

Fortnightly Trends of Major Economic Indicators: Updates on 30 June 2018

As per the latest available information, **broad money** increased by Tk. 62222.10 crore or 6.12 percent and stood at Tk.1078298.10 crore in May 2018 over end June 2017 against the increase of Tk.62102.20 crore or 6.78 percent in the same period of the previous fiscal year. Broad money growth slightly slowed down due mainly to negative growth in net foreign assets (NFA)

Reserve money stood at Tk. 232986.90 crore as on 30 June 2018 which was Tk. 231252.00 crore as on 14 June 2018. Reserve money increased by 4.01 percent as on 30 June 2018 over end June 2017 as compared to the increase of 16.30 percent during the same period of the previous fiscal year.

Domestic credit increased by 11.03 percent and stood at TK. 988907.50 crore in May 2018 over end June 2017 against the increase of 7.18 percent to Tk. 858834.90 crore during the same period of the previous fiscal year. Domestic credit growth increased during the reported period due to credit growth in the private sector. Credit to private sector recorded 14.99 percent growth during July-May 2017-18 as against 13.09 percent growth in the same period of the previous fiscal year. On the other hand, credit to public sector decreased by 15.80 percent during July-May 2017-18 which also decreased by 23.25 percent during the same period of the previous fiscal year.

Government borrowing from the banking system including BB increased by Tk. 9773.12 crore during the period of 15-30 June 2018 as compared to the increase of Tk. 8767.38 crore in the same period of the previous year. Similarly, as per the latest data, government overall borrowing from the banking system in FY 2017-18 increased by Tk. 925.56 crore, while it decreased by Tk. 18973.19 crore during the same period of the previous fiscal year.

NBR tax revenue collection increased by 17.91 percent (y-o-y) to Tk. 179627.25 crore during July-May 2017-18 as compared to the increase of 13.94 percent to Tk. 152341.53 crore during the same period of the previous fiscal year.

Inward Remittances increased by 17.30 percent and stood at US\$ 14978.86 million in FY 2017-18 against the decrease of 14.48 percent to US\$ 12769.45 million during the same period of the previous year.

Exports increased by 5.81 percent and stood at US\$ 36668.17 million during July-June 2017-18 against the increase of 1.16 percent to US\$ 34655.90 million during the same period of the previous year.

Current account balance recorded a deficit of US\$ 9379 million during July-May 2017-18 as compared to the deficit of US\$ 2216 million during July-May 2016-17. Larger deficit in current account balance emerged from increase in deficit both in trade and service account due mainly to a significantly larger growth of imports than exports during the period under report.

Foreign exchange reserves of BB increased by US\$ 0.18 billion and stood at US\$ 32.92 billion as on 30 June 2018 against US\$ 32.74 billion as on 14 June 2018 which was supported by surplus in the financial account balance stemming from increase in foreign direct investment and foreign portfolio investment along with medium and long term loan inflows.

Inflation on twelve-month average basis (Base: FY2005-06=100) marginally decreased to 5.78 percent in June 2018 from 5.82 percent in May 2018. Similarly, point to point general inflation decreased to 5.54 percent in June 2018 from 5.57 percent in May 2018. Both twelve-month average and point to point general inflation decreased in June 2018 as compared to the previous month due to decrease in food inflation.

Detailed fortnightly information upto 30 June 2018 are given at annex-1.

Detailed Information on Trends of Major Economic Indicators upto 30 June 2018**I. Money and Credit**

(Taka in crore)

Particulars	May 2017	April 2018 ^R	May 2018 ^P
1. Broad money (M2)	978480.10	1059468.20	1078298.10
	(+6.78)	(+4.27)	(+6.12)
2. Reserve money @	223997.90 ***	231252.00 **	232986.90 *
	(+16.30)	(+3.24)	(+4.01)
3. Bank credit[#]	755314.10	873517.20	884705.90
	(+13.28)	(+15.65)	(+17.13)
4. Bank deposits^{##}	861343.60	931121.40	944854.30
	(+8.44)	(+5.98)	(+7.55)
5. Domestic credit (A+B)	858834.90	972473.90	988907.50
	(+7.18)	(+9.18)	(+11.03)
A. Public sector (including govt.) (a+b)	99985.20	90963.10	96504.10
	(-23.25)	(-20.64)	(-15.80)
i. Net credit to govt. sector	82597.70	71628.80	76696.80
	(-27.69)	(-26.41)	(-21.20)
ii. Credit to other public sector	17387.50	19334.30	19807.30
	(+8.33)	(+11.89)	(+14.62)
B. Credit to private sector	758849.70	881510.80	892403.40
	(+13.09)	(+13.59)	(+14.99)

Source: SBS from 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 30th June 2018, **Figure is as of 14th June 2018, ***Figure is as of 30th June 2017.

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

II. Government Financing

Particulars	As on		Flow for the period of			
	30 June 2017	30 June 2018	15-30 June 2016-17	15-30 June 2017-18	FY 2016-17	FY 2017-18
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	15728.81	23677.64	410.71	2824.71	-6145.53	7948.83
B. Net outstanding position of govt. borrowing from banking sector(including BB)	89716.50	90642.06	8767.38	9773.12	-18973.19	925.56
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	May 2017	May 2018 ^P	May 2017	May 2018	July-May 2016-17	July-May 2017-18 ^P
	210418.76	261101.82	(+)4822.78	(+)3629.31	(+)47522.27	(+)44520.03
3. Govt.revenue collection (NBR portion)	May-17	May 2018 ^P	July-May 2016-17		July-May 2017-18 ^P	
	15425.18 (+7.47)	17907.98 (+16.10)	152341.53 (+13.94)		179627.25 (+17.91)	

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	May 2016- 17	May 2017-18 ^P	July-May 2016- 17	July-May 2017-18 ^P
1.Custom based import (c&f)	4352.00 (+2.02)	5597.30 (+28.61)	43506.10 (+10.69)	54608.10 (+25.52)
2. Opening of Import L/C	4150.92 (+15.33)	4676.62 (+12.66)	44118.71 (+13.97)	65404.64 (+48.25)
3. Settlement of Import L/C	3624.66 (+10.31)	4788.24 (+32.10)	40998.48 (+11.83)	47786.15 (+16.56)
	June 2017	June 2018 ^P	July-June 2016- 17	July-June 2017-18 ^P
4. Inward Remittances	1214.61 (-17.14)	1381.55 (+13.74)	12769.45 (-14.48)	14978.86 (+17.30)
5. Exports	3033.03 (-15.58)	2939.35 (-3.09)	34655.90 (+1.16)	36668.17 (+5.81)
	July-May 2016-17		July-May 2017-18 ^P	
6. Current Account Balance	-2216.00		-9379.00	
	30 June 2017	14 June 2018	30 June 2018	
7. Foreign Exchange Reserve [#]	33492.95 (+11.02)	32742.32 (-2.24)	32916.45 (-1.72)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	June 2017	May 2018	June 2018 ^P
a. Twelve month average basis	5.44	5.82	5.78
b. Twelve month point to point basis	5.94	5.57	5.54

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.