

Monthly Report On Government Domestic Borrowing¹



July 2026

Research Department
Money and Banking Wing
Bangladesh Bank

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Highlights of Government Domestic Borrowing, July 2026

- **Government Domestic Borrowing** has been set at BDT 127000.0 crore in the national budget for FY27. Of which:
 - **Borrowing from the banking system** BDT 112000.0 crore.
 - **Borrowing from the non-banking sources** BDT 15000.0 crore (including BDT 8500.0 crore through net sales of National Savings Schemes).
- Government net borrowing from the **banking system** stood at BDT 15574.9 crore in July of FY27. However, it was BDT 2567.8 crore in the same month of FY26.
- Government net borrowing from **non-bank sources** stood at BDT 4092.42 crore in July of FY27, compared with BDT 5958.8 crore in the corresponding month of the previous fiscal year.
- Therefore, government **total net domestic borrowing** (both from the banking and non-banking sources) stood at BDT 19667.3 crore (15.5 percent of the budget target) in July of FY27. On the other hand, total net domestic borrowing was BDT 8526.6 crore (6.2 percent of the budget target) in the same month of FY26.
- Net borrowing of the national savings schemes stood at BDT 2059.47 crore in July of FY27, whereas net borrowing was BDT 1293.48 crore in the same month of FY26.

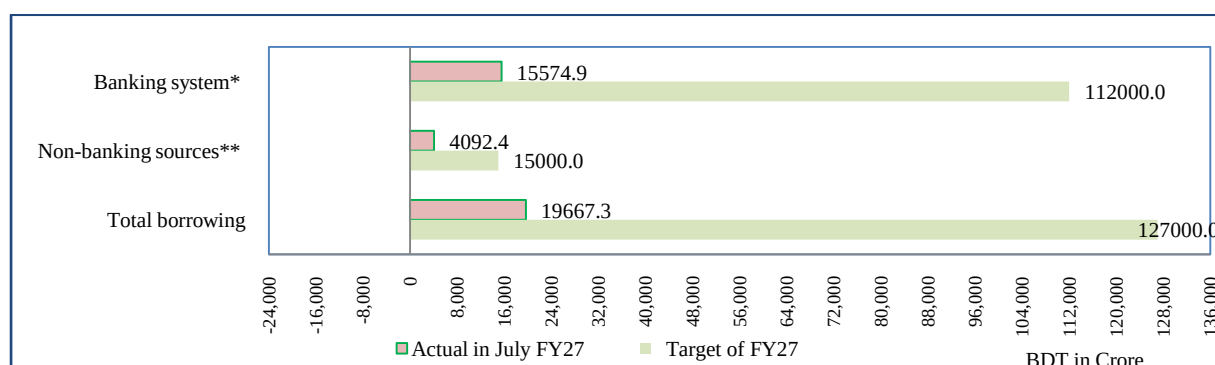
Government Domestic Borrowing, July 2026

Government borrows to finance its budget deficit mainly from two domestic sources: banking system and non-banking sources. Government borrowing from the banking system consists of borrowing from Bangladesh Bank and the scheduled banks. Government borrows from the banking system mainly through ways and means advances, overdraft, and issuance of treasury bills (T-bills) and bonds (T-bonds). However, balances of government deposits and other funds in the banking system are net out from borrowing. On the other hand, the components of government borrowing from the non-banking sources are savings schemes introduced by the Department of National Savings (NSD) and T-bills and T-bonds held by finance companies, insurance companies, individual investors, etc.

1. Government Domestic Borrowing Target for FY27

In the national budget², the target of total domestic borrowing has been set at BDT 1,27,000.0 crore for FY27, of which BDT 1,12,000.0 crore was planned to borrow from the banking system and the rest BDT 15,000.0 crore from the non-banking sources. As per the latest available data, government domestic borrowing (net) stood at BDT 19667.3 crore in July FY27 (Chart-1).

Chart-1: Target and Actual Government Domestic Borrowing (net), July FY27



Notes: *Banking system includes Bangladesh Bank and Scheduled banks,

**Non-banking sources include national savings schemes and T-bills & T-Bonds held by other than banks.

Sources: Debt Management Department, Statistics Department, Bangladesh Bank; Department of National Savings; and Ministry of Finance (MoF).

2. Borrowing from the Banking System

In July of FY27, government borrowing (net) from the banking system stood at BDT 15574.9 crore, compared to BDT 2567.8 crore during the same month of the preceding year.

3. Borrowing from the Non-banking Sources

In July of FY27, government borrowed (net) BDT 2032.9 crore from different institutions and individuals other than banks through T-bills, T-bonds and BGIS. Moreover, sale and principal repayment of national savings schemes stood at BDT 8822.9 crore and BDT 6763.5 crore, respectively, in the same month of FY27, resulting in a net borrowing of BDT 2059.5 crore through national savings schemes. Therefore, borrowing (net) from the non-banking sources

² Budget in Brief, 2026-2027, Ministry of Finance

stood at BDT 4092.4 crore in July of FY27 whereas government borrowed (net) BDT 5958.8 crore during the same month of the previous fiscal year.

4. Total Domestic Borrowing

Government borrowed BDT 19667.3 crore (net) from domestic sources in July of FY27. Source and instrument-wise outstanding and flows of net government domestic borrowing are shown in Table-1 and Chart-2, respectively.

Table 1: Source-wise Outstanding and Flow of Net Government Domestic Borrowings

(BDT in Crore)

Sources	FY27		FY26		% Changes@ (July'26 Over June'26#)	% Changes@ (July'25 over June'25##)
	Outstanding at the end of July 2026	July'FY27	Outstanding at the end of July 2025	July'FY26		
Banks*	695597.6	15574.9	548597.5	2567.8	2.3	0.5
Non-banking sources**	479985.0	4092.4	481659.6	5958.8	0.9	1.3
Total	1175582.6	19667.3	1030257.1	8526.6	1.7	0.8

Notes: *Banks include Bangladesh Bank and scheduled banks,

**Domestic Non-banking sources include net sale of savings instruments and T-bills & T-bonds held by non-bank financial institutions (NBFIs), insurance companies, individuals etc.,

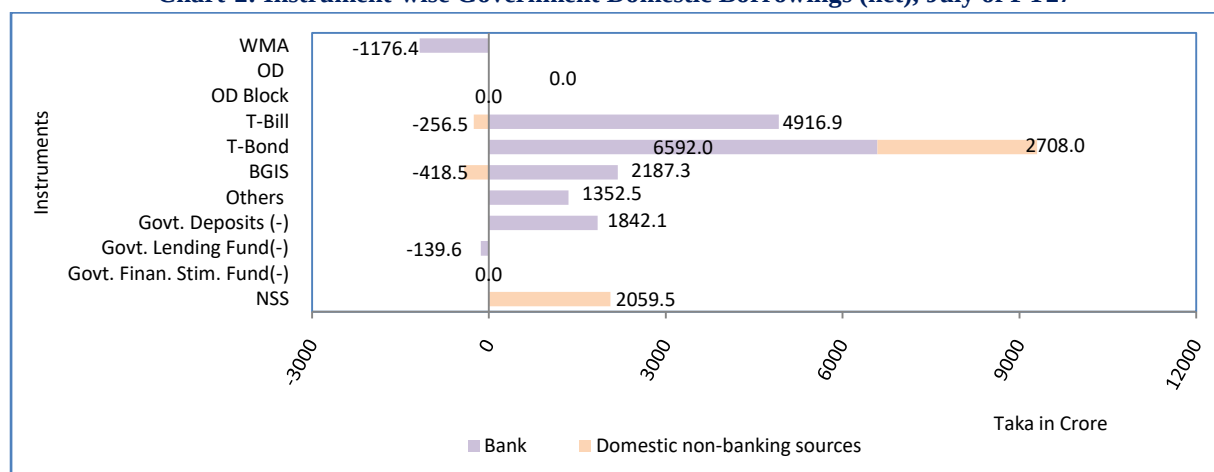
@percentage change has been calculated based on outstanding data,

#In June 2026, outstanding net government domestic borrowing was BDT 1155915.3 crore,

##In June 2025, outstanding net government domestic borrowing was BDT 1021730.5 crore,

Sources: Debt Management Department, Statistics Department, Bangladesh Bank; and Department of National Savings.

Chart-2: Instrument-wise Government Domestic Borrowings (net), July of FY27



Notes: WMA=Ways and Means Advances, OD=Overdraft, BGIS=Bangladesh Govt. Investment Sukuk, NSS=National Savings Schemes, Others include government currency liabilities, advances to food & other ministries, advances to auto & semi autonomous bodies, etc.

Sources: Debt Management Department, Statistics Department, Bangladesh Bank; Department of National Savings.

5. Government Islamic Securities

i) Bangladesh Government Islamic Investment Bond (BGIIB)³

For facilitating *Shariah*-based Islamic banks and windows which are not participants in the conventional money market, Bangladesh Government Islamic Investment Bond (BGIIB) was initiated in 2004 to meet their liquidity needs. In July of FY27, investments in BGIIB fund by

³ BGIIB is a pool of funds formed by the Islamic banks and individuals where government provides guarantee against this fund

Islamic banks⁴ was decreased to BDT 958.8 crore while the amount borrowed from the same fund was BDT 100.0 crore. Thus, Islamic banks' net balances of BGIIB fund was BDT 1058.8 crore in the month of July of FY27.

ii) Bangladesh Government Investment Sukuk (BGIS) Bond

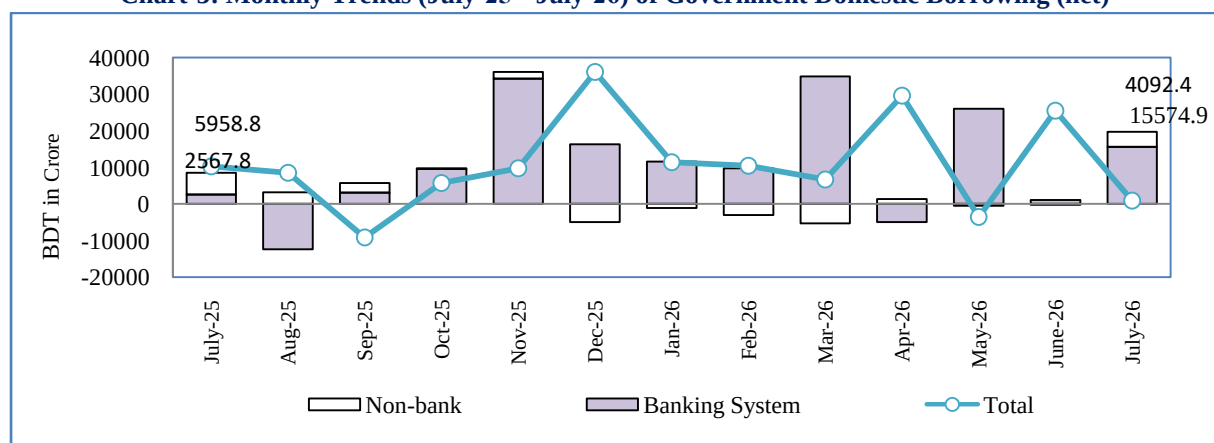
To support *Shariah*-based development finance, Bangladesh Government Investment *Sukuk* (BGIS) Bond was introduced in December 2020. So far, government issued eleven *Sukuk* (BGIS) bonds under *Ijarah*, *Istisna* and *Sale* mode. The outstanding amount of *Sukuk* (BGIS) increased to BDT 53,500.0 crore as of end July, 2026.

6. Monthly Movements of Domestic Borrowing (July, 2026)

In July 2026, the government borrowed BDT 18,484.0 crore from the banking system and repaid BDT 2,909.1 crore, resulting in a borrowing (net) of BDT 15,574.9 crore. However, in July 2025, government borrowing (net) from the banking system stood at BDT 2,567.8 crore, of which the borrowing amount was BDT 11,831.4 crore and the repayment amount was BDT 9,263.6 crore (Chart-3).

On the other hand, in July 2026, government borrowing (net) was BDT 4,092.4 crore from non-banking sources where borrowing amount was BDT 11,112.4 crore and repayment amount was BDT 7,020.0 crore. In July 2025, government borrowed BDT 12,580.9 crore and repaid BDT 6,622.0 crore, leading to a net borrowing of BDT 5958.8 crore from the same sources (Chart-3).

Chart-3: Monthly Trends (July'25 - July'26) of Government Domestic Borrowing (net)



Sources: Debt Management Department and Statistics Department, Bangladesh Bank; Department of National Savings.

7. Concluding Remarks

Government domestic borrowing from the banking system in July of FY27 showed slightly higher than that in the same month of FY26. However, government borrowing from the non-banking sources during the reported period was lower than that in the corresponding month of FY26.

⁴ Including Islamic branches and windows of the conventional banks

Table I : Government Domestic Borrowing from the Banking System in July, FY27

Annex-1
(BDT in Crore)

Sl. No.	Particulars	Issue & Maturity date	Objectives	Outstanding as on 30 June 26	Outstanding as on 31 July 26	Changes
						July 26 7=(6-5)
1	2	3	4	5	6	
A. Bangladesh Bank						
1.	Ways and Means Advances		To increase Government cash balance	6538.70	5362.30	-1176.4
2.	Overdraft			0.00	0.00	0.0
3.	Overdraft Block			0.00	0.00	0.0
4.	Devolvement			68113.0	67959.5	-153.5
	a) Treasury Bills			0.00	0.00	0.0
	b) Treasury Bonds			67354.94	67201.44	-153.5
	c) Other Bonds/BGIS			758.05	758.05	0.0
5.	Government Currency Liabilities			2026.3	2026.3	0.0
6.	Advances to Govt. against RFI from IMF			17158.6	17158.6	0.0
7.	Advances to Autonomous and Semi-autonomous Bodies			0.0	0.0	0.0
8.	Accrued Interest			1077.7	746.7	-331.0
9.	Government Deposits ^{6/} (-)			-32.00	-46.10	-14.1
10.	Balances of GILB Fund in BB (-)			-9235.2	-8186.8	1048.4
11.	Govt. Lending Fund(-)			-6037.2 ⁸	-6054.0	-16.8
A. Total : (1 +...+ 11)				79609.9	78966.5	-643.4
B. Scheduled Banks (SBs)						
1.	Government Treasury Bills			165612.7	170529.6	4916.9
	i) Treasury Bills (Less than 1 year)		To increase Government cash balance	165612.66	170529.56	4916.9
2.	Bangladesh Govt. Treasury Bonds (BGTB)			423556.6	430302.1	6745.5
	i) 2-years Bangladesh Govt.Treasury Bonds			53718.33	53229.89	-488.4
	ii) 3-years(FRTB) Bangladesh Govt.Treasury Bonds		To increase long-term investment of different Banks, NBFIs and employees GF of different companies	9004.0	9437.2	433.2
	iii) 5-years Bangladesh Govt.Treasury Bonds			90946.5	94242.1	3295.6
	iv) 10-years Bangladesh Govt.Treasury Bonds			125805.6	127715.3	1909.6
	v) 15-years Bangladesh Govt.Treasury Bonds			64881.0	64741.9	-139.1
	vi) 20-years Bangladesh Govt.Treasury Bonds			79201.2	80935.8	1734.6
3.	Others Treasury Bonds			51120.9	51120.9	0.0
	a) 1 Year and above but less than 5 years (Specialized Bonds)			0.0	0.0	0.0
	i) 3-years interest free SPTB BKB-20223	Issued 29 Nov-2022 and maturity 29 Nov-2025	To repay the loan of Cold Storage	0.0	0.0	0.0
	b) 5 Years and above (Specialized Bonds)			51120.9	51120.9	0.0
	i) 13-years BJMC Treasury Bond bearing 5.0 percent interest ^{1/}	Issued 23 Oct-2011 and maturity 23 October 2024	To repay the loan of BJMC	0.0	0.0	0.0
	ii) 07-years SPTB-2026 Hanif Flyover (Janata, Sonali, Agrani, Rupali, ICB, SIBL) bearing 5.0 percent interest	Issued 30 Sep-2019 and maturity 30 Sep-2026	To repay the loan of Hanif Flyover	1438.5	1438.5	0.0
	iii) Fertilizer ^{2/}		Funds to be used to clear dues to fertiliser importers	23432.2	23432.2	0.0
	iv) Electricity ^{3/}		Funds to be used to clear dues to Power producers	25696.1	25696.1	0.0
	v) 07-years SPTB-2026 Hanif Flyover (interest free) (Janata, Sonali, Agrani, Rupali, ICB, SIBL)	Issued 30 Sep-2019 and maturity 30 Sep-2026	To repay the loan of Hanif Flyover	554.0	554.0	0.0
4.	Bangladesh Govt. Investment Sukuk (BGIS) ⁴			40569.7	51312.7	28931.5
	05 Years Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)	Issued 29 Dec-2020, 06 June-2021 and maturity 29 Dec-2025, and issued 30 Dec-2021 and maturity 30 Dec-2026, issued 20 Apr-2022 and maturity 20 Apr-2027	Safe Water Supply to the Whole Country', 'Need Based Infrastructure Development of Government Primary Schools Project(1st Phase)', 'Important Rural Infrastructure Development Project on Priority Basis-3 (IRIDP-3)',	51312.7	53500.0	2187.3
		Issued 06 June-2024 and maturity 06 June-2029, issued 13 Mar-2025 and maturity 13 Mar-2032, issued 20 May-2025 and maturity 20 May-2032	Chatto gram Division Upazila & Union Road Widening & Strengthening Project (CDWSP), 'Construction of Important Bridges on Rural Roads (Phase-II) (CIBRR-2)', 'Rajshahi Division Important Upazila & Union Road Widening & Strengthening Project (RDIRWSP)'			
5.	Sub-Total : (1+2+3+4)			691602.8	705452.5	13849.8
6.	Prize Bond			49.2	22.7	-26.5
7.	Advances to Food Ministry			1988.50	2717.30	728.8
8.	Advances to Other Ministries			414.20	405.00	-9.2
9.	Advances to Auto./Semi-Autonomous Bodies			19497.90	20401.40	903.5
10.	Accrued Interest			8670.50	8767.80	97.3
11.	Deposits of Ministries and Departments (-)			-43572.70	-43437.60	135.1
12.	Deposits of Auto./Semi-Autonomous Bodies (-)			-83143.60	-81422.50	1721.1
13.	SBs's Balances of GILB Fund (i+ii)			7266.20	6207.40	-1058.8
	i) Investment to GILB Fund			22159.5	21200.7	-958.8
	ii) Borrowing from GILB Fund (-)			-14893.3	-14993.3	-100.0
14.	Borrowing from Govt. on Lending(-)			-2360.1	-2482.9	-122.8
15.	Borrowing from Govt. Financial Stimulus Fund(-)			0.0	0.0	0.0
B. Total : (5+...+15)⁶				600412.9	616631.1	16218.3
Grand Total : (A+B)⁷				680022.8	695597.6	15574.9

Source: Debt Management Department, Statistics Department, Bangladesh Bank.

Notes:

^{6/} Including other deposits.^{8/} Bangladesh Govt. Investment Sukuk-BGIS (Ijarah Sukuk) was introduced in Dec-2020. So far, eleven Sukuk (BGIS) bonds has been issued under Ijarah, Istisna and Sale mode.^{8/} Excluding other securities of Govt.^{1/} An amount of Tk. 716.8 crore was paid in October, 2024 against the outstanding of Tk. 716.8 crore in June, 2024.^{2/} An amount of Tk. 6979.1 crore was issued in August, 2024.^{3/} An amount of Tk. 5563.0 crore was issued in November, 2024.

R= Revised.

* Including offer value(T-Bills) & face value(BGTBs), GILB Fund, Govt. Lending Fund and Govt. Financial Stimulus Fund.

Table-II: Government Domestic Borrowing from Other than Bank in July FY27

Annex-2

(BDT in Crore)

Sl. No.	Particulars	Sale (July FY26)	Repayment (July FY26)		NSS Net Sale (July, FY26)	Sale (July, FY27)	Repayment (July, FY27)		NSS Net Sale (July, FY27)
			Principal	Interest			Principal	Interest	
1	2	3	4	5	6 = (3-4)	7	8	9	10 = (7-8)
	National Savings Schemes (NSS):								
1.	Defence Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2.	5-year Bangladesh Savings Certificate	262.1	675.3	357.0	-413.2	315.6	498.5	251.6	-182.9
3.	3-year Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.	Bonus Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
5.	6-month interest bearing Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6.	Family Savings Certificate	3715.3	2777.3	1967.4	938.0	4311.8	2641.6	1874.6	1670.2
7.	3-month interest bearing Savings Certificate	2589.5	1974.6	748.1	614.9	2882.8	2631.4	801.9	251.4
8.	Jamanat Savings Certificate	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9.	Pensioner Savings Certificate	851.1	474.7	372.7	376.4	764.1	443.6	370.6	320.5
10.	Post Office Savings Bank	359.7	498.1	142.1	-138.4	400.9	422.9	151.8	-22.0
	a) General Account	39.9	44.9	6.1	-5.0	43.2	34.9	3.2	8.3
	b) Fixed Account	319.8	453.2	136.1	-133.4	357.7	388.0	148.6	-30.3
	c) Bonus Account	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11.	Postal Life Insurance	12.7	10.6	1.8	2.1	12.3	11.5	2.1	0.7
12.	Prize Bond	4.2	0.7	4.3	3.5	1.5	0.1	2.3	1.4
13.	Wage Earners' Development Bond	77.2	160.8	128.7	-83.6	106.3	96.2	140.9	-34.7
14.	3-year National Investment Bond	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15.	US \$ Premium Bond	17.8	9.0	1.3	8.8	5.0	4.6	3.6	0.4
16.	US \$ Investment Bond	25.9	40.9	6.9	-15.1	22.8	13.0	7.6	9.8
17.	Flow total of NSS : (1+...+16)	7915.5	6622.0	3730.3	1293.5	8822.9	6763.5	3607.0	2059.5
18.	Outstanding total of NSS:	Outstanding as on June'25	Outstanding as July'25			Outstanding as on June'26	Outstanding as on July'26		
		335087.9	336381.3			335628.0	337687.5		
	Govt. Treasury Bills/Bonds/BGIS:	Outstanding as on June'25	Outstanding as July'25		Net Changes (July, FY26)	Outstanding as on June'26	Outstanding as on July'26		Net Changes (July, FY27)
19.	T-Bills/Bonds/BGIS®	140612.9	145278.3		4665.4	140264.5	142297.4		2032.9
	i) Government Treasury Bills		39874.7		904.2		28456.8		-256.5
	ii) Bangladesh Govt. Treasury Bonds (BGTBs)		104847.8		3761.2		112829.9		2708.0
	a) 2-year Bangladesh Government Treasury Bonds		13894.9		984.0		12784.2		488.4
	b) 3-year(FRTB) Bangladesh Government Treasury Bonds		108.9		11.3		1180.9		66.8
	c) 5-year Bangladesh Government Treasury Bonds		24997.9		649.0		29784.8		704.4
	d) 10-year Bangladesh Government Treasury Bonds		32599.0		1479.1		27420.3		1043.9
	e) 15-year Bangladesh Government Treasury Bonds		14922.8		152.5		17672.6		139.1
	f) 20-year Bangladesh Government Treasury Bonds		18324.3		485.4		23987.0		265.4
	iii) Bangladesh Government Investment Sukuk (BGIS)®		555.8		0.00		1010.7		-418.54
	a) 05 Years Bangladesh Govt. Investment Sukuk (Ijarah Sukuk)		555.8		0.00		1010.7		-418.54
20.	Flow total Non-bank Govt. Borrowing : (17 + 19)				5958.8				4092.4
21.	Outstanding of Non-bank Govt. Borrowing : (18 + 19)	Outstanding as on June'25	Outstanding as July'25			Outstanding as on June'26	Outstanding as on July'26		
		475700.8	481659.6			475892.5	475893.0		

Sources : Department of National Savings; Debt Management Department, Bangladesh Bank.

Notes:

® Bangladesh Govt. Investment Sukuk -BGIS (Ijarah Sukuk) was introduced in Dec-2020. So far, eleven Sukuk (BGIS) bonds has been issued under Ijarah, Istisna and Sale mode.

® Including offer value(T-Bills) & face value(BGTBs).