

Fortnightly Trends of Major Economic Indicators: Updates on 15 August 2021

As per the latest available data, **broad money** increased by Tk. 186803.70 crore or 13.60 percent and stood at Tk 1560538.70 crore in June 2021 over end June 2020 against the increase of Tk 154123.50 crore or 12.64 percent to Tk 1373735.00 crore during the same period of the preceding year. Broad money increased during the reported period due mainly to sharp increase of net foreign assets (NFA).

Reserve money stood at Tk 337229.80 crore as on 12 August 2021 which was Tk 348959.70 crore as on 29 July 2021. Reserve money decreased by 2.95 percent as on 12 August 2021 over end June 2021 which increased by 1.63 percent during the same period of the preceding fiscal year.

Domestic credit increased by 10.05 percent over end June 2020 and stood at Tk 1439058.30 crore by end June 2021 against the increase of 14.02 percent to Tk 1307633.80 crore during the same period of the previous fiscal year. Domestic credit growth subdued during the mentioned period mainly due to slow growth of credit to both the public and private sector. Credit to public sector increased by 18.84 percent in June 2021 over end June 2020 against the increase of 53.97 percent during the same period of previous fiscal year. This lower growth of public sector credit was mainly responsible for switching of the government's borrowing from the banking system to national saving certificates. As per the latest available data, government overall borrowing from the banking system increased by Tk 8887.14 crore from 01 July 2021 to 12 August 2021 against the increase of Tk 11130.88 crore during the same period of the preceding fiscal year. Credit to private sector increased by 8.37 percent in June 2021 over end June 2020 against the increase of 8.61 percent during the same period of previous fiscal year.

NBR tax revenue collection during FY 2020-21 stood at Tk 259881.80 crore which was higher by Tk 41475.75 crore or 18.99 percent against the collection of Tk 218406.05 crore during the same period of the last fiscal year.

Inward Remittances decreased by 27.97 percent and stood at US\$ 1871.49 million in July 2021 against the increase of 62.62 percent to US\$ 2598.21 million in July 2020.

Exports decreased by 11.19 percent and stood at US\$ 3473.43 million in July 2021 against the increase of 0.59 percent to US\$ 3910.92 million in July 2020.

Current account balance recorded deficit of US\$ 3808.00 million during FY 2020-21 against the deficit of US\$ 4724.00 million during FY 2019-20. Deficit in current account balance emerged mainly from increasing deficit in trade balance.

The **foreign exchange reserves** of BB stood at US\$ 46.06 billion as on 12 August 2021 which was US\$ 37.85 billion during the same period of the last year. As per latest information BB's foreign exchange reserves stood at US\$ 46.58 billion as on 17 August 2021.

Inflation on twelve-month average basis (Base: FY2005-06=100) decreased to 5.56 percent in June 2021 from 5.59 percent in May 2021 due mainly to decrease in food inflation. However point to point general inflation increased to 5.64 percent in June 2021 from 5.26 percent in May 2021 due to increase of both food and non-food inflation.

Detailed fortnightly information available up to 15 August 2021 are annexed herewith.

Detailed Information on Trends of Major Economic Indicators upto 15 August 2021**I. Money and Credit****(Taka in crore)**

Particulars	June 2020	May 2021 ^R	June 2021 ^P
1. Broad money (M2)	1373735.00	1526275.40	1560538.70
	(+12.64)	(+11.10)	(+13.60)
2. Reserve money @	288496.90 ***	348959.70 **	337229.80 *
	(+1.63)	(+0.42)	(-2.95)
3. Bank deposits[#]	1181620.60	1325067.70	1351021.00
	(+10.92)	(+12.14)	(+14.34)
4. Domestic credit (A+B)	1307633.80	1400067.60	1439058.30
	(+14.02)	(+7.07)	(+10.05)
A. Public sector (including govt.) (i+ii)	210365.90	228258.70	249996.70
	(+53.97)	(+8.51)	(+18.84)
i. Net credit to govt. sector	181150.80	197478.70	220140.90
	(+59.92)	(+9.01)	(+21.52)
ii. Credit to other public sector	29215.10	30780.00	29855.80
	(+25.09)	(+5.36)	(+2.19)
B. Credit to private sector	1097267.90	1171808.90	1189061.60
	(+8.61)	(+6.79)	(+8.37)

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 12 August 2021, **Figure is as of 29 July 2021, ***Figure is as of 13 August 2020.

announced by the Government.

Demand and time deposits (excluding inter-bank)

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

Particulars	As on		Flow for the period of			
	12 August 2020	12 August 2021 ^P	1-12 August 2020	1-12 August 2021	01 July 2020 to 12 August 2020	01 July 2021 to 12 August 2021
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	41850.18	19555.90	336.46	-2672.21	-2503.32	-4858.25
B. Net outstanding position of govt. borrowing from banking sector(including BB)	188953.89	212610.05	3066.52	-4.78	11130.88	8887.14
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 2020	May 2021 ^P	May 2020	May 2021 ^P	July-May 2019-20	July-May 2020-21
	336449.20	379992.00	(+)1671.23	(+)2338.28	(+)18446.13	(+)39002.66
3. Govt.revenue collection (NBR portion)	June 2020	June 2021 ^P	July-June 2019-20		July-June 2020-21 ^P	
	29890.42 (-1.28)	39809.27 (+33.18)	218406.05 (-2.45)		259881.80 (+18.99)	

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	June 2020	June 2021	July-June 2019-20 ^R	July-June 2020-21 ^P
1. Custom based import (c&f)	4807.90 (+23.88)	6969.00 (+44.95)	54784.70 (-8.56)	65594.70 (+19.73)
Particulars	May 2020	May 2021	July-May 2019-20^R	July-May 2020-21^P
2. Opening of Import L/C^{R#}	2451.13 (NA)	6195.51 (+152.76)	48725.83 (NA)	59345.31 (+21.79)
3. Settlement of Import L/C^{R#}	2766.14 (NA)	5116.74 (+84.98)	46993.35 (NA)	50860.94 (+8.23)
	July 2020	July 2021	July-June 2019-20^R	July-June 2020-21^P
4. Inward Remittances	2598.21 (+62.62)	1871.49 (-27.97)	18205.01 (+10.87)	24777.71 (+36.10)
	July 2020	July 2021	July-June 2019-20^R	July-June 2020-21^P
5. Exports	3910.92 (+0.59)	3473.43 (-11.19)	33674.12 (-16.93)	38758.31 (+15.10)
	July-June 2019-20^R		July-June 2020-21^P	
6. Current Account Balance	-4724.00		-3808.00	
	13 August 2020	29 July 2021	12 August 2021	
7. Foreign Exchange Reserve[@]	37845.49 (+5.02)	45842.20 (-1.18)	46061.91 (-0.71)	
IV. Price Index				
1. CPI inflation at national level (Base : FY 2005-06=100)	June 2020	May 2021	June 2021	
a. Twelve month average basis	5.65	5.59	5.56	
b. Twelve month point to point basis	6.02	5.26	5.64	

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.

NA= Not Available, due to the general holiday; R#=Revised by FEOD due to system generated data from "Online Import Monitoring System" for FY 20 and FY 19.