

Banking Sector Update

September, 2025

Introduction

The banking sector of Bangladesh plays a pivotal role in driving the country's economic growth, financial inclusion, and industrial development. As the primary source of financing for businesses and individuals, banks remain the backbone of the financial system, accounting for major portion of total financial assets in the economy.

Over the past decade, Bangladesh's banking industry has expanded in terms of both assets and services. The sector now consists of 6 (six) state-owned commercial banks, 3 (three) specialized development banks, 33 (thirty three) private commercial banks including 10 (ten) full fledge Islamic banks, and 9 (nine) foreign commercial banks. Among these, private banks dominate in terms of deposits, lending, and profitability, while state-owned banks continue to serve large-scale government and public-sector enterprises.

After independence in December 1971, the banking system was in disarray: many branches were closed, professionals fled, and capital was scarce. To stabilize the system, the newly formed government nationalized all banks in 1972. Recognizing the limitations of state-owned banking, the government initiated financial reforms with support from the World Bank and IMF. The Financial Sector Reform Program (FSRP) in the 1980s introduced privatization, deregulation, and modernization. Several private commercial banks were established. This era also saw the entry of foreign banks and greater competition. The sector expanded rapidly with the rise of private banks, Islamic banking, and foreign bank branches. Technological innovation transformed the sector with the introduction of ATMs, online banking, mobile banking, agent banking, mobile financial services etc. Banking has become more inclusive, serving millions of rural households and SMEs.

For analytical purposes, private banks in Bangladesh are often categorized into five groups based on their year of establishment, referred to as generation-wise classification.

- First Generation: Includes 10 private banks established between 1972 and 1987.
- Second Generation: Covers 8 banks founded during 1992–1998.
- Third Generation: Refers to 12 banks established between 1999 and 2001.
- Fourth Generation: Consists of 9 commercial banks set up in 2013.
- Fifth Generation: Encompasses all remaining banks established after 2013.

The report is organized into two main sections. After a brief discussion of background issues, the first section examines the development and characteristics of deposits, analyzing trends by bank group, deposit type, sectoral composition, deposit size, and real interest rate movements. The second section focuses on the scenario of advances, covering key dimensions such as bank group distribution, economic purpose, non-performing loans (NPLs), gender classification, advance-to-deposit ratio, and interest rate structure.

I. Deposit Trends

I.A Overall Scenario

Deposits form the foundation of Bangladesh’s banking system, serving as the primary source of funds for credit creation, investment, and overall financial intermediation. Over the past decade, Bangladesh has witnessed a consistent rise in bank deposits, driven by expanding financial inclusion, digital banking initiatives, and growing participation of both urban and rural savers. In continuation of this, the banking sector demonstrated strong deposit performance, with total outstanding deposits reaching Tk. 2,031.1 thousand crore at the end of September 2025, against 1,825.3 thousand crore in Sep 2025 reflecting sustained growth amid economic and policy challenges. This upward trend indicates that banks continued to attract new funds even under negative real interest rate conditions, as households increasingly preferred financial security and formal savings channels. Moreover, the steady increase was supported by stable financial intermediation, higher household savings, and consistent remittance inflows. Notably, first-generation private commercial banks and state-owned commercial banks played a leading role in driving this overall deposit growth. Together, these developments highlight the banking sector’s resilience and its continued ability to mobilize deposits despite a moderately tightening macroeconomic environment.

Table 1: Bank group wise Outstanding Deposits

(Amount in thousand crore Tk.)

Type Of Banks	2024	2025	2025	% Changes	
	Sep	June	Sep	4 over 2	4 over 3
1	2	3	4		
State Owned Commercial Banks	433.2	477.8	481.4	11.1%	0.8%
Specialized Banks	50.8	56.8	57.4	13.1%	1.0%
Private Commercial Banks	1258.8	1374.4	1406.7	11.7%	2.3%
First Generation Banks (1972-1987)	477.4	531.3	548.8	15.0%	3.3%
Second Generation Banks (1992-1998)	265.4	289.8	296.3	11.6%	2.2%
Third Generation Banks (1999-2001)	414.5	445.6	453.9	9.5%	1.9%
Fourth Generation Banks (2013)	89.9	94.5	93.6	4.1%	-0.9%
Fifth Generation Banks (2016-2021)	11.7	13.3	14.0	20.4%	5.5%
Full-Fledged Islamic Banks	381.6	385.9	392.6	2.9%	1.7%
Foreign Banks	82.5	87.5	85.6	3.7%	-2.2%
All Banks	1825.3	1996.6	2031.1	11.3%	1.7%

Chart 1: Growth of Deposits (bank group wise)

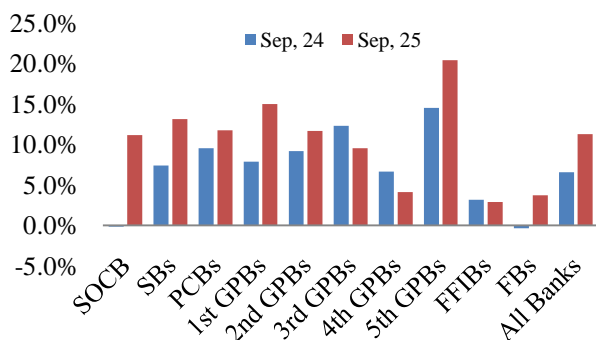
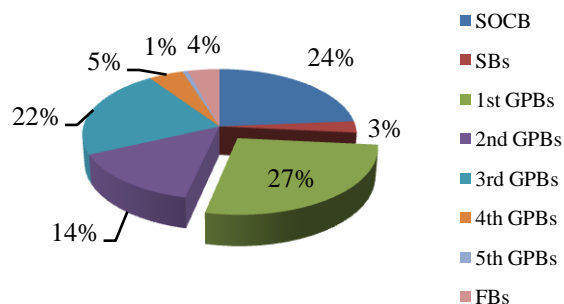


Chart 2: Bank group wise share of Deposit (Sep 2025)



Within the private commercial banking segment, deposit growth patterns in Sep 2025 revealed contrasting dynamics between established and emerging institutions. First-generation private commercial banks recorded a notably strong growth rate of 15.0 percent in Sep 2025 compare to same period of previous year, accompanied by the highest market share of 27 percent, indicating that well-established institutions continue to consolidate and expand their deposit bases. In contrast, fifth-generation banks, despite holding the smallest market share of only 1 percent, achieved the highest growth rate of 20.4 percent, reflecting the rapid expansion and growing competitiveness of newer entrants in the banking sector. These divergent performances highlight a dual trend in the sector where mature banks sustain stability and scale, while newer banks drive momentum through aggressive deposit mobilization and market expansion.

LB Deposits by Types of Accounts

In September 2025, the composition of bank deposits in Bangladesh reflected a strong preference for long-term savings instruments, indicating both depositor confidence and evolving portfolio behavior within the banking sector. The deposit was dominated by fixed deposits (49 percent), followed by savings deposits (21 percent). The structure indicates depositor confidence in the long-term banking system but highlights a potential liquidity challenge due to a relatively small share of current and SND deposits (Chart 3 & 4). The data

Chart 3: Types of Deposits (Amount) Sep, 2025

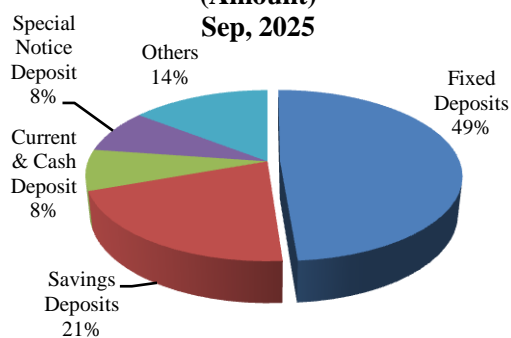
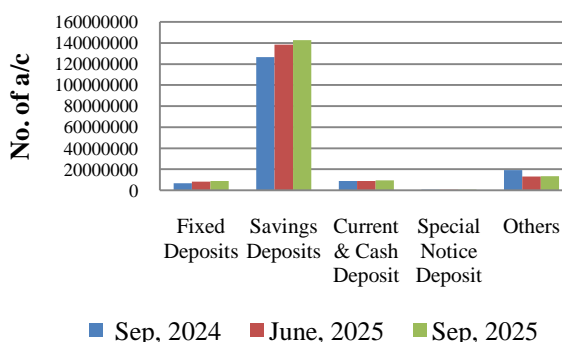


Chart 4: Types of deposits (no. of a/c)

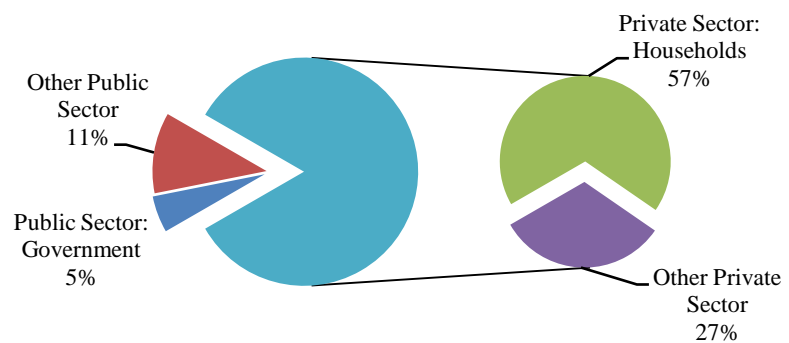


shows that, fixed deposits remain the backbone of the banking system, showing depositor preference for long-term, stable investment. Savings deposits also hold a significant portion, reflecting broad household participation in banking. Current/cash and SND deposits are relatively low, suggesting limited short-term liquidity accounts. The number of accounts data shows that saving deposit accounts dominate numerically, although fixed deposits carry the largest monetary value. This illustrates a classic feature of retail banking: a large pool of small savers supplying liquidity, while a smaller number of high-value depositors contribute disproportionately to total deposit volume. From a financial inclusion perspective, the large number of savings accounts indicates wide participation in formal banking services. However, reliance on a small segment of high-value depositors for volume introduces concentration risk, making liability management sensitive to the withdrawal behavior of a limited group.

I.C Sector wise Deposits

At the end of September 2025, the deposit base of Bangladesh’s banking sector remained predominantly concentrated in the private sector, reflecting the central role of households and private institutions in sustaining

Chart 5: Deposits Distributed by Sectors



financial intermediation. Private sector deposits accounted for 84 percent of the total, of which household deposits alone constituted 57 percent - underscoring the dominance of individual savings in the banking system. Other private entities, including private corporations, financial auxiliaries, and non-profit institutions, contributed 27 percent. In contrast, the public sector, comprising both government and other public entities, held the remaining 16 percent (5 percent and 11 percent, respectively). The number of household deposit accounts increased significantly from 14.5 crore in September 2024 to 16.4 crore in September 2025, marking an 12.9 percent rise, while the total household deposit volume grew from Tk. 1,002.1 thousand crore to Tk. 1,150.1 thousand crore. This expansion

Chart 6: Deposits Distributed by Size (account number) Sep, 2025

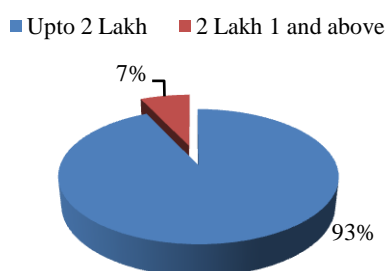
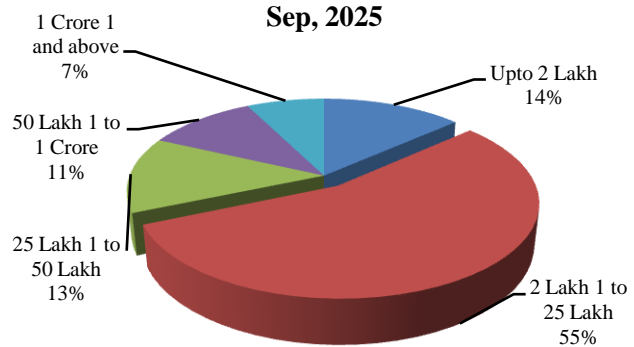


Chart 7: Deposits Distributed by Size (amount) Sep, 2025



demonstrates both quantitative and qualitative growth in the household banking base. The data also reveal that deposits are heavily concentrated in small-value accounts, signifying broad-based financial inclusion. Accounts up to Tk. 2 lakh rose from 13.5 crore to 15.2 crore, while deposits between Tk. 2 lakh and Tk. 25 lakh increased from Tk. 535.1 thousand crore to Tk. 634.0 thousand crore—indicating a rising middle-class saving capacity. Conversely, the number of very large accounts (above Tk. 25 crore) declined, suggesting a redistribution of deposits toward smaller holders and greater diversification of the overall base. Taken together, these trends highlight that Bangladesh’s deposit structure is increasingly driven by retail and middle-tier savers, reflecting the success of inclusive and digital banking initiatives while emphasizing the need for sustained depositor confidence and prudent interest rate management.

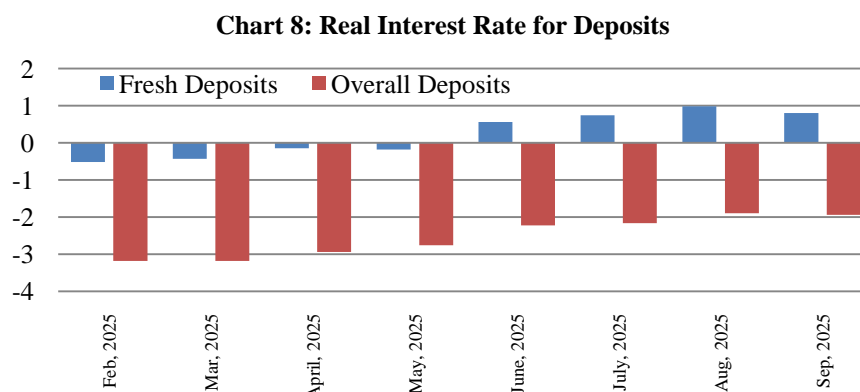
Table 2: Households (Individual Customers) Deposits Distributed by Size of Amounts

(amount in thousand crore Tk.)

Account Size Range Name	2024		2025		2025	
	Sep		June		Sep	
	No. of Accounts	Deposit amount	No. of Accounts	Deposit amount	No. of Accounts	Deposit amount
Upto 2 Lakh	135,223,387	137.3	147,649,456	150.5	152,145,743	155.5
2 Lakh 1 to 25 Lakh	9,093,686	535.1	10,274,452	604.0	10,821,810	634.0
25 Lakh 1 to 50 Lakh	369,010	132.8	409,455	147.8	421,465	152.5
50 Lakh 1 to 1 Crore	158,500	109.7	172,059	119.4	175,575	122.0
1 Crore 1 to 25 Crore	33,453	76.6	36,932	82.0	37,214	80.5
25 Crore 1 to 50 Crore	136	4.8	78	2.6	79	2.8
50 Crore 1 and above	40	5.8	26	2.4	29	2.7
Total	144,878,212	1,002.1	158,542,458	1,108.7	163,601,915	1,150.1

LD Real Interest Rate for Deposits

The real interest rate on deposits reflects the actual return on savings after adjusting for inflation. As shown in Chart 8, the real interest rate on deposits remained negative during most of FY25, although the rate on fresh deposits turned positive in June 2025 and onwards. Despite these low or near-zero real returns, overall deposit growth continued to rise, suggesting that savers prioritized financial safety, accessibility, and remittance-related inflows over purely return-driven motivations. This resilience in deposit behavior indicates strong confidence



in the formal banking system even amid limited real gains. Overall, the persistence of deposit growth amid negative real returns underscores the public’s enduring confidence in the formal banking system and highlights the role of non-return factors in shaping saving behavior.

II. Advance Trends

II.A Overall Scenario

The advance scenario of Bangladesh’s banking sector reflects the overall credit dynamics that underpin the country’s economic performance. Advances, comprising loans and other credit facilities extended by banks, play a pivotal role in financing productive sectors such as industry, trade, construction, and agriculture. The banking sector also has witnessed a consistent upward trend in total outstanding loan as like as deposits. At the end of September 2025, bank loans and advances had reached to Tk. 1,741.7 thousand crore against 1,619.9 thousand crore at the end of September 2024. While the overall growth rate slightly decelerated, a rapid deterioration in asset quality has shown, signaling aggressive lending and insufficient borrower assessment in the past.

Table 3: Bank group-wise Outstanding Loans & Advances

(Amount in thousand crore Tk.)

Type Of Banks	2024	2025	2025	% Changes	
	Sep	June	Sep	4 over 2	4 over 3
1	2	3	4		
State Owned Commercial Banks	333.7	342.5	342.9	2.8%	0.1%
Specialized Banks	45.9	49.5	49.6	8.1%	0.3%
Private Commercial Banks	1195.2	1293.8	1302.0	8.9%	0.6%
First Generation Banks (1972-1987)	457.6	507.8	514.3	12.4%	1.3%
Second Generation Banks (1992-1998)	241.8	254.3	253.0	4.6%	-0.5%
Third Generation Banks (1999-2001)	391.0	422.1	424.6	8.6%	0.6%
Fourth Generation Banks (2013)	95.3	99.7	99.6	4.5%	-0.1%
Fifth Generation Banks (2016-2021)	9.4	9.9	10.5	11.4%	6.6%
Full-Fledged Islamic Banks	428.6	470.2	469.1	9.4%	-0.2%
Foreign Banks	45.2	48.4	47.2	4.6%	-2.3%
All Banks	1619.9	1734.2	1741.7	7.5%	0.4%

At the end of September 2025, the first-generation private commercial banks exhibited a notable 12.4 percent growth in their loan portfolios, maintaining a dominant market share of 29 percent reflecting their continued capacity to disburse credit efficiently. Second and third generation private commercial banks recorded modest growth rates of 4.6 percent and 8.6 percent respectively, suggesting a more conservative lending stance. In contrast, state-owned commercial banks traced more conservative growth rates of 2.8 percent. Meanwhile, foreign

Chart 9: Growth of Loans & Advances (bank group wise)

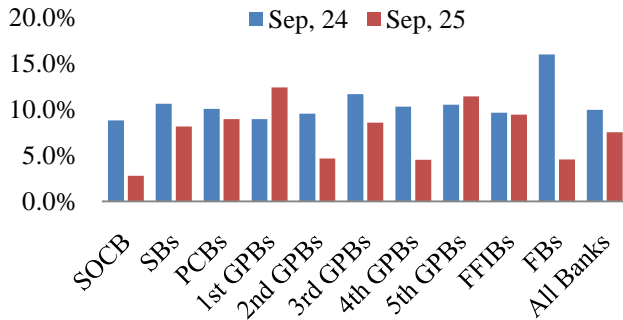
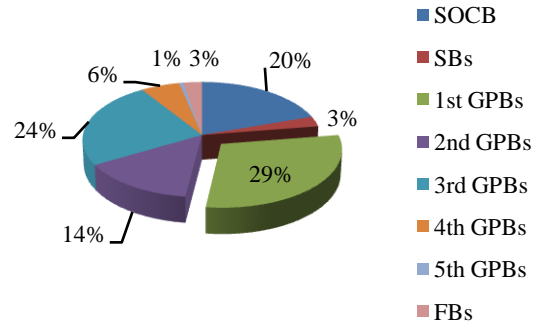


Chart 10: Bank group wise share of Loans & Advances (Sep 2025)



banks, despite their insignificant 3% market share, contracted their loan portfolios by 2.3 percent relative to June 2025. This contraction indicates the prevalence of tighter credit conditions and heightened risk aversion, as these institutions adopt more cautious lending strategies amid evolving market uncertainties.

II.B Economic purpose-wise loans and advances

The economic purpose-wise distribution of bank credit in Bangladesh reveals a strong concentration in industry and trade, reflecting the economy’s production and commerce driven growth pattern. Chart 11 illustrates that industry (42 percent) and trade & commerce (33 percent) dominate the allocation of bank credit, jointly accounting for 77 percent of total loans. Consumer finance (9 percent) and construction (7 percent) follow as secondary sectors, while agriculture, forestry, and fishing comprise a marginal 4 percent share. This composition underscores the industrial and commercial orientation of Bangladesh’s credit portfolio, with

Chart 11: Economic Purposes: Sep, 2025

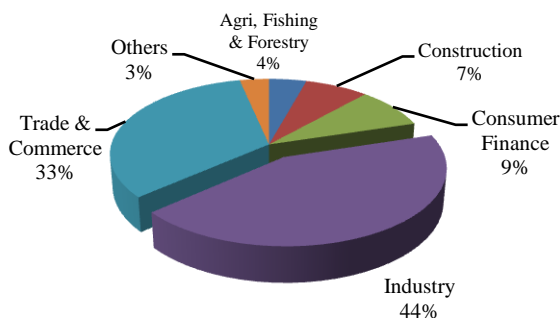
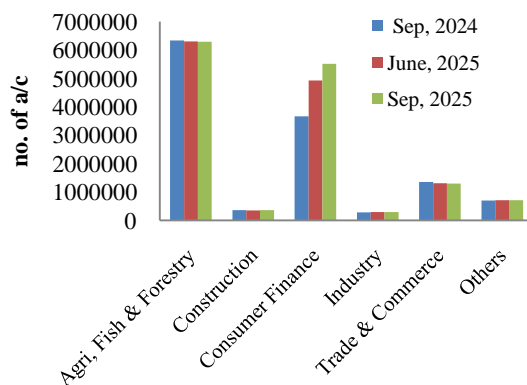


Chart 12: Economic Purposes (no of a/c)



limited diversification toward primary sectors.

The number of loan accounts is overwhelmingly concentrated in small-ticket retail segments such as agriculture, rural trading, household enterprises, and consumer finance loans. This dichotomy shows that many small accounts but high concentration of loan value in industry

reflects a dual-structured credit system, where corporate lending drives the monetary size, but household/SME segments drive the volume.

II.C Trends of Non-Performing Loans (NPLs)

NPLs indicate deterioration in asset quality and represent credit risk exposure for banks. A high NPL ratio reflects weaknesses in loan management, borrower repayment capacity, or overall economic conditions, while effective control of NPLs is essential for maintaining financial stability and banking sector soundness. The rising NPL ratio in banking sector is alarming: from 17.8 percent in September 2024 to 34.6 percent in June 2025 and 36.3 percent in September 2025 (Table 4). Islamic banks and state-owned banks are particularly vulnerable, signaling weak credit discipline and possible governance issues. Foreign banks, in contrast, maintain very low default levels, reflecting stricter risk management. In case of private commercial generation-wise, first and fourth generation banks show the highest descent, second generation banks show lower; while fifth generation banks and foreign banks maintain stable, low NPL ratios. On the other hand, second-generation banks moved against the overall market trend by reducing their NPL ratio from 19.3 percent in June 2025 to 17.7 percent in September 2025.

Table 4: Bank group wise as percent of Classified Loans & Advances to Outstanding

Type Of Banks	2024	2025	2025
	Sep	June	Sep
1	2	3	4
State Owned Commercial Banks	35.8%	44.6%	46.4%
Specialized Banks	12.9%	39.0%	38.9%
Private Commercial Banks	13.5%	32.9%	34.7%
First Generation Banks (1972-1987)	17.5%	40.6%	41.6%
Second Generation Banks (1992-1998)	8.5%	19.3%	17.7%
Third Generation Banks (1999-2001)	9.1%	27.6%	32.2%
Fourth Generation Banks (2013)	25.5%	53.3%	55.6%
Fifth Generation Banks (2016-2021)	1.2%	6.0%	6.8%
Full-Fledged Islamic Banks	17.2%	55.1%	58.0%
Foreign Banks	5.4%	6.1%	6.4%
All Banks	17.8%	34.6%	36.3%

Classified loan ratios increased across all industries, with trade, agriculture, and industry facing the highest risks. 43.4 percent of total loans are accumulated in industry (term loan and working capital) sector with 37.5 percent classified loans whereas 33.0 percent of total loans are distributed in trade & commerce sector with 45.6 percent classified loans. This indicates deep-rooted stress in the real economy, possibly due to global economic challenges, and weak financial discipline.

Table 5: Major Industry-wise Classified Loans & Advances

Major Industry Group	2024		2025		2025	
	Sep		June		Sep	
	% of total loan	% of classified Loan	% of total loan	% of classified Loan	% of total loan	% of classified Loan
Agriculture, Fishing and Forestry	4.3%	10.7%	4.3%	31.6%	4.3%	32.2%
Construction	7.4%	10.9%	7.1%	27.7%	7.3%	33.5%
Consumer Finance	8.6%	3.1%	10.0%	9.4%	8.6%	7.8%
Industry	42.5%	21.6%	42.0%	35.9%	43.4%	37.5%
Miscellaneous	0.9%	6.4%	1.0%	11.3%	0.9%	10.9%
Other Institutional Loan	1.9%	8.2%	1.9%	12.0%	1.9%	14.8%
Trade & Commerce	33.5%	20.1%	33.2%	44.7%	33.0%	45.6%
Transport	0.7%	18.4%	0.6%	22.7%	0.6%	23.7%
Total	100.0%	17.8%	100.0%	34.6%	100.0%	36.3%

The classification ratio of loans has increased significantly across all lending ranges from September 2024 to September 2025, reflecting a growing stress in loan portfolios, particularly for large exposures. Loans above 50 crore experienced a sharp increase in classification from 26 percent to 51 percent, while the 40–50 crore range also saw a surge from 13.9 percent to 46.8 percent. Even smaller ranges showed notable deterioration, with the up to 1 crore category rising from 10.3 percent to 15.2 percent. The trend across ranges indicates that credit quality issues are widespread but disproportionately higher for large corporate loans. The banking crisis is primarily driven by "willful defaulters" and large corporate groups rather than small individual borrowers. This pattern may suggest weaknesses in credit appraisal and monitoring systems for high-value loans or the impact of sectoral and macroeconomic shocks affecting large borrowers.

Table 6a: Total Loans & Classified Loans Disbursed by Size of Loan (amount)

(Amount in thousand crore Tk.)

Range of Amount	Sep, 2024		June, 2025		Sep, 2025	
	Total Loan	% of CL	Total Loan	% of CL	Total Loan	% of CL
Up to 1 crore	390.0	10.3%	405.4	16.0%	405.6	15.2%
1 crore 1 to 10 crore	361.5	15.3%	374	26.1%	370.8	27.9%
10 crore 1 to 20 crore	166.4	16.7%	174.9	45.7%	176.8	48.1%
20 crore 1 to 30 crore	103.2	22.1%	106.3	38.0%	106.3	40.5%
30 Crore 1 and 40 Crore	71.7	20.4%	81.9	42.1%	81.3	44.6%
40 Crore 1 to 50 Crore	76.9	13.9%	68.8	45.7%	69.5	46.8%
50 Crore 1 and above	450.2	26.0%	522.9	48.2%	531.4	51.0%
Grand total	1619.9	17.8%	1734.2	34.6%	1741.7	36.3%

Table 6a shows loans above Tk. 20 crore rising default intensity, exceeding 40% to 51% CL ratios by September 2025. Loans amounting to above Tk. 20 crore, representing over 45 percent of total outstanding credit, poses significant tail-risk to the banking portfolio. Their high default probability, volatility, and concentration impact make them systemically important exposures. Therefore, targeted detection and rigorous document rechecking of large loans is statistically efficient, economically justified, and regulatorily essential.

Table 6b: Classified Loan Distributed by Size of Loan (no. of A/C)

Range of Amount	No. of classified loan account	
	Sep, 2024	Sep, 2025
Up to 1 crore	1,866,101	4,428,136
1 crore 1 to 10 crore	18,652	30,104
10 crore 1 to 20 crore	2,014	6,596
20 crore 1 to 30 crore	922	1,740
30 Crore 1 and 40 Crore	422	1,044
40 Crore 1 to 50 Crore	239	718
50 Crore 1 and above	941	2,273
Grand total	1,889,291	4,470,611

Classified loan accounts more than doubled from 1.89 million to 4.47 million between September 2024 and September 2025. The increase was most dramatic in the up to 1 crore segment. This indicates a mass retail-level deterioration, which can stem from rising cost of living and household indebtedness, slowdown in SME activity and weak repayment capacity in agricultural and small-trading segments. Although high-value defaults create larger monetary shocks, the explosion in small-account defaults is a warning sign of widespread financial stress.

II.D Trends of Advance Deposit Ratio

The advance-deposit ratio (ADR) measures how much of deposits are being used for lending, reflecting credit risk and liquidity balance. At the end of September 2025, the overall Advance-to-Deposit Ratio (ADR) of Bangladesh's banking sector declined compare to September 2024, indicating a shift towards liquidity accumulation and tightening regulatory requirements and heightened credit risk. Islamic banks continued to exhibit overexposure, with ADRs near to 120 percent, raising concerns about potential liquidity stress and over-lending tendencies.

Similarly, several fourth-generation banks maintained ADRs above 100 percent, reflecting their aggressive credit expansion strategies aimed at rapid portfolio growth. In contrast, foreign banks adopted a more cautious approach, keeping their ADRs relatively low and thereby sustaining adequate liquidity buffers and risk resilience. Overall, declining ADR

across the banking system signals the improvement of liquidity buffers, possibly at the cost of declining credit momentum.

Table 7: Bank Group wise Advance Deposit Ratio (ADR)

Type Of Banks	2024	2025	2025
	Sep	June	Sep
1	2	3	4
State Owned Commercial Banks	77.0	71.7	71.2
Specialized Banks	90.4	87.0	86.5
Private Commercial Banks	94.9	94.1	92.6
First Generation Banks (1972-1987)	95.9	95.6	93.7
Second Generation Banks (1992-1998)	91.1	87.7	85.4
Third Generation Banks (1999-2001)	94.3	94.7	93.5
Fourth Generation Banks (2013)	106.0	105.6	106.4
Fifth Generation Banks (2016-2021)	81.0	74.1	74.9
Full-Fledged Islamic Banks	112.3	121.8	119.5
Foreign Banks	54.7	55.3	55.2
All Banks	88.7	86.9	85.8

II.E Classification by Gender

Bangladesh, having an inspirational trajectory towards women’s empowerment, has set a precedent for women to become economically independent, reduce gender gap and make substantial contributions to the prosperity of the country. It enables the opportunity for financial services, advances financial literacy, and encourages women to start their businesses. It has been made significant strides in promoting women’s financial inclusion through scheduled banks: one third of deposit portion of market is contributed by women.

Table 8: Gender Statistics: at a Glance

(Account no. in thousand & figure in thousand crore Tk.)

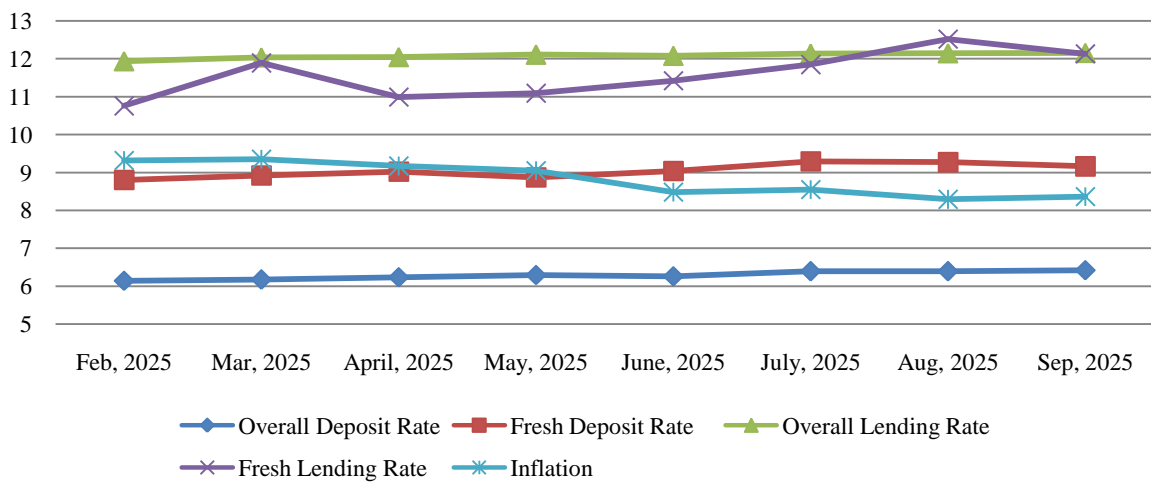
Particulars	Sep, 2024	June, 2025	Sep, 2025
Number of deposit accounts (household)	144,878	158,542	163,602
<i>% of women account</i>	<i>37.3%</i>	<i>37.1%</i>	<i>37.8%</i>
Outstanding deposits	1,002	1,109	1,150
<i>% of women account</i>	<i>33.6%</i>	<i>32.1%</i>	<i>33.3%</i>
Number of loan accounts (household)	10,806	12,033	12,612
<i>% of women account</i>	<i>19.4%</i>	<i>19.5%</i>	<i>19.2%</i>
Outstanding loans and advances	234	269	246
<i>% of women account</i>	<i>19.3%</i>	<i>21.4%</i>	<i>20.2%</i>

On the other hand, lending case is lower but a momentous contribution of women for number of loans accounts and outstanding loan amount with 19.2 percent and 20.2 percent respectively.

II. F Interest Rate Spread

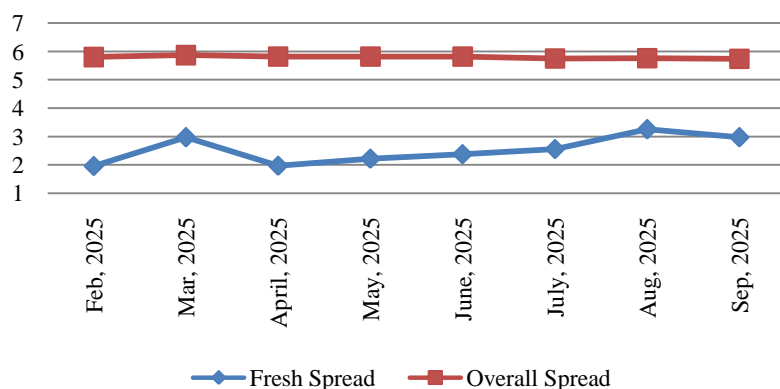
At the end of FY25, overall deposit rate, advance rate and overall spread stable (Chart 13). Fresh deposit rate shows higher rate than overall inflation (point to point basis) while fresh spread (using fresh deposits and fresh loans) shows much lower than overall spread. While the stable spread supports banking sector earnings, low deposit rates compared to inflation discourage savings, and high lending rates create pressure on businesses and households, especially SMEs.

Chart 13a: Interest Rate and Inflation



Overall spread shows that banks remain profitable, but higher fresh deposit returns risk with high lending costs may suppress the profit in near future. Also higher rate of lending rate will gradual reduce private sector growth. Balancing profitability with financial inclusion remains a key policy challenge.

Chart 13b: Fresh and Overall Spread



Conclusion

The Bangladesh banking sector in June 2025 shows a dual picture:

- **Strengths:** Steady deposit growth, strong household participation, declining overall ADR, and continued profitability through spreads.
- **Weaknesses:** Rapidly rising classified loans, over-lending in Islamic and 4th generation private commercial banks, and low real returns for depositors.

To sustain stability and growth, the sector must urgently address NPLs, enforce ADR discipline, and balance interest rates to protect depositors while promoting affordable credit. Without these corrective measures, current vulnerabilities could evolve into systemic risks, undermining financial stability and economic development.

The report is prepared by Banking Statistics Division, Statistics Department, Bangladesh Bank. Comments and suggestions may be sent to: Director, Statistics Department (directorbanking.statistics@bb.org.bd)