Major Economic Indicators: Fortnightly Update[1]

(Up to 31st August, 2026)

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This report provides a brief overview of Bangladesh's major economic indicators up to 31st August 2026, highlighting key developments in money supply, policy and market interest rates, bank credit, government revenue, trade, remittances, foreign exchange reserves, exchange rates, and inflation. While inflation has eased and remittance inflows and foreign exchange reserves have increased, slower private sector credit growth and rising government borrowing remain key concerns. Together, these trends provide a picture of Bangladesh's economic progress, ongoing challenges, and their potential impact on businesses and everyday life.

Bangladesh's economy entered FY27 with a mixed picture of progress and challenges. During July-August, 2026, broad money grew by 12.40 percent and bank deposits continued to rise, reflecting increased savings in time deposits. However, the growth in credit was driven mainly by the public sector, where borrowing increased by 32.45 percent. On the other hand, private sector credit grew by only 4.75 percent, which was slower than in the previous fiscal year's. This divergence suggests that government borrowing continued to drive credit expansion, while private sector activities faced comparatively weaker credit demand. Bangladesh Bank reduced policy by 50 basis points on 02 August 2026 to 9.50 percent balancing inflationary pressure and growth objectives.

During 1 July-31 August, 2026 net government borrowing from the banking system increased compared with the same period a year earlier. Tax collection showed improvement, with NBR revenue growing by 12.03 percent in FY26, but the total collection was only 82.60 percent of the annual target. The combination of rising financing needs and a shortfall in tax collection highlights the challenge of funding public expenditure.

In the external sector, a stronger remittance inflow was a significant support. During 1 July-31 August 2026, remittances increased by 18.91 percent compared with the same period a year earlier, helping gross foreign exchange reserves reach USD 37.35 billion on 31 August 2026. Yet the picture was not uniformly positive as exports increased by only 5.55 percent during July-August, 2026 compared with August 2025, while imports grew by 12.20 percent during July-August, 2026. The current account surplus widened during July-August 2026, while the taka weakened against the US dollar in August. These developments underline the

[1] *Comments on any aspects of the report are welcomed and can be sent to Ms. Sadia Sultana, Additional Director, Monetary Policy Department, Bangladesh Bank, using e-mail: sadia.sultana@bb.org.bd Mr. Md. Nayem Dewan, Deputy Director, Monetary Policy Department, Bangladesh Bank, e-mail: nayem.dewan@bb.org.bd and Mr. Mohammad Saiful Islam, Assistant Director, Monetary Policy Department, Bangladesh Bank, e-mail: mislam.saiful@bb.org.bd*

importance of sustaining remittance inflows while strengthening export performance and managing external pressures.

Inflation declined slightly but remained elevated. Headline point-to-point inflation declined slightly to 8.26 percent in August 2026 from 8.32 percent in July 2026. It was also slightly lower than 8.29 percent in August 2025. Meanwhile, twelve-month average inflation fell to 8.66 percent in August 2026 from 9.58 percent in August 2025. Bangladesh Bank's contractionary monetary policy stance continued to help manage inflation. The ongoing high inflation in Bangladesh is driven more by supply-side (cost-push) factors than demand-pull factors. Consequently, despite maintaining the policy interest rate at a high level, cost-push inflation in Bangladesh has intensified primarily due to insufficient growth in domestic production, alongside the presence of syndication in the supply chain and disruptions in the global supply chain initiated by geopolitical instability in the Middle East.

Annex-1 (Concluded)

Detailed Information of Major Economic Indicators: Up to 31 August 2026

I. Money and Credit

(Taka in crore)

Particulars	Jun-25	Aug-25	Jun-26^{P}	Aug-26^{P}	Jul-Aug, FY25	Jul-Aug, FY26^{P}
1	2	3	4	5	6=(3-2)	7=(5-4)
A. Broad money (a+b)	2174621.70 (+6.95)	2181765.10 (+7.78)	2416277.90 (+11.11)	2452197.00 (+12.40)	7143.40	35919.10
a) Currency outside banks	296451.90 (+2.07)	276494.60 (-5.45)	336375.20 (+13.47)	319096.40 (+15.41)	-19957.30	-17278.80
b) Bank deposits*	1878169.80 (+7.77)	1905270.50 (+10.01)	2079902.70 (+10.74)	2133100.60 (+11.96)	27100.70	53197.90
B. Domestic credit (c+d)	2284352.80 (+7.98)	2292554.30 (+8.25)	2525930.70 (+10.58)	2552523.00 (+11.34)	8201.50	26592.30
c) Public sector (i+ii)	536665.90 (+13.15)	545459.60 (+14.81)	699967.90 (+30.43)	722461.40 (+32.45)	8793.70	22493.50
i) Net credit to govt.	488177.60 (+14.90)	496934.40 (+16.59)	656677.90 (+34.52)	677831.90 (+36.40)	8756.80	21154.00
ii) Credit to other public sector	48488.30 (-1.88)	48525.20 (-0.71)	43290.00 (-10.72)	44629.50 (-8.03)	36.90	1339.50
d) Credit to private sector	1747686.90 (+6.49)	1747094.70 (+6.35)	1825962.80 (+4.48)	1830061.60 (+4.75)	-592.20	4098.80
Particulars	**30-Jun-25**	**31-Aug-25^{R}**	**30-Jun-26**	**31-Aug-26^{P}**	**01 Jul-31 Aug, FY26^{R}**	**01 Jul-31 Aug, FY27^{P}**
C) Reserve money**	413179.00 (-0.11)	390508.30 (+1.22)	476368.60 (+15.29)	460264.60 (+17.86)	-22670.70	-16104.00

Sources: Monetary Policy Department, Statistics Department and Motijheel office of Bangladesh Bank (BB).

Note: Figures in the parentheses indicates y-o-y percentage changes.* Includes both demand and time deposits. ** Excludes F.C clearing account balance. P = Provisional and R = Revised.

Annex-1 (Concluded)

II. Interest Rate

(In percent)

Particulars	31-Dec-24	30-Jun-25	31-Aug-25	31-Dec-25	30-Jun-26	31-Aug-26
Policy rate	10.00	10.00	10.00	10.00	10.00	9.50
Standing lending facility rate	11.50	11.50	11.50	11.50	11.50	11.00
Standing deposit facility rate	8.50	8.50	8.00	8.00	7.50	7.50
Call money rate (monthly weighted average)	10.07	10.14	9.98	9.99	9.90	9.34

Source: MPD and Debt Management Department (DMD) of BB.

III. Government Borrowing and Revenue Collection

(Taka in crore)

Particulars	As on 31-Aug-25	As on 31-Aug-26[P]	16-31, Aug-25	16-31, Aug-26[P]	01 Jul-31 Aug, FY26	01 Jul-31 Aug, FY27
1. Govt. borrowing from banking system(Net) [a+b]	539834.91	695977.61	-9795.02	-4297.12	-11070.06	10501.28
a. Govt. borrowing from Bangladesh Bank (net)	88886.71	82896.97	-7754.45	-14382.94	-9537.01	-11154.81
b. Govt. borrowing from DMBs (net)	450948.19	613080.64	-2040.57	10085.82	-1533.05	21656.09
	As on 31-Aug-25	**As on 31-Aug-26[P]**	**Jul-Aug, FY26**		**Jul-Aug, FY27**	
2. Net govt. borrowings from other than banks[@]	483254.59	481941.06	6375.81		5062.28	
	Jun-25	**Jun-26[P]**	**Jul-Jun, FY25**		**Jul-Jun, FY26[P]**	
3. Govt. tax revenue collection (NBR portion)	43089.26 (-18.77)	54523.00 (+26.54)	370875.04 (+2.23)		415473.00 (+12.03)	

Sources: Research Department, Statistics Department and DMD of BB, and National Board of Revenue.

Note: Figures in the parentheses indicate percentage changes over the same period of the previous year.[@]Includes savings certificate and T.bills & T.bonds held by non-bank entities and excludes prize bonds held by the banks . P = Provisional.

Annex-1 (Concluded)

IV. External Sector

(In million USD)

Particulars	Aug-25	Aug-26	Jul-Aug, FY26	Jul-Aug, FY27
1. Exports	3884.38 (-3.70)	4415.45 (+13.67)	8663.81 (+10.26)	9144.43 (+5.55)
2. Import	5222.73 (+26.41)	6113.82 (+17.06)	11493.18 (+9.26)	12895.81 (+12.20)
3. Opening of import L/C	5741.16 (NA)	6903.90 (+20.25)	11635.30 (NA)	13954.86 (+19.94)
4. Settlement of import L/C	5151.73 (NA)	6183.41 (+20.03)	11255.76 (NA)	12468.30 (+10.77)
	01-31, Aug- 25	**01-31, Aug-26**	**01 Jul-31 Aug, FY26**	**01 Jul-31 Aug, FY27**
5. Inward remittances	2421.89 (+8.89)	2967.53 (+22.53)	4899.76 (+18.41)	5826.29 (+18.91)
	August 2026		**August 2027**	
6. Current account balance	197.02		599.36	
	30- Jun- 25	**31- Aug- 25**	**30- Jun- 26**	**31- Aug- 26**
7. Gross foreign reserve	31772.01 (+18.93)	31166.16 (+21.83)	37578.02 (+18.27)	37352.28 (+19.85)
8. Exchange rate (inter-bank)	122.84	121.64	122.77	123.04

V. Real Sector

(In percent)

Headline inflation	Jun-25	Aug-25	Jul-26	Aug-26
1. Point to point	8.48	8.29	8.32	8.26
2. Twelve month average	10.03	9.58	8.66	8.66

Sources: Statistics Department, Accounts & Budgeting Department, Foreign Exchange Operations Department, and Forex Reserve and Treasury Management Department of BB

Note:Figures in the parentheses indicate percentage changes over the same period of the preceding year. NA = Not available.