

### **Fortnightly Trends of Major Economic Indicators: Updates on 31 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 281178.60 crore as on 31 August 2020 over end June 2020 which was Tk. 288500.60 crore as on 15 August 2020. Reserve money decreased by 0.95 percent as on 31 August 2020 over end June 2020 as compared to the increase of 2.15 percent during the same period of the preceding fiscal year.

**Domestic credit** increased by 1.02 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 to increase in credit to public sector along with lower decrease in credit to private sector. Credit to public sector increased by 7.31 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 only 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. 9089.27 crore during the period of 16-27 August 2020 as compared to the increase of Tk. 1624.26 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. 366.61 crore during the period of 01 July- 27 August, 2020 as compared to the increase of Tk. 25689.04 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 2.17 percent and stood at US\$ 6878.08 million during July-August 2020-21 against the decrease of 0.92 percent to US\$ 6732.17 million in the same period of the preceding fiscal year.

**Current account balance** recorded significant surplus of US\$ 1965 million in FY 2020-21 as compared to the deficit of US\$ 108 million in FY2019-20. Surplus in current account balance emerged from larger inflows of remittances and significantly lower deficit in trade account.

Despite having deficit in financial account with the support of higher surplus in current account balance, **foreign exchange reserves** of BB increased by US\$ 6.27 billion and stood at US\$ 39.04 billion as on 31 August 2020 from US\$ 32.77 billion as on 31 August 2019.

**Inflation** on twelve-month average basis (Base: FY2005-06=100) increased to 5.65 percent in August 2020 from 5.64 percent in July 2020. Similarly, point to point general inflation also increased to 5.68 percent in August 2020 from 5.53 percent in July 2020. Both twelve-month average inflation as well as point to point general inflation increased in August 2020 from the last month due to rise in food inflation.

Detailed fortnightly information upto 31 August 2020 are given at annex-1.

**Detailed Information on Trends of Major Economic Indicators upto 31 August 2020****I. Money and Credit**

(Taka in crore)

Particulars	July 2019	June 2020 <sup>R</sup>	July 2020 <sup>P</sup>
<b>1. Broad money (M2)</b>	<b>1229572.30</b>	<b>1373735.00</b>	<b>1404878.30</b>
	(+0.82)	(+12.64)	(+2.27)
<b>2. Reserve money @</b>	<b>250673.20 ***</b>	<b>288500.60 **</b>	<b>281178.60 *</b>
	(+2.15)	(+17.56)	(-0.95)
<b>3. Bank deposits<sup>##</sup></b>	<b>1071741.20</b>	<b>1181620.60</b>	<b>1193894.40</b>
	(+0.60)	(+10.92)	(+1.04)
<b>4. Domestic credit (A+B)</b>	<b>1157351.70</b>	<b>1307633.80</b>	<b>1320955.00</b>
	(+0.91)	(+14.02)	(+1.02)
<b>A. Public sector (including govt.) (a+b)</b>	<b>154385.70</b>	<b>210365.90</b>	<b>225753.10</b>
	(+13.00)	(+53.97)	(+7.31)
<b>    i. Net credit to govt. sector</b>	<b>129962.40</b>	<b>181150.80</b>	<b>196694.80</b>
	(+14.73)	(+59.92)	(+8.58)
<b>    ii. Credit to other public sector</b>	<b>24423.20</b>	<b>29215.10</b>	<b>29058.30</b>
	(+4.57)	(+25.09)	(-0.54)
<b>B. Credit to private sector</b>	<b>1002966.00</b>	<b>1097267.90</b>	<b>1095201.80</b>
	(-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 31st August 2020, \*\*Figure is as of 15th August 2020, \*\*\*Figure is as of 31st 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			
	27 August 2019	27 August 2020	16-27 August 2019	16-27 August 2020	01 July-27 August 2019	01 July-27 August 2020
<b>1. A. Net outstanding position of govt. borrowing from Bangladesh Bank</b>	40252.41	26834.14	-434.10	-13818.23	6307.68	-17519.35
<b>B. Net outstanding position of govt. borrowing from banking sector(including BB)</b>	133784.74	178189.62	1624.26	-9089.27	25689.04	366.61
<b>2. Net outstanding position of non-bank borrowing of the govt.*</b>	As of end		Flow for the month of		Flow for the period of	
	June 2019	June 2020 <sup>P</sup>	June 2019	June 2020 <sup>P</sup>	July-June 2018-19	July-June 2019-20 <sup>P</sup>
	318003.07	340989.34	(+)3741.56	(+)4540.14	(+)53928.68	(+)22986.27
<b>3. Govt.revenue collection (NBR portion)</b>	June 2019	June 2020 <sup>P</sup>	July-June 2018-19		July-June 2019-20 <sup>P</sup>	
	30277.01 (+28.19)	29890.42 (-1.28)	223892.42 (+10.67)		218406.05 (-2.45)	

Source: Research Department &amp; 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 &amp; T.bonds held by non-bank financial institutions.

(In million US\$)

**III. External Sector**

Particulars	July 2019	July 2020	July-June 2019	July-June 2020 <sup>P</sup>
1. Custom based import (c&f)	5247.10 (+3.31)	4228.00 (-19.42)	59914.70 (+1.78)	54784.70 (-8.56)
Particulars	June 2019	June 2020	July-June 2019	July-June 2020 <sup>P</sup>
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)
Particulars	July 2019	July 2020 <sup>P</sup>	July-June 2018-19	July-June 2019-20 <sup>P</sup>
4. Inward Remittances	1597.69 (+21.20)	2599.56 (+62.71)	16419.63 (+9.60)	18204.94 (+10.87)
Particulars	August 2019	August 2020	July-August 2019-20	July-August 2020-21 <sup>P</sup>
5. Exports	2844.31 (-11.49)	2967.16 (+4.32)	6732.17 (-0.92)	6878.08 (+2.17)
	July 2019-20		July 2020-21 <sup>P</sup>	
6. Current Account Balance	-108.00		1965.00	
	31 August 2019	15 August 2020	31 August 2020	
7. Foreign Exchange Reserve <sup>#</sup>	32774.67 (-2.14)	37845.49 (+14.88)	39040.04 (+18.51)	

**IV. Price Index**

1. CPI inflation at national level (Base : FY 2005-06=100)	August 2019	July 2020	August 2020
a. Twelve month average basis	5.48	5.64	5.65
b. Twelve month point to point basis	5.49	5.53	5.68

Source: Statistics Department and Accounts &amp; 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.