

Fortnightly Trends of Major Economic Indicators: Updates on 15 July 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 349421.30 crore as on 15 July 2021 which was Tk. 347475.60 crore as on 30 June 2021. Reserve money increased by 23.10 percent as on 15 July 2021 over end June 2020 which also increased by 13.95 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 public 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. Public sector credit growth declined mainly due to 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 34552.96 crore from 01 July 2020 to 15 July 2021 against the increase of Tk 75295.08 crore during the same period of the preceding fiscal year. However, 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 July-April 2020-21 stood at Tk. 197583.43 crore which was higher by Tk. 22521.35 crore or 12.86 percent against the collection of Tk. 175062.08 crore during the same period of the last fiscal year.

Inward Remittances increased by 36.10 percent and stood at US\$ 24777.79 million during July-June 2020-21 against the increase of 10.87 percent to US\$ 18205.01 million during the same period of the last fiscal year. The inward remittances have significantly increased due mainly to allowing 2 percent cash incentives for sending it through the banking channels.

Exports increased by 15.10 percent and stood at US\$ 38758.31 million during July-June 2020-21 against the decrease of 16.93 percent to US\$ 33674.09 million during the same period of the preceding fiscal year.

Current account balance recorded deficit of US\$ 47.00 million during July-April 2020-21 against the deficit of US\$ 3772.00 million during July-April 2019-20. Deficit in current account balance emerged mainly from increasing deficit in trade balance.

With the support of surplus in financial account **foreign exchange reserves** of BB increased by US\$ 9.40 billion and stood at US\$ 45.50 billion as on 15 July 2021 from US\$ 36.10 billion as on 15 July 2020.

Inflation on twelve-month average basis (Base: FY2005-06=100) decreased to 5.59 percent in May 2021 from 5.60 percent in April 2021 due mainly to decrease in food inflation. Point to point general inflation decreased to 5.26 percent in May 2021 from 5.56 percent in April 2021 due to a sharp decrease of food inflation.

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

Detailed Information on Trends of Major Economic Indicators upto 15 July 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 @	279643.10 ***	347475.60 **	349421.30 *
	(+13.95)	(+22.41)	(+23.10)
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 15 July 2021, **Figure is as of 30 June 2021, ***Figure is as of 15 July 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			
	15 July 2020	15 July 2021 ^P	01-15 July 2020	01-15 July 2021	01 July 2019 to 15 July 2020	01 July 2020 to 15 July 2021
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	40890.24	25475.33	-3463.26	1061.18	6945.51	-18878.17
B. Net outstanding position of govt. borrowing from banking sector(including BB)	183390.78	212375.97	5567.77	8653.06	75295.08	34552.96
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	April 2020	April 2021 ^P	April 2020	April 2021 ^P	July-April 2019-20	July-April 2020-21
	334777.97	377653.72	(-)170.09	(+)1553.00	(+)16774.90	(+)36664.38
3. Govt.revenue collection (NBR portion)	April 2020	April 2021 ^P	July-April 2019-20		July-April 2020-21 ^P	
	8940.71 (-54.43)	19326.12 (+116.16)	175062.08 (+1.15)		197583.43 (+12.86)	

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	April 2020	April 2021	July-April 2019-20 ^R	July-April 2020-21 ^P
1. Custom based import (c&f)	2858.50 (-44.17)	6260.00 (+119.00)	46443.40 (-8.77)	52489.90 (+13.02)
2. Opening of Import L/C ^{R#}	1766.99 (NA)	5939.85 (+236.16)	46231.52 (NA)	52961.84 (+14.56)
3. Settlement of Import L/C ^{R#}	2501.85 (NA)	5297.55 (+111.75)	44197.34 (NA)	45737.26 (+3.48)
	June 2020	June 2021	July-June 2019-20 ^R	July-June 2020-21 ^P
4. Inward Remittances	1832.63 (+33.94)	1940.81 (+5.90)	18205.01 (+10.87)	24777.79 (+36.10)
	June 2020	June 2021	July-June 2019-20 ^R	July-June 2020-21 ^P
5. Exports	2714.95 (-2.50)	3577.49 (+31.77)	33674.09 (-16.93)	38758.31 (+15.10)
	July-April 2019-20 ^R		July-April 2020-21 ^P	
6. Current Account Balance	-3772.00		-47.00	
	15 July 2020	30 June 2021	15 July 2021	
7. Foreign Exchange Reserve [@]	36102.01 (+10.35)	46391.44 (+28.73)	45495.13 (+26.25)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	May 2020	April 2021	May 2021
a. Twelve month average basis	5.61	5.60	5.59
b. Twelve month point to point basis	5.35	5.56	5.26

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.