

### **Fortnightly of Major Economic Indicators: Updated up to 31 August 2023**

**Broad money** witnessed a decline of 0.55 percent to BDT 18,76,865.00 crore as of August 2023 compared to June 2023. This decline could be stemmed from the decline of the net foreign assets (NFA) during the period.

**Bank deposits** inched up by 1.46 percent to BDT 16,18,508.80 crore at the end of August 2023 from the June 2023 stemmed from the increase of the time deposits during the period.

**Credit to private sector** increased by 0.07 percent in August 2023 over the end of June 2023.

**Domestic credit** slightly dipped down by 0.22 percent to BDT 19,22,567.80 crore at the end of August 2023 over the end of June 2023. Credit to the public sector declined by 1.20 percent at the end of August 2023 over the end of June 2023 which contributed to slide down of domestic credit. The lower credit growth in the public sector was due to negative growth of net credit to govt. sector. As per the latest available data, government borrowing from the banking system decreased by BDT 3,282.87 crore during 01 July to 31 August 2023 against the increase of BDT 4,434.87 crore during the same period of the previous year.

**Reserve money** decreased by 8.66 percent to BDT 350363.00 crore as on 31 August 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 grew by 15.60 percent (y-o-y) to BDT 20,601.70 crore in July 2023 which was BDT 17,821.14 crore in July 2022. The target for NBR tax revenue collection was set at BDT 4,30,000.00 crore in the budget for FY24.

**Exports** surged by 9.12 percent to USD 9.38\* billion during July-August of FY24 compared to 25.31 percent to USD 8.59\* billion during July-August of FY23. Exports increased mainly due to increasing demand for readymade garments products from abroad and depreciation of taka against dollar.

**Custom-based imports** decreased by 22.47 percent during July-August of FY24 compared to 16.92 percent rise during July-August of FY23. Opening of import LC decreased by 13.51 percent during July-August of FY24 compared to 3.68 percent rise during July-August of FY23. Settlement of import LC also declined by 21.58 percent during July-August of FY24 compared to 40.88 percent rise during July-August of FY23. A notable depreciation of BDT against USD and import monitoring by BB might have partly contributed to the negative growth of imports.

\*Source: EPB

**Inward Remittances** edged down to 13.56 percent to USD 3.57 billion during July-August of FY24 compared to 12.27 percent rise during July-August of FY23. 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 1.11 billion during July-August of FY24 against the deficit of USD 1.46 billion during July-August of FY23. 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 29.26 billion as on 31 August 2023 from USD 39.06 billion as on 31 August 2022.

**Headline Inflation (Point to point)** edged up to 9.92 percent in August 2023 from 9.69 percent in July 2023. Besides, **headline inflation (twelve-month average)** also went up to 9.24 percent in August 2023 from 9.20 percent in July 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 market imperfection could have contributed for the increasing headline inflation.

Detailed fortnightly information available up to 31 August 2023 is annexed herewith.

## Detailed Information of Major Economic Indicators upto 31 August 2023

### I. Money and Credit

(Taka in crore)

Particulars	June 2022	August 2022	June 2023 <sup>R</sup>	August 2023 <sup>P</sup>	July-August 2023-24	July-August 2022-23
1	2	3	4	5	6=(5-4)	7=(3-2)
<b>1. Broad money (M2)</b>	1708122.30	1710814.10	1887168.10	1876865.00	-10303.10	2691.80
	(+24.34)	(+0.16)	(+10.48)	(-0.55)		
<b>2. Bank deposits<sup>#</sup></b>	1471673.30	1468937.80	1595254.60	1618508.80	23254.20	-2735.50
	(+24.55)	(-0.19)	(+8.40)	(+1.46)		
<b>3. Domestic credit (A+B)</b>	1671749.00	1689522.00	1926769.40	1922567.80	-4201.60	17773.00
	(+27.85)	(+1.06)	(+15.25)	(-0.22)		
<b>A. Public sector (including govt.) (i+ii)</b>	320513.30	327044.10	432514.60	427311.10	-5203.50	6530.80
	(+52.36)	(+2.04)	(+34.94)	(-1.20)		
<b>i. Net credit to govt. sector</b>	283314.50	288427.30	387349.90	381879.70	-5470.20	5112.80
	(+56.40)	(+1.80)	(+36.72)	(-1.41)		
<b>ii. Credit to other public sector</b>	37198.90	38616.80	45164.70	45431.40	266.70	1417.90
	(+27.33)	(+3.81)	(+21.41)	(+0.59)		
<b>B. Credit to private sector</b>	1351235.60	1362477.90	1494254.70	1495256.70	1002.00	11242.30
	(+23.15)	(+0.83)	(+10.58)	(+0.07)		
Particulars	30 June 2022	31 August 2022	30 June 2023	31 August 2023	July-August 2023-24	July-August 2022-23
<b>4. Reserve money @</b>	347162.10	340664.90	383585.20	350363.00	-33222.20	-6497.20
	(-0.26)	(-1.87)	(+10.49)	(-8.66)		

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			
	31 August 2022	31 August 2023 <sup>P</sup>	16-31 August 2022	16-31 August 2023 <sup>P</sup>	01 July to 31 August 2022	01 July to 31 August 2023
<b>1. A. Net outstanding position of govt. borrowing from Bangladesh Bank</b>	65615.98	135551.84	2182.93	-16837.16	5622.78	-22088.00
<b>B. Net outstanding position of govt. borrowing from banking sector(including BB)</b>	278747.23	390495.17	1335.41	-3527.13	4434.87	-3282.87
<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	
	August 2022	August 2023 <sup>P</sup>	August 2022	August 2023 <sup>P</sup>	July-August 2022-23	July-August 2023-24
	414068.98	428367.44	(+)1443.94	(+)3917.37	(+)1864.77	(+)8511.39
<b>3. Govt. tax revenue collection (NBR portion)</b>	July 2022	July 2023 <sup>P</sup>	FY22		FY23	
	17821.14 (+16.14)	20601.70 (+15.60)	301633.84 (+16.07)		331454.88 (+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	August 2022	August 2023	July-August 2022-23	July-August 2023-24
<b>1. Custom based import (c&amp;f)</b>	7375.30 (+11.96)	5247.60 (-28.85)	13713.40 (+16.92)	10632.20 (-22.47)
<b>2. Opening of Import L/C<sup>R#</sup></b>	6513.46 (-10.38)	6173.11 (-5.23)	12870.49 (+3.68)	11131.62 (-13.51)
<b>3. Settlement of Import L/C<sup>R#</sup></b>	7645.68 (+25.59)	5706.40 (-25.36)	15134.91 (+40.88)	11868.74 (-21.58)
	August 2022	August 2023	July-August 2022-23	July-August 2023-24
<b>4. Inward Remittances</b>	2036.93 (+12.53)	1599.45 (-21.48)	4133.25 (+12.27)	3572.60 (-13.56)
	August 2022	August 2023	July-August 2023-24	July-August 2023-24
<b>5. Exports</b>	4607.00 (+36.18)	4782.19 (+3.80)	8591.82 (+25.31)	9375.11 (+9.12)
	July-August of FY22		July-August of FY23	
<b>6. Current Account Balance</b>	-1464.00		1108.00	
	31 August 2022	14 August 2023	31 August 2023	
<b>7. Foreign Exchange Reserve<sup>@</sup></b>	39055.38 (-18.74)	29422.99 (-25.66)	29260.65 (-25.08)	
<b>IV. Price Index</b>				
<b>1. CPI inflation at national level</b>	August 2022 (Base: FY 2005-06=100)	July 2023 (Base: FY 2021-22=100)	August 2023 (Base: FY 2021-22=100)	
<b>a. Point to point basis</b>	9.52	9.69	9.92	
<b>b. Twelve month average basis</b>	6.66	9.20	9.24	

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.