

Fortnightly of Major Economic Indicators: Updated up to 31 October 2023

Broad money declined by 0.25 percent to BDT 18,82,536.50 crore as of October 2023 from June 2023. This decline mainly stemmed from the decline of net foreign assets (NFA) during the period.

Domestic credit slightly increased by 0.92 percent to BDT 19,44,434.70 crore during July-October 2023 driven by the rise of credit to the private sector. On the other hand, credit to the public sector declined by 4.02 percent at the end of October 2023 over June 2023. The lower credit growth in the public sector was due to negative net credit growth to govt. sector. As per the latest available data, government borrowing from the banking system decreased by BDT 2,378.04 crore during 01 July to 31 October 2023, against the increase of BDT 19,311.92 crore during the same period of the previous year.

Credit to the private sector increased by 2.35 percent to BDT 15,29,319.80 during July-October 2023, which increased by 2.81 percent during July-October 2022.

Bank deposits inched up by 2.59 percent to BDT 16,36,592.60 crore at the end of October 2023 from June 2023, stemmed from the increase of the time deposits during the period.

Reserve money decreased by 12.90 percent to BDT 3,34,109.00 crore as of October 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 14.36 percent to BDT 1,03,976.36 crore during July-October of FY24, which was BDT 90,917.50 crore during July-October of FY23. The target for NBR tax revenue collection was set at BDT 4,30,000.00 crore in the budget for FY24. NBR tax revenue collection during July-October of FY24 was 24.18 percent of the target set for FY24.

Exports increased by 3.52 percent to USD 17.45* billion during July-October of FY24 compared to 7.01 percent to USD 16.85* billion during July-October of FY23. Exports increased mainly due to increasing demand for ready-made garment products from abroad and the depreciation of taka against US dollar.

Custom-based imports decreased by 20.64 percent during July-October of FY24 compared to 6.69 percent rise during July-October of FY23. Opening of import LC decreased by 11.52 percent during July-October of FY24, compared to 20.77 percent rise during July-October of FY23. Settlement of import LC also declined by 24.07 percent during July-October of FY24, compared to 69.74 percent rise during July-October of FY23. A notable depreciation of BDT against USD and import monitoring by BB might have contributed to the negative growth of imports

*Source: EPB

Inward Remittances edged down by 4.36 percent to USD 6.88 billion during July-October of FY24 compared to 2.03 percent rise during July-October of FY23. The reduced inflow of remittance might be the outcome of persistent high inflation around the world over the past year, along with speculative expectation about the depreciation of BDT against USD.

Current account balance improved and recorded a surplus of USD 0.23 billion during July-October of FY24, against the deficit of USD 4.49 billion during July-October of FY23. The surplus in the current account balance occurred because of sharply narrowed down trade deficit.

Foreign exchange reserves came down to USD 26.48 billion as on 31 October 2023 from USD 35.81 billion as on 31 October 2022.

Headline Inflation (Point to point) edged up to 9.93 percent in October 2023 from 9.63 percent in September 2023. Similarly, **headline inflation (twelve-month average)** went up to 9.37 percent in October 2023 from 9.29 percent in September 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 to the increase in headline inflation (both point to point and twelve-month average).

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

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Detailed Information of Major Economic Indicators upto 31 October 2023

I. Money and Credit

(Taka in crore)

Particulars	June 2022	October 2022	June 2023 ^R	October 2023 ^P	July-October 2023-24	July-October 2022-23
1	2	3	4	5	6=(5-4)	7=(3-2)
1. Broad money (M2)	1708122.30	1726769.20	1887168.10	1882536.50	-4631.60	18646.90
	(+24.34)	(+1.09)	(+10.48)	(-0.25)		
2. Bank deposits[#]	1471673.30	1490655.00	1595254.60	1636592.60	41338.00	18981.70
	(+24.55)	(+1.29)	(+8.40)	(+2.59)		
3. Domestic credit (A+B)	1671749.00	1733085.90	1926769.40	1944434.00	17664.60	61336.90
	(+27.85)	(+3.67)	(+15.25)	(+0.92)		
A. Public sector (including govt.) (i+ii)	320513.30	343937.60	432514.60	415114.10	-17400.50	23424.30
	(+52.36)	(+7.31)	(+34.94)	(-4.02)		
i. Net credit to govt. sector	283314.50	305145.30	387349.90	368316.80	-19033.10	21830.80
	(+56.40)	(+7.71)	(+36.72)	(-4.91)		
ii. Credit to other public sector	37198.90	38792.30	45164.70	46797.30	1632.60	1593.40
	(+27.33)	(+4.28)	(+21.41)	(+3.61)		
B. Credit to private sector	1351235.60	1389148.30	1494254.70	1529319.80	35065.10	37912.70
	(+23.15)	(+2.81)	(+10.58)	(+2.35)		
4. Reserve money @	347162.10	334860.10	383585.20	334109.00	-49476.20	-12302.00
	(-0.26)	(-3.54)	(+10.49)	(-12.90)		

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 October 2022	31 October 2023 ^P	16-31 October 2022	16-31 October 2023 ^P	01 July to 31 October 2022	01 July to 31 October 2023
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	82527.98	125053.15	-1604.33	-39.96	22534.78	-32586.69
B. Net outstanding position of govt. borrowing from banking sector(including BB)	293624.28	391400.00	4379.91	939.95	19311.92	-2378.04
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	September 2022	September 2023 ^P	September 2022	September 2023 ^P	July-September 2022-23	July-September 2023-24
	415499.99	423348.17	(+)2874.95	(-)1101.90	(+)3295.78	(+)3492.12
3. Govt. tax revenue collection (NBR portion)	October 2022	October 2023 ^P	July-October 2022-23		July-October 2023-24	
	23790.03 (+10.14)	27223.86 (+14.43)	90917.50 (+14.19)		103976.36 (+14.36)	

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.

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

Particulars	October 2022	October 2023	July-October 2022-23	July-October 2023-24
1. Custom based import (c&f)	6654.70 (-6.41)	5962.70 (-10.40)	27560.00 (+6.69)	21872.10 (-20.64)
2. Opening of Import L/C^{R#}	5261.82 (-23.77)	5388.08 (+2.40)	24659.55 (+20.77)	21819.12 (-11.52)
3. Settlement of Import L/C^{R#}	6825.21 (+7.85)	5421.63 (-20.56)	28940.16 (+69.74)	21974.48 (-24.07)
	October 2022	October 2023	July-October 2022-23	July-October 2023-24
4. Inward Remittances	1525.54 (-7.37)	1977.56 (+29.63)	7198.39 (+2.03)	6884.51 (-4.36)
	October 2022	October 2023	July-October 2023-24	July-October 2023-24
5. Exports	4356.62 (-7.85)	3762.03 (-13.65)	16853.50 (+7.01)	17447.47 (+3.52)
	July-October of FY23		July-October of FY24	
6. Current Account Balance	-4489.00		233.00	
	31 October 2022	15 October 2023	31 October 2023	
7. Foreign Exchange Reserve[@]	35808.73 (-22.92)	26749.72 (-26.13)	26480.86 (-26.05)	
IV. Price Index				
1. CPI inflation at national level	October 2022 (Base: FY 2005-06=100)	September 2023 (Base: FY 2021-22=100)	October 2023 (Base: FY 2021-22=100)	
a. Point to point basis	8.91	9.63	9.93	
b. Twelve month average basis	7.23	9.29	9.37	

Source: Statistics Department and Accounts & 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.