

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

As per the latest available data, **broad money** increased by Tk 33565.10 crore or 2.15 percent over end June 2021 to Tk 1594460.40 crore in October 2021 against the increase of Tk 65993.00 crore or 4.80 percent over end June 2020 to Tk 1439728.00 crore in October 2020. Broad money increased during the reported period due to increase of both net foreign assets (NFA) and net domestic assets (NDA). The percentage contribution of NDA was comparatively higher than that of NFA into the broad money growth.

Domestic credit increased by 2.93 percent over end June 2021 to Tk 1482105.40 crore in October 2021 against the increase of 2.17 percent over end June 2020 to Tk 1335985.20 crore in October 2020. Domestic credit growth is slightly higher as compared to the previous year mainly due to a little bit higher growth of credit to the private sector. Credit to public sector growth (4.59%) is smaller as compared to the previous year (5.37%) mainly due to a lower growth of net credit to government sector. However, as per the latest available data, government overall borrowing from the banking system increased by Tk 20464.99 crore from 01 July 2021 to 15 December 2021 against the increase of Tk 6511.14 crore during the same period of the preceding fiscal year. Credit to private sector increased by 2.58 percent in October 2021 over end June 2021 against the increase of 1.55 percent in October 2020 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 327868.50 crore as on 15 December 2021 which was Tk 331987.30 crore as on 30 November 2021. Reserve money decreased by 5.65 percent as on 15 December 2021 over end June 2021 against the increase of 8.02 percent during the same period of the preceding fiscal year. Reserve money decreased due mainly to fall off Net Domestic Assets (NDA) of Bangladesh Bank.

NBR tax revenue collection stood at Tk 21116.06 crore in October 2021 which was Tk 18138.78 crore in October 2020. NBR tax revenue is increased by Tk 2977.28 crore or 16.41 percent in October 2021 which was also increased by 1.96 percent in October 2020.

Inward Remittances decreased by 20.98 percent to US\$ 8608.87 million in July-November 2021 against the increase of 41.18 percent to US\$ 10894.10 million in July-November 2020. Remittance declined significantly due to the second wave of Covid-19 pandemic situation. During this period, many Bangladeshi migrants have lost their jobs, some migrants have been laid off by their companies and many others who returned to Bangladesh couldn't go back due to suspended international flights and unmet vaccine requirements.

Exports increased by 24.29 percent to US\$ 19790.87 million in July-November 2021 against the increase of 0.93 percent to US\$ 15923.59 million in July- November 2020. Exports increased with the reopening of all kinds of industries after a countrywide lockdown because of Covid-19 pandemic.

Current account balance recorded a deficit of US\$ 4769.00 million in July-October 2021 against the surplus of US\$ 3636.00 million in July-October 2020. 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 was US\$ 44.88 billion as on 30 November 2021 which increased to US\$ 45.27 billion as on 15 December 2021 due mainly to receipt of foreign loan from ADB. As per latest data, foreign exchange reserves of BB stood at 45.56 billion as on 22 December 2021.

Inflation on twelve-month average basis (Base: FY2005-06=100) slightly decreased to 5.44 percent in October 2021 from 5.50 percent in September 2021 due mainly to decrease in food inflation. But point to point general inflation increased to 5.70 percent in October 2021 from 5.59 percent in September 2021 due to supply disruption in the global market and depreciation of Bangladesh Taka against US dollar.

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

Detailed Information on Trends of Major Economic Indicators upto 15 December 2021

I. Money and Credit

(Taka in crore)

Particulars	October 2020	September 2021 ^R	October 2021 ^P	July-October 2021 ^P	July-October 2020 ^R
1. Broad money (M2)	1439728.00	1585816.90	1594460.40	33565.10	65993.00
	(+4.80)	(+1.60)	(+2.15)	(-49.14)	(+56.38)
2. Bank deposits[#]	1251671.80	1376198.50	1388565.20	37187.60	70051.20
	(+5.93)	(+1.84)	(+2.75)	(-46.91)	(+68.15)
3. Domestic credit (A+B)	1335985.20	1468903.30	1482105.40	42206.30	28351.40
	(+2.17)	(+2.01)	(+2.93)	(+48.87)	(-46.08)
A. Public sector (including govt.) (i+ii)	221662.70	258181.20	262568.70	11525.00	11296.80
	(+5.37)	(+2.84)	(+4.59)	(+2.02)	(-69.37)
i. Net credit to govt. sector	191607.10	227544.90	230981.50	9955.60	10456.30
	(+5.77)	(+2.95)	(+4.50)	(-4.79)	(-69.59)
ii. Credit to other public sector	30055.60	30636.30	31587.10	1569.30	840.50
	(+2.88)	(+2.06)	(+5.23)	(+86.71)	(-66.27)
B. Credit to private sector	1114322.40	1210722.10	1219536.80	30681.50	17054.50
	(+1.55)	(+1.84)	(+2.58)	(+79.90)	(+8.61)
4. Reserve money @	306618.60 ***	331987.30 **	327868.50 *	-19616.80	22756.20
	(+8.02)	(-4.46)	(-5.65)	(-186.20)	(+866.33)

Source: Statistics Department, BB.

Note: Figures in the parenthesis of First three columns of data from left indicate percentage changes over the previous June.

Figures in the parenthesis of last two columns of data from left indicate percentage changes over July to August.

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

*Figure as of 15 December 2021, **Figure as of 30 November 2021, ***Figure as of 15 December 2020.

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

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

Particulars	As on		Flow for the period of			
	15 December 2020	15 December 2021 ^P	01-15 December 2020	01-15 December 2021	01 July 2020 to 15 December 2020	01 July 2021 to 15 December 2021
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	24614.88	17810.09	5719.55	-6027.68	-19738.62	-6732.05
B. Net outstanding position of govt. borrowing from banking sector(including BB)	184334.15	222580.08	5195.00	1711.55	6511.14	20464.99
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	October 2020	October 2021 ^P	October 2020	October 2021 ^P	July-October 2020-21	July-October 2021-22
	325346.19	394800.87	(+)1707.75	(+)1007.28	(-)15643.15	(+)9730.92
3. Govt.revenue collection (NBR portion)	October 2020	October 2021 ^P	July-October 2020-21		July-October 2021-22 ^P	
	18138.78 (+1.96)	21116.06 (+16.41)	68130.11 (+3.53)		79467.25 (+16.64)	

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	October 2020	October 2021	July-October 2020-21 ^R	July-October 2021-22 ^P
1. Custom based import (c&f)	4375.80 (-17.11)	7110.80 (+62.50)	17062.30 (-12.96)	25831.20 (+51.39)
2. Opening of Import L/C ^{R#}	4719.24 (+1.46)	6902.90 (+46.27)	18019.68 (-6.39)	27322.32 (+52.26)
3. Settlement of Import L/C ^{R#}	3970.39 (-22.19)	6328.20 (+59.38)	15471.66 (-16.09)	23378.22 (+51.33)
	November 2020	November 2021	July-November 2020-21 ^R	July-November 2021-22 ^P
4. Inward Remittances	2078.74 (+33.66)	1553.70 (-25.26)	10894.10 (+41.18)	8608.87 (-20.98)
	November 2020	November 2021	July-November 2020-21 ^R	July-November 2021-22 ^P
5. Exports	3078.95 (+0.76)	4041.39 (+31.26)	15923.59 (+0.93)	19790.87 (+24.29)
	July-October 2020-21 ^R		July-October 2021-22 ^P	
6. Current Account Balance	3636.00		-4769.00	
	15 December 2020	30 November 2021	15 December 2021	
7. Foreign Exchange Reserve [@]	42094.90 (+16.81)	44881.14 (-3.26)	45272.98 (-2.41)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	October 2020	September 2021	October 2021
a. Twelve month average basis	5.77	5.50	5.44
b. Twelve month point to point basis	6.44	5.59	5.70

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 the previous 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.