

### **Fortnightly of Major Economic Indicators: Updated up to 28 February 2023**

During July- February FY23, **broad money** increased 3.21 percent to Tk 1763032.00 crore at the end of February 2023 from the level of end June 2022. The increase in net domestic assets (NDA) contributed to broad money growth during the period.

**Domestic credit** recorded a growth of 6.91 percent in February 2023 over June 2022 compared to 7.39 percent growth in February 2022 over June 2021. Domestic credit growth stood lower compared to previous period because of lower growth of credit to private sector. Credit to public sector stood 10.17 percent at the end of February 2023 over June 2022 compared to 6.51 percent rise at the end of February 2022 over end June 2021. Credit to public sector growth stood higher because of higher growth of net credit to govt. sector. As per the latest available data, government borrowing from the banking system increased Tk 45519.10 crore during 01 July 2022 to 28 February 2023 against the increase of Tk 13195.18 crore during 01 July 2021 to 28 February 2022. However, credit to private sector growth decelerated to 6.13 percent at the end of February 2023 over June 2022 compared to 7.57 percent rise during the same period of the preceding fiscal year.

During 01 July- 28 February FY23, **reserve money** increased 0.74 percent to Tk 349741.00 crore as on 28 February 2023 from the level of end June 2022. Reserve money increased due mainly to the increase in Net Domestic Assets (NDA) of Bangladesh Bank under review.

**NBR tax revenue** collection rose 8.92 percent to Tk 196039.95 crore during July-February FY23 which was Tk 179984.02 crore during July-February FY22. Target for NBR tax revenue collection has been set at Tk 370000.00 crore in the budget for FY23. NBR tax revenue during July-February of FY23 was 52.98 percent of the target set for FY23.

**Exports** surged 9.56 percent to USD 37.08\* billion during July-February FY23 compared to 30.86 percent to USD 33.84\* billion during July-February FY22. Exports growth stood lower in February 2023 compared to that of the corresponding period due to higher base of the last year and seemingly a fall off global demand arising from Russia-Ukraine war.

**Custom based imports** decreased by 10.31 percent during July-February FY23 compared to 46.68 percent rise during July-February FY22. Custom based imports declined because of import restriction of different types of commodities and the luxurious items from imported countries. Opening of import LCs decreased 23.45 percent during July-February FY23 due to government's import monitoring policy imposed on non-essential and luxurious items. Besides, Settlement of import LCs also decreased 1.22 percent during July-February FY23.

**Inward Remittances** surged 4.28 percent to USD 14.01 billion during July-February FY23 compared to 19.47 percent decrease during the same period of the previous year. Remittances seem to increase because of the increased number of remitters in FY23, higher BDT depreciation along with Government's phenomenal 2.50 percent cash incentives for sending it through the formal banking channels, easing the remittance repatriation by allowing the mobile financial services in remittance collection and distribution process as well as waiving the remittance transaction fees by banks.

**Current account balance** improved and recorded a deficit of USD 4.39 billion in July-February FY23 against the deficit of USD 12.96 billion in July-February FY22. The deficit in current account balance occurred because of deficit in trade balance, primary income and service account. The deficit in current account balance improved compared to the same period of previous fiscal year due mainly to slower growth in import than that of export during July-February of FY23, with higher remittance inflows.

**Foreign exchange reserves** came down to USD 32.27 billion as on 28 February 2023 from USD 45.95 billion as on 28 February 2022.

**Headline Inflation (Point to point)** edged up to 8.78 percent in February 2023 from 8.57 percent in January 2023. Besides, **headline inflation (twelve-month average)** went up to 8.14 percent in February 2023 from 7.92 percent in January 2023. Supply bottleneck due to Russia-Ukraine war, higher commodity price in the international market, fuel, electricity and gas prices upward adjustment in domestic market along with BDT depreciation, and rise in domestic demand were contributing factors for the increasing headline inflation (both point to point & twelve-month average).

Detailed fortnightly information available up to 28 February 2023 is annexed herewith.

## Detailed Information of Major Economic Indicators upto 28 February 2023

### I. Money and Credit

(Taka in crore)

Particulars	June 2021	February 2022	June 2022 <sup>R</sup>	February 2023	July-February of FY23 <sup>P</sup>	July-February of FY22 <sup>R</sup>
1	2	3	4	5	6=(5-4)	7=(3-2)
<b>1. Broad money (M2)</b>	1560895.30	1620936.70	1708122.30	1763032.00	54909.70	60041.40
	(+13.62)	(+3.85)	(+9.43)	(+3.21)		
<b>2. Bank deposits<sup>#</sup></b>	1351377.60	1408666.50	1471673.30	1505364.40	33691.10	57288.90
	(+14.37)	(+4.24)	(+8.90)	(+2.29)		
<b>3. Domestic credit (A+B)</b>	1439899.10	1546240.40	1671749.00	1787185.30	115436.30	106341.30
	(+10.11)	(+7.39)	(+16.10)	(+6.91)		
<b>A. Public sector (including govt.) (i+ii)</b>	251043.70	267384.50	320513.30	353116.00	32602.70	16340.80
	(+19.34)	(+6.51)	(+27.67)	(+10.17)		
<b>i. Net credit to govt. sector</b>	221025.90	231467.70	283314.50	309866.40	26551.90	10441.80
	(+22.01)	(+4.72)	(+28.18)	(+9.37)		
<b>ii. Credit to other public sector</b>	30017.80	35916.90	37198.90	43249.60	6050.70	5899.10
	(+2.75)	(+19.65)	(+23.92)	(+16.27)		
<b>B. Credit to private sector</b>	1188855.30	1278855.90	1351235.60	1434069.30	82833.70	90000.60
	(+8.35)	(+7.57)	(+13.66)	(+6.13)		
Particulars	15 February 2022	28 February 2022	15 February 2023	28 February 2023	01 July 2022-28 February 2023	01 July 2021-28 February 2022
<b>4. Reserve money @</b>	323402.40	321791.30	352112.00	349741.00	2578.90	-26280.50
	(-7.09)	(-7.55)	(+1.43)	(+0.74)		

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			
	28 February 2022	28 February 2023 <sup>P</sup>	16-28 February 2022	16-28 February 2023 <sup>P</sup>	01 July 2021 to 28 February 2022	01 July 2022 to 28 February 2023 <sup>P</sup>
<b>1. A. Net outstanding position of govt. borrowing from Bangladesh Bank</b>	13585.48	105430.37	3483.88	2513.71	-10956.66	49563.97
<b>B. Net outstanding position of govt. borrowing from banking sector(including BB)</b>	215310.27	315704.66	2489.89	9200.21	13195.18	45519.10
<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	
	February 2022	February 2023 <sup>P</sup>	February 2022	February 2023 <sup>P</sup>	July-February of FY22	July-February of FY23
	399805.84	416000.96	(+)0.00	(+)0.00	(+)44280.64	(+)26934.23
<b>3. Govt. tax revenue collection (NBR portion)</b>	February 2022	February 2023 <sup>P</sup>	July-February of FY22		July-February of FY23	
	23327.83 (+11.41)	23729.63 (+1.72)	179984.02 (+17.58)		196039.95 (+8.92)	

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	February 2022	February 2023	July-February of FY22	July-February of FY23
<b>1. Custom based import (c&amp;f)</b>	<b>8324.80</b>	<b>5147.10</b>	<b>58774.10</b>	<b>52713.10</b>
	(+49.61)	(-38.17)	(+46.68)	(-10.31)
<b>2. Opening of Import L/C<sup>R#</sup></b>	<b>6679.58</b>	<b>5694.88</b>	<b>59459.13</b>	<b>46153.90</b>
	(+40.77)	(-14.74)	(+49.13)	(-23.45)
<b>3. Settlement of Import L/C<sup>R#</sup></b>	<b>7102.42</b>	<b>5131.96</b>	<b>52660.95</b>	<b>52203.25</b>
	(+49.87)	(-27.74)	(+52.17)	(-1.22)
	<b>February 2022</b>	<b>February 2023</b>	<b>July-February of FY22</b>	<b>July-February of FY23</b>
<b>4. Inward Remittances</b>	<b>1494.47</b>	<b>1561.26</b>	<b>13438.53</b>	<b>14013.39</b>
	(-16.07)	(+4.47)	(-19.47)	(+4.28)
	<b>February 2022</b>	<b>February 2023</b>	<b>July-February of FY22</b>	<b>July-February of FY23</b>
<b>5. Exports</b>	<b>4294.53</b>	<b>4630.18</b>	<b>33843.45</b>	<b>37077.68</b>
	(+34.54)	(+7.82)	(+30.86)	(+9.56)
	<b>July-February 2021-22</b>		<b>July-February 2022-23</b>	
<b>6. Current Account Balance</b>	<b>-12964.00</b>		<b>-4387.00</b>	
	<b>28 February 2022</b>	<b>15 February 2023</b>	<b>28 February 2023</b>	
<b>7. Foreign Exchange Reserve<sup>@</sup></b>	<b>45947.76</b>	<b>32603.47</b>	<b>32266.97</b>	
	(+4.38)	(-28.60)	(-29.77)	
<b>IV. Price Index</b>				
<b>1. CPI inflation at national level</b> (Base : FY 2005-06=100)	<b>February 2022</b>	<b>January 2023</b>	<b>February 2023</b>	
<b>a. Point to point basis</b>	<b>6.17</b>	<b>8.57</b>	<b>8.78</b>	
<b>b. Twelve month average basis</b>	<b>5.69</b>	<b>7.92</b>	<b>8.14</b>	

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.