

Fortnightly Trends of Major Economic Indicators: Updates on 31 July 2018

As per the latest available information, **broad money** increased by Tk. 93901.90 crore or 9.24 percent and stood at Tk.1109978.00 crore during July-June 2017-18 against the increase of Tk.99698.20 crore or 10.88 percent in the same period of the previous fiscal year. Broad money growth slowed down due mainly to negative growth in net foreign assets (NFA) emanated from larger deficit in current account balance.

Reserve money stood at Tk. 220437.10 crore as on 31 July 2018 which was Tk. 228306.00 crore as on 15 July 2018. Reserve money decreased by 5.39 percent as on 31 July 2018 over end June 2018 as compared to the decrease of 6.44 percent during the same period of the previous fiscal year.

Domestic credit increased by 14.71 percent and stood at TK. 1021707.20 crore during July-June 2017-18 against the increase of 11.16 percent to Tk. 890670.30 crore during the same period of the previous fiscal year. Domestic credit growth increased during the reported period due to a significant credit growth in the private sector. Credit to private sector recorded 16.95 percent growth during FY 2017-18 as against 15.66 percent growth in the same period of the previous fiscal year. On the other hand, credit to public sector decreased by 0.46 percent in FY 2017-18 which also decreased by 12.02 percent during the same period of the previous fiscal year.

Government borrowing from the banking system including BB decreased by Tk. 6080.66 crore during the period of 16-31 July 2018 as compared to the decrease of Tk. 157.72 crore in the same period of the previous year. Similarly, as per the latest data, government overall borrowing from the banking system decreased by Tk. 1412.66 crore during the period of 01-31 July 2018-19, while it decreased by Tk. 2498.31 crore during the same period of the previous fiscal year.

NBR tax revenue collection increased by 20.75 percent (y-o-y) to Tk. 207307.95 crore during July-June 2017-18 as compared to the increase of 10.39 percent to Tk. 171679.14 crore during the same period of the previous fiscal year.

Inward Remittances increased by 18.05 percent and stood at US\$ 1316.93 million in July 2018 against the increase of 10.95 percent to US\$ 1115.57 million during the same month of the previous year.

Exports increased by 5.81 percent and stood at US\$ 36668.17 million during July-June 2017-18 against the increase of 1.16 percent to US\$ 34655.90 million during the same period of the previous year.

Current account balance recorded a deficit of US\$ 9780 million during July-June 2017-18 as compared to the deficit of US\$ 1331.00 million during July-June 2016-17. Larger deficit in current account balance emerged from increase in deficit both in trade and service account due mainly to a significantly larger growth of imports than exports during the period under report.

Foreign exchange reserves of BB increased by US\$ 0.28 billion and stood at US\$ 32.08 billion as on 31 July 2018 against US\$ 31.80 billion as on 15 July 2018 supported by surplus in financial account balance as well as significant amount of inflows from remittances.

Inflation on twelve-month average basis (Base: FY2005-06=100) marginally decreased to 5.78 percent in June 2018 from 5.82 percent in May 2018. Similarly, point to point general inflation decreased to 5.54 percent in June 2018 from 5.57 percent in May 2018. Both twelve-month average

and point to point general inflation decreased in June 2018 as compared to the previous month due to decrease in food inflation.

Detailed fortnightly information upto 31 July 2018 are given at annex-1.

Detailed Information on Trends of Major Economic Indicators upto 31 July 2018**I. Money and Credit**

(Taka in crore)

Particulars	June 2017	May 2018 ^R	June 2018 ^P
1. Broad money (M2)	1016076.10	1078298.10	1109978.00
	(+10.88)	(+6.12)	(+9.24)
2. Reserve money @	209502.20 ***	228306.00 **	220437.10 *
	(-6.44)	(-2.01)	(-5.39)
3. Bank credit[#]	772339.80	884705.90	899493.00
	(+15.84)	(+14.55)	(+16.46)
4. Bank deposits^{##}	878544.20	944854.30	969060.50
	(+10.61)	(+7.55)	(+10.30)
5. Domestic credit (A+B)	890670.30	988907.50	1021707.20
	(+11.16)	(+11.03)	(+14.71)
A. Public sector (including govt.) (a+b)	114613.80	96504.10	114085.40
	(-12.02)	(-15.80)	(-0.46)
 i. Net credit to govt. sector	97333.60	76696.80	94878.00
	(-14.78)	(-21.20)	(-2.52)
 ii. Credit to other public sector	17280.20	19807.30	19207.40
	(+7.66)	(+14.62)	(+11.15)
B. Credit to private sector	776056.50	892403.40	907621.80
	(+15.66)	(+14.99)	(+16.95)

Source: SBS from Statistics Department, BB.

Note: Figures in the parenthesis indicate percentage changes over corresponding end June.

P= Provisional, @=excluding F.C. clearing account

*Figure is as of 31st July 2018, **Figure is as of 15th July 2018, ***Figure is as of 31st July 2017 .

Advances, import and inland bills. ## Demand and time deposits (excluding inter-bank)

II. Government Financing

Particulars	As on		Flow for the period of			
	31 July 2017	31 July 2018	16-31 July 2017-18	16-31 July 2018-19	01-31 July 2017-18	01-31 July 2018-19
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	7835.86	13848.33	-3227.25	-7899.39	-7892.95	-9797.31
B. Net outstanding position of govt. borrowing from banking sector(including BB)	87218.19	86829.91	-157.72	-6080.66	-2498.31	-1412.66
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	June 2017	June 2018 ^P	June 2017	June 2018	July-June 2016-17	July-June 2017-18 ^P
	216581.79	264074.39	(+)6163.03	(+)2972.57	(+)53685.30	(+)47492.60
3. Govt.revenue collection (NBR portion)	June 2017	June 2018 ^P	July-June 2016-17		July-June 2017-18 ^P	
	19337.61 (-11.38)	27595.48 (+42.70)	171679.14 (+10.39)		207307.95 (+20.75)	

Source: Research Department & Statistics Department, BB and National Board of Revenue.

Note: Figures in the parenthesis indicate percentage changes over the same period of the previous year

P= Provisional

* Excludes saving certificates held by the banks and includes T.bills & T.bonds held by non-bank financial institutions.

III. External Sector**(In million US\$)**

Particulars	June 2016-17	June 2017-18 ^P	July-June 2016- 17	July-June 2017-18 ^P
1.Custom based import (c&f)	3499.10 (-8.32)	4257.20 (+21.67)	47005.20 (+9.00)	58865.30 (+25.23)
2. Opening of Import L/C	4007.21 (-13.33)	4016.51 (+0.23)	48125.92 (+11.05)	69421.15 (+44.25)
3. Settlement of Import L/C	3274.28 (-4.11)	3744.41 (+14.36)	44272.76 (+10.47)	51530.56 (+16.39)
	July 2017-18	July 2018-19 ^P	July-June 2016- 17	July-June 2017-18 ^P
4. Inward Remittances	1115.57 (+10.95)	1316.93 (+18.05)	12769.45 (-14.48)	14978.86 (+17.30)
	June 2016-17	June 2017-18 ^P	July-June 2016- 17	July-June 2017-18 ^P
5. Exports	3033.03 (-15.58)	2939.35 (-3.09)	34655.90 (+1.16)	36668.17 (+5.81)
	July-June 2016-17		July-June 2017-18 ^P	
6. Current Account Balance	-1331.00		-9780.00	
	31 July 2017	15 July 2018	31 July 2018	
7. Foreign Exchange Reserve [#]	32907.74 (-1.75)	31803.23 (-3.38)	32078.63 (-2.55)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	June 2017	May 2018	June 2018 ^P
a. Twelve month average basis	5.44	5.82	5.78
b. Twelve month point to point basis	5.94	5.57	5.54

Source: Statistics Department and Accounts & Budgeting Department, BB and Bangladesh Bureau of Statistics.

Note: Figures in the parenthesis indicate percentage changes over the same period of the preceding year.

P=Provisional, # Figures in the parenthesis indicate percentage changes over corresponding end June.