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Money Market Dynamics



**Monetary Policy Department
Bangladesh Bank**

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Executive Summary

Call Money

The turnover of the call money market stood at Tk. 91,059.73 crore in May 2026, which was 9.19 percent lower than the preceding month (April 2026). Among the transactions, overnight call money dominated with 89.22 percent, followed by short notice at 10.10 percent and term call money at 0.68 percent. The weighted average rate (WAR) of overnight call money increased by 8 basis points to 10.03 percent, while the overall call money WAR increased by 7 basis points to 10.06 percent during the month under review.

Interbank Repo

The turnover of interbank repo stood at Tk. 44,439.19 crore in May 2026, which was 18.87 percent lower than the previous month. In terms of tenure composition, the overnight maturity accounted for the highest share at 61.45 percent, followed by the 2 days tenure with a share of 13.18 percent. Meanwhile, the weighted average rate (WAR) of interbank repo increased by 5 basis points to 10.08 percent in May 2026 compared to the previous month.

Central Bank Repo

The turnover of central bank repo stood at Tk. 1,09,010.57 crore in May 2026, which was 9.54 percent higher than the previous month. Among the transactions, the 14 days maturity dominated with a share of 78.25 percent, which was 56.55 percent in the preceding month.

Standing Facilities

In May 2026, commercial banks received Tk. 4,744.18 crore under the Standing Lending Facility (SLF), which was 1.47 percent lower than the previous month, while the utilization of the Standing Deposit Facility (SDF) stood at Tk. 43,980.57 crore, marking a decline of 0.91 percent compared to the preceding month.

Special Liquidity Facilities

In May 2026, the Central Bank provided Tk. 37,093.00 crore as special liquidity support, of which 46.34 percent was distributed through Assured Repo while 48.61 percent was extended to Islami banks under the Islamic Banks Liquidity Facility (IBLF).

Government Treasury Bills

In May 2026, a total of Tk. 36,000 crore in Government Treasury Bills was issued, marking a 21.74 percent decrease from the previous month. The weighted average rates (WAR) for 91 days, 182 days, and 364 days T-Bills were recorded at 10.14 percent, 10.42 percent, and 10.59 percent, respectively.

Money Market Scenario

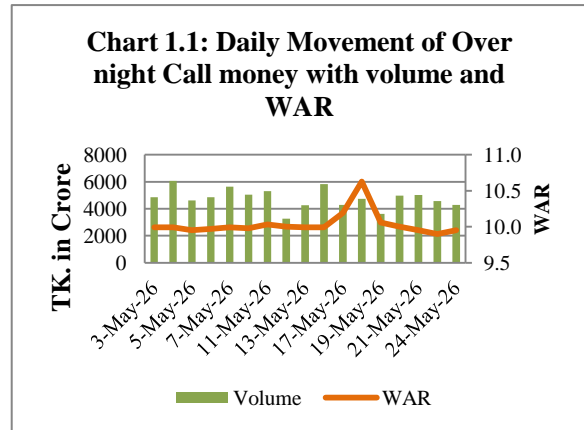
The money market is an essential component of an economy as it provides short-term liquidity to financial institutions and the government. A well-developed money market supports effective liquidity management, facilitates the implementation of monetary policy, offers safe investment opportunities, and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

1. Call Money

1.1 Call Money (Overnight)

1.1.1 Total Turnover

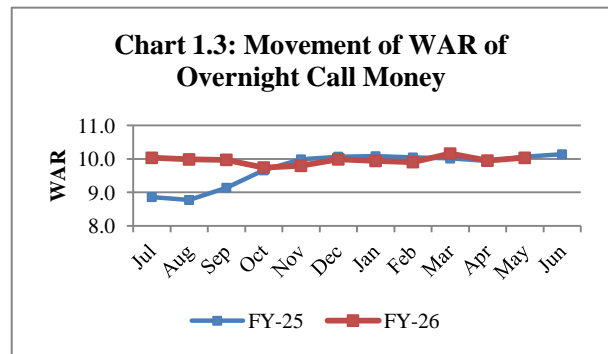
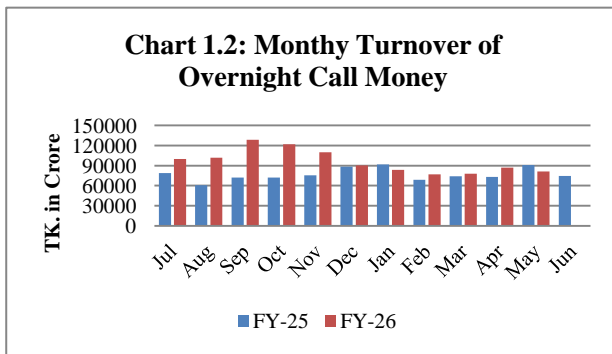
The total turnover of overnight call money stood at Tk. 81,239.54 crore in May 2026, representing an decrease of Tk. 5,828.17 crore or 6.69 percent compared to the previous month.



1.1.2 Interest Rates (April 2026)

- Minimum interest rate: 9.90%
- Maximum interest rate: 10.63%
- Weighted Average Rate (WAR): 10.03%

1.1.3 Monthly Movement of Turnover and WAR



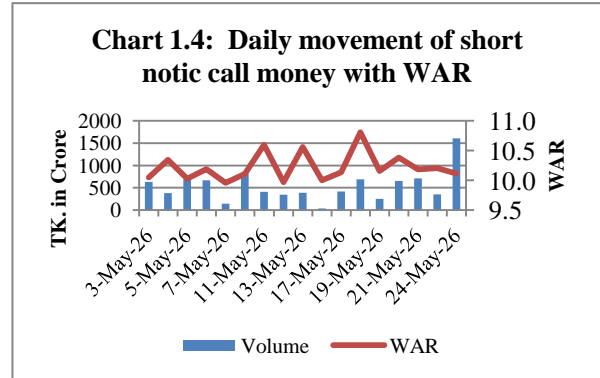
- Overnight call money turnover in May 2026 decreased by Tk. 9,422.88 crore or 10.39 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) of overnight call money in May 2026 decreased by 3 basis points compared to the same month of the 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

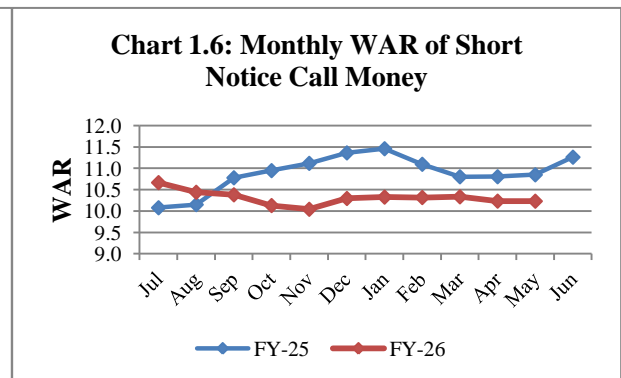
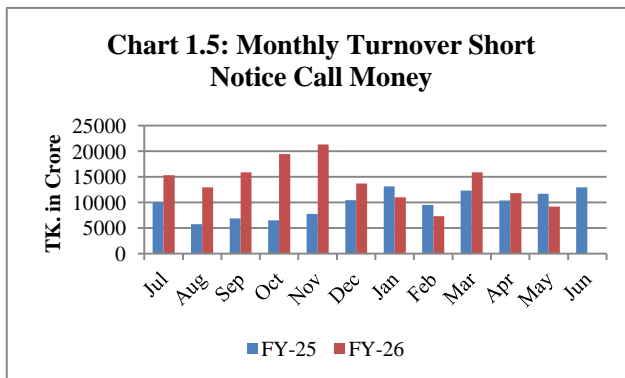
The turnover of short notice call money stood at Tk. 9,197.09 crore in May 2026, which was Tk. 2,615.42 crore or 22.14 percent lower than that of the previous month.



1.2.2 Interest Rates

- Minimum interest rate: 9.96%
- Maximum interest rate: 10.81%
- Weighted Average Rate (WAR): 10.23 %

1.2.3 Monthly Movement of Turnover and WAR



- The turnover of short notice call money in May 2026 decreased by Tk. 2,481.40 crore or 21.25 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) was 62 basis points lower than that of the previous year.

1.3 Call Money (Term)

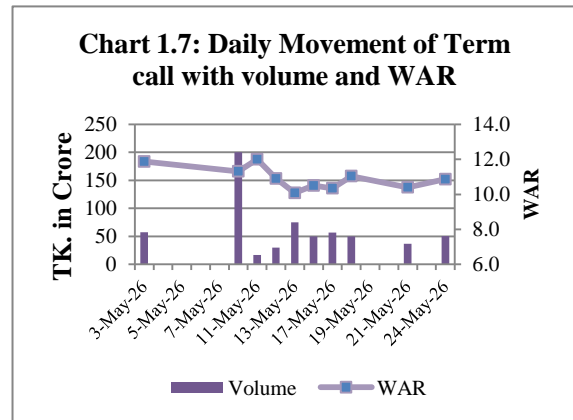
Term call money refers to call money with maturities ranging from 15 to 364 days.

1.3.1 Total Turnover

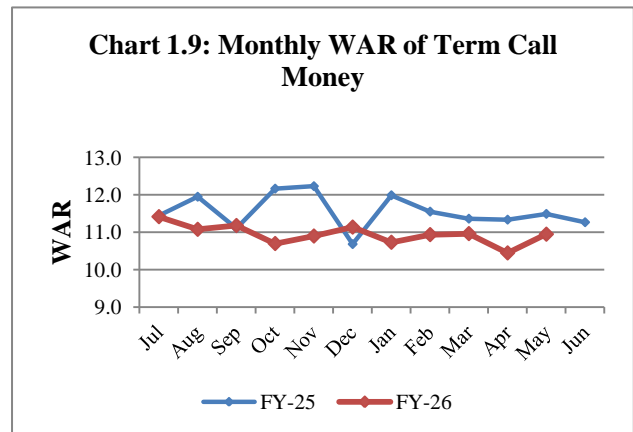
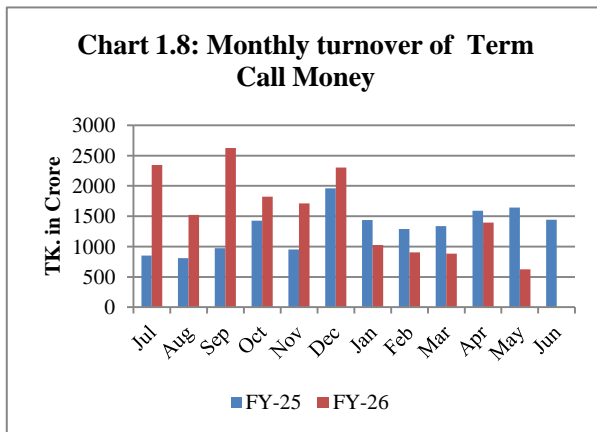
The turnover of term call money stood at Tk. 623.10 crore in May 2026, representing a decrease of Tk. 773.67 crore or 55.39 percent compared to the previous month.

1.3.2: Interest Rates:

- Minimum interest rate: 10.08%
- Maximum interest rate: 12.00%
- Weighted Average Rate (WAR): 10.95%

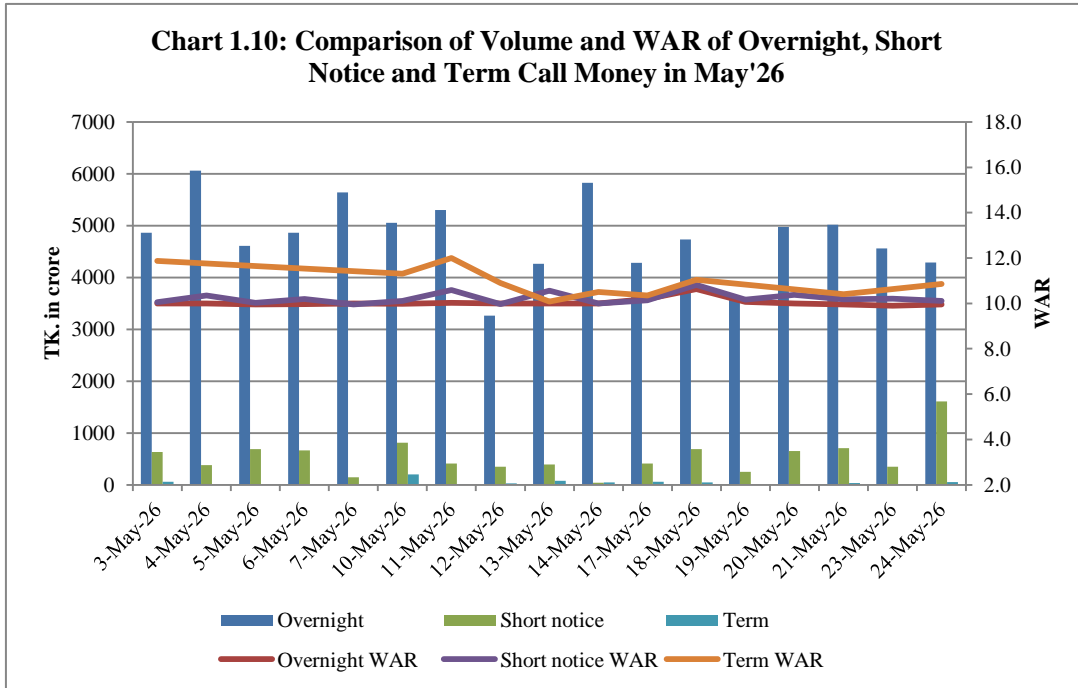


1.3.3 Monthly Movement of Turnover and WAR



- The total turnover of term call money in May 2026 declined by Tk. 1,018.19 crore or 62.04 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) was 54 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 89.22 percent of total transactions. In terms of interest rate volatility, the coefficient of variation (CV) for overnight, short notice, and term call money was 1.6 percent, 2.4 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 May 2026.

2. Interbank Repo

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

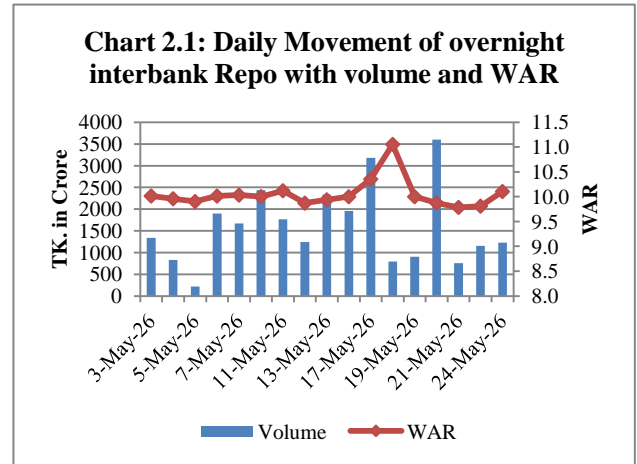
2.1 Interbank Repo (Overnight)

2.1.1 Total Turnover

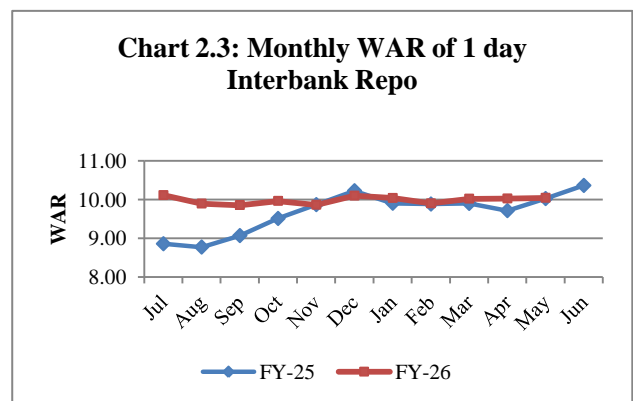
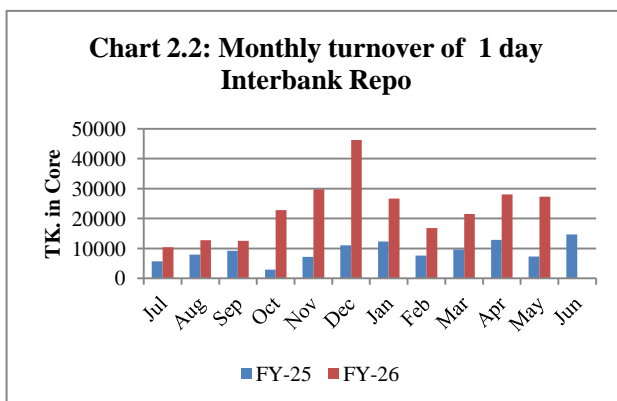
The overnight interbank repo turnover stood at Tk. 27,308.29 crore, representing a decrease of Tk. 762.88 crore or 2.72 percent compared to the previous month.

2.1.2 Interest Rates

- Minimum interest rate: 9.78%
- Maximum interest rate: 11.05%
- Weighted Average Rate (WAR): 10.04%



2.1.3 Monthly Movement of Turnover and WAR



- The total turnover of overnight interbank repo in May 2026 increased by Tk. 19,998.27 crore or 273.57 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate (WAR) was 2 basis points higher than that of the same period of the previous year.

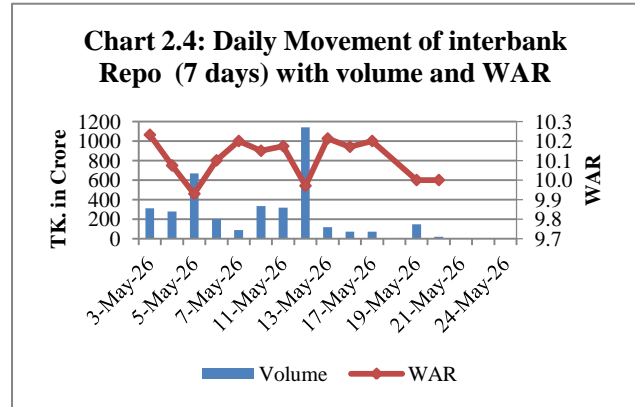
2.2 Interbank Repo (7 days)

2.2.1 Total Turnover

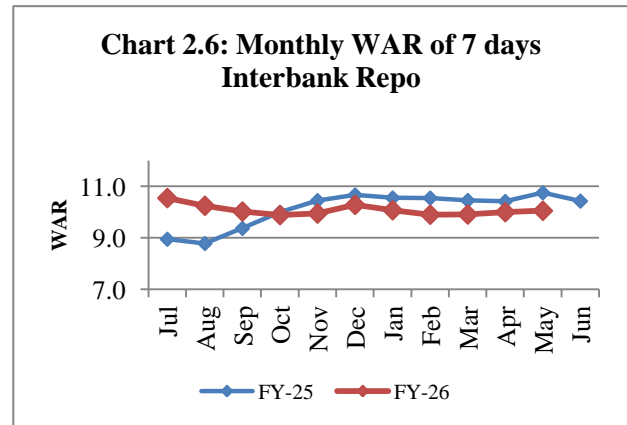
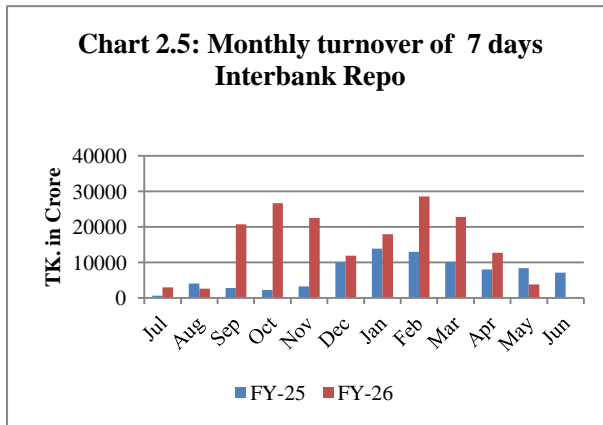
The total turnover stood at Tk. 3,764.68 crore, marking a decline of Tk. 8,901.32 crore or 70.28 percent compared to the preceding month.

2.2.2 Interest Rates

- Minimum interest rate: 9.93%
- Maximum interest rate: 10.23%
- Weighted Average Rate (WAR): 10.05 %



2.2.3 Monthly Movement of Turnover and WAR

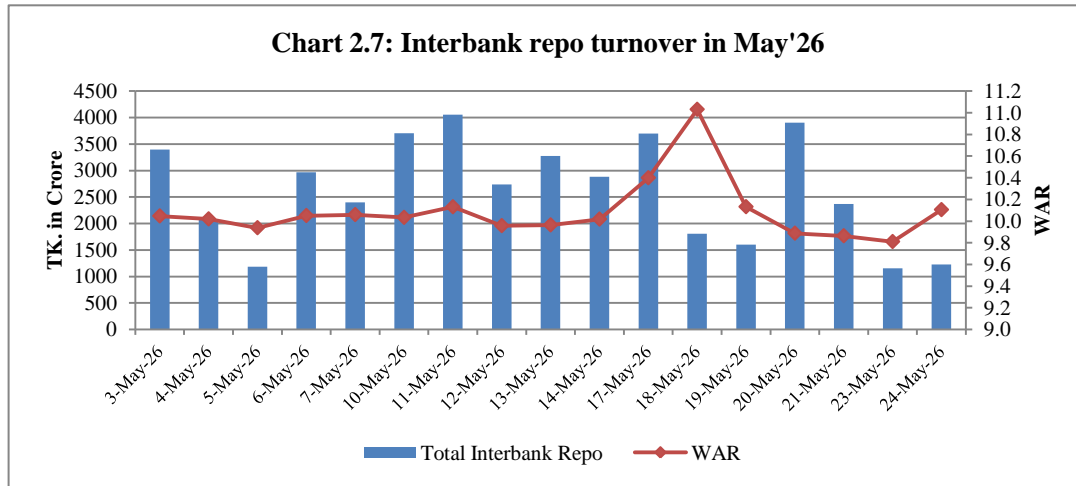


- The total turnover of 7 days interbank repo in May 2026 decreased by Tk. 4,591.69 crore or 54.95 percent compared to the same period of the previous year.
- In terms of interest rates, the weighted average rate was 70 basis points lower than that of the same period of the previous year.

2.3 Interest Rate Volatility

Among interbank repo tenures ranging from overnight to 7 days, the 4 days and 7days repo exhibited the least interest rate volatility with a coefficient of variation (CV) of 1.0 percent, while the 5 days repo showed the highest volatility with a CV of 3.6 percent in May 2026.

2.4 Overall Interbank Repo



- The total turnover of interbank repo in May 2026 stood at Tk. 44,439.19 crore, reflecting a decrease of Tk. 10,337.32 crore or 18.87 percent compared to the previous month.
- The overnight repo dominated the market, accounting for 61.45 percent of the total turnover.
- The shares of other tenures in total interbank repo turnover were: 2 days 13.18 percent, 3 days 7.20 percent, 4 days 5.27 percent, 5 days 1.14 percent, 6 days 3.30 percent and 7 days 8.47 percent.

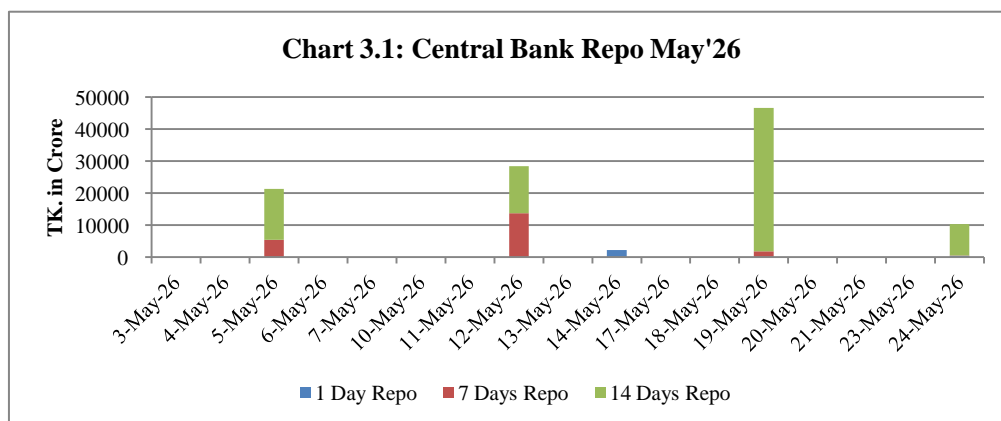
3. Central Bank Repo

3.1 Total Turnover

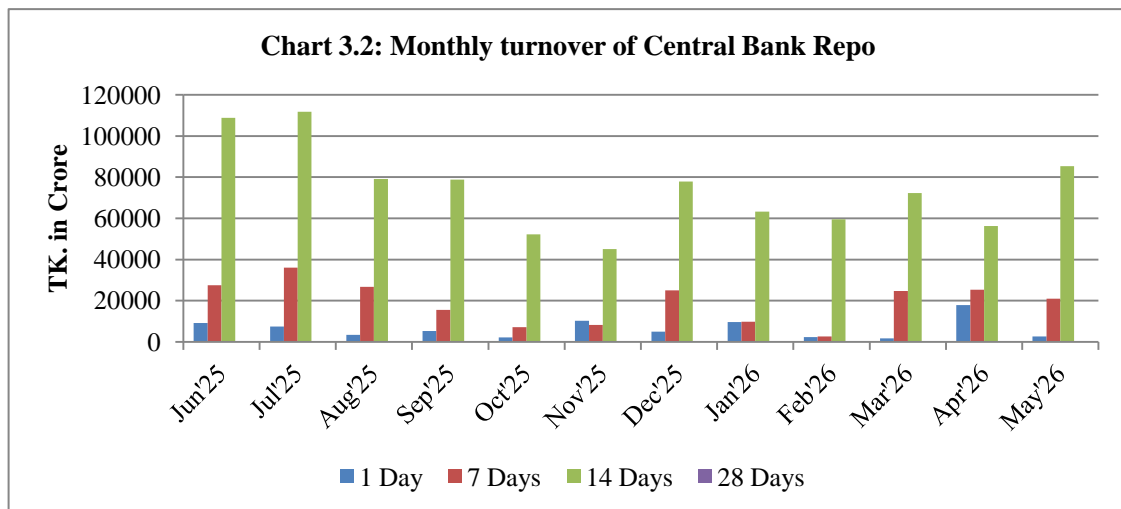
The total central bank repo amount stood at Tk. 1,09,010.57 crore, representing an increase of Tk.9,494.03 crore or 9.54 percent compared to the previous month.

3.1.1 Tenure wise Turnover (Proportion)

- Overnight: BDT 2,665.74 crore (2.45%)
- 7 days: BDT 21,039.32 crore (19.30%)
- 14 days: BDT 85,305.51 crore (78.25%)



3.2 Monthly Movement of CB Repo Turnover



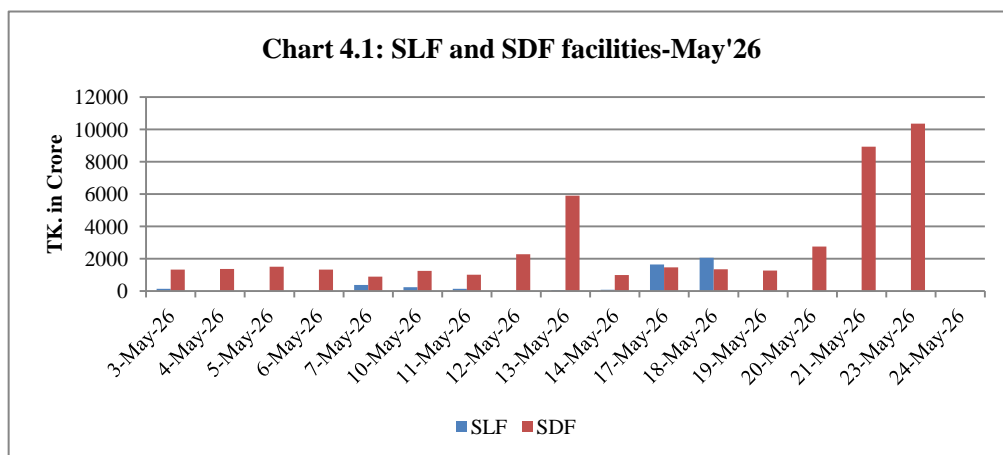
- Among central bank repos, the 14 days maturity dominated other tenures. As part of the modernization of the monetary policy framework, the 28 days central bank repo has been suspended since 10th April 2025.

4. Standing Facilities

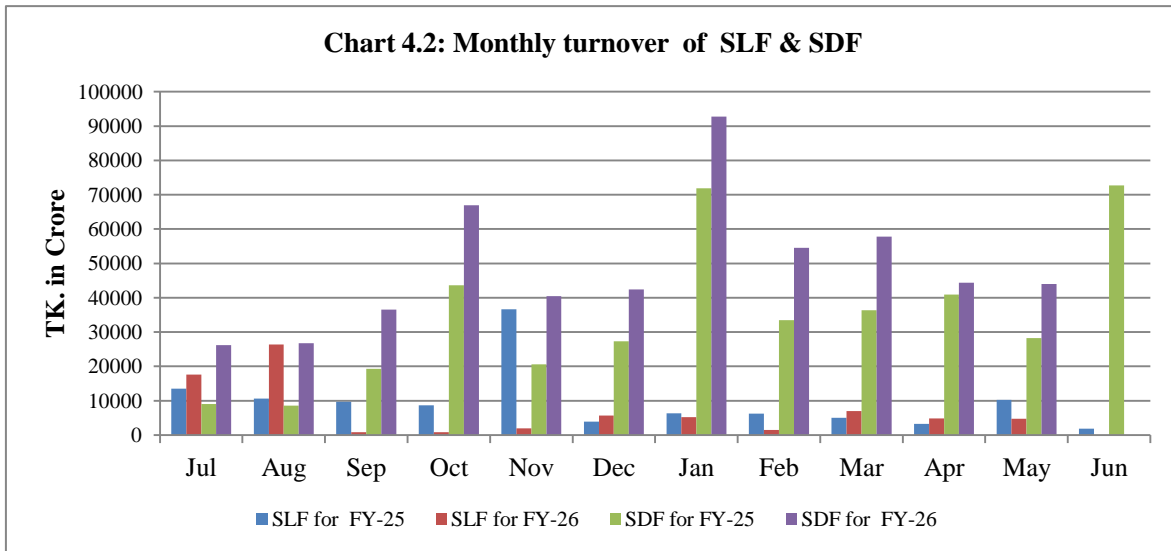
Standing facilities include the Standing Lending Facility (SLF) and Standing Deposit Facility (SDF) provided by Bangladesh Bank.

4.1 Total Turnover

- In May 2026, commercial banks accessed Tk. 4,744.18 crore through the Standing Lending Facility (SLF), decreased by Tk. 70.61 crore or 1.47 percent from the previous month.
- The Standing Deposit Facility (SDF) was used for Tk. 43,980.57 crore, marking a decrease of Tk. 402.79 crore or 0.91 percent compared to the preceding month.



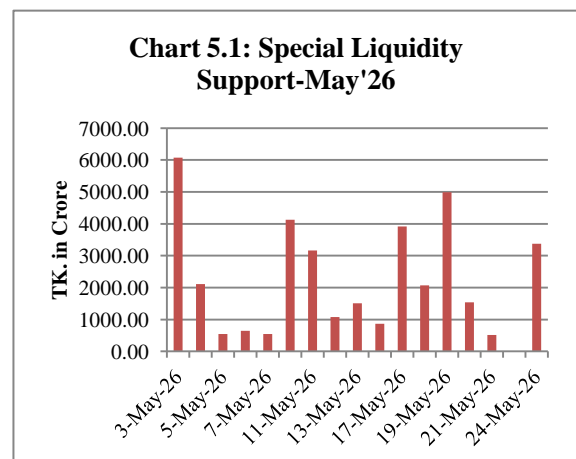
4.2 Monthly Movement of Using SLF and SDF by Commercial Banks



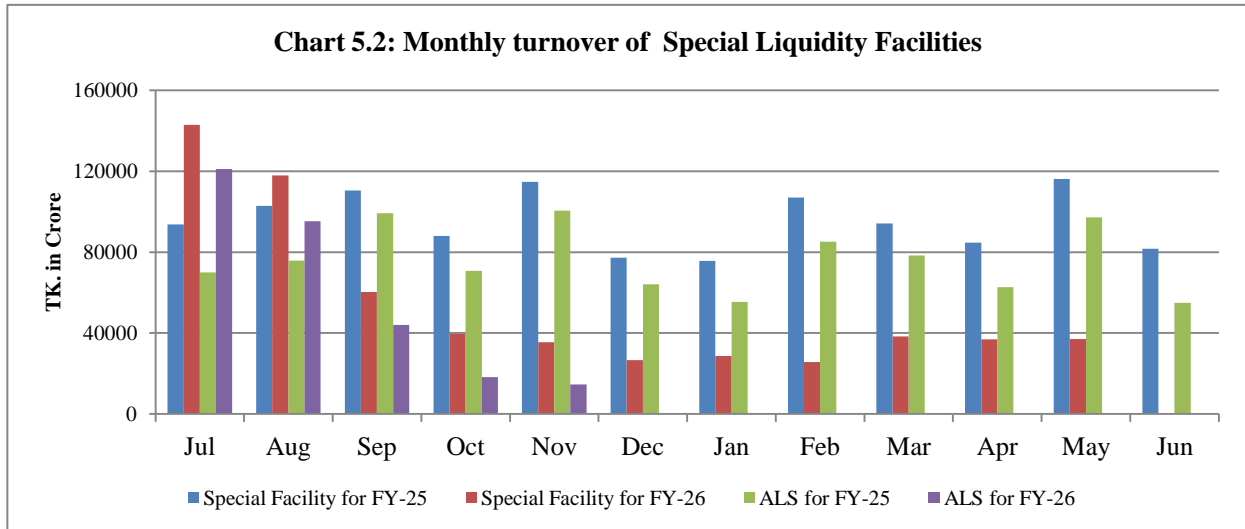
- The use of the SLF facility by commercial banks from the central bank decreased by 53.79 percent compared to the same period of the previous year.
- In contrast, utilization of the SDF facility by commercial banks also increased by 55.84 percent compared to the corresponding period of the previous year.

5. Special Liquidity Facilities

- Bangladesh Bank also provides some special liquidity facilities to the banking system through AR, CM repo LSR, IBLF, MLS, and SLS.
- In May 2026, a total of Tk. 37,093.00 crore was provided through AR, IBLF, SLS, and CM repo, representing an increase of Tk. 141.59 crore or 0.38 percent compared to the previous month.



5.1 Monthly Movement of Special Liquidity Facilities



- The use of special liquidity facilities by commercial banks declined by 68.07 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.

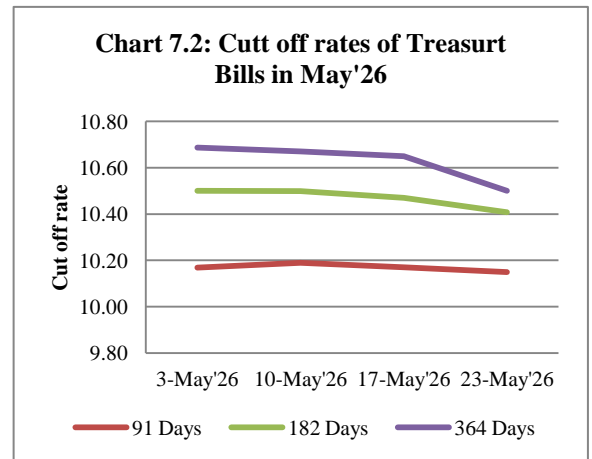
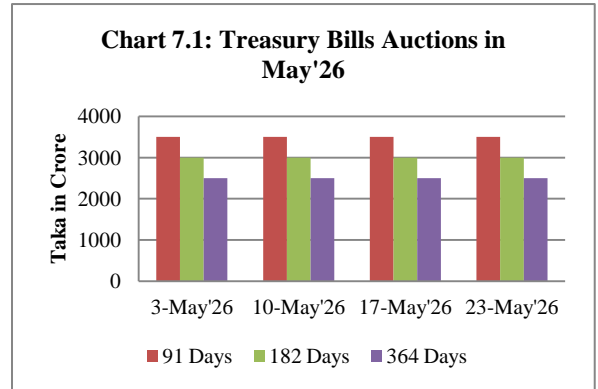
6. Bangladesh Bank (BB) Bill

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

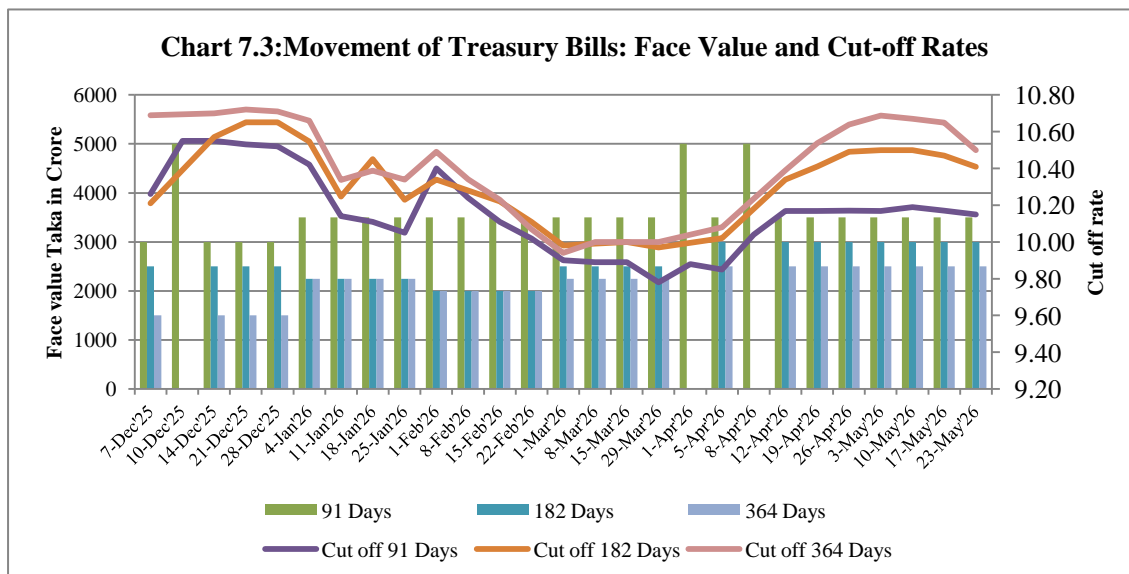
7. Government Treasury Bills

There were six auctions held in May 2026, resulting in a total issuance of Tk. 36,000 crore which was Tk. 10,000.00 crore (21.74 percent) lower than that of previous month.

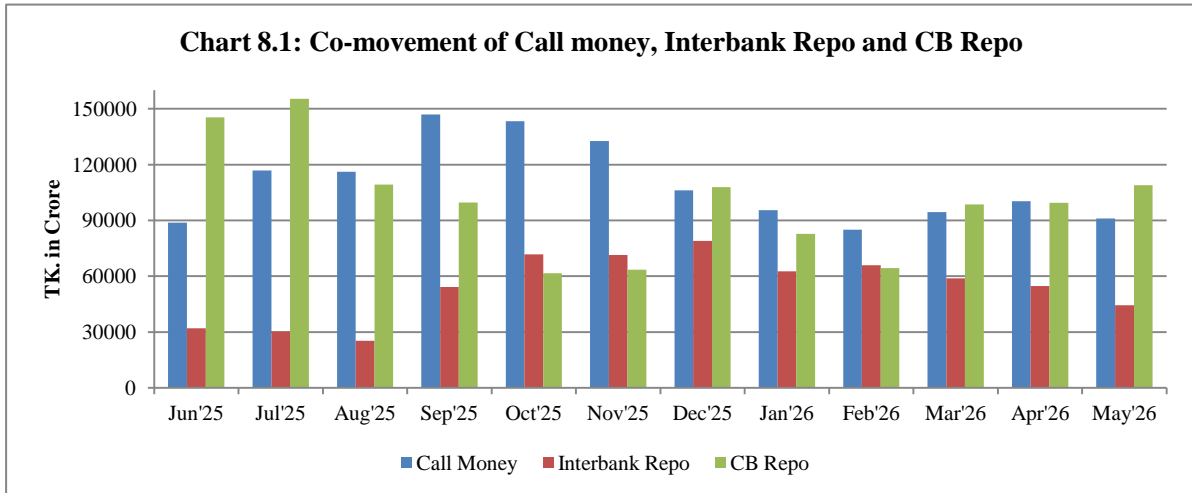
- The cut-off rate of the 91 days Treasury Bill slightly increased from 10.17 percent on 3 May 2026 to 10.19 percent on 10 May 2026. Thereafter, the rate bounce backed to 10.17 percent on 17 May 2026 and further to 10.15 percent on 23 May 2026.
- The cut-off rate of the 182 days Treasury Bill demonstrated a continuous downward movement throughout May 2026. The cut-off rate declined from 10.50 percent on 3 May 2026 to 10.41 percent on 23 May 2026,
- In the case of the 364 days Treasury Bill, the cut-off rate also showed a consistent declining trend during the month. The rate decreased from 10.69 percent on 3 May 2026 to 10.50 percent on 23 May 2026.



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 thereafter while increasing from Feb'26 and finally it declines again.
- Interbank repo turnover displays a slow but steady upward trend, especially after Sep'25, with a peak around Dec'25, followed by slight decrease.
- CB Repo turnover shows strong fluctuations. It increases sharply and reaches the highest level in Jul'25 and then shows a decreasing trend while it remains stable in last three months.

Appendix

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

Items	Total	Min.	Max.	Mean	CV	Tk. in Crore	
						Retirement Amount	Net Position
Money Market							
A. Call Money Transaction	91059.73	3642.84	6445.87	5356.45	14%	87899.76	3159.97
1. Overnight	81239.54	3264.34	6063.46	4778.80	15%	79810.84	1428.70
2. Short notice (2 to 14 days)	9197.09	40.00	1606.25	541.01	65%	6580.37	2616.72
3. Term (15 days and above)	623.10	16.70	200.00	62.31	82%	1508.55	-885.45
B. Interbank Repo Transaction	44439.19	1156.01	4055.50	2614.07	38%	50186.14	-5746.95
1 days	27308.29	221.56	3598.00	1606.37	56%	28392.01	-1083.71
2 days	5855.93	50.72	1250.14	532.36	81%	5855.93	0.00
3 days	3197.67	23.48	1374.91	399.71	113%	4189.62	-991.95
4 days	2341.84	20.19	644.19	292.73	87%	3256.56	-914.72
5 days	505.13	19.92	303.79	168.38	85%	536.20	-31.07
6 days	1465.65	50.39	712.15	244.28	113%	1720.46	-254.81
7 days	3764.68	19.55	1139.75	289.59	106%	6235.37	-2470.69
C. Central Bank Repo	109010.57	2232.33	46636.40	21802.11	79%	71180.04	37830.53
1. Over night	2665.74	433.41	2232.33	1332.87	95%	4364.97	-1699.22
2. 7 days	21039.32	62.96	13692.08	5259.83	115%	23777.88	-2738.56
3. 14 days	85305.51	9824.83	44811.97	21326.38	74%	43037.19	42268.31
4. 28 days							
D. Standing Facility	48724.75					50399.21	-1674.46
1. SLF	4744.18	51.73	2059.14	593.02	134%	4745.97	-1.78
2. SDF	43980.57	894.00	10368.00	2748.79	108%	45653.24	-1672.67
E. Special Liquidity Facilities	37093.00					32754.62	4338.38
1. AR	17188.00	83.75	3493.01	1718.80	61%	18259.40	-1071.40
2. CM Repo	543.00	79.00	252.00	135.75	58%	562.55	-19.55
3. LSR	0.00	0.00	0.00	0.00		0.00	0.00
4. IBLF	18032.00	183.00	3002.00	1127.00	80%	13932.67	4099.33
5. MLS	1330.00	1330.00	1330.00	0.00		0.00	1330.00
6. SLS	0.00	0.00	0.00	-	-	0.00	0.00
F. Bangladesh Bank Bill	-	-	-	-	-		-
G. Government Treasury Bills	36000.00					23789.13	12210.87
1. 14 days	-	-	-	-	-		0.00
2. 91 days	14000.00	3500.00	3500.00	3500.00	0%	10500.00	3500.00
3. 182 days	12000.00	3000.00	3000.00	3000.00	0%	8789.13	3210.87
4. 364 days	10000.00	2500.00	2500.00	2500.00	0%	4500.00	5500.00

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 May 2026

Money Market	Min.	Max.	WAR	CV
A. Call Money Transaction	9.92	10.66	10.06	1.6%
1. Overnight	9.90	10.63	10.03	1.6%
2. Short notice (2 to 14 days)	9.96	10.81	10.23	2.4%
3. Term (15 days and above)	10.08	12.00	10.95	5.9%
B. Interbank Repo Transaction	9.81	11.03	10.08	2.7%
1 days	9.78	11.05	10.04	2.9%
2 days	9.98	11.04	10.27	3.5%
3 days	9.89	10.75	10.00	2.6%
4 days	10.00	10.30	10.04	1.0%
5 days	10.25	11.00	10.54	3.6%
6 days	9.90	10.75	10.13	2.9%
7 days	9.93	10.23	10.05	1.0%
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				
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	10.13	10.16	10.14	0.1%
3. 182 days	10.35	10.48	10.42	0.5%
4. 364 days	10.47	10.64	10.59	0.8%

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		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
May-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
May-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

Sources: Bangladesh Bank