

Bangladesh Bank **Quarterly**

July - September, 2024

Volume XXII, No. 1



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Economic and Financial Developments

Executive Summary

The first quarter of Q1FY25 experienced significant economic disruptions across all three major sectors—agriculture, industry and services – following students-people uprising in July and August 2024. Moreover, when the new interim government started its journey with greater commitments towards economic reforms, the economic activities were affected by several rounds of floods in many districts during August and September 2024. Nonetheless, rebounded external demand reflected in robust export growth and hefty remittance inflows during Q1FY25 depicted a promising momentum towards growth performance in coming quarters.

Headline CPI inflation (point-to-point) reached 9.92 percent in the first quarter of FY25, up from 9.72 percent in the last quarter of FY24. Inflation surged to a record high of 11.66 percent in July 2024 before softening in the subsequent two months. The July spike, the highest in 13 years, was primarily attributed to supply chain disruptions from the nationwide student uprising. The 12-month average headline CPI inflation rose to 9.97 percent at the end of Q1FY25, compared to 9.73 percent at the end of Q4FY24. Rising food inflation was the main driver of headline inflation in Q1FY25. Moreover, the point-to-point core inflation, which excludes volatile items such as food and fuel, increased to 10.40 percent at the end of Q1FY25, up from 8.32 percent at the end of previous quarter.

During the first quarter of FY25, Bangladesh Bank (BB) intensified its contractionary monetary policy to address persistent inflationary pressures. BB raised the policy rate twice in quick succession, increasing it cumulatively by 100 basis points from 8.50 percent to 9.50 percent. This decisive adjustment signaled BB's firm commitment to dispelling the inflationary mindset among economic agents while balancing the broader objectives of economic growth and financial stability. The inter-bank call money rate and the inter-bank repo rate largely remained within the revised corridor during Q1FY25.

During Q1FY25, Bangladesh's external sector started to recover, reflected in an improved current account balance, a more stabilized exchange rate, and a slower erosion of foreign exchange reserves. The current account deficit declined sharply to USD 127 million during Q1FY25, compared to USD 2.43 billion during Q4FY24. This improvement was primarily driven by a substantial contraction in the trade deficit, supported by increased export earnings and reduced import payments. In contrast, the overall balance of payments (BoP) shifted to a substantial deficit of USD 1.46 billion in Q1FY25 from a surplus of USD 454 million in Q4FY24, primarily due to a drastic decline in the financial account surplus. Meanwhile, foreign remittances experienced a significant increase of 33.3 percent (y-o-y) in Q1FY25, reflecting increased use of formal banking channels following the government changeover in addition to a 7.92 percent depreciation of the BDT against the US dollar as of September 2024 compared to the same period in 2023.

The banking sector witnessed an alarming rise in the non-performing loans (NPLs) ratio, a tight liquidity situation, and a slowdown in deposit and credit growth. The gross NPL ratio reached a significant high of 16.93 percent in September 2024, up from 12.56 percent in June 2024. In response, BB and the interim government have launched extensive reform plans aimed at preventing a banking crisis and ensuring long-term macroeconomic stability. BB has established a six-member task force dedicated to banking sector reforms. It has restructured the management and formed new boards of directors for some banks and financial institutions, placing them under stringent surveillance and follow-up. Additionally, BB has provided significant liquidity support along with guarantees for interbank borrowing to banks experiencing liquidity shortages, ensuring the uninterrupted functioning of daily banking operations. These efforts are intended to restore public trust by strengthening governance standards and developing a resilient banking system.

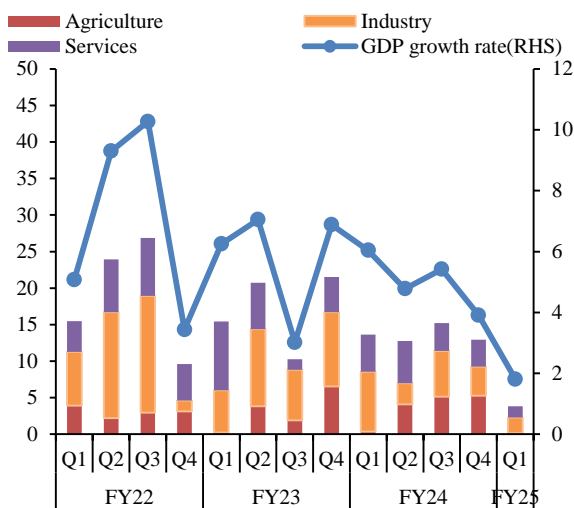
The capital market in Bangladesh gained momentum in Q1FY25, rebounding from its dismal performance in previous quarters. This recovery was evident in higher price indices, a notable rise in market capitalization, a slight increase in the price-earnings ratio, and a significant surge in turnover.

Looking forward, Bangladesh's economy is going through a transitional phase with the formation of the new interim government; a gradual return to economic normalcy has started already. However, economic activities may slow down in the near term as the government opted to initiate massive economic reform measures, which will eventually benefit the economy in the medium and long run. Containing the elevated inflation may require the continuation of a tight monetary policy stance for some periods ahead. BB's initiatives for banking reforms to ensure governance in the financial sector are expected to bring macroeconomic stability to the country very soon. In the medium term, the economy is anticipated to rebound gradually with the advancement of the reform activities and correction processes initiated by monetary and fiscal authorities. Recovery of the external sector supported by the improvement of merchandise trade balance, inward foreign remittances, and exchange rate stabilization along with the injection of foreign funds from multilateral organizations and development partners are also expected to improve the balance of payments situation.

I. Real Economy

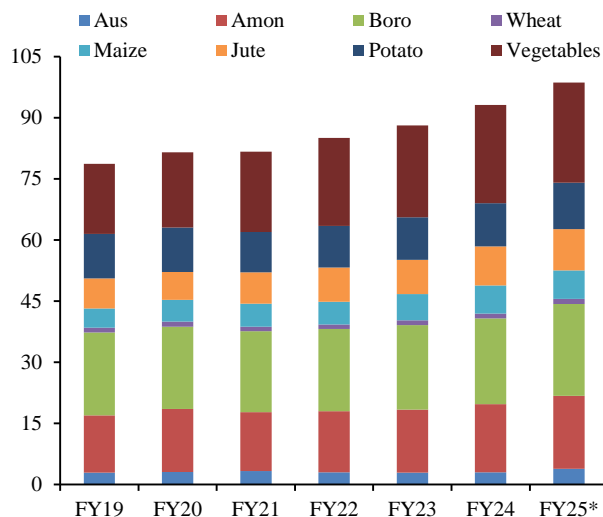
I.1 Bangladesh’s real economy experienced slower growth at the end of Q1FY25 compared to the previous quarter, reflecting challenges in the agriculture, industry and service sectors amid macroeconomic uncertainties. The latest available quarterly data reveals that real GDP growth declined to 1.81 percent in Q1FY25, down from 3.91 percent in Q4FY24 (Chart I.1). In Q1FY25, the agriculture sector experienced a huge decline in terms of real growth, with a growth rate of 0.16 percent, down from 5.27 percent in Q4FY24, reflecting agricultural disruptions caused by floods in many districts during August-September 2024. Besides, both the industry and service sectors reported slower growth in Q1FY25 compared to Q4FY24. This fall was due to students-people uprising during July-August 2024. The industry sector grew by 2.13 percent in Q1FY25, down from 3.98 percent in Q4FY24, and the service sector posted to 1.54 percent growth in Q1FY25 compared to 3.67 percent in Q4FY24.

Chart I.1: Sectoral Growth Rate of Real GDP
(in percent)



Source: Bangladesh Bureau of Statistics (BBS).

Chart I.2: Production of Major Crops
(in million MT)



Source: Department of Agricultural Extension (DAE).

* Production Target

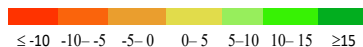
I.2 Despite the assumed multiple natural disasters, the Department of Agricultural Extension (DAE) has set ambitious growth targets for major crops in FY25, building on the resilient performance achieved in FY24. Agricultural output in the current fiscal year is projected to increase, driven by expanded cultivation areas, improved crop management practices, favorable market prices, and supportive weather conditions. Key rice varieties, including *Boro*, *Aus*, and *Aman*, are expected to grow by 7.3 percent, 29.1 percent, and 7.3 percent in FY25 compared to FY24, respectively. Additionally, non-rice crops are also projected to see growth in FY25, with targets set for potato (7.4 percent), mustard (7.4 percent), jute (6.3 percent), wheat (3.5 percent), vegetables (1.9 percent), and onion (1.4 percent).

I.3 The industry sector experienced a modest growth, as evidenced by the Index of Industrial Production (IIP) which increased by 1.7 percent in Q1FY25 compared to the same period in the previous fiscal year. Among the IIP's three sectors, manufacturing and electricity increased by 1.4 percent and 8.7 percent, respectively, while mining declined by 3.8 percent during Q1FY25 compared to the corresponding quarter of FY24. During Q1FY25, the Index of Industrial Production (IIP) for manufacturing in the

large-scale industrial sector declined by 2.9 percent, with beverage declining by 42.1 percent and other non-metallic mineral products by 28.8 percent, although notable growth in particular sub-sectors, with machinery and equipments growing by 34.2 percent, computer and electronic products by 28.5 percent, and food products by 15.1 percent compared to the same period in the previous quarter. Additionally, the IIP for manufacturing in the Small, Medium, and Micro Enterprises (SMME) sector slightly declined by 0.2 percent, with paper and paper products declining by 19.8 percent and wood and products of wood and cork by 15.0 percent, although notable growth in some sub-sectors including growth with machinery and equipment at 46.2 percent, beverages at 22.5 percent, and food products at 15.8 percent in Q1FY25 compared to Q1FY24. Furthermore, the IIP for manufacturing in the cottage sector experienced a modest growth of 2.5 percent, with beverage growing by 26.5 percent, wood and product of wood and cork by 18.8 percent, and coke and refined petroleum product by 16.9 percent in Q1FY25. (Chart I.3).

Chart I.3: Heat Map for Large; Small, Medium, and Micro; and Cottage Scale Manufacturing Output Growth
(in percent)

	Large Scale	FY24				FY25	SMMS Scale	FY24				FY25	Cottage Scale	FY24				FY25
		Weight	Q1	Q2	Q3	Q4		Q1	Weight	Q1	Q2	Q3		Q4	Q1	Weight	Q1	Q2
General index of manufacturing	100	13.8	-4.4	3.2	0.2	-2.9	100	8.5	15.1	8.5	15.1	-0.2	100	9.2	8.7	13.2	10.6	2.5
Food products	4.00	-2	20.4	40.2	21.2	15.1	24.85	28.8	65.4	28.8	65.4	15.8	21.64	11.0	7.8	11.4	8.9	-2.8
Beverage	1.23	2	-41.1	-53.2	-57.9	-42.1	0.76	56.2	45.4	56.2	45.4	22.5	0.05	13.0	13.8	14.9	41.0	26.5
Tobacco product	3.72	20	0.1	1.0	-1.0	0.1	0.13	-2.0	-1.8	-2.0	-1.8	0.1	0.21	25.0	13.4	1.7	-10.7	-26.2
Textile	11.59	23	-9.6	-35.5	-24.8	-15.4	9.99	0.8	-11.2	0.8	-11.2	-1.8	9.62	13.0	45.6	34.5	33.1	-17.9
Wearing apparel	61.00	13	-5.2	17.1	15.1	3.8	16.58	3.9	18.7	3.9	18.7	-10.3	3.78	7.0	-0.1	8.5	15.6	2.8
Leather and related product	0.81	5	3.3	5.2	-15.8	-21.7	3.73	8.7	14.6	8.7	14.6	9.0	2.51	13.0	15.2	3.4	2.7	3.6
Wood and product of wood and cork	0.03	9	-9.2	-7.4	1.6	3.7	0.27	-10.3	-11.1	-10.3	-11.1	-15.0	6.26	-8.0	-4.7	18.6	26.8	18.8
Paper and paper products	0.44	7	4.7	-6.4	-9.9	-1.7	0.77	56.0	55.2	56.0	55.2	-19.8	0.50	5.0	-5.0	-8.2	6.7	6.4
Printing and recorded media	0.10	19	2.8	2.8	15.7	7.7	0.37	3.2	6.9	3.2	6.9	5.1	2.49	-2.0	-13.5	0.2	4.3	1.5
Coke and refined petroleum product	0.12	19	-47.0	250.1	452.8	3.2	0.12	18.4	5.3	18.4	5.3	9.2	0.04	-4.0	-25.1	-0.8	3.8	16.9
Chemical and chemical product	1.29	17	16.7	-3.4	-4.3	-0.5	0.41	4.6	1.4	4.6	1.4	11.1	0.01	2.0	1.0	1.1	4.3	6.4
Pharmaceuticals products	3.05	23	1.4	9.6	8.5	-3.5	0.63	6.1	4.6	6.1	4.6	6.1	0.13	-1.0	10.8	-14.3	-9.2	-7.2
Rubber and plastic products	0.45	54	20.2	-15.2	-27.2	-7.3	19.92	7.8	13.7	7.8	13.7	0.2	0.50	5.0	-19.5	-4.0	11.9	5.7
Non-metallic mineral product	4.25	9	-9.8	-10.9	-23.0	-28.8	10.69	-2.6	-12.1	-2.6	-12.1	-7.4	2.19	6.0	7.8	16.6	17.8	12.7
Basic metal	0.72	34	77.0	73.2	49.0	-11.8	5.14	7.8	0.6	7.8	0.6	-2.6	0.02	-2.0	5.6	15.7	4.1	-12.8
Fabricated metal product	0.65	10	2.7	-1.0	-4.3	3.5	0.59	6.4	5.0	6.4	5.0	8.8	12.37	9.0	7.5	8.4	6.3	7.7
Computer and electronic products	0.54	22	7.7	19.3	28.5	28.5	0.76	-10.0	-9.8	-10.0	-9.8	-7.3	0.06	-46.0	-62.0	-42.2	-20.6	-18.4
Electrical equipments	1.18	-3	7.6	13.1	-2.4	11.8	1.12	24.2	13.6	24.2	13.6	6.1	0.06	7.0	7.8	30.8	24.0	-9.5
Machinery and equipments	0.01	6	3.1	6.9	31.3	34.2	0.36	-18.7	-4.2	-18.7	-4.2	-46.2	0.56	23.0	40.4	28.8	24.2	2.7
Motor vehicles and trailers	0.01	-11	-4.2	-18.8	-28.1	11.2	0.20	4.4	-6.4	4.4	-6.4	-4.9	0.54	30.0	1.5	13.1	14.2	-0.2
Transport equipment	4.16	15	-7.3	-31.5	-29.1	13.7	0.42	-9.7	-6.6	-9.7	-6.6	13.2	1.70	12.0	13.3	9.7	11.7	-2.0
Furniture	0.51	22	7.0	-2.3	-16.0	-9.1	1.34	-0.8	-3.9	-0.8	-3.9	5.4	18.01	16.0	30.5	33.1	34.6	6.9
Other manufacturing	0.12	10	10.6	5.5	18.6	7.9							15.01	13.0	1.2	8.3	-5.3	-2.7
Repair and installation of machinery and equipment													1.76	-12.0	-3.2	9.4	15.0	6.6



Note: Red areas indicate low growth and increasing orders of green represents higher and higher growth.

Source: BB staff's calculation based on BBS data.

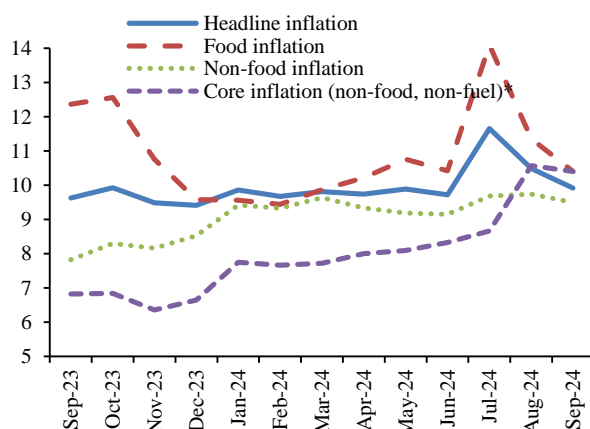
I.4 The service sector which is the largest contributor of GDP experienced a downturn during Q1FY25, as reflected by major sub-sectors. The wholesale and retail trade; repair of motor vehicles and motorcycles was BDT 1199.39 billion with 1.86 percent growth. Besides, the transportation, accommodation and food service, information and communication was BDT 785.74 billion, with 1.66 percent growth. Finally, another major sub-sector, public administration, health and education was BDT 731.46 billion, with 1.86 percent growth (Table I.3 (a) in Annexure-1).

I.5 The sharp decline in the agriculture sector, steeper fall in the service sector and industrial sector has slowed the overall economic growth in Bangladesh. Looking forward, in response to the current economic situation, the new interim government has prioritized to formulate policies and its implementation aimed at revitalizing the economy. Continued support for agricultural innovation and infrastructure such as refinance scheme, agricultural credit at rational rate will be key to achieving sustainable and inclusive economic growth. Finally, if robust export growth and significant remittance inflows of Q1FY25 continue, sluggish economic performances are expected to revitalize in the near future.

II. Price

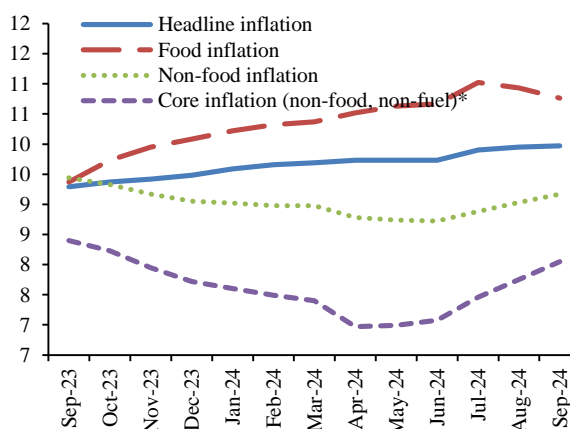
2.1 Headline inflation (point-to-point) increased in the first quarter of FY25 compared to the last quarter of FY24. The inflation surged from 9.72 percent in June 2024 to 11.66 percent in July 2024 before softening in the following two months, reaching 9.92 percent by the end of September 2024 (Chart II.1). The July spike, the highest in 13 years, was mainly associated with real and virtual supply chain disruptions, stemming from the nationwide uprising led by the students' anti-discrimination movement. Rising food inflation was the primary factor fuelling headline inflation dynamics during Q1FY25, while non-food inflation also contributed to accelerate the rate. The point-to-point core inflation rate, which excludes volatile items such as food and fuel, increased to 10.40 percent at the end of Q1FY25, up from 8.32 percent at the end of Q4FY24 (Chart II.1). Similarly, the 12-month average headline inflation rose to 9.97 percent in Q1FY25, up from 9.73 percent in Q4FY24 (Chart II.2). The inflation momentum in this quarter was notably higher, partially counteracting the impact of the base effect (Chart II.4).

Chart II.1: Point-to-Point CPI Inflation (in percent)



Source: Bangladesh Bureau of Statistics (BBS).
*Core inflation is calculated by the Research Department of Bangladesh Bank using BBS data.

Chart II.2: 12-Month Average CPI Inflation (in percent)



Source: Bangladesh Bureau of Statistics (BBS).
*Core inflation is calculated by the Research Department of Bangladesh Bank using BBS data.

2.2 Point-to-point food inflation saw sharp rise in the first month of Q1FY25. It peaked at 14.10 percent in July 2024 and decreased gradually, reaching 10.40 percent by September 2024, yet remained unfavourable for lower- and middle-income households. While overall food inflation showed a significant increase, price changes varied considerably across items. The inflation rates for bread and cereals, rice, vegetables and fruits increased notably to 7.79 percent, 8.00 percent, 22.73 percent and 16.06 percent by the end of Q1FY25, respectively, compared to 0.26 percent, -0.77 percent, 11.13 percent and 4.26 percent at the end of Q4FY24. On the other hand, the inflation rates for meat, fish and salt, spices, and culinary herbs decreased significantly to 0.86 percent, 11.30 percent and 11.38 percent by the end of Q1FY25, respectively, which were 13.16 percent, 18.58 percent and 41.31 percent at the end of Q4FY24 (Chart II.3). Moreover, on a month-on-month basis, inflation remained also pronounced across most food categories, except for non-alcoholic beverages and oils and fats in September 2024 (Chart II.5). Notably, the month-on-month prices of fruits, fish (fresh) & dry fish, and bread and cereals recorded substantial increases in September 2024.

Chart II.3: Point-to-point Inflation Heat Map (in percent)

	Weight	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24
General index	100.0	9.7	9.9	9.7	11.7	10.5	9.9
Food and nonalcoholic beverages	44.9	10.2	10.8	10.4	14.1	11.4	10.4
1. Food	44.2	10.4	10.9	10.6	14.3	11.4	10.5
(a) Bread and cereals:	12.3	-2.1	1.7	0.3	2.3	5.9	7.8
Rice	10.8	-3.8	0.5	-0.8	1.3	5.8	8.0
(b) Fish (fresh) & dry fish	8.3	19.1	18.7	18.6	19.7	13.7	11.3
(c) Milk, cheese, and eggs	2.4	2.4	0.1	3.5	7.0	7.0	4.9
(d) Oils and fats	2.1	-8.7	-9.2	-6.0	-3.2	-4.1	-2.0
(e) Fruits	2.2	6.8	4.9	4.3	9.0	13.1	16.1
(f) Vegetables	7.7	14.5	12.3	11.1	31.2	26.2	22.7
(g) Sugar, jam, honey, chocolate and confectionery	0.9	20.3	19.9	19.0	14.5	8.6	6.5
(h) Salt, spices, and culinary herbs	2.8	39.3	40.8	41.2	38.5	16.0	11.4
2. Non-alcoholic beverages	0.7	2.3	3.4	2.3	2.6	6.2	4.8
Alcoholic beverages, tobacco and narcotics	2.6	7.2	6.4	9.9	14.8	18.1	15.2
Non food	52.5	9.3	9.2	9.1	9.7	9.7	9.5
(a) Clothing and footwear	6.1	9.6	9.4	9.2	9.1	9.0	8.6
(b) Housing, water, electricity, gas, and other fuels	15.2	9.9	9.5	8.7	8.9	10.6	10.0
(c) Furnishings, household equipment, and routine maintenance of the house	3.8	11.3	11.3	11.3	11.3	7.8	8.2
(d) Health	4.3	13.7	12.4	13.0	13.3	13.7	13.3
(e) Transportation	9.4	8.2	8.1	8.1	8.3	4.3	6.2
(f) Communication	2.3	1.6	3.4	3.5	7.0	9.6	8.6
(g) Recreation and culture	1.5	10.7	11.1	11.1	11.0	9.1	7.8
(h) Education	3.8	4.6	5.7	5.8	6.1	7.4	6.8
(i) Restaurants and hotels	2.2	7.4	6.0	5.3	5.6	9.8	9.8
(j) Miscellaneous goods and services	3.8	14.1	14.6	14.8	15.3	15.4	13.9

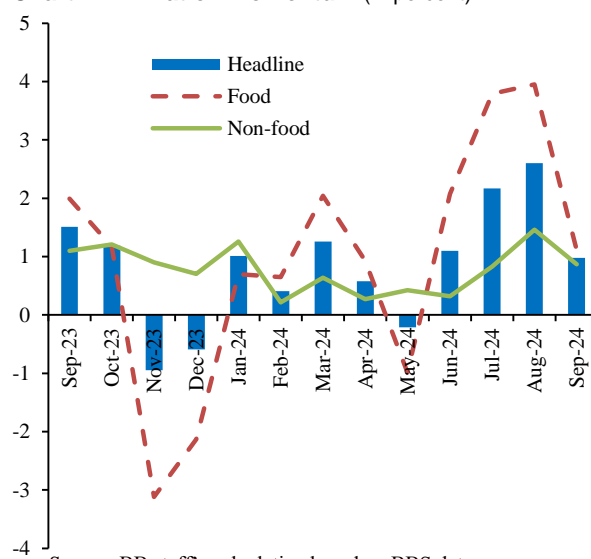


Note: Green areas indicate low inflation and increasing orders of red represent higher and higher inflation.

Source: BB staff's calculation based on BBS data.

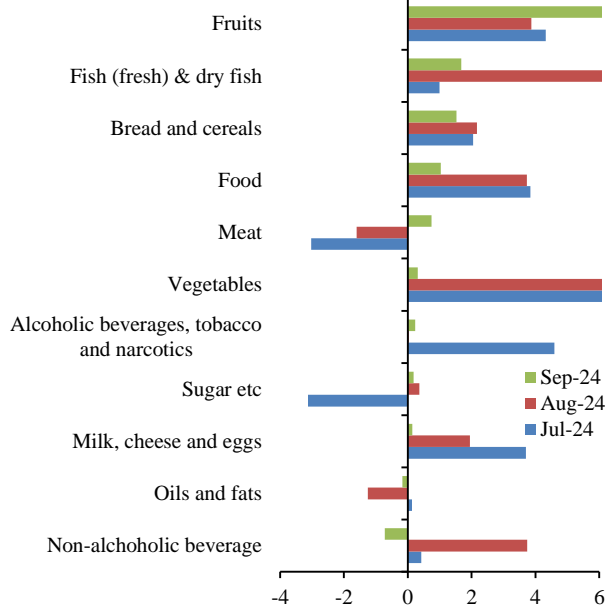
2.3 After slight moderation in Q4FY24, point-to-point non-food inflation showed an uptrend during Q1FY25, reaching 9.50 percent from 9.15 percent at the end of Q1FY25 (Chart II.1). This increase was partly driven by price hikes in housing, water, electricity, gas, and other fuels, which make up the largest share of non-food items. Specifically, these prices rose to 9.99 percent in September 2024, up from 8.68 percent at the end of June 2024. Additionally, hotel service prices rose to 9.77 percent at the end of Q1FY25 (up from 5.32 percent, at the end of Q4FY24). Conversely, prices for clothing and footwear fell to 8.58 percent (from 9.24 percent), furnishings, household equipment, and maintenance costs dropped to 8.19 percent (from 11.33 percent) at the end of Q1FY25. Transportation costs also experienced a decline to 6.17 percent (from 8.10 percent) while recreation and cultural expenses declined to 7.83 percent (from 11.08 percent) at the end of Q1FY25 (Chart II.3).

Chart II.4: Inflation Momentum (in percent)



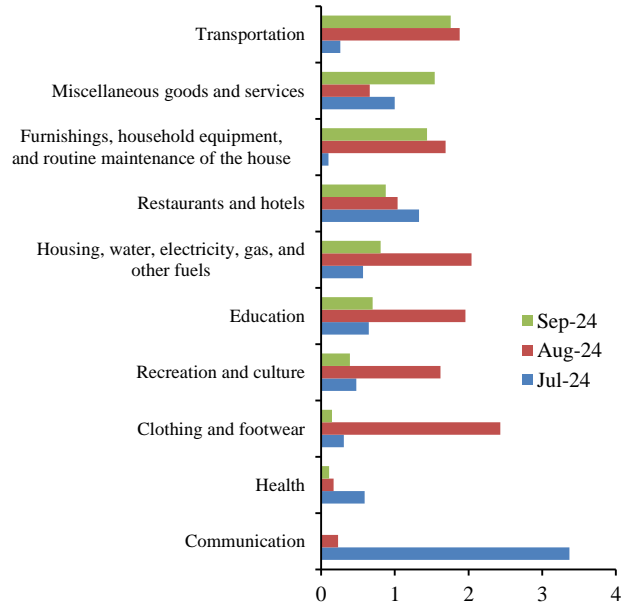
Source: BB staff's calculation based on BBS data.

Chart II.5: Month-on-month Change in CPI Food Inflation (in percent)



Source: BB staff's calculation based on BBS data.

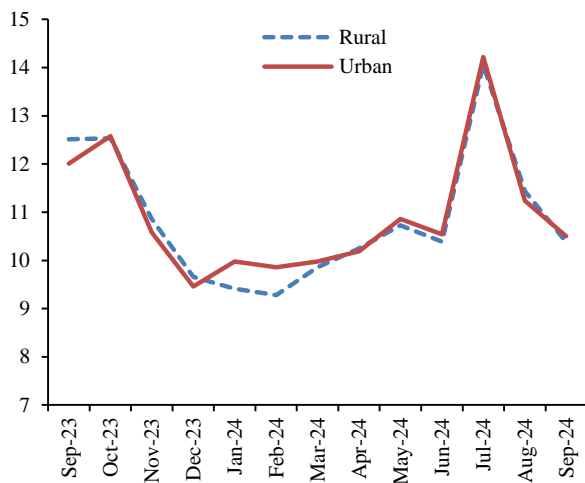
Chart II.6: Month-on-month Change in CPI Non-food Inflation (in percent)



Source: BB staff's calculation based on BBS data.

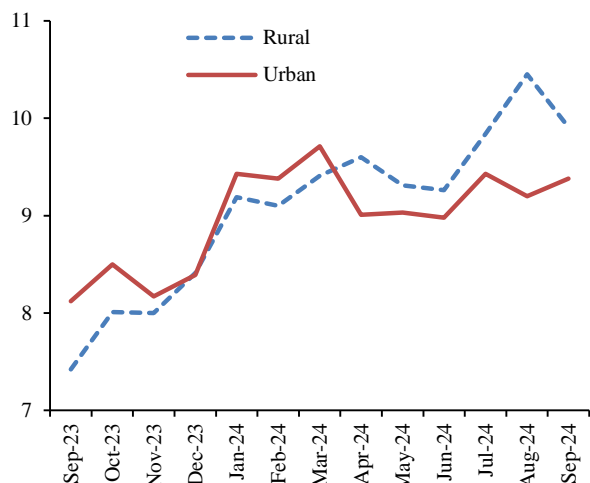
2.4 Food inflation remained almost identical in rural and urban areas, staying in double digits throughout Q1FY25, disproportionately affecting low-income segments in both areas. At the beginning of the quarter in July 2024, food inflation peaked at a record high at 14.06 percent in rural areas and 14.22 percent in urban areas, driven by nationwide supply-side disruption during the students' uprising period. While food price pressures eased slightly in the following two months, the floods during August and September 2024 kept food inflation unfavorable for consumers (Chart II.7). Non-food inflation also rose during this period, with rural areas experiencing a sharper increase. During Q1FY25, non-food inflation rose by 65 basis points in rural areas, compared to 40 basis points in urban areas, reflecting the flood's significant effects on rural supply chains and distribution networks. (Chart II.8).

Chart II.7: Food Inflation (Point-to-point)



Source: Bangladesh Bureau of Statistics.

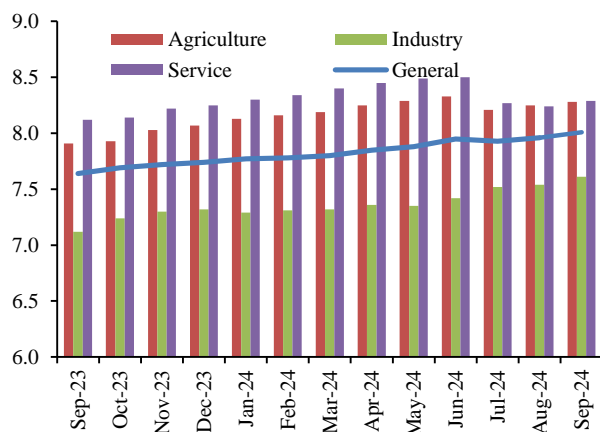
Chart II.8: Non-food Inflation (Point-to-point)



Source: Bangladesh Bureau of Statistics.

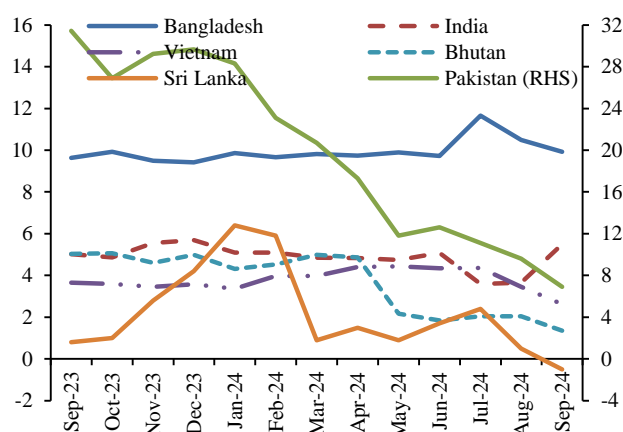
2.5 The nominal wage rate growth index continued its upward trend, reaching 8.01 percent in September 2024, up from 7.95 percent in June 2024. However, the wage growth remained below the inflation rate, leading to negative real wage growth that further impacting poor, low-income, and middle-income households. Sector wise, wage growth showed mixed trend during Q1FY25 compared to the previous quarter. Wage growth in the service and agriculture sectors declined to 8.29 percent and 8.28 percent in September 2024, from 8.50 percent and 8.33 percent in June 2024, respectively. On the other hand, the industrial sector saw an increase, with wage growth rising to 7.61 percent in September 2024, up from 7.42 percent in June 2024 (Chart II.9).

Chart II.9: Wage Index (growth, y-o-y)



Source: Bangladesh Bureau of Statistics.

Chart II.10: Inflation in Peer Countries (in percent)



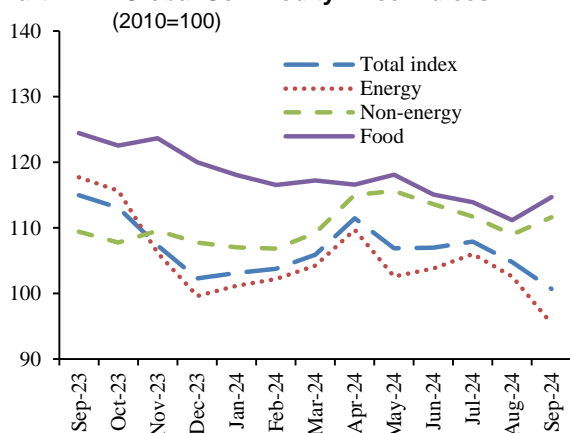
Source: Bangladesh Bureau of Statistics.

2.6 During Q1FY25, inflation in most comparable countries showed a declining trend. However, like Bangladesh, India's CPI inflation surged to a nine-month high of 5.49 percent in September 2024, mainly caused by unseasonal rains and heat waves, affecting food production and supply. In contrast, Pakistan's inflation fell from 12.6 percent in June 2024 to 6.9 percent in September 2024, reflecting lower gasoline and diesel prices. Sri Lanka experienced a historic deflation, with inflation falling from 1.7 percent in June 2024 to -0.50 percent in September 2024, mostly due to reduced power tariffs and fuel prices and a stronger rupee. Similarly, Vietnam's inflation decreased to 2.63 percent in September 2024 from 4.34 percent in June 2024, while Bhutan's inflation dropped from 1.84 percent in June 2024 to 1.35 percent in September 2024 (Chart II.10).

2.7 Global commodity and energy prices, which had started softening in the previous quarter, continued their downward trend during Q1FY25. The commodity price index fell by 5.89 percent, decreasing from 107.0 at the end of Q4FY24 to 100.7 at the end of Q1FY25. Similarly, the energy price index dropped to 95.4 in September 2024 from 103.8 in June 2024, reaching its lowest level in three years. This decline was primarily driven by falling oil prices, as concerns arose that OPEC+ might increase oil exports despite the market being already well-supplied. In contrast, food and non-energy prices showed an uptick in September 2024, although they had generally been declining since April 2024. Non-energy and food price indices which had been on a declining trend since April 2024, reached 109.0 and 111.2, respectively, in August 2024 before rising to 111.6 and 114.7 in September 2024. (Chart II.11). These downward trends were largely caused by lower energy prices, while prices for many staple crops, including rice, maize, and wheat, have decreased due to solid harvests and favorable growing conditions. By the end of September

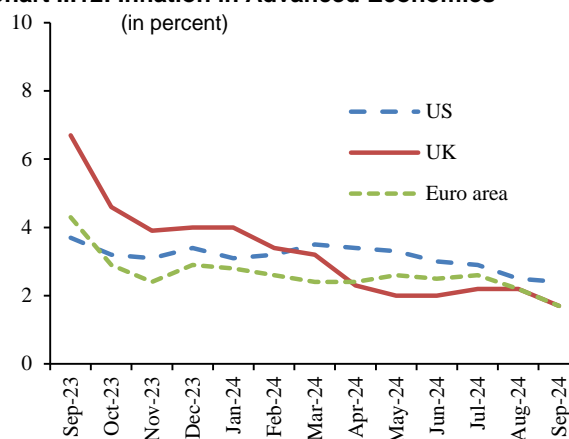
2024, the prices of rice, wheat, soybean oil, and sugar had decreased by 6.5 percent, 4.9 percent, 6.1 percent, and 22.4 percent, respectively. Additionally, crude oil prices experienced a significant decline of 21.1 percent by the end of Q1FY25 (Table II.2 in Annexure).

Chart II.11: Global Commodity Price Indices



Source: World Bank Commodities Price Data. (The Pink Sheet), September 2024.

Chart II.12: Inflation in Advanced Economies



Sources: Respective Central Banks.

2.8 During Q1FY25, a noticeable decline in inflation was observed in selected advanced economies, reflecting the continued fall in fuel prices. The United States managed to curb the inflation around 2.0 percent, experiencing a downward trend during July-September 2024, reaching 2.4 percent in September 2024. This decline was primarily driven by decreased gasoline prices and moderated housing inflation (Chart II.12). Similarly, CPI headline inflation in euro area fell from 2.5 percent in June 2024 to 1.7 percent in September 2024, mostly due to falling energy prices. The UK’s inflation rate also experienced a surprise fall from 2.0 percent in June 2024 to 1.7 percent in September 2024. Reduced airfares and petrol prices were primarily responsible for this unexpected slowdown.

2.9 In response to persistently high inflation in the economy, the BB implemented a contractionary monetary policy by gradually raising the policy (repo) rate to curb inflation. However, the rate of inflation remained above the comfort levels. Moreover, the severe disruption to agricultural production and supply chains caused by the flooding in October 2024, compounded by the lag effects of the flooding in August and September 2024, could worsen inflation situation in Bangladesh in the coming months. On the other hand, some positive factors such as the downward trend in the global price outlook, moderation in geopolitical tensions, and the stability in the exchange rate might mitigate the effect on domestic inflationary pressure. Besides, the current interim government has taken various measures to reduce the price of daily commodities including rice, onions, potatoes, and some pesticides by decreasing the duty rate and resolving some import complications. Additionally, one crore low-income families are being provided with low-cost products such as five kilograms of rice, two liters of soybean oil, and two kilograms of lentils per family every month through Trading Corporation of Bangladesh (TCB). Relevant agencies are also combating against hoarding, syndication, and other illegal activities to eliminate supply bottlenecks. BB is likely to maintain its contractionary monetary policy stance until clear signs of easing inflation are evident. These measures aim to lower inflation expectations and facilitate a favorable impact on inflation in the near future.

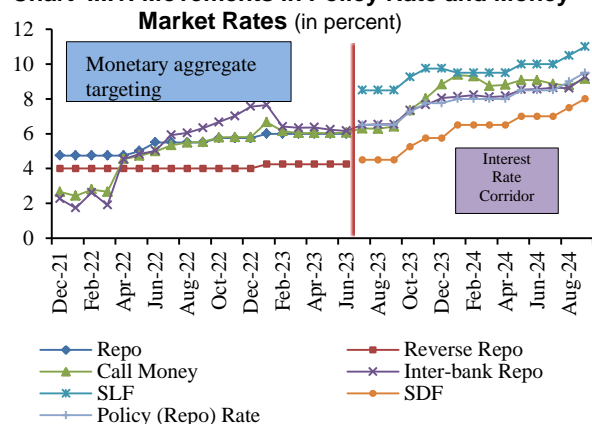
III. Money and Credit Market

3.1 The first quarter of FY25 witnessed further monetary tightening, with the central bank raising key policy rates to combat persistent inflationary pressures along with stabilizing the money market. Raising the policy (repo), Standing Lending Facility (SLF), and Standing Deposit Facility (SDF) rates twice during this period kept the interest rate corridor symmetrical and signaled an aggressive approach to managing liquidity and controlling inflation. In line with the policy rate tightening, both lending and deposit rates increased, but the spread between the two rates remained high.

3.2 During Q1FY25, Bangladesh Bank (BB) intensified its contractionary monetary policy to address persistent inflationary pressures. BB has lifted the policy rate twice in quick succession this quarter, raising it cumulatively by 100 basis points from 8.50 percent to 9.50 percent. This marked adjustment was part of the BB's ongoing battle against inflation, dispelling the inflationary mindset of economic agents while balancing the broader objectives of economic growth and financial stability. In addition, a 100 basis points increase in each SLF and SDF has maintained a symmetric interest rate corridor of 300 basis points around the policy rate (Chart III.1). This policy tweak ensures BB's precise control over short-term interest rate fluctuations and seeks to reinforce the transmission mechanism of monetary policy, ensuring its effectiveness across the financial system.

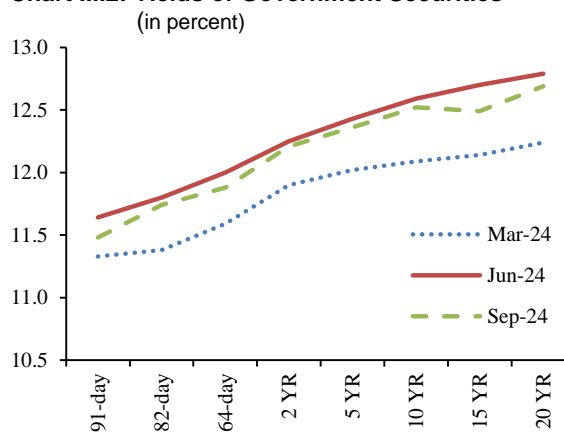
3.3 The inter-bank call money rate largely remained within the revised corridor established by BB, hovering a little over the policy (repo) rate in the early months of the quarter. The rate, however, fell below the policy rate in September 2024, ultimately reaching 9.14 percent. Similarly, the inter-bank repo rate remained above the policy rate until July 2024, experiencing fluctuations before settling at 9.27 percent by the end of the quarter (Chart III.1). These trends highlight BB's effective management of the money market and ensure alignment with the monetary policy stance.

Chart III.1: Movements in Policy Rate and Money Market Rates (in percent)



Note: Reverse Repo and Repo rate were discontinued and Policy (Repo) Rate, SDF & SLF have been introduced since July 2023.
Source: Bangladesh Bank.

Chart III.2: Yields of Government Securities (in percent)



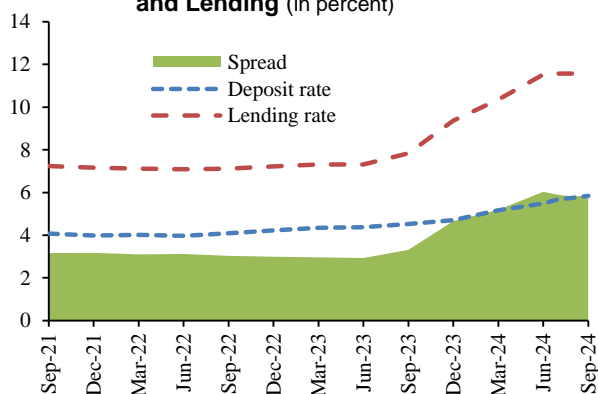
Source: Bangladesh Bank.

3.4 Higher average yields of government securities for all maturities (short, medium, and long-term) reflect the ongoing impact of monetary tightening despite slight declines in Q1FY25 compared to Q4FY24. The yields on 91-day, 182-day, and 364-day treasury bills decreased marginally to 11.48, 11.74, and 11.88 percent in September 2024 from 11.64, 11.80, and 12.00 percent in June 2024, respectively. Similarly, yields on 2-year and 5-year treasury bonds fell slightly to 12.21 and 12.36 percent in the first

quarter of FY25 from 12.25 and 12.43, percent in fourth quarter of FY24, respectively. Yields on longer-term bonds- 10-year, 15-year and 20-year maturities also registered small decreases (Chart III.2). This moderation indicates a balanced impact of monetary policy in the money and government securities markets. The upward-sloping yield curve suggests that the market expects inflation to be under control and that the economy will continue to grow despite policy tightening in the short term.

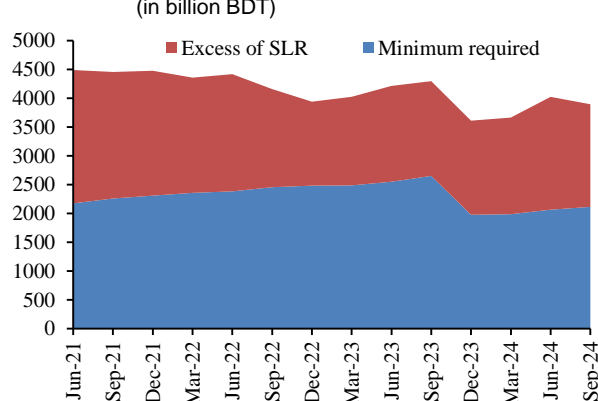
3.5 The strategic move toward a fully market-oriented interest rate framework, together with persistent monetary tightening measures, drove a continued upward trajectory in weighted average interest rates in the retail market. Specifically, the weighted average lending rate rose from 11.52 percent in June 2024 to 11.70 percent in September 2024, while the deposit rate increased from 5.49 percent to 5.84 percent over the same period. Notably, the interest rate spread narrowed during Q1FY25 relative to Q4FY24 (Chart III.3). The widening interest rate spread since June 2023 reflects the scrapping of a 9 percent cap on lending by BB and the introduction of the Six-Month Moving Average Rate of Treasury bills (SMART). Thereafter, BB abolished the use of SMART in May 2024, allowing banks greater flexibility to determine lending rates based on market conditions.

Chart III.3: Trends in Interest Rate on Deposits and Lending (in percent)



Source: Bangladesh Bank.

Chart III.4: Trends in Liquidity Position (in billion BDT)



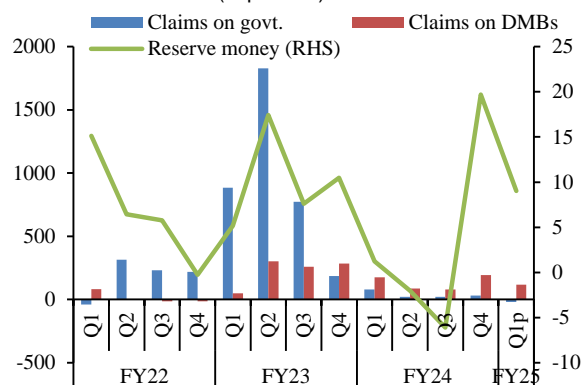
Source: Bangladesh Bank.

3.6 The banking system experienced a notable contraction in liquidity during the first quarter of FY25 compared to the preceding quarters, as evident by a sharp decline in excess liquidity levels. This slowdown in liquidity dynamics can primarily be attributed to the decelerated growth of claims on DMBs by BB. However, deposits—a key driver of banking system liquidity—witnessed a growth rate of only 6.42 percent in September 2024, a significant reduction from the 9.60 percent growth recorded in June 2024. Total liquidity in the banking sector fell to BDT 3894.32 billion in September 2024, down from BDT 4023.04 billion in June 2024, marking a noticeable contraction over the quarter. This reduction in liquidity also had a pronounced impact on the surplus SLR position, which shrank to BDT 1780.91 billion in September 2024, compared to BDT 1958.24 billion in June 2024. The decline in excess SLR reflects a narrower buffer for banks, potentially influencing their capacity to extend credit and manage liquidity risks effectively (Chart III.4).

3.7 Reserve money (RM) grew by 9.0 percent during Q1FY25, a marked deceleration compared to the 19.7 percent growth observed during Q4FY24. This deceleration was driven by 10.6 percent and 19.5 percent contraction in net foreign assets of BB and BB’s net claims on the government, respectively,

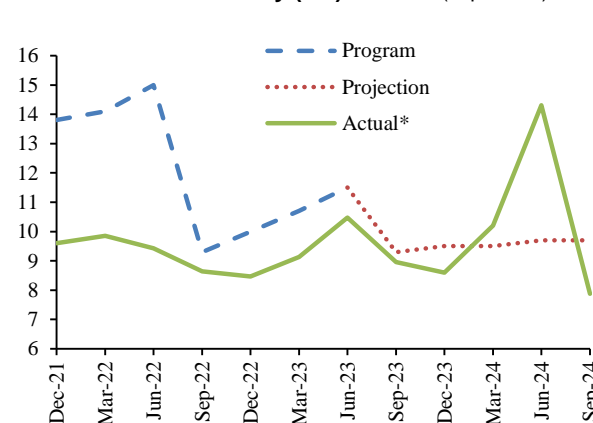
during the period (Chart III.5). Moreover, despite BB’s claims on deposit money banks (DMBs) experienced a high growth of 117.6 percent during Q1FY25, it was lower than a whopping growth of 192.7 percent compared to the previous quarter, which also contributed to the reduction in RM. Furthermore, the currency-deposit ratio of BB rose to 4.8 at the end of September 2024, up from 3.4 at the end of June 2024, signifying a 3.98 percent fall in deposits of banks with BB by the end of Q1FY25.

Chart: III.5: Growth of RM, Claims on Govt., and DMBs (in percent)



p=provisional.
Source: Bangladesh Bank.

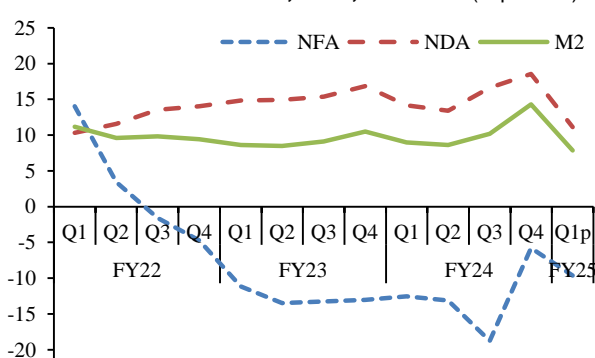
Chart III.6: Broad Money (M2) Growth (in percent)



* = Provisional data for September 2024.
Source: Bangladesh Bank.

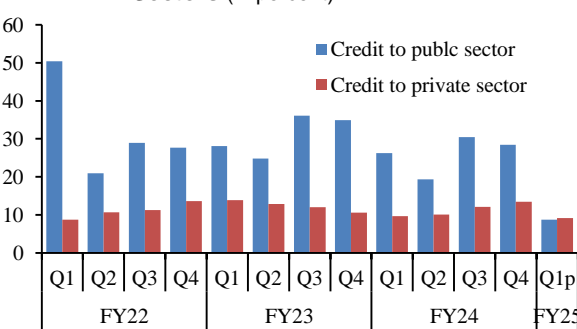
3.8 During Q1FY25, provisional broad money (M2) growth was recorded at 7.9 percent, falling short of the projected 9.7 percent growth. In contrast, revised data for Q4FY24 indicated a robust 14.3 percent expansion in broad money, surpassing the 10.2 percent growth observed in Q3FY24 (Chart III.6). Within this context, net domestic assets expanded by 11.1 percent, while net foreign assets contracted by 9.6 percent. The subdued growth of NFA was a key factor in the lower-than-expected M2 growth in Q1FY25, which underperformed the projected 9.7 percent increase (Chart III.7).

Chart III.7: Growth of M2, NDA, and NFA (in percent)



p = provisional.
Source: Bangladesh Bank.

Chart III.8: Growth of Credit to Public and Private Sectors (in percent)



p=provisional.
Source: Bangladesh Bank.

3.9 The NDA growth decelerated to 11.1 percent during Q1FY25, a significant reduction from 18.5 percent during previous quarter. This slowdown was primarily attributable to diminished credit expansion in both the public and private sectors (Chart III.8). Public sector credit growth moderated to 8.8 percent in September 2024, a sharp decline from the elevated growth rates of 30.5 percent in March and 28.5 percent

in June 2024, reflecting the government's prudent and selective approach to fund allocation. Similarly, private sector credit growth tapered to 9.2 percent during Q1FY25, compared to 13.4 percent during the preceding quarter and 12.1 percent during Q3FY24, largely due to increased borrowing costs stemming from the BB's contractionary monetary policy. Consequently, overall domestic credit growth fell to 9.1 percent, compared to 16.5 percent growth in the preceding quarter (Chart III.8).

3.10 Curbing inflation remained BB's current top priority, and as such, BB will continue its monetary tightening stance though it may create some challenges for economic activities in the country. However, BB has taken various steps to ensure enough liquidity to support productive economic sectors. For the banking sector, BB's latest move towards streamlining open market operations by introducing its repo auctions once a week (Tuesday) will be supportive for monetary stability and liquidity management. On the other days of the week, banks can participate in the interbank call money markets to properly arrange their liquidity portfolio. Besides, BB is vigilant to the activities of liquidity-shortage banks and supporting guarantees so that the liquidity-shortage banks can borrow money from the banks having liquidity surplus through interbank money markets. All these initiatives are expected to play a positive role in controlling inflation as well as protecting depositors' interests.

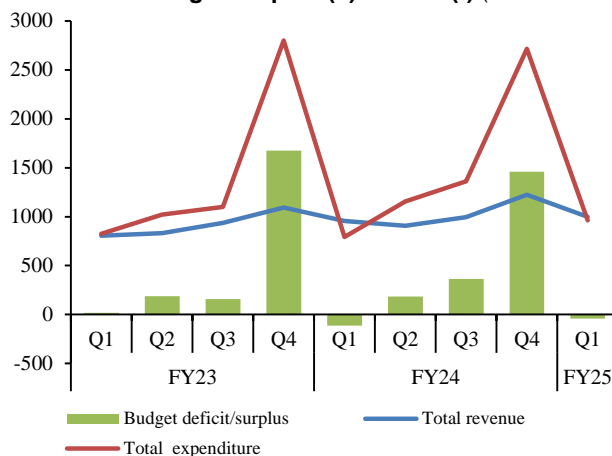
IV. Fiscal Sector

4.1 The fiscal balance exhibited a surplus in Q1FY25 as revenue collection exceeded expenditure. However, compared to Q1FY24, government expenditure increased more than revenue mobilisation during Q1FY25, indicating a lower budget surplus (Chart IV.1). As a percentage of FY25 GDP, total revenue, spending and financing were 1.79 percent, 1.72 percent, and -0.07 percent, respectively, in Q1FY25.

4.2 Overall revenue collection increased by 4.62 percent to BDT 1000.12 billion in Q1FY25 from BDT 955.98 billion in Q1FY24, reflecting mainly the higher growth rate of non-tax revenue. The NBR tax revenue, reckoned at 74.27 percent of total revenue collection, experienced a negative growth (year-on-year) of -2.02 percent in Q1FY25 as compared to Q1FY24. However, the non-tax revenue contributing 23.95 percent of total revenue collection grew significantly by 34.39 percent over the same quarters. During the same period, Non-NBR tax revenue (least contributor of revenue) decreased by 9.21 percent.

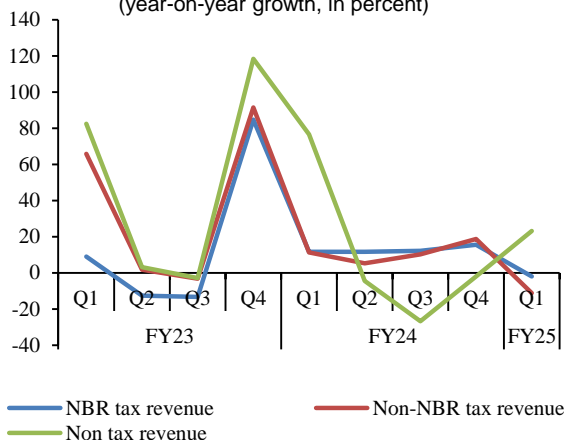
In NBR tax revenue, the value-added tax decreased by 2.47 percent, whereas customs duties and taxes on income increased marginally by 0.06 percent and 0.82 percent in Q1FY25 over Q1FY24, respectively (Chart IV.3). In Q1FY25, total revenue collection stood at 18.49 percent of the FY25 budget of BDT 5454 billion.

Chart IV.1: Trends in Revenue, Expenditure, and Budget Surplus (+)/ Deficit (-) (in billion BDT)



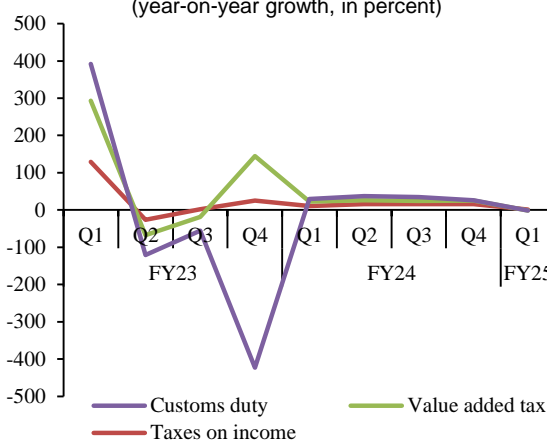
Source: Ministry of Finance.

Chart IV.2: Trends in Total Revenue (year-on-year growth, in percent)



Source: Ministry of Finance.

Chart IV.3: Trends in NBR Tax Revenue (year-on-year growth, in percent)

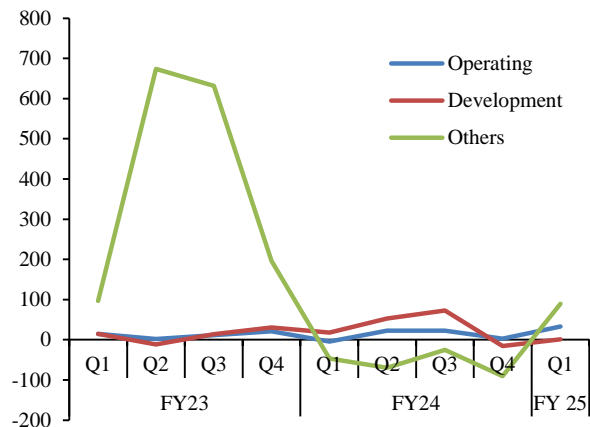


Source: Ministry of Finance.

4.3 The total expenditure increased by 21.51 percent to BDT 963.29 billion in Q1FY25 from BDT 792.76 billion in Q1FY24. In Q1FY25, the operating expenditure increased by 33.05 percent, while the development expenditure declined by 31.93 percent (Chart IV.4). ADP declined by 31.20 percent during this period under review compared to the corresponding period of the previous year. The total amount

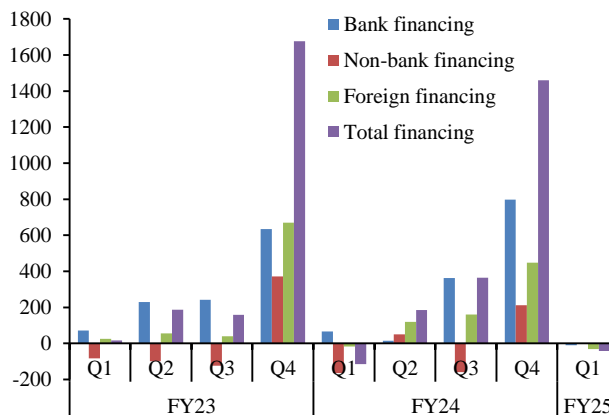
spent in the Q1FY25 was approximately 12.09 percent of the FY25 budget of BDT 7970 billion. The government executed 16.29 percent of the operating expenditure target and 3.97 percent of the ADP spending target during Q1FY25.

Chart IV.4: Trends in Government Expenditure
(year-on-year growth, in percent)



Source: Ministry of Finance.

Chart IV.5: Sources of Financing of Budget Deficit
(in billion BDT)



Source: Ministry of Finance.

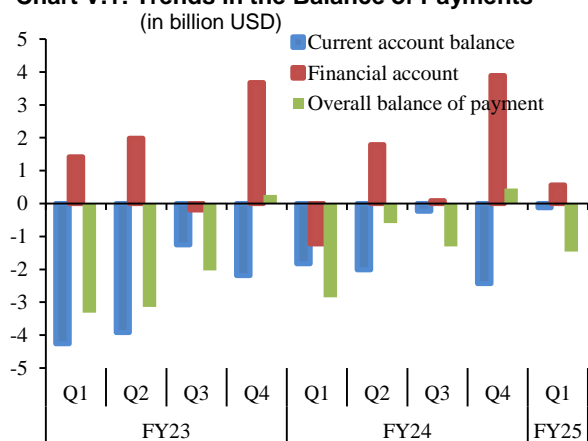
4.4 The fiscal surplus shrunk during the quarter under review compared to that of Q1FY24 due to increased expenditure. The fiscal surplus stood at BDT 45 billion in Q1FY25 which was 73.60 percent lower than BDT 169 billion in Q1FY24. Both domestic and foreign financings in this quarter showed negative amounts, reflecting government’s austerity measures.

4.5 The low tax-to-GDP ratio is a major challenge that calls for an urgent tax reform in Bangladesh with an emphasis on extending coverage, rationalizing exemptions, and enhancing compliance. As steps towards automation, the new interim government has made it mandatory to submit online income tax returns for government employees under certain jurisdictions. The NBR has also moved to simplify submission of tax returns and payment procedures through online for the tax year 2024-2025. Overall, while the government continues its efforts towards revenue mobilization, it is expected that it would make prudent expenditure decisions given the ongoing inflationary pressure.

V. External Sector

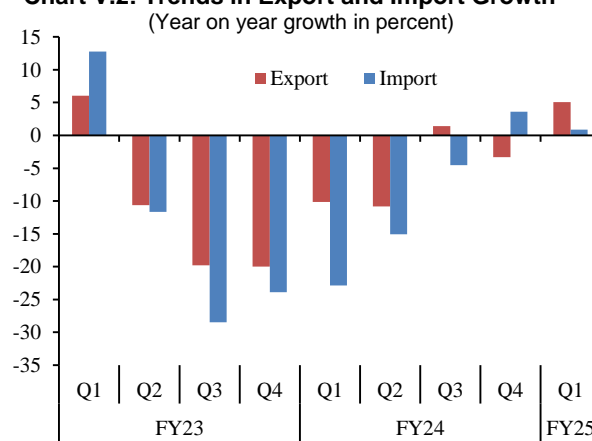
5.1 Bangladesh’s external sector started to recover, reflected in an improved current account balance, a more stabilized exchange rate, and a slower erosion of foreign exchange reserves. The current account deficit declined significantly to USD 127 million in Q1FY25 from a deficit of USD 2.43 billion in Q4FY24, mostly due to decrease in the trade deficit (Chart V.1). The deficit in trade balance contracted substantially by 30.6 percent to USD 4.63 billion in Q1FY25 from USD 6.68 billion in Q4FY24. Meanwhile, foreign remittances experienced substantial amount of USD 6.54 billion in Q1FY25, which were slightly lower than USD 6.84 billion in Q4FY24. However, the overall balance of payment (BoP) recorded a deficit of USD 1.46 billion in Q1FY25 from a surplus of USD 454 million in Q4FY24 due to a drastic fall in the financial account surplus (Chart V.1).

Chart V.1: Trends in the Balance of Payments



Source: Bangladesh Bank.

Chart V.2: Trends in Export and Import Growth

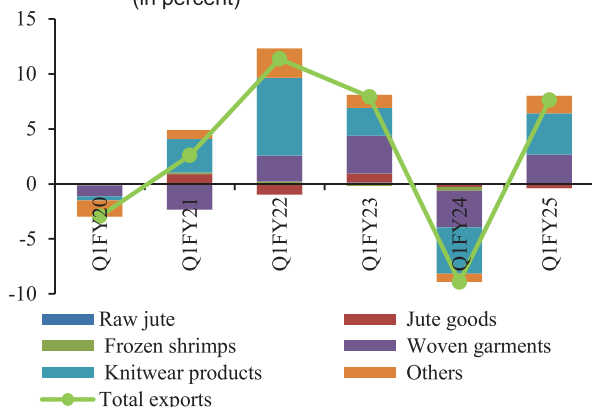


Source: Bangladesh Bank.

5.2 The surplus in the financial account reduced significantly to USD 560 million in Q1FY25 from USD 3.89 billion in Q4FY24. This sharp reduction was caused mainly by substantial drops in medium- and long-term (MLT) loans and foreign direct investment (FDI) inflows. The MLT loans and gross FDI inflows declined to USD 664 million and USD 300 million in Q1FY25 from USD 4.21 billion and USD 949 million in Q4FY24, respectively. Moreover, net aid flows stood at USD 63 million in Q1FY25 which was USD 3.70 billion in Q4FY24. On the other hand, the capital account surplus also registered a significant decline of 41.6 percent to USD 156 million in Q1FY25 from USD 267 million in Q4FY24.

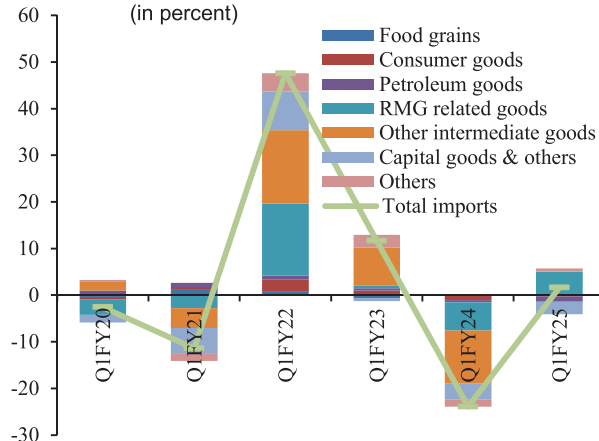
5.3 The country’s export (f.o.b) growth rebounded in Q1FY25, recording a 5.1 percent (y-o-y) growth, reaching USD 10.56 billion compared to a negative growth of 3.31 percent in Q4FY24. This recovery was mostly driven by the robust performance of ready-made garments (RMG) exports which accounted for approximately 90.1 percent of total export earnings with 7.8 percent (y-o-y) growth during the quarter (Table V.1 in Annexure 1). Within the RMG sector, the export of knitwear products and woven garments rose by 8.3 percent and 7.3 percent, respectively, contributing to 45.9 percent and 35.7 percent of total exports. Exports of frozen shrimp and fish also increased by 4.5 percent in Q1FY25. In contrast, the export of jute, leather, and jute goods declined in Q1FY25 compared to the same period of previous year (Chart V.3 & Table V.2 in Annexure 1). However, the major export destinations for RMG were European countries, from where exports dropped by 16.99 percent, followed by the USA, from where exports rose by 14.41 percent during the first quarter of FY25 (Table V.3 in Annexure 1).

Chart V.3: Decomposition of Export Growth
(in percent)



Source: BB's staff calculation based on EPB data.

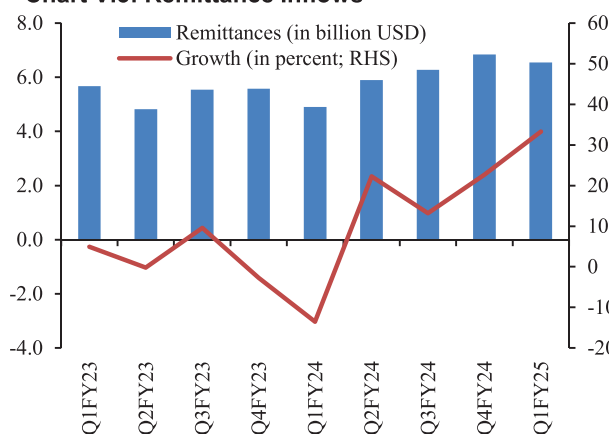
Chart V.4: Decomposition of Import Growth
(in percent)



Source: BB's staff calculation based on NBR data.

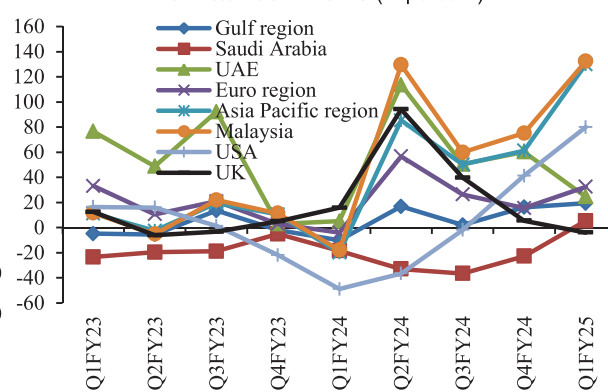
5.4 Total import payments recorded a modest increase of 0.9 percent in Q1FY25 to USD 15.2 billion, from USD 15.1 billion in Q1FY24. This growth was primarily driven by higher imports of RMG-related and other intermediate goods (Chart V.4). Import payments for most items decreased substantially in Q1FY25, except for a few categories such as textile and articles thereof, chemicals, and plastics and rubber articles. Among the declining items, iron, steel and other base metals (9.2 percent share), petroleum, oil, and lubricants (POL) (7.4 percent share), and capital machinery (4.9 percent share) decreased by 2.3 percent, 12.3 percent, and 23.9 percent in Q1FY25 as compared to Q1FY24, respectively. Conversely, imports of textiles and articles thereof (12.8 percent share), chemicals (5.8 percent share), and plastics and rubber articles (5.3 percent share) increased by 23.7 percent, 10.8 percent, and 15.7 percent, respectively, during the quarter.

Chart V.5: Remittance Inflows



Source: Bangladesh Bank.

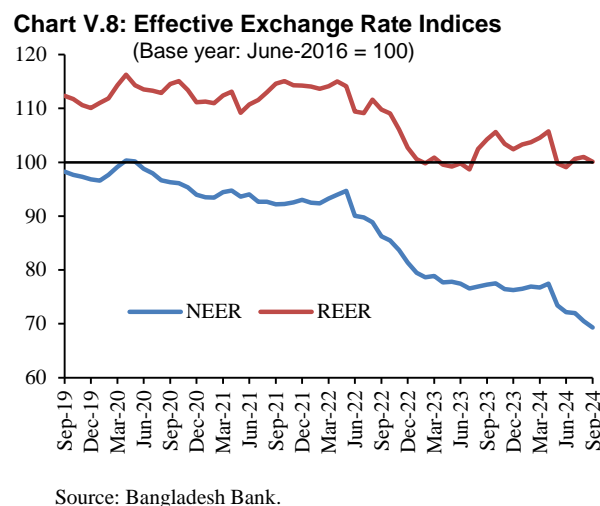
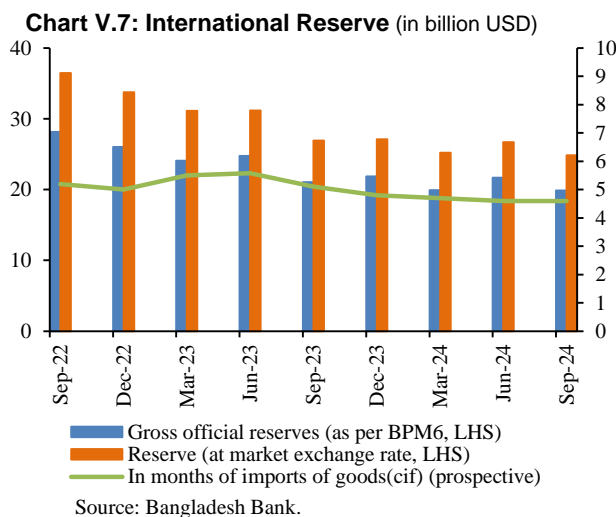
Chart V.6: Region/Country-wise Growth of Remittance Inflows
(in percent)



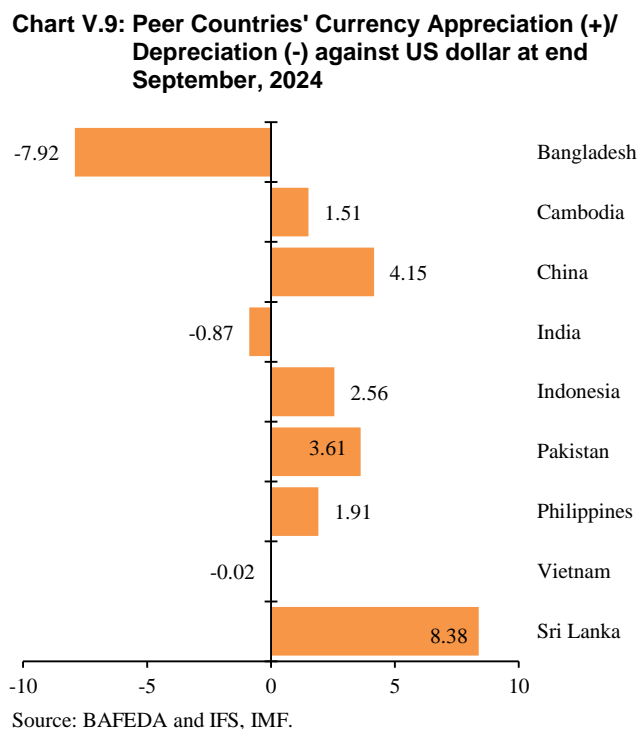
Source: Bangladesh Bank.

5.5 The country's inward remittance flows experienced a significant increase of 33.3 percent (y-o-y) to USD 6.54 billion in Q1FY25, compared to USD 4.91 billion in Q1FY24 (Chart V.5), reflecting increased use of formal banking channels following the government changeover. The enhanced volume of remittances was largely attributed to the increased flows from Middle Eastern countries, particularly from the Gulf region, as well as Malaysia and the USA. In contrast, remittance inflows from the UK declined by

3.9 percent during the same period. A regional breakdown reveals that nearly half (46.5 percent) of the total inward remittances in Q1FY25 was originated from the Gulf region. Among the Gulf countries, the UAE contributed the largest share, accounting for just over one-third (34 percent) to the remittance from the Gulf region, with a significant growth of 24.7 percent in Q1FY25 over Q1FY24. This was followed by Saudi Arabia (28.3 percent share), Kuwait (11.8 percent share) and Oman (10.8 percent share), which recorded growth of 5.4 percent, 10.8 percent, and 43.6 percent, respectively, during the quarter. Moreover, remittance inflows from the USA and Malaysia increased remarkably by 80.0 percent and 132.4 percent, respectively, in Q1FY25 (Chart V.6).



5.6 The exchange rate of the Bangladeshi Taka (BDT) against the US Dollar (USD) stood at 120.0 at the end of September 2024, marking a depreciation of 7.92 percent compared to the same period in 2023 (Chart V.9). To address the demand-supply gap in the foreign exchange market, BB continued its interventions by selling a net of USD 0.76 billion during Q1FY25. According to BPM6, the official foreign exchange reserve decreased to USD 19.9 billion by September 2024, compared to USD 21.1 billion in the same period of 2023 (Chart V.7). Despite this decline, the level of foreign exchange reserves remained sufficient to cover approximately 5 months of prospective import payments for goods (Chart V.7). The depreciation of the BDT against the USD was also reflected in the nominal effective exchange rate (NEER) and the real effective exchange rate (REER) indices, which fell by 10.3 percent and 4.0 percent, respectively, at the end of September 2024 compared to the same period of the previous year (Chart V.8). Meanwhile, the nominal exchange



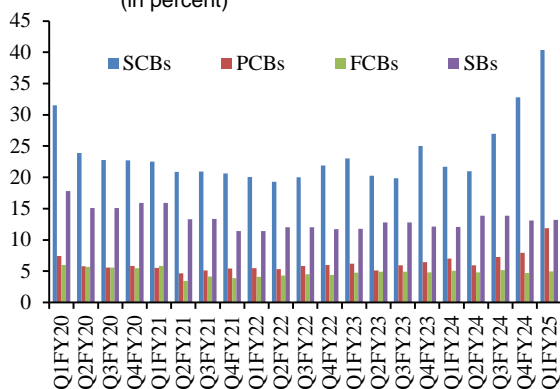
rates of most peer countries, except for India and Vietnam, appreciated somewhat by the end of September 2024 compared to the end of September 2023 (Chart V.9).

5.7 The external sector of Bangladesh has begun to exhibit signs of resilience. The interim government and BB have initiated some reform measures aimed at strengthening the business environment, promoting foreign direct investment (FDI), and enhancing export performance and diversification, which are crucial for improving the country's BoP position. The stability of the exchange rate, achieved through the monitoring of crawling peg exchange rate systems, has lessened some pressure on the BoP. Recent substantial remittance growth and export recovery instill optimism for a resilient external sector in the near future. Furthermore, securing commitments for new grants and loans from external sources, including foreign governments and international financial institutions, for budgetary support and institutional restructuring is expected to alleviate current foreign exchange pressures and lay the foundation for medium- to long-term development.

VI. Banking Sector

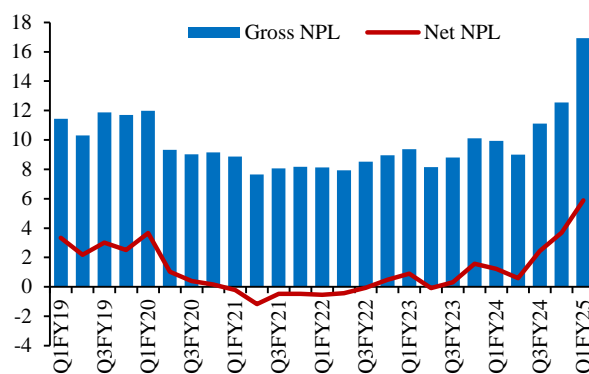
6.1 The banking sector faced significant challenges in the first quarter of FY25, as key performance indicators revealed emerging concerns. The period witnessed a rise in the non-performing loans (NPLs) ratio relative to total loans, alongside a deceleration in the growth of bank advances and deposits. Moreover, excess liquidity within the banking system declined sharply. Besides, the ratio of net non-performing loans to total loans also increased during Q1FY25 compared to Q4FY24.

Chart VI.1: Ratio of Gross NPLs to Total Loans
(in percent)



Source: Bangladesh Bank.

Chart VI.2: Ratio of Gross NPLs and Net NPL to Total Loans
(in percent)

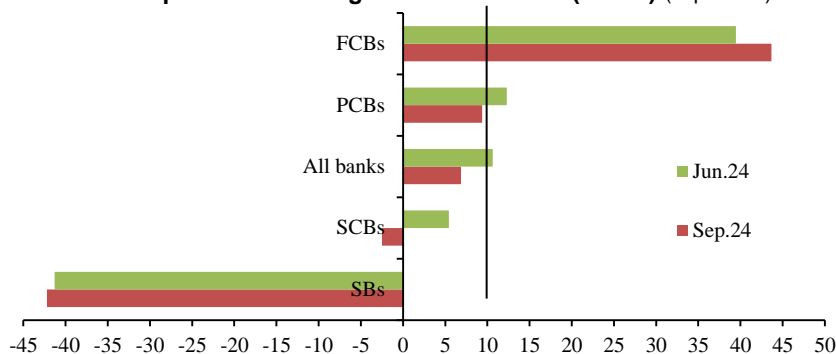


Source: Bangladesh Bank.

6.2 The banking sector's non-performing loans (NPLs) surged by 34.81 percent to BDT 2849.77 billion in Q1FY25 compared to Q4FY24. The NPL ratio to total loans hit a significant high of 16.93 percent during Q1FY25, up from 12.56 percent in the previous quarter. This share rise reflects the deteriorating asset quality, which was exacerbated by the central bank's recent revision of overdue definition—reducing the threshold for fixed term loans from 6 months to 3 months (Chart VI.2). It may be noted that state-owned commercial banks (SCBs) and private commercial banks (PCBs) emerged as the main contributors to the escalating NPL levels (Chart VI.1). The NPL ratio of SCBs surged to 40.35 percent at the end of Q1FY25, which was 32.77 percent at the end of Q4FY24. Similarly, PCBs' non-performing loan (NPL) ratio rose 11.88 percent during Q1FY25 from 7.94 percent in the previous quarter. Moreover, NPL ratios of foreign commercial banks (FCBs) and specialized banks (SBs) also slightly increased to 4.99 percent and 13.21 percent at the end of Q1FY25 from 4.74 percent and 13.11 percent at the end of Q4FY24, respectively. Furthermore, the ratio of net NPLs to total loans in the banking sector saw a significant increase, reaching 5.89 percent at the end of Q1FY25, up from 3.68 percent at the end of Q4FY24 (Chart VI.2).

6.3 The overall capital to Risk weighted Assets Ratio (CRAR) of the banking system fell significantly below the Basel III minimum requirement in Q1FY25. This decline was mainly driven by state-owned commercial banks (SCBs). The overall CRAR for the banking system reached 6.86 percent at the end of Q1FY25, compared to 10.64 percent at the end of Q4FY24. The CRAR for SCBs dropped sharply to -2.48 percent at the end of Q1FY25, down from 5.44 percent at the end of Q4FY24. The CRAR for private commercial banks (PCBs) experienced a significant decline to 9.38 percent by the end of Q1FY25 from 12.29 percent at the end of the previous quarter (Table VI.3 in Annexure-1 and Chart VI.3).

Chart VI.3: Capital to Risk Weighted Assets Ratio (CRAR) (in percent)



Source: Bangladesh Bank.

6.4 The banking industry's profitability declined at the end of Q3FY24 compared to Q3FY23, as both return on assets (ROA) and return on equity (ROE) witness significant moderation. The overall ROA and ROE reduced to 0.23 percent and 4.32 percent at the end of Q3FY24 from 0.39 percent and 6.82 percent at the end of Q3FY23, respectively. For SCBs, ROA dropped to -0.65 percent and ROE to -19.10 percent at the end of Q3FY24, compared to -0.10 percent and -2.74 percent at the end of Q3FY23. Similarly, PCBs saw a decline in ROA to 0.34 percent and ROE to 5.90 percent at the end of Q3FY24, from 0.40 percent and 6.23 percent at the end of Q3FY23 (Table VI.4 in Annexure-1).

Table 6.1: Comparative Position of Classified Loan and Provision Maintained (in billion BDT)

Quarters	Items	SCBs	SBs	PCBs	FCBs	All Banks
Q1FY24	Total classified loan	657.97	47.77	815.37	32.86	1553.98
	Required provision	352.7	24.04	662.25	24.73	1063.75
	Provision maintained	225.81	24.57	531.71	28.93	811.03
	Excess(+)/ shortfall(-)	-126.88	0.52	-130.53	4.19	-252.71
Q2FY24	Total classified loan	657.81	56.69	709.81	32.00	1456.33
	Required provision	334.36	28.04	601.75	25.25	989.41
	Provision maintained	233.51	31.53	501.44	30.29	796.79
	Excess(+)/ shortfall(-)	-100.84	3.49	-100.30	5.04	-192.61
Q3FY24	Total classified loan	842.21	56.96	889.25	34.52	1822.95
	Required provision	362.05	28.15	697.74	26.75	1114.69
	Provision maintained	227.89	32.31	557.87	30.75	848.84
	Excess(+)/ shortfall(-)	-134.15	4.16	-139.86	4.00	-265.85
Q4FY24	Total classified loan	1024.83	57.56	999.21	32.29	2113.91
	Required provision	376.51	28.14	710.92	26.06	1141.65
	Provision maintained	262.23	30.48	570.07	30.76	893.55
	Excess(+)/ shortfall(-)	-114.28	2.33	-140.85	4.69	-248.10
Q1FY25	Total classified loan	1261.11	58.13	1498.06	32.45	2849.77
	Required provision	812.92	28.38	948.51	26.09	1815.91
	Provision maintained	410.88	30.72	790.19	30.72	1262.13
	Excess(+)/ shortfall(-)	-402.04	2.33	158.31	4.23	-553.78

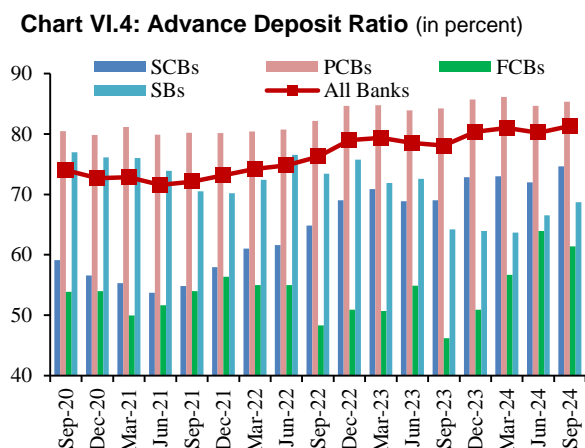
Source: Bangladesh Bank.

6.5 The banking sector witnessed a significant decline in both credit and deposit growth during Q1FY25. Deposit growth fell sharply from 9.60 percent at the end of Q4FY24 to 6.42 percent at the end of Q1FY25, despite rising deposit interest rates. This downturn may be linked to lower confidence in the banking sector, stemming from the deteriorating condition of a few banks, as well as households' struggle to manage increasing living costs due to persistently high inflation. Similarly, advance growth slowed to 9.16 percent during Q1FY25 from 10.69 percent in the previous quarter, largely due to higher borrowing costs. A stagnant business environment resulting from students-people's uprising and widespread disruptions in July and August 2024, along with diminished loan disbursement capacity of some banks due to a high amount of defaulted loans and depositor withdrawal, also contributed to slower advance growth. As a result, the overall advance-deposit ratio (ADR) slightly increased and reached 81.32 percent at the end of September 2024, compared to 80.20 percent at the end of June 2024 (Table 6.2 and Chart VI.4).

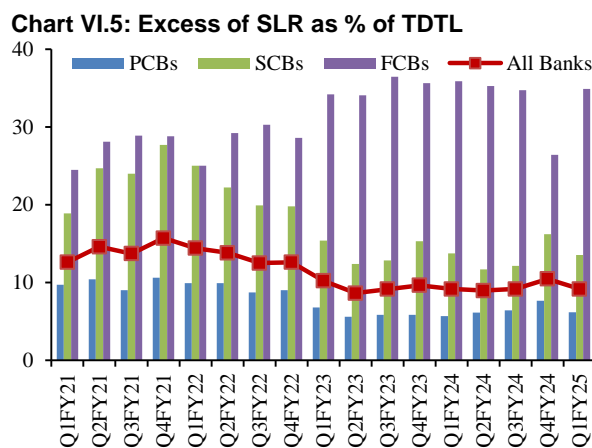
Table 6.2: Deposit and Advance Position of Scheduled Banks (in percent)

Bank groups	Year-on- year growth of deposit, % (excluding interbank)		Year-on- year growth of advances, % (excluding interbank)		Advance Deposit Ratio (ADR)	
	Sep. 24	Jun. 24	Sep. 24	Jun. 24	Sep. 24	Jun.24
SCBs	0.09	5.80	7.07	10.38	74.62	72.00
PCBs	9.23	11.45	8.85	10.48	85.35	84.63
FCBs	-1.79	2.39	25.51	16.20	61.41	63.96
SBs	9.43	10.96	16.10	12.08	68.72	66.51
All	6.42	9.60	9.16	10.69	81.32	80.20

Source: Bangladesh Bank.



Source: Bangladesh Bank.



Source: BB's staff calculation.

6.6 The banking sector experienced a decline in excess liquidity during the first quarter of FY25 due to slower deposit growth than advance growth. By the end of Q1FY25, excess liquidity reached BDT 1,780.91 billion, lower from BDT 1,958.24 billion at the end of Q4FY24. Additionally, the surplus in the statutory liquidity ratio (SLR) as a percentage of total demand and time liabilities (TDTL) declined to 9.2 percent at the end of Q1FY25, compared to 10.5 percent at the end of Q4FY24 (Table 6.3 and Chart VI.5).

Table 6.3: Liquidity Position of the Scheduled Banks (in billion BDT)

Bank groups	CRR			SLR		
	Required	Maintained	Excess	Required Liquidity	SLR eligible liquid assets of banks**	Excess(+)/shortfall (-) of SLR
1	2	3	4	5	6	7
As of end September, 2024						
SCBs	182.4	195.19	16.3	589.7	1207.6	617.8
SBs*	20.7	20.2	0.03	0.0	0.0	0.0
PCBs (other than Islamic)	365.8	326.7	15.6	1174.3	2015.88	841.6
Private Banks (Islamic)	164.1	36.5	2.8	226.4	212.17	-14.3
FCBs	36.3	56.5	22.3	123.0	458.7	335.8
All	769.3	635.2	57.1	2113.4	3894.3	1780.9
As of end June, 2024						
SCBs	174.80	208.5	36.99	565.25	1272.96	707.72
SBs*	19.8	16.90	0.20	0.0	0.0	0.0
PCBs (other than Islamic)	350.2	425.13	78.73	1124.50	2006.35	881.86
Private Banks (Islamic)	157.6	220.97	60.46	217.72	318.45	100.73
FCBs	37.6	51.42	16.88	157.34	425.28	267.94
All	740.0	922.89	193.26	2064.8	4023.04	1958.24

Source: Bangladesh Bank.

* SLR does not apply to specialized banks as exempted by the Government.

**includes cash in tills, balance with BB in foreign currency, balance with Sonali Bank PLC as an agent of BB, unencumbered approved securities and excess reserve (column 4).

Note: According to Circular No-MPD-02, 2013 with effect from February 1, 2014, SLR has been calculated separately (excluding CRR) as 13% for conventional banks and 5.5% for Islamic banks of the total demand and time liabilities.

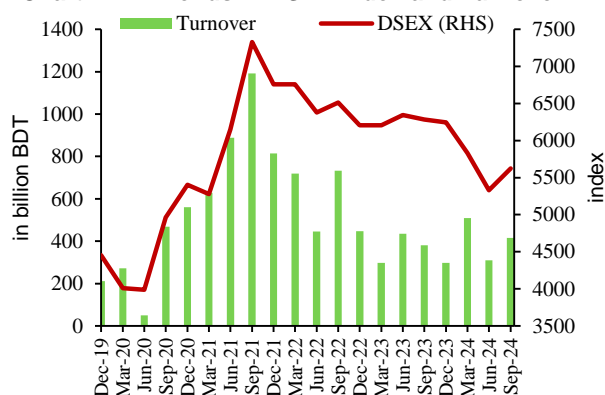
According to Circular No. MPD-03, April 9, 2020, the CRR revised to 4.0 percent from 5.0 percent effective from April 15, 2020.

6.7 The banking sector is currently facing rising non-performing loans (NPLs), tightening liquidity conditions, and decelerating deposit and credit growth. The new interim government and the BB have launched extensive reform plans aiming to prevent a crisis and ensure long-term macroeconomic stability. BB has established a six-member task force team dedicated to banking sector reforms. Specific Terms of Reference have been developed to guide the task force, ensuring the effective execution of its mandate. One of the key initiatives of the Taskforce is to conduct banks' Asset Quality Review (AQR), which BB commenced already in December 2024 with technical and financial assistance from the Asian Development Bank (ADB) and the World Bank. Additionally, BB has restructured and formed new boards of directors for 11 banks and financial institutions to ensure their good governance. Those banks are under stringent surveillance and based on the outcomes, future follow-up actions for them are being determined. BB has provided significant liquidity assistance in addition to guarantees for interbank borrowing to banks experiencing liquidity shortages, thereby enhancing depositor confidence and facilitating the uninterrupted functioning of daily banking operations. The initial strict measures enacted by BB under the new interim government effectively averted a banking sector crisis in the country. Nonetheless, BB's emphasis towards developing a resilient banking system must be achieved in the medium term following the recommendations to be formulated by the banking Taskforce be implemented.

VII. Capital Market

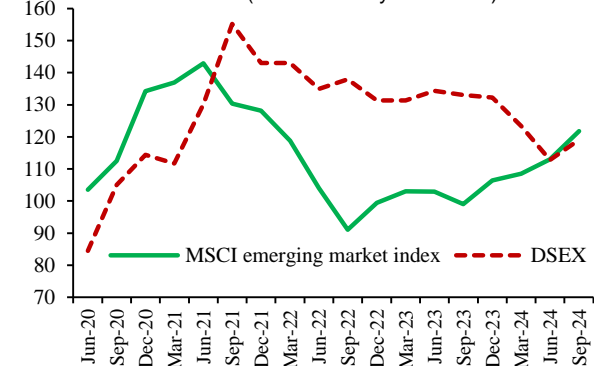
7.1 The performance of the capital market in Bangladesh gained some momentum during Q1FY25 compared to Q4FY24. This improvement was reflected in the higher price indices and a considerable rise in market capitalization¹, a marginal increase in the price-earnings ratio and a significant surge in turnover (Chart VII.1). Moreover, the global emerging market, as indicated by the Morgan Stanley Capital International (MSCI) index, maintained an upward trend, aligning with the upward trajectory observed in the DSE Broad Index (DSEX) during the quarter (Chart VII.2). The Bangladesh Securities and Exchange Commission (BSEC) has taken various initiatives to promote the capital market by enhancing transparency in the markets, augmenting investor protection, and promoting institutional investment.

Chart VII.1: Trends in DSEX Index and Turnover



Source: DSE monthly review, various issues.

Chart VII.2: Synchronization of DSEX with Global Markets (Base: January 2015=100)



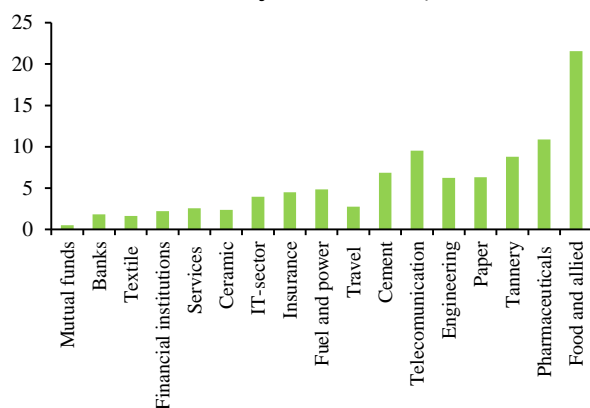
Source: DSE and www.msci.com

7.2 Both the DSE broad index (DSEX) and DSE-30 indices experienced notable increases of 5.56 percent and 7.53 percent, respectively, during Q1FY25 compared to Q4FY24 (Table VII.1 in Annexure-1). Furthermore, sector-specific ratios of market capitalization to paid-up capital indicate that the food and allied sector resumed its peak at 21.6, while the mutual fund sector remained at its lowest ratio at 0.5 in September 2024 (Chart VII.3). In June 2024, the food and allied sector maintained its peak ratio at 18.8, while the mutual fund sector remained at its lowest ratio at 0.6.

7.3 The market capitalization of DSE experienced a significant increase of 6.41 percent, reaching BDT 3909.3 billion at the end of Q1FY25 compared to BDT 3673.9 billion at the end of Q4FY24. The banking industry accounted for the major share of the total market capitalization, comprising 19.40 percent. Conversely, the jute sector held the lowest share, accounting for merely 0.11 percent (Table VII.2 in Annexure-1). Additionally, market capitalization as a percent of GDP stood at 7.13 percent in September 2024, the lowest compared with some peer countries (Chart VII.4).

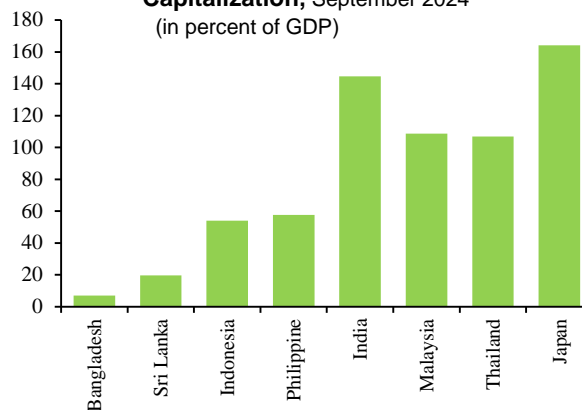
¹Exclude govt. bonds.

Chart VII.3: Ratio of M.Cap. to Paid-up Capital across Major Sectors, September 2024



Source: DSE monthly review, September 2024

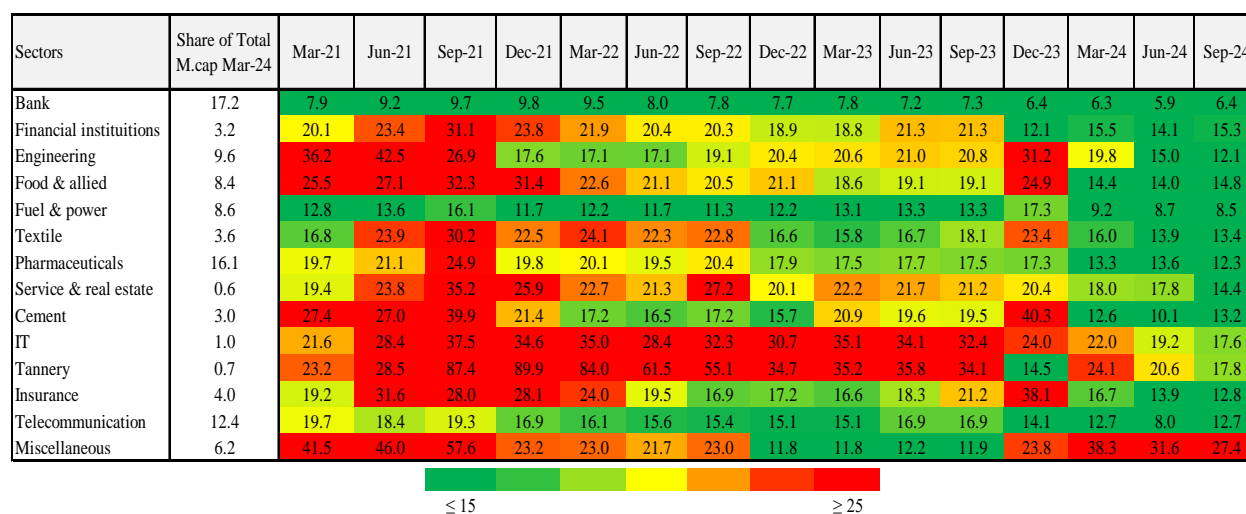
Chart VII.4: Selected Countries: Stock Market Capitalization, September 2024 (in percent of GDP)



Source : DSE monthly review, September 2024

7.4 The DSE’s overall price-earnings (P/E) ratio rose to 13.17 in September 2024 from 10.22 in June 2024. Sector-specific P/E data revealed that the banking industry exhibited the lowest P/E scores during Q1FY25. At the same time, the tannery sector recorded the highest P/E score (Chart VII.5). It may be point out that Bangladesh exhibited a favorable P/E ratio (13.17) as of September 2024 compared to other South and East Asian countries. Conversely, India registered a significantly higher P/E ratio of 24.75, manifesting a considerably elevated ratio within the region (Table 7.1).

Chart VII.5: Heat Map for Sectoral Price Earnings Ratio of DSE



Sources: DSE monthly review, various issues.

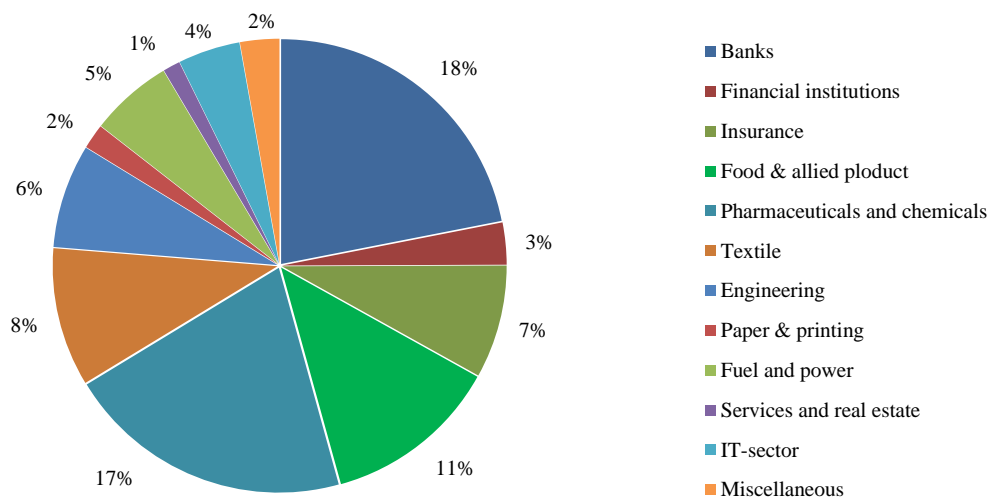
Table 7.1: Selected Countries: Price-Earnings Ratio as of September 2024

Countries	Price Earnings Ratio
Bangladesh	13.17
India	24.75
Sri Lanka	8.02
Thailand	18.03
Hong Kong	12.32
China	14.24

Source: DSE monthly review, September 2024.

7.5 The DSE’s issued capital² has witnessed a modest rise, while the total turnover has experienced a notable increase during Q1FY25 compared to Q4FY24. The issued capital increased by 0.15 percent to BDT 1017.6 billion in the first quarter of FY25 from BDT 1016.1 billion at the end of Q4FY24. However, the overall turnover increased significantly by 33.87 percent to BDT 415.3 billion during Q1FY25 from BDT 310.2 billion during Q4FY24 (Table VII.1 in Annexure-1). Sector-specific turnover data shows that the banking sector had the highest turnover in Q1FY25, accounting for 18.0 percent of the total turnover (Chart VII.6). The turnover velocity ratio (TVR), a key indicator of market liquidity, increased to 42.49 percent during Q1FY25 from 33.78 percent in the preceding quarter.

Chart VII.6: Turnover of Major Sectors in Q1FY25



Source: DSE monthly review, September 2024.

7.6 To stimulate the capital market, BB issued its inaugural sovereign investment Sukuk on behalf of the government for a safe water supply project via the two auctions in December 2020 and June 2021. The third Sukuk auction, titled ‘Need Based Infrastructure Development of Government Primary Schools Project’ and the fourth Sukuk auction, named ‘Important Rural Infrastructure Development Project on Priority Basis (IRIDP-3)’ were issued in December 2021 and April 2022 respectively. BB issued the ‘Upazila and Union Road Widening and Strengthening (CDWSP) of Chittagong Division’ Sukuk bond for BDT 10.00 billion on June 6, 2024, raising the total amount of Sukuk to BDT 190.00 billion.

7.7 The BSEC is proactively pursuing various initiatives to safeguard investors and foster stability in the capital market. Under the new interim government’s regime, the BSEC has formed a Taskforce to address concerns regarding to investors’ confidence, liquidity, and transparency in the capital market.

² Exclude govt. bonds.

Annexure-1 (Tables)

Table I.1: Macroeconomic Framework: Key Economic Indicators

(Growth in percent, unless otherwise indicated)

Indicators	FY17	FY18	FY19	FY20	FY21	FY22	FY23 ^R	FY24 ^P
Real GDP (base 2015-16)	6.59	7.32	7.88	3.45	6.94	7.10	5.78	5.82
GDP deflator	5.05	5.81	3.65	3.85	4.12	5.05	6.89	6.23
CPI Inflation (average)	5.44	5.78	5.48	5.65	5.56	6.15	9.02	9.73
CPI inflation (point to point)	5.44	5.54	5.71	6.02	5.64	7.56	9.74	9.72
Money and credit								
Private sector credit	15.66	16.94	11.32	8.61	8.35	13.66	10.57	9.84
Broad money (M2)	10.88	9.24	9.88	12.64	13.60	9.43	10.48	7.74
External sector								
Exports, f.o.b.	1.70	6.66	9.10	-18.89	14.89	33.45	-11.90	-5.90
Imports, f.o.b.	9.00	25.23	1.80	-8.57	19.71	35.95	-14.20	-10.60
in percent of GDP								
Gross domestic savings	27.07	26.45	26.88	27.08	25.34	25.22	25.76	27.61
Gross domestic investment	30.95	31.82	32.21	31.31	31.02	32.05	30.95	30.98
Total revenue	9.40	9.83	10.73	10.98	8.78	8.64	8.17	8.09
Tax	8.27	8.80	9.81	9.87	7.36	7.76	7.30	7.32
Nontax	1.13	1.03	0.92	1.10	1.28	0.88	0.87	0.78
Total expenditure	13.65	14.08	14.99	15.82	12.50	12.71	12.79	11.93
Current expenditure	8.30	7.98	9.04	9.31	6.96	6.95	8.24	8.03
Annual development program	4.99	5.82	5.66	6.08	4.87	5.13	4.28	3.74
Other expenditure (residual)	0.36	0.27	0.30	0.42	0.67	0.63	0.27	0.15
Overall balance (including grants)	-4.04	-4.08	-4.14	-4.73	-3.72	-4.07	-4.56	-3.74
Financing (net) (a+b)	4.25	4.25	4.27	4.73	3.72	4.07	2.63	3.75
a. Domestic financing	3.01	2.50	2.67	3.07	2.38	2.24	0.14	2.34
Banking system	1.03	0.75	1.05	2.60	1.13	1.56	1.76	2.46
Non-bank	1.98	1.75	1.62	0.47	1.25	0.68	0.00	-0.12
b. Foreign financing	1.04	1.57	1.60	1.66	1.34	1.84	0.02	1.41
Current account balance	-0.45	-2.98	-1.45	-1.26	-0.91	-4.02	-2.57	-1.42
Overall balance	1.08	-0.27	0.05	0.85	2.23	-1.16	-1.82	-0.94
Broad money (M2)	43.72	42.06	41.32	43.33	44.22	43.01	42.02	40.28
Broad money (M3)	53.07	52.05	51.98	53.74	54.64	52.82	50.63	47.70
Deposit (DD+TD)	37.77	36.69	36.07	37.25	38.26	37.04	35.51	34.51
Private sector credit	33.39	34.39	34.23	34.61	33.68	34.02	33.27	32.51
in billion USD								
Exports, f.o.b.	34.02	36.29	39.60	32.12	36.90	49.25	43.36	40.81
Imports, f.o.b.	43.49	54.46	55.44	50.69	60.68	82.50	70.75	63.24
Gross official reserves	33.41	32.94	32.72	36.04	46.39	41.83	31.20	26.71
Gross official reserves (as per BPM6)	---	---	---	---	---	33.39	24.75	21.69
In terms of month of imports	6.6	6.0	6.0	6.1	6.2	6.7	5.0	4.8
Memorandum items:								
Nominal GDP (in billion taka)	23,243	26,392	29,514	31,705	35,302	39,717	44,908	50,480
Nominal GDP (in billion USD)	294	321	351	374	416	460	452	459

Sources: Bangladesh Bank; Ministry of Finance and Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

'---'=Data not available.

Table I.2: Real GDP Growth by Sectors: Base 2015-16

(in percent)

Sectors	FY19	FY20	FY21	FY22	FY23^R	FY24^P
Agriculture	3.26	3.42	3.17	3.05	3.37	3.21
	(12.56)	(12.52)	(12.07)	(11.61)	(11.30)	(11.02)
Agriculture, forestry and fishing	3.26	3.42	3.17	3.05	3.37	3.21
i) Crops and horticulture	2.07	2.50	2.29	2.61	3.15	2.82
ii) Animal farmings	3.01	3.19	2.94	3.10	3.17	3.15
iii) Forest and related services	5.13	5.34	4.98	5.08	5.13	5.08
iv) Fishing	4.99	4.40	4.11	2.64	2.8	2.81
Industry	11.63	3.61	10.29	9.86	8.37	6.66
	(34.99)	(34.94)	(36.01)	(36.92)	(37.65)	(37.95)
a) Mining and quarrying	11.31	3.16	6.49	-1.12	12.73	7.89
b) Manufacturing	12.33	1.68	11.59	11.41	8.89	6.58
i) Large industry	12.79	0.41	10.61	15.68	8.38	6.6
ii) Small, medium, and micro industry	10.61	2.69	13.89	4.84	9.15	6.84
iii) Cottage industry	14.17	3.67	10.27	11.12	10.01	6.08
c) Electricity, gas, steam and air conditioning supply	8.24	0.67	9.54	6.15	2.46	-0.33
d) Water supply, sewerage, and waste management	6.31	2.18	6.65	9.54	8.88	11.08
e) Construction	10.47	9.13	8.08	8.71	6.98	7.45
Service	6.88	3.93	5.73	6.26	5.37	5.80
	(52.45)	(52.54)	(51.92)	(51.48)	(51.05)	(51.04)
a) Wholesale and retail trade	8.85	3.21	7.64	8.46	6.38	6.19
b) Transportation and storage	7.01	1.73	4.04	5.75	5.49	5.24
c) Accommodation and food service activities	5.64	1.69	4.53	5.37	5.84	5.68
d) Information and communication	7.36	6.57	7.11	4.79	6.35	6.49
e) Financial and insurance activities	8.25	4.72	5.82	5.87	2.55	4.84
f) Real estates activities	3.61	3.68	3.42	3.70	3.68	3.79
g) Professional, scientific and technical activities	4.17	3.38	5.09	4.25	8.8	6.72
h) Administrative and support service activities	8.17	6.33	6.02	6.01	7.51	6.15
i) Public administrative and defence	6.49	5.49	6.05	4.91	7.03	7.56
j) Education	7.06	5.33	5.81	7.87	5.53	8.33
k) Human health and social work activities	12.20	10.70	10.6	9.88	7.22	10.07
l) Arts, entertainment and recreation	5.48	5.43	5.76	6.07	6.34	6.5
m) Others service activities	3.27	3.06	3.08	3.19	3.24	3.22
GDP (at constant market price)	7.88	3.45	6.94	7.10	5.78	5.82

Source: Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

The parentheses indicate the percentage share of total producer price GDP at constant price.

Table I.2 (a): Quarterly Real GDP Growth by Sectors: Base 2015-16
(in percent)

Sectors	FY23 ^R				FY24 ^P				FY25 ^P
	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Agriculture	0.22	3.83	1.92	6.55	0.35	4.08	5.16	5.27	0.16
	(10.91)	(12.12)	(9.39)	(12.68)	(10.35)	(12.08)	(9.41)	(12.84)	(10.21)
Agriculture, forestry and fishing	0.22	3.83	1.92	6.55	0.35	4.08	5.16	5.27	0.16
Industry	5.80	10.55	6.91	10.16	8.22	2.91	6.25	3.98	2.13
	(36.66)	(38.59)	(39.99)	(35.38)	(37.53)	(38.02)	(40.50)	(35.38)	(37.71)
a) Mining and quarrying	13.06	9.99	11.98	16.14	5.18	22.86	-3.22	-6.76	12.65
b) Manufacturing	7.01	11.73	6.51	10.34	10.22	-1.18	6.93	6.45	1.43
c) Electricity, gas, water supply	8.67	2.99	2.91	-2.61	-0.57	0.26	-5.75	10.11	3.72
d) Construction	0.8	8.66	7.3	10.69	4.76	10.16	7.81	-1.53	1.81
Service	9.43	6.37	1.45	4.82	5.07	5.78	3.81	3.67	1.54
	(52.44)	(49.29)	(50.62)	(51.94)	(52.12)	(49.90)	(50.09)	(51.78)	(52.08)
a) Wholesale and retail trade	15.15	6.43	-1.65	7.07	4.6	7.26	5.56	5.8	1.86
b) Transportation and storage, information and communication	8.96	5.47	4.35	4.02	5.28	4.87	4.8	4.59	1.66
c) Financial and insurance activities	4.02	2.45	2.55	1.26	1.09	1.84	1.15	0.28	-2.33
d) Real estates, professional, and administrative activities	6.92	4.21	3.84	1.64	3.45	2.74	2.08	1.45	2.31
e) Public administrative, health, and education	5.77	14.35	1.36	6.65	8.86	11.85	5.16	1.72	1.86
f) Arts, recreation, and others service activities	8.79	1.27	0.93	3.19	4.75	-0.22	-1.29	5.53	0.7
GDP (at constant market price)	6.25	7.05	3.02	6.88	6.04	4.78	5.42	3.91	1.81

Source: Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

The parentheses indicate the percentage share of total producer price GDP at constant price.

Table I.3: Nominal GDP by Sectors
(in billion BDT)

Sectors	FY19	FY20	FY21	FY22	FY23 ^R	FY24 ^P
Agriculture	3,534	3,804	4,107	4,455	4,942	5,555
Agriculture, forestry, and fishing	3,534	3,804	4,107	4,455	4,942	5,555
i) Crops and horticulture	1,734	1,861	1,996	2,154	2,395	2,702
ii) Animal farmings	563	597	633	674	737	820
iii) Forest and related services	466	504	559	637	713	796
iv) Fishing	771	842	918	990	1,096	1,237
Industry	9,696	10,435	11,761	13,472	15,536	17,537
a) Mining and quarrying	526	552	591	589	702	801
b) Manufacturing	6,259	6,531	7,497	8,644	10,033	11,327
i) Large industry	3,119	3,180	3,574	4,229	4,866	5,501
ii) Small, medium, and micro industry	1,981	2,087	2,490	2,736	3,193	3,591
iii) Cottage industry	1,160	1,263	1,433	1,680	1,974	2,236
c) Electricity, gas, steam and air conditioning supply	381	445	449	504	553	592
d) Water supply; sewerage, waste management	27	28	30	38	44	50
e) Construction	2,503	2,879	3,195	3,696	4,203	4,767
Service	15,008	16,332	18,110	20,271	22,954	25,754
a) Wholesale and retail trade	4,184	4,458	4,977	5,671	6,474	7,286
b) Transportation and storage	2,197	2,323	2,562	2,853	3,241	3,598
c) Accommodation and food service activities	335	360	399	445	512	598
d) Information and communication	322	351	384	414	473	512
e) Financial and insurance activities	933	1,032	1,153	1,295	1,448	1,599
f) Real estates activities	2,607	2,880	3,130	3,402	3,734	4,099
g) Professional, scientific and technical activities	52	57	63	69	84	99
h) Administrative and support service activities	200	230	271	311	375	440
i) Public administrative and defence	990	1,070	1,170	1,274	1,473	1,618
j) Education	770	856	956	1,095	1,260	1,497
k) Human health and social work activities	868	1,015	1,185	1,382	1,615	1,877
l) Arts, entertainment and recreation	42	48	53	61	69	80
m) Others service activities	1,507	1,652	1,807	1,999	2,196	2,452
Total GVA at current basic price	28,238	30,570	33,978	38,198	43,431	48,846
Tax less subsidy	1,276	1,134	1,324	1,519	1,478	1,634
GDP at current market price	29,514	31,705	35,302	39,717	44,908	50,480

Source: Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

Table I.3 (a): Quarterly Nominal GDP by Sectors
(in billion BDT)

Sectors	FY23 ^R				FY24 ^P				FY25 ^P
	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Agriculture	1,073	1,341	1,038	1,489	1,187	1,535	1,189	1,721	1,324
Agriculture, forestry and fishing	1,073	1,341	1,038	1,489	1,187	1,535	1,189	1,721	1,324
Industry	3,375	3,949	4,218	3,994	4,106	4,683	5,051	4,639	4,365
a) Mining and quarrying	143	162	212	185	184	254	214	178	199
b) Manufacturing	2,224	2,569	2,647	2,592	2,703	2,814	3,026	2,942	2,841
c) Electricity, gas, water supply	166	135	133	163	176	146	138	195	199
d) Construction	842	1,082	1,226	1,054	1,043	1,469	1,672	1,324	1,125
Service	5,274	5,554	5,812	6,314	5,986	6,332	6,515	6,997	6,584
a) Wholesale and retail trade	1,498	1,596	1,591	1,788	1,671	1,827	1,775	1,971	1,869
b) Transportation and storage, Information and communication	2,006	2,051	1,081	1,088	1,122	1,157	1,194	1,210	1,216
c) Financial and insurance activities	345	358	366	379	383	400	406	417	414
d) Real estates, professional, and administrative activities	972	1,012	1,081	1,128	1,099	1,120	1,194	1,218	1,202
e) Public administrative, health, and education	937	982	1,099	1,330	1,110	1,195	1,263	1,477	1,219
f) Arts, recreation, and others service activities	517	555	593	600	601	635	683	703	662
Total GVA at current basic price	9,722	10,843	11,068	11,797	11,279	12,550	12,754	13,356	12,272
Tax less subsidy	346	405	363	364	424	511	475	427	394
GDP at current market price	10,069	11,248	11,431	12,161	11,703	13,061	13,229	13,784	12,666

Source: Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

Table I.4: Crop-wise Agricultural Production

Crops	Actual for FY23		Actual for FY24		Target for FY25		Actual for FY25*	
	Area (Lac Hectare)	Production (Lac M. Ton)	Area (Lac Hectare)	Production (Lac M. Ton)	Area (Lac Hectare)	Production (Lac M. Ton)	Area (Lac Hectare)	Production (Lac M. Ton)
Aus	10.61	29.01	10.35	29.73	13.07	38.37	9.77	---
Aman	57.25	154.33	57.51	166.56	59.67	178.74	56.64	---
Boro	48.52	207.68	48.78	210.68	50.69	226.02	---	---
Total rice	116.38	391.02	116.63	406.98	123.43	443.13	---	---
Wheat	3.19	12.06	3.12	11.72	3.15	12.14	---	---
Maize	6.06	64.32	6.43	68.84	6.46	69.78	1.08	8.28
Total cereal	125.63	467.39	126.18	487.54	133.05	525.05	---	---
Jute	7.30	84.58	7.24	95.82	7.67	101.83	6.93	78.65
Gram	0.02	0.03	0.02	0.03	0.02	0.03	---	---
Moong	2.23	2.87	2.29	2.78	2.30	3.07	---	---
Mosur	1.30	1.85	1.15	1.66	1.15	1.69	0.01	---
Mustard	8.13	11.63	10.97	16.07	11.65	17.26	0.04	---
Onion	2.50	34.57	2.67	39.11	2.60	39.66	0.15	---
Potato	4.56	104.32	4.57	106.01	4.67	113.88	0.12	---
Vegetables	11.11	225.41	11.62	241.79	11.69	246.30	---	---

Source: Bangladesh Bureau of Statistics and Department of Agriculture Extension, Ministry of Agriculture.

'---' = Data not available. *Data up to September 30, 2024.

Table I.5: Quantum Index of Medium and Large-scale Manufacturing Industries, Mining, and Electricity
(Base year: 2015-16)

	FY23 ^R		FY24 ^R				FY25 ^P				
	FY23 ^R	FY24 ^R	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Manufacturing	199.3	206.0	184.5	209.4	207.6	195.8	197.0	203.6	221.8	201.5	199.8
Mining	82.0	77.6	85.0	85.6	79.7	77.5	79.2	80.1	75.3	75.7	76.2
Electricity	174.2	177.1	199.3	152.9	151.7	192.9	192.9	153.5	145.0	216.9	209.6
growth in percent (y-o-y)											
Manufacturing	7.42	3.35	9.18	10.87	6.61	3.26	6.80	-2.76	6.86	2.90	1.42
Mining	-2.71	-5.34	2.57	-2.26	-6.02	-5.13	-6.81	-6.38	-5.50	-2.41	-3.82
Electricity	11.29	1.66	18.03	8.77	9.66	8.16	-3.24	0.43	-4.42	12.48	8.70

Source: Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

Tables I.6 (a): Quantum Index of Large-scale Manufacturing Industries by Major Groups
(Base year: 2015-16)

	FY23 ^R					FY24 ^R				FY25 ^P
	Weight	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
General index	100.0	180.7	213.9	212.5	208.5	204.7	205.4	225.8	212.4	198.8
Food products	4.00	125.8	153.3	143.6	114.7	121.2	166.9	191.6	139.0	139.5
Beverages	1.23	303.9	156.2	249.0	477.2	355.4	194.1	184.8	200.7	205.9
Tobacco products	3.72	218.9	243.2	263.6	272.8	262.2	247.6	270.1	270.0	262.5
Textile	11.59	169.8	180.6	217.2	245.0	209.3	177.7	173.3	199.8	177.1
Wearing apparel	61.00	162.7	214.1	199.8	174.8	181.1	196.3	228.4	204.8	187.9
Leather and related products	0.81	207.3	199.7	208.0	241.0	218.5	204.2	215.1	192.8	171.0
Wood and products of wood and cork	0.03	116.0	122.6	125.2	115.1	125.8	111.3	116.0	116.9	130.5
Paper and paper products	0.44	145.8	142.0	144.3	148.3	152.5	144.2	133.8	133.6	149.8
Printing and reproduction of recorded media	0.10	129.1	142.3	144.2	144.2	154.3	146.2	148.3	166.8	166.2
Coke and refined petroleum products	0.12	122.0	135.3	126.6	136.5	144.3	65.9	452.3	754.5	148.9
Chemicals and chemical products	1.29	107.3	137.8	121.8	129.8	125.3	130.1	129.7	120.3	124.7
Pharmaceuticals and medicinal chemical	3.05	263.4	307.2	263.0	277.3	322.9	311.3	288.1	284.7	311.7
Rubber and plastic products	0.45	127.7	132.2	179.4	188.4	196.8	159.0	152.1	138.6	182.5
Other non-metallic mineral products	4.25	421.6	353.4	414.0	493.5	459.6	404.5	426.5	373.9	327.4
Basic metal	0.72	352.3	365.5	388.3	347.7	423.0	426.9	497.6	493.3	373.2
Fabricated metal products	0.65	117.5	121.7	133.5	139.8	129.3	124.9	132.1	133.8	133.9
Computer, electronic and optical product	0.54	96.2	150.7	139.4	118.2	117.1	140.2	156.1	151.8	150.4
Electrical equipment	1.18	150.9	144.4	150.3	154.9	146.9	155.4	170.0	149.3	164.2
Machinery and equipment	0.01	126.9	128.1	135.4	131.4	135.1	132.0	144.8	172.5	181.3
Motor vehicles and trailers	0.01	218.8	197.5	222.7	265.2	194.7	189.2	180.8	190.6	216.6
Other transport equipment	4.16	186.0	215.4	215.6	269.4	214.0	183.3	139.5	199.0	243.2
Furniture	0.51	142.2	152.4	154.8	165.8	172.9	150.0	146.8	139.2	157.2
Other manufacturing	0.12	111.9	115.2	130.5	118.4	122.7	127.4	137.2	140.4	132.4

Source: Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

Tables I.6 (b): Quantum Index of Small, Medium & Micro-scale Manufacturing Industries by Major Groups
(Base year: 2015-16)

	Weight	FY23 ^R				FY24 ^R				FY25 ^P
		Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
General index	100.0	192.2	213.1	212.8	203.6	201.6	218.0	230.3	228.5	201.2
Food products	24.85	143.4	162.3	140.6	116.3	134.7	159.6	174.9	186.5	156.0
Beverages	0.76	78.2	85.7	95.8	168.1	177.9	140.3	149.6	244.5	218.0
Tobacco products	0.13	191.5	182.2	181.8	179.3	169.3	191.4	178.2	176.1	169.4
Textile	9.99	166.9	174.8	174.9	184.6	170.6	178.7	174.2	165.3	167.6
Wearing apparel	16.58	271.6	295.1	281.6	257.3	273.8	281.1	301.3	297.5	245.7
Leather and related products	3.73	116.2	117.9	126.0	114.7	119.2	132.4	135.7	137.3	130.0
Wood and products of wood and cork	0.27	129.3	125.9	130.8	133.0	137.2	115.9	117.3	118.3	116.6
Paper and paper products	0.77	163.8	163.0	136.2	98.6	160.0	168.9	176.5	153.1	128.3
Printing and reproduction of recorded media	0.36	107.0	114.3	112.1	97.7	97.8	104.1	106.9	104.4	102.8
Coke and refined petroleum products	0.12	121.3	136.7	129.0	145.1	138.9	158.0	152.7	152.7	151.6
Chemicals and chemical products	0.41	94.9	103.4	103.7	97.1	96.1	102.9	104.2	98.9	106.8
Pharmaceuticals and medicinal chemical	0.63	214.7	210.4	197.1	214.0	184.5	186.0	209.1	234.2	195.8
Rubber and plastic products	19.92	202.2	250.0	266.5	250.7	237.2	262.5	287.1	290.4	237.6
Other non-metallic mineral products	10.69	205.2	215.6	255.3	250.1	225.9	238.6	250.6	216.7	209.2
Basic metal	5.14	310.9	318.3	314.2	318.4	333.2	355.5	338.7	320.3	324.5
Fabricated metal products	0.59	133.1	135.4	140.5	143.9	143.5	149.7	149.5	151.0	156.0
Computer, electronic and optical product	0.76	123.8	121.3	106.1	98.8	114.1	107.7	95.5	89.1	105.8
Electrical equipment	1.12	105.3	111.2	156.0	160.3	176.8	189.0	193.8	182.1	187.6
Machinery and equipment	0.36	95.9	122.0	117.0	69.8	71.3	67.8	73.8	77.2	104.2
Motor vehicles and trailers	0.20	79.3	104.5	104.7	110.5	108.1	113.8	109.3	103.5	102.8
Other transport equipment	0.42	122.8	114.6	111.6	99.8	105.2	106.2	100.9	93.2	119.1
Furniture	1.34	191.5	194.4	161.0	163.2	158.8	159.6	150.5	161.0	167.3
Other manufacturing	0.86	121.7	116.8	117.2	113.9	---	---	---	---	---

Source: Bangladesh Bureau of Statistics. '---' = Data not available. P=Provisional, R=Revised.

Tables I.6 (c): Quantum Index of Cottage-scale Manufacturing Industries by Major Groups
(Base year: 2015-16)

	FY23 ^R					FY24 ^R				FY25 ^P
	Weight	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
General index	100.0	179.3	188.9	183.5	188.7	195.8	198.3	201.9	205.6	200.6
Food products	21.64	199.1	205.6	206.1	208.6	221.5	217.8	222.0	223.8	215.4
Beverages	0.05	124.1	125.2	123.2	133.5	140.1	142.5	141.5	188.3	177.3
Tobacco products	0.21	150.6	137.5	139.5	157.2	187.9	155.9	141.9	146.0	138.7
Textile	9.62	154.0	168.6	152.0	139.0	164.9	163.6	173.3	184.3	135.3
Wearing apparel	3.78	154.0	168.6	162.4	160.0	164.9	163.6	173.3	184.3	169.5
Leather and related products	2.51	123.7	125.1	133.7	133.0	139.5	144.1	138.1	136.7	144.5
Wood and products of wood and cork	6.26	181.1	178.7	162.1	157.8	167.1	176.0	190.8	200.1	198.5
Paper and paper products	0.50	128.4	148.2	156.2	139.0	134.8	140.8	143.4	148.3	143.4
Printing and reproduction of recorded media	2.49	212.9	210.7	201.2	200.4	208.7	196.3	205.4	211.7	211.8
Coke and refined petroleum products	0.04	202.9	250.3	210.4	206.2	195.7	187.4	208.7	214.0	228.7
Chemicals and chemical products	0.01	131.4	139.4	135.5	132.3	133.8	140.9	136.9	138.0	142.3
Pharmaceuticals and medicinal chemical	0.13	227.6	195.2	216.7	220.1	225.6	216.3	185.8	199.9	209.3
Rubber and plastic products	0.50	248.4	325.9	287.8	257.3	260.4	262.5	276.3	287.9	275.2
Other non-metallic mineral products	2.19	159.7	176.2	177.3	183.0	169.7	190.0	206.7	211.3	191.3
Basic metal	0.02	181.2	173.1	154.8	166.5	178.1	182.7	179.1	172.3	155.2
Fabricated metal products	12.37	167.7	175.7	176.8	181.2	181.9	183.1	187.9	194.5	195.9
Computer, electronic and optical product	0.06	276.5	137.9	146.7	159.8	150.3	123.2	123.0	126.9	122.7
Electrical equipment	0.06	131.7	140.7	116.8	121.9	140.8	151.7	152.8	151.2	127.5
Machinery and equipment	0.56	101.0	112.3	112.2	107.5	124.1	140.2	137.2	133.6	127.4
Motor vehicles and trailers	0.54	108.6	131.9	132.4	138.4	140.6	133.9	149.8	158.0	140.3
Other transport equipment	1.70	124.2	121.7	133.0	132.7	138.7	137.9	145.9	148.2	136.0
Furniture	18.01	159.0	191.0	177.8	164.4	184.0	209.6	207.1	210.7	196.6
Other manufacturing	15.01	246.6	242.0	231.0	277.2	277.8	260.6	261.8	263.5	270.2
Repair and installation of machinery and equipment	1.76	126.8	120.7	110.4	105.7	112.1	116.8	120.8	121.6	119.5

Source: Bangladesh Bureau of Statistics; P=Provisional, R=Revised.

Table I.7: Cargo Handled by Chattogram Port
(in thousands metric tons)

	FY23						FY24				FY25
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Export	7,506	7,462	1,925	1,852	1,745	1,984	1,860	1,815	1,883	1,903	1,995
Import	109,708	115,781	26,882	26,525	27,788	28,512	28,589	27,936	29,566	29,690	26,913
Total	117,213	123,244	28,807	28,377	29,532	30,497	30,449	29,751	31,450	31,593	28,908
growth in percent (y-o-y)											
Export	-5.82	-0.58	-0.43	-11.14	-14.32	3.57	-3.37	-1.97	7.95	-4.09	7.27
Import	9.81	5.54	32.93	-4.06	1.37	15.81	6.35	5.32	6.40	4.13	-5.86
Total	8.66	5.15	30.02	-4.56	0.29	14.92	5.70	4.84	6.49	3.59	-5.06

Source: Chattogram Port Authority.

Table I.8: Trends in Private Sector Credit
(in billion BDT)

Institutions	FY23						FY24				FY25
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Outstanding											
Banks ¹	14943	16,412	13,794	14,261	14,468	14,943	15,131	15,707	15,985	16,412	16,522
Non-banks ²	725	764	704	704	712	725	729	735	744	746	738
Microfinance institutions ^{3R}	1032	1,064	895	970	1,019	1,032	1,028	1,057	1,079	1,064	1,031
Total	16,700	18,222	15,393	15,936	16,199	16,700	16,888	17,498	17,808	18,222	18,291
growth in percent (y-o-y)											
Banks	10.59	9.83	13.93	12.89	12.03	10.59	9.69	10.13	10.49	9.83	9.20
Non-banks	4.53	2.99	4.82	4.71	3.23	4.53	3.50	4.32	4.51	2.99	1.28
Microfinance institutions [*]	18.14	3.06	20.72	22.97	19.73	18.14	14.89	8.93	5.90	3.06	0.24
Total	10.70	9.12	15.13	13.02	12.02	10.70	9.71	9.80	9.93	9.12	8.31

Sources: ¹Monetary Policy Department; ²Department of Financial Institutions and Markets, Bangladesh Bank;

³The data cover 10 microfinance institutions as shown in Table I.11. R=Revised.

* The growth of FY23 has been calculated using data for seven microfinance institutions due to data unavailability.

Table I.9: Bank Advances (Private Sector) by Economic Purposes
(in billion BDT)

Sectors	FY23						FY24				FY25
	FY23	FY24 ^R	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^R	Q ₁ ^P
Outstanding											
a. Agriculture	680	689	625	639	657	680	688	736	685	689	671
Crops	625	646	583	587	600	625	634	697	643	646	624
Others	55	43	42	52	57	55	54	39	42	43	47
b. Industry	5,743	6,634	5,242	5,386	5,541	5,743	5,887	6,082	6,363	6,634	6,857
Term loan	2,919	3,411	2,598	2,711	2,809	2,919	2,992	3,027	3,285	3,411	3,569
Working capital financing	2,824	3,224	2,644	2,675	2,732	2,824	2,894	3,055	3,077	3,224	3,289
c. Construction	1,154	1,230	1,098	1,097	1,160	1,154	1,200	1,228	1,258	1,230	1,182
d. Transport	68	69	67	69	68	68	70	66	67	69	70
e. Trade and commerce	4,625	5,031	4,475	4,599	4,543	4,625	4,674	4,990	4,924	5,031	5,138
f. Other institutional loan	332	325	276	312	335	332	332	332	329	325	304
g. Consumer finance	1,314	1,369	1,125	1,289	1,209	1,314	1,305	1,329	1,360	1,369	1,397
h. Miscellaneous	95	120	76	83	92	95	97	104	112	120	84
Grand total	14,011	15,467	12,984	13,474	13,603	14,011	14,251	14,867	15,098	15,467	15,703
growth in percent (y-o-y)											
a. Agriculture	13.39	1.32	22.73	18.29	18.04	13.39	9.99	15.17	4.32	1.32	-2.34
Crops	13.80	3.31	26.11	19.52	17.71	13.80	8.71	18.64	7.29	3.31	-1.48
Others	8.87	-21.23	-10.28	5.91	21.58	8.87	27.63	-24.17	-26.80	-21.23	-12.49
b. Industry	8.53	15.52	9.38	8.56	11.49	8.53	12.30	12.91	14.84	15.52	16.49
Term loan	11.40	16.83	7.25	7.29	10.71	11.40	15.16	11.65	16.95	16.83	19.26
Working capital financing	5.71	14.17	11.55	9.89	12.31	5.71	9.48	14.19	12.66	14.17	13.62
c. Construction	10.84	6.59	11.16	9.33	12.67	10.84	9.28	11.91	8.45	6.59	-1.52
d. Transport	5.11	1.55	-10.57	-2.30	-0.68	5.11	4.35	-4.09	-0.63	1.55	0.24
e. Trade and commerce	9.36	8.77	17.36	16.41	11.49	9.36	4.44	8.50	8.40	8.77	9.93
f. Other institutional loan	14.66	-2.02	13.10	10.64	14.33	14.66	20.06	6.55	-1.51	-2.02	-8.32
g. Consumer finance	23.48	4.18	26.65	35.07	21.23	23.48	15.99	3.08	12.48	4.18	7.02
h. Miscellaneous	35.37	26.77	89.25	70.01	57.74	35.37	27.68	25.06	22.22	26.77	-12.93
Grand total	10.75	10.40	14.40	14.08	12.92	10.75	9.76	10.33	11.00	10.40	10.19
share in percent											
a. Agriculture	4.85	4.45	4.81	4.74	4.83	4.85	4.82	4.95	4.54	4.45	4.28
Crops	4.46	4.17	4.49	4.36	4.41	4.46	4.45	4.69	4.26	4.17	3.97
Others	0.39	0.28	0.33	0.38	0.42	0.39	0.38	0.26	0.28	0.28	0.30
b. Industry	40.99	42.89	40.37	39.97	40.73	40.99	41.30	40.91	42.14	42.89	43.67
Term loan	20.83	22.05	20.01	20.12	20.65	20.83	21.00	20.36	21.76	22.05	22.72
Working capital financing	20.15	20.84	20.36	19.86	20.08	20.15	20.31	20.55	20.38	20.84	20.94
c. Construction	8.24	7.95	8.46	8.14	8.53	8.24	8.42	8.26	8.33	7.95	7.53
d. Transport	0.49	0.45	0.51	0.51	0.50	0.49	0.49	0.44	0.45	0.45	0.44
e. Trade and commerce	33.01	32.53	34.46	34.13	33.39	33.01	32.79	33.56	32.61	32.53	32.72
f. Other institutional loan	2.37	2.10	2.13	2.31	2.46	2.37	2.33	2.23	2.18	2.10	1.94
g. Consumer finance	9.38	8.85	8.67	9.56	8.89	9.38	9.16	8.94	9.01	8.85	8.89
h. Miscellaneous	0.67	0.78	0.58	0.62	0.67	0.67	0.68	0.70	0.74	0.78	0.54
Grand total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Statistics Department, Bangladesh Bank. Note: R= Revised. P = Provisional.

Table I.9 (a): Performance Indicators of NBFIs
(in billion BDT)

Sectors	FY23						FY24				FY25	
	FY23	FY24 ^R	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^R	Q ₁ ^P	
Loans and advances of NBFIs (outstanding in private sector)												
a. Agriculture	5.6	7.3	5.7	5.6	5.7	5.6	5.5	6.5	6.9	7.3	7.1	
Crops	4.6	6.7	4.5	4.5	4.7	4.6	4.5	5.5	5.9	6.7	6.5	
Others	0.9	0.6	1.1	1.1	1.0	0.9	1.0	1.0	1.0	0.6	0.6	
b. Industry	287.2	310.0	267.1	275.4	279.4	287.2	292.5	297.0	305.7	310.0	311.0	
Term loan	231.0	253.5	212.0	216.4	222.8	231.0	237.9	241.0	252.2	253.5	255.7	
Working capital financing	50.1	51.4	49.4	52.8	50.7	50.1	49.2	49.6	47.9	51.4	49.7	
Factoring	6.1	5.0	5.6	6.2	5.9	6.1	5.4	6.4	5.6	5.0	5.5	
c. Construction	99.9	93.9	97.3	96.0	98.5	99.9	103.9	104.8	87.7	93.9	92.5	
d. Transport	17.0	15.7	17.1	17.4	17.2	17.0	17.1	16.6	16.7	15.7	17.6	
e. Trade and commerce	167.8	163.5	156.5	155.8	166.8	167.8	168.4	162.2	169.9	163.5	156.3	
f. Other institutional loan	46.3	49.1	40.9	43.9	46.3	46.3	47.9	46.1	49.7	49.1	47.9	
g. Consumer finance	99.2	107.8	106.1	105.2	95.3	99.2	96.7	96.9	107.5	107.8	106.9	
h. Miscellaneous	0.3	1.0	0.3	2.0	1.9	0.3	0.2	6.3	0.2	1.0	1.1	
Total loans and advances	723.1	748.3	690.9	701.1	711.0	723.1	732.2	736.5	744.3	748.3	740.4	
Fixed deposits	432.9	437.5	404.6	426.1	425.3	432.9	434.0	435.1	429.2	437.5	457.5	
Recurring deposits	8.5	7.6	6.1	6.3	6.5	8.5	7.1	7.4	8.5	7.6	14.7	
Special purpose deposits	4.8	5.6	4.5	4.3	4.6	4.8	5.4	5.1	5.1	5.6	5.4	
Restricted (blocked) deposits	0.7	0.4	0.6	0.7	0.5	0.7	0.6	0.6	0.4	0.4	0.6	
Total deposits	446.8	451.2	415.9	437.5	437.0	446.8	447.2	448.3	443.0	451.2	478.2	
Deposit rate	7.93	9.83	7.48	7.74	7.78	7.93	8.15	8.45	9.19	9.83	10.24	
Advances rate	8.20	12.79	9.11	8.89	8.89	8.20	11.58	11.68	12.16	12.79	13.47	
Spread	0.27	2.96	1.63	1.15	1.11	0.27	3.43	3.23	2.97	2.96	3.23	
growth in percent (y-o-y)												
Loans and advances of NBFIs												
a. Agriculture	6.35	31.12	13.43	19.75	15.17	6.35	-2.73	16.17	21.87	31.12	29.26	
Crops	12.73	44.15	20.07	30.45	24.24	12.73	-0.62	22.72	26.64	44.15	43.63	
Others	-16.61	-32.31	-7.42	-10.55	-14.73	-16.61	-11.31	-10.89	-1.02	-32.31	-36.29	
b. Industry	6.70	7.94	0.87	2.71	1.66	6.70	9.53	7.87	9.43	7.94	6.31	
Term loan	9.44	9.76	2.75	4.10	3.21	9.44	12.18	11.39	13.19	9.76	7.50	
Working capital financing	-5.20	2.75	-10.18	-5.81	-6.72	-5.20	-0.36	-6.05	-5.52	2.75	1.01	
Factoring	16.12	-18.46	65.37	47.28	27.79	16.12	-3.19	3.77	-4.12	-18.46	1.85	
c. Construction	2.88	-6.01	6.70	2.63	2.36	2.88	6.73	9.11	-10.97	-6.01	-10.94	
d. Transport	1.62	-7.99	23.56	16.70	8.65	1.62	-0.33	-4.46	-3.14	-7.99	2.86	
e. Trade and commerce	9.76	-2.53	3.35	8.51	12.12	9.76	7.58	4.15	1.86	-2.53	-7.19	
f. Other institutional loan	13.34	6.19	3.33	13.37	17.46	13.34	17.06	5.11	7.27	6.19	0.19	
g. Consumer finance	-6.79	8.69	12.51	0.55	-10.56	-6.79	-8.87	-7.85	12.83	8.69	10.56	
h. Miscellaneous	-11.50	305.47	-28.39	426.42	530.90	-11.50	-12.22	220.97	-89.21	305.47	389.18	
Total loans and advances	5.01	3.48	4.61	4.89	3.53	5.01	5.97	5.04	4.68	3.48	1.12	

Source: Statistics Department, Bangladesh Bank. R= Revised. P= Provisional.

Table I.10: Trends in Agricultural Credit
(in billion BDT)

	FY23				FY24				FY25		
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Program/Target (July-June)	308.1	350.0	308.1	308.1	308.1	308.1	350.0	350.0	350.0	350.0	380.0
Total disbursement	328.3	371.5	65.8	100.9	74.5	87.1	88.2	95.0	83.5	104.8	64.6
Crop	146.6	164.6	30.8	48.3	36.9	30.5	39.1	43.7	37.7	44.1	27.7
Irrigation	2.7	2.0	0.9	0.5	0.5	0.7	0.5	0.6	0.5	0.3	0.2
Agricultural equipment	2.3	2.1	0.7	0.5	0.6	0.6	0.6	0.5	0.5	0.5	0.3
Live-stock	75.1	89.8	13.5	21.4	15.7	24.6	20.9	24.0	20.0	24.9	16.3
Fisheries	42.0	55.0	8.6	11.6	9.5	12.3	12.8	13.4	12.2	16.6	11.5
Grain storage & marketing	1.7	2.0	0.5	0.4	0.3	0.5	0.3	0.5	0.6	0.6	0.2
Poverty alleviation	21.9	21.5	3.5	6.7	3.9	7.8	6.8	4.5	3.6	6.7	2.6
Others	36.1	34.6	7.5	11.5	7.2	9.9	7.3	7.8	8.2	11.3	5.8
Total recovery	330.1	355.7	70.8	93.5	77.9	87.9	80.1	97.7	76.3	101.6	92.1
Total overdue	65.4	93.7	78.0	72.1	70.7	65.4	86.7	80.8	101.8	93.7	117.5
Outstanding	527.0	581.2	502.5	510.0	512.8	527.0	541.6	554.0	565.7	581.2	549.3
Overdue as percent of outstanding	12.41	16.12	15.53	14.14	13.78	12.41	16.00	14.59	17.99	16.12	21.40
	growth in percent ¹										
Total disbursement	13.86	13.17	26.37	8.61	6.35	18.79	34.02	-5.79	12.01	20.36	-26.82
Total recovery	20.20	7.76	26.68	16.81	22.06	17.40	13.25	4.40	-2.05	15.60	14.92

Source: Agricultural Credit Department, Bangladesh Bank.

¹ Quarterly growth rate refers to growth over the same quarter of the previous year.

Table I.11: Microcredit Operations of Large NGOs
(in billion BDT)

Institutions	FY23 ^R				FY24 ^R				FY25 ^P		
	FY23 ^R	FY24 ^R	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁ ^P
1. Total disbursement	1722.2	1755.4	376.7	470.9	456.7	417.9	415.9	477.1	461.2	401.1	375.6
i) Grameen Bank	247.4	246.8	56.6	66.8	65.2	58.8	57.8	69.7	66.1	53.2	55.4
ii) BRAC	658.3	704.5	139.0	190.6	172.1	156.6	167.1	190.5	184.7	162.3	145.4
iii) ASA	543.4	505.9	115.9	141.9	147.8	137.8	120.0	142.6	130.9	112.4	102.9
iv) Proshika	20.5	23.9	4.5	5.2	5.5	5.2	5.8	6.3	6.4	5.5	5.8
v) TMSS	88.6	94.8	20.7	24.4	23.2	20.3	22.8	23.3	26.3	22.4	22.9
vi) RDRS Bangladesh	20.7	22.9	4.9	5.3	5.3	5.2	5.6	5.8	5.9	5.6	5.7
vii) CARITAS Bangladesh	8.9	8.9	1.9	2.4	2.5	2.1	2.3	2.4	2.2	1.9	2.0
viii) Jagoroni Chakra Foundation (JCF)	41.8	50.3	10.9	10.9	10.3	9.7	11.1	11.7	12.5	15.1	13.5
ix) Society for Social Services	66.7	69.4	16.2	16.8	18.0	15.8	16.8	17.9	18.6	16.1	17.0
x) Shakti Foundation	26.0	28.0	6.1	6.6	6.8	6.4	6.7	7.1	7.6	6.5	5.1
2. Total recovery	1644.9	1809.0	377.7	408.5	430.5	428.2	440.2	472.0	454.1	442.7	431.7
i) Grameen Bank	232.0	242.3	54.9	61.8	61.3	54.0	59.4	67.1	63.3	52.5	58.1
ii) BRAC	660.4	751.2	149.8	157.3	172.6	180.7	176.3	190.2	186.7	198.0	187.6
iii) ASA	505.1	533.9	116.7	127.8	131.9	128.6	136.1	142.4	133.4	122.0	115.9
iv) Proshika	20.6	24.5	4.3	5.2	5.4	5.7	6.1	6.9	6.0	5.6	6.1
v) TMSS	81.0	88.4	18.4	20.2	21.0	21.4	21.8	22.7	21.9	22.1	21.9
vi) RDRS Bangladesh	19.0	21.4	4.4	4.8	4.9	5.0	5.2	5.5	5.5	5.3	5.5
vii) CARITAS Bangladesh	8.0	8.8	1.8	2.0	2.1	2.0	2.3	2.4	2.2	2.0	2.0
viii) Jagoroni Chakra Foundation (JCF)	36.5	43.8	8.5	8.9	9.4	9.6	10.5	10.6	11.1	11.6	12.1
ix) Society for Social Services	62.3	68.6	15.5	15.2	16.2	15.3	16.4	18.0	17.5	16.7	16.2
x) Shakti Foundation	20.1	26.1	3.5	5.1	5.5	6.0	6.2	6.4	6.6	6.9	6.3
3. Loans outstanding	1032.3	1063.8	894.9	970.3	1018.9	1032.3	1028.1	1056.9	1078.9	1063.8	1030.6
4. Loans overdue	35.4	55.0	42.9	33.7	35.5	35.4	38.4	46.4	53.9	55.0	66.1
5. Overdue as percent of outstanding	3.43	5.17	4.80	3.47	3.49	3.43	3.74	4.39	5.00	5.17	6.41

Source: Research Department, Bangladesh Bank. R= Revised. P = Provisional.

Table I.12: Microcredit Operations of MFIs

(in billion BDT)

Indicators	FY22		FY23		FY24 ^P				
	FY22	FY23	FY24	July- Dec/21	Jan- Jun/22	July- Dec/22	Jan- Jun/23	July- Dec/23	Jan- Jun/24
Total disbursement	1918.3	2493.0	2638.2	891.2	1027.6	1137.9	1355.1	1211.2	1427.0
Total recovery	1652.7	2112.4	2617.1	724.5	928.2	937.1	1175.4	1177.9	1439.1
Loans outstanding	1241.5	1504.2	1562.8	1073.8	1241.5	1402.7	1504.2	1536.7	1562.8
Loans overdue	101.5	153.9	162.1	79.0	101.5	135.5	153.9	158.0	162.1
Overdue as percent of outstanding	8.17	10.23	10.37	7.35	8.17	9.66	10.23	10.28	10.37

Source: Microcredit Regulatory Authority. P = Provisional.

Table II.1: Trend in Inflation

(Base year: 2021-22=100)

Period	Point-to-point			12-Month average		
	General	Food	Non-food	General	Food	Non-food
2022						
January	5.86	5.60	6.26	5.62	5.33	6.06
February	6.17	6.22	6.10	5.69	5.40	6.13
March	6.22	6.34	6.04	5.75	5.47	6.19
April	6.29	6.24	6.39	5.81	5.53	6.26
May	7.42	8.30	6.08	5.99	5.81	6.27
June	7.56	8.37	6.33	6.15	6.05	6.31
July	7.48	8.19	6.39	6.33	6.31	6.35
August	9.52	9.94	8.85	6.66	6.71	6.58
September	9.10	9.08	9.13	6.96	7.04	6.84
October	8.91	8.50	9.58	7.23	7.32	7.10
November	8.85	8.14	9.98	7.48	7.55	7.37
December	8.71	7.91	9.96	7.70	7.75	7.62
2023						
January	8.57	7.76	9.84	7.92	7.92	7.92
February	8.78	8.13	9.82	8.14	8.08	8.23
March	9.33	9.09	9.72	8.39	8.31	8.53
April	9.24	8.84	9.72	8.64	8.53	8.81
May	9.94	9.24	9.96	8.85	8.61	9.13
June	9.74	9.73	9.60	9.02	8.73	9.39
July	9.69	9.76	9.47	9.20	8.84	9.64
August	9.92	12.54	7.95	9.24	9.08	9.55
September	9.63	12.37	7.82	9.29	9.37	9.44
October	9.93	12.56	8.30	9.37	9.73	9.33
November	9.49	10.76	8.16	9.43	9.95	9.17
December	9.41	9.58	8.52	9.48	10.08	9.05
2024						
January	9.86	9.56	9.42	9.59	10.22	9.02
February	9.67	9.44	9.33	9.66	10.32	8.98
March	9.81	9.87	9.64	9.69	10.37	8.98
April	9.74	10.22	9.34	9.73	10.52	8.78
May	9.89	10.76	9.19	9.73	10.63	8.74
June	9.72	10.42	9.15	9.73	10.67	8.72
July	11.66	14.10	9.68	9.90	11.02	8.88
August	10.49	11.36	9.74	9.95	10.93	9.03
September	9.92	10.40	9.50	9.97	10.76	9.17

Source: Bangladesh Bureau of Statistics (BBS).

Note: a) Food includes food, beverage & tobacco. b) The data before April 2023 used 2005-06 as base year.

Table II.2: Commodity Prices in the International Markets

	FY23				FY24				FY25
	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Rice (USD/MT)	429.3	446.0	495.0	508.3	600.7	610.7	632.3	617.3	586.3
Wheat (USD/MT)	316.7	---	298.3	264.9	237.1	244.2	240.8	237.2	214.6
Soybean oil (USD/MT)	1560.2	1545.6	1236.0	1008.5	1124.6	1104.9	949.4	985.9	1051.3
Sugar (USD /kg)	0.40	0.40	0.44	0.54	0.54	0.54	0.49	0.43	0.43
Crude Petroleum (Dubai) (USD/Barrel)	98.3	84.6	79.6	77.9	86.7	83.8	81.6	85.0	78.4
Palm Oil (USD/MT)	997.3	925.0	954.7	918.8	856.3	816.1	881.6	889.6	937.3

Source: World Bank. Notes: MT=Metric Ton; --- = Not available.

Table II.3: Inflation in South Asia
(point-to-point)

Countries	FY23						FY24				FY25
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Bangladesh	9.74	9.72	9.10	8.71	9.33	9.74	9.63	9.41	9.81	9.72	9.92
Bhutan	3.83	1.84	6.05	4.44	3.15	3.83	5.03	4.32	4.99	1.84	1.35
India	4.81	5.08	7.41	5.72	5.66	4.81	5.02	5.69	4.85	5.08	5.49
Pakistan	29.40	12.60	23.20	24.50	35.40	29.40	31.44	29.66	20.70	12.60	6.90
Sri Lanka	10.80	1.70	73.70	57.20	49.20	10.80	0.80	4.20	0.90	1.70	-0.50
Vietnam	2.00	4.34	3.94	4.55	3.35	2.00	3.66	3.58	3.97	4.34	2.63

Source: Central Banks and Statistics departments of respective countries.

Note: Quarterly data indicate end quarter.

Table III.1: Movements in Reserve Money
(in billion BDT)

	FY23						FY24				FY25	
	FY23	FY24 ^R	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^R	Q ₁ ^P	
Outstanding												
1. Net foreign assets of BB	2,875	2,458	3,190	2,975	2,820	2,875	2,590	2,482	2,269	2,458	2,317	
2. Net domestic assets of BB	961	1,679	210	825	636	961	853	1,241	1,299	1,679	1,436	
a) Claims on public sector	1,613	1,501	753	1,090	1,154	1,613	1,330	1,309	1,320	1,501	1,076	
i) Claims on govt. (net)	1,574	1,459	717	1,053	1,118	1,574	1,290	1,267	1,278	1,459	1,038	
ii) Claims on other public sector	39	42	36	36	36	39	39	42	42	42	38	
b) Claim on private sector	74	88	60	63	72	74	77	84	85	88	93	
c) Claims on banks	618	1,701	273	666	581	618	754	1,246	1,191	1,701	1,641	
d) Other items (net)	-1,344	-1,612	-876	-993	-1,172	-1,344	-1,309	-1,398	-1,297	-1,612	-1,374	
3. Currency issued	3,119	3,203	2,616	2,924	2,790	3,119	2,773	2,797	2,912	3,203	3,110	
i) Currency outside banks	2,919	2,904	2,400	2,682	2,547	2,919	2,535	2,549	2,612	2,904	2,836	
ii) Cash in tills	200	299	216	242	243	200	238	248	300	299	275	
4. Deposits of banks with BB	716	933	784	876	666	716	669	927	656	933	643	
5. Reserve money (RM)	3,836	4,136	3,401	3,800	3,456	3,836	3,442	3,723	3,568	4,136	3,753	
6. Money multiplier (M2/RM)	4.92	4.92	5.07	4.63	5.15	4.92	5.45	5.13	5.43	4.92	5.40	
growth in percent (y-o-y)												
1. Net foreign assets of BB	-17.3	-14.5	-11.8	-16.1	-18.2	-17.3	-18.8	-16.6	-19.5	-14.5	-10.5	
2. Net domestic assets of BB	16230.2	74.7	154.8	366.7	369.4	16230.2	305.1	50.4	104.3	74.7	68.4	
a) Claims on public sector	176.4	-6.9	611.7	1165.9	608.6	176.4	76.6	20.1	14.4	-6.9	-19.1	
i) Claims on govt. (net)	186.6	-7.3	885.7	1829.4	773.4	186.6	80.1	20.3	14.3	-7.3	-19.5	
ii) Claims on other public sector	13.3	8.1	10.1	15.7	3.9	13.3	8.1	15.3	15.5	8.1	-3.6	
b) Claim on private sector	26.7	19.5	3.2	9.8	24.4	26.7	28.7	34.1	18.6	19.5	19.9	
c) Claims on Banks	283.6	175.1	48.8	301.3	260.1	283.6	175.7	87.1	104.9	175.1	117.6	
3. Currency issued	21.8	2.7	14.9	27.4	20.3	21.8	6.0	-4.3	4.4	2.7	12.2	
4. Deposits of banks with BB	-21.3	30.3	-18.0	-6.9	-25.3	-21.3	-14.7	5.7	-1.6	30.3	-4.0	
5. Reserve money (RM)	10.5	7.8	5.2	17.4	7.6	10.5	1.2	-2.0	3.2	7.8	9.0	

Source: Statistics Department, Bangladesh Bank.

Note: R= Revised, P = Provisional.

Table III.2: Movements in Broad Money
(in billion BDT)

	FY23				FY24				FY25		
	FY23	FY24 ^R	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^R	Q ₁ ^P
Outstanding											
1. Net foreign assets	3,167	2,911	3,354	3,194	3,091	3,167	2,933	2,775	2,594	2,911	2,651
2. Net domestic assets	15,704	17,421	13,874	14,386	14,696	15,704	15,839	16,317	16,778	17,421	17,601
a) Domestic credit	19,268	21,155	17,101	17,618	18,160	19,268	19,306	19,712	20,364	21,155	21,063
Credit to public sector	4,325	4,743	3,307	3,356	3,691	4,325	4,175	4,006	4,379	4,743	4,541
Credit to govt. (net)	3,873	4,249	2,925	2,936	3,246	3,873	3,709	3,517	3,904	4,249	4,068
Credit to other public sector	452	494	382	420	446	452	466	489	475	494	472
Credit to private sector	14,943	16,412	13,794	14,261	14,468	14,943	15,131	15,707	15,985	16,412	16,522
b) Other items (net)	-3,563	-3,734	-3,227	-3,232	-3,464	-3,563	-3,466	-3,395	-3,586	-3,734	-3,462
3. Narrow Money	4,919	5,009	4,184	4,525	4,353	4,919	4,400	4,517	4,554	5,009	4,765
a) Currency outside banks	2,919	2,904	2,400	2,682	2,547	2,919	2,535	2,549	2,612	2,904	2,836
b) Demand deposits	2,000	2,105	1,785	1,844	1,806	2,000	1,865	1,969	1,942	2,105	1,929
4. Time deposits	13,953	15,323	13,044	13,054	13,434	13,953	14,372	14,574	14,819	15,323	15,487
5. Broad money	18,872	20,332	17,228	17,580	17,787	18,872	18,772	19,091	19,372	20,332	20,251
growth in percent (y-o-y)											
1. Net foreign assets	-13.06	-8.08	-11.16	-13.48	-13.28	-13.06	-12.56	-13.13	-16.06	-8.08	-9.62
2. Net domestic assets	16.86	10.93	14.83	14.95	15.40	16.86	14.17	13.42	14.17	10.93	11.12
a) Domestic credit	15.25	9.80	16.42	14.98	16.21	15.25	12.89	11.89	12.14	9.80	9.10
Credit to public sector	34.99	9.66	28.07	24.80	36.08	34.99	26.27	19.34	18.63	9.66	8.75
Credit to govt. (net)	36.65	9.69	28.55	25.19	37.82	36.65	26.81	19.77	20.29	9.69	9.68
Credit to other public sector	22.29	9.42	24.57	22.12	24.61	22.29	22.08	16.39	6.57	9.42	1.39
Credit to private sector	10.57	9.84	13.93	12.89	12.03	10.57	9.69	10.13	10.49	9.84	9.20
3. Narrow money	15.49	1.84	14.15	19.31	15.89	15.49	5.15	-0.18	4.62	1.84	8.28
4. Time deposits	8.82	9.82	6.98	5.16	7.10	8.82	10.18	11.64	10.31	9.82	7.75
5. Broad money	10.48	7.74	8.64	8.47	9.13	10.48	8.96	8.60	8.92	7.74	7.88

Source: Statistics Department, Bangladesh Bank.

Note: R= Revised, P = Provisional.

Table III.3: Interest Rates Developments

Instruments	Sep.22	Dec.22	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24	Jun.2 ^R	Sep.24 ^P
T - bills									
91 - day	6.01	6.90	6.18	6.80	7.24	10.89	11.33	11.64	11.48
182 - day	6.47	7.30	7.01	7.07	7.40	11.09	11.38	11.80	11.74
364 - day	6.80	7.76	7.40	7.90	7.97	11.28	11.59	12.00	11.88
BGTB									
2 - year	7.47	7.55	7.97	8.09	8.65	8.69	11.90	12.25	12.21
5 - year	7.73	7.90	8.14	8.71	8.99	10.35	12.02	12.43	12.36
10 - year	8.09	8.33	8.37	...	9.20	10.46	12.09	12.59	12.52
15-year	8.49	8.77	9.49	11.06	12.14	12.70	12.49
20-year	8.52	8.95	9.76	11.16	12.24	12.79	12.69
Repo									
1-3 day	5.50	5.75	6.00	6.00	6.50	7.75	8.00	8.50	9.50
Reverse repo									
1-3 day	4.00	4.00	4.25	4.25	4.50	5.75	6.50	7.00	8.00
Call money rate									
	5.53	5.80	6.03	6.06	6.41	8.84	8.75	9.08	9.14
Lending rate									
All banks	7.14	7.23	7.29	7.34	7.84	9.32	10.54	11.70	11.88
State owned banks	6.28	6.46	6.45	6.44	6.80	9.11	10.38	10.59	10.73
Private banks	7.38	7.44	7.53	7.63	8.17	9.39	10.60	12.03	12.22
(a) Domestic	7.39	7.45	7.54	7.63	8.18	9.40	10.62	12.08	12.26
(b) Foreign	6.87	7.09	7.40	7.57	7.87	9.16	10.23	10.91	11.04
Specialized banks	6.65	6.93	6.96	6.30	6.62	8.80	9.93	10.73	11.19
Islamic banks	7.25	7.20	7.17	7.35	7.83	8.87	10.20	11.77	11.88
Deposits rate									
All banks	4.13	4.24	4.37	5.03	4.55	4.74	5.20	5.52	5.88
State owned banks	4.11	4.03	4.13	4.41	4.45	4.64	4.89	4.88	5.16
Private banks	4.09	4.26	4.40	5.86	4.52	4.72	5.26	5.69	6.07
(a) Domestic	4.29	4.49	4.64	4.40	4.76	4.97	5.53	5.96	6.36
(b) Foreign	0.96	1.00	1.14	4.63	1.26	1.23	1.30	1.45	1.61
Specialized banks	5.44	5.56	5.66	4.27	5.96	6.07	6.35	6.70	7.17
Islamic banks	4.44	4.83	5.07	1.17	5.21	5.29	5.99	6.45	6.85
National savings certificate									
5 - year Bangladesh sanchayapatra ^a	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28	11.28
3 - year sanchayapatra (tin mas antar munafa vittik) ^b	11.04	11.04	11.04	11.04	11.04	11.04	11.04	11.04	11.04
5 - year pensioner sanchayapatra ^c	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76	11.76
5 - year paribar sanchayapatra ^d	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52	11.52

Sources: Monetary Policy Department and Statistics Department, Bangladesh Bank; Department of National Savings;

... = No auction; P = Provisional, R = Revised.

^aThe interest rates are 11.28%, 10.30% & 9.30% for upto Tk 15 lac, 15+ lac to 30 lac, & above 30 lac respectively.

^bThe interest rates are 11.04%, 10.0% & 9.0% for upto Tk 15 lac, 15+ lac to 30 lac, & above 30 lac respectively.

^cThe interest rates are 11.76%, 10.75% & 9.75% for upto Tk 15 lac, 15+ lac to 30 lac & above 30 lac respectively.

^dThe interest rates are 11.52%, 10.50% & 9.50% for upto Tk 15 lac, 15+ lac to 30 lac & above 30 lac respectively.

Table III.4: Outstanding Stocks of Bangladesh Bank Bills, Treasury Bills, Bonds and NSD Certificates
(in billion BDT)

Instruments	Sep.22	Dec.22	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24	Jun.24	Sep.24
T - bills									
91 - day	277.0	403.3	279.7	362.1	352.9	357.4	521.2	639.0	767.9
182 - day	215.0	180.0	292.0	412.8	418.3	280.1	163.3	146.5	264.7
364 - day	292.1	309.8	433.5	518.0	724.7	724.6	727.5	632.2	522.1
Sub total	784.2	894.1	1005.2	1292.9	1495.8	1362.1	1412.0	1417.7	1554.7
BGTB									
2 - year	388.0	393.0	443.0	485.0	482.0	479.7	494.2	541.0	388.0
5 - year	757.6	799.6	879.6	969.6	1037.5	1037.1	1055.2	1072.4	1146.2
10 - year	1037.7	1046.7	1089.7	1112.7	1146.0	1160.8	1202.0	1251.6	1318.1
15 - year	526.6	538.1	549.6	552.1	549.7	555.9	567.5	598.5	619.2
20 - year	506.0	522.5	536.0	541.5	543.4	553.5	580.7	614.8	658.6
Sub total	4000.1	4194.0	4503.0	4953.7	5254.5	5149.2	5311.5	5496.0	5684.7
National savings certificate	3643.3	3608.9	3598.4	3607.1	3594.4	3546.4	3481.6	3395.8	3479.1
Total (excluding BB bills)	7643.4	7801.9	8101.4	8560.9	8848.9	8695.6	8793.1	8891.8	9163.8

Sources: Monetary Policy Department, Bangladesh Bank; National Savings Directorate.

Table IV.1: Government Fiscal Operations

(in billion BDT)

Items	FY24 ^R							FY25	
	FY23	FY24 ^R	Revised budget	Q ₁	Q ₂	Q ₃	Q ₄	Budget	Q ₁ ^P
Total revenue and foreign grants	3696	4135	4815	961	911	1000	1262	5454	1008
Total revenue	3668	4085	4780	956	908	996	1225	5410	1000
a) NBR tax revenue	3198	3614	4100	758	826	910	1120	4800	743
i) Taxes on income	1072	1230	1459	231	274	309	416	1756	233
ii) Value added tax	1262	1393	1581	315	329	330	419	1828	307
iii) Supplementary duty	445	537	554	108	117	138	174	643	99
iv) Customs duty	362	386	439	94	95	97	100	495	94
v) Excise duty	41	44	50	5	5	29	5	58	4
vi) Other taxes	16	24	17	5	7	6	6	20	5
b) Non- NBR tax revenue	80	79	190	20	18	21	21	150	18
c) Non- tax revenue	390	393	490	178	65	65	84	460	240
Foreign grants	28	50	35	5	3	4	38	44	8
Total expenditure	5743	6023	11632	793	1155	1360	2714	7970	963
a) Operating expenditure	3700	4055	4532	621	891	976	1568	5070	826
i) Pay and allowances	638	674	779	121	183	188	181	816	158
ii) Goods and services	339	396	448	33	100	89	174	456	47
iii) Interest payments	921	1148	1053	221	281	264	382	1135	424
iv) Subsidies, incentives and current transfers	1673	1696	2029	235	303	413	745	2221	189
v) Acquisitions of assets and works	126	129	159	4	22	16	87	220	7
vi) Investment in shares and equities	2	5	32	0	0	5	0	160	0
vii) Foreign financial assets	0	7	0	7	0	0	0	0	0
b) Development expenditure	2055	2013	2600	155	281	384	1192	2815	106
i) ADP	1923	1890	2450	153	266	354	1117	2650	105
ii) Non-ADP	87	90	106	1	13	26	51	105	0
iii) Development program finance from revenue	46	34	44	2	3	4	25	56	0
c) Others	-12	-45	12	17	-17	1	-46	86	32
Budget surplus/deficit (including grants)	-2047	-1888	-2329	169	-244	-361	-1452	-2516	45
Financing	2039	1894	2329	-115	185	365	1459	2516	-41
a) Domestic financing	1247	1183	1566	-99	66	204	1011	1609	-10
i) Bank financing	1180	1242	1559	66	15	362	798	1375	-11
ii) Non-bank financing	68	-59	7	-165	51	-158	213	234	1
b) Foreign financing	791	712	763	-16	120	161	448	907	-31

Table IV.1: Government Fiscal Operations (Contd.)

(in percentage of GDP)

Items	FY24 ^R							FY25	
	FY23	FY24 ^R	Revised budget	Q ₁	Q ₂	Q ₃	Q ₄	Budget	Q ₁ ^P
Total revenue and foreign grants	8.23	8.19	9.54	1.90	1.81	1.98	2.50	9.74	1.80
Total revenue	8.17	8.09	9.47	1.89	1.80	1.97	2.43	9.67	1.79
a) NBR tax revenue	7.12	7.16	8.12	1.50	1.64	1.80	2.22	8.58	1.33
i) Taxes on income	2.39	2.44	2.89	0.46	0.54	0.61	0.82	3.14	0.42
ii) Value added tax	2.81	2.76	3.13	0.62	0.65	0.65	0.83	3.27	0.55
iii) Supplementary duty	0.99	1.06	1.10	0.21	0.23	0.27	0.35	1.15	0.18
iv) Customs duty	0.81	0.77	0.87	0.19	0.19	0.19	0.20	0.88	0.17
v) Excise duty	0.09	0.09	0.10	0.01	0.01	0.06	0.01	0.10	0.01
vi) Other taxes	0.04	0.05	0.03	0.01	0.01	0.01	0.01	0.04	0.01
b) Non-NBR tax revenue	0.18	0.16	0.38	0.04	0.04	0.04	0.04	0.27	0.03
c) Non-tax revenue	0.87	0.78	0.97	0.35	0.13	0.13	0.17	0.82	0.43
Foreign grants	0.06	0.10	0.07	0.01	0.01	0.01	0.07	0.08	0.01
Total expenditure	12.79	11.93	23.04	1.57	2.29	2.69	5.38	14.24	1.72
a) Operating expenditure	8.24	8.03	8.98	1.23	1.76	1.93	3.11	9.06	1.48
i) Pay and allowances	1.42	1.33	1.54	0.24	0.36	0.37	0.36	1.46	0.28
ii) Goods and services	0.76	0.78	0.89	0.07	0.20	0.18	0.34	0.81	0.08
iii) Interest payments	2.05	2.27	2.09	0.44	0.56	0.52	0.76	2.03	0.76
iv) Subsidies, incentives and current transfers	3.72	3.36	4.02	0.46	0.60	0.82	1.48	3.97	0.34
v) Acquisitions of assets and works	0.28	0.26	0.31	0.01	0.04	0.03	0.17	0.39	0.01
vi) Investment in shares and equities	0.00	0.01	0.06	0.00	0.00	0.01	0.00	0.29	0.00
vii) Foreign financial assets	0.00	0.01	0.00	0.01	0.00	0.00	0.00	0.00	0.00
b) Development expenditure	4.58	3.99	5.15	0.31	0.56	0.76	2.36	5.03	0.19
i) ADP	4.28	3.74	4.85	0.30	0.53	0.70	2.21	4.73	0.19
ii) Non-ADP	0.19	0.18	0.21	0.00	0.03	0.05	0.10	0.19	0.00
iii) Development program finance from revenue	0.10	0.07	0.09	0.00	0.01	0.01	0.05	0.10	0.00
c) Others	-0.03	-0.09	0.02	0.03	-0.03	0.00	-0.09	0.15	0.06
Budget surplus/deficit (including grants)	-4.56	-3.74	-4.61	0.33	-0.48	-0.71	-2.88	-4.49	0.08
Financing	4.54	3.75	4.61	-0.23	0.37	0.72	2.89	4.49	-0.07
a) Domestic financing	2.78	2.34	3.10	-0.20	0.13	0.40	2.00	2.87	-0.02
i) Bank financing	2.63	2.46	3.09	0.13	0.03	0.72	1.58	2.46	-0.02
ii) Non-bank financing	0.15	-0.12	0.01	-0.33	0.10	-0.31	0.42	0.42	0.00
b) Foreign financing	1.76	1.41	1.51	-0.03	0.24	0.32	0.89	1.62	-0.06
Memorandum item:									
GDP at current market price	44,908	50,480	50,480	50,480	50,480	50,480	50,480	55,974	55,974

Source: Budget in Brief, Ministry of Finance and Monthly Fiscal Report, Ministry of Finance.

Note: R = Revised, P = Provisional.

Table V.1: Balance of Payments

(in million USD)

	FY23 ^R					FY24 ^R					FY25 ^P
	FY23 ^R	FY24 ^R	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	
Current account balance	-11633	-6512	-3925	-1252	-2192	-1829	-2012	-238	-2433	-127	
Trade balance	-27384	-22432	-7761	-5521	-5758	-5010	-6107	-4639	-6676	-4630	
Export f.o.b.	43,364	40,810	11,367	10,610	10,201	10,051	10,136	10,760	9,863	10,560	
of which: readymade garments	38,176	36,130	10,082	9,415	8,961	8,820	8,741	9,732	8,837	9,512	
Import f.o.b.	70,748	63,242	19,128	16,131	15,959	15,061	16,243	15,399	16,539	15,190	
Services	-3131	-3808	-601	-607	-995	-861	-733	-1004	-1210	-1034	
Credit	6,971	6,289	1,895	1,585	1,612	1,458	1,665	1,533	1,633	1,513	
Debit	10,102	10,097	2,496	2,192	2,607	2,319	2,398	2,537	2,843	2,547	
Primary income	-3407	-4817	-584	-805	-1200	-1022	-1229	-1014	-1552	-1183	
Credit	443	557	113	112	119	123	142	154	138	146	
Debit	3,850	5,374	697	917	1,319	1,145	1,371	1,168	1,690	1,329	
Secondary income	22,289	24,545	5,021	5,681	5,761	5,064	6,057	6,419	7,005	6,720	
Official transfers	88	72	23	22	28	9	14	18	31	27	
Private transfers	22,201	24,473	4,998	5,659	5,733	5,055	6,043	6,401	6,974	6,693	
of which : workers' remittances	21,611	23,912	4,820	5,542	5,576	4,907	5,893	6,274	6,838	6,542	
Capital & financial account	7,365	5,100	2,121	-80	3,863	-1,188	1,910	218	4,160	716	
Capital account	475	554	135	116	188	42	118	127	267	156	
Capital transfers	475	554	135	116	188	42	118	127	267	156	
Financial account	6890	4546	1986	-196	3675	-1230	1792	91	3893	560	
Foreign direct investment (gross inflows)	4428	4160	1089	856	1051	353	1474	1384	949	300	
of which: FDI net liabilities	1649	1697	389	314	441	353	402	469	473	300	
Portfolio investment	-30	-62	-8	-20	15	-40	-42	-7	27	-23	
of which: investment by NRBs	118	93	24	37	25	30	25	17	21	22	
Other investment	5271	2911	1605	-491	3219	-1543	1432	-371	3393	283	
Net aid flows	6,959	7,659	1,895	981	3,198	704	2,393	865	3,697	63	
Medium and long-term (MLT) loans	8,704	9,680	2,274	1445	3,687	1,231	2,817	1,423	4,209	664	
MLT amortization payments	1,745	2,021	379	464	489	527	424	558	512	601	
Other long term loans	434	249	-75	175	266	96	302	185	-334	130	
Other short term loans	-1883	-1574	-556	-1686	-416	-620	-699	-460	205	-151	
Trade credit	2532	-1762	1540	995	315	-991	-647	-521	397	-114	
DMBs and NBDCs	-2771	-1662	-1199	-956	-143	-732	83	-440	-573	355	
Assets	799	895	495	254	144	200	-419	177	938	-1212	
Liabilities	-1973	-767	-705	-702	1	-533	-336	-263	365	-857	
Net errors and omissions	-3954	-2888	-1334	-701	-1407	163	-495	-1283	-1272	-2048	
Overall balance	-8222	-4300	-3138	-2034	265	-2855	-597	-1303	454	-1459	
Reserve assets	8222	4300	3138	2034	-265	2855	597	1303	-454	1459	
Bangladesh Bank	8222	4300	3138	2034	-265	2855	597	1303	-454	1459	
Assets	-8766	-2900	-2791	-2101	680	-3483	512	-1888	1958	-2247	
Liabilities	-544	1400	347	-67	415	-628	1109	-585	1504	-788	

Table V.1: Balance of Payments (Contd.)

(in million USD)

	FY23 ^R					FY24 ^R				FY25 ^P
	FY23 ^R	FY24 ^R	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Memorandum items										
Gross official reserves	31,203	26,714	33,748	31,143	31,203	26,911	27,130	25,232	26,714	24,863
Gross official reserves (as per BPM6)	24,754	21,686	26,023	24,096	24,754	21,060	21,868	19,913	21,686	19,861
In months of imports of goods & services	4.6	4.4	4.7	5.1	5.0	4.6	4.4	4.2	4.1	4.2
In months of prospective imports	5.0	4.8	5.0	5.5	5.6	5.1	4.8	4.7	4.6	4.6
Export growth (in percent)	-11.94	-5.89	-10.62	-19.80	-20.00	-10.15	-10.83	1.41	-3.31	5.06
Import growth (in percent)	-14.24	-10.61	-11.65	-28.48	-23.90	-22.88	-15.08	-4.54	3.63	0.86
Remittances growth (in percent)	2.75	10.70	-0.25	9.55	-2.74	-13.50	22.26	13.21	22.63	33.32

Source: Statistics Department, Bangladesh Bank.

Note: R=Revised, P=Provisional.

Table V.2: Trends in the Commodity Composition of Exports

(in million USD)

Items	FY23 ^R					FY24 ^R				FY25 ^P
	FY23 ^R	FY24 ^R	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
1. Raw jute	203.8	161.3	51.5	44.0	53.3	45.4	31.2	41.6	43.1	34.5
2. Jute goods	979.5	925.4	255.4	232.2	230.6	237.6	251.2	242.6	194.1	206.7
3. Tea	2.3	3.5	0.6	0.6	0.6	0.7	1.0	1.1	0.7	1.5
4. Leather	124.7	143.3	30.3	29.3	30.3	34.6	36.9	35.4	36.4	27.5
5. Frozen shrimps and fish	385.2	326.2	103.4	89.5	66.6	85.6	105.4	72.3	62.9	89.5
6. Woven garments	17,817.7	16,862.4	4,727.7	4,622.3	4,192.8	3,880.2	4,088.6	4,804.4	4,089.2	4,164.5
7. Knitwear products	20,357.8	19,268.0	5,354.4	4,792.4	4,768.1	4,939.8	4,652.6	4,927.6	4,748.0	5,347.5
8. Terry towels	31.5	23.6	8.0	6.6	6.3	5.2	6.1	6.6	5.6	6.8
9. Others	6,592.1	6,761.2	1,595.0	1,710.7	1,597.4	1,603.5	1,757.6	1,750.9	1,649.3	1,779.5
Total exports	46,495	44,475	12,126	11,528	10,946	10,833	10,931	11,882	10,829	11,658
of which: exports from EPZ	6,462	5,679	1,721	1,499	1,554	1,317	1,368	1,505	1,488	1,603
Total exports (adjusted)	43,364	40,810	11,367	10,610	10,201	10,078	10,109	10,760	9,863	10,560

Source: Statistics Department, Bangladesh Bank.

Note: R=Revised, P=Provisional.

Table V.3: Major Destination-wise RMG Related Exports

(in million USD)

	FY23 ^R					FY24 ^R				FY25 ^P
	FY23 ^R	FY24 ^R	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Exports of RMG	38,176	36,130	10,082	9,415	8,961	8,820	8,741	9,732	8,837	9,512
European countries	23,912	23,084	6,265	6,088	5,607	5,517	5,461	6,423	5,683	4,580
USA	7,371	6,624	1,958	1,624	1,839	1,619	1,651	1,626	1,728	1,852
Other countries	6,893	6,423	1,859	1,702	1,515	1,684	1,630	1,683	1,426	3,080
Woven garments	17,818	16,862	4,728	4,622	4,193	3,880	4,089	4,804	4,089	4,165
European countries	9,261	9,274	2,377	2,657	2,158	2,035	2,156	2,882	2,201	1,636
USA	5,136	4,370	1,410	1,150	1,258	1,012	1,108	1,107	1,142	1,169
Other countries	3,420	3,219	941	815	777	834	824	815	746	1,360
Knitwear products	20,358	19,268	5,354	4,792	4,768	4,940	4,653	4,928	4,748	5,347
European countries	14,650	13,810	3,888	3,431	3,449	3,482	3,305	3,541	3,482	2,944
USA	2,234	2,254	548	474	581	607	542	519	586	684
Other countries	3,473	3,204	919	887	738	850	806	868	680	1,720
	growth in percent (y-o-y)									
Exports of RMG	-10.41	-5.36	-7.00	-18.33	-19.88	-9.24	-13.30	3.37	-1.38	7.84
European countries	-10.90	-3.46	-9.09	-17.38	-19.60	-7.30	-12.83	5.50	1.35	-16.99
USAs	-18.22	-10.13	-15.56	-31.12	-24.11	-16.93	-15.72	0.10	-6.01	14.41
Other countries	1.93	-6.83	13.96	-5.49	-15.26	-7.34	-12.33	-1.14	-5.85	82.89
Woven garments	-8.15	-5.36	-2.40	-17.01	-17.63	-9.23	-13.52	3.94	-2.47	7.33
European countries	-10.64	0.13	-7.68	-15.78	-17.72	-1.67	-9.30	8.47	1.99	-19.58
USA	-12.84	-14.92	-6.68	-27.80	-22.23	-23.21	-21.40	-3.73	-9.18	15.48
Other countries	8.84	-5.90	24.07	-0.78	-8.62	-6.11	-12.36	-0.01	-4.00	63.09
Knitwear products	-12.30	-5.35	-10.72	-19.57	-21.76	-9.24	-13.11	2.82	-0.42	8.25
European countries	-11.07	-5.74	-9.93	-18.57	-20.73	-10.30	-14.99	3.21	0.94	-15.47
USA	-28.39	0.87	-32.16	-38.05	-27.90	-3.81	-1.12	9.42	0.85	12.61
Other countries	-4.07	-7.74	5.18	-9.43	-21.29	-8.51	-12.30	-2.18	-7.79	102.31

Source: Statistics Department, Bangladesh Bank.

Note: R=Revised, P=Provisional.

Table V.4: Trends in the Commodity Composition of Imports

(in million USD)

	FY23 ^R					FY24 ^R				FY25 ^P
	FY23 ^R	FY24 ^R	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
A. Food grains	2,599	2,058	919	718	558	398	370	580	711	392
1. Rice	572	25	308	172	9	2	8	7	9	2
2. Wheat	2,028	2,033	612	545	549	396	362	573	702	390
B. Consumer goods	5,652	4,928	1,532	1,443	1,332	1,130	1,185	1,208	1,405	1,101
3. Milk & cream	374	395	80	102	106	110	84	84	116	106
4. Spices	417	481	85	127	126	104	96	136	145	123
5. Edible oil	2,893	2,193	830	549	592	502	638	436	616	492
6. Pulses (all sorts)	938	704	254	309	247	77	127	238	263	207
7. Sugar	1,030	1,155	284	356	261	336	240	314	265	174
C. Intermediate goods	44,270	40,264	11,811	9,539	9,713	9,466	10,458	9,738	10,601	10,075
Petroleum goods	5,773	6,128	1,761	1,214	1,097	1,604	1,528	1,195	1,801	1,409
8. Crude petroleum	628	944	239	-39	197	238	342	145	219	211
9. POL	5,145	5,184	1,522	1,253	900	1,366	1,186	1,050	1,582	1,198
RMG related goods	17,315	16,758	4,642	3,810	3,917	3,680	4,246	4,247	4,586	4,471
10. Raw cotton	4,274	3,610	1,330	756	835	831	809	943	1,026	956
11. Yarn	2,795	3,221	632	662	686	665	858	800	898	877
12. Textile and articles thereof	7,944	7,718	2,079	1,862	1,856	1,667	1,991	1,934	2,126	2,062
13. Staple fibre	1,448	1,376	390	345	327	306	380	368	322	350
14. Dyeing and tanning materials	854	834	211	185	214	211	207	203	214	228
Other intermediate goods	21,182	17,377	5,408	4,515	4,698	4,183	4,685	4,296	4,214	4,195
15. Clinker	1,164	939	256	341	237	214	234	267	224	182
16. Oil seeds	1,239	1,188	93	270	355	232	252	310	393	165
17. Chemicals	3,491	3,313	882	823	831	846	809	813	846	937
18. Pharmaceutical products	364	335	74	68	133	86	83	82	84	109
19. Fertilizer	4,913	2,698	1,667	997	533	529	925	851	393	447
20. Plastics and rubber articles thereof	3,349	2,965	806	737	818	745	709	729	783	861
21. Iron, steel & other base metals	6,661	5,940	1,629	1,280	1,791	1,530	1,673	1,244	1,492	1,495
D. Capital goods & others	13,581	10,602	3,704	3,109	3,174	2,882	2,705	2,481	2,535	2,462
22. Capital machinery	4,847	4,144	1,360	1,070	1,117	1,047	1,012	789	1,296	796
23. Others capital goods	8,733	6,458	2,344	2,038	2,057	1,835	1,694	1,692	1,238	1,666
E. Others	8,960	8,874	2,324	2,272	2,011	2,034	2,368	2,215	2,256	2,140
Grand total c.i.f.(A+B+C+D+E)	75,062	66,725	20,289	17,080	16,787	15,909	17,086	16,222	17,508	16,171
of which import by EPZ	3,915	3,706	998	941	850	812	906	989	999	983
Grand total f.o.b.(adjusted)	70,748	63,242	19,128	16,131	15,959	15,061	16,243	15,399	16,539	15,190

Source: Compiled by Statistics Department of Bangladesh Bank using the data of National Board of Revenue (NBR).

Note: R=Revised, P=Provisional.

Table V.5: Sector wise comparative statement of the Opening and Settlement of Import LCs
(in million USD)

Items	FY24								FY25 ^P	
	Q ₁ ^R		Q ₂		Q ₃		Q ₄		Q ₁	
	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement
Consumer goods	1,454	1,669	1,703	1,904	2,064	1,582	1,487	1,862	1,348	1,376
Intermediate goods	1,105	1,325	1,121	1,195	1,161	1,144	1,181	1,131	1,031	1,150
Industrial raw materials	5,392	5,292	5,717	6,079	6,297	5,645	5,769	5,412	5,828	5,756
Capital machinery	670	649	710	941	570	619	718	523	398	493
Machinery for misc. industries	678	589	506	680	521	538	605	560	552	588
Petroleum and petroleum products	2,704	2,416	2,197	2,450	2,138	1,939	2,095	2,060	2,157	2,413
Others	4,734	4,675	4,604	5,150	4,983	4,435	5,404	5,005	5,048	4,665
Total	16,737	16,614	16,560	18,399	17,735	15,902	17,259	16,553	16,361	16,443
of which back to back	2429	2086	2,015	2,175	2,674	2,365	2,233	2,298	2,912	2,484
	growth in percent (y-o-y)									
Consumer goods	-44.47	-16.34	21.43	-10.66	-2.98	-14.62	2.48	8.89	-7.35	-17.52
Intermediate goods	-26.04	-15.08	2.64	-4.35	-24.35	-10.30	-21.78	-18.64	-6.69	-13.15
Industrial raw materials	-18.23	-35.74	5.06	-13.66	16.14	3.05	13.26	7.32	8.10	8.78
Capital machinery	7.24	-55.34	9.42	2.14	-44.75	-20.73	27.23	-22.65	-40.66	-24.03
Machinery for misc. industries	-8.41	-34.52	-0.65	-1.07	-8.49	-4.52	-5.68	-2.94	-18.65	-0.24
Petroleum and petroleum products	-2.34	-18.68	4.29	2.47	-1.34	-4.14	-5.54	6.59	-20.22	-0.12
Others	13.89	-8.26	17.99	8.54	14.00	2.92	22.30	18.12	6.63	-0.20
Total	-11.90	-25.19	9.63	-4.00	2.96	-2.34	8.57	6.34	-2.24	-1.03
of which back to back	-0.09	-28.41	-2.41	-10.26	23.12	8.62	25.69	14.12	19.90	19.08

Source: Foreign Exchange Operation Department, Bangladesh Bank.

Note: P=Provisional, R=Revised.

Table V.6: Country-wise Workers' Remittances
(in million USD)

Countries	FY23			FY24				FY25 ^P		
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Gulf region	11,126	11,783	2,409	2,931	2,953	2,545	2,815	2,990	3,431	3,041
Saudi Arabia	3,765	2,741	910	854	1,002	815	611	542	774	859
UAE	3,034	4,634	549	867	830	826	1,172	1,304	1,330	1,032
Qatar	1,453	1,150	347	398	355	255	273	311	312	265
Oman	791	1,122	143	232	246	228	218	252	424	328
Kuwait	1,555	1,497	360	424	368	324	391	387	395	359
Bahrain	528	639	101	156	152	97	150	195	197	198
Euro region	1,833	2,235	404	455	473	503	633	575	546	637
Italy	1,186	1,462	268	283	292	318	445	346	353	426
France	292	358	59	77	81	80	84	105	90	87
Greece	131	145	34	35	31	32	38	40	35	45
Germany	112	125	22	31	35	22	32	38	33	38
Other Euro region	112	145	22	28	34	52	34	45	36	42
Asia Pacific region	2,008	2,549	405	520	533	437	694	667	696	1,012
Malaysia	1,126	1,744	219	288	295	267	502	460	516	620
Singapore	423	632	86	117	130	94	147	192	199	202
South Korea	119	116	33	25	17	19	22	39	36	41
Australia	130	116	27	37	29	20	29	32	35	45
Japan	113	77	23	30	29	15	26	21	15	39
Other Asia Pacific region	97	145	18	23	32	25	25	37	58	66
Rest of the world	6,643	7,367	1,601	1,636	1,617	1,423	1,788	1,992	2,164	1,852
USA	3,522	2,962	967	835	721	512	614	818	1,018	921
UK	2,080	2,793	403	554	615	589	781	774	649	566
South Africa	235	308	68	56	38	67	77	76	88	67
Canada	139	143	26	35	45	26	30	41	46	60
Mauritius	110	164	21	20	39	92	23	27	22	39
Other countries	558	962	117	136	160	153	168	193	178	200
Total	21,611	23,912	4,820	5,542	5,576	4,907	5,893	6,275	6,838	6,542

Note: Euro Region is a geographic area consisting of 19 countries that have fully incorporated the euro as their national currency.

Source: Statistics Department, Bangladesh Bank.

Note: P=Provisional.

Table V.7: Exchange Rate Movements
(BDT per currencies)

Period	US Dollar		U.K. Pound Sterling		Euro		Japanese Yen	
	Period average	End period	Period average	End period	Period average	End period	Period average	End period
2022-23								
July	93.89	94.70	112.60	115.23	95.77	96.78	0.69	0.71
August	94.91	95.00	113.87	110.73	96.10	95.13	0.70	0.68
September	95.62	96.00	108.43	104.54	94.79	93.46	0.67	0.67
October	96.62	97.00	109.09	112.65	95.06	96.66	0.66	0.66
November	97.62	98.00	114.55	117.16	99.53	101.22	0.69	0.71
December	98.85	99.00	120.33	119.34	104.49	105.55	0.73	0.74
January	99.89	100.00	122.17	123.52	107.60	108.46	0.77	0.77
February	100.96	101.00	122.06	121.85	108.17	107.15	0.76	0.74
March	101.96	102.00	123.70	125.59	109.15	110.62	0.76	0.77
April	102.92	103.00	127.89	129.51	112.65	113.53	0.77	0.76
May	104.39	104.50	130.33	129.73	113.54	112.18	0.76	0.75
June	105.88	106.00	133.63	134.75	114.58	115.44	0.75	0.74
2023-24								
July	108.76	109.00	140.08	140.08	120.23	120.07	0.77	0.77
August	109.46	109.50	139.17	139.28	119.48	119.64	0.76	0.75
September	109.97	110.25	136.57	134.04	117.67	116.56	0.74	0.74
October	110.49	110.50	134.52	134.47	116.70	117.30	0.74	0.74
November	110.88	110.50	137.61	140.28	119.79	121.22	0.74	0.75
December	110.15	110.00	139.41	140.04	120.89	121.41	0.76	0.78
January	110.00	110.00	139.75	139.69	120.08	119.26	0.75	0.75
February	110.00	110.00	138.93	139.29	118.67	119.22	0.74	0.73
March	110.00	110.00	139.89	138.87	119.63	118.74	0.73	0.73
April	110.00	110.00	137.87	138.19	118.19	117.93	0.72	0.70
May	115.03	117.70	145.31	149.58	124.30	127.14	0.74	0.75
June	117.94	118.00	150.13	149.20	127.14	126.44	0.75	0.73
2024-25								
July	117.93	118.00	151.78	151.46	127.95	127.62	0.75	0.77
August	118.73	120.00	153.59	158.30	130.85	133.45	0.81	0.83
September	120.00	120.00	158.38	160.49	133.14	133.96	0.84	0.84

Source: Statistics Department, Bangladesh Bank.

Table V.8: Trends in Foreign Aid
(in million USD)

	FY23				FY24 ^R				FY25 ^P	
	FY23	FY24 ^R	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
a. Grants (i+ii)	563	625	158	137	217	51	132	145	298	182
i) Food aid	53	30	13	13	15	6	5	9	11	15
ii) Project aid	511	595	145	124	203	45	127	137	287	167
b. Loans (MLT)	8,704	9,238	2,204	1,515	3,687	1,231	2,650	1,422	3,934	664
A. Total (a+b)	9,267	9,863	2,362	1,652	3,904	1,282	2,782	1,568	4,231	846
B. Amortization(1+2)	2,670	3,357	528	677	940	870	697	1,004	786	1,127
1) Principal	1,735	2,010	390	466	490	492	434	590	493	686
2) Interest	936	1,347	138	211	450	378	263	413	292	441
C. Net foreign financing (A-1)	7,533	7,853	1,972	1,186	3,414	790	2,348	977	3,738	161

Source: Statistics Department, Bangladesh Bank

Note: R=Revised, P= Provisional.

Table VI.1: Gross NPL Ratios by Type of Banks
(in percent)

Type of banks	2022				2023				2024		
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep
State-owned commercial banks	20.01	21.93	23.04	20.28	19.87	25.01	21.70	20.99	26.97	32.77	40.35
Specialized banks	12.01	11.74	11.80	12.8	12.80	12.14	12.10	13.87	13.88	13.11	13.21
Private commercial banks	5.84	6.01	6.20	5.13	5.96	6.46	7.04	5.93	7.28	7.94	11.88
Foreign commercial banks	4.53	4.40	4.77	4.91	4.90	4.80	5.07	4.82	5.20	4.74	4.99
All banks	8.53	8.96	9.36	8.16	8.80	10.11	9.93	9.00	11.11	12.56	16.93

Source: Banking Regulation and Policy Department, Bangladesh Bank.

Table VI.2: Net NPL Ratios by Type of Banks
(in percent)

Type of banks	2022				2023				2024		
	Mar	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep
State-owned commercial banks	3.39	5.98	7.72	5.22	5.24	10.78	6.85	6.21	13.00	18.32	22.71
Specialized banks	0.46	-0.14	-0.06	1.41	1.49	0.90	0.92	1.68	1.53	1.14	1.22
Private commercial banks	-0.82	-0.61	-0.47	-1.31	-0.88	-0.46	-0.03	-0.72	0.17	0.77	2.85
Foreign commercial banks	-0.46	-0.49	-0.62	-0.56	-0.50	-0.27	-0.04	-0.41	-0.13	-0.50	-0.48
All banks	-0.07	0.49	0.90	-0.08	0.30	1.58	1.22	0.59	2.44	3.68	5.89

Source: Banking Regulation and Policy Department, Bangladesh Bank

Table VI.3: Capital to Risk Weighted Asset Ratios by Types of Banks
(in percent)

Type of banks	2022				2023				2024	
	Jun	Sep	Dec	Mar	Jun	Sep	Dec	Mar	Jun	Sep
State owned commercial banks	6.43	6.18	6.26	5.90	6.76	6.03	6.13	5.80	5.44	-2.48
Specialized banks	-35.77	-37.27	-40.29	-38.35	-37.79	-38.91	-40.90	-43.84	-41.31	-42.2
Private commercial banks	12.97	12.72	13.80	13.08	12.81	12.82	13.48	12.49	12.29	9.38
Foreign commercial banks	26.44	30.36	31.56	31.48	32.91	35.72	37.30	38.93	39.46	43.67
All banks	11.15	11.01	11.83	11.23	11.19	11.08	11.64	10.85	10.64	6.86

Source: Department of Off-site Supervision, Bangladesh Bank.

Table VI.4: Profitability Ratios by Type of Banks
(in percent)

Type of Banks	Return on Asset (ROA)*					Return on Equity (ROE)*				
	2023				2024	2023				2024
	Mar.	Jun.	Sep.	Dec.	Mar.	Mar.	Jun.	Sep.	Dec.	Mar.
State Owned Commercial Banks	-0.10	0.08	-0.07	0.18	-0.65	-2.74	2.26	-1.99	4.78	-19.10
Specialized Banks	-2.60	-3.53	-4.20	-2.74	-3.12	-10.81	-14.29	-16.4	-10.84	-11.49
Private Commercial Banks	0.40	0.47	0.49	0.62	0.34	6.23	7.66	8.10	10.13	5.90
Foreign Commercial Banks	3.46	3.09	3.12	3.28	3.92	19.97	17.27	17.32	17.09	19.87
All Banks	0.39	0.43	0.41	0.59	0.23	6.82	7.88	7.46	10.55	4.32

Source: Department of Off-site Supervision, Bangladesh Bank; *=All are annualized except the quarter of December.

Table VII.1: Indicators of Capital Market Developments

	FY23					FY24					FY25
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	
Number of listed securities ¹	411	420	408	409	411	411	413	420	420	421	
Issued equity and debt (billion taka)	968.8	1016.1	947.2	951.9	968.8	973.1	977.5	999.1	1016.1	1017.6	
Market capitalization (billion taka)	4565.8	3673.9	4471.7	4488.3	4565.8	4547.3	4541.3	3949.1	3673.9	3909.3	
Turnover (billion taka)	1910.9	1496.9	446.5	297.6	434.4	380.9	297.2	508.6	310.2	415.3	
DSE broad index	6344.1	5328.4	6206.8	6206.8	6344.1	6284.6	6246.5	5829.7	5328.4	5624.5	
DSE -30 index	2192.8	1909.6	2195.3	2209.4	2192.8	2140.4	2093.8	2021.3	1909.6	2053.4	
	growth in percent (y-o-y)										
Number of listed securities	1.99	2.19	3.29	2.00	1.99	1.73	1.23	2.69	2.19	2.43	
Issued equity and debt	4.40	4.88	8.86	4.24	4.40	4.20	3.20	4.95	4.88	4.57	
Market capitalization	0.00	-19.53	-7.47	-6.36	0.00	-1.18	1.56	-12.01	-19.53	-14.03	
Turnover	-39.71	-21.66	-45.17	-58.61	-2.40	-48.00	-33.43	70.91	-28.59	9.04	
DSE broad index	-0.52	-16.01	-8.14	-8.15	-0.52	-3.50	0.64	-6.08	-16.01	-10.50	
DSE -30 index	-4.48	-12.91	-13.32	-10.69	-4.48	-8.16	-4.62	-8.52	-12.91	-4.06	

Source: Dhaka Stock Exchange

¹Include debenture but exclude govt. bond.

Table VII.2: Group-wise Market Capitalization of Dhaka Stock Exchange
(in billion BDT)

Name of group	FY23				FY24				FY25	
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁
Banks	675.1	615.0	666.6	673.2	675.1	680.7	686.5	677.9	615.0	758.2
Financial institutions	187.4	109.4	188.0	186.9	187.4	186.5	186.9	125.2	109.4	119.2
Mutual funds	37.6	31.2	38.5	37.3	37.6	37.4	41.5	34.0	31.2	28.3
Engineering	530.3	352.2	525.3	525.3	530.3	526.3	531.9	379.1	352.2	325.6
Food and allied product	399.9	295.7	378.6	387.6	399.9	397.8	391.9	330.5	295.7	338.9
Fuel and power	450.1	328.9	446.2	446.7	450.1	447.8	446.5	338.9	328.9	313.9
Jute industry	3.7	3.6	3.6	3.1	3.7	3.9	4.0	4.2	3.6	4.1
Textile industry	172.3	125.8	170.7	166.8	172.3	168.9	171.7	142.2	125.8	120.2
Pharmaceuticals and chemicals	720.0	607.8	728.3	712.4	720.0	717.7	721.5	636.6	607.8	583.2
Paper and printing	42.3	31.5	40.0	40.1	42.3	39.7	38.9	41.3	31.5	22.8
Services and real estate	29.3	23.4	27.1	30.0	29.3	28.5	27.5	24.1	23.4	18.6
Cement industry	123.2	110.9	111.1	110.9	123.2	122.7	121.4	117.7	110.9	110.9
Insurance	184.3	141.8	162.4	160.6	184.3	188.1	175.7	156.9	141.8	137.5
Telecommunication	580.2	476.9	580.2	580.2	580.2	580.2	580.2	488.2	476.9	644.2
Miscellaneous	389.1	230.9	404.9	392.0	389.1	380.1	232.5	243.0	230.9	229.2
Corporate bond	40.9	42.3	37.6	35.1	40.9	40.9	45.2	43.1	42.3	35.9
Total market capitalization	4566	3668	4472	4488	4566	4547	4541	3949	3668	3909

Source: Dhaka Stock Exchange.

Annexure-2

Major Policy Announcements: July – September, 2024

<p>BRPD Circular No. 07; April 03, 2024: Providing loan facilities to any borrower of the group if a borrower of the same group is not willful defaulter.</p>	<p>According to the Bank Companies Act, banks or financial institutions will not provide any loan facility in favor of a defaulting borrower. However, if any defaulting person, institution, or company is proved not to be a willful defaulter and BB determines that there are reasonable causes for failure to repay the loan, with prior approval from the BB, other institutions or companies within that group will be considered for loan facilities.</p>
<p>DFIM Circular Letter No. 13; April 03, 2024: Interest/Profit Rate of Deposit and Loan/Lease/ Investment.</p>	<p>The deposit and loan interest rates of finance companies operating in Bangladesh have been re-fixed. The maximum interest rate on deposit will be SMART +2.00 percent, and for loan/lease/investment, it will be SMART +5.00 percent.</p>
<p>DFIM Circular No. 04; April 03, 2024: Identification & finalization of willful defaulters and measures to be taken against them.</p>	<p>In accordance with the provisions of the Finance Companies Act, a borrower will be categorized as a willful defaulter if they do not fulfill their obligations to repay the loan, investment, or any other financial facility or part thereof or the interest or profit charged thereon in favor of their family members, stakeholders, institutions, or companies despite having the capacity to repay. In addition, a person will be identified as a willful defaulter if he/she takes loan in favor of the individual or his/her family member or his /her related company by fraud, deception, or providing false information.</p> <p>If the individual uses the loans for purposes other than those for which the loan was received and if the collaterals used for taking loans were transferred without the prior approval of the NBFIs, he/she will be defined as willful defaulter.</p> <p>This circular provides a detailed explanation of the process of identifying and finalizing willful defaulters and the measures to be taken against them.</p>
<p>BRPD Circular Letter No-09; April 08, 2024: Definition of past due/ overdue fixed term loan</p>	<p>For the purpose of aligning the Past due/Overdue definition of the Fixed Term Loan with the international best practice, necessary instructions are given below which will be implemented in two steps:</p> <p>a) In case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry/due date, the amount of unpaid installment(s) will be treated as past due/overdue after 03 (three) months of the due date, which will be effected from 30 September 2024;</p> <p>b) In the second step, from 31 March 2025 and onwards, in case of any installment(s) or part of installment(s) of a Fixed Term Loan is not repaid within the fixed expiry/due date, the amount of unpaid installment(s) will be treated as past due/overdue from the following day.</p>

BRPD Circular Letter No. 18; April 08, 2024: Clarification of the deduction of source tax	The National Board of Revenue issued a general clarification regarding the applicability of deducting tax at source under Section 102 of the Income Tax Act, 2023, against interest or profit received against various types of deposits by local authorities. Grants received by local authorities and any form of income other than taxes, fees, and duties are taxable.		
SMESPD Circular Letter No. 01; April 16, 2024: Re-fixing interest rate on pre-finance facility under SREUP	The interest rate for pre-financing under SREUP (Support Safety Retrofits and Environmental Upgrades Program) has been re-fixed to a maximum of 7% per annum, while interest rate on already sanctioned prevailing sub-loan will remain at 5% per annum. The interest rate paid by participatory financial institutions (PFIs) to BB for new on-lending loan (OLL) under this project has also been re-fixed at 4.5% per annum, where merging for PFI's is 2.5%.		
FEPD Circular No. 09; May 08, 2024: Introduction of Crawling Peg Exchange Rate System	BB has decided to introduce a crawling peg exchange rate system for spot purchases and sales of US dollars. Under this system a crawling peg mid rate (CPMR) has been set at TAKA 117.00 per US dollar with immediate effect. Scheduled banks may purchase and sell US dollars freely around the CPMR with their customers and in interbank deals.		
MPD Circular No. 02; May 08, 2024: Re-fixation of Interest Rate Corridor (IRC).	BB has hiked the policy rate by 50 basis points, from 8.00 to 8.50 percent. Simultaneously, the standing lending facility rate has been elevated to 10.00 percent from 9.50 percent, and the standing deposit facility rate has been raised to 7.00 percent from 6.50 percent.		
BRPD Circular Letter No. 10; May 08, 2024: Interest/Profit Rate of Loan/Investment	Aligning with international best practices, the SMART (Six Months Moving Average Rate of Treasury Bill)-based interest rate system is now being withdrawn to move towards a full-fledged market-based interest rate system. The interest rate of bank loans will hereafter be solely determined by the banker-customer relationship, taking into account the demand and supply of loanable funds in the banking system.		
FEPD Circular Letter No. 10; May 08, 2024: Facilitating Operations of Private Foreign Currency Accounts and Non-Resident Foreign Currency Deposit (NFCD) Accounts	In order to facilitate the depositors and bring uniformity among Private Foreign Currency Accounts, NFCD Accounts, and other existing Foreign Currency Accounts, it has been decided that ADs may open Private Foreign Currency Accounts and NFCD Accounts in any approved foreign currency such as USD, EUR, GBP, JPY, AUD, CAD, CHF, CNH and SGD. ADs are also allowed to offer annual interest rate/profit ceiling considering benchmark reference rate in the approved currency of deposits to be maintained in the form of term deposits, as mentioned below:		
	<table border="1" data-bbox="540 1577 1421 1619"> <thead> <tr> <th data-bbox="540 1577 906 1619">Period of deposits</th> <th data-bbox="906 1577 1421 1619">Ceiling rate</th> </tr> </thead> </table>	Period of deposits	Ceiling rate
	Period of deposits	Ceiling rate	
	Up to one year not less than 3 months	Benchmark reference rate +1.5 percent	
	Above 1 year and up to 3 years	Benchmark reference rate +2.25 percent	
Above 3 years and up to 5 years	Benchmark reference rate +3.25 percent		

<p>FEPD Circular no. 05; May 09, 2024: Relaxation on single transaction through International Card issued against Resident Foreign Currency Deposit (RFCD) Account</p>	<p>To facilitate RFCD accounts holder, it has been decided that Authorized Dealers (ADs) may permit their RFCD cardholding customers (including two supplementary card holders) to use International Cards for online payment at actual against the purchase of goods and services from reputable and reliable sources abroad.</p>
<p>BRPD Circular Letter No. 23; May 15, 2024: Single Borrower and Large Loan Exposure Limit.</p>	<p>As per BB's directive, certain banks have submitted applications to relax the upper limit, which contradicts BB's instructions. However, there is no leeway to raise the limit to alleviate the banks' high credit risk, uphold corporate governance, ensure sound practices in loan disbursement, and maintain stability in the banking sector.</p>
<p>CIB Circular No. 01; May 21, 2024: Regarding submission of information related to Willful Defaulter in CIB Database.</p>	<p>BB instructed scheduled banks and non-banking financial institutions (NBFIs) to submit information related to willful defaulters to the Credit Information Bureau (CIB) database as per the prescribed method and format mentioned in the circular.</p>
<p>ACD Circular Letter No. 01; May 29, 2024: Regarding the imposition of fixed concessional interest/profit at the customer level for refinancing tenure.</p>	<p>BB clarified that no interest/profit rate over the subsidized interest/profit rate fixed at the customer level for the period availing the refinance facility will be charged on the fully or partially overdue status of refinanced loans/investments under refinancing schemes constituted by ACD.</p>
<p>FEPD Circular Letter No. 08; May 30, 2024: Cash incentive against export of Leather goods</p>	<p>In accordance with the government decision, companies engaged in the production and export of leather goods at their factories will be eligible to receive cash incentives alongside 100% export-oriented companies.</p>
<p>SFD Circular No.01; May 30, 2024: Showing the expenditure for promoting the use of Bangla QR as CSR expenditure.</p>	<p>To facilitate cashless transactions in the country, BB has permitted banks to show their specified expenses mentioned in this circular related to the promotion of Bangla QR in the corporate social responsibility (CSR).</p>
<p>FEPD Circular No. 13; June 30, 2024: Extension of usance period against imports of industrial raw materials.</p>	<p>BB has extended usance period to 360 days from 180 days and made it effective until June 30 this year. This usance period of 360 days will be applicable in case of imports of industrial raw materials, including back-to-back imports and imports of agricultural implements and chemical fertilizers under the supplier's/buyer's credit.</p>

	To facilitate trade transactions, BB has decided to extend this policy supports till December 31, 2024. However, the extended usance period will not be applicable for imports made through loans of the Export Development Fund (EDF) of BB.
DMD Circular Letter No. 08; June 30, 2024: Auction of Central Bank Repo.	Central Bank REPO auctions will occur on Monday and Wednesday, permitting banks to obtain funds from the BB on these two days under the REPO arrangement.

Bangladesh Bank welcomes suggestions and comments for improvement of the contents and form of the publication. Comments and suggestions may be sent to:
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