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List of Abbreviations

ACD	Agricultural Credit Department	NPLs	Non Performing Loans
ADP	Annual Development Program	NRBs	Non Resident Bangladeshis
ADR	Advance-deposit Ratio	PCBs	Private Commercial Banks
BB	Bangladesh Bank	P/E	Price -Earnings
BBS	Bangladesh Bureau of Statistics	POL	Petroleum, Oil and Lubricants
BDT	Bangladeshi Taka	PPI	Producers price Index
BFIU	Bangladesh Financial Intelligence Unit	PSD	Payment Systems Department
BoP	Balance of Payment	P-t-P	Point-to-Point
BPM6	Balance of Payments Manual-6	QIIP	Quarterly Index of Industrial Production
BRPD	Banking Regulation and Policy Department	Q-o-Q	Quarter on Quarter
BSEC	Bangladesh Securities and Exchange Commission	RBS	Risk-Based Supervision
CAB	Current Account Balance	REER	Real Effective Exchange Rate
CMSME	Cottage, Micro, Small and Medium Enterprise	RHS	Right Hand Side
CPI	Consumer Price Index	RMG	Ready-made Garments
CRAR	Capital to Risk-weighted Asset Ratio	ROA	Return on Asset
CRR	Cash Reserve Requirement	ROE	Return on Equity
DAE	Department of Agricultural Extension	SBs	Specialized Banks
DFIM	Department of Financial Institutions and Markets	SCBs	State-owned Commercial Banks
DMB	Deposit Money Bank	SDF	Standing Deposit Facility
DSE	Dhaka Stock Exchange	SLF	Standing Lending Facility
DSEX	DSE Broad Index	SLR	Statutory Liquidity Ratio
ECL	Expected Credit Loss	TDTL	Total Demand and Time Liabilities
EUR	Euro	TVR	Turnover Velocity Ratio
FC	Foreign Currency	UAE	United Arab Emirates
FCBs	Foreign Commercial Banks	USA	United States of America
FDI	Foreign Direct Investment	USD	United States Dollar
FEPD	Foreign Exchange Policy Department	UK	United Kingdom
FY	Fiscal Year	WEO	World Economic Outlook
GBP	Pound Sterling	y-o-y	Year on year
GDP	Gross Domestic Products	JPY	Japanese Yen
IFRS	International Financial Reporting Standards	LC	Letter of Credit
IIP	Index of Industrial Production	LHS	Left Hand Side
IPFF II	Investment Promotion and Financing Facility II	M2	Broad Money
IRC	Interest Rate Corridor		
MLT	Medium and Long Term Loans		
MPD	Monetary Policy Department		
MoU	Memorandum of Understandings		
MPS	Monetary Policy Statement		
MSCI	Morgan Stanley Capital International		
MT	Metric Ton		
NBFIs	Non-bank Financial Institutions		
NBR	National Board of Revenue		
NEER	Nominal Effective Exchange Rate		
NFA	Net Foreign Asset		

Economic and Financial Development

Executive Summary

The economy of Bangladesh demonstrated resilience in Q2FY25, supported by robust agricultural production, sustained industrial sector activities, and steady growth in the service sector. The real GDP experienced a growth of 4.48 percent during Q2FY25 (y-o-y), demonstrating a strong recovery from a lower growth of 1.96 percent in Q1FY25. The second quarter of FY25 has exhibited notable developments in Bangladesh's agricultural crops, including an abundant market supply of vegetables and maize. The industry sector experienced substantial growth, as reflected in the Index of Industrial Production (IIP). Anticipated positive spillover effects from the agriculture and industry sectors are likely to strengthen economic performance in the coming quarters.

Inflation remained a key concern throughout the second quarter of FY25, driven primarily by rising food prices, which exerted persistent upward pressure on overall price levels. Headline inflation (point-to-point) rose gradually from 9.92 percent in September 2024 to 11.38 percent in November 2024 before easing slightly to 10.89 percent in December 2024. The increase in inflation was largely attributed to the disrupted production of Aman rice due to floods from August to October 2024, coupled with higher production costs and supply chain disruptions that disproportionately affected low- and middle-income households. Similarly, the 12-month average headline inflation climbed to 10.34 percent in December 2024, up from 9.97 percent in September 2024. Conversely, point-to-point core inflation, which excludes volatile items such as food and fuel, edged down to 10.29 percent at the end of Q2FY25 from 10.40 percent at the end of Q1FY25.

In Q2FY25, Bangladesh Bank (BB) further tightened its monetary policy stance to mitigate elevated inflationary pressures. On October 27, 2024, BB raised the policy rate by 50 basis points, from 9.50 percent to 10.0 percent. The financial market underwent adjustments in interbank rates, average yields on government securities across all maturities, and retail lending and deposit rates, rising in alignment with BB's policy objectives. Liquidity in the banking system improved in Q2FY25 compared to the previous quarter, as evidenced by a rise in excess liquidity. Slower growth rates in broad money and reserve money in Q2FY25 signify the BB's tightened monetary stance towards achieving macroeconomic stability and financial sector resilience. On the other hand, the banking sector witnessed a significant rebound in deposit growth at the end of Q2FY25 as compared to the previous quarter. This indicates that the stabilization of some ailing banks restored confidence in the banking sector, leading to a shift of funds from outside the banking system into deposits.

Bangladesh's external sector demonstrated resilience in Q2FY25, thanks in large part to a solid improvement in the country's balance of payment (BoP). A continuous surge in workers' remittance inflows along with a promising export receipts contributed to the stability in the external sector. Both the current account balance and financial account balance witnessed significant improvements, turning into a surplus in Q2FY25 from deficit in Q1FY25. Exports (f.o.b) exhibited strong growth, reaching USD 11.8 billion in Q2FY25, an increase of 16.9 percent (y-o-y). Total remittance inflows surged to USD 7.2 billion in Q2FY25, reflecting a 22.8 percent growth (y-o-y). The country recorded an overall balance of

payments (BoP) surplus of USD 1.0 billion in Q2FY25, marking a significant turnaround from the USD 1.5 billion deficit in Q1FY25. The BDT depreciated by 8.33 percent against the US dollar as of December 2024 compared to the same period in 2023.

The overall fiscal balance recorded a deficit of BDT 339 billion in Q2FY25 reflecting government overall expenditure outpaced revenue collection. Bangladesh's interim government has made commendable efforts to boost revenue mobilization, particularly by promoting digital tax administration.

The banking sector continued to face rising challenges in Q2FY25, with a surge in non-performing loans (NPLs), slowing credit growth, and a capital adequacy shortfall. NPLs rose sharply to a record high of 20.2 percent in Q2FY25, up from 16.93 percent in the previous quarter and 9.00 percent a year earlier. This significant rise imposed a considerable strain on banks' balance sheets, limiting their ability to extend new credit and exacerbating systemic vulnerabilities. BB has introduced a series of structural and policy reforms aimed at strengthening governance, improving financial discipline, and enhancing risk management.

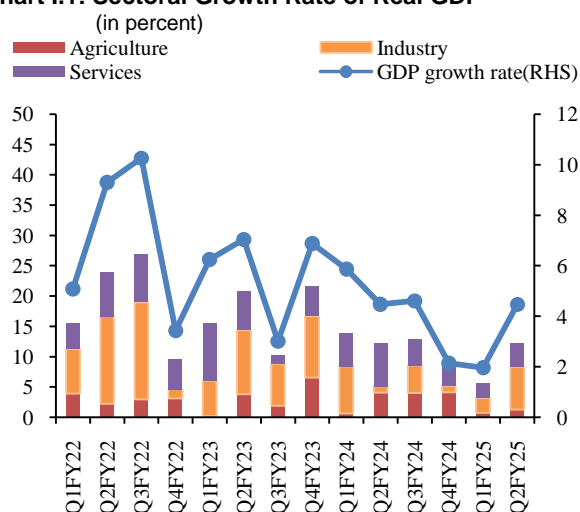
The capital market in Bangladesh witnessed a downturn in Q2FY25, following an improvement in Q1FY25. This weaker performance was reflected in the decline of price indices and market capitalization, along with a drop in the price-earnings ratio and reduced turnover. In response, the Bangladesh Securities and Exchange Commission (BSEC) has undertaken various reform initiatives to restore investor confidence, promote institutional investment, and strengthen governance, aiming to revitalize the country's capital market.

Looking ahead, although inflation remains a major concern, BB's continued tight monetary policy, along with a strong domestic agricultural production, is expected to ease inflationary pressures. BB will continue to pursue tight monetary stance until inflation comes down to a comfort level. The economy is expected to recover gradually from earlier political and economic uncertainties, supported by positive spillover effects from the agriculture and industry sectors. The interim government's endeavor to implement extensive reform measures, encompassing institutional and economic reforms is expected to attain sustained macroeconomic stability and strengthen governance in the financial sector. Robust export growth and substantial remittance inflows are expected to continue, contributing to further improvements in the balance of payments.

I. Real Economy

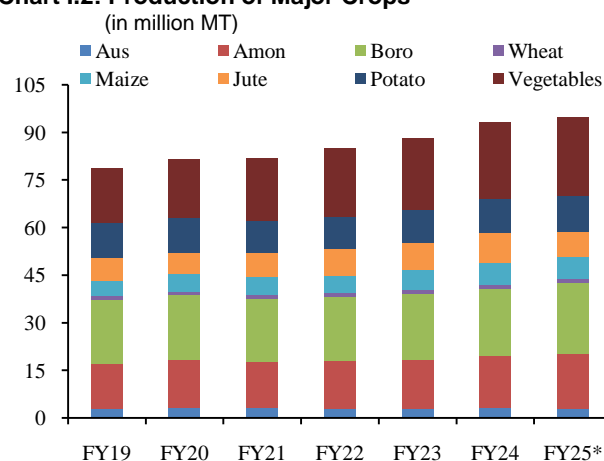
I.1 The real economy of Bangladesh witnessed substantial improvement in the second quarter of FY25, supported by a confluence of domestic and external factors. The economy benefited from healthy agricultural output, strong manufacturing activity, and continued expansion in the services sector—highlighting the overall resilience of the economy during this period. According to the latest quarterly data of the Bangladesh Bureau of Statistics (BBS), real GDP growth surged sharply to 4.48 percent in Q2FY25, up from 1.96 percent in Q1FY25 (Chart I.1). The industrial and services sectors saw significant rebounds, with growth rates increasing to 7.10 percent and 3.78 percent, respectively, in Q2FY25, compared to 2.44 percent and 2.41 percent in Q1FY25. The agriculture sector also posted a modest improvement, growing by 1.25 percent in Q2FY25, up from 0.76 percent in the previous quarter (Chart I.1). On the external front, strong remittance inflows and robust export performance contributed significantly to the dynamism of the external sector.

Chart I.1: Sectoral Growth Rate of Real GDP



Source: Bangladesh Bureau of Statistics (BBS).

Chart I.2: Production of Major Crops



* Boro, wheat, maize, potato and vegetables are targets for FY25.

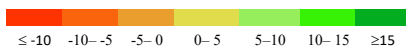
Source: Department of Agricultural Extension (DAE).

I.2 Notwithstanding the presumed occurrence of multiple natural calamities, the Department of Agricultural Extension (DAE) set ambitious growth targets for major crops in FY25. Considering the production targets and actual productions of the current and previous fiscal years, the second quarter of FY25 has demonstrated notable developments in Bangladesh's agriculture sector, particularly with harvesting *Aman* rice. According to the Department of Agricultural Extension (DAE), *Aman* rice production totalled 17.2 million metric tons against a 17.9 million metric ton target. On the other hand, *Aus* rice production reached 2.9 million metric tons, falling short of the target of 3.9 million metric tons. Favourable weather conditions and the timely availability of financial resources and agricultural inputs supported the production of both rice varieties. In contrast, jute production stood at 7.8 million metric tons, missing the annual target. While the DAE has yet to finalize the data on vegetable and maize production, an abundant market supply indicates a bumper harvest for both crops during Q2FY25.

I.3 The industrial sector experienced substantial growth, as reflected in the Index of Industrial Production (IIP), which rose by 8.26 percent in Q2FY25 compared to the same period in the previous fiscal year. Among the three IIP sectors, manufacturing and electricity recorded increases of 8.49 percent and 7.72 percent, respectively, while mining saw a decline of 10.83 percent during Q2FY25 relative to Q2FY24. In the large-scale industrial sector, the IIP for manufacturing registered a significant increase of 6.5 percent, driven by notable growth in key sub-sectors. Coke and refined petroleum products surged by 121.3 percent, machinery and equipment grew by 35.9 percent, electrical equipment increased by 25.4 percent, wood and wood products rose by 24.2 percent, and beverages expanded by 23.4 percent compared to the same period in the previous fiscal year. Meanwhile, the IIP for manufacturing in the Small, Medium, and Micro Enterprises (SMME) sector rose by 4.4 percent. Machinery and equipment increased by 58.8 percent, leather and leather products by 19.2 percent, pharmaceuticals and medicinal chemicals by 18.7 percent, and beverages by 15.9 percent in Q2FY25 compared to Q2FY24. The cottage sector also experienced notable growth, with its IIP for manufacturing rising by 8.7 percent. Key sub-sectors contributing to this expansion included coke and refined petroleum products, which grew by 30.9 percent; motor vehicles and trailers, which increased by 20.7 percent; and fabricated metal products, which saw a rise of 16.8 percent in Q2FY25. (Chart I.3).

Chart I.3: Heat Map for Large; Small, Medium, and Micro; and Cottage Scale Manufacturing Output Growth
(in percent)

	Large Scale	FY24		FY25		SMMs Scale	FY24		FY25		Cottage Scale	FY24		FY25		
		Weight	Q3	Q4	Q1		Q2	Weight	Q3	Q4		Q1	Q2	Weight	Q3	Q4
General Index of Manufacturing	100	3.2	0.2	-2.9	6.5	100	8.5	15.1	-0.2	4.4	100	13.2	10.6	2.5	8.7	
Food products	4.0	40.2	21.2	15.1	7.8	24.9	28.8	65.4	15.8	2.6	21.6	11.4	8.9	-2.8	2.0	
Beverage	1.2	-53.2	-57.9	-42.1	23.4	0.8	56.2	45.4	22.5	15.9	0.0	14.9	41.0	26.5	4.9	
Tobacco product	3.7	1.0	-1.0	0.1	-6.5	0.1	-2.0	-1.8	0.1	-3.7	0.2	1.7	-10.7	-26.2	-8.3	
Textile	11.6	-35.5	-24.8	-15.4	7.2	10.0	0.8	-11.2	-1.8	2.4	9.6	34.5	33.1	-17.9	-5.0	
Wearing apparel	61.0	17.1	15.1	3.8	9.0	16.6	3.9	18.7	-10.3	1.2	3.8	8.5	15.6	2.8	7.3	
Leather and related product	0.8	5.2	-15.8	-21.7	-13.8	3.7	8.7	14.6	9.0	19.2	2.5	3.4	2.7	3.6	5.5	
Wood and product of wood and cork	0.0	-7.4	1.6	3.7	24.2	0.3	-10.3	-11.1	-15.0	6.3	6.3	18.6	26.8	18.8	10.9	
Paper and paper products	0.4	-6.4	-9.9	-1.7	-15.7	0.8	56.0	55.2	-19.8	-3.9	0.5	-8.2	6.7	6.4	5.6	
Printing and recorded media	0.1	2.8	15.7	7.7	22.9	0.4	3.2	6.9	5.1	7.5	2.5	0.2	4.3	1.5	13.9	
Coke and refined petroleum product	0.1	250.1	452.8	3.2	121.3	0.1	18.4	5.3	9.2	15.1	0.0	-0.8	3.8	16.9	30.9	
Chemical and chemical product	1.3	-3.4	-4.3	-0.5	-8.4	0.4	4.6	1.4	11.1	8.4	0.0	1.1	4.3	6.4	3.1	
Pharmaceuticals products	3.0	9.6	8.5	-3.5	10.5	0.6	6.1	4.6	6.1	18.7	0.1	-14.3	-9.2	-7.2	-2.9	
Rubber and plastic products	0.4	-15.2	-27.2	-7.3	19.1	19.9	7.8	13.7	0.2	8.4	0.5	-4.0	11.9	5.7	5.5	
Non-metallic mineral product	4.3	-10.9	-23.0	-28.8	-10.3	10.7	-2.6	-12.1	-7.4	3.1	2.2	16.6	17.8	12.7	0.5	
Basic metal	0.7	73.2	49.0	-11.8	-8.3	5.1	7.8	0.6	-2.6	1.1	0.0	15.7	4.1	-12.8	-14.8	
Fabricated metal product	0.6	-1.0	-4.3	3.5	5.5	0.6	6.4	5.0	8.8	12.3	12.4	8.4	6.3	7.7	16.8	
Computer and electronic products	0.5	19.3	28.5	28.5	6.1	0.8	-10.0	-9.8	-7.3	1.9	0.1	-42.2	-20.6	-18.4	0.6	
Electrical equipments	1.2	13.1	-2.4	11.8	25.4	1.1	24.2	13.6	6.1	8.3	0.1	30.8	24.0	-9.5	-10.7	
Machinery and equipments	0.0	6.9	31.3	34.2	35.9	0.4	-18.7	-4.2	46.2	58.8	0.6	28.8	24.2	2.7	-15.3	
Motor vehicles and trailers	0.0	-18.8	-28.1	11.2	4.4	0.2	4.4	-6.4	-4.9	-3.0	0.5	13.1	14.2	-0.2	20.7	
Transport equipment	4.2	-31.5	-29.1	13.7	14.7	0.4	-9.7	-6.6	13.2	14.4	1.7	9.7	11.7	-2.0	9.4	
Furniture	0.5	-2.3	-16.0	-9.1	7.0	1.3	-0.8	-3.9	5.4	14.2	18.0	33.1	34.6	6.9	10.7	
Other Manufacturing	0.1	5.5	18.6	7.9	4.4						15.0	8.3	-5.3	-2.7	12.0	
Repair and installation of machinery and equipment											1.76	9.4	15.0	6.6	5.3	
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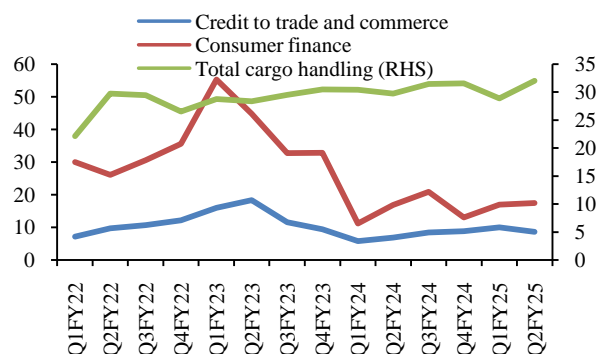


Note: Red areas indicate low growth and increasing order of colour from green to red represents higher and higher growth.

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

I.4 The growth momentum in service sector-related activities remained stable in Q2FY25, as indicated by various proxy indicators. Notably, total cargo handling through Chattogram port, credit to trade and commerce, and consumer finance recorded year-on-year growth rates of 7.67 percent, 8.60 percent, and 8.77 percent, respectively, in Q2FY25 (Chart I.4). Additionally, credit to the construction and transportation sectors rose by 2.18 percent and 8.04 percent, respectively, in Q2FY25 (Table I.9 in Annexure 1). Overall, government support including uninterrupted salary payment to industry workers is expected to create positive spill over effects on service sector activities.

Chart I.4: 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, Consumer Finance data are Provisional.

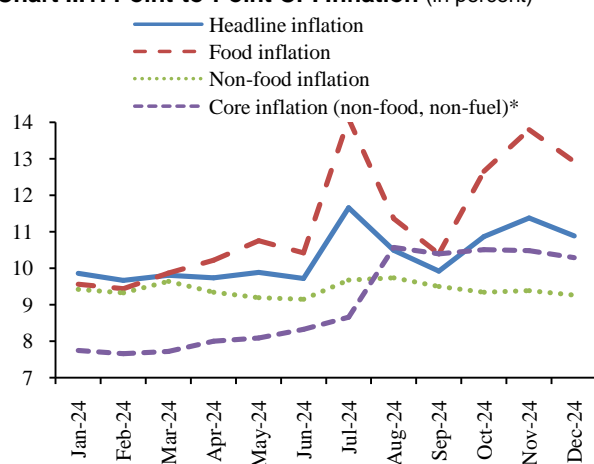
Source: Bangladesh Bank and Chattogram Port Authority.

I.5 The real economy of Bangladesh demonstrated resilience in Q2FY25, supported by robust agricultural production, a robust industrial sector, and steady growth in services. The recovery from earlier political and economic uncertainties has been gradual, with key sectors showing promising expansion. The positive spill over effects from agriculture and industry are expected to further strengthen economic performance in the coming quarters.

II. Price

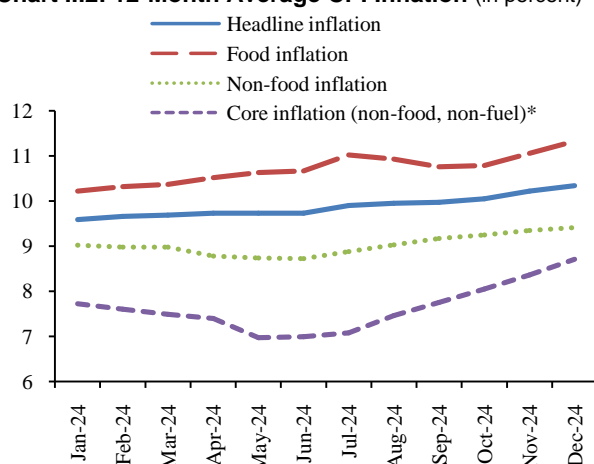
2.1 Inflation remained a key concern throughout the second quarter of FY25, exerting persistent upward pressure on prices. During this period, headline inflation surged significantly, primarily fuelled by rising food prices. In contrast, non-food inflation remained stable, showing no notable upward movement. Headline inflation (point-to-point) increased to 10.87 percent in October 2024 from 9.92 percent in September 2024, and then rose further to 11.38 percent in November 2024 before declining slightly to 10.89 percent in December 2024 (Chart II.1). Similarly, the 12-month average headline inflation rose to 10.34 percent in Q2FY25, up from 9.97 percent in Q1FY25 (Chart II.2). Conversely, the point-to-point core inflation rate, which excludes volatile items such as food and fuel, slightly declined to 10.29 percent at the end of Q2FY25 from 10.40 percent at the end of Q1FY25 (Chart II.1).

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



Source: Bangladesh Bureau of Statistics (BBS).
*Core inflation is calculated by the Research Department of Bangladesh Bank using BBS data.

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



Source: Bangladesh Bureau of Statistics (BBS).
*Core inflation is calculated by the Research Department of Bangladesh Bank using BBS data.

2.2 Point-to-point food inflation remained elevated in Q2FY25, mostly because of higher production costs and supply disruptions, disproportionately affecting low- and middle-income households. Starting at 10.40 percent in September 2024, food inflation rose to 12.66 percent in October 2024, peaked at 13.8 percent in November 2024, and then slightly declined to 12.92 percent in December 2024. The primary driver of this surge was the lagged impact of floods from August to October 2024, which hampered the production of *Aman* rice. Moreover, rising edible oil prices in the global market, transmitted through import channels, contributed to domestic price increases. While overall food inflation saw a notable increase, price changes varied across categories. The inflation rates for rice, meat, and milk, cheese and eggs, and oil and fats increased significantly to 11.82 percent, 7.18 percent, 7.59 percent and 5.49 percent by the end of Q2FY25, respectively, compared to 8.00 percent, 0.86 percent, 4.88 percent and -2.03 percent at the end of Q1FY25. On the other hand, the inflation rates for vegetables and salt, spices and culinary herbs reduced significantly to 21.53 percent and 6.11 percent by the end of Q2FY25, respectively, which were 22.73 percent and 11.35 percent at the end of Q1FY25 (Chart II.3).

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

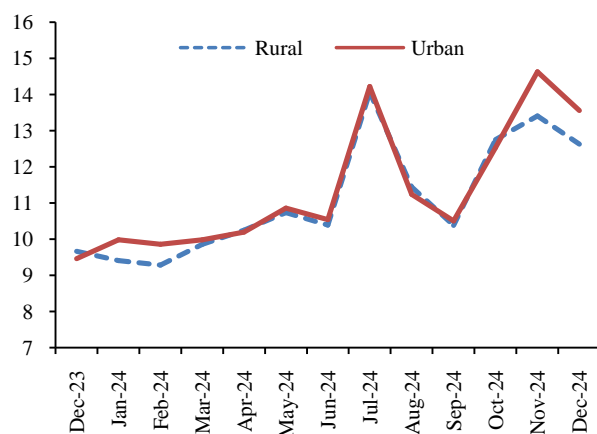
	Weight	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
General index	100.0	9.7	9.9	9.7	11.7	10.5	9.9	10.9	11.4	10.9
Food and nonalcoholic beverages	44.9	10.2	10.8	10.4	14.1	11.4	10.4	12.7	13.8	12.9
1. Food	44.2	10.4	10.9	10.6	14.3	11.4	10.5	12.8	14.0	13.1
(a) Bread and cereals:	12.3	-2.1	1.7	0.3	2.3	5.9	7.8	10.0	9.3	10.8
Rice	10.8	-3.8	0.5	-0.8	1.3	5.8	8.0	10.6	9.8	11.8
(b) Meat	5.5	13.2	13.5	13.2	6.8	1.5	0.9	1.5	12.8	7.2
(c) Fish (fresh) & dry fish	8.3	19.1	18.7	18.6	19.7	13.7	11.3	11.5	12.9	11.6
(d) Milk, cheese, and eggs	2.4	2.4	0.1	3.5	7.0	7.0	4.9	5.0	11.7	7.6
(e) Oils and fats	2.1	-8.7	-9.2	-6.0	-3.2	-4.1	-2.0	-0.2	2.6	5.5
(f) Fruits	2.2	6.8	4.9	4.3	9.0	13.1	16.1	16.0	21.0	17.7
(g) Vegetables	7.7	14.5	12.3	11.1	31.2	26.2	22.7	30.4	27.9	21.5
(h) Sugar, jam, honey, chocolate and confectionery	0.9	20.3	19.9	19.0	14.5	8.6	6.5	8.5	6.6	5.4
(i) Salt, spices, and culinary herbs	2.8	39.3	40.8	41.2	38.5	16.0	11.4	9.6	3.9	6.1
2. Non-alcoholic beverages	0.7	2.3	3.4	2.3	2.6	6.2	4.8	2.5	0.7	3.8
Alcoholic beverages, tobacco and narcotics	2.6	7.2	6.4	9.9	14.8	18.1	15.2	15.6	16.8	17.1
Non food	52.5	9.3	9.2	9.1	9.7	9.7	9.5	9.3	9.4	9.3
(a) Clothing and footwear	6.1	9.6	9.4	9.2	9.1	9.0	8.6	8.6	9.0	9.7
(b) Housing, water, electricity, gas, and other fuels	15.2	9.9	9.5	8.7	8.9	10.6	10.0	9.4	9.6	9.7
(c) Furnishings, household equipment, and routine maintenance	3.8	11.3	11.3	11.3	11.3	7.8	8.2	8.0	7.1	7.0
(d) Health	4.3	13.7	12.4	13.0	13.3	13.7	13.3	10.9	10.5	5.2
(e) Transportation	9.4	8.2	8.1	8.1	8.3	4.3	6.2	5.6	5.7	6.1
(f) Communication	2.3	1.6	3.4	3.5	7.0	9.6	8.6	9.8	10.0	9.7
(g) Recreation and culture	1.5	10.7	11.1	11.1	11.0	9.1	7.8	7.9	7.8	7.9
(h) Education	3.8	4.6	5.7	5.8	6.1	7.4	6.8	7.5	8.1	9.1
(i) Restaurants and hotels	2.2	7.4	6.0	5.3	5.6	9.8	9.8	10.7	11.0	12.1
(j) Miscellaneous goods and services	3.8	14.1	14.6	14.8	15.3	15.4	13.9	15.8	14.8	14.8

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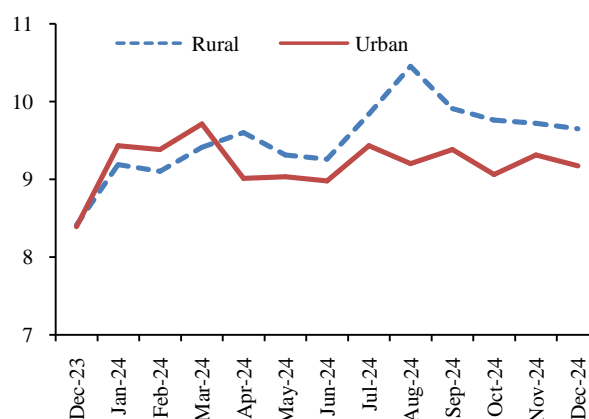
Source: BB staff's calculation based on BBS data.

2.3 Following an upward trend in Q1FY25, point-to-point non-food inflation eased slightly in Q2FY25. Non-food inflation stood at 9.26 percent at the end of Q2FY25, down from 9.50 percent at the end of Q1FY25 (Chart II.1). This decrease in non-food inflation was partially driven by lower demand for non-food items, as consumers prioritized essential food purchases over discretionary spending due to income constraints. Among major non-food categories, inflation for housing, water, electricity, gas, and other fuels – the largest share of non-food expenses – declined to 9.67 percent at the end of Q2FY25 from 9.99 percent at the end of Q1FY25. Transportation costs also saw a slight drop, reaching 6.08 percent from 6.17 percent over the same period. Additionally, health service inflation experienced a sharp decline to 5.17 percent from 13.34 percent, while furnishings, household equipment, and routine maintenance costs decreased to 6.96 percent from 8.19 percent. Conversely, certain non-food categories saw price increases. Inflation for clothing and footwear rose to 9.69 percent from 8.58 percent, education costs increased to 9.14 percent from 6.81 percent, and communication service costs hiked to 9.72 percent at the end of Q2FY25 from 8.64 percent at the end of Q1FY25 (Chart II.3).

2.4 Food inflation in both rural and urban areas increased during Q2FY25. However, food inflation was relatively lower in rural areas compared to urban areas during the last two months of the quarter under review, suggesting an adequate supply of winter crops. In December 2024, food inflation in rural and urban areas stood at 12.63 percent and 13.56 percent compared to 10.38 percent and 10.50 percent in September 2024, respectively (Chart II.4). While non-food inflation did not increase during the quarter, it remained higher in rural areas compared to urban areas, likely due to increased demand driven by significant inflows of wage earners' remittances in recent times. However, overall non-food inflation declined in both rural and urban areas in December 2024, reaching 9.65 percent and 9.17 percent in December 2024 compared to 9.91 percent and 9.38 percent in September 2024, respectively (Chart II.5).

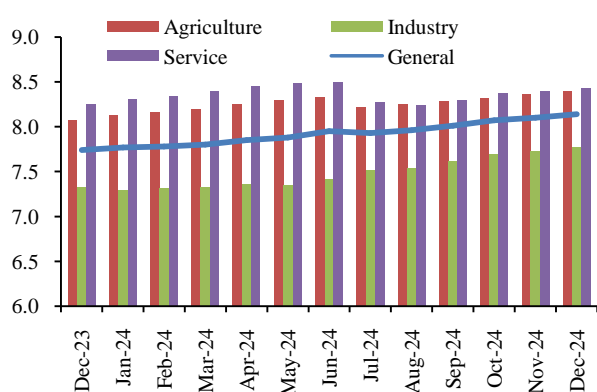
Chart II.4: Food Inflation (point-to-point)

Source: Bangladesh Bureau of Statistics.

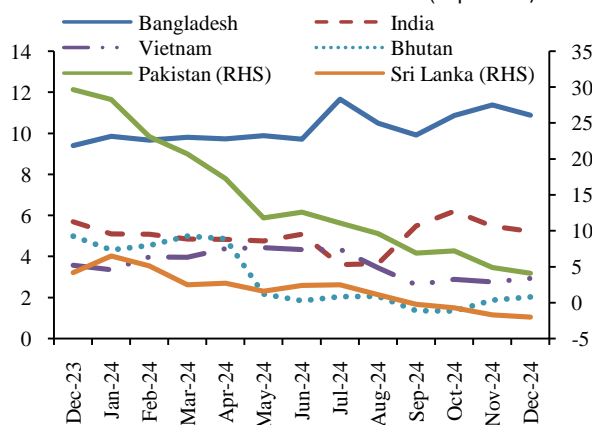
Chart II.5: Non-food Inflation (point-to-point)

Source: Bangladesh Bureau of Statistics.

2.5 The nominal wage rate index growth resumed its upward trend in Q2FY25, supported by broad-based increases across all three sectors. The nominal wage rate index growth reached 8.14 percent in December 2024, up from 8.01 percent in September 2024. Among the sectors, the service sector exhibited the highest growth at 8.43 percent, followed by the agriculture sector (8.39 percent) and industry sector (7.77 percent) in December 2024. Despite this overall wage growth, it remained below the inflation rate, leading to negative real wage growth, which further hurts poor, low-income, and middle-income households (Chart II.6).

Chart II.6 Wage Rate Index
(percentage change, point to point)

Source: Bangladesh Bureau of Statistics.

Chart II.7 Inflation in Peer Countries (in percent)

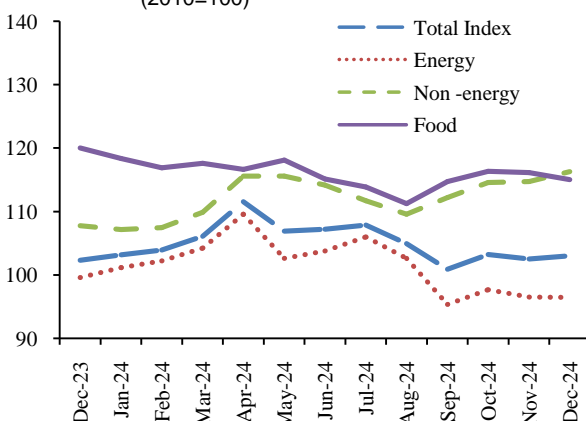
Source: Bangladesh Bureau of Statistics.

2.6 During the second quarter of Q2FY25, inflation trends among selected comparable countries showed a mixed pattern. The CPI inflation of India fell to 5.22 percent in December 2024 from 5.49 percent in September 2024, supported by an adequate supply of food and stable diesel and gasoline prices. Similarly, Pakistan's inflation dropped significantly from 6.9 percent in September 2024 to 4.1 percent in December 2024, reflecting lower fuel prices. Sri Lanka experienced deflation throughout Q2FY25, with inflation falling from -0.20 percent in September 2024 to -2.0 percent in December 2024, mostly due to reduced power tariffs and fuel prices. In contrast, inflation in Vietnam and Bhutan rose to 2.94 percent

and 2.02 percent in December 2024 from 2.63 percent and 1.35 percent in September 2024, respectively (Chart II.7).

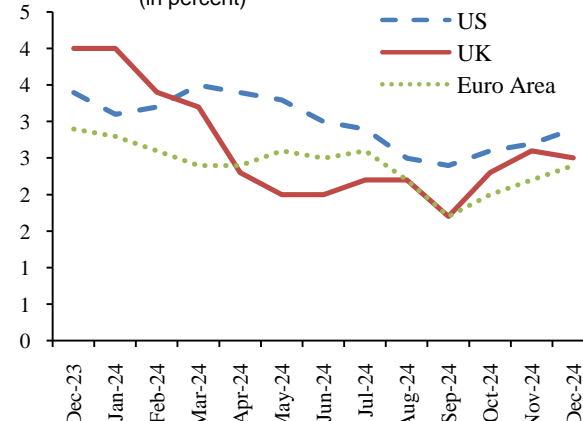
2.7 During Q2FY25, the global commodity price index demonstrated a moderate increase, primarily driven by rising non-energy prices (Chart II.8). The index rose by 2.08 percent, from 100.9 at the end of Q1FY25 to 103.0 at the end of Q2FY25. On the contrary, the index of energy prices declined in the last two months of Q2FY25 after a slight uptick in October 2024. This decline was primarily driven by weakening global economic growth, reducing fuel demand in China, and pumping more crude oil into a well-supplied global market by the US and other non-OPEC countries. As a result, crude oil prices declined by 0.16 percent (y-o-y) during the quarter under review. Meanwhile, the non-energy price index maintained an upward trend and increased by 3.64 percent during Q2FY25 compared to the previous quarter. Similarly, the overall food price index edged up by 0.27 percent during Q2FY25, driven by notable hikes in the prices of soybean and palm oil, which rose by 9.05 percent and 21.05 percent (y-o-y), respectively. Additionally, prices of wheat (y-o-y) increased by 5.05 percent at the end of Q2FY25, compared to -4.92 percent at the end of Q1FY25. Conversely, the prices of rice and sugar (year on year basis) decreased by 9.14 percent and 3.05 percent, respectively, at the end of the quarter under review (Table II.2 in Annexure 1).

Chart II.8: Global Commodity Price Indices
(2010=100)



Source: World Bank Commodities Price Data
(The Pink Sheet), May 2024

Chart II.9: Inflation in Advanced Economies
(in percent)



Sources: Respective Central Banks.

2.8 Inflation in selected advanced economies followed an upward trend during Q2FY25. Inflation in the United States rose to 2.9 percent in December 2024 from 2.4 percent in September 2024, largely driven by higher energy, housing, airfares and vehicle prices (Chart II.9). Similarly, CPI headline inflation increased from 1.7 percent in both the UK and Euro areas in September 2024 to 2.5 percent and 2.4 percent in December 2024, respectively. In the UK, inflationary pressure was highly attributed to increasing prices of fuel, cloths, and food.

2.9 Inflationary pressures in Bangladesh remained a key challenge throughout Q2FY25, although recent data suggests early signs of moderation. The combination of seasonal food availability, easing global commodity prices, and government interventions has contributed to stabilizing price movements.

However, inflation levels are still above comfort thresholds, requiring sustained policy measures to ensure further easing. On the global front, a declining trend in global commodity prices, easing geopolitical tensions, and relative stability in the exchange rate are expected to help alleviate domestic inflationary pressures. However, de-globalization pressures—potentially reinforced by the policies of the newly empowered U.S. government—may pose challenges for smaller economies like Bangladesh.

Domestically, the interim government has taken several proactive measures to address inflation. The newly formed two economic reform task forces have proposed structural reforms aimed at enhancing macroeconomic stability and fostering growth. Additionally, the government has reduced import duties on essential goods, including rice, edible oil, onions, potatoes, and pesticides, to lower prices and ease supply constraints. Besides, the BB has permitted the delaying of bill payments for the importing of basic commodities, including rice, wheat, onions, pulses, edible oil, sugar, eggs, chickpeas, peas, spices, and dates, in preparation for the holy month of Ramadan. Subsidized essential commodities—such as five kilograms of rice, two liters of soybean oil, and two kilograms of lentils—are being distributed to one crore low-income families through the Trading Corporation of Bangladesh (TCB). Moreover, in an attempt to maintain stable prices, government agencies are intensifying efforts to ensure efficiency among the intermediaries in the supply chains of agricultural products.

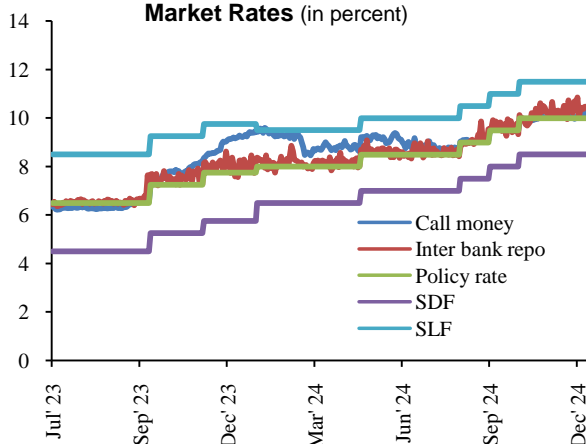
Moving forward, continued vigilance in monitoring commodity stocks, rationalizing import duties, and ensuring timely imports before shortages arise will be crucial for stabilizing food prices. Overall, the inflation outlook is stable and favorable, with recent statistics showing a falling trend that might persist in the coming months. The Bangladesh Bank is expected to reverse its contractionary monetary policy stance once inflation shows a sustained downward trend.

III. Money and Credit Market

3.1 During the Q2FY25, BB further tightened the monetary policy stance to control elevated inflationary pressure. The tightening measures led to increased interest rates across various financial instruments, reflecting higher borrowing costs and a more restrictive credit environment. The financial market experienced adjustments in interbank rates, government securities yields, and retail lending and deposit rates, aligning with BB's policy objectives. Liquidity conditions improved in this quarter under review due to BB's comprehensive strategic interventions. Slower growth rates in broad money, private sector credit and reserve money in Q2FY25 indicate the central bank's ongoing efforts towards achieving macroeconomic stability and financial sector resilience.

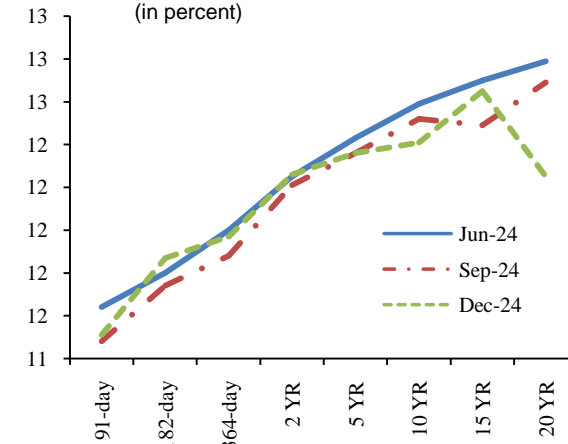
3.2 Between Q1FY25 and Q2FY25, the effect of continued contractionary policy led to a significant rise in key interest rates in the money markets. This indicates the BB's primary objective to mitigate inflation to an acceptable level. BB raised the policy rate by 50 basis points, moving from 9.50 percent to 10.0 percent effective from 27 October 2024. Similarly, at the same time, the SLF and SDF rates were adjusted upward from 11.00 percent and 8.00 percent to 11.50 percent and 8.50 percent, respectively. Consequently, the short-term borrowing costs in the interbank market saw a notable rise, as evidenced by the increase in the call money rate from 9.14 percent in September 2024 to 10.07 percent in December 2024. The interbank repo rate also surged from 9.27 percent to 10.36 percent during the same period, highlighting the prevailing tight liquidity conditions in the money market. (Chart III.1).

Chart III.1: Movements in Policy rate and Money Market Rates (in percent)



Source: Bangladesh Bank

Chart III.2: Yields of Government Securities (in percent)



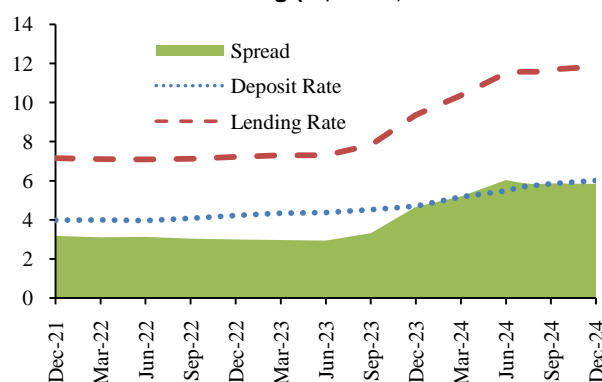
Source: Bangladesh Bank

3.3 In Q2FY25, the call money rate exhibited an upward trajectory, increasing gradually from 9.14 percent in September 2024 to 10.07 percent in December 2024. Nevertheless, the rate has consistently aligned with the policy rate while staying within the interest rate corridor set by BB. This reflects the enhancement of the corridor's efficacy in stabilizing short-term rates across the financial system. Similarly, the interbank repo rate also increased gradually from 9.27 percent in September 2024 to 10.36 percent in December 2024 and stayed slightly above the policy rate along with the inter-bank call money rate but within the corridor stipulated by BB. (Chart III.1).

3.4 The sustained impact of monetary tightening was reflected in the increasing yields of short-term government securities while yields on long-term securities experienced mixed trends. The yields on short-term treasury bills – 91-day, 182-day, and 364-day – rose to 11.51 percent, 11.87 percent, and 11.97 percent in December 2024, up from 11.48 percent, 11.74 percent, and 11.88 percent in September 2024, respectively. Similarly, the yield on the 2-year treasury bond saw a marginal rise from 12.21 percent in September 2024 to 12.26 percent in December 2024. However, the yield on the 5-year treasury bond remained unchanged. For longer-term bonds, mixed trends were observed. While the yields on 10-year and 20-year bonds recorded slight declines, the 15-year bond yield experienced a marginal increase (Chart III.2). This moderation in yields suggests that market participants anticipate inflation control and sustained economic growth.

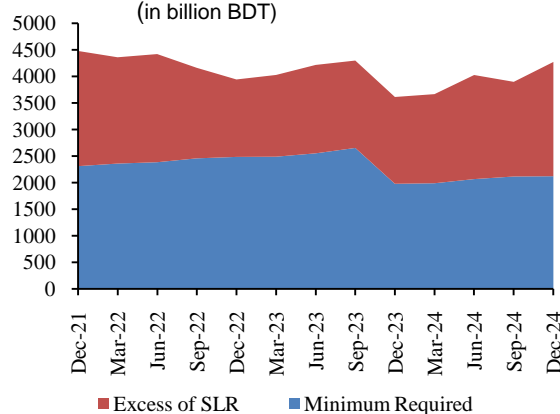
3.5 The fully market-driven interest rate framework, combined with sustained monetary tightening, played a significant role in increasing the weighted average lending rate from 11.70 percent in September 2024 to 11.84 percent in December 2024, while the deposit rate rose from 5.84 percent to 6.01 percent over the same period. This increase in deposit rates reflects intensified efforts by banks to attract liquidity, ensuring a steady source of funding amid rising borrowing costs. The interest rate spread slightly narrowed during Q2FY25, indicating more competitive deposit rates aimed at bolstering liquidity mobilization (Chart III.3).

Chart III.3: Trends in Interest Rate on Deposits and Lending (in percent)



Source: Bangladesh Bank.

Chart III.4: Trends in Liquidity Position (in billion BDT)



Source: Bangladesh Bank.

3.6 The liquidity in the banking system improved significantly during Q2FY25 compared to the previous quarter, reflected in the rise of excess liquidity. The improvement in liquidity was due to BB's comprehensive liquidity interventions which include granting unrestricted access to the Standing Lending Facility (SLF), facilitating full allotment of repo facilities for banks and financial institutions and providing special liquidity support to cash-strapped banks, among others. However, deposits, one of the dominant contributors of liquidity, decelerated by 7.4 percent in December 2024, primarily contributing to the overall slowdown in credit expansion. Liquidity in the banking system increased to BDT 4269.11 billion in December 2024, up from BDT 3894.32 billion in September 2024. The excess SLR amount increased to BDT 2150 billion in December 2024 from BDT 1781 billion in September 2024,

highlighting improved liquidity conditions and the banking sector's capacity to meet regulatory requirements (Chart III.4).

Chart III.5: Growth of RM, Claims on Govt., and DMBs (in percent)

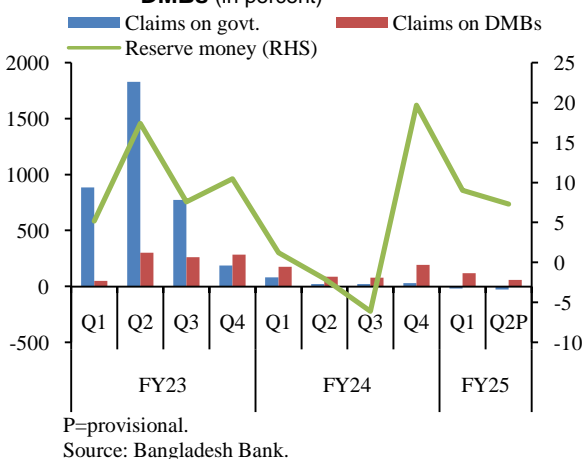
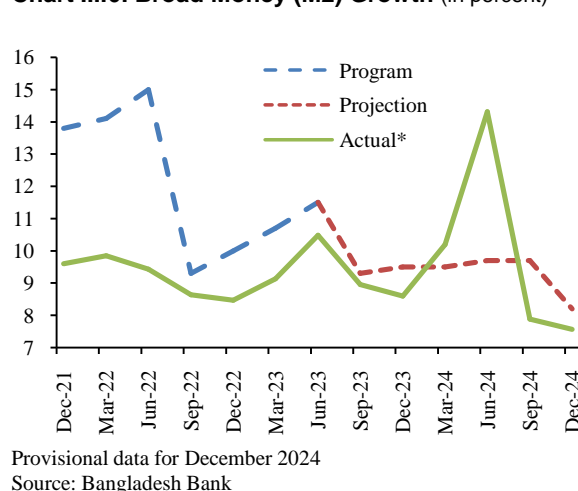


Chart III.6: Broad Money (M2) Growth (in percent)



3.7 Reserve money growth decelerated to 7.30 percent in Q2FY25 down from 9.02 percent in Q1FY25. The deceleration was primarily attributed to a 28.99 percent reduction in the BB's claims on the government, coupled with a decrease in the BB's claims on DMBs from 117.62 percent to 58.93 percent in Q2FY25 as compared to the preceding quarter. The contractionary monetary policy stance led to a slowdown in the growth of BB's net domestic assets from 68.44 percent in Q1FY25 to 31.93 percent in Q2FY25, while the rate of reduction of BB's net foreign asset improved slightly, declining from 10.55 percent in Q1FY25 to 5.02 percent in Q2FY25 (Chart III.5). The currency-deposit ratio saw a noticeable decline during the reviewed quarter which fell to 3.22 in December 2024 from 4.84 in September 2024. This suggests a shift away from physical currency holdings, indicating lower demand for cash and a preference for deposit-based financial transactions. Additionally, a decline in the growth of currency issuance from 12.15 percent at the end of Q1FY25 to 9.04 percent at the end of Q2FY25 further reflects the impact of BB's monetary tightening on money supply dynamics.

Chart III.7: Growth of M2, NDA, and NFA (in percent)

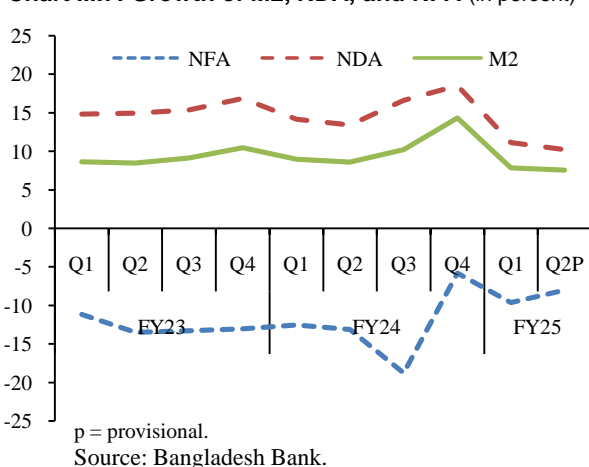
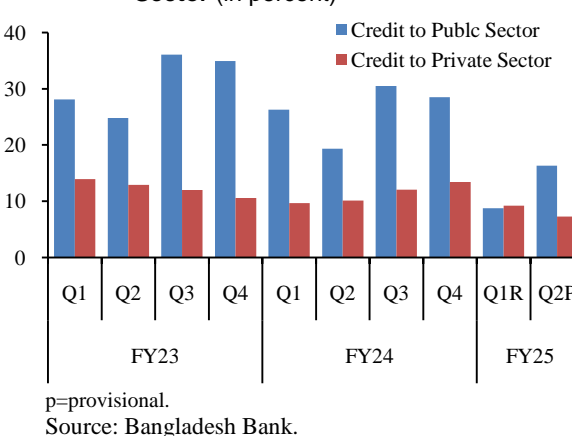


Chart III.8: Growth of Credit to Public and Private Sector (in percent)



3.8 In Q2FY25, broad money (M2) growth was recorded at 7.57 percent, lower than the projected 8.2 percent growth in December 2024 (Chart III.6). The expansion of NDA of the banking system by 10.22 percent was a key driver of this growth. NFA contracted by 8.0 percent, though at a slower pace compared to the previous quarter (Chart III.7).

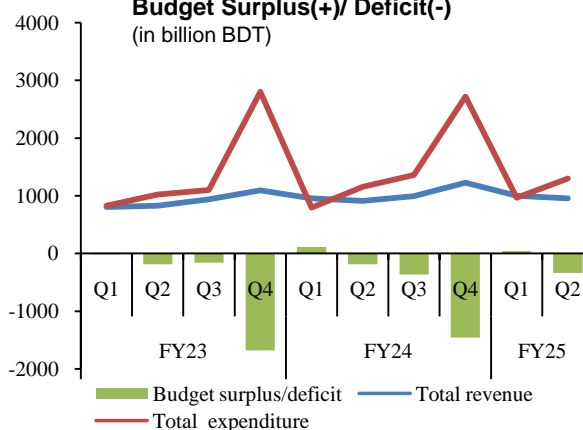
3.9 Despite the NDA growth slowed down to 10.22 percent in Q2FY25 from 11.12 percent in Q1FY25, the growth rate exceeded the revised projection of 9.3 percent. This reduction primarily stemmed from reduced credit expansion in private sector. Private sector credit grew by 7.28 percent in Q2FY25, down from 9.20 percent in Q1FY25 and significantly below the 13.44 percent growth recorded in Q4FY24. The decline in private sector credit growth reflects the impact of rising borrowing costs and monetary tightening on investment and consumption. Public sector credit grew by 16.23 percent in Q2FY25, surpassing its target of 14.2 percent and reflecting heightened fiscal borrowing needs (Chart III.8).

3.10 The monetary policy measures implemented in the recent quarters have reinforced the BB's commitment to ensuring macroeconomic stability by curbing inflationary pressure. Though the contractionary stance has tightened monetary conditions, leading to moderated credit expansion and a more disciplined financial environment, the inflationary pressures remained at elevated levels. However, by improving external economic developments, domestic political stability, and the responsiveness of market participants, the inflationary pressure is expected to alleviate. Once the price pressure subsides, future policy adjustments may focus on a gradual shift toward a more accommodative stance to foster private sector credit expansion and stimulate economic activity. Moreover, on-going structural reforms in financial sector and enhanced monetary transmission mechanism will be essential in ensuring long-term financial stability and fostering a resilient economic trajectory.

IV. Fiscal Sector

4.1 The overall fiscal balance showed a deficit in Q2FY25 as expenditure exceeded revenue collection. Government expenditure grew at a higher rate than revenue mobilization in Q2FY25 compared to Q2FY24 (y-o-y), leading to the budget deficit (Chart IV.1). In Q2FY25, total revenue was 1.70 percent of GDP, spending was 2.31 percent, and financing was 0.61 percent; in Q2FY24, these figures were 1.83 percent, 2.31 percent, and 0.37 percent, respectively.

Chart IV.1: Trends in Revenue, Expenditure and Budget Surplus(+)/ Deficit(-)
(in billion BDT)

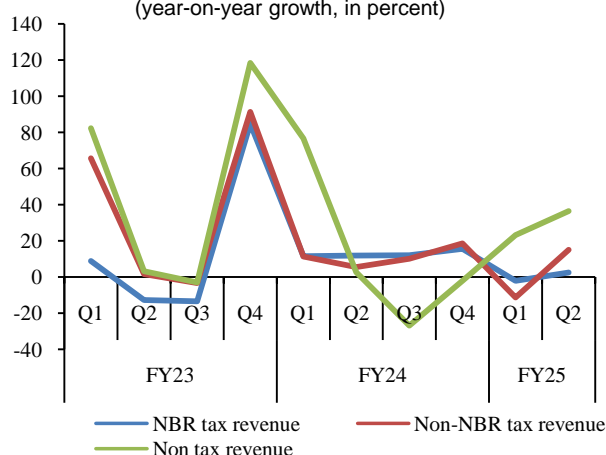


Source: Ministry of Finance.

4.2 Overall revenue collection in Q2FY25 was BDT 953.77 billion, up 4.27 percent from the same quarter last year. In comparison to Q2FY24, the NBR tax revenue, which constituted 88.98 percent of total revenue collection, saw a year-on-year growth of 2.65 percent in Q2FY25. On the other hand, the non-tax revenue grew notably by 22.34 percent over the same quarters, accounting for 8.96 percent of total revenue collection. During the same period, non-NBR tax revenue (the least contributor of revenue) increased by 8.60 percent (Chart IV.2).

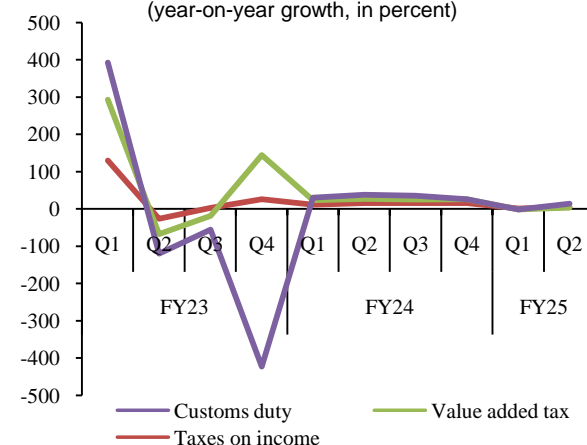
While value-added tax (VAT) accounted for the major share (38.46 percent) of NBR tax revenue, both VAT and customs duties fell by about 1.00 percent in Q2FY25 compared to Q2FY24. On the other hand, income tax rose 4.70 percent in Q2FY25 compared to Q2FY24 (Chart IV.3). With a total budget of BDT 5454 billion for FY25, total revenue collection in Q2FY25 was 17.53 percent of the budget.

Chart IV.2: Trends in Total Revenue
(year-on-year growth, in percent)



Source: Ministry of Finance.

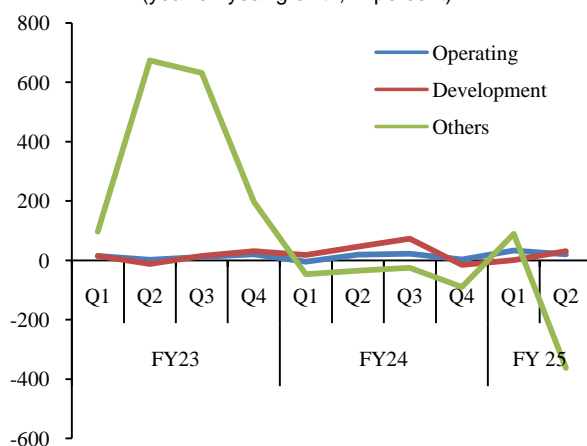
Chart IV.3: Trends in NBR Tax Revenue
(year-on-year growth, in percent)



Source: Ministry of Finance.

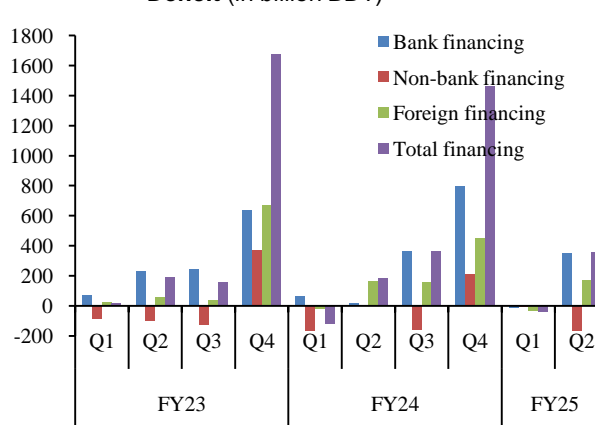
4.3 The total expenditure increased by 12.32 percent, rising from BDT 1153.35 billion in Q2FY24 to BDT 1294.88 billion in Q2FY25. In Q2FY25, the operating expenditure increased by 20.06 percent, which was mainly driven by subsidies, incentives, and current transfer (55.03 percent of total operating cost). The expenses of subsidies, incentives, and current transfers have risen significantly, with a 104.47 percent increase in Q2FY25 compared to the same quarter last year. Operating expenditure exceeded total revenue collection by BDT 83 billion which implies that the government's spending on operational activities is going beyond the income generated from taxes or other sources. The development expenditure increased by 9.92 percent (Chart IV.4), with the ADP rising by 8.17 percent during this period under review compared to the corresponding period of the previous year. The total amount spent in Q2FY25 was approximately 16.25 percent of the FY25 budget of BDT 7970 billion. The government executed 20.45 percent of the operating expenditure target and 10.78 percent of the ADP spending target during Q2FY25.

Chart IV.4: Trends in Government Expenditure
(year-on-year growth, in percent)



Source: Ministry of Finance.

Chart IV.5: Sources of Financing of Budget Deficit
(in billion BDT)



Source: Ministry of Finance.

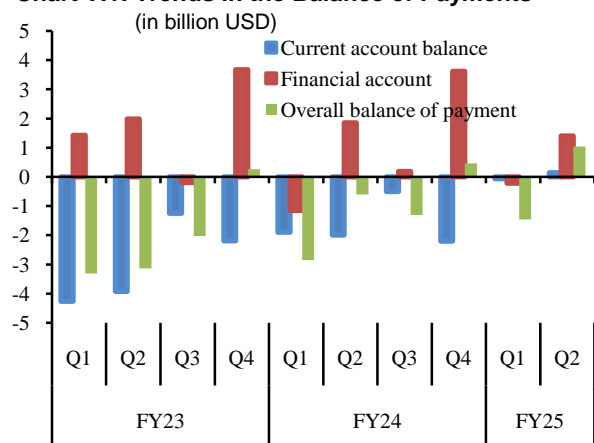
4.4 The fiscal deficit reappeared during Q2FY25 due to increased expenditure, whereas Q1FY25 experienced a surplus. The fiscal deficit stood at BDT 338.9 billion in Q2FY25, which was 43.41 percent higher than BDT 236.33 billion in Q2FY24. Both domestic and foreign financing increased in this quarter under review.

4.5 The government's ongoing efforts in revenue mobilization are commendable, particularly through the promotion of digital tax administration. However, addressing the challenges of implementation, broadening the tax base strategically, combating tax evasion, and balancing inflationary risks will be crucial for ensuring the long-term success of tax reforms in Bangladesh. Overall, while the government continues its efforts towards revenue mobilization, it is expected that it would make prudent expenditure decisions given the ongoing inflationary pressure.

V. External Sector

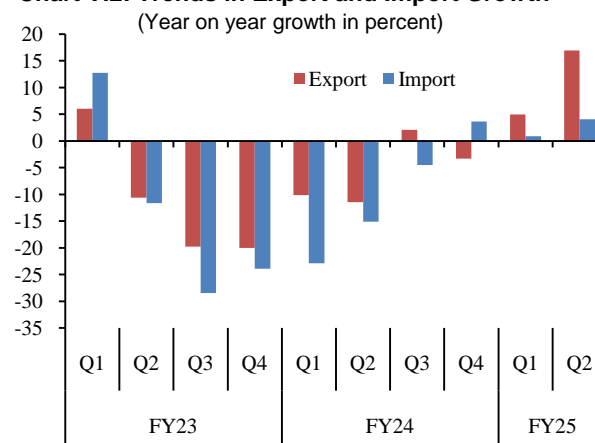
5.1 The external sector remained stable in Q2FY25, thanks in large part to a solid improvement in the balance of payments (BoP). An ongoing surge in remittance inflows and promising export receipts helped to support exchange rate and price stability. Both the current account balance and financial account balance witnessed remarkable improvements, turning into surplus positions in this quarter under review.

Chart V.1: Trends in the Balance of Payments



Source: Statistics Department, Bangladesh Bank.

Chart V.2: Trends in Export and Import Growth



Source: Statistics Department, Bangladesh Bank.

5.2 The overall BoP registered a surplus of USD 1.0 billion in Q2FY25, compared to a deficit of USD 1.5 billion in Q1FY25. This improvement was driven by surpluses of USD 1.4 billion in the financial account and USD 140 million in the current account from deficits of USD 223 million and USD 62 million in Q1FY25, respectively (Chart V.1). The surplus in the current account balance mainly stemmed from the robust growth in remittance inflows and exports during the period under review. The deficit in the primary income narrowed to USD 914 million in Q2FY25 from USD 1.1 billion in Q1FY25. The trade deficit widened to USD 5.1 billion in Q2FY25 from USD 4.6 billion in Q1FY25 due to import increased in Q2FY25 compared to the previous quarter (Table V.1 in Annexure 1).

5.3 The financial account recorded a surplus of USD 1.4 billion in Q2FY25, a sharp reversal from the deficit of USD 223 million in Q1FY25 (Chart V.1). This improvement was driven by a substantial inflow of net aid, inflows of medium- and long-term (MLT) loans, and a net surplus in the foreign liability-asset position of DMBs and NBDCs during the period (Chart V.3). However, higher repayment relative to inflows from other transactions, including other short-term and long-term loans, and a decline in net foreign direct investment (FDI) partially offset the surplus.

The MLT loans grew significantly to USD 2.6 billion in Q2FY25 from USD 664 million in Q1FY25. In addition, net aid flows increased sharply to USD 1.9 billion in Q2FY25, compared to USD 62 million in the previous quarter. During the quarter under review, the capital account surplus declined to USD 61 million in Q2FY25 from USD 155 million in Q1FY25 (Table V.1 in Annexure 1).

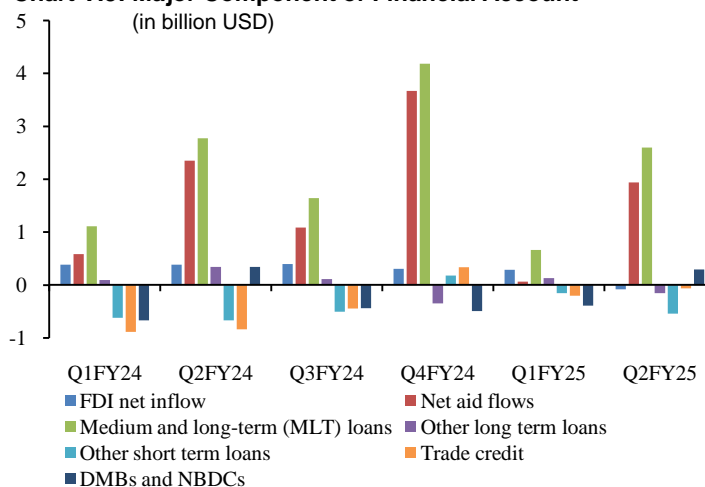
5.4 The country's export (f.o.b) exhibited strong growth, reaching USD 11.8 billion in Q2FY25, an increase of 16.9 percent (y-o-y), compared to 5.0 percent growth in Q1FY25 (Chart V.2). This robust growth was primarily driven by the strong performance of the ready-made garments (RMG) sector, which accounted for 88.1 percent of total export earnings and grew by 18.6 percent (y-o-y) during the quarter under review (Table V.1 in Annexure 1). Within the RMG sector, the knitwear

and woven garment exports increased by 17.9 percent and 19.4 percent, respectively, contributing 42.6 percent and 37.9 percent to total exports. However, the exports of jute goods and leather declined by 5.2 percent and 5.0 percent in Q2FY25 compared to the same period of the previous year, respectively (Table V.2 in Annexure 1). Despite the strong export growth, RMG exports to European countries – the largest export destinations – declined by 3.2 percent in Q2FY25. In contrast, exports to the USA surged by 20.5 percent during Q2FY25 (Table V.3 in Annexure 1).

5.5 The country experienced moderate growth in import payments (f.o.b), which increased by 4.0 percent in Q2FY25 (Chart V.2), reaching USD 16.9 billion from USD 16.2 billion in Q2FY24 (Table V.1 in Annexure 1). This growth was mainly originated from higher import of RMG-related goods. A detailed item-wise analysis reveals that the import payments of key products, such as textiles and articles thereof, petroleum, oil, and lubricants (POL), chemicals, yarn, and plastics and rubber articles, which accounted for 36.6 percent of the total imports, saw significant increases of 25.9 percent, 13.0 percent, 17.9 percent, 6.9 percent, and 22.4 percent during Q2FY25 compared to Q2FY24, respectively. On the other hand, imports of iron, steel and other base metals (comprising 8.4 percent share of total imports) and fertilizer (4.7 percent share) decreased by 10.2 percent and 8.7 percent during the quarter under review, respectively (Table V.4 in Annexure 1).

5.6 Total remittance inflows surged to USD 7.2 billion in Q2FY25, registering 22.8 percent growth (y-o-y) from USD 5.9 billion in Q2FY24 (Chart V.4). The rise in remittance inflows reflected by greater use of official channels and a competitive exchange rate resulted in the reduced BoP pressure. The strong growth in remittances during the quarter was primarily driven by higher transfers from the USA, Saudi Arabia, and Malaysia in Q2FY25. Notably, remittance inflows from the USA and Malaysia soared by 156.7 percent and 28.7 percent, respectively, in Q2FY25 (Chart V.5). In contrast, inflows from the UK declined sharply by 18.9 percent during the same period. A regional breakdown reveals that 42.3 percent of total remittances in Q2FY25 originated from the Gulf region. Among the Gulf countries, Saudi Arabia contributed 28.3 percent of remittance from the region, registering a significant growth of 41.5 percent

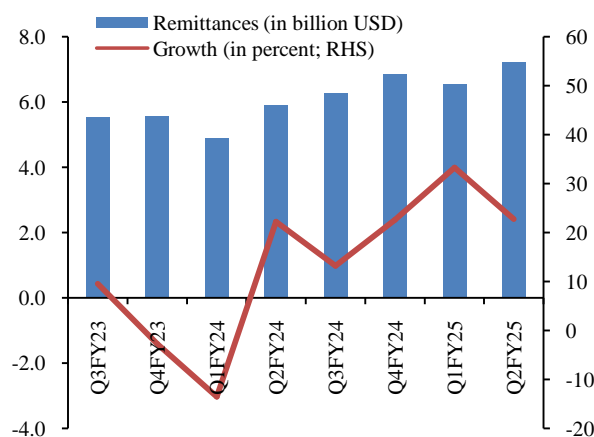
Chart V.3: Major Component of Financial Account
(in billion USD)



Source: Statistics Department, Bangladesh Bank.

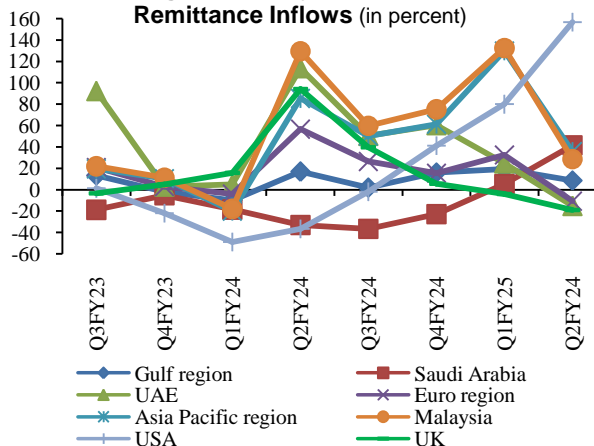
compared to Q2FY24. This was followed by Oman with a 12.0 percent share of the Gulf, experiencing an impressive 68.6 percent growth during the quarter. However, remittances from the UAE, which accounted for the largest share of the Gulf inflows at 32.5 percent, declined significantly by 15.1 percent in Q2FY25 (y-o-y).

Chart V.4: Remittance Inflows



Source: Bangladesh Bank.

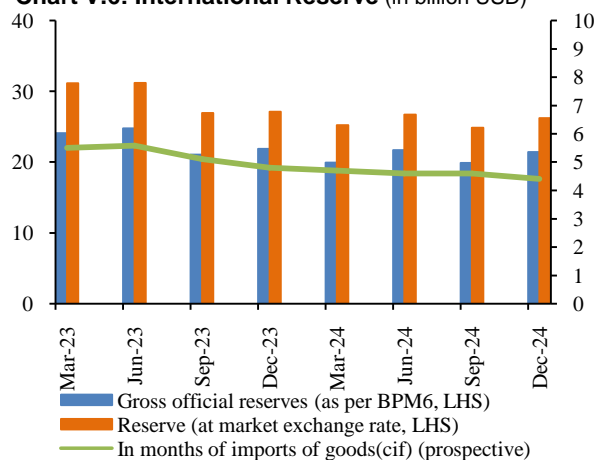
Chart V.5: Region/Country-wise Growth of Remittance Inflows (in percent)



Source: Bangladesh Bank.

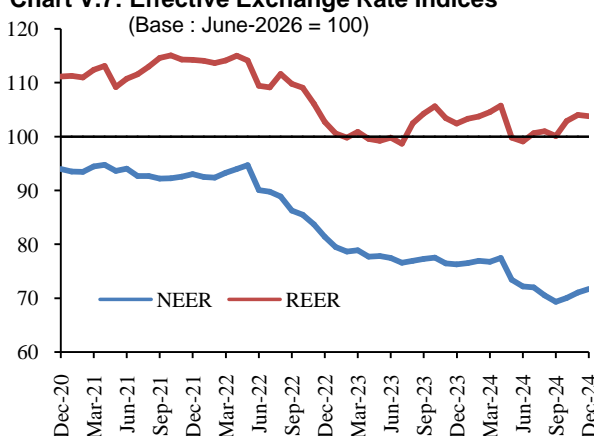
5.7 As part of progressing towards a fully flexible exchange rate regime in the near future, BB has introduced a new Foreign Exchange Intervention Strategy to ensure the smooth operation of the existing exchange rate system. Additionally, BB has introduced measures allowing spot exchange rates to fluctuate within a business day, enhancing exchange rate flexibility. Moreover, BB has scaled down its direct intervention in the foreign exchange market by limiting foreign currency purchases and sales. Consequently, BB made a net purchase of only USD 0.076 billion during Q2FY25, a sharp reversal of net sales of USD 0.76 billion in the previous quarter. In line with BPM6 standards, Bangladesh's official foreign exchange reserve rose to USD 21.4 billion in December 2024, up from USD 19.9 billion at the end of September 2024. This reserve level remained sufficient to cover approximately 4.4 months of prospective import payments for goods (Chart V.6).

Chart V.6: International Reserve (in billion USD)



Source: Bangladesh Bank.

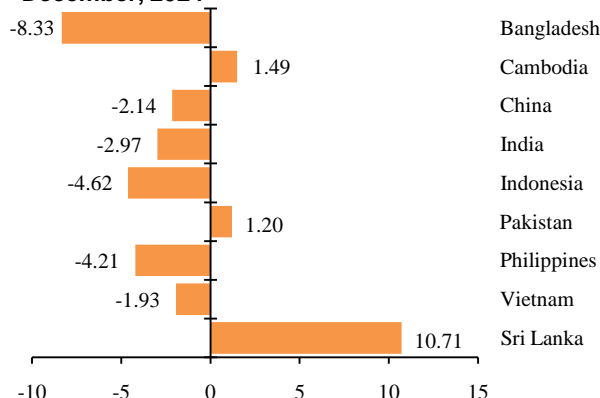
Chart V.7: Effective Exchange Rate Indices



Source: Bangladesh Bank.

The exchange rate of the Bangladeshi Taka (BDT) against the US Dollar (USD) stood at 120.0 at the end of December 2024, with 8.33 percent depreciation from December 2023 (Chart V.8). This depreciation was also reflected in the nominal effective exchange rate (NEER), which declined by 6.01 percent over the same period of the previous year (Chart V.7). Similarly, the nominal exchange rates of most peer countries, except Sri Lanka, Cambodia, and Pakistan, also experienced depreciation at the end of December 2024 compared to the previous year (Chart V.8).

Chart V.8: Peer Countries' Currency Appreciation/Depreciation (+/-) against US dollar at end December, 2024



Source: Bangladesh Bank.

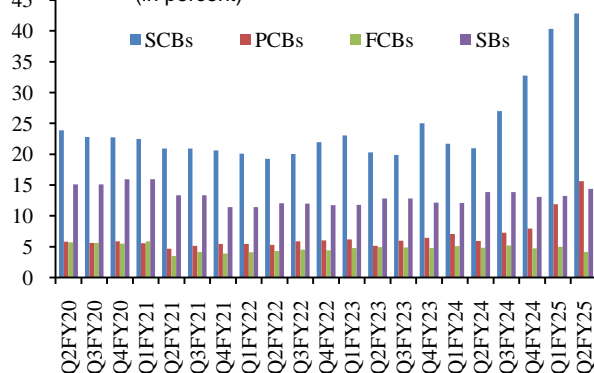
However, despite the weakening of the nominal exchange rate, the real effective exchange rate (REER) indicated a 1.31 percent appreciation of the BDT at the end of December 2024.

5.8 In Q2FY25, Bangladesh's external sector showed notable improvement, driven by strong remittance inflows and export growth, although concerns over the trade deficit. The outlook remains positive, with continued recovery supported by sustained remittances, export growth, and BB's policy adjustments to enhance exchange rate flexibility. However, low FDI inflows and political developments might pose risks to this progress. Ensuring long-term resilience requires a multifaceted approach, including boosting FDI, narrowing trade imbalances, strengthening trade diversification, and structural reforms.

VI. Banking Sector

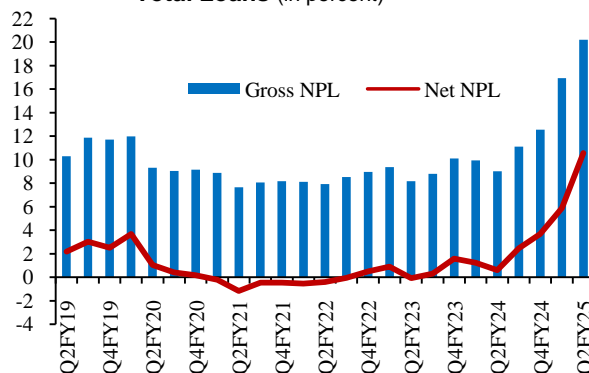
6.1 The banking sector continued to face rising challenges in the second quarter of FY25 despite improvements in certain performance indicators. This period marked a sharp increase in the non-performing loans (NPLs), reflecting both in actual terms and in ratio relative to total outstanding loans. Moreover, the banking sector also witnessed a deceleration in the growth of bank advances. On a positive note, public confidence in the banking sector started to regain as funds previously held outside banks were converted into bank deposits, leading to a significant increase in excess liquidity.

Chart VI.1: Ratio of Gross NPLs to Total Loans
(in percent)



Source: Bangladesh Bank.

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

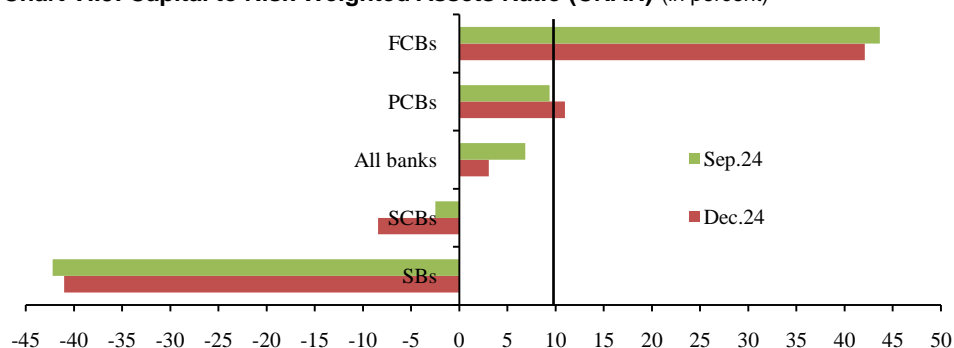


Source: Bangladesh Bank.

6.2 The sector's non-performing loans (NPLs) continued its uptrend, rising by 21.33 percent to BDT 3457.64 billion in Q2FY25 compared to BDT 2849.77 billion in Q1FY25. The NPL ratio to total outstanding loans reached a record high of 20.2 percent during Q2FY25, up from 16.93 percent in the previous quarter and 9.00 percent in the year before (Chart VI.2). The cumulative volume of NPL made a giant leap of approximately BDT 2000 billion compared to the previous year. A quick analysis suggests that the worsening NPL situation was primarily driven by the non-renewal of some existing loans and non-repayment of rescheduled loans. This trend was further exacerbated by the revised overdue-status-counting system, which took effect on 30 September 2024, reducing the threshold for fixed-term loans from 6 months to 3 months, contributing to the increase in classified loans. Additionally, the ratio of net NPLs to total loans in the banking sector almost doubled, reaching 10.57 percent at the end of Q2FY25, up from 5.89 percent at the end of Q1FY25 (Chart VI.2).

Across all bank categories, the NPL ratio of the state-owned commercial banks (SCBs) remained persistently the highest, rising to 42.83 percent at the end of Q2FY25 from 40.35 percent at the end of Q1FY25. Similarly, private commercial banks (PCBs) saw their NPL ratio advance further to 15.60 percent — far beyond the acceptable threshold— compared to 11.88 percent in Q1FY25. Foreign commercial banks (FCBs) and specialized banks (SBs) also experienced slight changes in their NPL ratios, with FCBs decreasing to 4.13 percent from 4.99 percent and SBs increasing to 14.37 percent from 13.21 percent over the previous quarter. (Chart VI.1).

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



Source: Bangladesh Bank.

6.3 The overall capital to Risk weighted Assets Ratio (CRAR) of the banking system fell significantly below the Basel III minimum requirement in Q2FY25. This decline was mainly driven by state-owned commercial banks (SCBs). The overall CRAR for the banking system reached 3.08 percent in Q2FY25, compared to 6.86 percent at the end of Q1FY25. The CRAR for SCBs dropped sharply to -8.42 percent at the end of Q2FY25, down from -2.48 percent at the end of Q1FY25. The CRAR for private commercial banks (PCBs) experienced a slight increase to 10.98 percent by the end of Q2FY25 from 9.38 percent at the end of the previous quarter (Table VI.3 in Annexure-1 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
Q2FY24	Total classified loan	657.81	56.69	709.81	32.00	1456.33
	Required provision	334.36	28.04	601.75	25.25	989.41
	Provision maintained	233.51	31.53	501.44	30.29	796.79
	Excess(+)/ shortfall(-)	-100.84	3.49	-100.30	5.04	-192.61
Q3FY24	Total classified loan	842.21	56.96	889.25	34.52	1822.95
	Required provision	362.05	28.15	697.74	26.75	1114.69
	Provision maintained	227.89	32.31	557.87	30.75	848.84
	Excess(+)/ shortfall(-)	-134.15	4.16	-139.86	4.00	-265.85
Q4FY24	Total classified loan	1024.83	57.56	999.21	32.29	2113.91
	Required provision	376.51	28.14	710.92	26.06	1141.65
	Provision maintained	262.23	30.48	570.07	30.76	893.55
	Excess(+)/ shortfall(-)	-114.28	2.33	-140.85	4.69	-248.10
Q1FY25	Total classified loan	1261.11	58.13	1498.06	32.45	2849.77
	Required provision	812.92	28.38	948.51	26.09	1815.91
	Provision maintained	410.88	30.72	790.19	30.72	1262.13
	Excess(+)/ shortfall(-)	-402.04	2.33	158.31	4.23	-553.78
Q2FY25	Total classified loan	1366.19	64.32	2000.15	26.99	3457.65
	Required provision	742.18	28.28	1362.37	22.25	2155.08
	Provision maintained	162.52	30.84	873.53	26.88	1093.77
	Excess(+)/ shortfall(-)	-579.66	2.56	-488.83	4.63	-1061.31

Source: Bangladesh Bank.

6.4 The Banking industry's profitability slightly declined at the end of Q1FY25 compared to the end of Q1FY24, as shown by a reduction in both return on asset (ROA) and return on equity (ROE). The overall ROA and ROE reduced to 0.38 percent and 7.42 percent at the end of Q1FY25 from 0.41 percent and 7.46 percent at the end of Q1FY24, respectively; a quarterly comparison also highlights a reduction in those matrices from 0.40 percent and 7.85 percent at the end of Q4FY24. In contrast to the moderate slowdown in the overall sector's profitability, the ROA and the ROE for SCBs declined sharply to -0.25 percent and -7.21 percent at the end of Q1FY25 from -0.07 percent and -1.99 percent at the end Q1FY24, respectively. However, they fared well on quarter-on-quarter (Q-o-Q), with ROE and ROA rising from -0.37 and -11.40 percent at the end of Q4FY24. In addition, ROA and ROE for the PCBs also declined to 0.39 percent and 7.22 percent at the end of Q1FY25 from 0.49 percent and 8.10 percent at the end of Q1FY24, respectively. Looking further back, the industry's profitability witnessed a slight decline at the end of Q4FY24 compared to the end of Q4FY23, with ROA and ROE falling to 0.40 percent and 7.85 percent at the end of Q4FY24 from 0.43 percent and 7.88 percent at the end of Q4FY23, respectively (Table VI.4 in Annexure-1).

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)	
	Dec. 24	Sep. 24	Dec. 24	Sep. 24	Dec. 24	Sep. 24
SCBs	3.69	0.09	6.56	7.07	74.62	75.11
PCBs	9.44	9.23	8.01	8.85	85.35	85.49
FCBs	-2.37	-1.79	9.75	25.51	61.41	58.85
SBs	8.99	9.43	17.82	16.10	68.72	71.88
All	7.47	6.42	8.02	9.16	81.32	81.55

Source: Bangladesh Bank.

6.5 Deposit growth in the banking sector improved at the end of Q2FY25, recovering from a sharp decline in the previous quarter. Year-on-year and quarter-on-quarter (Q-o-Q) deposit growth surged during the period under review, rising by 7.47 percent and 3.12 percent, respectively. This Q-o-Q growth indicates that the stabilization of some ailing banks restored confidence in the banking sector, leading to a shift of funds from outside the banking system into deposits. State-owned commercial banks played a significant role in driving overall deposit growth, rising to 3.69 percent from 0.09 percent in Q1FY25. In contrast, the sector's advance growth continued its downward trajectory, marking 8.02 percent, down from 9.16 percent in the previous quarter. The rising nonperforming loans to total loans ratio and regulatory restrictions on new loan disbursement for struggling banks constrained lending capacity, resulting in this subdued advance growth. Further, a cautious business environment, economic uncertainties and higher borrowing costs may have dissuaded businesses from seeking new loans. As a result, the sector's overall advance-deposit ratio (ADR) marginally increased to 81.55 percent at the end of December 2024 from 81.32 at the end of the previous quarter (Table 6.2 and Chart VI.4).

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

Bank groups	CRR			SLR		
	Required	Maintained	Excess	Required Liquidity	SLR eligible liquid assets of banks**	Excess(+)/shortfall (-) of SLR
1	2	3	4	5	6	7
As of end December, 2024						
SCBs	179.43	190.41	11.02	581.91	1297.7	715.7
SBs*	21.02	20.2	0.03	0.0	0.0	0.0
PCBs (other than Islamic)	369.24	451.30	87.31	1195.15	2243.10	1048.0
Private Banks (Islamic)	160.34	206.14	46.12	221.0	290.11	69.1
FCBs	34.33	66.60	32.27	121.04	438.30	317.2
All	764.40	934.66	176.75	2119.1	4269.1	2150.02
As of end September, 2024						
SCBs	182.4	195.19	16.3	589.7	1207.6	617.8
SBs*	20.7	20.2	0.03	0.0	0.0	0.0
PCBs (other than Islamic)	365.8	326.7	15.6	1174.3	2015.88	841.6
Private Banks (Islamic)	164.1	36.5	2.8	226.4	212.17	-14.3
FCBs	36.3	56.5	22.3	123.0	458.7	335.8
All	769.3	635.2	57.1	2113.4	3894.3	1780.9

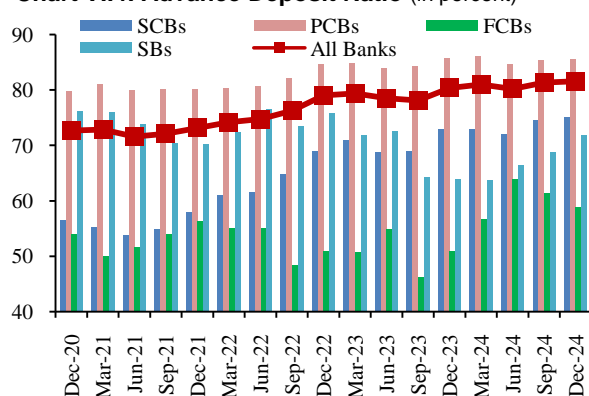
Source: Bangladesh Bank.

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

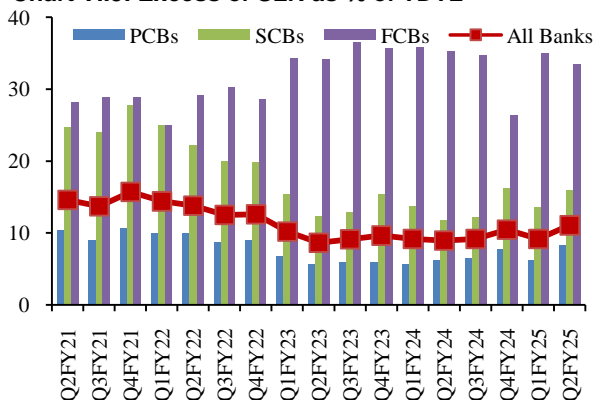
**includes cash in tills, balance with BB in foreign currency, balance with Sonali Bank PLC as an agent of BB, unencumbered approved securities and excess reserve (column 4).

Note: According to Circular No-MPD-02, 2013 with effect from February 1, 2014, SLR has been calculated separately (excluding 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 9, 2020, the CRR revised to 4.0 percent from 5.0 percent effective from April 15, 2020.

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

Source: Bangladesh Bank.

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

Source: BB's staff calculation.

6.6 The banking sector's excess liquidity rebounded modestly in the second quarter of FY25, following a decline in the preceding quarter, and reached BDT 2,150.02 billion, up from BDT 1780.91 in the earlier quarter. This reversal stemmed from an uptick in year-on-year deposit growth and a slippage in

advance growth during the same period. The buoyed excess liquidity was also evident in the statutory liquidity ratio (SLR) surplus, which rose to 11.1 percent of total demand and time liabilities (TDTL) at the closure of the quarter under review from 9.2 percent at the end of Q12025, while TDTL remained nearly unchanged (Chart VI.5) .

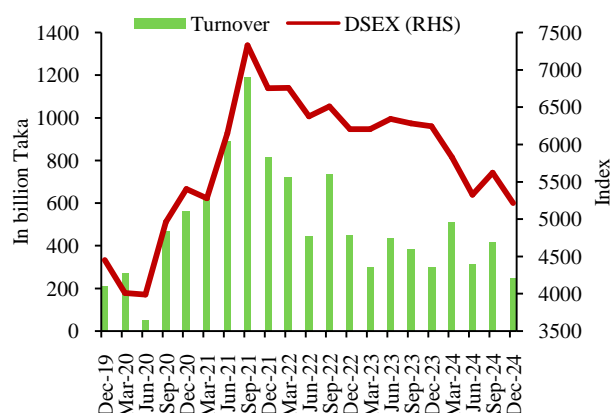
6.7 The banking sector continues to grapple with a rising trend in NPLs, slowing credit growth, and a shortfall in capital adequacy. The sharp increase in NPLs has placed considerable strain on banks' balance sheets, restricting their ability to extend new credit and contributing to systemic vulnerabilities. To overcome these challenges, BB has launched a series of structural and policy reforms aimed at strengthening good governance, improving financial discipline and enhancing risk management across the banking sector. As part of these efforts, the Board of Directors of 11 underperforming banks has been restructured to reinforce oversight, compliance, and accountability. Additionally, BB has formed specialized task forces dedicated to reviewing asset quality, recovering non-performing loans and managing distressed assets through asset management companies. These measures are expected to improve transparency and operational efficiency within the sector. BB has also drafted a Bank Resolution Ordinance, enabling the regulator to resolve a scheduled bank subject to capital, liquidity, insolvency, or any other risk. Once implemented in full, these reform agendas will bring about conducive changes in bank governance and financial management.

On the policy front, BB introduced a central bank guarantee scheme to help crisis-ridden banks borrow funds from the interbank market. Later, rising demand for funds compelled BB to provide temporary liquidity support to some of these banks while absorbing excess liquidity using BB bills to curb additional inflationary pressures. The soaring NPL ratio has become a primary concern for banks and regulators. While there is no quick fix to this issue, BB is gradually introducing guidelines aligned with global best practices to improve the NPL situation in the medium term. Effective from April 2025, the stricter guidelines on loan classification, provisioning, and recovery will help banks proactively identify soured loans and associated costs. Furthermore, BB introduced the Expected Credit Loss (ECL) methodology-based provisioning system, set for implementation in 2027, to encourage banks to adopt proactive credit risk management and prevent the accumulation of NPLs. All these reform and policy measures will help build a solid and resilient banking system in Bangladesh.

VII. Capital Market

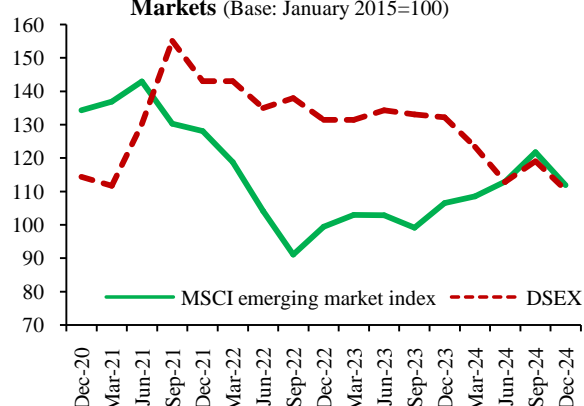
7.1 The capital market in Bangladesh showed weaker performance during Q2FY25 after an improvement in Q1FY25. The dismal performance of the capital market was reflected in the slump in price indices and market capitalization¹, along with a decrease in the price-earnings ratio and a reduction in turnover (Chart VII.1). The BSEC has implemented various reform initiatives aimed at restoring investors' confidence, promoting institutional investment, and encouraging good governance to revitalize the capital market of Bangladesh. On the global front, the Morgan Stanley Capital International (MSCI) index for global emerging markets also experienced a downward trend, aligning with the downward trajectory observed in the DSE Broad Index (DSEX) during the quarter under review (Chart VII.2). The downfall of MSCI index was largely due to heightened macroeconomic and geopolitical uncertainties.

Chart VII.1: Trends in DSEX Index and Turnover



Source: DSE Monthly Review, Various Issues.

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



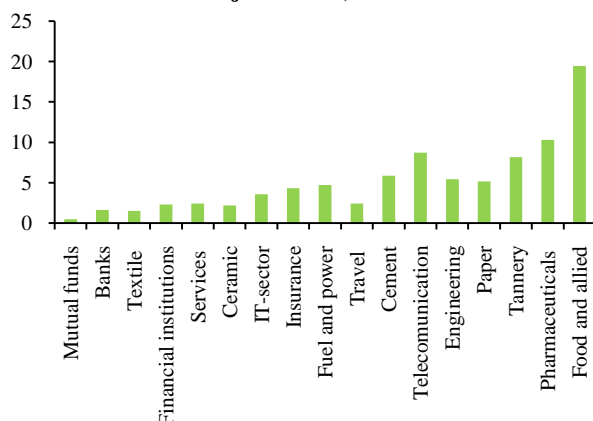
Source: DSE and www.msci.com

7.2 At the end of Q2FY25, both the DSE broad index (DSEX) and DSE-30 indices fell significantly by 7.26 percent and 5.53 percent, respectively, compared to Q1FY25 (Table VII.1 in Annexure-1). Furthermore, sector-specific ratios of market capitalization to paid-up capital revealed that the food and allied sector resumed its peak at 19.4, while the mutual fund sector remained at its lowest ratio at 0.5 in November 2024 (Chart VII.3). Similarly, in September 2024, the food and allied sector maintained its peak ratio at 21.6, while the mutual fund sector remained at its lowest ratio at 0.5.

7.3 DSE's market capitalization demonstrated a notable reduction and stood at BDT 3617.9 billion at the end of Q2FY25 compared to BDT 3909.3 billion at the end of Q1FY25. The banking industry accounted for the major share of the total market capitalization, comprising 18.70 percent. Conversely, the jute sector held the lowest share, accounting for merely 0.09 percent (Table VII.2 in Annexure-1). Additionally, the market capitalization of Bangladesh as a percent of GDP declined to 6.60 percent in November 2024 from 7.13 percent in September 2024, the lowest compared with some peer countries (Chart VII.4).

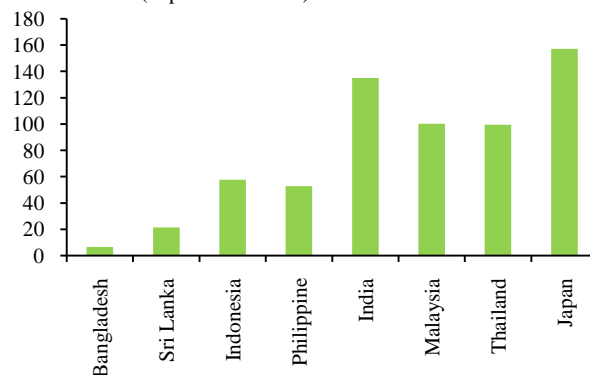
¹Exclude govt. bonds.

Chart VII.3: Ratio of M.Cap. to Paid-up Capital across Major Sectors, November 2024



Source: DSE monthly review, November 2024.

Chart VII.4: Selected Countries; Stock Market Capitalization, November 2024 (in percent of GDP)



Source : DSE Monthly Review, November 2024.

7.4 DSE's overall price-earnings (P/E) ratio decreased to 11.83 in December 2024 from 13.17 in September 2024. Sector-specific P/E data indicated that the fuel & power industry had the lowest P/E scores during Q2FY25, while the tannery sector recorded the highest P/E score (Chart VII.5). The ratio of Bangladesh stood at 11.83 as of December 2024, which was relatively lower as compared to that of other South and East Asian countries. In contrast, India showed a significantly higher P/E ratio within the region, reaching 22.66 (Table 7.1).

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

Sectors	Share of Total M.cap Mar-24	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Bank	17.2	7.9	9.2	9.7	9.8	9.5	8.0	7.8	7.7	7.8	7.2	7.3	6.4	6.3	5.9	6.4	6.3
Financial institutions	3.2	20.1	23.4	31.1	23.8	21.9	20.4	20.3	18.9	18.8	21.3	21.3	12.1	15.5	14.1	15.3	12.0
Engineering	9.6	36.2	42.5	26.9	17.6	17.1	17.1	19.1	20.4	20.6	21.0	20.8	31.2	19.8	15.0	12.1	10.7
Food & allied	8.4	25.5	27.1	32.3	31.4	22.6	21.1	20.5	21.1	18.6	19.1	19.1	24.9	14.4	14.0	14.8	14.0
Fuel & power	8.6	12.8	13.6	16.1	11.7	12.2	11.7	11.3	12.2	13.1	13.3	13.3	17.3	9.2	8.7	8.5	4.9
Textile	3.6	16.8	23.9	30.2	22.5	24.1	22.3	22.8	16.6	15.8	16.7	18.1	23.4	16.0	13.9	13.4	11.8
Pharmaceuticals	16.1	19.7	21.1	24.9	19.8	20.1	19.5	20.4	17.9	17.5	17.7	17.5	17.3	13.3	13.6	12.3	11.3
Service & real estate	0.6	19.4	23.8	35.2	25.9	22.7	21.3	27.2	20.1	22.2	21.7	21.2	20.4	18.0	17.8	14.4	10.4
Cement	3.0	27.4	27.0	39.9	21.4	17.2	16.5	17.2	15.7	20.9	19.6	19.5	40.3	12.6	10.1	13.2	14.0
IT	1.0	21.6	28.4	37.5	34.6	35.0	28.4	32.3	30.7	35.1	34.1	32.4	24.0	22.0	19.2	17.6	18.1
Tannery	0.7	23.2	28.5	87.4	89.9	84.0	61.5	55.1	34.7	35.2	35.8	34.1	14.5	24.1	20.6	17.8	35.9
Insurance	4.0	19.2	31.6	28.0	28.1	24.0	19.5	16.9	17.2	16.6	18.3	21.2	38.1	16.7	13.9	12.8	13.2
Telecommunication	12.4	19.7	18.4	19.3	16.9	16.1	15.6	15.4	15.1	15.1	16.9	16.9	14.1	12.7	8.0	12.7	13.0
Miscellaneous	6.2	41.5	46.0	57.6	23.2	23.0	21.7	23.0	11.8	11.8	12.2	11.9	23.8	38.3	31.6	27.4	17.3

≤ 15 ≥ 25

Sources: DSE monthly review, various issues.

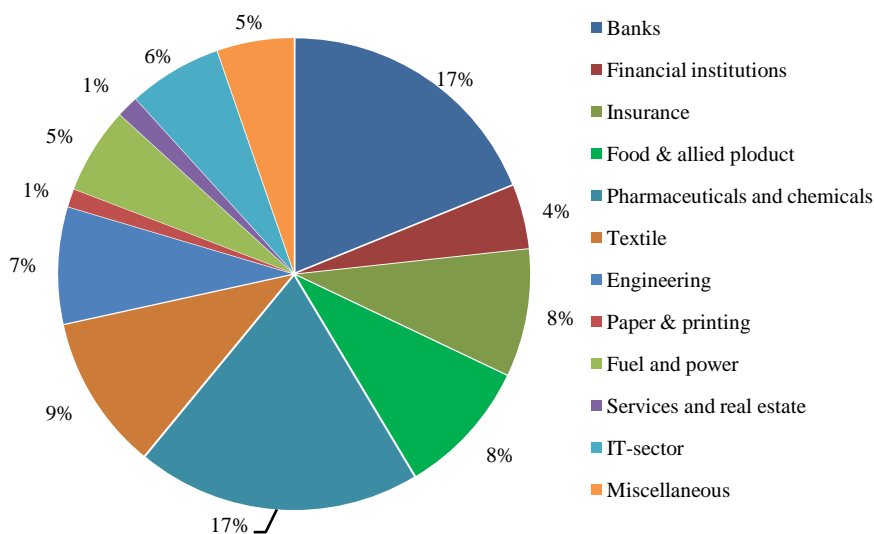
Table 7.1: Selected Countries: Price-Earnings Ratio as of December 2024

Countries	Price Earnings Ratio
Bangladesh	11.83
India	22.66
Sri Lanka	8.89
Thailand	19.33
Hong Kong	11.75
China	14.23

Source: DSE monthly review, December 2024.

7.5 During Q2FY25, the DSE experienced a slight increase in issued capital² whereas total turnover notably decreased compared to Q1FY25. The value of issued capital rose marginally by 0.11 percent, reaching BDT 1018.7 billion in Q2FY25, up from BDT 1017.6 billion in Q1FY25. Conversely, the overall turnover decreased significantly by 39.91 percent to BDT 249.6 billion during Q2FY25 from BDT 415.3 billion during Q1FY25 (Table VII.1 in Annexure-1). Sector-specific turnover data show that both the banking sector, and pharmaceuticals and chemicals exhibited the highest turnover in Q2FY25, simultaneously each accounting for 17.0 percent of the total turnover (Chart VII.6). Additionally, the turnover velocity ratio (TVR), a measure of market liquidity, also declined to 27.59 percent during Q2FY25 from 42.49 percent in the preceding quarter.

Chart VII.6: Turnover of Major Sectors in Q2FY25



Source: DSE monthly review, December 2024.

7.6 To revitalize Bangladesh's capital market, the BSEC has implemented a range of proactive measures, including imposing substantial fines on individuals and entities found guilty of market misconduct. In addition, several investigative committees have been established to identify the root causes of market instability and hold those accountable for undermining its integrity. Under the new interim government, the BSEC has also formed a taskforce to address key concerns related to investors' confidence, liquidity, and transparency in the capital market. These initiatives aim to improve the capital market conditions in Bangladesh and promote a more robust and resilient financial ecosystem that adheres to the principles of good governance.

² Exclude govt. bonds.

Annexure-1 (Tables)

Table I.1: Macroeconomic Framework: Key Economic Indicators

(growth in percent, unless otherwise indicated)

Indicators	FY17	FY18	FY19	FY20	FY21	FY22	FY23 ^R	FY24 ^R
Real GDP (base 2015-16)	6.59	7.32	7.88	3.45	6.94	7.10	5.78	4.22
GDP deflator	5.05	5.81	3.65	3.85	4.12	5.05	6.89	6.88
CPI Inflation (average)	5.44	5.78	5.48	5.65	5.56	6.15	9.02	9.73
CPI inflation (point to point)	5.44	5.54	5.71	6.02	5.64	7.56	9.74	9.72
Money and credit								
Private sector credit	15.66	16.94	11.32	8.61	8.35	13.66	10.57	9.84
Broad money (M2)	10.88	9.24	9.88	12.64	13.60	9.43	10.48	7.74
External sector								
Exports, f.o.b.	1.70	6.66	9.10	-18.89	14.89	33.45	-11.90	-5.90
Imports, f.o.b.	9.00	25.23	1.80	-8.57	19.71	35.95	-14.20	-10.61
in percent of GDP								
Gross domestic savings	27.07	26.45	26.88	27.08	25.34	25.22	25.76	23.96
Gross domestic investment	30.95	31.82	32.21	31.31	31.02	32.05	30.95	30.70
Total revenue	9.40	9.83	10.73	10.98	8.78	8.64	8.17	8.18
Tax	8.27	8.80	9.81	9.87	7.36	7.76	7.30	7.38
Nontax	1.13	1.03	0.92	1.10	1.28	0.88	0.87	0.79
Total expenditure	13.65	14.08	14.99	15.82	12.50	12.71	12.79	12.04
Current expenditure	8.30	7.98	9.04	9.31	6.96	6.95	8.24	8.05
Annual development program	4.99	5.82	5.66	6.08	4.87	5.13	4.28	3.77
Other expenditure (residual)	0.36	0.27	0.30	0.42	0.67	0.63	-0.03	-0.03
Overall balance (including grants)	-4.04	-4.08	-4.14	-4.73	-3.72	-4.07	-4.56	-3.76
Financing (net) (a+b)	4.25	4.25	4.27	4.73	3.72	4.07	4.54	3.78
a. Domestic financing	3.01	2.50	2.67	3.07	2.38	2.24	2.78	2.27
Banking system	1.03	0.75	1.05	2.60	1.13	1.56	2.63	2.48
Non-bank	1.98	1.75	1.62	0.47	1.25	0.68	0.15	-0.21
b. Foreign financing	1.04	1.57	1.60	1.66	1.34	1.84	1.76	1.51
Current account balance	-0.45	-2.98	-1.45	-1.26	-0.91	-4.02	-2.57	-1.47
Overall balance	1.08	-0.27	0.05	0.85	2.23	-1.16	-1.82	-0.95
Broad money (M2)	43.72	42.06	41.32	43.33	44.22	43.01	42.02	40.64
Broad money (M3)	53.07	52.05	51.98	53.74	54.64	52.82	50.63	48.13
Deposit (DD+TD)	37.77	36.69	36.07	37.25	38.26	37.04	35.51	34.83
Private sector credit	33.39	34.39	34.23	34.61	33.68	34.02	33.27	32.81
in billion USD								
Exports, f.o.b.	34.02	36.29	39.60	32.12	36.90	49.25	43.36	40.81
Imports, f.o.b.	43.49	54.46	55.44	50.69	60.68	82.50	70.75	63.24
Gross official reserves	33.41	32.94	32.72	36.04	46.39	41.83	31.20	26.71
Gross official reserves (as per BPM6)	---	---	---	---	---	33.39	24.75	21.69
In terms of month of imports	6.6	6.0	6.0	6.1	6.2	6.7	5.0	4.6
Memorandum items:								
Nominal GDP (in billion taka)	23,243	26,392	29,514	31,705	35,302	39,717	44,908	50,027
Nominal GDP (in billion USD)	294	321	351	374	416	460	452	450

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

‘---’=Data not available

Table I.2: Real GDP Growth by Sectors: Base 2015-16

(in percent)

Sectors	FY19	FY20	FY21	FY22	FY23	FY24 ^R
Agriculture	3.26	3.42	3.17	3.05	3.37	3.30
	(12.56)	(12.52)	(12.07)	(11.61)	(11.30)	(11.19)
Agriculture, forestry and fishing	3.26	3.42	3.17	3.05	3.37	3.30
i) Crops and horticulture	2.07	2.50	2.29	2.61	3.15	4.00
ii) Animal farmings	3.01	3.19	2.94	3.10	3.17	3.07
iii) Forest and related services	5.13	5.34	4.98	5.08	5.13	4.99
iv) Fishing	4.99	4.40	4.11	2.64	2.8	0.79
Industry	11.63	3.61	10.29	9.86	8.37	3.51
	(34.99)	(34.94)	(36.01)	(36.92)	(37.65)	(37.37)
a) Mining and quarrying	11.31	3.16	6.49	-1.12	12.73	-1.15
b) Manufacturing	12.33	1.68	11.59	11.41	8.89	3.16
i) Large industry	12.79	0.41	10.61	15.68	8.38	1.02
ii) Small, medium, and micro industry	10.61	2.69	13.89	4.84	9.15	4.66
iii) Cottage industry	14.17	3.67	10.27	11.12	10.01	6.92
c) Electricity, gas, steam and air conditioning supply	8.24	0.67	9.54	6.15	2.46	0.98
d) Water supply, sewerage, and waste management	6.31	2.18	6.65	9.54	8.88	3.95
e) Construction	10.47	9.13	8.08	8.71	6.98	5.63
Service	6.88	3.93	5.73	6.26	5.37	5.09
	(52.45)	(52.54)	(51.92)	(51.48)	(51.05)	(51.44)
a) Wholesale and retail trade	8.85	3.21	7.64	8.46	6.38	5.77
b) Transportation and storage	7.01	1.73	4.04	5.75	5.49	5.14
c) Accommodation and food service activities	5.64	1.69	4.53	5.37	5.84	5.60
d) Information and communication	7.36	6.57	7.11	4.79	6.35	4.06
e) Financial and insurance activities	8.25	4.72	5.82	5.87	2.55	1.21
f) Real estates activities	3.61	3.68	3.42	3.70	3.68	3.50
g) Professional, scientific and technical activities	4.17	3.38	5.09	4.25	8.8	7.64
h) Administrative and support service activities	8.17	6.33	6.02	6.01	7.51	8.86
i) Public administrative and defence	6.49	5.49	6.05	4.91	7.03	5.58
j) Education	7.06	5.33	5.81	7.87	5.53	6.56
k) Human health and social work activities	12.20	10.70	10.6	9.88	7.22	9.27
l) Arts, entertainment and recreation	5.48	5.43	5.76	6.07	6.34	6.42
m) Others service activities	3.27	3.06	3.08	3.19	3.24	3.14
GDP (at constant market price)	7.88	3.45	6.94	7.10	5.78	4.22

Source: Bangladesh Bureau of Statistics; R=Revised.

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

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

(in percent)

Sectors	FY23				FY24 ^R			FY25 ^P	
	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Agriculture	3.72	2.26	6.00	0.62	4.09	4.02	4.11	0.76	1.25
	(12.12)	(9.42)	(12.60)	(10.42)	(12.08)	(9.39)	(12.76)	(10.27)	(11.68)
Agriculture, forestry and fishing	3.72	2.26	6.00	0.62	4.09	4.02	4.11	0.76	1.25
Industry	10.24	6.89	10.82	7.78	1.04	4.55	1.08	2.44	7.10
	(38.56)	(39.99)	(35.48)	(37.27)	(37.32)	(40.05)	(34.89)	(37.35)	(38.17)
a) Mining and quarrying	5.31	11.58	26.24	41.97	-5.46	-43.84	16.63	15.14	8.01
b) Manufacturing	11.59	6.51	10.60	7.03	-2.12	7.76	0.30	1.40	8.49
c) Electricity, gas, water supply	2.65	3.00	-2.22	-0.58	0.74	-6.43	9.99	4.11	5.14
d) Construction	8.65	7.30	10.71	4.79	10.21	7.87	-1.49	1.84	4.04
Service	6.25	1.39	5.07	5.52	7.10	4.31	3.61	2.41	3.78
	(49.32)	(50.59)	(51.93)	(52.30)	(50.60)	(50.55)	(52.35)	(52.39)	(50.15)
a) Wholesale and retail trade	6.19	-1.65	7.53	5.92	9.94	5.85	1.76	1.45	6.63
b) Transportation and storage, information and communication	5.07	4.34	4.86	5.69	5.68	4.63	4.25	2.16	3.36
c) Financial and insurance activities	2.43	2.55	1.31	1.23	1.96	1.27	0.40	-1.64	3.86
d) Real estates, professional, and administrative activities	4.16	3.48	1.86	4.24	4.17	4.20	3.52	3.84	3.87
e) Public administrative, health, and education	14.70	1.35	6.13	7.36	11.76	4.92	5.46	4.27	0.71
f) Arts, recreation, and others service activities	1.09	0.95	3.58	5.73	1.00	-0.07	6.62	2.28	0.83
GDP (at constant market price)	6.90	3.02	7.09	5.87	4.47	4.62	2.14	1.96	4.48

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
(in billion BDT)

Sectors	FY19	FY20	FY21	FY22	FY23	FY24 ^R
Agriculture	3,534	3,804	4,107	4,455	4,942	5,585
Agriculture, forestry, and fishing	3,534	3,804	4,107	4,455	4,942	5,585
i) Crops and horticulture	1,734	1,861	1,996	2,154	2,395	2,748
ii) Animal farmings	563	597	633	674	737	819
iii) Forest and related services	466	504	559	637	713	796
iv) Fishing	771	842	918	990	1,096	1,222
Industry	9,696	10,435	11,761	13,472	15,536	17,058
a) Mining and quarrying	526	552	591	589	702	738
b) Manufacturing	6,259	6,531	7,497	8,644	10,033	10,952
i) Large industry	3,119	3,180	3,574	4,229	4,866	5,203
ii) Small, medium, and micro industry	1,981	2,087	2,490	2,736	3,193	3,526
iii) Cottage industry	1,160	1,263	1,433	1,680	1,974	2,223
c) Electricity, gas, steam and air conditioning supply	381	445	449	504	553	596
d) Water supply; sewerage, waste management	27	28	30	38	44	47
e) Construction	2,503	2,879	3,195	3,696	4,203	4,724
Service	15,008	16,332	18,110	20,271	22,954	25,722
a) Wholesale and retail trade	4,184	4,458	4,977	5,671	6,474	7,304
b) Transportation and storage	2,197	2,323	2,562	2,853	3,241	3,596
c) Accommodation and food service activities	335	360	399	445	512	597
d) Information and communication	322	351	384	414	473	502
e) Financial and insurance activities	933	1,032	1,153	1,295	1,448	1,608
f) Real estates activities	2,607	2,880	3,130	3,402	3,734	4,090
g) Professional, scientific and technical activities	52	57	63	69	84	99
h) Administrative and support service activities	200	230	271	311	375	446
i) Public administrative and defence	990	1,070	1,170	1,274	1,473	1,615
j) Education	770	856	956	1,095	1,260	1,473
k) Human health and social work activities	868	1,015	1,185	1,382	1,615	1,862
l) Arts, entertainment and recreation	42	48	53	61	69	80
m) Others service activities	1,507	1,652	1,807	1,999	2,196	2,452
Total GVA at current basic price	28,238	30,570	33,978	38,198	43,431	48,365
Tax less subsidy	1,276	1,134	1,324	1,519	1,478	1,662
GDP at current market price	29,514	31,705	35,302	39,717	44,908	50,027

Source: Bangladesh Bureau of Statistics; R=Revised.

Table I.3 (a): Quarterly Nominal GDP by Sectors

(in billion BDT)

Sectors	FY23		FY24 ^R				FY25 ^P	
	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Agriculture	1,042	1,482	1,192	1,528	1,176	1,690	1,333	1,740
Agriculture, forestry and fishing	1,042	1,482	1,192	1,528	1,176	1,690	1,333	1,740
Industry	4,219	3,968	3,951	4,334	4,590	4,182	4,126	4,781
a) Mining and quarrying	211	195	227	176	115	220	242	167
b) Manufacturing	2,647	2,594	2,599	2,738	2,938	2,677	2,759	3,111
c) Electricity, gas, water supply	134	162	174	144	135	191	195	164
d) Construction	1,228	1,017	951	1,275	1,403	1,095	930	1,339
Service	5,808	6,308	5,960	6,335	6,473	6,955	6,617	7,134
a) Wholesale and retail trade	1,591	1,797	1,684	1,868	1,800	1,952	1,897	2,215
b) Transportation and storage, Information and communication	1,081	1,095	1,123	1,164	1,193	1,215	1,223	1,274
c) Financial and insurance activities	366	379	383	400	407	418	417	461
d) Real estates, professional, and administrative activities	1,078	1,125	1,100	1,120	1,194	1,221	1,230	1,259
e) Public administrative, health, and education	1,100	1,317	1,081	1,169	1,223	1,476	1,209	1,275
f) Arts, recreation, and others service activities	593	595	588	614	657	672	640	651
Total GVA at current basic price	11,070	11,759	11,102	12,197	12,239	12,827	12,076	13,655
Tax less subsidy	364	353	402	479	431	350	312	388
GDP at current market price	11,433	12,112	11,504	12,676	12,670	13,177	12,388	14,043

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

Table I.4: Crop-wise Agricultural Production

Crops	Actual for FY23		Actual for FY24		Target for FY25		Actual for FY25*	
	Area	Production	Area	Production	Area	Production	Area	Production
	(Lac Hectare)	(Lac M. Ton)	(Lac Hectare)	(Lac M. Ton)	(Lac Hectare)	(Lac M. Ton)	(Lac Hectare)	(Lac M. Ton)
Aus	10.61	29.01	10.35	29.73	13.07	38.37	9.77	28.82
Aman	57.25	154.33	57.51	166.56	59.67	178.74	56.70	171.81
Boro	48.52	207.68	48.78	210.68	50.69	226.02	33.36	---
Total rice	116.38	391.02	116.63	406.98	123.43	443.13	99.83	---
Wheat	3.19	12.06	3.12	11.72	3.15	12.14	2.87	---
Maize	6.06	64.32	6.43	68.84	6.46	69.78	6.65	---
Total cereal	125.63	467.39	126.18	487.54	133.05	525.05	109.35	---
Jute	7.30	84.58	7.24	95.82	7.67	101.83	6.93	78.65
Gram	0.02	0.03	0.02	0.03	0.02	0.03	---	---
Moong	2.23	2.87	2.29	2.78	2.30	3.07	---	---
Mosur	1.30	1.85	1.15	1.66	1.15	1.69	1.07	---
Mustard	8.13	11.63	10.97	16.07	11.65	17.26	10.40	---
Onion	2.50	34.57	2.67	39.11	2.60	39.66	2.72	---
Potato	4.56	104.32	4.57	106.01	4.67	113.88	5.25	---
Vegetables	11.11	225.41	11.62	241.79	11.69	246.30	11.82	---

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

‘---’ = Data not available. *Data up to February 06, 2025.

Table I.5: Quantum Index of Medium and Large-scale Manufacturing Industries, Mining, and Electricity
(Base year: 2015-16)

	FY23					FY24				FY25	
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Manufacturing	199.3	206.0	209.4	207.6	195.8	197.0	203.6	221.8	201.5	199.8	220.9
Mining	82.0	77.6	85.6	79.7	77.5	79.2	80.1	75.3	75.7	76.2	71.5
Electricity	174.2	177.1	152.9	151.7	192.9	192.9	153.5	145.0	216.9	209.6	165.3
growth in percent (y-o-y)											
Manufacturing	7.42	3.35	10.87	6.61	3.26	6.80	-2.76	6.86	2.90	10.87	8.49
Mining	-2.71	-5.34	-2.26	-6.02	-5.13	-6.81	-6.38	-5.50	-2.41	-2.26	-10.83
Electricity	11.29	1.66	8.77	9.66	8.16	-3.24	0.43	-4.42	12.48	8.77	7.72

Source: Bangladesh Bureau of Statistics.

Tables I.6 (a): Quantum Index of Large-scale Manufacturing Industries by Major Groups

(Base year: 2015-16)

	FY23				FY24				FY25	
	Weight	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂ ^R	Q ₃	Q ₄	Q ₁	Q ₂ ^P
General index	100.0	213.9	212.5	208.5	204.7	198.4	225.8	212.4	198.8	218.6
Food products	4.00	153.3	143.6	114.7	121.2	167.1	191.6	139.0	139.5	179.9
Beverages	1.23	156.2	249.0	477.2	355.4	194.1	184.8	200.7	205.9	239.4
Tobacco products	3.72	243.2	263.6	272.8	262.2	247.6	270.1	270.0	262.5	231.4
Textile	11.59	180.6	217.2	245.0	209.3	199.0	173.3	199.8	177.1	190.5
Wearing apparel	61.00	214.1	199.8	174.8	181.1	182.4	228.4	204.8	187.9	214.0
Leather and related products	0.81	199.7	208.0	241.0	218.5	192.2	215.1	192.8	171.0	176.1
Wood and products of wood and cork	0.03	122.6	125.2	115.1	125.8	117.9	116.0	116.9	130.5	138.2
Paper and paper products	0.44	142.0	144.3	148.3	152.5	148.3	133.8	133.6	149.8	121.6
Printing and reproduction of recorded media	0.10	142.3	144.2	144.2	154.3	146.2	148.3	166.8	166.2	179.8
Coke and refined petroleum products	0.12	135.3	126.6	136.5	144.3	65.9	452.3	754.5	148.9	145.8
Chemicals and chemical products	1.29	137.8	121.8	129.8	125.3	117.6	129.7	120.3	124.7	119.2
Pharmaceuticals and medicinal chemical	3.05	307.2	263.0	277.3	322.9	350.1	288.1	284.7	311.7	344.2
Rubber and plastic products	0.45	132.2	179.4	188.4	196.8	165.1	152.1	138.6	182.5	189.3
Other non-metallic mineral products	4.25	353.4	414.0	493.5	459.6	348.8	426.5	373.9	327.4	362.8
Basic metal	0.72	365.5	388.3	347.7	423.0	375.1	497.6	493.3	373.2	391.4
Fabricated metal products	0.65	121.7	133.5	139.8	129.3	124.9	132.1	133.8	133.9	131.8
Computer, electronic and optical product	0.54	150.7	139.4	118.2	117.1	140.2	156.1	151.8	150.4	148.7
Electrical equipment	1.18	144.4	150.3	154.9	146.9	168.5	170.0	149.3	164.2	194.8
Machinery and equipment	0.01	128.1	135.4	131.4	135.1	132.0	144.8	172.5	181.3	179.4
Motor vehicles and trailers	0.01	197.5	222.7	265.2	194.7	189.2	180.8	190.6	216.6	197.5
Other transport equipment	4.16	215.4	215.6	269.4	214.0	201.2	139.5	199.0	243.2	210.2
Furniture	0.51	152.4	154.8	165.8	172.9	150.0	146.8	139.2	157.2	160.4
Other manufacturing	0.12	115.2	130.5	118.4	122.7	127.4	137.2	140.4	132.4	133.1

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

Tables I.6 (b): Quantum Index of Small, Medium & Micro-scale Manufacturing Industries by Major Groups

(Base year: 2015-16)

	FY23				FY24				FY25	
	Weight	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂ ^R	Q ₃	Q ₄	Q ₁	Q ₂ ^P
General index	100.0	213.1	212.8	203.6	201.6	214.2	230.3	228.5	201.2	227.7
Food products	24.85	162.3	140.6	116.3	134.7	145.4	174.9	186.5	156.0	163.7
Beverages	0.76	85.7	95.8	168.1	177.9	140.4	149.6	244.5	218.0	162.6
Tobacco products	0.13	182.2	181.8	179.3	169.3	191.4	178.2	176.1	169.4	184.3
Textile	9.99	174.8	174.9	184.6	170.6	184.3	174.2	165.3	167.6	182.9
Wearing apparel	16.58	295.1	281.6	257.3	273.8	260.1	301.3	297.5	245.7	284.5
Leather and related products	3.73	117.9	126.0	114.7	119.2	149.0	135.7	137.3	130.0	157.8
Wood and products of wood and cork	0.27	125.9	130.8	133.0	137.2	115.9	117.3	118.3	116.6	123.2
Paper and paper products	0.77	163.0	136.2	98.6	160.0	168.9	176.5	153.1	128.3	162.3
Printing and reproduction of recorded media	0.36	114.3	112.1	97.7	97.8	111.4	106.9	104.4	102.8	111.9
Coke and refined petroleum products	0.12	136.7	129.0	145.1	138.9	158.9	152.7	152.7	151.6	181.9
Chemicals and chemical products	0.41	103.4	103.7	97.1	96.1	110.4	104.2	98.9	106.8	111.6
Pharmaceuticals and medicinal chemical	0.63	210.4	197.1	214.0	184.5	211.2	209.1	234.2	195.8	220.8
Rubber and plastic products	19.92	250.0	266.5	250.7	237.2	275.0	287.1	290.4	237.6	284.5
Other non-metallic mineral products	10.69	215.6	255.3	250.1	225.9	227.9	250.6	216.7	209.2	245.9
Basic metal	5.14	318.3	314.2	318.4	333.2	355.5	338.7	320.3	324.5	359.3
Fabricated metal products	0.59	135.4	140.5	143.9	143.5	161.4	149.5	151.0	156.0	168.1
Computer, electronic and optical product	0.76	121.3	106.1	98.8	114.1	107.7	95.5	89.1	105.8	109.7
Electrical equipment	1.12	111.2	156.0	160.3	176.8	189.4	193.8	182.1	187.6	204.7
Machinery and equipment	0.36	122.0	117.0	69.8	71.3	111.9	73.8	77.2	104.2	107.7
Motor vehicles and trailers	0.20	104.5	104.7	110.5	108.1	113.8	109.3	103.5	102.8	110.3
Other transport equipment	0.42	114.6	111.6	99.8	105.2	118.7	100.9	93.2	119.1	121.5
Furniture	1.34	194.4	161.0	163.2	158.8	172.6	150.5	156.8	167.3	182.2
Other manufacturing	0.86	116.8	117.2	113.9	---	---	---	---	---	---

Source: Bangladesh Bureau of Statistics. '---' = Data not Available. P=Provisional, R=Revised.

Tables I.6 (c): Quantum Index of Cottage-scale Manufacturing Industries by Major Groups

(Base year: 2015-16)

	FY23				FY24				FY25	
	Weight	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂ ^R	Q ₃	Q ₄	Q ₁	Q ₂ ^P
General index	100.0	188.9	183.5	188.7	195.8	199.9	201.9	205.6	200.6	215.5
Food products	21.64	205.6	206.1	208.6	221.5	221.4	222.0	223.8	215.4	222.0
Beverages	0.05	125.2	123.2	133.5	140.1	142.5	141.5	188.3	177.3	149.5
Tobacco products	0.21	137.5	139.5	157.2	187.9	177.0	141.9	146.0	138.7	142.9
Textile	9.62	168.6	152.0	139.0	164.9	147.2	173.3	184.3	135.3	155.5
Wearing apparel	3.78	168.6	162.4	160.0	164.9	164.2	173.3	184.3	169.5	175.6
Leather and related products	2.51	125.1	133.7	133.0	139.5	144.1	138.1	136.7	144.5	152.1
Wood and products of wood and cork	6.26	178.7	162.1	157.8	167.1	176.0	190.6	200.1	198.5	195.2
Paper and paper products	0.50	148.2	156.2	139.0	134.8	140.8	143.4	148.3	143.4	148.7
Printing and reproduction of recorded media	2.49	210.7	201.2	200.4	208.7	226.2	205.4	211.7	211.8	223.5
Coke and refined petroleum products	0.04	250.3	210.4	206.2	195.7	243.5	208.7	214.0	228.7	245.4
Chemicals and chemical products	0.01	139.4	135.5	132.3	133.8	140.9	136.9	138.0	142.3	145.2
Pharmaceuticals and medicinal chemical	0.13	195.2	216.7	220.1	225.6	216.3	185.8	199.9	209.3	210.0
Rubber and plastic products	0.50	325.9	287.8	257.3	260.4	262.5	276.3	287.9	275.2	276.9
Other non-metallic mineral products	2.19	176.2	177.3	183.0	169.7	172.6	206.7	211.2	191.3	191.0
Basic metal	0.02	173.1	154.8	166.5	178.1	182.7	179.1	172.3	155.2	155.8
Fabricated metal products	12.37	175.7	176.8	181.2	181.9	205.4	187.9	194.5	195.9	213.8
Computer, electronic and optical product	0.06	137.9	146.7	159.8	150.3	123.2	123.0	126.9	122.7	124.0
Electrical equipment	0.06	140.7	116.8	121.9	140.8	151.7	152.8	151.2	127.5	135.4
Machinery and equipment	0.56	112.3	112.2	107.5	124.1	140.2	137.2	133.6	127.4	118.7
Motor vehicles and trailers	0.54	131.9	132.4	138.4	140.6	133.9	149.8	158.0	140.3	161.6
Other transport equipment	1.70	121.7	133.0	132.7	138.7	137.9	145.9	148.2	136.0	150.9
Furniture	18.01	191.0	177.8	164.4	184.0	208.8	207.1	210.7	196.6	232.0
Other manufacturing	15.01	242.0	231.0	277.2	277.8	241.0	261.8	263.5	270.2	291.8
Repair and installation of machinery and equipment	1.76	120.7	110.4	105.7	112.1	116.8	120.8	121.6	119.5	123.0

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

Table I.7: Cargo Handled by Chattogram Port

(in thousands metric tons)

	FY23					FY24				FY25	
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Export	7,506	7,462	1,852	1,745	1,984	1,860	1,815	1,883	1,903	1,995	2,037
Import	109,708	115,781	26,525	27,788	28,512	28,589	27,936	29,566	29,690	26,913	29,996
Total	117,213	123,244	28,377	29,532	30,497	30,449	29,751	31,450	31,593	28,908	32,032
growth in percent (y-o-y)											
Export	-5.82	-0.58	-11.14	-14.32	3.57	-3.37	-1.97	7.95	-4.09	7.27	12.20
Import	9.81	5.54	-4.06	1.37	15.81	6.35	5.32	6.40	4.13	-5.86	7.37
Total	8.66	5.15	-4.56	0.29	14.92	5.70	4.84	6.49	3.59	-5.06	7.67

Source: Chattogram port authority.

Table I.8: Trends in Private Sector Credit

(in billion BDT)

Institutions	FY23					FY24				FY25	
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	
Outstanding											
Banks ¹	14943	16,412	14,468	14,943	15,131	15,707	15,985	16,412	16,522	16,851	
Non-banks ²	725	764	712	725	729	735	744	746	738	751	
Microfinance institutions ³	1032	1,064	1,019	1,032	1,028	1,057	1,079	1,064	1,031	1,079	
Total	16,700	18,222	16,199	16,700	16,888	17,498	17,808	18,222	18,291	18,681	
growth in percent (y-o-y)											
Banks	10.59	9.83	12.03	10.59	9.69	10.13	10.49	9.83	9.20	7.28	
Non-banks	4.53	2.99	3.23	4.53	3.50	4.32	4.51	2.99	1.28	2.21	
Microfinance institutions*	18.10	3.06	19.78	18.10	14.89	8.93	5.90	3.06	0.24	2.09	
Total	10.71	9.12	12.03	10.71	9.71	9.80	9.93	9.12	8.31	6.76	

Sources: ¹Monetary Policy Department; ²Department of Financial Institutions and Markets, Bangladesh Bank;³The data cover 10 microfinance institutions as shown in Table I.11.

* The growth of FY23 has been calculated using data for seven microfinance institutions due to data unavailability.

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

(in billion BDT)

Sectors	FY23					FY24				FY25	
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁ ^R	Q ₂ ^P
Outstanding											
a. Agriculture	680	689	639	657	680	688	736	685	689	672	679
Crops	625	646	587	600	625	634	697	643	646	624	631
Others	55	43	52	57	55	54	39	42	43	47	49
b. Industry	5,743	6,634	5,386	5,541	5,743	5,887	6,082	6,363	6,634	6,839	7,043
Term loan	2,919	3,411	2,711	2,809	2,919	2,992	3,027	3,285	3,411	3,568	3,738
Working capital financing	2,824	3,224	2,675	2,732	2,824	2,894	3,055	3,077	3,224	3,271	3,305
c. Construction	1,154	1,230	1,097	1,160	1,154	1,200	1,228	1,258	1,230	1,187	1,254
d. Transport	68	69	69	68	68	70	66	67	69	68	71
e. Trade and commerce	4,625	5,031	4,599	4,543	4,625	4,674	4,990	4,924	5,031	5,150	5,419
f. Other institutional loan	332	325	312	335	332	332	332	329	325	308	346
g. Consumer finance	1,314	1,369	1,289	1,209	1,314	1,305	1,329	1,360	1,369	1,396	1,445
h. Miscellaneous	95	120	83	92	95	97	104	112	120	84	99
Grand total	14,011	15,467	13,474	13,603	14,011	14,251	14,867	15,098	15,467	15,703	16,357
growth in percent (y-o-y)											
a. Agriculture	13.39	1.32	18.29	18.04	13.39	9.99	15.17	4.32	1.32	-2.31	-7.74
Crops	13.80	3.31	19.52	17.71	13.80	8.71	18.64	7.29	3.31	-1.44	-9.51
Others	8.87	-21.23	5.91	21.58	8.87	27.63	-24.17	-26.80	-21.23	-12.59	23.64
b. Industry	8.53	15.52	8.56	11.49	8.53	12.30	12.91	14.84	15.52	16.17	15.81
Term loan	11.40	16.83	7.29	10.71	11.40	15.16	11.65	16.95	16.83	19.23	23.51
Working capital financing	5.71	14.17	9.89	12.31	5.71	9.48	14.19	12.66	14.17	13.01	8.18
c. Construction	10.84	6.59	9.33	12.67	10.84	9.28	11.91	8.45	6.59	-1.07	2.18
d. Transport	5.11	1.55	-2.30	-0.68	5.11	4.35	-4.09	-0.63	1.55	-2.35	8.04
e. Trade and commerce	9.36	8.77	16.41	11.49	9.36	4.44	8.50	8.40	8.77	10.20	8.60
f. Other institutional loan	14.66	-2.02	10.64	14.33	14.66	20.06	6.55	-1.51	-2.02	-7.20	4.26
g. Consumer finance	23.48	4.18	35.07	21.23	23.48	15.99	3.08	12.48	4.18	6.97	8.77
h. Miscellaneous	35.37	26.77	70.01	57.74	35.37	27.68	25.06	22.22	26.77	-13.77	-5.56
Grand total	10.75	10.40	14.08	12.92	10.75	9.76	10.33	11.00	10.40	10.19	10.03
share in percent											
a. Agriculture	4.85	4.45	4.74	4.83	4.85	4.82	4.95	4.54	4.45	4.28	4.15
Crops	4.46	4.17	4.36	4.41	4.46	4.45	4.69	4.26	4.17	3.98	3.86
Others	0.39	0.28	0.38	0.42	0.39	0.38	0.26	0.28	0.28	0.30	0.30
b. Industry	40.99	42.89	39.97	40.73	40.99	41.30	40.91	42.14	42.89	43.67	43.06
Term loan	20.83	22.05	20.12	20.65	20.83	21.00	20.36	21.76	22.05	22.72	22.85
Working capital financing	20.15	20.84	19.86	20.08	20.15	20.31	20.55	20.38	20.84	20.94	20.20
c. Construction	8.24	7.95	8.14	8.53	8.24	8.42	8.26	8.33	7.95	7.53	7.67
d. Transport	0.49	0.45	0.51	0.50	0.49	0.49	0.44	0.45	0.45	0.44	0.43
e. Trade and commerce	33.01	32.53	34.13	33.39	33.01	32.79	33.56	32.61	32.53	32.72	33.13
f. Other institutional loan	2.37	2.10	2.31	2.46	2.37	2.33	2.23	2.18	2.10	1.94	2.12
g. Consumer finance	9.38	8.85	9.56	8.89	9.38	9.16	8.94	9.01	8.85	8.89	8.83
h. Miscellaneous	0.67	0.78	0.62	0.67	0.67	0.68	0.70	0.74	0.78	0.54	0.60
Grand total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.00

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

Table I.9 (a): Performance Indicators of NBFIs
(in billion BDT)

Sectors	FY23				FY24				FY25	
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁ ^R	Q ₂ ^P
Loans and advances of NBFIs (outstanding in private sector)										
a. Agriculture	5.6	7.3	5.7	5.6	5.5	6.5	6.9	7.3	7.1	6.4
Crops	4.6	6.7	4.7	4.6	4.5	5.5	5.9	6.7	6.5	5.8
Others	0.9	0.6	1.0	0.9	1.0	1.0	1.0	0.6	0.6	0.6
b. Industry	287.2	310.0	279.4	287.2	292.5	297.0	305.7	310.0	309.9	325.6
Term loan	231.0	253.5	222.8	231.0	237.9	241.0	252.2	253.5	257.0	275.5
Working capital financing	50.1	51.4	50.7	50.1	49.2	49.6	47.9	51.4	48.4	44.5
Factoring	6.1	5.0	5.9	6.1	5.4	6.4	5.6	5.0	4.5	5.5
c. Construction	99.9	93.9	98.5	99.9	103.9	104.8	87.7	93.9	90.5	94.4
d. Transport	17.0	15.7	17.2	17.0	17.1	16.6	16.7	15.7	17.8	17.2
e. Trade and commerce	167.8	163.5	166.8	167.8	168.4	162.2	169.9	163.5	160.3	156.3
f. Other institutional loan	46.3	49.1	46.3	46.3	47.9	46.1	49.7	49.1	48.4	51.8
g. Consumer finance	99.2	107.8	95.3	99.2	96.7	96.9	107.5	107.8	106.5	107.1
h. Miscellaneous	0.3	1.0	1.9	0.3	0.2	6.3	0.2	1.0	0.2	0.3
Total loans and advances	723.1	748.3	711.0	723.1	732.2	736.5	744.3	748.3	740.6	759.1
Fixed deposits	432.9	437.5	425.3	432.9	434.0	435.1	429.2	465.4	464.0	465.4
Recurring deposits	8.5	7.6	6.5	8.5	7.1	7.4	8.5	7.6	8.4	8.6
Special purpose deposits	4.8	5.6	4.6	4.8	5.4	5.1	5.1	5.6	5.4	5.6
Restricted (blocked) deposits	0.7	0.4	0.5	0.7	0.6	0.6	0.4	0.4	0.6	0.6
Total deposits	446.8	451.2	437.0	446.8	447.2	448.3	443.0	479.1	478.4	480.3
Deposit rate	7.93	9.83	7.78	7.93	8.15	8.45	9.19	9.83	10.24	10.51
Advances rate	8.20	12.79	8.89	8.20	11.58	11.68	12.16	12.79	13.47	13.72
Spread	0.27	2.96	1.11	0.27	3.43	3.23	2.97	2.96	3.23	3.21
growth in percent (y-o-y)										
Loans and advances of NBFIs										
a. Agriculture	6.35	31.12	15.17	6.35	-2.73	16.17	21.87	31.12	28.22	-1.48
Crops	12.73	44.15	24.24	12.73	-0.62	22.72	26.64	44.15	42.89	5.59
Others	-16.61	-32.31	-14.73	-16.61	-11.31	-10.89	-1.02	-32.31	-38.74	-41.68
b. Industry	6.70	7.94	1.66	6.70	9.53	7.87	9.43	7.94	5.92	9.61
Term loan	9.44	9.76	3.21	9.44	12.18	11.39	13.19	9.76	8.02	14.31
Working capital financing	-5.20	2.75	-6.72	-5.20	-0.36	-6.05	-5.52	2.75	-1.74	-10.21
Factoring	16.12	-18.46	27.79	16.12	-3.19	3.77	-4.12	-18.46	-16.89	-13.59
c. Construction	2.88	-6.01	2.36	2.88	6.73	9.11	-10.97	-6.01	-12.89	-9.91
d. Transport	1.62	-7.99	8.65	1.62	-0.33	-4.46	-3.14	-7.99	4.35	3.39
e. Trade and commerce	9.76	-2.53	12.12	9.76	7.58	4.15	1.86	-2.53	-4.82	-3.65
f. Other institutional loan	13.34	6.19	17.46	13.34	17.06	5.11	7.27	6.19	1.18	12.31
g. Consumer finance	-6.79	8.69	-10.56	-6.79	-8.87	-7.85	12.83	8.69	10.19	10.49
h. Miscellaneous	-11.50	305.47	530.90	-11.50	-12.22	220.97	-89.21	305.47	-23.10	-94.47
Total loans and advances	5.01	3.48	3.53	5.01	5.97	5.04	4.68	3.48	1.15	3.07

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

Table I.10: Trends in Agricultural Credit

(in billion BDT)

	FY23					FY24				FY25	
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Program/Target (July-June)	308.1	350.0	308.1	308.1	308.1	350.0	350.0	350.0	350.0	380.0	380.0
Total disbursement	328.3	371.5	100.9	74.5	87.1	88.2	95.0	83.5	104.8	64.6	98.0
Crop	146.6	164.6	48.3	36.9	30.5	39.1	43.7	37.7	44.1	27.7	48.5
Irrigation	2.7	2.0	0.5	0.5	0.7	0.5	0.6	0.5	0.3	0.2	1.0
Agricultural equipment	2.3	2.1	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.3	1.1
Live-stock	75.1	89.8	21.4	15.7	24.6	20.9	24.0	20.0	24.9	16.3	22.9
Fisheries	42.0	55.0	11.6	9.5	12.3	12.8	13.4	12.2	16.6	11.5	13.3
Grain storage & marketing	1.7	2.0	0.4	0.3	0.5	0.3	0.5	0.6	0.6	0.2	0.4
Poverty alleviation	21.9	21.5	6.7	3.9	7.8	6.8	4.5	3.6	6.7	2.6	3.4
Others	36.1	34.6	11.5	7.2	9.9	7.3	7.8	8.2	11.3	5.8	7.3
Total recovery	330.1	355.7	93.5	77.9	87.9	80.1	97.7	76.3	101.6	92.1	99.1
Total overdue	65.4	93.7	72.1	70.7	65.4	86.7	80.8	101.8	93.7	117.5	116.0
Outstanding	527.0	581.2	510.0	512.8	527.0	541.6	554.0	565.7	581.2	549.3	560.2
Overdue as percent of outstanding	12.41	16.12	14.14	13.78	12.41	16.00	14.59	17.99	16.12	21.40	20.71
growth in percent											
Total disbursement	13.86	13.17	8.61	6.35	18.79	34.02	-5.79	12.01	20.36	-26.82	3.15
Total recovery	20.20	7.76	16.81	22.06	17.40	13.25	4.40	-2.05	15.60	14.92	1.45

Source: Agricultural Credit Department, Bangladesh Bank.

Table I.11: Microcredit Operations of Large NGOs

(in billion BDT)

Institutions	FY23					FY24				FY25
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂ ^P
1. Total disbursement	1722.2	1755.4	456.7	417.9	415.9	477.1	461.2	401.1	375.6	490.3
i) Grameen Bank	247.4	246.8	65.2	58.8	57.8	69.7	66.1	53.2	55.4	66.5
ii) BRAC	658.3	704.5	172.1	156.6	167.1	190.5	184.7	162.3	145.4	201.1
iii) ASA	543.4	505.9	147.8	137.8	120.0	142.6	130.9	112.4	102.9	135.5
iv) Proshika	20.5	23.9	5.5	5.2	5.8	6.3	6.4	5.5	5.8	6.2
v) TMSS	88.6	94.8	23.2	20.3	22.8	23.3	26.3	22.4	22.9	26.9
vi) RDRS Bangladesh	20.7	22.9	5.3	5.2	5.6	5.8	5.9	5.6	5.7	6.4
vii) CARITAS Bangladesh	8.9	8.9	2.5	2.1	2.3	2.4	2.2	1.9	2.0	2.2
viii) Jagoroni Chakra Foundation(JCF)	41.8	50.3	10.3	9.7	11.1	11.7	12.5	15.1	13.5	16.7
ix) Society for Social Services	66.7	69.4	18.0	15.8	16.8	17.9	18.6	16.1	17.0	20.8
x) Shakti Foundation	26.0	28.0	6.8	6.4	6.7	7.1	7.6	6.5	5.1	8.0
2. Total recovery	1644.9	1809.0	430.5	428.2	440.2	472.0	454.1	442.7	431.7	464.6
i) Grameen Bank	232.0	242.3	61.3	54.0	59.4	67.1	63.3	52.5	58.1	65.8
ii) BRAC	660.4	751.2	172.6	180.7	176.3	190.2	186.7	198.0	187.6	193.4
iii) ASA	505.1	533.9	131.9	128.6	136.1	142.4	133.4	122.0	115.9	127.7
iv) Proshika	20.6	24.5	5.4	5.7	6.1	6.9	6.0	5.6	6.1	6.3
v) TMSS	81.0	88.4	21.0	21.4	21.8	22.7	21.9	22.1	21.9	25.8
vi) RDRS Bangladesh	19.0	21.4	4.9	5.0	5.2	5.5	5.5	5.3	5.5	6.0
vii) CARITAS Bangladesh	8.0	8.8	2.1	2.0	2.3	2.4	2.2	2.0	2.0	2.1
viii) Jagoroni Chakra Foundation(JCF)	36.5	43.8	9.4	9.6	10.5	10.6	11.1	11.6	12.1	12.9
ix) Society for Social Services	62.3	68.6	16.2	15.3	16.4	18.0	17.5	16.7	16.2	17.8
x) Shakti Foundation	20.1	26.1	5.5	6.0	6.2	6.4	6.6	6.9	6.3	6.7
3. Loans outstanding	1032.3	1063.8	1018.9	1032.3	1028.1	1056.9	1078.9	1063.8	1030.6	1078.7
4. Loans overdue	35.4	55.0	35.5	35.4	38.4	46.4	53.9	55.0	66.1	68.5
5. Overdue as percent of outstanding	3.43	5.17	3.49	3.43	3.74	4.39	5.00	5.17	6.41	6.35

Source: Research Department, Bangladesh Bank. P = Provisional.

Table I.12: Microcredit Operations of MFIs

(in billion BDT)

Indicators			FY23		FY24		FY25 ^P
	FY23	FY24	July- Dec/22	Jan- Jun/23	July- Dec/23	Jan- Jun/24	July- Dec/24
Total disbursement	2493.0	2638.2	1137.9	1355.1	1211.2	1427.0	1326.2
Total recovery	2112.4	2617.1	937.1	1175.4	1177.9	1439.1	1295.9
Loans outstanding	1504.2	1562.8	1402.7	1504.2	1536.7	1562.8	1645.2
Loans overdue	153.9	162.1	135.5	153.9	158.0	162.1	159.6
Overdue as percent of outstanding	10.23	10.37	9.66	10.23	10.28	10.37	9.70

Source: Microcredit Regulatory Authority. P = Provisional.

Table II.1: Trend in Inflation

(Base year: 2021-22=100)

Period	Point-to-point			12-Month average		
	General	Food	Non-food	General	Food	Non-food
2022						
July	7.48	8.19	6.39	6.33	6.31	6.35
August	9.52	9.94	8.85	6.66	6.71	6.58
September	9.10	9.08	9.13	6.96	7.04	6.84
October	8.91	8.50	9.58	7.23	7.32	7.10
November	8.85	8.14	9.98	7.48	7.55	7.37
December	8.71	7.91	9.96	7.70	7.75	7.62
2023						
January	8.57	7.76	9.84	7.92	7.92	7.92
February	8.78	8.13	9.82	8.14	8.08	8.23
March	9.33	9.09	9.72	8.39	8.31	8.53
April	9.24	8.84	9.72	8.64	8.53	8.81
May	9.94	9.24	9.96	8.85	8.61	9.13
June	9.74	9.73	9.60	9.02	8.73	9.39
July	9.69	9.76	9.47	9.20	8.84	9.64
August	9.92	12.54	7.95	9.24	9.08	9.55
September	9.63	12.37	7.82	9.29	9.37	9.44
October	9.93	12.56	8.30	9.37	9.73	9.33
November	9.49	10.76	8.16	9.43	9.95	9.17
December	9.41	9.58	8.52	9.48	10.08	9.05
2024						
January	9.86	9.56	9.42	9.59	10.22	9.02
February	9.67	9.44	9.33	9.66	10.32	8.98
March	9.81	9.87	9.64	9.69	10.37	8.98
April	9.74	10.22	9.34	9.73	10.52	8.78
May	9.89	10.76	9.19	9.73	10.63	8.74
June	9.72	10.42	9.15	9.73	10.67	8.72
July	11.66	14.10	9.68	9.90	11.02	8.88
August	10.49	11.36	9.74	9.95	10.93	9.03
September	9.92	10.40	9.50	9.97	10.76	9.17
October	10.87	12.66	9.34	10.05	10.79	9.25
November	11.38	13.8	9.39	10.22	11.06	9.35
December	10.89	12.92	9.26	10.34	11.33	9.41

Source: Bangladesh Bureau of Statistics (BBS).

Note: a) Food includes food, beverage & tobacco. b) The data before April 2023 used 2005-06 as base year.

Table II.2: Commodity Prices in the International Markets

	FY23		FY24				FY25	
	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Rice (USD/MT)	495.0	508.3	600.7	610.7	632.3	617.3	586.3	517.7
Wheat (USD/MT)	298.3	264.9	237.1	244.2	240.8	237.2	214.6	230.9
Soybean oil (USD/MT)	1236.0	1008.5	1124.6	1104.9	949.4	985.9	1093.7	1188.6
Sugar (USD /kg)	0.44	0.54	0.54	0.54	0.49	0.43	0.43	0.45
Crude petroleum (Dubai) (USD/Barrel)	79.6	77.9	86.7	83.8	81.6	85.0	78.4	73.6
Palm oil (USD/MT)	954.7	918.8	856.3	816.1	881.6	889.6	937.2	1145.2

Source: World Bank. Notes: MT=Metric Ton; --- = Not available.

Table II.3: Inflation in South Asia

Countries	(point-to-point)									
	FY23		FY24				FY25			
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Bangladesh	9.74	9.72	9.33	9.74	9.63	9.41	9.81	9.72	9.92	10.89
Bhutan	3.83	1.84	3.15	3.83	5.03	4.32	4.99	1.84	1.35	2.02
India	4.81	5.08	5.66	4.81	5.02	5.69	4.85	5.08	5.49	5.22
Pakistan	29.40	12.60	35.40	29.40	31.44	29.66	20.70	12.60	6.90	4.10
Sri Lanka	10.80	1.70	49.20	10.80	0.80	4.20	0.90	1.70	-0.20	-2.0
Vietnam	2.00	4.34	3.35	2.00	3.66	3.58	3.97	4.34	2.63	2.94

Source: Central Banks and Statistics departments of respective countries.

Note: Quarterly data indicate end quarter.

Table III.1: Movements in Reserve Money

(in billion BDT)

	FY23					FY24				FY25	
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁ ^R	Q ₂ ^P
Outstanding											
1. Net foreign assets of BB	2,875	2,458	2,975	2,820	2,875	2,590	2,482	2,269	2,458	2,317	2,358
2. Net domestic assets of BB	961	1,679	825	636	961	853	1,241	1,299	1,679	1,436	1,637
a) Claims on public sector	1,613	1,501	1,090	1,154	1,613	1,330	1,309	1,320	1,501	1,076	969
i) Claims on govt. (net)	1,574	1,459	1,053	1,118	1,574	1,290	1,267	1,278	1,459	1,038	900
ii) Claims on other public sector	39	42	36	36	39	39	42	42	42	38	69
b) Claim on private sector	74	88	63	72	74	77	84	85	88	93	94
c) Claims on banks	618	1,701	666	581	618	754	1,246	1,191	1,701	1,641	1,981
d) Other items (net)	-1,344	-1,612	-993	-1,172	-1,344	-1,309	-1,398	-1,297	-1,612	-1,374	-1,406
3. Currency issued	3,119	3,203	2,924	2,790	3,119	2,773	2,797	2,912	3,203	3,110	3,049
i) Currency outside banks	2,919	2,904	2,682	2,547	2,919	2,535	2,549	2,612	2,904	2,836	2,764
ii) Cash in tills	200	299	242	243	200	238	248	300	299	275	286
4. Deposits of banks with BB	716	933	876	666	716	669	927	656	933	643	946
5. Reserve money (RM)	3,836	4,136	3,800	3,456	3,836	3,442	3,723	3,568	4,136	3,753	3,995
6. Money multiplier (M2/RM)	4.92	4.92	4.63	5.15	4.92	5.45	5.13	5.43	4.92	5.4	5.1
growth in percent (y-o-y)											
1. Net foreign assets of BB	-17.3	-14.5	-16.1	-18.2	-17.3	-18.8	-16.6	-19.5	-14.5	-10.5	-5.0
2. Net domestic assets of BB	16230.2	74.7	366.7	369.4	16230.2	305.1	50.4	104.3	74.7	68.4	31.9
a) Claims on public sector	176.4	-6.9	1165.9	608.6	176.4	76.6	20.1	14.4	-6.9	-19.1	-26.0
i) Claims on govt. (net)	186.6	-7.3	1829.4	773.4	186.6	80.1	20.3	14.3	-7.3	-19.5	-29.0
ii) Claims on other public sector	13.3	8.1	15.7	3.9	13.3	8.1	15.3	15.5	8.1	-3.6	64.3
b) Claim on private sector	26.7	19.5	9.8	24.4	26.7	28.7	34.1	18.6	19.5	19.9	12.3
c) Claims on Banks	283.6	175.1	301.3	260.1	283.6	175.7	87.1	104.9	175.1	117.6	58.9
3. Currency issued	21.8	2.7	27.4	20.3	21.8	6.0	-4.3	4.4	2.7	12.2	9.0
4. Deposits of banks with BB	-21.3	30.3	-6.9	-25.3	-21.3	-14.7	5.7	-1.6	30.3	-4.0	2.1
5. Reserve money (RM)	10.5	7.8	17.4	7.6	10.5	1.2	-2.0	3.2	7.8	9.0	7.3

Source: Statistics Department, Bangladesh Bank.

P = Provisional, R= Revised.

Table III.2: Movements in Broad Money

(in billion BDT)

	FY23					FY24				FY25	
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁ ^R	Q ₂ ^P
Outstanding											
1. Net foreign assets	3,167	2,911	3,194	3,091	3,167	2,933	2,775	2,594	2,911	2,651	2,553
2. Net domestic assets	15,704	17,421	14,386	14,696	15,704	15,839	16,317	16,778	17,421	17,601	17,984
a) Domestic credit	19,268	21,155	17,618	18,160	19,268	19,306	19,712	20,364	21,155	21,063	21,510
Credit to public sector	4,325	4,743	3,356	3,691	4,325	4,175	4,006	4,379	4,743	4,541	4,659
Credit to govt. (net)	3,873	4,249	2,936	3,246	3,873	3,709	3,517	3,904	4,249	4,068	4,156
Credit to other public sector	452	494	420	446	452	466	489	475	494	472	503
Credit to private sector	14,943	16,412	14,261	14,468	14,943	15,131	15,707	15,985	16,412	16,522	16,851
b) Other items (net)	-3,563	-3,734	-3,232	-3,464	-3,563	-3,466	-3,395	-3,586	-3,734	-3,462	-3,526
3. Narrow Money	4,919	5,009	4,525	4,353	4,919	4,400	4,517	4,554	5,009	4,765	4,749
a) Currency outside banks	2,919	2,904	2,682	2,547	2,919	2,535	2,549	2,612	2,904	2,836	2,764
b) Demand deposits	2,000	2,105	1,844	1,806	2,000	1,865	1,969	1,942	2,105	1,929	1,985
4. Time deposits	13,953	15,323	13,054	13,434	13,953	14,372	14,574	14,819	15,323	15,487	15,788
5. Broad money	18,872	20,332	17,580	17,787	18,872	18,772	19,091	19,372	20,332	20,251	20,537
growth in percent (y-o-y)											
1. Net foreign assets	-13.06	-8.08	-13.48	-13.28	-13.06	-12.56	-13.13	-16.06	-8.08	-9.62	-8.00
2. Net domestic assets	16.86	10.93	14.95	15.40	16.86	14.17	13.42	14.17	10.93	11.12	10.22
a) Domestic credit	15.25	9.80	14.98	16.21	15.25	12.89	11.89	12.14	9.80	9.10	9.12
Credit to public sector	34.99	9.66	24.80	36.08	34.99	26.27	19.34	18.63	9.66	8.75	16.32
Credit to govt. (net)	36.65	9.69	25.19	37.82	36.65	26.81	19.77	20.29	9.69	9.68	18.18
Credit to other public sector	22.29	9.42	22.12	24.61	22.29	22.08	16.39	6.57	9.42	1.39	2.94
Credit to private sector	10.57	9.84	12.89	12.03	10.57	9.69	10.13	10.49	9.84	9.20	7.28
3. Narrow money	15.49	1.84	19.31	15.89	15.49	5.15	-0.18	4.62	1.84	8.28	5.13
4. Time deposits	8.82	9.82	5.16	7.10	8.82	10.18	11.64	10.31	9.82	7.75	8.33
5. Broad money	10.48	7.74	8.47	9.13	10.48	8.96	8.60	8.92	7.74	7.88	7.57

Source: Statistics Department, Bangladesh Bank.

P = Provisional, R= Revised.

Table III.3: Interest Rates Developments

Instruments	Dec.22	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24	Jun.24	Sep.24 ^R	Dec.24 ^P
T - bills									
91 - day	6.90	6.18	6.80	7.24	10.89	11.33	11.64	11.48	11.51
182 - day	7.30	7.01	7.07	7.40	11.09	11.38	11.80	11.74	11.87
364 - day	7.76	7.40	7.90	7.97	11.28	11.59	12.00	11.88	11.97
BGTB									
2 - year	7.55	7.97	8.09	8.65	8.69	11.90	12.25	12.21	12.26
5 - year	7.90	8.14	8.71	8.99	10.35	12.02	12.43	12.36	12.36
10 - year	8.33	8.37	...	9.20	10.46	12.09	12.59	12.52	12.41
15-year	8.77	9.49	11.06	12.14	12.70	12.49	12.65
20-year	8.95	9.76	11.16	12.24	12.79	12.69	12.25
Repo									
1-3 day	5.75	6.00	6.00	6.50	7.75	8.00	8.50	9.50	10
Reverse repo									
1-3 day	4.00	4.25	4.25	4.50	5.75	6.50	7.00	8.00	8.5
Call money rate									
	5.80	6.03	6.06	6.41	8.84	8.75	9.08	9.14	10.08
Lending rate									
All banks	7.23	7.29	7.34	7.84	9.32	10.54	11.70	11.92	12.08
State owned banks	6.46	6.45	6.44	6.80	9.11	10.38	10.59	10.73	11.07
Private banks	7.44	7.53	7.63	8.17	9.39	10.60	12.03	12.27	12.38
(a) Domestic	7.45	7.54	7.63	8.18	9.40	10.62	12.08	12.31	12.45
(b) Foreign	7.09	7.40	7.57	7.87	9.16	10.23	10.91	11.04	10.64
Specialized banks	6.93	6.96	6.30	6.62	8.80	9.93	10.73	11.15	11.21
Islamic banks	7.20	7.17	7.35	7.83	8.87	10.20	11.77	12.02	12.43
Deposits rate									
All banks	4.24	4.37	4.41	4.55	4.74	5.20	5.52	5.88	6.04
State owned banks	4.03	4.13	4.27	4.45	4.64	4.89	4.88	5.16	5.35
Private banks	4.26	4.40	4.40	4.52	4.72	5.26	5.69	6.07	6.22
(a) Domestic	4.49	4.64	4.63	4.76	4.97	5.53	5.96	6.36	6.52
(b) Foreign	1.00	1.14	1.17	1.26	1.23	1.30	1.45	1.61	1.72
Specialized banks	5.56	5.66	5.86	5.96	6.07	6.35	6.70	7.17	7.19
Islamic banks	4.83	5.07	5.03	5.21	5.29	5.99	6.45	6.85	6.98
National savings certificate									
5 – year Bangladesh sanchayapatra ^a	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28
3 – year sanchayapatra (tin mas antar munafa vittik) ^b	11.04	11.04	11.04	11.04	11.04	11.04	11.04	11.04	11.04
5 – year pensioner sanchayapatra ^c	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76
5 – year paribar sanchayapatra ^d	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52

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

... = No auction; P = Provisional, R = Revised.

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

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

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

^dThe 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 BDT)

Instruments	Dec.22	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24	Jun.24	Sep.24^R	Dec.24^P
Bangladesh Banks Bills									
30-day	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.5
T - bills									
91 - day	403.3	279.7	362.1	352.9	357.4	521.2	639.0	767.9	513.1
182 - day	180.0	292.0	412.8	418.3	280.1	163.3	146.5	264.7	433.8
364 - day	309.8	433.5	518.0	724.7	724.7	727.5	632.2	522.1	685.5
Sub total	893.1	1005.2	1292.9	1495.8	1362.1	1412.0	1417.7	1554.7	1632.4
BGTB									
2 - year	393.0	443.0	485.0	482.0	479.7	494.2	541.0	388.0	660.6
5 - year	799.6	879.6	969.6	1037.5	1037.1	1055.2	1072.4	1146.2	1206.3
10 - year	1046.7	1089.7	1112.7	1146.0	1160.8	1202.0	1251.7	1318.1	1376.7
15-year	538.1	549.6	552.1	549.7	555.9	567.6	598.5	619.2	647.8
20-year	522.5	536.0	541.5	543.4	553.5	580.7	614.8	658.6	698.6
Sub total	3299.9	3497.8	3660.8	3758.6	3787.1	3899.5	4078.3	4130.0	4589.8
National savings certificate	3608.9	3598.4	3607.1	3594.4	3546.4	3481.6	3395.8	3479.1	3373.4
Total (excluding BB bills)	7801.9	8101.4	8560.8	8848.9	8695.6	8793.1	8891.8	9163.8	9595.6

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

P = Provisional, R= Revised.

Table IV.1: Government Fiscal Operations
(in billion BDT)

Items	FY24 ^R							FY25	
	FY23	FY24 ^R	Revised budget	Q ₂	Q ₃	Q ₄	Budget	Q ₁ ^R	Q ₂ ^P
Total revenue and foreign grants	3696	4141	4815	917	1000	1262	5454	1008	956
Total revenue	3668	4091	4780	915	996	1225	5410	1000	954
a) NBR tax revenue	3198	3615	4100	827	910	1120	4800	743	849
i) Taxes on income	1072	1230	1459	275	309	416	1756	233	287
ii) Value added tax	1262	1393	1581	330	330	419	1828	307	326
iii) Supplementary duty	445	537	554	117	138	174	643	99	128
iv) Customs duty	362	386	439	95	97	100	495	94	94
v) Excise duty	41	44	50	5	29	5	58	4	8
vi) Other taxes	16	24	17	7	6	6	20	5	6
b) Non- NBR tax revenue	80	79	190	18	21	21	150	18	20
c) Non- tax revenue	390	397	490	70	65	84	460	240	85
Foreign grants	28	49	35	2	4	38	44	8	2
Total expenditure	5743	6021	11632	1153	1360	2714	7970	963	1295
a) Operating expenditure	3700	4028	4532	864	976	1568	5070	826	1037
i) Pay and allowances	638	676	779	186	188	181	816	158	160
ii) Goods and services	339	399	448	103	89	174	456	47	76
iii) Interest payments	921	1140	1053	273	264	382	1135	424	202
iv) Subsidies, incentives and current transfers	1673	1671	2029	279	413	745	2221	189	571
v) Acquisitions of assets and works	126	130	159	23	16	87	220	7	29
vi) Investment in shares and equities	2	5	32	0	5	0	160	0	1
vii) Foreign financial assets	0	7	0	0	0	0	0	0	0
b) Development expenditure	2055	2006	2600	274	384	1192	2815	106	302
i) ADP	1923	1888	2450	264	354	1117	2650	105	286
ii) Non-ADP	87	84	106	7	26	51	105	0	7
iii) Development program finance from revenue	46	34	44	3	4	25	56	0	9
c) Others	-12	-13	12	15	1	-46	86	32	-44
Budget surplus/deficit (including grants)	-2047	-1880	-2329	-236	-361	-1452	-2516	45	-339
Financing	2039	1892	2329	183	365	1459	2516	-41	357
a) Domestic financing	1247	1137	1566	20	204	1011	1609	-10	188
i) Bank financing	1180	1242	1559	15	362	798	1375	-11	349
ii) Non-bank financing	68	-105	7	5	-158	213	234	1	-162
b) Foreign financing	791	755	763	163	161	448	907	-31	169

Table IV.1: Government Fiscal Operations (Contd.)

(in percentage of GDP)

Items	FY24 ^R						FY25		
	FY23	FY24 ^R	Revised budget	Q ₂	Q ₃	Q ₄	Budget	Q ₁ ^R	Q ₂ ^P
Total revenue and foreign grants	8.23	8.28	9.62	1.83	2.00	2.52	9.74	1.80	1.71
Total revenue	8.17	8.18	9.55	1.83	1.99	2.45	9.67	1.79	1.70
a) NBR tax revenue	7.12	7.23	8.20	1.65	1.82	2.24	8.58	1.33	1.52
i) Taxes on income	2.39	2.46	2.92	0.55	0.62	0.83	3.14	0.42	0.51
ii) Value added tax	2.81	2.78	3.16	0.66	0.66	0.84	3.27	0.55	0.58
iii) Supplementary duty	0.99	1.07	1.11	0.23	0.28	0.35	1.15	0.18	0.23
iv) Customs duty	0.81	0.77	0.88	0.19	0.19	0.20	0.88	0.17	0.17
v) Excise duty	0.09	0.09	0.10	0.01	0.06	0.01	0.10	0.01	0.01
vi) Other taxes	0.04	0.05	0.03	0.01	0.01	0.01	0.04	0.01	0.01
b) Non- NBR tax revenue	0.18	0.16	0.38	0.04	0.04	0.04	0.27	0.03	0.04
c) Non- tax revenue	0.87	0.79	0.98	0.14	0.13	0.17	0.82	0.43	0.15
Foreign grants	0.06	0.10	0.07	0.00	0.01	0.08	0.08	0.01	0.00
Total expenditure	12.79	12.03	23.25	2.31	2.72	5.43	14.24	1.72	2.31
a) Operating expenditure	8.24	8.05	9.06	1.73	1.95	3.13	9.06	1.48	1.85
i) Pay and allowances	1.42	1.35	1.56	0.37	0.38	0.36	1.46	0.28	0.29
ii) Goods and services	0.76	0.80	0.90	0.21	0.18	0.35	0.81	0.08	0.14
iii) Interest payments	2.05	2.28	2.10	0.55	0.53	0.76	2.03	0.76	0.36
iv) Subsidies, incentives and current transfers	3.72	3.34	4.06	0.56	0.83	1.49	3.97	0.34	1.02
v) Acquisitions of assets and works	0.28	0.26	0.32	0.05	0.03	0.17	0.39	0.01	0.05
vi) Investment in shares and equities	0.00	0.01	0.06	0.00	0.01	0.00	0.29	0.00	0.00
vii) Foreign financial assets	0.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Development expenditure	4.58	4.01	5.20	0.55	0.77	2.38	5.03	0.19	0.54
i) ADP	4.28	3.77	4.90	0.53	0.71	2.23	4.73	0.19	0.51
ii) Non-ADP	0.19	0.17	0.21	0.01	0.05	0.10	0.19	0.00	0.01
iii) Development program finance from revenue	0.10	0.07	0.09	0.01	0.01	0.05	0.10	0.00	0.02
c) Others	-0.03	-0.03	0.02	0.03	0.00	-0.09	0.15	0.06	-0.08
Budget surplus/deficit (including grants)	-4.56	-3.76	-4.66	-0.47	-0.72	-2.90	-4.49	0.08	-0.61
Financing	4.54	3.78	4.66	0.37	0.73	2.92	4.49	-0.07	0.64
a) Domestic financing	2.78	2.27	3.13	0.04	0.41	2.02	2.87	-0.02	0.34
i) Bank financing	2.63	2.48	3.12	0.03	0.72	1.60	2.46	-0.02	0.62
ii) Non-bank financing	0.15	-0.21	0.01	0.01	-0.32	0.43	0.42	0.00	-0.29
b) Foreign financing	1.76	1.51	1.53	0.33	0.32	0.89	1.62	-0.06	0.30
Memorandum item:									
GDP at current market price	44908	50027	50027	50027	50027	50027	55974	55974	55974

Source: Budget in Brief, Ministry of Finance and Monthly Fiscal Report, Ministry of Finance.

P = Provisional, R= Revised.

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

	FY23				FY24 ^R				FY25 ^P	
	FY23	FY24 ^R	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Current account balance	-11633	-6602	-1252	-2192	-1898	-2000	-500	-2204	-62	140
Trade balance	-27384	-22433	-5521	-5758	-5010	-6174	-4571	-6678	-4640	-5126
Export f.o.b.	43,364	40,807	10,610	10,201	10,051	10,066	10,829	9,861	10,552	11,770
of which: readymade garments	38,176	36,130	9,415	8,961	8,820	8,741	9,732	8,837	9,512	10,369
Import f.o.b.	70,748	63,240	16,131	15,959	15,061	16,240	15,400	16,539	15,192	16,896
Services	-3131	-4229	-607	-995	-960	-794	-1089	-1386	-981	-1188
Credit	6,971	6,285	1,585	1,612	1,458	1,673	1,534	1,620	1,565	1,845
Debit	10,102	10,514	2,192	2,607	2,418	2,467	2,623	3,006	2,546	3,033
Primary income	-3407	-4326	-805	-1200	-952	-1044	-1220	-1110	-1119	-914
Credit	443	550	112	119	123	145	158	124	135	176
Debit	3,850	4,876	917	1,319	1,075	1,189	1,378	1,234	1,254	1,090
Secondary income	22,289	24,386	5,681	5,761	5,024	6,012	6,380	6,970	6,678	7,368
Official transfers	88	74	22	28	9	14	19	32	27	15
Private transfers	22,201	24,312	5,659	5,733	5,015	5,998	6,361	6,938	6,651	7,353
of which : workers' remittances	21,611	23,912	5,542	5,576	4,907	5,893	6,275	6,838	6,542	7,233
Capital & financial account	7,365	5,069	-81	3,862	-1,105	1,976	317	3,881	-68	1,460
Capital account	475	553	116	188	42	118	127	266	155	61
Capital transfers	475	553	116	188	42	118	127	266	155	61
Financial account	6890	4516	-197	3674	-1147	1858	190	3615	-223	1399
Foreign direct investment (net)	1649	1470	314	441	384	384	396	306	291	-79
Portfolio investment	-30	-145	-20	15	-36	-55	-17	-37	37	5
of which: investment by NRBS	118	92	37	25	30	24	17	21	23	22
Other investment	5271	3191	-491	3218	-1495	1529	-189	3346	-551	1473
Net aid flows	6,959	7,688	981	3,198	583	2,348	1,086	3,671	62	1,937
Medium and long-term (MLT) loans	8,704	9,708	1445	3,687	1,110	2,772	1,643	4,183	664	2,598
MLT amortization payments	1,745	2,020	464	489	527	424	557	512	602	661
Other long term loans (net)	434	209	175	266	96	343	114	-344	129	-155
Other short term loans (net)	-1883	-1619	-1686	-416	-621	-668	-507	177	-151	-541
Trade credit (net)	2532	-1828	995	315	-887	-834	-442	335	-199	-60
DMBs and NBDCs (net)	-2771	-1259	-956	-145	-666	340	-440	-493	-392	292
Assets	799	494	254	145	134	-675	207	828	-466	-334
Liabilities	-1973	-765	-702	0	-532	-335	-233	335	-858	-42
Errors and omissions	-3953	-2767	-701	-1406	148	-575	-1120	-1220	-1329	-553
Overall balance	-8222	-4300	-2034	264	-2855	-599	-1303	457	-1459	1047
Reserve assets	8222	4300	2034	-264	2855	599	1303	-457	1459	-1047
Bangladesh Bank	8222	4300	2034	-264	2855	599	1303	-457	1459	-1047
Assets	-8766	-2901	-2101	679	-3484	513	-1888	1958	-2247	1946
Liabilities	-544	1399	-67	415	-629	1112	-585	1501	-788	899

Table V.1: Balance of Payments (Contd.)

(in million USD)

	FY23				FY24 ^R				FY25 ^P	
	FY23	FY24 ^R	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Memorandum items										
Gross official reserves	31,203	26,714	31143	31,203	26,911	27,130	25,232	26,714	24,863	26,215
Gross official reserves (As per BPM6)	24,754	21,686	24096	24,754	21,060	21,868	19,913	21,686	19,861	21,395
In months of imports of goods & services	4.6	4.1	5.1	5.0	4.6	4.4	4.2	4.1	4.2	3.9
In months of imports of goods (cif)	5.0	4.6	5.5	5.6	5.1	4.8	4.7	4.6	4.6	4.4
Export growth (in percent)	-11.94	-5.90	-19.80	-20.00	-10.15	-11.45	2.06	-3.33	4.98	16.93
Import growth (in percent)	-14.24	-10.61	-28.48	-23.90	-22.88	-15.10	-4.53	3.63	0.87	4.04
Remittances growth (in percent)	2.75	10.64	9.55	-2.74	-13.50	22.26	13.22	22.63	33.32	22.75

Source: Statistics Department, Bangladesh Bank.

P = Provisional, R= Revised.

Table V.2: Trends in the Commodity Composition of Exports

(in million USD)

Items	FY23 ^R				FY24 ^R				FY25 ^P	
	FY23 ^R	FY24 ^R	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
1. Raw jute	203.8	161.3	44.0	53.3	45.4	31.2	41.6	43.1	34.5	46.8
2. Jute goods	775.7	764.1	188.1	177.4	192.2	219.9	201.0	151.0	172.1	208.6
3. Tea	2.3	3.5	0.6	0.6	0.7	1.0	1.1	0.7	1.5	1.0
4. Leather	124.7	143.3	29.3	30.3	34.6	36.9	35.4	36.4	27.5	35.0
5. Frozen shrimps and fish	385.2	326.2	89.5	66.6	85.6	105.4	72.3	62.9	89.5	128.7
6. Woven garments	17,817.7	16,862.4	4,622.3	4,192.8	3,880.2	4,088.6	4,804.4	4,089.2	4,164.5	4,882.1
7. Knitwear products	20,357.8	19,268.0	4,792.4	4,768.1	4,939.8	4,652.6	4,927.6	4,748.0	5,347.5	5,487.1
8. Terry towels	31.5	23.6	6.6	6.3	5.2	6.1	6.6	5.6	6.8	6.2
9. Others	6795.9	6922.5	1754.7	1650.7	1648.8	1788.9	1792.4	1692.4	1,814.0	2,080.6
Total exports	46,495	44,475	11,528	10,946	10,833	10,931	11,882	10,829	11,658	12,876
of which: exports from EPZ	6,462	5,679	1,499	1,554	1,317	1,368	1,505	1,488	1,603	1,723
Total exports (adjusted)	43,364	40,807	10,610	10,201	10,051	10,066	10,829	9,861	10,552	11,770

Source: Statistics Department, Bangladesh Bank.

P = Provisional, R= Revised.

Table V.3: Major Destination wise RMG Related Exports

(in million USD)

	FY23				FY24				FY25 ^P	
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Exports of RMG	38,176	36,130	9,415	8,961	8,820	8,741	9,732	8,837	9,512	10,369
European countries	23,912	23,084	6,088	5,608	5,517	5,461	6,423	5,683	4,580	5,285
USA	7,371	6,624	1,624	1,839	1,619	1,651	1,626	1,728	1,852	1,990
Other countries	6,893	6,423	1,702	1,515	1,684	1,630	1,683	1,426	3,080	3,095
Woven garments	17,818	16,862	4,622	4,193	3,880	4,089	4,804	4,089	4,165	4,882
European countries	9,261	9,274	2,657	2,158	2,035	2,156	2,882	2,201	1,636	2,126
USA	5,136	4,370	1,150	1,258	1,012	1,108	1,107	1,142	1,169	1,326
Other countries	3,420	3,219	815	777	834	824	815	746	1,360	1,430
Knitwear products	20,358	19,268	4,792	4,768	4,940	4,653	4,928	4,748	5,347	5,487
European countries	14,650	13,810	3,431	3,449	3,482	3,305	3,541	3,482	2,944	3,158
USA	2,234	2,254	474	581	607	542	519	586	684	664
Other countries	3,473	3,204	887	738	850	806	868	680	1,720	1,665
growth in percent (y-o-y)										
Exports of RMG	-10.41	-5.36	-18.33	-19.88	-9.24	-13.30	3.37	-1.38	7.84	18.62
European countries	-10.90	-3.46	-17.38	-19.60	-7.30	-12.83	5.50	1.35	-16.99	-3.23
USA	-18.22	-10.13	-31.12	-24.11	-16.93	-15.72	0.10	-6.01	14.41	20.53
Other countries	1.93	-6.83	-5.49	-15.26	-7.34	-12.33	-1.14	-5.85	82.89	89.90
Woven garments	-8.15	-5.36	-17.01	-17.63	-9.23	-13.52	3.94	-2.47	7.33	19.41
European countries	-10.64	0.13	-15.78	-17.72	-1.67	-9.30	8.47	1.99	-19.58	-1.38
USA	-12.84	-14.92	-27.80	-22.23	-23.21	-21.40	-3.73	-9.18	15.48	19.61
Other countries	8.84	-5.90	-0.78	-8.62	-6.11	-12.36	-0.01	-4.00	63.09	73.48
Knitwear products	-12.30	-5.35	-19.57	-21.76	-9.24	-13.11	2.82	-0.42	8.25	17.94
European countries	-11.07	-5.74	-18.57	-20.73	-10.30	-14.99	3.21	0.94	-15.47	-4.43
USA	-28.39	0.87	-38.05	-27.90	-3.81	-1.12	9.42	0.85	12.61	22.42
Other countries	-4.07	-7.74	-9.43	-21.29	-8.51	-12.30	-2.18	-7.79	102.31	106.69

Source: Statistics Department, Bangladesh Bank.

P=Provisional.

Table V.4: Trends in the Commodity Composition of Imports

(in million USD)

	FY23				FY24 ^R				FY25 ^P	
	FY23	FY24 ^R	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
A. Food grains	2,599	2,058	718	558	398	370	580	711	392	491
1. Rice	572	25	172	9	2	8	7	9	2	79
2. Wheat	2,028	2,033	545	549	396	362	573	702	390	411
B. Consumer goods	5,652	4,928	1,443	1,332	1,130	1,185	1,208	1,405	1,101	1,271
3. Milk & cream	374	395	102	106	110	84	84	116	106	82
4. Spices	417	481	127	126	104	96	136	145	123	105
5. Edible oil	2,893	2,193	549	592	502	638	436	616	492	604
6. Pulses (all sorts)	938	704	309	247	77	127	238	263	207	199
7. Sugar	1,030	1,155	356	261	336	240	314	265	174	281
C. Intermediate goods	44,270	40,264	9,539	9,713	9,466	10,458	9,738	10,601	10,075	11,200
Petroleum goods	5,773	6,128	1,214	1,097	1,604	1,528	1,195	1,801	1,409	1,498
8. Crude petroleum	628	944	-39	197	238	342	145	219	211	159
9. POL	5,145	5,184	1,253	900	1,366	1,186	1,050	1,582	1,198	1,339
RMG related goods	17,315	16,758	3,810	3,917	3,680	4,246	4,247	4,586	4,471	4,954
10. Raw cotton	4,274	3,610	756	835	831	809	943	1,026	956	822
11. Yarn	2,795	3,221	662	686	665	858	800	898	877	917
12. Textile and articles thereof	7,944	7,718	1,862	1,856	1,667	1,991	1,934	2,126	2,062	2,507
13. Staple fibre	1,448	1,376	345	327	306	380	368	322	350	479
14. Dyeing and tanning materials	854	834	185	214	211	207	203	214	228	228
Other intermediate goods	21,182	17,377	4,515	4,698	4,183	4,685	4,296	4,214	4,195	4,748
15. Clinker	1,164	939	341	237	214	234	267	224	182	214
16. Oil seeds	1,239	1,188	270	355	232	252	310	393	165	260
17. Chemicals	3,491	3,313	823	831	846	809	813	846	937	953
18. Pharmaceutical products	364	335	68	133	86	83	82	84	109	106
19. Fertilizer	4,913	2,698	997	533	529	925	851	393	447	844
20. Plastics and rubber articles thereof	3,349	2,965	737	818	745	709	729	783	861	868
21. Iron, steel & other base metals	6,661	5,940	1,280	1,791	1,530	1,673	1,244	1,492	1,495	1,503
D. Capital goods & others	13,581	10,602	3,109	3,174	2,882	2,705	2,481	2,535	2,462	2,378
22. Capital machinery	4,847	4,144	1,070	1,117	1,047	1,012	789	1,296	796	647
23. Others capital goods	8,733	6,458	2,038	2,057	1,835	1,694	1,692	1,238	1,666	1,731
E. Others	8,960	8,874	2,272	2,011	2,034	2,368	2,215	2,256	2,140	2,640
Grand total c.i.f.(A+B+C+D+E)	75,062	66,725	17,080	16,787	15,909	17,086	16,222	17,508	16,171	17,980
Of which import by EPZ	3,915	3,706	941	850	812	906	989	999	983	1,170
Grand total f.o.b.(adjusted)	70,748	63,240	16,131	15,959	15,061	16,240	15,400	16,539	15,192	16896

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

P = Provisional, R= Revised.

Table V.5: Sector wise Comparative Statement of the Opening and Settlement of Import LCs

(in million USD)

Items	FY24						FY25 ^P			
	Q ₂		Q ₃		Q ₄		Q ₁		Q ₂	
	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement
Consumer goods	1,714	1,570	2,064	1,582	1,487	1,862	1,348	1,376	1,917	1,661
Intermediate goods	1,149	1,226	1,161	1,144	1,181	1,131	1,031	1,150	1,055	1,046
Industrial raw materials	5,898	5,336	6,297	5,645	5,769	5,412	5,828	5,756	6,541	6,022
Capital machinery	690	803	570	619	718	523	398	493	502	555
Machinery for misc. industries	521	628	521	538	605	560	552	588	518	592
Petroleum and petroleum products	2,170	2,489	2,138	1,939	2,095	2,060	2,157	2,413	2,358	2,475
Others	4,689	4,771	4,983	4,435	5,404	5,005	5,048	4,665	5,677	5,196
Total	16,831	16,823	17,735	15,902	17,259	16,553	16,361	16,443	18,568	17,547
of which back to back	2,245	2,067	2,674	2,365	2,233	2,298	2,912	2,484	2,801	2,628
growth in percent (y-o-y)										
Consumer goods	-16.34	22.22	-2.98	-14.62	2.48	8.89	-7.35	-17.52	11.81	5.77
Intermediate goods	-15.08	5.18	-24.35	-10.30	-21.78	-18.64	-6.69	-13.15	-8.21	-14.73
Industrial raw materials	-35.74	8.38	16.14	3.05	13.26	7.32	8.10	8.78	10.90	12.85
Capital machinery	-55.34	6.30	-44.75	-20.73	27.23	-22.65	-40.66	-24.03	-27.27	-30.80
Machinery for misc. industries	-34.52	2.32	-8.49	-4.52	-5.68	-2.94	-18.65	-0.24	-0.55	-5.64
Petroleum and petroleum products	-18.68	2.97	-1.34	-4.14	-5.54	6.59	-20.22	-0.12	8.69	-0.56
Others	-8.26	20.17	14.00	2.92	22.30	18.12	6.63	-0.20	21.08	8.90
Total	-25.19	11.43	2.96	-2.34	8.57	6.34	-2.24	-1.03	10.32	4.30
of which back to back	-28.41	8.74	23.12	8.62	25.69	14.12	19.90	19.08	24.76	27.17

Source: Foreign Exchange Operation Department, Bangladesh Bank.

P=Provisional.

Table V.6: Country wise Workers' Remittances
(in million USD)

Countries	FY23				FY24				FY25 ^P	
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Gulf region	11,126	11,783	2,931	2,953	2,547	2,815	2,990	3,431	3,041	3,059
Saudi Arabia	3,765	2,741	854	1,002	815	611	542	774	859	864
UAE	3,034	4,634	867	830	828	1,172	1,304	1,330	1,032	995
Qatar	1,453	1,150	398	355	255	273	311	312	265	269
Oman	791	1,122	232	246	228	218	252	424	328	368
Kuwait	1,555	1,497	424	368	324	391	387	395	359	381
Bahrain	528	639	156	152	97	150	195	197	198	182
Euro region	1,833	2,235	455	473	503	633	575	546	637	566
Italy	1,186	1,462	283	292	318	445	346	353	426	354
France	292	358	77	81	80	84	105	90	87	66
Greece	131	145	35	31	32	38	40	35	45	55
Germany	112	125	31	35	22	32	38	33	38	44
Others Euro region	112	145	28	34	52	34	45	36	42	46
Asia Pacific region	2,008	2,549	520	533	437	694	667	696	1,012	1,020
Malaysia	1,126	1,744	288	295	267	502	460	516	620	646
Singapore	423	632	117	130	94	147	192	199	202	216
South Korea	119	116	25	17	19	22	39	36	41	44
Australia	130	116	37	29	20	29	32	35	45	36
Japan	113	77	30	29	15	26	21	15	39	23
Others Asia Pacific region	97	145	23	32	25	25	37	58	66	55
Rest of the world	6,643	7,367	1,636	1,617	1,420	1,788	1,992	2,164	1,853	2,589
USA	3,522	2,962	835	721	512	614	818	1,018	921	1,575
UK	2,080	2,793	554	615	589	781	774	649	566	634
South Africa	235	308	56	38	67	77	76	88	67	81
Canada	139	143	35	45	26	30	41	46	60	49
Mauritius	110	164	20	39	92	23	27	22	39	35
Others countries	558	962	136	160	150	168	193	178	201	216
Total	21,611	23,912	5,542	5,576	4,907	5,893	6,275	6,838	6,543	7,234

Note: Euro Region is a geographic area consists of 19 countries that have fully incorporated the euro as their national currency.

Source: Statistics Department, Bangladesh Bank.

P=Provisional.

Table V.7: Exchange Rate Movements

(BDT per currencies)

Period	US Dollar		U.K. Pound Sterling		EURO		Japanese Yen	
	Period average	End period	Period average	End period	Period average	End period	Period average	End period
2022-23								
July	93.89	94.70	112.60	115.23	95.77	96.78	0.69	0.71
August	94.91	95.00	113.87	110.73	96.10	95.13	0.70	0.68
September	95.62	96.00	108.43	104.54	94.79	93.46	0.67	0.67
October	96.62	97.00	109.09	112.65	95.06	96.66	0.66	0.66
November	97.62	98.00	114.55	117.16	99.53	101.22	0.69	0.71
December	98.85	99.00	120.33	119.34	104.49	105.55	0.73	0.74
January	99.89	100.00	122.17	123.52	107.60	108.46	0.77	0.77
February	100.96	101.00	122.06	121.85	108.17	107.15	0.76	0.74
March	101.96	102.00	123.70	125.59	109.15	110.62	0.76	0.77
April	102.92	103.00	127.89	129.51	112.65	113.53	0.77	0.76
May	104.39	104.50	130.33	129.73	113.54	112.18	0.76	0.75
June	105.88	106.00	133.63	134.75	114.58	115.44	0.75	0.74
2023-24								
July	108.76	109.00	140.08	140.08	120.23	120.07	0.77	0.77
August	109.46	109.50	139.17	139.28	119.48	119.64	0.76	0.75
September	109.97	110.25	136.57	134.04	117.67	116.56	0.74	0.74
October	110.49	110.50	134.52	134.47	116.70	117.30	0.74	0.74
November	110.88	110.50	137.61	140.28	119.79	121.22	0.74	0.75
December	110.15	110.00	139.41	140.04	120.89	121.41	0.76	0.78
January	110.00	110.00	139.75	139.69	120.08	119.26	0.75	0.75
February	110.00	110.00	138.93	139.29	118.67	119.22	0.74	0.73
March	110.00	110.00	139.89	138.87	119.63	118.74	0.73	0.73
April	110.00	110.00	137.87	138.19	118.19	117.93	0.72	0.70
May	115.03	117.70	145.31	149.58	124.30	127.14	0.74	0.75
June	117.94	118.00	150.13	149.20	127.14	126.44	0.75	0.73
2024-25								
July	117.93	118.00	151.78	151.46	127.95	127.62	0.75	0.77
August	118.73	120.00	153.59	158.30	130.85	133.45	0.81	0.83
September	120.00	120.00	158.38	160.49	133.14	133.96	0.84	0.84
October	120.00	120.00	156.84	155.55	130.93	130.27	0.80	0.78
November	120.00	120.00	153.08	152.15	127.66	126.79	0.78	0.79
December	120.00	120.00	151.79	150.62	125.71	124.89	0.78	0.77

Source: Statistics Department, Bangladesh Bank.

Table V.8: Trends in Foreign Aid

(in million USD)

	FY23				FY24 ^R				FY25 ^P	
	FY23	FY24 ^R	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
a. Grants (i+ii)	563	625	137	217	51	132	145	298	183	75
i) Food aid	53	30	13	15	6	5	9	11	15	10
ii) Project aid	511	595	124	203	45	127	137	287	167	65
b. Loans (MLT)	8,704	9267	1,515	3,687	1,231	2,650	1,422	3,963	664	2,598
A. Total (a+b)	9,267	9892	1,652	3,904	1,282	2,782	1,568	4,260	846	2,674
B. Amortization(1+2)	2,670	3372	677	940	870	697	1,004	800	1,127	855
1) Principal	1,735	2022	466	490	492	434	590	505	686	549
2) Interest	936	1350	211	450	379	263	413	295	441	307
C. Net foreign financing (A-1)	7,533	7870	1,186	3,414	790	2,348	977	3755	161	2,125

Source: Statistics Department, Bangladesh Bank.

P = Provisional, R= Revised.

Table VI.1: Gross NPL Ratios by Type of Banks

(in percent)

Type of banks	2022				2023				2024		
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
State owned commercial banks	21.93	23.04	20.28	19.87	25.01	21.70	20.99	26.97	32.77	40.35	42.83
Specialized banks	11.74	11.80	12.8	12.80	12.14	12.10	13.87	13.88	13.11	13.21	14.37
Private commercial banks	6.01	6.20	5.13	5.96	6.46	7.04	5.93	7.28	7.94	11.88	15.60
Foreign commercial banks	4.40	4.77	4.91	4.90	4.80	5.07	4.82	5.20	4.74	4.99	4.13
All banks	8.96	9.36	8.16	8.80	10.11	9.93	9.00	11.11	12.56	16.93	20.20

Source: Banking Regulation and Policy Department, Bangladesh Bank.

Table VI.2: Net NPL Ratios by Type of Banks

(in percent)

Type of banks	2022				2023				2024		
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
State owned commercial banks	5.98	7.72	5.22	5.24	10.78	6.85	6.21	13.00	18.32	22.71	32.86
Specialized banks	-0.14	-0.06	1.41	1.49	0.90	0.92	1.68	1.53	1.14	1.22	2.98
Private commercial banks	-0.61	-0.47	-1.31	-0.88	-0.46	-0.03	-0.72	0.17	0.77	2.85	6.19
Foreign commercial banks	-0.49	-0.62	-0.56	-0.50	-0.27	-0.04	-0.41	-0.13	-0.50	-0.48	-0.63
All banks	0.49	0.90	-0.08	0.30	1.58	1.22	0.59	2.44	3.68	5.89	10.57

Source: Banking Regulation and Policy Department, Bangladesh Bank.

Table VI.3: Capital to Risk Weighted Asset Ratios by Types of Banks

(in percent)

Type of banks	2022		2023				2024			
	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec
State owned commercial banks	6.18	6.26	5.90	6.76	6.03	6.13	5.80	5.44	-2.48	-8.42
Specialized banks	-37.27	-40.29	-38.35	-37.79	-38.91	-40.90	-43.84	-41.31	-42.20	-41.02
Private commercial banks	12.72	13.80	13.08	12.81	12.82	13.48	12.49	12.29	9.38	10.98
Foreign commercial banks	30.36	31.56	31.48	32.91	35.72	37.30	38.93	39.46	43.67	42.09
All banks	11.01	11.83	11.23	11.19	11.08	11.64	10.85	10.64	6.86	3.08

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)*				
	2023		2024			2023		2024		
	Sep.	Dec.	Mar.	Jun.	Sep.	Sep.	Dec.	Mar.	Jun.	Sep.
State Owned Commercial Banks	-0.07	0.18	-0.65	-0.37	-0.25	-1.99	4.78	-19.10	-11.40	-7.21
Specialized Banks	-4.20	-2.74	-3.12	-2.54	-3.31	-16.4	-10.84	-11.49	-10.08	-12.84
Private Commercial Banks	0.49	0.62	0.34	0.48	0.39	8.10	10.13	5.90	8.75	7.22
Foreign Commercial Banks	3.12	3.28	3.92	4.08	4.56	17.32	17.09	19.87	19.33	21.09
All Banks	0.41	0.59	0.23	0.40	0.38	7.46	10.55	4.32	7.85	7.42

Source: Department of Off- site Supervision, Bangladesh Bank; *=All are annualized except the quarter of December.

Table VII.1: Indicators of Capital Market Developments

	FY23					FY24				FY25	
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	
Number of listed securities ¹	411	420	409	411	411	413	420	420	421	421	
Issued equity and debt (billion taka)	968.8	1016.1	951.9	968.8	973.1	977.5	999.1	1016.1	1017.6	1018.7	
Market capitalization (billion taka)	4565.8	3673.9	4488.3	4565.8	4547.3	4541.3	3949.1	3673.9	3909.3	3617.9	
Turnover (billion taka)	1910.9	1496.9	297.6	434.4	380.9	297.2	508.6	310.2	415.3	249.6	
DSE broad index	6344.1	5328.4	6206.8	6344.1	6284.6	6246.5	5829.7	5328.4	5624.5	5216.4	
DSE -30 index	2192.8	1909.6	2209.4	2192.8	2140.4	2093.8	2021.3	1909.6	2053.4	1939.7	
growth in percent											
Number of listed securities	1.99	2.19	2.00	1.99	1.73	1.23	2.69	2.19	2.43	1.94	
Issued equity and debt	4.40	4.88	4.24	4.40	4.20	3.20	4.95	4.88	4.57	4.22	
Market capitalization	0.00	-19.53	-6.36	0.00	-1.18	1.56	-12.01	-19.53	-14.03	-20.33	
Turnover	-39.71	-21.66	-58.61	-2.40	-48.00	-33.43	70.91	-28.59	9.04	-16.03	
DSE broad index	-0.52	-16.01	-8.15	-0.52	-3.50	0.64	-6.08	-16.01	-10.50	-16.49	
DSE -30 index	-4.48	-12.91	-10.69	-4.48	-8.16	-4.62	-8.52	2.19	-4.06	-7.36	

Source: Dhaka Stock Exchange.

¹Include debenture but exclude govt. bond.

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

(in billion BDT)

Name of group	FY23				FY24				FY25	
	FY23	FY24	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂
Banks	675.1	615.0	673.2	675.1	680.7	686.5	677.9	615.0	758.2	676.4
Financial institutions	187.4	109.4	186.9	187.4	186.5	186.9	125.2	109.4	119.2	113.2
Mutual funds	37.6	31.2	37.3	37.6	37.4	41.5	34.0	31.2	28.3	27.7
Engineering	530.3	352.2	525.3	530.3	526.3	531.9	379.1	352.2	325.6	281.7
Food and allied product	399.9	295.7	387.6	399.9	397.8	391.9	330.5	295.7	338.9	314.3
Fuel and power	450.1	328.9	446.7	450.1	447.8	446.5	338.9	328.9	313.9	293.7
Jute industry	3.7	3.6	3.1	3.7	3.9	4.0	4.2	3.6	4.1	3.2
Textile industry	172.3	125.8	166.8	172.3	168.9	171.7	142.2	125.8	120.2	113.9
Pharmaceuticals and chemicals	720.0	607.8	712.4	720.0	717.7	721.5	636.6	607.8	583.2	560.3
Paper and printing	42.3	31.5	40.1	42.3	39.7	38.9	41.3	31.5	22.8	18.1
Services and real estate	29.3	23.4	30.0	29.3	28.5	27.5	24.1	23.4	18.6	17.5
Cement industry	123.2	110.9	110.9	123.2	122.7	121.4	117.7	110.9	110.9	93.3
Insurance	184.3	141.8	160.6	184.3	188.1	175.7	156.9	141.8	137.5	127.8
Telecommunication	580.2	476.9	580.2	580.2	580.2	580.2	488.2	476.9	644.2	608.1
Miscellaneous	389.1	230.9	392.0	389.1	380.1	232.5	243.0	230.9	229.2	230.9
Corporate bond	40.9	42.3	35.1	40.9	40.9	45.2	43.1	42.3	35.9	34.1
Total market capitalization	4566	3668	4488	4566	4547	4541	3949	3668	3909	3617

Source: Dhaka Stock Exchange.

Annexure-2

Major Policy Announcements: October – December, 2024

<p>02/10/24</p> <p>FEPD Circular No. 18: Taka loans to Non-resident Bangladeshi (NRBs) working abroad</p>	<p>Banks are permitted to grant housing finance to non-resident Bangladeshis (NRBs), but they must first obtain prior permission from BB before they granting credits to NRBs.</p> <p>The facilities are now expanded by allowing banks to disburse loans to NRBs for bonafide purposes based on banker-customer relations, subject to observance of a few conditions, including:</p> <ul style="list-style-type: none"> a) NBR borrowers should be regular remitters through official channels; b) The loan amount shall be up to the requirements or 10.00 (ten) Lac Taka, whichever is lower; c) Repayments of the loan need to be settled out of inward remittances sent by borrowers working abroad; d) Banks shall adhere to applicable credit norms, prudential regulations, customers' due diligence, etc.
<p>03/10/24</p> <p>CIB Circular Letter No. 02: Regarding submission date for uploading Credit Information to the Credit Information System (CIS)</p>	<p>Monthly updates of CIB reporting are necessary to monitor and supervise loan information and maintain loan discipline. Hence, banks should follow the instructions below:</p> <ul style="list-style-type: none"> a) Based on the end date of every month, Subject data, Contract data, and Link data of newly sanctioned loans and living loans must be uploaded in the CIS between the 1st and 15th of the following month. b) If the loan status changes between the two monthly loan information submission dates due to renewal/ extension/ restructuring/ rescheduling/ adjustment or for any other reason, then the updated loan information must be uploaded in the CIS on the date of the changing status (Accounting date) in real time. c) To implement the instructions of Article 3(b), first, the information on the last date of the previous month of that loan shall be uploaded to the CIS. Next, according to the instructions of Article 3(b), the updated information on the mentioned loan must be uploaded to the CIS in real time. <p>CIB Circular Letter No. 01, dated May 06, 2024, has been abolished by this circular.</p>

06/10/24 DFIM Circular No. 05: Interest/Profit Rate of Deposit and Loan/Lease/Investment.	Finance companies should offer market-based interest and profit rates for loans, leases, investments, and deposits instead of a SMART-based system. Interest rates will be determined with the interactions of credit demand and the supply of loanable funds, with a flexibility of up to 1% based on customer risk.
14/10/24 FEPD Circular No. 20: Simplification of declaration process for small value export under Business-to-Consumer on e-Commerce website	According to FE Circular No. 22, dated May 19, 2019, small-value exports under Business-to-Consumer on an e-commerce website were allowable through the online EXP form procedure. The EXP form procedure will not be required for small-value exports up to USD 500 or equivalent concluded on the e-commerce website against payment received prior to shipment.
21/10/24 DMD Circular Letter No. 12: Auction of Central Bank Repo.	For effective open market operations under the Existing Interest Rate Corridor, the DMD circular letter no.-09, dated July 01, 2024, has been amended in the following way: <ul style="list-style-type: none"> a) Instead of the existing weekly 2-day repo auction, there will be a weekly 1-day repo auction on Tuesday. If Tuesday is a holiday, the auction will be held on the next working day (7-day, 14-day, and 28-day terms). b) For the convenience of maintaining CRR, an overnight (1 day) repo auction facility will be available on the day of the Reserve Maintenance Period (RMP). c) The existing daily basis Standing Lending Facility (SLF) and Standing Deposit Facility (SDF) will also continue.
22/10/24 MPD Circular No. 05: Re- fixation of Interest Rate Corridor (IRC)Operations	BB has increased the policy rate again by 50 basis points to 10.0 percent. The upper limit of the policy rate corridor, the standing lending facility (SLF) rate, has also been raised by 50 basis points to 11.5 percent, and the lower limit of the corridor, the standing deposit facility (SDF) rate, has also been raised by 50 basis points to 8.50 percent.
31/10/24 DMD Circular No. 03: Selection of Benchmark Government Securities and Two-Way Price Quoting	To develop the government securities market and create a market-based yield curve, 30 bonds have been selected as benchmarks, chosen from 6 clusters based on the remaining maturity of the treasury bonds of various maturities. Two-way price quotes should be established from these benchmark securities and submitted to the Financial Market Infrastructure (FMI) system. For submitting two-way price quotes, bid-ask yield has been considered instead of bid-ask spread. The highest limit of bid-ask yield spread will be 80 basis points for all benchmark securities.

20/11/2024 FEID Circular No. 02: Guidelines for Operations of Business in Bangladesh by Joint Ventures/Consortiums/Associations (JVCA) having a foreign partner(s).	A guideline for Joint Ventures/Consortiums/Associations (JVCA) with foreign partners has been issued regarding the establishment and reporting activities, cross-border transactions, preparation of financials and other documents, loans and banking activities, outward remittances, particularly profit remittances, tax payments, and return submissions.
27/11/2024 BRPD Circular No. 15: Master Circular: Loan Classification and Provisioning.	BB has issued a master circular on loan classification and provisioning to enhance banks' risk management capabilities and strengthen financial reporting transparency. The central bank plans to implement an Expected Credit Loss (ECL) methodology-based provisioning system for banks by the International Financial Reporting Standard (IFRS 9) by 2027.
27/11/2024 DMD Circular Letter No. 14: Regarding introduction of 90 and 180 days Bangladesh Bank Bill.	BB has decided to introduce 90- and 180-day Bangladesh Bank Bills in addition to the currently existing 7, 14, and 30-day Bangladesh Bank Bills to make the monetary policy and liquidity management more effective.
03/12/2024 DFIM Circular Letter No. 36: Loan/Lease Classification and Provisioning.	<p>Recently, some finance companies have reported classifiable loans/leases as regular based on objective criteria under article no. 3.3 of DFIM master Circular No. 04, dated 26 July 2021, which is not acceptable.</p> <ul style="list-style-type: none"> a) The instructions described in article 3.3 will only apply to the upgradation of the status of loans/ leases classified in a lower category based on qualitative criteria determined by the finance company at its own discretion. b) Status up-gradation or regularization, or reclassifying loans or leases, which were classified based on objective criteria, shall be done by payment of outstanding installments, and the classification shall be determined based on the number of installments of those loans/ leases as described in article no. 3.1 of the said circular.
22/12/2024 SD Circular no 01 : The Special Regulations of Bangladesh Bank, 2024	<p>In exercise of the powers conferred by articles 7A(f), 82(1), and 82 (2)(n) of the Bangladesh Bank Order, 1972, the Board of Directors of Bangladesh Bank, in its 438th meeting made the regulations titled “The Special Regulations of Bangladesh Bank, 2024.” These regulations shall come into force with immediate effect.</p> <p>The regulations are also available on the BB website (www.bb.org.bd).</p>

<p>30/12/2024</p> <p>FSD Circular No. 01: Revised Guidelines on Stress Testing</p>	<p>BB revised its stress testing guidelines. Effective December 2024, banks shall carry out stress testing exercises and submit a quarterly report in accordance with the revised guidelines. BB advised banks to submit their stress testing reports to FSD within the last business day of the following month of each quarter-end using a specified MS Excel template (soft copy only) until further instructions.</p>
<p>31/12/2024</p> <p>FEPD Circular No. 38: Exchange Rate Management Regime</p>	<p>Authorized Dealers (ADs) can purchase and sell foreign currency from/to their customers and other dealers at freely negotiated rates.</p> <p>Effective January 5, 2025, ADs shall provide information twice on each business day for all foreign exchange transactions at or above 1.00 lac US dollars or equivalent according to Bangladesh Bank's prescribed format.</p> <p>Effective January 12, 2025, BB will publish a daily reference benchmark exchange rate, defined as the weighted average of freely quoted exchange rates in market transactions with customers and other dealers. The corresponding guideline is available on the Bangladesh Bank website to facilitate the benchmark reference exchange rate.</p> <p>BB has launched a new Foreign Exchange Interventions Strategy (available on the Bangladesh Bank website) to ensure the smooth functioning of the existing exchange rate regime.</p>