

Fortnightly Trends of Major Economic Indicators: Updates on 15 August 2020

As per the latest available information, **broad money** increased by Tk. 31143.30 crore or 2.27 percent in July 2020 over end June 2020 against the increase of Tk. 9960.80 crore or 0.82 percent during the same period of the preceding fiscal year.

Reserve money stood at Tk. 288496.90 crore as on 15 August 2020 over end June 2020 which was Tk. 291288.80 crore as on 30 July 2020. Reserve money increased by 1.63 percent as on 15 August 2020 over end June 2020 as compared to the increase of 6.20 percent during the same period of the preceding fiscal year.

Domestic credit increased by 1.41 percent and stood at TK. 1320955.0 crore in July 2020 over end June 2020 against the increase of 0.91 percent to Tk. 1157351.70 crore during the same period of the previous fiscal year. Domestic credit slightly increased over the reported period due mainly to increase in credit to public sector including net credit to government. Credit to public sector increased by 9.93 percent in July 2020 over end June 2020 against the increase of 13.00 percent during the same period of previous fiscal year. However, credit to private sector recorded 0.19 percent negative growth in July 2020 over end June 2020 as compared to the negative growth of 0.72 percent in the same period of the preceding fiscal year.

Government borrowing from the banking system including BB decreased by Tk. 1173.15 crore during the period of 01-15 August 2020 as compared to the increase of Tk. 6576.70 crore during the same period of the last year. However, as per the latest available data, government overall borrowing from the banking system increased by Tk. 7172.08 crore during the period of 01 July- 15 August, 2020 as compared to the increase of Tk. 24064.78 crore during the same period of the preceding fiscal year.

NBR tax revenue collection decreased by 2.45 percent (y-o-y) and stood at Tk. 218406.05 crore during FY 2019-20 as compared to the increase of 10.67 percent to Tk.223892.42 crore during FY 2018-19.

Inward Remittances increased by 62.71 percent and stood at US\$ 2599.56 million in July 2020 against the increase of 21.20 percent to US\$ 1597.69 million during the same month of the last fiscal year.

Exports increased by 0.59 percent and stood at US\$ 3910.92 million in July 2020 against the increase of 8.55 percent to US\$ 3887.86 million in the same month of the preceding fiscal year.

Current account balance recorded a deficit of US\$ 4849 million in FY 2019-20 as compared to the deficit of US\$ 5102 million in FY2018-19. Lower deficit in current account emerged from larger inflows of remittances as well as lower deficit in service account.

Supported by surplus in financial account as well as lower deficit in current account **foreign exchange reserves** of BB increased by US\$ 5.50 billion and stood at US\$ 37.85 billion as on 15 August 2020 from US\$ 32.35 billion as on 15 August 2019.

Inflation on twelve-month average basis (Base: FY2005-06=100) decreased to 5.64 percent in July 2020 from 5.65 percent in June 2020 due to decrease in non food inflation. However, point to point general inflation also decreased to 5.53 percent in July 2020 from 6.02 percent in June 2020 due to decrease in food inflation.

Detailed fortnightly information upto 15 August 2020 are given at annex-1.

Detailed Information on Trends of Major Economic Indicators upto 15 August 2020**I. Money and Credit**

(Taka in crore)

Particulars	July 2019	June 2020 ^R	July 2020 ^P
1. Broad money (M2)	1229572.30	1373735.00	1404878.30
	(+0.82)	(+12.64)	(+2.27)
2. Reserve money @	260610.50 ***	291288.80 **	288496.90 *
	(+6.20)	(+18.70)	(+1.63)
3. Bank deposits^{##}	1071741.20	1181620.60	1193894.40
	(+0.60)	(+10.92)	(+1.04)
4. Domestic credit (A+B)	1157351.70	1302634.70	1320955.00
	(+0.91)	(+13.58)	(+1.41)
A. Public sector (including govt.) (a+b)	154385.70	205363.70	225753.10
	(+13.00)	(+50.31)	(+9.93)
i. Net credit to govt. sector	129962.40	176148.60	196694.80
	(+14.73)	(+55.51)	(+11.66)
ii. Credit to other public sector	24423.20	29215.10	29058.30
	(+4.57)	(+25.09)	(-0.54)
B. Credit to private sector	1002966.00	1097271.00	1095201.80
	(-0.72)	(+8.61)	(-0.19)

Source: 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 15th August 2020, **Figure is as of 30th July 2020, ***Figure is as of 15th August 2019 .

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

II. Government Financing**(Taka in crore)**

Particulars	As on		Flow for the period of			
	15 August 2019	15 August 2020	01-15 August 2019	01-15 August 2020	01 July-15 August 2019	01 July-15 August 2020
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	40686.51	40652.37	6772.95	-2673.40	6741.78	-3733.82
B. Net outstanding position of govt. borrowing from banking sector(including BB)	132160.48	187278.89	6576.70	-1173.15	24064.78	7172.08
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 2019	June 2020 ^P	June 2019	June 2020 ^P	July-June 2018-19	July-June 2019-20 ^P
	318003.07	340989.34	(+)3741.56	(+)4540.14	(+)53928.68	(+)22986.27
3. Govt.revenue collection (NBR portion)	June 2019	June 2020 ^P	July-June 2018-19		July-June 2019-20 ^P	
	30277.01 (+28.19)	29890.42 (-1.28)	223892.42 (+10.67)		218406.05 (-2.45)	

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.

(In million US\$)

III. External Sector

Particulars	June 2019	June 2020	July-June 2019	July-June 2020 ^P
1. Custom based import (c&f)	3881.20 (-8.83)	4807.90 (+23.88)	59914.70 (+1.78)	54784.70 (-8.56)
2. Opening of Import L/C	3798.24 (-5.43)	3883.82 (+2.25)	57754.61 (-16.81)	51100.62 (-11.52)
3. Settlement of Import L/C	4070.20 (+8.70)	4152.74 (+2.03)	54640.35 (+6.03)	50639.54 (-7.32)
	July 2019	July 2020 ^P	July-June 2018-19	July-June 2019-20 ^P
4. Inward Remittances	1597.69 (+21.20)	2599.56 (+62.71)	16419.63 (+9.60)	18204.94 (+10.87)
5. Exports	3887.86 (+8.55)	3910.92 (+0.59)	40535.04 (+10.55)	33674.09 (-16.93)
	July-June FY2019 ^P		July-June FY2020 ^P	
6. Current Account Balance	-5102.00		-4849.00	
	15 August 2019	30 July 2020	15 August 2020	
7. Foreign Exchange Reserve [#]	32348.87 (-3.42)	37288.20 (+13.19)	37845.49 (+14.88)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	July 2019	June 2020	July 2020
a. Twelve month average basis	5.48	5.65	5.64
b. Twelve month point to point basis	5.62	6.02	5.53

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.