

Bangladesh Bank **Quarterly**

January-March, 2024

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Bangladesh Bank Quarterly

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Economic and Financial Developments

Executive Summary

Economic activity in Bangladesh remained buoyant during Q3 and Q4 of FY24 after some moderation of growth in Q2FY24. Real GDP growth of Bangladesh accelerated to 6.12 percent during Q3FY24, higher than the growth of 3.78 percent in Q2FY24. Although quarterly growth data for Q4FY24 is not available yet, relevant indicators demonstrated a strong performance in domestic demand. A strong growth in remittance inflows, coupled with stable growth in private sector credit, increased the consumption demand. The Bangladesh Bureau of Statistics (BBS) released the provisional estimates of annual GDP, indicating that real GDP experienced an annual growth of 5.82 percent in FY24, marginally higher than the growth of 5.78 percent in FY23.

Headline inflation (point-to-point) slightly decreased to 9.72 percent in June 2024, down from 9.81 percent in March 2024. A reduction in non-food inflation primarily drove this marginal decline, partially offsetting the upward pressure from rising food prices and moderating the overall inflation rate. The continued monetary tightening by the Bangladesh Bank (BB) and the stabilization of the exchange rate, which stabilized import costs, were major factors in the decline in non-food inflation. Food inflation, however, surged during the quarter, driven by heightened demand around Eid-ul-Adha and supply-side disruptions. Heat waves in April 2024 and Cyclone Remal in May 2024 significantly affected agricultural production, contributing to the rise in food prices. Meanwhile, the 12-month average headline inflation continued to move upward, reaching 9.73 percent by the end of Q4FY24, up from 9.69 percent at the end of Q3FY24. Similarly, point-to-point core inflation, which excludes volatile items such as food and fuel, rose to 8.32 percent at the end of Q4FY24, compared to 7.72 percent at the end of Q3FY24.

During Q3 and Q4 of FY24, BB revised the policy rate upward twice. First, in January 2024, BB raised the policy rate by 25 basis points from 7.75 percent to 8.00 percent and in May 2024, BB again raised the policy rate by 50 basis points, moving it from 8.00 percent to 8.50 percent. This move signifies the central bank's commitment to a tighter monetary policy aimed at controlling inflation. Consequently, average yields of government securities for all maturities (short, medium, and long-term) followed an upward trend in March and June 2024 compared to December 2023, reflecting the transmission of monetary tightening from the money market to the government securities market.

In January 2024, BB narrowed down the interest rate corridor by 100 basis points from 4.0 percent to 3.0 percent to improve the liquidity management in the banking sector. The inter-bank call money rate remained within the announced corridor during Q3 and Q4 of FY24. Although the inter-bank call money rate stayed above the policy (repo) rate, it gradually moved closer to the policy rate throughout Q4FY24, indicating effective management of liquidity in the money market.

Reserve money (RM) experienced a sharp rise in June 2024, increasing by 7.80 percent, compared to a 3.2 percent increase in March 2024 and a 2.0 percent contraction in December 2023. This surge was primarily driven by a significant increase in claims on deposit money banks (DMBs) due to liquidity support from BB. The government's borrowing from the central bank was significantly low, reflecting austerity measures taken by the government along with BB's contractionary monetary policy stance. Despite the strong growth in reserve money, M2 growth decelerated compared to the previous quarter, largely due to slower growth in net domestic assets (NDA) and a decline in net foreign assets (NFA).

In FY24, Bangladesh's external sector continued to face numerous challenges due to exchange rate instability, price volatility in global commodities, disruptions in international supply chains, and tighter global financial conditions. However, the external sector's pressure was subsided by the continued tighter monetary and fiscal policies, the exchange rate realignment, and the shift to a crawling peg exchange rate regime. Therefore, the situation improved in Q4FY24 somewhat, resulting in the overall BoP surplus. Despite the intensified deficit in trade balance and current account balance, the BoP returned to a surplus of USD 455 million in Q4FY24 from a deficit of USD 1303 million in Q3FY24, largely driven by a substantial surplus in the financial account. Meanwhile, inward remittances continued their positive growth trajectory. The exchange rates of BDT depreciated by 8.2 percent against the US dollar as of June 2024 compared to the same period in 2023.

Overall fiscal activities in Q4FY24 presented a sluggish picture, reflected in a notable drop of revenue collection and a retrenchment of government expenditure compared to Q4FY23. During FY24, total expenditure of the government experienced a marginal rise by only 4.95 percent, indicating slower economic activities and implementation of the government's austerity measures. The slower growth in budget implementation along with a deceleration in revenue collection resulted in a rise in the budget deficit in FY24.

The banking sector experienced a continued rise in non-performing loans (NPLs) during the last two consecutive quarters of FY24, reaching the highest level in a decade by the end of FY24. The gross NPL ratio rose to 11.11 and 12.56 percent in March and June, 2024, respectively, up from 9.00 percent in December 2024. BB has initiated a series of measures aimed at reducing NPLs while promoting good governance and restoring credibility in the banking sector. BB has already restructured the management and formed new boards of directors for troubled banks and non-bank financial institutions involved in significant misconduct. Additionally, a dedicated task force has been established to address the underlying causes of rising NPLs and to improve the overall health of the banking industry. These efforts are designed to strengthen governance standards, restore public confidence, and build a more resilient and well-regulated financial sector.

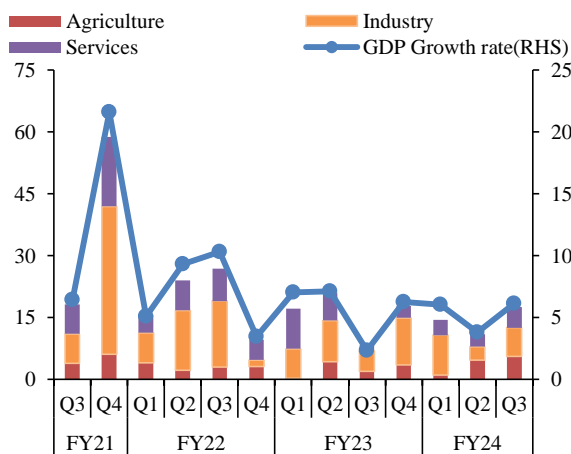
The capital market in Bangladesh extended its downward trend in Q4FY24, following a similar trend observed in Q3FY24. The dismal performance was evident in the slump in price indices and market capitalization, a precipitous decline in the price-earnings ratio and a reduction in turnover. The Bangladesh Securities and Exchange Commission (BSEC) and BB have undertaken a number of measures to revitalize the country's capital market.

Looking forward, GDP growth in the coming quarter may witness some slowdown due to the people's uprising during July and August, 2024 and flooding in some parts of the country during August and September, 2024. Nonetheless, the new interim government has a mandate of initiating and implementing a comprehensive reform measures, including economic reforms towards achieving macroeconomic stability and ensuring governance in the financial sector. Inflation remained a major concern for BB. To control the inflation, BB may maintain its contractionary monetary policy stance until there are clear signs of inflation easing. Moreover, robust inflows of remittances along with substantial foreign assistance from the several multilateral organizations and development partners are anticipated, which may help to improve the balance of payments situation.

I. Real Economy

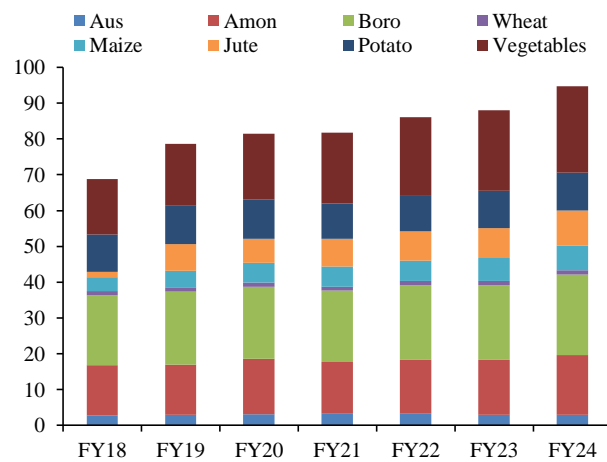
1.1 According to provisional estimate of the Bangladesh Bureau of Statistics (BBS), Bangladesh’s economy experienced a modest increase in growth in the current fiscal year compared to the previous fiscal year, with a 5.82 percent growth in Gross Domestic Product (GDP) in FY24, up from 5.78 percent in FY23(Chart I.1). The latest available quarterly data shows that Bangladesh’s real economy experienced a strong rebound, with the real GDP growth rate rising to 6.12 percent by the end of the third quarter of FY24, up from 3.78 percent at the end of the second quarter. This growth was driven by all three sectors of the economy—industry, agriculture, and services—with the industry sector being the largest contributor. The industry sector demonstrated impressive growth, expanding by 7.03 percent in Q3FY24, compared to 3.24 percent in Q2FY24. Similarly, the agriculture and service sectors also showed positive trends, with agriculture growing by 5.46 percent and services by 4.97 percent in Q3FY24, up from their respective growth rates in the previous quarter.

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)

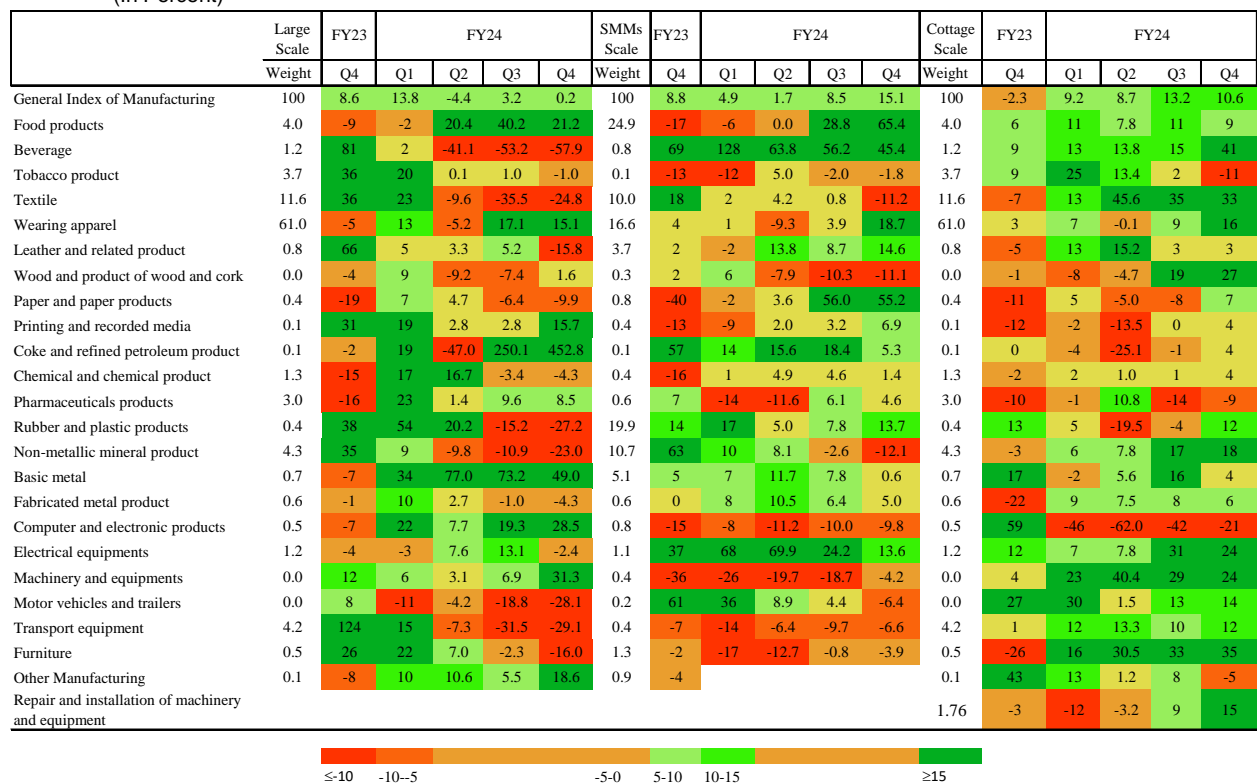


Source: Department of Agricultural Extension (DAE).

1.2 By the end of Q4FY24, there was a discernible upsurge in the production of major crops compared to the annual targets, which significantly contributed to the agricultural sector’s impact on GDP. At the end of Q4FY24, total rice production, which includes Aus, Aman, and Boro varieties, reached 96.9 percent of the annual target, with 42.1 million metric tons (MT) produced out of a target of 43.4 million MT. Aman rice achieved 97.0 percent of its target, producing 16.7 million MT out of 17.2 million MT. Aus rice reached 74.7 percent of its target, with 3.0 million MT produced against a target of 4.0 million MT. Boro rice exceeded its target, reaching 100.7 percent by producing 22.4 million MT, surpassing the target of 22.3 million MT (Chart I.2). Compared to FY23, production of Aus, Aman, and Boro rice increased by 2.47 percent, 7.93 percent, and 8.01 percent, respectively, by the end of FY24. In addition to rice, wheat production reached 95.4 percent of its annual target, while jute production exceeded expectations by reaching 109.7 percent. Potato production achieved 91.4 percent of its target. Both vegetable and maize production also surpassed their respective targets, with 24.2 million MT of

vegetables (103.1 percent of the target) and 6.9 million MT of maize (102.8 percent of the target) produced by the end of Q4FY24.

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



Red areas indicate low growth and increasing order of Green represents higher and higher growth
 Source: BB staff’s calculation based on BBS data.

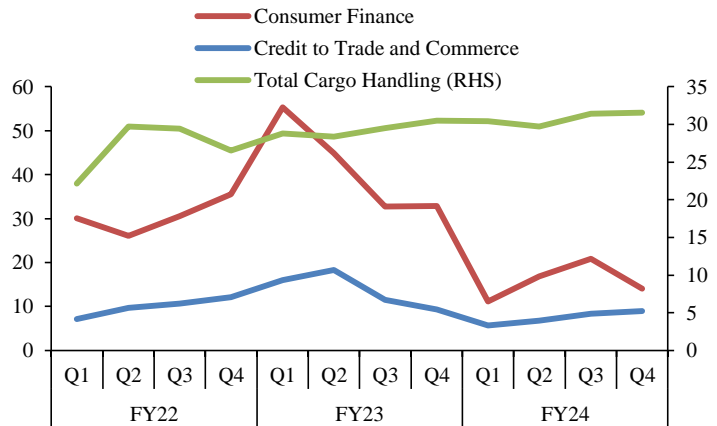
1.3 The Index of Industrial Production (IIP) increased by 5.13 percent in Q4FY24, compared to the same period in the previous fiscal year, signaling substantial growth in the industrial sector. Among the three sectors within the IIP, manufacturing and electricity saw notable growth, expanding by 5.38 percent and 4.43 percent respectively, while mining declined by 13.06 percent during Q4FY24 compared to the corresponding previous quarter. In Q4FY24, the Index of Industrial Production (IIP) for the large-scale industrial sector experienced significant improvements in certain sub-sectors. Coke and refined petroleum products grew by an impressive 452.8 percent, basic metals by 49.0 percent, and machinery and equipment products by 31.3 percent compared to the same period in the previous quarter. Additionally, the IIP for manufacturing in the Small, Medium, and Micro Enterprises (SMME) sector showed strong growth, with food products increasing by 65.4 percent, paper and paper products by 55.2 percent, and beverages by 45.4 percent compared to Q4FY23. In the cottage sector, the IIP for manufacturing also rose, with beverages growing by 41.0 percent, furniture by 34.6 percent, and textiles by 33.1 percent (Chart I.3).

1.4 In Q4FY24, the service sector maintained its positive growth, as evidenced by various proxy indicators in service-related industries. By the end of Q4FY24, credit to trade and commerce increased by 8.99 percent compared to the previous quarter and consumer financing within the service sector grew by

5.04 percent. Additionally, total trade measured by exports and imports through cargo handling at the Chattogram port experienced a 3.57 percent rise from the previous quarter (Chart I.4).

1.5 The impressive performance in the industry, agriculture, and service sectors indicates that overall economic growth in Bangladesh was satisfactory for Q4FY24. Continued support for agricultural innovation and infrastructure will be key to achieving sustainable and inclusive economic growth. Additionally, fostering growth in emerging industrial sectors and supporting small and medium-sized enterprises (SMMEs) will strengthen industrial resilience. Increased investment in service sector infrastructure and technology will contribute to long-term growth in trade and commerce. Finally, BB and the current interim government are actively working to stabilize inflation while supporting productive economic sectors, although the economy faces various macroeconomic uncertainties. Looking ahead to FY25, expectations for continued economic growth are high, supported by improved internal and external macroeconomic conditions. Furthermore, the implementation of financial and fiscal reforms is likely to stimulate Bangladesh’s economic growth further.

Chart I.4: Growth of Credit to Trade and Commerce and Consumer Finance (In percent) and Total Cargo Handled by Chattogram Port (In MMT)

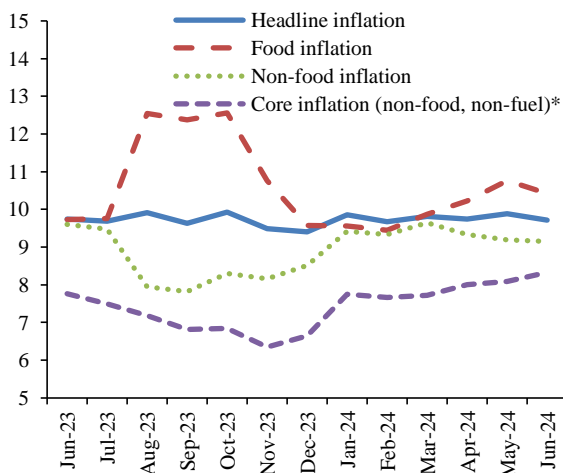


* Credit to Trade and Commerce, Consumer Finance data are Provisional.
Source: Bangladesh Bank and Chattogram Port Authority.

II. Price

2.1 Headline inflation (point-to-point) decreased slightly in Q4FY24 compared to Q3FY24. In March 2024, the inflation rate stood at 9.81 percent, which experienced a modest decrease to 9.74 percent in April 2024. However, there was a slight upward pressure in May 2024, reaching 9.89 percent before declining to 9.72 percent in June 2024 (Chart II.1). The dynamics of headline inflation in the fourth quarter of FY24 were primarily driven by rising food inflation. Meanwhile, the downward trend in non-food inflation during the quarter helped to partially offset the upward pressure from food inflation, thereby moderating the overall inflation rate. The surge in food inflation during this quarter was partially caused by the heightened demand during Eid-ul-Adha. Some supply side constraints, such as agricultural disruptions resulting from heat waves in April 2024 and Cyclone Remal in May 2024, had an impact on food inflation. On the other hand, non-food inflation experienced a downward trajectory, partly reflecting BB's ongoing monetary policy tightening and the favourable effects on import prices following the stabilization of the exchange rate. The 12-month average headline inflation continued its upward trend and hit a long-time high, rising to 9.73 percent at the end of Q4FY24 from 9.69 percent at the end of Q3FY24 (Chart II.2). Similarly, the point-to-point core inflation rate, which excludes volatile items like food and fuel, rose to 8.32 percent at the end of Q4FY24 from 7.72 percent at the end of Q3FY24 (Chart II.2).

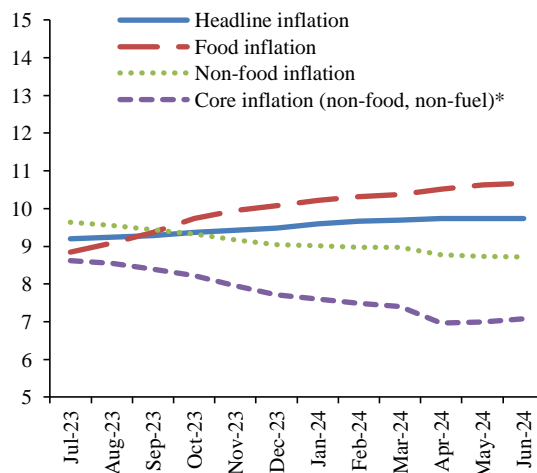
Chart II.1: Point-to-Point CPI inflation (In percent)



Source: Bangladesh Bureau of Statistics.

*Core inflation is calculated by the Research Department of BB using BBS data.

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



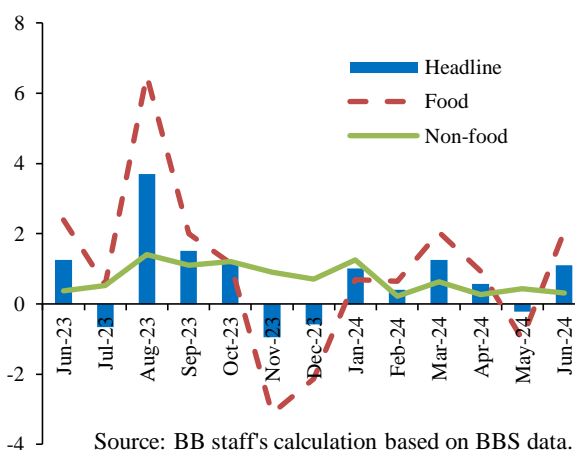
Source: Bangladesh Bureau of Statistics.

*Core inflation is calculated by the Research Department of BB using BBS data.

2.2 Following a period of softening in Q3FY24, the point-to-point food inflation surged to double digits during Q4FY24. Starting at 9.87 percent in March 2024, food inflation significantly increased to 10.22 percent in April, remaining unfavorable to consumers, and reached 10.42 percent by the end of June 2024. The momentum of the CPI Index witnessed its sharpest rise in June 2024 for the quarter under review (Chart II.3). This increase was driven by both demand and supply-side factors. The demand for food items was notably boosted by Eid-ul-Adha, which led to increase consumption in the local market. On the supply side,

heat waves and Cyclone Remal severely hampered agricultural production and disrupted agricultural production and the supply chain of food items. Global issues, including the ongoing Russia-Ukraine war, tensions in the Red Sea, and the Gaza crisis, further disrupted supply chains and led to high production input costs. Month-on-month prices of vegetables, milk, cheese and egg, alcoholic beverages, tobacco and narcotics experienced a notable increase during Q4FY24, while prices for sugar and non-alcoholic beverage saw a slight decrease at the end of the quarter (Chart II.4).

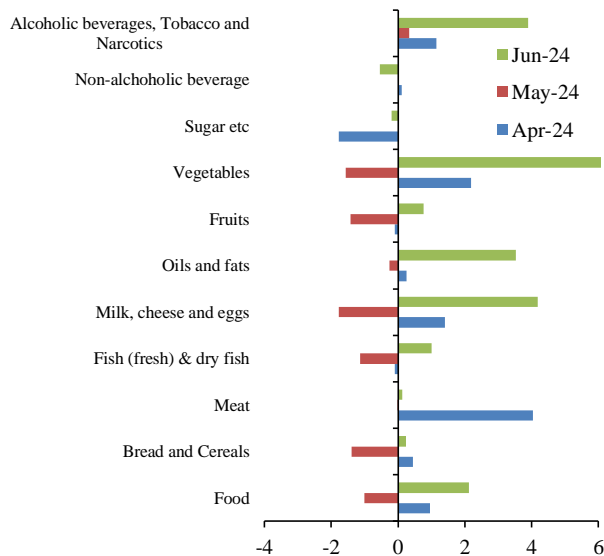
Chart II.3: Inflation Momentum (In percent)



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

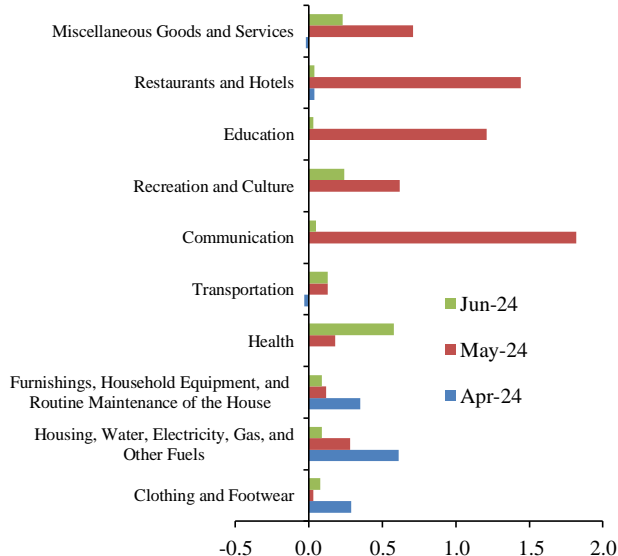
2.3 Non-food inflation (point-to-point) exhibited a declining trend during Q4FY24. In March 2024, non-food inflation was 9.64 percent, easing to 9.34 in April and further softening to 9.15 percent by June 2024. This decline in nonfood inflation throughout the Q4FY24 reflects the impact of the monetary tightening and stabilization of the exchange rate pressure. On the other hand, month-on-month CPI Index for June 2024 shows that slight increases in the costs of transportation, communication, clothing and footwear, as well as expenses related to restaurants and hotels, contributed to increase the non-food inflation (Chart II.5).

Chart II.4: Month-on-month Change in CPI Food Inflation (In percent)



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

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

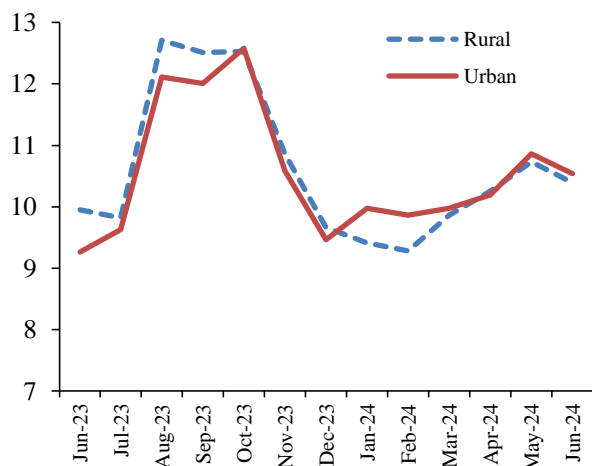


Source: BB staff's calculation based on BBS data.

2.4 In Q4FY24, point-to-point food inflation surged in both urban and rural areas, impacting low-income and vulnerable populations who spend a significant portion of their income on food. Food inflation in rural and urban areas was 10.39 percent and 10.54 percent in June 2024, compared to 9.86 percent and 9.98 percent in March 2024 respectively. While non-food inflation decreased in both rural and urban areas, the rate of decrease was higher in urban areas. Non-food inflation decreased by 15 basis

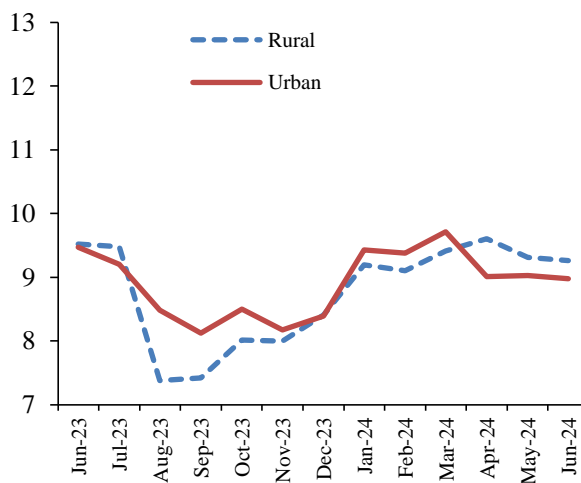
points in rural areas and 73 basis points in urban areas in June 2024 compared to March 2024, suggesting a potential shift in consumer priorities towards food over nonfood items (Chart II.7).

Chart II.6: Food Inflation (Point-to-point)



Source: Bangladesh Bureau of Statistics.

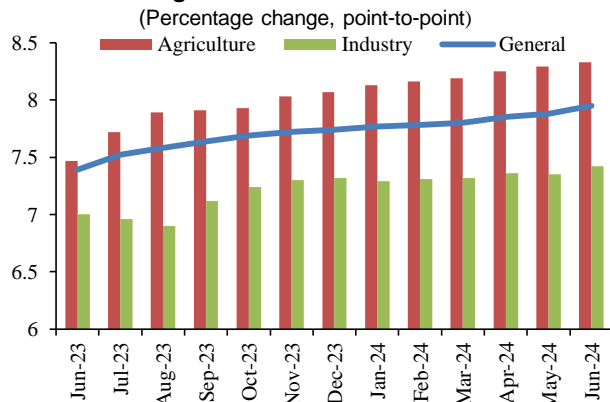
Chart II.7: Non-food Inflation (Point-to-point)



Source: Bangladesh Bureau of Statistics.

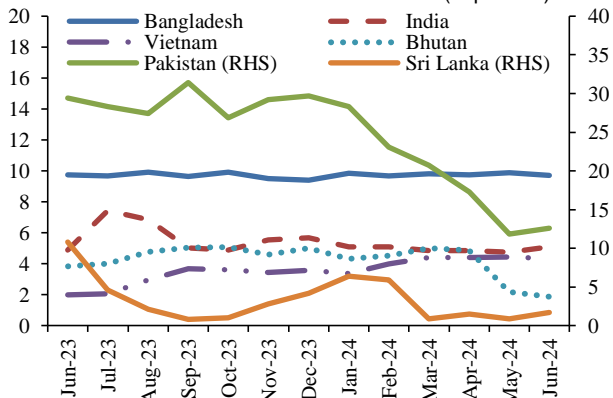
2.5 The nominal wage rate growth index continued to rise from 7.80 percent in March 2024 to 7.95 percent in June 2024. The service sector exhibited the highest pay increase at 8.50 percent, followed by agriculture (8.33 percent), and industrial (7.42 percent) in the same period (Chart II.8). Despite this upward trend in wage growth, it continues to lag behind the inflation rate, resulting in negative real wage growth that disproportionately impacts poor, low-income, and middle-income households.

Chart II.8: Wage Rate Index



Source: Bangladesh Bureau of Statistics.

Chart II.9: Inflation in Peer Countries (In percent)



Sources: Central Banks and Statistics Departments of Respective Countries.

2.6 Inflation trends in a selected group of comparable nations showed mixed pattern in Q4FY24. India's inflation rose from 4.85 percent in March 2024 to 5.08 percent in June 2024 due to increased food and gasoline prices stemming from agricultural production losses during the heat wave in northern India and political unrest following their national elections. Sri Lanka also saw inflation rise from 0.9 percent in March 2024 to 1.70 percent in June 2024. In contrast, Pakistan's inflation decreased from 20.70 percent in March 2024 to 12.60 percent in June 2024, largely due to a significant drop in gasoline and diesel prices.

Similarly, Vietnam’s inflation decreased to 4.34 percent in June 2024 from 3.97 percent in March 2024, and Bhutan’s inflation dropped significantly from 4.99 percent in March 2024 to 1.87 percent in June 2024 (Chart II.9).

Chart II.10: Inflation in Advanced Economies
(In percent)

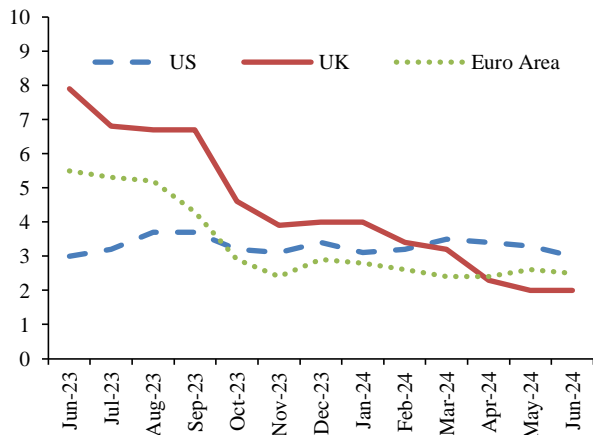
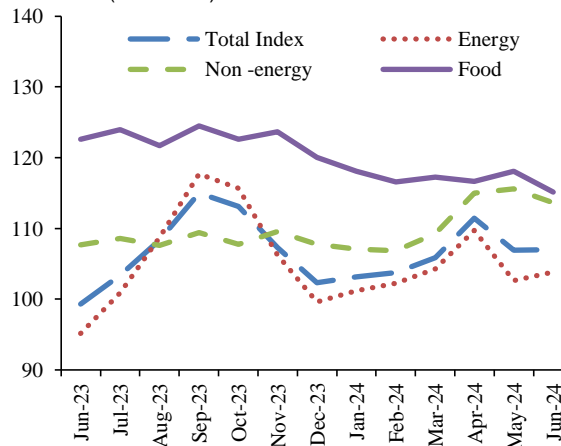


Chart II.11: Global Commodity Price Indices
(2010=100)



Sources: Respective Central Banks and Statistics Departments.

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

2.7 Inflation trends in advanced economies demonstrate some variations during Q4FY24. In the Eurozone, inflation slightly increased, while it declined in the USA and the UK. The US CPI inflation rate fell to 3.00 percent at the end of Q4FY24 from 3.50 percent at the end of Q3FY24, driven by decline in energy and used car prices despite a slight rise in shelter costs. Similarly, the UK’s inflation rate decreased from 3.20 percent in March 2024 to 2.00 percent in June 2024, largely due to reduced prices for housing, energy, food, lodging, and furniture. In contrast, the Euro area saw a minor uptick in inflation, rising from 2.40 percent in March 2024 to 2.50 percent in June 2024, attributed to changes in the energy market and the end of government fiscal support programs across the region.

2.8 The global commodity price index saw a notable increase in Q4FY24, driven primarily by a spike in non-energy prices. The index rose by 1.05 percent, from 105.89 at the end of Q3FY24 to 107.00 at the end of Q4FY24. This increase was partly offset by a 2.95 percent decrease in crude oil prices due to an OPEC+ decision to boost oil supply later this year. On the contrary, non-energy price indices increased by 3.99 percent, while food price indices dropped by 1.82 percent during the same period (Chart II.11). The overall food price index dropped in June 2024 despite increase in rice and wheat price by 3.10 percent and 0.92 percent, respectively. Soybean prices rose by 4.77 percent, but sugar prices plummeted by 9.49 percent (Table II.2 in Annexure-1).

2.9 The BB continued to adopt a restrictive monetary policy, raising the policy (repo) rate gradually in order to curb inflation. However, the rate of inflation remained above the comfort levels. Moreover, the disruption of supply chains resulting from the nationwide uprising led by the students’ anti-discrimination movement and the recent flooding in Bangladesh could potentially impact inflation in the upcoming months. To this end, the current interim government has taken various measures to reduce the price of daily commodities such as onions, potatoes, and some pesticides, by decreasing the duty rate, and solving

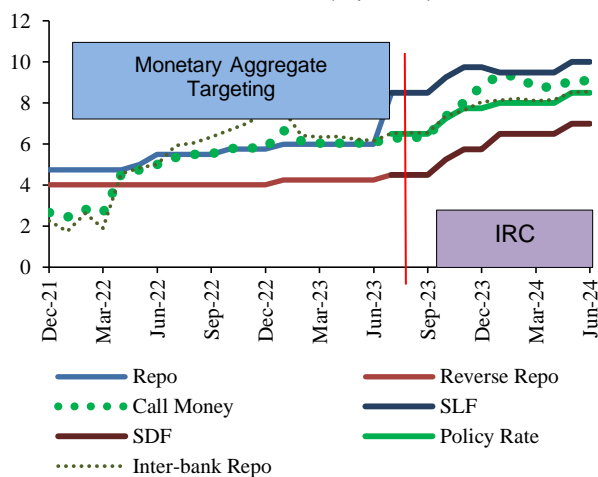
some import complications. The government has instructed all relevant ministries, offices and departments to evaluate the existing stocks and shortages and review the future demand and take necessary actions to solve various problems of the transport system including ports and major destinations. Additionally, one crore low-income families are being provided with low-cost products such as five kg of rice per family per month, two liters of soybean oil per month, and two kg of lentils per month through TCB. This will be continued in the coming days. Relevant agencies are also actively addressing issues such as 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 are intended to reduce inflation expectations and facilitate a positive impact on inflation by December 2024.

III. Money and Credit Market

3.1 With a view to arresting inflationary pressure and stabilizing the exchange rate of BDT against USD, the Bangladesh Bank continued a contractionary monetary policy stance outlined in the Monetary Policy Statement for H2FY24. The policy involved raising the policy (repo) rate, adjusting the standing lending facility (SLF) and standing deposit facility (SDF) rates, as well as narrowing the interest rate corridor to improve liquidity management. The actual impact of the policy stance during Q3FY24 and Q4FY24 was evident in the rise of lending and deposit interest rates, as well as the rise of average yields on government securities. This indicates an improved transmission mechanism for monetary policy.

3.2 During the third and fourth quarters of FY24, BB revised the policy rate upward twice. In January 2024, BB raised the policy rate by 25 basis points from 7.75 percent to 8.00 percent. This increase signifies a tighter monetary policy stance aimed at curbing inflation while ensuring sufficient funding for investments and job creation. Moreover, in January 2024, BB shrunk the interest rate corridor by 100 basis points, from 4.0 percent to 3.0 percent, to improve the liquidity management in the banking sector. Accordingly, SLF was reduced by 25 basis points from 9.75 percent to 9.50 percent and SDF was raised by 75 basis points from 5.75 percent to 6.5 percent.

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



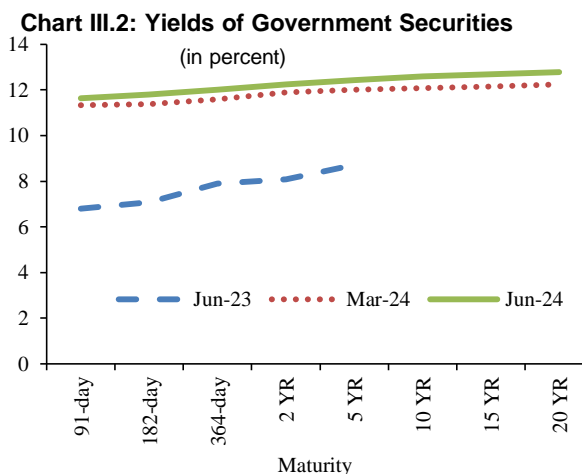
Source: Bangladesh Bank.

(Chart III.1). However, the inflationary pressure remained above 9.0 percent during the period. In May 2024, BB again raised the policy rate by 50 basis points to 8.50 percent to combat inflationary pressure. Similarly, the SLF and SDF were revised upward by 50 basis points to 10.00 percent and 7.00 percent, respectively, to ensure efficient liquidity management.

3.3 During third and fourth quarter of FY24, inter-bank call money rate remained within the corridor announced by BB. Although the rate stayed above the policy rate, it gradually moved closer to the policy rate in Q4FY24. During the first month of Q3FY24, the inter-bank call money rate experienced a sharp rise and reached 9.38 percent, close to the SLF rate of 9.50 percent and remained within the announced corridor. However, during the remaining months of Q3FY24, the inter-bank call money rate started to decrease and reached 8.75 percent in March 2024, which was 8.84 percent in December 2023. On the other hand, during Q4FY24, it increased in April and May, and remained constant in June 2024. Similarly, the inter-bank repo rate remained higher than the policy rate but within the corridor for the entire Q3FY24 and Q4FY24, indicating efficient management of the money market by BB (Chart III.1).

3.4 Average yields of government securities for all maturities (short, medium, and long-term) followed an upward trend in March and June 2024 compared to December 2023, reflecting the transmission of monetary tightening from the money market to the government securities market.

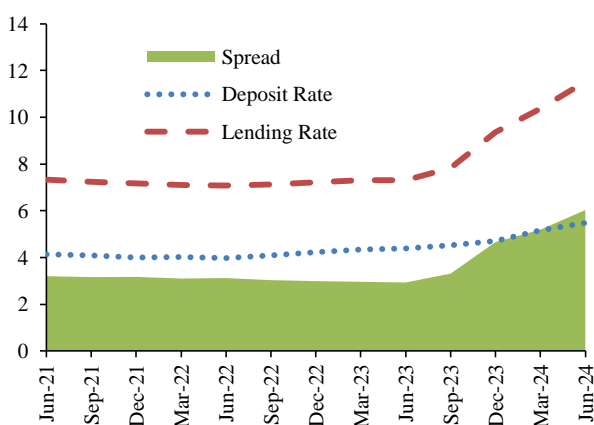
The yields on 91-day, 182-day and 364-day treasury bills rose to 11.64, 11.80, and 12.00 percent in June 2024 from 11.33, 11.38, and 11.59 percent in March 2024 and 10.89, 11.09, and 11.28 percent in December 2023, respectively. Similarly, the yields on 2-year and 5-year treasury bonds picked up to 12.25 and 12.43 percent in June 2024 from 11.90 and 12.02 percent in March 2024 and 8.69 and 10.35 percent in December 2023, respectively. Similarly, in June 2024, yields on 10-year, 15-year, and 20-year treasury bonds increased to 12.59, 12.70, and 12.79 percent from 12.09, 12.14, and 12.24 percent in March 2024 and 10.46, 11.06 and 11.16 percent in December 2023, respectively (Chart III.2).



Source: Bangladesh Bank.

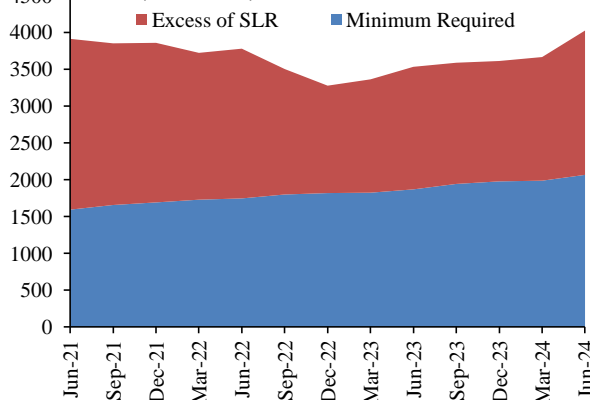
3.5 In May 2024, BB withdrew the use of the six-month moving average rate of treasury bills (SMART) as a reference rate for determining the lending rate of commercial banks to move towards a full-fledged market-based interest rate system. Consequently, weighted average lending and deposit interest rates in the retail market continued to rise due to the continued monetary tightening by BB. The market's weighted average lending interest rates increased to 11.52 percent in June 2024 from 10.36 percent in March 2024 and 9.36 percent in December 2023. In addition, the interest rate on deposits increased to 5.49 percent in June 2024 from 5.17 percent in March 2024 and 4.70 percent in December 2023. However, the widening trend of the interest rate spread indicates a more acceleration of the lending interest rate than the deposit interest rate during the last few quarters of FY24 (Chart III.3).

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



Source: Bangladesh Bank.

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

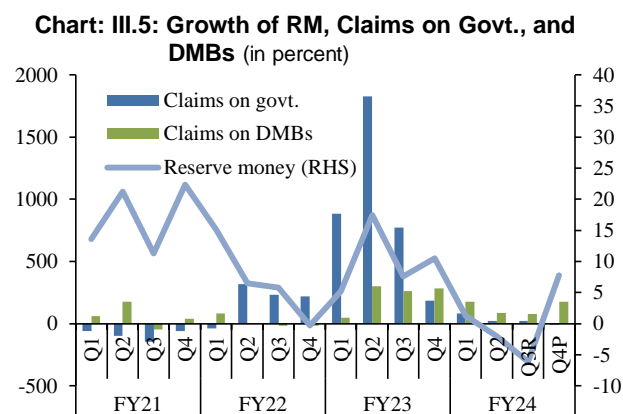


Source: Bangladesh Bank.

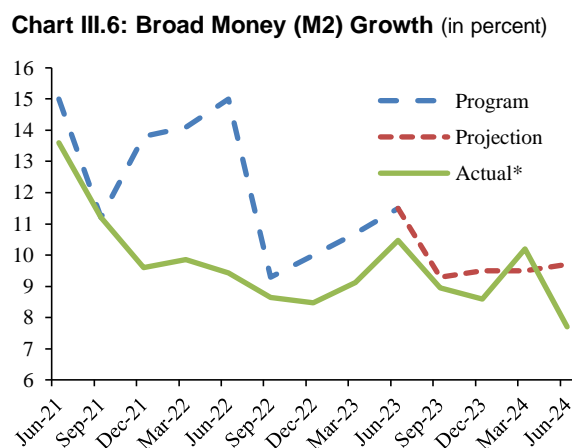
3.6 The liquidity in the banking system improved significantly during Q4FY24 compared to the previous two consecutive quarters, reflected in the rise of excess liquidity. The improvement in liquidity was due to both the higher growth of claims on DMB's by BB and the slowdown in the net sale of foreign

exchange by BB. However, deposits, one of the dominant contributors of liquidity, grew by 9.60 percent in June 2024, marginally higher than 8.85 percent in March 2024 but lower than 10.44 percent in December 2023. Liquidity in the banking system increased to BDT 4023.0 billion in June 2024, up from BDT 3663.32 billion in March 2024 and BDT 3609.57 billion in December 2023. The excess SLR amount increased to BDT 1958.24 billion in June 2024 from BDT 1677.1 billion in March 2024 and BDT 1633.1 billion in December 2023 (Chart III.4).

3.7 Reserve money growth accelerated in Q4FY24 and achieved a growth of 7.8 percent, compared to 3.2 percent growth in March 2024 and negative 2.0 percent growth in December 2023. The reserve money growth emanated mainly from BB’s claims on DMBs, which grew by 175 percent in Q4FY24 due to liquidity support provided by BB. On the other hand, the net foreign assets of BB and claims on government (net) declined by 14.1 percent and 7.3 percent, respectively, during the period under review (Chart III.5). The government’s borrowing from the central bank was significantly low due to austerity measures taken by the government along with contractionary monetary stance of BB. Moreover, the currency-deposit ratio stood at 3.4 at the end of June 2024, which was 4.4 at the end of March 2024, reflecting lower issuance of currency (2.7 percent growth) at the end of Q4FY24.



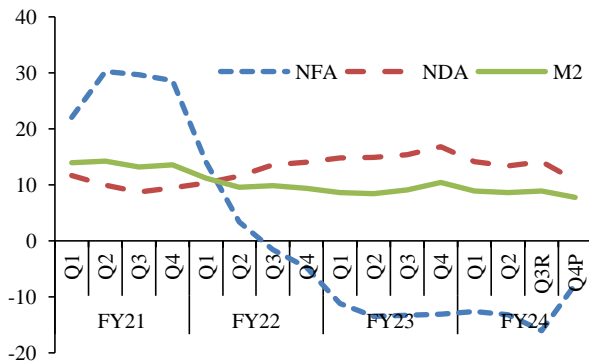
Source: Bangladesh Bank.
P = Provisional, R = Revised.



Source: Bangladesh Bank.
* = Provisional data for June 24.

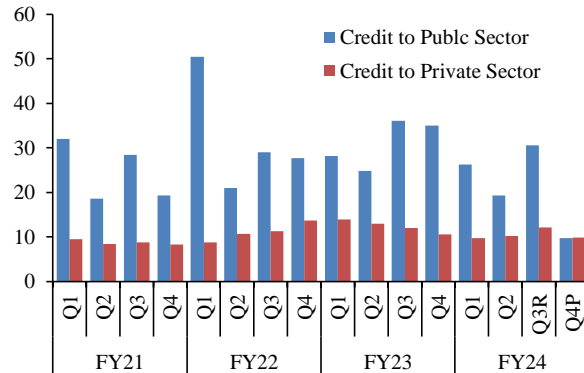
3.8 Broad money (M2) growth decelerated to 7.7 percent in Q4FY24, lower than the projection of 9.7 percent growth for the same period. This growth was lower than the growth of 8.92 percent in Q3FY24 and 8.6 percent growth in Q2FY24 (Chart III.6). Slower growth of net domestic assets (NDA) along with a negative growth of net foreign assets (NFA) led to trim down the M2 growth in Q4FY24. NDA grew by 10.9 percent in Q4FY24 which was notably lower than projected growth of 12.2 percent. Moreover, the growth of NFA showed a slight improvement, primarily due to deficit reduction in the balance of payment deficit in FY24. The NFA posted a negative growth of 7.7 percent in Q4FY24, which was quite far from its growth (negative 2.4 percent) projection in the monetary policy statement (MPS) for H2FY24. It may be noted that the NFA had 16.1 percent negative growth at the end of Q3FY24 (Chart III.7).

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



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

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



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

3.9 In June 2024, with the growth of NDA, the national investment landscape reached its lowest level after Q1FY22. The growth of NDA decelerated to 10.9 percent in Q4FY24 from 14.2 percent in Q3FY24 and 13.4 percent in Q2FY24, trailing behind the revised projected growth rate of 12.2 percent, stemming mainly from the lower public and private sector credit growth. In June 2024, public sector credit increased by 9.7 percent, which was considerably lower than the growth of the previous two quarters, March 2024 (18.6 percent) and December 2023 (19.3 percent). This slower growth in public sector credit reflects lower government demand, as it was more selective in allocating funds to essential projects as part of austerity measures. Similarly, private sector credit growth decreased to 9.8 percent from 10.5 percent in Q3FY24 and 10.1 percent in Q2FY24 due primarily to facing higher borrowing costs because of the implementation of contractionary monetary policy (Chart III.8). Overall, domestic credit dynamics in Q4FY24 remained below the projections, largely driven by slower growth in both private sector and public sector credit. In June 2024, public sector credit growth remained significantly below the revised projected growth rate of 27.8 percent. On the other hand, private sector credit growth closely aligned with the revised projected growth rate of 10.0 percent in June 2024.

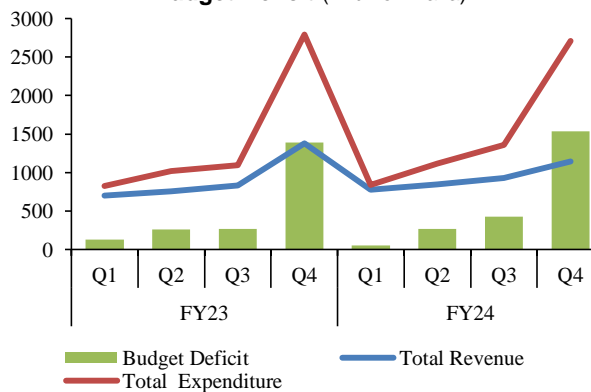
3.10 BB’s monetary policy measures which include a consistent hike in the policy rate, are anticipated to have a favorable effect on the price level in the near future. In addition, the narrowing of the interest rate corridor demonstrates effective management of the money market. Additionally, the attractive higher yields offered by government securities have contributed to vibrancy and dynamism in the money market. A gradual slowdown in net foreign exchange sales by BB and a steady rise in remittance inflows, following the formation of the new government are expected to improve the growth situation of net foreign assets (NFA) from negative to positive territory. BB’s commitment to timely and prudent interventions underscores its dedication to preserving stability in the money market.

IV. Fiscal Sector

4.1 In Q4FY24, compared to Q4FY23, there was a decrease in tax collection and a reduction in government spending amid the government’s austerity measures and the slowdown in economic activity. During the same period, the budget deficit grew (Chart IV.1). As a percentage of GDP, total revenue, total spending, and deficit financing were 2.26 percent, 5.38 percent, and 3.04 percent, respectively, in Q4FY24.

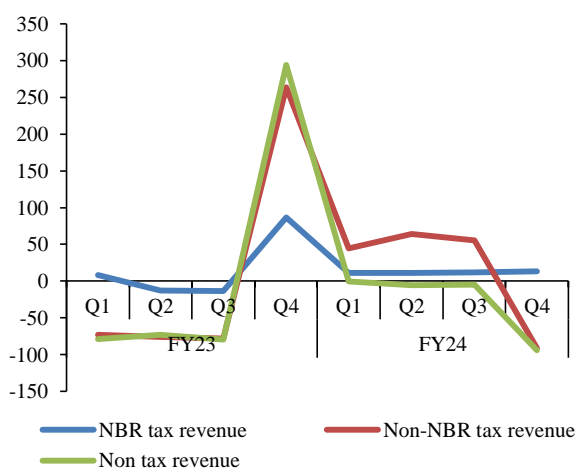
4.2 Total revenue collection decreased by 17.17 percent to BDT 1140.84 billion in Q4FY24 from BDT 1377.38 billion in Q4FY23. NBR tax revenue, reckoned at 97.65 percent of total revenue collection, was the main contributor to total revenue in Q4FY24. During the same period, non-NBR tax revenue and non-tax revenue contributed 0.53 percent and 1.84 percent, respectively. Moreover, the growth (y-o-y) of NBR tax revenue in Q4FY24 was 13.68 percent which was 86.95 percent in Q4FY23 (Chart IV.2). In NBR tax revenue, the value-added tax, customs duties and taxes on income, profits and capital gains increased by 9.88 percent, 0.48 percent, 15.55 percent in Q4FY24 (Chart IV.3). In FY24, total revenue collection reached around 77.26 percent of the revised budget of BDT 4780 billion.

Chart IV.1: Trends in Revenue, Expenditure and Budget Deficit (In billion Taka)



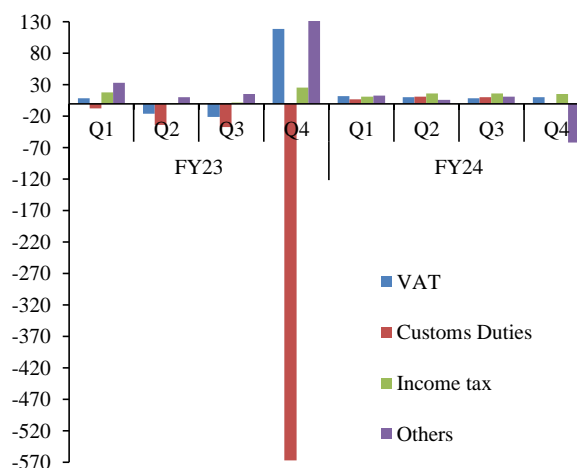
Sources: Ministry of Finance.

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)

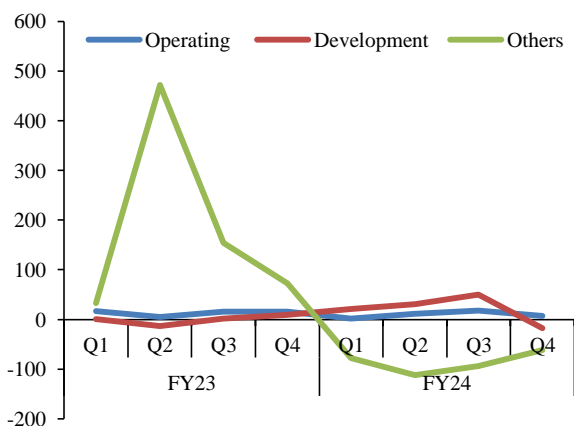


Source: Ministry of Finance.

4.3 The total expenditure declined by 2.91 percent to BDT 2713.54 billion in Q4FY24 from BDT 2794.94 billion in Q4FY23. In Q4FY24, the operating expenditure increased by 7.17 percent, while the development expenditure declined by 17.90 percent (Chart IV.4). ADP declined by 18.35 percent during this period compared to the corresponding period. The total amount spent in the FY24 was approximately

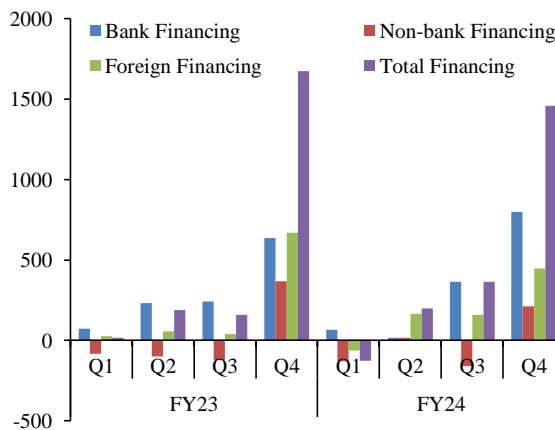
84.3 percent of BDT 7144.18 billion's revised budget. The government executed 89.45 percent of operating expenditure target and 77.14 percent of ADP spending target during FY24.

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 Taka)



Source: Ministry of Finance.

4.4 The fiscal deficit widened during the quarter under review compared to that of Q4FY23 due to a sharp decline in tax collection. However, reduced expenditure (2.91 percent) was caused mainly by a huge cut off on ADP expenditure. Hence fiscal deficit reached BDT 1534.71 billion in Q4FY24 which was 10.40 percent higher than BDT 1390.12 billion in Q4FY23. Financing from the banking system contributing to the major part of total deficit financing stood at BDT 798.0 billion in Q4FY24. It constituted 54.69 percent of total deficit financing in Q4FY24, which was 37.96 percent in Q4FY23. Foreign sources covered the 30.71 percent of deficit financing. On the other hand, non-bank financing decreased to 213.0 billion in Q4FY24 (Chart IV.5). Deficit financing by the foreign sources decreased by 33.19 percent over the same quarter of the preceding year and stood at BDT 448.0 billion.

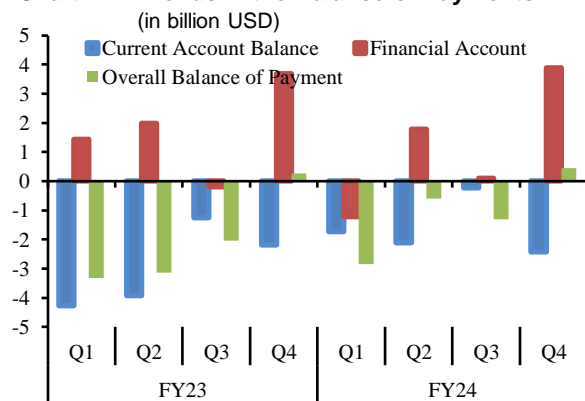
4.5 Bangladesh's overall fiscal performance has faced difficulties in view of global supply shocks from the ongoing Russia-Ukraine war and other domestic and geopolitical tensions. However, given that inflationary pressures have become the country's top economic concern, it is expected that the current interim government would continue to implement its strict fiscal policy by cutting spending and budgetary support.

V. External Sector

5.1 In FY24, Bangladesh’s external sector continued to face numerous challenges due to exchange rate instability, price volatility in global commodities, disruptions in international supply chains, and tighter global financial conditions. However, the external sector’s pressure was subsided by the continued tighter monetary and fiscal policies, the exchange rate realignment, and the shift to a crawling peg exchange rate regime. Therefore, the situation improved in Q4FY24 somewhat, resulting in the overall BoP surplus. Despite the intensified deficit in trade balance and current account balance, the BoP returned to a surplus of USD 455 million in Q4FY24 from a persistent deficit of USD 1303 million in Q3FY24, largely driven by a substantial surplus in the financial account.

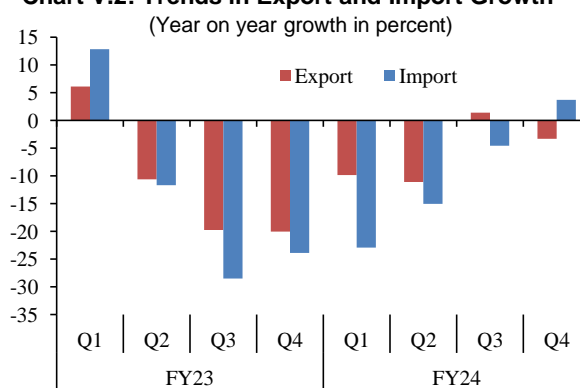
5.2 The deficit in current account balance grew significantly to USD 2.4 billion in Q4FY24 from USD 0.2 billion in Q3FY24, stemming mainly from a substantial increase in the deficits both in trade balance and primary income. The deficit in trade balance increased to USD 6.7 billion in Q4FY24 from USD 4.6 billion in Q3FY24, resulting from a substantial decline in export earnings and an increase in import payments. However, the financial account showed a massive surplus of USD 3.9 billion in Q4FY24, compared to a surplus of USD 0.09 billion in Q3FY24. In addition, the capital account surplus in Q4FY24 was USD 267 million, more than twice the surplus of USD 127 million in Q3FY24. Thus, the overall BoP retrieved into a surplus of USD 0.46 billion in Q4FY24 from a deficit of USD 1.3 billion in the previous quarter (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.

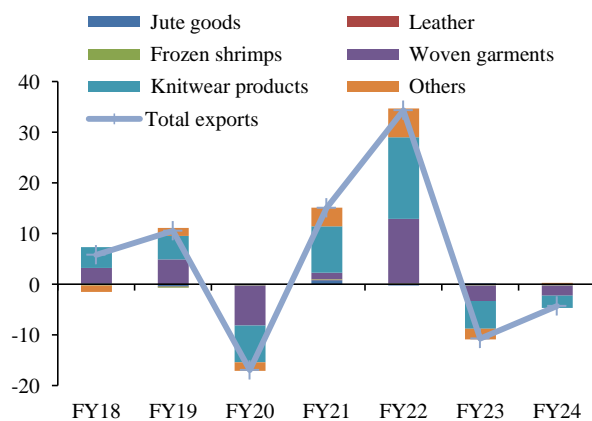
As a result of a decline in the trade deficit and an increase in secondary income, particularly strong growth in remittance inflows, the current account deficit shrank to USD 6.5 billion in FY24 from USD 11.6 billion in FY23. In FY24, inward remittances increased by 10.7 percent (y-o-y), while import payments decreased by 10.6 percent (y-o-y). Despite a decline in the financial account surplus in FY24, the overall BoP deficit contracted to USD 4.3 billion from USD 8.2 billion in FY23 due to a notable reduction in the current account deficit. Moreover, the capital account balance showed a surplus of USD 554 million in FY24 compared to USD 475 million in FY23.

5.3 The financial account surplus surged substantially to USD 3.9 billion in Q4FY24 from USD 0.09 billion in Q3FY24. This growth of financial account surplus was driven by strong growth in net aid inflows and medium and long-term loans. Furthermore, there was a positive portfolio investment of USD 27 million in Q4FY24, reversing the trend in the previous quarters in FY24. A huge shortfall in trade credit of USD 1.8 billion in FY24, as opposed to a surplus of USD 2.5 billion in FY23, caused the financial account surplus to fall to USD 4.5 billion in FY24 from USD 6.9 billion in FY23. Nonetheless, a lower repayment of foreign currency liabilities by deposit money banks (DMBs) and non-bank depository corporations (NBDCs) relieved the financial account in FY24 to some extent.

5.4 Total exports declined moderately by 3.3 percent, to USD 9.9 billion in Q4FY24 from USD 10.2 billion in Q4FY23. This drop in overall export was predominantly due to a decline in the export of ready-made garments (RMG), which accounted for 89.6 percent of total export value. Exports of RMG decreased by 1.38 percent (y-o-y) during Q4FY24, in which the exports of woven garments and knitwear products both declined by 2.47 percent and 0.42 percent, respectively (Table V.1). European countries remained the major exports destinations for both woven garments and knitwear products.

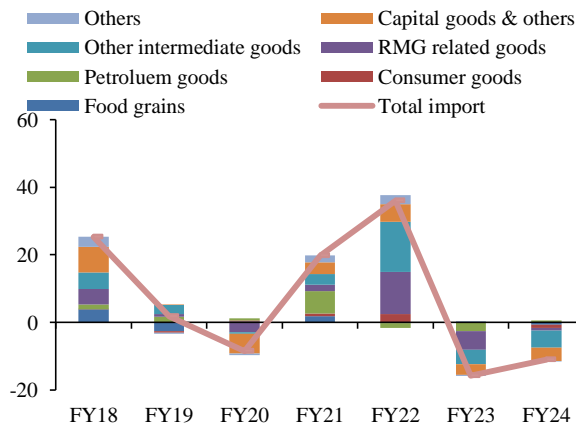
Export earnings reduced by 5.89 percent to USD 40.8 billion in FY24 from USD 43.4 billion in FY23. The largest destinations of RMG exports were European countries, where exports declined by 3.46 percent in FY24. The USA saw a fall in RMG exports of 10.13 percent during the same period. The breakdown of exports in FY24 revealed that all major export categories contributed negatively to the overall growth of the total export earnings (Chart V.3).

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



Source: Bangladesh Bank.

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

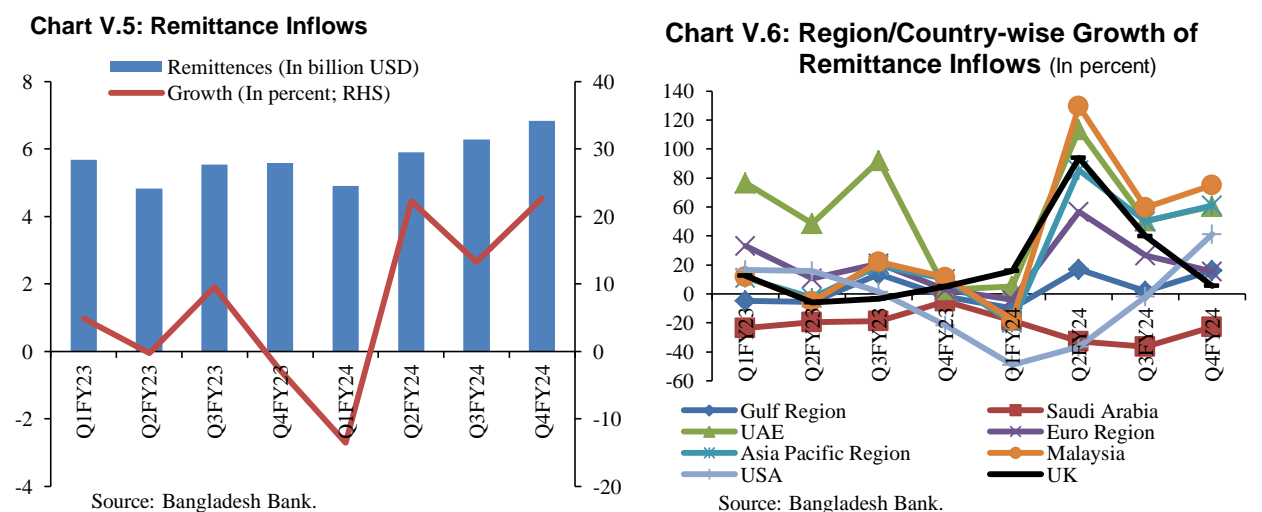


Source: Bangladesh Bank.

5.5 The country's import payments grew moderately by 3.6 percent in Q4FY24 to USD 16.5 billion, from USD 16.0 billion in Q4FY23. The commodity composition of imports indicates that all major categories, except iron, steel and other base metals (8.52 percent share of total imports), grew during Q4FY24. Among them, petroleum, oil, and lubricants (POL), textile and articles thereof, and capital machinery increased by 75.7 percent, 14.6 percent and 16.1 percent in Q4FY24, respectively (Table V.5). In contrast, iron, steel and other base metals declined by 16.7 percent during Q4FY24. However,

intermediate goods represented the largest share of the total import (60.6 percent), followed by capital goods (14.5 percent) and consumer goods (8.0 percent) during the last quarter of FY24.

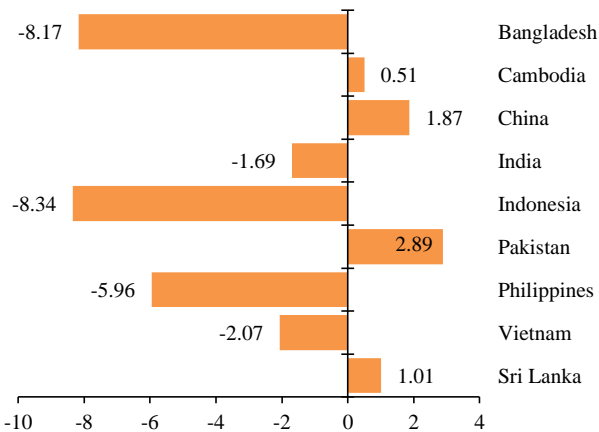
In FY24, total import payments amounted to USD 63.2 billion, reflecting a decline of 10.61 percent from USD 70.7 billion in FY23. This reduction was driven by a notable exchange rate depreciation and several policy measures implemented by BB to curb import demand. Petroleum goods import grew by 6.16 percent, which contributed to a 9.18 percent share of total import payments. In contrast, almost all other major items contributed negatively to the overall growth of country’s total imports in FY24 (Chart V.4). Among these, consumer goods, textile and articles thereof, capital machinery, and iron, steel and other base metals declined by 12.82 percent, 2.84 percent, 14.50 percent, and 10.82 percent in FY24, respectively. This downturn in import payments helped to reduce the trade deficit to USD 22.4 billion in FY24 from USD 27.4 billion in FY23.



5.6 Remittances inflows grew by 22.6 percent to USD 6.8 billion in Q4FY24 from USD 5.6 billion in Q4FY23 mainly because of sending more money by the expats on the occasion of two Eid festivals (Chart V.5). The Gulf region accounted for half (50.2 percent) of the total remittance inflows, which increased by 16.2 percent during the quarter under review. This strong growth in the Gulf region was primarily driven by remittances from the UAE, which contributed to 19.4 percent of the total remittances with a remarkable 60.3 percent growth in Q4FY24. Additionally, the USA, the UK, and Malaysia contributed to the increased remittances inflows by 41.3 percent, 5.5 percent, and 75.1 percent, respectively (Chart V.6). However, remittances inflows from Saudi Arabia – one of the largest destinations of Bangladeshi migrant workers declined by 22.8 percent in Q4FY24, compared to 5.0 percent decline in Q4FY23.

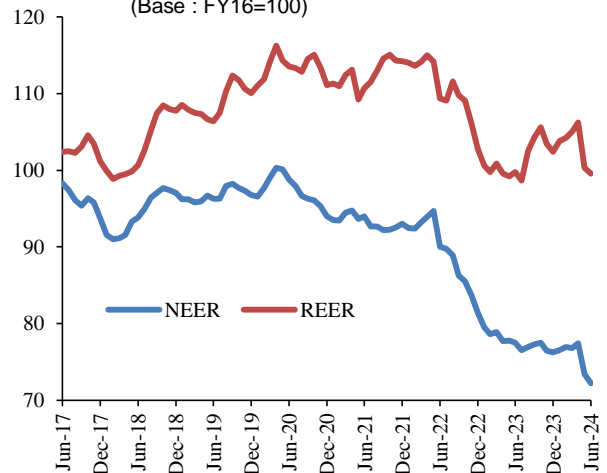
In FY24, remittance inflows increased significantly by 10.6 percent to USD 23.9 billion, compared to USD 21.6 billion in FY23. A country-wise analysis reveals positive growth of remittances from the UAE (19.4 percent of total inflows), the UK (11.7 percent), Malaysia (7.3 percent), and Italy (6.1 percent) with increases of 52.8 percent, 34.3 percent, 54.9 percent, and 23.2 percent, respectively. In contrast remittances from Saudi Arabia (having 11.5 percent of the total remittances) and the USA (12.4 percent) decreased by 27.2 percent and 15.9 percent, respectively (Table V.6 in Annexure-1).

Chart V.7: Peer Countries' Currency Appreciation/Depreciation (+/-) against US dollar at end June, 2024



Source: Bangladesh Bank.

Chart V.8: Effective Exchange Rate Indices
(Base : FY16=100)

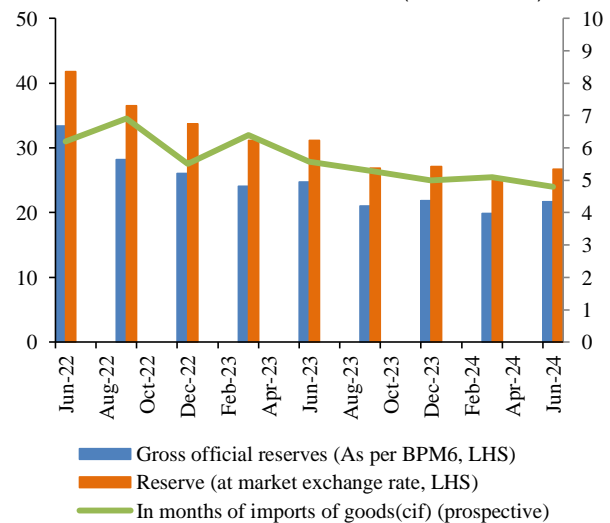


Source: Bangladesh Bank.

5.7 The persisting large BOP deficit and depleting foreign exchange reserve made a real concern in the foreign exchange markets. To this end, BB introduced a crawling peg exchange rate system on 8 May 2024 as an interim measure before transitioning to a fully flexible exchange rate system. Accordingly, BB realigned the exchange rate overnight with around 6.0 percent depreciation of BDT against USD. The exchange rate of BDT against USD depreciated by 8.2 percent at the end of June 2024 compared to June 2023 (Chart V.7). This depreciation was also reflected in the nominal effective exchange rate (NEER) which depreciated by 6.8 percent at the end of June 2024 compared to June 2023. However, the real effective exchange rate (REER) depreciated by only 0.3 percent, mainly because of the higher inflation in Bangladesh than in its trading partners over the same period (Chart V.8). The nominal exchange rates of peer countries such as India, Indonesia, Philippines, and Vietnam also depreciated to some extent by June 2024 compared to June 2023 (Chart V.7).

BB continued its intervention in the foreign exchange markets by selling a net of USD 1.7 billion during Q4FY24 and 9.4 billion over FY24 to stabilize the foreign exchange markets. According to BPM6 standards, the official foreign exchange reserve stood at USD 21.7 billion at the end of June 2024, compared to USD 24.8 billion at the end of June 2023 (Table V.1). However, this level of foreign exchange reserve was sufficient to cover 4.8 months of prospective import payments for goods and services (Chart V.9).

Chart V.9: International Reserve (in billion USD)



Source: Bangladesh Bank.

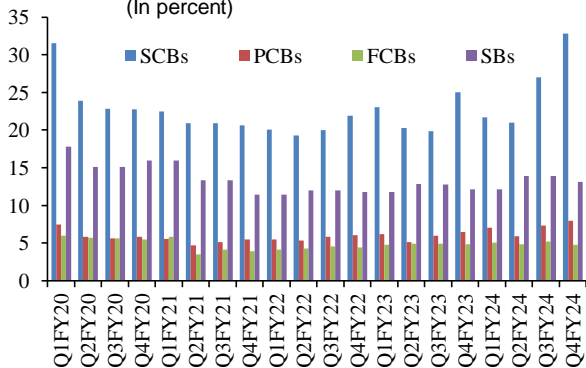
5.8 The overall balance of payment position is expected to improve gradually in the period ahead, aided by ongoing monetary and fiscal contraction, recent deceleration in global energy and non-energy prices,

and a notable depreciation of exchange rate with the introduction of the crawling peg system. A strong surge in remittance inflows in recent periods would aid in lowering the deficit in the current account balance. At the same time, the financial account is expected to observe a healthy surplus with a positive trend in net aid flows and a reversal of trade credit to a positive balance in the period ahead. This potential improvement in the balance of payment could help mitigate pressure on the exchange rate and reserve erosion. However, this outlook is surrounded by several downside risks. A potential faster rise in imports than exports and a rising interest payment resulting from growing foreign debt might be a source of stress for the balance of payment. Therefore, near-term policies should focus on rebuilding external resilience and bringing down inflation.

VI. Banking Sector

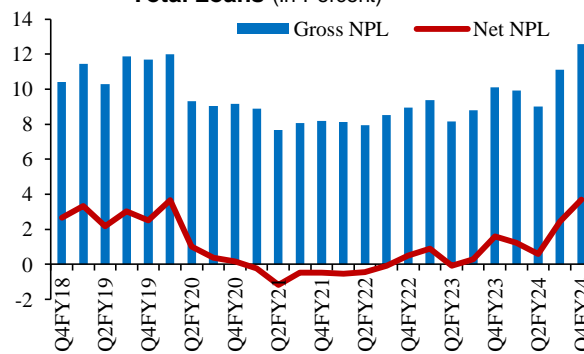
6.1 The banking sector's performance in Q4FY24 displayed a mixed trend, raising concerns about emerging challenges. This period was marked by a rise in the ratio of non-performing loans (NPLs) to total loans, alongside growth in bank advances and deposits. Additionally, excess liquidity within the banking system increased. The ratio of net non-performing loans to total loans also saw an uptick during this quarter compared to Q3FY24, reflecting inadequate provisioning.

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)

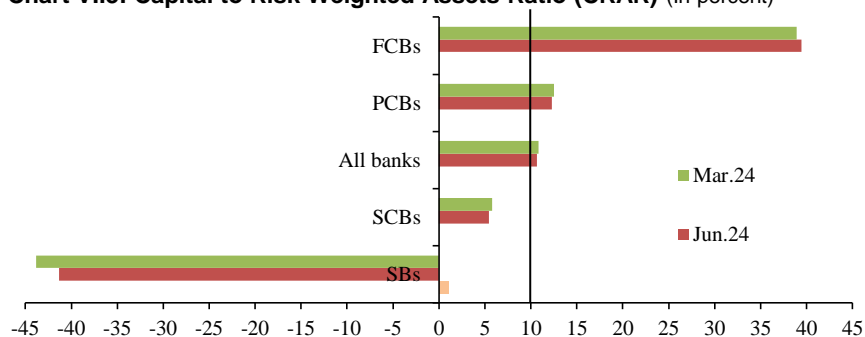


Source: Bangladesh Bank.

6.2 The banking sector experienced a continued rise in non-performing loans (NPLs) in the last consecutive quarter of FY24, reaching the highest level in a decade by Q4FY24. The increase in NPLs was broad-based, with state-owned commercial banks (SCBs) being the most significant contributors (Chart VI.1 and VI.2). The gross NPL ratio to total loans of the banking system climbed to 12.56 percent at the end of Q4FY24, up from 11.11 percent at the end of Q3FY24. Among SCBs, the NPL ratio surged significantly to 32.77 percent at the end of Q4FY24, compared to 26.97 percent at the end of Q3FY24. Similarly, the non-performing loan (NPL) ratio of private commercial banks (PCBs) only marginally rose to 7.94 percent from 7.28 percent in the previous quarter. Conversely, foreign commercial banks (FCBs) and specialized banks (SBs) experienced a slight improvement, with their NPL ratio decreasing to 4.74 percent and 13.11 percent at the end of Q4FY24 from 5.20 percent and 13.88 percent at the end of Q3FY24, respectively. Furthermore, the ratio of net NPLs to total loans evidenced a significant increase, reaching 3.68 percent at the end of Q4FY24, up from 2.44 percent at the end of Q3FY24 (Chart VI.2 and Table 6.1).

6.3 The overall capital adequacy ratio of the banking system remained stable at the end of Q4FY24. The capital-to-risk-weighted assets ratio (CRAR) for PCBs slightly declined to 12.29 percent by the end of Q4FY24, compared to 12.49 percent at the end of Q3FY24. Similarly, the CRAR for state-owned commercial banks (SCBs) decreased to 5.44 percent at the end of Q4FY24, down from 5.80 percent at the end of Q3FY24. As a result, the overall CRAR saw a slight decline, falling to 10.64 percent at the end of Q4FY24 from 10.85 percent in 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
Q4FY23	Total classified loan	744.5	47.5	736.4	32	1560.4
	Required provision	332.2	23.9	629.2	24.9	1010.3
	Provision maintained	225.3	24.5	516.6	29.3	795.7
	Excess(+)/ shortfall(-)	-106.9	0.52	-112.7	4.4	-214.6
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

Source: Bangladesh Bank.

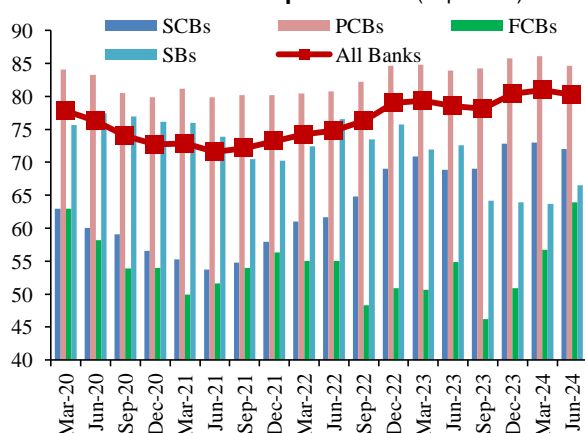
6.5 During Q4FY24, both advanced and deposit growth in the banking sector showed improvement. Deposit growth rose to 9.60 percent by June 2024, up from 8.85 percent at the end of March 2024. This increase was driven by higher and more competitive deposit interest rates compared to other saving instruments, a result of BB’s prolonged policy rate hikes. Simultaneously, bank advances also witnessed an increase, with growth reaching 10.69 percent, up from 9.20 percent in the previous quarter, reflecting improved economic activity. As a result, the overall advance-deposit ratio (ADR) remained relatively stable at 80.20 percent by the end of June 2024, compared to 80.98 percent at the end of March 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)	
	Jun. 24	Mar. 24	Jun. 24	Mar. 24	Jun. 24	Mar.24
SCBs	5.80	5.97	10.38	8.09	72.00	72.85
PCBs	11.45	10.03	10.48	9.33	84.63	85.73
FCBs	2.39	5.76	16.20	14.62	63.96	50.91
SBs	10.96	11.41	12.08	7.99	66.51	63.94
All	9.60	8.85	10.69	9.20	80.20	80.98

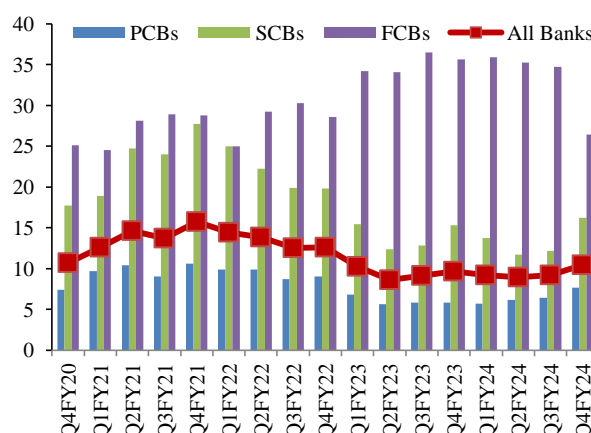
Source: Bangladesh Bank. *Adjusted deposit growth for calculating ADR.

Chart VI.4: Advance Deposit Ratio (In percent)



Source : Bangladesh Bank.

Chart VI.5: Excess of SLR as % of TDTL



Source: Bangladesh Bank Staffs’ Calculation.

6.6 The banking sector’s excess liquidity continued to rise in Q4FY24, partly due to improved deposit growth. By the end of Q4FY24, excess liquidity reached BDT 1,958.24 billion, up from BDT 1,677.07 billion at the end of Q3FY24. Additionally, the surplus in the statutory liquidity ratio (SLR) as a percentage of total demand and time liabilities (TDTL) increased to 10.5 percent by the end of Q4FY24, compared to 9.2 percent at the end of Q3FY24 (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 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
As of end March, 2024						
SCBs	175.9	178.4	5.7	568.7	1102.3	533.6
SBs*	19.6	20.3	0.8	0.0	0.0	0.0
PCBs (other than Islamic)	335.1	329.0	21.0	1073.9	1841.4	767.5
Private Banks (Islamic)	155.9	61.8	3.9	214.8	241.3	26.5
FCBs	37.7	60.3	24.4	128.9	478.4	349.5
All	724.2	649.8	55.8	1986.3	3663.3	1677.1

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.

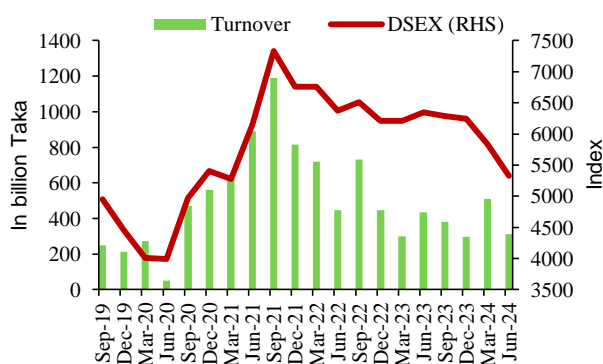
According to Circular No. MPD-03, April 9, 2020, the CRR revised to 4.0 percent from 5.0 percent effective from April 15, 2020.

6.7 Amidst growing concerns over the non-performing loans (NPLs) in the banking sector, BB is set to form taskforces aimed at addressing the root causes of that issue and enhancing the overall health of the banking industry. This initiative is part of a broader strategy by the government of Bangladesh to improve the stability of the banking sector, recognizing its crucial role in revitalizing the country's overall economic activities. As part of these reforms, BB is also restructuring and forming new boards of directors for those banks and non-bank financial institutions previously involved in significant misconduct. These measures are designed to uphold good governance, restore public confidence, and foster a more robust and well-regulated banking sector.

VII. Capital Market

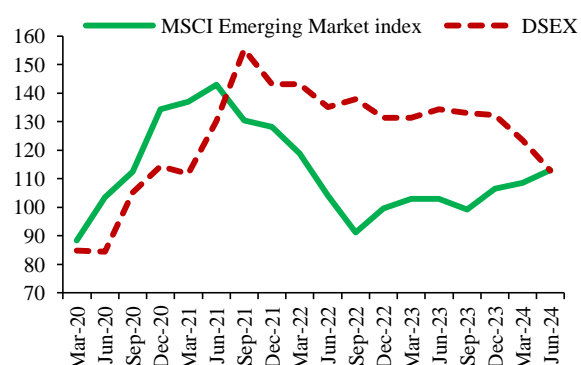
7.1 The capital market in Bangladesh extended its downward trend in Q4FY24, following a similar trend observed in Q3FY24 and Q2FY24. The dismal performance was evident in the slump in price indices and market capitalization¹, and a precipitous decline in the price-earnings ratio and a reduction in turnover. During the quarter under review, it is noteworthy that the Morgan Stanley Capital International (MSCI) index, which tracks the global emerging market, continued to exhibit an upward trend, while the DSE Broad Index (DSEX) experienced a downturn (Chart VII.2). A confluence of factors, including macroeconomic and market uncertainties at home and abroad, as well as spillover effects from overseas markets, drove the distressed performance of the stock market. To overcome these challenges, the Bangladesh Securities and Exchange Commission (BSEC) and BB have undertaken a number of measures to revitalize the country's capital market.

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)



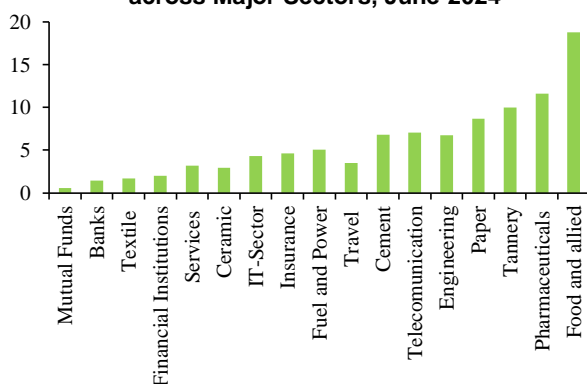
Source: Dhaka Stock Exchange and www.msci.com

7.2 During FY24, the DSEX and DSE-30 indices experienced a major decline of 16.01 percent and 12.91 percent, respectively (Table VII.1 in Annexure-1). In Q4FY24, the DSEX and DSE-30 indices dropped by 8.60 percent and 5.52 percent, respectively, compared to Q3FY24. The Q3FY24 also saw declines of 6.67 percent and 3.46 percent, respectively compared to Q2FY24. Furthermore, sector-specific ratios of market capitalization and paid-up capital indicate that the food and allied sector resumed at its peak level of 18.8, while the mutual fund sector remained at its lowest level, with a ratio of 0.6 in June 2024 (Chart VII.3). In March 2024, the food and allied sector maintained its peak level of 21.0, while the mutual fund sector remained at its lowest level of 0.6.

7.3 DSE's market capitalization demonstrated a pronounced decline of 6.97 percent, dropping to BDT 3673.9 billion at the end of Q4FY24 from BDT 3949.1 billion at the end of Q3FY24. It is to be noted that DSE's market capitalization declined massively by 13.04 percent from BDT 4541.3 billion at the end of Q2FY24. The banking industry held the highest share, comprising 16.77 percent of the total market capitalization, while the jute industry had the lowest share at just 0.10 percent. (Table VII.2 in Annexure-1). In addition, market capitalization as a percent of GDP reduced to 6.72 percent in June 2024 from 7.65 percent in March 2024 (Chart VII.4).

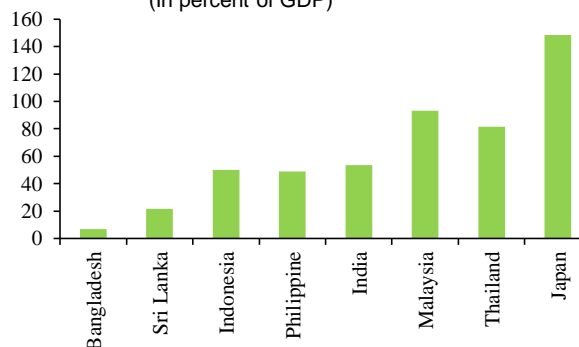
¹Exclude govt. bonds.

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



Source: DSE Monthly Review, June 2024.

Chart VII.4: Selected Countries; Stock Market Capitalization, June 2024 (In percent of GDP)



Source : DSE Monthly Review, June 2024.

7.4 The DSE’s overall price-earnings (P/E) ratio decreased to 10.22 in June 2024 from 11.73 in March 2024. Sector-specific P/E data revealed that the banking industry exhibited the lowest P/E scores in Q4FY24, while the tannery sector recorded the second-highest P/E score following the miscellaneous sector (Chart VII.5). Compared to other South and East Asian countries, Bangladesh exhibits an unfavorable price-earnings (P/E) ratio (10.22) as of June 2024. Conversely, India registered a significantly higher price-earnings (P/E) ratio of 24.04, manifesting a considerably elevated ratio within the region (Table 7.1).

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

Sector	Share of Total M.cap Mar-24	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24
Bank	17.2	7.9	9.2	9.7	9.8	9.5	8.0	7.8	7.7	7.8	7.2	7.3	6.4	6.3	5.9
Financial Institutions	3.2	20.1	23.4	31.1	23.8	21.9	20.4	20.3	18.9	18.8	21.3	21.3	12.1	15.5	14.1
Engineering	9.6	36.2	42.5	26.9	17.6	17.1	17.1	19.1	20.4	20.6	21.0	20.8	31.2	19.8	15.0
Food & Allied	8.4	25.5	27.1	32.3	31.4	22.6	21.1	20.5	21.1	18.6	19.1	19.1	24.9	14.4	14.0
Fuel & Power	8.6	12.8	13.6	16.1	11.7	12.2	11.7	11.3	12.2	13.1	13.3	13.3	17.3	9.2	8.7
Textile	3.6	16.8	23.9	30.2	22.5	24.1	22.3	22.8	16.6	15.8	16.7	18.1	23.4	16.0	13.9
Pharmaceuticals	16.1	19.7	21.1	24.9	19.8	20.1	19.5	20.4	17.9	17.5	17.7	17.5	17.3	13.3	13.6
Service & Realestate	0.6	19.4	23.8	35.2	25.9	22.7	21.3	27.2	20.1	22.2	21.7	21.2	20.4	18.0	17.8
Cement	3.0	27.4	27.0	39.9	21.4	17.2	16.5	17.2	15.7	20.9	19.6	19.5	40.3	12.6	10.1
IT	1.0	21.6	28.4	37.5	34.6	35.0	28.4	32.3	30.7	35.1	34.1	32.4	24.0	22.0	19.2
Tannery	0.7	23.2	28.5	87.4	89.9	84.0	61.5	55.1	34.7	35.2	35.8	34.1	14.5	24.1	20.6
Insurance	4.0	19.2	31.6	28.0	28.1	24.0	19.5	16.9	17.2	16.6	18.3	21.2	38.1	16.7	13.9
Telecommunication	12.4	19.7	18.4	19.3	16.9	16.1	15.6	15.4	15.1	15.1	16.9	16.9	14.1	12.7	8.0
Miscellaneous	6.2	41.5	46.0	57.6	23.2	23.0	21.7	23.0	11.8	11.8	12.2	11.9	23.8	38.3	31.6
Sources: DSE Monthly Review, Various Issues															
					≤15					≥25					

Source: DSE Monthly Review, Various Issues.

7.5 In Q4FY24, the DSE witnessed an increase in its issued capital², whereas the total turnover decreased compared to Q3FY24. The value of issued capital increased by 1.70 percent to BDT 1016.1 billion in Q4FY24 from BDT 999.1 billion in Q3FY24. However, the overall turnover drastically

² Exclude govt.bonds

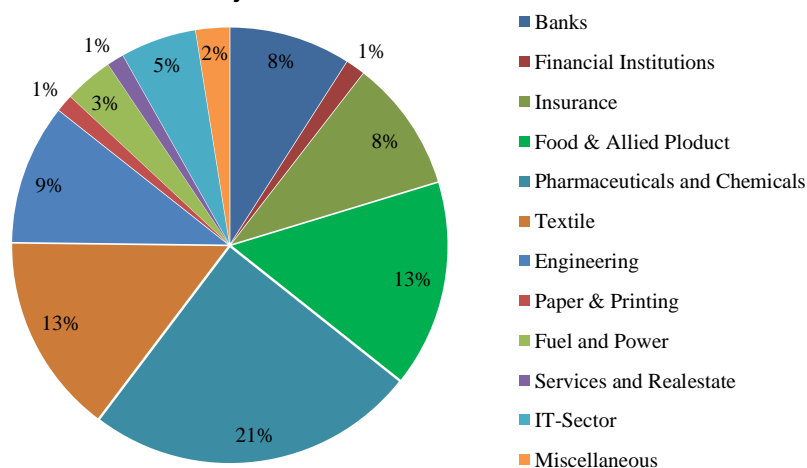
decreased by 39.01 percent to BDT 310.2 billion in Q4FY24 from BDT 508.6 billion in Q3FY24 (Table VII.1). Sector-specific turnover data shows that the Pharmaceuticals and chemicals sector had the highest turnover in Q4FY24, accounting for 21 percent of the total turnover (Chart VII.6). The Turnover Velocity Ratio (TVR), a key indicator of market liquidity, decreased from 51.52 percent in Q3FY24 to 33.78 percent in Q4FY24.

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

Countries	Price Earnings Ratio
Bangladesh	10.22
India	24.04
Sri Lanka	9.73
Thailand	17.05
Hong Kong	10.26
China	12.69

Source: DSE Monthly Review, June 2024.

Chart VII.6: Turnover of Major Sectors in Q4FY24



Source: DSE Monthly Review, June 2024.

7.6 In December 2020, BB issued its maiden sovereign investment Sukuk on behalf of the Government towards a safe water supply project and raised BDT 80.00 billion in two auctions in December 2020 and June 2021. The third Sukuk auction was held in December 2021 to raise BDT 50.00 billion, aiming at funding the "Need Based Infrastructure Development of Government Primary Schools Project." The fourth Sukuk auction was held in April 2022, raising BDT 50.00 billion for the "Important Rural Infrastructure Development Project on Priority Basis (IRIDP-3)". Finally, on 06 June 2024, BB issued the CDWSP Social Impact Sukuk bond worth BDT 10.00 billion, bringing the total issuance of Sukuk at to BDT 190.00 billion.

7.7 Getting funds into the capital market remains challenging as the money market experiences rising interest rates on deposits and higher yields on Treasury bonds. In order to increase the ability to make investments in the capital market, BB permitted banks and non-bank financial institutions (NBFIs) to determine their capital market exposure using investment costs rather than market prices for the

securities they held. This initiative aims to increase their ability to invest in the capital market. Moreover, BB published the "Guidelines on the Secondary Trading of Government Securities" in June 2023 to protect investors' interests. The guideline outlines the procedures for trading government securities in the secondary market to ensure transparency and stability in the capital market. Additionally, in an effort to stabilize the foreign exchange market, BB is considering the implementation of a crawling peg system, which might eventually restore foreign investors' confidence in the capital market.

7.8 Despite ongoing challenges in the capital market of Bangladesh, including crisis of confidence, liquidity crisis, and market manipulation, the Bangladesh Securities and Exchange Commission (BSEC) is proactively pursuing a range of initiatives to safeguard investors and foster market stability. BSEC has imposed fines on companies that fail to transfer unpaid, unclaimed, unsettled, undistributed, or unallotted cash or stock dividends, bonus shares, rights shares, or non-refunded public subscription money. Additionally, on 20 May 2024, BSEC revised its 'Z' category listing policy directive to redefine the "Z category companies" criteria. Under the new directive, companies will be categorized as Z if they fail to declare dividends for two consecutive years from the date of their last dividend declaration or listing with the stock exchange, fail to comply with the Annual General Meeting (AGM) obligations, exceed the negative balance in retained earnings compared to paid-up capital, or experience extended periods of operational inactivity. Additionally, BSEC lifted the floor price restriction, considering its negative impact on investors' confidence. Although early volatility is anticipated due to the floor price removal, indices are expected to rebound to positive growth eventually. In the wake of the recent political regime shift, the interim administration is endeavouring to revitalise the capital market by selecting a new chairman to the Bangladesh Securities and Exchange Commission (BSEC) and seven independent directors to the Dhaka Stock Exchange (DSE). The regulatory body has established a five-member committee to examine irregularities and corruption inside 12 corporations. The market is anticipated to stabilise following this phase of reformation. The implementation of the aforementioned steps is anticipated to steadily enhance foreign investors' confidence in the stock market, significantly impacting the growth and stability of our capital market in the near future.

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	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)	5.94	5.78	5.47	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	-11.94	-5.89
Imports, f.o.b.	9.00	25.23	1.80	-8.57	19.71	35.95	-14.24	-10.61
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	8.43	8.16	7.32
Tax	8.27	8.80	9.81	9.87	7.36	7.54	7.30	7.16
Nontax	1.13	1.03	0.92	1.10	1.28	0.88	0.87	0.16
Total expenditure	13.65	14.08	14.99	15.82	12.50	13.05	12.78	11.93
Current expenditure	8.30	7.98	9.04	9.31	6.96	7.77	7.95	7.75
Annual Development Program	4.99	5.82	5.66	6.08	4.87	4.68	4.28	3.74
Other expenditure (residual)	0.36	0.27	0.30	0.42	0.67	0.59	0.54	0.44
Overall balance (including grants)	-4.04	-4.08	-4.14	-4.73	-3.72	-4.56	-4.55	-4.52
Financing (net) (a+b)	4.25	4.25	4.27	4.73	3.72	4.54	4.53	3.75
a. Domestic financing	3.01	2.50	2.67	3.07	2.38	2.90	2.77	2.34
Banking System	1.03	0.75	1.05	2.60	1.13	1.90	2.63	2.46
Non-bank	1.98	1.75	1.62	0.47	1.25	1.00	0.14	-0.12
b. Foreign Financing	1.04	1.57	1.60	1.66	1.34	1.64	1.76	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.

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	2.80	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	6.60
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	8.80	6.72
h) Administrative and support service activities	8.17	6.33	6.02	6.01	7.51	6.15
i) Public administrative and defense	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	10.60	9.88	7.22	10.07
l) Arts, entertainment and recreation	5.48	5.43	5.76	6.07	6.34	6.50
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; R=Revised; P=Provisional.

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	FY22		FY23		FY23			FY24 ^P	
	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃
Agriculture	2.95 (9.48)	3.25 (12.76)	0.16 (10.90)	4.22 (12.14)	1.88 (9.39)	6.26 (12.67)	1.04 (10.43)	4.65 (12.30)	5.46 (9.35)
Agriculture, forestry and fishing	2.95	3.25	0.16	4.22	1.88	6.26	1.04	4.65	5.46
Industry	16.00 (39.18)	1.55 (34.08)	7.23 (36.55)	10.00 (38.54)	4.98 (39.97)	11.61 (35.53)	9.63 (37.95)	3.24 (38.51)	7.03 (40.42)
a) Mining and quarrying	2.29	-1.42	12.99	9.89	12.20	16.04	5.15	5.29	-1.62
b) Manufacturing	18.14	3.50	9.21	10.88	3.54	12.53	11.60	-0.45	6.99
c) Electricity, gas, water supply	5.02	9.67	8.67	2.99	2.91	-2.61	-0.46	0.31	1.31
d) Construction	15.23	-4.01	0.80	8.66	7.30	10.69	6.82	12.63	9.46
Service	8.53 (51.35)	4.99 (53.16)	9.72 (52.55)	6.62 (49.31)	1.47 (50.64)	4.33 (51.80)	3.73 (51.62)	3.06 (49.19)	4.97 (50.23)
a) Wholesale and retail trade	10.09	-0.09	15.15	6.43	-1.65	7.07	4.60	4.55	6.22
b) Transportation and storage, information and communication	4.10	7.78	9.17	5.70	4.51	3.44	2.86	1.28	5.79
c) Financial and insurance activities	6.00	6.02	4.14	2.55	2.54	1.08	0.70	1.57	0.5
d) Real estates, professional, and administrative activities	6.22	8.63	6.92	4.21	3.84	1.64	3.00	1.68	3.83
e) Public administrative, health, and education	17.19	9.93	6.66	15.15	1.29	5.49	6.40	8.61	6.07
f) Arts, recreation, and others service activities	2.96	-0.94	9.62	2.05	0.96	1.67	1.12	-4.86	2.33
GDP (at constant market price)	10.62	3.49	7.03	7.08	2.30	6.92	6.01	3.78	6.12

Source: Bangladesh Bureau of Statistics; P=Provisional.

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

Table I.3: Nominal GDP by Sectors: Base 2015-16
(In billion Taka)

Sectors	FY19	FY20	FY21	FY22	FY23	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.

Table I.3 (a): Quarterly Nominal GDP by Sectors: Base 2015-16
(In billion Taka)

Sectors	FY22		FY23				FY24 ^P		
	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	
Agriculture	1,299	1,072	1,345	1,038	1,487	1,197	1,551	1,211	
Agriculture, forestry and fishing	1,299	1,072	1,345	1,038	1,487	1,197	1,551	1,211	
Industry	3,299	3,365	3,949	4,215	4,007	4,178	4,720	5,146	
a) Mining and quarrying	142	143	162	212	185	184	216	237	
b) Manufacturing	2,158	2,214	2,570	2,643	2,606	2,754	2,855	3,062	
c) Electricity, gas, water supply	155	166	135	133	163	176	146	149	
d) Construction	844	842	1,082	1,226	1,054	1,064	1,502	1,697	
Service	5,585	5,266	5,564	5,823	6,300	6,059	6,292	6,669	
a) Wholesale and retail trade	1,556	1,490	1,595	1,594	1,795	1,720	1,834	1,840	
b) Transportation and storage, Information and communication	993	998	1,051	1,087	1,089	1,123	1,146	1,235	
c) Financial and insurance activities	342	345	358	366	378	382	397	404	
d) Real estates, professional, and administrative activities	1,018	969	1,014	1,084	1,126	1,155	1,133	1,262	
e) Public administrative, health, and education	1,142	943	988	1,099	1,318	1,095	1,173	1,280	
f) Arts, recreation, and others service activities	535	521	558	593	593	585	609	649	
Total GVA at current basic price	10,183	9,703	10,858	11,075	11,794	11,434	12,563	13,025	
Tax less subsidy	348	355	412	368	344	441	536	452	
GDP at current market price	10,531	10,058	11,270	11,443	12,138	11,875	13,099	13,478	

Source: Bangladesh Bureau of Statistics; P=Provisional.

Table I.4: Crop-wise Agricultural Production

Crops	Actual for FY22		Actual for FY23		Target for FY24		Actual for FY24	
	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	11.59	32.45	10.61	29.01	13.95	39.77	10.35	29.73
Aman	57.20	149.58	57.25	154.33	59.34	171.79	57.51	166.56
Boro	49.52	209.77	48.52	207.68	50.40	222.66	50.57	224.32
Total Rice	118.31	391.80	116.38	391.02	123.69	434.22	118.43	420.61
Wheat	3.15	10.86	3.19	12.06	3.23	12.29	3.12	11.72
Maize	5.52	56.30	6.06	64.32	6.24	66.95	6.43	68.84
Total Cereal	126.98	458.96	125.63	467.39	133.16	513.45	127.97	501.17
Jute	7.45	82.77	7.30	84.58	7.64	89.87	7.46	98.57
Gram	0.04	0.05	0.02	0.03	0.02	0.04	0.02	0.03
Moong	2.32	2.83	2.23	2.87	2.41	3.17	2.29	2.78
Mosur	1.53	2.08	1.30	1.85	1.31	1.89	1.15	1.66
Mustard	6.11	8.24	8.13	11.63	12.00	17.45	10.97	16.07
Onion	2.59	36.41	2.50	34.57	2.65	37.25	2.66	38.50
Potato	4.64	101.45	4.56	104.32	4.62	116.02	4.57	106.01
Vegetables	10.34	216.70	11.11	225.41	11.27	234.53	11.62	241.79

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

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

Sectors	FY23				FY24					
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Manufacturing	201.5	212.1	182.9	208.9	207.6	204.3	202.2	208.0	223.1	215.3
Mining	89.6	76.8	84.6	85.6	87.0	87.4	77.9	74.5	78.8	76.0
Electricity	169.9	178.7	199.3	152.9	151.7	175.7	213.9	166.9	150.6	183.5
Growth in percent (y-o-y)										
Manufacturing	8.65	5.27	8.14	10.60	6.77	7.89	10.55	-0.43	7.45	5.38
Mining	6.40	-14.32	2.05	-2.25	2.61	6.89	-7.94	-12.96	-9.49	-13.06
Electricity	8.55	5.18	18.04	8.78	9.66	-1.48	7.32	9.15	-0.74	4.43

Source: Bangladesh Bureau of Statistics.

Tables I.6 (a): Index of Large-scale Manufacturing Industries by Major Groups

(Base: 2015-16)

Items	FY23				FY24			
	Weight	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
General Index	100.0	214.9	218.8	208.7	204.7	205.4	225.8	209.1
Food products	4.00	138.7	136.7	114.7	121.2	166.9	191.6	139.0
Beverages	1.23	329.8	394.6	477.2	355.4	194.1	184.8	200.7
Tobacco products	3.72	247.3	267.3	272.8	262.2	247.6	270.1	270.0
Textile	11.59	196.5	268.6	245.0	209.3	177.7	173.3	184.2
Wearing apparel	61.00	207.0	195.1	174.8	181.1	196.3	228.4	201.1
Leather and related products	0.81	197.7	204.5	241.0	218.5	204.2	215.1	202.9
Wood and products of wood and cork	0.03	122.6	125.2	115.1	125.8	111.3	116.0	116.9
Paper and paper products	0.44	137.7	143.0	148.3	152.5	144.2	133.8	133.6
Printing and reproduction of recorded media	0.10	142.3	144.2	144.2	154.3	146.2	148.3	166.8
Coke and refined petroleum products	0.12	124.5	129.2	136.5	144.3	65.9	452.3	754.5
Chemicals and chemical products	1.29	111.5	134.2	129.7	125.3	130.1	129.7	124.1
Pharmaceuticals and medicinal chemical	3.05	307.1	263.0	277.3	322.9	311.3	288.1	300.8
Rubber and plastic products	0.45	132.3	179.4	188.4	196.8	159.0	152.1	137.1
Other non-metallic mineral products	4.25	448.2	478.8	493.5	459.6	404.5	426.5	380.2
Basic metal	0.72	241.1	287.3	347.7	423.0	426.9	497.6	518.0
Fabricated metal products	0.65	121.7	133.5	139.8	129.3	124.9	132.1	133.8
Computer, electronic and optical product	0.54	130.2	130.8	118.2	117.1	140.2	156.1	151.8
Electrical equipment	1.18	144.4	150.3	154.9	146.9	155.4	170.0	151.3
Machinery and equipment	0.01	128.1	135.4	131.4	135.1	132.0	144.8	172.5
Motor vehicles and trailers	0.01	197.5	222.7	265.2	194.7	189.2	180.8	190.6
Other transport equipment	4.16	197.7	203.8	269.4	214.0	183.3	139.5	191.1
Furniture	0.51	140.2	150.3	165.8	172.9	150.0	146.8	139.2
Other manufacturing	0.12	115.2	130.0	118.4	122.7	127.4	137.2	140.4

Source: Bangladesh Bureau of Statistics.

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

Items	Weight	FY23			FY24			
		Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
General Index	100.0	214.4	212.2	199.9	201.6	218.0	230.3	230.0
Food products	24.85	159.5	135.8	116.3	134.7	159.6	174.9	192.3
Beverages	0.76	85.7	95.8	168.1	177.9	140.3	149.6	244.5
Tobacco products	0.13	182.2	181.8	179.3	169.3	191.4	178.2	176.1
Textile	9.99	171.6	172.8	184.6	170.6	178.7	174.2	163.9
Wearing apparel	16.58	309.9	290.0	257.3	273.8	281.1	301.3	305.3
Leather and related products	3.73	116.3	124.9	114.7	114.0	132.4	135.7	131.4
Wood and products of wood and cork	0.27	125.9	130.8	133.0	137.2	115.9	117.3	118.3
Paper and paper products	0.77	163.0	113.1	98.6	160.0	168.9	176.5	153.1
Printing and reproduction of recorded media	0.36	102.0	103.6	97.7	97.8	104.1	106.9	104.4
Coke and refined petroleum products	0.12	136.7	129.0	145.1	138.9	158.0	152.7	152.7
Chemicals and chemical products	0.41	98.1	99.7	97.1	96.1	102.9	104.2	98.4
Pharmaceuticals and medicinal chemical	0.63	210.4	197.1	214.0	184.5	186.0	209.1	223.8
Rubber and plastic products	19.92	249.9	266.3	250.7	237.2	262.5	287.1	285.0
Other non-metallic mineral products	10.69	220.7	257.2	250.1	225.9	238.6	250.6	219.8
Basic metal	5.14	318.3	314.2	318.4	333.2	355.5	338.7	320.3
Fabricated metal products	0.59	135.4	140.5	143.9	143.5	149.7	149.5	151.0
Computer, electronic and optical product	0.76	121.3	106.1	98.8	114.1	107.7	95.5	89.1
Electrical equipment	1.12	111.2	156.0	160.3	176.8	189.0	193.8	182.1
Machinery and equipment	0.36	84.4	90.8	69.8	71.3	67.8	73.8	66.9
Motor vehicles and trailers	0.20	104.5	104.7	110.5	108.1	113.8	109.3	103.5
Other transport equipment	0.42	113.5	111.7	99.8	105.2	106.2	100.9	93.2
Furniture	1.34	182.8	151.8	163.2	158.8	159.6	150.5	156.8
Other manufacturing	0.86	116.8	117.2	113.9	--	--	--	--

Source: Bangladesh Bureau of Statistics.

'--' Not Available

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

Items	FY23				FY24			
	Weight	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
General Index	100.0	182.4	178.4	187.8	195.8	198.3	201.9	207.7
Food products	21.64	201.9	199.2	208.6	221.6	217.8	222.0	227.2
Beverages	0.05	125.2	123.2	133.5	140.1	142.5	141.5	188.3
Tobacco products	0.21	137.5	139.5	157.2	187.9	155.9	141.9	140.5
Textile	9.62	112.4	128.9	139.0	164.9	163.6	173.3	185.0
Wearing apparel	3.78	163.8	159.7	160.0	164.9	163.6	173.3	185.0
Leather and related products	2.51	125.1	133.7	133.0	139.5	144.1	138.1	136.7
Wood and products of wood and cork	6.26	184.7	160.7	157.8	167.1	176.0	190.6	200.1
Paper and paper products	0.50	148.2	156.2	139.0	134.8	140.8	143.4	148.3
Printing and reproduction of recorded media	2.49	227.0	205.0	200.4	208.7	196.3	205.4	209.1
Coke and refined petroleum products	0.04	250.3	210.4	206.2	195.7	187.4	208.7	214.0
Chemicals and chemical products	0.01	139.4	135.5	132.3	133.8	140.9	136.9	138.0
Pharmaceuticals and medicinal chemical	0.13	195.2	216.7	220.1	225.6	216.3	185.8	199.9
Rubber and plastic products	0.50	325.9	287.8	257.3	260.4	262.5	276.3	287.9
Other non-metallic mineral products	2.19	176.2	177.3	183.0	169.7	190.0	206.7	215.5
Basic metal	0.02	173.1	154.8	166.5	178.1	182.8	179.1	173.4
Fabricated metal products	12.37	170.3	173.3	181.2	181.9	183.1	187.9	192.6
Computer, electronic and optical product	0.06	324.0	212.6	159.8	150.3	123.2	123.0	126.9
Electrical equipment	0.06	140.7	116.8	121.9	140.8	151.7	152.8	151.2
Machinery and equipment	0.56	99.8	106.5	107.5	124.1	140.2	137.2	133.6
Motor vehicles and trailers	0.54	131.9	132.4	138.4	140.6	133.9	149.8	158.0
Other transport equipment	1.70	121.7	133.0	132.7	138.7	137.9	145.9	148.2
Furniture	18.01	160.5	155.6	164.4	184.0	209.6	207.1	221.3
Other manufacturing	15.01	257.6	241.8	277.2	277.8	260.6	261.8	262.6
Repair and installation of machinery and equipment	1.76	120.7	110.4	105.7	112.1	116.8	120.8	121.6

Source: Bangladesh Bureau of Statistics.

Table I.7: Cargo Handled by Chattogram Port
(In thousands Metric Tons)

Items	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Export	7,506	7,462	1,925	1,852	1,745	1,984	1,860	1,815	1,883	1,903
Import	109,708	115,781	26,882	26,525	27,788	28,512	28,589	27,936	29,566	29,690
Total	117,213	123,244	28,807	28,377	29,532	30,497	30,449	29,751	31,450	31,593
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
Import	9.81	5.54	32.93	-4.06	1.37	15.81	6.35	5.32	6.40	4.13
Total	8.66	5.15	30.02	-4.56	0.29	14.92	5.70	4.84	6.49	3.59

Source: Chattogram Port Authority.

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

Institutions	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Outstanding										
Banks ¹	14,941	16,412	13,794	14,261	14,468	14,941	15,131	15,707	15,985	16,412
Non-banks ²	725	---	704	704	712	725	729	735	744	---
Microfinance institutions ³	943	966	817	887	932	943	938	965	984	966
Total	16,609	17,378	15,315	15,853	16,112	16,609	16,797	17,407	17,713	17,378
Growth in percent (y-o-y)										
Banks ¹	10.57	9.85	13.93	12.89	12.03	10.57	9.69	10.13	10.49	9.85
Non-banks ²	4.53	---	4.82	4.71	3.23	4.53	3.50	4.32	4.51	---
Microfinance institutions ³	18.14	2.39	20.72	22.97	19.73	18.14	14.86	8.80	5.57	2.39
Total	10.70	9.41	15.13	13.02	12.02	10.70	9.68	9.80	9.94	9.41

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

³Grameen Bank, BRAC, ASA, Proshika, TMSS, RDRS Bangladesh, and CARITAS Bangladesh.

Note: '---' = unavailable data.

Table I.9: Bank Advances (Private Sector) by Economic Purposes
(In billion Taka)

Sectors	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^P
Outstanding										
a. Agriculture	680	687	625	639	657	680	688	736	685	687
Crops	625	643	583	587	600	625	634	697	643	643
Others	55	44	42	52	57	55	54	39	42	44
b. Industry	5,743	6,623	5,242	5,386	5,541	5,743	5,887	6,082	6,363	6,623
Term Loan	2,919	3,417	2,598	2,711	2,809	2,919	2,992	3,027	3,285	3,417
Working capital financing	2,824	3,206	2,644	2,675	2,732	2,824	2,894	3,055	3,077	3,206
c. Construction	1,154	1,223	1,098	1,097	1,160	1,154	1,200	1,228	1,258	1,223
d. Transport	68	70	67	69	68	68	70	66	67	70
e. Trade and commerce	4,625	5,041	4,475	4,599	4,543	4,625	4,674	4,990	4,924	5,041
f. Other institutional loan	332	325	276	312	335	332	332	332	329	325
g. Consumer finance	1,314	1,380	1,125	1,289	1,209	1,314	1,305	1,329	1,360	1,380
h. Miscellaneous	95	120	76	83	92	95	97	104	112	120
Grand Total	14,011	15,470	12,984	13,474	13,603	14,011	14,251	14,867	15,098	15,470
Growth in percent (y-o-y)										
a. Agriculture	13.39	1.00	22.73	18.29	18.04	13.39	9.99	15.17	4.32	1.00
Crops	13.80	2.93	26.11	19.52	17.71	13.80	8.71	18.64	7.29	2.93
Others	8.87	-20.90	-10.28	5.91	21.58	8.87	27.63	-24.17	-26.80	-20.90
b. Industry	8.53	15.33	9.38	8.56	11.49	8.53	12.30	12.91	14.84	15.33
Term loan	11.40	17.05	7.25	7.29	10.71	11.40	15.16	11.65	16.95	17.05
Working capital financing	5.71	13.55	11.55	9.89	12.31	5.71	9.48	14.19	12.66	13.55
c. Construction	10.84	6.03	11.16	9.33	12.67	10.84	9.28	11.91	8.45	6.03
d. Transport	5.11	2.12	-10.57	-2.30	-0.68	5.11	4.35	-4.09	-0.63	2.12
e. Trade and commerce	9.36	8.99	17.36	16.41	11.49	9.36	4.44	8.50	8.40	8.99
f. Other institutional loan	14.66	-1.95	13.10	10.64	14.33	14.66	20.06	6.55	-1.51	-1.95
g. Consumer finance	23.48	5.04	26.65	35.07	21.23	23.48	15.99	3.08	12.48	5.04
h. Miscellaneous	35.37	27.27	89.25	70.01	57.74	35.37	27.68	25.06	22.22	27.27
Grand Total	10.75	10.42	14.40	14.08	12.92	10.75	9.76	10.33	11.00	10.42
Share in percent										
a. Agriculture	4.85	4.44	4.81	4.74	4.83	4.85	4.82	4.95	4.55	4.44
Crops	4.46	4.16	4.49	4.36	4.41	4.46	4.45	4.69	4.27	4.16
Others	0.39	0.28	0.33	0.38	0.42	0.39	0.38	0.26	0.28	0.28
b. Industry	40.99	42.81	40.37	39.97	40.73	40.99	41.30	40.91	42.14	42.81
Term loan	20.83	22.09	20.01	20.12	20.65	20.83	21.00	20.36	21.66	22.09
Working capital financing	20.15	20.73	20.36	19.86	20.08	20.15	20.31	20.55	20.47	20.73
c. Construction	8.24	7.91	8.46	8.14	8.53	8.24	8.42	8.26	8.43	7.91
d. Transport	0.49	0.45	0.51	0.51	0.50	0.49	0.49	0.44	0.45	0.45
e. Trade and commerce	33.01	32.59	34.46	34.13	33.39	33.01	32.79	33.56	32.38	32.59
f. Other institutional loan	2.37	2.10	2.13	2.31	2.46	2.37	2.33	2.23	2.30	2.10
g. Consumer finance	9.38	8.92	8.67	9.56	8.89	9.38	9.16	8.94	9.01	8.92
h. Miscellaneous	0.67	0.78	0.58	0.62	0.67	0.67	0.68	0.70	0.74	0.78
Grand Total	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. P = Provisional.

Table I.9 (a): Performance Indicators of NBFIs
(In billion Taka)

Sectors	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^P
Loans and Advances of NBFIs (Outstanding in private sector)										
a. Agriculture	5.6	6.9	5.7	5.6	5.7	5.6	5.5	6.5	6.9	6.9
Crops	4.6	6.0	4.5	4.5	4.7	4.6	4.5	5.6	5.9	6.0
Others	0.9	0.9	1.1	1.1	1.0	0.9	1.0	0.9	1.0	0.9
b. Industry	287.2	311.7	267.1	275.4	279.4	287.2	292.5	296.8	305.7	311.7
Term loan	231.0	258.0	212.0	216.4	222.8	231.0	237.9	241.5	252.2	258.0
Working capital financing	50.1	48.3	49.4	52.8	50.7	50.1	49.2	48.9	47.9	48.3
Factoring	6.1	5.4	5.6	6.2	5.9	6.1	5.4	6.4	5.6	5.4
c. Construction	99.9	95.1	97.3	96.0	98.5	99.9	103.9	104.6	87.7	95.1
d. Transport	17.0	15.1	17.1	17.4	17.2	17.0	17.1	16.5	16.7	15.1
e. Trade and commerce	167.8	166.8	156.5	155.8	166.8	167.8	168.4	167.7	169.9	166.8
f. Other institutional loan	46.3	43.8	40.9	43.9	46.3	46.3	47.9	47.2	49.7	43.8
g. Consumer finance	99.2	108.2	106.1	105.2	95.3	99.2	96.7	97.1	107.5	108.2
h. Miscellaneous	0.3	0.6	0.3	2.0	1.9	0.3	0.2	0.2	0.2	0.6
Total Loans and Advances	723.1	748.1	690.9	701.1	711.0	723.1	732.2	736.5	744.3	748.1
Fixed deposits	432.9	442.4	404.6	426.1	425.3	432.9	434.0	435.9	429.2	442.4
Recurring deposits	8.5	7.9	6.1	6.3	6.5	8.5	7.1	7.4	8.5	7.9
Special purpose deposits	4.8	5.7	4.5	4.3	4.6	4.8	5.4	5.1	5.1	5.7
Restricted (blocked) deposits	0.7	0.4	0.6	0.7	0.5	0.7	0.6	0.6	0.4	0.4
Total Deposits	446.8	456.4	415.9	437.5	437.0	446.8	447.2	448.3	443.1	456.4
Deposit rate	7.93	9.83	7.48	7.74	7.78	7.93	8.15	8.45	9.19	9.83
Advance rate	8.20	12.79	9.11	8.89	8.89	8.20	11.58	11.68	12.16	12.79
Spread	0.27	2.96	1.63	1.15	1.11	0.27	3.43	3.23	2.97	2.96
Growth in percent (y-o-y)										
Loans and Advances of NBFIs										
a. Agriculture	6.35	23.84	13.43	19.75	15.17	6.35	-2.73	16.17	21.87	23.84
Crops	12.73	30.66	20.07	30.45	24.24	12.73	-0.62	23.71	26.64	30.66
Others	-16.61	-9.39	-7.42	-10.55	-14.73	-16.61	-11.31	-15.78	-1.02	-9.39
b. Industry	6.70	8.54	0.87	2.71	1.66	6.70	9.53	7.79	9.43	8.54
Term loan	9.44	11.69	2.75	4.10	3.21	9.44	12.18	11.62	13.19	11.69
Working capital financing	-5.20	-3.55	-10.18	-5.81	-6.72	-5.20	-0.36	-7.43	-5.52	-3.55
Factoring	16.12	-11.29	65.37	47.28	27.79	16.12	-3.19	3.51	-4.12	-11.29
c. Construction	2.88	-4.84	6.70	2.63	2.36	2.88	6.73	8.90	-10.97	-4.84
d. Transport	1.62	-11.42	23.56	16.70	8.65	1.62	-0.33	-5.19	-3.14	-11.42
e. Trade and commerce	9.76	-0.59	3.35	8.51	12.12	9.76	7.58	7.63	1.86	-0.59
f. Other institutional loan	13.34	-5.43	3.33	13.37	17.46	13.34	17.06	7.60	7.27	-5.43
g. Consumer finance	-6.79	9.14	12.51	0.55	-10.56	-6.79	-8.87	-7.68	12.83	9.14
h. Miscellaneous	-11.50	119.28	-28.39	426.42	530.90	-11.50	-12.22	-89.85	-89.21	119.28
Total Loans and Advances	5.01	3.45	4.61	4.89	3.53	5.01	5.97	5.04	4.68	3.45

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

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

Items	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Program/Target (July-June)	308.1	350.0	308.1	308.1	308.1	308.1	350.0	350.0	350.0	350.0
Total disbursement	328.3	371.5	65.8	100.9	74.5	87.1	88.2	95.0	83.5	104.8
Crop	146.6	164.6	30.8	48.3	36.9	30.5	39.1	43.7	37.7	44.1
Irrigation	2.7	2.0	0.9	0.5	0.5	0.7	0.5	0.6	0.5	0.3
Agricultural equipment	2.3	2.1	0.7	0.5	0.6	0.6	0.6	0.5	0.5	0.5
Live-stock	75.1	89.8	13.5	21.4	15.7	24.6	20.9	24.0	20.0	24.9
Fisheries	42.0	55.0	8.6	11.6	9.5	12.3	12.8	13.4	12.2	16.6
Grain storage & marketing	1.7	2.0	0.5	0.4	0.3	0.5	0.3	0.5	0.6	0.6
Poverty alleviation	21.9	21.5	3.5	6.7	3.9	7.8	6.8	4.5	3.6	6.7
Others	36.1	34.6	7.5	11.5	7.2	9.9	7.3	7.8	8.2	11.3
Total recovery	330.1	355.7	70.8	93.5	77.9	87.9	80.1	97.7	76.3	101.6
Total overdue	65.4	93.7	78.0	72.1	70.7	65.4	86.7	80.8	101.8	93.7
Outstanding	527.0	581.2	502.5	510.0	512.8	527.0	541.6	554.0	565.7	581.2
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
	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
Total recovery	20.20	7.76	26.68	16.81	22.06	17.40	13.25	4.40	-2.05	15.60

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 Grameen Bank and Large NGOs
(In billion Taka)

Institutions	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄ ^P
1. Total disbursement	1587.7	1607.7	343.4	436.6	421.7	386.1	381.4	440.5	422.4	363.4
i) Grameen Bank	247.4	246.8	56.6	66.8	65.2	58.8	57.8	69.7	66.1	53.2
ii) BRAC	658.3	704.5	139.0	190.6	172.1	156.6	167.1	190.5	184.7	162.3
iii) ASA	543.4	505.9	115.9	141.9	147.8	137.8	120.0	142.6	130.9	112.4
iv) Proshika	20.5	23.9	4.5	5.2	5.5	5.2	5.8	6.3	6.4	5.5
v) TMSS	88.6	94.8	20.7	24.4	23.2	20.3	22.8	23.3	26.3	22.4
vi) RDRS Bangladesh	20.7	22.9	4.9	5.3	5.3	5.2	5.6	5.8	5.9	5.6
vii) CARITAS Bangladesh	8.9	8.9	1.9	2.4	2.5	2.1	2.3	2.4	2.2	1.9
2. Total recovery	1526.1	1670.6	350.2	379.2	399.3	397.4	407.0	437.1	419.0	407.5
i) Grameen Bank	232.0	242.3	54.9	61.8	61.3	54.0	59.4	67.1	63.3	52.5
ii) BRAC	660.4	751.2	149.8	157.3	172.6	180.7	176.3	190.2	186.7	198.0
iii) ASA	505.1	533.9	116.7	127.8	131.9	128.6	136.1	142.4	133.4	122.0
iv) Proshika	20.6	24.5	4.3	5.2	5.4	5.7	6.1	6.9	6.0	5.6
v) TMSS	81.0	88.4	18.4	20.2	21.0	21.4	21.8	22.7	21.9	22.1
vi) RDRS Bangladesh	19.0	21.4	4.4	4.8	4.9	5.0	5.2	5.5	5.5	5.3
vii) CARITAS Bangladesh	8.0	8.8	1.8	2.0	2.1	2.0	2.3	2.4	2.2	2.0
3. Loans outstanding	943.4	965.9	816.6	887.0	931.6	943.4	937.9	965.0	983.5	965.9
4. Loans overdue	32.1	50.4	38.9	29.6	31.3	32.1	34.7	41.8	48.5	50.4
5. Overdue as percent of outstanding	3.40	5.22	4.76	3.34	3.36	3.40	3.70	4.34	4.94	5.22

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

Table I.12: Microcredit Operations of MFIs
(In billion Taka)

Indicators	FY23		FY24 ^P			
	FY23	FY24	July- Dec/22	Jan- Jun/23	July- Dec/23	Jan- Jun/24
Total disbursement	2493.0	2638.2	1137.9	1355.1	1211.2	1427.0
Total recovery	2112.4	2617.1	937.1	1175.4	1177.9	1439.1
Loans outstanding	1504.2	1562.8	1402.7	1504.2	1536.7	1562.8
Loans overdue	153.9	162.1	135.5	153.9	158.0	162.1
Overdue as percent of outstanding	10.23	10.37	9.66	10.23	10.28	10.37

Source: Microcredit Regulatory Authority. P = Provisional.

Table II.1: Trend in Inflation
(Base: 2021-22=100)

Period	Point-to-Point			12 Month Average		
	General	Food	Non-food	General	Food	Non-food
2022						
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

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

Items	FY22		FY23				FY24			
	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Rice (USD/MT)	425.3	446.3	429.3	446.0	495.0	508.3	600.7	610.7	632.3	617.3
Wheat (USD/MT)	370.4	415.2	316.7	--	298.3	264.9	237.1	244.2	240.8	237.2
Soybean oil (USD/MT)	1674.1	1887.4	1560.2	1545.6	1236.0	1008.5	1124.6	1104.9	949.4	985.9
Sugar (USD /kg)	0.41	0.43	0.40	0.40	0.44	0.54	0.54	0.54	0.5	0.4
Crude Petroleum (Dubai) (USD/Barrel)	96.5	108.9	98.3	84.6	79.6	77.9	86.7	83.8	81.6	85.0
Palm Oil (USD/MT)	1548.0	1633.6	997.3	925.0	954.7	918.8	856.3	816.1	881.6	889.6

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

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

Countries	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Bangladesh	9.74	9.72	9.10	8.71	9.33	9.74	9.63	9.41	9.81	9.72
Bhutan	3.83	1.87	6.05	4.44	3.15	3.83	5.03	4.99	4.99	1.87
India	4.81	5.08	7.41	5.72	5.66	4.87	5.02	5.69	4.85	5.08
Pakistan	29.40	12.60	23.20	24.50	35.40	29.40	31.44	29.66	20.70	12.60
Sri Lanka	10.80	1.70	73.70	57.20	49.20	10.80	0.80	4.20	0.90	1.70
Vietnam	2.00	4.34	3.94	4.55	3.35	2.00	3.66	3.58	3.97	4.34

Source: Central Banks and Statistics Departments of respective countries.

Note: Quarterly data indicate end quarter.

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

Items	FY23					FY24			
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃ ^R	Q ₄ ^P
Outstanding									
1. Net foreign assets of BB	2,875.0	2,469.7	2,975.0	2,820.2	2,875.0	2,589.8	2482.0	2268.9	2469.7
2. Net domestic assets of BB	960.9	1,666.7	825.1	635.8	960.9	852.6	1241.2	1299.0	1666.7
a) Claims on public sector	1,613.1	1,501.4	1,089.9	1,154.2	1,613.1	1,329.7	1309.1	1320.0	1501.4
i) Claims on govt. (net)	1,574.1	1,459.3	1,053.4	1,118.0	1,574.1	1,290.4	1267.1	1278.1	1459.3
ii) Claims on other public sector	38.9	42.1	36.5	36.3	38.9	39.3	42.0	41.9	42.1
b) Claim on private sector	75.2	85.3	62.6	71.9	75.2	77.5	83.9	85.3	85.3
c) Claims on banks	616.6	1,701.0	666.1	581.2	616.6	754.1	1,246.4	1,190.9	1,701.0
d) Other items (net)	-1,344.0	-1,621.0	-993.4	-1,171.6	-1,344.0	-1,308.7	-1,398.2	-1,297.1	-1,621.0
3. Currency issued	3,119.5	3,203.1	2,923.6	2,789.6	3,119.5	2,773.1	2796.5	2911.9	3203.1
i) Currency outside banks	2,919.1	2,904.4	2,681.8	2,546.7	2,919.1	2,535.1	2548.6	2612.0	2904.4
ii) Cash in tills	200.3	298.7	241.8	242.9	200.3	238.1	247.9	299.9	298.7
4. Deposits of banks with BB	716.4	933.4	876.5	666.4	716.4	669.2	926.7	656.0	933.4
5. Reserve money (RM)	3,835.9	4,136.4	3,800.1	3,456.0	3,835.9	3,442.3	3723.2	3567.9	4136.4
6. Money multiplier (M2/RM)	4.92	4.92	4.63	5.15	4.92	5.45	5.13	5.43	4.92
Growth in percent (y-o-y)									
1. Net foreign assets of BB	-17.3	-14.1	-16.1	-18.2	-17.3	-18.8	-16.6	-19.5	-14.1
2. Net domestic assets of BB	16230.2	73.5	366.7	369.4	16230.2	305.1	50.4	104.3	73.5
a) Claims on public sector	176.4	-6.9	1165.9	608.6	176.4	76.6	20.1	14.4	-6.9
i) Claims on govt. (net)	186.6	-7.3	1829.4	773.4	186.6	80.1	20.3	14.3	-7.3
ii) Claims on other public sector	13.3	8.1	15.7	3.9	13.3	8.1	15.3	15.5	8.1
b) Claim on private sector	26.7	13.4	9.8	24.4	26.7	28.7	34.1	18.6	16.0
c) Claims on Banks	283.6	175.9	301.3	260.1	283.6	175.7	87.1	104.9	175.0
3. Currency issued	21.8	2.7	27.4	20.3	21.8	6.0	-4.3	4.4	2.7
4. Deposits of banks with BB	-21.3	30.3	-6.9	-25.3	-21.3	-14.7	5.7	-1.6	30.3
5. Reserve money (RM)	10.5	7.8	17.4	7.6	10.5	1.2	-2.0	3.2	7.8

Source: Statistics Department, Bangladesh Bank.

P = Provisional, R=Revised.

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

Items	FY23					FY24			
	FY23	FY24	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃ ^R	Q ₄ ^P
Outstanding									
1. Net foreign assets	3,167.3	2,923.2	3,194.0	3,090.8	3,167.3	2,933.2	2,774.6	2,594.4	2,923.2
2. Net domestic assets	15,704.5	17,409.1	14,385.7	14,695.8	15,704.5	15,839.3	16,316.8	16,778.1	17,409.1
a) Domestic credit	19,267.5	21,155.4	17,617.6	18,159.6	19,267.5	19,305.7	19,712.2	20,364.5	21,155.4
Credit to public sector	4,325.1	4,743.0	3,356.3	3,691.5	4,325.1	4,175.2	4,005.5	4,379.2	4,743.0
Credit to govt. (net)	3,873.5	4,248.8	2,936.2	3,245.6	3,873.5	3,709.2	3,516.6	3,904.0	4,248.8
Credit to other public sector	451.6	494.2	420.1	445.9	451.6	466.0	488.9	475.2	494.2
Credit to private sector	14,942.6	16,412.4	14,261.3	14,468.1	14,942.6	15,130.5	15,706.7	15,985.3	16,412.4
b) Other items (net)	-3,563.3	-3,746.3	-3,231.9	-3,463.8	-3,563.3	-3,466.4	-3,395.4	-3,586.4	-3,746.3
3. Narrow Money	4,918.9	5,009.2	4,525.4	4,352.5	4,918.9	4,400.2	4,517.3	4,553.8	5,009.2
a) Currency outside banks	2,919.1	2,904.4	2,681.8	2,546.7	2,919.1	2,535.1	2,548.6	2,612.0	2,904.4
b) Demand deposits	1,999.7	2,104.9	1,843.6	1,805.8	1,999.7	1,865.1	1,968.7	1,941.8	2,104.9
4. Time deposits	13,952.8	15,323.1	13,054.3	13,434.1	13,952.8	14,372.3	14,574.2	14,818.7	15,323.1
5. Broad money	18,871.7	20,332.3	17,579.7	17,786.6	18,871.7	18,772.5	19,091.5	19,372.4	20,332.3
Growth in percent (y-o-y)									
1. Net foreign assets	-13.06	-7.71	-13.48	-13.28	-13.06	-12.56	-13.13	-16.06	-7.71
2. Net domestic assets	16.86	10.85	14.95	15.40	16.86	14.17	13.42	14.17	10.85
a) Domestic credit	15.25	9.80	14.98	16.21	15.25	12.89	11.89	12.14	9.80
Credit to public sector	34.94	9.63	24.80	36.08	34.94	26.27	19.34	18.63	9.66
Credit to govt. (net)	36.72	9.74	25.19	37.82	36.72	26.81	19.77	20.29	9.69
Credit to other public sector	21.41	8.63	22.12	24.61	21.41	22.08	16.39	6.57	9.42
Credit to private sector	10.58	9.85	12.89	12.03	10.58	9.69	10.13	10.49	9.84
3. Narrow money	15.49	1.84	19.31	15.89	15.49	5.15	-0.18	4.62	1.84
4. Time deposits	8.82	9.82	5.16	7.10	8.82	10.18	11.64	10.31	9.82
5. Broad money	10.48	7.74	8.47	9.13	10.48	8.96	8.60	8.92	7.74

Source: Statistics Department, Bangladesh Bank.

P = Provisional, R=Revised.

Table III.3: Interest Rates Developments

Instruments	Jun.22	Sep.22	Dec.22	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24 ^R	Jun.24 ^P
T - Bills									
91 - day	5.94	6.01	6.90	6.18	6.80	7.24	10.89	11.33	11.64
182 - day	6.44	6.47	7.30	7.01	7.07	7.40	11.09	11.38	11.80
364 - day	6.62	6.80	7.76	7.40	7.90	7.97	11.28	11.59	12.00
BGTB									
2 - year	7.21	7.47	7.55	7.97	8.09	8.65	8.69	11.90	12.25
5 - year	7.80	7.73	7.90	8.14	8.71	8.99	10.35	12.02	12.43
10 - year	8.03	8.09	8.33	8.37	...	9.20	10.46	12.09	12.59
15-year	8.27	8.49	8.77	9.49	11.06	12.14	12.70
20-year	8.48	8.52	8.95	9.76	11.16	12.24	12.79
Repo									
1-3 day	5.50	5.50	5.75	6.00	6.00	6.50	7.75	8.00	8.50
Reverse Repo									
1-3 day	4.00	4.00	4.00	4.25	4.25	4.50	5.75	6.50	7.00
Call Money Rate									
	4.88	5.53	5.80	6.03	6.06	6.41	8.84	8.75	9.08
Lending Rate									
All Banks	7.24	7.14	7.23	7.29	7.34	7.84	9.32	10.54	11.55
State Owned Banks	6.29	6.28	6.46	6.45	6.44	6.80	9.11	10.38	10.58
Private Banks	7.49	7.38	7.44	7.53	7.63	8.17	9.39	10.60	11.83
(a) Domestic	7.53	7.39	7.45	7.54	7.63	8.18	9.40	10.62	11.86
(b) Foreign	6.40	6.87	7.09	7.40	7.57	7.87	9.16	10.23	10.91
Specialized Banks	7.01	6.65	6.93	6.96	6.30	6.62	8.80	9.93	10.73
Islamic Banks	7.70	7.25	7.20	7.17	7.35	7.83	8.87	10.20	11.31
Deposits Rate									
All Banks	3.98	4.13	4.24	4.37	5.03	4.55	4.74	5.20	5.52
State Owned Banks	3.84	4.11	4.03	4.13	4.41	4.45	4.64	4.89	4.88
Private Banks	3.98	4.09	4.26	4.40	5.86	4.52	4.72	5.26	5.69
(a) Domestic	4.17	4.29	4.49	4.64	4.40	4.76	4.97	5.53	5.96
(b) Foreign	0.9	0.96	1.00	1.14	4.63	1.26	1.23	1.30	1.45
Specialized Banks	5.27	5.44	5.56	5.66	4.27	5.96	6.07	6.35	6.70
Islamic Banks	4.39	4.44	4.83	5.07	1.17	5.21	5.29	5.99	6.45
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.

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

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

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

^d The 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 Taka)

Instruments	Jun.22	Sep.22	Dec.22	Mar.23	Jun.23	Sep.23	Dec.23	Mar.24	Jun.24
T - Bills									
91 - day	302.8	277.0	403.3	279.7	362.1	352.9	357.4	521.2	639.0
182 - day	183.0	215.0	180.0	292.0	412.8	418.3	280.1	163.3	146.5
364 - day	305.1	292.1	309.8	433.5	518.0	724.7	724.6	727.5	632.2
Sub Total	790.9	784.2	894.1	1005.2	1292.9	1495.8	1362.1	1412	1417.7
BGTB									
2 - year	313.0	388.0	393.0	443.0	485.0	482.0	479.7	494.2	541.0
5 - year	711.6	757.6	799.6	879.6	969.6	1037.5	1037.1	1055.2	1072.4
10 - year	999.2	1037.7	1046.7	1089.7	1112.7	1146.0	1160.8	1202.0	1251.6
15-year	510.8	526.6	538.1	549.6	552.1	549.7	555.9	567.5	598.5
20-year	488.2	506.0	522.5	536.0	541.5	543.4	553.5	580.7	614.8
Sub Total	3913.7	4000.1	4193.0	4503.0	4953.7	5254.5	5149.2	5311.5	5496.0
National Savings Certificate	3640.0	3643.3	3608.9	3598.4	3607.1	3594.4	3546.4	3581.6	3395.8
Total (excluding BB bills)	7553.7	7643.4	7801.9	8101.4	8560.8	8848.9	8695.6	8793.1	8891.8

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

Table IV.1: Government Fiscal Operations
(In billion Taka)

Items	FY23					FY24						
	FY23	Q ₁	Q ₂	Q ₃	Q ₄	Revised Budget	Actual	Q ₁	Q ₂	Q ₃	Q ₄	
Total Revenue and Foreign Grants	3694	699	758	832	1405	4815	3743	783	847	934	1179	
Total Revenue	3666	699	758	832	1377	4780	3693	778	844	930	1141	
a) NBR Tax revenue	3197	676	735	807	980	4100	3590	753	819	904	1114	
i) Taxes on Income, Profits & Capital Gains	1071	208	237	267	360	1459	1230	231	274	309	416	
ii) Value Added Tax	1262	281	297	303	381	1581	1393	315	329	330	419	
iii) Supplementary Duty	445	95	111	121	118	554	537	108	117	138	174	
iv) Customs Duty	362	88	86	88	100	439	386	94	95	97	100	
v) Excise Duty	41	0	0	0	41	50	0	0	0	0	0	
vi) Other Taxes	16	4	4	27	-19	17	44	5	5	29	5	
b) Non- NBR tax revenue	80	3	4	4	68	190	24	5	7	6	6	
c) Non- tax revenue	389	20	19	21	329	490	79	20	18	20	21	
Foreign Grants	28	0	0	0	27	35	50	5	3	4	38	
Total Expenditure	5739	824	1021	1098	2795	7144	6023	836	1113	1360	2714	
a) Operating Expenditure	3699	662	749	825	1462	4532	4054	675	837	975	1567	
b) Net Outlay for Food Account Operation	10	37	63	18	-108	-12	41	26	6	7	2	
c) Loans & Advances (Net)	-22	-2	-7	-1	-11	24	-86	-19	-13	-6	-48	
d) Development Expenditure	2052	127	216	256	1453	2600	2013	154	283	384	1193	
of which: ADP	1919	126	205	220	1368	2450	1890	152	267	354	1117	
Budget Deficit	-2045	-126	-263	-266	-1390	-2329	-2280	-53	-266	-426	-1535	
Financing	2035	16	187	159	1673	2329	1894	-127	197	364	1459	
a) Domestic financing	1244	-10	132	119	1003	1566	1182	-64	31	204	1011	
i) Bank financing	1180	72	230	243	635	1559	1242	66	15	363	798	
ii) Non-bank financing	63	-82	-99	-123	367	7	-59	-130	17	-159	213	
b) Foreign financing	792	26	55	40	670	763	712	-63	166	160	448	
In Percentage of GDP												
Total Revenue and Foreign Grants	8.23	1.56	1.69	1.85	3.13	9.54	7.41	1.55	1.68	1.85	2.34	
Total Revenue	8.16	1.56	1.69	1.85	3.07	9.47	7.32	1.54	1.67	1.84	2.26	
a) NBR Tax revenue	7.12	1.50	1.64	1.80	2.18	8.12	7.11	1.49	1.62	1.79	2.21	
i) Taxes on Income, Profits & Capital Gains	2.39	0.46	0.53	0.59	0.80	2.89	2.44	0.46	0.54	0.61	0.82	
ii) Value Added Tax	2.81	0.63	0.66	0.67	0.85	3.13	2.76	0.62	0.65	0.65	0.83	
iii) Supplementary Duty	0.99	0.21	0.25	0.27	0.26	1.10	1.06	0.21	0.23	0.27	0.35	
iv) Customs Duty	0.81	0.20	0.19	0.20	0.22	0.87	0.77	0.19	0.19	0.19	0.20	
v) Excise Duty	0.09	0.00	0.00	0.00	0.09	0.10	0.00	0.00	0.00	0.00	0.00	
vi) Other Taxes	0.04	0.01	0.01	0.06	-0.04	0.03	0.09	0.01	0.01	0.06	0.01	
b) Non- NBR tax revenue	0.18	0.01	0.01	0.01	0.15	0.38	0.05	0.01	0.01	0.01	0.01	
c) Non- tax revenue	0.87	0.04	0.04	0.05	0.73	0.97	0.16	0.04	0.04	0.04	0.04	

Table IV.1: Government Fiscal Operations (Contd.)
(In billion Taka)

Items	FY23					FY24					
	FY23	Q ₁	Q ₂	Q ₃	Q ₄	Revised Budget	Actual	Q ₁	Q ₂	Q ₃	Q ₄
In Percentage of GDP											
Foreign Grants	0.06	0.00	0.00	0.00	0.06	0.07	0.10	0.01	0.01	0.01	0.08
Total Expenditure	12.78	1.84	2.27	2.45	6.22	14.15	11.93	1.66	2.20	2.69	5.38
a) Operating Expenditure	8.24	1.47	1.67	1.84	3.26	8.98	8.03	1.34	1.66	1.93	3.10
b) Net Outlay for Food Account Operation	0.02	0.08	0.14	0.04	-0.24	-0.02	0.08	0.05	0.01	0.01	0.00
c) Loans & Advances (Net)	-0.05	-0.01	-0.02	0.00	-0.03	0.05	-0.17	-0.04	-0.03	-0.01	-0.10
d) Development Expenditure	4.57	0.28	0.48	0.57	3.23	5.15	3.99	0.30	0.56	0.76	2.36
of which: ADP	4.27	0.28	0.46	0.49	3.05	4.85	3.74	0.30	0.53	0.70	2.21
Budget Deficit	-4.55	-0.28	-0.58	-0.59	-3.10	-4.61	-4.52	-0.11	-0.53	-0.84	-3.04
Financing	4.53	0.04	0.42	0.35	3.73	4.61	3.75	-0.25	0.39	0.72	2.89
a) Domestic financing	2.77	-0.02	0.29	0.27	2.23	3.10	2.34	-0.13	0.06	0.40	2.00
i) Bank financing	2.63	0.16	0.51	0.54	1.41	3.09	2.46	0.13	0.03	0.72	1.58
ii) Non-bank financing	0.14	-0.18	-0.22	-0.27	0.82	0.01	-0.12	-0.26	0.03	-0.31	0.42
b) Foreign financing	1.76	0.06	0.12	0.09	1.49	1.51	1.41	-0.12	0.33	0.32	0.89
Memorandum item											
GDP at current market price (In billion Taka)	44908	44908	44908	44908	44908	50480	50480	50480	50480	50480	50480

Source: Bangladesh Bureau of Statistics (BBS) and Monthly Report on Fiscal Position, Various Issues, Ministry of Finance.

Table V.1: Balance of Payments
(In million USD)

Items	FY23 ^R					FY24 ^P				
	FY23 ^R	FY24 ^P	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄	
Current Account Balance	-11633	-6512	-3925	-1252	-2192	-1733	-2108	-238	-2433	
Trade balance	-27384	-22432	-7761	-5521	-5758	-4983	-6134	-4639	-6676	
Export f.o.b.	43364	40810	11367	10610	10201	10078	10109	10760	9863	
of which: Readymade garments	38176	36130	10082	9415	8961	8820	8741	9732	8837	
Import f.o.b.	70748	63242	19128	16131	15959	15061	16243	15399	16539	
Services	-3131	-3808	-601	-607	-995	-898	-696	-1004	-1210	
Credit	6971	6289	1895	1585	1612	1457	1666	1533	1633	
Debit	10102	10097	2496	2192	2607	2355	2362	2537	2843	
Primary Income	-3407	-4817	-584	-805	-1200	-916	-1335	-1014	-1552	
Credit	443	557	113	112	119	117	148	154	138	
Debit	3850	5374	697	917	1319	1033	1483	1168	1690	
Secondary Income	22289	24545	5021	5681	5761	5064	6057	6419	7005	
Official Transfers	88	72	23	22	28	9	14	18	31	
Private Transfers	22201	24473	4998	5659	5733	5055	6043	6401	6974	
Of which: workers' remittances	21611	23912	4820	5542	5576	4907	5893	6274	6838	

Table V.1: Balance of Payments (Contd.)
(In million USD)

Items	FY23 ^R						FY24 ^P		
	FY23 ^R	FY24 ^P	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Capital & Financial Account	7365	5100	2121	-80	3863	-1183	1905	218	4160
Capital account	475	554	135	116	188	42	118	127	267
Capital transfers	475	554	135	116	188	42	118	127	267
Financial Account	6890	4546	1986	-196	3675	-1225	1787	91	3893
Foreign direct investment (Gross Inflows)	4428	4160	1089	856	1051	1107	720	1384	949
Of which: FDI net liabilities	1649	1697	389	314	441	412	343	469	473
Portfolio investment	-30	-62	-8	-20	15	-40	-42	-7	27
Of which: Investment by NRBs	118	93	24	37	25	30	25	17	21
Other investment	5271	2911	1605	-491	3219	-1597	1486	-371	3393
Net aid flows	6959	7659	1895	981	3198	583	2514	865	3697
Medium and long-term (MLT) loans	8704	9680	2274	1445	3687	1110	2938	1423	4209
MLT amortization payments	1745	2021	379	464	489	527	424	558	512
Other long term loans	434	249	-75	175	266	80	318	185	-334
Other short term loans	-1883	-1574	-556	-1686	-416	-610	-709	-460	205
Trade credit	2532	-1762	1540	995	315	-917	-721	-521	397
DMBs and NBDCs	-2771	-1662	-1199	-956	-143	-732	84	-440	-574
Assets	799	895	495	254	144	199	-419	177	938
Liabilities	-1973	-767	-705	-702	1	-533	-335	-263	364
Net Errors & Omissions	-3954	-2888	-1334	-701	-1407	62	-394	-1283	-1273
Overall Balance	-8222	-4300	-3138	-2034	265	-2854	-598	-1303	455
Reserve Assets	8222	4300	3138	2034	-265	2854	598	1303	-455
Bangladesh Bank	8222	4300	3138	2034	-265	2854	598	1303	-455
Assets	-8766	-2900	-2791	-2101	680	-3483	512	-1888	1959
Liabilities	-544	1400	347	-67	415	-629	1110	-585	1504
Memorandum Items									
Gross official reserves	31203	26714	33748	31143	31203	26911	27130	25232	26714
Gross official reserves (As per BPM6)	24754	21686	26023	24096	24754	21060	21868	19913	21686
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
In months of prospective imports	5.0	4.8	5.0	5.5	5.6	5.1	4.8	4.7	4.6
Export growth (in percent)	-11.94	-5.89	-10.62	-19.80	-20.00	-9.91	-11.07	1.41	-3.31
Import growth (in percent)	-14.24	-10.61	-11.65	-28.48	-23.90	-22.88	-15.08	-4.54	3.63
Remittances growth (in percent)	2.75	10.70	-0.25	9.55	-2.74	-13.50	22.26	13.21	22.63

Source: Statistics Department, Bangladesh Bank.

R=Revised, P=Provisional.

Table V.2: Trends in the Commodity Composition of Exports
(In million USD)

Items	FY23 ^R			FY24 ^P					
	FY23 ^R	FY24 ^P	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
1. Raw jute	203.8	161.3	51.5	44.0	53.3	45.4	31.2	41.6	43.1
2. Jute goods	979.5	925.4	255.4	232.2	230.6	237.6	251.2	242.6	194.1
3. Tea	2.3	3.5	0.6	0.6	0.6	0.7	1.0	1.1	0.7
4. Leather	124.7	143.3	30.3	29.3	30.3	34.6	36.9	35.4	36.4
5. Frozen shrimps and fish	385.2	326.2	103.4	89.5	66.6	85.6	105.4	72.3	62.9
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
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
8. Terry towels	31.5	23.6	8.0	6.6	6.3	5.2	6.1	6.6	5.6
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
Total exports	46,495	44,475	12,126	11,528	10,946	10,833	10,931	11,882	10,829
Of which: exports from EPZ	6,462	5,679	1,721	1,499	1,554	1,317	1,368	1,505	1,488
Total exports (adjusted)	43,364	40,810	11,367	10,610	10,201	10,078	10,109	10,760	9,863

Source: Export Promotion Bureau, Bangladesh.

R=Revised, P=Provisional.

Table V.3: Major Destination-wise RMG Related Exports
(In million USD)

Regions	FY23 ^R					FY24 ^P			
	FY23 ^R	FY24 ^P	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Exports of RMG	38176	36130	10082	9415	8961	8820	8741	9732	8837
European Countries	23912	23084	6265	6088	5607	5517	5461	6423	5683
USA	7371	6624	1958	1624	1839	1619	1651	1626	1728
Other Countries	6893	6423	1859	1702	1515	1684	1630	1683	1426
Woven Garments	17818	16862	4728	4622	4193	3880	4089	4804	4089
European Countries	9261	9274	2377	2657	2158	2035	2156	2882	2201
USA	5136	4370	1410	1150	1258	1012	1108	1107	1142
Other Countries	3420	3219	941	815	777	834	824	815	746
Knitwear Products	20358	19268	5354	4792	4768	4940	4653	4928	4748
European Countries	14650	13810	3888	3431	3449	3482	3305	3541	3482
USA	2234	2254	548	474	581	607	542	519	586
Other Countries	3473	3204	919	887	738	850	806	868	680
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
European Countries	-10.90	-3.46	-9.09	-17.38	-19.60	-7.30	-12.83	5.50	1.35
USA	-18.22	-10.13	-15.56	-31.12	-24.11	-16.93	-15.72	0.10	-6.01
Other Countries	1.93	-6.83	13.96	-5.49	-15.26	-7.34	-12.33	-1.14	-5.85
Woven Garments	-8.15	-5.36	-2.40	-17.01	-17.63	-9.23	-13.52	3.94	-2.47
European Countries	-10.64	0.13	-7.68	-15.78	-17.72	-1.67	-9.30	8.47	1.99
USA	-12.84	-14.92	-6.68	-27.80	-22.23	-23.21	-21.40	-3.73	-9.18
Other Countries	8.84	-5.90	24.07	-0.78	-8.62	-6.11	-12.36	-0.01	-4.00
Knitwear Products	-12.30	-5.35	-10.72	-19.57	-21.76	-9.24	-13.11	2.82	-0.42
European Countries	-11.07	-5.74	-9.93	-18.57	-20.73	-10.30	-14.99	3.21	0.94
USA	-28.39	0.87	-32.16	-38.05	-27.90	-3.81	-1.12	9.42	0.85
Other Countries	-4.07	-7.74	5.18	-9.43	-21.29	-8.51	-12.30	-2.18	-7.79

Source: Compiled by Statistics Department of Bangladesh Bank using the data of EPB.

R=Revised, P=Provisional.

Table V.4: Trends in the Commodity Composition of Imports
(In million USD)

	FY23 ^R					FY24 ^P			
	FY23 ^R	FY24 ^P	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
A. Food Grains	2,599	2,058	919	718	558	398	370	580	711
1. Rice	572	25	308	172	9	2	8	7	9
2. Wheat	2,028	2,033	612	545	549	396	362	572.6	702
B. Consumer Goods	5,652	4,928	1,532	1,443	1,332	1,130	1,185	1,208	1,405
3. Milk & cream	374	395	80	102	106	110	84	84.2	116
4. Spices	417	481	85	127	126	104	96	136.1	145
5. Edible oil	2,893	2,193	830	549	592	502	638	436.1	616
6. Pulses (all sorts)	938	704	254	309	247	77	127	237.6	263
7. Sugar	1,030	1,155	284	356	261	336	240	314	265
C. Intermediate Goods	44,270	40,264	11,811	9,539	9,713	9,466	10,458	9,738	10,601
Petroleum goods	5,773	6,128	1,761	1,214	1,097	1,604	1,528	1195	1801
8. Crude petroleum	628	944	239	(39)	197	238	342	145	219
9. POL	5,145	5,184	1,522	1,253	900	1,366	1,186	1050	1582
RMG related goods	17,315	16,758	4,642	3,810	3,917	3,680	4,246	4247	4586
10. Raw cotton	4,274	3,610	1,330	756	835	831	809	943	1026
11. Yarn	2,795	3,221	632	662	686	665	858	800	898
12. Textile and articles thereof	7,944	7,718	2,079	1,862	1,856	1,667	1,991	1934	2126
13. Staple fibre	1,448	1,376	390	345	327	306	380	368	322
14. Dyeing and tanning materials	854	834	211	185	214	211	207	203	214
Other intermediate goods	21,182	17,377	5,408	4,515	4,698	4,183	4,685	4296	4214
15. Clinker	1,164	939	256	341	237	214	234	267	224
16. Oil seeds	1,239	1,188	93	270	355	232	252	310	393
17. Chemicals	3,491	3,313	882	823	831	846	809	813	846
18. Pharmaceutical products	364	335	74	68	133	86	83	82	84
19. Fertilizer	4,913	2,698	1,667	997	533	529	925	851	393
20. Plastics and rubber articles thereof	3,349	2,965	806	737	818	745	709	729	783
21. Iron, steel & other base metals	6,661	5,940	1,629	1,280	1,791	1,530	1,673	1244	1492
D. Capital Goods & Others	13,581	10,602	3,704	3,109	3,174	2,882	2,705	2,481	2,535
22. Capital machinery	4,847	4,144	1,360	1,070	1,117	1,047	1,012	789	1296
23. Others Capital goods	8,733	6,458	2,344	2,038	2,057	1,835	1,694	1692	1238
E. Others	8,960	8,874	2,324	2,272	2,011	2,034	2,368	2,215	2,256
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
Of which Import by EPZ	3,915	3,706	998	941	850	812	906	989	999
Grand Total f.o.b.(adjusted)	70,748	63,242	19,128	16,131	15,959	15,061	16,243	15,399	16,539

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

R=Revised, P=Provisional.

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

Items	FY23		FY24 ^P							
	Q ₄		Q ₁		Q ₂		Q ₃		Q ₄	
	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement	Opening	Settlement
Consumer goods	1,451	1,710	1,421	1,668	1,703	1,904	2,064	1,582	1,487	1,862
Intermediate goods	1,510	1,390	1,110	1,310	1,121	1,195	1,161	1,144	1,181	1,131
Industrial raw materials	5,094	5,043	5,165	5,241	5,717	6,079	6,297	5,645	5,769	5,412
Capital machinery	564	676	547	645	710	941	570	619	718	523
Machinery for misc. industries	641	577	661	579	506	680	521	538	605	560
Petroleum and petroleum products	2,218	1,933	2,432	2,405	2,197	2,450	2,138	1,939	2,095	2,060
Others	4,419	4,237	4,556	4,650	4,604	5,150	4,983	4,435	5,404	5,005
Total	15,897	15,566	15,891	16,497	16,560	18,399	17,735	15,902	17,259	16,553
of which: back to back	1,777	2,014	2,243	2,068	2,015	2,175	2674	2365	2233	2298
	Growth in percent (y-o-y)									
Consumer goods	-31.88	-5.67	-45.74	-16.37	21.43	-10.66	-2.98	-14.62	2.48	8.89
Intermediate goods	1.94	-23.77	-25.69	-16.05	2.64	-4.35	-24.35	-10.30	-21.78	-18.64
Industrial raw materials	-33.64	-35.61	-21.67	-36.36	5.06	-13.66	16.14	3.05	13.26	7.32
Capital machinery	-50.14	-68.87	-12.49	-55.63	9.42	2.14	-44.75	-20.73	27.23	-22.65
Machinery for misc. industries	-23.71	-52.61	-10.80	-35.65	-0.65	-1.07	-8.49	-4.52	-5.68	-2.94
Petroleum and petroleum products	-1.05	-25.07	-12.16	-19.07	4.29	2.47	-1.34	-4.14	-5.54	6.59
Others	-19.28	-22.07	9.61	-8.75	17.99	8.54	14.00	2.92	22.30	18.12
Total	-24.21	-31.95	-16.35	-25.72	9.63	-4.00	2.96	-2.34	8.57	6.34
of which: back to back	-23.34	-35.73	-7.73	-29.02	-2.41	-10.26	23.12	8.62	25.69	14.12

Source: Foreign Exchange Operation Department, Bangladesh Bank. P=Provisional.

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

Countries	FY23						FY24 ^P			
	FY23	FY24 ^P	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Gulf Region	11,126	11,783	2,832	2,409	2,931	2,953	2,547	2,815	2,990	3,431
Saudi Arabia	3,765	2,741	999	910	854	1,002	815	611	542	774
UAE	3,034	4,634	788	549	867	830	828	1,172	1,304	1,330
Qatar	1,453	1,150	352	347	398	355	255	273	311	312
Oman	791	1,122	170	143	232	246	228	218	252	424
Kuwait	1,555	1,497	403	360	424	368	324	391	387	395
Bahrain	528	639	120	101	156	152	97	150	195	197
Euro Region	1,833	2,235	501	404	455	473	481	633	575	546
Italy	1,186	1,462	343	268	283	292	318	445	346	353
France	292	358	76	59	77	81	80	84	105	90
Greece	131	145	31	34	35	31	32	38	40	35
Germany	112	125	24	22	31	35	22	32	38	33
Others Euro Region	112	145	28	22	28	34	30	34	45	36
Asia Pacific Region	2,008	2,549	551	405	520	533	492	694	667	696
Malaysia	1,126	1,744	325	219	288	295	267	502	460	516
Singapore	423	632	90	86	117	130	94	147	192	199
South Korea	119	116	44	33	25	17	19	22	39	36
Australia	130	116	37	27	37	29	20	29	32	35
Japan	113	77	31	23	30	29	15	26	21	15
Others Asia Pacific Region	97	145	23	18	23	32	25	25	37	58
Rest of the World	6,643	7,367	1,789	1,601	1,636	1,617	1,423	1,788	1,992	2,164
USA	3,522	2,962	1,000	967	835	721	512	614	818	1,018
UK	2,080	2,793	509	403	554	615	589	781	774	649
South Africa	235	308	73	68	56	38	67	77	76	88
Canada	139	143	34	26	35	45	26	30	41	46
Mauritius	110	164	30	21	20	39	92	23	27	22
Others Countries	558	996	144	117	136	160	137	263	255	341
Total	21,611	23,912	5,673	4,820	5,542	5,576	4,907	5,893	6,275	6,838

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

Source: Statistics Department, Bangladesh Bank.

P=Provisional.

Table V.7: Exchange Rate Movements
(Taka 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
2021-22								
January	85.95	86.00	116.57	115.29	97.39	95.85	0.75	0.75
February	86.00	86.00	116.45	115.30	97.57	96.91	0.75	0.74
March	86.06	86.20	113.37	113.20	94.77	96.18	0.73	0.71
April	86.23	86.45	111.80	108.49	93.47	91.27	0.69	0.67
May	87.18	89.00	108.62	112.60	92.25	95.93	0.68	0.70
June	92.03	93.45	113.51	113.33	97.33	97.57	0.69	0.68
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

Source: Statistics Department, Bangladesh Bank.

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

	FY23					FY24 ^P			
	FY23	FY24 ^P	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
a. Grants (i+ii)	563	625	158	137	217	51	132	145	298
i) Food Aid	53	30	13	13	15	6	5	9	11
ii) Project Aid	511	595	145	124	203	45	127	137	287
b. Loans (MLT)	8,704	9,238	2,204	1,515	3,687	1,110	2,772	1,422	3,934
A. Total (a+b)	9,267	9,863	2,362	1,652	3,904	1,160	2,904	1,568	4,231
B. Amortization(1+2)	2,670	3,357	528	677	940	871	697	1,004	786
1) Principal	1,735	2,010	390	466	490	492	434	591	493
2) Interest	936	1,347	138	211	450	378	263	413	292
C. Net Foreign Financing (A-1)	7,533	7,853	1,972	1,186	3,414	668	2,469	977	3,738

Source: ERD; MOF; Statistics Department, Bangladesh Bank.

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
State Owned Commercial Banks	20.01	21.93	23.04	20.28	19.87	25.01	21.70	20.99	26.97	32.77
Specialized Banks	12.01	11.74	11.80	12.8	12.80	12.14	12.10	13.87	13.88	13.11
Private Commercial Banks	5.84	6.01	6.20	5.13	5.96	6.46	7.04	5.93	7.28	7.94
Foreign Commercial Banks	4.53	4.40	4.77	4.91	4.90	4.80	5.07	4.82	5.20	4.74
All Banks	8.53	8.96	9.36	8.16	8.80	10.11	9.93	9.00	11.11	12.56

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
State Owned Commercial Banks	3.39	5.98	7.72	5.22	5.24	10.78	6.85	6.21	13.00	18.32
Specialized Banks	0.46	-0.14	-0.06	1.41	1.49	0.90	0.92	1.68	1.53	1.14
Private Commercial Banks	-0.82	-0.61	-0.47	-1.31	-0.88	-0.46	-0.03	-0.72	0.17	0.77
Foreign Commercial Banks	-0.46	-0.49	-0.62	-0.56	-0.50	-0.27	-0.04	-0.41	-0.13	-0.50
All Banks	-0.07	0.49	0.90	-0.08	0.30	1.58	1.22	0.59	2.44	3.68

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
State Owned Commercial Banks	6.43	6.18	6.26	5.90	6.76	6.03	6.13	5.80	5.44
Specialized banks	-35.77	-37.27	-40.29	-38.35	-37.79	-38.91	-40.90	-43.84	-41.31
Private Commercial Banks	12.97	12.72	13.80	13.08	12.81	12.82	13.48	12.49	12.29
Foreign Commercial Banks	26.44	30.36	31.56	31.48	32.91	35.72	37.30	38.93	39.46
All Banks	11.15	11.01	11.83	11.23	11.19	11.08	11.64	10.85	10.64

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	5.9
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

Indicators	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Number of listed securities ¹	411	420	404	408	409	411	411	413	420	420
Issued equity and debt (billion Taka)	968.8	1016.1	933.9	947.2	951.9	968.8	973.1	977.5	999.1	1016.1
Market capitalization (billion Taka)	4565.8	3673.9	4601.6	4471.7	4488.3	4565.8	4547.3	4541.3	3949.1	3673.9
Turnover (billion Taka)	1910.9	1496.9	732.4	446.5	297.6	434.4	380.9	297.2	508.6	310.2
DSE broad index	6344.1	5328.4	6512.9	6206.8	6206.8	6344.1	6284.6	6246.5	5829.7	5328.4
DSE -30 index	2192.8	1909.6	2330.4	2195.3	2209.4	2192.8	2140.4	2093.8	2021.3	1909.6
	Growth in percent (y-o-y)									
Number of listed securities	1.99	2.19	3.6	3.29	2.00	1.99	1.73	1.23	2.69	2.19
Issued equity and debt	4.40	4.88	8.3	8.86	4.24	4.40	4.20	3.20	4.95	4.88
Market capitalization	0.00	-19.53	-12.6	-7.47	-6.36	0.00	-1.18	1.56	-12.01	-19.53
Turnover	-39.71	-83.77	-38.5	-45.17	-58.61	-2.40	-48.00	-33.43	70.91	-28.59
DSE broad index	-0.52	-16.01	-11.1	-8.14	-8.15	-0.52	-3.50	0.64	-6.08	-16.01
DSE -30 index	-4.48	-12.91	-14.0	-13.32	-10.69	-4.48	-8.16	-4.62	-8.52	-12.91

Source: Dhaka Stock Exchange.

¹Include debenture but exclude govt. bond.

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

Name of Group	FY23						FY24			
	FY23	FY24	Q ₁	Q ₂	Q ₃	Q ₄	Q ₁	Q ₂	Q ₃	Q ₄
Banks	675.1	615.0	665.5	666.6	673.2	675.1	680.7	686.5	677.9	615.0
Financial Institutions	187.4	109.4	197.2	188.0	186.9	187.4	186.5	186.9	125.2	109.4
Mutual Funds	37.6	31.2	38.6	38.5	37.3	37.6	37.4	41.5	34.0	31.2
Engineering	530.3	352.2	538.0	525.3	525.3	530.3	526.3	531.9	379.1	352.2
Food & Allied Product	399.9	295.7	381.0	378.6	387.6	399.9	397.8	391.9	330.5	295.7
Fuel and Power	450.1	328.9	456.8	446.2	446.7	450.1	447.8	446.5	338.9	328.9
Jute Industry	3.7	3.6	2.6	3.6	3.1	3.7	3.9	4.0	4.2	3.6
Textile Industry	172.3	125.8	176.4	170.7	166.8	172.3	168.9	171.7	142.2	125.8
Pharmaceuticals and Chemicals	720.0	607.8	752.3	728.3	712.4	720.0	717.7	721.5	636.6	607.8
Paper and Printing	42.3	31.5	44.0	40.0	40.1	42.3	39.7	38.9	41.3	31.5
Services and Real Estate	29.3	23.4	33.3	27.1	30.0	29.3	28.5	27.5	24.1	23.4
Cement Industry	123.2	110.9	124.2	111.1	110.9	123.2	122.7	121.4	117.7	110.9
Insurance	184.3	141.8	160.5	162.4	160.6	184.3	188.1	175.7	156.9	141.8
Telecommunication	580.2	476.9	581.4	580.2	580.2	580.2	580.2	580.2	488.2	476.9
Miscellaneous	389.1	230.9	412.0	404.9	392.0	389.1	380.1	232.5	243.0	230.9
Corporate Bond	40.9	42.3	37.1	37.6	35.1	40.9	40.9	45.2	43.1	42.3
Total Market Capitalization	4566	3668	4601	4472	4488	4566	4547	4541	3949	3668

Source: Dhaka Stock Exchange.

Annexure-2

Major Policy Announcements: January – June, 2024

<p>FEPD Circular No.01; January 11, 2024: Import transactions under usance terms.</p>	<p>It has been decided to allow the import of edible oil, chickpea, pulse, pea, onion, spices, sugar, and date on usance terms for up to 90 days under supplier's/buyer's credit which will remain applicable for the initiation of imports until March 31, 2024.</p>
<p>DMD Circular No.01; January 15,2024: Regarding Interest Rate Refixation in US Dollar Premium Bond and US Dollar Investment Bond.</p>	<p>The Government has re-fixed the rate of return on investment in the U.S. Dollar Premium Bond and U.S. Dollar Investment Bond.</p> <p>The interest rate on the investments in the US Dollar Premium Bond up to \$100,000 will range from 6.50 percent to 7.50 percent in the first year to the third year, investments of up to \$500,000 will generate 5 percent to 6 percent interest and investments above \$500,000 will stand at 4 percent to 5 percent interest.</p> <p>In the case of the US Dollar Investment Bond, the interest for an investment of up to \$100,000 will range from 5.50 percent to 6.50 percent in the first year to the third year, investments of up to \$500,000 will generate 4 percent to 5 percent interest and investments above \$500,000 will be 3 percent to 4 percent interest.</p>
<p>BRPD Circular Letter No. 04; January 16, 2024: Restriction on Fund transfer from Domestic banking to Offshore banking.</p>	<p>With the aim of bringing more dynamics to foreign exchange management and reducing the dependence of offshore banking operations on domestic banking, BB has restricted the transfer of funds from domestic banking to offshore banking and also instructed that the previously transferred funds from domestic banking to offshore banking will be reduced phase by phase and completely adjusted by December 31, 2024.</p>
<p>MPD Circular No.01; January 17, 2024: Re-fixation of Interest Rate Corridor (IRC).</p>	<p>According to the decision of the second meeting of the Monetary Policy Committee held on 13 January 2024, the overnight repo policy rate has been increased by 25 basis points to 8.00 percent from the existing 7.75 percent. Besides, the upper limit of the policy interest corridor's Standing Lending Facility (SLF) rate has been decreased by 25 basis points to 9.50 percent from the existing 9.75 percent, and the lower limit of the corridor's Standing Deposit Facility (SDF) rate has been increased by 75 basis points to 6.50 percent from the existing 5.75 percent.</p>
<p>BRPD Circular No. 01; January 18, 2024: Opening Revenue A/C of the project finance in the related Banks.</p>	<p>To ensure risk-free collection of project loans given by banks and to monitor the loan accounts properly, BB has made it mandatory for borrowers of the project loan to open an escrow account or revenue account by the name of the project in the respective loan granting bank to collect the income or sales proceeds. In the case of any syndicated financing, such accounts will have to be opened with the lead bank for this purpose. However, if the amount of project earnings is higher than the</p>

	loan installments payable against the loan, the borrower can deposit the extra portion of income with other banks or financial institutions, subject to obtaining a no objection certificate from the lending bank.										
PSD Circular No.1; January 18, 2024: Determination of Fees/Charges for domestic transactions routed through NPSB.	Under National Payment Switch Bangladesh (NPSB), the service fees/charges of using Automated Teller Machine (ATM) of originating bank to other banks as follows: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Transaction Details</th> <th style="text-align: center;">Amount of Money</th> </tr> </thead> <tbody> <tr> <td>Cash withdrawal</td> <td>Maximum Tk 20.00 (Twenty) (Inclusive of VAT)</td> </tr> <tr> <td>Status Inquiry</td> <td>Maximum 5.00 (Five) Taka (Inclusive of VAT)</td> </tr> <tr> <td>Payment of details</td> <td>Maximum 5.00 (Five) Taka (Inclusive of VAT)</td> </tr> <tr> <td>Transfer of funds</td> <td>Maximum Tk 10.00 (Ten) (Inclusive of VAT)</td> </tr> </tbody> </table>	Transaction Details	Amount of Money	Cash withdrawal	Maximum Tk 20.00 (Twenty) (Inclusive of VAT)	Status Inquiry	Maximum 5.00 (Five) Taka (Inclusive of VAT)	Payment of details	Maximum 5.00 (Five) Taka (Inclusive of VAT)	Transfer of funds	Maximum Tk 10.00 (Ten) (Inclusive of VAT)
Transaction Details	Amount of Money										
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Payment of details	Maximum 5.00 (Five) Taka (Inclusive of VAT)										
Transfer of funds	Maximum Tk 10.00 (Ten) (Inclusive of VAT)										
PSD Circular No.03; January 25,2024: Incorporating Chinese Yuan in BD-RTGS System	In order to modernize the foreign currency clearing operations with the aim of immediate settlement, BB has permitted to carry out automated clearing of five foreign currencies (US dollar, pound sterling, euro, Japanese yen and Canadian dollar) starting on September 4, 2022 through the RTGS system instead of the Foreign Demand Draft (FDD). In line with this, BB has decided to include the Chinese Yuan in the RTGS system and gives instructions to banks to take the necessary steps so that they can start performing automated clearing in the Yuan under the RTGS system on 4 February 2024.										
FEPD Circular No. 04; February 01,2024: Interest rate ceiling for short term permissible trade finance in foreign exchange	To facilitate foreign trade finance and considering the global market trend and interest rate scenario, it has been decided to set an all-in-cost ceiling per annum with mark-up of 4.00 percent over the benchmark rate, e.g., SOFR, Euribor etc., applicable to the relevant foreign currency against short term permissible trade finance.										
BRPD Circular Letter No. 08; February 08,2024: Participation in Universal Pension Scheme.	BB has instructed all banks (excluding state owned bank and specialized banks) to bring their employees and officials under universal pension coverage in order to include the people of the country in a sustainable and well organized social security circle. The universal pension scheme is open to the participation of officers and employees of private institutions or owners of institutions, persons working in the informal sector or self-employed, low-income persons living below the poverty line, and any Bangladeshi citizen working or staying abroad.										

<p>BRPD Circular No. 02; February 11,2024: Formation of Board and Responsibilities of Directors of a Bank-Company.</p>	<p>BB has brought some amendments in the Bank Company act in 2023 with a view to ensuring good governance in the banking sector and to form the Board of directors of the bank, comprising of eligible professionally skilled persons to carry out the business activities properly and smoothly. According to the guidelines, the Board of directors will have a maximum of 20 members, of which a minimum of three must be independent directors. For boards with fewer than 20 members, at least two independent directors are mandated. Besides, no more than three members from a single family can hold the directorship of a bank company at the same time. BB has introduced a minimum age requirement for bank directors, setting it at 30 years with a prerequisite of at least 10 years of experience in management, business, or a professional post after turning the age of 18. Willful defaulters will be considered ineligible for directorship.</p>
<p>BRPD Circular No. 03; February 14, 2024: Appointment of Independent Directors of a Bank-Company and their Duties, Responsibilities and Honorarium.</p>	<p>BB has issued a policy regarding the appointment of independent directors. The number of independent directors of a board will have a maximum of 3 members and must fall within the age range of 45 to 75 years. The directors are required to possess a minimum of 10 years of management or professional experience and must not have a history of tax default or bankruptcy as declared by a court. Moreover, independent directors are prohibited from holding any remunerative positions within the respective bank.</p> <p>The independent directors will be entitled to a fixed remuneration of Tk.50,000 per month and a maximum of Tk.10,000 as honorarium for attending each meeting of the Board/subsidiary committee of the bank company. If any kind of inconsistency is observed in the management of the bank, an independent director will inform in writing to the Department of Offsite Supervision and Banking Regulations and Policy Department of Bangladesh Bank. An independent director may resign from their position with a seven-day notice.</p>
<p>BRPD Circular No. 04; February 18, 2024: Policy on Loan/ Investment Write off and Formation of Written off Loan Recovery Unit and its Functions.</p>	<p>BB has outlined an action plans in a "roadmap" to reduce default loans and ensure good governance in the banking sector. According to international best practices write-off is one of the working methods to reduce default loans where the required provision has to be maintained against it. Of the recovered amount against the written-off loans, 5% will be disbursed to the officers involved in the recovery as an incentive. The chief executive officer of the bank can receive a maximum of 10% of the distributable money. If an asset management company is set up in the future, banks will be able to sell their written-off loans to it. In that case, the money received against the sale can be transferred to the income of the bank.</p> <p>The written off loan cannot be rescheduled and only the repayment schedule of the loan can be determined under the exit plan. Islamic Shariah based banks can write off their investments following all these principles. The write-off loan recovery unit should be formed within 15 days after the introduction of the policy, and the necessary officers should be appointed within 30 days.</p>

<p>BRPD Circular No. 05; February 27, 2024:</p> <p>Appointment and Responsibilities of Managing Director/ Chief Executive Officer of a bank-company.</p>	<p>BB has issued a detailed guideline regarding the appointment and responsibilities of the Managing Director (MD) and Chief Executive Officer (CEO) of a bank. The proposed MD or CEO must have at least 20 years of banking experience. The age range for eligible candidates has now been set at between 45 and 65 years. The tenure of the managing director is set at three years. Any appointment, reappointment or dismissal of a MD or CEO must be carried out after receiving approval from the Bangladesh Bank.</p>
<p>BRPD Circular Letter No. 11; February 29, 2024:</p> <p>Interest/Profit Rate of Loan/Investment</p>	<p>To control the upward trend of inflation in the economy of Bangladesh, Bangladesh Bank instructed that, for fixing loan interest, a bank can add a maximum margin of up to 3.50 percent with SMART, and for pre-shipment export credit and agricultural and rural loan, the interest rate will be maximum margin of up to 2.50 percent with SMART.</p>
<p>FEPD Circular No. 07; February 29, 2024:</p> <p>Relaxation of Regulatory Requirement in Offshore Banking Operations</p>	<p>To facilitate the offshore banking operations Bangladesh Bank (BB) has decided that, banks are not required to maintain any Cash Reserve Ratio (CRR) with BB for offshore banking operation. It has also been decided that, Offshore Banking Operations (OBOs) are allowed to place funds to their Domestic Banking Units (DBUs) without limiting to settle the import payment of capital machinery, industrial raw materials, imports by the government and other permissible payment obligations as per prevailing foreign exchange rules and regulations.</p>
<p>BRPD Circular No. 12; March 3, 2024:</p> <p>Regarding evaluation committee of Bangladesh Bank on appointment/ reappointment to the post of the Managing Director/ Chief Executive officer of a bank company.</p>	<p>Bangladesh Bank has recently formulated an evaluation committee including four members to assess the qualifications and suitability before appointing the Managing Director (MD) or Chief Executive Officer (CEO) of the bank company in order to ensure more good governance in the management of banks and to protect the interests of the depositors. For the purpose of interviewing and verifying the qualifications, suitability, commitment of responsibility, age and leadership qualities of the individuals nominated as Managing Director or CEO of the banks the evaluation committee has been constituted as follows:</p> <ol style="list-style-type: none"> 1. The Deputy Governor in Charge of the Banking Regulations and Policy Department will act as a President of the committee. 2. Executive Director in Charge of the Banking Regulation and Policy Department will act as a member of the committee. 3. Executive Director in Charge of the Department of Off-Site Supervision will act as a member of the committee. 4. The Director of the Banking Regulations and Policy Department, Division-2 will act as a member and member secretary of the committee.
<p>DFIM Circular Letter No. 08; March 5,2024:</p> <p>Interest/Profit Rate of Deposit and Loan/lease /Investment.</p>	<p>Taking into Consideration the prevailing monetary policy rates, the maximum interest rate on deposits will be SMART+2.50% and the maximum rate on loan/lease/investment will be SMART+5.50%.</p>

<p>FEPD Circular NO. 08; March 10, 2024: Settlement of import and export transactions through counter-trade arrangements.</p>	<p>To widen the scope in settlement of trade payments, it has been decided that, Bangladeshi parties (exporters/importers/traders) may voluntarily enter into counter-trade arrangements with counterparts abroad for settlement of import payments into Bangladesh against proceeds of goods exported from Bangladesh. Banks may open and maintain escrow accounts in relevant approved currency, with intimation to Bangladesh Bank, in the name of foreign counterparts or jointly with Bangladeshi parties, to execute the settlement of payments.</p>
<p>BRPD Circular No. 06; March 12, 2024: Identification & finalization of willful defaulters and measures to be taken against them.</p>	<p>A bank borrower will be identified as willful defaulter if he/she fails to repay banks' loan or investments or any other financial facility taken in favor of them or their family members, related companies or financial institutions, despite having the capacity to repay. Recently Bangladesh bank has directed all banks to establish "willful loan defaulters units" to identify willful defaulters and take necessary action against them with a view to reduce non performing loan as well as to restore credit discipline in the banking sector.</p> <p>If the willful defaulter fails to pay loans in two months of getting notice from the bank concerned, the bank must file criminal case against the borrower and if a bank doesn't comply with these instructions, the central bank will impose Tk 50 lakh to Tk 1 crore fine on the bank. The banks will report to the Bangladesh Bank credit information bureau department after identifying and finalizing the willful loan defaulters and the CIB will display them in their database as willful defaulter.</p>
<p>BRPD Circular Letter No. 14; March 18, 2024: Simplifying the process of charging and collecting supervision charge.</p>	<p>BB has instructed that banks can collect a 1% supervision charge along with the interest on Cottage, Micro, Small, and Medium Enterprise (CMSME) loans, as well as personal and auto loans in the consumer financing sector. However, this charge can only be imposed once a year on the principal loan. No penalty or interest shall be levied on the supervision charges. Besides, the supervision charge for an advance loan should be adjusted once upon the expiration of the loan period. However, if it is collected before the maturity date, it will be collected for that period.</p>
<p>DMD Circular No. 05; March 25, 2024: Amendment of Guidelines and Operating procedures of Islamic Banks Liquidity Facility (IBLF)</p>	<p>BB has revised the guideline and operating procedure of Islamic Banks Liquidity Facility (IBLF) for Shariah-Based Banks and Islamic Branches or Windows of Conventional Banks maintaining Current or Al-Wadiah Account with Bangladesh Bank are eligible to participate in the IBLF. Tenor of IBLF will be 7, 14 and 28 days. The profit rate for IBLF will be the 1-month MTDR (Mudaraba Term Deposit Receipt) of the respective bank.</p>
<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 NBFI, 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>
<p>BRPD Circular Letter No. 18; April 08, 2024: Clarification of the deduction of source tax</p>	<p>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.</p>
<p>SMESPD Circular Letter No. 01; April 16, 2024: Re-fixing interest rate on pre-finance facility under SREUP</p>	<p>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%.</p>

<p>FEPD Circular No. 09; May 08, 2024: Introduction of Crawling Peg Exchange Rate System</p>	<p>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.</p>								
<p>MPD Circular No. 02; May 08, 2024: Re-fixation of Interest Rate Corridor (IRC).</p>	<p>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.</p>								
<p>BRPD Circular Letter No. 10; May 08, 2024: Interest/Profit Rate of Loan/Investment</p>	<p>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.</p>								
<p>FEPD Circular Letter No. 10; May 08, 2024: Facilitating Operations of Private Foreign Currency Accounts and Non-Resident Foreign Currency Deposit (NFCD) Accounts</p>	<p>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:</p> <table border="1" data-bbox="544 1060 1412 1339"> <thead> <tr> <th data-bbox="544 1060 901 1102">Period of deposits</th> <th data-bbox="901 1060 1412 1102">Ceiling rate</th> </tr> </thead> <tbody> <tr> <td data-bbox="544 1102 901 1176">Up to one year not less than 3 months</td> <td data-bbox="901 1102 1412 1176">Benchmark reference rate +1.5 percent</td> </tr> <tr> <td data-bbox="544 1176 901 1249">Above 1 year and up to 3 years</td> <td data-bbox="901 1176 1412 1249">Benchmark reference rate +2.25 percent</td> </tr> <tr> <td data-bbox="544 1249 901 1339">Above 3 years and up to 5 years</td> <td data-bbox="901 1249 1412 1339">Benchmark reference rate +3.25 percent</td> </tr> </tbody> </table>	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
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<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. 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.</p>
<p>DMD Circular Letter No. 08; June 30, 2024: Auction of Central Bank Repo.</p>	<p>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.</p>

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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