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Money Market Dynamics

Monetary Policy Department

Bangladesh Bank

Monetary Policy Department
Bangladesh Bank

Suggestions/Comments for improvement in the contents of this publication would be highly appreciated. Users June kindly contact the following email address with their suggestions/comments and queries, if any: rafiqul.islam178@bb.org.bd

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Executive Summary

Call Money

The turnover of the call money market stood at Tk. 1,09,826.92 crore in June 2026, which was 20.61 percent higher than the preceding month (May 2026). Among the transactions, overnight call money dominated with 87.13 percent, followed by short notice at 11.06 percent and term call money at 1.81 percent. The weighted average rate (WAR) of overnight call money decreased by 13 basis points to 9.90 percent, and the overall call money WAR decreased by 11 basis points to 9.95 percent during the month under review.

Interbank Repo

The turnover of interbank repo stood at Tk. 1,07,669.52 crore in June 2026, which was 142.29 percent higher than the previous month. In terms of tenure composition, the 7 days maturity accounted as the highest share at 41.09 percent, followed by the overnight tenure with a share of 26.50 percent. Meanwhile, the weighted average rate (WAR) of interbank repo decreased by 18 basis points to 9.90 percent in June 2026 compared to the previous month.

Central Bank Repo

The turnover of central bank repo stood at Tk. 1,79,797.83 crore in June 2026, which was 64.94 percent higher than the previous month. Among the transactions, the 07 days maturity dominated with a share of 99.86 percent.

Standing Facilities

In June 2026, commercial banks received Tk. 60.09 crore under the Standing Lending Facility (SLF), which was 98.73 percent lower than the previous month, while the utilization of the Standing Deposit Facility (SDF) stood at Tk. 1,49,872 crore, marking an increase of 240.77 percent compared to the preceding month.

Special Liquidity Facilities and IBLF

In June 2026, the Central Bank provided Tk. 80,473.11 crore as special liquidity support and under the Islamic Banks Liquidity Facility (IBLF), of which 11.20 percent was distributed through Assured Repo while 83.54 percent was extended to Islami banks under the IBLF.

Government Treasury Bills

In June 2026, a total of Tk. 38,000 crore in Government Treasury Bills was issued, marking a 5.56 percent increase from the previous month. The weighted average rates (WAR) for 91 days, 182 days, and 364 days T-Bills were recorded at 9.71 percent, 9.90 percent, and 9.95 percent, respectively.

Money Market Scenario

The money market is an essential component of an economy as it provides short-term liquidity to financial institutions and the government. A well-developed money market supports effective liquidity management, facilitates the implementation of monetary policy, offers safe investment opportunities, and contributes to the stability of the banking system.

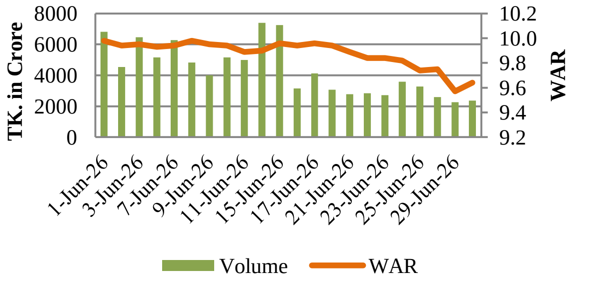
1. Call Money

1.1 Call Money (Overnight)

1.1.1 Total Turnover

The total turnover of overnight call money stood at Tk. 95,689.87 crore in June 2026, representing an increase of Tk. 14,450.33 crore or 17.79 percent compared to the previous month.

Chart 1.1: Daily Movement of Over night Call money with volume and WAR



1.1.2 Interest Rates (June 2026)

- Minimum interest rate: 9.57%
- Maximum interest rate: 9.98%
- Weighted Average Rate (WAR): 9.90%

1.1.3 Monthly Movement of Turnover and WAR

Chart 1.2: Monthy Turnover of Overnight Call Money

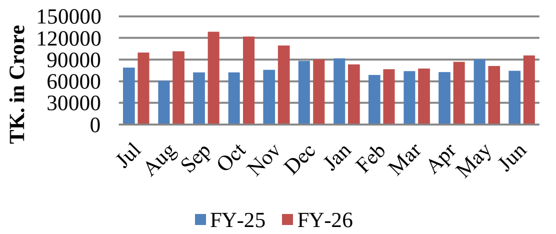
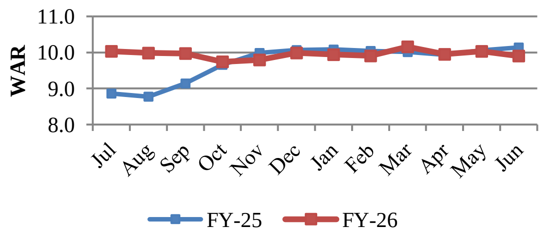


Chart 1.3: Movement of WAR of Overnight Call Money



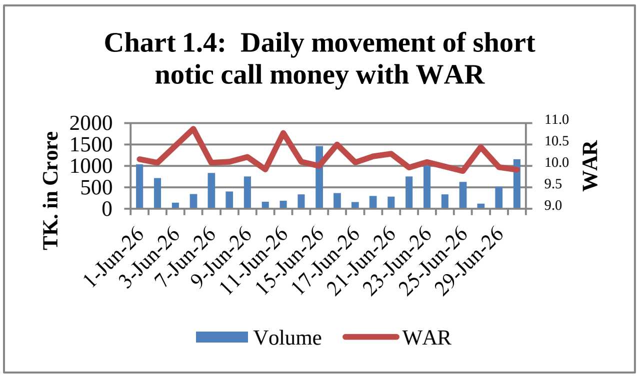
- Overnight call money turnover in June 2026 increased by Tk. 21,294.47 crore or 28.62 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) of overnight call money in June 2026 decreased by 24 basis points compared to the same month of the previous year.

1.2 Call Money (Short Notice)

Short notice money refers to call money with maturities ranging from 2 to 14 days.

1.2.1 Total Turnover

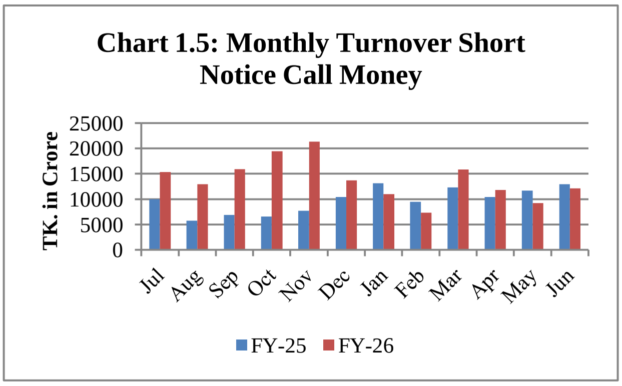
The turnover of short notice call money stood at Tk. 12,146.30 crore in June 2026, which was Tk. 2,949.21 crore or 32.07 percent higher than that of the previous month.

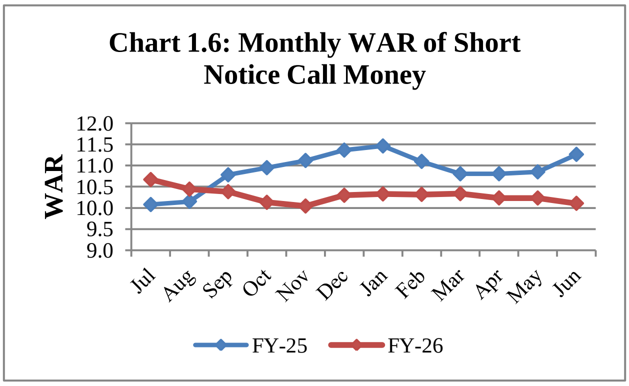


1.2.2 Interest Rates

- Minimum interest rate: 9.89%
- Maximum interest rate: 10.86%
- Weighted Average Rate (WAR): 10.11 %

1.2.3 Monthly Movement of Turnover and WAR





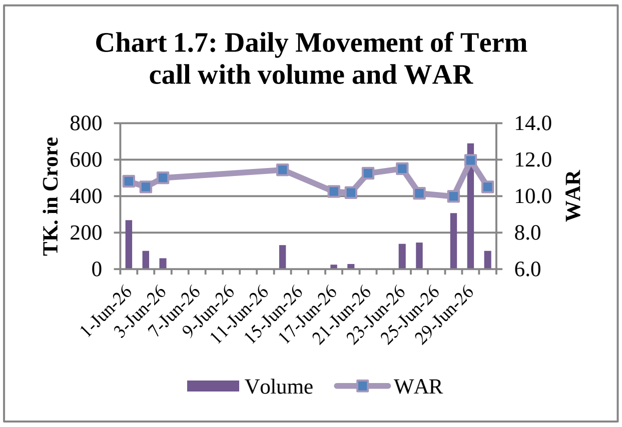
- The turnover of short notice call money in June 2026 decreased by Tk. 806.69 crore or 6.23 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) was 115 basis points lower than that of the previous year.

1.3 Call Money (Term)

Term call money refers to call money with maturities ranging from 15 to 364 days.

1.3.1 Total Turnover

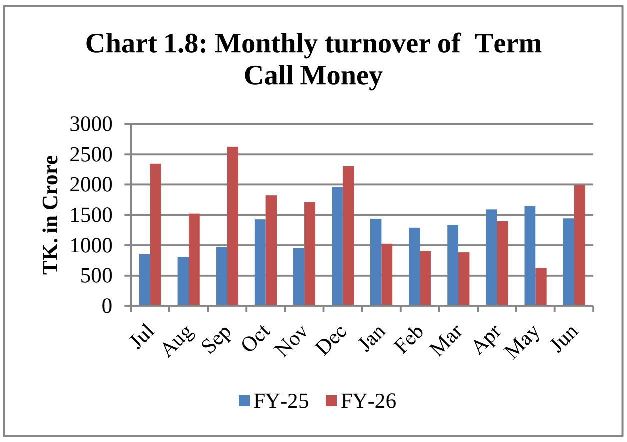
The turnover of term call money stood at Tk. 1990.75 crore in June 2026, representing an increase of Tk. 1,367.65 crore or 219.49 percent compared to the previous month.

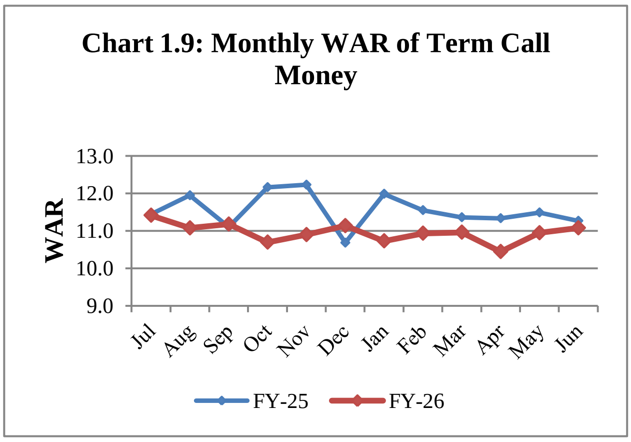


1.3.2: Interest Rates:

- Minimum interest rate: 9.98%
- Maximum interest rate: 11.95%
- Weighted Average Rate (WAR): 11.08%

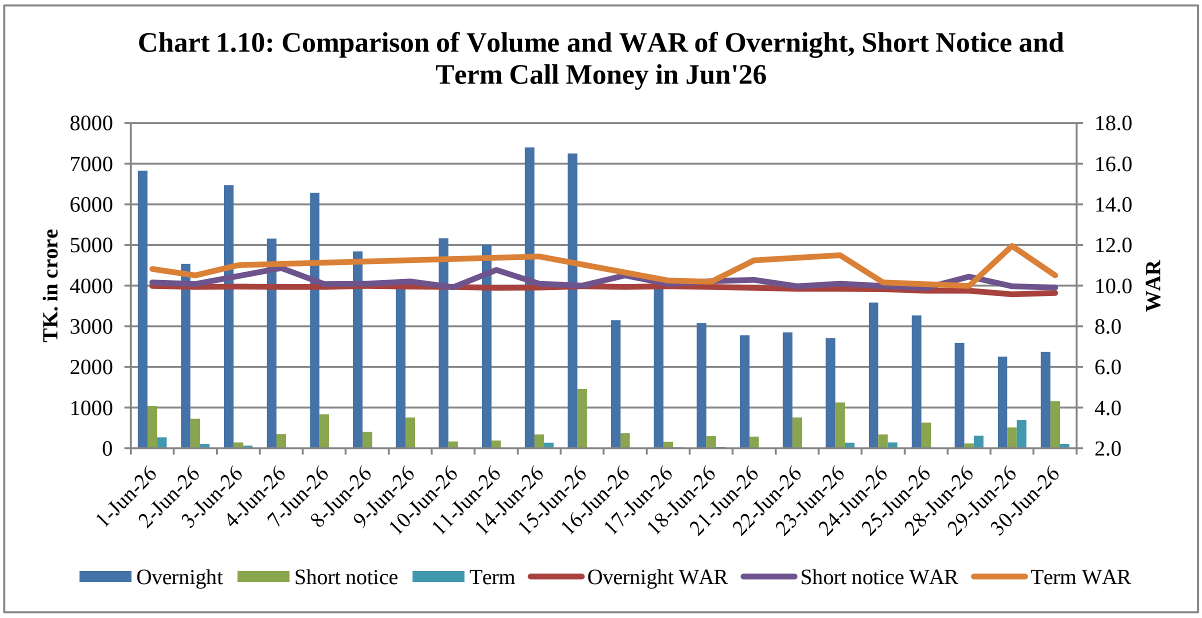
1.3.3 Monthly Movement of Turnover and WAR





- The total turnover of term call money in June 2026 increased by Tk. 548.90 crore or 38.07 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) was 19 basis points lower than that of the same period of the previous year.

1.4 All Type of Call Money



Overnight call money dominated the call money market, accounting for 87.13 percent of total transactions. In terms of interest rate volatility, the coefficient of variation (CV) for overnight, short notice, and term call money was 1.1 percent, 2.6 percent, and 5.9 percent, respectively, indicating that the overnight call money rate was significantly less volatile compared to short notice and term call rates in June 2026.

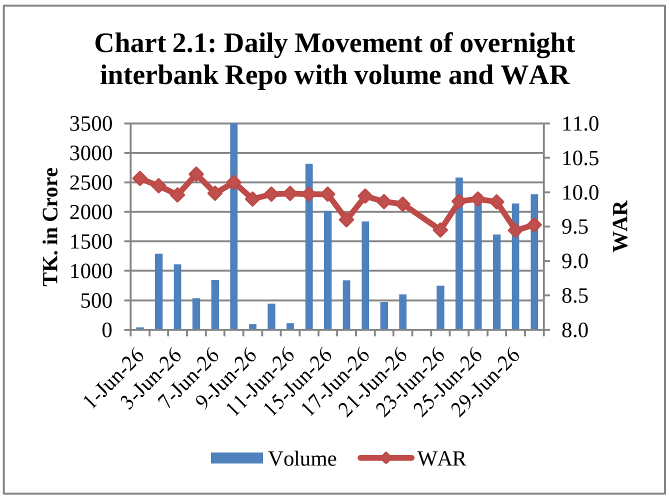
2. Interbank Repo

Interbank repo refers to collateralized borrowings between commercial banks with maturities ranging from overnight up to 7 days.

2.1 Interbank Repo (Overnight)

2.1.1 Total Turnover

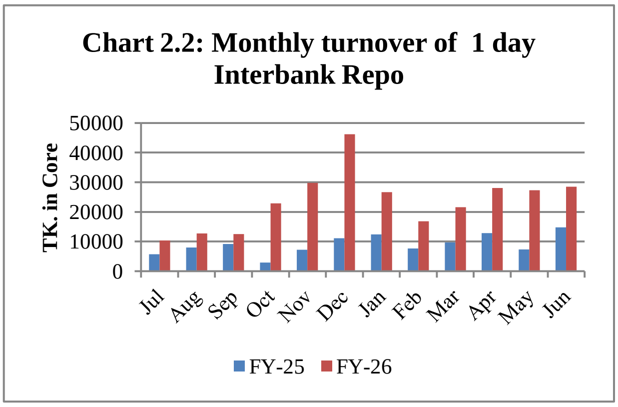
The overnight interbank repo turnover stood at Tk. 28,529.98 crore, representing an increase of Tk. 1,221.69 crore or 4.47 percent compared to the previous month.

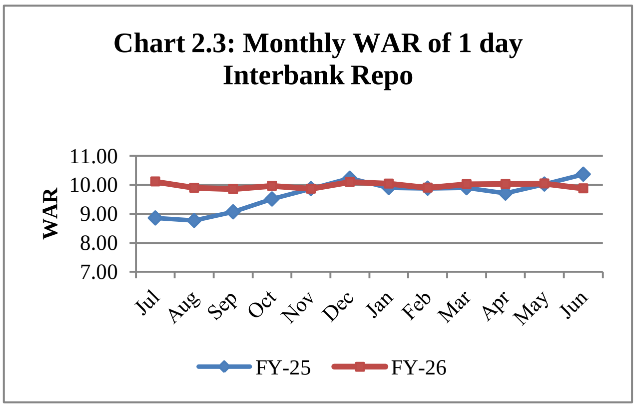


2.1.2 Interest Rates

- Minimum interest rate: 9.44%
- Maximum interest rate: 10.26%
- Weighted Average Rate (WAR): 9.88%

2.1.3 Monthly Movement of Turnover and WAR



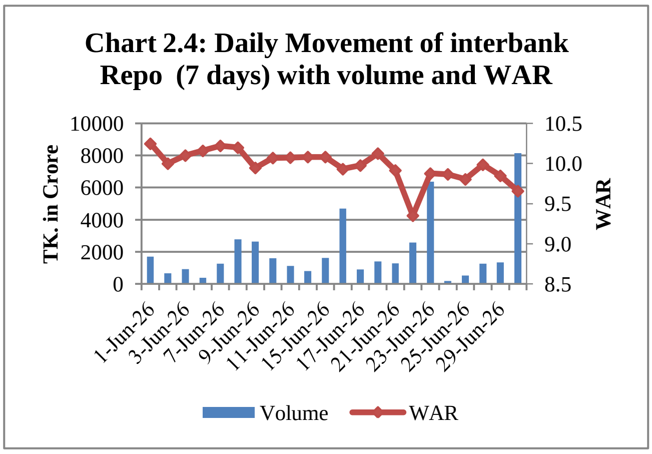


- The total turnover of overnight interbank repo in June 2026 increased by Tk. 13,804.45 crore or 93.74 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) was 48 basis points lower than that of the same period of the previous year.

2.2 Interbank Repo (7 days)

2.2.1 Total Turnover

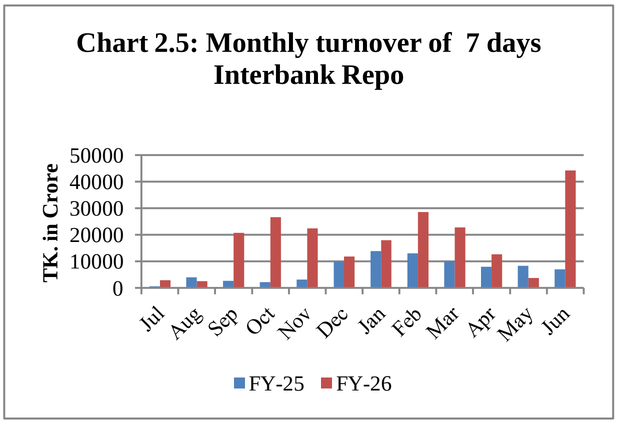
The total turnover stood at Tk. 44,243.56 crore, marking an increase of Tk. 40,478.88 crore or 1075.23 percent compared to the preceding month.

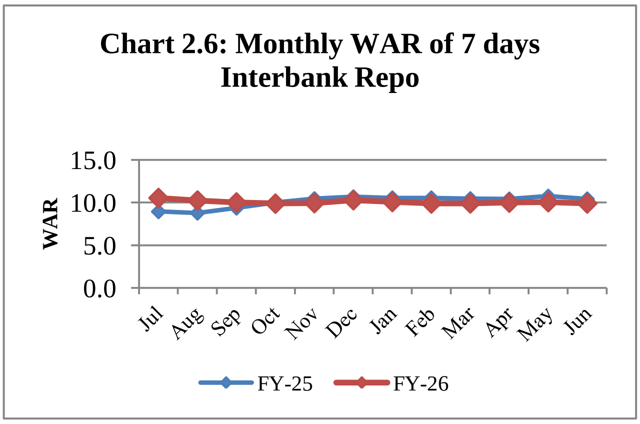


2.2.2 Interest Rates

- Minimum interest rate: 9.35%
- Maximum interest rate: 10.25%
- Weighted Average Rate (WAR): 9.90 %

2.2.3 Monthly Movement of Turnover and WAR



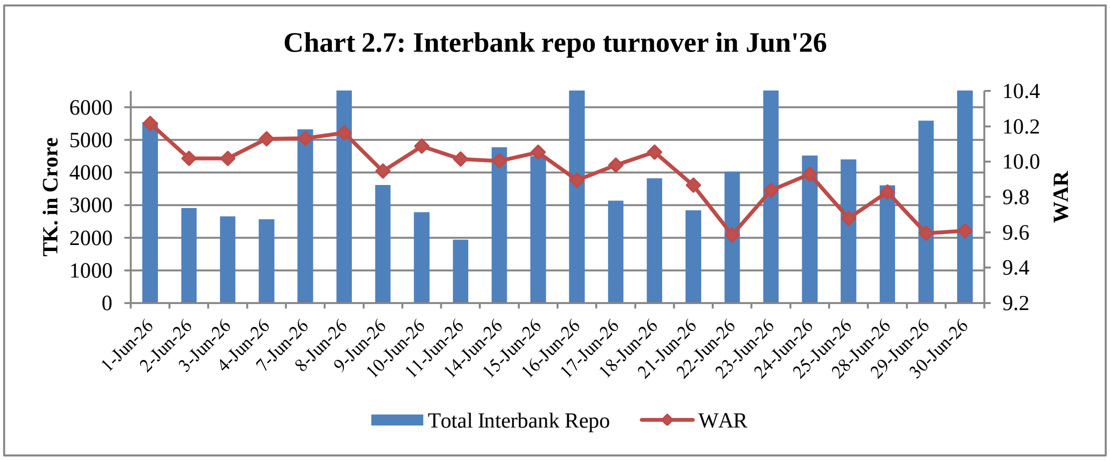


- The total turnover of 7 days interbank repo in June 2026 increased by Tk. 37,165.94 crore or 525.12 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate was 53 basis points lower than that of the same period of the previous year.

2.3 Interest Rate Volatility

Among interbank repo tenures ranging from overnight to 7 days, the 6 days repo exhibited the least interest rate volatility with a coefficient of variation (CV) of 1.7 percent, while the 5 days repo showed the highest volatility with a CV of 6.9 percent in June 2026.

2.4 Overall Interbank Repo



- The total turnover of interbank repo in June 2026 stood at Tk. 1,07,669.52crore, reflecting an increase of Tk. 63,230.33 crore or 142.29 percent compared to the previous month.
- The 7 days repo dominated the market, accounting for 41.09 percent of the total turnover.
- The shares of other tenures in total interbank repo turnover were: Overnight 26.50percent, 2 days 7.39 percent, 3 days 7.42 percent, 4 days 6.65 percent, 5 days 3.46 percent and 6 days 7.49 percent.

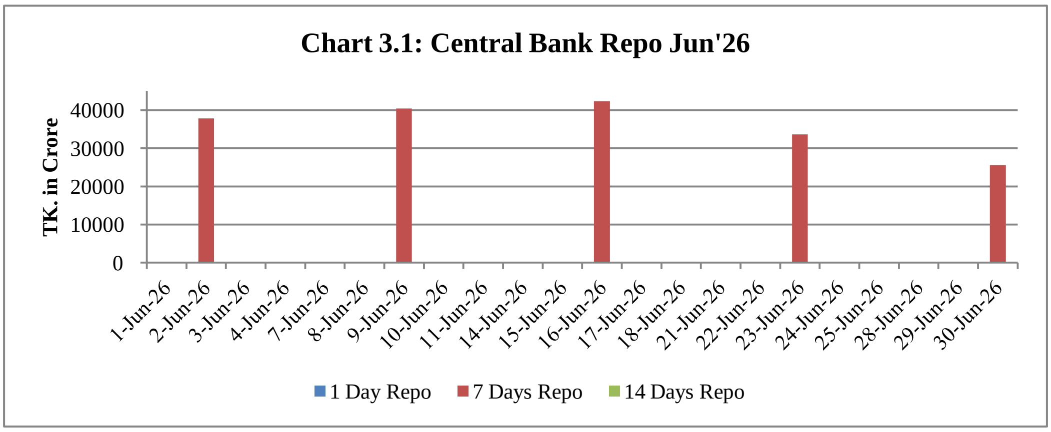
3. Central Bank Repo

3.1 Total Turnover

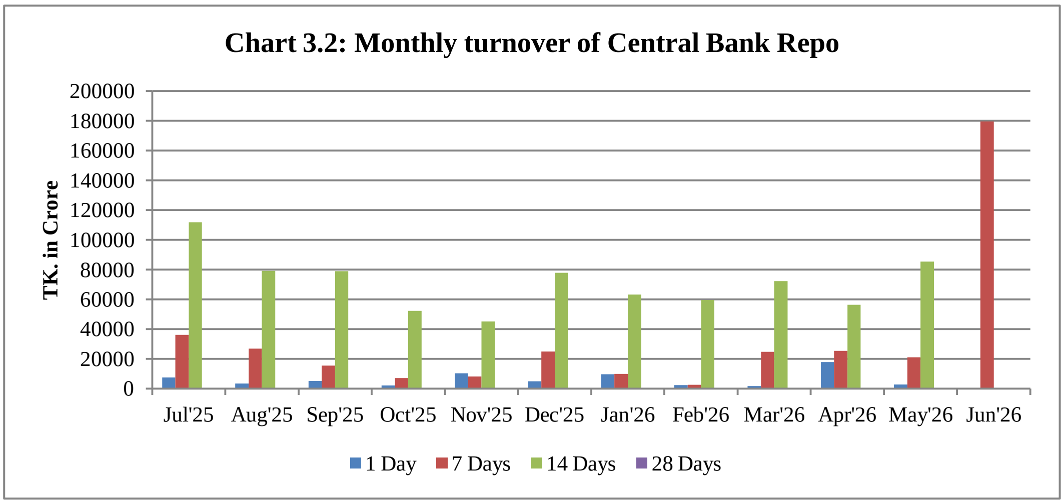
The total central bank repo amount stood at Tk. 1,79,797.83 crore, representing an increase of Tk.70,787.26 crore or 64.94 percent compared to the previous month.

3.1.1 Tenure wise Turnover (Proportion)

- Overnight: BDT 248.60 crore (0.14%)
- 7 days: BDT 1,79,549.24 crore (99.86%)



3.2 Monthly Movement of CB Repo Turnover



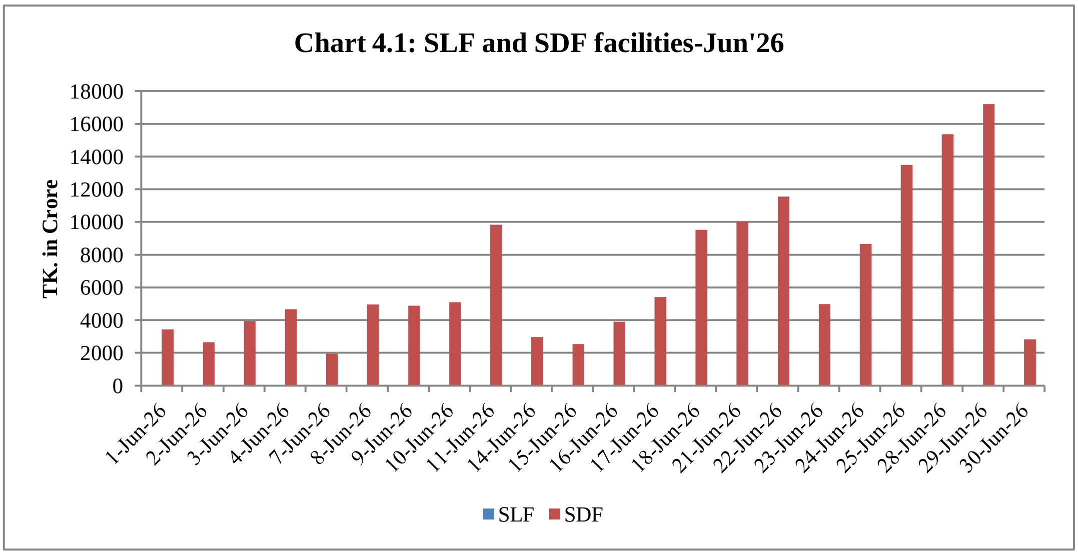
- As part of the modernization of the monetary policy framework, the 14 days central bank repo has been suspended since 01 June 2026.

4. Standing Facilities

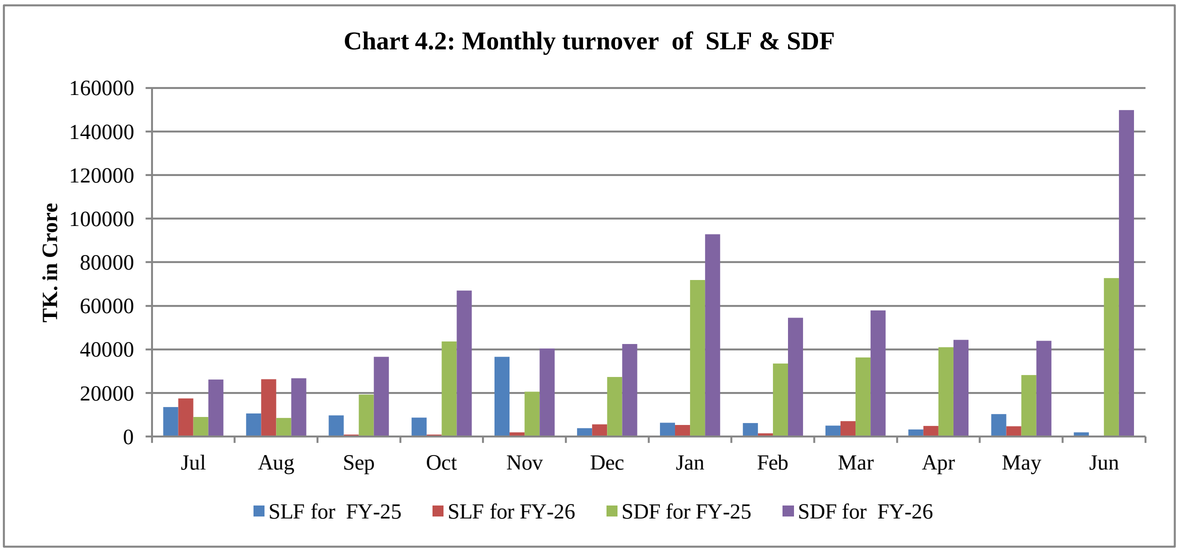
Standing facilities include the Standing Lending Facility (SLF) and Standing Deposit Facility (SDF) provided by Bangladesh Bank.

4.1 Total Turnover

- In June 2026, commercial banks accessed Tk. 60.09 crore through the Standing Lending Facility (SLF), decreased by Tk. 4,684.10 crore or 98.73 percent from the previous month.
- The Standing Deposit Facility (SDF) was used for Tk. 1,49,872 crore, marking an increase of Tk. 1,05,891.43 crore or 240.77 percent compared to the preceding month.



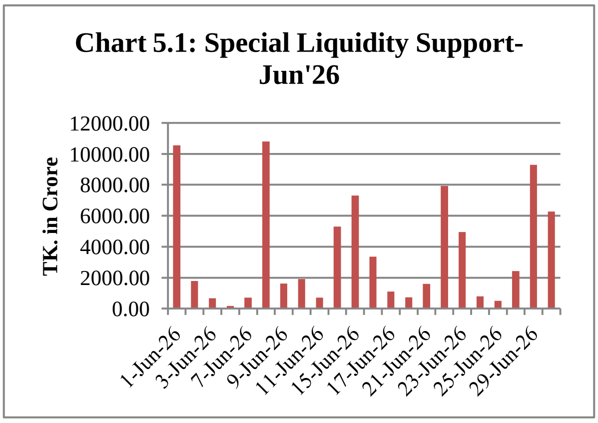
4.2 Monthly Movement of Using SLF and SDF by Commercial Banks



- The use of the SLF facility by commercial banks from the central bank decreased by 96.82 percent compared to the same period of the previous year.
- In contrast, utilization of the SDF facility by commercial banks also increased by 106.07 percent compared to the corresponding period of the previous year.

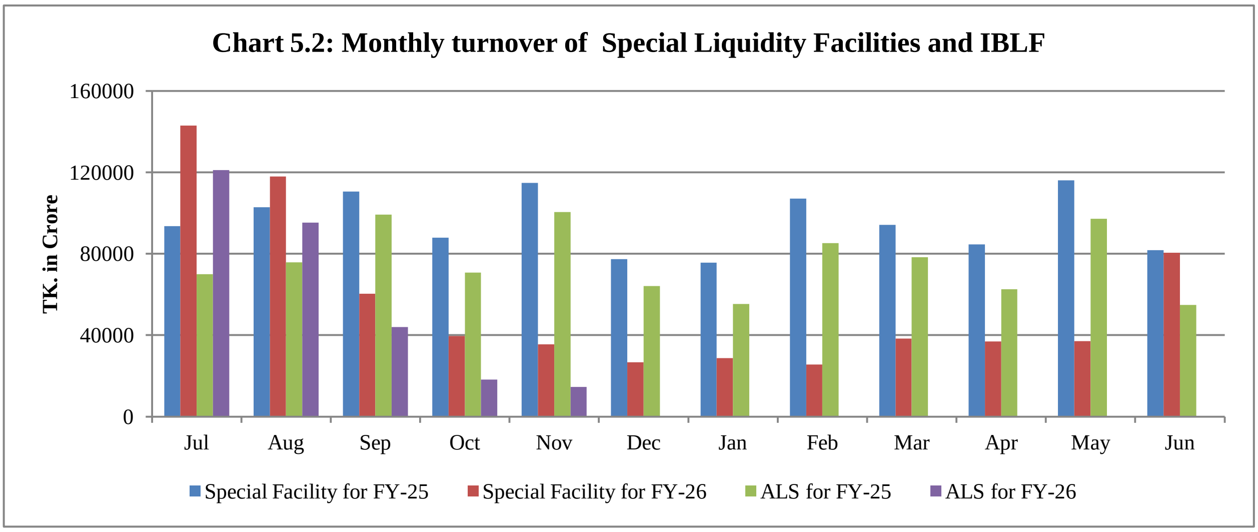
5. Special Liquidity Facilities and IBLF

Bangladesh Bank provides some special liquidity facilities to the banking system through AR, CM repo LSR, MLS, SLS and also provides Islamic Banks Liquidity Facility (IBLF) to Islamic banks**.**



- In June 2026, a total of Tk. 80,473.11 crore was provided through AR, IBLF, SLS, and CM repo, representing an increase of Tk. 43,380.11 crore or 116.95 percent compared to the previous month.

5.1 Monthly Movement of Special Liquidity Facilities and IBLF



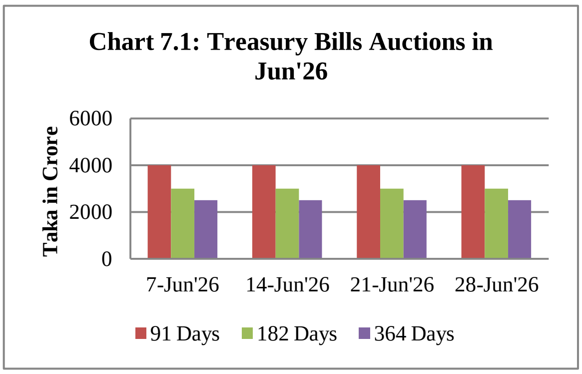
- The use of special liquidity facilities and IBLF by banks declined by 1.56 percent compared to the same period of the previous year.
- As part of the modernization of the monetary policy framework, the ALS for PDs has been suspended since 1st December 2025.

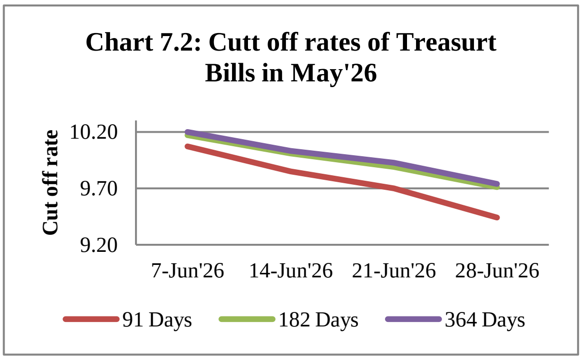
6. Bangladesh Bank (BB) Bill

Bangladesh Bank did not conduct any Bangladesh Bank (BB) bill auctions in June 2026.

7. Government Treasury Bills

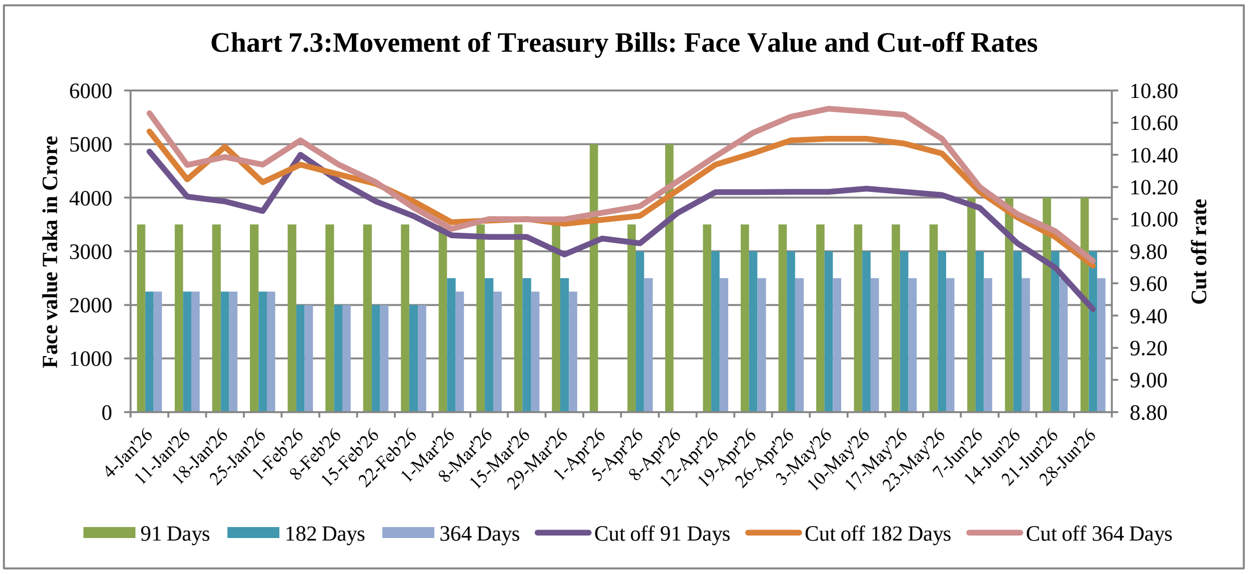
There were four auctions held in June 2026, resulting in a total issuance of Tk. 38,000 crore which was Tk. 2,000.00 crore (5.56 percent) higher than that of previous month.



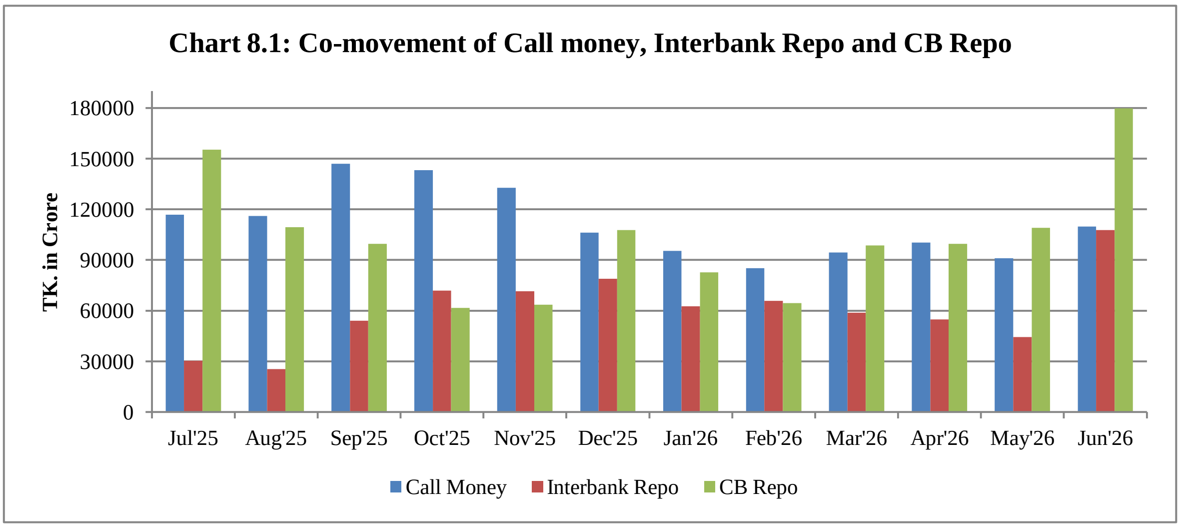


- The cut-off yield of the 91-day Treasury Bill exhibited a consistent downward trend throughout June 2026, declining from 10.07 percent on 7 June to 9.44 percent on 28 June, representing a cumulative decrease of 63 basis points. The sharpest weekly decline occurred during the last week of the month (26 basis points).
- The 182-day Treasury Bill also recorded a steady decline in yields during the period, falling from 10.17 percent on 7 June to 9.71 percent on 28 June, a reduction of 46 basis points.
- The yield on the 364-day Treasury Bill declined from 10.20 percent on 7 June to 9.74 percent on 28 June, registering a cumulative decrease of 46 basis points over the four-week period.

7.1 The Trend of Volume and Cut-off Rates Government Treasury Bills over the Last Six Months



8. Co-movement of Call Money, Interbank Repo and CB Repo



- Call Money turnover shows a rising trend during Jun’25 and reaches the highest level in Sep’25, and then gradually declines up to Feb’26 and finally it increases again.
- Interbank repo turnover displays a slow but steady upward trend, especially after Sep’25, with a peak in Dec’25, which in the last month turnover increases significantly.
- The CB Repo turnover fluctuated significantly during Jul’25 to Jun’26, reflecting changes in banking sector liquidity conditions. It remained high in Jul’25, declined steadily to its lowest level in Feb’26**,** indicating reduced dependence on central bank liquidity support, and then increased gradually from Mar’26**,** peaking again in Jun’26**.**

Appendix

Table-1: Summary of Money Market Turnover in June 2026

Tk. in Crore

Items	Total	Min.	Max.	Mean	CV	Retirement Amount	Net Position
Money Market							
A. Call Money Transaction	**109826.92**	**3019.00**	**8712.50**	**4992.13**	**34%**	**111918.88**	**-2091.96**
1. Overnight	95689.87	2254.99	7401.10	4349.54	38%	97607.09	-1917.22
2. Short notice (2 to 14 days)	12146.30	121.00	1459.41	552.10	69%	12803.24	-656.94
3. Term (15 days and above)	1990.75	2.00	690.00	165.90	114%	1508.55	482.20
B. Interbank Repo Transaction	**107669.52**	**1939.70**	**14521.66**	**4894.07**	**58%**	**88007.69**	**19661.83**
1 days	28529.98	40.14	3775.15	1358.57	76%	27456.33	1073.65
2 days	7960.62	49.80	2193.71	568.62	105%	6841.17	1119.45
3 days	7987.87	178.23	2268.94	665.66	85%	6449.90	1537.97
4 days	7156.14	9.10	1241.86	550.47	59%	6347.63	808.50
5 days	3730.06	21.47	1956.00	414.45	143%	1774.06	1956.00
6 days	8061.29	51.43	1282.63	537.42	67%	6199.69	1861.60
7 days	44243.56	180.38	8148.12	2011.07	99%	32938.90	11304.66
C. Central Bank Repo	**179797.83**	**121.04**	**42324.50**	**29966.31**	**53%**	**226583.10**	**-46785.26**
1. Over night	248.60	121.04	127.55	124.30	4%	555.44	-306.84
2. 7 days	179549.24	25418.66	42324.50	35909.85	19%	156320.19	23229.05
3. 14 days	0.00	0.00	0.00	-	-	69707.47	-69707.47
4. 28 days							
D. Standing Facility	**149932.09**					**147153.74**	**2778.34**
1.SLF	60.09	19.38	21.33	20.03	6%	60.12	-0.03
2. SDF	149872.00	1944.00	17200.00	6812.36	65%	147093.63	2778.37
E. Special Liquidity Facilities and IBLF	**80473.11**					**84614.50**	**-4141.39**
1. AR	9016.45	479.91	2497.40	1502.74	58%	14949.25	-5932.79
2. CM Repo	465.30	97.30	197.00	155.10	33%	662.98	-197.68
3. LSR	0.00	0.00	0.00	0.00		0.00	0.00
4. IBLF	67223.35	174.05	9279.18	3055.61	101%	65094.58	2128.77
5. MLS	1200.00	1200.00	1200.00	0.00		1339.69	-139.69
6. SLS	2568.00	2568.00	2568.00	2568.00	-	2568.00	0.00
F. Bangladesh Bank Bill	-	-	-	-	-		-
G. Government Treasury Bills	**38000.00**					**36197.23**	**1802.77**
1. 14 days	-	-	-	-	-		0.00
2. 91 days	16000.00	4000.00	4000.00	4000.00	0%	14000.00	2000.00
3. 182 days	12000.00	3000.00	3000.00	3000.00	0%	10000.00	2000.00
4. 364 days	10000.00	2500.00	2500.00	2500.00	0%	12197.23	-2197.23

Sources: Bangladesh Bank

Note: SLF= Standing Lending Facility, SDF = Standing Deposit Facility, AR = Assured Repo, CMR = Capital Market Repo, LSR = Liquidity Support against claims of Remittance for Conventional Banks, IBLF Islami Banks Liquidity Facility, MLS = Mudaraba Liquidity Support, SLS = Special Liquidity Support

Table-2: Summary of Money Market Interest Rates in June 2026

Money Market	Min.	Max.	WAR	CV
A. Call Money Transaction	**9.75**	**10.11**	**9.95**	**0.9%**
1. Overnight	9.57	9.98	9.90	1.1%
2. Short notice (2 to 14 days)	9.89	10.86	10.11	2.6%
3. Term (15 days and above)	9.98	11.95	11.08	5.9%
B. Interbank Repo Transaction	**9.58**	**10.22**	**9.90**	**1.9%**
1 days	9.44	10.26	9.88	2.3%
2 days	9.55	10.40	9.99	2.1%
3 days	9.53	10.34	10.00	2.6%
4 days	9.41	10.33	9.97	2.4%
5 days	8.00	10.10	9.52	6.9%
6 days	9.60	10.27	9.95	1.7%
7 days	9.35	10.25	9.90	2.0%
C. Central Bank Repo	**10.00**	**10.00**		
1. Over night	10.00	10.00	10.00	0.0%
2. 7 days	10.00	10.00	10.00	0.0%
3. 14 days	10.00	10.00	10.00	0.0%
4. 28 days				
D. Standing Facility				
1.SLF	11.50	11.50	11.50	0.0%
2. SDF	7.50	7.50	7.50	0.0%
E. Special Liquidity Facilities and IBLF				
1. AR	10.00	10.00	10.00	0.0%
2. CM Repo	4.75	4.75	4.75	0.0%
3. LSR				
4. IBLF				
5. MLS				
6. SLS				
F. Bangladesh Bank Bill				
G. Government Treasury Bills				
1. 14 days				
2. 91 days	9.41	10.03	9.71	2.8%
3. 182 days	9.60	10.13	9.90	2.3%
4. 364 days	9.72	10.19	9.95	2.0%

Sources: Bangladesh Bank.

Note: SLF= Standing Lending Facility, SDF = Standing Deposit Facility, AR = Assured Repo, CMR = Capital Market Repo, LSR = Liquidity Support against claims of Remittance for Conventional Banks, IBLF Islami Banks Liquidity Facility, MLS = Mudaraba Liquidity Support, SLS = Special Liquidity Support

Table-3: Movements of Money Market Dynamics

TK. in Crore

Month	Call money							Interbank Repo		CB Repo	Standing Facilities		Special Liquidity facilities	
	Overnight		Short Notice		Term Call		Total	Turnover	WAR		SLF	SDF	Total	ALS
	Turnover	WAR	Turnover	WAR	Turnover	WAR								
Jul-24	78949.41	8.86	9995.52	10.08	854.00	11.45	89798.93	22738.42	8.63	96387.00	13528.33	9020.00	93673.57	69954.81
Aug-24	60638.16	8.78	5736.35	10.15	806.63	11.95	67181.14	27877.71	8.62	81667.84	10598.92	8567.10	102865.59	75870.37
Sep-24	72051.14	9.14	6875.10	10.78	973.00	11.11	79899.24	23813.51	9.27	95405.45	9679.05	19246.54	110544.78	99285.86
Oct-24	72056.32	9.66	6540.81	10.95	1426.48	12.17	80023.61	13031.86	9.71	96949.55	8705.71	43656.54	87978.30	70804.57
Nov-24	75643.85	9.99	7731.50	11.12	952.56	12.23	84327.91	24414.83	10.18	68853.00	36600.20	20574.00	114790.95	100557.07
Dec-24	88454.21	10.07	10445.75	11.36	1958.34	10.68	100858.30	38307.43	10.36	81207.05	3898.12	27279.13	77326.37	64110.62
Jan-25	91686.98	10.08	13160.03	11.46	1434.45	11.99	106281.46	38673.42	10.15	79920.03	6362.76	71875.51	75657.63	55390.52
Feb-25	68835.22	10.04	9478.07	11.10	1289.50	11.55	79602.79	30883.63	10.21	81660.02	6230.90	33491.75	107071.11	85213.23
Mar-25	74253.82	10.01	12337.40	10.80	1338.00	11.36	87929.22	27904.56	10.15	83757.33	5017.45	36364.22	94216.38	78363.33
Apr-25	72891.38	9.93	10390.25	10.80	1590.08	11.34	84871.71	33828.22	9.95	93999.05	3213.41	40921.72	84636.70	62644.47
June-25	90662.42	10.06	11678.49	10.85	1641.29	11.49	103982.20	32839.27	10.39	133094.37	10266.64	28222.05	116180.17	97283.51
Jun-25	74395.00	10.14	12953.00	11.26	1442.00	11.27	88790.00	31941.00	10.37	145396.00	1890.00	72730.00	81745.00	54930.00
Jul-25	99173.88	10.03	15335.00	10.67	2343.25	11.42	116852.13	30332.71	10.27	155320.10	17565.51	26146.90	142988.51	121134.43
Aug-25	101693.40	9.98	12912.76	10.44	1518.85	11.08	116125.01	25324.96	10.01	109350.90	26331.76	26765.10	118010.15	95287.45
Sep-25	128498.90	9.97	15881.43	10.38	2626.65	11.18	147006.98	54131.77	9.94	99568.33	849.64	36532.84	60331.60	44040.01
Oct-25	121987.60	9.74	19463.31	10.13	1820.32	10.70	143271.23	71785.15	9.88	61577.95	850.10	66955.03	39605.56	18186.31
Nov-25	109706.02	9.79	21312.51	10.04	1711.39	10.90	132729.92	71433.69	9.89	63549.43	1903.54	40428.37	35472.51	14627.46
Dec-25	90243.20	9.99	13706.32	10.30	2302.60	11.14	106252.12	78949.95	10.14	107811.65	5655.92	42414.91	26681.23	0.00
Jan-26	83437.80	9.94	10987.38	10.33	1024.40	10.73	95449.58	62571.66	10.04	82752.56	5254.74	92793.50	28699.07	0.00
Feb-26	76816.14	9.90	7341.70	10.32	905.55	10.94	85063.39	65850.69	9.90	64421.62	1488.69	54549.59	25618.30	0.00
Mar-26	77745.36	10.16	15873.44	10.33	882.30	10.96	94501.10	58860.76	9.97	98620.17	7021.13	57827.19	38266.89	0.00
Apr-26	87067.71	9.95	11812.51	5.33	1396.77	10.45	100276.99	54776.52	10.03	99516.54	4814.80	44383.36	36951.41	0.00
June-26	81239.54	10.03	9197.09	10.23	623.10	10.95	91059.73	44439.19	10.08	109010.57	4744.18	43980.57	37093.00	0.00
Jun-26	95689.87	9.90	12146.30	10.11	1990.75	11.08	109826.92	107669.52	9.90	179797.83	60.09	149872.00	80473.11	0.00

Sources: Bangladesh Bank