

### **Fortnightly Trends of Major Economic Indicators: Updates on 15 April 2022**

**Broad money** increased by Tk 60041.40 crore or 3.85 percent over end June 2021 to Tk 1620936.70 crore in February 2022 against the increase of Tk 107198.10 crore or 7.80 percent over end June 2020 to Tk 1480933.10 crore in February 2021. Broad money increased during the reported period mainly due to increase in domestic credit.

**Domestic credit** increased by 7.39 percent over end June 2021 to Tk 1546240.40 crore in February 2022 against the increase of 4.35 percent over end June 2020 to Tk 1364504.20 crore in February 2021. Domestic credit growth stood higher as compared to the previous year due to higher growth of both credit to public and private sector. Growth of credit to public sector (6.51%) stood higher as compared to the previous year (0.30%) due to a higher growth of both credit to govt. sector and credit to other public sector. As per the latest available data, government overall borrowing from the banking system increased by Tk 13843.40 crore from 01 July 2021 to 13 April 2022 against the decrease of Tk 5459.38 crore during the same period of the preceding fiscal year. Credit to private sector increased by 7.57 percent in February 2022 over end June 2021 against the increase of 5.13 percent in February 2021 over end June 2020. Credit to private sector increased due to come back normalcy in economic activities of the country.

**Reserve money** stood at Tk 323149.10 crore as on 13 April 2022 which was Tk 320617.80 crore as on 31 March 2022. Reserve money however decreased by 7.00 percent as on 13 April 2022 over end June 2021 against the increase of 9.32 percent during the same period of the preceding fiscal year. Reserve money decreased due mainly to the sharp fall of the Net Foreign Assets (NFA) of Bangladesh Bank during the reported period.

**NBR tax revenue** collection stood higher at Tk 24347.85 crore (12.55%) in January 2022 compared to Tk 21631.97 crore (6.36%) in January 2021. In another way, NBR tax revenue collection stood at Tk 153437.93 crore in July-January 2022 which was Tk 132132.97 crore in July-January 2021.

**Inward Remittances** decreased by 17.34 percent to US\$ 16226.00 million in 01 July 2021 to 13 April 2022 against the increase of 42.51 percent to US\$ 19630.33 million in 01 July 2020 to 13 April 2021. Remittance declined due to many Bangladeshi migrants lost their jobs during covid-19 period. Recently Government has enhanced cash incentives from 2.00 percent to 2.50 percent which may augment inward remittances through formal legal banking channel in the near future subject to remarkable improvement of Covid-19 situation globally.

**Exports** increased by 33.41 percent to US\$ 38605.67 million during July-March of FY 2022 against the decrease of 0.12 percent to US\$ 28938.35 million during the corresponding period of FY 2021. Exports seem to increase with the reopening of economic activities home & abroad with the rise of exports demand. However, economic fallout from the Ukraine-Russia war may create uncertainty thereby export growth fall in the near future.

**Current account balance** recorded a deficit of US\$ 12834.00 million in July-February of FY 2022 against the surplus of US\$ 825.00 million in July-February of FY 2021. Current account balance is in deficit mainly for the larger deficit in trade balance which means import is higher than export and lower workers' remittances.

The **foreign exchange reserves** of BB stood at US\$ 44.14 billion as on 13 April 2022 which was US\$ 43.99 billion as on 13 April 2021. As per latest available data, foreign exchange reserves of BB stood at US\$ 44.18 billion as on 24 April 2022.

**Inflation** on twelve-month average basis (Base: FY2005-06=100) increased to 5.75 percent in March 2022 from 5.69 percent in February 2022. Point to point general inflation also increased to 6.22 percent in March 2022 from 6.17 percent in February 2022. Inflation seems to have increased in March due to supply disruptions in the global market, oil price hike and rise in domestic demand after Covid-19 situation.

Detailed fortnightly information available up to 15 April 2022 is annexed herewith.

**Detailed Information on Trends of Major Economic Indicators upto 15 April 2022****I. Money and Credit**

(Taka in crore)

| Particulars                                      | June 2020  | February 2021 | June 2021  | January 2022 <sup>R</sup> | February 2022 <sup>P</sup> | July-February 2022 <sup>P</sup> | July-February 2021 <sup>R</sup> |
|--------------------------------------------------|------------|---------------|------------|---------------------------|----------------------------|---------------------------------|---------------------------------|
| 1                                                | 2          | 3             | 4          | 5                         | 6                          | 7                               | 8                               |
| <b>1. Broad money (M2)</b>                       | 1373735.00 | 1480933.10    | 1560895.30 | 1614120.30                | 1620936.70                 | 60041.40                        | 107198.10                       |
|                                                  | (+12.64)   | (+7.80)       | (+13.62)   | (+3.41)                   | (+3.85)                    | (-43.99)                        | (+23.38)                        |
| <b>2. Bank deposits<sup>#</sup></b>              | 1181620.60 | 1295600.30    | 1351377.60 | 1402343.10                | 1408666.50                 | 57288.90                        | 113979.70                       |
|                                                  | (+10.92)   | (+9.65)       | (+14.37)   | (+3.77)                   | (+4.24)                    | (-49.74)                        | (+43.64)                        |
| <b>3. Domestic credit (A+B)</b>                  | 1307633.80 | 1364504.20    | 1439899.10 | 1534711.50                | 1546240.40                 | 106341.30                       | 56870.40                        |
|                                                  | (+14.02)   | (+4.35)       | (+10.11)   | (+6.58)                   | (+7.39)                    | (+86.99)                        | (-45.47)                        |
| <b>A. Public sector (including govt.) (i+ii)</b> | 210365.90  | 210993.60     | 251043.70  | 268454.10                 | 267384.50                  | 16340.80                        | 627.70                          |
|                                                  | (+53.97)   | (+0.30)       | (+19.34)   | (+6.94)                   | (+6.51)                    | (+2503.28)                      | (-98.87)                        |
| <b>i. Net credit to govt. sector</b>             | 181150.80  | 179511.50     | 221025.90  | 232076.00                 | 231467.70                  | 10441.80                        | -1639.30                        |
|                                                  | (+59.92)   | (-0.90)       | (+22.01)   | (+5.00)                   | (+4.72)                    | (-736.97)                       | (-103.35)                       |
| <b>ii. Credit to other public sector</b>         | 29215.10   | 31482.10      | 30017.80   | 36378.10                  | 35916.90                   | 5899.10                         | 2267.00                         |
|                                                  | (+25.09)   | (+7.76)       | (+2.75)    | (+21.19)                  | (+19.65)                   | (+160.22)                       | (-66.05)                        |
| <b>B. Credit to private sector</b>               | 1097267.90 | 1153510.60    | 1188855.30 | 1266257.40                | 1278855.90                 | 90000.60                        | 56242.70                        |
|                                                  | (+8.61)    | (+5.13)       | (+8.35)    | (+6.51)                   | (+7.57)                    | (+60.02)                        | (+15.62)                        |
| <b>4. Reserve money @</b>                        | 283862.40  | 310304.20 *** | 347485.30  | 320617.80 **              | 323149.10 *                | -24336.20                       | 26441.80                        |
|                                                  | (+15.67)   | (+9.32)       | (+22.41)   | (-7.73)                   | (-7.00)                    | (-192.04)                       | (+163.49)                       |

Source: Statistics Department, BB.

**Note: Figures in the parenthesis of column no 2 to 6 of data from left indicate percentage changes over the previous June.**

Figures in the parenthesis of column no 7 &amp; 8 indicate percentage changes over corresponding period of the last year.

P= Provisional, @=excluding F.C. clearing account, R=Revised

\*Figure as of 13 April 2022, \*\*Figure as of 31 March 2022, \*\*\*Figure as of 13 April 2021.

# Including both demand and time deposits (excluding inter-bank)

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

| Particulars                                                                             | As on               |                            | Flow for the period of |                           |                                   |                               |
|-----------------------------------------------------------------------------------------|---------------------|----------------------------|------------------------|---------------------------|-----------------------------------|-------------------------------|
|                                                                                         | 13 April 2021       | 13 April 2022 <sup>P</sup> | 01-13 April 2021       | 01-13 April 2022          | 01 July 2020 to 13 April 2021     | 01 July 2021 to 13 April 2022 |
| <b>1. A. Net outstanding position of govt. borrowing from Bangladesh Bank</b>           | 9122.67             | 18161.89                   | 5760.60                | 3370.77                   | -35230.83                         | -6380.25                      |
| <b>B. Net outstanding position of govt. borrowing from banking sector(including BB)</b> | 172363.63           | 215958.49                  | 6279.01                | 3466.16                   | -5459.38                          | 13843.40                      |
| <b>2. Net outstanding position of non-bank borrowing of the govt.*</b>                  | As of end           |                            | Flow for the month of  |                           | Flow for the period of            |                               |
|                                                                                         | January 2021        | January 2022 <sup>P</sup>  | January 2020           | January 2021 <sup>P</sup> | July-January 2020-21              | July-January 2021-22          |
|                                                                                         | 368842.80           | 399605.81                  | (+)4909.30             | (+)2761.83                | (+)27853.46                       | (+)14535.86                   |
| <b>3. Govt. tax revenue collection (NBR portion)</b>                                    | January 2021        | January 2022 <sup>P</sup>  | July-January 2020-21   |                           | July-January 2021-22 <sup>P</sup> |                               |
|                                                                                         | 21631.97<br>(+6.36) | 24347.85<br>(+12.55)       | 132132.97<br>(+4.39)   |                           | 153437.93<br>(+16.12)             |                               |

Source: Research Department &amp; 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 &amp; T.bonds held by non-bank financial institutions.

(In million US\$)

**III. External Sector**

| Particulars                               | February 2021                      | February 2022       | July-February 2020-21R                | July-February 2021-22P                |
|-------------------------------------------|------------------------------------|---------------------|---------------------------------------|---------------------------------------|
| 1. Custom based import (c&f)              | 5564.20<br>(+17.79)                | 8324.80<br>(+49.61) | 40068.70<br>(+1.94)                   | 58774.10<br>(+46.68)                  |
| 2. Opening of Import L/C <sup>R#</sup>    | 4744.94<br>(-3.37)                 | 6679.58<br>(+40.77) | 39870.93<br>(+0.99)                   | 59459.12<br>(+49.13)                  |
| 3. Settlement of Import L/C <sup>R#</sup> | 4738.94<br>(+0.51)                 | 7102.42<br>(+49.87) | 34606.23<br>(-7.30)                   | 52604.78<br>(+52.01)                  |
|                                           | 13 April 2021                      | 13 April 2022       | 01 July-13 April 2020-21 <sup>R</sup> | 01 July-13 April 2021-22 <sup>P</sup> |
| 4. Inward Remittances                     | 1032.10<br>(+187.73)               | 927.50<br>(-10.13)  | 19630.33<br>(+42.51)                  | 16226.00<br>(-17.34)                  |
|                                           | March 2021                         | March 2022          | July-March 2020-21 <sup>R</sup>       | July-March 2021-22 <sup>P</sup>       |
| 5. Exports                                | 3076.03<br>(+12.59)                | 4762.22<br>(+54.82) | 28938.35<br>(-0.12)                   | 38605.67<br>(+33.41)                  |
|                                           | July-February 2020-21 <sup>R</sup> |                     | July-February 2021-22 <sup>P</sup>    |                                       |
| 6. Current Account Balance                | 825.00                             |                     | -12834.00                             |                                       |
|                                           | 13 April 2021                      | 31 March 2022       | 13 April 2022                         |                                       |
| 7. Foreign Exchange Reserve <sup>@</sup>  | 43992.80<br>(+22.08)               | 44146.78<br>(-4.84) | 44144.11<br>(-4.84)                   |                                       |

**IV. Price Index**

| 1. CPI inflation at national level<br>(Base : FY 2005-06=100) | March 2021 | February 2022 | March 2022 |
|---------------------------------------------------------------|------------|---------------|------------|
| a. Twelve month average basis                                 | 5.63       | 5.69          | 5.75       |
| b. Twelve month point to point basis                          | 5.47       | 6.17          | 6.22       |

Source: Statistics Department and Accounts &amp; 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 the previous June.