

Fortnightly Trends of Major Economic Indicators: Updates on 15 September 2019

As per the latest available information, **broad money** increased by Tk. 9960.80 crore or 0.82 percent in July 2019 over end June 2019 against the decrease of Tk. 3820.30 crore or 0.34 percent during the same period of the previous fiscal year.

Reserve money stood at Tk. 247187.00 crore as on 15 September 2019 which was Tk. 250673.20 crore as on 29 August 2019. Reserve money increased by 0.73 percent as on 15 September 2019 over end June 2019 as compared to the decrease of 1.00 percent during the same period of the previous fiscal year.

Domestic credit increased by 0.91 percent and stood at TK. 1157351.70 crore in July 2019 over end June 2019 as compared to the decrease of 0.34 percent to Tk. 1018132.30 crore during the same period of the previous fiscal year. Domestic credit increased over the reported period due mainly to significant increase in credit to public sector including government. Public sector credit increased by 13.00 percent in July 2019 over end June 2019 as compared to the increase of 2.25 percent during the same period of the previous fiscal year. On the other hand, Credit to private sector recorded 0.72 percent negative growth in July 2019 over the end June 2019 as compared to the negative growth of 0.67 percent in the same period of the previous fiscal year.

Government borrowing from the banking system including BB increased by Tk. 1575.35 crore during the period of 01-15 September 2019 as compared to the decrease of Tk. 1984.26 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. 23219.38 crore during the period of 01 July to 15 September 2019 as compared to the increase of Tk. 5629.78 crore during the same period of the previous fiscal year.

NBR tax revenue collection increased by 12.58 percent (y-o-y) and stood at Tk. 15437.13 crore in July 2019 as compared to the increase of 0.71 percent during the same month of the previous year.

Inward Remittances increased by 12.87 percent and stood at US\$ 3080.53 million during July-August 2019 against the increase of 7.70 percent to US\$ 2729.23 million in the same period of the previous fiscal year.

Exports decreased by 0.92 percent and stood at US\$ 6732.17 million during July-August 2019 against the increase of 2.51 percent to US\$ 6795.02 million in the same period of the previous fiscal year.

Current account balance recorded a surplus of US\$ 240 million in July 2019 as compared to the deficit of US\$ 179 million in the same month of the previous fiscal year. Surplus in current account balance emerged from the increased remittance inflows as well as subdued deficit from trade balance.

Foreign exchange reserves of BB decreased by US\$ 0.97 billion and stood at US\$ 31.80 billion as on 15 September 2019 from US\$ 32.77 billion as on 29 August 2019 as Bangladesh Bank made payments to Asian Clearing Union (ACU) amounted to US\$ 2370 million as on 5th September 2019.

Inflation on twelve-month average basis (Base: FY2005-06=100) remained stable at 5.48 percent at the end August 2019. However, point to point general inflation decreased to 5.49 percent in August 2019 from 5.62 percent in July 2019 due to decrease in food and non-food inflation.

Detailed fortnightly information upto 15 September 2019 are given at annex-1.

Detailed Information on Trends of Major Economic Indicators upto 15 September 2019**I. Money and Credit****(Taka in crore)**

Particulars	July 2018	June 2019 ^R	July 2019 ^P
1. Broad money (M2)	1106160.70	1219611.50	1229572.30
	(-0.34)	(+9.88)	(+0.82)
2. Reserve money @	230662.10 ***	250673.20 **	247187.00 *
	(-1.00)	(+7.59)	(+0.73)
3. Bank deposits^{##}	968458.40	1065324.50	1071741.20
	(-0.06)	(+9.93)	(+0.60)
4. Domestic credit (A+B)	1018132.30	1146884.70	1157351.70
	(-0.34)	(+12.26)	(+0.91)
A. Public sector (including govt.) (a+b)	116666.70	136629.00	154385.70
	(+2.25)	(+19.75)	(+13.00)
 i. Net credit to govt. sector	97182.50	113273.40	129962.40
	(+2.41)	(+19.37)	(+14.73)
 ii. Credit to other public sector	19484.20	23355.60	24423.20
	(+1.48)	(+21.64)	(+4.57)
B. Credit to private sector	901465.60	1010255.70	1002966.00
	(-0.67)	(+11.32)	(-0.72)

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 15th September 2019, **Figure is as of 29th August 2019, ***Figure is as of 13th September 2018 .

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

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

Particulars	As on		Flow for the period of			
	15 September 2018	15 September 2019	01 -15 September 2018	01-15 September 2019	01 July-15 September 2018	01 July-15 September 2019
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	17183.07	37272.69	-3540.58	1544.84	-6462.57	3327.96
B. Net outstanding position of govt. borrowing from banking sector(including BB)	93887.45	131315.08	-1984.26	1575.35	5629.78	23219.38
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	July 2018	July 2019 ^P	July 2018	July 2019 ^P	July-June 2017-18	July-June 2018-19 ^P
	269259.35	318098.31	(+)5184.96	(+)2088.33	(+)47492.60	(+)51935.58
3. Govt.revenue collection (NBR portion)	July 2018	July 2019 ^P	July-June 2017-18		July-June 2018-19 ^P	
	13712.60 (+0.71)	15437.13 (+12.58)	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.

III. External Sector

(In million US\$)

Particulars	July 2018 ^R	July 2019 ^P	July-June 2017-18	July-June 2018-19 ^P
1. Custom based import (c&f)	5079.10 (+17.42)	5194.80 (+2.28)	58865.30 (+25.23)	59914.70 (+1.78)
2. Opening of Import L/C	5065.09 (+7.55)	4688.71 (-7.43)	69421.14 (+44.25)	57754.61 (-16.81)
3. Settlement of Import L/C	4686.46 (+15.83)	4570.99 (-2.46)	51530.56 (+16.39)	54640.35 (+6.03)
	August 2018	August 2019 ^P	July-August 2018-19	July-August 2019-20 ^P
4. Inward Remittances	1411.05 (-0.53)	1482.84 (+5.09)	2729.23 (+7.70)	3080.53 (+12.87)
	August 2018	August 2019 ^P	July-August 2018-19	July-August 2019-20 ^P
5. Exports	3213.54 (-11.74)	2844.31 (-11.49)	6795.02 (+2.51)	6732.17 (-0.92)
	July 2018 ^R		July 2019 ^P	
6. Current Account Balance	-179.00		240.00	
	13 September 2018	29 August 2019	15 September 2019	
7. Foreign Exchange Reserve [#]	31746.49 (-5.21)	32774.67 (-0.51)	31799.36 (-3.47)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	August 2018	July 2019	August 2019
a. Twelve month average basis	5.74	5.48	5.48
b. Twelve month point to point basis	5.48	5.62	5.49

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.