

Fortnightly Trends of Major Economic Indicators: Updates on 31 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 348960.00 crore as on 29 July 2021 which was Tk 349428.50 crore as on 15 July 2021. Reserve money increased by 0.42 percent as on 29 July 2021 over end June 2021 which also increased by 2.66 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 both the public and private 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. This lower growth of public sector credit was mainly responsible for 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 8571.08 crore from 01 July 2021 to 28 July 2021 against the increase of Tk 9144.63 crore during the same period of the preceding fiscal year. 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-May 2020-21 stood at Tk 220072.53 crore which was higher by Tk 31556.90 crore or 16.74 percent against the collection of Tk 188515.63 crore during the same period of the last fiscal year.

Inward Remittances decreased by 27.97 percent and stood at US\$ 1871.49 million in July 2021 against the increase of 62.62 percent to US\$ 2598.21 million during the same period of the last year.

Exports increased by 15.10 percent and stood at US\$ 38758.31 million during FY 2020-21 against the decrease of 16.93 percent to US\$ 33674.12 million during FY 2019-20.

Current account balance recorded deficit of US\$ 3808.00 million during FY 2020-21 against the deficit of US\$ 4724.00 million during FY 2019-20. Deficit in current account balance emerged mainly from increasing deficit in trade balance.

However, with the support of a handsome surplus in financial accounts **foreign exchange reserves** of BB stood at 46.39 billion as on 30 June 2021 which slightly decline to US\$ 45.84 billion as on 29 July 2021 due to ACU payment. As per latest information BB's foreign exchange reserves stood at US\$ 45.95 billion as on 9 August 2021.

Inflation on twelve-month average basis (Base: FY2005-06=100) decreased to 5.56 percent in June 2021 from 5.59 percent in May 2021 due mainly to decrease in food inflation. However point to point general inflation increased to 5.64 percent in June 2021 from 5.26 percent in May 2021 due to increase of both food and non-food inflation.

Detailed fortnightly information available up to 31 July 2021 are annexed herewith.

Detailed Information on Trends of Major Economic Indicators upto 31 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 @	291407.40 ***	349428.50 **	348960.00 *
	(+2.66)	(+0.56)	(+0.42)
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 29 July 2021, **Figure is as of 15 July 2021, ***Figure is as of 31 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			
	28 July 2020	28 July 2021 ^P	16-28 July 2020	16-28 July 2021	01 July 2020 to 28 July 2020	01 July 2021 to 28 July 2021
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	42590.03	21665.68	1699.79	-3809.65	-1763.47	-2748.47
B. Net outstanding position of govt. borrowing from banking sector(including BB)	186967.64	212293.99	3576.86	-81.98	9144.63	8571.08
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	May 2020	May 2021 ^P	May 2020	May 2021 ^P	July-May 2019-20	July-May 2020-21
	336449.20	379992.00	(+)1671.23	(+)2338.28	(+)18446.13	(+)39002.66
3. Govt.revenue collection (NBR portion)	May 2020	May 2021 ^P	July-May 2019-20		July-May 2020-21 ^P	
	13453.55 (-31.42)	22489.10 (+67.16)	188515.63 (-2.63)		220072.53 (+16.74)	

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	June 2020	June 2021	July-June 2019-20 ^R	July-June 2020-21 ^P
1. Custom based import (c&f)	4807.90 (+23.88)	6969.00 (+44.95)	54784.70 (-8.56)	65594.70 (+19.73)
Particulars	May 2020	May 2021	July-May 2019-20 ^R	July-May 2020-21 ^P
2. Opening of Import L/C ^{R#}	2451.13 (NA)	6195.51 (+152.76)	48725.83 (NA)	59345.31 (+21.79)
3. Settlement of Import L/C ^{R#}	2766.14 (NA)	5116.74 (+84.98)	46993.35 (NA)	50860.94 (+8.23)
Particulars	July 2020	July 2021	July-June 2019-20 ^R	July-June 2020-21 ^P
4. Inward Remittances	2598.21 (+62.62)	1871.49 (-27.97)	18205.01 (+10.87)	24777.71 (+36.10)
Particulars	June 2020	June 2021	July-June 2019-20 ^R	July-June 2020-21 ^P
5. Exports	2714.98 (-2.49)	3577.49 (+31.77)	33674.12 (-16.93)	38758.31 (+15.10)
	July-June 2019-20 ^R		July-June 2020-21 ^P	
6. Current Account Balance	-4724.00		-3808.00	
	30 July 2020	15 July 2021	29 July 2021	
7. Foreign Exchange Reserve [@]	37288.20 (+3.47)	45495.13 (-1.93)	45841.73 (-1.18)	
IV. Price Index				
1. CPI inflation at national level (Base : FY 2005-06=100)	June 2020	May 2021	June 2021	
a. Twelve month average basis	5.65	5.59	5.56	
b. Twelve month point to point basis	6.02	5.26	5.64	

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.