

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

As per the latest available information, **broad money** increased by Tk. 45379.70 crore or 4.09 percent in December 2018 over end June 2018 against the increase of Tk. 39922.90 crore or 3.93 percent during the same period of the previous fiscal year. Broad money marginally increased due to positive growth in net foreign assets (NFA) during the period under review, while NFA constituted a negative growth in the same period of the previous fiscal year.

Reserve money stood at Tk. 227647.30 crore as on 14 February 2019 which was Tk. 227291.00 crore as on 31 January 2019. Reserve money decreased by 2.29 percent as on 14 February 2019 over end June 2018 as compared to the decrease of 3.93 percent during the same period of the previous fiscal year.

Domestic credit increased by 5.75 percent and stood at TK. 1080350.00 crore in December 2018 over end June 2018 as compared to the increase of 6.88 percent to Tk. 951989.50 crore during the same period of the previous fiscal year. Domestic credit growth slowed down during the reported period mainly due to decrease in credit to the private sector. Credit to Private sector increased by only 5.65 percent in December 2018 over the end June 2018 as compared to the increase of 9.02 percent during the same period of the previous fiscal year. However, Public sector credit growth increased by 6.49 percent in December 2018 over the end June 2018 which decreased by 7.60 percent during the same period of the previous fiscal year.

Government borrowing from the banking system including BB decreased by Tk. 2544.94 crore during the period of 01-14 February 2019 as compared to the increase of Tk. 860.31 crore in the same period of the previous year. Similarly, as per the latest data, government overall borrowing from the banking system decreased by Tk. 1456.74 crore during the period of 01July-14 February 2018-19 while it was decreased by Tk. 14140.44 crore during the same period of the previous fiscal year.

NBR tax revenue collection increased by 6.36 percent (y-o-y) and stood at Tk. 98027.76 crore during July-December 2018 as compared to the increase of 20.17 percent during the same period of the previous fiscal year.

Inward Remittances increased by 9.31 percent and stood at US\$ 9086.17 million during July-January 2018-19 against the increase of 15.83 percent during the same period of the previous fiscal year.

Exports increased by 13.39 percent and stood at US\$ 24179.59 million during July-January 2018-19 against the increase of 6.55 percent during the same period of the previous fiscal year.

Current account balance recorded a deficit of US\$ 3082 million in July-December 2018 as compared to the deficit of US\$ 5066 million during the same period of the previous year. Lower deficit in current account emerged from decrease in deficit both in trade and service as well as increased remittance inflows.

Supported by surplus in financial account balance along with the moderate growth in exports and remittances, **Foreign exchange reserves** of BB increased by US\$ 0.57 billion and stood at US\$ 31.85 billion as on 14 February 2019 from US\$ 31.28 billion as on 31 January 2019.

Inflation on twelve-month average basis (Base: FY2005-06=100) decreased to 5.54 percent in December 2018 from 5.58 percent in November 2018 due mainly to decrease in food inflation. Point to point general inflation also decreased marginally to 5.35 percent in December 2018 from 5.37 percent in November 2018 due to decrease in both food and non-food inflation.

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

Detailed Information on Trends of Major Economic Indicators upto 15 February 2019**I. Money and Credit**

(Taka in crore)

Particulars	December 2017	November 2018 ^R	December 2018 ^P
1. Broad money (M2)	1055999.00	1131503.10	1155360.70
	(+3.93)	(+1.94)	(+4.09)
2. Reserve money @	215187.70 ***	227291.00 **	227647.30 *
	(-3.93)	(-2.44)	(-2.29)
3. Bank deposits^{##}	926849.70	992393.90	1010681.60
	(+5.50)	(+2.41)	(+4.29)
4. Domestic credit (A+B)	951989.50	1062174.80	1080350.00
	(+6.88)	(+3.97)	(+5.75)
A. Public sector (including govt.) (a+b)	105902.00	119381.40	121498.90
	(-7.60)	(+4.63)	(+6.49)
 i. Net credit to govt. sector	87276.50	97786.90	98152.30
	(-10.33)	(+3.05)	(+3.43)
 ii. Credit to other public sector	18625.50	21594.50	23346.60
	(+7.79)	(+12.47)	(+21.60)
B. Credit to private sector	846087.50	942793.40	958851.10
	(+9.02)	(+3.89)	(+5.65)

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 February 2019, **Figure is as of 31st January 2019, ***Figure is as of 15th February 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 February 2018	14 February 2019	01-14 February 2018	01-14 February 2019	01 July -14 February 2017-18	01 July -14 February 2018-19
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	11915.12	18724.48	2517.08	-2720.43	-3813.69	-4921.16
B. Net outstanding position of govt. borrowing from banking sector(including BB)	75576.06	86800.93	860.31	-2544.94	-14140.44	-1456.74
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	December 2017	December 2018 ^P	December 2017	December 2018 ^P	July-December 2017	July-December 2018 ^P
	241443.06	290879.65	(+)3010.69	(+)3804.26	(+)24861.27	(+)26805.26
3. Govt.revenue collection (NBR portion)	December 2017	December 2018 ^P	July-December 2017		July-December 2018 ^P	
	17748.83 (+13.37)	18294.78 (+3.08)	92163.01 (+20.17)		98027.76 (+6.36)	

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.

(In million US\$)

III. External Sector

Particulars	December 2017	December 2018 ^P	July-December 2017	July-December 2018 ^P
1. Custom based import (c&f)	4692.10 (+17.48)	4744.20 (+1.11)	28440.90 (+25.79)	30070.70 (+5.73)
2. Opening of Import L/C	4483.35 (+3.56)	4639.52 (+3.48)	40234.43 (+74.76)	29320.92 (-27.12)
3. Settlement of Import L/C	4068.43 (+14.11)	4773.53 (+17.33)	24660.53 (+9.17)	27319.20 (+10.78)
	January 2018	January 2019 ^P	July-January 2017-18	July-January 2018-19 ^P
4. Inward Remittances	1379.79 (+36.68)	1590.91 (+15.30)	8312.15 (+15.83)	9086.17 (+9.31)
5. Exports	3408.85 (+3.54)	3679.72 (+7.95)	21324.87 (+6.55)	24179.59 (+13.39)
	July-December 2017 ^P		July-December 2018 ^P	
6. Current Account Balance	-5066.00		-3082.00	
	15 February 2018	31 January 2019	14 February 2019	
7. Foreign Exchange Reserve [#]	33152.81 (-1.02)	31277.69 (-5.06)	31848.64 (-3.32)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	December 2017	November 2018 ^P	December 2018
a. Twelve month average basis	5.70	5.58	5.54
b. Twelve month point to point basis	5.83	5.37	5.35

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.