



Volume: 07/2024; Issue: 02

31 July 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 Mr. Md. Nazimul Arif Sarker, Additional Director, Monetary Policy Department, Bangladesh Bank, e-mail: nazimul.sarker@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: 16-31 July 2024

Broad money slightly decreased by 0.34 percent in July 2024 over end June 2024 and stood at BDT 20,26,224.50 crore at the end of July 2024. This decrease mainly stemmed from the decrease in net foreign assets (NFA) during the period.

Domestic credit inched up by 0.37 percent in July 2024 over end June 2024 and stood at BDT 21,23,440.70 crore at the end of July 2024. The increase in domestic credit has been driven by the rise of credit to the public sector. Credit to the public sector increased by 2.79 percent in July 2024 over end June 2024 and stood at BDT 4,87,525.00 crore at the end of July 2024. 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.

Credit to the private sector slightly decreased by 0.32 percent in July 2024 over end June 2024 and stood at BDT 16,35,915.70 crore at the end of July 2024.

Bank deposits inched down by 0.47 percent in July 2024 over end June 2024 and stood at BDT 17,34,594.10 crore at the end of July 2024. The decrease in bank deposits emerged from the decrease in demand deposits during the period.

Reserve money decreased by 5.88 percent in July 2024 over end June 2024 and stood at BDT 3,89,317.10 crore at the end of July 2024. Reserve money decreased due mainly to the decrease in Net Domestic Assets (NDA) of Bangladesh Bank under review.

Government borrowing from the banking system increased by BDT 7,647.46 crore during July 2024 against the increase of BDT 1,424.41 crore during July 2023[Ⓔ].

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.

Exports¹ increased by 2.91 percent to USD 3.82 billion in July 2024. Exports increased due to increase in agricultural products and manufactured products exports in recent times.

Custom-based imports decreased by 2.54 percent to USD 5.25 billion in July 2024 compared to 15.04 percent decrease in July 2023. Meanwhile, opening of import LC 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 decreased by 3.01 percent to USD 1.91 billion July 2024 compared to 5.88 percent decrease in July 2023. The decreased in inflow of remittance might be the outcome of five-day internet blackout across the country and nationwide unrest situation.

Current account balance recorded a deficit of USD 0.19 billion in July 2024, against the deficit of USD 0.30 billion in July 2023. The deficit in the current account balance occurred mainly because of trade deficit.

Monetary Policy Department, Bangladesh Bank
(Financial Reporting and Analysis Wing)

Foreign exchange reserves came down to USD 25.92 billion as on 31 July 2024 from USD 29.73 billion as on 31 July 2023.

Headline Inflation (Point to point) edged up to 11.66 percent in July 2024 from 9.72 percent in June 2024. Besides, **headline inflation (twelve-month average)** also edged up to 9.90 percent in July 2024 from 9.73 percent in June 2024. The headline inflation (Point to point) reached a 12-year high at the end of July 2024 due to nationwide supply chain disruption because of curfew and internet blockage.

Detailed fortnightly information available up to 31 July 2024 is annexed herewith.

---X---

Detailed Information of Major Economic Indicators 16-31 July 2024

I. Money and Credit

(Taka in crore)

Particulars	June-23	July-23	June-24 ^R	July-24 ^P	Flow of July FY25	Flow of July FY24
1	2	3	4	5	6=(5-4)	7=(3-2)
Broad money (M2)	1887168.10	1874249.80	2033231.60	2026224.50	-7007.10	-12918.30
	(+10.48)	(-0.68)	(+7.74)	(-0.34)		
Currency Outside Banks (COB)	291913.50	266354.60	290436.50	291630.40	1193.90	-25558.90
	(+23.46)	(-8.76)	(-0.51)	(+0.41)		
Bank deposits[#]	1595254.60	1607895.20	1742795.10	1734594.10	-8201.00	12640.60
	(+8.40)	(+0.79)	(+9.25)	(-0.47)		
Domestic credit	1926770.80	1920170.10	2115535.70	2123440.70	7905.00	-6600.70
	(+15.25)	(-0.34)	(+9.80)	(+0.37)		
Public sector (including govt.)	432514.60	434724.70	474296.20	487525.00	13228.80	2210.10
	(+34.94)	(+0.51)	(+9.66)	(+2.79)		
Net credit to govt. sector	387349.90	389687.30	424877.10	437588.40	12711.30	2337.40
	(+36.72)	(+0.60)	(+9.69)	(+2.99)		
Credit to other public sector	45164.70	45037.40	49419.10	49936.60	517.50	-127.30
	(+21.41)	(-0.28)	(+9.42)	(+1.05)		
Credit to private sector	1494256.20	1485445.40	1641239.50	1635915.70	-5323.80	-8810.80
	(+10.58)	(-0.59)	(+9.84)	(-0.32)		
Particulars	June-23	July-23	June-24^R	July-24^P	Flow of July FY25	Flow of July FY24
Reserve money @	383585.20	365659.60	413644.60	389317.10	-24327.50	-17925.60
	(+10.49)	(-4.67)	(+7.84)	(-5.88)		

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			
	31 July 2023	31 July 2024 ^P	16-31 July 2023	16-31 July 2024 ^P	Flow of July FY24	Flow of July FY25
1. A. Net outstanding position of govt. borrowing from Bangladesh Bank	148226.02	157337.20	-7875.86	12951.51	-9413.82	1289.04
B. Net outstanding position of govt. borrowing from banking sector(including BB)	395202.45	482137.06	1689.35	-2221.16	1424.41	7647.46
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	July 2023	July 2024	FY23	FY24
1. Custom based import (c&f)	5384.60 (-15.04)	5247.80 (-2.54)	75061.60 (-15.81)	66725.10 (-11.11)
	FY23 [^]		FY24 [^]	
2. Opening of Import L/C		68247.31 (NA)		68766.62 (+0.76)
3. Settlement of Import L/C		72019.13 (NA)		66066.92 (-8.26)
Particulars	July 2023	July 2024	FY23	FY24
4. Inward Remittances	1973.15 (-5.88)	1913.77 (-3.01)	21610.73 (+2.75)	23912.22 (+10.65)
Particulars	July 2023	July 2024	FY23	FY24
5. Exports ¹	3715.60 (NA)	3823.70 (+2.91)	46494.60 (NA)	44474.91 (-4.34)
	July-23		July-24	
6. Current Account Balance		-295.00		-193.00
Particulars	31 July 2023	15 July 2024	31 July 2024	
7. Foreign Exchange Reserve	29732.07 (-24.92)	26401.94 (-12.10)	25924.59 (-12.81)	
IV. Real Sector				
Particulars	July 2023	June 2024	July 2024	
1. Headline Inflation				
a. Point to Point Inflation	9.69	9.72	11.66	
b. Twelve Month Average Inflation	9.20	9.73	9.90	

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

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

NA=Not Available