

**Fortnightly of Major Economic Indicators: Updated up to 15 July 2023**

**Broad money** inched down by 0.68 percent to BDT 18,74,249.80 crore at the end of July 2023 from the end of June 2023 stemmed from the decline of the net foreign assets (NFA) during the period.

**Domestic credit** also inched down by 0.34 percent to BDT 19,20,170.10 crore at the end of July 2023 over the end of June 2023. Credit to the public sector grew by 0.51 percent at the end of July 2023 over the end of June 2023. The higher credit growth in the public sector was due to higher net credit growth to govt. sector. As per the latest available data, government borrowing from the banking system decreased by BDT 534.21 crore during 01-13 July 2023 against the increase of BDT 208.64 crore during the same period of the previous year. Besides, credit to private sector decreased by 0.59 percent in July 2023 over the end of June 2023 which contributed to slow down of domestic credit.

During 01-13 July, **reserve money** decreased by 3.60 percent to BDT 3,69,771.00 crore as on 13 July 2023 from the end of June 2023. Reserve money declined due mainly to the decrease in Net Foreign Assets (NFA) of Bangladesh Bank under review.

**NBR tax revenue** collection rose 9.89 percent to BDT 3,31,454.88 crore during FY23 and BDT 3,01,633.84 crore during FY22. The target for NBR tax revenue collection has been set at BDT 3,70,000.00 crore in the budget for FY23. NBR tax revenue during FY23 was 89.58 percent of the target set for FY23.

**Exports** surged by 15.26 percent to USD 4.59\* billion in July 2023 compared to 14.72 percent growth to USD 3.98\* billion in July 2022. Exports increased mainly due to increasing demand for readymade garments products from abroad and depreciation of taka against dollar.

**Custom-based imports** decreased by 15.04 percent in July 2023 compared to 23.28 percent rise in July 2022. Opening of import LC decreased by 23.09 percent in July 2023 compared to 23.53 percent rise in July 2022. Settlement of import LC decreased by 17.95 percent in July 2023 compared to 60.89 percent rise in July 2022. A notable depreciation of BDT against USD and import monitoring by BB might have partly contributed to the negative growth of imports.

**Inward Remittances** edged down to 5.88 percent to USD 1.97 billion in July 2023 compared to 12.01 percent rise in July 2022. Reduced inflow of remittance might be the outcome of persistent high inflation around the world over the past year, along with expectation about depreciation of BDT against USD.

**Current account balance** improved and recorded a surplus of USD 537.00 million in July 2023 against the deficit of USD 449.00 million in July 2022. The surplus in the current account balance occurred because of a higher contribution in secondary income and narrowed down trade balance.

**Foreign exchange reserves** came down to USD 30.04 billion as on 13 July 2023 from USD 39.79 billion as on 13 July 2022.

**Headline Inflation (Point to point)** edged down to 9.69 percent in July 2023 from 9.74 percent in June 2023. On the other hand, **headline inflation (twelve-month average)** went up to 9.20 percent in July 2023 from 9.02 percent in June 2023. Supply bottleneck due to the Russia-Ukraine war, higher commodity prices in the international market; fuel, electricity and gas prices upward adjustment in the domestic market along with BDT depreciation, and possibly a rise in domestic demand were contributing factors for the increasing headline inflation (twelve-month average).

Detailed fortnightly information available up to 15 July 2023 is annexed herewith.

## Detailed Information of Major Economic Indicators upto 15 July 2023

### I. Money and Credit

(Taka in crore)

| Particulars                                      | June 2022    | July 2022    | June 2023 <sup>R</sup> | July 2023 <sup>P</sup> | Flow of July of FY24 <sup>P</sup> | Flow of July of FY23 <sup>R</sup> |
|--|--------------|--------------|------------------------|------------------------|-----------------------------------|-----------------------------------|
| 1  | 2            | 3            | 4                      | 5                      | 6=(5-4)                           | 7=(3-2)                           |
| <b>1. Broad money (M2)</b>                       | 1708122.30   | 1707930.40   | 1887168.10             | 1874249.80             | -12918.30                         | -191.90                           |
|  | (+24.34)     | (-0.01)      | (+10.48)               | (-0.68)                |                                   |                                   |
| <b>2. Bank deposits<sup>#</sup></b>              | 1471673.30   | 1465904.30   | 1595254.60             | 1607895.20             | 12640.60                          | -5769.00                          |
|  | (+24.55)     | (-0.39)      | (+8.40)                | (+0.79)                |                                   |                                   |
| <b>3. Domestic credit (A+B)</b>                  | 1671749.00   | 1672464.40   | 1926769.40             | 1920170.10             | -6599.30                          | 715.40                            |
|  | (+27.85)     | (+0.04)      | (+15.25)               | (-0.34)                |                                   |                                   |
| <b>A. Public sector (including govt.) (i+ii)</b> | 320513.30    | 319898.00    | 432514.60              | 434724.70              | 2210.10                           | -615.30                           |
|  | (+52.36)     | (-0.19)      | (+34.94)               | (+0.51)                |                                   |                                   |
| <b>i. Net credit to govt. sector</b>             | 283314.50    | 281761.70    | 387349.90              | 389687.30              | 2337.40                           | -1552.80                          |
|  | (+56.40)     | (-0.55)      | (+36.72)               | (+0.60)                |                                   |                                   |
| <b>ii. Credit to other public sector</b>         | 37198.90     | 38136.20     | 45164.70               | 45037.40               | -127.30                           | 937.30                            |
|  | (+27.33)     | (+2.52)      | (+21.41)               | (-0.28)                |                                   |                                   |
| <b>B. Credit to private sector</b>               | 1351235.60   | 1352566.40   | 1494254.70             | 1485445.40             | -8809.30                          | 1330.80                           |
|  | (+23.15)     | (+0.10)      | (+10.58)               | (-0.59)                |                                   |                                   |
| Particulars                                      | 30 June 2022 | 13 July 2022 | 30 June 2023           | 13 July 2023           | Flow of 01-13 July 2023           | Flow of 01-13 July 2022           |
| <b>4. Reserve money @</b>                        | 347162.10    | 358529.60    | 383585.20              | 369771.00              | -13814.20                         | 11367.50                          |
|  | (-0.26)      | (+3.27)      | (+10.49)               | (-3.60)                |                                   |                                   |

Source: Statistics Department, BB.

**Note: Figures in the parenthesis of column no 2 to 5 of data indicate percentage changes over the previous June**

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

# Including both demand and time deposits

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

| Particulars   | As on                |                           | Flow for the period of |                              |                                  |                                  |
|---|----------------------|---------------------------|------------------------|------------------------------|----------------------------------|----------------------------------|
|   | 13 July 2022         | 13 July 2023 <sup>P</sup> | 01-13 July 2022        | 01-13 July 2023 <sup>P</sup> | Changes during FY22 <sup>R</sup> | Changes during FY23 <sup>P</sup> |
| <b>1. A. Net outstanding position of govt. borrowing from Bangladesh Bank</b>           | 57742.11             | 156101.88                 | -2251.09               | -1575.43                     | 31324.26                         | 97684.11                         |
| <b>B. Net outstanding position of govt. borrowing from banking sector(including BB)</b> | 274521.00            | 396758.61                 | 208.64                 | -534.21                      | 68070.47                         | 122980.46                        |
| <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 2022            | June 2023 <sup>P</sup>    | June 2022              | June 2023 <sup>P</sup>       | Changes during FY22 <sup>R</sup> | Changes during FY23 <sup>P</sup> |
|   | 412204.21            | 419856.05                 | (+)4563.15             | (+)593.15                    | (+)44280.64                      | (+)26934.23                      |
| <b>3. Govt. tax revenue collection (NBR portion)</b>                                    | June 2022            | June 2023 <sup>P</sup>    | FY22                   |                              | FY23                             |                                  |
|   | 48464.27<br>(+21.74) | 49037.97<br>(+1.18)       | 301633.84<br>(+16.07)  |                              | 331454.88<br>(+9.89)             |                                  |

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.

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

| Particulars                                     | July 2022                           | July 2023                           | FY22                                | FY23                 |
|---|-------------------------------------|-------------------------------------|-------------------------------------|----------------------|
| <b>1. Custom based import (c&amp;f)</b>         | 6338.10<br>(+23.28)                 | 5384.60<br>(-15.04)                 | 89162.30<br>(+35.93)                | 75061.60<br>(-15.81) |
| <b>2. Opening of Import L/C<sup>R#</sup></b>    | 6357.03<br>(+23.53)                 | 4888.91<br>(-23.09)                 | 92234.69<br>(+37.59)                | 67632.90<br>(-26.67) |
| <b>3. Settlement of Import L/C<sup>R#</sup></b> | 7489.23<br>(+60.89)                 | 6144.56<br>(-17.95)                 | 83681.73<br>(+46.15)                | 6144.56<br>(-92.66)  |
|   | July 2022                           | July 2023                           | FY22                                | FY23                 |
| <b>4. Inward Remittances</b>                    | 2096.32<br>(+12.01)                 | 1973.15<br>(-5.88)                  | 21031.68<br>(-15.12)                | 21610.70<br>(+2.75)  |
|   | July 2022                           | July 2023                           | FY22                                | FY23                 |
| <b>5. Exports</b>                               | 3984.81<br>(+14.72)                 | 4592.92<br>(+15.26)                 | 52082.66<br>(+34.38)                | 55558.77<br>(+6.67)  |
|   | July 2022                           | July 2023                           | July 2023                           |                      |
| <b>6. Current Account Balance</b>               |                                     | -449.00                             | 537.00                              |                      |
|   | 13 July 2022                        | 30 June 2023                        | 13 July 2023                        |                      |
| <b>7. Foreign Exchange Reserve<sup>@</sup></b>  | 39791.28<br>(-12.21)                | 31202.98<br>(-25.40)                | 30035.96<br>(-24.52)                |                      |
| <b>IV. Price Index</b>                          |                                     |                                     |                                     |                      |
| <b>1. CPI inflation at national level</b>       | July 2022<br>(Base: FY 2005-06=100) | June 2023<br>(Base: FY 2021-22=100) | July 2023<br>(Base: FY 2021-22=100) |                      |
| <b>a. Point to point basis</b>                  | 7.48                                | 9.74                                | 9.69                                |                      |
| <b>b. Twelve month average basis</b>            | 6.33                                | 9.02                                | 9.20                                |                      |

Source: Statistics Department and Accounts &amp; Budgeting Department, BB website, Export Promotion Bureau 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 the previous June.