

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

As per the latest available data, **broad money** increased by Tk 25022.50 crore or 1.60 percent over end June 2021 to Tk 1585917.80 crore in September 2021 against the increase of Tk 52469.50 crore or 3.82 percent over end June 2020 to Tk 1426204.50 crore in September 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 2.01 percent over end June 2021 to Tk 1468902.80 crore in September 2021 against the increase of 1.94 percent over end June 2020 to Tk 1332958.90 crore in September 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 (2.84%) is smaller as compared to the previous year (4.52%) 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 14202.08 crore from 01 July 2021 to 15 November 2021 against the increase of Tk 4334.21 crore during the same period of the preceding fiscal year. Credit to private sector increased by 1.84 percent in September 2021 over end June 2021 against the increase of 1.44 percent in September 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 317880.00 crore as on 15 November 2021 which was Tk 319455.50 crore as on 31 October 2021. Reserve money decreased by 8.52 percent as on 15 November 2021 over end June 2021 against the increase of 4.16 percent during the same period of the preceding fiscal year. Reserve money decreased due mainly to fall off Net Foreign Assets (NFA) of Bangladesh Bank.

NBR tax revenue collection stood at Tk 19192.94 crore in August 2021 which was Tk 15406.17 crore in August 2020. NBR tax revenue is higher by Tk 3786.77 crore or 24.58 percent in August 2021 which was also higher by 7.85 percent in August 2020.

Inward Remittances decreased by 19.97 percent to US\$ 7055.17 million in July-October 2021 against the increase of 43.08 percent to US\$ 8815.36 million in July-October 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 22.62 percent to US\$ 15749.48 million in July-October 2021 against the increase of 0.97 percent to US\$ 12844.64 million in July-October 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\$ 2314.00 million in July-September 2021 against the surplus of US\$ 3481.00 million in July-September 2020. Current account balance is in deficit mainly for the larger deficit in trade balance which means import is higher than export and negative growth in workers' remittances.

The **foreign exchange reserves** of BB was US\$ 46.46 billion as on 31 October 2021 which decreased to 45.05 billion as on 15 November 2021 due mainly to ACU Payment. As per latest data BB's foreign exchange reserves stood at US\$ 45.00 billion as on 21 November 2021.

Inflation on twelve-month average basis (Base: FY2005-06=100) slightly decreased to 5.50 percent in September 2021 from 5.53 percent in August 2021 due mainly to decrease in food inflation. But point to point general inflation increased to 5.59 percent in September 2021 from 5.54 percent in August 2021 due to supply disruption in the global market and depreciation of Bangladesh Taka against US dollar.

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

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

I. Money and Credit

(Taka in crore)

Particulars	September 2020	August 2021 ^R	September 2021 ^P	July-September 2021 ^P	July-September 2020 ^R
1. Broad money (M2)	1426204.50	1579542.90	1585917.80	25022.50	52469.50
	(+3.82)	(+1.19)	(+1.60)	(-52.31)	(+62.60)
2. Bank deposits[#]	1237006.50	1366022.20	1376299.40	24921.80	55385.90
	(+4.69)	(+1.08)	(+1.84)	(-55.00)	(+93.33)
3. Domestic credit (A+B)	1332958.90	1449131.00	1468902.80	29003.70	25325.10
	(+1.94)	(+0.64)	(+2.01)	(+14.53)	(-30.31)
A. Public sector (including govt.) (i+ii)	219876.60	254739.60	258180.60	7136.90	9510.70
	(+4.52)	(+1.47)	(+2.84)	(-24.96)	(-68.19)
i. Net credit to govt. sector	190498.60	224512.30	227544.40	6518.50	9347.80
	(+5.16)	(+1.58)	(+2.95)	(-30.27)	(-66.02)
ii. Credit to other public sector	29378.00	30227.30	30636.20	618.40	162.90
	(+0.56)	(+0.70)	(+2.06)	(+279.62)	(-93.19)
B. Credit to private sector	1113082.30	1194391.40	1210722.20	21866.90	15814.40
	(+1.44)	(+0.47)	(+1.84)	(+38.27)	(+145.52)
4. Reserve money @	295675.50 ***	319455.50 **	317880.00 *	-29605.30	11813.10
	(+4.16)	(-8.07)	(-8.52)	(-350.61)	(+401.64)

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 November 2021, **Figure as of 31 October 2021, ***Figure as of 15 November 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 November 2020	15 November 2021 ^P	01-15 November 2020	01-15 November 2021	01 July 2020 to 15 November 2020	01 July 2021 to 15 November 2021
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	23688.45	19193.22	3731.43	4595.63	-20665.05	-5348.92
B. Net outstanding position of govt. borrowing from banking sector(including BB)	182157.22	216317.17	5063.58	4506.42	4334.21	14202.08
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	August 2020	August 2021 ^P	August 2020	August 2021 ^P	July-August 2019-20	July-August 2021-22
	351140.86	390654.51	(+)4803.21	(+)3579.24	(+)697478.51	(+)777729.78
3. Govt.revenue collection (NBR portion)	August 2020	August 2021 ^P	July-August 2020-21		July-August 2021-22 ^P	
	15406.17 (+7.85)	19192.94 (+24.58)	30160.84 (+0.16)		34547.27 (+14.54)	

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	August 2020	August 2021	July-August 2020-21 ^R	July-August 2021-22 ^P
1. Custom based import (c&f)	3806.00 (-6.55)	6583.30 (+72.97)	8034.00 (-13.80)	11724.40 (+45.93)
2. Opening of Import L/C ^{R#}	3452.23 (-32.24)	7052.03 (+104.27)	7955.79 (-16.25)	12130.46 (+48.60)
3. Settlement of Import L/C ^{R#}	3663.74 (-25.06)	6105.92 (+66.66)	7360.83 (-17.98)	10764.75 (+45.31)
	October 2020	October 2021	July-October 2020-21 ^R	July-October 2021-22 ^P
4. Inward Remittances	2151.05 (+34.64)	1726.29 (-19.75)	8815.36 (+43.08)	7055.17 (-19.97)
	October 2020	October 2021	July-October 2020-21 ^R	July-October 2021-22 ^P
5. Exports	2947.80 (-4.08)	4727.53 (+60.37)	12844.64 (+0.97)	15749.48 (+22.62)
	July-September 2020-21 ^R		July-September 2021-22 ^P	
6. Current Account Balance	3481.00		-2314.00	
	15 November 2020	31 October 2021	15 November 2021	
7. Foreign Exchange Reserve [@]	40505.79 (+12.40)	46459.27 (+0.15)	45045.48 (-2.90)	

IV. Price Index

1. CPI inflation at national level (Base : FY 2005-06=100)	September 2020	August 2021	September 2021
a. Twelve month average basis	5.69	5.53	5.50
b. Twelve month point to point basis	5.97	5.54	5.59

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.