

Fortnightly Trends of Major Economic Indicators: Updates on 14 August 2019

As per the latest available information, **broad money** increased by Tk. 109628.30 crore or 9.88 percent during FY 2018-19 against the increase of Tk. 93904.90 crore or 9.24 percent during the same period of the previous fiscal year. Broad money increased due to increase in net foreign asset (NFA) stemming from increase in export earnings as well as remittance inflows and significant increase in credit to public sector including government.

Reserve money stood at Tk. 260603.30 crore as on 14 August 2019 which was Tk. 242836.90 crore as on 31 July 2019. Reserve money increased by 6.20 percent as on 14 August 2019 over end June 2019 as compared to the decrease of 0.68 percent during the same period of the previous fiscal year.

Domestic credit increased by 12.17 percent and stood at TK. 1145932.00 crore during FY 2018-19 against the increase of 14.70 percent to Tk. 1021626.80 crore during the same period of the previous fiscal year. Domestic credit growth slowed down during the reported period due mainly to slow growth in credit to private sector. Credit to Private sector recorded 11.29 percent growth during FY 2018-19 as against 16.94 percent growth in the same period of the previous fiscal year. However, Public sector credit increased by 19.15 percent in FY 2018-19 which decreased by 0.45 percent during the same period of the previous fiscal year.

Government borrowing from the banking system including BB increased by Tk. 4210.13 crore during the period of 01-14 August 2019 as compared to the increase of Tk. 8188.43 crore during the same period of the previous year. Similarly, as per the latest available data, government overall borrowing from banking system increased by Tk. 25168.83 crore during the period of 01 July to 14 August 2019 as compared to the increase of Tk. 6911.55 crore during the same period of the previous fiscal year.

NBR tax revenue collection increased by 10.67 percent (y-o-y) and stood at Tk. 223892.42 crore during FY 2018-19 as compared to the increase of 17.84 percent during the same period of the previous fiscal year.

Inward Remittances increased by 21.20 percent and stood at US\$ 1597.66 million in July 2019 against the increase of 18.16 percent to US\$ 1318.18 million in the same month of the previous year.

Exports increased by 8.55 percent and stood at US\$ 3887.86 million in July 2019 against the increase of 18.08 percent to US\$ 3581.48 million in the same month of the previous year.

Current account balance recorded a deficit of US\$ 5254.00 million during FY 2018-19 as compared to the deficit of US\$ 9567.00 million during the same period of the previous fiscal year. Lower deficit in current account balance emerged from the increased remittance inflows as well as subdued deficit in trade account emanated from robust exports and moderate import growth.

Foreign exchange reserves of BB increased by US\$ 0.26 billion and stood at US\$ 32.35 billion as on 14 August 2019 from US\$ 32.09 billion as on 31 July 2019.

Inflation on twelve-month average basis (Base: FY2005-06=100) increased marginally to 5.48 percent in July 2019 from 5.47 percent in June 2019 due to increase in non-food inflation. On the other hand, point to point general inflation increased to 5.62 percent in July 2019 from 5.52 percent in June 2019 due to increase in both food and non-food inflation.

Detailed fortnightly information upto 14 August 2019 are given at annex-1.

Detailed Information on Trends of Major Economic Indicators upto 14 August 2019

I. Money and Credit

(Taka in crore)

Particulars	June 2018	May 2019 ^R	June 2019 ^P
1. Broad money (M2)	1109981.00	1205157.60	1219609.30
	(+9.24)	(+8.57)	(+9.88)
2. Reserve money @	231391.50 ***	242836.90 **	260603.30 *
	(-0.68)	(-1.04)	(+6.20)
3. Bank deposits^{##}	969063.60	1040553.30	1065322.30
	(+10.30)	(+7.38)	(+9.93)
4. Domestic credit (A+B)	1021626.80	1138408.50	1145932.00
	(+14.70)	(+11.43)	(+12.17)
A. Public sector (including govt.) (a+b)	114095.20	137490.30	135943.70
i. Net credit to govt. sector	94895.00	113084.60	112073.50
	(-0.45)	(+20.50)	(+19.15)
	(-2.51)	(+19.17)	(+18.10)
ii. Credit to other public sector	19200.10	24405.70	23870.20
	(+11.11)	(+27.11)	(+24.32)
B. Credit to private sector	907531.60	1000918.20	1009988.30
	(+16.94)	(+10.29)	(+11.29)

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 14th August 2019, **Figure is as of 31st July 2019, ***Figure is as of 14th August 2018.

Advances, import and inland bills. ## Demand and time deposits (excluding inter-bank)

II. Government Financing

Particulars	As on		Flow for the period of			
	14 August 2018	14 August 2019	01 August-14 August 2018	01 August-14 August 2019	01 July-14 August 2018	01 July-14 August 2019
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	19635.28	41992.18	4966.93	10511.01	-4010.36	8047.44
B. Net outstanding position of govt. borrowing from banking sector(including BB)	95169.22	133273.13	8188.43	4210.13	6911.55	25168.83
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	June 2018	June 2019 ^P	June 2018	June 2019 ^P	July-June 2017-18	July-June 2018-19 ^P
	264074.39	318051.61	(+)2972.57	(+)3790.10	(+)47492.60	(+)53977.22
3. Govt.revenue collection (NBR portion)	June 2018	June 2019 ^P	July-June 2017-18		July-June 2018-19 ^P	
	23618.77 (+22.14)	30277.01 (+28.19)	202312.94 (+17.84)		223892.42 (+10.67)	

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.

(In million US\$)

III. External Sector

Particulars	June 2018	June 2019 ^P	July-June 2017-18	July-June 2018-19 ^P
1. Custom based import (c&f)	4257.20 (+21.67)	3881.20 (-8.83)	58865.30 (+25.23)	59914.70 (+1.78)
2. Opening of Import L/C	4016.50 (+0.23)	3798.25 (-5.43)	69421.14 (+44.25)	57754.61 (-16.81)
3. Settlement of Import L/C	3744.41 (+14.36)	4070.21 (+8.70)	51530.56 (+16.39)	54640.35 (+6.03)
	July 2018	July 2019 ^P	July-June 2017-18	July-June 2018-19 ^P
4. Inward Remittances	1318.18 (+18.16)	1597.66 (+21.20)	14981.69 (+17.32)	16419.63 (+9.60)
	July 2018	July 2019 ^P	July-June 2017-18	July-June 2018-19 ^P
5. Exports	3581.48 (+18.08)	3887.86 (+8.55)	36668.14 (+5.81)	40535.04 (+10.55)
	July-June 2017-18 ^P		July-June 2018-19 ^P	
6. Current Account Balance	-9567.00		-5254.00	
	14 August 2018	31 July 2019	14 August 2019	
7. Foreign Exchange Reserve [#]	32285.40 (-3.61)	32093.25 (-2.58)	32348.87 (-1.80)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	July 2018	June 2019	July 2019
a. Twelve month average basis	5.78	5.47	5.48
b. Twelve month point to point basis	5.51	5.52	5.62

Source: Statistics Department and Accounts & 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.