



Volume: 05/2024; Issue: 01

15 May 2024

Fortnightly Major Economic Indicators

Monetary Policy Department
Bangladesh Bank

Comments on any aspects of the report are highly welcomed and can be sent to Mrs. Arjina Akhter Efa, Additional Director, Monetary Policy Department, Bangladesh Bank, e-mail: arjina.efa@bb.org.bd, Mrs. Nabila Fahria, Joint Director, Monetary Policy Department, Bangladesh Bank, e-mail: nabila.fahria@bb.org.bd and Mr. Asif Ahmed, Assistant Director, Monetary Policy Department, Bangladesh Bank, e-mail: asif.ahmed951@bb.org.bd.

Fortnightly Major Economic Indicators: 01-15 May 2024

Broad money increased by 3.16 percent during July-April FY24 and stood at BDT 19,46,832.10 crore at the end of April 2024. This increase mainly stemmed from the higher contribution of net domestic assets (NDA) during the period.

Domestic credit increased by 7.16 percent during July-April FY24 and stood at BDT 20,64,636.70 crore at the end of April 2024. The increase in domestic credit has been driven by the rise of both credit to the public and credit to the private sector. Credit to the public sector increased by 7.05 percent at the end of April 2024 over June 2023. The positive credit growth in the public sector emerged from the rise of both net credit to govt. sector and credit to other public sector.

Government borrowing from the banking system increased by BDT 50,756.28 crore during 01 July to 15 May 2024, against the increase of BDT 75,882.86 crore during the same period of the previous fiscal year.^{©P}

Credit to the private sector increased by 7.19 percent during July-April FY24 and stood at BDT 16,01,641.20 crore at the end of April 2024.

Bank deposits increased by 5.47 percent during July-April FY24 and stood at BDT 16,82,482.80 crore at the end of April 2024. The increase in bank deposits emerged from the increase in time deposits during the period.

Reserve money decreased by 10.70 percent during 01 July-15 May FY24 and stood at BDT 3,42,530.00 crore as on 15 May 2024. Reserve money declined due mainly to the decrease in Net Foreign Assets (NFA) of Bangladesh Bank under review.

NBR tax revenue collection grew by 15.61 percent to BDT 2,89,377.22 crore during July-April FY24 compared to BDT 2,50,294.64 crore during July-April FY23. The target for NBR tax revenue collection was set at BDT 4,10,000.00 crore in the budget for FY24. NBR tax revenue collection during July-April of FY24 was 70.58 percent of the revised target set for FY24.

Exports increased by 3.93 percent to USD 47.47 billion during July-April FY24 compared to 5.38 percent to USD 45.68 billion during July-April FY23*. Exports increased mainly due to increasing demand for ready-made garment products from abroad and the depreciation of taka against US dollar.

Custom-based imports decreased by 15.54 percent during July-March FY24 compared to 12.37 percent decrease during July-March FY23. Meanwhile, opening & settlement of import LC decreased by 1.87 percent and 12.59 percent respectively during July-March of FY24. A notable depreciation of BDT against USD and import monitoring by BB might have contributed to the negative growth of imports.

Inward Remittances increased by 9.18 percent to USD 20.39 billion during 01 July-15 May FY24. The increased inflow of remittance might be the outcome of 2.50 percent cash incentive by banks in addition to existing 2.50 percent facility by the government.

Current account balance improved and recorded a surplus of USD 5.80 billion during July-March FY24, against the deficit of USD 3.30 billion during July-March FY23. The surplus in the current account balance occurred because of sharply narrowed down trade deficit.

Source: [©] =Money and Banking Wing, Research Department, Bangladesh Bank. P=provisional

*=Export Promotion Bureau, Bangladesh

Foreign exchange reserves came down to USD 23.90 billion as on 15 May 2024 from USD 30.22 billion as on 15 May 2023.

Headline Inflation (Point to point) slightly edged down to 9.74 percent in April 2024 from 9.81 percent in March 2024. On the other hand, **headline inflation (twelve-month average)** went up to 9.73 percent in April 2024 from 9.69 percent in March 2024. Supply bottleneck due to the Russia-Ukraine war, failure of getting the benefit from recent global commodity price decline due to large depreciation of domestic currency; fuel, electricity and gas prices upward adjustment in the domestic market along with BDT depreciation and market imperfection could have contributed to the increase in headline inflation (twelve-month average).

Detailed fortnightly information available up to 15 May 2024 is annexed herewith.

---X---

Detailed Information of Major Economic Indicators 01-15 May 2024

I. Money and Credit

(Taka in crore)

Particulars	June 2022	April 2023	June 2023 ^R	April 2024 ^P	July-April, 2023-24	July-April, 2022-23
1	2	3	4	5	6=(5-4)	7=(3-2)
1. Broad money (M2)	1708122.30	1812191.20	1887168.10	1946832.10	59664.00	104068.90
	(+9.43)	(+6.09)	(+10.48)	(+3.16)		
2. Bank deposits[#]	1471673.30	1548817.50	1595254.60	1682482.80	87228.20	77144.20
	(+8.90)	(+5.24)	(+8.40)	(+5.47)		
3. Domestic credit (A+B)	1671749.00	1856828.60	1926770.90	2064636.70	137865.80	185079.60
	(+16.10)	(+11.07)	(+15.25)	(+7.16)		
A. Public sector (including govt.) (i+ii)	320513.30	399429.10	432514.60	462995.50	30480.90	78915.80
	(+27.67)	(+24.62)	(+34.94)	(+7.05)		
i. Net credit to govt. sector	283314.50	355157.70	387349.90	415153.20	27803.30	71843.20
	(+28.18)	(+25.36)	(+36.72)	(+7.18)		
ii. Credit to other public sector	37198.90	44271.40	45164.70	47842.30	2677.60	7072.50
	(+23.92)	(+19.01)	(+21.41)	(+5.93)		
B. Credit to private sector	1351235.60	1457399.50	1494256.20	1601641.20	107385.00	106163.90
	(+13.66)	(+7.86)	(+10.58)	(+7.19)		
Particulars	30 June 2022	15 May 2023	30 June 2023	15 May 2024^P	01 July-15 May, 2023-24	01 July-15 May, 2022-23
4. Reserve money @	347162.10	349420.00	383585.20	342530.00	-41055.20	2257.90
	(-0.26)	(+0.65)	(+10.49)	(-10.70)		

Source: Monetary Policy Department, Statistics Department, Bangladesh Bank.

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 May 2023	15 May 2024 ^P	01-15 May 2023	01-15 May 2024 ^P	01 July to 15 May, 2022-23	01 July to 15 May, 2023-24 ^P
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	122223.52	135172.90	-12101.86	-2470.57	62230.32	-22466.95
B. Net outstanding position of govt. borrowing from banking sector(including BB)	350195.22	444534.32	-7837.54	-1807.33	75882.86	50756.28
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	March 2023	March 2024 ^P	March 2023	March 2024 ^P	July-March, 2022-23	July-March, 2023-24
	416320.71	432541.95	(-)530.35	(+)1028.21	(+)4125.65	(+)12695.05
3. Govt. tax revenue collection (NBR portion)	April 2023	April 2024 ^P	July-April, 2022-23		July-April, 2023-24	
	24781.55 (-2.29)	29396.72 (+18.62)	250294.64 (+7.15)		289377.22 (+15.61)	

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.

III. External Sector

(In million US\$)

Particulars	March 2023	March 2024	July-March, 2022-23	July-March, 2023-24
1. Custom based import (c&f)	6084.50 (-21.23)	5108.90 (-16.03)	58274.70 (-12.37)	49217.00 (-15.54)
	March 2023 [^]		July-March, 2023-24 [^]	
2. Opening of Import L/C	6129.63		51375.92 (-1.87)	
3. Settlement of Import L/C	5323.10		49340.86 (-12.59)	
	15 May 2023	15 May 2024	01 July-15 May, 2022-23	01 July-15 May, 2023-24
4. Inward Remittances	957.00 (+14.47)	1274.00 (+33.12)	18676.99 (+2.93)	20391.52 (+9.18)
	April 2023	April 2024	July-April, 2022-23	July-April, 2023-24
5. Exports	3956.00 (-16.52)	3916.99 (-0.99)	45677.62 (+5.38)	47471.77 (+3.93)
	July-March, 2022-23		July-March, 2023-24	
6. Current Account Balance	-3298.00		5799.00	
	15 May 2023	30 April 2024	15 May 2024	
7. Foreign Exchange Reserve	30224.73 (-27.89)	25365.20 (-18.08)	23900.15 (-20.93)	
IV. Price Index				
1. CPI inflation at national level	April 2023 (Base: FY 2021-22=100)	March 2024 (Base: FY 2021-22=100)	April 2024 (Base: FY 2021-22=100)	
a. Point to point basis	9.24	9.81	9.74	
b. Twelve month average basis	8.64	9.69	9.73	

Source: Statistics Department, Accounts & Budgeting Department, Foreign Exchange Operations Department of Bangladesh Bank, Bangladesh Bureau of Statistics and Export Promotion Bureau of Bangladesh.

[^]Data retrieved from OIMS on 16.05.2024

Note: Figures in the parenthesis indicate percentage changes over the same period of the preceding year.

P=Provisional