

Fortnightly Trends of Major Economic Indicators: Updates on 15 May 2022

Broad money increased by Tk 69010.90 crore or 4.42 percent over end June 2021 to Tk 1629906.20 crore in March 2022 against the increase of Tk 110058.90 crore or 8.01 percent over end June 2020 to Tk 1483793.90 crore in March 2021. Broad money increased during the reported period mainly due to increase in domestic credit.

Domestic credit increased by 8.53 percent over end June 2021 to Tk 1562710.80 crore in March 2022 against the increase of 4.83 percent over end June 2020 to Tk 1370733.70 crore in March 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 (8.06%) stood higher as compared to the previous year (-0.01%) due to 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 31283.10 crore from 01 July 2021 to 12 May 2022 against the increase of Tk 5680.49 crore during the same period of the preceding fiscal year. Credit to private sector increased by 8.63 percent in March 2022 over end June 2021 against the increase of 5.75 percent in March 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 337732.20 crore as on 12 May 2022 which was Tk 339258.00 crore as on 30 April 2022. Reserve money however decreased by 2.97 percent as on 12 May 2022 over end June 2021 against the increase of 17.64 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 23019.56 crore (+9.94%) in February 2022 compared to Tk 20938.77 crore in February 2021. In another way, NBR tax revenue collection also stood higher at Tk 176458.46 crore (+15.28%) during July-February of FY22 compared to Tk 153071.74 crore during July-February of FY21.

Inward Remittances decreased by 17.11 percent to US\$ 18143.95 million in 01 July 2021 to 12 May 2022 against the increase of 41.25 percent to US\$ 21889.97 million in 01 July 2020 to 12 May 2021. Government has already enhanced cash incentives from 2.00 percent to 2.50 percent with a view to attracting inward remittances through formal legal banking channel. Moreover, BDT has been depreciated following higher market demand of USD. Hopefully, remittances will be trended up in the coming days.

Exports increased by 35.14 percent to US\$ 43344.34 million during July-April of FY22 against the increase of 8.74 percent to US\$ 32072.73 million during the corresponding period of FY21. Exports seem to increase with the rise of exports demand from abroad. 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\$ 14072.00 million in July-March of FY22 against the deficit of US\$ 555.00 million in July-March of FY21. 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\$ 41.91 billion as on 12 May 2022 which was US\$ 44.33 billion as on 12 May 2021. As per latest available data, foreign exchange reserves of BB stood at US\$ 42.28 billion as on 23 May 2022.

Inflation on twelve-month average basis (Base: FY2005-06=100) increased to 5.81 percent in April 2022 from 5.75 percent in March 2022. Point to point general inflation also increased to 6.29 percent in April 2022 from 6.22 percent in March 2022. Inflation has been showing uptrend since July 2021 due to higher commodity prices in the global market, oil price hike and rise in domestic demand after Covid-19 situation.

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

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

(Taka in crore)

Particulars	June 2020	March 2021	June 2021	February 2022 ^R	March 2022 ^P	July-March FY22 ^P	July-March FY21 ^R
1	2	3	4	5	6	7	8
1. Broad money (M2)	1373735.00	1483793.90	1560895.30	1620936.70	1629906.20	69010.90	110058.90
	(+12.64)	(+8.01)	(+13.62)	(+3.85)	(+4.42)	(-37.30)	(+20.87)
2. Bank deposits[#]	1181620.60	1299577.50	1351377.60	1408666.50	1417219.50	65841.90	117956.90
	(+10.92)	(+9.98)	(+14.37)	(+4.24)	(+4.87)	(-44.18)	(+63.84)
3. Domestic credit (A+B)	1307633.80	1370733.70	1439899.10	1546240.40	1562710.80	122811.70	63099.90
	(+14.02)	(+4.83)	(+10.11)	(+7.39)	(+8.53)	(+94.63)	(-24.52)
A. Public sector (including govt.) (i+ii)	210365.90	210350.30	251043.70	267384.50	271272.30	20228.60	-15.60
	(+53.97)	(-0.01)	(+19.34)	(+6.51)	(+8.06)	(+129770.51)	(-100.06)
i. Net credit to govt. sector	181150.80	178911.80	221025.90	231467.70	235493.50	14467.60	-2239.00
	(+59.92)	(-1.24)	(+22.01)	(+4.72)	(+6.55)	(+746.16)	(-110.93)
ii. Credit to other public sector	29215.10	31438.60	30017.80	35916.90	35778.80	5761.00	2223.50
	(+25.09)	(+7.61)	(+2.75)	(+19.65)	(+19.19)	(+159.10)	(-67.23)
B. Credit to private sector	1097267.90	1160383.40	1188855.30	1278855.90	1291438.50	102583.20	63115.50
	(+8.61)	(+5.75)	(+8.35)	(+7.57)	(+8.63)	(+62.53)	(+12.06)
4. Reserve money @	284483.40	334661.00 ***	348071.80	339258.00 **	337732.20 *	-10339.60	50177.60
	(+15.56)	(+17.64)	(+22.35)	(-2.53)	(-2.97)	(-120.61)	(+108.63)

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 & 8 indicate percentage changes over corresponding period of the last year.

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

*Figure as of 12 May 2022, **Figure as of 30 April 2022, ***Figure as of 12 May 2021.

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

Growth Rate in this table is calculated with the formula: ((Current-Previous)/Previous)x 100

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

Particulars	As on		Flow for the period of			
	12 May 2021	12 May 2022 ^P	01-12 May 2021	01-12 May 2022	01 July 2020 to 12 May 2021	01 July 2021 to 12 May 2022
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	20936.71	30914.30	10951.94	-875.69	-23416.79	6372.16
B. Net outstanding position of govt. borrowing from banking sector(including BB)	183503.50	233398.19	12083.22	-1205.34	5680.49	31283.10
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	February 2021	February 2022 ^P	February 2021	February 2022 ^P	July-February FY21	July-February FY22
	372554.21	402617.15	(+)3711.38	(+)2811.31	(+)31564.87	(+)17347.17
3. Govt. tax revenue collection (NBR portion)	February 2021	February 2022 ^P	July-February FY21		July-February FY22 ^P	
	20938.77 (+10.15)	23019.56 (+9.94)	153071.74 (+5.14)		176458.46 (+15.28)	

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	March 2021	March 2022	July-March FY21 ^R	July-March FY22 ^P
1. Custom based import (c&f)	6161.20 (+44.05)	7724.60 (+25.37)	46229.90 (+6.07)	66498.70 (+43.84)
2. Opening of Import L/C ^{R#}	6793.88 (+35.09)	8287.59 (+21.99)	46892.10 (+5.35)	68361.78 (+46.04)
3. Settlement of Import L/C ^{R#}	5856.69 (+34.67)	7927.36 (+35.36)	40422.89 (-3.02)	60575.30 (+49.64)
	12 May 2021	12 May 2022	01 July-12 May FY21 ^R	01 July-12 May FY22 ^P
4. Inward Remittances	1224.10 (+94.39)	836.20 (-31.69)	21889.97 (+41.25)	18143.95 (-17.11)
	April 2021	April 2022	July-April FY21 ^R	July-April FY22 ^P
5. Exports	3134.38 (+502.75)	4738.67 (+51.18)	32072.73 (+8.74)	43344.34 (+35.14)
	July-March FY21 ^R		July-March FY22 ^P	
6. Current Account Balance	-555.00		-14072.00	
	12 May 2021	30 April 2022	12 May 2022	
7. Foreign Exchange Reserve [@]	44325.70 (+23.00)	44017.55 (-5.12)	41913.90 (-9.65)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	April 2021	March 2022	April 2022
a. Twelve month average basis	5.60	5.75	5.81
b. Twelve month point to point basis	5.56	6.22	6.29

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.