

## **Fortnightly of Major Economic Indicators: Updates up to 15 September 2022**

During July-August 2022, **broad money** indeed up by 0.16 percent and amounted to Tk 1710814.10 crore at the end of August 2022 from the level of end June 2022. The increase in net domestic assets (NDA) contributed to increase in broad money during the period.

**Domestic credit** growth accelerated to 1.06 percent at the end of August 2022 over end June 2022 compared to 0.64 percent growth at the end of August 2021 over end June 2021. Domestic credit growth stood slightly higher because of higher growth of both credit to public sector and credit to private sector. Credit to public sector edged up by 2.04 percent at the end of August 2022 over end June 2022 compared with 1.47 percent rise at the end of August 2021 over end June 2021. Credit to public sector increased because of increase in both net credit to govt. sector and credit to other public sector. As per the latest available data, government borrowing from the banking system increased by Tk 2244.38 crore from 01 July to 15 September 2022 against the increase of Tk 4581.94 crore during 01 July to 15 September 2021. Credit to private sector grew by 0.83 percent at the end of August 2022 over end June 2022 against 0.47 percent rise during the same period of the preceding fiscal year.

**Reserve money** declined to Tk 339802.50 crore as on 15 September 2022 from Tk 341336.50 crore as on 31 August 2022. During 01 July-15 September reserve money growth declined by 2.12 percent against the growth of 6.77 percent during the same period of the last fiscal year. Reserve money decreased due mainly to the fall off Net Foreign Assets (NFA) of Bangladesh Bank during the reported period under review.

**NBR tax revenue** collection increased by 15.75 percent (y-o-y) to Tk 17760.68 crore in July 2022 which was Tk 15344.25 crore in July 2021.

**Exports** increased by 25.31 percent to USD 8.59\* billion during July-August 2022 compared to the decrease of 0.31 percent to USD 6.86\* billion during July-August 2021. Exports seem to increase with the rise of demand from abroad especially from the Europe and North America.

**Custom based imports** grew by 16.92 percent during July-August 2022 compared to 45.99 percent during July-August 2021. Custom based imports went up because of increase in economic demand including apparel exports with the reopening of economies from covid-19 pandemic, resulting in the rise of demand for import of raw materials and capital goods along with higher prices in the global market. Opening of import LCs and Settlement of import LCs of FY22 increased by 10.61 percent (y-o-y) and 63.06 percent (y-o-y) respectively. Both Opening of import LCs and Settlement of import LCs increased due mainly to rise in demand for petroleum & petroleum products, industrial raw material and machinery for miscellaneous industries.

\*Source: EPB

**Inward Remittances** surged by 9.65 percent and amounted to USD 5.14 billion during 01 July-15 September 2022 compared to 19.55 percent fall during the same period of the previous year. Remittances seem to increase because of the increased number of remitters in FY22, higher BDT depreciation along with Government's phenomenal 2.50 percent cash incentives for sending it through the formal banking channels.

**Current account balance** recorded a deficit of USD 1.50 billion in July-August 2022 against the deficit of USD 1.41 billion in July-August 2021. The deficit in current account balance occurred mainly because of the larger deficit in trade balance.

**Foreign exchange reserve** came down to USD 37.11 billion as on 15 September 2022 from USD 46.61 billion as on 15 September 2021. As per latest available data, foreign exchange reserve stood at USD 36.52 billion as on 03 October 2022.

**Headline Inflation (Point to point)** edged down to 7.48 percent in July 2022 from 7.56 percent in June 2022. On the other hand, headline inflation (twelve-month average) went up to 6.33 percent in July 2022 from 6.15 percent in June 2022. Supply bottleneck due to Russia-Ukraine war, higher commodity price in the international market along with BDT depreciation, and rise in domestic demand were contributing factors for the increasing inflation.

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

## Detailed Information of Major Economic Indicators upto 15 September 2022

### I. Money and Credit

(Taka in crore)

Particulars	June 2021	August 2021	June 2022 <sup>R</sup>	August 2022 <sup>P</sup>	July-August of FY23 <sup>P</sup>	July-August of FY22 <sup>R</sup>
1	2	3	4	5	6	7
<b>1. Broad money (M2)</b>	1560895.30	1579542.90	1708122.20	1710814.10	2691.90	18647.60
	(+13.62)	(+1.19)	(+9.43)	(+0.16)		
<b>2. Bank deposits<sup>#</sup></b>	1351377.60	1366022.20	1471673.30	1468937.80	-2735.50	14644.60
	(+14.37)	(+1.08)	(+8.90)	(-0.19)		
<b>3. Domestic credit (A+B)</b>	1439899.10	1449131.00	1671748.80	1689521.70	17772.90	9231.90
	(+10.11)	(+0.64)	(+16.10)	(+1.06)		
<b>A. Public sector (including govt.) (i+ii)</b>	251043.70	254739.60	320513.30	327044.00	6530.70	3695.90
	(+19.34)	(+1.47)	(+27.67)	(+2.04)		
<b>i. Net credit to govt. sector</b>	221025.90	224512.30	283314.50	288427.30	5112.80	3486.40
	(+22.01)	(+1.58)	(+28.18)	(+1.80)		
<b>ii. Credit to other public sector</b>	30017.80	30227.30	37198.80	38616.70	1417.90	209.50
	(+2.75)	(+0.70)	(+23.92)	(+3.81)		
<b>B. Credit to private sector</b>	1188855.30	1194391.40	1351235.50	1362477.70	11242.20	5536.10
	(+8.35)	(+0.47)	(+13.66)	(+0.83)		
<b>Particulars</b>	<b>31 August 2021</b>	<b>15 September 2021</b>	<b>31 August 2022</b>	<b>15 September 2022</b>	<b>01 July-15 September 2022</b>	<b>01 July-15 September 2021</b>
<b>4. Reserve money @</b>	325861.00	324524.70	341336.50	339802.50	-7359.60	-23547.10
	(-6.38)	(-6.77)	(-1.68)	(-2.12)		

Source: Statistics Department, BB.

Note: Figures in the parenthesis of column no 2 to 5 of data indicate percentage changes over the previous June

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

# Including both demand and time deposits

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

Particulars	As on		Flow for the period of			
	15 September 2021	15 September 2022 <sup>P</sup>	01-15 September 2021	01-15 September 2022	01 July-15 September 2021	01 July-15 September 2022
<b>1. A. Net outstanding position of govt. borrowing from Bangladesh Bank</b>	18451.20	64198.70	2362.25	2643.24	-6090.94	8332.31
<b>B. Net outstanding position of govt. borrowing from banking sector(including BB)</b>	206697.03	272429.94	-870.14	3199.75	4581.94	2244.38
<b>2. Net outstanding position of non-bank borrowing of the govt.*</b>	As of end		Flow for the month of		Flow for the period of	
	June 2021	June 2022 <sup>P</sup>	June 2021	June 2022 <sup>P</sup>	FY21	FY22
	385269.98	412204.21	(+)5277.95	(+)4563.15	(+)44280.64	(+)26934.23
<b>3. Govt. tax revenue collection (NBR portion)</b>	July 2021	July 2022 <sup>P</sup>	FY21		FY22 <sup>P</sup>	
	15344.25 (+4.00)	17760.68 (+15.75)	259881.80 (+18.99)		301633.84 (+16.07)	

Source: Research Department &amp; 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 &amp; T.bonds held by non-bank financial institutions.

**III. External Sector**

(In million US\$)

Particulars	August 2021	August 2022	July-August 2021	July-August 2022
1. Custom based import (c&f)	6587.60 (+73.08)	7375.30 (+11.96)	11728.70 (+45.99)	13713.40 (+16.92)
Particulars	July 2021	July 2022	FY21R	FY22P
2. Opening of Import L/C <sup>R#</sup>	5145.35 (+15.25)	5691.02 (+10.61)	67037.42 (+19.50)	92234.69 (+37.59)
3. Settlement of Import L/C <sup>R#</sup>	4700.57 (+27.10)	7664.66 (+63.06)	57256.40 (+7.52)	83681.73 (+46.15)
	15 September 2021	15 September 2022	01 July-15 September 2021	01 July-15 September 2022
4. Inward Remittances	1007.90 (-20.46)	1008.70 (+0.08)	4689.49 (-19.55)	5141.95 (+9.65)
	August 2021	August 2022	July-August 2021	July-August 2022
5. Exports	3383.07 (+14.02)	4607.00 (+36.18)	6856.50 (-0.31)	8591.82 (+25.31)
	July-August 2021		July-August 2022	
6. Current Account Balance	-1412.00		-1502.00	
	15 September 2021	31 August 2022	15 September 2022	
7. Foreign Exchange Reserve <sup>@</sup>	46608.36 (+20.45)	39055.38 (-18.74)	37114.63 (-20.37)	
IV. Price Index				
1. CPI inflation at national level (Base : FY 2005-06=100)	July 2021	June 2022	July 2022	
a. Twelve month average basis	5.54	6.15	6.33	
b. Twelve month point to point basis	5.36	7.56	7.48	

Source: Statistics Department and Accounts &amp; Budgeting Department, BB website, Export Promotion Bureau 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.