

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

As per the latest available information, **broad money** increased by Tk. 44576.80 crore or 4.02 percent in January 2019 over end June 2018 against the increase of Tk. 31986.10 crore or 3.15 percent during the same period of the previous fiscal year. Broad money increased due to positive growth in net domestic asset (NDA) owing to robust credit growth in the public sector, though private sector credit growth remained moderate. On the other hand, net foreign asset (NFA) constitutes negative growth during the period under review.

Reserve money stood at Tk. 227470.70 crore as on 14 March 2019 which was Tk. 226069.60 crore as on 28 February 2019. Reserve money decreased by 2.37 percent as on 15 March 2019 over end June 2018 as compared to the decrease of 4.61 percent during the same period of the previous fiscal year.

Domestic credit increased by 6.38 percent and stood at TK. 1086835.80 crore in January 2019 over end June 2018 as compared to the increase of 6.76 percent to Tk. 950843.50 crore during the same period of the previous fiscal year. Domestic credit growth marginally slowed down during the reported period mainly due to slower growth in credit to the private sector. Credit to Private sector increased by 6.20 percent in January 2019 over the end June 2018 as compared to the increase of 9.71 percent during the same period of the previous fiscal year. However, Public sector credit growth increased by 7.83 percent in January 2019 over the end June 2018 which decreased by 13.25 percent during the same period of the previous fiscal year.

Government borrowing from the banking system including BB increased by Tk. 212.88 crore during the period of 01-14 March 2019 as compared to the increase of Tk. 4887.84 crore in the same period of the previous year. Similarly, as per the latest data, government overall borrowing from the banking system increased by Tk. 435.55 crore during the period from 01 July to 14 March in FY2018-19 while it was decreased by Tk. 16105.60 crore during the same period of the previous fiscal year.

NBR tax revenue collection increased by 7.05 percent (y-o-y) and stood at Tk. 116780.50 crore during July-January 2018-19 as compared to the increase of 18.36 percent during the same period of the previous fiscal year.

Inward Remittances increased by 10.03 percent and stood at US\$ 10410.29 million during July-February 2018-19 against the increase of 16.56 percent during the same period of the previous fiscal year.

Exports increased by 12.98 percent and stood at US\$ 27562.79 million during July-February 2018-19 against the increase of 7.38 percent during the same period of the previous fiscal year.

Current account balance recorded a deficit of US\$ 4337 million during July-January 2018-19 as compared to the deficit of US\$ 5402 million during the same period of the previous fiscal year. Lower deficit in current account emerged from decrease in deficit both in trade and service accounts as well as increased remittance inflows.

Foreign exchange reserves of BB decreased by US\$ 0.69 billion and stood at US\$ 31.55 billion as on 14 March 2019 from US\$ 32.24 billion as on 27 February 2019 as Bangladesh Bank made payments to Asian Clearing Union (ACU) amounted to US\$ 1143.43 million as on 6th March 2019.

Inflation on twelve-month average basis (Base: FY2005-06=100) decreased to 5.49 percent in February 2019 from 5.51 percent in January 2019. However, point to point general inflation increased marginally to 5.47 percent in February 2019 from 5.42 percent in January 2019 due to increase in food inflation.

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

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

(Taka in crore)

Particulars	January 2018	December 2018 ^R	January 2019 ^P
1. Broad money (M2)	1048062.20	1155360.60	1154557.80
	(+3.15)	(+4.09)	(+4.02)
2. Reserve money @	213670.70 ***	226069.60 **	227470.70 *
	(-4.61)	(-2.97)	(-2.37)
3. Bank deposits^{##}	919813.90	1010681.60	1009876.10
	(+4.70)	(+4.29)	(+4.21)
4. Domestic credit (A+B)	950843.50	1080350.00	1086835.80
	(+6.76)	(+5.75)	(+6.38)
A. Public sector (including govt.) (a+b)	99428.70	121498.80	123027.70
	(-13.25)	(+6.49)	(+7.83)
 i. Net credit to govt. sector	81033.50	98152.20	98916.90
	(-16.75)	(+3.43)	(+4.24)
 ii. Credit to other public sector	18395.20	23346.70	24110.80
	(+6.45)	(+21.60)	(+25.58)
B. Credit to private sector	851414.90	958851.20	963808.00
	(+9.71)	(+5.65)	(+6.20)

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 March 2019, **Figure is as of 28th February 2019, ***Figure is as of 15th March 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			
	14 March 2018	14 March 2019	01-14 March 2018	01-14 March 2019	01 July -14 March 2017-18	01 July -14 March 2018-19
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	14765.55	18316.50	6857.21	967.90	-963.26	-5329.14
B. Net outstanding position of govt. borrowing from banking sector(including BB)	73610.90	88693.22	4887.84	212.88	-16105.60	435.55
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	January 2018	January 2019 ^P	January 2018	January 2019 ^P	July-January 2017-18	July-January 2018-19 ^P
	246738.21	297661.70	(+)5295.15	(+)6782.05	(+)30156.42	(+)33587.31
3. Govt.revenue collection (NBR portion)	January 2018	January 2019 ^P	July-January 2017-18		July-January 2018-19 ^P	
	16930.36 (+9.38)	18778.85 (+10.92)	109093.37 (+18.36)		116780.50 (+7.05)	

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	January 2018	January 2019 ^P	July-January 2017-18	July-January 2018-19 ^P
1. Custom based import (c&f)	5255.00 (+22.16)	6120.80 (+16.48)	33695.90 (+25.21)	36191.50 (+7.41)
2. Opening of Import L/C	5432.57 (+22.32)	6116.17 (+12.58)	45667.00 (+66.28)	35437.09 (-22.40)
3. Settlement of Import L/C	4986.35 (+25.84)	4810.99 (-3.52)	29646.88 (+11.66)	32130.19 (+8.38)
	February 2018	February 2019^P	July-February 2017-18	July-February 2018-19^P
4. Inward Remittances	1149.08 (+22.15)	1317.73 (+14.68)	9461.23 (+16.56)	10410.29 (+10.03)
5. Exports	3072.15 (+13.53)	3383.20 (+10.12)	24397.02 (+7.38)	27562.79 (+12.98)
	July-January 2017-18^P		July-January 2018-19^P	
6. Current Account Balance	-5402.00		-4337.00	
	15 March 2018	27 February 2019	14 March 2019	
7. Foreign Exchange Reserve [#]	32082.94 (-4.21)	32235.68 (-2.15)	31553.29 (-4.22)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	February 2018	January 2019	February 2019
a. Twelve month average basis	5.80	5.51	5.49
b. Twelve month point to point basis	5.72	5.42	5.47

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.