has constructed a refinance scheme amounted to 2,000 crore for the development of Ship Building Industry. Local ship builder and exporter organization are eligible for the loan at the cost of 4.5%, while participating banks will avail 1% for refinancing facility. Term loan as well as current capital will be provided under this scheme as per the requirement of applicants.</p> <p>Exporters having unsettled export bill and loan defaulters are not eligible to apply. Settlements of previous due under this facility along with building dockyard are strictly prohibited.</p>
<p>FEPD Circular Letter No. 17</p> <p>May 29, 2022</p> <p>Encashment of value added portion of repatriated export proceeds</p>	<p>ADs designated for export transactions are advised to make Taka fund available to exporters through encashment of value added portion out of their repatriated export proceeds. The encashment of value added portion and the parking of remainder in single pool shall be executed by the following business day on receipt of export proceeds in nostro accounts of designated ADs.</p>
<p>FEPD Circular Letter No. 15</p>	<p>No documents are required to produce, initially required for repatriating remittance above USD 5 thousand, for availing remittance</p>

<p>May 23, 2022</p> <p>Easing disbursement of cash incentive against wage earners' remittance through legal channel</p>	<p>incentive/cash assistance at existing rate (2.5%) for repatriating of remittance through legal channel.</p>
<p>FEPD Circular No. 08</p> <p>May 09, 2022</p> <p>Local value addition requirement for export incentive/cash subsidy in RMG/textile sector</p>	<p>Minimum 20% local value addition shall require for availing export incentive/cash subsidy in RMG/textile sector at existing rate for the fiscal year 2021-2022. The directive is equally applicable against all applications of shipping goods after the issuance of the circular including those already placed but unsettled in 2021-2022.</p>
<p>FEPD Circular No. 06</p> <p>April 19, 2022</p> <p>Interest charges for financing during interim period against input procurements under Export Development Fund (EDF).</p>	<p>The ongoing export trend creates huge demand of input procurements, leading to pressures on EDF loans. To maintain smooth support for input procurements from EDF against export trade, it has been decided that ADs may charge additional interest to borrowers not exceeding 1.0 percent per annum for the period between 'import payments from sources of ADs' and 'receipts of refinancing from EDF'. As usual, ADs will be charged by Bangladesh Bank at 1.0 percent per annum against its refinancing from EDF.</p>
<p>FEPD Circular No. 05</p> <p>April 18, 2022</p> <p>Export incentive/cash subsidy against export of agricultural and agro-processed product.</p>	<p>Exporters shall submit the physical verification certification of customs authority before export with the application to avail export incentive/cash subsidy against export of agro-products (vegetables/fruits) and agro-processed products.</p>
<p>FEPD Circular Letter No. 10</p> <p>April 11, 2022</p> <p>Export incentive against export of Software, ITES and Hardware.</p>	<p>All members and non-members of Bangladesh Association of Software and Information Services (BASIS) and Bangladesh Association of Call Center and Outsourcing (BACCO) shall enjoy export incentive at the existing rate against export of ITES.</p>
<p>FE Circular No. 10</p> <p>08 June, 2022</p> <p>Export incentive against export of light engineering products under advance payment</p>	<p>Exporters of light engineering products are now eligible to apply for export incentives within 180 days of the date of shipment instead of the date of receiving export proceeds.</p>

MPD Circular No. 01 May 29, 2022 Re-fixation of Repo interest rate of Bangladesh Bank	As per the decision of the Monetary Policy Committee in its 54th Meeting held on 29 May 2022, the existing Repo interest rate of Bangladesh Bank has been increased by 25 basis points and re-fixed at 5.00 percent from 4.75 percent while Reverse Repo rate will remain unchanged at 4.00 percent.
PSD Circular No. 06 April 25, 2022 Regarding Re-fixation of Mobile Financial Services (MFS) Transaction Limit	The maximum ceiling of daily and monthly cash-in at agent point through MFS for an individual account is 0.03 million and 0.2 million and at bank transfer (bank account and card) level is 0.05 million and 0.3 million respectively. For that of cash-out 0.025 million and 0.15 million respectively, for that of P2P 0.025 million and 0.2 million respectively. The maximum amount of balance an individual can hold through MFS is 0.3 million.
SMESPD Circular Letter No. 02: 20 June, 2022 Incentive facility against loans & advances provided to women entrepreneurs of CMSME sector	Women entrepreneurs of CMSME sector who adjusted their loan duly on time will enjoy 1% incentive from the date. Moreover, relevant bank and financial institute will also enjoy 1% incentive.

Bangladesh Bank welcomes suggestions and comments for improvement of the contents and form of this publication. Comments and suggestions may be sent to:
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