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Fortnightly Major Economic Indicators

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Fortnightly Major Economic Indicators: 01-15 September 2024

Broad money slightly decreased by 0.44 percent during July-August of FY25 and stood at BDT 20,24,324.80 crore at the end of August 2024. This decrease mainly stemmed from the decrease in net foreign assets (NFA) during the period.

Domestic credit inched up by 0.11 percent during July-August of FY25 and stood at BDT 21,17,810.40 crore at the end of August 2024. The increase in domestic credit has been driven by the rise of both credit to the public sector and credit to the private sector. Credit to the public sector slightly increased by 0.17 percent during July-August of FY25 and stood at BDT 4,75,107.80 crore at the end of August 2024. The positive credit growth in the public sector emerged from the rise of net credit to govt. sector.

Credit to the private sector slightly increased by 0.09 percent during July-August of FY25 and stood at BDT 16,42,202.60 crore at the end of August 2024.

Bank deposits inched down by 0.63 percent during July-August of FY25 and stood at BDT 17,31,890.40 crore at the end of August 2024. The decrease in bank deposits emerged from the decrease in demand deposits during the period.

Reserve money decreased by 11.45 percent during 01 July-15 September of FY25 and stood at BDT 3,66,292.96 crore as on 15 September 2024. Reserve money decreased due mainly to the decrease in Net Foreign Assets (NFA) of Bangladesh Bank under review.

Government borrowing from the banking system increased by BDT 6,568.25 crore during 01 July-15 September of FY25 against the decrease of BDT 8,939.74 crore during 01 July-14 September of FY24^{©P}.

NBR tax revenue collection grew by 14.86 percent to BDT 3,24,378.20 crore during July-May FY24 compared to BDT 2,82,416.80 crore during July-May 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-May of FY24 was 79.12 percent of the revised target set for FY24.

Exports^u increased by 4.27 percent to USD 7.86 billion during July-August of FY25. Exports increased due to increase in manufactured products exports during the period.

Custom-based imports decreased by 1.06 percent to USD 10.52 billion during July-August of FY25 compared to 22.47 percent decrease during the same period of the previous fiscal year. Meanwhile, opening of import LC slightly increased by 0.76 percent and settlement of import LC decreased by 8.26 percent respectively during FY24. A notable depreciation of BDT against USD and import monitoring by BB might have contributed to the negative growth of settlement of import LC during the reported period.

Inward Remittances increased by 26.14 percent to USD 5.43 billion during 01 July-15 September of FY25 compared to 16.25 percent decrease during the same period of the previous fiscal year. The consistent inflow of remittances can be linked to the interim government's initiatives aimed at persuading remitters to use formal banking channels instead of informal channels like hundi. Furthermore, expatriates might be sending money to aid flood victims in Bangladesh.

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

^u = Data revised by NBR, Compiled by Statistics Department, Bangladesh bank.

Current account balance recorded a surplus of USD 0.11 billion during July-August of FY25, against the deficit of USD 0.61 billion during July-August of FY24. The surplus in the current account balance emerged from increase in secondary income and also narrowed down trade deficit.

Foreign exchange reserves came down to USD 24.51 billion as on 15 September 2024 from USD 27.54 billion as on 14 September 2023.

Headline Inflation (Point to point) edged down to 10.49 percent in August 2024 from 11.66 percent in July 2024. On the other hand, **headline inflation (twelve-month average)** edged up to 9.95 percent in August 2024 from 9.90 percent in July 2024. The ease of inflation in August 2024 was primarily driven by a notable decline in food prices. This reduction may be linked to the normalization of the political unrest situation after the establishment of the interim government.

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

Detailed Information of Major Economic Indicators 01-15 September 2024

I. Money and Credit

(Taka in crore)

Particulars	June 2023	August 2023	June 2024 ^R	August 2024 ^P	Flow of July-August of FY25	Flow of July-August of FY24
1	2	3	4	5	6=(5-4)	7=(3-2)
Broad money (M2)	1887168.10	1876865.10	2033234.00	2024324.80	-8909.20	-10303.00
	(+10.48)	(-0.55)	(+7.74)	(-0.44)		
Currency Outside Banks (COB)	291913.50	258356.30	290436.50	292434.40	1997.90	-33557.20
	(+23.46)	(-11.50)	(-0.51)	(+0.69)		
Bank deposits[#]	1595254.60	1618508.80	1742797.50	1731890.40	-10907.10	23254.20
	(+8.40)	(+1.46)	(+9.25)	(-0.63)		
Domestic credit	1926770.80	1922567.80	2115524.90	2117810.40	2285.50	-4203.00
	(+15.25)	(-0.22)	(+9.80)	(+0.11)		
Public sector (including govt.)	432514.60	427311.10	474296.20	475107.80	811.60	-5203.50
	(+34.94)	(-1.20)	(+9.66)	(+0.17)		
Net credit to govt. sector	387349.90	381879.70	424877.10	426233.50	1356.40	-5470.20
	(+36.72)	(-1.41)	(+9.69)	(+0.32)		
Credit to other public sector	45164.70	45431.40	49419.10	48874.30	-544.80	266.70
	(+21.41)	(+0.59)	(+9.42)	(-1.10)		
Credit to private sector	1494256.20	1495256.70	1641228.70	1642702.60	1473.90	1000.50
	(+10.58)	(+0.07)	(+9.84)	(+0.09)		
Particulars	30 June 2023	14 September 2023	30 June 2024 ^R	15 September 2024	Flow of 01 July-15 September of FY25	Flow of 01 July-14 September of FY24
Reserve money @	383585.20	346549.60	413647.00	366292.96	-47354.04	-37035.60
	(+10.49)	(-9.66)	(+7.84)	(-11.45)		

Source: Monetary Policy Department and 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			
	14 September 2023	15 September 2024 ^P	01-14 September 2023	01-15 September 2024 ^P	01 July to 14 September of FY24	01 July to 15 September of FY25
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	128703.34	126776.16	-4712.01	-11022.47	-28936.50	-29272.00
B. Net outstanding position of govt. borrowing from banking sector (including BB)	384838.30	481057.85	-3769.27	-4133.97	-8939.74	6568.25
2. Net outstanding position of non-bank borrowing of the govt.*	As of end		Flow for the month of		Flow for the period of	
	July 2023	July 2024 ^P	July 2023	July 2024 ^P	FY23	FY24
	420843.50	437101.59	996.61	4360.75	7651.84	12893.94
3. Govt. tax revenue collection (NBR portion)	May 2023	May 2024 ^P	July-May FY23		July-May FY24	
	32122.16 (+28.65)	35001.98 (+8.97)	282416.80 (+9.22)		324378.20 (+14.86)	

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 USD)

Particulars	August 2023	August 2024	July-August of FY24	July-August of FY25
1. Exports ^u	3820.10 (NA)	4033.66 (+5.59)	7535.70 (NA)	7857.36 (+4.27)
2. Custom based import (c&f)	5247.60 (-28.85)	5271.50 (+0.46)	10632.20 (-22.47)	10519.30 (-1.06)
		FY23		FY24
3. Opening of Import L/C [^]		68247.31 (NA)		68766.62 (+0.76)
4. Settlement of Import L/C [^]		72019.13 (NA)		66066.92 (-8.26)
	14 September 2023	15 September 2024	01 July-14 September of FY24	01 July-15 September of FY25
5. Inward Remittances	733.00 (-27.28)	1293.00 (+76.40)	4305.60 (-16.25)	5430.92 (+26.14)
		July-August of FY24		July-August of FY25
6. Current Account Balance		-295.00		111.00
	14 September 2023	29 August 2024		15 September 2024
7. Foreign Exchange Reserve	27536.49 (-25.85)	25580.78 (-12.58)		24505.70 (-11.01)
IV. Real Sector				
1. Headline Inflation	August 2023	July 2024	August 2024	
a. Point to Point Inflation	9.92	11.66	10.49	
b. Twelve Month Average Inflation	9.24	9.90	9.95	

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 13.08.2024

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

P=Provisional

μ= Data revised by NBR, Compiled by Statistics Department, Bangladesh bank.

NA=Not Available